The Caribbean Music Industry Database (CMID), 2000

Edited by

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A Report Prepared for

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and

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Contents

		Page
	Contents	ii
	List of Tables	v
	List of Figures	vi
	List of Abbreviations/Acronyms	vii
<u> </u>	The Conception, Aims and Structure of The CMID	
<u>1.1</u>	The Conception of the Database Construction Project	
<u>1.2</u>	<u>Aims</u>	
1.3	The Design and Use of the CMID	
<u>1.4</u>	Definition of Music in the CMID	
1.5	Content & Methodology	
1.5		
	5.2 Type of Data	
	5.3 <u>Data Sources</u>	
	5.4 <u>Data Analysis and Presentation</u>	
	5.5 Coverage	
<u>1.6</u>	Important Genres of Caribbean Music	
<u>1.7</u>	<u>Reports</u>	
1.8	Administration, Maintenance and Updating of the CMID	
<u>1.9</u>	Accessibility and Copyright	
<u>1.10</u>	<u>Updating the CMIB</u>	
<u>2.</u>	Profile of the Caribbean Music Industry	
<u>2.1</u>	<u>Overview</u>	12
<u>2.2</u>	Performing and Mechanical Rights Due to Authors and Composers	12
2.2	2.1 Performing Rights	13
<u>2.2</u>	2.2 Mechanical Rights	
<u>2.2</u>	2.3 Administration of Rights.	13
<u>2.2</u>	2.4 Music Publishing	
<u>2.2</u>	2.5 Employment in Music Publishing	14
<u>2.3</u>	<u>Live Performances</u>	
<u>2.3</u>	3.1 Performing Rights	17
<u>2.3</u>	3.2 Employment of Musicians	18
<u>2.4</u>	The Recorded Music Market	18
2.4	4.1 Relative Size of Recording in the Music Industry	24
2.4	4.2 Relative Size of Country Markets for Recordings	24
2.4	Consumption Structure: Recorded Music in the Domestic Music	c Market 25
2.4	The Recording Companies.	25
2 4	Manufacturing.	

	<u>2.4.</u>	<u>Employment in the Recording Business</u>	26
	2.4.	7 Retailing of Recordings	26
	2.5	<u>Taxes</u>	27
	2.6	<u>Piracy</u>	27
	<u>2.7</u>	Musical Instruments	28
	<u>2.7</u> .	1 Household Ownership of Musical Instruments	28
	2.8	<u>Broadcasting</u>	28
	2.8.	<u>1 Radio</u>	29
	2.8.	<u>2</u> <u>Television</u>	30
	<u>2.9</u>	Music and Education	
	<u>2.10</u>	Sponsorship and Subsidies	
	<u>2.11</u>	Country Profiles	32
	2.1	<u> 1.1 Jamaica</u>	32
	2.1		
	<u>2.12</u>	The Survey Instrument: Some Indications from the Tobago Pilot Survey	
	<u>2.13</u>	Regionalism and Caribbean Music	
	<u>2.14.</u>	International Agencies and Use of Music as Development Aid	
	<u>2.15</u>	Capital Accumulation, Policy and Music Development: Selected	
		<u>Considerations</u> .	
	<u>2.16</u>	<u>References</u>	47
3	<u>.</u>	Music and the Jamaican Economy.	50
	<u>3.1.</u>	The Jamaican Music Industry	
	<u>3.1</u> .	<u>1</u> <u>Period I</u>	51
	<u>3.1.</u>		51
	<u>3.1.</u>		
	<u>3.2.</u>	The Markets for Jamaican Recorded and Live Music	
	3.2.	<u>1 The Domestic Markets</u>	58
	3.2.		
	3.2.		
	3.2.	4 Supply of music services as inputs	63
	3.2.		
	<u>3.2.</u>		
	3.2.		
	<u>3.3</u>	The Recording Business	
	<u>3.3.</u>		
	<u>3.4</u>	Manufacturing and Distribution	
	<u>3.4.</u>		
	<u>3.4.</u>		
	<u>3.5</u>	<u>Foreign Trade</u>	
	<u>3.5.</u>		
	<u>3.5.</u>		
	3.5.		
	3.6	Income Flows in the music Industry	
	3.7	<u>Institutional structure and linkages</u>	
	<u>3.7.</u>		
	<u>3.7.</u>	<u>Public sector institutions</u>	82

3.8 <u>Mu</u>	sic in the Jamaican economy	82
<u>3.8.1</u>	A Preliminary Assessment	82
3.9 Cor	clusion	83
3.9.1	Directions for Future Research	84
3.10 Ref	erences	85
4. The	Music Industry in Trinidad and Tobago	91
4.1 Bac	kground	91
4.1.1	Demand	91
4.1.2	Supply	92
4.1.3	Firm Structure:	
4.2 Mus	sical Genres	94
4.3 Stru	cture of the Music Industry in Trinidad and Tobago	95
4.3.1	Data Sources:	
4.4 Mai	nufacturing/Recording:	97
	ording Studios (Rental)	99
4.6 Mu	sic Publishing	99
$\frac{1}{4.7}$ Live	e Performances	100
4.7.1		
$\overline{4.7.2}$	Copyright	
4.8 Sale	and Rental of Musical Instruments	107
4.8.1	<u>Sale</u>	
4.8.2	Rental	
4.9 Oth	er Services	
4.9.1	Music Education	108
4.9.2	Music for Film & TV	
4.9.3	Tourism Related Music Events	109
4.10 Sou	rces of Revenue in the Music Industry	
4.10.1	Visible Earnings	
$\overline{4.10.2}$	Information from COTT	
4.10.3	Invisible Earning	114
$\frac{4.10.4}{}$	Royalties	
	ulation and Facilitation	
	nmary	
$\frac{\overline{4.13}}{\text{Fur}}$	ther Work	
$\frac{1}{4.14}$ Ref		121

Tables

Table 1.1: Significant Genres in the Musical Traditions of Jamaica and Tr	inidad and
<u>Tobago</u>	7
Table 2.1: Major Festivals of the Caribbean	16
Table 2.2: Employment in the Music Sector	18
Table 2.3: Matrix of Recorded Music in the Caribbean	23
Table 2.4: Shares of Retail Price of CD or MC	23
Table 2.5: Imports of Music Media (US\$), 1997.	24
Table 2.6: Imports of Music Media (Units), 1997	24
Table 2.7: Estimates of the Size of the Caribbean Recording Industry, 2000	26
Table 2.8: Radio Broadcasters in Cuba, Trinidad and Tobago and Jamaica,	
2000)	29
Table 2.9: TV and Cable/Satellite Statistics, Jamaica and Trinidad and Tobago,	<u>2000</u> 31
Table 2.10: Structure of the Tourism Industry, Jamaica, 1997	
Table 3.1: The Markets for (final) Music Goods and Services	
Table 3.2: The Markets for Inputs into the Production of Music Goods and Serv	vices 57
Table 3.3: Percentage of Households Owning Audio and Video Equipment	
Table 3.4: Recreation as a percentage of Total Consumption Expenditures	59
Table 3.5: Expenditure (of money and time) by USA Households on Music	
Table 3.6: Selected Sessions on the Jamaican Dance Calendar	67
Table 3.7: Jamaica: Music Exports and Imports, 1998 and 1999	74
Table 3.8: Selected Estimates of Fees in the Music Industry	77
Table 3.9: Royalties Paid to Collecting Societies	
Table 4.1: Genres and Major Performers	
Table 4.2: Range in Average Income of Publishers in US \$	
Table 4.3: Distribution of Earnings Per week (in US \$) for Calypsonians in Type	
	101
Table 4.4: Visitor Expenditure for Carnival Season, Trinidad and Tobago, 1997	and 1998
	100
Table 4.5: Visitors to Trinidad Carnival by Origin.	110
Table 4.6: The Percentage of Local Music in Radio Air Play, Trinidad and Tob	
	111
Table 4.7: The Percentage of Local Music in Radio Air Play, Trinidad and Tob	ago, 1999
Table 4.8: Hemispheric Data on Music Related Imports and Exports	
Table 4.9: Incomes, Expenses and Distributions of COTT, 1990-1998	115
Table 4.10: Radio Broadcasters in Trinidad and Tobago (April 2000)	
Table 4.11: Television and Cable/Satellite Statistics, Trinidad and Tobago, 199	
Table 4.12: Contribution of the Creative Services Sector to GDP 1986-1998	
and Tobago at constant 1985 Prices (\$TT million)	118

Figures

Figure 2.1: Organisation and Flow of Payments of a Concert Performance	17
Figure 2.2: Structure of Production and Sales of Sound Recordings	20
Figure 2.3: Structure of Production and Sales of Sound Recordings in Europe/USA	22
Figure 3.1: Circular Flow of Income in the Jamaican Music Industry	88
Figure 3.2: Music Industry Linkages with Other Industries	

Abbreviations/Acronyms

ASCAP American Society of Composers, Authors and Publishers

CD Compact Disc

CMID Caribbean Music Industry Database

COTT Copyright Organisation of Trinidad and Tobago

CSO Central Statistical Office

CXC Caribbean Examinations Council

DJ Disc Jockey

EIDECO Entertainment Industry Development Company

FTAA Free Trade Area of the Americas

GDP Gross Domestic Product

IDB Inter-American Development Bank

IFPI International Federation of the Phonographic Industry

IPC Intellectual Property Service Center

JACAP Jamaica Association of Composers, Authors and Publishers

JAMCOPY Jamaica Copyright Licensing Agency JAMPRO Jamaica Promotions Corporations

JAMRAS Jamaica Musical Rights Administration Society
JCDC Jamaica Cultural Development Commission

JFM Jamaica Federation of Musicians JIPO Jamaica Intellectual Property Office

JPAS Jamaica Performers Administration Society

KMA Kingston Metropolitan Area

LP Long Play

MCA Music Corporation of America
NDEA National Endowment for the Arts

NRATT Neighbouring Rights Association of Trinidad and Tobago

PRDI Policy Research and Development Institute

PRS Performing Rights Society Limited

R & B Rhythm and Blues

RIATT Recording Industry Artistes of Trinidad and Tobago

RJR Radio Jamaica Redifusion

ROW Rest of the World

SLC Survey of Living Conditions STATIN Statistical Institute of Jamaica

T&T Trinidad and Tobago

TIDCO Tourism & Industrial Development Company Limited

TIDCO Tourism Industry Development Cooperation

Abbreviations/Acronyms Cont.

TRIPS Trade Related Intellectual Property Rights

TTT Trinidad and Tobago Television

TUCO Trinidad and Tobago Unified Calypsonians Organisation TUCO Trinidad and Tobago United Calypsonians' Association

UK United Kingdom

UNCTAD United Nations Conference on Trade and Development

UPA Unidentified Performance Allowance

USA United States of America

WIPO World Intellectual Property Organization

WTO World Trade Organization

viii

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The Conception, Aims and Structure of The CMID

by

Vanus James

1. The Conception, Aims and Structure of The CMID

1.1 The Conception of the Database Construction Project

Caribbean countries can become bigger players in the global music industry. However, as with all industries that make rapid progress around the world, the music industry needs to be supported by appropriate public policy. In the case of music, appropriate policy is needed in respect of matters such as investment in the refinement, codification and use of Caribbean music, supportive institution building, continued strengthening of laws on copyright and related rights, law enforcement and collective management, assistance with domestic and international marketing, and a favourable distribution of music incomes. The design of such policies requires appropriate data about the structure and dynamics of the industry, especially as that relates to capital formation and job creation, the growth of earnings, profitability, product diversification, productivity and competitiveness, and market possibilities and penetration. Attempts by Caribbean countries to design and implement adequate economic policies for this sector are hampered by, among other things, the lack of adequate data about the nature and role of the music industry in the domestic and international economy.

In 2000, UNCTAD and WIPO, pursuant to their standing mandates to assist developing countries in their various initiatives to design and apply policy to accelerate the process of development through expanded participation in international trade, undertook the initiative to establish the Caribbean Music Industry Database (CMID). A full description of the initial conception of the database can be obtained by clicking on **Mission Report** in the CMID. UNCTAD and WIPO committed resources to the project based on the requests of the governments and their explicit recognition that policy and plans for the music industry need to be adequately supported through a suitable body of data and interpretation that, *inter alia*, looks at the following:

- A. The economic, political, cultural and social relevance of intellectual property, with special reference to the music industry;
- B. The external competitive environment for marketing of music-related products and services; and
- C. The domestic and international technological developments that have significant implications for the production and use of music and related activities.

In the development of this project, the general strategy of UNCTAD and WIPO was to serve as catalysts and facilitators of dialogue between all local constituencies, offer policy support to the governments, share information obtained by their ongoing research around the world, and serve as pivots around which countries in the Caribbean region can develop networks to stimulate the music industry.

1.2 Aims

In the report of the Joint UNCTAD/WIPO Programming Mission, the aims of this CMID project are stated as:

- (a) creating a music industry dataset including a status report on the copyright regime and the collective management strategy;
- (b) developing a methodology to measure and evaluate the actual and potential economic contribution of the music sector to the economic performance of Cuba, Jamaica, and Trinidad and Tobago; and
- (c) applying this methodology in the three host countries.

The data in the CMID should assist users in evaluating expenditure, income, trade-related sales and purchases, and even provide some measure of the value of piracy in the specific countries covered. In turn, these should give readers a broad picture of corresponding statistical dimensions of the regional music industry.

In general, these aims have been achieved but the degree of success has been severely hampered by the poor quality of available data. The CMID generally, and the Country Reports in particular, provide updates of the state of the existing copyright regime. Limited resources did not permit development and application of a formal and well-timed random sample survey, the preferred method needed for obtaining data to measure and evaluate the actual and potential economic contribution of the music sector to the respective economies. The best that could be achieved in this direction was the design of a model survey instrument that could be further refined for application in each special case. Consequently, the quality of the methods of measurement and evaluation was severely constrained by the problem of data availability and data quality. Still, the results generated do give a substantive and very useful initial picture of the actual and potential contribution of music to the economies investigated.

1.3 The Design and Use of the CMID

The CMID was designed using Microsoft Access 2000 and Front Page 2000 with user friendliness being the key feature of the design. The database consists of a Main Menu from which users can navigate to the various reports and statistics in a web-based fashion.

To use the database, do the following:

- 1. Double click on the specially labelled music icon to launch the program.
- 2. Point-and-click over a topic of interest to see the related report or statistics.

1.4 Definition of Music in the CMID

All studies sought to employ a uniform concept of music. In general, all reports recognize that the primary creators in the industry are composers and songwriters on the one hand, and performing artistes including musicians and singers on the other hand. However, it is also recognized that other primary investors such as publishers, recording studios, and promoters display substantial creativity.

Another component of the industry that is recognized is the set of facilitators and related investors, including managers, agents, (booking and ticketing) and other music industry professionals, as well as retailers and wholesale distributors, and especially radio broadcasters. Consumers are central to the survival of the industry due to the following activities: purchasing music; attending live performance; enjoying music in discos, movies, shops, restaurants and offices; listening to radio and television; subscribing to cable and television services; and renting equipment. In almost all of these activities they find ways to provide stimulus and significant feedback to the promoters, creators and broadcasters, thereby facilitating the creative process.

Although they are not a legal part of the Caribbean music industry, pirates of copyrighted materials are also a significant part of the music industry if only because they impose severe income losses on the creators of music.

In the CMID, music comprises the following core activities:

- Composition of musical works
- Music publishing
- Production, retailing and distribution of musical equipment/instruments
- Promotion, management, agency, and related activities
- Administration of copyrights
- Live performances (concerts) and tours
- Recording and manufacturing
- Wholesaling and Retailing of musical recordings
- Education and training
- Institutional supports, subsidies and sponsorship.

In addition, the music industry is understood to supply services to broadcasters, retailers, restaurants, the tourism industry generally, government, and companies in many other industries

1.5 Content & Methodology

1.5.1 Focus

At this stage of its development, the intention of the CMID project is to describe the domestic aspects of the industry. As the database develops, this focus is likely to be expanded to include the Caribbean presence in the international society.

As is standard international practice, the database treats music as one of the copyright and intellectual property industries, especially in the sense that the industry depends directly on copyright protection and could not exist without it. This is without prejudice to the method of providing protection. Therefore, the country reports pay close attention to the significance of royalty income in the total income flow, and to the distribution of that income among various holders of copyright. Currently in Jamaica and Trinidad and Tobago, direct copyright protection and related copyright administration are provided to the following three categories of active participants:

- 1. Authors and composers (authors rights);
- 2. Performers (performing rights); and
- 3. Producers of sound recordings (related or neighbouring rights also called mechanical rights).

The state supports these rights through legislation and law enforcement. Up to date copyright laws have been passed in Jamaica (The Copyright Act of Jamaica, 1993, and the Copyright Amendment Act, September, 1999) and Trinidad and Tobago (the Copyright Act of Trinidad and Tobago, 1997). These laws are now in line with the TRIPS obligations under the WTO.

The Copyright Organisation of Trinidad and Tobago (COTT) came into being in the 1980s and functions in keeping with the protection provided by legislation. It is the first domestic agency of the type in the Commonwealth Caribbean. A local agency dedicated to monitoring and administering the interests of composers, authors and publishers in Jamaica has also recently come into being. This is the Jamaica Association of Composers, Authors and Publishers (JACAP), which was established in 1999.

Despite these efforts, the view is remains widespread that enforcement is ineffective against piracy and violations of copyright. In responding to the Tobago pilot survey, some of the island's leading artistes who have produced internationally popular hits complained about the severe difficulties being encountered in reaping the benefits of their investments because of violations of copyright. Leading artistes in Trinidad have been known to try to enforce single-handedly the laws by personally seizing pirated copies of their music being sold on the streets.

1.5.2 Type of Data

The Caribbean Music Industry Database comprises both primary and secondary data collected about three Caribbean countries – Cuba, Jamaica, and Trinidad and Tobago – and reports summarizing and interpreting the data.

Primary Data

Primary data refers to first hand information collected from respondents to a survey instrument or through some other collection device. This includes information volunteered by survey respondents, focus groups, etc. At this embryonic stage, the CMID does not attempt to provide substantial primary data through structured sample surveying. In this respect, the main effort has been to devise a basic instrument that could be further developed by countries in the region to measure the contribution of music to the economy generally, and the role of copyrights in particular. The survey instrument was used only in **Tobago.** The intention was to provide preliminary data from a pilot survey that, if analysed carefully, could give some clues about the design of future primary data collection efforts. Some comments have been included to guide such an effort in the future.

In Jamaica and Trinidad, substantial information was collected during first-hand discussions with several participants in the music industry.

Secondary Data

Secondary data come from published sources of various types. This is the main type of information in the CMID (2000).

1.5.3 Data Sources

- Qualitative information from key informants;
- General trade statistics provided by the IDB;
- Semi-structured interviews with some industry participants;
- Monetary statistics published by the Central Bank of Trinidad and Tobago;
- The records of COTT;
- A pilot survey using an interviewer-administered questionnaire in Tobago;
- The Survey of Living Conditions, Jamaica;
- The website of the Jamaica Film and Entertainment Commission:
- Yellow Pages of Jamaica and of Trinidad and Tobago;
- Import and Trade data from STATIN;
- The Encyclopaedia of Jamaican Music, JAMPRO;
- Other references identified in the country reports.

1.5.4 Data Analysis and Presentation

The methodology of the report is to present and interpret basic statistics, tables of frequencies, means, percentages and estimates of dispersion suited to the quality of data available.

As currently structured, the CMID provides information mainly for the domestic markets. It is well known that each country has a large number of nationals operating abroad and employing local musical capital and other inputs. Even though it was initially decided to concentrate on the domestic aspects of the industry, significant insights are provided on the linkages between the domestic and foreign components of the music industry.

Some attempts have been made to measure the linkages to other industries, especially in the form of broad estimates of the demand for music by other industries such as tourism and broadcasting and the supply of inputs to the music sector.

1.5.5 Coverage

The CMID provides information on:

- Employment;
- Earnings and Royalties;
- Inputs (factors) used in activity;
- Composition in the domestic market;
- Income from self employment;
- Profitability;
- Trade related activity
 - o Imports
 - o Exports
- Institutional structure and linkages, including institutional support.

The data are a subset of all the available information on music. First, it obviously does not pertain to all countries. Second, even for the countries covered, information was collected on a pilot basis, using mainly secondary data. With respect to the countries in the study, the CMID does not contain data for many areas of the music industry.

However, the CMID does cover the majority of aspects of the industry but constitutes a fairly substantial starting point in the development of a valuable database on music.

The measurements concentrate on the commercial/financial aspects of music. As with many other industries, this means that a significant amount of the music produced and used in many public and social institutions is not valued or considered in the CMID. As the database develops, attempts can be made to identify and measure such aspects of the industry.

1.6 Important Genres of Caribbean Music

In the CMID, no significant effort is made to distinguish types of music – estimates refer to the industry as a whole. However, the country reports consider the trajectories of significant genres, which, for the purpose of historical perspective, are identified in Table 1.1. Of course, the forms of music identified are but a few of what would actually be found in each country. Further, all genres identified are variants generated in the Caribbean by the creative fusion of African polyrhythms and linguistic and cultural/technological expression with the music, cultures and technologies of many other areas of the world.

It is also useful for the reader to remember that, at this stage of development, the music industry operators are not highly specialized. The concept of "music industry specialization" must be carefully interpreted. Many persons double as musicians, teacher, promoter, manager, etc. and many performers cross routinely from one genre to another.

Table 1.1: Significant Genres in the Musical Traditions of Jamaica and Trinidad and Tobago

Traditional/Contemporary	Calypso		
Contemporary	Soca		
Contemporary	Chutney-Soca		
Contemporary	Chutney-Parang Jammo		
Contemporary			
Contemporary	Soca-Parang		
Contemporary	Rapso		
Contemporary	Ragga-Soca		
Contemporary	Parang		

Genre

Trinidad	and	Tobago
11111111111	uiiu	IUUUSU

Country/Period

Traditional	Quadrille
Traditional	Mento
Traditional	Rasta
Traditional	Brukins
Traditional	Ska
Contemporary	Reggae
Contemporary	Dancehall
Contemporary	Reggae-Gospel

Jamaica

1.7 Reports

In addition to this overview (**Chapter 1**), the following reports can be found in the CMID:

Chapter 2: A Profile of the Caribbean Music Industry (Vanus James)

Chapter 3: Music in the Jamaican Economy (Michael Witter, Colin Williams

and Michael Cooper).

Chapter 4: The Music Industry in Trinidad and Tobago (Ralph Henry, Stein

Trotman, and Alvin Daniel).

While there is much that is common to the reports, each brings some distinct insights into the working of the industry. For example, the Jamaica study clarifies more about the extent and sociology of employment than does the report on Trinidad and Tobago, giving a strong sense that the importance of music to Jamaica is far greater than is indicated by the employment and income estimates. The report on Trinidad and Tobago gives a rich insight into the significance of copyrights and a functioning system of collective management that is only now getting underway in Jamaica. The Caribbean profile provides a regional perspective, achieved through an overview extracted from the data in the other two reports. It contains brief country profiles and some sense of the overall economic rational that might guide policy makers in the region.

1.8 Administration, Maintenance and Updating of the CMID

The database will be administered and maintained by the designated institutions in each host country.

As part of the process of regional networking, the results of the studies will be shared among the participating countries. The expectation is that such a strategy will strengthen the participatory mechanisms of the countries and provide a firmer basis for sound policy choices and implementation initiatives.

1.9 Accessibility and Copyright

Copyright is held jointly by WIPO and UNCTAD. The data can be obtained through administering institution in each host country or through either WIPO or UNCTAD.

The administering institutions in the respective countries are the following:

• Cuba: [to be determined]

• Jamaica: [to be determined]

• Trinidad and Tobago: [to be determined]

1.10 Updating the CMIB

Provision has been made for the addition of new information to the CMID. In anticipation of the need for formal surveys to update the CMID, a model **Music Industry Survey Questionnaire** has been included in the section labelled **SURVEY DATA.**

The Policy Research and Development Institute (PRDI) fielded the questionnaire in Tobago as a pilot of 70 music industry professionals, workers, or institutions who were approached. The survey data are available under the section **Music in Tobago.** Analysis of this data is proceeding by the PRDI, which sponsored this aspect of the exercise, and it is expected that the results will be used in updating the CMID.

It is anticipated that the host institutions will regularly update the CMID.

Suggestions are invited on how the questionnaire might be further developed. Individuals and institutions who wish to add data at this stage, or who might wish to complete a questionnaire on line, should contact one of the following persons:

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Profile of the Caribbean Music Industry

By

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2. Profile of the Caribbean Music Industry

2.1 Overview

Internationally, the music industry is organized as a copyright industry, in the sense that a large share of its income comes from royalties based on copyrights and neighbouring rights. Without such incomes, the industry is not likely to survive. The music industry of the Caribbean is evolving into a complex and important system of production, sale and accumulation involving many different professions and organizations. In this process, copyright is becoming an increasingly important source of earnings.

The purpose of this Profile is to provide a summary description of the most important activities and earnings of the music industry in Jamaica and Trinidad and Tobago that are documented in the CMID, with close attention to the changing role of copyright as a source of earnings in the countries studied. The description draws mainly on the data and insights provided in the country reports and serves to provide a sense of the comparisons and the regional perspective that the data allow. The description concentrates on activities such as composition and performance, recordings, administration of intellectual property rights and methods of marketing. Indications are given of whether growth is taking place in these activities. Substantial attention is given to employment in each area of activity. Some indication is given of the interplay between music and education and of the role of injections through sponsorship. With respect to these data, indications are provided of the important omissions from the CMID.

The data assembled are then used to provide a summary picture of the general financial and employment contribution to the economies in which the studies were conducted, as well as the thrust that the industry seems to be providing to development. Here, an attempt is made to assess some central concerns expressed by respondents to the direct discussions as well as those expressed by respondents to the fielded pilot survey.³ Attention is also given to the potential contribution of the industry to capital formation, exporting and general development.

2.2 Performing and Mechanical Rights Due to Authors and Composers

In Jamaica, performing and mechanical rights due to authors and composers are now being administered by JACAP. In Trinidad and Tobago, COTT has been providing the same service since the 1980s. The CMID provides no separate data on the revenues received by authors' societies of Jamaica or Trinidad and Tobago. Given the fledgling

² For this reason, table sources are the country reports and will not be documented repeatedly at the bottom of each table except special cases require it.

³ The main concern identified is the ability to collect royalties.

domestic collection initiatives, these royalty flows in Jamaica are tiny at best. However, industry participants in Jamaica indicate that there are that millions of dollars of uncollected royalties due to the author's of these countries. In Trinidad and Tobago, the position is likely to be better in terms of amounts collected, but reliable estimates are not available

2.2.1 Performing Rights

A portion of the royalties due to composers/authors accrue from performing rights, which are payable whenever music is used in public places for various purposes, including broadcasting by radio and television, tours, and other live performances. In Europe, such fees might be based on a percentage of advertising revenues or revenues from license fees and taxes paid to state broadcasting companies. These are often the majority of performing rights accruing. Fees accruing from live performances tend to be smaller in volume.

2.2.2 Mechanical Rights

The main mechanical right that accrues to authors and composers relate to sales of recordings. However, there is no estimate of the amounts collected. Other mechanical rights concern the sales of videocassettes and the use of recorded music on radio and television. Part of the problem with administration of these rights relate to the fact that many of the record companies that produce music recorded by Caribbean artistes or, others who use the works of Caribbean authors, pay all royalties to authors' societies abroad. There is no indication in the CMID of whether such royalties due to authors/composers are transferred to either JACAP or COTT for distribution.

2.2.3 Administration of Rights

Indications are that both the performing and mechanical royalties due to authors and composers have been neglected in both Jamaica and Trinidad and Tobago. The COTT, JACAP and JPAS have assumed responsibility for administering these rights in the respective countries and both institutions have observed that most of the royalties due have not been collected. The representatives of these institutions have indicated a renewed commitment to improve collective management efforts. These national institutions are now being complemented by the Caribbean Copyright Link, a facility that is dedicated to upgrading the administration of rights throughout the Caribbean.

An interesting new aspect to the administration of rights has emerged in Jamaica, with the establishment of the Intellectual Property Service Center (IPC) under the leadership of Tony Laing. The IPC pursues the principle that in the effort to improve the ability of Jamaican artistes to reap their royalties, it is necessary to pay greater attention to licensing options for artistes. This can be achieved by developing a rights clearance

process – a rights clearinghouse of sorts. The IPC is the first clearinghouse to have been established in the Caribbean. It arranges a transactional license with the copyright holder for rights to utilize a work. This allows a user of a work to approach a clearinghouse for the opportunity to use a work. Payment is to the clearinghouse, which then manages transfers to the artistes on specific contractual arrangements. One significant advantage of the IPC is that the services are not confined to artistes performing musical works. Significant facility can be provided for artistes producing digital illustrations and extensive material for music film and video, so substantial stimulus can be given to the audio-visual sector as a whole. The clearinghouse also seeks to provide significant marketing services for artistes. One goal is to yield significantly better benefits for the artistes than are currently available.

2.2.4 Music Publishing

The right of an author/composer to distribute sheet music copies is the music publishing right, typically held in practice by the publisher. The composer would normally receive a share of the value of the published work in the form of a royalty payment.

COTT has about 32 registered music publishers. No data on the volume of sales of printed music are reported in the CMID. Also, the CMID contains no separate data on the percentage of the retail value of published (printed) music that goes to the author/composer in either Jamaica or Trinidad and Tobago. However, some indication of publisher incomes is available in the CMID. The COTT provides its publisher members with a minimum unidentified performance allowance (UPA) of about US\$192 annually. About 15% of all members receive this amount. Approximately 50% of the membership receives annual royalties of between US\$240 and US\$800. Some 10% of the members obtain annual royalties in excess of US\$4,000. Similar data are not available for publishers in Jamaica.

2.2.5 Employment in Music Publishing

The CMID provides no separate data on employment in music publishing in any country. It is clear, however, that the number must be quite large and seems to be growing on a long-term trend, especially if part-time and amateur employment is considered. It should be noted that in Jamaica, the industry seems to be experiencing a cyclical downturn. In general, many performers write their own lyrics and attempt to publish them without resort to formal publishing institutions so there is likely to be a close relationship between the number of artistes and the number of authors/composers who also function as their own publishers.

2.3 Live Performances

Live performances take a wide range of forms, including tents, fetes, dances, stage show in clubs, "bashments," tours, and to lesser extent concerts in the traditional usage of that term. Outstanding occasions include Sumfest in Jamaica and the popular Trinidad Carnival (**Table 2.1**).

Because of the pivotal role in providing many forms of financing, sometimes as a type of "venture capital," and in providing organization, the **promoter** is the leading entrepreneur linking live performers to the customer, but the manager, artiste's agent, and the owners of venues all play a significant role in ensuring the success of any such venture. The promoter is responsible for putting together all aspects of the performance such as making all negotiation with the artistes, contracting and preparing the venue, as well as promotion and marketing of the show. Amongst the expenses incurred is the payment of the performance rights fees.

The **artiste's agent** plays a pivotal role in negotiating with promoters on the behalf of the musicians and singers. In negotiations, the artiste's agent will attempt to make the minimum risks for the artiste while trying to maximize the returns for his client. The CMID contains no data on how fees are shared between the artiste and the agent.

Industry sources suggest that the agent's fees might amount to at least twenty five percent (25%) of the take, but the share may be much higher in cases when the agent doubles as the manager of the artiste. Foreign tours operate on much the same basis. In the case of a few outstanding artistes, record companies may organize these tour events.

In Trinidad and Tobago, most of the live performances occur in the two months leading up to Carnival, although in recent years a sizable new post-carnival market for live performances has emerged. In Jamaica, live performances have traditionally been spread more evenly throughout the year.

It is estimated that performances in Jamaica might generate gross revenues in excess of \$US10 million (**Table 2.1**). No specific data on the total annual contribution of live performances are available for Trinidad and Tobago, but the data on the money supply shows a distinctive jump in the Carnival months of each year. This is an indirect indication that earnings from carnival-related occasions that service the growth of demand might also be high. Further, some data have been provided (**Chapter 4**, **Tables 3**, **4**, **5**) on the earnings of some performers during a typical carnival season.

Indications from Jamaica and Trinidad and Tobago are that artistes currently seem to earn most of their income from live shows. This is partly the result of the fact that aggressive collective management regimes are new and the significance of piracy only is now being fully appreciated. However, with the legal protections now in place copyright is growing in importance as a source of earnings and once enforcement and collection arrangements

are sufficiently well developed would become the main source of income for the majority.

Table 2.1: Major Festivals of the Caribbean

Country	Major Festivals				
	Carnival	Reggae Festivals	Other Festivals		
Cuba	*	NA	*		
Jamaica	*	*	*		
Trinidad and Tobago	*	NA	*		

^{*}Indicates that the festival is held.

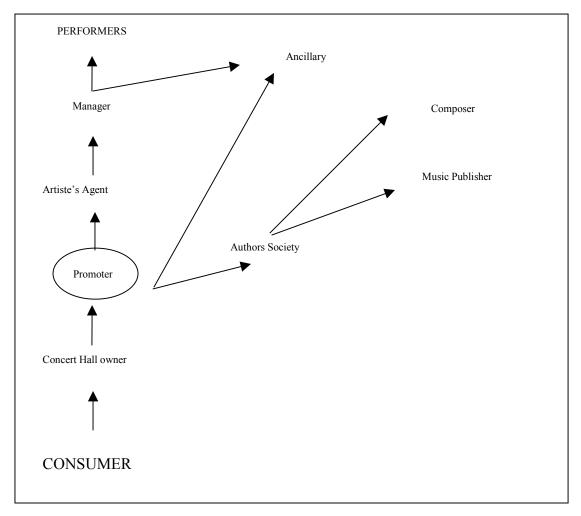


Figure 2.1: Organisation and Flow of Payments of a Concert Performance

2.3.1 Performing Rights

Performing rights gives to authors, composers and performers the opportunity to accrue royalties for use of their works in live performances as well as in any other public performance of their works, such as broadcasts and background music in public places. In Trinidad and Tobago, performing rights are administered by COTT. In Jamaica, they are administered by JACAP. Estimates of the rate at which performing rights are charged as a percentage of sales in live performances are not yet available in the CMID. In the UK, rates are about 3%, while in Italy they are about 10%. If rates in Jamaica and Trinidad and Tobago fall in this range it could be expected that performers, authors and composers will earn significant amounts. In both Jamaica and Trinidad and Tobago, the copyright laws also grant neighbouring rights to musicians, record companies and the performers with respect to public performance of their recordings. Again, estimates of royalty rates are not available.

2.3.2 Employment of Musicians

Data on the employment of persons in musical performance are difficult to obtain, but some are provided in the CMID. Estimates are not available for Trinidad and Tobago. The estimates provided in **Table 2.2** show that approximately 6,000 persons are employed in the music industry of Jamaica, of whom 2,500 are musicians 1,700 are employed by sound systems and 600 are studio performers. These estimates pertain to professional performers, but both countries have a large number of persons who function as amateur musicians. For example, almost every church has a choir in Jamaica, a country with one of the highest number of churches per capita in the world.

Country		Musicians	Sound Systems	Studios	Distribution and Other Employment
Cuba					
Jamaica		2,500	1,700	600	1,200
Trinidad Tobago	and	NA	NA	NA	NA

Table 2.2: Employment in the Music Sector

2.4 The Recorded Music Market

Figure 2.2 illustrates the sequence of relationships involved in the recorded music business. The process begins with an entrepreneurial initiative by the author or composer who might also be a performer, identifying a theme or an idea to generate a musical piece. The development of the author's initial idea for the musical piece is usually accomplished in the studio under the leadership of the studio producer. There, the studio producer along with the author and singer then reshapes the musical piece for production of a demo version. The publisher then reviews the demo and works out the specifications of the final music product with the author and studio producer. In the Caribbean, the entrepreneurial fillip in the entire process is the individual artiste (especially the singers) who, in collaboration with the author/composer, raises the start-up capital and approaches the record companies for the production of the work. It is not surprising to have the artistes involved in the publishing, promoting and distribution of the final product.

In Jamaica, for example, where a distinctive market emerged with unique products such as "dub plates" and "versions", the entrepreneurial initiative came, not from record companies per se, but from the shopkeepers, sound systems, and producers performing multiple roles as financiers, promoters, managers and promoters of dances and shows. In Trinidad and Tobago, rather than acting as the entrepreneurial pivot, local recording companies tend to rent out their studios for a flat fee.

Furthermore, there is a distinctive drive by musicians for independence from the recording companies leading many to reinvest some income in studio and recording

equipment of their own. This is currently a distinctive and growing trend in Jamaica. In Trinidad and Tobago musicians already own the majority of recognized and formally organized studios, to say nothing of the individual units. The trend is facilitated by the rapid development of very powerful, yet small, low cost computer technology that allows the production, storage and reproduction of music with digital quality. One consequence of this trend is that the issue of the sharing of royalties between the recording company and the artiste or author does not arise in many cases because the author or artiste has claims on all forms of copyrights (both the combination of mechanical and author's rights, or the combination of mechanical and performing rights).

In the recording process as described above, the artiste bears the major responsibility for paying the composer, studio producer and the musicians. Data on the fee structure are not available in the CMID, but fees are likely to vary with the quality and reputation of the musicians. The formation of the Jamaican Federation of Musicians (JFM) with about two thousand members and the Recording Industry Artistes of Trinidad and Tobago (RIATT) (membership not yet known) is increasingly leading to a standardization of the fees for musicians in Jamaica and in Trinidad and Tobago. However, estimates of charges are not available in the CMID. The royalties that accrue as mechanical rights to the composers, authors, and publishers for the recording of compositions and publications are administered by the mechanical rights organization in Jamaica, JACAP. In Trinidad and Tobago, these royalties are also administered by COTT.

In cases where a manufacturing (CD or vinyl) company is involved, the artiste traditionally bears responsibility to make the arrangements for copies to be manufactured, for distribution, and for any marketing that might be done. In both Jamaica and Trinidad and Tobago, it is known that some artistes actually take to the streets to promote and sell records, and make arrangement for distribution out of their homes.

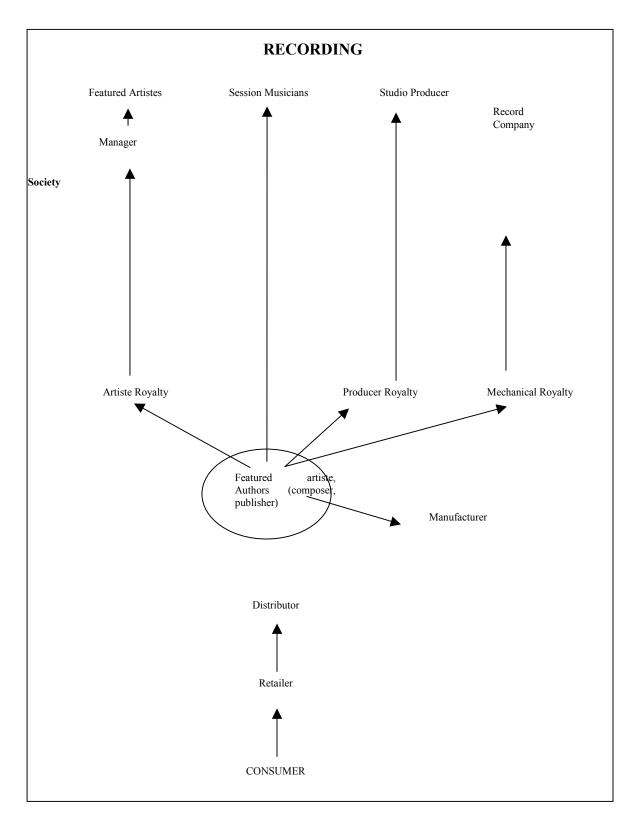


Figure 2.2: Structure of Production and Sales of Sound Recordings

The structure in Jamaica and Trinidad and Tobago contrasts with that in Europe and the United States as depicted in Figure 2.3. In that scenario, the record companies act as the primary entrepreneurs. They hire talent scouts to seek suitable artistes as well as the works of authors for production and publication, and then offer contracts to these artistes and authors.⁴

There is strong evidence that the latter scenario is becoming more pervasive for Caribbean artistes as many now sign deals with the European and US recording companies. In those cases, the contracts would tend to stipulate that the company is the owner of the recording and that the artiste or author receives payment in the form of an agreed level or share of royalty. New artistes might get up to 12%, but superstars could command as much as 20% (European Music Office, 1996).

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⁴ Of course, **pirates** bypass all of the above, with respect to both local and foreign recordings, and create and sell copies of the recorded music.

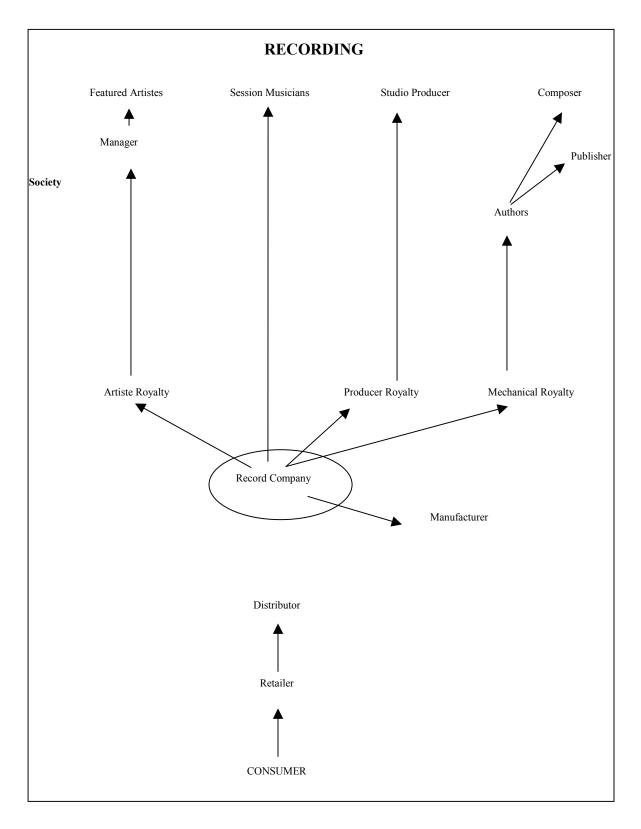


Figure 2.3: Structure of Production and Sales of Sound Recordings in Europe/USA

Table 2.3 documents the types of recordings done by country, with specific reference to vinyl dub plates, singles and LPs, music cassettes (MCs), and compact discs (CDs). No data are available on the volume and value of recordings produced annually. Data are also not available on the sharing of the retail price of a vinyl, CD, or MC recording among the various holders of copyright or neighbouring rights. Music industry sources have indicated a qualitative hierarchy of sharing reported in **Table 2.4.** The major beneficiaries are the retailers, distributors, manufacturers, and the domestic or international record companies. Featured artistes get a moderate to small share of the retail price, while composers and authors are believed to get a small share.

Table 2.3: Matrix of Recorded Music in the Caribbean

Country	Type of Recording				
	Vinyl Dub plates	Singles	LPs	MCs	CDs
Cuba		*			*
Jamaica	*	*	*	*	*
Trinidad and		*		*	*
Tobago					
All Countries	*	*	*	*	*

^{*}Indicates that the type of recording occurs.

Table 2.4: Shares of Retail Price of CD or MC

Claimant	Share of Retail Price CD or MC					
	Cuba	Jamaica	T&T	ROW		
Retailer	NA	Major	Major	Major		
Distributor	NA	Major	Major	Major		
Manufacturer	NA	Major	Major	Major		
Featured Artiste	NA	Moderate	Moderate	Moderate or		
		or Small	or Small	Small		
Composer and	NA	Small	Small	Small		
Publisher						
Studio Producer	NA	Small	Small	Small		
Record Company	NA	Major	Major	Major		

Major >15%; Moderate 10-15%; Small<10%; ROW-Rest of the World

2.4.1 Relative Size of Recording in the Music Industry

It is widely recognized that sound recordings form an important part of the industry but proper estimates are not available of its share. Industry sources suggest that sound recordings might account for as much as 30% of the industry in Jamaica. Sound recordings are not similarly important in Trinidad and Tobago. In Trinidad and Tobago, the majority of the industry is still live performances. In both countries, artistes are reported to make the majority of their incomes from live performances.

2.4.2 Relative Size of Country Markets for Recordings

Based on the estimates of CD imports it seems reasonable to claim that Jamaica provides the largest national market for CD and MC recordings in the Caribbean. This is partly due to the relatively large population size of Jamaica amongst a set of countries each of which is involved in the music sector.

The available data do not clarify which country is the largest market for recorded music in the region (**Table 2.5**). It should be noted, however, that Trinidad and Tobago seems to import more units of all the media than does Jamaica (**Table 2.6**). The difference may be explained mainly by the larger per capita income and the buoyancy of the Trinidad and Tobago economy as compared to the Jamaican economy, which has been experiencing some difficulty in recent times. Additionally, however, the difference in the LP imports may be due to the fact that Jamaica has an established LP production system, while Trinidad and Tobago has none and imports all its needs.

Table 2.5: Imports of Music Media (US\$), 1997

Countries	Unrecorded (US\$)			Recorded (US\$)			
	CDs	Audio	LPs	CDs	Audio	LPs	
		Tapes			Tapes		
Cuba	NA	NA	NA	NA	NA	NA	
Jamaica	NA	238,144	NA	1,113,661	74,236	2,353	
Trinidad and	NA	261,000	NA	1,348,000	74,000	23,000	
Tobago							

Table 2.6: Imports of Music Media (Units), 1997

Countries	Unrecorded (units)			Recorded (units)			
	CDs	Audio	LPs	CDs	Audio	LPs	
		Tapes			Tapes		
Cuba	NA	NA	NA	NA	NA	NA	
Jamaica	NA	721,649	NA	139,207	16,496	522	
Trinidad and	NA	870,000	NA	168,500	16,444	5,111	
Tobago							

2.4.3 Consumption Structure: Recorded Music in the Domestic Music Market

Data were not reported to the CMID that will allow specification of consumer spending on recorded music in the Caribbean as a share of total music spending, or even as a share of general consumption spending. Specific data have not yet been reported from Trinidad and Tobago. The best picture is from Jamaica.

With respect to Jamaica, there is evidence of a trend towards the increase in the sales of CDs relative to vinyl-based products (LPs and Singles). However, the latter are still important to sound systems and discos. Dub plates, especially, continue to be and important item of sales to sound systems.

2.4.4 The Recording Companies

No major international recording company operates in the Caribbean.⁵ **Table 2.7** provides estimates of the number of companies issuing various recordings and the number of recordings issued. Employment estimates for the sector are also provided. In Jamaica, there are in the range of 75-200 recording companies (studios). Of course, these are all quite small whether measured in terms of capital, imported equipment, or employment. There are 8 well-established recording studios in Trinidad and Tobago.

The Jamaica study indicates that about 200 new recordings each week are still produced in the country. Similar data are not available for Trinidad and Tobago, but it is widely accepted that Jamaica tends to produce new recordings at a higher rate than Trinidad and Tobago.

2.4.5 Manufacturing

Table 2.7 documents the estimates of the size of the regional recording industry, considering all types of duplication and replication. So far, the Caribbean has also attracted no major manufacturer of CD production equipment.

There is only one CD factory in the Caribbean, which exists in Jamaica. Electro Sounds in Trinidad and Tobago classifies as a large duplicator. The Jamaican operation can produce a CD for US\$2, compared with an average of about US\$1 in the USA. In both Jamaica and Trinidad and Tobago, there are numerous duplicating operations, some operating on a commercial scale in the context of the local market.

25

⁵ The six major recording companies are BMG (Germany), EMI (United Kingdom) recently acquired by AOL - Time Warner, Polygram (Holland), Sony Music (Japan), AOL-Time Warner (United States of America), and MCA (Canada).

Table 2.7: Estimates	of the Size	of the	Caribbean	Recording	Industry, 2000

Country	Number of Recording Companies	Number of Albums Released	Number of CD Factories*	Number of Commercial Duplicators	Studio and Sales Employment (Direct)
Cuba	NA	NA	NA	NA	NA
Jamaica	75 – 200	1,040	1	Significant but unknown	600
Trinidad and Tobago (Major)	8	NA	0	3	NA

^{*}Factory refers to a replicating plant.

2.4.6 Employment in the Recording Business

The combined employment in the recording business in the Caribbean is not known. Estimates from Jamaica suggest approximately that 600 employees are directly involved in studio recording. Approximately 2,500 persons are also employed in the recording industry as musicians, singers and support personnel for specific sessions.

In the distribution of recordings, approximately 500 persons are employed in Jamaica. The estimate does not include employment of pirates, which is considerable.

No detailed estimates of employment are available for Trinidad and Tobago. However, it is known that the total employment of three largest studios is no more than 20 persons.

2.4.7 Retailing of Recordings

One of the vibrant components of the recording industry in the region is the retailing of recordings. So far, retailing takes place only in specialist operations. Price and supply competition from integrated stores and supermarkets has not yet appeared.

With respect to international wholesale chains, *Rituals*, with headquarters in Trinidad, operates across the Caribbean and in Europe and the USA. The number of branches of *Rituals* is not documented in the CMID.

In the light of the recent growth in direct access to international television, the internet, and express delivery services, all of which tends to lower costs to the consumer, internet sales and mail ordering in the Caribbean are a growing phenomenon. However, the scale of such sales is not documented in the CMID.

In Jamaica, there are approximately 30 retailers and 7 wholesalers of recorded music. The market for recorded music has been on the decline, leading to the failure of some outlets of national operators. This might be partly due to the growing use of home-based

duplication facilities and partly due to broader problems related to the decline of the Jamaican economy over several years.

Estimates are that the number of retail outlets in Trinidad and Tobago exceeds 20. Only 2 wholesalers, *Maharaja Music* and *Rituals*, are listed in the local Telephone Book Yellow Pages. Trinidad and Tobago does not seem to be experiencing a trend to the failure of outlets similar to that being experienced in Jamaica.

Data on sales by Caribbean genre are not generally available. However, it is generally agreed that reggae and dancehall are the biggest, possibly followed by soca. The buoyancy of sales can be gauged from the recent decline in the contribution of the category of R&B/Urban music in the RIAA genres, from US\$1.8 billion or 12.1% of the entire US market in 1998 to an estimated US\$1.5 billion or 10.5% of the US market in 1999. Estimates are that reggae accounted for no more than US\$200 million of this market and that in 2000 the comparable figure is no more than US\$100 million (Chapter 3). With no major upsurge of incomes accruing to soca or other genres from Trinidad and Tobago, it could perhaps conclude that the overall fortunes of music in both countries experienced significant decline in this context. The decline seems to be due partly to the cycles of the industry and partly to the slow relative pace of development of the professionalism of the artistes themselves in their relationship with the record companies and the consuming public.

2.5 Taxes

A significant flow of taxes from the music industry comes from the retail outlets, especially as value-added tax. Governments are also able to obtain duties from imported material and income taxes from employees in registered businesses, including the COTT in the case of Trinidad and Tobago. Estimates of the tax flow were not available for inclusion in the CMID.

2.6 Piracy

Piracy is a major problem facing the international music industry generally and the Caribbean industry in particular. It is difficult to tell which country suffers most from the problem. Estimates for Trinidad and Tobago are that, in 1997, at least US\$3 million was pirated in the form of copies made with imported cassettes and sold on the streets. This is a significant sum to be lost to a small industry in a single year and the significance of the loss is expressed in the agonizing cry from the few leading artists who produce major hits and can neither sell an adequate volume nor collect much of the royalties due. This does not include the growing problem of CD piracy, which is likely to be substantially larger

⁶ Some examples of the opinions of artists are published in the results from the pilot survey done in Tobago.

in numbers and values. Estimates have not been provided for Jamaica but the problem is known to be large.

Piracy on the local markets is a very small part of the piracy of Caribbean music internationally. Even with the harmonization of copyright laws around the region, the problem is likely to grow because of the almost nonexistent enforcement in the region, or even internationally, and the easy access facilitated by internet technology. Appropriate policy measures are urgently needed to deal with this growing problem.

2.7 Musical Instruments

At least two musical instruments were invented in the Caribbean in the last century: (1) the steelpan of Trinidad and Tobago, which is the most celebrated, and (2) the sound-systems of Jamaica. There are of course many more indigenous musical instruments that have emerged from the local musical and cultural knowledge base but have remained unsung. These instruments form an important part of the traditional capital base of the Caribbean society and are potentially highly valuable to the regional economic system.

The main instruments in the market are keyboards, guitars, recording instruments and electronics, drums, and the steelpan (also referred to as "pan"). Instrument production is small in all countries. The region imports most instruments but data are not available on the volume imported. This now includes the pan. Nevertheless, indications are that the pan remains the only musical instrument exported by the Caribbean on a substantial scale. In the case of Trinidad and Tobago, exports of pan approximated US\$505,000 in 1997, with imports of about US\$53,000 (see Chapter 4). Full estimates are not available of the domestic sales, whether by type or fully aggregated. Estimates are also not available of employment in instrument manufacture, including in pan. Similar data are not available for Jamaica.

2.7.1 Household Ownership of Musical Instruments

Even though specific sales data are not available, some indication of the structure of demand can be obtained in the CMID. Data are mainly supplied for Jamaica. The data for Jamaica show that more than 68% of Jamaican households own a radio/cassette player and over 15% own stereo equipment. Approximately 22% of households own video equipment and 68% own television sets.

2.8 Broadcasting

As a form of public performance of music, broadcasting can be a valuable source of royalties for copyright owners in the Caribbean. Broadcasting also generates employment for musicians. The most important form is likely to be radio and television, but discos

and background music are also potentially important sources of royalties in the region. The CMID only provides data on radio and television.

2.8.1 Radio

Table 2.8 documents the number of radio stations in the countries. There are 10 radio stations in Jamaica and 18 in Trinidad and Tobago. Of the 18 radio stations in Trinidad and Tobago, 14 are private; 15 stations now maintain logs. Of the 10 radio stations in Jamaica, 9 are private; 4 maintain logs.

Radio programming is generally mixed, but music is the main form of programming of most radio stations in the Caribbean even though talk is growing rapidly in importance. Approximately 15% of all radio is now talk radio.

The majority of music played is still foreign, although a number of specialist local and regional music stations now operate. As expected, the music fare also becomes highly localized during the major regional festivals, such as *Carnival* or *Sumfest*. In terms of the share of local music played and encouraged, perhaps the most localized of these radio stations are *IRIE FM* in Jamaica and *Tempo 105* in Trinidad. Approximately 30% of all music on radio stations in Trinidad and Tobago is now estimated to be regional music. The significance of this figure lies partly in the promise of substantial royalties it offers to artistes from other smaller Caribbean islands whose music is played in the larger and more buoyant markets such as Trinidad and Tobago (See Chapter 4).

Few stations commission live shows, but coverage of live shows is an important aspect of radio coverage in all countries in the region. This is especially important with respect to the international shows such as *Sumfest* in Jamaica and *Carnival* in Trinidad, since radio is a major component of the publicity drive for these festivals.

Data are not available on the advertising revenues of radio in any of the countries. Data were also not reported on the listening time occupied by music radio in comparison to the growing talk radio segment of the market, but the share remains quite high at this time.

Table 2.8: Radio Broadcasters in Cuba, Trinidad and Tobago and Jamaica, (December 2000)

Country	Number of Stations	Public	Private	Licensed	Estimated Average Talk (%)	Estimated Average Regional Music (%)	Number Maintaining Logs
Cuba	NA	NA	NA	NA	NA	NA	NA
Jamaica	10	1	9	4	17.50	53.00	4
Trinidad &							
Tobago	18	4	14	15	15.00	26.50	15

Source: Berry (1999) and Chapters 3,4.

2.8.2 Television

Table 2.9 provides information on television in the region. In Jamaica, there are 6 television stations and 7 cable providers, while in Trinidad and Tobago, there are 3 television stations and 2 cable providers.

Of the 6 stations in Jamaica, 3 are private. All cable providers are private. The *Creative Productions Training Center* (CTV) is the latest addition to the set of stations. It is dedicated to provision of training for the visual sector, with respect to production, management, camera and film, lighting, and other aspects. The purely local content of programming reflects its training and development role. CTV is highly oriented to exposition of local culture and music in film format.

There are 3 national television stations in Trinidad and Tobago, one of which is private. In Tobago, there is now a local TV station dedicated to use of only local fare. However, with no national equivalent to the CTV of Jamaica, television in Tobago tends to do only a small amount of local programming, so the share of local music in its programming is very low. Estimates are not available in the CMID.

It is important to note that direct access to international television also has a negative impact on the share of local music on the television airways, even after accounting for the use of local music by music stations such as MTV and BET Jazz. Some efforts are underway at this time to influence music stations such as MTV and BET Jazz to increase the share of Caribbean music on their programming, and the result has been a discernible increase in the number of appearances of Caribbean performers on the BET Jazz shows. More important, the arrival of international music television has not stimulated the creation of a local music television station in Trinidad and Tobago. However, some initiatives in this direction are evident in Jamaica. More than 60 foreign channels are available routinely to households in Jamaica and Trinidad and Tobago.

Table 2.9: TV and Cable/Satellite Statistics, Jamaica and Trinidad and Tobago, 2000

	Television			Cable/			
Country	Stations	Public	Private	Satellite	Public	Private	Advertising
Cuba	NA	NA	NA	NA	NA	NA	NA
Jamaica	6	1	3	7	0	7	Yes
Trinidad &							
Tobago	3	2	1	2	0	4	Yes

Source: Berry (1999) and Industry Sources (see Chapter 4).

2.9 Music and Education

The CMID contains some data on music in the education system of Trinidad and Tobago. No special data are available on Jamaica.

Music is a "capital" input into education as well as a product of the education system of the Caribbean. Traditionally, music was not part of the education curriculum of the school system and was taught mainly by private entrepreneurs in education. Over the years, since achievement of political independence, the trends in curriculum redesign have included an increasingly explicit and growing role for music.

The University of the West Indies in both Jamaica and Trinidad has now appended small formal programs to its curriculum. Thus, the education system is providing increasing information and employment opportunities for musicians.

The CMID provides no specific data on the number of schools offering music, the number of music teachers hired, the number of students, or the funding of the music curriculum and programs. However, the CMID does admit to the growing importance of music in the school system. The Tobago pilot survey also reveals that about 7% of the musicians earn substantial income from teaching music but this fraction might be highly specific to Tobago. No offerings on music management are yet available in Trinidad and Tobago, but some exist in Jamaica in specialist institutions such as the Jamaica (Edna Manley) School of Music. The latter has now emerged as a major centre of music training in the region, and the program has now been linked formally to the University of the West Indies. The University and the Jamaica School of Music now offer a joint Bachelor of Arts Degree with music as a major.

Significant informal music teaching is also done in choirs, especially within the churches, and in the steelbands. No estimates have ever been provided of the costs of such operations, but it is known that both local and foreign persons are involved in the intensive steelpan teaching program running up to the Panorama and other festivals in Trinidad. In general, however, it remains true that high level music education of people in Jamaica and Trinidad is done in Europe and the USA, even though the amount of local training is growing.

2.10 Sponsorship and Subsidies

The music industry in the Caribbean features a mixed record when it comes to assistance from the state and from large corporate sponsors.

In Trinidad and Tobago, most dimensions of the music industry developed rapidly in the post independence period based on considerable private sponsorship and large subventions from the state. Estimates of government sponsorship in Trinidad and Tobago are presented in the CMID, but no data is available on corporate sponsorship even if this is known to be considerable. Corporate sponsorship is most visible in the steelband segment, where most large corporations are prominently associated with the name of the steelband. Prominent examples are *BP-Amoco Renegades*, *Unit Trust Angel Harps* and *WITCO Desperadoes*.

No similar pattern of large-scale public support is evident in Jamaica, but much of the development of the sector was led by active private entrepreneurship and significant corporate sponsorship. The same trend is continuing with private entrepreneurship and financing behind the growing Carnival celebrations. However, it is widely accepted that the state provided the major support for the "Festival Song" competition, and that the contribution of private sponsors, while small, is growing. The contribution of Tastee Products as a sponsor of a local talent show, with heavy emphasis on music, is also significant.

No evidence has been provided of the flow of support to the music industry from the emerging collection societies of the region.

2.11 Country Profiles

2.11.1 Jamaica

The music industry of Jamaica comprises mainly live performances, especially in dances and festivals, broadcast via radio and television, recorded music at retail outlets, hotels, restaurants and various offices and companies, and a fairly well-established recording industry. The recording industry is adapting slowly to changes in international technology, but has established one replicating plant, the only one in the Caribbean region today. Given the growing size of the Caribbean and Latin American markets, there is still substantial room for the development of this segment of the industry. A distinctive feature of the industry is the *Sound System*, widely accepted as an integrated form of performance and instrumentation invented in Jamaica.

The industry provides employment and income for between 6,000 and 12,000 people, including its leading core of authors, performers and promoters. Many of the industry professionals have little or no formal education, coming from mainly poor communities. The impact of the music industry is way out of proportion to the small number of persons that it employs. Their product is a major form of capital for Jamaica, which generates

everything from a highly valuable public image and goodwill for the country to substantial inflows of receipts and remittances. The value of the loyalty created for the country by music may be perhaps gauged by the fact that remittances are now more than 25% of all exports and are more than twice the net factor incomes going abroad from the country (Bank of Jamaica, The Balance of Payments of Jamaica, various years). Three decades ago, in the hey day of the bauxite industry, factor incomes going abroad were large, and preoccupied the attention of social scientists and policy makers, while remittances were minor and of little importance to them.

With respect to the contribution of the industry to the GDP, the data in Chapter 3 suggest that, in the year 2000, the gross revenues from music and music related activities were equivalent in size to 10% of the GDP. There are some alternative data about intersectoral linkages that lend support to this view. For example, it is well known, though not well documented, that music plays a major role in the developing "full-package" segment of the Jamaican apparel industry that uses domestic capital intensively. The operators in this segment carry out with varying degrees of competencies, production activities ranging from fabric and garment design, pattern making, cutting, and assembly to marketing and distribution. It is in the demand for clothing and costume by musicians, and in the marketing of fashions that music plays its dynamic role, especially in fashion shows and advertising of Jamaican colours and clothing styles for the industry. An excellent example of this is in the fashion shown of a large outfit such as PULSE, run by Kingsley Cooper, but the practice is evident throughout the local fashion industry and is especially evident in dancehalls and bashments. This impact has led JAMPRO to label the segment as "fashion houses and dancehall fashion centres." The labelling recognizes that demand for the products of this segment derive from the following:

- The dancehall posse and dancehall promotion;
- The fashion show, dance and modelling operations; and
- The performing artist in music.

Stronger evidence on the linkage effects of the music industry is provided by data recently published on the sources of value-added in tourism, currently Jamaica's most important industrial sector. The data reported in Table 2.10 indicate that in 1997, entertainment, which is heavily concentrated on music in Jamaica, accounted for the third largest portion, 10 percent, of the total contribution of tourism to the GDP (RES & CO, 1999). Only accommodation, which accounts for about 51 percent, and shopping (16%), contributed more. This data source also indicates that of the total contribution to employment (71,570 jobs), 47 percent came from accommodation, while entertainment accounted for 6% and shopping accounted for 19 percent. This performance leads to the important result that entertainment is one of the most productive sectors in tourism, and by extension the Jamaican economy. The data show that the output per worker of the entertainment component of the sector was J\$37,340, higher than every other nongovernment component except miscellaneous beverages and telephone services. As a result, entertainment contributed about J\$1.7 billion to the tourism share of the GDP in 1997.

Table 2.10: Structure of the Tourism Industry, Jamaica, 1997

	Direct Cor				
Sector of Industry	Contributio	n to GDP	Contribu Employ	GDP per	
	Total (J\$ million)	% All	Number of Workers	% All	Worker
Accommodation	8,609.6	51.09	33,927	47.40	25,376.84
Food and Beverage	733.4	4.35	3,908	5.46	18,766.63
Entertainment	1,656.8	9.83	4,437	6.20	37,340.55
Transportation	1,554.8	9.23	11,449	16.00	13,580.23
Shopping (1)	2,675.4	15.88	13,890	19.41	19,261.34
Miscellaneous (2)	347.9	2.06	579	0.81	60,086.36
Government (3)	797.0	4.73	739	1.03	107,848.44
Investment	477.7	2.83	2,641	3.69	18,087.85
All Sectors	16,852.6	100.00	71,570	100.00	

Notes: (1) Estimated from margin earned. Includes in-bond and other tourism related stores.

- (2) Demands from beverages and telephone services.
- (3) Includes direct and indirect taxes, the latter not contributing to GDP.

Source: Tourism in Jamaica, An Economic Analysis, 1997, as reported in RES & CO. (1999).

The Jamaica music industry achieves its competitive edge mainly from its cultural capital and highly efficient and creative music industry professionals working mainly with tacit knowledge. It has a regional dimension, which includes a long historical closeness to, and influence by, the social and musical experiences of Miami.

Initially, the industry was not served by sophisticated local research and training, especially as that relates to locally invented music. In the past decade, there have been significant changes, with the rise in prominence of the *Jamaica School of Music*. This school now collaborates closely with the *University of the West Indies* to offer a Bachelor's degree in music.

The music industry of Jamaica relies heavily on the foreign music manufacturing and distribution sector abroad. Most musical instruments used are imported. Big international record labels regularly sign major Jamaican artistes and rising stars.

The bulk of the income of the music industry is currently generated from exports, especially through the involvement of performers in the overseas markets. It is also agreed that the majority of sector incomes come from live performances rather than copyright. However, it is widely agreed that potential for earnings from copyright is grossly under-exploited. Music is indeed a copyright industry and a proper system of collective management could quickly change the structure of earnings and make royalties from collective management the main income source. Initiatives in this direction are now well underway, with the launching of JACAP and JPAS. A substantial part of the challenge of collective management of JACAP is collection of the considerable sums that are due from abroad as royalties to Jamaican authors/composers and artistes.

Just as Trinidad and Tobago took the lead in the development of collective management agencies in the region, Jamaica is now taking the lead in the development of a system of licensing as a means of improving the administration of intellectual property rights. The formation of the IPC as a rights clearinghouse is the means. The IPC also seeks to provide significant marketing services for artistes, and aims to improve the marketing of music and other works by artistes, especially those who are not currently well—connected. It is expected that the clearinghouse would tend to yield better benefits for the artistes than are currently available.

The public sector has traditionally played a minor role in the Jamaican music industry. However, as the music industry develops, improved public sector contribution is becoming both a focus of public debate and a necessity. The recent initiatives to upgrade copyright law are indicative of this, even if the efforts have not been supported by similar enthusiasm with respect to the active elimination of piracy. However, it is important to observe that several initiatives do count as significant public effort to counter piracy. These include the public sector encouragement of collective management, with help from WIPO, the encouragement of the Caribbean Copyright Link (CCL). These efforts should be placed in the context of the implementation of Protocol 3 of the Treaty of Chaguaramas (Article 31), and the various agreements under the WIPO. This involvement of government has been motivated in part by the growing recognition that music is one of the driving forces underlying the inflow of the remittances that have become so important in easing the balance of payments constraints under which the nation operates.

Prospects for Jamaica's music industry are widely accepted to be excellent, especially if suitable policy supports are provided. Growing private and public investment in music education and other infrastructure, in associated research and development, and in the development of marketing and collective management initiatives would boost these prospects further.

2.11.2 Trinidad and Tobago

In Trinidad and Tobago, the music industry supplies of goods and services are mainly in the form of live performances, broadcast via radio and television, and recorded music at retail outlets, hotels, restaurants and various offices and companies. Live performance is the largest component. The industry has a minor but growing recording component, and there seems to be substantial scope for investment in this area, given the growing size of the Caribbean and Latin American markets (**Chapter 4**). Its instrument production is even smaller, but has the distinction of featuring the steelpan, reputed to be the only internationally traded instrument invented in the 20th century. Estimates equivalent to those for Jamaica in Table 10 are not readily available, but given the significance of the carnivals and other key music-based dance festivals in Trinidad, and given the pivotal role of these events in tourism calendar as reported in **Chapter 4**, it is very likely that properly collected data would show similar productivity contributions to GDP.

The music industry in Trinidad and Tobago also achieves its competitive edge mainly by drawing heavily on local and regional culture, capital and creativity, and on highly efficient workers and other music industry professionals. It is not as well-served by sophisticated local research and training as in the case of Jamaica, especially as that relates to locally invented music. Some efforts are being made by the University of the West Indies to improve local offering of training beyond the traditional pre-college facilities offered by the private sector.

The music industries of both Jamaica and Trinidad and Tobago are highly integrated into the music manufacturing and distribution sector abroad, especially in the USA and Britain. Most musical instruments, except pan, are imported.

The industry produces music that is increasingly differentiated in terms of the locally developed genres. The cultural basis of this differentiation is quite rich, comprising both a veritable cultural Mediterranean dominated by the Anglo, Afro, Indo and Spanish musical traditions. Soca is the dominant genre, with Chutney-Soca emerging rapidly as the second most important genre. The music industry is growing in size and in its range of production methods.

The industry employs many full-time and part-time operators, but specific estimates are hard to come by. Many singers are self-employed part-timers, but some are full-time and earn high incomes. Highly refined skills and demand beyond the Carnival season are the main factors that determine who can be a full-time operator. Performers with pan, the national instrument, have only a small part of the total market whether at home or abroad. As was indicated by respondents in the Tobago survey, the majority of the steel orchestras still operate as community institutions dedicated to broad social purposes rather than to commercial objectives. Most of the orchestra members are driven by the need for artistic self-expression. Of course, there are a few highly distinguished performers, each of whom makes an excellent living as a professional performer, arranger, and author/composer.

All professionals earning high income work both at home and overseas, either touring or living abroad for some period of each year. As a result of the expansion of the tourism sector, a viable market is emerging in Tobago for sustained income generation outside of the festival cycle of Trinidad.

There is a growing role and a growing demand for copyright protection and collective management in the industry. It is generally agreed that much remains to be done in this area, but the COTT has been increasing the scope and quality of its coverage, collecting royalties from copyrights and related rights. Its membership includes authors/composers, performers, and publishers. The significance of COTT can be gauged from the fact that in this relatively young segment of the industry, there are at least 10 publishers who earn more than TT\$25,000 in royalties annually. COTT now provides a substantial share of the incomes of its registered members, including minimum guarantees to all. Generally, COTT administers the neighbouring rights of performers and producers of sound

recordings even though a Neighbouring Rights Association of Trinidad and Tobago (NRATT) exists.

Public sector investment in the popular music forms has been high since the 1960s, but significant impetus has been gained from the recent substantial growth of public sector involvement in the sector, especially through the *Tourism and Industrial Development Corporation*, the Agency responsible for industrial promotion in the country. This involvement has been motivated by the growing belief that music is becoming an important employer and earner of foreign exchange for the country.

Prospects for the music industry of Trinidad and Tobago are good, given its high creativity and the highly organic and integrated character of the underlying information and capital creation processes. These favourable prospects are boosted further by the continuing buoyancy of the country's foreign exchange earnings, and by the related slackening of the traditionally tight balance of payments constraint. They can be enhanced still more by relevant policy.

2.12 The Survey Instrument: Some Indications from the Tobago Pilot Survey

As indicated before, since the long run goal is a database that offers both primary and secondary data, a Draft Music Industry Survey Questionnaire was prepared and has been included in this first edition of the CMID. A pilot survey was done from a list of approximately 710 cases. Approximately 70 questionnaires were distributed in the pilot. All known steelbands were approached. A list of all calypsonians registered with TUCO, Tobago was sample randomly. Similarly, a list of teachers and other music industry professionals was obtained from the Division of Culture and sampled to complete the pilot. Some questionnaires were mailed and some were taken to the cases selected for the survey. The face-to-face interviews had a higher response that the mail-in questionnaires. Approximately 55 cases responded. The overall response rate was just under 78% of the cases approached. There was a 100% response rate among the steelbands, music teachers, and musicians, and almost the same rate of response among calypsonians. This rate of response indicates that, after adjusting for local circumstances, there is a good possibility that adequate data could be collected through the formal methods of the pilot. As the CMID develops, such an approach could be introduced successfully to complement the informal methods employed to get some primary data for this first edition.

Non-response was based mainly on the judgment that the survey was not relevant to the cases approached. This was mainly true of the large establishments involved in the hospitality-entertainment industry.

The questionnaire that has been drafted must be modified for local circumstances. From the Tobago pilot, some special <u>Tobago Tables</u> and <u>Comments By Music Industry Respondents</u> have been extracted from the survey returns for illustrative purposes and are available in the CMID. For example, consider the following:

- 1. <u>Tobago Music Table 1</u>: The Nature and Gender of the Music Firm in Tobago. The table is a cross-tabulation of the type of firm (establishment versus own account) with the sex of the management (male or female). The data show that the majority of firms are managed by males (84%) and are own account (59%).
- 2. <u>Tobago Music Table 2:</u> Types of Own Account Musicians in Tobago. This table reports on the number and percentage of authors and performers in Tobago. The data show that authors (songwriter/composer) make up 20% of the own account (self-employed) workers in the industry while performers are 27%. Street vendors peddling music and others workers make up the rest.
- **Tobago Music Table 3:** Type of Activity of Establishments. This table reports on the number and percentage of activities, in particular, publishing, sales outlets, performing establishments and others. The data show that performing establishments refer to mainly steelbands and account for 62% of the firms. Steelbands are typically social institutions not established for profit making. Two respondents (9%) were involved in publishing. There is one recording studio in Tobago.
- 4. Tobago Music Table 4: Registration Status of Establishments or Employment Status of the Own-Account Firms. This table reports the distribution of establishments among the following categories - sole proprietorship, partnership, cooperative or association where association refers to social clubs, or limited company. Also, the table reports the employment status of the own-account employee not registered as a firm. The effort was to determine whether the contracts of these individuals are with government or private sector (typically hotels) or whether the person deals with the public directly (self employed). The data show that most of the establishments (70%) are registered as cooperatives and associations, while 15% are sole proprietorships. Amongst the own-account operators, 42% hold service contracts with government and private establishments, while 16% are self-employed without such contracts. The data confirm that, in Tobago, the state and large private enterprise provide a major employment foundation (demand) for the practice of music by the industry professionals.

<u>Comments By Music Industry Respondents</u> record the supplementary free format comments and concerns expressed by respondents to the specific questions posed or to the general matter of music industry development. In surveys, such comments often provide insights into how the data might be interpreted. In this report, we first consider some of the comments provided to the question of whether the respondent or the firm for which he or she spoke has a strategic objective, if so what that objective is, and if not, why not. Several respondents gave a positive (yes) answer to the question. Steelbands specified their objectives as follows:

- To eliminate poverty by providing part time employment to members of the community (acquire a home).
- To provide a medium through which youths and adults could engage in social recreation.
- To enhance the social fabric of the community.

The comments indicate a strong social (as distinct from private profit) orientation in these organizations.

Clubs that were involved in producing shows and other ventures on a commercial basis indicated their strategic objectives as follows:

- To improve the facilities that clients can feel more comfortable when they visit the centre.
- To be number one.
- More profit.
- To increase profits

Among the individual artistes who signalled the absence of a strategic objective, the reason given generally is that a strategic objective is very difficult to implement (strategic objective) given the current policy landscape. However, those responding positively indicated that the goal was to produce great music with original sounds. This type of objective was also identified by artistes in the discussions conducted in Jamaica and summarized in the point that "the development of the music industry requires risky investments by genuine entrepreneurs guided by a vision of selling something "new" to an unprotected market" (see Chapter 3). These artistes, especially those who were very popular, complained about the problem of piracy facing great singers, the inability to collect royalties and the negative this is having on efforts to pursue strategic objectives. Specifically, they complained that while their music was being played around the world, they were unable to collect royalties based on their intellectual property rights.

Respondents were also asked about ownership and use of state of the art information technology, and if not, to rank the reasons for not doing so from among several options provided. Respondents indicated a substantial tendency to keep up with modern technologies. Those who indicated that they were not up to date gave as the main reason the absence of secure facilities in which to house the relevant equipment.

2.13 Regionalism and Caribbean Music

There is a clear sense in both reports that the music industry in both Trinidad and Tobago has a distinctly regional dimension. Each island's music industry is becoming actively integrated into the regional industry. Artistes from all territories share a common historical and cultural heritage and a pool of familiar ideas that are replicated around the region in richly differentiated forms.

In the Jamaica report, it is made clear that one of the factors that is rapidly changing the Jamaican music industry and fostering a process of fusion is the rapidly growing Jamaica carnival. Artistes from Jamaica rely quite heavily on the regional market, which provides demand, consumer feedback and some of the new knowledge and other capital that drive fusion and business practice in the industry.

Music in Trinidad and Tobago has long depended on both the regional supply of ideas and skills and the regional consumer market and feedback. Many of the major artistes in calypso/soca and in the Trinidad carnival come from the islands of the Organization of Eastern Caribbean States, Barbados, and Jamaica. Many of the local artistes are major figures in each of the carnivals put on by the countries of the region, including Jamaica.

A sense of the depth of the integration and interdependence of the regional industry can be gauged from the fact that the regional market is fully integrated into the "touring" process and on the schedule of most big artistes. A regional music and cultural fiesta – *Carifesta* – funded mainly by government, has long been an important source of stimulus and reflection for Caribbean music. In 1998, a new initiative, the Caribbean Music Expo, was taken to host an annual music industry trade fair in Jamaica, designed along the lines of *MIDEM*. The fair will be annual, with variable dates, and will seek to fill the vacuum left by MIDEM. Reports are that it promises to be successful.

2.14. International Agencies and Use of Music as Development Aid

The project of UNCTAD/WIPO that gave rise to this report is a substantive initiative that is likely to shift the platform of information about the industry, and provide firmer foundations for the development of music industry policy. It is an important example of international cooperation in the development of the music industry in the region and it is useful to provide other examples. One set has been undertaken by the UNDP working in collaboration with other international agencies to fight poverty and foster development.⁷

The examples indicate that while UNDP has assumed an overarching mandate in the provision of policy advice for poverty reduction, the organization has displayed a strong recognition of the importance of the cultural traditions of the Caribbean, in particular the region's music, as a force in social and economic development. This recognition has been demonstrated in the importance of music as a medium for conveying critical messages to the public, as well as in an attempt to harness the economic potential of the industry.

Since 1998, UNDP has sponsored a number of music-based initiatives in keeping with this thrust.

40

⁷ The information in this section was provided by Mr. Neil Pierre, Deputy Resident Representative of the UNDP, Port of Spain, Trinidad and Tobago.

1. **Project RLA/97/005 – Caribbean Music Industry Development.** This project was conceptualized by the CARICOM Secretariat and was presented to UNDP for funding under its CARICOM Regional Programme. Implementation began in 1998, following final signature of the project document.

The project aimed at reviewing the status of national copyright legislation in all CARICOM territories in order to determine the extent to which legal protection is provided to the musical art form in the region. With this in view, the project aimed also at preparing model draft copyright legislation for introduction to countries that had not established such legislation, or whose legislation if in place had required significant strengthening. In addition to addressing the legal framework, the project was designed to strengthen the organizational aspects of Caribbean music industry through the establishment of a Caribbean network of musicians and performers. Such a network was intended to increase the degree of information and knowledge sharing among Caribbean musicians and to build their capacity for better engaging in initiatives that would enhance the benefits of their trade. A number of training and capacity building workshops were carried out under this project designed to equip musicians with knowledge of the copyright and business aspects of the profession.

Technical inputs into the delivery of some of the project outputs were provided by WIPO in its initial stages.

- 2. **Music as a medium supporting key initiatives.** To emphasise the importance of music in contributing to Caribbean development, or to transmit critical messages to the population, a number of initiatives have been implemented, particularly by the UNDP Country Office in Trinidad and Tobago.
 - Song for Montserrat. UNDP teamed up with the Sunshine Awards Committee with co-sponsorship by BWIA, to produce the compact disc "Song for Montserrat" to support the reconstruction efforts of the island of Montserrat following destruction by the Soufriere volcano. The CD (enclosed) was launched in 1998, bringing together a large group of renowned Caribbean artists to record a musical piece. The proceeds from the sale of the compact disc were used in supporting ongoing rehabilitation and reconstruction work in Montserrat, supplementing funds already being provided by UNDP and Caribbean governments.
 - Watch Out My Children. A popular song written by the late Ras Shorty I, a famous calypsonian of Trinidad and Tobago, was used in producing a stirring video and compact disc aimed at deterring young people and those of all ages from a life of drugs. The song was written by the calypsonian before his death in 2000. UNDP spearheaded collaboration with UNDCP and the Blackman family, the widow and children of the late calypsonian, to adapt the song for a media campaign against drug use and trafficking. The CD and video have been widely circulated throughout the Caribbean,

receiving general acclaim and used frequently for television and radio information programmes. A request has come from the Netherlands Antilles to have the song translated into the native dialect Papiamento, to be used in a public anti-drug programme. The song and video were recorded in a multi-lingual strain featuring English, Spanish, French and Hindi. A copy of the CD is enclosed.

• HIV/AIDS. During the 2001 carnival season in Trinidad and Tobago, the United Nations Country Team (UNCT) Theme Group on HIV/AIDS, with support from UNDP, carried out a campaign to inform and educate the public on the threat of HIV/AIDS and the need for safe sex. The music medium was used principally in this effort. Through the active efforts of the Resident Representative of the UNDP, Mr. Johann Geiser, to widen the involvement of music from all Caribbean countries, a popular Surinamese band 'South-South West' was contracted by to participate in the carnival festivities and specifically to deliver critical messages on HIV/AIDS.

Recognition was given also for a calypso titled 'HIV' sung by 'Shadow' the current Road March Monarch of Trinidad and Tobago. 'Shadow' was appointed UNAIDS Ambassador for the Caribbean and recognized by Dr. Peter Piot, Executive Director of UNAIDS, in a ceremony held at UN House in Port of Spain. The song 'HIV' has been used since in many public information campaigns on HIV/AIDS and is a popular choice of young partygoers.

The UN Theme Group on HIV/AIDS has also co-sponsored a youth calypso competition for schools across the Caribbean, under the theme of HIV/AIDS. The competition was launched in May 2001 and is scheduled for completion in October 2001. The aim of this effort is to promote critical thinking on the issue of HIV/AIDS, among a significant number of young persons, as well as to convey this thinking in the form of messages to their peers across the various islands and mainland countries.

2.15 Capital Accumulation, Policy and Music Development: Selected Policy Considerations

The data and evaluation presented in the country reports indicate that, while significant use is made of imported equipment and ideas, the Caribbean music industry depends primarily on local scientific and cultural knowledge and locally based information systems, institutions, and other forms of capital⁸, to shape its participation in the international industry. The Jamaica study explicitly recognizes music as a form of

⁸ Here, capital is defined as the set of means of production created within the domestic sociology. It comprises output such as knowledge and technological systems, equipment, tools, services, and the like. Its general form of measurement is money.

domestic capital (that is, output used as input) and documents, for example, that "its principal input is the creative power of the Jamaican artiste and musician" (Chapter 3). Just as important, entrepreneurs in music have long been known to have devised a wide range of highly effective social means of encouraging high work effort and close collaboration by all members of institutions in the industry, whether private or social. On this basis, the industry generates a wide range of rapidly changing outputs, which because of the high local knowledge content, are also easily re-used as inputs and methods both in music and in other sectors, and in the economic activities of many Caribbean communities abroad. High capital intensity leads to high labour productivity in the sector. This means that a boom in any other sector of any Caribbean economy tends to stimulate a boom in the music industry, in terms of capital accumulation and job creation, and leads to rising earnings and profitability and other incomes for sector employees.⁹

As in most forms of industrial activity, the music industry experiences cyclical downturns such as have been documented in the country reports, especially when there is a slowdown in the flow of innovations. The music industry is also deeply integrated into the normal process of social adjustment to changing opportunities through international migration or the internationalisation of activity, the creation of settlements abroad, and the associated exporting of capital into new markets. This is an important driving force behind the growing flow of remittances into Caribbean economies, and music is clearly integral to all these events. The evidence and analysis also suggest that these adjustment processes ultimately foster creative initiatives that are leading to the development of a highly adaptive capacity. Indications are that the industry is taking off into the process of organic and self-sustaining capital formation, a claim which one is hard-pressed to make about many traditional sectors and industries which currently receive the lion's share of government policy supports.

These achievements by the music industry are highly significant, since they suggest not only that the industry can succeed in penetrating the international markets on a sustainable basis, but that it can also emerge as one of the sectors leading development of the Caribbean economy. To develop over the long term, Caribbean countries must create increasing returns and dynamic competitive advantage by capital formation and output diversification. Ultimately, that process depends on the contributions of its various capital-intensive sectors. Growing capital formation in music boosts the economy-wide process of creating and applying new technologies and fosters greater versatility of workers and entrepreneurs, product diversification and the development of suitable institutions that create positive externalities for the music firms and for firms in other sectors of the economy. Given the importance of music as a form of capital, and given the importance of the recycling of capital in both the long-term development and the shortterm multipliers affecting linked sectors, major sectors that stand to benefit immediately from these developments in the music sector are general entertainment, tourism, advertisement, marketing, and education. Further, since music is a major medium of knowledge transmission, it also serves as a significant capital service that can benefit many other sectors of the economy. Through all these linkages, the development of the industry is leading directly and indirectly not only to development of the final goods and

⁹ So that, because of capital formation, the sector escapes the widely discussed "Dutch Disease."

services market but also to the improvement of worker attitudes and the labour market generally. In many of its dimensions, the capital investment requirements of the music industry are primarily knowledge requirements that are well within the reach of many persons who possess creative skills and seek to become an entrepreneur. Music development can, therefore, lead to a rapid expansion of employment in the economy.

Just as important, the strong export focus of music with respect to all major trading partners of the Caribbean, and the major role of music in intra-regional trade in the wider Caribbean, suggest that success in the development of the music industry would contribute substantially to easing the tight balance of payment constraints faced by Caribbean economies, while increasing productivity and income. The evidence in the case of each country is encouraging in this regard. The Jamaica study indicates that the foreign exchange contribution of the music industry already seems to exceed that of sugar, despite the absence of substantial government help for music and the large budget support given annually to sugar. The Trinidad and Tobago study provides some corroboration in the form of the distinct impact of activity in the high music season on the money supply of the country. Furthermore, being the source of many innovations, the music industry could at any time generate an autonomous and far-reaching change of technology and exports that, by initially easing the balance of payments constraints, will allow other autonomous expenditures to be increased until incomes rise sufficiently to induce an increase in imports equivalent to the increase in exports. The autonomous expansion of music and related sectors will also stimulate the development overseas of those types of capital assets that have led to the growth of remittances into the economy with corresponding wealth effects and stimulus to consumption. In some ways, the most important signal given by the high intersectoral linkages and the strong contributions to productivity and value-added by music is that there is high demand for music as an input into the activities of the major growth sectors of the Caribbean.

In the absence of better evidence on the distribution and disposal of the various forms of incomes accruing to the various players in the music industry, sectoral multipliers cannot be estimated as the basis for gauging the full impact of any set of spending initiatives in the industry, especially those in support of creative effort. But there seems little doubt that the potential impact of the industry on incomes and employment, and on long-term transformation, is high. However, as with all copyright industries involved in creating intellectual property and related capital around the world, the production and marketing of the commodities generated by the music industry needs to be supported by appropriate public policy, including suitable trade policy with respect to services, intellectual property and investment, strengthening of laws on copyright and related rights, strengthening of enforcement and collection management, general business extension services, and assistance with domestic and international marketing.

The country reports indicate that the problems of piracy and of collective administration are of major concern to the Caribbean music industry. Anti-piracy programs are usually expensive and only moderately effective and, in any case, are usually undertaken with little enthusiasm. Yet, since music is primarily a copyright industry, the problem must be addressed if the industry is to survive. A type of cost-benefit view might be applicable to

the problem in the region. If the cost of direct protection against piracy is higher than the value of piracy, it might be rational for the state to opt to provide the industry with compensating subsidies until the value of piracy and hence the subsidies becomes high enough to cover the cost of direct protection.

With particular reference to illegal duplication for example, Caribbean countries may need to consider adopting a type of copying levy similar to the one that prevails in many countries in Europe. These royalties are built into the value-added tax payable on sales of blank cassettes in the country, as well as on audio and video recording equipment. Composers could then get a share of these levies, along with the neighbouring rights owners – the performers and recording companies/studios.

Furthermore, new threats and new possibilities are routinely being created by other domestic and international developments. Some indication of this comes from the attention now being given to the issue of traditional knowledge, including traditional music knowledge, by the WTO and WIPO. The Caribbean Regional Negotiation Machinery has recently reported that on May 3, after 3 days of deliberation in Geneva, WIPO concluded the first Intergovernmental Committee on Questions of Intellectual Property with specific reference to Genetic Resources, Traditional Knowledge and Folklore. The meeting was sought to establish areas of consensus on these issues. On traditional knowledge, countries wanted to establish a definition of traditional knowledge, clarify the linkages between existing intellectual property rights and traditional knowledge, and facilitate research for new standards. Interestingly, most members overtly supported the creation of a regulatory framework in the field of traditional knowledge, in order to organize international action for the protection and sharing of benefits related to their exploitation. The work of the WTO's Council for TRIPS was highlighted in this context.

What is important here is that traditional knowledge, including musical lore, embodies much tacit knowledge, which is a critical part of the capital of society underlying the innovation process. Recognition of the importance of these forms will certainly boost their role in the Caribbean as governments join the international tide. At the same time, regulation of the use of such knowledge under the rubric of traditional knowledge is regulation of the use of the most important form of capital in Caribbean societies, the key to successful industrial restructuring. Right to the protection of such knowledge and the product of its use, and hence related revenues, could be lost to a variety of international interests unless strict limits are placed on what could be regulated and what is the capital heritage preserve of specific cultures. Significant care is needed in these matters.

From the perspective of the interface between marketing and collective management, the music video industry is growing and is becoming a medium for development of the audio-visual sector and film. Other than through the efforts of artistes and their managers, some major efforts are now underway at this time to influence music stations such as MTV and BET Jazz to increase the share of Caribbean music on their programming, and gains are being made from such an effort in the form of features of more Caribbean artistes. Further, gains might be made from the establishment of a local music television

station, whether private or public. The practices of the new CTV of Jamaica are encouraging in this regard.

In all these regards, the formation of the IPC in Jamaica is an initiative that should be encouraged by public policy and international collaboration. Significant assistance should be provided through these avenues for the development of the clearinghouse system, with special reference to the following:

- 1. Creation and management of a networking "listserv" throughout the Caribbean as the basis for
 - o Upgrading the music-industry database.
 - o Marketing the services of clearinghouses in the countries of the region.
 - o Contributing to marketing the products of musicians in the region.
- 2. Provision of financial and technical assistance to do the following:
 - o Obtain software and related technologies.
 - o Obtain technical assistance to master the relevant technologies.
 - Develop an education program to upgrade drastically the knowledge about the following:
 - Copyrights and related rights,
 - ♣ The importance of protection of those rights, and
 - ♣ The appropriate use of intellectual property by end-users.

Significant gains from this policy are likely to accrue to artistes who are not currently well-connected, but who are nevertheless critical to the development of music as capital and final consumer commodity, and as a means for social and cultural development and cohesion.

Ultimately, however, sound policy supports cannot be provided without sound data. How large is the flow of royalties due to the widespread and growing use of Caribbean music in the major metropolitan centres of the North Atlantic? To what extent can authors, composers and musicians be assisted with the acquisition and use of modern IT in order to increase their versatility and the diversity of their creations? How should anti-piracy policy be designed? Answers to these and other policy questions requires appropriate data about the structure and dynamics of the industry, especially as that relates to capital formation and job creation, the growth of earnings, profitability, product diversification, productivity and competitiveness, and market penetration and possibilities. There is much for the region to gain from developing the CMID into a major capital input into the development of music in the region. In this regard, serious effort should be given to refining the model survey instrument included in the CMID and using it to conduct well timed, say biannual, sample surveys of the contribution of the music sector to the economy of each participating country.

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Music and the Jamaican Economy

By

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3. Music and the Jamaican Economy

3.1. The Jamaican Music Industry

Music has always been a central feature of the social and cultural life of Jamaicans. On the slave plantations, song provided the rhythm for work, the salve for feelings hurt by abuse, a form for collective prayer, and a medium for news for the ears of the slaves only. In the villages built by the ex-slaves, several forms of music developed to lighten the labour of farming, to teach children in schools, to give praises in Church, and to celebrate the anniversaries of life. Music as pure entertainment is a 20th century development associated with the growth of urban life in Kingston and the major towns. Today, music provides many income-earning opportunities as a sphere of economic activity itself.

As in the rest of the Caribbean, music is inextricably linked to the social and cultural processes by which the society reproduces itself. It describes and analyses the social processes of work, of play, of politics, of oppression and exploitation, and it expresses feelings of joy and sorrow, of the ups and downs of romance, and the full range of human emotions. Indeed, the same song may embrace more than one of these themes at the same time, being at once social critique and a love song, such as Bob Marley's "No woman, no cry".

Further, music invariably excites Jamaican people to dance, if only by the nod of the head in formal and polite circumstances, and/or stimulates call and response between the singer and the audience. Luciano¹¹'s "Lord give me strength" will probably never play in public again without someone in the audience singing along. It is one of many popular songs since the 1960's that have become embedded in the collective memory and consciousness of Jamaicans, many of whom do not know the identity of the songwriter.

For the purposes of this study, it is convenient to divide the history of the Jamaican music industry into three periods:

Period I: pre-1950 - before the establishment of the commercial recording of music.

Period II: 1950-70 - production of recordings and live music for the Jamaican market.

Period III: post-1970 – supply of recordings and live music to the international market.

¹¹ Luciano is currently one of Jamaica's most popular singers, both locally and internationally.

3.1.1 Period I

Prior to 1950, the vast majority of the music played in Jamaica by Jamaicans was performed live by groups or bands. Some were big bands and orchestras 12 playing Swing and Jazz from America for, and often by, members of the upper classes with more exposure to American culture than the ordinary Jamaicans. Some were Mento bands performing in village functions, clubs, and later in hotels to entertain tourists. Today Mento bands are almost exclusively heard in hotels. Other musicians were travelling troubadours, like Slim and Sam¹³ who played on street corners and at festive occasions.

After World War II, most of the recorded music played in Jamaica originated in the USA. According to Chang and Chen [1998], even though the first radio station, ZQI, came on the air in 1939, it was not until the formation of RJR (Radio Jamaica and Redifusion) in 1950 as a commercial radio station that music was heard regularly over radio. Even then, RJR had a strong bias for classical music, Country and Western music, and white American music (e.g., Bing Crosby, Perry Como, Patti Page). Stations like WINZ out of Miami played music that appealed more to popular preferences.

Then came the Sound System, a Jamaican innovation¹⁴, and with it the dances¹⁵ they played for in the 1950's. The Sound System combined powerful amplifiers with large speakers to play music at high volumes, with accents on the bass and the treble notes for dancing. The records were imported, primarily from the rhythm and blues and Jazz outlets in the USA. Songs were introduced by the disc jockeys who in time developed the practice of embellishing the music with their own chants. This is the origin of the modern DJ.

The majority of the patrons of these dancers were people from the working classes. So too were the dance promoters, the vendors selling refreshments, and the operators of the Sound Systems.

3.1.2 Period II

Between 1950 and 1970, a recording industry and a small manufacturing sector producing mediocre to poor quality vinyl discs for the local market emerged and matured. The recording industry developed over these two decades with the technological changes - from 2 track to 16 track recordings - until it was sufficiently attractive to international artistes like Mick Jagger of the Rolling Stones. It was in this period that a distinctive Jamaican sound emerged which was centred on a beat that had evolved from Mento and

¹² For example, the Eric Deans Orchestra and bands led by artistes like Baba Motta and Sonny Bradshaw

¹³ In the late 1970s, my father heard me playing Bob Marley's "Lick Samba", and pointed out to me that it was the same melody as Slim and Sam's, "Mile and a half fi go cut moono -".

 ¹⁴ See White (1998).
 ¹⁵ The early name was the "Blues Dance", reflecting the pre-ska beat of Jamaican music.

other traditional forms such as, Brukins, Pocomania, Quadrille, and Nyabingi drumming. It had been strongly influenced by the R&B and Jazz of Black America. Its modern forms were known successively as Ska (the first qualitatively distinct and identifiable popular beat from Jamaica), Rock Steady and Reggae.

Apart from a distinctive sound, a distinctive market emerged with unique products, such as dub plates 16 and "versions." The distribution of records was concentrated among a few relatively (for the industry) large companies, but was also extended by many small, and some informal, enterprises. Apart from the distributor, the central figures of the fledgling music industry were the artistes, the producers, often performing multiple roles – financing, recording, promoting, managing -, and the promoters of dances and shows. As in many countries, the industry provided opportunities for the marginalized and for the small entrepreneur.

Instead of supportive public policy, the industry faced many obstacles from public policy, as those who formulated policy were both ignorant of, and insensitive to, the value of the industry to the economy and the society. Imported audio equipment and records were classified as luxury goods and consequently, attracted high duties. Dances were often disrupted or shut down by the Police because the noise level disturbed important citizens at night, or because the Police claimed to be in search of wanted persons. Most of all, there was no effective copyright protection for the creators, the owners and the performers of music.

In the 1970s, the success of Bob Marley and the Wailers, Jimmy Cliff and other Jamaican artistes on the international scene demanded recognition from the leadership of both the public and private sectors. But even now, three decades later, implementing policies and programmes to nurture the industry has remained a low priority on the agenda of policy makers. The industry was targeted as one of the new growth poles of the economy in the National Industrial Policy. However, it is macroeconomic stabilization policy – high interest rate, stable exchange rate and low inflation - and debt repayment that has occupied the attention of government policy makers. In this context, the music industry, like agriculture and manufacturing, continues to be overlooked by policy-makers, in their deeds, if not in their words.

3.1.3 Period III

In the early 1970s, Bob Marley, in particular, established Jamaican music in its Reggae form as a major genre of international pop music. Since then, the international market has been the major focus of artistes and producers, for whom the Jamaican market is the base or foundation of the international ventures. Producers began to shape the music for the international audience, with more polished recordings and better quality discs. Music produced in Jamaica faced not only competition in the international market from other

¹⁶ The "dub plate" is a 12-inch vinyl disc that is cut from a special version of a song for the exclusive use of a sound system.

The version was the sound track of the song without the vocals that was put on the flip side of the record.

genre of music, such as R&B, but also music inspired by Jamaican music but produced by non-Jamaicans for the "cross-over" market. Most of the major international record companies at one time or another have contracted Jamaican artistes.

The demand for high quality products by the international markets shifted production – recording and manufacturing – overseas as well. Top Jamaican artistes recorded overseas; their records, and later, their CDs, were pressed and distributed abroad; and they toured abroad to promote their work. This was in part driven by efficiencies derived from the rapid technological advances in the international music industry. Even as the Jamaican industry became uncompetitive in the musical products themselves – the records, CD's, videos – the Jamaican artiste and his/her musical ideas remained competitive. From an economic point of view, royalty payments to Jamaican artistes for the use of their musical creations became in this current period the substantive and sustainable form of hard currency income accruing to Jamaica from the music industry.

Despite the competition from the international record companies in the international market, the Jamaican industry remains competitive in the Jamaican market, more because of the uniqueness of its product, the Jamaican sound, than for the cost of production. The technological revolution in recording equipment has impacted on Jamaica and enhanced the capacity to record, but so far has had little impact on manufacturing. Further, while the capacity to record has mushroomed, there is arguably a decline in creative talent applied to the music industry that can generate quality material to be recorded¹⁸. The talent is no longer nurtured in music programmes of schools, and probably loses out in favour of activity that offers more immediate gratification and financial rewards.

It has long been obvious that the music industry contributes to the Jamaican economy by way of employment, income and foreign exchange earnings. The dimensions of the industry are not yet precisely quantified, and perhaps because of the fluidity of the industry, it is inherently immeasurable. Most challenging of all is to understand the dynamics of the recording industry, the underlying forces that drive it, and the ways in which they interact with each other. It revolves around a triad, as follows:¹⁹

- 1. the creative output of the songwriter, the artiste and/or the musician
- 2. the investment, very often by the *producer*, in transforming the ideas into a product, like a CD
- 3. the sales of he product, by the *distributor*.

The music industry requires risky investments by genuine entrepreneurs guided by a vision of selling something "new" to an unprotected market. This industry uses modern

¹⁸ This may not be true for people wanting to be DJs. In 2001, the Tastee Talent Contest attracted hundreds of entrants, ranging from the very young to the middle aged. There is an interesting informal process of filtering out young DJ aspirants with little talent in the eyes of the producers. Essentially, the process entails frustrating the young aspirant with delays and inaccessibility of the producer. Those who survive the process are deemed to have the toughness to succeed in the business.

¹⁹ As we will see below, there are many people who function in multiple roles simultaneously. The artiste can invest in, and produce, his/her own music, and many attempt to do some marketing of the product him/herself.

technology, with a product in global demand. Global demand for Jamaican music cannot be assumed, but must be cultivated with aggressive marketing. The principal resource utilized is human creativity, and thus ownership of the rights to intellectual property is especially important.

Like bananas and coffee in the 19th century and ganja²⁰ in the twentieth century, the music industry was created by the property-less and the marginalized social groups of the society and has been used as vehicle for their own development. The typical artiste and musician in Jamaica, including the successful few, is from a poor economic background. As such, Jamaican song and music often express the resistance of the socially disadvantaged against their circumstances.

Like banana, coffee and ganja, the lion's share of the income of the music industry has been appropriated by "big business", and increasingly foreign business. Often, the social critique of the song casts the struggles between the artiste and the businessman as manifestations of the deeper struggles in the society. Prince Buster's²¹ song, "Black head Chiney", and Marley's song, "Small Axe", exemplify this genre.

3.2. The Markets for Jamaican Recorded and Live Music

As a fairly well defined sphere of economic activity in modern Jamaica, there are several interlocking markets for music goods and music services that can be clearly identified. In this study, these markets are classified in two broad categories: markets for final music goods and services, and markets for inputs of music services. Each category is further disaggregated into more concretely specified markets. **Table 3.1** shows the market for final goods and services disaggregated into a market for goods and a market for services, each of which can be further disaggregated as the analytical need arises.

Table 3.1 shows the buyers (Demand) and sellers (Supply) in each market in their roles in each market. However, it must be borne in mind that many individual persons and institutions play multiple roles in different markets simultaneously. The artiste who manages, produces, promotes, and distributes his own work is a classic case in point. More substantive, as we will see, are the distributors who also operate studios and pressing plants.

The market for goods divides naturally into recorded music on various formats, and all other music related goods, such as audio and video equipment and musical instruments. There is both a retail market and a wholesale market in Jamaica for recorded (Jamaican and non-Jamaican) music, and for unrecorded media such as blank cassettes and CDs. In the retail market, Jamaican consumers and sound systems are the principal buyers, and music stores, record shops, and other recorded music outlets supply recorded music on all

²⁰ Ganja is the Jamaican name for Cannabis. Another common name internationally is marijuana.

²¹ Prince Buster was one of the first DJs. He had a particularly strong influence in the development of ska throughout the 1960s, which was perhaps the first phase of modern Jamaican popular music.

formats. The wholesale trade supplies the retail trade with imports and locally manufactured product.

More important is the international market for Jamaican music through which International record companies, some with Jamaican ownership and/or influence, supply product to Jamaican and non-Jamaican consumers. International demand for Jamaican music spans all the continents. In North America, the USA is of course the major source of demand. In Europe, England, France and Germany have been the main markets. In Asia, Japan is by far the largest purchaser of Jamaican music. In Latin America, Brazilian demand is already strong and growing. Jamaican music is also very popular throughout Africa.

Table 1: The Markets for (final) Music Goods and Services

	Domestic marl	ket for all music		ional market for
TODA 6	D 1	G 1		aican music
ITEM	Demand	Supply	Demand	Supply
Retail				
CDs, LPs, 45s, Cassettes of Jamaican music	Jamaican Consumers, Sound Systems	Record shops and outlets, sidewalk vendor	Caribbean consumers, Caribbean migrants, Foreign consumers	Jamaican Distributor/exporters, International record companies
CDs, LPs, 45s, Cassettes of non-	Jamaican Consumers,	Record shops and outlets		
Audio and video equipment, instruments, unrecorded tapes and CDs	Jamaican Consumers, musician, Sound System, Studio	Music stores, record shops, other shops		
Wholesale	System, State			
CDs, LPs, 45s, Cassettes	Record shops and outlets	Distributors		
Unrecorded tapes and CDs	Manufacturers	Importer/Distributors		
Live Music				
Dances, concerts, sessions, parties etc	Jamaican Consumers	Promoters		
Tourist entertainment cabaret, Reggae show	Tourists	Hotels, Clubs, Restaurants		
Tours			Migrant Jamaican consumers, Foreign consumers	Foreign Promoters, International Record companies, Migrant Jamaican promoters and Record companies

The retail trade in music related goods (as defined above) supplies Jamaican consumers with imports. The retail markets for recorded music, and for audio and video equipment are obviously complementary.

Table 3.1 also shows the demand for live music by Jamaican dance and concert fans, by tourists seeking entertainment in hotels, clubs and restaurants, and by foreign audiences at the concerts and shows performed by popular Jamaican artistes on tours. Revenues from the sales of recorded music both locally and internationally, and from local shows and from foreign tours, ultimately constitute the source of all incomes in music and related activities. Put in terms of structure, the markets for recorded music and for live music, particularly the international markets, sustain all other markets in music goods and services.

Table 3.2 show markets for services that are inputs into the production and distribution of recorded Jamaican music. For each market, the domestic and international sources of demand are shown and the suppliers are identified. The categories of markets identified are listed to suggest the hierarchy of activity from the creative idea up through the distribution of the creative idea as recorded music. Again, the categories chosen here conform to the analytical requirements of this study. In another instance, one may wish to refine some categories. For example, one may wish to break out professional services by type.

This study assembles the published estimates of the dimensions of the various markets of the music industry, and the activities that sustain them. These estimates are drawn from the few studies of the Jamaican music industry that exist, which are listed in the references of this study. The data from these studies is supplemented by information in newspaper reports, and by comparative data from international publications on the industry in the main international markets for Jamaican music. The data from these sources provide an empirical basis, albeit somewhat crude, for assessing the contribution of music to the economy of Jamaica. Interviews of persons with expertise in the various aspects of the business of music assisted in interpreting the empirical estimates. Much more needs to be done, and can be done, with sufficient resources and appropriate methodologies, to develop the knowledge base about the music industry to support informed public policy.

Table 2: The Markets for Inputs into the Production of Music Goods and Services

	Domestic ma	arket for all input	International market for				
		ervices		an inputs			
Input Service	Demand	Supply	Demand	Supply			
Distribution	Producers,	Importer/Distributors	Caribbean	Jamaican			
services	Manufacturers	_	distributor	Distributor/exporters			
Manufacturing	Producers	Jamaican	International	Jamaican			
services		Manufacturers	record companies	Manufacturers			
Recording services	Producers	Studios	Foreign artistes, producers	Jamaican Studios			
Sound/recording engineer services	Studios	Engineers and other technical persons	Foreign studios, especially studios operated by Jamaicans	Jamaican Engineers and other technical persons			
Producer services	Artistes	Producers	Foreign artistes, studios	Jamaican Producers			
Promotion services	Consumers	Promoters	Tourists	Jamaican Promoters			
Sound System services	Consumers, Promoters	Sound Systems	Foreign Promoters, migrant Jamaicans	Sound Systems			
Lighting, Stage management, emcee, security, and other services for live shows	Promoters	Various contractors with relevant skills					
Management, legal, accounting and other professional services	Artistes	Various professionals					
Artiste services	Consumers	Artistes	Foreign consumers, International record companies	Artistes			
Musician services, including arrangement	Producer, artiste	Musicians	Foreign artistes, producers	Jamaican musicians			
Publishing	Songwriters, artistes	Publishers					

3.2.1 The Domestic Markets

Demand for CD's and other music goods

The demand for recorded music in Jamaica by consumers is expressed directly as the purchases of CDs, records and cassette tapes, and is expressed indirectly as the demand for music broadcasts by radio, and for music played by sound systems and discos. The two principal sources of demand are households and sound systems, with some demand from foreign buyers. This last group is comprised of sound system and record store operators in the Eastern Caribbean, in the migrant communities of North America and Europe, and in Japan. Demand peaks during the weeks of public holidays, particularly at Christmas.

The demand for audio/stereo/video equipment and the associated peripherals is derived from the direct demand for recorded music. Simply, people with recorded music need equipment to play it, and many need equipment to record their own music. The Survey of Living Conditions (SLC), 1998 reported data on the ownership of audio and video equipment by households in the various income groups and in three geographical locations in Jamaica. **Table 3.3** reproduces the relevant data.

Table 3: Percentage of Households Owning Audio and Video Equipment

Category		AREA			QUINTILE					
	Jamaica	KMA	Other Towns	Rural	1 (Poorest 20%)	2	3	4	5 (Richest 20%)	
Radio/Cassette Players	68.1	61.4	70.1	72.5	62.1	69.8	70.6	71.1	69.4	
Phonographs	0.3	0.6	0.1	0.2	0.1	0.4	0	0	0	
Stereo Equipment	15.5	22.8	16.9	9.5	1.8	6.6	9.6	13.3	23.6	
Video Equipment	21.5	25.9	25.8	16.7	3.9	11.3	15.5	21.6	32	
TV sets	67.6	76.5	72.5	59.2	41.7	58.1	67.5	69.2	75.2	

Source: Survey of Living Conditions, 1998, Table F.17, F.18

Notice that radio/cassette players were more frequent in rural households (72.5%) and in the "Other" Towns in the rural areas (70.1%) than in the urban households of Kingston (61.4%). On the other hand, the more expensive stereo equipment was more than twice as likely to be in a household in Kingston (22.8%) than in a rural household (9.5%). While few households reported having phonograph records, households in Kingston were three times as likely to have them as rural households and six times as likely as households in small towns.

In terms of income classes, notice that there is very little difference among the income groups in the frequency of ownership of radio/cassette player. But whereas 23.6% of the richest households (Quintile 5) had stereo equipment, only 1.8% of the households in the

poorest quintile (Quintile 1) and only 6.6% of those in the second poorest quintile reported having stereo equipment.

These observations point to a broad demand for music across the country but particularly strong demand by urban upper income households, who can afford audio equipment. Curiously, video equipment was more popular than stereo equipment in all households. The SLC has collected data on consumer expenditure on "recreation" for the years 1991 - 1998. We assume that expenditure on music falls in the category "recreation", since none of the other categories used by the SLC would be appropriate. It was reported that in the 1990s, expenditure on "recreation" declined as a share of consumption measured in both current and constant dollars [Table 3.4]. In the case of the latter, the share of expenditure on "recreation" in real consumption fell by almost a half over the course of the 1990s.

Table 4: Recreation as a percentage of Total Consumption Expenditures

Category	Year								
	1991	1992	1993	1994	1995	1996	1997	1998	
Recreation as a % of Jamaican Consumption expenditure at current prices	%	%	%	%	%	%	%	%	
Jamaica	1.3	1.3	1.0	1.1	1.0	0.9	0.9	1.1	
KMA	-	-	-	-	-	-	1.2	1.4	
Other Towns	-	-	-	-	-	-	0.5	0.5	
Rural	-	-	-	-	-	-	0.9	0.8	
Recreation as a % of Jamaican Consumption expenditure at constant prices	1.3	1.3	0.9	0.9	0.8	0.7	0.7	0.7	

Source: SLC, 1998, Tables 2.6, 2.9

With all expenditure by Jamaicans on recreation accounting for about 1% of current consumption, expenditure on music as a share of consumption was less than 1%. On a regional basis, there were significant variations, with households in the Kingston Metropolitan Area (KMA) reporting almost three times the expenditure on recreation as households in "Other Towns", and almost twice that reported by rural households. The share of recreation²² in the expenditure of Jamaican households is surprisingly low, especially when compared to the USA where expenditure on music related items alone—radio, TV, records, musical instruments – accounted for a little over 9% of expenditure in 1990 [see Table 3.5].

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²² A colleague of mine has suggested that the estimates of expenditure on recreation may be low because computer-based home entertainment may be mis-classified elsewhere.

Table 5: Expenditure (of money and time) by USA Households on Music

Category				Year			
	1970	1980	1985	1990	1995	1998	2000
% of USA personal Expenditure on radio, TV, records, musical							
instruments	0.07	0.07	0.11	0.16	0.27		
% of time spent per year on recorded							
music in USA	2.6						9.1
% of time spent per year listening to							
radio in USA							
At Home							11.3
Out of Home							19.3

Source: Vogel (2001), Tables 1.2 and 1.4

The Supply of Music Goods

CDs and other music goods

The market for music in Jamaica is supplied with the full range of modern goods. In line with international trends, the dominant medium on which musical works is sold is the CD. However, vinyl products – LPs and 45s – are still important to sound systems and discos²³ and to music aficionados who prefer the sound of the music with the imperfections in the vinyl recordings to the clarity of the CD.

Yet another peculiarity of the Jamaican market is the sale of dub plates—specially cut acetate discs—used by sound systems. Cassettes are also still quite popular, particularly in the sidewalk market for recordings of dances, and for home recordings from radio programmes. In the case of big dances, within days of the event, cassette recordings of the show are on sale on the streets in the Jamaican communities in North America and Europe.

Whereas the RIAA [Consumer Profile, 1999] reported that in 1995, 65% of the music sold in the USA was on CDs and less than 1% on vinyl, for the same year a survey of Jamaican suppliers done by Watson [1995] suggested that CDs were only 33% of the Jamaican market. Since then, the share of CDs in the Jamaican market has increased, but there is a significant residual still accounted for by vinyl records.

The supplier of recorded music is the retail store, which in turn is supplied primarily by three major distributors and to a lesser extent foreign record companies. In section IV below, Bell's [1999] estimate of 75 retail shops and outlets concentrated in the two major urban centres, Kingston and Montego Bay, is reported.

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²³ Henceforth, the traditional term "sound system" will also refer to the modern equivalent, the "disco".

Music services

The principal music services supplied to consumers are live music concerts²⁴ and dances²⁵. Live music shows in Jamaica refer primarily to concerts, and stage shows in clubs and hotels. The genre of music played at concerts includes dancehall, by far the most popular form, Soca, American R&B, Gospel, Jazz and the occasional performances of classical music and opera. By far, the biggest event is Sumfest, an annual international music festival featuring reggae music²⁶, which attracts thousands of visitors from all over the world. Every year, there are a couple of very small Jazz festivals, and several concerts by American R&B, and especially international Gospel artistes. Also, there are major annual dance hall concerts, like Sting, and Saddle to the East, which attract people from all over Jamaica, from the Jamaican migrant communities, and from the hard core fans of Jamaican music as far away as Japan.

Special mention should be made of the annual Carnival featuring Soca music. While Soca is the dominant music form for Carnival, up-tempo dance hall music played by sound systems with popular DJ's can be heard in some of the Carnival sessions. The Carnival began in 1990 as the promotion of Byron Lee, whose band had become a long time participant in Trinidad's annual Carnival. It is a month of 40 dances/musical events culminating in a week of revelling and road marches in early April. While it began with predominantly participation of the Jamaican middle and upper classes, the social character has broadened over time with more and more participation by people from the working classes. Over the years, the number of venues of activity has grown and the activity has spread beyond the boundaries of the Kingston and its suburban environs.

Dances

In the 1950s and 1960s, the "blues dance" was a well-established social event for the Jamaican working people. It had been institutionalised by great sound systems, such as Duke Reid's The Trojan, Sir Coxsone's Downbeat, King Edwards Hi-Fi, with legendary DJs like King Stitch, Count Machuki, and Prince Buster in famous dancehalls like Forrester's Hall, Chocomo Lawn, and Liberty Hall, the former headquarters of Marcus Garvey's United Negro Improvement Association. The middle classes organized house parties with small Hi-Fi and later, stereo sets playing American rhythm and blues and (white) rock music. There was very little mixing of the social classes on such occasions.

The 1970s saw broad sections of the middle classes accepting mass culture, and some elements began to promote it for various business reasons. Throughout the 1980s and

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²⁴ The term "concert" refers also to what is traditionally called "stage shows", and covers all genre of music, including Gospel, Jazz, and Opera that are very minor components of the total market.

²⁵ The term, "Dance", refers to events in which the primary activity is patrons dancing to music usually supplied by a sound system, also called by synonyms, such as "session", and "pay party".

²⁶ The original festival was called Sunsplash, and was first staged in 1978. Sumfest was first staged in competition with Sunsplash in 1993. This severely weakened the Sunsplash organization, which had been plagued by financial difficulties. It declared bankruptcy in 1998.

1990s, the blues dance evolved into the current form in which several featured DJs make short guest appearances, and in this way, the dance acquired a stage show dimension. At the same time, the house party gave way to the pay-party held at up-town locations, such as the big lawns of private homes, clubs and hotels. These events also used big sound systems²⁷ playing similar music to what one hears at the dances of the working classes. The influence of this working class recreational form, the "blues dance", or this form of socializing, on the middle and upper classes in the 1990s is unmistakable.

There is of course a plethora of income earning activities ancillary to the main musical event, whether it is the concert, the carnival, or the dance. Apart from the services required to set up the shows – promotional posters and radio ads, musicians, lights, sound, security, various specialized labour services, and so on – there are a variety of vendors of cooked food, fruits, refreshments, alcoholic beverages, cigarettes, souvenirs and other music related paraphernalia. Also of note is the expenditure on clothing and other articles of fashion that the dance and partygoers favour.

The supplier of live music is the promoter who contracts the services of artistes, bands, and Sound Systems; hires the venue, the lights and sound equipment; arranges the marketing; organizes the ticketing and the collections; contracts security services, and every other service required to put on the event. According to Mikey Bennett, songwriter and producer, artistes earn the lion's share of their income from live shows. Below, we present some typical fees earned by artistes of various levels from national, regional and international shows.

There are, however, many other forms of entertainment, such as radio and TV programmes, fashion shows, plays, videos, and communication messages, such as advertisements and public information, almost all of which use music in their presentations and/or their backgrounds. Royalties for performers are due from the organizers of these forms of entertainment²⁸, and as will be shown below, efforts are now being made to document and collect payments for the use of copyrighted musical works.

3.2.2 The Tourist market

The demand by tourists is primarily for live music, directly from concerts and shows, and indirectly as a part of entertainment packages. In the era of All-Inclusive hotels, tourists access most of their entertainment in the hotels. Few tourists venture out to clubs frequented by Jamaicans, and similarly, few Jamaicans patronize the shows in hotels. The tourist market is therefore quite distinct from the domestic market for live music. Major events like Sumfest and Carnival are somewhat of the exceptions to the rule as these events target both Jamaican and tourist audiences.

²⁷ As I recall it, the original "Disco" was a small-scale sound system that played primarily at house parties and clubs. Over time, many of them grew into major sound systems, though they maintained the name disco. For example, there was Gemini Disco, a major player in the sounds system arena for many years.

It was reported that JACAP, the collecting society for performers, insisted that the promoters pay J\$400, 000 (US\$9000) in royalties. The total estimated cost of the festival was J\$30 million.

Supply of music to tourists

Music is the integral component of entertainment provided for tourists in the hotels and clubs in the resort areas. Reggae music is one of the defining attractions of the "roots and culture" experience Negril offers to tourists. In the older resort areas, cabaret shows and mento²⁹ bands are more common. Indeed, reggae music has become an integral element of the principal image of Jamaica in the tourist market.

3.2.3 Demand for music services as inputs

The demand for music services as inputs is derived from the demand for recorded music and for live music.

3.2.4 Supply of music services as inputs

In terms of inputs of music services into recordings, there are the services of musicians, a wide range of complementary manpower services, such as the services of producers, arrangers and sound and recording engineers. In addition, there is the rental of studio time at US\$16-40 per hour to make recordings.

There are far less bands and musical groups or aggregations today than 20 years ago. The Jamaica Film and Entertainment Commission web site lists 24, but this is certainly an incomplete list. People in the industry have offered several explanations for the decline in the number of musicians and musical aggregations. First, the pool of musicians has shrunk, primarily because the young people are not being exposed to music training. Music programmes in schools were the early victims of cost cutting. According to the Ministry of Education, there were 132 specialist music teachers in the secondary schools, but very few teachers specializing in music in the Primary schools. The Secondary school system had about 240,000 students, of which about 78,000 were in High schools³⁰. In 1999, only 20 students sat the CXC³¹ examination in music, and 15 passed. At the Tertiary level, annual enrolment at the Jamaica School of Music is only about 25 students.

Second, it has also been suggested that today's young people prefer to entertain themselves with the computer rather than put out the effort demanded by learning and playing music³². Third, technological development – in particular, sampling – and the central role taken up by the computer in the industry has reduced the demand for music

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²⁹ Mento is a traditional form of Jamaican music that predates Reggae.

³⁰ Economic and Social Survey, 2000, .p. 22.

³¹ The Caribbean Examinations Council offers examinations in a wide range of academic and technical subject areas to students completing secondary school.

³² Nike is said to have observed that Bill Gates' Microsoft is its principal competitor, intimating that the computer is attracting more of young people's attention and energies than sports. Perhaps the same is true for music.

played by bands. Fourth, the business challenges of even maintaining a band, much less making it a successful business venture, have increased sharply in the context of the country's economic difficulties. Band music, however, remains central to the Jamaica Carnival and the Soca dance circuit, and to a lesser extent, shows featuring "Oldies", the so-called vintage music. Band music is also popular on the Gospel circuit, but many of these bands are not full-time professional entities but appear to come together for shows and other big occasions.

Over 150 sound systems are members of the Sound System Association of Jamaica. In 1998, Bell estimated that there were 170^{33} active sound systems. Some of the larger organizations operate several sets. In an interview with the Gleaner, Stone Love's Wee Pow said that his organization operated three sets, which equipped them to play at several dances simultaneously. He was speaking on his return from a Stone Love tour in Europe. Sound Systems frequently play in major North American cities with large Jamaican communities (e.g., New York, Miami, Chicago) using equipment rented at the location.

3.2.5 The size of the market for recorded music

The market for recorded music in Jamaica – both Jamaican and non-Jamaican music - is quite small, in contrast to the international market for Jamaican music, which is quite big. Watson [1995] reported that a CD of Jamaican music that sold between 5000 and 18000 copies [in Jamaica] was considered successful. Five years later the Head of one of the major music companies was quoted as saying, "--- a CD [of Jamaican music] selling 5000 copies in the Jamaican market would be considered very successful" [Patrick Roberts, Head, Shocking Vibes Productions – Gleaner, July 28, 2000]. Even so, sales were down in 2000 by 50% compared to 1999, according to a leading retailer [Derrick Harriott, Gleaner, July 28, 2000]. These estimates are much lower than the 40,000-50,000 units sold for a hit in the 1980's [Jason Lee, Nov. 1998, cited by Davis (1998)]. One of the two biggest record companies and a major distributor, Sonic Sounds, closed one retail outlet, and was struggling to keep the other open [Balford Henry interview with Gordon Lee, Gleaner, July 28, 2000]. It appears that there was a major contraction of the domestic market between the 1980's and 1990's.

Official data on imports published in STATIN's External Trade, 1998, showed that the total value of recorded CDs, cassettes and vinyl disks (45 and LP records) imported into Jamaica was US\$ 304,000. Of this, US\$300,000 paid for approximately 62,000 CDs, or US\$ 4.83 per CD.

The IFPI's estimate of sales of Jamaican music (on the Jamaican market) in 1999 was US\$3.2 million, down from US\$6.6 million in 1998. "Sales figures for 1999 showed: 600,000 vinyl singles, 300,000 vinyl albums, 200,000 cassettes and 100,000 CDS. This compares with 1998 figures of 800,000 vinyl singles, 800,000 vinyl albums, 500,000 cassettes and 300,000 CDs" [Balford Henry, Gleaner, July 28, 2000]. These estimates

³³ Tong Laing thinks that the number is bigger than 170.

suggest a sharp decline, more than 50% in sales in one year, with the decline in CD sales being the greatest for all formats. Indications are that the trend of decline continued into 2000 by another 10-15%.

Three points needs to be noted about these sales figures that are submitted annually to IFPI based on information collected by IFPI's agent in Jamaica. First, informed opinion is that these estimates are low, which means that in 1998 the domestic market could have been as large as 1 million CDs. Second, the decline in sales may overestimate the decline in consumption of CDs as some of the decline was offset by pirated copies. Third, some of the domestic sales actually end up abroad as unrecorded exports. In addition, US\$9.6 million of audio equipment and musical instruments were imported. Together, sales of music goods were approximately US\$11.2 million.

The widespread use of tape recorders, and nowadays CD writers, to make copies are part of the explanation for the decline in the market for records and CDs. One record store manager said she sold "tens of thousands" of CD blanks last year. In a feature article in the Gleaner of March 23, 2001, it was reported that pirated CDs are sold for about a half of the price of the original CDs. One seller reported that he earned about J\$4000 (US\$ 88) per week, much more than he could earn as a construction worker.

Another part of the explanation has been the weak purchasing power of the population in two decades of virtual economic stagnation. Data cited above on the decline in the share of consumption expenditures on music supports this impression. Despite the small size of the domestic market, it has a qualitative importance to the potential of a recording to be successful on the international market. A recording that sells well in Jamaica acquires a stamp of social approval that increases its attractiveness to the ethnic markets overseas, and in turn to the wider market for Jamaican music.

3.2.6 The Size of the Market for Shows and Dances

Table 3.6 lists a selection of the major annual dance hall concerts, estimates of attendance and revenue. This information was extracted from various issues of <u>The Gleaner</u> and <u>The Observer</u> newspapers in the year 2000, and interviews with promoters.

Conservative estimates for the revenue earned from these events in a year is J\$160 million, and probably more than J\$200 million for all dances, stage shows, concerts, pay parties and such events. There are three main periods during the year for dances at which music is supplied by sound systems: Easter weekend, the summer months of July and August, and 2-3 weeks at Christmas. Kingsley Cooper, a long established promoter, in an interview with the author, estimated that on these peak weekends, there were 8-10 major parties/dances/sessions, for a weekend average of J\$8-10 million. The big events gross up to J\$4 million in revenues. Assuming 14 such weekends, the annual expenditure on this form of entertainment is approximately J\$112 –140 million (US\$2.5 –3 million). If the smaller dances and functions – house parties, weddings, - are included, the figure

could well be of the order of J\$200 million annually. This is consistent with the estimate in **Table 3.6**.

One report indicates that some large hotels spend as much as J\$10 million (US\$200,000) per year on entertainment [J. Silvera, Gleaner, October 20, 2000]. According to another, "Industry analysts state that the hotel industry alone spends approximately J\$50-60 million per year on music and that the foreign component for overseas shows amounts to over J\$60 million (US\$1.3 million)" [L. Nicholas, Gleaner, January 26, 2000]. These estimates appear to be low in light of new information supplied by one major hotel chain. Based on expenditure on live music by a group of hotels with about 35% of the tourism market, the hotel and nightclub operators spend around US\$12 - 15 million per year on live music.

Taken together, the revenue earned from concerts, shows, dances, pay-parties and other such music events is probably of the order of J\$800 - 900 million (US\$16-19 million) per annum. Add to that the estimated US\$15.5 million of music goods, the total value of the Jamaican market for goods and services was of the order of US\$31-35 million (J\$1.4-1.6 billion), an amount that is equivalent to about 10% of GDP³⁴. For comparative purposes, note that in 1999, agriculture contributed 7.4% of real GDP, and electric light and power contributed 4.8%.

³⁴ This figure should be interpreted carefully. It is not saying that music contributed 10% of GDP. Rather, it is saying that the gross revenues from music and music related activities were equivalent in size to 10% of the GDP.

Table 6: Selected Sessions on the Jamaican Dance Calendar

			C: · C		Estimated D
Name	Promotion	Month	Size of Crowd	Entry Fee	Estimated Revenue, J\$ millions
Rebel Salute	Tony Rebel	January	25-30000		12.50
Splurt	CD entertainment	February	1500+	\$500	0.75
- F	John Greaves	April	1000	\$2000	2.00
Frenchmen	Frenchmen	April	2000		4.00
Carnival		April	40000		50.00
- W				\$500 presold	
	RAS	June	4000+	\$600 at gate	2.00
Ratio 3:1	Baracatt & Bad Company	June	3500+	women presold \$800 men presold \$1200 Gate - \$1500	3.50
	Pip 'n' Ting	June	4000+	Presold -\$1500	6.00
	Council	June	800-1000	\$1200	1.20
Great adventure	Yes Concepts	June	2500+	Presold -\$500 Gate - \$700	1.25
Clock strikes	Solid Agency	June	1500+	Presold - \$500 Gate - \$600	0.75
	Bounty Killa	June	4000+	\$600	2.40
Bounty Killa's Birthday	John Greaves	1		\$2000	2.00
	John Greaves	July	1000	Presold - \$500	2.00
Fully Loaded	Solid Agency	July	10000	Gate - \$700	5.00
Sashi	Sashi	August	2500+	Presold - \$1500 Gate - \$2000	3.75
Reggae Sumfest	August	August	30000	\$1200	30.00
				presold - \$800	
Murphy Hill		August	1500+	gate - \$1000	1.20
Frenchmen	Frenchmen	August	2000	\$2000	4.00
Nightmare	Baracatt & Bad Company	November	3500+	presold -\$800 Gate -\$1200 presold -\$400	3.50
Delano's Revenge	Delano Thompson	November	3500+	Gate -\$600	1.40
	Council	December	800-1000		
Overloaded	Solid Agency	December	3000+	Presold - \$500 Gate - \$700	1.50
Reloaded	Solid Agency	December	3000+	Presold - \$500 Gate - \$700	1.25
Saddle to the East	Bounty Killa	December	9000	\$500	5.00
Sting	Supreme Promotions	December	4000+	presold - \$600 gate - \$800	2.40
Superjam	Pulse	December	2000+	\$1000	2.00
New Year's eve		December	1500	presold - \$3000 gate - \$3500	4.50
Splurt	CD entertainment	December	1500+	\$500	0.75
Frenchmen	Frenchmen	December	2000		4.00
	RAS	December	4000+	\$500 presold, \$600 at gate	
Theme Party	Pip 'n' Ting	Monthly	800-1000	Men - \$400, women - \$300	0.35
				TOTAL	160.95

Source: Interviews with industry observers

3.2.7 The International Market for Recorded Music

There are crude estimates of the size of the international market for reggae/Jamaican music. Kozul-Wright and Stanbury [1998] estimated that US\$450 million of income accrued to Jamaicans in 1996. They wrote:

"---it is reasonable to estimate that the worldwide income from recorded reggae music was not below 3% of the global income. This implies that if in 1996 the global income generated from sales of all recorded music was US\$40 billion, it could be reasonably deduced that reggae generated approximately US\$1.2 billion³⁵. With a conservative estimate that performers, producers and songwriters Jamaican account approximately 25% of this amount, it is estimated that for 1996 earnings from Jamaican recorded music amounted to US\$300 million. In addition, earnings from concert tours, ancillary merchandise and production services, as well as the export and other international sales of vinyl recordings through networks not captured in the data provided in the above markets, need to be taken into account. The estimated value of these untracked activities approximately amounts to US\$150 million, resulting in a total of US\$450 million in 1996" [p.24].

The estimate that "reggae" generated 3% of world sales seems high for 1996, and is definitely too high for 2000. At an average of US\$15 per CD, US\$1.2 billion of sales is equivalent to 80 million CDs. Shaggy's current super hit has sold 6.5 million copies. This means that there would have to have been about 12 such hits in 1996, which is not plausible.

Certainly in 2000, there was no such super hit. Some of the successes in recent years, like Chakademus and Pliers and Beenie Man, had albums with sales of 50,000 or less. If we assume that the major international record companies would sign artistes with potential sales of 100,000 or more, then the paucity of Jamaican artistes with contracts with the major international companies indicates the relatively low volume of sales of music by Jamaican artistes.

According to estimates by the National Endowment for the Arts [NDEA, 1993], there were 49 million reggae fans [Lloyd Nicholas, Gleaner, January 26, 2000³⁶] and at US\$46 per capita [IFPI], this indicated that the international market for reggae was US\$2.5 billion per year. The popularity of reggae has certainly waned since 1993, with a decline in both the number of fans and the annual per capita expenditure on reggae. According to Kozul-Wright and Stanbury [1998], "Recent trends (1995-1998) indicate a decline in

³⁵ Bourne et al, 1995 "estimated the global market value of reggae is US\$ 1.2 billion per annum.", cited by Kozul-Wright and Stanbury, p. 22.

³⁶ Lloyd Nicholas was citing Jamaica Film, Music & Entertainment Commission, JAMPRO, "Marketing Music for the 21st Century", February 1996

reggae sales and tours in all major music markets." [p.24]. They cite several factors for the decline:

- 1. Cyclical decline in music sales in most music genre
- 2. Breakdown in relations between major USA companies and leading Jamaican artistes due to unprofessional behaviour by the artistes and the inflexibility of the companies.

Again, US\$2.5 billion of sales was equivalent to about 170 million CDs, which seems far too high. RIAA estimates of the composition of the USA market for music for the 1990's indicate that the category, R&B/Urban, which includes Reggae, has been increasing through the 1990s. In 1999, it was US\$1.5 billion or 10.5% of the USA market, down from the estimate of US\$1.8 billion, or 12.8% of the USA market in 1998 [RIAA, 1999 Consumer Profile]. By this estimate, reggae sales in the USA would surely be less than US\$1 billion. Indeed, Reggae is certainly less than half of the category, R&B/Urban, and more likely of the order of 10-15%, or US\$150-200 million for 1999. This would be equivalent to 10-15 million CDs. If 25% of this estimate of sales is assumed to be income to "Jamaican performers, producers and songwriters", income accruing to Jamaicans from sales of recorded music would be of the order of US\$40-50 million. If we further assume the same proportion as Kozul-Wright and Stanbury, between sales of recorded music to the "Value of untracked activities [tours etc]", we could add another US\$20-25 million to the sales of recorded music for a total international market of US\$60-75 million, with an upper limit of US\$100 million.

By way of comparison, Kozul-Wright and Stanbury's estimate of the income (US\$450 million) accruing to Jamaicans was equivalent to about a third of the total export earnings of Jamaica in 1996, and as a single category of export, it was exceeded only by the earnings of the mining sector (bauxite and alumina). This study is more comfortable with an estimate for 2000 of the order of US\$60-100 million, which would make it more important to the Jamaican economy than sugar as a foreign exchange earner.

3.3 The Recording Business

Stanley Motta's recordings of mento music in 1951 marked the birth of the Jamaican recording business. Soon after, others like Seaga's West Indies records and Ken Khouri's Federal Recording, would follow. Motta's tapes were sent to England to be pressed into 10 inch 78 rpm discs [Barrow and Dalton, 1998, p.8]. Twenty years later Khouri's studio would become technologically sophisticated enough (16 track) to host many international artistes including Mick Jagger, Herbie Mann, Cat Stevens, Roberta Flack, and Eddie Kendricks in search of the Jamaican sound [Chang and Chen, 1998]. Today, 30 years later, 24 track recording capacity is common and there is even the capacity for 72 track digital recording at Shocking Vibes studio.

In the last 5 years, studio capacity in Jamaica has grown rapidly with the spread of digital technology that makes it possible to establish home studios³⁷. The growth of home studios has cut into the demand of the commercial studios, but the big 20 are still doing quite well ["booked out"³⁸]. One studio operator claims that many commercial studios are not viable as stand-alone commercial entities, but are kept open by owners who are themselves producers of their own music, and to provide special services such as voicing by groups³⁹. Watson [1995] estimated that there were "--- 30 or so studios listed in the Yellow Pages, but industry sources say that it is about 50 or so" [p.19]. In 2000, the Yellow Pages listed 25 studios, the Encyclopaedia of Jamaican Music listed 34, but industry sources estimates vary from 75 to more than 200 if home studios are included.

Many of these studios are quite modern, having been established in the last 5 years or so. However, most Jamaican studios are still technologically far behind the big commercial studios in the USA, and the technological gap between Jamaican and USA studios has probably widened in the last quarter of the twentieth century. 40 In addition, there is a shortage of trained technical personnel – sound and recording engineers – to keep the studios operating and maintained efficiently.

The drive for independence from the producer, the commercial studio, and the recording company has led many musicians to reinvest some of their income in studios and recording equipment. Frequently, they flounder at the point of distribution of the final product because of inadequate business knowledge and the inability to match the bargaining power of the distribution companies.

Tony Laing of the Intellectual Property Service Centre, and one of the principal founders of the Jamaica Performers Administration Society (JPAS), estimates that more than 200 recordings are released each week [quoted by Andrew Clunis, Gleaner, March 21, 2000]. Of course, many are laid on the same rhythm tracks.

3.3.1 Employment

The Jamaica Federation of Musicians is reported to have over 2000 members. If we take account of musicians who are not members, an estimate of 2500 practicing musicians, full and part-time, seems plausible. Studios vary in size and level of activity, relying primarily on contracted skilled labour. If we assume that there are 75 commercial studios with an average direct employment of 6, and 125 home studios "hiring" 1 person, a crude estimate of direct employment in recording is 575 – 600 persons. Bell [1998] estimated that the average employment in retail stores was 6, with 47% of the stores hiring 3 or fewer workers, and 41% employing between 4 and 9. With 75 establishments hiring an average of 6 workers, retail employment was approximately 450 persons in 1998.

⁴⁰ Ibid

³⁷ Whereas in the 1980s, a home studio cost upwards of USS\$70,000 –tape machine, mixing console and outboard gear – today US\$40,000 can buy a fully professional system {Clunis, Gleaner, Feb. 23, 2001]

³⁸ Interview with Ibo Cooper, formerly leader of Third World Band

³⁹ Interview with Niels Peter Blake, Kingston Music

Together with the wholesale trade, the distributive trades probably accounted for 500 jobs.

Sound Systems vary in size, but even the smallest systems travel with a crew of at least 5 people, while the biggest will have 20 or more. If we use an average of 10 people per sound system and accept Bell's estimate of 170, then by sound systems probably employ 1700 people⁴¹ more or less regularly.

The most common form of employment in the music industry is the independent contractor. There is a small pool of highly skilled technical persons, such as recording engineers, lighting and other electrical technicians, who work on a project basis. There are probably 200 such persons.

If we assume that all other occupations account for 500 jobs, then the total employment for the industry would be of the order of 6,000, a little less than a half of the 15,000 persons estimated to be employed in entertainment related occupations [JAMPRO, 1996].

It is reasonable to assume a 1 to 1 relationship between direct and indirect employment in the industry 42. That is, each job in the music industry created 1 job elsewhere in the economy - retail trade, transport, construction, for example. In which case, the industry provides employment and/or income for about 12,000 persons. This is equivalent to the total employment of the mining industry and the utilities.

With a mean household size for Jamaica of 3.56, 12,000 employed people would be responsible for another 30,720 persons⁴³. In all, these estimates suggest that the music industry directly supports approximately 43,000 persons, or the equivalent of 4.6% of the employed labour force in 2000. Many of these persons have limited skills acquired through formal training, and as such, the music industry is a more important source of employment for people with limited formal skills than the share of the industry's employment of the employed labour force (4.6%) indicates.

⁴¹ Some of the occupations in the sound system are: owner/manager, selector, DJ, audio technician, equipment handler

This assumption was used for years in Jamaica to estimate the employment in tourism. In the absence of empirical estimates of the relationship between direct and indirect employment in music, this seems like a reasonable assumption.

⁴³ This estimate assumes that each person who earns income from music and music related activities contributes to his/her household, but it does not assume that he/she is the only provider. In addition, the social origins of many persons who work in the music industry suggests that the average household size of the families of these people may be higher than the national average household size. In which case, the estimate of the number of persons depending on the industry will be higher.

3.4 Manufacturing and Distribution

3.4.1 Manufacturing

There are seven (7) manufacturers of records, 6 of whom also manufacture recorded cassettes⁴⁴. A study done for JAMPRO⁴⁵ in 1996 reported that 3 of the major manufacturers had the potential for a monthly output of 52,000 LPs at a cost of US\$0.82 per LP, 26,2000 45s at US\$0.44 per 45 rpm record, and 100,000 cassettes at US\$0.85 per cassette. The capacity varied significantly across the three firms. The largest had 2 of the 4 presses to manufacture LPs with a total of 6 times more capacity than the second largest firm, and 8 times the capacity of the third largest firm. Similarly, the largest firm had 12 of the 20 presses for 45 records, with more than 20 times the capacity of the other two firms. These plants are quite old, but are kept viable by a persistent demand for vinyl formats. In the production of cassettes, only two companies were significant, and the smaller company in this case had more than 4 times the capacity of the largest firm.

There is one (1) plant in Jamaica capable of manufacturing about 50,000 CDs annually, about 50% of the total sales in 1999 according to the RIAA. It really replicates "mother" CDs that are made abroad. Most of the CDs are manufactured for Jamaican clients and are sold on the local market

Based on information provided from the actual production of a CD, it appears that it costs about US\$2.00 to manufacture a CD in Jamaica. According to Vogel [2001], it costs a little less than US\$1.00 to manufacture a CD in the USA. All equipment and material inputs for CD manufacture have to be imported into Jamaica. It is clear that there would have to be significant investment in a plant with modern technology before Jamaica could become competitive in the manufacture of CDs.

3.4.2 Distribution

The Wholesale and Retail Trades in Jamaica

The wholesale trade in imported and locally manufactured CDs, records, and cassettes is concentrated among three companies which also operate their own studios, their own retail outlets and their own manufacturing facilities. The biggest of these three companies also has the greatest manufacturing capacity. These big three distributors supply the majority of the music sold in retail stores at mark-ups estimated to vary between 69% and 155% [Bell, 1998]. The local distributors supplied all the firms identified by Bell and a

⁴⁴ One of these companies is Tuff Gong, which was legally wound up during this study. However, there is still some continuity in the form of Tuff Gong International.

⁴⁵ See, Marketing Music for the 21st Century

little more than a half of them (53%) sourced their entire supply through these distributors. In the era of vinyl, much of the foreign music was actually pressed in Jamaica and distributed under exclusive license by the major international labels.

The principal means of distribution of recorded music domestically is a network of record shops and music stores in the urban centres, and particularly, in Kingston, and racks in pharmacies and specialty shops throughout the country. Bell [1998] estimated that there were about 75 such shops in Jamaica. This was based on his own identification of 50 such establishments, 36 of which were stores specializing in music, and 14 of which were other kinds of stores that also sold some music. In Bell's sample, 65% of the retail stores were stand-alone stores and the remaining 35% were branches of a chain of stores or a network of companies.

The Yellow Pages, 1999 – 2000, lists 30 retailer (record shops) and 7 manufacturer-wholesalers. Some of the retailers are outlets for the manufacturing plants operated by the major Jamaican record companies. These companies are also the major importers with franchises for the major international labels. Lawrence [1992] estimated that the volume of sales of foreign records was 3.5 times the volume of sales of local music, with foreign LPs, in particular, selling 10 times as many as local LPs. In a telephone survey of 13 record shops, including the major ones, managers were asked what proportion of sales were foreign artistes. Of the 13 stores, 10 reported that more than 40% of their sales were CDs by foreign artistes, and for 7 of these, more than 60% of sales were foreign artistes. Of the 11 managers responding to the survey, only 4 would hazard a guess as to the size of the total Jamaican market for CDs, and only one estimate (500,000) seemed remotely plausible 47.

The sidewalk vendor of the 1960s and 1970s sold 45s, some of which were pre-releases used to test the market response to the new sound. Today, this vendor sells cassettes of recorded dances and concerts, and special mixes of songs, as well as pirated CDs. This phenomenon serves to market the DJs, in particular, among dance fans, which in turn increases the demand by Sound Systems for "specials" cut on dub plates⁴⁸. A special can cost a Sound System as much as US\$1,300. An artiste can earn quite a bit from doing specials for several Sound Systems and appearances at dances.

3.5 Foreign Trade

Official data are widely acknowledged to be well below the true values since these types of goods pass as personal baggage easily and frequently through the Customs without being registered. Nevertheless, the data suggests a structure and direction of trade that is quite typical for the economy as a whole. The following are significant:

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⁴⁶ In 2 instances, the person answering the question was a clerk.

One manager estimated that 100 million CDS, about 40 per capita, were sold each year!

- The value of imports was much greater 6-7 times in 1998, and 9-10 times in 1999 than the value of exports
- Imports are comprised of capital goods (80%), intermediate goods (10%) and finished goods (10%). Exports consist entirely of finished goods.
- The main sources of imports are the USA, Canada, Europe and Japan. The main markets for exports of CDs are USA, Canada, and Europe. The main markets for records (vinyl disks) are the CARICOM countries.
- The unit cost of Jamaica's CD exports is 76% higher than the unit cost of imports of CDs. In the case of records, Jamaica is quite competitive, with LPs being exported for less than 50% of the unit cost of imports of LPs, and 45s being exported at 10% more than unit import costs. Of course, this latter advantage will not be significant for long as the markets for records are shrinking fast.

3.5.1 Imports

Table 3.7 presents the official data on trade in musical products for the years 1998 and 1999. All audio equipment and most musical instruments ⁴⁹ are imported. In 1998, official import data reported that US\$ 8.8 million of audio equipment, US\$ 0.8 million of instruments and US\$ 1.6 million of CDs, records and cassettes were brought into Jamaica. In 1999, imports of audio equipment rose by 49% to US\$ 13.13 million, imports of instruments fell by 54% to US\$ 0.5 million, and imports of CDs, records and cassettes rose by 11% to US\$ 1.75 million. Further, we must note that there is local manufacture of foreign music under license from international record companies. In these cases, instead of the finished product, a "mother" and the materials needed to replicate it are imported.

Table 7: Jamaica: Music Exports and Imports, 1998 and 1999

Category	1998			1999				
	Import, J\$ mns	Export, J\$ mns	Import, US\$ mns	Export, US\$ mns	Import, J\$ mns	Export, J\$ mns	Import, US\$ mns	Export, US\$ mns
Audio-								
equipment	321.500	0.040	8.765	0.001	516.23	0.00	13.13	0.000
Instruments	29.900	0.070	0.815	0.002	20.74	0.00	0.53	0.000
Tapes,								
records, CD's								
etc	57.954	8.070	1.580	0.220	68.83	0.00	1.75	0.000
Total Music	409.35	8.180	11.160	0.223	605.80	0.000	15.403	0.000
Total Music as								
a % of Total								
Imports	0.0004	0.00002	0.0004	0.00002	0.0005	0.0000	0.0005	0.0000

Source: STATIN, External Trade, 1998, 1999 (provisional). mns=millions.

⁴⁹ Some traditional drums and percussions instruments are made from local materials.

3.5.2 Exports

Official trade data report that Jamaica exported 775 in 1998 and 1808 CDs in1999. The biggest export item was 45 records, which fell from US\$ 132,000 in 1998 to US\$ 88,000 in 1999, a decline of 50%. Again, this is perhaps an underestimate of the actual CDs shipped since it does not account for the informal trade – foreign (e.g., Japanese, Caribbean) buyers coming to shop for CDs in Jamaica, and travellers taking CDs abroad for a price⁵⁰. Even so, the main point is that exports of finished product (goods) are marginal.

It is much more common for "masters" to be sent to a small number of medium to large record companies in the USA, Europe, and Japan for further mastering and pressing into CDs⁵¹ than to export locally manufactured CDs themselves. The major distribution occurs overseas, with a portion reserved for the domestic market so that the artiste and the producer can maintain a presence in the Jamaican marketplace. Thus, the bulk of the "export" income from music takes the form of fees to performers and technical personnel, and royalty payments to the publisher, the artistes, and to the backing musicians, rather than revenue from the sale of the CDs.

Sales data, by the major distributors of music originating in Jamaica (as opposed to Jamaican music originating from Jamaicans normally resident overseas, or from non-Jamaicans) is not available to this study. Reggae music is also produced for the international market by Jamaican artistes living and working abroad and by non-Jamaican artistes (e.g., UB 40). Not only do industry data tend to include reggae in larger categories, such as R&B in USA data, but also, it is not likely that a distinction could be made in this data between artistes from Jamaica and artistes recording Jamaican style music.

This study focuses on music supplied by artistes normally resident in Jamaica (which is not always easy to determine). Disaggregated data on CD sales in the major foreign markets for Jamaican music – USA, Canada, Europe, Japan – would allow us to estimate the royalty income earned by Jamaicans. Data on airplay in the major markets will allow for calculation of royalties due to performers for the use of their works in public.

In the USA, the main record companies that handle Jamaican music are VP records, which distributed records for over 200 Jamaican artistes, Shanachie, Heartbeat and RAS records. There are still a few Jamaican artistes signed to major USA recording companies – Shaggy to MCA, Beenie Man to Virgin. In Europe, the main record companies

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⁵⁰ There is a regional trade in Jamaican music CDs conducted by small traders (called "Higglers" in Jamaica, "Hucksters" in Dominica and "Traders" in Guyana). Jamaican traders travel with CDs to the Eastern Caribbean, and Eastern Caribbean traders travel to Jamaica and buy CDs for the return trip. Lawrence [1992] estimated that 12,000 records per month were being shipped by couriers to Japan.

Masters produced in Jamaica and sent to be pressed into CDs abroad for re-import into Jamaica can now pay duty on the cost of manufacture abroad, and not the retail price of a CD.

handling Jamaican music are Jetstar, and Greensleeves. The Greensleeves catalogue lists about 80 Jamaican artistes. There are, however, many independent companies and sole operators in both North America and Europe handling reggae music primarily for the Jamaican communities abroad.

3.5.3 International Tours

For Jamaican artistes, performing in live shows abroad is both a form of promoting their music and a source of income in hard currency. Of course not all tours are successful. There are many stories of artistes who do not get paid their contracted fees, and reports of artistes not showing up for engagements. There also stories of artistes getting paid and not delivering on their commitments to their backing musicians and other members of their entourage. However, we have some informed estimates of the range of incomes earned by artistes for performances. **Table 3.8** shows the income per show earned by artistes in Jamaica and in foreign countries.

Surprisingly, fees are higher in the Caribbean than in Japan. In a 3 week tour of Japan a top artiste could gross US\$70,000. A major artiste performs at least once per month and for periods of the year he/she may perform as often as once per week. At a minimal rate for a top artiste of one live performance per month, annual earnings would be of the order of US\$300,000. Top artistes like Shaggy, Beenie Man, Buju Banto, and Beres Hammond can earn between US\$500,000 and US\$1 million annually from shows.

As noted above, there seems to have been a significant decline in the number of artistes on tours, particularly the minor ones, and the frequency of tours in the last 3-5 years.

Table 8: Selected Estimates of Fees in the Music Industry

Category	Fees (US\$)	
Studio rental per hour	16-40	
Studio musicians: per track	500	
Producer/engineer per song	50,000	
Payment to Major artistes by Major record companies per album	170,000	
Payment to other artistes by Major record companies per album	100,000 - 125,000	
Local Shows		
Artiste per show	220-2200	
Back-up musicians per show	110-180	
Caribbean Shows		
New Artiste per show	3000-5000	
Top artiste per show	10,000-15,000	
USA & Europe Shows		
New Artiste per show	6000	
Top artiste per show	18,000	
Japan & Brazil		
New Artiste per show	1,500-3,000	
Top artiste per show	9000	

Source: JAMPRO, "Marketing Music for the 21st Century", February 1996

3.6 Income Flows in the music Industry

The flow of incomes in the music industry, as in any complex of economic activities, is in the opposite direction to the flow of goods and services. **Figure 3.1** shows the flow of goods and services from the creative idea of the composer/songwriter through to the final product in one direction (black arrows), and the reverse flow of payments (red arrows) to the providers of the inputs of goods and services used to produce the final goods and services, and particularly the artiste holding the copyright.

Ultimately, all forms of income paid out by the industry are derived from the following:

- Consumer expenditure, in Jamaica and abroad, on CDs, vinyl disks, and live shows and dances,
- Advertisers' purchases of jingles,
- Payments for sound track music for films and videos, and,
- Payments for public play, such as radio and TV.

Retailers, wholesaler/distributors, manufacturers and promoters earn profits after paying wages and salaries, interest on loans, rentals, and the costs of other inputs. Songwriters,

artistes, musicians and publishers earn royalties and fees. Other technical and professional persons also earn fees for services supplied. In Jamaica, many individuals and their organizations in the business of music play multiple roles, and accordingly receive several forms of income that in practice may not be separable.

INSERT FIGURE 3.1

Unlike most other industries in Jamaica⁵², royalties constitute an important part of the total incomes paid out. The amount of royalties accruing to Jamaicans holding various rights to music produced in part by them is directly determined by the revenue from the sales of the music and from the amount of airplay of the musical work. The percentage of total royalties accruing that is actually collected is determined by the enforcement of strict copyright legislation and the institutional capacity to collect. Because of the historically underdeveloped legal and institutional capacity in Jamaica, the percentage of royalties accruing to Jamaicans that is actually collected is known to be ridiculously low. In 1999, the last year of its existence in Jamaica the Performing Rights Society, which for 64 years was the sole collecting society, reported collections of approximately US\$2.5 million, most of which accrued to foreigners.

An historical overview of the development of copyright legislation in Jamaica is presented in Daley [2000]. Daley shows how the current legislation, the Copyright Act of 1993, evolved from the UK law of 1911to which the national Copyright legislation of 1913 made reference. There had been a prior attempt in 1977, but the draft Copyright Act was deemed to be unsatisfactory, because it "was silent on the rights of performers and the issue of moral right was never brought into force" [Daley, 2000, footnote 2, p.2]. Voices from the music industry were in the forefront of the lobby for both the 1977 draft and the 1993 Copyright Act.

In Daley's judgment, "Jamaica has the basic legislative framework, which is required to support a national copyright system.⁵³ Experience with the implementation of the Copyright Law so far has shown that there are a number of aspects of this framework, which needs to be strengthened to facilitate the operations and growth of copyright-related industries.

Copyright management and administration, in respect of which Jamaica has a fledgling infrastructure, is an essential part of this framework. The existing Jamaican collecting societies cover only certain types of rights. There are other rights for which no collective mechanism exists, which require a collective management structure such as the rights of performers."⁵⁴

⁵² The Bauxite companies pay a royalty to the Government of Jamaica for ore that is mined.

⁵³ In a comment on a draft of this study, Mrs. Carol Simpson-Robinson, senior Programme Officer of the of the Jamaica Intellectual Property Office pointed out that, "Jamaica became a signatory to three prominent Copyright Treaties, administered by the World Intellectual Property Organization, WIPO, which affords Jamaican creators and rights holders an international level for production and offers reciprocal treatment to foreign rights holders as well."

⁵⁴ See Daley, 2000, p.4

The Jamaica Intellectual Property Office (JIPO) succeeded the Copyright Unit in January 2000 and was established as a department within the Ministry of Industry, Commerce and Technology as the central Government administrator of the intellectual property laws. Its mandate includes the modernization of legislation covering all areas of intellectual property. Prior to JIPO's establishment, various Government agencies and Ministries had responsibilities for different aspects of the administration of intellectual property. All of these functions have been centralized in JIPO.

In April 2000, the Intellectual Property Service Centre (IPC) was established by private initiative, and the blessings of the government, to register copyrights. This is an important function since a record of rights is often necessary to resolve disputes.

The existing Jamaican collecting societies to which Daley referred in the quote above were, the Jamaica Musical Rights Administration Society (JAMRAS), the Jamaica Copyright Licensing Agency (JAMCOPY), and the Jamaica Association of Composers, Authors and Publishers (JACAP). Since Daley's paper was published, the Jamaica Performers Administration Society (JPAS) was formed in 2000 to collect royalties on behalf of performers.

Established in 1989, JAMRAS represents the interests of record producers and companies. The sale of recorded music or its use for public commercial purposes entitles the owner of the label under which the musical work is sold, to a royalty. In the case of Jamaica, most of the sales and most of the airplay are accounted for by foreign music, and hence most of the royalties collected by JAMRAS accrue to owners of foreign labels, mainly the major international record companies. As the representative of IFPRI, JAMRAS collected a small amount of royalties from radio stations until 1999 when the lead radio station ceased paying over royalties to JAMRAS. JAMRAS is currently challenging this radio station in court with a view to applying a favourable ruling by the court to the other radio stations.

JACAP was established in 1998 to manage the performing and mechanical rights of its members and to collect royalties for them. It is the successor organization to the Performing Rights Society (PRS) of the UK, which had carried out this function for the previous 64 years. A well-known musicologist and Director of JACAP, Tony Laing, believes that that "There are hundreds of millions of dollars out there to be collected" [Gleaner, January 25, 1999].

JACAP will inherit some of the challenges that daunted PRS' collection efforts. First, there is still insufficient understanding even among creators – composers and publishers – of their rights and the management of those rights. Second, and complementary to this, is the persistence of disrespect for protected works as evidenced by the extent of piracy, and the difficulties in negotiating licensing agreements with organizations that use music. An important implication of these two challenges for the collecting societies is lack of access to sufficient resources to carry out their mandates. Third, some of the more important producers have preferred to register their works with collecting societies abroad, such as

PRS (UK), ASCAP and BMI⁵⁵. JACAP reports that it has made significant progress in negotiating payments from radio and TV stations for performing rights.

JAMCOPY was established in 1998 as "a collecting agency in the area of reprographic rights",56, the first in the Anglo-Caribbean. JPAS was formed to collect royalties due to Jamaican performers in Jamaica and abroad in view of their rights in their live and recorded performances under the Copyright Law. According to Tony Laing, one of the driving forces behind the establishment of JPAS, "The amount of money owing to Jamaican performers is at least US\$ 60 million" [Gleaner, March 25, 2001]. This estimate is based on research conducted on behalf of JPAS on the logs of French record shops and the records of the two collecting societies in France (ADAMI and SPEDIDAM) representing performers. JPAS has joined with the Performing Artists Society of America (PASA) in an effort to claim royalties due to foreign performers in France and other European countries. PASA regards the matter in France as urgent because of a 5-year limitation, which was due to expire in November 2000. Upon expiration, these moneys would go to the benefit of French cultural talent and related associations. JPAS has sought the diplomatic intervention of the Government of Jamaica in order to come to some reciprocal agreements with European Collecting Societies representing performers. JPAS has declared its intention to work with national collecting agencies in the countries that are major markets for Jamaican music to estimate the number of hours of airplay of Jamaican music to determine payments by those collecting societies to JPAS on behalf of Jamaican performers.

It should be noted here that JPAS, like other collecting societies, has to pay foreign rights holders out of its collections from local institutions, such as radio and TV stations that use the musical works of these artistes in public. Because of the dominance of non-Jamaican music on Jamaican radios, the bulk of royalties paid over to the collecting societies will go abroad. This makes it all the more important for Jamaican rights holders to get the payments due to them from foreign radio, television, film and other entertainment media for the use of their work in these foreign markets.

There is an important new potential source of earnings from the use of Jamaican works on the Internet. The WIPO Internet Treaties of 1996 place rights holders in a better position to assert their rights in digital media.

The activities of the collecting societies, and one in particular, has led to increasing collections over the past three (3) years [see Table 3.9]. These are marginal amounts, but it must be borne in mind that the collecting societies are new, still quite weak, and their collection efforts are resisted by the powerful institutions that use music for commercial purposes. Further, the level of general understanding of and respect for copyright is still low both in the music industry and in the wider society. Nevertheless, the potential for far greater collections of royalties drives the collecting societies to improve their effectiveness.

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⁵⁵ I am indebted to Mrs. Carol Simpson-Robinson for pointing out this to me in her comments on a draft of this paper.

⁵⁶ ibid, p.7

Table 9: Royalties Paid to Collecting Societies

Category of Collections	1999	2000	2001!
	(US\$)	(US\$)	(US\$)
Total Collections - Music	200,000	300,000	360,000
Total Collections – all	200,000	300,000	550,000
Intellectual Property			

Source: JACAP, JAMRAS, JAMCOPY; !Projected on the basis of collections from January to June)

3.7 Institutional structure and linkages

3.7.1 Organizations in the sector

Many organizations in the music industry, perhaps the majority, are informally constituted. Some typical examples are the following:

- One person carrying out a single activity, say a musician.
- One person carrying out multiple activities, say a musician-producer-promoter.
- Loose affiliations of persons, say "crews" of DJ's.
- Sound systems, bands or musical groups not registered as legal entities.

However, the industry is dominated by formal organizations, such as limited liability companies.⁵⁷

The music industry as a whole has historically resisted organization along the lines of trade unions. One of the more enduring and successful institutions is the more than 40-year-old Jamaica Federation of Musicians (JFM) with a membership of over 2000. This is a trade union that concerns itself with the working conditions, fees and general welfare of its members. Its effectiveness has varied over the years with the quality of leadership. Its monopoly power in the market for musician services will probably decline with the liberalization of trade in services, the loss of prestige of unions in general, and the substitution for machine/computer-played music for the services of musicians.

The Sound System Association of Jamaica, with over 150 members, represents operators of sound systems and discos as a lobby group (e.g., public policy on night noises) and monitors the performance standards of its members.

⁵⁷ These organizations are themselves capable of informal economic activities.

3.7.2 Public sector institutions

In the previous section, the establishment of the Jamaica Intellectual Property Office in the Ministry of Industry, Commerce and Technology was discussed. It is the pivotal government entity for the administration of intellectual property laws that define and guarantee copyrights and related rights, as well as for dissemination of information on intellectual property rights.

The Jamaica Cultural Development Commission (JCDC) is a government organization charged with the responsibility of promoting the creative talents and cultural expressions of Jamaica with a view to sustaining Jamaica's cultural heritage. It organizes a National Popular Song Competition and a National Gospel Song Competition as features in the annual Independence celebrations.

JAMPRO is the investment promotion arm of the government. One of its mandates is to develop the film and music industries as areas of investment, particularly foreign investment, as a central element of the government's strategy for economic growth. Toward this end, it has commissioned several studies of the industry, organized promotional activities, such as participation in MIDEM, developed a national marketing strategy, as well as several initiatives to promote investment in the music industry. There is also an Entertainment Division of the Ministry of Tourism and Sport with portfolio responsibilities that cover the music industry.

3.8 Music in the Jamaican economy

3.8.1 A Preliminary Assessment

The music industry provides employment and income for 6,000 - 12,000 people, the equivalent of about 1% of the employed labour force. Many of these persons have little or no formal education. As such, it has served as an avenue out of poverty for the successful few, and offers hope to many others. Because so many of the people in the industry are from poor communities, the impact of their economic gains is often directly felt at the community level by way of consumption spending on large families and retinues and investment spending on housing and vehicles.

While it depends on imported inputs - even electricity generated locally is essentially imported petroleum - its principal input is the creative power of the Jamaican artiste and musician. Its forward linkages are to tourism, to advertising, and to the film industry. Income generated in the industry finds its way into the real estate and housing markets, into distribution of food and other consumption goods, into air and ground transport, and back into the industry itself [see **Figure 3.2**]. The bulk of this income is generated overseas, and the challenge is to collect the vast sums that have already accrued, to halt

the decline of Jamaica's share of the international market for music, and to carve out new niches in the market

INSERT FIGURE 3.2

3.9 Conclusion

Future earning power will depend not only on collections from already published work, but from developing new forms of music to command a share of the constantly changing market for popular music. This is essentially a business challenge: to offer the market what it wants.

The major resource requirements are creative talent, finance, and innovative production of musical works. Talent is abundant. Finance is scarce, but high quality products will attract funding from the international record companies. Further, with a higher rate of reinvestment of the industry's earnings in strategic initiatives, innovative producers attuned to the changing market preferences could develop the high quality products.

Up to 1990, the music industry had developed with little direct assistance of the government, and arguably, in spite of government policy. However, in the early 1990s, the government moved to facilitate the industry by updating the Copyright Legislation, by encouraging and assisting the formation of Collecting Societies, and by accessing technical assistance in the form of training and computer hardware and software from WIPO for these Societies, particularly JACAP. The Government has also spearheaded public education on Copyright, and helped to sensitize musicians and other right holders about their rights. In 1996, the National Industrial Policy officially recognized music and entertainment as two foci of the government's development strategy. That is, for the first time, music was identified in official policy as one of the engines of growth.

There is a role for enlightened government policy and supportive programmes in a strategic plan for the industry's future development. Already, there are clear moves in this direction by the government, most notably the waiving of duties on musicians "tools of trade", the commitment to taxing Jamaica CDs manufactured abroad only on the portion of value assessed abroad, and the initiatives to combat piracy.

Such a plan must be informed by the industry's vision of its own future, and its commitment of resources to realizing that vision. The industry vision in turn will probably derive from the vision of a few forward-looking investors, similar to the dynamic, even catalytic, role that Chris Blackwell's investments played in the emergence of reggae as an international commodity in the 1970s.

3.9.1 Directions for Future Research

Like others before it, this study has had to rely on weak data. The participants in the industry admit to the almost endemic secrecy about their operations that in turn condition the quality of estimates of indicators of industry activities. It is difficult to imagine the industry developing without a better understanding of the structure of its costs, the potential markets that it can tap, and the flows of incomes accruing to the various participants in the industry. Without music entrepreneurs recognizing that more information is in their business interests, it is difficult to see how the quality of data available for analysis will improve.

Household surveys and focus group studies of musicians and other industry groups who are willing to cooperate with the study could give better estimates of the employment and incomes earned in the industry. Studies of tax returns of the principal Jamaican companies will help to identify production levels and costs in Jamaica, but given the practice of under-reporting, this data is probably best interpreted with the assistance of experienced industry persons with access to information. To get a more accurate picture of the international market, it is imperative that researchers gain the confidence and support of the major companies in the USA and the UK at the very least, which supply Jamaican music.

There is a familiar cycle of rise to stardom and decline, sometimes rapidly into obscurity, and other times into the status of "veteran" performing "old hits". Case studies of the careers of artistes, producers and promoters would also enhance understanding of the dynamics of the industry.

These are the directions for future research in order to create a firmer information and database for assessing the contribution of music to the Jamaican economy.

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Figure 3.1: Circular Flow of Income in the Jamaican Music Industry (Black arrow = flow of goods (e.g., tape) and services, Red arrow = flow of income)

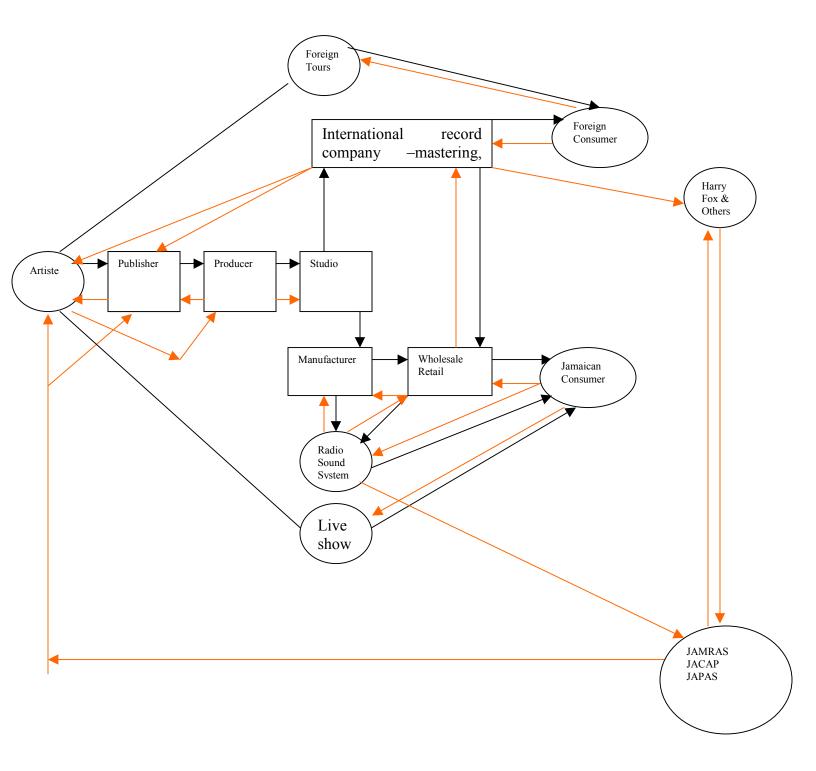
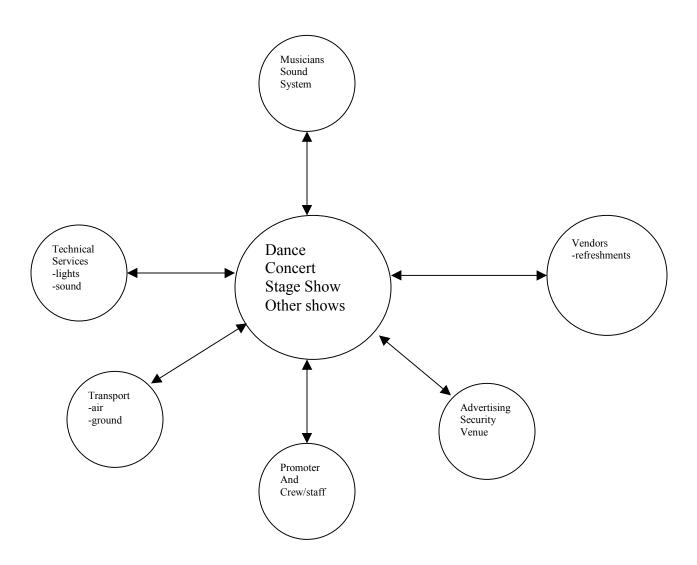


Figure 3.2: Music Industry Linkages with Other Industries



The Music Industry in Trinidad and Tobago

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4. The Music Industry in Trinidad and Tobago

4.1 Background

The objective of this project is to assess the contribution of the Music Industry in national development of Trinidad and Tobago, and as an element in export competitiveness of Caribbean products and services. On the one hand, it seeks to identify the products and services and to assess the nature and structure on the supply side. On the demand side, it seeks to identify the factors that may contribute to the expansion of demand both in the domestic, regional and wider international markets.

The first step in the assessment is an understanding of the nature of cultural products in an economy. Three elements need to be addressed in undertaking research on the sector – demand, supply, and the structure of production in terms of firm type that emerges to satisfy demand.

4.1.1 Demand

Products and services can be defined in respect of a demand in the market place for the output. There are five consumption values that may drive the process through which consumers seek to acquire or access particular goods and services. In other words, a consumer's decision will be dictated by one or more of these values:

- Functional value
- Social value
- Emotional value
- Epistemic value
- Conditional value

Functional value conforms to the notion implicit in rational choice of economic man as defined by economists. Social value derives from the association in the use of a good with particular social groups in society. Conspicuous consumption has many of the elements of social value. Emotional value relates to the affective state that is evoked in the use or in the access to a good or service.

Epistemic value refers to the satisfaction that comes from acquiring new knowledge or from the novelty factor in a new experience. Conditional value, as the name implies, refers to the fact that the use of a good may be conditioned by the use of another. Matches go with cigarettes. Music goes with festivals and party-time.

In establishing the demand for culture goods like music, it is necessary to examine the probable factors that create the demand. There are the issues of disposable income,

income elasticity of demand and taste that influence the quantum purchased. Taste is driven by a range of socio-psychological factors that lie outside the realm of economics but impact on the economics of the product. However, it must be emphasized that there is culture in all goods and services, and even what is defined solely in functional terms, is a function of culture. In other words, culture defines function. So called 'cultural goods and services' may derive value from social and emotional elements, and to a lesser extent, from epistemic factors.

For example, outside of the Caribbean, Pan has had an epistemic quality in that there remains a novelty factor for the many who would not have known that music of the highest quality could be generated from converted oil drums. For the Trinidadian, and to some extent, the Tobagonian, and for many years, it carried emotional and conditional value. Party time was associated with music from pan, and more so, the celebration of Carnival or any other street party occasion.

Pan has had an epistemic appeal internationally since there was a novelty factor for many who would have found it interesting that music of the highest quality could be generated by converted oil drums. For the Trinidadian, and to some extent, the Tobagonian, and for many years, it carried emotional and conditional value. Party time was associated with music from pan, and more so the celebration of Carnival or any other street party occasion.

Some part of the demand for music from Trinidad has been associated with the development and institutionalization of street festivals in the North Atlantic where many Caribbean migrants have settled and have adapted street festivals in their new communities of residence to their traditional celebrations: Notting Hill Carnival in London, Labour Day in Brooklyn, and Caribana in Toronto are some examples. There has been an expansion in conditional demand, as these Carnivals have spread. Calypsonians and other artistes respond to this demand and a supply structure is emerging.

Concern in academic circles and in industrial promotion divisions in the Caribbean has been on the capacity of Caribbean countries to exploit further the opportunities deriving from these sources (Henry and Nurse, 1996, and James, 2000). A clear understanding of the value process and the degree to which characteristics of the product can be manipulated are essential ingredients to the promotion of the cultural products of the Trinidad and Tobago, including its music.

4.1.2 Supply

On the supply side, there is the question is what determines the generation of the product or service. Of course, demand is a factor, as with any other good or service produced in the market place. However, things cultural often have a demand component that emanates from the promoter or producer directly. Thus, there is the element of inspiration and the need for self-expression that lead the originator to create a work of art. There is 'art for

art sake' and this clearly obtains in many compositions generated in Trinidad and Tobago. Irrespective of demand or a willingness of others to consume the product, the originator may be inspired to produce.

In addition, there is a social process at work, in that essential to the individual's sense of self-worth is the approval of peers and of others who are exposed to the work of art, even if this is not related directly to income. The pursuit of a career in the art form has the attraction of a calling, or avocation.

One of the more interesting features of work in the Arts and among producers of 'standalone-culture' goods is that many are driven to produce or to participate on the basis mainly of the psychic income that they derive from participation. Many artists earn incomes much below the alternative income that they might have received if they had devoted the same amount of time for training in other areas or vocations for which they could have trained

This is particularly the case with the 'high culture' that may require many years of training, formal and otherwise, for mastery of the art form. The fact of achieving excellence may be the main attraction – a form of psychic income that may be more rewarding in terms of the gratification it confers than monetary income.

On the other hand, there is a much smaller number of performers and originators in the area of the arts that earn super-normal profit incomes from their participation. The characteristics that determine super normal incomes often have a lot to do with nuances and innovation within the art form that capture popular attention and invite mass appeal, often only for a short period of time. It is difficult to identify scientifically the factors that determine the popularity of Bob Marley, the Beatles, Madonna or a Michael Jackson at the time of their apogee in mass appeal.

4.1.3 Firm Structure:

Firm structure is of no small significance in determining the functioning of markets. The Music industry is characterized by a wide variety of firms and organizations, from self-employed individual operators to conglomerates. There are power factors at work in the international Music Industry that have influenced the evolution of the industry internationally. The major recording companies, some of which are conglomerates in multi-media, have been able, in recent years, to organize control over many areas of the value chain, backward and forward from the recording studio. Signing with a label locks artistic creativity under the banner of a conglomerate. It may also allow for market expansion, given the reach of the conglomerate into many markets internationally.

Many operators emerge from a fringe culture, which is part and parcel of the process of the rejection of the mass culture created by the conglomerates, themselves. The fringe culture generates artistic segments outside the mainstream culture and has an appeal and novelty element from the mere fact of being on the fringe.

4.2 Musical Genres

As a direct derivative of its very plural sociological structure, Trinidad and Tobago has a number of musical traditions. There is the calypso and its offshoots that have historical roots in the admixture of African music and tradition in European dominated political order in the foundation of colonies on the Caribbean. Calypso has evolved over the years with continuous experimentation. The most recent form is defined as Soca, which is characterized by a variation in beat from the Calypso. Since the 1970s, there has also emerged Rapso, which reflects influences from African American ghetto culture and from Jamaica.

There is also the musical contribution of the Indian subcontinent. The descendants of Indian indentured labourers retain some musical affinity to India and this has been sustained by film and music from India and the occasional visit of Indian stars in both the popular and classical traditions.

The local community has developed and adapted its own variants of this music. There is an element of crossover of Indian popular music that has penetrated into the wider community and, in turn, the music of the other cultures of Trinidad and Tobago has penetrated into the Indian music fare. The two-way flow and syncretism have created genres that are distinctly Trinidadian. Chutney is the most popular of this form of music, which, increasingly, has enjoyed an audience extending outside the Indian community. Mastana Bahar competitions at which Chutney music is showcased are major events in Trinidad. A fast-paced version of Chutney has emerged to support Chutney competitions prior to the traditional Carnival. Social commentary, which is one of the long-standing traditions in calypso, is also mirrored in this pre-Carnival version of Chutney.

There is also the direct fusion between Chutney and other musical genres of Trinidad. For example, there has been Trinidad Jazz music fused with pan and Indian musical instruments like the sitar. While there are few orchestras reflecting a permanent fusion of Indian music with other Trinidadian variants, there have been regular occasions of collaborative work for special occasions among the exponents of this fusion: recordings and concerts are the main forms of presentation.

The influx of Venezuelans in Trinidad in the 19th Century has resulted in a Latin element in the musical history of the country. The parang derives from Venezuela and is specific to the celebration of Christmas. The early antecedents were totally Hispanic with compositions in Spanish or broken Spanish. In more recent times, there has been some blending of Calypso and parang music. While songs are composed in Trinidadian English, the music blends calypso into a Latin beat. This new genre is known as Soca Parang, soca being the off-shoot of calypso. Emerging genres are chutney-soca and chutney-parang, which underline the continuous experimentation that is an ongoing characteristic of the industry in Trinidad and Tobago. **Table 4.1** lists selected genres and prominent performers.

A very rapidly growing genre is gospel music. It is a select category, confined to specifically to the Christian community of the country, but has been expanding with the growth of the evangelical movement, which is the fastest growing denominational category in respect of religious affiliation. While the musical fare was imported initially, in more recent times, there have been some very popular local productions, a few of which have been able to secure market entry into the religious community in the North Atlantic.

There is also the music of the North Atlantic that dominates the airwaves of the country, and is part of its musical tradition, in so far as some of its artistes work in the respective mediums. Classical music, chorale singing as well as North Atlantic popular music have their aficionados and protagonists in Trinidad and Tobago. Here too, there are adaptations some of which have been very popular in the domestic market: a few calypsonians have been involved in make-overs of popular songs composed in metropolitan countries, and have used these in widening their repertoire to include non-calypso music.

On the other hand, there have been compositions that have entered mainstream markets in the metropole, because of their adaptability. Anselm Douglas's "Who let the dogs out?" has broken out of the fringe category in which Caribbean Soca Music is located in metropolitan markets. The composition has been adapted to this market by a Bahamian Group that has, perhaps, considerable cultural proximity to the US market.

For more than a decade, the Mighty Sparrow seems to have been earning his income from engagements abroad, and hardly performs any longer in the local Carnival. The other artistes earn their livelihoods in both the domestic and international markets but the weight attached to each varies among them. For most entertainers, success is based on being able to make it on the international market.

Genre Heritage Major Artistes Chutney Soca Afro/Indo Ricky Jai, Drupatee. Soca Parang Latin/Afro Scrunter Calypso/Soca Afro Mighty Sparrow, Machel Montano, David Rudder, Mighty Shadow

Table 4.1: Genres and Major Performers

4.3 Structure of the Music Industry in Trinidad and Tobago

The issues raised above are at the base of the analysis of the Music Industry of Trinidad and Tobago and have to be factored in attempting to identify possibilities for market

expansion outside the region. The Music Industry has grown in Trinidad and Tobago and has shown many signs of formalisation into firm structures.

The industry in Trinidad and Tobago consists of the supply of goods and services to consumers in the following main forms:

- Sound recordings
- Live Performances
- Broadcast via Radio and Television
- Musical instruments
- Recorded music at retail outlets, hotels, restaurants and various offices and companies.

4.3.1 Data Sources:

Much of the work for the present exercise has had to be based on qualitative information and on key informants. There are general trade statistics that allow for the compilation of data on the physical movement of particular items across national boundaries. In this regard, we have relied on data provided by IDB. The services component, however, involving the movement of natural persons, has been impossible to track except through interviews with some of the known participants. While it was not possible to mount a full-scale sample survey, semi-structured interviews have been undertaken with a few of performers in the various genres, which are known to be important.

The Survey of Establishments that collects data on production by different firms largely fails to cover a key component of the sector, namely calypsonians and other musicians, as well as others. The statistical authorities admit that they have not been successful in the consistent collection of data from Calypso Tents, as production units. Nor are calypsonians and other musicians well documented through the sector 'Personal Services'.

Two important sources of data are the Household Budgetary Survey and the National Census. The former provides information on the level of expenditure of households on music and entertainment. However, the data collected in 1997 have not been fully tabulated and work on it was suspended in order to address the requirements of the decennial census. An attempt was made to use the data from previous surveys, but with limited success.

The Census should generate data on the numbers of persons in the population that attest to occupations in the area of music production. However, the census data are known not to be very reliable in respect of providing information on incomes. In any event, the census data are only now being cleaned prior to tabulation, and were not available at the time of writing.

Another source of data derives from the monetary statistics put out by the Central Bank. By using these data as a residual method, it is possible to develop some sense of proportion in respect of the contribution of the annual Carnival to the level of economic activity in the country. Indeed, the period December to March embraces the festivities of Christmas/Parang and Carnival. An examination of the data for the 1990s suggests an increase in the money supply that is quite likely driven by circulation relating to Christmas first, and then followed by a demand almost as significant as Carnival approaches. It tapers off following the Carnival. The earnings of entertainers abroad, however, are less transparent in the money supply.

The assistance of COTT was sought in deriving generalized data on the numbers of participants in the domestic industry whose work is copyrighted and are beneficiaries of funds collected through COTT. Finally, through focused interviews and an administered questionnaire in Tobago, data were collected from a few key participants in the industry. To a considerable extent, the researchers had to depend on their direct and indirect observations and knowledge of the sector and its participants.

4.4 Manufacturing/Recording:

Manufacturing constitutes a very small part of the domestic music industry, with small firms offering compact discs produced from inexpensive commercial duplicating equipment. Up until recently, there was little genuine manufacturing in Trinidad and Tobago. Electro Sounds Electronics comes closest to a fully developed manufacturing establishing, reproducing audiocassettes and compact discs from DAT tapes and compact Disc masters. There are several other small establishments that offer a similar service. With the advent of inexpensive CD duplicating systems, manufacturing on a limited scale has emerged locally but had been non-existent before. It is estimated by key interviewees that there were 20,000 to 30,000 CD's and 5,000 to 6,000 Cassettes produced in the year 2000. This figure is expected to increase significantly as the demand increases for a faster turn around from recording to commercial distribution. Electro Sounds Ltd., Crosby's Record Centre and Vistrac Sounds, the main manufacturers, employ some 16 to 20 persons.

The recording industry in Trinidad and Tobago is limited to one large recording studio of international standards, the Caribbean Sound Basin, which is owned and operated by an entrepreneur, Robert Amar, and is the only genuine recording studio of international standard. Charges for the studio vary from \$150.00 TT to \$200.00 TT per hour for locals. Foreigners pay \$150.00 US to \$250.00 US per hour. Final price is based on demand. When first conceived it was anticipated that foreign entertainers would be attracted to the studio but this never materialized and the studio almost closed down last year.

If T&T were to take the lead in setting up adequate mastering and duplication facilities, the potential market throughout the Caribbean and South America would make it viable. Several other small studios using computer software and digital equipment serve the needs of aspiring recording artistes. The studios with owners/lead persons are as follows:

• "The Sound Basin" (Robert Amar)

- "Sunset Studios" (Leston Paul)
- "Agra 9" (Pelham Goddard)
- "Rituals" (Jean Michel Gibert)
- KMP Music Lab (Kenny Phillips)
- Jo Go Productions (Johnny Gonsalves)
- Coral Sounds Studio (Michael Schuler) and
- Engine Room (Robin Foster).

There are no facilities for quality mastering of recordings. As a result, recordings are usually sent to the United States on DAT Tapes for mastering. Compact Discs, Cassettes and Vinyl records are produced in the US and sent back to Trinidad and Tobago where they are retailed. Because of the advent of computer facilities for duplicating CDs, many opt for local production albeit of a lower quality. The fact is that there is not a genuine recording industry in Trinidad and Tobago. There is need for adequate mastering and duplication facilities to international standards.

It can be argued that the domestic recording industry is integrated, on the manufacturing side, into metropolitan industry, and performs a secondary role to it in the manufacturing of the works of the artistes of the country. Given the spread of the consumer technology into the domestic market, the standards expected by domestic consumers are dictated by quality achievements set by metropolitan plants. Thus, domestic demand for recorded domestic music has to be satisfied through a substantial outlay on production abroad. Success at home usually stimulates demand in markets abroad – especially in the diasporic market - which can be satisfied by output that may never have been repatriated to Trinidad and Tobago.

On the other hand, the domestic market is small and a big hit in the local context will seldom exceed 5000 units. At the same time, the chances of making it into wider markets depend on popularity in the domestic market and then sales abroad. Most Calypsonians have the largest share of their domestic sales of recorded music in the week immediately following the Carnival, as the visitors on their return seek a memento of their Carnival stay in Trinidad. Some CDs are sold on tours abroad as well, but information on the size of this market is exceedingly limited.

Mechanical Royalties are collected by COTT on imports for distribution to composers and publishers on behalf of Publisher Members of COTT. They number about 40. The distribution of the sound recordings is effected mainly through retail outlets. These include Crosby's Music Centre, Rhyner's Record Shop, Kam's Records, Discotrak Music Centre, Cleve's One Stop Music shop, Krishna's Music World, Maharaja Music, Jimmy's Record Shop, Bee's Hi Fi, Token Records, Music Lab, Praimsingh's Pooja Bhavan & Indian Music Shop. Some artists prefer to market their product directly but these are in the minority.

4.5 Recording Studios (Rental)

As pointed out above, most of the local recording is done at small studios. The one large studio operates on a rental system of an average US \$40 per hour. A flat fee per day is negotiable. The smaller studios are generally owned and operated by a musician who serves as arranger of the music for the client. A flat fee of US \$960 is the customary fee for a production that includes arrangement, live horns and vocal chorus, mixing and recording onto a DAT tape.

This is a thriving business for the musical arranger many of whom turn over close to one hundred artistes with two or more songs per year. It is also a very people intensive industry, but many of the support personnel are engaged on a part-time basis, or are not deemed to be full-time employees of the establishments engaging their services.

4.6 Music Publishing

The Copyright Organisation of Trinidad and Tobago has some thirty-two (32) Publisher Members registered with the organisation. The Publisher members receive annually a minimum sum called an 'Unidentified Performance Allowance' (UPA) of US \$192. The range in average income and the percentage of the Publishers receiving such sums in 1999, is as shown in **Table 4.2** which follows.

Table 4.2: Range in Average Income of Publishers in US \$

Range in Average Income Per Annum (US\$)	Percentage of Publishers
Less than \$240	15
\$240 to \$799	50
\$800 to \$1599	15
\$1600 to \$3999	10
\$4000 and over	10

Source: Interview with David Bereaux, Membership Services, COTT

Investigations revealed that many persons use the publishing companies as a means of registering their own works and avoiding taxation. Some persons operating these companies seem ignorant of the true function of a publishing company and many of them are not even formally registered in accordance with the countries Company Registration Act. There is need for general education in this area as to the purpose of publishing companies and their role in the music industry.

4.7 Live Performances

Most of the activities in the domestic music industry relate to live performances in the two months leading up to Carnival, held two days before Ash Wednesday every year. A large percentage of the performers in the country are Calypsonians. Most of them rely on the annual Carnival celebrations for the opportunity to perform live. This takes the form of Calypso "Tents" which feature twenty to thirty performers over a five week period leading up to the street parade.

In recent times, the market segment, blending of the calypso into the parang mode, has expanded considerably, with the musicians appearing in Carnival parties. The recorded material is increasingly being targeted at the Latin American market, but again, domestic airtime and live performances provide the accreditation for export. Some calypsonians now routinely perform and produce products for the parang season, to be followed by another genre of output for the Calypso season.

Over the past few years three main calypso tents have operated in the Port of Spain area with about four others based in Port of Spain, Arima, San Fernando and Tobago. Performances at the tents and in the domestic competitions now serve the function of an annual accreditation of the product to be marketed in metropolitan markets in the months following and in the foreign carnivals and festivals. The annual carnival in Trinidad and Tobago also serves that function for other Caribbean performers, whose work is aired at the Carnival in Trinidad along with the products of the T&T calypsonians and other performers.

There is thus, an annual cycle of production, with the physical recordings done and completed in the metropole and the live performances done in Trinidad, to establish the rating of the product for export by way of natural persons and by physical products in the months following Carnival. It is now the tradition that after Carnival, the top performers are contracted to perform in the United States, Canada, Europe and the Caribbean mainly to coincide with the celebration of T&T styled Carnivals in these areas.

In recent years, there has emerged a new post-Carnival domestic market with the packaging of live performances, with one or more local entertainers performing under a theme. There are other live performances with foreign artists with some local input, but usually with a foreign musical genre, which is popular in the domestic market, given that domestic demand is in large measure for foreign products that are given considerable airplay by the radio and television broad-cast media.

Royalty income from live performances has been a source of contention among local composers. In the past year COTT has endeavored to take random samples (logs) of the music used at live shows and at selected nightclubs. There is considerable resistance from many of the users of music to the payment of royalties, and some of the radio stations may not be fully compliant in the compilation of logs. However, the production of a popular calypso has served to address the issue of copyright and there is a greater public awareness of the role of COTT and its relationship to the producers of music.

The income for Calypsonians contracted at a typical tent employing twenty-five (25) performers in the Carnival Season of 2000 is illustrated in **Table 4.3**.

Table 4.3: Distribution of Earnings Per week (in US \$) for Calypsonians in Typical Tent

Gross Earnings Per Week (US\$)	No. Calypsonians Earning Sum
\$128	6
\$192	6
\$288-319	4
\$320 to \$640	6
\$641 to \$1280	3

Source: Discussions with Calypsonians and Manager of a Tent

Calypso shows are long and last at least four hours, inclusive of a fifteen-minute intermission. A highly rated calypsonian, at the higher end of the earnings scale would normally sing two compositions on an evening. Significantly, many of these entertainers spend considerable sums on the clothing for their appearance and for their props that they may have as part of their presentation. During the Carnival season, the more popular of the Calypsonians of the year, will have other engagements, on an evening, singing at the Tent, but also appearing at dances and fetes for a fee.

The fees paid at local nightclubs such as The Mas Camp Pub to an individual performer, vary from as low as US \$80 to a maximum of US \$480. A large local show attracting more than 5,000 persons could earn a performer between US \$240 to US \$ 1600, depending on their importance, and may require his/her singing two or more compositions.

The performers who get to travel and perform internationally, command sums of between \$1,000 US to \$4,000US per performance depending on their popularity and their success in the past Carnival (usually more recent) competitions.

There are about 20 active Calypso playing bands in the country with about six of them getting the most engagements. Musical Bands are hired for the entire Carnival Season and some of these have long standing contracts with Carnival Tents, appearing every year with the tent. They provide the accompanying music for the entire show. A ten man orchestra playing in a Calypso tent for a season would earn about \$20,000 US. A typical engagement at a "fete" would earn a band \$1,500 US in the weeks prior to Carnival Week, and \$2,500.00 US during the week of Carnival.

Some orchestras hire additional members for the Season. In more recent years, many compositions include renditions with pan, and the tent may routinely retain a pannist. Some of those not attached to a tent play at fetes or carnival parties, and have enough engagements to keep them busy during the Carnival Season. Generally, the tents do not utilize steelbands.

There are a few singers with dedicated orchestras: Machel Montano is the best known of these, and appears only with his band Xtatik. He is not likely to be available for the forthcoming Carnival Season, having signed recently a contractual agreement with one of the mainstream labels. Montano and his band, and others of this type would play at Carnival fetes and on the road for the two days of Carnival with one of the Carnival Costumed Bands.

The other orchestras tend to have a regular group of singers appearing with them and they use a repertoire consisting of their own compositions and those of the more popular calypsonians of the season. Popular Carnival fetes would normally have as many as two calypso-playing orchestras and one steelband playing at the fete. In this latter market, there has emerged competition from other Caribbean bands that visit Trinidad for the Carnival and have engagements in pre-Carnival fetes and on the road for the carnival days. Square One of Barbados visits Trinidad for every Carnival, and occasionally, Byron Lee of Jamaica is one of the non-Trinidad bands working in this country.

Steelbands are orchestras comprised totally of pan, the musical invention of Trinidad and Tobago. The bands were previously community steelbands but many have advanced beyond that, and while having a community base, have a large number of participants from a wide geographic space. The lead up to the Carnival is the peak period for these orchestras, which acquire a large number of temporary adherents for the Carnival. The larger bands may have as many as 150 playing members over the period.

Most members play in bands for the sheer love of participation in a band, deriving satisfaction from being a member of the band, which may have a long and established tradition in local competitions. In a sense, there is a 'demand' for participation, with 'psychic' income being derived from being a playing member of the band over the Carnival Season. Occasionally, there may be monetary returns in the form of performance fees at fetes or from competitions, but that is not usually the driving force in the participation of the pannists. Playing pan for most is part of being a committed hobbyist, and money income is earned from other sources of regular employment. Only a few become professional pan players and earn their income from this source.

Steelbands were once the core of Carnival but are now limited to Carnival fetes and to the main Pan competition, Panorama, that involves all the bands of the country, under the umbrella of PanTrinbago. There are a number of preliminaries in the lead up to the finals some days before the Carnival. This competition derives from efforts by the Government to curb violence among steelbands whose origin in the immediate Post World War II years was concurrent with considerable gang warfare in some lower income communities in the 1940s and 1950s. The bellicose past of the Steelbands, is reflected in the names of some of the bands that adopted names inspired by the Second World War – Tokyo, Desperadoes, Casablanca – and often depicting a military theme for the Carnival like Sailors or Soldiers of the Second World War. Panorama became institutionalized as a healthy form of competition among steelbands.

The annual Panorama competition is the high point in the life of a Steelband, and brings acclaim to the band, and prize money on winning. For most of the audience, there is the emotional and conditional value driving demand. In some senses, Carnival is only started with the beginnings of the Pan Competition and the opening of the Calypso Tents.

Government subventions and considerable outlays by corporate sponsors sustain pan: the monetary support from both are as institutionalized as pan is institutionalized. In other words, there is a social demand for pan, and Government, the corporate sector and the participation of the general public at the annual Panaroma competition support this. The public, however, expects to pay a minimal fee for entry to competitions.

A few steelbands appear on the road on Carnival days. Mobility has been one of the problems for steelbands on the streets on Carnival days, and their market for musical accompaniment has been effectively eroded by disc-jockeys and the regular calypso orchestras, which, on the bed of trailer trucks, can provide far more sound with greater mobility than steelbands. In more recent times, steelbands have sought to use amplification technology with a shrunken version or 'stage-side' in seeking to recover this market but with limited success. The absence of singers is also a handicap.

Pan, although different, follows a similar pattern to the Calypso cycle, in that the professional Pan Tuners, Arrangers and Players enjoy some form of income in the weeks leading up to Carnival. After Carnival they depend on foreign contracts, but these tend to be few and far between. The large size of an effective ensemble seems to have been one of the problems in widening the market. Some individual pannists acquire contracts in the Far East and on cruise ships operating in the Caribbean, and are hired as entertainers. It is important to note that most of the larger steelbands depend on corporate sponsors to sustain them, and the provision of instruments is funded, not by earnings of bands, but rather by subventions provided by the sponsors.

Some of the bands, which secure high marks in the competition, may get selected for major events abroad, and may be contracted for promotional activity by the Tourism and Industrial Development Corporation. Their appearances abroad cater to the satisfaction of the yearning for novelty in foreign locations – epistemic value – where the country seeks to promote its distinctiveness. In even more rare occurrences, the corporate sponsor may seek, in marketing its product abroad, to utilize the services of the steelband that it has sponsored. It has become rare for the steelbands to participate in the Carnivals abroad: in that regard, they have not been as successful as the other orchestras in winning work abroad. Occasionally, they have been selected for major events and have appeared in prestigious shows and locations, such as the Royal Albert Hall in London.

A significant feature of the industry is the wide disparity in income generated abroad as compared to local engagements among the local performers. Artistes can earn up to six times the standard fee for a foreign *vs.* local performance. This also applies to local music bands who depend heavily of the parties (fetes) prior to Carnival for the income to support their members. Large sums are also negotiated for playing on the road during the

two days of Carnival. And, almost as soon as the local Carnival has ended, the Orchestras go abroad to ply their trade in the regional market and in the North Atlantic.

The domestic market is therefore integrated into the foreign market in the minds of the producers, and the presence of large Caribbean communities in the North Atlantic has expanded the primary market space both for live performances and for recorded materials that may be sold from agents abroad or less frequently from domestic distributors. The calypsonians and other musicians operate in a transnational mode, in that some of their market space is decidedly beyond the domestic market in respect of both supply and demand.

A comparable trend is emerging in respect of the producers and musicians of East Indian derived music, with markets abroad including the Indo-Caribbean and Indian Diasporic communities in the metropole. Mastana Bahar and other Chutney competitions serve a similar function of accreditation for participants seeking to go abroad to perform in the diasporic communities. The local competitions are annual events and attract a considerable following among the East Indian community of Trinidad. A few entertainers from Suriname and Guyana participate from time to time. Some of the Chutney singers, who are of East Indian descent, are also involved in the Calypso Art form. However, a small number of non-Indians do participate in Chutney and Mastana Bahar Competitions.

As with calypso and soca, a hit in the Chutney genre in Trinidad can lead to invitations to perform in Suriname, Guyana and in East Indian communities in North America. While there is not an established dance-hall or party music tradition in the Chutney genre, there are occasions around the festivities of East Indians in Trinidad, at which Chutney music is the main music played, e.g. at weddings, etc.

Chutney has not yet had the success abroad as have calypso and soca. One entertainer has suggested that while Indians from the sub-continent accept Chutney music, the market remains small relative to the size of that community in the North Atlantic. Performances abroad, therefore tend to be among the Indo-Caribbean Communities in the North Atlantic and to a lesser extent among Mauritian and South African Indians. Bacra music enjoys a much greater appeal among Indians from the sub-continent, but Chutney singers from Trinidad have won engagements to appear in Indian popular clubs in Britain.

There have been attempts to stage major Chutney events in North America, but there is nothing as yet that approximates the Carnival type events. Chutney singers suffer similar problems to calypsonians and soca parang artistes, in respect of piracy of their material. One Chutney singer has observed that his music is carried on Guyanese stations, and neither he nor his agents have ever sold any of his material in Guyana.

There are a few Indian Orchestras playing Chutney Music. Given the high level of state support enjoyed by Pan, which derived mainly from the African based communities of Trinidad and Tobago, the Government has had to provide support by way of subventions

to a Chutney Association to provide some sense of equity in this plural society. There is also, correlatively, corporate sponsorship of Chutney playing orchestras.

Another newly emerging genre is gospel style music from Trinidad and Tobago in the form of recordings, for which there is a burgeoning demand abroad. It is not clear yet, however, whether this has been promoted by live performances of religious choirs abroad. The growth in this music in Trinidad mirrors the expansion of the evangelical movement in the country.

4.7.1 Musical Instruments

Most professional musicians purchase their instruments abroad, but there still exists a small market for musical instruments sold locally. The Pan, which is the national instrument of Trinidad and Tobago, offers a unique market for manufacturing, sales and performance. There is evidence of effective competition from producers in metropolitan countries where advanced industrial processes have been applied in the production of pan.

There is only one mechanized pan producing factory operating in Trinidad. While a considerable number of pans are produced for the large number of bands in the country, most operations are still in a pre-industrial mode with tuners undertaking the laborious process of 'sinking' drums, grooving and tuning with simple implements. In this regard, most of the advances in industrial manufacturing have taken place outside of Trinidad and Tobago, and it can be argued that, in the production of pan, the country has already lost the technological edge to other countries. The recent World Steelband Festival held in Trinidad revealed many advances in pan architecture and technical adaptations that are still unknown to pannists in Trinidad.

Stands for pans have been effectively marketed by entities abroad, even though they might have been developed initially in Trinidad and Tobago. The mechanics of patenting and licensing are still a remote issue for many involved in advances in the domestic environment. The failure to recognize the industry element in the musical art form and in the culture of the country partly explains this fact.

4.7.2 Copyright

The establishment of the Copyright Organisation of Trinidad and Tobago (COTT) has brought some structure to the music industry. The producers of music are now more sensitive to their rights, and to issues surrounding copyrighting of materials. Moreover, COTT has been able to provide some measure of protection to domestic producers of music in the use of their output locally. Radio stations have to produce logs; dance hall promoters have to make payments to COTT for the use of domestic and other material.

Considerable emphasis is now placed on copyright and intellectual property rights involving music publishing and composer's royalties with COTT acting as the custodian for these rights. The advent of COTT has led to some degree of formalisation of the music industry.

COTT offers protection of author's rights both locally and internationally through reciprocal agreements with societies worldwide. Neighbouring rights of performers and producers of sound recordings are currently handled on an ad hoc basis by COTT, although there exists a Neighbouring Rights Association of Trinidad and Tobago (NRATT).

The COTT was until recently, the only authorised copyright body in operation in the country. It administers performing rights and mechanical rights on behalf of its 400 members and about 25 publishers. COTT enjoys a reciprocal agreement with PRS (the Performing Rights Society based in London). Through PRS' reciprocal agreements with other societies throughout the world, COTT represents the world repertoire of music for the territory of Trinidad and Tobago. A rival organization has since been formed, the rationale being that COTT, allegedly, has not provided adequate representation to genres deriving from the Indian cultural traditions of the country. The Trinidad and Tobago Copyright Collective Management Organization (TTCO) was formed in 2000. Initially, its target seemed to have been Indian composers, publishers and artistes. It has since attempted to attract a wider number of artistes than from among the Indian community. It is too early to judge how successful it has been in representing either Indian or other artistes in Trinidad.

COTT licenses the use of music to the two local television stations and approximately sixteen radio stations. A major portion of the income to local composers comes from licensing Carnival Celebrations. These include Calypso Tents, live performances at the "Tents", live performances at competitions and for the parade through the streets on the Carnival Days. Videocassettes that are produced at Carnival time are another source of revenue. The main source of income for COTT is licensing for public performances at various establishments.

At present, based on an agreed arrangement with PRS, 70% of all income collected, except for the Carnival income, is remitted to PRS by COTT. This will change drastically when the recently formed Caribbean Central Database comes on stream and is able to analyse the logs within the Caribbean.

COTT is the base for the attack on piracy in the country. The sale of recorded works, which was quite good during the seventies, has been severely reduced mainly through the high level of piracy that developed with the emergence of cassette recording. In other words, the industry fell victim to the impact of technological change as technology aided the process of reproduction.

Piracy remains one of the greatest challenges faced by COTT as the representative of the producers of music in the country. COTT has not succeeded in inculcating among the

Police Authorities as law enforcement agencies, the sense of criminality implicit in piracy. Thus, artistes have had to resort to their own means of enforcing the law relating to piracy.

Between 1997 and 2000, the number of radio stations increased from 15 to 18 but the average time devoted to local music, either during the Carnival or during the rest of the year, seems to have fallen (Tables 6 and 7). On the other hand, the number of stations providing logs has increased, thus making it possible for COTT and calypsonians to have a better sense of local content. During 2000, calypsonians began a campaign to get local radio stations and the authorities to commit to an increase in local content of air play.

4.8 Sale and Rental of Musical Instruments

4.8.1 Sale

There are a few companies that sell musical instruments on the domestic market. Pianos are the most requested item and are mainly for domestic use. Electronic keyboards are very popular both for domestic and commercial applications. However reports are that most professionals purchase their equipment abroad.

One of the unique aspects of Trinidad and Tobago is the invention and development of the Steel Pan and its family of instruments from the Tenor (Soprano Pan) to Bass Pans. The demand for these instruments locally for each carnival season has fostered an industry in itself. Manufacture is a slow painstaking process involving the cutting of steel oil drums, sinking, grooving, tempering and tuning. The finished product is usually chromed for appearance.

A few established companies exist that manufacture, market and export these instruments. Published export reports show that this is probably the only instrument manufactured in Trinidad and Tobago that is exported in significant quantities and that yields valuable financial income.

4.8.2 Rental

Very little, if any, rental of musical instruments exist. Rental applies more to amplification equipment and sound systems. However, most of the owners of such equipment tend to provide service directly with their own staff rather than to rent out the equipment.

4.9 Other Services

4.9.1 Music Education

Music Teachers

The piano has been, by tradition, a prime musical instrument among the middle and upper class in Trinidad and Tobago. It is expected that children of so-called cultured society would be exposed to the piano, but not to pan. Thus, there is an established demand for music teachers. There is, therefore, a large number of music teachers in the area of Piano and theory of music in preparation for examinations for the London School of Music or the Royal School of Music. Teachers who have had special training in music do some teaching at Primary and Secondary Schools, but most of the teaching of music is conducted at private homes.

A limited amount of teaching of Guitar playing is also done. Again this is restricted to private tuition and no formal teaching establishments exist. The playing of Wind instruments such as Saxophones, Trumpets, and Trombones is taught at the orphan homes and many of the musicians in this field have emerged from this environment. There is a school in the southern part of Trinidad that teaches the playing of string instruments such as violins, violas and cellos.

A novel form of teaching involves the steel pan. Pan "yards" set the scene for the preparation of steelbands for the annual Carnival. Here seasoned pan men initiate new pannists in the art of playing by rote. Lengthy practice sessions improve the dexterity and skill of the budding pannists until they are capable of working alongside the veterans. A programme is in place at the University of the West Indies Creative Arts Centre to train players in the theory of music and the art of sight-reading when playing the pan.

Agents

The proper promotion and managing of artistes is sadly lacking in the country. There is great need for education in this area. Copyright matters, publishing, negotiating skills, tax management, and similar areas need to be addressed. The Producer is a dying breed in the country as more and more performers find themselves in the difficult position of having to finance their own recordings as well as promote their efforts.

4.9.2 Music for Film & TV

There has been no significant film industry in Trinidad and Tobago. There have been a few films produced in the country but without any significance in terms of establishing a Trinidad and Tobago presence in the international industry, or in providing material for

domestic use. Local film production is limited to Television. There are two television stations; one government owned (TTT) the other privately owned (TV6). Local productions tend to use existing local music rather than have specific music composed for the productions. During 2000, TIDCO established a special desk on film, and one of its personnel has been allocated specifically to promoting the development of the industry in the country. There has been some apparent interest and response from abroad, but it is still too early even to speculate on the implications for the music of the country.

4.9.3 Tourism Related Music Events

Carnival

Carnival is an annual event that climaxes on the Monday and Tuesday before Ash Wednesday. There are venues with organised events in all parts of the country. The build-up to this mammoth celebration begins as early as November of the previous year with the launching of costumed bands, the release of new calypsos and other related activities. Expenditure related to Carnival peaks in February or March, depending on the date of the Carnival. **Table 4.4** provides information on Visitor Expenditure from the Central Statistics Office for 1997 and 1998

Table 4.4: Visitor Expenditure for Carnival Season, Trinidad and Tobago, 1997 and 1998

Category	1997	1998	Growth, 97-98
Total Number of Visitors (19	24,947	32.071	28.6
days)			
Number of Visitors per day	1313	1687	-
Total Expenditure (US\$million,	64.51	88.74	37.6
current)			
Expenditure on Accommodation	22.63	37.10	63.9
and Meals (US\$million)			
% of Total Expenditure	35.1	41.8	19.1
Expenditure on Entertainment and	41.88	51.64	30.5
Other (\$million)			
% of Total	64.9	59.2	-8.8
Total Expenditure per visitor	258.89	276.70	7.0
(US\$)			

Source: Central Statistical Office, Trinidad and Tobago

The monetary statistics of the country suggest that Carnival has a significant impact of national economic activity (Henry and Nurse, 1996). There is clearly a trend in liquidity, suggesting that Christmas festival, which is a period of considerable expenditure, is followed by Carnival as another peak in the money supply that can be ascribed as an effect of the latter festival on the production of goods and services in the economy. Visitor arrivals peak in the two-week period just prior to Carnival. Over 30,000 visitors enter the country at this time (**Table 4.5**). Their expenditures add to the spending stream

and are part of the money supply: prior to the removal of exchange control, this would have manifested itself in a recorded increase in the supply of foreign exchange.

Table 4.5: Visitors to Trinidad Carnival by Origin

Country of Normal	1997	%	1998 Season	%	1999	%
Residence	Season				Season	
Caribbean	3410	13.7	3853	12.0	3991	12.63
Central and South	1640	6.5	1860	5.8	2225	7.04
America						
North America	16326	65.4	19782	61.7	18383	58.16
Europe	3359	13.4	6380	19.9	6527	20.65
ROW	169	0.67	196	0.61	229	0.72
Not Stated	43	0.17	50	0.15	254	0.80
Total	24947	100	32071	100	31609	100

Source: Central Statistical Office, Trinidad and Tobago. Carnival Season was a selected 19-day period

Visitor arrivals also show an increase over the period. Many of the visitors participate actively in the celebrations. They are part of the audience of the Calypso "tents" where the calypsonians perform. They also visit the pan yards and the factories where the Carnival costumes are prepared for the masqueraders. Bands have embraced the Internet in advertising to the domestic and international audience, and costumes can be purchased prior to arrival in the country. There are also major "fetes" in which the tourists get involved. Thus, overseas visitors are now part of the target market of tents, party promoters and Carnival Bands, and constitute a significant source of earnings for these groups of service providers.

Carnival is a major income earner for a number of persons in the music industry. However, indirectly several organisations benefit from the increased demand for a variety of services. Transport, hotel accommodation, restaurants, retailers are among those that capitalise on the Carnival celebrations. For the performers, it means a steady income over a five to six week period punctuated by significant appearance fees at special shows. Record sales are at their highest as the Radio Stations increase the percentage of local air play. Indeed, it is only at Carnival that the domestic genre of music dominates all the airwaves of the country. **Tables 4.6** and **4.7** provide information for 1997 and 1999 respectively.

Table 4.6: The Percentage of Local Music in Radio Air Play, Trinidad and Tobago, 1997

Radio Station	% Local Carnival Time	% Year Round
Central	15	1
FM 103	25*	25*
Gem 93.5	45	6
ICN – 91.1	45	20
ICN YESS 98.9	100	25
ICN FM 100	80	25
Music Radio 97	8	2
Power 102	100	40
Superior 94	75	40
TBC Tempo 105	100	60
TBC Sangeet 106	10	10
TBC 95.1	10	0
Average	51%	21%

^{*}Represents year round figures. Carnival figures not reported Source: COTT: Local Music-Radio Survey, September 1997

Table 4.7: The Percentage of Local Music in Radio Air Play, Trinidad and Tobago, 1999

Radio Station	Frequency	Туре	% Local Carnival Time	%Year Round
TBC	730	AM	50	10
	95.1	FM	10	10
	105	FM	100	75
	106	FM	10	10
NBN	610	AM	50	10
	91.1	FM	50	10
	98.9	FM	100	20
	100	FM	80	15
Radio Vision	94.1	FM	50	25
	102	FM	100	25
Telemedia	97	FM	5	5
	104	FM	50	10
Independents	93.5	FM	50	10
	96.1	FM	80	10
	103	FM	25	10
	92.1	FM	10	10
	101	FM	10	10
AVERAGE			46	15

Source: COTT Local Music - Radio Survey, 1999

Tobago Tourism

Tobago has become the key node in the entry of the country into the international tourism industry. The island is now an important destination for national and international visitors. With its growth has emerged a Tobago Entertainment Industry, in which

calypsonians figure prominently. They perform mostly at the hotels that have sprung up on the island. A survey was conducted among fifty-five (55) persons or institutions involved in one or other capacity in the industry. Sixty-five percent or 28 were Own-Account Operators, while thirty-five percent were attached to an Establishment, which are mainly steelbands but also include nightclubs and hotels. The gender distribution was heavily weighted in favour of men – 84 percent, which is characteristic of the national industry. Three of the female entertainers were attached to an establishment while the other four were own-account operators. Only 2 persons among the forty-three classified themselves as publishers. None of the six composers was female.

In addition to the celebration of Carnival, Tobago has developed its own festival sector, partly oriented at the Tourism Market. The Tobago festival, held at the beginning of August annually is emerging as an important event, in and of itself, attracting local and international visitors, and creating an additional source of income outside the circuit of hotels

Pan on the Move

During the month of May, Point Fortin, a borough in the southern part of Trinidad, hosts a "Pan on the move" competition to climax a week of cultural activities. This event has grown over the years and now attracts an audience estimated at in excess of 50,000, including overseas visitors. It affords the Steel Pan much needed additional exposure and keeps the interest in local music alive outside of the Carnival season.

Pan Ramjay

What was once a popular competition highlighting the ability of pan players to extempo on the instrument has evolved into a festival with foreign musicians invited and the fusion of the Pan with conventional instruments. As a tourist attraction it shows some potential but at the moment it continues to target locals mainly.

Steel Band Festival

Every two years, in the month of October, the local Pan body "Pan Trinbago" hosts a Steel Pan Festival. In the eighties the finals of this Festival attracted a full house of six thousand at the Jean Pierre Complex, the chosen venue. In the year 2000, the Festival was turned into a World Festival involving players from the Caribbean, United States and Europe. This promises to be a great tourist lure in the future if well managed and promoted.

4.10 Sources of Revenue in the Music Industry

4.10.1 Visible Earnings

The FTAA Hemispheric Data

The FTAA Hemispheric Database for Market Access provides information on the imports and exports from countries around the world. Data for Trinidad and Tobago for 1997 and specifically on music related items is provided in **Table 4.8**. The Table reveals the following:

- (a) Unrecorded Audio Tapes to a total value of US\$261,000 were imported into the country. At an average cost of 30 US cents, this equates to a quantity of 870,000 units. Some of these tapes are used to record music either for personal use. However it is believed that a high percentage is used to record music illegally and which is sold to the public by "pirates." At a street price of US\$3.20 for each cassette, we estimate a market of US\$3M.
- (b) Gramophone Records 33 1/3 rpm show a total import value of US\$23,000. At an average cost of US\$4.50 each, this translates to a total of 5,111 units. Gramophone records are no longer the choice for consumers and are just used by disc jockeys, hence the low quantity.
- (c) Recorded Audio Tapes amount to US\$74,000, or an estimated 16,444 units. When compared to blank cassettes one can appreciate the impact of piracy on the market.
- (d) Recorded Audio Compact Discs amounted to US\$1,348,000 and at an average cost of US\$8 it is estimated that 168,500 units are imported.
- (e) Steelband Musical Instruments show an import value of US\$53,000, which is surprising given that Trinidad and Tobago is considered the home of the Steel Pan where it is manufactured in great quantities.
- (f) The only significant musical instrument exported from the country is not surprisingly the Steel Pan. A total of US\$505,000 is recorded, showing that this could develop into a lucrative industry.
- (g) No figures were available for recordable Compact Discs, which have become very popular in the last two years.

Table 4.8: Hemispheric Data on Music Related Imports and Exports Trinidad and Tobago

No.	Description	US\$000	Category
1	Music, Printed or in Manuscript etc.	31	Imports
2	Cassette Type Sound Reproducing Apparatus	129	Imports
3	Other Sound Recording Apparatus	659	Imports
4	Audio Tapes, Unrecorded	261	Imports
5	Gramophone Records, 33 1/3 rpm	23	Imports
6	Gramophone Records, 45 rpm	12	Imports
7	Audio Tapes, Recorded	74	Imports
8	Audio Compact Discs, Recorded	186	Imports
9	Other Compact Discs, Recorded	1,162	Imports
10	Upright Pianos	4	Imports
11	Grand Pianos	29	Imports
12	Other Piano and Keyboard Stringed Instruments	21	Imports
13	Other String Musical Instruments	39	Imports
14	Keyboard Pipe Organs; Harmoniums etc	44	Imports
15	Brass-wind Musical Instruments	5	Imports
16	Other Wind Musical Instruments	20	Imports
	Steel Band Musical Instruments	53	Imports
18	Other Percussion Musical Instruments	55	Imports
	Keyboard Instruments other than Accordians	49	Imports
20	Other Electronic Musical Instruments	10	Imports
21	Steel Band Musical Instruments	505	Exports
22	Other Percussion Musical Instruments	48	Exports

Source: FTAA Hemispheric Data Base

4.10.2 Information from COTT

The Copyright Organisation of Trinidad and Tobago (COTT) is in an ideal position to record the quantities of Records, Cassettes and Compact Discs coming into the country. This is so because recordings involving local artistes enjoy concessions on duty and Value Added Tax. Figures provided by COTT show that 15,130 records, 53,051 Compact Discs and 7,284 cassettes were imported in 1998. While a close look at the list of items indicate that some product seems to be bypassing the system, it appears that approximately 30% of all imports are of local artistes.

4.10.3 Invisible Earning

The earnings from a variety of areas from live performances to royalties; music education and licensing can only be obtained by a comprehensive survey.

4.10.4 Royalties

Domestic Earnings

Table 9 provides the Income, Expenses and Distribution of COTT, 1990 – 1999. The domestic earnings have shown a steady increase from just over US \$160,000 to over US \$800,000. The growth is mainly attributable to the diligence of the organisation in collecting from the Broadcast establishments. Broadcasting accounts for 60% of the income, General Income from Public Performance and live shows amount to another 30% and the Special Events Income from Carnival amount for the remaining 10%.

Mechanical Royalties have been sadly neglected except for a collection of US \$21,120 in 1998. This fell off again in 1999 and 2000. Plans are afoot to reactivate this in 2001. The main sources of revenue to COTT are the media and their distribution by type is given in **Tables 4.10** and **4.11**.

Table 4.9: Incomes, Expenses and Distributions of COTT, 1990-1998

Year	1990	1991	1992	1993	1994	1995	1996	1997	1998
Overseas	NA	NA	127,403	295,818	196,143	200,342	286,247	307,772	344,603
B&P General	1,219,914	1,289,737	1,458,992	1,535,967	679,422	1,522,859	2,586,050	3,093,757	4,731,102
B&P Carnival	102,518	98,875	102,145	165,000	214,030	137,205	236,000	327,325	NA
Local Mechanical	NA	NA	NA	NA	50,528	NA	NA	NA	132,125
Local Collections	1,322,432	1,388,612	1,561,137	1,700,967	943,980	1,660,064	2,822,050	3,421,082	4,863,227
Total Collections	1,322,432	1,388,612	1,688,612	1,996,785	1,140,123	1,860,406	3,108,297	3,728,854	5,207,830
Growth in Collections	-	5.00%	21.60%	18.26%	-4290%	63.18%	67.08%	19.96%	39.66%
Distribution to PRS	552,520	451,733	622,168	512,291	NA	807,575	1,306,063	1,692,386	2,882,727
General B&P Distributions	236,794	193,600	266,643	235,329	196,427	346,106	559,741	725,309	1,233,454
Carnival Distributions	82,040	79,100	81,716	135,552	171,224	109,764	167,209	232,401	NA
Local Distributions	871,354	724,433	970,527	883,172	367,651	1,263,445	2,033,013	2,650,096	4,116,181
Growth in Local Distributions	-	-16.86%	33.97%	-9.00%	-58-37%	243.65%	60.91%	30.35%	55.32%
Expenses	430,599	644,401	523,401	699,872	482,995	369,178	720,246	676,062	614,921
Expenses + Distributions	1,301,953	1,368,834	1,493,928	1,583,044	850,646	1,632,623	2,753,259	3,326,158	4,731,102

Source: COTT

B&P is Broadcasts and Performances

NA is not available

Local collections do not feature any from television

Table 4.10: Radio Broadcasters in Trinidad and Tobago (April 2000)

Number	Public	Private	Licensed	Estimated	Estimated	Number
of				Average	Average	Maintaining Logs
Stations				Talk (%)	Regional Music	
					(%)	
18	4	14	18	15.00	30.0	15

Table 4.11: Television and Cable/Satellite Statistics, Trinidad and Tobago, 1999

Media	Amount	Public	Private
Television Stations	3	2	1
Cable/Satellite	4	0	4

Source: Berry (1999)

Overseas Earnings

Overseas income remains woefully small, still well under \$500,000 US. Given the increased popularity of the music of Trinidad and Tobago in the United States, Canada and Europe, one can only assume that the music is still not on mainstream radio and television. It is also felt that the music is not identified on the World Works List and that income due to local artistes consequently gets lost in the unidentified pools around the world.

4.11 Regulation and Facilitation

The role performed by COTT by way of regulation has already been addressed above. For all of its weaknesses, COTT has been able to inculcate a greater awareness among the population of the rights of producers of music. Its occasional interventions in high profile situations where it has sought to protect the interests of entertainers have helped in bringing the issue of copyright to the attention of the public. Within the last year, however, there has been formed another organisation purporting to represent musicians and entertainers in the country. The initial focus seems to be directed at protecting the interests of Chutney and other entertainers in the East Indian cultural sphere.

There is an organisation of Calypsonians – Trinidad United Calypsonian Organisation (TUCO) – that negotiates with the Government on behalf of the group. TUCO receives subventions from the State and puts on one of the major competitions for Carnival, among the Calypsonians. The Monarch Competition represents the high point for Calypsonians of the country, and to be crowned Calypso King of the country carries status that can be used to advantage in seeking contracts abroad.

There is also a Soca Monarch Competition run by a private sector organisation. It has been increasing in popularity in recent years, and attracts a younger cohort among its audience. Dance and audience participation are more characteristic of this show, which are important in respect of audiences in the North Atlantic where many of the competitors seek to market themselves later in the year.

The agency responsible for facilitation is Tourism and Industrial Development Corporation (TIDCO). The agency has accepted the importance of the Entertainment Industry in the generation of foreign exchange for the country, and has personnel with specific responsibility for the growth and development of the sector. In the mid 1990s, TIDCO sought to organise the various strands of the Entertainment Sector, and as a result of its initiative, Entertainment Industry Development Company (EIDECO) was formed, with key participants from the music sector represented in the organisation.

The fundamental idea in its formation was that the organisation would give voice to participants, and be a think-tank collaborating with the Government in industrial policy formulation for the industry. EIDECO, for a number of reasons, seems to have become moribund. It is not clear at the time of writing, the extent to which the Government, through TIDCO, is prepared to promote the export thrust of the sector with such arrangements as market development grants etc. There is a strong sense in some quarters of the Entertainment Sector, that the TIDCO has not made the industry one of its priorities, in spite of the potential for earning income and for its giving a higher profile to the country.

Entertainment as a subsector is not well identified in the official statistics. The Central Statistical Office has not been able to institutionalise the collection of data from the subsector through its survey of establishments. Generally, the Creative Services Sector has contributed in the region of 12 percent of GDP. It is likely that Entertainment has a growing share in the sector. **Table 4.12** provides information on the size of the Creative Services Sector for the period 1986 – 1998.

Table 4.12: Contribution of the Creative Services Sector to GDP 1986-1998 – Trinidad and Tobago at constant 1985 Prices (\$TT million)

Year	GDP	% Growth Rate	Creative Services	% Growth Rate of Creative Services	Creative Services as % of GDP
1986	17.478.0	-	2234.7	-	12.8
1987	16,678.5	-4.6	2212.2	-1.0	13.3
1988	16,048.5	-3.8	1999.5	-9.6	12.4
1989	15,894.9	-0.9	1826.0		11.5
1990	16,134.4	1.5	1639.2	-10.2	10.1
1991	16,576.3	2.7	1705.6	4.0	10.3
1992	16,294.4	-1.6	1682.5	-1.3	10.3
1993	16,057.5	-1.5	1793.3	6.6	11.2
1994	16,630.4	3.6	1873.9	4.5	11.3
1995	17,288.0	4.0	1981.0	5.7	11.4
1996	17,950.0	3.8	2177.0	9.9	12.1
1997	18,507.0	3.1	2347.9	7.8	12.7
1998	19,326.7	4.4	2496.0	6.3	12.9

Source: Review of Economy, Trinidad and Tobago, 1994, 1996, 1998/9 (Following James (2000) creative services are defined as the set of service activities that tend to rely primarily on domestic capital, including traditional knowledge, for competitive production and market penetration – entertainment, including tourism, other knowledge industries, etc.)

4.12 Summary

The Music Industry of Trinidad and Tobago has grown and is gradually achieving the level of internal differentiation associated with the industry in other parts of the World. The domestic market serves as a sieve for processing a considerable range of product. While there are a large number of performers, the Industry producing the Trinidad and Tobago genre does not have much by way of formal training facilities, and quality is a function of the raw talent surfacing in the annual Carnival and in the other festivities for which the country is known. Formal training is normally associated with imported genres, and some of those who have been exposed to it have gravitated to the production in the local genre.

There is high social demand driven by tradition and by supported by state and corporate sponsorship for pan. The main protagonists of pan receive largely psychic income from participation and perfecting the art form. Income generated is a bonus. This aspect of the music has to be differentiated from other forms of entertainment that are driven fully by market factors on the demand and supply sides.

Many entertainers operate as self-employed persons, and are part-timers. There are the few who earn very good incomes. Indeed, demand for one's services beyond the Carnival

season is what will prompt the part-timer to become a full-time operator. All high-income earners are involved in providing their services abroad. In other words, sustained income generation and full time employment implies touring or movement abroad. On the other hand, there is a market emerging in Tobago for sustained income generation outside of the festival cycle, as a result of the expansion of the Tourism Sector. In that regard, Tobago seems to be following Jamaica, where a substantial demand has been created by tourism

Performers with pan, the national instrument, have a much smaller market abroad, and are still involved in satisfying epistemic demand characteristics through cultural exchanges etc, in which their work is seen as an object of curiosity and something to marvel at, rather than satisfying pop culture and entertainment markets. Most of the persons involved in pan are driven by the need for self-expression through the art form.

Music reflecting the East Indian culture of Trinidad and Tobago has largely mirrored the experience of the Calypso/Soca Music. Most of the entertainers are part-timers, who become full-time service providers if there is the demand. Touring is important to them also and the Indo-Caribbean migrants provide the main market. Local festivities are the occasion for heightened activity in the art form, and the competitions establish the popularity and market for the respective entertainers over the next year.

A support infrastructure has emerged, with a range of service providers. While these entities are small, for the most part, there is some amount of structural differentiation occurring. Thus, one-man operations may start with an entertainer doing many things and then would achieve competence and expertise in a limited number of areas, which experience leads to specialisation.

The Industry is very much integrated into production infrastructure abroad, especially in respect of the mass production of recorded material. All of the instruments, except pan, are imported. The State Agency responsible for industrial promotion has started to play a role in the sector, suggesting greater recognition of the role of the Entertainment Industry, in general, and the Music Industry in particular, in the generation of employment and in foreign exchange earnings for the country.

There are very little hard data on incomes, and the domestic service providers are not well identified in the official statistics. The direct income to musicians and entertainers has been estimated at US \$2.0m, and the indirect income could be ten times this figure. However, these estimates are very notional and, while based on informed calculations of one of the researchers may be subject to considerable error. Thus, the contribution to national income and the size of the sector remain an area of speculation.

Meanwhile, there still exists considerable ambivalence among state institutions over the level of support that should be accorded to the music industry. The enthusiasm of its main protagonists suggests that the benefits are much more than psychic and the country would do well to promote its cultural art form that has an essential uniqueness.

The capacity of the industry to improve its standing in the international market and even the domestic and regional markets is, to a considerable extent, based on the quality of training and preparation of the musicians. While they have made considerable advance in all the major genres that have been commercialised, they need an infrastructure of support of training to provide the base among the folk for professionalism, without, at the same time, stifling the essential vitality and creativity that have given distinctiveness to Pan, Calypso, Soca, Chutney and Parang.

4.13 Further Work

This study prompts the need for further research. The unwillingness of Entertainers generally, to supply information on their operations is counterproductive. Caribbean Governments have found it difficult to negotiate effectively for the sector, which is one of the few areas in which these countries produce distinctive product and services for the international market place. There is need to work with groups that are amenable to the sharing of information in the national interest and for their own longer-term benefit. This will require the commitment of funding for longitudinal study.

A second area of research is the role of formal structures in the evolution of the Music Industry. The sector is still dominated by a host of informal sector operations, some of which operate in the international economy. It is possible that formal training in business and entrepreneurship will help would-be entertainers and musicians to understand the need to form structures to develop their product and to improve their earnings as commercial operations. The factors influencing industrial organization in the production and distribution of music needs to be examined.

Given the nature of the international industry and the dominance exercised by a handful of large firms, is there a role for the Government in negotiating, or in helping groups of Musicians negotiate, arrangements with one of the majors or a more promising among the independents to target on a sustained basis, marketing initiatives into the metropolitan market? There is need to raise the profile of Trinidad and Tobago Music internationally, but it is clear that the operation of market forces as present aligned, is unlikely to bring that result. Even if the state cannot, or is unwilling to make that kind of intervention, there is surely a developmental role it could perform through assistance in market development. The modalities of bringing this about are in need of investigation.

The Music Industry in Trinidad and Tobago and in the Caribbean generally, has only recently attracted attention of academics outside those engaged in cultural analyses. There is need to promote an even greater level of involvement on the part of the Caribbean academic community in a prime economic activity in the region. Trinidad and Tobago has been distinctive in its contribution to Caribbean music, through the steel-pan and through calypso, soca, parang, and chutney. It is a veritable laboratory and should be a focus of considerable research.

4.14 Reference

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