

# For intellectual property rights

[Literature](#), [Russian Literature](#)



Topic: Annotated Bibliography Deardorff, A. V. (1998). Benefits and Costs of Following Comparative Advantage. Discussion Paper #423, Research Seminar in International Economics, School of Public Policy, Univ. of Michigan, Ann Arbor, Michigan

The author argued that the international theory of comparative advantage in trading is an applied benefit-cost analysis. To gain leverage, the tool is essential specially in trading where all public projects and policies, including its implications are examined thoroughly. The mechanism in trading motivates business managers should conduct benefit-cost analysis to quantify and compare potential gains and losses in the market, thus, facilitate the determination of what are plausible, risky and impossible (Deardorff, 1998). It also determines organizational strength, weaknesses, opportunities and threats confronting the organization. Trading necessitate liberalized economic policies which are cited in the General Agreement on Tariff Trade which the author presupposed as an instrument that hinder the use of war as instrument for economic expansion. This policy is however should be rechecked using cost-benefit analysis to secure issues pertaining to environment, culture, use of technology, child labor, migration, and presence of other multinational organizations and concerns for world peace. Author further argued that the company explicitly argued that to secure the products being introduced to the market, necessary measure for intellectual properties rights should be adopted to protect itself from distortions happening in the market or those that are made by the government.

WIPO. (2008). What is Intellectual Property? World Intellectual Property.

Retrieved from WIPO (2008). <http://www.wipo.int/about-ip/en/> Accessed: August 3, 2012.

Intellectual property (IP) is defined as creations of the mind and preservation of authorship on inventions, literatures, arts, movies, symbols, names, images, and designs used in commerce (WIPO, 2012, p. 1). This covers industrial property of trademarks, patents, industrial designs, and geographic indications of source, and copyright (WIPO, 2012, p. 1). Traders argued that IPR balance and neutralize the impacts of all possible effects of tariff policy and also improves the country's position in the world's productivity rank. This is because it sets legal limitations to conditions in industrial developments to protect the properties and creation of innovators (Lerner, Stojwas, & Tirole, 2005). These limitations are universally applied thus can't be considered as negative for new entrants in the market. Many research studies proved that this is a theory that protects the authors from those that can do infringement e. g. pirate the nature of products made by another. Many poor countries however criticized this policy as unfavourable to the indigenous people whose vast knowledge on natural medicines cannot avail of patents and copyright because most of these are unwritten and they are less concerned on legal requirements or processes (Naghavi & Strozzi, 2011). Besides, as traditional people that are more sensitive to their customs and culture, they only prefer the protection of their traditional knowledge on natural medicine, hence, can't avail the existing IP system. There is however strong social implication on medical research done in their areas because developments caused their dislocations, too (Naghavi et. Al., 2011; Saint-Paul, 2004). There is however some efforts done to develop an objective

legal and practical responses on these concern.

Some economists, on the other hand, criticize the law upholding intellectual property right as a law that espoused inflation of prices of commodities in the market. Civilians with less purchasing power and problem in income distribution prefer the reduction of reduction of IPR to also reduce the research and development because it distorts occupational choice. IPR is an added cost aside from tax and transfers in the innovative scheme of producing products.

### References

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