

Appendix II

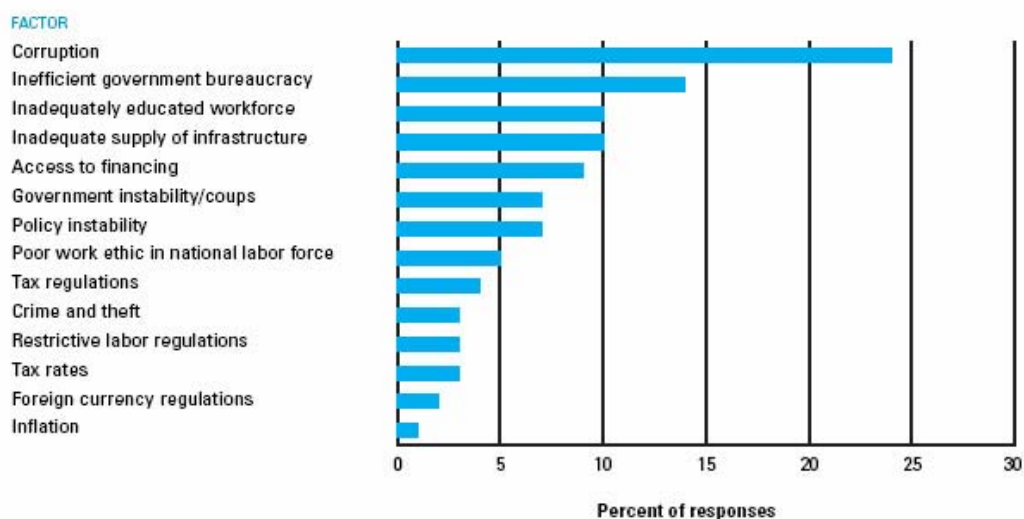
Competitiveness Indexes and Profile

I. CAMBODIA COMPETITIVENESS PROFILE

I.1. Competitiveness Rankings

Growth Competitiveness Index Rank	112	Business Competitiveness Index Rank	105
Macroeconomic Environment Index Rank	104	Sophistication of Company Operations and Strategy Rank	101
Macroeconomic Stability Subindex Rank	100	Quality of the National Business Environment Rank	103
Government Waste Rank	70		
Country Credit Rating Rank	107		
Public Institutions Index Rank	114		
Contracts and Law Subindex Rank	102		
Corruption Subindex Rank	115		
Technology Index Rank	105		
Innovation Subindex Rank	110		
ICT Subindex Rank	113		
Technology Transfer Subindex Rank (out of 92 non-core innovators)	68		

The Most Problematic Factors for Doing Business



Note: From a list of 14 factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The bars in the figure show the responses weighted according to their rankings.

Source: World Economic Forum, Executive Opinion Survey (2005)

Source: World Economic Forum, Global Competitiveness Report 2005-2006, September 2005

I.2. National Competitiveness Balance Sheet

NOTABLE COMPETITIVE ADVANTAGES		NOTABLE COMPETITIVE DISADVANTAGES	
Growth Competitiveness Index	Rank/117	Growth Competitiveness Index	Rank/117
Macroeconomic Environment		Macroeconomic Environment	
2.16	Inflation, 2004 27	2.13	Government surplus/deficit, 2004.....110
2.15	Real effective exchange rate, 2004 44	2.17	Interest rate spread, 2004.....109
		2.21	Country credit rating, 2004 107
		2.07	Access to credit 94
		2.14	National savings rate, 2004 79
		2.01	Recession expectations 73
		6.06	Wastefulness of government spending 70
		2.20	Government debt, 2004 55
		Public Institutions	
		6.19	Irregular payments in exports and imports 117
		6.21	Irregular payments in tax collection 112
		6.03	Property rights 111
		6.20	Irregular payments in public utilities 110
		6.01	Judicial independence 101
		6.08	Favoritism in decisions of government officials 94
		6.16	Organized crime 88
		Technology	
		5.08	Telephone lines, 2003 114
		3.19	Internet users, 2003 112
		3.21	Personal computers, 2003 111
		3.15	Laws relating to ICT 111
		3.12	Quality of competition in the ISP sector 106
		4.17	Gross tertiary enrollment 105
		3.01	Technological readiness 104
		3.06	Company spending on research and development 104
		3.20	Internet hosts, 2003 102
		3.11	Internet access in schools 101
		3.03	Prevalence of foreign technology licensing 98
		3.18	Cellular telephones, 2003 98
		3.02	Firm-level technology absorption 97
		3.07	University/industry research collaboration 96
		3.14	Government success in ICT promotion 87
		3.17	Utility patents, 2004 81
		3.13	Government prioritization of ICT 78
		3.04	FDI and technology transfer 68
Business Competitiveness Index		Business Competitiveness Index	
Rank/110		Rank/110	
Sophistication of Company Operations and Strategy		Sophistication of Company Operations and Strategy	
8.07	Degree of customer orientation 71	8.08	Control of international distribution 108
8.11	Extent of staff training 84	8.05	Production process sophistication 107
8.02	Value chain presence 85	8.06	Extent of marketing 106
Quality of the National Business Environment		Quality of the National Business Environment	
8.22	Foreign ownership restrictions 69	7.05	Local supplier quantity 109
8.16	Efficacy of corporate boards 70	3.09	Availability of scientists and engineers 109
6.13	Centralization of economic policymaking 77	2.08	Local equity market access 109
Other Indicators		Other Indicators	
Rank/117		Rank/117	
2.11	Tax burden 15	8.23	Strength of auditing and accounting standards 114
6.11	Extent and effect of taxation 33	6.23	Irregular payments in judicial decisions 114
6.12	Efficiency of the tax system 39	2.03	Financial market sophistication 112
4.08	Brain drain 41	7.06	Local supplier quality 112
4.07	Ease of hiring foreign labor 44	8.04	Ethical behavior of firms 111
4.09	Private sector employment of women 48	8.15	Quality of management schools 111
8.20	Pay and productivity 50	3.05	Quality of scientific research institutions 111
		6.22	Irregular payments in public contracts 111
		2.04	Soundness of banks 110

Note: The Business Competitiveness Index applies different criteria for selecting a country's competitive advantages and disadvantages. Please refer to the section "How Country Profiles Work" for further details.

Source: *World Economic Forum, Global Competitiveness Report 2005-2006, September 2005*

II. THE GROWTH COMPETITIVENESS INDEX

II.1. Growth Competitiveness Index Rankings and 2004 Comparisons

Country	GCI 2005 rank	GCI 2005 score	GCI 2004 rank	Country	GCI 2005 rank	GCI 2005 score	GCI 2004 rank
Finland	1	5.94	1	Tanzania	71	3.57	82
United States	2	5.81	2	Argentina	72	3.56	74
Sweden	3	5.65	3	Panama	73	3.55	58
Denmark	4	5.65	5	Indonesia	74	3.53	69
Taiwan	5	5.58	4	Russian Federation	75	3.53	70
Singapore	6	5.48	7	Morocco	76	3.49	56
Iceland	7	5.48	10	Philippines	77	3.47	76
Switzerland	8	5.46	8	Algeria	78	3.46	71
Norway	9	5.40	6	Armenia	79	3.44	—
Australia	10	5.21	14	Serbia and Montenegro	80	3.38	89
Netherlands	11	5.21	12	Vietnam	81	3.37	77
Japan	12	5.18	9	Moldova	82	3.37	—
United Kingdom	13	5.11	11	Pakistan	83	3.33	91
Canada	14	5.10	15	Ukraine	84	3.30	86
Germany	15	5.10	13	Macedonia, FYR	85	3.26	84
New Zealand	16	5.09	18	Georgia	86	3.25	94
Korea, Rep.	17	5.07	29	Uganda	87	3.24	79
United Arab Emirates	18	4.99	16	Nigeria	88	3.23	93
Qatar	19	4.97	—	Venezuela	89	3.22	85
Estonia	20	4.95	20	Mali	90	3.22	88
Austria	21	4.95	17	Mozambique	91	3.19	92
Portugal	22	4.91	24	Kenya	92	3.19	78
Chile	23	4.91	22	Honduras	93	3.18	97
Malaysia	24	4.90	31	Gambia	94	3.18	75
Luxembourg	25	4.90	26	Bosnia and Herzegovina	95	3.17	81
Ireland	26	4.86	30	Mongolia	96	3.16	—
Israel	27	4.84	19	Guatemala	97	3.12	80
Hong Kong SAR	28	4.83	21	Sri Lanka	98	3.10	73
Spain	29	4.80	23	Nicaragua	99	3.08	95
France	30	4.78	27	Albania	100	3.07	—
Belgium	31	4.63	25	Bolivia	101	3.06	98
Slovenia	32	4.59	33	Dominican Republic	102	3.05	72
Kuwait	33	4.58	—	Ecuador	103	3.01	90
Cyprus	34	4.54	38	Tajikistan	104	3.01	—
Malta	35	4.54	32	Malawi	105	3.00	87
Thailand	36	4.50	34	Ethiopia	106	3.00	101
Bahrain	37	4.48	28	Madagascar	107	2.95	96
Czech Republic	38	4.42	40	East Timor	108	2.93	—
Hungary	39	4.38	39	Zimbabwe	109	2.89	99
Tunisia	40	4.32	42	Bangladesh	110	2.86	102
Slovak Republic	41	4.31	43	Cameroon	111	2.84	—
South Africa	42	4.31	41	Cambodia	112	2.82	—
Lithuania	43	4.30	36	Paraguay	113	2.80	100
Latvia	44	4.29	44	Benin	114	2.74	—
Jordan	45	4.28	35	Guyana	115	2.73	—
Greece	46	4.26	37	Kyrgyz Republic	116	2.62	—
Italy	47	4.21	47	Chad	117	2.37	104
Botswana	48	4.21	45				
China	49	4.07	46				
India	50	4.04	55				
Poland	51	4.00	60				
Mauritius	52	4.00	49				
Egypt	53	3.96	62				
Uruguay	54	3.93	54				
Mexico	55	3.92	48				
El Salvador	56	3.86	53				
Colombia	57	3.84	64				
Bulgaria	58	3.83	59				
Ghana	59	3.82	68				
Trinidad and Tobago	60	3.81	51				
Kazakhstan	61	3.77	—				
Croatia	62	3.74	61				
Namibia	63	3.72	52				
Costa Rica	64	3.72	50				
Brazil	65	3.69	57				
Turkey	66	3.68	66				
Romania	67	3.67	63				
Peru	68	3.66	67				
Azerbaijan	69	3.64	—				
Jamaica	70	3.64	65				

(cont'd.)

Source: World Economic Forum, Global Competitiveness Report 2005-2006, September 2005

II. 2. Growth Competitiveness Index Components

Growth Competitiveness Index (GCI)

Country	GCI 2005 Rank	GCI 2005 Score
Finland	1	5.94
United States	2	5.81
Sweden	3	5.65
Denmark	4	5.65
Taiwan	5	5.58
Singapore	6	5.48
Iceland	7	5.48
Switzerland	8	5.46
Norway	9	5.40
Australia	10	5.21
Netherlands	11	5.21
Japan	12	5.18
United Kingdom	13	5.11
Canada	14	5.10
Germany	15	5.10
New Zealand	16	5.09
Korea, Rep.	17	5.07
United Arab Emirates	18	4.99
Qatar	19	4.97
Estonia	20	4.95
Austria	21	4.95
Portugal	22	4.91
Chile	23	4.91
Malaysia	24	4.90
Luxembourg	25	4.90
Ireland	26	4.86
Israel	27	4.84
Hong Kong SAR	28	4.83
Spain	29	4.80
France	30	4.78
Belgium	31	4.63
Slovenia	32	4.59
Kuwait	33	4.58
Cyprus	34	4.54
Malta	35	4.54
Thailand	36	4.50
Bahrain	37	4.48
Czech Republic	38	4.42
Hungary	39	4.38
Tunisia	40	4.32
Slovak Republic	41	4.31
South Africa	42	4.31
Lithuania	43	4.30
Latvia	44	4.29
Jordan	45	4.28
Greece	46	4.26
Italy	47	4.21
Botswana	48	4.21
China	49	4.07
India	50	4.04
Poland	51	4.00
Mauritius	52	4.00
Egypt	53	3.96
Uruguay	54	3.93
Mexico	55	3.92
El Salvador	56	3.86
Colombia	57	3.84
Bulgaria	58	3.83
Ghana	59	3.82
Trinidad and Tobago	60	3.81
Kazakhstan	61	3.77
Croatia	62	3.74
Namibia	63	3.72
Costa Rica	64	3.72
Brazil	65	3.69
Turkey	66	3.68
Romania	67	3.67
Peru	68	3.66
Azerbaijan	69	3.64
Jamaica	70	3.64

(cont'd.)

Technology index

Country	Rank	Score
United States	1	6.19
Finland	2	6.02
Taiwan	3	5.85
Sweden	4	5.78
Denmark	5	5.30
Switzerland	6	5.29
Korea, Rep.	7	5.26
Japan	8	5.24
Iceland	9	5.16
Singapore	10	4.93
Netherlands	11	4.88
Israel	12	4.87
Norway	13	4.87
Australia	14	4.82
Canada	15	4.79
Germany	16	4.78
United Kingdom	17	4.66
Estonia	18	4.62
New Zealand	19	4.47
Portugal	20	4.39
Austria	21	4.35
Czech Republic	22	4.31
Malta	23	4.29
France	24	4.26
Malaysia	25	4.22
Hong Kong SAR	26	4.21
Spain	27	4.21
Belgium	28	4.18
Luxembourg	29	4.11
Hungary	30	4.08
Ireland	31	4.07
Slovenia	32	4.07
United Arab Emirates	33	4.04
Slovak Republic	34	3.99
Chile	35	3.93
Cyprus	36	3.87
Greece	37	3.85
Latvia	38	3.83
Poland	39	3.77
Qatar	40	3.76
Bahrain	41	3.73
Lithuania	42	3.70
Thailand	43	3.69
Italy	44	3.68
Jamaica	45	3.64
South Africa	46	3.62
Mauritius	47	3.57
Kuwait	48	3.56
Romania	49	3.53
Brazil	50	3.51
Croatia	51	3.48
Jordan	52	3.46
Turkey	53	3.45
Philippines	54	3.43
India	55	3.42
Costa Rica	56	3.39
Mexico	57	3.39
Egypt	58	3.36
Argentina	59	3.35
Tunisia	60	3.35
Bulgaria	61	3.31
Trinidad and Tobago	62	3.25
Uruguay	63	3.19
China	64	3.18
Panama	65	3.17
Indonesia	66	3.13
Dominican Republic	67	3.13
Serbia and Montenegro	68	3.12
Ghana	69	3.11
El Salvador	70	3.09

(cont'd.)

Public institutions index

Country	Rank	Score
New Zealand	1	6.35
Denmark	2	6.35
Iceland	3	6.33
Singapore	4	6.25
Finland	5	6.19
Norway	6	6.13
Luxembourg	7	6.08
Germany	8	6.04
Switzerland	9	6.02
Australia	10	6.01
Austria	11	6.00
United Kingdom	12	5.98
Ireland	13	5.93
Japan	14	5.84
Portugal	15	5.83
Netherlands	16	5.83
Sweden	17	5.82
United States	18	5.77
Qatar	19	5.75
France	20	5.72
Canada	21	5.67
Chile	22	5.58
Hong Kong SAR	23	5.58
United Arab Emirates	24	5.52
Estonia	25	5.51
Taiwan	26	5.47
Cyprus	27	5.44
Belgium	28	5.38
Malaysia	29	5.36
Israel	30	5.35
Jordan	31	5.28
Malta	32	5.23
Uruguay	33	5.19
Hungary	34	5.15
Slovenia	35	5.14
Spain	36	5.13
Kuwait	37	5.11
Bahrain	38	5.10
Botswana	39	5.08
Tunisia	40	5.02
Thailand	41	4.88
Korea, Rep.	42	4.78
Greece	43	4.77
Lithuania	44	4.73
Slovak Republic	45	4.73
Italy	46	4.70
South Africa	47	4.63
Czech Republic	48	4.63
Colombia	49	4.55
Latvia	50	4.55
Ghana	51	4.54
India	52	4.52
Egypt	53	4.46
El Salvador	54	4.45
Mauritius	55	4.41
China	56	4.41
Namibia	57	4.38
Costa Rica	58	4.32
Peru	59	4.27
Tanzania	60	4.25
Turkey	61	4.25
Bulgaria	62	4.23
Moldova	63	4.20
Poland	64	4.14
Jamaica	65	4.14
Armenia	66	4.11
Azerbaijan	67	4.09
Malawi	68	4.08
Serbia and Montenegro	69	4.07
Brazil	70	4.06

(cont'd.)

Macroeconomic environment index

Country	Rank	Score
Singapore	1	5.82
Norway	2	5.76
Denmark	3	5.64
Finland	4	5.52
United Arab Emirates	5	5.43
Qatar	6	5.40
Ireland	7	5.38
Hong Kong SAR	8	5.34
Luxembourg	9	5.30
Netherlands	10	5.26
Iceland	11	5.24
Sweden	12	5.24
Switzerland	13	5.23
Australia	14	5.21
Chile	15	5.20
Canada	16	5.16
Taiwan	17	5.15
United Kingdom	18	5.13
Malaysia	19	5.12
New Zealand	20	5.10
Kuwait	21	5.09
Austria	22	5.07
United States	23	5.07
Spain	24	5.07
Korea, Rep.	25	4.98
Thailand	26	4.94
France	27	4.90
Germany	28	4.81
Belgium	29	4.76
Estonia	30	4.73
South Africa	31	4.68
Bahrain	32	4.62
China	33	4.61
Tunisia	34	4.59
Slovenia	35	4.57
Botswana	36	4.55
Portugal	37	4.51
Latvia	38	4.48
Lithuania	39	4.47
Trinidad and Tobago	40	4.44
Kazakhstan	41	4.42
Japan	42	4.40
Mexico	43	4.35
Algeria	44	4.33
Cyprus	45	4.33
Czech Republic	46	4.31
Italy	47	4.26
Israel	48	4.25
Slovak Republic	49	4.23
India	50	4.17
Greece	51	4.16
Jordan	52	4.10
Poland	53	4.09
Malta	54	4.09
Egypt	55	4.07
Azerbaijan	56	4.05
El Salvador	57	4.03
Russian Federation	58	4.02
Mauritius	59	4.01
Vietnam	60	3.96
Colombia	61	3.95
Bulgaria	62	3.95
Hungary	63	3.91
Indonesia	64	3.89
Namibia	65	3.84
Ghana	66	3.82
Morocco	67	3.82
Croatia	68	3.76
Pakistan	69	3.74
Peru	70	3.71

(cont'd.)

Growth Competitiveness Index (GCI)

Country	GCI 2005 Rank	GCI 2005 Score
Tanzania	71	3.57
Argentina	72	3.56
Panama	73	3.55
Indonesia	74	3.53
Russian Federation	75	3.53
Morocco	76	3.49
Philippines	77	3.47
Algeria	78	3.46
Armenia	79	3.44
Serbia and Montenegro	80	3.38
Vietnam	81	3.37
Moldova	82	3.37
Pakistan	83	3.33
Ukraine	84	3.30
Macedonia, FYR	85	3.26
Georgia	86	3.25
Uganda	87	3.24
Nigeria	88	3.23
Venezuela	89	3.22
Mali	90	3.22
Mozambique	91	3.19
Kenya	92	3.19
Honduras	93	3.18
Gambia	94	3.18
Bosnia and Herzegovina	95	3.17
Mongolia	96	3.16
Guatemala	97	3.12
Sri Lanka	98	3.10
Nicaragua	99	3.08
Albania	100	3.07
Bolivia	101	3.06
Dominican Republic	102	3.05
Ecuador	103	3.01
Tajikistan	104	3.01
Malawi	105	3.00
Ethiopia	106	3.00
Madagascar	107	2.95
East Timor	108	2.93
Zimbabwe	109	2.89
Bangladesh	110	2.86
Cameroon	111	2.84
Cambodia	112	2.82
Paraguay	113	2.80
Benin	114	2.74
Guyana	115	2.73
Kyrgyz Republic	116	2.62
Chad	117	2.37

Technology index

Country	Rank	Score
Kenya	71	3.04
Venezuela	72	3.03
Russian Federation	73	3.01
Colombia	74	3.01
Peru	75	3.01
Botswana	76	2.99
Kazakhstan	77	2.99
Morocco	78	2.96
Namibia	79	2.95
Pakistan	80	2.94
Mongolia	81	2.93
Uganda	82	2.93
Mozambique	83	2.91
Georgia	84	2.84
Ukraine	85	2.82
Tanzania	86	2.81
Azerbaijan	87	2.79
Sri Lanka	88	2.79
Moldova	89	2.76
Nigeria	90	2.74
Macedonia, FYR	91	2.73
Vietnam	92	2.72
Albania	93	2.69
Armenia	94	2.69
Honduras	95	2.68
Guatemala	96	2.67
Gambia	97	2.65
Zimbabwe	98	2.62
Bosnia and Herzegovina	99	2.61
Ecuador	100	2.61
Bangladesh	101	2.60
Nicaragua	102	2.52
Mali	103	2.52
Tajikistan	104	2.52
Cambodia	105	2.51
Madagascar	106	2.48
Malawi	107	2.46
Bolivia	108	2.42
East Timor	109	2.42
Cameroon	110	2.36
Paraguay	111	2.35
Guyana	112	2.34
Kyrgyz Republic	113	2.34
Algeria	114	2.29
Ethiopia	115	2.22
Benin	116	2.09
Chad	117	1.80

Public institutions index

Country	Rank	Score
Mexico	71	4.03
Mali	72	4.00
Croatia	73	3.99
Argentina	74	3.96
Panama	75	3.90
Kazakhstan	76	3.89
Gambia	77	3.88
Romania	78	3.84
Ethiopia	79	3.79
Zimbabwe	80	3.79
Algeria	81	3.77
Nicaragua	82	3.74
Trinidad and Tobago	83	3.73
Bolivia	84	3.71
Morocco	85	3.69
Bosnia and Herzegovina	86	3.67
Georgia	87	3.65
Honduras	88	3.61
Indonesia	89	3.58
Ukraine	90	3.56
Russian Federation	91	3.55
Mozambique	92	3.54
Mongolia	93	3.53
Kenya	94	3.50
Uganda	95	3.49
Macedonia, FYR	96	3.47
Vietnam	97	3.43
Nigeria	98	3.43
Madagascar	99	3.39
Sri Lanka	100	3.34
Tajikistan	101	3.33
Albania	102	3.32
Pakistan	103	3.31
Philippines	104	3.30
Dominican Republic	105	3.24
Venezuela	106	3.23
Guatemala	107	3.22
East Timor	108	3.20
Guyana	109	3.10
Benin	110	3.06
Cameroon	111	3.05
Paraguay	112	2.97
Ecuador	113	2.93
Cambodia	114	2.90
Kyrgyz Republic	115	2.89
Chad	116	2.64
Bangladesh	117	2.55

Macroeconomic environment index

Country	Rank	Score
Philippines	71	3.69
Tanzania	72	3.65
Romania	73	3.65
Panama	74	3.60
Macedonia, FYR	75	3.58
Nigeria	76	3.54
Armenia	77	3.53
Ukraine	78	3.52
Brazil	79	3.50
Ecuador	80	3.50
Guatemala	81	3.47
Costa Rica	82	3.44
Bangladesh	83	3.43
Uruguay	84	3.40
Venezuela	85	3.39
Argentina	86	3.37
Turkey	87	3.34
Uganda	88	3.30
Honduras	89	3.25
Georgia	90	3.25
Bosnia and Herzegovina	91	3.23
Albania	92	3.20
East Timor	93	3.18
Sri Lanka	94	3.17
Tajikistan	95	3.17
Moldova	96	3.14
Mali	97	3.13
Mozambique	98	3.13
Jamaica	99	3.13
Cameroon	100	3.12
Benin	101	3.08
Paraguay	102	3.07
Bolivia	103	3.05
Cambodia	104	3.04
Mongolia	105	3.03
Kenya	106	3.01
Gambia	107	3.01
Ethiopia	108	2.99
Madagascar	109	2.98
Nicaragua	110	2.96
Serbia and Montenegro	111	2.95
Dominican Republic	112	2.78
Guyana	113	2.77
Chad	114	2.67
Kyrgyz Republic	115	2.62
Malawi	116	2.47
Zimbabwe	117	2.25

Source: World Economic Forum, Global Competitiveness Report 2005-2006, September 2005

II.3. Macroeconomic Environment Index Components

Country	Macroeconomic environment index		Macroeconomic stability subindex		Government waste		Country credit rating	
	Rank	Score	Rank	Score	Rank	Score	Rank	Score
Albania	92	3.20	85	4.10	95	2.57	96	2.02
Algeria	44	4.33	12	5.30	51	3.30	68	3.44
Argentina	86	3.37	50	4.59	91	2.61	107	1.68
Armenia	77	3.53	55	4.52	63	3.12	98	1.97
Australia	14	5.21	25	5.05	16	4.34	18	6.39
Austria	22	5.07	38	4.73	22	4.07	12	6.76
Azerbaijan	56	4.05	18	5.13	57	3.19	78	2.74
Bahrain	32	4.62	20	5.11	36	3.68	47	4.58
Bangladesh	83	3.43	67	4.36	85	2.68	86	2.30
Belgium	29	4.76	52	4.56	50	3.33	16	6.61
Benin	101	3.08	92	4.03	104	2.33	101	1.92
Bolivia	103	3.05	105	3.69	97	2.51	87	2.29
Bosnia and Herzegovina	91	3.23	70	4.30	110	2.14	89	2.17
Botswana	36	4.55	53	4.56	15	4.37	43	4.70
Brazil	79	3.50	81	4.14	111	2.13	62	3.58
Bulgaria	62	3.95	51	4.59	89	2.65	56	3.96
Cambodia	104	3.04	100	3.78	70	2.94	107	1.68
Cameroon	100	3.12	87	4.09	102	2.36	100	1.94
Canada	16	5.16	23	5.07	33	3.76	13	6.74
Chad	114	2.67	110	3.56	114	1.80	104	1.73
Chile	15	5.20	3	5.66	19	4.23	32	5.25
China	33	4.61	27	5.02	44	3.45	37	4.96
Colombia	61	3.95	48	4.61	66	3.02	65	3.55
Costa Rica	82	3.44	109	3.62	83	2.69	60	3.85
Croatia	68	3.76	90	4.05	74	2.84	55	4.10
Cyprus	45	4.33	76	4.21	30	3.83	36	5.05
Czech Republic	46	4.31	44	4.64	78	2.80	34	5.15
Denmark	3	5.64	11	5.31	4	5.12	8	6.83
Dominican Republic	112	2.78	108	3.63	115	1.72	92	2.14
East Timor	93	3.18	93	4.03	61	3.15	113	1.51
Ecuador	80	3.50	33	4.84	113	1.95	84	2.35
Egypt	55	4.07	59	4.47	34	3.75	64	3.57
El Salvador	57	4.03	63	4.42	35	3.71	62	3.58
Estonia	30	4.73	14	5.27	43	3.45	38	4.93
Ethiopia	108	2.99	106	3.66	59	3.16	114	1.50
Finland	4	5.52	13	5.30	10	4.61	4	6.87
France	27	4.90	61	4.43	29	3.88	7	6.84
Gambia	107	3.01	113	3.45	45	3.43	106	1.69
Georgia	90	3.25	74	4.23	69	2.96	111	1.58
Germany	28	4.81	65	4.38	37	3.67	10	6.81
Ghana	66	3.82	66	4.37	21	4.18	83	2.37
Greece	51	4.16	96	3.91	60	3.15	25	5.68
Guatemala	81	3.47	73	4.24	106	2.30	72	3.11
Guyana	113	2.77	115	3.13	86	2.67	92	2.14
Honduras	89	3.25	84	4.11	94	2.59	88	2.22
Hong Kong SAR	8	5.34	6	5.55	11	4.60	26	5.66
Hungary	63	3.91	95	3.93	73	2.88	40	4.90
Iceland	11	5.24	21	5.10	6	4.97	23	5.80
India	50	4.17	41	4.68	63	3.12	53	4.20
Indonesia	64	3.89	56	4.51	40	3.58	75	2.94
Ireland	7	5.38	7	5.47	28	3.89	14	6.68
Israel	48	4.25	62	4.42	41	3.50	44	4.68
Italy	47	4.26	89	4.08	87	2.66	20	6.22
Jamaica	99	3.13	107	3.63	88	2.66	80	2.59
Japan	42	4.40	78	4.19	68	2.96	19	6.28
Jordan	52	4.10	57	4.50	23	4.03	70	3.39
Kazakhstan	41	4.42	24	5.06	39	3.60	57	3.95
Kenya	106	3.01	99	3.81	105	2.32	94	2.10
Korea, Rep.	25	4.98	8	5.38	32	3.77	28	5.39
Kuwait	21	5.09	1	5.72	38	3.63	31	5.26
Kyrgyz Republic	115	2.62	114	3.25	107	2.30	109	1.67
Latvia	38	4.48	28	5.00	49	3.34	48	4.57
Lithuania	39	4.47	29	4.91	46	3.41	46	4.63
Luxembourg	9	5.30	26	5.04	18	4.25	3	6.88
Macedonia, FYR	75	3.58	46	4.62	84	2.69	81	2.40
Madagascar	109	2.98	112	3.50	47	3.37	112	1.56
Malawi	116	2.47	117	2.83	92	2.60	110	1.62
Malaysia	19	5.12	19	5.12	2	5.13	35	5.12
Mali	97	3.13	104	3.73	56	3.21	102	1.87
Malta	54	4.09	80	4.15	79	2.77	30	5.28

(cont'd.)

Country	Macroeconomic environment index		Macroeconomic stability subindex		Government waste		Country credit rating	
	Rank	Score	Rank	Score	Rank	Score	Rank	Score
Mauritius	59	4.01	86	4.09	41	3.50	51	4.35
Mexico	43	4.35	36	4.76	55	3.22	45	4.65
Moldova	96	3.14	75	4.22	80	2.75	115	1.39
Mongolia	105	3.03	94	3.96	109	2.22	97	1.98
Morocco	67	3.82	88	4.09	54	3.23	58	3.87
Mozambique	98	3.13	102	3.76	72	2.91	95	2.08
Namibia	65	3.84	71	4.30	52	3.24	66	3.51
Netherlands	10	5.26	39	4.69	9	4.81	9	6.82
New Zealand	20	5.10	22	5.09	25	4.02	21	6.18
Nicaragua	110	2.96	97	3.88	101	2.38	105	1.72
Nigeria	76	3.54	45	4.64	81	2.74	91	2.14
Norway	2	5.76	5	5.61	8	4.86	2	6.94
Pakistan	69	3.74	49	4.61	48	3.35	82	2.39
Panama	74	3.60	91	4.03	99	2.45	59	3.86
Paraguay	102	3.07	79	4.16	117	1.62	85	2.34
Peru	70	3.71	54	4.53	103	2.34	67	3.45
Philippines	71	3.69	58	4.49	100	2.44	71	3.35
Poland	53	4.09	68	4.33	77	2.80	39	4.92
Portugal	37	4.51	64	4.40	58	3.17	22	6.08
Qatar	6	5.40	4	5.66	3	5.13	33	5.17
Romania	73	3.65	83	4.13	90	2.64	61	3.70
Russian Federation	58	4.02	42	4.65	93	2.59	54	4.19
Serbia and Montenegro	111	2.95	101	3.77	108	2.28	98	1.97
Singapore	1	5.82	10	5.36	1	5.90	15	6.64
Slovak Republic	49	4.23	40	4.69	82	2.70	41	4.82
Slovenia	35	4.57	35	4.78	62	3.15	27	5.55
South Africa	31	4.68	30	4.90	14	4.41	49	4.53
Spain	24	5.07	31	4.87	24	4.02	17	6.51
Sri Lanka	94	3.17	103	3.75	98	2.47	79	2.70
Sweden	12	5.24	16	5.20	31	3.77	11	6.79
Switzerland	13	5.23	37	4.76	13	4.43	1	7.00
Taiwan	17	5.15	17	5.15	12	4.53	24	5.76
Tajikistan	95	3.17	72	4.28	71	2.91	116	1.19
Tanzania	72	3.65	77	4.21	26	4.02	89	2.17
Thailand	26	4.94	9	5.37	17	4.32	42	4.70
Trinidad and Tobago	40	4.44	15	5.23	75	2.83	50	4.48
Tunisia	34	4.59	43	4.65	7	4.86	52	4.20
Turkey	87	3.34	111	3.56	76	2.82	69	3.41
Uganda	88	3.30	82	4.13	65	3.08	102	1.87
Ukraine	78	3.52	69	4.31	96	2.54	76	2.92
United Arab Emirates	5	5.43	2	5.70	5	5.00	29	5.32
United Kingdom	18	5.13	32	4.86	27	3.94	4	6.87
United States	23	5.07	47	4.61	20	4.21	6	6.85
Uruguay	84	3.40	98	3.85	67	2.99	77	2.92
Venezuela	85	3.39	60	4.46	116	1.71	74	2.95
Vietnam	60	3.96	34	4.80	52	3.24	73	3.01
Zimbabwe	117	2.25	116	3.00	112	2.00	117	1.00

Source: World Economic Forum, Global Competitiveness Report 2005-2006, September 2005

II.4. Public Institutions Index Components

Country	Public institutions index		Contracts and law subindex		Corruption subindex	
	Rank	Score	Rank	Score	Rank	Score
Albania	102	3.32	108	2.80	93	3.84
Algeria	81	3.77	67	3.66	91	3.87
Argentina	74	3.96	100	2.98	57	4.94
Armenia	66	4.11	72	3.51	61	4.70
Australia	10	6.01	10	5.67	10	6.35
Austria	11	6.00	13	5.61	9	6.39
Azerbaijan	67	4.09	61	3.75	72	4.44
Bahrain	38	5.10	39	4.54	34	5.65
Bangladesh	117	2.55	104	2.88	117	2.21
Belgium	28	5.38	23	5.11	35	5.65
Belize	110	3.06	95	3.12	113	3.00
Bolivia	84	3.71	97	3.05	75	4.36
Bosnia and Herzegovina	86	3.67	101	2.97	74	4.36
Botswana	39	5.08	30	4.93	48	5.23
Brazil	70	4.06	77	3.42	62	4.70
Bulgaria	62	4.23	103	2.90	38	5.57
Cambodia	114	2.90	102	2.91	115	2.89
Cameroon	111	3.05	91	3.15	114	2.95
Canada	21	5.67	24	5.09	17	6.24
Chad	116	2.64	113	2.54	116	2.73
Chile	22	5.58	34	4.88	13	6.29
China	56	4.41	62	3.74	50	5.08
Colombia	49	4.55	83	3.32	30	5.79
Costa Rica	58	4.32	49	4.16	68	4.46
Croatia	73	3.99	90	3.33	65	4.66
Cyprus	27	5.44	25	5.09	31	5.78
Czech Republic	48	4.63	50	4.11	49	5.15
Denmark	2	6.35	1	6.17	4	6.54
Dominican Republic	105	3.24	106	2.85	99	3.63
East Timor	108	3.20	96	3.06	107	3.34
Ecuador	113	2.93	115	2.30	101	3.56
Egypt	53	4.46	45	4.37	67	4.55
El Salvador	54	4.45	70	3.56	44	5.33
Estonia	25	5.51	35	4.87	21	6.16
Ethiopia	79	3.79	75	3.47	84	4.11
Finland	5	6.19	3	5.90	5	6.49
France	20	5.72	18	5.30	22	6.15
Gambia	77	3.88	55	4.05	97	3.71
Georgia	87	3.65	84	3.25	87	4.04
Germany	8	6.04	6	5.88	20	6.19
Ghana	51	4.54	36	4.79	77	4.29
Greece	43	4.77	40	4.53	54	5.00
Guatemala	107	3.22	114	2.47	89	3.97
Guyana	109	3.10	110	2.74	105	3.45
Honduras	88	3.61	107	2.82	73	4.40
Hong Kong SAR	23	5.58	22	5.16	26	5.99
Hungary	34	5.15	43	4.43	29	5.86
Iceland	3	6.33	4	5.89	1	6.78
India	52	4.52	37	4.78	78	4.26
Indonesia	89	3.58	66	3.66	103	3.49
Ireland	13	5.93	11	5.63	18	6.24
Israel	30	5.35	27	5.03	33	5.66
Italy	46	4.70	68	3.66	32	5.74
Jamaica	65	4.14	74	3.47	58	4.81
Japan	14	5.84	21	5.24	8	6.44
Jordan	31	5.28	26	5.05	40	5.51
Kazakhstan	76	3.89	71	3.56	81	4.23
Kenya	94	3.50	90	3.19	94	3.81
Korea, Rep.	42	4.78	41	4.53	52	5.04
Kuwait	37	5.11	31	4.91	45	5.31
Kyrgyz Republic	115	2.89	112	2.71	112	3.07
Latvia	50	4.55	52	4.09	53	5.00
Lithuania	44	4.73	58	3.83	36	5.63
Luxembourg	7	6.08	9	5.71	7	6.45
Macedonia, FYR	96	3.47	111	2.73	82	4.21
Madagascar	99	3.39	88	3.23	100	3.56
Malawi	68	4.08	56	3.95	83	4.21
Malaysia	29	5.36	17	5.30	43	5.42
Mali	72	4.00	51	4.09	90	3.90
Malta	32	5.23	29	4.95	41	5.51

(cont'd.)

Country	Public institutions index		Contracts and law subindex		Corruption subindex	
	Rank	Score	Rank	Score	Rank	Score
Mauritius	55	4.41	53	4.07	59	4.76
Mexico	71	4.03	79	3.35	60	4.71
Moldova	63	4.20	93	3.12	47	5.28
Mongolia	93	3.53	81	3.32	96	3.73
Morocco	85	3.69	60	3.76	98	3.63
Mozambique	92	3.54	86	3.23	92	3.85
Namibia	57	4.38	54	4.06	63	4.69
Netherlands	16	5.83	14	5.53	23	6.12
New Zealand	1	6.35	2	5.97	2	6.74
Nicaragua	82	3.74	98	3.03	70	4.45
Nigeria	98	3.43	69	3.59	109	3.27
Norway	6	6.13	7	5.80	6	6.45
Pakistan	103	3.31	87	3.23	106	3.39
Panama	75	3.90	63	3.72	86	4.08
Paraguay	112	2.97	117	2.17	95	3.77
Peru	59	4.27	99	2.98	39	5.55
Philippines	104	3.30	82	3.32	108	3.28
Poland	64	4.14	65	3.68	66	4.61
Portugal	15	5.83	16	5.46	19	6.20
Qatar	19	5.75	15	5.52	27	5.98
Romania	78	3.84	85	3.25	71	4.44
Russian Federation	91	3.55	109	2.78	76	4.33
Serbia and Montenegro	69	4.07	92	3.14	55	5.00
Singapore	4	6.25	5	5.88	3	6.62
Slovak Republic	45	4.73	57	3.85	37	5.61
Slovenia	35	5.14	48	4.28	25	6.01
South Africa	47	4.63	46	4.31	56	4.96
Spain	36	5.13	47	4.30	28	5.95
Sri Lanka	100	3.34	89	3.21	104	3.48
Sweden	17	5.82	19	5.30	11	6.34
Switzerland	9	6.02	8	5.79	15	6.26
Taiwan	26	5.47	33	4.88	24	6.07
Tajikistan	101	3.33	76	3.46	110	3.20
Tanzania	60	4.25	44	4.40	85	4.09
Thailand	41	4.88	42	4.48	46	5.28
Trinidad and Tobago	83	3.73	78	3.41	88	4.04
Tunisia	40	5.02	28	4.99	51	5.04
Turkey	61	4.25	59	3.62	64	4.68
Uganda	95	3.49	73	3.48	102	3.51
Ukraine	90	3.56	105	2.87	79	4.26
United Arab Emirates	24	5.52	38	4.78	16	6.25
United Kingdom	12	5.98	12	5.62	12	6.33
United States	18	5.77	20	5.27	14	6.27
Uruguay	33	5.19	32	4.91	42	5.48
Venezuela	106	3.23	116	2.22	80	4.25
Vietnam	97	3.43	64	3.71	111	3.16
Zimbabwe	80	3.79	94	3.12	69	4.46

Source: World Economic Forum, Global Competitiveness Report 2005-2006, September 2005

II.5. Technology Index Components

Country	Technology index		Innovation subindex		ICT subindex		Tech transfer subindex	
	Rank	Score	Rank	Score	Rank	Score	Rank	Score
Albania	93	2.69	94	1.75	91	1.91	66	4.05
Algeria	114	2.29	84	2.01	110	1.80	89	3.03
Argentina	59	3.35	34	3.18	59	2.51	39	4.54
Armenia	94	2.69	71	2.21	97	1.88	70	3.92
Australia	14	4.82	15	4.36	9	5.27	—	—
Austria	21	4.35	21	3.97	18	4.74	—	—
Azerbaijan	87	2.79	81	2.05	78	2.21	72	3.81
Bahrain	41	3.73	52	2.45	42	3.08	19	5.01
Bangladesh	101	2.60	105	1.61	112	1.73	59	4.10
Belgium	28	4.18	19	4.20	26	4.17	—	—
Benin	116	2.09	113	1.44	104	1.82	91	2.66
Bolivia	108	2.42	59	2.38	106	1.81	86	3.25
Bosnia and Herzegovina	99	2.61	82	2.02	76	2.22	84	3.33
Botswana	76	2.99	98	1.69	75	2.23	46	4.44
Brazil	50	3.51	68	2.25	52	2.70	18	5.02
Bulgaria	61	3.31	50	2.47	48	2.91	58	4.12
Cambodia	105	2.51	110	1.49	113	1.67	68	3.97
Cameroon	110	2.36	106	1.61	107	1.81	85	3.33
Canada	15	4.79	11	4.69	16	4.89	—	—
Chad	117	1.80	117	1.30	117	1.39	92	2.52
Chile	35	3.93	38	2.86	37	3.37	17	5.04
China	64	3.18	75	2.15	60	2.48	43	4.47
Colombia	74	3.01	67	2.26	71	2.28	53	4.24
Costa Rica	56	3.39	72	2.20	58	2.52	22	4.95
Croatia	51	3.48	48	2.54	40	3.19	56	4.18
Cyprus	36	3.87	51	2.46	29	3.88	50	4.32
Czech Republic	22	4.31	39	2.80	31	3.75	2	5.57
Denmark	5	5.30	10	4.70	1	5.90	—	—
Dominican Republic	67	3.13	55	2.42	65	2.35	47	4.40
East Timor	109	2.42	103	1.62	115	1.58	74	3.80
Ecuador	100	2.61	87	1.88	95	1.89	73	3.81
Egypt	58	3.36	64	2.36	68	2.33	14	5.07
El Salvador	70	3.09	85	2.00	66	2.34	45	4.46
Estonia	18	4.62	27	3.51	21	4.56	15	5.07
Ethiopia	115	2.22	116	1.36	116	1.50	83	3.47
Finland	2	6.02	2	6.43	5	5.61	—	—
France	24	4.26	20	4.05	22	4.46	—	—
Gambia	97	2.65	112	1.45	93	1.90	65	4.05
Georgia	84	2.84	60	2.38	87	2.03	62	4.08
Germany	16	4.78	9	4.92	20	4.63	—	—
Ghana	69	3.11	96	1.71	82	2.08	21	4.95
Greece	37	3.85	24	3.54	38	3.36	35	4.62
Guatemala	96	2.67	95	1.72	100	1.84	61	4.09
Guyana	112	2.34	111	1.48	94	1.90	88	3.22
Honduras	95	2.68	90	1.80	101	1.84	60	4.09
Hong Kong SAR	26	4.21	32	3.19	10	5.23	—	—
Hungary	30	4.08	36	3.10	35	3.46	8	5.24
Iceland	9	5.16	14	4.45	2	5.88	—	—
India	55	3.42	76	2.13	67	2.33	6	5.32
Indonesia	66	3.13	80	2.05	85	2.04	23	4.95
Ireland	31	4.07	22	3.82	24	4.33	—	—
Israel	12	4.87	6	5.38	23	4.37	—	—
Italy	44	3.68	30	3.38	28	3.98	—	—
Jamaica	45	3.64	78	2.11	46	2.97	16	5.05
Japan	8	5.24	5	5.74	17	4.75	—	—
Jordan	52	3.46	47	2.57	53	2.66	31	4.82
Kazakhstan	77	2.99	41	2.79	74	2.24	64	4.05
Kenya	71	3.04	97	1.70	108	1.81	12	5.14
Korea, Rep.	7	5.26	8	5.29	11	5.23	—	—
Kuwait	48	3.56	69	2.23	45	3.01	33	4.73
Kyrgyz Republic	113	2.34	63	2.36	90	1.91	90	2.91
Latvia	38	3.83	25	3.52	39	3.36	36	4.57
Lithuania	42	3.70	26	3.51	41	3.15	41	4.48
Luxembourg	29	4.11	37	3.03	13	5.19	—	—
Macedonia, FYR	91	2.73	77	2.11	70	2.29	82	3.51
Madagascar	106	2.48	108	1.54	102	1.83	77	3.66
Malawi	107	2.46	115	1.42	114	1.66	71	3.88
Malaysia	25	4.22	40	2.80	33	3.56	1	5.57
Mali	103	2.52	109	1.53	88	1.98	80	3.57
Malta	23	4.29	58	2.40	25	4.32	26	4.89

(cont'd.)

Country	Technology index		Innovation subindex		ICT subindex		Tech transfer subindex	
	Rank	Score	Rank	Score	Rank	Score	Rank	Score
Mauritius	47	3.57	79	2.07	47	2.93	25	4.93
Mexico	57	3.39	73	2.20	57	2.57	27	4.88
Moldova	89	2.76	74	2.19	72	2.27	78	3.59
Mongolia	81	2.93	53	2.44	81	2.08	55	4.23
Morocco	78	2.96	93	1.77	83	2.07	38	4.54
Mozambique	83	2.91	114	1.43	105	1.81	28	4.87
Namibia	79	2.95	91	1.79	80	2.11	42	4.47
Netherlands	11	4.88	17	4.33	7	5.43	—	—
New Zealand	19	4.47	18	4.22	19	4.71	—	—
Nicaragua	102	2.52	86	1.89	109	1.80	75	3.69
Nigeria	90	2.74	99	1.69	103	1.83	51	4.30
Norway	13	4.87	12	4.62	14	5.12	—	—
Pakistan	80	2.94	100	1.65	77	2.21	49	4.35
Panama	65	3.17	42	2.75	73	2.24	37	4.54
Paraguay	111	2.35	83	2.01	111	1.77	87	3.24
Peru	75	3.01	62	2.36	84	2.07	40	4.49
Philippines	54	3.43	65	2.34	63	2.42	11	5.15
Poland	39	3.77	31	3.22	43	3.03	24	4.94
Portugal	20	4.39	35	3.15	30	3.84	3	5.55
Qatar	40	3.76	70	2.22	44	3.02	7	5.25
Romania	49	3.53	54	2.44	50	2.71	20	4.97
Russian Federation	73	3.01	29	3.41	62	2.43	76	3.66
Serbia and Montenegro	68	3.12	61	2.37	64	2.36	48	4.37
Singapore	10	4.93	13	4.47	8	5.40	—	—
Slovak Republic	34	3.99	46	2.62	36	3.41	9	5.21
Slovenia	32	4.07	23	3.60	27	4.06	54	4.23
South Africa	46	3.62	66	2.27	55	2.63	4	5.39
Spain	27	4.21	28	3.44	32	3.74	13	5.09
Sri Lanka	88	2.79	101	1.65	89	1.94	52	4.30
Sweden	4	5.78	4	5.89	4	5.66	—	—
Switzerland	6	5.29	7	5.37	12	5.21	—	—
Taiwan	3	5.85	3	6.19	6	5.51	—	—
Tajikistan	104	2.52	89	1.85	92	1.91	81	3.56
Tanzania	86	2.81	107	1.54	96	1.89	44	4.46
Thailand	43	3.69	43	2.72	51	2.70	5	5.33
Trinidad and Tobago	62	3.25	92	1.77	61	2.43	30	4.84
Tunisia	60	3.35	57	2.41	56	2.61	34	4.64
Turkey	53	3.45	56	2.42	54	2.66	29	4.85
Uganda	82	2.93	104	1.62	98	1.84	32	4.82
Ukraine	85	2.82	33	3.19	79	2.17	79	3.57
United Arab Emirates	33	4.04	44	2.67	34	3.53	10	5.16
United Kingdom	17	4.66	16	4.35	15	4.98	—	—
United States	1	6.19	1	6.66	3	5.72	—	—
Uruguay	63	3.19	49	2.50	49	2.71	63	4.07
Venezuela	72	3.03	45	2.67	69	2.30	57	4.13
Vietnam	92	2.72	88	1.87	86	2.04	69	3.92
Zimbabwe	98	2.62	102	1.64	99	1.84	67	3.98

Source: World Economic Forum, Global Competitiveness Report 2005-2006, September 2005

III. THE BUSINESS COMPETITIVENESS INDEX

Country	BCI ranking								Company operations and strategy ranking								Quality of the national business environment ranking								2004 GDP per capita (PPP-adjusted)
	2005	2004	2003	2002	2001	2000	1999	1998	2005	2004	2003	2002	2001	2000	1999	1998	2005	2004	2003	2002	2001	2000	1999	1998	
United States	1	1	2	1	2	2	1	1	1	2	2	1	1	2	1	2	2	2	2	1	2	2	1	1	39,498
Finland	2	2	1	2	1	1	2	2	9	7	4	4	2	3	7	8	1	1	1	2	1	1	2	2	29,305
Germany	3	3	5	4	4	3	6	4	2	1	1	2	4	1	5	1	4	5	9	4	4	6	5	8	28,889
Denmark	4	7	4	8	8	6	7	8	4	9	7	9	9	8	9	10	3	3	3	9	10	4	6	7	33,089
Singapore	5	10	8	9	9	9	12	10	14	13	12	14	15	15	14	12	5	8	4	5	9	5	12	6	26,799
United Kingdom	6	6	6	3	7	8	10	5	6	8	8	3	7	11	13	9	6	4	6	3	8	9	8	5	28,968
Switzerland	7	5	7	5	5	5	5	9	5	4	5	5	5	5	2	3	7	7	8	6	5	10	9	10	31,690
Japan	8	8	13	11	10	14	14	18	3	3	6	7	8	4	4	7	10	11	20	17	16	19	19	19	29,906
Netherlands	9	9	9	7	3	4	3	3	8	6	10	8	3	7	8	5	8	9	11	10	3	8	4	3	29,253
Austria	10	16	17	12	11	13	11	16	11	14	13	12	11	12	10	11	9	17	18	12	12	12	13	17	31,406
France	11	12	10	15	13	15	9	11	10	10	9	10	10	9	6	6	11	16	14	21	13	15	11	13	27,913
Sweden	12	4	3	6	6	7	4	7	7	5	3	6	6	6	3	4	14	6	5	8	6	11	7	9	28,205
Canada	13	15	12	10	12	11	8	6	18	16	14	13	14	16	12	15	13	13	10	7	11	8	4	3	32,921
Taiwan	14	17	16	16	21	21	19	20	13	12	16	16	20	18	17	16	15	20	16	13	21	21	22	21	25,614
Australia	15	13	11	14	14	10	13	15	23	19	18	19	24	20	19	22	12	12	7	11	7	7	10	12	29,682
Belgium	16	14	15	13	15	12	15	19	12	11	11	11	12	10	11	13	17	19	17	15	14	13	15	18	30,062
Iceland	17	19	14	17	16	17	22	24	15	17	15	17	16	14	21	28	18	18	12	14	15	16	21	23	33,269
New Zealand	18	18	18	22	20	19	16	17	21	20	23	25	19	22	16	19	16	15	13	20	20	17	14	16	23,925
Ireland	19	22	21	20	22	22	17	13	16	22	17	15	17	19	20	18	20	22	22	22	22	22	17	14	31,263
Hong Kong SAR	20	11	19	19	18	16	21	12	20	15	22	24	21	23	24	17	19	10	15	16	17	14	18	11	30,558
Norway	21	20	22	21	19	20	18	14	22	23	21	23	23	21	23	14	21	14	21	19	19	18	16	15	40,005
Israel	22	21	20	18	17	18	20	21	19	18	20	20	18	13	18	21	22	21	19	18	18	20	20	20	22,077
Malaysia	23	23	26	26	37	30	27	27	24	28	26	27	37	30	25	34	23	23	24	26	37	30	31	26	10,423
Korea, Rep.	24	24	23	23	26	27	28	28	17	21	19	21	26	25	27	24	24	28	25	23	29	28	30	28	21,305
Spain	25	26	25	25	24	23	23	22	25	25	25	22	22	24	22	23	26	27	26	25	23	23	23	22	23,627
Estonia	26	27	28	30	28	—	—	—	33	34	36	36	32	—	—	—	25	24	27	28	26	—	—	—	15,217
Czech Republic	27	35	35	34	34	34	41	30	29	31	33	34	41	41	55	31	27	37	38	34	31	34	36	33	18,357
South Africa	28	25	27	29	25	25	26	25	26	24	28	31	25	26	28	33	30	25	28	33	27	25	25	25	10,603
Chile	29	29	32	31	29	26	24	23	31	33	34	35	30	27	26	25	29	29	30	31	30	24	24	24	10,869
Portugal	30	33	36	36	33	28	29	33	39	42	46	41	38	35	37	48	28	31	33	32	28	27	26	30	19,038
India	31	30	37	37	36	37	42	44	30	30	40	40	43	40	48	50	31	32	36	37	34	37	43	42	3,029
Slovenia	32	31	30	27	32	—	—	—	27	27	27	26	28	—	—	—	35	33	34	27	35	—	—	—	20,306
United Arab Emirates	33	28	—	—	—	—	—	—	36	32	—	—	—	—	—	—	33	26	—	—	—	—	—	—	23,818
Hungary	34	42	38	28	27	32	33	31	40	48	45	29	33	34	36	39	32	38	37	29	25	31	33	31	15,546
Tunisia	35	32	33	32	—	—	—	—	46	43	38	37	—	—	—	—	34	30	29	30	—	—	—	—	7,732
Cyprus	36	45	—	—	—	—	—	—	48	59	—	—	—	—	—	—	36	41	—	—	—	—	—	—	19,633
Thailand	37	37	31	35	38	40	39	37	35	36	31	33	42	47	43	37	37	36	32	35	39	40	39	36	7,901
Italy	38	34	24	24	23	24	25	26	28	26	24	18	13	17	15	20	39	43	23	24	24	26	27	27	28,172
Slovak Republic	39	39	43	42	40	36	48	36	47	41	44	43	57	31	51	40	38	39	43	40	36	36	47	37	15,066
Greece	40	41	39	43	46	33	36	38	42	40	39	47	51	32	45	32	40	42	40	41	43	33	34	38	20,362
Lithuania	41	36	40	40	50	—	—	—	41	37	41	39	47	—	—	—	41	35	41	39	47	—	—	—	12,919
Poland	42	57	47	46	42	41	37	41	43	47	43	46	55	36	38	38	46	64	45	45	40	41	38	40	12,244
Jordan	43	43	41	53	47	35	32	32	59	54	59	59	56	46	44	42	42	40	35	48	41	35	28	32	4,383
Qatar	44	—	—	—	—	—	—	—	64	—	—	—	—	—	—	—	43	—	—	—	—	—	—	—	28,919
Ghana	45	64	63	—	—	—	—	—	56	71	66	—	—	—	—	—	47	59	57	—	—	—	—	—	2,475
Malta	46	50	42	—	—	—	—	—	61	60	47	—	—	—	—	—	44	49	42	—	—	—	—	—	19,302
Kuwait	47	—	—	—	—	—	—	—	63	—	—	—	—	—	—	—	45	—	—	—	—	—	—	—	16,066
Latvia	48	49	29	45	41	—	—	—	51	51	29	48	35	—	—	—	48	48	31	42	42	—	—	—	11,845
Brazil	49	38	34	33	30	31	35	35	32	29	30	28	29	29	32	27	52	44	39	36	32	32	37	39	8,328
Costa Rica	50	48	45	39	48	43	38	—	34	35	32	32	34	39	35	—	53	50	47	47	51	42	41	—	9,887
Turkey	51	52	52	54	35	29	31	29	38	44	51	56	44	28	33	26	51	55	55	55	33	29	32	29	7,503
Mauritius	52	53	44	49	51	38	30	—	45	49	35	42	49	37	29	—	49	54	46	50	50	38	29	—	12,215
Jamaica	53	54	56	59	39	—	—	—	54	52	56	60	31	—	—	—	54	53	56	59	44	—	—	—	4,327
Bahrain	54	40	—	—	—	—	—	—	67	53	—	—	—	—	—	—	55	34	—	—	—	—	—	—	18,817
Botswana	55	62	54	57	—	—	—	—	76	73	67	64	—	—	—	—	50	52	50	51	—	—	—	—	10,169
Colombia	56	58	51	56	57	48	52	49	49	58	50	51	52	48	40	43	57	61	54	57	59	48	53	49	6,959
China	57	47	46	38	43	44	49	42	53	39	42	38	39	38	31	35	58	47	44	38	46	45	50	44	5,642
El Salvador	58	65	64	63	64	51	47	—	57	65	58	61	66	57	46	—	56	65	65	62	64	50	48	—	4,379
Indonesia	59	44	60	64	55	47	53	51	50	38	62	55	50	51	47	52	59	46	61	65	58	47	52	51	3,622
Mexico	60	55	48	55	52	42	34	39	55	46	37	45	46	42	30	29	62	56	51	60	52	43	35	41	9,666
Panama	61	60	59	50	49	—	—	—	37	66	60	54	40	—	—	—	68	58	60	52	49	—	—	—	6,997
Kazakhstan	62	—	—	—	—	—	—	—	72	—	—	—	—	—	—	—	60	—	—	—	—	—	—	—	7,418
Croatia	63	72	62	52	—	—	—	—	70	72	65	53	—	—	—	—	61	70	58	54	—	—	—	—	11,568
Argentina	64	74	69	65	54	45	40	34	52	68	63	57	53	45	39	30	64	78	73	68	53	44	40	34	12,468

(cont'd)

Country	BCI ranking								Company operations and strategy ranking								Quality of the national business environment ranking								2004 GDP per capita (PPP-adjusted)
	2005	2004	2003	2002	2001	2000	1999	1998	2005	2004	2003	2002	2001	2000	1999	1998	2005	2004	2003	2002	2001	2000	1999	1998	
Trinidad and Tobago	65	59	53	44	31	—	—	—	62	55	54	44	27	—	—	—	63	62	53	44	38	—	—	—	12,794
Pakistan	66	73	75	—	—	—	—	—	68	67	81	—	—	—	—	—	65	75	70	—	—	—	—	—	2,404
Romania	67	56	76	67	61	—	—	—	69	61	84	69	63	—	—	—	67	57	71	64	60	—	—	—	7,641
Kenya	68	63	67	—	—	—	—	—	60	56	61	—	—	—	—	—	69	63	72	—	—	—	—	—	1,075
Philippines	69	70	65	61	53	46	44	45	44	50	48	49	45	43	34	41	78	77	74	67	54	46	46	45	4,561
Uruguay	70	77	71	62	45	—	—	—	79	80	77	63	48	—	—	—	66	76	68	61	45	—	—	—	9,107
Egypt	71	66	58	—	44	39	43	40	58	57	55	—	36	44	49	47	74	68	62	—	48	39	42	35	4,072
Sri Lanka	72	68	57	47	58	—	—	—	73	69	52	52	58	—	—	—	73	67	59	43	56	—	—	—	3,882
Namibia	73	51	55	51	—	—	—	—	75	63	64	58	—	—	—	—	72	51	52	49	—	—	—	—	6,449
Russian Federation	74	61	66	58	56	52	55	46	77	62	69	62	54	33	42	45	70	60	64	56	55	53	55	47	10,179
Ukraine	75	69	73	69	59	56	56	52	71	64	72	66	62	52	50	51	76	71	77	69	57	56	56	52	6,554
Nigeria	76	81	80	71	66	—	—	—	65	76	73	71	61	—	—	—	79	80	80	71	68	—	—	—	1,120
Azerbaijan	77	—	—	—	—	—	—	—	74	—	—	—	—	—	—	—	80	—	—	—	—	—	—	—	3,968
Bulgaria	78	75	77	68	68	55	54	—	82	86	85	72	70	54	52	—	71	72	75	63	65	54	54	—	8,500
Morocco	79	46	49	48	—	—	—	—	80	45	49	50	—	—	—	—	75	45	49	46	—	—	—	—	4,227
Vietnam	80	79	50	60	62	53	50	43	81	81	53	67	64	50	41	36	77	79	48	58	62	52	49	43	2,570
Peru	81	76	81	66	63	49	46	47	66	77	83	65	65	53	56	49	82	74	78	66	63	51	44	46	5,298
Tanzania	82	90	68	—	—	—	—	—	93	92	68	—	—	—	—	—	81	87	67	—	—	—	—	—	673
Macedonia, FYR	83	83	82	—	—	—	—	—	89	84	79	—	—	—	—	—	83	82	83	—	—	—	—	—	7,237
Zimbabwe	84	82	78	70	65	50	45	48	78	79	70	68	60	56	54	46	84	84	81	70	67	49	45	48	2,309
<i>Uganda</i>	<i>85</i>	—	—	—	—	—	—	—	<i>91</i>	—	—	—	—	—	—	—	<i>87</i>	—	—	—	—	—	—	—	<i>1,728</i>
Serbia and Montenegro	86	85	79	—	—	—	—	—	108	87	75	—	—	—	—	—	86	81	79	—	—	—	—	—	4,858
<i>Mali</i>	<i>87</i>	—	—	—	—	—	—	—	<i>109</i>	—	—	—	—	—	—	—	<i>85</i>	—	—	—	—	—	—	—	<i>1,024</i>
Armenia	88	—	—	—	—	—	—	—	87	—	—	—	—	—	—	—	90	—	—	—	—	—	—	—	3,806
<i>Cameroon</i>	<i>89</i>	—	—	—	—	—	—	—	<i>84</i>	—	—	—	—	—	—	—	<i>92</i>	—	—	—	—	—	—	—	<i>2,176</i>
Gambia	90	67	70	—	—	—	—	—	100	70	80	—	—	—	—	—	89	66	66	—	—	—	—	—	1,903
Malawi	91	84	72	—	—	—	—	—	86	83	71	—	—	—	—	—	93	85	76	—	—	—	—	—	569
Venezuela	92	88	85	72	67	54	51	50	85	82	74	73	67	49	53	44	97	91	87	72	66	55	51	50	5,571
Moldova	93	—	—	—	—	—	—	—	90	—	—	—	—	—	—	—	94	—	—	—	—	—	—	—	2,119
Bosnia and Herzegovina	94	93	—	—	—	—	—	—	101	96	—	—	—	—	—	—	91	92	—	—	—	—	—	—	5,504
Algeria	95	89	88	—	—	—	—	—	111	93	93	—	—	—	—	—	88	86	86	—	—	—	—	—	6,722
Georgia	96	92	—	—	—	—	—	—	94	89	—	—	—	—	—	—	95	93	—	—	—	—	—	—	2,774
Madagascar	97	87	90	—	—	—	—	—	102	88	88	—	—	—	—	—	96	88	90	—	—	—	—	—	854
Mozambique	98	96	93	—	—	—	—	—	97	94	90	—	—	—	—	—	99	98	95	—	—	—	—	—	1,247
<i>Benin</i>	<i>99</i>	—	—	—	—	—	—	—	<i>106</i>	—	—	—	—	—	—	—	<i>98</i>	—	—	—	—	—	—	—	<i>1,004</i>
Bangladesh	100	95	91	74	73	—	—	—	99	97	91	76	72	—	—	—	101	94	91	74	73	—	—	—	1,875
Dominican Republic	101	80	61	41	60	—	—	—	88	74	57	30	59	—	—	—	103	83	63	53	61	—	—	—	6,761
Tajikistan	102	—	—	—	—	—	—	—	107	—	—	—	—	—	—	—	100	—	—	—	—	—	—	—	1,246
Guatemala	103	86	86	73	69	—	—	—	83	78	76	70	69	—	—	—	104	90	88	73	69	—	—	—	4,009
Mongolia	104	—	—	—	—	—	—	—	98	—	—	—	—	—	—	—	102	—	—	—	—	—	—	—	1,918
Honduras	105	97	95	78	74	—	—	—	95	91	89	78	74	—	—	—	105	100	96	79	75	—	—	—	2,682
Nicaragua	106	100	94	75	71	—	—	—	110	100	92	75	73	—	—	—	106	99	93	76	70	—	—	—	2,677
Ecuador	107	94	89	77	72	57	57	—	96	90	87	74	71	55	57	—	108	95	92	77	72	58	57	—	3,819
Kyrgyz Republic	108	—	—	—	—	—	—	—	92	—	—	—	—	—	—	—	111	—	—	—	—	—	—	—	1,934
Cambodia	109	—	—	—	—	—	—	—	103	—	—	—	—	—	—	—	107	—	—	—	—	—	—	—	2,074
Guyana	110	—	—	—	—	—	—	—	105	—	—	—	—	—	—	—	109	—	—	—	—	—	—	—	4,579
Ethiopia	111	99	96	—	—	—	—	—	113	101	96	—	—	—	—	—	110	97	94	—	—	—	—	—	814
Albania	112	—	—	—	—	—	—	—	104	—	—	—	—	—	—	—	113	—	—	—	—	—	—	—	4,937
Bolivia	113	101	98	79	75	58	58	—	115	99	97	79	75	58	58	—	112	101	97	78	74	57	58	—	2,902
Paraguay	114	98	97	76	70	—	—	—	112	98	95	77	68	—	—	—	114	96	98	75	71	—	—	—	4,553
<i>East Timor</i>	<i>115</i>	—	—	—	—	—	—	—	<i>114</i>	—	—	—	—	—	—	—	<i>115</i>	—	—	—	—	—	—	—	<i>n/a</i>
<i>Chad</i>	<i>116</i>	—	—	—	—	—	—	—	<i>116</i>	—	—	—	—	—	—	—	<i>116</i>	—	—	—	—	—	—	—	<i>1,555</i>

Notes:

GNI per capita is used for Ireland.

Countries in bold italics did not pass the data consistency test and were not included in further analysis.

Source: World Economic Forum, Global Competitiveness Report 2005-2006, September 2005

IV. COMPONENTS OF THE GROWTH COMPETITIVENESS INDEX

Appendix A: Composition of the Growth Competitiveness Index

The Growth Competitiveness Index is composed of three component indexes: the technology index, the public institutions index, and the macroeconomic environment index. These indexes are calculated on the basis of both “hard data” and “Survey data.”

As explained in the chapter, the sample of countries is divided into two groups: the core innovators and the non-core innovators. Core innovators are countries with more than 15 US utility patents registered per million population; non-core innovators are all other countries.

For the core innovators, we place extra emphasis on the role of innovation and technology. The weightings for the core innovators are as follows:

$$\begin{aligned} \text{Growth Competitiveness} \\ \text{Index for core innovators} &= 1/2 \text{ technology index} \\ &+ 1/4 \text{ public institutions index} \\ &+ 1/4 \text{ macroeconomic environment} \\ &\text{index} \end{aligned}$$

For the non-core innovators, we calculate the Growth Competitiveness Index values as a simple average of the three component indexes:

$$\begin{aligned} \text{Growth Competitiveness} \\ \text{Index for non-core} \\ \text{innovators} &= 1/3 \text{ technology index} \\ &+ 1/3 \text{ public institutions index} \\ &+ 1/3 \text{ macroeconomic environment} \\ &\text{index} \end{aligned}$$

Technology index components

The technology index is calculated for the core and non-core innovators as follows:

$$\begin{aligned} \text{technology index for} \\ \text{core innovators} &= 1/2 \text{ innovation subindex} \\ &+ 1/2 \text{ information and communication} \\ &\text{technology subindex} \end{aligned}$$

$$\begin{aligned} \text{technology index for} \\ \text{non-core innovators} &= 1/8 \text{ innovation subindex} \\ &+ 3/8 \text{ technology transfer subindex} \\ &+ 1/2 \text{ information and communication} \\ &\text{technology subindex} \end{aligned}$$

Innovation subindex

$$\begin{aligned} \text{innovation subindex} &= 1/4 \text{ Survey data} \\ &+ 3/4 \text{ hard data} \end{aligned}$$

Innovation Survey questions

- 3.01 What is your country's position in technology relative to world leaders?
- 3.02 Are companies in your country unable/aggressive in absorbing new technology?
- 3.06 How much do companies in your country spend on R&D relative to other countries?
- 3.07 What is the extent of business collaboration in R&D with local universities?

Innovation hard data

- 3.17 US utility patents granted per million population
- 4.17 Gross tertiary enrollment rate

Technology transfer subindex

$$\begin{aligned} \text{technology transfer} \\ \text{subindex} &= \text{unweighted average of two technology} \\ &\text{transfer Survey questions} \end{aligned}$$

- 3.04 Is foreign direct investment in your country an important source of new technology?
- 3.03 Is foreign technology licensing in your country a common means of acquiring new technology?

Information and communication technology (ICT) subindex

$$\begin{aligned} \text{information and} \\ \text{communication} \\ \text{technology subindex} &= 1/3 \text{ information and communication} \\ &\text{technology Survey data} \\ &+ 2/3 \text{ information and communication} \\ &\text{technology hard data} \end{aligned}$$

Information and communication technology Survey questions

- 3.11 How extensive is Internet access in schools?
- 3.12 Is there sufficient competition among ISPs in your country to ensure high quality, infrequent interruptions and low prices?
- 3.13 Is ICT an overall priority for the government?
- 3.14 Are government programs successful in promoting the use of ICT?
- 3.15 Are laws relating to ICT (electronic commerce, digital signatures, consumer protection) well developed and enforced?

Information and communication technology hard data

- 3.18 Cellular mobile subscribers per 100 inhabitants
- 3.19 Internet users per 10,000 inhabitants
- 3.20 Internet hosts per 10,000 inhabitants
- 5.08 Main telephone lines per 100 inhabitants
- 3.21 Personal computers per 100 inhabitants

(cont'd.)

Appendix A: Composition of the Growth Competitiveness Index (cont'd.)

Public institutions index components

public institutions index = 1/2 contracts and law subindex
+ 1/2 corruption subindex

Government waste variable

6.06 Is the composition of public spending in your country wasteful, or does it provide necessary goods and services not provided by the market?

Contracts and law subindex

- 6.01 Is the judiciary in your country independent from political influences of members of government, citizens or firms?
- 6.03 Are financial assets and wealth clearly delineated and well protected by law?
- 6.08 Is your government neutral among bidders when deciding among public contracts?
- 6.16 Does organized crime impose significant costs on business?

Corruption subindex

- 6.19 How commonly are bribes paid in connection with import and export permits?
- 6.20 How commonly are bribes paid when getting connected with public utilities?
- 6.21 How commonly are bribes paid in connection with annual tax payments?

Macroeconomic environment index components

macroeconomic
environment index = 1/2 macroeconomic stability subindex
+ 1/4 country credit rating
+ 1/4 government waste

Macroeconomic stability subindex

macroeconomic
stability subindex = 5/7 macroeconomic stability hard data
+ 2/7 macroeconomic stability Survey data

Macroeconomic stability Survey questions

- 2.01 Is your country's economy likely to be in a recession next year?
- 2.07 Has obtaining credit for your company become easier or more difficult over the past year?

Macroeconomic stability hard data

- 2.13 Government surplus/deficit
- 2.14 National savings rate
- 2.16 Inflation
- 2.15 Real effective exchange rate
- 2.17 Lending-borrowing interest rate spread
- 2.20 Government debt

2.21 Institutional Investor country credit rating

Source: World Economic Forum, Global Competitiveness Report 2005-2006, September 2005

