

# Promoting the Commons: the Public Software Website and the Public Brand Agreement

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***Abstract.** This article provides an explanation, based on the reduction of transaction cost, of why Brazilian Government is promoting a particular commons, which is free software, named Brazilian Public Software, through an Internet website named Brazilian Public Software website and through the construction of the Public Brand Agreement.*

## 1. GNU/Linux and GPL

GNU/Linux is a free operating system developed in a collaborative, competitive, open, distributed way and licensed under the GPL - General Public License (Diamond, Torvalds, 2001). The importance of the GPL is in fact that, in general, software licenses are designed to restrict and control the use of the computer program by their owners (Williams, 2002). GPL was designed to do just the opposite, that is, increase the installed base (Hanseth, 2002) of users / developers and promote the sharing of software.

This new way of developing software, that is, collaboratively, competitive, open and distributed, similar to how scientists use to develop their projects (Himanen, 2001), did not limit to GNU/Linux, but overflowed to other projects that have not direct relation to research, being some of the most important Apache Web Server software and the suite of Windows-Linux interoperability software named SAMBA. In addition, several companies have been born based on GNU/Linux, being Google, probably, the most significant example.

In addition to licensing under the GPL, the Internet also proved to be a fundamental means of fast communication and interaction at low costs (Raymond, 2001).

Finally, as the focus of the participants is the work of building the software, what ends up happening is a self-allocation of people in projects to which they are interested and according to talents and skills self-assessed. This reduces / reallocates project costs, as the cost of managing people. This allocation method and work is called Commons-Based Peer Production (Benkler, 2003, pp. 02).

Thereafter, groups of people with common interests began to join and to create meeting virtual meeting points, giving birth to virtual social networks.

## 2. Free Software as Commons

Considering these conditions, which are, a licensing process that stimulates sharing, a means to communicate and interact quickly and cheaply, and self-allocation of participants to projects where their behavior is more efficient, one can observe that the concern of those involved in the process development is more to use and improve free software like GNU/Linux than to become its owner individually, because the value of it increases as its installed base increases, making free software an anti-rival information good (Weber, 2004, pp.154). Thus, what is pursued by the participants are the gains obtained from its use, which are common to all involved.

Following what is mentioned above and complementing with what Professor Elinor Ostrom describes in relation to environmental resources (Ostrom, 1990), one can conclude that free software is still a commons.

## 3. Brazilian Public Software website and the Public Brand Agreement

Noticing that free software as a commons is a way for fomenting the country's technological development and create jobs, Brazilian Government decided to foster it.

There were two challenges to be met to accomplish this initiative: to internalize the GPL license, which is a USA-based agreement, according to Brazilian Law and release the software as efficiently as possible. The name "public software" has been chosen to bring back the original meaning of the word "public", which refers to what belongs to everyone.

Being public software free, the direct cost of it is zero. Other costs such as hosting, availability and delivery, are not direct costs. They are called transaction costs (Williamson, 1985), which are four in number: the cost of searching the other party, costs of negotiating/writing the contract, cost of monitor the fulfilling of the contract and cost of an administrative/judicial dispute. (Coase, 1960, pp. 07; Furubotn, Richter, 2007, pp.07)

The **cost of searching the other party** has been reduced through the Brazilian Public Software website, which aims to facilitate the gathering of developers and users. The **cost of negotiating / writing the contract** will be (almost) zero because of the Public Brand Agreement (PBA) whose goal is that any person, group or organization can use the brand of the software (that will already be free) without any authorization of the owner of the mark. The PBA is being written and, in the interim, the software deposited in the website goes through an entire legal process in order to be hosted there and can be called public. The **cost of monitor the fulfilling of the contract** is shared among all participants in the development and use of software. Finally, the **cost of administrative / judicial disputes** is zeroed because of the tacit acceptance of the "AS IS" (no warranty) agreement clause and the absence of the value of compensation for damage clause. The first clause is in all software license agreements and the second clause is in all proprietary software licenses and guarantees an amount of compensation for damage caused in case of defects in the software.

## Conclusion

This article reported the process of development of GNU/Linux operating system and what makes this process possible, that is, the licensing under the GPL; showed free software as a commons; defined a transaction and described the four basic categories of transaction costs; and explained the existence of the Brazilian Public Software website and the Public Brand Agreement based on the reduction of transaction costs for the actors involved in the use/improvement of this kind of software.

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<http://www.gnu.org/>

[http://www.unix.org/what\\_is\\_unix.html](http://www.unix.org/what_is_unix.html)

<http://www.gnu.org/licenses/old-licenses/gpl-2.0.txt>