

The Hong Kong University of Science and Technology

Department of Information Systems,
Business Statistics and Operations Management

Seminar Announcement

Patents and economic growth: Cross-country evidence

by

Professor Ivan Png
National University of Singapore

Date: 22 January 2009 (Thursday)

Time: 11:00am – 12:30pm

Venue: ISOM Conference Room (Room 4379, Lift 17/18))

~~~~~ All interested are welcome ~~~~~

**Abstract**

Intellectual property (IP) rights have been established to foster innovation and economic growth. However, until now, there is little robust empirical evidence that stronger property rights do stimulate innovation or economic growth.

Here, we study the impact of changes in property rights within cross-sections of developing and developed countries at 5-year intervals between 1981-2000. We compared the impact of stronger rights on various industries according to their relative “patent intensity”.

We found that, indeed, stronger property rights had a larger impact on more patent-intensive industries. At the average patent intensity, a one standard deviation increase in property rights in 1990 (equivalent to an increase from Greece to the U.S.) was associated with growth of value-added being 0.19-0.65% higher. Apparently, changes in property rights did have a significant effect, but were not economically substantial.

Our findings were robust to measures of property rights and patent intensity, inclusion of the U.S., and specification of the growth equation.

**Biography**

Ivan Png is the Lim Kim San Professor of Business Policy and Professor of Information Systems and Economics at the National University of Singapore. His research focuses on the economics of intellectual property, pricing, and institutions. Dr Png is an Associate Editor of *Management Science*, independent director of Hyflux Water Trust Management Pte Ltd and Healthway Medical Corporation Ltd and member of the Trustworthy Computing Academic Advisory Board of Microsoft Corporation. He was a nominated MP, 2005-06.