

5-2003

## Promoting Intellectual Property for Economic Growth

Rita Hayes, Ambassador

Follow this and additional works at: <https://scholarship.law.vanderbilt.edu/vjtl>



Part of the [Intellectual Property Law Commons](#), and the [International Trade Law Commons](#)

---

### Recommended Citation

Rita Hayes, Ambassador, Promoting Intellectual Property for Economic Growth, 36 *Vanderbilt Law Review* 793 (2021)

Available at: <https://scholarship.law.vanderbilt.edu/vjtl/vol36/iss3/6>

This Article is brought to you for free and open access by Scholarship@Vanderbilt Law. It has been accepted for inclusion in Vanderbilt Journal of Transnational Law by an authorized editor of Scholarship@Vanderbilt Law. For more information, please contact [mark.j.williams@vanderbilt.edu](mailto:mark.j.williams@vanderbilt.edu).



## Promoting Intellectual Property for Economic Growth

*Address by Her Excellency Ambassador Rita Hayes  
Deputy Director General of the World Intellectual Property  
Organization  
Vanderbilt University Law School February 12, 2003*

### Introduction

It is an honor for me to speak to you this afternoon at the Vanderbilt University Law School. I would like to thank Dean Syverud for inviting me here and giving me this opportunity to speak to you about the World Intellectual Property Organization and its work.

The World Intellectual Property Organization, based in Geneva, is a specialized agency of the United Nations that deals with international intellectual property matters. The Organization is perhaps best known for international agreements such as the Patent Cooperation Treaty (the PCT), The Madrid Agreement, and the Hague Agreement, which provide international registration and protection for patents, trademarks, and industrial designs, respectively.

The Organization's work in standard setting—through the development of international intellectual property law—covers the range of intellectual property from industrial property to copyright. Many of you are familiar with the WIPO Internet Treaties, two international treaties that came into force last year which help bring international copyright standards in line with the digital age.

Certainly a solid, broad-based education in law is important in understanding the intricacies of intellectual property today, particularly on the international level. I encourage all of you to include as much intellectual property law in your course work as possible. The field is undergoing significant evolution and will

continue to provide challenging opportunities for years to come. It is clearly one of the most dynamic areas of legal specialization today.

What I would like to speak with you about today, however, is not so much the technical aspects of international intellectual property law, but rather the underlying message of WIPO's work. In order for the international intellectual property system to succeed, all stakeholders in the system must be convinced of the value, and the potential benefits, of intellectual property. If the public at large is going to respect the body of intellectual property law—even the concept of intellectual property itself—then it must have a concrete understanding of the nature of intellectual property and the key role it plays in economic, social, and cultural development.

Intellectual property is a term increasingly in use today, but still little understood. To many people, it remains an obscure legal concept, with little relevance to everyday life. This is why WIPO is focusing increasingly on explaining why and how intellectual property is important to every society. Our goal is to show how intellectual property—the fruits of human creativity and innovation—plays a crucial role in the development of nations. Our message is simple: In the 21st century, intellectual property provides a powerful engine for economic growth.

### Understanding the “Knowledge” Economy

It has become increasingly clear in recent years that the accumulation, use, and exploitation of knowledge is one of the primary forces driving economic and social development in this century. Consider the following points:

- Knowledge and information—economically exploited as intellectual property—are replacing the more traditional, material elements of production as the primary engine of economic growth.
- This engine is fueled by the ingenuity, creativity, and innovative ability of a nation's people—truly inexhaustible resources which are increasingly the key to sustainable development.
- Converting these resources into tangible economic assets requires an effective and efficient intellectual property system.
- When properly developed, managed, and commercialized, these assets provide a solid foundation for wealth creation in all nations.

This new economic reality has become increasingly apparent to many governments around the world. Developed and developing nations alike are modernizing their intellectual property systems, providing more support to research and development institutions, and creating more incentives for the private sector to encourage the development of intellectual property assets.

However, in order to make the benefits of intellectual property available to all, it is imperative that a wide audience understand, appreciate, and respect the role that the intellectual property system plays in this regard. WIPO is taking its message not only to governments, policymakers, business leaders, and the legal community, but also to inventors, artists and performers, entrepreneurs, consumers, and the general public.

Everyone, in one way or another, benefits from intellectual property every day. Our challenge is to fully explain those benefits—and how to take advantage of them. For this we count on our partners in our member states, both in the public and private sectors.

### The Rule of the Intellectual Property System

This task of explaining and promoting the intellectual property (IP) system is not always easy, as the system is viewed in many quarters as largely benefiting multinational corporations in the developed world. That is not, however, an accurate assessment.

India, to take one example, provides a vivid example of a positive IP environment producing tangible, measurable results: In the years before strong IP laws and policies encouraged innovators in India, much of the country's educated cadre of information technology workers left the country to work elsewhere. Today, with stronger IP institutions and legislation in place to encourage and reward local innovation, the Indian software industry employs some 500,000 software engineers, and Indian-produced software is used worldwide.

This IP-positive environment created a thriving industry and much-needed new jobs in India, and has helped attract significant foreign direct investment as well. The same is true in countries such as Brazil, China, Korea, and Singapore, which have adopted proactive intellectual property policies to stimulate local industries—from biotechnology to telecommunications to electronics. It is not surprising that the top twelve users of the PCT from developing countries last year were companies from these five countries.

While these and numerous other countries provide encouraging success stories in how to harness the power of knowledge and creativity, they remain a minority among developing countries. Ultimately, the creation and exploitation of intellectual property assets are possible only when potential creators are aware of the importance of the intellectual property system, and have the means, resources, and infrastructure necessary to access it. This situation does not yet exist in much of the developing world.

### Working with Partners

The situation can be changed, however, primarily through highlighting the benefits of the intellectual property system and encouraging its use as a dynamic tool for wealth creation, available to all countries.

WIPO works closely with all of its member states—developed and developing alike—in encouraging what has come to be known as an “IP culture.” This is a multi-faceted effort aimed at sensitizing all levels of society to the importance of human creativity and innovation, its value as an exploitable economic asset, and its strategic role in advancing economic and social development.

WIPO cooperates with government officials and agencies to assist in shaping national policies, programs, and legislation that optimize the use of, and respect for, intellectual property rights. Our work with the private sector, from multinationals to Small and Medium sized Enterprises (SMEs), is geared toward helping companies recognize, assess, and leverage the value of their IP assets. Our efforts directed toward the general public stress the benefits of respecting intellectual property rights: that by purchasing legitimate goods and services, for example, citizens are supporting local industries, increasing the domestic tax base, and strengthening the rule of law.

WIPO’s relationship with the private sector is important in these efforts, because industry—particularly on the local level—has a key role to play in working with WIPO and its member states to increase awareness of the value and economic potential of intellectual property. Partnerships with industry will help us further build understanding of how to develop, protect, and use intellectual property as an economic asset, and help us strengthen national and regional infrastructures to ensure that all nations can benefit from it.

### How Business Can Help

Industry has a simple and clear-cut economic interest in assisting developing countries to build their infrastructure in areas that ultimately encourage the development of IP assets, particularly in the development of human capital, research and manufacturing capacities, and local enterprises. Developing this kind of infrastructure—through training, funding of specific programs, or in-kind assistance—is complementary to the creation of strong IP institutions. Together these kinds of efforts help promote a healthy IP environment.

It has also been shown to work. Success stories in which governments have focused on their infrastructure needs to help

develop IP assets—and improve their countries' economic performance—exist in all regions. Any effort that encourages governments to move in this direction contributes to breaking the cycle of poverty, creating industries and jobs, and contributing to the overall prosperity of a nation. This is in the interest of industry, which needs a strong base of human capital, new ideas, and new markets to prosper. And industry has the expertise, the experience, and the resources to help make it happen. Moreover, as markets become increasingly globalized, industry stands to gain overall from an improved infrastructure of intellectual property protection throughout the world.

Industry—both domestic and foreign—can do more for their local and host governments to assist in developing a healthy IP environment. Some examples of industry-government cooperation include:

- Joint development of IP assets in research institutions, and development of programs bringing together local industry and universities in various technological fields, such as biotechnology, medicine, and information technology;
- Training of local “knowledge workers”—for example, in research industries or medicine—in managing and exploiting IP assets;
- Creating corporate sponsorship programs at local educational institutions to share expertise in IP assets development and management;
- Providing expertise and financial assistance in creating local public outreach campaigns to explain the value of intellectual property to a broad audience, as well as programs in schools and university research centers to help encourage young scientists, researchers, and inventors; and
- Providing human and financial resources to governments and intergovernmental organizations to help accelerate the development of an IP culture and strong IP systems and infrastructures worldwide.

All of these efforts fall under the umbrella of explaining and promoting intellectual property as a key tool for development. For WIPO's part, it is continuing and expanding its contacts with industry to ensure a more active role in promoting a broad appreciation of the value of intellectual property in economic and social well-being. WIPO's Industry Advisory Commission (IAC), composed of senior corporate officers whose businesses are linked with intellectual property issues, is an important vehicle for a fluid, two-way dialogue with industry.

Further contacts through regional business roundtables will help provide insights in particular geographic areas and identify specific needs in developing countries in those areas. WIPO is committed to

making industry a full partner in the global effort to promote intellectual property as a tool for development.

### The Road Ahead

The challenge for industry, governments, and WIPO is clear: To enter into a lasting partnership that will help realize the promise of intellectual property as a stimulus for economic development and prosperity for all nations. This goes beyond building infrastructure, enacting laws, and implementing enforcement mechanisms. It involves developing a culture that appreciates the value of creativity and innovation. It involves building a system that balances the rights of inventors and creators with the interests of society as a whole.

These are not simple tasks. Achieving these goals—making the benefits of intellectual property available to all—requires a multifaceted investment in education, in intellectual property outreach, and in affordable and easy to use IP systems.

For a country to take full advantage of its creative and innovative resources, intellectual property cannot be viewed in isolation, simply as a legal system protecting the rights of individuals or corporations; it must be seen as an intrinsic part of the fabric of a modern society and a thriving economy. Through persistence, cooperation, and investment, this notion of the “IP culture” can become a reality for all nations.