

LIST OF ARTICLES

- | | |
|---|--|
| Irregular Marriage in Muslim Law | <i>Sehar Niazi</i> |
| The Law of Contempt: Resistance Within or Beyond Constitutional Framework? | <i>Rohit Anand and Vinati Gupta</i> |
| Stimulating Your Senses: The Changing Face of Trademarks | <i>Madan Mohan and Tejas Patel</i> |
| Vindication of Human Rights in International Criminal Law: Incondite Traffic of an Inchoate System | <i>Rashmi Raman</i> |
| Intellectual Property and the Fashion Industry: A Critical Study | <i>Anirban Bhattacharya</i> |
| The Working of the Montréal Protocol and the Environment's Response: An Assessment | <i>Abhishek Dubey and Loree Sonchhatra</i> |
| A Study of Misrepresentation | <i>Shivam Singh</i> |
| International Trade and Environmental Protection: An Analysis of the General Exceptions in GATT, 1994 | <i>Priyanka Marwaha</i> |
| The International Intellectual Property Regime and Progress in Human Development | <i>Dhruv Balai Paul</i> |
| Will The Patents (Amendment) Act, 2005 Bring About Research and Development? | <i>Nisha Venkataraman</i> |
| Intangible Cultural Heritage of India: Law, Perspective and Challenges | <i>Anand Shankar Jha</i> |

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The *Delhi Student Law Review*, first published in the year 2004, is the first of its kind in the history of Indian legal journals. The journal, published annually, is exclusively edited and managed by the students of the Faculty of Law, University of Delhi and provides an opportunity to law students to articulate their opinions and concerns on societal and legal issues by adopting a multidisciplinary approach and enables them to engage their minds in evolving legislative and judicial trends.

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TABLE OF CONTENTS

Irregular Marriage in Muslim Law	<i>Sehar Niazi</i>	1
The Law of Contempt: Resistance Within or Beyond Constitutional Framework?	<i>Rohit Anand and Vinati Gupta</i>	19
Stimulating Your Senses: The Changing Face of Trademarks	<i>Madan Mohan and Tejas Patel</i>	31
Vindication of Human Rights in International Criminal Law: Incondite Traffic of an Inchoate System	<i>Rashmi Raman</i>	56
Intellectual Property and the Fashion Industry: A Critical Study	<i>Anirban Bhattacharya</i>	68
The Working of the Montréal Protocol and the Environment's Response: An Assessment	<i>Abhishek Dubey and Loree Sonchhatra</i>	86
A Study of Misrepresentation	<i>Shivam Singh</i>	97
International Trade and Environmental Protection: An Analysis of the General Exceptions in GATT, 1994	<i>Priyanka Marwaha</i>	112
The International Intellectual Property Regime and Progress in Human Development	<i>Dhruv Balai Paul</i>	125
Will The Patents (Amendment) Act, 2005 Bring About Research and Development?	<i>Nisha Venkataraman</i>	139
Intangible Cultural Heritage of India: Law, Perspective and Challenges	<i>Anand Shankar Jha</i>	155

Editorial

Law evolves with the evolution of legal scholarship. And the law review is a cornerstone of the symbiotic relationship that the two share. It is not surprising then that law schools have had such journals for over a century now. Today, almost every law school in the world has its flagship journal.

Now an increasing number of law schools in India are beginning to publish law journals exclusively edited by law students. This is done to promote legal scholarship among students having contributions solely by them. The University of Delhi started publishing a journal exclusively run by students since the academic year 2004-05 titled the *Delhi Law Review: Students' Edition*. This year forth it has been renamed as the *Delhi Student Law Review (DSLRL)*. The change in name is not merely an issue of semantics, but also a reflection of the gradual evolution of the journal and the increment in its readership as well as the contributions received. The *DSLRL* in a span of three years has built a reputation for itself, inviting praise from judges, lawyers, faculty as well as students.

A law review serves as a forum for students to canalise their creative thoughts. It gives them an opportunity to think and cogitate on a spectrum of legal issues as also to engage in interdisciplinary research. The present volume of the *DSLRL* consists of well researched articles on a range of topics - international law, intellectual property rights, contract law, constitutional law and family law.

By the apparent solemnity of these topics and their presence in a student law review, I am reminded of Dr. Ronen Perry's essay in the inaugural edition of *CONNtemplations (De Jure [sic] Park, May, 2007)*, the interactive online companion of the *Connecticut Law Review*. In the context of American law reviews, Perry notes: "The traditional student-edited general interest paper-based law review... is unfit for life in the modern academic world. Yet it still exists, much like the dinosaurs in Michael Crichton's *Jurassic Park*. In my view, it must evolve or be extinct." While a discussion of the various grounds on which Perry criticises the traditional law reviews is beyond the scope of this editorial, two points are worth noting. Perry asserts that students are not experienced enough to judge every article on its substantive merit and often evaluation of articles is done more on the basis of simplistic criteria like the prestige of the school to which the author belongs.

The *DSLRL*, since its inception has been a peer reviewed journal and the student editorial members work closely in cooperation with the teaching staff. After initial screening, manuscripts are reviewed by subject experts within the law school and outside it. Having been on the editorial

board of the *DSL*R for the past two years I can definitely say that the substantive merit of an article is the sole criterion for the selection of an article for publication. There is no preference as such for articles on "popular topics" and those even on "esoteric" subjects are considered without any pre-conceived bias. A preponderance of articles on international law in this volume of the *DSL*R is perhaps a reflection of the desire of students to explore subjects and issues that they are not able to find in the standard books that they generally read while studying law.

Accessibility to journals published by law schools in India is a major problem in the absence of a database that might equal *Lexis Nexis* or *Westlaw*. I hope that in the future even in India we will have such online services, which will not only help the students in research but also greatly ease the accessibility problem.

The publication of this journal is the outcome of incessant efforts by a number of people. On behalf of the editorial board, I want to thank Prof. Nomita Aggarwal, Prof. S.N. Singh and Prof. Ved Kumari, whose encouragement and unwavering support have made the publication of this edition of the *DSL*R possible. I would like to express our gratefulness to Arindam Mukherjee, the editor in the earlier stages of this issue for his initiative attracting articles from students of various Universities; Khiyanur Vallikad and Abhijeet Singh for their assistance in editing at the crucial last stage before publication, and members of the faculty who stood by us with aid and advice - Dr. Kiran Gupta, Dr. Raman Mittal, Dr. Poonam Dass, Mr. L. Pushpakumar, and Ms. Meena Panickar.

Madan Mohan
Editor
Delhi Student Law Review
(2006-2007)

IRREGULAR MARRIAGE IN MUSLIM LAW

Sehar Niazi*

I. INTRODUCTION

This article explores a category of marriage that is unique to Muslim family law. Though most of us will have come across the concept of a valid, void and a voidable marriage as prominently featured in English and Hindu family law, very few of us would be familiar with the phenomenon of an "irregular marriage", which is one of the three categories of marriages recognised in Muslim family law. However, before embarking on an examination of the merits and de-merits of this type of marriage and the rationale behind it, a reference to the difference between the *Shia* and the *Sunni* schools of Islamic law in this respect is indispensable.

In accordance with *Sunni* law and the *Hanafi* school of Islamic jurisprudence, "most modern jurists in India and Pakistan adopt a threefold classification between the valid union (*sahih*), the void union (*batil*) and a middle classification, irregular union (*fasid*)."¹ However, this type of classification is not necessarily acceptable to non-*Hanafi* Muslims and even some *Hanafi* jurists.² The conditions which render a marriage "irregular" under *Sunni* law render a marriage *batil* or void under *Shia* law in certain circumstances. Other formalities like the presence of witnesses at the time of the *nikah* or marriage are not deemed as necessary in *Shia* law and a failure to observe such requirements goes unnoticed in *Shia* law, whereas *Sunni* law treats such marriages as irregular.

It must be understood that while the prohibitions of marriage or non-compliance with formalities, which may result in a *fasid* or an irregular marriage under *Sunni* law and a *batil* or a void marriage under *Shia* law, in the same circumstances, are based on religion, that is not entirely so. There are certain grey areas in this, principally — the doctrine of *Kafa'a*. The following account will elaborate upon the concept of irregular marriage including on its origin, its manifestations in various instances and its ramifications with regard to the status of married persons and children born out of an irregular marriage.

Moreover, while both the *Shia* and the *Sunni* schools accept the *Qur'an* and the *Sunnah* of the Prophet (p.b.u.h.) as the primary sources of

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¹David Pearl and Werner Menski, *MUSLIM FAMILY LAW* 143 (1998).

²*Ibid.*

Islamic law, the endorsement and the application of marriage laws derived from these sources has various practical implications in Islamic jurisdictions the world over. Not only Islamic states, but also other jurisdictions, where Muslims are resident are affected by such laws which might conflict with the local laws of that region. Islamic law in certain countries, like in India, applies to Indian Muslims as their personal law. It thus has a different impact as compared to other states where a substantive part of the law is Islamic. In states like the United States of America, when judges have to adjudicate upon cases involving Muslims, expert evidence³ regarding the laws of minorities is used so that judges can better understand the customs and laws of the ethnic minorities who live in the US and where necessary apply the stated law. I will also examine how irregular marriages operate in a number of states, how far its implementation has been actually witnessed and thence the efficacy of this concept, so that the reader can have a full picture of how Islamic law on irregular marriage impacts upon the private and family life of Muslims.

II. MUSLIM MARRIAGE – SACRAMENT OR CIVIL CONTRACT?

"Marriage is recognized in Islam as the basis of society"⁴ and as an instrument "to regularize relations between the sexes."⁵ Ameer Ali cites an ancient text defining its objects as follows: "Marriage is an institution ordained for the protection of society, and in order that human beings may guard themselves from foulness and unchastity."⁶ "The objects, therefore, are the promotion of a normal family life and the legalisation of children."⁷

The Muslim marriage ceremony is referred to as the *nikah*. Some schools of thought view a Muslim marriage as a civil contract since it comprises an offer (*ijab*), an acceptance (*qabul*) and may involve the insertion of other provisions of a pre-nuptial or a post-nuptial nature, even providing for circumstances culminating in a breach of contract. Mehmood, J. in the landmark case of *Abdul Kadir v. Salima*⁸ observed: 'marriage among Muhammadans is not a sacrament, but purely a civil contract; and though solemnized generally with recitation of certain verses from the Quran, yet the Muhammadan law does not positively

³ See, Professor Noel Coulson, THE APPLICATION OF ISLAMIC LAW IN THE ENGLISH COURTS BY HIS HONOUR JUDGE DAVID PEARL.

⁴ Asaf A.A. Fyzee, OUTLINES OF MUHAMMADAN LAW 89 (4th ed 1974).

⁵ *Supra* n. 1 at 139 (1998).

⁶ Ameer Ali, MAHOMMEDAN LAW (7th ed 1997).

⁷ *Ibid.*

⁸ (1886) 8 All 149 at 154-5.

prescribe any service peculiar to the occasion.' Fyzee also recognizes the nature of this agreement as a contract.⁹

Conversely, other authorities show that the *nikah* has religious elements as well which are worthy of mention here. A Muslim marriage is not like any other ordinary contract because the Almighty is witness to such a marriage and "as a contract before God it has a character of sanctity".¹⁰ At the same time, it is highly pertinent to note that Middle Eastern writers like Nasir distinguish a Muslim marriage from the sacramental concept of Christian marriage.¹¹ Another notable difference is that marriage in Muslim law is not an eternal bond as it is considered to be among Hindus. Rather it is confined to the earthly existence of human beings and is deemed to come to an end when one of the spouses dies, and can even be severed by divorce.

Therefore, the Muslim marriage is a unique concept that has little in common with the concept of marriage in other traditions. Though it might have some features in common with an ordinary civil contract, it has an important religious dimension to it and has long-term religious implications.

III. WHAT IS AN IRREGULAR MARRIAGE?

While a valid (*sahih*) marriage is free from all illegalities and irregularities, there are certain impediments to a marriage, which can render a marriage irregular (*fasid*) or void (*batil*). These impediments can be of a permanent or a temporary nature. Permanent irregularities result in a void or *batil* marriage, meaning that the marriage is deemed to have never taken place. On the other hand, temporary impediments lead to an irregular marriage, which is popularly known as a *fasid*¹² marriage. The essential characteristic of an irregular marriage is that it is capable of being remedied, so that a minor non-compliance does not void the marriage.

When discussing instances of irregular marriage, it needs to be pointed out that "the two disciples,"¹³ as well as the Shia and Sunni schools, recognise no real distinction between *batil* and *fasid* unions. Rather, they recognize the doctrine of 'semblance' (*shubha*) of the

⁹ *Supra* n. 4 at 90.

¹⁰ *Supra* n. 1 at 140.

¹¹ Nasir Jamal, THE ISLAMIC LAW OF PERSONAL STATUS 41 (2nd ed 1990).

¹² The term *fasid* is translated in Baillie's Digest as "invalid," but as the word "invalid" in the English language also means "void," "irregular" has been substituted for "invalid" in conformity with the usage of modern writers on the subject. See, Mulla, PRINCIPLES OF MAHOMEDAN LAW 284 (18th ed 1990).

¹³ Abu Yusuf and Shaybani.

marriage which confirms that although a systematic distinction between *batil* and *fasid* appears from some of the texts, nonetheless this distinction is blurred at the edges."¹⁴ *Shia* law does not even recognize "irregular marriage", so the same circumstances under *Shia* law lead to a different consequence - the pronouncement of marriage as *batil* or void.

What is the status of a marriage once violation of a temporary prohibition has been identified? A *fasid* marriage is good in itself, but is rendered irregular in particular circumstances. The reasons which make a marriage irregular are either internal to the contract such as the absence of witnesses, or unlawful conjunction owing to difference of religion or marriage during *iddat*; or are external to the contract, such as flouting of restrictions on the number of wives a man can have, and the doctrine of *Kafa'a* which deals with extraneous matters like how difference in social status between spouses can adversely affect the marriage. The legal status of an irregular union for the purposes of consummation of marriage and the procreation of children remains intact, meaning thereby that the children of the marriage will be legitimate, *mahr* (dower) is payable and no liability for *zina* (illicit sexual intercourse) will accrue.

Therefore, there is no legal compulsion on the parties to an irregular union to terminate their marriage, as there is no risk of the marriage expiring, whether the parties create this irregular state of affairs advertently or inadvertently. Thus, parties may choose to continue to live with each other without any liability whatsoever. Similarly, there is no need for divorce to take place if ever the parties opt to end this irregular marriage, and hence a spouse can walk out of the marriage in order to avoid it, releasing them from the obligation to undergo a formal procedure for *talaq*.

The only difference between a regular and an irregular marriage is that the parties to an irregular marriage are not entitled to the entire set of rights and obligations which arise from a valid union; where, for example, the wife due to the fault of her husband, leaves the matrimonial home to live with her parents, the husband is not obliged to pay for her maintenance in a *fasid* union, an obligation he would otherwise have been made to discharge had they been in a *sahih* marriage. In addition, upon the death of one of the parties, his/her partner would not be able to inherit the other spouse's property in an irregular marriage.

¹⁴ *Supra* n. 6 at 144.

If the parties so wish, they can avail the advantages of a valid marriage, they can cure this defect by separation and the contracting of a fresh *nikah* in the presence of the appropriate witnesses, after the expiry of the *Iddat* or waiting period, without the need of an intervening marriage. If they announce that they are undergoing a formal separation that will suffice for the stated purpose. Further, separation in an irregular marriage does not entail the wife having to leave her husband's house: an announcement of separation will suffice as long as the husband and wife live in separate rooms. The following situations are instances of an irregular marriage: -

A. Absence of Witnesses

One of the few essential formalities to be observed in a *nikah*, as unanimously agreed by *Sunni* jurists, is that two witnesses (two males, or one male and two females) must be present at the moment the marital tie is created. However, in *Shia* law there is no such requirement and marriage without witnesses is valid.¹⁵ The purpose is to ensure publicity of the marriage. "It has been held that this element of publicity makes the difference between lawful wedlock and fornication."¹⁶ The Prophet (p.b.u.h) is reported to have declared that "no marriage is good without evidence". The presence of witnesses is essential to the validity of a marriage.¹⁷ A marriage that is conducted without witnesses is irregular.¹⁸

A man and a woman who contract a marriage without witnesses might choose to separate thereafter, in order to bear the fruits of a *sahih* union. However, this point is debatable and some argue that in the irregular situation where there are no witnesses, separation of the parties is not required, just a fresh contract of marriage before witnesses. Conversely, some authorities hold that a marriage in the absence of witnesses can be rectified by consummation of the marriage.¹⁹

B. A New Marriage within the Iddat Period

The woman must observe the *iddat* before remarriage after her divorce or on the death of the husband. "When the marriage is dissolved by divorce, the duration of the *iddat*, if the woman is subject to

¹⁵ *Supra* n. 5 at 91. Fyzee emphasises that witnesses are not required in *Shia* law; they are merely desirable.

¹⁶ *Supra* n. 11 at 59.

¹⁷ *Erfand v. Badan Sheikh*, 51 IC 583 (Cal); *Sahabi Bibi v. Kamaruddin*, 15 (CWN 991: 11 IC 215.)

¹⁸ See, *Bashirunissa v. Buniyad Ali*, 50 I.C.677; *Munshi v. Mst. Alam Bibi*, A.I.R. 1932 Lah.280 at 281: 133 IC 126.

¹⁹ B. R. VERMA'S COMMENTARIES ON MOHAMMEDAN LAW 105 (6th ed. 1991).

menstruation, is three courses; if she is not so subject, it is three lunar months. If the woman is pregnant at the time, the period terminates upon delivery. When the marriage is dissolved by death, the duration of the *iddat* is four months and ten days. If the woman is pregnant at the time, the *iddat* lasts for four months and ten days or until delivery, whichever period is longer.²⁰

An interesting though not a popular opinion is that while a wife may not marry during her *iddat*, even her husband is subject to the same restraint, and even he cannot marry another woman until the waiting period is over.²¹ Where there was valid retirement, under Islamic law there is a presumption of consummation, and hence the wife is required to complete the waiting period before she contracts a new marriage; failure to do so would make a marriage irregular under *Sunni* law. Though a marriage prohibited on the ground of *iddat* is void under *Shia* law, *Shia* law dispenses with the requirement of *iddat* as a consequence of the mere retirement²² of the husband and wife where there has been no actual consummation of the marriage.

The *iddat* provides a period of time for the parties to 'ascertain the state of the womb' at the moment of divorce or death,²³ whether the wife whose marriage has ended is pregnant or not, and hence to avoid confusion regarding the paternity of the child. This device is effective in protecting the rights of the first and the second husband,²⁴ of the child born to such a woman and of the woman²⁵ herself.

In spite of this requirement it needs to be highlighted that *iddat* is not meant to act as an obstacle to marriage. *Surah Al-Bakarah* exhorts: "And when ye have divorced women and they reach their term, place not difficulties in the way of their marrying their husbands if it is agreed between them in kindness."²⁶

The sources for the rule of *iddat* are *Surah Talaq* ('Divorce') of the Holy Quran: "O Prophet! When ye divorce women, divorce them at

²⁰ *Supra* n.12 at 285-286.

²¹ *Ibid.*

²² When a husband and wife meet in circumstances where there is no legal, moral or physical impediment to marital intercourse they are said to be in valid retirement.

²³ *Supra* n. 1 at 147.

²⁴ THE HOLY QURAN, 2:233: "the duty of feeding and clothing nursing mothers in a seemly manner is upon the father of the child."

²⁵ *Ibid.* "a mother should not be made to suffer because of her child, nor should he to whom the child is born (be made to suffer) because of the child."

²⁶ *Id.* at 2:232.

their prescribed periods,²⁷ and count (accurately) their prescribed periods"²⁸; and "Such of your women as have passed the age of monthly courses, for them the prescribed period, if ye have any doubt, is three months, and for those who have no courses (it is the same): For those who carry (life within their wombs). Their period is until they deliver their burdens."²⁹

Surah Al-Bakarah ('The Cow') similarly lays down: "Women who are divorced shall wait, keeping themselves apart, three (monthly) courses. And it is not lawful for them that they should conceal that which Allah hath created in their wombs if they are believers in Allah and the Last Day." And "such of you as die and leave behind them wives, they (the wives) shall wait, keeping themselves apart, four months and ten days. And when they reach the term (prescribed for them) then there is no sin for you in aught that they may do with themselves in decency." Also, "there is no sin for you in that which ye proclaim or hide in your minds concerning your troth with women. Allah knoweth that ye will remember them. But plight not your troth with women except by uttering a recognized form of words. And do not consummate the marriage until (the term) prescribed is run."³⁰

In a 2004 case it was held that the marriage of a woman before *iddat* was irregular and not void, therefore it could not be regarded as un-Islamic or against the *Shariah*.³¹ Therefore, it is crucial that a woman should not remarry during the *iddat* period otherwise the marriage would become *fasid*, which may trigger a separation and in turn require the parties to contract a fresh ceremony of marriage after the expiry of the *iddat*.

C. A Marriage with a Fifth Wife

When a man contracts a fifth marriage in Islamic law that fifth marriage is termed as an irregular marriage. The union would be capable of simple regularization if one of the four wives were to die or be divorced.³² On dissolving one of the four marriages, the marriage with the fifth wife becomes regular and perfectly valid. Here also, the marriage will be deemed subsisting until the period of *iddat* is over.

²⁷ The general meaning of *iddat* is "prescribed period" (Text, Translation and Commentary of the Holy Quran by Abdullah Yusuf Ali).

²⁸ THE HOLY QURAN, 65:1.

²⁹ *Id.* at Verse 4.

³⁰ THE HOLY QURAN, 2: 228, 234 & 235.

³¹ *Shoukat-Ali v. The State*, 2004 YLR 619 Federal-Shariat-Court. Also see, *Allah Dad v. Mukhtar and Another*, 1992 SCMR 1273 ref.

³² PLD 1968 Lah 587 (DB).

Under the Shia law, marriage with the fifth wife in the presence of four is void.³³

In the light of this law, though it is lawful for a man in Islam to keep four wives, unlimited polygamy is not permissible in Islam; neither is polygamy encouraged or divinely ordained.³⁴ It is illuminating to note in this context:

"And who guard their modesty. Save from their wives or the (slaves) that their right hands possess, for then they are not blameworthy. But who so craveth beyond that, such are transgressors."³⁵

Rather than a man have one wife and several mistresses, Islam allows a man to marry up to a maximum of four wives as long as he can afford it, and is able to give equal treatment, financially and in all other respects to all his wives. It is highly pertinent to quote verse 5, *Surah Al-Maidah* ('The Table Spread') in this regard:

"This day are (all good things) made lawful for you. The food of those who have received the Scripture is lawful for you, and your food is lawful for them. And so are the virtuous women of those who received the Scripture before you (lawful for you) when ye give them their marriage portions and live with them in honour, not in fornication, not taking them as secret concubines. Who so denieth the faith, his work is vain and he will be among the losers in the Hereafter."

Thus, this rule has been designed to protect the status and financial position of women, and to avoid practices that would destroy the moral fabric of society. Several checks exist to prevent such an irregular marriage arising. *Surah Al-Nisa* ('Women') provides:

"And if ye fear that ye will not deal fairly by the orphans, marry of the women, who seem good to you, two or three or four, and if ye fear that ye cannot do justice (to so many) then one (only) or (the captives) that your right hands possess. Thus it is more likely that ye will not do injustice."³⁶

In *Principles of Digest of Muslim Law* by Shaukat Mehmood and Nadeem Shaukat Mehmood it is stated that: "It is unlawful for a man to

³³ Nishi Purohit, *THE PRINCIPLES OF MOHAMMEDAN LAW* 130 (2004).

³⁴ Meaning thereby that Allah has not ordered Muslim men that they must have two, or three or four wives, but only that if they so wish it would be acceptable in Islam as 'the lesser of two evils', when compared to *zina* (extra-marital relationship).

³⁵ THE HOLY QURAN, 23: 5, 6 & 7.

³⁶ THE HOLY QURAN, 4:3.

have more than four wives. If he marries a fifth wife when his marriage with the other four subsists, it would be an irregular or invalid marriage."³⁷ In *Shahulameeda v. Subaida Bebee*,³⁸ where a man married a fifth wife when he already had four, the marriage with the fifth wife was declared irregular.

D. Unlawful Conjunction

Prohibition on the ground of unlawful conjunction has been defined by Nishi Purohit as follows: "A Muhammedan male of the *Sunni* is prohibited to marry, at the same time two wives who are so related to each other by consanguinity, affinity or fosterage, and if one of them were a male, they could not have been lawfully married. A *Shia* male may marry his wife's aunt but he cannot marry his wife's niece without the consent of his wife. A marriage prohibited on the ground of unlawful conjunction is irregular, according to the *Sunni* Law, but under the *Shia* Law, such marriage is void."³⁹

However, it is a prohibition nevertheless, under both *Sunni* and *Shia* law, being a temporary one in the former case, and a permanent one in the latter. It might be argued that if two sisters or an aunt and a niece were in marital wedlock to the same man it would adversely affect their relationship towards each other, therefore such marriages have been disallowed in Islam. However, if the man divorces his wife or where the wife dies, then he might be in a position to contract a valid marriage with his (former) wife's sister. This rule has been derived from the Holy Quran:

"And (it is forbidden unto you) that ye should have two sisters together, except what hath already happened (of that nature) in the past. Lo! *Allah* is ever Forgiving, Merciful."⁴⁰

"This verse includes the prohibition based on consanguinity; some interpret the verse collectively as creating permanent prohibitions based on *nasab* (consanguinity) and *sabab* (other cause, namely affinity and conjunction)."⁴¹ In *AL-BOKHARI*,⁴² it is narrated by Jabir that the Messenger of *Allah* (S.A.W) forbade that a woman should be married to a man who has married her paternal or maternal aunt. Another source declares that: "It is not lawful to marry and cohabit with two women

³⁷ 139 PLR 1913 : 19 IC 837.

³⁸ (1970) MLJ Cr 562.

³⁹ *Supra* n. 34 at 118, 119.

⁴⁰ THE HOLY QURAN, 4:23.

⁴¹ *Supra* n. 1 at 148.

⁴² Volume III, Hadith 44.

being sisters, neither is it lawful for a man to cohabit with two sisters in virtue of a right of possession [as being his slaves], because the Almighty has declared that such cohabitation with sisters is unlawful. It is unlawful for a man to marry two women, of whom one is the aunt or niece of the other, the Prophet having declared a precept, as recorded in the *Zahir-Rawayet*, to this effect.⁴³

Based on the stated *Quranic* provision, early Indian decisions held such marriages as void.⁴⁴ Other cases enunciate that this is a temporary prohibition, and the appropriate solution would be that on separation of the parties to the second union and subsequent divorce of the first wife, he should be able to remarry his second partner.⁴⁵ It has been suggested that where a man marries two sisters without knowledge of which contract took place first, he ought to separate from both the sisters and each sister will be entitled to receive a half dower because the priority of marriage remains unascertainable.

E. Marrying a non-Muslim Partner

A Muslim man can only marry a *kitabiyah* woman, that is, a Christian or a Jew but not a Hindu woman. Consequently, such a union would fall into the realm of irregular marriages. The Indian jurist, Ameer Ali, emphasised the temporary nature of this irregularity in that the non-Muslim partner could easily convert and thus regularize the marriage. Fyzee's stance on this issue is that as Hindus can be taken to believe in one god, marriage with a Hindu is thus lawful. This was countered by Verma's views who believed that such a liberal position could not be accepted. In Shia law marriage between a Muslim male and a non-Muslim female is unlawful and void, and so is a marriage between a Muslim female and a non-Muslim male. However, a Shia male may contract a valid *muta* or temporary marriage with a *kitabiyah*.⁴⁶ Conversely, a marriage of a Muslim man/woman with a fire worshipper or an idolator/idolatress would be considered irregular under Sunni law.

Stating the basis of this rule, Azizah al-Hibri makes a *sharia* based argument against both Muslim men and women marrying outside the faith, arguing that the original reason (*illa*) for the Islamic prohibition of women marrying outside the faith has now changed in our context. That

⁴³ Charles Hamilton, *THE HEDAYA OR GUIDE: A COMMENTARY ON THE MUSSULMAN LAWS*, 28-29 (1870).

⁴⁴ *Aizunnisa Khatoon v. Karimunnissa Khatoon*, ILR [1986].

⁴⁵ *Tajbi v. Mowla Khan*, ILR [1917] 41 Bom 485.

⁴⁶ According to Shia interpretation, fire-worshippers are included in the category of *Kitabiyah*.

is, the reason classical jurists denied women the option of marrying non-Muslim men was to protect her from the husband's potential denial of her free exercise of her religion (acknowledging the patriarchal nature of marriage, and the fact that Christianity and Judaism prohibited interfaith marriages at that time). Al-Hibri concludes that this *illa* still exists, but argues further that additional realities of the American Muslim context (i.e. the likelihood of a Muslim man losing custody of his children and/or being unable to fulfill the Islamic obligation to raise them as Muslims if divorce from his non-Muslim wife occurs) mean that Muslim men also deserve the protective attention thus far granted to Muslim women, and thus, the prohibition of interfaith marriage should be extended to them.⁴⁷

Muslim family law in this regard relies on *Surah Al Baqara*, Verse 221:

"Do not marry unbelieving women (idolatresses), until they believe; a slave woman who believes is better than an unbelieving woman, even though she allure you. Nor marry (your girls) to unbelievers until they believe: a man slave who believes is better than an unbeliever, even though he allure you."

Surah Al-Noor also states:

"The adulterer shall not marry save an adulteress or an idolatress, and the adulteress none shall marry save an adulterer or an idolater."⁴⁸

An 1893/1894 case is authority for the proposition that marriage between a Muslim male and a polytheist or atheist female is *batil*.⁴⁹ The opposite is true. In India, under the Special Marriage Act, 1954, it is completely lawful for a Muslim man or a woman to contract marriage with a Hindu. So, it seems that in some jurisdictions this distinction between a Muslim and a non-Muslim for the purposes of marriage is not maintained. Thus, this question remains open to debate whether by Muslim law as applied in India, Pakistan or Bangladesh the marriage of a Muslim man to a Hindu, or Buddhist woman is a *fasid* rather than a *batil* marriage.

⁴⁷ *No Altars: A Survey of Islamic Family Law in the United States*, available at <http://www.law.emory.edu/IFL/index2.html>. (last visited February 25, 2007).

⁴⁸ THE HOLY QURAN, 24:3.

⁴⁹ *Abdul Razack v. Aga Mahomed Jaffer Bindameen*, [1893/1894] 21 LRIA 56 Privy Council.

F. Doctrine of *Kafa'a*

The Hanafi School of jurisprudence contends that ideally the husband should be the equal of the wife in social status. According to David Pearl and Werner Menski, "the converse is not required, showing that hypergamy, 'marrying up' is an asset for the wife."⁵⁰ Some sources include in the doctrine of *kafa'a* factors like family, occupation, freedom, character and financial resources. It needs to be highlighted here that there is no caste system in Islam, therefore the status of this ground as an impediment to marriage is questionable. "The Muslims believe in equality of mankind and there can be no claim of superiority in Islam on the basis of caste, tribe, nation or country. Though people generally seek relationship of marriage among their *kafa'a*⁵¹ yet nothing in the Holy Qur'an or *hadith* restricts such relationships to *kafa'a*."⁵²

The doctrine of *kafa'a* is thus, a creation of the judiciary and has no grounding in religion. It is a result of socially defined goals, which stands in direct contrast to the religious doctrine of Islam. Far from prohibiting marriages with people of low social status, Islam does not even encourage Muslims to look down upon people who are less fortunate than they are. The distinction is only maintained between believers and unbelievers as expounded in the following verse:

"O ye who believe! When believing women come unto you as fugitives, examine them. *Allah* is best aware of their faith. Then if ye know them for true believers, send them not back unto the disbelievers. They are not lawful for the disbelievers, nor are the disbelievers lawful for them."⁵³

The doctrine of *kafa'a* seems like an irreconcilable concept when it is contested by the family members of the wife, given that religion has allowed a Muslim woman free choice regarding her marriage partner (except for the prohibition on the ground of unlawful conjunction), and also considering that the Almighty has Himself "apportioned among them their livelihood in the life of the world, and raised some of them above others in rank",⁵⁴ so why should one person be punished for something over which he has no control.

In one particular case, a person wanted to marry a woman who had submitted herself unto the Prophet (p.b.u.h.) to decide her fate. The man

⁵⁰ *Supra* n. 1 at 166.

⁵¹ The term *kafa'a* means relatives or members of the same tribe.

⁵² SHAUKAT MEHMOOD and NADEEM SHAUKAT MEHMOOD 43 (1993).

⁵³ THE HOLY QURAN, 60:10.

⁵⁴ THE HOLY QURAN, 33: 32.

was so poor that on being asked to bring some token to give to his future wife as *mahr* or gift of the marriage, he could not even provide her with a metal ring when asked to do so by the Prophet (p.b.u.h.). The Prophet (p.b.u.h.) asked him whether he could recite some verses from the Holy Quran and he was able to do so. When the man promised to teach those verses to the woman the Prophet (p.b.u.h.) allowed him to contract a marriage with that woman. This goes to show that the overriding factor is that of religiosity, while financial standing of the husband does not have any bearing in Islam.

Nevertheless, the doctrine of *kafa'a* has been successfully argued in some cases, particularly, in the famous *Saima Waheed* case⁵⁵ "where a rich businessman and other members of his family objected to what they saw as the young woman's improper marital selection of a mere college lecturer."⁵⁶ Fyze suggests that such a marriage is a voidable contract but this is not definitive. It appears that only the guardian can apply for separation, although at least in one Pakistani case the court seems to have given the wife *locus standi* to apply on her own behalf for separation based on *kafa'a*. Nevertheless, that application was unsuccessful.⁵⁷ It would be wise to mention here the element of deception or misrepresentation, which will grant the wife a remedy. In one particular case,⁵⁸ the judge opined that *kafa'a* might provide a ground for annulment for the wife herself "if she was misrepresented by the husband regarding any element of his social status". However, it needs to be pointed out that South Asian courts have no clear guidelines on this issue; neither do they have any conclusive evidence as to the status of this rule. They have a wide discretion in this regard and will only choose to terminate a marriage where it would result in grave injustice, having regard to the best interests of both parties and their respective families. In conclusion, it seems that however illogical the doctrine of *kafa'a* might sound, it does have a kernel of rationality in it, especially where there was an element of fraud involved on the part of the husband in misrepresenting his financial status to his wife.

⁵⁵ *Hafiz Abdul Waheed v. Asma Jahangir*, KLR 1997 Shariat Cases 21.

⁵⁶ *Supra* n. 1 at 165; "Even where arranged marriages are the norm, this may become an issue, but it is more likely to arise in the context of 'love marriages', where the parties face a lot of social pressure after marriage." (Mehdi 194 (1994)).

⁵⁷ *Shazada Begum v. Abdul Hamid* PLD 1950 Lah. 504.

⁵⁸ *Sughran Mai v. The State*, PLD 1980.

IV. OPERATION OF IRREGULAR MARRIAGE IN VARIOUS JURISDICTIONS

It would be instructive in understanding the scope of irregular marriages in actual application if we bear in mind that such marriages are not commonplace. It would be very rare to find a case where marriage took place without witnesses, without completing *iddat* or in total disregard of the prohibition on the grounds of unlawful conjunction or polygamy, or even cases regarding doctrine of *kafa'a* for that matter. Perhaps, the most likely case of irregular marriage to arise in modern times and which has in fact been witnessed in various jurisdictions is that concerning prohibition on the ground of difference of religion. How the culture and the laws of different states facilitate or hamper such developments will be examined in this section.

To begin with, in India, Muslims are governed by their personal law as well as the law of the state culminating in the Special Marriage Act, 1954 which ignores the prohibition of marriage on the ground of difference of religion, thereby allowing marriage between any two persons, regardless of religious affiliation. In Pakistan and Bangladesh, Muslims can make use of the Special Marriage Act, 1872, to marry outside their own religion.

In South Africa, one of the areas in which it appears that the Muslim community is most orthodox is that of who a person may marry. While Muslim men can marry women who are Muslim, Christian or Jewish, Muslim women must marry a Muslim man or become an outsider to the community. As a rule, northern Sudanese Muslims do not marry their daughters to non-Muslims, but Muslim men sometimes marry or cohabit with Christian or pagan women. The children of unions are raised as Muslims and have the same rights as children born to Muslim mothers.⁵⁹ Thus, it seems that in South Africa the irregularities of marriage are recognized and the rules of the *Sharia* are observed to a great extent.

In Ethiopia and Eritrea, inter-religious marriage is common to the extent that Muslim women sometimes marry Christian men without being ostracized by their families. However, as the anthropologist Jan Abbink has noted, Islamic revivalist movements recently have begun targeting such practices as violations of the *sharia*.⁶⁰ On the other hand, some Ethiopian and Eritrean groups such as Harari, do not even

⁵⁹ Helen Chapin Metz (ed.) *SUDAN: A COUNTRY STUDY* (1992).

⁶⁰ Abbink Jan, *Ethiopian Islam and the Challenge of Diversity*, available at <http://www.law.emory.edu/IFL/index2.html> (last visited February 26, 2007).

recognize the *sharia* law allowing Muslim men to marry Christian or Jewish women. The *Jabarti* also never marry outside Islam. Clearly, there is little uniformity between the traditions of different ethnic groups in the Horn of Africa regarding the choice of marriage partner.

In Nigeria, Islamic law prohibits marriage between Muslim and animist women, though Muslim men may marry Christian women. Conversely, Nigerian women may only marry other Muslim men. In Senegal, Tukulor men strictly adhere to the Quranic injunction against marrying pagan women. Dyula men, however, do marry pagan women but Dyula women do not marry pagan men.

United States law puts no religious restrictions on spousal partners.⁶¹ Given the melting pot nature of life in the US, many Muslims, both men and women, do indeed marry non-Muslims.⁶² Moreover, such marriages, in which the husband is Muslim and the wife Jewish or Christian are generally supported by most American Muslims. But for women indulging in such practices, there is usually stigma, or worse and most respected *imams*⁶³ will not officiate at such ceremonies.⁶⁴ Thus, it appears that in a multicultural society like the US, the application of Muslim law in terms of identification of an "irregular marriage" on such a footing is not popular. Nevertheless, responses fluctuate between full support for the *fiqh* position as beneficial to society and family, to reluctance to accept the rule.

Dealing with the prohibition on contracting a fifth marriage, it is suggested that this discrepancy does not even come into play in practice, as the legislation in numerous Islamic states has added provisions requiring the husband to obtain the consent of his first wife before contracting a second marriage which acts as a deterrent in most cases, and some women might even make it a stipulation of their marriage contract to seek dissolution of their marriage upon her husband entering a new marriage. Turkey first restricted polygamy in 1917, by requiring the consent of the first wife to any subsequent marriage of the husband. The practice was banned completely with the adoption of the Turkish Civil Code in 1926.⁶⁵ It still happens on rare occasions, but generally only among the urban rich and in rural areas.⁶⁶

⁶¹ Esposito, 1982: 20; Doi 1984: 36.

⁶² Yvonne Haddard and Adair T. Lummis, *ISLAMIC VALUES IN THE UNITED STATES: A COMPARATIVE STUDY* 43 (1987).

⁶³ Men learned in religion who conduct the *nikah*.

⁶⁴ Haddard and Lummis 145 (1987).

⁶⁵ See, <http://www.law.emory.edu/IFL/index2.html> at socio-cultural link.

⁶⁶ See, *Ibid*.

In United Kingdom, polygamy is considered a crime so the possibility of an irregular marriage in this regard is unlikely to be entertained.

Thus, it is submitted that in certain instances, the Islamic law of marriage has been seen to give way to societal interpretations. Furthermore, it needs to be appreciated that the spirit and the content of laws is one thing, and the practice or application of those laws is another thing and these legislative and administrative loopholes need to be taken into account. The primary sources of Islam remain the same. However, the implementation of those laws fluctuates between different Islamic Jurisdictions.

V. THE USEFULNESS OF THE CONCEPT OF AN IRREGULAR MARRIAGE

Why is marriage treated as *fasid* (irregular) and not outrightly declared as *batil* (void)? The significance of a *fasid* (irregular) marriage can be discerned in the light of this question. It appears that there is a thin line between a void and an irregular marriage,⁶⁷ but some writers have very explicitly stated the contrasts between a *batil* and a *fasid* marriage in the following words: "[T]here was a clear and logical distinction between *batil* and *fasid* contracts of marriage. In the former the contract was vitiated in essence and there was no legal effect; in the latter the contract was good in itself, and would have been valid in different circumstances, but was illegal in this particular instance by reason of some divine prohibition."⁶⁸ Had it not been for this distinction, Muslims would not have been able to enjoy the rights that they currently do.

It needs to be appreciated that this bifurcation between the two has been designed to avoid the unpleasant consequences of a void marriage which would result in a failure to recognize the rights and duties of both parties to the marriage and of their respective children; and it accommodates those parties particularly who did not have knowledge of the defect which is of an accidental nature. By virtue of the availability of options to cure an otherwise irregular marriage, Muslim family law greatly facilitates matters for both parties to the marriage, including the children born out of the union. As the parties may unknowingly breach

⁶⁷ N.U.A. Siddiqui, STUDIES IN MUSLIM LAW 68 (1955). *Batil* and *fasid* marriages, postulates that early jurists made no distinction between *batil* and *fasid* marriages. Nasir's account shows that there is no universal agreement about the severity of several of these impediments and their precise classification, where the marriage is not treated as entirely void but as irregular. Jamal Nasir, THE STATUS OF WOMEN UNDER ISLAMIC LAW AND UNDER MODERN ISLAMIC LEGISLATION 22-28 (1990).

⁶⁸ J.N.D. Anderson, INVALID AND VOID MARRIAGES IN HANAFI LAW 359 (1950).

a legal formality and a religious pre-requisite, religion has allowed them the opportunity to re-enter the marital union by virtue of removing the temporary defect from their marriage.

A further concession is granted in that if the irregular marriage has been consummated, then the parties are not liable for *zina*. Furthermore, the wife is entitled to the payment of dower upon such (temporary) dissolution (if the parties so wish). In addition, the status of children is also preserved, and any children born out of an irregular union are not deemed as "illegitimate", and thus parental responsibility remains intact. In all events, once the marriage has been reconstituted after the required separation, the same burdens and benefits accrue upon the parties to a marital union.

If all marriages were to be invalidated, then parties would have no recourse and suffer grave injustice for a minor non-compliance with legal formalities. Therefore, Islamic law adequately caters to the needs of human beings and provides for human failings in all manifestations without undermining the sanctity of marriage in any manner. At the same time, it should be acknowledged that through the label of irregular marriage deviation from religious injunctions does not go unnoticed, and parties have to pay a certain price for failing to follow the religious code. However, it would be illuminating to note that parties are not made to pay a higher penalty than the harm they have caused by failing to abide by the law. Therefore, a bar to the parties' future re-union is not imposed.

Thus, it seems wise to conclude that the benefits of an irregular marriage are so many and so varied that the utility of this category of marriage cannot be underestimated; and it only serves to reinforce the notion that Muslim family law assists to preserve the status of the parties to a marriage.

VI. CONCLUSION

Thus, it is submitted that the phenomenon of an irregular marriage, though not uniformly applied in all Islamic jurisdictions, is beneficial to the system of Islamic laws and its adherents. It can be seen how a failure to comply with certain formalities of marriage, which are mostly accidental, while not being classified as *zina* allows both parties to a marriage an opportunity to enter a fresh contract of marriage after completing *iddat*; without permanently disabling parties for minor non-compliance with the law, and also affording a great level of protection to children of the marriage who are not deemed as illegitimate. In essence, it would be wise to conclude that a *fasid* marriage is a very

useful device, which allows the spouses in such a union a choice either to maintain the status quo, or leads the parties in such a union to a realization that it would be fruitful for them to perfect their marriage in order to make use of additional benefits available in a *sahih* marriage.

THE LAW OF CONTEMPT: RESISTANCE WITHIN OR BEYOND CONSTITUTIONAL FRAMEWORK?

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I. INTRODUCTION

'Democracy is based essentially on free debate and open discussion, for that is the only corrective of government action in a democratic set-up. If democracy means government of the people by the people, it is obvious that every citizen must be entitled to participate in the democratic process, and in order to enable him to intelligently exercise his right of making a choice, free and general discussion of public matters is absolutely essential.'

- Bhagwati, J.

The freedom of speech and expression is the bulwark of any democratic set-up. Not only is it imperative for the effective working of the governance process, it is widely regarded as a fundamental right of every human being. Free speech is *de facto* the first and foremost condition of liberty and occupies a preferred position in the hierarchy of liberties. It has been correctly observed that it is the mother of all liberties.¹ Professor Emerson, arguably the leading modern theorist of free speech, has recognized four separate values served by the protection of speech and expression:²

1. assuring individual self-fulfillment;
2. advancing knowledge and discovering truth;
3. providing for participation in decision-making by all members of society;
4. achieving a more adaptable and hence a more stable community... maintaining the precarious balance between healthy cleavage and necessary consensus.

Although Emerson sees these as unique and distinct values, he believes that each is necessary, but not by itself sufficient, as all of them

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¹Government of India, REPORT OF THE SECOND PRESS COMMISSION 34-35, VOL. I.

²Sec. T. Emerson, THE SYSTEM OF FREEDOM OF EXPRESSION 15 (1970).

are interdependent.³ Not surprisingly, freedom of speech and expression has been recognized as a fundamental right under Part III of the Indian Constitution [Articles 19 (1) (a)].⁴ Although freedom of press has not been expressly granted by the Indian Constitution, this freedom has, for all practical purposes, been assumed to flow from the right to free speech.

However, the maintenance of the independence and integrity of the Judiciary and of public confidence in the administration of justice is also of vital importance. It thus becomes necessary to draw a balance between the two values. That is precisely the logic behind the imposition of the reasonable restrictions listed in Articles 19(2) of the Indian Constitution.⁵ Contempt of court is one of such restrictions on the right to free speech whereby power has been specifically conferred upon the Supreme Court [Article 129] as well as each High Court [Article 215] to punish for contempt. The right to freedom of the press, derived from Article 19 (1) (a), is thus subject to the powers of the courts as conferred by Articles 129 and 215.

The Contempt of Courts Act, 1971 defines two types of contempt of court—civil contempt⁶ and criminal contempt.⁷ The underlying idea for this restriction is to preserve the authority of the courts and remove obstructions to the due administration of justice. However, the question is whether the Supreme Court and High Courts have, over the years, abused these powers to punish for contempt.

³ Emerson, *First Amendment Doctrine and the Burger Court*, 68 CALIF L REV 422 at 423 (1980).

⁴ All citizens shall have the right to freedom of speech and expression.

⁵ Nothing in sub-clause (a) of clause (1) shall affect the operation of any existing law in so far as it imposes, or prevents the State from making any law, in so far as such law imposes reasonable restrictions on the exercise of the right conferred by the said sub-clause in the interests of the sovereignty and integrity of India, the security of the State, friendly relations with foreign States, public order, decency or morality or in relation to contempt of court, defamation or incitement to an offence.

⁶ Civil contempt means willful disobedience to any judgment, decree, direction, order, writ or other process of a court or willful breach of an undertaking given to a court.

⁷ Criminal contempt means the publication (whether by words, spoken or written, or by signs, or by visible representation, or otherwise) of any matter or the doing of any other act whatsoever which—

- i. Scandalizes or tends to scandalize, or lowers or tends to lower, the authority of, any court; or
- ii. Prejudices, or interferes or tends to interfere with, the due course of any judicial proceeding; or
- iii. Interferes or tends to interfere with, or obstructs or tends to obstruct, the administration of justice in any other manner.

II. RULE OF LAW V. DEMOCRACY

'Ancient right unnoticed as the breath we draw- Leave to live by no man's leave, underneath the Law.'

- Rudyard Kipling: *The Old Issue*

'Rule of Law' is a basic rule of governance of any civilized democratic polity.⁸ Under the Indian constitutional scheme, everyone is unquestionably subject to the 'rule of law'. This clearly points to the supremacy of law in India and the sacrosanct position of the courts, as upholders of that 'rule of law', in the country.

A.V. Dicey was the first to explain the concept of 'rule of law' in the 19th century. This was studied, analyzed, criticized and eventually replaced by Jennings' definition, or the modern concept of the 'Rule of Law', best defined thus:⁹

1. The freedom of the individual must be restrained only under the authority of the law.
2. Justice must be regarded as an end in itself.

The modern concept, thus, largely confirms Kipling's views. Every man is free to live by his own will and is his own master. He cannot and should not be controlled by anyone other than the due authority of law.

The basic aim of the broad idea of democracy is liberty as well. In the Constitution, it finds its place in the form of a fundamental right, which are considered as 'the basic and inalienable rights, necessary for any person in a civilized society'. Although 'rule of law' and democracy might seem to differ from each other, there is no inherent conflict between them, as both principles are complementary, and are essentially achieving together, what acting singly, neither could hope to achieve, or at least not as fully and realistically.¹⁰

Thus, both democracy and 'rule of law' are essentially twin devices for the attainment of a common goal - that of correcting and controlling the government to cater to the interests of men in the best possible manner. The only difference between the two devices is that while the latter operates through courts, the former functions through the legislature, which controls the government through elections, impeachments, no confidence motions etc.

Needless to say, all the processes governing democracy rely heavily on free speech. Unfortunately, the power to check and punish any citizen

⁸ As per Sethi, J. in *re Arundhati Roy* (2002) 3 SCC 343.

⁹ J. Harvey and L. Bather, *THE BRITISH CONSTITUTION AND POLITICS* 400 (1963).

¹⁰ P.K. Tripathi, *SPOTLIGHTS ON CONSTITUTIONAL INTERPRETATION* 169 (1972).

or even the press or media, for statements which tend to lower the dignity of the court, rests with the Supreme Court and the various High Courts under Articles 129 and 215, respectively. The extent to which the freedom of speech and expression may be curbed has been determined through judicial pronouncements and interpretation of the Constitution simply due to the lack of an alternative mechanism.

III. FREEDOM OF SPEECH AND EXPRESSION V. CONTEMPT OF COURT

The importance of right to free speech was first recognized by the US Supreme Court in *Associated Press v. U.S.*¹¹ It was also recognized by the Privy Council in *Amard v. Attorney General for Trinidad and Tobago*.¹² The constitutional framers imposed certain restrictions upon the freedom of speech, so that no person may flout the law of respecting the courts under the cloak of freedoms of speech and expression guaranteed by the Constitution. The modern law of contempt was brought about to silence criticism of the judicial process swiftly and effectively by a summary procedure without having to send the matter to trial. Not knowing how to cope with the increasingly boisterous British media, the English courts drastically broadened the domain of the law of contempt. In a 1900 case, British judges evaded criticism leveled against contempt laws by declaring that contempt laws were not to be used in England, but only for the "natives" in the colonies. In 1936, Lord Atkin commented that "justice was not a cloistered virtue, but must suffer the scrutiny of ordinary persons", implying that the part of contempt jurisdiction which punishes for scandalizing or "lowering the authority of the court" must be abolished.

Articles 129¹³ and 215¹⁴ of the Indian Constitution classify the Supreme Court and the various High Courts as courts of record.¹⁵ Article

¹¹ "It is the purpose of the first amendment to preserve an uninhibited market place of ideas in which truth will ultimately prevail, rather than to countenance monopolization of that market whether it be by the government itself or a private licensee." See, *Associated Press v. U.S.*, 326 US 1.

¹² "Justice is not a cloistered virtue and she must be allowed to suffer the scrutiny and respectful, though outspoken, comments of ordinary men." See, *Amard v. Attorney General for Trinidad and Tobago*, 1946 AC 335.

¹³ "The Supreme Court shall be a court of record and shall have all the powers of such a court including the power to punish for contempt of itself."

¹⁴ "Every High Court shall be a court of record and shall have all the powers of such a court including the power to punish for contempt of itself."

¹⁵ WHARTON'S LAW LEXICON gives the following definition: "Courts are either of record where their acts and judicial proceedings are enrolled for a perpetual memorial and testimony and they have power to fine and imprison; or not of record being courts of inferior dignity, and in a less proper sense the King's Courts – and these are not entrusted by law with any power to fine or imprison the subject of the realm,

129 was added later to the draft constitution, when its justification was given by Dr. B.R. Ambedkar.¹⁶ The summary jurisdiction exercised by superior courts in punishing contempt of their authority exists for the purpose of preventing interference with the course of justice and to ensure the rule of law.¹⁷ This justification will not ordinarily be exercised unless there is real prejudice which can be regarded as a substantial interference with the due course of justice as distinguished from a mere question of propriety.¹⁸ The law of contempt has been held in highest esteem by Sethi, J. in *Arundhati Roy's* case.¹⁹

IV. STIFLING A BEAUTIFUL VOICE: ARUNDHATI ROY'S CRUSADE

On 15th January 2002, a two-judge bench of the Supreme Court of India made up of G. B. Pattanaik and R. P. Sethi, JJ. heard the contentions in the contempt case²⁰ against the famous Booker Prize winner Arundhati Roy. As on every previous occasion when this particular case had come up for hearing, no visitors or journalists (other than officially accredited court correspondents) were allowed entry into the court.²¹ After a day-long hearing, the court reserved judgment till 6th March 2002, and asked Roy to be present in the Court on that day.

unless by the express provision of some Act of Parliament. Their proceedings are not enrolled or recorded."

¹⁶ "If the House will turn to Art.215, they will find exactly a similar article with regard to the High Courts in India. ...the second part of Art.129 says that the court shall have the power to punish for the contempt of itself. As a matter of fact, once you make a court a court of record by statute, the power to punish for contempt necessarily follows from the position. But, it was felt that in view of the fact that in England this power is largely derived from the Common Law and as we have no such thing as Common Law in this country, we felt it better to state the whole position in the statute itself. That is why, Art. 108 (129) has been introduced." CONSTITUENT ASSEMBLY DEBATES 382, Vol. VII.

¹⁷ *J. Vasudevan v. T.R. Dhananjay*, (1995) 6 SCC 254; *In re Sanjiv Datta, Dy. Secy., Minister of Information and Broadcasting*, (1995) 3 SCC 619.

¹⁸ *Rizwan-ul-Hasan v. State of UP*, AIR 1953 SC 185.

¹⁹ "The law of contempt has been enacted to secure public respect and confidence in the judicial process. If such confidence is shaken or broken, the confidence of the common man in the institution of Judiciary and democratic set up is likely to be eroded which, if not checked, is sure to be disastrous for the society itself." *In re Arundhati Roy* (2002) 3 SCC 343.

²⁰ The present case is the third since 1999 against Ms. Roy. In May 1999, the Supreme Court of India took offence to her essay *The Greater Common Good* that was published in OUTLOOK and FRONTLINE magazines.

²¹ The Registrar said that he had 'orders from above' in this case not to allow entry to anyone. The issue was raised with the Bench, but they did not think it necessary to take any steps to rectify this serious breach of the fundamental principle of open courtrooms and public justice, and the case proceeded to the exclusion of any

A distinction needs to be made between the two contempt charges against Arundhati Roy recently. The first case for criminal contempt arose out of the following events:

On 18th October, 2000, the Supreme Court delivered its controversial final judgment in the *Sardar Sarovar Case*, allowing construction to resume on the dam on the Narmada River. Amongst its most vocal critics were Medha Patkar, leader of the *Narmada Bachao Andolan (NBA)*, Prashant Bhushan, counsel for the NBA, and Arundhati Roy.

On 13th December, 2000, a few hundred people from the Narmada Valley staged a day-long *dharna* outside the gates of the Supreme Court of India against the judgment in the *Sardar Sarovar Case*. At dusk, the demonstrators were peaceably arrested and removed by the police.

On 14th December, 2000, five lawyers attempted to file an F.I.R. alleging that Patkar, Roy, and Bhushan had led a demonstration outside the Supreme Court, shouted filthy slogans against the court, and had physically assaulted the petitioner lawyers and threatened to kill them. The police station did not see it fit to register the case.

In January 2001, the same lawyers filed a petition in the Supreme Court for criminal contempt of court against Patkar, Roy and Bhushan. Entertaining their petition, the Court summoned all of them. The three responded with individual affidavits, denying the charges, stating that the petition was too ludicrous to be entertained even by the local police station, and pointing out that the petition did not meet any of the conditions required by the Contempt of Courts Act.²²

The judgment in this first case was delivered on 28th August 2001 by G. B. Pattanaik and Ruma Pal, JJ. who dismissed the contempt petition.²³

independent observers or journalists. Since the hearings have been held virtually *in camera*, comment and public opinion in the matter has been largely uninformed.

²² It was not supported by a proper affidavit, it was not signed by the petitioners; it did not contain the addresses of the petitioners or the respondents, and most crucially, did not have the consent of the Attorney General or the Solicitor General.

²³ The Court observed that "almost every one of the Rules framed by the Court" had been violated and that the petition was "shabbily drafted, procedurally grossly defective." The court also observed that "apart from the defective nature of the petition, the unexplained reluctance on the part of the four petitioners to affirm an affidavit verifying the facts contained in the petition, the failure to even attempt to obtain the consent of the Solicitor General and most importantly, the refusal of the

The petition was held to be grossly defective and unsubstantiated and they commented that the Registry of the Court should not even have accepted it to begin with.²⁴

However, the matter did not end here. While accepting that the case filed by the 5 lawyers ought never to have been entertained, G. B. Pattanaik and Ruma Pal, JJ. went on to say that Arundhati Roy's affidavit-in-reply contained at least three paragraphs that were *prima facie* contemptuous.²⁵ Commenting on those three paragraphs, the court observed: "She has imputed motives to specific courts for entertaining litigation or passing orders against her. She has accused courts (*sic*) of 'harassing' her (of which the present proceeding has been cited as an instance) as if the judiciary were carrying out a personal vendetta against her. She has brought in matters which were not only not pertinent to the issues to be decided but has drawn uninformed comparisons to make statements about the court which do not appear to be protected by the law relating to fair criticism".²⁶

On 5th September 2001, a fresh contempt notice was issued to Arundhati Roy. In reply, Roy pointed out the circumstances in which she had made the 'contemptuous' remarks in her affidavit. She pointed out that the court itself had acknowledged the grossly defective nature of the first contempt petition against her. She stated that as a common citizen like her there was no distinction between the court and its registry.²⁷ She

police station to record an FIR on the basis of the complaint lodged by the petitioner are telling circumstances against the case in the petition."

²⁴ The Court went on to say that the Registry ought not to have cleared the petition and further observed—"Had our attention been drawn to the procedural defects, we would have had no hesitation in rejecting the application *in limine* on this ground alone."

²⁵ "On the grounds that judges of the Supreme Court were too busy, the Chief Justice of India refused to allow a sitting judge to head the judicial enquiry into the Tehelka scandal, though it involves matters of national security and corruption in the highest places. Yet when it comes to an absurd, despicable, entirely unsubstantiated petition in which all the three respondents happen to be people, who have publicly – though in markedly different ways – questioned the policies of the government and severely criticized a recent judgment of the Supreme Court, the court displays a disturbing willingness to issue notice. It indicates a disquieting inclination on the part of the Court to silence criticism and muzzle dissent, to harass and intimidate those who disagree with it. By entertaining a petition based on an FIR that even a local police station does not see fit to act upon, the Supreme Court is doing its own reputation and credibility considerable harm."

²⁶ Available at http://www.zmag.org/content/SouthAsia/singh_roy-contempt.cfm (last visited December 25, 2006).

²⁷ She said: "In my eyes, the Court is responsible for the functioning of its Registry. Together they decide the prioritization of judicial resources; together they decide which petitions are admitted and which are not. For a common citizen, the Registry

further pointed out that even though the court had eventually gone on to hold the view that the petitions filed by the lawyers were grossly defective, it had still not hesitated to bring an action against her for contempt, for having pointed out the same. Evidently, these statements were not meant to lower or ridicule the authority of the court, and in all reasonableness, were only an expression of facts and opinions derived by her from those very views. It is very strange that though the judges of the Supreme Court were obviously very busy, they still found time to entertain such a petition.²⁸

Roy said that her impression would have been corrected if the Court had done any or all of the following things:²⁹

- "a) Dismissed the petition without issuing notice.
- b) Ordered an inquiry into the functioning of the Registry to establish how such a 'procedural lapse' could have taken place.
- c) Taken action against the petitioners for filing a false case and deliberately attempting to mislead the court."

But instead, no members of the public were allowed to enter the court during any hearing of the petition. And neither did the Court take any action against the petitioner, R.K. Virmani, who stood up and shouted without any justification that he had lost confidence in the judges hearing the matter and that it should be transferred to another bench. It has been felt by most that Roy's contentions were reasonable and fair.³⁰

of the Supreme Court is the threshold to justice itself. It seemed perfectly appropriate to air my view that in this particular instance, the Court, by allowing certain citizens to grossly abuse its process in this way, creates the disturbing impression that there is an inclination on the part of the Court to silence criticism and muzzle dissent."

²⁸ Arundhati Roy states: "[I]t seemed perfectly appropriate to air my view that in this particular instance, the court, by allowing certain citizens to grossly abuse its process in this way, creates a disturbing impression that there is an inclination on the part of the Court to silence criticism and muzzle dissent. This does not, and was not meant to impute motives to any particular judges. It does not, nor was it meant to undermine the dignity of the court. I was simply stating an honest impression that had formed in my mind."

²⁹ *Supra* n. 12 at 4.

³⁰ Roy concluded by saying, "whimsical interpretations of the same law leave citizens at the mercy of individual judges. If the 3 paragraphs of my affidavit dated 16/4/01 are deemed to be a criminal offence, it will have the chilling effect of gagging the Press and preventing it from reporting on and analyzing matters that vitally concern the lives of millions of Indian citizens. This will be an unfortunate blow to one of the most responsible, robust institutions of Indian democracy. ...the prospect of having to undergo a lengthy and exorbitant process of litigation, and the threat of an eventual prison sentence, will effectively restrain the press from writing about or analyzing the

On 15th January, 2002, the second contempt petition came up for final hearing before a bench made up of Pattanaik and Sethi, JJ.. Appearing for Roy, Mr. Shanti Bhushan moved an application on her behalf asking Pattanaik, J. to transfer this case to some other court on the ground that because Roy had allegedly attributed motives to him³¹ there was a reasonable apprehension of bias on his part. Her application stated that in hearing and deciding this contempt petition, Pattanaik, J. would be sitting as a judge in his own cause. The court however did not take kindly to this application.³²

Mr. Shanti Bhushan argued that freedom of speech was paramount under the Indian Constitution and could only be subjected to reasonable restrictions for contempt of court. It was universally accepted that the courts and their judgments could be criticized in the most trenchant terms. Moreover, what Roy had said was in reply to a court notice (unlike Shiv Shankar who gave a public speech). Voicing one's perception in an affidavit in Court surely cannot be said to be contempt.

Additional Solicitor General Altaf Ahmed, who appeared as *amicus curie* submitted that the freedom of speech was subject to the law of contempt and stated that Roy's affidavit contained a blatant imputation of a motive on the court and was therefore destructive of the independence of the Judiciary. He maintained that people who had "erred" in the past had tendered unconditional apologies, which the court had accepted magnanimously. However, Roy had been defiant. Her current affidavit did not contain a hint of apology or remorse, and she had instead delivered a gratuitous lecture to the court.

Once again, a distressing sidelight of the proceedings was the gross and obnoxious behavior of R.K. Virmani in court, who insisted that he be allowed to intervene in these proceedings, and passed loud and lewd comments about Bhushan, Ahmed and Roy. Although this was being done very much within the hearing and notice of the court, no action was taken against him even for the second time. This case and more importantly the manner in which it has been conducted has raised a number of important issues:

actions of the Judiciary. It will render the Judiciary accountable to no one but itself. As I have stated in my affidavit dated 16/4/01, if the Judiciary removes itself from public scrutiny and accountability, and severs its links with the society that it was set up to serve in the first place, it will mean that another pillar of Indian democracy will eventually crumble".

³¹ Pattanaik, J. was the judge in the first contempt case as well.

³² Pattanaik, J. said that this objection should have been raised earlier, and remarked that raising this objection then was *mala fide*.

1. Are Indian citizens barred from commenting adversely on the court and expressing their perceptions of the motivation of the court even if such comments are bona fide or justified?
2. How can such a situation be countenanced in a democracy where the right of free speech is a fundamental right and every institution is subject to public scrutiny and criticism?
3. Is the judiciary completely unaccountable? Can it arbitrarily declare all criticism of it to be contempt of court, and then punish the critics by sitting as judges in their own cause?
4. Can the court bar the press and members of the public from the hearing of a particular case without assigning good reason?

It is interesting to note that such instances have become more or less routine now. The higher judiciary's power to punish those who malign it are a moody jurisdiction, which is often indiscriminately applied. There are hardly any restraints on the exercise of this power. The procedure is arbitrary and consequently the results uneven.

Judges through the ages have used this power as they have liked. In India too, despite stating high principles of forbearance, the law of contempt has been used waywardly. The issue contended here is not the power of the court to maintain discipline. The question is of the freedom of ordinary people to criticize judges and judgments without any apprehension.

The record of Indian courts is strange and uneven. In *Namboodiripad's Case*³³ the Chief Minister was found guilty and fined Re. 1 because he alleged that the judges were class biased. But the Court refused to punish the Law Minister, Shiv Shankar, who had made far stronger comments of a similar nature alleging class bias. In a public speech, he accused judges of having an "unconcealed sympathy for the haves" and went on to say that "anti-social elements, i.e., FERA violators, bride burners and whole hordes of reactionaries have found their heaven in the Supreme Court." He was not held guilty of contempt and the Supreme Court held that though unfortunate, these were merely his views and he was entitled to air them. In this judgment, the Court said that the Minister's statement was permissible because "the criticism of the judicial system was made by a person who himself had been a judge of

³³ AIR 1970 SC 2015.

the High Court and was a Minister at the relevant time." In other words, it is not just what you say, nor its correctness or justification, but who says it, which determines whether or not it constitutes criminal contempt. To put it simply, the assertion contained in the beginning of this judgment, namely: "whoever the person may be, however high he or she is, no one is above the law notwithstanding how powerful or how rich he or she might be", is contradicted by the judgment itself.

Another case, on similar lines, came up when on the 23rd December 2001, the Chief Justice of India, in an inaugural address to a National Legal Workshop in Kerala, said that 20% of the judges in this country may be corrupt, and that they bring the entire judiciary into disrepute. However, his comments were held not to be tantamount to criminal contempt. In the *Yunus Case*,³⁴ lack of consent of the law officers meant that no contempt proceedings were carried out against him. In 1958, contempt notices were not issued against Pandit Nehru when he had unknowingly made comments on a live case. But in 1969, the Supreme Court approved the contempt of Chief Minister P.C. Sen who had criticized the 'sugar' order pending before the courts.

In March 2002, Arun Shourie (then a minister) wrote a strong, inaccurate and disparaging article on the pending *Shila Daan Case*, virtually making fun of the judges. Not only had he distorted what the Bench had said but also what happened in court, fully aware that the proceedings were still pending. Shockingly, no contempt notices were issued. In 1977-78, Chief Justice Beg issued contempt notices against the editors of *The Times of India* and the *Indian Express*. Taken to their logical conclusion, these contempt cases would have exposed the record of the judiciary during the emergency, but the judges backed off to wisely withdraw the notice.

Witnessing Roy's case it can be said that judgments cannot escape criticism, nor can the courts outlaw outspoken words. In using the law of contempt, the Supreme Court has tended to treat politicians with tender care and others harshly. How could it have been wrong for a bewildered Ms. Roy to protest against being dragged into an admittedly illegal case? Her case was passed on from one Division Bench to another. Eventually, Sethi, J. who was not party to the previous proceedings wrote the judgment. He observed that before awarding punishment to a person for contempt of court, it has to be shown that a substantial interference in justice has been caused by that person. Sethi, J. who chose to match Ms. Roy's allegorical style further stated that the "law punishes the archer as

³⁴ AIR 1984 SC 38.

soon as the arrow is shot no matter if it misses to hit the target." Did he mean that there was no substantial interference with justice? Then, substantial injustice had in fact been done to Ms. Roy.

The reform of the law of contempt is long overdue, despite that the Contempt of Courts Act, 1971 came after a long gestation period of 1960-71. As even then, Mr. H. R. Gokhale, who was the Law Minister at the time, had scuttled debates on the matter on the ground that defenses like truth and other safeguards were unconstitutional. Thus, there is a clear need for a review of the law of contempt.

V. CONCLUSION

It is hard to believe that the criticism of the court or its process by an individual, whoever that individual might be, can possibly lower the dignity of an institution as powerful and venerable as the Supreme Court of India or the High Courts. If the criticism is random and unfounded, it will automatically rebound on the reputation and credibility of the individual who leveled it. If, on the other hand, the criticism is substantial or valid, the court cannot hope to restore its dignity by punishing or silencing the critic. Indeed, doing so will have the opposite effect. The dignity, authority and reputation of any court depends entirely on the conduct of its judges and the quality of their judgments. The standing of an institution whose reputation has been built on the basis of actions and judgments over more than half a century cannot be undermined by criticism from an individual.

It has always been accepted that the judgments and actions of the courts can be subjected to the most severe and trenchant criticism. Any serious jurisprudential analysis of the evolution and development of law would necessarily involve an attempt to understand why the court has acted in a particular manner. Further, the judiciary in India being as it is, one of the most powerful institutions in the country, is also perhaps the least accountable. In fact, the only accountability of this institution is that citizens can subject it to comment and criticism in general. If even this right is denied, it would expose the country to the dangers of judicial tyranny.

In a democracy, a free press is, or ought to be, as cherished an institution as a fair judiciary. A democracy must have an arena in which contending ideas and plural, competing and dissenting opinions can be freely voiced. The right to free speech and expression are rights of resistance available to the ordinary man even against the unjustified conduct of the courts. These rights of resistance are well within our constitutional framework. The laws on contempt, on the other hand are not.

STIMULATING YOUR SENSES: THE CHANGING FACE OF TRADEMARKS

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I. INTRODUCTION

Globalisation is rapidly affecting the shape of the world economy. A handful of countries no longer enjoy a monopoly over trans-national corporations or other such entities. And competition in the world market has become tighter. With this, trademarks have come to play an increasingly important role. Shakespeare once wrote, "What's in a name?" But in the twenty first century, for owners of 'well known marks' everything is in the name. After all, it symbolises uniformity of quality and standards of their products or services cutting across borders, helping up their consumer base and goodwill in new markets, and spurring on innovation. The focus of this article is on the emerging trends in the use of trademarks, where trademark owners are increasingly taking to unconventional forms and signs as trademarks.

II. GROWTH OF NON-CONVENTIONAL TRADEMARKS

Even three thousand years ago, Indian craftsmen used to engrave their signatures on their artistic creations before these were traded with. In the Roman period over a hundred different pottery marks were in use, including one that became famous as the *Fortis* brand. This brand became so well known that it was copied and counterfeited. In the Middle Ages the use of trademarks increased.¹ Today, in the modern world, marks are being used not only for goods, but services too ('service marks'); 'collective marks' are being used, which represent collectives or groups of individuals and not just a single manufacturer or service provider.

Traditionally, the primary branding tool has been through the use of conventional trademarks - two dimensional names, logos, signatures, letters, numerals, the shape of the goods etc. However, in the race to enlarge their market shares, companies are now spending fortunes on the building of consumer awareness and trust towards their brands by resorting to mark innovation. The advent of newer technologies has added to the pace of such innovation. Moving flash advertisements on

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¹ Study Material, General Course on Intellectual Property (DL-101), WIPO Worldwide Academy, Module 4: Trademarks 2 (2006).

websites are a good example of the adoption of the latest technology in brand building.

The use of a variety of non-orthodox methods by entrepreneurs to trademark their products and services has given birth to what are now generally referred to as Non-Conventional Trademarks. Truly, the non-conventional trademark is a 'child of technology': technology has given birth to it, nurtured it and will foster its growth in the future. There is no precise definition or classification of what constitutes a non-conventional trademark. Generally understood, any mark that does not belong to any pre-existing category of marks and performs the essential function of identifying the trade source is called a Non-Conventional or Non-Traditional or Special Trademark. Non-conventional marks may be visible signs or non-visible signs and generally comprise:

1. Colour marks
2. Sound/Aural marks
3. Scent/Smell/Olfactory marks
4. 3-D/Three-Dimensional marks
5. Flavour/Taste/Gustatory marks
6. Tactile/Feel marks
7. Motion/Animation marks
8. Hologram marks
9. Gesture marks

Liberal judicial interpretation has played an instrumental role in making the registration of non-conventional trademarks possible. However, from a global perspective non-conventional trademarks are still in an evolutionary stage. While in countries like the US and countries of the EU like Germany, the Benelux countries, United Kingdom, etc. several non-conventional marks have been recognised since long, in many countries including India the practice is yet to take off on a significant scale.

III. BASIC LEGAL FRAMEWORK

A. International Agreements

The Paris Convention for the Protection of Industrial Property² does not define 'trademark' even for the purposes of that particular Convention. While it lays down minimum standards with respect to industrial property including trademarks, it leaves the issue of deciding

² It was signed on March 20, 1883 and came into force on March 7, 1884.

what a registrable trademark is, to the contracting parties. Other international agreements with respect to trademarks - the Madrid Agreement,³ and its relating Protocol,⁴ the Nice Agreement for International Classification of Goods and Services,⁵ and the Vienna Agreement for International Classification of the Figurative Elements⁶ - were only meant to ease multi-nation registration. Consequently, they do not throw any light on the registrability of non-conventional trademarks.

The Trademark Law Treaty,⁷ for the first time, recognised non-conventional trademarks by giving a wider meaning to the term 'trademark'. The treaty applies to visible signs thus bringing within its purview colour marks. It obliges those contracting parties which accept the registration of three-dimensional marks to apply the treaty to such marks. The treaty explicitly excludes holograms or marks not consisting of visible signs particularly sound marks and olfactory marks. The World Trade Organisation's Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) has the distinction of being the only international agreement providing a definition of trademark. And it specifies that contracting parties may limit trademark registration to only visibly perceptible signs.⁸

³ The Madrid Agreement for the International Registration of Marks was adopted on April 14, 1891 and came into effect in 1892.

⁴ The Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks was adopted on June 27, 1989 and amended on October 3, 2006.

⁵ The Nice Agreement was concluded in 1957.

⁶ The Vienna Agreement for International Classification of the Figurative Elements of Marks was concluded in 1973.

⁷ The Trademark Law Treaty was adopted at Geneva on October 27, 1994 and came into force on August 1, 1996.

⁸ Art. 15(1) of the TRIPS states that any sign, or any combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings, shall be capable of constituting a trademark. Such signs, in particular words including personal names, letters, numerals, figurative elements and combinations of colours as well as any combination of such signs, shall be eligible for registration as trademarks. Where signs are not inherently capable of distinguishing the relevant goods or services, Members may make registrability depend on distinctiveness acquired through use. Members may require, as a condition of registration, that signs be visually perceptible.

B. Region Specific Agreements: The European Union

According to the regulation governing European Community Marks⁹ a Community Trademark may consist of any sign, or any combination of signs, capable of graphical representation that is capable of distinguishing the goods or services of one business from those of another.¹⁰ Signs which do not meet these requirements cannot be registered. Countries forming part of the EU, largely, have enacted their legislation in conformity with the provisions of the First Council Directive of December 21, 1988 and require marks to be capable of graphic representation. The grounds for refusal or invalidity in the member states are uniform, that is, signs which are devoid of distinctive character, which are descriptive, which have become generic, or which are contrary to public policy cannot constitute a trade mark.¹¹

C. Domestic Legislations

There is a significant difference between national laws across the globe *qua* the registrability of non-conventional trademarks: the law in some countries requires a mark to be visually perceptible, in others, the mark must be capable of graphical representation. The United States leads the camp with regard to the former category while the EU, India, Singapore among others belong to the latter category. The US remains the leader in terms of accepting the registration of non-conventional trademarks. Some non-conventional marks like sound and colour have been recognised in the US since more than half a century ago. Trademark jurisprudence in the US has become more liberal after the Supreme Court's decision in *Qualitex v. Jacobson Products Co.*¹² Hailed as a watershed in modern American trademark law, this case has widened the domain of trademarks to the extent that a mark may now be "almost anything at all that is capable of carrying meaning."

⁹ Art. 4, Council Regulation (EC) No. 40/94 of December 20, 1993 on Community Trademark states that the Community Trademark provides protection for a trademark meeting the registration requirements for the entire region of the European Union. The Office for Harmonization in the Internal Market (Trademarks and Designs) [OHIM hereinafter] is the body that promotes and manages Community Trademarks and Designs within the European Union. The Community Trademark and Design both grant their proprietors a uniform right valid in all member states of the European Union by means of one procedural system. The Office's task is to carry out registration procedures for titles to Community industrial property, keeping public registers of these titles and sharing with the courts in member states of the European Union the task of pronouncing judgment on requests for invalidation of registered titles.

¹⁰ *Id.* Art. 7(1).

¹¹ *Id.*, Art. 7.

¹² *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159 (1995).

The Lanham Act, which codifies US trademark law,¹³ defines trademark comprehensively as including "any word, name, symbol, or device, or any combination thereof" that identifies and distinguishes the goods and services of one person from those of another and indicates their source. The non-conventional trademark may be registered if it is proved that it is used in commerce,¹³ distinguishes one source from another and is not functional or descriptive.

IV. TYPES OF NON-CONVENTIONAL TRADEMARKS

A. Colour Marks

"Colour is essential to the brand-building process because it is the most visible first point of communication."¹⁴ Colours and colour combinations play a vital role in distinguishing products in the marketplace especially in places where consumers are illiterate or ignorant. That when asked what the Big Red, the Big Blue and the Big Black refer to, even a non quiz buff will reply - Coca Cola, International Business Machine (IBM) and United Parcel Service (respectively) - shows the important role colours play in the context of trademarks. Companies have been introducing colours or colour combinations to make products attractive and conspicuous.

Colour can be used as a trademark basically in two ways: either as a single colour or as a combination of colours. Historically, colour by itself, not as part of a logo or design (which together form trade dress), has been considered incapable of functioning as a trademark. The prevalent view on the use of colour as a trademark is that colour alone (whether consisting of a single colour or a combination of colours) should not be protected as a trademark but that a combination of colours by itself can be protected as trademark.

The opposition to registration of a single colour is based on the depletion doctrine and the shade confusion theory. According to the depletion doctrine, also called the colour monopolisation doctrine, once registration of a single colour is allowed, over a period of time hardly any colour will remain, for use by competitors. According to the theory of shade confusion, the use of a single colour could create confusion in the minds of the consumer, who thinking that he/she is purchasing the goods of the owner of a particular colour mark may end up purchasing the products of another manufacturer instead. For these reasons, a single colour mark was not considered to be a trademark for long. Notably the

¹³ S. 1, LANHAM ACT, 15 U.S.C. § 1051 (a) (1) (2002).

¹⁴ Martin Lindstrom, BRAND SENSE: BUILD POWERFUL BRANDS THROUGH TOUCH, TASTE, SMELL, SIGHT, AND SOUND 47 (2005).

expression 'combination of colours' has been expressly included as a form of mark that can be used as a trademark, in several legislations¹⁵ including TRIPS, which does not mention the protection of a single colour mark, but expressly provides that a combination of colours "shall be eligible for registration as trade mark".¹⁶

However, it is now well-settled that a colour itself or in combination with other colour(s) is registrable, provided the scope of the colour mark being registered has been clearly specified. In fact the more uncommon a colour is, the better are the chances of its registration, since registration can be justified on the ground of attainment of secondary meaning. Special care is usually exercised while granting registration of colour marks to the same mark owner, to check monopolisation.¹⁷

The position in the US

A colour mark, a single colour or a combination of colours, can be registered in the US once acquired distinctiveness is shown. The first colour mark was registered in the US in 1985 for pink fibreglass after the Court of Appeals for the Federal Circuit in *Owens-Corning Fiberglas Corp.*¹⁸, noting the change that came with the passage of the Lanham Act in 1946, held that the use of the colour pink for fibreglass was arbitrary and fanciful, and served to designate the source of the goods, so that it was a proper trademark and registrable as such.

For long there was a difference of opinion with respect to the exclusive use of a specific colour as a trademark. However, the law has been made clear in the *Qualitex* case, that when a colour meets "ordinary legal trademark requirements", "no special legal rule prevents colour alone from serving as a trademark."¹⁹ The case related to the protectability of "a particular shade of green-gold" used on the top and side surfaces of press cover pads which Qualitex made and sold to dry cleaning firms for use on their dry cleaning presses. Qualitex had

¹⁵ Some countries have specifically prohibited the registration of single colour mark viz. Austria, Germany, Portugal and Spain. Trademark law of France allows registration of a single colour or combination of colour.

¹⁶ See, *supra* n. 8 at 4.

¹⁷ In *KWS Saat AG v. OHIM (Trademarks and Designs)* (case no. C-447/02 P decided by ECJ on October 21, 2004) the applicant sought to register the colour orange for a range of services and products relating to seed preparation and marketing. The ECJ accepted that orange was registrable in principle, but only on the condition of proving absence of use: it confirmed registration for consultancy services, but not for machinery and seeds, since in these the market did not treat colour as distinctive of particular producers, and the other producers too used orange in their goods and services.

¹⁸ 774 F.2d 1116 (Fed. Cir. 10/08/1985).

¹⁹ *Qualitex*, 514 U.S. 159 (1995) at 161.

registered the mark under section 2(f) of the Lanham Act²⁰ but the Ninth Circuit held that colour alone could not serve as a trademark and thus is not registrable.

The US apex court set aside the Circuit Court's finding and held that Qualitex's colour mark was valid and had been infringed. With respect to the "colour depletion" argument, the court concluded that the colour depletion problem would rarely arise and could be resolved, if necessary, by applying the functionality doctrine²¹ to prevent anti-competitive results. The court recognised that a colour which has a function in relation to the product must remain available to competitors, but that the doctrine cannot be an impediment to the use of colour alone, because "sometimes colour alone is not essential to a product's use or purpose and does not affect cost or quality."²² In the instant case the court held that the colour green-gold had no other function except identifying the source of the press pads.

The shade confusion theory was also rejected on the ground that the courts are equipped to decide questions of likelihood of confusion in cases involving all types of trademarks including those involving colour. The court noted that the Lanham Act provides for the use of colour, pure and simple as trademark: the pre-Lanham Act authority holding colour unprotectable in principle had been replaced by the broad language of the Act and when Congress re-enacted the terms "word, name, symbol, or device" in the Trademark Law Revision Act of 1988, it explicitly intended²³ to include colour as a trademark.

The position in the EU

TRIPS, which was approved by the European Council on behalf of the European Community, includes the protection of a combination of colours as a trademark. However, it neither obliges its member states to protect a single colour as trademark, nor does it prohibit them from doing

²⁰ The registration no. of the mark was 1,633,711. It was registered on February 5, 1991 on the basis of acquired distinctiveness.

²¹ The doctrine of functionality originated and developed in the US. It has been adopted and applied by almost all trademark authorities and courts. since. The functionality doctrine limits the scope of trade mark protection by stating that if a product's feature is functional, it is prohibited from being used in a trade mark where doing so will put a competitor at a significant disadvantage. The ultimate test is whether the recognition of trademark rights would significantly hinder competition.

²² *Qualitex*, 514 U.S. 159 (1995) at 165.

²³ 15 U.S.C. § 11F. The Senate Report on the Trademark Law Revision Act of 1988 states that the amendments kept the words "symbol, or device" so as not to preclude the registration of colours, shapes, smells, sounds or configurations where they function as trademarks." S. Rep. No. 515, 100th Cong., 2d Sess. 44 (1988).

so. The two initiatives that form the trademark law of the European Union — the European Community Trademark Harmonization Directives²⁴ (Council Directive hereinafter) and the Community Trademark Regulation (CTR hereinafter) — do not preclude the possibility of registering one or several colours as a trademark.

Article 2 of the Council Directive states that a “trade mark may consist of any sign capable of being represented graphically... provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings.” It is acknowledged in the Community that “a colour mark *per se* is a mark composed of one colour or several colours, regardless of any specific shape or configuration” and can be registered as a trademark. Implementing Regulation and Office for Harmonization in the Internal Market (Trademarks and Designs) [OHIM hereinafter] Guidelines²⁵ permit the registration of a colour trademark. Joint statements²⁶ by the Council and the Commission too do not rule out the possibility of registering a combination of colours or a single colour as a ‘community trademark’.²⁷

The Community Trademark Office recommends that where registration of a colour mark is applied for, the indication of the colour and where possible a designation from an internationally recognised identification code, ought to be included. Where such an indication is not possible, for example, because the colour or shade of colour does not exist in the coding system, appropriate indications to this effect may be made in the application for registration.²⁸

The first ‘community trademark’ for a single colour was registered in 1999 for lilac/purple colour.²⁹ Several registrations for combinations of colours as trade marks have also been granted by the OHIM.³⁰ The

²⁴ Art. 2, COUNCIL DIRECTIVE (EC) No. 89/104/EEC of December 21, 1988; Art. 4, COUNCIL REGULATION (EC) No. 40/94 of December 20, 1993 on the Community Trademark, [1994] O.J.L. 11/1.

²⁵ See, Art. 3.7.1 and Art. 3.7.4.

²⁶ OHIM OJ 5/96, at 613.

²⁷ Nguyen Nhu Quynh, SPECIAL TRADE MARKS — LEGISLATION AND THE SITUATION IN THE EUROPEAN COMMUNITY, Unpublished Master Thesis submitted to Lund University, Sweden, available at [http://www.jur.lu.se/Internet/english/essay/Masterth.nsf/0/68C64DF621962232C1256BC9003CD2F0/\\$File/xsmall.pdf?OpenElement](http://www.jur.lu.se/Internet/english/essay/Masterth.nsf/0/68C64DF621962232C1256BC9003CD2F0/$File/xsmall.pdf?OpenElement) 32 (2002) (last visited January 25, 2007).

²⁸ Communication No. 06/03 of the President of the Office of November 10, 2003, available at <http://oami.europa.eu/en/office/aspects/communications/06-03.htm> (last visited January 27, 2007).

²⁹ CT application no. 000031336.

³⁰ A total of 516 community colour marks have been registered by OHIM between 1996 and 2007. See, Statistics of Community Trademarks 2007 (as on January 31, 2007).

majority of registered colour marks consist of colour(s) in combination with other elements such as words, devices or the shape of goods or their packaging. Colour marks are next only to 3D marks in terms of number of applications and registrations by OHIM, in the category of non-conventional trademarks.³¹

Graphical representation being mandatory for registration of non-conventional trademarks in the EU, as to what fulfils the requirement is something that has baffled applicants, trademark offices as well as the courts. The European Court of Justice (ECJ hereinafter) in *Libertel Groep BV v. Benelux Trade Mark Office*³² examined the issue of graphical representation in detail. The principle issue for consideration in this case was whether the mark consisting of a single colour (orange) could be registered as a trademark. A sample of the colour on a flat surface, a description in words of the colour and the internationally recognised colour identification code accompanied the application. The ECJ reiterated the criteria laid down in the *Ralf Sieckmann Case*.³³ The court concluded that colour sample alone cannot pass the test, because it is not durable and would lose its original shape with the passage of time. It suggested that the problem of “clear, precise, self-contained, easily accessible, intelligible, durable and objective” might be addressed by “a verbal description of a colour” or “by adding a colour designation from an internationally recognised identification code” such as Pantone, Colour Code, RGB Colour Code or RAL Colour Code.

B. Scent Marks

The recognition of scent marks as trademarks varies across the globe. Except the Trademark Law Treaty,³⁴ which explicitly excludes the registration of scent marks, no international convention expressly provides for the registration or otherwise of scent marks. While some countries prohibit scent mark registration, others have allowed it. In still other countries³⁵ domestic legislation neither provides for nor prohibits

available at http://oami.europa.eu/pdf/office/SSC009_Statistics_of_Community_Trade_Marks_2007.pdf at 19 (last visited January 18, 2007).

³¹ A total of 4358 community 3-D marks have been registered between 1996 and 2007 (as on January 31, 2007) by OHIM. *Ibid*.

³² 2003 E.T.M.R. 63.

³³ *Infra* n. 50.

³⁴ *Supra* n. 7.

³⁵ Countries explicitly prohibiting scent mark registration include Brazil, China and Mexico. Countries that explicitly authorize and/or allow scent mark registration include Australia, the United Kingdom and the United States of America. Countries where scent mark registrability remains undetermined include Canada, Japan and India.

the registration of scent marks and the occasion for express judicial imprimatur has not arisen so far.

The distinctiveness of smell is assessed according to two standards - the smell itself and the perceptivity of the human nose. Difference in personal perception and physical limitations pose a challenge in identifying the narrow, specific, precise and clear scope of a smell. While a mere description, for instance, 'scent of fresh cut grass'³⁶ or 'scent of plumeria blossoms'³⁷ does not really define the mark in unambiguous terms. Consequently, the purpose which a smell mark is meant to serve (as a reliable indicator of trade source) is frustrated, which can affect the protection of the mark holder's interest from infringement. Further, there is a universal preference for certain scents, for instance, a 'clean' or 'fresh' smell in laundry detergents. The grant of a monopoly over particular smell marks may lead to the depletion of the limited number of desirable scents too, which would be fatal for competitors.

The position in the US

Scent marks that are distinctive and non-functional are eligible for federal trademark registration³⁸. Various scent marks including fruit fragrances for lubricants and motor fuels³⁹ have been registered. A scent mark was granted in the US for the first time, in 1990, by the Trademark Trial and Appeal Board in the case of *In Re Celia Clarke, DBA Clarke's Osewez*⁴⁰ for a fragrance described as "a high impact, fresh floral fragrance reminiscent of plumeria blossoms" used in embroidery yarn and thread. The applicant presented evidence that she was the only existing producer of scented yarn in the country, her advertisements promoted the scent of her product, and that customers, dealers and distributors of her scented yarns and threads recognised the applicant as

³⁶ *Venootschap onder Firma Senta Aromatic Marketing*, see, *infra* n. 46.

³⁷ *In Re Celia Clarke*, see, *infra* n. 40.

³⁸ S. 1202.13, TRADEMARK MANUAL OF EXAMINING PROCEDURE (TMPE hereinafter) (2005).

³⁹ Mike Mantel d/b/a Manhattan Oil has registered a "cherry scent" for "synthetic lubricants for high performance racing and recreational vehicles" under registration number 2463044. The same registrant owns registrations for "lubricants and motor fuels for land vehicles, aircraft, and watercraft" too: registration number 2568512 for "the grape scent of the goods" and registration number 2956156 for "the strawberry scent of the goods".

⁴⁰ The Board made a distinction in this case between the registrability of scents supplied by the applicant and "scents or fragrances of products which are noted for those features, such as perfumes, colognes or scented household products." 17 U.S.P.Q. 2d 1238 (TTAB 1990) at 1239.

the source of the goods. Consequently, the applicant was allowed to register the scent mark.

To be eligible for registration the scent mark should not be functional, as in the case of perfumes, colognes, or air fresheners. No drawing is required, as is the case with sound marks, for registration.⁴¹ However, "a detailed written description of the mark" explaining the scent and a page indicating "No Drawing" where the mark would otherwise have appeared⁴² is required. Usually applicants soak blotter paper in the fragrance and hermetically seal the paper holding the scent to ensure the presence of the fragrance.⁴³ However, to satisfy the specimen requirement the actual product can be submitted if it is small enough.⁴⁴

The position in the EU

Scent marks are not mentioned in the EC trademark legislation. Even in the OHIM Guidelines there is little on scent marks.⁴⁵ So, theoretically the EU permits the registration of scent marks. After the *Re Celia Clarke* case of US, the "smell of fresh cut grass" for tennis balls was registered as a European trademark granted to *Venootschap Onder Firma Senta Aromatic Marketing*.⁴⁶ The Second Board of Appeals⁴⁷ at OHIM ruled that the "smell of fresh cut grass" satisfied the requirements of "graphic representation" as required by Article 4 of the Community Trade Mark Regulation. It observed that "the smell of freshly cut grass is a distinct smell that everyone immediately recognises from experience."⁴⁸ The Board concluded that the description gave a clear and unambiguous idea of what the mark was, to those reading it. The judgment was severely

⁴¹ 37 C.F.R. § 2.52(a)(3); § 2.52(e) TMPE (2003), § 807.09 TMPE (2005). See, e.g., the mark of Midwest Biologicals with the registration number 2560618 registered for "oil based metal cutting fluid and oil based metal removal fluid for industrial metal working" and described as "[t]he mark is a scent mark having the scent of bubblegum."

⁴² TMPE § 807.09 (2005).

⁴³ See, Faye M. Hammersley, *The Smell of Success: Trade Dress Protection for Scent Marks*, 2 MARQ INTELL PROP L REV 105 at 133 (1998).

⁴⁴ For instance, the applicant had submitted a sealed kit containing sample of the scented yarn in *re Clarke Case* (17 U.S.P.Q. 2d at 1239).

⁴⁵ A total of seven olfactory marks have been registered by OHIM between 1996 and 2007. See, Statistics of Community Trademarks 2007, *supra* n. 30.

⁴⁶ *Venootschap Onder Firma Senta Aromatic Marketing's Application*, [1999] E.T.M.R. 429.

⁴⁷ Trademark applications in EU are filed in the Office for Harmonization in the Internal Market (OHIM) decision of which can be appealed before the office's Board of Appeals, and thereafter either to the Court of First Instance or the ECJ. The ECJ hears appeals only on matters of law.

⁴⁸ *Supra* n. 46 at para 14.

criticised on the ground that the Board did not address the concerns raised by the examiner, in particular as to whether the verbal description of the mark was sufficient to fulfil the graphical representation requirement. However, the decision did not change the general line taken by OHIM examiners to refuse registration when a mere description substituted graphical representation. It was only in one other case that the Third Board of Appeal found the description, "scent of raspberries" to be precise, clear and unequivocal enough to furnish a sufficiently secure representation of the smell.⁴⁹

In *Ralf Sieckmann v. Deutsches patent-und Markenamt Chanel* (German Patent Office)⁵⁰ case the ECJ attempted to reconcile the graphical representation requirement of European Community Marks with the lack of an express prohibition against scent mark registration in the CTR.⁵¹ In this case, the registration of a scent mark was rejected on the basis of non-fulfilment of the graphical representation criterion. The applicant not only described the mark in words as the "pure chemical substance methyl cinnamate (cinnamic acid methyl ester)" but also provided the chemical formula of the underlining composition of the smell. The applicant also submitted an odour sample of the mark in a sealed container and stated that the scent was usually described as a "balsamically fruity scent with a slight hint of cinnamon".⁵²

The German Patents Court referred the case to ECJ asking for guidance on the acceptable form of graphical representation by suggesting four options: chemical formula, written description, sample or a combination of any of these. The ECJ interpreted Article 2 of the CTR as denoting that a Community mark may consist of a sign which is not in itself capable of being perceived visually, provided that the sign can be represented graphically by images, lines or characters and that the representation of the sign is "is clear, precise, self-contained, easily accessible, intelligible, durable and objective."⁵³ The court rejected all the four alternatives. It held that representation by chemical formula was not sufficient as it did not represent the smell of a substance but rather the substance itself; by representing a mark as a chemical formula, the

⁴⁹ Nonetheless, registration was refused on the ground that it was not sufficiently distinctive for the products for which it was intended to be used that is fuels, including motor fuels.

⁵⁰ Case C-273/00, *Ralf Sieckmann v. Deutsches patent-und Markenamt*, (before the ECJ) 2003 ETMR decided on December 12, 2002.

⁵¹ EC Council Directive 89/104/EEC of December 21, 1988 to approximate the laws of the member states relating to trademarks.

⁵² *Sieckmann*, *supra* n. 50 at para 13.

⁵³ *Sieckmann*, *supra* n. 50 at para 55.

applicants would only be setting out the chemical composition and the measurements needed to arrive at a pre-determined result; they would not be setting out the smell itself. It was further held that representation by chemical formula lacks clarity and precision as very few people would be capable of interpreting a smell from the formula. Also, the same substance would produce different smells depending on the surrounding temperature, concentration, or the surface onto which the substance was applied. Moreover, depositing a sample would not suffice because it did not constitute effective graphical representation: odour being volatile may fade and even disappear over a period of time and a sample being difficult to register could not be published with sufficient clarity and accuracy. A combination of the above-mentioned ways of graphic representations too was rejected.

The ECJ's strict interpretation of the requirement of graphical representation for the registration of scent marks after the *Sieckmann Case* makes it virtually impossible to register a smell mark, at least till such time that there is technology which can identify smells with sufficient clarity, precision and objectivity.⁵⁴ The ruling has created a contradictory situation in Europe with respect to registration of scents: while applicants are not barred from applying for the registration of scent marks, in the absence of acceptable methods of the graphical representation of scent marks on trade-mark applications such applications are bound to be rejected. Post the *Sieckmann Case* some countries⁵⁵ have gone on to simply rejecting applications for the registration of scent marks.

C. Sound

The sound mark of Intel⁵⁶ is a familiar tune. Sound marks can be validly registered in several countries including the US, the UK, Canada, Germany, France and Italy. The reduction of sound to clear and precise terms, though possibly not as challenging as scent, is not easy either. Although sound can be represented through musical notes, the *Sieckmann* objection would still apply to sound marks as well, that a description through musical notes would merely denote the music and is not the music itself. Further, while indicating pitch, a written note does not indicate tone, which can be as varied as the music itself. Other issues of

⁵⁴ See, *Sound, and Smell Trade Mark Registrations: Sound, or a Bit Fishy?* 25 BUS L REV 1190 at 1191 (2004).

⁵⁵ See, item 3.4, *Guidelines for Examination of Trademarks* 6 (2005), Benelux Intellectual Property Office.

⁵⁶ The Intel sound mark "consists of a five tone audio progression of the notes D flat, D flat, G flat, D flat and A flat". Its Registration number is 2315261 (U.S.).

concern include that musical notes are technical in nature and can be understood or played only by experts and are beyond the comprehension of the general consumer. An oft-suggested solution is that a digital recording of the sound be deposited with the Registrar. But the suggestion has been rejected, as it is neither possible for the trademark registry to publish the exact sound, nor is it feasible for the registry to store large numbers of sound recordings.

The position in the US

Unlike scent marks, the validity of sound marks has been accepted in the US federal courts for long and sound marks have been registered for a host of products and services. The NBC chime is one of the earliest sound trademarks of the world; it was registered more than fifty years ago by the United States Patent and Trademark Office (USPTO hereinafter) as a service mark for radio broadcast services. Another well known sound mark is that of a roaring lion registered by MGM in 1986.⁵⁷

The general trend in the US is that inherent distinctiveness or acquired distinctiveness through attainment of secondary meaning of the sound mark should be established and not graphical representation as in the EU. The crucial factor in case of sound mark is that the mark is associated only with the source of the registrant and should not "resemble or imitate 'commonplace' sounds or those to which listeners have been exposed under different circumstances."⁵⁸ A detailed description of the mark along with a specimen of the sound, through audio cassettes, compact discs or a musical score⁵⁹ is required.



⁵⁷ Its registration number is 1395550. Interestingly, MGM was able to register its sound mark by just a plain description: "The mark comprises a lion roaring."

⁵⁸ See, *In re General Electric Broadcasting Co., Inc.*, 199 U.S.P. Q. 560 (TTAB 1978) at 561, 562.

⁵⁹ See, 37 C.F.R. § 2.56 (2003). Also see, TMEP § 1202.15, which states that "to show that the sound mark actually identifies and distinguishes the services and indicate their source, the specimen should contain a sufficient portion of the audio content to indicate the nature of the services."

Nokia Signature Tune: Sound Mark of Nokia Corporation⁶⁰

The position in the EU

The protection of community sound marks is neither specifically excluded nor included in the Harmonisation Directive or the CTR. The OHIM Guidelines provide for the registration of sound marks, but the manner in which this might be done has not been clearly laid down. While EU member states like Germany, France and Italy explicitly provide for the protection of sound marks, in other member states like the UK and Sweden, sound marks are not included or precluded from registration. The requirements also vary across borders. For instance, in Hungary and the Benelux countries⁶¹ the musical notation and a tape recording are required, while in Norway the sample has to be submitted as an MP3 file; in Germany a sound recording is to be filed and sonograms, though allowed earlier, are after a 2005 amendment, not allowed any longer.⁶²

The sevenfold requirement of "clear, precise, self-contained, easily accessible, intelligible, durable and objective" representation applies to all non-conventional trademarks including sound marks, after the ECJ dictum in *Sieckmann*. In *Shield Mark BV v. Joost Kist Trading As Memex*⁶³ the application submitted for registration included representation in various formats - a written description, onomatopoeia, and musical composition. In that case, the ECJ concluded that sound marks were registrable but it was mandatory to satisfy the requirement of graphical representation. The court rejected representation by written description on the ground of lack of precision and clarity, which made it difficult to define the scope of protection; and by onomatopoeia because it creates a disparity between the written words and the sound, and it may be perceived differently by different individuals. The ECJ also rejected registration by graphical representation in the form of a written description of the musical notation, on the ground of lack of any indication of pitch and duration forming the melody, the use of different

⁶⁰ The signature tune of the Nokia Corporation is a European Community Trademark. Its registration number is 1040955. The same mark, with registration no. T0500415G, is also registered with the Intellectual Property Office of Singapore [IPOS]. The description of the mark is: "The mark is a distinctive sound comprised of the following musical notations: e, d, f sharp, g sharp, c sharp, b, d, e, b, a, c [,] sharp, e, a."

⁶¹ See, item 3.3, GUIDELINES FOR EXAMINATION OF TRADEMARKS 6 (2005), Benelux Intellectual Property Office.

⁶² Amendment of the German Trademark Regulation on October 15, 2003.

⁶³ 2004 E.T.M.R. 33. In that case a Dutch firm had fourteen registered sound marks - eleven of those marks were the opening nine notes of *Fur Elise* and three were the sound of a cock crowing.

tempo and dynamics by different pianists and insufficiency to gather the complete sound from the register. However, the ECJ accepted registration on the basis of detailed musical notation by means of sheet music in bar and stave notation, showing clefs, accidental and rest marks, pitch and duration, which in its view satisfied the graphical representation requirement and was "easily accessible" and "intelligible".

The case did not concern the two obvious modes of representing sound mark — sound recording and sonogram — and hence did not throw light on their validity. The Fourth Board of Appeals (Board hereinafter) in *Metro-Goldwyn-Mayer Lion Corp's application*⁶⁴ recognised the impracticability of the use of musical notation when the sound is not musical in nature but a commonplace sound like thunder or noise produced by an animal.⁶⁵ The Board held that the representation by sonogram⁶⁶ of a non musical mark accompanying the application was sufficient and rejected the argument that a sonogram is unintelligible because consumers or examiners cannot read it. It held the representation to be satisfactory and "superior to that of musical notation, since more nuances and, in particular, sound characteristics are depicted."

It thus seems that the US has a more liberal policy than the EU in terms of the requirement of representation or description of a sound mark. *Shield's ratio decidendi* may be too demanding since, after all, the need of a medium shall have to be taken for representation. The best alternative is to have a computerised registry having digitally recorded sound marks and a mandatory written description in the form of a detailed musical note or sonogram which can be handy in case of disputes over infringement. In infringement proceedings the balance would definitely weigh in the favour of a distinctive sound, in comparison to a commonplace sound.⁶⁷ Concern over the publication of sound marks can

⁶⁴ Case R-781/1999-4, 2004 E.T.M.R. 34.

⁶⁵ The onomatopoeic representation of animal or bird sounds varies for different languages. A cock's crow may be written differently in Hindi, English and Dutch as "kukudookoo" "cock-a-doodle-doo" and "Kulkelekuuuuu" respectively.

⁶⁶ A sonogram or sound spectrogram is a "three-dimensional depiction of the distribution of a signal's frequency content (blackening) versus frequency (vertical axis) and time (horizontal axis)." The vertical axis represents the pitch, the horizontal axis represents the duration, and the blackening represents the volume.

⁶⁷ In *Ride the Ducks, L.L.C. v. Duck Boat Tours, Inc.*, 2005 U.S. Dist. LEXIS 4422 (E.D. Pa. March 21, 2005) the plaintiff owned the registration for "a quacking noise made by tour guides and tour participants by use of duck call devices throughout various portions of the tours." The district court held that the sound of quacking was too familiar a noise to qualify as inherently distinctive. And that the mark had not achieved secondary meaning by virtue of long use. Further, the advertisement did not emphasize the mark and the plaintiff had "presented no evidence that a person apprehending a

be addressed by publishing them on the Internet for the knowledge of the interested parties.

D. Three-Dimensional Marks

A variety of products — watches, cakes, candy, flashlights, soap, detergent capsules, bottle shapes — have been registered as three-dimensional (3-D) marks. Broadly speaking, a 3-D mark is a mark consisting of a 3-D shape which may include containers, packaging or the product itself.

The position in the US

In the US, three-dimensional shapes and features are protected as trade dress. Such marks can be registered on showing of acquired distinctiveness and proof of non-functionality. The applicant must include a drawing that presents the mark in three dimensions⁶⁸ and if it is believed that a single drawing is incapable of representing, then a petition for waiver of the requirement that only one drawing can be submitted can be filed.⁶⁹

In *Wal-Mart Stores, Inc. v. Samara Brothers, Inc.*⁷⁰ the US Supreme Court held product design as not inherently distinctive. It noted that product design presents certain problems for those who wish to claim trade or service mark protection for the said designs, as consumers believe that even the most unusual product design "such as a cocktail shaker shaped like a penguin" is not meant to identify the source of a product, but rather to enhance its utility or appeal. Accordingly, the practice in the US is that any mark that consists of a configuration of a product or portion thereof, without proving acquired distinctiveness is not registered. Building design or architectural trade dress is also registrable as 3-D mark when distinctive and non functional, and it often acts as service mark for franchises. Notably while buildings are not registrable as trademarks, the form of goods, their packaging alone or their shape in combination with other signs such as a word, figurative or colour(s). The 3-D mark may be represented either by line drawings or by photographs.

quacking noise on the streets of Philadelphia would reflexively think of the services provided by [plaintiffs]."

⁶⁸ *In re Schaefer Marine Inc.*, 223 USPQ 170, 175 n. 1 (TTAB 1984).

⁶⁹ AIPPI, SUMMARY REPORT ON CONDITIONS FOR REGISTRATION AND SCOPE OF PROTECTION OF NON-CONVENTIONAL TRADEMARKS IN UNITED STATES at 4.

⁷⁰ 54 USPQ2d 1065 (2000); 529 U.S. 205.

Six different perspectives of the mark may be supplied, provided that these fit on one sheet. A written description of the mark is optional.⁷¹

Shape marks must satisfy the requirement of distinctiveness. They should not designate the kind, quality or intended purpose of the product or service, and cannot consist exclusively of "the shape which results from the nature of the goods themselves, or the shape of goods which is necessary to obtain a technical result, or the shape which gives substantial value to the goods."⁷² Commonplace shapes or general shapes with minor variations are devoid of any distinctive character and cannot be registered. In *Procter & Gamble Co. Washing Machine Case*, the ECJ considering the extent to which shapes are capable of being trademarked stated that the more closely a shape for which registration was sought resembled the shape most likely to be taken by the product in question, the greater the likelihood of the shape being devoid of any distinctive character. Accordingly, only a trademark which departs significantly from the norm of the relevant sector is likely to have distinctive character. Agreeing with the lower court's (Court of First Instance) view that the level of attention given by the average consumer to the shape and colours of washing machines and dishwasher tablets, being everyday consumer goods, is not high and that the 3-D shape for which registration has been sought, namely a square tablet, is a basic geometrical shapes and is an obvious choice for a product intended for use in washing machines or dishwashers, the ECJ refused registration.

Thus, it is clear that if the feature is designed to achieve a technical result it is unregistrable, even if other shapes could also achieve the same result.⁷³ A striking or unusual shape is not guaranteed registration either. Where the shape is devoid of any distinctive character, the sign may still be accepted if it contains additional elements such as get up, words or devices that make it distinctive. However, registration is not granted where the added matter is unclear, or devoid of any distinctive character.

E. Flavour Marks

The unique flavour of a product may be its USP: consumers do associate a product with its taste or flavour. Thus, the unique taste of a

⁷¹ See, Ruth Annand & Helen Norman, *Blackstone's Guide to the Community Trademark* 31 (1998).

⁷² Art. 7(1), COUNCIL REGULATION (EC) No. 40/94 of December 20, 1993 on the Community Trademark.

⁷³ See, *Koninklijke Philips Electronics NV v. Remington Consumer Products Ltd.*, [2003] R.P.C. 2 at 28, 29 (ECJ); *Mega Bloks Inc. v. Kirkbi A/S*, Office for Harmonization in the Internal Market (Trademarks and Designs), Cancellation Division, 63 C 1070291/1 (July 30, 2004).

particular product may become its trademark. However, no different from the other non-conventional trademarks, functionality concerns and generic character have been the major impediments in the registration of flavour marks. For instance, strawberry toothpaste or vanilla bubblegum are likely to be found functional because of their "refreshing and appealing" attribute and generic because of their common use by several manufacturers. The only way flavour marks that are not inherently distinctive can be registered is if and when it is proved that they have acquired distinctiveness.

The Position in the US

Where the registration for "an orange flavour" as a trademark for "pharmaceuticals for human use, namely, antidepressants in quick-dissolving tablets and pill" was sought, the Trademark Trial and Appeals Board⁷⁴ (TTAB hereinafter) affirmed the USPTO's refusal to register, finding the alleged mark to be *de jure* functional and incapable of functioning as a trademark for the goods. It ruled that "flavour performs a utilitarian function that cannot be monopolized without hindering competition in the pharmaceutical trade." The Board found that "consumers would not view the orange flavour of an antidepressant tablet or pill as a trademark; rather, they would consider it only as just another feature of the medication, making it palatable." However, the Board has left the door open for possible registration of a flavour as a trademark in some situations, by observing that "any registration of a flavour requires a substantial showing of acquired distinctiveness." Understandably, *Organon* could not produce any such evidence.

The position in the EU

Post the *Sieckmann* case the possibility of successful registration of a taste mark is very limited. Such a mark is most likely to be considered as not fulfilling the requirements of graphical representation. Technological advancements however may change the scenario in the near future.

F. Tactile Marks

Tactile or touch marks are yet to gain recognition either in the US or in the EU. After the *Sieckmann* case, in the EU, registration of touch marks is problematic, if not impossible. It is most likely that they will be considered as not meeting the requirement of graphical representation. However, attempts at having such marks registered are still on. The German Federal Supreme Court in a recent case⁷⁵ has held that a tactile

⁷⁴ *In re Organon N.V.*, 79 USPQ2d 1639 (TTAB 2006).

⁷⁵ Case No. I ZB 73/05.

mark is, as a general principle, eligible for registration where it allows the tactile perception of the mark by the public in "clear, precise, self-contained, easily accessible, intelligible, durable and objective" terms.⁷⁶



A tactile mark sought to be registered in Germany unsuccessfully

Contrary to the decision of the German Federal Patent Court, the German Federal Supreme Court held that it is not necessary for an applicant to be able to describe the tactile impact of an applied for tactile mark, on the part of the person who perceives the mark. Thus, the applicant of a tactile mark can avoid having to describe the — often complicated and subjective — haptic stimulus that results from feeling an object. The court provided guidance for practitioners by stating that an applicant should specify in detail the proportions of the dipping and uprising elements of a physical surface. In the case at hand, the applicant failed to fulfil the procedural requirements set by the court. So, the appeal was rejected.

G. Motion Marks

Enterprising marketers have got motion marks registered. Motion marks are essentially composite logos, with the additional element of movement possible because of the advent of latest technologies. Motion marks distinguish goods by using images in motion on a medium viz. a computer, television or any other screen. Several motion marks have already been registered in the US. Most moving image marks can be

⁷⁶ The German Federal Supreme Court reiterated the requirements of graphical representation laid down by the European Court of Justice (E.C.J.) in *Sieckmann* (Case C-273/00 concerning an olfactory mark) and *Shield Mark/Kist* (Case C-283/01 concerning a sound mark).

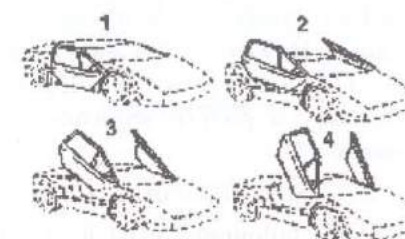
represented graphically. The level or degree of distinctiveness is usually examined case by case to see whether a specific moving mark is distinctive.

The position in the US

Like traditional word and logo marks, the requirement according to Rule 2.52 (3) is a description of the motion mark and a drawing either showing a single point in the movement or a maximum of five freeze frames depicting various points in the movement, which best depicts the commercial impression of the mark.⁷⁷



Motion mark of Columbia Pictures⁷⁸



Motion mark of Automobile Lamborghini Holding S.P.A. Corporation Italy⁷⁹

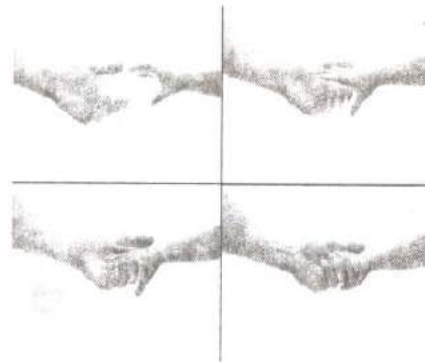
⁷⁷ 37 C.F.R. § 2.52 (3); TMEP § 807.11.

⁷⁸ This mark with the Registration number 1975999 was registered on May 28, 1996 by Columbia Pictures Industries, Inc. with the description: "The mark consists of a moving image of a flash of light from which rays of light are emitted against a background of sky and clouds. The scene then pans downward to a torch being held by a lady on a pedestal. The word 'COLUMBIA' appears across the top running through the torch and then a circular rainbow appears in the sky encircling the lady."

⁷⁹ This mark with the registration number 75883661 was registered on December 16, 2003 with the description: "The mark consists of the unique motion in which the door of a vehicle is opened. The doors move parallel to the body of the vehicle but are gradually raised above the vehicle to a parallel position. The matter shown in dotted lines is not part of the mark." Notable the same mark with the registration number 1400092 and description: "The trademark refers to a typical and characteristic

The position in the EU

In the European Union, after the *Sieckmann* judgement, motion marks have been registered only after they have been found to satisfy the requirements of graphical representation and distinctiveness. Some of the motion marks that have been registered as CT have been illustrated below:



Motion mark of Nokia Corporation⁸⁰

H. Hologram Marks

The Trademark Law Treaty⁸¹ explicitly excludes holograms from the scope of its application. However, after the broadening of the definition of trademark by the TRIPS agreement, a hologram can be registered. In hologram marks, usually a picture sequence is used to perform the function of a trademark.

The position in the US

In the United States holograms used in a variety of forms can be registered, provided consumers perceive the mark as a trademark,⁸² viz. it has attained secondary meaning and is not functional. If a hologram has two or more views then usually the mark is refused registration⁸³ on the

arrangement of the doors of a vehicle. For opening the doors are "turned upwardly", namely around a swiveling axis which is essentially arranged horizontal and transverse to the driving direction." was refused registration as a Community Trademark in EU.

⁸⁰ Mobile giant Nokia Corporation has got this mark registered in several countries: It has been registered in USA (Registration number 79003468) under the following description: "The trademark consists of an image of a man's hand and a child's hand which appear in sequence, whereby the man's hand and the child's hand converge in the positions illustrated in the top left and right figures, and the man's hand and child's hand touch and clasp in the positions illustrated in the bottom left and right figures respectively."

⁸¹ *Supra* n. 7.

⁸² TMEP §1202.14.

⁸³ Under Ss. 1 and 45 of the Trademark Act, 15 U.S.C. Ss. 1051 and 1127.

ground that the application seeks registration of more than one mark. Usually a drawing of the mark that captures the dimensions thereof is to be submitted along with a detailed written description of the mark.

In *re Upper Deck Co.*⁸⁴ the TTAB held that a hologram used on trading cards in varying shapes, sizes, and positions did not function as a mark, because the record showed that other companies used holograms on trading cards and other products as anti-counterfeiting devices, and there was no evidence that the public would perceive the applicant's hologram as an indicator of source. The Board noted that "the common use of holograms for non-trademark purposes means that consumers would be less likely to perceive applicant's uses of holograms as trademarks."⁸⁵ The Board affirmed the refusal to register the mark also on the ground that it was a "phantom" mark, i.e., the hologram, without further definition, constituted more than one "device" or mark, as contemplated by Section 45 of the Trademark Act. Notably, Upper Deck Company was successful in getting another mark registered.⁸⁶

The position in the EU

A hologram mark can be registered in the EU if, applying the *Sieckmann* criteria, it can be — graphically represented, preferably by means of images, lines or characters — such that the representation is clear, precise, self-contained, easily accessible, intelligible, durable and objective. There are several registered hologram marks in the EU.⁸⁷

I. Gesture Marks

Even a gesture, the motion of hands or body to emphasize or help to express a thought or feeling, can be a trademark. However, gesture marks are probably the most contested category of non-conventional trademarks

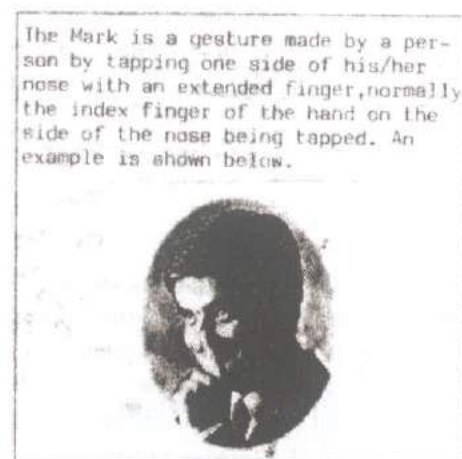
⁸⁴ 59 USPQ2d 1688 (TTAB, 2001). The mark was registered on June 27, 2000 (Registration number 2,360,979) with the description: "The mark consists of a hologram in the shape of a hockey puck applied to the goods. The content of the hologram is not claimed as a feature of the mark. The drawing is lined for the color silver, but color is not claimed as a feature of the mark." Registration was cancelled on March 31, 2007.

⁸⁵ *Id.* at 1693.

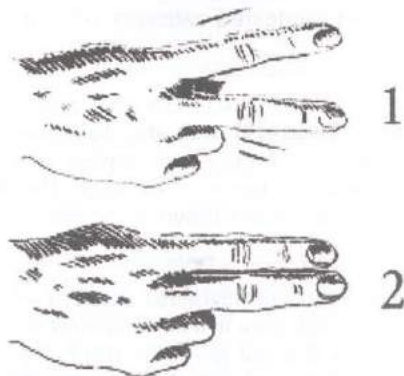
⁸⁶ Registration number 2,710,652 (registered on April 29, 2003) with the description: "The mark consists of a hologram in a miscellaneous shape comprising the outline of a rectangle imposed on a diamond geometric shape, the design element in the party's Upper Deck logo. The content of the hologram is not claimed as a feature of the mark. The drawing is lined for the color silver or gold, but color is not claimed as a feature of the mark."

⁸⁷ One example is CT with registration number 2117034, which has the description: "The letter VF in white on blue spheres, the name VIDEO FUTUR in blue on a black background."

which explains why not a single gesture mark has been registered in the US or the EU (as CT). In the UK "because of distinctiveness acquired through use" the gesture which shows a person tapping his/her nose has been granted registration for services in the field of mortgage and investments.⁸⁸ Mars BV has a registration in the Benelux Trademark Register for a gesture of two cutting fingers. This gesture is recognized as the commercial origin for TWIX chocolate.⁸⁹



Gesture Mark registered in UK



⁸⁸ Registration number 2012603. It was registered on January 5, 1996 and renewed on March 4, 2005.

⁸⁹ Registration number 520574.

Gesture Mark of Mars BV

V. CONCLUSION

Non-conventional trademarks have ushered in a vista of opportunity, but at the same time pose several challenges. From being merely a source-indicator, some of the new age non-conventional marks have also begun to serve as a tool of entertainment, in the process accentuating recall value and making it the preferred choice of branding. The increasing recognition of such marks has ensured that the efforts, investment and innovation of enterprising entrepreneurs are not wasted.

Nonetheless, the exclusivity inherent in the right to trademark has raised concerns of limiting the freedom of choice of competitors to incorporate a function, for instance. Additionally, there are obvious bottlenecks to be confronted in infringement or passing off proceedings in case of such marks because of the difficulty to precisely establish the degree of protection of the mark. Cynics argue that a successful registration would merely be a pyrrhic victory for the registrant since the non-conventional trademark may not really serve as an indication of origin if the public does not really view it so. Strong insistence on proof of attainment of secondary meaning however, by the mark in question, can take care of the latter concern to a large extent.

VINDICATION OF HUMAN RIGHTS IN INTERNATIONAL CRIMINAL LAW: INCONDITE TRAFFIC OF AN INCHOATE SYSTEM

Rashmi Raman*

I. INTRODUCTION

In the aftermath of the standing ovation that the establishment of an International Court of Justice received, there is widespread disenchantment about its capability to deliver. Lack of support from political heavyweights, combined with the lack of resources that the ICC is faced with, add merit to the view that the hype surrounding the criminal court may not be worth it. An analysis of the Rome Statute also provides ammunition to believe that the model created falls short of that envisioned by the principle of complementarity. This paper takes a look at options that might work more than the ICC and proposes a 'quasi-nationalised' model for regional criminal tribunals, pointing out the flaws in the ICC and suggesting more efficacious alternatives.

The impracticality of the vision that heralded the ICC as the next Nuremberg has become increasingly apparent. Qualified support from many countries and a complete lack of support from the United States has led to sharp limitations on the ICC's power.

To a greater degree than appreciated by commentators, the court will be effective only when it acts as an institution complementary to national authorities. The enforcement of international criminal law will remain heavily dependent on the initiative and support of actors other than the ICC.¹

Contrary to much academic commentary, this paper argues that a less centralized regime, and one that is less dominated by a powerful ICC, is not a cause for despair - even for those who favour vigorous enforcement of international criminal law. An isolated and dominant ICC may lack legitimacy and have little direct impact on countries recovering from violent conflict. A less hierarchical international criminal justice system that relies significantly on national governments is likely to be better informed by diverse perspectives, more acceptable to local populations, and more effective in accomplishing its ultimate goals.

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¹ See generally, M. Cherif Bassiouni, *The Time Has Come for an International Criminal Court*, 1 IND INT'L & COMP L REV 1 at 33-34 (1991); Louis Rene Beres, *After the Gulf War: Prosecuting Iraqi Crimes Under the Rule of Law*, 24 VAND J TRANSNAT'L L 487 (1991).

Accepting these arguments need not lead to the view that the ICC should be abandoned altogether, which is the approach favoured by some commentators.² The ICC can still play an important role in a less centralized regime. This paper sets forth a vision of an ICC that focuses less on independent prosecutions in The Hague and more on involvement of the ICC at a national level in the state concerned. A key part of this vision is the participation of the ICC in quasi-nationalised or mixed tribunals that would be established in the state most directly affected by a prosecution. As such, the model would be more closely related to the war crimes tribunals recently established in Sierra Leone and East Timor than to the international tribunals established for Rwanda and the former Yugoslavia. It would involve ICC judges and prosecutors working together with local counterparts in a tribunal created in the territory where the crimes were committed. In the event that prosecution in the affected country proves impossible, quasi-nationalised or mixed chambers could be set up in The Hague and include judges nominated by the states of original jurisdiction. Finally, where the ICC can garner no support for full prosecutions, it could hold public hearings to both preserve evidence for an eventual trial and create international pressure on non-cooperating governments.

The widely positive reactions to existing quasi-nationalised or mixed courts and the proposals for setting up similar courts in Cambodia, Guatemala, and Iraq suggest that the quasi-nationalised or mixed-court model is politically viable.³ In addition to its political advantages, the hybrid-court model has a strong normative appeal. In a pluralist world, reasoned deliberation across borders and across levels of government offers the most legitimate, as well as the most durable, foundation for an international legal regime.

The proposal to restructure the ICC as a roving quasi-nationalised or mixed court is true to a key principle underlying the ICC Statute - the principle of complementarity. Complementarity provides that national jurisdictions take on the prosecution of international crimes whenever they are willing and able to do so. Many international law scholars and activists have high hopes for the ICC as a tool for preventing and combating human rights violations. It is doubtful, however, that the ICC will have the political capital to meet the expectations of its more ardent supporters. The United States has withdrawn its support altogether, a

² See, Paolo G. Carrozza, *Subsidiarity as a Structural Principle of International Human Rights Law*, 89 VA L REV 311 at 339-43 (2003).

³ See, Jelena Pejic, *Creating a Permanent International Court: The Obstacles to Independence and Effectiveness*, 29 COLUM HUM RTS L REV 291 at 294 (1998), which speaks of evolving effective quasi-nationalised or mixed-court models.

position that is unlikely to change any time in the near future. Several other major powers have also resisted the idea of a strong court.

II. GRAND VISIONS VERSUS POLITICAL REALITY: HISTORY OF THE ROME STATUTE AND THE ICC'S ROLE IN ENFORCEMENT OF INTERNATIONAL HUMAN RIGHTS

Support for a powerful court was relatively thin even during the drafting of its founding statute. Qualified support from states resulted in a statute with many compromises and restrictions on the court's powers. The statute sharply limits the ICC's jurisdiction, and both the enforcement of the court's orders and its financing are contingent on the goodwill of domestic authorities. Even as the court begins its operations, its powers will remain limited, and other tribunals will still carry out the majority of human rights prosecutions.

The court is to "clarify existing ambiguities in the law" and set the "highest international standards" of due process.⁴ It is to provide prompt investigations and prosecutions of reported atrocities. Some commentators even express the hope that the ICC would put an end to impunity for grave human rights violations and deter war crimes around the world. As UN Secretary-General Kofi Annan has stated, "*in the prospect of an international criminal court lies the promise of universal justice. That is the simple and soaring hope of this vision.*"⁵

The idea of a permanent international criminal tribunal traces its origins back to a convention drafted by the League of Nations in 1937. In the wake of atrocities of World War II, the UN General Assembly passed a resolution renewing the call for an international criminal court. For decades, the idea expressed in these documents failed to gather sufficient support to materialize. It was only with the end of the Cold War that an International Criminal Court became politically feasible. A resurgence of ethnic violence and transnational crimes such as drug trafficking and terrorism made the project especially relevant.⁶

⁴ See, Introduction, Mauro Politi, *THE ROME STATUTE OF THE INTERNATIONAL COURT: A CHALLENGE TO IMPUNITY* 8, 15 (MAURO POLITI & GIUSEPPE NESI (eds) (2001); Press Release, Statement of UN Secretary-General Kofi Annan Before the International Bar Association in New York (June 12, 1997), U.N. Doc. SG/SM/6257 (1997), available at <http://www.un.org/News/Press/docs/1997/19970612.sgsm6257.html> (last visited Jan. 12, 2007).

⁵ *Ibid.* Press Release

⁶ Overpowered by trans-border drug crime, Latin American countries sponsored a resolution in the General Assembly, calling for an international criminal court to deal with such crimes more effectively. After more countries expressed an interest in the proposal, the UN General Assembly set in motion a process for drafting a statute for the

The large number of delegations that voted for the statute is seen by many as an indication of the overwhelming support for the court - especially in light of the speedy ratifications of the statute, currently standing at ninety-seven.⁷ Often missed in the story of the court's creation is that a majority of the participating states were reluctant to endorse a strong court. Throughout the drafting process, many state delegates expressed a strong preference for domestic prosecutions and insisted that international trials remain a last resort option.⁸ The final version of the statute largely reflects those preferences.

The initial proposal for the ICC itself envisioned not an active supranational body, but a supporting institution that would come to the aid of countries that find themselves unable to deal with transnational crime.⁹ Even as complementarity¹⁰ was entrenched in the statute, however, the court was given the ultimate power to decide whether a country is "unwilling" or "unable" to prosecute a case. Many states expressed concerns, both before and during the Rome Conference, about the intrusion into national affairs that might result from this arrangement.¹¹ The refrain of

court. At a Diplomatic Conference in Rome in 1998, delegates from more than 150 countries and 175 nongovernmental organizations gathered to discuss and agree on the final version of the proposed statute. After five weeks of intense negotiations, the Rome Statute of the International Criminal Court was adopted by a vote of 120 to 7, with twenty-one countries abstaining. See, Jack Goldsmith, *The Self-Defeating International Criminal Court*, 70 U CHI L REV 89 (2003).

⁷ G.A. Res. 44/39, U.N. GAOR, 44th Sess., 310 Supp. No. 49, U.N. Doc., available online.

⁸ See, M. Cherif Bassiouni, *From Versailles to Rwanda in Seventy-Five Years: The Need To Establish a Permanent International Criminal Court*, 10 HARV HUM RTS J 11 at 52 (1997).

⁹ See, G.A. Res. 44/39, U.N. GAOR, 44th Sess., Supp. No. 49, at 310, U.N. Doc. A/44/49 (1989); G.A. Res. 53, U.N. GAOR, 49th Sess., Supp. No. 10, at 1, U.N. Doc. A/Res/49/53 (1994); G.A. Res. 46, U.N. GAOR, 50th Sess., at 2, U.N. Doc. A/Res/50/46 (1995), available online.

¹⁰ A reflection of these sovereignty concerns is the principle of complementarity, a key feature of the ICC Statute. This principle provides that the court can accept cases only where national authorities are unwilling or unable to handle them. The ICC's role as an institution complementary to domestic courts proved to be so fundamental to the court's purpose that States Parties included three references to it in the Rome Statute - in the Preamble, Articles 1 and 17.

¹¹ China and the United States urged that admissibility determinations be made by domestic courts or possibly the Security Council, or at a minimum, that the ICC have only limited discretion to assert jurisdiction over a state's objection. Even as a fragile consensus developed about the ICC's power to decide admissibility, state delegates repeatedly emphasized that the ICC should admit only extraordinary cases, where the national forum refuses to undertake the prosecution of war crimes in good faith. See,

sovereignty concerns expressed in the debates suggested that aggressive use of the ICC's power to determine the admissibility of cases would meet with resistance.

Debates at the Rome Conference reflected a cautious and restrained approach with respect not only to admissibility of cases, but also to the scope of ICC jurisdiction. As a result of this ambivalence, the Statute does not provide for universal jurisdiction, meaning that the court would not have the power to prosecute war criminals who only temporarily find themselves on the territory of a state party.

This exclusion was made despite active lobbying by human rights activists who pointed out that it gives a free pass to "travelling tyrants."¹² Subject matter jurisdiction is also limited to the most serious international crimes - genocide, crimes against humanity, and war crimes - despite strong voices for a more expansive list of covered offences. And although the jurisdiction of the court now covers crimes committed during both international and internal armed conflict, the provision on internal armed conflict was adopted over strong objections by, among others, the Arab League states, China, and India.¹³

Mark S. Ellis, *The International Criminal Court and Its Implications for Domestic Law and National Capacity Building*, 15 FLA J INT'L L 215 at 216 (2002).

¹² See, for discussions about jurisdiction of the ICC: Intervention de M. Boualem Bouguetaia, Ministere des Affaires Etrangeres, Algerie, Statement Before the Plenipotentiaries Conference of the Establishment of the International Criminal Court (June 16, 1998), available at <http://www.un.org/icc/index.htm> (last visited Jan. 12, 2007); Dilip Lahiri, Head of Delegation of India, Explanation of Vote on the Adoption of the International Criminal Court (July 17, 1998), available at <http://www.un.org/icc/index.htm> (last visited Jan. 12, 2007); H.E. Mr. Muladi, Minister for Justice, Head of Delegation of the Republic of Indonesia, Statement Before the Plenipotentiaries Conference of the Establishment of the International Criminal Court (June 16, 1998), available at <http://www.un.org/icc/index.htm> (last visited Jan. 12, 2007); Judge Eli Nathan, Head of Delegation of Israel, Statement on the Adoption of the International Criminal Court (July 17, 1998), available at <http://www.un.org/icc/index.htm> (last visited Jan. 12, 2007); cf. Report of the Ad Hoc Committee on the Establishment of an International Criminal Court, U.N. GAOR, 50th Sess., Supp. No. 22, at 29-51, U.N. Doc. A/50/22 (1995).

¹³ Even as states ceded some of their penal powers to the ICC in Rome, they refused to relinquish important sovereign prerogatives in administering criminal justice. As a consequence, the statute lacks provisions on amnesties, pardons, parole, and sentence commutations. Various delegations argued that the statute should not permit the court to intercede in the administrative (parole) or political decision-making process (pardons, amnesties) of a State. As a result of this compromise, it is now arguably possible for a state to convict, but then pardon an accused war criminal, without prompting ICC action.

One such assurance has been the passage of domestic legislation that criminalizes offenses within the subject matter jurisdiction of the ICC. Although the Rome Statute imposes no explicit duty on State Parties to pass such legislation, the complementarity provisions of the statute have prodded signatory countries to incorporate prohibitions on genocide, war crimes, and crimes against humanity into their criminal statutes.¹⁴

By adopting the relevant implementing legislation, countries are ensuring that the ICC will not find them 'unable' to prosecute international crimes and thus will not interfere with their control over war crimes cases.

III. U.S. RESISTANCE TO THE ICC

The qualified support for the ICC from various participating states might not have been a great obstacle to the flourishing of the court if the court had had the backing of the United States. Nevertheless, the United States has strongly opposed the idea of a powerful ICC. The U.S. government was an active participant in the initial stages of the drafting of the ICC Statute. Dissatisfied with the final version, the United States withdrew its support from the ICC, and the American delegate voted against it.¹⁵ Because of the sharp disagreement between Europe and the United States on the reach of the ICC, the court has become a symbol of Europe's efforts to assert itself internationally and to constrain American power. This may have had the effect of unifying Europe behind the court while hardening U.S. opposition to it, thus making the court a likely casualty of this growing divide between Europe and the United States.

While the United States has been the most vocal opponent, other major powers have also resisted the idea of a powerful ICC. China and India were among the countries that voted against the Rome Treaty, and Russia has refused to ratify it. During the negotiations, these countries insisted on a strong regime of complementarity, and Russia, China, France, and the United States (four of the five permanent Security Council members)

¹⁴ See, Mohamed M. El Zeidy, *The Principle of Complementarity: A New Machinery to Implement International Criminal Law*, 23 MICH J INT'L L 869 at 897 (2002).

¹⁵ Arguing that the ICC Statute conflicts with rights guaranteed to American citizens by the Constitution, some members of Congress introduced legislation to prohibit cooperation with the court. Moved by these arguments and by concerns that the ICC may be used to prosecute American military personnel for political purposes, in 2002 the Bush Administration sent a letter to the UN Secretary-General stating that the United States "does not intend to become a party" to the Rome Treaty and "has no legal obligations arising from its signature on December 31, 2000." See, Diane Marie Amann & M.N.S. Sellers, *The United States of America and the International Criminal Court*, 50 AM J COMP L 381 at 383 (2002).

pushed for Security Council control over the court, both in referring and blocking cases going to the court. Finally, Israel, Arab states, and sub-Saharan African states, where many of the serious conflicts are occurring, were also reluctant to accept various provisions of the Rome Statute and have consequently failed to sign or ratify it.¹⁶

IV. A WEAKER COURT: HUMAN RIGHTS COMPROMISED

No international institution with political capital as limited as that of the ICC is likely to be powerful. The court is particularly vulnerable because it relies heavily on the goodwill of domestic authorities to enforce its mandates. Its weak capacity to command cooperation from states will undermine its work.

The uneven record of states' cooperation with international tribunals does not bode well for the court's ability to attract the cooperation of domestic authorities. The ad hoc tribunals for Rwanda ('ICTR') and the former Yugoslavia ('ICTY') often saw their requests for cooperation and even their orders go unheeded. The Yugoslav government for a long time refused to surrender war criminals to The Hague, and the eventual transfer of Slobodan Milosevic to the ICTY resulted in massive protests and

¹⁶ Asian countries have been particularly reluctant to ratify the ICC Treaty. E.g., Benjamin Gould, *Ratifying the Rome Statute: Japan and the International Criminal Court*, Asia-Pacific News, Sept. 2002, available at http://www.hurights.or.jp/asia-pacific/no_29/05japanandicc.htm (last visited Jan. 15, 2007) (noting the continuing concerns of Japan, an active participant in the Rome Conference, that the ICC might undermine Japanese sovereignty); The Rt. Hon. Chris Patten, *European Commissioner for External Relations, Speech at the Plenary Session of the European Parliament* (Sept. 25, 2002), available at http://europa.eu.int/comm/external_relations/news/patten/sp02_431.htm (noting a ratification gap among Asian states); Asia-Pacific Human Rights Information Center, *Asian Campaign on the Rome Statute Ratification*, Asia-Pacific News, Mar. 2002, available at http://www.hurights.or.jp/asia-pacific/no_27/02romestatute.htm (last visited Jan. 15, 2007). For evidence from other countries, see Helen Duram, *Australian Red Cross, International Criminal Court* (2004), available at http://www.redcross.org.au/newsroom_featurestories_icc_back_ground.htm (last visited Jan. 15, 2007); Letter from Jose Miguel Vivanco, Executive Director, Americas Division, Human Rights Watch to Senador Sadot Sanchez Carreno, President, Mexican Human Rights Commission (May 21, 2002), available at <http://www.hrw.org/press/2002/05/mexico-icc-ltr.htm> (expressing concern about Mexico's lack of progress toward ratification and noting that "Mexico is certainly not alone in finding that the ratification of the ICC raises serious juridical questions regarding state sovereignty ...") (last visited Jan. 15, 2007); Senado congelo estudio de Tribunal Penal Internacional, *El Mostrador*, Apr. 9, 2002 (Peru). See, Roy S. Lee, *An Assessment of the ICC Statute*, 25 *Fordham INT'L J* 750 (2002) (noting the increased goodwill toward the ICC project after the Rome Treaty was signed).

divisions within the country.¹⁷ The lack of enthusiasm for a powerful ICC might also affect the court's financing. Under the final version of the ICC Statute, the ICC will be financed mainly by contributions from member states.¹⁸

V. MULTIPLE SITES OF INTERPRETATION AND ENFORCEMENT

The inescapable fact of the ICC's limited political capital means that other institutions will retain a vital role in interpreting and enforcing human rights and humanitarian law.¹⁹ Essentially, four broad possibilities exist for the implementation of international criminal law in the absence of a strong ICC.

First, the UN could create more ad hoc international tribunals based in The Hague or another neutral location. This solution, however, would seem to defeat the entire purpose of the ICC. Given the current political landscape, the ICC will have limited powers, but it will not disappear altogether. As long as it exists, it will seem peculiar to create new ad hoc international tribunals that perform the same function as an already existing bureaucracy.

Second, national courts could continue to prosecute crimes committed on their territory or by their nationals. Several European countries, with Belgium at the forefront, have passed laws granting their courts jurisdiction over specific international crimes regardless of where they occur or what the nationality of the victim or the offender may be.²⁰ The universal jurisdiction approach is, however, even more problematic than the ICC. States are less likely to cede prosecutorial authority to the domestic courts of other states acting under universal jurisdiction than to the

¹⁷ See, Jeffrey L. Bleich, *The International Criminal Court: Report of the ILA Working Group on Complementarity*, 25 *DENV J INT'L L & POL'Y* 281 at 286 (1997).

¹⁸ Consider the examples of the Committee against Torture and the Committee on the Elimination of Racial Discrimination: While both were initially meant to be state-supported, states' failure to pay their dues eventually led to financing from the regular UN budget²¹ and thus to under funding. International tribunals are considerably more expensive than regular UN agencies, and as officials from the ICTR and ICTY have testified, the lack of funds can seriously impede their work. The ICC could be similarly crippled without the support of the United States.

¹⁹ Rwanda has similarly refused to cooperate with the ICTR on occasion. In 1999, it suspended cooperation with the Tribunal in protest against the Tribunal's release from custody - on procedural grounds - of a high-level suspect. More recently, the overwhelmingly Tutsi Rwandan government again failed to respond to requests for cooperation from the ICTR when the Tribunal began investigations into crimes committed by the Tutsi Rwandan Patriotic Front.

²⁰ *Ibid.*

ICC, an organization that at least requires the consent of a state with a link to the offence.²¹

Finally, quasi-nationalised or mixed courts, composed of international and national judges, could prosecute international crimes in the territory where those crimes occurred. Such courts have already been created in Sierra Leone, East Timor, and Kosovo, and have been proposed for Cambodia, Iraq, and Guatemala. They have been generally well received by the UN and the countries affected by the crime, as well as by the United States.

VI. THEORETICAL AND PRACTICAL PROBLEMS WITH A CENTRALIZED REGIME OF ENFORCEMENT

Advancement of international criminal law through a single, centralized institution presents both theoretical and practical problems. It is less likely to result in informed and politically acceptable interpretations of international criminal law. It will also contribute little to the process of reconciliation and judicial reconstruction in the countries affected by international crimes.

In addition to these functional advantages, the ICC is said to have an important symbolic, norm-reinforcing value. By articulating and solidifying international norms relating to armed conflict and human rights, the court conveys the sense that there is a regulation of the international realm, a legitimate international law, and an international law with shared threshold norms.

VII. VIABILITY OF CENTRALIZED COURT MODEL

The aspirations of this centralized model of enforcement are universalistic. The ICC is expected to advance a body of law uniformly applicable around the globe and wholly independent from the context in which its subjects are situated. To achieve the coherence and broad universality required by this conception of international law, the court's judgments must take precedence over diverse local interpretations of humanitarian law and human rights principles. The top-down model views variation in interpretation and enforcement at the national level with scepticism. Decentralization is spurned because it might lead to parochial local judgments, fragmentation, and incoherence.

²¹Moreover, the basis for universal jurisdiction remains highly contested. In the recent International Court of Justice's Arrest Warrant decision, several judges expressed disapproval of Belgium's law providing for prosecution of international crimes under universal jurisdiction and in absentia. More recently, the United States threatened to move NATO headquarters out of Brussels unless Belgium amended its universal jurisdiction statute - which Belgium promptly did in response to the pressure.

VIII. THE ICC AS A SUPPORTING INSTITUTION FOR NATION COURTS

How could the ICC engage national authorities in the enforcement of international criminal law? This section highlights several possibilities for fruitful interaction between the ICC and national actors. Under the current admissibility structure, the ICC can take up a case where it determines that a national judicial system has substantially collapsed. The question in such instances is purely one of capacity and not of willingness to prosecute. Consequently, where significant benefits to local prosecutions exist, the ICC should work to rebuild the capacities of the ailing national judicial system. In cases where the local government is simply unable to prosecute war crimes by itself, the ICC should not take cases to The Hague, but instead work with the government to enforce international criminal law locally.

IX. WHERE STATES ARE UNWILLING TO PROSECUTE: A QUASI-NATIONALISED OR MIXED COURT IN THE HAGUE

In many cases of post conflict justice, national governments might be unwilling to prosecute international crimes themselves and also refuse to allow the ICC to join in on prosecutions and trials. Even in the face of such reluctance, the court might obtain custody of suspects with the help of other nations or international peacekeeping forces. In those instances, the court could take up cases in The Hague, as the current admissibility rules provide.

Under what conditions could such a scenario develop? First, the non-cooperating government need not be a rogue regime. The government may be reluctant to prosecute out of concern for its own stability or the stability of the country. Accordingly, the government may give the international tribunal access to some evidence so as not to alienate the international community, but at the same time refuse to collaborate openly with the ICC lest it alienate forces on the ground.

As Jose Alvarez writes, incorporating judges from the affected area would have a salutary effect on the proceedings:

The presence of such judges in the courtroom as well as during deliberations could encourage a more thorough venting of difficult issues such as those surrounding the credibility of witnesses (and the role of ethnicity in these determinations), including through dissenting or separate concurring opinions. Their presence and views could also generate more nuanced accounts of what it means to be targeted for violence on the basis of ethnicity.

Such judges would also provide the tribunal with valuable insight as to (domestic) law.²²

Having national judges from the affected area would increase the range of viewpoints expressed on the court and would contribute relevant knowledge about the circumstances of the conflict.

X. UNWILLING STATES: PUBLIC HEARINGS IN THE HAGUE

When the ICC takes up a case in The Hague, it still depends on nation states and the international community to enforce its orders. In certain instances, the court will be unable to either gather evidence or obtain the custody of suspects, and if it opens up investigations, its orders will be publicly flouted by a rogue regime. Without the presence of a sympathetic peacekeeping force on the ground, the ICC could not do its work.²³ The same problem arises in cases when national authorities declare themselves willing to prosecute, but then carry out sham investigations and proceedings. Where the ICC determines that national proceedings were done in bad faith and were inconsistent with a genuine intent to prosecute, it can itself conduct another round of investigations and prosecutions, without violating the rule against double jeopardy inscribed in the ICC Statute.

Instead of engaging in 'judicial romanticism' and taking up cases it cannot complete, the ICC needs to recreate its mandate in such situations. Where the ICC cannot obtain key evidence or key suspects, the court should refrain from commencing a prosecution and instead hold quasi-judicial public hearings on the human rights abuses committed by the uncooperative regime. Such hearings would provide an open forum for the discussion of serious abuses and would gather and preserve evidence for future prosecutions.

To avoid falling into the trap of judicial romanticism, the ICC and its Assembly of States Parties need to reconsider the court's mandate in cases where a state is unwilling to cooperate with the court and refuses to turn over evidence and suspects. The court need not give up completely on serving human rights in such situations. It could simply reform its role to hold public hearings, collecting and preserving evidence that may in

²²See, Jose E. Alvarez, *Crimes of States/Crimes of Hate: Lessons from Rwanda*, 24 YALE J INT'L L 365 at 422, 432-34 (1999).

²³Consider the case of Iraq under Saddam Hussein. Even if the ICC had already existed and had jurisdiction over war crimes committed in Iraq, it could not have prosecuted Hussein and his cronies while they were still in power. It would not have been able to apprehend key suspects, even if it had managed to gather important documentary evidence of human rights abuses from Kurd-controlled territory.

the future be used in criminal proceedings. The court would not have any direct way to compel states or individuals to appear before it, and the only direct consequence of its hearings would be to publicize the evidence collected from volunteer witnesses. Once states pass implementing legislation, they will be more likely to use it by bringing war crimes prosecutions. The mere creation of the ICC as a complementary institution to domestic tribunals thus "dramatically increases the role of national courts in undertaking trials involving international crime."²⁴ Indirectly, but effectively, it encourages broader enforcement of human rights and humanitarian law.

XI. CONCLUSION

International law scholars often assume that the best way to enforce human rights is by establishing strong international institutions that develop the law progressively and enforce it independently. Political realists counter that such institutions are only as useful as powerful states permit them to be and discourage expansive visions of their mandate. Partisans of the ICC must come to terms with the realist challenge. They must work to adapt the institution accordingly, without abandoning hope for the project altogether. The ICC will undoubtedly be constrained by the state support it commands, but it can make a difference in the enforcement of human rights law by encouraging and assisting national authorities in upholding and enforcing international law.

The proposed quasi-nationalised model for the ICC holds out the promise of strengthening local capacities and contributing to the rebuilding of the rule of law in nations around the globe. It would move international human rights law in directions that its true friends must admit are ultimately wise and necessary - toward a system of law that is better informed, more widely accepted, and better enforced.

²⁴*Supra* n. 9

INTELLECTUAL PROPERTY AND THE FASHION INDUSTRY: A CRITICAL STUDY

Anirban Bhattacharya*

I. INTRODUCTION

The fashion industry is an exception to the general and well-settled regime of Intellectual Property (IP) protection. Yet, the visibility of this industry inside the Indian courtroom is yet to be seen in an appreciable way. While we do have laws pertaining to the protection of copyright and designs, it seems that not many have been exercising their statutory rights vis-à-vis fashion. It must be added, however, that very recently there have been a few cases wherein the courts have upheld the copyright of a designer¹ and a trend has indeed started after these judgments to register designs and patterns, but there are just a few guidelines to follow in India and the law has hardly been developed.

The IP laws in India allow for the protection of the works of fashion designers in theory². Unfortunately, as can be seen in this article, just providing for protection is not enough because in many ways this industry is peculiar in its dynamics. Simple off-the-shelf application has not been possible in countries where the fashion industry has been under the scope of the judiciary for a very long time.

In the West, cases relating to intellectual property and the fashion industry have been at the forefront of judicial discussion and scrutiny ever since the turn of the last century. The laws have been evolving and developing over the past hundred years but are yet to come to a final conclusion. The very fact that a judicially proactive USA is yet to finalize its own IP regime vis-à-vis the fashion industry hints that this field might prove to be an exception.

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¹ *Ritika Limited v. Pramod Kanodia*, 97 (2002) DLT 221.

² Under the DESIGNS ACT, 2000, designs which are functional in nature are not allowed the statutory protection, although there are exceptions. General exceptions and applicability thereof are similar in US and India. Under the COPYRIGHT ACT, 1957, statutory protection is afforded to engravings, which includes prints, and any work of artistic craftsmanship [s.2(c) and (i)]. These two are mutually exclusive, i.e. if a design has been registered under the Designs Act, then copyright shall not subsist under the COPYRIGHT ACT 1957, and if there is a design which is capable of being registered under the DESIGNS ACT (and yet not registered), then the copyright under the COPYRIGHT ACT will cease to exist once the design has been reproduced more than 50 times by an industrial process by the owner or the licensee.

Any apparel can be broken into; whether it is the apparel in its entirety, namely — the whole garment, the design of the cloth, the utility of the design in the cloth, the fabric, the design of the fabric, the technology which is used in the production of the fabric and cloth — or the logo/brand it is sold under. Of these, protection can be demanded for a few under different headings: some under copyright, under trade dress and under trademark. Usually the courts in the USA deny copyright protection to fashion works on the grounds that they are useful articles.

Unfortunately, for reasons of an obvious nature, there are not many cases or material in India for one to satiate one's curiosity on the subject. This is perhaps because the fashion industry is yet to take off in a major way in India. The author therefore wishes to analyse the extent of protection afforded to fashion works abroad by the various tools of intellectual property and thereby seek a clarification vis-à-vis the scope of IP in fashion technology in general terms. The USA being a major global fashion node is rich in such literature. Thus a study of the IP regime in relation to the fashion industry might prove useful and might provide an insight into the dynamics and reactions of a malleable industry like fashion, to the laws of protection.

II. COPYRIGHT AND TESTS OF SEPARATION

In the USA, copyright is denied to garments and fashion articles in general on the presumption that they constitute 'useful articles'. However, certain exceptional grounds are carved out in order to guarantee due protection for the industry on the basis of the following tests:

A. Test of Physical Separability

In *Mazer v. Stein*³, the US Supreme Court however put down a rule of exception concerning aesthetic designs. If the aesthetic design can be physically separated from the article without removing the intrinsic utilitarian function of the article, then this constitutes the test of physical separability and such designs are given copyright protection.

In this case, the Balinese Statuettes at the base of the lamp were held to be copyrightable since the aesthetic work in question was physically separable from the utilitarian function of the useful article. The function of the base was support for the lamp, while the statuettes were truly a work of art, having no connection with the function of support.

³ *Mazer v. Stein*, 347 U.S. 201 (1954).

B. Test of Conceptual Separability

In *Kieselstein-Cord v. Accessories by Pearl*,⁴ it was held that if the aesthetic design can be conceptually separated from the utilitarian aspect of the article, then it can be protected under copyright. In this case, high-end belt buckles were designed in such a way that they were considered as jewellery. The court found that the aesthetic design on the buckles was conceptually discernible as a sculptural element from the utilitarian purpose of the article and was hence copyrightable. This ornamental utility was wholly unnecessary for the belt-buckles to act as belt-buckles.

Based on reasoning expounded in *Barnhart v. Economy Cover*,⁵ aesthetic features of a useful article may be protected when they are not in any way required or necessary for the performance of a utilitarian function. A fashion designer seeking copyright protection must, therefore, prove that either the item of clothing is not functional, or that the artistic design is separable from its utilitarian function.

C. Test of Average Viewer

A newer vista has recently been opened in the maze of separability. Ordinarily the distinction between the author's protectable work and the useful article works quite well, yet a dilemma arises when the attraction of the article does not arise from its utilitarian value but from a peculiar attribute or design element that can appeal to the customer's notions regarding the utilitarian aspect of the said article⁶. For example, while a Zippo lighter's utility is of a cigarette lighter, the peculiar shape of the lighter makes all the difference to the customer. Thus, in this situation, the items appearance is of prime importance while the utility is purely incidental.

Separating the purely aesthetic attributes from the utilitarian functions of an article have posed problems for US courts and till now there hasn't been a clear guideline for such a distinction. This is when strict-formalism is employed by the courts and then even though a particular item has a visual appeal, it is not given its due protection⁷.

⁴ *Keiselstein-Cord v. Accessories by Pearl*, 632 F.2d 989 (2d Cir 1980)

⁵ *Carol Barnhart Inc. v. Economy Cover Corp.*, 773 F.2d 411 (2d Cir. 1985)

⁶ *Keiselstein Case*, *supra* n. 4 at 3.

⁷ In *Brandir Int'l v. Cascade Pac. Lumber Co.*, 834 F.2d 1142 (2d Cir. 1987), the copyright claim was denied because court could not separate the aesthetic attributes from the utility of a bicycle rack design; In *Esquire, Inc. v. Ringer*, 591 F.2d 796 (D.C. Cir. 1978), the copyright claim was denied for light fixture which mimicked modern abstract art even though the functional and aesthetic elements could have been physically separated.

In fashion, aesthetic and artistic nature are intensely linked with the utilitarian dimension, which is why the conceptual separability test is applicable. Lately, the 'average viewer' test is also being applied. In *Carol Barnhart Inc. v. Economy Cover Corp.*,⁸ it was held that all possible connotations were to be ignored and the designs were only to be viewed objectively. The court ruled that even though the form had other uses, an average viewer would always associate the form of a mannequin with the function of mannequin and not with that of a statue or other use. Similarly, it is almost impossible to show an average consumer a designer dress and expect him or her to see anything other than a dress.

In layman's terms, for anything to be conceptually separable it is necessary to show that the utilitarian function of the article has no relation whatsoever to its artistic dimension and that the artistic dimension does not affect its function. To determine this, the courts have preferred the objective analysis of what an 'average viewer' would discern. While it is quite straightforward for objects like the Zippo lighter, as far as clothing is concerned it is a different ball game altogether. Differently designed neck-lines will simply serve as neck-lines to an average observer, even though to a designer the difference and the art involved would be apparent. This is a loophole through which design in fashion suffers, and in practice get more or less excluded under the conceptual separability test.

D. The Creative Process Model

The aesthetic designs on a garment are not protected by copyright simply because they are an intrinsic or inseparable part of a garment which the court identifies as a utility article. The designs on that article may be considered as art on the utility. It is well understood that the fabric is to the designer what canvas is to the artist or film is to the photographer. For the designer, the creation of a garment with a particular design is nothing less than art for himself/herself. Unfortunately, from a practical, or more specifically, from the courts' point of view, the garment's design is enmeshed and inseparable from its utilitarian function, thereby giving the court recourse to deny copyright protection to the designs on the garment.

A more appropriate focal point for courts determining protection for useful articles is the creative process, rather than the useful article itself. Thus, the motivations of the artist who creates the article should dictate whether the ultimate function of the article is aesthetic or utilitarian. The mere fact that the article contains both elements does not immediately

⁸ *Supra* n. 5 at 3

discount the availability of protection, but rather furthers the spirit behind copyright protection for objects that add to the cultural, creative and artistic wealth of the society⁹.

In *Sony Corp. of America v. Universal City Studios*,¹⁰ the Court has opined that "The limited grant [of copyright protection] is a means by which an important public purpose may be achieved. It is intended to motivate the creative activity of authors ... by the provision of a special reward and to allow the public access to the products of their genius after the limited period of exclusive control has expired". The Court in this case reflected the arguments of Robert Denicola, who had suggested this model in 1983.

However, there are a few drawbacks attached to this model and to this line of thought generally. This model may prove to be completely unworkable in a courtroom setting because the designer will have to prove and show a purely artistic drive behind the utilitarian article. The assumption in this model is that the artistic dimension will be markedly different from the utilitarian element, and that a reasonable customer may be able to comprehend the difference between the creative activities of a designer and the assembly line of a manufacturer.¹¹

E. The Temporal Displacement Test

In the *Barnhart*¹² case, there was a dissenting opinion from Judge Newman, who opined that 'for the design features to be conceptually separable from the utilitarian aspects of the useful article that embodies the design, the article must stimulate in the mind of the beholder a concept that is separate from the concept evoked by its utilitarian function.' In other words, the decision on whether the garment exists as a piece of art lies in the eyes of the beholder. However, an article may be regarded as a piece of art even by just one person, thereby eliminating all possible boundaries of protectability because everything can be protected under this model. The majority in the *Barnhart* case declared Judge Newman's test to be a 'non-test'.

⁹ Robert C. Denicola, *Applied Art and Industrial Design: A Suggested Approach to Copyright Protection in Useful Articles* 67 MINN L REV 707 (1983). The article asserts that the intention of the artist to create art as opposed to industrial design is of paramount importance.

¹⁰ *Sony Corp. of America v. Universal City Studios*, 464 U.S. 417 at 429 (1984).

¹¹ Raymond M. Polakovic, *Should the Bauhaus be in the Copyright Doghouse? Rethinking Conceptual Separability*, 64 U COLO L REV 871, 873 (1993).

¹² *Supra* n. 5 at 3.

F. The Polakovic Approach

Professor Raymond M. Polakovic, in his ground-breaking book, *'Should the Bauhaus be in the Copyright Doghouse? Rethinking Conceptual Separability'*,¹³ proposed an approach by which the fashion designer would receive the same treatment as any other artist. According to him, the proper standard of determining which useful articles may be protected rests on an optimum combination of the creative model and the temporal-displacement test. His analysis would take into account the creative process of both the designer and the artist while taking a more accommodating view of the artistic contributions of the designer. Designs that achieve their aesthetic appeal solely from their utilitarian function would not be protected. Thus, the designer would first be treated as an artist, one whose medium deserves protection when his work does not simply amount to an application of a utilitarian function. Under this model, the fashion designer has a better chance of proving that his creations are art, albeit being expressed through the medium of fabric. The criterion set for the court is to determine the level of creative abstraction in the garment.

If the court looks at a garment from a strictly utilitarian perspective, then the chances of it getting a copyright are very slim. If the clothing under consideration is a 'formal all-black sequined evening dress', the court will deny copyright if the designer's utility is determined on the basis of a strict functionality regime. However, if the court applies the Polakovic approach and characterizes the article as clothing, with each element of adornment and aesthetic being conceptually separable, all such aesthetics elements would be capable of receiving copyrights.

Two cases based on 'costumes' highlight this parity in approaches.

In *Whimsicality Inc. v. Rubie's Costumes Co.*,¹⁴ the court determined that the costumes serve a utility, that of the wearer being able to masquerade. In this case the court adhered to the strict functionality standards, and thus the copyright was denied.

However, in *National Theme Products, Inc. v. Jerry B. Beck Inc.*,¹⁵ the court applied a broader and more abstract analysis. The costume that the wearer utilizes to masquerade in is regarded as the 'clothing'. The costume can thus be given a copyright because under this approach the intention of the artist is taken into consideration and the manner in which

¹³ *Supra* n. 11 at 6.

¹⁴ *Whimsicality Inc. v. Rubie's Costumes Co.*, 721 F. Supp. 1566 (E.D.N.Y. 1989).

¹⁵ *National Theme Products, Inc. v. Jerry B. Beck, Inc.*, 696 F. Supp. 1348 (S.D.Cal.1988).

the clothing is fashioned depends upon the artistic imagination of the designer. Thus, here the functional utility of the article is given a minimal and basic consideration: that it is clothing.

According to Polakovic, the proper approach is to determine: 1) why the useful article is appealing 2) whether the source of its appeal is an imperative component of its function. Thus only those articles which derive their aesthetic appeal from their utilitarian application would be denied protection. This would allow designers to practice their art upon the utilitarian canvas of clothing freely and would allow other designers to base their designs on the underlying functionality, while still preserving the protection to the artistic expression of the original artist.

The original artist may practice and channel his imagination over the basically functional element of 'clothing' by creating for it original embellishments and aesthetic elements, which will be copyrightable. The other designers will still be free to use the basic functional elements of that clothing, without disturbing the protection enjoyed by the original artist vis-à-vis his art work.

G. Fabric Designs

Fabric designs, however, are an exception because they are copyrightable. Fabric designs are considered as 'writings' for the purposes of copyright law¹⁶ and are treated accordingly. Thus the copyrighted fabric design will be limited to the value of fabric as cloth and not extended to the garment or cloth created from the fabric.

Copyright infringement may be inferred when it is proven that the offender had access to the work under copyright and that substantial similarities to the protected material exist. There will be no infringement when the similarities between the works are insufficient to prove that such copying occurred. The test then asks whether 'the ordinary observer, unless he set out to detect the disparities, would be disposed to overlook them, and regard their aesthetic appeal as the same.'¹⁷ Under this standard, most fabric designs would fail to be protected unless there is evidence of egregious copying by the defendant. Nevertheless, fabric designs are routinely copied to create other patterns.

It is worth mentioning that despite all the tests to determine whether the item is copyrightable, the copyright will never apply to the whole garment but only to the separable components if they're held to be of artistic value.

¹⁶ *Knitwaves, Inc. v. Lollytogs Ltd.*, 71 F.3d 996, 1002 (2d Cir. 1995).

¹⁷ *Peter Pan Fabrics*, 274 F.2d 489.

III. DESIGN PATENTS

Design patents are an extension of patent law and can protect the ornamental features of an invention. The pre-requisites of patentable designs and innovations are that they must be novel and they should be non-obvious.

To be eligible for a patent a work must be a new invention and must advance beyond the prior work in a way that it is 'non-obvious'. Garment designs have consistently failed to meet these requirements.¹⁸ More often than not, a design is hardly a non-obvious advancement of the prior art. A more detailed discussion on this point will follow later but for now it would suffice to say that design patents though they may seem to be the ultimate answer to the protection needed by a fashion design, are hardly so in practice.

An important factor which discounts the applicability of patents is the amount of time it takes to get one. In the USA, a minimum of 18 months are required to review the design, and more than half of all the applications received are rejected.¹⁹ Fashion on the contrary is known for its short-lived and ephemeral life span. What is 'in' this season may not be so 'in' the next.²⁰ Thus, by the time a patent is obtained, the market value of the design may drop, thus making the efforts and the capital diverted into acquiring the patent absolutely meaningless. For certain designs, like Levi's Jeans, Chanel's 'Little black dress,' Dr. Marten's boots and Hermes' handbags, which have stood the test of time, patents make more sense.

Any of the processes of production, treatment and manufacturing of fabric (or garment), colour palettes and related technology, that has been invented or created for the production of a said item will acquire protection under a patent, provided they are both new and novel.

¹⁸ In *Gold Seal Importers v. Morris White Fashions, Inc.*, 124 F.2d 141, 142 (2d Cir. 1941) while denying patent for woman's handbag design court stated: "It is not enough for patentability to show that a design is novel, ornamental and pleasing in appearance ... it must be the product of invention; that is, the conception of the design must require some exceptional talent beyond the range of the ordinary designer familiar with the prior art".

¹⁹ Richard G. Frenkel, *Intellectual Property in the Balance: Proposals for Improving Industrial Design Protection in the Post-TRIPS Era*, 32 LOY LA L REV 531 at 541 (1999).

²⁰ Jennifer Mencken, *A Design for the Copyright of Fashion*, BC INTELL PROP & TECH F 121 at 201 (1997).

V. TRADEMARK

A trademark is any word, name, symbol or a combination thereof that is adapted by the merchant or the manufacturer to identify his goods and make them distinguishable from the goods manufactured by others²¹.

The function of a trademark is to enable the public to recognize such a mark and associates quality with the products bearing this mark. It is very evident that the application of trademarks has an important bearing on the fashion industry and its protection rights. If the clothing cannot be protected, then the name and the brand under which it is marketed can be. This is the only concrete protection that the fashion industry enjoys.

Take, for example, the Nike 'Swoosh'. The general public recognizes this graphic element as belonging to a genuine Nike product and that it attaches certain quality to the product, thereby inspiring confidence in the customer to make a purchase. Trademark law will protect the link between the product and the source, but not the product itself. Trademarks serve to distinguish knock-off goods from their originals, and minimize any confusion the customer may face.

While trademark law will protect designers from unauthorized use of their registered 'labels',²² they will still not protect the garments. This means that a manufacturer could make an exact reproduction of a garment design without suffering any repercussions under trademark law. Moreover, the same manufacturer could use the designer's name and mark to promote his copy as an exact reproduction of the designer's work. Copyists have been held to have a right to truthfully advertise that their goods are copies of a designer and thereby claim a right to utilize the designer's name and label.²³

V. TRADE DRESS

Trade dress refers to a product's overall appearance and the total image it presents to consumers either of the product itself or its packaging.²⁴ Trade dress is a much broader concept than trademark embracing aspects such as the product's size, shape, colour, graphics, packaging, label, advertising techniques and marketing techniques.

²¹ Michele A. Shpetner, *Determining a Proper Test for Inherent Distinctiveness in Trade Dress*, 8 FORDHAM INTELL PROP MEDIA & ENT LJ 947 at 948 (1998).

²² *Supra* n 20 at 10.

²³ *Société Comptoir de L'Industrie Cotonnière Etablissements Boussac v. Alexander's Dept. Stores*, 299 F.2d 33 at 36 (2d Cir. 1962).

²⁴ S. Priya Bharathi, *There is More than One Way to Skin a Copycat: The Emergence of Trade Dress to Combat Design Piracy of Fashion Works*, 27 TEX TECH L REV 1667 at 1679 (1996).

For a violation under trade dress, the designer must show that the trade dress is: 1) non-functional 2) distinctive and 3) likely to be confused by consumers with the imitative trade symbol thus creating a misunderstanding as to the origin of the product.²⁵

A. Non-functional

A functional feature is one that is essential for a product to fulfil its purpose, or one which 'affects the cost or quality of the article'.²⁶ Courts consider a trade symbol to be functional and thus unprotectable if it 'confers a competitive advantage upon its user' in addition to identifying the producer'.²⁷

A good example would be in *Fotomat Corp. v. Cochran*²⁸ case, where Fotomat's distinctive yellow roof and kiosk design has been provided trade dress protection even though they merely functioned as a shelter. The kiosk however additionally served to identify the photo developer. Fotomat's roof was in fact no better than any other at providing shelter and conferred no competitive advantage on Fotomat. The yellow roof design however was deemed protectable as its primary function was to identify Fotomat. Based on this standard, clothing design could be considered 'non-functional' since the shape, proportions, colours and ornamentation of a piece of clothing are not likely to make it more suitable to protect the body against the elements.

B. Distinctiveness: Secondary Meaning

There are two ways to satisfy distinctiveness: the product may be 'inherently distinctive' or have a 'secondary meaning'.²⁹ A secondary meaning refers to a product's ability to distinguish the particular business or product from another. This can be developed only over a long period of time and is an indication of the product's reputation in the mind of the consumer. This reputation is developed over time when the product has been delivering quality and results throughout. This is a very high standard for a product to meet.

In 2000, the U.S. Supreme Court declined to extend trade dress protection to clothing designs in *Wal Mart Stores Inc. v. Samara Brothers*

²⁵ *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 769 (1992).

²⁶ *Inwood Labs Inc. v. Ives Labs., Inc.*, 456 U.S. 844, 850 n.10 (1982).

²⁷ The court in *Daniel J. Gifford, The Interplay of Product Definition, Design and Trade Dress*, 75 MINN L REV 769 at 781 (1991) states that a design is not functional and is therefore protectable if it 'performs an intended utilitarian function, but not significantly better than alternative designs.'

²⁸ *Fotomat Corp. v. Cochran*, 437 F. Supp. 1231, 1235 (D. Kan. 1977).

²⁹ *Two Pesos, supra* n. 25 at 12.

*Inc.*³⁰ In this case a children's clothing manufacturer sued the retail chain over the sale of knock-off one piece seersucker outfits for children. The Court held that the outfits were not protected by trade dress law and confirmed that product designs are only protectable if they acquire secondary meaning as a trademark such that 'in the minds of the public the primary significance of a product design is to identify the source of the product, rather than the product itself'. Fashion designs rarely will have a secondary meaning because they are not intended to identify the source of the product, but instead aim to make the product more useful or appealing.

Design house Louis Vuitton³¹ alleged that Dooney & Bourke's "It Bag" with multicoloured "DB" monograms on white or black backgrounds infringed Vuitton's trade dress with their similar looking bags. The court held that while Vuitton had trademark rights in the Vuitton mark themselves, they did not have trade dress rights in the overall look of their bags. Among other things, the court was concerned that excessive trade dress protection would hinder competition.

For a fashion work, time is of the essence and while the consumer will look at the product of a particular fashion house with certain expectation, (the 'label' of the fashion house being protected by registered trademark), the product itself has a short stylistic life span. Therefore, the time required for the product to develop a secondary meaning is a luxury the house often can't afford.

C. Distinctiveness - Inherent Distinctiveness

Thus the idea of 'inherent distinctiveness' becomes more relevant for fashion works. 'Inherent distinctiveness' means that a trade dress is so uncommon, creative and unique that it may be presumed to identify the product's source. The doctrine of inherent distinctiveness originated because of a concern by the courts that small producers would be financially unable to establish a secondary meaning with consumers before competition arrived. This doctrine exists to protect the producer whose competitors can knock-off their products before a secondary meaning has been established.

³⁰ *Wal-Mart Stores Inc. v. Samara Brothers*, 529 U.S. 205 (2000).

³¹ *Louis Vuitton Malletier v. Dooney & Bourke, Inc.*, 340 F. Supp. 2d 415 (S.D.N.Y. 2004). There was no infringement of Vuitton's marks because Dooney & Bourke used its own "DB" mark, making it obvious to consumers that the Dooney & Bourke bags were not Vuitton bags.

In *Determining a Proper Test for Inherent Distinctiveness in Trade Dress*,³² Michele A. Shpetner propounds the test for determining inherent distinctiveness in trade dress. Trade dress is inherently distinctive if the design, shape or combination of elements is so unique in a particular market that one can assume without proof, that they could automatically be perceived by the customer as indicia of origin.

In *Knitwaves Inc. v. Lollytogs Ltd.*,³³ the Second Circuit of the U.S. Supreme Court was faced with the question whether a line of children's knitwear featuring fall and ecological motives was inherently distinctive. Knitwaves began producing this collection in 1990, and two years later Lollytogs created a competing line of children's clothing that featured some designs very similar to those of Knitwaves. The court rejected its own traditional test for determining whether the trade dress was inherently distinctive,³⁴ reasoning that this test was suited only to product packaging and did not make sense when applied to product design. In its place the court created a new test for product configuration that turns on the intent of the manufacturer. The central question in this test is whether the manufacturer 'used' or 'intended to use' the design to 'identify the source and distinguish his or her goods'. For example, based on the facts the court found that the sweater designs by Knitwaves did not qualify for trade dress protection because they were not 'used as a mark to identify or distinguish the source.'

In the *Krueger*³⁵ case on the other hand, the District Court for the Southern District of New York rejected the test as laid down in the Knitwaves case. The Krueger court rejected the presumption in Knitwaves that the primary purpose of a design is either aesthetic or source identification and that it cannot be both. After rejecting the Knitwaves test, the court in the Krueger case set forth its own test to determine if product configuration is inherently distinctive, namely whether 'it is so unique, unusual or unexpected in this market that one can assume without proof that it will automatically be perceived by customers as an indicium of origin'.

³² *Supra* n. 21 at 11.

³³ *Supra* n. 4 at 3.

³⁴ Known as the "Abercrombie classifications". See *Abercrombie & Fitch Co. v. Hunting World Inc.*, 537 F.2d 4 (2d. Cir. 1976). It classifies trademarks and trade dress symbols as either generic, descriptive, suggestive, arbitrary or fanciful; as a rule, suggestive, arbitrary, and fanciful marks are considered to be inherently distinctive while generic or descriptive marks are not.

³⁵ *Krueger*, 915 F. Supp. 606.

Yet, most courts do not follow the liberal Krueger approach to analyze inherent distinctiveness. Product configurations in certain industries employ uncommon design elements and still do little or nothing to identify the producer. Certain markets are highly dependent on the development of creative and innovative designs. In fact, at the extreme are products whose commercial success is determined largely by the continual introduction of imaginative designs. These include clothing, tableware, furniture and eyewear. It is less likely that the configuration of a product in markets such as these will act as a designator of source³⁶.

Even though a fashion work would most likely be deemed as 'inherently distinctive' rather than having a 'secondary meaning', the courts are still hesitant to protect these works under trade dress.

VI. CONCLUSION

While it is understood that all designers must have some protection vis-à-vis their creations, we must also keep in mind that India has a unique fashion market. Designer labels here are still scarce when compared to the global scenario. Major players are yet to establish a foothold, and Indian designers cater to a niche subset within the urban populace. The knock-off industry in India is well settled and in some ways quite lucrative. In fact, the prominence of the knock-off industry is a major indication of the prevalent 'street fashion' trend in urban India which in the course of time and to a certain extent, percolates down to rural India. With judicial interpretation of intellectual property rights protection of the fashion industry still in the pipeline, a brief discussion on the possible impact of these protection laws on this industry, taking helpful examples from the global fashion industry scenario might prove useful.

The major reason why the fashion industry is in want of IP protection is due to the emergence of counterfeits and knock-offs. Counterfeits are worse than knock-offs because they use the original designer's trademarks and sell the imitation thereby violating and infringing the designer's rights. 'Knock-offs' are simply cheap imitations of top-of-the-line fashion.

In fact, designers have had to come to terms with the knock-off industry previously as well. The measures they tried to take were once

³⁶ Hermenegildo A. Isidro, *The Abercrombie Classifications and Determining Inherent Distinctiveness of Product Configuration Trade Dress*, 62 BROOK L REV 811 at 850 (1996).

brushed aside by the US courts as restrictive trade policy.³⁷ To cope with the omnipresent menace of knock-offs, designers have taken many a step: they have introduced and developed lower-cost lines for the masses so as to compete with the knock-off manufacturers, they keep a percentage aside reserved for loss due to proliferation of knock-offs in the market and many other measures. It is said that at the end of the day, it is the customer who suffers because of the compromise in quality.

The market for knock-offs and for original designer labels are quite different and more often than not well demarcated. All designers no matter how new they may be, will have a certain way of marketing their products. If the designers have a certain distinct and competent artistic dimension (which is the only way they can get protection under copyright), then it is possible that their product lines may come to be recognised and thus appeal to certain sections of the populace. The designers will create and market their art caringly and not use aggressive consumer targeted marketing policies which are otherwise embraced by large scale manufacturers. They will target niche clientele, showcase their work in a different manner, and keep their price tag commensurate with the client base they are targeting.

Designer labels usually target the middle and upper middle classes of our social strata, regardless of which country one considers. If one takes the example of India, then designer labels like Gucci, Ralph Lauren, Yves Saint Laurent, Lacoste *et al*, know the limitations of the market, and instead introduce their low-cost lines from the European market. Seldom do they introduce their high end products. All designers know the market's capacity and target their specific niche clientele. Their price tags are evidence of that.

So the argument that knock-offs are hampering the fashion designer's market is effectively countered. This is also substantiated by pure statistics. The fashion industry has blossomed over the past few years, whether in terms of profits, or in terms of acceptability and market penetration.

Another argument is that designer garment prices escalate because of piracy. Before reaching such conclusions however, one should look into the practices of fashion houses. At the present moment, the prices charged by fashion houses are usually multiples of forty to fifty times the actual production costs. The cost of manufacturing a pair of Tommy

³⁷ *Fashion Originators' Guild of Am. v. FTC*, 312 U.S. 457 at 461-62 (1941). The Court reasoned that the Guild constituted a monopoly over the garment market, and lessened competition.

Hilfiger jeans in India according to unnamed sources is actually around one hundred and fifty rupees yet they are sold in the market with a price tag of around four thousand rupees. Such is the disparity in costs. The difference between the manufacturing costs of a knock-off and an original are not that much. It is the registered trademark and trade dress which make all the difference. The polity at large is not oblivious to this disparity, which is why there is a market for knock-offs. The fashion houses and the designers will never reduce the prices of their select articles, so instead they introduce similar articles in the market, but at a lower cost. On the whole, they are perhaps reducing their profit from forty times the cost price to perhaps twenty times the cost price. A 'designer line' is plainly synonymous with the word 'expensive'. Thus clearly the price escalation argument is fallacious.

In fact designers and for that matter high end fashion houses need not worry because the knock-off market does not target their client base. As far as inter-rivalry between the high end designers is concerned, as long as the time at which imitation occurs is not identical, no infringement can take place. Yet as discussed before, if the imitation is identical to the original article then a suit of infringement can be successful, provided the article has satisfied the requirements of trademark/trade dress/separability *et al.*

It is indeed unimaginable to think of the fashion industry without the knock-off industry. The world of fashion is known to embrace imitation, appropriation and derivation and such activities are said to be the source of its inspiration. Fashion trends work cyclically over time albeit with minor variations. 'Mix-and-match' is the mantra of fashion design. Couple this with the styling 'fit' prevalent in that period and, *voila*, you've got a new design. Imitation artistry is also prevalent among high end niche designers. So it would not be astonishing if one finds uncanny similarities between a Balenciaga outfit of the middle of the Twentieth Century and a Saint Laurent outfit of the Nineties. In fact, it is well accepted in fashion circles that half of all fashion seems to owe its professional existence to a single truism: one is as original as the obscurity of one's source.

In an environment of constant emulation, it can be difficult to separate the 'original' from the 'imitation'. The two blur together so seamlessly that it often doesn't make sense to try to sort each from the other. Such consequences are jarring to anyone steeped in the orthodoxy of copyright law, which presumes that it is in fact possible and perhaps urgently necessary to ascertain the authorship and 'originality' of a work. It is however very clear that this is not the way fashion functions.

To quote Salvador Dali here would perhaps shed conceptual light on the mechanism of fashion: 'Those who do not imitate do not create anything new. It seems as if past work and design ideas serve as the raw materials and inspiration for the future to be build upon.'

The law only protects the mark and the label of the designer. The work is open to all. While knock-off manufacturers usually imitate to cater to the low-spending strata of society, the designers imitate to gather inspiration – and they term this as homage. In fact, it is often said that homage is the French word for stealing.

Fashion designers do not only embrace classic artistic forms or historical artefacts to create new lines. Fashion routinely borrows from itself. Building a new season's collection on designs from years past is an essential component of fashion praxis. Today, evidence of fashion raiding its own closet abounds in the success of vintage clothing dealers.

Cameron Silver, the owner of Decades Inc., a vintage clothing chain in Los Angeles and London, said that 60 percent of his business comes from designers. In New York City, designers constantly trek to Gallagher Paper Collectibles, a small East Village grotto that owns a rich archive of vintage fashion magazines. Proprietor Michael Gallagher told a reporter: "We get them all, Hedi Slimane, Karl Lagerfeld, Marc Jacobs, big time, John Varvatos, Narciso Rodriguez, the Calvin assistants, the Gucci assistants, Dolce & Gabbana, Anna Sui – you name it. They all come here for inspiration. At least that's what we call it."³⁸

Throughout the world, the street is the breeding ground for fashion. A very good example would be hip-hop. Hip-hop artists started wearing apparel with a peculiar style; loose denim trousers with undergarments showing, loose t-shirts and sneakers, but it spread like wildfire, and before long the fashion houses came up with their own hip-hop lines. Clothing inspired by NASCAR and F1 racing – chequered tops, splashy graphics and leather jackets with logos of various sponsors enjoyed a brief vogue circa 2001.

Fashion cannot be bound within strict guidelines, because it will then stop growing. Imitations are an important facet and constituent of creativity in fashion. The fashion world has become so acclimated with the knock-off regime that it has now started growing with it. There is an interesting story, at this juncture which needs mentioning. Legendary

³⁸ *The Philadelphia Museum of Art: Shocking! The Art and Fashion of Elsa Schiaparelli*, reviewed by Roberta Smith in "Making Serious Fashion from Visual Jokes, and Doing It Like An Artist." NEW YORK TIMES, (Oct. 31, 2003) from David Boillier and Paula Racine, CREATIVITY IN FASHION AND DIGITAL CULTURE.

fashion photographer Manuela Pavesi once told a friend that her Prada coat was a copy of an original Balenciaga coat that Miuccia Prada had found at a vintage-clothes dealer in Paris. Miuccia loved it so much that she took it and copied it, and it was an exact copy.

Now however the knock-off industry has become quite bold, and has started advertising itself. Alan B. Schwartz (ABS) is a company which is the maker of design inspired products. It's a very simple deal. The original designers charge extra for the originality and the 'innovation', or rather 're-innovation' and thus cater to the high end market. The knock-offs cater to the low-end and the middle markets, and there is a beautiful equilibrium whereby there is a fashion cycle, in which ideas and trends (not necessarily new) are scraped from the bottom by the designers, and enter the market from the top reinvented and recycled.

Of course, some amount of protection is necessary. The question is whether the garment industry as a whole should be given such protection – obviously a wider area of application. From the above discussion, I have tried to explain the importance of freedom in this industry. If any new designer decides to redefine Coco Chanel's work, then he will go right ahead and do it without worrying about any kind of licenses and other bureaucratic tangles.

There are very few fashion works that have a continuous longevity in terms of their stylistic life span. For example the 'bell-bottom' was the 'in' thing in the seventies and tighter trousers were in vogue during the eighties. 'Bell-bottoms' however came back in the late nineties. There are some exceptions, like Chanel's 'little black dress', which has been an appropriate evening gown through three generations of ladies.

Little did Claude Levi Strauss know that the trouser he was making out of tent material with riveted pockets (so that they did not fall off) would define the outlook of fashion for an entire century. Such works are patentable. But then only specific parts of the works are patentable, not the underlying functionality. While Levi's back-pocket stitch is protected the basic concept of a pair of jeans is not protected and is open to all for appropriation.

In conclusion, one line wins the war – fashion is a reflection of culture. Culture cannot grow within boundaries and it needs the free dissemination and percolation of information through its various strata. As of now, the reputation that a designer earns from his work is protected and certain aesthetic elements that he includes may also be protected, but this is with great difficulty because of the strict tests and interpretations to be followed. When looked at from the perspective of fashion, it makes a

lot of logical sense. There are many instances of high end designers stealing designs from each other: Yves Saint Laurent stealing from Ralph Lauren, but that's the case of an exact copy. A new designer can make the argument that changing the colour of the buttons of a Yves Saint Laurent shirt changes the whole look, and that is his originality. That would in fact be perfectly valid. If copyright protection is extended to garment designs, it will not likely have a significant effect between designers. It is true though that if a designer infringes upon another's work (and there are often rumours of one designer trying to steal another's ideas) there can be an action for infringement. Case law in Europe indicates that designers understand that there is a certain level of inspiration and thematic similarity each season but have not been suing each other pervasively over infringement.

The equation between fashion and the law seems to be quite well balanced abroad. With the Indian markets opening up, cases concerning the fashion industry are bound to emerge in front of the Indian courts. Before the judiciary starts snipping at the fashion industry to fit it to the IP regime in India, a thorough understanding of this industry is absolutely essential. It must be understood that every inch of protection will result in sacrifices to the freedom of intra-metamorphosis that this industry enjoys.

To ensure creative freedom we must introduce protection laws in this fragile industry in a very careful manner, lest we disturb the well balanced equilibrium that has been created with time and mutual understanding within the industry. It must also be kept in mind that such an understanding has actually catered to the growth of this industry and that such understanding is a global trend not just limited to a particular country. Thus such a symbiotic relationship must be respected and protected, and laws must be made which not only protect the myopic interests of an individual designer, but also ensure the growth of the industry in the only manner it has ever grown!

THE WORKING OF THE MONTREAL PROTOCOL AND THE ENVIRONMENT'S RESPONSE: AN ASSESSMENT

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Loree Sonchhatra*

I. INTRODUCTION

The fluctuating quantity of ozone gas over the last few decades has held the breath of every corner of the globe. The ozone layer rests in the upper atmosphere or stratosphere between 10 and 50 kilometres above the earth and absorbs most of the harmful ultraviolet-B (UV-B) radiation from the sun. It screens out lethal ultraviolet-C radiation and thus acts as a shield that is essential to protect human life. Ozone, which is a predator at the ground level but a protector at its appropriate height, has depleted considerably in the last four decades and is an alarming harbinger for a pathetic environmental scenario and the intolerable human suffering that will follow. This paper, after providing details of the chain of events subsequent to the discovery of ozone, attempts to scrutinize the role of international law and politics in preserving this layer, it is imperative for human sustenance on earth.

An evaluation of the international response to the threat created by chlorofluorocarbons (CFCs) and their chemical counterparts – halons, requires an understanding of the chemical reactions involved which necessitated such a response. Section II of the paper will help us understand the atmosphere surrounding the earth and the chemicals that make up CFCs and halons, acquaintance with which is necessary to comprehend the magnitude of the risk involved with the use of these substances. Section III will attempt to acquaint us with the international furor over the issue of ozone depletion, elaborate upon the factual circumstances that led to the conclusion of the Vienna Convention for the Protection of the Ozone Layer, the Montreal Protocol on Substances that Deplete the Ozone Layer and the subsequent amendments made to it. This part will also discuss the legal provisions of the Montreal Protocol (hereinafter referred to as the Protocol) and particularly the Multilateral Fund. Section IV dwells upon the criticism which the Protocol has attracted, partially owing to certain anomalies in its structure and partially because of the patently egocentric behaviour of the developed world. Section V illustrates the factual background behind India's accession to the Montreal

Protocol and further elaborates the nation's approach, policies and the difficulties after its accession. It also reveals several harsh but altruistic realities which a developing nation and its indigenous industry would have been confronted with while complying with the provisions of the Protocol. Section VI concludes with an appraisal of the success and failures of the Montreal Protocol and its subsequent amendments based on the yardstick of the compliance ratio of nations following its provisions, the phase-out of Ozone Depleting Substances (hereinafter ODS), and in the meanwhile, the response of planet earth, which is visible in our environment.

II. THE NEED TO PROTECT THE OZONE – THE SCIENTIFIC PANORAMA

A. The Disparaging Agents

Scientific concern focusing on the ozone layer commenced in 1970 when Prof. Paul Crutzen pointed out the possibility that nitrogen oxide from fertilizers and supersonic aircraft might deplete the ozone layer. In 1974, a chain of chemical reaction tests conducted by Professors F. Sherwood Rowland and Mario J. Molina finally arrested the illusions created about the significance of ozone depletion and brought to light the datum that when CFCs break apart in the atmosphere and release chlorine atoms, they cause ozone depletion.¹ Since then scientific evidence has mounted considerably and the scientific community has spoken of the threat of ozone depletion with virtual unanimity. Research reveals that only three out of every ten million air molecules are ozone, and further that one single chlorine atom has the ability to destroy over one hundred thousand such ozone molecules. The resultant effect would therefore be to destroy ozone faster than it is naturally created.

It is now widely accepted that industrially manufactured organochlorine and bromine chemicals, CFCs and bromofluorocarbons (BFCs or halons) which fail to decompose even over a prolonged time period, are chiefly responsible for depleting the ozone through a series of chemical reactions. They are now termed as Ozone Depleting Substances. As CFC and halon molecules rise into the stratosphere, they gradually dissociate under the influence of ultraviolet (UV) light which breaks off one chlorine atom from the CFC molecule, and singular chlorine and bromine atoms from the halon molecule. The free chlorine atom is then able to 'steal' one of the ozone's three oxygen atoms, creating ordinary oxygen (with two atoms) and a chlorine-oxygen combination. The chlorine-

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¹ Orval E. Nangle, *Stratospheric Ozone: United States Regulation of Chlorofluorocarbons*, 16 BOSTON COLLEGE ENV'TL. AFF. L. REV. 531, 539 (1989); J. Brunnée, ACID RAIN AND OZONE LAYER DEPLETION: INTERNATIONAL LAW AND REGULATION 34 (1988).

oxygen combination now reacts with a free oxygen atom which normally would combine with other oxygen molecules to form ozone, and instead forms only a molecule of oxygen. The net result of this chlorine-oxygen interaction is that the chlorine has both broken up an ozone molecule and prevented a new one from forming.² The chlorine atom is then free to continue the ozone destruction process, which it is capable of doing up to one hundred thousand times.³ The bromine atom from the halon molecule will destroy even more ozone molecules.

B. The Imperative Ozone

Scientists estimate that for every per cent of depletion in the ozone layer, ultraviolet radiation will increase by two percent with a proportionate increase in the incidence of non-melanoma skin cancer among fair-skinned people.⁴ Scientific studies also suggest that even if emissions were to remain constant at 1980 levels, one hundred and forty two thousand new cases of skin cancer would occur by 2025.⁵ Increased UV radiation could also have detrimental effects on the human eye since a correlation exists between UV radiation and cataracts. Further, increased UV radiation may be harmful to human and animal immune systems, potentially increasing the risk of infectious disease or development of tumours.⁶ UV radiation can penetrate water and decrease the growth of

² Berlfein, *Compounds Have Worn Out Their Welcome*, THE OREGONIAN 1-2 (1989); Kracke, *Look To The Sky: Atmospheric Applications Of International And Domestic Law*, INTERNATIONAL LEGAL PERSPECTIVES 21, 22 (1989).

³ *Ibid.*

⁴ Taylor Moore, *Concern Over Ozone*, E.P.R.I. JOURNAL 17 (1989): 'A study in Australia has computed related statistics, in which a 10.5% decrease in ozone had resulted in a 21% increase in effective UV-B irradiance.'; Colin R. Roy et al., *Ozone Depletion* NATURE 235, 236 (1990); UNEP, ENVIRONMENTAL EFFECTS PANEL REPORT (1991) Executive Summary [hereinafter E.E.P.R. Executive Summary] at iii states: "[r]ecent information on the relationship of non-melanoma skin cancer to UV exposures confirms previous findings...It is now predicted that a sustained 10% decrease in ozone will be associated with a 26% increase in non-melanoma skin cancer." This report is released pursuant to Article 6 of the Montreal Protocol.

⁵ J. Brunnée, *supra* n. 1 at 44 [citing D.J. Dudek and M. Oppenheimer, *The Implications of Health and Environmental Effects for Policy*, J. Titus (ed.) EFFECTS OF CHANGES IN STRATOSPHERIC OZONE AND GLOBAL CLIMATE (1986)].

⁶ J. Brunnée, *supra* n. 1 at 44; E.E.P.R. Executive Summary, *supra* n. 4, at iii: 'The Environmental Effects Panel concluded that "[t]he induction of immuno-suppression by UV-B has now been demonstrated in humans, not only those of light pigmentation, but also deeply pigmented individuals. This places all of the world's populations at risk of the potential adverse impacts of UV-B on the immune system"; and, "[a]dverse ocular effects also "appear to be independent of pigmentation... It is now predicted that all other things being equal, a sustained 10% decrease in ozone will be associated with between 1.6 and 1.75 million additional cases of cataract per year worldwide."

marine life, including organisms essential to the food chain.⁷ Ozone depletion also adversely affects plant life and crop yields. UV radiation degrades paints and plastics and causes them to fade and crack.⁸ Higher levels of UV radiation increase the amount of ozone and other pollutants in the troposphere – the layer of the atmosphere closest to the earth, and increases urban smog.⁹ Finally, CFCs not only reduce the ozone layer, but also contribute to atmospheric warming, or the so called "greenhouse effect",¹⁰ which has life-threatening consequences of changing climate zones, increasing sea levels, and harming agriculture and food supplies.

III. COMMENCEMENT OF INTERNATIONAL EFFORTS

A. Vienna Convention for the Protection of the Ozone Layer

The most pronounced effect of ozone depletion is the ozone hole over Antarctica. It was first discovered in 1985, and will recur every spring until 2100, even if worldwide emissions of CFCs are halted immediately. It is interesting to note here that deliberations at the international level started a decade before the realization dawned about this major set back to the planet's environment. The Governing Council of the United Nations Environment Programme (UNEP) first discussed the issue of ozone depletion in 1976. Inter-governmental negotiations for an international agreement to phase out ozone depletion substances started in 1981 and ended with the adoption of the Vienna Convention for the Protection of the Ozone Layer in 1985.¹¹ This convention encouraged international co-operation to research, monitor CFC production and exchange information. The Convention, however, did not require affirmative action.¹² Negotiations and scientific research continued into 1987,

⁷ Taylor Moore, *Concern over Ozone*, E. P. R. I. JOURNAL 15-16 (1989); See generally, Joe Farman, *What Hope for the Ozone Layer Now?* 116 NEW SCIENTIST 50, 54 (1987); Medwin M. Mintzis, *Skin Cancer: The Price for a Depleted Ozone Layer*, 12 E.P.A.J. 7 (1986).

⁸ G.V. Buxton, *Ozone Layer Issue*, UNEP/OzL.W.G. Data. 2/3/Rev. 2 (Nov. 16, 1988) available at ozone.unep.org/Meeting_Documents/adhoc/other-meetings/adhoc-dpie-2-3-rev2.88-10-24.doc (last visited on 30.10.07).

⁹ See, U.S. Environmental Protection Agency, CFCs AND STRATOSPHERIC OZONE 2-3 (1986) [hereinafter EPA Report].

¹⁰ *Id.* at 3.

¹¹ *Vienna Convention for the Protection of the Ozone Layer* (hereinafter Vienna Convention), U.N.Doc. UNEP/IG.53/5/ Rev.1, reprinted in 26 I.L.M. 1529 (1987). The Vienna Convention went into effect on September 22, 1988 when 20 countries had ratified it.

¹² I. Tripp, *The UNEP Montreal Protocol: Industrialized and Developing Countries Sharing the Responsibility for Protecting the Stratospheric Ozone Layer*, 20 N.Y.U.J. INT'L. LAW POL. 736 (1988).

culminating in the Montreal Protocol on Substances that Deplete the Ozone Layer.¹³

B. Assessing the Scheme of the Montreal Protocol

From 14-16 September, 1987, representatives from fifty four countries met in Montreal to create the Montreal Protocol on Substances that Deplete the Ozone Layer (hereinafter the Montreal Protocol). The Montreal Protocol is unique in that it is the first global agreement to protect the earth's atmosphere from possible damage caused by human activity.

The Montreal Protocol reflected a three dimensional approach concerning: 1) controls on the production and consumption of ozone-depleting chemicals, 2) arrangements for the administration and enforcement of control requirements, and 3) measures to promote regular, periodic assessments of the Protocol control provisions. The Protocol was designed so that phase-out schedules could be revised on the basis of periodic scientific and technological assessments. Following these assessments the Protocol was adjusted to accelerate the phase-out schedule in London in 1990, Copenhagen in 1992, Vienna in 1995 and Montreal in 1997.

The Protocol imposes restrictions on the participating country's production and use of CFCs and halons. Member countries are required to freeze their consumption of CFCs at 1986 levels by mid-1989, achieve a twenty percent reduction in use from 1986 levels by 1993, and reach a total reduction of fifty percent of 1986 levels by 1999. The Protocol provides formulas for determining production and consumption levels of CFCs. It also imposes restrictions on international trade as an incentive for countries to ratify it; parties to the Protocol cannot import CFCs from non-member parties after 1990, nor can they export CFCs to non-member parties after 1993. Additionally, the Protocol contains provisions banning the import of products containing CFCs, such as refrigerators and air conditioners, and those products produced with CFCs such as circuit boards and certain electronic equipment. Parties to the Protocol have also agreed to cooperate in exchanging information related to the research and development of substitutes for CFCs and to facilitate the exchange of technical information.

The Protocol, by way of incorporating certain exceptions and incentives addresses the special situation of developing countries. It has recognized the need for involving developing countries in the effort to curb CFC emissions, in order to make itself a long term solution to the

¹³ UNITED NATIONS PROTOCOL ON SUBSTANCES THAT DEplete THE OZONE LAYER 26 I.L.M. 1541 (1987).

ozone layer depletion problem. The Protocol thus consolidated and placated the anxiety developing countries felt when they were pressurized to heed directions to care for the environmental from the industrialized world, instead of looking into the domestic tribulations of overpopulation, malnutrition, lack of basic sanitation, disconcerting economic growth and poor standards of living. The Montreal Protocol was however just a small step towards increasing the recognition of a truly global problem – the tougher task being to gather the fragmented positions of various nations on to a common platform in order to implement the golden provisions of the Protocol.

C. The Multilateral Fund

The creation of the Multilateral Fund for the Implementation of the Montreal Protocol (hereinafter known as the Fund) in 1990 in order to assist developing countries to comply with the control measures of the Protocol, marked the start of a new approach to solving global environmental issues. The Fund's ongoing efforts aim at the building of capacity, access to technology and the empowerment of governments in developing countries to enable them to take on their responsibilities to implement the Protocol. Donor countries have held to their commitments to provide funding, with more than 90 per cent of the pledged contributions having been paid, amounting to US \$1.865 billion out of a total of US \$2.1 billion between 1991 and 2005.¹⁴ By March 2007, the Fund had supported the transfer of technology and capacity building through about 5500 projects and activities in 144 developing countries. Projects approved till 2005 have already eliminated the consumption of nearly 190,625 ODP tonnes¹⁵ and the production of 116,197 ODP tonnes. National Ozone Units have been established in 140 developing countries in order to increase understanding of how to implement environmental regulations, as also the capacity and confidence to do so.¹⁶

IV. THE DARK SIDE OF THE COIN

The process of responding to ozone depletion has not been entirely simple. It has faced a number of unforeseen problems and has attracted immense criticism. At the sixth meeting of the various parties at Nairobi in October 1994, developing countries said that they could not afford to carry out their plans of switching to Ozone friendly alternatives without

¹⁴ Statement of the Chief Officer of the Multilateral Fund at the 24th Governing Council of UNEP, February 7, 2007, available at http://www.multilateralfund.org/presentations_and_speeches/1170853318539.htm. (last visited July 23, 2007).

¹⁵ ODP tonnes is the unit used to measure the quantity of HCFC. It is calculated by multiplying its mass in tonnes by its ozone depleting potential.

¹⁶ As available on www.multilateralfund.org/home (last visited July 25, 2007).

stronger commitments from donor countries. They also expressed concern over the poor state of the Fund. A declaration signed by Argentina, Brazil, Chile, China, Columbia, India, Malaysia, Peru, Philippines, and Uruguay expressed concern about the critical financial situation of the Multilateral Fund as also about the new restrictions on the access to the already scarce sources of funds. Above all, accepting the Fund left the purse strings in the hands of those governments which had created the problems in the first place. Developing countries could apply for money to buy technology from a Northern firm, but were denied financial assistance to try and develop their own technology, unless they signed an agreement promising never to seek money from the Fund for that particular technology if their research failed. In the words of a Canadian delegate, "If a multinational can produce a technology cheaply, why should we support any developing country to do research on it? It's cost ineffective."¹⁷

A serious loophole in the Montreal Protocol was the provision that allowed industrialized countries to produce CFCs for export to developing countries for "essential use". The quota that industrialized countries could produce for this purpose was reduced in 1999, but before this adjustment, US law permitted four corporations to produce more than 200,000 tons of new CFCs in 1996, more than 100,000 tons a year from 1997 to 1999 and more than 50,000 tons a year from 2000 to 2005.¹⁸

It has also been realized that the Montreal Protocol's compliance mechanism is only effective against developing countries, which depend on the Protocol for funds. It does not cover any industrialized countries' commitments, or any efforts to hold industrialized countries responsible for their actions if they have failed. This is a serious flaw that needs to be addressed. By and large, the developing countries emphatically argue that the Protocol promoted the concept of joint responsibility to solve global environmental problems, ignoring completely the principle of historical responsibility, and not even implementing the 'polluter pays' principle.

V. THE MONTREAL PROTOCOL AND THE INDIAN EXPERIENCE

At an international ozone conference in London in March, 1989, India along with China took a strong position against joining the Montreal Protocol. Z. A. Ansari, the then Indian Environment Minister, squarely placed the responsibility for ozone depletion on the industrialized countries. He called for technology transfers from developed to developing

¹⁷ Anon, *Selfish Interest in the Guise of Altruism* 2 DOWN TO EARTH 3 (1993).

¹⁸ *Agreements on Environment and Development*, THE YEARBOOK OF INTERNATIONAL COOPERATION ON ENVIRONMENT AND DEVELOPMENT 96 (1999-2000).

countries and for the setting up of a fund to finance such transfers of know-how. Provisions for this had not yet been made in the Montreal Protocol. India pushed for the Multilateral Fund and the removal of discriminatory provisions in the Protocol. A conference on Global Environmental Issues was hosted in New Delhi in April 1990, where participants included Argentina, Brazil, China, Cuba, Egypt, Guyana, Kenya, the Republic of Korea, Malaysia, Pakistan, Peru and Zimbabwe. These countries decided that their participation in the Montreal Protocol would be contingent upon unrestricted access to substitute substances and technologies on a non-commercial basis.

India, though dissatisfied succumbed to the pressure created by the UK and acceded to the Protocol in September, 1992. Before the fourth meeting of the parties in Copenhagen, India expressed reservations about the fact that industrialized countries were allowed a much higher per capita 'cap' and required developing countries to make several transitions, rather than leap-frogging to entirely acceptable alternatives.

During the succeeding years India depended on the solidarity of developing countries to block several attempts to advance phase out schedules. India's position however, has not always reflected much foresight and uniformity. Indian CFC manufacturers were also disgruntled with the government's inability to negotiate on their behalf. They increased production to supply developing countries, and wanted a reduction in the ten per cent baseline quota allowed to western manufacturers under the Protocol in order to supply the basic domestic needs of developing countries. However rather than stopping their export-oriented production and allowing indigenous manufacturers to take over, the MNC's quotas were actually increased to 15 per cent under the Protocol.

An 'India Country Program' was formulated in 1993 to phase out CFCs within the stipulated time duration. The government issued a ban on CFC imports from and exports to countries that were not party to the Protocol. It administered a licensing scheme for CFC exports and imports to encourage the adoption of non-ODS projects approved by the Multilateral Fund and for new establishments with non-ODS technologies.

Under the Montreal Protocol, India faces the task of completely phasing out CFC production by 2010. Manufacturers and users of CFCs however are worried because developed countries have failed to ensure transfer of technology to the developing countries at fair and reasonable terms as pledged under the Montreal Protocol. Liberalization has contributed to complicating the situation because foreign technology suppliers are not willing to supply them with alternative technologies as it is more profitable for them to set up shop themselves. The Whirlpool Corporation

for instance, which is based in the USA, has a 57 per cent stake in Kelvinator India. The corporation however, instead of supplying Kelvinator with the technology to produce CFC free refrigerators, has chosen to launch them under its own name.

The Multilateral Fund has been providing valuable assistance to India. Yet India has had to struggle to advance its position during the years of inception. A total of two hundred and ninety six projects have been approved and funded by the Multilateral Fund (MLF). A total amount of 218,684,946 US Dollars has been approved by the Executive Committee of the MLF Secretariat to phase out 46,381 ODP tons. The executive committee approved a total of 82 million US Dollars for the phased reduction and cessation of the CFC production in its entirety and 2.6 million Dollars for phasing out halon production in India. A sector-wise break-up of the funds approved by the MLF for ODS phase out projects in India are given in the table below:

Sector-Wise Approved Projects as on August 31, 2006¹⁹

Sector	No. of projects	Grant Amount (US \$)	ODP tons to phase out
Aerosol	27	3,227,739	689
Foam	159	34,785,641	4373
Fire Fighting	18	2,458,701	2162
RAC	49	32,254,823	3203
Solvent	41	61,358,042	12,966
Production (including halons)	2	84,600,000	22,988
Total	296	218,684,946	46,381

According to the Ministry of Forests and Environment, India has been able to fulfil its commitments under the Montreal Protocol by freezing the production and consumption of chlorofluorocarbons on July 1, 1999, freezing the production and consumption of halon on January 1, 2005, effecting a 50% reduction in CFC production and consumption and ef-

¹⁹Ozone Cell, Ministry of Forests and Environment, Government of India, *Montreal Protocol: India's Success Story* (2006) available on www.ozonecell.com. (last visited July 23, 2007).

fecting an 85% reduction in CTC production and consumption as on January 1, 2005.²⁰

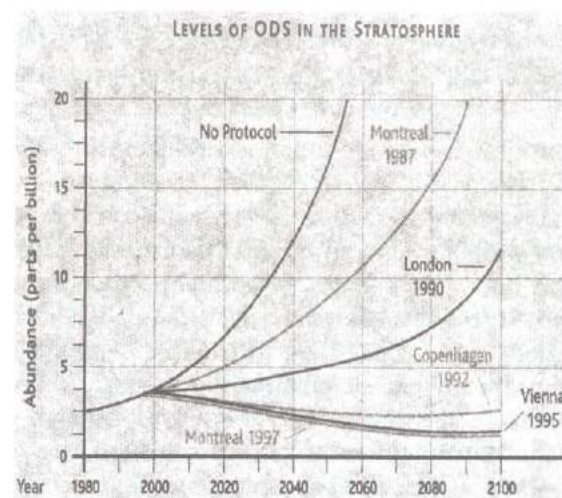
VI. THE MARKED DEPARTURE

The outright display of supermarket liberalism was rare this time. Although marked with hesitation, the community of nations appears recently to have joined hands, for the first time to fight against the global environment problem. One of the pertinent reasons for this united show might be the unprecedented gravity of the problem. The depletion of the ozone layer affects all countries, regardless of whether they produce or consume goods made with CFCs. CFC emissions from all over the world pour into the atmosphere such that the release of CFCs in any one country impacts the ozone layer negatively often over distant countries. Cooperative international effort was therefore a necessary precedent condition to make a meaningful reduction in global emissions of CFCs. Without concerning ourselves too much with the reasons for this consolidated global effort, one can take comfort knowing that the consolation lies in the fact that the environment has in the meanwhile responded positively.

Though the issues of climate change (dealt with under the Kyoto Protocol) and ozone depletion have substantial similarities, the international regime on ozone depletion has achieved remarkable success, while the climate change regime has essentially stalled. By most accounts, the treaty process for addressing ozone depletion can be termed an 'unqualified success'.²¹ Industry, the world's only source of halocarbon gases was from a business point of view understandably reluctant to immediately halt production and use of these versatile compounds. It is noteworthy that there weren't any immediate replacements available either. The strict approach of the Protocol tried to ride roughshod over these bumps through the creation of flexible instruments that can adapt to the changing science and politics, through the use of industrial incentives, and through innovative and precedent setting ways. It has thus fundamentally changed the way certain industries conduct their business. Further, it has already caused a complete phase-out in some countries of certain classes of chemicals which were proved detrimental to the ozone layer. A graphical analysis of the impact of Montreal Protocol and the subsequent amendments is given below:

²⁰ *Id.* in a foreword by Mr. A. Raja (then Minister for Forests and Environment), published by Ozone Cell, Ministry of Forests and Environment, Government of India, available on www.ozonecell.com (last visited July 23, 2007).

²¹ Elizabeth R. DeSombre, *The Experience of the Montreal Protocol: Particularly Remarkable, And Remarkably Particular*, 21 UCLA J. ENV'T'L. L. & POL'Y 49 (2006).

Graphical Analysis²²

Although it is too early to expect a sea change in the ozone layer, measurements indicate that it is deteriorating at a decreasing rate and concentrations of some ozone depleting substances in the atmosphere are starting to decline.²³ The United Nations in 1998 recognized the strong display of commitment shown by the parties to the Montreal Protocol and has proclaimed 16 September the International Day for the Preservation of the Ozone Layer, commemorating the date in 1987 on which the Montreal Protocol on Substances that Deplete the Ozone Layer was signed. The unique ramifications of the depletion of the ozone layer resulted in unprecedented international cooperation with 'responsibility' as a focal point rather than 'liability' which unfortunately happens to be the insignia of international politics. This marked departure from the otherwise peculiar behaviour of the international community should persist in order to preserve us *homo sapiens* and other species on the planet. Ozone day should stand as a reminder of the imperative responsibilities we owe towards our environment which has served our needs unconditionally without even entering into a barter agreement.

²² *Creating a Real Change for the Environment*, produced by Secretariat of the Multilateral Fund for the Implementation of the Montreal Protocol (2005), available at <https://multilateralfund.org> (last visited on July 21, 2007).

²³ S.A. Montzka, J.H. Butler, J.W. Elkins, T.M. Thompson, A.D. Clarke and L.T. Lock, *Present and Future Trends in the Atmospheric Burden on Ozone-Depleting Halogens*, NATURE 690-693 (1999).

A STUDY OF MISREPRESENTATION

Shivam Singh*

I. INTRODUCTION

It is very often noticed that negotiations between contracting parties precede the conclusion of a contract. These negotiations may or may not be conducted smoothly and whilst there may be eagerness on the part of one of the parties, the other party may be hesitant about entering into the contract. A statement of fact which one party makes in the course of the negotiations with a view of inducing the other party to enter into the contract is said to be a representation, and if such a statement is false then it is known as a misrepresentation.

In India the law dealing with misrepresentation is governed by section 18 of the Indian Contract Act, 1872, while in England the legal position concerning misrepresentation comes under the ambit of the Misrepresentation Act (England), 1967. The trajectory of legal development reveals that the law on misrepresentation is characterized by several conflicting judicial pronouncements. It is pertinent to highlight the issues on which the law is unclear, key amongst them are the questions concerning what constitutes a statement of fact and what constitutes a statement of opinion. The line demarcating the same is not very clear, thereby obfuscating the judicial interpretation of misrepresentation. Another area of focus is the role of silence in misrepresentation. This area provides for interesting reading, because the English common law imposes no duty of disclosure upon the contracting parties, save contracts which are entered into in good faith.¹

One of the problems with a common man's understanding of misrepresentation is that it is often viewed within a unitary frame thereby disregarding the differences which exist between the different categories of misrepresentation, mainly classified as *innocent*, *fraudulent* and *negligent*. Decisional law has been used to explain the ambit of such subclasses and the difference in perspective of Indian and English law has been highlighted.

The paper also deals with the judicial remedies that are available against misrepresentation and the reasoning of the judiciary behind each of these remedial measures such as *damages* and *rescission*. The courts' rationale behind introducing the trend of *damages in lieu of rescission* and providing situations under which a person is exempted from liability

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¹ J. Beatson, ANSON'S LAW OF CONTRACT 234 (1998).

have also been highlighted. There exists conflicting opinion amongst the various jurists on the issue of the present position of law as far as misrepresentation is concerned in India. In the contents of this paper, this fact has been contrasted with the findings of the 13th Law Commission and this heated debate has been encapsulated by suggesting what the position of law must be so that it is reflective of the trend which has been noticed through the various judicial pronouncements.

II. CONSTITUENTS OF MISREPRESENTATION

A. Existence of a False Representation

English common law does not impose a duty in general upon the contracting parties, to disclose the facts which are capable of influencing the other party's mind when it comes to deciding as to whether or not they should enter into the contract. The exception, however, is '*Uberrimae Fidei*'.² The reason for the non-imposition of a duty of disclosure lies in the fact that the parties should be allowed to maximize their benefits and also ensure that they themselves ascertain all relevant facts which are crucial to avoid a bad bargain. Hence, there must either be expressed or implied action in the form of conduct or assertion which can constitute 'operative misrepresentation'.³

It is submitted that representation must be interpreted so as to act as the causal link between the statement and the harm suffered by the claimant. The law on misrepresentation is clear on the issue of mere silence not being enough so as to constitute misrepresentation. Furthermore a partial disclosure of facts is enough in rendering a contract voidable. The logic behind the essentiality of such a condition being the fact that should one of the parties make no disclosure of facts, then they do not place the other party in a detrimental position. However, if on the other hand only certain selected facts are disclosed, then it becomes

² S.55 of THE TRANSFER OF PROPERTY ACT, 1882, refers to this more clearly.

1(a) The seller is bound to disclose to the buyer any material defect in the property, [or in the seller's title thereto] of which the seller is, and the buyer is not, aware, and which the buyer could not with ordinary care discover;

1(c) The seller is bound to answer to the best of his information all relevant questions put to him by the buyer in respect to the property or the title thereto;

5(a) The buyer is bound to disclose to the seller any fact as to the nature or extent of the seller's interest in the property of which the buyer is aware, but of which he has reason to believe that the seller is not aware, and which materially increases the value of such interest.

³ *Supra* n. 1 at 234. Also see, *R. v. Lambie*, [1981] 2 All ER 776. It was ruled that if a person uses a credit card knowing that the credit limit has been exceeded and the authority to use the card has been withdrawn, then he is guilty of committing misrepresentation due to such conduct or action.

incumbent upon them to apprise the other party of all the material facts for non-performance of the same because this grants them a superior negotiating power and hence a liability for misrepresentation.⁴

B. The Representations Made Must be One of Facts

Contractual rescission is only offered when the representation is that of fact. It has been seen that even an expression of untrue opinion can not under any circumstances invalidate the contract.⁵

If a statement is made which is contrary to the otherwise usual opinion of the person making the statement, then it is said to constitute *misrepresentation*.⁶ In *Economides v. Commercial Union Assurance Co Plc*,⁷ the judges ruled that if there existed a belief on the part of the plaintiff that the representation made by the other party was true at the time of being made, then there was no requirement for the plaintiff to undertake specific enquiries so as to establish objective reasonable belief, however, even for such a requirement to be fulfilled, the test of '*ordinary diligence*' must be satisfied.⁸ The logic for the same lies in the fact that it was done in good earnestness and hence there existed no deceit in the representor's mind for which he should be penalized.

A statement of opinion under certain circumstances can be interpreted to mean the same as a statement of fact for the reasons mentioned below. Firstly, an opinion is nothing short of an assertion of fact and secondly, since people rely upon their opinions we can infer that their representations tend to endorse their held opinions. Also if it can be proven that no reasonable grounds existed for the person holding that particular opinion, or that the person had been unable to justify the grounds of his reliance, then a cause for misrepresentation is said to lie

⁴ G. Treitel, THE LAW OF CONTRACT 276 (1999).

⁵ J. Cartwright, MISREPRESENTATION 9 (2002).

⁶ *Credit Lyonnais Bank Nederland v. Export Credit Guarantee Department*, [1996] 1 Lloyd's Rep 200.

⁷ [1997] 3 All ER 636. The plaintiff appealed against the dismissal of his claim under his household insurance policy on the grounds of (1) misrepresentation and (2) non-disclosure. He had insured the contents of his flat for the sum of GBP 12,000 by completing a proposal form including terms that the sum insured represented the full replacement value of the contents and that precious metals and jewellery did not represent more than one third of the total value. When his parents subsequently came to live there, they brought a quantity of silverware and jewellery, the true value of which E was ignorant. On his father's suggestion, he increased the insurance cover to GBP 16,000. The flat was burgled and property worth GBP 31,000 stolen whereupon the defendants denied liability.

⁸ Nilima Bhadbade (ed), POLLOCK AND MULLA INDIAN CONTRACT AND SPECIFIC RELIEF ACTS 511 (12th ed Vol.1). This concept is explicitly mentioned in S.19 of THE INDIAN CONTRACT ACT, 1872.

with the claimant.⁹ The law, however, does provide leeway in regard to contracts for advertisements and it seems that the rationale behind such latitude being granted is that such claims are generally not capable of substantially influencing the impression of a reasonable man, who recognizes them as hyperbole which are commonly used in the description of goods.¹⁰ In the Indian setting the best example of the same is the recent Delhi High Court decision of *Pepsi v. Hindustan Coca-Cola*,¹¹ in which the courts ruled that an advertiser has the right to brand his goods 'as the best in the market' and this must be understood as a mere commendatory rather than a cause for misrepresentation.

In *West London Commercial Bank v. Kitson*,¹² the judges ruled that wilful misrepresentation of laws should be treated in the same fashion as a statement of opinion in which the representor does not believe. It is submitted that this is not consistent with the proposition of law enunciated in the case of *Solle v. Butcher*,¹³ in which it was held that a contract cannot be held as voidable due to a misrepresentation of law. It was held that there was no reasonable basis for allowing the voidability of contracts on account of the fact that if such a plea were to be entertained then it leaves open a possibility for all and sundry to rely upon representations made by other parties and at a later stage claim that they were unaware of the legal consequences of the same. The courts further reasoned that 'ignorance of the law is no excuse at all' and hence such a plea must be held to be devoid of any merit whatsoever.

C. Must Induce Representee to Contract with the Representor

Whether or not there was inducement which resulted in the contract, is a question of fact which is determined by the judicial authorities. In such disputes the burden of proof rests with the claimant. However, the law is settled on the issue that inducement may be inferred.¹⁴ While it can not be inferred that the consent was induced by representation under circumstances wherein a reasonable man would have remained uninfluenced, the induced party nevertheless still remains entitled to relief.¹⁵

⁹Supra n. 1 at 235.

¹⁰*De Beers Abrasive Products Ltd. v. International General Electric Co. of New York Ltd.*, [1975] 1 WLR 972, 978.

¹¹(2001) 94 DLT30.

¹²(1884) 13 QBD 360.

¹³[1949] 2 All ER 1107.

¹⁴P. Ferguson, *Partial Rescission for Misrepresentation Rejected*, 111 LQR 555.

¹⁵J. Cartwright, MISREPRESENTATION, 9(2002) at 9.

Another important legal proposition is the fact that if a representation does not influence a person in deciding whether or not he should enter into the contract, then he cannot claim any judicial relief for this did not induce him to enter into the contract. This further reiterates the point that materiality becomes essential while determining as to whether the claimant relied upon it or not.

In *Lawrence v. Lexcourt Holdings Ltd.*,¹⁶ it was held that only because the misrepresentee had an opportunity to investigate the veracity of the representation, it does not deprive him of the right of being deceived by the same. This decision conflicts with the rule enunciated in *Attwood v. Small*,¹⁷ wherein if a representee investigates, but relies upon the misrepresentation, as opposed to relying on the correctness of his own investigation, the representor cannot be held to be guilty for the (mis)representation, because under such situations it would not be the reason for the representee to enter into the contract. It is submitted that the decision in the latter case is much more consistent with the proposition of law laid down in section 19 of the Indian Contract Act 1872.

In *Eddington v. Fitzmaurice*,¹⁸ it was ruled that (mis)representation need not be the sole reason of inducement if it can be proven by the claimant that it was a material fact which influenced the other party's intention of entering into the contract. The aforementioned judgment is a very sound legal proposition for it deprives the defendant of exploiting the previously existent lacuna wherein they had the easy excuse of stating that since other reasons existed in tandem no causal link could be drawn between the representation and the harm against which the plaintiff appealed in the court of law.

III. TYPES OF MISREPRESENTATION AND THE BASIS OF CLASSIFICATION

A. Fraudulent Misrepresentation

Misrepresentation is said to be fraudulent when it is done with the intent to deceive the other party to enter into the contract. It is governed by section 17 of the Indian Contract Act 1872,¹⁹ and renders the contract

¹⁶[1978] 1 WLR 1128.

¹⁷(1838) 6 Cl & Fin 232, cited from *supra* n. 4 at 76.

¹⁸[1881-85] All ER 856.

¹⁹S.17 reads as: Fraud means and includes any of the following acts committed by a party to a contract, or with his connivance, or by his agents, with intent to deceive another party thereto or his agent, or to induce him to enter into the contract:

(1) The suggestion as a fact, of that which is not true, by one who does not believe it to be true;

voidable at the suit of the party which has been misled giving rise to an action in respect of the fraudulent misrepresentation.²⁰ The leading case on fraud in this regard is *Derry v. Peek*,²¹ wherein by a special act of Parliament the defendants were authorized to make tramways. The directors issued a prospectus stating they had obtained statutory permission to ply tramways, based upon their honest belief of no objection existing towards them by the board for their draft proposal. The plaintiff bought shares in the company based on the same assumption. Later the board refused consent as a result of which the company was shut down. The plaintiffs brought in a suit for fraud which was struck down by the House of Lords, which upheld the contention of the defendants that they had reasonable belief of being granted permission by the Board of Trade and reasoned that a statement can only be considered fraudulent under circumstances where it is made with knowledge of its falsity, without belief in its truth, or with recklessness. Further the House stated that if a false statement had been made and there existed reasonable grounds on which the person relied and had means of knowledge under his possession while making the statement, then they needed to be accorded due importance. In *Peek v. Gurney*,²² the plaintiff lost as the courts ruled that he did not belong to the intended class or group which the prospectus sought to address and hence no fraud was committed.

If a party is involved in the active concealment of a material fact, then it is said to constitute fraud. In the decision of *Nigawwa v. Byrappa*,²³ where the husband had mortgaged his wife's land by concealing relevant facts, the courts held it to be fraud. This decision was recently upheld by the apex court in *Amina v. Hasan Koya*,²⁴ wherein it ruled that a five month old pregnancy could not have been concealed and that the defendant, who had married her after accepting her child but had

(2) The active concealment of a fact by one having knowledge or belief of the fact;

(3) A promise made without any intention of performing it;

(4) Any other act fitted to deceive;

(5) Any such act or omission as the law specially declares to be fraudulent.

This section is followed by illustrations to make its meaning clearer.

²⁰ *Supra* n. 1 at 239.

²¹ [1886-90] All ER Rep 1.

²² [1861-1873] All ER Rep 116. The promoters of the Company had issued a prospectus meant for the directors in which they had forecasted economic upswing in the company's fortunes, knowing it to be false. Based on such reliance the plaintiff bought shares in the open market and suffered heavy financial losses.

²³ AIR 1968 SC 956.

²⁴ AIR 2004 SC 1227.

later divorced her, was bound to pay maintenance. Analysing the above case, it must be said that firstly this cannot be held as misrepresentation under any circumstances and secondly the representee could not have believed such a representation to be true because subject to the exception mentioned in section 19 of the Indian Contract Act 1872, he was supposed to act with "ordinary diligence."

Generally silence is not considered to be fraud and as noticed in a case of wilful non-disclosure of attendance shortages by a student to university authorities, it was held that it was the duty of the college to scrutinize the forms and their failure to do so did not impose liability upon the student who had discharged his function.²⁵

However, there are times when mere silence is enough to constitute fraud. This occurs mainly in contracts when there is a general duty to speak, such as in the case of *Uberrima Fides*. It is also especially applicable in cases of insurance contracts, for the guiding principle is that the duty of disclosure will arise in all cases wherein one party reposes confidence and the other party accepts the same.²⁶ At times silence becomes the equivalent of speech and under such circumstances if a person keeps silent knowing the fact that his silence is going to be deceptive, he commits fraud.²⁷ Furthermore the courts have ruled that a change in the circumstances make it incumbent upon the party who made the initial representation to communicate the changed circumstances to the other.²⁸ The last situation under which silence can be interpreted to mean fraud is partial non-disclosure, the reasoning behind this is that a person is entitled to remain silent, but should he speak, it then becomes his duty to disclose the entire truth.²⁹

The court in the recent judgment of *Standard Chartered Bank v. Pakistan National Shipping Co*,³⁰ held that motive is irrelevant and 'an intent to deceive' is by itself sufficient. There is no need for 'an intent to

²⁵ *Krishnan v. Kurukshetra University*, (1976) 1 SCC 311.

²⁶ *Life Insurance Corporation of India v. Ajit Gangadhar*, AIR 1997 Kar 157. In the instant case the active concealment and misrepresentation of materially relevant facts led to the repudiation of the contract.

²⁷ Illustration (d) of S.17 can be used to better understand this example, it reads as: A and B, being traders, enter upon a contract. A has private information of a change in prices which would affect B's willingness to proceed with the contract. A is not bound to inform B.

²⁸ *With v. O'Flanagan*, (1936) Ch 575, from G.C. Cheshire and C.H.S. Fifoot, LAW OF CONTRACT (13th ed 1996).

²⁹ *Gluckstein v. Barnes*, (1900) AC 240, from G.C. Cheshire and C.H.S. Fifoot, LAW OF CONTRACT (13th ed 1996).

³⁰ [2003] 1 All ER 173.

defraud to exist for fraudulent misrepresentation to be proved. It is submitted that this is a sound legal proposition for it has widened the ambit of the law and introduced more clarity in this regard. The position of the English courts is entirely consistent with the Indian legal position for section 17 of the Indian Contract Act 1872, also seeks to suggest the same.

B Innocent Misrepresentation

At the time of its inception, it was merely within misrepresentation that the representor did not have an intention to deceive the other party. However, with the passage of time and consequent legal developments this has been bifurcated into *innocent* and *negligent misrepresentation*. To better understand innocent misrepresentation it is essential to consider the interpretation of section 2(1) of the Misrepresentation Act, 1967 (England), which is understood to mean misrepresentation devoid of any fraud or negligence. We see that amongst the key components of innocent misrepresentation there must be a positive assertion of fact which has not been warranted by any information of the other party. Furthermore it should not be hearsay or a commendatory expression. Judicial pronouncements over a prolonged period have reaffirmed the already existent proposition that mere silence is not considered to be misrepresentation,³¹ and that no action for damages can be brought forward in a situation of innocent misrepresentation.³²

The contentious issue which arises is whether this rule should allow us to rescind already executed contracts on account of misrepresentation. In *Seddon v. N.E. Salt Co Ltd.*,³³ the court laid down a rule which allowed for rescission in situations wherein the contract had not yet been executed. However, this lacuna was subsequently removed with the passage of the Misrepresentation Act, 1967 (England).³⁴ It can be inferred that the above mentioned act has fundamentally delineated the ambit of situations which warrant rescission making the current English position in this context water tight.

It has been held that a representation will not help in avoiding a contract, unless it is made without reasonable grounds.³⁵ Under English

³¹ *Fox v. Mackreth*, (1788) 2 Cox. Eq. Cas 320, from T.S. Venkatesa Iyer, THE LAW OF CONTRACT 220; Dr. V. Krishnamachari (ed), CONTRACTS AND TENDERS, (Vol. II, 7th ed 1999).

³² *Gilchester Properties Ltd v. Gomm*, [1948] 1 All ER 493.

³³ [1905] 1 Ch 326, from G.C. Cheshire and C.H.S. Fifoot, *supra* n. 28.

³⁴ S. 2(2) of the Misrepresentation Act (England), 1967 deals with the abovementioned proposition.

³⁵ *Governor of Orissa v. Shivaprasad Sahu* AIR 1963 Ori 217.

law no claim for damages exists for mere innocent misrepresentation. However, a claim for damages is allowed by the courts if it becomes a contractual promise and hence a contractual term.³⁶

C. Negligent Misrepresentation

Just as the name suggests, this branch of misrepresentation is closely related to negligence, however, comment must be made that it has witnessed a totally different trajectory of development as opposed to the principles of negligence which were lucidly enunciated in the case of *Donoghue v. Stevenson*,³⁷ for it has differed from the 'neighbour' test which had been propositioned by L. Atkin. The departure from this widely settled legal proposition was seen in *Hedley Byrne v. Heller*,³⁸ where a very limited view of the 'duty of care' was adopted, as opposed to the generalized view of the 'neighbour' as seen in L. Atkin's celebrated judgment. In the instant case the court ruled that since a contract did not exist, the question of liability for negligent misrepresentation did not arise at all and hence reduced the ambit of the earlier judgment of *Nocton v. Lord Ashburton*,³⁹ wherein it was held that outside of the contract, there could exist a special relation between parties which imposed upon them a greater duty to give out careful advice and accurate information. It is submitted that these judicial pronouncements have emphasized the notion of a special skill, as also the circumstances under which such a skill is generally exercised. Furthermore the Indian Contract Act 1872,⁴⁰ has specific instances when such a duty is placed upon one of the parties.

It is more the nature of the loss, than the question as to whether the loss resulted from words or acts that has become the dominant concern. It is the fear of pure economic losses that may result from negligent

³⁶ Nilima Bhadbade ed., Mulla, INDIAN CONTRACT AND SPECIFIC RELIEF ACTS 523 (2001).

³⁷ 1932 All ER Rep 1.

³⁸ [1964] A.C. 465. The appellants were advertising agents who were working on the instructions of Easipower Ltd. who had instructed them to book television and newspaper advertising space on their behalf on the basis of which the former were to be held liable for contracts. So as to satisfy themselves on the credit-worthiness of their clients they contacted their bankers who further enquired with Easipower's bankers who replied in the affirmative. Now, the appellants wished to contract on a greater monetary scale and hence enquired further about the present credit worthiness. The same was directed to Easipower's bankers through the appellant's bankers. The answer was again in the affirmative. Based upon such reliance they again entered into a contract but suffered heavy losses and sued the bankers of Easipower Ltd.

³⁹ [1914] A.C. 932.

⁴⁰ Illustration (b) of S.17 explains this proposition in a much better fashion: B is A's daughter and has just come of age. Here, the relation between the parties would make it A's duty to tell B if the horse she is riding is unsound.

misrepresentation which has limited the ambit of the duty of care.⁴¹ Judicial pronouncements have repeatedly emphasized the high degree of proximity and reliance placed in cases wherein the plaintiffs have suffered pure economic loss resulting from a negligent misrepresentation.⁴²

D. Distinguishing Fraud and Misrepresentation

Both misrepresentation and fraud refer to statements of fact which turn out to be incorrect or false. While a contract may be set aside on either ground, there still prevails a need to study the reasoning that distinguishing these two.

While in misrepresentation the person making the statement has an honest belief in its truth, or does not think it to be false; we find that in cases of fraud, the representation is quite clearly made without any belief in its truth or veracity. The role of intention becomes very important while differentiating the two, while in misrepresentation there is no great value attached to the state of mind, we find in fraud the courts try to gauge whether or not an 'intent to defraud' existed.⁴³ Secondly, we find that fraud besides being a vitiating element, also gives rise to cause of action in tort law for damages. Though misrepresentation is not a tort, we find it may also vitiate a contract under section 2(2) of the Misrepresentation Act, 1967 (England) as was seen in the case of *William Syndall Plc v. Cambridgeshire County Council*,⁴⁴ which prompted a judicial trend of the courts turning more amenable towards awarding damages in lieu of rescission for misrepresentation.⁴⁵

Thirdly, damages are recoverable in case of fraud, while in the case of misrepresentation only an indemnity is awarded under certain special circumstances. Thus we find that fraud is called as "actionable" misrepresentation. Furthermore, another issue of critical importance is the fact that in misrepresentation the defence can be employed that the plaintiff had "means of discovering the truth with ordinary diligence,"⁴⁶ but in fraud we find that an exception exists in the form of fraudulent silence.

⁴¹ D. Allen, MISREPRESENTATION 95 (1988).

⁴² K. Jones, *Negligent Misrepresentation*, 46 YALE L.J 52 at 57.

⁴³ *Standard Chartered Bank v. Pakistan National Shipping Co.* [2003] 1 All ER 173.

⁴⁴ *William Syndall Plc v. Cambridgeshire County Council*, (1994) 3 All ER 932. This was recently followed by the Supreme Court in the case of *R and M Trust v. Koramangala Residents Corp.*, AIR 2005 SC 894.

⁴⁵ H. Beale, *Damages in Lieu of Rescission for Misrepresentation*, (1995) 111 LQR 60, 62.

⁴⁶ Mentioned in S.17 of THE INDIAN CONTRACT ACT, 1872.

It is submitted that it is not the prerogative of the person committing the fraud to adjudge as to whether or not the victim was easily deceived or had under his control the means of discovering the truth, for this would amount to him becoming a judge in his own cause, and it is therefore submitted that the courts must use their sense of discernment to differentially treat innocent and fraudulent misrepresentors.

IV. REMEDIES, CIRCUMSTANCES OF EXEMPTION & LEGAL RECOMMENDATIONS

A. Remedies against Misrepresentation Rescission⁴⁷

It extends to all classes of misrepresentation, namely *innocent*, *fraudulent* and *negligent* misrepresentation. The party which has been induced so as to enter into a contract on account of any of the above mentioned misrepresentations has the right vested in it to either affirm, or else avoid the contract.

While the common practice is to communicate the news of rescission to the other party this is subject to an exception which was laid down in the case of *Car & Universal Finance Co. Ltd. v. Caldwell*,⁴⁸ wherein the judges ruled that should a representor, by absconding, deliberately make it almost impossible for the representee to communicate his intention to rescind, which the representee would surely do, then he cannot insist on the right to be informed of the rescission. It is the view of *Anson's*,⁴⁹ that this should be restricted to fraud and this is supported by the judgment in the instant case wherein it was held that a legislation to the same effect must be passed so as to ensure justice to victims of such fraudulent misrepresentation.

There are several limitations to the general right of rescission, the first being *affirmation*. It is a widely settled legal proposition, laid down in *Long v. Lloyd*⁵⁰ that affirmation can be either through expressed words or by way of conduct which indicates an intention aimed towards affirming the contract. It is inferred that the rationale behind the same is

⁴⁷ S.19 of THE INDIAN CONTRACT ACT, 1872, dealing with the same refers specifically to "voidability of contract." It is submitted that the voidability and rescission have been used interchangeably in this article.

⁴⁸ [1965] 1 QB 525. The defendant sold his car to a certain Norris, who paid by cheque which was dishonoured when it was presented by the defendant. He immediately, informed the police as well as the automobile association. Subsequently Norris sold the vehicle to a firm of dealers, Motobella Co Ltd who had notice of the defect in title, and the car passed through the hands of other purchasers and was ultimately bought by the plaintiffs.

⁴⁹ *Supra* n. 1 at 248.

⁵⁰ [1958] 1 WLR 753, J. Beatson, ANSON'S LAW OF CONTRACT 248 (27th ed 1998).

that if after discovering the misrepresentation, the parties continue with the contract, the same amounts to an effective affirmation and hence the parties become estopped by their actions. The second limitation to the same is *lapse of time*, where a crucial difference arises between cases involving fraud or breach of fiduciary duty and those wherein misrepresentation is innocent. In *Leaf v. International Galleries*,⁵¹ it was established that even if one were to assume that the equitable remedy of rescission was available to the plaintiff, he could not obtain rescission after the '*lapse of a reasonable period of time*.' It is, however, suggested that instead of this being open to a case by case ascertainment, it should instead be applied only when the representor has been negligent. Thus for such an act, he must not be permitted to obtain rescission.

The third bar to rescission exists on the issue of third party rights. Although the rule of '*lapse of time*' enunciated in *Leaf's* case holds good, it is subject to the intervention of *bonafide* third parties without notice of the misrepresentation and voidability of the contract. Since misrepresentation renders the contract voidable rather than void, its continuing validity prior to rescission means that if (for instance) a representor who has acquired goods as a result of his misrepresentation, can pass an item of these goods to a third party, and further, if he transfers the goods before the representee rescinds, then it is an effective bar to rescission. This is of course subject to the provision that the third party has acted in good faith. Hence, it is always advisable for the representee to act very swiftly once he is aware of such a misrepresentation, for any delay increases the risk of a third party intervention.⁵²

B. Damages

A person who is the victim of fraud is entitled to sue for damages because fraud is recognized as a tort. Yet a person who has been the victim of innocent misrepresentation is not allowed to claim compensation for the loss which he has suffered. This can be noticed in the case of *Doyle v. Olby Ironmongers Ltd.*⁵³ The usual instrument of damages vitiates the difference between the price paid for the property and its fair value. However, in the instant case the defendant was made liable for all the losses, which were a direct consequence of his representation, unless they were rendered too remote by the plaintiff's conduct. A key change in that legal proposition has been the increasing

⁵¹ [1950] 2 KB 86 as sourced from www.westlaw.com.

⁵² R. Hooley, *Fraud and the Misrepresentation Act*, (1991) 107 LQR 31, 35.

⁵³ [1969] 2 QB 158.

acceptance by the courts of allowing damages for cases of worry and anxiety, which were for the first time accepted in the case of *Saunders v. Edwards*.⁵⁴

Another key judicial trend which has become the norm in the present judicial setting has been the inclination of courts to award damages in lieu of rescission. It is submitted that the logic behind such inclination of the judiciary can be understood better by analyzing the views held by Treitel,⁵⁵ who is of the opinion that this trend allows the judges a better chance to take into account the relationship of the loss caused to the representee by the misrepresentation, and the loss which may be suffered by the representor if there is contractual rescission. If the courts consider the former to be a lot less than the latter it is very likely that the courts would award damages in lieu of rescission.

C. Exclusion of Liability under Misrepresentation

The erstwhile legal position allowed the misrepresentor to exclude or limit his liability for misrepresentation. In the present scenario, however, we find that section 3 of the Misrepresentation Act, 1967 (England) effectively removes this lacuna because it introduces the *test of reasonableness* for any such exemption clause within the contract. This test of reasonableness sees that any term can be said to be fair and reasonable if it was known to or was said to be in the contemplation of the parties when the contract was made.

Section 3 of the above mentioned act⁵⁶ applies both to business and non-business liability. In a recent judgment of the apex court – *HPA International v. Bhagwan Das Fateh Chand Daswani & Ors.*,⁵⁷ the learned judges made a reference to the same. The key question which arises in such a scenario is whether or not the parties have a right vested in them to avoid section 3 of the Misrepresentation Act, 1967 (England) and the same was answered in the negative by the English authorities in the case of *Cremdean Properties Ltd v. Nash*,⁵⁸ however, in *Overbrook Estates Ltd. v. Glencombe Properties Ltd.*,⁵⁹ the courts have notified certain exceptions and attached an important rider about these exceptions being ineffective only in the eventuality of them satisfying the test of good faith, as also given an absence of a significant imbalance in the parties' rights to the detriment of the consumer.

⁵⁴ *Saunders v. Edwards*, [1987] 2 All ER 651.

⁵⁵ *Supra* n. 4 at 247.

⁵⁶ S.3 of THE MISREPRESENTATION ACT, 1967(England).

⁵⁷ 2004(6) SCALE 188.

⁵⁸ [1977] 244 EG 547 cited from *supra* n. 1 at 256.

⁵⁹ [1974] 1 WLR 1355.

D. Misrepresentation – Legal Recommendations

The 13th Law Commission in its discussion on section 18 of the Indian Contract Act, 1872, has brought into focus their differing opinion, which is in contrast to the interpretations put forth by Pollock and Mulla, wherein the authors have severely criticized the existing section as being amongst the worst in the whole act.⁶⁰ They have criticized the section 18(2) for being obscure and lacking applicability. The authors have also criticized sub-section 3 of section 18 for being confusing on account of the fact that it implies some confusion between voidable contracts as consent was obtained by misrepresentation and transactions which could have no legal effect except in the case of estoppel. The last issue on which the section has been attacked by the authors is because it includes the word 'warranted' which has been interpreted so as to mean 'guaranteed'.

The Law Commission has expressed strong counter criticisms to all of the above. As far as sub-sections (2) and (3) are concerned it noted that till date no difficulty of any sort had arisen in its application and hence they should not be tampered with. Further, the Law Commission has substantiated its stand on the inclusion of the term 'warranted' by explaining it to mean 'justified' and not 'guaranteed' as has been believed by the authors. While summing up their findings, they have referred to English authorities on the issue of innocent misrepresentation and relied upon the findings of Anson's wherein it was seen that there have been no significant instances of contracts becoming voidable due to innocent misrepresentation. For the above mentioned reasons the Law Commission has recommended that no changes should be made to section 18.

The findings of the Law Commission are tenable propositions and are buttressed by established court positions as well as juristic opinion. Therefore, the continuance of the present section in its existing form without incorporation of any changes is a vital suggestion.

V. CONCLUSION

While the evolution of the law concerning misrepresentation has been gradual and is still continuing, judicial pronouncements indicate that the propositions of law have become more concrete and their increasing application has led to the enactment of the Misrepresentation Act (England) 1967. The paper has sought to trace the specific delineations between fraud and misrepresentation, as also the explanation behind the

⁶⁰ See generally, 13TH LAW COMMISSION REPORT 21-22.

trend of *damages in lieu of rescission* being preferred to rescission for it was considered too harsh a remedy. This paper has also attempted to take a holistic view of the different remedies, namely rescission and damages which are available upon misrepresentation being proved.

A very common criticism of misrepresentation has been its inability to demarcate its contours thereby obfuscating the lay man's understanding of the same. The researcher has attempted to disabuse such hazy notions of the reader by specifically dealing with the different types of misrepresentation and what their ambit is. While fraudulent misrepresentation essentially applies to those acts which are done with the intent to deceive, innocent misrepresentation as the name suggests is purely devoid of any intention. Negligent misrepresentation follows more or less the same principles upon which the law of negligence is based. In view of the above submissions it is essential to reiterate the importance of the law governing misrepresentation and reemphasise that judicial pronouncements on misrepresentation have clarified rather than obfuscated the common man's understanding of the proposition of misrepresentation.

This particular section has come in for severe criticism from legal luminaries. However, the author through the course of this article submitted that all the criticism is unfounded and has suggested that the section in the Indian Contract Act, 1872 should continue in its present form without incorporating the changes suggested by eminent jurists.

INTERNATIONAL TRADE AND ENVIRONMENTAL
PROTECTION: AN ANALYSIS OF THE GENERAL EXCEPTIONS
IN GATT, 1994

Priyanka Marwaha*

I. INTRODUCTION

The debate between free trade and environmental protection is an ongoing one.¹ Proponents of the free trade theory believe that trade promotes environmental protection, because countries generate more wealth with which to protect the environment. But environmentalists contend that trade extremism results in too many resources being invested in economic activity because of a high demand for goods; thus ignoring the increased environmental degradation resulting thereby.² The environmentalists' challenge to free trade boils down to the following propositions³ - Firstly, trade may cause environmental harm by promoting economic growth that results in the unsustainable consumption of natural resources and waste production. Secondly, trade rules and trade liberalization often entail market access agreements that can be used to override environmental regulations unless appropriate environmental protections are built into the structure of the trade system. Thirdly, trade restrictions should be available as leverage to promote world wide environmental protection, particularly to address global or transboundary environmental problems and to reinforce international environmental agreements. Fourthly, even if the pollution they cause does not spill over into other nations, countries with lax environmental standards have a competitive advantage in the global marketplace and put pressure on countries with high environmental standards to reduce the rigor of their environmental requirements.

The trade and environment debate has added significance for developing nations that view environmental protection measures imposed by developed nations as an attempt to make the cost of their economic growth more expensive.⁴ They also view these measures as hypocritical,

as developed countries themselves paid little heed to the environment during their drive to industrialization in the preceding few centuries.⁵

Economists have likened the relationship between trade and environment to an inverted U-shaped curve; the *Environmental Kuznet's Curve* (EKC) according to which, countries that are just at the beginning of the process of economic development cause serious environmental degradation up to the point at which they acquire sufficient wealth to generate both a demand to protect the environment and the resources with which to do so. At this point, free trade practices promote environmental protection.⁶

Given the background of the trade and environment debate and its significance in the context of developing countries, it becomes necessary to examine the intersection of these two conflicting objectives; and to this end, the article involves a critical analysis of the cases that constitute the GATT/WTO jurisprudence on this issue.

II. ARTICLE XX OF GATT

Article XX of GATT deals with general exceptions. The exceptions list specific instances in which WTO members⁷ may be exempted from GATT rules.⁸ These include two sets of circumstances for environmental protection.

The Article states that:

Subject to the requirement that such measures are not applied in a manner which would constitute a means of *arbitrary or unjustifiable discrimination* between countries where the same conditions prevail, or a *disguised restriction on international trade* nothing in this Agreement shall be construed to prevent the adoption or enforcement by any contracting party of measures:

... (b) *necessary to protect human, animal or plant life or health;*

... (g) *relating to the conservation of exhaustible natural resources if such measures are made effective in conjunction with restrictions on domestic production or consumption; ...*

Paragraphs (b) and (g) of the Article allow WTO members to adopt policy measures that would normally be inconsistent with GATT, when

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¹ See, Howard F. Chang, *An Economic Analysis of Trade Measures to Protect the Global Environment*, 83 GEO LJ 2131 (1995).

² See, Sanford E. Gaines, *Rethinking Environmental Protection, Competitiveness and International Trade*, U CHI LEGAL F 231 (1997).

³ See, Daniel C. Esty, *GREENING THE GATT (TRADE, ENVIRONMENT AND THE FUTURE)* (1994).

⁴ See generally, Vibha Mathur, *WTO AND INDIA: DEVELOPMENT AGENDA FOR THE 21ST CENTURY* (2005).

⁵ *Ibid.*

⁶ See, T.J. Schoenbaum, *Free International Trade and Protection of the Environment: Irreconcilable Conflicts*, AJIL 86 (1992).

⁷ Originally, 'Contracting Parties'.

⁸ A nation invoking under Art XX is exempt from include the fundamental obligations of MFN, National Treatment and even Tariff Bindings.

"necessary" to protect human, animal or plant life or health, or if related to the conservation of exhaustible natural resources. However, the opening paragraph (the "chapeau") of Article XX is designed to ensure that the GATT-inconsistent measures do not result in arbitrary or unjustifiable discrimination and do not constitute disguised protectionism.⁹

GATT/WTO jurisprudence on the conflict between trade and environment involves four cases - *Tuna Dolphin (I&II)*, *Reformulated Gasoline*, *Shrimp Turtle (I&II)* and the *E.C. Asbestos case* - a discussion on which follows below.

III. TUNA DOLPHIN - I, 1991¹⁰

The domestic legislation in the United States, the Marine Mammal Protection Act, 1972 (MMPA) was designed to protect marine animals from injurious commercial fishing practices. The Act sought to restrict tuna caught by the encirclement method; a means of tuna fishing using purse seine nets that kill dolphins. In 1984, the Act was amended to require each nation wishing to export tuna to the US to prove that it had adopted a dolphin conservation program and that the average rate of mortality of dolphins caught using purse seine method was *comparable* to that of the US.¹¹ If these requirements were not met, an embargo on the import of yellow fin tuna and tuna products from that nation would be invoked. In 1990, under the MMPA, US banned imports from Mexico. Mexico challenged the MMPA under GATT alleging that the MMPA did not fall under any of the GATT Article XX exceptions. The Panel ruled against the United States for the following reasons - Firstly, GATT Rules do not allow one country to take trade action for the purpose of attempting to force its own domestic laws in another country. Exceptions in Article XX (b) and (g) do not apply extraterritorially. If that was allowed, it would result in countries taking unilateral trade measures, disturbing the multi-lateral trade order. Secondly, the tuna importation was restricted, based on Mexico's method of obtaining the tuna, rather

⁹ The three basic principles concerning interpretation of the Chapeau were laid down in the *Reformulated Gasoline case*. Firstly, the burden of showing absence of abuse is "heavier" than proving that the measure falls within the exception. Secondly, disguised restrictions include arbitrary or unjustifiable restrictions and both consist of essentially the same considerations. Thirdly, unjustifiability should be examined from the manner in which measure is "applied". United States - Standards for Reformulated and Conventional Gasoline, ST/DS2/AB/R.

¹⁰ GATT Panel Decision, United States -- Prohibition of Imports of Tuna, BISD 39S/155 (Sept. 3, 1991) (circulated but not adopted). [Hereinafter *Tuna/Dolphin I*].

¹¹ The United States, under the MMPA, allowed countries to kill up to 1.25 times the number of dolphins that domestic fishermen killed.

than on the tuna itself, and therefore the United States' embargo violated GATT. United States could apply regulations on the quality or content of tuna imported but could not regulate the process by which it was produced. Thirdly, none of Article XX exception applied because the United States did not "exhaust all other alternatives" to the embargo and thus the measure was not "necessary".¹² Fourthly, it was difficult for Mexican fishermen to predict the mortality rate applicable to fishermen in US every year. The Panel reasoned that a limit on trade that is based on unpredictable conditions cannot be said to be primarily aimed at conservation.

Although the panel report was not adopted, (with Mexico instead choosing to enter into an agreement with the United States outside of the GATT), this case constitutes a significant part of the jurisprudence on Article XX.¹³

IV. TUNA DOLPHIN - II, 1994¹⁴

The second Tuna-Dolphin dispute arose between the European Union and the United States. In 1988, the Marine Mammal Protection Act, was amended to add a secondary embargo. The amendment was aimed at fighting "tuna laundering"- the process whereby a nation subject to the primary embargo sells its tuna to an intermediary nation and the intermediary nation sells the otherwise banned tuna in the US. EU challenged the secondary embargo. Again, the panel ruled against the US embargo. However, it is significant to note a change in the panel's view from its decision in *Tuna Dolphin - I* regarding extraterritorial measures. The Panel stated that an environmental measure under Article XX(g) could aim at protecting resources regardless of where located; based on

¹² The GATT Panel interpreted necessary in the following manner; 'A measure is not necessary if an alternative method exists that the contracting party could reasonably be expected to employ and which is not inconsistent with other GATT provisions. Among the other alternative measures that are available, it must employ the one with the least degree of inconsistency with GATT.'

¹³ The importance of this case is emphasized by official American Government sources that state: 'The United States was widely regarded as having 'lost', concerning the question of whether trade measures may be used legitimately to enforce environmental goals that include conservation of endangered species and other finite resources found only within the "global commons" or under the jurisdiction of foreign nations. Moreover, the panel report cast doubts on whether standards stated in terms of processes and production methods would be enforceable at national borders.' See, Birnie & Boyle, *International Law and the Environment* 523 (2nd ed, 1992).

¹⁴ Report of the Panel, United States -- Restrictions on Imports of Tuna, GATT Doc. DS29/R, reprinted in 33 I.L.M. 839 (1994) [Hereinafter *Tuna/Dolphin II*].

five reasons - text¹⁵, legislative history,¹⁶ precedent,¹⁷ interpretative consistency¹⁸ and public international law.¹⁹

The embargo was, however, held to be in violation of Art XX, as the measures taken under the primary nation embargo prohibited imports from a country of any tuna, whether or not the particular tuna was harvested in a way that harmed or could harm dolphins, as long as the country's tuna harvesting practices and policies were not comparable to those of the United States. The panel noted that the primary nation embargo could achieve its desired effect (i.e. conservation) only if it were followed by changes in policies and practices in the exporting countries. The panel therefore concluded that measures taken so as to force other countries to change their policies, could not be primarily aimed either at the conservation of an exhaustible natural resource, or at rendering effective restrictions on domestic production or consumption, in the meaning of Article XX(g).

V. THE REFORMULATED GASOLINE CASE, 1996²⁰

The Gasoline Regulation promulgated by the Environment Protection Agency (EPA) in the United States, mandated restrictions on certain gasoline constituents in order to cut vehicle emissions. It was framed with the intent to reduce air pollution. For this purpose, the Gasoline Regulation established 2 types of baselines - *Individual baselines*, decided by each importer or refiner and *statutory baselines*, decided by the EPA. The conflict arose as foreign refiners were not allowed to establish individual baselines. This, however, did not apply to domestic

¹⁵ The panel reasoned that the plain meaning of Article XX (g) does not limit the location of an "exhaustible natural resource" to be conserved.

¹⁶ Statements and drafting changes during GATT did not point unequivocally to the intent of the drafters as to the location of an exhaustible natural resource.

¹⁷ Two prior GATT Panel Reports - United States - Prohibition of Imports of Tuna and Tuna products from Canada, B.S.I.D 91 (29th Supp, 1983); and the case of Canada-Measures Affecting the Exports of Unprocessed Herring and Salmon, B.S.I.D 98 (35th Supp., 1989); both dealt with migratory species of fish, and neither distinguished between fish caught within or outside the jurisdiction of the country invoking an environmental measure.

¹⁸ According to the Panel, to limit exhaustible natural resources to the territory of that country would be to create an interpretation at variance with other itemized exceptions in Article XX. For instance, Article XX (e) condones ban on prison labour products. Naturally, those products are not made in the territory of the country invoking Art XX (e), but rather in the exporting country with prison camps.

¹⁹ The Panel observed that jurisdictional principles permit one country to engage in extraterritorial regulation of conduct by its nationals; for instance, fishing vessels and fishermen from any country on its vessels) with respect to fish in the high seas.

²⁰ United States Standards for Reformulated and Conventional Gasoline WT/DS2/AB/R.

refiners. Domestic refiners could submit their own gasoline content data drawn from the year 1990.²¹ Although the Appellate Body held that the baseline requirements on refineries satisfied the exception under Article XX, it ultimately concluded that the measure constituted "unjustified discrimination" and a "disguised restriction on international trade" in as much as there was discriminatory treatment meted out to the domestic and foreign refineries. In fact, the Appellate Body accused the United States of discrimination that 'must have been foreseen, and was not merely inadvertent or unavoidable'.

This case is significant because of the two-point test laid down by the panel to determine the legality of measures invoked under Article XX. It must be determined firstly, whether the aim of measure is mentioned in Art XX; and secondly, whether the measure is consistent with the *chapeau*.

Therefore, although Article XX(g) was satisfied, the *chapeau* was not; and consequently, the measure was not upheld by the Panel.

VI. SHRIMP TURTLE - I, 1998²²

This case was brought by India, Malaysia, Pakistan and Thailand against the United States. The United States Endangered Species Act of 1973 listed turtles as endangered species. A 1989 amendment made to the Act prohibited the import of shrimp and shrimp products where harvesting methods do not sufficiently protect sea turtles unless the harvesting countries are certified by the US administration in which case the import ban will not apply. The regulation required that countries from which it imported shrimps were to use "turtle excluder devices." In 1996, the four countries mentioned above filed a complaint with the WTO, alleging that the legislation constituted unfair trade practices. The Appellate Body held that although the measure fell within the exceptions the actual "application" of the measure did not satisfy the requirements of the *chapeau* primarily on the ground of "unjustifiable discrimination". Differing treatment of different countries desiring certification and the rigidity of the system was observed by the Body to constitute discrimination.²³ The importance of this case lies in the fact that the

²¹ The EPA established 1990 as the base year. The distinction was justified by the United States on the basis that gasoline data of foreign refiners could not be verified. Moreover, it maintained that individual baselines were substantially the same. The panel disagreed with the reasoning of the United States.

²² United States -- Import Prohibition of Certain Shrimp and Shrimp Products, Oct. 12, 1998, PP 129, 152, WT/DS58/AB/R.

²³ The Panel noted that the United States had discriminated between WTO Members. It provided countries in the western hemisphere, (mainly in the Caribbean) technical and

Appellate Body, differing from the ruling of the Panel held that '*amicus briefs*' (friends-of-the-court submissions) from NGOs or other interested parties, may be accepted by the WTO Panels.²⁴ Regarding the *process v. product* debate, the panel upheld the contention of developing countries in both *Shrimp Turtle-I* and *Tuna Dolphin*, holding that the production process could not be regulated. The argument by developing nations that "exhaustible natural resources" only refer to those which are finite and lifeless, was rejected.²⁵ Further, the Appellate Body emphasized the lack of flexibility in the measures demanded by the United States. It did not take into account the different situations in different countries and insist on them undertaking the same implementation measures as in the United States and therefore amounted to 'unjustifiable discrimination'. Another issue that arose was the place and role of international negotiations prior to the use of trade sanctions. The Panel held that the failure of United States to engage members in negotiations bears heavily in any appraisal of justifiable or unjustifiable discrimination. Following the ruling of the Appellate Body, the United States engaged in negotiations with exporting countries.

VII. SHRIMP TURTLE, II - 2001²⁶

This case was brought against the United States by Malaysia. The United States amended §609 of Public Law to bring it to conformity with the 1998 Appellate Body decision in *Shrimp/Turtle I*. The Revised Guidelines differed from the Original Guidelines by requiring the State Department to take into account any demonstrated differences between

financial assistance and longer transition periods for their fishermen to start using turtle-excluder devices. It did not give the same advantages, however, to the four Asian countries that filed the complaint.

²⁴ The Appellate Body found that the panel had been too inflexible in its approach to submissions from non-parties. It held that the authority to seek information is not properly equated with a prohibition on accepting information which has been submitted without having been requested by a panel. A panel has the discretionary authority either to accept and consider or to reject information and advice submitted to it, whether requested by a panel or not.

²⁵ The Appellate Body held that the phrase 'exhaustible natural resources' was a generic term which is not "static" in its content or reference but is rather by definition, evolutionary. Measures to conserve exhaustible natural resources, whether *living* or *non-living*, may fall within Article XX(g). Living species, though in principle, capable of reproduction and, in that sense, "renewable", are in certain circumstances indeed susceptible of depletion, exhaustion and extinction, frequently because of human activities. It was held that living resources are just as "finite" as petroleum, iron ore and other non-living resources.

²⁶ Import Prohibition of Certain Shrimp and Shrimp Products, Recourse to Article 21.5 of the DSU by Malaysia, WT/DS58/AB/RW (Oct. 22, 2001), available at <http://docsonline.wto.org/ddfdocuments/t/wt/ds/58ABRW.doc>.

the shrimp fishing conditions in the United States and those in other nations. The Revised Guidelines also required the State Department to take into account other efforts that harvesting nations employ to protect sea turtles, such as national enforcement and compliance programs and national programs for conservation of turtle habitat. Despite these changes, Malaysia challenged the Revised Guidelines as inconsistent with the GATT Article XX and the Appellate Body's interpretation of Article XX in *Shrimp/Turtle I*. The Revised Guidelines, US argued, did not call for the same regulatory regime but a regime of comparable effectiveness.

The two primary issues before the panel were the following; Firstly, did the US merely have the obligation to negotiate or the obligation to reach an international agreement for the conservation of turtles? Secondly, did the United States, by imposing a unilaterally defined standard of protection, violate the sovereign right of Malaysia to determine its own sea turtles protection and conservation policy?

On the first issue, the Appellate Body held that the obligation to negotiate did not extend to an obligation to reach an agreement. Further, the Appellate Body legitimized, subject to the conduct of 'good faith' negotiations to arrive at a bilateral or multilateral arrangement, the use of unilateral trade measures to realize environment protection goals. This holds important implications for developing countries, as with the *Shrimp Turtle case*, the use of unilateral sanctions subject to making efforts to negotiate has been legitimized.

On the second issue relating to sovereignty *vis-à-vis* unilateral measures, the Appellate Body held that conditioning market access in the adoption of a programme comparable in effectiveness allows for sufficient flexibility in the application of the measure so as to avoid "arbitrary or unjustifiable discrimination".

The Appellate Body ruling has not gone well with developing countries as the case indicates a move away from WTO Rules that do not regulate process and production methods. As remarked by Jagdish Bhagwati:

I was astounded that the appellate court, in effect, reversed long-standing jurisprudence on process and production methods in the *Shrimp/Turtle case*. I have little doubt that the jurists were reflecting the political pressures brought by the rich-country environmental NGOs and essentially made law that affected the developing countries adversely.²⁷

²⁷ Jagdish Bhagwati, AFTER SEATTLE: FREE TRADE AND THE WTO, IN EFFICIENCY, EQUITY, AND LEGITIMACY: THE MULTILATERAL TRADING SYSTEM AT THE MILLENNIUM (2001).

VIII. EC ASBESTOS CASE-2001²⁸

In the *EC Asbestos Case*, France banned the use of certain asbestos-containing products, although it permitted the use of certain other similar products that may cause health problems. Canada claimed that the asbestos-containing products were like the other products and that the French measure was discriminatory and not necessary for health protection. The panel agreed that the products were like products and that there was GATT-illegal discrimination, but it found that the French measure was necessary to protect health because of the dangers of asbestos. Canada appealed.

The Appellate Body considered whether the French measure was a necessary health measure under Article XX(b). It examined three precedents to determine if the French ban was necessary - the 1989 Report of the GATT Panel in *Section 337 Case*,²⁹ the 1990 Report of the GATT Panel in *Thailand Cigarettes Case*³⁰ and the 2001 Appellate Body Report in the *Korea Beef Case*.³¹

The 'least trade restrictive' measure test was applied in the Thai cigarettes case. It entailed that a measure is not necessary if an alternative measure exists that the contracting party could reasonably be expected to employ and which is not inconsistent with other GATT Provisions. The same test was upheld in the interpretation of the term 'necessary' in Article XX(d) in the *Section 377 Case* and *Korea Beef Case*. Thus, in *EC Asbestos Case*, the Appellate Body applied the same test followed in these cases. As per the test the Appellate Body agreed that No alternative measure existed that France could reasonably be expected to employ that was consistent with GATT, or less consistent with GATT, then a complete ban on asbestos and asbestos containing products and which would also achieve France's health policy aim.

The Appellate Body went on to reiterate a point it had made in the *Korea Beef case* about judicial decision making under Article XX(b) and (d). The 'necessity' test called for by these paragraphs requires weighing and balancing to see whether a GATT-consistent/WTO consistent alternative not only is reasonably available, but also whether that alternative contributes to the achievement of the policy goal of the

²⁸ European Communities – Measures Affecting Asbestos and Asbestos-Containing Products, WT/DS135/AB/R.

²⁹ United States – Section 337 of the Tariff Act of 1930, B.S.I.D 345 (36th Supp.).

³⁰ Thailand – Restrictions on Importation of and Internal Taxes on Cigarettes, B.S.I.D 200 (37th Supp.).

³¹ Korea – Measures Affecting Imports of Fresh, Chilled and Frozen Beef, WT/DS161/AB/R, WT/DS/169/AB/R.

importing country. It stated that "The more vital or important the common interests or values pursued, the easier it would be to accept as "necessary" measures designed to achieve those ends." In this case, the objective pursued by the measure is the preservation of human life and health through the elimination, or reduction, of the well-known, and life-threatening, health risks posed by asbestos fibres. The value pursued is both vital and important in the highest degree. The remaining question, then, is whether there is an alternative measure that would achieve the same end and that is less restrictive of trade than a prohibition.

Canada asserted that "controlled use" represents a "reasonably available" measure that would serve the same end. The issue then, was whether France could reasonably be expected to employ "controlled use" practices to achieve its chosen level of health protection – a halt in the spread of asbestos-related health risks. The Appellate Body rejected Canada's proposed alternative and stated that France could not reasonably be expected to employ any alternative measure if that measure would involve a continuation of the very risk that the Decree seeks to "halt". Such an alternative measure would, in effect, prevent France from achieving its chosen level of health protection."

This case is significant as France's ban was upheld by the Panel; in contrast with other similar cases discussed previously where the United States failed to meet the requirements of Article XX. The only failing of this case would be that nothing in the Appellate Body report contributes to the jurisprudence on the chapeau to Article XX. That the French ban passed the *chapeau* requirements was unchallenged by Canada on appeal.

IX. EXTRATERRITORIAL MEASURES UNDER ARTICLE XX (b) AND (g)

In *Tuna Dolphin I*, extraterritoriality of measures under Article XX (b) and (g) was rejected because of the fear that if such measures were allowed, it would result in countries taking unilateral trade measures, disturbing the multi-lateral trade order. However, as discussed earlier, the *Tuna/Dolphin II* Panel reversed the reasoning of the 1991 panel regarding the "extrajurisdictional" application of the Article XX exceptions. In *Reformulated Gasoline*, extraterritoriality was held to be permissible on satisfaction of certain conditions such as presence of a sufficient nexus between the measure and protected resources, even-handedness in treatment of domestic and imported goods, and finally, reasonableness of the measure in light of competing trade and environmental interests. Following that, in *Shrimp/Turtle I* the Appellate Body stated that there should exist a "sufficient nexus" between a state and its migratory species of animals found in the territory of another state, to allow the former to claim an interest in their conservation. Thus with the evolution of the

"sufficient nexus" test, it is possible now to apply environmental measures extraterritorially.

X. UNILATERALISM AND DEVELOPING NATIONS

Unilateral environmental measures are national environmental protection measures adopted by states which include an international trade limitation or prohibition and which are adopted in the absence of agreed international standards or rules, or go beyond agreed international standards.³² Unilateralism is not a preferred option; with the Rio declaration suggesting that unilateral trade measures 'should be avoided' but the intrinsic difficulty of multilateral decision making and the lack of institutional structures for effective international policymaking therefore makes unilateral action, a necessary, if unfortunate, policy option in some circumstances.³³ The need to achieve unanimity for decisions taken in the international realm can make multi-country agreements bland, inoffensive and ineffectual.³⁴

It is worthwhile noting that unilateral action or its threatened use has played a critical role in setting international environmental standards; particularly in the context of oil pollution where the UK and USA took unilateral measures to protect the environment such as the bombing of Torrey Canyon by UK and numerous other unilateral measures which ultimately promoted multilateral standard-setting and development of customary international law. The continental shelf and EEZ evolved as a result of unilateral extensions of national jurisdiction. Some of the most important health and environmental treaties were preceded by unilateral trade measures.³⁵

In *Shrimp/Turtle II*, it was held that unilateral measures can be taken after serious and good faith efforts to negotiate are made, even if an international agreement cannot be reached. However, such efforts cannot

³² See generally, Phillippe Sands, *PRINCIPLES OF INTERNATIONAL ENVIRONMENTAL LAW* 946 (2nd ed 2003).

³³ See, Zaelke, Durwood *et al* (eds), *TRADE AND THE ENVIRONMENT (LAW, ECONOMICS AND POLICY)* (1993).

³⁴ See, Stefanie M Gaffigan, *Developments in International Trade and the Environment*, *COLO J INT'L ENV'T L & POL'Y* 87 (2003).

³⁵ The U.S. legislation of 1897 to ban pelagic sealing and seal skin served as a model for the Fur Seals Convention of 1911, which was successful in saving the fur seal. Although the International Union for the Conservation of Nature began to discuss the need for an international treaty on endangered species in the early 1960s, it was recognized that national import restrictions were the most realistic first step. The United Kingdom passed the first such law in 1964, and the United States followed in 1969, which ultimately produced Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) in 1973.

be a one-off exercise. There must be a continuous process, once a unilateral measure has been adopted pending the conclusion of an agreement. Good faith efforts to reach international agreements are comparable from one forum of negotiation to the other. The negotiations need not be identical. Indeed, no two negotiations can ever be identical, or lead to identical results. Yet the negotiations must be comparable in the sense that comparable efforts are made, comparable resources are invested, and comparable energies are devoted to securing an international agreement. So long as such comparable efforts are made, it is more likely that "arbitrary or unjustifiable discrimination" will be avoided. A distinction was drawn between preferring a multilateral approach in the application of a measure under the exceptions and requiring the conclusion of a multilateral agreement as a condition of avoiding arbitrary or unjustifiable discrimination. This ruling has been criticized by developing countries though for a variety of reasons.³⁶ Developing nations fear that they will now be forced to accept agreements through trade sanctions in a manner restricting market access.³⁷ Further, the power asymmetry in the international system ensures that Third World countries cannot compel powerful states to accept legal obligations even when it involves the concerns of common humanity.³⁸ Moreover, the fact that international negotiations have to precede the legal use of unilateral trade sanctions is no substitute for the sovereign right of a state to decide whether to accept a particular international arrangement or not. The subjective nature of the requirement of good faith conduct of negotiations means considerable space for capricious interpretation of when the condition is satisfied.³⁹

Additionally, since provisional unilateral measures can be taken while the negotiations are being conducted, it could cause serious injury to the export interests of third world countries.⁴⁰ Another concern expressed is that there is not so much to choose between implementing 'same measures' and measures of 'comparable effectiveness'.⁴¹

³⁶ See generally, B.S. Chimni, *WTO and Environment: Legitimization of Unilateral Trade Sanctions*, 133, 137 EPW 2002.

³⁷ See also, Vinod Rege, *GATT Law and Environment--Related Issues Affecting the Trade of Developing Countries*, *JOURNAL OF WORLD TRADE*, June 1994.

³⁸ *Ibid.*

³⁹ See, Gregory C. Shaffer, *The World Trade Organization Under Challenge: Democracy and the Law and Politics of the WTO's Treatment of Trade and Environment Matters*, 25 HARV ENV'T L REV 1 (2001).

⁴⁰ See also, Sengupta, Dipankar *et al* (eds), *BEYOND THE TRANSITION PHASE OF WTO: INDIAN PERSPECTIVE ON EMERGING ISSUES* (2006).

⁴¹ *Supra* n. 34

Thus, developing countries are suspicious of unilateral environmental measures and presume that they constitute unlawful trade barriers.

XI. CONCLUDING OBSERVATIONS

The debate between free trade and environment protection is not new. With regard to unilateral measures (which developing countries view as the greatest cause for concern), eco-labelling may be considered a viable alternative to trade sanctions if it is found to be equally effective.⁴² It is important that developed countries help developing nations by taking up the responsibility of providing them with environment-friendly technology, financial assistance and technical know-how to enable them to make a smooth transition to methods less harmful to the environment. With regard to the clash between WTO rules and restrictive trade provisions of MEAs, these can be addressed by creating a balancing mechanism; determining one as superior to the other; or modifying one or both systems.⁴³ There is support for legitimizing trade measures by amending Article XX to include a new exemption.⁴⁴

Alternatively, there have been proposals for the establishment of a "Global Environmental Organization" (GEO) that would operate separately from but "parallel to" the GATT/WTO. Such an organization could inject a measure of objectivity into transnational environmental disputes, thus reducing the risk that unilateral protectionist measures, without justifiable conservation objectives, would be forced on the international system.⁴⁵ Additionally, there have been proposals for increased representation of environmental technologists on the panels and negotiating bodies which are charged with the development, interpretation, and application of the GATT/WTO framework, so that such bodies can be prepared to reach an appropriate balance between competing interests.⁴⁶ With the implementation of these measures, developing nations should hopefully have less to worry about.

⁴² See, Patrick Low, *Afterword: Trade and Environment: What worries the Developing Countries?* 23 ENVTL L 705 (1992).

⁴³ Axel Bree, *Article XX GATT- Quo Vadis? The Environmental Exception after The Shrimp/Turtle Appellate Body Report*, 17 DICK J INT'L L 99 (1998).

⁴⁴ *Ibid.*

⁴⁵ See generally, *supra* n. 3.

⁴⁶ See, J. Schultz, *Environmental Reform of the GATT/WTO International Trading System*, W COMP 18 (1994/95, NO. 2).

THE INTERNATIONAL INTELLECTUAL PROPERTY REGIME AND HUMAN DEVELOPMENT

Dhruv Balai Paul*

I. INTRODUCTION

The latter half of the 20th century witnessed an unprecedented augmentation of material prosperity and wealth across the globe. The period, particularly from the 1980s, onward has witnessed spectacular transformations in the form of globalisation and technological advances. Innovation has acquired a completely new dimension, as radically different technologies are poised to transform human lives. While the inevitability of the emerging knowledge sector transforming our lives is indisputable, the key issue is how this phenomenal potential may be harnessed and channelised to achieve holistic, self-perpetuating and enduring human development for all.

The overplaying of indicators like GDP and National Income has spawned an unjustified and myopic euphoria in some sections.¹ These indicators conceal the gory underbelly of chronic poverty and underdevelopment that still affects large swathes of the developing world.² These indicators do not reflect the incoherent policies adopted by countries, financial institutions and development organizations, in blind adulation of developed countries.³ This has increased the chasm between the 'haves' and 'have-nots' by gargantuan proportions.⁴

The development efforts in the last few decades, spearheaded by the United Nations and its specialized agencies, has been characterized by the adoption of faulty policies, clumsy implementation, unsuitable choice of technology for transfer to the South, among various other anomalies. In fact, basing development reforms solely on the aforesaid superficial indicators is in itself testimony to the ineptness of some of the programmes undertaken. While the development effort undoubtedly has certain achievements to be proud of, it cannot be denied that most of its policies and efforts have failed to achieve the results they could have. As a result, the South has continued to slide into poverty and suffering, and the ever growing discontent against the North is beginning to express itself in increasingly sinister forms.

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¹ UNDP, HUMAN DEVELOPMENT REPORT (1990).

² *Ibid.*

³ SOUTH COMMISSION, THE REPORT OF THE SOUTH COMMISSION 37-39 (1990).

⁴ The UNDP, HUMAN DEVELOPMENT REPORT (2006) observes that a Norwegian earns 40 times more and lives twice as long as a citizen of Niger.

It is not within the ambit of this paper to dwell on the mistakes and lost opportunities of the past, but to focus on the latest opportunity to fix them. This paper focuses on how the knowledge sector, which is primarily governed and influenced by the prevalent intellectual property (IP) regime, is currently affecting and can impact human development in the future. The paper makes its suggestions based on a more comprehensive and all encompassing indicator of human development - the Human Development Index (HDI). It identifies and analyses the various factors which affect the primary components of the HDI. After identifying the factors which affect and the factors which reflect the development levels in a country, the paper proceeds to look at the impact of the current IP regime and on-going negotiations on these factors. It then makes suggestions on how the IP regime can be adapted to play a more active role and affect the factors positively and more effectively.

II. DEFINING HUMAN DEVELOPMENT AND THE HUMAN DEVELOPMENT INDEX

At the outset, it is essential to consider the ambit of the term human development. Disenchantment with the inadequacy of the prevalent notion of development and the realization that 'a Nation is made up of its people and not its GDP', led visionaries and policy makers to advocate the need for broader indicators⁵ of "human development of the people, by the people, for the people"⁶ and consequently, a more holistic definition of human development was evolved:

The basic purpose of development is to enlarge people's choices. In principle, these choices can be infinite and can change over time. People often value achievements that do not show up at all, or not immediately, in income or growth figures: greater access to knowledge, better nutrition and health services, more secure livelihoods, security against crime and physical violence, satisfying leisure hours, political and cultural freedoms and a sense of participation in community activities. The objective of development is to create an enabling environment for people to enjoy long, healthy and creative lives.⁷

The Human Development Report, 1995 suggested that there are four pillars of human development: 'productivity', 'equity', 'sustainability'

⁵ SOUTH COMMISSION, THE REPORT OF THE SOUTH COMMISSION 11 (1990). See also, UNDP, HUMAN DEVELOPMENT REPORT 263 (2006).

⁶ <http://hdr.undp.org/aboutus/>.

⁷ Mahbub ul Haq in the UNDP, HUMAN DEVELOPMENT REPORT (1990).

and 'empowerment'.⁸ 'Productivity' includes an ability to participate fully in the process of income generation and remunerative employment. 'Equity' means that all barriers to economic and political opportunities must be eliminated. 'Sustainability' aims at ensuring that progress in all spheres of human development is carried on into the future. 'Empowerment' envisages a more active popular participation in decision-making processes. These four pillars include the entire complex of the interrelated and multidimensional facets of human development. The Report suggests that these four pillars should form the basis for all the developmental activities and programmes that are undertaken to improve human development.

The Human Development Report (HDR) was first launched in 1990 by the United Nations Development Programme (UNDP) and is widely regarded as the most independent, definitive and comprehensive document focusing exclusively on human development.⁹ According to the HDR, the first limb of human development is 'living a long and healthy life' measured in terms of life expectancy, while the second limb - 'being educated' - is measured by adult literacy and enrolment at the primary, secondary and tertiary levels of education. Income and Purchasing Power Parity (PPP) are the indicators of the third limb - 'having a decent standard of living.' The ultimate objective of the HDR is to provide deeply researched analyses and recommendations on current debates on global development paradigms.

III. POSSIBLE IMPACT OF INNOVATION, ACCESS TO KNOWLEDGE AND IP ON HUMAN DEVELOPMENT

After having spelt out human development, this section shall examine the possible impact of innovation and access to knowledge on human development. The global "knowledge gap" and "digital divide" is already widening at an alarming pace.¹⁰ The race to secure exclusive rights over the next great innovation, a process which widens the chasm between the "knows" and "know nots", is already happening at a feverish pace. The

⁸ UNDP, HUMAN DEVELOPMENT REPORT 12 (1990).

⁹ Rapidly changing realities warrant constant updating of the components and indicators of human development. Thus, the scope of measuring human development has been periodically revised and updated and now includes (in addition to the HDI) four new indices of human development - the Gender-related Development Index (GDI), the Gender Empowerment Measure (GEM), and the Human Poverty Index (HPI 1 and HPI 2). However, this article shall limit itself to the traditional concept of HDI.

¹⁰ UNDP, HUMAN DEVELOPMENT REPORT 67-68 (1990). See also, *Proposal Establishing a Development Agenda for the World Intellectual Property Organisation, Argentina and Brazil*, at the 31st WIPO General Assembly.

underdeveloped countries, on account of their limited capacities and prevailing international rules and regulations, are automatically relegated to the last place in this race.¹¹ In a tragic paradox, the exponential growth of the knowledge sector has been complemented by a corresponding fall in the actual standard of living in many regions.

Historically, the key factors which are the focal point of development in any particular generation/time span have always been closely guarded and controlled by a handful of persons or countries. Even today, aspirations of wealth, development and general well-being remain a mirage for the poor and underprivileged, across the globe. The stark imbalances that exist, not only between different regions but within microcosms of each city and community, are well documented.¹²

We are currently at a crucial juncture, where new opportunities in the form of new technologies, present us with an opportunity to correct several wrongs. Information and Communication Technologies (ICTs) in particular, have made the mobilization and spread of technological advancement, commercially viable. And the need for modern innovation to touch the lives of people belonging to the lowest economic strata and liberate them from the vicious circle of chronic poverty cannot be overemphasized. For this reason, the IP regime should be shaped into a contrivance that facilitates and encourages not just innovation, but the unhindered transfer and dissemination of technology across the world.

There is a dire need for the IP framework to be modified at the international level, in order to make it a catalyst of development at the local level. Ongoing IP negotiations in areas such as the drafting of a Substantive Patent Law Treaty (SPLT), the protection of traditional knowledge, genetic resources and folklore should be carried out in the light of the diverse local developmental needs of the South, rather than from the MNC driven standpoint of the North. All negotiations in the aforesaid areas must empower the Southern countries to employ and build their own capacities instead of bogging them down in a quagmire of regulations. Developments in the IP regime should endeavour to provide a more equal and fair playing field. It must not be forgotten that the North

¹¹ CIPR, THE REPORT OF THE COMMISSION ON INTELLECTUAL PROPERTY RIGHTS 68 (2002), available at, http://www.iprcommission.org/graphic/documents/final_report.html. See also, UNDP, HUMAN DEVELOPMENT REPORT 7 (1999); Carlos Correa, *Review of the TRIPS Agreement: Fostering the Transfer of Technology to Developing Countries*, available at, www.twinside.org.sg/title/foster.htm.

¹² SOUTH COMMISSION, THE REPORT OF THE SOUTH COMMISSION I (1990). See also, UNDP, HUMAN DEVELOPMENT REPORT (1999).

acquired most of the knowledge that it now vehemently protects in a period when IP regulations were minimal or non-existent.

To enable the South to build on its capacities, suitable concessions and exceptions need to be drafted into the IP regime. While drafting the SPLT, it is important not to lose sight of the fact that a majority of the countries that are expected to become signatories and consequently play a pro-active role in patent enforcement have very little technical and legal expertise in this area. Moreover, in many cases it will be perilously against their national interests to provide the kind of protection envisaged in the SPLT under its proposed framework. Therefore, it is essential that any all-pervading patent law that requires even the most underdeveloped countries to provide protection, should also have sufficient provision to enable these countries to build on their capacities through appropriate technology transfers, access to information and technical know-how. By doing so, it will ensure that these countries shall be in a better position to educate its populace and increase its productive capacity, so that in the future, these underdeveloped countries will not only have to protect patents but will also get a chance to reap the positive benefits of having its own patents protected in Northern jurisdictions.

In tandem with the SPLT, it is also important to make efforts toward progress in areas like protection of traditional knowledge, genetic resources and folklore. These areas exhibit a paradoxical situation wherein the natural resources rich countries of the South are not only deprived of the dividends that they ought to get, but are additionally compelled to pay unjustifiably high prices for medicines etc. that are made from their own resources. The international IP regime can remedy this paradox by bringing in protection in this area, either by way of a *sui generis* system or otherwise. The IP regime should ensure that the Southern countries receive a better price for their knowledge and resources, and assistance in building on their capacities based on their particular strengths and local conditions.

IV. LIFE EXPECTANCY INDEX (LEI) AND THE ROLE OF INTELLECTUAL PROPERTY RIGHTS

The HDI uses life expectancy at birth to arrive at the LEI, which serves as the indicator of longevity. Whilst the final HDI merely assigns a single numerical figure based on a single factor – life expectancy, the LEI measures the ‘numericals of longevity’ in a manner that includes a calibration of the state of auxiliary factors such as public health, which depends on available medical infrastructure, access to medicines and

medical knowledge, nutrition and food security, education and the general well-being of people.¹³ The prospective role and impact of the IP regime can be better estimated based on the aforesaid auxiliary factors, which are not included in the calculation of HDI.

A. Obstacles to Higher Life Expectancy in the South

Achievements such as the mapping of the human genome and the development of anti-retroviral therapy used in the treatment of AIDS, are at the cutting edge of medical research and are poised to provide cures for many health related problems. Nonetheless, such research is yet to confer any tangible benefits upon millions of disease stricken people in the South,¹⁴ even as HIV/AIDS emerges as the greatest challenge to public health in the South, along with tuberculosis and malaria.¹⁵ The "10/90" gap highlights the dire predicament of the South; the South accounts for a mere 10% of global pharmaceutical sales and witnesses a staggering 90% of the 14 million deaths that occur annually due to infectious diseases.¹⁶

Apart from this "access to medicine barrier", the South has to negotiate an almost insurmountable "knowledge barrier", which continues to rise. An average US medical library subscribes to around 5,000 journals, but the Nairobi University Medical School Library, widely reputed as the flagship medical school of East Africa, used to receive a mere 300 journals in 1990 which too dwindled to 20 journals in 1999. The Brazzaville University in Congo has a library that comprises of 40 medical books.¹⁷ In comparatively developed and prosperous South Africa, many hospitals and 75% of the schools do not have a telephone line.¹⁸

Freedom from hunger and malnutrition which are taken for granted in most parts of the world are a distant mirage for millions of people in the South. One out of every two children suffering from malnutrition in

¹³ UNDP, HUMAN DEVELOPMENT REPORT 11 (1990). See also, Christopher JL Murray and Julio Frenk, *A Framework for Assessing the Performance of Health Systems*, Bulletin of World Health Organisation 78 (6) (2000).

¹⁴ Sisule F. Musungu *et al.*, UTILISING TRIPS FLEXIBILITIES FOR PUBLIC HEALTH PROTECTION THROUGH SOUTH - SOUTH REGIONAL FRAMEWORKS (2004).

¹⁵ WHO, INFECTIOUS DISEASE REPORT (2002). See, World Health Assembly Resolution, WHA 56.27 and CIPR, THE REPORT OF THE COMMISSION ON INTELLECTUAL PROPERTY RIGHTS (2002).

¹⁶ Sisule F. Musungu, *Benchmarking Progress in Tackling Intellectual Property-Related Challenges Regarding R&D and Access to Medicines in Developing Countries*, 84 (5) BULL. WORLD HEALTH ORGAN 366-370 (2006). Available at, http://www.scielosp.org/scielo.php?script=sci_arttext&pid=S0042-96862006000500015&lng=en&nrm=iso.

¹⁷ UNDP, HUMAN DEVELOPMENT REPORT 59 (1999).

¹⁸ *Ibid.*

Africa dies owing to non-existent or insufficient medical care. Poor nutrition contributes to 1 out of 2 deaths (53%) associated with infectious diseases among children aged under-five in developing countries. 1 out of 4 pre-school children suffers from under-nutrition, which can severely affect a child's mental and physical development. Under-nutrition among pregnant women in developing countries leads to 1 out of 6 infants being born with low birth weight. 40 million people living with HIV/AIDS are exposed to an increased risk of food insecurity and malnutrition, especially in poor settings, which may further aggravate their condition.¹⁹

Moreover, the knowledge sector and IPR are rapidly metamorphosing into an exclusive domain for private pharmaceutical giants. This change has been spurred on by decline in public sector R&D traditionally conducted by governments, international organizations and military research wings.²⁰ The emergence and steady dominance of the private sector is particularly palpable in the agriculture and biotechnology sectors. These developments most certainly do not bode well for the South's obstacle ridden quest for development. The following statistics bear this out:

Of the annual health related research and development worldwide, only 0.2% goes towards pneumonia, diarrhoeal diseases and tuberculosis, which account for 18% of the global disease burden.²¹ It is estimated that only 5% of the money spent worldwide on pharmaceutical R&D is for diseases that predominantly affect developing countries.²² Of the portion of public sector patents in biotechnology sold under exclusive license to the private sector rose from just 6% in 1981 to more than 40% by 1990. By 1998, the top 10 privately held corporations controlled the following percentage of their respective industry: Commercial seed – 32% of USD 23 billion; pharmaceuticals – 35% of USD 297 billion; veterinary medicines – 60% of USD 17 billion; computers – 70% of USD 334 billion; pesticides – 85% of USD 31 billion; and telecommunications – 86% of USD 262 billion.²³

¹⁹ See, <http://www.who.int/nutrition/challenges/en/index.html>.

²⁰ UNDP, HUMAN DEVELOPMENT REPORT 67 (1999).

²¹ *Ibid.*

²² COMMISSION ON MACROECONOMICS AND HEALTH 79 (2001).

²³ *Supra* n. 20 at 8.

B. Steps Required for Improving Longevity (Public Health) and the Role of IPR

Developments in the international IP regime have a profound influence on domestic policies and industry of any country. The dilemma faced by developing countries post-TRIPS in the field of pharmaceutical patents is an evidence of this. IPR can be used as an effective contrivance to shape policies at international, regional and domestic levels to address the challenges or focus areas mentioned hereunder, thereby effecting progress in the broader area of public health, life expectancy and ultimately human development.

Research and Development and Access to Medicine:

- How to establish conditions conducive for R&D for diseases that disproportionately affect developing countries?²⁴
- How can the resources and incentives necessary to develop new drugs and vaccines for diseases that predominantly affect developing countries be generated within such countries?²⁵
- How to resolve the perennial conflict between the objectives of 'covering R&D costs', 'maximizing shareholders' returns' and 'minimizing consumer costs'?²⁶
- How can the affordability of these drugs in developing countries be secured?²⁷

The international IP regime through various concessions and incentives can trigger a qualitative impact in this area. The IP regime can make it mandatory that patent protection shall be ensured under the WIPO umbrella only if certain additional conditions are complied with. These conditions could include providing the product at a discounted rate to the Southern countries; earmarking a certain threshold amount that must be ploughed into R&D towards finding cheap and effective cures for the diseases mentioned herein; ensuring that patent protection shall be provided in the South (or certain Southern countries) only if the patent holder invests a threshold sum in bringing a qualitative change in the capacity of the people inhabiting that area – this can be done by investing in education and infrastructure in the said areas. A list of most-affected countries can be drawn up and certain additional concessions and

²⁴ See, *World Health Assembly Resolution*, WHA 56.27, available at <http://www.who.int>.

²⁵ CIPR, THE REPORT OF THE COMMISSION ON INTELLECTUAL PROPERTY RIGHTS 36 (2002). See also, *World Health Assembly Resolution*, WHA 56.27, available at <http://www.who.int/>.

²⁶ *Supra* n. 25 at 9.

²⁷ *Ibid*.

pecuniary incentives may be drafted into the legislation to make investments in the aforesaid area more lucrative. By ensuring access to knowledge and effective protection in areas like traditional knowledge, the IP regime can empower the South to gradually build its own R&D capacity.

Nutrition and Food Security:

- How to ensure freedom from hunger and malnutrition, as they are basic human rights and fundamental to achieving good public health?
- How to ensure that developments in the international IP regime are suitable for the developing world, such as the suitability of the Union for the Protection of New Varieties of Plants (UPOV) in developing countries?²⁸
- How to ensure that new technological developments focus on improving nutritional value of food crops rather than only on modifying non-food cash crops?
- How to make crops less vulnerable to outbreaks of devastating diseases?
- How to protect the South from potential health and biodiversity risks?
- Consider the social, economic and ethical impacts of biotechnology.

As is evident from the aforementioned list, the primary concerns in this segment relate to technological developments that affect human lives/development. Voices are being raised against genetically modified crops and its ill-effects on biodiversity/environment and public health. While such technological advances are inevitable and at times welcome, in the context of the IP regime, the crucial question is whether technology should be permitted to dictate its course with the legal framework trying to catch-up or should a legal framework be drawn up so as to determine the direction of technological advancement and optimally utilize its fruits for the common good of all?

It is suggested that the IP regime ought to consider the fact that technology in this area is advancing as well as transforming on a daily basis. Finding an all-pervading regulatory system is perhaps not the

²⁸ GAIA/GRAIN, *Ten Reasons Not To Join UPOV* (1998), available at <http://www.grain.org/briefings/?id=1>. See also, Graham Dutfield, *What Impact Do IPR Rules Have On Food Security?* (2002), available at <http://www.scidev.net/dossiers/index.cfm?fuseaction=policybrief&dossier=8&policy=37>

answer. However, the IP regime can regulate this by ensuring that the bulk of the R&D expenditure is spent on developing improved variants of food crops and only after reaching prescribed thresholds in food crop production is there R&D in cash crops etc. By selectively protecting the knowledge being generated in this area, the IP regime shall succeed in prioritizing the needs of the hungry millions. The IP regime should also incorporate strict norms regarding the extent of research based on its possible environment impacts and the local geography and land use patterns.

V. EDUCATION INDEX AND THE ROLE OF INTELLECTUAL PROPERTY RIGHTS

The HDI has adopted a comprehensive calculation for determining the state of education in a nation. The EI has two limbs: two-thirds weightage is accorded to the overall adult literacy level (forming the adult literacy index) and one-third weightage is accorded to the enrolments in the primary, secondary and tertiary tiers of education (forming the gross enrolment ratio). The adult literacy index gives a quantitative estimate of the total number of literates in a nation. The gross enrolment ratio is a statistical measure which gives a rough indication of the level of education – primary, secondary, and tertiary – in a nation. It gives a more qualitative reflection of the utility and level of knowledge within the literacy levels already established by the adult literacy index. Therefore, the EI reflects the literacy levels within a nation and also several correlated issues such as levels of knowledge, skills, capacity to earn a livelihood and fulfill individual and community aspirations, participate in a skill-intensive industry, peoples' participation in local governance, gender equality, community empowerment etc.

A. Thrust Areas for Improving the EI

The international IP regime should seek to promote and itself comply with the under mentioned objectives:

Making technology truly global and accessible:

- The use of information and communication technologies (ICTs) in and for education is rapidly expanding in many countries, and is now seen worldwide as both a necessity and an opportunity. The Dakar Framework for Action (April 2000) identified the use of new information and communication

technologies as one of the main strategies for achieving the Education For All (EFA) Goals.²⁹

- UNESCO has given high priority to the use of ICTs for more equitable and pluralistic development in education, aiming to (i) expand the knowledge base both within the Organization and worldwide, (ii) work with partners and Member States to establish principles and guidance for good practice, (iii) give policy advice, and where appropriate (iv) engage in specific development cooperation.
- Need to address concerns about whether the information revolution is leading to globalization or to the further polarization of the world.
- Need to find remedies to the problem that the spread of ICTs is limited to very few countries.³⁰

Access to Knowledge:

There is an acute need to transform IPR from being an inalienable right for the rich to an infallible growth engine for the poor. In order to achieve some of the objectives mentioned above, a paradigm shift is essential within the IP regime, from predominantly focusing on closed and proprietary development models to open and collaborative development models. The IP regime should be made more and more accommodative of innovation in areas like open source softwares, collaborative efforts and open access knowledge models. Not only should the rules be made more accommodative towards such developments, it should also incentivise and promote greater inter-twining of ICTs and knowledge. Promoting efforts such as open source softwares and allowing dissemination of information in a less controlled atmosphere will most certainly provide a solution to the aforesaid problems. It will allow people to come together, pool in their resources and capacities and also allow a greater level of cooperation on two axes – North-South and South-South.

VI. GDP INDEX AND THE ROLE OF IPR

The GDP Index is used as an indicator of a decent standard of living and consists of a proportion of the per capita GDP of the Nation and the

²⁹ Refers to the 6 Education for All Goals, available at, http://portal.unesco.org/fr/ev.php-URL_ID=22012 & URL_DO=DO_TOPIC&URL_SECTION=201.html. See also, http://portal.unesco.org/education/en/ev.php-URL_ID=44184&URL_DO=DO_TOPIC&URL_SECTION=201.html.

³⁰ There are many examples in support of this statement, for example, there are more cellular phones in Thailand than the whole of Africa, a disparity within the South.

per capita PPP. If considered along with all the other factors (mentioned above and which will be mentioned hereafter) it reflects the ultimate objective of human development and the ultimate aspiration of an individual. In the HDI, income serves as a surrogate for all the dimensions of human development not reflected in a long healthy life and in knowledge.

Knowledge is now a valuable asset and more than half of the GDP in the major OECD countries is based on the knowledge sector. This phenomenon has spawned efforts to lay exclusive claim on as much knowledge. Writing computer programmes, revealing genetic codes and striving towards ensuring tighter IPR protection for them has replaced the proverbial search for gold or colonization etc. IPR and the knowledge sector are inseparable and together form a potent agency for the generation of wealth and increasing GDP. The crucial question is, whether once again the initiative will be seized by the North or can the international IP regime insure that there will be equitable distribution of the knowledge and the wealth generated from it?

It must be remembered that GDP growth rate and per capita income are the end results of almost all development efforts. Ensuring adequacy of income is a common thread that runs through most development programmes. Even this paper highlights the "price of human life" the "need for education" to empower the people to pursue their social, political and economic aspirations. Any developments in the IP regime aimed at having a favourable impact on public health (see III) or in improving the quantitative or qualitative aspects of literacy (see IV) will have an impact on the GDP and per capita income. However, the converse may not be true as has been proven historically (see I and II).

A. IPR and Raising Productivity

With the knowledge sector at the forefront of global economic opportunity, getting into knowledge production can be a fast track to growth. A conducive IPR regime can enable the Southern countries to improve their education and productive capacities both qualitatively and quantitatively. The Eastern Caribbean countries seized this opportunity using their low-cost, semi-skilled labour to export data processing services.³¹ India and Philippines have also used similar models in the BPO sector. Having invested in education and on the productive capacities of its populace, countries like India and Philippines have been able to capitalize on the booming knowledge sector.

³¹Schware and Hume, 1994 cited in UNDP, HUMAN DEVELOPMENT REPORT (1999).

By moulding the international IP regime in a manner which liberalizes access to knowledge, more and more people from the South shall be able to access useful, the latest and most suitable knowledge with respect to technology etc. Having access to the best quality of knowledge will help in creating and developing the basic and advanced capacities of the peoples of the South and empower them to operate and derive maximum benefit from the knowledge based industry. It can facilitate transfer of technology and make the availability of knowledge-based technology, feasible.³² Empowered with the knowledge as well as the technology, the South can adapt technologies to their local needs and finally move onto innovation. Therefore, how the South negotiates further developments in the international IP regime will have a major impact on its capacity to increase productivity.

B. Tapping the bio-rich South to increase its GDP

More than half of the world's most frequently prescribed drugs are derived from such plants or synthetic copies of plant chemicals. There is a need to develop a system whereby the actual benefits of this biodiversity reach the local people of the region.

C. IPR and Employment Generation

Poverty is the greatest threat to political stability, social cohesion, environment, health and all dimensions of development. Generating adequate employment opportunities and fostering sustainable economic growth are considered as the best ways of eradicating poverty.

- By making rules that encourage transmission of knowledge and technology the IP regime will help in building the human and logistical capacities of the South.
- With its enhanced capacities, the benefits can reach the poorest, by involving and absorbing them in the process of rapidly expanding the productive capacity of the economy.

VII. CONCLUDING COMMENTS

Innovation is important for human development as it pushes human capability forward and keeps civilizations thriving. However, IP regimes, governing such innovation should be shaped so that they provide incentives to turn research towards the pressing needs of the world and not just to deepen pockets.

³²There is a need to reverse the current trend aimed at tightening intellectual property rights. It raises the price of technology transfer and blocks developing countries out of the knowledge sector.

In an era of technology driven growth, chronic levels of poverty, gargantuan imbalances and hopeless struggles for daily survival are unjustifiable. Developments in the knowledge sector and consequently in the IPR regime should not be allowed to continue in the unbridled manner in which they presently do. Questions need to be asked about whether technology is running far ahead of the ethical, regulatory and policy frameworks needed to govern them. Attention needs to be paid to the economic and social consequences of technology and the IP regime that protects it. If not misused, IPR can boost human development several fold.

WILL THE PATENTS (AMENDMENT) ACT, 2005 BRING ABOUT RESEARCH AND DEVELOPMENT?

Nisha Venkataraman

I. INTRODUCTION

On March 23, 2005 the Patents (Amendment) Bill was passed by the Rajya Sabha and the Patents (Amendment) Act, 2005 ("the Act") came into being. In this paper an endeavor is made to prove that the stated objectives sought to be achieved by the TRIPS and the developed countries that of increasing research and development through a regime of product patent, is highly impossible to meet, since a country requires the infrastructure and resources to pool in such research activities. Thus, there is going to be difficulty in providing access to medicines to the poor, and promote research and development in India. The Patents (Amendment) Act, 2005 is a deterrent to research and development in India. It will severely injure the pharmaceutical industry of the country. In other words, one cannot say with any amount of certainty that there is any kind of correlation between product patent regime and increase in innovation.

II. A REVIEW OF THE PATENTS (AMENDMENT) ACT, 2005

Developed countries lobbied for the developing countries to bring about amendment in their respective patent law statutes since this would in turn ensure protection for the commercial interest of their own pharmaceutical companies and individual pharmacologists. Hence, due to such an obligation which has to be complied by all member states, developing countries are facing a huge blow. However, some feel that such a strong patent regime, namely the product patent regime shall promote investment in research and development even in the developing countries and thereby making these countries self sufficient.

To achieve the above objective, that is to promote research and development, bring about further innovation, and safeguard the interests of the developed nations, the Agreement on Trade Related Aspects of Intellectual Property Rights ("TRIPS") required all nations to comply with Article 27.¹ The TRIPS provided three deadlines for developing countries such as India to make themselves compliant with the multilateral patent regime. The first deadline, in 1995, was to introduce a

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¹ Art. 27(1) of the TRIPS agreement provides, "Patents shall be available for any inventions, whether product or process, in all fields of technology... and patents shall be available and patent rights enjoyable without discrimination as to the place of invention, the field of technology and whether products are imported or locally produced."

'mailbox' facility,² to receive product patent³ applications till 31st December 2004, and to grant exclusive marketing rights ("EMRs")⁴ till the product patent was granted or the patent application was rejected. The second was in 2000 to comply with TRIPS provisions on the duration of patent protection.⁵ India amended the Patents Act, 1970 in 1999 and 2002, well beyond the WTO's required deadlines.⁶ The third and final deadline was to introduce product patent protection for pharmaceuticals and agrochemicals by January 1, 2005.

Hence, the Indian Patent Act was amended time and again to meet this requirement under the TRIPS, and towards this purpose, the government issued an ordinance on December 26, 2004 to amend the Patents Act 1970. However, when the ordinance was converted into a Bill, and subsequently enacted into law, it contained not only a provision for product patent protection of pharmaceuticals and agrochemicals but also 74 further amendments, further strengthening India's patent regime, and taking it into a 'TRIPS plus' regime.⁷

Here, we look at certain important changes brought about by the Act in order to show how the Indian legislature has failed to incorporate the flexibilities allowed by the TRIPS, in order to make it more difficult to obtain a pharmaceutical patent, and has tried to comply with all obligations as mandated by the TRIPS, however, in doing this, has incorporated lot of broad provisions, leading to ambiguities and thereby making the legislation TRIPS plus. Few of the important and controversial provisions are the following:

A. "Inventive Step" Definition Diluted

The Act provides a new definition to the term inventive step, one of the three basic criteria for patentability. The definition under the Patents Act of 1970 was "an inventive step – a feature that makes the invention not obvious to a person skilled in the art".⁸ The new definition tries to

² Art. 70 (8) read with Art. 65 TRIPS.

³ The distinction between a product patent and a process patent is of seminal importance to the context. A process patent protects the method by which the product is produced while a product patent protects the product itself from being copied. Thus where there exists only process patent protection it is possible to produce the patented product through a different process but this is not possible in a product patent regime.

⁴ Art. 70 (9) read with Art. 65, TRIPS.

⁵ Art. 33 read with Art. 65, TRIPS. Art. 33 mandates that the minimum term of patent protection in Member States must be 20 years.

⁶ The Patents (Amendment) Act, 1999.

⁷ K.M. Gopakumar and Tahir Amin, *Patents (Amendment) Bill, 2005: A Critique*, EPW 17 (April 9, 2005)

⁸ S. 2 (ja), Patents Act, 1970.

separate out the components of an inventive step. The Act defines an inventive step, as "a feature of an invention that involves technical advance as compared to the existing knowledge or having economic significance or both that makes the invention not obvious to a person skilled in the art."⁹

Thus, in order to meet the inventive step criterion, the patentee will either have to show that the invention includes a technical advancement or has economic significance, or both. In other words, the patent holder(s) can actually prove that their invention leads to economic benefits and not stress on the importance of technical advancements, and get away by getting patent rights over that invention. Thus the requirements are highly diluted and this increases the probability of manipulation by the patent holder.¹⁰ It is significant to note that such a definition of "inventive step" is not mandated by the TRIPS.

A. "New Use" Changed to "Mere New Use"

Prior to the amendment a patent could not be granted for new use of an old substance.¹¹ For example, the discovery that an existing pharmaceutical which cured cold, now cures cough as well did not warrant a separate patent on the drug. However, the new definition under Section 3 (d) includes, "The following are not inventions within the meaning of this Act...The...mere new use for a known substance..."¹² The addition of the term "mere" adds ambiguity and allows inventors to obtain patents for old pharmaceuticals.

B. Broad Definition of "Pharmaceutical Substance"

Although the TRIPS does not lay down any definition of "pharmaceutical substance", or require the contracting members to do so, the Act defines "Pharmaceutical Substance" as "any new entity involving one or more inventive steps"¹³ The provision, being as broad as it is, allows all types of pharmaceutical substances to be patented which would include even formulations, pharmaceutical salts, isomers, polymorphs and their combinations that are not really pharmaceutical substances in the strict sense of the word may be patented. It would have been better to

⁹ S. 2 (1) (f), Patents (Amendment) Act, 2005.

¹⁰ K.M. Gopakumar and Tahir Amin, *Supra* .7, at 18.

¹¹ S. 3 (d), Patents Act, 1970.

¹² S. 3 Patents (Amendment) Act, 2005.

¹³ S. 2(1) (h) Patents (Amendment) Act, 2005.

protect only new chemical entities that is, new medicines and not their individual components.¹⁴

C. Ongoing Generic Production

The Act allows generic manufacturers to continue producing generic versions of new drugs, which are in the mailbox if the manufacturer was producing and marketing such drugs prior to January 1st 2005. However, once the patent for the drug is granted to the eventual patent holder he shall be entitled to receive "reasonable royalty" from those manufacturers that have made a "significant investment".¹⁵

The provision does not define "significant investment" or "reasonable royalty". This can lead to the increase in litigation costs because the pharmaceutical companies would try and prove the "significant investment" even if generic manufacturers have not used it enough, thereby bringing about large number of infringement suits. Also, the term "reasonable royalty" will be used by inventors to extract high amounts of royalty from users. For example, in South Africa, Glaxo Smith Kline demanded a royalty of 25 per cent before the courts intervened.¹⁶ It would have been better if royalty had been fixed at a certain percentage of profits. Thus clearly, by incorporating a provision in the Act that is not required by TRIPS, the Indian legislature has created confusion that hinders and discourages production of generic drugs, which may eventually not even be granted patent protection.

D. Compulsory Licenses

The Commission on Intellectual Property Rights (CIPR) has clearly stated that developing countries should fully exploit the flexibilities within TRIPS for determining compulsory licensing, as well as for non-commercial use by the government, including production for export.¹⁷ Developing countries should adopt effective compulsory licensing mechanisms that include straightforward, transparent and fast procedures that do not suspend the execution of the license. However, the Amendment has failed to take this opportunity to incorporate the above flexibilities into the Patents Act. Section 83 of the Patents Act states that, with the exception of a national emergency, extreme emergency or public non-commercial use, a compulsory license is available only after three years from the date of grant of the patent. The Act has failed to reduce

¹⁴ Tahir Amin, *A Critical View of the New Indian Patents Act*, available at <http://www.altlawforum.org/PUBLICATIONS/A%20critical%20view%20of%20the%20new%20Indian%20Patent%20Act.doc> (last visited on January 10, 2007).

¹⁵ S. 10 (c) Patents (Amendment) Act, 2005.

¹⁶ *Supra* n. 7 at 20.

¹⁷ *Supra* n. 14.

this waiting period of three years and gives the Patent controller up to six months to consider an application for a compulsory license, ensuring that a compulsory license can only be obtained after three years and six months from the grant of the patent. Further the Act fails to lay down guidelines for the issuance of a compulsory license or a timeline for the patent controller after the six-month period elapses. For example, can a compulsory license to be issued when a patentee refuses to issue a voluntary license on reasonable commercial terms? Such omissions may lead to extreme delays in granting a compulsory license. Further there is no fixed royalty that is payable to the patent holder and this shall result in unnecessary litigation and demands for excess royalty. Lastly, the Act has failed to incorporate the flexibilities in Article 44 of the TRIPS that allows member states to limit remedies on the remuneration that would be available to the patent holder where third parties are authorized by the government, without the authorization of the right holder, to use the patented good rather than issue an injunction. Such a state of affairs makes the compulsory licensing system practically unworkable in India.

Thus, from the above, we can gather that, the TRIPS obligation in itself has made it difficult for the Indian pharmaceutical industry, however, the Amendment Act has gone about brought about more ambiguities, making it harder for the industry to operate effectively.

III. THEORETICAL ANALYSIS AND SOME PRACTICAL DIFFICULTIES OF THE PRODUCT PATENT REGIME

This portion endeavors to prove by a theoretical analysis that a strong patent regime actually deters innovation and also analyses whether we need this amendment in the first place.

A. A Theoretical Analysis

Michael Heller has developed the idea of the anti-commons as a relatively recent addition to the property literature.¹⁸ He begins by defining property as a "core bundle of rights" that, when assembled, allows an individual to say that they "own" a particular resource.¹⁹ Under a private property regime, owners are given almost exclusive control over their bundle of rights; owners can sell, lease, or derive income from their property without interference from the government.²⁰ However, limits are typically set on the ability of owners to break up their bundle of rights in

¹⁸ See, Michael A. Heller, *The Tragedy of the Anticommons: Property in the Transition from Marx to Markets*, 111 HARV. L. REV. 621 (1998).

¹⁹ *Id.* at 662-663.

²⁰ *Ibid.*

a way that would prevent productive use or alienation of their property.²¹ Owners are generally constrained from granting multiple rights of exclusion in a piece of property to the point where no one individual has a clear right to use and transfer the property in an efficient manner.²² Occasionally, though, the system breaks down and several individuals are able to gain exclusive rights in a resource. Heller thus defines the anti-commons as "a property regime in which multiple owners hold effective rights of exclusion in a scarce resource."²³ While multiple holders of the right to exclude could bargain for use of the property, there reaches a point where transaction costs may make an efficient outcome impossible.

In other words, what Heller propounds is that when there is a piece of property where everybody has rights over it, gradually due to scarcity of resources and increase in population and other social reasons, persons start owning specific areas of the property and have the right to exclude others from using their private property. When we use the theory of anti-commons, we can see that, once the patent holders exclude the others (generic manufacturers in this case) to produce or use the same combination or idea to produce the drug, what happens is that innovation is stifled. Once an anticommons emerges, collecting rights into usable private property is often brutal and slow. To explain this better, for example we have seen that under the definition of "pharmaceutical substances" in the present Act,²⁴ each of the substances which are involved in producing the particular drug are granted individual patents. Thus when a researcher wants to develop a new medicine that requires any of these components he shall have to negotiate with a large number of patent holders who may or may not grant him a license. Such negotiations, not being costless transactions, require the researcher to overcome transaction costs, the strategic behaviour of the rights holders, whose interests may not coincide with the researcher's interest, and also their cognitive biases that make them overestimate the value of their invention. Thus a patent regime, such as India's, that is vulnerable to anticommons, discourages researchers from developing new medicines and deters innovation.

B Ever-greening Strategies

To overcome limitations of limited exclusivity, multinational companies adopt several tactics to maintain and extend the length of their

²¹ *Id.* at 666.

²² *Ibid.*

²³ *Id.* at 668.

²⁴ S. 2(1) (h), Patents (Amendment) Act, 2005.

patent benefits.²⁵ These are known as "ever-greening strategies". Companies often introduce a new combination of an old drug when the patent of the old drug is expiring and obtain a patent on the new combination. This theoretically means that a patent holder can block other companies from developing the same drug till eternity.²⁶ Another strategy is to file frivolous infringement suits that result in activation of an automatic 24-30 month delay in processing the claim of a generic product. For example, Bristol Meyers filed baseless patent infringement suits for several years to prevent competition to their anti-cancer drugs. Through this process they protected more than \$2 Billion in sales annually.²⁷ Companies may also exploit the new use provisions to gain patents. Collusion or understanding with generic manufacturers to keep new products off the market is also a possibility. Such practices clearly hinder innovation by extending older drugs' monopoly over the market and by keeping new drugs off the market and thus not providing researchers with incentives to develop new drugs.

Before we proceed with anything further, we must analyze whether at all the Indian pharmaceutical industry required this amendment in the first place. For this reason, let us note how the industry was doing with generic production. India has the most successful generics with over 250 pharmaceutical manufacturers and more than 20,000 manufacturing facilities providing roughly 67% of drugs required by the developing world.²⁸ The Indian Drug Manufacturers' Association (IDMA) estimates that there another 7,000 unregistered small-scale units producing drugs. By 1991, Indian firms accounted for 70% of the bulk drugs and 80% of formulations produced in the country and in 1996 of the top ten firms by pharmaceutical sales, six are now Indian firms rather than the subsidiaries of foreign multinationals.²⁹ Domestic firms now produce about 350 of the 500 bulk drugs consumed in the country.³⁰ Cipla reported over \$300

²⁵ A. Barret, *Fifty Ways to Keep Your Patent*, BUSINESS WEEK (July 12, 2001)

²⁶ Sanjeev Chandran et al., *Implications of New Patent Regime on Indian Pharmaceuticals: Challenges and Opportunities*, 10 JIPR 275.

²⁷ *Id.* at 276.

²⁸ Max Morgan, *Medicines for the Developing World: Promoting Access and Innovation in the Post-TRIPS Environment*, available at <http://www.law.utoronto.ca/accesstodrugs/documents/TRIPS%20executive%20summaries.doc> (last visited on January 7, 2007).

²⁹ *Ibid.*

³⁰ Lawrence Liang, *Patents at the Cost of Patients*, available at <http://www.altlawforum.org/PUBLICATIONS/Patents%20at%20the%20cost%20of%20patients.doc> (last visited January, 7, 2007).

Million USD in gross sales in 2002 while Ranbaxy reported global sales of US \$764 million.³¹

Having had such a progress with a process patent regime, the incorporation of a product patent regime is going to lead to a downfall to the Indian pharmaceutical industry. This is because our industry is now accustomed to a generic production and has the capacity and infrastructure to produce only such drugs. Thus, there has never been the need to have significant investment in R&D in India. It has been stated that India's R&D capacities are "grossly below average" even by developing country standards. The expenditure on R&D in India is abysmally low with an average expenditure of 1-2% as against the world average of 15% and the American average of 24%.³² It is clear that Indian companies shall not be able to compete with multinational companies when it comes to developing new drugs and in a short time shall be overcome and consumed by the multinational companies, resulting in significant economic loss for the country instead of the innovation hoped for by our legislature.³³

C. Social Costs

Over and above the disadvantages mentioned above which stem out of a product patent regime, there arises many social costs as well due to such a stringent system. Patents increase the cost of innovation since often a litigation procedure is necessary before innovation can be undertaken. This necessarily deters prospective inventor from attempting to carry out research on new substances. Also, it goes without saying that a strict patent protection system shall result in an increase in the prices of medicines and will make medicines inaccessible for a number of people.³⁴ Further, very small firms with inadequate funds shall be severely affected by a strict patents regime while large firms shall have to adopt aggressive marketing strategies, involving large expenditure, to sustain their brand in the market. Also, globalization of the market might lead to controversy over dumping of products that shall have to be resolved through a costly process.³⁵ The above, has illustrated how there is

³¹ David W. Opperbeck, *Patents, Essential Medicines, and The Innovation Game*, Draft Working Paper, December, 2003.

³² *Ibid.*

³³ It is significant to note that this need to develop one's R&D before implementing a strict patent regime was realized by a number of, now, developed countries such as Japan and Italy who introduced product patents about thirty years after they were introduced in America.

³⁴ *Supra* n. 30.

³⁵ Technical Notes, *Product Patents*, 9 JIPR 375.

a rise in problems, both theoretically and practically with respect to a strict patent regime.

IV. A CASE STUDY AND HISTORICAL EVOLUTION OF PATENT REGIME OF SOME OF THE DEVELOPED COUNTRIES

Now we shall seek to deal with the specific case history of Turkey with respect to a product patent regime and also will look at the patent regime in the now developed nations, to arrive at the conclusion that this kind of regime does not bring about innovation or increase in R&D.

Turkey had introduced a strict patent regime as far back as 1980 by passing decree law number 639. This patent regime not only granted product patents to pharmaceuticals but also provided for a 15-year term of protection, with provisions for granting patents to new use products. It also had a cumbersome compulsory licensing procedure.³⁶ The strong patent protection regime, however, failed to provide the desired results.

The Turkish pharmaceutical industry was mainly active in generic production with exports reaching \$101 million in 1982. In spite of having a highly technically educated labour force there was hardly any R&D in the pharmaceutical industry in Turkey. There were few funds for R&D and neither the Turkish government nor the pharmaceutical industry had developed to the extent that the industry could support innovation.³⁷ The absence of technologies and fields of expertise besides manufacturing technology and the low incentive for foreign companies to transfer knowledge did not improve the situation.³⁸ Thus, out of 173 generic pharmaceutical companies that existed in 1976, 157 companies were forced to close operations by 1981 resulting in a loss of employment. The companies that survived had to sink large amounts of funds into promotional strategies in order to compete with the multinationals.³⁹ Foreign companies like GlaxoWellcome, Merck and Novartis were the main entities that led to this downward slide. These foreign companies invested heavily in R&D outside Turkey and obtained patents for these products within Turkey. This strategy coupled with aggressive marketing policies by the foreign firms ensured that the Turkish companies didn't stand a chance.⁴⁰ Neither was technical employment increased as a result

³⁶ Arman Kirim, *Reconsidering Patents and Economic Development: A Case Study of the Turkish Pharmaceutical Industry*, WORLD DEVELOPMENT, No. 13 (February 1985).

³⁷ THE PHARMACEUTICAL INDUSTRY IN FIGURES (2002 EDITION): THE EUROPEAN FEDERATION OF PHARMACEUTICAL INDUSTRIES AND ASSOCIATIONS (EFPIA).

³⁸ *Ibid.*

³⁹ *Ibid.*

⁴⁰ *Ibid.*

of this strong patent regime, since most of the multinational companies did not invest in R&D within Turkey, due to its fragile infrastructure.⁴¹

Realizing their mistake, the Turkish government repealed its strong patent regime and installed a process patent system in 1985. Between 1985 and 2004, the Turkish pharmaceutical industry, now with about 16,800 employees, has seen strong growth with average of 14% growth annually and the value of pharmaceutical products reached \$2.8 billion in terms of producer prices.⁴²

However, Turkey had to also undergo the TRIPS obligations and thus did it this time by taking some precautionary measures. The new law provides for penalties for infringement of up to 3 years in prison, or \$32,000 in fines, or both, and closure of the business for up to one year. The Turkish legislature, however, has been more cautious this time round and made it easier for Turkish companies to produce generic drugs (by making it difficult and costly to file infringement suits) and by simplifying the procedure necessary to obtain compulsory licenses.⁴³

A. Evolution of Patent Regime in Industrialized Countries

Also, if we take a look at the evolution of the patent regime in the now developed countries, we see that a strong patent regime has actually been detrimental to the scientific advancement of many countries. India (or rather the British-India) adopted a strong patent regime as early as in 1911, which was in force till 1970. So, the weak patent regime in India is only about three decades old. This is rather small a duration to expect any technological progress to take place. In fact, many of today's developed and industrialized countries had weak patent protection for a much longer period, and some of them even had weak or no patent protection when India was under strong protection. For instance, Netherlands did not have a patent regime till 1912.⁴⁴ Germany introduced the system of patent in 1877, but continued to have only a very weak patent protection until as late as 1956, and shifted to a strong one only after developing indigenous technological competence in industries.⁴⁵ The case of Japan is well known to many. After developing the patent law along the US line in

⁴¹ *Ibid.*

⁴² *Ibid.*

⁴³ Turkey, available at http://www.ustr.gov/assets/document_library/Reports_Publications/2005/2005_NTE_Report/asset_upload_file512_7503.pdf (last visited January 7, 2007).

⁴⁴ Saradindu Bhaduri and Abhay Kumar, *TRIPS And Its Impact On Drug Prices And Health Care In India*, XXIX 6 PEOPLE'S DEMOCRACY (February 6, 2005) available at http://pd.cpm.org/2005/0206/02062005_trips.htm (last visited January 11, 2007).

⁴⁵ *Ibid.*

1885, Japan adopted the German model since 1905, by considerably weakening the definition of "inventiveness". This change was especially meant for protecting small inventions at a time when Japan's technology lagged behind that of many Western nations. This law supplements Japan's major patent law, Law No. 121, 1959. It reformed the patent regime only at the time of Uruguay round of GATT negotiation in 1995.⁴⁶

It should be noted that whether a patent regime is weak or strong depends on multiplicity of factors such as length of protection, breadth of protection (product or process or both, even within a product or process there can be narrower definition of newness allowing more inventing around and therefore considered as less protective), definition of inventiveness and various enforcement mechanisms.

There is no incentive to invest in R&D in a product patent regime, because inventors are not going to search for cost efficient processes once they establish a product patent regime or monopoly over the market. Thus, in that case, the consumer will have to pay a very high price for inefficient processes of novel drugs under TRIPS, which is ironically in sharp contrast with the stated objectives of the WTO to raise global cost efficiency and, thereby, consumer welfare.

V. AVAILABILITY AND ACCESSIBILITY OF ESSENTIAL MEDICINES: A MAJOR FALL OUT OF THE PRODUCT PATENT REGIME

A product patent regime aims to bring about innovative drugs for a country. However, India does not get them and even if they are produced, they are not accessible. Essential medicines according to the WHO is those that satisfy the health care needs of the majority of the population. For India, we see that medicines are required for disease such as malnourishment, HIV, tuberculosis, Hepatitis B and malaria.⁴⁷ Also countries like Africa need access to medicines to cure tuberculosis, malaria, diarrhea and kala azar.

According to the WHO, over one-third of the world's population does not have access to such medicines. Very negligible is spent on R&D by multinational firms of the US and Europe for such tropical diseases. Over the past 30 years, only 1% of the over 1,300 new drugs have been approved by regulatory agencies in the US and Europe.⁴⁸ There is more investment in non-essential drugs.

⁴⁶ *Ibid.*

⁴⁷ *Supra* n. 27.

⁴⁸ Barry L. Beyerstien, *Ethical Issues and Pharmaceutical Company Practise*, available at www.sfu.ca/~beyerste/research/Art.s/Tampa_Drug_Lecture.pdf (last visited January 11, 2007).

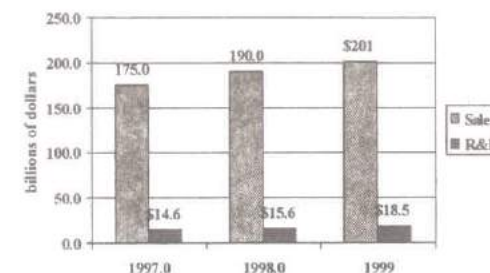
In a developed country there is a higher demand for non-essential drugs and life-style drugs. The demand for drugs which are considered essential in developing countries is not there in the developed countries. Even if the prices increase due to a strong patent regime, the developed countries are not affected and the demand does not decrease significantly and patent holders are in a position to reap profits from monopoly pricing. They have the resources, government cooperation and infrastructure to sustain such a strong patent regime. In the developing countries, people are starving for food and have to make a choice between food and medicine. Which means that in case of price increase (which is definite in a product patent regime), the demand for medicines will decrease, not because the people do not need it, but because access to such medicines is curbed, since the price is too high.

Due to such an imbalance in the market and unpredictability of market forces, the developed countries are skeptical about investing in R&D in developing countries. Developed countries realize that they require monopoly pricing, and they need demand for their produce. First of all, developed countries would not like to invest in essential drugs which are not profitable to their people and their country. Secondly, they will not invest in R&D in developing countries because of the varying demand in the market.

Furthermore, we find this extreme linkage between availability and accessibility of essential medicines in the developing world. There is no availability of medicines since the pharmaceutical companies who produce the drugs if at all, do not give patent rights over that drug to the developing countries and moreover, even if the drugs are made available, there is no accessibility, as the poor people cannot afford the drugs as exorbitant prices are charged.

VI. COSTS ARE ON MARKETING AND ADVERTISING, NOT ON R&D

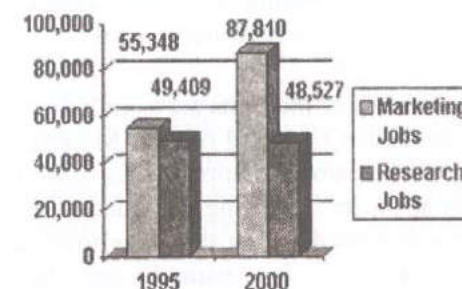
The reason for a product patent regime is that, patent holders require incentive and it is a reimbursement for their costs incurred on R&D. However, most of the costs incurred by the pharmaceutical companies is on marketing rather than on R&D.



The above graphs show clearly⁴⁹ that there have been more jobs in marketing rather than research oriented work that there have been more jobs in marketing rather than research oriented work.⁵⁰

Further data of the pharmaceuticals industry has shown that the expenses incurred on advertisement of new products have come to outstrip the costs incurred in the 'research and development' of the said product.

Taking a specific example, Merck in the year 2000 spent \$590 Million marketing Vioxx. Looking at their annual report for 2000 these



interesting facts are brought to light: They had total sales of \$40 Billion, of which Vioxx's category comprised \$2.3 Billion. They had total costs and expenses of \$30 Billion, of which \$6 Billion was marketing and administrative costs. R&D was only \$2.3 Billion. Despite such massive

⁴⁹ See, James Love, *Toward a New Trade Framework for Essential Health Care R&D*, available at <http://www.accessmed-msf.org/presentations/ndgpenang/jameslove.ppt> (last visited January 11, 2007).

⁵⁰ See, R&D, available at <http://www.amsa.org/hp/RandD.cfm> (last visited January 11, 2007).

expenses, their net income rose in double digits for both 1999 and 2000 to a whopping \$6.8 Billion dollars or 16% of sales.⁵¹

More than 90,000 drug representatives, 50% more than there were 4 years ago, now roam the halls of US hospitals providing the free lunch, symposia, samples, and marketing pamphlets.⁵² This method of marketing is extremely expensive, about \$150-\$200 dollars on average per visit for a 4 minute visit.⁵³

The top nine prescription drug companies spent a total of \$45.4 billion on marketing, advertising, and administration and only \$19.1 billion on R&D in 2002. The highest paid drug company executive made almost \$75 million, while the top five executives received more than \$183 million in compensation. These figures exclude unexercised stock options, which in all cases totaled more than \$45 million per CEO.⁵⁴

There are now 90,000 sales people in the industry whose role is to persuade doctors to recommend their medicines to patients, with Pfizer alone accounting for 11,000 of such personnel. \$12 billion of corporate expenditures, according to the Toronto Stat, now goes to maintaining and expanding this non-essential layer in the form of wages and salaries.⁵⁵

In 2001, the top nine US companies spent 11% of sales on R&D, compared to 27% on marketing and administration. Since 1995, the number of R&D jobs has remained static, while the number of marketing jobs has increased by 60%.⁵⁶

Thus, the argument that the costs are mainly incurred on R&D, is not acceptable from the above facts and figures. Monopoly pricing would not be required for pharmaceutical companies to make profits if such large amounts were not spent on marketing. A situation in which innovation in pharmaceuticals is increased and at the same time reasonable profits for pharmaceutical companies is ensured can be bought about if

⁵¹ "Pharmaceutical Marketing Costs", May 31, 2005, available at http://www.healthyconcerns.com/2005/05/pharmaceutical_.html (last visited January 11, 2007).

⁵² *Medical Marketing & Media Sales Makeover, 2002*. Available at http://imshealth.com/vgn/images/portal/cit_40000873 (last visited on January 11, 2007).

⁵³ CAPGEMINI, ERNST & YOUNG. BEYOND 2005: THE FUTURE OF PHARMACEUTICAL MARKETING AND SALES 27 (2002).

⁵⁴ Zina Cary, *New National Report Shows Drug Industry Spent Two Times More On Consumer Advertising Than New Drug Development in 2001*, (July 17, 2002), available at http://www.vpirg.org/news/press_releases/pr_20020717_price_ofpain.html (last visited on January 11, 2007).

⁵⁵ *Ibid.*

⁵⁶ *The Failure of Pharmaceutical R&D, High Drug Costs*, available at <http://www.planetd.org/2006/08/06/a-failure-of-pharmaceutical-rd-high-drug-costs/> (last visited on January 11, 2007).

pharmaceutical companies cut down on their marketing costs and divert such funds to R&D. A strong patent protection system is not necessarily required for this.

VII. CONCLUSION

In spite of the fact that a strong product patent regime does not help India in anyway, it must be realized that we have a TRIPS obligation that we cannot escape and must provide product patents to pharmaceuticals. The question now is, how to minimise the adverse impact product patents shall have on the generic drug industry. This can be done only by subverting the objective of the TRIPS agreement, that is, by fulfilling our minimum obligations under the agreement through legislation but making it very difficult in practice for multinational companies to take advantage of the product patent regime. Such a strategy may be carried on until our own pharmaceutical companies increase their R&D capacities to a level where they can compete with multinational companies in the field of pharmaceutical innovation.

Broadly speaking the scope of patentable substances must be reduced, new use provisions must be strictly enforced, the time for the patent controller to examine patents must be adequate and compulsory licensing must be changed in order to prevent the dominant and abusive use of patents.

It is hoped that India, like Turkey, shall, before it is too late, realize its mistake adopting a TRIPS plus regime and shall hopefully revise the Patent Act incorporating the flexibilities available in the TRIPS.⁵⁷ The government, universities, research institutions, charitable organisations and other non-governmental organisations should pool in the resources and funds to invest heavily in R&D, to improve the situation. Such

⁵⁷ TRIPS, provides flexibility in achieving developing countries' goals by allowing members to "adopt measures necessary to protect public health and to promote their socio-economic and technological development." Under the language of Art. 8.1 members can organize their IP rules, however, they choose as long as they conform to the standards set under the TRIPS Agreement. Simultaneously, Art. 8.2 allows a government to use appropriate measures to prevent a patent owner from improperly abusing their patent rights to "unreasonably restrain trade or adversely affect the international transfer of technology" within the marketplace. Such provisions allow a developing country member to format its IP scheme to best match the particular needs of its country. In some cases, a country's human rights needs arguably outweigh the importance of patent protection. TRIPS allows a government member of the WTO to intentionally override a patent and use protected technology through two provisions: a "public health license" and a "compulsory license". Art. 30 of TRIPS allows a government to grant public health licenses to the extent that such action "does not unreasonably conflict with a normal exploitation of the patent and does not unreasonably prejudice the legitimate interests of the patent owner."

measures shall help the domestic pharmaceutical industry to build up its R&D capacities to the point where it is a major player in the global market for new pharmaceutical substances. Only such a strategy and outlook can help increase innovation by the Indian Pharmaceutical Sector in the long run.

INTANGIBLE CULTURAL HERITAGE OF INDIA: LAW, PERSPECTIVE & CHALLENGES

Anand Shankar Jha*

I. INTRODUCTION

At the stroke of midnight India made its tryst with the destiny, but still after sixty years many things remain un-destined. Injustice, illiteracy and ignorance were the main colours on the Indian socio-political canvas at the time of independence and they still remain today. One of the various issues of vital interest for local and indigenous communities that remained unresolved was the protection of tangible cultural heritage. Though the annals of Indian legislative framework are replete with examples regarding protection for tangible cultural heritage¹ (such as historic monuments, archaeological sites, treasures and troves)², the threats to intangible cultural heritage (hereinafter referred to as 'ICH') were never concerned worth legal protection remain neglected to this date. This paper is an attempt to analyse the Indian response to the international legal debate surrounding the issues of legal recognition, protection and establishment of administrative machinery for ICH. This paper holds relevance in the light of threats to innumerable Indian ICHs, such as the *Ramlila*, *Kuttiyattam* and the tradition of Vedic chanting, to name a few.

The paper intends to evaluate the essential features of cultural heritage law of India and the challenges posed to it. Following the introduction in Part I, Part II of this paper deals with the Indian and international efforts to define intangible cultural heritage. Part III focuses on significance of cultural heritage in Indian context. Part IV develops analysis of challenges in various domains of intangible cultural heritage. It revolves around the impact of economic development and cultural interference of the West in India. It also enlists various endangered ICHs of India. Part V can serve as a ready-made armoury for legal gladiators to

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¹ *Union of India v. The Norton Simon Foundation*, No. CV 74-3581 RJK, Stipulation and Order (D.C. California, 1976) This is the case of the theft of the 'Natraja' Idol from India.

² See, THE INDIAN TREASURE TROVE ACT, 1878; THE ANCIENT MONUMENTS PRESERVATION ACT, 1904; THE ANCIENT AND HISTORICAL MONUMENTS AND ARCHAEOLOGICAL SITES AND REMAINS ACT, 1951; THE ANCIENT MONUMENTS AND ARCHAEOLOGICAL SITES AND REMAINS ACT, 1958; THE ANTIQUES AND ART TREASURES ACT, 1972; See also, George Nathaniel Curzon (ed), LORD CURZON IN INDIA: BEING A SELECTION FROM HIS SPEECHES AS VICEROY & GOVERNOR-GENERAL OF INDIA 194 (2002).

protect and preserve ICH under various Indian legislations. Part VI incorporates recommendations for a comprehensive legislation and various principle and policy modulations to fill in loopholes present in Indian law. The paper, however, is not intended to evaluate the IPR discourse on ICH.

II. INTANGIBLE CULTURAL HERITAGE: DEFINED

A. General Meaning of Intangible Cultural Heritage

The concept of "intangible cultural heritage" covers an infinite variety of manifestations of a living culture as opposed to the material products - movable or immovable - that have been the object of international protection in the past.³ As possible examples, one may think of typical forms of musical expression: literary and oral traditions; poetry, languages, theatre, dance and mime; religious traditions and rituals; crafts and skills; choreography and costumes; agricultural practices; indigenous medicinal practices linked with knowledge of plants; social methods of dispute settlement and other forms of traditional creativity that anthropologists generally catalogue as "folklife." So many forms of intangible cultural heritage have one feature in common; all of them provide elements to define the identity of a cultural community with its specific social and intellectual processes and distinct world view.⁴ This specificity characterizes the relevant cultural community in relation to the broader framework of the sovereign State - its speciality or uniqueness becomes an appealing symbol of community identity.⁵ India has thousands of such multi-featured intangible cultural properties,⁶ e.g. *Kuttiyattam* Sanskrit theatre from Kerala, the medicinal practice of *Ayurveda*, *Chamba Rumal*, i.e., the embroidery of Chamba, pottery making, the classical dances of Kathak and Bharatnattyam, among others.

³ Art.2, THE CONVENTION FOR THE SAFEGUARDING OF INTANGIBLE CULTURAL HERITAGE, October 17, 2003; Francesco Francioni, *Beyond State Sovereignty: The Protection of Cultural Heritage as a Shared Interest of Humanity*, 25 MICH J INT'L L 1209 at 1223.

⁴ Lyndel v. Prott and Patrick O'Keefe, *Cultural Heritage or Cultural Property*, 1 INT'L LJ CULTURAL PROP 307 at 312-19; Robert K. Paterson and Dennis S. Karjala, *Looking Beyond Intellectual Property in Resolving Protection of the Intangible Cultural Heritage of Indigenous People*, 11 CARDOZO J INT'L & COMP L 633.

⁵ See, K. Siehr, INTERNATIONAL ART TRADE AND THE LAW (from the RECUEIL DES COURS, 64-66, Vol. 243 (1993-VI); Lyndell V. Prott and P. O'Keefe, LAW AND THE CULTURAL HERITAGE: DISCOVERY & EXCAVATION 7 (1984).

⁶ INDIRA GANDHI NATIONAL CENTRE FOR ARTS and UNESCO JOINT GROUP STUDY ON VILLAGE INDIA, IDENTIFICATION AND ENHANCEMENT OF CULTURAL HERITAGE, QUINTESSENTIAL FEATURES OF INTANGIBLE CULTURAL HERITAGE OF INDIA, available at www.igna.org (last visited March 12, 2007).

B. International Efforts to Define Intangible Cultural Heritage

An early effort to define and popularize these living aspects of culture was the UNESCO Recommendation on the Safeguarding of Traditional Culture and Folklore of 1989.⁷ This created a debate about looking beyond the scope of protection under intellectual property rights. Later, the Guidelines on Living Human Treasures, 1994⁸ and the Proclamation of Masterpieces of Oral and Intangible Heritage defined a few aspects of intangible cultural heritage. The *Kuttiyattam* Sanskrit theatre from India was amongst the nineteen masterpieces proclaimed by UNESCO's 2001 conference.⁹

The most pioneering step in exhaustively defining cultural heritage took place in October, 2003 when the Convention for the Safeguarding of Intangible Cultural heritage was adopted unanimously by the UNESCO General Conference (hereinafter '2003 Convention').¹⁰ This convention defines intangible cultural heritage as follows:¹¹

The "intangible cultural heritage" means the practices, representations, expressions, knowledge, skills – as well as the instruments, objects, artefacts and cultural spaces associated therewith – that communities, groups and, in some cases, individuals recognize as part of their cultural heritage. This intangible cultural heritage, transmitted from generation to generation, is constantly recreated by communities and groups in response to their environment, their interaction with nature and their history, and provides them with a sense of identity and continuity, thus promoting respect for cultural diversity and human creativity.

Art. 2 (2) of the 2003 Convention defined the domains in which the Intangible Cultural Heritage is manifested as follows:

⁷ See, Recommendation on the Safeguarding of Traditional Culture and Folklore (Nov. 15, 1989), available at <http://www.unesco.org>; A Global Assessment of the 1989 Recommendation on the Safeguarding of Traditional Culture and Folklore: Local Empowerment and International Cooperation, available at <http://www.folklife.si.edu/resources/unesco> (last visited March 11, 2007).

⁸ *Guidelines on Living Human Treasures*, available at http://www.unesco.org/culture/heritage/intangible/treasures/html_eng/method.shtml.

⁹ *List of Masterpieces of the Oral and Intangible Heritage of Humanity*, available at http://www.portal.unesco.org/culture/en/ev.php-URL_ID=21274&URL_DO=DO_Topic&URL_Section=201.html.

¹⁰ THE CONVENTION, *supra* n. 3.

¹¹ *Id.* Art. 2.

- (a) Oral traditions and expressions, including language as a vehicle of the intangible cultural heritage.
- (b) Performing Arts
- (c) Social practices, rituals and festive events
- (d) Knowledge and Practices Concerning Nature and Universe
- (e) Traditional Craftsmanship

This remains the most acceptable definition of 'intangible cultural property' amongst jurists,¹² policy makers and researchers.

C. Indian Approach for Definition of Intangible Cultural Heritage

Presently, there is no definition of intangible cultural heritage in India. Irrespective of ratifying the 2003 Convention,¹³ the Indian legal system has still not specifically adopted any legislation for defining or protecting it. The Indian approach still lacks focus towards the cultural and aesthetic element of heritage and remains to commercially regulate through patchy network of intellectual property laws and common law doctrines.¹⁴

III. SIGNIFICANCE OF INTANGIBLE CULTURAL HERITAGE

It is important to understand the significance of intangible cultural heritage. This part can provide insights for understanding the need of a comprehensive legal regime. The reasons for its importance can be grouped into four categories; (1) association/symbolism;¹⁵ (2) information; (3) aesthetics; (5) values and (4) economics.¹⁶

A. Association/Symbolism

Associative value refers to the link that cultural heritage provides to the past.¹⁷ People feel connected to certain relics because they are driven by a need for historical continuity and social identity, which is why these perceived associations form the basis of group identity and any group's

¹² Sarah Harding, *Value, Obligation and Cultural Heritage*, 31 ARIZ ST LJ 291 at 300.

¹³ *Ratification to the Convention for the Safeguarding of the Intangible Cultural Heritage*, (Submitted on September 9, 2005), available at http://portal.unesco.org/la/conventions_by_country_p.asp?language=E&typeconv=1&contr=IN/ratification.htm (last visited on March 13, 2007).

¹⁴ Sayre C. Franklin, *Cultural Property Laws in India & Japan*, 33 UCLA L REV 851; P. Narayanan, *INTELLECTUAL PROPERTY LAW* 13 (2001).

¹⁵ This can be negatively referred as distinctiveness of culture.

¹⁶ See, Kanchana Wangkeo, *Monumental Challenge: The Lawfulness of Destroying the Cultural Heritage during Peacetime*, 28 YALE J INT'L L 183 at 189; William D. Lipe, *Value and Meaning in Cultural Resources* in Henry Cleere (ed), *APPROACHES TO THE ARCHAEOLOGICAL HERITAGE: A COMPARATIVE STUDY OF WORLD CULTURAL RESOURCE MANAGEMENT* 1 (1984).

¹⁷ William D. Lipe, *Id.* at 4.

common experience.¹⁸ This indeed depicts the distinctiveness of culture on the basis of its intangible features. For example, the *Madhubani* painting of Mithila, *Raisen* painting, and traditional boat making of Kerala are the part of a type of cultural heritage which associate themselves with some place or group.

B. Information

A second reason ICHs are significant is that they give us information about past civilizations and knowledge for future uses. Their observation and understanding serve as primary resource material for many disciplines, such as anthropology, sociology, philosophy, art, history, theology and ethnology.¹⁹ This is especially important for understanding oral societies because there is no record other than the material evidence of their daily existence and social dynamics.

C. Aesthetics

Aesthetic value speaks of the artistic qualities of cultural property which provide enjoyment to the viewer or listener.²⁰ Prof. Sarah Harding explains its significance as: "It is important to recognize that aesthetic experiences are ultimately shaped by the cultures in which we live and thrive; cultural heritage and aesthetic experience are intimately connected..."²¹

Jurists have considered this aesthetic element to be the most significant part of cultural heritage. For example, Indian classical music (*Shastriya Sangeet*) and the tradition of Vedic Chanting in India. The significance of this element in intangible cultural heritage has been ignored by both legislators and policy makers.

D. Values

Intangible cultural heritage also has significant an element of value system of a group or society attached to it. This means a set of moral and ethical rules to guide the higher-self-behaviour of the society or a group of people. The *Gurukul* system of ancient India is the best example of values in the relation between teacher and the student. It is also popularly known as *Guru-Shishya Parampara*. Similarly, the *Ramlila* i.e. the

¹⁸ Stephanie A. Dudoignon, *Culturally Correct*, UNESCO COURIER 40 (1998).

¹⁹ Lipe, *supra* n. 16 at 6.

²⁰ See, James W. Nickel, *Intrinsic Value and Cultural Preservation*, 31 ARIZ ST LJ 355 at 356-57 (1999); See also, Jeffrey Dean, Clive Bell and G.E. Moore, *The Good of Art*, 36 BRITISH J AESTHETICS 135 at 136-37 (1996).

²¹ Sarah Harding, *supra* n. 12 at 300, 330.

theatrical performance of Ramayana, has values attached to the life of the ideal man (*Shri Ramachandra*).²²

E. Economics

Finally, intangible cultural heritage can be economically valuable because of adaptive reuse for societal betterment, cultural tourism, and as a source of employment too. It may be advantageous if backed up by noble governmental initiatives, to ameliorate the problem of rural unemployment. India has great potential in the sector of knowledge and practices concerning nature and universe.²³ The Indian art of *Vaastu*, the South Indian tradition of *Naadi* astrology,²⁴ to name a few, have great demands in international arena. Indian medicinal practices and painting also have flourishing markets abroad.

IV. CHALLENGES TO THE PROTECTION OF INTANGIBLE CULTURAL HERITAGE IN INDIA

A number of problems have been identified in literature calling for more, better and different protection for intangible cultural heritage.²⁵ Conventionally, challenges were only identified in form of scientific, educational, political and monetary value of cultural heritage.²⁶ In contrast, the present challenges are towards protecting the secrecy, intrinsic value and dignity attached to them.²⁷ Broadly speaking, the challenges revolve around the issues of; (a) Economic Development (displacement/ migration/ urbanization);²⁸ (b) Misuse of intangible cultural heritage for commercial production;²⁹ (c) Misuse of symbol,

²² See, *India-Information Relating to Intangible Cultural Heritage, Representative List Proclamation 2005 – The Ramlila*, UNESCO, available at <http://www.unesco.org/culture/ich/index.php?cp=IN> (last visited March 13, 2007)

²³ Art. 2(2)(d), THE CONVENTION, *supra* n. 3; See also, <http://www.unesco.org/culture/ich/index.php?pg=00056> (last visited March 11, 2007).

²⁴ Kifle Jote, INTERNATIONAL LEGAL PROTECTION OF CULTURAL HERITAGE 115 (1994).

²⁵ See, Kanchana Wangkeo, *supra* n. 16 at 191.

²⁶ Judith Miller and Stephen Kinzer, *Massive Plundering of Early Christian Art Exposed*, N.Y. TIMES, (April 1, 1998); Rosemary J. Coombe, *The Properties of Culture and the Politics of Possessing Identity: Native Claims in the Cultural Appropriation Controversy*, 6 CAN JL & JURIS 249 at 271 (1993).

²⁷ See, Sarah Harding, *supra* n. 12 at 293; Theresa Simpson, *Claims of Indigenous Peoples to Cultural Property in Canada, Australia and New Zealand*, 18 HASTINGS INT'L & COMP L REV 195 at 220 (1994).

²⁸ Paterson Robert K. and Karjala Dennis S., *Looking beyond Intellectual Property in Resolving Protection of the Intangible Cultural Heritage of Indigenous People*, 11 CARDOZO J INT'L & COMP L 633 at 635.

²⁹ John Henry Merryman, *What Do Matisse, Van Gogh, and Hitler Have in Common?*, *Material Culture in Flux: Law and Policy of Repatriation of Cultural Property*, U.B.C.

names, knowledge, craft and rituals of indigenous communities; (d) Political reluctance.

These threats and challenges can be classified on the basis of domains of intangible cultural heritage as follows:

A. Challenges to the Expressions, Oral Traditions and Languages

Like other forms of ICH, oral traditions are threatened by such phenomena of modern life as rapid urbanization, large-scale migration, industrialization and environmental change. However, the omnipresent modern mass media – books, periodicals, radio, television and Internet – may affect transmissions of oral traditions in both positive and negative ways. The challenge consists especially in the expanded range of their influence (sometimes global, as with the Internet) and in its increased speed. Oral traditions and expressions often take place during leisure moments, and as those times are increasingly filled by other media channels and products, there are fewer opportunities for oral expressions. Epic poems that were once performed for days on end may be abbreviated to a few hours; courting songs that were once a prerequisite for marriage may be replaced by CDs or digital music files. Socioeconomic prosperity may be accompanied by the break-down of extended multi-generational families, and a television rather than a grandparent comes to serve as a babysitter for young children.³⁰

B. Challenges to the Knowledge and Practices Concerning Nature and the Universe

Although they constitute the very foundation of the identity of the cultural communities concerned, these knowledges and practices are particularly vulnerable in a globalising world where little place is left for traditional knowledge and the protection of the environment and belief systems, even if the ecological knowledge of traditional healers may sometimes attract the interest of scientists or of a global pharmaceutical industry.

Rapid urbanisation and extension of agricultural lands may directly affect natural environment of particular value to a given community, such as a sacred forest necessary for an initiation ritual, or a forest reserve that provides primary resources such as wood for woodcrafting. Desertification and extensive deforestation contribute to the decline of

L. REV. 273, 280 (Special Issue 1995)(discussing the removal of physical artifacts) as cited in *Id.* Paterson & Karjala.

³⁰ Intangible Heritage - Oral Traditions and Expressions including Language as a Vehicle of the Intangible Cultural Heritage, available at <http://www.unesco.org/culture/ich/index.php?pg=00053>, (last visited March 12, 2007).

biodiversity and to the gradual disappearance of certain species, thus diminishing the traditional pharmacopeia or threatening traditional crafts, for example, making ritual costumes from plant fibres.³¹

C. Challenges to Performing Arts in India – A Case of Shrinking Importance

Many performing arts of India like Puppetry (Rajasthan), *Kuttiyattam* theatre (Kerala) and *Kalbeliya* (a traditional folk dance of Rajasthan) today are facing multiple threats. As cultural practices are standardized, the practices of precious arts are abandoned, while at the same time increased popularity may benefit only certain expressions, jeopardizing their integrity or irreversibly disrupting the very essence of the tradition. Various Indian folk songs have been distorted and misused by the World-Music play station.

Many traditions of music, dance, and theatre figure into cultural promotion as tourist attractions, included selectively in the itineraries of tour operators. Although this may bring revenues to a country or community and offer a window into its culture, it is not uncommon that such processes create new forms of presenting the performing arts that are abbreviated, losing certain elements important to the tradition, and may turn a traditional form into mere entertainment.³²

In other cases, seemingly unrelated phenomena can profoundly affect the viability of a tradition. Thus, environmental degradation such as deforestation can deprive a musical tradition of the wood needed to make traditional instruments. Further, it has often been noted that many musical traditions that once had musical scales diverging from western music have been adapted to music notation and formal education. Such processes of musical homogenization often result in the loss of knowledge linked to the tonal subtleties of a given music or dance, or needed for making instruments, as for example a string instrument when the introduction of frets fundamentally changes the instrument.

D. Challenges for Traditional Craftsmanship in India

In the world of consumerism, where industrial efficiency is often valued more than traditional know-how, the skills and knowledge of

³¹ Knowledge Concerning Nature and Universe as part of Intangible Cultural Heritage, available at <http://www.unesco.org/> (last visited March 12, 2007).

³² Intangible Heritage- Traditions Arts, available at <http://www.unesco.org/culture/ich/index.php?pg=00053>, (last visited March 12, 2007)

traditional artisans face many challenges.³³ Mass production and global competition come as major hindrance to traditional craftsmen. Many craft skills are dependent on particular natural resources that may be increasingly difficult to acquire as climatic and environmental changes or conversion of land to agricultural purposes reduces forest reserves. As social conditions or cultural tastes change, festivals or celebrations that once required elaborate craft production may become simpler or sparser.

Migration of rural craftsmen is also hindering the preservation of such culture. Moreover, many craft traditions involve 'trade secrets' that should not be taught to outsiders, and if family members or community members are not interested in learning it, such knowledge may disappear because sharing it with strangers violates the tradition. Such endangered Indian traditional craftsmanship practices are boat-making of Kerala, fishing net-making of coastal India, *Lakhwar's* (toy and bangle making).

V. PROTECTION OF INTANGIBLE CULTURAL HERITAGE – ANALYSING INDIAN LEGAL REGIME

The notion of a state as the guardian of its people's cultural heritage has evolved from the mere association of objects, socio-cultural practices and daily activities with a particular nation's culture.³⁴ This has even found recognition in an international framework that authorizes states to protect and preserve cultural objects.³⁵ In the Indian context, this principle of 'trusteeship of cultural property' with the nation state can be analogically drawn from the doctrine of public trust.³⁶ In the case of *M.C. Mehta v. Kamal Nath*,³⁷ Professor Joseph Sax's doctrine of public trust has been inducted as a part of law of the land. The Court held that the state, as a trustee of all natural resources, was under a legal duty to protect them, and that the resources were meant for public use and could not be transferred to private ownership.³⁸

Irrespective of sweeping liability of state to protect cultural heritage, India is a burning example of legal ignorance of administrative inactivity

³³ See, Sayre C. Franklin, *Cultural Property Laws in India & Japan*, 33 UCLA L REV 851; Sarah La Voi, *Cultural Heritage Tug of War: Balancing Preservation Interests and Commercial Rights*, 53 DEPAUL L REV 875.

³⁴ See, Cathryn A. Berryman, *Toward More Universal Protection of Intangible Cultural Property*, 1 J INTEL PROP L 293.

³⁵ Halina Niec, *Legislative Models of Protection of Cultural Property*, 27 HASTINGS LJ 1089 at 1089 (1976); see, Lyndel Prott and P.J. O'Keefe, *supra* n. 5 at 31-71.

³⁶ See, Rosencranz Armin *et al* (ed), ENVIRONMENTAL LAW AND POLICY IN INDIA 22 (1991); See also, P. Leelakrishnan, ENVIRONMENTAL LAW: ANNUAL SURVEY OF INDIAN LAW, 252-257 (2000).

³⁷ (1997) 1 SCC 388.

³⁸ *Ibid.*

in protection of intangible cultural heritage. In this section, my burden of proof is to draw a clear picture of patchy legislative framework for protection of intangible cultural heritage in India.

A. The Indian Constitution

The Indian Constitution is the supreme manifestation of the rule of law in its territory. Part IV of our Constitution enshrines the Directive Principles of State Policy. These principles are fundamental in governance of the country, and impose a duty on the State to legislate for the same.³⁹

Article 49 of the Indian Constitution imposes a duty on the State to protect a monument or place or objects of artistic and historic interest to be of national importance.⁴⁰ Article 51A (f) of the Constitution of India obligates every citizen of India to value their heritage of composite culture. Our Constitution also acknowledges the fundamental right of minorities to protect their distinct language, script and culture.⁴¹

B. Protection of Intangible Cultural Heritage under Intellectual Property Law of India

Tangible form of cultural property has been protected under various legislations in India.⁴² Nevertheless, there is no comprehensive law or policy to protect the intangible cultural property of the country. Intellectual property law remains to be the only field which provides protection to intangible cultural heritage in a limited sense.⁴³

Copyright Law

The Indian copyright system is based on the protection of incorporeal property.⁴⁴ Although, economic and property considerations dominate the legal structure of copyright, yet the cultural development of the state primarily motivates protection of intellectual creations.⁴⁵ The Copyright

³⁹ Art. 37, CONSTITUTION OF INDIA, 1950.

⁴⁰ Art. 49, *Ibid.* The article reads as: *Protection of monuments and places and objects of national importance.*—It shall be the obligation of the State to protect every monument or place or object of artistic or historic interest, declared by or under law made by Parliament to be of national importance, from spoliation, disfigurement, destruction, removal, disposal or export, as the case may be.

⁴¹ Art. 29(1), CONSTITUTION OF INDIA, 1950.

⁴² *Supra* n. 2

⁴³ Literature Review, *Looking beyond IP in Resolving Protection of Intangible Cultural Heritage of Indigenous Peoples*, (2005) 3 JIPR 242.

⁴⁴ P. Narayanan, COPYRIGHT AND INDUSTRIAL DESIGNS 65 (2002); Sam Stewart, INTERNATIONAL COPYRIGHT AND NEIGHBOURING RIGHTS 4 (1983).

⁴⁵ See, *Estate of Hemingway v. Random House*, 244 N.E.2d 250 (1968) (stating the underlying rationale for common-law copyright).

Act, 1957 recognises and protects intangible aspects of cultural heritage under following provisions:

- (a) Dramatic Work⁴⁶ – Section 2(h), [The] Copyright Act, 1957
- (b) Musical Work⁴⁷ – Section 2(p), [The] Copyright Act, 1957
- (c) Performance - Section 2(q), [The] Copyright Act, 1957
- (d) Artistic Work⁴⁸ (*including painting, sculpture, engraving, any work of architecture and artistic craftsmanship*⁴⁹) - Section 2(c), [The] Copyright Act, 1957

In this way copyright acts as a protector of intangible cultural creations. By vesting exclusive rights in the work's creator and providing him with an injunctive remedy for breach, copyright acts to immunize the creation from distortion, inaccuracy and misattribution of cultural expression.

Patent Law

We need not dwell on patent law's inapplicability for the protection of artistic designs, symbols, literature, or music, patent law simply does not apply because these types of works are not technological and are therefore not patent subject matter.⁵⁰ The potential relevance of patent law to traditional knowledge of herbal or other medicines, which can result in processes or medicines for treating human disease or other physical ailments, can act as another tool for protection of intangible cultural heritage of India. This can help us to protect the medicinal values of animal or plant product.⁵¹

Moral Rights

Although moral rights are statutorily categorized within copyright, their basis is not one of property. Instead, moral rights subsist independently as protectors of the creator's personality reflected in the work.⁵² Unlike economic rights, moral rights are inalienable (non-

⁴⁶ S. 13(1) (a), COPYRIGHT ACT, 1957.

⁴⁷ *Ibid.*

⁴⁸ *Ibid.*

⁴⁹ S. 13(5), COPYRIGHT ACT, 1957.

⁵⁰ S. 3, PATENTS ACT, 1970.

⁵¹ P. Narayanan, INTELLECTUAL PROPERTY LAW 19 (2001); See, PATENTS (AMENDMENT) ACT, 1999.

⁵² See, Cathryn A. Berryman, *Toward More Universal Protection of Intangible Cultural Property*, 1 J INTELL PROP L 293.

transferable) and, in some instances, even perpetual.⁵³ Moral rights basically consist of the rights of publication, paternity, and integrity. India, unlike many common law jurisdictions, has no specific legislation to ensure moral rights or actions for the same.

C. Common Law Action: Protection of Intangible Cultural Heritage, Remedy under Law of Torts or Contract

Community, groups or individuals having knowledge, skill or know-how about ICH can rectify damage to their reputations or the reputation of their works through the general principles of contracts or torts.⁵⁴ Such remedies include causes of action for libel, defamation, invasion of privacy, intentional injury to business relations, intentional infliction of emotional distress, tortious misappropriation and breach of contract.⁵⁵

Protection under Unfair Competition Laws

Indian unfair competition laws (e.g. Competition Act, 2002; Consumer Protection Act, 1986) shelter the consumers from the mislabelling or misrepresentation of products on the market.⁵⁶ Courts have recognized violations of unfair competition laws when an author's work has been altered, rearranged, or misappropriated.

International Obligations of India for Protection of Intangible Cultural Heritage

Irrespective of its domestic situation India has been lead-taker in the international movement for protection of cultural heritage.⁵⁷ India is party to almost all major conventions on protection of intangible cultural heritage.⁵⁸ India owes international commitment to acknowledge, legislate and protect ICH in lines of following instruments:

⁵³ Sam Ricketson, *THE BERNE CONVENTION FOR THE PROTECTION OF LITERARY AND ARTISTIC WORKS*, (World Law 1987), 1886-1986; WIPO GUIDE TO THE BERNE CONVENTION (1978) [hereinafter WIPO Guide].

⁵⁴ Cheshire & Fifoot, *LAW OF CONTRACT*, 526 (2001); Ramaswamy Aiyer, *LAW OF TORTS AND CONSUMER PROTECTION*, 126 (2005).

⁵⁵ Avtar Singh, *LAW OF CONTRACT AND SPECIFIC RELIEF*, 26 (2001) at 26.

⁵⁶ Ramaswamy Aiyer, *LAW OF TORTS AND CONSUMER PROTECTION*, 821 (2005).

⁵⁷ United Nations Social Defense Research Institute (UNSDRI), *THE PROTECTION OF THE ARTISTIC AND ARCHAEOLOGICAL HERITAGE: A VIEW FROM ITALY AND INDIA*, 221-22 (United Nations Publication, 1976).

⁵⁸ *Ratification to the Convention for the Safeguarding of the Intangible Cultural Heritage*, (Submitted on September 9, 2005), available at http://portal.unesco.org/la/conventions_by_country_p.asp?language=E&typeconv=1&contr=IN/ratification.htm (last visited March 13, 2007).

International Instruments regarding ICH Ratified by India (Convention/Declaration/Protocol)	Status
1. Convention for the Safeguarding of the Intangible Cultural Heritage. [Paris, 17 October 2003]	Ratified
2. Convention on the Protection and Promotion of the Diversity of Cultural Expressions. [Paris, 20 October 2005]	Ratified
3. Convention concerning the Protection of the World Cultural and Natural Heritage. [Paris, 16 November 1972]	Ratified
4. Protocol to amend the Convention on Wetlands of International Importance especially of Waterfowl Habitat. [Paris, 3 December 1982].	Accession

VI. SAFEGUARDING INTANGIBLE CULTURAL HERITAGE: NEED FOR A FRESH LOOK

Even after 25 years of ratifying the Convention concerning the Protection of the World Cultural and Natural Heritage (1972) the intangible cultural heritage of India stands naked for commercial and unauthorized exploitation. Our initiatives of last three decades are restricted to the protection of tangible cultural heritage as historic monuments, archeological sites, treasures and troves.⁵⁹ It needs an altogether fresh look to define, protect and employ sufficient administrative machinery to come at par with international standards of legal protection for ICH.

A. Recommendations: Enhancing the Ambit of Intellectual Property Law Protection

Traditional Knowledge forms an inalienable part of lifestyle and culture of indigenous communities of India. It includes the knowledge, innovations and practices of indigenous and local communities.⁶⁰ India needs a comprehensive legislation for protection of traditional

⁵⁹ *Supra* n. 2

⁶⁰ *Traditional Knowledge and the Convention on Biological Diversity* (UNEP/CBD/TKBD /1/2) available at <http://www.biodiv.org/programmes/socio-eco/traditional> (last visited March 9, 2007); Jennifer Amiot, *Investigating the Convention on Biological Diversity's Protections for Traditional Knowledge*, 11 MO. ENVTL L & POL'Y REV 3 at 7.

knowledge.⁶¹ These points must be observed by India to ensure robust protection of knowledge about nature and universe and traditional craftsmanship.⁶²

- Implementation of Article 8 (j) of Convention of Biological Diversity. "respect, preserve and maintain knowledge, innovations and practices of indigenous and local communities embodying traditional lifestyles relevant for the conservation and sustainable use of biological diversity."⁶³
- Participatory Mechanism for local and indigenous people. Active participation in decision making, policy planning and development.
- Capacity building and legal recognition of traditional knowledge.
- Introduction of practices like social impact assessment and cultural impact assessment for conservation and sustainable use of ICH.

Looking beyond the scope of Intellectual Property Law

Jurists and policy makers unanimously agree to the shortcomings of patchy legal protection under intellectual property law.⁶⁴ For example, the inability of copyright to deal with problems of cultural heritage protection to a supposed copyright focus on the individual author as against group identity.⁶⁵ Moreover, treating intangible cultural property under the intellectual property regimes of patent and copyright would raise practical problems as well. The absence of specified authors or inventors raises the question of who should have powers of enforcement.⁶⁶ It is time to focus on following lines:

⁶¹ Ashish Kothari, *Beyond the Biodiversity Convention: A View from India*, in Vincente Sánchez & Calestons Juma (ed), *BIODIPLOMACY: GENETIC RESOURCES AND INTERNATIONAL RELATIONS* 67 (1994).

⁶² CONVENTION ON BIOLOGICAL DIVERSITY, 31 I.L.M. 818 (June 5, 1992), in force in December 1993, available at www.biodiv.org/convention/articles.asp (last visited February 10, 2007) (hereinafter, CBD).

⁶³ Art. 8(j), CBD.

⁶⁴ Srividhya Ragavan, *Protection of Traditional Knowledge*, 2 MINN INTELL PROP REV 1 at 35, 45-46 (2001).

⁶⁵ Srividhya Ragavan, *Protection of Traditional Knowledge*, 2 MINN. INTELL. PROP. REV. 1, 35, 45-46 (2001).

⁶⁶ Susan Scafidi, *Intellectual Property and Cultural Products*, 81 BUL REV 793 at 828-30 (2001) (discussing the unauthorised filming of a ceremonial dance from an airplane).

⁶⁷ Art. 15(4), BERNE CONVENTION; See, Robert K. Paterson and Dennis S. Karjala, *supra* no. 4 at 649.

- Protection of intangible cultural heritage law under privacy and trade secret law.
- Recognising rights of indigenous and local communities in lines of Philippines Aboriginal Rights Act 1997.
- Indigenous peoples' claims should be accepted and encouraged under traditional concepts of contract, torts, consumer laws and trade secrets law.
- Public domain legislation for ICH should be introduced to strike a balance between freedom of use and preservation of integrity.⁶⁷ The idea of public domain protection has been pursued by UNESCO as part of its cultural agenda, and draft legislation has been proposed for both national and international adoption.⁶⁸
- Introduction of the "Domaine Public Payant" principle can prove helpful for the economic upliftment of intangible cultural heritage holders. Domaine Public Payant is a legislative scheme (in lines of legal framework of France, Hungary, Argentina, Italy, Brazil and Germany)⁶⁹ that imposes a fee for the use⁷⁰ or economic exploitation of works in the public domain.

Nature, Scope and Functions of Proposed Legislation for India

A comprehensive legal framework in India for protection of intangible cultural heritage should be enacted on the lines of the Convention for the Safeguarding of the Intangible Cultural Heritage, 2003 (The 2003 Convention). These points must be focused on:

- Clear definition of 'intangible cultural heritage'. All the domains protected should be exhaustively declared.
- Relationship of other related laws (IP Law, Torts, etc.) should be defined.

⁶⁷ See, *Study of Comparative Copyright Law: Protection of Works in the Public Domain*, 15 COPYRIGHT BULL., 30 (1981).

⁶⁸ See, *International Instrument for the Safeguarding of Works in the Public Domain*, U.N. Doc. CC/MD/5 (1988) (undertaking international legislation on public domain protection). UNESCO's draft proposal and its merits are covered later in this article; Article 6(b), Berne Convention.

⁶⁹ See, for example, Albanian, Italian, Mexican, German and Hungarian laws on *Domaine Public Payant*, reprinted in U.N. Doc. UNESCO/WIPO/DPP/CE/I/2.

⁷⁰ Melville B. Nimmer & Paul E. Geller ed., *INTERNATIONAL COPYRIGHT LAW AND PRACTICE*, 323 (1990); See also, U.N. Doc. UNESCO/WIPO/DPP/CE/I/2.

- Implementation mechanism should be set up with expertise in the area of folklore, anthropology, law, cultural relations, administration etc.
- India must establish inventories of intangible cultural heritage in its territory.⁷¹
- Education, awareness raising and capacity building for enhancement, recognition and respect for ICH.
- List of Intangible Cultural Heritage in Need of Urgent Safeguarding.
- Intangible Cultural Heritage Fund under the supervision of ministry of culture.

⁷¹ On the lines of Art. 12(1), Supra n. 10, the 2003 Convention.

DELHI STUDENT LAW REVIEW

GUIDELINES FOR SUBMISSION OF MANUSCRIPTS

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3. Biographical details of the author/s should be starred (*) and precede the footnote. Details should include the author's academic qualifications, the course and the class presently being pursued.
4. Footnotes should be in conformity with *The Bluebook: A Uniform System of Citation*.
5. An abstract between 150 and 200 words should be included with the submission. The length of the article, including footnotes should not exceed 7,000 words.