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Why this book now?

• Frequent inquiries about updating the 2000 volume.
• Many recent and new issues in global IP area.
• Increasing domestic and international interest in IPRs: public policy, commercial questions, personal connections.
• Global policies continue to evolve with a number of unresolved questions.
• IPRs remain as controversial as ever; probably more so as developing countries engage more fully and technologies continue to change.
• IPRs debates are often driven by rhetoric and narrow commercial interests; it may be time to bring some accessible economics to the table.
• Quite a bit of recent economic and legal scholarship is useful and should be brought to wider attention.
Objectives of the volume

• An economist’s stocktaking: where are we, what do we think we know, and what’s missing?
• Document and assess the major changes in global IP policy since the onset of TRIPS.
• Call current controversies into greater attention.
• Discuss economic evidence on the role of IPRs in international innovation, technology transfer, and information markets.
• Provide economic analysis of questions regarding the structure of IP markets (eg, exhaustion and parallel trade, geographical indications, digital licensing, enforcement)
• Comment on the economics of how IPRs interact with the provision of quasi-public goods.
• Offer policy suggestions where warranted.
Selling knowledge: chapter 1

- Ever-increasing importance of knowledge and creativity as a basis for economic and social progress.
- Ubiquity of IPRs and the “new ownership society”.
- New forms of innovation and creativity: are they consistent with traditional standards?
- If you build it they will copy.
- Striving for a new balance.
The big global upgrade: chapter 2

• A remarkable expansion since 1995 of legislated patent rights around the world.
• Generally stronger protection of copyrights, trademarks, PVRs and trade secrets as well.
• These changes are the result of:
  • TRIPS obligations.
  • Additional requirements in FTAs and bilateral arrangements.
  • Growing domestic interests in emerging economies.
• How well are these changes working in economic terms?
  • Some positive evidence of domestic innovation impacts.
  • Clear evidence of additional market-based technology transfer to middle-income and emerging economies.
  • Strong evidence of positive spillovers into productivity gains and more economic activity in local economies.
• Bottom line? These changes are improving the “plumbing” of global technology markets, except in poorest countries.
Table 2.1 Changes in the GP Patent-Rights Index

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<th>Income level</th>
<th>1990</th>
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<th>2000</th>
<th>2005</th>
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Notes: LI (low income) covers countries with 2003 GNI per capita (PPP) less than $2,500.
LMI (lower middle income) and MI (middle income) covers the income range $2,500 to $11,000.
UMI (upper middle income) covers the income range $11,000 to $20,000.
HI (high income) covers countries with 2003 GNI per capita (PPP) greater than $20,000.
Sources: Computed by the author from Park and Ginarte (1997); Park (2008); World Bank (2005).
Figure 2.1: Changes in the GP Index by Income Quartiles
Global governance: chapter 3

- Largely a descriptive review.
- TRIPS:
  - Minimum standards and “flexibilities”.
  - IPR dispute resolution under TRIPS.
  - Continuing issues.
- TRIPS-Plus issues and TPP.
- WIPO’s role and the Development Agenda.
- The new enforcement emphasis:
  - ACTA as a new global norm?
Regulating a stressed system: chapter 4

- Systemic pressures arising from “private” use of IPRs on an international scale.
  - Massive patent applications burdens, lack of transparency in patent ownership, need for greater cooperation.
    - Idea 1: Establish easily searchable databases of industrial property, either at major patent offices or at WIPO.
  - Use and misuse of patents in standards setting.
  - IPRs exhaustion and parallel trade.
    - Complex economics.
    - Comments on relaxation of US re-importation restrictions in medicines.
  - Economics of geographical indications.
    - The EU’s objective.
    - Is there scope for using GI’s to foster rural development in poor countries?
Regulating a stressed system: chapter 4

- Digital goods and licensing problems.
  - Economics of downloading and file sharing.
  - Global enforcement dilemmas and the limits to licensing solutions.
  - Moving toward a system that features:
    - Neutral framework that supports innovation in licensing models;
    - Makes paying for content as easy as downloading it;
    - Recognizes that digital licensing should have global reach.
  - Idea 2: Recognize that copyright owners have a global digital transmission right and encourage competition in national and international collection societies.

- Enforcement economics.
  - Large economic and social gains to effective enforcement.
  - Obvious political-economic problem of imbalance between costs and benefits.
  - Idea 3: small levy placed on applications for industrial property (patents, GI’s, PVRs, trademarks and renewals, possibly copyrighted content) to fund better enforcement measures.
IPRs and global policy challenges: chapter 5

• Additional issues arising from interplay between IPRs and provision of public goods.
• Two basic economic questions:
  • Does global IPR system raise enough roadblocks to justify changes in norms or processes?
  • Is reliance on private exclusive rights enough to meet needs for innovation and diffusion of new technologies?
• IPRs, policy space and economic development.
• Problems and progress in public health.
• Technology transfer and climate change.
• Agriculture and genetic resources.
  • The vertical R&D problem;
  • Access and benefit sharing;
  • Disclosure of origin of genetic resources?
IPRs and global policy challenges: chapter 5

• Traditional knowledge.
• Basic knowledge and science as an international public good.
  • Innovation networks, sharing and pricing knowledge.
  • The knowledge commons and transactions costs.
  • The international dimensions.
  • Patent norms and access-oriented licensing approaches.
  • A global access treaty?
• A primary common denominator regarding public goods: finding mechanisms to increase technology transfer while sustaining innovation incentives.
  • Idea 4: A coordinated announcement that technology transfer for development and public needs is a clear global priority.
Revitalizing a tired system: chapter 6

- Is the current system of norms consistent with a world of cumulative innovation, network economics, global marketing and digital creativity?
- Is it prepared to absorb the emergence of major economies (eg, BRICS) that have their own expectations?
- System is under increasing pressure and seeks a new balance.
- The WTO/TRIPS approach can be built upon but is unlikely to deal effectively with public goods issues.
- Importance of energizing WIPO as an information repository, analytical support and location for refining and developing IPR norms.
- Whatever the path, the system needs to accommodate broader interests in ownership, new forms of innovation, and reasonable access across borders.