



Original Article

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Determining an Index to Evaluate the Resistance of the Iranian Economy

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Abstract: The Supreme Leader of Iran (Ayatollah Khamenei) proposed discourse of economic resistance in order to achieve goals of Islamic republic system and create new Islamic civilization, and in February 2014, notified the general policy of resistive economy to the heads of the three branches and chairman of the expediency council. Now with specifying economic model of Iran, it is necessary to determine reasonable and inclusive assessment of the country's economy on track to meet the aspirations of the resistive economy. Study ahead Intends to examine situation of the country in some international indicators that have affinity with the general policies of resistive economic, using the method of logical analysis, evaluation of statistical data and time series and as well as to introduce the index entitled "Economic Resistance Index", by composition of the indicators, in order to determine the resistance rate of the Iran economy. In this study, 5 International index of entrepreneurship: knowledge-based economy, innovation, competitiveness and economic transparency, are used. Looking at the index in 2014, Iran had 24.1 point out of 100 in entrepreneurship index, 4.04 point out of 7 in the index of competitiveness, 26.14 point out of 100 in the innovation index, 3.91 point out of 10 in the knowledge economy index, and 27 point out of 100 economic transparency index and by taking every 5 index in the form of economic resistance index, Iran's point is 1.74 out of 5, which equals 35% of the total points. In general, we can say that the resistance of the economy is bad and it is necessary to review management style of country's economy.

Keywords: Iran's Economy, Resistive Economy, Economic Resistance Indicators.

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1. INTRODUCTION AND STATEMENT OF PROBLEM

The Islamic Republic in the area of economic is facing with issues or concepts, that so far have no similar in real world, weather in the realm of theory and practice or in textbooks and in the realm of the same human experience. So Islamic Revolution itself obliged to create innovation and new economic theory and modelling in this field. Each country which establish the science of fighting against arrogant powers, will need to such patterns. One of these concepts is "Economic Resistance". If you study all the accumulated knowledge and economic conventional books of the world, will not find a written theory or experience about the economic resistance. In all economic books and texts, will not see any theoretical or practical background about the sanction of central bank. since this had never seen before, it is exquisite how to react to it. Even though there are some studies about this, they are on the classification of confidentiality and security, and they are not accessible for typical experts. As a result, Islamic revolution economists cannot use the conventional theory to solve the his or her problem and issue. Therefore the software movement and the Iranian Islamic model of governance, take the novel form and will be inspiration for all the nations of the free (Tajabadi, 2012).

The resistance of an economy can be assessed from different aspects. two pillars of the resistive economy are: it is Flourishing and fruitful, and it is impervious to the global economic and political crisis. Being flourishing means that the economy of the country must Constantly has great prosperity, in such circumstances, the domestic market is out of foreign monopolies and competitiveness Increased. Various social groups involve in the cycle of economy of the country and the government plays regulatory role on the production system, Supply and demand. Knowledge is the key element of progress, knowledge workers are abundant, various industries use sciences of day in order to optimizing. Innovation and creativity are abundant in the country. innovative and top technologies products have a strong place in the industry of country. Macroeconomic indicators such as inflation, per capita and the unemployment rate are in a good condition. Social justice has been achieved and reduced the class gap in the community. Economic transparency prevents corrupt practices and jihad approach rules in society. And the culture of optimal consumption is ongoing in society and people insist on domestic consumption of goods. Impervious has many aspects: the country should not be reliant on the export of a particular product. Export destination should be widespread and massive volumes of transactions with a particular country should be avoided.

Imports of essential goods should reduce as far as possible, the country in the production of such goods is self-sufficient and may be exporter (this principle is true and must be implemented, if the import of goods be efficient and production brings the enormous cost for the country). Imports of goods and services should be manage in such a way that imports does not hit the domestic production, but also improve the quality of domestic products by creating a competitive environment. A various importing port should be selected and dependency to a particular country should be avoided. Finally, the projects and scenarios should be developed to deal with the probable risks and the country at any moment should be prepared to deal with political and economic crisis (The Supreme Leader of Iran (Ayatollah Khamenei), 2014).

In order to examine the achieving resistive economy, a comprehensive indicator is required that encompass all factors, this study in turn, will try to determine the appropriate indicator, although with limited factors. In this article as a first step, some components shaping the economic development will be studied and an indicator of the composition of the five following Index is proposed. The following indicators include: international entrepreneurship, knowledge economy index, Innovation index, competitiveness index and the index of economic transparency

2. LITERATURE REVIEW

Although it is first time that the concept of resistive economy is proposed in the form of mentioned in the world and is the fully indigenous model, however recently similar studies are done in order to determine an indicator for assessing the resistance of an economy in the world,

that the two of them mentioned above. Also in 2014, two comprehensive study on the resistive economy indicators was conducted in the country which referring them is not unpleasant. Boorman and others in 2013 defined an index calls Boorman et al resistance index in their investigations (Boorman 2013). Boorman defined the resistance as capacity of the country to cope with external shocks and to measure it, the 50 variable examined in 10 sub-indicators. The indicators are as follows: Fiscal policy, the effectiveness government, monetary policy, governance, healthy banking, diversification of export, dependency of import, outside strength, and external debt of the private sector and reserves. Boorman knows fiscal policy as a good policy, where the ratio of public debt, only to GDP has a good situation. In the discussion of monetary policy, inflation rate differentials relative to the G-7 countries and the success of the central bank in controlling inflation are decisive. The effectiveness of government evaluates according to the WGI assessment. Governance refers to substances such as the availability of standard data of private and public sectors, freedom of the press, accounting transparency, rule of law (adherence to contracts, and property rights...), Independence of the judiciary, ability of corruption perception and et all. Bank health is measured based on IMF financial health index. Export diversity emphasizes on product variety and destination export. Lack of export dependency is estimated by ratio of exports to GDP. Private sector debt includes domestic and foreign private debt. Foreign strength is determined according to two criteria of balance current account to GDP and the ratio of international reserves to short-term debt. International reserves refer to the two international reserves to GDP ratio and net investment to GDP. Unlike Boorman, Briguglio (e. a. Briguglio 2013) (e. a. Briguglio 2006) in his study used the two-part application logic. This means that in one side they consider the external vulnerability of the economy (external risks) And on the other side emphasis on dealing with external damage (strength in response to external risks). So Briguglio index combined of two index, vulnerability and resistance. Resistance Index is composed of three sub-indices. Which includes indicators of environmental governance, political and social indexes (environmental management, social development indicators, good governance index), index of flexibility in the market (financial risks index, market discipline index) macro sustainability index (current account balance index, public debt index, price inflation index). Vulnerability index is composed of the two sub-indicators as follows: the risk of accidents index in the exposure index (dependence on strategic commodity Index, economic complexity index, trade dependency index). Some of variables that will be evaluated in the sub-indices of Briguglio indicator include: the ratio of budget deficit To GDP, the sum of unemployment and inflation rate, the ratio of external debt to GDP, judicial independence, impartiality of the court, protection of Intellectual property rights, political system and the integrity of the legal system, the distribution of income, the proportion of the population who live in poverty, Long-term unemployment rates, how to manage the environmental, economic complexity, dependence on basic commodities. In addition to these two international index, two indigenous indices (by Department of Economics of Iran TV channel 1 IRIB, and the Parliament's Research Centre) also Designed solely to check the resistance of the Iranian economy, some of variable of these indicators are such that could not be applied at the international level and it is not possible to compare the resistance of the economies together.

Department of Economics, a television network in 2015 (Department of Economics of Iran TV channel 1 IRIB, 2015)) during the studies provided an index as surveillance of resistance indicator that the following eight components and 15 indicators assess the robustness of the economy of country. Components Including the macroeconomic stability, export diversification, import diversification, security of basic commodities, supporting non-oil exports, growth of Knowledge-based economy, efficient spending of public budget and reduce the budget dependency on oil. Some indicators have pointed to these Items: fluctuations of the exchange rate, exports ratio of high technology products of total exports, number of export destinations has at least one percent of total exports, the share of realized tax revenues from realized public



funds, the share of fundamental and un-fundamental goods of all imports, consumer and manufacturer inflation.

Islamic Parliament Research Center published its study of resistive economy index in several reports that in its latest report (Eivazi & Rouhani, 2015) proposed the 49 indicators under the 8 sections. Sections include knowledge-based economy, reforming the consumption pattern and targeted subsidies, food security and basic goods, monetary and financial system, Export and economic diplomacy, oil and gas, energy, information transparency and economic health, budget and government spending and tax. Some of the indicators are as follows: the contribution of productivity to economic growth, energy intensity, rate of inflation, Concerning the non-oil term of trade, transit value conducted through the country's paths, Operational balance to the public government budget, average processing time compared to the base year, the total value of food imports to total consumption value, the share of National Development Fund from revenue of oil and gas exports.

In general, it can be said good point of study ahead to the internal studies is that it is international study and allows to compare different countries by this index, compared with foreign studies can also be said that this study due to the use of sub-indices of the international, scientific aspect and more accurate in comparison with the two studies.

3. THEORETICAL FOUNDATIONS

Economy: The economy is not a good term and it is better to use *Eqtesad* instead of it. *Eqtesad* (اقتصاد) rooted in the Arabic word and comes from “*Estacada*” verb (اقتصد), means moderation and from *Moqtased* (مقتصد) noun meaning housewife and thrifty (Almaany 2015). By studying Persian ancient literature encounter with some terms such as “*Kadbanoo*” (دانه, کد بانو) and “*Kadkhoda*” (village chief, کد خدا) that are very close with the word economy and thrifty. In Persian “*Kad*” (کد) means the house and “*Kadbanoo*” is someone who runs house by arrangement (Amid, 2010). By combining the “*kad*” word with “*Amoodan*” (آمودن) word that means setting up, building and Garnishing (Amid, 2010), “*Kad amay*” (کد آمای) word forms that means to create, makeup and setting home affairs. However, if you broaden your vision and want to insert management and set the affairs in all necessities of life, you will face with the word of the “*Maishat*” (معیشت) that means "what live with them" (Amid, 2010) in. With this interpretation, *Eqtesad* can be called model of living.

Resistive economy: a scientific and indigenous model which is tailored to the needs of the country. Inward-oriented with looking to outward, based on people, knowledge and Justice, fertile and flourishing. resistive economy relies on word “resistance” but it is better to use ‘*Moqavemat*’ (مقاومت) instead of it, that is derived from the Arabic verb “*qama*” (قام). “*qama*” in the Arab language means standing up and stay stable (Almaany 2015). This means that the resistive economy is the economy, which is constantly in progress, and simultaneously in the domestic and international shocks is largely invincible economic resistance index: is a criterion to measure amount of the realization of the pillars of resistive economy in a country.

Region Countries: means the countries of the Middle East.

Rival Countries: means, 7 countries that their economies are important for the Islamic Republic of Iran or have economic similarities with Iran (Australia, Indonesia, India, Turkey, Israel, Greece, Argentina). Among the indicators related to economic development, some indicators have the key role and are flourishing engine of economy. Therefore, of course, with reviewing these indicators, we can define an appropriate benchmark for determining the resistance of the economy. These indicators include: entrepreneurship index, knowledge economy index,

innovation index and the competitiveness index, thus, according to the first paragraph, second, and third in the overall economic policy of economic resistance were selected.

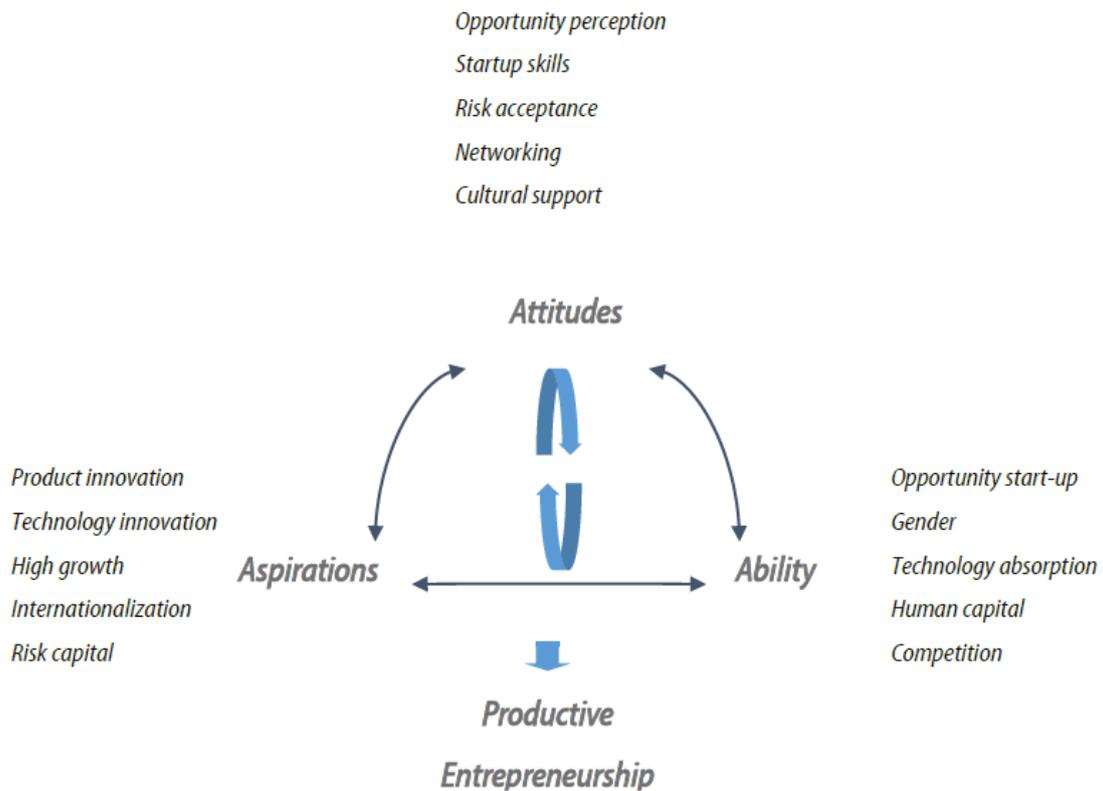
In this study, we examined the situation of country in each indicator from various angles, so the reader has a good picture of country's resistance of the economy. Therefore, three methods below are used to assess these indicators:

- comparing the performance of country with their own (in recent years)
- comparing the performance of country with countries in the region
- comparing the performance of country with competitor countries (Australia, Indonesia, India, Turkey, Israel, Greece, Argentina).

3.1. The first indicator (Entrepreneurship)

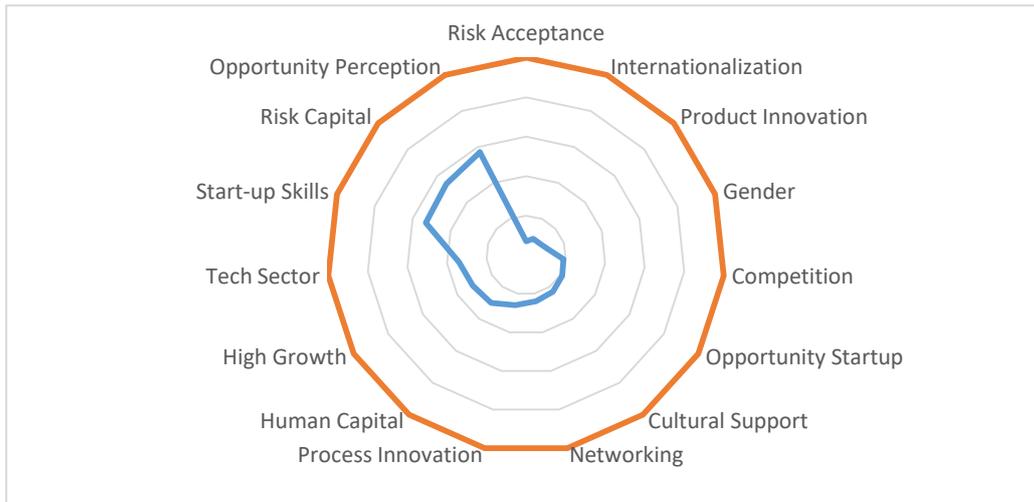
To assess the status of entrepreneurship in Iran, the global entrepreneurship development index is used which every year releases by the Global Entrepreneurship Development Institute (GEDI 2014). This indicator is obtained of 15 sub-indices that are classified in three groups. Each of the sub- indices are scored from 0 to 1.

Figure 1. Sub-indicators of GEDI indicator



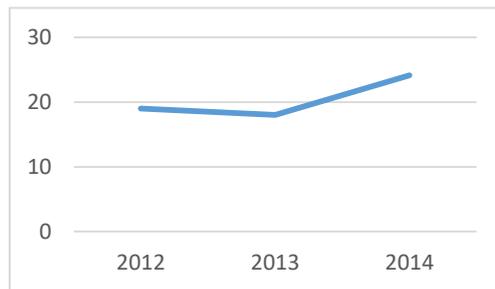
After reviewing the sub- indices, a number from 0 to 100 is determined for each country as an indicator of entrepreneurship. According to 2014 report, Iran with 24.1 points ranked 99 among 120 countries. Figure 2 shows the situation of Iran in each sub- indicators.

Figure 2. Sub-indicators of GEDI indicator for Iran in 2014



As can be seen in any of the sub- indices Iran has not suitable situation and the best score for Iran is 0.54 point in the field of capital risk. Figure 3 shows entrepreneurship indicator of Iran in recent years.

Figure 3. GEDI indicator for Iran in recent years



By examining the diagram above it becomes clear that the entrepreneurship indicator of Iran grows 33 percent over the previous year which is a good thing for Iran's economy. The following tables compare the ranking and rating of the entrepreneurship indicator of Iran with competing countries and the region countries. According to the tables, the Iranian entrepreneurship index of Iran has nothing to say, not at the rival countries level and not at the level of regional countries. Iran achieved the last rank among the rival countries, as well as in the region, it is only better than Pakistan. While Australia with 77.8 point ranked as a second in the world, Iran with 24.1 point, ranked as 99 the country. In general entrepreneurship situation in Iran is undesirable.



Table 1. GEDI indicator for rival countries in 2014

(1-100) Score	Global Rank	Competition Rank	Country
77.8	2	1	Australia
55.46	15	2	Israel
44.7	39	3	Turkey
38.4	56	4	Argentina
38.7	58	5	Greece
34.2	67	6	Indonesia
31.3	75	7	India
24.1	99	8	Iran

Table 2. GEDI indicator for region countries in 2014

(1-100) Global	Global Rank	Regional Rank	Country
59.6	20	1	Israel
52.6	23	2	Qatar
48.2	28	3	UAE
47.6	29	4	Oman
47.4	37	5	Bahrein
44.7	39	6	Turkey
43.4	45	7	Saudi Arabia
38.9	54	8	Lebanon
31.7	72	9	Jordan
25.2	94	10	Egypt
24.1	99	11	Iran
18.7	115	12	Pakistan

3.2. The second indicator (knowledge economy)

To assess the realization of the knowledge-based economy in Iran, the knowledge economy index is used which is calculated by (Knowledge Assessment Methodology Tool) measuring means of world bank) KEI 2012). This indicator examines countries in terms of the establishment of the knowledge economy. This indicator is composed of four sub-indicators as follows.

1. Institutional structure and economic stimulus
(Tariff and non-tariff barriers, quality monitoring, rule of law)
2. Technology adoption and innovation
(Average years of schooling, enrolment in high school, enrolment at the University)
3. Education and Training
(Registration and payment of patents, number of patents, journals and articles)
4. IT infrastructure and communications

(Phone, computer, Internet users)

After calculating sub-indicators, the score of zero to ten will be assigned to each country and countries will be rank base on them. In 2012 ranking, Iran with a score of 3.91, has achieved rank of 94 among 145 countries.

Figure 4. KEI indicator for Iran in recent years

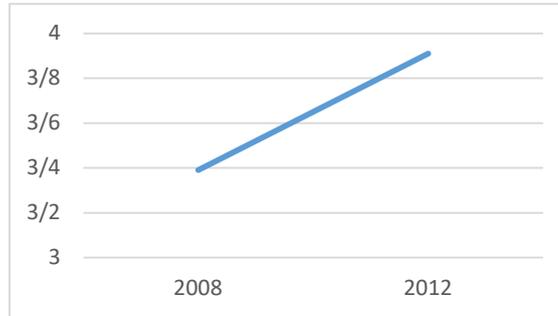
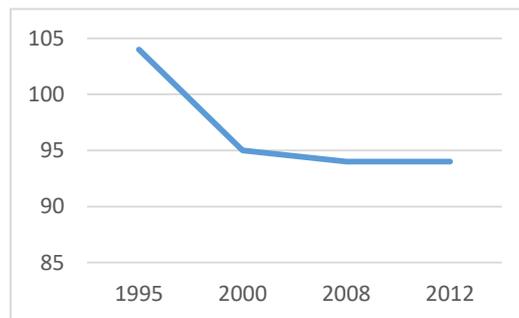


Figure 5. Rank of Iran in KEI indicator in recent years



According to the graph, from 2000 to 2012 rank of Iran upgraded only a unit. Also between 2008 and 2012, While Iran's point grow 15 percent ranked Iran, but Iran's rank has not changed and remained at the same rank of 94. This indicator shows this fact that all countries are changing their economy knowledge-based economy and official ignorance will cause irreparable arrears of the Iranian economy. Table 3 shows Iran's position (in terms of knowledge-based economy) among rival countries.

Table 3. Global Rank in KEI indicator for rival countries

(2012)Score	2012	2000	Country
8.88	9	6	Australia
8.14	25	18	Israel
7.51	36	31	Greece
5.43	63	44	Argentina
5.16	69	62	Turkey
3.91	94	95	Iran
3.11	108	105	Indonesia
3.06	110	104	India

By comparing the number of competing countries in 2000 and 2012, appears an interesting point. While rank of the entire nation decreased in this period but Iran is faced with promotion



of a step and it is a good point for Iran. Table 4 shows position of Iran's rank (in terms of the knowledge-based economy) compared with regional countries.

Table 4. Global Rank in KEI indicator for region countries in 2012

Global Rank	Regional Rank	Country
25	1	Israel
42	2	UAE
43	3	Bahrein
47	4	Oman
50	5	Saudi Arabia
54	6	Qatar
64	7	Kuwait
69	8	Turkey
75	9	Jordan
94	10	Iran
97	11	Egypt
112	12	Syria
117	13	Pakistan
122	14	Yemen

3.3.

The

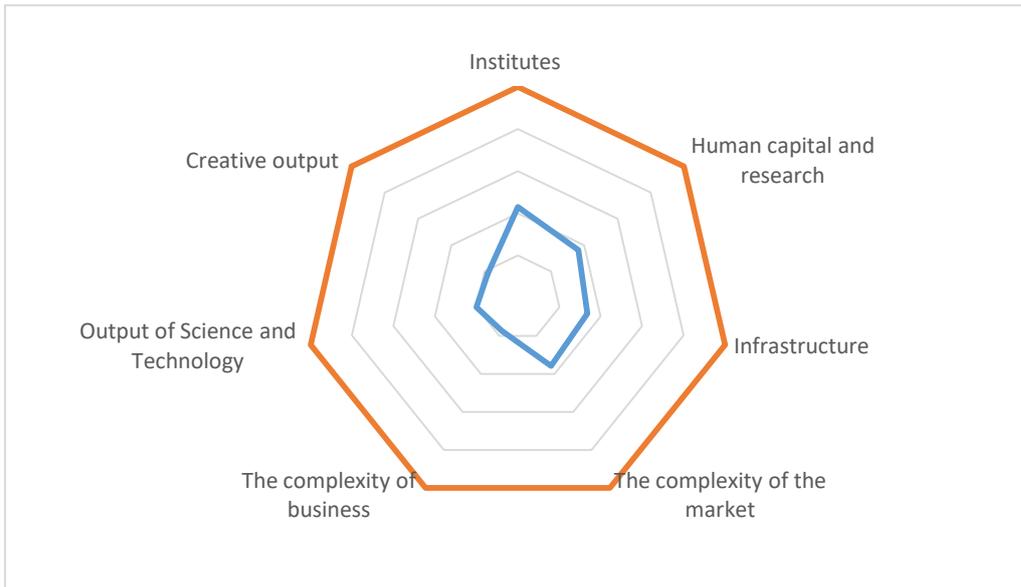
third indicator (Innovation)

The global innovation index is used to assess the situation of innovation in the Iran's economy, which it has been prepared by a group of academic institutions and Credible organizations and published on an annual basis (GII 2014) . The index is composed of 7 sub-indicators and a number of variables which are as follows.

1. Institutes
(Political environment, regulatory environment, business environment)
2. Human capital and research
(Education, higher education. Research and Development)
3. Infrastructure
(ICT, public infrastructure, ecological sustainability)
4. The complexity of the market
(Credit, investment, trade and competition)
5. The complexity of business
(Knowledge workers, continuity of innovation, knowledge absorption)
6. Output of Science and Technology
(Knowledge creation, impact of knowledge, dissemination of knowledge)
7. Creative output
(Intangible assets, innovative services and products, online creativity)

After the calculation of sub-indexes, the innovation indicator will be assessed as a number from 0 to 100. According to the 2014, Iran with a score of 26.14 ranks 120 among 143 countries. Figure 6 shows situation of Iran on the each of the Innovation sub-indicators.

Figure 6. Sub-indicators of GII indicator for Iran in 2014



According to the figure, Iran is weak all the sub-indices of the innovation indicator and the overall the situation of the innovation in Iran is not desirable.

Figures 7 and 8 shows the situation of the innovation indicator, in Iran in the recent years.

Figure 7. Rank of Iran in GII indicator in recent years

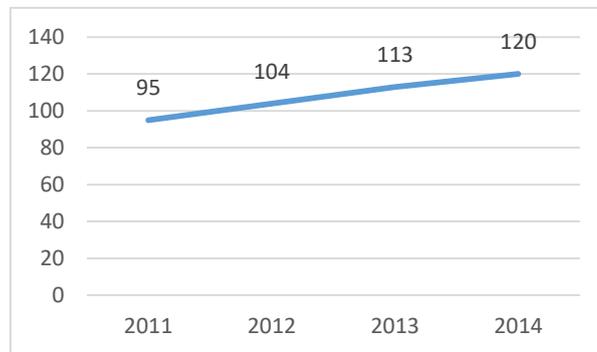
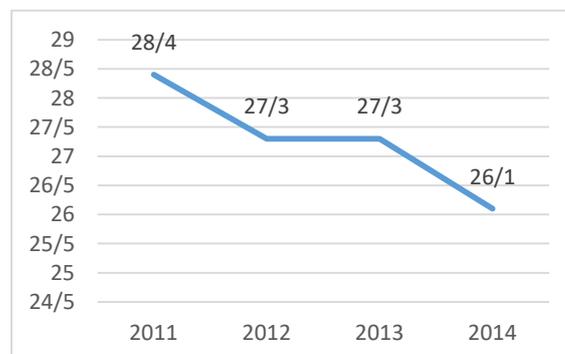


Figure 8. GII indicator for Iran in recent years



As can be seen, in recent years the innovation indicator has been declining and also Iran's global rank has continuously declined. In Tables 5 and 6 the situation of innovation in Iran compared with competitor countries and region countries.

Table 5. GII indicator for region countries in 2014

(1-100) Score	Global Rank	Regional Rank	Country
55.46	15	1	Israel
43.25	36	2	UAE
46.61	38	3	Saudi Arabia
40.31	47	4	Qatar
38.20	54	5	Turkey
36.26	62	6	Bahrein
36.21	64	7	Jordan
35.19	69	8	Kuwait
33.87	75	9	Oman
33.60	77	10	Lebanon
30.03	99	11	Egypt
26.14	120	12	Iran
24	134	13	Pakistan
19.53	141	14	Yemen

Table 6. GII indicator for rival countries in 2014

(1-100) Score	Global Rank	Country
55.46	15	Israel
55.01	17	Australia
38.95	50	Greece
38.20	54	Turkey
35.13	70	Argentina
33.70	76	India
31.81	87	Indonesia
26.14	120	Iran

Iran is in last place among the competing countries and in the region stood at number 12 above of Yemen and Pakistan which indicates the unfavourable status of innovations in Iran.

3.4 The fourth indicator (competitiveness)

To assess the competitiveness of the Iranian economy the global competitiveness Index is used that every year examines in the annual report of the World Economic Forum (GCR 2014). This index includes 12 sub-indexes which are formed from three classified groups. The following assessment indicators, the competitiveness Index will determine with a number from 1 to 7 and countries in the world will categories based on them, as well as in order to achieve the complete competitiveness conditions, the country should across three step above which base on the World Economic Forum 2014 report, Iran is crossing from step 1 to step 2. In 2014, Iran gained 4.04 point out of 7 total points and ranks 83 among 144 countries in the world. Figures 8 and 9 represent Iran's competitiveness status in recent years.

Figure 9. Sub-indicators of GCI indicator

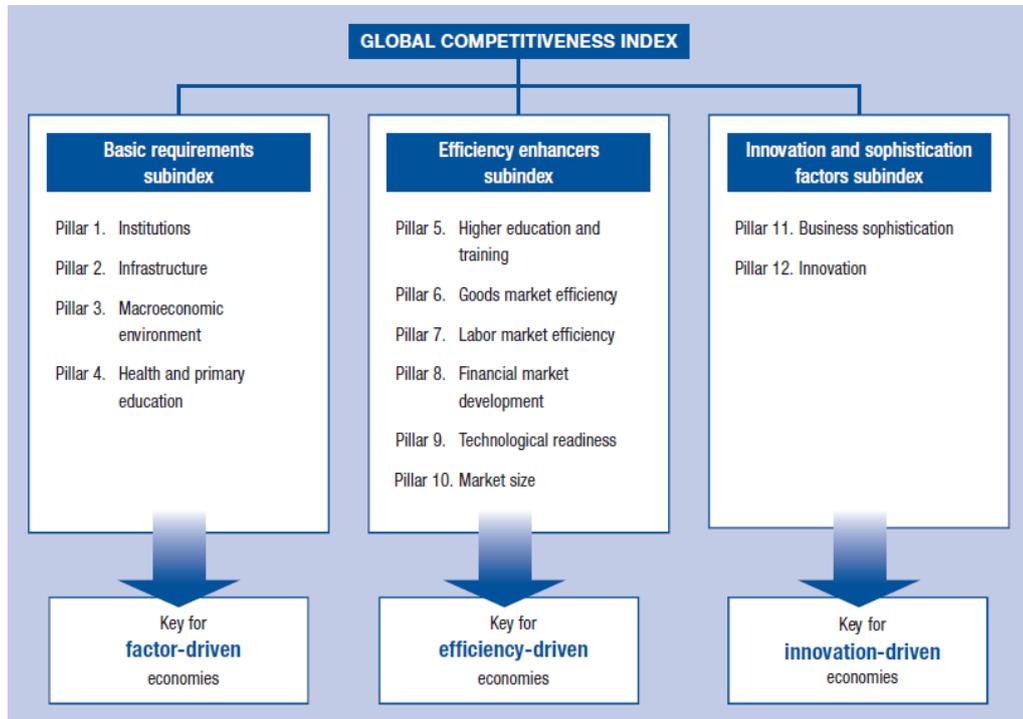


Figure 10. GCI indicator for Iran in recent years

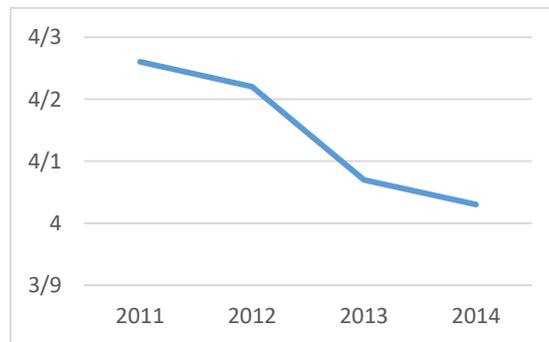
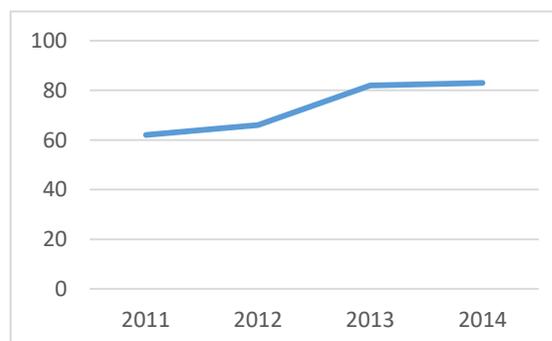
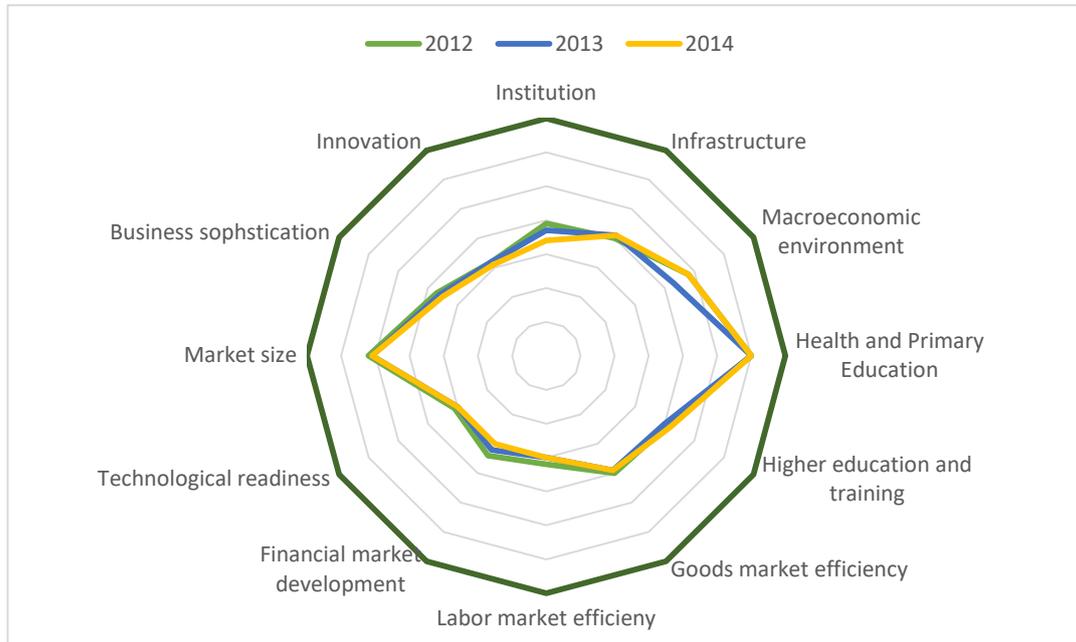


Figure 11. Rank of Iran in GCI indicator in recent years



As you can see, in recent year the competitiveness index of the Iran was always declining and world ranking of Iran continuously is increasing.

Figure 12. Sub-indicators of GCI indicator for Iran in



Figures 12 shows the sub-indicators of competitiveness state of Iran in recent years. Unfortunately, there is no grows in most of sub- indicators. And it can be said that competitiveness state of Iran is stagnant and no considerable measurement is done in these years. The only strengths points in this subject are size of market, health and elementary education which had significant point in these years.

Table 7 and 8 compared the competitiveness of the Iran with competing countries and the region countries. According to the tables, Iran not in region countries and nor in competing countries has nothing to say. However, during the years 2013 to 2014, Iran’s rank felled one degree and the Emirates 7, Jordan and Pakistan 4, Yemen 3 stages grow. Among the competing countries Indonesia, Greece grow respectively 4 and 10 stages that was considerable.

Table 7. GCI indicator for rival countries in 2014

(1-7) Score	Global Rank	Country
5.08	22	Australia
4.95	27	Israel
4.57	34	Indonesia
4.46	45	Turkey
4.21	71	India
4.04	81	Greece
4.03	83	Iran
3.79	104	Argentina

Table 8. GCI indicator for region countries in 2014

(1-7) Score	Global Rank	Regional Rank	Country
5.33	12	1	UAE
5.24	16	2	Qatar
5.06	24	3	Saudi Arabia
4.95	27	4	Israel
4.51	40	5	Kuwait
4.48	44	6	Bahrein
4.46	45	7	Turkey
4.46	46	8	Oman
4.25	64	9	Jordan
4.03	83	10	Iran
3.68	113	11	Lebanon
3.59	119	12	Egypt
3.42	129	16	Pakistan
2.96	142	14	Yemen

3.5. The fifth Indicator

(Administrative corruption and economic transparency in public sector)

The Corruption Perceptions Index (CPI 2014), which is calculated by transparency international organization is used to measure the administrative corruption. This indicator classifies countries based on the government officials and politicians. In other words, it is an index that shows the corruption rank in the public sector of a country among all countries. According to this criteria, countries with the least corruption among their authorities have 100 points of this scale and countries with the most corruption among their authorities have 0 points of this scale. This index that publishes annually, is calculated by certain criteria of transparency international organization and Passau university of Germany. The transparency international organization has offices in 180 countries in the world and provides its reports according to the criteria: examining governmental management in countries, citizenry accessibility to public services, the ruling justice and legal structure on countries and the position of private sector. In 2014, Iran, with 27 points out of 100 points, ranked 136th among 175 countries. Figures below show the state of corruption indicator for Iran's economy in recent years.

Figure 13. CPI indicator for Iran in recent years

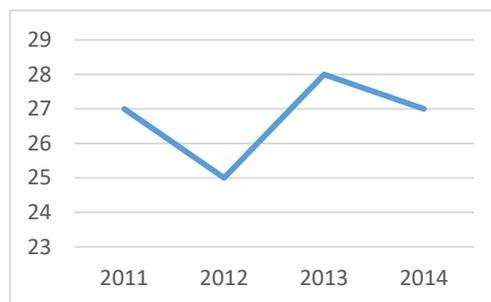
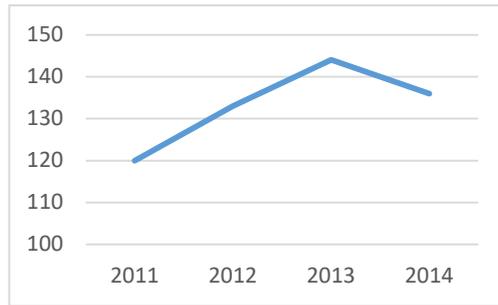


Figure 14. Rank of Iran in CPI indicator in recent years



As you can see, in recent year the administrative corruption index of the Iran has no changes and actually there is no improvement in this aspect. Iran’s distance with countries such as Denmark and New Zealand, which could decrease administrative corruption and achieve 90 point is too much, and this shows little attention to related measurement with decreasing the administrative corruption index in Iran. Tables below compared Iran situation with competitor countries and region countries in 2014 year.

Table 9. CPI indicator for rival countries in 2014

(1-100) Score	Global Rank	Country
80	11	Australia
60	37	Israel
45	64	Turkey
43	69	Greece
38	85	India
34	107	Argentina
34	107	Indonesia
27	136	Iran

Table 10.

CPI indicator for

(1-100) Score	Global Rank	Regional Rank	Country
69	26	1	Qatar
60	37	2	Israel
49	55	3	Saudi Arabia
49	55	3	Jordan
49	55	3	Bahreïn
45	64	4	Turkey
45	64	4	Oman
44	67	5	Kuwait
25	70	6	UAE
37	94	7	Egypt
29	126	8	Pakistan
27	136	9	Iran
27	136	9	Lebanon
19	161	10	Yamen
16	170	11	Iraq

rival countries in 2014





RESEARCH METHODOLOGY

This study is classified in the category of fundamental- theoretical research researches. Evaluation and analysis of international indexes is done by using international certain data and then with combining these indicators, the index of the country's economic resistance Is obtained. Analysing combining data, has given descriptive and analytical nature to this research.

5. FINDINGS

- In terms of entrepreneurship index in 2014 Iran, with 24.1 points out of 100 points, ranked 99th among 120 countries. Entrepreneur's index has been face 33 percent growth in 2014 rather to 2013. In 2014, Iran ranked 11th among the 12 countries in the region and also ranked as the last one among 8 sample country. In general, Iran have not a good situation in terms of entrepreneurship.

- In terms of knowledge-based economy index in 2012 with a score of 3.91 out of a total 10 points, ranked 94th among the 145 countries. Knowledge-based economy in 2012 faced with growth index of 15 percent compared to 2008, however rank of Iran does not change in recent years and stay at 94 which is indicative of the efforts of all countries to make a knowledge economy. In 2012 Iran rank among the 14 countries in the region, was 10 and also among the eight countries in the region was 5. generally, Iran is not in good standing in term of knowledge-based economy index. Unfortunately, this index the last time published 2008 and 2012 year and in 2014 no report published on it yet. so to calculate economic resistance index, not necessarily we will extend the value of knowledge-based economy in the years 2012, 2013 and 2014

- In 2014, In terms of innovation index Iran with 26.14 points out of 100 points, ranked 120 among 143 countries. Iran Innovation Index in 2014, face with a drop of 4% compared to the year 2013. In 2014, Iran ranked 12 among the 14 countries in the region and also ranked the last among 8 countries in the region. Unfortunately, the situation of innovation index also is disappointing.

- In terms of Competitiveness Index in 2014 Iran, with 4.04 points out of a total 7 points ranked 83 among 144 countries. in 2013 Iran competitiveness Index faced with 1% drop. In 2014 In 2014, Iran ranked 10 among the 14 countries in the region and also is ranked seventh among the eight sample countries. In general, it can be said that Iran gained 57 percent of its competitiveness index score and relatively is well on this index, but in compared with other countries have nothing to say.

- In 2014, In terms of economic transparency index Iran, with 27 points out of 100 points ranked 136 among 175 countries. Economic transparency index felled 3 percent in 2014 compared to 2013. In 2014, Iran ranked 12 among the 15 countries in the region. Also ranked 8 among the eight sample countries. According to statistics, the state of administrative corruption in Iran is very difficult.

6. DISCUSSION AND CONCLUSION

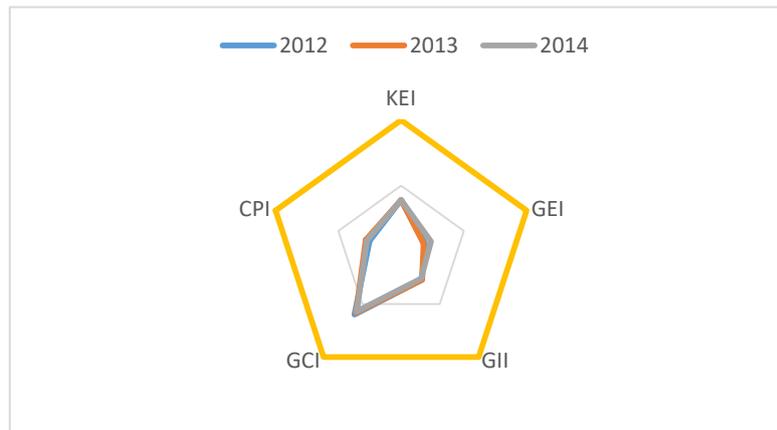
The economic resistance index is a number between zero to five that values can be achieved the sum of the following amount:

- Knowledge-based economy indicator (a number between zero to one)
- entrepreneurship indicator (a number between zero to one)
- Innovation indicator (a number between zero to one)
- competitiveness indicator (a number between zero to one)

conception of corruption indicator (a number between zero to one)
this index was 1.73 in 2012 (1,7), 2013 (1,7), 2014.

The figure below shows the state of indexes which forms the economic resistance index in recent years.

Figure 15. Sub-indicators of Resistive Economy indicator for Iran in recent years



It is true that this index has a few variables, but it is able to draw a picture of resistive economy status, especially in economic flourishing. Undoubtedly the entrepreneurship indicator, competitiveness indicator and economic transparency are the key elements of economic flourishing which Iran's situation is not good at these indicators. From the general point of view, during past three years Iran just obtained 1.71 point of 5 summation point for the economic resistance index. That in another word, it is equals 34 percent of total point and shows the weak resistance of country's economy.

7. PRACTICAL SUGGESTIONS

For next studies, it suggests which in order to need for inclusiveness of all indicators, is PH. D or M.A thesis, below indicators be examined, also to have more precise results, weighting to all indexes based on their impact on economic resistance in a country. And it should be done by economic experts' opinion (these indexes are just a suggestion and with reviewing the general policies of resistive economy, it is possible to identify the indexes that we need).

- Social justice index
- Energy intensity index
- Quality of domestic goods index
- Economic stability index
- The amount of productive employment index
- Economic complexity index
- Basic goods production index inside the country



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ETHICAL CONSIDERATION

Authenticity of the texts, honesty and fidelity has been observed.

AUTHOR CONTRIBUTIONS

Planning and writing of the manuscript was done solely by the author.

CONFLICT OF INTEREST

Author/s confirmed no conflict of interest.

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