DAILY KOS

The Cross-Partisan Case Against Intellectual Property

By Melvin Davila MartinezFollow

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Jim Logan thinks he invented the podcast, so his company is effectively suing the entire industry. In the 1990s, Personal Audio patented and distributed cassette recordings of people reading articles, which Logan says is simply a more primitive form of the allegedly derivative podcast. Despite the ridiculousness of this contention, his argument is working. As City Journal notes, "He's already won an \$8 million jury verdict against Apple for a patent covering audio players that allow users to design their own playlists."

Personal Audio, in short, is a patent troll, or a member of that unfortunate litigation community that the Government Accountability Office estimates comprises 58 percent of all patent litigation cases. Of themselves, the top 14 of these parasitic organizations have drained nearly \$100 billion from the economy, which symbolizes the nearly 250% increase in these types of suits from 2011 to 2013, according to the Center for American Progress. And as the Ludwig von Mises Institute says, patent trolls have cost the economy half a trillion dollars since 1990.

Discounting lobbyist influence, which is a heavy thing to not account for, this is a cross-partisan issue. The Senate Judiciary Committee is considering legislation this week which could include "fee-shifting," or making the loser of a patent infringement lawsuit pay the winner's legal fees, The Hill reports. The CATO Institute floats the prospects of increasing fees for obtaining and renewing patents to prevent squatting, just like in the web domain realm.

But what if I told you reforms like this were myopic, or near-sighted? Certain researchers, like at the St. Louis Fed, concur with this premise and say the mere existence of patents is a strong disincentive for innovation, and "seldom, if ever" the bedrock by which disruptive technology like radio, TV, and personal computers are born; patents may actually hamper the creation of such products. In short, as Learnvest reports, patents hurt consumers, discourage competition, and are actually a spawn of crony capitalism.

Interestingly, a lot of so-called pro-free market libertarians support intellectual property rights on deontological, or non-pragmatic, grounds. But as Stephen Kinsella says: "It is a redistribution of property rights from the original owner of a thing, to someone who applied at a state agency for some kind of monopoly certificate that gives them the right to go to government courts to ask the court to point their guns at the original owner and tell them 'you have to share your property with this guy, or you can't use it in this way without this guy's permission.' It is a way of

redistributing property rights. The idea that you can just add IP rights to the set of property rights in scarce resources is a pernicious one that leads to redistribution of control that owners have over their property, to other people." In sum, being pro-intellectual property is being pro-big government corporatism.

Whether you consider private property theft, or think private property is a natural right, intellectual property should not be protected.