Chapter VI

Software Piracy: Possible Causes and Cures

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Abstract

Software piracy costs the information technology industry billions of dollars in lost sales each year. This chapter presents an overview of the software piracy issue, including a review of the ethical principles involved and a summary of the latest research. In order to better illustrate some of the material presented, the results of a small research study in the country of Jordan are presented. The findings indicate that piracy among computer-using professionals is high, and that cost is a significant factor in the decision to pirate. Finally, some potential preventative mechanisms are discussed, in the context of the material presented previously in the chapter.
Introduction

Software piracy takes place when an individual knowingly or unknowingly copies a piece of software in violation of the copyright agreement associated with that software. Despite the best efforts of industry organizations, such as the Business Software Alliance (BSA) and the Software and Information Industry Association (SIIA), and extensive legislation in many countries, piracy is rampant in most parts of the world. While illegal copying has decreased in the past few years, most likely due to the activities mentioned above, it is estimated that piracy cost the software industry a combined US$13 billion, in 2002 alone. Thirty-nine percent (39%) of all business application software installed in 2002 was pirated (BSA, 2003).

This chapter will discuss the current state of the research into software piracy, focusing specifically on potential causes and cures. The results of a study of software piracy in the country of Jordan are presented, both to demonstrate the extent of the problem outside of the typically studied Western world, and as a basis for discussion of the theories and data presented in the rest of the chapter. It is hoped that this chapter will make the reader aware of the major issues involved in preventing piracy.

Background

The growth of the importance of software in both the personal and professional worlds has led to a corresponding increase in the illegal copying of software. While academic research often splits illegal software copying into “software piracy” (the act of copying software illegally for business purposes) and “softlifting” (the act of copying software illegally for personal use), this chapter will use the term “software piracy” to encompass both activities, as is often done in the popular press. The following provides an overview of the ethical issues involved in the decision to pirate and the results of previous research.

Ethics of Piracy

The ethics of piracy are not as cut and dried as it may first seem. By definition, when piracy is committed, the copyright agreement or software license is
Hardware Implementations of Image/Video Watermarking Algorithms
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