

The Department of Justice and 11 States File an Antitrust Lawsuit Against Google

The Department of Justice (DOJ) announced on Tuesday that it was suing Google, in what amounts to the greatest antitrust challenge to big tech in nearly two decades. The Justice Department is alleging that Google has smothered competition for online search and search advertising, and says that Google has grown so powerful that it is synonymous with online searching, and the internet itself. The DOJ has been investigating Google for over a year, and Attorney General William Barr has made public statements on the case urging government prosecutors to bring charges against the company. Eleven states joined the federal government in the lawsuit, including Texas, Florida, and Michigan. The DOJ's lawsuit is the most aggressive action taken in the United States against a major technology company since Microsoft was investigated and later sued between 1992 and 2001. Experts have noted that the outcome of this case could shape the internet for the next generation.

The Department of Justice is specifically targeting a series of actions by Google that it says amount to monopolistic practices. In particular, it is investigating the legality of Google paying device manufacturers such as Apple, Samsung, LG, and others, to be the default search engine on their products. Some of these contracts preclude these device manufacturers from working with Google's competitors. Because of Google's size and control over its industry, the Justice Department is alleging that this is a monopolistic practice that unfairly shuts out its competitors. Deputy Attorney General Jeffrey Rosen explained that Google's actions were preventing "the next Google" from blossoming, and stifling innovation.

For their part, Google called the investigation and lawsuit "deeply flawed." Google's Chief Legal Officer Kent Walker contended that "people use Google because they choose to, not because they're forced to, or because they can't find alternatives." Furthermore, Google argues that the DOJ's investigation was biased from the beginning, partly because it solicited the opinion of Google's competitors, who have an incentive to hurt Google's market standing. Walker also said that Google paying device manufacturers to use its services as the default search engine was no different than business practices used by other companies to promote their products. The Justice Department has countered this by saying almost half of Google's search queries came on Apple devices last year, and the exclusivity contract with Apple, coupled with Apple's popularity in its own sector, means that Google has an unfair monopoly.

The case against Google is not expected to go before a court until next year at the earliest, and despite Attorney General Barr's motivation to proceed with the case before the upcoming election, it is unlikely that a change in administration affects the lawsuit. The case against Google is the largest American antitrust investigation against a technology company in decades. European countries have previously investigated Google on similar charges, with several lawsuits ongoing and Google having been forced to pay a \$2.7 billion fine over its Google shopping three years ago. Google's competitors, such as DuckDuckGo, will be hoping that the lawsuit proceeds quickly and that Google's stranglehold in the marketplace is forcibly ended. However, Google will be seeking to prove that it is not using monopolistic practices, and its market standing is due to the comparative quality of its product. Either way, the internet search marketplace will likely be defined by the outcome of this landmark case for years to come.