

As Seen On:



Why Open Source Scares Microsoft

By Khan Klatt

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Unable to copy, buy or bully the marketplace, the only strategy Microsoft can execute against general public license software is to spread fear, uncertainty and doubt about it.

Over the past year, I've gotten the feeling that Microsoft's top brass and PR department have decided to establish certain public roles for company executives. By moving Bill Gates to the role of chief software architect, Microsoft probably hopes to cast him in the light of futurist-guru-visionary. On the other hand, Steve Ballmer as CEO plays the role of company cheerleader (one need only watch his infamous "Developers" speech to see proof).

Then there are Jim Allchin and Craig Mundie, who seem to act as Microsoft's pit bulls, particularly by singling out open source (particularly the GNU Public License) and making grand claims about the dismal future of America and of the software industry if open source is not stopped.

Seeing Through the Haze

At first, I didn't understand why Allchin and Mundie were criticizing open source licensing. In his most recent comments, Mundie painted a fairly bleak picture of a world in which general public licenses exist.

His argument was concise, if drastically flawed. Without commercial software, he said, companies would have to focus on service and support of software, which would result in lower R&D budgets. That, in turn, would lead to fewer developed projects, less taxes paid, and less money available to run universities and other government services.

This argument is both a straw man and a red herring. First of all, just because open source projects flourish doesn't mean Microsoft can't keep producing commercial software.

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Check the Facts

One need only look at Microsoft's revenue since 1992 to realize that while Linux (the poster child of general public license software) has grown from a market share of dozens of computers to millions in about ten years, Microsoft has posted healthy and increasing profits during the same period. There is nothing about the development and licensing of Linux that prevents Microsoft from shipping commercial software.

This, of course, illustrates the other fallacy of Mundie's argument. If Linux has no impact on the kind of license Microsoft can use for its software, why would Microsoft be forced to shift to a service-and-support business model?

And if the company is not forced to shift its business model, why would a reduction in R&D be necessary? Why would that result in less taxes and fewer services? The answer is: It wouldn't.

Embrace, Extend, Extinguish

So, why would Microsoft's pit bulls knock open source software licensing? I don't think it's because they're proud to be a cog in the system that results in production, taxation and the provision of government services. I think it's because they can't copy open source initiatives with impunity.

The company can't execute its Embrace, Extend and Extinguish strategy, which has been chronicled many times during its antitrust trial, with open source software.

As a quick recap, this strategy entails Microsoft embracing a promising new technology. Next, the company adds incompatibilities that extend the technologies in subtle but insidious ways, then extinguishes competition by leveraging its stranglehold in the operating system market. In some cases, Microsoft has been accused of including its hijacked version of software in Windows, then claiming it is inseparable from the operating system.

See What I Mean?

A good example of this strategy in action is the Microsoft extensions to the Kerberos authentication project in 1997. Kerberos is released under an open source model, but one in which commercial entities, such as Microsoft, have no obligation to share or to contribute their proprietary changes to the protocol.

Microsoft was free to hijack Kerberos without any concern that it was infringing on the liberal terms of the protocol's open source license.

With general public licenses like the one written for Linux, however, Microsoft could not legally hijack the technologies and standards written with this code. And this is the crucial distinction that I believe Mundie is truly bemoaning.

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Whither Innovation?

The problem I have with Mundie's arguments isn't so much that he's wrong. Rather, he is inconsistent with what Microsoft seems to be saying out of the other side of its corporate mouth.

Microsoft has often painted the antitrust trial as "The DOJ vs. Innovation" on its "Freedom to Innovate" Web site. The company would have you believe that its monopoly position in the industry comes solely from merit, and particularly from innovation.

If Microsoft is such a fertile breeding ground for innovation, there is no reason to utilize any general public license software in its products. Why would Microsoft complain about the general public license if the company never had to use it? If the fruits of its innovative labor are truly ripening, it would never be tempted to assimilate general public license software, and it would never have to abide by the conditions of doing so!

The Truth Comes Out

One need only look at Microsoft's history to see that most of its primary products seem to have been copied from competitors (as was the case with Windows), purchased in a merger, acquisition or takeover (as was the case with DOS), or licensed and leveraged with the operating system (as was the case with Internet Explorer).

Of course, Microsoft can't purchase general public licensed software, because the software often is free and ownership is decentralized. The company can't license or copy the software, either, because doing so would require Microsoft to abide by the same license, thereby forcing its commercialized hand.

Unable to copy, buy or bully the marketplace, the only strategy Microsoft can execute against general public license software is to spread fear, uncertainty and doubt (FUD) about it.

A better strategy would be for Microsoft simply to demonstrate the benefits of its commercial model by doing more than just paying lip service to innovation as a slogan for its antitrust trial.

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