INTRODUCTION

Entertainment is big business with realised potential for conferring great wealth and incomes on participants and for transforming the economic circumstances of geographical regions. In the United States, it is reported that the entertainment industry has a turnover of US$340 billion. The reported incomes of superstars in entertainment industries such as music and sports are legendary amounting in many cases to millions of dollars per annum. Companies in the industry are also quite large in absolute terms as well as comparatively. Viacom International, one of the industry leaders in the United States in 1991, reported gross revenues of US$1.7 billion and a net income of US$508 million. The six largest recording companies (Time-Warner, Thorn-EMI, Bertelsmann, Sony, Matsushita and Philips) generated half-year sales in the vicinity of an estimated US$8.46 billion in the first half of 1991. Perhaps an extreme example of the impact on a region is the case of Branson, Missouri, with a community of 3,000 persons which attracts approximately 4.3 million visitors per year with expenditure of at least US$1.56 billion during spring to enjoy a season of live music.

Entertainment is a truly global business with its inputs sourced from very many countries across the globe, its products similarly distributed geographically, and its production centres located in several of the major industrial countries but with important small independent producers in a great many other countries as well.

The music industry is the focus of this paper. Although it is difficult to be precise about the magnitude of this industry world-wide there are sufficient indications that it is quite large. Estimates of the annual global sales in recorded music is approximately US$28 billion of which US record companies claim about 50%.

In this paper, we indicate the potential importance of the music industry to Caribbean economies, provide a profile of its market and production conditions, discuss the potential for growth as an export industry, and identify a few key issues and requirements for successful growth.

THE IMPORTANCE OF THE MUSIC INDUSTRY TO THE CARIBBEAN

For Caribbean countries the music industry offers the prospect of significantly widening the range of economic opportunities to individuals and enterprises, for alleviating problems of unemployment (especially youth employment), and for expanding foreign exchange earnings on a sustainable basis.

There is high unemployment in most Caribbean countries, anywhere between 15% and 20% being typical. Furthermore, unemployment rates among the younger age segments of the labour force say, those under 25 years of age tend to be at least twice the national average. The economies have not been particularly successful in generating incremental jobs to absorb the school-leaving population. The music industry provides opportunity for self-employment. Moreover, it is an industry in which performers, as self-employed persons are willing to moderate their short-term income expectations in the interest of gainful occupation. Star performers may command high incomes but most of the less well-known performers are willing to work for modest fees.
The music industry generates employment opportunities for a number of supporting skills and talents. Performers are usually supported directly or indirectly by the services of managers, promoters, producers, sound engineers and other such workers. Some persons in the industry estimate that a musical band would have a minimum of five persons directly employed in supporting roles, i.e. not themselves being performers. There are also employment opportunities for providers of management services, legal services, marketing services, and a variety of technical services.

Another important employment characteristic of the music industry is that the formal educational requirements for entry into the popular mass market segment are far less demanding than those for many other job markets including clerical and related activities. This implies that in these societies, where there is a problem of low educational preparation of the labour force, the music industry may be one of the few avenues realistically open to significant numbers of persons. A similar point could be made with respect to many of the employment activities required for production in the entertainment sector. However there are some aspects of the industry that do require significant levels of education and training for their effective optimal performance.

There is year round employment in the music industry. However, in cases where demand for musical services is closely linked to festivals or to the tourism industry, employment has a seasonal element, evidenced for instance by the surge in numbers of persons employed during the carnival seasons or other festivals in the several countries of the Caribbean region. This seasonality will be minimised to the extent that the industry succeeds in boosting off-season demand.

It is difficult to quantify the economic significance of the contribution of the music industry to national income and the balance of payments. The national income statistics typically do not separately identify the music industry or even the entertainment sector as income sources. For Jamaica, where recreational and cultural services are identified in the estimates of Gross Domestic Product (GDP), the contribution of that subsector to GDP in 1990 was J$124.8 million, increasing to J$218.8 in 1992. This is admittedly a quite small proportion of GDP - only 0.3% in 1992, but in absolute terms it is not an insubstantial sum of money and no doubt is considerably underestimated.

Some data will be presented in a subsequent section of the paper on balance of payment implications but several points can be made now. First, Caribbean foreign exchange earnings prospects in the traditional sectors are widely viewed quite pessimistically because of the erosion of export market preferences, heightened global competition and the spread of non-tariff barriers, all of which affect earnings from commodity exports. In addition, changes in consumer expenditure patterns linked to long-term trends in per capita incomes have weakened demand for the agricultural and manufactured goods produced by Caribbean countries. Second, services are a dynamic component of demand in high-income and middle-income countries. Entertainment services are a significant component of that demand. Caribbean countries have begun to explore the scope for the expansion of exports of services. A strong conclusion of this paper is that entertainment services, particularly the music should be accorded serious policy attention. The notion that the export of music services is worth the sustained attention of governments might be illustrated by reference to the earnings of some contemporary popular performers such as Shabba Ranks, Buju Banton and Lady Patra who are reputed to have annual incomes in the vicinity of US$250,000 to US$750,000 and by the estimated US$250,000 annually accruing from royalties and merchandising from Bob Marley's estate.

There are potential spillover effects on other exports. In cultural industries such as fashion garments, modelling, and visual arts, music can be used in marketing, either as promotional aids or as combined products e.g., fashion shows plus concerts. Manufacturing industries may benefit from more ready recognition and acceptance of country names on brand labels and from demands for exotic products stimulated by familiarity with Caribbean music.

**EXPORTS OF MUSIC SERVICES**

**Current Caribbean Performance**

Entertainment services, especially music, can be considered an export industry. This industry can be conceptualised into two not necessarily mutually exclusive types. In one category the product is sold in the place of production, that is, the customer consumes the service by coming to the country in which it is produced. Examples of
yet include music festivals staged periodically in several Caribbean countries e.g., Carnival in Trinidad, Reggae Sunsplash in Jamaica, St. Lucia Jazz Festival, Barbados Cropover. This is a kind of tourism-related product. A significant proportion of customers are expatriate West Indians returning home for these festivals which however also attract large numbers of non-West Indians. In the other export category the product is sold in the foreign export market, irrespective of whether the product is a physical commodity such as an audio recording or a live performance. This market which initially was an ethnic niche market has become more universal in character.

Given the weak institutional links between the music industry and the official economic and statistical agencies, official data on export performance are not readily available. Nonetheless there are several indications of its importance to foreign trade. West Indian musical performers who compete successfully on an international basis generate large personal incomes. Reference has already been made to the reported earnings of Reggae superstars such as Bob Marley, Shabba Ranks, Lady Patra, and Buju Banton. There are others such as Ziggy Marley with equal prominent international industry stature. Columbia Records has signed reggae star Bunny Wailer to a 10-year recording contract for $10 million. Up and coming performers are also entering the extra-regional market, for instance the calypsonian Red Plastic Bag, one of whose hits has been licensed to Sony Records. For lesser stars, performance fees may vary between $1,000 and $20,000. Impressionistic evidence of year-round performances by large number of performers both in the Caribbean and outside the Caribbean is suggestive of fairly substantial earnings of personal incomes. The Entertainment Editor of the Jamaica Gleaner reported that the industry earns in excess of US$1.2 billion annually for Jamaica. The success of Reggae Sunsplash Promotion, inaugurated in August 1978, seems to have had the effect of increasing tourism in that month. Visitors in August prior to the inception of Sunsplash averaged about 7% of annual visitors. Subsequent to Sunsplash, visitors in August became a higher proportion of annual visitors ranging from 9% to 11%, though one has to note that socio-political difficulties in the 1978 to 1980 period seem to have caused a decline in the number of tourists. Estimated expenditures by long-stay visitors to Jamaica in August 1992 amounted to US$85.6 million. Even if it is assumed that only a small proportion say 10% of this was induced by Reggae Sunsplash, the economic contribution would be the sizeable sum of US$8.6 million. The Barbados Cropover Festival in July attracts many visitors and has increased both the volume of tourism and earnings in what used to be a low season in the industry. A total of 22,931 cropover related visitors are estimated to have spent US$27 million in 1993.

Similar estimates cannot be made for Trinidad and Tobago's Carnival and the St. Lucia Jazz Festival because of the current unavailability of data, but there is little doubt that these festivals are hugely successful. Bookings for Trinidad's pre-Lenten carnival have to be made at least six months in advance, and St. Lucia's Jazz Festival draws jazz "aficionados" worldwide.

Some Caribbean countries export recorded music and musical instruments. This is an even less well-developed aspect of the industry. Exports of recorded music from Jamaica totalled approximately US$291,000 in 1994. Between 1988 and 1994 the cumulative earnings from exported music was US$906,000. Printed music contributed a further US$53,000 to export earnings over the same period. Data from the Recording Industry Association of America (RIAA) indicate that reggae sales in the United States were US$270 million in 1992/93. In the same period reggae sales in the UK are reported to account for an estimated 14% of sales in that market. It is unlikely that all sales in the US and UK markets can be treated as exports from Jamaica not only because reggae is now composed and recorded by musicians in several other parts of the world but, even more importantly, because Jamaican artistes do much of their recording and production in North America and Europe. Exports of recorded music from Trinidad and Tobago are miniscule in comparison to Jamaica. Cumulative exports of recorded music for 1989 to 1994 were only US$91,000. No data are currently available on the retail sales of calypsos and soca in overseas markets but it is likely that these sales would be a multiple of the value of direct exports since, as in the case of reggae, much of production and distribution takes place overseas. Exports of steelband musical instruments for the same period totalled US$542,000.

The main markets for Jamaican exports of recorded music are the USA, UK and CARICOM countries, notably Barbados, Trinidad and Tobago, and Guyana. The largest is the US to which cumulative exports between 1988 and 1994 were US$372,000 in recorded and printed music. Next
in order of importance is the UK with US$247,000. CARICOM countries accounted for US$282,000 of recorded music, US$103,000 going to Barbados and US$123,000 to Trinidad and Tobago. Steelband musical instruments exported from Trinidad and Tobago are consigned mainly to the United States which accounted for US$280,000, approximately 52% of the exports to 35 countries altogether.

**Global Market Potential**

Export of music services from the Caribbean at the present time is not close to realising its full potential. The global market is immense, growing and becoming more diversified geographically. Reference was made earlier to the estimated US$28 billion in world sales of recorded music in 1994. Recorded sales in 1990 were US$24 billion. Thus, sales had expanded by approximately 17% in the four-year period. It is doubtful that these estimates include sales of pirated recordings which in the case of Latin America alone imposed losses totalling US$320 million on the US recording industry in 1991.

The United States is one of the largest markets. In 1990 over 700 million albums were sold - slightly more than 3 per person. The RIAA reports that in 1993 the sales of music albums and singles were US$10 billion. Annual sales grew by 11% in 1993 and by an estimated 12% in 1994. The European markets for recorded music are also quite large. An estimated 130 million albums (2.6 per person) were sold in Britain in 1990. The value of sales in 1994 is estimated to be US$2.2 billion. The French market is reported to have total sales of US$1.9 billion in 1993. Album sales in West Germany in 1990 were approximately 180 million units or 1.4 albums per person. Sales of music albums in Japan were in the order of 180 million units (2.4 per person). In 10 Asian countries other than Japan the sales of recorded music were US$1.9 billion in 1993 (40% greater than in 1992). It is anticipated that sales would grow at a rate of 20% - 25% between 1994 and 1995 and would exceed 5 billion by 1998. There is export market potential in other regions of the world such as Latin America and Africa. For instance, in Mexico wholesale record sales doubled between 1990 and 1994 to US$294 million. Mexico City was the venue in 1993 for three of the world's top ten concerts in terms of gross revenues. Music festivals featuring African and international performers of pop music and reggae have attracted large audiences in several African cities.

The internationalisation of music demand has considerably affected exports of music services from the Caribbean. Reggae Sunsplash was first staged in Japan in 1982 with an audience of 5,000 persons. Now organised as a separate Japanese enterprise called Japan Splash or "Trench Town East" it boasts an audience of about 100,000 persons at 11 concerts across major cities in Japan. Since 1990 there have been other versions of Reggae Sunsplash in the UK, Miami, and Brazil. Trinidad Carnival having been exported to Brooklyn, New York and London is now featured in other cities such as Boston and Miami, and has become an annual festival in Toronto.

The success of internationally famous reggae superstars like Bob Marley, Jimmy Cliff and Peter Tosh have generated such a large demand in the US, in Europe, and more recently in Asia and Africa, that it has spawned a succession of reggae performers doing concerts and selling their recorded music throughout the world. Several of them have topped the British and American pop charts. There is now a reggae section in the American Grammy Awards for Music. Calypso has been less successful internationally, but nonetheless has a growing market in Asia, in Africa, in North America and in Europe. Performers of calypso music now have overseas tours as the major part of their year-round income-earning activities. Further recognition has come in the form of the Sunshine Music Awards.

International demand has been sustained by new variants of the music and the incorporation of new elements of spectacle. Thus, for instance, Dancehall and Binghi music have made inroads into the North American market finding their way into the upper regions of the music charts on several occasions.

The international demand for West Indian music is likely to be further boosted by its increasing use in advertisements, in television sitcoms, and in movies in North America and Europe. Many movies dealing with present day life in metropolitan cities use reggae in their sound tracks. Recent highly successful examples are Shaggy's "The Train Is Coming" in the movie The Money Train, and Diana King's "Shy Guy" in the movie Bad Boys. Demand is also influenced by music video channels programmed by both network and cable television companies. Music videos have become
a significant part of total television viewing time and has particular appeal to youths. Cable TV is dynamic and has increasing geographical spread. In 1994 there were fourteen (14) US cable networks in Mexico compared to none six years previously. In Taiwan an estimated fifty channels caters to nearly 2 million subscribers. Thus music videos can be made available to consumers across the globe. The introduction of Black Entertainment Television (BET) in the US also expands the prospect for Caribbean music. BET has more than 31 million subscribers or 53% of American households with cable. This cable television company although essentially concerned with the projection of Black American music caters to the demands of other ethnic groups.

A striking characteristic of the music video segment of the television industry is the similarity of the programming on music video channels in culturally different regions such as Asia, Latin America, North America, Africa and Europe. There is some homogeneity in programming in the sense that the same kinds of music, are performed and the same kinds of dances are choreographed. It is also noticeable that the choice of musical material is quite catholic so that almost any kind of popular music may find a place at some point in time.

Export prospects for Caribbean music have been influenced by the presence of West Indians in many metropolitan cities. Their preference for their own music creates a demand for recorded music and live performances in those countries. The size of the ethnic market however is limited and is subject to negative change as first generation migrants become less numerically significant in the overall migrant group, and as their community becomes more culturally assimilated into the wider society. At the same time, because of international travel and the internationalisation of the music industry, the market by non-West Indians could grow. This latter market, by virtue of the number of people involved and because of differences in income levels, has the potential to dwarf the ethnic market in terms of earnings from both recorded music and live performances. Success in gaining market acceptance by a non-West Indian community would depend partly on the extent to which the music is cross-cultural and universalistic in its lyrical content and in its melodic patterns. Music fusion is not just a creative development. It is a response to challenges of the market place. Outstanding examples of international market success are rap music which is the product of Jamaican and New York ghetto music, jazz-rock fusion, and reggae-jazz, all of which have become globally accepted.

The profiles of the size and growth of the global market and its constituent parts do not suggest that Caribbean musical products could comprise a major component. It is reasonable to conclude however that the market is so large and robust that there is ample room for the products of the small Caribbean region.

**Cultural Authenticity and Competitive Advantage**

All popular music is competitive in the broadest sense of substitutability. Nonetheless, there is market segmentation based on categories of music reflecting the fact that substitutes are not always close. Market niches may be created.

The international market appeal of West Indian music has led to its performance by singers and musicians of non-West Indian residence or origin. Several of these persons have built successful careers entirely on this music, for example, Andy Narrell with the steelpan in the US, the Swedish reggae band, and Lucky Dube the reggae star out of South Africa. Others, already successful, have used the music to launch a new phase, sometimes a revival in their careers, e.g., Eric Clapton with I Shot the Sheriff, Johnny Nash with Guava Jelly. These forays into musical West Indian music have served a good purpose - helping to win market acceptability and to introduce the music to audiences which might not otherwise know of it or pay attention to it.

Despite universal themes such as love and sex in popular music, the market performance of music is very strongly affected by its cultural origins. One can speak of cultural authenticity in music in the sense that leading performers and composers of certain genres are required by consumers to originate from particular cultural environments. Thus for instance, jazz is jazz played by Europeans or Africans no less than jazz played by Americans, especially Black Americans, but the "real" jazz, is that played by the Black American jazz band. By this one means that the market perceives distinctions (imaginary or otherwise) between products supplied by performers depending on the performers' cultural backgrounds.

This perception of cultural authenticity on the part of consumers confers an inherent and inalienable market advantage to the musical
products of the country or region in question. In effect it gives it a quality niche in the marketplace. There are substitutes of varying degrees of competitiveness but the substitutability is never total.

Whether market advantage based on cultural authenticity is sufficient to generate strong export performance depends on several other factors. It depends on other facets of product quality such as packaging, reliability, ease of consumer access and delivery mode. The attendance and punctuality of artistes in relation to live performances, the reproduction quality of recorded music, the quality of the instrumentation in both recorded and live music, and transportation costs and convenience for consumers are important considerations.

Another influence is the ability of the music to "cross-over" cultural barriers, that is, to change or modify its melodic structure, its lyrical content and even its beat to become intelligible, appealing and acceptable to persons coming from quite different musical and cultural contexts. It is not accidental that so-called "cross-over" artistes tend to have larger international markets for their music than purists. Very recent examples of outstanding success with cross-over reggae music are Shaggy's "Boombastic" which displaced Michael Jackson at the top of the British pop charts, and "Hot Stepper" which topped the Billboard and the charts of 15 European countries. If there is validity to the argument that international success requires cultural adaptation of music then this implies that large-scale future growth of exports of music services from the Caribbean would depend partly on the willingness and ability of our leading artistes to "cross-over". The calypsonian Arrow has responded to critics of his success with "discoified soca" by stating that his "principal goal is to take soca international, to broaden its appeal so that Caribbean music is enjoyed everywhere."15 "Crossing over" perhaps should not evoke strong controversy given the cross fertilization of reggae and soca as well as the popularization of soca and reggae in their national markets by Jamaican and Trinidad and Tobago performers respectively.

**SUPPLY SIDE MARKET CONDITIONS**

The music industry is characterised by having an enormous array of production units comprised of many, differentiated performing artistes, and a relatively small number of entities (firms and individuals) providing vital services such as management, promotion and marketing, stage management, electronics, recording, and finance. There is also variation with respect to modus operandi. Some entities are disorganised, operating on mainly informal communication and understandings, with little forward planning, and on a discontinuous basis. Others are highly organised, operating tightly structured, formal and legally binding systems, with close attention to forward planning, and year-round activity.

There are several supply side issues which are germane to the goal of expanding earnings from exports of music services. For clarity it might be advisable to treat these in relation to the kind of product or its production organisation. Following Bhagwati (1987), one can conceptualise services as being supplied by a geographically immobile provider or by a geographically mobile provider.

In the case of geographically immobile providers, the service is produced in a fixed location (say, the home country) and the consumer visits that location in order to purchase. This is the character of Reggae Sunsplash in Jamaica, Carnival in Trinidad, Cropover in Barbados, Jazz in St. Lucia. There are evident difficulties such as the limited size of the host country infrastructure, transportation, and associated travel costs which would restrict foreign demand. These limitations can be overcome by use of advanced electronic technology. Video technology makes it possible to essentially transport a live performance from one location to other distant locations at moderate cost to consumers in those locations. Economies of scale derived from the much greater size of the global audience makes the use of the technology affordable. However, several organisational and operational changes are required. To begin, it is necessary to upgrade technological skills and to acquire advanced equipment. It is reported that equipment and personnel have had to be imported for several large-scale shows transmitted from Jamaica. Such occurrences are indicative of capital constraints and of scarcity of trained and experienced personnel. Present day technological inadequacies would be accentuated by continuing technological advances and by the trends in the industry for electronic distribution of live performances. Secondly, it would also be necessary to improve international electronic communications facilities. Signal interruptions and electric power failures during internationally transmitted programs are a fairly common...
occurrence in the Caribbean. Third, international transmission of live performances on a profitable basis requires careful advance planning and negotiation with foreign cable TV and network companies, and places a premium on contract observance by scheduled performers.

Even where customers are fully mobile there are important organisational deficiencies to be remedied at the domestic level. It is evident that for several of the major music events there are inadequate arrangements or no arrangements whatsoever for presale of tickets. Moreover, promoters and ticket sale agents do not seem to be integrated into foreign or electronic ticketing systems which have become the norm in the countries from which the intended overseas consumer will come. Customer seating is often very disorganised with overbooking, non-availability of reserved seating, and failure to honour reserved seating commitments being common problems which militate against stable and growing consumer demand. Unpunctuality and "no-show" by performers is not altogether uncommon.

In the case of geographically mobile providers, the issues to be addressed are mainly rights to establish, absence of entry restrictions and absence of restrictions on exit travel. Interview data suggest that Caribbean musical performers do not experience significant difficulty in obtaining temporary immigration visas or work permits in foreign countries. Furthermore, there were no reports of problems with repatriation of earnings. It was not possible to ascertain whether there are any handicaps posed by immigration and foreign payment systems in performers' home countries.

The issues in relation to the export of music goods are somewhat different. A cardinal issue is that of production quality. In order for locally produced recorded music to be acceptable to a sophisticated and demanding international market it must meet market standards with respect to the type of material used in fabrication, the quality of reproductive sound and the quality of packaging.

There are quite a few recording studios in the Caribbean. Jamaica has at least 25 studios, of which 12 may be classified as major. Trinidad and Tobago has at least 9 studios of which 4 may be classified as major. Barbados has at least 5 of which 2 are major (A tentative listing is provided in Table 1). Many of these are small and not up to the standard required. In particular, most of them do not have computerised facilities or 48 track equipment. Sixteen and eight tracks are not uncommon in small semi-commercial studios. Nonetheless, there are a few studios which are reputed to be highly comparable to those anywhere else in the world. The Caribbean Sound Basin (CSB) in Trinidad, the Blue Wave Studio in Barbados, and Penthouse, Groove, Mixing Lab and Tuff Gong in Jamaica are the industry leaders. Blue Wave Studio has been used by major performers such as the Rolling Stones, Sting, Marcia Barrett, Musical Youth, and by an increasing number of Trinidad calypsonians. Artists recording at Caribbean Sound Basin include Tony! Ton! Tone! and Kassav. Tuff Gong in Jamaica has recorded Roberta Flack, Billy Ocean. Music for export will have to be recorded in high quality studios if it is to stand a real chance of market success.

Marketing and distribution are important facets of the recorded music industry. Local producers do not have ready, economical access to wholesale and retail outlets overseas. Furthermore, wholesale and retail markets are highly structured with large distributors controlling extensive chains of retail shops in many countries. In the USA, record stores controlled 59% of sales in 1993, falling from 72% in 1989. Other stores, which included discount stores, increased their share from 16% in 1989 to 24% in 1993. Other salient market developments include electronic product listing services which facilitate producers and consumers in trading directly with each other, bypassing distributors and retailers. In order to successfully market and distribute their products internationally, Caribbean producers must conclude marketing agreements with entities in major foreign countries. Awareness of this imperative underlies the deal struck between Blue Wave Studios and Real Authentic Sounds (RAS) in the US. Caribbean Sound Basin has distribution arrangements with Ra Ra Records, an American company. Similar arrangements have been made by other record producers in the Caribbean. However, not enough is known about the distribution arrangements and networks and the retail sales of Caribbean music products.

Product innovation is also important. There has been significant change in the composition of recorded music by technical type. The production and sale of vinyl LPs have been in long-run decline since 1978. Audio cassettes which contributed to the earlier displacement of vinyl records began to suffer a similar fate from the mid-1980s. CD ROMS and digital recordings have recently begun to find a place in the market. These trends imply that
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<td>8. Multi Media Ltd</td>
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unless producers alter their product mix and, in particular, unless they engage in production of the new range of technical products and phase out the old types they might well find themselves in a situation of market obsolescence. For Caribbean producers the investment cost of changing to the technologically newer products might be prohibitive. If this turns out to be the case, then the way ahead for them will entail production partnerships with foreign firms either to source the technology for use in the Caribbean or to have the music material, e.g., the master tape, mechanically produced overseas. The choice between these alternatives will affect the proportion of value-added that accrues to the Caribbean. Already, some Caribbean producers are choosing the latter option. A cursory examination of calypso and steelband CDs produced by firms in Trinidad and Barbados shows them all to have been manufactured in North America or the UK.

There are few promotional agencies and producers in the Caribbean. Some of them also perform managerial functions for artistes. It is not usual to find promoters and producers specialising in shows. It is also common for new performers without established industry status to be compelled to produce their own material, bearing most or all of the financial risks associated with the ventures.

The financial returns to performers and composers is an extremely important matter not only for the export of music services but even for the domestic industry. There are numerous reports of contract difficulties with respect to fees for live performances. There is also a long history of allegations about unfair practices and contract violation with respect to royalties for mechanical and publishing rights. Some governments have recently attempted to provide some measure of legal protection to the domestic industry by instituting copyright laws. Jamaica introduced legislation in 1993, Trinidad and Tobago did so in 1985. In all countries, copyright and intellectual property matters were covered under one or all the following: WIPO Convention, Berne Convention, Universal Copyright Convention, Phonograms Convention, the UK Copyright Act 1911 or 1956. The Performing Rights Society has operated in all countries as the protection body, supplemented but not superseded by later local entities such as the Copyright Organisation of Trinidad and Tobago. The effectiveness of laws governing intellectual property in Caribbean countries has to be carefully appraised, but there are repeated reports about their ineffectiveness - reports given some credence by signs of piracy on the streets of several cities. Attention also has to be paid to the systems and arrangements for collecting royalties on music products sold internationally. There are established organisations in the major export markets which provide royalty collection services. However, it is not clear whether, for Caribbean performers their services are limited to labels produced in those countries or whether they extend to foreign labels. Moreover, information systems in the Caribbean copyright organisations are not integrated with those in the major international markets to enable accurate and quick determination of payments due to composers, producers, and performers of broadcast music.

STRATEGIES FOR IMPROVEMENT

This paper has analysed the export performance and potential of Caribbean musical products. There are a few main conclusions to be drawn. First, the industry already generates considerable earnings for its participants. In the case of festival tourism, much of these earnings accrue to the economies. In the case of exports of recorded music and live performances, it is not clear to what extent earnings are repatriated into the home countries. Second, global trends suggest that there is an enormous potential for export expansion. Success would depend on finance, product quality and innovation, distribution and marketing, and production organisation. Third, there is considerable room for improvement in all of these success factors.

There is need for a well-considered set of policies and measures to provide the requisite impetus to the development of the industry. These would include:

i. The introduction of training programs in all facets of the industry, but especially in business management, technology, contracting, intellectual property protection, and finance. Industry participants interviewed by our research team identified each of these areas as critical deficiencies

ii. The establishment and nurturing of institutions for administration of production support services, export support services, and intellectual property protection services
iii. Creation of a facilitatory legal and economic framework with respect to cross-border movements of goods, services and capital, and intermediation with foreign countries on behalf of performers and enterprises as required

iv. Technology acquisition in the production industry for live and recorded music

v. Physical infrastructure development, especially communications and electricity

vi. Establishment of distribution and marketing relationships in the major international consumer centres.

With these policies and measures in place, a great deal of the presently unexploited potential for export earnings should become a reality. It is also more likely that value-added to the Caribbean region would be greater. Performers, producers, and a greater many others would share the economic gains.
ENDNOTES

1. The preparation of this paper was greatly facilitated by research assistance from Carol Ayoung, Dawn-Marie DeFour, and Cheryl Stoeley, and by interviews kindly granted by the many persons listed in Appendix 1. Originally presented at the Conference on Prospects for Service Exports in the Caribbean, Montego Bay, 13-14 May 1995, it has been revised to take account of the discussion at that Conference and information which became available later.


4. Visitor expenditures estimated by the authors. Official estimated expenditure per person per day in 1992 was US$85. Average length of stay was 11.4 days. Number of visitors was 88,327.

5. Estimated by Caribbean Tourism Organisation.

6. The Chairman of the National Carnival Commission is reported in the Trinidad Express (3 May 1995) to claim that TT$300 - 400 million (US$50 - 66.7 million) expenditures are generated in the two months relating to Carnival.

7. This estimate is derived from Chart 6 (page 15) in The Economist "The Music Business" survey article, 21 December 1991. The same source is used for estimates of 1990 market size in other countries.

8. Recording Industry Association of America, Quarterly Newsletter.


12. The Economist, 22 January 1994; and interviews with industry personnel in Kingston.


17. Simon Lee's article (see Note 15) provides a very informative account of the Caribbean recording industry.

APPENDIX 1

INTERVIEW LIST

JAMAICA

2. Lloyd Stanbury, Entertainment Attorney: Reggae Marketing Services Limited.
3. Sonny Bradshaw, Sonny Bradshaw and The Big Band.
4. Tommy Cowan, Entertainer/Entertainment Manager, Talent Incorporated Co. Ltd.
5. "JapanSplash" organisers, Toshiyuki Gomi and Mizuho "Hi-bridge" Takahashi.
7. Ronnie Burke, Synergy - Promoters of Annual "Reggae Sunsplash".
8. Mr. Francis, Studio Manager, The Mixing Lab Recording Studio.
10. Mr. Depasse, Studio Manager, Penthouse Recording studio.
11. Mr. Dessie Roots, Jamaica Federation of Musicians.
14. Pauline Hill, manages and books for group "Culture".
16. June Degia, Director, Training and Human Resource Development, Creative Production & Training Centre (CPTC).
17. Errol Chambers, Manager, Administration, Mediamix Ja Ltd.
18. Professor Rex Nettleford, Artistic Director, National Dance Theatre Co. (NDTC).
20. Peter Fraser, Operations Manager, Jamaica Grande Resort, Ocho Rios.
21. Owen Ellis, Artistic Director, Groundwork Theatre Company.
22. Danielle Lee, Mas Camp Co-ordinator, Jamaica Carnival Ltd.
23. Delano Franklyn.

TRINIDAD

1. John Afoon, Vice-President, Caribbean Sound Basin (recording/production studio) and Kisskidee Promotions.
2. Nestor Lambert, Manager, Gold Sound Ltd.
3. Christine Johnson, Executive Producer, Bagasse Company/Manager, Queen's Hall Theatre.
4. Raymond Choo Kong, Executive Producer, Space Theatre.
5. Anthony Estrada, Manager, Sound Revolution.
7. Steve Grant, Band Chairman, Amoco Renegades.