

# Don't Weaponise the Digital Markets Act

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*Weaponising Europe's landmark digital competition law to retaliate against US tariffs would be a grave mistake.*

Europe is preparing its response to America's tariffs on EU goods. [Brussels](#) want calm heads. Member States, led by [France](#), want revenge. At the top of their list are American tech firms. One idea that is gaining traction is to use the EU's digital rulebook to hit the American success story. That would be a grave mistake.

European digital regulation was never meant to be a geopolitical stick. The Digital Markets Act (DMA), the EU's flagship digital competition law, is designed to improve competition and fairness in Europe by giving more opportunities to businesses and consumers. It applies to firms with unavoidable positions in core online services, many of which are American or their subsidiaries, including Alphabet, Amazon, Apple, Booking, Meta, and Microsoft. That is not discrimination against America; it is market reality, given their online leadership.

Yet that nuance is lost on Washington. [President Donald Trump](#) has long accused Brussels of using law to punish American tech firms. [US Congress](#) has followed suit. Fines are labelled as taxes on American tech companies. While [Brussels](#) dismissed these accusations, rules are seen as protectionism in disguise to levy public revenue and promote the EU industry. Over the last ten years, competition fines against American tech companies have added more than €10.84 billion to the EU budget.

The DMA could add extra billions to the budget. The European Commission is about to issue [DMA rulings against Apple and Meta](#), with potential fines of up to 10 per cent of global turnover. Legally justified? Certainly. But politically perilous. As the EU prepares its response to tariffs, the move risks being seen as retaliatory, not regulatory. Even if this interpretation is fundamentally wrong, the perception will be costly. It will likely trigger US backlash with new tariffs and reinforce the US narrative that fines are a form of taxation.

Even worse, EU officials have blurred the line between law and politics. [Trade Commissioner Maroš Šefčovič](#) has said that tech regulation is part of the broader trade talks. That may play

well in Paris as a justification for using it as a retaliation tool, but it undermines the legitimacy and credibility of Europe's regulatory regimes. If enforcement is framed as politics, it will be treated as politics. That means endless litigation before the European Court of Justice and diplomatic fallout between US and EU administrations.

There is another way. Instead of imposing fines, the Commission could double down on guidance and specification decisions to bring platforms into compliance. This approach is faster, participative, more flexible, and less likely to trigger an escalating trade war. Brussels has already done this with [Apple's interoperability obligations under the DMA](#) without imposing a single euro fine. Quiet effectiveness beats loud grandstanding.

Some have argued that Europe should also revive plans for a digital services tax (DST) at the EU level to rebalance its [transatlantic €109 trade services deficit](#). That would be even more inflammatory. [The United States](#) has consistently threatened tariffs against countries that introduce DSTs, viewing them as discriminatory. Attempts to create a [global agreement on digital taxation under the OECD remain stalled](#), and a unilateral EU move would be seen as yet another anti-American gesture. The economic benefits would be significant, but the political and economic fallout would be severe as it would trigger another set of tariffs on European goods.

The Commission has spent years building a reputation as a serious tech regulator. Turning its rules into trade weapons would destroy that. If Europe wants to retaliate against unfair trade measures, it should use proper trade instruments. The DMA is not one of them. Turning law into politics is easy. Turning it back into law is much harder.

## About

### Digital Competition

Digital Competition (<https://www.digital-competition.com/>) is a research and strategy consulting firm dedicated to promoting open digital and competition policies that foster innovation for businesses, law firms, and government agencies. Led by Dr. Christophe Carugati, a passionate and impartial expert in digital and competition policy, the firm combines expertise in law, economics, and policy to deliver cutting-edge research, strategic consulting, think tank initiatives, tailored training programmes, and impactful conferences. Digital Competition is committed to addressing the most pressing challenges in the rapidly evolving landscape of digital and competition policies. This opinion was conducted independently and did not receive any funding.

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Dr. Christophe Carugati ([christophe.carugati@digital-competition.com](mailto:christophe.carugati@digital-competition.com)) is the founder of Digital Competition. He is a renowned and passionate expert on digital and competition issues with a strong reputation for doing impartial, high-quality research. After his PhD in law and economics on Big Data and Competition Law, he is an ex-affiliate fellow at the economic think-tank Bruegel and an ex-lecturer in competition law and economics at Lille University.