Josh, Berin Szoka and I have a new op-ed up at CNET on why the lessons of *Microsoft* suggest the FTC's action against Google might be misguided. A taste:

> Ten years ago this week, an appeals court upheld Microsoft's conviction for monopolizing the PC operating system market. The decision became a key legal precedent for U.S. antitrust enforcement. It also cemented the government's confidence in its ability to pick winners and losers in fast-moving technology markets–a confidence not borne out by subsequent events.
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> Now this sad history seems to be repeating itself: By uncanny coincidence, news broke just last Friday that the FTC had begun an antitrust investigation into Google's business practices. Unfortunately, there's no reason to expect the outcome to be any better for consumers this time around.
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> There is, in fact, no evidence that the case against Microsoft or its settlement contributed to the spectacular innovation in the IT sector over the last decade. Indeed, they may even have solidified Microsoft's role as the perennial also-ran in this latest wave of technological progress, as the company struggled to keep innovating under the threat of constant antitrust scrutiny in the U.S. and abroad.
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> The true lesson of the Microsoft case is this: antitrust intervention in information technology has a poor track record of serving consumers. Even Harvard law professor Lawrence Lessig, who was a court-appointed Special Master in that case and has since championed government tinkering with the Internet, finally admitted in 2007 that he "blew it on Microsoft" by underestimating the potential for innovation and market forces to dethrone Microsoft, particularly through the rise of open-source software (which now in part powers Apple's popular iOS).

Filed under: antitrust, business, error costs, exclusionary conduct, federal trade commission, law and economics, monopolization, technology, tying