

Apple's bid to end music piracy protection may signal end to copyright system

February 8 2007

Steve Jobs, chief executive of Apple Computers, has issued a challenge to the music industry, saying Apple would support an open online music marketplace if the four-largest music companies would drop the use of digital-rights management software — the technology that prevents the copying of music sold online.

Jobs' challenge, which some consider shocking, is just the latest brick to fall in the inevitable collapse of a legal wall that since 1999 has been obstructing technological progress and preventing people from enjoying more and better music at a lower price, suggests Michele Boldrin, Ph.D., an economist who studies the hidden costs of intellectual property rights protections.

Boldrin and David K. Levine, Ph.D., both professors of economics in Arts & Sciences at Washington University in St. Louis, are co-authors of a number of academic articles and a forthcoming book arguing that intellectual monopoly — patents, copyrights and restrictive licensing agreements — should be swept away.

Their theories, also deemed controversial, call for the eventual abolition of most intellectual property right protections. They view Jobs' plea for the abolition of the digital rights management (DRM) system as validation of their call for a new approach to intellectual property, one necessitated by the Internet's power to make digital content readily available worldwide.

In an [open letter](#) on Apple's Web site Feb. 6, Steve Jobs seems to concur with arguments put forth by Boldrin and Levine, suggesting "DRMs haven't worked, and may never work, to halt music piracy."

Music companies, Jobs argues, receive few benefits from selling 90 percent of their music on CDs, which don't have DRM software built in, and the remaining amount online with DRM technology. Meanwhile, Apple's iTunes Music Store is currently listed as the world top-selling online music store with more than 2 billion songs sold.

Wall is coming down, one brick at a time

Boldrin and Levin argue that there is plenty of money — in fact, probably more money than there has ever been — in distributing and selling digital content via the Web without the obstacles created either by DRM or by any similar attempt to prevent people to do what they want with the digital files they lawfully purchased.

"Digital content can now be sold very efficiently and in very large quantities via the Web," Boldrin explains. "Copies of that same digital content can easily be made and distributed via the Web — hence they should be allowed to be made — without the obstructions that current "anti-piracy" regulations impose upon this economic activity.

"The cost reduction that digital-web distribution of music makes possible is so large, that a competitive market for music could leave plenty of room for charging the lawful purchaser of originals for the implicit value of the copies he/she will eventually donate or sell to others, again via the Web," Boldrin continues.

"Imposing copyright protection and anti-piracy restrictions, such as the DRM software, on this flourishing economic activity is a costly, silly and eventually useless tentative to block economic progress. To preserve the

old rents of a few incompetent people who cannot, or are not willing to, adapt to the new ways of doing business is not the goal of a good property rights legislation.

"One brick at a time, the wall is coming down," Boldrin concludes. "It had to come down. Tower Records is gone, and soon the music industry as a whole will realize that distributing music via CDs or similar devices is also gone for good.

"The movie industry is, apparently, slowly learning the same lesson as Wal-Mart is entering a partnership with all of the six major Hollywood studios to sell digital movies and television shows on its Web site," Boldrin adds. "The bricks are being removed, one at a time, but the process is made slow and painful by the silly resistance of vested rent-seeking interests."

Source: Washington University in St. Louis, By Gerry Everding

Citation: Apple's bid to end music piracy protection may signal end to copyright system (2007, February 8) retrieved 27 April 2024 from <https://phys.org/news/2007-02-apple-music-piracy-copyright.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.