

DOJ backs Senate bill to regulate Big Tech platforms

Article



The news: The US Department of Justice is advocating legislation that stops Big Tech companies like **Google** and **Amazon** from unfairly giving preferential treatment to their own products, per Bloomberg.

Why it's worth watching: The <u>American Innovation and Choice Online Act</u>, proposed by a bipartisan group of senators led by **Sen. Amy Klobuchar** (D-Minn.), could provide the





necessary parameters to better regulate Big Tech platforms.

 The DOJ "views the rise of dominant platforms as presenting a threat to open markets and competition, with risks for consumers, businesses, innovation, resiliency, global competitiveness, and our democracy," said **Peter Hyun**, acting assistant attorney general for legislative affairs.

Key players: President Biden has <u>installed</u> Big Tech critics in top positions to better facilitate regulation.

- Tim Wu, a noted Big Tech critic, was <u>appointed</u> to lead the White House's National Economic Council last year.
- Lina Khan was sworn in as chair of the Federal Trade Commission in June. She <u>reiterated</u> her mandate to identify market harms resulting from Big Tech monopolies in September.
- The Senate <u>confirmed</u> noted antitrust lawyer and Big Tech critic **Jonathan Kanter** in November to lead the DOJ's Antitrust Division.

What's next: The DOJ's endorsement is the first time the Biden administration is backing a piece of legislation that could regulate Big Tech companies, a move that might indicate more concrete or unified regulations are around the corner.

- Amazon, Google, Apple, and other dominant Big Tech companies have <u>lobbied</u> against the proposed laws, saying that, if enacted, it would make it difficult for them to offer services popular with consumers.
- Big Tech crackdown isn't solely a US concern. The EU approved <u>sweeping rules</u> last week under the **Digital Markets Act** to better rein in Big Tech's influence and power.
- Efforts to increase Big Tech regulations are supported by the majority of US adults: 57% said they want increased government regulation, per a February 2021 Gallup poll, up from 48% in 2019.

The big takeaway: Bills like the American Innovation and Choice Online Act can help guide and define the parameters for legislation. The bill still has to undergo various revisions before its final form can be passed. Expect a prolonged and complicated antitrust battle as Big Tech rallies to counter the legislation.

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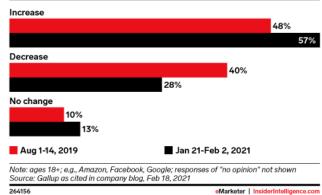
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What's the catch? A lengthy legislation process and heightened lobbying could outlast the tenure of antitrust critics.

How Do US Adults Think the Government Should **Change Its Regulation of Big Technology Companies?**

% of respondents, Aug 2019 & Feb 2021



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