

RESULTS

The final results of the IPRI are presented here. After a short overview of data and outcomes, the complete 2008 IPRI scores and rankings are presented according to various criteria. In addition, the results for individual countries are highlighted. Finally, the relationship between scores on the index and countries economic well-being is presented.

Data and Outcome Characteristics

The IPRI's 2008 outcomes are mainly based on data obtained from opinion surveys within the countries rated. Generally, experts in their respective field participated in these surveys and the resulting rating, in the form of a numeric factor, is based on their judgment. Thus, it must be emphasized that, based on these sources, the country ranked worst or best in the IPRI is not necessarily the one with the weakest property rights per se, but rather the one perceived to be the worst or best. Nevertheless, the authors view the expert surveys to be a good and reliable source of judgment related to a country's de facto characteristics, rather than some measure of what laws and practices may exist in statute only. Therefore, we hope that – with the help of partner institutions around the world – we will be able to obtain greater data in the future based on opinion surveys suited to our specific needs.

There are a few variables based on "hard data." For example, the numbers of procedures to register property, or estimations of the level of piracy, were included. However, for the future development of the Index we plan to obtain more data based on this kind of solid information. For example, it would be valuable to include some measure of the strength of constitutional anchors of private property protection, or the extent of land expropriation and judicial attitudes toward compensation. Also, each year's De Soto fellow will concentrate on seeking and including the most up-to-date sources. The 2008 IPRI is quite nearly a one year update of the 2007 report, with some exceptions where updated data or suitable substitutions were unavailable.

In analyzing the final outcome of the scoring process, the reader is presented with two related but ultimately different measures of property rights protection throughout the sample: ordinal and cardinal. The scores are presented in such a way that the reader can easily compare countries according to how they rank relative to each other, as well as how well they score compared to each other (and relative to the 0-10 scale). The authors hope that while the relative ranking proves useful, it is the score itself which provides the most useful measure of how well a country protects property rights.

EXHIBIT 2: By IPRI Ranking

Rank	Country	IPRI	LP	PPR	IPR	Rank	Country	IPRI	LP	PPR	IPR
1	Finland	8.6	8.9	8.5	8.5	59	Sri Lanka	5.1	4.3	6.0	5.1
2	Norway	8.3	8.5	8.7	7.8		Mali	5.1	5.0	5.3	4.9
	Denmark	8.3	8.4	8.5	8.1		Burkina Faso	5.1	4.8	5.1	5.3
	Netherlands	8.3	8.2	8.6	8.0	62	Mauritania	5.0	4.8	5.1	5.2
	Germany	8.3	8.3	8.1	8.4		El Salvador	5.0	4.4	6.2	4.4
6	Switzerland	8.2	8.6	8.1	8.0		Romania	5.0	4.6	5.4	5.0
	New Zealand	8.2	8.7	8.1	7.9		China	5.0	5.1	5.5	4.4
	United Kingdom	8.2	7.7	8.7	8.2		Brazil	5.0	4.5	5.4	5.1
	Sweden	8.2	8.3	8.6	7.6		Bahrain	5.0	4.7	5.7	4.6
10	Iceland	8.1	8.8	8.8	6.7		Mexico	5.0	4.1	5.8	5.1
11	Australia	8.0	8.1	8.1	7.9		Philippines	5.0	4.2	5.7	5.0
	Luxembourg	8.0	8.1	7.8	8.1	70	Croatia	4.9	5.5	4.8	4.5
13	Austria	7.9	8.0	7.8	7.9		Bulgaria	4.9	4.3	5.5	4.9
	Singapore	7.9	8.0	8.2	7.5		Indonesia	4.9	3.7	6.8	4.2
	Ireland	7.9	7.8	8.2	7.6	73	Malawi	4.8	5.4	5.4	3.6
16	Japan	7.7	7.5	7.5	8.2		Tanzania	4.8	5.0	4.8	4.5
	Hong Kong	7.7	7.9	7.9	7.2		Egypt	4.8	4.6	5.3	4.4
	Canada	7.7	7.8	7.4	7.8	76	Vietnam	4.7	5.3	5.7	3.2
19	United States	7.5	6.6	8.0	7.9	77	Benin	4.6	4.3	4.9	4.7
20	Belgium	7.4	7.1	7.1	7.9		Dominican Republic	4.6	4.4	5.3	4.1
21	France	7.1	6.8	6.5	8.1	79	Algeria	4.5	4.8	4.8	3.9
22	Portugal	7.0	6.7	7.3	7.1		Madagascar	4.5	4.6	4.6	4.2
23	United Arab Emirates	6.9	6.6	7.7	6.4	81	Guatemala	4.4	3.4	5.8	4.0
	South Africa	6.9	6.6	7.1	7.0		Argentina	4.4	3.6	4.7	4.8
25	Spain	6.7	6.4	7.3	6.4	83	Ukraine	4.3	3.9	4.8	4.3
	Chile	6.7	6.7	7.2	6.1		Kenya	4.3	3.5	5.5	3.9
27	Estonia	6.6	6.9	7.4	5.4	85	Mozambique	4.2	4.1	4.8	3.8
28	Malta	6.5	7.3	6.3	5.9		Uganda	4.2	4.3	4.1	4.2
29	Israel	6.5	6.0	7.2	6.3		Kazakhstan	4.2	4.2	5.6	2.7
	Taiwan	6.5	5.7	7.3	6.4	88	Cameroon	4.1	3.6	5.0	3.8
31	Qatar	6.4	7.0	7.0	5.3		Peru	4.1	2.9	5.7	3.7
	Cyprus	6.4	6.5	6.7	6.0		Honduras	4.1	4.0	4.4	3.9
	Slovakia	6.4	5.6	7.2	6.3		Zambia	4.1	4.5	5.0	2.7
	Malaysia	6.4	6.2	7.1	5.8	92	Russia	4.0	3.2	4.9	3.9
35	Hungary	6.3	5.7	6.9	6.2	93	Nepal	3.9	3.0	5.5	3.3
36	Korea (South)	6.2	5.7	6.2	6.7		Ecuador	3.9	2.9	4.9	4.0
	India	6.2	5.9	7.4	5.2		Pakistan	3.9	3.0	5.8	2.8
38	Greece	6.1	6.4	6.3	5.7	96	Ethiopia	3.8	3.8	4.3	3.4
39	Mauritius	6.0	6.4	6.6	4.9		Macedonia	3.8	3.7	4.9	2.8
40	Botswana	5.9	7.0	6.5	4.3		Bosnia-Herzegovina	3.8	4.4	4.1	2.8
	Tunisia	5.9	5.9	6.9	4.9		Armenia	3.8	3.9	5.6	1.8
	Slovenia	5.9	6.6	5.6	5.5	100	Nicaragua	3.7	3.1	4.4	3.6
	Italy	5.9	5.1	6.1	6.5		Montenegro	3.7	3.9	5.2	2.0
	Costa Rica	5.9	6.6	6.1	4.9		Bolivia	3.7	3.2	4.4	3.4
45	Jordan	5.7	5.4	6.3	5.4	103	Guyana	3.6	3.5	5.0	2.4
	Lithuania	5.7	5.2	6.9	4.9		Serbia	3.6	3.5	5.2	2.2
	Kuwait	5.7	6.3	6.9	3.8		Albania	3.6	4.0	4.8	2.0
	Czech Republic	5.7	5.4	5.8	5.8		Azerbaijan	3.6	3.8	5.1	1.9
49	Uruguay	5.6	6.4	5.6	4.9	107	Nigeria	3.5	2.4	4.4	3.8
	Thailand	5.6	5.1	7.0	4.6		Burundi	3.5	3.2	4.3	3.0
51	Jamaica	5.5	5.3	5.8	5.5	109	Paraguay	3.4	2.6	4.7	2.9
	Turkey	5.5	5.3	6.0	5.1		Moldova	3.4	3.3	5.0	1.9
53	Morocco	5.4	5.2	6.0	5.0		Angola	3.4	3.6	4.0	2.5
54	Trinidad and Tobago	5.3	4.9	5.4	5.7	112	Venezuela	3.3	1.9	4.6	3.4
	Panama	5.3	4.2	6.9	4.9		Chad	3.3	1.8	4.2	3.8
	Latvia	5.3	5.5	6.3	4.2	114	Zimbabwe	3.1	2.0	4.3	3.1
	Poland	5.3	5.1	5.1	5.7	115	Bangladesh	2.9	2.1	3.7	2.9
58	Colombia	5.2	4.2	6.0	5.5						

EXHIBIT 3: By Country

Country	IPRI	LP	PPR	IPR	Country	IPRI	LP	PPR	IPR
Albania	3.6	4.0	4.8	2.0	Latvia	5.3	5.5	6.3	4.2
Algeria	4.5	4.8	4.8	3.9	Lithuania	5.7	5.2	6.9	4.9
Angola	3.4	3.6	4.0	2.5	Luxembourg	8.0	8.1	7.8	8.1
Argentina	4.4	3.6	4.7	4.8	Macedonia	3.8	3.7	4.9	2.8
Armenia	3.8	3.9	5.6	1.8	Madagascar	4.5	4.6	4.6	4.2
Australia	8.0	8.1	8.1	7.9	Malawi	4.8	5.4	5.4	3.6
Austria	7.9	8.0	7.8	7.9	Malaysia	6.4	6.2	7.1	5.8
Azerbaijan	3.6	3.8	5.1	1.9	Mali	5.1	5.0	5.3	4.9
Bahrain	5.0	4.7	5.7	4.6	Malta	6.5	7.3	6.3	5.9
Bangladesh	2.9	2.1	3.7	2.9	Mauritania	5.0	4.8	5.1	5.2
Belgium	7.4	7.1	7.1	7.9	Mauritius	6.0	6.4	6.6	4.9
Benin	4.6	4.3	4.9	4.7	Mexico	5.0	4.1	5.8	5.1
Bolivia	3.7	3.2	4.4	3.4	Moldova	3.4	3.3	5.0	1.9
Bosnia-Herzegovina	3.8	4.4	4.1	2.8	Montenegro	3.7	3.9	5.2	2.0
Botswana	5.9	7.0	6.5	4.3	Morocco	5.4	5.2	6.0	5.0
Brazil	5.0	4.5	5.4	5.1	Mozambique	4.2	4.1	4.8	3.8
Bulgaria	4.9	4.3	5.5	4.9	Nepal	3.9	3.0	5.5	3.3
Burkina Faso	5.1	4.8	5.1	5.3	Netherlands	8.3	8.2	8.6	8.0
Burundi	3.5	3.2	4.3	3.0	New Zealand	8.2	8.7	8.1	7.9
Cameroon	4.1	3.6	5.0	3.8	Nicaragua	3.7	3.1	4.4	3.6
Canada	7.7	7.8	7.4	7.8	Nigeria	3.5	2.4	4.4	3.8
Chad	3.3	1.8	4.2	3.8	Norway	8.3	8.5	8.7	7.8
Chile	6.7	6.7	7.2	6.1	Pakistan	3.9	3.0	5.8	2.8
China	5.0	5.1	5.5	4.4	Panama	5.3	4.2	6.9	4.9
Colombia	5.2	4.2	6.0	5.5	Paraguay	3.4	2.6	4.7	2.9
Costa Rica	5.9	6.6	6.1	4.9	Peru	4.1	2.9	5.7	3.7
Croatia	4.9	5.5	4.8	4.5	Philippines	5.0	4.2	5.7	5.0
Cyprus	6.4	6.5	6.7	6.0	Poland	5.3	5.1	5.1	5.7
Czech Republic	5.7	5.4	5.8	5.8	Portugal	7.0	6.7	7.3	7.1
Denmark	8.3	8.4	8.5	8.1	Qatar	6.4	7.0	7.0	5.3
Dominican Republic	4.6	4.4	5.3	4.1	Romania	5.0	4.6	5.4	5.0
Ecuador	3.9	2.9	4.9	4.0	Russia	4.0	3.2	4.9	3.9
Egypt	4.8	4.6	5.3	4.4	Serbia	3.6	3.5	5.2	2.2
El Salvador	5.0	4.4	6.2	4.4	Singapore	7.9	8.0	8.2	7.5
Estonia	6.6	6.9	7.4	5.4	Slovakia	6.4	5.6	7.2	6.3
Ethiopia	3.8	3.8	4.3	3.4	Slovenia	5.9	6.6	5.6	5.5
Finland	8.6	8.9	8.5	8.5	South Africa	6.9	6.6	7.1	7.0
France	7.1	6.8	6.5	8.1	Spain	6.7	6.4	7.3	6.4
Germany	8.3	8.3	8.1	8.4	Sri Lanka	5.1	4.3	6.0	5.1
Greece	6.1	6.4	6.3	5.7	Sweden	8.2	8.3	8.6	7.6
Guatemala	4.4	3.4	5.8	4.0	Switzerland	8.2	8.6	8.1	8.0
Guyana	3.6	3.5	5.0	2.4	Taiwan	6.5	5.7	7.3	6.4
Honduras	4.1	4.0	4.4	3.9	Tanzania	4.8	5.0	4.8	4.5
Hong Kong	7.7	7.9	7.9	7.2	Thailand	5.6	5.1	7.0	4.6
Hungary	6.3	5.7	6.9	6.2	Trinidad and Tobago	5.3	4.9	5.4	5.7
Iceland	8.1	8.8	8.8	6.7	Tunisia	5.9	5.9	6.9	4.9
India	6.2	5.9	7.4	5.2	Turkey	5.5	5.3	6.0	5.1
Indonesia	4.9	3.7	6.8	4.2	Uganda	4.2	4.3	4.1	4.2
Ireland	7.9	7.8	8.2	7.6	Ukraine	4.3	3.9	4.8	4.3
Israel	6.5	6.0	7.2	6.3	United Arab Emirates	6.9	6.6	7.7	6.4
Italy	5.9	5.1	6.1	6.5	United Kingdom	8.2	7.7	8.7	8.2
Jamaica	5.5	5.3	5.8	5.5	United States	7.5	6.6	8.0	7.9
Japan	7.7	7.5	7.5	8.2	Uruguay	5.6	6.4	5.6	4.9
Jordan	5.7	5.4	6.3	5.4	Venezuela	3.3	1.9	4.6	3.4
Kazakhstan	4.2	4.2	5.6	2.7	Vietnam	4.7	5.3	5.7	3.2
Kenya	4.3	3.5	5.5	3.9	Zambia	4.1	4.5	5.0	2.7
Korea (South)	6.2	5.7	6.2	6.7	Zimbabwe	3.1	2.0	4.3	3.1
Kuwait	5.7	6.3	6.9	3.8					

IPRI Ranking¹¹

Exhibits 2 and 3 present the 2008 International Property Rights Index ranking of the 115 economies included in the country set, which represents 96 percent of world GDP. Finland leads the country list with a score of 8.6 out of the possible 10. This is a second year honor for the Scandinavian country when using rescaled scores for 2007 to conform to 2008 methodology. Indeed, Finland scored 8.6 in 2007 according to the rescaled scores (although if one refers to the original report, Finland scored 7.9 resulting in a rank of 11). The second position is occupied by four countries: Norway, Denmark, Germany and the Netherlands all with a score of 8.3. Norway is the only one of these countries to have moved up into this rank (from 5), the others already having placed at second in 2007. Rounding out the top 10 countries are Switzerland, New Zealand, United Kingdom, and Sweden (all with 8.2) and Iceland (8.1).

At the bottom of the scores, are Azerbaijan (3.6), Nigeria (3.5), Burundi (3.5), Moldova (3.4), Paraguay (3.4), Angola (3.4), Venezuela (3.3), Chad (3.3), Zimbabwe (3.1), and Bangladesh (2.9, up from 2.6) once again scoring the lowest of the country set.

The average of the entire sample is 5.5, down from 5.7 the previous year. With no change in the top score, the range decreased slightly with the bottom score having increased to 2.9 from 2.6. Still, this range illuminates the striking disparity in property rights regimes throughout the world, as measured by the IPRI criteria. The authors would argue that while those countries at the very bottom of the index scoring certainly demonstrate a severe deficiency in property rights protection, they are not alone in representing regimes with a clear need to improve. Indeed, even the top score of 8.6 shows there is room for improvement. A logical rejoinder to the fact that a country may score low in this index, is that different countries have different priorities, and thus improvements in other aspects of a country's institutional environment are unfairly ignored in this report. We would respond that, as mentioned at the beginning, the starting assumption for this report is that a stronger, more stringent, comprehensive private property rights regime is desirable to one that is less, and further that this belief is reflected in the criteria used to score and rank the various countries.

Exhibit 4 presents the IPRI rankings by quintile. The color prism relates the quartiles to a specified color: purple for the top quintile, blue for the second quintile, green for the third, yellow for the fourth, and red for the bottom quintile. Accordingly, the map on IPRI's distribution, displayed in the inside cover of this report, indicates which country belongs to which quintile.

Exhibit 5 presents the summary statistics for the overall IPRI and components, as well as statistics for 2007.

EXHIBIT 4: IPRI Ranking by Quintile

	Top 20%	2nd Quartile	3rd Quartile	4th Quartile	Bottom 20%
strongest	Finland	Chile	Uruguay	Croatia	Nepal
	Norway	Estonia	Thailand	Bulgaria	Ecuador
	Denmark	Malta	Jamaica	Indonesia	Pakistan
	Netherlands	Israel	Turkey	Malawi	Ethiopia
	Germany	Taiwan	Morocco	Tanzania	Macedonia
	Switzerland	Qatar	Trinidad and Tobago	Egypt	Bosnia-Herzegovina
	New Zealand	Cyprus	Panama	Vietnam	Armenia
	United Kingdom	Slovakia	Latvia	Benin	Nicaragua
	Sweden	Malaysia	Poland	Dominican Republic	Montenegro
	Iceland	Hungary	Colombia	Algeria	Bolivia
	Australia	Korea (South)	Sri Lanka	Madagascar	Guyana
	Luxembourg	India	Mali	Guatemala	Serbia
	Austria	Greece	Burkina Faso	Argentina	Albania
	Singapore	Mauritius	Mauritania	Ukraine	Azerbaijan
	Ireland	Botswana	El Salvador	Kenya	Nigeria
	Japan	Tunisia	Romania	Mozambique	Burundi
	Hong Kong	Slovenia	China	Uganda	Paraguay
	Canada	Italy	Brazil	Kazakhstan	Moldova
	United States	Costa Rica	Bahrain	Cameroon	Angola
	Belgium	Jordan	Mexico	Peru	Venezuela
	France	Lithuania	Philippines	Honduras	Chad
	Portugal	Kuwait		Zambia	Zimbabwe
	United Arab Emirates	Czech Republic		Russia	Bangladesh
	South Africa				
weakest	Spain				

EXHIBIT 5: Summary Statistics

Indicator	Mean	Median	Deviation	Minimum	Maximum
IPRI	5.5	5.3	1.5	2.9	8.6
LP	5.3	5.1	1.8	1.8	8.9
PPR	6.1	5.8	1.3	3.7	8.8
IPR	5.1	4.9	1.8	1.8	8.5
IPRI (2007) - <i>original</i>	5.3	4.9	1.8	2.2	8.3
IPRI (2007) - <i>rescaled</i>	5.7	5.5	1.7	2.6	8.6

Ranking by Index Category

The highest score overall in any component is 8.9 for Finland in Legal and Political Environment (LP). In 2007, the highest score overall was 8.8 for Germany in Intellectual Property Rights (IPR). The lowest score overall in any component is a tie at 1.8 between Chad in LP and Armenia in IPR. The highest mean score component is Physical Property Rights (PPR).

Exhibit 6 more specifically identifies the top and bottom ten countries of the IPRI and each of its three components (the rank listed in parentheses refer to the country's rank within that component). And Exhibits 7, 8 and 9 give a complete rank ordering of the entire 115 country set according to the various components. Finland ranks first in LP (8.9), Iceland first in PPR (8.8), and Finland ranks first in IPR (8.5). At the bottom end, Chad ranks last in LP (1.8), Bangladesh ranks last in PPR (3.7), and Armenia ranks last in IPR (1.8).

Among the top performing countries are northern European and Scandinavian countries which also were among top performers in 2007. For example, last year Sweden, Norway, Finland and the UK all scored among the top five in at least two out of three components. This year, the same countries appear among the top 10 in at least two out of three components, and this time are joined by Denmark, Netherlands, Germany, Switzerland, Iceland and non-regional New Zealand.

At the bottom end, Bangladesh, with the weakest overall score, is joined by Zimbabwe, Chad, and Angola as being among the lowest 10 scores in at least two out of three components.

EXHIBIT 6: Top 10 and Bottom 10 By Category (Number indicates rank)

IPRI	LP	PPR	IPR
Finland (1)	Finland (1)	Iceland (1)	Finland (1)
Norway (2)	Iceland (2)	Norway (2)	Germany (2)
Denmark (2)	New Zealand (3)	United Kingdom (2)	United Kingdom (3)
Netherlands (2)	Switzerland (4)	Sweden (4)	Japan (3)
Germany (2)	Norway (5)	Netherlands (4)	Denmark (5)
Switzerland (6)	Denmark (6)	Finland (6)	Luxembourg (5)
New Zealand (6)	Germany (7)	Denmark (6)	France (5)
United Kingdom (6)	Sweden (7)	Singapore (8)	Netherlands (8)
Sweden (6)	Netherlands (9)	Ireland (8)	Switzerland (8)
Iceland (10)	Australia (10)	New Zealand (10)	New Zealand (10)
	Luxembourg (10)	Switzerland (10)	Australia (10)
		Germany (10)	United States (10)
		Australia (10)	Austria (10)
			Belgium (10)
Guyana (103)	Nepal (106)	Bolivia (104)	Kazakhstan (106)
Serbia (103)	Pakistan (106)	Nicaragua (104)	Zambia (106)
Albania (103)	Peru (108)	Nigeria (104)	Angola (108)
Azerbaijan (103)	Ecuador (108)	Ethiopia (108)	Guyana (109)
Nigeria (107)	Paraguay (110)	Burundi (108)	Serbia (110)
Burundi (107)	Nigeria (111)	Zimbabwe (108)	Montenegro (111)
Paraguay (109)	Bangladesh (112)	Chad (111)	Albania (111)
Moldova (109)	Zimbabwe (113)	Bosnia-Herzegovina (112)	Azerbaijan (113)
Angola (109)	Venezuela (114)	Uganda (112)	Moldova (113)
Venezuela (112)	Chad (115)	Angola (114)	Armenia (115)
Chad (112)		Bangladesh (115)	
Zimbabwe (114)			
Bangladesh (115)			

EXHIBIT 7: Ranking by LP Score

Rank	Country	IPRI	LP	PPR	IPR	Rank	Country	IPRI	LP	PPR	IPR
1	Finland	8.6	8.9	8.5	8.5		China	5.0	5.1	5.5	4.4
2	Iceland	8.1	8.8	8.8	6.7	60	Mali	5.1	5.0	5.3	4.9
3	New Zealand	8.2	8.7	8.1	7.9		Tanzania	4.8	5.0	4.8	4.5
4	Switzerland	8.2	8.6	8.1	8.0	62	Trinidad and Tobago	5.3	4.9	5.4	5.7
5	Norway	8.3	8.5	8.7	7.8	63	Burkina Faso	5.1	4.8	5.1	5.3
6	Denmark	8.3	8.4	8.5	8.1		Mauritania	5.0	4.8	5.1	5.2
7	Germany	8.3	8.3	8.1	8.4		Algeria	4.5	4.8	4.8	3.9
	Sweden	8.2	8.3	8.6	7.6	66	Bahrain	5.0	4.7	5.7	4.6
9	Netherlands	8.3	8.2	8.6	8.0	67	Romania	5.0	4.6	5.4	5.0
10	Australia	8.0	8.1	8.1	7.9		Egypt	4.8	4.6	5.3	4.4
	Luxembourg	8.0	8.1	7.8	8.1		Madagascar	4.5	4.6	4.6	4.2
12	Austria	7.9	8.0	7.8	7.9	70	Brazil	5.0	4.5	5.4	5.1
	Singapore	7.9	8.0	8.2	7.5		Zambia	4.1	4.5	5.0	2.7
14	Hong Kong	7.7	7.9	7.9	7.2	72	El Salvador	5.0	4.4	6.2	4.4
15	Ireland	7.9	7.8	8.2	7.6		Dominican Republic	4.6	4.4	5.3	4.1
	Canada	7.7	7.8	7.4	7.8		Bosnia-Herzegovina	3.8	4.4	4.1	2.8
17	United Kingdom	8.2	7.7	8.7	8.2	75	Sri Lanka	5.1	4.3	6.0	5.1
18	Japan	7.7	7.5	7.5	8.2		Bulgaria	4.9	4.3	5.5	4.9
19	Malta	6.5	7.3	6.3	5.9		Benin	4.6	4.3	4.9	4.7
20	Belgium	7.4	7.1	7.1	7.9		Uganda	4.2	4.3	4.1	4.2
21	Qatar	6.4	7.0	7.0	5.3	79	Panama	5.3	4.2	6.9	4.9
	Botswana	5.9	7.0	6.5	4.3		Colombia	5.2	4.2	6.0	5.5
23	Estonia	6.6	6.9	7.4	5.4		Philippines	5.0	4.2	5.7	5.0
24	France	7.1	6.8	6.5	8.1		Kazakhstan	4.2	4.2	5.6	2.7
25	Portugal	7.0	6.7	7.3	7.1	83	Mexico	5.0	4.1	5.8	5.1
	Chile	6.7	6.7	7.2	6.1		Mozambique	4.2	4.1	4.8	3.8
27	United States	7.5	6.6	8.0	7.9	85	Honduras	4.1	4.0	4.4	3.9
	United Arab Emirates	6.9	6.6	7.7	6.4		Albania	3.6	4.0	4.8	2.0
	South Africa	6.9	6.6	7.1	7.0	87	Ukraine	4.3	3.9	4.8	4.3
	Slovenia	5.9	6.6	5.6	5.5		Armenia	3.8	3.9	5.6	1.8
	Costa Rica	5.9	6.6	6.1	4.9		Montenegro	3.7	3.9	5.2	2.0
32	Cyprus	6.4	6.5	6.7	6.0	90	Ethiopia	3.8	3.8	4.3	3.4
33	Spain	6.7	6.4	7.3	6.4		Azerbaijan	3.6	3.8	5.1	1.9
	Greece	6.1	6.4	6.3	5.7	92	Indonesia	4.9	3.7	6.8	4.2
	Mauritius	6.0	6.4	6.6	4.9		Macedonia	3.8	3.7	4.9	2.8
	Uruguay	5.6	6.4	5.6	4.9	94	Argentina	4.4	3.6	4.7	4.8
37	Kuwait	5.7	6.3	6.9	3.8		Cameroon	4.1	3.6	5.0	3.8
38	Malaysia	6.4	6.2	7.1	5.8		Angola	3.4	3.6	4.0	2.5
39	Israel	6.5	6.0	7.2	6.3	97	Kenya	4.3	3.5	5.5	3.9
40	India	6.2	5.9	7.4	5.2		Guyana	3.6	3.5	5.0	2.4
	Tunisia	5.9	5.9	6.9	4.9		Serbia	3.6	3.5	5.2	2.2
42	Taiwan	6.5	5.7	7.3	6.4	100	Guatemala	4.4	3.4	5.8	4.0
	Hungary	6.3	5.7	6.9	6.2	101	Moldova	3.4	3.3	5.0	1.9
	Korea (South)	6.2	5.7	6.2	6.7	102	Russia	4.0	3.2	4.9	3.9
45	Slovakia	6.4	5.6	7.2	6.3		Bolivia	3.7	3.2	4.4	3.4
46	Latvia	5.3	5.5	6.3	4.2		Burundi	3.5	3.2	4.3	3.0
	Croatia	4.9	5.5	4.8	4.5	105	Nicaragua	3.7	3.1	4.4	3.6
48	Jordan	5.7	5.4	6.3	5.4	106	Nepal	3.9	3.0	5.5	3.3
	Czech Republic	5.7	5.4	5.8	5.8		Pakistan	3.9	3.0	5.8	2.8
	Malawi	4.8	5.4	5.4	3.6	108	Peru	4.1	2.9	5.7	3.7
51	Jamaica	5.5	5.3	5.8	5.5		Ecuador	3.9	2.9	4.9	4.0
	Turkey	5.5	5.3	6.0	5.1	110	Paraguay	3.4	2.6	4.7	2.9
	Vietnam	4.7	5.3	5.7	3.2	111	Nigeria	3.5	2.4	4.4	3.8
54	Lithuania	5.7	5.2	6.9	4.9	112	Bangladesh	2.9	2.1	3.7	2.9
	Morocco	5.4	5.2	6.0	5.0	113	Zimbabwe	3.1	2.0	4.3	3.1
56	Italy	5.9	5.1	6.1	6.5	114	Venezuela	3.3	1.9	4.6	3.4
	Thailand	5.6	5.1	7.0	4.6	115	Chad	3.3	1.8	4.2	3.8
	Poland	5.3	5.1	5.1	5.7						

EXHIBIT 8: Ranking by PPR Score

Rank	Country	IPRI	LP	PPR	IPR	Rank	Country	IPRI	LP	PPR	IPR
1	Iceland	8.1	8.8	8.8	6.7		Guatemala	4.4	3.4	5.8	4.0
2	Norway	8.3	8.5	8.7	7.8		Pakistan	3.9	3.0	5.8	2.8
	United Kingdom	8.2	7.7	8.7	8.2	61	Vietnam	4.7	5.3	5.7	3.2
4	Sweden	8.2	8.3	8.6	7.6		Bahrain	5.0	4.7	5.7	4.6
	Netherlands	8.3	8.2	8.6	8.0		Philippines	5.0	4.2	5.7	5.0
6	Finland	8.6	8.9	8.5	8.5		Peru	4.1	2.9	5.7	3.7
	Denmark	8.3	8.4	8.5	8.1	65	Slovenia	5.9	6.6	5.6	5.5
8	Singapore	7.9	8.0	8.2	7.5		Uruguay	5.6	6.4	5.6	4.9
	Ireland	7.9	7.8	8.2	7.6		Kazakhstan	4.2	4.2	5.6	2.7
10	New Zealand	8.2	8.7	8.1	7.9		Armenia	3.8	3.9	5.6	1.8
	Switzerland	8.2	8.6	8.1	8.0	69	China	5.0	5.1	5.5	4.4
	Germany	8.3	8.3	8.1	8.4		Bulgaria	4.9	4.3	5.5	4.9
	Australia	8.0	8.1	8.1	7.9		Kenya	4.3	3.5	5.5	3.9
14	United States	7.5	6.6	8.0	7.9		Nepal	3.9	3.0	5.5	3.3
15	Hong Kong	7.7	7.9	7.9	7.2	73	Malawi	4.8	5.4	5.4	3.6
16	Luxembourg	8.0	8.1	7.8	8.1		Trinidad and Tobago	5.3	4.9	5.4	5.7
	Austria	7.9	8.0	7.8	7.9		Romania	5.0	4.6	5.4	5.0
18	United Arab Emirates	6.9	6.6	7.7	6.4		Brazil	5.0	4.5	5.4	5.1
19	Japan	7.7	7.5	7.5	8.2	77	Mali	5.1	5.0	5.3	4.9
20	Canada	7.7	7.8	7.4	7.8		Egypt	4.8	4.6	5.3	4.4
	Estonia	6.6	6.9	7.4	5.4		Dominican Republic	4.6	4.4	5.3	4.1
	India	6.2	5.9	7.4	5.2	80	Montenegro	3.7	3.9	5.2	2.0
23	Portugal	7.0	6.7	7.3	7.1		Serbia	3.6	3.5	5.2	2.2
	Spain	6.7	6.4	7.3	6.4	82	Poland	5.3	5.1	5.1	5.7
	Taiwan	6.5	5.7	7.3	6.4		Burkina Faso	5.1	4.8	5.1	5.3
26	Chile	6.7	6.7	7.2	6.1		Mauritania	5.0	4.8	5.1	5.2
	Israel	6.5	6.0	7.2	6.3		Azerbaijan	3.6	3.8	5.1	1.9
	Slovakia	6.4	5.6	7.2	6.3	86	Zambia	4.1	4.5	5.0	2.7
29	Belgium	7.4	7.1	7.1	7.9		Cameroon	4.1	3.6	5.0	3.8
	South Africa	6.9	6.6	7.1	7.0		Guyana	3.6	3.5	5.0	2.4
	Malaysia	6.4	6.2	7.1	5.8		Moldova	3.4	3.3	5.0	1.9
32	Qatar	6.4	7.0	7.0	5.3	90	Benin	4.6	4.3	4.9	4.7
	Thailand	5.6	5.1	7.0	4.6		Macedonia	3.8	3.7	4.9	2.8
34	Kuwait	5.7	6.3	6.9	3.8		Russia	4.0	3.2	4.9	3.9
	Tunisia	5.9	5.9	6.9	4.9		Ecuador	3.9	2.9	4.9	4.0
	Hungary	6.3	5.7	6.9	6.2	94	Croatia	4.9	5.5	4.8	4.5
	Lithuania	5.7	5.2	6.9	4.9		Tanzania	4.8	5.0	4.8	4.5
	Panama	5.3	4.2	6.9	4.9		Algeria	4.5	4.8	4.8	3.9
39	Indonesia	4.9	3.7	6.8	4.2		Mozambique	4.2	4.1	4.8	3.8
40	Cyprus	6.4	6.5	6.7	6.0		Albania	3.6	4.0	4.8	2.0
41	Mauritius	6.0	6.4	6.6	4.9		Ukraine	4.3	3.9	4.8	4.3
42	Botswana	5.9	7.0	6.5	4.3	100	Argentina	4.4	3.6	4.7	4.8
	France	7.1	6.8	6.5	8.1		Paraguay	3.4	2.6	4.7	2.9
44	Malta	6.5	7.3	6.3	5.9	102	Madagascar	4.5	4.6	4.6	4.2
	Greece	6.1	6.4	6.3	5.7		Venezuela	3.3	1.9	4.6	3.4
	Latvia	5.3	5.5	6.3	4.2	104	Honduras	4.1	4.0	4.4	3.9
	Jordan	5.7	5.4	6.3	5.4		Bolivia	3.7	3.2	4.4	3.4
48	Korea (South)	6.2	5.7	6.2	6.7		Nicaragua	3.7	3.1	4.4	3.6
	El Salvador	5.0	4.4	6.2	4.4		Nigeria	3.5	2.4	4.4	3.8
50	Costa Rica	5.9	6.6	6.1	4.9	108	Ethiopia	3.8	3.8	4.3	3.4
	Italy	5.9	5.1	6.1	6.5		Burundi	3.5	3.2	4.3	3.0
52	Turkey	5.5	5.3	6.0	5.1		Zimbabwe	3.1	2.0	4.3	3.1
	Morocco	5.4	5.2	6.0	5.0	111	Chad	3.3	1.8	4.2	3.8
	Sri Lanka	5.1	4.3	6.0	5.1	112	Bosnia-Herzegovina	3.8	4.4	4.1	2.8
	Colombia	5.2	4.2	6.0	5.5		Uganda	4.2	4.3	4.1	4.2
56	Czech Republic	5.7	5.4	5.8	5.8	114	Angola	3.4	3.6	4.0	2.5
	Jamaica	5.5	5.3	5.8	5.5	115	Bangladesh	2.9	2.1	3.7	2.9
	Mexico	5.0	4.1	5.8	5.1						

EXHIBIT 9: Ranking by IPR Score

Rank	Country	IPRI	LP	PPR	IPR	Rank	Country	IPRI	LP	PPR	IPR
1	Finland	8.6	8.9	8.5	8.5		Mauritius	6.0	6.4	6.6	4.9
2	Germany	8.3	8.3	8.1	8.4		Costa Rica	5.9	6.6	6.1	4.9
3	United Kingdom	8.2	7.7	8.7	8.2		Uruguay	5.6	6.4	5.6	4.9
	Japan	7.7	7.5	7.5	8.2		Bulgaria	4.9	4.3	5.5	4.9
5	Denmark	8.3	8.4	8.5	8.1		Mali	5.1	5.0	5.3	4.9
	Luxembourg	8.0	8.1	7.8	8.1	64	Argentina	4.4	3.6	4.7	4.8
	France	7.1	6.8	6.5	8.1	65	Benin	4.6	4.3	4.9	4.7
8	Netherlands	8.3	8.2	8.6	8.0	66	Thailand	5.6	5.1	7.0	4.6
	Switzerland	8.2	8.6	8.1	8.0		Bahrain	5.0	4.7	5.7	4.6
10	New Zealand	8.2	8.7	8.1	7.9	68	Croatia	4.9	5.5	4.8	4.5
	Australia	8.0	8.1	8.1	7.9		Tanzania	4.8	5.0	4.8	4.5
	United States	7.5	6.6	8.0	7.9	70	El Salvador	5.0	4.4	6.2	4.4
	Austria	7.9	8.0	7.8	7.9		China	5.0	5.1	5.5	4.4
	Belgium	7.4	7.1	7.1	7.9		Egypt	4.8	4.6	5.3	4.4
15	Norway	8.3	8.5	8.7	7.8	73	Botswana	5.9	7.0	6.5	4.3
	Canada	7.7	7.8	7.4	7.8		Ukraine	4.3	3.9	4.8	4.3
17	Sweden	8.2	8.3	8.6	7.6	75	Indonesia	4.9	3.7	6.8	4.2
	Ireland	7.9	7.8	8.2	7.6		Latvia	5.3	5.5	6.3	4.2
19	Singapore	7.9	8.0	8.2	7.5		Madagascar	4.5	4.6	4.6	4.2
20	Hong Kong	7.7	7.9	7.9	7.2		Uganda	4.2	4.3	4.1	4.2
21	Portugal	7.0	6.7	7.3	7.1	79	Dominican Republic	4.6	4.4	5.3	4.1
22	South Africa	6.9	6.6	7.1	7.0	80	Guatemala	4.4	3.4	5.8	4.0
23	Iceland	8.1	8.8	8.8	6.7		Ecuador	3.9	2.9	4.9	4.0
	Korea (South)	6.2	5.7	6.2	6.7	82	Kenya	4.3	3.5	5.5	3.9
25	Italy	5.9	5.1	6.1	6.5		Russia	4.0	3.2	4.9	3.9
26	United Arab Emirates	6.9	6.6	7.7	6.4		Algeria	4.5	4.8	4.8	3.9
	Spain	6.7	6.4	7.3	6.4		Honduras	4.1	4.0	4.4	3.9
	Taiwan	6.5	5.7	7.3	6.4	86	Kuwait	5.7	6.3	6.9	3.8
29	Israel	6.5	6.0	7.2	6.3		Cameroon	4.1	3.6	5.0	3.8
	Slovakia	6.4	5.6	7.2	6.3		Mozambique	4.2	4.1	4.8	3.8
31	Hungary	6.3	5.7	6.9	6.2		Nigeria	3.5	2.4	4.4	3.8
32	Chile	6.7	6.7	7.2	6.1		Chad	3.3	1.8	4.2	3.8
33	Cyprus	6.4	6.5	6.7	6.0	91	Peru	4.1	2.9	5.7	3.7
34	Malta	6.5	7.3	6.3	5.9	92	Malawi	4.8	5.4	5.4	3.6
35	Malaysia	6.4	6.2	7.1	5.8		Nicaragua	3.7	3.1	4.4	3.6
	Czech Republic	5.7	5.4	5.8	5.8	94	Venezuela	3.3	1.9	4.6	3.4
37	Greece	6.1	6.4	6.3	5.7		Bolivia	3.7	3.2	4.4	3.4
	Trinidad and Tobago	5.3	4.9	5.4	5.7		Ethiopia	3.8	3.8	4.3	3.4
	Poland	5.3	5.1	5.1	5.7	97	Nepal	3.9	3.0	5.5	3.3
40	Colombia	5.2	4.2	6.0	5.5	98	Vietnam	4.7	5.3	5.7	3.2
	Jamaica	5.5	5.3	5.8	5.5	99	Zimbabwe	3.1	2.0	4.3	3.1
	Slovenia	5.9	6.6	5.6	5.5	100	Burundi	3.5	3.2	4.3	3.0
43	Estonia	6.6	6.9	7.4	5.4	101	Paraguay	3.4	2.6	4.7	2.9
	Jordan	5.7	5.4	6.3	5.4		Bangladesh	2.9	2.1	3.7	2.9
45	Qatar	6.4	7.0	7.0	5.3	103	Pakistan	3.9	3.0	5.8	2.8
	Burkina Faso	5.1	4.8	5.1	5.3		Macedonia	3.8	3.7	4.9	2.8
47	India	6.2	5.9	7.4	5.2		Bosnia-Herzegovina	3.8	4.4	4.1	2.8
	Mauritania	5.0	4.8	5.1	5.2	106	Kazakhstan	4.2	4.2	5.6	2.7
49	Turkey	5.5	5.3	6.0	5.1		Zambia	4.1	4.5	5.0	2.7
	Sri Lanka	5.1	4.3	6.0	5.1	108	Angola	3.4	3.6	4.0	2.5
	Mexico	5.0	4.1	5.8	5.1	109	Guyana	3.6	3.5	5.0	2.4
	Brazil	5.0	4.5	5.4	5.1	110	Serbia	3.6	3.5	5.2	2.2
53	Morocco	5.4	5.2	6.0	5.0	111	Montenegro	3.7	3.9	5.2	2.0
	Philippines	5.0	4.2	5.7	5.0		Albania	3.6	4.0	4.8	2.0
	Romania	5.0	4.6	5.4	5.0	113	Azerbaijan	3.6	3.8	5.1	1.9
56	Tunisia	5.9	5.9	6.9	4.9		Moldova	3.4	3.3	5.0	1.9
	Lithuania	5.7	5.2	6.9	4.9	115	Armenia	3.8	3.9	5.6	1.8
	Panama	5.3	4.2	6.9	4.9						

Special Country Cases

Finland

This year's top performer in the IPRI overall ranking holds on to its highest overall score with a consistent 8.6, same as in 2007. Browsing Finland's scores within each component, one sees that its overall high score comes as no surprise, with the highest score in both LP (8.9) and IPR (8.5), as well as a tie for sixth with Denmark in PPR (8.5).

Among the specific variables, Finland had the second highest score for both Protection of Intellectual Property Rights and Patent Protection and within the top 20 in Copyright Protection. Within the PPR component, Finland ties for seventh in Property Rights Protection and Access to Loans, and ties for 13th in Registering Property. Finally, Finland ties for eighth in Judicial Independence, is third in Political Stability, and is first with a perfect 10.0 in Control of Corruption. All other variables are not available due to a lack of data.

Bangladesh

The country once again perceived to be the weakest protector of property rights is Bangladesh. With an overall score of 2.9, which is up from last year's lowest score of 2.6, Bangladesh as mentioned earlier is among the lowest five scores in two components (LP and PPR). In PPR, Bangladesh scored 4.7 in Property Rights Protection, 4.1 in Registering Property, and 2.3 in Access to Loans. In LP, the country scored 2.5 in Judicial Independence, 1.7 in Confidence in Courts, 1.8 in Political Stability, and 2.4 in Control of Corruption. Finally in IPR, Bangladesh scored 1.8 in Intellectual Property Rights Protection, 3.7 in Patent Protection, and 3.0 in Copyright Protection, with no available data in Trademark Protection.

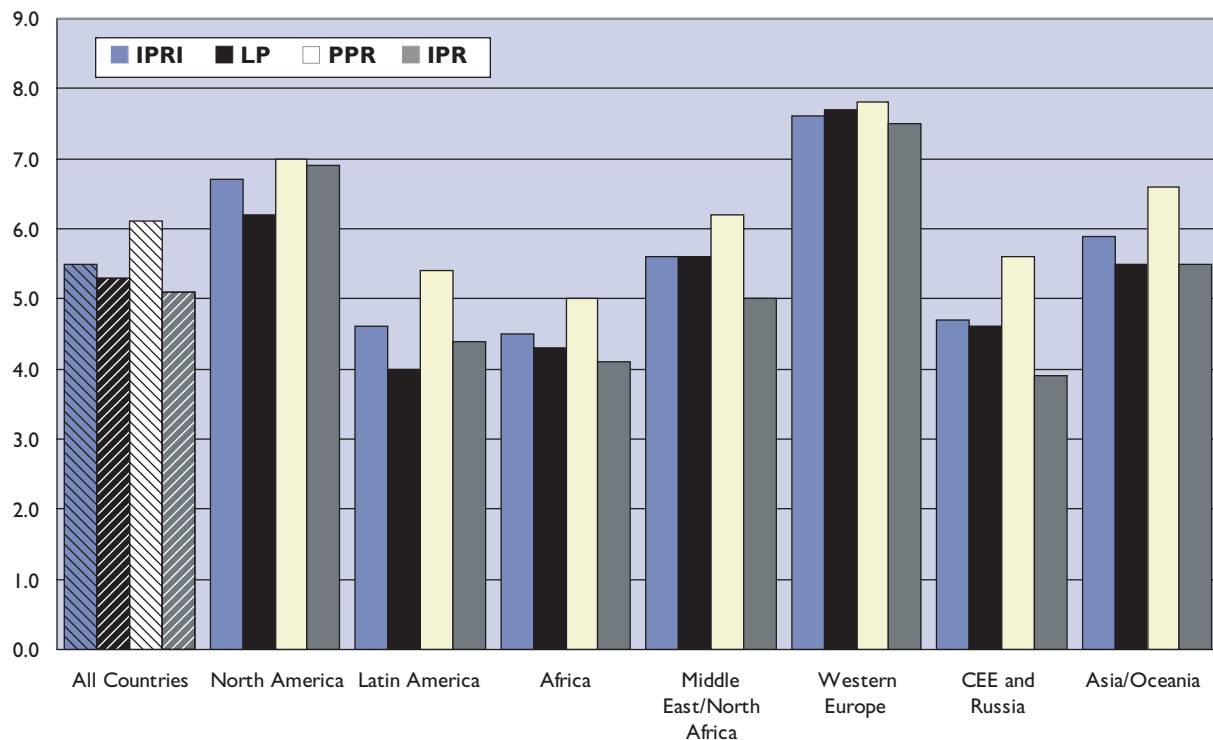
These individual variable score paint the picture (as they did in 2007) of a country with a long way to go in order to secure the private property rights of its citizens in such a way that ensures strong economic growth and security.

Regional Distribution of IPRI

EXHIBIT 10: Average Performance by Region and Component

REGION	IPRI	LP	PR	IPR
All Countries	5.5	5.3	6.1	5.1
North America	6.7	6.2	7.0	6.9
Latin America	4.6	4.0	5.4	4.4
Africa	4.5	4.3	5.0	4.1
Middle East/North Africa	5.6	5.6	6.2	5.0
Western Europe	7.6	7.7	7.8	7.5
CEE and Russia	4.7	4.6	5.6	3.9
Asia/Oceania	5.9	5.5	6.6	5.5

EXHIBIT 11: Average Performance by Region



IPRI and Economic Well-Being

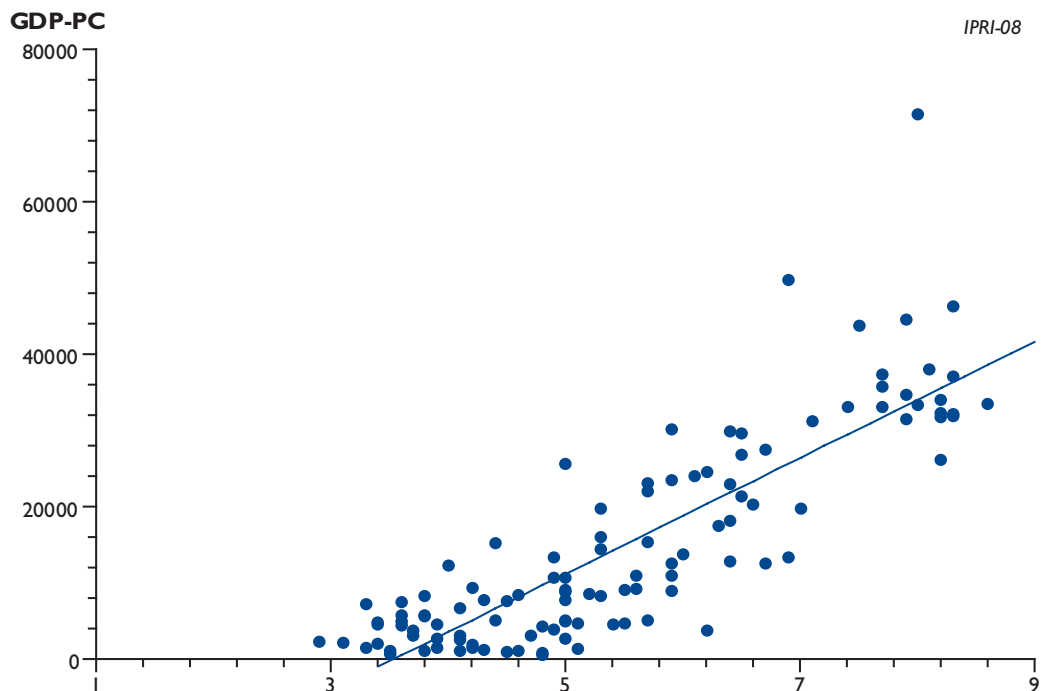
The relationship between effective property rights protection and economic performance is certainly of high interest to countries and policy makers. Exhibit 12 below provides a broad stroke picture of the increasing wealth of countries which more strongly protect private property.

EXHIBIT 12: Average Income by Quintile

IPRI QUARTILES	AV. GDP P.C.
Top 20 Percent	\$35,638
2nd Quintile	\$19,029
3rd Quintile	\$8,924
4th Quintile	\$5,309
Bottom 20 Percent	\$3,817

In this case, the countries in the top quintile of IPRI scores enjoy a per capita income that is more than nine times that of their counterparts in the bottom quintile.

EXHIBIT 13: Relationship between IPRI and GDP Per Capita (with fitted line)



As seen in Exhibit 13, the IPRI score trends strongly with GDP per capita. In fact, using a simple regression to determine the relationship, the relationship exhibits a statistically significant positive relationship, with a correlation coefficient of 0.85 and an explanatory power (r-squared) of 0.71. According to the relationship fitted between the two data sets using the simple regression, a one point increase in the IPRI score predicts a \$7,616 increase in per capita GDP.

This positive relationship also holds when using the individual component scores as the independent variable. For LP, the correlation coefficient is 0.80; for PPR, it is 0.79; and for IPR it is 0.81.

EXHIBIT 14: Relationship between LP and GDP Per Capita

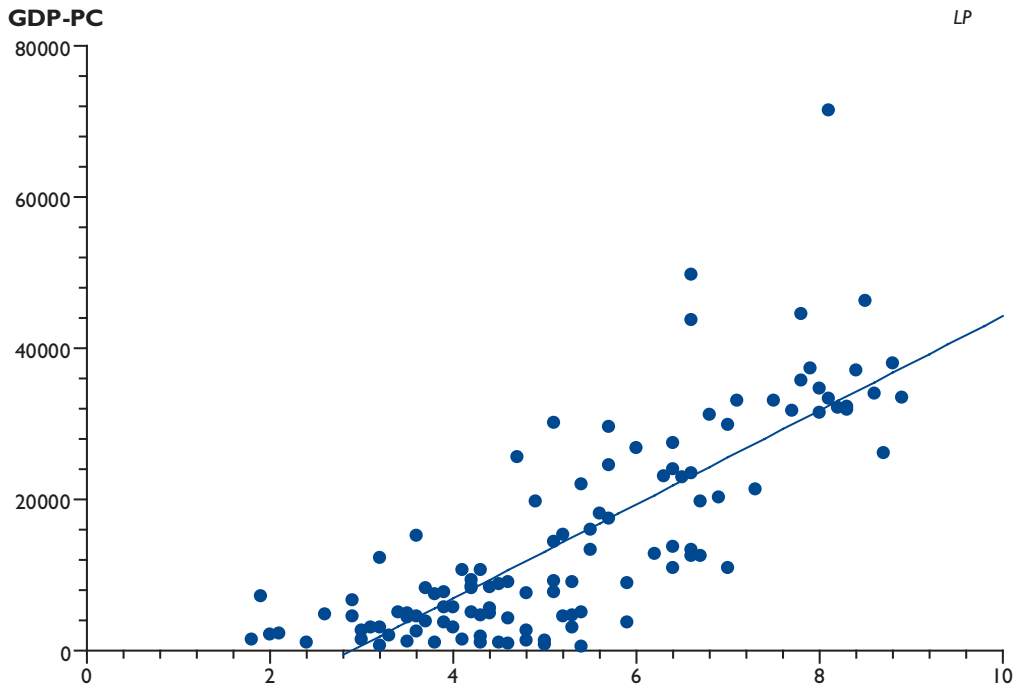


EXHIBIT 15: Relationship between PPR and GDP Per Capita

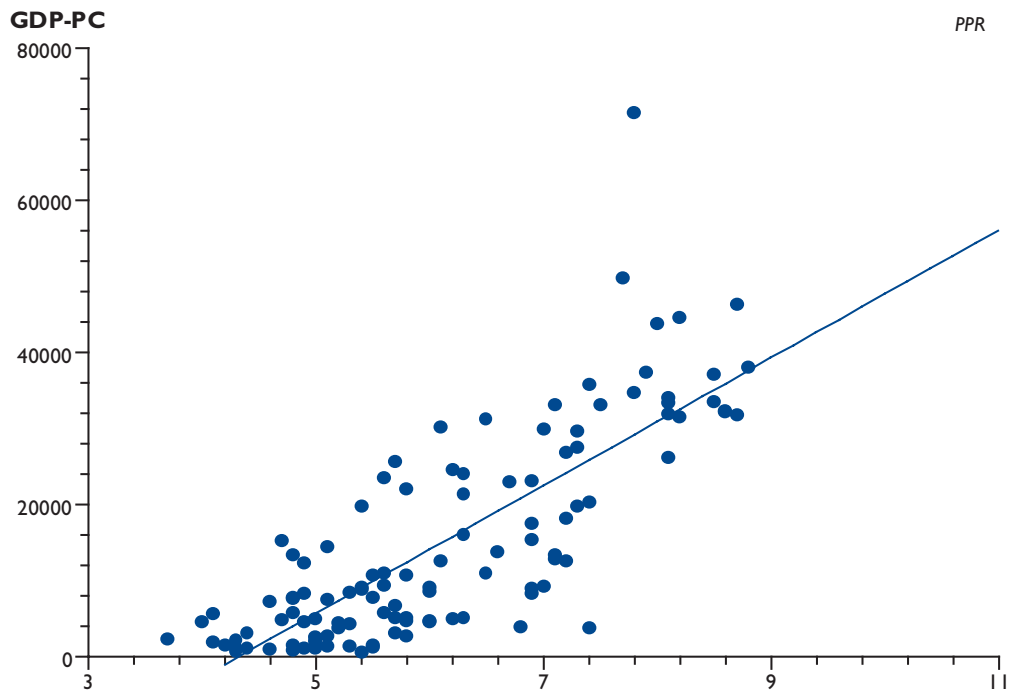
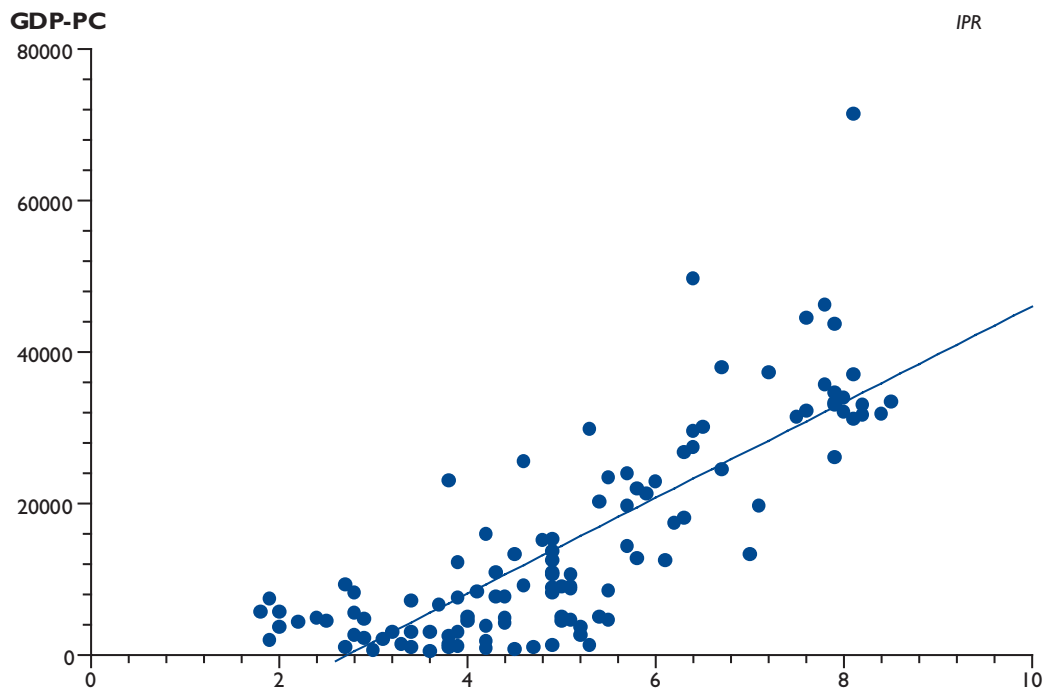


EXHIBIT 16: Relationship between IPR and GDP Per Capita



To take it one step further, using a multiple regression technique to fit all three components to GDP per capita results in the following relationship:

$$\text{GDP Per Capita} = 1832.93*LP + 2804.45*PPR + 3066.43*IPR - 27447.07$$

with the coefficients on the LP and PPR term both significant at the 95% level, and the IPR coefficient and intercept terms significant at the 99% level.

Overall it would appear the relationship between the IPRI score, as well as its component parts, and average income is unfailingly strong. Of note is the fact that in the multiple regression model, Intellectual Property Rights appears to have both the most significant correlation as well as the highest coefficient, predicting a higher return to income with improvement in this component. The intuition does comport with literature showing a higher return to investment in intellectual properties (technology, process improvement, etc.). However, one should be careful to draw this inference since only a correlation is shown here. Indeed, the causation might very well run the other way, with richer countries both more able and more willing to protect intellectual property since they have a larger share of their economy devoted to such pursuits.