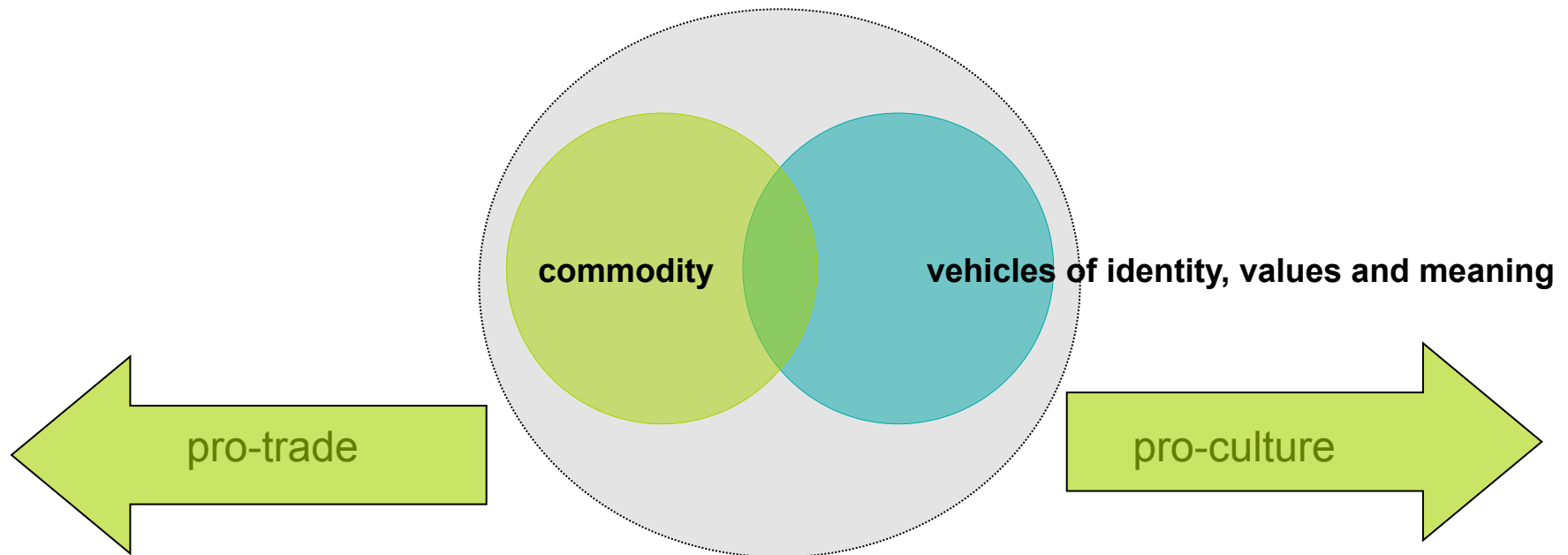


# **trade and culture under the conditions of digital media**

**mira burri, dr.iur.,  
world trade institute, university of bern  
göttingen, 24 may 2012**

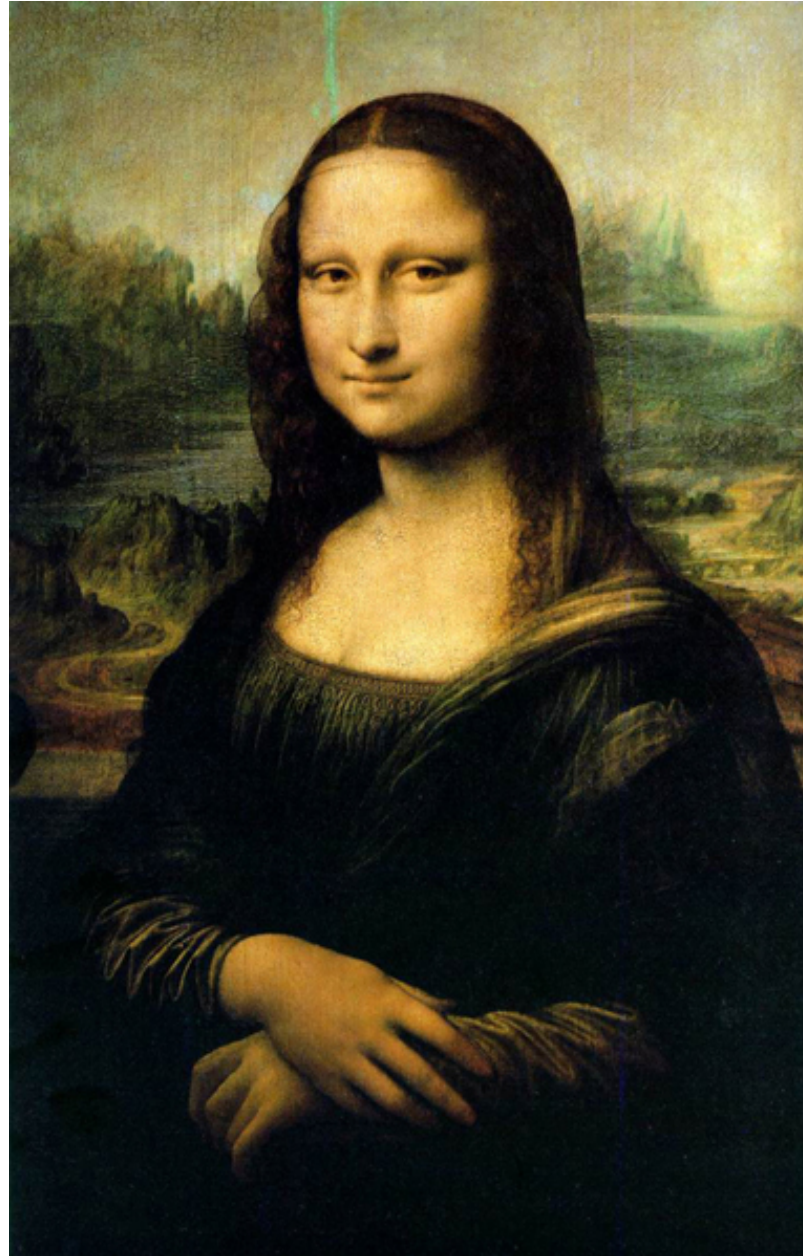
# **dual** nature of cultural goods and services



## trade and culture

- a special pair in the ‘trade and ...’ discussions
- reaction to globalisation’s effects and to the institutionalisation of economic globalisation (WTO)
- narrow focus on audiovisual media
- the battle not as conventionally between developed/developing countries but between developed countries
- over-politicised (emotionally charged) discourse

**what is  
culture?  
which  
culture is  
worth  
protecting?**



**Mona Lisa  
Leonardo da Vinci  
(1503–1505)**



**Marcel Duchamp**  
**L.H.O.O.Q. (1919)**





**Shrek 2 (2004)**  
**No 19 All-time box**  
**office \$880,871,036**

**>> all existing measures grounded  
in the offline/analogue environment**

**>> TRADE and CULTURE 1.0**

# transformed information and communication environment (2.0)

- instantaneous communication to millions
- low threshold of participation
- no tangible medium
- perfect copies
- new modes of organising and accessing information
- no scarcity in cyberspace
- **above all:** completely changed ways of creating, distributing, accessing, using and reusing cultural content



# the **long tail** theory

- preaches **naturally generated diversity**, as reduced barriers to entry allow new market players to make use of niche markets, which are economically viable in the digital ecosystem due to the dramatically falling storage, distribution and search costs (Anderson 2006; Brynjolfsson *et al.* 2006)
- supply and demand meet not only for ‘mainstream’ products in the snake’s head, but also for non-hit products, now available in the tail

# the long tail theory

## ANATOMY OF THE LONG TAIL

Online services carry far more inventory than traditional retailers. Rhapsody, for example, offers 19 times as many songs as Wal-Mart's stock of 39,000 tunes. The appetite for Rhapsody's more obscure tunes (charted below in yellow) makes up the so-called Long Tail. Meanwhile, even as consumers flock to mainstream books, music, and films (right), there is real demand for niche fare found only online.



# TIME

PERSON OF THE YEAR



**You.**

Yes, you.  
You control the Information Age.  
Welcome to your world.

## user created content (UCC)

- a powerful tool of democratisation of content production and distribution
- bears the key media policy components of diversity, localism and non-commercialism (Goodman 2004)
- the empowerment of the user to communicate without intermediaries or other substantial access barriers has already created a vibrant ‘marketplace of ideas’ (Lessig 2006)

# post-cyberhype appraisal

- **more nuanced evidence**
- **as for the long tail:** it is unclear whether a media environment of unprecedented choice and sophisticated tools for identifying and accessing content **helps or hurts the prospects for content that has not traditionally resided in the 'head'**
- **as for UCC:** sceptic voices stress the dangers of **fragmentation of the public discourse**
- **diversity exposure?:** **real consumption remains limited to a handful of mainstream online sources (professionally produced by white, educated men)**



# extreme interdisciplinary disconnects



- digital technologies could foster cultural exchange and diversity **but** this outcome is not preordained
- **smart cultural protectionism**
- departing from quotas, trade barriers and plain economic protectionism
- also because ‘old’ cultural policy tools reserving ‘shelf-space’ do not work in cyberspace
- innovate around digitally enabled processes
- integrate policies conventionally thought peripheral to achieving cultural objectives (e.g. net and search neutrality)

# THANK YOU !

**contact:** [mira.burri@wti.org](mailto:mira.burri@wti.org)

**SSRN page:** <http://ssrn.com/author=483457>