

Issue 074: Lotus Development Corporation

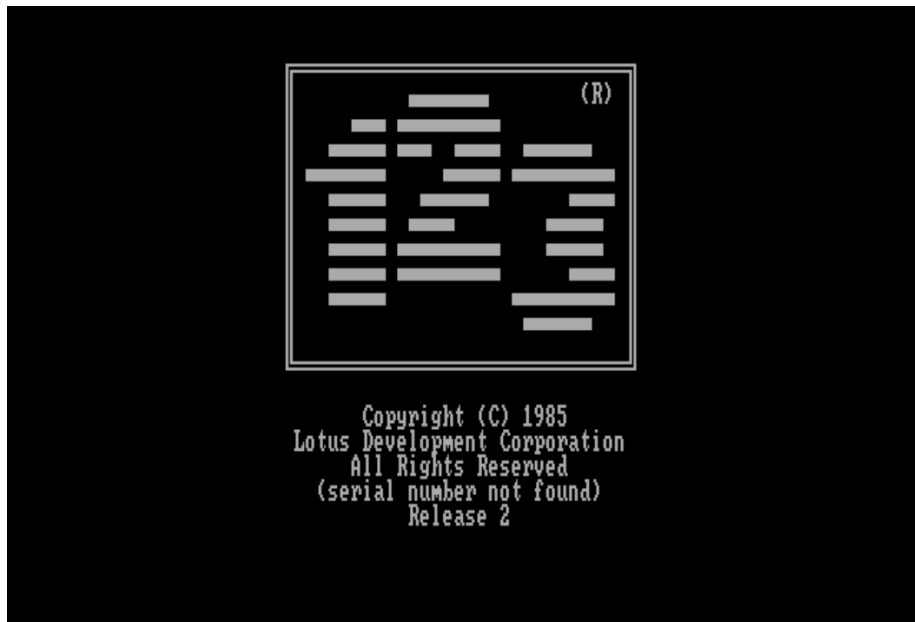
De Programmatica Ipsum

November 4th, 2024

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Issue 074: Lotus Development Corporation



By Adrian Kosmaczewski, November 4th, 2024

Welcome to the 74th issue of *De Programmatica Ipsum*, about *Lotus Development Corporation*.

In this edition:

- We go back to a beautiful time, when Lotus was a major and humane force in the software industry¹.
- In the Library section², we review “Giving Notice” by Freada Kapor Klein³.
- In our Vidéothèque section⁴, we watch Mitch Kapor⁵ explaining why (and how) di-

¹<https://deprogrammaticaipsum.com/there-was-a-time-that-was-beautiful/>

²<https://deprogrammaticaipsum.com/category/library/>

³<https://deprogrammaticaipsum.com/freeda-kapor-klein/>

⁴<https://deprogrammaticaipsum.com/category/videotheque/>

⁵<https://deprogrammaticaipsum.com/mitch-kapor/>

iversity is essential for startup success.

We would like to thank our patrons who generously contribute every month (or have contributed in the past) to our work and help us run this magazine. Thank you so much! In alphabetical order: Adam Guest, Adrian Tineo Cabello, Benjamin Sheldon, Christopher Nascone, Colin Powell, Franz Lucien Moersdorf, Guillermo Ramos Álvarez, Jean-Paul de Vooght, Dr. Juande Santander-Vela, Patryk Matuszewski, Paul Hudson, Quico Moya, Roger Turner, Szymon Licau, and countless more leaving anonymous tips every month.

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Cover image from the Internet Archive⁹.

⁶<https://deprogrammaticaipsum.com/newsletter/>

⁷<https://deprogrammaticaipsum.com/contribute/>

⁸<https://liberapay.com/>

⁹<https://archive.org/details/lotus-123-rel2>

There Was A Time That Was Beautiful



By Adrian Kosmaczewski, November 4th, 2024

Paraphrasing Charles Dickens, the 1980s were the best of times, were the worst of times. And no, I am not talking specifically about retrocomputing-related subjects, of which we have indulged in past issues of this magazine¹⁰, but about the more complicated subject of society as a whole. Reaganomics, AIDS, Electropop, Perestroika and Glasnost, Thatcher, Miami Vice, Rubik's cubes, wars, Stallone, Chernobyl, Challenger, Bhopal, recessions, inflation, Solidarność, Madonna, Black Monday, E.T., Terminator, Olympic boycotts, heavy metal, Lady Di, Michael Jackson; all concepts, words, names that evoke an era mirrored on top of a CRT screen displaying a Lotus 1-2-3 spreadsheet.

Few software products have had more impact in the history of the 1980s and the personal

¹⁰<https://deprogrammaticaipsum.com/return-to-innocence/>

computer than Lotus 1-2-3¹¹. It was the spreadsheet that killed VisiCalc¹² (the previous crowned prince) and it would reign supreme until Excel came along, somewhere in the early to mid-90s. Younger generations cannot imagine this, but “Lotus 1-2-3” was the most common software name you would find on the skill list of a résumé in 1985, almost inevitably followed by “WordStar”¹³ or “dBase”¹⁴.

Spreadsheets were, historically speaking, a major game changer. The July-September 2020 issue (volume 42, number 3) of the IEEE Annals of the History of Computing¹⁵ provides a summary of the disrupting capabilities¹⁶ they brought to number-intensive tasks; for example, to financial trading:

First, they achieved new capacities of surveillance. With the help of computers, Milken and his team were able to keep precise track of the movement and location of junk bonds, giving Drexel unrivaled command over the market. Second, they achieved capacities of valuation. High-yield bonds neatly complemented the affordances of off-the-shelf spreadsheet software. (...) Third, 1980s financiers achieved augmented imagination. Adapting the “what if?” powers of spreadsheets, buyout artists (...) built hypothetical models about potential buyout transactions and used them to scan for takeover targets.

(“Michael Milken’s Spreadsheets: Computation and Charisma in Finance in the Go-Go ’80s” by William Deringer)

But we are not interested in spreadsheets or finance today.

Sadly, most reviews of Lotus Development Corporation, the company founded by Mitch Kapor¹⁷ and behind the creation of 1-2-3, tend to focus at the shallow business analysis that begins with the quintessential question: “If Lotus was bigger and wealthier than Microsoft, Borland, Ashton-Tate, and Adobe, what happened?” (Spoiler alert: Lotus was the biggest software company in the world in 1986.)

We are simply not going to answer that question; there are plenty of articles on Forbes¹⁸, Wired¹⁹, or elsewhere²⁰ that clumsily try to answer that with various combinations of market share, advertising, cash flow, or other variables.

As you can imagine, we are interested in a different aspect of the company. See, Lotus Development Corporation was substantially different from most businesses back then (and from many of today), remaining to this day a beacon of hope, a living example of an organization that tried to rethink Corporate America, sprinkling a dash of humanity in an era of savage neoliberalism and deregulation.

This is how Lotus was born: as a company featuring unprecedented benefits for their employees, fostering a culture of radical diversity and inclusion, cleverly mixing dashes of 1960s counterculture with the latest 1980s technology.

¹¹https://en.wikipedia.org/wiki/Lotus_1-2-3

¹²<https://en.wikipedia.org/wiki/VisiCalc>

¹³<https://deprogrammaticaipsum.com/for-lack-of-a-better-word/>

¹⁴<https://deprogrammaticaipsum.com/the-elephant-in-the-room/>

¹⁵https://en.wikipedia.org/wiki/IEEE_Annals_of_the_History_of_Computing

¹⁶<https://www.wired.com/2014/10/a-spreadsheet-way-of-knowledge/>

¹⁷<https://deprogrammaticaipsum.com/mitch-kapor/>

¹⁸<https://www.forbes.com/forbes/1998/0810/6203106a.html>

¹⁹<https://www.wired.com/2009/01/jan-26-1983-spreadsheet-as-easy-as-1-2-3-2/>

²⁰<https://www.silicon.co.uk/software/office-suites/lotus-software-history-219669>

Two major names stand out in the creation of this culture: first, Janet Axelrod, who passed away in 2021²¹, and who brought her experience at Digital Equipment Corporation in the areas of diversity and inclusion. Second, Freada Kapor Klein²², who was specifically hired with a clear objective:

My job description at Lotus was to make it the most progressive employer in the US. (...)

It does not get any clearer than that.

I didn't want to send rocket ships to Mars, but I wanted to have a kind of a workplace where people could be themselves, didn't have to be somebody else, didn't have to conform to arbitrary standards.

(Source: Interview with Freada Kapor Klein and Mitch Kapor²³ by Marc Weber, November 2022.)

What other aspects made Lotus' culture stand out from the pack? The Lotus Grapevine, a feedback mechanism for employees to send anonymous and confidential suggestions to upper management. A Diversity Council with members of management and staff, including gay members. Shuttle buses for staff. A philanthropy initiative driven by employees. In-house daycare. Equal benefits to same-sex partners. Management bonuses tied to employee reviews. Sponsorship of the Boston AIDS walk. Abiding by the Sullivan Principles²⁴ to avoid doing business with South Africa under apartheid.

And the list continued. The business world, sadly, has erased all of these milestones into oblivion. Instead, as I wrote this article, I watch the news and learn that Google is threatening to fire Swiss engineers who oppose the use of Google Cloud by the Israeli Armed Forces²⁵, that Elon Musk has regular secret conversations with Vladimir Putin²⁶, and that Jeff Bezos blocked the Washington Post from its traditional endorsement of a presidential candidate²⁷.

“Big Tech” billionaires are purposely engaged in the destruction of our planet and our society. They want to rip the true fabric of society and the real source of our humanity: solidarity. All in the name of efficiency, “shareholder value”, and short-term profits.

“Big Tech” has just become yet another corrupt business. We wholeheartedly agree with Ms. Kapor Klein when she says that

It's pretty pathetic that all of these issues are still important issues and places where companies fail their employees.

And we choose to believe her and her husband²⁸, one of the few software moguls who chose not to become another asshole²⁹ or, as Steve Jobs once described Bill Gates, a person who chose to avoid just being the richest person in the cemetery.

²¹<https://www.legacy.com/us/obituaries/bostonglobe/name/janet-axelrod-obituary?id=32966241>

²²<https://deprogrammaticaipsum.com/freada-kapor-klein/>

²³<https://archive.computerhistory.org/resources/access/text/2023/06/102792787-05-01-acc.pdf>

²⁴https://en.wikipedia.org/wiki/Sullivan_principles

²⁵<https://republik.ch/2024/10/24/was-zuercher-google-ingenieure-mit-dem-gazakrieg-zu-tun-haben>

²⁶https://www.wsj.com/world/russia/musk-putin-secret-conversations-37e1c18?st=GPGBJ&creflink=desktopwebshare_permalink

²⁷<https://www.msn.com/en-us/news/politics/the-washington-post-is-in-deep-turmoil-as-bezos-remains-silent-on-non-endorsement/ar-AA1sYGqM>

²⁸<https://deprogrammaticaipsum.com/mitch-kapor/>

²⁹<https://deprogrammaticaipsum.com/the-insane-cult-of-the-asshole/>

Many a neoliberal analyst will quickly jump to the (wrong) conclusion that the reason why Lotus failed in the desktop office market was *precisely* because the company focused on humane issues instead of market conditions, cash flows, or other things that (ironically enough) could have been forecasted on a 1-2-3 spreadsheet. They might argue that the same reasoning applies to Borland³⁰, a darling pioneer of the same era in the programmer productivity market, and a company that also tried to distinguish itself with progressive policies (and also, another one that was sadly mismanaged into obliteration).

The truth is much more complicated than that. Lotus (and, to a larger extent, also Borland and companies such as DEC and Sun) were absolute pioneers in their fields, and literally had to write the rule book as they traversed uncanny territories. Strategic mistakes were made along the way, and some of those were catastrophic for Lotus.

But we had a very amateurish approach to determining what the next big thing was going to be. Well, let's try a bunch of stuff. We had theories about it but we weren't disciplined in a business kind of sense. The market was still maturing, so we could perhaps be forgiven for that. But in fact, one of those experiments turned out to be Notes and that added another number of years to the company's longevity, so you can't say that it didn't work. (...)

Well we also thought literally that WordStar owned the word processing market. That was just a mistake. I made the same mistake again and didn't think the market was going to get to be 50 times as big as it was. I didn't do the math. I can't say anything else other than that.

(Source: Oral History of Mitch Kapor³¹ by William Aspray, November 2004, pages 21 and 22)

After Mitch Kapor's departure from Lotus' helm at the end of the 1980s, the company fell victim of symptoms common in more traditional Corporate America settings, including the despicable taste of firing lawsuits to companies adopting 1-2-3 user interface elements into their products. Richard Stallman³², for one, loudly expressed his disgust on this matter, even picketing in front of Lotus' headquarters³³ in May 1980.

Most analysis, as mentioned earlier, focus on the "loss" of the spreadsheet market, leaving aside that the release of Lotus Notes³⁴ unveiled a much bigger one³⁵. We are familiar, in our post-pandemic times, with various workgroup software suites, many of them running on web browsers; but 35 years ago these were concepts straight out of a science-fiction book, and for half a decade, Lotus single-handedly owned that market.

Without question, Notes already is the most important business software tool in the new era of client-server PC computing. The Notes market is still tiny – analysts estimate it at less than \$200 million this year – but the early lock the software has achieved on key customers gives it spectacular potential. Some 4,000 companies have bought Notes; it has been installed on roughly one million PCs. Sales, this year an estimated 600,000 copies, are doubling annually. (...) These realities have not escaped Bill Gates' notice. Though he pooh-poohed Notes

³⁰<https://en.wikipedia.org/wiki/Borland>

³¹<https://archive.computerhistory.org/resources/access/text/2013/05/102657943-05-01-acc.pdf>

³²<https://deprogrammaticaipsum.com/richard-matthew-stallman/>

³³<https://www.tech-insider.org/free-software/research/1989/0524-b.html>

³⁴https://en.wikipedia.org/wiki/HCL_Notes

³⁵<https://www.nytimes.com/1990/05/24/business/a-bright-new-number-beyond-lotus-s-1-2-3.html>

when it first appeared, Microsoft has launched one of the biggest development efforts in its recent history to build a Notes-buster it calls Microsoft Exchange.

(Source: Why Microsoft Can't Stop Lotus Notes³⁶ by David Kirkpatrick, CNN Money, December 12th, 1994)

Let us put the impact of Lotus Notes into numbers: under the orders of Louis Gerstner Jr., IBM performed in 1995 what is called a “hostile takeover”³⁷ of Lotus Development Corporation, for a staggering (at the time) 3.5 billion US dollars (which equates to 5.8 billion in 2018, or 7.2 billion in 2024, adjusted for inflation). Quoting Gerstner himself³⁸,

Lotus had made its name with its popular 1-2-3 spreadsheet software. But what we wanted most, the crown jewel, was an elegant product called Notes—pioneering software that supported collaboration between large numbers of computer users.

By May John (Thompson) convinced me that IBM should acquire Lotus. Thus began the largest software acquisition in the history of the industry.

Gerstner was well aware of the radical differences in the cultures of IBM and Lotus, which he acknowledges a few paragraphs later:

But in the case of a maverick software company, I also had a feeling that the effort to win over the workforce was a battle that had to be won before the first shot was fired. We understood that our every move was going to be scrutinized by the Lotus employees, whose trust we desperately needed to win. (...)

In the end we gained more than a software company. Culturally we proved that we could keep some organizational distance and allow a fast-moving team to thrive.

After the deal was concluded, Lotus Notes became a part of the iconic “Solutions for a Small Planet” ad campaign, with a funny short movie³⁹ with Buddhist monks raving about it (telepathically) somewhere on the Himalayas.

(Of course, in the meantime, Microsoft caught up. The architect and mastermind of Lotus Notes, Ray Ozzie⁴⁰, would end up taking the Chief Software Architect role from Bill Gates himself in 2006, and would unveil Microsoft Azure⁴¹ to the world in 2008.)

The IBM and Lotus affair lasted for 23 years, with its obvious ups⁴² and downs⁴³. In 1998, IBM sold the remaining Lotus Notes assets to HCL⁴⁴ for 1.8 billion dollars, and even the domino.com⁴⁵ domain now points to HCL's own Domino website⁴⁶.

³⁶https://money.cnn.com/magazines/fortune/fortune_archive/1994/12/12/80046/index.htm

³⁷<https://www.nytimes.com/1995/06/12/us/ibm-wins-lotus-as-offer-is-raised-above-3.5-billion.html>

³⁸<https://deprogrammaticaipsum.com/james-cortada-emerson-pugh-louis-gerstner-jr/>

³⁹<https://www.youtube.com/watch?v=zlluFzYUGIk>

⁴⁰https://en.wikipedia.org/wiki/Ray_Ozzie

⁴¹https://en.wikipedia.org/wiki/Microsoft_Azure

⁴²<https://www.strategy-business.com/article/18930>

⁴³<https://www.nytimes.com/2002/09/30/business/years-after-being-bought-by-ibm-lotus-links-its-products.html>

⁴⁴<https://techcrunch.com/2018/12/07/ibm-selling-lotus-notes-domino-business-to-hcl-for-1-8b/>

⁴⁵<https://domino.com>

⁴⁶<https://www.hcl-software.com/domino>

Lotus 1-2-3 is no more, although the most nostalgic among us can now run the Unix version on Linux⁴⁷. Such an exercise, as gratifying and enlightening as it can be (and as useful, if you need to access old spreadsheets in your latest computer) masks the true tragedy of the disappearance of the Lotus culture. We have lost an example of humane management in a sea of cash and efficiency, and the relationship between society and software is decomposing into an unforeseen (and, in our humble opinion, unnecessary) schism.

The Argentine rock group Sui Generis⁴⁸ recorded a song in 1972 called “Canción para mi muerte”⁴⁹ (“Song for my death”) whose lyrics are painfully appropriate to describe the times we are living in.

There was a time that was beautiful
And I was truly free
I kept all my dreams
In glass castles

Little by little I grew up
And my love fables
Faded away
Like soap bubbles

It is high time younger generations of entrepreneurs learn about the Lotus culture, and even more important, replicate it. Instead of seeing it as an impediment or a “cost center”, we see it as a *conditio sine qua non*, a “profit center” that explained much of Lotus’ early successes, and the absolute fanaticism and passion of its staff members throughout time and space.

Cover photo by Clay Banks⁵⁰ on Unsplash⁵¹.

⁴⁷https://www.theregister.com/2022/05/25/lotus_123_for_linux_appears/

⁴⁸https://en.wikipedia.org/wiki/Sui_Generis

⁴⁹https://es.wikipedia.org/wiki/Canci%C3%B3n_para_mi_muerte

⁵⁰https://unsplash.com/@claybanks?utm_content=creditCopyText&utm_medium=referral&utm_source=unsplash

⁵¹https://unsplash.com/photos/five-human-hands-on-brown-surface-LjqARJaJotc?utm_content=creditCopyText&utm_medium=referral&utm_source=unsplash

Mitch Kapor



By Adrian Kosmaczewski, November 4th, 2024

Regular readers of this magazine might remember that we opened our issue about Microsoft⁵² three years ago with a reference to the D5 conference panel⁵³ of May 2007, where Bill Gates and Steve Jobs shared the stage with Kara Swisher and Walt Mossberg. At the beginning of that event, around minute 07:30 of the recording⁵⁴, you can hear Walt calling out a certain person in the audience.

Before we get started, I think you know, there were some pioneers - of course we have the pioneers here on stage, but there were some other really important pioneers in the video we just saw. And a couple of them are here in the audience. So, Mitch Kapor, who is a regular D could you just stand up and, wherever you are - there he is.

Mitchell Kapor⁵⁵ has not (yet) written (or published) his autobiography, at least not that we are aware of. He should have, not only for his exceptional contributions to the development and spread of the personal computer in the 1980s (this author thinks that Mitch should have shared the stage with Jobs and Gates that day of May 2007), but also because Mitch believed

⁵²<https://deprogrammaticaipsum.com/where-does-microsoft-want-to-go-today/>

⁵³https://allaboutstevejobs.com/verbatim/interviews/d5_conference_steve_bill_2007

⁵⁴<https://www.youtube.com/watch?v=wvhW8cp15tk>

⁵⁵<https://computerhistory.org/profile/mitchell-kapor/>

that a different kind of Corporate America was possible, and did everything he could to make it happen.

(There is a book, however, written *about* Mitch Kapor and one of his projects: “Dreaming in Code”⁵⁶, published in 2007, and reviewed by Joel Spolsky⁵⁷. The book tells the story of a failed open source collaboration software package called “Chandler”⁵⁸. No, it is not a reference to the character in the TV comedy show “Friends” played by the late Matthew Perry, but to a writer called Raymond Chandler.)

In lieu of an autobiography we have, thankfully, countless interviews and video recordings to learn about Mitch’s worldview in his own words. The objective of this exercise is to understand that the founding of Lotus Development Corporation was a vehicle, not for becoming a distinguished member of the 0.1% of the richest people in the planet, or to dominate the spreadsheet or workgroup markets, but to embrace a certain, some would say outdated, vision of philanthropy and humanities.

Let us enumerate a few of those sources.

Esquire Magazine

The testosterone-filled cover of the December 1984 issue of Esquire magazine⁵⁹ boasts the title “The Best of the New Generation”. Given the tagline of the magazine (“Man At His Best”), one would safely presume that “The Best” are all men, but behold! The subtitle on the cover clearly says “Men and Women Under Forty Who Are Changing America”. Phew.

In page 355 (heavyweight magazines were a staple before the Web) we find an interview with Mitch Kapor, where he, after being described as a “cross between Rocky Balboa and a yoga master” (whatever that means), Mitch says:

The whole notion of preserving the best of the Sixties values, whatever they are, and marrying them back into the American dream—it’s a very potent combination, because seemingly opposite things are coming together. Frenzies of energy. I think there’s a vanguard, a body of people, in which class I’ve put myself, who have tried to be creative in preserving and building upon a certain set of values. To say, ‘Hey, you have a business? It is just as important that it be good for people as for the bottom line.’ Not only that, but that being good for the bottom line is integrally tied with being a good place for people to work.

You know what it is? It’s receptivity. Receptivity to the process dimension. What’s the asset here? The asset is people.

Not a lot of AI or crypto entrepreneurs speak like that nowadays, let alone do it, innit? A few paragraphs below, Mitch explains why:

Ultimately, though, I don’t subscribe to romantic notions of the entrepreneur as hero. It’s like everything else—there are good entrepreneurs and bad ones, good cowboys and bad cowboys. The mere fact of belonging to that category, the idea that having gotten there one has some heroic qualities—I don’t believe it.

⁵⁶https://en.wikipedia.org/wiki/Dreaming_in_Code

⁵⁷<https://www.joelonsoftware.com/2007/01/21/the-big-picture/>

⁵⁸[https://en.wikipedia.org/wiki/Chandler_\(software\)](https://en.wikipedia.org/wiki/Chandler_(software))

⁵⁹<https://classic.esquire.com/article/1984/12/1/mitch-kapor-and-the-lotus-factor>

A healthy reminder and a warning to those among us worshipping the wrong gods. You know who they are, and you know who you are.

Rolling Stone Magazine

There were some other romantic notions to which Mitch adhered, though. In a Rolling Stone article⁶⁰ by Jeff Goodell in 1993, we read that

Kapor went on to flirt with a number of alternate lives, including a short stint as a stand-up comic. But then, in the late Seventies, he got his hands on an Apple II, and his life suddenly found direction. (...)

But unlike his ex-rival Bill Gates, chairman of Microsoft, seemingly born with a robber baron's compulsion to rule the world, Kapor quickly grew bored by corporate life.

While Steve Jobs reportedly suggested Bill Gates to “drop some acid”, Mitch would have probably asked Bill to start his foundation⁶¹ a decade before meeting Melinda.

William Aspray

None other than the great software historian William Aspray⁶² interviewed Mitch for the “Oral History”⁶³ recorded on behalf of the Computer History Museum in November 2004. This gem provides several clues about the Mitch's personal history.

(...) I went to college and wound up – at 16 – at Yale and discovered that pure math was not my thing. It was just way over my head, and I was probably smoking too much marijuana at the time too; my brain was clouded. I got very interested in the counterculture, and I was mainly on the Yale radio station and barely squeaked through academically. But I had one course in programming that was on APL (A Programming Language), which was great.

Ah, APL; one of the languages Alan Perlis⁶⁴ profusely praised⁶⁵. But there is more:

I don't like working for others, and I have problems with authority.

Welcome to the club. Then we reach the core:

We created a very progressive corporate culture. I was such a bad employee. I had this attitude, and the woman I hired as my office manager was a political radical – this is at the very, very beginning – who needed a job, and I was more comfortable hiring other odd ball people because I felt more comfortable with them. She just had a very left-wing, progressive attitude, much more so than I, but I kind of liked having that in the mix. She hired Freada Kapor-Klein, who's now my wife, to be the Director of Employee Relations with a charter to build the most progressive corporate culture in the US. We did all of this outrageous stuff that I'm extremely proud of, and that people love the company for, and

⁶⁰<https://www.rollingstone.com/culture/culture-features/mitch-kapor-civilizing-cyberspace-168736/>

⁶¹https://en.wikipedia.org/wiki/Bill_%26_Melinda_Gates_Foundation

⁶²<https://deprogrammaticaipsium.com/william-aspray/>

⁶³<https://archive.computerhistory.org/resources/access/text/2013/05/102657943-05-01-acc.pdf>

⁶⁴<https://deprogrammaticaipsium.com/alan-perlis-and-the-evolution-of-programming-languages/>

⁶⁵<https://www.jssoftware.com/papers/perlis77.htm>

which has had a very significant long-term impact. (...)

We had very serious diversity efforts ongoing. We had a very diverse work force. We were the first corporate sponsor I believe anywhere of an AIDS walk, which then became a big thing. We adopted the Sullivan Principles⁶⁶ and wouldn't sell into South Africa. We had a very egalitarian kind of culture, based on respect and fairness. I'm really proud of that.

This was during the 1980s, when the most famous South African in the world was an unjustly jailed individual called Nelson Mandela⁶⁷, not the “space Karen” right-wing asshole⁶⁸ actively engaged in polluting social media and low Earth orbit alike, and who shall remain nameless in this article.

Sterling Report

The result of Mitch's take on life and business was nothing short of sensational and transformational, as explained in the December 2004 issue⁶⁹ of the long-gone Sterling Report:

In 1982, he (Mitchell Kapor) founded Lotus Development Corporation, for which he is most noted. While there, he revolutionized corporate workplace culture by making diversity and inclusivity top priorities in his goal for creating an environment that attracted and retained employees. There were many “firsts” for Lotus, including being the first company to sponsor an AIDS Walk event in the mid-80's and refusing to do business with South Africa due to Apartheid.

To provide an institutional and corporate framework to these activities, Kapor hired Janet Axelrod⁷⁰ (the “political radical” he mentioned in the Aspray interview quoted previously), who took not just a few cues from the work of Barbara Walker at Digital Equipment Corporation⁷¹ at the end of the 1970s.

Computer History Museum

Under the umbrella of Janet Axelrod, Freada Kapor Klein, and Mitch Kapor, Lotus was not only talking the talk but quite literally walking the walk⁷².

Given the size of Boston relative to Los Angeles and New York City, the success of the Boston AIDS Walk on June 1, 1986 was extraordinary. 4,000 people walked to the Boston Common, raising \$500,000. Governor Dukakis and Mayor Flynn both appeared. Not only was Lotus the only corporate sponsor, but its early gift of \$10,000 to the Walk funded all of the organizational costs to make the Walk a success.

⁶⁶https://en.wikipedia.org/wiki/Sullivan_principles

⁶⁷https://en.wikipedia.org/wiki/Nelson_Mandela

⁶⁸<https://deprogrammaticaipsum.com/the-insane-cult-of-the-asshole/>

⁶⁹<https://web.archive.org/web/20041225120246/http://www.sterlinghoffman.com/newsletter/articles/article140.html>

⁷⁰<https://www.legacy.com/us/obituaries/bostonglobe/name/janet-axelrod-obituary?id=32966241>

⁷¹<http://www.maynardlifeoutdoors.com/2020/03/digital-equipment-corporation-diversity.html>

⁷²<https://computerhistory.org/blog/walking-the-walk/>

Kids: if you thought the 2020 pandemic was a rough time to be alive, you have no idea how horrendous the early 1980s were to people infected with HIV. We do not talk about AIDS so much these days, but just to give you an idea, even after the acclaimed release of “Philadelphia”⁷³ in 1993, and even with a well-deserved Academy Awards in Hanks’ hands, the stigma against HIV-positive people has been horrifying. The availability for treatments against AIDS certainly helped subdue the shadow of rejection hovering above its victims, but it still persists to a large extent.

Los Angeles Times

The example set by Lotus did not go unnoticed outside its headquarters, as reported⁷⁴ by the Los Angeles Times in October 1993:

Indeed, many tech companies have been national leaders in developing non-discrimination policies that mention sexual orientation and the granting of benefits to same-sex domestic partners.

Apple Computer Inc., Borland International Inc. and Lotus Development Corp., for example, were among companies honored at the three-day event organized by the National Gay and Lesbian Task Force. The conference was sponsored by more than 40 companies—a big leap for an effort begun in 1991 with no corporate backing as a five-hour gathering in a college hall in San Francisco.

Most of those pioneering efforts in diversity and inclusion⁷⁵ were largely forgotten by Silicon Valley, only to be somehow “rediscovered” almost 20 years later, during the mid-2010s⁷⁶ amidst the rise in prominence of the #MeToo⁷⁷ and the Black Lives Matter⁷⁸ movements.

Andrew Goldstein

Alas, good things never last forever. An excerpt from the interview⁷⁹ conducted by another legendary computing historian, Andrew Goldstein from the Center for the History of Electrical Engineering, on May 20th, 1993, tells us about Mitch’s reasons to leave Lotus in July 1986.

I felt that there was just too much responsibility I couldn’t sleep at night. I think I felt overly responsible for the whole thing. That certainly didn’t help. It wasn’t my ambition to run a big company. I wanted to do this great product and make a big business out of it. But I didn’t find the positive parts of running this big show to be very gratifying.

To be fair to Mitch, the 1980s were the times of Reaganomics⁸⁰ and its partner in crime, the almighty cult of Wall Street. It must have been exhausting to deal with the loud voices of cocaine-fueled capitalists screaming for more and more profits via the reduction of all

⁷³<https://www.imdb.com/title/tt0107818/>

⁷⁴<https://www.latimes.com/archives/la-xpm-1993-10-19-fi-47318-story.html>

⁷⁵<https://deprogrammaticaipsum.com/issue-6-diversity-inclusion/>

⁷⁶<https://deprogrammaticaipsum.com/issue-17-a-2010s-retrospective/>

⁷⁷https://en.wikipedia.org/wiki/MeToo_movement

⁷⁸https://en.wikipedia.org/wiki/Black_Lives_Matter

⁷⁹https://ethw.org/Oral-History:Mitchell_Kapor

⁸⁰<https://en.wikipedia.org/wiki/Reaganomics>

unneeded expenses, particularly those related to inclusion, social responsibility, and other stupid ideas like that.

Jessica Livingston

In chapter 6 of her 2007 book “Founders at Work: Stories of Startups’ Early Days”, Jessica Livingston (of Y Combinator fame) interviewed Mitch Kapor.

(As an anecdote, one could say that the order of the chapters in this book is as important as their contents: chapter 5 contains an interview of Dan Bricklin⁸¹, the inventor of the Visi-Calc spreadsheet, the product that Lotus 1-2-3 ultimately killed; and chapter 7 is an interview of Ray Ozzie⁸², who had brought Lotus Notes to the market, the product that would trigger IBM to aggressively take over Lotus Development Corporation in 1995.)

In page 95, amidst the descriptions of how Lotus grew from zero to millions of dollars of revenue, and from zero to hundreds of employees in just a few years, Mitch says:

The other thing that I cared about from the very beginning was creating a work-place that treated people well. (...) So when I unexpectedly found myself running this high-growth successful software company, the thought of making it the kind of place that I would want to work at and different from all those other places was incredibly appealing.

(...) And so we did all sorts of very progressive things with the corporate culture. We invested in the human resources function extensively. We surveyed all the employees annually on quality of work-life issues, and took what we heard very seriously. We had a corporate value statement that wasn’t just on a piece of paper. We actually at one point tied a portion of the managers’ bonuses to how well their direct reports viewed them exemplifying the corporate values. I made every single manager get on the support lines and listen to customers, no matter what function they were in.

This last part reminds me of a scene at the beginning of the 2014 movie “The Intern”⁸³, where we see Anne Hathaway’s character trying to solve an issue with a customer on the phone. But Mitch says more:

When I was running Lotus, we never had a single employment discrimination lawsuit (...). And then we had a diversity committee that had out gays and lesbians on it—this was in 1984. We were the first corporate sponsor of an AIDS walk. We had a corporate philanthropy committee in which the employees actually made decisions about where the money went, not the pet projects of senior management. So for many people what was memorable and important about Lotus was that it was the best place they ever worked.

Let that last phrase sink in. Are you able to say that about your current employer, or, if you are an entrepreneur reading this, do you think your employees say that about you?

⁸¹https://en.wikipedia.org/wiki/Dan_Bricklin

⁸²https://en.wikipedia.org/wiki/Ray_Ozzie

⁸³<https://www.imdb.com/title/tt2361509/>

Michael Swaine and Paul Freiberger

In 2014, The Pragmatic Bookshelf published the third edition of an absolute classic book about the history of the personal computer, “Fire in the Valley: The Birth and Death of the Personal Computer”⁸⁴.

On the closing words of the last chapter of the book, the authors dedicate a full section to the post-Lotus years of Mitch, and the creation of the Electronic Frontier Foundation⁸⁵. This organization became a cornerstone during the early days of the World Wide Web and the explosion of online services.

EFF evolved quickly from a legal defense fund for some kid hackers to an influential lobbying organization. “In a way it was an ACLU of cyberspace,” Kapor now says. “We quickly found that we were doing a lot of good raising issues, raising consciousness about the whole idea of how the Bill of Rights ought to apply to cyberspace and online activity. I got very passionate about it.”
(...)

Ironically, the social networks built by the cloud-based companies have become the means of circulating both facts and wild rumors about these surveillance horrors. As the industry rushes gleefully into a networked world of embedded devices and lives lived in public, the public is increasingly convinced that we are being sucked into some nightmare science-fiction future of mind control, tracking devices embedded in newborns, and a Big Brother who sees your every act and knows your every thought. Mary Shelley could do a lot with that material.

A decade later, the words of Swaine and Freiberger sound as stronger as ever.

Founder Institute

But wait, where is this month’s Vidéothèque video? It is a short fragment of a talk⁸⁶ Mitch gave at the Founder Institute⁸⁷ in 2014, titled “Mitch Kapor on Why Diversity is Essential for Startup Success”.

This talk happened right at the middle of the 2010s, when the terms “diversity and inclusion” were once again part of the agenda, after being almost forgotten for more than two decades. In it, Mitch tackles some common misunderstandings around D&I initiatives, including the infamous question of quotas (“fundamentally stupid in a suicidal kind of way”) and goes to the heart of the issue:

Teams that are more diverse (and this is across all dimensions, whether it’s age or gender or race and ethnicity) tend to have certain kinds of advantages in problem-solving, and they also have some disadvantages. If you’re a homogeneous group and everybody is the same you can make decisions much more quickly, but you can make decisions much better if there are multiplicity of perspectives.

It must be disheartening to have to repeat once and again the same message, to each and every

⁸⁴<https://pragprog.com/titles/fsfire/fire-in-the-valley/>

⁸⁵https://en.wikipedia.org/wiki/Electronic_Frontier_Foundation

⁸⁶<https://www.youtube.com/watch?v=pux8QAKITCs>

⁸⁷<https://www.linkedin.com/company/the-founder-institute/>

generation of entrepreneurs out there, but clearly, the tech industry has a strong “white-male-between-25-and-35” bias.

Conclusion

What do we take of all these pieces of information? We can say without a doubt that Mitch is, by far, among the humblest and wisest people in the history of computing and entrepreneurship. He foresaw, almost exactly 40 years ago, the devastating strength of venture capital in the formation, behavior, and ultimate survival of businesses; yet he also saw the transformative power of software in culture and society. The clash between the two did not bode well; his prognosis was therefore, unfortunately *and* fortunately, correct.

His departure from the top job of Lotus Development Corporation, and his later work at the Electronic Frontier Foundation and the Mozilla Foundation remain as proofs of one thing: that Mitch is, essentially, an eternal optimist⁸⁸ coupled with a pragmatist.

I hope that the totality of what I’ve done, or that which Freada and I have done together, really gives people a sense of hope and possibility, in a practical way, that business can be a constructive force in the world and genuinely help make the world a better place for everyone.

Plea

Mitch, if you are reading these lines, I beg you; write and publish your autobiography; and, if at all possible, do not ask Walter Isaacson for help, will you?

Well, actually... Walter Isaacson *did* write something about you, a very funny anecdote in his famed 2011 biography of Steve Jobs. In page 224 of chapter 18, titled “NeXT”, we can read this:

During the early months of NeXT, Jobs and Dan’l Lewin went on the road, often accompanied by a few colleagues, to visit campuses and solicit opinions. At Harvard they met with Mitch Kapor, the chairman of Lotus Software, over dinner at Harvest restaurant. When Kapor began slathering butter on his bread, Jobs asked him, “Have you ever heard of serum cholesterol?” Kapor responded, “I’ll make you a deal. You stay away from commenting on my dietary habits, and I will stay away from the subject of your personality.” It was meant humorously, but as Kapor later commented, “Human relationships were not his strong suit.” Lotus agreed to write a spreadsheet program⁸⁹ for the NeXT operating system.

Dear Mitch: your story deserves to be told, and it would be much better if you told it yourself, with your own words, and, yes, with your own empathy, wit, and naïveté.

Yes, of course; Lotus Development Corporation produced great software and made a lot of cash, but none of that should be considered your greatest legacy. In the long run, what remains is the goodwill that one spreads in the world, of which in your case, there is a lot to talk about.

Watch this month’s Vidéothèque video, Mitch Kapor on Why Diversity is Essential for

⁸⁸<https://thoughtconomics.com/mitch-kapor/>

⁸⁹https://en.wikipedia.org/wiki/Lotus_Improv

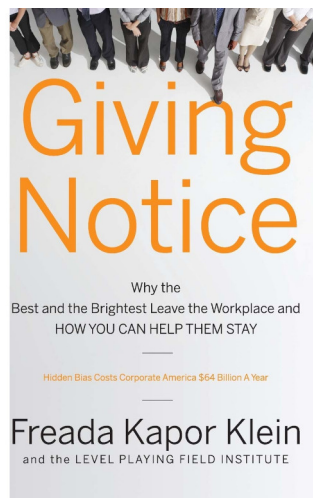
Startup Success⁹⁰, on YouTube. Complement it with this other one, “Lotus History: The First Five Years”⁹¹.

Cover snapshot chosen by the author.

⁹⁰<https://www.youtube.com/watch?v=pux8QAKITCs>

⁹¹https://www.youtube.com/watch?v=_UTxmR5ryeE

Freeda Kapor Klein



By Adrian Kosmaczewski, November 4th, 2024

Let us agree on one basic principle, one that most regular readers of this magazine already know is a core tenet at its heart: the phrase “Human Resources” is atrocious. There is no other way to describe the appalling sentiment and the contempt brought into our minds as we read such a contraption. Even worse, the fact that some people voluntarily choose to wear it as part of their professional title is beyond our comprehension. If you do not agree with this idea, you might want to stop reading altogether.

We are also well aware that the lives of software developers, architects, programmers, Scrum masters, DevOps engineers, and other people working daily with software are constantly impacted by the decisions taken by people whose jobs are referred to (or grouped with) the “Human Resources” moniker. This is the reason why so many of our editions have considered the subject of *work*, in all of its forms.

(For those new to this magazine, here go some examples of interest: we have talked about “Peopleware”⁹², about “The Psychology of Computer Programming”⁹³, about career progression⁹⁴, and about management dissonance⁹⁵. We have also discussed the issues around

⁹²<https://deprogrammaticaipsum.com/tom-demarco-timothy-lister/>

⁹³<https://deprogrammaticaipsum.com/gerald-weinberg/>

⁹⁴<https://deprogrammaticaipsum.com/camille-fourmier/>

⁹⁵<https://deprogrammaticaipsum.com/the-impossible-dialogue/>

dress codes⁹⁶, assholes⁹⁷, freelancing⁹⁸, trade unions⁹⁹, burnout¹⁰⁰, interviewing¹⁰¹, harassment¹⁰², and the need for tolerance¹⁰³. And most of the “12 Steps for Better Teams”¹⁰⁴ deal with workplace-related situations.)

Without surprises, this edition of the magazine touches the subject once again, this time considering the work of a true pioneer in the subject of diversity and inclusion. At the risk of repeating ourselves: yes, we have already dedicated an issue of this magazine to the subject, almost 6 years ago¹⁰⁵; but let us be honest: it is not like we have seen major change happen in the meantime, so it is always a good idea to repeat the message, and even better, to learn from an expert in the field.

Freada Kapor Klein¹⁰⁶ has been working on issues of diversity and inclusion for over fifty years. She started advocating for women’s rights while a student at Berkeley¹⁰⁷, and founded the Alliance Against Sexual Coercion¹⁰⁸ in 1976, setting up one of the first hotlines in the world for women to report harassment issues in their workplaces.

To say that Ms. Kapor Klein was a pioneer is a large understatement.

She joined the ranks of Lotus Development Corporation¹⁰⁹ in 1984 as Head of Employee Relations, and together with her boss Janet Axelrod, she set up one of the most progressive workplaces ever seen in corporate America until then (well, maybe except for Digital Equipment Corporation¹¹⁰, with efforts led by pioneer Barbara Walker¹¹¹).

As she explained¹¹² during an interview for the Computer History Museum:

My job description at Lotus was to make it the most progressive employer in the US.

At Lotus, she understood that success in software comes through the hard work of making the impossible dialogue possible¹¹³, as stated in the same interview:

I thought it was very important on the non-engineering side of the house to understand who’s responsible for our paychecks and everybody ought to feel connected to the customer and to the product and so, one of the ways that we put all this together is that if you were a manager and had not signed up to listen in on the customer support line or if you were a manager and had not turned in all your performance reviews, by the end of the year, you didn’t get a bonus.

⁹⁶<https://deprogrammaticaipsum.com/tenue-correcte-exigee/>

⁹⁷<https://deprogrammaticaipsum.com/the-insane-cult-of-the-asshole/>

⁹⁸<https://deprogrammaticaipsum.com/when-you-cant-create-you-can-work/>

⁹⁹<https://deprogrammaticaipsum.com/divide-et-impera/>

¹⁰⁰<https://deprogrammaticaipsum.com/business-as-unusual/>

¹⁰¹<https://deprogrammaticaipsum.com/corals-and-sharks/>

¹⁰²<https://deprogrammaticaipsum.com/learnings-from-toxic-abuse/>

¹⁰³<https://deprogrammaticaipsum.com/bertrand-russell/>

¹⁰⁴<https://deprogrammaticaipsum.com/the-ipsun-quality-process-12-steps-to-better-teams/>

¹⁰⁵<https://deprogrammaticaipsum.com/issue/issue-006-diversity--inclusion/>

¹⁰⁶https://en.wikipedia.org/wiki/Freada_Kapor_Klein

¹⁰⁷<https://alumni.berkeley.edu/california-magazine/summer-2020/freada-kapor-klein-victims-advocate-long-before-me-too>

¹⁰⁸https://en.wikipedia.org/wiki/Alliance_Against_Sexual_Coercion

¹⁰⁹<https://deprogrammaticaipsum.com/there-was-a-time-that-was-beautiful/>

¹¹⁰https://en.wikipedia.org/wiki/Digital_Equipment_Corporation

¹¹¹<http://www.maynardlifeoutdoors.com/2020/03/digital-equipment-corporation-diversity.html>

¹¹²<https://archive.computerhistory.org/resources/access/text/2023/06/102792787-05-01-acc.pdf>

¹¹³<https://deprogrammaticaipsum.com/the-impossible-dialogue/>

Freada Kapor Klein married Mitch Kapor¹¹⁴, founder of Lotus, shortly after they both had left the company in the early 1990s, and together they started a few organizations: The Kapor Foundation¹¹⁵ (“Rebuilding a More Equitable Tech Sector, Economy, & Society”), the Kapor Center¹¹⁶ (“Leveling the Playing Field in Tech”), SMASH¹¹⁷ (“Expanding Equity And Innovation In Computer Science Education”, previously known as the Level-Playing Field Institute), and Kapor Capital¹¹⁸. The latter one of the most important VC firms in Silicon Valley, whose portfolio bears some very well-known names: Asana, Twilio, Uber, Bitly, Inkling, to name a few.

Precisely, let us talk about Uber for a bit. In what most probably was one of the biggest facepalms in their investment history, in 2017, Mitch and Freada penned an open letter to Uber¹¹⁹, whose company culture was, needless to say, at the antipodes of whatever Ms. Kapor Klein considered palatable. (We are being polite here.)

We are disappointed to see that Uber has selected a team of insiders to investigate its destructive culture and make recommendations for change. To us, this decision is yet another example of Uber’s continued unwillingness to be open, transparent, and direct.

You cannot always win. This one must have hurt.

Along with her half-century commitment to diversity and inclusion, this month’s Library issue will focus in Ms. Kapor Klein’s excellent and sadly not more widely-known 2007 book, “Giving Notice: Why the Best and Brightest are Leaving the Workplace and How You Can Help them Stay”¹²⁰.

This work is built around simple storytelling, and orbits around three fictional characters: Eric Johnson (an African-American man from Detroit), Kristen Van Der Camp (a white woman from Nebraska), and Miguel Rodriguez (a man of Cuban origin from New York City). The book follows their trajectories, their careers, and their problems, each representing distinct slices of working classes in contemporary American society. We watch in despair their struggle to move around (and not always up) in this alien organism called Corporate America.

Needless to say, the picture ain’t pretty, and the book makes no effort to hide it under false pretenses.

American workplaces are increasingly characterized by a lack of civility and a lack of fairness.

Ouch. Can you elaborate?

For example, racial minorities experience being stereotyped about twice as often as their Caucasian male counterparts. Gays and lesbians experience rudeness substantially more often than Caucasian heterosexual men. People of color receive requests to attend recruiting/community events nearly five times more

¹¹⁴<https://deprogrammaticaipsum.com/mitch-kapor/>

¹¹⁵<https://kaporfoundation.org/>

¹¹⁶<https://www.kaporcenter.org/>

¹¹⁷<https://www.smash.org/>

¹¹⁸<https://www.kaporcapital.com/>

¹¹⁹<https://blog.kaporcenter.org/an-open-letter-to-the-uber-board-and-investors-2dc0c48c3a7#.8np6ve77o>

¹²⁰<https://www.wiley.com/en-us/Giving+Notice%3A+Why+the+Best+and+Brightest+are+Leaving+the+Workplace+and+How+You+Can+Help+them+Stay-p-9780470193372>

often than their white male colleagues. (...) White women are subjected to materials they find offensive, such as pornographic photos, Internet sites, or e-mails.

Fantastic. But what about our three heroes?

Despite their unique skills and interests, they are still primarily seen as “diversity hires.” Some co-workers believe Eric, Miguel, and Kristen got in the corporate door only because of their demographics, so the three are assumed to be under-qualified and underprepared for their positions.

The book is a rare eye-opener. The examples, sourced from the vast experience of the author (did we mention that she has been working in the field for 50 years? Yes we did) and from a large pool of corporate clients in America and elsewhere, are meant to provide actual, practicable advice for “HR” professionals. Its 10 chapters cover international business, legal issues, cost breakdown, hiring frameworks, bonus structures, management guidelines, and much more.

“Giving Notice” is (primarily) written for HR and C-suite managers, with a strong focus on the costs associated with the loss of talent because of diversity and inclusion issues (there is even a full appendix at the end with the complete breakdown of such costs). In a commendable exercise, Ms. Kapor Klein knows that the “humane” argument of the equation will not appeal to those types, but that the economic one will, maybe, hopefully.

Many organizations cite at least one of these three reasons for being willing to address bias:

1. **Litigation avoidance** “We want to limit our exposure to lawsuits.”
2. **Business case** “Being inclusive of employees from a wide range of backgrounds helps us achieve our business goals and allows us to be sensitive to the cultural nuances of our customers and business partners.”
3. **Human decency** “It’s the right thing to do.”

The last reason—human decency—generally gets the least attention, especially in the United States.

Just like with our praise for “Peopleware”¹²¹, we sometimes wonder how many people actually read the books we recommend in the “Library” section of this magazine. *Le sigh*. The reality of the world is better summarized by this quote from “Giving Notice”:

A current Morgan Stanley vice president shares these thoughts: “Diversity is good—there are many varieties of white male. Advancement opportunities are excellent as long as you are white male and you extract as much money from client accounts as possible.”

As usual, let us not hold our breath for change, but remind ourselves of the need for it every day. If you know an “HR” manager, show them this article and tell them to get a copy of this book. For 30 bucks, they will get a lot of actionable ideas to make workplaces suck a bit less.

In the meantime, learn more about Freada Kapor Klein by reading (or watching¹²²) an interview of her and Mitch¹²³ by Marc Weber for the Computer History Museum, watching her

¹²¹<https://deprogrammaticaipsum.com/tom-demarco-timothy-lister/>

¹²²<https://www.youtube.com/watch?v=VphuT2FzMvk>

¹²³<https://archive.computerhistory.org/resources/access/text/2023/06/102792787-05-01-acc.pdf>

TED talk¹²⁴, reading her interview at TechCrunch¹²⁵, and reading another book (this time co-authored with Mitch) titled “Closing the Equity Gap”¹²⁶.

Cover image by the author.

¹²⁴https://www.ted.com/talks/freada_kapor_klein_how_to_use_venture_capital_for_good?subtitle=en

¹²⁵<https://techcrunch.com/2019/07/01/in-depth-with-freada-kapor-klein/>

¹²⁶<https://closingtheequitygap.com/>