

# **Economic Freedom of the World 2010 Annual Report**







# Economic Freedom of the World

## 2010 Annual Report

**James Gwartney**

*Florida State University*

**Joshua Hall**

*Beloit College*

**Robert Lawson**

*Auburn University*

with

**Christopher J. Coyne**

*George Mason University*

**John W. Dawson**

*Appalachian State University*

**Horst Feldmann**

*University of Bath*

**John Levendis**

*Loyola University New Orleans*

**Russell S. Sobel**

*West Virginia University*

**Edward Peter Stringham**

*Fayetteville State University*

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# Executive Summary

## Economic Freedom of the World

The index published in *Economic Freedom of the World* measures the degree to which the policies and institutions of countries are supportive of economic freedom. The cornerstones of economic freedom are personal choice, voluntary exchange, freedom to compete, and security of privately owned property. Forty-two data points are used to construct a summary index and to measure the degree of economic freedom in five broad areas:

- 1 Size of Government: Expenditures, Taxes, and Enterprises;
- 2 Legal Structure and Security of Property Rights;
- 3 Access to Sound Money;
- 4 Freedom to Trade Internationally;
- 5 Regulation of Credit, Labor, and Business.

### Economic freedom has suffered its first setback in decades

- The chain-linked summary index (exhibit 1.4) permits comparisons over time. The average economic-freedom score rose from 5.53 (out of 10) in 1980 to 6.74 in 2007, but fell back to 6.67 in 2008, the most recent year for which data are available. This is the first retreat for global economic freedom in decades. (See chapter 1 for a discussion.)
- In this year's index, Hong Kong retains the highest rating for economic freedom, 9.05 out of 10. The other top 10 nations are: Singapore (8.70), New Zealand (8.27), Switzerland (8.08), Chile (8.03), United States (7.96), Canada (7.95), Australia (7.90), Mauritius (7.82), and the United Kingdom (7.81).
- The rankings (and scores) of other large economies are Germany, 24 (7.46), Japan 24 (7.46), France 35 (7.32), Italy 66 (6.90), Mexico 69 (6.89), Russia 84 (6.62), China 82 (6.65), India 87 (6.51), and Brazil 102 (6.18).
- The bottom ten nations are: Zimbabwe (3.57), Myanmar (3.81), Angola (3.89), Venezuela (4.33), Congo, Republic of (4.75), Congo, Democratic Republic (4.93), Central African Republic (4.77), Guinea-Bissau (4.82), Burundi (4.91), and Algeria (5.00).

### Nations that are economically free out-perform non-free nations in indicators of well-being

- Nations in the top quartile of economic freedom had an average per-capita GDP of \$32,744 in 2007, compared to \$3,858 for those nations in the bottom quartile in constant 2005 international dollars (exh. 1.6).
- In the most-free quartile, the average income of the poorest 10% of the population was \$8,474 compared to \$910 for those in the least-free quartile, in constant 2005 international dollars (exh. 1.9). Interestingly, the average income of the poorest 10% in the most economically free nations is more than double the overall average income in the least free nations.



- Life expectancy is 79.3 years in the most-free quartile but 59.9 years in the least-free quartile (exh. 1.10).
- People in nations in the most-free quartile report a life satisfaction of 7.5 out of 10 while those in the least-free quartile report a life satisfaction of 4.7 (exh. 1.11).
- Nations in the most-free quartile have an average score of 7.4 for corruption on a scale of 10, while those in the least-free quartile have an average score of 2.6 (exh. 1.12).
- Nations in the top quartile have an average score of 1.6 for political rights and civil freedoms on a scale of 1 to 7, where 1 marks the highest level, while those in the bottom quartile have an average score of 4.3 (exh. 1.13).

## **Chapter 1: Economic Freedom of the World, 2008**

The principal authors of the report, James Gwartney (Florida State University), Robert Lawson (Auburn University), and Joshua Hall (Beloit College), review the causes of the financial crisis and the recession. They also discuss the policy responses and the political processes out of which those responses grew, and how these processes may favor government intervention and a reduction in economic freedom, which perversely is likely to extend the recession. They warn that this path over the longer term would lead to loss of economic growth and vibrancy. This highlights the importance of an objective economic freedom measure to bring accountability to the debate. The authors also review the history of the economic freedom project and describe the construction of the index.

## **Chapter 2: Country Data Tables**

Detailed historical information is provided for each of the 141 countries and territories in the index.

## **Chapter 3: How Are Institutions Related?**

Christopher Coyne (George Mason University) and Russell Sobel (West Virginia University) analyze the nature of institutional reform using data on different measures of each country's many economic and political institutions. They ask both whether some institutions are easier to permanently change than others, and whether sets of institutions must be reformed simultaneously for the changes to become permanent. The main results are: (1) that most formal, economic institutions (e.g., tax and regulatory structures) can be permanently reformed but that legal and rights-based informal institutions (e.g., civil rights or Area 2: Legal Structure and Security of Property Rights) tend to resist permanent change; and (2) that economic institutions are cointegrated and therefore must move together to obtain permanent change—some institutions simply cannot be changed in isolation. In terms of policy, this implies that over the long term, reforms to one set of institutions are more likely to become permanent if reforms to other institutions are also undertaken. To achieve meaningful advances in economic freedom, countries must undertake simultaneous reform to the different areas of the index, rather than trying to change one at a time. Changes to one area in isolation tend to decay back to prior levels unless accompanied by changes in other areas.

## **Chapter 4: Macroeconomic Volatility and Economic Freedom: A Preliminary Analysis**

John Dawson (Appalachian State University) examines the empirical relationship between business-cycle volatility and economic freedom across countries. In a diverse sample of 85 countries, the results suggest a significantly negative relationship between volatility and a broad measure of freedom—even after controlling for other determinants of cross-country volatility and using an instrumental variables procedure to account for the likely endogeneity of economic



freedom. Among the underlying components of the freedom index, all but the size of government also have a significantly negative relationship with volatility; that is, in these areas, economic freedom reduces volatility. Size of government is found to have a significantly positive relationship with volatility. Measures of changes in freedom and the volatility of freedom are found to be statistically insignificant, suggesting that freedom is not among the shocks that cause business cycles. Rather, freedom appears to allow economies to better adjust to those shocks that drive business cycles.

## Chapter 5: Economic Freedom and Unemployment

Horst Feldmann (University of Bath) examines the relationship between economic freedom and unemployment. According to his regression results, more economic freedom appears to reduce unemployment. The magnitude of the effect seems to be substantial, especially among young people. Given the large costs of unemployment and the enormous number of jobless people worldwide, particularly in the wake of the current financial and economic crisis, governments should consider increasing economic freedom as a means of reducing unemployment. To illustrate the magnitude of the effects, Feldmann compares the United States and Italy and finds that, if Italy had enjoyed the same degree of economic freedom as the United States, its unemployment rate might have been 1.7 percentage points lower among the total labor force and between 3.5 and 3.9 percentage points lower among youth, other factors being equal.

## Chapter 6: The Relationship between Economic Freedom and Homicide

Edward Peter Stringham (Fayetteville State University) and John Leventis (Loyola University New Orleans) consider the question: Does economic freedom lead to more or less conflict? Numerous authors argue that markets create conflict, whereas many advocates of economic freedom from Adam Smith to Milton Friedman argued the opposite. Stringham and Leventis examine the various ideas about why economic freedom may reduce conflict and why government intervention might increase it. Then, they look at cross-national data to determine whether measures of markets and homicides are correlated and find that, in a cross section of countries, measures of economic freedom are significantly and negatively correlated with homicide rates. These results hold under various tests for robustness. Increases in economic freedom do appear to be associated with decreases in homicide rates.

## Data available to researchers

The full data set, including all of the data published in this report as well as data omitted due to limited space, can be downloaded for free at <http://www.freetheworld.com/release.html>. The data file available there contains the most up-to-date and accurate data for the Economic Freedom of the World index. Some variable names and data sources have evolved over the years since the first publication in 1996; users should consult earlier editions of the *Economic Freedom of the World* annual reports for details regarding sources and descriptions for those years. All editions of the report are available in PDF and can be downloaded for free at <http://www.freetheworld.com>. However, users are always strongly encouraged to use the data from this most recent data file as updates and corrections, even to earlier years' data, do occur. Users doing long-term or longitudinal studies are encouraged to use the chain-linked index as it is the most consistent through time. If you have problems downloading the data, please contact Jean-François Minardi via e-mail to [freetheworld@fraserinstitute.org](mailto:freetheworld@fraserinstitute.org) or via telephone +1.514.281.9550 ext. 306. If you have technical questions about the data itself, please contact Robert Lawson (e-mail: [rlawson@auburn.edu](mailto:rlawson@auburn.edu); telephone: +1.334.844.3007) or Joshua Hall (e-mail: [joshua.c.hall@gmail.com](mailto:joshua.c.hall@gmail.com); telephone: +1.608.363.2376). Please cite the data set as:

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## Chapter 1: Economic Freedom of the World, 2008

It has been nearly a quarter of a century since Milton Friedman and Michael Walker hosted the initial meeting of a series of conferences that eventually led to the index published in *Economic Freedom of the World* (EFW). These conferences, held from 1986 to 1994, had a single objective: the development of a clearly defined measure of economic freedom for a large set of countries. Moreover, conference participants wanted the measure to be as objective and transparent as possible. The goals of this project have been unchanged during the 25 years of its existence.

There was considerable debate about the nature of economic freedom at those early conferences but a consensus emerged that the core concepts of economic freedom were self-ownership, non-interference, and the protection of people and their property from invasions by others. Self-ownership and non-interference imply that individuals have a right to choose for themselves—to decide how they will use their time, talents, and resources. On the other hand, they do not have a right to the time, talents, and resources of others. Put another way, individuals do not have a right to take things from others or demand that others provide things for them. Economic freedom is present when adults are free to produce, consume, and trade with others as long as their actions do not harm the person or property of others. Use of violence, theft, fraud, and physical invasions are not permissible but, otherwise, individuals who are economically free are free to choose and compete as they see fit.

The index published in *Economic Freedom of the World* (EFW) is designed to measure the consistency of a nation's institutions and policies with this concept of self-ownership. The four cornerstones of economic freedom are

- personal choice
- voluntary exchange coordinated by markets
- freedom to enter and compete in markets
- protection of persons and their property from aggression by others.

These four underpin the EFW index. Put simply, institutions and policies are consistent with economic freedom when they permit individuals to choose for themselves, enter into voluntary agreements with others, and protect individuals and their property from aggressors. In order to achieve a high EFW rating, a country must provide secure protection of privately owned property, evenhanded enforcement of contracts, and a stable monetary environment. It also must keep taxes low, refrain from creating barriers to both domestic and international trade, and rely more fully on markets rather than the political process to allocate goods and resources.

From 1980 to 2008, there was a gradual but steady movement toward economic freedom. Numerous studies have shown that countries with more economic freedom grow more rapidly and achieve higher levels of per capita income than those that are less free. Similarly, there is a positive relationship between changes in economic freedom and the growth of per-capita income. Moreover, as per-capita income has grown, the world's poverty rate has declined and most of this progress has occurred in countries that have made substantial moves toward higher levels of economic freedom. Economic growth is primarily the result of gains from trade, capital investment, and the discovery of improved products, lower-cost production methods, and better ways of doing things. Given these sources of growth and prosperity, it is not surprising that increases in economic freedom and improvements in quality of life are closely related.

As the world confronted financial instability and economic decline in 2008, the mean economic freedom rating fell for the first time in several decades. As we mentioned in last year's report, the world now faces a situation similar to that of the Great Depression. During the 1930s, perverse economic policies transformed a normal cyclical downturn into a decade-long era of hardship and suffering. The length and severity of the Great



Depression were the result of a sharp monetary contraction, imposition of trade restrictions, higher taxes, increases in government spending financed with debt, price controls, and uncertainty created by constant policy changes that were supposed to hasten the end of the crisis. Even though it was caused by perverse policies, the Great Depression led to more government regulation, growth of government spending, and reductions in economic freedom.

While the current economic downturn is far less severe than that of the Great Depression, both the fundamental cause and the policy responses are similar. In the United States, perverse credit expansion and regulatory policies were the primary cause of the current crisis. Seeking to promote more affordable housing, politicians expanded the availability of credit, and imposed regulations that contaminated the quality of mortgages (e.g., loans with little or no down payment, excessively large loans relative to income, and loans to unqualified borrowers with a poor credit history). The result: an unsustainable housing price boom followed by the bust, and eventually increases in the default and foreclosure rates as heavily indebted borrowers were unable to make the payments on the loans the regulators arranged for them. The downturn in the housing industry soon spread to other sectors and the contaminated mortgage-backed securities were marketed throughout the world, leading to a financial crisis. The policy response to the crisis has also been similar to that of the Great Depression: more regulation, growth of government spending financed by debt, and constant policy changes that have created uncertainty and undermine private-sector activity.

Will the perverse policies that caused the current crisis lead to still more government intervention and regulation just as it did during the Great Depression? We are now in the midst of a great debate on this issue. The outcome of this debate is highly important because there is a dramatic difference in the incentive for productive action between a market economy and one that is managed and directed by the political process. With markets, profits and losses will direct people toward productive actions and away from unproductive and counterproductive ones. If a business is going to be successful in a market economy, it must bid resources away from others and use them to supply goods that people value enough to pay prices sufficient to cover their costs. Profits and losses also provide people with a strong incentive to innovate, and discover production methods with lower costs and new products that people value highly relative to cost. This incentive

to use resources productively and discover better ways of doing things is the driving force underlying economic growth and progress.

The incentive structure of the political process is vastly different. There is nothing comparable to profits and losses that will consistently direct resources into productive projects and away from those that are counterproductive. Politicians will allocate resources toward the politically powerful—those who can provide them with the most votes, campaign funds, high paying jobs for political allies and, yes, even bribes. There is no reason to expect that this incentive structure will channel resources into productive, and away from counterproductive, projects. Innovators and entrepreneurs will be disadvantaged by this system because it will not be enough to produce products that consumers value highly relative to cost; one will also have to compete for political favoritism and cater to the views of the political class. The result: more resources will be used to obtain political favors—economists refer to this as rent-seeking—and fewer channeled into productive activities.

As this debate unfolds, it is important to distinguish between market entrepreneurs and crony capitalists. Market entrepreneurs succeed by providing customers with better products, more reliable service, and lower prices than are available elsewhere. They succeed by creating wealth: by producing goods and services that are worth more than the value of the resources required for their production. Crony capitalists are different: they get ahead through subsidies, special tax breaks, regulatory favors, and other forms of political favoritism. Rather than providing consumers with better products at attractive prices, crony capitalists form an alliance with politicians. The crony capitalists provide the politicians with contributions, other political resources, and, in some cases, bribes in exchange for subsidies and regulations that give them an advantage relative to other firms. Rather than create wealth, crony capitalists form a coalition with political officials to plunder wealth from taxpayers and other citizens.

The Great Debate between the proponents of limited government and open markets on the one hand and those favoring collectivism and political direction of the economy on the other highlights the importance of an accurate and objective measure of economic freedom. The index published in *Economic Freedom of the World* provides a measure that will help one track the direction of this debate, which is sure to affect the prosperity of the world in the years immediately ahead.



## The Economic Freedom of the World index, 2008

The construction of the index published in *Economic Freedom of the World* (EFW index) is based on three important methodological principles. First, objective components are always preferred to those that involve surveys or value judgments. Given the multidimensional nature of economic freedom and the importance of legal and regulatory elements it is sometimes necessary to use data based on surveys, expert panels, and generic case studies. To the fullest extent possible, however, the index uses objective components. Second, the data used to construct the index ratings are from external sources such as the International Monetary Fund, World Bank, and World Economic Forum that provide data for a large number of countries. Data provided directly from a source within a country are rarely used, and only when the data are unavailable from international sources. Importantly, the value judgments of the authors or others in the Economic Freedom Network are never used to alter the raw data or the rating of any country. Third, transparency is present throughout. The report provides information about the data sources, the methodology used to transform raw data into component ratings, and how the component ratings are used to construct both the area and summary ratings. Complete methodological details can be found in Appendix: Explanatory Notes and Data Sources (page 219). The entire data set used in the construction of the index is freely available to researchers at [www.freetheworld.com](http://www.freetheworld.com).

Exhibit 1.1 indicates the structure of the EFW index. The index measures the degree of economic freedom present in five major areas: [1] Size of Government: Expenditures, and Taxes, Enterprises; [2] Legal Structure and Security of Property Rights; [3] Access to Sound Money; [4] Freedom to Trade Internationally; [5] Regulation of Credit, Labor, and Business.

Within the five major areas, there are 23 components in this year's index. Many of those components are themselves made up of several sub-components. In total, the index comprises 42 distinct variables. Each component and sub-component is placed on a scale from 0 to 10 that reflects the distribution of the underlying data. The sub-component ratings are averaged to determine each component. The component ratings within each area are then averaged to derive ratings for each of the five areas. In turn, the five area ratings are averaged to derive the summary rating for each country. Following is an overview of the five major areas.

### Area 1: Size of Government: Expenditures, Taxes, and Enterprises

The four components of Area 1 indicate the extent to which countries rely on the political process to allocate resources and goods and services. When government spending increases relative to spending by individuals, households and businesses, government decision-making is substituted for personal choice and economic freedom is reduced. The first two components address this issue. Government consumption as a share of total consumption (1A) and transfers and subsidies as a share of GDP (1B) are indicators of the size of government. When government consumption is a larger share of the total, political choice is substituted for personal choice. Similarly, when governments tax some people in order to provide transfers to others, they reduce the freedom of individuals to keep what they earn.

The third component (1C) in this area measures the extent to which countries use private rather than government enterprises to produce goods and services. Government firms play by rules that are different from those to which private enterprises are subject. They are not dependent on consumers for their revenue or on investors for capital. They often operate in protected markets. Thus, economic freedom is reduced as government enterprises produce a larger share of total output.

The fourth component (1D) is based on (Di) the top marginal income tax rate and (Dii) the top marginal income and payroll tax rate and the income threshold at which these rates begin to apply. These two sub-components are averaged to calculate the top marginal tax rate (1D). High marginal tax rates that apply at relatively low income levels are also indicative of reliance upon government. Such rates deny individuals the fruits of their labor. Thus, countries with high marginal tax rates and low income thresholds are rated lower.

Taken together, the four components of Area 1 measure the degree to which a country relies on personal choice and markets rather than government budgets and political decision-making. Therefore, countries with low levels of government spending as a share of the total, a smaller government enterprise sector, and lower marginal tax rates earn the highest ratings in this area.

### Area 2: Legal Structure and Security of Property Rights

Protection of persons and their rightfully acquired property is a central element of economic freedom and a civil society. Indeed, it is the most important function of government. Area 2 focuses on this issue. The key ingredients



## Exhibit 1.1: The Areas, Components, and Sub-Components of the EFW Index

### 1 Size of Government: Expenditures, Taxes, and Enterprises

- A General government consumption spending as a percentage of total consumption
- B Transfers and subsidies as a percentage of GDP
- C Government enterprises and investment
- D Top marginal tax rate
  - i Top marginal income tax rate
  - ii Top marginal income and payroll tax rates

### 2 Legal Structure and Security of Property Rights

- A Judicial independence (GCR)
- B Impartial courts (GCR)
- C Protection of property rights (GCR)
- D Military interference in rule of law and the political process (ICRG)
- E Integrity of the legal system (ICRG)
- F Legal enforcement of contracts (DB)
- G Regulatory restrictions on the sale of real property (DB)

### 3 Access to Sound Money

- A Money growth
- B Standard deviation of inflation
- C Inflation: Most recent year
- D Freedom to own foreign currency bank accounts

### 4 Freedom to Trade Internationally

- A Taxes on international trade
  - i Revenues from trade taxes (% of trade sector)
  - ii Mean tariff rate
  - iii Standard deviation of tariff rates

- B Regulatory trade barriers
  - i Non-tariff trade barriers (GCR)
  - ii Compliance cost of importing & exporting (DB)
- C Size of trade sector relative to expected
- D Black-market exchange rates
- E International capital market controls
  - i Foreign ownership/investment restrictions (GCR)
  - ii Capital controls

### 5 Regulation of Credit, Labor, and Business

- A Credit market regulations
  - i Ownership of banks
  - ii Foreign bank competition
  - iii Private sector credit
  - iv Interest rate controls/negative real interest rates
- B Labor market regulations
  - i Hiring regulations and minimum wage (DB)
  - ii Hiring and firing regulations (GCR)
  - iii Centralized collective bargaining (GCR)
  - iv Hours regulations (DB)
  - v Mandated cost of worker dismissal (DB)
  - vi Conscription
- C Business regulations
  - i Price controls
  - ii Administrative requirements (GCR)
  - iii Bureaucracy costs (GCR)
  - iv Starting a business (DB)
  - v Extra payments/bribes (GCR)
  - vi Licensing restrictions (DB)
  - vii Cost of tax compliance (DB)

GCR = *Global Competitiveness Report*; ICRG = *International Country Risk Guide*; DB = *Doing Business* (see Appendix 1 for bibliographical information).



of a legal system consistent with economic freedom are rule of law, security of property rights, an independent judiciary, and an impartial court system. Components indicating how well the protective function of government is performed were assembled from three primary sources: the *International Country Risk Guide*, the *Global Competitiveness Report*, and the World Bank's *Doing Business* project.

Security of property rights, protected by the rule of law, provides the foundation for both economic freedom and the efficient operation of markets. Freedom to exchange, for example, is meaningless if individuals do not have secure rights to property, including the fruits of their labor. When individuals and businesses lack confidence that contracts will be enforced and the fruits of their productive efforts protected, their incentive to engage in productive activity is eroded. Perhaps more than any other area, this area is essential for the efficient allocation of resources. Countries with major deficiencies in this area are unlikely to prosper regardless of their policies in the other four areas.

### Area 3: Access to Sound Money

Money oils the wheels of exchange. An absence of sound money undermines gains from trade. As Milton Friedman informed us long ago, inflation is a monetary phenomenon, caused by too much money chasing too few goods. High rates of monetary growth invariably lead to inflation. Similarly, when the rate of inflation increases, it also tends to become more volatile. High and volatile rates of inflation distort relative prices, alter the fundamental terms of long-term contracts, and make it virtually impossible for individuals and businesses to plan sensibly for the future. Sound money is essential to protect property rights and, thus, economic freedom. Inflation erodes the value of property held in monetary instruments. When governments finance their expenditures by creating money, in effect, they are expropriating the property and violating the economic freedom of their citizens.

The important thing is that individuals have access to sound money: who provides it makes little difference. Thus, in addition to data on a country's inflation and its government's monetary policy, it is important to consider how difficult it is to use alternative, more credible, currencies. If bankers can offer saving and checking accounts in other currencies or if citizens can open foreign bank accounts, then access to sound money is increased and economic freedom expanded.

There are four components to the EFW index in Area 3. All of them are objective and relatively easy to

obtain and all have been included in the earlier editions of the index. The first three are designed to measure the consistency of monetary policy (or institutions) with long-term price stability. Component 3D is designed to measure the ease with which other currencies can be used via domestic and foreign bank accounts. In order to earn a high rating in this area, a country must follow policies and adopt institutions that lead to low (and stable) rates of inflation and avoid regulations that limit the ability to use alternative currencies.

### Area 4: Freedom to Trade Internationally

In our modern world of high technology and low costs for communication and transportation, freedom of exchange across national boundaries is a key ingredient of economic freedom. Many goods and services are now either produced abroad or contain resources supplied from abroad. Voluntary exchange is a positive-sum activity: both trading partners gain and the pursuit of the gain provides the motivation for the exchange. Thus, freedom to trade internationally also contributes substantially to our modern living standards.

In response to protectionist critics and special-interest politics, virtually all countries adopt trade restrictions of various types. Tariffs and quotas are obvious examples of roadblocks that limit international trade. Because they reduce the convertibility of currencies, controls on the exchange rate also hinder international trade. The volume of trade is also reduced if the passage of goods through customs is onerous and time consuming. Sometimes these delays are the result of administrative inefficiency while in other instances they reflect the actions of corrupt officials seeking to extract bribes. In both cases, economic freedom is reduced.

The components in this area are designed to measure a wide variety of restraints that affect international exchange: tariffs, quotas, hidden administrative restraints, and exchange rate and capital controls. In order to get a high rating in this area, a country must have low tariffs, a trade sector that is larger than expected, easy clearance and efficient administration of customs, a freely convertible currency, and few controls on the movement of capital.

### Area 5: Regulation of Credit, Labor, and Business

When regulations restrict entry into markets and interfere with the freedom to engage in voluntary exchange, they reduce economic freedom. The fifth area of the index focuses on regulatory restraints that limit the freedom of exchange in credit, labor, and product markets. The first component (5A) reflects conditions in the domestic credit



market. The first two sub-components provide evidence on the extent to which the banking industry is dominated by private firms and whether foreign banks are permitted to compete in the market. The final two sub-components indicate the extent to which credit is supplied to the private sector and whether controls on interest rates interfere with the market in credit. Countries that use a private banking system to allocate credit to private parties and refrain from controlling interest rates receive higher ratings for this regulatory component.

Many types of labor-market regulations infringe on the economic freedom of employees and employers. Among the more prominent are minimum wages, dismissal regulations, centralized wage setting, extension of union contracts to nonparticipating parties, and conscription. The labor-market component (5B) is designed to measure the extent to which these restraints upon economic freedom are present. In order to earn high marks in the component rating regulation of the labor market, a country must allow market forces to determine wages and establish the conditions of hiring and firing, and refrain from the use of conscription.

Like the regulation of credit and labor markets, the regulation of business activities (component 5C) inhibits economic freedom. The sub-components of 5C are designed to identify the extent to which regulations and bureaucratic procedures restrain entry and reduce competition. In order to score high in this portion of the index, countries must allow markets to determine prices and refrain from regulatory activities that retard entry into business and increase the cost of producing products. They also must refrain from “playing favorites,” that is, from using their power to extract financial payments and reward some businesses at the expense of others.

## Construction of Area and Summary ratings

Theory provides us with direction regarding elements that should be included in the five areas and the summary index, but it does not indicate what weights should be attached to the components within the areas or among the areas in the construction of the summary index. It would be nice if these factors were independent of each other and a weight could be attached to each of them. During the past several years, we have investigated several methods of weighting the various components, including principle component analysis and a survey of economists. We have also invited others to use their own weighting structure if they believe that it is preferable. In the final analysis, the

summary index is not very sensitive to substantial variations in the weights.

Furthermore, there is reason to question whether the areas (and components) are independent or work together like a team. Put another way, they may be linked more like the wheels, motor, transmission, drive shaft, and frame of a car. Just as it is the bundle of these factors that underlies the mobility of an auto, it may be a bundle of factors that underlies the composition of economic freedom. With regard to an automobile, which is more important for mobility: the motor, wheels, or transmission? The question cannot be easily answered because the parts work together. If any of these key parts break down, the car is immobile. Institutional quality may be much the same. If any of the key parts are absent, the overall effectiveness is undermined.

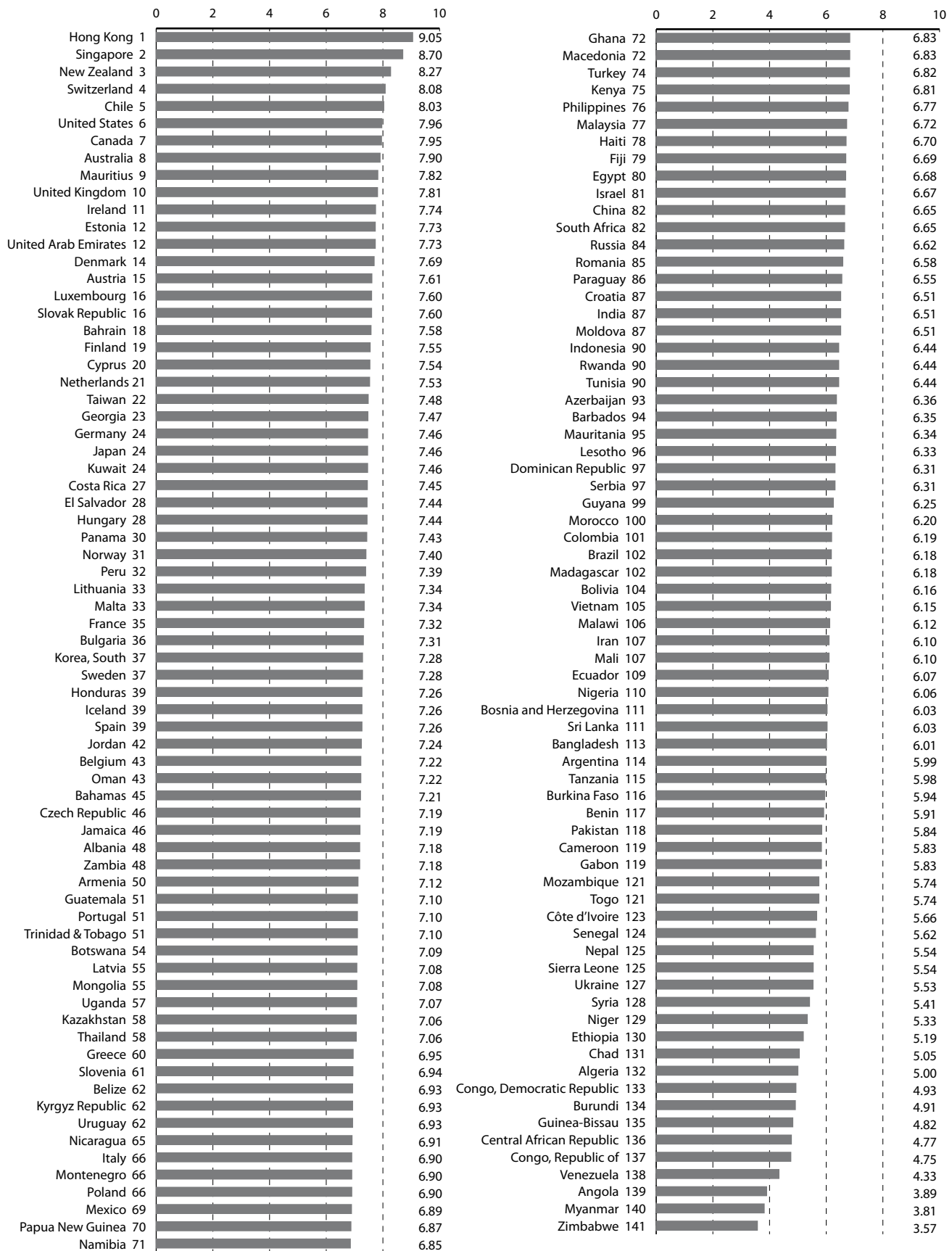
As the result of these two considerations, we organize the elements of the index in a manner that seems sensible to us but we make no attempt to weight the components in any special way when deriving either area or summary ratings. Of course, the component and sub-component data are available to researchers who would like to consider alternative weighting schemes and we encourage them to do so.

## Summary Economic Freedom Ratings, 2008

Exhibit 1.2 presents summary economic freedom ratings, sorted from highest to lowest. These ratings are for the year 2008, the most recent year for which comprehensive data are available. Hong Kong and Singapore, once again, occupy the top two positions. The other nations in the top 10 are New Zealand, Switzerland, Chile, United States, Canada, Australia, Mauritius, and the United Kingdom. The rankings of other major countries include German (24<sup>th</sup>), Japan (24<sup>th</sup>), France (35<sup>th</sup>), Korea (37<sup>th</sup>), Spain (39<sup>th</sup>), Italy (66<sup>th</sup>), Mexico (69<sup>th</sup>), China (82<sup>nd</sup>), Russia (84<sup>th</sup>), India (87<sup>th</sup>), and Brazil (102<sup>nd</sup>). The ten lowest-rated countries are Algeria, Democratic Republic of Congo, Burundi, Guinea-Bissau, Central African Republic, Republic of Congo, Venezuela, Angola, Myanmar and, again in last place, Zimbabwe.

The EFW index is calculated back to 1970 as the availability of data allows; see the Country Data Tables in chapter 2 or our website, <<http://www.freetheworld.com>>, for information from past years. Because some data for earlier years may have been updated or corrected, researchers are always encouraged to use the data from the most recent annual report to assure the best-quality data.



**Exhibit 1.2: Summary Economic Freedom Ratings, 2008**



## Area Economic Freedom Ratings (and Rankings), 2008

Exhibit 1.3 presents the ratings (and, in parentheses, the rankings) for each of the five areas of the index and for components 5A, 5B, and 5C. A number of interesting patterns emerge from an analysis of these data. High-income industrial economies generally rank quite high for Legal Structure and Security of Property Rights (Area 2), Access to Sound Money (Area 3), and Freedom to Trade Internationally (Area 4). Their ratings were lower, however, for Size of Government: Expenditures, Taxes, and Enterprises (Area 1) and Regulation of Credit, Labor, and Business (Area 5). This was particularly true for western European countries.

On the other hand, a number of developing nations show the opposite pattern. Albania makes an interesting case study. It shows that reasonably sized government alone is not enough to reap the benefits of economic freedom. The institutions of economic freedom, such as the rule of law and property rights, as well as sound money, trade openness, and sensible regulation are required. Albania ranked quite high at 8<sup>th</sup> in Size of Government: Expenditures, Taxes, and Enterprises (Area 1) and 26<sup>th</sup> in

Sound Money (Area 3). However, Albania scored poorly in all the other categories: 83<sup>rd</sup> in Legal Structure and Security of Property Rights (Area 2), 99<sup>th</sup> in Freedom to Trade Internationally (Area 4), and 86<sup>th</sup> in Regulation (Area 5). Despite relatively high rankings in a couple of areas, Albania's overall ranking was only 58<sup>th</sup>.

Weakness in the rule of law and property rights is particularly pronounced in sub-Saharan Africa, among Islamic nations, and for several nations that were part of the former Soviet bloc, though some of these nations have made strides toward improvement. Many Latin American and Southeast Asian nations also score poorly for rule of law and property rights. The nations that rank poorly in this category also tend to score poorly in the trade and regulation categories, even though several have reasonably sized governments and sound money.

The economies most open to foreign trade are Hong Kong, Singapore, and Chile while the most-closed economies were Myanmar and Venezuela. The least regulated countries—those at the top in Regulation of Credit, Labor, and Business (Area 5)—were a diverse lot: Bahamas, Hong Kong, Belize, New Zealand, Fiji, Singapore, Bahrain, Canada, Australia, and Iceland.

### Exhibit 1.3: Area Economic Freedom Ratings (Ranks), 2008

	AREAS					COMPONENTS OF AREA 5		
	1 Size of Government	2 Legal System & Property Rights	3 Sound Money	4 Freedom to Trade Internationally	5 Regulation	5A Credit Market Regulation	5b Labor Market Regulation	5C Business Regulations
	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Albania	8.24 (8)	5.30 (83)	9.40 (26)	6.29 (99)	6.67 (86)	8.12 (86)	5.79 (86)	6.10 (58)
Algeria	3.14 (140)	4.46 (107)	6.36 (118)	5.82 (111)	5.20 (131)	5.32 (135)	4.93 (115)	5.35 (100)
Angola	0.00 (141)	3.34 (129)	5.03 (136)	6.00 (108)	5.10 (134)	6.45 (126)	2.98 (139)	5.86 (77)
Argentina	6.37 (72)	4.45 (108)	6.90 (101)	6.38 (98)	5.86 (119)	7.94 (95)	5.18 (104)	4.44 (131)
Armenia	7.87 (18)	5.49 (77)	8.88 (45)	6.61 (85)	6.78 (78)	8.95 (60)	6.12 (78)	5.25 (107)
Australia	6.80 (54)	8.31 (11)	9.43 (22)	6.72 (77)	8.24 (9)	9.50 (14)	8.48 (12)	6.74 (24)
Austria	5.14 (119)	8.41 (8)	9.54 (8)	7.56 (29)	7.39 (42)	9.44 (25)	5.92 (84)	6.81 (21)
Azerbaijan	5.76 (98)	6.40 (44)	6.09 (126)	6.66 (82)	6.87 (71)	7.50 (113)	6.89 (57)	6.21 (49)
Bahamas	8.24 (9)	7.13 (27)	6.82 (104)	5.01 (133)	8.85 (1)	9.75 (7)	9.40 (1)	7.40 (9)
Bahrain	6.27 (78)	6.60 (37)	9.09 (37)	7.56 (30)	8.37 (7)	9.50 (14)	8.64 (10)	6.96 (18)
Bangladesh	8.13 (11)	3.07 (134)	6.39 (117)	5.81 (113)	6.67 (85)	8.19 (84)	6.37 (66)	5.45 (93)
Barbados	5.68 (101)	7.83 (18)	6.10 (125)	5.09 (131)	7.06 (60)	8.52 (79)	6.97 (54)	5.69 (89)
Belgium	4.20 (133)	6.92 (30)	9.48 (15)	7.98 (12)	7.54 (35)	9.38 (28)	6.90 (56)	6.35 (41)
Belize	6.56 (64)	5.71 (69)	8.18 (68)	5.45 (123)	8.77 (3)	9.37 (30)	8.89 (7)	8.06 (1)
Benin	7.39 (35)	4.44 (110)	6.11 (123)	5.12 (129)	6.49 (92)	9.33 (31)	5.48 (94)	4.67 (127)
Bolivia	6.36 (73)	3.77 (121)	7.97 (73)	7.17 (51)	5.52 (127)	8.00 (90)	3.62 (134)	4.93 (117)
Bosnia & Herzeg.	5.56 (107)	3.51 (126)	7.98 (72)	6.17 (103)	6.93 (66)	8.87 (65)	6.71 (62)	5.23 (110)



**Exhibit 1.3 (continued): Area Economic Freedom Ratings (Ranks), 2008**

	AREAS					COMPONENTS OF AREA 5		
	1	2	3	4	5	5A	5b	5C
	Size of Government	Legal System & Property Rights	Sound Money	Freedom to Trade Internationally	Regulation	Credit Market Regulation	Labor Market Regulation	Business Regulations
	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Botswana	5.29 (115)	6.83 (32)	8.70 (53)	7.00 (64)	7.64 (28)	9.25 (35)	7.01 (50)	6.66 (28)
Brazil	6.39 (71)	5.25 (84)	7.87 (77)	6.39 (96)	5.01 (135)	7.07 (123)	3.91 (130)	4.04 (134)
Bulgaria	7.46 (31)	5.21 (85)	8.74 (52)	7.62 (23)	7.54 (36)	9.50 (14)	7.75 (22)	5.38 (96)
Burkina Faso	6.24 (82)	4.34 (113)	6.64 (110)	5.23 (127)	7.24 (54)	8.57 (76)	7.17 (45)	5.98 (66)
Burundi	3.88 (137)	3.21 (131)	7.29 (95)	4.13 (138)	6.04 (111)	5.81 (132)	7.31 (40)	4.99 (116)
Cameroon	6.67 (61)	3.54 (124)	6.74 (106)	5.81 (112)	6.38 (98)	8.00 (90)	7.41 (37)	3.74 (136)
Canada	6.54 (65)	8.28 (12)	9.54 (9)	7.10 (58)	8.30 (8)	9.48 (24)	8.33 (15)	7.08 (14)
Central Afr. Rep.	6.28 (77)	2.17 (140)	6.63 (111)	3.59 (139)	5.18 (132)	7.10 (122)	4.47 (122)	3.98 (135)
Chad	5.73 (99)	2.18 (139)	5.90 (130)	5.71 (117)	5.71 (121)	6.03 (129)	5.94 (82)	5.17 (112)
Chile	7.79 (23)	7.10 (28)	8.82 (47)	8.61 (3)	7.83 (22)	9.25 (35)	7.26 (44)	6.99 (16)
China	4.51 (131)	6.38 (46)	9.38 (27)	7.38 (37)	5.62 (125)	7.18 (120)	4.82 (118)	4.86 (121)
Colombia	6.18 (85)	4.39 (112)	7.87 (76)	5.69 (118)	6.80 (76)	8.73 (70)	5.48 (95)	6.21 (50)
Congo, Dem. Rep.	5.11 (120)	2.14 (141)	7.63 (86)	5.43 (124)	4.35 (140)	4.78 (138)	4.56 (121)	3.72 (137)
Congo, Rep. of	4.77 (127)	2.85 (136)	4.93 (137)	5.45 (122)	5.75 (120)	6.33 (127)	6.29 (73)	4.62 (129)
Costa Rica	7.66 (27)	6.57 (40)	8.66 (54)	7.55 (31)	6.84 (74)	7.87 (101)	6.36 (67)	6.28 (42)
Côte d'Ivoire	6.34 (74)	3.11 (133)	6.40 (116)	6.39 (95)	6.06 (109)	7.93 (96)	5.11 (109)	5.14 (113)
Croatia	5.32 (113)	5.65 (72)	8.09 (69)	6.55 (88)	6.91 (68)	9.37 (29)	6.31 (69)	5.07 (114)
Cyprus	7.53 (29)	6.84 (31)	9.30 (30)	7.09 (59)	6.94 (65)	9.50 (14)	5.25 (103)	6.08 (59)
Czech Republic	5.02 (124)	6.43 (43)	9.14 (35)	7.84 (15)	7.53 (37)	9.33 (32)	7.67 (25)	5.60 (91)
Denmark	4.50 (132)	8.74 (3)	9.37 (29)	7.72 (17)	8.13 (11)	9.50 (14)	7.47 (35)	7.42 (8)
Dominican Rep.	7.58 (28)	4.79 (93)	5.91 (129)	6.76 (73)	6.53 (89)	7.45 (117)	6.32 (68)	5.83 (79)
Ecuador	8.03 (13)	4.04 (117)	6.10 (124)	6.49 (92)	5.67 (122)	7.95 (94)	3.74 (132)	5.31 (102)
Egypt	7.21 (38)	5.44 (78)	8.26 (64)	6.88 (67)	5.63 (124)	6.33 (128)	4.96 (112)	5.61 (90)
El Salvador	8.96 (3)	4.60 (102)	9.27 (31)	7.27 (44)	7.08 (59)	9.75 (8)	4.95 (113)	6.54 (33)
Estonia	6.79 (55)	7.21 (25)	9.08 (39)	7.95 (13)	7.62 (30)	10.00 (1)	5.56 (93)	7.28 (11)
Ethiopia	5.86 (95)	5.01 (90)	3.87 (140)	5.22 (128)	5.97 (113)	4.43 (139)	7.12 (47)	6.36 (40)
Fiji	6.98 (48)	5.99 (57)	6.42 (115)	5.33 (125)	8.76 (5)	9.75 (8)	9.22 (3)	7.30 (10)
Finland	5.03 (123)	8.66 (4)	9.47 (19)	7.37 (40)	7.23 (55)	9.75 (8)	5.06 (110)	6.88 (19)
France	5.43 (110)	7.31 (24)	9.54 (7)	7.30 (43)	7.01 (62)	9.22 (44)	5.62 (90)	6.19 (53)
Gabon	6.18 (86)	4.31 (114)	6.08 (127)	5.68 (119)	6.90 (69)	7.56 (109)	7.08 (48)	6.06 (60)
Georgia	7.68 (26)	5.07 (88)	9.08 (38)	7.73 (16)	7.81 (23)	8.67 (75)	7.31 (41)	7.46 (6)
Germany	5.64 (103)	8.17 (14)	9.51 (13)	7.70 (18)	6.25 (105)	8.22 (83)	3.94 (129)	6.61 (29)
Ghana	6.12 (89)	5.41 (81)	8.47 (59)	7.58 (24)	6.57 (87)	7.69 (105)	6.15 (77)	5.88 (75)
Greece	6.70 (59)	6.14 (52)	9.60 (4)	6.39 (97)	5.91 (116)	7.57 (108)	4.43 (123)	5.74 (83)
Guatemala	7.99 (14)	4.88 (92)	8.93 (43)	7.36 (41)	6.36 (99)	8.97 (56)	4.17 (126)	5.94 (73)
Guinea-Bissau	3.74 (138)	3.27 (130)	5.74 (132)	5.50 (120)	5.86 (118)	8.95 (61)	3.88 (131)	4.75 (124)
Guyana	4.19 (134)	4.66 (99)	7.75 (79)	7.42 (35)	7.20 (57)	8.08 (87)	7.34 (39)	6.20 (51)
Haiti	8.60 (6)	2.70 (137)	8.22 (67)	6.64 (84)	7.33 (46)	8.56 (78)	8.83 (8)	4.59 (130)
Honduras	8.74 (5)	4.51 (105)	8.88 (46)	7.45 (33)	6.71 (82)	8.72 (71)	4.96 (111)	6.45 (36)
Hong Kong	9.29 (1)	8.10 (16)	9.54 (10)	9.55 (1)	8.78 (2)	9.28 (33)	9.31 (2)	7.76 (4)
Hungary	6.29 (76)	6.28 (49)	9.25 (32)	8.06 (9)	7.30 (47)	8.84 (67)	7.08 (49)	5.98 (65)
Iceland	6.25 (81)	8.43 (7)	7.68 (81)	5.74 (115)	8.21 (10)	9.25 (35)	7.65 (27)	7.72 (5)
India	6.84 (51)	5.93 (63)	6.69 (108)	6.79 (72)	6.31 (101)	6.89 (124)	7.29 (42)	4.75 (123)



**Exhibit 1.3 (continued): Area Economic Freedom Ratings (Ranks), 2008**

	AREAS					COMPONENTS OF AREA 5		
	1 Size of Government	2 Legal System & Property Rights	3 Sound Money	4 Freedom to Trade Internationally	5 Regulation	5A Credit Market Regulation	5b Labor Market Regulation	5C Business Regulations
	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Indonesia	7.11 (45)	4.44 (109)	7.55 (89)	7.04 (62)	6.08 (107)	7.84 (102)	5.11 (108)	5.29 (104)
Iran	6.27 (79)	6.12 (53)	7.73 (80)	4.99 (135)	5.38 (130)	5.67 (133)	4.78 (119)	5.70 (88)
Ireland	5.28 (116)	7.92 (17)	9.48 (14)	8.22 (6)	7.81 (24)	9.00 (47)	7.58 (29)	6.86 (20)
Israel	4.83 (125)	5.90 (64)	9.07 (40)	7.26 (45)	6.27 (103)	7.50 (112)	4.83 (117)	6.48 (35)
Italy	5.71 (100)	5.67 (71)	9.48 (16)	7.11 (57)	6.54 (88)	7.91 (98)	6.30 (70)	5.40 (95)
Jamaica	8.82 (4)	5.52 (75)	7.66 (84)	6.65 (83)	7.28 (49)	8.77 (68)	7.53 (32)	5.55 (92)
Japan	6.18 (84)	7.49 (22)	9.77 (1)	6.10 (105)	7.73 (26)	8.91 (62)	8.19 (16)	6.10 (57)
Jordan	5.83 (97)	6.56 (41)	8.35 (63)	7.67 (20)	7.80 (25)	8.57 (77)	8.38 (13)	6.45 (38)
Kazakhstan	6.83 (52)	6.03 (54)	8.48 (57)	6.51 (90)	7.48 (39)	9.50 (14)	6.87 (58)	6.05 (62)
Kenya	7.80 (22)	4.57 (103)	7.68 (82)	6.73 (76)	7.29 (48)	8.47 (80)	7.67 (26)	5.72 (86)
Korea, South	6.61 (62)	6.76 (34)	9.47 (18)	7.13 (55)	6.44 (93)	9.25 (35)	4.02 (128)	6.06 (61)
Kuwait	6.72 (58)	7.01 (29)	8.80 (49)	6.72 (78)	8.03 (12)	10.00 (1)	7.57 (30)	6.53 (34)
Kyrgyz Republic	7.90 (17)	4.70 (97)	7.40 (93)	7.39 (36)	7.27 (51)	9.24 (41)	6.18 (75)	6.39 (39)
Latvia	5.10 (121)	6.59 (38)	8.90 (44)	7.32 (42)	7.49 (38)	9.20 (45)	7.13 (46)	6.14 (55)
Lesotho	6.11 (90)	4.55 (104)	7.40 (91)	6.23 (100)	7.37 (43)	9.75 (8)	6.93 (55)	5.44 (94)
Lithuania	7.00 (47)	6.58 (39)	8.81 (48)	7.46 (32)	6.85 (73)	9.23 (42)	5.59 (91)	5.72 (87)
Luxembourg	4.79 (126)	8.35 (10)	9.43 (21)	8.12 (8)	7.27 (50)	9.50 (14)	5.29 (102)	7.04 (15)
Macedonia	6.88 (50)	5.08 (87)	7.56 (88)	6.75 (75)	7.88 (19)	9.13 (46)	7.95 (19)	6.55 (32)
Madagascar	7.84 (19)	3.40 (127)	7.67 (83)	6.60 (86)	5.39 (129)	5.61 (134)	4.61 (120)	5.95 (69)
Malawi	6.15 (87)	5.42 (80)	6.89 (102)	5.30 (126)	6.86 (72)	7.67 (106)	6.74 (61)	6.17 (54)
Malaysia	5.95 (92)	6.24 (51)	6.58 (113)	7.26 (46)	7.55 (33)	8.96 (59)	7.57 (31)	6.13 (56)
Mali	7.31 (36)	4.47 (106)	6.28 (120)	6.00 (107)	6.42 (96)	8.00 (92)	5.47 (96)	5.80 (80)
Malta	5.58 (106)	7.55 (20)	9.46 (20)	7.13 (56)	7.01 (61)	9.40 (27)	7.01 (51)	4.62 (128)
Mauritania	6.47 (69)	4.65 (100)	6.59 (112)	6.80 (70)	7.20 (58)	9.22 (43)	6.99 (53)	5.38 (97)
Mauritius	8.37 (7)	6.36 (47)	9.00 (42)	7.38 (38)	7.98 (14)	9.50 (14)	7.70 (24)	6.73 (25)
Mexico	7.17 (41)	5.42 (79)	7.98 (71)	6.89 (66)	6.98 (63)	9.86 (6)	5.81 (85)	5.28 (105)
Moldova	5.87 (94)	6.38 (45)	7.22 (97)	6.82 (69)	6.26 (104)	8.46 (81)	4.95 (114)	5.37 (99)
Mongolia	7.71 (25)	5.71 (70)	7.45 (90)	7.16 (52)	7.37 (44)	9.00 (47)	6.86 (59)	6.26 (45)
Montenegro	5.84 (96)	5.94 (60)	7.91 (74)	7.19 (50)	7.61 (31)	9.59 (13)	7.91 (20)	5.33 (101)
Morocco	6.73 (57)	5.97 (58)	6.72 (107)	6.17 (102)	5.42 (128)	6.75 (125)	3.65 (133)	5.87 (76)
Mozambique	4.66 (128)	4.02 (119)	7.63 (85)	6.44 (93)	5.95 (115)	8.91 (63)	3.19 (137)	5.74 (84)
Myanmar	6.33 (75)	3.19 (132)	4.46 (139)	1.34 (141)	3.73 (141)	3.91 (140)		
Namibia	6.53 (66)	7.58 (19)	6.12 (122)	6.11 (104)	7.88 (18)	10.00 (1)	7.45 (36)	6.20 (52)
Nepal	6.20 (83)	3.96 (120)	6.36 (119)	5.11 (130)	6.07 (108)	7.23 (119)	5.77 (87)	5.20 (111)
Netherlands	4.09 (136)	8.22 (13)	9.53 (12)	8.25 (5)	7.55 (34)	9.50 (14)	6.70 (63)	6.45 (37)
New Zealand	6.14 (88)	8.98 (1)	9.58 (5)	7.91 (14)	8.76 (4)	10.00 (1)	8.48 (11)	7.79 (3)
Nicaragua	7.50 (30)	4.42 (111)	8.03 (70)	7.21 (49)	7.37 (45)	9.25 (35)	7.00 (52)	5.86 (78)
Niger	6.78 (56)	4.18 (116)	6.20 (121)	4.36 (137)	5.15 (133)	7.70 (104)	2.86 (140)	4.88 (120)
Nigeria	5.89 (93)	4.20 (115)	6.04 (128)	6.95 (65)	7.21 (56)	8.97 (57)	8.33 (14)	4.34 (132)
Norway	5.55 (108)	8.80 (2)	9.21 (34)	6.54 (89)	6.92 (67)	9.25 (35)	4.93 (116)	6.60 (31)
Oman	5.63 (104)	7.36 (23)	7.88 (75)	7.38 (39)	7.86 (20)	8.69 (73)	8.12 (17)	6.75 (23)
Pakistan	7.71 (24)	4.04 (118)	5.42 (133)	5.73 (116)	6.29 (102)	8.06 (89)	5.58 (92)	5.24 (109)
Panama	8.05 (12)	5.39 (82)	8.74 (51)	8.18 (7)	6.78 (77)	9.00 (47)	5.39 (98)	5.94 (72)



**Exhibit 1.3 (continued): Area Economic Freedom Ratings (Ranks), 2008**

	AREAS					COMPONENTS OF AREA 5		
	1 Size of Government	2 Legal System & Property Rights	3 Sound Money	4 Freedom to Trade Internationally	5 Regulation	5A Credit Market Regulation	5b Labor Market Regulation	5C Business Regulations
	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Papua New Guinea	7.14 (42)	4.71 (96)	6.65 (109)	7.99 (11)	7.84 (21)	7.93 (97)	8.82 (9)	6.76 (22)
Paraguay	7.45 (32)	3.53 (125)	8.58 (55)	7.57 (25)	5.62 (126)	7.52 (111)	3.59 (135)	5.73 (85)
Peru	7.90 (16)	5.49 (76)	9.02 (41)	7.64 (21)	6.88 (70)	7.50 (113)	7.37 (38)	5.76 (82)
Philippines	7.98 (15)	4.64 (101)	7.83 (78)	6.70 (80)	6.69 (84)	8.91 (64)	5.93 (83)	5.24 (108)
Poland	5.59 (105)	5.94 (62)	9.21 (33)	7.05 (61)	6.72 (81)	8.75 (69)	6.52 (65)	4.89 (119)
Portugal	5.67 (102)	6.81 (33)	9.55 (6)	7.23 (48)	6.24 (106)	7.60 (107)	5.18 (105)	5.93 (74)
Romania	4.64 (129)	5.86 (66)	8.24 (66)	7.43 (34)	6.72 (80)	7.53 (110)	6.69 (64)	5.95 (70)
Russia	7.27 (37)	5.73 (68)	8.43 (61)	5.77 (114)	5.91 (117)	7.50 (113)	6.07 (80)	4.14 (133)
Rwanda	6.69 (60)	5.78 (67)	7.29 (96)	5.03 (132)	7.43 (40)	6.01 (130)	9.12 (5)	7.17 (12)
Senegal	5.32 (114)	3.76 (122)	6.83 (103)	6.22 (101)	5.97 (114)	8.84 (66)	4.16 (127)	4.91 (118)
Serbia	6.40 (70)	4.74 (94)	7.34 (94)	6.68 (81)	6.40 (97)	8.68 (74)	5.72 (88)	4.80 (122)
Sierra Leone	6.52 (67)	3.35 (128)	7.19 (98)	5.00 (134)	5.66 (123)	5.31 (136)	5.68 (89)	6.00 (64)
Singapore	8.17 (10)	8.38 (9)	9.10 (36)	9.34 (2)	8.50 (6)	9.75 (8)	7.74 (23)	8.01 (2)
Slovak Republic	6.57 (63)	6.24 (50)	9.48 (17)	8.05 (10)	7.65 (27)	10.00 (1)	7.65 (28)	5.31 (103)
Slovenia	5.20 (118)	6.02 (55)	9.42 (23)	7.25 (47)	6.81 (75)	8.98 (55)	5.43 (97)	6.01 (63)
South Africa	5.33 (112)	6.33 (48)	7.60 (87)	6.76 (74)	7.25 (52)	9.44 (26)	6.09 (79)	6.23 (46)
Spain	6.48 (68)	6.56 (42)	9.53 (11)	7.02 (63)	6.73 (79)	9.25 (34)	5.14 (106)	5.79 (81)
Sri Lanka	6.81 (53)	5.02 (89)	5.85 (131)	5.97 (110)	6.50 (91)	7.29 (118)	6.82 (60)	5.37 (98)
Sweden	3.61 (139)	8.47 (5)	9.37 (28)	7.69 (19)	7.24 (53)	9.50 (14)	5.13 (107)	7.10 (13)
Switzerland	7.81 (21)	8.44 (6)	9.40 (25)	6.79 (71)	7.95 (15)	9.00 (47)	7.88 (21)	6.97 (17)
Syria	5.43 (111)	4.72 (95)	6.93 (100)	5.48 (121)	4.47 (138)	3.01 (141)	5.37 (99)	5.01 (115)
Taiwan	6.96 (49)	6.69 (35)	9.65 (3)	7.57 (27)	6.53 (90)	9.00 (47)	4.36 (125)	6.23 (47)
Tanzania	4.10 (135)	5.97 (59)	7.40 (92)	6.00 (109)	6.42 (95)	7.96 (93)	6.04 (81)	5.27 (106)
Thailand	7.42 (34)	5.94 (61)	6.98 (99)	7.57 (28)	7.41 (41)	9.00 (47)	7.28 (43)	5.95 (71)
Togo	9.28 (2)	2.61 (138)	6.42 (114)	6.01 (106)	4.36 (139)	4.80 (137)	3.59 (136)	4.70 (125)
Trinidad & Tobago	7.18 (40)	5.19 (86)	8.48 (58)	7.05 (60)	7.58 (32)	9.00 (47)	7.48 (34)	6.26 (44)
Tunisia	5.26 (117)	6.64 (36)	6.77 (105)	6.57 (87)	6.98 (64)	8.17 (85)	6.17 (76)	6.60 (30)
Turkey	7.44 (33)	5.61 (73)	8.57 (56)	6.41 (94)	6.05 (110)	7.47 (116)	4.38 (124)	6.28 (43)
Uganda	7.20 (39)	4.68 (98)	8.77 (50)	6.71 (79)	8.00 (13)	8.70 (72)	9.09 (6)	6.22 (48)
Ukraine	5.50 (109)	5.00 (91)	4.61 (138)	6.51 (91)	6.02 (112)	8.07 (88)	6.30 (71)	3.70 (138)
Unit. Arab Emirates	7.12 (44)	7.19 (26)	8.25 (65)	8.47 (4)	7.63 (29)	7.90 (99)	7.53 (33)	7.45 (7)
United Kingdom	6.02 (91)	8.11 (15)	9.41 (24)	7.63 (22)	7.89 (17)	8.96 (58)	7.98 (18)	6.71 (27)
United States	7.13 (43)	7.50 (21)	9.69 (2)	7.57 (26)	7.89 (16)	7.74 (103)	9.20 (4)	6.73 (26)
Uruguay	7.06 (46)	5.59 (74)	8.45 (60)	7.14 (54)	6.43 (94)	7.13 (121)	6.18 (74)	5.98 (67)
Venezuela	5.09 (122)	2.91 (135)	5.30 (134)	3.52 (140)	4.82 (137)	8.25 (82)	3.14 (138)	3.07 (140)
Vietnam	6.27 (80)	6.01 (56)	5.25 (135)	6.87 (68)	6.34 (100)	8.99 (54)	5.35 (100)	4.68 (126)
Zambia	7.81 (20)	5.88 (65)	8.37 (62)	7.14 (53)	6.71 (83)	7.88 (100)	6.30 (72)	5.96 (68)
Zimbabwe	4.56 (130)	3.72 (123)	0.00 (141)	4.72 (136)	4.85 (136)	5.84 (131)	5.31 (101)	3.40 (139)



## The Chain-Linked Summary Index, 1970–2008

The EFW data are available for many countries back to 1970. Through time, the index has become more comprehensive and the available data more complete. As a result, the number and composition of the components for many countries will vary across time. This presents a problem similar to that confronted when calculating GDP or a price index over time when we know that the underlying goods and services are changing from one year to another. In order to correct for this problem and assure comparability across time, we have done the same thing that statisticians analyzing national income do: we have chain-linked the data.

The base year for the chain-link index is 2000, and as a result the chain-link index is not available for any countries added since that year. Changes in a country's chain-linked index through time are based only on changes in components that were present in adjoining years. For example, the 2005 chain-linked rating is based on the 2004 rating but is adjusted based on the changes in the underlying data between 2004 and 2005 for those components that were present in both years. If the common components for a country in 2005 were the same as in 2004, then no adjustment was made to the country's 2005 summary rating. However, if the 2005 components were lower than those for 2004 for the components present in both years, then the country's 2005 summary rating was adjusted downward proportionally to reflect this fact.

Correspondingly, in cases where the ratings for the common components were higher in 2005 than for 2004,

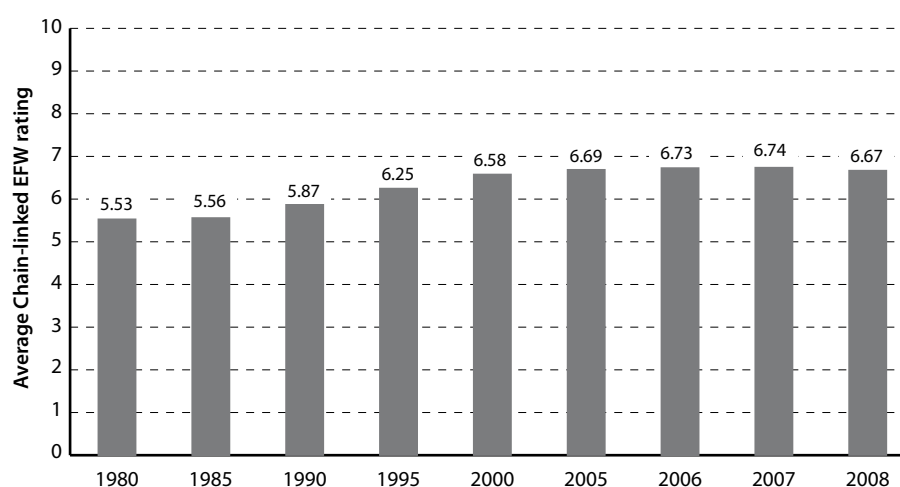
the country's 2005 summary rating was adjusted upward proportionally. The chain-linked ratings were constructed by repeating this procedure backward in time to 1970 and forward in time to 2008. The chain-linked methodology means that a country's rating will change across time periods only when there is a change in ratings for components present during adjacent years. This is precisely what one would want when making comparisons across time periods.

Exhibit 1.4 shows the average chain-linked economic freedom index rating for the 102 countries with ratings since 1980. The average level of economic freedom, as measured by the chain-linked EFW index, has increased to 6.67 in 2008 from 5.53 in 1980; however, the average rating fell marginally in the last year (from 2007 to 2008). Much of the long-term increase was driven by reductions in marginal income-tax rates, if not aggregate taxation; improvements in monetary policy; and global trade liberalization.

The Chain-Linked Summary ratings for all years are found in Exhibit 1.5. Researchers using the data for long-term studies should use these chain-linked data. These longitudinal data make it possible to follow the changes in economic freedom and analyze their impact over a lengthy period of time.

The chain-link methodology was also used to derive area ratings. The ratings (and rankings) for the chain-linked summary and area ratings are presented in the country tables. The country tables also present the unadjusted summary and area ratings, but when tracking ratings across time, the chain-link ratings will present a more accurate picture.

**Exhibit 1.4: Average Chain-linked EFW Rating for the 102 countries with ratings since 1980**





### Big movers

Exhibit 1.5 allows us to track changes for countries over time. Over the longer run, between 1980 and 2008, the following five countries increased the most: Turkey, Israel, Peru, Uganda, Ghana; while the following fell the most: Venezuela, Zimbabwe, Myanmar, Malaysia, Nepal. In the most recent period between 2005 and 2008, the largest improvements occurred in Ghana, Mauritius, Malawi, Turkey, and Rwanda, and the biggest declines were in Algeria, Iceland, Chad, Syria, and Ireland. In the last year, as noted in Exhibit 1.4, the average rating for the world as a whole fell for the first time in a quarter of a century. Of the 123 countries with chain-linked ratings in 2007 and

2008, 88 (71.5%) exhibited rating decreases and only 35 (28.5%) recorded rating increases. Great diversity can now be found among the nations of the former Soviet Union with some countries like Estonia scoring near the top and others like Ukraine scoring near the bottom.

The chain-linked rating of the United States is down about half a point from 8.45 in 2000 to 7.93 in 2008, which has sent the accompanying ranking down to 6<sup>th</sup> from 3<sup>rd</sup> in 2000. Lower ratings in Area 2: Legal Structure and Security of Property Rights were primarily responsible for the rating reduction of the United States. In the last data year, the massive increase in government borrowing in the United States also contributed to its rating decline.

### Exhibit 1.5: The Chain-Linked Summary Index of Ratings, 1970–2008

	1970	1975	1980	1985	1990	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008
Albania					4.24	4.87	6.04	6.10	6.40	6.87	6.60	7.06	7.23	7.38	7.38
Algeria			4.30	4.05	3.89	4.28	4.73	4.72	4.64	4.65	4.75	5.58	5.48	5.27	5.02
Angola															
Argentina	5.29	3.35	4.41	3.98	4.78	6.77	7.19	6.49	6.16	5.99	6.20	5.94	6.06	6.27	6.01
Armenia															
Australia	7.24	6.30	7.13	7.35	7.66	7.80	7.88	7.65	7.71	7.84	7.81	7.85	7.91	7.93	7.83
Austria	6.63	6.28	6.76	6.72	7.22	7.04	7.37	7.21	7.22	7.76	7.75	7.70	7.69	7.67	7.59
Azerbaijan															
Bahamas		6.67	6.57	6.51	6.54	6.40	6.63	6.69	6.67	6.78	6.88	7.10	6.95	7.04	7.08
Bahrain			7.46	6.85	6.85	6.93	7.28	7.18	7.16	7.19	7.07	6.92	7.22	7.27	7.23
Bangladesh		3.16	3.63	3.94	4.68	5.45	5.82	5.76	5.93	5.77	5.69	5.88	6.00	5.92	5.95
Barbados		5.69	5.86	6.23	6.14	6.08	6.09	6.08	6.00	6.07	6.16	6.26	6.11	6.21	5.97
Belgium	7.81	7.05	7.27	7.30	7.54	7.26	7.74	7.41	7.34	7.53	7.43	7.23	7.20	7.29	7.14
Belize			5.63	5.48	5.98	6.40	6.41	6.33	6.73	6.82	6.80	6.84	6.77	6.73	6.72
Benin			5.04	4.80	5.06	4.70	5.25	5.28	5.39	5.29	5.23	5.36	5.63	5.55	5.49
Bolivia			4.39	3.55	5.39	6.40	6.79	6.51	6.44	6.36	6.30	6.40	6.43	6.18	6.15
Bosnia & Herzeg.															
Botswana			5.55	5.80	6.04	6.29	7.10	7.05	7.06	6.85	6.86	6.74	6.71	7.14	6.89
Brazil	5.66	4.78	4.45	3.87	4.54	4.58	5.85	5.83	5.98	5.86	5.82	6.25	6.10	6.09	6.18
Bulgaria				5.51	4.23	4.58	5.27	5.79	6.39	6.60	6.54	6.94	7.08	7.17	7.18
Burkina Faso															
Burundi		4.31	4.44	4.74	4.88	4.39	4.78	4.96	4.89	4.38	4.28	4.59	5.13	5.18	4.65
Cameroon			5.74	5.77	5.70	5.58	5.84	6.03	6.04	6.06	6.10	5.94	6.00	5.90	5.86
Canada	8.05	7.13	7.67	7.75	8.07	7.90	8.15	8.03	8.04	8.13	8.11	8.06	8.03	7.98	7.92
Central Afr. Rep.				4.70	5.11	4.68	5.09	5.15	5.01	5.55	5.44	4.96	5.20	5.25	5.16
Chad				5.05	5.05	5.02	5.47	5.95	6.06	5.95	5.83	5.76	5.84	5.44	5.35
Chile	4.31	3.93	5.56	6.18	7.02	7.47	7.28	7.47	7.59	7.75	7.67	7.94	7.97	8.08	7.99
China			4.23	5.15	4.96	5.30	5.73	5.79	5.79	5.85	5.66	6.08	6.13	6.47	6.44
Colombia	5.32	5.01	4.83	5.19	5.12	5.45	5.31	5.52	5.54	5.73	5.73	5.97	6.15	6.19	6.24
Congo, Dem. Rep.	4.47	4.02	3.00	3.87	3.39	3.56	4.10	4.05	4.69	4.56	4.68	4.66	5.27	4.93	4.84
Congo, Rep. of			4.63	4.43	5.12	5.24	4.50	4.83	4.68	4.71	4.73	4.66	4.79	4.61	4.77



**Exhibit 1.5 (continued): The Chain-Linked Summary Index of Ratings, 1970–2008**

	1970	1975	1980	1985	1990	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008
Costa Rica		6.33	5.61	5.36	6.76	6.85	7.31	7.17	7.04	7.30	7.14	7.28	7.45	7.49	7.35
Côte d'Ivoire			5.59	6.15	5.60	5.24	6.07	6.14	5.99	5.93	5.92	6.03	6.07	6.03	5.67
Croatia						4.91	6.10	6.07	6.21	6.31	6.42	6.40	6.47	6.58	6.54
Cyprus		5.77	5.57	5.51	5.98	6.16	6.17	6.26	6.65	6.61	7.25	7.34	7.29	7.42	7.50
Czech Republic						5.79	6.48	6.55	6.67	6.83	6.85	6.70	6.69	6.92	6.88
Denmark	7.05	6.33	6.53	6.68	7.41	7.46	7.65	7.44	7.57	7.78	7.76	7.72	7.73	7.75	7.71
Dominican Rep.			5.33	4.98	4.60	5.86	6.54	6.49	6.46	6.08	5.41	6.30	6.15	6.26	6.22
Ecuador	4.07	5.03	5.40	4.63	5.31	5.98	5.69	5.48	5.97	5.92	5.28	5.79	5.85	5.81	6.04
Egypt		3.97	4.83	5.36	5.01	5.84	6.60	6.43	6.16	6.07	6.16	6.63	6.77	6.92	6.82
El Salvador			4.84	4.49	4.77	7.00	7.30	7.28	7.22	7.25	7.32	7.60	7.56	7.60	7.58
Estonia						5.70	7.36	7.42	7.50	7.59	7.58	7.84	7.81	7.77	7.65
Ethiopia															
Fiji		5.34	5.70	6.03	5.90	6.09	6.23	6.09	6.02	5.99	6.06	6.48	6.62	6.56	6.56
Finland	7.13	6.39	6.95	7.15	7.40	7.32	7.51	7.39	7.43	7.70	7.63	7.73	7.66	7.65	7.54
France	6.86	6.01	6.22	6.13	7.07	6.80	7.06	6.73	6.88	7.11	7.16	6.97	7.01	7.19	7.20
Gabon			4.55	5.09	5.33	5.26	5.75	5.57	5.51	5.50	5.52	5.49	5.68	5.60	5.64
Georgia															
Germany	7.69	7.11	7.37	7.40	7.80	7.52	7.52	7.31	7.40	7.71	7.65	7.64	7.60	7.54	7.47
Ghana		4.10	3.27	3.41	5.04	5.43	5.86	5.98	6.21	6.68	6.43	6.73	7.22	7.16	7.17
Greece	6.35	5.99	5.97	5.38	6.04	6.18	6.66	6.57	6.67	7.01	6.88	7.00	7.01	7.06	6.92
Guatemala	6.18	6.63	6.03	4.90	5.56	6.68	6.33	6.38	6.44	6.56	6.63	7.07	7.14	7.26	7.15
Guinea-Bissau					3.23	3.79	4.58	5.03	5.13	4.98	4.93	4.82	5.26	4.95	4.93
Guyana						5.27	6.66	6.56	6.35	6.30	6.09	6.66	6.51	6.71	6.74
Haiti			6.29	5.66	5.36	5.29	6.54	6.36	6.33	6.49	6.51	6.61	6.62	6.50	6.68
Honduras			6.06	5.46	5.52	6.07	6.51	6.38	6.65	6.68	6.73	6.85	7.17	7.34	7.12
Hong Kong	8.99	8.85	9.21	8.81	8.76	9.11	8.82	8.76	8.76	8.81	8.75	8.94	8.95	9.00	9.02
Hungary			4.63	5.24	5.39	6.14	6.55	6.82	6.82	7.39	7.50	7.40	7.35	7.33	7.39
Iceland	6.45	4.78	5.43	5.75	7.03	7.40	7.76	7.67	7.60	7.72	7.73	7.71	7.61	7.44	7.16
India	5.43	4.56	5.41	5.08	5.13	5.76	6.27	6.11	6.32	6.42	6.43	6.55	6.49	6.48	6.48
Indonesia	4.74	5.39	5.24	6.16	6.53	6.57	6.04	5.72	5.98	6.26	6.19	6.41	6.38	6.46	6.49
Iran	5.64	5.48	3.75	4.07	4.77	4.50	5.76	6.17	6.10	6.06	6.19	6.30	6.28	6.15	6.08
Ireland	7.12	6.20	6.73	6.75	7.32	8.20	8.16	7.96	7.99	7.93	8.02	8.07	7.94	7.87	7.68
Israel	5.11	4.44	3.79	4.34	4.79	5.87	6.55	6.49	6.95	6.90	6.92	7.03	6.88	6.91	6.86
Italy	6.08	5.33	5.53	5.68	6.59	6.50	7.11	6.96	7.04	6.82	6.92	7.01	6.92	6.84	6.75
Jamaica			4.22	5.03	5.59	6.43	7.23	7.06	7.09	7.08	7.23	7.26	7.23	7.08	6.97
Japan	7.04	6.57	7.08	7.12	7.47	7.11	7.45	7.08	7.16	7.53	7.43	7.47	7.48	7.49	7.38
Jordan		5.46	5.50	5.84	6.05	6.42	7.24	6.97	7.14	7.11	7.03	7.38	7.29	7.41	7.18
Kazakhstan															
Kenya	5.11	4.84	5.04	5.41	5.58	5.88	6.68	6.76	6.72	6.92	6.74	7.28	7.20	7.37	7.00
Korea	5.49	5.37	5.71	5.65	6.19	6.42	6.58	6.90	7.00	7.09	7.18	7.36	7.52	7.49	7.33
Kuwait			5.01	6.88	5.47	6.69	6.72	7.06	7.10	7.22	7.21	7.25	7.47	7.46	7.50
Kyrgyz Republic															
Latvia						5.26	6.70	6.74	6.96	6.83	6.89	7.21	7.25	7.13	6.98
Lesotho															
Lithuania						5.10	6.28	6.32	6.78	6.74	6.69	7.11	7.10	7.10	7.03
Luxembourg	7.59	7.64	7.58	7.94	7.88	7.70	7.87	7.85	7.71	7.73	7.76	7.48	7.50	7.52	7.53
Macedonia															



**Exhibit 1.5 (continued): The Chain-Linked Summary Index of Ratings, 1970–2008**

	1970	1975	1980	1985	1990	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008
Madagascar			4.55	4.79	4.68	4.67	5.94	6.27	5.82	6.07	5.90	5.94	6.00	6.29	6.28
Malawi		5.38	4.94	5.16	5.48	4.69	5.01	5.52	5.58	6.00	5.68	5.46	5.33	5.79	5.95
Malaysia	6.63	6.42	7.07	7.12	7.49	7.55	6.72	6.35	6.55	6.64	6.80	6.89	6.94	6.91	6.71
Mali		5.68	5.78	4.93	5.16	5.26	6.23	6.07	5.73	6.12	5.93	6.03	6.28	6.35	6.15
Malta			5.57	5.23	5.42	6.56	6.45	6.42	6.49	6.18	6.94	7.10	7.10	7.25	7.06
Mauritania															
Mauritius		5.21	5.16	6.25	6.23	7.29	7.39	7.16	7.01	6.89	6.83	7.17	7.16	7.53	7.61
Mexico	6.56	5.83	5.72	4.94	6.31	6.49	6.42	6.26	6.55	6.50	6.63	7.01	6.97	6.93	6.88
Moldova															
Mongolia															
Montenegro															
Morocco	5.76	5.16	4.54	5.25	5.27	6.15	6.12	6.10	6.11	6.28	6.09	6.31	6.29	6.29	6.29
Mozambique															
Myanmar			4.84	4.42	3.46	4.02	4.00	3.77	3.41	3.21	3.54	3.67	3.87	3.36	3.49
Namibia					5.33	6.28	6.47	6.49	6.49	6.59	6.32	6.56	6.51	6.73	6.61
Nepal			5.75	5.31	5.42	5.37	5.75	5.78	5.70	5.21	5.27	5.38	5.42	5.58	5.44
Netherlands	7.64	6.96	7.51	7.65	7.82	7.80	8.05	7.76	7.78	7.71	7.69	7.59	7.51	7.52	7.45
New Zealand	6.72	6.02	6.73	6.57	7.95	8.64	8.35	8.22	8.37	8.38	8.38	8.37	8.26	8.30	8.22
Nicaragua			4.17	2.11	2.96	5.38	6.50	6.30	6.57	6.67	6.57	6.82	6.92	6.98	6.85
Niger			4.69	5.06	5.06	4.43	5.42	5.05	5.02	5.09	5.47	5.40	5.49	5.42	5.35
Nigeria	3.82	3.76	3.76	4.04	3.73	4.20	5.52	5.31	5.77	5.82	5.84	6.01	6.21	6.21	5.93
Norway	6.38	5.90	6.17	6.70	7.26	7.34	7.04	6.84	6.78	7.35	7.32	7.47	7.42	7.45	7.34
Oman				6.70	6.23	6.73	7.03	7.11	7.07	7.30	7.26	7.33	7.37	7.50	7.50
Pakistan	4.57	3.83	4.65	5.09	5.13	5.73	5.55	5.61	5.70	5.49	5.49	5.90	5.92	5.95	5.80
Panama		6.68	5.66	6.22	6.53	7.36	7.41	7.38	7.36	7.40	7.38	7.47	7.53	7.52	7.32
Papua New Guinea				6.16	6.31	6.53	5.96	5.99	5.91	5.89	5.93	6.51	6.51	6.92	6.94
Paraguay			5.76	5.12	5.78	6.50	6.28	6.35	6.23	6.22	6.15	6.46	6.53	6.49	6.62
Peru	4.75	4.03	4.27	3.11	4.13	6.31	7.07	7.05	7.06	7.07	7.09	7.19	7.18	7.24	7.36
Philippines	5.73	5.42	5.42	5.11	5.85	7.24	6.98	6.81	6.91	6.95	6.72	7.09	7.00	6.91	6.76
Poland				4.07	4.00	5.30	6.19	5.97	6.30	6.26	6.71	6.78	6.80	6.85	6.88
Portugal	6.37	4.28	5.99	5.74	6.54	7.32	7.37	7.25	7.41	7.39	7.48	7.11	7.16	7.17	7.08
Romania				4.64	4.54	3.90	4.99	4.95	5.45	5.73	5.71	6.51	6.42	6.65	6.43
Russia						4.49	5.27	5.15	5.57	5.64	5.93	6.37	6.36	6.50	6.57
Rwanda					5.08	3.89	5.45	5.65	5.96	5.49	5.48	5.70	6.00	6.22	6.61
Senegal			4.65	5.31	5.41	4.83	5.90	5.72	5.81	5.70	5.73	5.70	5.61	5.67	5.56
Serbia															
Sierra Leone		5.43	5.51	3.89	4.04	4.47	5.31	5.12	5.42	5.68	5.49	5.35	5.41	5.77	5.37
Singapore	7.89	7.58	7.93	8.13	8.73	8.81	8.53	8.44	8.66	8.57	8.57	8.82	8.75	8.79	8.75
Slovak Republic						5.54	6.16	6.49	6.48	6.82	7.37	7.67	7.56	7.56	7.57
Slovenia						4.76	6.36	6.49	6.47	6.56	6.55	6.41	6.49	6.55	6.61
South Africa	6.69	5.97	6.12	5.78	5.62	6.44	6.96	6.92	6.98	7.10	6.93	6.77	6.75	6.79	6.55
Spain	6.71	6.02	6.19	6.18	6.51	7.04	7.31	7.06	7.10	7.50	7.50	7.36	7.28	7.28	7.19
Sri Lanka			5.10	5.17	5.02	6.02	6.10	6.02	5.95	6.11	5.93	5.97	6.04	6.02	5.89
Sweden	5.77	5.64	5.95	6.66	7.08	7.14	7.44	7.16	7.39	7.53	7.30	7.35	7.31	7.29	7.26
Switzerland	7.95	7.78	8.18	8.28	8.22	7.96	8.39	8.14	8.28	8.26	8.21	8.07	8.07	8.11	7.96
Syria	4.27	4.47	3.67	3.36	3.87	4.53	4.91	5.22	4.96	4.82	5.21	5.46	5.20	5.48	5.07
Taiwan	6.88	6.10	6.92	7.10	7.39	7.33	7.31	7.19	7.38	7.39	7.60	7.69	7.74	7.71	7.56



**Exhibit 1.5 (continued): The Chain-Linked Summary Index of Ratings, 1970–2008**

	1970	1975	1980	1985	1990	1995	2000	2001	2002	2003	2004	2005	2006	2007	2008
Tanzania	4.51	4.08	4.06	3.63	4.14	5.43	6.05	6.16	5.99	6.01	6.12	6.07	6.15	6.04	5.94
Thailand	6.09	5.92	6.19	6.21	6.97	7.19	6.66	6.34	6.80	6.79	6.81	6.94	7.05	7.06	7.06
Togo			4.22	5.16	5.65	5.38	5.84	6.07	6.22	5.84	5.67	5.87	6.00	5.70	5.62
Trinidad & Tobago		4.80	5.07	4.92	5.64	6.93	7.18	7.11	6.89	6.77	6.78	6.75	6.80	6.79	6.78
Tunisia	4.80	4.78	5.09	4.80	5.48	5.75	6.03	6.05	5.95	5.93	5.97	6.05	6.03	6.01	6.00
Turkey	4.06	4.19	3.95	5.08	5.14	5.72	5.75	5.25	5.51	6.00	6.12	6.36	6.47	6.53	6.91
Uganda			3.42	3.01	2.99	5.31	6.72	6.65	6.66	6.76	6.75	6.91	7.03	7.21	7.15
Ukraine						3.76	4.74	4.80	5.44	5.32	5.64	5.67	5.75	5.69	5.46
Unit. Arab Emirates			5.92	6.79	7.18	6.77	7.02	6.99	7.07	7.11	6.96	7.22	7.35	7.30	7.45
United Kingdom	6.56	6.29	6.73	7.66	8.14	8.04	8.25	8.11	8.15	8.26	8.11	8.04	7.97	7.84	7.78
United States	7.74	7.83	8.03	8.18	8.43	8.32	8.45	8.23	8.22	8.17	8.15	8.07	8.01	8.08	7.93
Uruguay			5.95	5.86	6.17	6.11	6.68	6.50	6.75	6.63	6.74	6.74	6.67	6.68	6.67
Venezuela	6.81	5.80	6.29	5.95	5.45	4.34	5.61	5.50	4.51	4.07	4.53	4.74	4.82	4.37	4.35
Vietnam															
Zambia		4.60	5.08	3.97	3.52	4.87	6.63	6.58	6.56	6.72	6.76	6.99	7.31	7.33	7.27
Zimbabwe			4.93	4.85	5.05	5.81	4.59	3.62	3.59	3.77	3.32	3.37	3.39	2.96	3.57

**Concluding thoughts**

This chapter concludes with some graphs illustrating simple relationships between economic freedom and various other indicators of human and political progress (exhibits 1.6–1.13, pp. 17–19). The graphs use the average of the chain-linked EFW index for the period from 1990 to 2008, breaking the data into four quartiles ordered from low to high. Because persistence is important and the impact of economic freedom will be felt over a lengthy time period, it is better to use the average rating over a fairly long time span rather than the current rating to observe the impact of economic freedom on performance.

The graphs begin with the data on the relationship between economic freedom and the growth rate and level of per-capita GDP. In recent years, numerous scholarly studies have analyzed these relationships in detail (e.g., de Haan et al., 2006). Almost without exception, these studies have found that countries with higher and improving economic freedom grow more rapidly and achieve higher levels of per-capita GDP.

Many of the relationships illustrated in the graphs below reflect the impact of economic freedom as it works through increasing economic growth. In other cases, the observed relationships may reflect the fact that some of the variables that influence economic freedom may also influence political factors like trust, honesty in government, and protection of civil liberties. Thus, we are not necessarily arguing that there is a direct causal relation between economic freedom and the variables considered below. In other words, these graphics are no substitute for real, scholarly investigation that controls for other factors. Nonetheless, we believe that the graphs provide some insights about the contrast between the nature and characteristics of market-oriented economies and those dominated by government regulation and planning. At the very least, these figures suggest potential fruitful areas for future research.

**Reference**

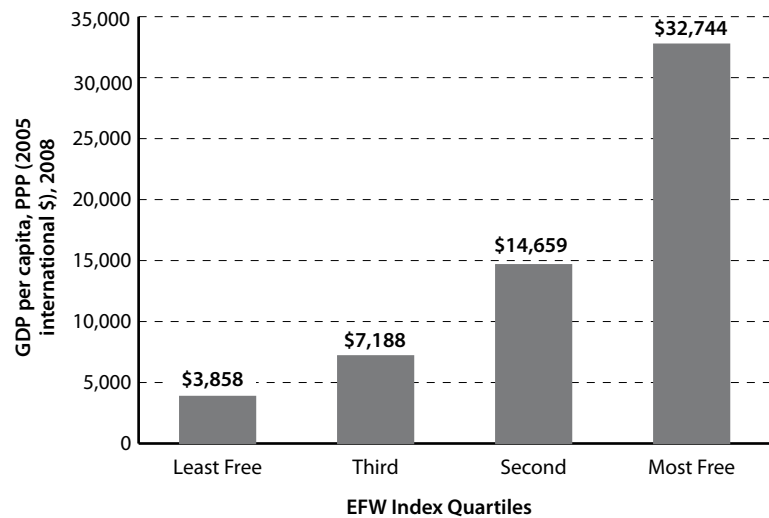
de Haan, Jakob, et al. (2006). Market-Oriented Institutions and Policies and Economic Growth: A Critical Survey. *Journal of Economic Surveys* 20, 2: 157–35.



**Exhibit 1.6: Economic Freedom and Income per Capita**

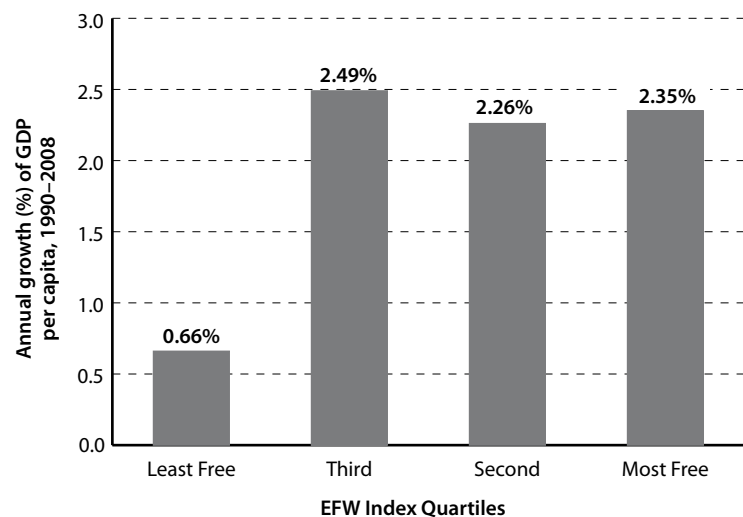
*Countries with more economic freedom have substantially higher per-capita incomes.*

Sources: Fraser Institute, *Economic Freedom of the World: 2010 Annual Report*; World Bank, *World Development Indicators*.

**Exhibit 1.7: Economic Freedom and Economic Growth**

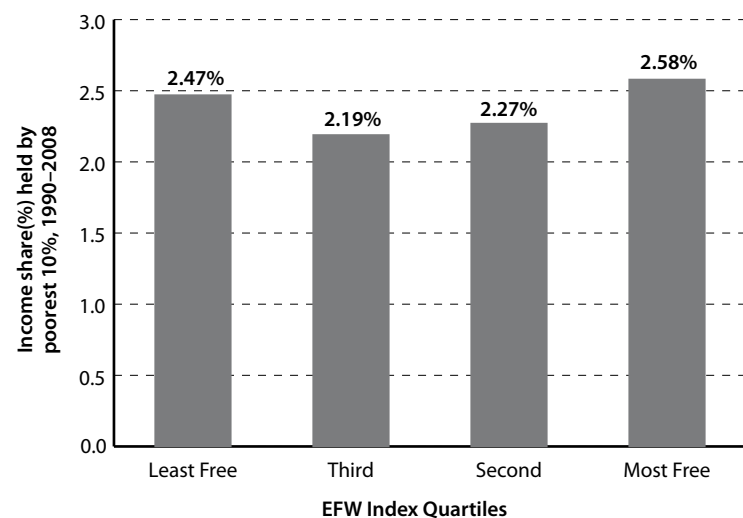
*The economies of countries with more economic freedom tend to grow more rapidly.*

Sources: Fraser Institute, *Economic Freedom of the World: 2010 Annual Report*; World Bank, *World Development Indicators*.

**Exhibit 1.8: Economic Freedom and the Income Share of the Poorest 10%**

*The share of income earned by the poorest 10% of the population is unrelated to economic freedom.*

Sources: Fraser Institute, *Economic Freedom of the World: 2010 Annual Report*; World Bank, *World Development Indicators*.

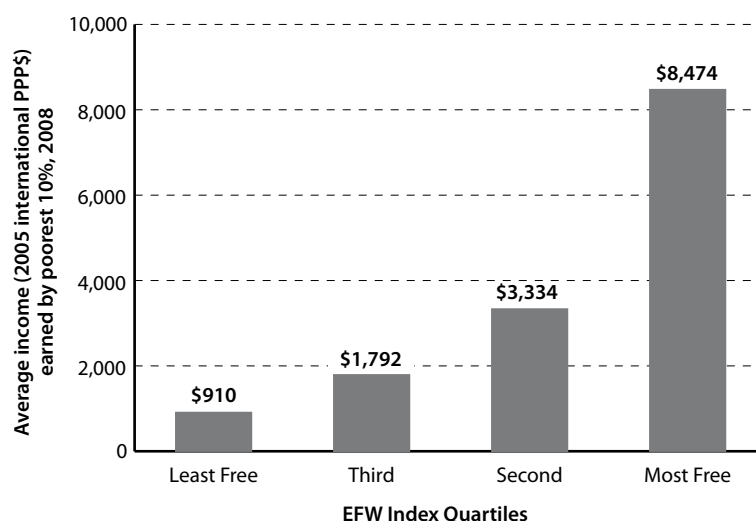




**Exhibit 1.9: Economic Freedom and the Income Level of the Poorest 10%**

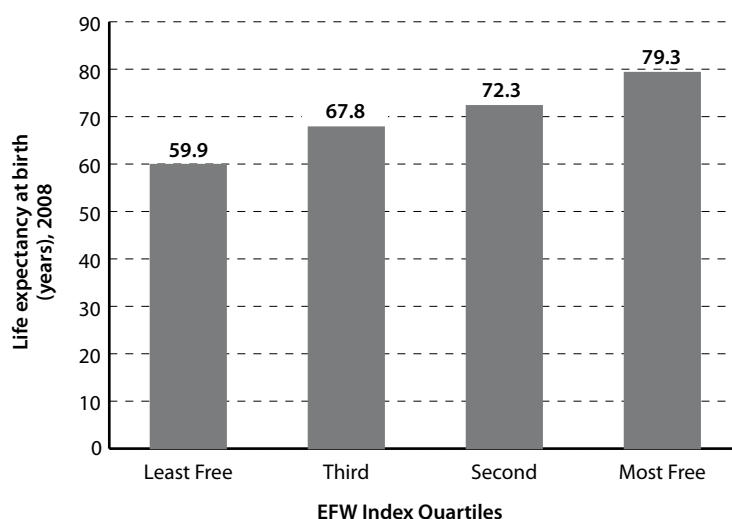
*The amount, as opposed to the share, of income earned by the poorest 10% of the population is much higher in countries with greater economic freedom.*

Sources: Fraser Institute, *Economic Freedom of the World: 2010 Annual Report*; World Bank, *World Development Indicators*.

**Exhibit 1.10: Economic Freedom and Life Expectancy**

*Life expectancy is about 20 years longer in countries with the most economic freedom than in countries with the least.*

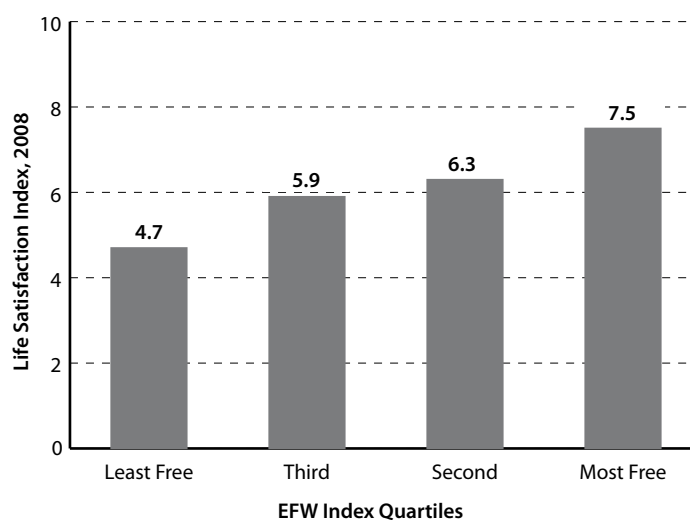
Sources: Fraser Institute, *Economic Freedom of the World: 2010 Annual Report*; World Bank, *World Development Indicators*.

**Exhibit 1.11: Economic Freedom and Life Satisfaction**

*People living in countries with more economic freedom report more life satisfaction.*

The Life Satisfaction Index is based on survey responses to the question: "All things considered, how satisfied are you with your life as a whole these days?" Responses are made on a numeric scales from 0 to 10, where 0 is dissatisfied and 10 is satisfied.

Sources: Fraser Institute, *Economic Freedom of the World: 2010 Annual Report*; New Economic Foundation (2009), *The (un)Happy Planet Index 2.0. Why Good Lives Don't Have to Cost the Earth*.



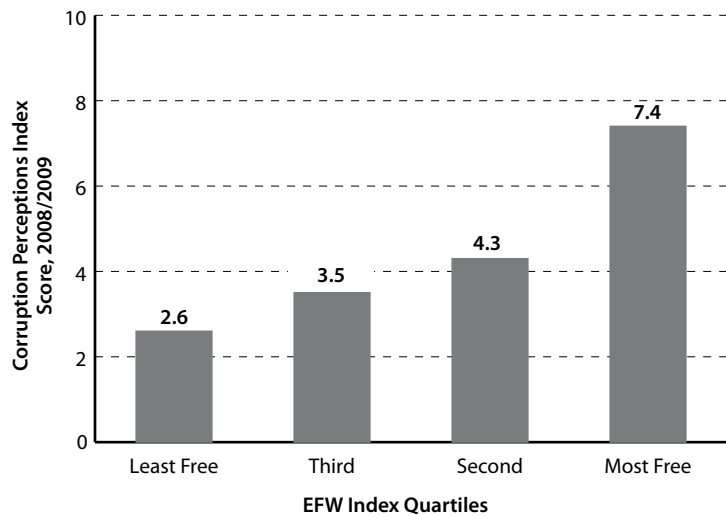


**Exhibit 1.12: Economic Freedom and Corruption**

*With fewer regulations, taxes, and tariffs, economic freedom reduces the degree of corruption.*

Note: "CPI Score relates to perceptions of the degree of corruption as seen by business people and country analysts, and ranges between 10 (highly clean) and 0 (highly corrupt)."

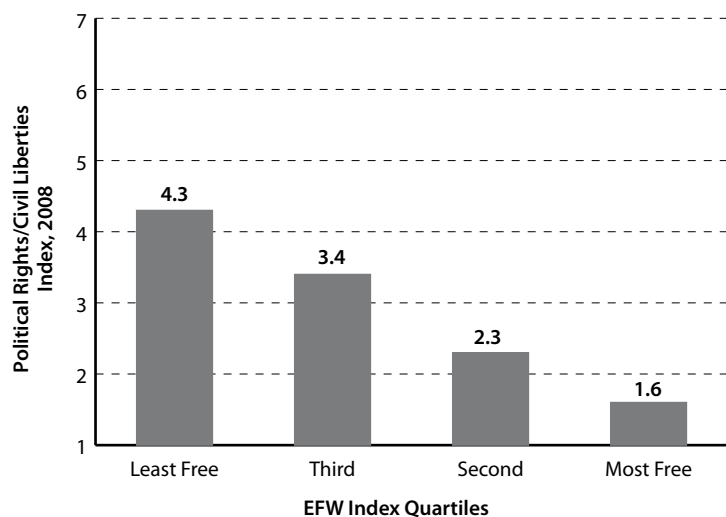
Sources: Fraser Institute, *Economic Freedom of the World: 2010 Annual Report*; Transparency International, *Corruption Perceptions Index 2009*.

**Exhibit 1.13: Economic Freedom and Political Rights and Civil Liberties**

*Political rights (e.g., free and fair elections) and civil liberties (e.g., freedom of speech) go hand in hand with economic freedom.*

Note: Political rights and civil liberties are measured on a scale from 1 to 7, with lower numerical values indicating greater political freedom and civil liberties.

Sources: Fraser Institute, *Economic Freedom of the World: 2010 Annual Report*; Freedom House, *Freedom in the World 2009*.





## Data available to researchers

The full data set, including all of the data published in this report as well as data omitted due to limited space, can be downloaded for free at <http://www.freetheworld.com/release.html>. The data file available there contains the most up-to-date and accurate data for the Economic Freedom of the World index. Some variable names and data sources have evolved over the years since the first publication in 1996; users should consult earlier editions of the *Economic Freedom of the World* annual reports for details regarding sources and descriptions for those years. All editions of the report are available in PDF and can be downloaded for free at <http://www.freetheworld.com>. However, users are always strongly encouraged to use the data from this most recent data file as updates and corrections, even to earlier years' data, do occur. Users doing long-term or longitudinal studies are encouraged to use the chain-linked index as it is the most consistent through time. If you have problems downloading the data, please contact Jean-François Minardi via e-mail to [freetheworld@fraserinstitute.org](mailto:freetheworld@fraserinstitute.org) or via telephone +1.514.281.9550 ext. 306. If you have technical questions about the data itself, please contact Robert Lawson (e-mail: [rlawson@auburn.edu](mailto:rlawson@auburn.edu); telephone: +1.334.844.3007) or Joshua Hall (e-mail: [joshua.c.hall@gmail.com](mailto:joshua.c.hall@gmail.com); telephone: +1.608.363.2376). Please cite the data set as:

Authors: James D. Gwartney, Joshua C. Hall, and Robert Lawson

Title: 2010 Economic Freedom Dataset, published in *Economic Freedom of the World: 2010 Annual Report*

Publisher: Fraser Institute

Year: 2010

URL: <http://www.freetheworld.com/release.html>

## Published work using research ratings from *Economic Freedom of the World*

A selected list of published papers that have used the economic freedom ratings from *Economic Freedom of the World* is available on line at <http://www.freetheworld.com/papers.html>. In most cases, a brief abstract of the article is provided. If you know of any other papers current or forthcoming that should be included on this page, or have further information about any of these papers or authors, please write to [freetheworld@fraserinstitute.org](mailto:freetheworld@fraserinstitute.org).



## Chapter 2: Country Data Tables

This chapter presents detailed data on the components used in constructing the EFW index for the 141 countries included in this study. For each country, we present the overall EFW index rating and the rank of that country for the years 1980, 1985, 1990, 1995, 2000, 2005, 2007, and 2008. Like all the ratings in the index, these are values out of 10; 10 is the highest possible rating and zero (0) is the lowest. A higher rating indicates a greater degree of economic freedom.

The country data tables show both unadjusted and chain-linked ratings and ranks. See Chapter 1 for a full explanation of the chain-link method. In the rows in the “Chain-Linked” section, titles in bold face indicate the five areas of economic freedom that are combined to generate an overall rating. The cells to their right give the rating and, in parentheses, the rank for that particular area for each year.

In the rows in the “Unadjusted” section, titles in bold face indicate the five areas of economic freedom that are combined to generate an overall score. The cells to their right give the rating for that area for each year. Underneath each area title are the titles of the components and sub-components that are combined to generate that area’s score. In these rows are the scores for each year presented, where data are available. Shown in *italic* beside some scores are the actual data used to derive that particular component rating. The top row under the “Unadjusted” section shows the country’s summary rating for each year and, in parentheses, its overall rank.

A more complete description of each component, including the methodology used to calculate the ratings, can be found in the Appendix: Explanatory Notes and Data Sources (p. 219).

Ratings are available for many countries for 1970, 1975, 2001, 2002, 2003, 2004, and 2006, but these data are omitted from the tables due to limited space.



## Albania

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>			4.24 (99)	4.87 (100)	6.04 (84)	7.06 (47)	7.38 (32)	7.38 (27)
<b>Area 1. Size of Government</b>			3.51 (102)	6.54 (40)	7.63 (18)	8.89 (4)	9.72 (1)	9.10 (2)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>		5.25 (54)	5.21 (57)	4.64 (97)	4.58 (85)	5.46 (70)	5.63 (70)	6.02 (56)
<b>Area 3. Access to Sound Money</b>		4.89 (94)	4.90 (91)	3.26 (105)	7.40 (71)	9.64 (9)	9.42 (25)	9.40 (26)
<b>Area 4. Freedom to Trade Internationally</b>				5.38 (97)	5.32 (112)	5.41 (106)	6.00 (91)	6.16 (85)
<b>Area 5. Regulation of Credit, Labor and Business</b>			2.58 (117)	4.55 (101)	5.27 (98)	6.03 (88)	6.28 (77)	6.39 (69)
<b>Unadjusted</b>			4.60 (98)	4.83 (101)	6.04 (84)	6.86 (69)	7.17 (53)	7.18 (48)
<b>Summary Rating (Rank) &gt;</b>	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>			4.19	6.54	7.63	8.04	8.79	8.24
A. Government consumption	7.70 13.81	7.83 13.39	4.87 23.44	7.78 13.55	9.10 9.07	8.99 9.42	9.04 9.28	8.86 9.87
B. Transfers and subsidies			3.51 24.30	7.85 8.40	7.80 8.57	9.66 1.73	9.64 1.84	9.59 2.01
C. Government enterprises and investment				4.00 39.00	6.00 26.70	8.00 19.45	8.00 19.50	6.00 26.38
D. Top marginal tax rate						5.50	8.50	8.50
(i) Top marginal income tax rate						9.00 25	10.00 10	10.00 10
(ii) Top marginal income and payroll tax rates						2.00 51	7.00 35	7.00 35
<b>2. Legal Structure and Security of Property Rights</b>		5.25	5.21	4.64	4.58	4.81	4.96	5.30
A. Judicial independence						2.38	2.35	3.23
B. Impartial courts				3.94	4.31	2.66	2.95	4.39
C. Protection of property rights						3.36	3.66	3.72
D. Military interference				3.65	6.67	8.33	8.33	8.33
E. Integrity of the legal system				6.96	3.33	3.68	4.17	4.17
F. Legal enforcement of contracts						5.17	5.17	5.17
G. Regulatory restrictions of sale of real property						8.06	8.09	8.09
<b>3. Access to Sound Money</b>		6.52	6.54	3.26	7.40	9.64	9.42	9.40
A. Money growth				0.00 78.90	9.57 2.16	9.50 2.50	8.88 5.62	8.88 5.60
B. Standard deviation of inflation		9.64 0.91	9.62 0.95	0.00 86.94	5.03 12.43	9.53 1.16	9.41 1.48	9.37 1.57
C. Inflation: most recent year		9.93 0.35	10.00 0.00	8.03 9.83	9.99 0.05	9.53 2.37	9.41 2.93	9.33 3.36
D. Freedom to own foreign currency	0.00	0.00	0.00	5.00	5.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>				5.18	5.32	5.52	6.12	6.29
A. Taxes on international trade				5.70	6.11	8.24	8.44	8.44
(i) Revenues for trade taxes (% trade sector)				5.70 6.45	5.14 7.29	8.14 2.79	8.57 2.14	8.57 2.14
(ii) Mean tariff rate					6.60 17.00	8.74 6.30	8.92 5.40	8.96 5.20
(iii) Standard deviation of tariff rates					6.60 8.50	7.83 5.42	7.82 5.45	7.78 5.56
B. Regulatory trade barriers						4.89	6.60	6.86
(i) Non-tariff trade barriers						4.41	6.16	6.27
(ii) Compliance cost of importing and exporting						5.36	7.03	7.45
C. Size of trade sector	0.51	0.00	0.00	0.00	0.74	1.18	2.40	2.97
D. Black-market exchange rates	0.00	0.00	0.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	2.00	1.54	3.28	3.16	3.16
(i) Foreign ownership/investment restrictions						5.02	5.49	5.50
(ii) Capital controls	0.00	0.00	0.00	2.00	1.54	1.54	0.83	0.83
<b>5. Regulation of Credit, Labor and Business</b>			2.47	4.55	5.27	6.28	6.56	6.67
A. Credit market regulations			0.00	4.55	4.61	7.87	7.87	8.12
(i) Ownership of banks			0.00	2.00	2.00	5.00	5.00	5.00
(ii) Foreign bank competition						9.00	9.00	9.00
(iii) Private sector credit				5.64	2.83	8.46	8.46	8.46
(iv) Interest rate controls/negative real int. rates			0.00	6.00	9.00	9.00	9.00	10.00
B. Labor market regulations						5.97	5.77	5.79
(i) Hiring regulations and minimum wage						5.60	5.60	5.60
(ii) Hiring and firing regulations						6.69	5.91	6.15
(iii) Centralized collective bargaining						7.74	7.31	7.20
(iv) Hours regulations						8.00	8.00	8.00
(v) Mandated cost of worker dismissal						4.81	4.81	4.81
(vi) Conscription	0.00	0.00	0.00	3.00	10.00	3.00	3.00	3.00
C. Business regulations						4.99	6.03	6.10
(i) Price controls			0.00	4.00	4.00	6.00	6.00	6.00
(ii) Bureaucracy costs						2.66	3.70	3.97
(iii) Bureaucracy costs						0.99	7.07	6.66
(iv) Starting a business						8.40	9.37	9.66
(v) Extra payments/bribes						4.94	4.08	4.29
(vi) Licensing restrictions						4.63	4.73	4.82
(vii) Cost of tax compliance						7.31	7.26	7.26



## Algeria

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	4.30 (87)	4.05 (95)	3.89 (105)	4.28 (116)	4.73 (118)	5.58 (108)	5.27 (115)	5.02 (116)
<b>Area 1. Size of Government</b>	4.72 (64)	3.55 (95)	5.02 (73)	6.71 (36)	5.65 (80)	4.84 (107)	4.06 (116)	3.14 (123)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	3.77 (60)	3.52 (84)	3.50 (83)	3.68 (112)	2.87 (120)	5.45 (71)	4.82 (87)	4.67 (88)
<b>Area 3. Access to Sound Money</b>	5.23 (89)	6.30 (74)	4.50 (97)	4.12 (100)	5.75 (109)	6.26 (107)	6.24 (111)	6.36 (104)
<b>Area 4. Freedom to Trade Internationally</b>	4.29 (70)	3.58 (79)	3.38 (100)	3.95 (109)	5.72 (104)	6.32 (82)	6.27 (83)	5.94 (95)
<b>Area 5. Regulation of Credit, Labor and Business</b>			2.96 (110)	2.92 (122)	3.66 (122)	5.12 (114)	5.01 (115)	5.03 (115)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	4.49 (83)	4.24 (92)	3.87 (106)	4.28 (117)	4.73 (118)	5.56 (126)	5.25 (132)	5.00 (132)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.32	3.25	4.60	6.71	5.65	4.84	4.06	3.14
A. Government consumption	4.65 24.19	4.50 24.69	5.19 22.35	5.29 22.01	4.53 24.60	3.90 26.74	3.67 27.52	2.44 31.72
B. Transfers and subsidies				7.84 8.43	8.41 6.32	8.63 5.52	8.50 5.99	6.98 11.59
C. Government enterprises and investment	4.00 32.50	2.00 47.90	4.00 30.40	7.00 24.90	4.00 37.80	2.00 48.40	0.00 63.48	0.00 61.26
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
<b>2. Legal Structure and Security of Property Rights</b>	3.77	3.52	3.50	3.68	2.87	5.20	4.60	4.46
A. Judicial independence						4.57	3.53	3.02
B. Impartial courts				3.61	3.84	5.11	3.46	3.52
C. Protection of property rights						5.80	4.25	3.54
D. Military interference				0.00	0.00	5.00	5.00	5.00
E. Integrity of the legal system				6.96	3.33	5.00	5.00	5.00
F. Legal enforcement of contracts						4.39	4.39	4.39
G. Regulatory restrictions of sale of real property						6.57	6.57	6.78
<b>3. Access to Sound Money</b>	5.23	6.30	4.50	4.12	5.75	6.26	6.24	6.36
A. Money growth	8.35 8.24	7.81 10.96	9.35 3.25	8.11 9.44	7.95 10.26	7.84 10.81	6.96 15.19	7.57 12.17
B. Standard deviation of inflation	7.70 5.75	8.33 4.17	5.53 11.17	4.07 14.83	5.14 12.16	7.52 6.20	8.71 3.23	8.78 3.05
C. Inflation: most recent year	4.87 25.66	9.07 4.64	3.12 34.40	4.31 28.46	9.93 0.34	9.67 1.64	9.30 3.52	9.11 4.44
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>	4.66	3.88	3.67	3.95	5.72	6.19	6.14	5.82
A. Taxes on international trade	7.66	5.66	5.08	3.72	4.95	6.95	6.92	6.87
(i) Revenues for trade taxes (% trade sector)				3.58 9.63	6.36 5.46	8.21 2.69	8.64 2.04	8.49 2.26
(ii) Mean tariff rate	7.66 11.70	5.66 21.70	5.08 24.60	5.42 22.90	5.08 24.60	6.84 15.80	6.28 18.60	6.28 18.60
(iii) Standard deviation of tariff rates				2.16 19.60	3.40 16.50	5.81 10.47	5.83 10.42	5.83 10.42
B. Regulatory trade barriers						6.35	6.42	6.63
(i) Non-tariff trade barriers						5.16	5.54	5.95
(ii) Compliance cost of importing and exporting						7.53	7.30	7.30
C. Size of trade sector	7.39	5.50	5.02	5.77	5.99	6.24	6.00	5.96
D. Black-market exchange rates	0.00	0.00	0.00	0.00	7.78	7.93	8.97	8.16
E. International capital market controls	0.00	0.00	0.00	2.00	1.67	3.49	2.39	1.47
(i) Foreign ownership/investment restrictions						6.07	4.78	2.94
(ii) Capital controls	0.00	0.00	0.00	2.00	1.67	0.91	0.00	0.00
<b>5. Regulation of Credit, Labor and Business</b>			3.07	2.92	3.66	5.28	5.20	5.20
A. Credit market regulations	0.00	0.00	0.87	0.48	2.26	5.34	5.46	5.32
(i) Ownership of banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Foreign bank competition						8.00	8.00	8.00
(iii) Private sector credit			1.74	1.44	1.78	3.34	3.84	4.28
(iv) Interest rate controls/negative real int. rates				0.00	5.00	10.00	10.00	9.00
B. Labor market regulations						5.16	4.69	4.93
(i) Hiring regulations and minimum wage						5.60	5.60	5.60
(ii) Hiring and firing regulations						4.35	3.11	3.66
(iii) Centralized collective bargaining						5.59	4.03	4.91
(iv) Hours regulations						6.00	6.00	6.00
(v) Mandated cost of worker dismissal						8.42	8.42	8.42
(vi) Conscription	5.00	0.00	1.00	1.00	1.00	1.00	1.00	1.00
C. Business regulations						5.36	5.44	5.35
(i) Price controls			2.00	2.00	4.00	4.00	4.00	4.00
(ii) Bureaucracy costs						3.31	2.54	2.34
(iii) Bureaucracy costs						3.74	6.41	6.45
(iv) Starting a business						8.94	9.00	9.00
(v) Extra payments/bribes						5.66	4.25	3.75
(vi) Licensing restrictions						6.90	6.92	6.93
(vii) Cost of tax compliance						4.94	4.94	4.94



# Angola

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>								
<b>Area 1. Size of Government</b>								
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>								
<b>Area 3. Access to Sound Money</b>								
<b>Area 4. Freedom to Trade Internationally</b>								
<b>Area 5. Regulation of Credit, Labor and Business</b>								
<b>Unadjusted</b>								
<b>Summary Rating (Rank) &gt;</b>						3.47 (140)	3.98 (139)	3.89 (139)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>						1.29	0.00	0.00
A. Government consumption						2.59 31.20	0.00 40.72	0.00 45.48
B. Transfers and subsidies								
C. Government enterprises and investment						0.00 62.50	0.00 83.90	0.00 85.23
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
<b>2. Legal Structure and Security of Property Rights</b>						3.16	3.17	3.34
A. Judicial independence						3.08	3.10	
B. Impartial courts						2.92	3.20	3.30
C. Protection of property rights						4.11	4.10	
D. Military interference						3.33	3.33	3.33
E. Integrity of the legal system						5.00	5.00	5.00
F. Legal enforcement of contracts						2.30	2.30	2.30
G. Regulatory restrictions of sale of real property						1.35	1.19	2.78
<b>3. Access to Sound Money</b>						1.26	4.45	5.03
A. Money growth						0.00 53.88	5.26 23.68	3.35 33.23
B. Standard deviation of inflation						0.00 40.17	0.00 37.67	4.27 14.32
C. Inflation: most recent year						5.05 24.76	7.55 12.25	7.51 12.47
D. Freedom to own foreign currency						0.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>						7.12	6.88	6.00
A. Taxes on international trade						7.92	7.93	7.93
(i) Revenues for trade taxes (% trade sector)								
(ii) Mean tariff rate						8.48 7.60	8.54 7.30	8.54 7.30
(iii) Standard deviation of tariff rates						7.35 6.62	7.31 6.72	7.31 6.72
B. Regulatory trade barriers						4.02	3.91	1.32
(i) Non-tariff trade barriers						6.67	6.70	
(ii) Compliance cost of importing and exporting						1.38	1.13	1.32
C. Size of trade sector						10.00	9.30	10.00
D. Black-market exchange rates						10.00	10.00	10.00
E. International capital market controls						3.68	3.28	0.77
(i) Foreign ownership/investment restrictions						5.83	5.80	
(ii) Capital controls						1.54	0.77	0.77
<b>5. Regulation of Credit, Labor and Business</b>						4.53	5.40	5.10
A. Credit market regulations						6.15	7.47	6.45
(i) Ownership of banks						5.00	5.00	5.00
(ii) Foreign bank competition						9.00	9.00	9.00
(iii) Private sector credit						5.61	6.89	4.78
(iv) Interest rate controls/negative real int. rates						5.00	9.00	7.00
B. Labor market regulations						3.99	3.99	2.98
(i) Hiring regulations and minimum wage						3.30	3.30	3.30
(ii) Hiring and firing regulations						4.39	4.40	
(iii) Centralized collective bargaining						7.62	7.60	
(iv) Hours regulations						4.00	4.00	4.00
(v) Mandated cost of worker dismissal						4.62	4.62	4.62
(vi) Conscription						0.00	0.00	0.00
C. Business regulations						3.46	4.75	5.86
(i) Price controls								
(ii) Bureaucracy costs						2.17	2.20	
(iii) Bureaucracy costs						0.46		
(iv) Starting a business						3.09	5.63	6.14
(v) Extra payments/bribes						4.88	4.88	
(vi) Licensing restrictions						3.18	4.06	4.49
(vii) Cost of tax compliance						6.95	6.95	6.95



## Argentina

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	4.41 (85)	3.98 (97)	4.78 (91)	6.77 (35)	7.19 (32)	5.94 (97)	6.27 (87)	6.01 (94)
<b>Area 1. Size of Government</b>	6.10 (23)	5.22 (51)	6.18 (41)	8.22 (7)	7.78 (17)	7.56 (24)	7.43 (29)	6.37 (62)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	4.51 (53)	4.90 (61)	6.48 (37)	5.45 (62)	5.41 (68)	4.53 (92)	4.45 (96)	4.45 (96)
<b>Area 3. Access to Sound Money</b>	2.50 (104)	2.50 (106)	2.50 (109)	6.57 (63)	9.71 (5)	5.44 (114)	7.11 (88)	6.90 (89)
<b>Area 4. Freedom to Trade Internationally</b>	4.00 (73)	2.59 (91)	4.14 (89)	6.98 (43)	6.29 (83)	6.01 (91)	6.39 (82)	6.38 (81)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.10 (58)	5.02 (59)	4.85 (81)	6.65 (22)	6.74 (33)	6.17 (77)	5.94 (95)	5.95 (95)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	4.35 (86)	3.92 (101)	4.65 (96)	6.76 (38)	7.19 (32)	5.92 (112)	6.25 (100)	5.99 (114)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	6.10	5.22	6.18	8.22	7.78	7.56	7.43	6.37
A. Government consumption	6.91 16.50	7.94 13.00	8.53 11.00	8.06 12.60	6.88 16.62	6.98 16.26	6.45 18.08	6.20 18.92
B. Transfers and subsidies	7.49 9.70	6.95 11.70	8.17 7.20	7.33 10.30	7.22 10.69	8.28 6.82	8.28 6.82	8.28 6.82
C. Government enterprises and investment	4.00 39.50	4.00 38.30	4.00 30.00	10.00 8.50	10.00 6.44	10.00 11.03	10.00 12.65	6.00
D. Top marginal tax rate	6.00	2.00	4.00	7.50	7.00	5.00	5.00	5.00
(i) Top marginal income tax rate	6.00 45	2.00 62	7.00 35	9.00 30	8.00 35	7.00 35	7.00 35	7.00 35
(ii) Top marginal income and payroll tax rates			1.00 57	6.00 40	6.00 36-43	3.00 46	3.00 46	3.00 46
<b>2. Legal Structure and Security of Property Rights</b>	4.20	4.56	6.03	5.45	5.41	4.53	4.45	4.45
A. Judicial independence				3.87	3.17	1.96	2.02	2.35
B. Impartial courts				4.20	5.18	2.62	2.09	2.21
C. Protection of property rights				4.57	3.72	3.18	3.63	3.19
D. Military interference				7.66	6.67	7.22	7.50	7.50
E. Integrity of the legal system				6.96	8.33	5.00	4.17	4.17
F. Legal enforcement of contracts						5.02	5.02	5.02
G. Regulatory restrictions of sale of real property						6.74	6.74	6.72
<b>3. Access to Sound Money</b>	2.50	2.50	2.50	6.57	9.71	5.44	7.11	6.90
A. Money growth	0.00 90.34	0.00 252.73	0.00 441.58	7.07 14.66	9.50 -2.48	3.33 33.35	6.17 19.15	7.39 13.06
B. Standard deviation of inflation	0.00 119.77	0.00 208.29	0.00 1198.84	0.00 52.44	9.52 1.20	5.37 11.56	9.02 2.46	8.33 4.18
C. Inflation: most recent year	0.00 92.02	0.00 620.84	0.00 2064.19	9.23 3.87	9.81 -0.94	8.07 9.64	8.23 8.83	6.87 15.66
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>	4.42	2.87	4.29	6.93	6.29	6.01	6.39	6.38
A. Taxes on international trade	4.05	3.07	3.19	7.46	7.47	6.49	6.45	6.55
(i) Revenues for trade taxes (% trade sector)	3.67 9.50	1.53 12.70	3.40 9.90	7.53 3.70	7.92 3.12	5.58 6.62	5.58 6.62	5.58 6.62
(ii) Mean tariff rate	4.44 27.80	4.60 27.00	5.90 20.50	7.90 10.50	7.48 12.60	7.88 10.60	7.60 12.00	7.68 11.60
(iii) Standard deviation of tariff rates			0.28 24.30	6.96 7.60	7.00 7.50	6.00 10.00	6.16 9.60	6.38 9.05
B. Regulatory trade barriers				7.17	6.42	5.69	5.96	5.94
(i) Non-tariff trade barriers				7.17	6.18	3.81	3.96	3.80
(ii) Compliance cost of importing and exporting					6.66	7.57	7.95	8.08
C. Size of trade sector	0.00	0.99	0.00	0.49	0.98	4.95	4.98	4.90
D. Black-market exchange rates	9.80	2.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	9.53	6.58	2.94	4.59	4.51
(i) Foreign ownership/investment restrictions				9.06	9.31	5.88	5.33	5.17
(ii) Capital controls	0.00	0.00	0.00	10.00	3.85	0.00	3.85	3.85
<b>5. Regulation of Credit, Labor and Business</b>	4.53	4.46	4.27	6.63	6.74	6.07	5.84	5.86
A. Credit market regulations	4.45	4.20	3.70	7.92	7.68	8.19	7.94	7.94
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
(ii) Foreign bank competition				8.63	7.33	8.00	8.00	8.00
(iii) Private sector credit	8.34	7.61	6.09	7.61	6.95	9.78	9.78	9.78
(iv) Interest rate controls/negative real int. rates	0.00	0.00	0.00	10.00	10.00	10.00	9.00	9.00
B. Labor market regulations	3.73	3.70	3.46	5.94	6.11	5.12	5.24	5.18
(i) Hiring regulations and minimum wage				5.95	4.42	5.60	5.60	5.60
(ii) Hiring and firing regulations			3.00	3.00	5.28	2.50	3.05	2.87
(iii) Centralized collective bargaining	5.18	5.18	5.18	5.18	4.83	4.60	3.57	3.44
(iv) Hours regulations	5.01	4.93	4.66	5.55	6.01	8.00	8.00	8.00
(v) Mandated cost of worker dismissal						0.00	1.19	1.19
(vi) Conscription	1.00	1.00	1.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				6.02	6.44	4.89	4.35	4.44
(i) Price controls				8.00	8.00	1.00	0.00	0.00
(ii) Bureaucracy costs					6.78	2.48	2.48	2.79
(iii) Bureaucracy costs				6.70	7.50	7.09	5.40	5.52
(iv) Starting a business				6.22	4.83	8.87	8.87	9.01
(v) Extra payments/bribes				3.16	5.07	4.98	3.73	3.72
(vi) Licensing restrictions						4.91	5.07	5.14
(vii) Cost of tax compliance						4.92	4.92	4.92



## Armenia

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>								
<b>Area 1. Size of Government</b>								
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>								
<b>Area 3. Access to Sound Money</b>								
<b>Area 4. Freedom to Trade Internationally</b>								
<b>Area 5. Regulation of Credit, Labor and Business</b>								
<b>Unadjusted</b>								
<b>Summary Ratings (Rank) &gt;</b>						7.24 (41)	7.23 (48)	7.12 (50)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>						8.33	8.10	7.87
A. Government consumption						8.16 (12.26)	7.94 (13.00)	7.64 (14.04)
B. Transfers and subsidies						8.33 (6.62)	8.96 (4.30)	7.84 (8.44)
C. Government enterprises and investment							7.00	7.00
D. Top marginal tax rate						8.50	8.50	9.00
(i) Top marginal income tax rate						9.00	9.00	10.00 (20)
(ii) Top marginal income and payroll tax rates						8.00	8.00	8.00 (26)
<b>2. Legal Structure and Security of Property Rights</b>						5.49	5.61	5.49
A. Judicial independence						2.11	2.13	2.10
B. Impartial courts						2.97	3.35	3.13
C. Protection of property rights						5.53	6.00	5.37
D. Military interference						5.83	5.83	5.83
E. Integrity of the legal system						5.00	5.00	5.00
F. Legal enforcement of contracts						7.16	7.16	7.16
G. Regulatory restrictions of sale of real property						9.79	9.83	9.83
<b>3. Access to Sound Money</b>						9.21	8.98	8.88
A. Money growth						7.56 (12.20)	7.25 (13.77)	8.14 (9.30)
B. Standard deviation of inflation						9.41 (1.48)	9.56 (1.11)	9.18 (2.05)
C. Inflation: most recent year						9.87 (0.64)	9.12 (4.41)	8.21 (8.95)
D. Freedom to own foreign currency						10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>						6.62	6.69	6.61
A. Taxes on international trade						7.71	8.88	8.76
(i) Revenues for trade taxes (% trade sector)						9.37 (0.95)	9.13 (1.31)	8.75 (1.88)
(ii) Mean tariff rate						9.40 (3.00)	9.42 (2.90)	9.42 (2.90)
(iii) Standard deviation of tariff rates						4.36 (14.10)	8.10 (4.76)	8.11 (4.73)
B. Regulatory trade barriers						5.16	5.66	6.42
(i) Non-tariff trade barriers						5.31	5.17	5.35
(ii) Compliance cost of importing and exporting						5.00	6.15	7.49
C. Size of trade sector						2.64	1.11	0.29
D. Black-market exchange rates						10.00	10.00	10.00
E. International capital market controls						7.61	7.81	7.56
(i) Foreign ownership/investment restrictions						6.76	6.45	5.95
(ii) Capital controls						8.46	9.17	9.17
<b>5. Regulation of Credit, Labor and Business</b>						6.56	6.77	6.78
A. Credit market regulations						8.91	8.95	8.95
(i) Ownership of banks						10.00	10.00	10.00
(ii) Foreign bank competition						7.00	7.00	7.00
(iii) Private sector credit						9.66	9.82	9.82
(iv) Interest rate controls/negative real int. rates						9.00	9.00	9.00
B. Labor market regulations						6.05	6.20	6.12
(i) Minimum wage and hiring regulations						6.70	6.70	6.70
(ii) Hiring and firing regulations						5.15	6.23	6.03
(iii) Centralized collective bargaining						7.64	7.46	7.19
(iv) Hours regulations						8.00	8.00	8.00
(v) Mandated cost of dismissing						8.79	8.79	8.79
(vi) Conscription						0.00	0.00	0.00
C. Business regulations						4.71	5.16	5.25
(i) Price controls						5.00	5.00	5.00
(ii) Bureaucracy costs						3.04	3.59	3.73
(iii) Bureaucracy costs						2.93	6.07	6.31
(iv) Starting a business						9.36	9.38	9.49
(v) Extra payments/bribes						5.19	3.78	3.74
(vi) Licensing restrictions						7.47	8.28	8.50
(vii) Cost of tax compliance						0.00	0.00	0.00



## Australia

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	7.13 (11)	7.35 (10)	7.66 (11)	7.80 (9)	7.88 (10)	7.85 (10)	7.93 (8)	7.83 (8)
<b>Area 1. Size of Government</b>	5.08 (51)	4.42 (74)	5.35 (65)	5.68 (74)	5.47 (82)	6.38 (70)	6.85 (51)	6.80 (47)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	8.57 (14)	9.29 (9)	9.27 (15)	8.96 (10)	9.49 (3)	8.63 (9)	8.51 (9)	8.31 (11)
<b>Area 3. Access to Sound Money</b>	9.00 (9)	9.35 (10)	9.15 (18)	9.40 (28)	9.40 (27)	9.44 (31)	9.50 (20)	9.43 (22)
<b>Area 4. Freedom to Trade Internationally</b>	6.26 (38)	6.88 (26)	7.33 (24)	7.65 (26)	7.76 (32)	6.79 (58)	6.83 (63)	6.72 (68)
<b>Area 5. Regulation of Credit, Labor and Business</b>	6.87 (11)	6.96 (11)	7.28 (10)	7.29 (9)	7.26 (12)	8.03 (15)	7.96 (15)	7.91 (14)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	6.89 (13)	7.10 (9)	7.28 (14)	7.78 (10)	7.88 (10)	7.92 (10)	7.99 (8)	7.90 (8)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.08	4.42	5.35	5.68	5.47	6.38	6.85	6.80
A. Government consumption	4.93 23.23	4.77 23.79	5.20 22.33	5.47 21.40	4.79 23.70	4.72 23.95	4.66 24.14	4.54 24.55
B. Transfers and subsidies	7.38 10.10	6.89 11.90	7.22 10.70	6.27 14.20	7.09 11.17	6.80 12.26	7.24 10.62	7.15 10.96
C. Government enterprises and investment	6.00 28.40	4.00 30.20	6.00 25.20	7.00 21.50	7.00 21.50	10.00 10.61	10.00 11.07	10.00 11.20
D. Top marginal tax rate	2.00	2.00	3.00	4.00	3.00	4.00	5.50	5.50
(i) Top marginal income tax rate	2.00 62	2.00 60	3.00 49	4.00 47	3.00 47	4.00 47	6.00 45	6.00 45
(ii) Top marginal income and payroll tax rates			3.00 49	4.00 48	3.00 49	4.00 49	5.00 47	5.00 47
<b>2. Legal Structure and Security of Property Rights</b>	7.26	7.88	7.86	8.96	9.49	8.63	8.51	8.31
A. Judicial independence				9.05	9.52	8.80	9.08	9.07
B. Impartial courts				9.00	9.69	8.31	7.88	6.77
C. Protection of property rights				7.32	8.27	8.97	8.89	8.62
D. Military interference				9.46	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	10.00	9.79	9.17	9.17
F. Legal enforcement of contracts						6.23	6.23	6.23
G. Regulatory restrictions of sale of real property						8.33	8.29	8.29
<b>3. Access to Sound Money</b>	9.00	9.35	9.15	9.40	9.40	9.44	9.50	9.43
A. Money growth	8.57 7.17	9.50 2.50	8.06 9.70	8.43 7.83	9.19 4.04	8.61 6.94	8.72 6.38	8.71 6.45
B. Standard deviation of inflation	9.40 1.51	9.13 2.17	9.19 2.02	9.74 0.64	9.31 1.72	9.68 0.79	9.75 0.63	9.86 0.34
C. Inflation: most recent year	8.03 9.84	8.79 6.06	9.35 3.26	9.42 2.90	9.10 4.48	9.47 2.67	9.53 2.33	9.13 4.35
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	6.57	7.23	7.48	7.51	7.76	6.79	6.83	6.72
A. Taxes on international trade	7.35	7.60	6.46	7.71	8.43	8.43	8.64	8.30
(i) Revenues for trade taxes (% trade sector)	7.60 3.60	7.87 3.20	7.93 3.10	8.80 1.80	9.06 1.41	8.97 1.55	9.15 1.27	9.24 1.13
(ii) Mean tariff rate	7.10 14.50	7.34 13.30	7.16 14.20	8.36 8.20	8.84 5.80	9.14 4.30	9.30 3.50	8.55 7.25
(iii) Standard deviation of tariff rates			4.28 14.30	5.96 10.10	7.40 6.50	7.17 7.07	7.48 6.30	7.10 7.25
B. Regulatory trade barriers				6.42	8.78	8.18	8.22	8.13
(i) Non-tariff trade barriers				6.42	8.07	7.44	7.53	7.35
(ii) Compliance cost of importing and exporting					9.50	8.91	8.91	8.91
C. Size of trade sector	5.52	5.36	4.77	5.17	5.47	2.40	2.40	2.40
D. Black-market exchange rates	9.80	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	5.00	8.00	8.27	6.11	4.94	4.91	4.77
(i) Foreign ownership/investment restrictions				8.53	9.14	7.57	7.51	7.22
(ii) Capital controls	2.00	5.00	8.00	8.00	3.08	2.31	2.31	2.31
<b>5. Regulation of Credit, Labor and Business</b>	6.53	6.62	6.56	7.34	7.26	8.37	8.28	8.24
A. Credit market regulations	8.38	8.67	9.68	9.04	8.95	9.50	9.50	9.50
(i) Ownership of banks	8.00	8.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				7.92	6.53	8.00	8.00	8.00
(iii) Private sector credit	7.14	8.00	9.03	9.19	10.00	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations			6.56	5.43	5.57	8.36	8.60	8.48
(i) Hiring regulations and minimum wage				3.58	4.55	10.00	10.00	10.00
(ii) Hiring and firing regulations			4.50	4.50	3.08	4.60	5.16	4.95
(iii) Centralized collective bargaining	5.18	5.18	5.18	5.18	5.52	5.93	6.78	6.28
(iv) Hours regulations				3.88	4.68	10.00	10.00	10.00
(v) Mandated cost of worker dismissal						9.63	9.63	9.63
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				7.54	7.26	7.25	6.74	6.74
(i) Price controls			6.00	7.00	7.00	7.00	7.00	7.00
(ii) Bureaucracy costs					6.73	3.49	3.32	3.66
(iii) Bureaucracy costs				7.21	6.20	5.32	2.07	1.93
(iv) Starting a business				6.80	7.37	9.92	9.93	9.93
(v) Extra payments/bribes				9.16	9.01	8.94	8.81	8.59
(vi) Licensing restrictions						7.29	7.29	7.29
(vii) Cost of tax compliance						8.80	8.80	8.80



## Austria

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	6.76 (16)	6.72 (20)	7.22 (20)	7.04 (28)	7.37 (21)	7.70 (15)	7.67 (14)	7.59 (14)
<b>Area 1. Size of Government</b>	3.14 (95)	3.05 (102)	3.11 (106)	2.82 (115)	2.77 (122)	5.23 (95)	5.16 (102)	5.14 (103)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	9.47 (5)	9.27 (11)	9.82 (11)	8.85 (13)	9.34 (5)	8.63 (10)	8.63 (8)	8.41 (9)
<b>Area 3. Access to Sound Money</b>	8.40 (13)	8.31 (23)	9.63 (10)	9.55 (19)	9.63 (9)	9.55 (17)	9.56 (15)	9.54 (8)
<b>Area 4. Freedom to Trade Internationally</b>	6.86 (26)	6.91 (25)	7.43 (21)	8.10 (16)	8.51 (10)	7.68 (23)	7.66 (30)	7.56 (32)
<b>Area 5. Regulation of Credit, Labor and Business</b>	6.08 (30)	6.26 (28)	6.21 (34)	5.91 (53)	6.59 (37)	7.40 (27)	7.34 (29)	7.28 (30)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	6.38 (18)	6.35 (22)	6.78 (20)	7.03 (29)	7.37 (21)	7.72 (14)	7.69 (14)	7.61 (15)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	3.14	3.05	3.11	2.82	2.77	5.23	5.16	5.14
A. Government consumption	4.46 24.82	4.35 25.22	4.40 25.03	4.01 26.37	4.16 25.86	4.58 24.44	4.53 24.60	4.22 25.66
B. Transfers and subsidies	4.11 22.10	3.84 23.10	4.03 22.40	3.27 25.20	2.93 26.44	2.84 26.78	2.60 27.66	2.83 26.83
C. Government enterprises and investment	2.00 44.50	2.00 42.00	2.00 42.00	2.00 42.00	2.00 42.00	10.00 5.21	10.00 4.68	10.00 4.86
D. Top marginal tax rate	2.00	2.00	2.00	2.00	2.00	3.50	3.50	3.50
(i) Top marginal income tax rate	2.00 62	2.00 62	4.00 50	4.00 50	4.00 50	4.00 50	4.00 50	4.00 50
(ii) Top marginal income and payroll tax rates			0.00 62	0.00 66	0.00 66	3.00 54	3.00 54	3.00 54
<b>2. Legal Structure and Security of Property Rights</b>	8.04	7.88	8.35	8.85	9.34	8.63	8.63	8.41
A. Judicial independence				8.82	9.02	8.15	8.52	8.46
B. Impartial courts				7.72	9.02	8.56	8.24	7.17
C. Protection of property rights				7.73	8.65	9.08	9.36	8.95
D. Military interference				9.97	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	10.00	10.00	10.00	10.00
F. Legal enforcement of contracts						6.70	6.38	6.38
G. Regulatory restrictions of sale of real property						7.92	7.92	7.92
<b>3. Access to Sound Money</b>	8.40	8.31	9.63	9.55	9.63	9.55	9.56	9.54
A. Money growth	9.97 -0.17	9.36 3.22	9.46 2.69	8.92 5.39	9.18 4.10	8.77 6.15	8.81 5.95	8.96 5.21
B. Standard deviation of inflation	9.64 0.90	9.51 1.23	9.75 0.63	9.69 0.78	9.80 0.50	9.91 0.23	9.86 0.36	9.85 0.37
C. Inflation: most recent year	9.00 5.00	9.38 3.08	9.31 3.45	9.57 2.13	9.53 2.35	9.54 2.30	9.57 2.17	9.36 3.18
D. Freedom to own foreign currency	5.00	5.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	6.91	6.95	7.28	8.04	8.51	7.68	7.66	7.56
A. Taxes on international trade	8.61	8.80	7.92	8.72	9.18	8.48	8.27	8.16
(i) Revenues for trade taxes (% trade sector)	9.53 0.70	9.60 0.60	9.53 0.70	9.87 0.20	9.78 0.33	9.84 0.24	9.84 0.24	10.00 0.00
(ii) Mean tariff rate	7.68 11.60	8.00 10.00	8.26 8.70	8.66 6.70	9.52 2.40	9.46 2.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates			5.96 10.10	7.64 5.90	8.24 4.40	6.13 9.67	6.01 9.98	5.61 10.98
B. Regulatory trade barriers				8.13	9.15	8.39	8.60	8.36
(i) Non-tariff trade barriers				8.13	8.80	7.84	8.11	7.64
(ii) Compliance cost of importing and exporting					9.50	8.93	9.08	9.08
C. Size of trade sector	5.74	5.78	5.33	4.83	6.12	6.02	5.93	5.89
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	5.00	8.50	8.11	5.50	5.51	5.40
(i) Foreign ownership/investment restrictions				9.00	9.30	7.93	7.93	7.71
(ii) Capital controls	2.00	2.00	5.00	8.00	6.92	3.08	3.08	3.08
<b>5. Regulation of Credit, Labor and Business</b>	5.39	5.55	5.52	5.89	6.59	7.51	7.44	7.39
A. Credit market regulations	6.96	7.59	7.46	6.96	8.59	9.31	9.42	9.44
(i) Ownership of banks	5.00	5.00	5.00	5.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				6.52	5.73	8.00	8.00	8.00
(iii) Private sector credit	7.88	7.78	7.39	7.47	9.16	9.24	9.67	9.74
(iv) Interest rate controls/negative real int. rates	8.00	10.00	10.00	8.00	10.00	10.00	10.00	10.00
B. Labor market regulations	4.63	4.63	4.63	4.28	3.86	5.91	6.07	5.92
(i) Hiring regulations and minimum wage				4.58	4.56	8.90	10.00	10.00
(ii) Hiring and firing regulations			4.82	4.82	3.05	4.25	4.30	3.85
(iii) Centralized collective bargaining	4.49	4.49	4.49	4.49	3.50	2.77	2.60	2.15
(iv) Hours regulations	4.40	4.40	4.22	4.50	5.18	6.70	6.70	6.70
(v) Mandated cost of worker dismissal						9.81	9.81	9.81
(vi) Conscription	5.00	5.00	5.00	3.00	3.00	3.00	3.00	3.00
C. Business regulations				6.43	7.33	7.33	6.83	6.81
(i) Price controls			5.00	8.00	8.00	8.00	9.00	9.00
(ii) Bureaucracy costs					7.53	4.27	4.25	4.22
(iii) Bureaucracy costs				6.52	7.43	5.54	1.27	1.34
(iv) Starting a business				3.72	5.42	8.85	8.88	8.88
(v) Extra payments/bribes				7.48	8.27	8.92	8.73	8.49
(vi) Licensing restrictions						7.61	7.63	7.63
(vii) Cost of tax compliance						8.09	8.09	8.08



## Azerbaijan

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>								
<b>Area 1. Size of Government</b>								
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>								
<b>Area 3. Access to Sound Money</b>								
<b>Area 4. Freedom to Trade Internationally</b>								
<b>Area 5. Regulation of Credit, Labor and Business</b>								
<b>Unadjusted</b>								
<b>Summary Rating (Rank) &gt;</b>						6.30 (96)	6.47 (89)	6.36 (93)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>						6.03	5.04	5.76
A. Government consumption						6.00 19.61	4.06 26.20	4.65 24.19
B. Transfers and subsidies					7.09 11.19	7.09 11.19	7.09 11.19	9.37 2.80
C. Government enterprises and investment							4.00	4.00
D. Top marginal tax rate						5.00	5.00	5.00
(i) Top marginal income tax rate						7.00 35	7.00 35	7.00 35
(ii) Top marginal income and payroll tax rates						3.00 49	3.00 49	3.00 49
<b>2. Legal Structure and Security of Property Rights</b>						5.67	6.23	6.40
A. Judicial independence						2.98	4.06	4.79
B. Impartial courts						3.40	4.41	4.88
C. Protection of property rights						4.39	5.39	5.36
D. Military interference						6.67	6.67	6.67
E. Integrity of the legal system						6.04	5.83	5.83
F. Legal enforcement of contracts						7.33	7.55	7.55
G. Regulatory restrictions of sale of real property						8.85	9.69	9.73
<b>3. Access to Sound Money</b>						7.25	7.96	6.09
A. Money growth						8.57 7.17	7.20 13.99	6.88 15.60
B. Standard deviation of inflation						7.77 5.58	8.00 5.01	7.49 6.27
C. Inflation: most recent year						7.68 11.59	6.66 16.69	0.00 53.43
D. Freedom to own foreign currency						5.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>						6.59	6.71	6.66
A. Taxes on international trade						6.91	7.28	7.91
(i) Revenues for trade taxes (% trade sector)								9.19 1.21
(ii) Mean tariff rate						7.92 10.40	8.16 9.20	8.18 9.10
(iii) Standard deviation of tariff rates						5.89 10.27	6.39 9.02	6.36 9.10
B. Regulatory trade barriers						3.51	3.92	4.00
(i) Non-tariff trade barriers						4.38	5.20	4.81
(ii) Compliance cost of importing and exporting						2.64	2.64	3.19
C. Size of trade sector						7.67	6.29	5.67
D. Black-market exchange rates						10.00	10.00	10.00
E. International capital market controls						4.88	6.04	5.74
(i) Foreign ownership/investment restrictions						6.68	7.08	6.48
(ii) Capital controls						3.08	5.00	5.00
<b>5. Regulation of Credit, Labor and Business</b>						5.96	6.42	6.87
A. Credit market regulations						6.63	6.88	7.50
(i) Ownership of banks						5.00	5.00	5.00
(ii) Foreign bank competition						6.00	6.00	6.00
(iii) Private sector credit				7.66	6.52	6.52	6.52	10.00
(iv) Interest rate controls/negative real int. rates						9.00	10.00	9.00
B. Labor market regulations						6.51	6.31	6.89
(i) Hiring regulations and minimum wage						6.70	6.70	10.00
(ii) Hiring and firing regulations						7.78	6.95	6.77
(iii) Centralized collective bargaining						7.60	7.25	7.59
(iv) Hours regulations						8.00	8.00	8.00
(v) Mandated cost of worker dismissal						7.96	7.96	7.96
(vi) Conscription						1.00	1.00	1.00
C. Business regulations						4.74	6.07	6.21
(i) Price controls								
(ii) Bureaucracy costs						3.96	5.33	5.29
(iii) Bureaucracy costs						5.89	5.03	5.18
(iv) Starting a business						8.27	9.65	9.65
(v) Extra payments/bribes						4.65	4.02	4.51
(vi) Licensing restrictions						5.67	6.60	6.87
(vii) Cost of tax compliance						0.00	5.79	5.79



## Bahamas

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	6.57 (20)	6.51 (26)	6.54 (30)	6.40 (52)	6.63 (54)	7.10 (44)	7.04 (56)	7.08 (47)
<b>Area 1. Size of Government</b>	8.45 (6)	8.47 (2)	8.51 (3)	8.19 (11)	7.79 (16)	8.06 (13)	8.21 (8)	8.24 (9)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>		6.08 (39)	6.06 (44)	5.19 (74)	6.35 (46)	7.85 (18)	7.62 (23)	7.64 (20)
<b>Area 3. Access to Sound Money</b>	6.25 (54)	6.48 (66)	7.02 (44)	7.05 (55)	6.87 (86)	6.82 (91)	6.74 (101)	6.82 (92)
<b>Area 4. Freedom to Trade Internationally</b>	4.80 (58)	4.89 (63)	4.33 (85)	4.65 (105)	5.24 (113)	4.37 (118)	4.29 (117)	4.22 (118)
<b>Area 5. Regulation of Credit, Labor and Business</b>	6.43 (18)	6.70 (14)	6.82 (12)	6.90 (14)	6.90 (23)	8.32 (7)	8.31 (6)	8.49 (5)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	6.63 (15)	6.57 (19)	6.49 (31)	6.41 (47)	6.63 (53)	7.22 (43)	7.17 (53)	7.21 (45)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	8.45	8.47	8.51	8.19	7.79	8.06	8.21	8.24
A. Government consumption	6.81 16.85	6.90 16.54	7.18 15.60	6.21 18.90	5.18 22.40	6.46 18.04	7.05 16.04	7.16 15.66
B. Transfers and subsidies	10.00 0.50	10.00 0.10	9.86 1.00	9.56 2.10	8.97 4.29	8.78 4.96	8.78 4.96	8.78 4.96
C. Government enterprises and investment	7.00 24.20	7.00 24.20	7.00 24.20	7.00	7.00	7.00	7.00	7.00
D. Top marginal tax rate	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
(i) Top marginal income tax rate	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0
(ii) Top marginal income and payroll tax rates					10.00 5-9	10.00 5-9	10.00 5-9	10.00 5-9
<b>2. Legal Structure and Security of Property Rights</b>		5.72	5.70	5.19	6.35	8.47	7.11	7.13
A. Judicial independence				5.00	5.00			
B. Impartial courts				6.56	7.07	7.90	7.60	7.70
C. Protection of property rights				3.00	3.00			
D. Military interference				7.30	10.00	10.00	10.00	10.00
E. Integrity of the legal system				4.11	6.67	7.50	7.50	7.50
F. Legal enforcement of contracts							5.49	5.49
G. Regulatory restrictions of sale of real property							4.98	4.98
<b>3. Access to Sound Money</b>	6.25	6.48	7.02	7.05	6.87	6.82	6.74	6.82
A. Money growth	8.43 7.84	9.72 1.41	9.38 3.08	9.40 2.99	8.05 9.74	8.61 6.95	8.31 8.47	8.99 5.05
B. Standard deviation of inflation	8.58 3.54	7.88 5.29	9.32 1.70	9.35 1.63	9.64 0.90	8.97 2.57	9.15 2.11	9.20 2.01
C. Inflation: most recent year	8.00 10.01	8.31 8.46	9.37 3.16	9.44 2.81	9.79 1.04	9.68 1.59	9.50 2.49	9.10 4.49
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>	4.83	4.92	4.38	4.71	5.24	4.42	5.09	5.01
A. Taxes on international trade	4.32	3.67	3.60	3.13	3.33	4.26	4.16	4.16
(i) Revenues for trade taxes (% trade sector)	4.60 8.10	3.80 9.30	3.60 9.60	3.13 10.30	3.67 9.50	4.14 8.79	3.83 9.25	3.83 9.25
(ii) Mean tariff rate	4.04 29.80	3.54 32.30			3.00 35.00	3.96 30.20	4.02 29.90	4.02 29.90
(iii) Standard deviation of tariff rates						4.68 13.29	4.62 13.46	4.62 13.46
B. Regulatory trade barriers							8.01	8.01
(i) Non-tariff trade barriers								
(ii) Compliance cost of importing and exporting							8.01	8.01
C. Size of trade sector	5.63	4.93	2.69	2.57	3.10	1.90	2.51	2.11
D. Black-market exchange rates	6.00	7.80	7.40	9.60	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	1.54	1.54	0.77	0.77
(i) Foreign ownership/investment restrictions								
(ii) Capital controls	0.00	0.00	0.00	0.00	1.54	1.54	0.77	0.77
<b>5. Regulation of Credit, Labor and Business</b>	6.98	7.27	6.82	6.90	6.90	8.32	8.70	8.85
A. Credit market regulations	8.62	9.38	9.73	10.00	10.00	9.76	9.60	9.75
(i) Ownership of banks	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition								
(iii) Private sector credit	7.86	8.13	9.20	10.00	10.00	9.28	8.81	9.25
(iv) Interest rate controls/negative real int. rates	8.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations							9.12	9.40
(i) Hiring regulations and minimum wage							8.90	10.00
(ii) Hiring and firing regulations								
(iii) Centralized collective bargaining								
(iv) Hours regulations							10.00	10.00
(v) Mandated cost of worker dismissal							7.59	7.59
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations							7.38	7.40
(i) Price controls			4.00	4.00	4.00	4.00	4.00	4.00
(ii) Bureaucracy costs								
(iii) Bureaucracy costs								
(iv) Starting a business							8.90	8.92
(v) Extra payments/bribes								
(vi) Licensing restrictions							7.27	7.33
(vii) Cost of tax compliance							9.35	9.35



## Bahrain

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	7.46 (8)	6.85 (17)	6.85 (27)	6.93 (32)	7.28 (29)	6.92 (56)	7.27 (41)	7.23 (36)
<b>Area 1. Size of Government</b>	7.26 (11)	6.00 (28)	5.91 (47)	6.18 (59)	6.80 (43)	6.48 (66)	6.40 (65)	6.27 (67)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>		5.72 (46)	5.70 (51)	5.90 (47)	5.86 (59)	5.39 (73)	6.04 (57)	6.09 (52)
<b>Area 3. Access to Sound Money</b>	8.10 (18)	8.61 (19)	8.79 (22)	9.43 (27)	9.12 (35)	8.82 (49)	9.12 (45)	9.09 (37)
<b>Area 4. Freedom to Trade Internationally</b>	7.70 (13)	7.31 (16)	7.30 (26)	6.81 (50)	7.71 (35)	7.44 (31)	7.94 (17)	7.82 (19)
<b>Area 5. Regulation of Credit, Labor and Business</b>	6.70 (13)	6.59 (20)	6.54 (21)	6.33 (34)	6.90 (23)	6.50 (63)	6.86 (48)	6.84 (51)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	7.54 (4)	6.90 (14)	6.85 (18)	6.93 (35)	7.28 (28)	7.03 (53)	7.63 (16)	7.58 (18)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	7.26	6.00	5.91	6.18	6.80	6.48	6.40	6.27
A. Government consumption	3.25 28.95	0.00 43.46	0.00 43.78	1.41 35.20	3.78 27.15	2.94 29.99	3.34 28.63	2.81 30.44
B. Transfers and subsidies	9.81 1.20	10.00 0.00	9.64 1.80	9.30 3.06	9.43 2.59	8.99 4.21	8.27 6.84	8.27 6.84
C. Government enterprises and investment	6.00 29.80	4.00 31.70	4.00 31.70	4.00 31.70	4.00 31.70	4.00	4.00	4.00
D. Top marginal tax rate	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
(i) Top marginal income tax rate	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0
(ii) Top marginal income and payroll tax rates			10.00 0	10.00 0			10.00 18	10.00 17
<b>2. Legal Structure and Security of Property Rights</b>		5.72	5.70	5.90	5.86	5.63	6.54	6.60
A. Judicial independence						4.07	6.00	6.61
B. Impartial courts				6.74	6.30	4.12	5.10	4.87
C. Protection of property rights						6.62	7.44	7.49
D. Military interference				6.11	5.00	5.00	5.00	5.00
E. Integrity of the legal system				6.96	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts							4.79	4.79
G. Regulatory restrictions of sale of real property							9.12	9.12
<b>3. Access to Sound Money</b>	8.10	8.61	8.79	9.43	9.12	8.82	9.12	9.09
A. Money growth	6.38 18.10	8.46 7.70	9.60 1.99	9.24 -3.82	9.71 1.46	8.40 7.99	8.28 8.59	7.71 11.44
B. Standard deviation of inflation	6.81 7.98	6.33 9.17	6.92 7.71	8.70 3.26	6.91 7.73	7.38 6.54	9.30 1.75	9.35 1.62
C. Inflation: most recent year	9.22 3.90	9.64 -1.82	8.63 6.84	9.80 1.00	9.86 -0.70	9.48 2.59	8.90 -5.49	9.31 3.46
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	7.70	7.24	7.30	6.81	7.71	7.17	7.67	7.56
A. Taxes on international trade	9.39	9.17	9.27	9.07	9.19	8.37	8.60	8.19
(i) Revenues for trade taxes (% trade sector)	9.39 0.91	9.53 0.70	9.27 1.10	9.07 1.40	9.19 1.21	8.83 1.75	9.53 0.71	9.53 0.70
(ii) Mean tariff rate		8.80 6.00				8.98 5.10	9.00 5.00	8.96 5.20
(iii) Standard deviation of tariff rates						7.31 6.73	7.28 6.80	6.07 9.83
B. Regulatory trade barriers						7.59	7.78	7.84
(i) Non-tariff trade barriers						7.59	7.51	7.62
(ii) Compliance cost of importing and exporting							8.05	8.05
C. Size of trade sector	8.95	6.87	7.07	4.82	4.26	3.23	4.40	4.52
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	2.00	6.92	6.65	7.56	7.24
(i) Foreign ownership/investment restrictions						7.14	8.46	7.80
(ii) Capital controls	2.00	2.00	2.00	2.00	6.92	6.15	6.67	6.67
<b>5. Regulation of Credit, Labor and Business</b>	7.07	6.95	6.54	6.33	6.90	7.05	8.40	8.37
A. Credit market regulations	8.71	8.35	8.80	8.11	10.00	9.50	9.50	9.50
(i) Ownership of banks	8.00	8.00	8.00	8.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition						8.00	8.00	8.00
(iii) Private sector credit	9.42	8.71	8.41	8.32	10.00	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates			10.00	8.00	10.00	10.00	10.00	10.00
B. Labor market regulations						7.03	8.73	8.64
(i) Hiring regulations and minimum wage							10.00	10.00
(ii) Hiring and firing regulations						3.25	4.63	4.26
(iii) Centralized collective bargaining						7.85	8.09	7.96
(iv) Hours regulations							10.00	10.00
(v) Mandated cost of worker dismissal							9.63	9.63
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						4.62	6.96	6.96
(i) Price controls			4.00	4.00	4.00	4.00	4.00	4.00
(ii) Bureaucracy costs						4.04	5.20	4.53
(iii) Bureaucracy costs						2.93	4.05	4.01
(iv) Starting a business							9.02	9.07
(v) Extra payments/bribes						7.51	6.98	7.62
(vi) Licensing restrictions							9.88	9.90
(vii) Cost of tax compliance							9.60	9.60



## Bangladesh

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	3.63 (99)	3.94 (99)	4.68 (94)	5.45 (79)	5.82 (94)	5.88 (101)	5.92 (101)	5.95 (97)
<b>Area 1. Size of Government</b>	4.52 (70)	4.56 (70)	7.37 (12)	8.07 (13)	8.07 (11)	8.12 (12)	8.11 (12)	8.13 (11)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	2.34 (81)	2.27 (104)	2.25 (107)	4.63 (98)	3.47 (112)	3.17 (114)	3.09 (115)	3.27 (116)
<b>Area 3. Access to Sound Money</b>	4.64 (97)	6.10 (84)	6.95 (49)	6.42 (67)	7.02 (79)	6.65 (96)	6.38 (109)	6.39 (103)
<b>Area 4. Freedom to Trade Internationally</b>	2.12 (92)	2.01 (97)	1.75 (102)	3.08 (111)	5.05 (115)	5.19 (111)	5.62 (103)	5.52 (105)
<b>Area 5. Regulation of Credit, Labor and Business</b>	4.42 (77)	4.67 (75)	5.20 (63)	5.00 (85)	5.47 (90)	6.28 (67)	6.37 (72)	6.43 (66)
<b>Unadjusted</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	3.75 (100)	4.06 (95)	4.68 (94)	5.46 (79)	5.82 (94)	5.94 (109)	5.98 (115)	6.01 (113)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.30	4.33	7.00	7.67	8.07	8.12	8.11	8.13
A. Government consumption	9.89 6.38	10.00 5.39	10.00 4.82	10.00 5.33	10.00 5.60	9.69 7.04	9.72 6.94	9.81 6.63
B. Transfers and subsidies					9.28 3.15	9.78 1.29	9.72 1.51	9.72 1.51
C. Government enterprises and investment	2.00 44.40	2.00 46.60	2.00 47.10	4.00 34.00	4.00 30.03	4.00	4.00	4.00
D. Top marginal tax rate	1.00	1.00	9.00	9.00	9.00	9.00	9.00	9.00
(i) Top marginal income tax rate	1.00 60	1.00 60	9.00 25	9.00 25	9.00 25	9.00 25	9.00 25	9.00 25
(ii) Top marginal income and payroll tax rates			9.00 25	9.00 25	9.00 25	9.00 25	9.00 25	9.00 25
<b>2. Legal Structure and Security of Property Rights</b>	2.54	2.46	2.44	5.02	3.47	2.98	2.90	3.07
A. Judicial independence						2.48	3.62	4.13
B. Impartial courts				3.91	4.22	2.97	2.63	3.41
C. Protection of property rights					2.02	4.70	4.28	4.13
D. Military interference				5.25	3.33	4.58	2.50	2.50
E. Integrity of the legal system				6.96	3.33	3.33	4.17	4.17
F. Legal enforcement of contracts						1.15	1.15	1.15
G. Regulatory restrictions of sale of real property						1.61	1.95	2.02
<b>3. Access to Sound Money</b>	4.64	6.10	6.95	6.42	7.02	6.65	6.38	6.39
A. Money growth	7.03 14.86	7.84 10.82	9.62 1.89	7.99 10.03	9.07 4.64	8.55 7.24	7.73 11.35	8.05 9.77
B. Standard deviation of inflation	4.23 14.43	8.76 3.10	9.16 2.10	9.05 2.38	9.46 1.36	9.45 1.38	9.61 0.99	9.28 1.81
C. Inflation: most recent year	7.32 13.39	7.79 11.07	9.03 4.87	8.65 6.73	9.56 2.21	8.59 7.04	8.18 9.11	8.22 8.90
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>	2.24	2.12	1.79	3.14	5.05	5.46	5.91	5.81
A. Taxes on international trade	0.53	0.00	0.64	1.42	5.19	5.76	6.45	6.48
(i) Revenues for trade taxes (% trade sector)	1.07 13.40	0.00 17.90	1.93 12.10	4.27 8.60	5.33 7.00	4.12 8.82	5.89 6.17	5.89 6.17
(ii) Mean tariff rate	0.00 99.90	0.00 86.00	0.00 102.20	0.00 81.20	5.68 21.60	6.64 16.80	7.08 14.60	7.04 14.80
(iii) Standard deviation of tariff rates			0.00 50.40	0.00 26.10	4.56 13.60	6.53 8.66	6.38 9.05	6.51 8.73
B. Regulatory trade barriers					4.73	4.54	5.63	5.86
(i) Non-tariff trade barriers					4.73	5.40	5.44	5.46
(ii) Compliance cost of importing and exporting						3.67	5.82	6.26
C. Size of trade sector	2.39	2.33	0.00	1.63	2.41	2.85	4.09	4.31
D. Black-market exchange rates	0.00	0.00	0.00	4.40	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	2.93	4.15	3.38	2.39
(i) Foreign ownership/investment restrictions					5.86	7.52	6.77	4.79
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	0.77	0.00	0.00
<b>5. Regulation of Credit, Labor and Business</b>	5.03	5.31	5.22	5.03	5.47	6.49	6.61	6.67
A. Credit market regulations	3.44	4.19	5.76	5.12	5.91	8.16	8.16	8.19
(i) Ownership of banks	0.00	0.00	0.00	0.00	2.00	5.00	5.00	5.00
(ii) Foreign bank competition					5.85	8.00	8.00	8.00
(iii) Private sector credit	4.31	6.56	7.28	7.37	8.05	9.64	9.63	9.74
(iv) Interest rate controls/negative real int. rates	6.00	6.00	10.00	8.00	10.00	10.00	10.00	10.00
B. Labor market regulations					6.55	6.76	6.35	6.37
(i) Hiring regulations and minimum wage					4.60	6.70	5.60	5.60
(ii) Hiring and firing regulations					4.97	6.00	5.86	5.94
(iii) Centralized collective bargaining					6.63	7.52	6.28	6.35
(iv) Hours regulations						10.00	10.00	10.00
(v) Mandated cost of worker dismissal						0.36	0.36	0.36
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations					3.96	4.54	5.32	5.45
(i) Price controls			0.00	0.00	0.00	6.00	6.00	6.00
(ii) Bureaucracy costs					7.55	2.40	2.58	2.44
(iii) Bureaucracy costs					5.73	2.40	6.50	6.41
(iv) Starting a business					4.58	7.85	7.39	8.21
(v) Extra payments/bribes					1.91	2.35	2.35	2.46
(vi) Licensing restrictions						5.22	5.81	5.98
(vii) Cost of tax compliance						5.52	6.61	6.61



## Barbados

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	5.86 (36)	6.23 (28)	6.14 (41)	6.08 (62)	6.09 (81)	6.26 (87)	6.21 (90)	5.97 (96)
<b>Area 1. Size of Government</b>	6.27 (22)	6.38 (17)	6.42 (32)	6.40 (47)	6.85 (39)	6.59 (62)	6.12 (78)	5.68 (84)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>		6.11 (38)	6.09 (42)	4.76 (92)	5.20 (73)	5.63 (65)	5.57 (71)	5.34 (75)
<b>Area 3. Access to Sound Money</b>	5.06 (92)	6.67 (52)	6.67 (57)	7.19 (50)	6.70 (90)	6.29 (106)	6.38 (108)	6.10 (111)
<b>Area 4. Freedom to Trade Internationally</b>	5.57 (44)	5.42 (54)	5.02 (72)	5.49 (95)	5.07 (114)	4.54 (117)	4.65 (115)	4.46 (117)
<b>Area 5. Regulation of Credit, Labor and Business</b>	6.19 (26)	6.61 (18)	6.57 (19)	6.56 (26)	6.61 (35)	8.25 (9)	8.36 (5)	8.35 (7)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	5.88 (37)	6.22 (27)	6.04 (42)	6.02 (66)	6.09 (81)	6.60 (77)	6.54 (84)	6.35 (94)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	6.27	6.38	6.42	6.40	6.85	6.59	6.12	5.68
A. Government consumption	6.09 19.28	4.52 24.62	4.69 24.07	5.09 22.70	3.91 26.70	4.44 24.92	5.07 22.77	3.32 28.71
B. Transfers and subsidies	10.00 0.20	10.00 0.00	10.00 0.50	10.00 0.00	10.00 0.00	8.43 6.28	5.90 15.53	5.90 15.53
C. Government enterprises and investment	8.00 19.00	10.00 11.90	8.00 18.30	7.00 22.78	10.00 12.00	10.00 3.60	10.00 3.60	10.00 3.60
D. Top marginal tax rate	1.00	1.00	3.00	3.50	3.50	3.50	3.50	3.50
(i) Top marginal income tax rate	1.00 60	1.00 60	4.00 50	5.00 40	5.00 40	5.00 40	5.00 40	5.00 40
(ii) Top marginal income and payroll tax rates			2.00 54	2.00 53	2.00 53	2.00 53	2.00 53	2.00 53
<b>2. Legal Structure and Security of Property Rights</b>		5.72	5.70	4.60	5.20	8.00	7.86	7.83
A. Judicial independence				5.00	5.00	8.12	8.00	7.84
B. Impartial courts				6.29	7.61	7.15	7.11	6.46
C. Protection of property rights				3.00	3.00	7.35	8.02	7.83
D. Military interference						9.40	9.50	9.20
E. Integrity of the legal system				4.11			6.67	
F. Legal enforcement of contracts								
G. Regulatory restrictions of sale of real property								
<b>3. Access to Sound Money</b>	5.06	6.67	6.67	7.19	6.70	6.29	6.38	6.10
A. Money growth	7.17 14.16	8.92 5.41	9.12 4.38	9.32 -3.38	7.89 10.55	7.66 11.68	7.38 13.09	7.11 14.45
B. Standard deviation of inflation	7.59 6.03	8.59 3.52	8.64 3.39	9.49 1.28	9.40 1.50	8.71 3.23	8.95 2.63	8.92 2.71
C. Inflation: most recent year	5.49 22.56	9.18 4.12	8.91 5.45	9.95 0.25	9.51 2.44	8.78 6.08	9.19 4.03	8.38 8.11
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>	5.73	5.46	4.85	5.37	5.07	5.18	5.30	5.09
A. Taxes on international trade	7.53	7.17	6.06	6.58	6.20	5.63	5.75	5.77
(i) Revenues for trade taxes (% trade sector)	7.53 3.70	7.73 3.40	7.60 3.60	7.80 3.30		7.90 3.16	8.28 2.58	8.28 2.58
(ii) Mean tariff rate		6.60 17.00		7.18 14.10	6.20 19.00	7.30 13.50	7.30 13.50	7.30 13.50
(iii) Standard deviation of tariff rates			4.52 13.70	4.76 13.10		1.68 20.79	1.68 20.79	1.74 20.66
B. Regulatory trade barriers						5.21	5.77	5.49
(i) Non-tariff trade barriers						5.21	5.77	5.49
(ii) Compliance cost of importing and exporting								
C. Size of trade sector	5.09	4.12	1.99	2.66	1.12	1.33	1.18	1.36
D. Black-market exchange rates	7.80	7.80	8.00	9.40	9.80	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.00	3.71	3.82	2.82
(i) Foreign ownership/investment restrictions						7.42	7.64	5.64
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>5. Regulation of Credit, Labor and Business</b>	6.45	6.89	6.57	6.56	6.61	6.94	7.05	7.06
A. Credit market regulations	7.19	8.36	8.25	8.21	8.37	8.34	8.55	8.52
(i) Ownership of banks	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
(ii) Foreign bank competition								
(iii) Private sector credit	7.58	7.08	6.74	6.62	7.11	7.02	7.66	7.55
(iv) Interest rate controls/negative real int. rates	6.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations						7.21	7.05	6.97
(i) Hiring regulations and minimum wage								
(ii) Hiring and firing regulations						5.03	4.65	4.73
(iii) Centralized collective bargaining						6.61	6.49	6.17
(iv) Hours regulations								
(v) Mandated cost of worker dismissal								
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						5.27	5.54	5.69
(i) Price controls			6.00	6.00	6.00	6.00	6.00	6.00
(ii) Bureaucracy costs						4.01	4.61	5.04
(iii) Bureaucracy costs						3.43	4.15	4.45
(iv) Starting a business								
(v) Extra payments/bribes						7.64	7.42	7.28
(vi) Licensing restrictions								
(vii) Cost of tax compliance								



## Belgium

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	7.27 (10)	7.30 (11)	7.54 (12)	7.26 (23)	7.74 (13)	7.23 (36)	7.29 (38)	7.14 (45)
<b>Area 1. Size of Government</b>	3.62 (91)	3.60 (94)	4.19 (91)	4.04 (102)	4.57 (101)	4.34 (115)	4.66 (109)	4.20 (113)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	8.97 (11)	9.03 (13)	9.57 (14)	7.52 (24)	8.29 (18)	6.97 (29)	7.10 (28)	6.92 (28)
<b>Area 3. Access to Sound Money</b>	9.58 (2)	9.58 (3)	9.74 (3)	9.73 (6)	9.62 (10)	9.53 (21)	9.58 (11)	9.48 (15)
<b>Area 4. Freedom to Trade Internationally</b>	8.66 (4)	8.87 (3)	8.74 (3)	8.66 (5)	8.96 (6)	8.07 (10)	8.00 (14)	7.98 (12)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.69 (37)	5.56 (48)	5.66 (49)	6.34 (32)	7.28 (10)	7.24 (34)	7.13 (33)	7.12 (36)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	7.06 (8)	7.09 (10)	7.30 (13)	7.23 (23)	7.74 (13)	7.32 (37)	7.38 (36)	7.22 (43)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	3.62	3.60	4.19	4.04	4.57	4.34	4.66	4.20
A. Government consumption	5.43 21.55	5.79 20.30	6.44 18.10	6.20 18.93	3.45 28.26	2.95 29.96	2.97 29.91	2.88 30.20
B. Transfers and subsidies	3.05 26.00	2.62 27.60	3.32 25.00	2.97 26.30	3.81 23.21	3.39 24.77	4.69 19.99	2.91 26.53
C. Government enterprises and investment	6.00 26.80	6.00 25.30	6.00 27.00	6.00 27.00	10.00 11.86	10.00 8.70	10.00 7.40	10.00 7.33
D. Top marginal tax rate	0.00	0.00	1.00	1.00	1.00	1.00	1.00	1.00
(i) Top marginal income tax rate	0.00 76	0.00 76	2.00 55-61	1.00 58-64	2.00 58-62.7	2.00 50-55	2.00 50-55	2.00 50-55
(ii) Top marginal income and payroll tax rates			0.00 70	1.00 58-64	0.00 71	0.00 67-71	0.00 68-71	0.00 68-71
<b>2. Legal Structure and Security of Property Rights</b>	7.83	7.88	8.35	7.52	8.29	6.97	7.10	6.92
A. Judicial independence				5.78	7.35	6.98	7.90	7.27
B. Impartial courts				6.42	8.18	6.32	6.10	4.91
C. Protection of property rights				6.90	7.57	8.20	8.41	7.93
D. Military interference				8.49	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts						5.65	5.65	5.65
G. Regulatory restrictions of sale of real property						3.33	3.33	4.33
<b>3. Access to Sound Money</b>	9.58	9.58	9.74	9.73	9.62	9.53	9.58	9.48
A. Money growth	9.78 1.10	9.78 1.11	9.97 0.17	9.63 1.85	9.10 4.48	8.79 6.06	8.79 6.04	8.94 5.30
B. Standard deviation of inflation	9.38 1.56	9.76 0.59	9.62 0.95	9.64 0.90	9.89 0.28	9.89 0.28	9.87 0.32	9.88 0.30
C. Inflation: most recent year	9.16 4.18	8.79 6.05	9.37 3.14	9.67 1.67	9.49 2.54	9.44 2.78	9.64 1.82	9.10 4.49
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	8.78	8.99	8.72	8.54	8.96	8.07	8.00	7.98
A. Taxes on international trade	9.02	9.15	8.46	8.68	9.18	8.48	8.27	8.16
(i) Revenues for trade taxes (% trade sector)	9.80 0.30	9.80 0.30	9.73 0.40	9.73 0.40	9.78 0.33	9.84 0.24	9.84 0.24	10.00 0.00
(ii) Mean tariff rate	8.24 8.80	8.50 7.50	8.52 7.40	8.66 6.70	9.52 2.40	9.46 2.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates			7.12 7.20	7.64 5.90	8.24 4.40	6.13 9.67	6.01 9.98	5.61 10.98
B. Regulatory trade barriers				8.28	8.86	8.07	8.31	8.43
(i) Non-tariff trade barriers				8.28	8.22	7.21	7.68	7.92
(ii) Compliance cost of importing and exporting					9.50	8.93	8.93	8.93
C. Size of trade sector	6.74	7.67	7.02	6.42	7.59	7.08	7.02	7.23
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	10.00	10.00	10.00	9.31	9.17	6.74	6.39	6.08
(i) Foreign ownership/investment restrictions				8.61	9.87	8.10	8.17	7.54
(ii) Capital controls	10.00	10.00	10.00	10.00	8.46	5.38	4.62	4.62
<b>5. Regulation of Credit, Labor and Business</b>	5.52	5.39	5.50	6.30	7.28	7.69	7.55	7.54
A. Credit market regulations	8.60	8.11	8.40	8.66	9.26	9.21	9.44	9.38
(i) Ownership of banks	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				7.90	7.98	8.00	8.00	8.00
(iii) Private sector credit	5.80	4.33	5.21	8.41	10.00	8.84	9.77	9.51
(iv) Interest rate controls/negative real int. rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	3.49	3.49	3.63	4.93	5.01	6.64	6.86	6.90
(i) Hiring regulations and minimum wage				3.87	5.12	8.90	8.90	8.90
(ii) Hiring and firing regulations			3.77	3.77	3.10	2.59	3.14	3.29
(iii) Centralized collective bargaining	4.49	4.49	4.49	4.49	4.17	3.84	4.63	4.71
(iv) Hours regulations	2.99	2.99	3.25	2.55	2.67	6.00	6.00	6.00
(v) Mandated cost of worker dismissal						8.52	8.52	8.52
(vi) Conscription	3.00	3.00	3.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				5.30	7.56	7.21	6.36	6.35
(i) Price controls			2.00	5.00	6.00	5.00	6.00	6.00
(ii) Bureaucracy costs					8.20	3.04	2.88	2.78
(iii) Bureaucracy costs				6.49	8.88	7.94	2.02	2.12
(iv) Starting a business				4.60	6.42	9.00	9.75	9.75
(v) Extra payments/bribes				5.11	8.28	8.09	7.54	7.50
(vi) Licensing restrictions						8.04	8.04	8.05
(vii) Cost of tax compliance						9.33	8.25	8.25



## Belize

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	5.63 (45)	5.48 (51)	5.98 (46)	6.40 (51)	6.41 (67)	6.84 (60)	6.73 (69)	6.72 (69)
<b>Area 1. Size of Government</b>	5.19 (47)	5.38 (45)	5.20 (69)	6.79 (34)	6.68 (48)	6.84 (50)	6.66 (57)	6.56 (56)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>				5.35 (68)	6.19 (48)	5.34 (74)	5.32 (74)	5.23 (78)
<b>Area 3. Access to Sound Money</b>	6.18 (57)	6.56 (60)	7.01 (45)	7.16 (52)	6.65 (92)	8.27 (62)	8.15 (71)	8.18 (65)
<b>Area 4. Freedom to Trade Internationally</b>	5.19 (52)	4.07 (73)	5.16 (66)	5.72 (91)	5.68 (105)	5.01 (114)	4.89 (114)	4.98 (113)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.96 (33)	5.88 (39)	6.48 (24)	6.95 (12)	6.85 (28)	8.79 (1)	8.68 (2)	8.68 (2)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	5.85 (38)	5.71 (46)	5.88 (46)	6.29 (52)	6.41 (67)	7.06 (51)	6.95 (65)	6.93 (62)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.18	5.03	4.86	6.34	6.68	6.84	6.66	6.56
A. Government consumption	6.10 19.25	4.96 23.15	5.62 20.90	6.56 17.70	6.35 18.42	6.82 16.81	6.28 18.64	5.98 19.66
B. Transfers and subsidies	9.43 2.60	9.16 3.60	9.81 1.20	9.81 1.20	9.69 1.64	9.69 1.64	9.69 1.64	9.69 1.64
C. Government enterprises and investment	0.00 51.00	2.00 49.80	0.00 55.40	4.00 36.10	4.00 36.10	4.00	4.00	4.00
D. Top marginal tax rate		4.00	4.00	5.00				
(i) Top marginal income tax rate		4.00 50	4.00 45	5.00 45				
(ii) Top marginal income and payroll tax rates								
<b>2. Legal Structure and Security of Property Rights</b>				5.26	6.19	5.84	5.81	5.71
A. Judicial independence								
B. Impartial courts				5.72	6.87	5.60	5.60	5.20
C. Protection of property rights								
D. Military interference					7.15	7.10	7.00	7.00
E. Integrity of the legal system								
F. Legal enforcement of contracts						3.33	3.33	3.33
G. Regulatory restrictions of sale of real property						7.32	7.32	7.32
<b>3. Access to Sound Money</b>	6.18	6.56	7.01	7.16	6.65	8.27	8.15	8.18
A. Money growth	8.50 7.48	9.12 4.39	9.29 3.53	9.83 -0.84	8.46 7.70	9.74 -1.28	9.20 4.02	9.29 3.54
B. Standard deviation of inflation	8.50 3.76	7.50 6.25	8.81 2.98	9.61 0.98	8.28 4.30	9.07 2.31	8.89 2.78	9.71 0.73
C. Inflation: most recent year	7.72 11.40	9.62 -1.88	9.95 0.26	9.21 3.94	9.88 0.61	9.27 3.64	9.54 2.32	8.72 6.39
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>	5.19	4.46	5.16	5.72	5.68	5.48	5.35	5.45
A. Taxes on international trade	4.20	4.67	2.80	2.73	5.61	6.20	6.19	6.19
(i) Revenues for trade taxes (% trade sector)	4.20 8.70	2.73 10.90	2.80 10.80	2.73 10.90	5.61 6.59	5.61 6.59	5.61 6.59	5.61 6.59
(ii) Mean tariff rate		6.60 17.00				7.84 10.80	7.84 10.80	7.84 10.80
(iii) Standard deviation of tariff rates						5.16 12.10	5.12 12.20	5.12 12.20
B. Regulatory trade barriers						7.09	7.09	7.09
(i) Non-tariff trade barriers								
(ii) Compliance cost of importing and exporting						7.09	7.09	7.09
C. Size of trade sector	5.34	4.39	4.80	3.27	4.62	3.32	3.45	3.94
D. Black-market exchange rates	3.20	0.00	5.00	9.40	9.20	10.00	10.00	10.00
E. International capital market controls	5.00	5.00	5.00	5.00	0.77	0.77	0.00	0.00
(i) Foreign ownership/investment restrictions								
(ii) Capital controls	5.00	5.00	5.00	5.00	0.77	0.77	0.00	0.00
<b>5. Regulation of Credit, Labor and Business</b>	6.87	6.78	6.48	6.95	6.85	8.85	8.77	8.77
A. Credit market regulations	8.11	7.83	9.94	9.48	9.15	9.37	9.37	9.37
(i) Ownership of banks			10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition						9.00	9.00	9.00
(iii) Private sector credit	8.22	7.67	9.82	8.44	8.46	8.46	8.46	8.46
(iv) Interest rate controls/negative real int. rates	8.00	8.00	10.00	10.00	9.00	10.00	10.00	10.00
B. Labor market regulations						9.17	8.89	8.89
(i) Hiring regulations and minimum wage						8.90	7.80	7.80
(ii) Hiring and firing regulations								
(iii) Centralized collective bargaining								
(iv) Hours regulations						10.00	10.00	10.00
(v) Mandated cost of worker dismissal						7.78	7.78	7.78
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						8.03	8.05	8.06
(i) Price controls			0.00	6.00	6.00	6.00	6.00	6.00
(ii) Bureaucracy costs								
(iii) Bureaucracy costs								
(iv) Starting a business						7.96	8.05	8.06
(v) Extra payments/bribes								
(vi) Licensing restrictions						9.81	9.81	9.81
(vii) Cost of tax compliance						8.35	8.35	8.35



## Benin

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	5.04 (67)	4.80 (83)	5.06 (81)	4.70 (103)	5.25 (111)	5.36 (114)	5.55 (111)	5.49 (108)
<b>Area 1. Size of Government</b>	4.67 (65)	3.60 (93)	4.17 (92)	4.04 (103)	4.72 (98)	5.17 (97)	5.51 (96)	5.63 (87)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	4.67 (48)	4.25 (72)	4.42 (72)	4.46 (99)	4.33 (94)	4.14 (100)	4.35 (97)	4.60 (91)
<b>Area 3. Access to Sound Money</b>	6.23 (55)	6.40 (70)	6.57 (62)	5.26 (85)	6.62 (94)	6.56 (101)	6.99 (94)	6.11 (109)
<b>Area 4. Freedom to Trade Internationally</b>					5.36 (111)	5.00 (115)	4.92 (113)	4.95 (114)
<b>Area 5. Regulation of Credit, Labor and Business</b>	4.56 (73)	4.83 (69)	4.96 (73)	4.94 (90)	5.22 (100)	5.79 (98)	5.82 (99)	5.90 (97)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	5.15 (66)	4.83 (83)	5.03 (83)	4.60 (106)	5.25 (111)	5.82 (116)	5.98 (115)	5.91 (117)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.67	3.60	4.17	4.04	4.72	7.00	7.22	7.39
A. Government consumption	9.35 8.22	7.21 15.50	8.34 11.66	8.08 12.53	7.45 14.68	6.99 16.23	8.04 12.66	7.77 13.59
B. Transfers and subsidies						10.00 0.20	9.86 1.03	8.79 4.93
C. Government enterprises and investment	0.00 53.70	0.00 53.50	0.00 55.20	0.00 60.10	2.00 40.31	4.00 35.40	4.00 35.05	6.00 28.02
D. Top marginal tax rate							7.00	7.00
(i) Top marginal income tax rate							7.00 35	7.00 35
(ii) Top marginal income and payroll tax rates								
<b>2. Legal Structure and Security of Property Rights</b>	4.67	4.25	4.42	4.46	4.33	3.99	4.20	4.44
A. Judicial independence						4.59	4.46	4.38
B. Impartial courts				4.81	4.55	4.07	4.21	5.43
C. Protection of property rights						4.39	4.35	4.72
D. Military interference				3.82	4.70	7.10	7.30	7.20
E. Integrity of the legal system				5.18	4.00			
F. Legal enforcement of contracts						1.07	1.07	1.07
G. Regulatory restrictions of sale of real property						2.73	3.82	3.85
<b>3. Access to Sound Money</b>	6.23	6.40	6.57	5.26	6.62	6.56	6.99	6.11
A. Money growth	8.22 8.91	9.32 3.38	9.18 4.08	9.11 4.44	8.05 9.76	8.42 -7.91	9.07 4.66	7.13 14.36
B. Standard deviation of inflation	8.74 3.15	7.24 6.89	8.34 4.16	4.98 12.54	9.26 1.86	8.89 2.79	9.15 2.12	8.90 2.74
C. Inflation: most recent year	7.96 10.19	9.02 -4.88	8.78 6.11	6.93 15.37	9.17 4.17	8.93 5.36	9.74 1.30	8.41 7.95
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>	5.02	5.04			5.36	5.18	5.09	5.12
A. Taxes on international trade	2.93	2.52			7.60	5.86	5.32	6.30
(i) Revenues for trade taxes (% trade sector)	2.93 10.60					3.20 10.20	1.07 13.40	3.98 9.03
(ii) Mean tariff rate		2.52 37.40			7.60 12.00	7.12 14.40	7.62 11.90	7.62 11.90
(iii) Standard deviation of tariff rates						7.26 6.84	7.29 6.78	7.29 6.78
B. Regulatory trade barriers						5.31	5.47	5.80
(i) Non-tariff trade barriers						5.67	5.78	5.95
(ii) Compliance cost of importing and exporting						4.94	5.17	5.65
C. Size of trade sector	4.33	4.68	1.59	3.22	1.01	1.73	1.26	0.52
D. Black-market exchange rates	9.60	9.80	9.20	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.00	2.98	3.41	2.99
(i) Foreign ownership/investment restrictions						5.97	6.05	5.20
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	0.00	0.77	0.77
<b>5. Regulation of Credit, Labor and Business</b>	5.15	4.83	4.96	4.65	5.22	6.37	6.41	6.49
A. Credit market regulations	5.31	5.92	6.25	6.20	9.42	9.13	9.33	9.33
(i) Ownership of banks	0.00	0.00	2.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition								
(iii) Private sector credit	9.94	9.76	8.76	6.60	8.84	9.38	10.00	10.00
(iv) Interest rate controls/negative real int. rates	6.00	8.00	8.00	2.00		8.00	8.00	8.00
B. Labor market regulations						5.38	5.40	5.48
(i) Hiring regulations and minimum wage						6.10	6.10	6.10
(ii) Hiring and firing regulations						5.70	4.98	5.34
(iii) Centralized collective bargaining						6.83	7.66	7.79
(iv) Hours regulations						6.00	6.00	6.00
(v) Mandated cost of worker dismissal						6.66	6.66	6.66
(vi) Conscription		1.00	1.00	1.00	1.00	1.00	1.00	1.00
C. Business regulations						4.60	4.49	4.67
(i) Price controls				2.00	2.00	2.00	2.00	2.00
(ii) Bureaucracy costs						2.40	2.92	3.63
(iii) Bureaucracy costs						6.51	6.09	5.97
(iv) Starting a business						5.57	5.81	6.42
(v) Extra payments/bribes						3.85	3.17	3.12
(vi) Licensing restrictions						4.89	4.45	4.54
(vii) Cost of tax compliance						6.97	6.97	6.97



## Bolivia

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	4.39 (86)	3.55 (104)	5.39 (67)	6.40 (50)	6.79 (43)	6.40 (80)	6.18 (93)	6.15 (90)
<b>Area 1. Size of Government</b>	4.86 (60)	6.93 (8)	6.81 (22)	6.56 (39)	7.97 (13)	6.14 (77)	6.31 (70)	6.36 (63)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	1.83 (88)	1.32 (110)	2.50 (103)	4.28 (104)	3.43 (113)	4.15 (99)	3.87 (106)	3.77 (106)
<b>Area 3. Access to Sound Money</b>	5.38 (85)	0.10 (112)	5.59 (84)	8.10 (39)	9.32 (28)	8.90 (43)	8.24 (65)	7.97 (69)
<b>Area 4. Freedom to Trade Internationally</b>	5.18 (53)	5.60 (50)	6.24 (45)	7.03 (41)	7.23 (48)	7.06 (47)	6.97 (60)	7.17 (43)
<b>Area 5. Regulation of Credit, Labor and Business</b>			5.75 (48)	5.72 (59)	6.00 (64)	5.80 (96)	5.56 (107)	5.53 (107)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	4.34 (88)	3.60 (105)	5.65 (55)	6.73 (39)	6.79 (43)	6.39 (88)	6.19 (104)	6.16 (104)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.86	6.93	6.81	6.56	7.97	6.14	6.31	6.36
A. Government consumption	6.75 17.05	8.08 12.52	7.86 13.27	7.28 15.24	7.12 15.80	6.03 19.51	6.41 18.19	6.59 17.59
B. Transfers and subsidies	9.70 1.60	9.65 1.80	9.37 2.80	9.46 2.50	8.76 5.04	8.54 5.86	8.84 4.77	8.84 4.77
C. Government enterprises and investment	0.00 50.10	2.00 42.50	0.00 60.60	0.00 51.20	6.00 28.30	0.00 50.70	0.00 58.40	0.00 56.77
D. Top marginal tax rate	3.00	8.00	10.00	9.50	10.00	10.00	10.00	10.00
(i) Top marginal income tax rate	3.00 48	8.00 30	10.00 10	10.00 13	10.00 13	10.00 13	10.00 13	10.00 13
(ii) Top marginal income and payroll tax rates			10.00 16	9.00 22		10.00 13	10.00 13	10.00 13
<b>2. Legal Structure and Security of Property Rights</b>	2.32	1.67	3.17	5.43	3.43	4.15	3.87	3.77
A. Judicial independence					2.17	2.49	2.03	1.77
B. Impartial courts				4.93	3.34	2.48	1.72	1.97
C. Protection of property rights					1.65	3.48	2.67	1.98
D. Military interference				5.93	5.00	5.00	5.00	5.00
E. Integrity of the legal system				6.96	5.00	5.00	5.00	5.00
F. Legal enforcement of contracts						3.99	3.99	3.99
G. Regulatory restrictions of sale of real property						6.62	6.65	6.68
<b>3. Access to Sound Money</b>	5.38	0.00	5.59	8.10	9.32	8.90	8.24	7.97
A. Money growth	7.19 14.07	0.00 546.64	5.62 21.92	6.28 18.59	9.54 2.28	7.69 11.54	5.80 21.02	5.80 21.01
B. Standard deviation of inflation	3.81 15.47	0.00 4769.22	0.00 85.90	8.42 3.95	8.66 3.36	9.00 2.50	8.92 2.70	8.90 2.75
C. Inflation: most recent year	0.54 47.30	0.00 12336.70	6.75 16.26	7.71 11.43	9.08 4.60	8.92 5.40	8.26 8.70	7.20 14.00
D. Freedom to own foreign currency	10.00	0.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	5.31	5.82	6.48	7.38	7.23	7.06	6.97	7.17
A. Taxes on international trade	4.80	5.69	7.56	8.74	8.62	8.84	8.54	8.79
(i) Revenues for trade taxes (% trade sector)	4.80 7.80	5.33 7.00	8.47 2.30	8.60 2.10	8.41 2.38	9.16 1.26	9.24 1.14	9.24 1.14
(ii) Mean tariff rate		6.04 19.80	6.66 16.70	8.06 9.70	8.10 9.50	8.56 7.20	8.34 8.30	8.34 8.30
(iii) Standard deviation of tariff rates				9.56 1.10	9.36 1.60	8.80 2.99	8.04 4.90	8.80 2.99
B. Regulatory trade barriers					5.49	4.90	5.46	5.35
(i) Non-tariff trade barriers					4.82	3.90	3.79	3.57
(ii) Compliance cost of importing and exporting					6.16	5.90	7.14	7.14
C. Size of trade sector	5.96	5.00	5.23	5.22	4.28	5.62	6.77	7.23
D. Black-market exchange rates	5.60	8.20	9.40	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	5.00	7.78	5.92	4.06	4.45
(i) Foreign ownership/investment restrictions					8.63	4.91	3.51	4.29
(ii) Capital controls	2.00	2.00	2.00	5.00	6.92	6.92	4.62	4.62
<b>5. Regulation of Credit, Labor and Business</b>	3.81		6.20	6.16	6.00	5.71	5.54	5.52
A. Credit market regulations	2.49	0.00	9.33	8.55	7.80	7.76	8.00	8.00
(i) Ownership of banks			10.00	8.00	10.00	8.00	8.00	8.00
(ii) Foreign bank competition					5.07	5.00	5.00	5.00
(iii) Private sector credit	4.97		10.00	9.65	9.63	9.06	10.00	10.00
(iv) Interest rate controls/negative real int. rates	0.00	0.00	8.00	8.00	8.00	9.00	9.00	9.00
B. Labor market regulations					4.73	4.57	3.75	3.62
(i) Hiring regulations and minimum wage					3.09	2.20	2.20	2.20
(ii) Hiring and firing regulations					4.90	5.45	2.49	2.46
(iii) Centralized collective bargaining					7.13	7.50	6.36	5.74
(iv) Hours regulations					5.51	4.70	4.70	4.70
(v) Mandated cost of worker dismissal								
(vi) Conscription	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
C. Business regulations					5.47	4.80	4.87	4.93
(i) Price controls			6.00	8.00	9.00	8.00	8.00	8.00
(ii) Bureaucracy costs					5.50	2.55	2.16	2.93
(iii) Bureaucracy costs					3.85	4.00	6.73	6.75
(iv) Starting a business					3.87	6.81	7.21	7.35
(v) Extra payments/bribes					5.14	4.72	3.36	2.83
(vi) Licensing restrictions						7.51	6.64	6.66
(vii) Cost of tax compliance						0.00	0.00	0.00



## Bosnia & Herzegovina

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>								
<b>Area 1. Size of Government</b>								
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>								
<b>Area 3. Access to Sound Money</b>								
<b>Area 4. Freedom to Trade Internationally</b>								
<b>Area 5. Regulation of Credit, Labor and Business</b>								
<b>Unadjusted</b>								
<b>Summary Rating (Rank) &gt;</b>						6.21 (102)	6.19 (104)	6.03 (111)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>						5.97	5.57	5.56
A. Government consumption						5.76 20.42	6.03 19.48	6.01 19.56
B. Transfers and subsidies						5.65 16.46	5.73 16.18	5.73 16.18
C. Government enterprises and investment							4.00	4.00
D. Top marginal tax rate						6.50	6.50	6.50
(i) Top marginal income tax rate						10.00 15	10.00 15	10.00 10
(ii) Top marginal income and payroll tax rates						3.00 50	3.00 50	3.00 47
<b>2. Legal Structure and Security of Property Rights</b>						3.55	3.80	3.51
A. Judicial independence						3.54	2.73	1.80
B. Impartial courts						3.26	1.91	1.16
C. Protection of property rights						3.26	3.87	2.96
D. Military interference						4.20	4.80	4.80
E. Integrity of the legal system								
F. Legal enforcement of contracts						3.65	3.65	3.65
G. Regulatory restrictions of sale of real property						3.36	5.87	6.70
<b>3. Access to Sound Money</b>						8.42	7.78	7.98
A. Money growth						9.80 1.00	8.23 8.84	9.11 4.43
B. Standard deviation of inflation						9.32 1.70	9.07 2.32	9.00 2.50
C. Inflation: most recent year						9.57 2.13	8.80 6.02	8.80 6.02
D. Freedom to own foreign currency						5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>						6.26	6.86	6.17
A. Taxes on international trade						5.93	8.12	8.10
(i) Revenues for trade taxes (% trade sector)						3.89 9.16	9.99 0.02	9.99 0.01
(ii) Mean tariff rate						8.56 7.20	8.60 7.00	8.64 6.80
(iii) Standard deviation of tariff rates						5.33 11.66	5.77 10.57	5.68 10.80
B. Regulatory trade barriers						6.22	7.08	6.63
(i) Non-tariff trade barriers						5.67	6.33	5.43
(ii) Compliance cost of importing and exporting						6.76	7.82	7.82
C. Size of trade sector						4.62	4.61	1.63
D. Black-market exchange rates						10.00	10.00	10.00
E. International capital market controls						4.55	4.49	4.47
(i) Foreign ownership/investment restrictions						5.25	5.14	5.09
(ii) Capital controls						3.85	3.85	3.85
<b>5. Regulation of Credit, Labor and Business</b>						6.83	6.95	6.93
A. Credit market regulations						9.50	9.50	8.87
(i) Ownership of banks						8.00	8.00	8.00
(ii) Foreign bank competition						10.00	10.00	10.00
(iii) Private sector credit						10.00	10.00	8.47
(iv) Interest rate controls/negative real int. rates						10.00	10.00	9.00
B. Labor market regulations						6.09	6.29	6.71
(i) Hiring regulations and minimum wage						3.30	3.30	4.40
(ii) Hiring and firing regulations						4.57	6.17	7.46
(iii) Centralized collective bargaining						7.87	7.47	7.55
(iv) Hours regulations						8.70	8.70	8.70
(v) Mandated cost of worker dismissal						7.13	7.13	7.13
(vi) Conscription						5.00	5.00	5.00
C. Business regulations						4.90	5.05	5.23
(i) Price controls								
(ii) Bureaucracy costs						1.99	2.02	2.64
(iii) Bureaucracy costs						6.16	7.07	6.66
(iv) Starting a business						7.72	7.64	7.82
(v) Extra payments/bribes						5.22	3.47	3.23
(vi) Licensing restrictions						2.41	4.88	5.74
(vii) Cost of tax compliance						5.87	5.20	5.27



## Botswana

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	5.55 (51)	5.80 (41)	6.04 (44)	6.29 (54)	7.10 (35)	6.74 (66)	7.14 (50)	6.89 (58)
<b>Area 1. Size of Government</b>	3.62 (90)	3.78 (91)	4.74 (82)	4.29 (100)	4.76 (96)	4.54 (111)	6.08 (79)	5.29 (98)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>		6.31 (33)	6.28 (40)	6.35 (41)	6.77 (36)	6.46 (46)	6.49 (44)	6.38 (43)
<b>Area 3. Access to Sound Money</b>	5.49 (81)	5.46 (90)	5.84 (76)	7.85 (43)	9.09 (37)	8.80 (50)	9.02 (47)	8.70 (51)
<b>Area 4. Freedom to Trade Internationally</b>	7.11 (22)	7.08 (21)	7.34 (23)	6.78 (53)	7.76 (33)	6.87 (56)	7.04 (56)	7.01 (57)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.83 (35)	6.33 (24)	6.00 (39)	6.20 (41)	7.10 (18)	6.98 (43)	7.09 (35)	7.07 (39)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	5.66 (48)	5.91 (38)	6.04 (42)	6.29 (52)	7.10 (35)	6.93 (62)	7.35 (38)	7.09 (54)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	3.62	3.78	4.74	4.29	4.76	4.54	6.08	5.29
A. Government consumption	3.68 27.50	0.97 36.71	1.63 34.45	0.00 45.92	0.00 49.02	0.00 43.91	1.16 36.07	1.01 36.55
B. Transfers and subsidies	8.80 4.90	8.15 7.30	8.34 6.60	8.17 7.20	8.04 7.70	7.16 10.91	7.16 10.91	7.16 10.91
C. Government enterprises and investment	2.00 44.90	4.00 39.40	6.00 26.50	2.00 46.20	2.00 46.20	2.00 40.60	7.00 22.33	4.00 30.72
D. Top marginal tax rate	0.00	2.00	3.00	7.00	9.00	9.00	9.00	9.00
(i) Top marginal income tax rate	0.00 75	2.00 60	3.00 50	7.00 35	9.00 25	9.00 25	9.00 25	9.00 25
(ii) Top marginal income and payroll tax rates			3.00 50	7.00 35	9.00 25	9.00 25	9.00 25	9.00 25
<b>2. Legal Structure and Security of Property Rights</b>		6.31	6.28	6.35	6.77	6.91	6.94	6.83
A. Judicial independence						7.22	7.23	7.23
B. Impartial courts				6.45	6.76	6.57	6.19	5.90
C. Protection of property rights						6.43	7.02	7.17
D. Military interference				8.29	10.00	10.00	10.00	10.00
E. Integrity of the legal system				6.96	6.67	6.67	6.67	5.83
F. Legal enforcement of contracts						3.30	3.30	3.59
G. Regulatory restrictions of sale of real property						8.18	8.18	8.05
<b>3. Access to Sound Money</b>	5.49	5.46	5.84	7.85	9.09	8.80	9.02	8.70
A. Money growth	9.32 3.41	9.91 0.44	8.00 9.98	9.98 -0.09	9.86 0.72	8.55 -7.27	9.28 -3.61	8.93 5.35
B. Standard deviation of inflation	6.44 8.90	6.46 8.86	6.55 8.62	8.28 4.30	8.24 4.40	8.40 4.01	8.20 4.49	8.39 4.01
C. Inflation: most recent year	6.18 19.08	5.47 22.67	8.79 6.03	8.14 9.31	8.28 8.60	8.28 8.61	8.58 7.08	7.46 12.70
D. Freedom to own foreign currency	0.00	0.00	0.00	5.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	7.19	7.16	7.34	6.78	7.76	6.87	7.04	7.00
A. Taxes on international trade	4.79	7.03	6.29	4.18	6.84	6.27	6.44	6.53
(i) Revenues for trade taxes (% trade sector)	1.47 12.80	5.27 7.10	5.60 6.60	5.25 7.13	5.96 6.06	5.96 6.06	5.96 6.06	5.96 6.06
(ii) Mean tariff rate	8.12 9.40	8.80 6.00	7.80 11.00	6.06 19.70	8.56 7.20	8.02 9.90	8.44 7.80	8.44 7.80
(iii) Standard deviation of tariff rates			5.48 11.30	1.24 21.90	6.00 10.00	4.82 12.96	4.91 12.71	5.20 12.01
B. Regulatory trade barriers						5.52	5.81	5.81
(i) Non-tariff trade barriers						6.33	6.67	6.53
(ii) Compliance cost of importing and exporting						4.71	4.94	5.09
C. Size of trade sector	10.00	10.00	8.66	6.93	6.86	5.63	5.61	5.60
D. Black-market exchange rates	8.00	5.60	8.60	9.60	10.00	10.00	10.00	10.00
E. International capital market controls	5.00	5.00	5.00	5.00	6.92	6.91	7.32	7.06
(i) Foreign ownership/investment restrictions						6.90	7.73	7.20
(ii) Capital controls	5.00	5.00	5.00	5.00	6.92	6.92	6.92	6.92
<b>5. Regulation of Credit, Labor and Business</b>	6.32	6.86	6.00	6.20	7.10	7.54	7.67	7.64
A. Credit market regulations	6.47	8.07	6.33	7.00	10.00	9.50	9.50	9.25
(i) Ownership of banks			5.00	5.00	10.00	8.00	8.00	8.00
(ii) Foreign bank competition						10.00	10.00	10.00
(iii) Private sector credit	8.95	8.14	10.00	10.00	10.00	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates	4.00	8.00	4.00	6.00	10.00	10.00	10.00	9.00
B. Labor market regulations						7.09	6.97	7.01
(i) Hiring regulations and minimum wage						10.00	10.00	10.00
(ii) Hiring and firing regulations						4.14	4.30	4.87
(iii) Centralized collective bargaining						6.72	5.84	5.54
(iv) Hours regulations						10.00	10.00	10.00
(v) Mandated cost of worker dismissal						1.66	1.66	1.66
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						6.04	6.55	6.66
(i) Price controls			6.00	6.00	6.00	6.00	6.00	6.00
(ii) Bureaucracy costs						3.55	4.25	4.33
(iii) Bureaucracy costs						3.41	5.41	5.36
(iv) Starting a business						6.56	7.48	8.02
(v) Extra payments/bribes						6.91	6.63	6.72
(vi) Licensing restrictions						7.41	7.63	7.75
(vii) Cost of tax compliance						8.43	8.43	8.43



## Brazil

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>	4.45 (83)	3.87 (102)	4.54 (98)	4.58 (107)	5.85 (91)	6.25 (88)	6.09 (95)	6.18 (89)
<b>Area 1. Size of Government</b>	5.27 (45)	5.08 (56)	6.07 (44)	6.13 (60)	5.98 (71)	6.73 (54)	6.18 (77)	6.39 (61)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	6.37 (32)	6.22 (36)	6.73 (34)	5.76 (53)	5.35 (71)	5.19 (78)	5.30 (76)	5.25 (77)
<b>Area 3. Access to Sound Money</b>	1.66 (107)	0.10 (112)	0.10 (118)	0.10 (122)	6.14 (105)	7.64 (76)	7.51 (82)	7.87 (72)
<b>Area 4. Freedom to Trade Internationally</b>	3.56 (80)	3.19 (85)	4.84 (75)	5.85 (86)	6.06 (91)	6.61 (65)	6.46 (79)	6.39 (79)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.46 (45)	4.84 (67)	5.02 (70)	5.14 (77)	5.71 (76)	5.09 (115)	4.99 (116)	5.00 (116)
<b>Unadjusted</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>	4.43 (84)	3.62 (104)	4.29 (100)	4.51 (109)	5.85 (91)	6.25 (99)	6.09 (111)	6.18 (102)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.27	5.08	6.07	6.13	5.98	6.73	6.18	6.39
A. Government consumption	8.34 11.65	7.93 13.05	4.55 24.55	4.51 24.66	4.44 24.90	4.43 24.94	4.59 24.38	4.46 24.82
B. Transfers and subsidies	6.76 12.40	7.41 10.00	7.22 10.70	6.52 13.27	5.96 15.33	8.98 4.24	6.63 12.85	6.59 13.00
C. Government enterprises and investment	2.00 49.20	4.00 36.00	7.00 24.90	8.00 17.80	8.00 17.80	8.00	8.00	8.00
D. Top marginal tax rate	4.00	1.00	5.50	5.50	5.50	5.50	5.50	6.50
(i) Top marginal income tax rate	4.00 55	1.00 60	9.00 25	8.00 35	8.00 28	8.00 28	8.00 28	8.00 28
(ii) Top marginal income and payroll tax rates			2.00 53	3.00 60	3.00 50	3.00 50	3.00 50	5.00 36
<b>2. Legal Structure and Security of Property Rights</b>	5.86	5.72	6.19	5.76	5.35	5.19	5.30	5.25
A. Judicial independence				5.55	5.51	3.03	4.69	4.31
B. Impartial courts				6.67	6.18	3.42	3.33	3.68
C. Protection of property rights				4.15	5.08	6.02	5.97	5.63
D. Military interference				5.45	6.67	6.67	6.67	6.67
E. Integrity of the legal system				6.96	3.33	4.17	3.33	3.33
F. Legal enforcement of contracts						4.82	4.82	4.82
G. Regulatory restrictions of sale of real property						8.19	8.32	8.32
<b>3. Access to Sound Money</b>	1.66	0.00	0.00	0.00	6.14	7.64	7.51	7.87
A. Money growth	3.26 33.71	0.00 111.36	0.00 458.38	0.00 479.01	8.07 9.63	7.92 10.39	7.31 13.47	8.32 8.40
B. Standard deviation of inflation	3.37 16.57	0.00 53.14	0.00 878.93	0.00 851.49	7.88 5.29	9.02 2.45	8.45 3.86	9.27 1.82
C. Inflation: most recent year	0.00 87.47	0.00 231.72	0.00 2509.47	0.00 77.59	8.59 7.04	8.63 6.87	9.27 3.64	9.87 5.66
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>	4.48	2.97	4.52	5.60	6.06	6.61	6.46	6.39
A. Taxes on international trade	3.33	2.62	4.84	7.66	7.18	7.20	7.76	7.32
(i) Revenues for trade taxes (% trade sector)	3.33 10.00	7.87 3.20	7.53 3.70	8.13 2.81	7.21 4.18	7.21 4.18	8.78 1.83	8.61 2.09
(ii) Mean tariff rate		0.00 55.60	4.00 30.00	7.60 12.00	7.12 14.40	7.54 12.30	7.56 12.20	7.28 13.60
(iii) Standard deviation of tariff rates		0.00 26.20	3.00 17.50	7.24 6.90	7.20 7.00	6.85 7.87	6.93 7.69	6.08 9.79
B. Regulatory trade barriers				5.27	5.34	6.14	6.46	6.46
(i) Non-tariff trade barriers				5.27	4.02	5.12	5.12	4.76
(ii) Compliance cost of importing and exporting					6.66	7.16	7.80	8.16
C. Size of trade sector	4.45	3.77	1.51	2.01	3.64	4.52	3.74	4.11
D. Black-market exchange rates	6.40	0.20	8.00	9.40	10.00	9.04	9.13	9.27
E. International capital market controls	0.00	0.00	0.00	3.64	4.17	6.16	5.22	4.79
(i) Foreign ownership/investment restrictions				7.29	7.56	6.16	6.59	5.74
(ii) Capital controls	0.00	0.00	0.00	0.00	0.77	6.15	3.85	3.85
<b>5. Regulation of Credit, Labor and Business</b>	4.89	4.33	4.67	5.07	5.71	5.10	4.99	5.01
A. Credit market regulations	5.26	3.43	3.95	4.70	5.77	7.00	6.98	7.07
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
(ii) Foreign bank competition				6.47	7.13	8.00	8.00	8.00
(iii) Private sector credit	6.79	5.30	6.85	8.23	5.87	10.00	8.92	9.26
(iv) Interest rate controls/negative real int. rates	4.00	0.00	0.00	0.00	5.00	5.00	6.00	6.00
B. Labor market regulations			4.78	5.30	4.65	3.84	3.97	3.91
(i) Hiring regulations and minimum wage				6.67	3.46	2.20	2.20	2.20
(ii) Hiring and firing regulations			6.18	6.18	5.25	2.85	3.32	3.16
(iii) Centralized collective bargaining	5.18	5.18	5.18	5.18	5.52	5.25	5.58	5.39
(iv) Hours regulations				5.47	6.01	4.00	4.00	4.00
(v) Mandated cost of worker dismissal						5.74	5.74	5.74
(vi) Conscription	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
C. Business regulations				5.21	6.71	4.46	4.02	4.04
(i) Price controls			0.00	6.00	7.00	6.00	7.00	7.00
(ii) Bureaucracy costs					7.70	1.46	1.45	1.41
(iii) Bureaucracy costs				5.61	7.38	5.26	3.55	3.84
(iv) Starting a business				5.95	5.73	6.56	6.58	6.59
(v) Extra payments/bribes				3.27	5.73	6.28	4.65	4.50
(vi) Licensing restrictions						5.65	4.92	4.91
(vii) Cost of tax compliance						0.00	0.00	0.00



## Bulgaria

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>		5.51 (50)	4.23 (100)	4.58 (108)	5.27 (110)	6.94 (55)	7.17 (47)	7.18 (39)
<b>Area 1. Size of Government</b>		4.14 (82)	2.34 (112)	4.03 (104)	4.51 (104)	6.30 (73)	7.21 (34)	7.46 (26)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>		6.72 (31)	6.72 (35)	5.45 (61)	5.41 (69)	5.47 (69)	5.29 (78)	5.21 (79)
<b>Area 3. Access to Sound Money</b>		8.29 (24)	4.45 (98)	1.99 (112)	3.23 (118)	8.89 (44)	8.62 (56)	8.74 (50)
<b>Area 4. Freedom to Trade Internationally</b>		3.99 (74)	4.21 (88)	6.92 (45)	7.25 (47)	7.16 (44)	7.81 (22)	7.62 (27)
<b>Area 5. Regulation of Credit, Labor and Business</b>			3.45 (107)	4.45 (105)	5.93 (66)	6.88 (49)	6.95 (43)	6.92 (47)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>		6.16 (29)	4.41 (99)	4.67 (104)	5.27 (109)	6.99 (59)	7.30 (41)	7.31 (36)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>		6.74	2.54	4.03	4.51	6.30	7.21	7.46
A. Government consumption	9.04 9.26	8.12 12.40	4.91 23.31	6.54 17.77	5.24 22.20	5.60 20.96	6.20 18.93	6.10 19.27
B. Transfers and subsidies		5.37 17.50	2.72 27.20	6.59 13.00	5.81 15.90	5.60 16.63	6.14 14.66	6.25 14.28
C. Government enterprises and investment			0.00 96.40	0.00 55.60	4.00 38.95	8.00 19.02	10.00 14.24	10.00 14.24
D. Top marginal tax rate				3.00	3.00	6.00	6.50	7.50
(i) Top marginal income tax rate				3.00 50	5.00 38	9.00 24	9.00 24	10.00 10
(ii) Top marginal income and payroll tax rates					1.00 56	3.00 50	4.00 45	5.00 38
<b>2. Legal Structure and Security of Property Rights</b>		7.25	7.25	5.88	5.41	5.47	5.29	5.21
A. Judicial independence					4.18	2.51	3.18	3.16
B. Impartial courts				5.29	4.51	2.55	2.81	3.02
C. Protection of property rights					3.35	4.58	4.86	4.07
D. Military interference				7.46	8.33	8.33	8.33	8.33
E. Integrity of the legal system				6.96	6.67	6.67	4.17	4.17
F. Legal enforcement of contracts						4.77	4.77	4.77
G. Regulatory restrictions of sale of real property						8.88	8.88	8.96
<b>3. Access to Sound Money</b>		6.47	4.45	1.99	3.23	8.89	8.62	8.74
A. Money growth			7.38 13.10	2.97 35.15	0.00 76.68	7.29 13.53	7.24 13.79	8.60 7.02
B. Standard deviation of inflation		9.44 1.39	5.64 10.90	0.00 66.37	0.00 409.71	9.28 1.80	8.92 2.70	8.82 2.94
C. Inflation: most recent year		9.95 0.23	4.76 26.19	0.00 62.85	7.94 10.32	8.99 5.04	8.32 8.40	7.53 12.35
D. Freedom to own foreign currency	0.00	0.00	0.00	5.00	5.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>		4.20	4.28	6.88	7.25	7.16	7.81	7.62
A. Taxes on international trade		6.40	8.43	6.37	7.85	7.74	8.27	8.11
(i) Revenues for trade taxes (% trade sector)		6.40 5.40	9.13 1.30	7.87 3.20	9.53 0.71	9.57 0.64	9.84 0.24	9.85 0.23
(ii) Mean tariff rate			7.72 11.40	6.56 17.20	7.26 13.70	7.86 10.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates				4.68 13.30	6.76 8.11	5.80 10.50	6.01 9.98	5.61 10.98
B. Regulatory trade barriers					6.42	5.72	6.40	6.16
(i) Non-tariff trade barriers					4.35	5.02	5.87	5.39
(ii) Compliance cost of importing and exporting					8.50	6.42	6.92	6.92
C. Size of trade sector	5.27	6.36	4.76	5.84	6.92	7.42	7.75	7.33
D. Black-market exchange rates	0.00	0.00	0.00	9.00	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	5.00	5.04	4.91	6.63	6.50
(i) Foreign ownership/investment restrictions					7.01	5.21	5.57	5.31
(ii) Capital controls	0.00	0.00	0.00	5.00	3.08	4.62	7.69	7.69
<b>5. Regulation of Credit, Labor and Business</b>			3.54	4.56	5.93	7.13	7.57	7.54
A. Credit market regulations	0.00	0.00	3.52	5.23	7.43	9.75	9.75	9.50
(i) Ownership of banks	0.00	0.00	0.00	2.00	8.00	10.00	10.00	10.00
(ii) Foreign bank competition					5.18	9.00	9.00	9.00
(iii) Private sector credit			6.55	5.70	9.69	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates			4.00	8.00	9.00	10.00	10.00	9.00
B. Labor market regulations					4.92	6.43	7.82	7.75
(i) Hiring regulations and minimum wage					2.57	8.30	8.30	8.30
(ii) Hiring and firing regulations					4.33	4.50	5.70	5.42
(iii) Centralized collective bargaining					7.87	7.62	7.74	7.59
(iv) Hours regulations					6.85	6.00	6.00	6.00
(v) Mandated cost of worker dismissal						9.17	9.17	9.17
(vi) Conscription	0.00	0.00	0.00	1.00	3.00	3.00	10.00	10.00
C. Business regulations					5.43	5.20	5.15	5.38
(i) Price controls			0.00	4.00	6.00	3.00	4.00	4.00
(ii) Bureaucracy costs					6.10	2.75	3.33	3.46
(iii) Bureaucracy costs					5.95	3.38	5.57	6.00
(iv) Starting a business					2.53	8.68	8.25	9.34
(v) Extra payments/bribes					6.57	7.42	4.02	3.93
(vi) Licensing restrictions						8.09	7.76	7.86
(vii) Cost of tax compliance						3.10	3.10	3.10



## Burkina Faso

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>								
<b>Area 1. Size of Government</b>								
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>								
<b>Area 3. Access to Sound Money</b>								
<b>Area 4. Freedom to Trade Internationally</b>								
<b>Area 5. Regulation of Credit, Labor and Business</b>								
<b>Unadjusted</b>								
<b>Summary Rating (Rank) &gt;</b>						5.75 (119)	6.01 (114)	5.94 (116)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>						6.10	6.35	6.24
A. Government consumption						5.10 22.66	5.28 22.03	4.92 23.26
B. Transfers and subsidies						9.19 3.46	9.77 1.34	9.80 1.22
C. Government enterprises and investment						4.00 37.90	4.00 38.70	4.00 38.70
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
<b>2. Legal Structure and Security of Property Rights</b>						3.90	4.23	4.34
A. Judicial independence						3.37	3.80	3.52
B. Impartial courts						3.67	4.03	4.74
C. Protection of property rights						5.74	5.82	5.49
D. Military interference						5.00	5.00	4.17
E. Integrity of the legal system						5.83	5.83	5.83
F. Legal enforcement of contracts						2.10	2.10	2.10
G. Regulatory restrictions of sale of real property						1.56	3.02	4.55
<b>3. Access to Sound Money</b>						6.84	7.29	6.64
A. Money growth						9.55 2.23	9.77 -1.15	9.13 4.37
B. Standard deviation of inflation						9.11 2.23	9.43 1.43	9.56 1.10
C. Inflation: most recent year						8.72 6.42	9.95 -0.23	7.87 10.66
D. Freedom to own foreign currency						0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>						5.28	5.07	5.23
A. Taxes on international trade						7.05	6.93	6.93
(i) Revenues for trade taxes (% trade sector)						6.52 5.22	5.89 6.16	5.89 6.16
(ii) Mean tariff rate						7.38 13.10	7.62 11.90	7.62 11.90
(iii) Standard deviation of tariff rates						7.26 6.84	7.29 6.78	7.29 6.78
B. Regulatory trade barriers						5.03	4.42	4.92
(i) Non-tariff trade barriers						7.04	5.82	6.17
(ii) Compliance cost of importing and exporting						3.02	3.02	3.67
C. Size of trade sector						0.21	0.48	1.42
D. Black-market exchange rates						10.00	10.00	10.00
E. International capital market controls						4.09	3.51	2.87
(i) Foreign ownership/investment restrictions						7.40	6.25	4.96
(ii) Capital controls						0.77	0.77	0.77
<b>5. Regulation of Credit, Labor and Business</b>						6.62	7.09	7.24
A. Credit market regulations						8.66	8.56	8.57
(i) Ownership of banks						10.00	10.00	10.00
(ii) Foreign bank competition						7.00	7.00	7.00
(iii) Private sector credit						9.64	9.23	9.27
(iv) Interest rate controls/negative real int. rates						8.00	8.00	8.00
B. Labor market regulations						5.89	7.13	7.17
(i) Hiring regulations and minimum wage						1.70	6.70	6.70
(ii) Hiring and firing regulations						4.82	5.01	5.16
(iii) Centralized collective bargaining						5.99	6.22	6.33
(iv) Hours regulations						6.00	8.00	8.00
(v) Mandated cost of worker dismissal						6.85	6.85	6.85
(vi) Conscription						10.00	10.00	10.00
C. Business regulations						5.30	5.58	5.98
(i) Price controls								
(ii) Bureaucracy costs						4.29	4.21	4.22
(iii) Bureaucracy costs						4.09	5.29	5.64
(iv) Starting a business						6.06	7.33	7.62
(v) Extra payments/bribes						5.04	3.93	3.96
(vi) Licensing restrictions						5.35	5.74	7.46
(vii) Cost of tax compliance						6.97	6.97	6.97



## Burundi

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	4.44 (84)	4.74 (85)	4.88 (89)	4.39 (114)	4.78 (116)	4.59 (121)	5.18 (117)	4.65 (120)
<b>Area 1. Size of Government</b>	6.50 (18)	6.71 (13)	6.26 (39)	5.78 (70)	5.80 (76)	4.98 (100)	4.31 (112)	3.88 (117)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	3.63 (61)	3.31 (86)	3.44 (87)	3.47 (115)	3.26 (117)	2.89 (118)	3.35 (113)	3.42 (112)
<b>Area 3. Access to Sound Money</b>	5.56 (78)	6.27 (78)	6.50 (65)	5.83 (76)	6.19 (103)	6.71 (94)	8.49 (60)	7.29 (84)
<b>Area 4. Freedom to Trade Internationally</b>	2.16 (90)	2.86 (89)	3.68 (97)	2.47 (112)	4.33 (119)	2.49 (121)	3.63 (120)	2.98 (121)
<b>Area 5. Regulation of Credit, Labor and Business</b>	4.35 (81)	4.70 (73)	4.46 (87)	4.31 (108)	4.31 (115)	5.79 (97)	5.80 (101)	5.51 (108)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	4.33 (90)	4.68 (87)	4.72 (93)	4.59 (107)	4.78 (116)	4.83 (133)	5.46 (130)	4.91 (134)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.53	4.68	4.37	5.78	5.80	4.98	4.31	3.88
A. Government consumption	9.07 9.16	9.36 8.17	8.75 10.27	8.08 12.54	7.96 12.92	5.52 21.24	3.51 28.06	2.20 32.51
B. Transfers and subsidies				9.28 3.16	9.43 2.60	9.43 2.60	9.43 2.60	9.43 2.60
C. Government enterprises and investment	0.00 91.90	0.00 83.00	0.00 82.20	0.00 100.00	0.00 87.30	0.00 83.70	0.00 83.70	0.00 83.70
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
<b>2. Legal Structure and Security of Property Rights</b>	4.67	4.25	4.42	4.45	3.26	2.71	3.14	3.21
A. Judicial independence						1.40	1.82	1.82
B. Impartial courts				4.00	3.67	2.53	2.57	2.90
C. Protection of property rights						3.31	3.61	3.24
D. Military interference					2.20	1.90	2.50	2.50
E. Integrity of the legal system				5.18				
F. Legal enforcement of contracts						3.91	2.65	2.65
G. Regulatory restrictions of sale of real property						3.22	5.69	6.15
<b>3. Access to Sound Money</b>	5.56	6.27	6.50	5.83	6.19	6.71	8.49	7.29
A. Money growth	7.91 10.45	9.05 4.74	9.97 0.15	8.29 8.56	7.67 11.66	6.83 15.85	7.67 11.67	7.36 13.20
B. Standard deviation of inflation	7.60 5.99	7.05 7.37	7.22 6.94	8.06 4.86	6.95 7.62	7.72 5.69	7.97 5.07	6.63 8.43
C. Inflation: most recent year	6.72 16.38	8.99 5.07	8.80 5.99	6.96 15.18	5.14 24.31	7.30 13.52	8.33 8.34	5.18 24.11
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	5.00	5.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	2.07	2.98	3.84	2.57	4.33	3.45	5.04	4.13
A. Taxes on international trade	0.00	1.21	1.30	2.11	1.13	4.48	4.94	4.94
(i) Revenues for trade taxes (% trade sector)	0.00 18.10	0.00 17.00	0.00 22.90	1.60 12.60	1.13 13.31	1.13 13.31	1.13 13.31	1.13 13.31
(ii) Mean tariff rate		2.42 37.90	2.60 37.00	2.62 36.90		6.08 19.60	7.46 12.70	7.46 12.70
(iii) Standard deviation of tariff rates						6.24 9.40	6.24 9.40	6.24 9.40
B. Regulatory trade barriers						2.96	3.30	2.99
(i) Non-tariff trade barriers						4.12	4.81	4.19
(ii) Compliance cost of importing and exporting						1.79	1.79	1.79
C. Size of trade sector	1.06	0.40	0.83	1.28	0.00	1.00	3.56	0.00
D. Black-market exchange rates	1.00	5.00	8.80	1.20	10.00	4.88	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	2.31	3.92	3.37	2.71
(i) Foreign ownership/investment restrictions						5.54	5.21	3.88
(ii) Capital controls	0.00	0.00	0.00	0.00	2.31	2.31	1.54	1.54
<b>5. Regulation of Credit, Labor and Business</b>	4.84	5.23	4.46	4.31	4.31	6.32	6.34	6.04
A. Credit market regulations	2.94	3.96	3.26	2.07	1.42	6.56	6.56	5.81
(i) Ownership of banks	2.00	2.00	0.00	0.00	0.00	8.00	8.00	8.00
(ii) Foreign bank competition						8.00	8.00	8.00
(iii) Private sector credit	4.81	3.87	5.78	2.21	0.25	0.25	0.25	0.25
(iv) Interest rate controls/negative real int. rates	2.00	6.00	4.00	4.00	4.00	10.00	10.00	7.00
B. Labor market regulations						7.69	7.46	7.31
(i) Hiring regulations and minimum wage						10.00	10.00	10.00
(ii) Hiring and firing regulations						5.75	4.47	4.20
(iii) Centralized collective bargaining						8.07	7.97	7.38
(iv) Hours regulations						4.70	4.70	4.70
(v) Mandated cost of worker dismissal						7.59	7.59	7.59
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						4.71	4.99	4.99
(i) Price controls			0.00	2.00	4.00	4.00	4.00	4.00
(ii) Bureaucracy costs						2.76	3.48	2.86
(iii) Bureaucracy costs						4.67	6.52	7.12
(iv) Starting a business						6.64	6.72	7.38
(v) Extra payments/bribes						3.98	3.30	2.70
(vi) Licensing restrictions						2.46	2.46	2.46
(vii) Cost of tax compliance						8.43	8.43	8.43



## Cameroon

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ►	5.74 (40)	5.77 (43)	5.70 (50)	5.58 (77)	5.84 (92)	5.94 (99)	5.90 (102)	5.86 (102)
Area 1. Size of Government	6.90 (13)	5.53 (39)	5.24 (67)	6.58 (38)	6.89 (37)	7.04 (43)	7.12 (41)	6.67 (53)
Area 2. Legal Structure & Security of Property Rights	5.78 (39)	5.85 (42)	5.79 (48)	4.77 (91)	4.45 (88)	3.67 (108)	3.77 (108)	3.73 (107)
Area 3. Access to Sound Money	5.66 (75)	6.67 (54)	7.01 (46)	5.92 (75)	6.60 (96)	7.21 (83)	7.02 (91)	6.74 (94)
Area 4. Freedom to Trade Internationally	5.44 (48)	6.21 (38)	5.51 (61)	5.52 (93)	5.79 (101)	5.77 (97)	5.54 (105)	5.96 (94)
Area 5. Regulation of Credit, Labor and Business	4.64 (69)	4.64 (76)	4.94 (75)	5.09 (80)	5.49 (88)	5.98 (90)	6.04 (89)	6.20 (85)
<b>Unadjusted</b>								
Summary Rating (Rank) ►	6.05 (28)	5.85 (41)	5.67 (53)	5.50 (78)	5.84 (92)	5.91 (113)	5.87 (120)	5.83 (119)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	8.37	5.53	5.24	6.58	6.89	7.04	7.12	6.67
A. Government consumption	8.18 12.19	8.16 12.27	7.04 16.06	8.61 10.73	8.00 12.80	8.07 12.55	8.41 11.40	6.62 17.50
B. Transfers and subsidies	9.92 0.80	9.97 0.60	9.40 2.70	9.70 1.60	9.57 2.09	9.57 2.09	9.57 2.09	9.57 2.09
C. Government enterprises and investment	7.00 22.20	2.00 44.80	4.00 31.50	8.00 18.10	10.00 13.10	10.00 14.00	10.00 13.95	10.00 13.95
D. Top marginal tax rate		2.00	0.50	0.00	0.00	0.50	0.50	0.50
(i) Top marginal income tax rate		2.00 60	1.00 60	0.00 66	0.00 65	1.00 60	1.00 60	1.00 60
(ii) Top marginal income and payroll tax rates			0.00 63	0.00 69	0.00 68	0.00 68	0.00 68	0.00 68
2. Legal Structure and Security of Property Rights	5.78	5.85	5.79	4.77	4.45	3.49	3.59	3.54
A. Judicial independence						2.06	1.99	2.36
B. Impartial courts				3.76	3.76	2.81	3.13	3.68
C. Protection of property rights						4.14	4.57	4.15
D. Military interference				4.38	6.67	6.67	6.67	5.83
E. Integrity of the legal system				6.96	3.33	3.33	3.33	3.33
F. Legal enforcement of contracts						2.17	2.17	2.17
G. Regulatory restrictions of sale of real property						3.24	3.24	3.24
3. Access to Sound Money	5.66	6.67	7.01	5.92	6.60	7.21	7.02	6.74
A. Money growth	7.83 10.86	9.57 2.14	8.98 -5.10	9.74 -1.29	7.36 13.21	9.89 -0.53	8.95 5.23	8.60 7.02
B. Standard deviation of inflation	7.65 5.88	9.34 1.66	9.38 1.55	7.34 6.64	9.30 1.75	9.34 1.65	9.31 1.73	9.44 1.39
C. Inflation: most recent year	7.15 14.25	7.76 11.19	9.67 1.64	6.59 17.03	9.75 1.23	9.60 2.01	9.82 0.92	8.93 5.34
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Freedom to Trade Internationally	5.30	6.05	5.37	5.15	5.79	5.62	5.40	5.81
A. Taxes on international trade	2.67	5.93	6.40	3.71	5.08	5.50	5.49	5.50
(i) Revenues for trade taxes (% trade sector)	2.67 11.00	5.93 6.10	6.40 5.40	4.87 7.70	3.84 9.24	3.84 9.24	3.84 9.24	3.84 9.24
(ii) Mean tariff rate				6.26 18.70	6.32 18.40	6.32 18.40	6.42 17.90	6.44 17.80
(iii) Standard deviation of tariff rates				0.00 29.60		6.33 9.18	6.21 9.49	6.23 9.43
B. Regulatory trade barriers						5.52	5.67	6.25
(i) Non-tariff trade barriers						5.20	5.49	5.88
(ii) Compliance cost of importing and exporting						5.84	5.84	6.61
C. Size of trade sector	6.04	6.33	3.04	4.03	4.88	3.48	2.58	4.44
D. Black-market exchange rates	9.60	9.80	9.20	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.77	3.62	3.27	2.87
(i) Foreign ownership/investment restrictions						6.46	6.53	5.74
(ii) Capital controls	0.00	0.00	0.00	0.00	0.77	0.77	0.00	0.00
5. Regulation of Credit, Labor and Business	5.16	5.16	4.94	5.09	5.49	6.18	6.24	6.38
A. Credit market regulations	3.00	3.00	4.85	5.33	6.67	8.00	8.00	8.00
(i) Ownership of banks	0.00	0.00	0.00	2.00	2.00	5.00	5.00	5.00
(ii) Foreign bank competition								
(iii) Private sector credit			6.54	10.00	10.00	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates	6.00	6.00	8.00	4.00	8.00	9.00	9.00	9.00
B. Labor market regulations						7.30	7.21	7.41
(i) Hiring regulations and minimum wage						7.20	7.20	7.20
(ii) Hiring and firing regulations						5.71	5.00	5.40
(iii) Centralized collective bargaining						5.95	6.14	6.92
(iv) Hours regulations						8.00	8.00	8.00
(v) Mandated cost of worker dismissal						6.94	6.94	6.94
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						3.23	3.51	3.74
(i) Price controls			0.00	0.00	0.00	4.00	4.00	4.00
(ii) Bureaucracy costs						1.75	2.29	2.89
(iii) Bureaucracy costs						3.66	6.31	6.64
(iv) Starting a business						6.54	6.76	7.04
(v) Extra payments/bribes						3.98	2.52	2.87
(vi) Licensing restrictions						2.70	2.69	2.75
(vii) Cost of tax compliance						0.00	0.00	0.00



## Canada

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	7.67 (5)	7.75 (6)	8.07 (6)	7.90 (8)	8.15 (8)	8.06 (7)	7.98 (7)	7.92 (7)
<b>Area 1. Size of Government</b>	5.37 (42)	5.24 (48)	5.81 (54)	5.80 (69)	5.97 (72)	6.88 (49)	6.63 (59)	6.54 (57)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	8.46 (16)	9.29 (10)	9.84 (9)	8.95 (11)	9.27 (8)	8.21 (15)	8.50 (10)	8.28 (12)
<b>Area 3. Access to Sound Money</b>	9.09 (6)	8.93 (16)	9.68 (6)	9.63 (13)	9.53 (19)	9.68 (4)	9.50 (21)	9.54 (9)
<b>Area 4. Freedom to Trade Internationally</b>	7.72 (12)	7.70 (13)	7.62 (16)	7.51 (31)	8.31 (15)	7.16 (42)	7.09 (55)	7.10 (50)
<b>Area 5. Regulation of Credit, Labor and Business</b>	7.67 (4)	7.65 (5)	7.48 (7)	7.60 (7)	7.69 (5)	8.36 (6)	8.17 (11)	8.16 (11)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	7.24 (7)	7.32 (6)	7.59 (5)	7.87 (8)	8.15 (8)	8.09 (6)	8.00 (7)	7.95 (7)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.37	5.24	5.81	5.80	5.97	6.88	6.63	6.54
A. Government consumption	3.29 28.83	3.28 28.84	3.35 28.63	3.67 27.53	4.54 24.56	4.23 25.61	4.15 25.87	4.09 26.10
B. Transfers and subsidies	6.19 14.50	5.69 16.30	5.89 15.60	5.53 16.89	6.34 13.92	7.31 10.38	7.37 10.16	7.08 11.23
C. Government enterprises and investment	10.00 12.60	10.00 14.80	10.00 13.70	10.00 14.80	10.00 14.80	10.00 12.67	10.00 12.85	10.00 14.71
D. Top marginal tax rate	2.00	2.00	4.00	4.00	3.00	6.00	5.00	5.00
(i) Top marginal income tax rate	2.00 60-68	2.00 50-63	4.00 44-54	4.00 44-54	3.00 44-51	6.00 39-49	5.00 39-48	5.00 39-48
(ii) Top marginal income and payroll tax rates			4.00 44-54	4.00 44-54	3.00 44-51	6.00 39-49	5.00 39-48	5.00 39-48
<b>2. Legal Structure and Security of Property Rights</b>	7.18	7.88	8.35	8.95	9.27	8.21	8.50	8.28
A. Judicial independence				9.52	9.19	7.91	8.79	8.68
B. Impartial courts				8.85	9.19	7.42	7.76	6.69
C. Protection of property rights				7.34	7.98	8.16	9.04	8.68
D. Military interference				9.04	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	10.00	10.00	10.00	10.00
F. Legal enforcement of contracts						4.81	4.81	4.81
G. Regulatory restrictions of sale of real property						9.14	9.09	9.09
<b>3. Access to Sound Money</b>	9.09	8.93	9.68	9.63	9.53	9.68	9.50	9.54
A. Money growth	9.24 3.78	7.50 12.48	9.70 1.50	9.33 3.35	9.31 3.46	9.64 1.81	9.66 -1.72	9.90 -0.48
B. Standard deviation of inflation	9.32 1.70	8.71 3.22	9.65 0.88	9.72 0.69	9.34 1.65	9.54 1.15	8.77 3.07	8.74 3.15
C. Inflation: most recent year	7.80 11.00	9.52 2.42	9.38 3.11	9.46 2.69	9.45 2.75	9.56 2.21	9.57 2.14	9.53 2.37
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	7.80	7.78	7.55	7.33	8.31	7.16	7.09	7.10
A. Taxes on international trade	8.08	8.38	7.93	5.94	8.78	6.65	6.61	6.99
(i) Revenues for trade taxes (% trade sector)	8.40 2.40	8.87 1.70	9.20 1.20	9.53 0.70	9.79 0.31	9.77 0.35	9.76 0.36	9.76 0.36
(ii) Mean tariff rate	7.76 11.20	7.90 10.50	8.12 9.40	7.98 10.10	9.22 3.90	9.10 4.50	8.90 5.50	9.06 4.70
(iii) Standard deviation of tariff rates			6.48 8.80	0.32 24.20	7.32 6.70	1.07 22.33	1.16 22.11	2.14 19.65
B. Regulatory trade barriers				7.20	8.48	7.76	7.89	7.70
(i) Non-tariff trade barriers				7.20	7.45	6.63	6.88	6.50
(ii) Compliance cost of importing and exporting					9.50	8.89	8.89	8.89
C. Size of trade sector	4.76	4.35	3.64	5.09	5.65	4.21	3.67	3.65
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	8.00	8.00	8.00	8.39	8.65	7.21	7.27	7.14
(i) Foreign ownership/investment restrictions				8.78	8.83	7.50	7.63	7.36
(ii) Capital controls	8.00	8.00	8.00	8.00	8.46	6.92	6.92	6.92
<b>5. Regulation of Credit, Labor and Business</b>	6.76	6.75	6.54	7.66	7.69	8.51	8.31	8.30
A. Credit market regulations	9.72	9.75	9.13	8.19	8.66	9.50	9.50	9.48
(i) Ownership of banks	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				5.47	5.08	8.00	8.00	8.00
(iii) Private sector credit	9.16	9.25	7.39	7.65	10.00	10.00	10.00	9.94
(iv) Interest rate controls/negative real int. rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	7.33	7.24	7.05	7.13	6.41	8.20	8.33	8.33
(i) Hiring regulations and minimum wage				6.12	4.28	8.90	8.90	8.90
(ii) Hiring and firing regulations			6.47	6.47	5.08	5.44	5.85	6.06
(iii) Centralized collective bargaining	7.24	7.24	7.24	7.24	7.83	7.48	7.81	7.61
(iv) Hours regulations	4.75	4.49	4.49	5.80	4.84	10.00	10.00	10.00
(v) Mandated cost of worker dismissal						7.40	7.40	7.40
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				7.67	8.01	7.82	7.09	7.08
(i) Price controls			9.00	7.00	9.00	8.00	7.00	7.00
(ii) Bureaucracy costs					7.20	3.87	4.23	4.26
(iii) Bureaucracy costs				7.07	7.23	6.39	1.84	1.85
(iv) Starting a business				7.82	7.55	9.89	9.83	9.84
(v) Extra payments/bribes				8.82	9.08	8.39	8.58	8.47
(vi) Licensing restrictions						9.52	9.51	9.51
(vii) Cost of tax compliance						8.67	8.67	8.67



## Central African Republic

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>		4.70 (86)	5.11 (79)	4.68 (105)	5.09 (112)	4.96 (116)	5.25 (116)	5.16 (114)
<b>Area 1. Size of Government</b>	3.84 (85)	5.58 (37)	4.70 (84)	3.83 (106)	5.28 (88)	4.95 (102)	7.00 (44)	6.92 (44)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	4.96 (46)	4.51 (65)	4.69 (66)	5.18 (76)	4.28 (96)	3.76 (106)	2.88 (118)	2.91 (119)
<b>Area 3. Access to Sound Money</b>	5.25 (88)	4.53 (96)	7.08 (42)	5.04 (90)	7.03 (78)	7.04 (87)	7.00 (92)	6.63 (98)
<b>Area 4. Freedom to Trade Internationally</b>		5.19 (57)	4.75 (78)	5.46 (96)	4.76 (117)	3.93 (119)	4.05 (118)	4.04 (119)
<b>Area 5. Regulation of Credit, Labor and Business</b>		3.72 (93)	4.37 (91)	3.94 (114)	4.11 (119)	4.91 (117)	4.88 (118)	4.87 (118)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	4.82 (75)	4.70 (85)	5.07 (78)	4.66 (105)	5.09 (112)	4.71 (136)	4.99 (135)	4.77 (136)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	3.84	5.58	4.70	3.83	5.28	4.95	7.00	6.28
A. Government consumption	7.67 13.91	7.16 15.66	7.41 14.81	7.65 13.98	8.55 10.92	7.91 13.12	10.00 2.69	9.84 6.54
B. Transfers and subsidies								
C. Government enterprises and investment	0.00 53.50	4.00 35.70	2.00 41.30	0.00 74.20	2.00 49.16	2.00 45.30	4.00 30.30	4.00 38.79
D. Top marginal tax rate								5.00
(i) Top marginal income tax rate								5.00 39-48
(ii) Top marginal income and payroll tax rates								
<b>2. Legal Structure and Security of Property Rights</b>	4.67	4.25	4.42	4.88	4.28	2.81	2.15	2.17
A. Judicial independence								
B. Impartial courts						3.30	2.90	3.00
C. Protection of property rights								
D. Military interference					4.70	3.30	1.60	1.60
E. Integrity of the legal system				5.18	4.00			
F. Legal enforcement of contracts						0.51	0.51	0.51
G. Regulatory restrictions of sale of real property						4.11	3.58	3.58
<b>3. Access to Sound Money</b>	5.25	4.53	7.08	5.04	7.03	7.04	7.00	6.63
A. Money growth	7.16 14.22	9.29 3.54	9.90 -0.50	6.81 15.97	9.12 -4.39	9.66 1.70	9.65 1.73	9.54 2.31
B. Standard deviation of inflation	7.50 6.24	5.64 10.90	8.86 2.85	6.02 9.94	9.65 0.88	9.08 2.30	9.09 2.28	8.82 2.94
C. Inflation: most recent year	6.35 18.27	3.17 34.15	9.55 2.27	7.32 13.41	9.36 3.20	9.42 2.88	9.24 3.80	8.15 9.27
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>	5.51	5.35	4.76	5.61	4.76	3.49	3.60	3.59
A. Taxes on international trade	2.93	3.60	2.97	6.22	5.58	6.21	6.17	6.17
(i) Revenues for trade taxes (% trade sector)	2.93 10.60		2.33 11.50		4.27 8.60	5.88 6.18	5.88 6.18	5.88 6.18
(ii) Mean tariff rate		3.60 32.00	3.60 32.00	6.28 18.60	6.28 18.60	6.42 17.90	6.42 17.90	6.42 17.90
(iii) Standard deviation of tariff rates				6.16 9.60	6.20 9.50	6.33 9.18	6.21 9.49	6.21 9.49
B. Regulatory trade barriers						1.26	1.26	1.77
(i) Non-tariff trade barriers								
(ii) Compliance cost of importing and exporting						1.26	1.26	1.77
C. Size of trade sector	6.82	5.12	3.42	3.84	0.00	0.00	0.56	0.00
D. Black-market exchange rates	9.60	9.80	9.20	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(i) Foreign ownership/investment restrictions								
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>5. Regulation of Credit, Labor and Business</b>		3.82	4.37	3.94	4.11	5.23	5.19	5.18
A. Credit market regulations	0.00	4.00	6.29	4.87	5.41	7.22	7.12	7.10
(i) Ownership of banks	0.00	0.00	2.00	2.00	2.00	5.00	5.00	5.00
(ii) Foreign bank competition								
(iii) Private sector credit			6.88	6.60	6.24	7.65	7.37	7.30
(iv) Interest rate controls/negative real int. rates		8.00	10.00	6.00	8.00	9.00	9.00	9.00
B. Labor market regulations						4.47	4.47	4.47
(i) Hiring regulations and minimum wage						3.90	3.90	3.90
(ii) Hiring and firing regulations								
(iii) Centralized collective bargaining								
(iv) Hours regulations						6.00	6.00	6.00
(v) Mandated cost of worker dismissal						7.96	7.96	7.96
(vi) Conscription	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations						4.01	4.00	3.98
(i) Price controls			0.00	0.00	0.00	0.00	0.00	0.00
(ii) Bureaucracy costs								
(iii) Bureaucracy costs								
(iv) Starting a business						5.22	5.11	5.06
(v) Extra payments/bribes								
(vi) Licensing restrictions						6.48	6.52	6.52
(vii) Cost of tax compliance						4.35	4.35	4.35



## Chad

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>		5.05 (74)	5.05 (83)	5.02 (97)	5.47 (104)	5.76 (104)	5.44 (113)	5.35 (113)
<b>Area 1. Size of Government</b>		6.14 (24)	6.19 (40)	6.33 (50)	6.45 (52)	7.87 (17)	6.62 (60)	5.73 (82)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	4.67 (48)	4.25 (72)	4.42 (72)	4.42 (100)	4.20 (98)	3.39 (112)	3.08 (116)	3.37 (113)
<b>Area 3. Access to Sound Money</b>	6.61 (36)	5.55 (88)	5.68 (82)	5.16 (87)	6.64 (93)	6.03 (111)	5.92 (117)	5.90 (115)
<b>Area 4. Freedom to Trade Internationally</b>					5.75 (103)	6.09 (89)	5.91 (96)	6.11 (88)
<b>Area 5. Regulation of Credit, Labor and Business</b>		4.69 (74)	4.31 (94)	3.92 (115)	4.29 (116)	5.29 (108)	5.52 (108)	5.60 (105)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>		4.56 (90)	5.27 (68)	5.24 (90)	5.47 (104)	5.44 (130)	5.14 (133)	5.05 (131)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>		4.30	6.19	6.33	6.45	7.87	6.62	5.73
A. Government consumption	4.12 26.00	8.60 10.75	8.66 10.54	9.08 9.14	9.44 7.90	9.71 7.00	7.95 12.96	7.26 15.30
B. Transfers and subsidies		9.89 0.90	9.92 0.80	9.92 0.80	9.92 0.80	9.92 0.80	9.92 0.80	9.92 0.80
C. Government enterprises and investment		0.00 86.30	0.00 94.00	0.00 63.30	0.00 50.00	4.00 36.80	2.00 45.40	0.00 56.03
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
<b>2. Legal Structure and Security of Property Rights</b>	4.67	4.25	4.42	4.42	4.20	2.20	1.99	2.18
A. Judicial independence						1.28	1.32	1.91
B. Impartial courts				4.10	4.04	1.97	2.25	3.00
C. Protection of property rights						2.66	2.83	2.51
D. Military interference				4.35	4.70	2.80	1.10	1.20
E. Integrity of the legal system				5.18	4.00			
F. Legal enforcement of contracts						0.30	0.30	0.30
G. Regulatory restrictions of sale of real property						4.17	4.17	4.17
<b>3. Access to Sound Money</b>	6.61	5.55	5.68	5.16	6.64	6.03	5.92	5.90
A. Money growth	8.40 7.98	6.96 15.22	8.81 -5.93	9.56 2.19	9.67 -1.66	9.52 2.40	9.15 4.25	8.68 6.59
B. Standard deviation of inflation	9.76 0.59	6.00 10.00	6.19 9.53	2.84 17.90	7.65 5.87	6.17 9.56	6.32 9.21	6.99 7.53
C. Inflation: most recent year	8.25 8.73	9.25 3.75	7.72 11.41	8.22 8.90	9.24 3.82	8.42 7.89	8.21 -8.97	7.94 10.30
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>			5.77	6.39	5.75	5.70	5.53	5.71
A. Taxes on international trade			7.40	8.53	6.24	6.44	6.31	6.31
(i) Revenues for trade taxes (% trade sector)			7.40 3.90	8.53 2.20				
(ii) Mean tariff rate					6.84 15.80	6.56 17.20	6.42 17.90	6.42 17.90
(iii) Standard deviation of tariff rates					5.64 10.90	6.33 9.18	6.21 9.49	6.21 9.49
B. Regulatory trade barriers						1.82	2.05	1.99
(i) Non-tariff trade barriers						3.64	4.10	3.99
(ii) Compliance cost of importing and exporting						0.00	0.00	0.00
C. Size of trade sector	5.33	4.70	4.07	5.45	4.30	7.90	6.96	8.52
D. Black-market exchange rates	9.60	9.80	9.20	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.00	2.35	2.34	1.75
(i) Foreign ownership/investment restrictions						4.70	4.68	3.50
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>5. Regulation of Credit, Labor and Business</b>		4.15	4.31	3.92	4.29	5.38	5.63	5.71
A. Credit market regulations	2.00	5.00	4.76	3.46	4.68	5.68	6.00	6.03
(i) Ownership of banks	2.00	2.00	0.00	0.00	0.00	2.00	2.00	2.00
(ii) Foreign bank competition								
(iii) Private sector credit			6.29	6.38	6.04	6.03	7.01	7.08
(iv) Interest rate controls/negative real int. rates		8.00	8.00	4.00	8.00	9.00	9.00	9.00
B. Labor market regulations						5.95	5.88	5.94
(i) Hiring regulations and minimum wage						6.10	6.10	6.10
(ii) Hiring and firing regulations						4.26	4.22	4.72
(iii) Centralized collective bargaining						7.70	7.30	7.14
(iv) Hours regulations						8.00	8.00	8.00
(v) Mandated cost of worker dismissal						6.66	6.66	6.66
(vi) Conscription	10.00	0.00	0.00	0.00	0.00	3.00	3.00	3.00
C. Business regulations						4.52	5.00	5.17
(i) Price controls			4.00	4.00	4.00	4.00	4.00	4.00
(ii) Bureaucracy costs						2.35	2.93	3.52
(iii) Bureaucracy costs						3.13	6.97	6.95
(iv) Starting a business						3.87	4.56	4.53
(v) Extra payments/bribes						3.69	1.71	2.39
(vi) Licensing restrictions						5.97	6.20	6.18
(vii) Cost of tax compliance						8.63	8.63	8.63



## Chile

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ►	5.56 (50)	6.18 (32)	7.02 (25)	7.47 (14)	7.28 (28)	7.94 (9)	8.08 (5)	7.99 (4)
Area 1. Size of Government	5.00 (55)	5.71 (34)	6.51 (28)	7.30 (22)	6.12 (64)	7.43 (27)	7.95 (18)	7.79 (20)
Area 2. Legal Structure & Security of Property Rights	7.23 (26)	5.64 (49)	6.95 (31)	6.75 (31)	6.53 (42)	6.79 (32)	7.06 (29)	7.10 (27)
Area 3. Access to Sound Money	2.31 (105)	7.06 (34)	7.65 (37)	8.65 (36)	9.30 (32)	9.34 (35)	9.15 (44)	8.82 (45)
Area 4. Freedom to Trade Internationally	6.91 (24)	5.88 (47)	7.25 (27)	7.59 (28)	7.46 (44)	8.24 (8)	8.52 (3)	8.61 (4)
Area 5. Regulation of Credit, Labor and Business	6.90 (10)	6.73 (12)	6.82 (13)	7.07 (11)	6.98 (20)	7.89 (18)	7.73 (19)	7.64 (21)
<b>Unadjusted</b>								
Summary Rating (Rank) ►	5.25 (60)	5.87 (40)	6.67 (27)	7.47 (16)	7.28 (28)	7.97 (9)	8.12 (5)	8.03 (5)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.00	5.71	6.51	7.30	6.12	7.43	7.95	7.79
A. Government consumption	7.36 14.98	6.86 16.69	7.76 13.62	7.77 13.58	7.02 16.14	7.13 15.76	7.04 16.08	6.82 16.80
B. Transfers and subsidies	6.62 12.90	5.97 15.30	7.28 10.50	7.42 9.97	6.48 13.42	7.60 9.32	7.75 8.75	7.34 10.25
C. Government enterprises and investment	4.00 32.20	8.00 16.10	7.00 20.50	8.00 16.60	6.00 28.21	10.00 8.72	10.00 11.48	10.00 10.39
D. Top marginal tax rate	2.00	2.00	4.00	6.00	5.00	5.00	7.00	7.00
(i) Top marginal income tax rate	2.00 58	2.00 56	4.00 50	6.00 45	5.00 45	5.00 40	7.00 40	7.00 40
(ii) Top marginal income and payroll tax rates			4.00 50	6.00 45	5.00 45	5.00 40	7.00 40	7.00 40
<b>2. Legal Structure and Security of Property Rights</b>	6.43	5.02	6.19	6.75	6.53	6.79	7.06	7.10
A. Judicial independence				6.62	5.85	4.77	5.83	6.18
B. Impartial courts				7.07	6.51	5.99	6.31	6.07
C. Protection of property rights				5.60	5.27	7.47	7.38	7.51
D. Military interference				7.51	6.67	6.88	7.50	7.50
E. Integrity of the legal system				6.96	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts						5.11	5.11	5.11
G. Regulatory restrictions of sale of real property						8.99	8.99	8.99
<b>3. Access to Sound Money</b>	2.31	7.06	7.65	8.65	9.30	9.34	9.15	8.82
A. Money growth	0.00 52.46	8.21 8.95	6.52 17.40	8.07 9.67	9.58 2.08	8.72 6.39	8.49 7.54	8.73 6.37
B. Standard deviation of inflation	0.00 80.63	6.17 9.58	8.34 4.15	8.40 4.00	8.40 4.01	9.23 1.92	8.98 2.54	8.30 4.24
C. Inflation: most recent year	4.25 28.76	3.86 30.71	5.75 21.24	8.14 9.32	9.23 3.84	9.39 3.05	9.12 4.41	8.26 8.72
D. Freedom to own foreign currency	5.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	6.82	5.80	7.15	7.57	7.46	8.24	8.52	8.61
A. Taxes on international trade	8.71	6.73	8.18	8.49	8.91	9.48	9.44	9.44
(i) Revenues for trade taxes (% trade sector)	8.13 2.80	6.20 5.70	7.53 3.70	7.67 3.49	8.53 2.20	9.61 0.58	9.71 0.44	9.73 0.41
(ii) Mean tariff rate	8.00 10.00	4.00 30.00	7.00 15.00	7.80 11.00	8.20 9.00	9.02 4.90	8.80 6.00	8.80 6.00
(iii) Standard deviation of tariff rates	10.00 0.00	10.00 0.00	10.00 0.00	10.00 0.00	10.00 0.00	9.81 0.48	9.81 0.48	9.78 0.54
B. Regulatory trade barriers				7.05	8.39	7.39	7.77	8.02
(i) Non-tariff trade barriers				7.05	8.28	7.68	8.45	8.94
(ii) Compliance cost of importing and exporting					8.50	7.09	7.09	7.09
C. Size of trade sector	6.40	6.49	7.43	6.20	5.68	6.68	7.04	7.42
D. Black-market exchange rates	8.80	5.60	10.00	9.60	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	6.49	4.30	7.65	8.34	8.17
(i) Foreign ownership/investment restrictions				7.98	8.61	8.38	8.21	7.88
(ii) Capital controls	2.00	2.00	2.00	5.00	0.00	6.92	8.46	8.46
<b>5. Regulation of Credit, Labor and Business</b>	5.70	5.74	5.84	7.06	6.98	8.06	7.90	7.83
A. Credit market regulations	7.54	8.19	8.43	8.60	8.29	9.25	9.25	9.25
(i) Ownership of banks	5.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
(ii) Foreign bank competition				8.15	5.95	9.00	9.00	9.00
(iii) Private sector credit	9.63	8.56	9.28	9.86	9.68	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates	8.00	8.00	8.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations			4.95	5.27	4.86	7.54	7.46	7.26
(i) Hiring regulations and minimum wage				5.68	3.36	6.70	6.70	6.70
(ii) Hiring and firing regulations			6.91	6.91	5.57	4.92	4.53	3.85
(iii) Centralized collective bargaining		7.93	7.93	7.93	8.85	8.47	8.35	7.82
(iv) Hours regulations				5.85	6.51	10.00	10.00	10.00
(v) Mandated cost of worker dismissal						5.18	5.18	5.18
(vi) Conscription	3.00	0.00	0.00	0.00	0.00	10.00	10.00	10.00
C. Business regulations				7.32	7.80	7.39	7.00	6.99
(i) Price controls				10.00	9.00	9.00	10.00	10.00
(ii) Bureaucracy costs					7.88	4.66	4.44	4.26
(iii) Bureaucracy costs				6.18	7.93	6.03	3.44	3.51
(iv) Starting a business				6.52	5.65	9.03	9.06	9.06
(v) Extra payments/bribes				6.58	8.53	8.40	7.38	7.43
(vi) Licensing restrictions						8.15	8.21	8.21
(vii) Cost of tax compliance						6.46	6.46	6.46



## China

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	4.23 (89)	5.15 (66)	4.96 (88)	5.30 (88)	5.73 (99)	6.08 (89)	6.47 (82)	6.44 (83)
<b>Area 1. Size of Government</b>	3.58 (92)	3.91 (86)	3.65 (99)	4.02 (105)	3.43 (115)	3.31 (121)	3.28 (123)	3.28 (122)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>		7.30 (28)	6.23 (41)	5.49 (60)	4.95 (78)	5.77 (60)	6.27 (49)	6.38 (44)
<b>Area 3. Access to Sound Money</b>	6.18 (56)	6.19 (80)	6.73 (56)	5.77 (78)	8.12 (56)	8.18 (64)	9.33 (30)	9.38 (27)
<b>Area 4. Freedom to Trade Internationally</b>	3.65 (79)	4.79 (66)	4.55 (81)	6.72 (58)	7.17 (53)	7.55 (25)	7.56 (36)	7.38 (34)
<b>Area 5. Regulation of Credit, Labor and Business</b>	3.69 (93)	3.69 (95)	3.79 (101)	4.48 (104)	4.99 (105)	5.66 (102)	6.04 (90)	5.93 (96)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	3.99 (96)	5.07 (73)	4.85 (89)	5.20 (95)	5.73 (99)	6.28 (97)	6.68 (82)	6.65 (82)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	2.63	3.91	3.65	4.02	3.43	4.54	4.50	4.51
A. Government consumption	5.25 22.14	5.73 20.51	5.94 19.81	6.07 19.38	4.28 25.46	3.87 26.84	3.72 27.35	3.73 27.31
B. Transfers and subsidies					8.29 6.76	8.29 6.76	8.29 6.76	8.29 6.76
C. Government enterprises and investment	0.00 56.40	0.00 62.90	0.00 61.90	0.00 77.07	0.00 77.97	0.00 69.77	0.00 53.21	0.00 53.21
D. Top marginal tax rate		6.00	5.00	6.00	6.00	6.00	6.00	6.00
(i) Top marginal income tax rate		6.00 45	5.00 45	6.00 45	6.00 45	6.00 45	6.00 45	6.00 45
(ii) Top marginal income and payroll tax rates								
<b>2. Legal Structure and Security of Property Rights</b>		6.78	5.79	5.49	4.95	5.77	6.27	6.38
A. Judicial independence				3.80	3.34	3.92	4.68	4.91
B. Impartial courts				4.92	4.18	4.03	4.91	4.99
C. Protection of property rights				4.15	3.22	4.95	6.64	7.08
D. Military interference				7.60	7.34	5.00	5.00	5.00
E. Integrity of the legal system				6.96	6.67	7.50	7.50	7.50
F. Legal enforcement of contracts						6.73	6.73	6.73
G. Regulatory restrictions of sale of real property						8.27	8.40	8.43
<b>3. Access to Sound Money</b>	6.18	6.19	6.73	5.77	8.12	8.18	9.33	9.38
A. Money growth	6.00 20.00	8.14 9.31	9.18 4.09	7.63 11.83	8.90 5.48	9.05 4.76	9.13 4.33	9.42 2.91
B. Standard deviation of inflation	9.48 1.31	8.64 3.40	8.86 2.84	8.09 4.77	8.63 3.43	9.04 2.41	9.15 2.12	9.27 1.83
C. Inflation: most recent year	9.24 3.78	7.97 10.14	8.86 5.68	7.36 13.18	9.95 0.26	9.64 1.82	9.05 4.75	8.83 5.86
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	5.00	5.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	4.13	5.42	4.83	6.41	7.17	7.55	7.56	7.38
A. Taxes on international trade	3.15	2.72	3.16	3.90	7.11	7.96	8.15	8.18
(i) Revenues for trade taxes (% trade sector)	6.20 5.70	3.33 10.00	7.53 3.70	9.20 1.20	8.86 1.71	8.81 1.78	9.49 0.76	9.49 0.76
(ii) Mean tariff rate	0.10 49.50	2.10 39.50	1.94 40.30	2.50 37.50	6.74 16.30	8.16 9.20	8.02 9.90	8.08 9.60
(iii) Standard deviation of tariff rates			0.00 32.10	0.00 28.00	5.72 10.70	6.91 7.72	6.95 7.62	6.97 7.58
B. Regulatory trade barriers				4.63	6.01	6.02	6.40	6.44
(i) Non-tariff trade barriers				4.63	4.35	5.14	5.90	5.97
(ii) Compliance cost of importing and exporting					7.66	6.91	6.91	6.91
C. Size of trade sector	4.26	6.35	7.76	10.00	10.00	10.00	10.00	10.00
D. Black-market exchange rates	5.00	7.80	0.00	8.60	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	2.00	5.00	4.91	2.71	3.74	3.23	2.29
(i) Foreign ownership/investment restrictions				4.82	4.66	6.71	6.45	4.59
(ii) Capital controls	0.00	2.00	5.00	5.00	0.77	0.77	0.00	0.00
<b>5. Regulation of Credit, Labor and Business</b>	3.04	3.04	3.27	4.33	4.99	5.34	5.73	5.62
A. Credit market regulations	0.00	0.00	0.00	4.01	4.70	7.42	7.43	7.18
(i) Ownership of banks	0.00	0.00	0.00	0.00	0.00	2.00	2.00	2.00
(ii) Foreign bank competition				4.62	2.30	8.00	8.00	8.00
(iii) Private sector credit				9.81	9.39	9.68	9.73	9.73
(iv) Interest rate controls/negative real int. rates	0.00	0.00	0.00	4.00	10.00	10.00	10.00	9.00
B. Labor market regulations			3.16	4.54	4.66	4.98	4.90	4.82
(i) Hiring regulations and minimum wage				5.80	4.37	8.90	8.90	8.90
(ii) Hiring and firing regulations			4.30	4.30	5.10	5.27	5.06	4.63
(iii) Centralized collective bargaining	4.49	4.49	5.18	6.21	7.67	7.44	7.17	7.10
(iv) Hours regulations				6.42	6.18	6.70	6.70	6.70
(v) Mandated cost of worker dismissal						1.56	1.56	1.56
(vi) Conscription	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations				4.42	5.60	3.62	4.84	4.86
(i) Price controls				4.00	3.00	2.00	2.00	2.00
(ii) Bureaucracy costs					7.60	3.96	4.77	4.84
(iii) Bureaucracy costs				4.78	5.40	2.00	4.69	4.55
(iv) Starting a business				6.05	6.52	8.08	8.11	8.33
(v) Extra payments/bribes				2.87	5.49	5.52	5.81	5.53
(vi) Licensing restrictions						3.52	4.17	4.39
(vii) Cost of tax compliance						0.23	4.35	4.35



## Colombia

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	4.83 (74)	5.19 (62)	5.12 (77)	5.45 (80)	5.31 (108)	5.97 (96)	6.19 (92)	6.24 (87)
<b>Area 1. Size of Government</b>	5.35 (43)	5.94 (30)	7.23 (15)	6.83 (31)	4.64 (99)	4.95 (103)	5.57 (95)	6.18 (72)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	3.55 (62)	3.03 (94)	3.04 (93)	2.85 (119)	3.53 (110)	4.39 (94)	4.55 (93)	4.39 (99)
<b>Area 3. Access to Sound Money</b>	4.86 (96)	6.69 (51)	4.90 (92)	5.32 (84)	6.31 (100)	7.81 (73)	7.85 (76)	7.87 (71)
<b>Area 4. Freedom to Trade Internationally</b>	4.69 (62)	4.67 (68)	4.81 (76)	6.56 (66)	6.41 (77)	5.67 (102)	5.96 (93)	5.69 (103)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.63 (39)	5.63 (47)	5.63 (51)	5.69 (60)	5.66 (82)	7.01 (41)	7.01 (39)	7.07 (38)
<b>Unadjusted</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	4.81 (77)	5.17 (69)	5.19 (71)	5.35 (85)	5.31 (107)	5.91 (113)	6.13 (109)	6.19 (101)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.35	5.94	7.23	6.83	4.64	4.95	5.57	6.18
A. Government consumption	8.07 12.57	7.82 13.43	7.78 13.56	6.31 18.54	4.35 25.20	2.69 30.87	5.67 20.73	5.69 20.64
B. Transfers and subsidies	9.35 2.90	8.94 4.40	9.13 3.70	9.02 4.10	8.71 5.24	7.60 9.32	7.10 11.16	7.53 9.57
C. Government enterprises and investment	2.00 41.50	2.00 49.90	4.00 38.50	4.00 34.10	0.00 51.89	4.00	4.00	6.00
D. Top marginal tax rate	2.00	5.00	8.00	8.00	5.50	5.50	5.50	5.50
(i) Top marginal income tax rate	2.00 56	5.00 49	8.00 30	8.00 30	7.00 35	7.00 35	7.00 35	7.00 35
(ii) Top marginal income and payroll tax rates			8.00 30	8.00 30	4.00 43	4.00 45	4.00 45	4.00 45
<b>2. Legal Structure and Security of Property Rights</b>	3.98	3.40	3.41	2.85	3.53	4.39	4.55	4.39
A. Judicial independence				3.72	3.51	4.42	5.14	4.40
B. Impartial courts				3.52	5.85	4.64	4.54	3.98
C. Protection of property rights				4.13	3.28	6.16	5.74	4.94
D. Military interference				2.88	3.33	3.33	3.33	3.33
E. Integrity of the legal system				0.00	1.67	1.67	2.50	3.33
F. Legal enforcement of contracts						1.80	1.80	1.80
G. Regulatory restrictions of sale of real property						8.74	8.78	8.96
<b>3. Access to Sound Money</b>	4.86	6.69	4.90	5.32	6.31	7.81	7.85	7.87
A. Money growth	6.63 16.85	7.40 12.98	6.21 18.97	6.07 19.64	8.28 8.61	7.69 11.53	8.08 9.59	8.48 7.60
B. Standard deviation of inflation	8.33 4.17	9.33 1.68	9.09 2.27	9.15 2.12	8.81 2.97	9.57 1.09	9.41 1.47	9.39 1.53
C. Inflation: most recent year	4.48 27.61	5.02 24.90	4.29 28.55	6.04 19.79	8.16 9.22	8.99 5.05	8.91 5.43	8.60 7.00
D. Freedom to own foreign currency	0.00	5.00	0.00	0.00	0.00	5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>	4.69	4.67	4.93	6.31	6.41	5.67	5.96	5.69
A. Taxes on international trade	4.05	4.14	5.53	7.81	7.85	7.72	7.30	7.51
(i) Revenues for trade taxes (% trade sector)	4.80 7.80	5.00 7.50	5.99 6.01	8.04 2.94	8.37 2.44	8.73 1.90	7.59 3.61	8.22 2.66
(ii) Mean tariff rate	3.30 33.50	3.28 33.60	3.92 30.40	7.34 13.30	7.66 11.70	7.62 11.90	7.50 12.50	7.50 12.50
(iii) Standard deviation of tariff rates			6.68 8.30	8.04 4.90	7.52 6.20	6.80 8.00	6.80 8.00	6.80 8.00
B. Regulatory trade barriers				5.15	6.11	4.98	6.55	6.14
(i) Non-tariff trade barriers				5.15	4.90	4.83	5.05	4.16
(ii) Compliance cost of importing and exporting					7.33	5.13	8.05	8.12
C. Size of trade sector	4.36	2.78	4.28	3.97	4.15	3.79	3.20	3.40
D. Black-market exchange rates	6.80	8.20	6.60	8.60	10.00	8.07	9.07	8.53
E. International capital market controls	0.00	0.00	0.00	6.02	3.94	3.79	3.67	2.89
(i) Foreign ownership/investment restrictions				7.04	7.87	6.81	6.56	5.02
(ii) Capital controls	0.00	0.00	0.00	5.00	0.00	0.77	0.77	0.77
<b>5. Regulation of Credit, Labor and Business</b>	5.16	5.16	5.50	5.46	5.66	6.75	6.75	6.80
A. Credit market regulations	8.00	8.00	8.20	7.55	7.34	9.00	8.76	8.73
(i) Ownership of banks	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
(ii) Foreign bank competition				7.68	5.58	8.00	8.00	8.00
(iii) Private sector credit			8.61	8.11	8.10	10.00	9.05	8.91
(iv) Interest rate controls/negative real int. rates	8.00	8.00	8.00	8.00	10.00	10.00	10.00	10.00
B. Labor market regulations				4.75	3.89	5.37	5.48	5.48
(i) Hiring regulations and minimum wage				6.83	2.85	7.80	8.90	8.90
(ii) Hiring and firing regulations			5.50	5.50	4.15	5.05	4.59	4.50
(iii) Centralized collective bargaining					5.93	6.81	6.87	6.93
(iv) Hours regulations				5.68	5.51	8.00	8.00	8.00
(v) Mandated cost of worker dismissal						4.53	4.53	4.53
(vi) Conscription	0.00	0.00	0.00	1.00	1.00	0.00	0.00	0.00
C. Business regulations				4.07	5.76	5.88	5.99	6.21
(i) Price controls				5.00	6.00	5.00	5.00	5.00
(ii) Bureaucracy costs					6.43	2.61	3.04	2.82
(iii) Bureaucracy costs				6.20	6.75	5.81	4.69	5.05
(iv) Starting a business				2.63	3.75	8.38	8.70	9.23
(v) Extra payments/bribes				2.44	5.89	6.38	4.82	4.41
(vi) Licensing restrictions						8.09	8.55	9.27
(vii) Cost of tax compliance						4.89	7.13	7.67



## Congo, Democratic Republic

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	3.00 (102)	3.87 (101)	3.39 (110)	3.56 (123)	4.10 (122)	4.66 (119)	4.93 (119)	4.84 (118)
<b>Area 1. Size of Government</b>	4.42 (71)	6.22 (20)	5.74 (57)	5.63 (77)	7.45 (22)	6.91 (47)	5.66 (92)	5.11 (104)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	2.37 (80)	2.46 (100)	2.44 (104)	2.22 (122)	2.41 (121)	2.05 (122)	2.15 (123)	2.14 (123)
<b>Area 3. Access to Sound Money</b>	1.10 (110)	1.49 (108)	0.10 (118)	0.10 (122)	1.25 (123)	5.04 (117)	7.34 (84)	7.63 (80)
<b>Area 4. Freedom to Trade Internationally</b>	3.75 (78)	6.09 (42)	5.58 (58)	6.74 (57)	5.02 (116)	6.11 (88)	6.18 (90)	6.10 (89)
<b>Area 5. Regulation of Credit, Labor and Business</b>	3.05 (98)	3.14 (99)	3.05 (109)	3.10 (120)	4.36 (114)	3.22 (123)	3.34 (122)	3.24 (122)
<b>Unadjusted</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	3.36 (102)	3.90 (102)	3.56 (108)	3.70 (120)	4.10 (122)	4.74 (134)	5.01 (134)	4.93 (133)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.00	4.71	5.74	5.63	7.45	6.91	5.66	5.11
A. Government consumption	9.04 9.28	9.12 8.98	8.03 12.70	10.00 5.72	9.29 8.41	9.16 8.87	8.14 12.33	7.94 13.01
B. Transfers and subsidies	9.97 0.60		9.92 0.80	10.00 0.49	10.00 0.01	10.00 0.00	10.00 0.00	10.00 0.00
C. Government enterprises and investment	0.00 58.20	4.00 30.50	4.00 31.10	2.00 45.30	10.00 13.10	6.00 26.05	2.00 45.00	0.00 52.69
D. Top marginal tax rate	1.00	1.00	1.00	0.50	0.50	2.50	2.50	2.50
(i) Top marginal income tax rate	1.00 60	1.00 60	1.00 60	1.00 60	1.00 60	3.00 50	3.00 50	3.00 50
(ii) Top marginal income and payroll tax rates			1.00 60	0.00 63	0.00 63	2.00 54	2.00 54	2.00 54
<b>2. Legal Structure and Security of Property Rights</b>	2.37	2.46	2.44	2.22	2.41	2.05	2.15	2.14
A. Judicial independence								
B. Impartial courts				3.02	3.59	2.50	2.60	2.60
C. Protection of property rights								
D. Military interference				1.45	0.00	0.00	0.00	0.00
E. Integrity of the legal system				0.00	1.67	1.67	1.67	1.67
F. Legal enforcement of contracts						0.30	0.60	0.75
G. Regulatory restrictions of sale of real property						5.80	5.90	5.70
<b>3. Access to Sound Money</b>	1.10	1.49	0.00	0.00	1.25	5.04	7.34	7.63
A. Money growth	4.39 28.06	1.12 44.40	0.00 62.92	0.00 1631.82	0.00 2290.00	4.44 27.79	5.02 24.92	6.40 18.02
B. Standard deviation of inflation	0.00 25.49	0.00 25.25	0.00 30.17	0.00 9932.53	0.00 248.28	0.00 163.85	7.72 5.70	7.57 6.08
C. Inflation: most recent year	0.00 51.40	4.84 25.82	0.00 108.95	0.00 466.40	0.00 550.01	5.74 21.32	6.61 16.95	6.54 17.30
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	5.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	3.88	6.30	5.77	6.74	5.02	5.44	5.50	5.43
A. Taxes on international trade	4.21	4.96	4.90	7.77	8.70	7.32	7.32	7.32
(i) Revenues for trade taxes (% trade sector)	3.13 10.30	4.40 8.40	3.93 9.10	7.77 3.34	8.70 1.95	6.81 4.78	6.81 4.78	6.81 4.78
(ii) Mean tariff rate	5.28 23.60	5.52 22.40	5.86 20.70			7.60 12.00	7.60 12.00	7.60 12.00
(iii) Standard deviation of tariff rates						7.55 6.12	7.55 6.12	7.55 6.12
B. Regulatory trade barriers						2.19	2.19	2.54
(i) Non-tariff trade barriers								
(ii) Compliance cost of importing and exporting						2.19	2.19	2.54
C. Size of trade sector	4.96	7.53	7.77	6.56	4.46	7.68	7.21	6.52
D. Black-market exchange rates	0.00	8.80	6.00	9.20	1.43	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	2.00	2.31	0.00	0.77	0.77
(i) Foreign ownership/investment restrictions								
(ii) Capital controls	2.00	2.00	2.00	2.00	2.31	0.00	0.77	0.77
<b>5. Regulation of Credit, Labor and Business</b>	4.43	4.57	3.85	3.92	4.36	4.26	4.43	4.35
A. Credit market regulations	4.34	4.75	2.88	3.12	5.00	4.32	4.57	4.78
(i) Ownership of banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Foreign bank competition								
(iii) Private sector credit	8.69	9.50	8.65	9.35		7.96	8.70	9.33
(iv) Interest rate controls/negative real int. rates			0.00	0.00	10.00	5.00	5.00	5.00
B. Labor market regulations						5.11	5.11	4.56
(i) Hiring regulations and minimum wage						5.00	5.00	2.80
(ii) Hiring and firing regulations								
(iii) Centralized collective bargaining								
(iv) Hours regulations						5.30	5.30	5.30
(v) Mandated cost of worker dismissal						7.13	7.13	7.13
(vi) Conscription	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
C. Business regulations						3.35	3.61	3.72
(i) Price controls			2.00	2.00	2.00	2.00	2.00	2.00
(ii) Bureaucracy costs								
(iii) Bureaucracy costs								
(iv) Starting a business						3.33	3.33	3.33
(v) Extra payments/bribes								
(vi) Licensing restrictions						1.54	2.54	2.98
(vii) Cost of tax compliance						6.55	6.55	6.55



## Congo, Republic of

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>	4.63 (78)	4.43 (90)	5.12 (78)	5.24 (94)	4.50 (121)	4.66 (120)	4.61 (120)	4.77 (119)
<b>Area 1. Size of Government</b>	3.17 (94)	2.63 (107)	5.77 (56)	6.20 (58)	4.54 (103)	4.66 (108)	3.85 (120)	4.77 (109)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	4.67 (48)	3.05 (91)	3.02 (94)	3.24 (117)	2.39 (122)	2.35 (121)	2.78 (121)	2.85 (121)
<b>Area 3. Access to Sound Money</b>	5.45 (83)	6.42 (68)	5.96 (73)	5.69 (80)	4.29 (114)	5.33 (115)	5.34 (119)	4.93 (120)
<b>Area 4. Freedom to Trade Internationally</b>			5.68 (55)	6.75 (56)	6.76 (71)	6.28 (83)	6.00 (92)	6.15 (86)
<b>Area 5. Regulation of Credit, Labor and Business</b>	4.54 (75)	4.83 (70)	5.13 (66)	4.35 (106)	4.53 (110)	4.68 (119)	5.07 (113)	5.11 (113)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) &gt;</b>	5.04 (70)	4.69 (86)	4.95 (86)	5.24 (90)	4.50 (121)	4.64 (138)	4.60 (137)	4.75 (137)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	2.86	2.37	4.81	6.20	4.54	4.66	3.85	4.77
A. Government consumption	3.72 27.34	4.75 23.86	6.42 18.16	6.50 17.89	1.60 34.55	2.33 32.09	1.07 36.36	4.27 25.48
B. Transfers and subsidies				9.30 3.09	9.55 2.15	9.31 3.03	9.31 3.03	9.31 3.03
C. Government enterprises and investment	2.00 44.20	0.00 61.00	4.00 32.60	6.00 27.00	4.00 33.20	4.00 33.25	2.00 48.88	2.00 45.96
D. Top marginal tax rate			4.00	3.00	3.00	3.00	3.00	3.50
(i) Top marginal income tax rate			4.00 50	3.00 50	3.00 50	3.00 50	3.00 50	4.00 45
(ii) Top marginal income and payroll tax rates								3.00 49
<b>2. Legal Structure and Security of Property Rights</b>	4.67	3.05	3.02	3.24	2.39	2.35	2.78	2.85
A. Judicial independence								
B. Impartial courts				1.75	1.86	3.00	3.30	3.50
C. Protection of property rights								
D. Military interference				0.00	0.00	0.00	0.00	0.00
E. Integrity of the legal system				6.96	3.33	3.33	3.33	3.33
F. Legal enforcement of contracts						3.01	3.01	3.01
G. Regulatory restrictions of sale of real property						2.41	4.26	4.42
<b>3. Access to Sound Money</b>	5.45	6.42	5.96	5.69	4.29	5.33	5.34	4.93
A. Money growth	8.78 6.12	9.77 1.16	9.81 0.93	9.40 2.99	7.24 13.81	8.60 7.01	7.60 11.99	6.87 15.67
B. Standard deviation of inflation	7.04 7.41	6.42 8.96	4.20 14.51	4.04 14.90	0.10 24.75	3.79 15.52	4.30 14.24	4.30 14.24
C. Inflation: most recent year	5.97 20.14	9.50 2.50	9.85 -0.77	9.32 3.38	9.83 -0.84	8.94 5.28	9.47 2.66	8.53 7.33
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>	7.05	6.12	5.84	6.75	6.76	5.56	5.31	5.45
A. Taxes on international trade	7.47	3.60	4.53	6.70	7.43	7.21	7.36	7.36
(i) Revenues for trade taxes (% trade sector)	7.47 3.80		4.53 8.20	7.61 3.58	9.25 1.13	9.20 1.20	9.47 0.80	9.47 0.80
(ii) Mean tariff rate		3.60 32.00		6.28 18.60	6.48 17.60	6.18 19.10	6.42 17.90	6.42 17.90
(iii) Standard deviation of tariff rates				6.20 9.50	6.56 8.60	6.25 9.38	6.21 9.49	6.21 9.49
B. Regulatory trade barriers						2.10	2.10	2.10
(i) Non-tariff trade barriers								
(ii) Compliance cost of importing and exporting						2.10	2.10	2.10
C. Size of trade sector	10.00	9.00	7.25	9.05	8.18	8.49	7.08	7.76
D. Black-market exchange rates	9.60	9.80	9.20	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(i) Foreign ownership/investment restrictions								
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>5. Regulation of Credit, Labor and Business</b>	5.16	5.49	5.13	4.35	4.53	5.30	5.71	5.75
A. Credit market regulations	3.00	4.00	5.45	2.88	3.49	5.33	6.33	6.33
(i) Ownership of banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Foreign bank competition								
(iii) Private sector credit			6.36	6.64	7.48	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates	6.00	8.00	10.00	2.00	3.00	6.00	9.00	9.00
B. Labor market regulations						6.29	6.29	6.29
(i) Hiring regulations and minimum wage						2.20	2.20	2.20
(ii) Hiring and firing regulations								
(iii) Centralized collective bargaining								
(iv) Hours regulations						6.00	6.00	6.00
(v) Mandated cost of worker dismissal						6.94	6.94	6.94
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						4.27	4.50	4.62
(i) Price controls			0.00	0.00	0.00	0.00	0.00	0.00
(ii) Bureaucracy costs								
(iii) Bureaucracy costs								
(iv) Starting a business						6.72	7.27	7.59
(v) Extra payments/bribes								
(vi) Licensing restrictions						7.17	7.54	7.68
(vii) Cost of tax compliance						3.21	3.21	3.21



## Costa Rica

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	5.61 (46)	5.36 (55)	6.76 (28)	6.85 (33)	7.31 (24)	7.28 (32)	7.49 (24)	7.35 (30)
<b>Area 1. Size of Government</b>	5.72 (32)	5.21 (53)	7.20 (16)	6.81 (33)	7.13 (29)	7.57 (23)	7.80 (22)	7.66 (22)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	5.27 (43)	5.32 (53)	5.52 (53)	5.87 (50)	6.87 (35)	6.87 (31)	6.71 (36)	6.57 (34)
<b>Area 3. Access to Sound Money</b>	8.04 (20)	5.41 (91)	8.41 (27)	7.87 (42)	7.88 (62)	8.75 (52)	8.84 (51)	8.66 (52)
<b>Area 4. Freedom to Trade Internationally</b>	3.33 (83)	4.68 (67)	6.44 (41)	7.29 (34)	8.00 (26)	7.34 (34)	7.70 (29)	7.55 (33)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.86 (34)	6.13 (30)	6.27 (32)	6.39 (30)	6.66 (34)	5.90 (93)	6.41 (68)	6.31 (79)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	5.90 (36)	5.51 (56)	6.89 (17)	6.98 (32)	7.31 (24)	7.39 (31)	7.60 (19)	7.45 (27)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.72	5.21	7.20	6.81	7.13	7.57	7.80	7.66
A. Government consumption	5.37 21.75	5.66 20.76	5.04 22.85	5.02 22.93	6.94 16.40	6.66 17.36	6.87 16.63	7.28 15.26
B. Transfers and subsidies	8.50 6.00	8.17 7.20	8.77 5.00	8.23 7.00	8.59 5.66	8.64 5.50	9.34 2.91	9.35 2.90
C. Government enterprises and investment	4.00 36.20	4.00 34.10	7.00 21.00	6.00 27.10	6.00 27.10	6.00	6.00	6.00
D. Top marginal tax rate	5.00	3.00	8.00	8.00	7.00	9.00	9.00	8.00
(i) Top marginal income tax rate	5.00 50	3.00 50	9.00 25	9.00 25	9.00 25	10.00 15-25	10.00 15-25	9.00 25
(ii) Top marginal income and payroll tax rates			7.00 33	7.00 33	5.00 39	8.00 24-33	8.00 24-33	7.00 34
<b>2. Legal Structure and Security of Property Rights</b>	5.21	5.25	5.46	5.80	6.87	6.87	6.71	6.57
A. Judicial independence					6.35	6.87	7.03	7.19
B. Impartial courts				6.54	6.85	6.51	5.32	5.11
C. Protection of property rights					4.50	6.08	5.97	5.81
D. Military interference				8.73	10.00	10.00	10.00	10.00
E. Integrity of the legal system				4.11	6.67	6.67	6.67	5.83
F. Legal enforcement of contracts						3.52	3.52	3.52
G. Regulatory restrictions of sale of real property						8.45	8.49	8.49
<b>3. Access to Sound Money</b>	8.04	5.41	8.41	7.87	7.88	8.75	8.84	8.66
A. Money growth	7.72 11.41	5.53 22.35	8.66 6.72	8.14 9.28	5.16 24.22	8.37 8.14	7.75 11.25	7.80 11.00
B. Standard deviation of inflation	8.22 4.46	0.23 24.42	8.68 3.29	7.60 5.99	8.55 3.63	9.40 1.49	9.46 1.34	9.53 1.18
C. Inflation: most recent year	6.23 18.83	5.89 20.53	6.29 18.57	5.73 21.34	7.80 10.99	7.24 13.80	8.13 9.36	7.32 13.42
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	3.62	4.90	6.75	7.64	8.00	7.34	7.70	7.55
A. Taxes on international trade	3.23	1.80	5.63	7.27	8.40	8.08	8.21	8.11
(i) Revenues for trade taxes (% trade sector)	6.47 5.30	5.40 6.90	5.33 7.00	6.93 4.60	9.28 1.08	9.24 1.14	9.18 1.23	9.15 1.28
(ii) Mean tariff rate	0.00 55.00	0.00 53.00	6.72 16.40	7.96 10.20	8.92 5.40	8.60 7.00	8.90 5.50	8.72 6.40
(iii) Standard deviation of tariff rates		0.00 61.80	4.84 12.90	6.92 7.70	7.00 7.50	6.39 9.03	6.55 8.64	6.47 8.83
B. Regulatory trade barriers					6.58	4.84	6.52	6.78
(i) Non-tariff trade barriers					5.17	4.70	5.49	5.42
(ii) Compliance cost of importing and exporting					8.00	4.98	7.55	8.14
C. Size of trade sector	4.61	4.29	4.96	4.79	5.40	5.45	5.39	5.23
D. Black-market exchange rates	0.00	5.20	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	5.00	5.00	8.00	9.63	8.31	8.37	7.63
(i) Foreign ownership/investment restrictions					9.26	7.54	8.27	6.79
(ii) Capital controls	2.00	5.00	5.00	8.00	10.00	9.09	8.46	8.46
<b>5. Regulation of Credit, Labor and Business</b>	6.90	6.79	6.65	6.78	6.66	6.43	6.93	6.84
A. Credit market regulations	8.18	8.09	8.50	8.93	7.67	7.62	8.07	7.87
(i) Ownership of banks	10.00	10.00	10.00	10.00	10.00	5.00	5.00	5.00
(ii) Foreign bank competition					6.15	8.00	8.00	8.00
(iii) Private sector credit	6.37	8.28	7.51	8.79	8.64	8.49	9.27	9.49
(iv) Interest rate controls/negative real int. rates		6.00	8.00	8.00	9.00	9.00	10.00	9.00
B. Labor market regulations					5.99	5.94	6.50	6.36
(i) Hiring regulations and minimum wage					3.46	1.10	2.20	2.20
(ii) Hiring and firing regulations					4.97	5.51	6.36	5.80
(iii) Centralized collective bargaining					5.00	5.73	7.14	6.84
(iv) Hours regulations					6.51	6.00	6.00	6.00
(v) Mandated cost of worker dismissal						7.31	7.31	7.31
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations					6.32	5.73	6.22	6.28
(i) Price controls			6.00	6.00	8.00	8.00	8.00	8.00
(ii) Bureaucracy costs					6.83	2.58	3.56	3.77
(iii) Bureaucracy costs					6.15	2.35	3.97	4.21
(iv) Starting a business					4.70	7.29	7.86	7.87
(v) Extra payments/bribes					5.92	6.91	5.86	5.82
(vi) Licensing restrictions						7.48	7.42	7.47
(vii) Cost of tax compliance						5.49	6.84	6.84



## Côte d'Ivoire

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	5.59 (47)	6.15 (35)	5.60 (54)	5.24 (95)	6.07 (82)	6.03 (92)	6.03 (97)	5.67 (104)
<b>Area 1. Size of Government</b>	5.99 (26)	7.20 (5)	5.83 (51)	4.95 (88)	8.41 (8)	8.54 (9)	8.11 (13)	6.34 (64)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>		5.72 (48)	4.80 (63)	5.44 (63)	3.85 (104)	3.11 (116)	3.01 (117)	3.19 (117)
<b>Area 3. Access to Sound Money</b>	5.00 (93)	6.63 (56)	6.90 (52)	4.87 (95)	6.69 (91)	6.73 (93)	6.56 (105)	6.40 (102)
<b>Area 4. Freedom to Trade Internationally</b>	6.29 (36)	6.47 (32)	5.69 (54)	5.81 (88)	6.01 (93)	5.88 (94)	5.87 (99)	5.73 (101)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.52 (43)	5.15 (56)	4.91 (78)	5.12 (78)	5.37 (95)	5.92 (92)	6.60 (58)	6.73 (54)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	5.58 (51)	5.81 (42)	5.17 (72)	5.24 (90)	6.07 (82)	5.94 (109)	6.02 (113)	5.66 (123)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.39	5.02	4.07	4.95	8.41	8.54	8.11	6.34
A. Government consumption	5.54 21.17	6.06 19.38	6.20 18.93	7.37 14.95	8.18 12.20	8.82 10.02	8.57 10.86	8.39 11.46
B. Transfers and subsidies	9.01 4.15			9.44 2.55	9.48 2.41	9.35 2.89	9.87 0.98	9.97 0.59
C. Government enterprises and investment	2.00 46.80	4.00 31.80	2.00 42.20	0.00 62.70	6.00 25.30	6.00 28.00	4.00 30.25	4.00 30.06
D. Top marginal tax rate	5.00	5.00	4.00	3.00	10.00	10.00	10.00	3.00
(i) Top marginal income tax rate	5.00 45	5.00 45	4.00 45	3.00 49	10.00 10	10.00 10	10.00 10	5.00 39
(ii) Top marginal income and payroll tax rates								1.00 57
<b>2. Legal Structure and Security of Property Rights</b>		5.72	4.80	5.44	3.85	3.11	2.93	3.11
A. Judicial independence							1.15	1.46
B. Impartial courts				4.97	4.60	3.00	1.66	2.89
C. Protection of property rights							4.29	3.99
D. Military interference				5.94	1.67	1.67	2.50	2.50
E. Integrity of the legal system				6.96	5.00	4.17	4.17	4.17
F. Legal enforcement of contracts						2.47	2.47	2.47
G. Regulatory restrictions of sale of real property						4.23	4.26	4.26
<b>3. Access to Sound Money</b>	5.00	6.63	6.90	4.87	6.69	6.73	6.56	6.40
A. Money growth	8.66 6.69	9.00 5.00	9.18 -4.12	7.60 12.02	9.79 1.06	8.49 7.54	7.43 12.84	7.99 10.07
B. Standard deviation of inflation	6.18 9.55	7.58 6.05	9.34 1.64	3.57 16.07	7.48 6.29	9.21 1.98	9.19 2.03	8.87 2.84
C. Inflation: most recent year	5.17 24.14	9.93 0.34	9.10 -4.52	8.30 8.50	9.51 2.46	9.22 3.89	9.62 1.89	8.74 6.31
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>	5.74	5.90	5.19	5.81	6.01	5.85	6.54	6.39
A. Taxes on international trade	2.98	3.74	3.07	4.27	5.77	6.51	6.25	6.41
(i) Revenues for trade taxes (% trade sector)	1.47 12.80	2.13 11.80	2.73 10.90	0.00 17.32	3.99 9.02	4.80 7.80	3.86 9.22	4.31 8.53
(ii) Mean tariff rate	4.50 27.50	5.34 23.30	3.40 33.00	3.40 33.00	7.60 12.00	7.48 12.60	7.62 11.90	7.62 11.90
(iii) Standard deviation of tariff rates				9.40 1.50	5.72 10.70	7.26 6.84	7.29 6.78	7.29 6.78
B. Regulatory trade barriers						5.55	5.54	5.79
(i) Non-tariff trade barriers							5.54	5.77
(ii) Compliance cost of importing and exporting						5.55	5.55	5.82
C. Size of trade sector	7.90	7.77	5.45	6.77	6.06	6.43	6.63	6.38
D. Black-market exchange rates	9.60	9.80	9.20	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.00	0.77	4.28	3.37
(i) Foreign ownership/investment restrictions							7.80	5.97
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	0.77	0.77	0.77
<b>5. Regulation of Credit, Labor and Business</b>	6.21	5.79	4.91	5.12	5.37	5.45	5.94	6.06
A. Credit market regulations	6.56	7.12	6.39	6.43	7.26	5.77	7.73	7.93
(i) Ownership of banks	2.00	2.00	2.00	8.00	8.00	8.00	8.00	8.00
(ii) Foreign bank competition								
(iii) Private sector credit	9.67	9.35	9.17	7.29	7.78	3.31	9.19	9.78
(iv) Interest rate controls/negative real int. rates	8.00	10.00	8.00	4.00	6.00	6.00	6.00	6.00
B. Labor market regulations						4.61	5.00	5.11
(i) Hiring regulations and minimum wage						6.70	6.70	6.70
(ii) Hiring and firing regulations							4.66	5.12
(iii) Centralized collective bargaining							6.91	7.07
(iv) Hours regulations						5.30	5.30	5.30
(v) Mandated cost of worker dismissal						5.46	5.46	5.46
(vi) Conscription	10.00	5.00	5.00	5.00	5.00	1.00	1.00	1.00
C. Business regulations						5.98	5.08	5.14
(i) Price controls			0.00	2.00	2.00	6.00	6.00	6.00
(ii) Bureaucracy costs							2.81	2.88
(iii) Bureaucracy costs							6.06	6.19
(iv) Starting a business						6.41	6.59	6.65
(v) Extra payments/bribes							2.60	2.74
(vi) Licensing restrictions						4.54	4.56	4.58
(vii) Cost of tax compliance						6.97	6.97	6.97



## Croatia

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>				4.91 (98)	6.10 (79)	6.40 (81)	6.58 (74)	6.54 (80)
<b>Area 1. Size of Government</b>				4.52 (96)	4.03 (107)	4.55 (110)	5.06 (104)	5.32 (96)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>				6.16 (43)	6.60 (38)	6.13 (56)	6.38 (46)	6.35 (45)
<b>Area 3. Access to Sound Money</b>			1.25 (113)	3.35 (104)	7.88 (61)	8.20 (63)	8.26 (64)	8.09 (66)
<b>Area 4. Freedom to Trade Internationally</b>				6.04 (84)	6.23 (84)	6.57 (67)	6.62 (73)	6.39 (78)
<b>Area 5. Regulation of Credit, Labor and Business</b>				4.29 (109)	5.79 (72)	6.54 (60)	6.60 (59)	6.56 (62)
<b>Unadjusted</b>				4.97 (99)	6.10 (79)	6.31 (94)	6.49 (87)	6.51 (87)
<b>Summary Rating (Rank) ▶</b>	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>				5.28	4.03	4.55	5.06	5.32
A. Government consumption				1.94 33.42	2.45 31.66	4.86 23.49	4.84 23.56	4.73 23.91
B. Transfers and subsidies				5.91 15.50	4.65 20.13	4.35 21.23	4.40 21.06	5.06 18.62
C. Government enterprises and investment				8.00 17.70	7.00 22.99	8.00 17.34	10.00 13.37	10.00 12.48
D. Top marginal tax rate					2.00	1.00	1.00	1.50
(i) Top marginal income tax rate					4.00 35-53	2.00 45-63	2.00 45-63	3.00 45-53
(ii) Top marginal income and payroll tax rates					0.00 55.9-68	0.00 62-75	0.00 62-75	0.00 62-68
<b>2. Legal Structure and Security of Property Rights</b>				5.90	6.60	5.45	5.68	5.65
A. Judicial independence						3.69	3.69	3.49
B. Impartial courts				5.82	6.07	4.04	3.57	2.67
C. Protection of property rights						4.98	5.33	4.94
D. Military interference				7.39	8.33	8.33	8.33	8.33
E. Integrity of the legal system					8.33	8.33	8.33	8.33
F. Legal enforcement of contracts						5.40	5.40	5.40
G. Regulatory restrictions of sale of real property						3.36	5.07	6.39
<b>3. Access to Sound Money</b>			2.50	3.35	7.88	8.20	8.26	8.09
A. Money growth				0.00 62.40	8.28 8.60	8.62 6.89	8.74 6.28	9.09 4.54
B. Standard deviation of inflation				0.00 573.30	9.15 2.11	9.87 0.34	9.85 0.37	9.49 1.28
C. Inflation: most recent year			0.00 500.00	8.40 8.00	9.07 4.63	9.33 3.34	9.43 2.87	8.79 6.07
D. Freedom to own foreign currency			5.00	5.00	5.00	5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>				6.01	6.23	6.73	6.78	6.55
A. Taxes on international trade				6.97	8.47	8.82	8.65	8.71
(i) Revenues for trade taxes (% trade sector)				6.97 4.55	8.29 2.57	9.56 0.66	9.62 0.57	9.60 0.61
(ii) Mean tariff rate					8.66 6.70	9.52 2.40	9.00 5.00	9.04 4.80
(iii) Standard deviation of tariff rates						7.37 6.57	7.34 6.65	7.48 6.29
B. Regulatory trade barriers						6.43	6.81	6.76
(i) Non-tariff trade barriers						6.00	6.14	6.03
(ii) Compliance cost of importing and exporting						6.86	7.49	7.49
C. Size of trade sector				4.48	4.47	4.54	4.26	3.40
D. Black-market exchange rates			0.00	8.40	10.00	10.00	10.00	10.00
E. International capital market controls			0.00	2.00	0.00	3.85	4.16	3.87
(i) Foreign ownership/investment restrictions						6.17	6.01	5.44
(ii) Capital controls			0.00	2.00	0.00	1.54	2.31	2.31
<b>5. Regulation of Credit, Labor and Business</b>				4.29	5.79	6.61	6.67	6.91
A. Credit market regulations			0.00	4.34	8.64	8.95	9.37	9.37
(i) Ownership of banks			0.00	0.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition						8.00	8.00	8.00
(iii) Private sector credit				9.01	6.92	8.82	9.47	9.47
(iv) Interest rate controls/negative real int. rates				4.00	9.00	9.00	10.00	10.00
B. Labor market regulations						5.58	5.52	6.31
(i) Hiring regulations and minimum wage						3.90	3.90	3.90
(ii) Hiring and firing regulations						5.13	4.70	4.65
(iii) Centralized collective bargaining						7.07	7.13	6.90
(iv) Hours regulations						6.00	6.00	6.00
(v) Mandated cost of worker dismissal						6.38	6.38	6.38
(vi) Conscription				3.00	3.00	5.00	5.00	10.00
C. Business regulations						5.28	5.12	5.07
(i) Price controls			0.00	2.00	4.00	3.00	3.00	3.00
(ii) Bureaucracy costs						3.22	2.88	2.53
(iii) Bureaucracy costs						5.70	4.70	4.82
(iv) Starting a business						9.01	9.13	9.16
(v) Extra payments/bribes						5.73	5.31	4.78
(vi) Licensing restrictions						2.51	2.99	3.38
(vii) Cost of tax compliance						7.80	7.80	7.80



## Cyprus

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	5.57 (49)	5.51 (49)	5.98 (45)	6.16 (57)	6.17 (76)	7.34 (30)	7.42 (30)	7.50 (21)
<b>Area 1. Size of Government</b>	6.03 (24)	5.85 (31)	5.39 (64)	6.21 (57)	6.19 (59)	7.43 (28)	6.99 (45)	7.53 (24)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>		3.99 (76)	6.67 (36)	6.30 (42)	6.89 (33)	7.79 (20)	7.91 (18)	7.79 (18)
<b>Area 3. Access to Sound Money</b>	5.69 (74)	6.84 (41)	7.03 (43)	7.25 (49)	6.88 (84)	9.35 (33)	9.36 (26)	9.30 (30)
<b>Area 4. Freedom to Trade Internationally</b>	5.90 (42)	5.90 (45)	5.70 (53)	5.64 (92)	5.78 (102)	6.52 (71)	6.59 (75)	6.55 (71)
<b>Area 5. Regulation of Credit, Labor and Business</b>	4.56 (74)	4.96 (63)	5.14 (64)	5.37 (67)	5.11 (102)	5.57 (105)	6.19 (84)	6.26 (81)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	5.69 (45)	5.64 (51)	5.93 (44)	6.16 (59)	6.17 (76)	7.31 (38)	7.46 (31)	7.54 (20)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	6.03	5.85	5.39	6.21	6.19	7.43	6.99	7.53
A. Government consumption	6.77 16.97	6.45 18.06	5.17 22.43	5.53 21.20	6.02 19.53	5.32 21.92	5.48 21.35	5.45 21.46
B. Transfers and subsidies	8.34 6.60	7.93 8.10	7.87 8.30	7.33 10.30	6.73 12.51	6.40 13.70	4.49 20.74	6.68 12.69
C. Government enterprises and investment	8.00 18.10	8.00 17.40	8.00 17.40	8.00 17.40	8.00 17.40	10.00 3.07	10.00 3.07	10.00 3.07
D. Top marginal tax rate	1.00	1.00	0.50	4.00	4.00	8.00	8.00	8.00
(i) Top marginal income tax rate	1.00 60	1.00 60	1.00 60	5.00 40	5.00 40	8.00 30	8.00 30	8.00 30
(ii) Top marginal income and payroll tax rates			0.00 62	3.00 48	3.00 48	8.00 30	8.00 30	8.00 30
<b>2. Legal Structure and Security of Property Rights</b>		3.99	6.67	6.30	6.89	7.59	6.94	6.84
A. Judicial independence						6.99	7.33	7.36
B. Impartial courts				7.20	7.27	6.77	6.72	6.19
C. Protection of property rights						7.53	7.84	7.57
D. Military interference				7.32	8.33	8.33	8.33	8.33
E. Integrity of the legal system				6.96	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts							4.00	4.00
G. Regulatory restrictions of sale of real property							6.04	6.07
<b>3. Access to Sound Money</b>	5.69	6.84	7.03	7.25	6.88	9.35	9.36	9.30
A. Money growth	6.40 18.00	9.60 1.99	9.45 2.75	9.91 0.45	8.65 6.77	8.48 7.62	8.34 8.28	8.51 7.45
B. Standard deviation of inflation	9.06 2.36	8.89 2.77	9.71 0.72	9.62 0.94	9.70 0.75	9.42 1.45	9.58 1.06	9.62 0.95
C. Inflation: most recent year	7.30 13.50	8.87 5.67	8.95 5.27	9.48 2.62	9.17 4.14	9.49 2.56	9.53 2.37	9.07 4.67
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	5.90	5.90	5.41	5.64	5.78	6.90	7.14	7.09
A. Taxes on international trade	6.96	6.77	5.47	7.73	7.99	8.39	8.19	8.09
(i) Revenues for trade taxes (% trade sector)	7.33 4.00	7.07 4.40	7.20 4.20	8.27 2.60	9.27 1.10	9.59 0.62	9.62 0.58	9.79 0.31
(ii) Mean tariff rate	6.58 17.10	6.48 17.60	6.70 16.50	7.20 14.00	6.72 16.40	9.46 2.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates			2.52 18.70			6.13 9.67	6.01 9.98	5.61 10.98
B. Regulatory trade barriers						7.10	8.44	8.28
(i) Non-tariff trade barriers						7.10	7.62	7.30
(ii) Compliance cost of importing and exporting							9.27	9.27
C. Size of trade sector	5.14	4.72	4.34	3.26	2.73	2.22	2.31	2.57
D. Black-market exchange rates	9.20	9.80	9.00	9.00	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.00	6.80	6.76	6.52
(i) Foreign ownership/investment restrictions						6.68	7.36	6.89
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	6.92	6.15	6.15
<b>5. Regulation of Credit, Labor and Business</b>	5.15	5.61	5.14	5.37	5.11	5.28	6.87	6.94
A. Credit market regulations	7.09	8.30	8.83	8.92	8.08	7.86	9.50	9.50
(i) Ownership of banks	8.00	8.00	8.00	8.00	8.00	10.00	10.00	10.00
(ii) Foreign bank competition						8.00	8.00	8.00
(iii) Private sector credit	9.28	8.90	8.50	8.75	6.23	3.43	10.00	10.00
(iv) Interest rate controls/negative real int. rates	4.00	8.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations						2.87	5.07	5.25
(i) Hiring regulations and minimum wage							6.70	6.70
(ii) Hiring and firing regulations						3.59	4.36	4.93
(iii) Centralized collective bargaining						5.02	5.31	5.81
(iv) Hours regulations							10.00	10.00
(v) Mandated cost of worker dismissal							4.07	4.07
(vi) Conscription	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations						5.12	6.04	6.08
(i) Price controls			0.00	2.00	2.00	4.00	4.00	4.00
(ii) Bureaucracy costs						4.24	4.84	5.07
(iii) Bureaucracy costs						5.12	3.55	3.40
(iv) Starting a business							9.60	9.60
(v) Extra payments/bribes						7.14	7.06	7.22
(vi) Licensing restrictions							4.90	4.91
(vii) Cost of tax compliance							8.33	8.33



## Czech Republic

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>				5.79 (71)	6.48 (63)	6.70 (68)	6.92 (59)	6.88 (61)
<b>Area 1. Size of Government</b>				2.81 (116)	3.13 (118)	3.30 (122)	3.89 (119)	3.72 (119)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>		7.58 (24)	8.10 (26)	6.55 (37)	6.89 (34)	6.20 (54)	6.24 (50)	6.43 (41)
<b>Area 3. Access to Sound Money</b>				5.95 (74)	8.13 (55)	9.05 (41)	9.32 (31)	9.14 (35)
<b>Area 4. Freedom to Trade Internationally</b>				7.91 (21)	8.37 (13)	8.00 (13)	7.97 (15)	7.84 (18)
<b>Area 5. Regulation of Credit, Labor and Business</b>			3.70 (102)	5.75 (57)	5.88 (70)	6.97 (44)	7.02 (37)	7.13 (35)
<b>Unadjusted</b>				5.74 (73)	6.48 (63)	7.01 (56)	7.24 (45)	7.19 (46)
<b>Summary Rating (Rank) &gt;</b>	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>				2.81	3.13	4.45	5.24	5.02
A. Government consumption				3.04 29.66	3.02 29.73	2.64 31.03	3.10 29.47	3.20 29.11
B. Transfers and subsidies			0.00 37.20	2.40 28.40	2.35 28.56	3.17 25.58	3.36 24.87	3.37 24.84
C. Government enterprises and investment						8.00 19.75	8.00 18.63	7.00 20.67
D. Top marginal tax rate				3.00	4.00	4.00	6.50	6.50
(i) Top marginal income tax rate				5.00 43	7.00 32	7.00 32	10.00 15	10.00 15
(ii) Top marginal income and payroll tax rates				1.00 64	1.00 56	1.00 58	3.00 46	3.00 46
<b>2. Legal Structure and Security of Property Rights</b>		6.78	7.25	6.55	6.89	6.20	6.24	6.43
A. Judicial independence				6.17	6.01	4.73	5.29	5.01
B. Impartial courts				3.58	4.51	4.12	3.69	4.05
C. Protection of property rights				4.54	5.58	6.00	6.17	6.19
D. Military interference				8.45	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts						3.54	3.54	3.85
G. Regulatory restrictions of sale of real property						6.69	6.69	7.54
<b>3. Access to Sound Money</b>				5.95	8.13	9.05	9.32	9.14
A. Money growth				6.00 20.00	9.87 0.65	7.45 12.76	8.65 6.73	8.56 7.22
B. Standard deviation of inflation				4.88 12.79	8.43 3.93	9.11 2.23	9.22 1.94	9.26 1.84
C. Inflation: most recent year				7.92 10.41	9.22 3.90	9.63 1.85	9.42 2.92	8.73 6.36
D. Freedom to own foreign currency				5.00	5.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>				7.79	8.37	8.00	7.97	7.84
A. Taxes on international trade				8.45	8.22	8.48	8.27	8.16
(i) Revenues for trade taxes (% trade sector)				9.25 1.13	9.68 0.48	9.84 0.24	9.84 0.24	10.00 0.00
(ii) Mean tariff rate				8.66 6.70	8.70 6.50	9.46 2.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates				7.44 6.40	6.28 9.30	6.13 9.67	6.01 9.98	5.61 10.98
B. Regulatory trade barriers				7.42	7.88	7.48	7.81	7.84
(i) Non-tariff trade barriers				7.42	7.27	7.27	8.14	8.19
(ii) Compliance cost of importing and exporting					8.50	7.70	7.49	7.49
C. Size of trade sector			6.07	7.37	8.73	7.93	8.38	7.96
D. Black-market exchange rates				10.00	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	5.72	7.03	6.13	5.36	5.22
(i) Foreign ownership/investment restrictions				6.44	7.92	8.42	7.65	7.37
(ii) Capital controls	0.00	0.00	0.00	5.00	6.15	3.85	3.08	3.08
<b>5. Regulation of Credit, Labor and Business</b>			3.18	5.61	5.88	7.37	7.41	7.53
A. Credit market regulations	0.00	0.00	0.00	6.37	6.35	9.14	9.33	9.33
(i) Ownership of banks	0.00	0.00	0.00	5.00	2.00	10.00	10.00	10.00
(ii) Foreign bank competition				5.07	4.90	8.00	8.00	8.00
(iii) Private sector credit				9.68	8.56	8.57	9.31	9.31
(iv) Interest rate controls/negative real int. rates				6.00	10.00	10.00	10.00	10.00
B. Labor market regulations				5.03	5.22	7.61	7.78	7.67
(i) Hiring regulations and minimum wage				6.58	5.09	6.70	6.70	6.70
(ii) Hiring and firing regulations			5.62	5.62	5.30	3.26	3.76	3.71
(iii) Centralized collective bargaining				5.18	7.70	7.75	8.27	7.68
(iv) Hours regulations				4.75	5.01	10.00	10.00	10.00
(v) Mandated cost of worker dismissal						7.96	7.96	7.96
(vi) Conscription	0.00	0.00	0.00	3.00	3.00	10.00	10.00	10.00
C. Business regulations				5.44	6.07	5.35	5.12	5.60
(i) Price controls			0.00	6.00	4.00	7.00	8.00	8.00
(ii) Bureaucracy costs					7.80	2.22	2.56	2.76
(iii) Bureaucracy costs				5.89	8.10	5.51	2.44	2.29
(iv) Starting a business				5.97	5.53	9.02	9.31	9.32
(v) Extra payments/bribes				3.89	4.92	6.56	5.59	5.27
(vi) Licensing restrictions						7.13	7.95	8.44
(vii) Cost of tax compliance						0.00	0.00	3.13



## Denmark

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	6.53 (21)	6.68 (23)	7.41 (15)	7.46 (15)	7.65 (14)	7.72 (13)	7.75 (12)	7.71 (10)
<b>Area 1. Size of Government</b>	3.06 (96)	3.14 (99)	3.17 (105)	3.07 (114)	3.48 (114)	4.00 (117)	4.42 (111)	4.50 (112)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	8.48 (15)	9.31 (8)	9.86 (8)	9.09 (9)	9.54 (2)	8.94 (5)	8.95 (2)	8.74 (4)
<b>Area 3. Access to Sound Money</b>	6.68 (34)	6.51 (64)	9.46 (13)	9.77 (2)	9.71 (4)	9.49 (24)	9.36 (27)	9.37 (29)
<b>Area 4. Freedom to Trade Internationally</b>	7.37 (16)	7.52 (15)	7.33 (25)	7.93 (20)	8.24 (18)	7.73 (21)	7.82 (21)	7.72 (20)
<b>Area 5. Regulation of Credit, Labor and Business</b>	7.31 (6)	7.21 (9)	7.30 (9)	7.45 (8)	7.25 (13)	8.45 (5)	8.19 (9)	8.21 (9)
<b>Unadjusted</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	5.95 (31)	6.09 (33)	6.78 (20)	7.46 (17)	7.65 (14)	7.71 (15)	7.73 (13)	7.69 (14)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	3.06	3.14	3.17	3.07	3.48	4.00	4.42	4.50
A. Government consumption	1.76 34.01	1.99 33.23	1.69 34.25	1.87 33.63	1.74 34.08	1.55 34.74	1.67 34.31	1.43 35.13
B. Transfers and subsidies	4.47 20.80	4.58 20.40	3.98 22.60	2.92 26.50	3.67 23.72	3.95 22.71	4.50 20.70	5.08 18.54
C. Government enterprises and investment	6.00 25.00	6.00 26.00	7.00 20.30	7.00 24.90	7.00 24.90	10.00 9.07	10.00 8.36	10.00 8.78
D. Top marginal tax rate	0.00	0.00	0.00	0.50	1.50	0.50	1.50	1.50
(i) Top marginal income tax rate	0.00 66	0.00 73	0.00 68	1.00 64	2.00 59	1.00 59	2.00 59	2.00 59
(ii) Top marginal income and payroll tax rates			0.00 69	0.00 67	1.00 63	0.00 63	1.00 62	1.00 62
<b>2. Legal Structure and Security of Property Rights</b>	7.18	7.88	8.35	9.09	9.54	8.94	8.95	8.74
A. Judicial independence				8.82	9.35	8.78	9.21	9.17
B. Impartial courts				9.52	9.52	9.25	8.83	7.65
C. Protection of property rights				7.38	8.82	9.34	9.40	9.14
D. Military interference				9.73	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	10.00	10.00	10.00	10.00
F. Legal enforcement of contracts						6.19	6.19	6.19
G. Regulatory restrictions of sale of real property						9.01	9.01	9.01
<b>3. Access to Sound Money</b>	6.68	6.51	9.46	9.77	9.71	9.49	9.36	9.37
A. Money growth	8.70 6.51	7.86 10.71	8.80 6.01	9.75 1.27	9.75 1.27	8.56 7.20	8.05 9.75	8.58 7.11
B. Standard deviation of inflation	9.67 0.82	9.03 2.42	9.72 0.71	9.76 0.60	9.69 0.76	9.77 0.58	9.73 0.66	9.56 1.09
C. Inflation: most recent year	8.35 8.23	9.13 4.33	9.32 3.40	9.57 2.14	9.42 2.92	9.64 1.81	9.66 1.71	9.32 3.40
D. Freedom to own foreign currency	0.00	0.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	7.12	7.27	6.95	7.85	8.24	7.73	7.82	7.72
A. Taxes on international trade	8.95	9.12	8.48	8.70	9.18	8.48	8.27	8.16
(i) Revenues for trade taxes (% trade sector)	9.67 0.50	9.73 0.40	9.80 0.30	9.80 0.30	9.78 0.33	9.84 0.24	9.84 0.24	10.00 0.00
(ii) Mean tariff rate	8.24 8.80	8.50 7.50	8.52 7.40	8.66 6.70	9.52 2.40	9.46 2.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates			7.12 7.20	7.64 5.90	8.24 4.40	6.13 9.67	6.01 9.98	5.61 10.98
B. Regulatory trade barriers				9.05	9.43	8.39	8.67	8.40
(i) Non-tariff trade barriers				9.05	9.04	7.35	7.91	7.36
(ii) Compliance cost of importing and exporting					9.83	9.43	9.43	9.43
C. Size of trade sector	3.89	4.08	3.10	2.74	3.62	3.87	4.29	4.41
D. Black-market exchange rates	9.60	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	5.00	5.00	5.00	8.77	8.97	7.89	7.87	7.65
(i) Foreign ownership/investment restrictions				9.54	9.48	8.08	8.05	7.60
(ii) Capital controls	5.00	5.00	5.00	8.00	8.46	7.69	7.69	7.69
<b>5. Regulation of Credit, Labor and Business</b>	5.71	5.64	6.00	7.50	7.25	8.37	8.10	8.13
A. Credit market regulations	9.41	9.08	9.34	9.13	9.54	9.50	9.50	9.50
(i) Ownership of banks	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				8.82	8.23	8.00	8.00	8.00
(iii) Private sector credit	8.24	7.25	8.03	8.16	10.00	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	3.46	3.49	4.66	4.83	4.62	7.43	7.47	7.47
(i) Hiring regulations and minimum wage				3.68	4.76	10.00	10.00	10.00
(ii) Hiring and firing regulations			8.10	8.10	6.47	7.39	8.26	8.12
(iii) Centralized collective bargaining	5.18	5.18	5.18	5.18	4.85	6.18	5.54	5.68
(iv) Hours regulations	2.20	2.29	2.37	4.17	4.01	8.00	8.00	8.00
(v) Mandated cost of worker dismissal						10.00	10.00	10.00
(vi) Conscription	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
C. Business regulations				8.55	7.60	8.19	7.35	7.42
(i) Price controls			7.00	9.00	7.00	7.00	8.00	8.00
(ii) Bureaucracy costs					7.05	4.56	4.71	4.70
(iii) Bureaucracy costs				8.87	8.23	8.44	1.45	1.96
(iv) Starting a business				6.32	6.45	9.66	9.68	9.68
(v) Extra payments/bribes				9.99	9.29	9.49	9.41	9.41
(vi) Licensing restrictions						9.67	9.68	9.69
(vii) Cost of tax compliance						8.49	8.49	8.49



## Dominican Republic

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	5.33 (59)	4.98 (76)	4.60 (96)	5.86 (68)	6.54 (60)	6.30 (86)	6.26 (88)	6.22 (88)
<b>Area 1. Size of Government</b>	5.71 (33)	6.20 (21)	6.68 (25)	8.14 (12)	8.88 (3)	8.67 (6)	7.60 (24)	7.58 (23)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	5.29 (42)	4.92 (59)	4.85 (62)	4.78 (89)	4.47 (87)	4.72 (90)	4.75 (89)	4.90 (86)
<b>Area 3. Access to Sound Money</b>	7.34 (28)	3.82 (100)	2.05 (112)	4.48 (98)	6.82 (88)	5.87 (112)	5.97 (114)	5.91 (114)
<b>Area 4. Freedom to Trade Internationally</b>	3.51 (81)	4.96 (60)	3.82 (93)	5.32 (98)	5.91 (97)	6.03 (90)	6.72 (69)	6.41 (76)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.13 (57)	5.02 (60)	5.44 (55)	6.49 (28)	6.61 (36)	6.24 (73)	6.24 (79)	6.33 (76)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	5.92 (33)	5.52 (54)	4.78 (91)	6.09 (63)	6.54 (59)	6.39 (88)	6.35 (95)	6.31 (97)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.71	6.20	6.68	8.14	8.88	8.67	7.60	7.58
A. Government consumption	9.12 8.98	9.35 8.20	10.00 6.00	9.87 6.43	9.03 9.29	11.67 7.48	9.49 7.72	9.40 8.05
B. Transfers and subsidies	9.70 1.60	9.46 2.50	9.73 1.50	9.67 1.70	9.49 2.36	8.00 7.83	8.41 6.33	8.41 6.33
C. Government enterprises and investment	4.00 31.60	6.00 25.10	7.00 23.70	4.00 33.70	8.00 18.00	7.00 24.30	6.00 25.10	6.00 25.10
D. Top marginal tax rate	0.00	0.00	0.00	9.00	9.00	8.00	6.50	6.50
(i) Top marginal income tax rate	0.00 73	0.00 73	0.00 73	9.00 25	9.00 25	9.00 25	8.00 30	8.00 30
(ii) Top marginal income and payroll tax rates			0.00 73	9.00 25	9.00 25	7.00 32	5.00 37	5.00 37
<b>2. Legal Structure and Security of Property Rights</b>	5.78	5.38	5.30	5.22	4.47	4.62	4.64	4.79
A. Judicial independence						4.17	3.39	3.83
B. Impartial courts				6.23	5.57	3.75	2.70	3.47
C. Protection of property rights					2.90	5.27	5.12	4.89
D. Military interference				6.63	5.00	5.00	5.00	5.00
E. Integrity of the legal system				4.11	5.00	3.33	4.17	4.17
F. Legal enforcement of contracts						4.51	4.51	4.51
G. Regulatory restrictions of sale of real property						6.30	7.62	7.65
<b>3. Access to Sound Money</b>	7.34	3.82	2.05	4.48	6.82	5.87	5.97	5.91
A. Money growth	8.96 5.18	7.26 13.69	4.70 26.49	8.44 7.82	9.39 3.06	7.40 13.00	8.23 8.85	8.81 5.97
B. Standard deviation of inflation	8.14 4.64	3.00 17.49	3.48 16.30	1.99 20.03	9.42 1.45	1.91 20.22	1.87 20.32	1.97 20.07
C. Inflation: most recent year	7.26 13.70	0.00 50.50	0.00 51.05	7.49 12.56	8.46 7.72	9.16 4.19	8.77 6.14	7.87 10.64
D. Freedom to own foreign currency	5.00	5.00	0.00	0.00	0.00	5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>	3.98	5.62	4.19	5.83	5.91	6.36	7.09	6.76
A. Taxes on international trade	3.47	5.67	5.11	5.00	5.78	7.03	7.84	7.79
(i) Revenues for trade taxes (% trade sector)	3.47 9.80	5.67 6.50	5.83 6.26	4.01 8.99	5.23 7.16	6.03 5.96	8.35 2.48	8.35 2.48
(ii) Mean tariff rate			4.40 28.00	6.00 20.00	6.10 19.50	8.20 9.00	8.30 8.50	8.58 7.10
(iii) Standard deviation of tariff rates					6.00 10.00	6.87 7.82	6.87 7.82	6.45 8.88
B. Regulatory trade barriers					3.33	6.04	6.98	6.80
(i) Non-tariff trade barriers					3.33	4.40	5.18	4.82
(ii) Compliance cost of importing and exporting						7.68	8.79	8.79
C. Size of trade sector	3.60	5.01	5.58	4.33	3.93	2.94	4.22	3.17
D. Black-market exchange rates	2.60	7.20	0.00	9.60	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	2.00	6.52	5.77	6.42	6.06
(i) Foreign ownership/investment restrictions					8.42	7.70	7.45	6.73
(ii) Capital controls	2.00	2.00	2.00	2.00	4.62	3.85	5.38	5.38
<b>5. Regulation of Credit, Labor and Business</b>	6.76	6.61	5.69	6.79	6.61	6.43	6.44	6.53
A. Credit market regulations	7.79	7.34	5.99	8.97	7.95	7.35	7.45	7.45
(i) Ownership of banks	8.00	8.00	10.00	10.00	10.00	5.00	5.00	5.00
(ii) Foreign bank competition					5.78	5.78	5.78	5.78
(iii) Private sector credit	7.58	6.68	7.97	8.90	9.17	9.63	10.00	10.00
(iv) Interest rate controls/negative real int. rates			0.00	8.00	9.00	9.00	9.00	9.00
B. Labor market regulations					5.92	6.47	6.39	6.32
(i) Hiring regulations and minimum wage					2.93	4.40	5.60	5.60
(ii) Hiring and firing regulations					5.17	7.10	5.66	5.00
(iii) Centralized collective bargaining					5.58	7.50	7.25	7.45
(iv) Hours regulations						8.00	8.00	8.00
(v) Mandated cost of worker dismissal						1.84	1.84	1.84
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations					5.95	5.47	5.47	5.83
(i) Price controls			4.00	6.00	6.00	4.00	4.00	4.00
(ii) Bureaucracy costs					7.37	3.55	3.15	3.53
(iii) Bureaucracy costs					5.18	4.44	6.56	6.51
(iv) Starting a business					5.48	7.38	9.19	9.21
(v) Extra payments/bribes					5.73	5.11	3.63	4.03
(vi) Licensing restrictions						7.02	7.12	7.19
(vii) Cost of tax compliance						6.79	4.62	6.37



## Ecuador

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	5.40 (58)	4.63 (88)	5.31 (71)	5.98 (65)	5.69 (100)	5.79 (103)	5.81 (103)	6.04 (93)
<b>Area 1. Size of Government</b>	5.45 (41)	5.09 (55)	8.25 (4)	8.22 (8)	8.93 (2)	8.03 (14)	8.03 (14)	8.03 (14)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	5.16 (44)	4.62 (63)	4.59 (68)	3.85 (109)	3.30 (116)	3.99 (104)	3.88 (105)	4.04 (103)
<b>Area 3. Access to Sound Money</b>	8.15 (17)	6.89 (40)	3.98 (101)	6.47 (65)	4.90 (113)	4.73 (121)	5.04 (121)	6.10 (110)
<b>Area 4. Freedom to Trade Internationally</b>	4.64 (63)	3.50 (80)	5.52 (60)	6.36 (74)	7.11 (57)	6.65 (62)	6.57 (77)	6.49 (74)
<b>Area 5. Regulation of Credit, Labor and Business</b>	3.58 (94)	3.08 (102)	4.06 (98)	4.95 (89)	4.24 (117)	5.56 (106)	5.58 (106)	5.59 (106)
<b>Unadjusted</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	5.92 (33)	5.00 (78)	5.57 (58)	6.27 (55)	5.69 (100)	5.80 (117)	5.84 (122)	6.07 (109)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.45	5.09	8.25	8.22	8.93	8.03	8.03	8.03
A. Government consumption	6.01 19.57	7.32 15.10	8.48 11.16	7.15 15.68	7.86 13.27	7.53 14.41	7.54 14.35	7.52 14.42
B. Transfers and subsidies	8.80 4.90	9.05 4.00	9.51 2.30	9.73 1.50	9.86 1.02	9.59 2.00	9.59 2.00	9.59 2.00
C. Government enterprises and investment	2.00 40.20	2.00 41.30	7.00 21.70	8.00 18.30	10.00 3.15	7.00 20.14	7.00 20.14	7.00
D. Top marginal tax rate	5.00	2.00	8.00	8.00	8.00	8.00	8.00	8.00
(i) Top marginal income tax rate	5.00 50	2.00 58	9.00 25	9.00 25	9.00 25	9.00 25	9.00 25	9.00 25
(ii) Top marginal income and payroll tax rates			7.00 32	7.00 32	7.00 32	7.00 35	7.00 32	7.00 32
<b>2. Legal Structure and Security of Property Rights</b>	5.86	5.25	5.21	4.38	3.30	3.99	3.88	4.04
A. Judicial independence					2.67	1.90	1.65	1.63
B. Impartial courts				4.28	2.51	2.20	1.81	2.73
C. Protection of property rights					2.98	4.05	3.71	3.86
D. Military interference				5.07	3.33	2.50	2.50	2.50
E. Integrity of the legal system				4.11	5.00	4.38	4.17	4.17
F. Legal enforcement of contracts						4.38	4.38	4.38
G. Regulatory restrictions of sale of real property						8.49	8.97	9.01
<b>3. Access to Sound Money</b>	8.15	6.89	3.98	6.47	4.90	4.73	5.04	6.10
A. Money growth	8.13 9.33	7.90 10.48	2.62 36.92	4.76 26.19	4.25 28.73	2.73 36.33	1.60 42.01	7.25 13.76
B. Standard deviation of inflation	8.38 4.06	5.85 10.37	3.29 16.77	5.78 10.54	5.36 11.61	6.69 8.29	9.02 2.44	8.85 2.88
C. Inflation: most recent year	6.10 19.51	3.82 30.90	0.00 54.01	5.35 23.23	0.00 96.09	9.52 2.41	9.54 2.28	8.32 8.40
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>	5.61	3.89	5.81	6.70	7.11	6.65	6.57	6.49
A. Taxes on international trade	5.20	4.16	3.30	7.66	7.14	7.14	7.14	6.78
(i) Revenues for trade taxes (% trade sector)	5.20 7.20	5.87 6.20	7.33 4.00	7.67 3.50	6.53 5.20	6.53 5.20	6.53 5.20	6.53 5.20
(ii) Mean tariff rate		2.46 37.70	2.58 37.10	7.54 12.30	7.42 12.90	7.64 11.80	7.66 11.70	7.74 11.30
(iii) Standard deviation of tariff rates			0.00 27.00	7.76 5.60	7.48 6.30	7.24 6.90	7.24 6.90	6.07 9.83
B. Regulatory trade barriers					4.73	4.74	5.26	4.76
(i) Non-tariff trade barriers					3.13	3.91	3.85	2.84
(ii) Compliance cost of importing and exporting					6.33	5.57	6.68	6.68
C. Size of trade sector	5.25	4.64	5.56	5.07	5.97	4.69	4.95	5.39
D. Black-market exchange rates	7.40	0.40	10.00	7.60	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	5.00	7.69	6.71	5.51	5.51
(i) Foreign ownership/investment restrictions					9.23	4.95	4.10	4.09
(ii) Capital controls	2.00	2.00	2.00	5.00	6.15	8.46	6.92	6.92
<b>5. Regulation of Credit, Labor and Business</b>	4.52	3.88	4.59	5.59	4.24	5.62	5.65	5.67
A. Credit market regulations	5.42	3.74	6.00	8.00	4.45	7.95	7.95	7.95
(i) Ownership of banks	5.00	5.00	8.00	8.00	2.00	8.00	8.00	8.00
(ii) Foreign bank competition					3.80	3.80	3.80	3.80
(iii) Private sector credit	7.27	6.21	10.00	10.00	10.00	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates	4.00	0.00	0.00	6.00	4.00	10.00	10.00	10.00
B. Labor market regulations					3.57	3.93	3.68	3.74
(i) Hiring regulations and minimum wage					3.49	5.60	4.40	5.60
(ii) Hiring and firing regulations					3.43	3.24	2.79	2.40
(iii) Centralized collective bargaining					4.25	5.74	5.91	5.43
(iv) Hours regulations					3.67	6.00	6.00	6.00
(v) Mandated cost of worker dismissal						0.00	0.00	0.00
(vi) Conscription	0.00	0.00	3.00	3.00	3.00	3.00	3.00	3.00
C. Business regulations					4.69	4.98	5.33	5.31
(i) Price controls			0.00	4.00	4.00	6.00	6.00	6.00
(ii) Bureaucracy costs					5.33	2.41	2.81	3.03
(iii) Bureaucracy costs					5.25	3.28	6.48	6.07
(iv) Starting a business					3.97	7.53	7.47	7.52
(v) Extra payments/bribes					4.87	4.54	3.34	3.31
(vi) Licensing restrictions						7.81	7.90	7.97
(vii) Cost of tax compliance						3.27	3.27	3.27



## Egypt

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	4.83 (73)	5.36 (56)	5.01 (87)	5.84 (69)	6.60 (55)	6.63 (70)	6.92 (61)	6.82 (64)
<b>Area 1. Size of Government</b>	3.95 (83)	4.54 (71)	4.37 (88)	4.73 (92)	6.13 (63)	6.69 (58)	7.18 (37)	7.21 (32)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	2.89 (71)	5.63 (50)	3.67 (81)	4.88 (82)	5.87 (58)	5.29 (76)	5.85 (63)	5.44 (71)
<b>Area 3. Access to Sound Money</b>	7.70 (23)	8.85 (18)	8.16 (30)	7.61 (45)	9.53 (18)	8.85 (46)	8.68 (55)	8.26 (61)
<b>Area 4. Freedom to Trade Internationally</b>	4.88 (57)	2.97 (87)	3.45 (99)	6.13 (82)	6.09 (90)	6.55 (70)	6.80 (65)	6.88 (62)
<b>Area 5. Regulation of Credit, Labor and Business</b>	4.61 (70)	5.00 (62)	5.50 (54)	5.91 (52)	5.40 (93)	5.81 (95)	6.09 (88)	6.33 (75)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	4.85 (74)	5.38 (60)	4.94 (87)	5.77 (70)	6.60 (55)	6.50 (81)	6.79 (77)	6.68 (80)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	3.95	4.54	4.37	4.73	6.13	6.69	7.18	7.21
A. Government consumption	6.33 18.47	5.83 20.18	7.77 13.60	8.12 12.40	8.29 11.80	7.32 15.11	7.78 13.53	7.90 13.14
B. Transfers and subsidies	5.45 17.20	6.35 13.90	7.71 8.90	7.81 8.53	9.22 3.38	9.44 2.56	6.92 11.79	6.92 11.79
C. Government enterprises and investment	4.00 39.70	4.00 30.70	0.00 54.50	0.00 76.40	0.00 52.10	0.00 51.90	4.00 37.40	4.00 35.32
D. Top marginal tax rate	0.00	2.00	2.00	3.00	7.00	10.00	10.00	10.00
(i) Top marginal income tax rate	0.00 80	2.00 65	2.00 65	3.00 50	7.00 34	10.00 20	10.00 20	10.00 20
(ii) Top marginal income and payroll tax rates								10.00 20
<b>2. Legal Structure and Security of Property Rights</b>	2.76	5.38	3.50	4.88	5.87	5.29	5.85	5.44
A. Judicial independence				5.93	6.85	6.37	6.59	4.80
B. Impartial courts				3.33	5.68	5.09	4.86	5.00
C. Protection of property rights				4.90	5.17	6.22	6.10	5.71
D. Military interference				6.13	5.00	5.00	5.00	5.00
E. Integrity of the legal system				4.11	6.67	6.67	6.67	5.83
F. Legal enforcement of contracts						3.41	3.41	3.41
G. Regulatory restrictions of sale of real property						4.25	8.34	8.34
<b>3. Access to Sound Money</b>	7.70	8.85	8.16	7.61	9.53	8.85	8.68	8.26
A. Money growth	6.29 18.55	8.57 7.17	8.93 5.33	9.12 4.42	9.46 2.69	7.94 10.31	7.77 11.17	7.85 10.77
B. Standard deviation of inflation	8.12 4.71	8.63 3.42	7.38 6.56	8.20 4.51	9.20 2.01	8.42 3.94	8.82 2.96	8.84 2.90
C. Inflation: most recent year	6.39 18.03	8.19 9.04	6.31 18.44	8.12 9.41	9.46 2.68	9.03 4.87	8.14 9.32	6.34 18.32
D. Freedom to own foreign currency	10.00	10.00	10.00	5.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	5.40	3.28	3.50	5.92	6.09	6.55	6.80	6.88
A. Taxes on international trade	0.89	1.69	3.12	3.06	3.74	4.90	5.08	5.05
(i) Revenues for trade taxes (% trade sector)	1.27 13.10	1.93 12.10	6.07 5.90	4.83 7.75	5.33 7.00	8.48 2.28	8.57 2.14	8.54 2.18
(ii) Mean tariff rate	0.52 47.40	1.44 42.80	3.30 33.50	4.34 28.30	5.90 20.50	6.22 18.90	6.66 16.70	6.60 17.00
(iii) Standard deviation of tariff rates			0.00 425.80	0.00 28.90	0.00 39.50	0.00 141.08	0.00 143.45	0.00 146.71
B. Regulatory trade barriers				4.52	5.58	5.74	6.42	6.42
(i) Non-tariff trade barriers				4.52	4.50	4.55	4.79	4.79
(ii) Compliance cost of importing and exporting					6.66	6.93	8.05	8.05
C. Size of trade sector	9.71	6.46	6.14	5.51	3.84	6.04	6.13	6.71
D. Black-market exchange rates	8.20	0.00	0.00	9.40	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	7.10	7.31	6.05	6.39	6.21
(i) Foreign ownership/investment restrictions				9.21	9.23	5.94	6.63	6.27
(ii) Capital controls	0.00	0.00	0.00	5.00	5.38	6.15	6.15	6.15
<b>5. Regulation of Credit, Labor and Business</b>	4.46	4.84	5.18	5.70	5.40	5.15	5.42	5.63
A. Credit market regulations	3.93	5.20	6.79	7.43	7.01	6.26	6.27	6.33
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	2.00	2.00	2.00
(ii) Foreign bank competition				6.67	5.83	6.00	6.00	6.00
(iii) Private sector credit	2.80	4.60	9.37	10.00	9.08	7.05	8.06	7.31
(iv) Interest rate controls/negative real int. rates	4.00	6.00	6.00	10.00	10.00	10.00	9.00	10.00
B. Labor market regulations			3.98	5.57	4.01	4.98	4.86	4.96
(i) Hiring regulations and minimum wage				8.33	4.17	10.00	10.00	10.00
(ii) Hiring and firing regulations			4.02	4.02	3.05	3.44	4.10	4.71
(iii) Centralized collective bargaining	7.93	7.93	7.93	7.93	7.50	8.44	7.05	7.06
(iv) Hours regulations				7.55	5.34	8.00	8.00	8.00
(v) Mandated cost of worker dismissal						0.00	0.00	0.00
(vi) Conscription	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations				4.11	5.18	4.20	5.14	5.61
(i) Price controls			2.00	2.00	4.00	4.00	4.00	4.00
(ii) Bureaucracy costs					7.50	3.10	4.00	3.59
(iii) Bureaucracy costs				4.70	2.75	1.13	5.59	5.83
(iv) Starting a business				6.02	5.83	6.39	9.58	9.61
(v) Extra payments/bribes				3.72	5.80	6.39	4.58	4.87
(vi) Licensing restrictions						5.08	6.18	6.76
(vii) Cost of tax compliance						3.32	2.03	4.62



## El Salvador

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	4.84 (72)	4.49 (89)	4.77 (92)	7.00 (30)	7.30 (27)	7.60 (19)	7.60 (16)	7.58 (15)
<b>Area 1. Size of Government</b>	6.59 (17)	6.41 (16)	6.89 (21)	8.59 (5)	8.67 (4)	9.08 (3)	9.03 (3)	8.96 (3)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	2.52 (78)	1.98 (108)	1.94 (111)	5.33 (69)	4.51 (86)	4.83 (88)	4.55 (94)	4.60 (90)
<b>Area 3. Access to Sound Money</b>	5.63 (76)	5.48 (89)	5.25 (89)	8.88 (34)	9.42 (26)	9.63 (10)	9.35 (28)	9.27 (31)
<b>Area 4. Freedom to Trade Internationally</b>	3.90 (74)	3.43 (82)	4.60 (80)	6.46 (72)	7.53 (42)	7.05 (48)	7.28 (42)	7.27 (39)
<b>Area 5. Regulation of Credit, Labor and Business</b>		5.21 (55)	5.21 (62)	5.74 (58)	6.37 (45)	7.47 (25)	7.87 (16)	7.87 (15)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	4.61 (80)	4.59 (89)	4.81 (90)	7.04 (27)	7.30 (27)	7.48 (25)	7.46 (31)	7.44 (28)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	6.59	6.41	6.89	8.59	8.67	9.08	9.03	8.96
A. Government consumption	6.97 16.30	7.05 16.02	8.81 10.03	9.11 9.02	8.70 10.42	9.01 9.38	9.19 8.74	9.25 8.55
B. Transfers and subsidies	9.40 2.70	9.59 2.00	9.75 1.40	9.24 3.30	10.00 0.32	9.32 3.00	9.42 2.62	9.10 3.80
C. Government enterprises and investment	7.00 20.20	6.00 28.40	7.00 20.00	8.00 19.00	8.00 19.89	10.00 1.86	10.00 1.86	10.00
D. Top marginal tax rate	3.00	3.00	2.00	8.00	8.00	8.00	7.50	7.50
(i) Top marginal income tax rate	3.00 60	3.00 48	2.00 60	8.00 30	8.00 30	8.00 30	8.00 30	8.00 30
(ii) Top marginal income and payroll tax rates							7.00 34	7.00 34
<b>2. Legal Structure and Security of Property Rights</b>	2.54	1.99	1.95	5.37	4.51	4.83	4.55	4.60
A. Judicial independence					4.34	3.07	3.59	3.42
B. Impartial courts				4.40	4.18	3.37	3.36	3.93
C. Protection of property rights					4.05	5.78	5.34	5.38
D. Military interference				6.25	5.00	5.00	5.00	5.00
E. Integrity of the legal system				6.96	5.00	4.58	2.50	2.50
F. Legal enforcement of contracts						3.83	3.83	3.83
G. Regulatory restrictions of sale of real property						8.19	8.20	8.17
<b>3. Access to Sound Money</b>	5.63	5.48	5.25	8.88	9.42	9.63	9.35	9.27
A. Money growth	8.52 7.40	7.74 11.29	8.48 7.60	8.20 8.98	9.03 -4.83	9.98 0.10	8.71 6.43	8.81 5.93
B. Standard deviation of inflation	7.39 6.53	8.23 4.43	7.02 7.45	9.39 1.52	9.09 2.29	9.48 1.29	9.61 0.98	9.60 1.01
C. Inflation: most recent year	6.61 16.95	5.97 20.17	5.51 22.47	7.91 10.44	9.55 2.27	9.06 4.69	9.08 4.58	8.66 6.71
D. Freedom to own foreign currency	0.00	0.00	0.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	3.66	3.69	4.81	6.69	7.53	7.05	7.28	7.27
A. Taxes on international trade	3.13	5.27	6.52	7.51	8.02	8.29	8.14	8.27
(i) Revenues for trade taxes (% trade sector)	5.87 6.20	5.27 7.10	7.27 4.10	7.60 3.60	8.99 1.51	9.01 1.48	9.12 1.31	9.30 1.04
(ii) Mean tariff rate	0.40 48.00		5.78 21.10	7.96 10.20	8.52 7.40	8.72 6.40	8.66 6.70	8.82 5.90
(iii) Standard deviation of tariff rates				6.96 7.60	6.56 8.60	7.14 7.14	6.65 8.38	6.70 8.26
B. Regulatory trade barriers					7.11	6.12	7.22	7.36
(i) Non-tariff trade barriers					5.72	5.80	6.07	6.34
(ii) Compliance cost of importing and exporting					8.50	6.45	8.37	8.37
C. Size of trade sector	4.91	2.92	2.09	2.98	3.60	3.28	3.48	3.34
D. Black-market exchange rates	0.00	0.00	5.20	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	5.00	8.93	7.54	7.57	7.39
(i) Foreign ownership/investment restrictions					8.62	7.38	7.45	7.09
(ii) Capital controls	2.00	2.00	2.00	5.00	9.23	7.69	7.69	7.69
<b>5. Regulation of Credit, Labor and Business</b>		5.38	5.15	5.68	6.37	6.81	7.08	7.08
A. Credit market regulations	9.85	8.66	8.65	9.74	7.85	8.80	9.75	9.75
(i) Ownership of banks						10.00	10.00	10.00
(ii) Foreign bank competition					4.60	9.00	9.00	9.00
(iii) Private sector credit	9.85	9.32	9.30	9.48	9.39	6.18	10.00	10.00
(iv) Interest rate controls/negative real int. rates		8.00	8.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations					4.84	5.35	4.93	4.95
(i) Hiring regulations and minimum wage					3.12	6.70	6.70	6.70
(ii) Hiring and firing regulations					4.85	6.31	5.92	6.17
(iii) Centralized collective bargaining					7.73	8.08	7.94	7.80
(iv) Hours regulations					5.51	6.00	6.00	6.00
(v) Mandated cost of worker dismissal						2.03	2.03	2.03
(vi) Conscription	3.00	0.00	0.00	0.00	3.00	3.00	1.00	1.00
C. Business regulations					6.40	6.29	6.56	6.54
(i) Price controls			4.00	6.00	8.00	8.00	8.00	8.00
(ii) Bureaucracy costs					7.27	3.76	4.06	4.15
(iii) Bureaucracy costs					5.40	2.98	5.41	5.22
(iv) Starting a business					5.78	7.98	8.92	9.04
(v) Extra payments/bribes					5.57	6.86	5.03	4.85
(vi) Licensing restrictions						8.01	8.07	8.09
(vii) Cost of tax compliance						6.41	6.41	6.41



## Estonia

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>				5.70 (76)	7.36 (23)	7.84 (11)	7.77 (11)	7.65 (12)
<b>Area 1. Size of Government</b>				6.40 (46)	6.43 (54)	6.99 (45)	7.09 (43)	6.79 (48)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>				5.87 (49)	6.00 (51)	6.69 (36)	6.67 (38)	6.55 (38)
<b>Area 3. Access to Sound Money</b>		6.98 (37)	3.36 (108)	2.30 (111)	8.67 (44)	9.43 (32)	9.20 (40)	9.08 (38)
<b>Area 4. Freedom to Trade Internationally</b>				8.98 (3)	8.83 (7)	8.26 (7)	8.13 (11)	8.03 (11)
<b>Area 5. Regulation of Credit, Labor and Business</b>			2.68 (116)	5.22 (74)	6.86 (26)	7.83 (19)	7.74 (18)	7.80 (16)
<b>Unadjusted</b>				5.76 (72)	7.36 (23)	7.92 (10)	7.85 (11)	7.73 (12)
<b>Summary Rating (Rank) &gt;</b>								
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>				5.22	6.43	6.99	7.09	6.79
A. Government consumption			5.74 20.48	3.22 29.06	3.73 27.33	4.38 25.12	4.77 23.80	4.19 25.76
B. Transfers and subsidies				6.43 13.60	5.98 15.25	7.08 11.23	7.09 11.19	6.49 13.40
C. Government enterprises and investment					10.00 14.28	10.00 4.81	10.00 4.81	10.00
D. Top marginal tax rate				6.00	6.00	6.50	6.50	6.50
(i) Top marginal income tax rate				8.00 26	8.00 26	9.00 24	9.00 22	9.00 21
(ii) Top marginal income and payroll tax rates				4.00 44	4.00 44	4.00 45	4.00 43	4.00 42
<b>2. Legal Structure and Security of Property Rights</b>				6.50	6.00	7.37	7.35	7.21
A. Judicial independence						7.12	7.21	7.49
B. Impartial courts				6.46	6.94	6.84	6.30	5.17
C. Protection of property rights					5.00	7.68	7.95	7.66
D. Military interference				8.42	8.33	8.33	8.33	8.33
E. Integrity of the legal system					6.67	6.67	6.67	6.67
F. Legal enforcement of contracts						6.11	6.11	5.66
G. Regulatory restrictions of sale of real property						8.81	8.87	9.50
<b>3. Access to Sound Money</b>		8.77	4.48	2.30	8.67	9.43	9.20	9.08
A. Money growth				0.00 67.37	8.32 8.39	9.34 3.30	9.40 3.02	9.44 2.78
B. Standard deviation of inflation		8.65 3.37	5.18 12.06	0.00 323.00	7.15 7.13	9.20 1.99	8.73 3.18	8.93 2.67
C. Inflation: most recent year		8.88 -5.61	3.27 33.65	4.20 29.00	9.19 4.03	9.18 4.09	8.68 6.59	7.93 10.37
D. Freedom to own foreign currency			5.00	5.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>				8.57	8.83	8.18	8.05	7.95
A. Taxes on international trade			9.77	9.81	9.99	8.48	8.27	8.16
(i) Revenues for trade taxes (% trade sector)			9.77 0.34	9.94 0.09	9.99 0.02	9.84 0.24	9.84 0.24	10.00 0.00
(ii) Mean tariff rate				9.98 0.10		9.46 2.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates				9.52 1.20		6.13 9.67	6.01 9.98	5.61 10.98
B. Regulatory trade barriers					8.34	8.34	8.64	8.67
(i) Non-tariff trade barriers					8.34	7.24	7.84	7.90
(ii) Compliance cost of importing and exporting						9.43	9.43	9.43
C. Size of trade sector				6.91	8.00	6.62	5.88	5.62
D. Black-market exchange rates			0.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls			0.00	8.00	7.82	7.48	7.49	7.31
(i) Foreign ownership/investment restrictions					9.49	8.04	8.06	7.70
(ii) Capital controls			0.00	8.00	6.15	6.92	6.92	6.92
<b>5. Regulation of Credit, Labor and Business</b>			2.47	6.22	6.86	7.63	7.55	7.62
A. Credit market regulations			0.00	4.30	8.70	9.75	9.75	10.00
(i) Ownership of banks			0.00	5.00	8.00	10.00	10.00	10.00
(ii) Foreign bank competition					6.63	10.00	10.00	10.00
(iii) Private sector credit				7.90	10.00	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates				0.00	10.00	9.00	9.00	10.00
B. Labor market regulations					4.74	5.76	5.60	5.56
(i) Hiring regulations and minimum wage					2.94	6.70	6.70	6.70
(ii) Hiring and firing regulations					4.57	5.33	4.51	4.26
(iii) Centralized collective bargaining					8.45	8.75	8.66	8.66
(iv) Hours regulations						4.00	4.00	4.00
(v) Mandated cost of worker dismissal						6.76	6.76	6.76
(vi) Conscription			0.00	3.00	3.00	3.00	3.00	3.00
C. Business regulations				8.14	7.14	7.40	7.29	7.28
(i) Price controls			0.00	6.00	6.00	6.00	7.00	7.00
(ii) Bureaucracy costs					7.62	5.34	5.78	5.77
(iii) Bureaucracy costs				8.47	7.15	6.18	3.12	3.12
(iv) Starting a business				8.52	8.03	8.71	9.68	9.68
(v) Extra payments/bribes				9.57	6.91	7.51	7.43	7.38
(vi) Licensing restrictions						8.95	8.95	8.95
(vii) Cost of tax compliance						9.09	9.09	9.09



## Ethiopia

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>								
<b>Area 1. Size of Government</b>								
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>								
<b>Area 3. Access to Sound Money</b>								
<b>Area 4. Freedom to Trade Internationally</b>								
<b>Area 5. Regulation of Credit, Labor and Business</b>								
<b>Unadjusted</b>								
<b>Summary Rating (Rank) &gt;</b>						5.38 (131)	5.62 (129)	5.19 (130)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>						5.51	5.78	5.86
A. Government consumption						7.37 14.95	8.46 11.24	8.79 10.11
B. Transfers and subsidies						7.65 9.11	7.65 9.11	7.65 9.11
C. Government enterprises and investment						0.00 64.00	0.00 71.56	0.00 70.40
D. Top marginal tax rate						7.00	7.00	7.00
(i) Top marginal income tax rate						7.00 35	7.00 35	7.00 35
(ii) Top marginal income and payroll tax rates								
<b>2. Legal Structure and Security of Property Rights</b>						4.47	4.95	5.01
A. Judicial independence						1.97	3.59	3.30
B. Impartial courts						2.68	3.94	3.81
C. Protection of property rights						4.34	5.45	5.45
D. Military interference						1.67	1.67	1.67
E. Integrity of the legal system						8.33	7.50	7.50
F. Legal enforcement of contracts						4.34	4.34	4.87
G. Regulatory restrictions of sale of real property						7.97	8.17	8.50
<b>3. Access to Sound Money</b>						5.67	5.75	3.87
A. Money growth						8.20 8.99	8.27 8.66	8.15 9.24
B. Standard deviation of inflation						6.79 8.03	8.16 4.59	6.21 9.47
C. Inflation: most recent year						7.68 11.61	6.55 17.24	1.12 44.39
D. Freedom to own foreign currency						0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>						5.14	5.47	5.22
A. Taxes on international trade						4.54	4.52	4.49
(i) Revenues for trade taxes (% trade sector)						1.56 12.66	1.56 12.66	1.56 12.66
(ii) Mean tariff rate						6.64 16.80	6.64 16.80	6.54 17.30
(iii) Standard deviation of tariff rates						5.43 11.42	5.36 11.59	5.36 11.59
B. Regulatory trade barriers						4.54	4.20	4.01
(i) Non-tariff trade barriers						5.39	4.71	4.78
(ii) Compliance cost of importing and exporting						3.69	3.69	3.25
C. Size of trade sector						5.10	5.24	4.84
D. Black-market exchange rates						8.00	10.00	10.00
E. International capital market controls						3.52	3.39	2.77
(i) Foreign ownership/investment restrictions						5.50	5.23	4.00
(ii) Capital controls						1.54	1.54	1.54
<b>5. Regulation of Credit, Labor and Business</b>						6.10	6.15	5.97
A. Credit market regulations						5.76	5.10	4.43
(i) Ownership of banks						2.00	2.00	2.00
(ii) Foreign bank competition								
(iii) Private sector credit						6.29	6.29	6.29
(iv) Interest rate controls/negative real int. rates						9.00	7.00	5.00
B. Labor market regulations						7.16	7.11	7.12
(i) Hiring regulations and minimum wage						6.70	6.70	6.70
(ii) Hiring and firing regulations						4.56	4.87	4.99
(iii) Centralized collective bargaining						7.43	6.82	6.77
(iv) Hours regulations						8.00	8.00	8.00
(v) Mandated cost of worker dismissal						6.29	6.29	6.29
(vi) Conscription						10.00	10.00	10.00
C. Business regulations						5.37	6.24	6.36
(i) Price controls								
(ii) Bureaucracy costs						3.33	4.69	4.64
(iii) Bureaucracy costs						3.66	6.42	6.12
(iv) Starting a business						5.67	6.90	7.90
(v) Extra payments/bribes						5.18	4.26	3.93
(vi) Licensing restrictions						6.60	7.40	7.82
(vii) Cost of tax compliance						7.78	7.78	7.78



## Fiji

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	5.70 (43)	6.03 (37)	5.90 (47)	6.09 (61)	6.23 (74)	6.48 (76)	6.56 (75)	6.56 (78)
<b>Area 1. Size of Government</b>	4.75 (63)	5.22 (52)	4.69 (85)	5.92 (66)	6.56 (50)	6.05 (78)	6.99 (46)	6.98 (42)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>				5.12 (78)	5.46 (67)	6.34 (49)	6.17 (52)	5.99 (57)
<b>Area 3. Access to Sound Money</b>	6.02 (66)	6.67 (53)	6.53 (63)	6.94 (57)	6.90 (83)	6.56 (100)	6.23 (112)	6.42 (101)
<b>Area 4. Freedom to Trade Internationally</b>	6.49 (34)	6.38 (34)	6.50 (39)	6.53 (67)	6.14 (88)	5.39 (107)	5.24 (109)	5.24 (108)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.56 (41)	5.86 (40)	5.90 (45)	5.95 (51)	6.06 (62)	7.93 (16)	8.03 (14)	8.02 (13)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	5.72 (44)	6.04 (34)	5.89 (45)	6.08 (64)	6.23 (73)	6.61 (76)	6.70 (80)	6.69 (79)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.75	5.22	4.69	5.92	6.56	6.05	6.99	6.98
A. Government consumption	5.56 21.09	4.96 23.12	5.90 19.93	5.48 21.38	5.88 20.00	4.63 24.27	4.28 25.44	4.25 25.54
B. Transfers and subsidies	9.46 2.50	8.91 4.50	9.86 1.00	9.18 3.50	9.35 2.90	8.59 5.68	8.69 5.32	8.69 5.32
C. Government enterprises and investment	2.00 46.20	4.00 32.90	0.00 55.40	2.00 40.40	4.00 33.30	4.00 34.80	8.00 15.60	8.00 18.85
D. Top marginal tax rate	2.00	3.00	3.00	7.00	7.00	7.00	7.00	7.00
(i) Top marginal income tax rate	2.00 53	3.00 50	3.00 50	7.00 35	7.00 34	7.00 31	7.00 31	7.00 31
(ii) Top marginal income and payroll tax rates			3.00 50	7.00 35	7.00 34	7.00 31	7.00 31	7.00 31
<b>2. Legal Structure and Security of Property Rights</b>				5.12	5.46	6.34	6.17	5.99
A. Judicial independence								
B. Impartial courts				4.68	4.63	5.10	4.90	4.60
C. Protection of property rights								
D. Military interference				6.34	7.34	7.10	6.60	6.20
E. Integrity of the legal system								
F. Legal enforcement of contracts						5.11	5.11	5.11
G. Regulatory restrictions of sale of real property						8.06	8.06	8.06
<b>3. Access to Sound Money</b>	6.02	6.67	6.53	6.94	6.90	6.56	6.23	6.42
A. Money growth	9.82 -0.89	9.73 1.34	8.40 8.00	9.02 4.92	9.41 2.93	7.62 11.91	6.93 15.34	8.19 9.05
B. Standard deviation of inflation	7.72 5.71	8.44 3.89	9.16 2.10	9.06 2.36	8.42 3.95	9.11 2.22	8.94 2.64	9.02 2.45
C. Inflation: most recent year	6.54 17.31	8.50 7.49	8.58 7.10	9.68 1.59	9.78 1.09	9.53 2.37	9.04 4.80	8.45 7.73
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>	6.44	6.33	6.45	6.48	6.14	5.48	5.32	5.33
A. Taxes on international trade	6.13	4.73	5.73	6.60	7.27	5.23	5.27	5.13
(i) Revenues for trade taxes (% trade sector)	6.13 5.80	4.73 7.90	5.73 6.40	6.60 5.10	7.03 4.46	7.73 3.40	7.73 3.40	7.73 3.40
(ii) Mean tariff rate					7.52 12.40	7.96 10.20	8.08 9.60	7.66 11.70
(iii) Standard deviation of tariff rates						0.00 43.04	0.00 37.63	0.00 40.37
B. Regulatory trade barriers						6.65	6.65	6.65
(i) Non-tariff trade barriers								
(ii) Compliance cost of importing and exporting						6.65	6.65	6.65
C. Size of trade sector	6.47	5.31	7.12	5.82	5.86	5.50	4.70	4.84
D. Black-market exchange rates	6.40	8.40	9.20	9.80	9.40	10.00	10.00	10.00
E. International capital market controls	5.00	5.00	2.00	2.00	0.00	0.00	0.00	0.00
(i) Foreign ownership/investment restrictions								
(ii) Capital controls	5.00	5.00	2.00	2.00	0.00	0.00	0.00	0.00
<b>5. Regulation of Credit, Labor and Business</b>	5.65	5.96	5.90	5.95	6.06	8.64	8.76	8.76
A. Credit market regulations	5.09	5.91	6.00	6.19	6.56	9.19	9.75	9.75
(i) Ownership of banks	2.00	2.00	2.00	2.00	2.00	10.00	10.00	10.00
(ii) Foreign bank competition						10.00	10.00	10.00
(iii) Private sector credit	7.27	7.73	10.00	8.56	7.67	6.77	10.00	10.00
(iv) Interest rate controls/negative real int. rates	6.00	8.00	6.00	8.00	10.00	10.00	9.00	9.00
B. Labor market regulations						9.40	9.22	9.22
(i) Hiring regulations and minimum wage						7.80	8.90	8.90
(ii) Hiring and firing regulations								
(iii) Centralized collective bargaining								
(iv) Hours regulations						10.00	10.00	10.00
(v) Mandated cost of worker dismissal						9.81	7.96	7.96
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						7.32	7.33	7.30
(i) Price controls			6.00	6.00	6.00	4.00	4.00	4.00
(ii) Bureaucracy costs								
(iii) Bureaucracy costs								
(iv) Starting a business						8.26	8.26	8.26
(v) Extra payments/bribes								
(vi) Licensing restrictions						8.58	8.62	8.63
(vii) Cost of tax compliance						8.43	8.43	8.32



## Finland

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ►	6.95 (14)	7.15 (12)	7.40 (16)	7.32 (21)	7.51 (16)	7.73 (12)	7.65 (15)	7.54 (18)
<b>Area 1. Size of Government</b>	4.67 (68)	4.41 (75)	4.15 (93)	2.69 (117)	3.00 (119)	4.97 (101)	5.10 (103)	5.03 (106)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	8.09 (20)	9.34 (6)	9.89 (1)	9.28 (1)	9.49 (4)	8.95 (4)	9.05 (1)	8.66 (5)
<b>Area 3. Access to Sound Money</b>	7.78 (22)	7.94 (29)	9.27 (17)	9.55 (18)	9.55 (15)	9.58 (14)	9.51 (17)	9.47 (19)
<b>Area 4. Freedom to Trade Internationally</b>	6.89 (25)	6.80 (29)	6.41 (42)	8.21 (12)	8.33 (14)	7.47 (28)	7.45 (38)	7.37 (36)
<b>Area 5. Regulation of Credit, Labor and Business</b>	7.29 (7)	7.40 (7)	7.37 (8)	6.88 (16)	7.17 (17)	7.66 (23)	7.16 (30)	7.15 (34)
<b>Unadjusted</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ►	6.35 (20)	6.54 (20)	6.73 (25)	7.33 (20)	7.51 (16)	7.75 (13)	7.67 (15)	7.55 (19)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.67	4.41	4.15	2.69	3.00	4.97	5.10	5.03
A. Government consumption	4.43 24.93	3.82 27.02	3.33 28.69	3.34 28.66	3.08 29.54	2.94 30.00	3.07 29.55	2.92 30.07
B. Transfers and subsidies	6.24 14.30	5.83 15.80	5.78 16.00	3.92 22.80	4.93 19.11	4.44 20.92	4.81 19.53	4.70 19.96
C. Government enterprises and investment	7.00 23.30	7.00 24.20	6.00 29.30	2.00 42.20	2.00 42.20	10.00 12.53	10.00 11.44	10.00 11.61
D. Top marginal tax rate	1.00	1.00	1.50	1.50	2.00	2.50	2.50	2.50
(i) Top marginal income tax rate	1.00 65-71	1.00 64-70	2.00 57-63	2.00 54-59	3.00 51-57	3.00 50-56	3.00 48-55	3.00 48-55
(ii) Top marginal income and payroll tax rates			1.00 61-69	1.00 60-66	1.00 53.5-60.5	2.00 54-60	2.00 52-59	2.00 52-59
<b>2. Legal Structure and Security of Property Rights</b>	6.83	7.88	8.35	9.28	9.49	8.95	9.05	8.66
A. Judicial independence				9.82	9.69	8.59	9.38	9.13
B. Impartial courts				9.35	8.85	8.57	8.34	7.03
C. Protection of property rights				7.23	8.92	9.03	9.18	9.09
D. Military interference				10.00	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	10.00	10.00	10.00	10.00
F. Legal enforcement of contracts						8.06	8.06	7.01
G. Regulatory restrictions of sale of real property						8.42	8.42	8.39
<b>3. Access to Sound Money</b>	7.78	7.94	9.27	9.55	9.55	9.58	9.51	9.47
A. Money growth	8.82 5.92	8.58 7.12	8.62 6.91	8.98 5.08	9.48 2.58	9.01 4.96	8.97 5.13	9.11 4.43
B. Standard deviation of inflation	9.27 1.82	9.26 1.86	9.63 0.92	9.71 0.72	9.38 1.54	9.48 1.31	9.56 1.11	9.56 1.09
C. Inflation: most recent year	8.05 9.75	8.93 5.33	8.84 5.82	9.52 2.42	9.33 3.37	9.83 0.86	9.50 2.51	9.19 4.06
D. Freedom to own foreign currency	5.00	5.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	6.79	6.70	6.12	8.20	8.33	7.47	7.45	7.37
A. Taxes on international trade	8.69	9.17	8.01	8.72	9.18	8.48	8.27	8.16
(i) Revenues for trade taxes (% trade sector)	9.47 0.80	9.73 0.40	9.60 0.60	9.87 0.20	9.78 0.33	9.84 0.24	9.84 0.24	10.00 0.00
(ii) Mean tariff rate	7.92 10.40	8.60 7.00	8.46 7.70	8.66 6.70	9.52 2.40	9.46 2.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates			5.96 10.10	7.64 5.90	8.24 4.40	6.13 9.67	6.01 9.98	5.61 10.98
B. Regulatory trade barriers				9.30	9.76	8.86	8.68	8.56
(i) Non-tariff trade barriers				9.30	9.69	8.72	8.37	8.13
(ii) Compliance cost of importing and exporting					9.83	8.99	8.99	8.99
C. Size of trade sector	5.27	4.16	2.38	4.28	4.66	4.00	4.57	4.44
D. Black-market exchange rates	9.80	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	8.68	8.08	6.04	5.72	5.70
(i) Foreign ownership/investment restrictions				9.36	10.00	8.23	8.37	8.32
(ii) Capital controls	2.00	2.00	2.00	8.00	6.15	3.85	3.08	3.08
<b>5. Regulation of Credit, Labor and Business</b>	5.69	5.77	5.75	6.94	7.17	7.77	7.24	7.23
A. Credit market regulations	8.63	9.30	9.32	8.43	9.41	9.75	9.75	9.75
(i) Ownership of banks	8.00	8.00	8.00	8.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				8.87	8.13	9.00	9.00	9.00
(iii) Private sector credit	9.89	9.91	9.97	6.54	10.00	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates	8.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	4.14	3.79	3.71	3.49	3.33	4.84	5.08	5.06
(i) Hiring regulations and minimum wage				4.12	4.72	5.60	5.60	5.60
(ii) Hiring and firing regulations			3.86	3.86	3.23	3.79	4.20	4.49
(iii) Centralized collective bargaining	4.49	4.49	4.49	4.49	2.87	3.07	4.12	3.71
(iv) Hours regulations	4.93	3.87	3.52	2.02	2.84	6.00	6.00	6.00
(v) Mandated cost of worker dismissal						7.59	7.59	7.59
(vi) Conscription	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
C. Business regulations				8.89	8.77	8.71	6.89	6.88
(i) Price controls			6.00	9.00	9.00	9.00	5.00	5.00
(ii) Bureaucracy costs					7.97	6.42	5.64	5.45
(iii) Bureaucracy costs				8.47	8.48	9.94	1.79	1.78
(iv) Starting a business				8.52	8.80	9.45	9.52	9.52
(v) Extra payments/bribes				9.57	9.59	9.41	9.48	9.34
(vi) Licensing restrictions						9.76	9.79	9.78
(vii) Cost of tax compliance						6.98	6.98	7.28



## France

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	6.22 (24)	6.13 (36)	7.07 (23)	6.80 (34)	7.06 (37)	6.97 (53)	7.19 (46)	7.20 (37)
<b>Area 1. Size of Government</b>	4.22 (76)	3.13 (100)	3.53 (101)	3.22 (111)	2.56 (123)	4.11 (116)	4.98 (105)	5.43 (94)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	7.82 (22)	8.30 (18)	8.86 (20)	7.49 (25)	8.09 (21)	7.20 (26)	7.60 (24)	7.31 (26)
<b>Area 3. Access to Sound Money</b>	6.40 (44)	6.69 (50)	9.69 (5)	9.83 (1)	9.59 (11)	9.58 (13)	9.58 (9)	9.54 (7)
<b>Area 4. Freedom to Trade Internationally</b>	6.83 (27)	6.84 (27)	7.46 (19)	7.44 (32)	8.13 (22)	7.39 (32)	7.39 (39)	7.30 (37)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.97 (32)	5.92 (38)	5.94 (42)	5.99 (49)	6.91 (21)	6.59 (58)	6.39 (71)	6.45 (65)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	5.96 (30)	5.88 (39)	6.76 (23)	6.78 (37)	7.06 (37)	7.09 (47)	7.30 (41)	7.32 (35)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.22	3.13	3.53	3.22	2.56	4.11	4.98	5.43
A. Government consumption	4.84 23.55	4.68 24.07	4.85 23.52	2.85 30.29	1.86 33.69	3.13 29.36	3.23 29.01	3.28 28.84
B. Transfers and subsidies	3.02 26.10	2.83 26.80	3.27 25.20	2.53 27.90	3.40 24.71	3.33 24.98	3.19 25.49	3.42 24.65
C. Government enterprises and investment	6.00 27.40	4.00 33.20	4.00 35.00	4.00 30.00	4.00 30.00	8.00 16.54	8.00 15.30	10.00 14.94
D. Top marginal tax rate	3.00	1.00	2.00	3.50	1.00	2.00	5.50	5.00
(i) Top marginal income tax rate	3.00 60	1.00 65	3.00 53	4.00 51	2.00 54	3.00 52	7.00 40	6.00 43
(ii) Top marginal income and payroll tax rates			1.00 61	3.00 60	0.00 62-65	1.00 62-64	4.00 52-54	4.00 54-56
<b>2. Legal Structure and Security of Property Rights</b>	6.83	7.25	7.73	7.49	8.09	7.20	7.60	7.31
A. Judicial independence				6.62	6.35	6.77	7.10	6.26
B. Impartial courts				5.55	8.02	6.78	7.43	6.33
C. Protection of property rights				7.28	9.40	8.47	8.46	8.01
D. Military interference				8.03	8.33	8.82	9.17	9.17
E. Integrity of the legal system				10.00	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts						6.91	6.91	6.91
G. Regulatory restrictions of sale of real property						4.34	5.79	6.14
<b>3. Access to Sound Money</b>	6.40	6.69	9.69	9.83	9.59	9.58	9.58	9.54
A. Money growth	8.19 9.06	8.83 5.85	9.72 1.38	9.89 0.57	8.84 5.82	8.79 6.03	8.77 6.13	8.91 5.46
B. Standard deviation of inflation	9.69 0.77	9.08 2.29	9.64 0.89	9.74 0.65	9.85 0.38	9.88 0.30	9.85 0.37	9.83 0.42
C. Inflation: most recent year	7.72 11.38	8.85 5.76	9.38 3.09	9.69 1.57	9.66 1.69	9.64 1.81	9.70 1.49	9.44 2.81
D. Freedom to own foreign currency	0.00	0.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	6.64	6.66	7.12	7.37	8.13	7.39	7.39	7.30
A. Taxes on international trade	8.95	9.12	8.46	8.70	9.18	8.48	8.27	8.16
(i) Revenues for trade taxes (% trade sector)	9.67 0.50	9.73 0.40	9.73 0.40	9.80 0.30	9.78 0.33	9.84 0.24	9.84 0.24	9.99 0.02
(ii) Mean tariff rate	8.24 8.80	8.50 7.50	8.52 7.40	8.66 6.70	9.52 2.40	9.46 2.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates			7.12 7.20	7.64 5.90	8.24 4.40	6.13 9.67	6.00 10.00	5.61 10.98
B. Regulatory trade barriers				7.70	8.79	7.95	8.04	7.93
(i) Non-tariff trade barriers				7.70	8.42	7.40	7.36	7.13
(ii) Compliance cost of importing and exporting					9.17	8.49	8.72	8.72
C. Size of trade sector	4.68	4.78	3.98	3.66	4.66	3.91	3.92	3.83
D. Black-market exchange rates	9.40	9.20	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	5.00	6.81	8.01	6.60	6.74	6.57
(i) Foreign ownership/investment restrictions				8.62	9.09	7.05	7.33	6.99
(ii) Capital controls	2.00	2.00	5.00	5.00	6.92	6.15	6.15	6.15
<b>5. Regulation of Credit, Labor and Business</b>	5.70	5.65	5.71	5.96	6.91	7.16	6.96	7.01
A. Credit market regulations	8.91	8.82	9.01	8.40	8.42	9.13	9.22	9.22
(i) Ownership of banks	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				6.82	6.67	8.00	8.00	8.00
(iii) Private sector credit	8.73	8.46	9.03	8.37	9.23	8.53	8.86	8.86
(iv) Interest rate controls/negative real int. rates	8.00	8.00	8.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	3.93	3.81	3.83	3.35	4.98	5.51	5.43	5.62
(i) Hiring regulations and minimum wage				2.55	4.55	3.30	3.30	3.30
(ii) Hiring and firing regulations			4.16	4.16	1.67	2.35	2.52	3.03
(iii) Centralized collective bargaining	4.49	4.49	4.49	4.49	5.53	6.41	5.75	6.33
(iv) Hours regulations	4.31	3.96	3.69	2.58	3.17	4.00	4.00	4.00
(v) Mandated cost of worker dismissal						7.03	7.03	7.03
(vi) Conscription	3.00	3.00	3.00	3.00	10.00	10.00	10.00	10.00
C. Business regulations				6.12	7.34	6.83	6.24	6.19
(i) Price controls			6.00	8.00	8.00	4.00	5.00	5.00
(ii) Bureaucracy costs					7.73	2.75	2.12	2.22
(iii) Bureaucracy costs				6.30	8.08	5.87	1.79	1.81
(iv) Starting a business				3.43	5.15	9.76	9.77	9.77
(v) Extra payments/bribes				6.76	7.71	8.29	7.84	7.34
(vi) Licensing restrictions						8.64	8.64	8.64
(vii) Cost of tax compliance						8.52	8.52	8.52



## Gabon

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	4.55 (81)	5.09 (69)	5.33 (69)	5.26 (92)	5.75 (96)	5.49 (109)	5.60 (109)	5.64 (105)
<b>Area 1. Size of Government</b>	5.47 (40)	4.63 (66)	6.08 (43)	5.54 (79)	7.61 (19)	5.77 (86)	6.19 (75)	6.18 (73)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	3.94 (56)	4.46 (67)	4.96 (60)	5.09 (79)	4.29 (95)	4.35 (95)	4.31 (99)	4.31 (100)
<b>Area 3. Access to Sound Money</b>	4.09 (101)	6.20 (79)	5.43 (88)	5.44 (83)	5.81 (108)	5.85 (113)	5.96 (115)	6.08 (112)
<b>Area 4. Freedom to Trade Internationally</b>					5.61 (107)	5.22 (110)	5.32 (107)	5.28 (107)
<b>Area 5. Regulation of Credit, Labor and Business</b>	4.53 (76)	4.83 (71)	5.12 (67)	5.11 (79)	5.45 (92)	6.25 (71)	6.23 (80)	6.32 (77)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	4.75 (78)	5.66 (50)	5.48 (61)	5.41 (82)	5.75 (96)	5.68 (121)	5.80 (124)	5.83 (119)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.94	5.93	6.08	5.54	7.61	5.77	6.19	6.18
A. Government consumption	1.88 33.60	0.38 38.72	5.52 21.23	4.33 25.26	7.65 14.00	4.28 25.45	5.96 19.72	5.90 19.94
B. Transfers and subsidies		9.40 2.70	9.81 1.20	9.81 1.20	9.81 1.20	9.81 1.20	9.81 1.20	9.81 1.20
C. Government enterprises and investment	8.00 19.90	8.00 17.30	8.00 18.00	7.00 24.20	10.00 13.30	8.00 19.90	8.00 17.00	8.00 18.81
D. Top marginal tax rate			1.00	1.00	3.00	1.00	1.00	1.00
(i) Top marginal income tax rate			1.00 60	1.00 60	3.00 50	1.00 56	1.00 56	1.00 56
(ii) Top marginal income and payroll tax rates						1.00 56	1.00 56	1.00 56
<b>2. Legal Structure and Security of Property Rights</b>	3.94	4.46	4.96	5.09	4.29	4.35	4.31	4.31
A. Judicial independence								
B. Impartial courts				4.63	4.78	4.70	4.50	4.50
C. Protection of property rights								
D. Military interference				4.82	3.33	3.33	3.33	3.33
E. Integrity of the legal system				6.96	5.00	5.00	5.00	5.00
F. Legal enforcement of contracts						2.92	2.92	2.92
G. Regulatory restrictions of sale of real property						5.81	5.81	5.81
<b>3. Access to Sound Money</b>	4.09	6.20	5.43	5.44	5.81	5.85	5.96	6.08
A. Money growth	8.28 -8.59	7.68 11.59	9.61 1.96	9.97 0.13	9.75 1.27	6.92 15.39	7.31 13.44	7.49 12.56
B. Standard deviation of inflation	5.43 11.42	7.39 6.53	5.17 12.08	1.88 20.31	3.60 16.00	6.47 8.83	7.52 6.21	7.89 5.28
C. Inflation: most recent year	2.64 36.78	9.74 -1.28	6.93 15.36	9.89 -0.54	9.90 0.50	10.00 -0.01	8.99 5.03	8.95 5.26
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>	5.62	6.23	5.83	5.87	5.61	5.62	5.72	5.68
A. Taxes on international trade	3.24	4.91	6.80	5.80	6.00	6.17	6.31	6.30
(i) Revenues for trade taxes (% trade sector)	5.13 7.30	5.73 6.40	6.80 4.80	5.80 6.30				
(ii) Mean tariff rate	1.34 43.30	4.08 29.60			5.92 20.40	6.02 19.90	6.42 17.90	6.44 17.80
(iii) Standard deviation of tariff rates					6.08 9.80	6.33 9.18	6.21 9.49	6.16 9.61
B. Regulatory trade barriers						7.20	7.11	7.11
(i) Non-tariff trade barriers								
(ii) Compliance cost of importing and exporting						7.20	7.11	7.11
C. Size of trade sector	7.06	8.24	4.95	5.53	3.83	4.71	5.16	5.01
D. Black-market exchange rates	9.60	9.80	9.20	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(i) Foreign ownership/investment restrictions								
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>5. Regulation of Credit, Labor and Business</b>	5.16	5.49	5.12	5.11	5.45	6.82	6.80	6.90
A. Credit market regulations	3.00	4.00	5.43	4.73	5.85	7.35	7.28	7.56
(i) Ownership of banks	0.00	0.00	2.00	5.00	5.00	5.00	5.00	5.00
(ii) Foreign bank competition								
(iii) Private sector credit			6.30	5.20	7.56	8.06	7.84	8.67
(iv) Interest rate controls/negative real int. rates	6.00	8.00	8.00	4.00	5.00	9.00	9.00	9.00
B. Labor market regulations						7.08	7.08	7.08
(i) Hiring regulations and minimum wage						8.30	8.30	8.30
(ii) Hiring and firing regulations								
(iii) Centralized collective bargaining								
(iv) Hours regulations						4.00	4.00	4.00
(v) Mandated cost of worker dismissal						6.01	6.01	6.01
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						6.04	6.05	6.06
(i) Price controls			0.00	2.00	2.00	2.00	2.00	2.00
(ii) Bureaucracy costs								
(iii) Bureaucracy costs								
(iv) Starting a business						7.77	7.83	7.87
(v) Extra payments/bribes								
(vi) Licensing restrictions						7.44	7.42	7.43
(vii) Cost of tax compliance						6.95	6.95	6.95



# Georgia

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>								
<b>Area 1. Size of Government</b>								
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>								
<b>Area 3. Access to Sound Money</b>								
<b>Area 4. Freedom to Trade Internationally</b>								
<b>Area 5. Regulation of Credit, Labor and Business</b>								
<b>Unadjusted</b>								
<b>Summary Rating (Rank) &gt;</b>						6.85 (70)	7.24 (45)	7.47 (23)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>						5.69	7.00	7.68
A. Government consumption					9.40 8.03	5.72 20.56	4.81 23.63	7.53 14.40
B. Transfers and subsidies						8.05 7.67	8.18 7.17	8.18 7.17
C. Government enterprises and investment						0.00	6.00	6.00
D. Top marginal tax rate						9.00	9.00	9.00
(i) Top marginal income tax rate						10.00 12	10.00 12	9.00 25
(ii) Top marginal income and payroll tax rates						8.00 27	8.00 27	9.00 25
<b>2. Legal Structure and Security of Property Rights</b>						4.81	5.26	5.07
A. Judicial independence						1.88	2.99	2.79
B. Impartial courts						2.38	3.29	3.42
C. Protection of property rights						4.23	4.36	4.08
D. Military interference						4.20	4.50	3.70
E. Integrity of the legal system								
F. Legal enforcement of contracts						6.50	6.50	6.50
G. Regulatory restrictions of sale of real property						9.67	9.94	9.94
<b>3. Access to Sound Money</b>						8.64	8.27	9.08
A. Money growth					6.24 18.80	7.01 14.97	5.90 20.52	8.66 6.68
B. Standard deviation of inflation						9.19 2.02	9.03 2.41	9.64 0.90
C. Inflation: most recent year						8.35 8.23	8.15 9.25	8.00 10.00
D. Freedom to own foreign currency						10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>						7.34	7.74	7.73
A. Taxes on international trade						8.51	8.71	8.88
(i) Revenues for trade taxes (% trade sector)					9.23 1.16	9.17 1.25	9.77 0.34	9.79 0.31
(ii) Mean tariff rate						8.60 7.00	9.72 1.40	9.72 1.40
(iii) Standard deviation of tariff rates						7.76 5.60	6.65 8.37	7.12 7.20
B. Regulatory trade barriers						6.75	7.81	7.96
(i) Non-tariff trade barriers						5.22	7.34	7.41
(ii) Compliance cost of importing and exporting						8.28	8.28	8.51
C. Size of trade sector						4.35	4.28	4.01
D. Black-market exchange rates						10.00	10.00	10.00
E. International capital market controls						7.07	7.90	7.82
(i) Foreign ownership/investment restrictions						5.81	7.33	7.17
(ii) Capital controls						8.33	8.46	8.46
<b>5. Regulation of Credit, Labor and Business</b>						7.76	7.94	7.81
A. Credit market regulations						9.25	9.25	8.67
(i) Ownership of banks						10.00	10.00	10.00
(ii) Foreign bank competition						8.00	8.00	8.00
(iii) Private sector credit					9.11	10.00	10.00	7.68
(iv) Interest rate controls/negative real int. rates					10.00	9.00	9.00	9.00
B. Labor market regulations						7.62	7.31	7.31
(i) Hiring regulations and minimum wage						10.00	10.00	10.00
(ii) Hiring and firing regulations						6.78	7.29	7.39
(iii) Centralized collective bargaining						8.31	7.94	7.84
(iv) Hours regulations						8.00	8.00	8.00
(v) Mandated cost of worker dismissal						9.63	9.63	9.63
(vi) Conscription						3.00	1.00	1.00
C. Business regulations						6.40	7.27	7.46
(i) Price controls						8.00	8.00	8.00
(ii) Bureaucracy costs						4.74	6.03	6.39
(iii) Bureaucracy costs						3.22	6.08	6.83
(iv) Starting a business						9.36	9.86	9.87
(v) Extra payments/bribes						5.00	6.24	6.21
(vi) Licensing restrictions						8.79	9.04	9.28
(vii) Cost of tax compliance						5.66	5.66	5.66



## Germany

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	7.37 (9)	7.40 (9)	7.80 (10)	7.52 (13)	7.52 (15)	7.64 (18)	7.54 (18)	7.47 (23)
<b>Area 1. Size of Government</b>	4.34 (74)	4.26 (79)	5.15 (70)	4.36 (99)	3.96 (109)	5.74 (87)	5.65 (93)	5.64 (86)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	9.10 (10)	8.85 (14)	9.87 (5)	9.13 (5)	9.14 (10)	8.65 (7)	8.46 (13)	8.17 (14)
<b>Area 3. Access to Sound Money</b>	9.43 (3)	9.47 (6)	9.67 (8)	9.76 (4)	9.55 (16)	9.53 (20)	9.50 (19)	9.51 (13)
<b>Area 4. Freedom to Trade Internationally</b>	7.87 (10)	8.26 (7)	8.18 (9)	8.30 (9)	8.68 (8)	7.79 (18)	7.77 (24)	7.70 (21)
<b>Area 5. Regulation of Credit, Labor and Business</b>	6.17 (27)	6.17 (29)	6.19 (35)	6.03 (46)	6.28 (50)	6.51 (62)	6.32 (76)	6.34 (72)
<b>Unadjusted</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	6.93 (11)	6.96 (13)	7.32 (11)	7.49 (13)	7.52 (15)	7.63 (17)	7.53 (27)	7.46 (24)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.34	4.26	5.15	4.36	3.96	5.74	5.65	5.64
A. Government consumption	4.03 26.30	4.09 26.10	4.35 25.20	4.19 25.75	4.55 24.52	4.67 24.11	4.69 24.07	4.61 24.33
B. Transfers and subsidies	5.34 17.60	4.96 19.00	5.26 17.90	4.25 21.60	2.29 28.81	2.29 28.78	2.90 26.56	2.95 26.39
C. Government enterprises and investment	6.00 25.70	7.00 24.40	7.00 24.00	6.00 25.50	6.00 25.50	10.00 7.75	10.00 7.53	10.00 7.88
D. Top marginal tax rate	2.00	1.00	4.00	3.00	3.00	6.00	5.00	5.00
(i) Top marginal income tax rate	2.00 65	1.00 65	4.00 53	3.00 57	3.00 56	6.00 44	5.00 47	5.00 47
(ii) Top marginal income and payroll tax rates			4.00 53	3.00 57	3.00 56	6.00 44	5.00 47	5.00 47
<b>2. Legal Structure and Security of Property Rights</b>	7.70	7.48	8.35	9.13	9.14	8.65	8.46	8.17
A. Judicial independence				9.27	9.35	9.18	9.23	9.01
B. Impartial courts				8.60	9.19	8.95	8.36	6.91
C. Protection of property rights				7.99	8.84	9.61	9.18	8.78
D. Military interference				9.81	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts						6.62	6.62	6.62
G. Regulatory restrictions of sale of real property						7.86	7.53	7.53
<b>3. Access to Sound Money</b>	9.43	9.47	9.67	9.76	9.55	9.53	9.50	9.51
A. Money growth	9.18 4.10	8.80 6.01	9.68 1.60	9.90 0.48	8.77 6.13	8.64 6.81	8.68 6.62	8.85 5.77
B. Standard deviation of inflation	9.64 0.89	9.52 1.20	9.52 1.20	9.54 1.16	9.71 0.72	9.88 0.31	9.76 0.59	9.74 0.65
C. Inflation: most recent year	8.90 5.50	9.56 2.18	9.46 2.70	9.58 2.10	9.71 1.47	9.61 1.95	9.58 2.11	9.47 2.63
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	7.96	8.35	8.15	8.21	8.68	7.79	7.77	7.70
A. Taxes on international trade	8.95	9.08	8.44	8.66	9.18	8.48	8.27	8.16
(i) Revenues for trade taxes (% trade sector)	9.67 0.50	9.67 0.50	9.67 0.50	9.67 0.50	9.78 0.33	9.84 0.24	9.84 0.24	10.00 0.00
(ii) Mean tariff rate	8.24 8.80	8.50 7.50	8.52 7.40	8.66 6.70	9.52 2.40	9.46 2.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates			7.12 7.20	7.64 5.90	8.24 4.40	6.13 9.67	6.01 9.98	5.61 10.98
B. Regulatory trade barriers				8.28	8.89	8.39	8.20	7.99
(i) Non-tariff trade barriers				8.28	8.45	7.65	7.27	6.84
(ii) Compliance cost of importing and exporting					9.33	9.14	9.14	9.14
C. Size of trade sector	4.70	4.54	4.17	4.52	5.86	6.05	6.65	6.64
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	8.00	10.00	10.00	9.61	9.48	6.03	5.74	5.70
(i) Foreign ownership/investment restrictions				9.23	9.72	8.22	7.64	7.55
(ii) Capital controls	8.00	10.00	10.00	10.00	9.23	3.85	3.85	3.85
<b>5. Regulation of Credit, Labor and Business</b>	5.22	5.22	5.27	6.00	6.28	6.42	6.24	6.25
A. Credit market regulations	7.61	7.58	7.65	7.42	8.15	7.99	8.22	8.22
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
(ii) Foreign bank competition				7.77	7.17	8.00	8.00	8.00
(iii) Private sector credit	7.83	7.74	7.94	5.93	10.00	8.96	9.86	9.86
(iv) Interest rate controls/negative real int. rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	3.29	3.32	3.48	3.56	2.85	3.94	3.89	3.94
(i) Hiring regulations and minimum wage				3.38	4.63	6.70	6.70	6.70
(ii) Hiring and firing regulations			3.94	3.94	1.82	2.42	2.11	2.48
(iii) Centralized collective bargaining	4.49	4.49	4.49	4.49	2.32	3.20	3.24	3.13
(iv) Hours regulations	4.40	4.49	4.49	2.97	2.51	4.70	4.70	4.70
(v) Mandated cost of worker dismissal						3.60	3.60	3.60
(vi) Conscription	1.00	1.00	1.00	3.00	3.00	3.00	3.00	3.00
C. Business regulations				7.03	7.83	7.33	6.61	6.61
(i) Price controls			9.00	9.00	8.00	7.00	7.00	7.00
(ii) Bureaucracy costs					8.18	3.43	3.43	3.38
(iii) Bureaucracy costs				6.47	8.53	5.80	1.10	1.10
(iv) Starting a business				4.97	6.40	9.03	9.23	9.37
(v) Extra payments/bribes				7.68	8.04	9.10	8.51	8.43
(vi) Licensing restrictions						9.17	9.18	9.18
(vii) Cost of tax compliance						7.80	7.80	7.80



## Ghana

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	3.27 (101)	3.41 (105)	5.04 (85)	5.43 (82)	5.86 (90)	6.73 (67)	7.16 (49)	7.17 (41)
<b>Area 1. Size of Government</b>	5.70 (34)	5.40 (43)	4.82 (80)	5.61 (78)	6.09 (66)	6.49 (65)	6.19 (76)	6.12 (76)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	2.76 (73)	2.69 (98)	5.79 (47)	5.60 (57)	4.45 (89)	5.70 (63)	6.79 (34)	6.53 (39)
<b>Area 3. Access to Sound Money</b>	1.60 (109)	2.38 (107)	4.58 (95)	4.13 (99)	5.82 (107)	7.38 (81)	8.23 (67)	8.47 (56)
<b>Area 4. Freedom to Trade Internationally</b>	2.08 (93)	2.08 (95)	5.04 (70)	5.80 (89)	7.23 (49)	6.92 (55)	7.86 (20)	7.96 (14)
<b>Area 5. Regulation of Credit, Labor and Business</b>	4.14 (88)	4.40 (83)	4.91 (77)	5.99 (48)	5.73 (75)	7.22 (35)	6.90 (46)	6.94 (46)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	3.22 (103)	3.44 (106)	4.97 (85)	5.37 (84)	5.86 (90)	6.46 (84)	6.82 (74)	6.83 (72)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.70	5.40	4.82	5.61	6.09	6.49	6.19	6.12
A. Government consumption	8.31 11.74	8.80 10.07	8.87 9.85	7.72 13.77	7.12 15.80	7.09 15.90	5.89 19.98	5.59 20.99
B. Transfers and subsidies	9.48 2.40	9.78 1.30	9.43 2.60	9.24 3.30	9.24 3.30	9.87 0.98	9.87 0.98	9.87 0.98
C. Government enterprises and investment	4.00 35.40	2.00 43.60	0.00 51.90	0.00 66.50	2.00 45.00	2.00 40.10	2.00 42.47	2.00 43.59
D. Top marginal tax rate	1.00	1.00	1.00	5.50	6.00	7.00	7.00	7.00
(i) Top marginal income tax rate	1.00 60	1.00 60	2.00 55	7.00 35	8.00 30	9.00 25	9.00 25	9.00 25
(ii) Top marginal income and payroll tax rates			0.00 62	4.00 45	4.00 41	5.00 37	5.00 37	5.00 37
<b>2. Legal Structure and Security of Property Rights</b>	2.76	2.69	5.79	5.60	4.45	4.88	5.63	5.41
A. Judicial independence							4.62	4.61
B. Impartial courts				5.54	5.42	5.20	5.56	4.25
C. Protection of property rights							5.71	5.48
D. Military interference				6.04	5.00	4.44	5.00	5.00
E. Integrity of the legal system				6.96	3.33	3.61	4.17	4.17
F. Legal enforcement of contracts						4.91	5.40	5.40
G. Regulatory restrictions of sale of real property						6.25	8.96	9.00
<b>3. Access to Sound Money</b>	1.60	2.38	4.58	4.13	5.82	7.38	8.23	8.47
A. Money growth	3.23 33.84	3.64 31.78	4.46 27.69	4.51 27.44	7.46 12.72	6.06 19.71	7.59 12.03	7.59 12.03
B. Standard deviation of inflation	3.17 17.07	0.00 38.34	8.00 4.99	5.65 10.88	5.85 10.37	6.47 8.83	7.49 6.27	9.60 1.01
C. Inflation: most recent year	0.00 51.13	5.87 20.65	5.87 20.66	1.37 43.17	4.96 25.19	6.98 15.12	7.85 10.74	6.70 16.52
D. Freedom to own foreign currency	0.00	0.00	0.00	5.00	5.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	1.66	2.06	4.99	5.80	7.23	6.21	7.48	7.58
A. Taxes on international trade	0.00	2.00	4.38	6.09	6.54	5.48	6.82	6.82
(i) Revenues for trade taxes (% trade sector)	0.00 17.30	0.00 21.70	2.27 11.60	4.60 8.10	6.93 4.60	6.86 4.71	5.93 6.10	5.93 6.10
(ii) Mean tariff rate		4.00 30.00	6.50 17.50	7.00 15.00	6.96 15.20	7.36 13.20	7.40 13.00	7.40 13.00
(iii) Standard deviation of tariff rates				6.68 8.30	5.72 10.70	2.23 19.43	7.14 7.15	7.14 7.15
B. Regulatory trade barriers						5.78	7.33	6.78
(i) Non-tariff trade barriers							7.89	6.80
(ii) Compliance cost of importing and exporting						5.78	6.76	6.76
C. Size of trade sector	0.00	0.00	3.75	5.09	9.90	7.49	7.09	8.80
D. Black-market exchange rates	0.00	0.00	8.60	9.60	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	1.54	2.31	6.18	5.50
(i) Foreign ownership/investment restrictions							7.74	6.38
(ii) Capital controls	0.00	0.00	0.00	0.00	1.54	2.31	4.62	4.62
<b>5. Regulation of Credit, Labor and Business</b>	4.40	4.67	4.67	5.69	5.73	7.34	6.54	6.57
A. Credit market regulations	1.76	2.48	3.93	6.00	4.93	8.57	7.69	7.69
(i) Ownership of banks	2.00	2.00	2.00	5.00	5.00	8.00	8.00	8.00
(ii) Foreign bank competition						7.00	7.00	7.00
(iii) Private sector credit	3.29	5.45	7.79	8.99	4.85	9.27	5.74	5.74
(iv) Interest rate controls/negative real int. rates	0.00	0.00	2.00	4.00		10.00	10.00	10.00
B. Labor market regulations						7.00	6.10	6.15
(i) Hiring regulations and minimum wage						10.00	8.90	8.90
(ii) Hiring and firing regulations							4.10	4.66
(iii) Centralized collective bargaining							5.61	5.36
(iv) Hours regulations						8.00	8.00	8.00
(v) Mandated cost of worker dismissal						0.00	0.00	0.00
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						6.45	5.83	5.88
(i) Price controls			0.00	4.00	6.00	6.00	6.00	6.00
(ii) Bureaucracy costs							3.65	3.54
(iii) Bureaucracy costs							6.20	6.20
(iv) Starting a business						6.81	8.51	8.62
(v) Extra payments/bribes							3.93	3.97
(vi) Licensing restrictions						6.41	5.01	5.34
(vii) Cost of tax compliance						6.59	7.49	7.49



## Greece

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	5.97 (32)	5.38 (54)	6.04 (43)	6.18 (56)	6.66 (51)	7.00 (51)	7.06 (55)	6.92 (56)
<b>Area 1. Size of Government</b>	5.76 (31)	3.74 (92)	4.81 (81)	5.23 (87)	4.95 (91)	6.77 (51)	6.88 (50)	6.70 (51)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	6.24 (35)	6.30 (34)	7.59 (27)	6.69 (35)	5.70 (63)	6.55 (42)	6.35 (47)	6.14 (50)
<b>Area 3. Access to Sound Money</b>	7.12 (29)	6.96 (38)	6.89 (53)	7.34 (48)	9.32 (29)	9.56 (16)	9.61 (7)	9.60 (4)
<b>Area 4. Freedom to Trade Internationally</b>	6.11 (39)	5.38 (55)	6.13 (47)	6.69 (59)	7.87 (30)	6.36 (79)	6.55 (78)	6.39 (80)
<b>Area 5. Regulation of Credit, Labor and Business</b>	4.59 (72)	4.56 (78)	4.87 (80)	4.96 (87)	5.45 (91)	5.78 (99)	5.90 (97)	5.79 (99)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	5.82 (40)	5.24 (66)	5.87 (47)	6.13 (61)	6.66 (50)	7.01 (56)	7.08 (59)	6.95 (60)
	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>
<b>1. Size of Government</b>	5.76	3.74	4.81	5.23	4.95	6.77	6.88	6.70
A. Government consumption	7.44 14.69	6.63 17.46	6.69 17.25	6.95 16.38	6.57 17.67	6.71 17.17	6.09 19.30	6.14 19.12
B. Transfers and subsidies	8.59 5.69	5.31 17.70	4.55 20.50	4.96 19.00	5.23 18.00	5.35 17.55	5.41 17.33	4.66 20.11
C. Government enterprises and investment	4.00 32.00	2.00 41.00	4.00 37.50	4.00 35.80	4.00 35.80	10.00 13.64	10.00 13.72	10.00 14.21
D. Top marginal tax rate	3.00	1.00	4.00	5.00	4.00	5.00	6.00	6.00
(i) Top marginal income tax rate	3.00 60	1.00 63	4.00 50	5.00 45	5.00 42	5.00 40	6.00 40	6.00 40
(ii) Top marginal income and payroll tax rates			4.00 50	5.00 45	3.00 50	5.00 40	6.00 40	6.00 40
<b>2. Legal Structure and Security of Property Rights</b>	5.57	5.61	6.76	6.69	5.70	6.55	6.35	6.14
A. Judicial independence				5.45	6.35	5.63	5.14	4.47
B. Impartial courts				5.70	5.68	5.45	4.18	3.67
C. Protection of property rights				5.44	4.83	7.24	6.84	6.63
D. Military interference				6.86	6.67	7.64	8.33	8.33
E. Integrity of the legal system				10.00	5.00	7.50	7.50	7.50
F. Legal enforcement of contracts						4.13	4.13	4.13
G. Regulatory restrictions of sale of real property						8.27	8.34	8.27
<b>3. Access to Sound Money</b>	7.12	6.96	6.89	7.34	9.32	9.56	9.61	9.60
A. Money growth	7.94 10.30	7.39 13.06	7.05 14.74	7.67 11.66	8.70 6.52	9.10 4.49	9.14 4.30	9.31 3.43
B. Standard deviation of inflation	9.06 2.35	9.00 2.51	9.05 2.37	8.47 3.82	9.21 1.97	9.85 0.37	9.90 0.26	9.91 0.22
C. Inflation: most recent year	6.46 17.69	6.47 17.67	6.47 17.67	8.22 8.88	9.37 3.17	9.29 3.56	9.42 2.90	9.17 4.15
D. Freedom to own foreign currency	5.00	5.00	5.00	5.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	6.20	5.45	6.09	6.56	7.87	6.36	6.55	6.39
A. Taxes on international trade	8.05	9.02	8.41	8.68	9.18	8.48	8.27	8.16
(i) Revenues for trade taxes (% trade sector)	7.87 3.20	9.53 0.70	9.60 0.60	9.73 0.40	9.78 0.33	9.84 0.24	9.84 0.24	10.00 0.00
(ii) Mean tariff rate	8.24 8.80	8.50 7.50	8.52 7.40	8.66 6.70	9.52 2.40	9.46 2.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates			7.12 7.20	7.64 5.90	8.24 4.40	6.13 9.67	6.01 9.98	5.61 10.98
B. Regulatory trade barriers				6.25	8.73	7.01	7.09	6.89
(i) Non-tariff trade barriers				6.25	7.95	7.10	7.26	6.86
(ii) Compliance cost of importing and exporting					9.50	6.93	6.93	6.93
C. Size of trade sector	4.15	3.04	2.44	1.35	3.13	1.15	2.24	1.74
D. Black-market exchange rates	8.60	5.00	9.40	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	6.52	8.30	5.17	5.14	5.15
(i) Foreign ownership/investment restrictions				8.03	8.91	6.49	6.44	6.46
(ii) Capital controls	2.00	2.00	2.00	5.00	7.69	3.85	3.85	3.85
<b>5. Regulation of Credit, Labor and Business</b>	4.45	4.42	4.82	4.85	5.45	5.80	6.02	5.91
A. Credit market regulations	4.24	4.13	5.63	5.89	7.36	7.42	7.57	7.57
(i) Ownership of banks	2.00	2.00	5.00	5.00	5.00	8.00	8.00	8.00
(ii) Foreign bank competition				6.37	7.00	6.00	6.00	6.00
(iii) Private sector credit	4.73	4.38	3.90	4.90	7.08	5.68	6.26	6.26
(iv) Interest rate controls/negative real int. rates	6.00	6.00	8.00	8.00	10.00	10.00	10.00	10.00
B. Labor market regulations	3.61	3.61	3.69	3.99	3.38	4.01	4.66	4.43
(i) Hiring regulations and minimum wage				5.23	4.07	5.60	6.70	5.60
(ii) Hiring and firing regulations			4.81	4.81	2.33	2.93	3.22	3.39
(iii) Centralized collective bargaining	4.49	4.49	4.49	4.49	4.17	3.48	3.94	3.53
(iv) Hours regulations	6.33	6.33	5.45	5.45	6.35	3.30	3.30	3.30
(v) Mandated cost of worker dismissal						7.78	7.78	7.78
(vi) Conscription	0.00	0.00	0.00	0.00	0.00	1.00	3.00	3.00
C. Business regulations				4.68	5.62	5.97	5.84	5.74
(i) Price controls			0.00	6.00	5.00	5.00	4.00	4.00
(ii) Bureaucracy costs					6.98	2.79	2.55	2.37
(iii) Bureaucracy costs				4.79	6.40	4.51	4.64	4.73
(iv) Starting a business				4.20	4.08	8.20	9.22	9.21
(v) Extra payments/bribes				3.71	5.65	6.22	4.88	4.33
(vi) Licensing restrictions						8.04	8.08	8.07
(vii) Cost of tax compliance						7.04	7.49	7.49



## Guatemala

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	6.03 (30)	4.90 (80)	5.56 (57)	6.68 (39)	6.33 (69)	7.07 (46)	7.26 (42)	7.15 (44)
<b>Area 1. Size of Government</b>	7.72 (10)	7.07 (6)	8.07 (6)	9.12 (3)	8.53 (5)	7.99 (16)	7.87 (19)	7.99 (15)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	2.38 (79)	1.87 (109)	2.28 (106)	4.42 (101)	3.42 (114)	6.53 (43)	6.21 (51)	5.95 (58)
<b>Area 3. Access to Sound Money</b>	8.95 (10)	8.02 (28)	6.83 (54)	8.08 (40)	7.64 (66)	9.17 (39)	9.26 (35)	8.93 (42)
<b>Area 4. Freedom to Trade Internationally</b>	4.72 (60)	2.60 (90)	5.39 (63)	6.34 (75)	6.44 (74)	5.99 (92)	7.00 (58)	6.91 (60)
<b>Area 5. Regulation of Credit, Labor and Business</b>	6.69 (15)	5.45 (52)	5.31 (58)	5.45 (66)	5.64 (83)	6.27 (69)	6.40 (69)	6.38 (71)
<b>Unadjusted</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	6.38 (18)	5.18 (67)	5.79 (49)	6.95 (34)	6.33 (69)	7.03 (53)	7.21 (51)	7.10 (51)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	7.72	7.07	8.07	9.12	8.53	7.99	7.87	7.99
A. Government consumption	9.07 9.16	9.48 7.77	9.62 7.30	9.99 6.05	9.66 7.14	9.17 8.81	9.09 9.08	8.99 9.42
B. Transfers and subsidies	9.81 1.20	9.78 1.30	9.65 1.80	10.00 0.50	9.47 2.46	9.29 3.12	8.90 4.54	8.96 4.33
C. Government enterprises and investment	4.00 37.40	4.00 32.10	7.00 21.00	8.00 17.30	8.00 16.43	8.00	8.00	8.00
D. Top marginal tax rate	8.00	5.00	6.00	8.50	7.00	5.50	5.50	6.00
(i) Top marginal income tax rate	8.00 40	5.00 48	7.00 34	9.00 25	7.00 31	7.00 31	7.00 31	7.00 31
(ii) Top marginal income and payroll tax rates			5.00 37	8.00 28	7.00 34	4.00 42	4.00 42	5.00 42
<b>2. Legal Structure and Security of Property Rights</b>	2.54	1.99	2.44	4.72	3.42	5.35	5.09	4.88
A. Judicial independence						3.80	3.79	3.34
B. Impartial courts				3.60	3.79	3.82	3.30	3.46
C. Protection of property rights					2.18	5.30	5.26	4.80
D. Military interference				4.31	3.33	8.33	8.33	8.33
E. Integrity of the legal system				6.96	3.33	3.89	2.50	1.67
F. Legal enforcement of contracts						3.39	3.39	3.39
G. Regulatory restrictions of sale of real property						8.94	9.07	9.16
<b>3. Access to Sound Money</b>	8.95	8.02	6.83	8.08	7.64	9.17	9.26	8.93
A. Money growth	9.26 3.72	7.97 10.14	7.15 14.24	7.69 11.54	7.47 12.64	8.64 6.82	8.60 6.99	8.64 6.79
B. Standard deviation of inflation	8.56 3.61	7.88 5.31	3.94 15.15	6.37 9.07	9.28 1.79	9.73 0.68	9.72 0.70	9.60 1.00
C. Inflation: most recent year	8.00 10.00	6.24 18.78	6.24 18.78	8.27 8.67	8.80 5.98	8.32 8.42	8.71 6.45	7.47 12.64
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	5.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	5.72	3.15	6.11	7.18	6.44	6.38	7.46	7.36
A. Taxes on international trade	3.40	2.50	4.33	7.36	7.93	6.74	8.45	8.50
(i) Revenues for trade taxes (% trade sector)	6.80 4.80	5.00 7.50	7.60 3.60	7.07 4.40	8.36 2.46	8.19 2.71	8.91 1.63	9.07 1.40
(ii) Mean tariff rate	0.00 50.00	0.00 50.00	5.40 23.00	7.96 10.20	8.56 7.20	9.46 2.70	8.88 5.60	8.88 5.60
(iii) Standard deviation of tariff rates			0.00 26.70	7.04 7.40	6.88 7.80	2.57 18.57	7.56 6.10	7.56 6.10
B. Regulatory trade barriers					4.13	6.11	6.85	6.87
(i) Non-tariff trade barriers					4.13	5.56	6.03	6.07
(ii) Compliance cost of importing and exporting						6.66	7.68	7.68
C. Size of trade sector	3.99	0.00	3.00	2.38	2.66	1.41	4.10	3.67
D. Black-market exchange rates	8.00	0.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	5.00	5.00	5.00	8.00	7.46	7.65	7.87	7.76
(i) Foreign ownership/investment restrictions					7.23	6.84	7.28	7.06
(ii) Capital controls	5.00	5.00	5.00	8.00	7.69	8.46	8.46	8.46
<b>5. Regulation of Credit, Labor and Business</b>	6.95	5.67	5.51	5.65	5.64	6.25	6.38	6.36
A. Credit market regulations	8.53	8.46	8.07	8.53	7.16	8.98	9.04	8.97
(i) Ownership of banks	8.00	8.00	8.00	8.00	8.00	10.00	10.00	10.00
(ii) Foreign bank competition					5.60	8.00	8.00	8.00
(iii) Private sector credit	9.58	9.38	8.22	9.58	8.56	8.91	9.15	8.88
(iv) Interest rate controls/negative real int. rates	8.00	8.00	8.00	8.00	9.00	9.00	9.00	9.00
B. Labor market regulations					4.02	4.16	4.21	4.17
(i) Hiring regulations and minimum wage					4.62	5.60	5.60	5.60
(ii) Hiring and firing regulations					5.25	5.91	5.58	5.28
(iii) Centralized collective bargaining					6.22	6.84	7.42	7.51
(iv) Hours regulations						6.00	6.00	6.00
(v) Mandated cost of worker dismissal						0.64	0.64	0.64
(vi) Conscription	10.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations					5.74	5.60	5.91	5.94
(i) Price controls			6.00	6.00	8.00	6.00	6.00	6.00
(ii) Bureaucracy costs					6.10	3.86	4.60	4.46
(iii) Bureaucracy costs					4.53	4.64	5.30	5.41
(iv) Starting a business					5.12	8.41	8.55	8.52
(v) Extra payments/bribes					4.94	6.00	5.52	4.97
(vi) Licensing restrictions						4.16	5.23	6.06
(vii) Cost of tax compliance						6.14	6.14	6.14



## Guinea-Bissau

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>			3.23 (111)	3.79 (121)	4.58 (120)	4.82 (117)	4.95 (118)	4.93 (117)
<b>Area 1. Size of Government</b>			4.32 (89)	4.95 (90)	4.56 (102)	2.87 (123)	3.44 (122)	3.74 (118)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>		1.99 (107)	2.93 (97)	2.54 (121)	3.04 (119)	3.17 (113)	3.68 (109)	3.27 (115)
<b>Area 3. Access to Sound Money</b>	4.07 (102)	1.47 (109)	0.88 (115)	1.82 (115)	3.26 (117)	6.59 (99)	5.93 (116)	5.74 (117)
<b>Area 4. Freedom to Trade Internationally</b>					5.94 (94)	4.80 (116)	5.24 (108)	5.13 (109)
<b>Area 5. Regulation of Credit, Labor and Business</b>			3.83 (100)	4.73 (98)	6.12 (59)	6.77 (51)	6.53 (63)	6.89 (49)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) &gt;</b>			2.99 (112)	3.51 (122)	4.58 (120)	4.71 (136)	4.84 (136)	4.82 (135)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>			4.32	4.95	4.56	2.87	3.44	3.74
A. Government consumption		7.46 14.64	8.65 10.59	9.90 6.33	9.11 9.02	5.74 20.48	6.87 16.63	7.48 14.57
B. Transfers and subsidies								
C. Government enterprises and investment			0.00 91.40	0.00 67.60	0.00 88.30	0.00 54.56	0.00 51.76	0.00 55.61
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
<b>2. Legal Structure and Security of Property Rights</b>		1.99	2.93	2.54	3.04	3.17	3.68	3.27
A. Judicial independence								
B. Impartial courts				2.70	2.90	3.20	3.20	2.70
C. Protection of property rights								
D. Military interference				3.11	3.33	2.50	2.50	2.50
E. Integrity of the legal system				0.00	1.67	5.00	5.00	4.17
F. Legal enforcement of contracts						3.48	3.48	3.48
G. Regulatory restrictions of sale of real property						1.67	4.24	3.51
<b>3. Access to Sound Money</b>	5.43	1.96	0.88	1.82	3.26	6.59	5.93	5.74
A. Money growth			0.00 105.63	2.67 36.64	1.65 41.76	9.11 -4.45	6.56 17.19	7.05 14.75
B. Standard deviation of inflation	8.61 3.48	2.33 19.18	0.00 28.57	3.58 16.06	3.10 17.24	7.93 5.17	8.07 4.82	7.98 5.04
C. Inflation: most recent year	7.67 11.63	3.54 32.31	3.54 32.31	1.05 44.74	8.27 8.64	9.33 3.33	9.08 4.62	7.91 10.46
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>		4.13			5.94	5.16	5.62	5.50
A. Taxes on international trade		4.84			7.60	8.44	7.45	7.45
(i) Revenues for trade taxes (% trade sector)		4.84 7.74						
(ii) Mean tariff rate					7.60 12.00	7.22 13.90	7.62 11.90	7.62 11.90
(iii) Standard deviation of tariff rates						9.66 0.84	7.29 6.78	7.29 6.78
B. Regulatory trade barriers						6.57	6.57	6.86
(i) Non-tariff trade barriers								
(ii) Compliance cost of importing and exporting						6.57	6.57	6.86
C. Size of trade sector	2.30	3.35	0.00	0.00	3.92	0.00	3.33	2.43
D. Black-market exchange rates		4.20	8.20	9.60	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	5.00	5.00	0.00	0.77	0.77	0.77
(i) Foreign ownership/investment restrictions								
(ii) Capital controls	0.00	0.00	5.00	5.00	0.00	0.77	0.77	0.77
<b>5. Regulation of Credit, Labor and Business</b>			3.83	4.73	6.12	5.76	5.55	5.86
A. Credit market regulations			3.87	4.46	10.01	9.08	8.48	8.95
(i) Ownership of banks						10.00	10.00	10.00
(ii) Foreign bank competition								
(iii) Private sector credit			7.75	8.92	10.01	7.23	5.45	6.86
(iv) Interest rate controls/negative real int. rates			0.00	0.00	10.00	10.00	10.00	10.00
B. Labor market regulations						3.88	3.88	3.88
(i) Hiring regulations and minimum wage						3.30	3.30	3.30
(ii) Hiring and firing regulations								
(iii) Centralized collective bargaining								
(iv) Hours regulations						7.30	7.30	7.30
(v) Mandated cost of worker dismissal						1.93	1.93	1.93
(vi) Conscription		3.00	3.00	3.00	3.00	3.00	3.00	3.00
C. Business regulations						4.32	4.28	4.75
(i) Price controls			0.00	6.00	6.00	6.00	6.00	6.00
(ii) Bureaucracy costs								
(iii) Bureaucracy costs								
(iv) Starting a business						0.00	0.01	0.78
(v) Extra payments/bribes								
(vi) Licensing restrictions						3.62	3.44	4.54
(vii) Cost of tax compliance						7.67	7.67	7.67



## Guyana

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>				5.27 (90)	6.66 (50)	6.66 (69)	6.71 (71)	6.74 (68)
<b>Area 1. Size of Government</b>		3.08 (101)	4.04 (94)	4.38 (98)	3.85 (112)	3.79 (119)	4.01 (117)	4.19 (114)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	2.23 (84)	2.11 (106)	3.41 (88)	4.80 (88)	6.54 (41)	5.65 (64)	5.71 (69)	5.65 (66)
<b>Area 3. Access to Sound Money</b>	5.82 (72)	5.24 (92)	2.19 (111)	4.94 (93)	7.87 (63)	7.72 (75)	7.51 (83)	7.75 (74)
<b>Area 4. Freedom to Trade Internationally</b>					8.13 (21)	8.45 (5)	8.39 (7)	8.09 (9)
<b>Area 5. Regulation of Credit, Labor and Business</b>				5.79 (55)	6.91 (22)	7.90 (17)	8.19 (10)	8.24 (8)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>		3.83 (103)		4.98 (98)	6.66 (50)	6.17 (103)	6.22 (102)	6.25 (99)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>		3.48	4.04	4.38	3.85	3.79	4.01	4.19
A. Government consumption	2.82 30.41	4.96 23.14	7.11 15.83	5.64 20.81	5.54 21.15	3.87 26.83	4.54 24.56	5.08 22.72
B. Transfers and subsidies								
C. Government enterprises and investment		2.00 49.30	2.00 47.90	2.00 48.90	0.00 58.07	2.00 41.15	2.00 48.75	2.00 44.62
D. Top marginal tax rate			3.00	5.50	6.00	5.50	5.50	5.50
(i) Top marginal income tax rate			3.00 50	7.00 33	7.00 33	7.00 33	7.00 33	7.00 33
(ii) Top marginal income and payroll tax rates			3.00 50	4.00 41	5.00 39	4.00 41	4.00 41	4.00 41
<b>2. Legal Structure and Security of Property Rights</b>	2.23	2.11	3.41	4.80	6.54	4.66	4.70	4.66
A. Judicial independence						3.01	3.26	3.75
B. Impartial courts				5.31	5.79	2.40	2.63	2.81
C. Protection of property rights						3.95	4.58	4.43
D. Military interference				5.79	10.00	6.67	6.67	6.67
E. Integrity of the legal system				4.11	6.67	4.17	3.33	2.50
F. Legal enforcement of contracts						4.55	4.55	4.55
G. Regulatory restrictions of sale of real property						7.85	7.88	7.88
<b>3. Access to Sound Money</b>	5.82	5.24	2.19	4.94	7.87	7.72	7.51	7.75
A. Money growth	8.55 7.26	6.21 18.95	1.87 40.67	6.98 15.12	9.25 3.74	8.47 7.64	8.32 8.38	8.48 7.62
B. Standard deviation of inflation	7.07 7.32	7.66 5.86	0.00 53.12	0.00 48.31	8.47 3.83	8.80 3.01	9.17 2.08	9.16 2.10
C. Inflation: most recent year	7.64 11.78	7.10 14.51	6.90 15.51	7.77 11.17	8.77 6.15	8.61 6.93	7.54 12.30	8.38 8.10
D. Freedom to own foreign currency	0.00	0.00	0.00	5.00	5.00	5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>	5.40	4.49			8.13	7.75	7.70	7.42
A. Taxes on international trade	8.80	7.01			6.60	6.49	6.49	6.47
(i) Revenues for trade taxes (% trade sector)	8.80 1.80	7.41 3.88						
(ii) Mean tariff rate		6.60 17.00			6.60 17.00	7.78 11.10	7.78 11.10	7.82 10.90
(iii) Standard deviation of tariff rates						5.20 11.99	5.20 11.99	5.12 12.21
B. Regulatory trade barriers						6.38	6.51	6.61
(i) Non-tariff trade barriers						5.99	6.24	6.23
(ii) Compliance cost of importing and exporting						6.78	6.78	6.99
C. Size of trade sector	10.00	7.22	8.64	10.00	10.00	10.00	8.97	7.76
D. Black-market exchange rates	0.00	0.00	8.20	9.20	9.00	9.49	10.00	10.00
E. International capital market controls	0.00	0.00	5.00	5.00	6.92	6.38	6.51	6.26
(i) Foreign ownership/investment restrictions						5.85	6.35	5.85
(ii) Capital controls	0.00	0.00	5.00	5.00	6.92	6.92	6.67	6.67
<b>5. Regulation of Credit, Labor and Business</b>				5.79	6.91	6.93	7.16	7.20
A. Credit market regulations	3.02	2.38	4.61	4.90	8.21	7.90	8.05	8.08
(i) Ownership of banks						10.00	10.00	10.00
(ii) Foreign bank competition						7.00	7.00	7.00
(iii) Private sector credit	3.02	2.38	4.61	5.80	7.42	5.62	6.19	6.30
(iv) Interest rate controls/negative real int. rates				4.00	9.00	9.00	9.00	9.00
B. Labor market regulations						7.12	7.32	7.34
(i) Hiring regulations and minimum wage						6.70	7.80	7.80
(ii) Hiring and firing regulations						6.00	5.79	5.86
(iii) Centralized collective bargaining						6.50	6.84	6.86
(iv) Hours regulations						8.70	8.70	8.70
(v) Mandated cost of worker dismissal						4.81	4.81	4.81
(vi) Conscription			10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						5.77	6.11	6.20
(i) Price controls						6.00	6.00	6.00
(ii) Bureaucracy costs						2.54	4.02	4.22
(iii) Bureaucracy costs						5.21	5.92	5.80
(iv) Starting a business						7.47	8.00	8.57
(v) Extra payments/bribes						4.26	3.80	3.68
(vi) Licensing restrictions						8.11	8.29	8.34
(vii) Cost of tax compliance						6.77	6.77	6.77



## Haiti

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	6.29 (23)	5.66 (47)	5.36 (68)	5.29 (89)	6.54 (59)	6.61 (71)	6.50 (79)	6.68 (71)
<b>Area 1. Size of Government</b>	9.13 (4)	5.66 (35)	6.37 (34)	6.49 (43)	8.34 (9)	9.20 (1)	8.75 (5)	8.89 (4)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	2.23 (84)	2.93 (95)	1.95 (110)	3.94 (108)	3.86 (103)	3.65 (109)	3.41 (111)	3.70 (109)
<b>Area 3. Access to Sound Money</b>	7.70 (24)	8.92 (17)	8.46 (26)	6.34 (68)	8.37 (49)	7.99 (69)	8.56 (58)	8.22 (64)
<b>Area 4. Freedom to Trade Internationally</b>					5.79 (100)	6.33 (81)	6.24 (85)	6.45 (75)
<b>Area 5. Regulation of Credit, Labor and Business</b>			5.23 (61)	4.99 (86)	6.36 (47)	5.97 (91)	5.59 (105)	6.20 (84)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	5.64 (49)	5.33 (63)	5.05 (81)	5.29 (88)	6.54 (59)	6.63 (75)	6.52 (85)	6.70 (78)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	8.27	6.14	6.85	5.88	8.34	8.90	8.46	8.60
A. Government consumption	8.54 10.96	8.26 11.92	9.54 7.58	9.76 6.82	5.10 22.65	9.69 7.05	8.94 9.62	9.46 7.82
B. Transfers and subsidies		8.15 7.30			9.92 0.81	9.92 0.81	9.92 0.81	9.92 0.81
C. Government enterprises and investment	8.00 19.00	2.00 48.80	2.00 42.00	2.00 47.00	10.00 11.50	8.00 18.70	7.00 24.90	7.00 24.90
D. Top marginal tax rate			9.00			8.00	8.00	8.00
(i) Top marginal income tax rate			9.00 30			8.00 30	8.00 30	8.00 30
(ii) Top marginal income and payroll tax rates								
<b>2. Legal Structure and Security of Property Rights</b>	2.23	2.93	1.95	3.94	3.86	2.66	2.49	2.70
A. Judicial independence								
B. Impartial courts				2.91	2.99	2.70	3.00	3.20
C. Protection of property rights								
D. Military interference				1.76	5.00	0.00	0.00	0.00
E. Integrity of the legal system				6.96	3.33	3.75	2.50	3.33
F. Legal enforcement of contracts						4.05	4.05	4.05
G. Regulatory restrictions of sale of real property						2.80	2.90	2.90
<b>3. Access to Sound Money</b>	7.70	8.92	8.46	6.34	8.37	7.99	8.56	8.22
A. Money growth	8.40 7.99	9.02 4.91	8.94 5.30	5.26 23.72	7.87 10.67	7.07 14.63	7.56 12.22	7.56 12.22
B. Standard deviation of inflation	6.67 8.33	8.75 3.13	7.00 7.50	6.32 9.19	8.38 4.06	8.05 4.88	8.38 4.05	8.43 3.92
C. Inflation: most recent year	5.72 21.39	7.92 10.41	7.92 10.41	3.80 31.00	7.26 13.71	6.85 15.73	8.29 8.53	6.90 15.52
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	4.37	3.33	2.76		5.79	6.52	6.43	6.64
A. Taxes on international trade	3.93	6.17	5.53		8.00	8.81	8.80	8.80
(i) Revenues for trade taxes (% trade sector)	3.40 9.90	4.67 8.00	5.53 6.70					
(ii) Mean tariff rate	4.46 27.70	7.68 11.60			8.00 10.00	9.44 2.80	9.44 2.80	9.44 2.80
(iii) Standard deviation of tariff rates						8.17 4.56	8.15 4.62	8.15 4.62
B. Regulatory trade barriers						3.42	4.25	5.17
(i) Non-tariff trade barriers								
(ii) Compliance cost of importing and exporting						3.42	4.25	5.17
C. Size of trade sector	3.70	2.21	0.00	0.11	0.73	1.28	0.00	0.12
D. Black-market exchange rates	6.00	0.00	0.00	0.60	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	2.00	2.00	9.09	9.09	9.09
(i) Foreign ownership/investment restrictions								
(ii) Capital controls	0.00	0.00	0.00	2.00	2.00	9.09	9.09	9.09
<b>5. Regulation of Credit, Labor and Business</b>			5.23	4.99	6.36	7.09	6.65	7.33
A. Credit market regulations	10.00	9.71	4.97	4.99	9.44	8.30	6.96	8.56
(i) Ownership of banks								
(ii) Foreign bank competition								
(iii) Private sector credit	10.00	9.71	9.94	9.99	9.88	8.61	8.91	9.12
(iv) Interest rate controls/negative real int. rates			0.00	0.00	9.00	8.00	5.00	8.00
B. Labor market regulations						8.56	8.56	8.83
(i) Hiring regulations and minimum wage						7.80	7.80	8.90
(ii) Hiring and firing regulations								
(iii) Centralized collective bargaining								
(iv) Hours regulations						8.00	8.00	8.00
(v) Mandated cost of worker dismissal						8.42	8.42	8.42
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						4.42	4.44	4.59
(i) Price controls			2.00	0.00	2.00	2.00	2.00	2.00
(ii) Bureaucracy costs								
(iii) Bureaucracy costs								
(iv) Starting a business						3.91	3.79	4.20
(v) Extra payments/bribes								
(vi) Licensing restrictions						3.57	3.78	3.97
(vii) Cost of tax compliance						8.21	8.21	8.21



## Honduras

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	6.06 (29)	5.46 (52)	5.52 (58)	6.07 (63)	6.51 (61)	6.85 (59)	7.34 (34)	7.12 (46)
<b>Area 1. Size of Government</b>	8.52 (5)	5.48 (41)	6.38 (33)	6.51 (42)	8.12 (10)	8.46 (10)	8.71 (6)	8.74 (6)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	2.55 (75)	2.82 (97)	3.24 (89)	4.69 (96)	3.72 (109)	4.91 (84)	5.81 (66)	5.54 (69)
<b>Area 3. Access to Sound Money</b>	8.76 (11)	9.51 (5)	8.38 (28)	7.17 (51)	8.22 (53)	8.85 (45)	8.95 (48)	8.88 (44)
<b>Area 4. Freedom to Trade Internationally</b>			5.45 (62)	6.83 (49)	6.80 (69)	6.75 (60)	7.71 (28)	7.10 (49)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.20 (54)	4.24 (85)	4.26 (95)	5.03 (83)	5.71 (77)	5.62 (104)	5.95 (94)	5.76 (101)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	5.80 (42)	5.77 (44)	5.83 (48)	6.39 (49)	6.51 (61)	6.98 (60)	7.47 (30)	7.26 (39)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	6.43	5.48	6.38	6.51	8.12	8.46	8.71	8.74
A. Government consumption	7.28 15.25	7.40 14.83	7.00 16.21	8.00 12.80	7.43 14.75	7.32 15.11	6.62 17.50	6.97 16.30
B. Transfers and subsidies		9.51 2.30	9.54 2.20	9.05 4.00	9.05 4.00	10.00 0.47	9.72 1.52	10.00 0.50
C. Government enterprises and investment	4.00 37.90	0.00 52.40	4.00 32.50	2.00 41.80	7.00 21.30	8.00 17.90	10.00 14.38	10.00 13.08
D. Top marginal tax rate	8.00	5.00	5.00	7.00	9.00	8.50	8.50	8.00
(i) Top marginal income tax rate	8.00 40	5.00 46	5.00 46	7.00 40	9.00 25	9.00 25	9.00 25	9.00 25
(ii) Top marginal income and payroll tax rates			5.00 46	7.00 40	9.00 25	8.00 28	8.00 28	7.00 33
<b>2. Legal Structure and Security of Property Rights</b>	2.76	3.05	3.50	5.07	3.72	3.99	4.73	4.51
A. Judicial independence						2.44	3.74	3.30
B. Impartial courts				3.98	3.68	3.02	4.03	3.52
C. Protection of property rights					2.30	4.15	5.58	4.94
D. Military interference				5.42	5.00	5.56	6.67	6.67
E. Integrity of the legal system				6.96	3.33	2.50	2.50	2.50
F. Legal enforcement of contracts						2.86	2.86	2.86
G. Regulatory restrictions of sale of real property						7.41	7.72	7.76
<b>3. Access to Sound Money</b>	8.76	9.51	8.38	7.17	8.22	8.85	8.95	8.88
A. Money growth	8.89 5.56	9.67 1.66	7.23 13.85	7.09 14.57	7.66 11.70	7.74 11.28	7.97 10.15	8.67 6.67
B. Standard deviation of inflation	8.81 2.97	9.42 1.45	7.34 6.64	6.88 7.81	7.42 6.44	9.41 1.49	9.23 1.93	9.14 2.15
C. Inflation: most recent year	7.35 13.27	8.95 5.25	8.95 5.25	4.73 26.34	7.79 11.06	8.24 8.81	8.61 6.94	7.72 11.40
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	4.87		5.93	7.38	6.80	7.08	8.08	7.45
A. Taxes on international trade	3.67		6.00	7.69	7.83	8.52	8.44	8.47
(i) Revenues for trade taxes (% trade sector)	5.53 6.70				8.07 2.90	9.42 0.87	9.37 0.95	9.43 0.85
(ii) Mean tariff rate	1.80 41.00		6.00 20.00	7.98 10.10	8.42 7.90	8.66 6.70	8.88 5.60	8.88 5.60
(iii) Standard deviation of tariff rates				7.40 6.50	7.00 7.50	7.49 6.27	7.07 7.34	7.09 7.28
B. Regulatory trade barriers					3.35	5.76	6.70	6.61
(i) Non-tariff trade barriers					3.35	4.47	6.36	6.17
(ii) Compliance cost of importing and exporting						7.05	7.05	7.05
C. Size of trade sector	6.45	3.92	5.48	6.27	6.26	6.08	10.00	7.41
D. Black-market exchange rates	6.00	0.00	10.00	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	5.00	6.57	5.04	5.27	4.76
(i) Foreign ownership/investment restrictions					8.53	6.23	7.46	6.43
(ii) Capital controls	0.00	0.00	0.00	5.00	4.61	3.85	3.08	3.08
<b>5. Regulation of Credit, Labor and Business</b>	6.20	5.06	4.93	5.82	5.71	6.52	6.89	6.71
A. Credit market regulations	6.10	7.70	7.77	6.30	7.01	8.92	8.64	8.72
(i) Ownership of banks						10.00	10.00	10.00
(ii) Foreign bank competition					4.70	6.00	6.00	6.00
(iii) Private sector credit	8.20	7.41	7.54	8.60	9.86	9.68	9.55	9.90
(iv) Interest rate controls/negative real int. rates	4.00	8.00	8.00	4.00	9.00	10.00	9.00	9.00
B. Labor market regulations					5.72	5.42	5.59	4.96
(i) Hiring regulations and minimum wage					2.72	0.00	1.10	0.00
(ii) Hiring and firing regulations					4.50	5.10	5.05	4.34
(iii) Centralized collective bargaining					5.67	6.27	6.26	6.24
(iv) Hours regulations						8.00	8.00	8.00
(v) Mandated cost of worker dismissal						3.14	3.14	1.19
(vi) Conscription	10.00	0.00	0.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations					4.39	5.24	6.44	6.45
(i) Price controls			4.00	4.00	4.00	6.00	6.00	6.00
(ii) Bureaucracy costs					5.80	3.00	4.84	4.52
(iii) Bureaucracy costs					4.88	3.25	5.45	5.83
(iv) Starting a business					2.85	7.86	8.74	9.00
(v) Extra payments/bribes					4.42	4.57	4.48	3.96
(vi) Licensing restrictions						6.72	8.04	8.35
(vii) Cost of tax compliance						5.25	7.49	7.49



## Hong Kong

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ▶	9.21 (1)	8.81 (1)	8.76 (1)	9.11 (1)	8.82 (1)	8.94 (1)	9.00 (1)	9.02 (1)
Area 1. Size of Government	9.75 (2)	8.89 (1)	9.31 (1)	9.47 (1)	9.35 (1)	9.08 (2)	9.30 (2)	9.29 (1)
Area 2. Legal Structure & Security of Property Rights	9.45 (6)	7.34 (27)	6.91 (32)	8.17 (18)	7.23 (26)	8.04 (16)	8.12 (15)	8.10 (16)
Area 3. Access to Sound Money	8.51 (12)	9.33 (13)	9.02 (19)	9.44 (26)	9.11 (36)	9.48 (26)	9.51 (18)	9.54 (10)
Area 4. Freedom to Trade Internationally	9.75 (1)	9.75 (1)	9.76 (1)	9.77 (1)	9.78 (1)	9.53 (1)	9.58 (1)	9.55 (1)
Area 5. Regulation of Credit, Labor and Business	8.73 (1)	8.73 (1)	8.73 (1)	8.72 (1)	8.64 (1)	8.59 (4)	8.48 (3)	8.61 (3)
<b>Unadjusted</b>								
Summary Rating (Rank) ▶	8.64 (1)	8.27 (1)	8.22 (1)	9.08 (1)	8.82 (1)	8.98 (1)	9.03 (1)	9.05 (1)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	9.75	8.89	9.31	9.47	9.35	9.08	9.30	9.29
A. Government consumption	9.02 9.34	8.66 10.57	8.36 11.58	8.03 12.70	7.58 14.22	7.92 13.07	8.28 11.86	8.21 12.09
B. Transfers and subsidies	9.97 0.60	9.89 0.90	9.89 0.90	9.84 1.10	9.84 1.10	8.41 6.34	8.93 4.42	8.93 4.42
C. Government enterprises and investment	10.00 14.80	8.00 15.20	10.00 12.70	10.00 14.00	10.00 14.00	10.00 1.38	10.00 1.38	10.00
D. Top marginal tax rate	10.00	9.00	9.00	10.00	10.00	10.00	10.00	10.00
(i) Top marginal income tax rate	10.00 15	9.00 25c	9.00 25	10.00 20	10.00 17	10.00 20	10.00 17	10.00 17
(ii) Top marginal income and payroll tax rates			9.00 25	10.00 20	10.00 17	10.00 20	10.00 17	10.00 17
<b>2. Legal Structure and Security of Property Rights</b>	8.13	6.31	5.94	8.17	7.23	8.04	8.12	8.10
A. Judicial independence				8.07	7.68	8.17	8.37	8.39
B. Impartial courts				7.93	8.85	8.31	7.86	8.16
C. Protection of property rights				6.07	6.30	8.73	8.91	8.81
D. Military interference				8.76	5.00	8.33	8.33	8.33
E. Integrity of the legal system				10.00	8.33	7.71	8.33	8.33
F. Legal enforcement of contracts						7.69	7.69	7.17
G. Regulatory restrictions of sale of real property						7.34	7.34	7.51
<b>3. Access to Sound Money</b>	8.51	9.33	9.02	9.44	9.11	9.48	9.51	9.54
A. Money growth	9.04 4.80	9.48 2.60	8.36 8.20	9.33 3.37	9.46 -2.71	8.98 5.08	9.82 0.91	9.97 -0.16
B. Standard deviation of inflation	7.99 5.03	8.97 2.57	8.86 2.85	8.96 2.59	7.73 5.68	9.10 2.25	8.59 3.52	9.04 2.41
C. Inflation: most recent year	7.01 14.96	8.86 5.71	8.86 5.71	9.49 2.56	9.25 -3.76	9.82 0.91	9.61 1.95	9.14 4.31
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	9.59	9.58	9.60	9.68	9.78	9.53	9.58	9.55
A. Taxes on international trade	9.83	9.80	9.91	9.93	9.93	10.00	10.00	10.00
(i) Revenues for trade taxes (% trade sector)	9.67 0.50	9.60 0.60	9.73 0.40	9.80 0.30	9.80 0.30	10.00 0.00	10.00 0.00	10.00 0.00
(ii) Mean tariff rate	10.00 0.00	10.00 0.00	10.00 0.00	10.00 0.00	10.00 0.00	10.00 0.00	10.00 0.00	10.00 0.00
(iii) Standard deviation of tariff rates			10.00 0.00	10.00 0.00	10.00 0.00	10.00 0.00	10.00 0.00	10.00 0.00
B. Regulatory trade barriers				8.75	9.38	8.94	9.39	9.27
(i) Non-tariff trade barriers				8.75	8.94	8.60	9.43	9.19
(ii) Compliance cost of importing and exporting					9.83	9.29	9.35	9.35
C. Size of trade sector	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	10.00	10.00	10.00	9.70	9.57	8.71	8.53	8.47
(i) Foreign ownership/investment restrictions				9.40	9.92	8.96	9.37	9.25
(ii) Capital controls	10.00	10.00	10.00	10.00	9.23	8.46	7.69	7.69
<b>5. Regulation of Credit, Labor and Business</b>	7.25	7.25	7.22	8.66	8.64	8.78	8.66	8.78
A. Credit market regulations	10.00	10.00	9.94	9.10	8.83	9.22	9.26	9.28
(i) Ownership of banks	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				8.58	7.32	8.00	8.00	8.00
(iii) Private sector credit			9.82	9.68	9.10	8.89	9.05	9.12
(iv) Interest rate controls/negative real int. rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations			8.92	8.14	8.55	9.15	9.19	9.31
(i) Hiring regulations and minimum wage				7.40		10.00	10.00	10.00
(ii) Hiring and firing regulations			8.83	8.83	7.55	6.90	7.27	7.94
(iii) Centralized collective bargaining	7.93	7.93	7.93	7.94	8.99	8.90	8.82	8.86
(iv) Hours regulations				6.53	7.68	10.00	10.00	10.00
(v) Mandated cost of worker dismissal						9.07	9.07	9.07
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				8.73	8.52	7.97	7.53	7.76
(i) Price controls			10.00	9.00	9.00	9.00	7.00	7.00
(ii) Bureaucracy costs					8.54	6.38	6.55	6.94
(iii) Bureaucracy costs				9.55	7.25	4.57	2.84	3.16
(iv) Starting a business				9.08	9.02	9.61	9.63	9.79
(v) Extra payments/bribes				7.27	8.81	8.80	8.61	8.52
(vi) Licensing restrictions						8.35	8.94	9.79
(vii) Cost of tax compliance						9.10	9.10	9.10



## Hungary

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	4.63 (79)	5.24 (60)	5.39 (66)	6.14 (59)	6.55 (57)	7.40 (25)	7.33 (35)	7.39 (26)
<b>Area 1. Size of Government</b>	2.58 (100)	2.64 (106)	2.94 (109)	3.73 (109)	3.85 (111)	5.84 (84)	5.77 (87)	6.29 (66)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>		7.79 (22)	8.32 (23)	7.60 (23)	7.01 (29)	6.70 (35)	6.62 (39)	6.28 (47)
<b>Area 3. Access to Sound Money</b>	6.48 (41)	6.82 (43)	5.75 (81)	6.24 (70)	7.16 (74)	9.44 (30)	9.11 (46)	9.25 (32)
<b>Area 4. Freedom to Trade Internationally</b>	4.40 (68)	4.51 (70)	5.00 (73)	7.14 (37)	7.69 (36)	7.97 (14)	8.14 (9)	8.06 (10)
<b>Area 5. Regulation of Credit, Labor and Business</b>	4.32 (86)	4.46 (82)	5.10 (68)	6.00 (47)	7.05 (19)	7.03 (40)	7.01 (41)	7.05 (40)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	4.60 (81)	4.87 (80)	5.08 (75)	6.13 (61)	6.55 (57)	7.45 (27)	7.38 (36)	7.44 (28)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	3.77	2.92	2.94	3.73	3.85	5.84	5.77	6.29
A. Government consumption	7.53 14.40	7.69 13.87	7.43 14.75	7.58 14.23	7.86 13.27	8.01 12.75	7.96 12.95	8.05 12.63
B. Transfers and subsidies		1.06 33.30	2.32 28.70	3.32 25.00	5.04 18.71	4.86 19.36	4.62 20.25	4.62 20.25
C. Government enterprises and investment	0.00 92.60	0.00 83.50	0.00 68.50	0.00 68.50	0.00 68.50	8.00 17.23	8.00 16.80	10.00 13.83
D. Top marginal tax rate			2.00	4.00	2.50	2.50	2.50	2.50
(i) Top marginal income tax rate			3.00 50	4.00 44	5.00 40	5.00 38	5.00 40	5.00 40
(ii) Top marginal income and payroll tax rates			1.00 60	4.00 44	0.00 62	0.00 64	0.00 63	0.00 63
<b>2. Legal Structure and Security of Property Rights</b>		6.78	7.25	7.60	7.01	6.70	6.62	6.28
A. Judicial independence				6.68	6.51	5.38	5.57	5.20
B. Impartial courts				6.77	6.35	5.36	3.82	3.33
C. Protection of property rights				4.93	5.53	7.44	7.07	6.04
D. Military interference				9.62	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	6.67	6.67	6.67	6.67
F. Legal enforcement of contracts						7.15	7.15	6.70
G. Regulatory restrictions of sale of real property						4.91	6.06	6.06
<b>3. Access to Sound Money</b>	6.48	6.82	5.75	6.24	7.16	9.44	9.11	9.25
A. Money growth	8.26 8.70	8.66 6.70	7.33 13.34	7.67 11.67	7.62 11.91	9.49 2.55	8.62 6.91	8.70 6.52
B. Standard deviation of inflation	8.87 2.82	9.80 0.50	6.87 7.83	7.64 5.90	7.97 5.08	8.98 2.54	9.40 1.50	9.50 1.25
C. Inflation: most recent year	8.79 6.03	8.82 5.91	8.82 5.91	4.65 26.73	8.04 9.80	9.29 3.55	8.41 7.93	8.79 6.07
D. Freedom to own foreign currency	0.00	0.00	0.00	5.00	5.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	4.34	4.45	4.83	7.09	7.69	7.97	8.14	8.06
A. Taxes on international trade	6.67	7.53	6.09	6.67	7.31	8.48	8.27	8.16
(i) Revenues for trade taxes (% trade sector)	6.67 5.00	7.53 3.70	6.57 5.14	6.09 5.86	9.45 0.83	9.84 0.24	9.84 0.24	10.00 0.00
(ii) Mean tariff rate				7.80 11.00	8.36 8.20	9.46 2.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates			5.60 11.00	6.12 9.70	4.12 14.70	6.13 9.67	6.01 9.98	5.61 10.98
B. Regulatory trade barriers				7.13	8.52	7.45	7.47	7.46
(i) Non-tariff trade barriers				7.13	8.20	7.30	7.34	7.32
(ii) Compliance cost of importing and exporting					8.83	7.59	7.59	7.59
C. Size of trade sector	6.77	6.47	4.26	5.25	8.11	8.06	9.03	8.96
D. Black-market exchange rates	0.00	0.00	5.60	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	6.38	4.53	5.86	5.93	5.73
(i) Foreign ownership/investment restrictions				7.76	8.29	7.86	8.02	7.61
(ii) Capital controls	0.00	0.00	0.00	5.00	0.77	3.85	3.85	3.85
<b>5. Regulation of Credit, Labor and Business</b>	3.82	3.37	4.61	5.99	7.05	7.29	7.26	7.30
A. Credit market regulations	3.56	2.66	4.40	6.60	8.29	8.48	8.76	8.84
(i) Ownership of banks	0.00	0.00	2.00	8.00	8.00	10.00	10.00	10.00
(ii) Foreign bank competition				7.30	6.85	8.00	8.00	8.00
(iii) Private sector credit	4.68	5.33	5.21	5.28	8.62	5.92	7.05	7.34
(iv) Interest rate controls/negative real int. rates	6.00		6.00	6.00	10.00	10.00	10.00	10.00
B. Labor market regulations				5.41	5.59	6.84	6.95	7.08
(i) Hiring regulations and minimum wage				6.67	4.65	8.90	10.00	10.00
(ii) Hiring and firing regulations			7.07	7.07	5.50	4.62	4.72	4.91
(iii) Centralized collective bargaining				5.18	6.97	7.49	6.95	7.50
(iv) Hours regulations				5.15	5.85	3.30	3.30	3.30
(v) Mandated cost of worker dismissal						6.76	6.76	6.76
(vi) Conscription	0.00	0.00	1.00	3.00	5.00	10.00	10.00	10.00
C. Business regulations				5.97	7.26	6.53	6.06	5.98
(i) Price controls				8.00	8.00	7.00	8.00	8.00
(ii) Bureaucracy costs					7.42	3.03	2.05	1.88
(iii) Bureaucracy costs				6.14	6.18	6.58	3.33	3.21
(iv) Starting a business				6.40	7.37	8.32	9.72	9.75
(v) Extra payments/bribes				3.32	7.35	7.27	5.44	5.16
(vi) Licensing restrictions						7.36	7.57	7.57
(vii) Cost of tax compliance						6.19	6.30	6.30



## Iceland

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	5.43 (55)	5.75 (44)	7.03 (24)	7.40 (16)	7.76 (12)	7.71 (14)	7.44 (29)	7.16 (42)
<b>Area 1. Size of Government</b>	5.12 (50)	5.35 (46)	6.03 (45)	5.72 (72)	6.07 (69)	6.91 (48)	6.88 (49)	6.25 (69)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	7.96 (21)	9.18 (12)	9.73 (13)	8.30 (17)	9.03 (12)	9.01 (2)	8.74 (6)	8.43 (8)
<b>Area 3. Access to Sound Money</b>	2.62 (103)	2.84 (104)	7.08 (40)	9.45 (25)	9.18 (34)	8.75 (53)	8.16 (70)	7.68 (76)
<b>Area 4. Freedom to Trade Internationally</b>	5.56 (46)	5.57 (51)	5.91 (50)	6.60 (63)	6.86 (65)	5.72 (101)	5.75 (101)	5.74 (100)
<b>Area 5. Regulation of Credit, Labor and Business</b>	6.29 (22)	6.30 (26)	6.66 (17)	6.91 (13)	7.63 (6)	8.14 (12)	7.66 (21)	7.69 (19)
<b>Unadjusted</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	5.14 (67)	5.44 (58)	6.62 (28)	7.40 (18)	7.76 (12)	7.81 (12)	7.54 (25)	7.26 (39)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.12	5.35	6.03	5.72	6.07	6.91	6.88	6.25
A. Government consumption	5.23 22.21	5.45 21.48	4.74 23.87	4.22 25.65	3.44 28.31	3.22 29.04	3.05 29.64	2.59 31.20
B. Transfers and subsidies	7.25 10.60	6.95 11.70	7.38 10.10	7.65 9.12	8.34 6.60	7.90 8.19	7.99 7.89	7.91 8.17
C. Government enterprises and investment	8.00 15.30	8.00 16.10	7.00 22.20	7.00 24.80	7.00 24.80	10.00 10.92	10.00 14.67	8.00 18.35
D. Top marginal tax rate	0.00	1.00	5.00	4.00	5.50	6.50	6.50	6.50
(i) Top marginal income tax rate	0.00 63	1.00 56	5.00 40	4.00 47	6.00 45	7.00 39	7.00 39	7.00 37
(ii) Top marginal income and payroll tax rates					5.00 48	6.00 42	6.00 42	6.00 41
<b>2. Legal Structure and Security of Property Rights</b>	6.83	7.88	8.35	8.30	9.03	9.01	8.74	8.43
A. Judicial independence				7.78	8.52	8.39	8.23	8.06
B. Impartial courts				8.28	9.02	8.94	7.76	6.61
C. Protection of property rights				5.80	7.62	9.44	8.95	8.28
D. Military interference				9.64	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	10.00	10.00	10.00	10.00
F. Legal enforcement of contracts						7.13	7.13	6.95
G. Regulatory restrictions of sale of real property						9.14	9.14	9.14
<b>3. Access to Sound Money</b>	2.62	2.84	7.08	9.45	9.18	8.75	8.16	7.68
A. Money growth	3.57 32.16	4.81 25.96	5.77 21.13	9.18 4.12	8.16 9.21	7.06 14.68	4.92 25.38	4.92 25.38
B. Standard deviation of inflation	6.92 7.70	2.82 17.95	8.81 2.97	9.16 2.09	9.61 0.97	8.76 3.11	8.71 3.21	8.35 4.12
C. Inflation: most recent year	0.00 52.48	3.74 31.30	3.74 31.30	9.45 2.75	8.97 5.16	9.17 4.16	8.99 5.06	7.46 12.69
D. Freedom to own foreign currency	0.00	0.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	5.61	5.62	5.89	6.52	6.86	5.72	5.75	5.74
A. Taxes on international trade	6.87	7.80	7.86	8.65	8.02	6.05	6.06	6.08
(i) Revenues for trade taxes (% trade sector)	5.67 6.50	6.93 4.60	7.34 3.99	9.61 0.58	9.65 0.53	9.69 0.46	9.65 0.52	9.71 0.43
(ii) Mean tariff rate	8.08 9.60	8.66 6.70	9.24 3.80	9.26 3.70	9.62 1.90	8.46 7.70	8.54 7.30	8.54 7.30
(iii) Standard deviation of tariff rates			7.00 7.50	7.08 7.30	4.80 13.00	0.00 38.65	0.00 31.32	0.00 32.05
B. Regulatory trade barriers				6.62	8.71	6.95	6.87	6.48
(i) Non-tariff trade barriers				6.62	8.25	5.86	5.71	5.27
(ii) Compliance cost of importing and exporting					9.17	8.03	8.03	7.70
C. Size of trade sector	2.79	3.30	1.37	1.03	1.34	0.61	0.95	1.95
D. Black-market exchange rates	8.20	6.80	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	6.28	6.25	5.00	4.87	4.18
(i) Foreign ownership/investment restrictions				7.56	8.65	6.15	5.90	4.52
(ii) Capital controls	2.00	2.00	2.00	5.00	3.85	3.85	3.85	3.85
<b>5. Regulation of Credit, Labor and Business</b>	5.50	5.51	5.76	7.01	7.63	8.66	8.18	8.21
A. Credit market regulations	5.20	5.23	6.28	6.86	7.91	9.25	9.25	9.25
(i) Ownership of banks	2.00	2.00	2.00	2.00	5.00	10.00	10.00	10.00
(ii) Foreign bank competition				5.83	8.10	8.00	8.00	8.00
(iii) Private sector credit	9.61	9.69	8.83	9.42	10.00	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates	4.00	4.00	8.00	10.00	9.00	9.00	9.00	9.00
B. Labor market regulations			6.80	6.38	6.66	7.97	7.58	7.65
(i) Hiring regulations and minimum wage				6.20	4.76	6.70	5.60	5.60
(ii) Hiring and firing regulations			5.92	5.92	6.03	7.67	7.11	7.41
(iii) Centralized collective bargaining	4.49	4.49	4.49	4.49	5.48	6.67	5.98	6.12
(iv) Hours regulations				5.28	7.01	8.00	8.00	8.00
(v) Mandated cost of worker dismissal						8.79	8.79	8.79
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				7.81	8.33	8.76	7.70	7.72
(i) Price controls				6.00	8.00	8.00	8.00	8.00
(ii) Bureaucracy costs					6.98	7.24	6.22	6.13
(iii) Bureaucracy costs				8.06	8.43	8.57	2.35	2.79
(iv) Starting a business				7.67	8.25	9.76	9.77	9.76
(v) Extra payments/bribes				9.50	9.99	9.69	9.46	9.28
(vi) Licensing restrictions						9.64	9.66	9.66
(vii) Cost of tax compliance						8.43	8.43	8.43



## India

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	5.41 (57)	5.08 (71)	5.13 (75)	5.76 (72)	6.27 (72)	6.55 (73)	6.48 (81)	6.48 (82)
<b>Area 1. Size of Government</b>	5.00 (54)	4.50 (72)	4.88 (76)	6.26 (55)	6.83 (41)	6.67 (59)	6.98 (47)	6.84 (45)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	6.32 (34)	5.38 (52)	4.79 (65)	5.87 (48)	5.99 (52)	6.44 (47)	5.94 (60)	5.93 (61)
<b>Area 3. Access to Sound Money</b>	6.29 (51)	6.61 (57)	6.63 (60)	6.50 (64)	6.88 (85)	6.84 (90)	6.71 (102)	6.69 (96)
<b>Area 4. Freedom to Trade Internationally</b>	4.32 (69)	3.68 (77)	4.02 (90)	4.67 (104)	5.54 (108)	6.45 (73)	6.67 (71)	6.79 (64)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.22 (53)	5.24 (53)	5.29 (59)	5.52 (65)	6.09 (61)	6.36 (65)	6.12 (87)	6.16 (87)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	5.39 (56)	5.06 (74)	5.04 (82)	5.73 (74)	6.27 (72)	6.58 (79)	6.51 (86)	6.51 (87)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.00	4.50	4.88	6.26	6.83	6.67	6.98	6.84
A. Government consumption	8.34 11.65	7.62 14.11	7.15 15.68	7.31 15.16	6.74 17.10	6.95 16.38	7.20 15.53	6.63 17.46
B. Transfers and subsidies	8.66 5.40	8.37 6.50	8.37 6.50	8.72 5.20	8.59 5.66	8.74 5.14	8.72 5.19	8.72 5.19
C. Government enterprises and investment	2.00 46.70	2.00 49.50	2.00 42.30	4.00 31.40	4.00 31.40	4.00	4.00	4.00
D. Top marginal tax rate	1.00	0.00	2.00	5.00	8.00	7.00	8.00	8.00
(i) Top marginal income tax rate	1.00 60	0.00 62	2.00 53	5.00 40	8.00 30	7.00 34	8.00 34	8.00 34
(ii) Top marginal income and payroll tax rates			2.00 53	5.00 40	8.00 30	7.00 34	8.00 34	8.00 34
<b>2. Legal Structure and Security of Property Rights</b>	5.78	4.92	4.39	5.87	5.99	6.44	5.94	5.93
A. Judicial independence				7.33	7.01	8.16	6.52	6.60
B. Impartial courts				7.60	8.02	6.87	5.73	5.91
C. Protection of property rights				4.10	3.27	7.88	6.70	6.30
D. Military interference				6.21	5.00	6.67	6.67	6.67
E. Integrity of the legal system				4.11	6.67	6.67	6.67	6.67
F. Legal enforcement of contracts						2.59	2.59	2.59
G. Regulatory restrictions of sale of real property						6.28	6.70	6.74
<b>3. Access to Sound Money</b>	6.29	6.61	6.63	6.50	6.88	6.84	6.71	6.69
A. Money growth	9.36 3.22	8.38 8.10	8.58 7.08	8.56 7.22	9.03 4.86	8.41 7.97	8.42 7.88	8.77 6.15
B. Standard deviation of inflation	8.10 4.76	9.56 1.11	9.42 1.45	9.06 2.34	9.29 1.77	9.79 0.53	9.68 0.79	9.66 0.85
C. Inflation: most recent year	7.69 11.54	8.50 7.52	8.50 7.52	8.37 8.16	9.20 4.01	9.15 4.25	8.73 6.37	8.33 8.35
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>	4.19	3.56	3.89	4.62	5.54	6.45	6.67	6.79
A. Taxes on international trade	0.00	0.00	0.00	0.91	4.34	5.59	5.39	5.99
(i) Revenues for trade taxes (% trade sector)	0.00 15.50	0.00 24.20	0.00 21.10	2.16 11.76	4.49 8.26	7.15 4.27	6.95 4.58	7.06 4.41
(ii) Mean tariff rate	0.00 74.30	0.00 98.80	0.00 79.20	0.00 55.20	3.50 32.50	6.60 17.00	7.10 14.50	7.40 13.00
(iii) Standard deviation of tariff rates			0.00 45.20	0.56 23.60	5.04 12.40	3.01 17.47	2.11 19.72	3.50 16.25
B. Regulatory trade barriers				6.35	5.67	6.13	6.77	6.59
(i) Non-tariff trade barriers				6.35	5.35	6.91	6.06	5.68
(ii) Compliance cost of importing and exporting					5.99	5.34	7.49	7.49
C. Size of trade sector	3.70	2.36	3.22	5.10	5.67	6.86	7.64	8.29
D. Black-market exchange rates	9.00	7.20	8.00	8.40	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	2.33	2.02	3.70	3.55	3.08
(i) Foreign ownership/investment restrictions				4.67	4.05	7.40	7.10	6.16
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>5. Regulation of Credit, Labor and Business</b>	5.68	5.70	5.43	5.40	6.09	6.52	6.28	6.31
A. Credit market regulations	5.22	5.28	5.49	5.74	6.35	6.76	6.93	6.89
(i) Ownership of banks	0.00	0.00	0.00	2.00	2.00	2.00	2.00	2.00
(ii) Foreign bank competition				5.27	6.35	6.00	6.00	6.00
(iii) Private sector credit	7.67	7.84	8.46	9.17	8.45	9.04	9.71	9.58
(iv) Interest rate controls/negative real int. rates	8.00	8.00	8.00	8.00	10.00	10.00	10.00	10.00
B. Labor market regulations			6.26	6.11	6.05	7.27	7.27	7.29
(i) Hiring regulations and minimum wage				6.23	4.35	10.00	10.00	10.00
(ii) Hiring and firing regulations			2.56	2.56	1.70	3.31	3.69	3.71
(iii) Centralized collective bargaining	6.21	6.21	6.21	6.21	7.72	7.47	7.14	7.22
(iv) Hours regulations				5.55	6.50	8.00	8.00	8.00
(v) Mandated cost of worker dismissal						4.81	4.81	4.81
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				4.36	5.85	5.52	4.63	4.75
(i) Price controls			3.00	4.00	4.00	3.00	3.00	3.00
(ii) Bureaucracy costs					7.37	3.23	3.21	3.14
(iii) Bureaucracy costs				6.06	7.40	5.17	4.08	4.41
(iv) Starting a business				4.95	5.93	7.03	7.52	7.65
(v) Extra payments/bribes				2.42	4.57	6.62	4.78	4.70
(vi) Licensing restrictions						6.58	2.82	3.40
(vii) Cost of tax compliance						7.04	6.96	6.96



## Indonesia

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	5.24 (60)	6.16 (33)	6.53 (32)	6.57 (40)	6.04 (85)	6.41 (78)	6.46 (83)	6.49 (81)
<b>Area 1. Size of Government</b>	5.27 (46)	6.35 (18)	7.13 (17)	7.96 (14)	7.57 (21)	7.18 (34)	7.14 (39)	7.11 (39)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	3.27 (66)	4.27 (70)	4.52 (69)	3.55 (113)	3.36 (115)	3.95 (105)	4.12 (102)	4.44 (97)
<b>Area 3. Access to Sound Money</b>	6.54 (38)	9.27 (14)	8.76 (23)	9.09 (32)	6.20 (102)	7.39 (80)	7.56 (81)	7.55 (82)
<b>Area 4. Freedom to Trade Internationally</b>	6.62 (31)	6.21 (37)	6.46 (40)	6.59 (64)	7.67 (37)	7.45 (30)	7.09 (54)	7.04 (55)
<b>Area 5. Regulation of Credit, Labor and Business</b>	4.36 (80)	4.51 (80)	5.65 (50)	5.56 (62)	5.40 (94)	6.12 (81)	6.40 (70)	6.31 (80)
<b>Unadjusted</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	5.20 (61)	6.12 (30)	6.46 (32)	6.42 (46)	6.04 (84)	6.37 (92)	6.41 (94)	6.44 (90)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.27	6.35	7.13	7.96	7.57	7.18	7.14	7.11
A. Government consumption	6.84 16.75	6.95 16.36	7.93 13.04	8.45 11.28	8.98 9.47	8.47 11.19	8.35 11.61	8.20 12.13
B. Transfers and subsidies	9.24 3.30	9.46 2.50	9.59 2.00	9.89 0.90	8.30 6.73	7.23 10.67	7.23 10.67	7.23 10.67
C. Government enterprises and investment	2.00 49.50	2.00 43.00	4.00 32.50	7.00 20.70	7.00 20.70	7.00	7.00	7.00
D. Top marginal tax rate	3.00	7.00	7.00	6.50	6.00	6.00	6.00	6.00
(i) Top marginal income tax rate	3.00 50	7.00 35	7.00 35	8.00 30	7.00 35	7.00 35	7.00 35	7.00 35
(ii) Top marginal income and payroll tax rates			7.00 35	5.00 40	5.00 40	5.00 40	5.00 40	5.00 40
<b>2. Legal Structure and Security of Property Rights</b>	3.41	4.46	4.72	3.55	3.36	3.95	4.12	4.44
A. Judicial independence				2.33	3.01	3.01	4.28	4.72
B. Impartial courts				4.22	4.01	3.92	4.28	4.79
C. Protection of property rights				4.20	3.13	4.59	4.18	5.18
D. Military interference				2.88	3.33	4.17	4.17	4.17
E. Integrity of the legal system				4.11	3.33	5.00	5.00	5.00
F. Legal enforcement of contracts						1.17	1.17	1.17
G. Regulatory restrictions of sale of real property						5.81	5.75	6.07
<b>3. Access to Sound Money</b>	6.54	9.27	8.76	9.09	6.20	7.39	7.56	7.55
A. Money growth	6.30 18.49	9.36 3.20	8.03 9.87	8.97 5.17	5.56 22.19	8.45 7.76	8.04 9.79	8.67 6.67
B. Standard deviation of inflation	6.07 9.82	8.59 3.52	7.86 5.35	9.38 1.54	0.00 27.72	8.21 4.48	8.48 3.80	8.54 3.64
C. Inflation: most recent year	3.80 30.99	9.14 4.28	9.14 4.28	8.02 9.89	9.26 3.72	7.91 10.45	8.72 6.41	7.98 10.10
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>	6.74	6.32	6.32	6.23	7.67	7.45	7.09	7.04
A. Taxes on international trade	6.13	7.66	5.88	6.43	7.88	7.93	7.84	7.84
(i) Revenues for trade taxes (% trade sector)	8.07 2.90	8.93 1.60	8.39 2.41	9.13 1.31	9.65 0.53	9.38 0.93	9.38 0.93	9.38 0.93
(ii) Mean tariff rate	4.20 29.00	6.38 18.10	5.94 20.30	6.60 17.00	8.32 8.40	8.70 6.50	8.62 6.90	8.62 6.90
(iii) Standard deviation of tariff rates			3.32 16.70	3.56 16.10	5.68 10.80	5.72 10.70	5.53 11.18	5.53 11.18
B. Regulatory trade barriers				3.33	5.91	6.30	6.91	6.70
(i) Non-tariff trade barriers				3.33	3.82	6.41	7.10	6.69
(ii) Compliance cost of importing and exporting					8.00	6.20	6.72	6.72
C. Size of trade sector	9.77	7.17	7.55	7.64	9.72	8.07	6.44	6.73
D. Black-market exchange rates	9.60	8.60	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	3.76	4.83	4.95	4.26	3.92
(i) Foreign ownership/investment restrictions				7.53	8.12	8.36	7.76	7.08
(ii) Capital controls	0.00	0.00	0.00	0.00	1.54	1.54	0.77	0.77
<b>5. Regulation of Credit, Labor and Business</b>	4.05	4.18	5.37	5.27	5.40	5.90	6.15	6.08
A. Credit market regulations	3.18	4.53	7.33	7.22	6.46	8.09	8.09	7.84
(i) Ownership of banks	0.00	2.00	2.00	5.00	5.00	5.00	5.00	5.00
(ii) Foreign bank competition				5.88	4.58	8.00	8.00	8.00
(iii) Private sector credit	7.53	7.58	10.00	10.00	8.13	9.34	9.34	9.34
(iv) Interest rate controls/negative real int. rates	2.00	4.00	10.00	10.00	10.00	10.00	10.00	9.00
B. Labor market regulations				4.22	4.97	4.93	5.29	5.11
(i) Hiring regulations and minimum wage				5.12	4.62	2.80	3.90	3.90
(ii) Hiring and firing regulations			5.56	5.56	3.20	4.49	6.20	5.54
(iii) Centralized collective bargaining					6.18	7.30	6.67	6.20
(iv) Hours regulations				6.22	5.85	10.00	10.00	10.00
(v) Mandated cost of worker dismissal						0.00	0.00	0.00
(vi) Conscription	3.00	0.00	0.00	0.00	5.00	5.00	5.00	5.00
C. Business regulations				4.36	4.76	4.70	5.06	5.29
(i) Price controls			7.00	3.00	2.00	1.00	1.00	1.00
(ii) Bureaucracy costs					6.95	6.26	4.14	4.79
(iii) Bureaucracy costs				6.30	5.30	5.85	4.70	4.57
(iv) Starting a business				5.22	5.63	5.85	6.51	7.61
(v) Extra payments/bribes				2.91	3.91	3.13	4.17	4.10
(vi) Licensing restrictions						7.24	7.87	7.96
(vii) Cost of tax compliance						3.54	7.02	7.02



## Iran

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	3.75 (97)	4.07 (94)	4.77 (93)	4.50 (110)	5.76 (95)	6.30 (85)	6.15 (94)	6.08 (92)
<b>Area 1. Size of Government</b>	3.42 (93)	4.33 (76)	5.06 (72)	5.35 (83)	4.92 (92)	6.32 (72)	6.39 (66)	6.27 (68)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	1.76 (90)	2.26 (105)	2.20 (109)	5.60 (56)	5.91 (57)	6.11 (57)	6.09 (55)	6.12 (51)
<b>Area 3. Access to Sound Money</b>	6.90 (30)	8.10 (27)	8.99 (21)	3.87 (102)	8.00 (59)	8.06 (68)	8.09 (73)	7.73 (75)
<b>Area 4. Freedom to Trade Internationally</b>	3.03 (86)	2.30 (93)	4.00 (91)	4.00 (107)	5.88 (98)	5.74 (99)	5.06 (112)	5.03 (111)
<b>Area 5. Regulation of Credit, Labor and Business</b>	3.82 (91)	3.35 (98)	3.62 (103)	3.68 (117)	4.08 (120)	5.16 (111)	4.98 (117)	5.10 (114)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	4.02 (94)	4.07 (94)	4.77 (92)	4.50 (110)	5.76 (95)	6.31 (94)	6.17 (106)	6.10 (107)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.56	4.33	5.06	5.35	4.92	6.32	6.39	6.27
A. Government consumption	3.44 28.29	6.00 19.59	7.30 15.17	6.12 19.19	4.68 24.10	5.51 21.28	5.91 19.89	5.93 19.85
B. Transfers and subsidies	8.23 7.00	9.32 3.00	8.94 4.40	9.29 3.10	9.52 2.26	8.27 6.85	8.16 7.26	8.16 7.26
C. Government enterprises and investment	2.00 44.50	2.00 40.40	4.00 32.50	2.00 49.70	4.00 33.60	4.00 33.70	4.00 35.30	4.00 35.30
D. Top marginal tax rate		0.00	0.00	4.00	1.50	7.50	7.50	7.00
(i) Top marginal income tax rate		0.00 90	0.00 75	4.00 54	2.00 54	8.00 35	8.00 35	7.00 35
(ii) Top marginal income and payroll tax rates			0.00 75	4.00 54	1.00 57	7.00 37	7.00 37	7.00 37
<b>2. Legal Structure and Security of Property Rights</b>	1.76	2.26	2.20	5.60	5.91	6.11	6.09	6.12
A. Judicial independence								
B. Impartial courts				4.92	4.86	4.20	4.10	4.20
C. Protection of property rights								
D. Military interference				6.67	8.33	8.33	8.33	8.33
E. Integrity of the legal system				6.96	6.67	6.67	6.67	6.67
F. Legal enforcement of contracts						5.51	5.51	5.51
G. Regulatory restrictions of sale of real property						5.84	5.84	5.87
<b>3. Access to Sound Money</b>	6.90	8.10	8.99	3.87	8.00	8.06	8.09	7.73
A. Money growth	4.64 26.80	5.94 20.30	8.19 9.07	6.09 19.57	7.15 14.27	7.69 11.57	7.64 11.80	8.18 9.12
B. Standard deviation of inflation	7.66 5.85	7.40 6.51	8.73 3.17	7.31 6.72	7.73 5.67	7.23 6.93	8.16 4.61	7.85 5.38
C. Inflation: most recent year	5.32 23.41	9.05 4.73	9.05 4.73	2.10 39.50	7.10 14.48	7.31 13.43	6.56 17.21	4.89 25.55
D. Freedom to own foreign currency	10.00	10.00	10.00	0.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	3.03	2.30	4.00	4.00	5.88	5.61	5.01	4.99
A. Taxes on international trade	2.93	3.20	6.15	7.30	8.34	6.92	4.16	4.17
(i) Revenues for trade taxes (% trade sector)	0.00 17.00	0.53 14.20	6.43 5.35	8.74 1.89	7.67 3.49	7.59 3.62	7.72 3.42	7.72 3.42
(ii) Mean tariff rate	5.86 20.70	5.86 20.70	5.86 20.70	5.86 20.70	9.02 4.90	6.26 18.70	4.76 26.20	4.80 26.00
(iii) Standard deviation of tariff rates					8.32 4.20		0.00 27.25	0.00 28.08
B. Regulatory trade barriers						5.55	5.55	5.70
(i) Non-tariff trade barriers								
(ii) Compliance cost of importing and exporting						5.55	5.55	5.70
C. Size of trade sector	3.95	0.00	5.59	4.46	3.98	5.60	5.37	5.08
D. Black-market exchange rates	0.00	0.00	0.00	0.00	8.86	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(i) Foreign ownership/investment restrictions								
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>5. Regulation of Credit, Labor and Business</b>	3.86	3.38	3.62	3.68	4.08	5.45	5.26	5.38
A. Credit market regulations	2.68	2.40	3.13	3.33	4.67	6.33	5.67	5.67
(i) Ownership of banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Foreign bank competition								
(iii) Private sector credit	8.03	7.19	9.38	10.00	10.00	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates	0.00	0.00	0.00	0.00	4.00	9.00	7.00	7.00
B. Labor market regulations						4.78	4.78	4.78
(i) Hiring regulations and minimum wage						8.90	8.90	8.90
(ii) Hiring and firing regulations								
(iii) Centralized collective bargaining								
(iv) Hours regulations						7.30	7.30	7.30
(v) Mandated cost of worker dismissal						1.93	1.93	1.93
(vi) Conscription	3.00	0.00	0.00	0.00	0.00	1.00	1.00	1.00
C. Business regulations						5.24	5.32	5.70
(i) Price controls			2.00	2.00	2.00	2.00	2.00	2.00
(ii) Bureaucracy costs								
(iii) Bureaucracy costs								
(iv) Starting a business						9.04	9.05	9.67
(v) Extra payments/bribes								
(vi) Licensing restrictions						3.76	4.07	5.00
(vii) Cost of tax compliance						6.14	6.14	6.14



## Ireland

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	6.73 (18)	6.75 (19)	7.32 (18)	8.20 (5)	8.16 (7)	8.07 (4)	7.87 (9)	7.68 (11)
<b>Area 1. Size of Government</b>	4.67 (67)	4.26 (80)	5.56 (61)	5.76 (71)	6.13 (62)	6.64 (61)	5.90 (84)	5.28 (99)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	8.37 (17)	7.86 (20)	9.14 (16)	9.09 (8)	8.97 (14)	7.93 (17)	7.96 (17)	7.92 (17)
<b>Area 3. Access to Sound Money</b>	5.93 (69)	6.65 (55)	6.80 (55)	9.60 (15)	9.43 (25)	9.65 (7)	9.59 (8)	9.48 (14)
<b>Area 4. Freedom to Trade Internationally</b>	7.82 (11)	7.74 (12)	7.70 (15)	8.75 (4)	9.05 (3)	8.45 (4)	8.41 (6)	8.22 (7)
<b>Area 5. Regulation of Credit, Labor and Business</b>	7.15 (9)	7.49 (6)	7.67 (6)	7.77 (6)	7.20 (16)	7.68 (22)	7.51 (22)	7.51 (23)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	6.24 (23)	6.26 (24)	6.75 (24)	8.18 (5)	8.16 (7)	8.13 (5)	7.93 (9)	7.74 (11)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.67	4.26	5.56	5.76	6.13	6.64	5.90	5.28
A. Government consumption	5.31 21.96	5.15 22.49	5.80 20.27	5.44 21.52	5.33 21.88	5.12 22.58	4.28 25.45	3.40 28.45
B. Transfers and subsidies	5.37 17.50	4.88 19.30	5.42 17.30	5.10 18.50	4.20 21.78	6.94 11.73	6.81 12.22	6.23 14.33
C. Government enterprises and investment	7.00 24.60	7.00 24.70	10.00 11.10	10.00 14.30	10.00 14.30	10.00 13.33	8.00 17.08	7.00 23.41
D. Top marginal tax rate	1.00	0.00	1.00	2.50	5.00	4.50	4.50	4.50
(i) Top marginal income tax rate	1.00 60	0.00 65	1.00 56	3.00 48	5.00 42	5.00 42	5.00 42	5.00 42
(ii) Top marginal income and payroll tax rates			1.00 57	2.00 51	5.00 42	4.00 49	4.00 48	4.00 48
<b>2. Legal Structure and Security of Property Rights</b>	7.08	6.65	7.73	9.09	8.97	7.93	7.96	7.92
A. Judicial independence				9.30	8.68	8.57	8.71	8.90
B. Impartial courts				8.88	9.19	7.10	6.97	6.04
C. Protection of property rights				7.29	7.00	9.00	8.95	8.44
D. Military interference				10.00	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	10.00	10.00	10.00	10.00
F. Legal enforcement of contracts						4.95	4.95	4.95
G. Regulatory restrictions of sale of real property						5.90	6.13	7.08
<b>3. Access to Sound Money</b>	5.93	6.65	6.80	9.60	9.43	9.65	9.59	9.48
A. Money growth	8.07 9.64	9.56 2.19	9.25 3.75	9.03 4.87	9.39 -3.05	9.73 1.34	9.58 2.08	9.47 2.63
B. Standard deviation of inflation	8.61 3.48	8.09 4.78	8.97 2.57	9.47 1.32	9.42 1.44	9.37 1.57	9.74 0.66	9.27 1.83
C. Inflation: most recent year	7.06 14.71	8.96 5.18	8.96 5.18	9.91 0.43	8.89 5.56	9.51 2.43	9.02 4.88	9.19 4.05
D. Freedom to own foreign currency	0.00	0.00	0.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	7.55	7.47	7.36	8.60	9.05	8.45	8.41	8.22
A. Taxes on international trade	7.95	8.25	7.88	8.37	9.18	8.48	8.27	8.16
(i) Revenues for trade taxes (% trade sector)	7.67 3.50	8.00 3.00	8.00 3.00	8.80 1.80	9.78 0.33	9.84 0.24	9.84 0.24	9.99 0.02
(ii) Mean tariff rate	8.24 8.80	8.50 7.50	8.52 7.40	8.66 6.70	9.52 2.40	9.46 2.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates			7.12 7.20	7.64 5.90	8.24 4.40	6.13 9.67	6.01 9.98	5.61 10.98
B. Regulatory trade barriers				8.88	8.93	8.51	8.42	8.32
(i) Non-tariff trade barriers				8.88	8.18	8.19	8.01	7.82
(ii) Compliance cost of importing and exporting					9.67	8.83	8.83	8.83
C. Size of trade sector	6.64	6.56	5.95	7.31	8.54	6.49	6.52	6.49
D. Black-market exchange rates	10.00	9.40	9.80	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	5.00	5.00	5.00	8.46	8.61	8.78	8.83	8.14
(i) Foreign ownership/investment restrictions				8.91	8.76	9.10	9.33	7.94
(ii) Capital controls	5.00	5.00	5.00	8.00	8.46	8.46	8.33	8.33
<b>5. Regulation of Credit, Labor and Business</b>	5.97	6.26	6.32	7.82	7.20	7.99	7.82	7.81
A. Credit market regulations	7.35	8.46	8.77	8.51	8.39	9.00	9.00	9.00
(i) Ownership of banks	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
(ii) Foreign bank competition				8.05	6.95	8.00	8.00	8.00
(iii) Private sector credit	8.04	7.37	8.32	9.01	10.00	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates	6.00	10.00	10.00	10.00	9.00	10.00	10.00	10.00
B. Labor market regulations	6.55	6.58	6.53	6.68	5.35	7.48	7.54	7.58
(i) Hiring regulations and minimum wage				6.95	4.69	8.90	8.90	8.90
(ii) Hiring and firing regulations			5.52	5.52	3.77	3.95	4.33	4.66
(iii) Centralized collective bargaining	5.18	5.18	6.21	6.21	2.93	4.24	3.69	3.60
(iv) Hours regulations	4.49	4.57	4.40	4.72	5.34	10.00	10.00	10.00
(v) Mandated cost of worker dismissal						7.78	8.33	8.33
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				8.28	7.84	7.51	6.91	6.86
(i) Price controls			7.00	9.00	9.00	6.00	7.00	7.00
(ii) Bureaucracy costs					7.20	4.80	3.86	3.56
(iii) Bureaucracy costs				7.61	7.93	6.72	2.54	2.38
(iv) Starting a business				7.63	6.92	9.58	9.58	9.58
(v) Extra payments/bribes				8.87	8.17	8.42	8.44	8.52
(vi) Licensing restrictions						7.86	7.82	7.82
(vii) Cost of tax compliance						9.15	9.15	9.15



## Israel

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	3.79 (95)	4.34 (92)	4.79 (90)	5.87 (67)	6.55 (58)	7.03 (48)	6.91 (63)	6.86 (62)
<b>Area 1. Size of Government</b>	1.82 (105)	2.74 (104)	3.72 (98)	3.10 (113)	2.87 (121)	4.45 (112)	4.67 (108)	5.01 (107)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	4.59 (52)	7.67 (23)	4.96 (61)	6.98 (28)	8.01 (22)	6.39 (48)	5.94 (59)	5.90 (62)
<b>Area 3. Access to Sound Money</b>	2.03 (106)	1.25 (110)	3.95 (102)	7.43 (47)	8.09 (58)	9.34 (34)	9.27 (34)	9.07 (39)
<b>Area 4. Freedom to Trade Internationally</b>	6.65 (30)	6.61 (30)	6.64 (36)	6.79 (52)	7.87 (29)	8.07 (11)	7.94 (16)	7.59 (28)
<b>Area 5. Regulation of Credit, Labor and Business</b>	3.91 (90)	3.71 (94)	4.60 (84)	5.03 (84)	5.90 (68)	6.93 (47)	6.74 (53)	6.72 (55)
<b>Unadjusted</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	3.63 (101)	4.15 (93)	4.61 (97)	5.77 (70)	6.55 (57)	6.87 (68)	6.72 (79)	6.67 (81)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	1.82	2.74	3.72	3.10	2.87	4.45	4.50	4.83
A. Government consumption	0.00 43.15	0.45 38.48	2.09 32.90	2.24 32.38	2.18 32.58	2.11 32.82	2.68 30.89	2.97 29.90
B. Transfers and subsidies	4.47 20.80	4.77 19.70	5.59 16.70	5.07 18.60	3.92 22.80	7.25 10.58	7.32 10.32	7.37 10.16
C. Government enterprises and investment							4.00	4.00
D. Top marginal tax rate	1.00	3.00	3.50	2.00	2.50	4.00	4.00	5.00
(i) Top marginal income tax rate	1.00 66	3.00 60	5.00 48	4.00 50	4.00 50	4.00 49	4.00 49	5.00 46
(ii) Top marginal income and payroll tax rates			2.00 64	0.00 66	1.00 62	4.00 49	4.00 49	5.00 46
<b>2. Legal Structure and Security of Property Rights</b>	4.06	6.78	4.39	6.98	8.01	6.39	5.94	5.90
A. Judicial independence				8.68	9.19	8.87	7.87	8.38
B. Impartial courts				7.02	9.35	7.14	5.21	5.59
C. Protection of property rights				7.15	6.53	7.94	6.92	5.75
D. Military interference				5.10	6.67	4.17	4.17	4.17
E. Integrity of the legal system				6.96	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts						3.46	3.46	3.46
G. Regulatory restrictions of sale of real property						4.81	5.63	5.63
<b>3. Access to Sound Money</b>	2.03	1.25	3.95	7.43	8.09	9.34	9.27	9.07
A. Money growth	3.13 34.36	0.00 136.22	5.48 22.59	7.80 10.98	9.07 4.64	8.44 7.80	7.62 11.88	7.62 11.88
B. Standard deviation of inflation	0.00 37.42	0.00 103.70	5.32 11.71	8.59 3.53	9.17 2.08	9.56 1.10	9.56 1.09	9.56 1.09
C. Inflation: most recent year	0.00 134.74	0.00 260.00	0.00 260.00	8.33 8.36	9.77 1.14	9.73 1.33	9.90 0.51	9.08 4.60
D. Freedom to own foreign currency	5.00	5.00	5.00	5.00	5.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	6.71	6.66	6.69	6.35	7.87	7.72	7.60	7.26
A. Taxes on international trade	6.60	8.07	9.39	7.95	9.68	7.86	7.60	7.16
(i) Revenues for trade taxes (% trade sector)	6.60 5.10	8.07 2.90	9.39 0.92	9.84 0.24	9.75 0.37	9.77 0.34	9.75 0.37	9.73 0.40
(ii) Mean tariff rate				8.34 8.30	9.60 2.00	9.46 2.70	8.70 6.50	8.64 6.80
(iii) Standard deviation of tariff rates				5.68 10.80		4.36 14.11	4.36 14.11	3.12 17.20
B. Regulatory trade barriers				5.38	8.11	7.84	7.92	7.89
(i) Non-tariff trade barriers				5.38	6.88	7.27	7.42	7.38
(ii) Compliance cost of importing and exporting					9.33	8.41	8.41	8.41
C. Size of trade sector	6.95	6.47	4.69	4.20	4.55	4.47	4.04	3.46
D. Black-market exchange rates	9.80	8.60	9.20	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	4.21	7.02	8.43	8.44	7.78
(i) Foreign ownership/investment restrictions				6.42	9.42	7.70	7.71	6.40
(ii) Capital controls	2.00	2.00	2.00	2.00	4.61	9.17	9.17	9.17
<b>5. Regulation of Credit, Labor and Business</b>	3.52	3.34	4.27	4.97	5.90	6.47	6.29	6.27
A. Credit market regulations	1.75	1.14	3.81	4.88	6.04	7.52	7.74	7.50
(i) Ownership of banks	0.00	0.00	0.00	0.00	0.00	5.00	5.00	5.00
(ii) Foreign bank competition				4.23	5.43	6.00	6.00	6.00
(iii) Private sector credit	5.25	3.43	5.43	8.14	8.89	9.10	9.97	9.02
(iv) Interest rate controls/negative real int. rates	0.00	0.00	6.00	8.00	10.00	10.00	10.00	10.00
B. Labor market regulations			3.35	3.84	4.26	4.87	4.79	4.83
(i) Hiring regulations and minimum wage				4.75	4.20	8.90	8.90	8.90
(ii) Hiring and firing regulations			4.87	4.87	5.43	5.74	5.68	5.33
(iii) Centralized collective bargaining	5.18	5.18	5.18	5.18	6.17	6.99	6.59	7.18
(iv) Hours regulations				4.38	5.51	6.00	6.00	6.00
(v) Mandated cost of worker dismissal						1.56	1.56	1.56
(vi) Conscription	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations				6.20	7.41	7.03	6.34	6.48
(i) Price controls				5.00	5.00	6.00	6.00	6.00
(ii) Bureaucracy costs					8.18	4.36	4.38	3.55
(iii) Bureaucracy costs				6.34	7.73	7.30	3.81	4.76
(iv) Starting a business				5.77	7.68	8.86	8.87	8.87
(v) Extra payments/bribes				7.69	8.44	8.40	7.05	7.83
(vi) Licensing restrictions						6.85	6.88	6.89
(vii) Cost of tax compliance						7.42	7.42	7.42



## Italy

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	5.53 (52)	5.68 (46)	6.59 (29)	6.50 (44)	7.11 (34)	7.01 (49)	6.84 (66)	6.75 (67)
<b>Area 1. Size of Government</b>	4.10 (78)	2.96 (103)	3.33 (103)	3.75 (108)	4.62 (100)	5.92 (82)	5.77 (88)	5.71 (83)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	6.35 (33)	7.56 (25)	8.62 (21)	6.47 (40)	7.66 (23)	6.27 (51)	5.93 (62)	5.67 (65)
<b>Area 3. Access to Sound Money</b>	5.55 (79)	6.29 (76)	9.28 (16)	9.58 (17)	9.47 (21)	9.52 (23)	9.52 (16)	9.48 (16)
<b>Area 4. Freedom to Trade Internationally</b>	7.28 (18)	7.23 (19)	6.99 (29)	7.83 (24)	8.17 (20)	7.27 (36)	7.22 (44)	7.11 (46)
<b>Area 5. Regulation of Credit, Labor and Business</b>	4.39 (79)	4.52 (79)	4.97 (72)	4.87 (93)	5.64 (84)	6.07 (87)	5.78 (102)	5.77 (100)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	5.52 (53)	5.68 (48)	6.54 (30)	6.46 (43)	7.11 (34)	7.16 (45)	7.00 (62)	6.90 (66)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.10	2.96	3.33	3.75	4.62	5.92	5.77	5.71
A. Government consumption	5.96 19.75	5.48 21.37	5.22 22.26	5.67 20.71	4.84 23.54	4.20 25.71	4.38 25.11	4.26 25.51
B. Transfers and subsidies	4.44 20.90	2.37 28.50	3.11 25.80	2.32 28.70	4.64 20.17	4.47 20.79	4.20 21.80	4.08 22.22
C. Government enterprises and investment	6.00 25.90	4.00 33.20	4.00 30.30	6.00 28.30	6.00 28.30	10.00 11.37	10.00 10.92	10.00 10.65
D. Top marginal tax rate	0.00	0.00	1.00	1.00	3.00	5.00	4.50	4.50
(i) Top marginal income tax rate	0.00 72	0.00 81	1.00 66	1.00 67	3.00 51	6.00 43-45	5.00 43-45	5.00 43-45
(ii) Top marginal income and payroll tax rates			1.00 66	1.00 67	3.00 52	4.00 51	4.00 48-50	4.00 48-50
<b>2. Legal Structure and Security of Property Rights</b>	5.70	6.78	7.73	6.47	7.66	6.27	5.93	5.67
A. Judicial independence				5.12	4.84	4.31	4.33	3.56
B. Impartial courts				5.43	5.68	3.66	2.99	2.60
C. Protection of property rights				5.43	7.80	6.79	6.33	5.69
D. Military interference				9.39	10.00	10.00	10.00	10.00
E. Integrity of the legal system				6.96	10.00	6.67	6.67	6.67
F. Legal enforcement of contracts						3.18	3.18	3.18
G. Regulatory restrictions of sale of real property						9.29	7.98	7.98
<b>3. Access to Sound Money</b>	5.55	6.29	9.28	9.58	9.47	9.52	9.52	9.48
A. Money growth	7.33 13.36	8.40 7.99	9.20 4.00	9.89 0.56	8.94 5.29	8.65 6.76	8.64 6.80	8.77 6.13
B. Standard deviation of inflation	9.04 2.41	8.54 3.65	9.72 0.69	9.43 1.42	9.43 1.43	9.83 0.41	9.79 0.52	9.81 0.47
C. Inflation: most recent year	5.82 20.91	8.20 9.01	8.20 9.01	8.99 5.06	9.49 2.54	9.60 1.99	9.63 1.83	9.33 3.35
D. Freedom to own foreign currency	0.00	0.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	7.49	7.44	7.06	7.67	8.17	7.27	7.22	7.11
A. Taxes on international trade	8.99	9.15	8.48	8.70	9.18	8.48	8.27	8.16
(i) Revenues for trade taxes (% trade sector)	9.73 0.40	9.80 0.30	9.80 0.30	9.80 0.30	9.78 0.33	9.84 0.24	9.84 0.24	10.00 0.00
(ii) Mean tariff rate	8.24 8.80	8.50 7.50	8.52 7.40	8.66 6.70	9.52 2.40	9.46 2.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates			7.12 7.20	7.64 5.90	8.24 4.40	6.13 9.67	6.01 9.98	5.61 10.98
B. Regulatory trade barriers				6.98	8.51	7.18	6.92	6.84
(i) Non-tariff trade barriers				6.98	7.68	7.00	6.47	6.31
(ii) Compliance cost of importing and exporting					9.33	7.36	7.36	7.36
C. Size of trade sector	5.32	4.89	3.66	4.68	4.82	4.03	4.44	4.27
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	5.00	5.00	5.00	8.00	8.36	6.64	6.46	6.29
(i) Foreign ownership/investment restrictions				8.00	9.04	5.59	5.22	4.89
(ii) Capital controls	5.00	5.00	5.00	8.00	7.69	7.69	7.69	7.69
<b>5. Regulation of Credit, Labor and Business</b>	4.77	4.91	5.27	4.83	5.64	6.85	6.56	6.54
A. Credit market regulations	5.02	5.58	6.93	6.56	7.11	8.05	8.05	7.91
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	8.00	8.00	8.00
(ii) Foreign bank competition				4.78	5.70	6.00	6.00	6.00
(iii) Private sector credit	6.06	5.73	5.80	6.55	9.65	8.21	9.20	8.64
(iv) Interest rate controls/negative real int. rates	4.00	6.00	10.00	10.00	10.00	10.00	9.00	9.00
B. Labor market regulations	4.12	4.12	4.20	3.49	3.53	6.49	6.17	6.30
(i) Hiring regulations and minimum wage				3.40	4.01	6.70	6.70	6.70
(ii) Hiring and firing regulations			2.62	2.62	2.10	2.80	1.83	2.45
(iii) Centralized collective bargaining	4.49	4.49	4.49	4.49	3.68	3.59	3.51	3.68
(iv) Hours regulations	6.86	6.86	6.69	3.95	4.84	6.00	6.00	6.00
(v) Mandated cost of worker dismissal						9.81	8.98	8.98
(vi) Conscription	1.00	1.00	3.00	3.00	3.00	10.00	10.00	10.00
C. Business regulations				4.43	6.27	6.00	5.45	5.40
(i) Price controls			5.00	6.00	6.00	5.00	5.00	5.00
(ii) Bureaucracy costs					6.85	1.73	1.91	1.94
(iii) Bureaucracy costs				4.71	6.05	6.08	3.85	3.91
(iv) Starting a business				4.10	5.08	9.34	9.45	9.46
(v) Extra payments/bribes				2.91	7.39	7.44	5.23	4.77
(vi) Licensing restrictions						6.46	6.48	6.48
(vii) Cost of tax compliance						5.96	6.26	6.26



## Jamaica

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	4.22 (90)	5.03 (75)	5.59 (55)	6.43 (47)	7.23 (31)	7.26 (34)	7.08 (53)	6.97 (54)
<b>Area 1. Size of Government</b>	2.62 (99)	6.91 (9)	7.49 (10)	7.86 (15)	8.52 (6)	8.66 (7)	8.79 (4)	8.82 (5)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	3.07 (69)	3.30 (87)	3.96 (80)	4.81 (87)	5.17 (74)	5.11 (82)	5.07 (82)	5.09 (81)
<b>Area 3. Access to Sound Money</b>	5.19 (90)	4.10 (99)	4.96 (90)	6.10 (71)	8.72 (43)	8.64 (57)	8.23 (68)	7.66 (79)
<b>Area 4. Freedom to Trade Internationally</b>	4.45 (67)	5.65 (49)	5.04 (69)	7.09 (39)	7.17 (52)	6.63 (63)	6.60 (74)	6.38 (82)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.25 (51)	5.23 (54)	6.54 (20)	6.25 (39)	6.55 (38)	7.29 (33)	6.74 (52)	6.94 (45)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	4.29 (91)	5.28 (64)	5.71 (52)	6.56 (42)	7.23 (31)	7.48 (25)	7.30 (41)	7.19 (46)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	2.23	6.91	7.49	7.86	8.52	8.66	8.79	8.82
A. Government consumption	4.68 24.08	6.64 17.41	6.35 18.40	6.37 18.33	6.09 19.30	6.70 17.23	7.32 15.11	7.44 14.69
B. Transfers and subsidies		10.00 0.50	9.59 2.00	9.07 3.90	10.00 0.00	9.92 0.78	9.83 1.13	9.83 1.13
C. Government enterprises and investment	2.00 46.50	10.00 13.40	8.00 16.50	8.00 17.00	10.00 10.30	10.00 6.10	10.00 6.10	10.00 6.10
D. Top marginal tax rate	0.00	1.00	6.00	8.00	8.00	8.00	8.00	8.00
(i) Top marginal income tax rate	0.00 80	1.00 58	7.00 33	9.00 25	9.00 25	9.00 25	9.00 25	9.00 25
(ii) Top marginal income and payroll tax rates			5.00 37	7.00 31	7.00 31	7.00 33	7.00 33	7.00 33
<b>2. Legal Structure and Security of Property Rights</b>	3.28	3.52	4.23	5.14	5.17	5.54	5.50	5.52
A. Judicial independence						5.40	5.85	6.08
B. Impartial courts				4.27	4.90	4.67	3.71	3.90
C. Protection of property rights					4.10	6.59	6.69	5.91
D. Military interference				5.39	10.00	10.00	10.00	10.00
E. Integrity of the legal system				6.96	3.33	4.17	4.17	4.17
F. Legal enforcement of contracts						3.44	2.76	2.76
G. Regulatory restrictions of sale of real property						4.52	5.34	5.84
<b>3. Access to Sound Money</b>	5.19	4.10	4.96	6.10	8.72	8.64	8.23	7.66
A. Money growth	6.54 17.28	6.93 15.34	7.76 11.21	4.67 26.67	8.62 6.89	8.37 8.13	8.02 9.90	8.53 7.37
B. Standard deviation of inflation	7.88 5.29	5.61 10.97	8.20 4.49	5.31 11.73	7.90 5.26	9.24 1.89	6.76 8.10	6.52 8.70
C. Inflation: most recent year	6.33 18.34	3.86 30.69	3.86 30.69	4.41 27.93	8.37 8.17	6.94 15.30	8.14 9.29	5.60 22.02
D. Freedom to own foreign currency	0.00	0.00	0.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	4.91	6.23	5.36	7.47	7.17	6.91	6.88	6.65
A. Taxes on international trade	8.05	7.73	6.60	6.92	7.28	7.33	7.43	7.41
(i) Revenues for trade taxes (% trade sector)	9.40 0.90	8.87 1.70		8.55 2.18	8.49 2.27	7.66 3.51	8.00 3.00	8.00 3.00
(ii) Mean tariff rate	6.70 16.50	6.60 17.00	6.60 17.00	7.20 14.00	7.88 10.60	8.54 7.30	8.54 7.30	8.50 7.50
(iii) Standard deviation of tariff rates				5.00 12.50	5.48 11.30	5.80 10.51	5.74 10.65	5.74 10.65
B. Regulatory trade barriers					5.73	6.45	7.28	6.96
(i) Non-tariff trade barriers					5.73	5.86	7.52	6.88
(ii) Compliance cost of importing and exporting						7.03	7.03	7.03
C. Size of trade sector	6.26	7.01	5.37	5.70	4.66	4.28	4.24	3.85
D. Black-market exchange rates	0.00	6.20	4.60	8.60	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	8.00	8.18	6.51	5.44	5.01
(i) Foreign ownership/investment restrictions					8.67	7.63	7.79	6.94
(ii) Capital controls	2.00	2.00	2.00	8.00	7.69	5.38	3.08	3.08
<b>5. Regulation of Credit, Labor and Business</b>	5.85	5.62	6.52	6.23	6.55	7.63	7.08	7.28
A. Credit market regulations	5.06	5.00	8.72	7.76	7.26	9.62	8.27	8.77
(i) Ownership of banks		5.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition					5.70	10.00	10.00	10.00
(iii) Private sector credit	6.13	5.99	8.17	7.29	7.27	9.48	7.09	7.09
(iv) Interest rate controls/negative real int. rates	4.00	4.00	8.00	6.00	9.00	9.00	6.00	8.00
B. Labor market regulations					6.45	7.63	7.49	7.53
(i) Hiring regulations and minimum wage					3.98	8.90	8.90	8.90
(ii) Hiring and firing regulations					4.77	5.27	4.73	5.13
(iii) Centralized collective bargaining					7.07	7.35	7.03	6.90
(iv) Hours regulations						10.00	10.00	10.00
(v) Mandated cost of worker dismissal						4.25	4.25	4.25
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations					5.94	5.66	5.49	5.55
(i) Price controls			4.00	4.00	4.00	4.00	4.00	4.00
(ii) Bureaucracy costs					6.83	2.85	2.46	2.51
(iii) Bureaucracy costs					6.88	5.41	4.52	4.69
(iv) Starting a business					5.70	9.65	9.66	9.69
(v) Extra payments/bribes					6.28	6.10	4.80	4.71
(vi) Licensing restrictions						6.22	7.66	7.89
(vii) Cost of tax compliance						5.36	5.36	5.36



## Japan

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	7.08 (12)	7.12 (14)	7.47 (14)	7.11 (27)	7.45 (17)	7.47 (23)	7.49 (25)	7.38 (28)
<b>Area 1. Size of Government</b>	5.80 (30)	5.95 (29)	5.83 (50)	4.95 (89)	5.71 (79)	5.72 (89)	6.23 (73)	6.18 (71)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	9.19 (9)	8.42 (17)	8.98 (18)	8.13 (19)	8.18 (19)	7.82 (19)	7.78 (19)	7.49 (23)
<b>Area 3. Access to Sound Money</b>	8.28 (15)	8.54 (20)	9.80 (1)	9.72 (8)	9.65 (8)	9.66 (6)	9.78 (2)	9.77 (1)
<b>Area 4. Freedom to Trade Internationally</b>	5.97 (41)	6.34 (35)	6.41 (43)	6.26 (77)	6.84 (67)	6.38 (77)	6.19 (89)	6.10 (90)
<b>Area 5. Regulation of Credit, Labor and Business</b>	6.31 (21)	6.33 (23)	6.40 (28)	6.46 (29)	6.85 (27)	7.75 (21)	7.47 (25)	7.34 (28)
<b>Unadjusted</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	7.03 (10)	7.07 (11)	7.35 (9)	7.04 (27)	7.45 (17)	7.54 (21)	7.57 (24)	7.46 (24)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.80	5.95	5.83	4.95	5.71	5.72	6.23	6.18
A. Government consumption	7.56 14.29	7.65 13.98	7.80 13.47	5.50 21.32	5.04 22.85	4.76 23.82	4.83 23.58	4.62 24.28
B. Transfers and subsidies	7.63 9.20	7.17 10.90	7.00 11.50	6.81 12.20	6.81 12.20	5.10 18.47	5.10 18.47	5.10 18.47
C. Government enterprises and investment	8.00 19.60	8.00 17.90	7.00 20.40	6.00 28.50	6.00 28.50	8.00 15.33	10.00 13.30	10.00 13.30
D. Top marginal tax rate	0.00	1.00	1.50	1.50	5.00	5.00	5.00	5.00
(i) Top marginal income tax rate	0.00 75	1.00 70	2.00 65	2.00 65	5.00 50	5.00 50	5.00 50	5.00 50
(ii) Top marginal income and payroll tax rates			1.00 69	1.00 69	5.00 50	5.00 50	5.00 50	5.00 50
<b>2. Legal Structure and Security of Property Rights</b>	7.91	7.25	7.73	8.13	8.18	7.82	7.78	7.49
A. Judicial independence				8.33	8.02	7.60	7.30	7.49
B. Impartial courts				6.13	7.01	7.31	7.24	5.67
C. Protection of property rights				6.83	7.55	8.73	8.76	8.16
D. Military interference				9.38	10.00	8.33	8.33	8.33
E. Integrity of the legal system				10.00	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts						6.37	6.37	6.37
G. Regulatory restrictions of sale of real property						8.06	8.09	8.09
<b>3. Access to Sound Money</b>	8.28	8.54	9.80	9.72	9.65	9.66	9.78	9.77
A. Money growth	9.92 0.39	9.93 -0.37	9.96 0.22	9.46 2.70	9.09 4.56	8.80 6.00	9.26 3.68	9.45 2.74
B. Standard deviation of inflation	9.28 1.80	9.65 0.87	9.66 0.84	9.53 1.17	9.65 0.89	9.91 0.22	9.85 0.37	9.91 0.23
C. Inflation: most recent year	8.91 5.44	9.58 2.12	9.58 2.12	9.87 -0.64	9.86 -0.71	9.95 -0.27	9.99 0.06	9.72 1.38
D. Freedom to own foreign currency	5.00	5.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	6.69	7.10	7.02	5.90	6.84	6.38	6.19	6.10
A. Taxes on international trade	8.75	9.06	8.23	8.10	8.43	6.11	6.66	6.25
(i) Revenues for trade taxes (% trade sector)	9.40 0.90	9.47 0.80	9.40 0.90	8.93 1.60	9.00 1.50	9.00 1.50	9.59 0.61	9.59 0.61
(ii) Mean tariff rate	8.10 9.50	8.66 6.70	8.62 6.90	8.74 6.30	9.10 4.50	9.34 3.30	8.98 5.10	8.92 5.40
(iii) Standard deviation of tariff rates			6.68 8.30	6.64 8.40	7.20 7.00	0.00 25.59	1.41 21.47	0.24 24.41
B. Regulatory trade barriers				3.68	7.37	7.33	7.12	7.01
(i) Non-tariff trade barriers				3.68	5.42	6.03	5.61	5.38
(ii) Compliance cost of importing and exporting					9.33	8.64	8.64	8.64
C. Size of trade sector	4.52	3.27	0.69	0.00	0.00	1.07	2.21	2.29
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	5.00	8.00	7.70	8.40	7.39	4.97	4.94
(i) Foreign ownership/investment restrictions				7.40	9.11	6.31	6.09	6.03
(ii) Capital controls	2.00	5.00	8.00	8.00	7.69	8.46	3.85	3.85
<b>5. Regulation of Credit, Labor and Business</b>	6.46	6.48	6.35	6.51	6.85	8.14	7.85	7.73
A. Credit market regulations	7.82	7.88	8.22	7.03	6.88	8.91	8.91	8.91
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	8.00	8.00	8.00
(ii) Foreign bank competition				4.92	4.18	8.00	8.00	8.00
(iii) Private sector credit	8.45	8.65	9.65	9.65	9.65	9.65	9.65	9.65
(iv) Interest rate controls/negative real int. rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	8.03	8.06	7.20	7.46	6.48	8.47	8.41	8.19
(i) Hiring regulations and minimum wage				7.55	3.99	8.90	10.00	8.90
(ii) Hiring and firing regulations			4.82	4.82	4.18	4.62	3.49	3.28
(iii) Centralized collective bargaining	7.93	7.93	7.93	7.93	7.40	8.37	8.02	8.02
(iv) Hours regulations	6.16	6.25	6.07	6.98	6.85	9.30	9.30	9.30
(v) Mandated cost of worker dismissal						9.63	9.63	9.63
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				5.04	7.20	7.05	6.25	6.10
(i) Price controls			6.00	5.00	6.00	5.00	5.00	5.00
(ii) Bureaucracy costs					6.50	4.29	5.79	4.84
(iii) Bureaucracy costs				5.86	9.13	7.14	1.98	1.72
(iv) Starting a business				4.72	5.85	9.18	9.18	9.18
(v) Extra payments/bribes				4.60	8.50	8.94	7.91	8.14
(vi) Licensing restrictions						8.71	7.83	7.83
(vii) Cost of tax compliance						6.08	6.02	6.02



## Jordan

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	5.50 (54)	5.84 (40)	6.05 (42)	6.42 (49)	7.24 (30)	7.38 (26)	7.41 (31)	7.18 (40)
<b>Area 1. Size of Government</b>	5.33 (44)	5.14 (54)	7.27 (14)	6.38 (48)	6.08 (68)	6.27 (75)	6.08 (80)	5.83 (80)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	2.54 (76)	3.86 (79)	4.37 (74)	5.95 (45)	7.22 (27)	6.31 (50)	6.55 (41)	6.56 (35)
<b>Area 3. Access to Sound Money</b>	6.82 (32)	7.74 (30)	6.20 (69)	7.15 (53)	9.67 (7)	9.21 (37)	9.19 (41)	8.35 (60)
<b>Area 4. Freedom to Trade Internationally</b>	6.52 (33)	6.32 (36)	6.56 (37)	6.47 (71)	7.02 (63)	7.74 (20)	7.72 (27)	7.67 (24)
<b>Area 5. Regulation of Credit, Labor and Business</b>	6.08 (31)	6.01 (35)	5.98 (40)	6.24 (40)	6.22 (54)	7.35 (29)	7.50 (23)	7.45 (26)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	5.43 (54)	5.79 (43)	5.73 (51)	6.33 (51)	7.24 (30)	7.45 (27)	7.48 (29)	7.24 (42)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.77	4.60	6.12	5.71	6.08	6.27	6.08	5.83
A. Government consumption	3.89 26.78	5.04 22.85	4.37 25.14	3.72 27.36	4.75 23.84	6.66 17.34	5.77 20.37	4.77 23.78
B. Transfers and subsidies	8.42 6.30	8.75 5.10	9.13 3.70	9.40 2.70	9.56 2.13	6.42 13.63	7.53 9.56	7.53 9.56
C. Government enterprises and investment	2.00 48.70	0.00 56.20	6.00 27.60	4.00 30.50	2.00 43.60	7.00 23.90	6.00 26.50	6.00 25.52
D. Top marginal tax rate			5.00		8.00	5.00	5.00	5.00
(i) Top marginal income tax rate			5.00 45		8.00 30	7.00 35	7.00 35	7.00 35
(ii) Top marginal income and payroll tax rates						3.00 46	3.00 46	3.00 46
<b>2. Legal Structure and Security of Property Rights</b>	2.32	3.52	3.99	5.95	7.22	6.31	6.55	6.56
A. Judicial independence				6.45	8.18	6.53	6.61	6.61
B. Impartial courts				5.85	6.85	6.32	6.41	5.86
C. Protection of property rights				4.33	6.05	6.63	8.12	7.92
D. Military interference				6.16	8.33	8.33	8.33	8.33
E. Integrity of the legal system				6.96	6.67	6.67	6.67	6.67
F. Legal enforcement of contracts						3.38	3.38	3.38
G. Regulatory restrictions of sale of real property						6.32	6.32	7.14
<b>3. Access to Sound Money</b>	6.82	7.74	6.20	7.15	9.67	9.21	9.19	8.35
A. Money growth	5.86 20.70	9.17 -4.13	8.36 8.18	9.77 -1.14	9.85 0.75	8.03 9.87	8.51 7.46	8.44 7.80
B. Standard deviation of inflation	6.64 8.40	7.09 7.27	6.74 8.14	9.52 1.21	8.97 2.57	9.51 1.23	9.31 1.71	7.93 5.17
C. Inflation: most recent year	9.78 1.10	9.71 -1.45	9.71 -1.45	9.32 3.39	9.87 0.67	9.30 3.49	8.92 5.39	7.01 14.93
D. Freedom to own foreign currency	5.00	5.00	0.00	0.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	6.76	6.68	6.40	6.77	7.02	7.74	7.72	7.67
A. Taxes on international trade	5.27	6.59	4.63	6.20	4.35	6.54	6.80	7.03
(i) Revenues for trade taxes (% trade sector)	5.27 7.10	5.93 6.10	6.67 5.00	6.20 5.70	6.98 4.53	8.21 2.68	8.61 2.08	9.09 1.37
(ii) Mean tariff rate		7.24 13.80			5.20 24.00	7.52 12.40	7.76 11.20	7.84 10.80
(iii) Standard deviation of tariff rates			2.60 18.50		0.88 22.80	3.88 15.30	4.04 14.90	4.17 14.58
B. Regulatory trade barriers				5.08	6.34	6.73	6.54	6.79
(i) Non-tariff trade barriers				5.08	5.35	6.26	5.88	6.02
(ii) Compliance cost of importing and exporting					7.33	7.20	7.20	7.55
C. Size of trade sector	8.35	7.25	9.38	7.34	6.21	7.69	8.07	7.54
D. Black-market exchange rates	10.00	9.40	7.80	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	5.43	8.20	7.76	7.21	7.00
(i) Foreign ownership/investment restrictions				8.85	8.71	7.83	7.49	7.08
(ii) Capital controls	2.00	2.00	2.00	2.00	7.69	7.69	6.92	6.92
<b>5. Regulation of Credit, Labor and Business</b>	6.49	6.42	5.94	6.06	6.22	7.69	7.86	7.80
A. Credit market regulations	7.01	6.70	5.72	6.22	6.81	9.02	8.97	8.57
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	10.00	10.00	10.00
(ii) Foreign bank competition				6.10	5.88	8.00	8.00	8.00
(iii) Private sector credit	9.02	8.40	8.16	9.31	8.38	8.10	7.86	9.26
(iv) Interest rate controls/negative real int. rates			4.00	6.00	10.00	10.00	10.00	7.00
B. Labor market regulations			8.07	7.34	6.50	8.39	8.28	8.38
(i) Hiring regulations and minimum wage				6.62	3.75	8.90	8.90	8.90
(ii) Hiring and firing regulations			6.27	6.27	4.45	3.91	3.57	3.98
(iii) Centralized collective bargaining	7.93	7.93	7.93	7.93	7.80	7.93	7.61	7.79
(iv) Hours regulations				5.88	6.51	10.00	10.00	10.00
(v) Mandated cost of worker dismissal						9.63	9.63	9.63
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				4.62	5.36	5.66	6.32	6.45
(i) Price controls			2.00	2.00	2.00	3.00	3.00	3.00
(ii) Bureaucracy costs					7.55	4.33	5.08	5.02
(iii) Bureaucracy costs				5.40	4.60	3.07	3.99	4.08
(iv) Starting a business				6.57	6.27	5.91	8.84	9.00
(v) Extra payments/bribes				4.50	6.37	7.08	6.84	6.92
(vi) Licensing restrictions						7.34	7.64	8.24
(vii) Cost of tax compliance						8.87	8.87	8.87



## Kazakhstan

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>								
<b>Area 1. Size of Government</b>								
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>								
<b>Area 3. Access to Sound Money</b>								
<b>Area 4. Freedom to Trade Internationally</b>								
<b>Area 5. Regulation of Credit, Labor and Business</b>								
<b>Unadjusted</b>								
<b>Summary Rating (Rank) &gt;</b>						7.09 (47)	7.13 (56)	7.06 (58)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>						8.22	7.01	6.83
A. Government consumption						6.39 18.27	6.56 17.71	5.33 21.88
B. Transfers and subsidies						8.76 5.06	8.98 4.26	8.98 4.26
C. Government enterprises and investment							4.00	4.00
D. Top marginal tax rate						9.50	8.50	9.00
(i) Top marginal income tax rate						10.00 20	10.00 10	10.00 10
(ii) Top marginal income and payroll tax rates						9.00 25	7.00 35	8.00 30
<b>2. Legal Structure and Security of Property Rights</b>						5.96	6.15	6.03
A. Judicial independence						2.89	3.47	3.50
B. Impartial courts						4.13	4.27	3.95
C. Protection of property rights						4.89	4.92	4.36
D. Military interference						8.33	8.33	8.33
E. Integrity of the legal system						6.67	6.67	6.67
F. Legal enforcement of contracts						6.19	6.19	6.19
G. Regulatory restrictions of sale of real property						8.62	9.21	9.21
<b>3. Access to Sound Money</b>						6.85	8.46	8.48
A. Money growth						5.86 20.71	7.44 12.82	8.47 7.65
B. Standard deviation of inflation						8.07 4.82	8.57 3.58	8.89 2.77
C. Inflation: most recent year						8.48 7.58	7.85 10.77	6.57 17.15
D. Freedom to own foreign currency						5.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>						7.08	6.68	6.51
A. Taxes on international trade						9.49	8.80	8.47
(i) Revenues for trade taxes (% trade sector)					9.56 0.66	9.43 0.85	9.15 1.27	8.14 2.79
(ii) Mean tariff rate						9.54 2.30	8.44 7.80	8.80 6.00
(iii) Standard deviation of tariff rates								
B. Regulatory trade barriers						2.42	2.35	2.40
(i) Non-tariff trade barriers						4.59	4.44	4.54
(ii) Compliance cost of importing and exporting						0.25	0.25	0.25
C. Size of trade sector						9.68	8.60	8.60
D. Black-market exchange rates						10.00	10.00	10.00
E. International capital market controls						3.84	3.63	3.08
(i) Foreign ownership/investment restrictions						6.14	5.72	4.62
(ii) Capital controls						1.54	1.54	1.54
<b>5. Regulation of Credit, Labor and Business</b>						7.35	7.38	7.48
A. Credit market regulations						9.50	9.50	9.50
(i) Ownership of banks						10.00	10.00	10.00
(ii) Foreign bank competition						8.00	8.00	8.00
(iii) Private sector credit					10.00	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates						10.00	10.00	10.00
B. Labor market regulations						7.19	6.97	6.87
(i) Hiring regulations and minimum wage						10.00	10.00	10.00
(ii) Hiring and firing regulations						7.61	7.32	6.68
(iii) Centralized collective bargaining						8.34	7.33	7.39
(iv) Hours regulations						8.00	8.00	8.00
(v) Mandated cost of worker dismissal						9.17	9.17	9.17
(vi) Conscription						0.00	0.00	0.00
C. Business regulations						5.37	5.66	6.05
(i) Price controls								
(ii) Bureaucracy costs						3.40	3.42	3.33
(iii) Bureaucracy costs						4.23	5.35	5.34
(iv) Starting a business						9.18	9.22	9.27
(v) Extra payments/bribes						5.54	4.44	4.16
(vi) Licensing restrictions						2.90	4.56	7.26
(vii) Cost of tax compliance						6.96	6.96	6.96



## Kenya

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	5.04 (66)	5.41 (53)	5.58 (56)	5.88 (66)	6.68 (48)	7.28 (33)	7.37 (33)	7.00 (52)
<b>Area 1. Size of Government</b>	3.79 (87)	3.94 (85)	4.83 (79)	5.70 (73)	7.09 (30)	7.82 (19)	7.82 (21)	7.80 (19)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	4.20 (55)	5.25 (54)	5.30 (54)	3.76 (111)	3.97 (101)	5.73 (62)	5.82 (65)	5.35 (74)
<b>Area 3. Access to Sound Money</b>	6.17 (59)	6.84 (42)	6.66 (58)	6.81 (58)	8.76 (41)	8.62 (58)	8.90 (49)	7.68 (77)
<b>Area 4. Freedom to Trade Internationally</b>	5.52 (47)	5.33 (56)	5.21 (65)	7.56 (29)	7.07 (60)	7.02 (51)	7.15 (48)	7.16 (44)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.50 (44)	5.67 (46)	5.89 (46)	5.57 (61)	6.50 (42)	7.44 (26)	7.40 (26)	7.20 (31)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	5.18 (64)	5.55 (53)	5.58 (57)	5.88 (67)	6.68 (48)	7.09 (47)	7.17 (53)	6.81 (75)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	3.79	3.94	4.83	5.70	7.09	7.82	7.82	7.80
A. Government consumption	4.65 24.20	4.92 23.26	4.96 23.14	6.58 17.63	6.15 19.10	6.36 18.37	6.37 18.34	6.28 18.65
B. Transfers and subsidies	9.51 2.30	8.86 4.70	9.37 2.80	9.22 3.35	9.21 3.40	9.91 0.84	9.91 0.84	9.91 0.84
C. Government enterprises and investment	0.00 55.10	2.00 49.50	2.00 47.10	4.00 36.80	6.00 27.30	7.00 20.50	7.00 24.90	7.00 24.66
D. Top marginal tax rate	1.00	0.00	3.00	3.00	7.00	8.00	8.00	8.00
(i) Top marginal income tax rate	1.00 65	0.00 65	3.00 50	3.00 50	7.00 32	8.00 30	8.00 30	8.00 30
(ii) Top marginal income and payroll tax rates			3.00 50	3.00 50	7.00 32	8.00 30	8.00 30	8.00 30
<b>2. Legal Structure and Security of Property Rights</b>	4.20	5.25	5.30	3.76	3.97	4.90	4.97	4.57
A. Judicial independence						3.32	3.35	2.90
B. Impartial courts				3.40	3.43	3.33	3.72	2.93
C. Protection of property rights						4.90	5.37	4.65
D. Military interference				3.39	5.00	6.67	6.67	6.67
E. Integrity of the legal system				4.11	3.33	3.89	3.33	3.33
F. Legal enforcement of contracts						4.88	4.88	4.09
G. Regulatory restrictions of sale of real property						7.27	7.44	7.41
<b>3. Access to Sound Money</b>	6.17	6.84	6.66	6.81	8.76	8.62	8.90	7.68
A. Money growth	9.07 4.63	9.53 2.37	8.85 5.77	7.18 14.09	8.60 6.99	7.80 10.98	7.98 10.08	7.26 13.72
B. Standard deviation of inflation	7.53 6.18	9.48 1.31	9.44 1.39	7.32 6.71	8.44 3.89	8.75 3.12	9.55 1.12	8.72 3.19
C. Inflation: most recent year	8.09 9.55	8.35 8.23	8.35 8.23	7.74 11.31	8.00 9.98	7.94 10.31	8.05 9.76	4.75 26.24
D. Freedom to own foreign currency	0.00	0.00	0.00	5.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	5.67	5.48	5.21	7.56	7.07	6.60	6.72	6.73
A. Taxes on international trade	3.94	3.61	2.81	4.72	5.79	6.88	6.84	6.86
(i) Revenues for trade taxes (% trade sector)	5.93 6.10	5.07 7.40	5.80 6.30	6.27 5.59	6.31 5.54	7.75 3.38	7.77 3.34	7.83 3.26
(ii) Mean tariff rate	1.94 40.30	2.16 39.20	1.26 43.70	3.20 34.00	6.14 19.30	7.58 12.10	7.46 12.70	7.48 12.60
(iii) Standard deviation of tariff rates			1.36 21.60	4.68 13.30	4.92 12.70	5.33 11.68	5.28 11.81	5.26 11.84
B. Regulatory trade barriers						4.78	5.33	5.55
(i) Non-tariff trade barriers						4.14	4.55	4.76
(ii) Compliance cost of importing and exporting						5.42	6.11	6.34
C. Size of trade sector	8.23	5.98	6.21	7.35	6.03	5.76	5.62	5.98
D. Black-market exchange rates	8.00	9.60	8.80	9.60	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	8.00	5.38	5.55	5.81	5.28
(i) Foreign ownership/investment restrictions						6.49	7.01	5.94
(ii) Capital controls	0.00	0.00	0.00	8.00	5.38	4.62	4.62	4.62
<b>5. Regulation of Credit, Labor and Business</b>	6.06	6.26	5.89	5.57	6.50	7.53	7.47	7.29
A. Credit market regulations	6.17	6.69	7.33	5.60	8.00	9.50	8.79	8.47
(i) Ownership of banks	2.00	2.00	5.00	5.00	5.00	10.00	10.00	10.00
(ii) Foreign bank competition						8.00	8.00	8.00
(iii) Private sector credit	8.52	8.06	6.99	7.81	10.00	10.00	8.15	6.88
(iv) Interest rate controls/negative real int. rates	8.00	10.00	10.00	4.00	9.00	10.00	9.00	9.00
B. Labor market regulations						7.55	7.74	7.67
(i) Hiring regulations and minimum wage						6.70	7.80	7.80
(ii) Hiring and firing regulations						5.86	6.14	5.95
(iii) Centralized collective bargaining						7.11	6.88	6.61
(iv) Hours regulations						10.00	10.00	10.00
(v) Mandated cost of worker dismissal						5.64	5.64	5.64
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						5.55	5.89	5.72
(i) Price controls			2.00	4.00	6.00	6.00	6.00	6.00
(ii) Bureaucracy costs						2.91	3.88	3.51
(iii) Bureaucracy costs						4.34	4.74	4.70
(iv) Starting a business						7.78	8.62	8.53
(v) Extra payments/bribes						4.41	3.83	3.34
(vi) Licensing restrictions						8.22	8.80	8.67
(vii) Cost of tax compliance						5.16	5.33	5.33



## Korea, South

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	5.71 (42)	5.65 (48)	6.19 (39)	6.42 (48)	6.58 (56)	7.36 (27)	7.49 (26)	7.33 (32)
<b>Area 1. Size of Government</b>	5.97 (27)	6.24 (19)	6.49 (29)	6.42 (45)	6.26 (57)	6.66 (60)	6.61 (61)	6.61 (54)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	7.06 (27)	4.50 (66)	5.90 (45)	5.62 (55)	5.97 (54)	7.01 (28)	7.26 (27)	6.76 (31)
<b>Area 3. Access to Sound Money</b>	5.29 (87)	6.41 (69)	6.59 (61)	8.05 (41)	8.27 (51)	9.53 (22)	9.63 (6)	9.47 (18)
<b>Area 4. Freedom to Trade Internationally</b>	6.07 (40)	6.12 (40)	7.08 (28)	7.13 (38)	7.09 (59)	6.51 (72)	7.15 (47)	7.13 (45)
<b>Area 5. Regulation of Credit, Labor and Business</b>	4.33 (83)	4.84 (68)	4.90 (79)	4.90 (92)	5.31 (97)	7.06 (38)	6.78 (49)	6.65 (59)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	5.81 (41)	5.74 (45)	6.24 (36)	6.34 (50)	6.58 (56)	7.30 (39)	7.44 (33)	7.28 (37)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.97	6.24	6.49	6.42	6.26	6.66	6.61	6.61
A. Government consumption	7.29 15.23	7.43 14.74	7.10 15.87	6.99 16.22	6.37 18.33	5.55 21.13	5.34 21.84	5.32 21.90
B. Transfers and subsidies	9.59 2.00	9.54 2.20	9.35 2.90	7.68 9.01	7.68 9.01	7.10 11.13	7.10 11.13	7.10 11.13
C. Government enterprises and investment	7.00 22.60	6.00 25.40	8.00 19.20	6.00 25.50	6.00 25.50	8.00 18.82	8.00 17.04	8.00 17.04
D. Top marginal tax rate	0.00	2.00	1.50	5.00	5.00	6.00	6.00	6.00
(i) Top marginal income tax rate	0.00 89	2.00 65	2.00 64	5.00 48	5.00 44	6.00 39	6.00 39	6.00 39
(ii) Top marginal income and payroll tax rates			1.00 66	5.00 48	5.00 44	6.00 39	6.00 39	6.00 39
<b>2. Legal Structure and Security of Property Rights</b>	6.52	4.16	5.45	5.62	5.97	7.01	7.26	6.76
A. Judicial independence				4.87	4.68	5.21	6.29	5.13
B. Impartial courts				5.25	5.18	5.26	5.87	4.37
C. Protection of property rights				4.26	5.00	7.40	7.41	6.61
D. Military interference				6.75	8.33	6.67	6.67	6.67
E. Integrity of the legal system				6.96	6.67	8.33	8.33	8.33
F. Legal enforcement of contracts						8.11	8.11	8.11
G. Regulatory restrictions of sale of real property						8.12	8.12	8.12
<b>3. Access to Sound Money</b>	5.29	6.41	6.59	8.05	8.27	9.53	9.63	9.47
A. Money growth	7.32 13.39	8.53 7.37	9.11 4.47	9.06 4.68	9.68 -1.62	9.23 3.86	9.63 1.83	9.42 2.92
B. Standard deviation of inflation	8.79 3.02	8.04 4.89	9.22 1.94	9.26 1.85	8.87 2.83	9.42 1.45	9.40 1.50	9.40 1.50
C. Inflation: most recent year	5.03 24.87	9.07 4.64	8.02 9.91	8.88 5.60	9.55 2.27	9.45 2.75	9.49 2.54	9.06 4.70
D. Freedom to own foreign currency	0.00	0.00	0.00	5.00	5.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	6.20	6.26	7.22	6.79	7.09	6.51	7.15	7.13
A. Taxes on international trade	6.59	6.50	7.46	7.91	8.35	5.86	5.65	5.65
(i) Revenues for trade taxes (% trade sector)	7.27 4.10	7.60 3.60	7.73 3.40	8.67 2.00	9.15 1.28	9.37 0.95	9.39 0.91	9.39 0.91
(ii) Mean tariff rate	5.92 20.40	5.40 23.00	7.34 13.30	7.70 11.50	8.26 8.70	8.20 9.00	7.56 12.20	7.56 12.20
(iii) Standard deviation of tariff rates			7.32 6.70	7.36 6.60	7.64 5.90	0.00 49.37	0.00 50.02	0.00 49.90
B. Regulatory trade barriers				5.97	6.84	7.19	7.90	7.43
(i) Non-tariff trade barriers				5.97	5.18	5.98	6.81	5.86
(ii) Compliance cost of importing and exporting					8.50	8.41	8.99	8.99
C. Size of trade sector	8.40	6.79	5.65	5.26	6.69	5.84	6.20	7.19
D. Black-market exchange rates	7.80	7.80	9.80	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	2.00	5.00	4.83	3.58	3.68	6.00	5.38
(i) Foreign ownership/investment restrictions				4.66	7.16	5.82	7.37	6.14
(ii) Capital controls	0.00	2.00	5.00	5.00	0.00	1.54	4.62	4.62
<b>5. Regulation of Credit, Labor and Business</b>	5.05	5.65	5.47	4.80	5.31	6.80	6.56	6.44
A. Credit market regulations	6.13	8.11	8.33	6.90	6.53	9.25	9.25	9.25
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	8.00	8.00	8.00
(ii) Foreign bank competition				4.93	3.17	9.00	9.00	9.00
(iii) Private sector credit	9.40	9.32	10.00	10.00	10.00	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates	4.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations			3.59	4.43	4.20	4.84	4.28	4.02
(i) Hiring regulations and minimum wage				5.83	4.14	8.90	5.60	5.60
(ii) Hiring and firing regulations			3.53	3.53	4.70	4.71	5.18	3.55
(iii) Centralized collective bargaining	7.24	7.24	7.24	7.24	6.17	7.87	7.35	7.43
(iv) Hours regulations				5.53	6.01	6.00	6.00	6.00
(v) Mandated cost of worker dismissal						1.56	1.56	1.56
(vi) Conscription	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations				3.08	5.19	6.31	6.13	6.06
(i) Price controls			0.00	0.00	1.00	3.00	3.00	3.00
(ii) Bureaucracy costs					6.52	3.54	4.72	3.04
(iii) Bureaucracy costs				5.38	7.65	6.31	2.97	3.99
(iv) Starting a business				3.65	5.38	8.28	8.40	9.40
(v) Extra payments/bribes				3.28	5.40	6.51	6.93	6.01
(vi) Licensing restrictions						9.79	9.72	9.75
(vii) Cost of tax compliance						6.75	7.20	7.20



## Kuwait

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	5.01 (68)	6.88 (16)	5.47 (61)	6.69 (38)	6.72 (45)	7.25 (35)	7.46 (27)	7.50 (22)
<b>Area 1. Size of Government</b>	10.00 (1)	4.63 (67)	3.89 (96)	5.97 (63)	6.37 (55)	6.72 (55)	6.48 (64)	6.72 (50)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	1.84 (87)	5.85 (42)	2.73 (99)	6.49 (39)	6.95 (30)	7.60 (22)	7.68 (22)	7.36 (25)
<b>Area 3. Access to Sound Money</b>	5.19 (91)	8.93 (15)	7.84 (35)	8.89 (33)	8.09 (57)	7.84 (72)	8.49 (61)	8.80 (47)
<b>Area 4. Freedom to Trade Internationally</b>			6.98 (30)	6.81 (51)	7.20 (50)	7.22 (37)	7.16 (46)	7.11 (48)
<b>Area 5. Regulation of Credit, Labor and Business</b>	6.12 (29)	5.75 (44)	5.95 (41)	5.23 (73)	4.99 (104)	6.93 (45)	7.48 (24)	7.46 (25)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	3.78 (98)	5.68 (48)	5.07 (78)	6.45 (44)	6.72 (44)	7.21 (44)	7.42 (34)	7.46 (24)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	2.97	1.19	3.15	4.83	6.37	6.72	6.48	6.72
A. Government consumption	3.95 26.58	2.38 31.90	0.00 40.57	0.00 44.39	1.41 35.21	2.07 32.97	2.24 32.37	3.21 29.10
B. Transfers and subsidies			7.46 9.83	7.50 9.66	7.08 11.22	7.82 8.49	6.68 12.69	6.68 12.69
C. Government enterprises and investment	2.00 43.50	0.00 61.30	2.00 46.00	7.00 21.80	7.00 21.80	7.00	7.00	7.00
D. Top marginal tax rate					10.00	10.00	10.00	10.00
(i) Top marginal income tax rate					10.00 0	10.00 0	10.00 0	10.00 0
(ii) Top marginal income and payroll tax rates					10.00 0	10.00 0	10.00 0	10.00 0
<b>2. Legal Structure and Security of Property Rights</b>	1.84	5.85	2.73	6.49	6.95	7.23	7.31	7.01
A. Judicial independence						6.98	6.73	6.06
B. Impartial courts				7.17	7.51	6.76	5.95	5.60
C. Protection of property rights						6.32	7.95	6.86
D. Military interference				8.13	8.33	8.33	8.33	8.33
E. Integrity of the legal system				6.96	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts						5.06	5.06	5.06
G. Regulatory restrictions of sale of real property						8.80	8.80	8.80
<b>3. Access to Sound Money</b>	5.18	8.92	7.51	8.89	8.09	7.84	8.49	8.80
A. Money growth	7.16 14.18	9.63 -1.85	9.95 -0.24	9.29 -3.57	9.89 -0.55	7.13 14.35	8.01 9.95	8.75 6.26
B. Standard deviation of inflation	2.07 19.83	7.03 7.43	4.55 13.62	7.54 6.16	2.98 17.55	5.06 12.36	7.04 7.40	8.59 3.53
C. Inflation: most recent year	1.49 42.57	9.03 4.86	8.03 9.83	8.74 6.29	9.50 2.51	9.18 4.12	8.90 5.48	7.88 10.58
D. Freedom to own foreign currency	10.00	10.00		10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>		6.96	6.98	6.81	7.20	6.82	6.77	6.72
A. Taxes on international trade		9.20	9.20	9.40	9.27	8.83	9.30	8.86
(i) Revenues for trade taxes (% trade sector)			9.20 1.20	9.40 0.90	9.27 1.09	9.49 0.76	9.58 0.62	9.59 0.61
(ii) Mean tariff rate		9.20 4.00				9.06 4.70	9.08 4.60	9.06 4.70
(iii) Standard deviation of tariff rates						7.94 5.15	9.25 1.89	7.93 5.17
B. Regulatory trade barriers						7.25	6.70	6.73
(i) Non-tariff trade barriers						7.27	6.16	5.92
(ii) Compliance cost of importing and exporting						7.24	7.24	7.55
C. Size of trade sector	6.66	5.45	5.51	4.47	3.95	3.87	3.85	3.53
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	2.00	4.61	4.17	3.97	4.47
(i) Foreign ownership/investment restrictions						3.72	3.78	4.76
(ii) Capital controls	2.00	2.00	2.00	2.00	4.61	4.61	4.17	4.17
<b>5. Regulation of Credit, Labor and Business</b>	5.13	5.49	4.99	5.23	4.99	7.46	8.04	8.03
A. Credit market regulations	7.41	7.66	7.50	7.13	6.33	8.33	10.00	10.00
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	10.00	10.00	10.00
(ii) Foreign bank competition								
(iii) Private sector credit	9.83	7.98	10.00	6.40	6.99	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates		10.00		10.00	7.00	5.00	10.00	10.00
B. Labor market regulations						7.78	7.63	7.57
(i) Hiring regulations and minimum wage						10.00	10.00	10.00
(ii) Hiring and firing regulations						5.53	5.13	5.14
(iii) Centralized collective bargaining						8.40	7.91	7.53
(iv) Hours regulations						10.00	10.00	10.00
(v) Mandated cost of worker dismissal						2.77	2.77	2.77
(vi) Conscription	1.00	1.00	0.00	0.00	0.00	10.00	10.00	10.00
C. Business regulations						6.26	6.50	6.53
(i) Price controls				6.00	6.00	6.00	6.00	6.00
(ii) Bureaucracy costs						3.16	2.68	2.72
(iii) Bureaucracy costs						1.65	4.96	5.13
(iv) Starting a business						8.53	8.60	8.67
(v) Extra payments/bribes						7.13	5.64	5.49
(vi) Licensing restrictions						8.68	8.91	9.00
(vii) Cost of tax compliance						8.68	8.68	8.68



## Kyrgyz Republic

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>								
<b>Area 1. Size of Government</b>								
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>								
<b>Area 3. Access to Sound Money</b>								
<b>Area 4. Freedom to Trade Internationally</b>								
<b>Area 5. Regulation of Credit, Labor and Business</b>								
<b>Unadjusted</b>								
<b>Summary Rating (Rank) &gt;</b>						6.88 (65)	6.82 (74)	6.93 (62)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>						7.93	6.84	7.90
A. Government consumption						6.43 18.13	7.39 14.89	9.44 7.92
B. Transfers and subsidies						9.43 2.60	9.15 3.63	9.15 3.63
C. Government enterprises and investment							4.00	4.00
D. Top marginal tax rate								9.00
(i) Top marginal income tax rate								10.00 10
(ii) Top marginal income and payroll tax rates								8.00 30
<b>2. Legal Structure and Security of Property Rights</b>						4.40	4.61	4.70
A. Judicial independence						1.59	2.24	2.19
B. Impartial courts						2.44	2.95	2.57
C. Protection of property rights						3.33	3.75	3.22
D. Military interference						3.10	3.40	4.50
E. Integrity of the legal system								
F. Legal enforcement of contracts						6.74	6.74	6.74
G. Regulatory restrictions of sale of real property						9.22	8.57	8.99
<b>3. Access to Sound Money</b>						8.65	8.38	7.40
A. Money growth						6.34 18.28	7.05 14.75	7.05 14.75
B. Standard deviation of inflation						9.11 2.22	8.49 3.77	7.45 6.37
C. Inflation: most recent year						9.13 4.35	7.96 10.18	5.10 24.52
D. Freedom to own foreign currency						10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>						6.58	7.23	7.39
A. Taxes on international trade						8.80	8.43	8.62
(i) Revenues for trade taxes (% trade sector)					9.69 0.47	9.63 0.55	8.66 2.02	8.89 1.67
(ii) Mean tariff rate						9.04 4.80	9.04 4.80	9.06 4.70
(iii) Standard deviation of tariff rates						7.72 5.71	7.58 6.05	7.91 5.22
B. Regulatory trade barriers						2.15	2.36	2.54
(i) Non-tariff trade barriers						3.98	4.40	4.57
(ii) Compliance cost of importing and exporting						0.32	0.32	0.50
C. Size of trade sector						6.79	9.38	10.00
D. Black-market exchange rates						10.00	10.00	10.00
E. International capital market controls						5.15	5.98	5.81
(i) Foreign ownership/investment restrictions						4.91	5.04	4.69
(ii) Capital controls						5.38	6.92	6.92
<b>5. Regulation of Credit, Labor and Business</b>						6.84	7.05	7.27
A. Credit market regulations						9.14	8.72	9.24
(i) Ownership of banks						10.00	10.00	10.00
(ii) Foreign bank competition						9.00	9.00	9.00
(iii) Private sector credit				0.00	8.05	9.56	7.89	9.97
(iv) Interest rate controls/negative real int. rates						8.00	8.00	8.00
B. Labor market regulations						6.51	6.17	6.18
(i) Hiring regulations and minimum wage						6.70	6.70	6.70
(ii) Hiring and firing regulations						7.35	6.42	5.93
(iii) Centralized collective bargaining						7.59	6.48	7.04
(iv) Hours regulations						8.00	8.00	8.00
(v) Mandated cost of worker dismissal						8.42	8.42	8.42
(vi) Conscription						1.00	1.00	1.00
C. Business regulations						4.88	6.24	6.39
(i) Price controls								
(ii) Bureaucracy costs						1.83	2.94	3.10
(iii) Bureaucracy costs						2.97	6.57	6.63
(iv) Starting a business						9.21	9.44	9.59
(v) Extra payments/bribes						3.53	3.19	2.87
(vi) Licensing restrictions						4.03	7.59	8.39
(vii) Cost of tax compliance						7.74	7.74	7.74



## Latvia

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>				5.26 (93)	6.70 (47)	7.21 (38)	7.13 (51)	6.98 (53)
<b>Area 1. Size of Government</b>				5.41 (82)	5.58 (81)	6.46 (68)	5.86 (85)	5.54 (93)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>				5.56 (58)	5.95 (55)	6.68 (37)	6.67 (37)	6.40 (42)
<b>Area 3. Access to Sound Money</b>			4.86 (93)	2.98 (109)	8.55 (46)	8.68 (55)	8.77 (53)	8.90 (43)
<b>Area 4. Freedom to Trade Internationally</b>				7.28 (35)	7.17 (51)	7.22 (38)	7.28 (43)	7.04 (54)
<b>Area 5. Regulation of Credit, Labor and Business</b>				4.83 (96)	6.24 (53)	6.99 (42)	7.03 (36)	6.96 (44)
<b>Unadjusted</b>				5.40 (83)	6.70 (47)	7.33 (35)	7.23 (48)	7.08 (55)
<b>Summary Rating (Rank) &gt;</b>	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>				5.41	5.58	6.46	5.40	5.10
A. Government consumption			7.65 13.99	4.06 26.19	4.94 23.22	5.25 22.15	5.32 21.92	4.26 25.51
B. Transfers and subsidies				5.18 18.20	5.80 15.91	7.63 9.20	5.77 16.03	5.65 16.45
C. Government enterprises and investment							4.00	4.00
D. Top marginal tax rate				7.00	6.00	6.50	6.50	6.50
(i) Top marginal income tax rate				7.00 35	9.00 25	9.00 25	9.00 25	9.00 25
(ii) Top marginal income and payroll tax rates					3.00 48	4.00 45	4.00 45	4.00 45
<b>2. Legal Structure and Security of Property Rights</b>				5.96	5.95	6.87	6.87	6.59
A. Judicial independence						4.65	4.59	4.54
B. Impartial courts				5.83	6.20	4.58	3.88	3.28
C. Protection of property rights					3.82	6.46	7.14	6.40
D. Military interference				7.53	8.33	8.33	8.33	8.33
E. Integrity of the legal system					8.33	8.33	8.33	8.33
F. Legal enforcement of contracts						7.39	7.39	6.73
G. Regulatory restrictions of sale of real property						8.32	8.40	8.49
<b>3. Access to Sound Money</b>			6.43	2.98	8.55	8.68	8.77	8.90
A. Money growth				0.10 49.50	6.81 15.97	7.41 12.93	8.59 7.03	9.93 -0.33
B. Standard deviation of inflation		8.91 2.73	7.44 6.39	0.00 365.31	7.93 5.17	8.65 3.37	8.48 3.79	8.76 3.11
C. Inflation: most recent year			6.85 15.74	6.80 16.00	9.47 2.65	8.65 6.76	7.98 10.08	6.92 15.40
D. Freedom to own foreign currency			5.00	5.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>				8.02	7.17	7.50	7.56	7.32
A. Taxes on international trade				9.46	8.33	8.48	8.27	8.13
(i) Revenues for trade taxes (% trade sector)				9.46 0.81	9.78 0.33	9.84 0.24	9.84 0.24	9.89 0.17
(ii) Mean tariff rate					8.88 5.60	9.46 2.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates					6.32 9.20	6.13 9.67	6.01 9.98	5.61 10.98
B. Regulatory trade barriers					5.30	7.46	7.94	7.93
(i) Non-tariff trade barriers					5.30	6.42	7.55	7.53
(ii) Compliance cost of importing and exporting						8.49	8.33	8.33
C. Size of trade sector			5.20	4.87	4.64	4.66	4.42	3.59
D. Black-market exchange rates			0.00	9.60	10.00	10.00	10.00	10.00
E. International capital market controls			0.00	8.00	7.60	6.90	7.18	6.93
(i) Foreign ownership/investment restrictions					8.28	6.87	7.43	6.94
(ii) Capital controls			0.00	8.00	6.92	6.92	6.92	6.92
<b>5. Regulation of Credit, Labor and Business</b>				4.62	6.24	7.15	7.57	7.49
A. Credit market regulations				5.03	8.44	9.40	9.50	9.20
(i) Ownership of banks					10.00	10.00	10.00	10.00
(ii) Foreign bank competition					5.12	9.00	9.00	9.00
(iii) Private sector credit				8.05	8.82	9.60	10.00	8.79
(iv) Interest rate controls/negative real int. rates				2.00	10.00	9.00	9.00	9.00
B. Labor market regulations					4.53	5.71	7.02	7.13
(i) Hiring regulations and minimum wage					3.33	3.30	5.00	5.00
(ii) Hiring and firing regulations					3.93	5.26	4.34	5.19
(iii) Centralized collective bargaining					7.85	8.30	8.37	8.15
(iv) Hours regulations						6.00	6.00	6.00
(v) Mandated cost of worker dismissal						8.42	8.42	8.42
(vi) Conscription			0.00	1.00	3.00	3.00	10.00	10.00
C. Business regulations					5.75	6.34	6.20	6.14
(i) Price controls			0.00	6.00	6.00	6.00	6.00	6.00
(ii) Bureaucracy costs					7.18	3.88	3.48	3.59
(iii) Bureaucracy costs					4.73	4.53	4.16	4.09
(iv) Starting a business					5.00	9.37	9.41	9.42
(v) Extra payments/bribes					5.84	6.44	5.63	5.14
(vi) Licensing restrictions						7.79	7.83	7.84
(vii) Cost of tax compliance						6.41	6.87	6.87



## Lesotho

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>								
<b>Area 1. Size of Government</b>								
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>								
<b>Area 3. Access to Sound Money</b>								
<b>Area 4. Freedom to Trade Internationally</b>								
<b>Area 5. Regulation of Credit, Labor and Business</b>								
<b>Unadjusted</b>								
<b>Summary Rating (Rank) &gt;</b>						6.48 83	6.27 99	6.33 96
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>						6.11	5.32	6.11
A. Government consumption						7.18 15.59	5.59 21.01	5.94 19.80
B. Transfers and subsidies						7.16 10.92	8.39 6.41	8.39 6.41
C. Government enterprises and investment						4.00 31.66	2.00 40.12	4.00 38.16
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
<b>2. Legal Structure and Security of Property Rights</b>						5.02	4.44	4.55
A. Judicial independence						5.00	3.63	4.10
B. Impartial courts						4.68	3.19	2.71
C. Protection of property rights						3.95	3.95	4.82
D. Military interference						7.10	6.40	6.20
E. Integrity of the legal system								
F. Legal enforcement of contracts						4.04	4.04	4.04
G. Regulatory restrictions of sale of real property						5.36	5.40	5.46
<b>3. Access to Sound Money</b>						8.08	7.91	7.40
A. Money growth						8.92 5.38	8.71 6.46	7.77 11.15
B. Standard deviation of inflation						9.10 2.24	9.52 1.19	8.99 2.53
C. Inflation: most recent year						9.31 3.44	8.39 8.03	7.86 10.72
D. Freedom to own foreign currency						5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>						6.30	6.30	6.23
A. Taxes on international trade						4.57	4.70	4.71
(i) Revenues for trade taxes (% trade sector)					0.00 15.81	0.00 17.36	0.00 22.63	0.00 23.76
(ii) Mean tariff rate						8.02 9.90	8.44 7.80	8.44 7.80
(iii) Standard deviation of tariff rates						5.70 10.74	5.66 10.84	5.70 10.76
B. Regulatory trade barriers						4.28	3.91	4.15
(i) Non-tariff trade barriers						5.15	4.40	4.89
(ii) Compliance cost of importing and exporting						3.42	3.42	3.42
C. Size of trade sector						8.12	8.60	8.27
D. Black-market exchange rates						10.00	10.00	10.00
E. International capital market controls						4.51	4.28	4.01
(i) Foreign ownership/investment restrictions						6.71	6.25	5.70
(ii) Capital controls						2.31	2.31	2.31
<b>5. Regulation of Credit, Labor and Business</b>						6.89	7.39	7.37
A. Credit market regulations						10.00	10.00	9.75
(i) Ownership of banks						10.00	10.00	10.00
(ii) Foreign bank competition						10.00	10.00	10.00
(iii) Private sector credit			9.92	10.00	10.00	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates						10.00	10.00	9.00
B. Labor market regulations						6.77	6.97	6.93
(i) Hiring regulations and minimum wage						7.80	7.80	7.80
(ii) Hiring and firing regulations						4.49	4.79	4.88
(iii) Centralized collective bargaining						4.38	5.29	4.97
(iv) Hours regulations						8.00	8.00	8.00
(v) Mandated cost of worker dismissal						5.92	5.92	5.92
(vi) Conscription						10.00	10.00	10.00
C. Business regulations						3.90	5.22	5.44
(i) Price controls								
(ii) Bureaucracy costs						2.53	3.53	4.19
(iii) Bureaucracy costs						1.30	6.29	6.00
(iv) Starting a business						7.19	8.27	8.40
(v) Extra payments/bribes						5.32	3.30	3.91
(vi) Licensing restrictions						3.40	3.52	3.79
(vii) Cost of tax compliance						3.68	6.37	6.37



## Lithuania

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>				5.10 (96)	6.28 (70)	7.11 (42)	7.10 (52)	7.03 (51)
<b>Area 1. Size of Government</b>				5.64 (76)	5.45 (83)	5.61 (91)	5.76 (89)	5.79 (81)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>				5.39 (66)	5.81 (61)	6.71 (33)	6.86 (31)	6.59 (33)
<b>Area 3. Access to Sound Money</b>			3.74 (106)	1.85 (114)	7.09 (76)	8.83 (48)	8.80 (52)	8.81 (46)
<b>Area 4. Freedom to Trade Internationally</b>				7.61 (27)	7.26 (46)	7.15 (45)	7.12 (50)	7.11 (47)
<b>Area 5. Regulation of Credit, Labor and Business</b>			2.68 (115)	4.86 (95)	5.78 (73)	7.34 (31)	7.01 (40)	6.88 (50)
<b>Unadjusted</b>				5.21 (94)	6.28 (70)	7.43 (29)	7.41 (35)	7.34 (33)
<b>Summary Rating (Rank) &gt;</b>	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>				5.64	5.45	6.78	6.96	7.00
A. Government consumption			4.34 25.25	5.11 22.62	4.44 24.90	5.78 20.35	5.75 20.45	5.40 21.64
B. Transfers and subsidies				7.30 10.40	6.92 11.82	6.83 12.13	6.60 12.99	6.10 14.81
C. Government enterprises and investment						10.00 5.58	10.00 5.58	10.00 5.58
D. Top marginal tax rate				4.50	5.00	4.50	5.50	6.50
(i) Top marginal income tax rate				7.00 35	7.00 33	7.00 33	8.00 27	9.00 24
(ii) Top marginal income and payroll tax rates				2.00 51	3.00 50	2.00 51	3.00 46	4.00 44
<b>2. Legal Structure and Security of Property Rights</b>				5.87	5.81	6.71	6.85	6.58
A. Judicial independence						3.96	4.70	4.56
B. Impartial courts				5.88	6.07	4.31	4.16	3.90
C. Protection of property rights					3.20	6.51	6.87	5.88
D. Military interference				7.23	8.33	8.33	8.33	8.33
E. Integrity of the legal system					8.33	6.67	6.67	6.67
F. Legal enforcement of contracts						7.45	7.45	6.96
G. Regulatory restrictions of sale of real property						9.71	9.78	9.78
<b>3. Access to Sound Money</b>			7.49	1.85	7.09	8.83	8.80	8.81
A. Money growth				0.00 53.00	7.47 12.63	6.96 15.19	7.82 10.92	8.10 9.50
B. Standard deviation of inflation				0.00 329.24	6.09 9.77	8.91 2.73	8.52 3.71	8.84 2.90
C. Inflation: most recent year			9.97 -0.15	2.39 38.05	9.80 1.01	9.47 2.66	8.86 5.72	8.30 8.50
D. Freedom to own foreign currency			5.00	5.00	5.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>				8.16	7.26	7.50	7.47	7.46
A. Taxes on international trade				8.35	8.50	8.48	8.27	8.16
(i) Revenues for trade taxes (% trade sector)				9.56 0.66	9.78 0.33	9.84 0.24	9.84 0.24	10.00 0.00
(ii) Mean tariff rate				9.10 4.50	8.92 5.40	9.46 2.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates				6.40 9.00	6.80 8.00	6.13 9.67	6.01 9.98	5.61 10.98
B. Regulatory trade barriers					5.20	7.37	7.53	7.50
(i) Non-tariff trade barriers					5.20	6.10	6.42	6.35
(ii) Compliance cost of importing and exporting						8.64	8.64	8.64
C. Size of trade sector			6.34	6.32	4.81	5.57	5.34	5.54
D. Black-market exchange rates			0.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls			0.00	8.00	7.81	6.09	6.23	6.11
(i) Foreign ownership/investment restrictions					8.12	6.03	6.30	6.06
(ii) Capital controls			0.00	8.00	7.50	6.15	6.15	6.15
<b>5. Regulation of Credit, Labor and Business</b>			2.47	4.52	5.78	7.33	6.99	6.85
A. Credit market regulations			0.00	4.44	6.87	9.93	9.61	9.23
(i) Ownership of banks			0.00	5.00	5.00	10.00	10.00	10.00
(ii) Foreign bank competition					5.18	10.00	10.00	10.00
(iii) Private sector credit				8.32	7.89	9.73	9.45	7.92
(iv) Interest rate controls/negative real int. rates				0.00	9.00	10.00	9.00	9.00
B. Labor market regulations					4.23	5.46	5.53	5.59
(i) Hiring regulations and minimum wage					3.01	6.70	6.70	6.70
(ii) Hiring and firing regulations					2.75	3.55	4.05	4.43
(iii) Centralized collective bargaining					8.17	8.28	8.19	8.20
(iv) Hours regulations						4.00	4.00	4.00
(v) Mandated cost of worker dismissal						7.22	7.22	7.22
(vi) Conscription			0.00	3.00	3.00	3.00	3.00	3.00
C. Business regulations					6.25	6.60	5.82	5.72
(i) Price controls			0.00	4.00	4.00	6.00	2.00	2.00
(ii) Bureaucracy costs					7.28	3.34	4.09	3.12
(iii) Bureaucracy costs					7.48	4.81	3.82	4.00
(iv) Starting a business					4.18	8.98	9.02	9.04
(v) Extra payments/bribes					8.29	6.86	5.57	5.64
(vi) Licensing restrictions						8.05	8.08	8.10
(vii) Cost of tax compliance						8.14	8.14	8.14



## Luxembourg

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	7.58 (6)	7.94 (5)	7.88 (8)	7.70 (11)	7.87 (11)	7.48 (21)	7.52 (22)	7.53 (19)
<b>Area 1. Size of Government</b>	4.41 (72)	4.81 (63)	4.73 (83)	4.40 (97)	4.78 (95)	4.35 (114)	4.76 (107)	4.79 (108)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	9.25 (8)	9.87 (3)	9.87 (7)	9.10 (7)	8.62 (16)	8.74 (6)	8.79 (5)	8.92 (2)
<b>Area 3. Access to Sound Money</b>	9.05 (8)	9.58 (4)	9.53 (11)	9.73 (7)	9.75 (3)	9.47 (27)	9.49 (22)	9.43 (21)
<b>Area 4. Freedom to Trade Internationally</b>	8.67 (3)	8.85 (4)	8.70 (4)	8.62 (7)	9.01 (4)	8.05 (12)	8.14 (10)	8.12 (8)
<b>Area 5. Regulation of Credit, Labor and Business</b>	6.63 (17)	6.63 (16)	6.63 (18)	6.63 (23)	7.20 (14)	6.77 (52)	6.45 (66)	6.41 (67)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	7.84 (2)	8.21 (2)	7.55 (7)	7.69 (11)	7.87 (11)	7.54 (21)	7.58 (22)	7.60 (16)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	6.77	7.39	4.73	4.40	4.78	4.35	4.76	4.79
A. Government consumption	6.54 17.75	6.79 16.92	6.54 17.77	3.84 26.95	3.15 29.30	2.40 31.84	2.29 32.21	2.39 31.86
B. Transfers and subsidies			2.89 26.60	3.27 25.20	4.47 20.81	4.01 22.50	4.74 19.80	3.78 23.31
C. Government enterprises and investment	7.00 22.00	8.00 18.20	8.00 19.20	8.00 19.20	8.00 19.20	7.00 21.91	8.00 16.58	8.00 16.72
D. Top marginal tax rate			1.50	2.50	3.50	4.00	4.00	5.00
(i) Top marginal income tax rate			1.00 56	3.00 50	4.00 48	5.00 39	5.00 39	6.00 39
(ii) Top marginal income and payroll tax rates			2.00 58	2.00 60	3.00 54	3.00 46	3.00 46	4.00 47
<b>2. Legal Structure and Security of Property Rights</b>	7.83	8.35	8.35	9.10	8.62	8.19	8.23	8.35
A. Judicial independence				9.45	7.30	7.43	8.10	8.31
B. Impartial courts				8.62	8.20	7.44	7.47	7.76
C. Protection of property rights				7.39	7.60	8.84	8.49	8.86
D. Military interference				10.03	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	10.00	10.00	10.00	10.00
F. Legal enforcement of contracts						7.51	7.51	7.46
G. Regulatory restrictions of sale of real property						6.10	6.07	6.07
<b>3. Access to Sound Money</b>	9.05	9.58	9.53	9.73	9.75	9.47	9.49	9.43
A. Money growth	9.22 3.88	9.98 0.10	9.27 3.64	9.82 0.92	9.81 0.95	9.20 4.00	9.14 4.28	9.20 4.02
B. Standard deviation of inflation	8.56 3.60	8.93 2.68	9.52 1.20	9.23 1.93	9.84 0.41	9.18 2.05	9.27 1.82	9.22 1.94
C. Inflation: most recent year	8.42 7.92	9.40 2.98	9.32 3.42	9.86 0.71	9.37 3.15	9.50 2.49	9.53 2.33	9.32 3.40
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	8.64	8.82	8.53	8.45	9.01	8.05	8.13	8.12
A. Taxes on international trade	9.09	9.22	8.52	8.74	9.18	8.48	8.27	8.16
(i) Revenues for trade taxes (% trade sector)	9.93 0.10	9.93 0.10	9.93 0.10	9.93 0.10	9.78 0.33	9.84 0.24	9.84 0.24	10.00 0.00
(ii) Mean tariff rate	8.24 8.80	8.50 7.50	8.52 7.40	8.66 6.70	9.52 2.40	9.46 2.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates			7.12 7.20	7.64 5.90	8.24 4.40	6.13 9.67	6.01 9.98	5.61 10.98
B. Regulatory trade barriers				8.67	9.10	8.68	8.70	8.79
(i) Non-tariff trade barriers				8.67	8.20	8.07	8.11	8.30
(ii) Compliance cost of importing and exporting					10.00	9.29	9.29	9.29
C. Size of trade sector	5.96	6.76	6.01	5.39	7.20	6.10	6.99	7.23
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	10.00	10.00	10.00	9.45	9.56	6.99	6.72	6.42
(i) Foreign ownership/investment restrictions				8.90	9.90	8.59	8.82	8.23
(ii) Capital controls	10.00	10.00	10.00	10.00	9.23	5.38	4.62	4.62
<b>5. Regulation of Credit, Labor and Business</b>	6.90	6.90	6.62	6.78	7.20	7.63	7.30	7.27
A. Credit market regulations	10.00	10.00	10.00	8.37	10.00	9.50	9.50	9.50
(i) Ownership of banks	10.00	10.00	10.00	10.00	10.00	8.00	8.00	8.00
(ii) Foreign bank competition				8.62		10.00	10.00	10.00
(iii) Private sector credit				6.28	10.00	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations			6.48	5.45		5.80	5.48	5.29
(i) Hiring regulations and minimum wage				3.62		3.30	3.30	3.30
(ii) Hiring and firing regulations			4.28	4.28		4.60	3.24	3.46
(iii) Centralized collective bargaining	5.18	5.18	5.18	5.18		6.49	5.93	5.77
(iv) Hours regulations				4.17		4.00	4.00	4.00
(v) Mandated cost of worker dismissal						6.38	6.38	5.18
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				6.52		7.59	6.93	7.04
(i) Price controls			2.00	5.00	7.00	7.00	7.00	7.00
(ii) Bureaucracy costs						4.94	4.63	5.30
(iii) Bureaucracy costs				7.24		6.78	2.40	2.11
(iv) Starting a business				6.95		8.97	9.03	9.15
(v) Extra payments/bribes				6.87		8.77	8.75	9.03
(vi) Licensing restrictions						7.34	7.34	7.34
(vii) Cost of tax compliance						9.35	9.34	9.34



## Macedonia

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>								
<b>Area 1. Size of Government</b>								
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>								
<b>Area 3. Access to Sound Money</b>								
<b>Area 4. Freedom to Trade Internationally</b>								
<b>Area 5. Regulation of Credit, Labor and Business</b>								
<b>Unadjusted</b>								
<b>Summary Rating (Rank) &gt;</b>						6.22 (100)	6.70 (80)	6.83 (72)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>						5.71	6.48	6.88
A. Government consumption					6.94 16.42	6.03 19.51	6.32 18.50	6.08 19.33
B. Transfers and subsidies						6.81 12.21	6.61 12.93	5.95 15.37
C. Government enterprises and investment						4.00 34.01	7.00 20.11	8.00 19.40
D. Top marginal tax rate						6.00	6.00	7.50
(i) Top marginal income tax rate						9.00 24	9.00 24	10.00 10
(ii) Top marginal income and payroll tax rates						3.00 47	3.00 47	5.00 39
<b>2. Legal Structure and Security of Property Rights</b>						4.29	4.90	5.08
A. Judicial independence						2.37	2.98	3.25
B. Impartial courts						3.19	3.12	3.47
C. Protection of property rights						4.12	4.89	4.73
D. Military interference						3.50	5.20	5.50
E. Integrity of the legal system								
F. Legal enforcement of contracts						5.55	5.55	5.66
G. Regulatory restrictions of sale of real property						7.00	7.64	7.85
<b>3. Access to Sound Money</b>						7.59	7.92	7.56
A. Money growth					7.20 13.98	6.01 19.95	8.15 9.23	7.57 12.16
B. Standard deviation of inflation						9.36 1.59	9.23 1.92	9.11 2.23
C. Inflation: most recent year						9.99 0.04	9.29 3.55	8.56 7.22
D. Freedom to own foreign currency						5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>						6.53	6.76	6.75
A. Taxes on international trade						9.01	8.01	8.00
(i) Revenues for trade taxes (% trade sector)						8.83 1.75	9.07 1.39	9.20 1.20
(ii) Mean tariff rate						9.18 4.10	8.96 5.20	8.46 7.70
(iii) Standard deviation of tariff rates							6.01 9.98	6.34 9.16
B. Regulatory trade barriers						5.95	6.91	7.25
(i) Non-tariff trade barriers						5.56	5.73	6.03
(ii) Compliance cost of importing and exporting						6.34	8.10	8.47
C. Size of trade sector						4.81	5.67	5.63
D. Black-market exchange rates						10.00	10.00	10.00
E. International capital market controls						2.90	3.18	2.87
(i) Foreign ownership/investment restrictions						5.04	5.60	4.97
(ii) Capital controls						0.77	0.77	0.77
<b>5. Regulation of Credit, Labor and Business</b>						6.99	7.47	7.88
A. Credit market regulations						9.25	9.25	9.13
(i) Ownership of banks						10.00	10.00	10.00
(ii) Foreign bank competition						7.00	7.00	7.00
(iii) Private sector credit						10.00	10.00	9.51
(iv) Interest rate controls/negative real int. rates					10.00	10.00	10.00	10.00
B. Labor market regulations						5.89	6.82	7.95
(i) Hiring regulations and minimum wage						3.90	5.00	8.90
(ii) Hiring and firing regulations						5.06	4.46	5.09
(iii) Centralized collective bargaining						7.80	7.86	8.13
(iv) Hours regulations						6.00	6.00	8.00
(v) Mandated cost of worker dismissal						7.59	7.59	7.59
(vi) Conscription						5.00	10.00	10.00
C. Business regulations						5.82	6.34	6.55
(i) Price controls								
(ii) Bureaucracy costs						3.20	3.69	3.78
(iii) Bureaucracy costs						5.29	5.94	5.63
(iv) Starting a business						8.98	9.67	9.85
(v) Extra payments/bribes						4.88	5.25	5.27
(vi) Licensing restrictions						3.66	4.32	5.63
(vii) Cost of tax compliance						8.92	9.16	9.16



# Madagascar

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	4.55 (80)	4.79 (84)	4.68 (95)	4.67 (106)	5.94 (88)	5.94 (98)	6.29 (85)	6.28 (86)
<b>Area 1. Size of Government</b>	5.65 (36)	6.06 (26)	6.34 (35)	6.52 (41)	7.21 (25)	7.66 (21)	8.21 (9)	8.12 (12)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>		4.32 (69)	3.09 (91)	4.81 (86)	4.59 (84)	3.49 (111)	4.21 (100)	3.93 (104)
<b>Area 3. Access to Sound Money</b>	5.82 (71)	5.99 (85)	5.79 (79)	2.82 (110)	7.17 (73)	7.02 (88)	7.29 (85)	7.67 (78)
<b>Area 4. Freedom to Trade Internationally</b>	3.28 (84)	3.91 (75)	4.65 (79)	5.50 (94)	6.29 (82)	6.40 (76)	6.69 (70)	6.59 (70)
<b>Area 5. Regulation of Credit, Labor and Business</b>	3.51 (95)	3.57 (96)	3.51 (106)	3.68 (118)	4.45 (111)	5.15 (112)	5.16 (112)	5.18 (112)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	4.40 (85)	4.62 (88)	4.67 (95)	4.70 (102)	5.94 (88)	5.89 (115)	6.24 (101)	6.18 (102)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.13	4.43	6.34	6.52	7.21	7.66	8.21	7.84
A. Government consumption	8.25 11.94	8.86 9.89	9.25 8.54	9.73 6.90	9.75 6.83	9.22 8.64	8.62 10.70	8.36 11.59
B. Transfers and subsidies			9.75 1.40	9.84 1.10	9.86 1.00	9.77 1.35	10.00 0.00	10.00 0.00
C. Government enterprises and investment	0.00 65.40	0.00 69.80	0.00 53.50	0.00 52.90	2.00 44.73	4.00 39.20	6.00 25.29	6.00 27.45
D. Top marginal tax rate								7.00
(i) Top marginal income tax rate								9.00 23
(ii) Top marginal income and payroll tax rates								5.00 36
<b>2. Legal Structure and Security of Property Rights</b>		4.32	3.09	4.81	4.59	3.02	3.64	3.40
A. Judicial independence						3.26	3.29	3.00
B. Impartial courts				4.10	4.35	3.73	3.40	3.20
C. Protection of property rights						4.32	4.41	3.97
D. Military interference				4.22	5.00	1.67	1.67	1.67
E. Integrity of the legal system				6.96	5.00	2.08	4.17	4.17
F. Legal enforcement of contracts						2.42	2.42	2.42
G. Regulatory restrictions of sale of real property						3.65	6.14	5.41
<b>3. Access to Sound Money</b>	5.82	5.99	5.79	2.82	7.17	7.02	7.29	7.67
A. Money growth	7.38 13.08	9.18 4.09	7.37 13.13	6.26 18.68	7.85 10.74	9.32 3.38	8.51 7.46	8.96 5.20
B. Standard deviation of inflation	8.89 2.77	6.87 7.82	8.08 4.81	4.05 14.88	8.22 4.44	7.44 6.39	7.70 5.76	8.55 3.64
C. Inflation: most recent year	7.00 14.99	7.92 10.42	7.71 11.46	0.97 45.17	7.59 12.03	6.30 18.51	7.94 10.30	8.16 9.22
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	5.00	5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>	3.47	4.06	4.62	5.65	6.29	6.41	6.70	6.60
A. Taxes on international trade	4.02	0.80	1.73	5.08	4.11	6.86	6.67	6.66
(i) Revenues for trade taxes (% trade sector)	4.33 8.50		0.67 14.00	4.33 8.50	4.11 8.83	5.23 7.15	4.98 7.53	4.98 7.53
(ii) Mean tariff rate	3.70 31.50	0.80 46.00	2.80 36.00	4.00 30.00		7.68 11.60	7.52 12.40	7.50 12.50
(iii) Standard deviation of tariff rates				6.92 7.70		7.66 5.85	7.52 6.20	7.50 6.25
B. Regulatory trade barriers						4.32	5.93	6.10
(i) Non-tariff trade barriers						5.49	5.31	5.42
(ii) Compliance cost of importing and exporting						3.14	6.55	6.78
C. Size of trade sector	5.08	3.07	4.55	5.36	6.17	6.36	6.35	6.35
D. Black-market exchange rates	0.00	8.20	8.60	9.60	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	3.00	4.50	4.54	3.92
(i) Foreign ownership/investment restrictions						6.01	6.08	4.84
(ii) Capital controls	0.00	0.00	0.00	0.00	3.00	3.00	3.00	3.00
<b>5. Regulation of Credit, Labor and Business</b>	4.20	4.28	3.51	3.68	4.45	5.36	5.37	5.39
A. Credit market regulations	4.63	4.87	3.09	3.67	6.23	6.61	5.95	5.61
(i) Ownership of banks	0.00	0.00	0.00	2.00	2.00	5.00	5.00	5.00
(ii) Foreign bank competition								
(iii) Private sector credit	9.27	9.75	9.26	9.00	7.68	5.84	5.84	5.84
(iv) Interest rate controls/negative real int. rates			0.00	0.00	9.00	9.00	7.00	6.00
B. Labor market regulations						4.59	4.52	4.61
(i) Hiring regulations and minimum wage						1.10	1.10	1.10
(ii) Hiring and firing regulations						5.35	5.09	5.46
(iii) Centralized collective bargaining						6.90	6.71	6.87
(iv) Hours regulations						6.00	6.00	6.00
(v) Mandated cost of worker dismissal						7.22	7.22	7.22
(vi) Conscription	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
C. Business regulations						4.86	5.64	5.95
(i) Price controls			0.00	0.00	0.00	4.00	4.00	4.00
(ii) Bureaucracy costs						2.75	3.17	3.28
(iii) Bureaucracy costs						4.14	6.00	6.58
(iv) Starting a business						7.74	8.71	9.70
(v) Extra payments/bribes						4.07	3.66	3.50
(vi) Licensing restrictions						4.77	6.63	6.87
(vii) Cost of tax compliance						6.59	7.33	7.75



## Malawi

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	4.94 (69)	5.16 (65)	5.48 (60)	4.69 (104)	5.01 (113)	5.46 (111)	5.79 (104)	5.95 (98)
<b>Area 1. Size of Government</b>	5.05 (52)	4.87 (61)	6.15 (42)	5.83 (68)	5.33 (84)	6.44 (69)	5.37 (98)	6.15 (74)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	3.88 (58)	4.27 (71)	4.79 (64)	5.36 (67)	5.53 (66)	5.17 (79)	5.41 (73)	5.34 (76)
<b>Area 3. Access to Sound Money</b>	6.05 (64)	6.55 (61)	5.59 (85)	1.21 (118)	2.88 (120)	4.44 (122)	6.85 (95)	6.89 (90)
<b>Area 4. Freedom to Trade Internationally</b>	4.77 (59)	4.93 (62)	5.78 (51)	6.25 (78)	5.84 (99)	5.36 (108)	5.24 (110)	5.08 (110)
<b>Area 5. Regulation of Credit, Labor and Business</b>	4.86 (66)	5.08 (57)	5.10 (69)	5.04 (82)	5.48 (89)	5.87 (94)	6.13 (86)	6.34 (73)
<b>Unadjusted</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	4.90 (73)	5.17 (69)	5.36 (65)	4.43 (113)	5.01 (113)	5.58 (125)	5.96 (118)	6.12 (106)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.75	4.58	5.78	4.32	5.33	6.44	5.37	6.15
A. Government consumption	5.41 21.62	5.79 20.30	6.65 17.39	5.95 19.77	6.82 16.80	7.29 15.23	6.99 16.22	6.11 19.21
B. Transfers and subsidies	9.59 2.00	9.51 2.30	9.48 2.40		9.48 2.40	9.48 2.40	9.48 2.40	9.48 2.40
C. Government enterprises and investment	0.00 78.60	0.00 62.00	4.00 38.30	0.00 65.10	0.00 81.30	4.00 32.50	0.00 58.10	4.00 35.14
D. Top marginal tax rate	4.00	3.00	3.00	7.00	5.00	5.00	5.00	5.00
(i) Top marginal income tax rate	4.00 45	3.00 50	3.00 50	7.00 35	5.00 38	5.00 38	5.00 38	5.00 38
(ii) Top marginal income and payroll tax rates			3.00 50	7.00 35	5.00 38	5.00 38	5.00 38	5.00 38
<b>2. Legal Structure and Security of Property Rights</b>	3.62	3.99	4.48	5.36	5.53	5.24	5.49	5.42
A. Judicial independence				6.67	6.18	5.90	6.81	6.54
B. Impartial courts				4.84	4.91	4.41	5.02	4.80
C. Protection of property rights				4.77	3.23	5.28	5.44	5.42
D. Military interference				6.41	6.67	6.67	6.67	6.67
E. Integrity of the legal system				4.11	6.67	5.00	5.00	5.00
F. Legal enforcement of contracts						2.21	2.21	2.21
G. Regulatory restrictions of sale of real property						7.22	7.25	7.28
<b>3. Access to Sound Money</b>	6.05	6.55	5.59	1.21	2.88	4.44	6.85	6.89
A. Money growth	9.73 1.36	9.04 4.82	7.17 14.15	4.85 25.73	5.05 24.75	5.86 20.72	5.84 20.79	6.15 19.26
B. Standard deviation of inflation	7.64 5.89	8.94 2.66	7.35 6.63	0.00 28.51	2.37 19.06	0.00 26.01	8.14 4.65	8.16 4.61
C. Inflation: most recent year	6.84 15.79	8.21 8.93	7.83 10.85	0.00 90.42	4.08 29.58	6.92 15.41	8.41 7.95	8.26 8.71
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>	4.59	4.99	5.86	6.25	5.84	5.59	5.46	5.30
A. Taxes on international trade	5.60	5.40	6.58	4.61	4.96	3.97	3.97	6.07
(i) Revenues for trade taxes (% trade sector)	5.60 6.60	4.13 8.80	6.20 5.70	6.20 5.70	4.60 8.10	4.60 8.10	4.60 8.10	4.60 8.10
(ii) Mean tariff rate		6.66 16.70	6.96 15.20	3.84 30.80	6.08 19.60	7.30 13.50	7.30 13.50	7.40 13.00
(iii) Standard deviation of tariff rates				3.80 15.50	4.20 14.50	0.00 34.29	0.00 34.29	6.20 9.49
B. Regulatory trade barriers						3.92	4.28	4.32
(i) Non-tariff trade barriers						4.82	5.54	5.09
(ii) Compliance cost of importing and exporting						3.02	3.02	3.54
C. Size of trade sector	6.71	5.36	5.31	6.63	5.23	6.77	5.09	2.91
D. Black-market exchange rates	0.40	4.00	7.20	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	2.00	0.83	3.29	3.96	3.19
(i) Foreign ownership/investment restrictions						6.58	7.08	5.54
(ii) Capital controls	2.00	2.00	2.00	2.00	0.83	0.00	0.83	0.83
<b>5. Regulation of Credit, Labor and Business</b>	5.49	5.74	5.10	5.04	5.48	6.19	6.65	6.86
A. Credit market regulations	4.65	5.32	5.35	3.82	5.30	7.45	7.47	7.67
(i) Ownership of banks	2.00	2.00	2.00	2.00	2.00	10.00	10.00	10.00
(ii) Foreign bank competition						6.00	6.00	6.00
(iii) Private sector credit	7.95	5.96	8.05	5.47	5.91	5.81	5.86	6.68
(iv) Interest rate controls/negative real int. rates	4.00	8.00	6.00	4.00	8.00	8.00	8.00	8.00
B. Labor market regulations						6.57	6.61	6.74
(i) Hiring regulations and minimum wage						5.60	5.60	5.60
(ii) Hiring and firing regulations						4.56	4.45	4.95
(iii) Centralized collective bargaining						7.06	7.39	7.66
(iv) Hours regulations						10.00	10.00	10.00
(v) Mandated cost of worker dismissal						2.21	2.21	2.21
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						4.56	5.87	6.17
(i) Price controls			0.00	4.00	4.00	6.00	6.00	6.00
(ii) Bureaucracy costs						3.98	4.60	4.71
(iii) Bureaucracy costs						1.09	5.75	5.53
(iv) Starting a business						6.55	7.43	7.62
(v) Extra payments/bribes						5.46	5.45	5.63
(vi) Licensing restrictions						2.97	5.11	5.46
(vii) Cost of tax compliance						5.85	6.73	8.24



## Malaysia

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	7.07 (13)	7.12 (13)	7.49 (13)	7.55 (12)	6.72 (44)	6.89 (58)	6.91 (64)	6.71 (70)
<b>Area 1. Size of Government</b>	4.84 (61)	5.56 (38)	6.27 (38)	6.92 (27)	6.08 (67)	5.86 (83)	5.99 (82)	5.95 (78)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	7.39 (24)	7.07 (29)	7.30 (28)	6.63 (36)	5.62 (64)	6.90 (30)	6.60 (40)	6.24 (49)
<b>Area 3. Access to Sound Money</b>	9.05 (7)	8.38 (21)	9.00 (20)	9.11 (31)	8.15 (54)	6.60 (97)	6.78 (99)	6.58 (99)
<b>Area 4. Freedom to Trade Internationally</b>	7.95 (9)	8.02 (9)	8.20 (8)	8.24 (11)	7.50 (43)	7.50 (27)	7.52 (37)	7.26 (40)
<b>Area 5. Regulation of Credit, Labor and Business</b>	6.24 (24)	6.67 (15)	6.77 (15)	6.85 (17)	6.27 (51)	7.59 (24)	7.66 (20)	7.52 (22)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	6.91 (12)	6.97 (12)	7.26 (15)	7.48 (14)	6.72 (44)	6.89 (64)	6.92 (68)	6.72 (77)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.84	5.56	6.27	6.92	6.08	5.86	5.99	5.95
A. Government consumption	4.52 24.64	5.08 22.72	5.58 21.02	5.62 20.88	5.87 20.05	5.03 22.89	5.56 21.10	5.39 21.69
B. Transfers and subsidies	8.83 4.80	9.16 3.60	9.48 2.40	9.05 4.00	8.45 6.20	8.40 6.36	8.40 6.36	8.40 6.36
C. Government enterprises and investment	4.00 37.30	2.00 46.80	4.00 33.80	6.00 28.40	2.00 47.00	2.00 49.90	2.00 46.50	2.00 46.50
D. Top marginal tax rate	2.00	6.00	6.00	7.00	8.00	8.00	8.00	8.00
(i) Top marginal income tax rate	2.00 60	6.00 45	6.00 45	7.00 32	8.00 29	8.00 28	8.00 28	8.00 28
(ii) Top marginal income and payroll tax rates			6.00 45	7.00 32	8.00 29	8.00 28	8.00 28	8.00 28
<b>2. Legal Structure and Security of Property Rights</b>	6.59	6.31	6.52	6.63	5.62	6.90	6.60	6.24
A. Judicial independence				6.22	4.51	7.24	6.09	5.34
B. Impartial courts				6.05	6.01	7.35	6.98	5.49
C. Protection of property rights				6.14	4.23	7.93	7.43	7.02
D. Military interference				7.78	8.33	8.33	8.33	8.33
E. Integrity of the legal system				6.96	5.00	6.67	6.67	6.67
F. Legal enforcement of contracts						4.27	4.27	4.38
G. Regulatory restrictions of sale of real property						6.49	6.46	6.42
<b>3. Access to Sound Money</b>	9.05	8.38	9.00	9.11	8.15	6.60	6.78	6.58
A. Money growth	8.81 5.94	9.89 -0.53	8.69 6.57	8.03 9.86	9.12 -4.39	9.16 4.21	8.98 5.12	8.93 5.36
B. Standard deviation of inflation	8.78 3.06	8.95 2.63	7.92 5.20	9.41 1.48	8.79 3.04	7.84 5.40	8.53 3.66	8.48 3.79
C. Inflation: most recent year	8.63 6.87	9.70 -1.51	9.41 2.95	9.00 5.02	9.69 1.53	9.41 2.96	9.59 2.03	8.91 5.44
D. Freedom to own foreign currency	10.00	5.00	10.00	10.00	5.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>	7.90	7.98	7.98	7.96	7.50	7.50	7.52	7.26
A. Taxes on international trade	6.37	6.74	6.76	6.92	5.92	6.63	6.70	6.06
(i) Revenues for trade taxes (% trade sector)	4.87 7.70	6.20 5.70	7.87 3.20	8.93 1.60	9.59 0.62	9.57 0.64	9.57 0.64	9.57 0.64
(ii) Mean tariff rate	7.88 10.60	7.28 13.60	7.40 13.00	7.44 12.80	8.16 9.20	8.50 7.50	8.32 8.40	8.24 8.80
(iii) Standard deviation of tariff rates			5.00 12.50	4.40 14.00	0.00 33.30	1.81 20.49	2.20 19.49	0.36 24.11
B. Regulatory trade barriers				6.73	7.92	7.03	6.91	6.67
(i) Non-tariff trade barriers				6.73	6.67	6.27	6.04	5.57
(ii) Compliance cost of importing and exporting					9.17	7.78	7.78	7.78
C. Size of trade sector	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	5.00	5.00	5.00	6.15	3.69	3.84	3.99	3.57
(i) Foreign ownership/investment restrictions				7.31	6.61	7.67	7.20	6.37
(ii) Capital controls	5.00	5.00	5.00	5.00	0.77	0.00	0.77	0.77
<b>5. Regulation of Credit, Labor and Business</b>	6.18	6.60	6.55	6.77	6.27	7.62	7.69	7.55
A. Credit market regulations	6.30	7.68	8.02	6.59	5.99	9.21	9.21	8.96
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	10.00	10.00	10.00
(ii) Foreign bank competition				3.22	2.07	8.00	8.00	8.00
(iii) Private sector credit	7.90	8.04	9.06	10.00	9.16	8.84	8.84	8.84
(iv) Interest rate controls/negative real int. rates	6.00	10.00	10.00	10.00	10.00	10.00	10.00	9.00
B. Labor market regulations			8.19	7.55	6.60	7.67	7.64	7.57
(i) Hiring regulations and minimum wage				6.73	4.47	10.00	10.00	10.00
(ii) Hiring and firing regulations			6.65	6.65	4.00	5.05	5.45	5.28
(iii) Centralized collective bargaining	7.93	7.93	7.93	7.93	7.53	7.95	7.37	7.10
(iv) Hours regulations				6.45	7.01	10.00	10.00	10.00
(v) Mandated cost of worker dismissal						3.05	3.05	3.05
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				6.15	6.20	5.97	6.21	6.13
(i) Price controls			5.00	4.00	3.00	2.00	4.00	4.00
(ii) Bureaucracy costs					7.13	5.96	5.56	5.08
(iii) Bureaucracy costs				8.08	8.43	3.47	3.16	3.58
(iv) Starting a business				7.17	6.33	8.83	9.43	9.52
(v) Extra payments/bribes				5.36	6.11	7.39	6.33	5.73
(vi) Licensing restrictions						6.25	6.65	6.65
(vii) Cost of tax compliance						7.87	8.37	8.37



## Mali

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	5.78 (37)	4.93 (78)	5.16 (73)	5.26 (91)	6.23 (73)	6.03 (93)	6.35 (84)	6.15 (91)
<b>Area 1. Size of Government</b>	7.98 (7)	5.24 (49)	5.80 (55)	5.27 (85)	7.15 (27)	7.49 (26)	7.31 (32)	7.31 (30)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	4.23 (54)	3.05 (91)	3.02 (94)	5.29 (71)	5.00 (77)	4.87 (86)	5.01 (83)	4.98 (83)
<b>Area 3. Access to Sound Money</b>	6.04 (65)	6.39 (71)	6.98 (48)	5.14 (88)	8.40 (47)	6.12 (109)	7.14 (87)	6.28 (106)
<b>Area 4. Freedom to Trade Internationally</b>	5.56 (45)	5.97 (44)	5.77 (52)	6.12 (83)	6.39 (79)	5.88 (95)	6.20 (87)	5.99 (93)
<b>Area 5. Regulation of Credit, Labor and Business</b>	4.89 (65)	4.01 (91)	4.22 (96)	4.32 (107)	4.22 (118)	5.66 (101)	5.96 (93)	6.01 (93)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	6.08 (27)	5.18 (67)	5.33 (66)	5.04 (96)	6.23 (73)	5.98 (107)	6.30 (97)	6.10 (107)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	8.84	5.81	6.43	4.23	7.15	7.49	7.31	7.31
A. Government consumption	10.00 4.86	7.92 13.08	7.31 15.13	6.46 18.03	7.47 14.60	8.46 11.22	7.92 13.06	7.92 13.06
B. Transfers and subsidies	9.51 2.30	9.51 2.30	9.97 0.60		9.97 0.60	10.00 0.01	10.00 0.17	10.00 0.17
C. Government enterprises and investment	7.00 21.40	0.00 57.10	2.00 45.90	2.00 41.10	4.00 35.07	4.00 33.93	4.00 37.60	4.00 37.60
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
<b>2. Legal Structure and Security of Property Rights</b>	4.23	3.05	3.02	5.29	5.00	4.37	4.50	4.47
A. Judicial independence						4.43	4.58	4.26
B. Impartial courts				4.74	4.38	3.90	4.56	4.40
C. Protection of property rights						5.12	5.09	4.75
D. Military interference				5.55	6.67	5.83	5.83	5.83
E. Integrity of the legal system				6.96	5.00	5.00	5.00	5.00
F. Legal enforcement of contracts						1.95	1.95	2.59
G. Regulatory restrictions of sale of real property						4.38	4.45	4.45
<b>3. Access to Sound Money</b>	6.04	6.39	6.98	5.14	8.40	6.12	7.14	6.28
A. Money growth	8.58 7.09	7.51 12.44	9.10 4.52	7.89 10.55	10.00 -0.02	8.55 7.24	9.67 1.65	9.09 4.56
B. Standard deviation of inflation	8.83 2.93	8.30 4.26	9.36 1.59	5.18 12.04	8.72 3.20	7.21 6.97	9.18 2.05	7.88 5.31
C. Inflation: most recent year	6.74 16.31	9.73 1.33	9.45 2.73	7.50 12.49	9.86 -0.68	8.72 6.40	9.72 1.41	8.17 9.17
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	5.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>	5.56	5.97	5.77	6.00	6.39	5.89	6.21	6.00
A. Taxes on international trade	5.23	4.83	5.97	6.17	7.73	7.30	7.65	7.65
(i) Revenues for trade taxes (% trade sector)	7.47 3.80	6.67 5.00	6.93 4.60	6.80 4.80	7.87 3.20	7.11 4.33	8.03 2.95	8.03 2.95
(ii) Mean tariff rate	3.00 35.00	3.00 35.00	5.00 25.00	6.74 16.30	7.60 12.00	7.52 12.40	7.62 11.90	7.62 11.90
(iii) Standard deviation of tariff rates				4.96 12.60		7.26 6.84	7.29 6.78	7.29 6.78
B. Regulatory trade barriers						3.73	4.45	4.89
(i) Non-tariff trade barriers						5.04	4.55	4.62
(ii) Compliance cost of importing and exporting						2.42	4.36	5.17
C. Size of trade sector	5.38	6.99	5.51	5.85	6.03	5.06	5.50	4.82
D. Black-market exchange rates	9.00	9.80	9.20	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.00	3.38	3.45	2.66
(i) Foreign ownership/investment restrictions						6.77	6.14	4.56
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	0.00	0.77	0.77
<b>5. Regulation of Credit, Labor and Business</b>	5.73	4.70	4.44	4.56	4.22	6.02	6.36	6.42
A. Credit market regulations	5.29	5.90	6.52	5.57	4.94	7.93	8.00	8.00
(i) Ownership of banks	2.00	2.00	2.00	2.00	2.00	8.00	8.00	8.00
(ii) Foreign bank competition								
(iii) Private sector credit	9.88	9.70	9.57	8.71	7.89	7.80	8.00	8.00
(iv) Interest rate controls/negative real int. rates	4.00	6.00	8.00	6.00		8.00	8.00	8.00
B. Labor market regulations						5.58	5.46	5.47
(i) Hiring regulations and minimum wage						6.70	6.70	6.70
(ii) Hiring and firing regulations						5.58	5.65	5.56
(iii) Centralized collective bargaining						6.09	5.30	5.42
(iv) Hours regulations						8.00	8.00	8.00
(v) Mandated cost of worker dismissal						7.13	7.13	7.13
(vi) Conscription	10.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations						4.54	5.61	5.80
(i) Price controls			0.00	4.00	4.00	6.00	6.00	6.00
(ii) Bureaucracy costs						3.33	4.39	4.18
(iii) Bureaucracy costs						1.74	6.17	6.47
(iv) Starting a business						4.86	6.64	7.49
(v) Extra payments/bribes						4.15	3.40	3.05
(vi) Licensing restrictions						4.75	5.68	6.42
(vii) Cost of tax compliance						6.97	6.97	6.97



# Malta

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	5.57 (48)	5.23 (61)	5.42 (63)	6.56 (41)	6.45 (65)	7.10 (43)	7.25 (43)	7.06 (49)
<b>Area 1. Size of Government</b>	4.67 (66)	4.67 (65)	4.30 (90)	5.97 (64)	6.00 (70)	5.83 (85)	5.90 (83)	5.58 (90)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>		3.52 (82)	4.48 (70)	7.60 (22)	7.17 (28)	7.58 (23)	7.72 (20)	7.45 (24)
<b>Area 3. Access to Sound Money</b>	6.50 (40)	7.01 (36)	7.27 (38)	7.07 (54)	7.00 (80)	8.99 (42)	9.58 (10)	9.46 (20)
<b>Area 4. Freedom to Trade Internationally</b>	5.89 (43)	5.89 (46)	6.10 (48)	6.58 (65)	6.40 (78)	7.10 (46)	7.10 (51)	6.79 (65)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.05 (61)	5.01 (61)	4.93 (76)	5.56 (63)	5.68 (81)	6.08 (85)	6.03 (91)	6.10 (91)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	5.73 (43)	5.39 (59)	5.46 (62)	6.60 (41)	6.45 (65)	7.38 (32)	7.54 (25)	7.34 (33)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.67	4.67	4.30	5.97	6.00	5.83	5.90	5.58
A. Government consumption	5.88 20.01	5.83 20.19	5.33 21.89	4.38 25.11	5.10 22.67	4.58 24.44	4.70 24.01	4.31 25.33
B. Transfers and subsidies	6.81 12.20	5.86 15.70	5.89 15.60	6.49 13.38	5.92 15.49	5.73 16.17	5.89 15.58	5.00 18.86
C. Government enterprises and investment	6.00 28.60	7.00 20.00	6.00 28.80	6.00 28.80	6.00 28.80	6.00	6.00	6.00
D. Top marginal tax rate	0.00	0.00	0.00	7.00	7.00	7.00	7.00	7.00
(i) Top marginal income tax rate	0.00 65	0.00 65	0.00 65	7.00 35	7.00 35	7.00 35	7.00 35	7.00 35
(ii) Top marginal income and payroll tax rates			0.00 65	7.00 35	7.00 35	7.00 35	7.00 35	7.00 35
<b>2. Legal Structure and Security of Property Rights</b>		3.52	4.48	7.60	7.17	7.67	7.82	7.55
A. Judicial independence						7.18	7.20	6.78
B. Impartial courts				7.09	6.77	5.93	5.90	5.16
C. Protection of property rights						6.92	7.64	7.46
D. Military interference				9.82	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts								
G. Regulatory restrictions of sale of real property								
<b>3. Access to Sound Money</b>	6.50	7.01	7.27	7.07	7.00	8.99	9.58	9.46
A. Money growth	9.68 1.60	9.39 -3.03	10.00 -0.02	9.75 -1.24	9.94 -0.28	6.82 15.91	8.78 6.12	8.88 5.58
B. Standard deviation of inflation	8.80 3.00	8.77 3.07	9.74 0.64	9.63 0.93	8.51 3.72	9.75 0.63	9.79 0.52	9.80 0.51
C. Inflation: most recent year	7.52 12.40	9.87 0.63	9.36 3.21	8.89 5.56	9.53 2.37	9.40 3.01	9.75 1.25	9.15 4.26
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	6.09	6.09	6.30	6.80	6.40	7.45	7.46	7.13
A. Taxes on international trade	6.73	7.00	6.73	9.50	8.51	9.37	8.27	8.11
(i) Revenues for trade taxes (% trade sector)	6.73 4.90	7.00 4.50	6.73 4.90	9.50 0.75	9.58 0.63	9.84 0.24	9.84 0.24	9.84 0.24
(ii) Mean tariff rate					8.24 8.80	9.46 2.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates					7.72 5.70	8.80 3.00	6.01 9.98	5.61 10.98
B. Regulatory trade barriers						7.47	7.67	7.34
(i) Non-tariff trade barriers						7.47	7.67	7.34
(ii) Compliance cost of importing and exporting								
C. Size of trade sector	5.92	4.63	4.97	5.13	5.13	2.46	3.37	2.84
D. Black-market exchange rates	7.60	8.60	9.60	9.20	9.40	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	2.00	0.77	7.97	7.98	7.35
(i) Foreign ownership/investment restrictions						7.48	8.27	7.00
(ii) Capital controls	2.00	2.00	2.00	2.00	0.77	8.46	7.69	7.69
<b>5. Regulation of Credit, Labor and Business</b>	5.68	5.64	4.93	5.56	5.68	6.98	6.96	7.01
A. Credit market regulations	5.15	5.06	4.81	6.22	6.62	9.06	9.40	9.40
(i) Ownership of banks	0.00	0.00	0.00	0.00	2.00	10.00	10.00	10.00
(ii) Foreign bank competition						9.00	9.00	9.00
(iii) Private sector credit	9.45	9.17	8.43	8.65	7.86	7.24	8.59	8.59
(iv) Interest rate controls/negative real int. rates	6.00	6.00	6.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations						7.09	6.89	7.01
(i) Hiring regulations and minimum wage								
(ii) Hiring and firing regulations						4.14	3.58	3.91
(iii) Centralized collective bargaining						7.14	7.08	7.11
(iv) Hours regulations								
(v) Mandated cost of worker dismissal								
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						4.77	4.58	4.62
(i) Price controls			0.00	2.00	2.00	4.00	4.00	4.00
(ii) Bureaucracy costs						2.99	3.00	3.31
(iii) Bureaucracy costs						4.78	4.52	4.71
(iv) Starting a business								
(v) Extra payments/bribes						7.32	6.81	6.48
(vi) Licensing restrictions								
(vii) Cost of tax compliance								



## Mauritania

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>								
<b>Area 1. Size of Government</b>								
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>								
<b>Area 3. Access to Sound Money</b>								
<b>Area 4. Freedom to Trade Internationally</b>								
<b>Area 5. Regulation of Credit, Labor and Business</b>								
<b>Unadjusted</b>								
<b>Summary Rating (Rank) &gt;</b>						6.44 (85)	6.14 (108)	6.34 (95)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>						7.00	6.25	6.47
A. Government consumption						6.01 19.57	4.49 24.73	4.94 23.19
B. Transfers and subsidies								
C. Government enterprises and investment						8.00 18.17	8.00 18.10	8.00 18.10
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
<b>2. Legal Structure and Security of Property Rights</b>						5.55	5.09	4.65
A. Judicial independence						4.71	3.53	3.20
B. Impartial courts						5.12	3.14	3.32
C. Protection of property rights						4.57	4.82	3.97
D. Military interference						5.50	5.40	3.80
E. Integrity of the legal system								
F. Legal enforcement of contracts						6.04	6.27	6.27
G. Regulatory restrictions of sale of real property						7.36	7.36	7.36
<b>3. Access to Sound Money</b>						6.11	5.57	6.59
A. Money growth						9.17 4.15	8.83 5.83	8.83 5.83
B. Standard deviation of inflation						7.71 5.72	4.88 12.80	9.01 2.47
C. Inflation: most recent year						7.57 12.13	8.55 7.25	8.53 7.35
D. Freedom to own foreign currency						0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>						6.72	6.66	6.80
A. Taxes on international trade						7.50	7.41	7.41
(i) Revenues for trade taxes (% trade sector)								
(ii) Mean tariff rate						7.86 10.70	7.62 11.90	7.62 11.90
(iii) Standard deviation of tariff rates						7.13 7.17	7.19 7.02	7.19 7.02
B. Regulatory trade barriers						4.00	5.10	5.35
(i) Non-tariff trade barriers						3.40	5.60	6.44
(ii) Compliance cost of importing and exporting						4.61	4.61	4.27
C. Size of trade sector						8.49	7.75	8.51
D. Black-market exchange rates						10.00	10.00	10.00
E. International capital market controls						3.63	3.03	2.73
(i) Foreign ownership/investment restrictions						6.43	5.06	4.46
(ii) Capital controls						0.83	1.00	1.00
<b>5. Regulation of Credit, Labor and Business</b>						6.80	7.14	7.20
A. Credit market regulations						9.22	9.22	9.22
(i) Ownership of banks								
(ii) Foreign bank competition								
(iii) Private sector credit						9.44	9.44	9.44
(iv) Interest rate controls/negative real int. rates						9.00	9.00	9.00
B. Labor market regulations						7.02	6.98	6.99
(i) Hiring regulations and minimum wage						3.30	4.40	4.40
(ii) Hiring and firing regulations						7.79	4.87	5.40
(iii) Centralized collective bargaining						5.88	7.46	7.02
(iv) Hours regulations						8.00	8.00	8.00
(v) Mandated cost of worker dismissal						7.13	7.13	7.13
(vi) Conscription						10.00	10.00	10.00
C. Business regulations						4.17	5.22	5.38
(i) Price controls								
(ii) Bureaucracy costs						6.00	4.99	5.66
(iii) Bureaucracy costs						2.68	6.67	6.84
(iv) Starting a business						4.03	7.65	7.55
(v) Extra payments/bribes						3.77	3.03	3.30
(vi) Licensing restrictions						6.36	6.78	6.72
(vii) Cost of tax compliance						2.20	2.20	2.20



## Mauritius

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	5.16 (61)	6.25 (27)	6.23 (38)	7.29 (22)	7.39 (20)	7.17 (40)	7.53 (19)	7.61 (13)
<b>Area 1. Size of Government</b>	5.63 (38)	6.79 (11)	6.81 (23)	6.89 (28)	7.37 (24)	7.19 (33)	8.19 (10)	8.37 (7)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>		6.41 (32)	6.37 (38)	7.04 (27)	6.94 (31)	5.80 (59)	6.14 (53)	6.55 (37)
<b>Area 3. Access to Sound Money</b>	4.92 (94)	6.81 (45)	6.20 (70)	9.51 (21)	9.58 (12)	9.49 (25)	9.23 (38)	9.00 (41)
<b>Area 4. Freedom to Trade Internationally</b>	4.07 (72)	5.47 (53)	5.67 (56)	6.86 (48)	6.80 (70)	7.16 (43)	7.56 (35)	7.38 (35)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.64 (38)	5.76 (43)	6.03 (38)	6.17 (42)	6.26 (52)	6.15 (79)	6.49 (64)	6.71 (56)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	5.35 (57)	6.51 (21)	6.32 (33)	7.48 (14)	7.39 (20)	7.37 (33)	7.74 (12)	7.82 (9)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.63	6.79	6.81	6.89	7.37	7.19	8.19	8.37
A. Government consumption	7.14 15.72	7.44 14.69	7.24 15.40	7.13 15.75	7.00 16.19	6.62 17.50	7.16 15.64	7.34 15.06
B. Transfers and subsidies	8.37 6.50	8.72 5.20	8.99 4.20	8.94 4.40	8.49 6.06	8.62 5.55	8.60 5.63	8.63 5.52
C. Government enterprises and investment	4.00 36.00	4.00 32.26	4.00 37.32	4.00 34.43	6.00 28.01	6.00 29.59	7.00 21.82	8.00 17.13
D. Top marginal tax rate	3.00	7.00	7.00	7.50	8.00	7.50	10.00	9.50
(i) Top marginal income tax rate	3.00 50	7.00 35	7.00 35	8.00 30	9.00 25	8.00 30	10.00 15	10.00 15
(ii) Top marginal income and payroll tax rates			7.00 35	7.00 32	7.00 33	7.00 31	10.00 19	9.00 25
<b>2. Legal Structure and Security of Property Rights</b>		6.31	6.28	6.94	6.94	5.64	5.97	6.36
A. Judicial independence					6.18	6.11	6.70	6.73
B. Impartial courts				7.82	7.01	6.42	6.13	5.61
C. Protection of property rights					4.80	7.63	8.20	7.36
D. Military interference				9.35	10.00	8.70	8.30	8.50
E. Integrity of the legal system				6.96	6.70			
F. Legal enforcement of contracts						3.94	3.94	3.98
G. Regulatory restrictions of sale of real property						1.03	2.51	5.99
<b>3. Access to Sound Money</b>	4.92	6.81	6.20	9.51	9.58	9.49	9.23	9.00
A. Money growth	9.21 3.95	9.35 3.26	7.47 12.64	9.54 2.30	9.64 -1.81	9.35 3.25	9.13 4.37	8.53 7.35
B. Standard deviation of inflation	5.80 10.50	9.54 1.14	9.37 1.58	9.46 1.36	9.51 1.21	9.59 1.03	9.55 1.12	9.41 1.47
C. Inflation: most recent year	4.69 26.57	8.36 8.20	7.98 10.12	9.06 4.69	9.16 4.20	9.02 4.91	8.24 8.80	8.05 9.74
D. Freedom to own foreign currency	0.00	0.00	0.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	4.26	5.73	5.63	7.17	6.80	7.16	7.56	7.38
A. Taxes on international trade	3.31	3.31	3.14	4.41	3.54	7.44	8.12	8.06
(i) Revenues for trade taxes (% trade sector)	3.60 9.60	3.60 9.60	4.93 7.60	6.05 5.92	6.81 4.78	7.59 3.62	8.56 2.16	8.62 2.08
(ii) Mean tariff rate	3.02 34.90	3.02 34.90	4.48 27.60	2.76 36.20	3.80 31.00	8.30 8.50	9.30 3.50	9.42 2.90
(iii) Standard deviation of tariff rates			0.00 91.50		0.00 27.80	6.43 8.93	6.50 8.75	6.14 9.66
B. Regulatory trade barriers					7.44	6.99	7.51	7.47
(i) Non-tariff trade barriers					7.88	6.15	7.29	6.83
(ii) Compliance cost of importing and exporting					6.99	7.82	7.74	8.12
C. Size of trade sector	5.75	5.32	6.39	5.30	5.19	4.65	4.79	4.18
D. Black-market exchange rates	2.00	9.80	8.40	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	8.00	7.84	6.75	7.37	7.18
(i) Foreign ownership/investment restrictions					8.75	6.57	8.07	7.68
(ii) Capital controls	2.00	2.00	2.00	8.00	6.92	6.92	6.67	6.67
<b>5. Regulation of Credit, Labor and Business</b>	6.59	6.93	6.70	6.85	6.26	7.38	7.74	7.98
A. Credit market regulations	7.28	8.47	9.33	9.84	7.72	9.21	9.25	9.50
(i) Ownership of banks	8.00	8.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition					4.27	9.00	9.00	9.00
(iii) Private sector credit	6.56	7.42	10.00	9.52	9.59	8.82	9.01	10.00
(iv) Interest rate controls/negative real int. rates		10.00	8.00	10.00	9.00	9.00	9.00	9.00
B. Labor market regulations					4.90	6.93	7.30	7.70
(i) Hiring regulations and minimum wage					3.12	10.00	10.00	10.00
(ii) Hiring and firing regulations					1.98	2.59	3.51	4.20
(iii) Centralized collective bargaining					3.55	3.52	4.86	5.68
(iv) Hours regulations					5.85	8.70	8.70	6.70
(v) Mandated cost of worker dismissal						6.76	6.76	9.63
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations					6.17	6.00	6.67	6.73
(i) Price controls			4.00	4.00	6.00	4.00	4.00	4.00
(ii) Bureaucracy costs					5.93	2.16	4.60	4.58
(iii) Bureaucracy costs					7.50	4.40	4.64	5.09
(iv) Starting a business					5.42	8.44	9.76	9.76
(v) Extra payments/bribes					6.01	6.56	6.42	6.38
(vi) Licensing restrictions						8.25	9.10	9.11
(vii) Cost of tax compliance						8.20	8.20	8.20



## Mexico

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	5.72 (41)	4.94 (77)	6.31 (35)	6.49 (45)	6.42 (66)	7.01 (50)	6.93 (58)	6.88 (60)
<b>Area 1. Size of Government</b>	5.69 (35)	6.19 (22)	7.96 (8)	7.47 (18)	7.14 (28)	7.11 (41)	7.43 (30)	7.17 (35)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	6.72 (30)	5.74 (45)	7.22 (29)	5.30 (70)	4.25 (97)	5.59 (67)	5.32 (75)	5.42 (72)
<b>Area 3. Access to Sound Money</b>	7.70 (25)	3.67 (102)	3.59 (107)	5.50 (82)	6.85 (87)	8.08 (67)	8.02 (74)	7.98 (68)
<b>Area 4. Freedom to Trade Internationally</b>	3.10 (85)	4.97 (59)	7.36 (22)	7.89 (22)	7.54 (41)	7.21 (39)	6.94 (61)	6.89 (61)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.53 (42)	4.23 (88)	5.51 (53)	6.29 (35)	6.29 (49)	7.05 (39)	6.93 (44)	6.91 (48)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	5.60 (50)	4.84 (82)	6.18 (41)	6.44 (45)	6.42 (66)	7.02 (55)	6.94 (67)	6.89 (69)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.69	6.19	7.96	7.47	7.14	7.11	7.43	7.17
A. Government consumption	7.83 13.36	8.08 12.52	8.60 10.75	7.80 13.48	7.65 13.98	7.51 14.46	7.79 13.52	7.76 13.60
B. Transfers and subsidies	8.94 4.40	8.66 5.40	9.25 3.24	8.09 7.50	7.92 8.13	7.92 8.13	7.92 8.13	7.92 8.13
C. Government enterprises and investment	2.00 43.00	4.00 34.80	7.00 23.90	7.00 23.20	8.00 16.80	7.00 22.40	8.00 19.80	7.00 24.85
D. Top marginal tax rate	4.00	4.00	7.00	7.00	5.00	6.00	6.00	6.00
(i) Top marginal income tax rate	4.00 55	4.00 55	7.00 40	7.00 35	7.00 40	8.00 30	8.00 28	8.00 28
(ii) Top marginal income and payroll tax rates					3.00 47	4.00 42	4.00 41	4.00 41
<b>2. Legal Structure and Security of Property Rights</b>	6.29	5.38	6.76	5.30	4.25	5.59	5.32	5.42
A. Judicial independence				3.88	3.34	4.41	4.02	3.73
B. Impartial courts				5.05	5.18	3.85	3.14	3.70
C. Protection of property rights				5.22	4.38	6.05	5.15	4.92
D. Military interference				5.37	5.00	7.50	7.50	7.50
E. Integrity of the legal system				6.96	3.33	5.00	5.00	5.83
F. Legal enforcement of contracts						5.39	5.39	5.39
G. Regulatory restrictions of sale of real property						6.89	7.02	6.89
<b>3. Access to Sound Money</b>	7.70	3.67	3.59	5.50	6.85	8.08	8.02	7.98
A. Money growth	6.27 18.66	2.80 36.00	0.00 51.34	8.95 5.23	7.22 13.89	8.60 7.02	8.58 7.08	8.44 7.81
B. Standard deviation of inflation	9.08 2.29	1.90 20.26	0.00 43.89	5.62 10.95	7.09 7.27	9.51 1.22	9.29 1.78	9.51 1.22
C. Inflation: most recent year	5.44 22.80	0.00 54.01	4.37 28.13	2.43 37.85	8.10 9.50	9.20 3.99	9.21 3.97	8.97 5.13
D. Freedom to own foreign currency	10.00	10.00	10.00	5.00	5.00	5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>	3.10	4.96	7.28	7.71	7.54	7.21	6.94	6.89
A. Taxes on international trade	1.91	6.13	7.88	8.21	7.48	7.55	6.63	6.62
(i) Revenues for trade taxes (% trade sector)	0.00 17.60	8.27 2.60	8.67 2.00	9.30 1.05	9.37 0.94	9.37 0.94	9.37 0.94	9.37 0.94
(ii) Mean tariff rate	3.82 30.90	4.00 30.00	7.78 11.10	7.48 12.60	6.76 16.20	8.16 9.20	7.48 12.60	7.48 12.60
(iii) Standard deviation of tariff rates			7.20 7.00	7.84 5.40	6.32 9.20	5.13 12.18	3.04 17.39	3.00 17.51
B. Regulatory trade barriers				6.30	7.28	7.04	7.09	7.17
(i) Non-tariff trade barriers				6.30	6.40	6.15	6.25	6.41
(ii) Compliance cost of importing and exporting					8.16	7.93	7.93	7.93
C. Size of trade sector	3.30	3.45	5.35	7.64	7.83	6.92	6.39	6.31
D. Black-market exchange rates	0.00	5.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	5.00	6.39	5.12	4.54	4.58	4.35
(i) Foreign ownership/investment restrictions				7.77	8.70	7.54	7.62	7.15
(ii) Capital controls	2.00	2.00	5.00	5.00	1.54	1.54	1.54	1.54
<b>5. Regulation of Credit, Labor and Business</b>	5.23	3.99	5.32	6.22	6.29	7.12	7.00	6.98
A. Credit market regulations	5.62	2.36	5.58	7.74	8.16	9.86	9.86	9.86
(i) Ownership of banks	8.00	0.00	0.00	8.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				7.28	5.87	10.00	10.00	10.00
(iii) Private sector credit	4.87	3.08	8.74	9.68	9.43	9.43	9.43	9.43
(iv) Interest rate controls/negative real int. rates	4.00	4.00	8.00	8.00	9.00	10.00	10.00	10.00
B. Labor market regulations			5.75	6.27	4.80	6.07	5.98	5.81
(i) Hiring regulations and minimum wage				7.92	2.75	6.70	6.70	6.70
(ii) Hiring and firing regulations			5.00	5.00	4.10	4.65	4.13	3.63
(iii) Centralized collective bargaining			7.24	7.24	5.65	6.89	6.86	6.32
(iv) Hours regulations				6.18	6.51	8.00	8.00	8.00
(v) Mandated cost of worker dismissal						5.18	5.18	5.18
(vi) Conscription	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
C. Business regulations				4.65	5.90	5.42	5.16	5.28
(i) Price controls			0.00	5.00	7.00	4.00	3.00	3.00
(ii) Bureaucracy costs					6.73	2.70	2.35	2.64
(iii) Bureaucracy costs				6.09	6.33	3.79	4.94	4.90
(iv) Starting a business				4.15	3.70	8.95	8.94	9.43
(v) Extra payments/bribes				3.36	5.73	6.19	4.60	4.34
(vi) Licensing restrictions						8.48	8.43	8.46
(vii) Cost of tax compliance						3.81	3.85	4.20



## Moldova

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>								
<b>Area 1. Size of Government</b>								
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>								
<b>Area 3. Access to Sound Money</b>								
<b>Area 4. Freedom to Trade Internationally</b>								
<b>Area 5. Regulation of Credit, Labor and Business</b>								
<b>Unadjusted</b>								
<b>Summary Rating (Rank) &gt;</b>						6.54 (80)	6.45 (91)	6.51 (87)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>						7.05	5.92	5.87
A. Government consumption						7.55 14.33	6.52 17.84	6.40 18.24
B. Transfers and subsidies						6.56 13.13	6.16 14.60	6.10 14.82
C. Government enterprises and investment							4.00	4.00
D. Top marginal tax rate							7.00	7.00
(i) Top marginal income tax rate							10.00 20	10.00 18
(ii) Top marginal income and payroll tax rates							4.00 41	4.00 41
<b>2. Legal Structure and Security of Property Rights</b>						5.61	5.94	6.38
A. Judicial independence						1.98	3.01	5.59
B. Impartial courts						2.62	3.16	3.16
C. Protection of property rights						4.20	4.86	4.86
D. Military interference						6.67	6.67	6.67
E. Integrity of the legal system						8.33	8.33	8.33
F. Legal enforcement of contracts						6.71	6.71	6.44
G. Regulatory restrictions of sale of real property						8.73	8.83	9.61
<b>3. Access to Sound Money</b>						6.65	6.84	7.22
A. Money growth						5.30 23.51	6.20 18.98	7.69 11.57
B. Standard deviation of inflation						8.92 2.70	8.65 3.39	8.76 3.11
C. Inflation: most recent year						7.38 13.11	7.53 12.37	7.45 12.77
D. Freedom to own foreign currency						5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>						6.78	6.97	6.82
A. Taxes on international trade						8.50	8.52	8.47
(i) Revenues for trade taxes (% trade sector)					9.23 1.15	9.15 1.27	9.22 1.18	9.08 1.38
(ii) Mean tariff rate						8.96 5.20	8.96 5.20	9.06 4.70
(iii) Standard deviation of tariff rates						7.38 6.55	7.38 6.55	7.27 6.82
B. Regulatory trade barriers						5.50	6.20	6.20
(i) Non-tariff trade barriers						5.70	7.10	7.10
(ii) Compliance cost of importing and exporting						5.30	5.30	5.30
C. Size of trade sector						7.42	6.91	6.21
D. Black-market exchange rates						10.00	10.00	10.00
E. International capital market controls						2.51	3.24	3.24
(i) Foreign ownership/investment restrictions						5.02	5.70	5.70
(ii) Capital controls						0.00	0.77	0.77
<b>5. Regulation of Credit, Labor and Business</b>						6.60	6.57	6.26
A. Credit market regulations						8.50	8.47	8.46
(i) Ownership of banks						8.00	8.00	8.00
(ii) Foreign bank competition						6.00	6.00	6.00
(iii) Private sector credit					9.09	10.00	9.87	9.82
(iv) Interest rate controls/negative real int. rates						10.00	10.00	10.00
B. Labor market regulations						6.04	5.69	4.95
(i) Hiring regulations and minimum wage						6.70	5.60	5.60
(ii) Hiring and firing regulations						5.73	5.80	3.27
(iii) Centralized collective bargaining						7.48	7.14	5.25
(iv) Hours regulations						6.00	6.00	6.00
(v) Mandated cost of worker dismissal						7.31	6.57	6.57
(vi) Conscription						3.00	3.00	3.00
C. Business regulations						5.27	5.55	5.37
(i) Price controls						2.00	2.00	2.00
(ii) Bureaucracy costs						2.55	2.94	2.94
(iii) Bureaucracy costs						3.53	5.11	5.11
(iv) Starting a business						8.84	9.38	9.57
(v) Extra payments/bribes						6.78	6.14	4.60
(vi) Licensing restrictions						5.76	5.90	5.94
(vii) Cost of tax compliance						7.40	7.38	7.44



# Mongolia

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>								
<b>Area 1. Size of Government</b>								
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>								
<b>Area 3. Access to Sound Money</b>								
<b>Area 4. Freedom to Trade Internationally</b>								
<b>Area 5. Regulation of Credit, Labor and Business</b>								
<b>Unadjusted</b>						7.33 (35)	6.99 (63)	7.08 (55)
<b>Summary Rating (Rank) &gt;</b>	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>						7.58	6.35	7.71
A. Government consumption						6.41 18.22	5.67 20.71	4.92 23.26
B. Transfers and subsidies						7.90 8.20	7.71 8.89	6.91 11.83
C. Government enterprises and investment						10.00 7.70	6.00 29.50	10.00 9.53
D. Top marginal tax rate						6.00	6.00	9.00
(i) Top marginal income tax rate						8.00 30	8.00 30	10.00 10
(ii) Top marginal income and payroll tax rates						4.00 49	4.00 49	8.00 29
<b>2. Legal Structure and Security of Property Rights</b>						5.71	5.70	5.71
A. Judicial independence						2.62	2.47	2.56
B. Impartial courts						2.52	2.43	3.06
C. Protection of property rights						5.00	4.67	4.01
D. Military interference						8.80	8.33	8.33
E. Integrity of the legal system							6.67	6.67
F. Legal enforcement of contracts						6.24	6.24	6.24
G. Regulatory restrictions of sale of real property						9.07	9.10	9.10
<b>3. Access to Sound Money</b>						8.31	8.18	7.45
A. Money growth						8.48 7.61	6.72 16.38	6.60 17.02
B. Standard deviation of inflation						7.30 6.74	7.79 5.52	8.23 4.43
C. Inflation: most recent year						7.46 12.72	8.19 9.05	4.99 25.06
D. Freedom to own foreign currency						10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>						7.74	7.11	7.16
A. Taxes on international trade						9.18	9.19	9.14
(i) Revenues for trade taxes (% trade sector)						9.01 1.48	8.86 1.71	8.73 1.91
(ii) Mean tariff rate						9.16 4.20	9.00 5.00	9.00 5.00
(iii) Standard deviation of tariff rates						9.37 1.58	9.70 0.75	9.70 0.75
B. Regulatory trade barriers						4.62	3.72	4.31
(i) Non-tariff trade barriers						3.90	4.44	5.25
(ii) Compliance cost of importing and exporting						5.34	3.00	3.37
C. Size of trade sector						10.00	8.94	8.67
D. Black-market exchange rates						10.00	10.00	10.00
E. International capital market controls						4.91	3.71	3.67
(i) Foreign ownership/investment restrictions						6.75	5.89	5.81
(ii) Capital controls						3.08	1.54	1.54
<b>5. Regulation of Credit, Labor and Business</b>						7.33	7.62	7.37
A. Credit market regulations						9.13	10.00	9.00
(i) Ownership of banks								
(ii) Foreign bank competition								
(iii) Private sector credit				10.00	10.00	9.25	10.00	10.00
(iv) Interest rate controls/negative real int. rates						9.00	10.00	8.00
B. Labor market regulations						7.05	6.68	6.86
(i) Hiring regulations and minimum wage						8.90	7.80	8.90
(ii) Hiring and firing regulations						7.00	6.21	6.16
(iii) Centralized collective bargaining						8.25	7.89	7.92
(iv) Hours regulations						6.00	6.00	6.00
(v) Mandated cost of worker dismissal						9.17	9.17	9.17
(vi) Conscription						3.00	3.00	3.00
C. Business regulations						5.82	6.17	6.26
(i) Price controls								
(ii) Bureaucracy costs						2.92	2.70	2.81
(iii) Bureaucracy costs						3.36	6.73	6.98
(iv) Starting a business						9.12	9.35	9.41
(v) Extra payments/bribes						4.67	3.25	3.20
(vi) Licensing restrictions						7.12	7.27	7.30
(vii) Cost of tax compliance						7.71	7.71	7.85



## Montenegro

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>								
<b>Area 1. Size of Government</b>								
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>								
<b>Area 3. Access to Sound Money</b>								
<b>Area 4. Freedom to Trade Internationally</b>								
<b>Area 5. Regulation of Credit, Labor and Business</b>								
<b>Unadjusted</b>								
<b>Summary Rating (Rank) &gt;</b>						6.33 (93)	6.74 (78)	6.90 (66)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>						5.60	6.13	5.84
A. Government consumption						3.81 27.03	5.39 21.69	6.52 17.82
B. Transfers and subsidies								
C. Government enterprises and investment						6.00 25.80	6.00 27.39	4.00 33.61
D. Top marginal tax rate						7.00	7.00	7.00
(i) Top marginal income tax rate						9.00 23	10.00 17	10.00 17
(ii) Top marginal income and payroll tax rates							3.00 46	3.00 46
<b>2. Legal Structure and Security of Property Rights</b>						5.67	5.42	5.94
A. Judicial independence						3.50	4.03	4.66
B. Impartial courts						3.50	4.25	4.89
C. Protection of property rights						4.50	6.15	6.13
D. Military interference						10.00	5.60	7.90
E. Integrity of the legal system							5.83	
F. Legal enforcement of contracts						4.80	4.80	4.80
G. Regulatory restrictions of sale of real property						7.72	7.29	7.29
<b>3. Access to Sound Money</b>						7.13	7.32	7.91
A. Money growth							6.40 17.99	8.91 5.46
B. Standard deviation of inflation						7.24 6.90	9.25 1.88	9.08 2.31
C. Inflation: most recent year						9.14 4.32	8.65 6.77	8.65 6.77
D. Freedom to own foreign currency						5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>						6.70	7.46	7.19
A. Taxes on international trade						7.51	8.06	8.10
(i) Revenues for trade taxes (% trade sector)						7.80 3.30	7.80 3.30	7.80 3.30
(ii) Mean tariff rate						8.68 6.60	9.00 5.00	9.02 4.90
(iii) Standard deviation of tariff rates						6.05 9.90	7.38 6.55	7.49 6.27
B. Regulatory trade barriers						6.31	7.18	7.45
(i) Non-tariff trade barriers						4.50	6.25	6.77
(ii) Compliance cost of importing and exporting						8.12	8.12	8.12
C. Size of trade sector						3.00	4.18	2.60
D. Black-market exchange rates						10.00	10.00	10.00
E. International capital market controls							7.88	7.81
(i) Foreign ownership/investment restrictions							7.30	7.16
(ii) Capital controls							8.46	8.46
<b>5. Regulation of Credit, Labor and Business</b>						6.52	7.36	7.61
A. Credit market regulations						9.45	9.91	9.59
(i) Ownership of banks						10.00	10.00	10.00
(ii) Foreign bank competition								
(iii) Private sector credit						8.34	9.72	9.77
(iv) Interest rate controls/negative real int. rates						10.00	10.00	9.00
B. Labor market regulations						4.76	7.01	7.91
(i) Hiring regulations and minimum wage						6.70	6.70	10.00
(ii) Hiring and firing regulations						2.00	4.28	5.24
(iii) Centralized collective bargaining						2.50	6.68	6.82
(iv) Hours regulations						8.00	8.00	8.00
(v) Mandated cost of worker dismissal						6.38	6.38	7.40
(vi) Conscription						3.00	10.00	10.00
C. Business regulations						5.36	5.18	5.33
(i) Price controls						8.00	2.00	2.00
(ii) Bureaucracy costs						4.00	3.33	3.79
(iii) Bureaucracy costs						3.00	5.95	5.49
(iv) Starting a business						9.16	9.28	9.56
(v) Extra payments/bribes						3.00	5.38	5.45
(vi) Licensing restrictions						4.55	4.48	5.20
(vii) Cost of tax compliance						5.83	5.83	5.83



## Morocco

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	4.54 (82)	5.25 (59)	5.27 (72)	6.15 (58)	6.12 (78)	6.31 (84)	6.29 (86)	6.29 (85)
<b>Area 1. Size of Government</b>	4.63 (69)	5.23 (50)	5.91 (48)	6.27 (53)	6.32 (56)	6.71 (57)	6.79 (53)	6.73 (49)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	2.24 (83)	3.99 (75)	3.99 (78)	6.74 (32)	6.67 (37)	6.51 (44)	6.50 (43)	6.43 (40)
<b>Area 3. Access to Sound Money</b>	6.26 (52)	6.81 (44)	6.50 (64)	6.69 (59)	6.96 (82)	7.10 (85)	6.84 (97)	6.72 (95)
<b>Area 4. Freedom to Trade Internationally</b>	5.21 (51)	6.01 (43)	5.55 (59)	6.14 (81)	5.44 (110)	5.81 (96)	5.87 (98)	6.07 (92)
<b>Area 5. Regulation of Credit, Labor and Business</b>	4.34 (82)	4.24 (86)	4.41 (90)	4.90 (91)	5.19 (101)	5.40 (107)	5.43 (109)	5.48 (109)
<b>Unadjusted</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	4.59 (82)	5.36 (62)	5.28 (67)	6.15 (60)	6.12 (78)	6.22 (100)	6.20 (103)	6.20 (100)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.63	5.23	5.91	6.27	6.32	6.71	6.79	6.73
A. Government consumption	5.51 21.26	6.06 19.41	6.12 19.18	6.01 19.57	5.10 22.65	4.48 24.75	4.76 23.81	5.22 22.25
B. Transfers and subsidies	9.02 4.10	8.88 4.60	9.51 2.30	9.07 3.92	8.16 7.25	8.37 6.48	8.38 6.44	7.71 8.89
C. Government enterprises and investment	2.00 46.80	6.00 27.90	8.00 19.80	7.00 21.90	8.00 18.10	10.00 13.60	10.00 11.61	10.00 14.18
D. Top marginal tax rate	2.00	0.00	0.00	3.00	4.00	4.00	4.00	4.00
(i) Top marginal income tax rate	2.00 64	0.00 87	0.00 87	3.00 46	4.00 44	4.00 44	4.00 44	4.00 44
(ii) Top marginal income and payroll tax rates								
<b>2. Legal Structure and Security of Property Rights</b>	2.24	3.99	3.99	6.74	6.67	6.05	6.04	5.97
A. Judicial independence						4.07	4.83	4.20
B. Impartial courts				6.76	6.37	5.06	4.51	4.86
C. Protection of property rights						6.26	6.11	5.97
D. Military interference				6.55	6.67	6.67	6.67	6.67
E. Integrity of the legal system				10.00	10.00	8.33	8.33	8.33
F. Legal enforcement of contracts						4.30	4.30	4.30
G. Regulatory restrictions of sale of real property						7.65	7.50	7.50
<b>3. Access to Sound Money</b>	6.26	6.81	6.50	6.69	6.96	7.10	6.84	6.72
A. Money growth	8.75 6.25	9.30 3.48	8.09 9.57	9.25 3.73	8.63 6.84	8.94 5.29	8.37 8.15	8.55 7.24
B. Standard deviation of inflation	8.19 4.52	9.64 0.91	9.06 2.36	9.11 2.22	9.60 0.99	9.65 0.86	9.39 1.54	9.07 2.32
C. Inflation: most recent year	8.11 9.46	8.32 8.42	8.87 5.66	8.41 7.96	9.62 1.89	9.80 0.98	9.59 2.04	9.24 3.79
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>	5.25	6.06	5.59	6.14	5.44	5.91	5.97	6.17
A. Taxes on international trade	1.43	5.52	4.78	5.20	3.19	4.74	4.82	5.26
(i) Revenues for trade taxes (% trade sector)	2.87 10.70	5.73 6.40	4.27 8.60	5.45 6.82	5.09 7.36	7.51 3.73	8.00 3.00	8.37 2.45
(ii) Mean tariff rate	0.00 54.00	5.30 23.50	5.30 23.50	5.44 22.80	3.28 33.60	6.12 19.40	5.40 23.00	5.72 21.40
(iii) Standard deviation of tariff rates				4.72 13.20	1.20 22.00	0.59 23.52	1.08 22.31	1.70 20.76
B. Regulatory trade barriers						5.88	6.57	6.54
(i) Non-tariff trade barriers						4.98	5.28	5.15
(ii) Compliance cost of importing and exporting						6.78	7.87	7.93
C. Size of trade sector	4.79	5.98	5.56	5.53	5.79	5.57	6.15	6.51
D. Black-market exchange rates	9.80	8.60	7.40	9.80	10.00	9.42	8.97	10.00
E. International capital market controls	2.00	2.00	2.00	2.00	0.00	3.92	3.32	2.53
(i) Foreign ownership/investment restrictions						7.07	6.65	5.05
(ii) Capital controls	2.00	2.00	2.00	2.00	0.00	0.77	0.00	0.00
<b>5. Regulation of Credit, Labor and Business</b>	4.55	4.70	4.41	4.90	5.19	5.34	5.38	5.42
A. Credit market regulations	5.69	5.57	6.09	6.39	7.32	6.55	6.75	6.75
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
(ii) Foreign bank competition						3.00	3.00	3.00
(iii) Private sector credit	6.38	5.72	5.26	6.16	7.95	9.21	10.00	10.00
(iv) Interest rate controls/negative real int. rates		6.00	8.00	8.00	9.00	9.00	9.00	9.00
B. Labor market regulations						3.65	3.49	3.65
(i) Hiring regulations and minimum wage						0.00	0.00	1.10
(ii) Hiring and firing regulations						5.30	4.90	4.86
(iii) Centralized collective bargaining						7.50	6.93	6.82
(iv) Hours regulations						6.00	6.00	6.00
(v) Mandated cost of worker dismissal						2.12	2.12	2.12
(vi) Conscription	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
C. Business regulations						5.82	5.89	5.87
(i) Price controls			0.00	4.00	4.00	4.00	4.00	4.00
(ii) Bureaucracy costs						3.56	4.14	3.99
(iii) Bureaucracy costs						5.40	5.21	5.46
(iv) Starting a business						9.26	9.36	9.41
(v) Extra payments/bribes						5.08	4.82	4.43
(vi) Licensing restrictions						7.42	7.73	7.78
(vii) Cost of tax compliance						5.99	5.99	5.99



## Mozambique

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>								
<b>Area 1. Size of Government</b>								
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>								
<b>Area 3. Access to Sound Money</b>								
<b>Area 4. Freedom to Trade Internationally</b>								
<b>Area 5. Regulation of Credit, Labor and Business</b>								
<b>Unadjusted</b>								
<b>Summary Rating (Rank) &gt;</b>						5.56 (126)	5.77 (125)	5.74 (121)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>						5.47	4.68	4.66
A. Government consumption					8.08 12.51	8.41 11.41	8.04 12.66	7.97 12.91
B. Transfers and subsidies								
C. Government enterprises and investment						2.00 45.74	0.00 65.21	0.00 62.65
D. Top marginal tax rate						6.00	6.00	6.00
(i) Top marginal income tax rate						7.00 32	7.00 32	7.00 32
(ii) Top marginal income and payroll tax rates						5.00 37	5.00 37	5.00 37
<b>2. Legal Structure and Security of Property Rights</b>						3.30	3.94	4.02
A. Judicial independence						2.46	3.48	3.27
B. Impartial courts						2.68	3.26	4.00
C. Protection of property rights						4.82	4.23	3.72
D. Military interference						3.61	6.67	6.67
E. Integrity of the legal system						5.00	5.00	5.00
F. Legal enforcement of contracts						0.00	0.00	0.00
G. Regulatory restrictions of sale of real property						4.54	4.97	5.49
<b>3. Access to Sound Money</b>						7.64	7.75	7.63
A. Money growth			2.88 35.58	3.91 30.43	7.63 11.85	8.45 7.77	8.21 8.95	8.07 9.65
B. Standard deviation of inflation						8.56 3.59	9.44 1.41	9.54 1.16
C. Inflation: most recent year						8.57 7.17	8.37 8.16	7.93 10.33
D. Freedom to own foreign currency						5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>						6.23	6.68	6.44
A. Taxes on international trade						6.75	7.51	7.54
(i) Revenues for trade taxes (% trade sector)								
(ii) Mean tariff rate						7.38 13.10	7.94 10.30	7.98 10.10
(iii) Standard deviation of tariff rates						6.13 9.68	7.07 7.31	7.09 7.27
B. Regulatory trade barriers						5.10	5.55	5.72
(i) Non-tariff trade barriers						4.68	5.12	5.08
(ii) Compliance cost of importing and exporting						5.53	5.99	6.36
C. Size of trade sector						5.96	7.17	6.64
D. Black-market exchange rates						10.00	10.00	10.00
E. International capital market controls						3.35	3.17	2.31
(i) Foreign ownership/investment restrictions						6.70	6.34	4.62
(ii) Capital controls						0.00	0.00	0.00
<b>5. Regulation of Credit, Labor and Business</b>						5.14	5.81	5.95
A. Credit market regulations						8.10	8.65	8.91
(i) Ownership of banks								
(ii) Foreign bank competition						10.00	10.00	10.00
(iii) Private sector credit						5.31	5.96	6.73
(iv) Interest rate controls/negative real int. rates					10.00	9.00	10.00	10.00
B. Labor market regulations						2.96	3.15	3.19
(i) Hiring regulations and minimum wage						2.80	3.30	3.30
(ii) Hiring and firing regulations						3.01	3.93	3.97
(iii) Centralized collective bargaining						5.25	4.95	5.20
(iv) Hours regulations						6.70	6.70	6.70
(v) Mandated cost of worker dismissal						0.00	0.00	0.00
(vi) Conscription						0.00	0.00	0.00
C. Business regulations						4.35	5.62	5.74
(i) Price controls								
(ii) Bureaucracy costs						2.01	3.72	3.58
(iii) Bureaucracy costs						2.31	6.69	6.70
(iv) Starting a business						5.73	8.53	8.96
(v) Extra payments/bribes						5.09	3.71	3.92
(vi) Licensing restrictions						3.50	3.65	3.86
(vii) Cost of tax compliance						7.42	7.42	7.42



## Myanmar

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	4.84 (71)	4.42 (91)	3.46 (109)	4.02 (118)	4.00 (123)	3.67 (122)	3.36 (122)	3.49 (123)
<b>Area 1. Size of Government</b>					5.76 (78)	6.33 (71)	6.33 (69)	6.33 (65)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	5.35 (41)	3.99 (76)	3.50 (83)	4.69 (95)	3.25 (118)	2.60 (119)	3.26 (114)	3.19 (118)
<b>Area 3. Access to Sound Money</b>	6.90 (31)	7.31 (33)	4.23 (99)	4.84 (96)	5.53 (111)	4.96 (118)	3.69 (122)	4.46 (122)
<b>Area 4. Freedom to Trade Internationally</b>	2.12 (91)	1.66 (98)	1.66 (103)	1.66 (113)	1.66 (122)	0.74 (122)	0.73 (122)	0.73 (122)
<b>Area 5. Regulation of Credit, Labor and Business</b>	2.91 (99)	2.82 (104)	2.93 (111)	3.10 (121)	3.81 (121)	4.16 (122)	3.24 (123)	3.24 (123)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	4.35 (86)	3.97 (100)	3.08 (110)	3.57 (121)	4.00 (123)	4.01 (139)	3.67 (140)	3.81 (140)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>					5.76	6.33	6.33	6.33
A. Government consumption					8.28 11.86	10.00 4.10	10.00 4.78	10.00 4.49
B. Transfers and subsidies								
C. Government enterprises and investment			2.00 45.00	2.00 47.65	4.00 34.36	4.00	4.00	4.00
D. Top marginal tax rate					5.00	5.00	5.00	5.00
(i) Top marginal income tax rate					5.00 40	5.00 40	5.00 40	5.00 40
(ii) Top marginal income and payroll tax rates					5.00 40	5.00 40	5.00 40	5.00 40
<b>2. Legal Structure and Security of Property Rights</b>	5.35	3.99	3.50	4.69	3.25	2.60	3.26	3.19
A. Judicial independence								
B. Impartial courts				4.08	3.76	2.80	3.10	2.90
C. Protection of property rights								
D. Military interference				3.74	0.00	0.00	1.67	1.67
E. Integrity of the legal system				6.96	5.00	5.00	5.00	5.00
F. Legal enforcement of contracts								
G. Regulatory restrictions of sale of real property								
<b>3. Access to Sound Money</b>	6.90	7.31	4.23	4.84	5.53	4.96	3.69	4.46
A. Money growth	9.26 3.69	9.98 -0.10	7.46 12.70	5.64 21.82	6.93 15.36	7.10 14.51	7.58 12.08	8.16 9.19
B. Standard deviation of inflation	8.59 3.53	9.59 1.03	3.16 17.09	7.62 5.96	5.22 11.96	4.60 13.49	4.18 14.55	5.02 12.46
C. Inflation: most recent year	9.75 1.24	9.69 1.57	6.29 18.54	6.11 19.44	9.98 -0.11	8.13 9.37	3.00 35.02	4.64 26.80
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>	2.12	1.66	1.66	1.66	1.66	1.35	1.34	1.34
A. Taxes on international trade	0.53	0.00	0.00	0.00	0.00	5.42	5.35	5.35
(i) Revenues for trade taxes (% trade sector)	0.53 14.20	0.00 17.60	0.00 19.35	0.00 24.66	0.00 19.80	0.00 57.21	0.00 57.21	0.00 57.21
(ii) Mean tariff rate						9.10 4.50	8.88 5.60	8.88 5.60
(iii) Standard deviation of tariff rates						7.16 7.11	7.16 7.11	7.16 7.11
B. Regulatory trade barriers								
(i) Non-tariff trade barriers								
(ii) Compliance cost of importing and exporting								
C. Size of trade sector	1.79	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D. Black-market exchange rates	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(i) Foreign ownership/investment restrictions								
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>5. Regulation of Credit, Labor and Business</b>	3.03	2.93	2.93	3.10	3.81	4.80	3.73	3.73
A. Credit market regulations	0.47	0.20	0.50	1.08	3.42	5.25	3.92	3.91
(i) Ownership of banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Foreign bank competition						9.00	9.00	9.00
(iii) Private sector credit	1.40	0.61	1.49	3.25	3.26	1.99	1.67	1.66
(iv) Interest rate controls/negative real int. rates	0.00	0.00	0.00	0.00	7.00	10.00	5.00	5.00
B. Labor market regulations								
(i) Hiring regulations and minimum wage								
(ii) Hiring and firing regulations								
(iii) Centralized collective bargaining								
(iv) Hours regulations								
(v) Mandated cost of worker dismissal								
(vi) Conscription	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
C. Business regulations								
(i) Price controls			0.00	0.00	0.00	0.00	0.00	0.00
(ii) Bureaucracy costs								
(iii) Bureaucracy costs								
(iv) Starting a business								
(v) Extra payments/bribes								
(vi) Licensing restrictions								
(vii) Cost of tax compliance								



## Namibia

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>			5.33 (70)	6.28 (55)	6.47 (64)	6.56 (72)	6.73 (70)	6.61 (75)
<b>Area 1. Size of Government</b>	3.02 (97)	1.16 (111)	4.88 (77)	4.72 (93)	5.14 (90)	6.21 (76)	6.71 (54)	6.53 (58)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>			2.69 (100)	7.83 (21)	8.15 (20)	7.33 (25)	7.53 (26)	7.58 (21)
<b>Area 3. Access to Sound Money</b>		4.28 (98)	5.82 (77)	6.03 (72)	6.07 (106)	6.48 (102)	6.52 (106)	6.12 (108)
<b>Area 4. Freedom to Trade Internationally</b>			6.72 (35)	6.41 (73)	6.18 (86)	5.89 (93)	5.92 (95)	5.79 (98)
<b>Area 5. Regulation of Credit, Labor and Business</b>			6.06 (36)	6.39 (31)	6.84 (29)	6.93 (46)	7.01 (38)	7.07 (37)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>			5.07 (78)	6.25 (56)	6.47 (64)	6.79 (73)	6.97 (64)	6.85 (71)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	1.70	0.65	4.92	4.77	5.14	6.21	6.71	6.53
A. Government consumption	3.40 28.44	1.31 35.55	1.50 34.91	1.09 36.28	2.24 32.40	4.41 24.99	4.58 24.43	4.85 23.52
B. Transfers and subsidies			9.26 3.20	9.21 3.40	9.33 2.96	9.41 2.66	9.26 3.20	9.26 3.20
C. Government enterprises and investment	0.00 57.90	0.00 64.30	4.00 38.60	4.00 31.90	4.00 32.26	4.00 34.27	6.00 29.21	6.00 28.09
D. Top marginal tax rate					5.00	7.00	7.00	6.00
(i) Top marginal income tax rate					5.00 36	7.00 35	7.00 35	6.00 37
(ii) Top marginal income and payroll tax rates					5.00 36	7.00 35	7.00 35	6.00 37
<b>2. Legal Structure and Security of Property Rights</b>			2.33	7.83	8.15	7.33	7.53	7.58
A. Judicial independence				7.17	7.18	7.07	7.54	7.79
B. Impartial courts				7.25	7.75	5.94	6.27	6.24
C. Protection of property rights				6.53	5.82	7.46	7.98	8.06
D. Military interference				8.21	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	10.00	8.33	8.33	8.33
F. Legal enforcement of contracts						6.25	6.25	6.25
G. Regulatory restrictions of sale of real property						6.28	6.31	6.41
<b>3. Access to Sound Money</b>		4.00	5.44	6.03	6.07	6.48	6.52	6.12
A. Money growth				7.21 13.96	7.57 12.15	8.97 5.17	8.95 5.25	8.78 6.10
B. Standard deviation of inflation		6.96 7.61	7.99 5.03	8.34 4.16	8.70 3.25	7.40 6.49	8.47 3.82	7.77 5.56
C. Inflation: most recent year		5.04 24.82	8.33 8.34	8.56 7.18	8.00 10.02	9.55 2.26	8.65 6.73	7.93 10.35
D. Freedom to own foreign currency		0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>			6.72	6.41	6.18	6.22	6.25	6.11
A. Taxes on international trade	8.12	8.80	6.14	3.86	5.40	5.70	4.45	4.55
(i) Revenues for trade taxes (% trade sector)			5.13 7.30	4.29 8.56	1.63 12.55	3.04 10.44	0.00 16.11	0.00 16.11
(ii) Mean tariff rate	8.12 9.40	8.80 6.00	7.80 11.00	6.06 19.70	8.56 7.20	8.88 5.60	8.44 7.80	8.44 7.80
(iii) Standard deviation of tariff rates			5.48 11.30	1.24 21.90	6.00 10.00	5.17 12.08	4.91 12.71	5.20 12.01
B. Regulatory trade barriers						5.74	6.34	6.22
(i) Non-tariff trade barriers						5.25	6.44	6.20
(ii) Compliance cost of importing and exporting						6.23	6.23	6.23
C. Size of trade sector	10.00	9.44	7.86	8.02	7.29	6.32	6.56	6.40
D. Black-market exchange rates		5.00	9.40	10.00	10.00	10.00	10.00	10.00
E. International capital market controls			2.00	2.00	0.00	3.32	3.91	3.40
(i) Foreign ownership/investment restrictions						6.64	7.04	6.03
(ii) Capital controls			2.00	2.00	0.00	0.00	0.77	0.77
<b>5. Regulation of Credit, Labor and Business</b>			5.92	6.23	6.84	7.72	7.83	7.88
A. Credit market regulations			7.68	7.94	9.79	9.99	10.00	10.00
(i) Ownership of banks					10.00	10.00	10.00	10.00
(ii) Foreign bank competition								
(iii) Private sector credit			9.37	7.88	9.36	9.98	10.00	10.00
(iv) Interest rate controls/negative real int. rates			6.00	8.00	10.00	10.00	10.00	10.00
B. Labor market regulations						7.61	7.35	7.45
(i) Hiring regulations and minimum wage						10.00	10.00	10.00
(ii) Hiring and firing regulations						3.68	1.92	2.38
(iii) Centralized collective bargaining						6.18	6.43	6.53
(iv) Hours regulations						8.00	8.00	8.00
(v) Mandated cost of worker dismissal						7.78	7.78	7.78
(vi) Conscription			10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						5.55	6.12	6.20
(i) Price controls			2.00	4.00	4.00	6.00	6.00	6.00
(ii) Bureaucracy costs						2.87	4.05	4.52
(iii) Bureaucracy costs						3.45	4.62	4.49
(iv) Starting a business						6.77	7.65	7.67
(v) Extra payments/bribes						5.80	6.41	6.47
(vi) Licensing restrictions						8.15	8.32	8.43
(vii) Cost of tax compliance						5.80	5.80	5.80



# Nepal

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	5.75 (39)	5.31 (58)	5.42 (64)	5.37 (85)	5.75 (98)	5.38 (113)	5.58 (110)	5.44 (110)
<b>Area 1. Size of Government</b>	6.77 (16)	5.29 (47)	5.50 (62)	5.33 (84)	5.30 (86)	5.23 (96)	6.36 (67)	6.20 (70)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>				4.88 (83)	4.76 (80)	3.69 (107)	3.40 (112)	3.51 (111)
<b>Area 3. Access to Sound Money</b>	6.10 (60)	6.28 (77)	6.26 (68)	6.26 (69)	6.97 (81)	6.60 (98)	6.84 (96)	6.36 (105)
<b>Area 4. Freedom to Trade Internationally</b>	5.03 (56)	4.60 (69)	4.22 (87)	5.08 (101)	6.16 (87)	5.32 (109)	5.16 (111)	5.00 (112)
<b>Area 5. Regulation of Credit, Labor and Business</b>	4.82 (67)	4.76 (72)	5.36 (57)	5.35 (68)	5.57 (86)	6.07 (86)	6.19 (83)	6.16 (86)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	5.83 (39)	5.38 (60)	5.37 (64)	5.29 (88)	5.75 (96)	5.48 (129)	5.68 (128)	5.54 (125)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	6.77	5.29	5.50	5.33	5.30	5.23	6.36	6.20
A. Government consumption	9.55 7.54	8.58 10.83	9.00 9.40	8.65 10.57	8.60 10.77	8.45 11.27	8.71 10.38	8.40 11.43
B. Transfers and subsidies								
C. Government enterprises and investment	4.00 37.30	2.00 45.80	2.00 43.20	2.00 43.20	2.00 43.20	2.00	4.00	4.00
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
<b>2. Legal Structure and Security of Property Rights</b>				4.44	4.76	4.17	3.84	3.96
A. Judicial independence						5.16	3.71	3.83
B. Impartial courts				4.57	4.42	3.57	3.18	2.78
C. Protection of property rights						5.09	4.34	3.68
D. Military interference					5.61	0.00	0.60	1.80
E. Integrity of the legal system								
F. Legal enforcement of contracts						3.37	3.37	3.37
G. Regulatory restrictions of sale of real property						7.80	7.83	8.33
<b>3. Access to Sound Money</b>	6.10	6.28	6.26	6.26	6.97	6.60	6.84	6.36
A. Money growth	8.07 9.66	8.26 8.71	7.71 11.47	8.13 9.35	9.19 -4.05	8.91 -5.46	9.36 -3.22	8.14 9.32
B. Standard deviation of inflation	7.86 5.36	9.13 2.18	9.48 1.29	8.16 4.60	9.19 2.03	8.86 2.86	9.23 1.93	9.47 1.31
C. Inflation: most recent year	8.48 7.61	7.72 11.42	7.86 10.71	8.74 6.30	9.50 2.48	8.63 6.84	8.78 6.10	7.82 10.91
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>	5.22	4.77	4.38	5.08	6.16	5.43	5.27	5.11
A. Taxes on international trade	4.92	5.17	4.81	5.60	6.10	6.14	6.70	6.32
(i) Revenues for trade taxes (% trade sector)	4.27 8.60	4.87 7.70	4.13 8.80	6.37 5.44	6.59 5.11	5.97 6.05	6.55 5.17	6.16 5.75
(ii) Mean tariff rate	5.58 22.10	5.48 22.60	5.48 22.60	6.78 16.10	7.06 14.70	7.06 14.70	7.48 12.60	7.46 12.70
(iii) Standard deviation of tariff rates				3.64 15.90	4.64 13.40	5.39 11.54	6.07 9.83	5.33 11.68
B. Regulatory trade barriers						4.58	4.42	4.61
(i) Non-tariff trade barriers						4.79	4.29	4.68
(ii) Compliance cost of importing and exporting						4.37	4.54	4.54
C. Size of trade sector	2.97	2.67	2.05	5.38	4.71	2.78	2.76	2.67
D. Black-market exchange rates	10.00	7.80	6.80	6.20	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	1.82	3.66	2.49	1.93
(i) Foreign ownership/investment restrictions						4.82	4.98	3.87
(ii) Capital controls	0.00	0.00	0.00	0.00	1.82	2.50	0.00	0.00
<b>5. Regulation of Credit, Labor and Business</b>	5.24	5.18	5.36	5.35	5.57	5.97	6.08	6.07
A. Credit market regulations	4.00	3.84	5.56	5.52	6.25	7.23	7.23	7.23
(i) Ownership of banks	0.00	0.00	0.00	0.00	0.00	2.00	2.00	2.00
(ii) Foreign bank competition								
(iii) Private sector credit	6.00	5.53	6.68	8.55	8.76	9.68	9.68	9.68
(iv) Interest rate controls/negative real int. rates	6.00	6.00	10.00	8.00	10.00	10.00	10.00	10.00
B. Labor market regulations						5.91	6.00	5.77
(i) Hiring regulations and minimum wage						4.40	4.40	3.30
(ii) Hiring and firing regulations						3.56	3.62	3.77
(iii) Centralized collective bargaining						5.86	6.33	5.92
(iv) Hours regulations						10.00	10.00	10.00
(v) Mandated cost of worker dismissal						1.66	1.66	1.66
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						4.78	5.02	5.20
(i) Price controls			2.00	2.00	2.00	4.00	4.00	4.00
(ii) Bureaucracy costs						3.07	3.27	3.22
(iii) Bureaucracy costs						4.18	6.40	6.94
(iv) Starting a business						8.18	8.38	8.44
(v) Extra payments/bribes						4.20	3.09	3.02
(vi) Licensing restrictions						4.41	4.55	4.60
(vii) Cost of tax compliance						5.43	5.43	6.21



## Netherlands

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	7.51 (7)	7.65 (8)	7.82 (9)	7.80 (10)	8.05 (9)	7.59 (20)	7.52 (20)	7.45 (24)
<b>Area 1. Size of Government</b>	4.34 (75)	4.28 (77)	4.94 (74)	4.78 (91)	4.46 (105)	4.40 (113)	4.11 (115)	4.09 (116)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	8.84 (12)	9.87 (2)	9.87 (6)	9.11 (6)	9.62 (1)	8.60 (11)	8.42 (14)	8.22 (13)
<b>Area 3. Access to Sound Money</b>	9.43 (4)	9.44 (8)	9.64 (9)	9.70 (9)	9.57 (14)	9.46 (28)	9.57 (12)	9.53 (12)
<b>Area 4. Freedom to Trade Internationally</b>	8.33 (5)	8.46 (5)	8.21 (7)	8.65 (6)	8.97 (5)	8.14 (9)	8.36 (8)	8.25 (6)
<b>Area 5. Regulation of Credit, Labor and Business</b>	6.67 (16)	6.31 (25)	6.52 (23)	6.74 (20)	7.63 (7)	7.34 (30)	7.14 (31)	7.17 (32)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	7.04 (9)	7.17 (7)	7.31 (12)	7.79 (9)	8.05 (9)	7.67 (16)	7.60 (19)	7.53 (21)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.34	4.28	4.94	4.78	4.46	4.40	4.11	4.09
A. Government consumption	5.23 22.22	5.60 20.96	5.93 19.85	6.08 19.34	2.54 31.37	2.05 33.02	1.49 34.94	1.43 35.15
B. Transfers and subsidies	2.13 29.40	1.53 31.60	2.32 28.70	2.04 29.70	2.79 26.97	4.55 20.51	3.97 22.63	3.92 22.82
C. Government enterprises and investment	10.00 14.80	10.00 14.70	10.00 12.70	10.00 13.80	10.00 13.80	8.00 17.37	8.00 16.78	8.00 17.02
D. Top marginal tax rate	0.00	0.00	1.50	1.00	2.50	3.00	3.00	3.00
(i) Top marginal income tax rate	0.00 72	0.00 72	3.00 60	2.00 60	3.00 52	3.00 52	3.00 52	3.00 52
(ii) Top marginal income and payroll tax rates			0.00 63	0.00 63	2.00 54	3.00 52	3.00 52	3.00 52
<b>2. Legal Structure and Security of Property Rights</b>	7.48	8.35	8.35	9.11	9.62	8.60	8.42	8.22
A. Judicial independence				9.37	9.52	9.05	9.18	8.94
B. Impartial courts				8.73	9.52	8.90	7.89	7.13
C. Protection of property rights				7.46	9.09	9.21	8.86	8.51
D. Military interference				10.00	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	10.00	10.00	10.00	10.00
F. Legal enforcement of contracts						5.11	5.11	5.11
G. Regulatory restrictions of sale of real property						7.90	7.90	7.87
<b>3. Access to Sound Money</b>	9.43	9.44	9.64	9.70	9.57	9.46	9.57	9.53
A. Money growth	9.47 2.64	8.84 5.79	9.45 2.74	9.27 3.65	9.26 3.70	8.87 5.64	8.83 5.84	8.89 5.57
B. Standard deviation of inflation	9.35 1.63	9.28 1.79	9.58 1.04	9.85 0.37	9.54 1.15	9.30 1.75	9.79 0.54	9.71 0.72
C. Inflation: most recent year	8.90 5.52	9.65 1.76	9.54 2.31	9.67 1.63	9.50 2.52	9.66 1.70	9.68 1.61	9.51 2.47
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	8.35	8.48	8.10	8.60	8.97	8.14	8.36	8.25
A. Taxes on international trade	8.99	9.12	8.44	8.66	9.18	8.48	8.27	8.16
(i) Revenues for trade taxes (% trade sector)	9.73 0.40	9.73 0.40	9.67 0.50	9.67 0.50	9.78 0.33	9.84 0.24	9.84 0.24	10.00 0.00
(ii) Mean tariff rate	8.24 8.80	8.50 7.50	8.52 7.40	8.66 6.70	9.52 2.40	9.46 2.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates			7.12 7.20	7.64 5.90	8.24 4.40	6.13 9.67	6.01 9.98	5.61 10.98
B. Regulatory trade barriers				8.88	9.54	8.15	8.48	8.31
(i) Non-tariff trade barriers				8.88	9.25	7.01	7.67	7.34
(ii) Compliance cost of importing and exporting					9.83	9.29	9.29	9.29
C. Size of trade sector	6.63	7.14	5.93	5.90	6.57	5.88	6.41	6.43
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	8.00	8.00	8.00	9.55	9.54	8.20	8.64	8.36
(i) Foreign ownership/investment restrictions				9.10	9.85	7.95	8.10	7.56
(ii) Capital controls	8.00	8.00	8.00	10.00	9.23	8.46	9.17	9.17
<b>5. Regulation of Credit, Labor and Business</b>	5.60	5.29	5.52	6.78	7.63	7.73	7.52	7.55
A. Credit market regulations	9.44	8.59	9.26	8.65	9.42	9.49	9.50	9.50
(i) Ownership of banks	10.00	8.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				8.17	8.18	8.00	8.00	8.00
(iii) Private sector credit	8.33	7.77	7.78	6.54	10.00	9.96	10.00	10.00
(iv) Interest rate controls/negative real int. rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	2.97	2.62	2.83	4.09	5.19	6.67	6.62	6.70
(i) Hiring regulations and minimum wage				4.52	4.47	8.30	8.30	8.30
(ii) Hiring and firing regulations			3.38	3.38	2.58	3.17	2.73	3.30
(iii) Centralized collective bargaining	5.18	4.49	4.49	4.49	4.40	4.14	4.26	4.18
(iv) Hours regulations	2.73	2.37	2.46	5.08	4.51	6.00	6.00	6.00
(v) Mandated cost of worker dismissal						8.42	8.42	8.42
(vi) Conscription	1.00	1.00	1.00	3.00	10.00	10.00	10.00	10.00
C. Business regulations				7.59	8.26	7.02	6.45	6.45
(i) Price controls			7.00	7.00	8.00	7.00	7.00	7.00
(ii) Bureaucracy costs					7.73	3.64	3.34	3.23
(iii) Bureaucracy costs				7.37	9.10	5.99	1.65	1.61
(iv) Starting a business				7.53	7.58	9.40	9.45	9.46
(v) Extra payments/bribes				8.46	8.88	8.91	8.79	8.70
(vi) Licensing restrictions						7.01	6.96	6.97
(vii) Cost of tax compliance						7.20	7.98	8.16



## New Zealand

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	6.73 (19)	6.57 (25)	7.95 (7)	8.64 (3)	8.35 (5)	8.37 (3)	8.30 (3)	8.22 (3)
<b>Area 1. Size of Government</b>	3.82 (86)	3.54 (96)	5.30 (66)	7.46 (20)	6.68 (47)	6.74 (53)	6.70 (55)	6.14 (75)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	9.52 (3)	9.32 (7)	9.88 (3)	9.17 (3)	9.10 (11)	8.96 (3)	8.92 (3)	8.98 (1)
<b>Area 3. Access to Sound Money</b>	6.31 (50)	6.17 (81)	8.64 (25)	9.75 (5)	9.54 (17)	9.65 (8)	9.70 (5)	9.58 (5)
<b>Area 4. Freedom to Trade Internationally</b>	7.22 (20)	7.00 (23)	7.92 (12)	8.14 (14)	8.51 (11)	7.85 (17)	7.74 (25)	7.91 (15)
<b>Area 5. Regulation of Credit, Labor and Business</b>	7.22 (8)	7.34 (8)	8.29 (3)	8.66 (2)	7.89 (4)	8.65 (3)	8.42 (4)	8.50 (4)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	6.26 (22)	6.11 (31)	7.35 (9)	8.64 (3)	8.35 (5)	8.42 (3)	8.35 (3)	8.27 (3)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	3.82	3.54	5.30	7.46	6.68	6.74	6.70	6.14
A. Government consumption	5.12 22.59	5.63 20.86	5.54 21.17	6.21 18.89	4.84 23.56	4.87 23.45	4.65 24.20	4.43 24.95
B. Transfers and subsidies	4.17 21.90	4.52 20.60	2.64 27.50	6.65 12.80	6.90 11.87	7.10 11.16	7.15 10.97	7.15 10.97
C. Government enterprises and investment	4.00 30.80	4.00 31.40	6.00 25.30	10.00 12.00	10.00 12.00	10.00 13.51	10.00 14.69	8.00 16.86
D. Top marginal tax rate	2.00	0.00	7.00	7.00	5.00	5.00	5.00	5.00
(i) Top marginal income tax rate	2.00 62	0.00 66	7.00 33	7.00 33	5.00 39	5.00 39	5.00 39	5.00 39
(ii) Top marginal income and payroll tax rates			7.00 33	7.00 33	5.00 40	5.00 40	5.00 40	5.00 40
<b>2. Legal Structure and Security of Property Rights</b>	8.04	7.88	8.35	9.17	9.10	8.96	8.92	8.98
A. Judicial independence				9.47	9.19	8.86	9.39	9.56
B. Impartial courts				9.08	9.19	8.15	7.85	7.98
C. Protection of property rights				7.29	7.15	8.66	8.63	8.75
D. Military interference				10.00	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	10.00	9.65	9.17	9.17
F. Legal enforcement of contracts						7.50	7.50	7.48
G. Regulatory restrictions of sale of real property						9.93	9.93	9.93
<b>3. Access to Sound Money</b>	6.31	6.17	8.64	9.75	9.54	9.65	9.70	9.58
A. Money growth	9.11 4.46	8.84 5.80	7.25 13.76	9.58 2.09	9.19 4.06	9.73 1.36	9.78 1.09	9.73 1.37
B. Standard deviation of inflation	9.20 2.00	8.68 3.29	7.84 5.39	9.87 0.33	9.48 1.29	9.47 1.33	9.49 1.29	9.48 1.30
C. Inflation: most recent year	6.93 15.36	7.16 14.19	9.46 2.70	9.55 2.27	9.48 2.62	9.39 3.04	9.52 2.38	9.11 4.47
D. Freedom to own foreign currency	0.00	0.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	7.44	7.20	7.87	8.09	8.51	7.85	7.74	7.91
A. Taxes on international trade	7.87	7.73	6.56	7.74	9.01	8.88	8.84	9.04
(i) Revenues for trade taxes (% trade sector)	8.33 2.50	8.67 2.00	8.87 1.70	9.07 1.40	9.47 0.79	9.30 1.04	8.77 1.85	8.77 1.85
(ii) Mean tariff rate	7.40 13.00	6.80 16.00	7.10 14.50	8.30 8.50	9.32 3.40	9.00 5.00	9.40 3.00	9.56 2.20
(iii) Standard deviation of tariff rates			3.72 15.70	5.84 10.40	8.24 4.40	8.33 4.17	8.34 4.14	8.80 2.99
B. Regulatory trade barriers				8.52	9.38	8.90	8.75	8.75
(i) Non-tariff trade barriers				8.52	9.09	9.04	8.73	8.74
(ii) Compliance cost of importing and exporting					9.67	8.76	8.76	8.76
C. Size of trade sector	6.16	5.92	4.66	4.59	5.28	3.70	3.57	4.04
D. Black-market exchange rates	10.00	9.20	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	5.00	5.00	10.00	9.59	8.89	7.77	7.56	7.71
(i) Foreign ownership/investment restrictions				9.18	9.32	7.84	7.61	7.92
(ii) Capital controls	5.00	5.00	10.00	10.00	8.46	7.69	7.50	7.50
<b>5. Regulation of Credit, Labor and Business</b>	5.68	5.78	6.59	8.76	7.89	8.91	8.69	8.76
A. Credit market regulations	6.18	6.64	9.59	9.37	9.29	10.00	10.00	10.00
(i) Ownership of banks	5.00	5.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				9.08	7.85	10.00	10.00	10.00
(iii) Private sector credit	7.54	6.91	8.77	9.58	9.49	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates	6.00	8.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	6.58	6.50	6.78	7.46	5.92	8.51	8.37	8.48
(i) Hiring regulations and minimum wage				6.52	3.62	8.90	8.90	8.90
(ii) Hiring and firing regulations			7.62	7.62	3.07	4.46	3.71	4.14
(iii) Centralized collective bargaining	5.18	5.18	5.18	7.93	8.05	7.68	7.62	7.82
(iv) Hours regulations	4.57	4.31	4.31	5.25	4.84	10.00	10.00	10.00
(v) Mandated cost of worker dismissal						10.00	10.00	10.00
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				9.44	8.47	8.21	7.70	7.79
(i) Price controls			9.00	10.00	10.00	9.00	9.00	9.00
(ii) Bureaucracy costs					7.47	4.13	3.79	4.54
(iii) Bureaucracy costs				9.35	7.80	6.13	2.62	2.40
(iv) Starting a business				8.47	7.85	9.61	9.96	9.96
(v) Extra payments/bribes				9.94	9.23	9.60	9.47	9.62
(vi) Licensing restrictions						9.81	9.81	9.79
(vii) Cost of tax compliance						9.22	9.22	9.22



## Nicaragua

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>	4.17 (92)	2.11 (109)	2.96 (113)	5.38 (83)	6.50 (62)	6.82 (61)	6.98 (57)	6.85 (63)
<b>Area 1. Size of Government</b>	4.08 (80)	2.73 (105)	3.32 (104)	6.63 (37)	6.81 (42)	7.32 (29)	7.50 (26)	7.50 (25)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	2.31 (82)	2.32 (102)	3.57 (82)	4.00 (106)	4.07 (100)	4.81 (89)	5.10 (81)	5.20 (80)
<b>Area 3. Access to Sound Money</b>	5.78 (73)	0.10 (112)	0.10 (118)	5.20 (86)	8.66 (45)	8.85 (47)	8.62 (57)	8.03 (67)
<b>Area 4. Freedom to Trade Internationally</b>	2.90 (88)	2.15 (94)	5.04 (71)	5.82 (87)	7.04 (62)	6.44 (74)	6.75 (68)	6.72 (67)
<b>Area 5. Regulation of Credit, Labor and Business</b>		3.13 (100)	2.41 (118)	5.16 (76)	5.92 (67)	6.86 (50)	7.14 (32)	6.99 (41)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) &gt;</b>	4.13 (92)	2.30 (110)	3.07 (111)	5.62 (77)	6.50 (62)	6.88 (65)	7.04 (61)	6.91 (65)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.03	3.36	3.43	6.63	6.81	7.32	7.50	7.50
A. Government consumption	6.09 19.29	0.00 42.59	0.00 42.57	8.03 12.71	6.72 17.14	8.47 11.19	8.20 12.12	8.20 12.12
B. Transfers and subsidies	9.02 4.10	8.45 6.20	8.28 6.80	8.50 6.00	8.53 5.88	7.80 8.59	7.80 8.59	7.80 8.59
C. Government enterprises and investment	0.00 71.90	0.00 62.18	2.00 45.30	4.00 38.30	6.00 25.50	7.00 24.30	8.00 17.10	8.00 17.10
D. Top marginal tax rate	5.00	5.00		6.00	6.00	6.00	6.00	6.00
(i) Top marginal income tax rate	5.00 50	5.00 50		8.00 30	8.00 30	8.00 30	8.00 30	8.00 30
(ii) Top marginal income and payroll tax rates				4.00 41	4.00 44	4.00 44	4.00 45	4.00 45
<b>2. Legal Structure and Security of Property Rights</b>	2.58	2.59	3.99	4.47	4.07	4.09	4.33	4.42
A. Judicial independence						0.81	1.28	1.96
B. Impartial courts				4.28	4.16	1.91	2.01	2.75
C. Protection of property rights					2.08	4.06	4.10	3.37
D. Military interference				5.45	3.33	3.89	5.00	5.00
E. Integrity of the legal system				4.11	6.67	6.67	6.67	6.67
F. Legal enforcement of contracts						4.77	4.77	4.77
G. Regulatory restrictions of sale of real property						6.51	6.51	6.41
<b>3. Access to Sound Money</b>	5.78	0.00	0.00	5.20	8.66	8.85	8.62	8.03
A. Money growth	5.91 20.47	0.00 62.40	0.00 1589.23	7.76 11.22	7.58 12.11	8.34 8.30	7.48 12.60	7.39 13.07
B. Standard deviation of inflation	4.56 13.61	0.00 60.08	0.00 4792.48	0.00 1852.08	9.26 1.85	8.96 2.59	9.21 1.98	8.68 3.30
C. Inflation: most recent year	2.68 36.62	0.00 168.07	0.00 5012.69	8.04 9.79	7.81 10.94	8.08 9.60	7.77 11.13	6.03 19.83
D. Freedom to own foreign currency	10.00	0.00	0.00	5.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	3.14	2.33	5.46	6.50	7.04	6.91	7.24	7.21
A. Taxes on international trade	2.10	2.53	6.09	7.88	8.77	8.31	8.42	8.42
(i) Revenues for trade taxes (% trade sector)	4.20 8.70	5.07 7.40	7.13 4.30	6.07 5.90	8.84 1.74	9.16 1.26	9.31 1.03	9.31 1.03
(ii) Mean tariff rate	0.00 54.00	0.00 54.00	5.04 24.80	7.86 10.70	9.36 3.20	8.64 6.80	8.88 5.60	8.88 5.60
(iii) Standard deviation of tariff rates				9.72 25.70	8.12 4.70	7.13 7.17	7.07 7.34	7.06 7.34
B. Regulatory trade barriers					3.78	4.24	5.40	5.15
(i) Non-tariff trade barriers					3.78	3.70	4.87	4.38
(ii) Compliance cost of importing and exporting						4.77	5.92	5.92
C. Size of trade sector	5.35	0.85	5.02	3.01	4.64	4.98	5.71	6.09
D. Black-market exchange rates	0.00	0.00	8.00	8.40	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	5.00	7.99	7.03	6.68	6.41
(i) Foreign ownership/investment restrictions					8.30	6.37	6.45	5.89
(ii) Capital controls	0.00	0.00	0.00	5.00	7.69	7.69	6.92	6.92
<b>5. Regulation of Credit, Labor and Business</b>		3.21	2.47	5.29	5.92	7.22	7.51	7.37
A. Credit market regulations	0.00	2.20	0.00	4.21	6.40	8.94	9.50	9.25
(i) Ownership of banks						10.00	10.00	10.00
(ii) Foreign bank competition					5.52	8.00	8.00	8.00
(iii) Private sector credit		4.40	0.00	2.42	5.60	8.77	10.00	10.00
(iv) Interest rate controls/negative real int. rates	0.00	0.00	0.00	6.00	9.00	9.00	10.00	9.00
B. Labor market regulations					6.60	7.17	7.21	7.00
(i) Hiring regulations and minimum wage					3.63	7.80	7.80	7.80
(ii) Hiring and firing regulations					6.12	5.70	6.05	5.49
(iii) Centralized collective bargaining					6.65	7.58	7.44	6.77
(iv) Hours regulations						4.00	4.00	4.00
(v) Mandated cost of worker dismissal						7.96	7.96	7.96
(vi) Conscription	5.00	0.00	0.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations					4.75	5.54	5.81	5.86
(i) Price controls			0.00	4.00	4.00	6.00	6.00	6.00
(ii) Bureaucracy costs					6.03	3.24	3.85	3.86
(iii) Bureaucracy costs					5.18	4.62	6.60	6.44
(iv) Starting a business					4.10	7.37	7.48	7.58
(v) Extra payments/bribes					4.45	4.80	3.67	3.78
(vi) Licensing restrictions						5.44	5.78	6.05
(vii) Cost of tax compliance						7.31	7.31	7.31



## Niger

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	4.69 (75)	5.06 (73)	5.06 (82)	4.43 (113)	5.42 (106)	5.40 (112)	5.42 (114)	5.35 (112)
<b>Area 1. Size of Government</b>	4.10 (79)	4.28 (78)	3.81 (97)	3.81 (107)	3.96 (110)	6.02 (80)	5.60 (94)	5.56 (91)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	4.67 (48)	4.78 (62)	5.30 (54)	3.02 (118)	4.38 (92)	4.11 (101)	4.15 (101)	4.18 (102)
<b>Area 3. Access to Sound Money</b>	4.90 (95)	6.53 (62)	7.08 (41)	5.71 (79)	8.25 (52)	6.47 (103)	6.63 (104)	6.20 (107)
<b>Area 4. Freedom to Trade Internationally</b>					5.93 (96)	5.13 (112)	5.56 (104)	5.52 (104)
<b>Area 5. Regulation of Credit, Labor and Business</b>		4.30 (84)	4.32 (93)	4.76 (97)	4.59 (109)	5.25 (110)	5.30 (110)	5.42 (110)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	5.20 (61)	5.06 (74)	5.08 (75)	4.45 (112)	5.42 (106)	5.38 (131)	5.41 (131)	5.33 (129)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.88	4.28	3.81	3.81	3.96	7.35	6.84	6.78
A. Government consumption	8.19 12.15	8.56 10.90	7.63 14.06	7.62 14.10	7.91 13.10	8.04 12.65	6.68 17.30	6.51 17.87
B. Transfers and subsidies	9.46 2.50					10.00 0.38	9.84 1.09	9.84 1.09
C. Government enterprises and investment	0.00 79.90	0.00 79.90	0.00 64.80	0.00 74.30	0.00 58.50	4.00 33.80	4.00 33.80	4.00 33.80
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
<b>2. Legal Structure and Security of Property Rights</b>	4.67	4.78	5.30	3.02	4.38	4.11	4.15	4.18
A. Judicial independence								
B. Impartial courts				3.54	3.49	4.10	4.00	4.10
C. Protection of property rights								
D. Military interference				4.28	6.67	5.00	5.00	5.00
E. Integrity of the legal system				0.00	3.33	3.33	3.33	3.33
F. Legal enforcement of contracts						2.74	2.74	2.74
G. Regulatory restrictions of sale of real property						5.36	5.69	5.72
<b>3. Access to Sound Money</b>	4.90	6.53	7.08	5.71	8.25	6.47	6.63	6.20
A. Money growth	5.92 20.42	9.92 0.40	9.78 -1.10	9.28 3.62	9.04 -4.78	8.98 -5.11	8.06 9.68	8.79 6.05
B. Standard deviation of inflation	7.86 5.35	7.36 6.60	8.86 2.85	4.64 13.40	9.54 1.14	8.46 3.85	8.45 3.88	8.27 4.32
C. Inflation: most recent year	5.84 20.82	8.82 -5.90	9.68 -1.60	8.92 5.38	9.42 2.90	8.44 7.80	9.99 0.05	7.74 11.31
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	5.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>	5.92	5.53	4.89	4.96	5.93	4.05	4.39	4.36
A. Taxes on international trade	4.40	3.67	3.47	2.80	7.60	5.19	6.24	6.24
(i) Revenues for trade taxes (% trade sector)	4.40 8.40	3.67 9.50	3.47 9.80	2.80 10.80		0.86 13.71	3.82 9.27	3.82 9.27
(ii) Mean tariff rate					7.60 12.00	7.46 12.70	7.62 11.90	7.62 11.90
(iii) Standard deviation of tariff rates						7.26 6.84	7.29 6.78	7.29 6.78
B. Regulatory trade barriers						1.22	1.22	1.22
(i) Non-tariff trade barriers								
(ii) Compliance cost of importing and exporting						1.22	1.22	1.22
C. Size of trade sector	7.42	5.97	3.57	3.96	3.85	3.84	4.51	4.35
D. Black-market exchange rates	9.60	9.80	9.20	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(i) Foreign ownership/investment restrictions								
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>5. Regulation of Credit, Labor and Business</b>	4.64	4.19	4.32	4.76	4.59	4.94	5.02	5.15
A. Credit market regulations	4.30	5.12	6.13	6.24	5.67	7.70	7.70	7.70
(i) Ownership of banks	2.00	2.00	2.00	5.00	5.00	10.00	10.00	10.00
(ii) Foreign bank competition								
(iii) Private sector credit	8.91	8.24	8.38	7.73	8.01	9.09	9.09	9.09
(iv) Interest rate controls/negative real int. rates	2.00		8.00	6.00	4.00	4.00	4.00	4.00
B. Labor market regulations						3.14	2.86	2.86
(i) Hiring regulations and minimum wage						1.10	0.00	0.00
(ii) Hiring and firing regulations								
(iii) Centralized collective bargaining								
(iv) Hours regulations						4.70	4.70	4.70
(v) Mandated cost of worker dismissal						6.76	6.76	6.76
(vi) Conscription		0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations						3.98	4.50	4.88
(i) Price controls			0.00	4.00	4.00	4.00	4.00	4.00
(ii) Bureaucracy costs								
(iii) Bureaucracy costs								
(iv) Starting a business						3.35	5.30	6.20
(v) Extra payments/bribes								
(vi) Licensing restrictions						1.60	1.72	2.33
(vii) Cost of tax compliance						6.97	6.97	6.97



## Nigeria

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ►	3.76 (96)	4.04 (96)	3.73 (107)	4.20 (117)	5.52 (103)	6.01 (94)	6.21 (91)	5.93 (100)
Area 1. Size of Government	2.19 (103)	4.07 (83)	2.49 (111)	6.26 (54)	6.19 (58)	6.72 (56)	6.31 (71)	5.89 (79)
Area 2. Legal Structure & Security of Property Rights	2.86 (72)	2.30 (103)	2.74 (98)	4.23 (105)	3.74 (107)	4.06 (102)	4.58 (92)	4.49 (94)
Area 3. Access to Sound Money	5.91 (70)	6.32 (72)	4.14 (100)	1.27 (116)	5.37 (112)	6.41 (104)	6.68 (103)	6.04 (113)
Area 4. Freedom to Trade Internationally	2.96 (87)	2.53 (92)	4.32 (86)	3.95 (108)	5.94 (95)	6.21 (86)	6.64 (72)	6.32 (83)
Area 5. Regulation of Credit, Labor and Business	5.32 (49)	5.69 (45)	4.95 (74)	5.28 (71)	6.36 (46)	6.72 (55)	6.91 (45)	6.99 (42)
<b>Unadjusted</b>								
Summary Rating (Rank) ►	3.98 (97)	4.56 (90)	3.90 (105)	4.30 (115)	5.52 (103)	6.14 (104)	6.34 (96)	6.06 (110)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	2.19	5.50	2.49	6.26	6.19	6.72	6.31	5.89
A. Government consumption	6.58 17.64	7.21 15.49	5.48 21.37	7.78 13.56	7.56 14.28	9.15 8.91	7.93 13.04	8.66 10.57
B. Transfers and subsidies		9.78 1.30						
C. Government enterprises and investment	0.00 50.90	2.00 49.80	0.00 88.10	4.00 32.14	2.00 47.28	2.00 45.28	2.00 46.82	2.00 46.82
D. Top marginal tax rate	0.00	3.00	2.00	7.00	9.00	9.00	9.00	7.00
(i) Top marginal income tax rate	0.00 70	3.00 55	2.00 55	7.00 35	9.00 25	9.00 25	9.00 25	9.00 25
(ii) Top marginal income and payroll tax rates					9.00 25	9.00 25	9.00 25	5.00 37
2. Legal Structure and Security of Property Rights	3.06	2.46	2.93	4.53	3.74	3.80	4.29	4.20
A. Judicial independence						3.59	5.43	5.13
B. Impartial courts				3.62	3.56	3.74	4.16	4.29
C. Protection of property rights					2.52	4.66	5.26	4.82
D. Military interference				3.51	3.33	3.33	3.33	3.33
E. Integrity of the legal system				6.96	5.00	2.78	3.33	3.33
F. Legal enforcement of contracts						5.08	5.08	5.08
G. Regulatory restrictions of sale of real property						3.45	3.45	3.45
3. Access to Sound Money	5.91	6.32	4.14	1.27	5.37	6.41	6.68	6.04
A. Money growth	6.70 16.51	8.64 6.79	6.06 19.72	4.00 29.98	5.93 20.35	7.74 11.30	6.40 17.99	4.96 25.18
B. Standard deviation of inflation	9.44 1.39	7.39 6.52	1.93 20.18	1.06 22.35	1.95 20.12	6.46 8.86	6.40 9.01	6.50 8.75
C. Inflation: most recent year	7.52 12.42	9.26 3.69	8.57 7.16	0.00 55.83	8.61 6.93	6.43 17.86	8.92 5.38	7.68 11.58
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	5.00	5.00	5.00	5.00
4. Freedom to Trade Internationally	3.93	3.37	5.39	4.58	5.94	6.82	7.29	6.95
A. Taxes on international trade	3.91	4.60	3.49	4.68	3.76	7.04	7.00	6.95
(i) Revenues for trade taxes (% trade sector)	4.33 8.50	6.60 5.10	7.33 4.00					
(ii) Mean tariff rate	3.48 32.60	2.60 37.00	3.14 34.30	5.64 21.80		7.68 11.60	7.60 12.00	7.60 12.00
(iii) Standard deviation of tariff rates			0.00 30.80	3.72 15.70	3.76 15.60	6.40 9.00	6.40 9.00	6.30 9.24
B. Regulatory trade barriers					3.20	4.80	5.54	5.27
(i) Non-tariff trade barriers					3.20	4.48	5.63	5.03
(ii) Compliance cost of importing and exporting						5.11	5.45	5.51
C. Size of trade sector	7.51	3.97	9.85	10.00	10.00	8.25	7.69	7.15
D. Black-market exchange rates	0.00	0.00	5.40	0.00	5.68	7.86	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	7.04	6.16	6.25	5.36
(i) Foreign ownership/investment restrictions					8.69	6.93	7.49	5.72
(ii) Capital controls	0.00	0.00	0.00	0.00	5.38	5.38	5.00	5.00
5. Regulation of Credit, Labor and Business	4.82	5.16	4.56	4.86	6.36	6.95	7.13	7.21
A. Credit market regulations	2.00	3.00	3.56	4.57	6.67	8.74	8.81	8.97
(i) Ownership of banks	2.00	2.00	2.00	5.00	5.00	10.00	10.00	10.00
(ii) Foreign bank competition					7.57	7.57	7.57	7.57
(iii) Private sector credit			8.69	8.71	6.60	7.39	7.68	8.31
(iv) Interest rate controls/negative real int. rates	2.00	4.00	0.00	0.00	8.00	10.00	10.00	10.00
B. Labor market regulations					7.22	8.11	8.29	8.33
(i) Hiring regulations and minimum wage					4.79	10.00	10.00	10.00
(ii) Hiring and firing regulations					7.15	6.62	6.93	7.26
(iii) Centralized collective bargaining					6.93	6.69	7.45	7.36
(iv) Hours regulations						10.00	10.00	10.00
(v) Mandated cost of worker dismissal						5.36	5.36	5.36
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations					5.20	4.00	4.29	4.34
(i) Price controls			0.00	0.00	4.00	6.00	6.00	6.00
(ii) Bureaucracy costs					7.83	3.72	3.93	3.55
(iii) Bureaucracy costs					6.03	3.16	4.37	4.87
(iv) Starting a business					5.12	8.05	8.06	8.20
(v) Extra payments/bribes					3.03	3.89	3.73	3.57
(vi) Licensing restrictions						3.16	3.96	4.17
(vii) Cost of tax compliance						0.00	0.00	0.00



## Norway

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	6.17 (27)	6.70 (21)	7.26 (19)	7.34 (18)	7.04 (38)	7.47 (22)	7.45 (28)	7.34 (31)
<b>Area 1. Size of Government</b>	2.87 (98)	3.25 (97)	2.94 (108)	3.17 (112)	3.25 (116)	5.69 (90)	5.82 (86)	5.55 (92)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	8.34 (18)	9.60 (5)	9.88 (2)	9.19 (2)	8.85 (15)	9.03 (1)	8.92 (4)	8.80 (3)
<b>Area 3. Access to Sound Money</b>	6.43 (43)	6.45 (67)	8.73 (24)	9.47 (23)	9.03 (39)	9.20 (38)	9.24 (37)	9.21 (34)
<b>Area 4. Freedom to Trade Internationally</b>	7.21 (21)	7.86 (10)	8.35 (6)	8.10 (17)	7.58 (40)	6.55 (69)	6.59 (76)	6.54 (72)
<b>Area 5. Regulation of Credit, Labor and Business</b>	6.22 (25)	6.62 (17)	6.53 (22)	6.79 (19)	6.50 (41)	6.90 (48)	6.72 (54)	6.65 (60)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	5.69 (45)	6.17 (28)	6.69 (26)	7.35 (19)	7.04 (38)	7.53 (23)	7.52 (28)	7.40 (31)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	2.87	3.25	2.94	3.17	3.25	5.69	5.82	5.55
A. Government consumption	3.36 28.57	3.69 27.46	3.06 29.59	3.00 29.79	2.76 30.62	2.13 32.75	2.29 32.20	2.03 33.09
B. Transfers and subsidies	4.11 22.10	4.31 21.40	2.70 27.30	4.20 21.80	4.76 19.72	5.11 18.44	5.49 17.06	5.67 16.40
C. Government enterprises and investment	4.00 35.90	4.00 34.20	4.00 37.40	2.00 43.10	2.00 43.10	10.00 14.50	10.00 14.14	10.00 14.55
D. Top marginal tax rate	0.00	1.00	2.00	3.50	3.50	5.50	5.50	4.50
(i) Top marginal income tax rate	0.00 75	1.00 64	3.00 51	5.00 42	5.00 48	7.00 40	7.00 40	6.00 40
(ii) Top marginal income and payroll tax rates			1.00 64	2.00 56	2.00 64	4.00 54	4.00 54	3.00 54
<b>2. Legal Structure and Security of Property Rights</b>	7.05	8.11	8.35	9.19	8.85	9.03	8.92	8.80
A. Judicial independence				9.45	8.35	8.86	8.48	8.61
B. Impartial courts				8.88	8.68	8.81	8.34	7.37
C. Protection of property rights				7.61	7.20	8.83	8.95	8.78
D. Military interference				10.00	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	10.00	10.00	10.00	10.00
F. Legal enforcement of contracts						7.53	7.53	7.75
G. Regulatory restrictions of sale of real property						9.16	9.12	9.12
<b>3. Access to Sound Money</b>	6.43	6.45	8.73	9.47	9.03	9.20	9.24	9.21
A. Money growth	9.41 2.93	7.97 10.15	6.77 16.13	9.06 4.69	9.17 4.17	8.64 6.80	8.28 8.58	8.84 5.80
B. Standard deviation of inflation	8.95 2.63	8.86 2.84	8.91 2.72	9.43 1.43	7.55 6.11	8.45 3.87	8.83 2.92	8.74 3.16
C. Inflation: most recent year	7.38 13.12	8.96 5.21	9.23 3.87	9.38 3.09	9.38 3.09	9.70 1.52	9.85 0.73	9.25 3.77
D. Freedom to own foreign currency	0.00	0.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	6.94	7.57	7.90	7.99	7.58	6.55	6.59	6.54
A. Taxes on international trade	9.28	9.33	8.63	8.09	7.55	6.07	6.10	6.09
(i) Revenues for trade taxes (% trade sector)	9.80 0.30	9.80 0.30	9.80 0.30	9.73 0.40	9.88 0.17	9.92 0.12	9.92 0.12	9.92 0.13
(ii) Mean tariff rate	8.76 6.20	8.86 5.70	8.86 5.70	8.82 5.90	9.42 2.90	8.28 8.60	8.38 8.10	8.36 8.20
(iii) Standard deviation of tariff rates			7.24 6.90	5.72 10.70	3.36 16.60	0.00 37.41	0.00 35.40	0.00 36.16
B. Regulatory trade barriers				9.17	8.32	7.02	7.27	7.12
(i) Non-tariff trade barriers				9.17	7.80	4.90	5.39	5.10
(ii) Compliance cost of importing and exporting					8.83	9.14	9.14	9.14
C. Size of trade sector	5.85	5.34	4.72	4.05	4.17	3.27	3.37	3.35
D. Black-market exchange rates	9.40	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	5.00	8.00	8.64	7.84	6.40	6.22	6.15
(i) Foreign ownership/investment restrictions				9.28	8.76	7.42	7.06	6.91
(ii) Capital controls	2.00	5.00	8.00	8.00	6.92	5.38	5.38	5.38
<b>5. Regulation of Credit, Labor and Business</b>	5.17	5.50	5.53	6.93	6.50	7.20	7.01	6.92
A. Credit market regulations	7.19	8.80	8.51	8.61	8.06	9.25	9.50	9.25
(i) Ownership of banks	10.00	10.00	8.00	8.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				8.33	6.23	8.00	8.00	8.00
(iii) Private sector credit	5.56	6.39	7.53	8.12	10.00	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates	6.00	10.00	10.00	10.00	7.00	9.00	10.00	9.00
B. Labor market regulations	3.52	3.23	3.64	4.33	3.79	4.86	4.91	4.93
(i) Hiring regulations and minimum wage				4.45	5.00	3.90	3.90	3.90
(ii) Hiring and firing regulations			4.88	4.88	2.05	2.83	2.80	3.21
(iii) Centralized collective bargaining	5.18	5.18	5.18	5.18	4.03	4.63	5.00	4.65
(iv) Hours regulations	4.40	3.52	3.52	4.17	4.84	6.00	6.00	6.00
(v) Mandated cost of worker dismissal						8.79	8.79	8.79
(vi) Conscription	1.00	1.00	1.00	3.00	3.00	3.00	3.00	3.00
C. Business regulations				7.83	7.67	7.49	6.60	6.60
(i) Price controls			6.00	7.00	8.00	6.00	6.00	6.00
(ii) Bureaucracy costs					6.08	4.70	4.08	4.14
(iii) Bureaucracy costs				8.11	8.70	7.09	1.91	1.61
(iv) Starting a business				7.22	6.83	9.67	9.68	9.69
(v) Extra payments/bribes				9.01	8.73	9.26	8.80	8.97
(vi) Licensing restrictions						6.72	6.72	6.73
(vii) Cost of tax compliance						9.02	9.02	9.02



## Oman

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>		6.70 (22)	6.23 (37)	6.73 (37)	7.03 (39)	7.33 (31)	7.50 (23)	7.50 (20)
<b>Area 1. Size of Government</b>	4.90 (58)	4.82 (62)	4.84 (78)	5.24 (86)	5.31 (85)	4.94 (104)	5.28 (99)	5.63 (88)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>		5.85 (40)	5.21 (57)	6.71 (34)	6.93 (32)	7.46 (24)	7.69 (21)	7.72 (19)
<b>Area 3. Access to Sound Money</b>	5.40 (84)	9.45 (7)	7.67 (36)	9.15 (30)	8.31 (50)	8.68 (56)	8.44 (62)	7.88 (70)
<b>Area 4. Freedom to Trade Internationally</b>		6.81 (28)	6.74 (34)	6.77 (54)	7.86 (31)	7.47 (29)	7.80 (23)	7.85 (17)
<b>Area 5. Regulation of Credit, Labor and Business</b>	6.71 (12)	6.60 (19)	6.69 (16)	5.80 (54)	6.75 (32)	8.07 (14)	8.30 (7)	8.47 (6)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) &gt;</b>		6.87 (15)	6.27 (35)	6.73 (39)	7.03 (39)	7.30 (39)	7.22 (50)	7.22 (43)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.90	4.82	4.84	5.24	5.31	4.94	5.28	5.63
A. Government consumption	0.00 47.45	0.00 45.46	0.00 58.84	1.18 36.00	1.65 34.40	0.34 38.84	1.70 34.23	3.10 29.46
B. Transfers and subsidies	9.59 2.00	9.29 3.10	9.35 2.90	9.78 1.30	9.61 1.92	9.40 2.69	9.40 2.69	9.40 2.69
C. Government enterprises and investment	0.00 58.80	0.00 58.80	0.00 59.19	0.00 65.23	0.00 62.99	0.00	0.00	0.00
D. Top marginal tax rate	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
(i) Top marginal income tax rate	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0
(ii) Top marginal income and payroll tax rates			10.00 0	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0
<b>2. Legal Structure and Security of Property Rights</b>		5.85	5.21	6.71	6.93	7.46	7.34	7.36
A. Judicial independence							6.92	7.02
B. Impartial courts				7.47	7.43	6.80	6.55	6.29
C. Protection of property rights							7.37	7.69
D. Military interference				8.74	8.33	8.33	8.33	8.33
E. Integrity of the legal system				6.96	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts						5.14	5.14	5.14
G. Regulatory restrictions of sale of real property						8.71	8.71	8.71
<b>3. Access to Sound Money</b>	5.40	9.45	7.67	9.15	8.31	8.68	8.44	7.88
A. Money growth	9.35 3.25	9.80 0.98	9.47 -2.67	9.76 -1.20	9.62 -1.92	8.75 6.23	7.07 14.63	7.71 11.43
B. Standard deviation of inflation	2.24 19.39	8.09 4.78	4.54 13.65	7.56 6.11	3.88 15.31	6.32 9.19	7.89 5.27	6.21 9.48
C. Inflation: most recent year	0.00 51.11	9.90 -0.51	6.68 16.62	9.26 3.68	9.75 -1.27	9.63 1.86	8.81 5.96	7.58 12.09
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>		7.07	6.96	6.77	7.86	7.26	7.33	7.38
A. Taxes on international trade		9.23	9.33	8.15	9.38	7.70	8.07	7.80
(i) Revenues for trade taxes (% trade sector)		9.07 1.40	9.33 1.00	9.27 1.10	9.55 0.67	9.45 0.82	9.45 0.82	9.45 0.82
(ii) Mean tariff rate		9.40 3.00		8.86 5.70	9.06 4.70	9.24 3.80	8.90 5.50	8.86 5.70
(iii) Standard deviation of tariff rates				6.32 9.20	9.52 1.20	4.40 13.99	5.86 10.34	5.10 12.26
B. Regulatory trade barriers						6.70	6.53	7.00
(i) Non-tariff trade barriers							6.36	7.31
(ii) Compliance cost of importing and exporting						6.70	6.70	6.70
C. Size of trade sector	7.23	5.93	5.28	5.52	5.09	5.23	5.52	5.39
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	2.00	6.67	6.67	6.54	6.69
(i) Foreign ownership/investment restrictions							6.41	6.72
(ii) Capital controls	2.00	2.00	2.00	2.00	6.67	6.67	6.67	6.67
<b>5. Regulation of Credit, Labor and Business</b>	7.14	7.14	6.69	5.80	6.75	8.18	7.72	7.86
A. Credit market regulations	8.89	9.04	9.28	6.36	9.49	8.69	8.69	8.69
(i) Ownership of banks	8.00	8.00	8.00	8.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition						6.00	6.00	6.00
(iii) Private sector credit	9.79	9.12	9.85	1.09	8.47	8.76	8.76	8.76
(iv) Interest rate controls/negative real int. rates		10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations						8.91	7.95	8.12
(i) Hiring regulations and minimum wage						10.00	10.00	10.00
(ii) Hiring and firing regulations							4.97	5.41
(iii) Centralized collective bargaining							7.12	7.70
(iv) Hours regulations						6.00	6.00	6.00
(v) Mandated cost of worker dismissal						9.63	9.63	9.63
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						6.94	6.51	6.75
(i) Price controls			4.00	4.00	4.00	6.00	6.00	6.00
(ii) Bureaucracy costs							5.95	5.93
(iii) Bureaucracy costs							3.48	3.35
(iv) Starting a business						6.98	8.00	8.70
(v) Extra payments/bribes							7.16	7.80
(vi) Licensing restrictions						5.37	5.67	6.20
(vii) Cost of tax compliance						9.42	9.31	9.31



## Pakistan

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	4.65 (76)	5.09 (70)	5.13 (76)	5.73 (74)	5.55 (102)	5.90 (100)	5.95 (100)	5.80 (103)
<b>Area 1. Size of Government</b>	5.03 (53)	4.73 (64)	5.14 (71)	5.84 (67)	7.19 (26)	7.26 (31)	7.14 (40)	7.71 (21)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	2.54 (77)	3.52 (82)	2.68 (101)	4.93 (80)	4.63 (82)	4.48 (93)	4.70 (91)	4.58 (92)
<b>Area 3. Access to Sound Money</b>	6.39 (45)	6.78 (46)	7.87 (34)	7.60 (46)	6.15 (104)	6.04 (110)	6.26 (110)	5.42 (118)
<b>Area 4. Freedom to Trade Internationally</b>	4.09 (71)	4.85 (64)	4.51 (82)	5.05 (102)	4.08 (120)	5.62 (103)	5.47 (106)	5.35 (106)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.17 (56)	5.54 (49)	5.41 (56)	5.24 (72)	5.69 (79)	6.25 (70)	6.37 (73)	6.12 (89)
<b>Unadjusted</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	4.68 (79)	5.12 (71)	5.16 (73)	5.73 (74)	5.55 (102)	5.93 (111)	5.98 (115)	5.84 (118)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.03	4.73	5.14	5.84	7.19	7.26	7.14	7.71
A. Government consumption	8.60 10.77	7.97 12.91	6.62 17.49	7.70 13.81	7.91 13.12	9.11 9.04	8.58 10.84	7.86 13.28
B. Transfers and subsidies	9.54 2.20	9.95 0.70	8.94 4.40	9.66 1.75	9.85 1.05	8.95 4.37	8.99 4.21	8.99 4.21
C. Government enterprises and investment	0.00 65.30	0.00 53.90	2.00 49.40	2.00 46.80	4.00 35.29	4.00 30.89	4.00 30.89	4.00
D. Top marginal tax rate	2.00	1.00	3.00	4.00	7.00	7.00	7.00	10.00
(i) Top marginal income tax rate	2.00 55	1.00 60	3.00 50	4.00 45	7.00 35	7.00 35	7.00 35	10.00 20
(ii) Top marginal income and payroll tax rates			3.00 50	4.00 45	7.00 35	7.00 35	7.00 35	10.00 20
<b>2. Legal Structure and Security of Property Rights</b>	2.54	3.52	2.68	4.93	4.63	3.94	4.14	4.04
A. Judicial independence						3.79	3.70	3.52
B. Impartial courts				4.21	4.26	3.39	3.37	3.21
C. Protection of property rights						4.50	5.06	4.63
D. Military interference				4.57	5.28	0.42	1.67	1.67
E. Integrity of the legal system				6.96	5.00	5.00	5.00	5.00
F. Legal enforcement of contracts						3.55	3.55	3.55
G. Regulatory restrictions of sale of real property						6.95	6.66	6.69
<b>3. Access to Sound Money</b>	6.39	6.78	7.87	7.60	6.15	6.04	6.26	5.42
A. Money growth	8.05 9.75	8.94 5.28	8.72 6.40	8.97 5.17	8.55 7.27	6.92 15.40	7.26 13.72	7.26 13.72
B. Standard deviation of inflation	9.33 1.67	9.06 2.34	9.05 2.38	9.21 1.97	6.91 7.73	9.05 2.38	9.29 1.79	8.49 3.78
C. Inflation: most recent year	8.19 9.06	9.09 4.53	8.71 6.45	7.24 13.79	9.13 4.37	8.19 9.06	8.48 7.60	5.94 20.29
D. Freedom to own foreign currency	0.00	0.00	5.00	5.00	0.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>	4.09	4.85	4.51	5.05	4.08	6.01	5.85	5.73
A. Taxes on international trade	0.00	0.10	0.00	1.27	2.79	6.42	6.68	6.75
(i) Revenues for trade taxes (% trade sector)	0.00 15.30	0.20 14.70	0.00 15.21	2.58 11.13	6.18 5.73	6.59 5.12	7.14 4.29	7.33 4.00
(ii) Mean tariff rate	0.00 77.60	0.00 78.00	0.00 58.80	0.00 61.10	0.68 46.60	7.08 14.60	7.18 14.10	7.30 13.50
(iii) Standard deviation of tariff rates			0.00 34.00	1.24 21.90	1.52 21.20	5.60 11.01	5.71 10.72	5.62 10.94
B. Regulatory trade barriers						6.35	6.08	6.12
(i) Non-tariff trade barriers						5.56	4.96	5.05
(ii) Compliance cost of importing and exporting						7.13	7.20	7.20
C. Size of trade sector	5.62	4.73	5.14	4.36	3.62	4.62	3.26	3.33
D. Black-market exchange rates	4.60	9.20	7.20	9.40	5.00	8.93	9.21	9.25
E. International capital market controls	2.00	2.00	2.00	2.00	0.77	3.73	4.04	3.17
(i) Foreign ownership/investment restrictions						6.70	7.32	5.57
(ii) Capital controls	2.00	2.00	2.00	2.00	0.77	0.77	0.77	0.77
<b>5. Regulation of Credit, Labor and Business</b>	5.35	5.74	5.61	5.24	5.69	6.41	6.53	6.29
A. Credit market regulations	4.29	5.31	4.97	4.49	6.00	8.94	8.83	8.06
(i) Ownership of banks	0.00	0.00	0.00	0.00	0.00	8.00	8.00	8.00
(ii) Foreign bank competition						9.00	9.00	9.00
(iii) Private sector credit	6.87	7.93	8.90	7.46	7.99	8.75	8.33	6.24
(iv) Interest rate controls/negative real int. rates	6.00	8.00	6.00	6.00	10.00	10.00	10.00	9.00
B. Labor market regulations						5.74	5.63	5.58
(i) Hiring regulations and minimum wage						2.20	2.20	2.20
(ii) Hiring and firing regulations						5.96	5.82	5.46
(iii) Centralized collective bargaining						6.63	6.13	6.19
(iv) Hours regulations						8.00	8.00	8.00
(v) Mandated cost of worker dismissal						1.66	1.66	1.66
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						4.55	5.12	5.24
(i) Price controls				4.00	4.00	4.00	4.00	4.00
(ii) Bureaucracy costs						3.45	3.43	3.81
(iii) Bureaucracy costs						1.91	5.68	6.14
(iv) Starting a business						9.01	9.10	9.30
(v) Extra payments/bribes						4.52	4.12	3.69
(vi) Licensing restrictions						5.25	5.75	5.99
(vii) Cost of tax compliance						3.72	3.72	3.72



## Panama

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ►	5.66 (44)	6.22 (29)	6.53 (33)	7.36 (17)	7.41 (19)	7.47 (24)	7.52 (21)	7.32 (33)
<b>Area 1. Size of Government</b>	4.82 (62)	5.00 (58)	5.57 (60)	7.36 (21)	7.81 (15)	8.30 (11)	8.28 (7)	8.05 (13)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	2.97 (70)	3.28 (89)	3.49 (86)	5.21 (73)	5.24 (72)	5.41 (72)	5.56 (72)	5.65 (67)
<b>Area 3. Access to Sound Money</b>	6.78 (33)	9.68 (1)	9.79 (2)	9.50 (22)	9.58 (13)	9.55 (18)	9.31 (32)	8.74 (49)
<b>Area 4. Freedom to Trade Internationally</b>	7.36 (17)	7.06 (22)	7.50 (18)	8.21 (13)	7.94 (27)	7.92 (16)	8.07 (12)	7.88 (16)
<b>Area 5. Regulation of Credit, Labor and Business</b>	6.15 (28)	6.11 (32)	6.30 (31)	6.50 (27)	6.46 (44)	6.19 (75)	6.41 (67)	6.32 (78)
<b>Unadjusted</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ►	6.12 (24)	6.72 (18)	6.78 (20)	7.65 (12)	7.41 (19)	7.58 (20)	7.63 (16)	7.43 (30)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.82	5.00	5.57	7.36	7.81	8.30	8.28	8.05
A. Government consumption	3.48 28.18	4.16 25.84	4.66 24.15	5.14 22.51	5.26 22.10	6.65 17.40	7.05 16.04	7.63 14.05
B. Transfers and subsidies	8.80 4.90	8.83 4.80	8.12 7.40	8.31 6.70	8.48 6.06	8.56 5.80	8.56 5.80	8.56 5.80
C. Government enterprises and investment	4.00 39.90	4.00 31.40	7.00 22.10	8.00 16.10	10.00 11.86	10.00	10.00	10.00
D. Top marginal tax rate	3.00	3.00	2.50	8.00	7.50	8.00	7.50	6.00
(i) Top marginal income tax rate	3.00 56	3.00 56	3.00 56	9.00 30	8.00 31	9.00 30	8.00 27	8.00 27
(ii) Top marginal income and payroll tax rates			2.00 64	7.00 38	7.00 38	7.00 36	7.00 33	4.00 43
<b>2. Legal Structure and Security of Property Rights</b>	3.19	3.52	3.75	5.60	5.24	5.17	5.31	5.39
A. Judicial independence						2.40	2.77	3.27
B. Impartial courts				4.87	5.35	3.10	3.36	3.84
C. Protection of property rights					4.07	6.71	7.06	6.42
D. Military interference				6.71	8.33	8.33	8.33	8.33
E. Integrity of the legal system				6.96	5.00	5.00	5.00	5.00
F. Legal enforcement of contracts						2.26	2.26	2.26
G. Regulatory restrictions of sale of real property						8.38	8.38	8.61
<b>3. Access to Sound Money</b>	6.78	9.68	9.79	9.50	9.58	9.55	9.31	8.74
A. Money growth	8.23 8.85	9.86 -0.71	9.75 -1.23	8.82 5.90	9.32 3.39	9.05 4.76	8.25 8.75	7.88 10.58
B. Standard deviation of inflation	5.62 10.96	9.04 2.39	9.54 1.16	9.26 1.85	9.28 1.80	9.80 0.49	9.83 0.42	8.84 2.90
C. Inflation: most recent year	3.26 33.69	9.84 0.81	9.89 0.57	9.91 0.47	9.70 1.50	9.35 3.26	9.17 4.17	8.25 8.76
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	8.81	8.46	8.31	9.09	7.94	8.22	8.38	8.18
A. Taxes on international trade	7.93	7.27	5.40	7.33	7.49	7.95	8.00	7.86
(i) Revenues for trade taxes (% trade sector)	7.93 3.10	7.27 4.10	8.80 1.80	9.07 1.40	7.33 4.00	8.94 1.59	8.94 1.59	8.94 1.59
(ii) Mean tariff rate			2.00 40.00	5.60 22.00	8.10 9.50	8.52 7.40	8.56 7.20	8.56 7.20
(iii) Standard deviation of tariff rates					7.04 7.40	6.38 9.05	6.52 8.71	6.08 9.79
B. Regulatory trade barriers					4.95	6.97	7.24	7.22
(i) Non-tariff trade barriers					4.95	5.09	5.62	5.59
(ii) Compliance cost of importing and exporting						8.85	8.85	8.85
C. Size of trade sector	10.00	8.88	10.00	10.00	8.13	7.62	8.02	7.59
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	8.00	8.00	8.00	10.00	9.12	8.57	8.64	8.23
(i) Foreign ownership/investment restrictions					8.24	7.13	8.04	7.23
(ii) Capital controls	8.00	8.00	8.00	10.00	10.00	10.00	9.23	9.23
<b>5. Regulation of Credit, Labor and Business</b>	6.99	6.95	6.50	6.70	6.46	6.65	6.86	6.78
A. Credit market regulations	8.47	8.33	9.33	9.33	8.31	9.25	9.25	9.00
(i) Ownership of banks	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
(ii) Foreign bank competition					7.05	9.00	9.00	9.00
(iii) Private sector credit	8.95	8.67	10.00	10.00	9.64	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates			10.00	10.00	10.00	10.00	10.00	9.00
B. Labor market regulations					5.94	5.16	5.46	5.39
(i) Hiring regulations and minimum wage					3.76	1.10	2.20	2.20
(ii) Hiring and firing regulations					4.15	3.37	3.68	3.55
(iii) Centralized collective bargaining					5.85	6.59	6.95	6.69
(iv) Hours regulations						4.00	4.00	4.00
(v) Mandated cost of worker dismissal						5.92	5.92	5.92
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations					5.13	5.54	5.88	5.94
(i) Price controls			2.00	4.00	4.00	4.00	4.00	4.00
(ii) Bureaucracy costs					6.93	3.07	4.38	4.51
(iii) Bureaucracy costs					3.90	4.69	4.86	4.94
(iv) Starting a business					5.53	9.17	9.50	9.51
(v) Extra payments/bribes					5.30	5.76	5.29	5.20
(vi) Licensing restrictions						8.39	8.56	8.83
(vii) Cost of tax compliance						3.72	4.60	4.60



## Papua New Guinea

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>		6.16 (34)	6.31 (36)	6.53 (42)	5.96 (87)	6.51 (75)	6.92 (60)	6.94 (55)
<b>Area 1. Size of Government</b>	3.64 (88)	5.39 (44)	5.87 (49)	9.19 (2)	6.18 (60)	6.75 (52)	6.54 (63)	7.14 (36)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>		5.72 (46)	6.28 (39)	5.28 (72)	4.36 (93)	4.21 (98)	4.75 (90)	4.71 (87)
<b>Area 3. Access to Sound Money</b>	6.06 (63)	6.57 (59)	6.65 (59)	5.56 (81)	6.27 (101)	7.08 (86)	7.07 (89)	6.65 (97)
<b>Area 4. Freedom to Trade Internationally</b>		6.59 (31)	6.18 (46)	6.47 (70)	6.20 (85)	6.35 (80)	8.04 (13)	7.98 (13)
<b>Area 5. Regulation of Credit, Labor and Business</b>	6.25 (23)	6.42 (21)	6.42 (27)	6.61 (24)	6.80 (31)	8.15 (11)	8.17 (12)	8.17 (10)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>		6.27 (23)	6.30 (34)	6.23 (57)	5.96 (87)	6.44 (85)	6.85 (73)	6.87 (70)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	2.75	5.86	5.79	7.33	6.18	6.75	6.54	7.14
A. Government consumption	3.50 28.12	4.13 25.95	3.06 29.61	6.00 19.59	3.80 27.08	6.88 16.61	6.03 19.49	7.45 14.66
B. Transfers and subsidies		9.46 2.50	9.10 3.80		9.92 0.79	9.12 3.74	9.12 3.74	9.12 3.74
C. Government enterprises and investment	2.00 41.40	4.00 34.20	7.00 20.40	8.00 18.70	8.00 18.70	8.00	8.00	8.00
D. Top marginal tax rate			4.00	8.00	3.00	3.00	3.00	4.00
(i) Top marginal income tax rate			4.00 45	8.00 28	3.00 47	3.00 47	3.00 47	5.00 42
(ii) Top marginal income and payroll tax rates			4.00 45	8.00 28	3.00 47	3.00 47	3.00 47	3.00 47
<b>2. Legal Structure and Security of Property Rights</b>		5.72	6.28	5.28	4.36	4.21	4.75	4.71
A. Judicial independence								
B. Impartial courts				5.02	5.06	3.90	4.10	3.90
C. Protection of property rights								
D. Military interference				5.25	5.00	5.42	7.50	7.50
E. Integrity of the legal system				6.96	3.33	3.75	4.17	4.17
F. Legal enforcement of contracts						1.01	1.01	1.01
G. Regulatory restrictions of sale of real property						6.96	6.96	6.96
<b>3. Access to Sound Money</b>	6.06	6.57	6.65	5.56	6.27	7.08	7.07	6.65
A. Money growth	8.71 6.47	9.38 3.12	9.05 4.73	8.68 6.60	9.73 1.36	6.58 17.12	6.41 17.95	6.82 15.91
B. Standard deviation of inflation	6.95 7.63	7.23 6.93	8.39 4.02	7.52 6.19	8.49 3.78	7.08 7.30	7.05 7.38	6.94 7.64
C. Inflation: most recent year	8.58 7.09	9.68 1.62	9.17 4.13	6.05 19.73	6.88 15.60	9.66 1.70	9.82 0.91	7.85 10.76
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>		6.73	6.32	6.37	6.20	6.35	8.05	7.99
A. Taxes on international trade	7.80	7.33	6.93	6.50	4.80	6.15	6.37	7.04
(i) Revenues for trade taxes (% trade sector)	7.80 3.30	6.07 5.90	5.27 7.10	5.99 6.01	6.03 5.96	6.61 5.08	6.61 5.08	6.61 5.08
(ii) Mean tariff rate		8.60 7.00	8.60 7.00		5.78 21.10	8.78 6.10	8.94 5.30	9.02 4.90
(iii) Standard deviation of tariff rates				7.00 7.50	2.60 18.50	3.05 17.38	3.56 16.11	5.49 11.27
B. Regulatory trade barriers						6.17	6.17	6.17
(i) Non-tariff trade barriers								
(ii) Compliance cost of importing and exporting						6.17	6.17	6.17
C. Size of trade sector	9.85	8.96	7.88	8.57	6.48	9.45	10.00	9.04
D. Black-market exchange rates		9.20	8.60	8.60	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	1.54	0.00	7.69	7.69
(i) Foreign ownership/investment restrictions								
(ii) Capital controls	0.00	0.00	0.00	0.00	1.54	0.00	7.69	7.69
<b>5. Regulation of Credit, Labor and Business</b>	6.29	6.46	6.45	6.61	6.80	7.81	7.83	7.84
A. Credit market regulations	6.37	6.88	6.87	7.62	8.14	7.93	7.93	7.93
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	10.00	10.00	10.00
(ii) Foreign bank competition						4.00	4.00	4.00
(iii) Private sector credit	7.75	8.76	8.73	9.87	9.42	8.70	8.70	8.70
(iv) Interest rate controls/negative real int. rates				8.00	10.00	9.00	9.00	9.00
B. Labor market regulations						8.82	8.82	8.82
(i) Hiring regulations and minimum wage						8.90	8.90	8.90
(ii) Hiring and firing regulations								
(iii) Centralized collective bargaining								
(iv) Hours regulations						10.00	10.00	10.00
(v) Mandated cost of worker dismissal						6.38	6.38	6.38
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						6.70	6.75	6.76
(i) Price controls						4.00	4.00	4.00
(ii) Bureaucracy costs								
(iii) Bureaucracy costs								
(iv) Starting a business						7.91	7.96	7.99
(v) Extra payments/bribes								
(vi) Licensing restrictions						7.18	7.21	7.23
(vii) Cost of tax compliance						7.69	7.83	7.83



## Paraguay

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	5.76 (38)	5.12 (67)	5.78 (49)	6.50 (43)	6.28 (71)	6.46 (77)	6.49 (80)	6.62 (73)
<b>Area 1. Size of Government</b>	9.16 (3)	7.75 (3)	9.31 (2)	8.69 (4)	7.58 (20)	7.62 (22)	7.44 (28)	7.45 (27)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	3.41 (63)	3.66 (81)	4.11 (76)	3.97 (107)	3.79 (105)	4.23 (97)	4.09 (103)	4.23 (101)
<b>Area 3. Access to Sound Money</b>	7.87 (21)	7.48 (32)	6.50 (66)	8.20 (38)	8.72 (42)	8.37 (60)	8.24 (66)	8.58 (53)
<b>Area 4. Freedom to Trade Internationally</b>	4.71 (61)	3.58 (78)	5.16 (67)	6.76 (55)	6.36 (80)	6.94 (53)	7.14 (49)	7.29 (38)
<b>Area 5. Regulation of Credit, Labor and Business</b>			3.99 (99)	4.87 (94)	4.95 (106)	5.27 (109)	5.63 (104)	5.64 (104)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	6.64 (14)	5.93 (37)	6.21 (39)	6.99 (30)	6.28 (70)	6.40 (87)	6.42 (93)	6.55 (86)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	9.06	7.75	9.31	8.69	7.58	7.62	7.44	7.45
A. Government consumption	9.60 7.36	9.45 7.87	9.57 7.45	8.46 11.23	7.04 16.07	8.25 11.95	8.01 12.75	8.06 12.58
B. Transfers and subsidies	9.59 2.00	9.56 2.10	9.65 1.80	9.32 3.00	9.26 3.21	9.21 3.38	9.23 3.32	9.23 3.32
C. Government enterprises and investment	8.00 17.80	4.00 31.40	10.00 13.30	7.00 23.20	4.00 35.71	4.00	4.00	4.00
D. Top marginal tax rate		8.00	8.00	10.00	10.00	9.00	8.50	8.50
(i) Top marginal income tax rate		8.00 30	8.00 30	10.00 0	10.00 0	10.00 0	10.00 10	10.00 8
(ii) Top marginal income and payroll tax rates						8.00 27	7.00 34	7.00 33
<b>2. Legal Structure and Security of Property Rights</b>	3.71	3.99	4.48	4.32	3.79	3.53	3.40	3.53
A. Judicial independence						1.08	0.75	0.96
B. Impartial courts				4.33	4.08	1.76	1.59	2.49
C. Protection of property rights					2.27	3.35	3.49	3.23
D. Military interference				4.79	3.33	2.50	2.50	2.50
E. Integrity of the legal system				4.11	5.00	3.33	3.33	3.33
F. Legal enforcement of contracts						4.19	4.19	4.19
G. Regulatory restrictions of sale of real property						8.47	7.98	7.98
<b>3. Access to Sound Money</b>	7.87	7.48	6.50	8.20	8.72	8.37	8.24	8.58
A. Money growth	6.93 15.33	8.12 9.39	4.67 26.66	7.09 14.57	8.66 6.72	7.09 14.53	6.48 17.60	7.34 13.28
B. Standard deviation of inflation	7.91 5.23	6.84 7.91	8.58 3.55	8.29 4.27	8.02 4.94	7.75 5.62	8.09 4.77	8.99 2.51
C. Inflation: most recent year	6.66 16.71	4.95 25.24	2.74 36.28	7.40 12.99	8.20 8.98	8.64 6.79	8.37 8.13	7.97 10.15
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	5.91	4.49	6.31	8.27	6.36	7.20	7.42	7.57
A. Taxes on international trade	3.00	4.27	6.51	7.99	7.63	7.94	7.91	7.90
(i) Revenues for trade taxes (% trade sector)	6.00 6.00	8.53 2.20	7.80 3.30	8.60 2.10	7.76 3.37	8.90 1.65	9.13 1.30	9.09 1.36
(ii) Mean tariff rate	0.00 71.00	0.00 71.70	6.80 16.00	8.14 9.30	7.82 10.90	8.34 8.30	7.92 10.40	7.68 11.60
(iii) Standard deviation of tariff rates			4.92 12.70	7.24 6.90	7.32 6.70	6.59 8.51	6.67 8.32	6.94 7.66
B. Regulatory trade barriers					2.43	5.07	5.34	5.45
(i) Non-tariff trade barriers					2.43	4.98	5.51	5.57
(ii) Compliance cost of importing and exporting						5.17	5.17	5.34
C. Size of trade sector	4.76	4.97	7.05	7.83	4.69	5.85	8.13	8.51
D. Black-market exchange rates	8.60	0.00	4.80	7.40	10.00	10.00	10.00	10.00
E. International capital market controls	5.00	5.00	5.00	10.00	7.06	7.15	5.70	6.01
(i) Foreign ownership/investment restrictions					5.67	5.07	5.25	5.86
(ii) Capital controls	5.00	5.00	5.00	10.00	8.46	9.23	6.15	6.15
<b>5. Regulation of Credit, Labor and Business</b>			4.48	5.46	4.95	5.26	5.61	5.62
A. Credit market regulations			5.97	8.88	6.93	7.27	7.52	7.52
(i) Ownership of banks					8.00	8.00	8.00	8.00
(ii) Foreign bank competition					4.08	4.08	4.08	4.08
(iii) Private sector credit			9.95	9.76	9.47	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates			2.00	8.00	9.00	7.00	8.00	8.00
B. Labor market regulations					3.33	3.32	3.64	3.59
(i) Hiring regulations and minimum wage					4.67	4.40	4.40	4.40
(ii) Hiring and firing regulations					4.72	3.26	3.82	3.94
(iii) Centralized collective bargaining					3.95	5.74	7.09	6.70
(iv) Hours regulations						4.70	4.70	4.70
(v) Mandated cost of worker dismissal						0.82	0.82	0.82
(vi) Conscription	1.00	0.00	0.00	0.00	0.00	1.00	1.00	1.00
C. Business regulations					4.57	5.18	5.66	5.73
(i) Price controls			4.00	6.00	6.00	6.00	6.00	6.00
(ii) Bureaucracy costs					4.87	2.94	3.89	4.09
(iii) Bureaucracy costs					4.95	5.13	6.81	6.90
(iv) Starting a business					3.98	6.19	8.17	8.28
(v) Extra payments/bribes					3.07	4.30	2.89	2.88
(vi) Licensing restrictions						5.39	5.55	5.63
(vii) Cost of tax compliance						6.32	6.32	6.32



## Peru

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	4.27 (88)	3.11 (107)	4.13 (102)	6.31 (53)	7.07 (36)	7.19 (39)	7.24 (44)	7.36 (29)
<b>Area 1. Size of Government</b>	6.47 (20)	5.42 (42)	7.13 (18)	8.21 (9)	8.07 (12)	7.78 (20)	7.85 (20)	7.90 (17)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	3.92 (57)	2.32 (101)	3.04 (92)	4.76 (93)	3.94 (102)	4.96 (83)	5.27 (80)	5.49 (70)
<b>Area 3. Access to Sound Money</b>	1.62 (108)	0.10 (112)	1.25 (113)	5.13 (89)	8.79 (40)	9.68 (5)	9.17 (42)	9.02 (40)
<b>Area 4. Freedom to Trade Internationally</b>	4.47 (66)	3.30 (83)	4.48 (83)	6.88 (47)	7.29 (45)	7.18 (41)	7.56 (34)	7.64 (25)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.02 (62)	4.91 (65)	4.82 (82)	6.59 (25)	7.27 (11)	6.37 (64)	6.34 (74)	6.76 (53)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	4.02 (94)	2.90 (109)	3.97 (103)	6.29 (52)	7.07 (36)	7.23 (42)	7.27 (44)	7.39 (32)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	6.47	5.42	7.13	8.21	8.07	7.78	7.85	7.90
A. Government consumption	7.26 15.33	8.04 12.67	8.69 10.46	8.77 10.17	7.73 13.72	7.86 13.29	7.95 12.95	8.10 12.45
B. Transfers and subsidies	9.62 1.90	9.65 1.80	9.32 3.00	9.07 3.90	9.04 4.02	9.25 3.24	9.43 2.59	9.51 2.30
C. Government enterprises and investment	7.00 24.30	4.00 33.90	7.00 20.00	8.00 19.50	8.00 19.61	8.00 15.60	8.00 15.60	8.00 16.63
D. Top marginal tax rate	2.00	0.00	3.50	7.00	7.50	6.00	6.00	6.00
(i) Top marginal income tax rate	2.00 65	0.00 65	4.00 45	8.00 30	10.00 20	8.00 30	8.00 30	8.00 30
(ii) Top marginal income and payroll tax rates			3.00 48	6.00 39	5.00 41	4.00 48	4.00 48	4.00 48
<b>2. Legal Structure and Security of Property Rights</b>	3.77	2.23	2.93	4.76	3.94	4.96	5.27	5.49
A. Judicial independence				2.75	1.50	1.59	2.88	3.09
B. Impartial courts				4.33	3.17	2.58	2.99	3.38
C. Protection of property rights				4.83	3.33	4.13	4.66	4.92
D. Military interference				4.90	6.67	8.33	8.33	8.33
E. Integrity of the legal system				6.96	5.00	5.00	5.00	5.00
F. Legal enforcement of contracts						4.77	4.77	5.07
G. Regulatory restrictions of sale of real property						8.29	8.29	8.65
<b>3. Access to Sound Money</b>	1.62	0.00	1.25	5.13	8.79	9.68	9.17	9.02
A. Money growth	3.38 33.12	0.00 83.59	0.00 597.16	2.94 35.32	7.03 14.85	9.77 1.13	7.93 10.35	8.13 9.35
B. Standard deviation of inflation	3.10 17.26	0.00 37.94	0.00 2341.35	0.00 127.50	8.87 2.83	9.25 1.87	9.11 2.22	9.09 2.28
C. Inflation: most recent year	0.00 65.92	0.00 167.75	0.00 6134.79	7.56 12.18	9.25 3.76	9.68 1.62	9.64 1.78	8.84 5.79
D. Freedom to own foreign currency	0.00	0.00	5.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	4.77	3.45	4.70	6.89	7.29	7.18	7.56	7.64
A. Taxes on international trade	1.47	1.89	3.40	7.02	7.80	8.08	8.31	8.50
(i) Revenues for trade taxes (% trade sector)	2.93 10.60	4.47 8.30	7.40 3.90	6.33 5.50	7.23 4.16	8.48 2.28	9.38 0.93	9.37 0.94
(ii) Mean tariff rate	0.00 57.00	0.00 64.00	2.80 36.00	6.48 17.60	7.32 13.40	8.16 9.20	7.96 10.20	8.78 6.10
(iii) Standard deviation of tariff rates		1.20 22.00	0.00 25.00	8.24 4.40	8.84 2.90	7.59 6.02	7.59 6.02	7.34 6.65
B. Regulatory trade barriers				5.98	6.71	5.70	6.40	6.63
(i) Non-tariff trade barriers				5.98	6.75	5.19	6.21	6.52
(ii) Compliance cost of importing and exporting					6.66	6.22	6.59	6.74
C. Size of trade sector	5.75	5.10	3.05	2.84	3.05	4.23	4.90	5.03
D. Black-market exchange rates	6.40	0.00	6.80	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	8.61	8.88	7.86	8.20	8.06
(i) Foreign ownership/investment restrictions				9.22	9.30	7.27	7.94	7.65
(ii) Capital controls	2.00	2.00	2.00	8.00	8.46	8.46	8.46	8.46
<b>5. Regulation of Credit, Labor and Business</b>	3.46	3.39	3.87	6.46	7.27	6.56	6.52	6.88
A. Credit market regulations	2.95	2.72	2.54	7.91	8.53	7.65	7.50	7.50
(i) Ownership of banks					10.00	8.00	8.00	8.00
(ii) Foreign bank competition				8.12	6.58	4.00	4.00	4.00
(iii) Private sector credit	5.90	5.44	5.08	9.18	8.81	9.58	10.00	10.00
(iv) Interest rate controls/negative real int. rates	0.00	0.00	0.00	6.00	9.00	9.00	8.00	8.00
B. Labor market regulations				5.36	6.75	6.51	6.53	7.37
(i) Hiring regulations and minimum wage				6.45	3.08	5.60	5.60	5.60
(ii) Hiring and firing regulations			6.75	6.75	7.20	3.74	4.09	4.10
(iii) Centralized collective bargaining				7.93	7.93	7.82	7.63	7.41
(iv) Hours regulations				5.68	5.51	6.70	6.70	8.70
(v) Mandated cost of worker dismissal						5.18	5.18	8.42
(vi) Conscription	0.00	0.00	0.00	0.00	10.00	10.00	10.00	10.00
C. Business regulations				6.11	6.52	5.52	5.51	5.76
(i) Price controls			2.00	6.00	8.00	6.00	6.00	6.00
(ii) Bureaucracy costs					6.75	2.25	2.26	2.54
(iii) Bureaucracy costs				7.00	7.50	4.19	4.88	5.10
(iv) Starting a business				6.43	3.57	7.35	7.65	8.43
(v) Extra payments/bribes				5.02	6.78	6.41	5.31	5.20
(vi) Licensing restrictions						7.16	7.24	7.34
(vii) Cost of tax compliance						5.25	5.25	5.74



# Philippines

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	5.42 (56)	5.11 (68)	5.85 (48)	7.24 (24)	6.98 (41)	7.09 (45)	6.91 (62)	6.76 (66)
<b>Area 1. Size of Government</b>	6.49 (19)	6.75 (12)	8.00 (7)	8.20 (10)	6.87 (38)	8.61 (8)	7.95 (17)	7.98 (16)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	3.19 (68)	2.57 (99)	2.55 (102)	4.82 (85)	4.65 (81)	4.89 (85)	4.83 (86)	4.64 (89)
<b>Area 3. Access to Sound Money</b>	6.10 (61)	4.59 (95)	5.76 (80)	8.80 (35)	9.23 (33)	7.94 (71)	8.18 (69)	7.83 (73)
<b>Area 4. Freedom to Trade Internationally</b>	6.29 (37)	6.11 (41)	6.40 (44)	7.66 (25)	7.61 (39)	7.37 (33)	6.97 (59)	6.70 (69)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.07 (60)	5.51 (50)	6.48 (25)	6.73 (21)	6.55 (40)	6.63 (57)	6.64 (57)	6.66 (58)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	5.41 (55)	5.10 (72)	5.77 (50)	7.13 (25)	6.98 (41)	7.09 (47)	6.92 (68)	6.77 (76)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	6.49	6.75	8.00	8.20	6.87	8.61	7.95	7.98
A. Government consumption	8.13 12.35	9.01 9.37	8.11 12.43	7.85 13.32	7.26 15.31	8.17 12.23	8.15 12.30	8.25 11.95
B. Transfers and subsidies	9.84 1.10	10.00 0.20	9.89 0.90	9.95 0.70	9.21 3.40	9.29 3.11	9.67 1.72	9.67 1.72
C. Government enterprises and investment	7.00 20.10	7.00 23.70	7.00 23.30	8.00 17.50	4.00 31.10	10.00 14.90	7.00 22.30	7.00 22.53
D. Top marginal tax rate	1.00	1.00	7.00	7.00	7.00	7.00	7.00	7.00
(i) Top marginal income tax rate	1.00 70	1.00 60	7.00 35	7.00 35	7.00 32	7.00 32	7.00 32	7.00 32
(ii) Top marginal income and payroll tax rates			7.00 35	7.00 35	7.00 32	7.00 32	7.00 32	7.00 32
<b>2. Legal Structure and Security of Property Rights</b>	3.06	2.46	2.44	4.82	4.65	4.89	4.83	4.64
A. Judicial independence				3.72	4.51	3.93	4.12	3.56
B. Impartial courts				5.27	5.51	3.62	3.24	2.85
C. Protection of property rights				3.96	3.22	5.69	5.07	4.69
D. Military interference				7.04	6.67	5.83	5.83	5.83
E. Integrity of the legal system				4.11	3.33	3.75	4.17	4.17
F. Legal enforcement of contracts						3.42	3.42	3.42
G. Regulatory restrictions of sale of real property						8.00	7.96	7.96
<b>3. Access to Sound Money</b>	6.10	4.59	5.76	8.80	9.23	7.94	8.18	7.83
A. Money growth	8.41 7.94	8.43 7.87	6.95 15.23	8.11 9.47	8.41 7.96	8.77 6.14	8.91 5.44	8.91 5.44
B. Standard deviation of inflation	8.83 2.92	3.45 16.37	8.69 3.27	8.58 3.54	9.32 1.71	9.51 1.22	9.38 1.54	9.29 1.78
C. Inflation: most recent year	7.15 14.25	6.47 17.63	7.41 12.97	8.49 7.55	9.21 3.95	8.47 7.63	9.44 2.80	8.14 9.31
D. Freedom to own foreign currency	0.00	0.00	0.00	10.00	10.00	5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>	6.04	5.88	6.21	7.27	7.61	7.37	6.97	6.70
A. Taxes on international trade	3.93	5.17	5.69	6.08	7.86	8.14	7.84	7.59
(i) Revenues for trade taxes (% trade sector)	5.47 6.80	5.87 6.20	5.60 6.60	5.73 6.40	8.26 2.61	8.24 2.64	7.52 3.72	6.91 4.64
(ii) Mean tariff rate	2.40 38.00	4.48 27.60	5.14 24.30	4.48 27.60	8.48 7.60	8.92 5.40	8.74 6.30	8.74 6.30
(iii) Standard deviation of tariff rates			6.32 9.20	8.04 4.90	6.84 7.90	7.25 6.87	7.25 6.87	7.13 7.18
B. Regulatory trade barriers				5.72	5.89	6.82	6.62	6.57
(i) Non-tariff trade barriers				5.72	3.95	6.03	5.42	5.31
(ii) Compliance cost of importing and exporting					7.83	7.62	7.82	7.82
C. Size of trade sector	6.68	5.41	6.59	7.92	9.68	8.38	6.99	6.15
D. Black-market exchange rates	9.40	8.60	8.60	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	6.61	4.60	3.49	3.40	3.22
(i) Foreign ownership/investment restrictions				8.21	8.44	6.21	6.03	5.67
(ii) Capital controls	2.00	2.00	2.00	5.00	0.77	0.77	0.77	0.77
<b>5. Regulation of Credit, Labor and Business</b>	5.34	5.81	6.46	6.59	6.55	6.66	6.67	6.69
A. Credit market regulations	6.60	5.50	8.19	8.48	8.01	8.75	8.89	8.91
(i) Ownership of banks	5.00	5.00	8.00	8.00	8.00	8.00	8.00	8.00
(ii) Foreign bank competition				7.47	5.67	8.00	8.00	8.00
(iii) Private sector credit	6.79	7.51	8.56	9.58	8.94	9.02	9.57	9.63
(iv) Interest rate controls/negative real int. rates	8.00	4.00	8.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations			7.65	6.82	6.06	5.95	5.86	5.93
(i) Hiring regulations and minimum wage				5.05	4.38	4.40	4.40	4.40
(ii) Hiring and firing regulations			5.70	5.70	3.30	4.28	3.75	3.53
(iii) Centralized collective bargaining			7.24	7.24	6.92	5.47	5.45	6.06
(iv) Hours regulations				6.10	5.68	10.00	10.00	10.00
(v) Mandated cost of worker dismissal						1.56	1.56	1.56
(vi) Conscription	3.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				4.47	5.57	5.27	5.27	5.24
(i) Price controls				4.00	4.00	3.00	2.00	2.00
(ii) Bureaucracy costs					7.20	2.39	2.84	2.78
(iii) Bureaucracy costs				5.48	6.68	4.13	5.36	5.63
(iv) Starting a business				6.08	5.63	7.88	8.00	8.02
(v) Extra payments/bribes				2.32	4.35	4.24	3.42	2.99
(vi) Licensing restrictions						7.41	7.45	7.46
(vii) Cost of tax compliance						7.81	7.81	7.81



## Poland

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>		4.07 (93)	4.00 (104)	5.30 (87)	6.19 (75)	6.78 (62)	6.85 (65)	6.88 (59)
<b>Area 1. Size of Government</b>	4.00 (82)	3.90 (87)	1.85 (113)	2.62 (119)	4.25 (106)	5.40 (92)	5.50 (97)	5.59 (89)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>		5.39 (51)	6.97 (30)	6.84 (30)	6.50 (43)	5.75 (61)	5.79 (67)	5.94 (60)
<b>Area 3. Access to Sound Money</b>	8.34 (14)	4.43 (97)	2.50 (109)	6.03 (73)	7.49 (69)	9.27 (36)	9.22 (39)	9.21 (33)
<b>Area 4. Freedom to Trade Internationally</b>		3.19 (84)	5.32 (64)	6.48 (69)	6.84 (68)	6.75 (61)	7.04 (57)	7.05 (53)
<b>Area 5. Regulation of Credit, Labor and Business</b>	3.35 (96)	3.39 (97)	3.56 (105)	4.54 (102)	5.86 (71)	6.74 (53)	6.70 (56)	6.63 (61)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>		3.98 (99)	3.94 (104)	5.24 (90)	6.19 (75)	6.80 (72)	6.86 (72)	6.90 (66)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.10	4.21	2.00	2.62	4.25	5.40	5.50	5.59
A. Government consumption	8.21 12.09	7.95 12.97	3.33 28.69	4.99 23.02	5.00 23.00	5.15 22.50	4.73 23.92	4.61 24.34
B. Transfers and subsidies		2.67 27.40	2.67 27.40	3.49 24.40	4.50 20.69	4.96 19.01	5.28 17.82	5.24 17.97
C. Government enterprises and investment	2.00 40.70	2.00 40.70	0.00 58.80	0.00 55.80	4.00 36.62	8.00 18.69	8.00 19.32	7.00 20.81
D. Top marginal tax rate				2.00	3.50	3.50	4.00	5.50
(i) Top marginal income tax rate				4.00 45	5.00 40	5.00 40	5.00 40	7.00 32
(ii) Top marginal income and payroll tax rates				0.00 63	2.00 53	2.00 55	3.00 50	4.00 44
<b>2. Legal Structure and Security of Property Rights</b>		4.78	6.19	6.84	6.50	5.75	5.79	5.94
A. Judicial independence				6.47	5.34	4.18	4.53	5.24
B. Impartial courts				5.60	5.85	4.37	3.15	3.02
C. Protection of property rights				3.58	4.63	4.58	4.93	5.42
D. Military interference				8.54	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	6.67	7.08	7.50	7.50
F. Legal enforcement of contracts						4.27	4.27	4.27
G. Regulatory restrictions of sale of real property						5.75	6.11	6.11
<b>3. Access to Sound Money</b>	7.42	4.43	2.50	6.03	7.49	9.27	9.22	9.21
A. Money growth		5.90 20.50	0.00 110.44	3.83 30.87	8.97 5.14	8.05 9.75	7.96 10.20	8.19 9.06
B. Standard deviation of inflation	9.21 1.97	0.00 37.35	0.00 167.57	5.91 10.22	8.00 5.00	9.44 1.41	9.38 1.56	9.54 1.16
C. Inflation: most recent year	8.04 9.80	6.83 15.83	0.00 435.66	4.37 28.17	7.99 10.06	9.58 2.11	9.52 2.39	9.13 4.35
D. Freedom to own foreign currency	5.00	5.00	10.00	10.00	5.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>		3.32	5.50	6.25	6.84	6.75	7.04	7.05
A. Taxes on international trade		5.77	6.70	6.38	7.76	8.48	8.27	8.13
(i) Revenues for trade taxes (% trade sector)		4.27 8.60	6.00 6.00	5.95 6.08	9.20 1.20	9.84 0.24	9.84 0.24	9.89 0.17
(ii) Mean tariff rate		7.28 13.60	7.66 11.70	6.32 18.40	8.00 10.00	9.46 2.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates			6.44 8.90	6.88 7.80	6.08 9.80	6.13 9.67	6.01 9.98	5.61 10.98
B. Regulatory trade barriers				5.70	7.45	6.19	6.65	6.78
(i) Non-tariff trade barriers				5.70	6.23	5.19	6.12	6.38
(ii) Compliance cost of importing and exporting					8.66	7.18	7.18	7.18
C. Size of trade sector	6.10	2.57	4.41	3.95	5.22	5.48	5.96	5.75
D. Black-market exchange rates	0.00	0.00	8.20	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	5.21	3.78	3.59	4.33	4.59
(i) Foreign ownership/investment restrictions				5.41	6.78	5.65	6.34	6.88
(ii) Capital controls	0.00	0.00	0.00	5.00	0.77	1.54	2.31	2.31
<b>5. Regulation of Credit, Labor and Business</b>	3.10	3.13	3.49	4.46	5.86	6.82	6.78	6.72
A. Credit market regulations	0.24	0.38	0.44	3.99	7.15	8.69	9.01	8.75
(i) Ownership of banks	0.00	0.00	0.00	2.00	5.00	8.00	8.00	8.00
(ii) Foreign bank competition				4.20	6.67	9.00	9.00	9.00
(iii) Private sector credit	0.48	0.76	1.31	3.82	7.84	7.76	9.05	7.99
(iv) Interest rate controls/negative real int. rates			0.00	6.00	10.00	10.00	10.00	10.00
B. Labor market regulations			3.62	4.45	4.20	6.56	6.61	6.52
(i) Hiring regulations and minimum wage				5.38	3.39	10.00	8.90	8.90
(ii) Hiring and firing regulations			5.67	5.67	2.72	4.78	4.64	4.08
(iii) Centralized collective bargaining	4.49	4.49	5.18	5.18	7.03	6.11	7.62	7.63
(iv) Hours regulations				5.00	4.84	6.70	6.70	6.70
(v) Mandated cost of worker dismissal						8.79	8.79	8.79
(vi) Conscription	0.00	0.00	0.00	1.00	3.00	3.00	3.00	3.00
C. Business regulations				4.95	6.22	5.22	4.72	4.89
(i) Price controls				7.00	4.00	2.00	1.00	1.00
(ii) Bureaucracy costs					7.40	3.45	2.10	2.79
(iii) Bureaucracy costs				5.14	7.13	6.50	4.46	4.08
(iv) Starting a business				4.37	6.98	8.11	8.26	8.74
(v) Extra payments/bribes				3.30	5.60	5.55	5.98	6.39
(vi) Licensing restrictions						5.59	5.65	5.67
(vii) Cost of tax compliance						5.31	5.57	5.57



## Portugal

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	5.99 (31)	5.74 (45)	6.54 (31)	7.32 (20)	7.37 (22)	7.11 (41)	7.17 (48)	7.08 (48)
<b>Area 1. Size of Government</b>	3.63 (89)	3.86 (88)	5.22 (68)	5.49 (80)	5.26 (89)	5.73 (88)	5.71 (90)	5.67 (85)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	9.27 (7)	7.05 (30)	8.97 (19)	8.04 (20)	7.64 (24)	7.16 (27)	7.05 (30)	6.81 (30)
<b>Area 3. Access to Sound Money</b>	5.61 (77)	5.61 (87)	6.05 (72)	9.18 (29)	9.51 (20)	9.54 (19)	9.56 (14)	9.55 (6)
<b>Area 4. Freedom to Trade Internationally</b>	6.73 (28)	6.91 (24)	7.44 (20)	8.11 (15)	8.10 (23)	7.03 (49)	7.31 (41)	7.23 (42)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.09 (59)	5.49 (51)	5.26 (60)	5.79 (56)	6.32 (48)	6.09 (84)	6.20 (82)	6.13 (88)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	5.69 (45)	5.46 (57)	6.19 (40)	7.27 (21)	7.37 (21)	7.13 (46)	7.18 (52)	7.10 (51)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	3.63	3.86	5.22	5.49	5.26	5.73	5.71	5.67
A. Government consumption	6.83 16.76	6.60 17.57	5.95 19.76	5.47 21.41	4.18 25.80	4.61 24.33	4.75 23.85	4.79 23.71
B. Transfers and subsidies	5.69 16.30	4.82 19.50	5.91 15.50	6.49 13.40	5.88 15.64	4.81 19.54	4.57 20.42	4.38 21.11
C. Government enterprises and investment	2.00 42.20	4.00 30.50	6.00 29.90	7.00 23.20	7.00 23.20	10.00 13.22	10.00 10.58	10.00 10.46
D. Top marginal tax rate	0.00	0.00	3.00	3.00	4.00	3.50	3.50	3.50
(i) Top marginal income tax rate	0.00 84	0.00 69	5.00 40	5.00 40	6.00 40	5.00 42	5.00 42	5.00 42
(ii) Top marginal income and payroll tax rates			1.00 57	1.00 57	2.00 57	2.00 58	2.00 58	2.00 58
<b>2. Legal Structure and Security of Property Rights</b>	8.00	6.08	7.73	8.04	7.64	7.16	7.05	6.81
A. Judicial independence				8.15	7.01	7.76	7.02	6.16
B. Impartial courts				6.97	6.35	5.33	4.35	3.32
C. Protection of property rights				5.10	6.48	7.43	7.59	6.99
D. Military interference				9.99	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts						5.25	5.25	5.55
G. Regulatory restrictions of sale of real property						6.04	6.77	7.34
<b>3. Access to Sound Money</b>	5.61	5.61	6.05	9.18	9.51	9.54	9.56	9.55
A. Money growth	7.96 10.18	7.84 10.78	8.23 8.87	8.80 5.98	8.77 6.14	8.83 5.83	8.87 5.64	8.89 5.54
B. Standard deviation of inflation	8.66 3.34	8.94 2.64	8.54 3.66	8.95 2.62	9.85 0.39	9.78 0.55	9.94 0.16	9.83 0.42
C. Inflation: most recent year	5.82 20.90	5.65 21.73	7.45 12.77	8.97 5.16	9.43 2.85	9.54 2.29	9.44 2.81	9.48 2.59
D. Freedom to own foreign currency	0.00	0.00	0.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	6.69	6.87	7.21	7.94	8.10	7.03	7.31	7.23
A. Taxes on international trade	8.60	9.20	8.26	8.70	9.18	8.48	8.27	8.16
(i) Revenues for trade taxes (% trade sector)	8.60 2.10	9.20 1.20	9.13 1.30	9.80 0.30	9.78 0.33	9.84 0.24	9.84 0.24	10.00 0.00
(ii) Mean tariff rate			8.52 7.40	8.66 6.70	9.52 2.40	9.46 2.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates			7.12 7.20	7.64 5.90	8.24 4.40	6.13 9.67	6.01 9.98	5.61 10.98
B. Regulatory trade barriers				8.18	8.62	7.80	7.68	7.69
(i) Non-tariff trade barriers				8.18	7.73	7.78	7.53	7.50
(ii) Compliance cost of importing and exporting					9.50	7.82	7.82	7.89
C. Size of trade sector	5.05	5.35	5.24	4.47	4.70	3.52	3.87	3.94
D. Black-market exchange rates	9.60	9.60	9.40	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	5.00	8.32	7.99	5.37	6.73	6.36
(i) Foreign ownership/investment restrictions				8.64	9.05	7.67	7.30	6.56
(ii) Capital controls	2.00	2.00	5.00	8.00	6.92	3.08	6.15	6.15
<b>5. Regulation of Credit, Labor and Business</b>	4.54	4.89	4.71	5.72	6.32	6.18	6.30	6.24
A. Credit market regulations	4.42	6.17	5.76	7.12	7.82	7.17	7.74	7.60
(i) Ownership of banks	0.00	0.00	2.00	2.00	5.00	5.00	5.00	5.00
(ii) Foreign bank competition				7.87	7.27	8.00	8.00	8.00
(iii) Private sector credit	9.27	8.50	7.29	7.78	8.51	5.66	7.96	7.39
(iv) Interest rate controls/negative real int. rates	4.00	10.00	8.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	3.78	3.46	3.13	4.64	4.46	5.26	5.29	5.18
(i) Hiring regulations and minimum wage				6.42	4.05	6.70	6.70	6.70
(ii) Hiring and firing regulations			3.40	3.40	2.83	2.86	2.55	2.44
(iii) Centralized collective bargaining	5.18	5.18	5.18	5.18	4.88	5.51	6.00	5.62
(iv) Hours regulations	6.16	5.19	3.96	5.22	5.51	5.30	5.30	5.30
(v) Mandated cost of worker dismissal						1.19	1.19	1.01
(vi) Conscription	0.00	0.00	0.00	3.00	5.00	10.00	10.00	10.00
C. Business regulations				5.41	6.70	6.13	5.86	5.93
(i) Price controls			5.00	6.00	6.00	6.00	6.00	6.00
(ii) Bureaucracy costs					7.58	3.68	3.49	3.03
(iii) Bureaucracy costs				5.53	7.20	3.57	3.13	3.50
(iv) Starting a business				4.32	5.65	9.53	9.62	9.63
(v) Extra payments/bribes				5.79	7.04	8.33	6.96	6.89
(vi) Licensing restrictions						5.48	5.47	6.14
(vii) Cost of tax compliance						6.32	6.32	6.32



## Romania

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>		4.64 (87)	4.54 (97)	3.90 (119)	4.99 (114)	6.51 (74)	6.65 (73)	6.43 (84)
<b>Area 1. Size of Government</b>	4.08 (81)	4.63 (68)	3.09 (107)	3.37 (110)	4.02 (108)	5.36 (93)	4.92 (106)	4.64 (110)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>		3.67 (80)	5.77 (50)	5.19 (75)	5.58 (65)	5.90 (58)	6.08 (56)	6.07 (54)
<b>Area 3. Access to Sound Money</b>	6.61 (37)	6.95 (39)	7.18 (39)	0.74 (119)	2.71 (121)	8.30 (61)	8.88 (50)	8.24 (63)
<b>Area 4. Freedom to Trade Internationally</b>			3.97 (92)	5.78 (90)	6.42 (76)	6.92 (54)	7.20 (45)	7.06 (51)
<b>Area 5. Regulation of Credit, Labor and Business</b>	3.29 (97)	3.08 (101)	3.08 (108)	4.21 (110)	6.22 (55)	6.18 (76)	6.27 (78)	6.20 (83)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>		5.58 (52)	5.22 (70)	3.81 (119)	4.99 (114)	6.59 (78)	6.81 (76)	6.58 (85)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	7.85	8.92	5.94	3.37	4.02	5.36	4.92	4.64
A. Government consumption	9.41 8.01	9.85 6.51	6.82 16.82	6.81 16.84	7.50 14.48	8.44 11.31	6.97 16.30	5.54 21.18
B. Transfers and subsidies	6.29 14.10	7.98 7.90	5.07 18.60	6.16 14.59	6.09 14.84	7.01 11.49	6.69 12.64	6.52 13.28
C. Government enterprises and investment				0.00 60.70	0.00 60.70	0.00	0.00	0.00
D. Top marginal tax rate				0.50	2.50	6.00	6.00	6.50
(i) Top marginal income tax rate				1.00 60	5.00 40	10.00 16	10.00 16	10.00 16
(ii) Top marginal income and payroll tax rates				0.00 72	0.00 68	2.00 54	2.00 52	3.00 50
<b>2. Legal Structure and Security of Property Rights</b>		3.99	6.28	5.64	5.58	5.70	5.87	5.86
A. Judicial independence						3.14	3.82	4.09
B. Impartial courts				5.40	5.52	3.45	3.63	3.25
C. Protection of property rights					4.10	5.12	5.28	5.16
D. Military interference				6.37	8.33	8.33	8.33	8.33
E. Integrity of the legal system				6.96	6.67	6.67	6.67	6.67
F. Legal enforcement of contracts						5.21	5.40	4.85
G. Regulatory restrictions of sale of real property						7.97	7.97	8.67
<b>3. Access to Sound Money</b>	6.61	6.95	7.18	0.74	2.71	8.30	8.88	8.24
A. Money growth	7.76 11.20	9.75 -1.25	8.57 7.13	0.00 58.13	9.98 -0.12	8.92 -5.39	8.74 -6.31	5.30 23.50
B. Standard deviation of inflation	8.78 3.05	8.11 4.73	7.87 5.32	0.00 68.32	0.00 44.43	6.07 9.82	7.74 5.65	9.24 1.90
C. Inflation: most recent year	9.88 0.59	9.93 0.37	7.26 13.72	2.94 35.30	0.87 45.67	8.20 8.99	9.03 4.84	8.43 7.85
D. Freedom to own foreign currency	0.00	0.00	5.00	0.00	0.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>			4.22	5.94	6.42	7.28	7.57	7.43
A. Taxes on international trade			9.73	7.22	6.76	7.68	8.27	8.13
(i) Revenues for trade taxes (% trade sector)			9.73 0.40	8.20 2.70	8.95 1.58	9.39 0.91	9.84 0.24	9.91 0.13
(ii) Mean tariff rate				6.24 18.80	6.96 15.20	8.68 6.60	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates					4.36 14.10	4.98 12.56	6.01 9.98	5.61 10.98
B. Regulatory trade barriers					5.48	6.89	7.26	7.34
(i) Non-tariff trade barriers					5.48	5.43	6.17	6.33
(ii) Compliance cost of importing and exporting						8.35	8.35	8.35
C. Size of trade sector	7.35	3.41	3.11	4.86	5.30	5.23	4.89	4.42
D. Black-market exchange rates	0.00	0.00	0.00	9.40	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	4.54	6.57	7.44	7.24
(i) Foreign ownership/investment restrictions					7.55	6.23	6.41	6.02
(ii) Capital controls	0.00	0.00	0.00	0.00	1.54	6.92	8.46	8.46
<b>5. Regulation of Credit, Labor and Business</b>	2.64	2.47	2.47	3.38	6.22	6.31	6.80	6.72
A. Credit market regulations	0.00	0.00	0.00	0.67	6.58	7.59	7.72	7.53
(i) Ownership of banks	0.00	0.00	0.00	2.00	0.00	5.00	5.00	5.00
(ii) Foreign bank competition					8.07	7.00	7.00	7.00
(iii) Private sector credit	0.00	0.00	0.00	0.00	6.02	9.37	8.88	8.14
(iv) Interest rate controls/negative real int. rates			0.00	0.00	10.00	9.00	10.00	10.00
B. Labor market regulations					6.28	5.63	6.68	6.69
(i) Hiring regulations and minimum wage					4.66	3.30	3.30	3.30
(ii) Hiring and firing regulations					8.80	4.15	4.97	5.20
(iii) Centralized collective bargaining					8.67	7.87	6.57	6.39
(iv) Hours regulations						6.00	6.00	6.00
(v) Mandated cost of worker dismissal						9.44	9.26	9.26
(vi) Conscription	1.00	0.00	0.00	1.00	3.00	3.00	10.00	10.00
C. Business regulations					5.78	5.70	5.99	5.95
(i) Price controls			0.00	6.00	6.00	0.00	3.00	3.00
(ii) Bureaucracy costs					6.63	3.50	4.01	3.32
(iii) Bureaucracy costs					7.50	7.04	5.09	5.22
(iv) Starting a business					3.60	9.60	9.64	9.65
(v) Extra payments/bribes					5.18	5.18	5.63	5.91
(vi) Licensing restrictions						6.72	6.79	6.80
(vii) Cost of tax compliance						7.84	7.74	7.74



## Russia

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>				4.49 (111)	5.27 (109)	6.37 (82)	6.50 (78)	6.57 (77)
<b>Area 1. Size of Government</b>	1.25 (108)	1.15 (112)	1.24 (114)	6.78 (35)	6.77 (44)	7.24 (32)	6.66 (58)	7.27 (31)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>				3.54 (114)	4.45 (90)	5.60 (66)	5.83 (64)	5.73 (64)
<b>Area 3. Access to Sound Money</b>	6.38 (46)	6.52 (63)	5.95 (74)	1.25 (117)	3.66 (115)	6.69 (95)	8.34 (63)	8.43 (58)
<b>Area 4. Freedom to Trade Internationally</b>				6.69 (60)	6.85 (66)	6.20 (87)	5.90 (97)	5.77 (99)
<b>Area 5. Regulation of Credit, Labor and Business</b>	2.82 (100)	2.82 (103)	2.82 (112)	4.20 (111)	4.63 (108)	6.12 (82)	5.83 (98)	5.69 (103)
<b>Unadjusted</b>				4.40 (114)	5.27 (109)	6.38 (90)	6.55 (83)	6.62 (84)
<b>Summary Rating (Rank) &gt;</b>	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	1.66	1.54	1.24	6.78	6.77	7.24	6.66	7.27
A. Government consumption	3.03 29.70	2.65 31.00	2.99 29.84	3.74 27.30	5.01 22.96	4.40 25.06	3.92 26.69	4.21 25.69
B. Transfers and subsidies	1.96 30.00	1.96 30.00	1.96 30.00	7.90 8.20	6.56 13.11	7.05 11.33	6.20 14.43	6.36 13.85
C. Government enterprises and investment			0.00 90.00	10.00 11.10	10.00 10.30	10.00 14.50	8.00 15.30	10.00 14.61
D. Top marginal tax rate	0.00	0.00	0.00	5.50	5.50	7.50	8.50	8.50
(i) Top marginal income tax rate	0.00 100	0.00 100	0.00 80	8.00 30	8.00 30	10.00 13	10.00 13	10.00 13
(ii) Top marginal income and payroll tax rates				3.00 51	3.00 50	5.00 39	7.00 35	7.00 35
<b>2. Legal Structure and Security of Property Rights</b>				3.43	4.45	5.60	5.83	5.73
A. Judicial independence				3.48	3.51	2.14	3.18	2.82
B. Impartial courts				4.20	5.18	2.78	3.17	2.98
C. Protection of property rights				1.56	1.88	3.63	3.79	3.45
D. Military interference				4.49	6.67	7.50	7.50	7.50
E. Integrity of the legal system					5.00	6.67	6.67	6.67
F. Legal enforcement of contracts						7.53	7.53	7.53
G. Regulatory restrictions of sale of real property						8.92	8.95	9.15
<b>3. Access to Sound Money</b>	5.72	6.52	5.95	1.25	3.66	6.69	8.34	8.43
A. Money growth	7.88 10.60	8.08 9.60	8.06 9.70	0.00 401.40	2.19 39.06	5.31 23.43	6.35 18.25	7.65 11.74
B. Standard deviation of inflation	9.28 1.80	9.44 1.40	8.92 2.70	0.00 522.92	1.61 20.98	8.97 2.57	8.80 3.01	8.90 2.75
C. Inflation: most recent year		8.54 7.30	6.82 15.90	0.00 170.74	5.84 20.78	7.46 12.68	8.20 9.01	7.18 14.11
D. Freedom to own foreign currency	0.00	0.00	0.00	5.00	5.00	5.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>				6.44	6.85	6.20	5.90	5.77
A. Taxes on international trade				6.60	7.00	5.08	4.50	4.26
(i) Revenues for trade taxes (% trade sector)				7.07 4.40	6.92 4.62	1.17 13.24	0.93 13.61	0.00 16.16
(ii) Mean tariff rate				7.70 11.50	7.48 12.60	8.08 9.60	7.80 11.00	7.84 10.80
(iii) Standard deviation of tariff rates				5.04 12.40	6.60 8.50	5.99 10.03	4.76 13.09	4.94 12.64
B. Regulatory trade barriers				4.32	5.06	4.83	4.93	4.61
(i) Non-tariff trade barriers				4.32	3.78	4.76	4.97	4.33
(ii) Compliance cost of importing and exporting					6.33	4.90	4.90	4.90
C. Size of trade sector			5.79	7.73	9.35	7.08	6.31	6.23
D. Black-market exchange rates	0.00	0.00	0.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	3.54	2.86	4.03	3.75	3.73
(i) Foreign ownership/investment restrictions				5.08	5.71	4.22	4.17	4.12
(ii) Capital controls	0.00	0.00	0.00	2.00	0.00	3.85	3.33	3.33
<b>5. Regulation of Credit, Labor and Business</b>	2.47	2.47	2.98	4.12	4.63	6.17	6.04	5.91
A. Credit market regulations	0.00	0.00	0.17	4.67	4.28	8.00	8.00	7.50
(i) Ownership of banks	0.00	0.00	0.00	2.00	2.00	5.00	5.00	5.00
(ii) Foreign bank competition				3.93	4.32	8.00	8.00	8.00
(iii) Private sector credit			0.50	5.05	5.88	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates	0.00	0.00	0.00	8.00	5.00	9.00	9.00	7.00
B. Labor market regulations			1.84	4.00	4.50	5.98	6.22	6.07
(i) Hiring regulations and minimum wage				6.00	2.58	6.70	6.70	6.70
(ii) Hiring and firing regulations			1.03	1.03	6.08	6.75	6.08	5.39
(iii) Centralized collective bargaining			4.49	7.24	8.30	8.02	7.14	6.93
(iv) Hours regulations				5.72	5.51	6.00	6.00	6.00
(v) Mandated cost of worker dismissal						8.42	8.42	8.42
(vi) Conscription	0.00	0.00	0.00	0.00	0.00	0.00	3.00	3.00
C. Business regulations				3.68	5.12	4.52	3.90	4.14
(i) Price controls			0.00	5.00	5.00	2.00	1.00	1.00
(ii) Bureaucracy costs					6.22	2.06	2.51	2.39
(iii) Bureaucracy costs				4.79	5.00	3.60	5.02	5.40
(iv) Starting a business				3.52	4.00	8.97	9.00	9.01
(v) Extra payments/bribes				1.40	5.36	5.59	4.49	3.66
(vi) Licensing restrictions						4.43	0.27	1.13
(vii) Cost of tax compliance						4.98	4.98	6.41



## Rwanda

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>			5.08 (80)	3.89 (120)	5.45 (105)	5.70 (106)	6.22 (89)	6.61 (74)
<b>Area 1. Size of Government</b>	4.94 (57)	5.08 (57)	6.59 (27)	6.32 (51)	7.39 (23)	6.50 (64)	6.67 (56)	6.69 (52)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>				1.97 (123)	1.98 (123)	1.86 (123)	2.82 (120)	3.56 (110)
<b>Area 3. Access to Sound Money</b>	6.45 (42)	6.76 (48)	6.06 (71)	3.17 (107)	7.44 (70)	7.75 (74)	7.83 (77)	7.29 (85)
<b>Area 4. Freedom to Trade Internationally</b>								
<b>Area 5. Regulation of Credit, Labor and Business</b>	4.99 (64)	5.07 (58)	5.01 (71)	3.99 (113)	4.99 (103)	6.53 (61)	6.75 (51)	7.65 (20)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	5.13 (68)		5.08 (75)	3.92 (118)	5.45 (105)	5.60 (124)	6.10 (110)	6.44 (90)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.95	4.08	6.59	6.32	7.39	6.50	6.67	6.69
A. Government consumption	7.93 13.04	8.15 12.28	8.59 10.81	9.42 7.98	8.63 10.66	7.96 12.94	8.47 11.21	8.52 11.02
B. Transfers and subsidies	9.92 0.80		9.18 3.50	9.54 2.20	9.54 2.20	9.54 2.20	9.54 2.20	9.54 2.20
C. Government enterprises and investment	0.00 100.00	0.00 100.00	2.00 40.46	0.00 60.25	4.00 33.90	2.00 42.15	2.00 40.87	2.00 45.61
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
<b>2. Legal Structure and Security of Property Rights</b>				2.38	1.98	3.02	4.59	5.78
A. Judicial independence								
B. Impartial courts				3.43	3.48	3.80	4.40	4.70
C. Protection of property rights								
D. Military interference					0.00	3.10	5.80	6.00
E. Integrity of the legal system				0.00	0.00			
F. Legal enforcement of contracts						3.35	3.35	3.72
G. Regulatory restrictions of sale of real property						1.84	4.80	8.70
<b>3. Access to Sound Money</b>	6.45	6.76	6.06	3.17	7.44	7.75	7.83	7.29
A. Money growth	8.44 7.78	10.00 0.01	9.59 -2.07	4.43 27.87	8.62 6.88	9.94 0.31	8.86 5.71	8.86 5.71
B. Standard deviation of inflation	7.99 5.03	7.97 5.07	7.34 6.65	3.27 16.82	6.98 7.56	7.86 5.35	9.29 1.78	8.38 4.04
C. Inflation: most recent year	9.39 3.06	9.09 4.56	7.31 13.46	0.00 54.20	9.14 4.29	8.20 9.01	8.18 9.08	6.91 15.44
D. Freedom to own foreign currency	0.00	0.00	0.00	5.00	5.00	5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>	2.50		2.64	3.75		4.15	4.65	5.03
A. Taxes on international trade	1.13		0.53	1.10		6.30	6.15	6.17
(i) Revenues for trade taxes (% trade sector)	1.13 13.30		0.53 14.20	0.27 14.60				
(ii) Mean tariff rate				3.04 34.80		6.56 17.20	6.26 18.70	6.28 18.60
(iii) Standard deviation of tariff rates				0.00 33.10		6.04 9.91	6.04 9.91	6.06 9.86
B. Regulatory trade barriers						0.13	4.02	4.79
(i) Non-tariff trade barriers								
(ii) Compliance cost of importing and exporting						0.13	4.02	4.79
C. Size of trade sector	3.10	0.24	0.00	0.00	0.00	0.46	0.00	1.10
D. Black-market exchange rates	0.00	0.20	4.40	9.40	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	1.54	3.85	3.08	3.08
(i) Foreign ownership/investment restrictions								
(ii) Capital controls	0.00	0.00	0.00	0.00	1.54	3.85	3.08	3.08
<b>5. Regulation of Credit, Labor and Business</b>	5.62	5.72	5.01	3.99	4.99	6.56	6.77	7.43
A. Credit market regulations	5.01	5.26	5.08	1.68	5.01	6.26	6.26	6.01
(i) Ownership of banks	0.00	0.00	0.00	0.00	0.00	8.00	8.00	8.00
(ii) Foreign bank competition						3.00	3.00	3.00
(iii) Private sector credit	9.03	7.79	5.24	5.04	5.04	5.04	5.04	5.04
(iv) Interest rate controls/negative real int. rates	6.00	8.00	10.00	0.00	10.00	9.00	9.00	8.00
B. Labor market regulations						7.30	7.30	9.12
(i) Hiring regulations and minimum wage						5.60	5.60	8.90
(ii) Hiring and firing regulations								
(iii) Centralized collective bargaining								
(iv) Hours regulations						6.00	6.00	10.00
(v) Mandated cost of worker dismissal						7.59	7.59	7.59
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						6.12	6.75	7.17
(i) Price controls			0.00	0.00	0.00	4.00	4.00	4.00
(ii) Bureaucracy costs								
(iii) Bureaucracy costs								
(iv) Starting a business						7.51	8.41	9.80
(v) Extra payments/bribes								
(vi) Licensing restrictions						4.86	6.40	6.67
(vii) Cost of tax compliance						8.12	8.21	8.21



## Senegal

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ►	4.65 (77)	5.31 (57)	5.41 (65)	4.83 (101)	5.90 (89)	5.70 (105)	5.67 (108)	5.56 (107)
Area 1. Size of Government	4.15 (77)	6.17 (23)	6.96 (20)	5.67 (75)	7.08 (31)	6.05 (79)	6.03 (81)	5.32 (97)
Area 2. Legal Structure & Security of Property Rights	3.41 (64)	3.99 (78)	3.99 (79)	3.40 (116)	4.43 (91)	4.05 (103)	3.90 (104)	3.90 (105)
Area 3. Access to Sound Money	6.36 (47)	6.76 (47)	6.93 (51)	5.80 (77)	7.28 (72)	7.11 (84)	6.76 (100)	6.83 (91)
Area 4. Freedom to Trade Internationally	5.13 (54)	5.50 (52)	4.90 (74)	5.20 (100)	6.32 (81)	5.61 (104)	5.75 (102)	5.73 (102)
Area 5. Regulation of Credit, Labor and Business	4.33 (85)	4.13 (89)	4.35 (92)	4.05 (112)	4.41 (113)	5.64 (103)	5.80 (100)	5.89 (98)
<b>Unadjusted</b>								
Summary Rating (Rank) ►	5.27 (59)	5.25 (65)	5.25 (69)	4.69 (103)	5.90 (89)	5.66 (123)	5.74 (127)	5.62 (124)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	6.36	5.32	6.01	4.89	7.08	6.05	6.03	5.32
A. Government consumption	6.08 19.34	6.97 16.31	7.02 16.13	7.68 13.90	8.32 11.70	8.48 11.18	8.41 11.40	8.58 10.84
B. Transfers and subsidies	8.99 4.20				10.00 0.43	8.71 5.24	8.71 5.24	8.71 5.24
C. Government enterprises and investment	4.00 32.20	8.00 18.20	7.00 22.60	7.00 21.50	7.00 20.10	4.00 33.56	4.00 36.25	4.00 33.11
D. Top marginal tax rate		1.00	4.00	0.00	3.00	3.00	3.00	0.00
(i) Top marginal income tax rate		1.00 65	4.00 48	0.00 64	3.00 50	3.00 50	3.00 50	0.00 61
(ii) Top marginal income and payroll tax rates			4.00 48	0.00 64	3.00 50	3.00 50	3.00 50	0.00 61
2. Legal Structure and Security of Property Rights	3.41	3.99	3.99	3.40	4.43	3.82	3.76	3.76
A. Judicial independence							2.71	2.90
B. Impartial courts				5.39	5.33	5.10	3.57	3.62
C. Protection of property rights							5.62	5.40
D. Military interference				3.99	3.33	3.33	3.33	3.33
E. Integrity of the legal system				0.00	5.00	5.00	5.00	5.00
F. Legal enforcement of contracts						3.39	3.39	3.39
G. Regulatory restrictions of sale of real property						2.26	2.66	2.66
3. Access to Sound Money	6.36	6.76	6.93	5.80	7.28	7.11	6.76	6.83
A. Money growth	8.79 6.05	9.54 2.30	8.94 -5.32	8.73 6.34	9.45 2.74	9.42 2.89	9.12 4.39	9.41 2.93
B. Standard deviation of inflation	8.95 2.63	9.38 1.55	9.01 2.47	5.65 10.87	9.82 0.44	9.34 1.64	9.11 2.24	9.07 2.33
C. Inflation: most recent year	7.69 11.53	8.14 9.30	9.76 1.19	8.82 5.92	9.85 0.73	9.66 1.70	8.83 5.85	8.85 5.77
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Freedom to Trade Internationally	5.34	5.50	4.90	5.20	6.32	5.68	6.25	6.22
A. Taxes on international trade	2.40	3.33	2.57	2.25	6.02	6.10	6.25	6.25
(i) Revenues for trade taxes (% trade sector)	2.40 11.40	4.47 8.30	2.13 11.80	1.33 13.00	4.44 8.34	3.83 9.25	3.83 9.25	3.83 9.25
(ii) Mean tariff rate		2.20 39.00	3.00 35.00	3.16 34.20	7.60 12.00	7.20 14.00	7.62 11.90	7.62 11.90
(iii) Standard deviation of tariff rates						7.26 6.84	7.29 6.78	7.29 6.78
B. Regulatory trade barriers						6.86	6.49	6.93
(i) Non-tariff trade barriers							5.11	5.49
(ii) Compliance cost of importing and exporting						6.86	7.87	8.37
C. Size of trade sector	6.50	6.13	4.51	5.76	5.09	4.67	4.49	4.72
D. Black-market exchange rates	9.60	9.80	9.20	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	2.31	0.77	4.01	3.21
(i) Foreign ownership/investment restrictions							7.24	5.65
(ii) Capital controls	0.00	0.00	0.00	0.00	2.31	0.77	0.77	0.77
5. Regulation of Credit, Labor and Business	4.91	4.68	4.45	4.14	4.41	5.65	5.88	5.97
A. Credit market regulations	6.46	5.86	6.53	4.84	5.68	8.84	8.84	8.84
(i) Ownership of banks	2.00	2.00	2.00	2.00	2.00	10.00	10.00	10.00
(ii) Foreign bank competition								
(iii) Private sector credit	9.37	9.57	9.60	8.53	9.37	8.52	8.52	8.52
(iv) Interest rate controls/negative real int. rates	8.00	6.00	8.00	4.00		8.00	8.00	8.00
B. Labor market regulations						3.49	4.01	4.16
(i) Hiring regulations and minimum wage						2.80	2.80	2.80
(ii) Hiring and firing regulations							5.28	5.13
(iii) Centralized collective bargaining							4.81	5.84
(iv) Hours regulations						4.70	4.70	4.70
(v) Mandated cost of worker dismissal						6.48	6.48	6.48
(vi) Conscription	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations						4.63	4.80	4.91
(i) Price controls			0.00	2.00	4.00	4.00	4.00	4.00
(ii) Bureaucracy costs							3.42	3.64
(iii) Bureaucracy costs							5.74	5.76
(iv) Starting a business						6.08	8.21	8.40
(v) Extra payments/bribes							3.34	3.56
(vi) Licensing restrictions						6.24	6.37	6.49
(vii) Cost of tax compliance						2.20	2.53	2.53



## Serbia

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>								
<b>Area 1. Size of Government</b>								
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>								
<b>Area 3. Access to Sound Money</b>								
<b>Area 4. Freedom to Trade Internationally</b>								
<b>Area 5. Regulation of Credit, Labor and Business</b>								
<b>Unadjusted</b>						5.72 (120)	6.49 (87)	6.31 (97)
<b>Summary Rating (Rank) &gt;</b>	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>						6.47	6.78	6.40
A. Government consumption						5.60 20.95	6.50 17.89	5.46 21.43
B. Transfers and subsidies						4.26 21.56	4.63 20.22	4.63 20.22
C. Government enterprises and investment						10.00 14.90	7.00 22.40	8.00 18.14
D. Top marginal tax rate						6.00	9.00	7.50
(i) Top marginal income tax rate						10.00 15	10.00 15	10.00 15
(ii) Top marginal income and payroll tax rates						2.00 53	8.00 26	5.00 37
<b>2. Legal Structure and Security of Property Rights</b>						4.66	4.91	4.74
A. Judicial independence						2.45	3.33	3.04
B. Impartial courts						2.94	3.26	2.72
C. Protection of property rights						4.62	4.41	4.03
D. Military interference						6.67	6.67	6.67
E. Integrity of the legal system						5.83	5.83	5.83
F. Legal enforcement of contracts						3.95	3.92	3.92
G. Regulatory restrictions of sale of real property						6.13	6.95	6.98
<b>3. Access to Sound Money</b>						4.55	7.38	7.34
A. Money growth						6.40 17.99	7.22 13.89	8.33 8.36
B. Standard deviation of inflation						0.00 32.54	8.59 3.51	8.60 3.51
C. Inflation: most recent year						6.78 16.10	8.72 6.39	7.43 12.87
D. Freedom to own foreign currency						5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>						6.39	6.72	6.68
A. Taxes on international trade						7.75	7.88	7.92
(i) Revenues for trade taxes (% trade sector)						7.47 3.80	7.98 3.03	8.11 2.83
(ii) Mean tariff rate						8.36 8.20	8.52 7.40	8.52 7.40
(iii) Standard deviation of tariff rates						7.43 6.42	7.13 7.18	7.13 7.18
B. Regulatory trade barriers						6.83	6.85	6.92
(i) Non-tariff trade barriers						5.37	5.41	5.56
(ii) Compliance cost of importing and exporting						8.28	8.28	8.28
C. Size of trade sector						4.32	4.40	4.36
D. Black-market exchange rates						10.00	10.00	10.00
E. International capital market controls						3.07	4.45	4.21
(i) Foreign ownership/investment restrictions						5.37	5.57	5.08
(ii) Capital controls						0.77	3.33	3.33
<b>5. Regulation of Credit, Labor and Business</b>						6.56	6.65	6.40
A. Credit market regulations						9.04	9.25	8.68
(i) Ownership of banks						10.00	10.00	10.00
(ii) Foreign bank competition						8.00	8.00	8.00
(iii) Private sector credit						9.16	8.98	7.71
(iv) Interest rate controls/negative real int. rates						9.00	10.00	9.00
B. Labor market regulations						5.90	6.06	5.72
(i) Hiring regulations and minimum wage						3.30	3.30	2.20
(ii) Hiring and firing regulations						5.00	5.80	5.25
(iii) Centralized collective bargaining						7.12	7.27	6.90
(iv) Hours regulations						9.30	9.30	9.30
(v) Mandated cost of worker dismissal						7.68	7.68	7.68
(vi) Conscription						3.00	3.00	3.00
C. Business regulations						4.73	4.65	4.80
(i) Price controls						2.00	2.00	2.00
(ii) Bureaucracy costs						1.72	1.46	1.93
(iii) Bureaucracy costs						5.14	5.95	5.67
(iv) Starting a business						9.13	9.16	9.49
(v) Extra payments/bribes						5.68	4.68	4.70
(vi) Licensing restrictions						2.59	2.43	2.92
(vii) Cost of tax compliance						6.87	6.87	6.87



## Sierra Leone

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	5.51 (53)	3.89 (100)	4.04 (103)	4.47 (112)	5.31 (107)	5.35 (115)	5.77 (105)	5.37 (111)
<b>Area 1. Size of Government</b>	7.79 (9)	7.71 (4)	6.67 (26)	6.23 (56)	5.83 (75)	7.12 (40)	8.00 (15)	6.52 (59)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>		5.25 (56)	5.30 (56)	2.64 (120)	3.52 (111)	3.15 (115)	3.86 (107)	3.35 (114)
<b>Area 3. Access to Sound Money</b>	6.02 (67)	0.42 (111)	0.06 (121)	3.81 (103)	6.47 (98)	6.32 (105)	7.17 (86)	7.19 (86)
<b>Area 4. Freedom to Trade Internationally</b>	2.85 (89)	2.07 (96)	3.58 (98)	4.59 (106)	4.64 (118)	5.05 (113)	4.61 (116)	4.53 (116)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.19 (55)	4.04 (90)	4.57 (85)	5.07 (81)	6.10 (60)	5.13 (113)	5.27 (111)	5.36 (111)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	5.35 (57)	4.00 (97)	4.04 (102)	4.48 (111)	5.31 (107)	5.52 (128)	5.94 (119)	5.54 (125)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	6.65	7.71	6.67	6.23	5.83	7.12	8.00	6.52
A. Government consumption	9.29 8.40	9.15 8.90	8.30 11.78	7.72 13.75	7.79 13.50	7.83 13.37	8.48 11.17	8.03 12.70
B. Transfers and subsidies		9.97 0.60	9.70 1.60	8.96 4.30	9.71 1.57	9.52 2.26	9.52 2.26	9.52 2.26
C. Government enterprises and investment	4.00 35.80	4.00 31.00	2.00 40.40	2.00 46.43	0.00 75.30	4.00 33.40	6.00 26.58	2.00 41.86
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
<b>2. Legal Structure and Security of Property Rights</b>		5.25	5.30	2.64	3.52	3.15	3.86	3.35
A. Judicial independence								
B. Impartial courts				3.96	4.89	3.60	3.60	3.70
C. Protection of property rights								
D. Military interference				2.27	0.00	4.17	4.17	4.17
E. Integrity of the legal system				0.00	5.00	5.83	5.83	5.83
F. Legal enforcement of contracts						1.58	1.58	1.58
G. Regulatory restrictions of sale of real property						0.56	4.13	1.46
<b>3. Access to Sound Money</b>	6.02	0.42	0.06	3.81	6.47	6.32	7.17	7.19
A. Money growth	7.16 14.22	1.69 41.56	0.24 48.82	6.93 15.37	4.37 28.16	5.91 20.44	7.25 13.74	8.15 9.23
B. Standard deviation of inflation	8.90 2.76	0.00 26.10	0.00 29.16	0.00 26.09	6.67 8.33	6.78 8.04	8.76 3.09	9.09 2.28
C. Inflation: most recent year	8.02 9.90	0.00 85.08	0.00 89.15	3.30 33.49	9.83 -0.84	7.59 12.05	7.67 11.66	6.51 17.47
D. Freedom to own foreign currency	0.00	0.00	0.00	5.00	5.00	5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>	3.23	2.35	3.58	4.67	4.64	5.57	5.09	5.00
A. Taxes on international trade	2.99	3.45	7.37	4.48	3.37	5.63	5.63	5.63
(i) Revenues for trade taxes (% trade sector)	1.13 13.30	2.07 11.90	7.37 3.95	4.11 8.83	3.37 9.95	3.32 10.02	3.32 10.02	3.32 10.02
(ii) Mean tariff rate	4.84 25.80	4.84 25.80		4.84 25.80		7.28 13.60	7.28 13.60	7.28 13.60
(iii) Standard deviation of tariff rates						6.30 9.25	6.30 9.25	6.30 9.25
B. Regulatory trade barriers						5.44	5.61	6.05
(i) Non-tariff trade barriers								
(ii) Compliance cost of importing and exporting						5.44	5.61	6.05
C. Size of trade sector	4.88	0.00	2.28	1.02	1.97	2.95	0.89	0.00
D. Black-market exchange rates	0.00	0.00	0.00	9.60	5.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	4.61	3.85	3.33	3.33
(i) Foreign ownership/investment restrictions								
(ii) Capital controls	0.00	0.00	0.00	0.00	4.61	3.85	3.33	3.33
<b>5. Regulation of Credit, Labor and Business</b>	5.49	4.29	4.57	5.07	6.10	5.44	5.57	5.66
A. Credit market regulations	4.67	1.47	2.94	3.25	6.67	5.31	5.31	5.31
(i) Ownership of banks	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
(ii) Foreign bank competition								
(iii) Private sector credit	6.02	2.40	6.82	5.76	10.00	4.94	4.94	4.94
(iv) Interest rate controls/negative real int. rates	6.00	0.00	0.00	2.00	8.00	9.00	9.00	9.00
B. Labor market regulations						5.68	5.68	5.68
(i) Hiring regulations and minimum wage						6.70	6.70	6.70
(ii) Hiring and firing regulations								
(iii) Centralized collective bargaining								
(iv) Hours regulations						6.00	6.00	6.00
(v) Mandated cost of worker dismissal						0.00	0.00	0.00
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						5.34	5.73	6.00
(i) Price controls			2.00	6.00	6.00	4.00	4.00	4.00
(ii) Bureaucracy costs								
(iii) Bureaucracy costs								
(iv) Starting a business						5.83	7.92	8.37
(v) Extra payments/bribes								
(vi) Licensing restrictions						6.00	5.48	5.64
(vii) Cost of tax compliance						5.53	5.53	6.00



## Singapore

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	7.93 (4)	8.13 (4)	8.73 (2)	8.81 (2)	8.53 (2)	8.82 (2)	8.79 (2)	8.75 (2)
<b>Area 1. Size of Government</b>	6.98 (12)	6.59 (15)	8.22 (5)	8.39 (6)	7.97 (14)	8.00 (15)	7.96 (16)	8.17 (10)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	9.48 (4)	8.45 (16)	8.45 (22)	8.31 (16)	8.53 (17)	8.28 (14)	8.49 (11)	8.38 (10)
<b>Area 3. Access to Sound Money</b>	6.51 (39)	8.29 (25)	9.34 (15)	9.69 (11)	9.46 (22)	9.71 (2)	9.35 (29)	9.10 (36)
<b>Area 4. Freedom to Trade Internationally</b>	9.29 (2)	9.70 (2)	9.71 (2)	9.68 (2)	9.32 (2)	9.34 (2)	9.39 (2)	9.34 (2)
<b>Area 5. Regulation of Credit, Labor and Business</b>	7.83 (3)	7.84 (4)	7.97 (5)	7.97 (5)	7.39 (9)	8.75 (2)	8.71 (1)	8.72 (1)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	7.40 (6)	7.58 (5)	8.15 (2)	8.80 (2)	8.53 (2)	8.77 (2)	8.74 (2)	8.70 (2)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	6.98	6.59	8.22	8.39	7.97	8.00	7.96	8.17
A. Government consumption	7.08 15.93	4.70 24.02	6.45 18.06	6.92 16.47	5.65 20.80	5.81 20.24	5.62 20.90	5.68 20.68
B. Transfers and subsidies	9.84 1.10	9.65 1.80	9.43 2.60	9.65 1.80	9.23 3.32	9.17 3.54	9.24 3.29	10.00 0.05
C. Government enterprises and investment	7.00 24.20	4.00 34.70	8.00 18.60	8.00 18.60	8.00 18.60	7.00 21.30	7.00	7.00
D. Top marginal tax rate	4.00	8.00	9.00	9.00	9.00	10.00	10.00	10.00
(i) Top marginal income tax rate	4.00 55	8.00 40	9.00 33	9.00 30	9.00 28	10.00 21	10.00 20	10.00 20
(ii) Top marginal income and payroll tax rates			9.00 33	9.00 30	9.00 28	10.00 21	10.00 20	10.00 20
<b>2. Legal Structure and Security of Property Rights</b>	8.13	7.25	7.25	8.31	8.53	8.28	8.49	8.38
A. Judicial independence				7.17	7.35	7.01	8.18	7.99
B. Impartial courts				7.05	7.68	7.97	8.72	8.21
C. Protection of property rights				7.33	7.62	8.90	9.20	9.02
D. Military interference				10.00	10.00	8.33	8.33	8.33
E. Integrity of the legal system				10.00	10.00	8.33	8.33	8.33
F. Legal enforcement of contracts						8.48	7.77	7.77
G. Regulatory restrictions of sale of real property						8.91	8.91	8.99
<b>3. Access to Sound Money</b>	6.51	8.29	9.34	9.69	9.46	9.71	9.35	9.10
A. Money growth	9.76 1.21	9.47 -2.66	9.42 2.90	9.89 0.55	9.42 -2.88	9.83 0.85	8.73 6.37	8.44 7.79
B. Standard deviation of inflation	8.57 3.57	8.90 2.76	8.91 2.73	9.39 1.53	8.70 3.24	9.11 2.21	9.09 2.28	9.26 1.85
C. Inflation: most recent year	7.71 11.47	9.78 -1.10	9.02 4.92	9.47 2.66	9.73 1.36	9.91 0.43	9.58 2.08	8.70 6.49
D. Freedom to own foreign currency	0.00	5.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	9.19	9.60	9.56	9.56	9.32	9.34	9.39	9.34
A. Taxes on international trade	9.84	9.87	9.70	9.59	9.95	9.99	10.00	10.00
(i) Revenues for trade taxes (% trade sector)	9.73 0.40	9.80 0.30	9.91 0.14	9.93 0.10	9.93 0.11	10.00 0.00	10.00 0.00	10.00 0.00
(ii) Mean tariff rate	9.94 0.30	9.94 0.30	9.92 0.40	9.92 0.40	9.92 0.40	9.98 0.10	10.00 0.00	10.00 0.00
(iii) Standard deviation of tariff rates			9.28 1.80	8.92 2.70	10.00 0.00	10.00 0.00	10.00 0.00	10.00 0.00
B. Regulatory trade barriers				8.85	9.39	9.08	9.23	9.24
(i) Non-tariff trade barriers				8.85	8.79	8.60	8.90	8.92
(ii) Compliance cost of importing and exporting					10.00	9.56	9.56	9.56
C. Size of trade sector	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	8.00	10.00	10.00	9.34	7.25	7.61	7.72	7.46
(i) Foreign ownership/investment restrictions				8.68	9.12	9.06	9.29	8.76
(ii) Capital controls	8.00	10.00	10.00	10.00	5.38	6.15	6.15	6.15
<b>5. Regulation of Credit, Labor and Business</b>	6.18	6.19	6.37	8.03	7.39	8.53	8.48	8.50
A. Credit market regulations	9.64	9.67	10.00	8.56	8.27	9.75	9.75	9.75
(i) Ownership of banks	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				6.05	4.55	9.00	9.00	9.00
(iii) Private sector credit	8.91	9.00	10.00	10.00	10.00	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations			5.48	6.16	5.52	7.65	7.69	7.74
(i) Hiring regulations and minimum wage				7.13	4.56	10.00	10.00	10.00
(ii) Hiring and firing regulations			8.50	8.50	7.17	8.15	7.92	8.14
(iii) Centralized collective bargaining	7.93	7.93	7.93	7.93	8.37	8.15	8.60	8.66
(iv) Hours regulations				7.25	7.52	10.00	10.00	10.00
(v) Mandated cost of worker dismissal						9.63	9.63	9.63
(vi) Conscription	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations				9.38	8.38	8.18	8.01	8.01
(i) Price controls			8.00	9.00	9.00	6.00	8.00	8.00
(ii) Bureaucracy costs					7.68	6.79	7.77	7.62
(iii) Bureaucracy costs				9.73	8.05	6.42	2.09	2.18
(iv) Starting a business				9.07	8.02	9.80	9.86	9.90
(v) Extra payments/bribes				9.72	9.15	9.58	9.30	9.34
(vi) Licensing restrictions						9.22	9.96	9.96
(vii) Cost of tax compliance						9.45	9.06	9.06



## Slovak Republic

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ►				5.54 (78)	6.16 (77)	7.67 (17)	7.56 (17)	7.57 (16)
Area 1. Size of Government				2.66 (118)	2.98 (120)	6.48 (67)	6.58 (62)	6.57 (55)
Area 2. Legal Structure & Security of Property Rights				6.50 (38)	6.30 (47)	6.61 (40)	6.45 (45)	6.24 (48)
Area 3. Access to Sound Money			8.16 (29)	6.69 (60)	7.90 (60)	9.15 (40)	9.30 (33)	9.48 (17)
Area 4. Freedom to Trade Internationally				6.88 (46)	7.91 (28)	8.33 (6)	8.50 (4)	8.29 (5)
Area 5. Regulation of Credit, Labor and Business				4.96 (88)	5.69 (78)	7.78 (20)	7.00 (42)	7.30 (29)
<b>Unadjusted</b>				5.42 (81)	6.16 (77)	7.63 (17)	7.59 (21)	7.60 (16)
Summary Rating (Rank) ►								
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>				2.39	2.98	6.48	6.58	6.57
A. Government consumption			3.27 28.89	3.18 29.20	4.04 26.26	4.59 24.38	4.80 23.67	4.87 23.44
B. Transfers and subsidies				3.88 22.95	4.82 19.50	5.01 18.83	4.91 19.18	
C. Government enterprises and investment				0.00 75.10	0.00 75.10	10.00 7.86	10.00 7.14	10.00 7.86
D. Top marginal tax rate				4.00	4.00	6.50	6.50	6.50
(i) Top marginal income tax rate				4.00 42	4.00 42	10.00 19	10.00 19	10.00 19
(ii) Top marginal income and payroll tax rates				4.00 42	4.00 44	3.00 48	3.00 48	3.00 48
<b>2. Legal Structure and Security of Property Rights</b>				6.50	6.30	6.61	6.45	6.24
A. Judicial independence				5.08	5.01	4.30	4.42	4.18
B. Impartial courts				5.43	5.18	4.37	3.26	2.92
C. Protection of property rights				3.97	4.67	6.67	6.51	5.92
D. Military interference				8.04	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	6.67	6.67	6.67	6.67
F. Legal enforcement of contracts						4.64	4.64	4.38
G. Regulatory restrictions of sale of real property						9.65	9.65	9.65
<b>3. Access to Sound Money</b>			8.81	6.69	7.90	9.15	9.30	9.48
A. Money growth				7.32 13.40	9.81 -0.94	7.67 11.66	8.54 7.31	9.56 2.20
B. Standard deviation of inflation			8.99 2.52	6.39 9.03	9.20 2.01	9.46 1.34	9.22 1.96	9.28 1.81
C. Inflation: most recent year			8.63 6.86	8.05 9.73	7.59 12.04	9.46 2.71	9.45 2.76	9.08 4.60
D. Freedom to own foreign currency				5.00	5.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>				6.75	7.91	8.09	8.26	8.05
A. Taxes on international trade				8.78	9.07	8.48	8.27	8.16
(i) Revenues for trade taxes (% trade sector)					9.34 0.99	9.84 0.24	9.84 0.24	10.00 0.00
(ii) Mean tariff rate				8.78 6.10	8.80 6.00	9.46 2.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates						6.13 9.67	6.01 9.98	5.61 10.98
B. Regulatory trade barriers				4.83	7.17	7.35	7.58	7.47
(i) Non-tariff trade barriers				4.83	6.67	7.94	8.39	8.02
(ii) Compliance cost of importing and exporting					7.66	6.76	6.76	6.93
C. Size of trade sector				6.50	7.85	7.55	8.32	7.88
D. Black-market exchange rates				10.00	10.00	10.00	10.00	10.00
E. International capital market controls				3.65	5.46	7.08	7.15	6.75
(i) Foreign ownership/investment restrictions				5.29	7.83	8.77	8.91	8.13
(ii) Capital controls				2.00	3.08	5.38	5.38	5.38
<b>5. Regulation of Credit, Labor and Business</b>				4.75	5.69	7.82	7.34	7.65
A. Credit market regulations				5.71	7.35	9.67	9.07	10.00
(i) Ownership of banks				5.00	5.00	10.00	10.00	10.00
(ii) Foreign bank competition				6.12	5.33	10.00	10.00	10.00
(iii) Private sector credit				5.31	8.10	8.66	6.29	10.00
(iv) Interest rate controls/negative real int. rates				6.00	10.00	10.00	10.00	10.00
B. Labor market regulations				4.38	4.54	7.53	7.77	7.65
(i) Hiring regulations and minimum wage				6.12	4.17	8.30	8.30	8.30
(ii) Hiring and firing regulations			4.92	4.92	3.00	6.83	4.76	4.38
(iii) Centralized collective bargaining				5.18	7.67	8.28	7.94	7.64
(iv) Hours regulations				4.68	4.84	8.00	8.00	8.00
(v) Mandated cost of worker dismissal						8.79	7.59	7.59
(vi) Conscription				1.00	3.00	5.00	10.00	10.00
C. Business regulations				4.17	5.19	6.27	5.18	5.31
(i) Price controls				4.00	4.00	7.00	3.00	3.00
(ii) Bureaucracy costs					8.00	3.49	2.92	3.24
(iii) Bureaucracy costs				4.70	4.50	5.21	2.98	3.01
(iv) Starting a business				4.28	3.00	9.02	9.35	9.39
(v) Extra payments/bribes				3.70	6.47	6.61	5.43	5.19
(vi) Licensing restrictions						6.21	6.21	6.21
(vii) Cost of tax compliance						6.36	6.36	7.12



## Slovenia

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>				4.76 (102)	6.36 (68)	6.41 (79)	6.55 (76)	6.61 (76)
<b>Area 1. Size of Government</b>				1.46 (121)	4.92 (93)	4.91 (106)	5.21 (101)	5.20 (101)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>				6.94 (29)	6.40 (45)	5.30 (75)	5.30 (77)	5.37 (73)
<b>Area 3. Access to Sound Money</b>				3.12 (108)	7.49 (68)	8.79 (51)	9.25 (36)	9.42 (23)
<b>Area 4. Freedom to Trade Internationally</b>				6.93 (44)	7.09 (58)	7.02 (50)	7.10 (53)	7.06 (52)
<b>Area 5. Regulation of Credit, Labor and Business</b>				5.55 (64)	5.90 (69)	6.11 (83)	6.02 (92)	6.11 (90)
<b>Unadjusted</b>				5.02 (97)	6.36 (68)	6.73 (74)	6.88 (71)	6.94 (61)
<b>Summary Rating (Rank) &gt;</b>								
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>				1.75	4.92	4.91	5.21	5.20
A. Government consumption			4.15 25.90	4.17 25.83	3.67 27.51	4.04 26.27	4.32 25.31	4.29 25.40
B. Transfers and subsidies				1.09 33.20	4.02 22.44	4.08 22.22	4.50 20.67	4.50 20.67
C. Government enterprises and investment				0.00 75.10	10.00 4.60	10.00 8.70	10.00 8.70	10.00
D. Top marginal tax rate					2.00	1.50	2.00	2.00
(i) Top marginal income tax rate					4.00 50	3.00 50	4.00 41	4.00 41
(ii) Top marginal income and payroll tax rates					0.00 70	0.00 70	0.00 63	0.00 63
<b>2. Legal Structure and Security of Property Rights</b>				7.44	6.40	5.95	5.94	6.02
A. Judicial independence						5.87	5.31	5.75
B. Impartial courts				7.02	7.14	5.27	4.98	4.74
C. Protection of property rights					5.37	6.48	6.44	6.41
D. Military interference				9.22	8.33	8.33	9.17	9.17
E. Integrity of the legal system				10.00	8.33	7.50	7.50	7.50
F. Legal enforcement of contracts						3.87	3.87	4.23
G. Regulatory restrictions of sale of real property						4.34	4.34	4.34
<b>3. Access to Sound Money</b>				3.12	7.49	8.79	9.25	9.42
A. Money growth				0.00 57.50	7.62 11.91	6.88 15.58	8.37 8.13	9.28 3.59
B. Standard deviation of inflation				0.00 79.63	9.12 2.19	8.78 3.04	9.34 1.66	9.54 1.14
C. Inflation: most recent year				7.48 12.60	8.22 8.88	9.50 2.48	9.28 3.61	8.87 5.65
D. Freedom to own foreign currency			5.00	5.00	5.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>				7.08	7.09	7.21	7.30	7.25
A. Taxes on international trade				7.53	8.05	8.48	8.27	8.11
(i) Revenues for trade taxes (% trade sector)				7.53 3.70	9.48 0.78	9.84 0.24	9.84 0.24	9.84 0.24
(ii) Mean tariff rate					7.64 11.80	9.46 2.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates					7.04 7.40	6.13 9.67	6.01 9.98	5.61 10.98
B. Regulatory trade barriers					7.38	7.23	7.12	7.10
(i) Non-tariff trade barriers					7.38	7.29	7.06	7.03
(ii) Compliance cost of importing and exporting						7.18	7.18	7.18
C. Size of trade sector				4.68	4.73	4.61	4.88	4.73
D. Black-market exchange rates			0.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	5.00	5.30	5.73	6.23	6.32
(i) Foreign ownership/investment restrictions					6.76	5.30	5.55	5.72
(ii) Capital controls	0.00	0.00	0.00	5.00	3.85	6.15	6.92	6.92
<b>5. Regulation of Credit, Labor and Business</b>				5.69	5.90	6.80	6.72	6.81
A. Credit market regulations				7.65	7.09	8.85	9.00	8.98
(i) Ownership of banks				5.00	5.00	8.00	8.00	8.00
(ii) Foreign bank competition					4.78	8.00	8.00	8.00
(iii) Private sector credit				9.94	9.55	9.42	10.00	9.93
(iv) Interest rate controls/negative real int. rates				8.00	10.00	10.00	10.00	10.00
B. Labor market regulations					3.60	5.56	5.32	5.43
(i) Hiring regulations and minimum wage					4.02	3.90	2.20	2.20
(ii) Hiring and firing regulations					2.32	2.92	3.11	3.39
(iii) Centralized collective bargaining					5.05	5.55	5.32	5.74
(iv) Hours regulations						4.70	4.70	4.70
(v) Mandated cost of worker dismissal						6.29	6.57	6.57
(vi) Conscription				3.00	3.00	10.00	10.00	10.00
C. Business regulations					7.01	5.98	5.85	6.01
(i) Price controls				6.00	8.00	3.00	3.00	3.00
(ii) Bureaucracy costs					6.95	3.18	4.22	4.72
(iii) Bureaucracy costs					7.80	5.38	2.99	2.90
(iv) Starting a business					5.73	7.80	9.24	9.67
(v) Extra payments/bribes					6.58	8.27	7.08	7.17
(vi) Licensing restrictions						7.12	7.32	7.56
(vii) Cost of tax compliance						7.09	7.09	7.09



## South Africa

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	6.12 (28)	5.78 (42)	5.62 (53)	6.44 (46)	6.96 (42)	6.77 (63)	6.79 (67)	6.55 (79)
<b>Area 1. Size of Government</b>	5.97 (29)	6.10 (25)	6.32 (36)	6.30 (52)	6.45 (53)	5.99 (81)	6.20 (74)	5.33 (95)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	6.81 (29)	4.91 (60)	3.22 (90)	6.11 (44)	6.54 (40)	6.61 (41)	6.51 (42)	6.33 (46)
<b>Area 3. Access to Sound Money</b>	5.29 (86)	5.63 (86)	5.81 (78)	6.44 (66)	7.85 (64)	7.98 (70)	7.75 (79)	7.60 (81)
<b>Area 4. Freedom to Trade Internationally</b>	7.46 (15)	6.39 (33)	6.74 (32)	6.49 (68)	7.15 (54)	6.56 (68)	6.77 (66)	6.76 (66)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.22 (52)	5.82 (41)	5.82 (47)	6.85 (18)	6.84 (30)	6.68 (56)	6.72 (55)	6.70 (57)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	6.03 (29)	5.69 (47)	5.46 (62)	6.40 (48)	6.96 (42)	6.88 (65)	6.90 (70)	6.65 (82)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.97	6.10	6.32	6.30	6.45	5.99	6.20	5.33
A. Government consumption	5.61 20.94	4.58 24.43	4.46 24.83	4.50 24.69	5.17 22.42	4.76 23.83	4.66 24.16	4.37 25.13
B. Transfers and subsidies	9.26 3.20	8.83 4.80	8.83 4.80	8.69 5.30	8.62 5.55	8.69 5.31	8.62 5.55	8.46 6.16
C. Government enterprises and investment	7.00 24.60	7.00 24.60	7.00 20.30	8.00 15.10	8.00 17.80	6.00 25.60	6.00 29.13	4.00 32.10
D. Top marginal tax rate	2.00	4.00	5.00	4.00	4.00	4.50	5.50	4.50
(i) Top marginal income tax rate	2.00 60	4.00 50	5.00 45	4.00 43	4.00 45	5.00 40	6.00 40	5.00 40
(ii) Top marginal income and payroll tax rates			5.00 45	4.00 43	4.00 45	4.00 41	5.00 41	4.00 41
<b>2. Legal Structure and Security of Property Rights</b>	6.18	4.46	2.93	6.11	6.54	6.61	6.51	6.33
A. Judicial independence				7.17	7.18	7.63	7.08	6.60
B. Impartial courts				7.85	8.02	7.62	7.04	6.48
C. Protection of property rights				6.53	5.82	7.97	8.37	8.11
D. Military interference				4.91	8.33	8.33	8.33	8.33
E. Integrity of the legal system				4.11	3.33	4.17	4.17	4.17
F. Legal enforcement of contracts						3.93	3.93	3.93
G. Regulatory restrictions of sale of real property						6.64	6.65	6.69
<b>3. Access to Sound Money</b>	5.29	5.63	5.81	6.44	7.85	7.98	7.75	7.60
A. Money growth	7.86 10.69	7.60 12.01	6.75 16.24	8.22 8.89	7.87 10.66	8.60 6.98	8.13 9.37	8.36 8.21
B. Standard deviation of inflation	8.12 4.71	8.54 3.66	9.49 1.27	9.29 1.78	9.60 0.99	9.01 2.48	9.29 1.79	9.02 2.46
C. Inflation: most recent year	5.18 24.12	6.39 18.06	6.98 15.09	8.25 8.76	8.93 5.34	9.32 3.40	8.58 7.10	8.01 9.93
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	5.00	5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>	7.42	6.36	6.52	6.32	7.15	6.56	6.77	6.76
A. Taxes on international trade	8.66	8.93	7.27	5.54	7.74	6.84	6.91	7.04
(i) Revenues for trade taxes (% trade sector)	9.20 1.20	9.07 1.40	8.53 2.20	9.33 1.00	9.01 1.48	8.59 2.11	8.67 1.99	9.11 1.33
(ii) Mean tariff rate	8.12 9.40	8.80 6.00	7.80 11.00	6.06 19.70	8.30 8.50	8.30 8.50	8.44 7.80	8.44 7.80
(iii) Standard deviation of tariff rates			5.48 11.30	1.24 21.90	5.92 10.20	3.63 15.92	3.60 15.99	3.57 16.07
B. Regulatory trade barriers				6.40	7.56	6.07	6.04	5.84
(i) Non-tariff trade barriers				6.40	6.62	6.67	6.62	6.22
(ii) Compliance cost of importing and exporting					8.50	5.46	5.46	5.46
C. Size of trade sector	9.48	7.65	5.77	5.65	6.34	6.03	6.99	7.64
D. Black-market exchange rates	8.80	5.00	9.40	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	3.98	4.12	3.87	3.90	3.27
(i) Foreign ownership/investment restrictions				5.97	7.46	6.97	7.02	5.78
(ii) Capital controls	2.00	2.00	2.00	2.00	0.77	0.77	0.77	0.77
<b>5. Regulation of Credit, Labor and Business</b>	5.30	5.90	5.74	6.82	6.84	7.24	7.27	7.25
A. Credit market regulations	7.48	9.08	9.07	8.50	8.42	9.47	9.50	9.44
(i) Ownership of banks	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				7.93	6.78	8.00	8.00	8.00
(iii) Private sector credit	8.43	9.25	9.22	9.30	8.76	9.87	10.00	9.74
(iv) Interest rate controls/negative real int. rates	4.00	8.00	8.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations			3.92	6.11	5.47	6.06	6.10	6.09
(i) Hiring regulations and minimum wage				2.87	4.61	4.40	4.40	4.40
(ii) Hiring and firing regulations			5.55	5.55	2.05	2.36	2.22	2.48
(iii) Centralized collective bargaining			6.21	6.21	4.52	3.84	4.19	3.87
(iv) Hours regulations				5.90	6.18	8.00	8.00	8.00
(v) Mandated cost of worker dismissal						7.78	7.78	7.78
(vi) Conscription	0.00	0.00	0.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				5.85	6.62	6.18	6.21	6.23
(i) Price controls				6.00	7.00	5.00	5.00	5.00
(ii) Bureaucracy costs					6.92	3.29	3.05	3.72
(iii) Bureaucracy costs				6.38	6.53	4.55	3.77	3.39
(iv) Starting a business				6.43	5.88	8.81	9.23	9.23
(v) Extra payments/bribes				4.60	6.77	7.54	6.67	6.48
(vi) Licensing restrictions						8.02	8.03	8.04
(vii) Cost of tax compliance						6.08	7.76	7.76



## Spain

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	6.19 (26)	6.18 (31)	6.51 (34)	7.04 (29)	7.31 (25)	7.36 (28)	7.28 (40)	7.19 (38)
<b>Area 1. Size of Government</b>	5.18 (48)	4.20 (81)	4.67 (86)	4.16 (101)	4.75 (97)	6.57 (63)	6.34 (68)	6.48 (60)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	7.26 (25)	7.35 (26)	8.19 (24)	7.46 (26)	7.54 (25)	6.71 (34)	6.84 (33)	6.56 (36)
<b>Area 3. Access to Sound Money</b>	6.07 (62)	6.61 (58)	6.36 (67)	9.61 (14)	9.44 (24)	9.58 (15)	9.57 (13)	9.53 (11)
<b>Area 4. Freedom to Trade Internationally</b>	6.97 (23)	7.13 (20)	7.57 (17)	7.97 (19)	8.27 (17)	7.19 (40)	7.10 (52)	7.02 (56)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.56 (40)	5.77 (42)	5.94 (43)	5.97 (50)	6.55 (39)	6.73 (54)	6.54 (61)	6.39 (70)
<b>Unadjusted</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	5.95 (31)	5.95 (36)	6.22 (38)	6.99 (30)	7.31 (24)	7.42 (30)	7.34 (39)	7.26 (39)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.18	4.20	4.67	4.16	4.75	6.57	6.34	6.48
A. Government consumption	6.93 16.45	6.27 18.67	5.89 19.98	5.53 21.18	5.22 22.25	4.79 23.73	4.59 24.40	4.40 25.05
B. Transfers and subsidies	6.78 12.30	5.53 16.90	5.78 16.00	5.10 18.47	5.76 16.05	6.00 15.18	5.78 15.99	5.52 16.95
C. Government enterprises and investment	6.00 27.10	4.00 30.20	4.00 33.50	4.00 33.50	4.00 33.50	10.00 12.08	10.00 13.16	10.00 13.26
D. Top marginal tax rate	1.00	1.00	3.00	2.00	4.00	5.50	5.00	6.00
(i) Top marginal income tax rate	1.00 66	1.00 66	3.00 56	2.00 56	4.00 48	6.00 35-45	5.00 43	6.00 35-43
(ii) Top marginal income and payroll tax rates			3.00 56	2.00 56	4.00 48	5.00 45	5.00 43	6.00 35-43
<b>2. Legal Structure and Security of Property Rights</b>	6.35	6.42	7.16	7.46	7.54	6.71	6.84	6.56
A. Judicial independence				6.75	7.52	4.49	5.44	5.11
B. Impartial courts				6.63	8.02	5.26	5.65	4.39
C. Protection of property rights				6.09	7.15	7.69	7.29	6.91
D. Military interference				7.85	8.33	8.33	8.33	8.33
E. Integrity of the legal system				10.00	6.67	8.33	8.33	8.33
F. Legal enforcement of contracts						5.54	5.54	5.54
G. Regulatory restrictions of sale of real property						7.31	7.29	7.29
<b>3. Access to Sound Money</b>	6.07	6.61	6.36	9.61	9.44	9.58	9.57	9.53
A. Money growth	8.36 8.21	8.80 5.98	7.70 11.50	9.93 -0.35	8.66 6.70	9.02 4.88	9.01 4.93	9.13 4.37
B. Standard deviation of inflation	8.60 3.49	9.16 2.09	9.22 1.95	9.48 1.31	9.77 0.57	9.95 0.12	9.83 0.44	9.80 0.51
C. Inflation: most recent year	7.33 13.35	8.46 7.69	8.54 7.31	9.04 4.81	9.31 3.43	9.33 3.37	9.44 2.79	9.19 4.07
D. Freedom to own foreign currency	0.00	0.00	0.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	6.92	7.09	7.41	7.76	8.27	7.19	7.10	7.02
A. Taxes on international trade	8.22	8.25	8.21	8.72	9.18	8.48	8.27	8.16
(i) Revenues for trade taxes (% trade sector)	8.20 2.70	8.00 3.00	9.00 1.50	9.87 0.20	9.78 0.33	9.84 0.24	9.84 0.24	9.99 0.02
(ii) Mean tariff rate	8.24 8.80	8.50 7.50	8.52 7.40	8.66 6.70	9.52 2.40	9.46 2.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates			7.12 7.20	7.64 5.90	8.24 4.40	6.13 9.67	6.01 9.98	5.61 10.98
B. Regulatory trade barriers				7.63	8.73	7.76	7.63	7.67
(i) Non-tariff trade barriers				7.63	7.62	6.73	6.47	6.56
(ii) Compliance cost of importing and exporting					9.83	8.79	8.79	8.79
C. Size of trade sector	3.21	4.41	3.09	4.16	5.43	4.47	4.61	4.47
D. Black-market exchange rates	10.00	9.60	9.60	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	5.00	5.00	8.00	8.28	8.02	5.23	5.02	4.79
(i) Foreign ownership/investment restrictions				8.57	9.11	7.39	6.95	6.51
(ii) Capital controls	5.00	5.00	8.00	8.00	6.92	3.08	3.08	3.08
<b>5. Regulation of Credit, Labor and Business</b>	5.22	5.42	5.49	5.94	6.55	7.06	6.87	6.73
A. Credit market regulations	7.37	8.27	8.27	8.06	8.81	9.50	9.50	9.25
(i) Ownership of banks	8.00	8.00	8.00	8.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				7.67	6.12	8.00	8.00	8.00
(iii) Private sector credit	8.11	6.80	6.82	7.36	9.79	10.00	10.00	9.01
(iv) Interest rate controls/negative real int. rates	6.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	3.55	3.44	3.71	4.07	3.92	5.33	5.30	5.14
(i) Hiring regulations and minimum wage				5.78	3.06	2.20	2.20	2.20
(ii) Hiring and firing regulations			2.62	2.62	3.67	2.82	3.14	2.85
(iii) Centralized collective bargaining	5.18	5.18	5.18	5.18	4.85	6.13	5.62	4.97
(iv) Hours regulations	4.49	4.13	4.05	3.75	5.01	6.00	6.00	6.00
(v) Mandated cost of worker dismissal						4.81	4.81	4.81
(vi) Conscription	1.00	1.00	3.00	3.00	3.00	10.00	10.00	10.00
C. Business regulations				5.69	6.92	6.35	5.81	5.79
(i) Price controls			7.00	6.00	6.00	5.00	5.00	5.00
(ii) Bureaucracy costs					7.40	3.23	3.09	2.85
(iii) Bureaucracy costs				6.37	7.90	6.30	3.02	3.16
(iv) Starting a business				5.32	5.67	8.28	8.30	8.30
(v) Extra payments/bribes				5.06	7.63	8.02	6.86	6.59
(vi) Licensing restrictions						6.99	7.01	7.01
(vii) Cost of tax compliance						6.66	7.38	7.61



## Sri Lanka

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	5.10 (62)	5.17 (63)	5.02 (86)	6.02 (64)	6.10 (80)	5.97 (95)	6.02 (98)	5.89 (101)
<b>Area 1. Size of Government</b>	5.64 (37)	5.77 (32)	7.03 (19)	6.83 (32)	7.02 (35)	7.09 (42)	6.83 (52)	6.81 (46)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	3.83 (59)	3.26 (90)	2.22 (108)	4.30 (103)	4.18 (99)	4.24 (96)	4.47 (95)	4.48 (95)
<b>Area 3. Access to Sound Money</b>	5.47 (82)	6.29 (75)	5.50 (87)	6.69 (61)	6.74 (89)	6.13 (108)	6.04 (113)	5.85 (116)
<b>Area 4. Freedom to Trade Internationally</b>	5.09 (55)	4.45 (71)	4.40 (84)	6.17 (79)	6.43 (75)	6.22 (85)	6.26 (84)	5.91 (96)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.46 (46)	6.13 (31)	6.05 (37)	6.14 (44)	6.13 (58)	6.22 (74)	6.53 (62)	6.41 (68)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	4.96 (72)	5.03 (77)	5.03 (83)	6.05 (65)	6.10 (79)	6.12 (105)	6.16 (107)	6.03 (111)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.20	4.29	6.97	6.83	7.02	7.09	6.83	6.81
A. Government consumption	8.93 9.62	8.42 11.39	8.41 11.39	7.78 13.54	8.04 12.68	8.84 9.96	6.32 18.53	6.22 18.85
B. Transfers and subsidies	7.85 8.40	8.75 5.10	8.50 6.00	8.53 5.90	9.03 4.05	8.53 5.90	9.01 4.12	9.01 4.12
C. Government enterprises and investment	0.00 53.50	0.00 54.30	4.00 39.20	4.00 39.20	4.00 39.20	4.00	6.00	6.00
D. Top marginal tax rate	0.00	0.00		7.00	7.00	7.00	6.00	6.00
(i) Top marginal income tax rate	0.00 60	0.00 60		7.00 35	7.00 35	7.00 35	7.00 35	7.00 35
(ii) Top marginal income and payroll tax rates				7.00 35	7.00 35	7.00 35	5.00 38	5.00 38
<b>2. Legal Structure and Security of Property Rights</b>	3.98	3.40	2.31	4.47	4.18	4.75	5.00	5.02
A. Judicial independence						4.16	5.40	5.87
B. Impartial courts				4.92	5.01	4.38	4.61	4.84
C. Protection of property rights					3.50	6.02	6.32	5.70
D. Military interference				1.98	3.33	3.33	3.33	3.33
E. Integrity of the legal system				6.96	5.00	5.00	5.00	5.00
F. Legal enforcement of contracts						3.61	3.61	3.61
G. Regulatory restrictions of sale of real property						6.75	6.75	6.75
<b>3. Access to Sound Money</b>	5.47	6.29	5.50	6.69	6.74	6.13	6.04	5.85
A. Money growth	7.31 13.43	8.27 8.64	8.03 9.85	8.78 6.08	9.22 3.92	8.12 9.42	8.60 6.99	9.14 4.29
B. Standard deviation of inflation	8.57 3.57	7.01 7.47	8.01 4.97	9.82 0.45	8.99 2.52	8.75 3.13	8.72 3.21	8.78 3.05
C. Inflation: most recent year	6.00 19.98	9.88 0.58	5.94 20.29	8.14 9.30	8.76 6.18	7.67 11.64	6.83 15.84	5.49 22.56
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>	5.49	4.80	4.46	6.25	6.43	6.29	6.33	5.97
A. Taxes on international trade	1.97	3.57	2.92	4.85	7.62	6.85	7.10	6.74
(i) Revenues for trade taxes (% trade sector)	2.20 11.70	2.93 10.60	4.13 8.80	7.00 4.50	8.57 2.15	7.92 3.12	7.71 3.43	7.71 3.43
(ii) Mean tariff rate	1.74 41.30	4.20 29.00	4.62 26.90	4.78 26.10	8.02 9.90	7.74 11.30	7.80 11.00	7.76 11.20
(iii) Standard deviation of tariff rates			0.00 25.50	2.76 18.10	6.28 9.30	4.89 12.77	5.78 10.56	4.76 13.10
B. Regulatory trade barriers					4.75	5.84	6.28	6.13
(i) Non-tariff trade barriers					4.75	5.23	5.40	5.10
(ii) Compliance cost of importing and exporting						6.44	7.16	7.16
C. Size of trade sector	9.06	6.21	5.93	6.59	6.77	5.24	4.57	3.96
D. Black-market exchange rates	8.20	6.00	5.20	9.60	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	2.00	3.02	3.50	3.70	3.01
(i) Foreign ownership/investment restrictions					6.04	7.00	7.39	6.01
(ii) Capital controls	0.00	0.00	0.00	2.00	0.00	0.00	0.00	0.00
<b>5. Regulation of Credit, Labor and Business</b>	5.67	6.36	5.92	6.01	6.13	6.33	6.61	6.50
A. Credit market regulations	5.13	6.97	6.76	7.06	6.49	7.51	7.54	7.29
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
(ii) Foreign bank competition					6.07	8.00	8.00	8.00
(iii) Private sector credit	6.39	7.92	7.27	6.19	6.12	7.03	7.16	7.16
(iv) Interest rate controls/negative real int. rates	4.00	8.00	8.00	10.00	10.00	10.00	10.00	9.00
B. Labor market regulations					5.87	6.60	6.87	6.82
(i) Hiring regulations and minimum wage					4.06	10.00	10.00	10.00
(ii) Hiring and firing regulations					2.88	3.40	4.51	4.27
(iii) Centralized collective bargaining					6.53	6.22	6.73	6.66
(iv) Hours regulations						10.00	10.00	10.00
(v) Mandated cost of worker dismissal						0.00	0.00	0.00
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations					6.04	4.88	5.42	5.37
(i) Price controls			4.00	4.00	4.00	4.00	4.00	4.00
(ii) Bureaucracy costs					7.27	2.84	4.18	3.49
(iii) Bureaucracy costs					7.15	3.66	4.12	4.48
(iv) Starting a business					6.48	8.30	8.71	8.72
(v) Extra payments/bribes					5.30	4.74	5.04	5.00
(vi) Licensing restrictions						3.46	4.74	4.79
(vii) Cost of tax compliance						7.13	7.13	7.13



## Sweden

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	5.95 (33)	6.66 (24)	7.08 (22)	7.14 (26)	7.44 (18)	7.35 (29)	7.29 (39)	7.26 (35)
<b>Area 1. Size of Government</b>	1.63 (106)	2.61 (108)	2.62 (110)	2.60 (120)	3.17 (117)	3.67 (120)	3.66 (121)	3.61 (121)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	7.78 (23)	8.72 (15)	9.83 (10)	8.85 (12)	9.02 (13)	8.31 (13)	8.48 (12)	8.47 (6)
<b>Area 3. Access to Sound Money</b>	7.56 (26)	8.10 (26)	8.03 (31)	9.54 (20)	9.84 (1)	9.71 (3)	9.47 (23)	9.37 (28)
<b>Area 4. Freedom to Trade Internationally</b>	6.72 (29)	7.63 (14)	8.43 (5)	8.55 (8)	8.29 (16)	7.68 (22)	7.74 (26)	7.69 (22)
<b>Area 5. Regulation of Credit, Labor and Business</b>	6.32 (20)	6.42 (22)	6.78 (14)	6.15 (43)	6.90 (25)	7.39 (28)	7.10 (34)	7.16 (33)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	5.58 (51)	6.25 (25)	6.62 (28)	7.14 (24)	7.44 (18)	7.37 (33)	7.31 (40)	7.28 (37)
<b>1. Size of Government</b>	1.63	2.61	2.62	2.60	3.17	3.67	3.66	3.61
A. Government consumption	1.10 36.25	1.39 35.27	1.49 34.95	2.05 33.02	1.68 34.28	1.17 36.03	1.26 35.71	1.10 36.26
B. Transfers and subsidies	3.41 24.70	3.05 26.00	1.99 29.90	0.84 34.10	3.98 22.59	4.00 22.51	4.36 21.20	4.35 21.24
C. Government enterprises and investment	2.00 41.20	6.00 28.00	7.00 22.80	6.00 28.30	6.00 28.30	8.00 17.13	8.00 16.29	8.00 16.88
D. Top marginal tax rate	0.00	0.00	0.00	1.50	1.00	1.50	1.00	1.00
(i) Top marginal income tax rate	0.00 87	0.00 80	0.00 61-68	3.00 46-53	2.00 51-58	3.00 52-59	2.00 52-59	2.00 52-59
(ii) Top marginal income and payroll tax rates			0.00 79-86	0.00 66-73	0.00 68.4-75.4	0.00 66	0.00 64-69	0.00 64-69
<b>2. Legal Structure and Security of Property Rights</b>	6.61	7.41	8.35	8.85	9.02	8.31	8.48	8.47
A. Judicial independence				8.82	8.68	8.11	9.33	9.35
B. Impartial courts				8.88	8.35	8.72	8.26	8.26
C. Protection of property rights				6.57	8.08	8.71	9.17	9.01
D. Military interference				10.00	10.00	9.17	9.17	9.17
E. Integrity of the legal system				10.00	10.00	10.00	10.00	10.00
F. Legal enforcement of contracts						4.73	4.73	4.74
G. Regulatory restrictions of sale of real property						8.73	8.73	8.73
<b>3. Access to Sound Money</b>	7.56	8.10	8.03	9.54	9.84	9.71	9.47	9.37
A. Money growth	8.18 9.11	9.23 3.86	9.44 2.78	9.81 0.97	9.71 1.47	9.25 3.77	8.74 6.32	8.67 6.66
B. Standard deviation of inflation	9.41 1.47	9.50 1.26	9.44 1.40	9.10 2.24	9.83 0.44	9.69 0.79	9.57 1.07	9.48 1.29
C. Inflation: most recent year	7.66 11.72	8.67 6.63	8.23 8.84	9.27 3.67	9.82 0.90	9.91 0.45	9.56 2.21	9.31 3.44
D. Freedom to own foreign currency	5.00	5.00	5.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	6.69	7.60	8.30	8.48	8.29	7.68	7.74	7.69
A. Taxes on international trade	9.02	9.49	8.96	8.68	9.18	8.48	8.27	8.11
(i) Revenues for trade taxes (% trade sector)	9.53 0.70	9.80 0.30	9.73 0.40	9.73 0.40	9.78 0.33	9.84 0.24	9.84 0.24	9.84 0.24
(ii) Mean tariff rate	8.50 7.50	9.18 4.10	9.06 4.70	8.66 6.70	9.52 2.40	9.46 2.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates			8.08 4.80	7.64 5.90	8.24 4.40	6.13 9.67	6.01 9.98	5.61 10.98
B. Regulatory trade barriers				9.13	9.15	8.71	8.85	8.73
(i) Non-tariff trade barriers				9.13	8.80	8.30	8.59	8.34
(ii) Compliance cost of importing and exporting					9.50	9.12	9.12	9.12
C. Size of trade sector	5.24	5.53	4.40	5.29	5.89	5.58	5.72	5.84
D. Black-market exchange rates	9.00	9.80	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	5.00	10.00	9.30	7.22	5.66	5.85	5.77
(i) Foreign ownership/investment restrictions				8.59	9.05	8.24	8.63	8.47
(ii) Capital controls	2.00	5.00	10.00	10.00	5.38	3.08	3.08	3.08
<b>5. Regulation of Credit, Labor and Business</b>	5.42	5.51	5.82	6.23	6.90	7.48	7.19	7.24
A. Credit market regulations	7.59	8.07	9.33	8.00	9.01	9.50	9.50	9.50
(i) Ownership of banks	8.00	8.00	8.00	8.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				8.33	6.48	8.00	8.00	8.00
(iii) Private sector credit	6.76	6.22	10.00	5.43	10.00	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates	8.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	4.11	3.99	3.95	3.03	3.38	5.06	5.07	5.13
(i) Hiring regulations and minimum wage				1.83	4.41	8.30	6.70	6.70
(ii) Hiring and firing regulations			3.93	3.93	2.18	1.92	3.75	3.74
(iii) Centralized collective bargaining	4.49	4.49	4.49	4.49	3.78	3.56	3.40	3.76
(iv) Hours regulations	4.84	4.49	4.40	1.90	3.51	6.00	6.00	6.00
(v) Mandated cost of worker dismissal						7.59	7.59	7.59
(vi) Conscription	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
C. Business regulations				7.66	8.31	7.88	7.00	7.10
(i) Price controls			6.00	8.00	9.00	7.00	7.00	7.00
(ii) Bureaucracy costs					7.27	3.73	4.19	4.99
(iii) Bureaucracy costs				8.28	8.30	8.26	1.40	1.35
(iv) Starting a business				5.08	7.87	9.40	9.41	9.42
(v) Extra payments/bribes				9.29	9.12	9.30	9.49	9.45
(vi) Licensing restrictions						8.82	8.84	8.84
(vii) Cost of tax compliance						8.63	8.63	8.63



## Switzerland

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	8.18 (2)	8.28 (2)	8.22 (4)	7.96 (7)	8.39 (4)	8.07 (5)	8.11 (4)	7.96 (5)
<b>Area 1. Size of Government</b>	6.78 (15)	6.69 (14)	6.43 (31)	6.37 (49)	7.00 (36)	7.16 (36)	7.19 (36)	7.10 (40)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	9.62 (2)	9.87 (1)	9.87 (4)	9.14 (4)	9.27 (7)	8.64 (8)	8.68 (7)	8.44 (7)
<b>Area 3. Access to Sound Money</b>	9.59 (1)	9.66 (2)	9.72 (4)	9.63 (12)	9.70 (6)	9.61 (11)	9.77 (3)	9.40 (25)
<b>Area 4. Freedom to Trade Internationally</b>	8.11 (7)	8.11 (8)	8.01 (11)	7.55 (30)	8.52 (9)	6.82 (57)	6.82 (64)	6.79 (63)
<b>Area 5. Regulation of Credit, Labor and Business</b>	6.69 (14)	7.05 (10)	7.07 (11)	7.10 (10)	7.46 (8)	8.10 (13)	8.06 (13)	8.07 (12)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	7.66 (3)	7.75 (3)	7.74 (4)	7.94 (7)	8.39 (4)	8.19 (4)	8.22 (4)	8.08 (4)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	6.78	6.69	6.43	6.37	7.00	7.88	7.91	7.81
A. Government consumption	6.86 16.68	6.54 17.77	6.01 19.55	6.12 19.19	7.16 15.64	7.08 15.91	7.18 15.60	6.78 16.96
B. Transfers and subsidies	6.49 13.40	6.54 13.20	5.78 16.00	4.99 18.90	5.85 15.75	6.42 13.65	6.45 13.53	6.45 13.53
C. Government enterprises and investment						10.00 10.32	10.00 8.83	10.00 8.90
D. Top marginal tax rate	7.00	7.00	7.50	8.00	8.00	8.00	8.00	8.00
(i) Top marginal income tax rate	7.00 31-44	7.00 33-46	8.00 33-43	8.00 35-39	9.00 31-40	9.00 26-42	9.00 26-42	9.00 26-42
(ii) Top marginal income and payroll tax rates			7.00 36-46	8.00 38-42	7.00 39-48	7.00 34-50	7.00 35-49	7.00 35-49
<b>2. Legal Structure and Security of Property Rights</b>	8.13	8.35	8.35	9.14	9.27	8.64	8.68	8.44
A. Judicial independence				9.35	8.68	8.63	9.18	8.95
B. Impartial courts				7.92	8.52	8.61	8.40	7.13
C. Protection of property rights				8.44	9.17	9.28	9.44	9.25
D. Military interference				10.00	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	10.00	8.33	8.33	8.33
F. Legal enforcement of contracts						6.03	5.86	5.86
G. Regulatory restrictions of sale of real property						9.57	9.57	9.57
<b>3. Access to Sound Money</b>	9.59	9.66	9.72	9.63	9.70	9.61	9.77	9.40
A. Money growth	9.35 3.25	9.81 0.94	9.93 0.33	9.44 2.82	9.28 3.60	8.94 5.28	9.48 2.58	8.43 7.83
B. Standard deviation of inflation	9.55 1.13	9.30 1.75	9.78 0.55	9.32 1.70	9.83 0.42	9.75 0.63	9.74 0.65	9.65 0.88
C. Inflation: most recent year	9.46 2.71	9.53 2.37	9.15 4.27	9.77 1.13	9.69 1.54	9.77 1.17	9.85 0.73	9.52 2.42
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	8.36	8.36	8.32	7.42	8.52	6.82	6.82	6.79
A. Taxes on international trade	8.74	8.89	9.28	7.70	9.92	6.43	6.12	6.10
(i) Revenues for trade taxes (% trade sector)	8.40 2.40	8.67 2.00	8.73 1.90	8.47 2.30	9.79 0.31	9.84 0.24	9.85 0.22	9.85 0.22
(ii) Mean tariff rate	9.08 4.60	9.12 4.40	9.12 4.40	9.28 3.60	10.00 0.00	9.46 2.70	8.50 7.50	8.46 7.70
(iii) Standard deviation of tariff rates			10.00 0.00	5.36 11.60	9.96 0.10	0.00 30.48	0.00 31.13	0.00 33.42
B. Regulatory trade barriers				6.40	8.94	7.00	7.23	7.16
(i) Non-tariff trade barriers				6.40	8.22	5.07	5.52	5.39
(ii) Compliance cost of importing and exporting					9.67	8.93	8.93	8.93
C. Size of trade sector	4.93	4.76	4.19	3.37	4.64	4.76	4.88	4.71
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	10.00	10.00	10.00	9.62	9.08	5.90	5.86	5.99
(i) Foreign ownership/investment restrictions				9.25	9.70	7.96	7.86	8.14
(ii) Capital controls	10.00	10.00	10.00	10.00	8.46	3.85	3.85	3.85
<b>5. Regulation of Credit, Labor and Business</b>	5.42	5.71	5.90	7.14	7.46	8.00	7.94	7.95
A. Credit market regulations	6.69	8.08	8.15	8.25	8.83	8.97	9.00	9.00
(i) Ownership of banks	5.00	5.00	5.00	5.00	8.00	8.00	8.00	8.00
(ii) Foreign bank competition				7.80	7.00	8.00	8.00	8.00
(iii) Private sector credit	9.07	9.25	9.46	9.81	10.00	9.88	10.00	10.00
(iv) Interest rate controls/negative real int. rates	6.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	5.01	4.77	5.48	5.79	5.70	7.61	7.86	7.88
(i) Hiring regulations and minimum wage				7.05	4.56	10.00	10.00	10.00
(ii) Hiring and firing regulations			7.71	7.71	5.62	7.79	7.54	7.63
(iii) Centralized collective bargaining	6.21	6.21	6.21	6.21	7.80	8.06	7.80	7.83
(iv) Hours regulations	5.81	5.10	5.01	5.00	5.51	6.00	8.00	8.00
(v) Mandated cost of worker dismissal						8.79	8.79	8.79
(vi) Conscription	3.00	3.00	3.00	3.00	5.00	5.00	5.00	5.00
C. Business regulations				7.38	7.85	7.42	6.98	6.97
(i) Price controls			7.00	6.00	7.00	5.00	6.00	6.00
(ii) Bureaucracy costs					7.30	5.11	5.75	5.46
(iii) Bureaucracy costs				8.31	9.08	5.99	1.34	1.67
(iv) Starting a business				6.58	7.67	9.29	9.25	9.25
(v) Extra payments/bribes				8.62	8.18	8.92	8.90	8.77
(vi) Licensing restrictions						8.30	8.31	8.32
(vii) Cost of tax compliance						9.29	9.29	9.29



## Syria

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	3.67 (98)	3.36 (106)	3.87 (106)	4.53 (109)	4.91 (115)	5.46 (110)	5.48 (112)	5.07 (115)
<b>Area 1. Size of Government</b>	2.09 (104)	1.95 (110)	4.38 (87)	4.57 (94)	3.75 (113)	3.90 (118)	3.96 (118)	3.70 (120)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	1.76 (89)	3.05 (91)	3.02 (94)	4.91 (81)	5.06 (75)	4.84 (87)	4.77 (88)	4.41 (98)
<b>Area 3. Access to Sound Money</b>	8.18 (16)	6.10 (83)	5.58 (86)	6.59 (62)	6.46 (99)	7.39 (79)	7.79 (78)	6.93 (88)
<b>Area 4. Freedom to Trade Internationally</b>	3.77 (77)	2.99 (86)	3.70 (96)	3.88 (110)	5.65 (106)	6.38 (78)	6.20 (88)	6.07 (91)
<b>Area 5. Regulation of Credit, Labor and Business</b>	2.59 (101)	2.74 (105)	2.71 (114)	2.75 (123)	3.62 (123)	4.66 (120)	4.52 (121)	4.13 (121)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	4.10 (93)	3.41 (107)	3.83 (107)	4.59 (107)	4.91 (115)	5.77 (118)	5.85 (121)	5.41 (128)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	3.84	1.95	4.38	4.57	3.75	5.72	5.81	5.43
A. Government consumption	4.17 25.82	3.89 26.76	6.76 17.03	7.14 15.72	7.50 14.51	7.16 15.65	7.44 14.70	6.78 16.96
B. Transfers and subsidies	7.36 10.20							
C. Government enterprises and investment	0.00 59.50	0.00 62.50	2.00 45.00	2.00 43.75	0.00 63.64	2.00 46.40	2.00 44.80	2.00 45.20
D. Top marginal tax rate						8.00	8.00	7.50
(i) Top marginal income tax rate						8.00 28	8.00 28	10.00 20
(ii) Top marginal income and payroll tax rates								5.00 38
<b>2. Legal Structure and Security of Property Rights</b>	1.76	3.05	3.02	4.91	5.06	4.84	5.12	4.72
A. Judicial independence							4.36	3.87
B. Impartial courts				5.05	4.64	4.80	4.23	3.00
C. Protection of property rights							7.69	6.67
D. Military interference				6.53	3.33	3.33	3.33	3.33
E. Integrity of the legal system				4.11	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts						3.22	3.22	3.22
G. Regulatory restrictions of sale of real property						4.49	4.64	4.64
<b>3. Access to Sound Money</b>	8.18	6.10	5.58	6.59	6.46	7.39	7.79	6.93
A. Money growth	7.66 11.72	7.29 13.53	7.42 12.90	8.83 5.83	9.16 4.20	8.01 9.93	8.68 6.61	8.42 7.91
B. Standard deviation of inflation	8.56 3.60	7.91 5.22	8.75 3.13	8.62 3.46	7.47 6.33	8.00 4.99	8.25 4.39	7.46 6.36
C. Inflation: most recent year	6.51 17.47	9.18 4.10	6.13 19.33	8.92 5.38	9.23 -3.85	8.55 7.24	9.22 3.91	6.85 15.75
D. Freedom to own foreign currency	10.00	0.00	0.00	0.00	0.00	5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>	3.99	3.16	3.45	4.10	5.65	5.74	5.60	5.48
A. Taxes on international trade	3.90	5.43	4.66	7.09	5.17	5.17	5.17	5.17
(i) Revenues for trade taxes (% trade sector)	5.27 7.10	6.27 5.60	8.07 2.90	7.15 4.28	7.55 3.67	7.55 3.67	7.55 3.67	7.55 3.67
(ii) Mean tariff rate	2.54 37.30	4.60 27.00	5.92 20.40	7.04 14.80	6.08 19.60	6.08 19.60	6.08 19.60	6.08 19.60
(iii) Standard deviation of tariff rates			0.00 27.70		1.89 20.28	1.89 20.28	1.89 20.28	1.89 20.28
B. Regulatory trade barriers						7.14	6.30	6.42
(i) Non-tariff trade barriers							5.01	5.24
(ii) Compliance cost of importing and exporting						7.14	7.60	7.60
C. Size of trade sector	4.81	2.10	4.33	5.19	4.87	5.37	5.38	3.87
D. Black-market exchange rates	3.00	0.00	0.00	0.00	10.00	10.00	8.69	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.00	1.00	2.44	1.96
(i) Foreign ownership/investment restrictions							4.89	3.93
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00
<b>5. Regulation of Credit, Labor and Business</b>	2.75	2.80	2.71	2.75	3.62	5.16	4.92	4.47
A. Credit market regulations	0.82	0.85	0.78	0.92	3.79	4.39	4.38	3.01
(i) Ownership of banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Foreign bank competition								
(iii) Private sector credit	1.63	2.56	2.33	2.75	2.38	4.18	4.14	4.04
(iv) Interest rate controls/negative real int. rates		0.00	0.00	0.00	9.00	9.00	9.00	5.00
B. Labor market regulations						5.65	5.36	5.37
(i) Hiring regulations and minimum wage						10.00	8.90	8.90
(ii) Hiring and firing regulations							3.66	3.61
(iii) Centralized collective bargaining							7.01	7.14
(iv) Hours regulations						10.00	10.00	10.00
(v) Mandated cost of worker dismissal						2.58	2.58	2.58
(vi) Conscription	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations						5.43	5.02	5.01
(i) Price controls			0.00	0.00	0.00	2.00	2.00	2.00
(ii) Bureaucracy costs							3.84	3.14
(iii) Bureaucracy costs							5.80	6.23
(iv) Starting a business						5.07	5.93	5.84
(v) Extra payments/bribes							3.77	3.79
(vi) Licensing restrictions						8.40	7.57	7.85
(vii) Cost of tax compliance						6.23	6.23	6.23



## Taiwan

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	6.92 (15)	7.10 (15)	7.39 (17)	7.33 (19)	7.31 (26)	7.69 (16)	7.71 (13)	7.56 (17)
<b>Area 1. Size of Government</b>	4.96 (56)	4.91 (60)	5.40 (63)	6.10 (62)	6.73 (46)	7.15 (37)	7.21 (35)	6.96 (43)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	8.79 (13)	8.14 (19)	8.14 (25)	6.74 (33)	6.08 (50)	6.62 (39)	6.75 (35)	6.69 (32)
<b>Area 3. Access to Sound Money</b>	8.05 (19)	9.33 (12)	9.42 (14)	9.69 (10)	9.46 (23)	9.58 (12)	9.81 (1)	9.65 (3)
<b>Area 4. Freedom to Trade Internationally</b>	7.66 (14)	7.30 (17)	7.86 (14)	7.84 (23)	8.08 (24)	7.92 (15)	7.91 (19)	7.57 (30)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.32 (48)	5.99 (36)	6.25 (33)	6.25 (38)	6.17 (57)	7.17 (37)	6.87 (47)	6.96 (43)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	6.56 (17)	6.73 (17)	7.05 (16)	7.27 (21)	7.31 (24)	7.60 (19)	7.62 (18)	7.48 (22)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.96	4.91	5.40	6.10	6.73	7.15	7.21	6.96
A. Government consumption	4.82 23.60	4.71 24.00	4.74 23.90	6.03 19.50	6.69 17.25	6.53 17.78	6.75 17.04	6.76 17.02
B. Transfers and subsidies	10.00 0.35	9.95 0.67	9.87 0.99	9.37 2.80	9.21 3.40	9.08 3.89	9.08 3.89	9.08 3.89
C. Government enterprises and investment	2.00 44.30	2.00 43.00	2.00 44.30	2.00 47.20	4.00 30.23	6.00 25.48	7.00 23.29	7.00 22.98
D. Top marginal tax rate	3.00	3.00	5.00	7.00	7.00	7.00	6.00	5.00
(i) Top marginal income tax rate	3.00 60	3.00 60	5.00 50	7.00 40	7.00 40	7.00 40	7.00 40	5.00 40
(ii) Top marginal income and payroll tax rates			5.00 50	7.00 40	7.00 40	7.00 40	5.00 40	5.00 40
<b>2. Legal Structure and Security of Property Rights</b>	7.83	7.25	7.25	6.74	6.08	6.62	6.75	6.69
A. Judicial independence				5.53	5.34	5.05	5.96	6.02
B. Impartial courts				6.47	5.68	5.69	5.29	5.03
C. Protection of property rights				5.92	6.07	7.15	7.60	7.39
D. Military interference				8.81	6.67	6.67	6.67	6.67
E. Integrity of the legal system				6.96	6.67	8.33	8.33	8.33
F. Legal enforcement of contracts						5.55	5.55	5.55
G. Regulatory restrictions of sale of real property						7.87	7.87	7.87
<b>3. Access to Sound Money</b>	8.05	9.33	9.42	9.69	9.46	9.58	9.81	9.65
A. Money growth	8.24 8.79	9.84 -0.81	9.18 4.09	9.56 -2.21	9.50 -2.52	8.95 5.27	10.00 -0.02	9.81 -0.95
B. Standard deviation of inflation	7.76 5.60	7.52 6.21	9.32 1.71	9.80 0.51	9.09 2.28	9.64 0.90	9.61 0.97	9.48 1.30
C. Inflation: most recent year	6.20 19.00	9.96 -0.20	9.18 4.10	9.40 3.00	9.27 3.67	9.75 1.26	9.64 1.80	9.29 3.53
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	7.51	7.16	7.66	7.61	8.08	7.92	7.91	7.57
A. Taxes on international trade	7.60	8.13	8.33	8.63	7.98	7.41	7.39	7.54
(i) Revenues for trade taxes (% trade sector)	7.60 3.60	8.13 2.80	8.60 2.10	8.87 1.70	8.98 1.52	9.61 0.58	9.67 0.50	9.67 0.50
(ii) Mean tariff rate			8.06 9.70	8.40 8.00	8.24 8.80	8.72 6.40	8.74 6.30	8.78 6.10
(iii) Standard deviation of tariff rates					6.72 8.20	3.88 15.30	3.75 15.62	4.17 14.58
B. Regulatory trade barriers				7.30	8.23	7.67	7.30	7.30
(i) Non-tariff trade barriers				7.30	7.13	7.02	6.27	6.27
(ii) Compliance cost of importing and exporting					9.33	8.33	8.33	8.33
C. Size of trade sector	9.99	8.08	6.79	6.41	6.56	7.11	7.71	6.88
D. Black-market exchange rates	9.80	9.40	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	5.00	5.71	7.63	7.44	7.16	6.13
(i) Foreign ownership/investment restrictions				6.43	7.63	7.44	7.16	6.13
(ii) Capital controls	2.00	2.00	5.00	5.00				
<b>5. Regulation of Credit, Labor and Business</b>	4.46	5.02	5.51	6.23	6.17	6.73	6.44	6.53
A. Credit market regulations	5.26	6.74	7.33	7.25	6.68	9.00	9.00	9.00
(i) Ownership of banks	0.00	2.00	2.00	2.00	2.00	8.00	8.00	8.00
(ii) Foreign bank competition				7.33	5.57	8.00	8.00	8.00
(iii) Private sector credit	7.79	8.23	10.00	10.00	10.00	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates	8.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations			4.73	5.22	4.51	4.34	4.30	4.36
(i) Hiring regulations and minimum wage				6.50	3.78	2.20	2.20	2.20
(ii) Hiring and firing regulations			6.26	6.26	4.60	5.92	5.97	6.37
(iii) Centralized collective bargaining			7.93	7.93	7.98	8.36	8.09	8.02
(iv) Hours regulations				5.43	6.18	8.00	8.00	8.00
(v) Mandated cost of worker dismissal						1.56	1.56	1.56
(vi) Conscription	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations				6.21	7.33	6.86	6.02	6.23
(i) Price controls			6.00	6.00	6.00	6.00	5.00	5.00
(ii) Bureaucracy costs					7.63	5.21	4.77	4.48
(iii) Bureaucracy costs				6.88	7.35	6.52	3.07	3.12
(iv) Starting a business				7.50	7.58	7.76	8.03	9.22
(v) Extra payments/bribes				4.46	8.09	7.95	6.64	6.49
(vi) Licensing restrictions						8.41	8.43	8.43
(vii) Cost of tax compliance						6.19	6.19	6.85



## Tanzania

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	4.06 (93)	3.63 (103)	4.14 (101)	5.43 (81)	6.05 (83)	6.07 (90)	6.04 (96)	5.94 (99)
<b>Area 1. Size of Government</b>	2.48 (102)	2.15 (109)	3.58 (100)	7.01 (24)	5.77 (77)	4.60 (109)	4.25 (113)	4.10 (115)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	6.13 (36)	5.85 (40)	5.21 (57)	5.41 (64)	6.15 (49)	6.15 (55)	6.03 (58)	6.06 (55)
<b>Area 3. Access to Sound Money</b>	4.11 (100)	4.92 (93)	4.58 (96)	5.02 (92)	7.59 (67)	7.57 (78)	7.61 (80)	7.40 (83)
<b>Area 4. Freedom to Trade Internationally</b>	3.40 (82)	2.88 (88)	3.71 (94)	5.95 (85)	5.50 (109)	5.74 (100)	5.94 (94)	5.87 (97)
<b>Area 5. Regulation of Credit, Labor and Business</b>	4.04 (89)	2.40 (106)	3.60 (104)	3.75 (116)	5.24 (99)	6.27 (68)	6.33 (75)	6.24 (82)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	4.82 (75)	4.01 (96)	4.14 (101)	5.43 (80)	6.05 (83)	6.10 (106)	6.08 (112)	5.98 (115)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.83	3.79	3.58	7.01	5.77	4.60	4.25	4.10
A. Government consumption	7.50 14.50	6.44 18.10	6.75 17.06	7.03 16.08	8.31 11.76	6.30 18.58	5.26 22.10	4.81 23.65
B. Transfers and subsidies	10.00 0.00	8.72 5.20						
C. Government enterprises and investment	0.00 53.80	0.00 53.50	2.00 40.03	8.00 17.20	4.00 34.60	2.00 40.00	2.00 40.00	2.00 40.00
D. Top marginal tax rate		0.00	2.00	6.00	5.00	5.50	5.50	5.50
(i) Top marginal income tax rate		0.00 95	3.00 50	8.00 30	7.00 31	8.00 30	8.00 30	8.00 30
(ii) Top marginal income and payroll tax rates			1.00 57	4.00 45	3.00 46	3.00 46	3.00 48	3.00 48
<b>2. Legal Structure and Security of Property Rights</b>	6.13	5.85	5.21	5.41	6.15	6.07	5.95	5.97
A. Judicial independence						4.91	4.79	4.51
B. Impartial courts				5.84	5.84	4.46	3.92	4.48
C. Protection of property rights						4.90	4.67	4.54
D. Military interference				7.81	6.67	6.67	6.67	6.67
E. Integrity of the legal system				4.11	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts						6.11	6.11	6.11
G. Regulatory restrictions of sale of real property						7.10	7.17	7.17
<b>3. Access to Sound Money</b>	4.11	4.92	4.58	5.02	7.59	7.57	7.61	7.40
A. Money growth	5.94 20.30	7.92 10.40	4.00 30.00	4.48 27.60	8.72 6.40	7.32 13.41	7.25 13.77	7.18 14.12
B. Standard deviation of inflation	6.54 8.66	8.43 3.93	8.70 3.26	6.38 9.06	7.83 5.43	9.68 0.80	9.60 1.01	9.48 1.29
C. Inflation: most recent year	3.96 30.20	3.34 33.28	5.64 21.82	4.23 28.86	8.82 5.92	8.27 8.63	8.59 7.03	7.94 10.28
D. Freedom to own foreign currency	0.00	0.00	0.00	5.00	5.00	5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>	3.67	2.89	3.73	5.95	5.50	5.86	6.07	6.00
A. Taxes on international trade	4.87	4.70	4.53	5.26	4.96	4.94	4.93	4.92
(i) Revenues for trade taxes (% trade sector)	4.87 7.70	5.80 6.30	5.00 7.50	4.60 8.10	2.07 11.90	2.07 11.90	2.07 11.90	2.07 11.90
(ii) Mean tariff rate		3.60 32.00	4.06 29.70	6.10 19.50	6.18 19.10	7.42 12.90	7.46 12.70	7.48 12.60
(iii) Standard deviation of tariff rates				5.08 12.30	6.64 8.40	5.33 11.68	5.28 11.81	5.21 11.97
B. Regulatory trade barriers						5.60	5.98	5.98
(i) Non-tariff trade barriers						4.93	5.75	5.75
(ii) Compliance cost of importing and exporting						6.28	6.22	6.22
C. Size of trade sector	5.23	1.46	5.85	6.52	3.56	5.07	5.82	6.18
D. Black-market exchange rates	0.00	0.00	0.00	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.77	3.69	3.61	2.89
(i) Foreign ownership/investment restrictions						7.38	7.21	5.79
(ii) Capital controls	0.00	0.00	0.00	0.00	0.77	0.00	0.00	0.00
<b>5. Regulation of Credit, Labor and Business</b>	4.35	2.59	3.60	3.75	5.24	6.41	6.51	6.42
A. Credit market regulations	1.64	0.30	3.74	2.90	4.50	7.67	7.88	7.96
(i) Ownership of banks	0.00	0.00	0.00	0.00	0.00	8.00	8.00	8.00
(ii) Foreign bank competition						7.00	7.00	7.00
(iii) Private sector credit	0.93	0.89	7.21	4.69	4.51	6.67	6.54	6.86
(iv) Interest rate controls/negative real int. rates	4.00	0.00	4.00	4.00	9.00	9.00	10.00	10.00
B. Labor market regulations						6.59	6.11	6.04
(i) Hiring regulations and minimum wage						0.00	0.00	0.00
(ii) Hiring and firing regulations						5.09	3.86	4.14
(iii) Centralized collective bargaining						7.43	5.79	5.06
(iv) Hours regulations						8.70	8.70	8.70
(v) Mandated cost of worker dismissal						8.33	8.33	8.33
(vi) Conscription	10.00	0.00	0.00	0.00	10.00	10.00	10.00	10.00
C. Business regulations						4.97	5.52	5.27
(i) Price controls			0.00	4.00	4.00	6.00	6.00	6.00
(ii) Bureaucracy costs						4.19	4.00	3.80
(iii) Bureaucracy costs						2.98	6.00	5.81
(iv) Starting a business						8.08	8.64	8.68
(v) Extra payments/bribes						4.60	3.82	3.92
(vi) Licensing restrictions						0.90	2.12	0.57
(vii) Cost of tax compliance						8.07	8.07	8.07



## Thailand

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	6.19 (25)	6.21 (30)	6.97 (26)	7.19 (25)	6.66 (52)	6.94 (54)	7.06 (54)	7.06 (50)
<b>Area 1. Size of Government</b>	6.01 (25)	5.58 (36)	7.36 (13)	7.76 (16)	6.84 (40)	7.12 (39)	7.15 (38)	7.42 (29)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	7.00 (28)	6.27 (35)	6.90 (33)	5.41 (65)	5.99 (53)	6.21 (53)	6.11 (54)	5.94 (59)
<b>Area 3. Access to Sound Money</b>	6.32 (49)	7.02 (35)	7.97 (32)	9.46 (24)	6.61 (95)	6.76 (92)	7.04 (90)	6.98 (87)
<b>Area 4. Freedom to Trade Internationally</b>	6.31 (35)	6.18 (39)	6.74 (33)	7.14 (36)	7.63 (38)	7.32 (35)	7.65 (31)	7.57 (31)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.44 (47)	6.05 (34)	5.93 (44)	6.14 (45)	6.21 (56)	7.30 (32)	7.38 (27)	7.39 (27)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	6.09 (26)	6.10 (32)	6.82 (19)	7.10 (26)	6.66 (50)	6.95 (61)	7.07 (60)	7.06 (58)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	6.01	5.58	7.36	7.76	6.84	7.12	7.15	7.42
A. Government consumption	7.11 15.81	6.51 17.86	7.57 14.26	7.19 15.57	6.77 17.00	6.71 17.18	6.15 19.07	6.35 18.42
B. Transfers and subsidies	9.95 0.70	9.81 1.20	9.86 1.00	9.84 1.10	9.60 1.96	8.79 4.95	9.44 2.57	9.33 2.97
C. Government enterprises and investment	4.00 31.90	4.00 32.00	8.00 15.20	7.00 21.60	4.00 37.20	7.00 24.70	6.00 25.60	7.00 24.06
D. Top marginal tax rate	3.00	2.00	4.00	7.00	7.00	6.00	7.00	7.00
(i) Top marginal income tax rate	3.00 60	2.00 65	4.00 55	7.00 37	7.00 37	6.00 37	7.00 37	7.00 37
(ii) Top marginal income and payroll tax rates			4.00 55	7.00 37	7.00 37	6.00 37	7.00 37	7.00 37
<b>2. Legal Structure and Security of Property Rights</b>	6.52	5.85	6.43	5.41	5.99	6.21	6.11	5.94
A. Judicial independence				5.77	5.85	5.67	5.72	5.33
B. Impartial courts				3.75	4.68	5.87	5.19	5.07
C. Protection of property rights				3.60	4.42	7.11	6.19	5.46
D. Military interference				6.96	6.67	6.67	5.83	5.83
E. Integrity of the legal system				6.96	8.33	4.17	4.17	4.17
F. Legal enforcement of contracts						6.11	6.11	6.11
G. Regulatory restrictions of sale of real property						7.89	9.60	9.60
<b>3. Access to Sound Money</b>	6.32	7.02	7.97	9.46	6.61	6.76	7.04	6.98
A. Money growth	8.96 5.20	9.49 -2.55	8.69 6.56	9.42 2.90	8.71 6.47	8.53 7.34	9.16 4.18	9.33 3.33
B. Standard deviation of inflation	8.85 2.87	9.02 2.45	9.34 1.66	9.62 0.96	8.06 4.86	9.40 1.49	9.43 1.43	9.68 0.79
C. Inflation: most recent year	7.46 12.70	9.56 2.18	8.85 5.77	8.80 6.01	9.69 1.57	9.09 4.54	9.55 2.23	8.91 5.47
D. Freedom to own foreign currency	0.00	0.00	5.00	10.00	0.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>	6.31	6.18	6.55	6.87	7.63	7.32	7.65	7.57
A. Taxes on international trade	4.47	4.71	3.21	4.57	6.65	6.84	7.41	7.29
(i) Revenues for trade taxes (% trade sector)	5.40 6.90	5.67 6.50	6.40 5.40	7.67 3.50	9.06 1.41	9.29 1.06	9.48 0.78	9.53 0.71
(ii) Mean tariff rate	3.54 32.30	3.76 31.20	1.84 40.80	2.80 36.00	6.60 17.00	7.88 10.60	7.90 10.50	7.90 10.50
(iii) Standard deviation of tariff rates			1.40 21.50	3.24 16.90	4.28 14.30	3.35 16.64	4.84 12.90	4.46 13.86
B. Regulatory trade barriers				5.13	7.20	5.89	6.72	6.92
(i) Non-tariff trade barriers				5.13	5.73	5.00	5.26	5.66
(ii) Compliance cost of importing and exporting					8.66	6.78	8.18	8.18
C. Size of trade sector	7.88	6.58	9.37	10.00	10.00	10.00	10.00	10.00
D. Black-market exchange rates	9.00	9.40	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	4.65	4.28	3.89	4.12	3.63
(i) Foreign ownership/investment restrictions				7.30	7.02	6.25	6.71	5.72
(ii) Capital controls	2.00	2.00	2.00	2.00	1.54	1.54	1.54	1.54
<b>5. Regulation of Credit, Labor and Business</b>	5.29	5.88	5.80	6.01	6.21	7.33	7.39	7.41
A. Credit market regulations	6.67	8.65	8.26	7.28	7.04	9.00	9.00	9.00
(i) Ownership of banks	8.00	8.00	8.00	8.00	5.00	8.00	8.00	8.00
(ii) Foreign bank competition				5.55	3.75	8.00	8.00	8.00
(iii) Private sector credit	8.02	7.96	8.78	9.23	9.17	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates	4.00	10.00	8.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations			4.98	5.39	6.30	7.09	7.27	7.28
(i) Hiring regulations and minimum wage				5.77	3.94	6.70	6.70	6.70
(ii) Hiring and firing regulations			7.01	7.01	4.60	4.75	5.63	5.69
(iii) Centralized collective bargaining	7.93	7.93	7.93	7.93	6.45	6.12	6.27	6.28
(iv) Hours regulations				6.27	6.51	10.00	10.00	10.00
(v) Mandated cost of worker dismissal						4.99	4.99	4.99
(vi) Conscription	0.00	0.00	0.00	0.00	10.00	10.00	10.00	10.00
C. Business regulations				5.35	5.29	5.88	5.91	5.95
(i) Price controls			4.00	5.00	3.00	4.00	4.00	4.00
(ii) Bureaucracy costs					6.88	4.89	4.12	4.10
(iii) Bureaucracy costs				6.77	3.98	2.17	3.67	4.23
(iv) Starting a business				6.53	7.28	8.88	8.89	8.91
(v) Extra payments/bribes				3.11	5.31	5.85	5.28	4.98
(vi) Licensing restrictions						8.35	8.36	8.35
(vii) Cost of tax compliance						7.04	7.04	7.04



## Togo

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	4.22 (91)	5.16 (64)	5.65 (51)	5.38 (84)	5.84 (93)	5.87 (102)	5.70 (106)	5.62 (106)
<b>Area 1. Size of Government</b>	1.60 (107)	3.80 (89)	6.43 (30)	6.86 (30)	8.44 (7)	8.70 (5)	8.17 (11)	8.36 (8)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	3.33 (65)	4.22 (74)	4.48 (70)	4.75 (94)	3.73 (108)	2.48 (120)	2.53 (122)	2.61 (122)
<b>Area 3. Access to Sound Money</b>	5.53 (80)	6.75 (49)	6.95 (50)	5.03 (91)	6.48 (97)	6.88 (89)	6.83 (98)	6.42 (100)
<b>Area 4. Freedom to Trade Internationally</b>					6.12 (89)	6.27 (84)	6.20 (86)	6.13 (87)
<b>Area 5. Regulation of Credit, Labor and Business</b>	4.40 (78)	4.47 (81)	4.46 (88)	4.60 (100)	4.42 (112)	4.87 (118)	4.69 (119)	4.47 (120)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	4.34 (88)	5.52 (54)	5.53 (59)	5.31 (87)	5.84 (92)	5.97 (108)	5.81 (123)	5.74 (121)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	1.60	5.69	6.43	6.86	8.44	9.65	9.06	9.28
A. Government consumption	3.20 29.11	7.60 14.18	6.87 16.65	7.72 13.76	8.88 9.82	8.96 9.52	8.27 11.88	8.91 9.70
B. Transfers and subsidies		9.48 2.40				10.00 0.28	8.92 4.45	8.92 4.45
C. Government enterprises and investment	0.00 71.70	0.00 73.90	6.00 28.80	6.00 25.80	8.00 16.80	10.00 12.50	10.00 12.50	10.00 12.50
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
<b>2. Legal Structure and Security of Property Rights</b>	3.33	4.22	4.48	4.75	3.73	2.48	2.53	2.61
A. Judicial independence								
B. Impartial courts				4.15	4.11	3.70	3.90	4.20
C. Protection of property rights								
D. Military interference				3.90	1.67	0.14	0.00	0.00
E. Integrity of the legal system				6.96	5.00	5.00	5.00	5.00
F. Legal enforcement of contracts						3.15	3.15	3.15
G. Regulatory restrictions of sale of real property						0.43	0.60	0.69
<b>3. Access to Sound Money</b>	5.53	6.75	6.95	5.03	6.48	6.88	6.83	6.42
A. Money growth	8.66 6.68	9.66 -1.72	9.03 -4.84	8.06 9.71	8.66 6.69	9.94 -0.32	8.48 7.59	8.60 6.99
B. Standard deviation of inflation	5.56 11.11	8.04 4.90	9.37 1.58	4.50 13.74	7.65 5.88	8.94 2.66	9.02 2.46	8.82 2.96
C. Inflation: most recent year	7.91 10.47	9.32 3.40	9.40 2.98	7.57 12.17	9.62 1.89	8.64 6.80	9.81 0.96	8.26 8.68
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>	5.51	5.94	5.30		6.12	6.15	6.08	6.01
A. Taxes on international trade	1.73	4.27	3.87		7.60	7.39	7.52	7.52
(i) Revenues for trade taxes (% trade sector)	1.73 12.40	4.27 8.60	3.87 9.20			7.82 3.27	7.66 3.50	7.66 3.50
(ii) Mean tariff rate					7.60 12.00	7.08 14.60	7.62 11.90	7.62 11.90
(iii) Standard deviation of tariff rates						7.26 6.84	7.29 6.78	7.29 6.78
B. Regulatory trade barriers						6.34	6.34	6.34
(i) Non-tariff trade barriers								
(ii) Compliance cost of importing and exporting						6.34	6.34	6.34
C. Size of trade sector	8.03	7.46	5.24	4.29	4.82	6.27	5.77	5.41
D. Black-market exchange rates	9.60	9.80	9.20	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.00	0.77	0.77	0.77
(i) Foreign ownership/investment restrictions								
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	0.77	0.77	0.77
<b>5. Regulation of Credit, Labor and Business</b>	5.70	4.97	4.46	4.60	4.42	4.69	4.54	4.36
A. Credit market regulations	6.42	6.61	6.59	6.38	5.78	4.80	4.80	4.80
(i) Ownership of banks	2.00	2.00	2.00	2.00	2.00	5.00	5.00	5.00
(ii) Foreign bank competition								
(iii) Private sector credit	9.26	9.82	9.77	9.15	9.33	3.40	3.40	3.40
(iv) Interest rate controls/negative real int. rates	8.00	8.00	8.00	8.00	6.00	6.00	6.00	6.00
B. Labor market regulations						4.57	4.14	3.59
(i) Hiring regulations and minimum wage						5.60	3.90	1.70
(ii) Hiring and firing regulations								
(iii) Centralized collective bargaining								
(iv) Hours regulations						6.00	6.00	6.00
(v) Mandated cost of worker dismissal						6.66	6.66	6.66
(vi) Conscription		0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations						4.70	4.67	4.70
(i) Price controls			0.00	2.00	2.00	4.00	4.00	4.00
(ii) Bureaucracy costs								
(iii) Bureaucracy costs								
(iv) Starting a business						3.88	3.83	3.76
(v) Extra payments/bribes								
(vi) Licensing restrictions						3.96	3.87	4.07
(vii) Cost of tax compliance						6.97	6.97	6.97



## Trinidad & Tobago

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	5.07 (65)	4.92 (79)	5.64 (52)	6.93 (31)	7.18 (33)	6.75 (64)	6.79 (68)	6.78 (65)
<b>Area 1. Size of Government</b>	5.48 (39)	3.79 (90)	6.31 (37)	7.04 (23)	7.05 (33)	7.17 (35)	7.46 (27)	7.18 (34)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	5.14 (45)	4.54 (64)	5.87 (46)	5.12 (77)	5.93 (56)	4.56 (91)	4.34 (98)	4.57 (93)
<b>Area 3. Access to Sound Money</b>	4.50 (98)	6.16 (82)	5.94 (75)	8.61 (37)	9.03 (38)	8.58 (59)	8.73 (54)	8.48 (55)
<b>Area 4. Freedom to Trade Internationally</b>	3.90 (75)	3.43 (81)	3.70 (95)	7.02 (42)	6.69 (73)	6.98 (52)	6.76 (67)	6.94 (59)
<b>Area 5. Regulation of Credit, Labor and Business</b>	6.34 (19)	6.72 (13)	6.42 (26)	6.88 (15)	7.20 (15)	6.58 (59)	6.77 (50)	6.83 (52)
<b>Unadjusted</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	5.20 (61)	5.05 (76)	5.67 (53)	6.97 (33)	7.18 (33)	7.06 (51)	7.10 (58)	7.10 (51)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.38	3.79	6.31	7.04	7.05	7.17	7.46	7.18
A. Government consumption	5.64 20.81	3.09 29.49	6.81 16.84	6.73 17.11	6.74 17.10	5.97 19.70	6.64 17.42	6.02 19.53
B. Transfers and subsidies	8.50 6.00	6.08 14.90	7.41 10.00	8.45 6.20	8.45 6.20	7.72 8.87	7.72 8.87	7.72 8.87
C. Government enterprises and investment	2.00 47.60	2.00 40.60	4.00 34.60	8.00 16.70	6.00 28.67	7.00 23.59	7.00	7.00
D. Top marginal tax rate		4.00	7.00	5.00	7.00	8.00	8.50	8.00
(i) Top marginal income tax rate		4.00 50	7.00 35	5.00 38	7.00 35	8.00 30	9.00 25	9.00 25
(ii) Top marginal income and payroll tax rates			7.00 35	5.00 38	7.00 35	8.00 30	8.00 28	7.00 33
<b>2. Legal Structure and Security of Property Rights</b>	5.42	4.78	6.19	5.40	5.93	5.17	4.93	5.19
A. Judicial independence						5.32	4.29	5.43
B. Impartial courts				6.47	6.28	5.16	4.03	4.92
C. Protection of property rights					5.30	5.98	6.09	5.86
D. Military interference				7.15	8.33	8.33	8.33	8.33
E. Integrity of the legal system				4.11	6.67	3.82	4.17	4.17
F. Legal enforcement of contracts						2.96	2.96	2.96
G. Regulatory restrictions of sale of real property						4.64	4.64	4.64
<b>3. Access to Sound Money</b>	4.50	6.16	5.94	8.61	9.03	8.58	8.73	8.48
A. Money growth	7.62 11.88	9.98 -0.09	9.06 4.70	8.76 6.18	8.83 5.86	8.23 8.83	7.76 11.20	7.43 12.84
B. Standard deviation of inflation	5.89 10.27	6.66 8.34	7.81 5.47	6.41 8.98	8.02 4.95	7.47 6.33	8.74 3.15	8.90 2.76
C. Inflation: most recent year	4.49 27.53	7.98 10.10	6.90 15.49	9.25 3.75	9.29 3.56	8.62 6.89	8.42 7.89	7.59 12.05
D. Freedom to own foreign currency	0.00	0.00	0.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	4.24	3.78	3.85	7.30	6.69	7.09	6.87	7.05
A. Taxes on international trade	7.87	6.40	6.12	6.99	5.40	7.83	7.68	7.66
(i) Revenues for trade taxes (% trade sector)	7.87 3.20	6.20 5.70	8.20 2.70	8.87 1.70	3.20 10.20	9.07 1.40	9.03 1.46	9.03 1.46
(ii) Mean tariff rate		6.60 17.00	6.28 18.60	7.18 14.10	6.32 18.40	8.44 7.80	8.50 7.50	8.50 7.50
(iii) Standard deviation of tariff rates			3.88 15.30	4.92 12.70	6.68 8.30	5.98 10.06	5.50 11.25	5.47 11.33
B. Regulatory trade barriers					6.20	6.53	6.89	7.00
(i) Non-tariff trade barriers					6.20	5.70	6.42	6.64
(ii) Compliance cost of importing and exporting						7.37	7.37	7.37
C. Size of trade sector	4.91	2.03	2.90	3.96	4.34	3.94	2.89	4.10
D. Black-market exchange rates	0.20	2.20	2.00	9.40	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	8.00	7.53	7.15	6.90	6.50
(i) Foreign ownership/investment restrictions					8.15	7.37	7.64	6.84
(ii) Capital controls	0.00	0.00	0.00	8.00	6.92	6.92	6.15	6.15
<b>5. Regulation of Credit, Labor and Business</b>	6.47	6.77	6.07	6.50	7.20	7.30	7.52	7.58
A. Credit market regulations	6.90	8.04	7.24	7.99	7.55	8.25	9.00	9.00
(i) Ownership of banks	5.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
(ii) Foreign bank competition					4.02	8.00	8.00	8.00
(iii) Private sector credit	8.81	8.12	7.71	9.98	9.98	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates		8.00	6.00	6.00	9.00	7.00	10.00	10.00
B. Labor market regulations					7.15	7.54	7.46	7.48
(i) Hiring regulations and minimum wage					5.34	10.00	10.00	10.00
(ii) Hiring and firing regulations					5.80	5.35	4.45	4.69
(iii) Centralized collective bargaining					7.47	6.13	6.55	6.39
(iv) Hours regulations						10.00	10.00	10.00
(v) Mandated cost of worker dismissal						3.79	3.79	3.79
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations					6.88	6.12	6.08	6.26
(i) Price controls			4.00	6.00	6.00	6.00	6.00	6.00
(ii) Bureaucracy costs					7.47	3.27	3.29	3.95
(iii) Bureaucracy costs					7.70	4.75	5.04	4.95
(iv) Starting a business					6.63	8.61	8.61	8.62
(v) Extra payments/bribes					6.60	4.84	4.27	4.92
(vi) Licensing restrictions						6.65	6.65	6.65
(vii) Cost of tax compliance						8.72	8.72	8.72



## Tunisia

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	5.09 (63)	4.80 (82)	5.48 (59)	5.75 (73)	6.03 (86)	6.05 (91)	6.01 (99)	6.00 (95)
<b>Area 1. Size of Government</b>	4.87 (59)	4.48 (73)	5.81 (53)	4.56 (95)	5.28 (87)	5.17 (98)	5.22 (100)	5.20 (100)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	4.92 (47)	3.52 (84)	3.50 (83)	5.68 (54)	6.43 (44)	6.23 (52)	6.27 (48)	6.07 (53)
<b>Area 3. Access to Sound Money</b>	6.18 (58)	6.50 (65)	6.98 (47)	7.02 (56)	7.05 (77)	7.30 (82)	6.99 (93)	6.77 (93)
<b>Area 4. Freedom to Trade Internationally</b>	5.23 (50)	4.93 (61)	5.97 (49)	6.16 (80)	6.05 (92)	5.75 (98)	5.83 (100)	6.18 (84)
<b>Area 5. Regulation of Credit, Labor and Business</b>	4.33 (84)	4.57 (77)	5.13 (65)	5.34 (69)	5.35 (96)	5.73 (100)	5.68 (103)	5.70 (102)
<b>Unadjusted</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	5.02 (71)	4.73 (84)	5.52 (60)	5.80 (69)	6.03 (86)	6.49 (82)	6.46 (90)	6.44 (90)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.19	3.86	5.81	4.56	5.28	5.23	5.28	5.26
A. Government consumption	6.17 19.03	5.16 22.46	5.75 20.45	5.56 21.11	5.74 20.50	6.01 19.58	6.31 18.54	6.23 18.83
B. Transfers and subsidies	8.61 5.60	8.28 6.80	7.68 9.00	8.14 7.34	8.10 7.47	7.41 10.00	7.32 10.34	7.32 10.34
C. Government enterprises and investment	0.00 53.10	0.00 52.80	4.00 35.90	0.00 50.70	2.00 47.40	2.00 44.40	2.00 44.40	2.00 44.40
D. Top marginal tax rate	2.00	2.00				5.50	5.50	5.50
(i) Top marginal income tax rate	2.00 62	2.00 62				7.00 35	7.00 35	7.00 35
(ii) Top marginal income and payroll tax rates						4.00 51	4.00 51	4.00 51
<b>2. Legal Structure and Security of Property Rights</b>	4.92	3.52	3.50	5.68	6.43	6.82	6.86	6.64
A. Judicial independence						6.78	6.70	6.18
B. Impartial courts				6.71	6.99	6.59	6.56	6.19
C. Protection of property rights						7.37	7.62	6.98
D. Military interference				8.07	6.67	6.67	6.67	6.67
E. Integrity of the legal system				4.11	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts						4.88	4.88	4.88
G. Regulatory restrictions of sale of real property						7.11	7.26	7.26
<b>3. Access to Sound Money</b>	6.18	6.50	6.98	7.02	7.05	7.30	6.99	6.77
A. Money growth	8.64 6.80	8.48 7.61	9.63 1.86	9.48 2.60	9.04 4.82	9.78 1.09	8.79 6.07	8.69 6.54
B. Standard deviation of inflation	8.63 3.43	8.25 4.37	9.20 2.00	9.62 0.94	9.75 0.62	9.83 0.41	9.81 0.48	9.36 1.61
C. Inflation: most recent year	7.44 12.80	9.28 3.60	9.10 4.48	8.96 5.19	9.41 2.93	9.60 2.02	9.37 3.15	9.01 4.93
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>	5.12	4.83	5.97	6.16	6.05	6.10	6.19	6.57
A. Taxes on international trade	4.36	3.17	4.71	4.61	5.53	5.34	4.51	6.02
(i) Revenues for trade taxes (% trade sector)	4.00 9.00	1.13 13.30	3.67 9.50	4.00 9.00	7.75 3.37	8.69 1.96	8.89 1.66	8.97 1.54
(ii) Mean tariff rate	4.72 26.40	5.20 24.00	4.50 27.50	4.50 27.50	3.88 30.60	7.32 13.40	4.64 26.80	5.70 21.50
(iii) Standard deviation of tariff rates			5.96 10.10	5.32 11.70	4.96 12.60	0.00 26.00	0.00 26.00	3.38 16.56
B. Regulatory trade barriers						6.57	6.78	6.89
(i) Non-tariff trade barriers						6.30	6.25	6.18
(ii) Compliance cost of importing and exporting						6.84	7.30	7.60
C. Size of trade sector	6.63	5.16	6.54	6.21	5.74	5.72	6.25	7.02
D. Black-market exchange rates	6.40	7.60	8.40	9.80	10.00	8.79	9.23	9.49
E. International capital market controls	0.00	0.00	2.00	2.00	0.77	4.11	4.20	3.43
(i) Foreign ownership/investment restrictions						7.45	7.63	6.08
(ii) Capital controls	0.00	0.00	2.00	2.00	0.77	0.77	0.77	0.77
<b>5. Regulation of Credit, Labor and Business</b>	4.70	4.96	5.36	5.57	5.35	7.00	6.96	6.98
A. Credit market regulations	4.89	5.58	7.21	7.27	6.93	7.86	8.00	8.17
(i) Ownership of banks	2.00	2.00	5.00	5.00	5.00	5.00	5.00	5.00
(ii) Foreign bank competition						8.00	8.00	8.00
(iii) Private sector credit	8.68	8.75	8.63	8.80	8.86	8.45	8.99	9.68
(iv) Interest rate controls/negative real int. rates	4.00	6.00	8.00	8.00		10.00	10.00	10.00
B. Labor market regulations						6.52	6.27	6.17
(i) Hiring regulations and minimum wage						7.20	7.20	7.20
(ii) Hiring and firing regulations						5.83	5.13	4.91
(iii) Centralized collective bargaining						5.97	5.17	4.80
(iv) Hours regulations						8.70	8.70	8.70
(v) Mandated cost of worker dismissal						8.42	8.42	8.42
(vi) Conscription	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
C. Business regulations						6.63	6.60	6.60
(i) Price controls			4.00	6.00	6.00	6.00	6.00	6.00
(ii) Bureaucracy costs						5.28	5.31	4.72
(iii) Bureaucracy costs						4.30	3.21	3.76
(iv) Starting a business						9.46	9.56	9.59
(v) Extra payments/bribes						6.84	6.94	6.92
(vi) Licensing restrictions						7.54	7.71	7.74
(vii) Cost of tax compliance						7.00	7.44	7.44



## Turkey

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	3.95 (94)	5.08 (72)	5.14 (74)	5.72 (75)	5.75 (97)	6.36 (83)	6.53 (77)	6.91 (57)
<b>Area 1. Size of Government</b>	4.40 (73)	4.93 (59)	5.82 (52)	6.93 (26)	7.08 (32)	7.84 (18)	7.50 (25)	7.44 (28)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	5.82 (38)	6.11 (37)	4.68 (67)	4.85 (84)	5.39 (70)	6.50 (45)	5.72 (68)	5.61 (68)
<b>Area 3. Access to Sound Money</b>	0.78 (112)	2.68 (105)	3.87 (104)	3.21 (106)	3.57 (116)	4.84 (120)	6.44 (107)	8.57 (54)
<b>Area 4. Freedom to Trade Internationally</b>	3.85 (76)	5.78 (48)	5.66 (57)	7.41 (33)	7.15 (55)	6.63 (64)	6.46 (80)	6.41 (77)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.01 (63)	5.92 (37)	5.60 (52)	6.26 (37)	5.58 (85)	6.00 (89)	6.58 (60)	6.54 (63)
<b>Unadjusted</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	3.77 (99)	4.85 (81)	4.86 (88)	5.65 (76)	5.75 (96)	6.28 (97)	6.44 (92)	6.82 (74)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	4.40	4.93	5.82	6.93	7.08	7.84	7.50	7.44
A. Government consumption	7.09 15.89	8.40 11.44	7.71 13.78	7.85 13.30	6.93 16.43	6.98 16.26	7.31 15.13	7.20 15.53
B. Transfers and subsidies	8.50 6.00	7.30 10.40	9.07 3.90	7.86 8.36	9.37 2.81	9.38 2.77	7.69 8.97	7.58 9.38
C. Government enterprises and investment	2.00 40.00	2.00 45.50	4.00 31.70	8.00 16.50	7.00 22.80	8.00 15.70	8.00 15.60	8.00 19.38
D. Top marginal tax rate	0.00	2.00	2.50	4.00	5.00	7.00	7.00	7.00
(i) Top marginal income tax rate	0.00 75	2.00 63	4.00 50	4.00 55	6.00 45	7.00 40	7.00 35	7.00 35
(ii) Top marginal income and payroll tax rates			1.00 57	4.00 55	4.00 46	7.00 40	7.00 35	7.00 35
<b>2. Legal Structure and Security of Property Rights</b>	5.57	5.85	4.48	4.85	5.39	6.50	5.72	5.61
A. Judicial independence				5.47	5.34	5.30	5.00	4.51
B. Impartial courts				6.62	6.51	4.68	3.79	4.01
C. Protection of property rights				4.25	3.43	6.35	5.34	4.83
D. Military interference				3.80	5.00	6.67	3.33	3.33
E. Integrity of the legal system				4.11	6.67	7.50	7.50	7.50
F. Legal enforcement of contracts						6.16	6.16	6.16
G. Regulatory restrictions of sale of real property						8.87	8.90	8.90
<b>3. Access to Sound Money</b>	0.78	2.68	3.87	3.21	3.57	4.84	6.44	8.57
A. Money growth	3.14 34.30	5.02 24.88	2.36 38.20	0.00 50.41	0.00 81.91	0.00 59.29	0.18 49.09	7.46 12.68
B. Standard deviation of inflation	0.00 27.75	5.71 10.72	3.11 17.23	2.84 17.89	4.27 14.33	1.40 21.49	7.34 6.64	8.92 2.69
C. Inflation: most recent year	0.00 85.04	0.00 52.18	0.00 58.21	0.00 86.99	0.00 54.92	7.97 10.14	8.25 8.76	7.91 10.44
D. Freedom to own foreign currency	0.00	0.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	3.71	5.57	5.00	7.13	7.15	6.63	6.46	6.41
A. Taxes on international trade	3.50	6.34	4.53	8.31	7.42	6.87	6.19	6.29
(i) Revenues for trade taxes (% trade sector)	5.80 6.30	8.00 3.00	8.13 2.80	9.00 1.50	9.55 0.67	9.73 0.41	9.61 0.59	9.61 0.58
(ii) Mean tariff rate	1.20 44.00	4.68 26.60	5.46 22.70	8.20 9.00	8.58 7.10	9.52 2.40	8.00 10.00	8.06 9.70
(iii) Standard deviation of tariff rates			0.00 35.70	7.72 5.70	4.12 14.70	1.36 21.60	0.96 22.60	1.19 22.02
B. Regulatory trade barriers				7.60	6.98	6.60	7.29	7.13
(i) Non-tariff trade barriers				7.60	5.63	6.28	6.52	6.21
(ii) Compliance cost of importing and exporting					8.33	6.93	8.05	8.05
C. Size of trade sector	0.00	3.89	2.67	4.64	5.56	5.63	4.31	4.52
D. Black-market exchange rates	6.80	9.40	9.60	9.60	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	5.49	5.79	4.04	4.51	4.11
(i) Foreign ownership/investment restrictions				8.98	9.27	6.55	7.49	6.68
(ii) Capital controls	0.00	0.00	0.00	2.00	2.31	1.54	1.54	1.54
<b>5. Regulation of Credit, Labor and Business</b>	4.41	5.21	5.13	6.15	5.58	5.56	6.09	6.05
A. Credit market regulations	3.99	6.65	5.41	7.59	6.41	6.49	7.75	7.47
(i) Ownership of banks	8.00	8.00	8.00	8.00	8.00	5.00	5.00	5.00
(ii) Foreign bank competition				7.82	5.10	6.00	6.00	6.00
(iii) Private sector credit	3.98	3.96	6.22	7.35	4.29	4.95	10.00	8.90
(iv) Interest rate controls/negative real int. rates	0.00	8.00	2.00	8.00		10.00	10.00	10.00
B. Labor market regulations			5.16	5.35	4.49	3.83	4.24	4.38
(i) Hiring regulations and minimum wage				6.35	3.38	4.40	5.60	5.60
(ii) Hiring and firing regulations			7.23	7.23	5.32	4.02	5.11	5.65
(iii) Centralized collective bargaining	7.24	7.24	7.24	7.24	6.57	6.39	6.55	6.85
(iv) Hours regulations				4.93	6.18	6.00	6.00	6.00
(v) Mandated cost of worker dismissal						1.19	1.19	1.19
(vi) Conscription	0.00	0.00	1.00	1.00	1.00		1.00	1.00
C. Business regulations				5.51	5.86	6.37	6.27	6.28
(i) Price controls			8.00	5.00	6.00	5.00	6.00	6.00
(ii) Bureaucracy costs					7.40	3.28	2.89	3.21
(iii) Bureaucracy costs				6.24	5.15	6.21	4.79	5.12
(iv) Starting a business				7.55	5.22	9.47	9.62	9.63
(v) Extra payments/bribes				3.23	5.52	6.33	5.71	5.03
(vi) Licensing restrictions						7.13	7.40	7.46
(vii) Cost of tax compliance						7.15	7.50	7.50



## Uganda

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	3.42 (100)	3.01 (108)	2.99 (112)	5.31 (86)	6.72 (46)	6.91 (57)	7.21 (45)	7.15 (43)
<b>Area 1. Size of Government</b>		4.05 (84)	4.90 (75)	7.47 (19)	6.73 (45)	7.02 (44)	7.09 (42)	7.20 (33)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	2.76 (74)	2.93 (95)	2.44 (104)	4.35 (102)	4.60 (83)	5.11 (81)	4.98 (84)	4.95 (84)
<b>Area 3. Access to Sound Money</b>	1.04 (111)	0.10 (112)	0.28 (117)	4.62 (97)	9.30 (31)	8.70 (54)	9.17 (43)	8.77 (48)
<b>Area 4. Freedom to Trade Internationally</b>	4.54 (64)	3.73 (76)	2.95 (101)	4.95 (103)	6.88 (64)	6.40 (75)	7.31 (40)	7.26 (41)
<b>Area 5. Regulation of Credit, Labor and Business</b>	4.25 (87)	4.23 (87)	4.46 (89)	5.18 (75)	6.06 (63)	7.19 (36)	7.38 (28)	7.47 (24)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	3.21 (104)	3.02 (108)	2.93 (113)	5.33 (86)	6.72 (44)	6.84 (71)	7.13 (56)	7.07 (57)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>		3.73	4.52	7.47	6.73	7.02	7.09	7.20
A. Government consumption		7.20 15.51	9.57 7.48	8.68 10.49	7.50 14.51	7.16 15.65	7.56 14.30	7.97 12.89
B. Transfers and subsidies				9.20 3.42	8.94 4.40	7.93 8.10	7.81 8.53	7.81 8.53
C. Government enterprises and investment	2.00 42.80	4.00 39.00	2.00 49.10	6.00 27.80	4.00 31.50	7.00 22.40	7.00 22.60	7.00 23.44
D. Top marginal tax rate		0.00	2.00	6.00	6.50	6.00	6.00	6.00
(i) Top marginal income tax rate		0.00 70	3.00 50	8.00 30	8.00 30	8.00 30	8.00 30	8.00 30
(ii) Top marginal income and payroll tax rates			1.00 59	4.00 41	5.00 40	4.00 41	4.00 41	4.00 41
<b>2. Legal Structure and Security of Property Rights</b>	2.76	2.93	2.44	4.35	4.60	4.82	4.70	4.68
A. Judicial independence						4.63	3.85	3.69
B. Impartial courts				5.54	4.41	4.12	3.88	4.37
C. Protection of property rights						4.29	4.30	4.22
D. Military interference				3.70	3.33	3.33	3.33	3.33
E. Integrity of the legal system				4.11	6.67	6.67	6.67	5.83
F. Legal enforcement of contracts						3.70	3.70	3.89
G. Regulatory restrictions of sale of real property						7.03	7.20	7.39
<b>3. Access to Sound Money</b>	1.04	0.00	0.28	4.62	9.30	8.70	9.17	8.77
A. Money growth	3.12 34.40	0.00 76.20	0.00 410.00	5.96 20.21	8.73 6.34	8.56 7.20	8.43 7.85	7.77 11.14
B. Standard deviation of inflation	0.00 33.80	0.00 40.83	0.00 52.40	4.36 14.10	9.05 2.39	7.86 5.36	9.46 1.35	9.71 0.73
C. Inflation: most recent year		0.00 120.35	1.12 44.38	8.15 9.23	9.43 2.83	8.37 8.15	8.78 6.08	7.59 12.06
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	4.33	3.73	2.95	5.05	6.88	5.91	6.76	6.71
A. Taxes on international trade	7.93	3.13	3.39	5.38	5.43	5.72	6.90	6.92
(i) Revenues for trade taxes (% trade sector)	7.93 3.10	2.27 11.60	2.80 10.80	3.20 10.20	2.51 11.23	4.31 8.54	7.90 3.15	7.98 3.04
(ii) Mean tariff rate		4.00 30.00	3.98 30.10	6.58 17.10	8.34 8.30	7.52 12.40	7.48 12.60	7.48 12.60
(iii) Standard deviation of tariff rates				6.36 9.10		5.33 11.68	5.31 11.72	5.31 11.72
B. Regulatory trade barriers						3.29	4.84	5.19
(i) Non-tariff trade barriers						4.12	5.10	5.44
(ii) Compliance cost of importing and exporting						2.46	4.58	4.94
C. Size of trade sector	5.49	2.26	1.07	2.26	2.31	2.35	3.92	3.94
D. Black-market exchange rates	0.00	5.00	2.00	9.40	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	8.46	8.21	8.13	7.49
(i) Foreign ownership/investment restrictions						7.97	8.58	7.28
(ii) Capital controls	0.00	0.00	0.00	0.00	8.46	8.46	7.69	7.69
<b>5. Regulation of Credit, Labor and Business</b>	4.72	4.70	4.46	5.18	6.06	7.73	7.91	8.00
A. Credit market regulations	2.61	2.58	3.23	4.29	6.55	8.90	8.61	8.70
(i) Ownership of banks	2.00	2.00	2.00	2.00	2.00	10.00	10.00	10.00
(ii) Foreign bank competition						7.00	7.00	7.00
(iii) Private sector credit	5.84	5.74	7.70	6.86	8.66	9.62	8.46	8.79
(iv) Interest rate controls/negative real int. rates	0.00	0.00	0.00	4.00	9.00	9.00	9.00	9.00
B. Labor market regulations						8.73	9.05	9.09
(i) Hiring regulations and minimum wage						10.00	10.00	10.00
(ii) Hiring and firing regulations						6.88	6.76	7.08
(iii) Centralized collective bargaining						8.69	8.76	8.65
(iv) Hours regulations						8.00	10.00	10.00
(v) Mandated cost of worker dismissal						8.79	8.79	8.79
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						5.56	6.05	6.22
(i) Price controls			0.00	4.00	6.00	6.00	6.00	6.00
(ii) Bureaucracy costs						3.82	4.46	4.50
(iii) Bureaucracy costs						2.41	5.97	6.06
(iv) Starting a business						8.10	8.14	8.31
(v) Extra payments/bribes						4.20	2.97	2.97
(vi) Licensing restrictions						7.05	7.31	7.53
(vii) Cost of tax compliance						7.34	7.51	8.20



## Ukraine

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ►				3.76 (122)	4.74 (117)	5.67 (107)	5.69 (107)	5.46 (109)
Area 1. Size of Government					4.78 (94)	5.29 (94)	5.66 (91)	5.19 (102)
Area 2. Legal Structure & Security of Property Rights				4.78 (90)	4.81 (79)	5.28 (77)	5.27 (79)	5.00 (82)
Area 3. Access to Sound Money			3.90 (103)	0.12 (121)	2.24 (122)	4.88 (119)	5.16 (120)	4.61 (121)
Area 4. Freedom to Trade Internationally				6.68 (61)	7.05 (61)	6.60 (66)	6.45 (81)	6.51 (73)
Area 5. Regulation of Credit, Labor and Business			2.80 (113)	3.34 (119)	4.79 (107)	6.28 (66)	5.91 (96)	6.00 (94)
<b>Unadjusted</b>								
Summary Rating (Rank) ►				3.44 (123)	4.74 (117)	5.67 (122)	5.76 (126)	5.53 (127)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>					4.78	5.29	6.00	5.50
A. Government consumption	4.65 24.20	4.41 25.00	5.16 22.44	3.58 27.84	3.59 27.80	4.38 25.12	4.84 23.53	3.69 27.47
B. Transfers and subsidies					6.26 14.24	3.98 22.59	4.65 20.13	3.80 23.24
C. Government enterprises and investment							7.00	7.00
D. Top marginal tax rate					4.50	7.50	7.50	7.50
(i) Top marginal income tax rate					5.00 40	10.00 13	10.00 15	10.00 15
(ii) Top marginal income and payroll tax rates					4.00 44	5.00 38	5.00 39	5.00 40
<b>2. Legal Structure and Security of Property Rights</b>				4.32	4.81	5.28	5.27	5.00
A. Judicial independence				6.10	3.17	2.56	2.60	2.09
B. Impartial courts				4.28	3.51	3.05	2.98	2.08
C. Protection of property rights				1.22	2.38	3.95	3.78	3.09
D. Military interference				5.67	8.33	8.33	8.33	8.33
E. Integrity of the legal system					6.67	6.67	6.67	6.67
F. Legal enforcement of contracts						5.28	5.28	5.34
G. Regulatory restrictions of sale of real property						7.12	7.29	7.39
<b>3. Access to Sound Money</b>			3.37	0.00	2.24	4.88	5.16	4.61
A. Money growth					3.17 34.15	5.27 23.66	5.84 20.82	6.06 19.70
B. Standard deviation of inflation				0.00 1158.31	1.45 21.38	6.95 7.64	7.36 6.59	7.42 6.44
C. Inflation: most recent year			6.73 16.34	0.00 415.53	4.36 28.20	7.30 13.52	7.43 12.84	4.95 25.23
D. Freedom to own foreign currency			0.00	0.00	0.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>				6.20	7.05	6.60	6.45	6.51
A. Taxes on international trade					7.62	6.75	6.76	8.16
(i) Revenues for trade taxes (% trade sector)					9.36 0.96	8.87 1.70	8.91 1.63	8.98 1.53
(ii) Mean tariff rate					7.90 10.50	8.64 6.80	8.62 6.90	8.90 5.50
(iii) Standard deviation of tariff rates					5.60 11.00	2.74 18.16	2.74 18.16	6.59 8.53
B. Regulatory trade barriers				2.52	5.51	4.84	5.15	5.13
(i) Non-tariff trade barriers				2.52	4.03	4.56	4.98	4.94
(ii) Compliance cost of importing and exporting					6.99	5.13	5.32	5.32
C. Size of trade sector			5.82	9.45	10.00	8.70	7.58	6.90
D. Black-market exchange rates	0.00	0.00	0.00	9.40	7.78	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	3.43	4.34	2.69	2.76	2.35
(i) Foreign ownership/investment restrictions				4.86	7.13	4.61	4.75	3.94
(ii) Capital controls	0.00	0.00	0.00	2.00	1.54	0.77	0.77	0.77
<b>5. Regulation of Credit, Labor and Business</b>			3.45	3.25	4.79	6.33	5.94	6.02
A. Credit market regulations			0.00	1.77	5.11	8.87	8.15	8.07
(i) Ownership of banks			0.00	0.00	0.00	8.00	8.00	8.00
(ii) Foreign bank competition				3.17	3.93	8.00	8.00	8.00
(iii) Private sector credit				1.72	9.76	9.47	9.60	9.27
(iv) Interest rate controls/negative real int. rates				0.00	7.00	10.00	7.00	7.00
B. Labor market regulations				5.35	4.51	6.17	6.23	6.30
(i) Hiring regulations and minimum wage				6.62	1.87	5.60	5.60	6.70
(ii) Hiring and firing regulations			5.83	5.83	6.25	6.34	6.89	6.21
(iii) Centralized collective bargaining				7.93	8.07	7.30	7.07	7.10
(iv) Hours regulations				5.35	5.34	8.00	8.00	8.00
(v) Mandated cost of worker dismissal						8.79	8.79	8.79
(vi) Conscription				1.00	1.00	1.00	1.00	1.00
C. Business regulations				2.64	4.75	3.95	3.44	3.70
(i) Price controls			0.00	4.00	6.00	4.00	1.00	1.00
(ii) Bureaucracy costs					6.27	2.58	3.19	2.81
(iii) Bureaucracy costs				2.20	4.80	3.80	5.16	5.87
(iv) Starting a business				3.73	2.87	8.20	8.51	8.57
(v) Extra payments/bribes				0.62	3.79	5.59	4.15	3.49
(vi) Licensing restrictions						3.51	1.56	2.38
(vii) Cost of tax compliance						0.00	0.49	1.75



## United Arab Emirates

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	5.92 (35)	6.79 (18)	7.18 (21)	6.77 (36)	7.02 (40)	7.22 (37)	7.30 (37)	7.45 (25)
<b>Area 1. Size of Government</b>	5.97 (28)	5.75 (33)	7.43 (11)	5.94 (65)	6.11 (65)	6.98 (46)	6.96 (48)	7.12 (38)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	2.06 (86)	5.85 (42)	5.79 (48)	5.83 (51)	6.56 (39)	6.66 (38)	6.84 (32)	6.90 (29)
<b>Area 3. Access to Sound Money</b>	6.64 (35)	7.64 (31)	7.91 (33)	7.76 (44)	7.75 (65)	7.60 (77)	8.00 (75)	8.25 (62)
<b>Area 4. Freedom to Trade Internationally</b>					8.22 (19)	8.74 (3)	8.49 (5)	8.68 (3)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.31 (50)	6.26 (27)	6.37 (29)	6.34 (33)	6.46 (43)	6.15 (78)	6.22 (81)	6.33 (74)
<b>Unadjusted</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	5.92 (33)	6.78 (16)	7.40 (8)	6.89 (36)	7.02 (40)	7.49 (24)	7.58 (22)	7.73 (12)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.19	5.00	7.43	5.94	6.11	6.98	6.96	7.12
A. Government consumption	0.37 38.73	0.00 41.76	2.91 30.10	3.88 26.80	4.71 23.97	6.21 18.90	6.11 19.23	6.78 16.94
B. Transfers and subsidies			9.81 1.20	9.86 1.00	9.71 1.55	9.71 1.55	9.71 1.55	9.71 1.55
C. Government enterprises and investment			7.00 21.40	0.00 55.70	0.00 56.90	2.00 49.10	2.00 48.70	2.00 48.70
D. Top marginal tax rate	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
(i) Top marginal income tax rate	10.00 0	10.00 0	10.00	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0
(ii) Top marginal income and payroll tax rates						10.00 16	10.00 16	10.00 16
<b>2. Legal Structure and Security of Property Rights</b>	2.06	5.85	5.79	5.83	6.56	6.94	7.13	7.19
A. Judicial independence						6.30	6.99	6.76
B. Impartial courts				6.92	7.55	6.35	6.55	7.00
C. Protection of property rights						6.82	7.25	7.45
D. Military interference				8.50	8.33	8.33	8.33	8.33
E. Integrity of the legal system				4.11	6.67	6.67	6.67	6.67
F. Legal enforcement of contracts						4.83	4.83	4.83
G. Regulatory restrictions of sale of real property						9.30	9.30	9.30
<b>3. Access to Sound Money</b>	7.93	9.12	9.44	9.45	7.75	7.60	8.00	8.25
A. Money growth	5.46 22.70	9.30 -3.51	9.27 3.66	8.90 5.51	8.87 5.66	6.65 16.75	6.14 19.31	7.14 14.28
B. Standard deviation of inflation	8.08 4.79	8.09 4.78	9.32 1.69		6.49 8.78	6.62 8.45	8.32 3.91	8.32 3.91
C. Inflation: most recent year	8.18 9.10	9.11 4.46	9.18 4.10		5.63 21.83	7.14 14.29	7.55 14.47	7.55 14.47
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	9.16	7.72	7.94		8.22	8.52	8.28	8.47
A. Taxes on international trade	10.00	9.60	10.00		9.60	8.87	8.59	8.45
(i) Revenues for trade taxes (% trade sector)	10.00 0.00	10.00 0.00	10.00 0.00		10.00 0.00	10.00 0.00	10.00 0.00	10.00 0.00
(ii) Mean tariff rate		9.20 4.00			9.20 4.00	9.04 4.80	9.00 5.00	9.00 5.00
(iii) Standard deviation of tariff rates						7.56 6.10	6.78 8.05	6.36 9.10
B. Regulatory trade barriers						8.11	8.45	8.62
(i) Non-tariff trade barriers						7.62	8.06	8.30
(ii) Compliance cost of importing and exporting						8.60	8.85	8.93
C. Size of trade sector	7.70	5.86	6.57	7.43	7.22	9.22	7.94	8.51
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	10.00	5.00	5.00	5.00	6.15	6.42	6.40	6.75
(i) Foreign ownership/investment restrictions						6.69	6.98	7.67
(ii) Capital controls	10.00	5.00	5.00	5.00	6.15	6.15	5.83	5.83
<b>5. Regulation of Credit, Labor and Business</b>	5.28	6.22	6.37	6.34	6.46	7.42	7.51	7.63
A. Credit market regulations	6.85	6.17	6.49	6.36	6.86	7.80	7.84	7.90
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
(ii) Foreign bank competition						8.00	8.00	8.00
(iii) Private sector credit	8.71	7.35	7.98	7.73	8.71	8.21	8.37	8.62
(iv) Interest rate controls/negative real int. rates						10.00	10.00	10.00
B. Labor market regulations						7.48	7.44	7.53
(i) Hiring regulations and minimum wage						10.00	10.00	10.00
(ii) Hiring and firing regulations						6.21	6.21	6.43
(iii) Centralized collective bargaining						8.47	8.24	8.53
(iv) Hours regulations						8.00	8.00	8.00
(v) Mandated cost of worker dismissal						2.21	2.21	2.21
(vi) Conscription	3.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						6.99	7.23	7.45
(i) Price controls			8.00	8.00	8.00	6.00	6.00	6.00
(ii) Bureaucracy costs						5.56	6.13	6.06
(iii) Bureaucracy costs						2.18	3.21	2.67
(iv) Starting a business						8.03	8.32	9.45
(v) Extra payments/bribes						8.07	7.88	8.27
(vi) Licensing restrictions						9.21	9.22	9.82
(vii) Cost of tax compliance						9.87	9.87	9.87



## United Kingdom

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	6.73 (17)	7.66 (7)	8.14 (5)	8.04 (6)	8.25 (6)	8.04 (8)	7.84 (10)	7.78 (9)
<b>Area 1. Size of Government</b>	3.94 (84)	4.61 (69)	5.65 (58)	5.42 (81)	6.13 (61)	6.29 (74)	6.29 (72)	6.02 (77)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	8.29 (19)	7.83 (21)	9.10 (17)	8.84 (14)	9.29 (6)	8.52 (12)	8.02 (16)	8.11 (15)
<b>Area 3. Access to Sound Money</b>	5.96 (68)	9.35 (11)	9.48 (12)	9.60 (16)	9.31 (30)	9.45 (29)	9.44 (24)	9.41 (24)
<b>Area 4. Freedom to Trade Internationally</b>	8.28 (6)	8.33 (6)	8.14 (10)	8.25 (10)	8.42 (12)	7.78 (19)	7.63 (33)	7.63 (26)
<b>Area 5. Regulation of Credit, Labor and Business</b>	7.41 (5)	8.19 (2)	8.38 (2)	8.06 (4)	8.08 (3)	8.17 (10)	7.82 (17)	7.76 (18)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	6.28 (21)	7.15 (8)	7.57 (6)	8.03 (6)	8.25 (6)	8.06 (8)	7.87 (10)	7.81 (10)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	3.94	4.61	5.65	5.42	6.13	6.29	6.29	6.02
A. Government consumption	3.93 26.62	4.16 25.85	4.52 24.63	4.36 25.18	5.23 22.22	4.32 25.31	4.25 25.54	4.30 25.37
B. Transfers and subsidies	5.83 15.80	5.26 17.90	6.08 14.90	5.31 17.70	6.31 14.05	6.33 13.97	6.41 13.66	6.28 14.15
C. Government enterprises and investment	6.00 29.10	7.00 23.50	8.00 15.30	8.00 16.40	8.00 16.40	10.00 4.24	10.00 10.95	10.00 13.54
D. Top marginal tax rate	0.00	2.00	4.00	4.00	5.00	4.50	4.50	3.50
(i) Top marginal income tax rate	0.00 83	2.00 60	5.00 40	5.00 40	6.00 40	5.00 41	5.00 41	4.00 41
(ii) Top marginal income and payroll tax rates			3.00 48	3.00 48	4.00 48	4.00 48	4.00 48	3.00 48
<b>2. Legal Structure and Security of Property Rights</b>	7.05	6.65	7.73	8.84	9.29	8.52	8.02	8.11
A. Judicial independence				9.50	9.02	8.74	7.98	8.37
B. Impartial courts				8.88	9.02	8.38	7.23	7.01
C. Protection of property rights				7.08	8.44	9.09	7.49	7.65
D. Military interference				8.76	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	10.00	9.17	9.17	9.17
F. Legal enforcement of contracts						6.00	6.00	6.04
G. Regulatory restrictions of sale of real property						8.26	8.26	8.50
<b>3. Access to Sound Money</b>	5.96	9.35	9.48	9.60	9.31	9.45	9.44	9.41
A. Money growth	8.57 7.17	9.57 2.17	9.75 1.27	9.59 2.06	8.14 9.31	8.54 7.30	8.76 6.21	8.56 7.18
B. Standard deviation of inflation	9.04 2.40	9.01 2.48	9.45 1.38	9.30 1.74	9.69 0.77	9.82 0.44	9.84 0.40	9.86 0.35
C. Inflation: most recent year	6.23 18.84	8.82 5.91	8.72 6.42	9.51 2.44	9.41 2.93	9.43 2.83	9.15 4.27	9.20 3.99
D. Freedom to own foreign currency	0.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	8.47	8.53	8.21	8.19	8.42	7.78	7.63	7.63
A. Taxes on international trade	8.89	9.05	8.41	8.63	9.18	8.48	8.27	8.11
(i) Revenues for trade taxes (% trade sector)	9.53 0.70	9.60 0.60	9.60 0.60	9.60 0.60	9.78 0.33	9.84 0.24	9.84 0.24	9.84 0.24
(ii) Mean tariff rate	8.24 8.80	8.50 7.50	8.52 7.40	8.66 6.70	9.52 2.40	9.46 2.70	8.96 5.20	8.88 5.60
(iii) Standard deviation of tariff rates			7.12 7.20	7.64 5.90	8.24 4.40	6.13 9.67	6.01 9.98	5.61 10.98
B. Regulatory trade barriers				8.03	9.32	8.07	8.07	8.03
(i) Non-tariff trade barriers				8.03	8.97	7.23	7.22	7.15
(ii) Compliance cost of importing and exporting					9.67	8.91	8.91	8.91
C. Size of trade sector	5.34	5.44	4.48	4.81	4.51	3.80	3.54	3.99
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	10.00	10.00	10.00	9.45	9.10	8.52	8.27	8.03
(i) Foreign ownership/investment restrictions				8.89	9.75	8.59	8.21	7.72
(ii) Capital controls	10.00	10.00	10.00	10.00	8.46	8.46	8.33	8.33
<b>5. Regulation of Credit, Labor and Business</b>	6.00	6.62	6.79	8.08	8.08	8.26	7.96	7.89
A. Credit market regulations	7.33	9.71	9.93	8.63	9.19	9.24	9.32	8.96
(i) Ownership of banks	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				9.28	7.42	9.00	9.00	9.00
(iii) Private sector credit	8.00	9.12	9.79	6.36	10.00	7.98	8.29	6.85
(iv) Interest rate controls/negative real int. rates	4.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	6.67	6.79	7.24	7.22	6.92	8.47	7.93	7.98
(i) Hiring regulations and minimum wage				6.67	4.61	8.90	8.90	8.90
(ii) Hiring and firing regulations			7.39	7.39	4.90	5.83	4.88	5.22
(iii) Centralized collective bargaining	5.18	5.18	6.21	6.21	8.60	8.10	7.83	7.83
(iv) Hours regulations	4.84	5.19	5.37	5.85	6.51	10.00	8.00	8.00
(v) Mandated cost of worker dismissal						7.96	7.96	7.96
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				8.39	8.13	7.08	6.62	6.71
(i) Price controls			9.00	9.00	8.00	4.00	6.00	6.00
(ii) Bureaucracy costs					7.93	3.80	3.34	3.33
(iii) Bureaucracy costs				7.78	8.03	5.90	2.44	2.21
(iv) Starting a business				8.07	7.73	9.58	9.58	9.58
(v) Extra payments/bribes				8.70	8.97	9.04	7.67	7.87
(vi) Licensing restrictions						8.45	8.45	9.25
(vii) Cost of tax compliance						8.82	8.82	8.77



## United States

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	8.03 (3)	8.18 (3)	8.43 (3)	8.32 (4)	8.45 (3)	8.07 (6)	8.08 (6)	7.93 (6)
<b>Area 1. Size of Government</b>	5.17 (49)	6.05 (27)	6.71 (24)	6.88 (29)	7.03 (34)	7.13 (38)	7.24 (33)	7.13 (37)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	9.81 (1)	9.81 (4)	9.81 (12)	8.76 (15)	9.23 (9)	7.63 (21)	7.58 (25)	7.50 (22)
<b>Area 3. Access to Sound Money</b>	9.22 (5)	9.36 (9)	9.68 (7)	9.76 (3)	9.78 (2)	9.76 (1)	9.74 (4)	9.69 (2)
<b>Area 4. Freedom to Trade Internationally</b>	8.09 (8)	7.78 (11)	7.91 (13)	8.01 (18)	8.01 (25)	7.52 (26)	7.64 (32)	7.57 (29)
<b>Area 5. Regulation of Credit, Labor and Business</b>	8.10 (2)	8.08 (3)	8.17 (4)	8.21 (3)	8.19 (2)	8.29 (8)	8.20 (8)	7.78 (17)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	7.53 (5)	7.66 (4)	7.87 (3)	8.30 (4)	8.45 (3)	8.09 (6)	8.10 (6)	7.96 (6)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	5.17	6.05	6.71	6.88	7.03	7.13	7.24	7.13
A. Government consumption	5.53 21.21	5.45 21.46	5.66 20.76	6.18 18.97	6.59 17.60	6.34 18.43	6.30 18.58	6.10 19.27
B. Transfers and subsidies	7.17 10.90	6.73 12.50	6.68 12.70	6.32 14.00	6.54 13.19	6.69 12.66	6.66 12.77	6.44 13.56
C. Government enterprises and investment	8.00 17.71	8.00 18.07	8.00 18.28	8.00 16.70	8.00 17.68	8.00 15.23	8.00 16.78	8.00 18.85
D. Top marginal tax rate	0.00	4.00	6.50	7.00	7.00	7.50	8.00	8.00
(i) Top marginal income tax rate	0.00 70-75	4.00 50-59	7.00 33-42	7.00 40-46	7.00 40-46	8.00 35-42	8.00 35-41	8.00 35-41
(ii) Top marginal income and payroll tax rates			6.00 36-45	7.00 42-49	7.00 42-49	7.00 37-44	8.00 37-43	8.00 37-43
<b>2. Legal Structure and Security of Property Rights</b>	8.35	8.35	8.35	8.76	9.23	7.63	7.58	7.50
A. Judicial independence				8.30	8.02	6.60	7.46	7.24
B. Impartial courts				8.52	9.02	6.80	6.51	5.78
C. Protection of property rights				7.76	9.10	8.05	7.98	7.54
D. Military interference				9.23	10.00	6.67	6.67	6.67
E. Integrity of the legal system				10.00	10.00	8.33	7.50	8.33
F. Legal enforcement of contracts						7.33	7.33	7.33
G. Regulatory restrictions of sale of real property						9.61	9.61	9.61
<b>3. Access to Sound Money</b>	9.22	9.36	9.68	9.76	9.78	9.76	9.74	9.69
A. Money growth	9.25 3.75	9.11 4.46	9.86 -0.72	9.70 1.51	9.94 -0.28	9.92 -0.41	9.68 1.62	9.67 1.64
B. Standard deviation of inflation	9.54 1.15	9.04 2.41	9.71 0.72	9.74 0.64	9.84 0.40	9.79 0.52	9.84 0.41	9.84 0.40
C. Inflation: most recent year	8.10 9.51	9.30 3.52	9.13 4.34	9.60 2.00	9.32 3.38	9.32 3.39	9.43 2.85	9.23 3.84
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	8.07	7.76	7.77	7.87	8.01	7.52	7.64	7.57
A. Taxes on international trade	8.90	8.77	8.23	8.41	8.12	8.38	8.37	8.40
(i) Revenues for trade taxes (% trade sector)	9.27 1.10	8.87 1.70	9.00 1.50	9.20 1.20	9.44 0.84	9.49 0.76	9.52 0.72	9.52 0.72
(ii) Mean tariff rate	8.54 7.30	8.68 6.60	8.76 6.20	8.82 5.90	9.20 4.00	9.36 3.20	9.30 3.50	9.30 3.50
(iii) Standard deviation of tariff rates			6.92 7.70	7.20 7.00	5.72 10.70	6.28 9.31	6.28 9.31	6.37 9.07
B. Regulatory trade barriers				7.82	8.81	8.03	8.21	7.93
(i) Non-tariff trade barriers				7.82	8.12	6.72	7.06	6.52
(ii) Compliance cost of importing and exporting					9.50	9.35	9.35	9.35
C. Size of trade sector	5.29	3.88	4.45	4.73	4.91	4.47	4.84	5.09
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	8.00	8.00	8.00	8.39	8.21	6.72	6.78	6.44
(i) Foreign ownership/investment restrictions				8.78	9.49	7.28	7.41	6.73
(ii) Capital controls	8.00	8.00	8.00	8.00	6.92	6.15	6.15	6.15
<b>5. Regulation of Credit, Labor and Business</b>	6.82	6.80	6.83	8.23	8.19	8.40	8.30	7.89
A. Credit market regulations	9.52	9.47	9.64	9.04	9.14	8.82	8.93	7.74
(i) Ownership of banks	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				8.33	7.60	8.00	8.00	8.00
(iii) Private sector credit	8.55	8.40	8.93	8.79	9.43	7.29	7.72	2.95
(iv) Interest rate controls/negative real int. rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	7.74	7.74	7.68	7.46	7.17	9.14	9.24	9.20
(i) Hiring regulations and minimum wage				5.90	3.82	10.00	10.00	10.00
(ii) Hiring and firing regulations			7.15	7.15	6.65	7.01	7.28	7.27
(iii) Centralized collective bargaining	7.59	7.59	7.59	7.59	8.35	7.83	8.17	7.92
(iv) Hours regulations	5.63	5.63	5.98	6.67	7.01	10.00	10.00	10.00
(v) Mandated cost of worker dismissal						10.00	10.00	10.00
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				8.21	8.26	7.23	6.72	6.73
(i) Price controls			9.00	9.00	8.00	7.00	6.00	6.00
(ii) Bureaucracy costs					7.92	4.29	4.06	3.99
(iii) Bureaucracy costs				7.48	8.15	5.93	2.08	2.30
(iv) Starting a business				8.43	8.40	9.80	9.80	9.80
(v) Extra payments/bribes				7.91	8.82	7.23	7.24	7.10
(vi) Licensing restrictions						9.98	9.98	9.98
(vii) Cost of tax compliance						6.36	7.90	7.90



## Uruguay

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	5.95 (34)	5.86 (39)	6.17 (40)	6.11 (60)	6.68 (49)	6.74 (65)	6.68 (72)	6.67 (72)
<b>Area 1. Size of Government</b>	7.82 (8)	7.01 (7)	7.67 (9)	7.48 (17)	6.53 (51)	7.50 (25)	7.41 (31)	7.06 (41)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	5.42 (40)	5.19 (57)	6.06 (43)	5.80 (52)	5.74 (62)	5.14 (80)	4.94 (85)	4.91 (85)
<b>Area 3. Access to Sound Money</b>	4.18 (99)	3.71 (101)	3.76 (105)	3.92 (101)	8.39 (48)	8.18 (65)	8.10 (72)	8.45 (57)
<b>Area 4. Freedom to Trade Internationally</b>	6.56 (32)	7.23 (18)	6.97 (31)	7.07 (40)	6.74 (72)	6.78 (59)	6.86 (62)	6.95 (58)
<b>Area 5. Regulation of Credit, Labor and Business</b>	5.78 (36)	6.10 (33)	6.36 (30)	6.27 (36)	5.97 (65)	6.14 (80)	6.15 (85)	6.02 (92)
<b>Unadjusted</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	6.11 (25)	5.97 (35)	6.24 (36)	6.18 (58)	6.68 (48)	7.00 (58)	6.95 (65)	6.93 (62)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	7.82	7.01	7.67	7.48	6.53	7.50	7.41	7.06
A. Government consumption	7.61 14.11	6.64 17.41	6.83 16.77	7.49 14.52	7.40 14.84	7.88 13.19	7.94 13.01	7.53 14.39
B. Transfers and subsidies	7.66 9.10	7.41 10.00	6.87 12.00	5.42 17.30	5.20 18.10	6.60 12.99	6.69 12.65	6.69 12.65
C. Government enterprises and investment	6.00 29.00	4.00 36.20	7.00 23.00	7.00 22.90	6.00 25.20	8.00 17.70	8.00 17.80	7.00 22.16
D. Top marginal tax rate	10.00	10.00	10.00	10.00	7.50	7.50	7.00	7.00
(i) Top marginal income tax rate	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0	9.00 25	9.00 25
(ii) Top marginal income and payroll tax rates					5.00 36	5.00 36	5.00 45	5.00 45
<b>2. Legal Structure and Security of Property Rights</b>	5.61	5.38	6.28	6.00	5.74	5.85	5.62	5.59
A. Judicial independence						6.55	6.73	6.99
B. Impartial courts				6.04	6.67	5.47	5.06	4.64
C. Protection of property rights					5.53	6.26	6.43	6.37
D. Military interference				7.24	8.33	8.19	6.67	6.67
E. Integrity of the legal system				6.96	5.00	4.17	4.17	4.17
F. Legal enforcement of contracts						3.88	3.88	3.88
G. Regulatory restrictions of sale of real property						6.42	6.42	6.42
<b>3. Access to Sound Money</b>	4.18	3.71	3.76	3.92	8.39	8.18	8.10	8.45
A. Money growth	1.45 42.73	2.98 35.11	0.00 54.79	2.99 35.05	8.49 7.57	6.89 15.53	6.59 17.04	6.72 16.42
B. Standard deviation of inflation	5.28 11.81	1.85 20.37	5.03 12.43	1.08 22.30	6.04 9.89	6.76 8.11	7.43 6.42	8.65 3.38
C. Inflation: most recent year	0.00 54.76	0.00 74.02	0.00 100.39	1.59 42.03	9.05 4.76	9.06 4.70	8.38 8.11	8.43 7.86
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	6.93	7.41	7.31	7.41	6.74	6.96	7.05	7.14
A. Taxes on international trade	4.07	4.97	5.94	7.83	7.72	7.73	7.68	7.83
(i) Revenues for trade taxes (% trade sector)	4.07 8.90	6.13 5.80	6.27 5.60	8.20 2.70	8.71 1.93	8.43 2.35	8.42 2.37	8.84 1.74
(ii) Mean tariff rate		3.80 31.00	3.90 30.50	8.14 9.30	7.78 11.10	8.02 9.90	7.88 10.60	7.90 10.50
(iii) Standard deviation of tariff rates			7.64 5.90	7.16 7.10	6.68 8.30	6.74 8.16	6.74 8.16	6.76 8.09
B. Regulatory trade barriers					6.25	6.22	6.63	6.53
(i) Non-tariff trade barriers					6.25	5.73	6.07	5.87
(ii) Compliance cost of importing and exporting						6.72	7.20	7.20
C. Size of trade sector	2.39	3.91	2.46	1.06	1.00	3.25	2.94	2.98
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	10.00	10.00	10.00	10.00	8.74	7.60	8.00	8.34
(i) Foreign ownership/investment restrictions					9.02	6.74	7.54	8.21
(ii) Capital controls	10.00	10.00	10.00	10.00	8.46	8.46	8.46	8.46
<b>5. Regulation of Credit, Labor and Business</b>	6.00	6.36	6.20	6.11	5.97	6.53	6.56	6.43
A. Credit market regulations	5.50	6.97	7.67	6.72	5.94	7.03	7.31	7.13
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	2.00	2.00	2.00
(ii) Foreign bank competition					6.30	8.00	8.00	8.00
(iii) Private sector credit		7.91	10.00	9.15	7.25	9.13	9.22	9.52
(iv) Interest rate controls/negative real int. rates	6.00	8.00	8.00	6.00	5.00	9.00	10.00	9.00
B. Labor market regulations					5.89	6.43	6.25	6.18
(i) Hiring regulations and minimum wage					2.56	6.70	6.70	6.70
(ii) Hiring and firing regulations					4.12	3.29	3.17	2.95
(iii) Centralized collective bargaining					6.90	3.47	2.52	2.33
(iv) Hours regulations						8.00	8.00	8.00
(v) Mandated cost of worker dismissal						7.13	7.13	7.13
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations					6.07	6.14	6.11	5.98
(i) Price controls			4.00	6.00	6.00	6.00	6.00	6.00
(ii) Bureaucracy costs					6.75	3.50	3.68	3.41
(iii) Bureaucracy costs					6.48	4.96	4.64	4.63
(iv) Starting a business					5.00	7.56	8.13	7.50
(v) Extra payments/bribes					6.11	7.49	7.17	7.11
(vi) Licensing restrictions						6.85	6.91	6.94
(vii) Cost of tax compliance						6.59	6.23	6.23



## Venezuela

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	6.29 (22)	5.95 (38)	5.45 (62)	4.34 (115)	5.61 (101)	4.74 (118)	4.37 (121)	4.35 (121)
<b>Area 1. Size of Government</b>	6.29 (21)	6.86 (10)	5.95 (46)	6.13 (61)	5.95 (73)	4.91 (105)	4.56 (110)	5.09 (105)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	6.11 (37)	5.16 (58)	5.60 (52)	3.84 (110)	3.75 (106)	3.11 (117)	2.86 (119)	2.91 (120)
<b>Area 3. Access to Sound Money</b>	7.40 (27)	8.34 (22)	4.74 (94)	1.93 (113)	5.56 (110)	5.10 (116)	5.62 (118)	5.30 (119)
<b>Area 4. Freedom to Trade Internationally</b>	7.25 (19)	4.82 (65)	6.50 (38)	5.30 (99)	7.13 (56)	5.48 (105)	3.73 (119)	3.52 (120)
<b>Area 5. Regulation of Credit, Labor and Business</b>	4.59 (71)	4.91 (64)	4.57 (86)	4.48 (103)	5.68 (80)	5.08 (116)	5.06 (114)	4.91 (117)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	6.61 (16)	6.23 (26)	5.63 (56)	4.30 (115)	5.61 (101)	4.72 (135)	4.35 (138)	4.33 (138)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	6.29	6.86	5.95	6.13	5.95	4.91	4.56	5.09
A. Government consumption	6.56 17.68	7.52 14.44	8.25 11.95	9.02 9.32	6.06 19.39	6.36 18.37	6.46 18.05	6.60 17.57
B. Transfers and subsidies	9.59 2.00	8.91 4.50	8.56 5.80	8.50 6.01	7.74 8.79	5.77 16.01	5.77 16.01	5.77 16.01
C. Government enterprises and investment	2.00 45.60	4.00 35.80	0.00 65.20	0.00 58.30	2.00 42.36	2.00	0.00	0.00
D. Top marginal tax rate	7.00	7.00	7.00	7.00	8.00	5.50	6.00	8.00
(i) Top marginal income tax rate	7.00 45	7.00 45	7.00 45	7.00 34	8.00 35	7.00 34	7.00 34	9.00 34
(ii) Top marginal income and payroll tax rates			7.00 45	7.00 34	8.00 35	4.00 49	5.00 43	7.00 43
<b>2. Legal Structure and Security of Property Rights</b>	6.22	5.25	5.70	3.84	3.75	3.11	2.86	2.91
A. Judicial independence				2.85	1.67	0.31	0.63	0.74
B. Impartial courts				2.90	3.67	0.93	0.76	1.30
C. Protection of property rights				3.72	3.40	2.27	2.08	1.80
D. Military interference				5.65	3.33	0.83	0.83	0.83
E. Integrity of the legal system				4.11	6.67	5.00	3.33	3.33
F. Legal enforcement of contracts						3.97	3.97	3.97
G. Regulatory restrictions of sale of real property						8.42	8.39	8.39
<b>3. Access to Sound Money</b>	7.40	8.34	4.74	1.93	5.56	5.10	5.62	5.30
A. Money growth	7.79 11.04	7.49 12.53	7.28 13.58	3.94 30.28	5.48 22.60	3.12 34.40	5.09 24.55	6.06 19.72
B. Standard deviation of inflation	7.02 7.44	7.94 5.15	0.00 30.17	3.77 15.57	0.00 39.24	5.49 11.29	6.12 9.71	6.42 8.95
C. Inflation: most recent year	4.80 26.02	7.92 10.41	1.66 41.71	0.00 51.93	6.76 16.21	6.81 15.95	6.26 18.70	3.71 31.44
D. Freedom to own foreign currency	10.00	10.00	10.00	0.00	10.00	5.00	5.00	5.00
<b>4. Freedom to Trade Internationally</b>	8.08	5.33	6.79	5.18	7.13	5.48	3.73	3.52
A. Taxes on international trade	8.00	3.68	4.22	7.78	7.61	7.64	7.56	7.51
(i) Revenues for trade taxes (% trade sector)	8.00 3.00	3.93 9.10	8.53 2.20	7.93 3.10	7.89 3.16	8.45 2.33	8.45 2.33	8.45 2.33
(ii) Mean tariff rate		3.42 32.90	3.88 30.60	7.32 13.40	7.30 13.50	7.44 12.80	7.36 13.20	7.34 13.30
(iii) Standard deviation of tariff rates			0.24 24.40	8.08 4.80	7.64 5.90	7.04 7.41	6.88 7.79	6.76 8.11
B. Regulatory trade barriers				4.57	5.68	4.04	2.76	2.65
(i) Non-tariff trade barriers				4.57	4.87	4.78	3.90	3.67
(ii) Compliance cost of importing and exporting					6.49	3.30	1.62	1.62
C. Size of trade sector	6.27	4.75	6.56	5.06	4.23	5.36	4.89	4.26
D. Black-market exchange rates	10.00	5.00	10.00	1.60	10.00	5.13	0.00	0.00
E. International capital market controls	8.00	5.00	5.00	6.87	8.15	5.21	3.44	3.17
(i) Foreign ownership/investment restrictions				8.74	9.37	5.03	3.04	2.49
(ii) Capital controls	8.00	5.00	5.00	5.00	6.92	5.38	3.85	3.85
<b>5. Regulation of Credit, Labor and Business</b>	5.04	5.39	4.96	4.42	5.68	5.00	4.98	4.82
A. Credit market regulations	6.09	6.92	6.00	5.98	7.57	9.00	9.00	8.25
(i) Ownership of banks	5.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
(ii) Foreign bank competition				7.60	6.15	8.00	8.00	8.00
(iii) Private sector credit	9.26	8.77	10.00	8.92	9.64	10.00	10.00	10.00
(iv) Interest rate controls/negative real int. rates	4.00	4.00	0.00	0.00	8.00	10.00	10.00	7.00
B. Labor market regulations			3.87	4.30	4.03	3.06	2.99	3.14
(i) Hiring regulations and minimum wage				4.85	4.07	3.30	2.20	3.30
(ii) Hiring and firing regulations			4.36	4.36	4.55	1.69	1.87	1.90
(iii) Centralized collective bargaining	7.24	7.24	7.24	7.24	5.83	4.29	4.89	4.49
(iv) Hours regulations				5.03	5.68	6.00	6.00	6.00
(v) Mandated cost of worker dismissal								
(vi) Conscription	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations				2.99	5.45	2.94	2.96	3.07
(i) Price controls				0.00	5.00	0.00	0.00	0.00
(ii) Bureaucracy costs					6.42	1.39	0.99	1.40
(iii) Bureaucracy costs				5.31	6.15	3.73	5.79	6.02
(iv) Starting a business				4.57	4.68	6.40	6.39	6.41
(v) Extra payments/bribes				2.07	5.02	4.44	2.84	2.78
(vi) Licensing restrictions						4.30	4.38	4.58
(vii) Cost of tax compliance						0.32	0.32	0.32



## Vietnam

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) &gt;</b>								
<b>Area 1. Size of Government</b>								
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>								
<b>Area 3. Access to Sound Money</b>								
<b>Area 4. Freedom to Trade Internationally</b>								
<b>Area 5. Regulation of Credit, Labor and Business</b>								
<b>Unadjusted</b>								
<b>Summary Rating (Rank) &gt;</b>						6.38 (90)	6.29 (98)	6.15 (105)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>						6.58	5.92	6.27
A. Government consumption					9.38 8.09	9.17 8.83	9.25 8.55	9.30 8.38
B. Transfers and subsidies								
C. Government enterprises and investment							4.00	4.00
D. Top marginal tax rate						4.00	4.50	5.50
(i) Top marginal income tax rate						5.00 40	5.00 40	6.00 40
(ii) Top marginal income and payroll tax rates						3.00 52	4.00 42	5.00 42
<b>2. Legal Structure and Security of Property Rights</b>						5.83	5.91	6.01
A. Judicial independence						4.13	4.45	4.64
B. Impartial courts						4.60	4.74	4.95
C. Protection of property rights						5.72	5.65	5.71
D. Military interference						5.00	5.00	5.00
E. Integrity of the legal system						6.67	6.67	6.67
F. Legal enforcement of contracts						6.36	6.36	6.51
G. Regulatory restrictions of sale of real property						8.34	8.53	8.56
<b>3. Access to Sound Money</b>						6.30	6.22	5.25
A. Money growth					6.96 15.21	7.95 10.27	6.94 15.29	8.10 9.52
B. Standard deviation of inflation						8.90 2.76	9.72 0.70	7.54 6.15
C. Inflation: most recent year						8.35 8.27	8.22 8.89	5.38 23.12
D. Freedom to own foreign currency						0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>						6.82	6.95	6.87
A. Taxes on international trade						5.80	5.56	5.56
(i) Revenues for trade taxes (% trade sector)					8.18 2.73	8.16 2.76	8.16 2.76	8.16 2.76
(ii) Mean tariff rate						7.36 13.20	6.64 16.80	6.64 16.80
(iii) Standard deviation of tariff rates						1.87 20.33	1.87 20.33	1.87 20.33
B. Regulatory trade barriers						5.53	5.90	6.08
(i) Non-tariff trade barriers						4.35	5.08	5.15
(ii) Compliance cost of importing and exporting						6.72	6.72	7.01
C. Size of trade sector						10.00	10.00	10.00
D. Black-market exchange rates						10.00	10.00	10.00
E. International capital market controls						2.77	3.30	2.71
(i) Foreign ownership/investment restrictions						5.54	6.60	5.43
(ii) Capital controls						0.00	0.00	0.00
<b>5. Regulation of Credit, Labor and Business</b>						6.39	6.46	6.34
A. Credit market regulations						9.54	9.54	8.99
(i) Ownership of banks								
(ii) Foreign bank competition								
(iii) Private sector credit						9.09	9.08	8.99
(iv) Interest rate controls/negative real int. rates					10.00	10.00	10.00	9.00
B. Labor market regulations						5.38	5.16	5.35
(i) Hiring regulations and minimum wage						10.00	8.90	8.90
(ii) Hiring and firing regulations						5.41	5.60	5.94
(iii) Centralized collective bargaining						6.24	5.83	6.65
(iv) Hours regulations						8.70	8.70	8.70
(v) Mandated cost of worker dismissal						1.93	1.93	1.93
(vi) Conscription						0.00	0.00	0.00
C. Business regulations						4.25	4.66	4.68
(i) Price controls								
(ii) Bureaucracy costs						2.30	2.89	2.85
(iii) Bureaucracy costs						3.98	5.90	6.01
(iv) Starting a business						8.14	8.22	8.26
(v) Extra payments/bribes						4.05	3.79	3.63
(vi) Licensing restrictions						7.00	7.19	7.31
(vii) Cost of tax compliance						0.00	0.00	0.00



## Zambia

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ▶</b>	5.08 (64)	3.97 (98)	3.52 (108)	4.87 (99)	6.63 (53)	6.99 (52)	7.33 (36)	7.27 (34)
<b>Area 1. Size of Government</b>	2.56 (101)	3.15 (98)	3.97 (95)	6.43 (44)	6.63 (49)	7.32 (30)	7.72 (23)	7.81 (18)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	6.66 (31)	4.37 (68)	4.05 (77)	5.91 (46)	5.85 (60)	5.57 (68)	5.93 (61)	5.88 (63)
<b>Area 3. Access to Sound Money</b>	6.26 (53)	3.33 (103)	0.59 (116)	0.65 (120)	7.15 (75)	8.11 (66)	8.50 (59)	8.37 (59)
<b>Area 4. Freedom to Trade Internationally</b>	5.41 (49)	5.10 (58)	4.78 (77)	6.68 (62)	7.72 (34)	7.62 (24)	7.93 (18)	7.68 (23)
<b>Area 5. Regulation of Credit, Labor and Business</b>	4.77 (68)	3.97 (92)	4.20 (97)	4.69 (99)	5.78 (74)	6.25 (72)	6.46 (65)	6.48 (64)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ▶</b>	5.18 (64)	3.99 (98)	3.45 (109)	4.87 (100)	6.63 (53)	6.90 (63)	7.24 (45)	7.18 (48)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	2.56	3.15	3.97	6.43	6.63	7.32	7.72	7.81
A. Government consumption	2.47 31.60	3.60 27.78	4.96 23.14	7.28 15.24	8.53 11.00	8.24 11.98	7.55 14.31	7.94 12.99
B. Transfers and subsidies	7.77 8.70	8.99 4.20	8.91 4.50	9.43 2.60	10.00 0.00	9.03 4.07	9.31 3.02	9.31 3.02
C. Government enterprises and investment	0.00 77.10	0.00 90.70	2.00 46.20	2.00 41.30	0.00 62.60	4.00 31.00	6.00 25.60	6.00 25.60
D. Top marginal tax rate	0.00	0.00	0.00	7.00	8.00	8.00	8.00	8.00
(i) Top marginal income tax rate	0.00 70	0.00 80	0.00 75	7.00 35	8.00 30	8.00 30	8.00 30	8.00 30
(ii) Top marginal income and payroll tax rates								
<b>2. Legal Structure and Security of Property Rights</b>	6.09	3.99	3.70	5.91	5.85	5.57	5.93	5.88
A. Judicial independence				6.67	6.18	2.86	4.15	4.57
B. Impartial courts				4.85	4.86	5.00	4.54	4.18
C. Protection of property rights				4.77	3.23	6.05	6.14	5.78
D. Military interference				6.31	8.33	8.33	8.33	8.33
E. Integrity of the legal system				6.96	6.67	6.67	6.67	6.67
F. Legal enforcement of contracts						4.56	4.56	4.56
G. Regulatory restrictions of sale of real property						5.52	7.09	7.09
<b>3. Access to Sound Money</b>	6.26	3.33	0.59	0.65	7.15	8.11	8.50	8.37
A. Money growth	9.21 3.95	6.58 17.10	1.92 40.40	0.00 58.52	5.45 22.73	6.97 15.14	8.14 9.31	7.94 10.30
B. Standard deviation of inflation	8.18 4.55	4.96 12.60	0.43 23.92	0.00 49.23	8.35 4.11	9.13 2.17	8.00 4.99	8.02 4.95
C. Inflation: most recent year	7.65 11.76	1.77 41.14	0.00 106.39	2.62 36.92	4.79 26.03	6.34 18.32	7.87 10.66	7.51 12.45
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	10.00	10.00	10.00	10.00
<b>4. Freedom to Trade Internationally</b>	5.72	5.12	4.80	6.68	7.72	7.08	7.37	7.14
A. Taxes on international trade	8.40	4.39	5.84	6.04	6.22	6.97	7.21	7.22
(i) Revenues for trade taxes (% trade sector)	8.40 2.40	5.73 6.40	6.80 4.80	7.47 3.80	5.11 7.33	7.82 3.27	8.46 2.31	8.46 2.31
(ii) Mean tariff rate		3.04 34.80	4.88 25.60	4.88 25.60	7.06 14.70	7.08 14.60	7.22 13.90	7.24 13.80
(iii) Standard deviation of tariff rates				5.76 10.60	6.48 8.80	6.00 10.01	5.94 10.15	5.97 10.07
B. Regulatory trade barriers						3.40	4.20	4.06
(i) Non-tariff trade barriers						5.07	6.69	6.40
(ii) Compliance cost of importing and exporting						1.72	1.72	1.72
C. Size of trade sector	10.00	8.58	7.94	7.80	5.02	6.31	6.79	6.07
D. Black-market exchange rates	0.00	2.40	0.00	9.40	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	2.00	9.23	8.74	8.67	8.37
(i) Foreign ownership/investment restrictions						8.25	8.17	7.57
(ii) Capital controls	2.00	2.00	2.00	2.00	9.23	9.23	9.17	9.17
<b>5. Regulation of Credit, Labor and Business</b>	5.26	4.37	4.20	4.69	5.78	6.44	6.69	6.71
A. Credit market regulations	4.04	1.70	2.39	3.34	6.95	6.79	7.88	7.88
(i) Ownership of banks	2.00	2.00	2.00	5.00	5.00	5.00	5.00	5.00
(ii) Foreign bank competition								
(iii) Private sector credit	6.13	3.10	5.18	5.03	7.86	7.37	9.64	9.64
(iv) Interest rate controls/negative real int. rates	4.00	0.00	0.00	0.00	8.00	8.00	9.00	9.00
B. Labor market regulations						6.92	6.30	6.30
(i) Hiring regulations and minimum wage						10.00	7.80	8.90
(ii) Hiring and firing regulations						8.16	5.88	5.66
(iii) Centralized collective bargaining						8.68	7.40	6.52
(iv) Hours regulations						4.70	6.70	6.70
(v) Mandated cost of worker dismissal						0.00	0.00	0.00
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						5.59	5.90	5.96
(i) Price controls			0.00	2.00	2.00	4.00	4.00	4.00
(ii) Bureaucracy costs						5.31	4.62	4.58
(iii) Bureaucracy costs						5.53	6.01	5.78
(iv) Starting a business						8.56	9.12	9.12
(v) Extra payments/bribes						2.90	4.10	4.59
(vi) Licensing restrictions						4.35	4.92	5.12
(vii) Cost of tax compliance						8.52	8.52	8.52



## Zimbabwe

	1980	1985	1990	1995	2000	2005	2007	2008
<b>Chain-Linked</b>	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
<b>Summary Rating (Rank) ►</b>	4.93 (70)	4.85 (81)	5.05 (84)	5.81 (70)	4.59 (119)	3.37 (123)	2.96 (123)	3.57 (122)
<b>Area 1. Size of Government</b>	6.90 (14)	5.48 (40)	5.57 (59)	7.00 (25)	5.85 (74)	5.12 (99)	4.19 (114)	4.56 (111)
<b>Area 2. Legal Structure &amp; Security of Property Rights</b>	3.21 (67)	3.29 (88)	4.30 (75)	5.53 (59)	5.02 (76)	3.51 (110)	3.48 (110)	3.72 (108)
<b>Area 3. Access to Sound Money</b>	6.35 (48)	6.31 (73)	5.67 (83)	4.92 (94)	2.89 (119)	0.10 (123)	0.10 (123)	0.10 (123)
<b>Area 4. Freedom to Trade Internationally</b>	4.47 (65)	4.23 (72)	5.08 (68)	6.28 (76)	3.65 (121)	3.82 (120)	2.40 (121)	4.72 (115)
<b>Area 5. Regulation of Credit, Labor and Business</b>	3.81 (92)	4.88 (66)	4.60 (83)	5.29 (70)	5.55 (87)	4.30 (121)	4.66 (120)	4.72 (119)
<b>Unadjusted</b>								
<b>Summary Rating (Rank) ►</b>	5.09 (69)	5.00 (78)	5.15 (74)	5.82 (68)	4.59 (119)	3.38 (141)	2.97 (141)	3.57 (141)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
<b>1. Size of Government</b>	6.90	5.48	5.57	7.00	5.85	5.12	4.19	4.56
A. Government consumption	5.56 21.10	4.52 24.65	4.84 23.56	5.42 21.57	3.65 27.60	3.72 27.36	0.00 43.28	0.00 43.28
B. Transfers and subsidies	7.03 11.40	7.41 10.00	8.45 6.20	8.57 5.73	7.75 8.77	7.75 8.77	7.75 8.77	7.75 8.77
C. Government enterprises and investment	10.00 12.70	10.00 14.50	8.00 18.60	10.00 11.80	10.00 6.20	6.00 29.90	6.00 29.90	6.00
D. Top marginal tax rate	5.00	0.00	1.00	4.00	2.00	3.00	3.00	4.50
(i) Top marginal income tax rate	5.00 45	0.00 63	1.00 60	4.00 45	2.00 53	3.00 46	3.00 46	5.00 36
(ii) Top marginal income and payroll tax rates			1.00 60	4.00 45	2.00 53	3.00 46	3.00 46	4.00 42
<b>2. Legal Structure and Security of Property Rights</b>	2.97	3.05	3.99	5.53	5.02	3.51	3.48	3.72
A. Judicial independence				6.67	6.18	1.10	1.73	1.74
B. Impartial courts				7.25	7.35	2.14	1.76	2.73
C. Protection of property rights				4.77	3.23	1.44	1.83	1.70
D. Military interference				4.87	5.00	5.00	4.17	3.33
E. Integrity of the legal system				4.11	3.33	5.00	5.00	5.00
F. Legal enforcement of contracts						5.43	5.43	5.43
G. Regulatory restrictions of sale of real property						4.43	4.43	6.09
<b>3. Access to Sound Money</b>	6.35	6.31	5.67	4.92	2.89	0.00	0.00	0.00
A. Money growth	7.96 10.19	8.86 5.70	7.24 13.79	4.53 27.34	3.92 30.39	0.00 224.09	0.00 604.92	0.00 457.94
B. Standard deviation of inflation	8.75 3.13	7.68 5.80	8.38 4.05	7.28 6.81	2.64 18.39	0.00 140.78	0.00 10688.15	0.00 10688.15
C. Inflation: most recent year	8.69 6.57	8.70 6.49	7.05 14.75	7.86 10.70	0.00 55.86	0.00 302.12	0.00 24411.03	0.00 24411.03
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	5.00	0.00	0.00	0.00
<b>4. Freedom to Trade Internationally</b>	4.94	4.68	5.57	6.36	3.65	3.82	2.40	4.72
A. Taxes on international trade	8.43	6.46	5.71	6.78	4.56	3.92	3.70	3.34
(i) Revenues for trade taxes (% trade sector)	8.87 1.70	4.67 8.00	3.87 9.20	5.40 6.90	5.11 7.33	5.11 7.33	5.11 7.33	5.11 7.33
(ii) Mean tariff rate	8.00 10.00	8.26 8.70	7.98 10.10	8.16 9.20	5.72 21.40	6.66 16.70	6.00 20.00	4.90 25.50
(iii) Standard deviation of tariff rates			5.28 11.80		2.84 17.90	0.00 71.68	0.00 32.60	0.00 54.83
B. Regulatory trade barriers				3.68	5.86	3.15	2.56	2.95
(i) Non-tariff trade barriers				3.68	5.22	4.68	3.95	4.74
(ii) Compliance cost of importing and exporting					6.49	1.62	1.16	1.16
C. Size of trade sector	6.05	5.08	4.95	8.01	5.33	10.00	4.36	5.67
D. Black-market exchange rates	0.00	1.60	7.00	9.80	0.00	0.00	0.00	10.00
E. International capital market controls	2.00	2.00	2.00	3.53	2.50	2.00	1.38	1.66
(i) Foreign ownership/investment restrictions				5.06	5.00	4.00	2.76	3.32
(ii) Capital controls	2.00	2.00	2.00	2.00	0.00	0.00	0.00	0.00
<b>5. Regulation of Credit, Labor and Business</b>	4.28	5.49	4.94	5.30	5.55	4.47	4.80	4.85
A. Credit market regulations	4.45	4.65	6.16	5.89	6.58	5.33	5.84	5.84
(i) Ownership of banks	2.00	2.00	2.00	5.00	8.00	8.00	8.00	8.00
(ii) Foreign bank competition				4.75	6.77	9.00	9.00	9.00
(iii) Private sector credit	5.36	3.95	8.49	7.27	7.12	4.33	6.37	6.37
(iv) Interest rate controls/negative real int. rates	6.00	8.00	8.00	8.00	8.00	0.00	0.00	0.00
B. Labor market regulations			3.63	6.02	4.88	5.05	5.22	5.31
(i) Hiring regulations and minimum wage				5.85	3.52	8.90	10.00	10.00
(ii) Hiring and firing regulations			3.42	3.42	1.57	2.59	2.43	2.79
(iii) Centralized collective bargaining			4.49	4.49	2.45	2.82	2.88	3.06
(iv) Hours regulations				6.35	6.85	6.00	6.00	6.00
(v) Mandated cost of worker dismissal						0.00	0.00	0.00
(vi) Conscription	1.00	10.00	3.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				3.98	5.18	3.01	3.33	3.40
(i) Price controls			2.00	4.00	4.00	0.00	0.00	0.00
(ii) Bureaucracy costs					5.10	1.99	2.18	2.63
(iii) Bureaucracy costs				4.30	7.05	3.37	6.24	6.21
(iv) Starting a business				3.68	5.68	3.59	3.59	3.59
(v) Extra payments/bribes				3.92	4.09	4.55	4.14	4.42
(vi) Licensing restrictions						0.00	0.00	0.00
(vii) Cost of tax compliance						7.58	7.13	6.97



## Chapter 3: How Are Institutions Related?

By Christopher J. Coyne and Russell S. Sobel\*

### 1 Introduction

There is widespread consensus among economists that institutions matter for economic development or stagnation. A large literature indicates that wealthy countries are those where property rights are clearly defined and protected, the rule of law is established and enforced, citizens have political and civil liberties, and policymakers adopt sound monetary and fiscal policies.<sup>1</sup> Poor countries tend to lack most, if not all, of the ingredients required for development. Given the widespread agreement regarding the importance of good institutions for economic growth, an important question for poor countries is to how to engage in effective institutional reform.

Reform is a messy process as illustrated by the high variance in the economic performance of transition countries following the collapse of communism. Part of the difficulty stems from the fact that reformers must address issues of reform prioritization, sequencing, and selectivity. Further complicating the process is that economic and political reforms are highly context-specific. As Dani Rodrik notes, “appropriate growth policies are almost always context specific. This is not because economics works differently in different settings, but because the *environments* ... differ in terms of the opportunities and constraints they present” (Rodrik, 2007: 4). In general, when it comes to reform, economists know *what* institutions and policies are necessary to ignite economic growth but they know much less about *how* to go about getting those institutions and policies. Closing the gap between

“know what” and “know how” in institutional reform is critical for achieving sustained growth.

This chapter contributes to closing this gap by exploring the interrelationship between a variety of institutional measures. The idea that the relationship between institutions matters for economic and political outcomes can be found in the work of F.A. Hayek and Milton Friedman, who argued that economic freedoms were critical for political freedoms (Hayek, 1944; Friedman, 1962). The underlying idea is that when the government controls the means of production there is little room for dissent and the exchange of ideas.<sup>2</sup> We contribute to this line of inquiry by exploring whether there is a relationship between a country’s economic and political institutions. Our analysis also provides insight into whether changes to institutions are permanent or tend to revert back to where they started.

Using time-series techniques, we analyze several measures of economic and political institutions commonly used in the literature on this topic. These measures capture various aspects of economic and political institutions. In addition to comparing several aggregate measures of institutions—for example, autocracy, democracy, constraints on the executive, economic freedom—we also analyze how the five Areas of the index published in *Economic Freedom of the World* (EFW) are related to other institutions.

Our analysis involves two steps. First, we perform empirical testing to determine whether each institutional measure is stationary or non-stationary. A stationary variable tends to revert to some prior mean value when it is shocked, and thus changes are only temporary. On the other hand, for a non-stationary variable, changes are permanent. Thus the test for stationarity is a test for whether or not changes to that particular institutional measure tend to “stick,” that is, whether the change tends to be permanent. Second, we test

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1 See, e.g., North and Thomas, 1973; Barro, 1996; North and Weingast, 1989; Gwartney, Lawson, and Holcombe, 1999; Aron, 2000; Acemoglu, Johnson, and Robinson, 2001, 2002; Rodrik, Subramanian, and Trebbi, 2004; Acemoglu and Johnson, 2005; Ovaska and Sobel, 2005; Sobel, Clark, and Lee, 2007.

2 For an empirical test of the Hayek-Friedman hypothesis, see Lawson and Clark, 2010.



for relationships among the many institutional measures: in particular, we test for cointegration, which indicates whether a pair of institutions tend to move together through time. When two institutions are cointegrated it implies that the changes to one institution will only be permanent if changes to the other institution occur as well. Either both change or neither changes over the long term.

Our main findings can be summarized as follows. First, most formal economic and political institutions are non-stationary: changes to these institutions are permanent. The exceptions to this finding are the measures of civil liberties and political rights and of legal structure and property rights found in Area 2 of the EFW index, which we find to be stationary. This implies that changes to these institutions tend to revert to the mean, at least within the 35-year time period we examine. Our explanation for the stationarity of these measures is that they capture aspects of informal, embedded institutions that tend to take longer than formal institutions to change permanently. Second, we find that most of a country's institutions are cointegrated, implying that sustainable institutional change requires reforms across multiple institutions. Taken together, these results provide insight into our understanding of how institutions are related. If economic and political institutions tend to move together, sustainable institutional reform requires simultaneous reforms and emphasis must be placed on seeking opportunities for changes to an array of institutions.

We proceed as follows. Section 2 discusses what the concept of institutions entails and why institutions matter for economic outcomes. Section 3 is broken into two subsections. The first provides an overview of the data we use in our analysis while the second provides an overview of our methodology. Section 4 tests for stationarity in each measure, while Section 5 tests for cointegration across the measures. In addition to the aggregate measures of institutions, we also test for stationarity and cointegration across Areas of the *Economic Freedom of the World* index. In addition to presenting our results, we also suggest explanations for our findings. Section 6 concludes with the implications of our analysis.

## 2 Institutions—What are they and why do they matter?

Institutions are the formal and informal rules governing human behavior (see North 1990, 1991). By providing the rules of the game, institutions facilitate economic, political, and social outcomes through their influence on

production and transaction costs, political stability, and conflict resolution. The defining characteristic of formal institutions is that they are codified. Examples include constitutions, laws, and regulations. In contrast, informal institutions lack formal codification. Examples include conventions, norms, and traditions. While formal institutions tend to be backed by the force of law, informal institutions are typically enforced through social custom.

An important relationship exists between formal and informal institutions: the enforcement costs associated with formal institutions will be a function of the extent to which they align with informal institutions. Where informal institutions align with formal institutions, enforcement costs will be low because people will already be behaving in a manner that supports formal institutions absent the threat of coercion (see Boettke, Coyne and Leeson, 2008; Williamson, 2009). In contrast, where there is a gap between formal and informal institutions, enforcement costs will be high because people will tend to behave in a manner that contrasts with the dictates of formal institutions. Perhaps nothing illustrates this point better than the well-known study of property rights in Peru by Hernando de Soto (1989). De Soto concluded that Peru's formal institutions, characterized by excessive regulation, clashed with informal norms of property and entrepreneurship, driving many productive activities into the underground economy. This widespread underground activity, in turn, limited capital investments, the extent of the market, and economic development.

Also important for institutional reform is how long it takes to change informal compared to formal institutions. The literature on institutions indicates that it is typically easier to change formal institutions than informal institutions. For example, Oliver Williamson indicates that informal, embedded institutions can take 100 to 1,000 years to change while formal institutions can change within a matter of decades (2000). In general, informal institutions "display a great deal of inertia—some because they are functional (such as conventions); others take on a symbolic value ... many are pervasively linked with complementary institutions (formal and informal), etc." (Williamson, 2000: 597). Similarly, Fukuyama indicates that, while culture can be affected by developments in ideology, formal institutions, and civil society, culture "tends to change the most slowly of all." He goes on to note that culture is largely "beyond the reach of institutional solutions, and hence of public policy" (1995: 8–9). This makes sense when one considers that, while formal institutions can typically be changed through methods that are democratic (e.g., statute, amendment, etc.) or nondemocratic



(e.g., government dictate), informal institutions are deeply ingrained in the fabric of society and are therefore more difficult to change.

The distinction and connection between informal and formal institutions has important implications for making predictions about institutional reforms. First, changes to informal institutions are less likely to be permanent given that they can take many generations to change. Second, given the connection between informal and formal institutions, there is reason to believe that a country's many institutions are related. Third, informal institutions will shape the feasible set of reforms that can be made to formal institutions. Reformers must appreciate these implications when considering changes to existing institutions.

### 3 Data and methodology

#### 3.1 Data—institutional measures

There are numerous measures of institutions used in the literature. Our analysis relies on several well-known measures of political and economic institutions, described in table 3.1. All measures were collected at five-year intervals (1970–2005) whenever data are present. We made an attempt to include as many popular institutional measures as possible but were only able to use those with sufficient observations in both the time and cross-sectional dimensions. Across all measures, 215 countries are represented over a 35-year window. The institutional measures employed capture different aspects of economic and political institutions. After a discussion of our methodology in the next subsection, we present, in sections 4 and 5 the findings of our analysis of these institutional measures. In doing so, we provide an interpretation of these results in the context of the discussion of institutions from the previous section.

#### 3.2 Methodology—stationarity and cointegration

A time series variable, such as one of the institutional measures, would be considered stationary if, when it is shocked, it tends to revert to a prior, time-invariant, mean level. If, instead, the series is non-stationary (i.e., has a “unit root”), then all changes become permanently incorporated into the series. A familiar example of a non-stationary process is the “random walk,” where any change becomes permanently part of the series. In this chapter, we apply this distinction to international measures of institutions and this allows us to estimate whether changes to the series tend to remain permanent in the actual data or whether they tend

to decay. In our analysis, we perform two popular tests for stationarity for each institutional measure.

While stationarity is a property of an individual time-series variable, cointegration refers to a relationship *among* different non-stationary variables through time. In essence, if two variables are cointegrated it means that they tend to move together through time, and if they are shocked apart that they will tend to move back together. For our institutional measures, this test will allow us to estimate whether it is possible to reform specific, individual institutions in isolation, or whether simultaneous institutional reform is necessary for the changes to remain permanent. If two institutions are cointegrated, for example, a change in one will only be permanent if both change. If both do not change, in the long run the one institution that changed will be pulled back to the long-run path determined by the other institution(s). We employ three popular statistical tests for cointegration, using slightly different methodologies, for our analysis of the institutional measures.

It should be made clear that the panel-time-series techniques we use are very different from simple cross-sectional analysis. In particular, our techniques allow for institutions to be related over the long run, even though they may be shocked off this long-run relationship for short periods of time. Such short-run distortions are problematic for cross-sectional analysis as they tend to be viewed as observations that do not fit the relationship.

As an example, suppose that democracy and capitalism are cointegrated. They should tend to stick together within a country in the long run, but either may experience a shock in a given time period or country that sends it away from this long-run relationship. Over time, this will correct but empirically in a cross section we will still witness many observations that may be contrary to the true relationship (e.g., way off the true regression line). Thus, it is possible for there to be many counter examples to the pairing of democracy and capitalism in any given year though there is still a presence of a long-run positive association between the two in countries over a long time horizon. Our panel-time-series techniques properly account for these dynamics and are, therefore, a better way to test for true relationships among institutions within countries.

### 4 Are Institutions Stationary?

We conduct two tests for stationarity (i.e., panel-unit-root tests) on each measure, the Im, Pesaran, and Shin W-statistic (IPS) and the augmented Dickey-Fuller



**Table 3.1: Institutional measures, sources, and maximum cross-sections of countries****Economic Freedom of the World (EFW)**

A measure of a country's economic freedom. Each EFW score is calculated using 42 different measures to create an index ranking countries around the world. Economic freedom is measured in five different areas: (1) size of government; (2) legal structure and security of property rights; (3) access to sound money; (4) freedom to trade internationally; and (5) regulation of credit, labor and business.

max x-sect.  
= 130

Source: Gwartney, James D., and Robert A. Lawson (various years). *Economic Freedom of the World*. Fraser Institute.

**Political Rights (PR)**

Political Rights (PR) – A measure of political rights held by citizens. The calculation of this variable is based on ten political questions grouped into three sub-categories: (1) electoral process; (2) political pluralism and participation; (3) functioning of government.

max x-sect.  
= 191

**Civil Liberties (CL)**

Civil Liberties (CL) – A measure of civil liberties held by citizens. The calculation of this variable is based on fifteen political questions grouped into four sub-categories: (1) freedom of expression and belief; (2) associational and organizational rights; (3) rule of law; (4) personal autonomy and individual rights.

max x-sect.  
= 191

Source: Freedom House (various years). *Freedom in the World*. Freedom House.

**Constraints on the Executive (EXEC)**

A measure of the extent of institutionalized constraints on the decision making powers of chief executives, whether individuals or collectives. Accountability may be executed by a variety of groups including legislatures, an independent judiciary, ruling parties, councils of nobles or advisors, or the military. The main focus of this measure is on the various checks and balances on the executive decision making process.

max x-sect.  
= 128

**Democracy (DEM)**

A measure of the degree of democracy in a given country based on: (1) the competitiveness of political participation; (2) the openness and competitiveness of executive recruitment; and (3) the constraints on the chief executive.

max x-sect.  
= 128

**Autocracy (AUT)**

A measure of the degree of autocracy in a given country based on: (1) the competitiveness of political participation; (2) the regulation of political participation; (3) the openness and competitiveness of executive recruitment; and (4) constraints on the chief executive.

max x-sect.  
= 128

Source: Jagers, Keith, and Monty G. Marshall (2000). *Polity IV Project*. Center for International Development and Conflict Management, University of Maryland.

Chi-square (ADF). A significant test statistic rejects the null hypothesis that the series has a unit root, *thus significant values indicate the series is stationary*. For institutional changes to be permanent, the series should be non-stationary, which would be found if there is an insignificant test statistic. Our results are presented in table 3.2.

Both tests indicate non-stationarity for four of the institutional measures—Constraints on the Executive (EXEC), Democracy (DEM), Autocracy (AUT), and the Economic Freedom of the World index (EFW). Non-stationarity implies that changes or reforms to any of these measures are permanent. We also find that the results for Political Rights (PR) and Civil Liberties (CL) are

significant, which means these measures are stationary or mean-reverting. This indicates that within our sample, the changes to these two data series tend to decay away and the series ultimately reverts to some prior mean level.<sup>3</sup>

One interpretation of these findings is as follows. The Economic Freedom of the World (EFW), Autocracy

<sup>3</sup> Because our sample has a limited number of time periods but a larger number of cross sections, the power of the ADF test can be biased in favor of finding stationarity. Given our robust findings for non-stationarity on several of the variables, however, we believe this is not an issue, and our other stationarity tests seem to confirm the accuracy of the ADF tests.



Table 3.2: Panel-unit root tests for major institutional measures

	Test Statistic (Null = series is non-stationary, has unit root)		Results
	IPS	ADF	
<b>Economic Freedom of the World (EFW)</b>	-1.59	212.81	Non-stationary
<b>Political Rights (PR)</b>	-1.70 *	325.90 *	Stationary
<b>Civil Liberties (CL)</b>	-3.80 *	317.03 *	Stationary
<b>Constraints on the Executive (EXEC)</b>	-0.06	123.56	Non-stationary
<b>Democracy (DEM)</b>	1.96	75.65	Non-stationary
<b>Autocracy (AUT)</b>	-7.40	95.84	Non-stationary

Notes: Test statistics are the Im, Pesaran, and Shin W-statistic (IPS) and the augmented Dickey-Fuller Chi-square (ADF). A significant test statistic rejects the null hypothesis that the series has a unit root, and thus significant values indicate the series is stationary; \* denotes statistical significance at a 5% level or better. All tests allow for heterogeneous dynamics (individual roots), lag-length selection by SIC, and employ Newey-West bandwidth selection using the Bartlett kernel.

(AUT), Democracy (DEM), and Constraints on Executive (EXEC) measures are dominated by formal elements of economic and political institutions. In contrast, the measures of Political Rights (PR) and Civil Liberties (CL) are not meant to be direct measures of formal political institutions. Instead, these measures capture the freedoms and rights experienced by citizens. Landman writes that “Freedom House [the PR and CL indexes] includes a wide range of institutional and rights concepts in its checklists, which are reflected in its overall scores” (2005: 48). Further, Aron notes that CL captures elements of the concept of social capital, which includes notions of trust and other embedded norms (2000: 109). This implies that the PR and CL indexes, as compared to the other institutional indexes, capture significant elements of informal institutions. As discussed in Section 2, formal institutions are easier to change than informal institutions. Given this, we would expect institutional measures that capture significant formal institutional elements to tend more towards being non-stationary than indexes that capture significant elements of informal institutions.

We next consider whether the five Areas of the EFW index are stationary. The results are presented in table 3.3. The results for both tests indicate that Area 1: Size of Government, Area 4: Freedom to Trade Internationally, and Area 5: Regulation of Credit, Labor, and Business are non-stationary, meaning that changes to these components will tend to be permanent. The results for Area 3: Access to Sound Money are mixed, with one test indicating non-stationarity and one indicating that the series is stationary. The mixed finding implies that empirically, across all countries, the EFW score for monetary policy is less likely to have changes that remain permanent. Why our analysis yields mixed results is a question we cannot

answer with the data but, in the end, the results are mixed and one of the two tests does say it is non-stationary and capable of permanent change. Finally, all three tests indicate that Area 2: Legal Structure and Security of Property Rights is stationary. So, while we find that the overall EFW index is non-stationary, one of its components (Area 2) is stationary while another (Area 3) is mixed.

One explanation for why property rights tend to be mean-reverting is that a society’s legal structure and property rights include a significant informal element. While property rights can be codified and strengthened through formal institutions, they are grounded in informal institutions such as norms, conventions, and beliefs. The idea that the notion of property is grounded in informal institutions can be traced back to David Hume who argued that the property and justice were the result of convention which were later codified into formal law (Hume, [1739/1740] 2000: book III, part ii, Sections 1 and 2). This same point has been made more recently in the work of Hernando de Soto (1989), who notes that informal notions of property can facilitate cooperation even in the face of stifling formal regulations. Similarly, Elinor Ostrom (1990) illustrates how community norms can lead to common property regimes over common-pool resources. Finally, Platteau (1994, 2000) contends that economic growth requires well-defined property rights and notions of trust, the extent of which are largely a function of society’s cultural endowment.

To the extent that informal institutions underpin stationary institutions, it implies that a change to these institutions ultimately entails changing underlying norms and belief systems. The process of changing informal institutions is often long and varied and involves changing the mental models that people use to frame how they view



**Table 3.3: Panel-unit root tests for areas of the economic freedom of the world (EFW) index**

	Test Statistic (Null = series is non-stationary, has unit root)		Results
	IPS	ADF	
<b>Area 1: Size of Government</b>	0.60	225.27	Non-stationary
<b>Area 2: Legal Structure and Security of Property Rights</b>	-3.02*	306.40*	Stationary
<b>Area 3: Access to Sound Money</b>	-1.41	315.24*	Mixed
<b>Area 4: Freedom to Trade Internationally</b>	0.11	204.26	Non-stationary
<b>Area 5: Regulation of Credit, Labor, and Business</b>	1.69	198.45	Non-stationary

Notes: Test statistics are the Im, Pesaran, and Shin W-statistic (IPS) and the augmented Dickey-Fuller Chi-square (ADF). A significant test statistic rejects the null hypothesis that the series has a unit root, and thus significant values indicate the series is stationary; \* denotes statistical significance at a 5% level or better. All tests allow for heterogeneous dynamics (individual roots, intercepts, and trends), lag-length selection by SIC, and employ Newey-West bandwidth selection using the Bartlett kernel.

the costs and benefits associated with various courses of action. As recent work by Douglass North (2005) indicates, economic research in this area is still in its infancy and much work remains to be done. The finding that Area 2 is stationary implies that the informal institutions that underpin property-right structures within a country are not as likely to change permanently within the time period covered in our sample.

Returning to the EFW measure, Areas 1, 3, 4, and 5 represent policies that can more easily be changed than property rights and legal regimes that are embedded in informal institutions. This implies that it will tend to be more difficult to make permanent changes to Area 2 characteristics. While changes to formal rules regarding property are indeed important, in order to be effective those changes must be grounded in the appropriate informal institutions.

To provide a visual interpretation of our results, figure 3.1 shows actual area scores for a select group of countries. These countries have data patterns that are representative of the interpretation and implications of our results. The top two graphs illustrate the data pattern expected for a stationary series, which is what we found holds, on average across countries, for the Area 2 measure, and possibly for Area 3. In graph 3.1a, it is clear that South Africa's score for Area 2 was shocked downward between 1980 and 1990, and that it subsequently rebounded to its prior mean value around the year 2000. In graph 3.1b, the United Kingdom's score for Area 2 exhibits the same mean reversion process after it was shocked downward in the 1980s and rebounded to its prior level.

The data in graphs 3.1c and 3.1d illustrate the data pattern expected for a non-stationary series, which is what we found holds, on average, clearly for Area 1, Area 4, and Area 5, and possibly for Area 3. In graph

3.1c, we present South Africa's score for Area 1, which trends upward through time with no evidence of an intention to move back to some prior mean level. Similarly, in graph 3.1d, Turkey's score for Area 4 exhibits many upward shocks without any apparent tendency to return to a prior mean level.

## 5 Are Institutions Cointegrated?

We use three popular cointegration tests: nonparametric Phillips-Perron group rho (PP-rho) test, nonparametric Phillips-Perron group (PP) test and group Augmented Dickey-Fuller (ADF) test. In these results, a significant test statistic rejects the null of no cointegration, *thus significant values indicate the two series are cointegrated* and the two institutions tend to move together over long periods of time. Only non-stationary time series can be cointegrated and thus the measures found to be stationary—Political Rights (PR), Civil Liberties (CL), and Area 2 of the EFW index—are excluded from our cointegration tests.

We first consider whether all of the aggregated institutional measures are cointegrated. For two series to be cointegrated requires that they both be individually non-stationary. The results for the tests on the remaining non-stationary measures are presented in table 3.4. In all cases, and for all tests, the institutional measures are cointegrated, implying that they move together over time. This supports the claim that economic and political institutions are interrelated.

This finding implies that changes to one set of institutions—either political or economic institutions—will not be sustainable over the long run without changes to the other set of institutions. One explanation for this



**Figure 3.1: Examples of stationary and non-stationary Areas of the EFW index**

finding is that changes to only one set of institutions without concomitant changes to the other set may result in backsliding in future periods. For example, reforms to economic institutions without related reforms to political institutions that create appropriate constraints on government could result in the erosion of those very economic reforms as time passes.

We next consider whether the various areas EFW are cointegrated with one another. Because Area 2 was found to be stationary, we exclude it from our analysis. Given that the unit root test results for Area 3 were mixed—one test found it to be stationary, one non-stationary—we include it in our cointegration test. The results are shown in table 3.5. The results indicate that the various Areas of

the index are pair-wise cointegrated with the other Areas, meaning that the various Areas move together over time within a country.

Similarly, we consider whether the non-stationary Areas of the EFW index are cointegrated with the other non-stationary institutional measures. The results are shown in table 3.6. As in previous findings, the results indicate that the various EFW Areas are pair-wise cointegrated with the other institutional measures; this gives further support to the claim that institutions move together through time.

Taken as a whole, the findings of the cointegration tests support Hayek and Friedman's contention that economic and political institutions are related. Our results



**Table 3.4: Pair-wise panel cointegration tests among major institutional measures**

	EXEC	DEM	AUT
<b>Phillips-Perron rho (PP-rho) test statistics (Null: No cointegration)</b>			
EFW	5.09*	4.97*	5.80*
EXEC		5.95*	6.66*
DEM			6.48*
AUT			
<b>Phillips-Perron (PP) test statistics Null: No cointegration</b>			
EFW	-4.55*	-7.65*	-5.82*
EXEC		-8.63*	-8.06*
DEM			-9.19*
AUT			
<b>Augmented Dickey-Fuller (ADF) test statistics Null: No cointegration</b>			
EFW	-4.23*	-6.18*	-4.86*
EXEC		-7.79*	-7.89*
DEM			-8.58*
AUT			

Notes: Test statistics are nonparametric Phillips-Perron rho (PP-rho) test, nonparametric Phillips-Perron (PP) test, and Augmented Dickey-Fuller (ADF) test. A significant test statistic rejects the null of no cointegration, thus significant values indicate the two series are cointegrated; \* denotes statistical significance at a 5% level or better. All tests allow for heterogeneous dynamics (individual roots), lag-length selection by SIC, and employ Newey-West bandwidth selection using the Bartlett kernel. See table 3.1 for institutional measure abbreviations. In a test for simultaneous cointegration, all four areas (AUT, EXEC, DEM, EFW) were indeed all mutually cointegrated.

indicate that permanent changes to institutions can only happen as part of broader reforms to other institutions. One explanation for this finding is that when there is space for reforms in one institutional area there is also the possibility for reforms in other institutional areas.

There are at least two channels through which opportunities for wide-ranging institutional reforms can emerge. The first channel is changes in voter ideology, as illustrated by the Thatcher Revolution in the United Kingdom where the opportunity emerged for dramatic political and economic reforms. The second channel is through the collapse of formal institutions due to shocks such as financial crisis, natural disaster, or war. Examples of this second channel would be Japan and West Germany after World War II, where the war resulted in a collapse of existing formal institutions and the opportunity for broad-based economic, political, and social reforms.

Again to provide a visual interpretation of our results, figure 3.2 shows actual area scores, and how they stay related through time, for two countries. Again we pick these countries because they have data patterns that are representative of the interpretation and implications of our results.

Graph 3.2a shows Thailand's scores for Areas 1, 4, and 5. Despite the many ups and downs of each series, the three clearly hang together through time. In fact, it almost appears as if the Area-1 score fluctuates up and down centered around the Area 4 score's evolutionary pattern through time. When viewed over this longer time horizon, one can clearly see they are related in their long-run trend movements. But this example also illustrates the power of our econometric technique relative to previous simple cross-sectional methods. Despite the long run relationships, there are clearly periods where some areas are moving in the opposite direction from others: for example, Area 1 is falling from 1995 to 2000, while Area 4 is rising during the same period. Cross-sectional techniques that only explore the correlations among changes in the Area scores, therefore, may identify negative or misleading correlations by looking at these patterns without properly accounting for the time-series properties of these cointegrated relationships.

The data presented in graph 3.2b, which shows Turkey's scores for Areas 1, 4, and 5, is clearly another example of how these areas tend to be cointegrated through time.



Table 3.5: Pair-wise panel cointegration tests among non-stationary Areas of the EFW index

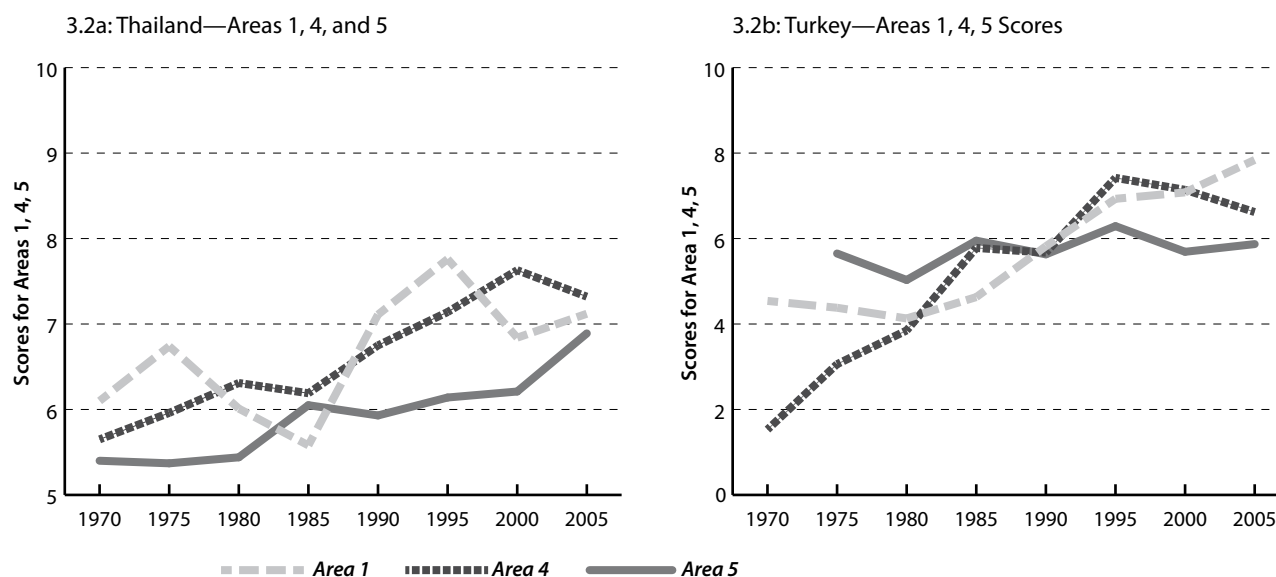
	Area 3: Access to Sound Money	Area 4: Freedom to Trade Internationally	Area 5: Regulation of Credit, Labor, and Business
Phillips-Perron rho (PP-rho) test statistics (Null: No cointegration)			
Area 1: Size of Government	9.10*	8.43*	9.05*
Area 3: Access to Sound Money		7.34*	8.04*
Area 4: Freedom to Trade Internationally			7.20*
Phillips-Perron (PP) test statistics (Null: No cointegration)			
Area 1: Size of Government	-7.92*	-5.65*	-6.03*
Area 3: Access to Sound Money		-9.63*	-10.17*
Area 4: Freedom to Trade Internationally			-11.23*
Augmented Dickey-Fuller (ADF) test statistics (Null: No cointegration)			
Area 1: Size of Government	-5.68*	-3.59*	-4.94*
Area 3: Access to Sound Money		-8.01*	-8.41*
Area 4: Freedom to Trade Internationally			-10.50*

Table 3.6: Pair-wise panel cointegration tests between non-stationary Areas of the EFW index and institutional measures

	EXEC	DEM	AUT
Phillips-Perron rho (PP-rho) test statistics (Null: No cointegration)			
Area 1: Size of Government	7.57*	6.75*	6.95*
Area 3: Access to Sound Money	5.87*	6.08*	5.53*
Area 4: Freedom to Trade Internationally	6.33*	6.81*	6.30*
Area 5: Regulation of Credit, Labor, and Business	6.25*	6.17*	5.95*
Phillips-Perron (PP) test statistics (Null: No cointegration)			
Area 1: Size of Government	-6.10*	-5.17*	-8.51*
Area 3: Access to Sound Money	-8.63*	-9.12*	-9.74*
Area 4: Freedom to Trade Internationally	-8.28*	-5.34*	-6.30*
Area 5: Regulation of Credit, Labor, and Business	-6.05*	-6.97*	-9.00*
Augmented Dickey-Fuller (ADF) test statistics (Null: No cointegration)			
Area 1: Size of Government	-4.72*	-4.34*	-7.28*
Area 3: Access to Sound Money	-7.16*	-7.20*	-8.91*
Area 4: Freedom to Trade Internationally	-7.63*	-5.30*	-6.16*
Area 5: Regulation of Credit, Labor, and Business	-5.29*	-6.11*	-8.67*

Notes for tables 3.5 and 3.6: Test statistics are nonparametric Phillips-Perron rho (PP-rho) test, nonparametric Phillips-Perron (PP) test, and Augmented Dickey-Fuller (ADF) test. A significant test statistic rejects the null of no cointegration, thus significant values indicate the two series are cointegrated; \* denotes statistical significance at a 5% level or better. All tests allow for heterogeneous dynamics (individual roots), lag-length selection by SIC, and employ Newey-West bandwidth selection using the Bartlett kernel. Test for simultaneous cointegration of all four areas indicated they indeed were all mutually cointegrated. Area 2 is excluded from these tests because earlier tests showed it was stationary.



**Figure 3.2: Examples of cointegration of Areas 1, 4, and 5 of the EFW index**

It is also worth noting that the area scores presented for both Thailand and Turkey are also representative of the estimated non-stationary nature of these three Areas that we presented in graphs 3.1c and 3.1d.

## 6 Concluding Remarks

Our analysis has several implications that are important for our understanding of institutions and institutional reforms. First, most of a country's formal institutions are non-stationary, which means that reforms to these institutions tend to be sustainable over time. For political institutions, the exception to this finding are the two rights-based measures—political rights (PR) and civil liberties (CL)—that tend to revert to the mean. This implies that changes to these institutions are less likely to be permanent. For the measures of the EFW index, we found that Area 2: Legal Structure and Security of Property Rights was stationary. This might be explained by the fact that this Area of the EFW index captures aspects of informal institutions, which are typically more difficult to change than formal institutions. These findings confirm the theoretical predictions about how quickly formal institutions change compared to informal, which are less likely to change even over relatively long periods of time.

Our analysis also indicates that a country's non-stationary institutions are co-integrated meaning that there are long-term links between political and economic institutions. In terms of policy, this implies that

over the long term, reforms to one set of institutions are more likely to stick if reforms to other institutions are also undertaken. This makes the task of sustainable institutional reform more difficult because our results indicate that ultimate success requires changes to an array of institutions. Targeting aid or reform efforts at a narrow set of institutions may generate short-term change but are less likely to generate permanent change absent reforms in other areas. Widespread institutional reform requires identifying opportunities for broad change, whether it is swings in voter preferences or some kind of dramatic shock to the status quo. These opportunities are rare, but they present the best chance of sustainable institutional reform because they open the door for reforms over a larger range of institutions.

Finally, given the finding that institutions are cointegrated, our analysis implies that untangling institutions to determine the main institutional driver of economic growth is empirically difficult, if not impossible. Given the existence of cointegrated institutions, there is no way empirically to isolate the single institution that is most important for development. Because all of these institutions move together over the long-run, there will be correlations among all of them and economic development. This should lead to skepticism about efforts to reform a single institutional area with the hopes of generating long-term growth. While it is possible for a narrow range of reforms to generate short-term growth, reforms to a wide range of institutions are necessary for sustained, long-term growth.



To be clear, this last implication is not an endorsement of high-level, blueprint approaches to reform such as the Washington Consensus, which includes a wide array of policy and institutional reforms. Blueprint approaches to development neglect the fact that most reforms are highly context-specific: institutions that work in one setting may not work in other settings (see Rodrik, 2007: 41–43). Sustained development ultimately requires a long process of experimentation and trial and error to discover

how the first-order principles of private property, rule of law, limited government, and sound policies can be implemented and codified in formal political and economic institutions. As this process of experimentation unfolds, it is important to understand that institutional reforms cannot be implemented in isolation, or without knowledge of which sets of institutions must be reformed simultaneously, to ensure that the reforms result in permanent change and progress.

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## Chapter 4: Macroeconomic Volatility and Economic Freedom—a Preliminary Analysis

by John W. Dawson\*

*“What we urgently need, for both economic stability and growth, is a reduction of government intervention not an increase.”*

Milton Friedman, *Capitalism and Freedom*, 38.

### Introduction

One aspect of the preceding quotation has been extensively studied in the economics literature. Numerous studies have examined the relationship between economic freedom and long-run economic growth across countries.<sup>1</sup> The other aspect of Friedman’s statement—that referring to the relationship between economic freedom and short-run macroeconomic stability—has received relatively little attention in the literature.<sup>2</sup> One possible explanation for this omission is that institutions such as economic freedom change only gradually over time and, thus, are more likely to be viewed as deep determinants of long-run growth rather than the type of transitory shocks that might

explain macroeconomic fluctuations. While changes in institutions may not be among the shocks that cause business cycles, the institutional environment in general and economic freedom in particular may well be an important determinant of an economy’s ability to absorb and recover from these shocks. Indeed, even in the Principles of Economics classroom, market impediments such as labor contracts, minimum wage laws, and other price controls that cause wage or price rigidity are routinely used to explain why an economy might not recover from aggregate shocks as quickly as might otherwise be the case.

Another possible problem in the analysis of relationships involving economic freedom is the measurement of economic freedom itself. This problem, fortunately, has been alleviated more recently by the index published in *Economic Freedom of the World* (EFW).<sup>3</sup> The EFW index is based on the classical conception of individual liberty, which emphasizes personal choice, private property, and freedom of exchange. The EFW index currently encompasses five Areas of freedom that are aggregated into a single summary index of economic freedom. The five major Areas of the index are (1) Size of Government; (2) Legal Structure and Security of Property Rights; (3) Access to Sound Money; (4) Freedom to Trade Internationally; and (5) Regulation of Credit, Labor, and Business. The underlying data of each Area are listed in table 4.1. All underlying data are converted to a scale from 0 (representing the least free) to 10 (most free). Each underlying component is equally weighted to construct an index for each of the

\* I would like to thank Renea Reed for providing valuable research assistance in the preliminary stages of this chapter. Art Diamond, Jim Gwartney, Frank Stephenson, two anonymous referees, and session participants at the 2009 annual conference of the Association of Private Enterprise Education in Guatemala City, the 2009 annual meetings of the Southern Economic Association in San Antonio, and the 2010 annual conference of the Association of Private Enterprise Education in Las Vegas provided useful comments and discussion. Any remaining errors are my own.

1 See, for example, the studies cited in the recent reviews by Berggren (2003) and de Haan, Lundstrom, and Sturm (2006).

2 Acemoglu, Johnson, Robinson, and Thaicharoen (2003) address the role of institutions in general in their analysis of the relationship between macroeconomic policy and volatility. Easterly, Islam, and Stiglitz (2001) consider the role of the financial system in explaining growth volatility. Lipford (2007) provides a first look at the relationship between economic freedom and macroeconomic stability.

3 The original publication was Gwartney, Lawson, and Block, 1996. The version used in this chapter is Gwartney, Lawson, and Hall, 2009.



**Table 4.1: Areas and Components of the EFW Index**

<b>1 Size of Government: Expenditures, Taxes, and Enterprises</b> A General government consumption spending as a percentage of total consumption B Transfers and subsidies as a percentage of GDP C Government enterprises and investment D Top marginal tax rate i Top marginal income tax rate ii Top marginal income and payroll tax rates	B Regulatory trade barriers i Non-tariff trade barriers (GCR) ii Compliance cost of importing & exporting (DB) C Size of trade sector relative to expected D Black-market exchange rates E International capital market controls i Foreign ownership/investment restrictions (GCR) ii Capital controls
<b>2 Legal Structure and Security of Property Rights</b> A Judicial independence (GCR) B Impartial courts (GCR) C Protection of property rights (GCR) D Military interference in rule of law and the political process (ICRG) E Integrity of the legal system (ICRG) F Legal enforcement of contracts (DB) G Regulatory restrictions on the sale of real property (DB)	<b>5 Regulation of Credit, Labor, and Business</b> A Credit market regulations i Ownership of banks ii Foreign bank competition iii Private sector credit iv Interest rate controls/negative real interest rates B Labor market regulations i Minimum wage (DB) ii Hiring and firing regulations (GCR) iii Centralized collective bargaining (GCR) iv Mandated cost of hiring (DB) v Mandated cost of worker dismissal (DB) vi Conscription C Business regulations i Price controls ii Administrative requirements (GCR) iii Bureaucracy costs (GCR) iv Starting a business (DB) v Extra payments/bribes (GCR) vi Licensing restrictions (DB) vii Cost of tax compliance (DB)
<b>3 Access to Sound Money</b> A Money growth B Standard deviation of inflation C Inflation: Most recent year D Freedom to own foreign currency bank accounts	
<b>4 Freedom to Trade Internationally</b> A Taxes on international trade i Revenues from trade taxes (% of trade sector) ii Mean tariff rate iii Standard deviation of tariff rates	

Source: Gwartney, Lawson, and Hall, 2009: 6.

five Areas. Then, equal weight is given to each of the five Areas in constructing the EFW index (i.e., the five Area indexes are averaged). The index is available for a large number of countries in five-year intervals from 1975 to 1995, and annually since 1995.<sup>4</sup>

This chapter uses the EFW index to examine the relationship between economic freedom and business cycle volatility across countries. The EFW data allow analysis of a broad measure of freedom as well as the five underlying Areas of freedom noted above. Volatility is measured by the standard deviation of annual growth rates of real GDP per capita. Visual evidence on the relationship between freedom and volatility is provided in

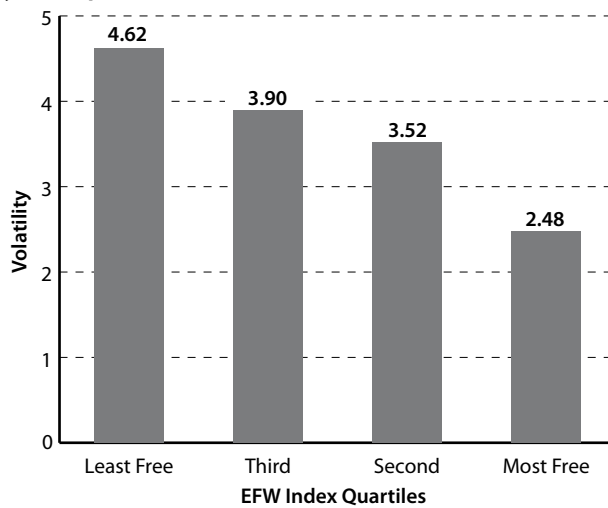
figure 4.1, which shows the average level of volatility by EFW quartile among 85 countries over the period 1980 to 2007. There is a clear diminution of volatility among countries with higher freedom ratings. Figures 4.2 to 4.7 present scatter plots of average scores from the EFW index and its five underlying Areas of freedom against the volatility measure. Figure 4.2 confirms the negative correlation between the overall EFW index and the volatility measure. The simple regression line drawn through the data indicates a significantly negative relationship. Among the five underlying Areas of freedom, all but Area 1 have a significantly negative relationship as well. Area 1 (Size of Government) is positively related to volatility.

The remainder of the chapter further explores the relationship between economic freedom and volatility. In particular, the analysis examines whether the

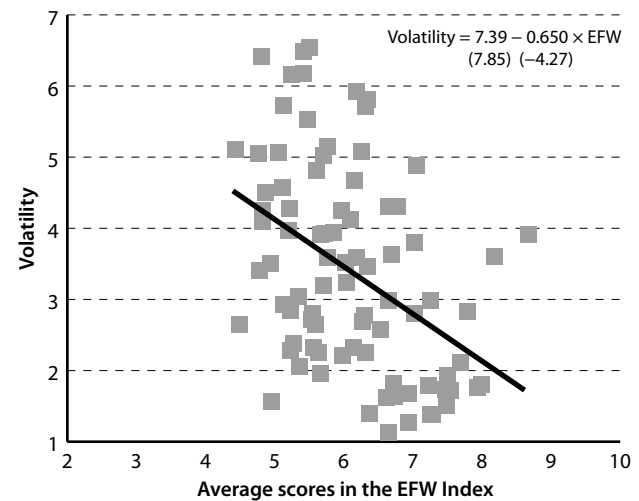
4 The current version of the EFW index is available at <<http://freetheworld.com>>.



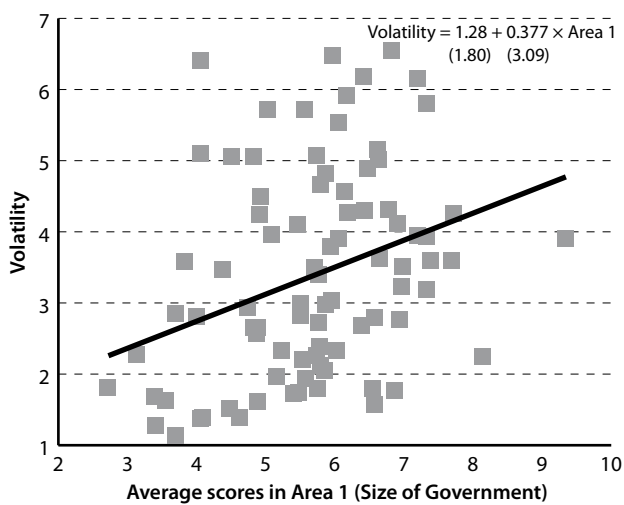
**Figure 4.1: Average level of macroeconomic volatility by EFW quartile, 1980–2007**



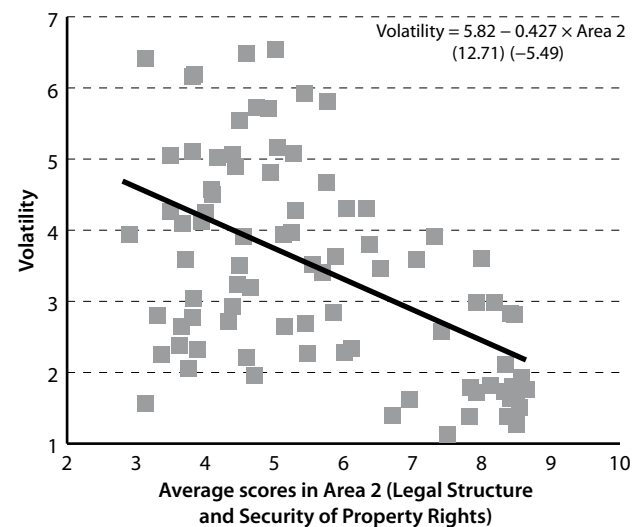
**Figure 4.2: Volatility and average scores in the EFW index, 1980–2007**



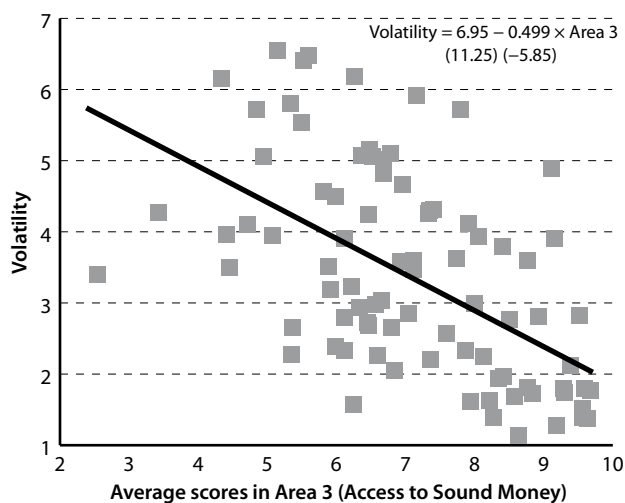
**Figure 4.3: Volatility and average scores in Area 1 of the EFW index, 1980–2007**



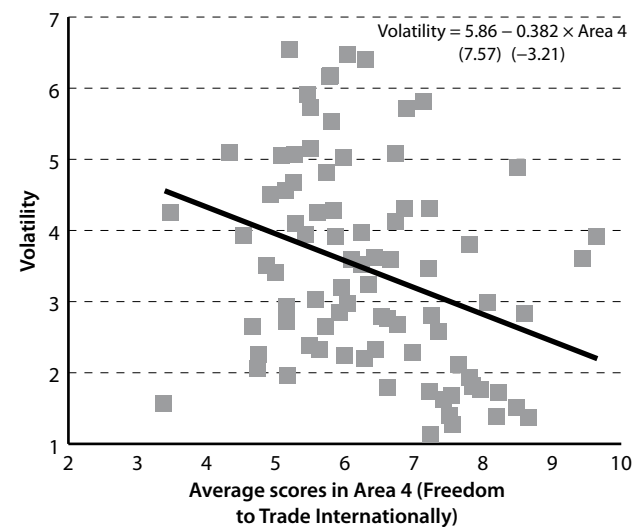
**Figure 4.4: Volatility and average scores in Area 2 of the EFW index, 1980–2007**



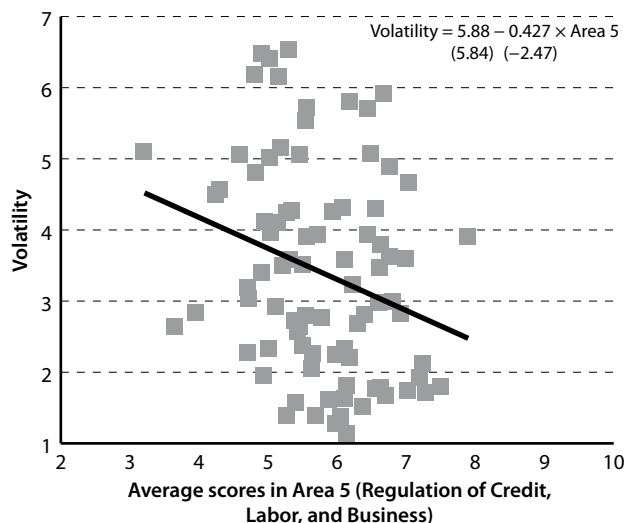
**Figure 4.5: Volatility and average scores in Area 3 of the EFW index, 1980–2007**



**Figure 4.6: Volatility and average scores in Area 4 of the EFW index, 1980–2007**





**Figure 4.7: Volatility and average scores in Area 5 of the EFW index, 1980–2007**

relationships suggested in figures 4.1 to 4.7 continue to hold after controlling for other determinants of cross-country volatility and accounting for the potential endogeneity of economic freedom. The next section of the chapter provides a brief theoretical perspective on the institutions-volatility debate. The section after that discusses the empirical model, methodology, and data in detail. Following is a discussion of the empirical results and some concluding remarks.

### Economic Freedom and Volatility— a Brief Theoretical Perspective

While modern empirical macroeconomics has had little to say on the relationship between economic freedom and business cycle volatility, the debate over the impact of free-market institutions on economic stability has a long history in economics. Marxist philosophy maintains that capitalist systems are inherently incapable of order and stability, while Friedman (1982) argues that market capitalism disperses economic power rather than concentrating it. Adam Smith's *laissez-faire* view held that markets are more capable of maintaining stability than government planners, while the Keynesian tradition countered that activist government policy is necessary to stabilize the business cycle. Clearly, these opposing views imply different relationships between economic freedom and volatility.

Even among ardent capitalists who would generally proclaim the stability offered by markets, theory can provide an avenue whereby market outcomes may promote

greater instability. Entrepreneurship is one such channel through which market institutions may contribute to economic instability. Indeed, the connection between entrepreneurship and business cycle activity is present in some of Schumpeter's early writings. Schumpeter viewed cycles as the result of waves in innovation and entrepreneurial dynamics. Downturns were a necessary part of the capitalist process—a period of creative destruction during which old products, firms, and entrepreneurs are eliminated and new products are conceived. Schumpeter (1935) described the tendency of innovations to cluster in time rather than to flow continuously: “as soon as the various kinds of social resistance to something that is fundamentally new and untried have been overcome, it is much easier not only to do the same thing again but also to do similar things in different directions, so that a first success will always produce a cluster” (1935: 141).

Entrepreneurship provides a link between institutions and volatility. For example, Sobel (2008) demonstrates an empirical link between economic freedom and entrepreneurship. Taken together, then, there is the possibility of a causation running from freedom to entrepreneurship and innovation to macroeconomic volatility. Along these lines, more freedom may drive entrepreneurship and innovation that contribute to economic growth, but the path of growth may be more volatile.

Economic institutions also affect an economy's ability to adjust to shocks. Shocks from government policy, technology, exchange rates, resource supplies, and commodity prices necessitate adjustments and reallocation of resources to avoid collapses in output and employment. Institutions contributing to state ownership or subsidization of enterprises, wage and price rigidities, erratic fiscal policy, unsound monetary policy, uncertainty over property rights and judicial rulings, protectionism and overvalued currencies, and limited access to capital markets all have the potential to affect—either positively or negatively—an economy's ability to make essential adjustments and efficient reallocations of resources in light of economic instability.

For example, weak institutions leave economic cooperation to rely on trust, in which case shocks may lead to a breakdown of cooperation and economic collapses. Similarly, weak institutions result in imperfect contractual arrangements and leave economic relationships more susceptible to shocks. Thus, it is also possible to argue that institutions consistent with less freedom may exacerbate macroeconomic volatility.

While the preceding theoretical discussion is obviously far from complete, the point is to illustrate that



theory alone cannot settle the debate over the relationship between market institutions and economic stability. It is ultimately an empirical issue. The analysis in the next section seeks to provide an empirical answer to this question.

## Data, Methodology, and Empirical Model

The empirical methodology used in this chapter is cross-country regression analysis. For all of the analysis that follows, the sample includes 85 countries over the period from 1980 to 2007. The dependent variable is a measure of economic volatility. Each regression includes a common set of explanatory variables and a measure of economic freedom. Separate regressions are run using the overall EFW index and each of its five underlying Areas of economic freedom as the explanatory variable of interest. All explanatory variables considered in the empirical analysis are briefly discussed below, except for the measures of economic freedom that were discussed in the previous section.

Macroeconomic volatility, the dependent variable in the analysis, is measured using the standard deviation of annual growth rates of real GDP per capita. This is a standard measure of business-cycle volatility and has been used in a number of recent studies (e.g., Acemoglu, Johnson, Robinson, and Thaicharoen, 2003; Lipford, 2007). This volatility measure implicitly assumes the trend growth rate is constant and equal to the mean for each country.<sup>5</sup>

The control variables considered for the volatility regressions represent the major causes of macroeconomic fluctuations as described in the literature. These include the standard deviation of terms of trade shocks (measured as the standard deviation of the annual growth rate of terms of trade), the frequency of systemic banking crises (measured as the fraction of years in the sample

period during which a country experienced a major crisis), the importance of commodity exports (measured as the percentage of metal and ore exports in GDP), and the soundness of monetary policy (measured by the standard deviation of consumer price inflation). The intuition for including these variables is to control for the major shocks that drive macroeconomic fluctuations across countries. The average over the period 1980 to 2007 is used for each of these variables. Theory predicts a positive coefficient on all of these explanatory variables.

In addition to using the 1980-2007 average *level* of economic freedom as the explanatory variable of interest, two other measures of economic freedom are considered in the analysis: the *change* in the EFW index and the *volatility* of the path of economic freedom over the period from 1980 to 2007. These variables are included in the regressions both with and without the level of freedom as an explanatory variable. Changes in economic freedom have been shown to be important along with the level of freedom in explaining long-run growth experiences across countries in a number of studies (e.g., Dawson, 1998). In addition, Pitlik (2002) showed that a measure of the volatility of economic freedom is negatively related to long-run growth rates across countries even after controlling for the level of freedom. Pitlik's measure of the volatility of freedom was the standard deviation of the time series of changes in freedom over the sample period, and that measure is used here.

The use of the standard deviation of inflation as a control variable in the analysis requires an adjustment of the underlying EFW data. Specifically, the standard deviation of inflation, which is used as a control variable in all regressions, is also a component of Area 3 (Access to Sound Money) in the EFW index (see Component 3B in table 4.1). To avoid correlation between these explanatory variables, the EFW index is adjusted to exclude Area 3 from the measure of overall economic freedom. Similarly, Area 3 of the EFW index is adjusted to eliminate the standard deviation of inflation in the measure of access to sound money. These adjusted measures of the EFW index and Area 3 are used in the analysis that follows.

The analysis also considers the possibility that economic freedom is endogenous. That is, economic freedom itself may be determined to some extent by the underlying macroeconomic environment, in particular the volatility of the business cycle. For example, governments may impose more stringent labor regulations in economies that face more extreme fluctuations. Similarly, fluctuations of the business cycle may prompt various other policy changes that affect the degree of economic freedom. In

5 An alternative measure of volatility is the standard deviation of the output "gap" measured as the difference between actual and trend real GDP per capita, where the trend is obtained using a smoothing method such as the Hodrick-Prescott filter. This method allows for a time-varying trend for each country, whereas the standard deviation of growth rates implies a constant trend. Each method has benefits and costs depending on the exact nature of a given country's growth path. In practice, however, the two volatility measures are highly correlated and provide qualitatively similar results in the analysis below. Thus, only the results using the standard deviation of annual growth rates as the dependent variable are reported below.



order to identify causation running from economic freedom to volatility, instrumental variables that isolate the exogenous variation in economic freedom are used. The instrumental variables used to identify exogenous variation in economic freedom are selected in light of the recent literature on the determinants of institutions in general (e.g., Hall and Jones, 1999; Dollar and Kraay, 2003). They include the initial level of real GDP per capita, proxies for the degree of Western influence (measured as the fraction of the population speaking a major European language), and the other exogenous explanatory variables in the analysis (standard deviation of terms of trade shocks, frequency of systemic banking crises, the percentage of metal and ore exports in GDP, and the standard deviation of inflation rates).

Underlying data on real GDP per capita, inflation rates, metal and ore exports, and terms of trade are from the World Bank's *World Development Indicators* database. Data on systemic banking crises are from Caprio and Klingebiel (1996). Data on the fraction of the population speaking a major European language are from Dollar and Kraay (2003). Data on the initial (1980) level of real GDP per capita in common international currency units are from the Penn World Tables (Version 5.6), as described in Summers and Heston (1991). As noted above, the EFW index and its five underlying Area measures are from Gwartney, Lawson, and Hall (2009).

## Empirical Results

This section describes the empirical results for the models discussed above. Estimation of models is by ordinary least squares and, for the instrumental variables analysis, two-stage least squares. Reports of statistical significance are based on Newey-West heteroskedasticity-consistent standard errors. The common sample of 85 countries used for all of the models estimated below is the largest sample for which data were available for all variables (table 4.2). Table 4.3 and table 4.4 provide summary statistics and correlation coefficients for all of the model variables. Again, the sample period covered in the analysis is 1980 to 2007.

Several control variables discussed in the previous section were consistently found to be unimportant in explaining volatility across countries, namely the frequency of systemic banking crises and the standard deviation of inflation. Although these variables are consistently found to be statistically insignificant, they are theoretically valid and likely to be correlated with other explanatory variables. Since excluding these variables would violate one of the classical assumptions of the linear regression model and cause bias in the coefficient estimates, they are not excluded from the analysis.

Measures of the change in economic freedom and the volatility of economic freedom are also found to be statistically insignificant in all models, and these variables

**Table 4.2: Countries Included in the 85-country sample**

Algeria	Côte d'Ivoire	Haiti	Madagascar	Portugal
Argentina	Cameroon	Honduras	Mexico	Senegal
Australia	Congo, Republic of	Hong Kong	Mali	Singapore
Austria	Colombia	Hungary	Malawi	South Africa
Burundi	Costa Rica	Iceland	Malaysia	Spain
Belgium	Denmark	Indonesia	Niger	Sweden
Benin	Dominican Republic	India	Nigeria	Syria
Bangladesh	Ecuador	Ireland	Nicaragua	Thailand
Belize	Egypt	Israel	Netherlands	Togo
Bolivia	El Salvador	Italy	Norway	Trinidad and Tobago
Brazil	Finland	Jamaica	Nepal	Tunisia
Botswana	France	Jordan	New Zealand	Turkey
Central African Republic	Gabon	Japan	Pakistan	United Kingdom
Canada	Germany	Kenya	Panama	United States
Switzerland	Ghana	Sri Lanka	Peru	Uruguay
Chile	Greece	Luxembourg	Philippines	Venezuela
China	Guatemala	Morocco	Papua New Guinea	Zambia

Note: The final 85-country sample excludes Rwanda and Sierra Leone because of outlier observations on volatility. This exclusion does not qualitatively affect the results reported below.



Table 4.3: Summary statistics

Variable	No. Obs.	Mean	Std. Dev.	Min.	Max.
Volatility	85	3.42	1.46	1.14	6.54
EFW (Summary) Index	85	6.11	0.95	4.43	8.67
Area 1 (size of government)	85	5.68	1.24	2.71	9.34
Area 2 (legal/property rights)	85	5.63	1.76	2.90	8.65
Area 3 (sound money)	85	7.06	1.58	2.55	9.68
Area 4 (freedom to trade)	85	6.39	1.27	3.38	9.64
Area 5 (regulation)	85	5.77	0.89	3.19	7.89
Terms of Trade Shocks	85	9.17	7.31	0.18	42.41
Metal & Ore Exports (% of GDP)	85	1.40	2.46	0.00186	14.16
Banking Crises (% of sample)	85	0.13	0.17	0.00	0.70

Note: See variable definitions in the text.

Table 4.4: Correlation coefficients

Variable	Volatility	EFW Index	Area 1	Area 2	Area 3
Volatility	1				
EFW Index	-0.424***	1			
Area 1	0.321	0.136	1		
Area 2	-0.516***	0.804***	-0.335***	1	
Area 3	-0.540***	0.824***	-0.110	0.632***	1
Area 4	-0.332***	0.878***	-0.044	0.746***	0.675***
Area 5	-0.262***	0.834***	0.244	0.593***	0.565***
Terms of Trade	0.446***	-0.621***	0.074	-0.598***	-0.549***
Metal & Ore Exports	0.248**	0.035	0.084	-0.010	-0.104
Banking Crises	-0.017	-0.130	0.155	-0.125	-0.161

Variable	Area 4	Area 5	Terms of Trade	Metal & Ore Exports	Banking Crises
Volatility					
EFW Index					
Area 1					
Area 2					
Area 3					
Area 4	1				
Area 5	0.646***	1			
Terms of Trade	-0.600***	-0.395***	1		
Metal & Ore Exports	0.113	-0.073	0.032	1	
Banking Crises	-0.206*	-0.076	0.146	-0.120	1

Notes: See variable definitions in the text. \*\*\*, \*\*, and \* indicate significance at the 1%, 5%, and 10% levels, respectively.



are subsequently excluded from the analysis. The failure of changes in economic freedom and volatility of freedom to explain cross-country variation in macroeconomic volatility suggests that economic freedom generally is not among the shocks that cause fluctuations in the business cycle. Rather, the level of economic freedom appears to have important implications for an economy's ability to adjust to the shocks that drive the business cycle.

Results for the ordinary least squares (OLS) estimation of the base model (without instrumental variables) are provided in table 4.5. Column (1) provides the results using the overall EFW index (adjusted to exclude Area 3, as noted above). The results suggest a negative but statistically insignificant effect of overall economic freedom on macroeconomic volatility after accounting for other determinants of cross-country volatility. Coefficients on terms of trade shocks and metal and ore exports are positive and statistically significant, as expected. Among the underlying Areas of the EFW index, only Areas 2 (Legal Structure and Security of Property Rights) and 3 (Access to Sound Money, adjusted to exclude inflation variability) are negative and statistically significant at conventional

levels. Areas 4 (Freedom to Trade Internationally) and 5 (Regulation of Credit, Labor, and Business) are negative, but statistically insignificant. Area 1 (Size of Government) is significantly positive. The estimated impacts of an increase of one standard deviation in Areas 2 and 3 in reducing volatility over the 28-year period are  $-0.58$  and  $-0.46$ , respectively. An increase of one standard deviation in Area 1 (corresponding to a decrease in the size of government) increases volatility by  $0.43$  over the 28-year sample period.

It is possible the estimates from the OLS analysis are inconsistent because of endogeneity of the economic freedom variable. A version of the Hausman specification test proposed by Davidson and MacKinnon (1989, 1993) suggests endogeneity may be a problem in the specifications that include the overall EFW index, Area 4, and Area 5 as the variable of interest. These test results, reported in table 4.6, suggest that the instrumental variables (IV) technique is appropriate for these three specifications at a minimum. Results from the IV estimation for all specifications are reported in table 4.6. For all models, the first stage  $F$ -statistics suggest the instruments are sufficiently strong.

**Table 4.5: Volatility and economic freedom, 1980–2007, ordinary least squares (OLS) estimation**

Variable	Economic Freedom Index					
	Overall (1)	Area 1 (2)	Area 2 (3)	Area 3 (4)	Area 4 (5)	Area 5 (6)
<b>Constant</b>	3.98* (1.3710)	0.57 (0.5665)	4.75*** (0.7310)	4.79*** (0.7197)	3.81*** (1.1994)	3.74*** (1.1061)
<b>Economic Freedom, 1980–2007 Avg.</b>	−0.24 (0.2047)	0.35*** (0.1141)	−0.33*** (0.0954)	−0.29*** (0.0831)	−0.18 (0.1593)	−0.21 (0.1692)
<b>Volatility of Terms of Trade Growth</b>	0.08*** (0.027)	0.09*** (0.0206)	0.05* (0.0258)	0.07** (0.0232)	0.07** (0.0293)	0.08*** (0.0231)
<b>Metal/Ore Exports (% of GDP)</b>	0.15*** (0.0538)	0.12** (0.0531)	0.14*** (0.0445)	0.13** (0.0545)	0.15*** (0.0532)	0.15*** (0.0556)
<b>Standard Deviation of Inflation</b>	−0.0001 (0.0004)	−0.0003 (0.0004)	−0.0002 (0.0004)	−0.0003 (0.0004)	−0.0002 (0.0004)	−0.0002 (0.0004)
<b>Frequency of Banking Crises</b>	−0.56 (0.8954)	0.97 (0.9670)	−0.67 (0.9315)	−0.90 (0.8059)	−0.66 (0.8963)	−0.54 (0.8763)
<b>Adjusted <math>R^2</math></b>	0.23	0.30	0.32	0.30	0.23	0.23
<b>Observations</b>	85	85	85	85	85	85

Notes: The dependent variable is the standard deviation of the growth rate of real GDP per capita over the 1980–2007 period. Estimation is by ordinary least squares. Heteroskedasticity-consistent (Newey-West) standard errors are shown in parentheses. \*\*\*, \*\*, and \* indicate significance at the 1%, 5%, and 10% levels, respectively.



Table 4.6: Volatility and economic freedom, 1980–2007, instrumental variables (IV) estimation

Variable	Economic Freedom Index					
	Overall (1)	Area 1 (2)	Area 2 (3)	Area 3 (4)	Area 4 (5)	Area 5 (6)
Constant	7.29*** (1.9911)	−0.58 (1.1582)	4.84*** (0.7276)	6.49*** (1.2887)	7.64*** (1.7821)	7.16*** (2.1729)
Economic Freedom, 1980–2007 Avg.	−0.75** (0.3105)	0.56** (0.2247)	−0.34*** (0.0976)	−0.50*** (0.1564)	−0.71*** (0.2387)	−0.76** (0.3570)
Volatility of Terms of Trade Growth	0.04 (0.0290)	0.09*** (0.0212)	0.05* (0.0253)	0.04 (0.0302)	0.02 (0.0379)	0.06* (0.0301)
Metal/Ore Exports (% of GDP)	0.16*** (0.0512)	0.11** (0.0540)	0.14*** (0.0442)	0.12** (0.0545)	0.18*** (0.0463)	0.16*** (0.0591)
Standard Deviation of Inflation	−0.0001 (0.0004)	−0.0004 (0.0004)	−0.0002 (0.0004)	−0.0003 (0.0004)	−0.0001 (0.0004)	−0.0002 (0.0004)
Frequency of Banking Crises	−0.61 (0.9707)	−1.23 (1.2288)	−0.67 (0.9412)	−1.17 (0.7962)	−1.04 (1.0620)	−0.57 (0.9009)
Adjusted $R^2$	0.16	0.27	0.32	0.25	0.10	0.13
First Stage $F$ -value	24.42***	4.16***	61.61***	14.72***	21.38***	9.37***
Hausman $p$ -value	0.0303	0.2883	0.8380	0.1406	0.0135	0.0591
Observations	85	85	85	85	85	85

Notes: The dependent variable is the standard deviation of the growth rate of real GDP per capita over the 1980–2007 period. Estimation is by two-stage least squares. Instruments for economic freedom are the level of GDP per capita in 1980, the fraction of the population speaking a major European language, volatility of terms of trade growth, metal and ore exports as a percentage of GDP, the standard deviation of inflation, and frequency of systemic banking crises. First stage  $F$ -value is the  $F$ -statistic from the regression of the economic freedom variable on the instruments. Hausman  $p$ -value is the level of significance of the  $t$ -statistic for the null hypothesis that the OLS coefficients are consistent based on the version of the Hausman test proposed by Davidson and MacKinnon (1989, 1993). Heteroskedasticity-consistent (Newey-West) standard errors are shown in parentheses. \*\*\*, \*\*, and \* indicate significance at the 1%, 5%, and 10% levels, respectively.

In general, accounting for the endogeneity of economic freedom increases both the size and significance of the coefficient estimates. In particular, the coefficient on the overall economic freedom index is now negative and statistically significant at conventional confidence levels. The estimated impact of an increase of one standard deviation in the EFW index is a 0.71 reduction in volatility over the 28-year sample period. This potential impact represents nearly half of the standard deviation in the volatility measure over the sample period. The coefficients on Areas 2 and 3 remain negative and statistically significant and their estimated impacts increase to −0.60 and −0.79, respectively, for an increase of one standard deviation in the index for each Area. The estimated coefficients on metal and ore exports retain their significance and expected signs in the IV analysis, but the standard deviation of terms of trade shocks loses its statistical significance in several of the regressions.

Areas 4 and 5, which were found to be statistically insignificant in the OLS results, are now significantly negative at conventional confidence levels in the IV regressions. The estimated coefficients on these areas of freedom are considerably larger than in the OLS regressions. The estimated reductions in volatility over the 28-year period resulting from a one standard deviation increase in Areas 4 and 5 are estimated to be −0.90 and −0.68, respectively. Note that the estimated volatility-reducing impacts of Areas 3 (Access to Sound Money) and 4 (Freedom to Trade Internationally) from the IV analysis are larger than that for the overall EFW index, suggesting that improvements in these areas of freedom may be particularly effective in reducing aggregate volatility.

The IV results also indicate that the coefficient on Area 1 (Size of Government) remains positive and statistically significant. The estimated impact of an increase of



one standard deviation in Area 1 (a move that is synonymous with smaller government) is now a 0.69 increase in the volatility measure over the 28-year sample. One possible interpretation of this result, of course, is that policies consistent with larger government are effective in stabilizing the business cycle. There are others. One is that size of government is a policy *outcome* rather than an underlying institutional characteristic (the latter better describes the other areas of the EFW index). As such, higher volatility may cause larger government as a result of countercyclical policy responses. The possibility that built-in or automatic stabilizers increase the scope of government during times of economic instability is also consistent with this line of causation. This potential endogeneity of the size of government may not be attenuated by the instrumental variables intended to isolate the exogenous variation in the more deeply rooted institutional characteristics of an economy. Indeed, this specification has the lowest first stage *F*-value among all the specifications, and the Hausman test suggests the original OLS estimates are not inconsistent.

It is also possible that size of government and volatility are negatively related because countries with larger governments are more insulated from business-cycle volatility, since government spending tends to vary less over the course of the business cycle than do the private spending components. With a larger share of output devoted to government, there is naturally less volatility in output. Similarly, it may simply be that as government grows so too does the share of employment in the government sector, which is relatively stable across the business cycle. Thus, as the size of government measure increases, the economy becomes more stable (albeit at a lower level of growth).<sup>6</sup>

## Conclusions

This chapter uses cross-country data on the level of economic freedom to estimate the relationship between economic freedom and business-cycle volatility. The results suggest a statistically significant negative relationship between a broad measure of economic freedom and macroeconomic volatility, even after controlling for other determinants of volatility and accounting for possible endogeneity of economic freedom. A statistically significant negative relationship is also found for most of the underlying Areas of the broader EFW index—aspects of freedom relating to (2) Legal Structure and Security of Property Rights; (3) Access to Sound Money; (4) Freedom to Trade Internationally; and (5) Regulation of Credit, Labor, and Business. The Area of economic freedom corresponding to smaller size of government (1) is found to have a statistically significant positive relationship with volatility, possibly suggesting countercyclical policies or automatic stabilizers corresponding to larger government may be effective in stabilizing the business cycle.

Measures of the change in freedom over time and the volatility of the path to freedom are found to be insignificantly related to macroeconomic volatility. This finding suggests that freedom itself is not a shock that generates business fluctuations at the aggregate level, but rather that freedom allows the economy to cope better with other shocks that drive the business cycle.

Taken together, these results suggest that the benefits of economic freedom are not just limited to long-run growth outcomes—that increases in economic freedom can provide both higher and more stable growth over time.

<sup>6</sup> Thanks to an anonymous referee for suggesting this line of reasoning.



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# Chapter 5: Economic Freedom and Unemployment

by Horst Feldmann

## 1 Costs of unemployment

Unemployment is costly to the individuals and families directly affected as well as to the economy and society as a whole. It is a waste of scarce resources, leading to a loss of income and potential output. For example, from his review of the relevant literature, Dawson (1992) concludes that, for the United Kingdom, an unemployment rate of almost 11% in 1983 entailed the loss of at least 11% to 12%, and probably 14%, of potential GDP. In the United States, an unemployment rate of 9% was associated with the loss of almost 7% of GNP. Kenyon (1998) estimates that, in Australia, the loss of GDP associated with an unemployment rate above the full employment level is the equivalent of a whole year's worth of GDP over the past two decades.

Long spells of unemployment erode the technical and social skills of those who are out of work, reducing their employability. The longer someone remains out of a paid job, the less attractive he becomes to a potential employer. Thus unemployment may become persistent, causing a permanent loss of human capital and potential output.

As unemployment benefits in most countries are low and their duration short, and as they are non-existent in many developing countries, laid-off workers and their families often end up in poverty. If they are unable to pay their rent or mortgages, they may even become homeless. Furthermore, unemployment is associated with fiscal costs to the government. A rise in unemployment increases government outlays—particularly, unemployment benefits and other welfare payments. As unemployment reduces output and aggregate income, it also lowers tax revenues, both from direct taxes such as income tax and from indirect taxes such as value-added tax. The fiscal costs can be substantial—especially in countries with generous benefit systems, high tax rates, or both. For example, fiscal costs were equivalent to 4.2% of GDP in Germany in 1999, when its unemployment rate stood at 8.4% (Franz, 2003).

Joblessness leaves permanent scars on individuals. In Britain, a spell of unemployment has been found to carry a wage penalty of 6% on re-entry and 11% in the long run (Arulampalam, 2001). In the United States, the effect of displacement on earnings has been found to be quite persistent too. For example, according to Stevens (1997), earnings reductions six years after a job loss are 9%. She finds that much of this persistence can be explained by additional job losses in the years following an initial displacement.

Unemployment also has a large adverse impact on people's subjective well-being. For example, using data on Great Britain, Clark and Oswald (1994) find that unemployed people have much lower levels of mental well-being than those in work. For an individual's well-being, being unemployed is worse than divorce. Similarly, according to Winkelmann and Winkelmann (1998), being unemployed had a large negative impact on life satisfaction among German working-age men. This non-pecuniary effect is much larger than the effect that stems from the associated loss of income. Also using German data, Clark et al. (2001) find that the adverse psychological effect of being unemployed is persistent: unemployment experienced in the past makes an individual less satisfied with his current life situation even if he has become re-employed in the meantime.

Unemployment diminishes well-being of everyone, not just of the unemployed. Using data on 12 European countries and the United States, Di Tella et al. (2001) find that randomly sampled individuals mark systematically lower in surveys of well-being when there is unemployment in their country. According to their study, unemployment depresses well-being almost twice as much as inflation does. In subsequent research using the same data, Di Tella et al. (2003) find that, although the effect on someone who actually loses his job is 20 times larger than the effect on someone who remains employed, the indirect losses in well-being are larger, in aggregate, because they affect more people.



Furthermore, unemployment has a negative impact on health of the affected individuals. Using data on American men, Linn et al. (1985) report that, after losing their job, symptoms of depression and anxiety were significantly greater in the unemployed than in the employed. Similarly, using a sample of German blue-collar workers, Frese and Mohr (1987) find that prolonged or repeated unemployment leads to depression.

Being unemployed even appears to reduce workers' life expectancy. Surveying the relevant literature from various industrial countries, Brenner and Mooney (1983) point out that unemployment is directly related to higher mortality rates, particularly due to cardiovascular disease, liver cirrhosis, and suicide. Similarly, in their more recent survey of 46 research articles, Jin et al. (1995) point out that large, census-based cohort studies show higher rates of overall mortality, death due to cardiovascular disease, and suicide among unemployed men and women than among either employed people or the general population.

Unemployment also involves psychological costs for young people. For example, Banks and Jackson (1982) find that the experience of unemployment probably created symptoms of minor psychiatric morbidity among British youth. Similarly, Goldsmith et al. (1996, 1997) report that, in the United States, joblessness damaged self-esteem for young females (but not for male youth).

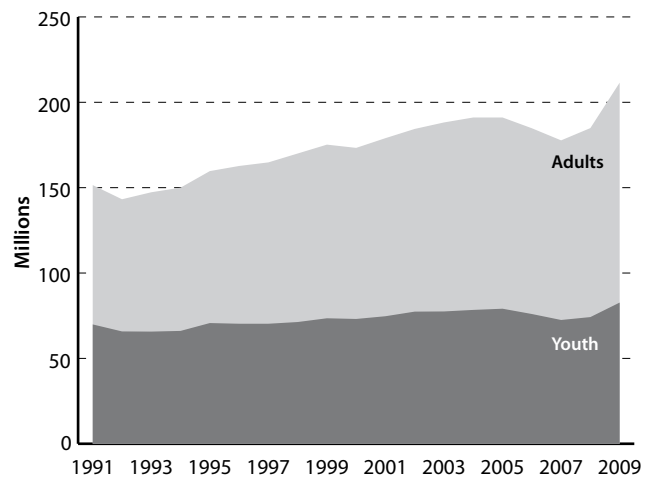
For young people as for adults, unemployment not only causes current hardship but may also hinder future economic success. Using data on young American men, Ellwood (1982) reports that, although early unemployment does not set off a vicious cycle of recurrent unemployment, lost work experience leads to substantially and persistently lower wages.

Finally, there is evidence that unemployment increases crime: using US data, both Raphael and Winter-Ebmer (2001) and Lin (2008) find strong effects of unemployment on property-crime rates. According to Lin (2008), a one-percentage-point rise in unemployment increases property crime by 4% to 6%. By contrast, there is only weak evidence that a rise in unemployment increases violent crime (Raphael and Winter-Ebmer, 2001).

## 2 Characteristics of unemployment

Unemployment affects millions of people around the world (figure 5.1). In 2009, the total number is estimated to have been 211.5 million. Although the current financial and economic crisis led to a particularly marked increase in unemployment, the global number of unemployed was

**Figure 5.1: Unemployment worldwide, adults and youth**



Note: Youth are defined as persons aged between 15 and 24 years; adults are those aged 25 years and above.

Source: International Labour Office, 2010.

enormous even before the start of this crisis. For example, between 1991 and 2007 it averaged 170.2 million. Actually, there was a trend increase throughout the last two decades. Thus unemployment has been a severe and growing problem for many years.

The extent of unemployment varies substantially across the globe (figure 5.2). North Africa has the highest regional unemployment rate: on average from 1991 to 2009, it amounted to 12.4%. The Middle East as well as Central and South-Eastern Europe (non-EU) and the Commonwealth of Independent States are suffering from high joblessness too. Over the same period, unemployment in these regions averaged 9.7% and 10.0%, respectively. Most countries in sub-Saharan Africa and in Latin America and the Caribbean have also had mass unemployment for many years. Between 1991 and 2009, their regional unemployment rates averaged 8.1% and 8.0%, respectively.

By contrast, most Asian countries have been quite successful in keeping unemployment low (figure 5.2). Countries in East Asia have been the most successful. On average over 1991 to 2009, their regional unemployment rate was a mere 4.3%. Most countries in South Asia and in South-East Asia and the Pacific have been enjoying comparatively low unemployment as well. On average over 1991 to 2009, the unemployment rate stood at 4.6% in the former region and at 5.0% in the latter. Remarkably, it hardly rose in these regions during the current financial and economic crisis.

Although unemployment is a persistent problem almost everywhere, there had been substantial improvements in several regions before the start of the current



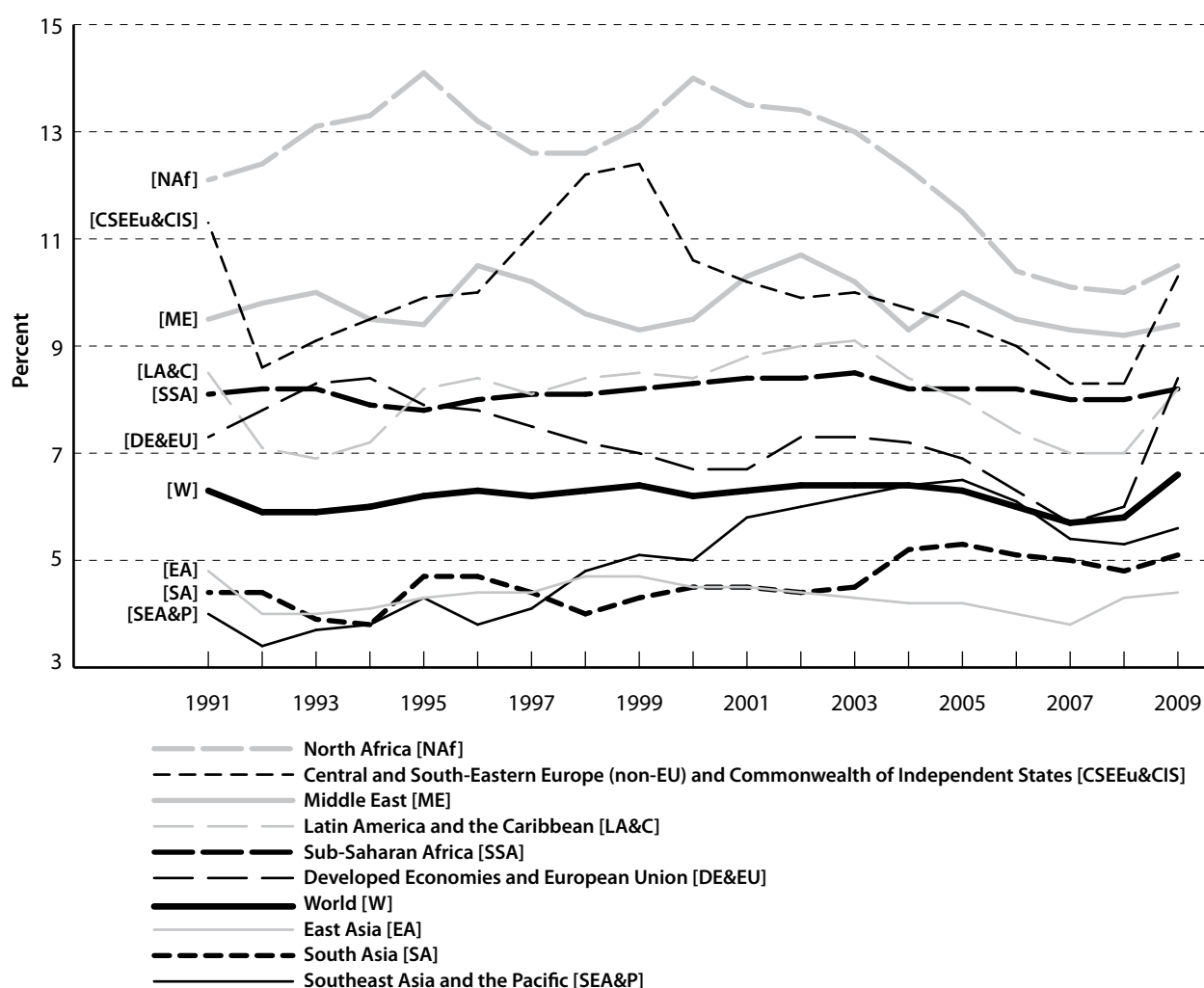
crisis (figure 5.2). Central and South-Eastern Europe (non-EU) and the Commonwealth of Independent States experienced the greatest improvements. Here, the regional unemployment rate fell by one third from 1999 to 2007. Developed economies and the EU managed to reduce unemployment by almost the same proportion from 1994 to 2007. Between 2000 and 2008, the North African unemployment rate decreased by 29%. In Latin America and the Caribbean, the regional unemployment rate fell by almost a quarter from 2003 to 2007. Unfortunately, these gains were partly or even completely reversed during the current crisis. The reversal was particularly strong in developed economies and the EU as well as in Central and South-Eastern Europe (non-EU) and the Commonwealth of Independent States.

Young people are particularly harshly affected by unemployment. On average from 1991 to 2009, more than

two fifths of all unemployed—73.1 million people—were between 15 and 24 years old (figure 5.1). During the same period, the world youth unemployment rate was almost twice as high as the unemployment rate for the total labor force—12.3% compared to 6.2% (figures 5.2 and 5.3).

The regional variation in youth unemployment is similar to the one for total unemployment. North Africa has the highest youth unemployment rate (figure 5.3). Between 1991 and 2009, it averaged no less than 27.3%. In the Middle East as well as in Central and South-Eastern Europe (non-EU) and the Commonwealth of Independent States, about a fifth of all young people were unemployed. In developed economies and the EU, South-East Asia and the Pacific as well as in Latin America and the Caribbean, about one out of 7 youth were unemployed during this period. East Asia is the only region that continuously managed to keep its youth unemployment rate below 10% between 1991 and 2009.

Figure 5.2: Unemployment rate for various regions, 1991–2009



Source: International Labour Office, 2010.



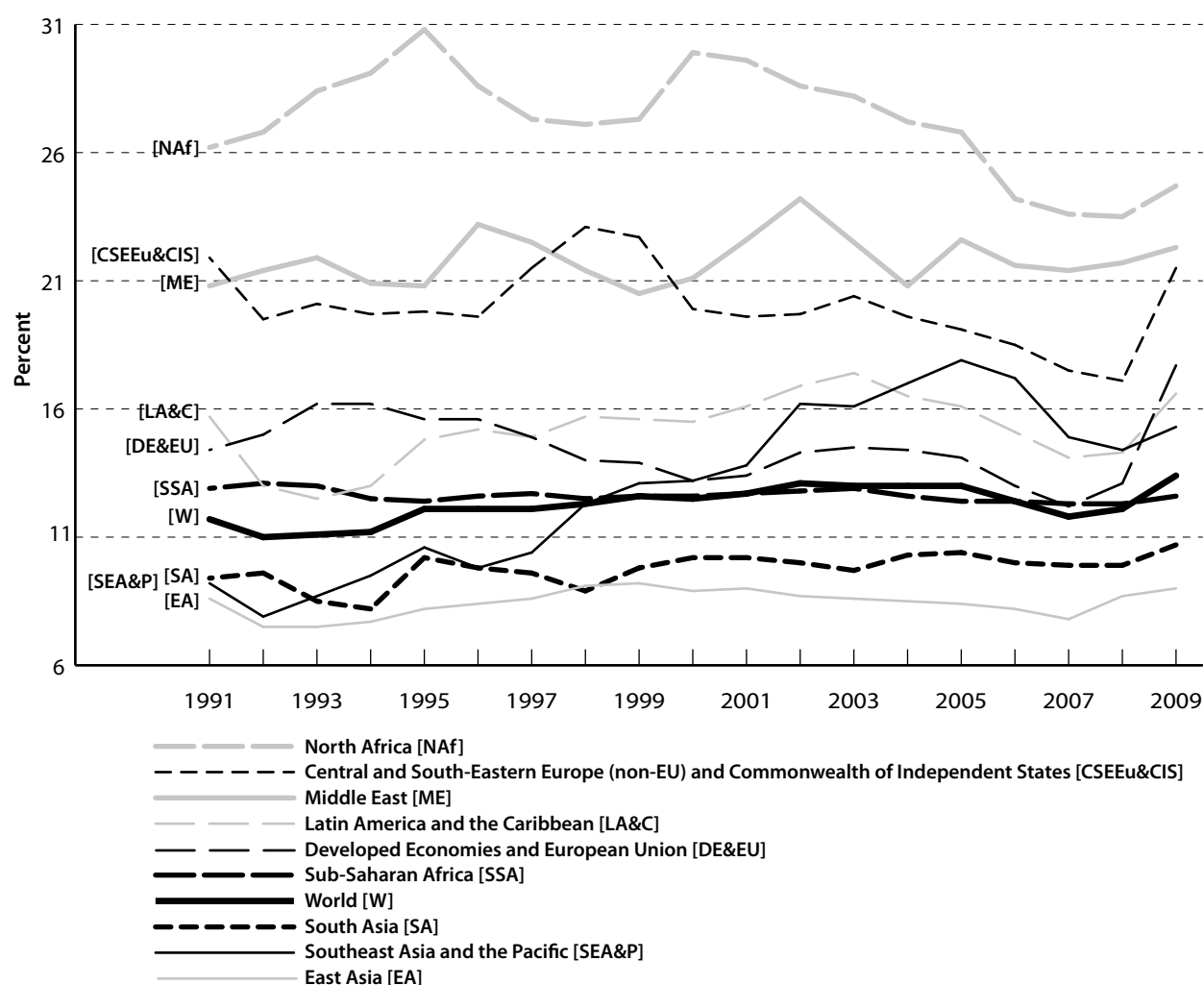
Despite this dismal overall picture, there were encouraging developments in youth unemployment before the start of the current financial and economic crisis (figure 5.3). Specifically, in Central and South-Eastern Europe (non-EU) and the Commonwealth of Independent States, the youth unemployment rate fell by more than a quarter from 1998 to 2008. In North Africa, it decreased by more than a fifth from 2000 to 2008. It fell by almost a fifth in Latin America and the Caribbean from 2003 to 2007 as well as in South-East Asia and the Pacific from 2005 to 2008. Unfortunately, young people were hard hit by the current crisis. Their unemployment rate rose particularly strongly in developed economies and the EU as well as in Central and South-Eastern Europe (non-EU) and the Commonwealth of Independent States.

### 3 Previous research

Economic freedom is likely to affect unemployment favorably. As it provides a framework for voluntary exchange as well as for freedom to enter and compete in markets, it probably reduces unemployment both directly by improving the functioning of the labor market and indirectly by stimulating economic development. Both effects are likely to benefit youth in particular because young people switch between jobs as well as between education and the labor force more often than older workers. Also, as they often are the last to be hired and the first to be fired, they are likely to benefit disproportionately from faster economic development caused by more economic freedom.

A substantial body of evidence supporting these hypotheses has accumulated in recent years. For example,

Figure 5.3: Youth unemployment rate for various regions, 1991–2009



Source: International Labour Office, 2010.



using country averages from 45 industrial and developing countries, Feldmann (2007) finds that a higher level of economic freedom in 1980/1985 is correlated with a decline in both the unemployment and the youth unemployment rate over the period to 2000–2003. Furthermore, he finds an increase in economic freedom from 1980/1985 to 2000–2003 to be associated with a fall in the youth unemployment rate over the same period. Additionally, using panel data from 81 industrial and developing countries he finds that a higher level of economic freedom is correlated with a lower youth unemployment rate.

Feldmann, who has used the index published in *Economic Freedom of the World* (EFW index) throughout, has also studied the effects of particular economic freedoms. His main findings can be summarized as follows.

#### **Size of government**

A smaller size of the government sector is likely to reduce unemployment, both among the total labor force as well as among young people. This is the result of a study covering both industrial and developing countries (Feldmann, 2007), a study that focuses on industrial countries (Feldmann, 2006a), as well as two studies on developing countries that use different methodologies (Feldmann, 2009a, 2010).

#### **Rule of law and security of property rights**

A stronger rule of law and more secure property rights appear to favorably affect unemployment as well. Using data from a large sample of industrial and developing countries, Feldmann (2007, 2009b) finds that they are likely to reduce both the total and the youth unemployment rate.

#### **International exchange**

Using data on 45 industrial and developing countries, he finds a more liberal regime for international exchange in 1980/1985 to be associated with a decline in both the total and the youth unemployment rate over the period to 2000–2003 (Feldmann, 2007). Additionally, a more comprehensive liberalization of international trade and capital movements from 1980/1985 to 2000–2003 is associated with a fall in youth unemployment over the same period.

#### **Regulation**

Feldmann (2007) also finds that more flexible regulation in 1980/1985 is associated with a fall in unemployment among the total labor force as well as among youth over the period to 2000–2003 and that a more comprehensive deregulation from 1980/1985 to 2000–2003 is associated with a fall in the unemployment rate over the same

period. In several additional papers, he analyzes each type of regulation—credit market, labor market, and business regulation—in some detail using data from a large sample of industrial and developing countries. In each case, he finds that more flexible regulation is likely to lower both the unemployment and the youth unemployment rate (Feldmann, 2006b, 2008, 2009c).

In all of these studies the estimated magnitude of the effect is larger for young people than for the total labor force.

## **4 Data and methodology**

The remainder of this chapter studies the effects of aggregate economic freedom using data on 100 industrial and developing countries from the period 1980 to 2008. Thus, compared with previous papers, it uses a larger country sample and includes data on more recent years (for a list of countries, see Appendix A). As youth are particularly harshly affected by unemployment, we estimate the effect on both the total and the youth unemployment rate. Economic freedom is measured using the chain-linked EFW summary index (for definitions and sources of all variables, see Appendix B).

Most of our unemployment data come from the International Labour Office's *Key Indicators of the Labour Market* (2009). These data are based on labor-force surveys and, thus, do not refer to registered unemployment. Instead, they are based on an international standard that defines the unemployed as all persons above a specific age who, during the reference period, were without work, currently available for work, and seeking work. Although national coverage of unemployment can vary with regard to factors such as age limits and criteria for seeking work, the International Labour Office (ILO) has made great efforts to produce series that are comparable across countries. With regard to age limits, for example, almost all national series presented in this publication refer to the age group 15 years and older. Furthermore, the ILO has "cleaned" all national time series to eliminate breaks in series. Thus, these data are comparable over time. Although the ILO's labor-market performance data are not completely harmonized across countries, they are harmonized to a large extent.

To control for the impact of economic growth, we employ the GDP growth-rate variable. As unemployment usually responds to changes in growth after about one year, we lag this variable accordingly. GDP growth is an amalgam of the state of the business cycle with the rates



of population and productivity growth. In an attempt to capture cyclical conditions better, we construct a variable labeled “GDP growth gap” and substitute this variable for the GDP growth-rate variable in one of our robustness checks. We construct the GDP growth-gap variable by normalizing each country’s GDP growth rate for its trend growth rate. The trend growth rate is calculated using the Hodrick-Prescott filter.<sup>1</sup>

For two reasons, we additionally control for GDP per capita. First, it is important to account for the effects of the huge cross-country differences in the level of economic development. Second, as richer countries usually enjoy more economic freedom, it is also important to ensure that our economic freedom variable does not proxy for the level of economic development.

We also control for the share of children in the population. This share varies widely across countries, especially between developing and industrial countries. Large variations in this share are likely to affect labor-market performance, particularly among young people. Several recent studies covering more than 70 countries indicate that a larger share is associated with more unemployment (Feldmann, 2006b, 2007, 2008).

In one of our robustness checks, we additionally control for the share of old people in the population. This share also varies widely across countries. A large share is likely to affect the labor market in several ways. For example, it usually entails high government outlays on pensions and health care, increasing the tax burden. The latter in turn dampens incentives to invest and work, probably raising unemployment. On the other hand, retired people usually spend not only their pensions but also a substantial amount of their savings on various leisure activities, which may stimulate economic growth and reduce unemployment. A large share of old people may also induce a substantial number of working-age people (particularly, women) to temporarily withdraw from the labor force to care for elderly relatives. This would reduce the unemployment rate if most of these working-age people had been unemployed before. It would increase the unemployment rate if most of them had a job before withdrawing from the labor force.

Furthermore, we employ a dummy variable for wars since they may severely disrupt the labor markets of the countries in which they take place. The variable takes all types of war into account: wars between two or

more states, internal wars (with or without the intervention from other states) and wars between a state and a non-state group outside its own territory.

In one of our robustness checks, we additionally control for the impact of political rights and civil liberties. If citizens’ rights to vote and to compete for public office are restricted and if freedom of the press and freedom of association are severely limited, the ruling group is likely to abuse its power for its private benefit, leading to widespread rent-seeking and corruption. Thus strict limits on political rights and civil liberties are likely to affect economic performance adversely, possibly raising unemployment.

In a further robustness check, we control for the impact of the real interest rate. A rise in the real interest rate lowers investment and labor demand, thereby increasing unemployment. There is some, albeit sometimes weak, evidence that high real interest rates are correlated with high unemployment in industrial countries (for example, Fitoussi et al., 2000; Blanchard and Wolfers, 2000; Nickell et al., 2005).

Our final robustness check additionally controls for the impact of inflation. High inflation rates distort price signals and relative prices, hampering the efficient allocation of resources. Furthermore, as profits are mostly taxed on a nominal basis, enterprises’ real net return on investment decreases in an inflationary environment so that investment and economic growth are likely to decline in the long term. Both effects may lead to higher unemployment. On the other hand, if nominal wages are downward rigid, inflation may, upon the occurrence of shocks, facilitate the adjustment of real wages, lowering unemployment. Indeed, there is evidence for a permanent trade-off between inflation and unemployment at modest inflation rates in the United States (Akerlof et al., 1996, 2000; Groshen and Schweitzer, 1999) and other industrial countries (Wyplosz, 2001). As both the adverse and the beneficial unemployment effects of inflation are likely to materialize only after some time, we lag the inflation rate variable by one year.

In fact, all explanatory variables are lagged by one year, not just the variables GDP growth rate and inflation rate. Changes in economic freedom are likely to affect unemployment only after some time too. The same can be expected from changes in GDP per capita, the age structure of the population, political freedom, and the real interest rate. By lagging the respective variables, we allow for slow adjustment. Additionally, lagging all explanatory variables by one year lessens concern about possible simultaneity bias.

1 The output gap would have been the best indicator to control for the impact of business cycle fluctuations. However, data on this variable are available for industrial countries only.



We employ both country and year fixed effects. Country effects are included to control for the impact of unobserved country-specific characteristics such as cultural norms concerning participation in the labor-force by women. Year effects are included to control for the impact of shocks that are common across countries (e.g., oil price shocks).

## 5 Results

Tables 5.1 and 5.2 present our main findings. In each table, column 1 reports the results from our baseline regression while columns 2 to 6 report the results from our robustness checks. The coefficient on economic freedom is statistically significant in most cases. According to our estimates, more economic freedom is likely to reduce unemployment both among the total labor force and among young people.

The effects of economic freedom appear to be substantial. For example, take Denmark. On the 0-to-10 scale, its chain-linked EFW summary rating increased from 6.5 in 1980 to 7.8 in 2007. Over the same period, the performance of the Danish labor market also improved markedly, according to both of our dependent variables. Our estimates suggest that Denmark's increase in economic freedom might have caused a fall in its unemployment rate over this period of between 1.0 and 1.3 percentage points, *ceteris paribus*. They also suggest that it might have contributed to a drop in its youth unemployment rate of between 1.9 and 2.5 percentage points, *ceteris paribus*.

Comparing two countries also suggests that differences in economic freedom might have substantial effects on unemployment. Take the United States and Italy, for example. The United States achieved one of the best results. On average over the 17 years for which data are available, its chain-linked EFW summary rating was 8.1. Italy's rating, at 6.5, was noticeably lower. Italy also had a much higher unemployment rate and a much higher youth unemployment rate. On average over the years 1980 to 2007, its unemployment rate was 10.0% and its youth unemployment rate was 29.5%. The corresponding figures for the United States were 6.1% and 12.4%, respectively. According to our estimates, if Italy had enjoyed the same degree of economic freedom as the United States, its unemployment rate might have been between 1.2 and 1.6 percentage points lower, *ceteris paribus*. Furthermore, its youth unemployment rate might have been between 2.3 and 3.0 percentage points lower, *ceteris paribus*. These

figures (as the ones in the previous paragraph) are based on the smallest and the largest statistically significant coefficient on economic freedom from the regressions presented in tables 5.1 and 5.2, respectively. Of course, they should be taken with a grain of salt. Still, they illustrate that the magnitude of the effects is likely to have been substantial.

The regressions presented in tables 5.1 and 5.2 estimate only the direct impact of economic freedom on unemployment. Specifically, the coefficients on economic freedom are based on the assumption that the GDP growth rate is constant. This ignores the fact that, according to previous research, economic freedom also exerts a favorable impact on economic growth (for example, Feldmann, 2005). Therefore, economic freedom is likely also to indirectly reduce unemployment by increasing growth.

Table 5.3 presents regressions to estimate both the direct and the indirect effect. Regressions 1 to 3 use our baseline specification. To check the robustness of the results from these regressions, regressions 4 to 6 additionally include the inflation-rate variable. We use this variable because, in our main regressions, it is the only additional control that is statistically significant in both the regression to explain the unemployment rate and in the regression to explain the youth unemployment rate (tables 5.1 and 5.2).

To analyze the indirect impact of economic freedom, we first estimate its impact on the GDP growth rate and then substitute the residuals from this regression for the GDP growth rate variable in our regressions to explain the unemployment and the youth unemployment rate. The logic of doing this is that the residuals from the growth regressions represent the variation that is not correlated with economic freedom; by using these residuals, the variation in growth that is associated with differences in economic freedom is captured in the coefficient on economic freedom. Thus this coefficient reflects the direct impact as well as the indirect impact via economic growth.

In line with previous research, regressions 1 and 4 indicate that economic freedom has a positive impact on growth (table 5.3). Using the residuals from these regressions, we find that the absolute values of the coefficients on economic freedom are noticeably larger than those from the respective main regressions.<sup>2</sup> Specifically, in the regressions to explain the unemployment rate the absolute value increases from 8.03 to 10.35 using the baseline specification and from 8.83 to 10.35 when additionally

2 The level of statistical significance is higher as well.



Table 5.1: Regressions to explain the unemployment rate

	Baseline specification	GDP growth gap substituted for GDP growth rate	Population aged 65 & above added	Political rights & civil liberties added	Real interest rate added	Inflation rate added
	(1)	(2)	(3)	(4)	(5)	(6)
<b>Economic freedom</b>	−8.03* (4.47)	−9.69* (5.03)	−7.60* (4.38)	−9.21* (4.82)	−7.20 (5.36)	−8.83* (4.52)
<b>GDP growth rate</b>	−0.26*** (0.04)		−0.25*** (0.04)	−0.25*** (0.04)	−0.25*** (0.06)	−0.27*** (0.05)
<b>GDP per capita</b>	−0.18* (0.10)	−0.18* (0.10)	−0.19* (0.10)	−0.18* (0.10)	−0.21* (0.12)	−0.18* (0.10)
<b>Population aged 0–14</b>	19.55 (16.73)	25.09 (18.28)	25.46 (16.81)	19.25 (16.14)	21.54 (17.46)	18.26 (17.55)
<b>War</b>	−0.73 (2.20)	−0.31 (2.12)	−0.82 (2.18)	−0.75 (2.20)	0.54 (2.45)	0.02 (2.12)
<b>GDP growth gap</b>		−0.11 (0.07)				
<b>Population aged 65 &amp; above</b>			30.58 (23.02)			
<b>Political rights &amp; civil liberties</b>				2.09 (1.77)		
<b>Real interest rate</b>					4.55 (2.77)	
<b>Inflation rate</b>						−0.10*** (0.03)
<b>Number of observations</b>	678	679	678	678	576	668
<b>Number of countries</b>	89	89	89	89	79	88
<b>R<sup>2</sup> (within)</b>	0.28	0.23	0.29	0.29	0.34	0.29
<b>F-statistic</b>	8.56***	5.97***	8.06***	7.89***	8.97***	8.95***
<b>Standard error of regression</b>	2.02	2.09	2.01	2.01	1.98	1.99

Notes: Pooled least-squares estimates with country-specific and year-specific fixed effects. All regressions are based on data for the years 1980, 1981, 1985, 1986, 1990, 1991, 1995, 1996 and 2000 to 2008. All explanatory variables are lagged by one year. Robust standard errors, adjusted for clusters at the country level, are reported in parentheses. Results marked \*\*\*, \*\*, or \* are statistically significant at the 1%, 5%, or 10% level.



Table 5.2: Regressions to explain the youth unemployment rate

	Baseline specification	GDP growth gap substituted for GDP growth rate	Population aged 65 & above added	Political rights & civil liberties added	Real interest rate added	Inflation rate added
	(1)	(2)	(3)	(4)	(5)	(6)
Economic freedom	-14.41 (8.85)	-17.96* (9.64)	-15.16* (9.09)	-15.10* (8.89)	-14.26* (8.38)	-18.94** (9.36)
GDP growth rate	-0.44*** (0.08)		-0.45*** (0.08)	-0.43*** (0.08)	-0.42*** (0.10)	-0.48*** (0.08)
GDP per capita	-0.29 (0.22)	-0.32 (0.22)	-0.29 (0.23)	-0.29 (0.22)	-0.47** (0.20)	-0.28 (0.23)
Population aged 0–14	26.58 (33.25)	33.79 (34.14)	20.99 (36.89)	29.83 (32.54)	23.37 (33.27)	23.92 (34.32)
War	-0.94 (1.57)	-0.28 (1.48)	-0.93 (1.59)	-0.93 (1.55)	-0.38 (1.70)	0.69 (1.50)
GDP growth gap		-0.14 (0.10)				
Population aged 65 & above			-22.21 (48.56)			
Political rights & civil liberties				4.14 (3.67)		
Real interest rate					5.48* (2.76)	
Inflation rate						-0.24** (0.09)
Number of observations	637	638	637	637	544	627
Number of countries	92	92	92	92	86	90
R <sup>2</sup> (within)	0.20	0.15	0.20	0.20	0.27	0.22
F-statistic	7.88***	4.90***	7.37***	7.43***	6.30***	6.88***
Standard error of regression	3.74	3.86	3.74	3.73	3.50	3.70

Notes: Pooled least-squares estimates with country-specific and year-specific fixed effects. All regressions are based on data for the years 1980, 1981, 1985, 1986, 1990, 1991, 1995, 1996 and 2000 to 2008. All explanatory variables are lagged by one year. Robust standard errors, adjusted for clusters at the country level, are reported in parentheses. Results marked \*\*\*, \*\*, or \* are statistically significant at the 1%, 5%, or 10% level.



Table 5.3: Regressions to estimate both direct and indirect effects

Specification Dependent variable	Baseline			Inflation rate added		
	GDP growth rate	Unemployment rate	Youth unemployment rate	GDP growth rate	Unemployment rate	Youth unemployment rate
	(1)	(2)	(3)	(4)	(5)	(6)
Economic freedom	9.43** (3.59)	-10.35** (4.80)	-21.68** (8.91)	8.27** (3.54)	-10.35** (4.86)	-24.42** (9.75)
Residuals from GDP growth rate regression		-0.17*** (0.06)	-0.45*** (0.11)		-0.17*** (0.06)	-0.45*** (0.11)
GDP per capita	-0.17*** (0.05)	-0.19** (0.09)	-0.33 (0.21)	-0.15*** (0.05)	-0.19* (0.10)	-0.33 (0.21)
Population aged 0–14	6.89 (7.12)	25.52 (16.45)	30.36 (30.85)	5.66 (8.00)	25.89 (17.00)	30.86 (31.52)
War	-0.74 (0.85)	0.08 (2.09)	-0.28 (1.56)	-0.70 (0.90)	0.64 (2.11)	0.92 (1.63)
Inflation rate				-0.02 (0.02)	-0.07** (0.03)	-0.16** (0.07)
Number of observations	1130	680	639	1087	670	629
Number of countries	100	89	92	100	88	90
R <sup>2</sup> (within)	0.14	0.25	0.19	0.14	0.26	0.20
F-statistic	8.03***	6.31***	4.96***	9.47***	6.48***	4.68***
Standard error of regression	3.14	2.06	3.76	2.87	2.05	3.74

Notes: Pooled least-squares estimates with country-specific and year-specific fixed effects. All regressions are based on data for the years 1980, 1981, 1985, 1986, 1990, 1991, 1995, 1996 and 2000 to 2008. All explanatory variables are lagged by one year. While regressions 2 and 3 use the residuals from regression 1, regressions 5 and 6 use the residuals from regression 4. Robust standard errors, adjusted for clusters at the country level, are reported in parentheses. Results marked \*\*\*, \*\*, or \* are statistically significant at the 1%, 5%, or 10% level.

including the inflation rate variable (regressions 1 and 6 in table 5.1, regressions 2 and 5 in table 5.3). The increase is even larger in the regressions to explain the youth unemployment rate. Here the absolute value of the coefficient on economic freedom rises from 14.41 to 21.68 using the baseline specification and from 18.94 to 24.42 when additionally including the inflation rate variable (regressions 1 and 6 in table 5.2, regressions 3 and 6 in table 5.3).

To illustrate the magnitude of the effects, let us again compare the United States and Italy. According to our regressions estimating both the direct and the indirect effect, if Italy had enjoyed the same degree of economic freedom as the United States, its unemployment

rate might have been 1.7 percentage points lower among the total labor force and between 3.5 and 3.9 percentage points lower among youth, *ceteris paribus*. Thus the direct and the indirect effect combined are likely to be noticeably larger than the direct impact alone, especially among young people.

Finally, let us briefly comment on our estimates for the control variables (tables 5.1 to 5.3):

- A higher GDP growth rate has a favorable impact on unemployment, indicating that workers benefit from economic growth. The effect on young people is particularly large.



- Higher GDP per capita is correlated with a lower unemployment rate, suggesting that richer countries may be better able to integrate workers into the job market. Higher GDP per capita is also correlated with a lower youth unemployment rate, although this result is statistically significant in one regression only.
- A higher real interest rate is associated with a higher youth unemployment rate, indicating that it may reduce demand for young workers.
- A higher inflation rate is associated with both a lower unemployment rate and a lower youth

unemployment rate, suggesting that it may facilitate the adjustment to shocks by lowering real wages.

## 6 Conclusion

According to our regression results, more economic freedom appears to reduce unemployment. The magnitude of the effect seems to be substantial, especially among young people. Given the substantial costs of unemployment and the enormous number of jobless people worldwide, particularly in the wake of the current financial and economic crisis, governments should consider increasing economic freedom as a means of reducing unemployment.

## Appendix A: List of countries

Albania	Colombia	Hong Kong	Malawi	Peru	Switzerland
Algeria	Costa Rica	Hungary	Malaysia	Philippines	Syria
Argentina	Croatia	Iceland	Mali	Poland	Tanzania
Australia	Czech Republic	India	Mauritius	Portugal	Thailand
Austria	Denmark	Indonesia	Mexico	Romania	Trinidad & Tobago
Azerbaijan	Dominican Rep.	Iran	Morocco	Russia	Tunisia
Bangladesh	Ecuador	Ireland	Namibia	Rwanda	Turkey
Belgium	Egypt	Israel	Nepal	Senegal	Uganda
Benin	El Salvador	Italy	Netherlands	Sierra Leone	Ukraine
Bolivia	Estonia	Jamaica	New Zealand	Singapore	United Kingdom
Botswana	Fiji	Japan	Nicaragua	Slovakia	United States
Brazil	Finland	Jordan	Niger	Slovenia	Uruguay
Bulgaria	France	Latvia	Nigeria	South Africa	Venezuela
Cameroon	Georgia	Lithuania	Norway	South Korea	Vietnam
Canada	Germany	Luxembourg	Pakistan	Spain	Zambia
Chile	Greece	Macedonia	Panama	Sri Lanka	
China	Honduras	Madagascar	Paraguay	Sweden	

## Appendix B: Definitions and sources of variables

**Economic freedom** Chain-linked summary index from *Economic Freedom of the World*, scaled to take values between 0 (least free) and 1 (most free). The index measures the degree of economic freedom in the following areas: (1) Size of government: expenditures, taxes and enterprises, (2) Legal structure and security of property rights, (3) Access to sound money (4) Freedom to trade internationally, (5) Regulation of credit, labor, and business. The summary ratings of the index are the arithmetic means of the five area ratings.

*Source* Gwartney and Lawson, 2009.



- GDP growth gap** Annual percentage growth rate of real GDP minus its trend growth rate. Trend growth rate of real GDP calculated using the Hodrick-Prescott filter ( $\lambda = 6.25$ ).  
*Source* World Bank, 2009; author's calculations.
- GDP growth rate** Annual percentage growth rate of real GDP.  
*Source* World Bank, 2009.
- GDP per capita** Gross domestic product per capita, in thousands of constant 2005 international dollars, converted at purchasing power parity rates.  
*Source* World Bank, 2009.
- Inflation rate** Annual change in the consumer price index; decimal fraction.  
*Source* World Bank, 2009.
- Political rights & civil liberties** Average of political rights and civil liberties ratings. Political rights include the right to form political parties, to compete for public office and to elect representatives who have a decisive vote on public policies. Civil liberties include religious, ethnic, economic, linguistic, gender and family rights, personal freedoms, and freedom of the press, belief, and association. The index, which is based on surveys among analysts and academics, is scaled to range from 0 to 1, with higher values representing more political rights and civil liberties (or more respect for or more protection of political rights and civil liberties).  
*Source* Freedom House (various issues); author's calculations.
- Population aged 0–14** The share of the total population that is in the age group 0 to 14 years.  
*Source* World Bank, 2009.
- Population aged 65 and above** The share of the total population that is 65 years or older.  
*Source* World Bank, 2009.
- Real interest rate** The lending interest rate adjusted for inflation as measured by the GDP deflator; decimal fraction.  
*Source* World Bank, 2009.
- Unemployment rate** Unemployed as a percentage of the labor force. Labor force survey data.  
*Source* European Commission, 2009; International Labour Office, 2009; OECD, 2010.
- War** Dummy variable that takes the value 1 if, in the respective year, there was a war on the country's territory. There are three types of war: a war between two or more states, an internal war (with or without the intervention from other states), and a war between a state and a non-state group outside its own territory.  
*Source* Centre for the Study of Civil Wars, 2009.
- Youth unemployment rate** Unemployed aged 15 to 24 years as a percentage of the labor force in the same age bracket. Labor force survey data.  
*Source* European Commission, 2009; International Labour Office, 2009; OECD, 2010.



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# Chapter 6: The Relationship between Economic Freedom and Homicide

by Edward Peter Stringham and John Leventis\*

*"The great virtue of a free market is that it enables people who hate each other, or who are from vastly different religious or ethnic backgrounds, to cooperate economically. Government intervention can't do that. Politics exacerbates and magnifies differences."*

Milton Friedman, *New Perspectives Quarterly*, 2006: 18.

## 1 Introduction

We know that economic freedom is correlated with numerous positive outcomes (Gwartney, Holcombe, Lawson, 1999; Boettke, 2001; Gwartney, Lawson, Holcombe, 2006; Hall and Lawson, 2008) but do these come at a cost of bad outcomes such as violence and crime? Many social commentators assert an emphatic "yes." They believe that countries that rely more on markets will have higher rates of crime. For example, the preface to the *Encyclopedia of Murder and Violent Crime* states: "Killing and violent behavior has permeated the development of America," attributing this in large part to "the inevitable clash of capitalism" (Hickey, 2003: xxxi–xxxii). Others make an even stronger claim: "the only source of crime is capitalism" (Lynch and Groves, 2000: 336). But, one need not be an old-fashioned Marxist to hold this view: the edited volume *Crime and Capitalism* (Greenberg, 1993) contains 30 chapters arguing how markets cause crime. Wenger and Bonomo write "the relationship between crime and the terminal crisis of capitalism has become the subject of considerable debate ... [But] the debate does not concern the role of capitalism in producing crime—to all but the reactionary or the naïve, such questions have long been settled" (1993: 420).

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To these thinkers it is beyond question that markets increase crime; nevertheless, some economists disagree. They adopt the seemingly paradoxical view that economic freedom can actually increase social cohesion and decrease conflict. Adam Smith (1776) and Frederic Bastiat (1850a), for example, believed that even if people pursue their self-interests under a market system, individuals can only gain by working for their fellow men. They argued that, even if people have different ends, the prospect of mutual gains through exchange promotes cooperation.<sup>1</sup> On the flipside of that same coin, many advocates of economic freedom adopted a seemingly paradoxical view about government intervention in markets: even though government intervention is advocated in the name of common interests and public welfare, it may actually create conflict (Hall and Lawson, 2009; Lee

1 Nineteenth-century writer William Brough explained how market relationships can make relationships more peaceful: "We can hardly overestimate the importance of money as a civilizing agent in the world; there can be no trade or commerce without it; man must have it, or go back to barbarism ... [Once] man has become a trader ... He has found in profit a new incentive to industry, a spur to continued exertion ... But to succeed in his new occupation he must live in peace; his strength must not be wasted in the petty, but deadly, warfare he has hitherto carried on with neighboring tribes; he endeavors therefore to keep on good terms with them. He has already begun to add other ties to the bond of blood-relationship—ties of self-interest, which grow gradually into friendship" (1894: 4).



and Tollison, 2009). Where markets encourage cooperation by allowing people to profit by helping others, government intervention may remove those incentives by making working for others less lucrative. Relationships that could have been mutually beneficial are now potentially in conflict. Classical liberals like Bastiat (1850a, 1850b) and Cobden (1903) argued that government might pit people against each other as it transforms mutually beneficial market relationships into zero-sum political relationships.<sup>2</sup>

The idea that the free market increases cooperation and government creates conflict is counterintuitive to many and has led many to dismiss advocates of economic freedom as either naïve or simply antisocial. For example, Noam Chomsky (2002: 200) has described a libertarian society as “a world so full of hate that no human being would want to live in it.” After all, how could markets (where people are allowed to pursue their own self-interests) lead to more cooperation and government (where people are supposed to join together to advance their common interests) lead to more conflict?

Researchers associated with the Economic Freedom of the World project (Gwartney, Lawson, and Block, 1996) have documented how economic freedom is positively correlated with many positive outcomes. And it also makes sense to look whether economic freedom is correlated with certain negative outcomes such as homicide rates. Although the debate has been largely theoretical, in principle these ideas can be subject to an empirical test. For those who are unconvinced by the premises or logic of the arguments for (or against) the classical liberal theorists, looking at data may be the best way to shed light on the issue. It analyzes cross-national data to investigate whether measures of market freedom are positively or negatively correlated with measures of conflict. Ideally one would use a panel but, since nothing close to reliable panel data on international crime exists, a cross-sectional approach appears to be the best available option. Various proxies for conflict could be considered but the most objective indicator is almost definitely a society's homicide rate. Crime reporting and statistics vary between countries, and homicide statistics are no exception. Some homicides may go unreported or be misclassified as a non-homicide (or a car accident could be misclassified as a homicide) but, of

all possible crime statistics, homicide are likely to be among the most objective (Soares, 2004: 871).

As we turn to our empirical investigation, we begin with a brief discussion on the sources and limitations of our data. We then take a brief look at several illustrative countries. Finally, we turn to our more rigorous analysis of the statistical relationship between economic freedom and homicide rates. In various regressions, we find that economic freedom is negatively correlated with homicide rates, and this statistically and economically significant result held in nearly every specification that we ran. The data indicate that economic freedom is associated with a more peaceful order.

## 2 Description of Data

Our dependent variable is a country's homicide rate (per 100,000 inhabitants). The *World Report on Violence and Health*, published by the World Health Organization, provides a range of mortality figures (Krug et al., 2002). The *World Report on Violence and Health's* homicide figures ranged from 1990 in one instance (Uruguay) to 1999 for a large sample of the countries, with the vast majority of the countries having data from 1995 to 1999. Since we wish to focus on possible causation from economic freedom to rates of homicide, we use data on economic freedom for 1995 (from Gwartney and Lawson, 2009) and we drop those countries whose homicide rates pre-date 1995.

So what are the main determinants of homicide rates? A few variables usually appear in the literature. Two related hypotheses often associated with a conservative world view is that increasing incarceration rates or introducing the death penalty can decrease homicide rates. The idea is that that incarcerating or executing more people will deter crime. Two other hypotheses often associated with liberals is that increasing equality or increasing literacy rates can decrease homicide rates: if those with low and high incomes are in close proximity, conflict may arise; or, those who are less educated may be more likely to resort to violence. The variable that seems to have been neglected is the degree of economic freedom.

Our main independent variable of interest is economic freedom. *Economic Freedom of the World: 2009 Annual Report* (Gwartney and Lawson, 2009) reports an index of economic freedom (EFW index) using 37 pieces of data in five major Areas: [1] Size of Government:

2 For a discussion of the political economic contributions of Cobden and Bastiat, see Stringham, 2004 and Caplan and Stringham, 2005.



Expenditures, Taxes, and Enterprises; [2] Legal Structure and Security of Property Rights; [3] Access to Sound Money; [4] Freedom to Trade Internationally; and [5] Regulation of Credit, Labor and Business. The index ranks countries on a 10-point scale where higher scores indicate a greater degree of economic freedom. Since much of the data for other variables in our study are from the early 2000s and late 1990s, we use data for the year 1995 from *Economic Freedom of the World: 2009 Annual Report*. In order to investigate whether differences in homicide rates could be related to changes in economic freedom—that is, by differences in rates as opposed to differences in levels—we also constructed a “trend in freedom” variable, equal to the difference between a country’s economic-freedom scores in 2000 and 1995.

The data from *Economic Freedom of the World: 2009 Annual Report* (EFW) is used in most regressions reported here but we also replicated the regressions using the *Index of Economic Freedom* (IEF), compiled by the Heritage Foundation (Miles et al., 2006). The IEF examines 50 pieces of data in 10 major categories: trade policy, fiscal burden of government, government intervention in the economy, monetary policy, capital flows and foreign investment, banking and finance, wages and prices, property rights, regulation, and informal market activity. The index ranks countries on a 5-point scale where lower scores indicate a greater degree of economic freedom. Since data from *Economic Freedom of the World* is more transparent, most of our regressions use that measure of economic freedom.

The International Centre for Prison Studies publishes *The World Prison Brief* (2005), a compilation of data that includes a range of information on the prison systems of 215 nations and principalities. This study uses the incarceration rate of each country, expressed as the number of prisoners per 100,000 inhabitants.

An indicator variable is generated for the existence of a death penalty. The Justice Center at the University of Alaska-Anchorage, using information from Amnesty International, published a comprehensive synopsis of the state of the death penalty in the international arena in its Alaska Justice Forum in 1999. Countries were split into four different categories: those that retain the death penalty; those that are “abolitionist de facto” (have not executed anyone in the last 10 years or have made an international commitment not to carry out executions); those that retain the death penalty only for exceptional crimes (such as wartime crimes); and those that have abolished the death penalty entirely. This paper uses the

strictest definition—only those countries whose laws do not provide for a death penalty are deemed not to have the death penalty and thus receive the null-value in the dummy variable set.

The Gini index data is from *The World Factbook* published by the CIA (2003). A Gini coefficient is a measure of income inequality within a country where higher scores indicate higher levels of income inequality. This paper uses the Gini index, which is simply the Gini coefficient (bounded by zero and one) multiplied by 100. Most countries’ Gini data in *The World Factbook* is from the mid- to late 1990s.

Literacy rates are also taken from the *The World Factbook*. The vast majority of the countries in our sample define “literate” as being able to read and write by age 15. *The World Factbook* was also used to create a variable indicating the origin of a country’s legal system using five categories: French, German, English, Nordic, and Socialist.

Data on income per capita, percent of population living in rural areas, and unemployment levels are from the World Bank’s *World Development Indicators* for 1997. In order to smooth uneven or missing yearly data, an average of unemployment rates from 1996 to 2000 for each country in the sample was calculated.

Alesina et al. (2003) provide fractionalization measures on three margins for 190 countries. Fractionalization is a concept that attempts to quantify the ethnic, linguistic, and religious diversity within a country. As calculated, the value generated for all three fractionalization measures represents the probability that “two randomly selected individuals from a population [belong] to different groups.” (Alesina et al., 2003: 158–59). Higher values in fractionalization imply more diverse populations within the respective category.

Table 6.1 shows the summary statistics of the variables considered. One can see that the average annual homicide rate is 6.6 per 100,000 inhabitants, and the average economic freedom score is 6.0 out of 10 (where 10 would be the most free). Table 6.2 shows the pair-wise correlations between the main variables in our study. The economic freedom indices are significantly correlated with each other as well as to the homicide rate. We find, though we do not show, that the incarceration rate and the death penalty indicator are significantly correlated with each other, and positively correlated with homicide rates but not at high levels of significance. The Gini index is correlated with the homicide rate and the literacy rate at high levels of significance and correlated with the other variables at lower levels of significance.



Table 6.1: Summary statistics

Variable	Obs	Mean	Std. Dev.	Min	Max
Homicide rate (per 100k)	63	6.64	9.33	0.5	61.6
Economic freedom (EFW)	115	6.00	1.23	3.44	9.08
Economic freedom (IEF)	61	2.65	0.71	1.56	4.28
Incarceration rate (per 100k)	63	202.76	145.95	58	714
Death penalty	63	0.52	0.50	0	1
Gini index	58	35.50	8.72	23.2	59.7
Literacy rate	55	96.25	5.54	67.5	100
Ethnic fractionalization	61	0.34	0.20	0.00	0.71
English legal origin	56	0.14	0.35	0	1
Unemployment rate	58	9.07	6.54	0.72	46.24
Percent rural	61	32.36	16.76	0	75
GDP per capita	62	11623	12097	160	44440

Note: EFW = *Economic Freedom of the World: 2009 Annual Report* (Gwarney and Lawson, 2009; Fraser Institute); IEF = *Index of Economic Freedom* (Miles et al., 2006; Heritage Foundation).

Table 6.2: Correlation matrix

	Homicide rate	Economic freedom (EFW)	Economic freedom (IEF)	Incarceration rate	Death penalty	Gini index	Literacy rate
Homicide rate (per 100k)	1						
Economic freedom (EFW)	-0.41	1					
Economic freedom (IEF)	0.41	-0.62	1				
Incarceration rate (per 100k)	0.21	-0.09	-0.02	1			
Death penalty	0.13	-0.32	-0.02	0.43	1		
Gini index	0.49	0.01	0.17	0.28	0.12	1	
Literacy rate	-0.28	0.07	-0.35	0.02	0.06	-0.57	1

Note: EFW = *Economic Freedom of the World: 2009 Annual Report* (Gwarney and Lawson, 2009; Fraser Institute); IEF = *Index of Economic Freedom* (Miles et al., 2006; Heritage Foundation).



### 3 Investigating the relationship between economic freedom and crime

When pondering the determinants of crime the discussion is usually about variables such as inequality and literacy rates or the extent of law enforcement (whether through incarceration rates, the existence of a death penalty, or both). To date, though, no one has tested the hypothesis that economic freedom is a determinant of homicide rates. Thus, our baseline specification is:

$$\begin{aligned} (\text{homicide rate}) = & \beta_1 + \beta_2 (\text{economic freedom}) \\ & + \beta_3 (\text{incarceration rate}) \\ & + \beta_4 (\text{death penalty}) + \beta_5 (\text{gini}) \\ & + \beta_6 (\text{literacy rate}) + \varepsilon, \end{aligned}$$

where *homicide rate* is the homicide rate in a society per 100,000 people, *economic freedom* is a country's economic freedom rating, *incarceration rate* is a country's incarceration rate, *death penalty* is a variable indicating whether a country has the death penalty, *gini* is a country's Gini index (higher numbers mean more inequality), and *literacy rate*

is the total literacy rate in a country. In the rest of the paper, we focus on data from *Economic Freedom of the World* (where higher scores on its 10-point scale indicate more economic freedom) but table 6.3 shows regressions with economic freedom data from the Fraser Institute's *Economic Freedom of the World* (EFW) and the Heritage Foundation's *Index of Economic Freedom* (where lower scores on its 5-point scale indicate more economic freedom) and both regressions indicate similar results.

Table 6.3 shows the results of the baseline regressions of homicide rates on *incarceration rate*, *death penalty*, *gini*, and *literacy rate*. Regression 1 includes *economic freedom* data from *Economic Freedom of the World*, while Regression 2 includes the *economic freedom* data from the *Index of Economic Freedom*. In both regressions, *economic freedom* is significantly correlated with *homicide rates* where increases in *economic freedom* are associated with decreases in the *homicide rate*. In Regression 1, *economic freedom* is significant at the 1% level, showing that each one-point improvement in *economic freedom* (on the scale from *Economic Freedom of the World* where higher is more free) is associated with a decrease in the *homicide rate* of 3.7 per 100,000.

Table 6.3: Baseline regressions (dependent variable: homicides per 100,000 people)

	<i>Economic Freedom of the World</i> (1)	<i>Index of Economic Freedom</i> (2)
Economic freedom (EFW)	-3.699*** (0.00)	
Economic freedom (IEF)		4.659** (0.02)
Incarceration rate	0.005 (0.66)	0.006 (0.57)
Death Penalty	-2.484 (0.45)	0.013 (1.00)
Gini index	0.61*** (0.00)	0.512*** (0.01)
Literacy rate	0.11 (0.71)	0.094 (0.75)
Constant	-2.093 (0.95)	-34.116 (0.31)
Observations	41	50
R-squared	0.432	0.332

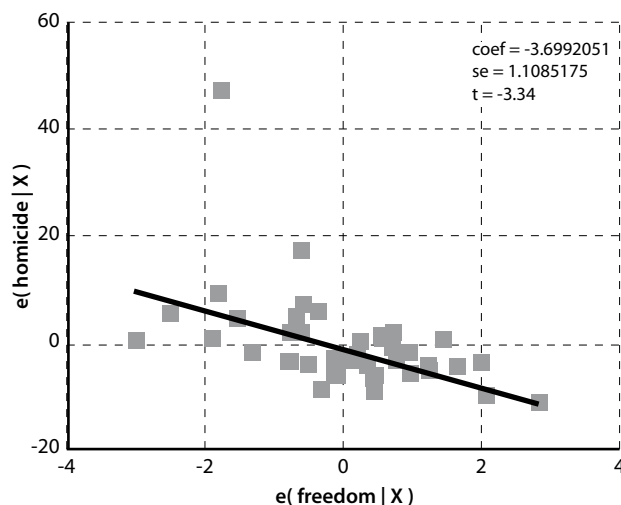
Notes: p-values are in parentheses; \* is significant at 10%; \*\* significant at 5%; \*\*\* significant at 1%. EFW = *Economic Freedom of the World: 2009 Annual Report* (Gwarney and Lawson, 2009; Fraser Institute); IEF = *Index of Economic Freedom* (Miles et al., 2006; Heritage Foundation).



To answer McCloskey and Ziliak's (1996) question,<sup>3</sup> the results are indeed economically significant. If this linear relationship were to hold, if a country increased its economic freedom score from 6 out of 10 to 7 out of 10, its homicide rate would decrease from 12 per 100,000 to 8.3 per 100,000. In Regression 2, *economic freedom* is also significant here at the 5% level, showing that each one-point improvement (on Heritage's scale where lower is more free) is associated with a decrease in the homicide rate of 4.7 per 100,000. The fact that decreases in the homicide rate are significantly correlated with increases in economic freedom on both of these indexes is remarkable. In all regressions in this dataset, the *incarceration rate* and the *death penalty* indicator are positively but not significantly correlated with the *homicide rate*.<sup>4</sup> A higher *gini index* is also associated with higher rates of homicide.<sup>5</sup>

Figure 6.1 and figure 6.2 show the partial regression plots for the baseline regressions. In figure 6.1, moves towards the right (increases in *economic freedom* on the EFW index) are associated with decreases in the *homicide rate*. Likewise, increases in economic freedom (movements to the left on the Heritage scale) are associated with decreases in homicide rates. Obviously, one can find specific countries that have above or below normal rates of

Figure 6.1: Partial regression plot for regression 1 (dependent variable: homicide rate) with EFW data



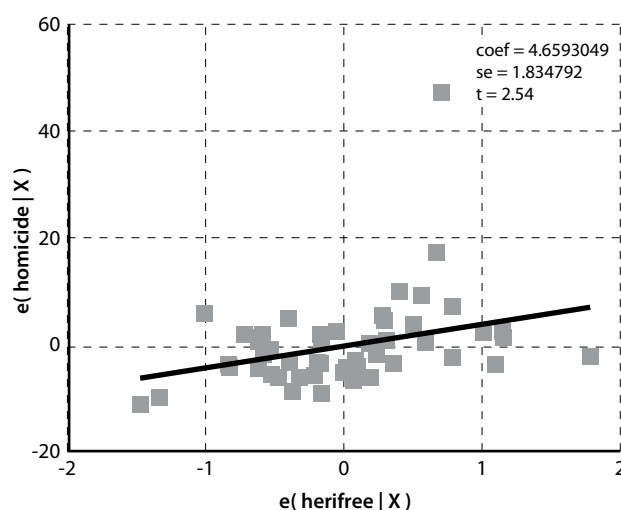
Note: EFW = *Economic Freedom of the World: 2009 Annual Report* (Gwarney and Lawson, 2009; Fraser Institute); higher scores indicate more economic freedom.

3 McCloskey and Ziliak (1996) maintain that economists should not just talk about the statistical significance but also economic significance. In other words, economists should talk about whether the relationship between variables is actually important.

4 Whether increasing the incarceration rate or introducing the death penalty will decrease crime is not an *a priori* but an empirical question. It can drive crime in either direction for the following reasons. First, many of those incarcerated are being punished for nonviolent offenses and these laws may be socially disruptive enough that they will lead to more crime (Fletcher, 1999, July 12). For example, it would be curious to believe that sending innocent businessmen to the *gulag* in the Soviet Union would decrease homicide rates. Second, even if punishment is isolated to murderers, increasing the *ex post* penalties one has to "pay" for murder is not equivalent to raising the *ex ante* price for an ordinary good. With market exchange, both parties have to agree *ex ante* and, if the price becomes too high, the consumer cannot buy; but with homicide one can raise the *ex post* penalty to infinity yet still have homicides taking place because perpetrators need not have any money to commit their crime. Because a murderer can choose to commit his crime at any price, there is no *a priori* reason that the "demand curve" for homicide has to be downward sloping.

5 For a discussion of ways to alter Gini coefficients in nations, see Stringham et al (2007).

Figure 6.2: Partial regression plot for regression 2 (dependent variable: homicide rate) with IEF data



Note: IEF = *Index of Economic Freedom* (Miles et al., 2006; Heritage Foundation); higher scores indicate less economic freedom.



Table 6.4: Robustness of homicide rate regressions (dependent variable: homicides per 100,000 people)

	(1)	(2)	(3)	(4)	(5)
<b>Economic Freedom</b>	−3.514*** (0.00)	−3.659*** (0.02)	−2.974** (0.03)	−4.037*** (0.00)	−3.802** (0.03)
<b>Incarceration rates</b>	0 (0.97)	0.004 (0.79)	0.006 (0.64)	0.006 (0.61)	0.005 (0.65)
<b>Death Penalty</b>	−3.371 (0.30)	−2.355 (0.53)	−2.109 (0.53)	−3.608 (0.34)	−2.544 (0.45)
<b>Gini index</b>	0.549*** (0.01)	0.612*** (0.01)	0.598*** (0.01)	0.588*** (0.01)	0.615*** (0.01)
<b>Literacy rates</b>	0.231 (0.43)	0.105 (0.76)	0.126 (0.70)	0.052 (0.87)	0.106 (0.73)
<b>Ethnic fractionalization</b>	14.586* (0.08)				
<b>English legal origin</b>		0.003 (1.00)			
<b>Unemployment rate</b>			0.498 (0.21)		
<b>Percent rural</b>				−0.087 (0.52)	
<b>GDP per capita</b>					0 (0.93)
<b>Constant</b>	−15.903 (0.62)	−1.793 (0.96)	−12.732 (0.72)	9.372 (0.81)	−1.397 (0.97)
<b>Observations</b>	41	38	40	40	41
<b>R-squared</b>	0.48	0.43	0.46	0.44	0.43

Notes: p-values in parentheses; \* significant at 10%; \*\* significant at 5%; \*\*\* significant at 1%.

homicide for their level of economic freedom,<sup>6</sup> but overall a clear relationship between the two variables exists. To test for robustness, we also look at other variables, including a country's legal origin, measures of ethnic fractionalization, and gross national income per capita.<sup>7</sup>

6 For example, US homicide rates are higher than Italian homicide rates even though levels of economic freedom in the United States are slightly higher than levels of economic freedom in Italy. But that says little about the overall relationship among all nations. In addition, when other things are not equal, it should not be surprising to find a country with an abnormally high or low homicide rate for its level of economic freedom. We thank an anonymous referee for suggesting that we highlight this point.

7 Additional variables were analyzed, but since none of them considerably changed the basic results, they are not reported here.

Table 6.4 shows that the baseline results are robust, with economic freedom remaining significant in all regressions, even if a few other potentially important variables are added. Regression 3 adds the ethnic fractionalization index created by Alesina et al., which measures the probability that "two randomly selected individuals from a population [belong] to different groups" (2003: 158–59). Adding ethnic fractionalization to the regression yields weakly significant results for that variable, but economic freedom is still significant at the 1% level. Without reporting the results here, Alesina et al.'s (2003) indices of religious and linguistic fractionalization were also added separately and they did not significantly alter the results. This indicates that a country could have more ethnic, religious, or linguistic fractionalization without it affecting homicide rates.



Regression 4 looks at whether the origin of a country's legal system is correlated with homicide rates. In this regression, the variable for British legal origin is not significant but *economic freedom* remains significant, now at the 5% level. We ran this regression a few ways, including all but one of the legal-origin dummies, and none of them came up as significant. Regression 5 adds the average *unemployment rate* from 1996 to 2000. This additional variable is not correlated with *homicide rates* and *economic freedom* is still significant. Regression 6 adds a variable that measures the percentage of people living in rural areas (*percent rural*) and, here too, this additional variable is not significant, while *economic freedom* remains significant. Finally, Regression 7 helps us consider the possibility that *economic freedom* might lead to lower *homicide rates* solely because places with more economic freedom tend to have higher income per capita. In other words, the link between *economic freedom* and *homicide rates* might be indirect. By holding income constant, we can isolate the effect of *economic freedom*. Once again, this extra variable is neither significant nor does it take away from the significance of *economic freedom*.<sup>8</sup> In every regression, economic freedom rates are significantly and negatively correlated with homicide rates.

#### 4 Case studies

Ideally one could use multiyear panel data to see how changes in economic freedom within countries lead to changes in homicide rates over time. Even though no reliable international panel datasets for homicide exist, one can look at changes within countries where multiyear data on homicide rates is available. We looked at countries that had experienced large changes in homicide rates or economic freedom.<sup>9</sup> For each of these countries,

we created a time-series of its homicide rate so we can see how it relates to economic freedom over time. In quite a few countries, a very clear pattern is apparent.

As figure 6.3 shows, countries such as Colombia, Latvia, Lithuania, and South Africa immediately illustrate the negative relationship between economic freedom and homicide rates. These instances lend support to the statistical relationship found in the cross-sectional regressions: increases in economic freedom are associated with decreases in homicide.

#### Economic freedom and homicide in Venezuela

Few countries illustrate the possibility of a relationship between economic freedom and homicide as colorfully as Venezuela, so we shall spend some time discussing it in detail. The US Department of State (2010) reports that currently Venezuela has one of the highest homicide rates in the world. Over the last two decades, Venezuela has seen an erratic but downward trend in economic freedom and an increase in homicides. In 1990, Venezuela had an economic freedom score of 5.56. Shortly after, in 1992, Hugo Chavez attempted a coup that was unsuccessful at the time. In 1994/1995, President Rafael Caldera tried to increase the role of the government, leading to further economic collapse (O'Grady, 1998, December 4). With a fall in economic freedom of 1.6 points, Venezuela's economy was in decline. After some prompting, Caldera's government began a process of liberalization. Social security was to be downsized and partially privatized.

This process was underway when, in 1998, Chavez was elected as president. The high negative correlation between murder rates and economic freedom in Venezuela becomes very apparent around this time. The year after Chavez was elected unemployment rates rose to 15.6%, the highest level in 30 years. Venezuela's economy is dominated by the price of oil,<sup>10</sup> yet Venezuela's GDP was tumbling even though oil prices were rising. This was the first time in five business cycles that Venezuela had a recession when oil prices were high (Rowan, 1999, November 26). During 1999/2000, Chavez pushed through a new constitution, replaced the attorney general, the comptroller, most of the Supreme Court, and gave his government the right to nationalize any company it deemed "in the national interest" (Vogel, 1999, December 30). By 2000, trading volumes in the Caracas Stock Exchange were down 30% from their level three years previous (Druckerman, 2000, July 26). Despite these

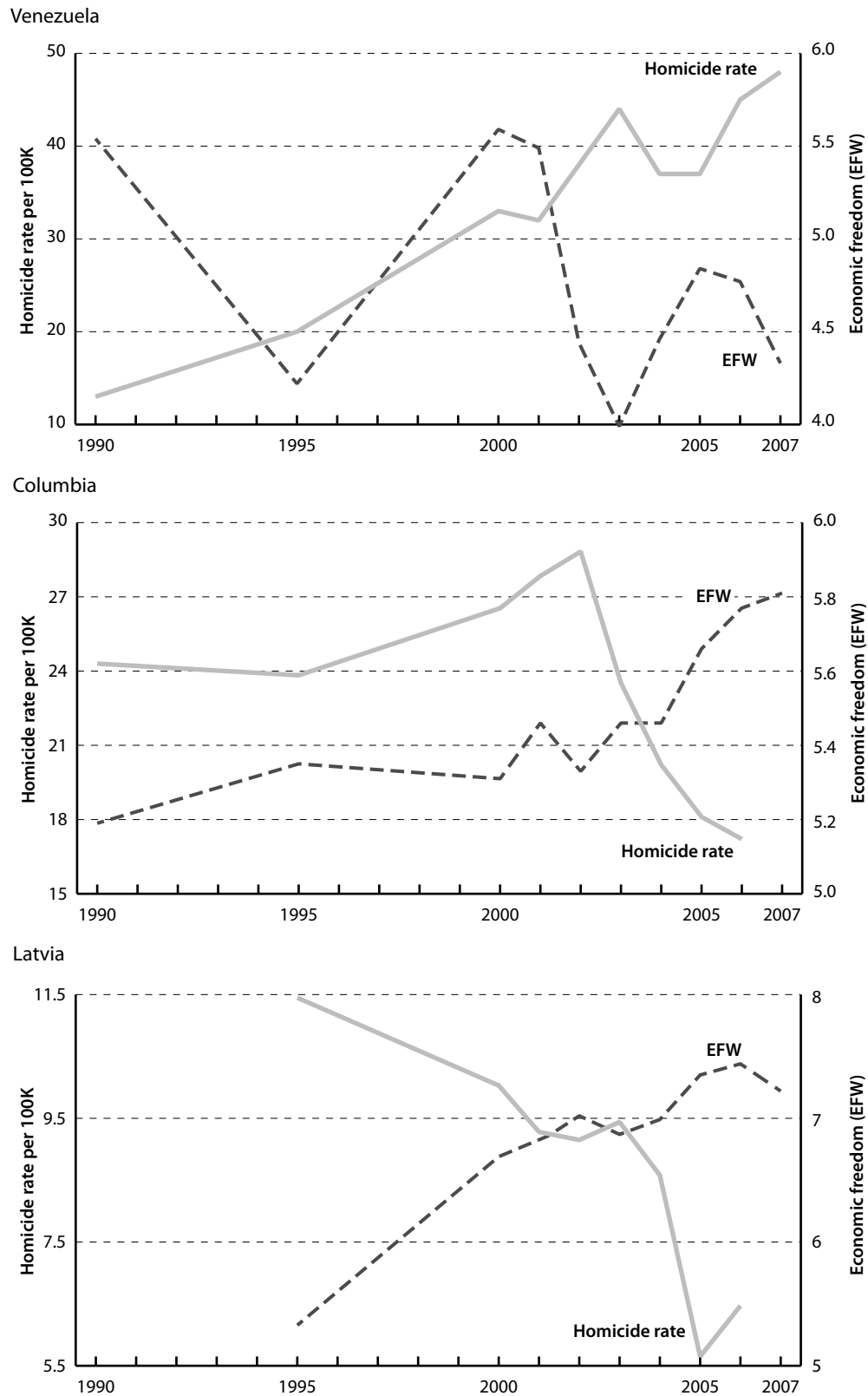
8 One might wonder whether rates of change in economic freedom matter more than levels of economic freedom. We thank a referee for bringing up this question. To investigate this separate hypothesis, we re-ran the regressions from table 6.4, but included "trend in freedom" as a covariate rather than the level of economic freedom. Results, available on request, indicate that the rate of change in economic freedom has no statistical relationship with homicide rates. In other words, we find that, as far as homicide rates are concerned, it does not matter whether people are becoming more free, but whether they are free.

9 Countries with stable rates of homicide and economic freedom are not the most interesting to examine over time, although data where neither variable changes is also consistent with the hypothesis that the two variables are correlated.

10 Venezuela is the world's fifth-largest producer and competes with Saudi Arabia as the largest supplier to the United States.



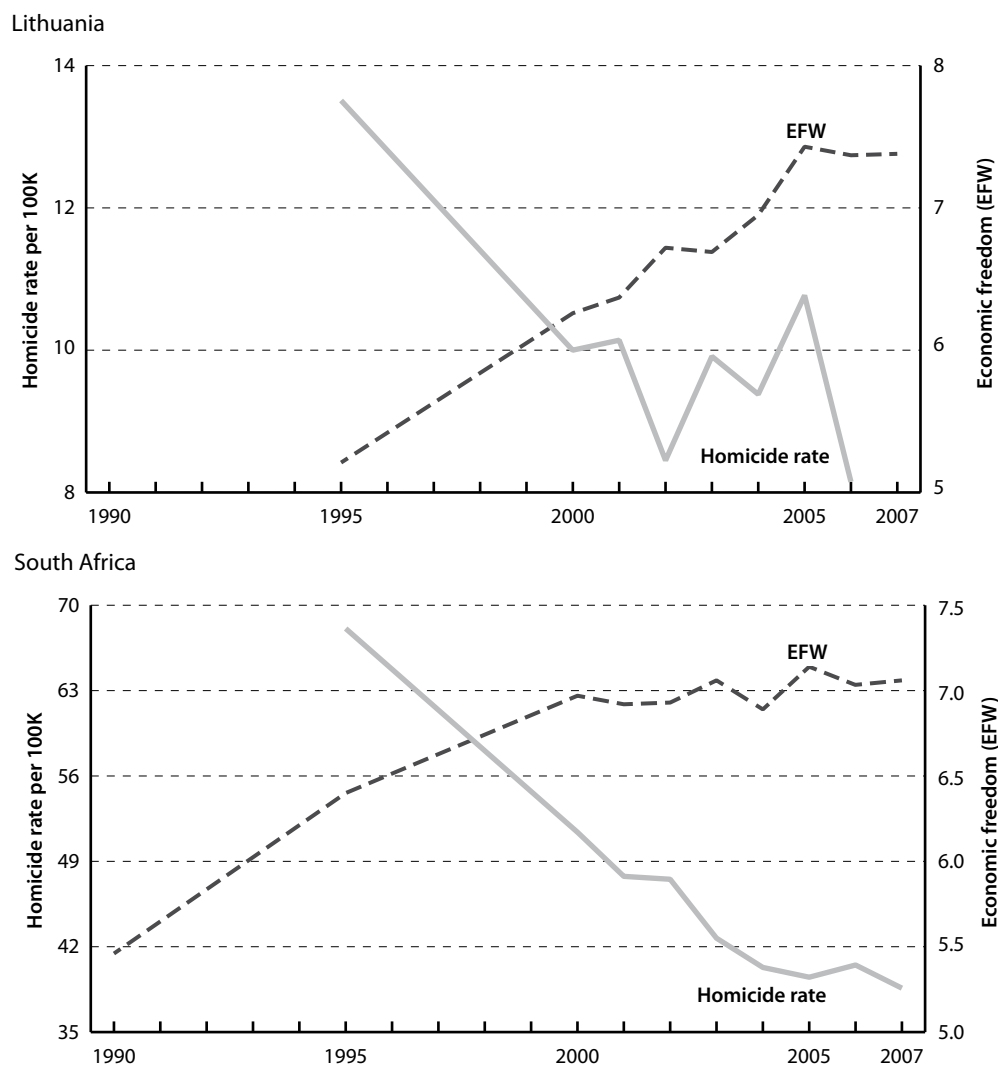
Figure 6.3: Examples of the relationship between economic freedom and homicide rates



Sources: see "Appendix: Sources for time series in figure 6.3" (p. \_\_\_\_).



Figure 6.3 continued: Examples of the relationship between economic freedom and homicide rates



Sources: see "Appendix: Sources for time series in figure 6.3" (p. \_\_\_\_).

declines, Venezuela had some significant improvements at this time. A large reduction in inflation and more freedom to trade internationally led to Venezuela's economic freedom numbers being substantially higher.

In 2001, however, governmental control over the economy became more pronounced. The government imposed a new tax on oil and hydrocarbons, required that all new foreign petroleum ventures be governmentally controlled, and declared that they could seize any farm deemed as not being put to its best use (whatever that means) (Lifsher, 2001, December 6; Bahree and Lisher, 2002, April 18). After surviving a coup in 2002, Chavez forcibly took control of Caracas' police force from the mayor, whom he viewed as a political opponent (O'Grady, 2002, November 29). Venezuela's economic freedom

score dropped over a full point, from 5.5 to 4.4, with most of the declines coming from a reduced access to sound money and diminished freedom to trade internationally.

One of the worst years for economic freedom in Venezuela was 2003, when there were drops across most sub-components of economic freedom. In 2003, Chavez' government imposed exchange-rate controls, the third time this drastic measure was imposed in Venezuela in 20 years (Cordoba and Barrionuevo, 2003, January 23). "Not one more dollar for the putschists; the bolivars belong to the people," Mr. Chavez proclaimed ... while handing out land to urban squatters" reported Marc Lifsher (2003, February 5: A14) of the *Wall Street Journal*. GDP declined almost 20% in the first half of 2003 alone. The government continued to seize various plants, including a Coca-Cola



bottler; Microsoft closed two offices and Conoco-Phillips withdrew all “non-essential expatriate staff” (O’Grady, 2003, January 24). That year, Venezuela’s EFW score for Area 2: Legal Structure and Security of Property Rights, was at its lowest level since 1990.

The years 2001 to 2003 witnessed a massive drop of 38% in economic freedom (from 5.49 to 3.99) and a simultaneous 38% increase in murder rates (from 32 to 44 per 100,000 residents). Fears of mass chaos were widespread. According to the *Wall Street Journal*:

Locked for the past year in an intense conflict, the citizens of Caracas ... are now teetering on the edge of a world of competing police forces and roving armed thugs, reminiscent of the postapocalyptic “Mad Max” movies ... Caraquenos in penthouses and slums alike fear the worst: an even more violent version of the 1989 social earthquake known as the *Caracaso*, in which thousands of slum-dwellers swarmed down from the hills, looted and pillaged the city after the government decreed a steep increase in the price of public transport. Army troops ruthlessly restored order two days later. The government admitted to some 600 fatalities, but many believe the real death toll was in the thousands ... So far the political strife has taken about 130 lives and wounded 300 people. Venezuela, says political analyst Alberto Garrido, is “like a disturbed, angry ant hill.” (Cordoba and Lifsher, 2003, February 11: A13)

Economic and social stability in Venezuela was clearly tenuous at this time. Inflation was 27% in 2003 and 19.2% in 2004; over 2003/2004, Venezuela earned the dubious honor of having the world’s second largest rate of inflation (Chelminski, 2005, February 25). Yet matters improved in certain areas in 2004. With global oil prices at historically high levels, oil companies dared to re-engage with Venezuela (Luhnow, 2004, August 24), and GDP increased by a reported 17.3% (Chelminski, 2005, February 25), offsetting the declines of the previous two years.

Among factors that lowered economic freedom at the margin was a 50%-increase in governmental spending (funded in large part by the increase in oil revenues) (Lyons, 2004, November 16). In 2005, the process of expropriation of businesses continued, with, among others, the seizure and nationalization of a Heinz tomato-processing plant, a gold mine owned by Crystallex, and grain silos owned by Venezuela’s largest food company (Cordoba and Heinzl, 2005, September 23). As economic freedom dropped again from 2005 to 2007, murder rates rose from 37 to 48 per 100,000.

By 2006, Venezuela had become the world’s most violent country. According to one resident of Caracas, the price for murder for hire was as low as \$50. With resources allocated along political lines, there is open discussion of class warfare (Reel, 2006, May 10). By 2010, Hugo Chavez can boast that the murder rate had quadrupled during his “11 years in power, with two people murdered every hour” (Reuters, 2010, March 11). The homicide rate now stands at 54 per 100,000. The movements of economic freedom and homicide in Venezuela is consistent with the data in the cross-sectional regressions.

## 4 Conclusion

Economic freedom and homicide rates are negatively correlated. This result was significant in nearly every regression run. The classical liberal hypothesis that markets promote social cooperation and that government intervention creates conflict is supported by the data. These findings may be important for a few reasons. From a positive point of view, they indicate that classical liberals are not “reactionary” or “naïve” as many assume (Wenger and Bonomo, 1993: 420). Not only do classical liberals have well-thought-out theories of why markets increase cooperation, but their theories are consistent with the facts. From a normative point of view, the findings indicate a previously unconsidered influence on homicide and a possible way to decrease it. If the relationship holds, one of the best ways to decrease homicide rates would be to move towards *laissez-faire*.



## Appendix: Sources for time series in figure 6.3

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## Appendix: Explanatory Notes and Data Sources

### Area 1 Size of Government: Expenditures, Taxes, and Enterprises

#### A General government consumption spending as a percentage of total consumption

This component is measured as general government consumption spending as a percentage of total consumption. The rating for this component is equal to:  $(V_{\max} - V_i) / (V_{\max} - V_{\min})$  multiplied by 10. The  $V_i$  is the country's actual government consumption as a proportion of total consumption, while the  $V_{\max}$  and  $V_{\min}$  were set at 40 and 6, respectively. The 1990 data were used to derive the maximum and minimum values for this component. Countries with a larger proportion of government expenditures received lower ratings. In contrast, as the ratio approaches the maximum value, the ratio moves toward zero. • **Sources** World Bank, *World Development Indicators* (various issues); International Monetary Fund, *International Financial Statistics* (various issues); United Nations National Accounts.

#### B Transfers and subsidies as a percentage of GDP

This component is measured as general government transfers and subsidies as a share of GDP. The rating for this component is equal to:  $(V_{\max} - V_i) / (V_{\max} - V_{\min})$  multiplied by 10. The  $V_i$  is the country's ratio of transfers and subsidies to GDP, while the  $V_{\max}$  and  $V_{\min}$  values are set at 37.2 and 0.5, respectively. The 1990 data were used to derive the maximum and minimum values for this component. The formula will generate lower ratings for countries with larger transfer sectors. When the size of a country's transfer sector approaches that of the country with the largest transfer sector during the 1990 benchmark year, the rating of the country will approach zero. • **Sources** International Monetary Fund, *Government Finance Statistics Yearbook* (various years); World Bank, *World Development Indicators* (various issues); International Monetary Fund, *International Financial Statistics* (various issues); United Nations National Accounts.

#### C Government enterprises and investment

Data on the number, composition, and share of output supplied by State-Operated Enterprises (SOEs) and government investment as a share of total investment were used to construct the zero-to-10 ratings. Countries with more government enterprises and government investment received lower ratings. When there were few SOEs and government investment was generally less than 15% of total investment, countries were given a rating of 10. When there were few SOEs other than those involved in industries where economies of scale reduce the effectiveness of competition (e.g., power generation) and government investment was between 15% and 20% of the total, countries received a rating of 8. When there were, again, few SOEs other than those involved in energy and other such industries and government investment was between 20% and 25% of the total, countries were rated at 7. When SOEs were present in the energy, transportation, and communication sectors of the economy and government investment was between 25% and 30% of the total, countries were assigned a rating of 6. When a substantial number of SOEs operated in many sectors, including manufacturing, and government investment was generally between 30% and 40% of the total, countries received a rating of 4. When numerous SOEs operated in many sectors, including retail sales, and government investment was between 40% and 50% of the total, countries were rated at 2. A rating of zero was assigned when the economy was dominated by SOEs and government investment exceeded 50% of total investment. • **Sources** International Monetary Fund,



*Government Finance Statistics Yearbook* (various issues); World Bank, *World Development Indicators* (various issues); International Monetary Fund, *International Finance Statistics* (various issues); World Economic Forum, *Global Competitiveness Report* (various issues); United Nations National Accounts.

## D Top marginal tax rate

### i Top marginal income tax rate

Countries with higher marginal tax rates that take effect at lower income thresholds received lower ratings based on the matrix below. The data on income thresholds were converted from local currency to 1982–1984 US dollars (using beginning-of-year exchange rates and the US Consumer Price Index). These figures include subnational rates if applicable.

### ii Top marginal income and payroll tax rates

Countries with higher marginal income and payroll (wage) tax rates that take effect at lower income thresholds received lower ratings based on the matrix below. The data on income thresholds were converted from local currency to 1982–1984 US dollars (using beginning-of-year exchange rates and the US Consumer Price Index). These figures include subnational rates if applicable.

Income Threshold at Which the Top Marginal Rate Applies (1982–1984 US\$)

Top Marginal Tax Rate	< \$25,000	\$25,000 – \$50,000	\$50,000 – \$150,000	> \$150,000
< 20%	10	10	10	10
21% – 25%	9	9	10	10
26% – 30%	8	8	9	9
31% – 35%	7	7	8	9
36% – 40%	5	6	7	8
41% – 45%	4	5	6	7
46% – 50%	3	4	5	5
51% – 55%	2	3	4	4
56% – 60%	1	2	3	3
61% – 65%	0	1	2	2
66% – 70%	0	0	1	1
> 70%	0	0	0	0

**Sources:** PricewaterhouseCoopers, *Worldwide Tax Summaries Online*, <<http://www.pwc.com/extweb/pwcpublishations.nsf/docid/9B2B76032544964C8525717E00606CBD>>; PricewaterhouseCoopers, *Individual Taxes: A Worldwide Summary* (various issues).



## Area 2 Legal Structure and Security of Property Rights

**Note** The ratings for Area 2 from 1970 to 1995 are the same as the Area V ratings from *Economic Freedom of the World: 2001 Annual Report*. The methodological details from the 2001 report are reproduced below.

### A Judicial independence

This component is from the *Global Competitiveness Report's* survey question: "Is the judiciary in your country independent from political influences of members of government, citizens, or firms? No—heavily influenced (= 1) or Yes—entirely independent (= 7)." The question's wording has varied slightly over the years. All variables from the *Global Competitiveness Report* were converted from the original 1-to-7 scale to a 0-to-10 scale using this formula:  $EFW_i = ((GCR_i - 1)/6) \times 10$ . • **Source** World Economic Forum, *Global Competitiveness Report* (various issues), <<http://www.weforum.org/en/initiatives/gcp/index.htm>>.

### B Impartial courts

This component is from the *Global Competitiveness Report's* survey question: "The legal framework in your country for private businesses to settle disputes and challenge the legality of government actions and/or regulations is inefficient and subject to manipulation (= 1) or is efficient and follows a clear, neutral process (= 7)." The question's wording has varied slightly over the years. • **Note** The "Rule of Law" ratings from the World Bank's *Governance Indicators* Project have been used to fill in omitted countries in the primary data source since 1995. • **Sources** World Economic Forum, *Global Competitiveness Report* (various issues), <<http://www.weforum.org/en/initiatives/gcp/index.htm>>; World Bank, *Governance Indicators* (various years), <<http://www.worldbank.org/wbi/governance/govdata/>>.

#### Area V ratings from *Economic Freedom of the World: 2001 Annual Report*

**V a** ♦ Countries with more secure property rights received higher ratings. The data for 1999 are from the IMD, *World Competitiveness Report, 2000*. No reliable data were available for 1995. The data from 1980 to 1990 are from PRS Group, *International Country Risk Guide* (various issues). The 1970 and 1975 data are from Business Environment Risk Intelligence (BERI). The ICRG did not provide ratings for Barbados, Benin, Burundi, Central African Republic, Chad, Estonia, Latvia, Lithuania, Mauritius, Slovenia and Ukraine. We rated these countries based on the ratings for similar countries (in parentheses): for Barbados (Bahamas), Mauritius (Botswana), Estonia, Latvia, and Lithuania (Poland and Russia), Slovenia (Czech Republic and Slovakia), Ukraine (Bulgaria and Russia), Benin, Burundi, Central African Republic, and Chad (Cameroon, Republic of Congo, Gabon, Mali, and Niger). ♦ While the original rating scale for the ICRG data was zero to 10, BERI data were on a one-to-four scale. We used regression analysis from the two sources during the initial overlapping year 1982 to merge the two data sets and place the 1970 and 1975 ratings on a scale comparable to that used for the other years. Likewise, regression analysis between the 1999 IMD data and the 1990 ICRG data was used to splice in the new data set. ♦ Because of inconsistencies in the ICRG ratings over time, all ratings were adjusted using the maximum and minimum procedure used in other components in order to make the component consistent over time. The following formula was used to place the figures on a 0-to-10 scale:  $(V_i - V_{\min}) / (V_{\max} - V_{\min})$  multiplied by 10.  $V_i$  is the country's actual value for the component.  $V_{\max}$  and  $V_{\min}$  were set at 10 and 2 standard deviations below the average, respectively. ♦ **Sources:** IMD, *World Competitiveness Report, 2000*; PRS Group, *International Country Risk Guide* (various issues), and Business Environment Risk Intelligence.

**V b** ♦ Countries with legal institutions that were more supportive of rule of law received higher ratings. The data from 1980 to 1999 on the rule of law are from PRS Group, *International Country Risk Guide* (various issues). In certain years, the ICRG did not provide ratings for Barbados, Benin, Burundi, Central African Republic, Chad, Estonia, Latvia, Lithuania, Mauritius, Slovenia and Ukraine. In those cases, we rated these countries based on the ratings for similar countries (in parentheses): Barbados (Bahamas), Mauritius (Botswana), Estonia, Latvia, and Lithuania (Poland and Russia), Slovenia (Czech Republic and Slovakia), Ukraine (Bulgaria and Russia), Benin, Burundi, Central African Republic, and Chad (Cameroon, Republic of Congo, Gabon, Mali, and Niger). ♦ Because of inconsistencies in the ICRG ratings over time, all ratings were adjusted each year using the maximum and minimum procedure used in other components in order to make the component more consistent over time. The following formula was used to place the figures on a 0-to-10 scale:  $(V_i - V_{\min}) / (V_{\max} - V_{\min})$  multiplied by 10.  $V_i$  is the country's actual value for the component.  $V_{\max}$  and  $V_{\min}$  were set at 10 and 2 standard deviations below the average, respectively. ♦ **Source:** PRS Group, *International Country Risk Guide* (various issues).



**C Protection of property rights**

This component is from the *Global Competitiveness Report's* survey question: "Property rights, including over financial assets are poorly defined and not protected by law (= 1) or are clearly defined and well protected by law (= 7)." • **Note** This replaces a previous question in the *Global Competitiveness Report* about protection of intellectual property. • **Source** World Economic Forum, *Global Competitiveness Report* (various issues), <<http://www.weforum.org/en/initiatives/gcp/index.htm>>.

**D Military interference in rule of law and the political process**

This component is based on the *International Country Risk Guide's* Political Risk Component G: Military in Politics: "A measure of the military's involvement in politics. Since the military is not elected, involvement, even at a peripheral level, diminishes democratic accountability. Military involvement might stem from an external or internal threat, be symptomatic of underlying difficulties, or be a full-scale military takeover. Over the long term, a system of military government will almost certainly diminish effective governmental functioning, become corrupt, and create an uneasy environment for foreign businesses." • **Note** The "Political Stability and Absence of Violence" ratings from the World Bank's *Governance Indicators* Project have been used to fill in omitted countries in the primary data source since 1995. • **Sources** PRS Group, *International Country Risk Guide* (various issues), <<http://www.prsgroup.com/ICRG.aspx>>; World Bank, *Governance Indicators* (various years), <<http://www.worldbank.org/wbi/governance/govdata/>>.

**E Integrity of the legal system**

This component is based on the *International Country Risk Guide's* Political Risk Component I for Law and Order: "Two measures comprising one risk component. Each sub-component equals half of the total. The 'law' sub-component assesses the strength and impartiality of the legal system, and the 'order' sub-component assesses popular observance of the law." • **Source** PRS Group, *International Country Risk Guide* (various issues), <<http://www.prsgroup.com/ICRG.aspx>>.

**F Legal enforcement of contracts**

This component is based on the World Bank's *Doing Business* estimates for the time and money required to collect a clear-cut debt. The debt is assumed to equal 200% of the country's per-capita income where the plaintiff has complied with the contract and judicial judgment is rendered in his favor. Zero-to-10 ratings were constructed for (1) the time cost (measured in number of calendar days required from the moment the lawsuit is filed until payment) and (2) the monetary cost of the case (measured as a percentage of the debt). These two ratings were then averaged to arrive at the final rating for this sub-component. The formula used to calculate the zero-to-10 ratings was:  $(V_{\max} - V_i) / (V_{\max} - V_{\min})$  multiplied by 10.  $V_i$  represents the time or money cost value. The values for  $V_{\max}$  and  $V_{\min}$  were set at 725 days and 82.3% (1.5 standard deviations above average) and 62 days (1.5 standard deviations below average) and 0%, respectively. Countries with values outside of the  $V_{\max}$  and  $V_{\min}$  range received ratings of either zero or ten accordingly. • **Source** World Bank, *Doing Business* (various issues), <<http://www.doingbusiness.org/>>.

**G Regulatory restrictions on the sale of real property**

This sub-component is based on the World Bank's *Doing Business* data on the time and monetary costs required to transfer ownership of property that includes land and a warehouse. Zero-to-10 ratings were constructed for (1) the time cost (measured in number of calendar days required to transfer ownership) and (2) the monetary cost of transferring ownership (measured as a percentage of the property value). These two ratings were then averaged to arrive at the final rating for this sub-component. The formula used to calculate the zero-to-10 ratings was:  $(V_{\max} - V_i) / (V_{\max} - V_{\min})$  multiplied by 10.  $V_i$  represents the time or money cost value. The values for  $V_{\max}$  and  $V_{\min}$  were set at 265 days and 15% (1.5 standard deviations above average) and 0 days and 0%, respectively. Countries with values outside of the  $V_{\max}$  and  $V_{\min}$  range received ratings of either zero or ten accordingly. • **Source** World Bank, *Doing Business* (various issues), <<http://www.doingbusiness.org/>>.



## Area 3 Access to Sound Money

### A Money growth

This component measures the average annual growth of the money supply in the last five years minus average annual growth of real GDP in the last ten years. The M1 money supply figures were used to measure the growth rate of the money supply. The rating is equal to:  $(V_{\max} - V_i) / (V_{\max} - V_{\min})$  multiplied by 10.  $V_i$  represents the average annual growth rate of the money supply during the last five years adjusted for the growth of real GDP during the previous ten years. The values for  $V_{\min}$  and  $V_{\max}$  were set at zero and 50%, respectively. Therefore, if the adjusted growth rate of the money supply during the last five years was zero, indicating that money growth was equal to the long-term growth of real output, the formula generates a rating of 10. Ratings decline as the adjusted growth of the money supply increases toward 50%. When the adjusted annual money growth is equal to (or greater than) 50%, a rating of zero results. • **Sources** World Bank, *World Development Indicators* (various issues); International Monetary Fund, *International Financial Statistics* (various issues); United Nations National Accounts.

### B Standard deviation of inflation

This component measures the standard deviation of the inflation rate over the last five years. Generally, the GDP deflator was used as the measure of inflation for this component. When these data were unavailable, the Consumer Price Index was used. The following formula was used to determine the zero-to-10 scale rating for each country:  $(V_{\max} - V_i) / (V_{\max} - V_{\min})$  multiplied by 10.  $V_i$  represents the country's standard deviation of the annual rate of inflation during the last five years. The values for  $V_{\min}$  and  $V_{\max}$  were set at zero and 25%, respectively. This procedure will allocate the highest ratings to the countries with least variation in the annual rate of inflation. A perfect 10 results when there is no variation in the rate of inflation over the five-year period. Ratings will decline toward zero as the standard deviation of the inflation rate approaches 25% annually. • **Sources** World Bank, *World Development Indicators* (various issues); International Monetary Fund, *International Financial Statistics* (various issues).

### C Inflation: Most recent year

Generally, the Consumer Price Index was used as the measure of inflation for this component. When these data were unavailable, the GDP deflator inflation rate was used. The zero-to-10 country ratings were derived by the following formula:  $(V_{\max} - V_i) / (V_{\max} - V_{\min})$  multiplied by 10.  $V_i$  represents the rate of inflation during the most recent year. The values for  $V_{\min}$  and  $V_{\max}$  were set at zero and 50%, respectively—the lower the rate of inflation, the higher the rating. Countries that achieve perfect price stability earn a rating of 10. As the inflation rate moves toward a 50% annual rate, the rating for this component moves toward zero. A zero rating is assigned to all countries with an inflation rate of 50% or more. • **Sources** World Bank, *World Development Indicators* (various issues); International Monetary Fund, *International Financial Statistics* (various issues).

### D Freedom to own foreign currency bank accounts

When foreign currency bank accounts are permissible without restrictions both domestically and abroad, the rating is 10; when these accounts are restricted, the rating is zero. If foreign currency bank accounts are permissible domestically but not abroad (or vice versa), the rating is 5. • **Sources** International Monetary Fund, *Annual Report on Exchange Arrangements and Exchange Restrictions* (various issues).



## Area 4 Freedom to Trade Internationally

### A Taxes on international trade

#### i Revenues from trade taxes (% of trade sector)

This sub-component measures the amount of taxes on international trade as a share of exports and imports. The formula used to calculate the ratings for this sub-component was:  $(V_{\max} - V_i) / (V_{\max} - V_{\min})$  multiplied by 10.  $V_i$  represents the revenue derived from taxes on international trade as a share of the trade sector. The values for  $V_{\min}$  and  $V_{\max}$  were set at zero and 15%, respectively. This formula leads to lower ratings as the average tax rate on international trade increases. Countries with no specific taxes on international trade earn a perfect 10. As the revenues from these taxes rise toward 15% of international trade, ratings decline toward zero. (Note that except for two or three extreme observations, the revenues from taxes on international trade as a share of the trade sector are within the zero-to-15% range.) • **Sources** International Monetary Fund, *Government Finance Statistics Yearbook* (various issues); International Monetary Fund, *International Financial Statistics* (various issues).

#### ii Mean tariff rate

This sub-component is based on the unweighted mean of tariff rates. The formula used to calculate the zero-to-10 rating for each country was:  $(V_{\max} - V_i) / (V_{\max} - V_{\min})$  multiplied by 10.  $V_i$  represents the country's mean tariff rate. The values for  $V_{\min}$  and  $V_{\max}$  were set at 0% and 50%, respectively. This formula will allocate a rating of 10 to countries that do not impose tariffs. As the mean tariff rate increases, countries are assigned lower ratings. The rating will decline toward zero as the mean tariff rate approaches 50%. (Note that except for two or three extreme observations, all countries have mean tariff rates within this range from 0% to 50%.) • **Sources** World Trade Organization, *World Tariff Profiles* (various issues).

#### iii Standard deviation of tariff rates

Compared to a uniform tariff, wide variation in tariff rates exerts a more restrictive impact on trade and, therefore, on economic freedom. Thus, countries with greater variation in their tariff rates should be given lower ratings. The formula used to calculate the zero-to-10 ratings for this component was:  $(V_{\max} - V_i) / (V_{\max} - V_{\min})$  multiplied by 10.  $V_i$  represents the standard deviation of the country's tariff rates. The values for  $V_{\min}$  and  $V_{\max}$  were set at 0% and 25%, respectively. This formula will allocate a rating of 10 to countries that impose a uniform tariff. As the standard deviation of tariff rates increases toward 25%, ratings decline toward zero. (Note that except for a few very extreme observations, the standard deviations of the tariff rates for the countries in our study fall within this 0% to 25% range.) • **Sources** World Trade Organization, *World Tariff Profiles* (various issues).

### B Regulatory Trade Barriers

#### i Non-tariff trade barriers

This sub-component is based on the *Global Competitiveness Report's* survey question: "In your country, tariff and non-tariff barriers significantly reduce the ability of imported goods to compete in the domestic market." The question's wording has varied slightly over the years. • **Source** World Economic Forum, *Global Competitiveness Report* (various issues), <<http://www.weforum.org/en/initiatives/gcp/index.htm>>.

#### ii Compliance cost of importing and exporting

This sub-component is based on the World Bank's *Doing Business* data on the time (i.e., non-money) cost of procedures required to export or import a full, 20-foot, container of dry goods that contains no hazardous or military items. Countries where it takes longer to export or import are given lower ratings. Zero-to-10 ratings were constructed for (1) the time cost to export a good (measured in number of calendar days required) and (2) the time cost to import a good (measured in number of calendar days required). These two ratings were then averaged to arrive at the final rating for this sub-component. The formula used to calculate the zero-to-10



ratings was:  $(V_{\max} - V_i) / (V_{\max} - V_{\min})$  multiplied by 10.  $V_i$  represents the time cost value. The values for  $V_{\max}$  and  $V_{\min}$  were set at 62 and 80 days (1.5 standard deviations above average) and 2 days (1.5 standard deviations below average) and 0 days, respectively. Countries with values outside of the  $V_{\max}$  and  $V_{\min}$  range received ratings of either zero or 10, accordingly. • **Source** World Bank, *Doing Business* (various issues), <<http://www.doingbusiness.org/>>.

### C Size of the trade sector relative to expected

Regression analysis was used to derive an expected size of the trade sector based on the population and geographic size of the country and its location relative to the concentration of world GDP. The actual size of the trade sector was then compared with the expected size for the country. If the actual size of the trade sector is greater than expected, this figure will be positive. If it is less than expected, the number will be negative. The percent change of the negative numbers was adjusted to make it symmetrical with the percent change of the positive numbers. The following formula was used to place the figures on a zero-to-10 scale:  $(V_i - V_{\min}) / (V_{\max} - V_{\min})$  multiplied by 10.  $V_i$  is the country's actual value for the component.  $V_{\max}$  and  $V_{\min}$  were set at 100% and minus 50%, respectively. (Note that minus 50% is symmetrical with positive 100%.) This procedure allocates higher ratings to countries with large trade sectors compared to what would be expected, given their population, geographic size, and location. On the other hand, countries with small trade sectors relative to the expected size receive lower ratings. A short paper providing additional details is available on the website: <<http://www.freetheworld.com/2004/TradeSectorMethodology.pdf>>. • **Sources** World Bank, *World Development Indicators* (various issues); International Monetary Fund, *International Financial Statistics* (various issues); United Nations National Accounts.

### D Black-market exchange rates

This component is based on the percentage difference between the official and the parallel (black) market exchange rate. The formula used to calculate the zero-to-10 ratings for this component was the following:  $(V_{\max} - V_i) / (V_{\max} - V_{\min})$  multiplied by 10.  $V_i$  is the country's black-market exchange-rate premium. The values for  $V_{\min}$  and  $V_{\max}$  were set at 0% and 50%, respectively. This formula will allocate a rating of 10 to countries without a black-market exchange rate; that is, those with a domestic currency that is fully convertible without restrictions. When exchange-rate controls are present and a black market exists, the ratings will decline toward zero as the black-market premium increases toward 50%. A zero rating is given when the black-market premium is equal to, or greater than, 50%. • **Sources** Monetary Research Institute, *MRI Bankers' Guide to Foreign Currency* (various issues), <<http://www.mriguide.com/>>.

### E International capital market controls

#### i Foreign ownership/investment restrictions

This sub-component is based on the following two questions in the *Global Competitiveness Report*: "Foreign ownership of companies in your country is rare, limited to minority stakes and often prohibited in key sectors (= 1) or prevalent and encouraged (= 7)"; and "In your country, rules governing foreign direct investment are damaging and discourage foreign direct investment (= 1) or beneficial and encourage foreign direct investment (= 7)." • **Source** World Economic Forum, *Global Competitiveness Report* (various issues), <<http://www.weforum.org/en/initiatives/gcp/index.htm>>.

#### ii Capital controls

The International Monetary Fund reports on up to 13 different types of international capital controls. The zero-to-10 rating is the percentage of capital controls not levied as a share of the total number of capital controls listed multiplied by 10. • **Source** International Monetary Fund, *Annual Report on Exchange Arrangements and Exchange Restrictions* (various issues).



## Area 5 Regulation of Credit, Labor, and Business

### A Credit market regulations

#### i Ownership of banks

Data on the percentage of bank deposits held in privately owned banks were used to construct rating intervals. Countries with larger shares of privately held deposits received higher ratings. When privately held deposits totaled between 95% and 100%, countries were given a rating of 10. When private deposits constituted between 75% and 95% of the total, a rating of 8 was assigned. When private deposits were between 40% and 75% of the total, the rating was 5. When private deposits totaled between 10% and 40%, countries received a rating of 2. A zero rating was assigned when private deposits were 10% or less of the total. • **Sources** James R. Barth, Gerard Caprio, Jr. and Ross Levine, *Bank Regulation and Supervision* (various years), <<http://go.worldbank.org/SNUSW978P0>>; James R. Barth, Gerard Caprio, and Ross Levine, *Rethinking Bank Regulation: Till Angels Govern* (2006).

#### ii Foreign bank competition

If a country approved all or most foreign bank applications and if foreign banks had a large share of the banking sector assets, then the country received a higher rating according to the matrix below.

Foreign Bank License Denial Rate (Denials/Applications)

		0%	0%–49%	50%–100%
Foreign bank assets as a share of total banking sector assets	80%–100%	10	8	5
	40%–79%	9	7	4
	0%–39%	8	6	3

**Sources** James R. Barth, Gerard Caprio, Jr. and Ross Levine, *Bank Regulation and Supervision* (various years), <<http://go.worldbank.org/SNUSW978P0>>; James R. Barth, Gerard Caprio, and Ross Levine, *Rethinking Bank Regulation: Till Angels Govern* (2006).

#### iii Private sector credit

This sub-component measures the extent to which government borrowing crowds out private borrowing. When data are available, this sub-component is calculated as the government fiscal deficit as a share of gross saving. Since the deficit is expressed as a negative value, higher numerical values result in higher ratings. The formula used to derive the country ratings for this sub-component was  $(-V_{\max} - V_i) / (V_{\max} + V_{\min})$  multiplied by 10.  $V_i$  is the deficit to gross investment ratio, and the values for  $V_{\max}$  and  $V_{\min}$  are set at 0 and -100.0%, respectively. The formula allocates higher ratings as the deficit gets smaller (i.e., closer to zero) relative to gross saving. If the deficit data are not available, the component is instead based on the share of private credit to total credit extended in the banking sector. Higher values are indicative of greater economic freedom. Thus, the formula used to derive the country ratings for this sub-component was  $(V_i - V_{\min}) / (V_{\max} - V_{\min})$  multiplied by 10.  $V_i$  is the share of the country's total domestic credit allocated to the private sector and the values for  $V_{\max}$  and  $V_{\min}$  are set at 99.9% and 10.0%, respectively. The 1990 data were used to derive the maximum and minimum values for this component. The formula allocates higher ratings as the share of credit extended to the private sector increases. • **Note** In previous editions, this component was based only on the ratio of private credit to total credit in the banking sector. The database has been updated back to 1990 using this new methodology. • **Sources** World Bank, *World Development Indicators* (various issues); International Monetary Fund, *International Financial Statistics* (various issues).



#### iv Interest rate controls / negative real interest rates

Data on credit-market controls and regulations were used to construct rating intervals. Countries with interest rates determined by the market, stable monetary policy, and positive real deposit and lending rates received higher ratings. When interest rates were determined primarily by market forces and the real rates were positive, countries were given a rating of 10. When interest rates were primarily determined by the market but the real rates were sometimes slightly negative (less than 5%) or the differential between the deposit and lending rates was large (8% or more), countries received a rating of 8. When the real deposit or lending rate was persistently negative by a single-digit amount or the differential between them was regulated by the government, countries were rated at 6. When the deposit and lending rates were fixed by the government and the real rates were often negative by single-digit amounts, countries were assigned a rating of 4. When the real deposit or lending rate was persistently negative by a double-digit amount, countries received a rating of 2. A zero rating was assigned when the deposit and lending rates were fixed by the government and real rates were persistently negative by double-digit amounts or hyperinflation had virtually eliminated the credit market. • **Source** World Bank, *World Development Indicators* (various issues); International Monetary Fund, *International Financial Statistics* (various issues).

### B Labor market regulations

#### i Hiring regulations and minimum wage

This sub-component is based on the World Bank's *Doing Business*, Difficulty of Hiring Index, which is described as follows: "The difficulty of hiring index measures (i) whether fixed-term contracts are prohibited for permanent tasks; (ii) the maximum cumulative duration of fixed-term contracts; and (iii) the ratio of the minimum wage for a trainee or first-time employee to the average value added per worker. An economy is assigned a score of 1 if fixed-term contracts are prohibited for permanent tasks and a score of 0 if they can be used for any task. A score of 1 is assigned if the maximum cumulative duration of fixed-term contracts is less than 3 years; 0.5 if it is 3 years or more but less than 5 years; and 0 if fixed-term contracts can last 5 years or more. Finally, a score of 1 is assigned if the ratio of the minimum wage to the average value added per worker is 0.75 or more; 0.67 for a ratio of 0.50 or more but less than 0.75; 0.33 for a ratio of 0.25 or more but less than 0.50; and 0 for a ratio of less than 0.25." Countries with higher difficulty of hiring are given lower ratings. • **Note** This component previously measured only the minimum wage sub-component of the Difficulty of Hiring Index. We decided to use the more comprehensive index with this report, and have revised the data back to 2002 accordingly in order to maintain as much consistency over time as possible. • **Source** World Bank, *Doing Business* (various issues), <<http://www.doingbusiness.org/>>.

#### ii Hiring and firing regulations

This sub-component is based on the *Global Competitiveness Report's* question: "The hiring and firing of workers is impeded by regulations (= 1) or flexibly determined by employers (= 7)." The question's wording has varied slightly over the years. • **Source** World Economic Forum, *Global Competitiveness Report* (various issues), <<http://www.weforum.org/en/initiatives/gcp/index.htm>>.

#### iii Centralized collective bargaining

This sub-component is based on the *Global Competitiveness Report's* question: "Wages in your country are set by a centralized bargaining process (= 1) or up to each individual company (= 7)." The question's wording has varied slightly over the years. • **Source** World Economic Forum, *Global Competitiveness Report* (various issues), <<http://www.weforum.org/en/initiatives/gcp/index.htm>>.

#### iv Hours regulations

This sub-component is based on the World Bank's *Doing Business*, Rigidity of Hours Index, which is described as follows: "The rigidity of hours index has 5 components: (i) whether there are restrictions on night work; (ii) whether there are restrictions on weekly holiday work; (iii) whether the work-week can consist of 5.5 days; (iv) whether the work-week can extend to 50 hours or more (including overtime) for 2 months a year to respond to a



seasonal increase in production; and (v) whether paid annual vacation is 21 working days or fewer. For questions (i) and (ii), when restrictions other than premiums apply, a score of 1 is given. If the only restriction is a premium for night work and weekly holiday work, a score of 0, 0.33, 0.66, or 1 is given according to the quartile in which the economy's premium falls. If there are no restrictions, the economy receives a score of 0. For questions (iii), (iv) and (v), when the answer is no, a score of 1 is assigned; otherwise a score of 0 is assigned." • **Note** This component was previously named "Mandated cost of hiring a worker" and was based on the World Bank's *Doing Business* data on the cost of all social security and payroll taxes and the cost of other mandated benefits, including those for retirement, sickness, health care, maternity leave, family allowance, and paid vacations and holidays, associated with hiring an employee. Because of pressure from the International Labour Organization this measure was dropped from the *Doing Business* project ([http://www.doingbusiness.org/documents/EWI\\_revisions.pdf](http://www.doingbusiness.org/documents/EWI_revisions.pdf)). In order to maintain as much consistency over time as possible, we have revised the dataset back to 2002 with these data replacing the previous values. • **Source** World Bank, *Doing Business* (various issues), <http://www.doingbusiness.org/>.

#### v Mandated cost of worker dismissal

This sub-component is based on the World Bank's *Doing Business* data on the cost of the requirements for advance notice, severance payments, and penalties due when dismissing a redundant worker. The formula used to calculate the zero-to-10 ratings was:  $(V_{\max} - V_i) / (V_{\max} - V_{\min})$  multiplied by 10.  $V_i$  represents the dismissal cost (measured in weeks of wages). The values for  $V_{\max}$  and  $V_{\min}$  were set at 108 weeks (1.5 standard deviations above average) and zero weeks, respectively. Countries with values outside of the  $V_{\max}$  and  $V_{\min}$  range received ratings of either zero or 10, accordingly. • **Source** World Bank, *Doing Business* (various issues), <http://www.doingbusiness.org/>.

#### vi Conscription

Data on the use and duration of military conscription were used to construct rating intervals. Countries with longer conscription periods received lower ratings. A rating of 10 was assigned to countries without military conscription. When length of conscription was six months or less, countries were given a rating of 5. When length of conscription was more than six months but not more than 12 months, countries were rated at 3. When length of conscription was more than 12 months but not more than 18 months, countries were assigned a rating of 1. When conscription periods exceeded 18 months, countries were rated zero. • **Sources** International Institute for Strategic Studies, *The Military Balance* (various issues); War Resisters International, *World Survey of Conscription and Conscientious Objection to Military Service*, <http://www.wri-irg.org/co/rtba/index.html>.

### C Business Regulations

#### i Price controls

The more widespread the use of price controls, the lower the rating. The survey data of the International Institute for Management Development's (IMD) *World Competitiveness Yearbook* (various editions) were used to rate the 46 countries (mostly developed economies) covered by this report. For other countries, other sources were used to categorize countries. Countries were given a rating of 10 if no price controls or marketing boards were present. When price controls were limited to industries where economies of scale may reduce the effectiveness of competition (e.g., power generation), a country was given a rating of 8. When price controls were applied in only a few other industries, such as agriculture, a country was given a rating of 6. When price controls were levied on energy, agriculture, and many other staple products that are widely purchased by households, a rating of 4 was given. When price controls applied to a significant number of products in both agriculture and manufacturing, the rating was 2. A rating of zero was given when there was widespread use of price controls throughout various sectors of the economy. • **Sources** International Institute for Management Development (IMD), *World Competitiveness Yearbook* (various issues); Price Waterhouse, *Doing Business In ...* publication series; World Bank, *Adjustment in Africa: Reforms, Results, and the Road Ahead* (1994); Economist Intelligence Unit, *EIU Country Reports and Country Commerce*, 2001; US State Department, *Country Commercial Guides and Country Reports on Economic Policy and Trade Practices* (various years).



## ii Administrative requirements

This sub-component is based on the *Global Competitiveness Report's* question: "Complying with administrative requirements (permits, regulations, reporting) issued by the government in your country is (1 = burdensome, 7 = not burdensome)." • **Source** World Economic Forum, *Global Competitiveness Report* (various issues), <<http://www.weforum.org/en/initiatives/gcp/index.htm>>.

## iii Bureaucracy costs

This sub-component is based on the *Global Competitiveness Report's* question: "Standards on product/service quality, energy and other regulations (outside environmental regulations) in your country are: (1 = Lax or non-existent, 7 = among the world's most stringent)." • **Source** World Economic Forum, *Global Competitiveness Report* (various issues), <<http://www.weforum.org/en/initiatives/gcp/index.htm>>.

## iv Starting a business

This sub-component is based on the World Bank's *Doing Business* data on the amount of time and money it takes to start a new limited liability business (LLC). Countries where it takes longer or is more costly to start a new business are given lower ratings. Zero-to-10 ratings were constructed for three different variables: (1) time (measured in days) necessary to comply with regulations when starting a limited liability company; (2) money costs of the fees paid to regulatory authorities (measured as a share of per-capita income); and (3) minimum capital requirements, i.e., funds that must be deposited into company bank account (measured as a share of per-capita income). These three ratings were then averaged to arrive at the final rating for this sub-component. The formula used to calculate the zero-to-10 ratings was:  $(V_{\max} - V_i) / (V_{\max} - V_{\min})$  multiplied by 10.  $V_i$  represents the variable value. The values for  $V_{\max}$  and  $V_{\min}$  were set at 104 days, 317%, and 1,017% (1.5 standard deviations above average) and 0 days, 0%, and 0%, respectively. Countries with values outside of the  $V_{\max}$  and  $V_{\min}$  range received ratings of either zero or 10, accordingly. • **Source:** World Bank, *Doing Business* (various issues), <<http://www.doingbusiness.org/>>.

## v Extra payments/bribes

This sub-component is based on the *Global Competitiveness Report's* question: "In your industry, how commonly would you estimate that firms make undocumented extra payments or bribes connected with the following: A–Import and export permits; B–Connection to public utilities (e.g., telephone or electricity); C–Annual tax payments; D–Awarding of public contracts (investment projects); E–Getting favorable judicial decisions. Common (= 1) Never occur (= 7)." • **Source** World Economic Forum, *Global Competitiveness Report* (various issues), <<http://www.weforum.org/en/initiatives/gcp/index.htm>>.

## vi Licensing restrictions

This sub-component is based on the World Bank's *Doing Business* data on the time in days and monetary costs required to obtain a license to construct a standard warehouse. Zero-to-10 ratings were constructed for (1) the time cost (measured in number of calendar days required to obtain a license) and (2) the monetary cost of obtaining the license (measured as a share of per-capita income). These two ratings were then averaged to arrive at the final rating for this sub-component. The formula used to calculate the zero-to-10 ratings was:  $(V_{\max} - V_i) / (V_{\max} - V_{\min})$  multiplied by 10.  $V_i$  represents the time or money cost value. The values for  $V_{\max}$  and  $V_{\min}$  were set at 363 days and 2,763% (1.5 standard deviations above average) and 56 days (1.5 standard deviations below average) and 0%, respectively. Countries with values outside of the  $V_{\max}$  and  $V_{\min}$  range received ratings of either zero or 10, accordingly. • **Source** World Bank, *Doing Business* (various issues), <<http://www.doingbusiness.org/>>.

## vii Cost of tax compliance

This sub-component is based on the World Bank's *Doing Business* data on the time required per year for a business to prepare, file, and pay taxes on corporate income, value added or sales taxes, and taxes on labor. The formula used to calculate the zero-to-10 ratings was:  $(V_{\max} - V_i) / (V_{\max} - V_{\min})$  multiplied by 10.  $V_i$  represents the time cost (measured in hours) of tax compliance. The values for  $V_{\max}$  and  $V_{\min}$  were set at 892 hours (1.5 standard deviations above average) and 0 hours, respectively. Countries with values outside of the  $V_{\max}$  and  $V_{\min}$  range received ratings of either zero or 10, accordingly. • **Source** World Bank, *Doing Business* (various issues), <<http://www.doingbusiness.org/>>.







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*James Gwartney, Robert Lawson & Joshua Hall*



## About the Authors

### James D. Gwartney

James Gwartney holds the Gus A. Stavros Eminent Scholar Chair at Florida State University, where he directs the Stavros Center for the Advancement of Free Enterprise and Economic Education. He is the coauthor of *Economics: Private and Public Choice* (Cengage/South-Western Press, 2011), a widely used principles of economics text that is now in its 13<sup>th</sup> edition. He is also coauthor of an economics primer, *Common Sense Economics: What Everyone Should Know about Wealth and Prosperity* (St. Martin's Press, 2010). His publications have appeared in both professional journals and popular media such as the *Wall Street Journal* and the *New York Times*. He served as Chief Economist of the Joint Economic Committee of the US Congress during 1999/2000. In 2004, he was the recipient of the Adam Smith Award of the Association of Private Enterprise Education for his contribution to the advancement of free-market ideals. He is a past President of the Southern Economic Association and the Association of Private Enterprise Education. His Ph.D. in economics is from the University of Washington.

### Robert A. Lawson

Robert Lawson is associate professor of Finance at Auburn University. Previously he taught at Capital University, where he held the George H. Moor Chair, and Shawnee State University. Lawson has numerous professional publications in journals such as *Public Choice*, *Cato Journal*, *Kyklos*, *Journal of Labor Research*, *Journal of Institutional and Theoretical Economics*, and *European Journal of Political Economy*. Lawson has served as president of the Association of Private Enterprise Education and is a member of the Mont Pelerin Society. He writes regularly for [www.divisionoflabour.com](http://www.divisionoflabour.com). He earned his B.S. in economics from the Honors Tutorial College at Ohio University and his M.S. and Ph.D. in economics from Florida State University.

### Joshua C. Hall

Joshua C. Hall is an assistant professor in the Department of Economics and Management at Beloit College in Beloit, Wisconsin. He earned his B.A. and M.A. in economics from Ohio University and his Ph.D. from West Virginia University. Formerly an economist for the Joint Economic Committee of the US Congress, he has published numerous policy studies and professional publications. Professor Hall's research has appeared in journals such as the *Atlantic Economic Journal*, *Cato Journal*, *Journal of Economic Education*, and *Journal of Labor Research*.



## About the Contributors

### Christopher J. Coyne

Christopher Coyne is the F.A. Harper Professor of Economics at the Mercatus Center at George Mason University. He is also the North American Editor of the *Review of Austrian Economics*, a Research Fellow at the Independent Institute, a member of the Board of Scholars for the Virginia Institute for Public Policy, a member of the Advisory Board of The Cobden Centre, and Distinguished Scholar for the Center for the Study of Political Economy at Hampden-Sydney College. In 2008, he was named the Hayek Fellow at the London School of Economics, and in 2010 he was a Visiting Scholar at the Social Philosophy & Policy Center at Bowling Green State University. Professor Coyne is the author of *After War: The Political Economy of Exporting Democracy* (Stanford University Press, 2007), *Media, Development and Institutional Change* (with Peter Leeson; Edward Elgar Publishing, 2009), and the co-editor (with Rachel Mathers) of the *Handbook on the Political Economy of War* (Edward Elgar Publishing, forthcoming). In addition, he has written numerous academic articles, book chapters, and policy studies.

### John W. Dawson

John Dawson is associate professor in the department of Economics at Appalachian State University in Boone, North Carolina. Previously, he taught at Bellarmine University in Louisville, Kentucky, and Wake Forest University in Winston-Salem, North Carolina. Professor Dawson has numerous professional publications in journals such as *Applied Economics*, *Cato Journal*, *Econ Journal Watch*, *Economic Inquiry*, *Economics Letters*, *Empirical Economics*, *European Journal of Political Economy*, and *Kyklos*. He is a member of the Association of Private Enterprise Education. He earned his B.S. in economics from East Carolina University in Greenville, North Carolina, and his Ph.D. in economics from North Carolina State University in Raleigh, North Carolina.

### Horst Feldmann

Horst Feldmann is a senior lecturer in economics in the department of Economics at the University of Bath (United Kingdom), which he joined in 2006. He received his Ph.D. in economics from the University of Hamburg (Germany) in 1990. From 1991 to 2005, he worked in the department of Economics at the University of Tübingen (Germany), where he was awarded the titles *Privatdozent* in 1998 and *apl. Professor* in 2006. He held visiting positions at the University of Washington, George Mason University, Clarkson University (all USA) and at the University of Ulm (Germany). His main areas of research are institutional economics, labor economics and European economic integration. His publications include three books, more than 60 articles in refereed journals and numerous chapters in edited books. His articles have been published in, *inter alia*, *Journal of Comparative Economics*, *Economics Letters*, *Public Choice*, and *Southern Economic Journal*.

### John Levendis

John Levendis is an assistant professor of economics at Loyola University New Orleans, where received his undergraduate degree in economics in 1997, recognized as the outstanding graduating business student and outstanding economics graduate. He received M.A. degrees in economics and mathematics in 2000 and 2003, and a Ph.D. in economics in 2004, from the University of Iowa. Dr. Levendis has taught at the University of Iowa, Cornell College, Southeastern Louisiana University, and the Economics University of Prague. His research has been discussed in national newspapers such as the *New York Times* and *Wall Street Journal*, as well as local



papers, the *Baton Rouge Advocate* and New Orleans' own *Times-Picayune*. His current research interests are wide ranging but can best be described as applied econometrics. He has published research on real estate, sexual harassment, slavery, the history of economic thought, industrial organization and regulation, and economic growth. His most recent research has been focused on economic development of emerging markets, and specifically on their financial and telecommunications efficiency. He has twice been the recipient of Loyola College of Business' outstanding researcher award and won the best paper award at the 2008 European Applied Business Research Conference.

#### **Russell S. Sobel**

Russell S. Sobel is professor of Economics and holder of the James Clark Coffman Distinguished Chair in Entrepreneurial Studies at West Virginia University. He has published over 150 books and articles, including a coauthored textbook on the principles of economics and *Unleashing Capitalism*, a book on West Virginia policy reform. Dr. Sobel was the founding director of the West Virginia University Entrepreneurship Center and he serves on the advisory boards of five major professional and academic organizations. He has received numerous awards for both his teaching and research. His recent work has focused on state-level economic freedom and entrepreneurship.

#### **Edward Peter Stringham**

Edward P. Stringham is Lloyd V. Hackley Endowed Chair for Capitalism and Free Enterprise Studies at Fayetteville State University, North Carolina. Stringham has also been the Hayek Endowed Visiting Professor at University of Klagenfurt, Austria, and the Shelby Cullom Davis Associate Professor at Trinity College, Connecticut. He is past president of the Association of Private Enterprise Education, editor of the *Journal of Private Enterprise*, editor of two books, and author of more than two dozen articles in refereed journals, including the *Journal of Institutional & Theoretical Economics*, *Public Choice*, and *Quarterly Review of Economics & Finance*. Professor Stringham has been discussed on more than 100 broadcast stations including CBS, CNBC, CNN, Fox, Headline News, NPR, and MTV and in hundreds of newspapers worldwide, including *Time Magazine*, 14 of the 20 highest circulating newspapers in the United States, and the highest circulating English-language newspaper in the world. Edward P. Stringham earned his Ph.D. from George Mason University in 2002, writing his dissertation under Professor Peter J. Boettke. He has won the Templeton Culture of Enterprise Best Article Award, Paper of the Year Award from the Association of Private Enterprise, Best Article Award from the Society for the Development of Austrian Economics, second place in the Independent Institute Garvey Contest, first prize in the Pajamas Media Generational Theft Contest, and Distinguished Young Scholar Award from the Liberalni Institut and the Prague School of Economics.



# About the Members of the Economic Freedom Network

## Co-publishers of *Economic Freedom of the World*

### Afghanistan • **Afghanistan Economic and Legal Studies Organization (AELSO)**

AELSO is a non-governmental think-tank that aims to introduce and promote a free-market economy, the rule of law, and good governance to the people of Afghanistan. • E-mail: <ramizpoor@hotmail.com>.

### Albania • **Albanian Center for Economic Research (ACER)**

The Albanian Center for Economic Research is a public-policy institute that focuses on research and advocacy activities. In addition to providing policy-makers and academics with applied economic research, it works to build public understanding of economic development issues. • E-mail: zpreci@icc-al.org; website: <<http://www.acer.org.al>>.

### Argentina • **Fundación Libertad**

Fundación Libertad is a private, non-profit institution working towards two main goals: the research and distribution of public-policy issues (specifically in socio-economic and business areas) and the promotion of the concept of a free-market society. Founded in Rosario, Argentina, in 1988 by a group of businessmen, professionals, and intellectuals, the Foundation has developed its activities with the support of more than 200 private companies. Its projects include courses, lectures, seminars, research, studies, and publications as well as a strong permanent presence in the media, through columns, and television and radio programs produced by the Foundation. These projects have focused on economic policies, education, regulations, and public spending. Outstanding guest speakers have delivered lectures and conferences for the Fundación Libertad; these include Peruvian writer Mario Vargas Llosa, Nobel prize-winning economists such as Gary Becker, Douglass North, Robert Lucas, and James Buchanan, historian Paul Johnson, Nobel Peace Prize Laureate Lech Wałęsa, and other intellectuals like Jean François Revel. Fundación Libertad has also led the creation of REFUNDAR, a network of Argentine foundations made up of ten organizations, located in the country's major cities. This network has helped us spread our ideas all over the country and is affiliated with similar international organizations. • E-mail: fundacion@libertad.org.ar; website: <<http://www.libertad.org.ar>>.

### Armenia • **Centre of Political, Legal and Economic Researches and Forecasting (PLERF)**

PLERF is a non-governmental organization created in 2002. Its mission is to assist the development of an effective socioeconomic policy; to establish an economy based on free markets; and to contribute to the development of democracy in the Republic of Armenia. PLERF organizes seminars and conferences related to its goals and carries out research, independent estimates of social and economic reforms, government policy in certain spheres, and assessment of transition process and surveys among experts and policy makers. • E-mail: khachatryanvahagn@yahoo.com.

### Australia • **Institute of Public Affairs**

Established in 1943, the IPA is Australia's oldest and largest private-sector think-tank. Its aim is to foster prosperity and full employment, the rule of law, democratic freedoms, security from crime and invasion, and

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#### About the Economic Freedom Network

If you have questions about the Economic Freedom Network, please contact Jean-François Minardi via e-mail to <[freetheworld@fraserinstitute.org](mailto:freetheworld@fraserinstitute.org)> or via telephone +1.514.281.9550 ext. 306.



high standards in education and family life for the Australian people. To identify and promote the best means of securing these values, the IPA undertakes research, organizes seminars, and publishes widely. • E-mail: [ipa@ipa.org.au](mailto:ipa@ipa.org.au); website: <http://ipa.org.au>.

#### **Austria • TIGRA®**

TIGRA® is the premier Austrian think-tank on governance research. Headquartered in Salzburg, it was founded to study and advance effective and efficient economic policies. TIGRA® organizes workshops and publishes papers and reports. Their mission is “From analysis to action.” TIGRA® is a network of experts who provide effective market solutions to policy-makers. Special emphasis is put on knowledge management, monitoring the scope and quality of regulations (“cutting red tape”), and setting benchmarks. • E-mail: [bendl@erwin.tc](mailto:bendl@erwin.tc).

#### **Azerbaijan • Center for Economic and Political Research**

The Center for Economic and Political Research, Azerbaijan, is a non-profit, non-governmental, research institute founded in 1994. Its mission is to facilitate the country’s democratization and economic liberalization and to increase the role of civil society. The main objectives of the Center’s activities are analyzing the economic situation and progress of market reforms, political processes, foreign political relations, and regional economic and political tendencies. The Center also conducts sociological surveys and holds conferences, round-tables, and seminars on different aspects of economic and political reforms in the country. • E-mail: [cesd.az@gmail.com](mailto:cesd.az@gmail.com); website: <http://www.cesd.az/>.

#### **Bahamas • The Nassau Institute**

The Nassau Institute is an independent, non-political, non-profit institute that promotes economic growth, employment, and entrepreneurial activity. It believes that this can best be achieved with a free-market economy and a decent society—one that embraces the rule of law, the right of private property, the free exchange of property and services, and the individual virtues of self-control, commitment, and good will. • E-mail: [joan@nassauinstitute.org](mailto:joan@nassauinstitute.org); website: <http://www.nassauinstitute.org>.

#### **Belarus • Scientific Research Mises Center**

Scientific Research Mises Center was founded in 2001. Its mission is to advance ideas and ideals of a free-market democratic society based on individual choice and personal responsibility and to create an open community of people who share those ideas. The centre promotes the original ideas of limited government, individual liberty, and private property through publications and discussion forums and conferences. The goal of the Center is to demonstrate the power of private institutions, both for-profit and non-profit, to create a good society and to foster the understanding that free choice of a fully informed individual is the foundation for a just, prosperous, and open society. • E-mail: [liberti@belsonet.net](mailto:liberti@belsonet.net); website: <http://liberty-belarus.info>.

#### **Belgium • Centre for the New Europe**

The Centre for the New Europe is a European research institute based in Brussels that promotes a market economy, personal liberty, and creativity and responsibility in an ordered society. CNE is founded on the belief that European integration can work only in a society led by a spirit of democratic capitalism. The Centre develops policy alternatives, encourages economic growth and deregulation, seeks new market-based solutions for social and environmental concerns, and promotes individual freedom, choice and responsibility. • E-mail: [info@cne.org](mailto:info@cne.org); website: <http://www.cne.org>.

#### **Bolivia • Polític aPublicas para la Libertad (POPULI)**

E-mail: [populi@populi-bo.org](mailto:populi@populi-bo.org); website: <http://www.populi.org.bo/>.

#### **Brazil • Instituto Liberal do Rio de Janeiro**

Instituto Liberal was founded to persuade Brazilians of the advantages of a liberal order. It is a non-profit institution supported by donations and the sponsorship of private individuals and corporations. Its by-laws



provide for a Board of Trustees and forbid any political or sectarian affiliations. The institute publishes books, organizes seminars, and elaborates policy papers on subjects related to public policy. • E-mail: [ilrj@gbi.com.br](mailto:ilrj@gbi.com.br); website: <http://www.institutoliberal.org.br>.

#### **Bulgaria • Institute for Market Economics**

Established in 1993, IME is the first independent economic think-tank in Bulgaria. It is a private, registered, non-profit corporation that receives international support and is widely respected for its expertise. IME designs and promotes solutions to the problems that Bulgaria is facing in its transition to a market economy, provides independent assessment and analysis of the government's economic policies, and supports an exchange of views on market economics and relevant policy issues. • E-mail: [mail@ime.bg](mailto:mail@ime.bg); website: <http://www.ime.bg>.

#### **Burkina Faso • Le Centre des Affaires Humaines (CEDAH)**

Le Centre des Affaires Humaines (CEDAH) is a free-market educational and research public-policy think-tank founded in December 2007 in Burkina Faso. The CEDAH is an independent, non-profit organization with no affiliations to any political party. It is financed entirely from contributions from individuals, organizations, and foundations. In order to protect its research independence, it does not accept grants from the government of Burkina Faso or political parties. The mission of CEDAH is to propose original and innovative solutions for the crafting of efficient public policies, using successful reforms applied elsewhere as models. The CEDAH studies how markets function with the aim of identifying the mechanisms and institutions that foster the prosperity and long-term welfare of all the individuals that make up our society. • E-mail: [info@cedahburkina.com](mailto:info@cedahburkina.com).

#### **Cambodia • Cambodia Institute of Development Study**

The Cambodia Institute of Development Study (CIDS) is a non-profit, independent, local research institute founded in December 2004. The Institute's mission is to provide high-quality research on the local and provincial levels in the specialized areas of economics, natural resources and environment, agriculture and rural development, and public finance and governance, within the context of world integration. Its objectives are to generate and disseminate research on the national and provincial economies, and to enhance the capacity and promote the professional development of local resources by providing training and practical research opportunities. • E-mail: [info@cids-cambodia.org](mailto:info@cids-cambodia.org); website: <http://www.cids-cambodia.org/>.

#### **Canada • Fraser Institute**

Our vision is a free and prosperous world where individuals benefit from greater choice, competitive markets, and personal responsibility. Our mission is to measure, study, and communicate the impact of competitive markets and government interventions on the welfare of individuals. Founded in 1974, we are an independent Canadian research and educational organization. Our work is financed by tax-deductible contributions from thousands of individuals, organizations, and foundations. In order to protect its independence, the Institute does not accept grants from government or contracts for research. • E-mail: [info@fraserinstitute.org](mailto:info@fraserinstitute.org); website: <http://www.fraserinstitute.org>, <http://www.freetheworld.com>.

#### **Chile • Instituto Libertad y Desarrollo**

Instituto Libertad y Desarrollo is a private think-tank wholly independent of any religious, political, financial, or governmental groups. It is committed to the free market and to political and economic freedom. It publishes studies and analyses of public-policy issues. • E-mail: [lyd@lyd.org](mailto:lyd@lyd.org); website: <http://www.lyd.com>.

#### **China • Center for China & Globalization**

The Center for China & Globalization (CCG) is a non-profit and independent think-tank. It has a pool of first-class scholars, business leaders, and experts in government who address issues on the challenges and opportunities in positioning China in the process of globalization. CCG conducts timely strategic analysis and feasibility studies of policy-making options for China's economic development and social progress. The top-level experts, Chinese and foreign alike, help assess the regional and global implications of China's rise in the context of



international political and economic reconfiguration. CCG aims to become the leading international think-tank for China's society and business community and seeks to remain independent, objective, and constructive in all its research activities. • E-mail: [ccg@ccg.org.cn](mailto:ccg@ccg.org.cn) ; website: <http://www.ccg.org.cn/en/>.

#### **Colombia • Instituto de Ciencia Política**

Since 1987, the Instituto de Ciencia Política (ICP) has established itself as a center of democratic thought and as an association of free men and women united by a common affection for an intellectual identity with the principles, values, and feelings that constitute democracy as a political, economic, social, and cultural system; and united also by their desire to act constantly and efficiently towards overcoming the lack of stability and mistakes of our political sector, in order to achieve economic, political, social, and environmental development. ICP, as an influential think-tank in the nation, has been able, through its studies, recommendations, and debates, to mediate decisively in the new directions and measures taken on different occasions by public authorities, as well as in the formation of new national political thought, favorable to the market economy, economic openness, necessary privatizations, and the modernization of the State. The institution is not, nor aspires to be, a new political party or movement, and it is independent of parties, religions, and governments. Its mission is to consecrate as fundamental principles a free-market economy, competition, and individual initiative as well as the reduction of state intervention and control to the minimum indispensable. • E-mail: [info@icpcolombia.org](mailto:info@icpcolombia.org); website: <http://www.icpcolombia.org/index.php>.

#### **Costa Rica • Instituto para la Libertad y el Análisis de Políticas**

The Instituto para la Libertad y el Análisis de Políticas (INLAP—Institute for Liberty and Public Policy Analysis) is a non-profit, non-partisan organization created to defend and promote individual liberty through analysis of public policy and educational activities. Its specific objectives are to increase awareness of the moral foundations of liberty and to promote liberty as an individual right necessary to achieve the highest levels of economic and human development; and to foster changes in social organization and public policies by influencing the thinking of policy makers, community leaders, and citizens. INLAP produces timely analyses of proposed laws, decrees, and regulations, and its recommendations provide guidance for elected officials who seek to achieve greater individual liberty and creativity and a more productive economy. It also conducts detailed studies of well-meant public policies that may ultimately have unintended adverse effects. The Institute's studies and recommendations are published in books, journals, and newspapers, appear as position papers and bulletins, and are also available via our website. • E-mail: [inlapp@racsa.co.cr](mailto:inlapp@racsa.co.cr).

#### **Croatia • Institute of Economics**

The Institute of Economics, Zagreb, established in 1939, is a major scientific and research institution for the study of economic processes and the application of contemporary theories in economics. The Institute's objective is the economic and social advance of Croatia. Research encompasses both macroeconomics and microeconomics, policy issues (including specialized areas such as business economics), current economic trends, methods of economic analysis, development of human resources, spatial and regional economics, international economics and technological development, and investment project planning. Researchers from inside and outside the Institute work together on research projects. The Institute employs 40 full-time researchers, the majority of whom have completed specialized training courses in foreign countries. Results of the Institute's research activities are published in books, reports, and studies as well as in scientific journals. The Institute maintains close contact with international organizations, professional associations, institutes, and universities. • E-mail: [eizagreb@eizg.hr](mailto:eizagreb@eizg.hr); website: <http://www.eizg.hr/>.

#### **Czech Republic • Liberální Institut**

Liberální Institut is an independent, non-profit organization for the development and application of classical liberal ideas: individual rights, private property, rule of law, self-regulating markets, and delineated government functions. It is financed by its various activities and by donations from individuals and private corporations. • E-mail: [eva.horova@libinst.cz](mailto:eva.horova@libinst.cz); website: <http://www.libinst.cz>.



**Denmark • Center for Politiske Studier (CEPOS)**

The Center for Politiske Studier (Center for Political Studies) was founded in 2004 as an independent, non-profit think-tank based in Copenhagen. It seeks to promote a free and prosperous society by conducting research that will foster the policies, institutions, and culture that will best support a market economy, rule of law, and a civil society consisting of free and responsible individuals. It does so by producing academic studies and policy analyses aimed partly at general political debates and partly at the political process in areas such as welfare, taxation, regulation, education, entrepreneurship, health care, the environment, and the organization of the public sector. • E-mail: [info@cepos.dk](mailto:info@cepos.dk); website: <http://www.cepos.dk>.

**Dominican Republic • Fundación Economía y Desarrollo, Inc.**

The Fundación Economía y Desarrollo, Inc. (FEyD) is a private, non-profit organization dedicated to fostering competitive markets, private enterprise, and strategies that promote economic development. To meet its objectives, FEyD has several regular publications in the most important newspapers in the country. It also produces a one-hour television program called *Triálogo*, which is broadcast three times a week and explains studies of the performance of the Dominican economy and its sectors. • E-mail: [tachi46@hotmail.com](mailto:tachi46@hotmail.com).

**Ecuador • Instituto Ecuatoriano de Economía Política**

The Instituto Ecuatoriano de Economía Política (IEEP) is a private, independent, non-profit institution that defends and promotes the classical liberal ideals of individual liberty, free markets, limited government, property rights, and the rule of law. The IEEP achieves its mission through publications, seminars, and workshops that debate socioeconomic and political issues. The IEEP's funding comes from voluntary donations, membership subscriptions, and income from sales of its publications. • E-mail: [info@ieep.org.ec](mailto:info@ieep.org.ec); website: <http://www.ieep.org.ec>.

**France • Institut Economique Molinari**

The Molinari Economic Institute (MEI) is a research and education think tank. It aims to initiate and stimulate an economic approach to the analysis of public policy. It was named after Gustave de Molinari, a Franco-Belgian economist and journalist; he himself has worked all his life to promote this approach. The MEI has set a mission to propose alternative and innovative solutions favorable to the prosperity of all individuals in society. The MEI is a nonprofit organization funded by voluntary contributions of its members: individuals, corporations, or other foundations. Affirming its intellectual independence, it accepts no government funding or support from political parties. • website: <http://www.institutmolinari.org/?lang=fr>.

**Georgia • Society for Disseminating Economic Knowledge: New Economic School—Georgia**

The Society was founded in 2001. The goal of the Society is to disseminate and promote free-market ideas and to create a resource center promoting free-market economics for students, young scientists, teachers, and other interested parties. Through publications, conferences, seminars, lectures, panel workshops, summer and winter schools, scientific Olympiads, and competitions, the Society seeks to disseminate classical liberal ideas. • E-mail: [office@nesgeorgia.org](mailto:office@nesgeorgia.org); website: <http://www.nesgeorgia.org>.

**Germany • Liberales Institut**

The Liberales Institut (Liberty Institute), based in Potsdam, is the think-tank of the Friedrich-Naumann-Foundation. It spreads free-market ideas through the publication of classical liberal literature, the analysis of current political trends, and the promotion of research. The Institute organizes conferences and workshops to stimulate an intellectual exchange among liberals around the world. • E-mail: [libinst@freiheit.org](mailto:libinst@freiheit.org); website: <http://www.freiheit.org>.

**Ghana • Institute of Economic Affairs**

The Institute of Economic Affairs (IEA), Ghana was founded in October 1989 as an independent, non-governmental institution dedicated to the establishment and strengthening of a market economy and a



democratic, free, and open society. It considers improvements in the legal, social, and political institutions as necessary conditions for sustained economic growth and human development. The IEA supports research and promotes and publishes studies on important economic, socio-political, and legal issues in order to enhance understanding of public policy. • E-mail: [iea@ieaghana.org](mailto:iea@ieaghana.org); website: <http://www.ieagh.org/About-IEA/Fellows.aspx>.

#### **Guatemala • Centro de Investigaciones Económicas Nacionales**

The Centro de Investigaciones Económicas Nacionales (CIEN—Center for Research on the National Economy) was established in Guatemala in 1982. It is a private, non-partisan, not-for-profit, public-policy institute, funded by the sale of its books and periodical publications, income from conferences and seminars, and the support it receives from its members and the public. The Center's program is devoted to the technical study of economic and social problems that impede the stable development of the nation. Its members, staff, research associates, and supporters share the principles of a social order of free and responsible individuals interacting through a market economy functioning within the rule of law. • E-mail: [cien@cien.org.gt](mailto:cien@cien.org.gt); website: <http://www.cien.org.gt>.

#### **Haiti • Institut de Recherche pour la Liberté Économique et la Prospérité (IRLEP)**

L'Institut de Recherche pour la Liberté Économique et la Prospérité (IRLEP), Haiti, was founded in 2004. It is a non-partisan, non-profit, research and educational organization devoted to improving the quality of life in Haiti through economic growth and development. Through publications and conferences, IRLEP promotes the principles and concepts of individual rights, limited government, competition, free trade, and physical and intellectual property rights. IRLEP does not accept funding and subsidies from public institutions and political parties. • E-mail: [irlephaiti@yahoo.com](mailto:irlephaiti@yahoo.com).

#### **Hong Kong • Hong Kong Centre for Economic Research**

The Hong Kong Centre for Economic Research is an educational, charitable trust established in 1987 to promote the free market in Hong Kong by fostering public understanding of economic affairs and developing alternative policies for government. The Centre publishes authoritative research studies and is widely recognized as the leading free-market think-tank in Asia. It has been influential in persuading public opinion and the government in Hong Kong to liberalize telecommunications, open up air-cargo-handling franchises, privatize public housing, adopt a fully funded provident scheme instead of a pay-as-you-go pension scheme, remove the legally sanctioned fixing of deposit interest rates by banks, and adopt market mechanisms for protecting the environment. • E-mail: [hkcer@econ.hku.hk](mailto:hkcer@econ.hku.hk); website: <http://www.hku.hk/hkcer/>.

#### **Hungary • Szazadveg Foundation**

The Szazadveg Foundation is a non-profit organization performing political and economic research, and advisory and training activities. This think-tank is independent of the government or any political parties and has been operating as a foundation since its establishment in 1990. Szazadveg publishes the results of its research to the public at large and also provides professional services to economic institutions, political and civil organizations, political parties, and the government. • E-mail: [varkonyi@szazadveg.hu](mailto:varkonyi@szazadveg.hu); website: <http://www.szazadveg.hu>.

#### **Iceland • Centre for Social and Economic Research (RSE)**

RSE is an independent, non-partisan, non-profit organization in Reykjavik, Iceland, founded in 2004. Its mission is to promote an understanding of private property and free-market ideas for a progressive, democratic society. RSE achieves its mission through programs of publication and conferences. Its work is assisted by a council of academic advisors of the highest standard from various academic fields. RSE is funded entirely by voluntary contributions from its supporters. • E-mail: [birgir@rse.is](mailto:birgir@rse.is); website: <http://www.rse.is>.

#### **India • Centre for Civil Society**

The Centre for Civil Society (CCS) is an independent, non-profit, research and educational organization inaugurated on August 15, 1997 and devoted to improving the quality of life for all citizens of India. The CCS maintains that, having earlier attained their political independence from an alien state, the Indian people



must now seek economic, social, and cultural independence from the Indian state. This can work from two directions simultaneously: a “mortar” program of building or rebuilding the institutions of civil society and a “hammer” program of readjusting the size and scope of the political society. The CCS conducts monthly dialogues on topical issues to introduce classical liberal philosophy and market-based solutions into public debate. It has published *Agenda for Change*, a volume in 17 chapters that outlines policy reforms for the Indian government, Israel Kirzner’s *How Markets Work*, and *Self-Regulation in the Civil Society*, edited by Ashok Desai. It organizes Liberty and Society seminars for college students and journalists. • E-mail: [ccs@ccs.in](mailto:ccs@ccs.in); website: <http://www.ccsindia.org>.

#### **Indonesia • Indonesian Development of Economics and Finance**

Indonesian Development of Economics and Finance (INDEF) is an NGO founded in Jakarta in 1996. It is a source of information in economics for policy makers, press, students, and business. • E-mail: [Indef@indo.net.id](mailto:Indef@indo.net.id); website: <http://home.indo.net.id/~indef/>.

#### **Ireland • Open Republic Institute**

The Open Republic Institute (ORI) is Ireland’s only platform for public-policy discussion that is specifically interested in individual rights within the context of open-society and open-market ideas. The ORI works within a non-political framework to provide public-policy analysis and new policy ideas to government, public representatives, civil servants, academics, students, and citizens. • website: <http://www.openrepublic.org>.

#### **Israel • Jerusalem Institute for Market Studies**

The Jerusalem Institute for Market Studies (JIMS) was founded in 2003 in Jerusalem, Israel, as an independent non-profit, economic policy think tank. JIMS’ mission is to promote market solutions and limited government in Israel and the region. In order to spread free-market ideas, JIMS conducts original research and publishes public-policy papers and editorials. JIMS also runs a wide range of educational programs that targets elementary school students, high school students, college students and young professionals. • E-mail: [corinne.sauer@jims-israel.org](mailto:corinne.sauer@jims-israel.org); website: <http://www.jims-israel.org>.

#### **Italy • Centro Einaudi**

The Centro di Ricerca e Documentazione “Luigi Einaudi” was founded in 1963 in Turin, Italy, as a free association of businessmen and young intellectuals to foster individual freedom and autonomy, economic competition and the free market. The Centro is an independent, non-profit institute financed by contributions from individuals and corporations, by the sale of its publications, and by specific research commissions. The Centro carries on research activities, trains young scholars and researchers, organizes seminars, conferences and lectures, and publishes monographs, books and periodicals, including: the quarterly journal, *Biblioteca della libertà*; *Rapporto sull’economia globale e l’Italia* (Report on the global economy and Italy); *Rapporto sul risparmio e sui risparmiatori in Italia* (Report on savings and savers in Italy); and *Rapporto sulla distribuzione in Italia* (Report on the retail trade in Italy—published also in English). • E-mail: [segreteria@centroeinaudi.it](mailto:segreteria@centroeinaudi.it); website: <http://www.centroeinaudi.it>.

#### **Ivory Coast • Bureau d’Analyse d’Ingenierie et de Logiciels (BAILO)**

E-mail: [bailo@afribone.net.ml](mailto:bailo@afribone.net.ml).

#### **Jordan • Young Entrepreneurs Association**

E-mail: [director@yea.com.jo](mailto:director@yea.com.jo); website: <http://www.yea.com.jo>.

#### **Kazakhstan • Central Asian Free Market Institute**

The Central Asian Free Market Institute is an independent think-tank. Its mission is to increase the individual freedom and responsibility of people in Central Asia. That includes strengthening the institutions of the market economy, property, and the rule of law. • E-mail: [office@freemarket.kg](mailto:office@freemarket.kg); website: <http://www.freemarket.kg>.



**Kenya • African Research Center for Public Policy and Market Process**

The African Research Center for Public Policy and Market Process, Kenya, is the first research centre founded in Africa by the African Educational Foundation for Public Policy and Market Process, an independent educational organization registered in the United States. The primary mission of the Center and the Foundation is to promote ideas about free markets and voluntary associations in Africa. The Center conducts research on all aspects of free markets, voluntary association, and individual liberty, and publishes the results to as wide an audience as possible. The Center also organizes seminars and conferences to examine liberty and enterprise in Africa. • E-mail: [kimenyi@kippra.or.ke](mailto:kimenyi@kippra.or.ke).

**Korea • Center for Free Enterprise**

The Center for Free Enterprise (CFE) is a foundation committed to promoting free enterprise, limited government, freedom and individual responsibility, the rule of law and restraint of violence. Funded by the members of the Federation of Korean Industries (FKI), the CFE was founded as a non-profit, independent foundation on April 1, 1997, at a time of economic crisis in Korean society. The CFE has concentrated on championing a free economy through books and reports on public policies, statistics, and analyses. In workshops and policy forums, the CFE has put forward alternatives to policies proposed as solutions for issues facing Korean society. • E-mail: [csn@cfe.org](mailto:csn@cfe.org); website: <http://www.cfe.org>.

**Kosovo • Group for Legal and Political Studies**

The Group for Legal and Political Studies is a non-profit organization based in Kosovo. The Group's main aim is to provide a qualitative and highly competitive research environment with the intention to offer a new perspective for the reform, democratization, and development of the governing system of Kosovo. • E-mail: [office@legalpoliticalstudies.org](mailto:office@legalpoliticalstudies.org); website: <http://www.epi.kg>.

**Kyrgyz Republic • Economic Policy Institute—Bishkek Consensus**

The Economic Policy Institute—Bishkek Consensus (EPI), Kyrgyzstan, was created in December of 2003 as a non-profit, non-partisan, independent institute with developed partnerships and cooperative relationships with government, business, international community, civil society, and the news media. EPI's mission is to promote economic, social, and governance reforms in Kyrgyzstan, involving institutions of civil society to elaborate and execute the reforms, developing local potential and using the best international experience. Its strategic position is to be an independent and highly objective source of information and research on public-policy issues, as well as an unbiased forum for collaboration of diverse interest groups in the reform of public policy. • E-mail: [office@epi.kg](mailto:office@epi.kg); website: <http://www.epi.kg>.

**Lithuania • Lithuanian Free Market Institute**

The Lithuanian Free Market Institute (LFMI) is an independent, non-profit organization established in 1990 to advance the ideas of individual freedom and responsibility, free markets, and limited government. Since its inception, LFMI has been at the forefront of economic thought and reform in Lithuania. Not only has LFMI helped frame policy debates by conducting research and creating reform packages on key issues, it has also conducted extensive educational campaigns and played a key "behind-the-scenes" role in helping to craft and refine legislative proposals. LFMI promoted the idea of a currency board and provided decisive input to the Law on Litas Credibility; it led the creation of the legal and institutional framework for the securities market and contributed significantly to the country's privatization legislation; and it initiated and participated in the policy-making process on private, fully funded pension insurance. LFMI's recommendations were adopted in legislation on commercial banks, the Bank of Lithuania, credit unions, insurance, and foreign investment. LFMI significantly influenced the improvement of company, bankruptcy and competition law. • E-mail: [lfmi@freema.org](mailto:lfmi@freema.org); website: <http://www.freema.org>.

**Luxembourg • D'Letzeburger Land**

E-mail: [info@mmp.lu](mailto:info@mmp.lu); website: <http://www.land.lu/index.php/home.html>.



**Mexico • Centro de Investigación para el Desarrollo A.C.**

Centro de Investigación para el Desarrollo A.C. (CIDAC) is an independent, not-for-profit research institution devoted to the study of Mexico's economy and political system. Its philosophy is that Mexico's economy can be made viable only through a greater, more efficient, and more competitive private sector. CIDAC was founded in 1980 as an executive training facility for the financial sector at large (public and private, banking and business). It received an endowment from Banamex, then Mexico's largest private bank. In 1983, immediately after the expropriation of the private banks, CIDAC changed its mandate from teaching to research. Over the last five years, CIDAC has held over 40 conferences for businessmen and its professionals continuously address academic, policy, and business forums. CIDAC has also published 19 books on various economic, political, and policy issues, 45 monographs, and over 500 op-ed pieces in Mexican, American, and European papers and magazines. • E-mail: [info@cidac.org](mailto:info@cidac.org); website: <http://www.cidac.org>.

**Mongolia • Open Society Forum**

The Open Society Forum is an independent, non-governmental, organization founded in 2004. The Forum's goals are to provide quality policy research and analysis and broad public access to information resources pertaining to governance, economic, and social policies. It focuses on economic freedom, land reform, rule of law, freedom of media, campaign financing, nomadic pastoralism, privatization, shadow economy, and education policy. The Forum conducts research and holds conferences to encourage public participation in policy formulation. • E-mail: [osf@forum.mn](mailto:osf@forum.mn); website: <http://www.forum.mn>.

**Montenegro • Center for Entrepreneurship and Economic Development (CEED)**

The Center for Entrepreneurship and Economic Development is the first non-governmental, non-partisan free-market centre established in Montenegro. Its mission is to educate entrepreneurs about private ownership, democratic society, free markets, and the rule of law through a number of programs, initiatives, publications, and events. The Center was established to meet the demand for business knowledge by pioneering entrepreneurs who needed training to operate in a new environment after the break-up of the former Yugoslavia. • E-mail: [ceed@t-com.me](mailto:ceed@t-com.me); website: <http://www.visit-ceed.org.me/>.

**Nepal • Prosperity Foundation**

Samriddhi, the Prosperity Foundation, envisions a free and prosperous Nepal where individuals can live a dignified life in a vibrant and democratic society with equal access to opportunities and respect for the rule of law. Its mission is to promote ideas of freedom—civil, political and economic—through public-policy recommendations (based on independent research), educational programs, and public participation for a free and prosperous Nepal. • E-mail: [info@samriddhi.org](mailto:info@samriddhi.org); website: <http://www.samriddhi.org>.

**New Zealand • New Zealand Business Roundtable**

The New Zealand Business Roundtable is made up of the chief executives of about 60 of New Zealand's largest businesses. Its aim is to contribute to the development of sound public policies that reflect New Zealand's overall interests. It has been a prominent supporter of the country's economic liberalization. • E-mail: [nzbr@nzbr.org.nz](mailto:nzbr@nzbr.org.nz); website: <http://www.nzbr.org.nz>.

**Nigeria • Initiative of Public Policy Analysis**

The Initiative of Public Policy Analysis (IPPA) is a private, non-profit organization involved in research, education, and publication on matters affecting the freedom of individuals. Its objective is to provide market-oriented analysis of current and emerging policy issues, with a view to influencing the public debate and the political decision-making process. • E-mail: [info@ippanigeria.org](mailto:info@ippanigeria.org); website: <http://www.ippanigeria.org>.

**Norway • Center for Business and Society Incorporated (Civita)**

Civita, the first market-oriented think tank in Norway, was established in 2004. It strives for increased consensus on important market economic principles and their implications for welfare, freedom, and democracy.



Civita is also dedicated to promoting personal responsibility and civil society to achieve larger, more important roles in society's development. To communicate its ideas to the public, it conducts research, publishes reports and holds seminars and conferences. • E-mail: [civita@civita.no](mailto:civita@civita.no); website: <http://www.civita.no>.

#### **Oman • International Research Foundation (IRF)**

The International Research Foundation (IRF), Sultanate of Oman, was established in 2005 as a non-governmental, independent, non-profit "Think-Tank" based in Oman to conduct research on domestic and international economic issues with emphasis on the Arab World. The IRF has set its research and public-affairs agenda on a collegial basis, relying on the input of its research staff, its editorial board, and its Senior Fellows. It maintains a working arrangement with governmental and non-governmental organizations in the region and other parts of the world. The International Research Foundation is the regional member of the Fraser Institute's Economic Freedom Network.

The vision of the International Research Foundation is to create wealth and jobs through the promotion of economic freedom. Its mission is to measure, research, and communicate to a global audience the impact of competitive markets on the welfare of individuals. The Board of Trustees of the International Research Foundation consists of high profile private-sector members from different organizations. The IRF has initiated the establishment of a network of academic researchers to conduct research projects, which will help in its endeavor to research economic issues affecting the daily life of individuals. • E-mail: [azzan@ociped.com](mailto:azzan@ociped.com); website: [www.irfoman.org](http://www.irfoman.org).

#### **Pakistan • Alternate Solutions Institute**

Alternate Solutions Institute, founded in 2003, is the first free-market think-tank in Pakistan. Its mission is (1) to seek solutions to challenges pertaining to the economy, law, education, and health in accordance with the principles of classical liberalism and (2) to promote the implementation of these solutions. The Institute aims to promote the concept of a limited, responsible government in Pakistan under the rule of law protecting life, liberty, and property of all of its citizens without any discrimination. The Institute conducts research and holds seminars, workshops, and conferences to educate interested students, teachers, and journalists about the principles of classical liberalism. • E-mail: [info@asinstitute.org](mailto:info@asinstitute.org); website: <http://asinstitute.org>.

#### **Palestine • Pal-Think for Strategic Studies**

Pal-Think for Strategic Studies is an independent, non-profit, institute in Gaza, Palestine. It was established in March 2007. Pal-Think's mission is to promote peace, freedom, and prosperity through debates on public issues, producing policy recommendations for the decision-makers in Palestine and the Middle East. The main objective of Pal-Think is to conduct research on thematic issues that serve as a basis for policy debates on matters that are important to the Palestinians, the region, and the international community. To achieve its vision of being a leading think-tank in Palestine and the Middle East, Pal-Think also organizes conferences, workshops, round-table discussions, and other events on specific issues in Palestine and the region to deepen the understanding by the various constituencies and to provide appropriate policy solutions. • E-mail: [info@palthink.org](mailto:info@palthink.org); website: <http://www.palthink.org>.

#### **Panama • Fundación Libertad**

The Fundación Libertad, Panama, is a non-profit foundation engaged in the promotion and development of liberty, individual choice, and voluntary cooperation and in the reduction of the size of government. Fundación Libertad was founded in 2001 by members of professional and business organizations to promote free enterprise and democracy and to address issues affecting the freedom of the common citizen including the increasing discretionary power of the state and the proliferation of legislation fostering discrimination and establishing privileges, all of which are contrary to the spirit of democratic capitalism. Fundación Libertad has drawn initial support from sister organizations such as Centro de Divulgación del Conocimiento Económico (CEDICE) in Caracas, Venezuela, and the Centro de Investigación y Estudios Nacionales (CIEN) in Guatemala. • Email: [info@fundacionlibertad.org.pa](mailto:info@fundacionlibertad.org.pa); website: <http://www.fundacionlibertad.org.pa>.



**Peru • Centro de Investigación y Estudios Legales (CITEL)**

CITEL was organized in 1989. Its principal field is the economic analysis of law. To that end, it conducts research on different legal institutions, publishes books, and organizes seminars and colloquia. • E-mail: [info@citel.org](mailto:info@citel.org); website: <http://www.citel.org/>.

**Philippines • Center for Research and Communication**

The Center for Research and Communication (CRC) has, since 1967, conducted research and published works on domestic and international economic and political issues that affect the Asia-Pacific region. It provides forums for discussion and debate among academicians, businessmen, civil officials, and representatives of other sectors that shape public opinion and chart the course of policies. CRC is the main research arm of the University of Asia and the Pacific in Metro Manila. • E-mail: [crcfound@yahoo.com](mailto:crcfound@yahoo.com).

**Poland • Centrum im. Adama Smitha**

The Centrum im. Adama Smitha (the Adam Smith Research Centre—ASRC) is a private, non-partisan, non-profit, public-policy institute. It was founded in 1989 and was the first such institute in Poland and in Eastern Europe. The ASRC promotes a free and fair market economy, participatory democracy, and a virtuous society. Its activities in research and development, education, and publishing cover almost all important issues within the areas of economy and social life. The ASRC acts as a guardian of economic freedom in Poland. More than 50 experts are associated with the ASRC. • E-mail: [1989@smith.pl](mailto:1989@smith.pl); website: <http://www.smith.org.pl/pl/>.

**Portugal • Causa Liberal**

Causa Liberal is an independent, non-partisan, non-profit organization of Portuguese individuals who share the principles of the classical liberal tradition and wish to further its application in modern-day Portugal. Its mission is to defend the principles of the free society and its building blocks: individual rights, the rule of law, free markets, and private property. Its primary goals are to establish and consolidate a network of individuals with an interest in the study, discussion, and promotion of the classical liberal tradition, and to advance free-market ideas and policies in Portugal. • E-mail: [causaliberal@yahoo.com](mailto:causaliberal@yahoo.com); website: <http://www.causaliberal.net>.

**Romania • Romania Think Tank**

Romania Think Tank is an independent research institute founded in 2003. The Think Tank is funded entirely by its founding members. Its objective is to promote the development of free market, low taxation, reduction of bureaucracy, free trade, and the stimulation of foreign investment. To this end, the Romania Think Tank publishes numerous articles in the Romanian and international media, and studies and analyzes issues relevant to the development of a free-market economy in Romania. • E-mail: [office@rtt.ro](mailto:office@rtt.ro); website: <http://www.thinktankromania.ro/>.

**Russia • Institute of Economic Analysis**

The Institute of Economic Analysis is a macroeconomic research institute that analyzes the current economic situation and policies and provides expert analysis of acts, programs, and current economic policy. It will offer advice to Russian government bodies, enterprises, and organizations and prepares and publishes scientific, research, and methodological economic literature. It also conducts seminars, conferences, and symposia on economic topics. The Institute is an independent, non-governmental, non-political, non-profit research centre that works closely with leading Russian and international research centres. Its research focuses on macroeconomic, budget, and social policies. • E-mail: [iea@iea.ru](mailto:iea@iea.ru); website: <http://www.iea.ru>.

**Serbia • Free Market Center (FMC)**

Free Market Center (FMC) is a non-profit, non-governmental organization founded in 2001. It is the only free-market think-tank in Serbia. The Center promotes the understanding and acceptance of ideas like individual liberty, the free-market economy, limited government, and peaceful cooperation. To that end, the FMC strives to achieve greater involvement in redirecting the attention not only of leading thinkers but also of members of



the public, entrepreneurs, policy-makers, and students to the role of free markets and the proper role of government. Through publications, discussion forums, and conferences, the Center seeks to disseminate classical liberal ideas. • E-mail: [fmc@yubc.net](mailto:fmc@yubc.net); website: <http://www.fmc.org.rs/>.

#### **Slovak Republic • F.A. Hayek Foundation**

The F.A. Hayek Foundation is an independent and non-partisan, non-profit organization that provides a forum for the exchange of opinions among scholars, businessmen, and policy-makers on the causes of, and solutions to, economic, social, and political problems. It proposes practical reforms of the economy, education, social security, and legislation as the Slovak Republic is transformed into an open society. Education of high-school and university students is a large part of its activities. The F.A. Hayek Foundation promotes classical liberalism, which was virtually absent until 1989: market economy, reduced role of the government, rule of law and individual choice, responsibilities and rights to life, liberty, and property. • E-mail: [hayek@hayek.sk](mailto:hayek@hayek.sk); website: <http://www.hayek.sk>.

#### **South Africa • Free Market Foundation of Southern Africa**

The Free Market Foundation is an independent policy research and education organization founded in 1975 to promote the principles of limited government, economic freedom, and individual liberty in Southern Africa. Funding is received from members (corporate, organizational, and individual), sponsorships, and the sale of publications. • E-mail: [fmf@mweb.co.za](mailto:fmf@mweb.co.za); website: <http://www.freemarketfoundation.com/>.

#### **Sri Lanka • Pathfinder Foundation**

The Pathfinder Foundation has replaced the Center for Policy Research. Through informed and well-researched information, it seeks to challenge old ideas and the conventional wisdom, stimulate debate, change public attitudes, and seek new and innovative solutions to the economic and social problems of Sri Lanka. • E-mail: [info@pathfinderfoundation.org](mailto:info@pathfinderfoundation.org); website: <http://www.pathfinderfoundation.org/>.

#### **Sweden • Timbro**

Timbro is a Swedish think-tank that encourages public opinion to favour free enterprise, a free economy, and a free society. Timbro publishes books, papers, reports, and the magazine, *Smedjan*. It also arranges seminars and establishes networks among people. Founded in 1978, Timbro is owned by the Swedish Free Enterprise Foundation, which has as its principals a large number of Swedish companies and organizations. • E-mail: [info@timbro.se](mailto:info@timbro.se); website: <http://www.timbro.se>.

#### **Switzerland • Liberales Institut**

The Liberales Institut is a forum where the basic values and concepts of a free society can be discussed and questioned. The Institute's aim is the establishment of free markets as the best way towards the goals of openness, diversity, and autonomy. The Liberales Institut is not associated with any political party. Through publications, discussion forums, and seminars, it seeks to develop and disseminate classical liberal ideas. • E-mail: [libinst@libinst.ch](mailto:libinst@libinst.ch); website: <http://www.libinst.ch/>.

#### **Tajikistan • Tajikistan Free Market Centre**

E-mail: [freemarket.tj@gmail.com](mailto:freemarket.tj@gmail.com); website: <http://www.freemarket.tj/>.

#### **Trinidad and Tobago • Arthur Lok Jack Graduate School of Business, University of the West Indies**

The Arthur Lok Jack Graduate School of Business was created in 1989 as a channel partner for developing managerial talent for the business community in Trinidad and Tobago. Its mission is to empower people and organizations in developing nations to optimize their performance capabilities and international competitiveness through development and deployment of consulting; education, research, and training resources. One of the Institute's core services are business and academic research in areas of real concern to business managers, enabling them to improve their ability to manage successfully in the face of increasingly complex markets. • E-mail: [r.balgobin@gsb.tt](mailto:r.balgobin@gsb.tt); website: <http://www.lokjackgsb.org/>.



**Turkey • Association for Liberal Thinking**

The Association for Liberal Thinking is a non-profit, non-governmental organization seeking to introduce the liberal democratic tradition into Turkey. The Association promotes the understanding and acceptance of ideas like liberty, justice, peace, human rights, equality, and tolerance. It also encourages academic writing on liberal themes to help the Turkish people assess contemporary domestic and international changes and attempts to find effective solutions to Turkey's problems within liberal thought. The Association for Liberal Thinking is not involved in day-to-day politics and has no direct links to any political party or movement. Instead, as an independent intellectual group, it aims to set broader political agendas so as to contribute to the liberalization of economics and politics in Turkey. • E-mail: [info@liberal-dt.org.tr](mailto:info@liberal-dt.org.tr); website: <http://www.liberal.org.tr/>.

**Ukraine • Ukrainian Center for Independent Political Research**

The Ukrainian Center for Independent Political Research (UCIPR) was established in early 1991 as a non-profit, non-partisan, and non-governmental research institution that would increase awareness of democracy among the Ukrainian people and analyze domestic and international politics and security. The UCIPR is politically independent; it does not accept any funding from either the state or any political party. The UCIPR publishes books and research papers on Ukraine's domestic and foreign policy, the economy in transition, security, relations with neighboring states, the Crimean dilemma, interethnic relations, and the freedom of the news media. The Center has hosted a number of national and international conferences and workshops. • E-mail: [ucipr@ucipr.kiev.ua](mailto:ucipr@ucipr.kiev.ua); website: <http://www.ucipr.kiev.ua/>.

**United Kingdom • Institute of Economic Affairs (IEA)**

The mission of the Institute of Economic Affairs (IEA) is to improve public understanding of the foundations of a free and harmonious society by expounding and analyzing the role of markets in solving economic and social problems, and bringing the results of that work to the attention of those who influence thinking. The IEA achieves its mission by a high-quality publishing program; conferences, seminars, and lectures on a range of subjects; outreach to school and college students; brokering media introductions and appearances; and other related activities. Incorporated in 1955 by the late Sir Antony Fisher, the IEA is an educational charity, limited by guarantee. It is independent of any political party or group, and is financed by sales of publications, conference fees, and voluntary donations. • E-mail: [iea@iea.org.uk](mailto:iea@iea.org.uk); website: <http://www.iea.org.uk/>.

**United States of America • Cato Institute**

Founded in 1977, the Cato Institute is a research foundation dedicated to broadening debate about public policy to include more options consistent with the traditional American principles of limited government, individual liberty, free markets, and peace. To that end, the Institute strives to achieve greater involvement by the intelligent, concerned, lay public in questions of policy and the proper role of government through an extensive program of publications and seminars. • E-mail: [ivasquez@cato.org](mailto:ivasquez@cato.org); website: <http://www.cato.org/>.

**Venezuela • Center for the Dissemination of Economic Knowledge (CEDICE)**

CEDICE is a non-partisan, non-profit, private association dedicated to the research and promotion of philosophical, economic, political, and social thinking that focuses on individual initiative and a better understanding of the free-market system and free and responsible societies. To this end, CEDICE operates a library and bookstore, publishes the series, *Venezuela Today*, and other studies, provides economic training for journalists, and conducts special events and community programs. • E-mail: [cedice@cedice.org.ve](mailto:cedice@cedice.org.ve); website: <http://www.cedice.org.ve/>.

**Vietnam • Research Center for Entrepreneurship Development**

The Center, founded in 2004, is a non-governmental research and educational organization devoted to the entrepreneurial development of the private sector in Vietnam. Its mission is to study the development of policies that create the most favorable institutional and policy environment for entrepreneurial development of the private sector in Vietnam. Through publications, discussion forums, and conferences, the Center seeks to disseminate and encourage appropriate policies and entrepreneurial development. • E-mail: [rced@rced.com.vn](mailto:rced@rced.com.vn); website: <http://www.rced.com.vn>.



**Zambia • Zambia Institute for Public Policy Analysis (ZIPPA)**

The mission of the Zambia Institute for Public Policy Analysis (ZIPPA) is to promote wider appreciation of the key role of free markets and competition in economic development. Zambia, though peaceful and stable, is currently mired in a combination of protracted poverty, the HIV/AIDS pandemic, political animosities following a disputed election, and skepticism about economic liberalization. In this depressing environment, ZIPPA wants to play a constructive role by promoting realistic economic policies and by suggesting solutions that have been successfully applied in other countries to similar economic problems. • E-mail: [zippamail@gmail.com](mailto:zippamail@gmail.com).







