



APPS & SOFTWARE

25 Years of IBM's OS/2: The Strange Days and Surprising Afterlife of a Legendary Operating System

Big Blue's next-generation operating system was supposed to change everything. It didn't. But it's also never quite gone away

By [Harry McCracken](#) | April 02, 2012

It was one of the most ambitious computer-product announcements in history. On April 2, 1987, at twin press conferences in New York and Miami, IBM unveiled its plans to reinvent the PC industry, which it had jump-started less than six years earlier with the introduction of the first IBM PC. The company introduced four new computers dubbed the PS/2 line, including an \$11,000 model that it said was seven times faster than current models. The new products were rife with advanced features, including 32-bit processors, fancy graphics, 3.5-in. hard-shell floppy-disk drives and optical storage.



PC World

The July 1987 issue of PC World magazine featured a centerfold (!) of Microsoft CEO Bill Gates proudly sporting an OS/2 button

And the new hardware was accompanied by a next-generation operating system, [OS/2](#). Co-developed by IBM and Microsoft, it was intended to replace DOS, the aging software that then powered most of the planet's microcomputers.

(PHOTOS: [A Brief History of the Computer](#))

It never did. Instead, Microsoft's Windows reinvigorated DOS, helping end IBM's control of the PC standard it had created. By the mid-1990s, IBM had given up on OS/2 — a major step in the company's slow-motion retreat from the PC industry, which it completed in 2005 by agreeing to sell its PC division to China's Lenovo.

But while OS/2 never truly caught on, it's also never gone away. Even if you believe that you never saw it in action, there's a decent chance that you unwittingly encounter it occasionally.



Back in 1987, the possibility that the world might politely refuse to do as IBM instructed would have seemed implausible. Apple's iconic ["1984" TV commercial](#), which showed IBM customers as an army of unquestioning drones, was fantasy — but fantasy based on a certain degree of truth. Nobody, it was famously said, was ever fired for buying IBM. Yet OS/2 was an IBM product that the market, in general, chose not to buy.

When it was announced, however, the need seemed obvious, and its potential appeared to be huge. Tech writer Esther Schindler [remembers](#):

I happened to be working at [leading software developer] Lotus as a contractor 25 years ago, on the day OS/2 1.0 was announced. A couple of guys had been locked in a room in the basement with several PS/2s and OS/2 1.0 ... and emerged to show up the marvelous capabilities of the new hardware.

OS/2 promised *multitasking*, not just task switching. It knew how to handle memory ... It did a heck of a lot of cool things ... I don't think it's easy for young whippersnappers to grasp how big a deal the PS/2 and OS/2 were at the time. We were certain, absolutely certain, that nothing would be the same again. The closest I can come to it was the reaction after the first iPhone was released: the sense that *It's all different now*.

As it turns out, the PS/2 and OS/2 1.0 didn't have the impact everyone expected ... but we *thought* they would.

OS/2 felt so important at first because DOS was still a gussied-up version of the [rickety 16-bit software](#) that Microsoft had licensed in 1980 for \$10,000 from a tiny company called Seattle Computer Products. Windows, which first appeared in 1985, sat atop DOS and inherited its many flaws, such as the inability to utilize large amounts of memory and an eight-character limit on file names. The whole mess couldn't utilize memory properly and was prone to frequent crashes. It was begging to be replaced.

Vaporous Beginnings

Of course, OS/2 couldn't begin to replace anything until it shipped. And like many a technology product before and after, it remained vaporware for months after being announced. At the April 1987 launch, IBM said it intended to release the software in 1988, so when it finished the first version in December 1987, it got to say that OS/2 1.0 had shipped ahead of schedule.

But OS/2 stayed vaporous and incomplete for years after that. The first version let you use DOS-style commands such as DIR and COPY but had no mouse-driven, graphical user interface; that didn't show up until version 1.1 appeared in October 1988.



megabytes of memory to run adequately in an era when it wasn't a given that PCs had even 1 megabyte. *PC World* magazine later referred to the software's "gargantuan size" and "lethargy."

"[E]ven the recent 1.2 release is too buggy for general use," carped *PC World's* Robert Lauriston in the February 1990 issue. "Consequently, it's little used except by software developers, and large corporations with on-staff programmers."

Meanwhile, Microsoft was two-timing the operating system it had co-created. In May 1990, it released Windows 3.0, the first version that was sort of decent. In terms of technical underpinnings, it remained creaky, but it gave garden-variety PCs the same sort of Mac-like pretty front end that OS/2 aspired to deliver. Consumers and businesses embraced Windows by the millions, instantly turning it from an apparent dud into a blockbuster. Every PC maker in the industry except IBM soon standardized on it.

With Windows suddenly flourishing, Microsoft decided it didn't have to share the future of operating systems with anyone else. It not only began to [sever ties](#) with IBM but also argued that OS/2 was, in senior vice president of systems software Steve Ballmer's cheery words, "a dead end." The software that was originally supposed to be OS/2 3.0 morphed into Windows NT, the modernized version of Windows that both Windows XP and Windows 7 eventually descended from.

IBM soldiered on by itself, releasing OS/2 2.0 in April 1992, five years after the original OS/2 announcement. It was the first version that seemed less like an experiment and more like a fully realized commercial product.

Unlike Microsoft's Windows 3.1, OS/2 2.0 was a (mostly) 32-bit piece of software, capable of harnessing the full computing power of PCs that used 386 and 486 processors. It could effortlessly and safely multitask OS/2 programs, Windows programs and DOS programs; IBM marketed it heavily as "a better Windows than Windows," a claim that had some merit. More than 250 companies declared their intention to deliver OS/2 apps, including biggies such as Lotus, WordPerfect, Borland and Novell.

"Back from the dead?" wrote *PC World's* Anita Amirrezvani in the July 1992 issue. "Not quite, but OS/2 has made an unexpected comeback." She said that business types were giving version 2.0 consideration. But she also pointed out Windows' advantages and noted that OS/2 needed a fast 386 computer with 6 MB of memory and 15 MB to 30 MB of hard-disk space — daunting hardware requirements at the time.

The new version helped OS/2's prospects, at least somewhat: in October, IBM said it had shipped 1.7 million copies, more than all the previous OS/2 versions put together.



Windows devotees would switch to OS/2, since it multitasked better and crashed less.

A [1993 episode](#) of public TV series *The Computer Chronicles* had a skeptical-sounding title — “Whatever Happened to OS/2?” — but provided a largely upbeat update on 2.1’s prospects:

[youtube=http://www.youtube.com/watch?v=nLGwpH86zNw]

Still, any evidence that OS/2 was succeeding tended to look puny in the shadow of the overwhelming success of Windows. Most of the software companies that had pledged their support to IBM redeployed their energies to the vastly larger Windows market. In a move that was both symbolic and practical, a magazine that had started out with the name *OS/2* changed its name to *OS/2 and Windows*. And then to *Windows and OS/2*. And then, inevitably, to *Windows*.

Getting Warped

OS/2 3.0, released in November 1994, was dubbed OS/2 Warp — part of a concerted effort on IBM’s part to make the operating system seem less nerdy and more hip and consumer-friendly.

It even advertised the product on TV. Here’s a commercial that tries to explain OS/2 to non-nerds (it seems like the spot gives up halfway through). At the end, it simply says OS/2 is “a totally cool way to run your computer,” which is both vague and patronizing.

[youtube=http://www.youtube.com/watch?v=PY8WbTe1G0Q]

Warp included features, like the ability to tweak any object’s settings by right-clicking it, that would show up in Windows years later. Microsoft’s big Windows upgrade — code-named “Chicago” and eventually released as Windows 95 — was still vaporware, and IBM and OS/2 fans hoped that its continued absence might lead Windows to look elsewhere. One OS/2 aficionado, Charles Forsythe, composed a widely circulated [satirical press release](#) that had Microsoft offering to put Windows users into cryogenic suspension until Windows 95 was released. (He happens to be a high school buddy with whom I spent countless hours futzing around with computers, before either Windows or OS/2 existed.)

“Like anything that was in some ways ahead of its time,” Forsythe remembers, OS/2 “missed some features that seem obvious now. Probably its biggest weakness was one no one really noticed at the time: it was a single-user operating system at a time when networking was about to make it really important to know who or what is doing this? Today even consumer OSes such as OS X and Windows 7 make a clear distinction between regular and administrative users — even in cases where a PC only has one actual person who uses it.”

Once again, OS/2 seemed to have an opportunity to go mainstream; once again, it didn’t happen. Windows users, by and large, were content to wait for Windows 95, and OS/2’s market share



By then, I was working at *PC World*, where I edited a story for the February 1995 issue that attempted to rate the relative usability of Windows 95, Windows NT, OS/2 and Apple's Mac OS. We brought people to our test center and asked them to perform typical tasks such as formatting a floppy disk and installing a fax modem. As they worked in each operating system, we observed through one-way mirrors, took copious notes and videotaped everything. (I'm exhausted again just remembering it.)

After conducting exit interviews with our test subjects, we converted their comments into numerical scores. The article gave OS/2 a rating of 2.8 — the worst of the bunch. "In almost every case," we lamented, "the testers complained about how difficult it was to accomplish everyday tasks." One of them, we noted, managed to accidentally destroy OS/2 by dragging vital system files to the "Shredder."

(MORE: [Bill Gates: The Wizard Inside the Machine](#))

Another of our guinea pigs, already an OS/2 fan, neatly summed up the software when he told us that it "thinks the way I think. [But] it's not an end-user operating system; it's a nerd operating system."

Increasingly, evidence suggested that IBM was preparing to acknowledge that OS/2 was a lost cause. In August 1995, CEO Lou Gerstner was [quoted](#) by Laurence Zuckerman of the *New York Times*, who argued that operating systems were "the last war" and that it was "too late to go after the desktop." The same month, IBM employee Dave Barnes, responsible for evangelizing OS/2, [admitted](#) to Peter Lewis of the *Times* that he was installing Windows 95 on his own home PCs. Barnes also compared OS/2 to Sony's ill-fated Betamax.

As Lewis recalls:

I had received a review copy of OS/2 from IBM, but repeated attempts failed to get it to install properly. IBM's PR people said they had no idea what the problem might be, as they had not heard of any other people having problems with it. I was living in Austin, so IBM dispatched its chief OS/2 evangelist to my home office to go through the installation with me.

Dave arrived. Very nice guy. But after a half-hour of futzing with my system, he said, "I just can't do this any more." Even John Akers (former chairman of IBM) was unable to get the new version of OS/2 installed properly on his home PC and had to have someone sent over to install it for him, he said. It wasn't ready for prime time, he said.

I reminded him the session was on the record. He kept going.

The day my column ran in the NYT, IBM's CEO blasted me publicly for an assortment of reporting sins and for taking Dave's comments out of context. I expected that. But then IBM released a statement by Dave saying his comments were taken out of context, which I can only assume he



I called IBM PR and told them I had tape-recorded the entire conversation with their evangelist, and that if they persisted in accusing me of making things up and taking quotes out of context, I would be happy to print the exact transcript.

They immediately stopped blasting me and the NYT.

At the time, OS/2 fans were [outraged](#) by press coverage such as the Zuckerman and Lewis stories and believed IBM when it said it was committed to the software's future. Later, in his 2002 memoirs, CEO Gerstner [revealed](#) that the company was already plotting to wind down the OS/2 business when it released Warp.

The Fans Go Wild

OS/2 may have stubbornly refused to become a breakout hit, but it would be grossly misleading to suggest that nobody liked it. Actually, the people who did appreciate OS/2 loved it with an intensity that was unknown in the Windows world.

Much of that love was channeled into an organization called Team OS/2, originally instigated by IBM but mostly made up of thousands of smitten users who were paid only in tchotchkes like T-shirts. As its [FAQ](#) explained:

Team OS/2 is a highly informal organisation dedicated to telling the world about the advantages of Operating System/2 (OS/2), an advanced operating system for personal computers. Faced with a large amount of ignorance and misinformation about OS/2, Teamers respond by demonstrating the operating system to others, and educating them about its strengths and weaknesses. Teamers are all volunteers with a genuine enthusiasm for OS/2 that translates into a wish to spread that enthusiasm to others.

"[T]he community was so wonderful," remembers Esther Schindler, an alumna who was also involved in the Phoenix OS/2 Society, a user group with members in 28 countries. "We felt as though we were making a difference. We were keeping people from automatically moving to the always late, overpromised and underdelivered Windows 95." She calls the grassroots efforts of teamers such as Vicci Conway and Janet Gobeille "social media 15 years before it had a name."

Team OS/2 members and other admirers of the software descended on trade shows, corresponded with publications that covered OS/2 (pro or con) and generally spread the word. As the FAQ's cranky reference to a "large amount of ignorance and misinformation" suggests, they often behaved like they were on a crusade, leading to a zealotry that was occasionally scary if you were an unbeliever. Tech journalists discovered that it was difficult to write about the



I learned that for myself after I wrote what I thought was a mostly sympathetic story on OS/2. One user wrote a letter of complaint that compared me to Norman Bates hitting OS/2 in the back of the head with a shovel — a missive that stands as the finest attack on my professionalism that I've ever received. (On some level, I'll be disappointed if *this* article doesn't get any comments accusing it of being insufficiently appreciative of OS/2.)

The Long Goodbye

In September 1996, IBM introduced OS/2 Warp 4, formerly code-named “Merlin.” It improved Warp 3's interface and added features like built-in voice recognition. But IBM, which was already conspiring to exit the PC operating-system business, released it only grudgingly.

“John W. Thompson, the I.B.M. general manager in charge of the software, implied in an interview last week that the company had little choice but to continue supporting OS/2 because I.B.M.'s most important business customers still use it,” [reported](#) Zuckerman of the *Times*. “But the company has all but conceded that OS/2 will not compete for users in the consumer market.”

“By the time OS/2 Warp 4 came along, the company was no longer behind it,” agrees Esther Schindler. “They had publicly said they were going to do such-and-so, but at the top levels their hearts weren't in it. And one by one, they dismantled what they had spent at least a decade building ... Team OS/2 fell apart too, because how could *we* believe in their product if they didn't?”

Rather than canceling OS/2 outright, IBM let it slip into unofficial limbo. The company released no major new updates but continued to sell and support the software.

Years later, it's clear that OS/2's failure stemmed from an array of factors. The early versions were incomplete. The hardware requirements were too stiff. IBM failed to give the software features and marketing that appealed to normal folks.

“The No. 1 problem IBM had was that many in its own sales force had no incentive to sell OS/2,” says Charles Forsythe. “Suppose you are a PC salesperson at IBM in the mid-'90s. You are selling some PCs to a client. These PCs could have either Windows or OS/2 on them. Your commission is the same either way, and OS/2 is a harder sell. What do you sell them?”

(LIST: [10 of the Shortest-Lived Tech Products Ever](#))

Still, it wasn't all IBM's fault. Once Microsoft parted ways with IBM, it saw OS/2 as a threat to Windows and did everything in its power to crush it.

“The issue that mattered most to me,” former Microsoft evangelist Rick Segal [told](#) Elizabeth Lasky Stevens of *Brill's Content*, “was how to make sure OS/2 never got a foothold to take over



Windows], at the time.”) Microsoft lobbied tech journalists, carpet-bombed online forums where OS/2 was discussed and was even accused of creating a fictitious disgruntled IBM customer, [Steve Barkto](#), to do some of its OS/2 bashing.

That was only the tip of Microsoft’s anti-OS/2 iceberg. During *United States vs. Microsoft*, the Department of Justice’s antitrust suit against the software behemoth, an IBM executive testified that Microsoft prohibited software companies from using Microsoft programming tools to build OS/2 apps, making OS/2 development difficult and costly.

Worse, Microsoft’s contracts with hardware makers charged each company a fee for every computer sold, whether or not it included Windows. That meant that a PC manufacturer that wanted to sell OS/2 machines would have to pay both IBM and Microsoft for the privilege — a double toll that Windows didn’t carry. Microsoft was forced to end this practice only after OS/2 had been neutralized.

Never Say Die

Try though it might, IBM couldn’t force an unwilling world to use OS/2 as its primary operating system. But it also couldn’t extinguish demand for the system simply by declaring that it wasn’t going to sell or support it anymore, an announcement it made in 2005. In 2012, OS/2 is invisible to the naked eye, but it’s still out there, in more places than you’d think.

In New York City’s subway system, for instance, the travelers who gain entrance by swiping their MetroCards over 5 million times each weekday do so with the assistance of IBM’s theoretically defunct software. “While OS/2 is not running any visible part of the system, it does serve an essential purpose, and there are hundreds of OS/2 computers in service,” says [Neil Waldhauer](#), a consultant who helps New York City Transit and other clients keep their OS/2 applications running.

“OS/2 is not a superior solution in the places where it is still in use,” he explains. “Rather, it is a vital part of a larger system. Many enterprises have big investments in OS/2 programs that have no equivalent on other operating system ... For many users, it would be expensive or inconvenient to move years or decades of their data and programs to a new platform. Replacing OS/2 would mean replacing their entire system.”

Oh, and another thing: OS/2, Waldhauer, says, doesn’t crash. It’ll run for a decade without requiring rebooting.

Waldhauer says the checkout systems at Safeway supermarkets still run OS/2. So do certain ATMs, although big banks have largely moved on to Windows. A company called Serenity Systems International sells an operating system called [eComStation](#) that’s a licensed, updated version of OS/2, giving users the option of buying a piece of software that’s extant and

[Sign In](#) [Subscribe](#)

Some holdouts stick with OS/2 simply because they like it. For years, an organization called [Warpstock](#) has held OS/2 conferences in the U.S. and Europe. [Baywarp](#), the Bay Area OS/2 users' group, continues to hold monthly meetings. Sites like [OS/2 World](#) are still active. In short, it may be idiosyncratic to use OS/2 as a desktop operating system today, but it isn't impossible — and anyone who does has company.

When IBM announced OS/2 in 1987, nobody would have guessed that its glory days, such as they were, would be over by the mid-1990s. But when the company concluded that OS/2 had failed, it would have seemed equally unlikely that it would make it this far into the 21st century, still viable in its own odd way. Consider it a surprise happy ending: this famously unsuccessful piece of software isn't finished doing useful work, and may not be for quite some time.

More tech nostalgia on TIME.com:

[All-TIME 100 Gadgets](#)

[Top 10 Failed Futuristic Predictions](#)

[The 50 Worst Cars of All Time](#)

[The 50 Worst Inventions](#)

[The Computer Moves In](#)

© 2020 TIME USA, LLC. All rights reserved.