

Dana Smith

Mrs. Toepfer

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U.S. v. Microsoft: Free Enterprise Shackled?

Thesis: Microsoft should not be punished with antitrust action; though the company may have erred in some tactics, lengthy and bitter legal proceedings would only prolong and exacerbate the issue, and would not necessarily be ultimately beneficial to consumers.

I. Introduction

A. After a long and controversial trial, Microsoft has been found to be a monopoly that endangers the good of the computer market with its supposedly ruthless practices, which are assumed to be harmful to further development and to users everywhere; as such, possible penalties are being debated.

B. Microsoft should not be punished with antitrust action; though the company may have erred in some tactics, lengthy and bitter legal proceedings would only prolong and exacerbate the issue, and would not necessarily be ultimately beneficial to consumers.

II. Opposition Statements

A. Microsoft has greater than a 90% monopoly in operating systems, and as such is liable to overcharge and is not subject to great threat of competition.

- B. Microsoft abused its power as a large monopoly by moving to hinder its competitors.
 - C. In hindering its competitors, Microsoft prevented innovation and thus harmed consumers.
- III. Microsoft is not a clear monopoly.
- A. The computer/technology market is so mutable and unpredictable that it is very difficult, if not impossible, for any company to hold a true monopoly.
 - B. Microsoft's "monopoly" is only applicable to its operating-system facet, and many believe that operating systems are no longer an important part of the competitive market anyway, as more focus is shifted toward applications and especially web development.
- IV. Microsoft has only been competitive, helping to create important innovations.
- A. With the above statements about monopoly assumed, what Microsoft was doing was simply being highly competitive in a highly competitive world, in order to push the market to new heights and actually *promote* innovation.
 - B. If this is truly the problem, the case itself has already done much to solve it— without further actions.
 - C. The decision itself, especially if it results in a breakup of Microsoft, could hurt innovation by forcing Microsoft to focus on restructuring rather than creating new products.
- V. Microsoft's actions have benefited its consumers.

- A. The many benefits of Microsoft's products should not be overlooked in a frenzy of accusation and negativity.
- B. Some of the proposed "solutions" may be no less harmful to consumers than the violations of which Microsoft is accused.
- C. The case could thus be construed as the government's blatant interference into a healthy economy; thus the decision may eventually result in more harm than remedy.

VI. Conclusion

- A. Despite the government Findings of Fact that show Microsoft's shadier side, no further punishment should be pursued because no possible retribution is one hundred percent favorable to the market or consumers.
- B. The suggested breakup of the company is an idealistic solution that is problematic in reality.
- C. The new possibility of a settlement, while better than a breakup of Microsoft, still possesses several drawbacks that keep it from being a perfect solution.
- D. If the case is really in the best interest of consumers everywhere, Microsoft should be left relatively uninhibited because its present status is one of familiarity, quality, and universality and any actions would jeopardize this status.