

EU antitrust official sees more scrutiny for Facebook, others

[Foo Yun Chee](#)

ROME (Reuters) - Facebook and other tech giants may attract more regulatory scrutiny in future because of their market power, a senior EU antitrust official said on Tuesday.

FILE PHOTO: Silhouettes of mobile users are seen next to a screen projection of Facebook logo in this picture illustration taken March 28, 2018. REUTERS/Dado Ruvic/Illustration/File Photo

Tommaso Valletti, chief economist at the European Commission's competition unit, rejected calls by some - especially in the United States - for regulators to adopt a hands-off approach to avoid stifling innovation.

Unlike internet search engine Google which has been in the EU antitrust crosshairs for close to a decade, Facebook has not drawn the attention of the Commission, the world's most aggressive competition enforcer.

Chief Executive Mark Zuckerberg will meet leaders of the European Parliament on Tuesday, although questioning is likely to focus on how the data of millions of Facebook users ended up in the hands of a political consultancy.

So far, the German Federal Cartel Office is the only competition authority to have taken action against Facebook but only on privacy grounds, saying it abuses its market dominance by gathering data on people without their proper consent.

That could change in the future, Valletti told a conference in Rome organised by the Jevons Institute and the Global Antitrust Institute.

"These are markets which ought to be analysed more rather than less because they have fundamental problems of economics," he said. Even when markets

appeared to have fair competition, often they were concentrated in the hands of a few dominant players, he said.

Valletti cited two-sided markets connecting separate user groups - which in the case of Facebook are consumers and advertisers.

“There is no way from the economist’s point of view ... why we should intervene less in these markets. If anything I would expect more intervention in two-sided markets,” he said.

Valletti said fears that regulatory action could hurt Facebook were exaggerated.

Reporting by Foo Yun Chee, editing by Louise Heavens and David Stamp