

The International Property Right Index: Where Does Jordan Stand? & What Should be Done?

One challenge that faces any society is how to develop a strong system of private property rights that facilitates economic growth and development. Indeed an investment projects generates future income, this flow needs protection. Property rights encourages investment. With property rights, private sector entities are able to use their property as collateral and hence, raise sufficient resources to invest and grow. Finally, one can argue that good property rights system promotes entrepreneurial society and ecosystem.

Within the context of the economic benefits of private property rights, it is useful to note that “Property Rights Alliance”, an organization based in Washington, D.C., launched its 2019 International Property Rights Index (IPRI) on 16 October 2019.

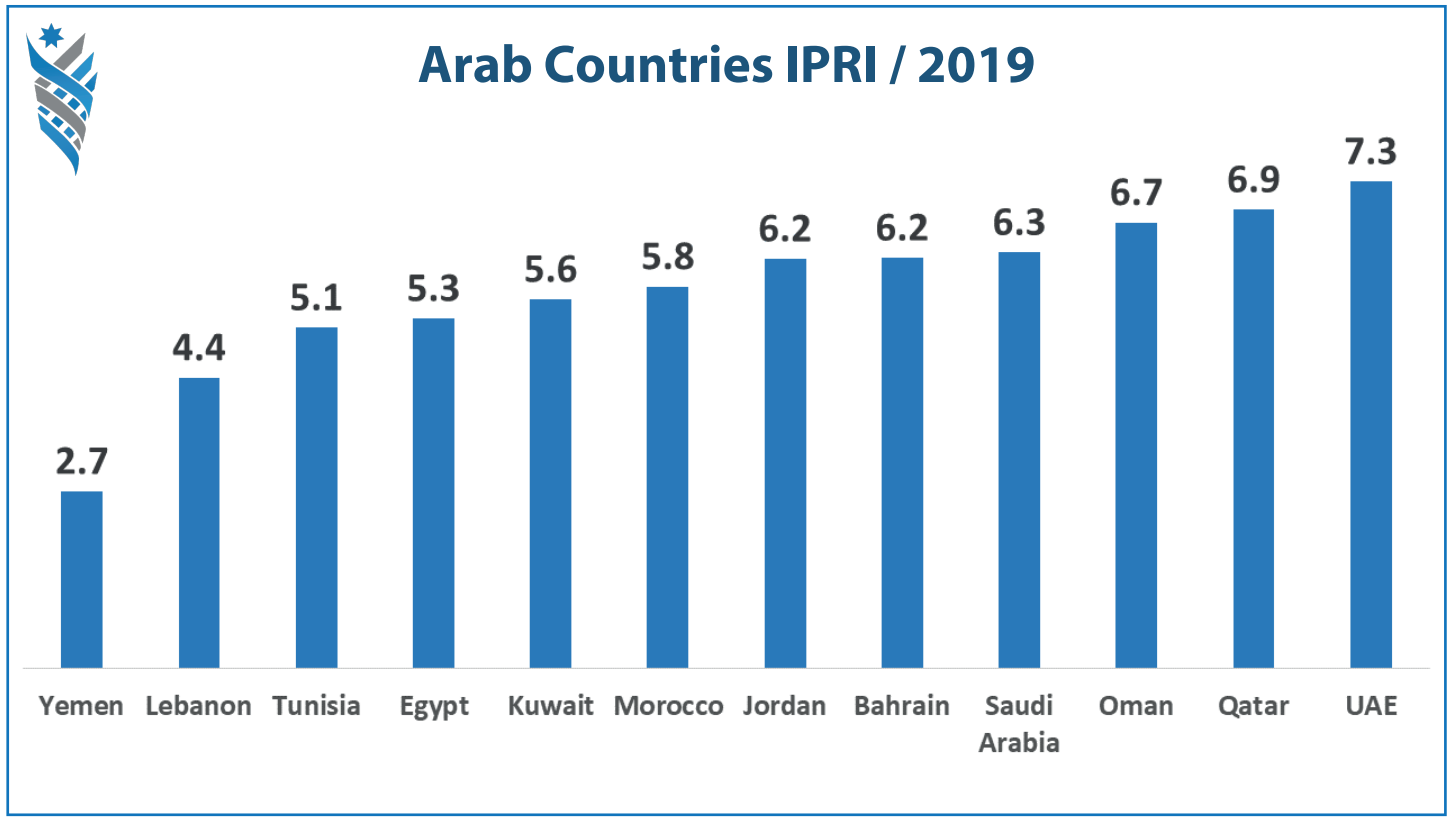
The IPRI is an index that measures the status of property rights globally. The scope of the IPRI covers “%93.83 of world population and %97.72 of the world GDP”. The index scores and ranks 129 economies across the globe. The IPRI score (composed of three components) indicates the strength of any property rights regime.

Legal & Political Environment: This component involves Judicial Independence, Rule of Law, Political Stability, and Control of Corruption.

Physical Property Rights: This component involves Protection of Physical Property Rights, Registering Property, and Ease of Access to Loans.

Intellectual Property Rights: This component involves Protection of Intellectual Property Rights, Patent Protection, and Copyright Piracy.

The top three economies in their scores are Finland (8.7), Switzerland (8.6), and New Zealand (8.5). With a score of 7.3, the UAE ranks 22nd globally, and 1st among the Arab economies. With a score of 6.2, Jordan ranks 45th globally, and 6th. among Arab economies.



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to improve its standing on the IPRI, and realize the Index’s benefits, Jordanian stakeholders should re-examine where the economy’s performance is particularly weak and recommend remedial measures. These include Protection of Intellectual Property Rights, Copyright Piracy, Patent Protection.