
Local productive capacities, IPRs and profiting from creativity in DCs

UNCTAD has been among the pioneering international development agencies to support Creative Industries as a new and dynamic source of trade and investment opportunities. Doing so required that countries not only better utilise IPRs but even more the application of new business models suitable for E-commerce and the adoption of other new technologies. This new “Amazon-dot-com” model, however, requires the formation of new productive capacities, resources and capabilities such as digital expertise, marketing and promotion of internet, efficient payment methods, delivery capacities, quick access to stock, quick delivery capabilities and adequate consumer demand for online distribution. UNCTAD's initial optimism was based on the premise that two key conditions were already in place or could be quickly satisfied in the near future: (1) the local production systems could generate the necessary productive capacities to realize the opportunities of global markets; and that (2) the IPR regime could ensure an appropriate level of returns on creativity through the market for local creators and producers. To date the promise of substantial online “creative content” exports from developing countries remains unrealized. As these two essential conditions remain unsatisfied and are not likely to be so soon, by implication, the promised opportunities of profiting from creative industries in the current context, are not likely to occur in the near future. Alternative policy actions are needed to nurture and stimulate these sectors in developing countries.