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EDITORIAL

SUBSTANCE AND STRUGGLE

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As in time past, I began my preparations for this "Year in Review" issue by scanning the individual news items (more than 700 in 2005) that I culled from thousands more for posting at the <u>News Portal</u> of this site. After completing that task, I asked myself what single word might best sum up the world of standards in 2005. I was rather dismayed that the word that immediately sprang to mind, and best seemed to fit, was "struggle."

Indeed, there was a great deal of contention, as well as outright confrontation, everywhere one might care to look for it: within standard setting organizations, such as IEEE, where rival factions pushed for adoption of their favored flavor for the next standard in the 802.11 family of wireless standards; between consortia, as in the battle to the death still raging between the supporters of the HD-DVD and the Blu-ray next generation DVD formats; between individual countries and the rest of the world, as with the ongoing efforts by China to protect its domestic industries through standards within the constraints established by the World Trade Organization's Act on Technical Barriers to Trade; and last but not least, the struggle of just about everyone in the IT industry to cope with the current flawed patent regime in the United States.

Of course, there were successes, too, but while some of these so-called "successes" may have resolved an issue (at least for a time), they were really defeats of one side by another, with the public, positive statements of the losing side smacking of face-saving efforts to put the best spin on what was in fact a retreat. Certainly this was the case when the deadlock between the United States and most of the rest of the world over "Internet governance" was broken just prior to the formal convening of the World Summit on the Information Society (WSIS) in Tunis. In such one-sided victories, it may be that a different resolution has merely been delayed, rather than defeated.

As the new year begins, then, it is worth asking this question: Has the world of standard setting really grown to be more contentious, and if so, why?

I suspect that it would be untrue to state that standard setting has suddenly become more adversarial across the board. But I expect that a case could be made that within the information and communications technology (ICT) sector it has become more of a contact sport over the course of the last several years, and that the last twelve months have been particularly good examples of this willingness to mix it up.

Why would this be true? Most obviously, because ITC standards matter more now than ever, and in more ways than ever before, both positively and negatively. Standards can still create new product opportunities, but if all of the patents that they infringe are owned (for example) in the West, then manufacturers in the East (e.g., in China), may find themselves at a great disadvantage, and desirous of creating standards of their own.

Similarly, when a single manufacturer has a valuable monopoly (such as Microsoft, with its Office productivity suite), then it is more likely to work against rather than support a standard -- such as the OpenDocument OASIS format – that could threaten that monopoly. And again, if one country has control of a key component of a valuable ITC resource, such as the root directories of the Internet (which are maintained under the supervision of the United States Department of Commerce) and a go it alone

attitude to boot, then it's likely that such a country will exhibit a "my way or the highway" response to requests for joint control.

Each of these examples of contention has received ample coverage in the news this year, along with far too many other stories of a similar kind. It is likely that 2006 will bring more of the same.

Still, there is reason for optimism, for 2005 also brought news of countervailing actions in the marketplace, such as patent pledges by major IT vendors in support of open source software development efforts, and the continuing evolution of what many have come to refer to as Web 2.0, built not only upon formal efforts such as the upgrading of the RSS and Atom syndication standards, but also upon nonprofit projects (e.g., the Wikipedia), free tools (e.g., de.lic.ious bookmarks) and entrepreneurial ventures (such as www.flickr.com) — not to mention the enthusiastic, organic and experimental currents that have swirled around the Web, based upon these and thousands of other sites, blogs and shared ideas.

And finally, there is the underlying dynamic of standard setting, which is this: compliance with standards is essentially a voluntary act. Unlike the political system, which bestows upon the majority the power of the state, and therefore the ability to oppress a minority even over long periods of time, the standards system is based upon a balance of self-interest and common benefit. No player can push that balance too far or for too long in its own direction before it begins to lose more than it gains by way of market reaction.

Of course, this dynamic does not restore equilibrium in real time, and only by coincidence is any individual cog in the standards machine in equipoise at any given moment. But overall, it is a self-correcting system, and that is a very powerful wind to have at one's back.

So it is that as 2005 closes, we may well look with trepidation towards the discrete events of the year to come. But we can also anticipate with fair confidence that at this time next year, notwithstanding all of the gnashing of teeth and sleight of hand that may lie between now and then, we will be looking back on another year during which accomplishments outnumbered failures, and where for all of the pushing and pulling, the vast majority continued to play within the system.

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