

Centre for Liberty: Request for Proposal (RFP)

Research Study on Private Arbitration for Property Disputes and its Economic Impact in India and Globally

Date of Issue: April 9, 2025

Submission Deadline: April 20, 2025

Overview

India faces a severe backlog in its judicial system, with over 52 million pending cases, many involving property disputes. This research project aims to explore private arbitration as a solution for expediting property dispute resolution, drawing from global experiences and contextualising them for India's unique environment.

The goal is to build a well-researched, actionable framework from a **free-market perspective** to understand:

- International best practices in private arbitration for property disputes.
- Execution and enforcement challenges.
- Economic benefits of speedy, private dispute resolution mechanisms.
- Policy recommendations for India.

Scope of Work

The selected researchers will collaborate on a comprehensive research project over 12 months, addressing the following key questions:

1. Global Practices:

- How do other countries handle property disputes through private arbitration?
- Which countries have demonstrated the highest success rates?
- Case studies of efficient private arbitration models.

2. Indian Context:

- Analysis of India's existing arbitration landscape, particularly for property disputes.

- Recommendations for mandatory binding arbitration clauses in property contracts.

3. Execution Challenges:

- Enforceability of arbitral awards.
- Public trust, legal hurdles, and institutional readiness.

4. Economic Impact (Free-Market Lens):

- Quantifying the economic benefits of reducing judicial delays.
- Quantifiable benefits of private arbitration in property disputes from a free-market perspective.
- Impact on investment climate, dead capital unlocking, and judicial efficiency.
- Comparison of public vs private dispute resolution costs.

5. Outputs:

- Academic paper.
- Monthly articles in mainstream newspapers or magazines.
- Final comprehensive policy report.

Research Team Structure

- **3-4 Lead Researchers**

Academics or senior researchers with a proven publication record in law, economics, public policy, or judicial reforms.

- **2-3 Research Associates**

Support functions: data collection, literature review, draft preparation.

Eligibility Criteria

- Affiliation with reputed research institutions or educational establishments.
- Proven track record of publishing in peer-reviewed journals and mainstream media.
- Expertise in arbitration law, property law, judicial reform, or economic policy.

Budget

- No fixed budget has been put on the project.
- In your response, please include an your projected cost for the entire initiative. If you are proposing to have more than a one person team, please estimate the cost for the whole team.

Timeline

Milestone	Timeline
Proposal Submission Deadline	April 20, 2025
Selection of Researchers	By May 30, 2025
Project Commencement.	July 2025
Monthly Publications	Aug 2025 onwards
Final Report Submission	June 2026

Proposal Submission

Interested candidates should submit:

- Updated CV highlighting relevant experience.
- Cover letter outlining interest and approach to the research themes.
- List of publications (academic and mainstream).
- Your estimated budget.

Submit proposals to: **nc@centreforliberty.org**

Evaluation Criteria

Criteria	Weightage
Relevance of past research and publications	40%
Research proposal and methodology	30%
Alignment with libertarian/free-market perspectives	30%

We look forward to collaborating with leading thinkers and practitioners to build actionable insights that can reform India's dispute resolution landscape.

APPENDIX

Deliverables

1. Each researcher must commit to publishing **2-3 newspaper or magazine articles**. **One article per month** should be published in a mainstream outlet.

Sample articles:

- India's Pending Property Cases: The Case for Private Arbitration
- Economic Cost of Judicial Delays: A Free Market View
- How Private Arbitration Creates Trust in Property Markets
- Global Lessons: How Singapore Handles Property Disputes Privately
- From Dead Capital to Productive Assets: Unlocking India's Property Gridlock
- Reducing the State's Role in Contract Enforcement: Theory and Practice
- Arbitration Marketplaces: Creating Competitive Dispute Ecosystems
- A Free-Market Framework for Land Title Disputes
- Institutional Reforms for Promoting Arbitration in Indian Real Estate
- The Economic Case for Enforceable Arbitration Clauses in All Property Contracts
- Case Study: Private Arbitration in Urban India's Real Estate Sector
- Summary Insights: A 12-Month Study of Arbitration as a Free Market Tool

Final Research Report Outline

Framework

- 1) Introduction: Scope, Free Market framework, why this matters to India
- 2) State of Judicial Pendency in India: Quantitative analysis, particularly in property disputes
- 3) Economic Cost of Delays in Property Disputes: Estimates, real estate market impacts, FDI effects
- 4) Theory: Private Arbitration in Free-Market Legal Systems: Libertarian economic foundations, case for private law
- 5) Global Comparative Case Studies: Singapore, Switzerland, UAE, UK, and emerging economies
- 6) Designing Effective Arbitration Contracts in India: Legal enforceability, challenges, and model clauses
- 7) Creating Arbitration Markets: Private arbitration bodies, rating systems, competition
- 8) Implementation Challenges in India: Political economy, rent-seeking, legal resistance
- 9) Economic Modelling of Impact: Simulation or case-based projections
- 10) Policy Recommendations: Legal, regulatory, and institutional reforms
- 11) Media and Public Engagement Strategy: How to bring public attention to findings

12) Conclusion and Future Research Areas: Including technology (blockchain for title resolution, etc.)

Suggested Research Approach

1. Transaction Cost Analysis

- **Key Idea:** Private arbitration reduces transaction costs compared to state-run courts.
- Measure:
 - Cost comparison between litigation and private arbitration.
 - Time saved = money saved (opportunity cost).
 - Reduction in legal fees, court fees, and delays.
- Framework:
 - Use Coase Theorem to argue how lower transaction costs facilitate voluntary agreements and wealth-maximising outcomes.

2. Dead Capital & Economic Productivity

- **Key Idea:** Disputed property becomes "dead capital."
- Approach:
 - Measure the economic value of property locked in litigation.
 - Estimate how faster resolution unlocks capital for productive use (mortgages, leasing, sale, development).
 - Use Hernando de Soto's theories on property rights and dead capital.

3. Impact on Contract Enforcement & Trust

- **Key Idea:** Private arbitration strengthens contract enforcement in markets.
- Measure:
 - Business Confidence Index changes in jurisdictions with active arbitration.
 - Higher trust = more transactions.
 - Use metrics like "Ease of Doing Business" contract enforcement scores (World Bank).

4. Public Goods Argument Minimisation

- **Key Idea:** Libertarians argue that courts are a public good but should not crowd out private solutions.
- Approach:

- Quantify how private arbitration reduces the load on taxpayer-funded courts.
- Estimate potential fiscal savings if a significant percentage of property disputes shift to private arbitration.

5. Voluntary Choice and Market Competition

- **Key Idea:** Allowing parties to choose arbitrators introduces competition.
- Measure:
 - Diversity and responsiveness of arbitration service providers.
 - Competitive pricing and service innovation in the arbitration market.
 - Use Austrian economics frameworks (Hayek) to show decentralised decision-making improves efficiency.

6. Foreign Investment & Capital Flows

- **Key Idea:** Predictability of dispute resolution attracts investment.
- Measure:
 - Track FDI trends correlated with legal reform or arbitration promotion.
 - Investor perception surveys.
 - Use empirical data from arbitration-friendly countries (e.g., Singapore, Hong Kong).

7. Comparative Libertarian Policy Case Studies

- **Key Idea:** Use case studies of free-market-oriented jurisdictions.
- Approach:
 - Analyse countries with light-touch regulation and robust private arbitration mechanisms.
 - Examples: Singapore, Switzerland, Dubai International Arbitration Centre.
 - Derive transferable policy lessons for India.

8. Shadow Market Impacts

- **Key Idea:** Faster dispute resolution reduces black-market dealings and informal transactions.
- Approach:
 - Assess how uncertain property rights drive informal markets.
 - Estimate formalisation of assets post-resolution.

Tools & Methodologies:

- Economic modelling: CGE (Computable General Equilibrium) to simulate impacts.
- Case law analysis.
- Data from property registries, arbitration centres, and real estate markets.
- Expert interviews with arbitrators, legal scholars, and businesses.
- Cross-country regression studies