Fine on Google

Why in news?

\n\n

The European Commission found that **Google abused its dominance** in the Internet search market to give itself an unfair advantage via comparison shopping services and slapped $2.7 billion fine.

\n\n

What happened?

\n\n

\n
- Google’s comparison shopping service disadvantaged competitors by **placing them lower in its search results.**
\n
- It systematically gave Google’s own services higher placement and greater visibility, leading to more clicks.
\n
- The fine is unlikely to pose financial problems for Google. So, the Commission has said, that it would leave it to Google to remedy the situation.
\n

\n\n

How important is the verdict?

\n\n

\n
- The ruling could guide future decisions on complaints around Google favouring its own products and services via its search engine.
\n
- The old idea that **market power cannot be used to stymie competition,** a result of which is a lowering of consumer choice and welfare, is good even when the market is new and changing rapidly.
\n
- The White House refrained from getting involved after the EU fined Google.
\n
- While technology is constantly changing, valuing choice, competition and

consumer welfare never gets outdated or obsolete.
\n

\n\n

\n\n

Source: The Hindu

\n