

Abstract

Copyright Reform in Korean Society

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This article approaches the topic of copyright reform from two different perspectives : one arising from the fundamental ‘reward-punishment model’; and the other uniquely observed in Korean society. The “reward”, assuming every authors being selfish and pursuing economic profit, is codified in the form of exclusive rights, and the ‘punishment’ targets against those who infringe the exclusive rights. Cultural progress, the main objective of copyright policy, is hardly achieved from the ‘reward-punishment model’. How to institutionalize cooperative authors rather than the selfish ones should attract more attention. The endowment effect, discussed in behavioral economics and amplified by the “creation effect”, may lead to a market failure. The punishment is implemented by a Leviathan model, a war of every man against every man, causing unduly excessive costs but failing to make people abide by copyright rules. Now we need an alternative models. For this purpose, research topics are proposed, including what the motive of authors is, how works are transacted in the real, not ideal, worlds, and how creation and innovation have been made in a no-copyright-world or in fields having little copyright protection. Reform of Korean copyright policy should begin with reassessing the figures of economic harm caused by copyright infringement. The figures which have been made public by copyright industry association for about 10 years without independent and objective review have enormous impacts on ideology and polices of copyright. We also need to view people’s use of creative expressions from cultural perspective not from dichotomy of legal-illegal and revisit the administrative enforcements such as three-strikes-out rules and filtering obligation of certain type of online service providers. Autonomy of copyright policy and governance are challenging but crucial issues in the ‘mega-FTA’ era where the substantial provisions of domestic copyright are fixed through the trade pacts with foreign nations. In the discussion of copyright reform, how to reconcile conflicting interests and

reflect into the final policy is more significant than how to collect opinions from various stakeholders.

Keywords

copyright reform, reward-punishment model, endowment effect, alternative reward model, liability rule, cooperative authors, economic harm, FTA, policy governance