

# CCT490: Week 11

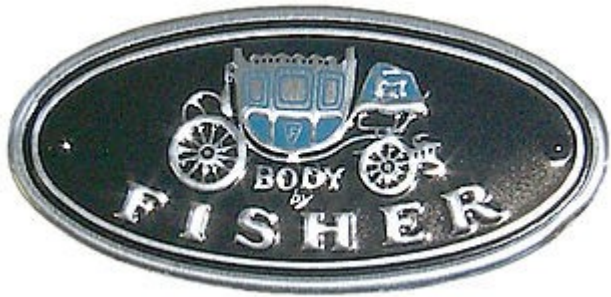
Finishing Economics,  
Moving onto Politics

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# The Hold Up Problem

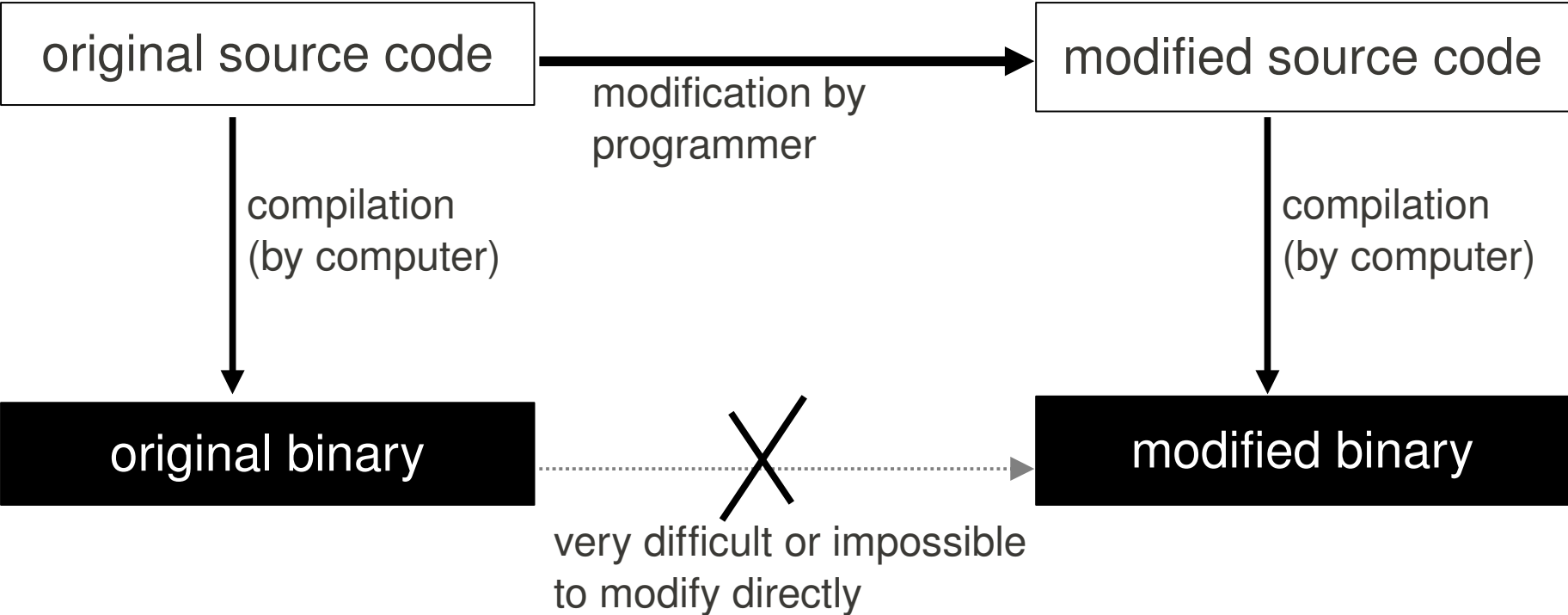


relationship-specific  
investments

image sources:

<http://en.wikipedia.org/wiki/File:FisherBodyLogo.jpg>

<http://en.wikipedia.org/wiki/File:1929-cadillac-archives.jpg>



# Why Not Sell Code?

## **Differences in excludability:**

- technical measures
- identity

# Vertical Integration

in-house development  
+  
network externalities

# Kinds of Software

development tools  
vs  
computer games

# Additional Reasons

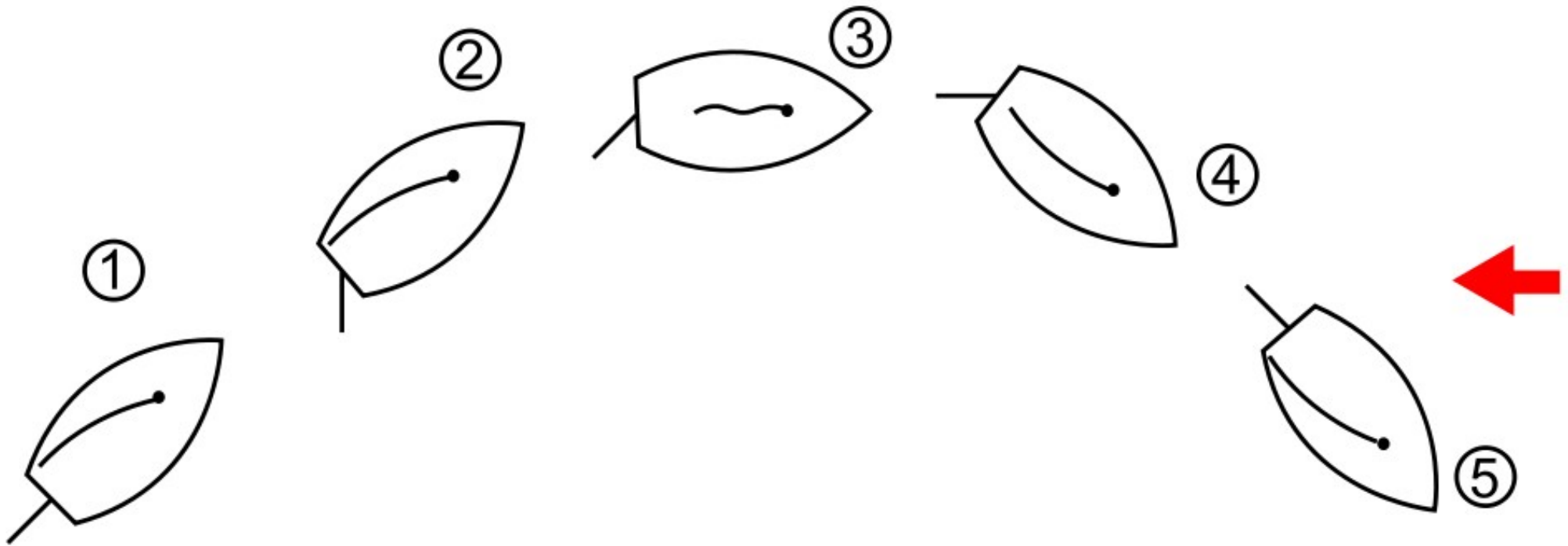
## **Transaction Costs:**

Negotiating rights takes effort

## **Sticky Knowledge:**

Acquiring users' knowledge can be costly

# Wind vs Sails



“institutions”



# Politics of F/OSS

IP-related policy

“political agnosticism”

“liberal sensibilities”

“inadvertant politics of contrast”

# Software Libre in Peru

FOSS and Domestic Politics

Software and Dependency

Software and the State

Q & A