

Governance Matters IV: Appendices¹

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¹ This document presents the Appendices to our research paper "Governance Matters IV: Updated Governance Indicators 1996-2004". The paper, as well as a synthesis, can be downloaded at: <http://www.worldbank.org/wbi/governance/pubs/govmatters4.html>.

TABLE A1. African Development Bank (ADB)

A1: African Development Bank (ADB)

<http://www.afdb.org/>

The African Development Bank (ADB) is a major development bank in Africa. Established in 1963 in order to promote economic and social development, the Bank has grown into a \$33 billion, multinational development bank, with 52 African countries and 24 other shareholders.

The African Development Bank develops its own "Country Policy and Institutional Assessment" for its own Client sample. Similarly to the World Bank's CPIA, the ADB Indicators annually assess the quality of African Development Bank borrowers' policy and institutional performance in areas relevant to economic growth and poverty reduction.

In the table below we list the variables included in each of the governance indicators. We use data from 2000, 2002 and 2004.

Table A1: Africa Development Bank (50 African countries)					
	2004	2002	2000	1998	1996
Voice and Accountability					
NA	..	..	..	..	..
Political Stability					
NA	..	..	..	..	..
Government Effectiveness					
Policies to improve efficiency of public sector	X	X	X	..	..
Budget Management	X	X	X	..	..
Efficiency of Public Expenditures	X	X	X	..	..
Management of public debt	X	X	X	..	..
Regulatory Quality					
Trade policy	X	X	X	..	..
Competitive environment	X	X	X	..	..
Labor Market Policies	X	X	X	..	..
Rule of Law					
Property rights	X	X	X	..	..
Control of Corruption					
Anti-corruption policies	X	X	X	..	..
Transparency / corruption	X	X	X	..	..

TABLE A2. Afro-Barometer (AFR)

A2: Afrobarometer (AFR)
<http://www.afrobarometer.org>

The Afrobarometer is a joint enterprise of Michigan State University (MSU), the Institute for Democracy in South Africa (IDASA) and the Centre for Democracy and Development (CDD, Ghana). The Afrobarometer Series, launched in October 1999, reports the results of national sample surveys on the attitudes of citizens in selected African countries towards democracy, markets and other aspects of development. The objective of the Afrobarometer is to collect, analyze and disseminate cross-national, time-series attitudinal data for up to a dozen new democracies on the African continent.

In the table below we list the variables included in each of the governance indicators. We use data from the 2002 and 2004 Reports.

Table A2: Afrobarometer (12 African countries)					
	2004	2002	2000	1998	1996
Voice and Accountability					
How much do you trust the parliament?	X	..	..	..	..
Overall, how satisfied are you with the way democracy works in your country?	X	X	..	..	..
Political Stability					
NA	..	..	..	..	..
Government Effectiveness					
What proportion of the country's problems do you think the government can solve?	X	..	..	..	..
Regulatory Quality					
NA	..	..	..	..	..
Rule of Law					
Over the past year, how often have you or anyone in your family feared crime in your own home?	X	..	..	..	..
Over the past year, how often have you or anyone in your family had something stolen from your house?	X	..	..	..	..
Over the past year, how often have you or anyone in your family been physically attacked?	X	..	..	..	..
How much do you trust the courts of law?	X	..	..	..	..
How much do you trust the police?	X	X	..	..	..
Control of Corruption					
Corruption: How common is corruption among public officials?	..	X	..	..	..
How well would you say the current government is handling the fight of corruption in the government?	X	..	..	..	..
How many elected leaders (parliamentarians or local councilors) do you think are involved in corruption?	X	..	..	..	..
How many judges and magistrates do you think are involved in corruption?	X	..	..	..	..
How many government officials do you think are involved in corruption?	X	..	..	..	..
How many border officials do you think are involved in corruption?	X	..	..	..	..

TABLE A3. Asian Development Bank (ASD)

A3: Asian Development Bank (ASD)

<http://www.adb.org/>

The Asian Development Bank is a multilateral development finance institution dedicated to reducing poverty in Asia and the Pacific. Established in 1966, the ADB - headquartered in Manila and with 26 offices worldwide - is currently owned by 63 members, mostly from the region.

The Asian Development Bank develops its own "Country Policy and Institutional Assessment" for its own Client sample. Similarly to the World Bank's CPIA, the ASD Indicators annually assess the quality of Asian Development Bank borrowers' policy and institutional performance in areas relevant to economic growth and poverty reduction.

In the table below we list the variables included in each of the governance indicators. We use data from 2000, 2002 and 2004.

Table A3: Asian Development Bank (26 Asian countries)					
	2004	2002	2000	1998	1996
Voice and Accountability					
NA	..	..	..	..	..
Political Stability					
NA	..	..	..	..	..
Government Effectiveness					
Competence of civil service	X	X	X	..	..
Budget Management	X	X	X	..	..
Efficiency of Public Expenditures	X	X	X	..	..
Management of public debt	X	X	X	..	..
Regulatory Quality					
Trade policy	X	X	X	..	..
Competitive environment	X	X	X	..	..
Factor and products markets	X	X	X	..	..
Rule of Law					
Property rights	X	X	X	..	..
Control of Corruption					
Anticorruption and Accounting Institutions	X	X	X	..	..

TABLE A4: Bertelsmann Transformation Index (BTI)**A4: Bertelsmann Transformation Index (BTI)**

<http://www.bertelsmann-transformation-index.de/16.0.html?&L=1>

Founded by Reinhard Mohn in 1977 and headquartered in Berlin, the **Bertelsmann Foundation** is a non-profit organization dedicated to identifying social problems and challenges early on in order to develop and implement model solutions.

Starting in 2004, the Foundation began publishing the **Bertelsmann Transformation Index (BTI)**, a global ranking that analyzes and evaluates development and transformation processes in 116 countries. The Bertelsmann Transformation Index provides the international public and political actors with a comprehensive view of the status of democracy and a market economy as well as the quality of political management in each of these countries.

The goal of a consolidated market-based democracy constitutes the BTI's normative framework. The BTI analyzes the status of both democratization and market liberalization as it evaluates actors' performance in managing these changes. The quantitative data collected for the Bertelsmann Transformation Index 2003 is outlined in two parallel indices: the **Status Index** and the **Management Index**. The Status Index (SI) shows the development achieved by 116 states on their way toward democracy and a market economy. States with functioning democratic and market-based structures receive the highest scores. The Management Index (MI) reveals the extent to which governments and political actors have been consistent and determined in their pursuit of a market-based democracy. Those states showing progress in the last five years and in which transformation has resulted from astute management receive the highest scores.

In the table below we list the variables included in each of the governance indicators. We use data from 2004, drawing 5 variables from the Management Index and 6 variables from the Status Index.

Table A4: Bertelsman Transformation Index (116 developing countries)					
	2004	2002	2000	1998	1996
Voice and Accountability					
Political Participation (SI)	X	..	..	..	..
Institutional Stability (SI)	X	..	..	..	..
Political and Social Integration (SI)	X	..	..	..	..
Political Stability					
NA	..	..	..	..	..
Government Effectiveness					
Consensus Building (MI)	X	..	..	..	..
Governance Capability (MI)	X	..	..	..	..
Effective Use of Resources (MI)	X	..	..	..	..
Reliable Pursuit of Goals (MI)	X	..	..	..	..
Regulatory Quality					
Price Stability (SI)	X	..	..	..	..
Competition (SI)	X	..	..	..	..
Rule of Law					
Rule of Law (SI)	X	..	..	..	..
Private Property (SI)	X	..	..	..	..
Control of Corruption					
NA	..	..	..	..	..

TABLE A5. Business Environment and Enterprise Performance Survey (BEEPS)

A5: Business Environment and Enterprise Performance Survey (BEEPS)

<http://info.worldbank.org/governance/beeps2002/>

The Business Environment and Enterprise Performance Survey (BEEPS) was developed jointly by the World Bank and the European Bank for Reconstruction and Development. In its first round conducted in 1999-2000, it surveyed over 4,000 firms in 22 transition countries that examined a wide range of interactions between firms and the state. In its second round conducted in 2002, the survey covered over 2,100 firms in 27 countries.

In the table below we list the variables included in each of the governance indicators. We use data from 2002/3 (for both 2002 and 2004) and 1999/2000 surveys.

Table A5: Business Environment and Enterprise Performance Survey (27 Transition Economies)					
	2004	2002	2000	1998	1996
Voice and Accountability					
NA	..	..	..	..	..
Political Stability and Lack of Violence					
NA	..	..	..	..	..
Government Effectiveness					
How problematic are telecommunications for the growth of your business	X	X	..	..	..
How problematic is electricity for the growth of your business.	X	X	..	..	..
How problematic is transportation for the growth of your business.	X	X	..	..	..
Regulatory Quality					
Information on the laws and regulations is easy to obtain	X	X	..	..	..
Interpretations of the laws and regulations are consistent and predictable	X	X	..	..	..
Unpredictability of changes of regulations	X	X	..	..	..
How problematic are labor regulations for the growth of your business.	X	X	..	..	..
How problematic are tax regulations for the growth of your business.	X	X	..	..	..
How problematic are custom and trade regulations for the growth of your business.	X	X	..	..	..
Rule of Law					
How often is following characteristic associated with the court system: Fair	X	X	..	..	..
How often is following characteristic associated with the court system: affordable	X	X	..	..	..
How often is following characteristic associated with the court system: enforceable	X	X	..	..	..
How often is following characteristic associated with the court system: Honesty	X	X	..	..	..
How often is following characteristic associated with the court system: Quickness	X	X	..	..	..
Are property rights adequately protected	X	X	..	..	..
How problematic is organized crime for the growth of your business.	X	X	..	..	..
How problematic is judiciary for the growth of your business.	X	X	..	..	..
How problematic is street crime for the growth of your business.	X	X	..	..	..
Control of Corruption					
How common is for firms to have to pay irregular additional payments to get things done	X	X	..	..	..
Percentage of total annual sales do firms pay in unofficial payments to public officials	X	X	..	..	..
How often do firms make extra payments to influence the content of new legislation	X	X	..	..	..
Extent to which firms' payments to public officials impose costs on other firms	X	X	X	..	..
How problematic is corruption for the growth of your business.	X	X	..	..	..

TABLE A6: Business Environment Risk Intelligence (BRI, QLM)

A6: Business Environment Risk Intelligence (BRI)

<http://www.beri.com>

BERI S.A. is a private source of analysis and forecasts of the business environment in developed and developing countries. The firm was founded in 1966 and is headquartered in Geneva, Switzerland.

BERI has two services that include variables of interest for the purpose of this paper: The Business Risk Service, and the FORELEND or Lender Risk Rating. Both services are supervised by Dr. F.T. Haner, founder and senior editor. A number of analysts review various data sources and produce initial draft reports, relying on an international network of sources for intelligence in the field. BERI convenes two permanent panels of about 105 experts from all over the world. These panels provide country ratings and qualitative observations on the basis of these initial reports. One panel assesses political conditions, and the other offers perspectives on the business operating environment. These ratings are constructed using the Delphi method, in which panelists are also supplied with the ratings they produced in previous assessments as well as the panel average score for each measure.

BERI monitors 50 countries three times per year, assessing 57 criteria separated into three indices. The Political Risk Index (PRI) focuses on sociopolitical conditions in a country. Diplomats and political scientists rate the present condition of eight causes and two symptoms of political risk, using a scale from 7 (no problem) to 0 (prohibitive problem). The Operation Risk Index (ORI) identifies major bottlenecks for business development, rating 15 criteria on a scale of 0 (unacceptable conditions) to 4 (superior conditions). The R factor assesses a country's willingness to allow foreign companies to convert and repatriate profits and to import components, equipment and raw materials. It is composed of 4 sub-indices, one of which assesses the quality of legal framework in terms of statutory laws and actual practice.

BERI also produced a different set of indicators, the Quantitative Risk Measure in Foreign Lending (QLM), measuring the qualitative risk factors in credit exposure in 115 countries using a scale from 0 (high risk) to 100 (low risk). In the table below we list the variables included in each of the governance indicators. We use BERI's data for the last quarters of 1996, 1998, 2000, 2002 and 2004.

Table A6: Business Environment Risk Intelligence (50 developed and developing countries)

	2004	2002	2000	1998	1996
Voice and Accountability					
NA	..	..	..	..	..
Political Stability					
Political Risk Index: External Causes of Political Risk: Dependence on/Importance to a Hostile Major Power	X	X	X	X	X
Political Risk Index: External Causes of Political Risk: Negative Influences of Regional Political Forces	X	X	X	X	X
Political Risk Index: Internal Causes of Political Risk: Social Conditions: Wealth Distribution, Population	X	X	X	X	X
Political Risk Index: Internal Causes of Political Risk: Fractionalization of political spectrum and the power of these factions.	X	X	X	X	X
Political Risk Index: Internal Causes of Political Risk: Fractionalization by language, ethnic and/or religious groups and the power of these factions.	X	X	X	X	X
Political Risk Index: Internal Causes of Political Risk: Restrictive (coercive) measures required to retain power.	X	X	X	X	X
Political Risk Index: Internal Causes of Political Risk: Organization and strength of forces for a radical government.	X	X	X	X	X
Political Risk Index: Symptoms of Political Risk: Societal conflict involving demonstrations, strikes, and street violence.	X	X	X	X	X
Political Risk Index: Symptoms of Political Risk: Instability as perceived by non-constitutional changes, assassinations, and guerilla wars.	X	X	X	X	X
Government Effectiveness					
Operation Risk Index: Bureaucratic delays	X	X	X	X	X
Regulatory Quality					
NA	..	..	..	..	..
Rule of Law					
Operation Risk Index: Enforceability of contracts	X	X	X	X	X
Direct Financial Fraud, Money Laundering and Organized Crime (QLM) *	X	X	X	X	X
Control of Corruption					
Political Risk Index: Internal Causes of Political Risk: Mentality, including xenophobia, nationalism, corruption, nepotism, willingness to compromise.	X	X	X	X	X
Indirect Diversion of Funds (QLM) *	X	X	X	X	X
* country coverage: 115 countries					

TABLE A7: Columbia University (CUD)**A7: State Capacity Survey (CUD)**
<http://www.columbia.edu>

The State Capacity Survey was developed in 1999 under the direction of Marc Levy of the CIESIN at Columbia University, resulting in a set of 31 multiple-choice questions and three open-ended questions. The survey asks questions in five broad categories: political context, state legitimacy, human resources and organizations, institutions, and overall capacity. Data were obtained on 108 and 97 countries from assessments completed by 164 experts during 2000 and 2002, respectively.

In the table below we list the questions included in each of the governance indicators. We use data from the 2000 and 2002/3 (applied to both 2002 and 2004) surveys.

Table A7: State Capacity Survey (97 developed and developing countries)					
	2004	2002	2000	1998	1996
Voice and Accountability					
To what extent does the state and/or its allied groups engage in repression of its citizens?	X	X	X	..	..
In carrying out internal security tasks, to what extent does the state rely on tactics commonly considered illegitimate in the international community?	X	X	X	..	..
Political Stability					
Assess the degree to which the decline or collapse of central political authority posed a threat to political stability in this country.	X	X	X	..	..
Assess the degree to which political protest posed a threat to political stability in this country.	X	X	X	..	..
Assess the degree to which ethno-cultural and/or religious conflict posed a threat to political stability in this country.	X	X	X	..	..
Assess the degree to which external military intervention posed a threat to political stability in this country.	X	X	X	..	..
Government Effectiveness					
Rate the administrative and technical skills of the country's civil service (occupying middle and higher management roles).	X	X	X	..	..
Rate the efficiency of the country's national bureaucracies overall.	X	X	X	..	..
Rate the efficiency of the country's local-level government bureaucracies overall.	X	X	X	..	..
Rate the effectiveness of coordination between the central government and local-level government organizations.	X	X	X	..	..
Rate the state's ability to formulate and implement national policy initiatives.					
Rate the state's effectiveness at collecting taxes or other forms of government revenue.	X	X	X	..	..
Does the central government produce a national budget in a timely manner?	X	X	X	..	..
Do local governments produce budgets in a timely manner?	X	X	X	..	..
Rate the state's ability to monitor socioeconomic trends, activities, and conditions within its borders	X	X	X	..	..
Rate the state's ability to create, deliver, and maintain vital national infrastructure.	X	X	X	..	..
Rate the state's ability to respond effectively to domestic economic problems.	X	X	X	..	..
Rate the state's ability to respond effectively to natural disasters.	X	X	X	..	..
Regulatory Quality					
NA	..	..	..	..	..
Rule of Law					
For the most part, is the state seen as legitimately representing its citizens?	X	X	X	..	..
Rate the state's adherence to the rule of law, considering the country as a whole.	X	X	X	..	..
Control of Corruption					
Rate the severity of corruption within the state	X	X	X	..	..
To what extent do the country's primary political decision makers engage in patterns of nepotism, cronyism and patronage?	X	X	X	..	..
To what extent do the country's civil service (occupying middle and higher management roles) engage in patterns of nepotism, cronyism and patronage?	X	X	X	..	..
To what extent do patterns of nepotism, cronyism and patronage undermine the state's ability to exercise the basic functions of government effectively?	X	X	X	..	..
To what extent do patterns of nepotism, cronyism and patronage distort broad patterns of economic development?	X	X	X	..	..

TABLE A8: Country Policy and Institutional Assessment (CPIA)

A8: Country Policy & Institutional Assessment (CPIA)
<http://www.worldbank.org>

The Country Policy and Institutional Assessment (CPIA) annually assesses the quality of World Bank borrowers' policy and institutional performance in areas relevant to economic growth and poverty reduction. Country assessments began in the World Bank in the late 1970s to help guide the allocation of lending resources. The methodology has evolved over time, reflecting lessons learned and mirroring the evolution of the development paradigm. While in earlier years assessments focused mainly on macroeconomic policies, they now include other factors relevant to poverty reduction, such as social inclusion, equity and governance.

The CPIA consists of equally weighted criteria representing the policy dimensions of an effective poverty reduction and growth strategy. The criteria are grouped in four clusters. Cluster A, Economic Management, covers economic policies. Cluster B, Structural Policies, covers a broad range of structural policies: trade policies, financial depth, market competition, and environmental sustainability. Cluster C, Policies for Social Inclusion and Equity, focuses on social equity and broad-based growth, and aims to capture the extent to which a country's policies and institutions ensure that the benefits of growth are widespread, contribute to the accumulation of social capital, and direct public programs to poor people and reduce their vulnerability to various kinds of shocks. Cluster D, Public Sector Management and Institutions, aims to capture key aspects of good governance, a vital

For each of the criteria, countries are assessed on a scale of 1 (low) to 6 (high). The ratings are prepared by the World Bank's country economists and focus on the quality of the country's current policies and institutions, which are the main determinants of the present prospects for aid effectiveness. The rating assigned for each criterion reflects a variety of indicators, observations, and judgments: ratings are based on country knowledge obtained from country dialogue and the Country Assistance Strategy (CAS) process, the available body of economic and sector work (ESW), project preparation and supervision, and project and CAS monitoring and evaluation.

In the table below we list the variables included in each of the governance indicators. We use data for 1996, 1998, 2000, 2002 and 2003. 2004 data was used for 17 benchmark countries.

Table A8: Country Policy & Institutional Assessment (136 developing countries)					
	2004	2002	2000	1998	1996
Voice and Accountability					
NA	..	..	..	..	..
Political Stability and Lack of Violence					
NA	..	..	..	..	..
Government Effectiveness					
Management of external debt	X	X	X	X	X
Management of development programs	X	X	X	X	..
Quality public Administration / Public expenditure management	X	X	X	X	X
Budget Management	X	X	X	X	X
Efficiency of Public Expenditures	X	X	X	X	X
Regulatory Quality					
Competitive environment	X	X	X	X	X
Factor and products markets	X	X	X	X	X
Trade policy	X	X	X	X	X
Rule of Law					
Property rights	X	X	X	X	..
Control of Corruption					
Transparency, accountability and corruption in public sector	X	X	X	X	..

TABLE A9: Economist Intelligence Unit (EIU)**A9: The Economist Intelligence Unit (EIU)**<http://www.eiu.com>

The Economist Intelligence Unit is a for-profit organization producing analysis and forecasts of the political, economic and business environment in more than 180 countries. The EIU was founded in 1949 and is based in London. In 1997, the EIU launched two quarterly publications which contain some governance measures: The Country Risk Service, and the Country Forecasts. The assessments in these publications are based on regular contributions from a global network of more than 500 information-gatherers. A panel of regional experts checks the accuracy, consistency and impartiality of these assessments. Our databases utilize data about the individual subcomponents of these country risk ratings, that were made available to us by EIU.

In the table below we list the variables included in each of the governance indicators. In this paper, we use data from January 1997, 1998, 2000 November 2002 and November 2004.

Table A9: Economist Intelligence Unit (120 developed and developing countries)					
	2004	2002	2000	1998	1996
Voice and Accountability					
Orderly transfers	X	X	X	X	X
Vested interests	X	X	..	..	X
Accountability of Public Officials	X	X	..	..	X
Human Rights	X	X	..	..	X
Freedom of association	X	X	..	..	X
Political Stability					
Armed conflict	X	X	X	X	X
Violent demonstrations	X	X	..	..	X
Social Unrest	X	X	X	X	X
International tensions / terrorist threat	X	X	X	X	X
Government Effectiveness					
Quality of bureaucracy / institutional effectiveness	X	X	X	X	X
Excessive bureaucracy / red tape	X	X	X	X	X
Government policy (pro business stance)	..	..	X	X	..
Regulatory Quality					
Unfair competitive practices	X	X	..	..	X
Price controls	X	X	..	..	X
Discriminatory tariffs	X	X	..	..	X
Excessive protections	X	X	..	..	X
Discriminatory taxes	X	X	..	..	X
Rule of Law					
Violent crime	X	X	X	X	X
Organized crime	X	X	X	X	X
Fairness of judicial process	X	X	X	X	X
Enforceability of contracts	X	X	..	..	X
Speediness of judicial process	X	X	..	..	X
Confiscation/expropriation	X	X	..	..	X
Intellectual property rights protection	X	X	..	..	X
Private property protection	X	X	..	..	X
Control of Corruption					
Corruption among public officials	X	X	X	X	X
<i>Country coverage</i>	120	115	115	115	115

TABLE A10: European Bank for Reconstruction and Development (EBR)

A10: European Bank for Reconstruction and Development (EBR)

<http://www.ebrd.org>

The EBRD is an international organization which supports the transition towards open market-oriented economies and promotes private and entrepreneurial initiative in the countries of Central and Eastern Europe and the Commonwealth of Independent States (CIS). The EBRD is based in London.

The EBRD publishes an annual Transition Report, which includes a number of governance variables in its Transition Indicators and Survey of Legal Reforms. The Transition Report presents eight "Transition Indicators" representing "cumulative progress in the movement from a centrally planned economy to a market economy" for 26 transition economies. The subjective indicators are based on a checklist of various objective measures and reflect the views of EBRD staff.

Beginning in 1996, the EBRD has conducted in 26 countries a survey of local public officials, private firms, academics, lawyers, and other experts, in order to assess the progress made in financial legal reform in transition economies. The survey considered two areas of financial legal reform: banking and securities activities. For each area, two indices describing the extensiveness and effectiveness of the financial legal framework were developed, for a total of four ratings. The "extensiveness" ratings measure how closely legal rules affecting investment follow international standards. "Effectiveness" reflects how clear, accessible and adequately-supported the legal rules are. Both are intended to provide a measure of how conducive the laws of these countries are to fostering investment. Both indices however were discontinued in 2003.

In this paper we use data from the 1996, 1998, 2000, 2002 and 2004 Transition Reports. In the table below we list the variables included in each of the governance indicators.

Table A10: European Bank for Reconstruction and Development (27 transition economies)					
	2004	2002	2000	1998	1996
Voice and Accountability					
NA	..	..	..	..	..
Political Stability					
NA	..	..	..	..	..
Government Effectiveness					
NA	..	..	..	..	..
Regulatory Quality					
Price liberalisation	X	X	X	X	X
Trade & foreign exchange system	X	X	X	X	X
Competition policy	X	X	X	X	X
Commercial Law Extensiveness	..	X	X	X	..
Commercial Law Effectiveness	..	X	X	X	..
Financial Regulations: extensiveness	..	X	X	X	..
Financial regulations: effectiveness	..	X	X	X	..
Rule of Law					
NA	..	..	..	..	..
Control of Corruption					
NA	..	..	..	..	..

TABLE A11: Freedom House (FRH, FHT, CCR)

A11: Freedom House (FRH, FHT, CCR)

<http://www.freedomhouse.org>.

Freedom House is a non-governmental organization which promotes democratic values around the world. Freedom House was established in 1941 and is headquartered in New York City.

We rely on data from three Freedom House publications. "Freedom in the World" was launched in 1955, and became an annual publication in 1978, covering 192 countries and/or related and disputed territories. "Nations in Transit" was launched in 1995 and covers 28 post-communist countries. Finally, "Countries at the Crossroads" was launched in 2004 and covers 30 developing countries.

Freedom House develops its assessments using a team of academic advisors, in-house experts, published resources, and local correspondents including human rights activists, journalists, editors and political figures. Freedom House staff also conduct regular fact-finding missions to countries being assessed. An academic advisory board provides input to the project in general.

Freedom in the World (FRH). This publication evaluates political rights and civil liberties around the world. Freedom House defines political rights as those freedoms that enable people to participate freely in the political process, and civil liberties as the freedom to develop views, institutions and personal autonomy apart from the state. For all countries, the subjective assessments are based on checklists of rights and freedoms. A Freedom House team assigns a rating to each item on the checklist and produces an initial assessment for each country. The team then assess whether the checklists might have missed an important factor for a particular country. The scores are then reviewed to ensure quality and consistency across countries, and a final rating is produced.

Freedom House Nations in Transit (FNT). This publication evaluates the progress in democratic and economic reform in post-communist countries. Country surveys are written by Freedom House staff or consultants and are reviewed by academics and senior Freedom House staff. Each report is divided into nine sections, ranging from the political process to progress in price liberalization. For each section, a preliminary rating is based on a checklist of issues. The academic oversight board establishes the final ratings by consensus following extensive discussions and debate, which are reviewed by the Freedom House rating committee.

Countries at the Crossroads (CCR). This publication is a first-of-its-kind survey of democratic governance that evaluates performance in 30 key countries that are at a crossroads in determining their political future. The Countries at the Crossroads survey offers scholars, analysts, and officials a unique comparative tool for assessing government performance in the areas of civil liberties, rule of law, anticorruption and transparency, and

In the table below we list the variables included in each of the governance indicators. In this paper we use data from the 1995-1996, 1997-98, 2000-2001, 2002-2003 and 2004-2005 editions of Freedom in the World, the 2004 edition of Countries at the Crossroads and the 1996, 1998, 2000, 2002 and 2004 editions of Nations in Transit.

Table A11: Freedom in the World (193 developed and developing countries) / Nations in Transit (27 transition economies) / Countries at the Crossroads (30 developing countries)

	2004	2002	2000	1998	1996
Voice and Accountability					
<i>Political Rights</i>	X	X	X	X	X
Is the head of state and/or head of government or other chief authority elected through free and fair elections?					
Are the legislative representatives elected through free and fair elections?					
Are there fair electoral laws?					
Are the voters able to endow their freely elected representatives with real power?					
Do the people have the right to freely organize in different political parties or other competitive political groupings of their choice, and is the system open to the rise and fall of these competing parties or groupings?					
Is there a significant opposition vote, de facto opposition power, and a realistic possibility for the opposition to increase its support or gain power through elections?					
Are the people free from domination by the military, foreign powers, totalitarian parties, religious hierarchies, economic oligarchies or any other powerful groups?					
Do cultural, ethnic, religious and other minority groups have reasonable self-determination, self-government, autonomy or participation through informal consensus in the decision-making process?					
<i>Civil Liberties</i>	X	X	X	X	X
Are there free and independent media, literature and other cultural expressions?					
Is there open public discussion and free private discussion?					
Is there freedom of assembly and demonstration?					
Is there freedom of political or quasi-political organization?					
Are citizens equal under the law, with access to an independent, nondiscriminatory judiciary, and are they respected by the security forces?					
Is there protection from political terror, and from unjustified imprisonment, exile or torture, whether by groups that support or oppose the system, and freedom from war or insurgency situations?					
Are there free trade unions and peasant organizations or equivalents, and is there effective collective bargaining?					
Are there free professional and other private organizations?					
Are there free businesses or cooperatives?					
Are there free religious institutions and free private and public religious expressions?					
Are there personal social freedoms, which include such aspects as gender equality, property rights, freedom of movement, choice of residence, and choice of marriage and size of family?					
Is there equality of opportunity, which includes freedom from exploitation by or dependency on landlords, employers, union leaders, bureaucrats or any other type of denigrating obstacle to a share of legitimate economic gains?					
Is there freedom from extreme government indifference and corruption?					

Table A11: Freedom in the World (193 developed and developing countries) / Nations in Transit (27 transition economies) / Countries at the Crossroads (30 developing countries) - cont.

	2004	2002	2000	1998	1996
<i>Freedom of the Press</i>	X	X	X	X	X
Laws and Practice: Assess whether or not dissent is allowed, if private media are permitted alongside governmental broadcasting, if independent media, in practice, are permitted to express diverse views					
Political Influence over Media Content: This category reflects political pressure on the content of both privately owned and government media, and takes into account the day-to-day conditions in which journalists work, threats from organized crime, or from religious extremists, for example, often generate self-censorship and so negatively affect the media environment					
Economic influence over Media Content: Influence may come from the government or from private entrepreneurs. This reflects competitive pressures in the private sector that distort reportage as well as economic favoritism or reprisals by government for unwanted press coverage					
Actual Incident of Violations of Press Freedom: Murders, arrests, suspension and other violations create a sense of fear which may discourage objective reporting					
<i>Nations in Transit</i>					
Political Process: Deals with elections, referenda, party configuration, conditions for political competition, and popular participation in elections.	X	X	X	X	X
Civil Society: Highlights the degree to which volunteerism, trade unionism, and professional associations exist, and whether civic organizations are influential	X	X	X	X	X
Independent Media: Press freedom, public access to a variety of information sources, and independence of those sources from undue government or other influences.	X	X	X	X	X
<i>Countries at the Crossroads</i>					
Civil Liberties	X	..	..	..	..
Accountability and public voice	X	..	..	..	..
Political Stability					
NA	..	..	..	..	..
Government Effectiveness					
<i>Nations in Transit:</i> Government and Administration: Government decentralization, independent and responsibilities of local and regional governments, and legislative and executive transparency are discussed.	X	X	X	X	X
Regulatory Quality					
N/A	..	..	..	..	..
Rule of Law					
<i>Nations in Transit:</i> Considers judicial and constitutional matters as well as the legal and de facto status of ethnic minorities.	X	X	X	X	X
<i>Countries at the Crossroads:</i> Rule of Law	X	..	..	..	..
Control of Corruption					
<i>Nations in Transit:</i> corruption	X	X	X	X	..
<i>Countries at the Crossroads:</i> Anti-Corruption and Transparency	X	..	..	..	..

TABLE A12: Furnar's Index of Budget Transparency (LAI)

A12: Furnar's Index of Budget Transparency

<http://www.internationalbudget.org/themes/BudTrans/LA03.htm>

The Index of Budget Transparency is coordinated by Fundar, a Mexican NGO, and leading NGOs in each country. 4 expert panels (Legislators, Media, Academic experts, NGOs) are asked to evaluate different aspects of the budget process in their countries such as access to budget information, citizen's participation and credibility of institutions.

Each country receive an overall transparency rating from 1 to 100, with 100 being highly transparent. The overall rating is based on the percentage of positive answers to questions within the following categories:

1. Citizen participation
2. Role and participation of the legislature
3. Information on macroeconomic criteria
4. Budget allocation
5. Changes in the budget
6. Budget oversight
7. Capacities of external control body
8. Credibility of the internal comptroller
9. Accountability
10. Supervision of federal officials
11. Information on federal debt
12. Quality of information and statistics
13. Responsibilities among governmental levels
14. Timelines of information

In the table below we list the variables included in each of the governance indicators. In this paper we use data from the 2001 and 2003 Reports.

Table A12: Furnar's Index of Budget Transparency (10 Latin American countries)					
	2004	2002	2000	1998	1996
Voice and Accountability					
Budget Transparency Index	X	X	..	..	..
Political Stability and Lack of Violence					
NA	..	..	..	..	..
Government Effectiveness					
NA	..	..	..	..	..
Regulatory Quality					
NA	..	..	..	..	..
Rule of Law					
NA	..	..	..	..	..
Control of Corruption					
NA	..	..	..	..	..

TABLE A13: Gallup International (GAL, GMS)**A13: Gallup International**<http://www.gallup-international.com>

Gallup International was founded in May 1947, is registered in Zurich, Switzerland, and has 55 members around the world governed by the same Code of Statutes to ensure technical competence and quality standards.

The Gallup International Millennium Survey polled 57,000 adults in 60 different countries of the world between August and October, 1999. The survey covered a wide range of topics of an ethical, political and religious nature, focusing specifically on issues related to democracy, the United Nations, human rights, women's rights, environment, religion, crime and basic values. This source asks several questions which also appeared in the Gallup 50th Anniversary Survey which we use for 1998.

In 2002, Gallup International initiated a worldwide survey (on an annual basis) called The Voice of the People. The survey interviews citizens all around the world and helps understand the opinion of today's world population on issues like the environment, terrorism, global issues, governance and democracy.

In the table below we list the variables included in each of the governance indicators. In this paper, we use data from the 2002 and 2004 Voice of the People Reports, the 2000 Gallup Millennium Survey and the 1997 50th Anniversary Survey.

Table A13: Gallup International Citizens Surveys (62 developed and developing countries)					
	2004	2002	2000	1998	1996
Voice and Accountability					
Trust in National Government	..	X	..	..	..
Trust in the Parliament	..	X	..	..	..
Percent who believe the country is governed by the will of the people	..	..	X	..	..
Percent who believe elections are free and fair	..	..	X	..	..
Percent who believe the government is accountable	..	..	X	..	..
Freedom of speech	..	..	X	..	..
Fairness of elections	X	..	..	..	..
Human Rights	X	..	..	..	..
Political Stability					
Terrorism / crime	X	..	..	..	..
Government Effectiveness					
Percent who believe the government is efficient	..	..	X	..	..
Regulatory Quality					
NA	..	..	..	..	..
Rule of Law					
Trust in the Legal System	..	X	..	..	..
Concern with level of crime	..	..	X	..	..
Control of Corruption					
Percent who believe the government is corrupt	..	..	X	..	..
Frequency of corruption	X	..	..	X	..
Frequency of household bribery	X	..	..	..	..
Extent of grand corruption	X	..	..	..	..
Extent of petty corruption	X	..	..	..	..
<i>Country coverage:</i>	62	46	60	44	

TABLE A14: Global E-Governance (EGV)

A14: Global E-Governance

<http://www.insidepolitics.org/egovt04int.pdf>

The Global E-Governance Index is compiled by the Brown University's Center for Public Policy. Official websites are evaluated for the presence of various features dealing with information availability, service delivery, and public access. Features assessed included the name of the nation, region of the world, and having the following features: online publications, online database, audio clips, video clips, non-native languages or foreign language translation, commercial advertising, premium fees, user payments, disability access, privacy policy, security features, presence of online services, number of different services, digital signatures, credit card payments, email address, comment form, automatic email updates, website personalization, personal digital assistant (PDA) access, and an English version of the website.

Range for the E-Government index- 0 (bad)-100 (good) based on availability of publications and databases (72 points) and number of online services (28 points).

In the table below we list the variables included in each of the governance indicators. In this paper, we use data from the 2002 and 2004 Reports.

Table A14: Global E-Governance (192 developed and developing countries)					
	2004	2002	2000	1998	1996
Voice and Accountability					
NA	..	..	..	..	..
Political Stability and Lack of Violence					
NA	..	..	..	..	..
Government Effectiveness					
Global E-governance Index	X	X	..	..	..
Regulatory Quality					
NA	..	..	..	..	..
Rule of Law					
NA	..	..	..	..	..
Control of Corruption					
NA	..	..	..	..	..

TABLE A15: Global Insight's DRI/McGraw-Hill (DRI)

A15: Global Insight's DRI/McGraw-Hill
<http://www.globalinsight.com>

DRI is an economic consulting and information company which provides data, analysis, forecasts and expert advice to strategic planners, business and financial analysts, and policy makers. It was founded in 1973 and is based in the United States.

In 1996, DRI launched the Country Risk Review (CRR), a quarterly publication providing country risk assessments to international investors. A first draft of the risk ratings in this publication are produced by country analysts, who then submit their preliminary assessment to regional review committees charged with analyzing and challenging these assessment. The global risk service committee evaluates the reviewed assessments to ensure quality and cross-country consistency. The country analysts then produce the final country risk review.

The CRR assesses the relationship between country risk and its effects on the profitability of investments. For each country, DRI identifies a number of "potential sources of risk", specifies measurable "risk events", measures how probable those risk events are, and assesses the severity of impact that each outcome would have. Based on these considerations, DRI produces a risk score for each country.

The CRR identifies a total of 33 "immediate risk events" and 18 "secondary risk events" for 117 developed and developing countries. Immediate risk events are classified into policy risks (tax, and non-tax), and outcome risks (price, and non-price). Secondary risk events are classified into domestic political risks, external political risks, and economic risks. These risk events are described in below.

For each risk event, DRI produces a short run and a long run risk rating. These ratings provide subjective estimates of the likelihood that a particular risk event will occur within one and five years respectively. DRI follows a methodology to ensure that the five year forecasts are consistent with the short-term forecasts. Although these indicators nominally measure the likelihood of future changes in governance concepts, in practice the long-run ratings provide good measures of the current levels of governance.

In the table below we list the variables included in each of the governance indicators. Variable definitions consist of risk events. The actual ratings provide an estimated probability of these events happening. In this paper, we use data for the fourth quarters of 1996, 1998, 2000, 2002 and 2004.

Table A15: DRI/McGraw-Hill (117 developed and developing countries)					
	2004	2002	2000	1998	1996
Voice and Accountability					
NA	..	..	..	..	..
Political Stability					
Domestic Political Risks: Military Coup Risk: A military coup d'etat (or a series of such events) that reduces the GDP growth rate by 2% during any 12-month period.	X	X	X	X	X
Domestic Political Risks: Major Insurgency/Rebellion: An increase in scope or intensity of one or more insurgencies/rebellions that reduces the GDP growth rate by 3% during any 12-month period.	X	X	X	X	X
Domestic Political Risks: Political Terrorism: An increase in scope or intensity of terrorism that reduces the GDP growth rate by 1% during any 12-month period.	X	X	X	X	X
Domestic Political Risks: Political Assassination: A political assassination (or a series of such events) that reduces the GDP growth rate by 1% during any 12-month period.	X	X	X	X	X
Domestic Political Risks: Civil War: An increase in scope or intensity of one or more civil wars that reduces the GDP growth rate by 4% during any 12-month period.	X	X	X	X	X
Domestic Political Risks: Major Urban Riot: An increase in scope, intensity, or frequency of rioting that reduces the GDP growth rate by 1% during any 12-month period.	X	X	X	X	X

Table A15: DRI/McGraw-Hill (131 developed and developing countries) cont.

	2004	2002	2000	1998	1996
Government Effectiveness					
Domestic Political Risk: Government Instability: An increase in government personnel turnover rate at senior levels that reduces the GDP growth rate by 2% during any 12-month period.	X	X	X	X	X
Domestic Political Risk: Government Ineffectiveness: A decline in government personnel quality at any level that reduces the GDP growth rate by 1% during any 12-month period.	X	X	X	X	X
Domestic Political Risk: Institutional Failure: A deterioration of government capacity to cope with national problems as a result of institutional rigidity or gridlock that reduces the GDP growth rate by 1% during any 12-month period.	X	X	X	X	X
Regulatory Quality					
Policies Non-Tax: Regulations -- Exports: A 2% reduction in export volume as a result of a worsening in export regulations or restrictions (such as export limits) during any 12-month period, with respect to the level at the time of the assessment.	X	X	X	X	X
Policies Non-Tax: Regulations -- Imports: A 2% reduction in import volume as a result of a worsening in import regulations or restrictions (such as import quotas) during any 12-month period, with respect to the level at the time of the assessment.	X	X	X	X	X
Policies Non-Tax: Regulations -- Other Business: An increase in other regulatory burdens, with respect to the level at the time of the assessment, that reduces total aggregate investment in real LCU terms by 10%	X	X	X	X	X
Policies Non-Tax: Ownership of Business by Non-Residents: A 1-point increase on a scale from "0" to "10" in legal restrictions on ownership of business by non-residents during any 12-month period.	X	X	X	X	X
Policies Non-Tax: Ownership of Equities by Non-Residents: A 1-point increase on a scale from "0" to "10" in legal restrictions on ownership of equities by non-residents during any 12-month period.	X	X	X	X	X
Rule of Law					
Outcomes Non-Price: Losses and Costs of Crime: A 1-point increase on a scale from "0" to "10" in crime during any 12-month period.	X	X	X	X	X
Domestic Political Risk: Kidnapping of Foreigners: An increase in scope, intensity, or frequency of kidnapping of foreigners that reduces the GDP growth rate by 1% during any 12-month period.	X	X	X	X	X
Policies Non-Tax: Enforceability of Government Contracts: A 1 point decline on a scale from "0" to "10" in the enforceability of contracts during any 12-month period.	X	X	X	X	X
Policies Non-Tax: Enforceability of Private Contracts: A 1-point decline on a scale from "0" to "10" in the legal enforceability of contracts during any 12-month period.	X	X	X	X	X
Control of Corruption					
Risk Event Outcome non-price: Losses and Costs of Corruption: A 1-point increase on a scale from "0" to "10" in corruption during any 12-month period.	X	X	X	X	X

TABLE A16: Heritage Foundation / Wall Street Journal (HER)

A16: Heritage Foundation/Wall Street Journal

<http://www.heritage.org>

The Heritage Foundation is a research and educational institute whose mission is to formulate and promote conservative public policies. The Heritage Foundation was established in 1973.

In 1995 the Heritage Foundation, in partnership with the Wall street Journal, launched its annual Index of Economic Freedom. This index covers 161 countries and measures economic freedoms and prospects for growth in the global economy. The index is designed for cross country research and is intended to assist international investors and aid donors in the allocation of their resources. This index is based on a detailed assessment of 10 different factors, including foreign investment codes, taxes, tariffs, banking regulations, monetary policy, and the black market. For some of these, assessments are mechanically based on objective data, while others are generated as subjective ratings based on a pre-specified checklist.

In the table below we list the variables included in each of the governance indicators. In this paper, we use Heritage data for 1996, 1998, 2000, 2002 and 2004.

Table A16: Heritage Foundation: Index of Economic Freedom (156 developed and developing countries)					
	2004	2002	2000	1998	1996
Voice and Accountability					
NA	..	..	..	..	..
Political Stability					
NA	..	..	..	..	..
Government Effectiveness					
NA	..	..	..	..	..
Regulatory Quality					
Regulation	X	X	X	X	X
Government Intervention	X	X	X	X	X
Wage/Prices	X	X	X	X	X
Trade	X	X	X	X	X
Foreign investment	X	X	X	X	X
Banking	X	X	X	X	X
Rule of Law					
Black market	X	X	X	X	X
Property Rights	X	X	X	X	X
Control of Corruption					
NA	..	..	..	..	..

TABLE A17: IJET's Country Security Risk Ratings (IJT)

A17: IJET's Country Security Risk Ratings

<https://worldcue.ijet.com/tic/login.jsp>

iJET is a privately held company founded in October 1999 and is based in Annapolis, MD. iJET monitors the world around-the-clock and alerts travelers, expatriates and decision-makers to events and situations in real-time to help them avoid or minimize risk and travel disruptions abroad. iJET's professional services offer in-depth analysis of changing risks around the world, and allows organizations to monitor, locate and communicate with traveling employees and expatriates.

In our paper, we use the iJET's security risk ratings for 167 countries worldwide in 2004.

Table A17: IJET Security Ratings (167 developed and developing countries)					
	2004	2002	2000	1998	1996
Voice and Accountability					
NA	..	..	..	..	..
Political Stability					
Security Risk Rating	X	..	..	..	..
Government Effectiveness					
NA	..	..	..	..	..
Regulatory Quality					
NA	..	..	..	..	..
Rule of Law					
NA	..	..	..	..	..
Control of Corruption					
NA	..	..	..	..	..

TABLE A18: Institute for Management Development (WCY)**A18: Institute for Management Development (WCY)**<http://www.imd.ch>.

The Institute for Management Development is an research and educational organization based in Lausanne, Switzerland. It has published the World Competitiveness Yearbook since 1987. Until 1996, this was a joint effort with the World Economic Forum. The World Competitiveness Yearbook analyzes the competitive environment in 47 countries. It is based on both objective data and surveys of perceptions. The survey questions over 4,000 local and foreign enterprises operating in the countries under analysis. Mean scores on the survey questions are reported in the yearbook for all countries. In the table below we list the questions included in the governance database.

In the table below we list the variables included in each of the governance indicators. We use data from the 1996, 1998, 2000, 2002 and 2004 editions of the World Competitiveness Yearbook.

Table A18: Institute for Management Development (49 developed and developing)					
	2004	2002	2000	1998	1996
Voice and Accountability					
Transparency of Government policy	X	X	X	X	X
Political Stability					
The risk of political instability is very high	X	X	X	..	..
Government Effectiveness					
Government economic policies do not adapt quickly to changes in the economy	X	X	X	..	X
The public service is not independent from political interference	X	X	X	X	X
Government decisions are not effectively implemented	X	X	X	X	..
Bureaucracy hinders business activity	X	X	X	X	X
The distribution infrastructure of goods and services is generally inefficient	X	X	X	..	X
Political System is not adapted to todays' economic challenges	..	..	X	..	X
Policy direction is not consistent	X	..	..	..	..
Regulatory Quality					
The exchange rate policy of your country hinders the competitiveness of firms	X	X	..	..	..
Protectionism in the country negatively affects the conduct of business	X	X	X	X	..
Competition legislation in your country does not prevent unfair competition	X	X	X	X	X
Price controls affect pricing of products in most industries	X	X	X	X	X
Legal regulation of financial institutions is inadequate for financial stability	X	X	X	X	X
Foreign financial institutions do not have access to the domestic market	..	X	..	..	X
Access to capital markets (foreign and domestic) is easily available	X	X	..	..	..
Ease of doing business is not a competitive advantage for your country	X	X	..	..	..
Financial institutions' transparency is not widely developed in your country	X	X	..	..	..
Customs' authorities do not facilitate the efficient transit of goods	X	X	X	X	..
The legal framework is detrimental to your country's competitiveness	X	X	X	X	..
Foreign investors are free to acquire control in domestic companies	X	X	X	X	..
Public sector contracts are sufficiently open to foreign bidders	X	X	X	X	X
Real personal taxes are non distortionary	X	X	X	X	X
Real corporate taxes are non distortionary	X	X	X	X	..
Banking regulation does not hinder competitiveness	X	X	..	..	..
Political system as obstacle to development	..	..	X	X	..
Labor regulations hinder business activities	X	..	..	..	..
New Legislation restricts competitiveness	X	..	..	..	..
Subsidies impair economic development	X	..	..	..	..
Ease to start a business	X	..	..	..	..
Rule of Law					
Tax evasion is a common practice in your country	X	X	X	X	..
Justice is not fairly administered in society	X	X	X	X	X
Personal security and private property are not adequately protected	X	X	X	X	X
Parallel economy impairs economic development in your country	X	X	X	X	X
Insider trading is common in the stock market	X	X	..	..	X
Patent and copyright protection is not adequately enforced in your country	X	X	..	X	X
Control of Corruption					
Bribing and corruption exist in the economy	X	X	X	X	X

TABLE A19: International Research & Exchanges Board (MSI)

A19: Media Sustainability Index (MSI)

<http://www.irex.org>

The International Research & Exchanges Board (IREX) is an international nonprofit organization specializing in education, independent media, Internet development, and civil society programs. Through training, partnerships, education, research, and grant programs, IREX develops the capacity of individuals and institutions to contribute to their societies.

Through the financial assistance of USAID, IREX introduced in 2002 the Media Sustainability Index, a valuable tool for media development practitioners, public officials, scholars and others concerned about the region's media. The Media Sustainability Index is the only study that looks at the entire media system in each of 20 countries in Southeast Europe and Eurasia. The MSI analyzes issues such as freedom of speech, plurality of media available to citizens, professional journalism standards, business sustainability of media, and the efficacy of institutions that support independent media.

In the table below we list the variables included in each of the governance indicators. We use data from the 2002 and 2004 Reports

Table A19: Media Sustainability Index (18 developing countries)					
	2004	2002	2000	1998	1996
Voice and Accountability					
Media Sustainability Index	X	X	..	..	..
Political Stability and Lack of Violence					
NA	..	..	..	..	..
Government Effectiveness					
NA	..	..	..	..	..
Regulatory Quality					
NA	..	..	..	..	..
Rule of Law					
NA	..	..	..	..	..
Control of Corruption					
NA	..	..	..	..	..

TABLE A20: Latinobarometro (LBO)

A20: Latinobarometro
<http://www.latinobarometro.org>

Latinobarometro is a public opinion survey representing the opinions, attitudes, behaviour and values of citizens of the countries in which it is conducted. The survey began being applied regularly in 8 countries of the region in 1995, and in 17 countries beginning in 1996. Latinobarometro conducts an annual survey, using representative samples and an identical questionnaire in each country. It asks questions in the following areas: Economy and International Trade, Integration and Regional Trading Blocks, -Democracy, Politics and Institutions, Social Policies, Civic Culture, Social Capital and Social Fraud, The Environment, Current Issues.

In the table below we list the variables included in each of the governance indicators. We use data from the 1996, 1998, 2000, 2002 and 2004 surveys.

Table A20: Latinobarometro (17 Latin American countries)					
	2004	2002	2000	1998	1996
Voice and Accountability					
Satisfaction with democracy	X	X	..	X	X
Trust in Parliament	X	..	..	X	..
Political Stability					
Country terrorist threat	..	X	..	..	..
Government Effectiveness					
Trust in Government	X	X	..	..	..
Regulatory Quality					
NA	..	..	..	..	..
Rule of Law					
Trust in Judiciary	X	X	X	X	X
Trust in Police	X	X	X	X	X
Have you been a victim of crime?	X	..	..	..	..
Control of Corruption					
Frequency of corruption	X	X	X	X	..
It is likely to bribe policemen	X	..	..	..	..
It is likely to bribe judges	X	..	..	..	..
It is likely to bribe public servants	X	..	..	..	..

TABLE A21: Merchant International Group (MIG)

A21: Merchant International Group (MIG)

<http://www.merchantinternational.com>

Established in 1982, the Merchant International Group Limited ("MIG") is a strategic research and corporate intelligence company developed to provide a range of support services (from identification to evaluation of all manner of risks, weaknesses and threats) to corporates in non-domestic markets.

MIG developed a framework that identifies ten distinctive categories of Grey Area Dynamics™. Each refers to a range of events, activities and trends that impact upon business. Their impact is of varying severity and may be positive or negative, though typically, Grey Area Dynamics™ take the form of obstacles to progress in non-domestic markets.

In the table below we list the variables included in each of the governance indicators. We use data from 2002 and 2004.

Table A21: Grey Area Dynamics (154 developed and developing countries)					
	2004	2002	2000	1998	1996
Voice and Accountability					
NA	..	..	..	..	..
Political Stability and Lack of Violence					
Extremism	X	X	..	..	..
Government Effectiveness					
Bureaucracy	X	X	..	..	..
Regulatory Quality					
Unfair Trade	X	X	..	..	..
Unfair Competition	X	X	..	..	..
Rule of Law					
Legal Safeguards	X	X	..	..	..
Organized Crime	X	X	..	..	..
Control of Corruption					
Corruption	X	X	..	..	..
<i>Country coverage</i>	155	118	..	..	..

TABLE A22: Political Economic Risk Consultancy (PERC)

A22. Political Economic Risk Consultancy (PERC)

<http://www.asiarisk.com/>

Founded in 1976 and headquartered in Hong Kong, the Political and Economic Risk Consultancy specializes in strategic information and analysis for companies doing business in the countries in East and Southeast Asia.

PERC has conducted various surveys of expatriate business managers in the East Asia region. The original results of these surveys were published under the titles "Corruption in Asia in 1999" (from Asian Intelligence Issue #531 March 23, 1999). Based on the average responses in these surveys, PERC has produced country ratings. In this paper, we use data from the 1998, 2000, 2002 and 2004 surveys.

Corruption in Asia

In this survey, foreign managers working within the East Asia region were questioned about their perception of corruption, the quality of the legal system, and the professionalism and reliability of the police and judiciary. We have obtained their data on corruption for 12 countries, based on a total of 427 responses. With respect to corruption, respondents were asked "To what extent does corruption exist in a way that detracts from the business environment for foreign companies?"

Table A22: Political Economic Risk Consultancy (14 developing and developed countries)

	2004	2002	2000	1998	1996
Voice and Accountability					
NA	..	..	..	..	..
Political Stability					
NA	..	..	..	..	..
Government Effectiveness					
NA	..	..	..	..	..
Regulatory Quality					
NA	..	..	..	..	..
Rule of Law					
NA	..	..	..	..	..
Control of Corruption					
To what extent does corruption exist in a way that detracts from the business environment for foreign companies?	X	X	X	X	..

TABLE A23: Political Risk Services (PRS)

A23: Political Risk Services (PRS)

<http://www.prsgroup.com>

The PRS group is an affiliate of Investment Business with Knowledge (IBK), a United States-based corporation providing up-to-date country information for international business. PRS was founded in 1980 and is headquartered in Syracuse, New York.

Since 1982, PRS has produced the International Country Risk Guide (ICRG) which provides assessments of a political, economic and financial risks in a large number of developed and developing countries. These assessments are based on the analysis of a worldwide network of experts, and is subject to a peer review process at subject and regional levels to ensure the coherence and comparability across countries. The ICRG assesses three major categories of risk: political (with 12 components), financial (5 components) and economic (6 components). We use components of the Political Risk Index, which report subjective assessments of the factors influencing the business environment in a particular country.

In the table below we list the variables included in each of the governance indicators. In this paper we use data from 1996, 1998, 2000, 2002 and 2004.

Table A23: Political Risk Services (140 developed and developing countries)

	2004	2002	2000	1998	1996
Voice and Accountability					
<i>Military in Politics</i> The military are not elected by anyone, so their participation in government, either direct or indirect, reduces accountability and therefore represents a risk. The threat of military intervention might lead as well to an anticipated potentially inefficient change in policy or even in government. It also works as an indication that the government is unable to function effectively and that the country has an uneasy environment for foreign business.	X	X	X	X	X
<i>Democratic Accountability.</i> Quantifies how responsive government is to its people, on the basis that the less response there is the more likely is that the government will fall, peacefully or violently. It includes not only if free and fair elections are in place, but also how likely is the government to remain in power or remain popular.	X	X	X	X	X
Political Stability					
<i>Internal Conflict.</i> Assess political violence and its influence on governance. Highest scores go to countries with no armed opposition, and where the government does not indulge in arbitrary violence, direct or indirect. Lowest ratings go to civil war torn countries. Intermediate ratings are awarded on the basis of the threats to the government and business.	X	X	X	X	X
<i>External conflict:</i> The external conflict measure is an assessment both of the risk to the incumbent government and to inward investment. It ranges from trade restrictions and embargoes, whether imposed by a single country, a group of countries, or the international community as a whole, through geopolitical disputes, armed threats, exchanges of fire on borders, border incursions, foreign-supported insurgency, and full-scale warfare.	X	X	X	X	X
<i>Ethnic tensions:</i> This component measures the degree of tension within a country attributable to racial, nationality, or language divisions. Lower ratings are given to countries where racial and nationality tensions are high because opposing groups are intolerant and unwilling to compromise. Higher ratings are given to countries where tensions are minimal, even though such differences may still exist.	X	X	X	X	X
Government Effectiveness					
<i>Government Stability.</i> Measures the government's ability to carry out its declared programs, and its ability to stay in office. This will depend on issues as: the type of governance, the cohesion of the government and governing party or parties, the closeness of the next election, the government command of the legislature, and approval of government policies.	X	X	X	X	X
<i>Bureaucratic Quality.</i> Measures institutional strength and quality of the civil service, assess how much strength and expertise bureaucrats have and how able they are to manage political alternations without drastic interruptions in government services, or policy changes. Good performers have somewhat autonomous bureaucracies, free from political pressures, and an established mechanism for recruitment and training.	X	X	X	X	X
Regulatory Quality					
<i>Investment Profile.</i> Includes the risk to operations (scored from 0 to 4, increasing in risk); taxation (scored from 0 to 3), repatriation (scored from 0 to 3); repatriation (scored from 0 to 3) and labor costs (scored from 0 to 2). They all look at the government's attitude towards investment.	X	X	X	X	X
Rule of Law					
<i>Law and Order.</i> The Law sub-component is an assessment of the strength and impartiality of the legal system, while the Order sub-component is an assessment of popular observance of the law.	X	X	X	X	X
Control of Corruption					
<i>Corruption.</i> Measures corruption within the political system, which distorts the economic and financial environment, reduces the efficiency of government and business by enabling people to assume positions of power through patronage rather than ability, and introduces an inherent instability in the political system.	X	X	X	X	X

TABLE A24: PriceWaterhouseCoopers (OPF)

A24. PriceWaterhouseCoopers (OPF)

<http://www.opacityindex.com/>

PricewaterhouseCoopers (OPF) is a U.S.-based professional services firm. It has set up an "Endowment for Transparency and Sustainability" aimed at supporting research efforts world-wide that shed light on two related topics of global importance: transparency in business and government, and sustainable economic development. Using a team of economists, survey professionals, analysts, and distinguished advisors, it has constructed an "Opacity Index" measuring the lack of transparency in 35 countries.

Opacity is defined as "the lack of clear, accurate, formal, easily discernible, and widely accepted practices" in the following areas: corruption in government bureaucracy, laws governing contracts or property rights, economic policies, accounting standards, and business regulation. The index was constructed based on responses to a survey of chief financial officers of medium- and large firms, equity analysts, bankers, and PWC employees resident in each country surveyed. The survey was conducted in 35 industrial and major developing countries during the second and third quarter of 2000.

In the table below we list the variables included in each of the governance indicators. We use data from 2000.

Table A24: Price-Waterhouse Coopers's Opacity Factor (35 developed and developing)					
	2004	2002	2000	1998	1996
Voice and Accountability					
NA
Political Stability					
NA
Government Effectiveness					
Economic	X	..	..
Regulatory Quality					
Regulation	X	..	..
Rule of Law					
NA
Control of Corruption					
Corruption	X	..	..

TABLE A25: Reporters Without Borders (RSF)

A25: Reporters Without Borders
<http://www.rsf.org>

Reporters Without Borders - headquartered in Paris - is an international organization dedicated to the protection of reporters and respect of press freedom in the world. In 2002, International Reporters Without Borders published its first worldwide press freedom index, compiled for 139 countries. The organisation's initiatives are being carried out on five continents through its national branches and its offices in Abidjan, Bangkok, Buenos Aires, Istanbul, Montreal, Nairobi, New York, Tokyo and Washington. It also works in close co-operation with local and regional press freedom organisations and with members of the "Reporters without Borders' Network."

The index was drawn up by asking journalists, researchers and legal experts worldwide to answer 50 questions about the whole range of press freedom violations (such as murders or arrests of journalists, censorship, pressure, state monopolies in various fields, punishment of press law offences and regulation of the media).

In the table below we list the variables included in each of the governance indicators. We use data from 2002 and 2004.

Table A25: Reporters Without Borders (138 developed and developing countries)					
	2004	2002	2000	1998	1996
Voice and Accountability					
Press Freedom Index	X	X	..	..	..
Political Stability and Lack of Violence					
NA	..	..	..	..	..
Government Effectiveness					
NA	..	..	..	..	..
Regulatory Quality					
NA	..	..	..	..	..
Rule of Law					
NA	..	..	..	..	..
Control of Corruption					
NA	..	..	..	..	..

TABLE A26: State Department / Amnesty International (HUM / PTS)

A26: State Department / Amnesty International - Human Rights Database

<http://www.humanrightsdata.com>

http://www.unca.edu/politicalscience/faculty-staff/gibney_docs/pts.xls

We gather data from two different studies who have compiled a set of human rights indicators, drawing from the State Department's and Amnesty International's Human Rights Reports

The State Department's Country Reports on Human Rights Practices cover global human rights practices in the previous calendar years. Reports are generated through data gathered by the State Department from all of its embassies and representations throughout the world.

The Amnesty International's Annual Reports cover global human rights conditions for the previous calendar years. Reports are based on information collected through Amnesty activists as well as from other sources such as media reports

The **Cingranelli & Richards Human Rights Database** (CIRI - <http://www.humanrightsdata.com>) contains standards-based quantitative information on government respect for 13 internationally recognized human rights for 192 countries. It is designed for use by scholars and students who seek to test theories about the causes and consequences of human rights violations, as well as policy makers and analysts who seek to estimate the human rights effects of a wide variety of institutional changes and public policies including democratization, economic aid, military aid, structural adjustment, and humanitarian intervention.

The **Political terror Scale** (PTS - http://www.unca.edu/politicalscience/faculty-staff/gibney_docs/pts.xls) was originally codified by Prof. Marc Gibney of the University of North Carolina. The Index captures the reality of domestic political terror, capturing issues such as: imprisonments, tortures, rule of law, security, disappearances

In the table below we list the variables included in each of the governance indicators. We use data from the 1996, 1998, 2000, 2002 and 2004 Reports

Table A26: State Department / Amnesty International (192 developed and developing countries)					
	2004	2002	2000	1998	1996
Voice and Accountability					
Restrictions on domestic and foreign travel	X	X	X	X	X
Freedom of political participation	X	X	X	X	X
Imprisonments because of ethnicity, race, or political, religious beliefs?	X	X	X	X	X
Government censorship	X	X	X	X	X
Political Stability					
Frequency of political killings	X	X	X	X	X
Frequency of disappearances	X	X	X	X	X
Frequency of tortures	X	X	X	X	X
Political terror scale (PTS)	X	X	X	X	X
Government Effectiveness					
NA	..	..	..	..	..
Regulatory Quality					
NA	..	..	..	..	..
Rule of Law					
Independence of judiciary	X	X	X	X	X
Control of Corruption					
NA	..	..	..	..	..
<i>Country coverage</i>	192	159	159	159	159

TABLE A27: United Nations Economic Commissions for Africa (AGI)**A27: Africa Governance Indicators**<http://www.uneca.org/>

Established in 1958, the Economic Commission for Africa is one of five regional commissions under the administrative direction of United Nations headquarters. As the regional arm of the UN in Africa, it is mandated to support the economic and social development of its 53 member States, foster regional integration, and promote international cooperation for Africa's development.

The Africa Governance Indicators is the result of a study initiated by the United Nations Economic Commission for Africa, as part of the first major continent-wide study to measure and monitor progress of governance in Africa, published in "Progress towards Good Governance in Africa."

The objective of the research was to ascertain current public perceptions of the state of governance in the region. By placing strong emphasis on local and national surveys, and incorporating the views of a wide cross-section of society, it aimed not only to take a snapshot of the perception of governance in various countries, but also to highlight key capacity deficits and encourage the sharing of intraregional experience and knowledge on the challenges to good governance

In the table below we list the variables included in each of the governance indicators. We use data from 2004.

Table A27: Africa Governance Indicators (23 African countries)					
	2004	2002	2000	1998	1996
Voice and Accountability					
Political representation	X	..	..	..	..
Political system	X	..	..	..	..
Power distribution	X	..	..	..	..
Political party freedom / security	X	..	..	..	..
Electoral process Independence / credibility	X	..	..	..	..
Institutional effectiveness / accountability	X	..	..	..	..
Legislature's effectiveness	X	..	..	..	..
Human rights	X	..	..	..	..
Media Independence	X	..	..	..	..
Satisfaction with democracy	X	..	..	..	..
Trust in Government	X	..	..	..	..
Trust in Parliament	X	..	..	..	..
Political Stability					
NA	..	..	..	..	..
Government Effectiveness					
Executive's effectiveness	X	..	..	..	..
Effectiveness in state structure	X	..	..	..	..
Government services efficiency	X	..	..	..	..
Decentralization of structures	X	..	..	..	..
Economic management	X	..	..	..	..
Regulatory Quality					
Investment policies attractiveness	X	..	..	..	..
Pro-investment tax policies	X	..	..	..	..
Tax system efficiency/corruption	X	..	..	..	..
Rule of Law					
Judiciary's effectiveness	X	..	..	..	..
Respect for rule of law	X	..	..	..	..
Law enforcement organs	X	..	..	..	..
Trust in Judiciary	X	..	..	..	..
Trust in Police	X	..	..	..	..
Control of Corruption					
Civil service transparency / accountability	X	..	..	..	..
Corruption control	X	..	..	..	..

TABLE A28: USAID / Vanderbilt University (USD)

A28: USAID / Vanderbilt University's Democracy Surveys
<http://www.millennium-int.com/newdsd/>

The Latin America Public Opinion Project (LAPOP) conducted Democracy Surveys in 7 Central American countries and Mexico, directed by Prof. Mitchell Seligson of Vanderbilt University and with the financial assistance of USAID. The surveys were commissioned as part of a larger effort to promote and divulge democracy and prosperity and bolster confidence in democratic institutions in the region.

In the table below we list the variables included in each of the governance indicators. We use data from the 2004 surveys.

Table A28: USAID / Vanderbilt University (8 Central American countries)					
	2004	2002	2000	1998	1996
Voice and Accountability					
Trust in legislation	X	..	..	..	..
Satisfaction with democracy	X	..	..	..	..
Political Stability					
NA	..	..	..	..	..
Government Effectiveness					
NA	..	..	..	..	..
Regulatory Quality					
NA	..	..	..	..	..
Rule of Law					
Trust in supreme court	X	..	..	..	..
Victim of crime	X	..	..	..	..
Trust in tribunals	X	..	..	..	..
Trust in justice	X	..	..	..	..
Trust in police	X	..	..	..	..
Control of Corruption					
Frequency of corruption	X	..	..	..	..

TABLE A29: The World Business Environment Survey (WBS, WDR)

A29. The World Business Environment Survey (WBS)

<http://www.ifc.org/ifcext/economics.nsf/Content/IC-WBESConditions>

The World Business Environment Survey (WBS) is a survey conducted by the World Bank in collaboration with several other institutions. It is designed to provide information on the business environment facing private enterprises. It was conducted during 1999 and 2000 in 81 countries. The respondents were managers of firms in at least 100 firms per country. This survey asks several questions similar to those in the 1997 World Development Report survey that we use in constructing the 1998 version of the indicators. We therefore treat the WBS as the continuation of this source.

The component of the WBS covering transition economies is referred to as the Business Environment and Enterprise Performance Survey (BPS), described in Table A2. The questionnaire for this region contains more detailed questions about corruption issues, including questions on "state capture" referring to the manipulation of the institutions of the state for private gain on a grand scale. In addition, a new round of BPS was conducted in 2002. For these reasons, we treat the BPS as a separate source.

In the table below we list the variables included in each of the governance indicators. We use data from the WBES survey in 2000 and the WDR Survey in 1997.

Table A29: World Business Enterprise Survey (80 developed and developing countries)

	2004	2002	2000	1998	1996
Voice and Accountability					
Business have voice to express	X	X	..
Business are informed	X	X	..
Political Stability					
Political instability	X	..	..
Likelihood of unconstititutional	X	..
Threat of terrorism	X	..
Government Effectiveness					
Quality of customs	X	X	..
Quality of public works (roads,...)	X	X	..
Quality of power company	X	..	..
Quality of Water	X	..	..
Quality of public health	X	X	..
Quality of public education	X	..	..
Quality of central government	X	..	..
Quality of central bank	X	..	..
Efficiency of government in delivering services	X	X	..
Likelihood that when a government official acts against the rules, one can go to another official or a superior and get correct treatment	X	..
Management time spent with bureaucrats	X	..
The efficiency of mail delivery	X	..
Predictability of changes in rules and laws	X	..
Credibility of government's commitment to policies	X	..
Regulatory Quality					
Regulations on starting new businesses	X	X	..
Price controls	X	X	..
Regulations on foreign trade	X	X	..
Foreign currency regulations	X	X	..
General uncertainty about regulations	X	X	..
Rule of Law					
Corruption of bankers	X	..	..
Quality of the Police	X	..	..
Organized crime	X	..	..
Street crime	X	X	..
Courts-- fair & impartial	X	..	..
Courts-affordable	X	..	..
Courts-consistent/predictable	X	X	..
Court's enforceability	X	..	..
Confidence in judicial system today in insuring property rights	X	X	..
General constraint—functioning of the judiciary	X	..	..
Obstacles to competition-violation of patents	X	..	..
Quality of courts	X	..	..
Control of Corruption					
Frequency of additional payments	X	X	..
Dishonest courts	X	..	..
Corruption as obstacle to business	X	X	..
Bribery (% of Gross revenues)	X	..	..
<i>Country coverage</i>	80	74	..

TABLE A30: World Economic Forum (GCS, GCSA)**A30. World Economic Forum (GCS)**<http://www.weforum.org>

The World Economic Forum (WEF) is an independent, not-for-profit organization bringing together top leaders from business, government, academia and the media to address key economic, social and political issues in partnership. The WEF was founded in 1971 and is headquartered in Geneva, Switzerland.

Since 1996, the WEF has sponsored the Global Competitiveness Report, an annual publication produced in collaboration with the Harvard Institute for International Development (HIID). As background for this report, the WEF conducts the Global Competitiveness Survey, which measures the perceptions of business executives about the country in which they operate. The survey asks top managers to rank on a 1 to 7 scale their opinion on issues in eight broad areas: 1) Openness, 2) Government, 3) Finance, 4) Infrastructure, 5) Technology, 6) Management, 7) Labor, and 8) Institutions.

In 1998 and 2002 the WEF sponsored separate surveys of countries in Africa and Middle East, respectively. We incorporated them in the Global Surveys, resulting in an increase of country coverage in 1998 and 2002 of 20 and 8 countries, respectively.

In the table below we list the variables included in each of the governance indicators. In this paper, we use data from the 1996, 1998, 2000, 2002 and 2004 Surveys. Additional questions from the 1998 African Competitiveness Report (covering 23 African countries overall) have also been listed (GCSA).

Table A30: World Economic Forum (104 developed and developing countries)					
	2004	2002	2000	1998	1996
Voice and Accountability					
Firms are usually informed clearly and transparently by the Government on changes in policies affecting their industry	X	X	..	..	..
Newspapers can publish stories of their choosing without fear of censorship or retaliation	X	X	..	..	..
When deciding upon policies and contracts, Government officials favor well-connected firms	X	X	..	..	..
Extent of direct influence of legal contributions to political parties on specific public policy outcomes	X	X	..	..	..
Effectiveness of national Parliament/Congress as a law making and oversight institution	X	X	..	..	..
Political Stability					
The threat of terrorism in the country imposes significant costs on business	X	X	..	..	..
New Governments honor commitments of previous Governments	..	..	X	X	X
Likelihood of dramatic changes in institutions	..	..	X	X	X
The highest power is always peacefully transferred	..	..	..	X	..
Government coups or political instability as an obstacle to development (GCSA)	..	..	..	X	..
Tribal conflict as an obstacle for business development (GCSA)	..	..	..	X	..
Government Effectiveness					
Competence of public sector personnel	X	X	X	X	X
Quality of general infrastructure	X	X	..	..	X
Quality of public schools	X	X	..	..	X
Time spent by senior management dealing with government officials	X	X	X	X	X
Public Service vulnerability to political pressure	..	..	X	X	X
Wasteful government expenditure	X	..	X	X	..
Strength and expertise of the civil service to avoid drastic interruptions in government services in times of political instability (GCSA)	..	..	..	X	..
Government economic policies are independent of pressure from special interest groups.	..	..	X	..	..

Table A30: World Economic Forum (cont.)

	2004	2002	2000	1998	1996
Regulatory Quality					
Administrative regulations are burdensome	X	X	X	X	X
Tax system is distortionary	X	X	X	X	X
Import barriers as obstacle to growth	X	X	..	X	X
Competition in local market is limited	X	X	..	X	..
It is easy to start company	X	X	..	X	..
Anti monopoly policy is lax and ineffective	X	X	..	X	X
Clusters are frequent	X	X	..	..	..
Environmental regulations hurt competitiveness	X	X	..	..	..
Cost of tariffs imposed on business	X	X	..	X	X
Government subsidies keep uncompetitive industries alive artificially	..	X	..	..	X
Complexity of Tax System	X	..	..	..	..
Domestic banks are protected from foreign competition	..	..	..	X	..
Barriers to entry in banking sector are very high	..	..	..	X	..
Interest rates are heavily regulated	..	..	..	X	..
Private sector participation in infrastructure projects is not permitted	..	..	..	X	..
Costs of uncertain rules, laws, or government policies (GCSA)	..	..	..	X	..
Transfer costs associated with exporting capital as an obstacle to business (GCSA)	..	..	..	X	..
General uncertainty on costs of regulations as an obstacle to business (GCSA)	..	..	..	X	..
Openness of public sector contracts to foreign investors (GCSA)	..	..	..	X	..
Policies for dividend remittances as obstacles to development (GCSA)	..	..	..	X	..
Dominance of state owned or state controlled enterprises (GCSA)	..	..	..	X	..
State interference in private business (GCSA)	..	..	..	X	..
Regulatory discretionality (GCSA)	..	..	..	X	..
Price controls as an obstacle to business development (GCSA)	..	..	..	X	..
Regulations on foreign trade as an obstacle to business development (GCSA)	..	..	..	X	..
Foreign currency regulations as an obstacle to business development (GCSA)	..	..	..	X	..
Rule of Law					
Common crime imposes costs on business	X	X	..	..	..
Organized crime imposes costs on business	X	X	X	X	X
Money laundering through banks is pervasive	X	X	..	..	..
Money laundering through non-banks is pervasive	X	X	..	..	..
Quality of Police	X	X	X	X	X
Insider trading is pervasive	X	X	..	..	X
The judiciary is independent from political influences of government, citizens, or firms	X	X	X	X	..
Legal framework to challenge the legality of government actions is inefficient	X	X	X	X	X
Intellectual Property protection is weak	X	X	..	X	X
Protection of financial assets is weak	X	X	X	..	..
Illegal donation to parties are frequent	X	X	..	..	..
Private businesses are more likely to settle disputes outside courts.	..	..	X	..	..
Compliance with court rulings and /or arbitration awards (GCSA)	..	..	..	X	..
Legal system effectiveness at enforcing commercial contracts (GCSA)	..	..	..	X	..
Citizens' willingness to accept legal means to adjudicate disputes rather than depending on physical force or illegal means (GCSA)	..	..	..	X	..
Percentage of firms which are unofficial or unregistered / Tax evasion	X	X	X	X	X
Control of Corruption					
Public trust in financial honesty of politicians	X	X	..	..	..
Extent to which legal contributions to political parties are misused by politicians	X	X	..	..	..
Diversion of public funds due to corruption is common	X	X	..	..	..
Frequency of bribery in the economy	X	X	..	X	..
Frequent for firms to make extra payments connected to: public utilities, tax payments, loan applications, awarding of public contracts, influencing laws, policies regulations, decrees, getting favourable judicial decisions	X	X	X	X	X
Percentage Bribes paid as share of revenues	X	..	..	..	..
Percentage bribe paid for procurement contracts	X	..	..	..	..
Extent to which firms' illegal payments to influence government policies impose costs on other firms	X	X	..	..	..
Extent to which influence of powerful firms with political ties impose costs on other firms	X	X	..	..	..
<i>Country Coverage:</i>	104	88	80	74	58

TABLE A31: World Markets Online (WMO)

A31: World Markets Online
<http://www.worldmarketsonline.com>

World Markets Online (WMO) is an online subscription service from the World Markets Research Center updated daily which provides analysis of the conditions and risks for businesses worldwide. Established in 1996, the World Markets Research Centre is based in London and employs over 190 permanent staff.

World Markets Online has developed a risk rating system to enable its clients to compare and contrast the investment climate in over 200 countries around the world. For WMO the principal quality their risk measures endeavor to measure is stability, which they believe businesses need most of all to be able to make secure investments and plan ahead. In addition to stability, WMO believes that businesses also need the right conditions in place; governments must ensure the right policies and safeguards to allow businesses to operate effectively. A country with a high risk rating by WMO is a country where businesses face continual threats to their operations, either from direct physical intervention, or because of the poor conditions and stability in the country concerned. The system rates the quality of conditions and level of stability encountered by investors in each country in terms of political, economic, legal, tax, operational and security environment.

Drawing on a worldwide network of information gatherers and analysts, World Markets Research Centre generates a comprehensive range of in-depth country, sector and market services. The process by which the risks are assessed consists firstly of WMO analysts' own experience of the country's conditions. Daily stories highlight countries' changing conditions and constantly inform the risk rating levels. In addition to the in-house analysts' own consensus, World Markets Online also draws upon the expertise and impressions of those working in the field through a wide network of stringers and informal contacts which allows them to access information only available locally as well as to case studies of individual investor's experience. Regular meetings of all the analysts across the regional desks ensure that their ratings are fully comparable globally, and that the factors used for assessment are consistent.

In the table below we list the variables included in each of the governance indicators. In this paper, we use the disaggregated components of the 2002 and 2004 country risk ratings, prepared for us by a panel of WMO experts.

Table A31: World Markets Online (202 developed and developing countries)

	2004	2002	2000	1998	1996
Voice and Accountability					
<i>Institutional permanence</i> An assessment of how mature and well-established the political system is. It is also an assessment of how far political opposition operates within the system or attempts to undermine it from outside. A country with high institutional permanence would unquestionably survive the death or removal from power of the current leadership. A mature political system will conventionally have a clearly established relationship between the executive, legislative and judicial branches of government.	X	X	..	..	..
<i>Representativeness</i> How well the population and organised interests can make their voices heard in the political system. Provided representation is handled fairly and effectively, it will ensure greater stability and better designed policies.	X	X	..	..	..
Political Stability					
<i>Civil unrest</i> How widespread political unrest is, and how great a threat it poses to investors. Demonstrations in themselves may not be cause for concern, but they will cause major disruption if they escalate into severe violence. At the extreme, this factor would amount to civil war.	X	X	..	..	..
<i>Terrorism</i> Whether the country suffers from a sustained terrorist threat, and from how many sources. The degree of localisation of the threat is assessed, and whether the active groups are likely to target or affect businesses.	X	X	..	..	..
Government Effectiveness					
<i>Bureaucracy</i> : An assessment of the quality of the country's bureaucracy. The better the bureaucracy the quicker decisions are made and the more easily foreign investors can go about their business.	X	X	..	..	..
<i>Policy consistency and forward planning</i> How confident businesses can be of the continuity of economic policy stance - whether a change of government will entail major policy disruption, and whether the current government has pursued a coherent strategy. This factor also looks at the extent to which policy-making is far-sighted, or conversely aimed at short-term economic advantage.	X	X	..	..	..
Regulatory Quality					
<i>Tax Effectiveness</i> How efficient the country's tax collection system is. The rules may be clear and transparent, but whether they are enforced consistently. This factor looks at the relative effectiveness too of corporate and personal, indirect and direct taxation.	X	X	..	..	..
<i>Legislation</i> An assessment of whether the necessary business laws are in place, and whether there any outstanding gaps. This includes the extent to which the country's legislation is compatible with, and respected by, other countries' legal systems.	X	X	..	..	..
Rule of Law					
<i>Judicial Independence</i> An assessment of how far the state and other outside actors can influence and distort the legal system. This will determine the level of legal impartiality investors can expect.	X	X	..	..	..
<i>Crime</i> How much of a threat businesses face from crime such as kidnapping, extortion, street violence, burglary and so on. These problems can cause major inconvenience for foreign investors and require them to take expensive security precautions.	X	X	..	..	..
Control of Corruption					
<i>Corruption</i> : An assessment of the intrusiveness of the country's bureaucracy. The amount of red tape likely to countered is assessed, as is the likelihood of encountering corrupt officials and other groups.	X	X	..	..	..
Country coverage	202	186	..	..	..

Appendix B: Components of Aggregate Governance Indicators, 2004

Table B1: Voice and Accountability

Code Table	Concept Measured
Representative Sources	
CUD A7	To what extent does the state and/or its allied groups engage in repression of its citizens? In carrying out internal security tasks, to what extent does the state rely on tactics commonly considered illegitimate in the international community?
EIU A9	Orderly transfers Vested interests Accountability of Public Officials Human Rights Freedom of association
FRH A11	<i>Civil liberties</i> : Freedom of speech, of assembly and demonstration, of religion, equal opportunity, of excessive governmental intervention <i>Political Rights</i> : free and fair elections, representative legislative, free vote, political parties, no dominant group, respect for minorities Freedom of the Press
GCS A30	Firms are usually informed clearly and transparently by the Government on changes in policies affecting their industry Newspapers can publish stories of their choosing without fear of censorship or retaliation When deciding upon policies and contracts, Government officials favor well-connected firms Extent of direct influence of legal contributions to political parties on specific public policy outcomes Effectiveness of national Parliament/Congress as a law making and oversight institution
HUM A26	<i>Travel</i> : domestic and foreign travel restrictions Freedom of political participation <i>Imprisonments</i> : Are there any imprisoned people because of their ethnicity, race, or their political, religious beliefs? Government censorship
PRS A23	<i>Military in Politics</i> The military are not elected by anyone, so their participation in government, either direct or indirect, reduces accountability and therefore represents a risk. The threat of military intervention might lead as well to an anticipated potentially inefficient change in policy or even in government. It also works as an indication that the government is unable to function effectively and that the country has an uneasy environment for foreign business. <i>Democratic Accountability</i> . Quantifies how responsive government is to its people, on the basis that the less response there is the more likely is that the government will fall, peacefully or violently. It includes not only if free and fair elections are in place, but also how likely is the government to remain in power.
RSF A25	Press Freedom Index
WMO A31	<i>Institutional permanence</i> : An assessment of how mature and well-established the political system is. It is also an assessment of how far political opposition operates within the system or attempts to undermine it from outside. A country with high institutional permanence would unquestionably survive the death or removal from power of the current leadership. A mature political system will conventionally have a clearly established relationship between the executive, legislative and judicial branches of government. <i>Representativeness</i> : How well the population and organized interests can make their voices heard in the political system. Provided representation is handled fairly and effectively, it will ensure greater stability and better designed policies.

Table B1: Voice and Accountability (cont.)

Code Table	Concept Measured
Non-representative Sources	
AFR A2	How much do you trust the parliament? Overall, how satisfied are you with the way democracy works in your country?
AGI A27	Political representation Political system Power distribution Political party freedom / security Electoral process Independ./ credibility Institutional effect./accountability Legislature's effectiveness Human rights CSO/media Independence
BTI A4	Stateness Political Participation Institutional Stability Political and Social Integration
CCR A11	Civil Liberties Accountability and public voice
FHT A11	<i>Political Process</i> : Deals with elections, referenda, party configuration, conditions for political competition, and popular participation in elections. <i>Civil Society</i> : Highlights the degree to which volunteerism, trade unionism, and professional associations exist, and whether civic organizations are influential <i>Independent Media</i> : Press freedom, public access to a variety of information sources, and the independence of those sources from undue government or other influences.
GAL A13	Fairness of elections Human Rights
LAI A12	Budget Transparency
LOB A20	Satisfaction with democracy Trust in Parliament
MSI A19	Media Sustainability Index
USD A27	Trust in legislation Satisfaction with democracy
WCY A18	Transparency of Government policy

Table B2: Political Stability

Code Table		Concept Measured
Representative Sources		
CUD	A7	Assess the degree to which the decline or collapse of central political authority posed a threat to political stability in this country. Assess the degree to which political protest or rebellion posed a threat to political stability in this country.
DRI	A15	Assess the degree to which ethno-cultural and/or religious conflict posed a threat to political stability in this country. <i>Military Coup Risk</i> : A military coup d'etat (or a series of such events) that reduces the GDP growth rate by 2% during any 12-month period. <i>Major Insurgency/Rebellion</i> : An increase in scope or intensity of one or more insurgencies/rebellions that reduces the GDP growth rate by 3% during any 12-month period. <i>Political Terrorism</i> : An increase in scope or intensity of terrorism that reduces the GDP growth rate by 1% during any 12-month period. <i>Political Assassination</i> : A political assassination (or a series of such events) that reduces the GDP growth rate by 1% during any 12-month period. <i>Civil War</i> : An increase in scope or intensity of one or more civil wars that reduces the GDP growth rate by 4% during any 12-month period. <i>Major Urban Riot</i> : An increase in scope, intensity, or frequency of rioting that reduces the GDP growth rate by 1% during any 12-month period.
EIU	A9	Armed conflict Violent demonstrations Social Unrest International tensions
GCS	A30	<i>Country terrorist threat</i> : Does the threat of terrorism in the country impose significant costs on firms?
HUM	A26	Frequency of political killings Frequency of disappearances Frequency of torture
IJT	A17	Security Risk Rating
MIG	A21	<i>Extremism</i> . The term "extremism" covers the threat posed by any individuals or organisations who hold a narrow set of fanatical beliefs. Extremists are likely to believe that any and all means are justified to eradicate the target of hostility, and are not afraid to destroy themselves in the process. This ideological aspect of extremism makes it highly unpredictable, and its close association with violence makes it highly dangerous. The extent to which extremism should be judged a threat to a particular business in a particular market can be assessed along the following lines: integration issues; religious tensions; pressure groups; terrorist activity; xenophobia.
PRS	A23	<i>Internal Conflict</i> : Assesses political violence and its influence on governance. <i>External conflict</i> : The external conflict measure is an assessment both of the risk to the incumbent government and to inward investment. <i>Ethnic tensions</i> : This component measures the degree of tension within a country attributable to racial, nationality, or language divisions.
PTS	A26	Political Terror Scale
WMO	A31	<i>Civil unrest</i> How widespread political unrest is, and how great a threat it poses to investors. Demonstrations in themselves may not be cause for concern, but they will cause major disruption if they escalate into severe violence. At the extreme, this factor would amount to civil war. <i>Terrorism</i> Whether the country suffers from a sustained terrorist threat, and from how many sources. The degree of localization of the threat is assessed, and whether the active groups are likely to target or affect businesses.
Non-representative Sources		
BRI	A6	Fractionalization of political spectrum and the power of these factions. Fractionalization by language, ethnic and/or religious groups and the power of these factions. Restrictive (coercive) measures required to retain power. Organization and strength of forces for a radical government. Societal conflict involving demonstrations, strikes, and street violence. Instability as perceived by non-constitutional changes, assassinations, and guerrilla wars.
GAL	A13	Terrorism/Crime
WCY	A18	Risk of political instability

Table B3: Government Effectiveness

Code Table	Concept Measured
Representative Sources	
CUD A7	<p>Rate the administrative and technical skills of the country's civil service (occupying middle and higher management roles). Rate the efficiency of the country's national bureaucracies overall. Rate the efficiency of the country's local-level government bureaucracies overall.</p> <p>Rate the effectiveness of coordination between the central government and local-level government organizations. Rate the state's ability to formulate and implement national policy initiatives. Rate the state's effectiveness at collecting taxes or other forms of government revenue. Does the central government produce a national budget in a timely manner? Do local governments produce budgets in a timely manner? Rate the state's ability to monitor socioeconomic trends, activities, and conditions within its borders Rate the state's ability to create, deliver, and maintain vital national infrastructure. Rate the state's ability to respond effectively to domestic economic problems. Rate the state's ability to respond effectively to natural disasters.</p>
DRI A15	<p><i>Government Instability</i>: An increase in government personnel turnover rate at senior levels that reduces the GDP growth rate by 2% during any 12-month period. <i>Government Ineffectiveness</i>: A decline in government personnel quality at any level that reduces the GDP growth rate by 1% during any 12-month period. <i>Institutional Failure</i>: A deterioration of government capacity to cope with national problems as a result of institutional rigidity that reduces the GDP growth rate by 1% during any 12-month period.</p>
EIU A9	<p>Quality of bureaucracy Excessive bureaucracy / red tape</p>
GCS A30	<p>Public Spending Composition Quality of general infrastructure Quality of public schools</p>
MIG A21	<p>Time spent by senior management dealing with government officials</p> <p><i>Bureaucracy</i>. The critical feature of bureaucracy is that it raises issues more complicated than "red tape" alone. Bureaucracy can be actively and deliberately obstructive to foreign investors – in response to political pressures, vested interests and special interest lobbies. Some features that determine the extent that bureaucracy could affect business operations are the accountability of public officials; politicisation of bureaucratic departments; regulatory credibility and enforceability; size of the public sector and transparency of decision-making.</p>
PRS A23	<p><i>Government Stability</i>. Measures the government's ability to carry out its declared programs, and its ability to stay in office. This will depend on issues such as: the type of governance, the cohesion of the government and governing party or parties, the closeness of the next election, the government's command of the legislature, and popular approval of the government policies. <i>Bureaucratic Quality</i>. Measures institutional strength and quality of the civil service, assess how much strength and expertise bureaucrats have and how able they are to manage political alternations without drastic interruptions in government services, or policy changes. Good performers have somewhat autonomous bureaucracies, free from political pressures, and an established mechanism for recruitment and training.</p>
WMO A31	<p><i>Policy consistency and forward planning</i>: How confident businesses can be of the continuity of economic policy stance - whether a change of government will entail major policy disruption, and whether the current government has pursued a coherent strategy. This factor also looks at the extent to which policy-making is far-sighted, or conversely aimed at short-term economic (and electoral) advantage. <i>Bureaucracy</i> : An assessment of the quality of the country's bureaucracy. The better the bureaucracy the quicker decisions are made and the more easily foreign investors can go about their business.</p>

Table B3: Government Effectiveness (cont.)

Code	Table	Concept Measured
Non-representative Sources		
ADB	A1	Management of public debt Policies to improve efficiency of public sector Revenue Mobilization Budget Management
AFR	A2	What proportion of the country's problems do you think the government can solve? Based on your experiences, how easy or difficult is it to obtain household services (like piped water, electricity or telephone)? Based on your experiences, how easy or difficult is it to obtain an identity document (such as birth certificate, driver's license or passport)?
AGI	A27	Executive's effectiveness Effectiveness in state structure Government services efficiency Decentralization of structures Economic management
ASD	A3	Civil service Revenue Mobilization and Budget Management Management and Efficiency of Public Expenditures
BPS	A5	How problematic are telecommunications for the growth of your business How problematic is electricity for the growth of your business. How problematic is transportation for the growth of your business.
BRI	A6	Bureaucratic delays
BTI	A4	Consensus Building Governance Capability Effective Use of Resources Reliable Pursuit of Goals Welfare Regime
CPIA	A8	Management of external debt Management of development programs Quality public Administration Revenue Mobilization Budget Management
EGV	A14	Global E-government
FHT	A11	<i>Government and Administration</i> : Government decentralization, independent and responsibilities or local and regional governments, and legislative and executive transparency are discussed.
LBO	A20	Trust in Government
WCY	A18	Government economic policies do not adapt quickly to changes in the economy The public service is not independent from political interference Government decisions are not effectively implemented Bureaucracy hinders business activity The distribution infrastructure of goods and services is generally inefficient Policy direction is not consistent

Table B4: Regulatory Quality

Code Table	Concept Measured
Representative Sources	
DRI A15	<p><i>Regulations -- Exports:</i> A 2% reduction in export volume as a result of a worsening in export regulations or restrictions (such as export limits) during any 12-month period, with respect to the level at the time of the assessment.</p> <p><i>Regulations -- Imports:</i> A 2% reduction in import volume as a result of a worsening in import regulations or restrictions (such as import quotas) during any 12-month period, with respect to the level at the time of the assessment.</p> <p><i>Regulations -- Other Business:</i> An increase in other regulatory burdens, with respect to the level at the time of the assessment, that reduces total aggregate investment in real LCU terms by 10%</p> <p><i>Ownership of Business by Non-Residents:</i> A 1-point increase on a scale from "0" to "10" in legal restrictions on ownership of business by non-residents during any 12-month period.</p> <p><i>Ownership of Equities by Non-Residents:</i> A 1-point increase on a scale from "0" to "10" in legal restrictions on ownership of equities by non-residents during any 12-month period.</p>
EIU A9	<p>Unfair competitive practices</p> <p>Price controls</p> <p>Discriminatory tariffs</p> <p>Excessive protections</p>
GCS A30	<p>Administrative regulations are burdensome</p> <p>Tax system is distortionary</p> <p>Import barriers as obstacle to growth</p> <p>Competition in local market is limited</p> <p>It is easy to start company</p> <p>Anti monopoly policy is lax and ineffective</p> <p>Clusters are frequent</p> <p>Environmental regulations hurt competitiveness</p> <p>Cost of tariffs imposed on business</p> <p>Government subsidies keep uncompetitive industries alive artificially</p>
HER A16	<p>Regulation</p> <p>Government Intervention</p> <p>Wage/Prices</p> <p>Trade</p> <p>Foreign investment</p> <p>Banking</p>
MIG A21	<p><i>Unfair Competition.</i> When entering a non-domestic market the corporate may find that established players and competitors often resort to unethical and illegal means to create obstructions that will cause the enterprise to under-perform. The rules of doing business are different in different markets, and so are the routes that companies choose towards success. For any company, the most important factor in assessing the risk of unfair competition is how much knowledge it has of its local and international competitors. Pertinent issues to consider: competitor behaviour; competitor links; information security; political involvement in the sector; transparency.</p> <p><i>Unfair Trade.</i> In some parts of the world, companies and governments' interests are so closely intertwined that they are almost indistinguishable. The principals of those companies, some of whom are government ministers, use their position to trade unfairly and put obstacles in the way of foreign business to ensure that they retain the dominant position within the market. Occasionally, activities border on the illegal when government legislation is deliberately amended to favour local business, and/or enforcement bodies are deliberately obstructive to ensure that the local business succeeds at the expense of the foreign investor.</p>
PRS A23	<p><i>Investment Profile.</i> Includes the risk to operations (scored from 0 to 4, increasing in risk); taxation (scored from 0 to 3), repatriation (scored from 0 to 3); repatriation (scored from 0 to 3) and labor costs (scored from 0 to 2). They all look at the government's attitude towards investment.</p>
WMO A31	<p><i>Tax Effectiveness:</i> How efficient the country's tax collection system is. The rules may be clear and transparent, but whether they are enforced consistently. This factor looks at the relative effectiveness too of corporate and personal, indirect and direct taxation.</p> <p><i>Legislation:</i> An assessment of whether the necessary business laws are in place, and whether there any outstanding gaps. This includes the extent to which the country's legislation is compatible with, and respected by, other countries' legal systems.</p>

Table B4: Regulatory Quality (cont.)

Code	Table	Concept Measured
Non-representative Sources		
ADB	A1	Trade policy Competitive environment Labor Market Policies
AGI	A27	Investment policies attractiveness Pro-investment tax policies Tax system efficiency/corruption
ASD	A3	Trade Policy and Forex Regime Factor and Product Markets and Prices Enabling Environment for Private Sector Development
BPS	A5	Information on the laws and regulations is easy to obtain Interpretations of the laws and regulations are consistent and predictable Unpredictability of changes of regulations How problematic are labor regulations for the growth of your business. How problematic are tax regulations for the growth of your business. How problematic are custom and trade regulations for the growth of your business.
BTI	A4	Competition Price Stability
CPIA	A8	Competitive environment Factor and products markets Trade policy
EBRD	A10	Price liberalization Trade & foreign exchange system Competition policy
WCY	A18	Access to capital markets (foreign and domestic) is easily available Ease of Doing Business Banking regulation does not hinder competitiveness Competition legislation in your country does not prevent unfair competition Customs' authorities do not facilitate the efficient transit of goods Financial institutions' transparency is not widely developed in your country Easy to start company Foreign investors are free to acquire control in domestic companies Legal regulation of financial institutions is inadequate for financial stability Price controls affect pricing of products in most industries Public sector contracts are sufficiently open to foreign bidders Real corporate taxes are non distortionary Real personal taxes are non distortionary The exchange rate policy of your country hinders the competitiveness of enterprises The legal framework is detrimental to your country's competitiveness Protectionism in your country negatively affects the conduct of business in your country Labor regulations hinder business activities New Legislation restricts competitiveness Subsidies impair economic development

Table B5: Rule of Law

Code Table	Concept Measured
Representative Sources	
CUD A7	For the most part, is the state seen as legitimately representing its citizens? Rate the state's adherence to the rule of law, considering the country as a whole.
DRI A15	<i>Losses and Costs of Crime</i> : A 1-point increase on a scale from "0" to "10" in crime during any 12-month period. <i>Kidnapping of Foreigners</i> : An increase in scope, intensity, or frequency of kidnapping of foreigners that reduces the GDP growth rate by 1% during any 12-month period. <i>Enforceability of Government Contracts</i> : A 1 point decline on a scale from "0" to "10" in the enforceability of contracts during any 12-month period. <i>Enforceability of Private Contracts</i> : A 1-point decline on a scale from "0" to "10" in the legal enforceability of contracts during any 12-month period.
EIU A9	Violent crime Organized crime Fairness of judicial process Enforceability of contracts Speediness of judicial process Confiscation/expropriation
GCS A30	Common crime imposes costs on business Organized crime imposes costs on business Money laundering through banks is pervasive Money laundering through non-banks is pervasive Quality of Police Insider trading is pervasive The judiciary is independent from political influences of members of government, citizens or firms Legal framework to challenge the legality of government actions is inefficient Intellectual Property protection is weak Protection of financial assets is weak Illegal donation to parties are frequent Percentage of firms which are unofficial or unregistered
HER A16	Black market Property Rights
HUM A26	Independence of Judiciary
MIG A21	<i>Organised Crime</i> . Crime, especially organised crime, is ultimately about profit. As capitalism and free market economic principles have spread around the world, the rule of law has often failed to keep pace. Existing organised crime groups simply seized the opportunity to fill that gap, and were swiftly followed by a flood of operators that have been kept to seize on the capitalist profit motive while dispensing with scruples. The most dangerous aspect of organised crime for legitimate businesses is that it is often indistinguishable, to the naked eye, from legitimate business. The proceeds of organised crime are recycled into legitimate companies through investments. <i>Legal Safeguards</i> . The performance of an enterprise in terms of the timeframe for returns and the rate of return itself, may be hostage to legal obstacles or the absence of sufficient recourse to the law in a non-domestic market. The challenges posed by an absence of legal safeguards do not always arise because there simply is not enough of a legislative framework by which to interpret situations. Frequently, the problem lies not with the legal framework itself, but with the inability for that framework to be used in an impartial and reliable fashion, if indeed it is usable at all.
PRS A23	<i>Law and Order</i> . The Law sub-component is an assessment of the strength and impartiality of the legal system, while the Order sub-component is an assessment of popular observance of the law (assessed separately).
QLM A6	Direct Financial Fraud, Money Laundering and Organized Crime
WMO A31	<i>Judicial Independence</i> An assessment of how far the state and other outside actors can influence and distort the legal system. This will determine the level of legal impartiality investors can expect. <i>Crime</i> How much of a threat businesses face from crime such as kidnapping, extortion, street violence, burglary and so on. These problems can cause major inconvenience for foreign investors and require them to take expensive security precautions.

Table B5: Rule of Law (cont.)

Code Table	Concept Measured
Non-representative Sources	
ADB A1	Property Rights
AFR A2	Over the past year, how often have you or anyone in your family feared crime in your own home? Over the past year, how often have you or anyone in your family had something stolen from your house? Over the past year, how often have you or anyone in your family been physically attacked? How much do you trust the courts of law? How much do you trust the police? Based on your experiences, how easy or difficult is it to obtain help from the police when you need it?
AGI A27	Judiciary's effectiveness Respect for rule of law Law enforcement organs
ASD A3	Rule of Law
BPS A5	Fairness of the court system Affordability of the court system Enforceability of court decisions Honesty of courts Quickness of court decisions Property right protection How problematic is organized crime for the growth of your business. How problematic is judiciary for the growth of your business. How problematic is street crime for the growth of your business.
BRI A6	Enforceability of contracts
BTI A4	Rule of Law Private Property
CCR A11	Rule of Law
CPIA A8	Property rights
FHT A11	<i>Rule of Law</i> : Considers judicial/constitutional matters as well as the legal and de facto status of ethnic minorities.
GAL A13	Trust in the Legal System
LBO A20	Trust in Judiciary Trust in Police Victim of crime
USD A28	Trust in Judiciary Trust in Police Victim of crime Trust in supreme court Trust in tribunals
WCY A18	Tax evasion is a common practice in your country Justice is not fairly administered in society Personal security and private property are not adequately protected Parallel economy impairs economic development in your country Insider trading is common in the stock market Patent and copyright protection is not adequately enforced in your country

Table B6: Control of Corruption

Code	Table	Concept Measured
Representative Sources		
CUD	A7	Rate the severity of overall corruption within the state To what extent do the country's primary political decision makers engage in patterns of nepotism, cronyism and patronage? To what extent do the country's civil service engage in patterns of nepotism, cronyism and patronage? To what extent do patterns of nepotism, cronyism and patronage undermine the state's ability to exercise the basic functions of government effectively? To what extent do patterns of nepotism, cronyism and patronage distort broad patterns of economic development?
DRI	A15	Risk Event Outcome non-price: Losses and Costs of Corruption: A 1-point increase on a scale from "0" to "10" in corruption during any 12-month period.
EIU	A9	Corruption
GCS	A30	Public trust in financial honesty of politicians Diversion of public funds due to corruption is common Frequent for firms to make extra payments connected to: import/export permits Frequent for firms to make extra payments connected to: public utilities Frequent for firms to make extra payments connected to tax payments Frequent for firms to make extra payments connected to: loan applications Frequent for firms to make extra payments connected to: awarding of public contracts Frequent for firms to make extra payments connected to: influencing laws, regulations, decrees Frequent for firms to make extra payments connected to: getting favorable judicial decisions Extent to which powerful firms' political ties impose costs on other firms Extent to which firms' illegal payments to influence government policies impose costs on other firms
MIG	A21	<i>Corruption.</i> There is an immense variety of activities that may be construed as corrupt. Bribery is the most obvious. However, what is and is not a bribe is a matter of presentation and perception in much the same way as "corruption" itself. Some of the issues that executives should consider include: accounting standards; anti-corruption policy credibility and enforceability; cronyism, nepotism and vested interests; cultural differences; judicial independence; transparency of decision-making.
PRS	A23	<i>Corruption.</i> Measures corruption within the political system, which distorts the economic and financial environment, reduces the efficiency of government and business by enabling people to assume positions of power through patronage rather than ability, and introduces an inherent instability in the political system.
QLM	A6	Indirect Diversion of Funds
WMO	A31	<i>Corruption:</i> This index assesses the intrusiveness of the country's bureaucracy. The amount of red tape likely to be countered is assessed, as is the likelihood of encountering corrupt officials and other groups.
Non-representative Sources		
ADB	A1	Anti-corruption policies Transparency / corruption
AFR	A2	How well would you say the current government is handling the fight of corruption in the government? How many elected leaders (parliamentarians or local councilors) do you think are involved in corruption? How many judges and magistrates do you think are involved in corruption? How many government officials do you think are involved in corruption? How many border officials do you think are involved in corruption?
AGI	A27	Civil service transparency / accountability Corruption control
ASD	A3	Anti-corruption
BPS	A5	How common is for firms to have to pay irregular additional payments to get things done On average, what percent of total annual sales do firms pay in unofficial payments to public officials How often do firms make payments to influence the content of new legislation Extent to which firms' payments to public officials to affect legislation impose costs on other firms How problematic is corruption for the growth of your business.

Table B6: Control of Corruption (cont.)

Code	Table	Concept Measured
Non-Representative Sources		
BRI	A6	<i>Internal Causes of Political Risk</i> : Mentality, including xenophobia, nationalism, corruption, nepotism, willingness to compromise, etc.
CCR	A11	Transparency / corruption
CPIA	A8	Transparency / corruption
FHT	A11	Corruption
GAL	A13	Frequency of corruption Frequency of household bribery Extent of Grand corruption Extent of Petty corruption
LBO	A20	Have you heard of acts of corruption? It is likely to bribe policemen It is likely to bribe judges It is likely to bribe public servants
PRC	A22	Corruption Index
USD	A28	Frequency of corruption
WCY	A18	Bribing and corruption exist in the economy

APPENDIX C: Governance Indicators over Time

TABLE C1: Voice and Accountability

Country	Code	2004			2002			2000			1998			1996		
		Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.
AFGHANISTAN	AFG	-1.35	0.14	9	-1.31	0.23	5	-1.76	0.33	2	-1.68	0.30	2	-1.53	0.35	2
ALBANIA	ALB	0.03	0.11	9	-0.10	0.14	6	-0.05	0.16	6	-0.26	0.19	5	-0.35	0.21	4
ALGERIA	DZA	-0.91	0.15	9	-0.96	0.17	7	-1.31	0.22	5	-1.46	0.23	4	-1.17	0.21	4
AMERICAN SAMOA	ASM	0.44	0.52	1	..	..	..	..	..	..	..	..	..	..	..	..
ANDORRA	ADO	1.23	0.20	3	1.41	0.29	2	1.39	0.38	1	1.44	0.35	1	1.29	0.40	1
ANGOLA	AGO	-1.02	0.15	8	-1.40	0.17	7	-1.37	0.22	5	-1.28	0.23	4	-1.42	0.21	4
ANGUILLA	AIA	0.74	0.52	1	..	..	..	..	..	..	..	..	..	..	..	..
ANTIGUA AND BARBUDA	ATG	0.48	0.20	3	0.17	0.29	2	-0.02	0.38	1	0.05	0.35	1	0.19	0.40	1
ARGENTINA	ARG	0.49	0.14	13	0.23	0.15	12	0.44	0.21	8	0.29	0.22	6	0.60	0.20	6
ARMENIA	ARM	-0.66	0.11	9	-0.44	0.14	6	-0.30	0.16	6	-0.31	0.19	5	-0.57	0.23	3
ARUBA	ABW	0.64	0.52	1	..	..	..	..	..	..	..	..	..	..	..	..
AUSTRALIA	AUS	1.40	0.16	10	1.50	0.17	9	1.61	0.22	6	1.50	0.23	5	1.73	0.21	5
AUSTRIA	AUT	1.25	0.16	9	1.32	0.17	9	1.21	0.22	6	1.27	0.23	6	1.43	0.21	5
AZERBAIJAN	AZE	-0.97	0.10	11	-0.87	0.12	9	-0.81	0.16	7	-0.95	0.18	6	-1.08	0.18	4
BAHAMAS	BHS	1.14	0.19	4	1.18	0.25	3	1.10	0.28	2	1.07	0.29	2	1.11	0.32	2
BAHRAIN	BHR	-0.73	0.14	9	-0.74	0.18	7	-1.17	0.22	5	-1.22	0.23	4	-0.94	0.21	4
BANGLADESH	BGD	-0.69	0.15	9	-0.57	0.17	8	-0.34	0.22	6	-0.17	0.23	4	-0.33	0.21	4
BARBADOS	BRB	1.17	0.20	3	1.39	0.29	2	1.21	0.38	1	1.44	0.35	1	1.23	0.40	1
BELARUS	BLR	-1.54	0.11	9	-1.40	0.13	8	-1.21	0.16	6	-0.98	0.19	5	-1.03	0.23	3
BELGIUM	BEL	1.35	0.16	8	1.44	0.18	8	1.19	0.22	6	1.32	0.23	5	1.48	0.21	5
BELIZE	BLZ	0.91	0.20	3	0.83	0.27	3	0.86	0.33	3	1.01	0.30	2	1.09	0.35	2
BENIN	BEN	0.30	0.16	7	0.03	0.23	5	0.44	0.31	3	0.61	0.29	3	0.75	0.35	2
BERMUDA	BMU	0.99	0.52	1	1.07	0.47	1	..	..	..	..	..	..	..	..	..
BHUTAN	BTN	-1.18	0.19	4	-1.17	0.25	4	-1.63	0.33	2	-1.56	0.30	2	-1.37	0.35	2
BOLIVIA	BOL	-0.01	0.15	10	0.01	0.18	9	0.23	0.22	6	0.34	0.22	6	0.10	0.20	5
BOSNIA-HERZEGOVINA	BIH	-0.14	0.11	10	-0.29	0.14	8	-0.37	0.18	5	-1.11	0.21	3	-1.20	0.35	2
BOTSWANA	BWA	0.73	0.14	11	0.73	0.17	8	0.78	0.22	6	0.77	0.23	4	0.74	0.21	4
BRAZIL	BRA	0.34	0.14	13	0.35	0.15	12	0.53	0.22	7	0.59	0.22	7	0.23	0.20	6
BRUNEI	BRN	-1.11	0.19	4	-0.82	0.22	5	-1.07	0.26	3	-1.14	0.26	3	-0.97	0.30	3
BULGARIA	BGR	0.58	0.11	12	0.56	0.12	11	0.51	0.15	8	0.40	0.18	6	0.17	0.17	5
BURKINA FASO	BFA	-0.38	0.15	7	-0.27	0.22	5	-0.31	0.25	4	-0.24	0.26	3	-0.46	0.30	3
BURUNDI	BDI	-1.13	0.18	5	-1.16	0.25	4	-1.66	0.31	3	-1.59	0.30	2	-1.28	0.35	2
CAMBODIA	KHM	-0.89	0.16	6	-0.56	0.25	4	-0.35	0.33	3	-0.87	0.30	2	-0.68	0.35	2
CAMEROON	CMR	-1.18	0.15	8	-1.10	0.18	7	-0.90	0.22	6	-0.77	0.23	5	-1.05	0.21	4
CANADA	CAN	1.38	0.16	10	1.50	0.17	10	1.27	0.21	8	1.30	0.23	6	1.44	0.21	5
CAPE VERDE	CPV	0.80	0.19	5	0.41	0.28	3	0.86	0.38	1	0.92	0.35	1	0.90	0.40	1
CAYMAN ISLANDS	CYM	0.76	0.52	1	1.51	0.47	1	..	..	..	..	..	..	..	..	..
CENTRAL AFRICAN REPUBLIC	CAF	-1.20	0.18	5	-0.80	0.25	4	-0.52	0.33	2	0.06	0.30	2	-0.17	0.35	2
CHAD	TCD	-1.09	0.16	7	-0.95	0.25	4	-0.89	0.33	2	-0.83	0.29	3	-0.76	0.35	2
CHILE	CHL	1.09	0.14	12	1.07	0.15	11	0.56	0.21	8	0.65	0.22	6	0.93	0.20	6
CHINA	CHN	-1.54	0.15	10	-1.38	0.17	9	-1.37	0.22	7	-1.51	0.23	5	-1.29	0.21	5
COLOMBIA	COL	-0.47	0.14	12	-0.55	0.17	10	-0.53	0.21	8	-0.30	0.22	7	-0.07	0.20	6
COMOROS	COM	-0.14	0.19	4	-0.51	0.28	3	-0.47	0.38	1	-0.04	0.35	1	-0.11	0.40	1
CONGO	COG	-0.79	0.17	6	-1.10	0.21	6	-1.56	0.25	4	-1.02	0.25	4	-1.23	0.30	3
Congo, Dem. Rep. (Zaire)	ZAR	-1.64	0.15	8	-1.89	0.22	5	-1.91	0.25	4	-1.67	0.26	3	-1.23	0.30	3
COSTA RICA	CRI	1.11	0.14	13	1.16	0.17	10	1.31	0.22	6	1.25	0.22	6	1.37	0.20	5
CROATIA	HRV	0.46	0.11	11	0.49	0.12	10	0.38	0.16	7	-0.30	0.18	5	-0.50	0.18	4
CUBA	CUB	-1.88	0.15	8	-1.77	0.17	7	-1.72	0.23	4	-1.68	0.23	4	-1.38	0.21	4
CYPRUS	CYP	1.00	0.16	8	0.94	0.18	6	1.22	0.23	4	1.06	0.23	4	1.06	0.21	4
CZECH REPUBLIC	CZE	1.03	0.11	11	0.90	0.13	9	0.99	0.16	8	1.14	0.18	7	1.06	0.17	6
DENMARK	DNK	1.59	0.16	10	1.72	0.17	10	1.51	0.21	7	1.51	0.23	5	1.73	0.21	5
DJIBOUTI	DJI	-0.85	0.19	4	-0.69	0.28	3	-0.56	0.38	1	-0.73	0.35	1	-0.77	0.40	1
DOMINICA	DMA	1.13	0.20	3	1.05	0.29	2	1.21	0.38	1	1.27	0.35	1	1.27	0.40	1
DOMINICAN REPUBLIC	DOM	0.27	0.15	9	0.19	0.18	7	0.43	0.22	6	-0.05	0.23	4	0.02	0.21	4
ECUADOR	ECU	-0.19	0.14	11	-0.06	0.18	8	-0.14	0.22	6	0.27	0.22	6	0.06	0.20	5
EGYPT	EGY	-1.04	0.15	9	-0.88	0.17	8	-0.81	0.22	6	-0.83	0.23	4	-0.74	0.21	4
EL SALVADOR	SLV	0.26	0.14	11	0.06	0.18	8	0.24	0.22	6	0.04	0.22	5	-0.22	0.20	5
EQUATORIAL GUINEA	GNQ	-1.71	0.19	4	-1.44	0.28	3	-1.46	0.38	1	-1.55	0.35	1	-1.47	0.40	1
ERITREA	ERI	-1.96	0.17	6	-2.05	0.23	5	-1.42	0.31	3	-1.07	0.30	2	-1.10	0.35	2
ESTONIA	EST	1.13	0.11	12	1.05	0.13	9	0.89	0.15	9	0.82	0.18	6	0.77	0.18	4
ETHIOPIA	ETH	-1.11	0.14	10	-1.14	0.21	6	-1.00	0.25	5	-0.69	0.26	3	-0.61	0.30	3
FIJI	FJI	0.15	0.18	5	-0.06	0.24	4	0.11	0.31	3	0.10	0.29	3	-0.09	0.35	2
FINLAND	FIN	1.50	0.16	9	1.70	0.17	9	1.60	0.21	7	1.51	0.23	5	1.71	0.21	5
FRANCE	FRA	1.24	0.16	10	1.29	0.17	9	1.07	0.21	8	1.09	0.23	6	1.50	0.21	5
FRENCH GUIANA	GUF	0.44	0.52	1	0.42	0.47	1	..	..	..	..	..	..	..	..	..
GABON	GAB	-0.71	0.15	7	-0.42	0.18	6	-0.46	0.22	5	-0.26	0.23	4	-0.54	0.21	4
GAMBIA	GMB	-0.59	0.16	8	-1.03	0.21	6	-0.98	0.26	3	-1.18	0.26	3	-1.34	0.30	3
GEORGIA	GEO	-0.34	0.11	11	-0.29	0.14	7	-0.21	0.18	6	-0.37	0.21	4	-0.52	0.23	3
GERMANY	DEU	1.38	0.16	10	1.51	0.17	10	1.35	0.21	8	1.36	0.23	6	1.55	0.21	5

Note: "Est." refers to estimate, "S.E." refers to standard errors, and "N." refers to number of sources

TABLE C1: Voice and Accountability (cont.)

Country	Code	2004			2002			2000			1998			1996		
		Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.
GHANA	GHA	0.39	0.14	12	0.01	0.17	8	0.00	0.22	6	-0.53	0.23	5	-0.35	0.21	4
GREECE	GRC	0.91	0.16	9	1.05	0.18	8	1.01	0.23	5	0.92	0.23	5	0.98	0.21	5
GRENADA	GRD	0.85	0.19	4	0.68	0.29	2	0.99	0.38	1	1.05	0.35	1	1.05	0.40	1
GUAM	GUM	0.52	0.52	1	..	..	..	..	..	..	..	..	..	..	..	..
GUATEMALA	GTM	-0.39	0.13	13	-0.48	0.17	10	-0.26	0.22	6	-0.36	0.22	5	-0.64	0.20	5
GUINEA	GIN	-1.12	0.17	6	-1.19	0.22	5	-1.12	0.26	3	-0.99	0.25	4	-1.13	0.30	3
GUINEA-BISSAU	GNB	-0.62	0.17	6	-0.74	0.21	6	-0.85	0.25	4	-0.34	0.25	4	-0.55	0.30	3
GUYANA	GUY	0.62	0.19	4	0.65	0.23	4	0.91	0.25	4	0.98	0.26	3	0.90	0.30	3
HAITI	HTI	-1.50	0.15	8	-1.11	0.21	7	-0.79	0.25	5	-0.65	0.26	3	-0.46	0.30	3
HONDURAS	HND	-0.02	0.15	11	-0.15	0.17	8	0.01	0.22	6	0.12	0.22	5	-0.36	0.20	5
HONG KONG	HKG	0.21	0.17	8	0.15	0.18	8	-0.45	0.24	5	-0.16	0.25	5	0.62	0.22	4
HUNGARY	HUN	1.16	0.11	11	1.17	0.13	10	1.14	0.15	9	1.15	0.18	7	1.06	0.17	6
ICELAND	ISL	1.41	0.18	8	1.52	0.21	7	1.44	0.25	5	1.36	0.25	4	1.45	0.29	4
INDIA	IND	0.27	0.15	11	0.38	0.17	10	0.45	0.22	7	0.26	0.23	6	0.28	0.21	5
INDONESIA	IDN	-0.44	0.13	12	-0.49	0.17	10	-0.52	0.22	7	-1.33	0.23	5	-1.15	0.21	5
IRAN	IRN	-1.36	0.15	8	-1.04	0.17	7	-0.69	0.22	5	-0.90	0.23	4	-1.08	0.21	4
IRAQ	IRQ	-1.71	0.15	7	-2.12	0.18	6	-2.12	0.22	5	-1.93	0.23	4	-1.74	0.21	4
IRELAND	IRL	1.30	0.16	10	1.40	0.17	10	1.42	0.21	7	1.34	0.23	6	1.49	0.21	5
ISRAEL	ISR	0.46	0.16	10	0.61	0.17	10	0.94	0.22	6	1.01	0.23	5	1.07	0.21	5
ITALY	ITA	1.06	0.16	9	1.11	0.17	9	1.06	0.21	8	1.21	0.23	6	1.10	0.21	5
IVORY COAST	CIV	-1.46	0.15	8	-1.25	0.17	7	-1.31	0.23	5	-0.65	0.23	5	-0.19	0.21	4
JAMAICA	JAM	0.54	0.15	8	0.51	0.18	6	0.70	0.23	4	0.66	0.23	5	0.55	0.21	4
JAPAN	JPN	0.98	0.16	10	0.99	0.17	10	0.99	0.21	7	1.05	0.25	4	1.08	0.21	5
JORDAN	JOR	-0.68	0.14	10	-0.41	0.18	7	-0.19	0.22	5	-0.19	0.23	5	-0.16	0.21	4
KAZAKHSTAN	KAZ	-1.21	0.10	11	-1.14	0.12	9	-0.91	0.15	8	-0.73	0.18	6	-1.00	0.18	4
KENYA	KEN	-0.34	0.13	13	-0.58	0.17	7	-0.84	0.22	6	-0.77	0.23	5	-0.48	0.21	4
KIRIBATI	KIR	0.87	0.20	3	1.09	0.35	1	1.15	0.38	1	1.26	0.35	1	1.17	0.40	1
KOREA, NORTH	PRK	-2.05	0.15	8	-2.32	0.21	6	-2.02	0.26	3	-1.96	0.26	3	-1.84	0.30	3
KOREA, SOUTH	KOR	0.73	0.15	11	0.63	0.17	10	0.76	0.21	7	0.68	0.23	6	0.71	0.21	5
KUWAIT	KWT	-0.48	0.16	7	-0.29	0.17	8	-0.22	0.23	4	-0.33	0.23	4	-0.20	0.21	4
KYRGYZ REPUBLIC	KGZ	-1.06	0.11	9	-0.90	0.14	7	-0.68	0.18	4	-0.46	0.21	4	-0.48	0.23	3
LAOS	LAO	-1.55	0.18	5	-1.73	0.25	4	-1.43	0.31	3	-1.26	0.30	2	-1.09	0.35	2
LATVIA	LVA	0.96	0.11	10	0.91	0.14	7	0.76	0.16	6	0.72	0.18	6	0.52	0.18	4
LEBANON	LBN	-0.81	0.15	7	-0.54	0.18	7	-0.37	0.22	5	-0.51	0.23	4	-0.43	0.21	4
LESOTHO	LSO	0.28	0.18	6	-0.16	0.26	4	-0.03	0.33	2	-0.01	0.30	2	0.02	0.35	2
LIBERIA	LBR	-1.24	0.16	7	-1.54	0.21	6	-1.16	0.25	4	-0.90	0.26	3	-1.40	0.30	3
LIBYA	LYB	-1.79	0.15	7	-1.70	0.18	6	-1.60	0.23	4	-1.58	0.23	4	-1.46	0.21	4
LIECHTENSTEIN	LIE	1.27	0.20	3	1.32	0.29	2	1.39	0.38	1	1.44	0.35	1	1.29	0.40	1
LITHUANIA	LTU	0.97	0.11	11	0.89	0.13	8	0.95	0.15	8	0.84	0.18	6	0.76	0.18	4
LUXEMBOURG	LUX	1.40	0.18	7	1.41	0.23	6	1.33	0.25	5	1.37	0.25	4	1.50	0.29	4
MACAO	MAC	0.11	0.52	1	0.42	0.47	1	..	..	..	..	..	..	..	..	..
MACEDONIA	MKD	-0.02	0.11	10	-0.30	0.13	7	-0.03	0.17	5	0.06	0.19	5	-0.06	0.18	4
MADAGASCAR	MDG	0.07	0.17	7	-0.05	0.22	5	0.25	0.25	5	0.40	0.25	4	0.26	0.30	3
MALAWI	MWI	-0.50	0.14	10	-0.56	0.18	7	-0.28	0.22	6	-0.10	0.23	5	-0.43	0.21	4
MALAYSIA	MYS	-0.36	0.13	12	-0.28	0.17	10	-0.27	0.21	8	-0.25	0.23	6	-0.05	0.21	5
MALDIVES	MDV	-1.07	0.19	4	-0.74	0.29	2	-0.94	0.38	1	-1.05	0.35	1	-0.98	0.40	1
MALI	MLI	0.35	0.15	10	0.18	0.21	7	0.28	0.25	4	0.38	0.25	4	0.30	0.30	3
MALTA	MLT	1.26	0.19	5	1.29	0.25	3	1.39	0.28	2	1.36	0.29	2	1.10	0.32	2
MARSHALL ISLANDS	MHL	1.14	0.21	2	1.23	0.35	1	1.30	0.38	1	1.35	0.35	1	1.23	0.40	1
MARTINIQUE	MTQ	0.68	0.52	1	0.64	0.47	1	..	..	..	..	..	..	..	..	..
MAURITANIA	MRT	-1.16	0.19	4	-0.67	0.25	4	-0.67	0.31	3	-0.91	0.30	2	-0.84	0.35	2
MAURITIUS	MUS	0.94	0.16	7	0.80	0.19	6	1.21	0.26	4	0.98	0.26	4	0.87	0.23	3
MEXICO	MEX	0.36	0.14	14	0.36	0.15	12	0.09	0.21	8	-0.17	0.22	7	-0.23	0.20	6
MICRONESIA	FSM	1.01	0.20	3	0.93	0.35	1	0.97	0.38	1	0.98	0.35	1	1.18	0.40	1
MOLDOVA	MDA	-0.47	0.11	10	-0.32	0.13	7	-0.01	0.16	7	-0.03	0.18	6	-0.21	0.18	4
MONACO	MCO	0.91	0.21	2	0.92	0.35	1	1.11	0.38	1	1.17	0.35	1	1.03	0.40	1
MONGOLIA	MNG	0.45	0.16	7	0.44	0.21	6	0.73	0.25	4	0.62	0.19	4	0.38	0.30	3
MOROCCO	MAR	-0.55	0.14	10	-0.30	0.17	8	-0.44	0.23	4	-0.53	0.23	5	-0.63	0.21	4
MOZAMBIQUE	MOZ	-0.13	0.15	10	-0.26	0.21	6	-0.28	0.25	4	-0.10	0.25	4	-0.20	0.30	3
MYANMAR	MMR	-2.19	0.15	8	-2.05	0.17	7	-2.12	0.22	5	-1.92	0.23	4	-1.73	0.21	4
NAMIBIA	NAM	0.47	0.14	11	0.33	0.17	9	0.28	0.22	6	0.42	0.23	4	0.52	0.21	4
NAURU	NRU	1.08	0.21	2	0.85	0.35	1	0.88	0.38	1	1.02	0.35	1	0.90	0.40	1
NEPAL	NPL	-1.00	0.14	8	-0.52	0.23	5	-0.12	0.31	3	-0.01	0.30	2	0.14	0.35	2
NETHERLANDS	NLD	1.49	0.16	9	1.63	0.17	9	1.53	0.21	7	1.51	0.23	5	1.70	0.21	5
NETHERLANDS ANTILLES	ANT	0.44	0.52	1	..	..	..	..	..	..	..	..	..	..	..	..
NEW ZEALAND	NZL	1.47	0.16	9	1.60	0.18	7	1.51	0.22	6	1.37	0.23	5	1.66	0.21	5
NICARAGUA	NIC	0.06	0.13	13	0.09	0.17	8	-0.08	0.22	6	-0.01	0.22	5	-0.22	0.20	5
NIGER	NER	-0.12	0.17	6	-0.18	0.22	5	-0.07	0.25	4	-0.99	0.26	3	-0.41	0.30	3
NIGERIA	NGA	-0.65	0.13	13	-0.70	0.17	10	-0.68	0.22	7	-1.48	0.23	5	-1.49	0.21	4

TABLE C1: Voice and Accountability (cont.)

Country	Code	2004			2002			2000			1998			1996		
		Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.
NORWAY	NOR	1.53	0.16	9	1.64	0.17	9	1.50	0.22	6	1.55	0.23	5	1.76	0.21	5
OMAN	OMN	-0.90	0.16	6	-0.55	0.17	7	-0.68	0.23	4	-0.74	0.23	4	-0.61	0.21	4
PALAU	PCI	1.21	0.21	2	..	..	..	..	..	..	..	..	..	..	..	..
PAKISTAN	PAK	-1.31	0.14	10	-1.10	0.18	7	-1.53	0.22	6	-0.62	0.23	4	-0.98	0.21	4
PANAMA	PAN	0.54	0.16	10	0.50	0.17	10	0.69	0.22	6	0.52	0.22	5	0.33	0.20	5
PAPUA NEW GUINEA	PNG	-0.03	0.15	7	-0.15	0.18	6	0.03	0.22	5	0.20	0.23	4	0.17	0.21	4
PARAGUAY	PRY	-0.23	0.15	10	-0.53	0.17	9	-0.59	0.22	5	-0.28	0.22	6	-0.39	0.20	5
PERU	PER	-0.04	0.14	12	0.11	0.15	11	-0.01	0.22	7	-0.79	0.22	6	-0.73	0.20	5
PHILIPPINES	PHL	0.02	0.15	11	0.17	0.17	9	0.40	0.21	8	0.46	0.23	5	0.17	0.21	5
POLAND	POL	1.13	0.11	12	1.11	0.13	11	1.12	0.15	9	1.01	0.18	7	0.99	0.17	6
PORTUGAL	PRT	1.31	0.16	9	1.31	0.17	9	1.35	0.23	6	1.38	0.23	6	1.32	0.21	5
PUERTO RICO	PRI	1.02	0.22	2	0.64	0.47	1	..	..	..	..	..	..	..	..	..
QATAR	QAT	-0.79	0.15	7	-0.52	0.19	5	-0.66	0.24	3	-0.91	0.25	3	-0.83	0.22	3
REUNION	REU	1.05	0.52	1	..	..	..	..	..	..	..	..	..	..	..	..
ROMANIA	ROM	0.36	0.11	13	0.41	0.12	11	0.43	0.15	8	0.24	0.18	5	0.03	0.17	5
RUSSIA	RUS	-0.81	0.11	13	-0.44	0.12	12	-0.44	0.15	9	-0.26	0.18	7	-0.36	0.17	6
RWANDA	RWA	-1.09	0.17	6	-1.41	0.23	5	-1.46	0.31	3	-1.50	0.30	2	-1.43	0.35	2
SAMOA	SAM	0.69	0.20	3	0.67	0.29	2	0.62	0.38	1	0.60	0.35	1	0.77	0.40	1
SAN MARINO	SMR	1.18	0.21	2	1.17	0.35	1	1.39	0.38	1	1.44	0.35	1	1.29	0.40	1
SAO TOME AND PRINCIPE	STP	0.55	0.20	3	0.48	0.29	2	0.93	0.38	1	0.75	0.35	1	0.88	0.40	1
SAUDI ARABIA	SAU	-1.63	0.15	8	-1.40	0.17	8	-1.27	0.22	5	-1.37	0.23	4	-1.22	0.21	4
SENEGAL	SEN	0.19	0.14	10	0.15	0.17	7	-0.11	0.22	6	-0.49	0.23	5	-0.17	0.21	4
SERBIA AND MONTENEGRO	YUG	0.12	0.11	11	-0.23	0.12	8	-0.32	0.16	5	-0.96	0.18	5	-1.38	0.21	4
SEYCHELLES	SYC	-0.04	0.19	4	0.19	0.28	3	0.11	0.38	1	0.19	0.35	1	0.10	0.40	1
SIERRA LEONE	SLE	-0.49	0.15	8	-0.57	0.21	6	-1.36	0.25	4	-1.72	0.26	3	-1.37	0.30	3
SINGAPORE	SGP	-0.13	0.15	10	0.51	0.18	7	-0.05	0.22	7	0.01	0.23	6	0.40	0.21	5
SLOVAK REPUBLIC	SVK	1.10	0.11	10	0.92	0.14	8	0.90	0.16	8	0.45	0.18	6	0.37	0.17	5
SLOVENIA	SVN	1.12	0.11	11	1.10	0.13	10	0.98	0.16	8	0.92	0.18	5	0.99	0.18	4
SOLOMON ISLANDS	SLB	0.10	0.20	3	0.37	0.35	1	0.06	0.38	1	1.11	0.35	1	1.07	0.40	1
SOMALIA	SOM	-1.58	0.16	7	-1.51	0.22	5	-1.37	0.25	4	-1.46	0.26	3	-1.91	0.30	3
SOUTH AFRICA	ZAF	0.86	0.14	13	0.73	0.17	11	1.05	0.21	8	0.87	0.23	6	0.68	0.21	5
SPAIN	ESP	1.17	0.16	10	1.24	0.17	10	1.10	0.21	8	1.27	0.23	6	1.15	0.21	5
SRI LANKA	LKA	-0.16	0.14	10	-0.06	0.17	8	-0.37	0.22	5	-0.29	0.23	4	-0.21	0.21	4
ST. KITTS AND NEVIS	KNA	0.75	0.20	3	0.96	0.35	1	1.01	0.38	1	1.07	0.35	1	1.06	0.40	1
ST. LUCIA	LCA	0.97	0.20	3	1.04	0.35	1	1.06	0.38	1	1.12	0.35	1	1.13	0.40	1
ST. VINCENT AND THE GRENADINES	VCT	0.96	0.20	3	0.98	0.35	1	1.03	0.38	1	1.09	0.35	1	1.14	0.40	1
SUDAN	SDN	-1.81	0.15	8	-1.71	0.17	7	-1.75	0.22	5	-1.71	0.23	4	-1.66	0.21	4
SURINAME	SUR	0.60	0.19	4	0.29	0.25	3	0.55	0.28	2	0.19	0.29	2	-0.06	0.32	2
SWAZILAND	SWZ	-1.45	0.18	5	-1.18	0.25	4	-1.22	0.33	2	-0.92	0.30	2	-1.28	0.35	2
SWEDEN	SWE	1.52	0.16	9	1.65	0.17	10	1.56	0.21	8	1.48	0.23	5	1.70	0.21	5
SWITZERLAND	CHE	1.49	0.16	9	1.63	0.17	9	1.64	0.21	7	1.55	0.23	6	1.71	0.21	5
SYRIA	SYR	-1.72	0.15	8	-1.56	0.17	7	-1.64	0.23	4	-1.59	0.23	4	-1.37	0.21	4
TAIWAN	TWN	0.95	0.15	11	0.89	0.17	9	0.81	0.21	7	0.71	0.23	5	0.55	0.21	5
TAJIKISTAN	TJK	-1.12	0.11	8	-1.07	0.14	7	-0.93	0.18	4	-1.37	0.21	3	-1.42	0.23	3
TANZANIA	TZA	-0.35	0.14	11	-0.41	0.17	8	-0.15	0.22	6	-0.40	0.23	5	-0.77	0.21	4
THAILAND	THA	0.24	0.15	10	0.20	0.17	9	0.25	0.22	7	0.11	0.23	6	0.01	0.21	5
TIMOR, EAST	TMP	0.25	0.17	5	0.19	0.29	2	..	..	..	..	..	..	..	..	..
TOGO	TGO	-1.22	0.17	6	-1.20	0.22	5	-1.09	0.26	3	-1.14	0.25	4	-1.07	0.30	3
TONGA	TON	-0.35	0.19	4	-0.12	0.35	1	-0.09	0.38	1	-0.05	0.35	1	0.00	0.40	1
TRINIDAD AND TOBAGO	TTO	0.49	0.16	7	0.56	0.18	6	0.61	0.23	5	0.92	0.23	4	0.77	0.21	4
TUNISIA	TUN	-1.11	0.15	9	-0.83	0.17	8	-0.71	0.23	5	-0.92	0.23	4	-0.53	0.21	4
TURKEY	TUR	-0.15	0.15	11	-0.47	0.17	10	-0.65	0.21	8	-0.92	0.23	6	-0.41	0.21	5
TURKMENISTAN	TKM	-1.90	0.12	6	-1.85	0.16	5	-1.59	0.18	3	-1.59	0.21	3	-1.69	0.23	3
TUVALU	TUV	0.94	0.20	3	1.17	0.35	1	1.39	0.38	1	1.44	0.35	1	1.29	0.40	1
UGANDA	UGA	-0.64	0.13	13	-0.77	0.17	8	-0.94	0.22	6	-0.61	0.23	5	-0.63	0.21	4
UKRAINE	UKR	-0.62	0.10	13	-0.64	0.12	10	-0.39	0.16	7	-0.14	0.18	6	-0.39	0.18	4
UNITED ARAB EMIRATES	ARE	-1.01	0.16	7	-0.47	0.18	6	-0.62	0.23	4	-0.71	0.23	4	-0.68	0.21	4
UNITED KINGDOM	GBR	1.37	0.16	10	1.48	0.17	10	1.39	0.21	8	1.40	0.23	6	1.38	0.21	5
UNITED STATES	USA	1.21	0.16	9	1.32	0.17	9	1.18	0.22	7	1.41	0.23	6	1.53	0.21	5
URUGUAY	URY	1.00	0.15	10	0.95	0.18	8	1.04	0.22	6	0.74	0.22	5	0.78	0.20	5
UZBEKISTAN	UZB	-1.75	0.10	10	-1.58	0.13	8	-1.39	0.17	6	-1.50	0.19	5	-1.39	0.18	4
VANUATU	VUT	0.68	0.20	3	0.89	0.35	1	0.62	0.38	1	0.63	0.35	1	0.47	0.40	1
VENEZUELA	VEN	-0.46	0.13	13	-0.41	0.17	10	-0.33	0.23	6	0.16	0.22	7	0.06	0.20	6
VIETNAM	VNM	-1.54	0.14	10	-1.36	0.17	8	-1.53	0.22	5	-1.64	0.23	4	-1.31	0.21	4
VIRGIN ISLANDS (U.S.)	VIR	0.66	0.52	1	..	..	..	..	..	..	..	..	..	..	..	..
WEST BANK	WBG	-1.25	0.21	3	-1.08	0.28	3	-0.89	0.38	2	-0.65	0.35	2	-1.56	0.40	1
YEMEN	YEM	-0.99	0.14	9	-0.88	0.17	7	-0.72	0.22	5	-0.60	0.23	4	-0.91	0.21	4
ZAMBIA	ZMB	-0.36	0.14	11	-0.40	0.17	8	-0.24	0.22	6	-0.11	0.23	5	-0.16	0.21	4
ZIMBABWE	ZWE	-1.48	0.13	10	-1.51	0.18	8	-0.97	0.23	5	-0.73	0.23	5	-0.30	0.21	4

TABLE C2: Political Stability

Country	Code	2004			2002			2000			1998			1996		
		Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.
AFGHANISTAN	AFG	-2.03	0.23	7	-2.25	0.27	4	-2.48	0.37	2	-2.06	0.49	1	-1.82	0.54	1
ALBANIA	ALB	-0.97	0.26	6	-0.50	0.28	4	-0.61	0.32	5	-0.60	0.29	4	0.20	0.35	3
ALGERIA	DZA	-1.42	0.21	9	-1.62	0.22	7	-1.75	0.27	5	-2.62	0.27	4	-2.78	0.32	4
AMERICAN SAMOA	ASM	0.75	0.55	1	..	..	..	..	..	..	..	..	..	..	..	..
ANDORRA	ADO	1.35	0.41	2	1.32	0.41	1	..	..	..	..	..	..	..	..	..
ANGOLA	AGO	-0.95	0.22	8	-1.54	0.22	7	-2.32	0.27	5	-2.07	0.27	5	-2.17	0.32	4
ANGUILLA	AIA	0.90	0.55	1	..	..	..	..	..	..	..	..	..	..	..	..
ANTIGUA AND BARBUDA	ATG	1.30	0.34	3	0.82	0.41	1	..	..	..	..	..	..	..	..	..
ARGENTINA	ARG	-0.24	0.19	12	-0.64	0.19	11	0.48	0.23	10	0.45	0.24	6	0.47	0.27	6
ARMENIA	ARM	-0.51	0.25	6	-0.57	0.26	5	-0.60	0.33	5	-0.40	0.29	4	0.41	0.38	2
ARUBA	ABW	0.97	0.55	1	..	..	..	..	..	..	..	..	..	..	..	..
AUSTRALIA	AUS	1.03	0.19	11	1.16	0.20	9	1.34	0.23	8	1.26	0.24	6	1.22	0.27	6
AUSTRIA	AUT	1.18	0.20	11	1.27	0.21	8	1.38	0.23	8	1.48	0.24	7	1.38	0.27	6
AZERBAIJAN	AZE	-1.52	0.22	8	-1.13	0.22	7	-0.63	0.27	6	-0.41	0.26	5	-0.40	0.34	3
BAHAMAS	BHS	0.94	0.32	4	0.99	0.36	2	0.71	0.67	1	0.39	0.46	1	0.54	0.68	1
BAHRAIN	BHR	0.06	0.22	8	0.42	0.23	6	0.02	0.27	5	0.01	0.27	4	-0.58	0.32	4
BANGLADESH	BGD	-1.24	0.21	9	-0.65	0.21	8	-0.55	0.27	6	-0.43	0.27	4	-0.53	0.32	4
BARBADOS	BRB	1.52	0.31	4	0.82	0.41	1	..	..	..	..	..	..	..	..	..
BELARUS	BLR	-0.24	0.24	7	0.18	0.26	5	-0.07	0.31	6	-0.15	0.29	4	0.03	0.38	2
BELGIUM	BEL	0.94	0.20	10	1.07	0.20	9	0.97	0.23	8	1.01	0.24	6	0.96	0.27	6
BELIZE	BLZ	0.65	0.31	4	0.57	0.36	2	0.99	0.52	2	0.94	0.49	1	0.93	0.54	1
BENIN	BEN	-0.37	0.29	5	0.65	0.32	3	0.24	0.46	2	0.27	0.43	2	1.20	0.54	1
BERMUDA	BMU	1.02	0.40	2	0.82	0.41	1	..	..	..	..	..	..	..	..	..
BHUTAN	BTN	0.84	0.31	4	0.81	0.36	2	0.74	0.54	1	0.74	0.49	1	1.00	0.54	1
BOLIVIA	BOL	-0.65	0.22	9	-0.06	0.21	8	-0.41	0.27	7	0.08	0.26	5	-0.23	0.32	4
BOSNIA-HERZEGOVINA	BIH	-0.85	0.24	8	-0.75	0.26	5	-0.34	0.50	3	-0.42	0.49	1	-0.41	0.54	1
BOTSWANA	BWA	0.70	0.23	8	0.79	0.21	8	0.90	0.27	6	0.89	0.27	5	0.87	0.32	4
BRAZIL	BRA	-0.13	0.19	12	0.11	0.19	11	0.20	0.23	9	-0.38	0.24	7	-0.17	0.27	6
BRUNEI	BRN	1.06	0.37	3	1.05	0.33	3	1.32	0.46	2	1.46	0.35	2	1.08	0.47	2
BULGARIA	BGR	0.13	0.21	10	0.56	0.21	8	0.30	0.26	8	0.44	0.26	5	0.19	0.32	4
BURKINA FASO	BFA	-0.32	0.29	5	-0.13	0.33	3	-0.17	0.41	3	0.04	0.34	3	-0.28	0.47	2
BURUNDI	BDI	-2.04	0.31	4	-2.13	0.36	2	-1.87	0.43	3	-2.06	0.49	1	-1.75	0.54	1
CAMBODIA	KHM	-0.60	0.31	4	-0.25	0.33	3	-0.73	0.52	2	-1.18	0.49	1	-1.15	0.54	1
CAMEROON	CMR	-0.90	0.22	8	-0.46	0.23	6	-0.55	0.28	6	-0.75	0.26	6	-0.98	0.32	4
CANADA	CAN	1.13	0.19	12	1.10	0.19	10	1.34	0.23	10	1.18	0.24	7	1.02	0.27	6
CAPE VERDE	CPV	0.67	0.41	2	0.82	0.41	1	..	..	..	..	..	..	..	..	..
CAYMAN ISLANDS	CYM	1.58	0.40	2	0.82	0.41	1	..	..	..	..	..	..	..	..	..
CENTRAL AFRICAN REPUBLIC	CAF	-1.43	0.31	4	-1.74	0.36	2	0.00	0.54	1	0.26	0.49	1	-0.01	0.54	1
CHAD	TCD	-1.20	0.30	5	-1.54	0.33	3	-0.87	0.54	1	-1.37	0.43	2	-0.68	0.54	1
CHILE	CHL	0.89	0.19	11	1.03	0.19	11	0.85	0.23	10	0.61	0.24	6	0.75	0.27	6
CHINA	CHN	-0.07	0.19	11	0.06	0.19	10	0.13	0.23	9	0.06	0.24	6	0.12	0.27	6
COLOMBIA	COL	-1.69	0.20	10	-1.95	0.20	10	-1.73	0.23	10	-1.56	0.24	7	-1.25	0.27	6
COMOROS	COM	-0.13	0.41	2	-0.19	0.41	1	..	..	..	..	..	..	..	..	..
CONGO	COG	-1.41	0.27	6	-1.63	0.28	5	-1.74	0.41	3	-1.94	0.33	3	-0.70	0.47	2
Congo, Dem. Rep. (Zaire)	ZAR	-2.27	0.22	8	-2.35	0.24	6	-2.83	0.32	4	-2.77	0.30	3	-1.73	0.35	3
COSTA RICA	CRI	0.98	0.21	10	1.10	0.20	9	1.24	0.26	7	1.08	0.25	6	0.89	0.30	5
CROATIA	HRV	0.35	0.22	9	0.48	0.22	7	0.49	0.28	6	0.46	0.27	4	0.24	0.34	3
CUBA	CUB	0.18	0.22	8	0.30	0.22	7	-0.10	0.27	5	0.07	0.27	4	0.02	0.32	4
CYPRUS	CYP	0.34	0.22	8	0.38	0.22	6	0.62	0.28	4	0.59	0.27	4	0.60	0.32	4
CZECH REPUBLIC	CZE	0.84	0.20	11	1.07	0.20	9	0.84	0.23	9	0.97	0.24	7	1.08	0.27	6
DENMARK	DNK	1.21	0.19	12	1.26	0.20	9	1.45	0.23	9	1.40	0.24	6	1.27	0.27	6
DJIBOUTI	DJI	-0.44	0.41	2	-0.69	0.41	1	..	..	..	..	..	..	..	..	..
DOMINICA	DMA	1.19	0.34	3	0.56	0.41	1	..	..	..	..	..	..	..	..	..
DOMINICAN REPUBLIC	DOM	-0.01	0.22	8	0.24	0.22	7	0.18	0.27	7	-0.06	0.31	3	-0.20	0.40	3
ECUADOR	ECU	-0.83	0.20	10	-0.68	0.20	9	-1.01	0.25	8	-0.58	0.25	6	-0.61	0.28	5
EGYPT	EGY	-0.72	0.20	10	-0.49	0.20	8	0.00	0.24	8	-0.15	0.24	7	-0.42	0.27	6
EL SALVADOR	SLV	-0.23	0.25	7	0.32	0.23	7	0.47	0.30	6	0.20	0.29	4	-0.09	0.36	4
EQUATORIAL GUINEA	GNQ	-0.30	0.36	3	0.24	0.37	2	..	..	..	..	..	..	..	..	..
ERITREA	ERI	-0.14	0.29	5	-0.26	0.32	3	-0.09	0.46	2	-0.22	0.49	1	0.46	0.54	1
ESTONIA	EST	0.92	0.20	11	1.02	0.20	9	0.84	0.24	9	0.95	0.26	5	0.84	0.34	3
ETHIOPIA	ETH	-0.98	0.23	8	-1.20	0.28	5	-0.83	0.40	4	-0.25	0.34	3	-0.61	0.47	2
FIJI	FJI	0.10	0.31	4	0.23	0.32	3	-0.02	0.46	2	0.76	0.43	2	0.93	0.54	1
FINLAND	FIN	1.65	0.20	11	1.69	0.20	9	1.72	0.23	9	1.60	0.24	6	1.45	0.27	6
FRANCE	FRA	0.53	0.19	12	0.71	0.19	10	1.14	0.23	10	0.83	0.24	7	1.03	0.27	6
FRENCH GUIANA	GUF	0.48	0.55	1	0.31	0.41	1	..	..	..	..	..	..	..	..	..
GABON	GAB	-0.01	0.22	7	0.25	0.23	6	-0.34	0.27	5	-0.29	0.31	3	-0.15	0.40	3
GAMBIA	GMB	0.38	0.32	5	0.56	0.29	4	0.34	0.46	2	0.63	0.35	2	0.20	0.47	2
GEORGIA	GEO	-1.26	0.24	8	-1.71	0.26	5	-0.79	0.34	5	-0.81	0.34	3	-0.72	0.38	2
GERMANY	DEU	0.92	0.19	12	1.02	0.19	10	1.31	0.23	10	1.42	0.24	7	1.31	0.27	6

TABLE C2: Political Stability (cont.)

Country	Code	2004			2002			2000			1998			1996		
		Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.
GHANA	GHA	-0.10	0.21	10	0.03	0.22	7	-0.04	0.28	6	0.02	0.26	6	0.06	0.32	4
GREECE	GRC	0.53	0.20	11	0.76	0.20	9	0.87	0.24	7	0.38	0.24	6	0.42	0.27	6
GRENADA	GRD	0.95	0.34	3	0.56	0.41	1	..	..	..	..	..	..	..	..	..
GUAM	GUM	0.61	0.55	1	..	..	..	..	..	..	..	..	..	..	..	..
GUATEMALA	GTM	-0.85	0.23	9	-0.43	0.22	8	-0.89	0.30	6	-0.89	0.29	4	-1.14	0.36	4
GUINEA	GIN	-0.91	0.29	5	-1.41	0.30	4	-1.16	0.46	2	-0.88	0.33	3	-1.33	0.47	2
GUINEA-BISSAU	GNB	-0.53	0.33	4	-0.41	0.29	4	-0.74	0.41	3	-1.14	0.33	3	-0.57	0.47	2
GUYANA	GUY	-0.53	0.29	5	-0.39	0.33	3	-0.42	0.41	3	0.02	0.35	2	0.10	0.47	2
HAITI	HTI	-1.87	0.27	6	-1.29	0.28	5	-0.77	0.40	4	-1.27	0.35	2	-0.21	0.47	2
HONDURAS	HND	-0.69	0.23	8	-0.08	0.22	8	0.26	0.30	6	-0.18	0.29	4	-0.40	0.36	4
HONG KONG	HKG	1.30	0.22	9	1.06	0.22	7	1.15	0.27	6	0.96	0.28	5	0.30	0.33	4
HUNGARY	HUN	0.85	0.19	11	1.11	0.19	10	0.78	0.23	10	1.19	0.24	7	0.79	0.27	6
ICELAND	ISL	1.77	0.26	8	1.59	0.29	5	1.71	0.35	5	1.40	0.33	3	1.22	0.41	3
INDIA	IND	-0.81	0.19	12	-0.93	0.19	10	-0.40	0.23	9	-0.42	0.24	7	-0.77	0.27	6
INDONESIA	IDN	-1.38	0.19	12	-1.45	0.19	10	-1.85	0.23	9	-1.47	0.24	6	-0.45	0.27	6
IRAN	IRN	-0.91	0.20	9	-0.67	0.20	8	-0.20	0.25	6	-0.23	0.25	5	-0.37	0.28	5
IRAQ	IRQ	-2.87	0.24	6	-1.76	0.23	6	-1.96	0.27	5	-2.48	0.27	4	-2.96	0.32	4
IRELAND	IRL	1.22	0.19	12	1.32	0.20	9	1.39	0.23	9	1.52	0.24	7	1.23	0.27	6
ISRAEL	ISR	-1.01	0.20	11	-1.46	0.20	9	-0.58	0.24	7	-0.40	0.26	5	-0.50	0.27	6
ITALY	ITA	0.31	0.20	11	0.85	0.20	9	0.82	0.23	10	1.17	0.24	7	0.75	0.27	6
IVORY COAST	CIV	-2.28	0.22	8	-2.00	0.22	7	-0.90	0.28	5	-0.03	0.26	6	0.32	0.32	4
JAMAICA	JAM	-0.28	0.25	7	-0.17	0.24	6	0.28	0.32	4	-0.17	0.29	4	0.64	0.40	3
JAPAN	JPN	0.99	0.19	12	1.23	0.19	10	1.25	0.23	9	1.19	0.27	5	1.08	0.27	6
JORDAN	JOR	-0.12	0.22	9	-0.32	0.22	7	0.21	0.26	6	0.02	0.25	6	0.40	0.30	5
KAZAKHSTAN	KAZ	-0.11	0.20	9	0.38	0.20	8	0.26	0.25	8	0.18	0.25	6	-0.05	0.30	4
KENYA	KEN	-0.96	0.21	10	-0.98	0.22	7	-0.96	0.27	6	-0.98	0.26	6	-0.38	0.32	4
KIRIBATI	KIR	0.77	0.41	2	..	..	..	..	..	..	..	..	..	..	..	..
KOREA, NORTH	PRK	-0.67	0.27	5	0.70	0.29	4	-0.66	0.41	3	-0.86	0.35	2	-1.20	0.47	2
KOREA, SOUTH	KOR	0.45	0.19	12	0.50	0.19	10	0.49	0.23	9	0.24	0.24	7	0.16	0.27	6
KUWAIT	KWT	0.29	0.22	8	0.25	0.22	7	0.76	0.28	4	0.70	0.27	4	0.22	0.32	4
KYRGYZ REPUBLIC	KGZ	-0.91	0.25	6	-1.10	0.26	5	-0.09	0.37	3	0.70	0.34	3	0.76	0.38	2
LAOS	LAO	-0.76	0.31	4	-0.16	0.33	3	0.09	0.46	2	0.60	0.49	1	1.20	0.54	1
LATVIA	LVA	0.95	0.22	9	0.95	0.22	7	0.69	0.27	6	0.54	0.26	5	0.77	0.34	3
LEBANON	LBN	-0.83	0.22	7	-0.63	0.23	6	-0.52	0.27	5	-0.34	0.27	4	-0.37	0.32	4
LESOTHO	LSO	0.27	0.30	4	-0.03	0.30	3	1.01	0.54	1	0.38	0.46	2	1.00	0.54	1
LIBERIA	LBR	-2.20	0.29	5	-2.28	0.29	4	-1.35	0.41	3	-1.20	0.35	2	-2.42	0.47	2
LIBYA	LYB	-0.02	0.24	6	-0.34	0.23	6	-0.54	0.28	4	-1.22	0.27	4	-1.59	0.32	4
LIECHTENSTEIN	LIE	1.39	0.41	2	1.32	0.41	1	..	..	..	..	..	..	..	..	..
LITHUANIA	LTU	0.85	0.21	10	1.03	0.21	8	0.53	0.26	8	0.54	0.26	5	0.68	0.34	3
LUXEMBOURG	LUX	1.66	0.26	8	1.68	0.29	5	1.64	0.37	4	1.52	0.33	3	1.39	0.41	3
MACAO	MAC	1.14	0.55	1	0.56	0.41	1	..	..	..	..	..	..	..	..	..
MACEDONIA	MKD	-1.04	0.23	8	-0.94	0.25	4	-0.82	0.36	3	-0.30	0.35	3	0.21	0.44	2
MADAGASCAR	MDG	-0.02	0.28	6	0.22	0.33	3	0.05	0.40	4	-0.28	0.33	3	0.23	0.47	2
MALAWI	MWI	-0.33	0.25	7	0.16	0.25	5	0.11	0.31	5	0.12	0.29	5	0.10	0.40	3
MALAYSIA	MYS	0.38	0.19	12	0.36	0.19	10	0.35	0.23	10	0.46	0.24	7	0.95	0.27	6
MALDIVES	MDV	0.82	0.34	3	1.32	0.41	1	..	..	..	..	..	..	..	..	..
MALI	MLI	0.07	0.27	7	-0.10	0.28	5	0.52	0.41	3	0.19	0.33	3	0.64	0.47	2
MALTA	MLT	1.46	0.28	6	1.49	0.36	2	1.10	0.67	1	1.37	0.46	1	0.84	0.68	1
MARSHALL ISLANDS	MHL	0.66	0.54	1	..	..	..	..	..	..	..	..	..	..	..	..
MARTINIQUE	MTQ	1.47	0.40	2	0.56	0.41	1	..	..	..	..	..	..	..	..	..
MAURITANIA	MRT	0.26	0.31	4	0.30	0.36	2	-0.38	0.46	2	0.53	0.49	1	0.73	0.54	1
MAURITIUS	MUS	0.91	0.31	4	1.11	0.29	3	1.16	0.38	3	1.27	0.34	4	1.18	0.44	2
MEXICO	MEX	-0.13	0.19	12	0.25	0.19	11	-0.11	0.23	10	-0.48	0.24	7	-0.36	0.27	6
MICRONESIA	FSM	0.83	0.34	3	..	..	..	..	..	..	..	..	..	..	..	..
MOLDOVA	MDA	-0.62	0.24	7	-0.06	0.24	5	-0.09	0.27	6	0.12	0.26	5	-0.14	0.34	3
MONACO	MCO	1.13	0.40	2	..	..	..	..	..	..	..	..	..	..	..	..
MONGOLIA	MNG	0.48	0.27	6	0.95	0.29	4	0.99	0.41	3	0.52	0.35	2	0.80	0.47	2
MOROCCO	MAR	-0.23	0.21	9	-0.18	0.21	8	0.11	0.28	4	0.16	0.26	6	-0.40	0.28	5
MOZAMBIQUE	MOZ	-0.15	0.24	8	0.59	0.28	5	-0.28	0.41	3	-0.66	0.32	4	-0.34	0.47	2
MYANMAR	MMR	-1.21	0.22	8	-1.26	0.22	7	-1.47	0.27	5	-1.17	0.27	4	-1.09	0.32	4
NAMIBIA	NAM	0.46	0.21	9	0.43	0.21	8	-0.57	0.31	5	0.51	0.30	4	0.84	0.40	3
NAURU	NRU	0.66	0.54	1	..	..	..	..	..	..	..	..	..	..	..	..
NEPAL	NPL	-1.74	0.25	6	-1.64	0.30	4	-1.13	0.46	2	-0.63	0.49	1	-0.35	0.54	1
NETHERLANDS	NLD	1.15	0.20	11	1.30	0.20	9	1.59	0.23	9	1.57	0.24	6	1.52	0.27	6
NETHERLANDS ANTILLES	ANT	0.66	0.55	1	..	..	..	..	..	..	..	..	..	..	..	..
NEW ZEALAND	NZL	1.51	0.22	9	1.37	0.22	7	1.32	0.24	7	1.51	0.26	5	1.32	0.30	5
NICARAGUA	NIC	-0.15	0.23	8	0.11	0.22	8	0.22	0.30	6	-0.21	0.29	4	-0.66	0.36	4
NIGER	NER	-0.56	0.29	5	-0.24	0.33	3	-0.06	0.41	3	-0.40	0.35	2	-0.10	0.47	2
NIGERIA	NGA	-1.78	0.21	10	-1.56	0.21	8	-1.47	0.26	8	-1.03	0.26	6	-1.56	0.28	5

TABLE C2: Political Stability (cont.)

Country	Code	2004			2002			2000			1998			1996		
		Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.
NORWAY	NOR	1.53	0.20	11	1.51	0.21	8	1.44	0.23	8	1.52	0.24	6	1.46	0.27	6
OMAN	OMN	0.76	0.22	8	1.05	0.22	7	1.06	0.27	5	0.87	0.27	4	0.74	0.32	4
PALAU	PCI	0.66	0.54	1	..	..	..	..	..	..	..	..	..	..	..	..
PAKISTAN	PAK	-1.59	0.20	10	-1.40	0.21	7	-0.60	0.25	7	-0.88	0.24	6	-1.21	0.28	5
PANAMA	PAN	0.29	0.21	9	0.39	0.20	9	0.60	0.26	7	0.34	0.27	4	0.36	0.32	4
PAPUA NEW GUINEA	PNG	-0.94	0.22	8	-0.71	0.22	6	-0.46	0.27	5	-0.42	0.31	3	-1.18	0.40	3
PARAGUAY	PRY	-0.71	0.23	8	-1.10	0.22	8	-0.84	0.32	5	-0.36	0.29	4	-0.06	0.40	3
PERU	PER	-0.68	0.20	11	-0.69	0.19	10	-0.46	0.24	9	-0.47	0.24	7	-0.90	0.27	6
PHILIPPINES	PHL	-1.01	0.19	12	-0.61	0.19	10	-0.39	0.23	10	0.03	0.24	6	-0.12	0.27	6
POLAND	POL	0.35	0.19	12	0.73	0.19	10	0.84	0.23	10	0.80	0.24	7	0.66	0.27	6
PORTUGAL	PRT	1.06	0.20	11	1.42	0.21	8	1.47	0.23	8	1.45	0.24	7	1.36	0.27	6
PUERTO RICO	PRI	1.07	0.29	4	0.62	0.32	2	0.90	0.46	1	0.83	0.49	1	0.80	0.47	1
QATAR	QAT	0.92	0.22	7	0.82	0.25	4	1.45	0.30	4	1.43	0.31	3	0.90	0.37	3
REUNION	REU	0.83	0.55	1	..	..	..	..	..	..	..	..	..	..	..	..
ROMANIA	ROM	0.22	0.20	11	0.34	0.21	8	0.01	0.26	8	0.20	0.27	4	0.56	0.32	4
RUSSIA	RUS	-0.85	0.19	12	-0.52	0.19	10	-0.60	0.23	10	-0.62	0.24	7	-0.93	0.27	6
RWANDA	RWA	-0.92	0.36	3	-1.43	0.32	3	-1.56	0.46	2	-2.06	0.49	1	-1.22	0.54	1
SAMOA	SAM	0.89	0.34	3	0.82	0.41	1	..	..	..	..	..	..	..	..	..
SAN MARINO	SMR	1.22	0.54	1	..	..	..	..	..	..	..	..	..	..	..	..
SAO TOME AND PRINCIPE	STP	0.08	0.41	2	0.56	0.41	1	..	..	..	..	..	..	..	..	..
SAUDI ARABIA	SAU	-0.60	0.20	9	-0.12	0.20	8	0.41	0.25	6	0.12	0.25	5	-0.27	0.28	5
SENEGAL	SEN	-0.21	0.24	7	-0.26	0.24	6	-0.72	0.31	5	-1.08	0.29	4	-0.67	0.40	3
SERBIA AND MONTENEGRO	YUG	-0.97	0.22	8	-0.86	0.23	6	-1.06	0.34	3	-1.68	0.31	3	-1.20	0.40	3
SEYCHELLES	SYC	0.84	0.31	4	1.07	0.41	1	..	..	..	..	..	..	..	..	..
SIERRA LEONE	SLE	-0.61	0.29	5	-1.37	0.29	4	-1.53	0.41	3	-2.02	0.35	2	-2.25	0.47	2
SINGAPORE	SGP	1.48	0.20	11	1.28	0.20	9	1.52	0.23	9	1.32	0.24	7	1.39	0.27	6
SLOVAK REPUBLIC	SVK	0.65	0.22	9	0.99	0.21	8	0.73	0.25	8	0.95	0.25	6	0.61	0.30	5
SLOVENIA	SVN	0.99	0.21	10	1.34	0.20	9	1.00	0.24	8	1.14	0.27	4	1.10	0.34	3
SOLOMON ISLANDS	SLB	-0.70	0.41	2	..	..	..	..	..	..	..	..	..	..	..	..
SOMALIA	SOM	-2.39	0.33	4	-1.97	0.29	4	-1.32	0.41	3	-1.66	0.35	2	-2.14	0.47	2
SOUTH AFRICA	ZAF	-0.24	0.19	12	-0.23	0.19	10	-0.13	0.23	10	-0.80	0.23	8	-0.97	0.27	6
SPAIN	ESP	0.54	0.19	12	0.63	0.19	10	1.08	0.23	10	0.75	0.24	7	0.64	0.27	6
SRI LANKA	LKA	-1.06	0.21	9	-0.97	0.21	8	-1.83	0.26	6	-1.72	0.27	4	-1.73	0.32	4
ST. KITTS AND NEVIS	KNA	1.41	0.34	3	..	..	..	..	..	..	..	..	..	..	..	..
ST. LUCIA	LCA	1.41	0.34	3	..	..	..	..	..	..	..	..	..	..	..	..
ST. VINCENT AND THE GRENADINES	VCT	1.31	0.34	3	..	..	..	..	..	..	..	..	..	..	..	..
SUDAN	SDN	-2.08	0.23	7	-1.99	0.22	7	-2.42	0.27	5	-1.99	0.31	3	-2.73	0.40	3
SURINAME	SUR	0.36	0.33	4	0.46	0.36	2	0.11	0.67	1	-0.19	0.46	1	-0.07	0.68	1
SWAZILAND	SWZ	0.23	0.30	4	0.25	0.30	3	0.54	0.54	1	-0.14	0.46	2	0.19	0.54	1
SWEDEN	SWE	1.38	0.19	11	1.41	0.20	9	1.49	0.23	10	1.51	0.24	6	1.42	0.27	6
SWITZERLAND	CHE	1.44	0.20	11	1.56	0.21	8	1.73	0.23	9	1.76	0.24	7	1.59	0.27	6
SYRIA	SYR	-0.66	0.22	8	-0.20	0.22	7	-0.42	0.27	5	-0.19	0.27	4	-0.56	0.32	4
TAIWAN	TWN	0.52	0.19	12	0.82	0.19	10	0.77	0.23	9	0.99	0.24	6	1.01	0.27	6
TAJIKISTAN	TJK	-1.19	0.25	6	-1.17	0.26	5	-1.43	0.35	3	-1.56	0.37	2	-2.67	0.38	2
TANZANIA	TZA	-0.38	0.21	9	-0.25	0.22	7	-0.33	0.27	6	0.42	0.26	6	0.02	0.32	4
THAILAND	THA	-0.15	0.19	11	0.45	0.19	10	0.24	0.23	9	0.28	0.24	7	0.20	0.27	6
TIMOR, EAST	TMP	-0.62	0.34	3	-0.94	0.41	1	..	..	..	..	..	..	..	..	..
TOGO	TGO	-0.55	0.29	5	0.08	0.33	3	-0.47	0.46	2	-0.99	0.33	3	-0.56	0.47	2
TONGA	TON	0.72	0.34	3	..	..	..	..	..	..	..	..	..	..	..	..
TRINIDAD AND TOBAGO	TTO	0.04	0.25	7	0.01	0.25	5	0.42	0.32	5	0.68	0.31	3	0.66	0.40	3
TUNISIA	TUN	0.16	0.21	9	0.30	0.21	8	0.73	0.27	6	0.48	0.27	5	0.24	0.32	4
TURKEY	TUR	-0.60	0.19	12	-0.66	0.19	10	-1.01	0.23	10	-1.10	0.24	7	-1.21	0.27	6
TURKMENISTAN	TKM	-0.92	0.27	5	-0.19	0.28	4	0.10	0.37	2	0.19	0.37	2	0.36	0.38	2
TUVALU	TUV	0.86	0.41	2	..	..	..	..	..	..	..	..	..	..	..	..
UGANDA	UGA	-1.27	0.21	9	-1.47	0.22	7	-1.35	0.27	6	-0.95	0.26	6	-1.19	0.32	4
UKRAINE	UKR	-0.27	0.20	11	0.12	0.20	9	-0.48	0.25	8	-0.19	0.24	7	-0.22	0.28	5
UNITED ARAB EMIRATES	ARE	0.91	0.22	8	0.93	0.23	6	1.17	0.28	4	0.85	0.27	4	0.90	0.32	4
UNITED KINGDOM	GBR	0.77	0.19	12	0.69	0.19	10	1.17	0.23	10	0.95	0.24	7	1.11	0.27	6
UNITED STATES	USA	0.47	0.20	11	0.21	0.20	9	1.30	0.23	9	1.18	0.24	7	1.06	0.27	6
URUGUAY	URY	0.49	0.22	9	0.86	0.21	8	1.04	0.27	7	0.60	0.27	4	0.85	0.32	4
UZBEKISTAN	UZB	-1.37	0.22	7	-1.02	0.23	6	-1.04	0.28	5	-0.27	0.30	4	0.07	0.34	3
VANUATU	VUT	0.53	0.41	2	..	..	..	..	..	..	..	..	..	..	..	..
VENEZUELA	VEN	-1.10	0.19	12	-1.17	0.19	11	-0.44	0.23	8	-0.37	0.24	7	-0.61	0.27	6
VIETNAM	VNM	0.16	0.20	10	0.48	0.20	9	0.40	0.24	7	0.59	0.24	6	0.40	0.27	6
VIRGIN ISLANDS (U.S.)	VIR	0.68	0.55	1	..	..	..	..	..	..	..	..	..	..	..	..
WEST BANK	WBG	-1.33	0.36	3	-1.81	0.37	2	-0.46	0.88	1	0.16	0.69	1	..	..	..
YEMEN	YEM	-1.48	0.24	7	-1.40	0.24	6	-1.11	0.32	4	-1.35	0.31	3	-0.90	0.40	3
ZAMBIA	ZMB	-0.16	0.21	9	-0.02	0.22	7	-0.44	0.27	6	-0.21	0.26	6	-0.37	0.32	4
ZIMBABWE	ZWE	-1.86	0.22	8	-1.62	0.22	7	-1.21	0.27	6	-0.37	0.25	6	-0.11	0.30	5

TABLE C3: Government Effectiveness

Country	Code	2004			2002			2000			1998			1996		
		Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.
AFGHANISTAN	AFG	-1.24	0.20	6	-1.43	0.25	4	-1.30	0.43	1	..	..	..	..	..	..
ALBANIA	ALB	-0.36	0.17	8	-0.46	0.17	7	-0.75	0.22	6	-0.54	0.24	5	-0.31	0.21	4
ALGERIA	DZA	-0.46	0.16	11	-0.60	0.16	9	-0.75	0.20	6	-0.98	0.25	4	-0.77	0.24	4
AMERICAN SAMOA	ASM	0.02	0.39	1	..	..	..	..	..	..	..	..	..	..	..	..
ANDORRA	ADO	1.40	0.37	2	1.32	0.33	2	..	..	..	..	..	..	..	..	..
ANGOLA	AGO	-1.14	0.17	10	-1.20	0.16	9	-1.70	0.20	6	-1.63	0.20	6	-1.13	0.24	4
ANGUILLA	AIA	0.87	0.39	1	..	..	..	..	..	..	..	..	..	..	..	..
ANTIGUA AND BARBUDA	ATG	0.31	0.37	2	0.50	0.33	2	..	..	..	..	..	..	..	..	..
ARGENTINA	ARG	-0.33	0.15	13	-0.47	0.15	11	0.28	0.17	11	0.46	0.21	7	0.45	0.20	7
ARMENIA	ARM	-0.34	0.16	9	-0.39	0.17	8	-0.88	0.23	6	-0.46	0.24	5	-0.32	0.22	3
ARUBA	ABW	0.84	0.39	1	..	..	..	..	..	..	..	..	..	..	..	..
AUSTRALIA	AUS	1.95	0.17	10	1.93	0.16	9	1.80	0.19	7	1.84	0.25	6	1.96	0.22	6
AUSTRIA	AUT	1.76	0.17	9	1.85	0.16	8	1.72	0.20	7	1.56	0.23	7	1.92	0.22	6
AZERBAIJAN	AZE	-0.81	0.14	12	-0.90	0.14	11	-0.96	0.18	8	-0.76	0.21	6	-1.05	0.19	4
BAHAMAS	BHS	1.27	0.32	3	1.38	0.29	3	1.20	0.53	1	0.64	0.79	1	0.71	0.58	1
BAHRAIN	BHR	0.76	0.18	8	0.81	0.17	7	0.74	0.24	4	0.40	0.31	3	0.45	0.28	3
BANGLADESH	BGD	-0.72	0.16	11	-0.55	0.15	10	-0.47	0.19	7	-0.38	0.25	4	-0.67	0.24	4
BARBADOS	BRB	1.18	0.34	3	1.30	0.33	2	..	..	..	..	..	..	..	..	..
BELARUS	BLR	-0.93	0.16	10	-1.04	0.16	8	-0.92	0.22	7	-0.83	0.24	5	-1.20	0.22	3
BELGIUM	BEL	1.71	0.17	9	1.94	0.16	9	1.48	0.20	7	1.17	0.25	6	1.78	0.22	6
BELIZE	BLZ	0.16	0.29	4	-0.04	0.27	3	-0.28	0.38	2	-0.56	0.39	1	-0.39	0.42	1
BENIN	BEN	-0.39	0.19	8	-0.48	0.24	5	0.05	0.31	3	-0.18	0.34	2	0.01	0.42	1
BERMUDA	BMU	1.39	0.39	1	1.13	0.34	1	..	..	..	..	..	..	..	..	..
BHUTAN	BTN	-0.14	0.28	5	0.43	0.24	4	1.48	0.34	2	0.22	0.39	1	0.33	0.42	1
BOLIVIA	BOL	-0.63	0.17	10	-0.53	0.16	8	-0.40	0.20	7	-0.11	0.22	6	-0.44	0.24	4
BOSNIA-HERZEGOVINA	BIH	-0.54	0.15	10	-0.85	0.17	8	-0.54	0.30	4	-0.81	0.29	2	..	..	..
BOTSWANA	BWA	0.83	0.14	13	0.91	0.16	10	0.98	0.20	7	0.52	0.22	5	0.33	0.24	4
BRAZIL	BRA	0.02	0.15	13	-0.20	0.15	11	-0.18	0.17	10	-0.10	0.20	8	-0.16	0.20	7
BRUNEI	BRN	0.73	0.32	3	0.90	0.29	3	1.03	0.53	1	0.14	0.79	1	1.27	0.58	1
BULGARIA	BGR	-0.08	0.14	12	-0.02	0.14	11	-0.16	0.18	9	-0.94	0.21	6	-0.45	0.19	5
BURKINA FASO	BFA	-0.52	0.20	8	-0.59	0.24	5	-0.14	0.28	4	-0.08	0.26	4	-0.76	0.36	2
BURUNDI	BDI	-1.24	0.23	6	-1.48	0.26	4	-1.25	0.27	4	-1.02	0.39	1	-0.98	0.42	1
CAMBODIA	KHM	-0.87	0.25	6	-0.51	0.24	5	-0.44	0.33	3	-1.22	0.39	1	-0.58	0.42	1
CAMEROON	CMR	-0.64	0.18	9	-0.59	0.17	8	-0.44	0.21	7	-0.61	0.21	6	-1.04	0.24	4
CANADA	CAN	1.96	0.17	10	2.02	0.16	10	1.94	0.19	9	2.16	0.23	7	1.92	0.22	6
CAPE VERDE	CPV	-0.19	0.23	5	-0.10	0.26	4	0.33	0.36	2	0.36	0.39	1	-0.05	0.42	1
CAYMAN ISLANDS	CYM	1.39	0.39	1	1.95	0.34	1	..	..	..	..	..	..	..	..	..
CENTRAL AFRICAN REPUBLIC	CAF	-1.65	0.23	6	-1.51	0.26	4	-1.06	0.36	2	-0.95	0.32	2	-0.82	0.42	1
CHAD	TGD	-1.29	0.19	8	-0.68	0.25	5	-0.36	0.36	2	-0.51	0.34	2	-0.58	0.42	1
CHILE	CHL	1.27	0.15	13	1.26	0.15	11	1.34	0.17	11	1.41	0.21	7	1.20	0.20	7
CHINA	CHN	0.11	0.15	12	0.20	0.15	11	0.22	0.17	10	0.17	0.21	7	0.18	0.20	7
COLOMBIA	COL	-0.18	0.16	12	-0.40	0.15	10	-0.31	0.17	11	0.10	0.20	8	0.07	0.20	7
COMOROS	COM	-1.45	0.27	4	-0.98	0.26	4	-1.29	0.36	2	-1.09	0.39	1	-0.63	0.42	1
CONGO	COG	-1.17	0.22	7	-1.33	0.22	7	-1.66	0.28	4	-0.78	0.28	4	-1.24	0.36	2
Congo, Dem. Rep. (Zaire)	ZAR	-1.41	0.17	10	-1.59	0.20	8	-1.79	0.24	5	-2.00	0.32	3	-2.07	0.31	3
COOK ISLANDS	COK	-0.19	0.63	2	-0.28	0.44	2	0.67	0.53	1	..	..	..	..	..	..
COSTA RICA	CRI	0.49	0.16	11	0.45	0.16	9	0.76	0.19	7	0.52	0.24	5	0.16	0.23	5
CROATIA	HRV	0.32	0.14	11	0.23	0.14	10	0.15	0.20	7	0.30	0.22	5	-0.17	0.19	4
CUBA	CUB	-0.47	0.19	8	-0.27	0.18	7	-0.18	0.24	4	-0.48	0.31	3	-0.40	0.28	3
CYPRUS	CYP	1.02	0.19	7	1.02	0.18	6	1.06	0.26	3	1.35	0.31	3	1.32	0.28	3
CZECH REPUBLIC	CZE	0.63	0.13	13	0.72	0.13	12	0.70	0.17	11	0.72	0.18	9	0.78	0.17	8
DENMARK	DNK	2.15	0.17	10	2.05	0.16	9	1.84	0.19	8	2.13	0.25	6	2.04	0.22	6
DJIBOUTI	DJI	-0.76	0.27	4	-0.87	0.26	4	-1.07	0.36	2	-0.89	0.39	1	-1.11	0.42	1
DOMINICA	DMA	0.31	0.31	3	0.11	0.27	3	-0.67	0.41	1	-0.89	0.39	1	-0.88	0.42	1
DOMINICAN REPUBLIC	DOM	-0.46	0.17	10	-0.42	0.16	8	-0.11	0.20	7	-0.73	0.27	3	-0.29	0.26	3
ECUADOR	ECU	-0.85	0.16	11	-0.94	0.16	9	-1.05	0.18	9	-0.76	0.22	6	-0.65	0.22	5
EGYPT	EGY	-0.20	0.15	12	-0.29	0.15	11	0.30	0.17	10	-0.03	0.20	7	-0.34	0.21	6
EL SALVADOR	SLV	-0.22	0.18	9	-0.50	0.17	7	-0.11	0.21	6	-0.04	0.27	3	-0.38	0.25	4
EQUATORIAL GUINEA	GNQ	-1.40	0.26	5	-1.42	0.25	5	-2.22	0.36	2	-1.67	0.39	1	-1.55	0.42	1
ERITREA	ERI	-1.05	0.22	7	-0.52	0.24	5	-0.28	0.36	2	0.36	0.39	1	-0.43	0.42	1
ESTONIA	EST	0.99	0.14	13	0.85	0.13	12	1.00	0.17	10	0.45	0.21	6	0.61	0.19	4
ETHIOPIA	ETH	-0.96	0.16	11	-0.78	0.22	7	-0.60	0.27	5	0.02	0.26	4	-0.41	0.36	2
FIJI	FJI	-0.57	0.27	4	0.13	0.25	4	-0.34	0.34	2	-0.02	0.34	2	-0.04	0.42	1
FINLAND	FIN	2.06	0.17	9	2.13	0.16	9	1.89	0.19	8	2.02	0.25	6	1.89	0.22	6
FRANCE	FRA	1.42	0.17	10	1.69	0.16	10	1.42	0.19	8	1.64	0.23	7	1.75	0.22	6
FRENCH GUIANA	GUF	0.68	0.39	1	0.86	0.34	1	..	..	..	..	..	..	..	..	..
GABON	GAB	-0.53	0.17	9	-0.42	0.17	8	-0.59	0.20	6	-0.79	0.27	3	-0.99	0.26	3
GAMBIA	GMB	-0.49	0.18	8	-0.82	0.22	6	0.17	0.31	3	-0.20	0.37	2	-0.10	0.36	2
GEORGIA	GEO	-0.80	0.15	10	-0.77	0.17	8	-0.72	0.23	6	-0.40	0.25	4	-0.35	0.22	3
GERMANY	DEU	1.38	0.17	10	1.83	0.16	10	1.90	0.19	8	1.78	0.23	7	1.91	0.22	6

TABLE C3: Government Effectiveness (cont.)

Country	Code	2004			2002			2000			1998			1996		
		Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.
GHANA	GHA	-0.17	0.14	13	0.00	0.16	9	0.09	0.21	7	-0.13	0.20	7	-0.07	0.24	4
GREECE	GRC	0.74	0.17	9	0.80	0.16	9	0.77	0.20	7	0.78	0.25	6	0.76	0.22	6
GRENADA	GRD	0.10	0.31	3	0.36	0.27	3	0.03	0.41	1	-0.23	0.39	1	-0.48	0.42	1
GUAM	GUM	0.41	0.39	1	..	..	..	..	..	..	..	..	..	..	..	..
GUATEMALA	GTM	-0.87	0.17	10	-0.58	0.17	8	-0.50	0.20	7	-0.23	0.27	3	-0.56	0.25	4
GUINEA	GIN	-0.93	0.22	7	-0.76	0.23	6	-0.07	0.31	3	-0.36	0.33	3	-1.21	0.36	2
GUINEA-BISSAU	GNB	-1.25	0.23	6	-1.39	0.22	6	-1.43	0.28	4	-0.37	0.33	3	-0.87	0.36	2
GUYANA	GUY	-0.20	0.26	5	-0.30	0.25	4	-0.16	0.30	3	-0.14	0.37	2	-0.28	0.36	2
HAITI	HTI	-1.90	0.22	7	-1.56	0.21	6	-1.47	0.29	4	-1.20	0.37	2	-1.42	0.36	2
HONDURAS	HND	-0.68	0.17	10	-0.73	0.17	8	-0.45	0.21	6	-0.29	0.27	3	-0.98	0.25	4
HONG KONG	HKG	1.49	0.19	8	1.44	0.17	8	1.27	0.21	7	1.61	0.24	6	1.78	0.24	5
HUNGARY	HUN	0.68	0.13	14	0.79	0.13	13	0.78	0.16	12	0.78	0.18	9	0.60	0.17	8
ICELAND	ISL	2.18	0.24	6	2.05	0.24	5	2.18	0.33	4	1.87	0.41	3	1.48	0.37	3
INDIA	IND	-0.04	0.15	12	-0.11	0.15	11	-0.07	0.17	10	-0.14	0.20	8	-0.14	0.20	7
INDONESIA	IDN	-0.36	0.15	13	-0.55	0.14	12	-0.40	0.16	11	-0.52	0.21	7	0.18	0.20	7
IRAN	IRN	-0.66	0.17	10	-0.46	0.16	9	-0.17	0.22	5	-0.31	0.28	4	-0.30	0.25	4
IRAQ	IRQ	-1.51	0.20	7	-1.69	0.19	6	-1.49	0.24	4	-2.14	0.31	3	-1.39	0.28	3
IRELAND	IRL	1.48	0.17	10	1.67	0.16	9	2.03	0.19	8	1.73	0.23	7	1.80	0.22	6
ISRAEL	ISR	0.98	0.18	9	1.08	0.16	9	1.02	0.20	7	0.93	0.26	5	1.32	0.22	6
ITALY	ITA	0.58	0.17	9	0.96	0.16	9	0.80	0.18	10	1.05	0.23	7	0.88	0.22	6
IVORY COAST	CIV	-1.30	0.17	10	-0.89	0.16	9	-0.75	0.21	6	-0.12	0.21	6	-0.11	0.24	4
JAMAICA	JAM	0.13	0.19	8	-0.04	0.17	7	-0.19	0.23	4	-0.54	0.25	4	-0.41	0.26	3
JAPAN	JPN	1.21	0.17	10	1.11	0.16	10	1.08	0.19	9	1.13	0.31	5	1.36	0.22	6
JORDAN	JOR	0.23	0.17	10	0.39	0.16	8	0.40	0.19	6	0.57	0.22	6	0.18	0.23	5
KAZAKHSTAN	KAZ	-0.63	0.14	12	-0.82	0.14	11	-0.54	0.18	9	-0.72	0.20	7	-0.83	0.18	5
KENYA	KEN	-0.81	0.14	13	-0.81	0.16	9	-0.68	0.19	8	-0.85	0.20	7	-0.60	0.24	4
KIRIBATI	KIR	-0.61	0.29	4	-0.25	0.33	3	0.05	0.34	2	-0.50	0.39	1	-0.38	0.42	1
KOREA, NORTH	PRK	-1.68	0.21	6	-1.79	0.26	4	-1.10	0.40	2	-0.12	0.79	1	-1.30	0.58	1
KOREA, SOUTH	KOR	0.95	0.15	12	0.91	0.15	11	0.63	0.17	10	0.50	0.20	8	0.64	0.22	6
KUWAIT	KWT	0.55	0.20	7	0.15	0.17	8	0.21	0.26	3	-0.01	0.31	3	0.32	0.28	3
KYRGYZ REPUBLIC	KGZ	-0.83	0.16	10	-0.72	0.16	9	-0.63	0.23	5	-0.28	0.25	4	-0.43	0.22	3
LAOS	LAO	-1.02	0.25	6	-0.50	0.24	5	-0.76	0.30	3	-0.30	0.39	1	-0.04	0.42	1
LATVIA	LVA	0.60	0.14	11	0.70	0.14	10	0.36	0.19	7	0.19	0.21	6	0.04	0.19	4
LEBANON	LBN	-0.33	0.19	8	-0.40	0.16	8	-0.22	0.21	5	0.18	0.25	4	-0.18	0.24	4
LESOTHO	LSO	-0.33	0.18	8	-0.23	0.23	5	-0.05	0.36	2	-0.23	0.26	3	0.17	0.42	1
LIBERIA	LBR	-1.86	0.25	5	-1.58	0.25	5	-1.41	0.28	4	-1.86	0.37	2	-2.19	0.36	2
LIBYA	LYB	-0.73	0.20	7	-0.90	0.19	6	-1.17	0.26	3	-1.49	0.31	3	-0.98	0.28	3
LIECHTENSTEIN	LIE	1.48	0.37	2	1.67	0.33	2	..	..	..	..	..	..	..	..	..
LITHUANIA	LTU	0.70	0.14	12	0.65	0.14	11	0.36	0.17	10	0.18	0.21	6	0.06	0.19	4
LUXEMBOURG	LUX	2.08	0.24	6	2.30	0.26	5	2.10	0.41	3	2.11	0.41	3	2.34	0.37	3
MACAO	MAC	1.00	0.39	1	0.86	0.34	1	..	..	..	..	..	..	..	..	..
MACEDONIA	MKD	-0.17	0.15	10	-0.37	0.15	7	-0.52	0.24	4	-0.43	0.22	4	-0.19	0.20	3
MADAGASCAR	MDG	-0.43	0.20	8	-0.42	0.24	5	-0.32	0.27	5	-0.45	0.28	4	-0.64	0.36	2
MALAWI	MWI	-0.81	0.15	11	-0.63	0.18	7	-0.65	0.22	6	-0.54	0.21	6	-0.69	0.26	3
MALAYSIA	MYS	0.99	0.15	12	0.96	0.15	11	0.69	0.17	10	0.78	0.20	8	1.07	0.20	7
MALDIVES	MDV	0.47	0.29	4	0.52	0.24	4	0.45	0.34	2	0.55	0.39	1	-0.06	0.42	1
MALI	MLI	-0.29	0.16	11	-0.62	0.22	7	-0.81	0.28	4	-0.13	0.33	3	-0.85	0.36	2
MALTA	MLT	1.03	0.25	5	1.20	0.29	3	0.86	0.53	1	0.89	0.79	1	1.27	0.58	1
MARSHALL ISLANDS	MHL	-0.46	0.41	3	-0.22	0.33	3	-0.79	0.34	2	-0.56	0.39	1	..	..	..
MARTINIQUE	MTQ	0.84	0.39	1	0.86	0.34	1	..	..	..	..	..	..	..	..	..
MAURITANIA	MRT	0.22	0.26	5	-0.01	0.26	4	-0.30	0.31	3	-0.17	0.39	1	0.25	0.42	1
MAURITIUS	MUS	0.60	0.18	7	0.51	0.18	6	0.79	0.22	5	0.35	0.22	4	0.70	0.28	2
MEXICO	MEX	-0.02	0.15	13	0.21	0.15	11	0.35	0.17	11	0.24	0.20	8	-0.12	0.20	7
MICRONESIA	FSM	-0.33	0.29	4	-0.29	0.33	3	-0.55	0.34	2	-0.50	0.39	1	..	..	..
MOLDOVA	MDA	-0.73	0.15	10	-0.60	0.15	8	-1.04	0.19	7	-0.49	0.21	6	-0.48	0.19	4
MONACO	MCO	1.42	0.82	1	-0.61	0.83	1	..	..	..	..	..	..	..	..	..
MONGOLIA	MNG	-0.46	0.21	8	-0.19	0.21	6	0.15	0.27	4	0.02	0.28	3	-0.27	0.36	2
MOROCCO	MAR	-0.03	0.16	11	0.06	0.16	10	0.02	0.21	5	0.30	0.20	7	-0.06	0.22	5
MOZAMBIQUE	MOZ	-0.39	0.15	12	-0.35	0.22	7	-0.31	0.28	4	-0.21	0.24	5	-0.72	0.36	2
MYANMAR	MMR	-1.57	0.19	8	-1.33	0.18	7	-1.31	0.24	4	-1.64	0.31	3	-0.99	0.28	3
NAMIBIA	NAM	0.29	0.14	13	0.10	0.16	10	0.48	0.22	6	0.17	0.22	5	0.44	0.26	3
NAURU	NRU	-1.36	0.82	1	-1.17	0.83	1	..	..	..	..	..	..	..	..	..
NEPAL	NPL	-0.90	0.19	8	-0.45	0.22	6	-0.62	0.30	3	-1.02	0.39	1	-0.38	0.42	1
NETHERLANDS	NLD	2.00	0.17	9	2.20	0.16	9	2.08	0.19	8	2.53	0.25	6	2.32	0.22	6
NETHERLANDS ANTILLES	ANT	0.82	0.39	1	..	..	..	..	..	..	..	..	..	..	..	..
NEW ZEALAND	NZL	2.05	0.19	8	2.01	0.17	7	1.45	0.21	6	1.96	0.26	5	2.31	0.24	5
NICARAGUA	NIC	-0.71	0.17	10	-0.85	0.17	8	-0.71	0.21	6	-0.53	0.27	3	-0.46	0.25	4
NIGER	NER	-0.87	0.22	7	-0.84	0.24	5	-1.04	0.28	4	-0.90	0.37	2	-0.82	0.36	2
NIGERIA	NGA	-1.02	0.14	13	-1.11	0.16	10	-1.04	0.18	9	-1.33	0.20	7	-1.22	0.22	5
NIUE	NIU	-0.12	0.82	1	-0.75	0.83	1	..	..	..	..	..	..	..	..	..

TABLE C3: Government Effectiveness (cont.)

Country	Code	2004			2002			2000			1998			1996		
		Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.
NORWAY	NOR	1.97	0.17	9	1.90	0.16	8	1.55	0.20	7	2.08	0.25	6	2.18	0.22	6
OMAN	OMN	0.91	0.20	7	0.67	0.17	8	0.99	0.24	4	1.21	0.31	3	0.79	0.28	3
PALAU	PCI	0.39	0.82	1	-0.33	0.83	1	..	..	..	..	..	..	..	..	..
PAKISTAN	PAK	-0.57	0.16	11	-0.53	0.16	9	-0.54	0.19	8	-0.69	0.22	6	-0.40	0.22	5
PANAMA	PAN	0.01	0.17	10	-0.11	0.16	9	-0.03	0.19	7	0.01	0.25	4	-0.55	0.24	4
PAPUA NEW GUINEA	PNG	-1.01	0.17	10	-0.77	0.16	8	-0.68	0.20	6	-0.62	0.27	3	-0.41	0.26	3
PARAGUAY	PRY	-1.07	0.17	10	-1.25	0.17	8	-1.27	0.23	5	-1.12	0.25	4	-0.69	0.26	3
PERU	PER	-0.58	0.16	12	-0.46	0.15	10	-0.27	0.18	10	0.30	0.21	7	-0.18	0.21	6
PHILIPPINES	PHL	-0.23	0.15	12	-0.07	0.15	11	0.08	0.17	10	0.22	0.21	7	0.19	0.20	7
POLAND	POL	0.47	0.13	14	0.64	0.13	13	0.38	0.16	12	0.86	0.18	9	0.63	0.17	8
PORTUGAL	PRT	0.92	0.17	9	1.05	0.16	8	1.06	0.20	7	1.49	0.23	7	1.11	0.22	6
PUERTO RICO	PRI	1.05	0.28	3	1.21	0.28	2	1.58	0.43	1	1.61	0.53	1	1.57	0.49	1
QATAR	QAT	0.87	0.21	6	0.75	0.18	6	0.96	0.24	4	0.69	0.31	3	0.71	0.28	3
REUNION	REU	1.03	0.39	1	..	..	..	..	..	..	..	..	..	..	..	..
ROMANIA	ROM	-0.15	0.14	13	-0.30	0.14	11	-0.59	0.17	10	-0.61	0.22	5	-0.55	0.19	5
RUSSIA	RUS	-0.21	0.13	14	-0.40	0.13	13	-0.62	0.16	12	-0.62	0.18	9	-0.50	0.17	8
RWANDA	RWA	-0.56	0.22	6	-0.72	0.24	5	-0.11	0.36	2	-0.69	0.39	1	-1.26	0.42	1
SAMOA	SAM	0.09	0.29	4	0.08	0.24	4	0.58	0.34	2	-0.06	0.39	1	-0.27	0.42	1
SAN MARINO	SMR	-0.23	0.82	1	-0.33	0.83	1	..	..	..	..	..	..	..	..	..
SAO TOME AND PRINCIPE	STP	-0.89	0.27	4	-0.68	0.26	4	-0.70	0.36	2	-0.82	0.39	1	-0.55	0.42	1
SAUDI ARABIA	SAU	-0.06	0.17	9	-0.08	0.16	9	0.06	0.22	5	-0.29	0.28	4	-0.09	0.25	4
SENEGAL	SEN	-0.13	0.16	11	-0.11	0.17	8	0.23	0.22	6	0.15	0.23	5	-0.40	0.26	3
SERBIA AND MONTENEGRO	YUG	-0.21	0.14	11	-0.69	0.14	9	-1.00	0.25	3	-1.02	0.28	3	-0.60	0.32	2
SEYCHELLES	SYC	-0.31	0.26	5	-0.22	0.26	4	-0.94	0.36	2	-0.56	0.39	1	-0.58	0.42	1
SIERRA LEONE	SLE	-1.32	0.21	7	-1.48	0.22	6	-1.39	0.28	4	-0.50	0.37	2	-0.24	0.36	2
SINGAPORE	SGP	2.25	0.17	10	2.39	0.16	9	2.44	0.19	9	2.59	0.23	7	2.51	0.22	6
SLOVAK REPUBLIC	SVK	0.67	0.14	12	0.43	0.14	10	0.28	0.18	9	0.08	0.20	7	0.28	0.18	6
SLOVENIA	SVN	1.02	0.14	13	0.89	0.13	12	0.82	0.17	9	0.68	0.22	5	0.61	0.19	4
SOLOMON ISLANDS	SLB	-1.76	0.29	4	-0.92	0.33	3	-1.04	0.34	2	-0.82	0.39	1	-1.06	0.42	1
SOMALIA	SOM	-2.32	0.25	5	-1.98	0.26	4	-2.59	0.30	3	-2.15	0.37	2	-2.19	0.36	2
SOUTH AFRICA	ZAF	0.74	0.13	15	0.59	0.15	12	0.43	0.17	12	0.17	0.18	9	0.33	0.20	7
SPAIN	ESP	1.29	0.17	10	1.58	0.16	10	1.78	0.19	9	2.05	0.23	7	1.59	0.22	6
SRI LANKA	LKA	-0.27	0.16	11	0.01	0.15	10	-0.32	0.19	7	-0.42	0.25	4	-0.30	0.24	4
ST. KITTS AND NEVIS	KNA	-0.16	0.31	3	-0.26	0.42	2	0.11	0.41	1	-0.23	0.39	1	-0.24	0.42	1
ST. LUCIA	LCA	0.19	0.31	3	0.01	0.42	2	0.16	0.41	1	-0.17	0.39	1	0.36	0.42	1
ST. VINCENT AND THE GRENADINES	VCT	0.23	0.31	3	-0.19	0.42	2	-0.01	0.41	1	-0.23	0.39	1	-0.27	0.42	1
SUDAN	SDN	-1.28	0.17	10	-1.09	0.16	9	-1.46	0.20	6	-1.68	0.27	3	-1.53	0.26	3
SURINAME	SUR	-0.23	0.30	4	-0.22	0.29	3	0.17	0.53	1	-0.12	0.79	1	-0.36	0.58	1
SWAZILAND	SWZ	-0.60	0.20	7	-0.40	0.23	5	-0.55	0.36	2	-0.53	0.26	3	-0.45	0.42	1
SWEDEN	SWE	1.92	0.17	10	1.91	0.16	9	1.72	0.19	9	1.97	0.25	6	1.98	0.22	6
SWITZERLAND	CHE	2.25	0.17	9	2.34	0.16	8	2.18	0.19	8	2.47	0.23	7	2.43	0.22	6
SYRIA	SYR	-0.72	0.19	8	-0.58	0.18	7	-0.83	0.24	4	-1.36	0.31	3	-0.43	0.28	3
TAIWAN	TWN	1.15	0.16	11	1.12	0.16	10	1.06	0.19	9	1.69	0.25	6	1.42	0.22	6
TAJKISTAN	TJK	-1.05	0.16	10	-1.13	0.16	9	-1.39	0.22	5	-1.37	0.26	3	-1.47	0.22	3
TANZANIA	TZA	-0.37	0.14	13	-0.50	0.16	9	-0.28	0.20	7	-0.39	0.20	7	-1.18	0.24	4
THAILAND	THA	0.38	0.15	12	0.29	0.15	11	0.20	0.18	10	0.12	0.20	8	0.47	0.20	7
TIMOR, EAST	TMP	-1.21	0.36	2	-0.93	0.33	2	..	..	..	..	..	..	..	..	..
TOGO	TGO	-1.31	0.22	7	-1.16	0.24	5	-1.40	0.31	3	-0.44	0.33	3	-0.66	0.36	2
TONGA	TON	-0.73	0.29	4	-0.46	0.33	3	-0.47	0.34	2	-0.43	0.39	1	-0.19	0.42	1
TRINIDAD AND TOBAGO	TTO	0.47	0.20	7	0.50	0.18	6	0.64	0.22	5	0.54	0.27	3	0.09	0.26	3
TUNISIA	TUN	0.57	0.16	11	0.67	0.16	10	1.24	0.20	7	0.86	0.20	6	0.49	0.24	4
TURKEY	TUR	0.01	0.15	13	-0.16	0.15	12	-0.07	0.17	11	-0.31	0.20	8	0.01	0.20	7
TURKMENISTAN	TKM	-1.37	0.17	7	-1.50	0.17	6	-1.38	0.26	3	-1.41	0.26	3	-1.36	0.22	3
TUVALU	TUV	-0.79	0.35	3	-0.26	0.44	2	1.29	0.53	1	..	..	..	..	..	..
UGANDA	UGA	-0.43	0.14	13	-0.38	0.16	9	-0.16	0.20	7	-0.11	0.20	7	-0.37	0.24	4
UKRAINE	UKR	-0.67	0.13	13	-0.76	0.13	12	-0.78	0.18	9	-0.97	0.19	8	-0.61	0.18	6
UNITED ARAB EMIRATES	ARE	1.20	0.19	7	0.83	0.17	7	0.72	0.26	3	0.27	0.31	3	0.68	0.28	3
UNITED KINGDOM	GBR	1.85	0.17	10	2.08	0.16	10	2.01	0.18	10	2.47	0.23	7	2.08	0.22	6
UNITED STATES	USA	1.80	0.17	9	1.73	0.16	9	1.80	0.19	9	1.74	0.23	7	2.02	0.22	6
URUGUAY	URY	0.52	0.17	10	0.52	0.16	8	0.71	0.19	8	0.67	0.25	4	0.61	0.24	4
UZBEKISTAN	UZB	-1.04	0.15	11	-1.04	0.14	10	-0.96	0.19	7	-1.33	0.21	5	-0.89	0.19	4
VANUATU	VUT	-0.60	0.29	4	-0.28	0.33	3	-0.47	0.34	2	-0.43	0.39	1	-0.23	0.42	1
VENEZUELA	VEN	-0.96	0.15	13	-1.13	0.15	11	-0.83	0.18	9	-0.89	0.20	8	-0.72	0.20	7
VIETNAM	VNM	-0.31	0.15	12	-0.29	0.15	11	-0.30	0.18	8	-0.17	0.22	6	-0.10	0.21	6
VIRGIN ISLANDS (U.S.)	VIR	0.77	0.39	1	..	..	..	..	..	..	..	..	..	..	..	..
WEST BANK	WBG	-1.05	0.35	2	-1.00	0.32	2	0.47	0.70	1	0.01	0.56	1	..	..	..
YEMEN	YEM	-0.84	0.19	8	-0.84	0.18	7	-0.68	0.23	4	-0.47	0.27	3	-0.59	0.26	3
ZAMBIA	ZMB	-0.84	0.14	13	-0.77	0.16	9	-0.72	0.20	7	-0.36	0.20	7	-0.86	0.24	4
ZIMBABWE	ZWE	-1.20	0.15	11	-0.82	0.16	9	-1.13	0.19	7	-1.06	0.20	7	-0.26	0.23	5

TABLE C4: Regulatory Quality

Country	Code	2004			2002			2000			1998			1996		
		Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.
AFGHANISTAN	AFG	-2.05	0.26	4	-1.80	0.29	2	-3.64	0.46	1	..	..	..	..	..	..
ALBANIA	ALB	-0.08	0.22	8	-0.36	0.20	7	-0.06	0.29	6	-0.58	0.24	6	0.16	0.31	5
ALGERIA	DZA	-0.93	0.18	10	-0.58	0.18	8	-0.76	0.26	5	-1.20	0.33	4	-0.68	0.27	5
AMERICAN SAMOA	ASM	0.62	0.62	1	..	..	..	..	..	..	..	..	..	..	..	..
ANDORRA	ADO	1.32	0.62	1	1.44	0.30	1	..	..	..	..	..	..	..	..	..
ANGOLA	AGO	-1.40	0.20	9	-1.37	0.19	7	-1.79	0.26	5	-1.19	0.26	5	-1.60	0.27	5
ANGUILLA	AIA	0.96	0.62	1	..	..	..	..	..	..	..	..	..	..	..	..
ANTIGUA AND BARBUDA	ATG	0.73	0.62	1	0.71	0.30	1	..	..	..	..	..	..	..	..	..
ARGENTINA	ARG	-0.81	0.18	10	-0.81	0.17	9	0.45	0.24	8	0.87	0.21	6	0.82	0.21	7
ARMENIA	ARM	0.05	0.21	9	0.11	0.20	8	-0.39	0.29	6	-0.47	0.24	6	-0.74	0.33	4
ARUBA	ABW	0.93	0.62	1	..	..	..	..	..	..	..	..	..	..	..	..
AUSTRALIA	AUS	1.62	0.21	8	1.64	0.18	7	1.51	0.29	5	1.28	0.23	5	1.38	0.22	6
AUSTRIA	AUT	1.41	0.21	8	1.67	0.18	7	1.53	0.29	5	1.21	0.23	6	1.51	0.22	6
AZERBAIJAN	AZE	-0.57	0.18	11	-0.87	0.17	10	-0.51	0.26	7	-1.10	0.24	6	-1.21	0.26	5
BAHAMAS	BHS	0.78	0.32	3	1.35	0.25	3	0.95	0.54	2	1.17	0.52	2	0.68	0.49	2
BAHRAIN	BHR	0.71	0.20	8	0.98	0.19	7	1.02	0.37	3	1.01	0.40	3	0.61	0.29	4
BANGLADESH	BGD	-1.15	0.19	10	-1.05	0.18	9	-0.16	0.27	6	-0.08	0.33	4	-0.54	0.27	5
BARBADOS	BRB	0.91	0.35	3	1.14	0.27	2	0.53	0.64	1	0.84	0.60	1	0.36	0.54	1
BELARUS	BLR	-1.78	0.21	9	-1.66	0.20	7	-2.70	0.31	5	-2.01	0.24	6	-1.08	0.33	4
BELGIUM	BEL	1.25	0.21	8	1.47	0.18	8	0.76	0.28	6	1.07	0.23	5	1.32	0.22	6
BELIZE	BLZ	0.32	0.31	4	0.14	0.25	3	-0.17	0.41	3	0.17	0.42	2	0.12	0.43	2
BENIN	BEN	-0.49	0.24	7	-0.48	0.24	4	-0.04	0.31	3	-0.07	0.42	3	0.16	0.43	2
BERMUDA	BMU	0.98	0.62	1	1.44	0.30	1	..	..	..	..	..	..	..	..	..
BHUTAN	BTN	0.00	0.39	4	-0.38	0.26	3	0.25	0.37	2	-0.18	0.51	1	0.08	0.59	1
BOLIVIA	BOL	0.05	0.19	9	-0.12	0.18	8	0.67	0.29	6	0.90	0.33	5	0.82	0.27	5
BOSNIA-HERZEGOVINA	BIH	-0.66	0.22	9	-0.90	0.21	7	-0.73	0.38	4	-1.30	0.27	3	-2.09	0.60	1
BOTSWANA	BWA	0.96	0.18	11	0.79	0.18	9	0.79	0.26	6	0.69	0.26	5	0.69	0.27	5
BRAZIL	BRA	0.19	0.18	10	0.24	0.17	9	0.37	0.24	8	0.29	0.21	7	0.21	0.21	7
BRUNEI	BRN	1.08	0.43	2	1.05	0.27	2	0.28	0.71	1	-0.06	0.72	1	2.58	0.75	1
BULGARIA	BGR	0.60	0.18	11	0.62	0.17	10	0.22	0.28	7	0.47	0.24	6	-0.08	0.25	6
BURKINA FASO	BFA	-0.26	0.22	8	-0.17	0.22	5	0.01	0.29	4	-0.23	0.29	4	-0.27	0.40	3
BURUNDI	BDI	-1.35	0.29	5	-1.29	0.25	3	-0.86	0.29	4	-1.27	0.42	2	-1.31	0.59	1
CAMBODIA	KHM	-0.25	0.26	6	-0.44	0.24	5	-0.07	0.34	4	-0.22	0.42	2	-0.29	0.59	1
CAMEROON	CMR	-0.71	0.19	9	-0.77	0.18	8	0.00	0.26	6	-0.15	0.26	6	-0.82	0.27	5
CANADA	CAN	1.57	0.21	8	1.65	0.18	8	1.38	0.29	6	1.17	0.23	6	1.37	0.22	6
CAPE VERDE	CPV	0.27	0.30	4	-0.25	0.24	4	-0.07	0.31	3	-0.57	0.42	2	-0.56	0.43	2
CAYMAN ISLANDS	CYM	0.96	0.62	1	1.44	0.30	1	..	..	..	..	..	..	..	..	..
CENTRAL AFRICAN REPUBLIC	CAF	-1.28	0.25	6	-0.85	0.24	4	-0.65	0.33	2	-0.57	0.51	1	-0.29	0.59	1
CHAD	TCD	-0.84	0.23	8	-0.96	0.23	5	-0.28	0.31	3	-0.67	0.42	3	0.01	0.59	1
CHILE	CHL	1.62	0.18	10	1.48	0.17	9	1.38	0.24	8	1.22	0.21	6	1.52	0.21	7
CHINA	CHN	-0.45	0.18	10	-0.43	0.17	9	-0.21	0.24	8	-0.07	0.21	6	-0.06	0.21	7
COLOMBIA	COL	-0.12	0.18	10	-0.07	0.17	9	0.12	0.24	8	0.51	0.21	7	0.49	0.21	7
COMOROS	COM	-1.06	0.38	3	-1.01	0.25	3	-0.90	0.33	2	-0.70	0.51	1	-0.72	0.59	1
CONGO	COG	-1.16	0.26	6	-1.06	0.21	6	-1.03	0.29	4	-0.96	0.39	4	-0.70	0.40	3
Congo, Dem. Rep. (Zaire)	ZAR	-1.80	0.21	8	-1.64	0.22	6	-2.65	0.26	5	-2.78	0.33	4	-2.38	0.35	4
COOK ISLANDS	COK	0.21	0.82	1	-0.04	0.69	1	0.01	0.50	1	..	..	..	..	..	..
COSTA RICA	CRI	0.67	0.19	9	0.78	0.18	8	0.92	0.29	6	1.00	0.33	5	0.68	0.24	6
CROATIA	HRV	0.19	0.18	11	0.19	0.17	10	0.31	0.29	6	0.34	0.24	5	-0.08	0.26	5
CUBA	CUB	-1.81	0.21	7	-1.19	0.19	6	-1.50	0.37	3	-1.06	0.40	3	-0.77	0.29	4
CYPRUS	CYP	1.23	0.22	6	1.23	0.20	5	1.08	0.37	3	1.13	0.40	3	0.78	0.29	4
CZECH REPUBLIC	CZE	0.97	0.17	12	1.12	0.16	11	0.67	0.24	9	0.78	0.18	8	1.18	0.20	8
DENMARK	DNK	1.76	0.21	8	1.74	0.18	7	1.41	0.29	5	1.40	0.23	5	1.64	0.22	6
DJIBOUTI	DJI	-0.76	0.30	4	-0.65	0.24	4	-0.66	0.31	3	-0.79	0.42	2	0.01	0.59	1
DOMINICA	DMA	0.53	0.45	2	0.77	0.27	2	-0.13	0.48	1	-0.57	0.51	1	-0.21	0.59	1
DOMINICAN REPUBLIC	DOM	-0.28	0.19	9	-0.13	0.18	8	0.52	0.29	6	0.23	0.39	3	0.14	0.29	4
ECUADOR	ECU	-0.60	0.19	9	-0.58	0.18	8	-0.19	0.27	7	0.19	0.33	5	-0.05	0.27	5
EGYPT	EGY	-0.58	0.18	10	-0.46	0.18	9	0.01	0.23	8	0.16	0.22	6	-0.14	0.24	6
EL SALVADOR	SLV	0.56	0.20	8	0.07	0.19	7	1.15	0.34	5	1.42	0.39	3	0.73	0.26	5
EQUATORIAL GUINEA	GNQ	-0.78	0.28	5	-1.41	0.23	5	-1.31	0.31	3	-2.11	0.42	2	-0.95	0.59	1
ERITREA	ERI	-1.29	0.29	5	-1.08	0.25	3	-0.40	0.33	2	0.08	0.51	1	-0.14	0.59	1
ESTONIA	EST	1.61	0.17	12	1.41	0.16	11	1.33	0.25	8	1.06	0.24	6	1.41	0.26	5
ETHIOPIA	ETH	-1.19	0.18	10	-0.99	0.21	6	-0.62	0.29	5	-0.14	0.29	4	-0.72	0.40	3
FIJI	FJI	-0.36	0.33	3	-0.09	0.25	3	-0.81	0.41	2	-0.61	0.42	3	-0.51	0.43	2
FINLAND	FIN	1.79	0.21	8	1.96	0.18	8	1.81	0.29	5	1.51	0.23	5	1.50	0.22	6
FRANCE	FRA	0.91	0.21	8	1.22	0.18	8	0.78	0.29	6	0.97	0.23	6	1.18	0.22	6
FRENCH GUIANA	GUF	0.19	0.62	1	0.95	0.30	1	..	..	..	..	..	..	..	..	..
GABON	GAB	-0.46	0.19	9	-0.21	0.18	8	-0.29	0.26	5	0.10	0.39	3	-0.51	0.29	4
GAMBIA	GMB	-0.15	0.24	7	-0.54	0.22	5	-0.01	0.29	4	-0.34	0.39	3	-1.28	0.52	2

TABLE C4: Regulatory Quality (cont.)

Country	Code	2004			2002			2000			1998			1996		
		Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.
GEORGIA	GEO	-0.64	0.22	9	-0.80	0.21	7	-0.56	0.31	5	-0.79	0.25	5	-0.84	0.33	4
GERMANY	DEU	1.29	0.21	8	1.57	0.18	8	1.38	0.29	6	1.19	0.23	6	1.54	0.22	6
GHANA	GHA	-0.28	0.18	11	-0.23	0.18	8	0.11	0.26	6	0.21	0.26	6	-0.14	0.27	5
GREECE	GRC	0.85	0.21	8	1.12	0.18	8	0.93	0.27	6	0.83	0.23	5	0.80	0.22	6
GRENADA	GRD	0.37	0.45	2	0.41	0.27	2	0.28	0.48	1	0.21	0.51	1	-0.14	0.59	1
GUAM	GUM	0.57	0.62	1	..	..	..	..	..	..	..	..	..	..	..	..
GUATEMALA	GTM	-0.07	0.20	8	-0.08	0.19	7	0.46	0.32	6	0.85	0.39	3	0.03	0.26	5
GUINEA	GIN	-0.94	0.23	7	-0.75	0.21	6	-0.09	0.29	4	0.14	0.39	4	0.01	0.40	3
GUINEA-BISSAU	GNB	-0.86	0.27	5	-0.93	0.22	5	-1.09	0.29	4	-1.30	0.39	4	-0.06	0.52	2
GUYANA	GUY	-0.14	0.27	5	-0.37	0.23	4	-0.04	0.38	3	0.31	0.39	3	0.22	0.40	3
HAITI	HTI	-1.11	0.25	6	-0.94	0.22	5	-1.15	0.38	4	-0.99	0.39	3	-1.23	0.40	3
HONDURAS	HND	-0.33	0.20	8	-0.34	0.19	7	0.32	0.34	5	0.58	0.39	3	-0.29	0.26	5
HONG KONG	HKG	1.89	0.21	8	1.45	0.18	8	1.83	0.27	6	1.60	0.23	6	2.07	0.22	6
HUNGARY	HUN	1.22	0.17	12	1.19	0.16	11	1.12	0.24	9	1.15	0.18	8	0.60	0.20	8
ICELAND	ISL	1.82	0.26	6	1.55	0.22	5	1.39	0.35	4	0.84	0.25	4	0.53	0.31	3
INDIA	IND	-0.59	0.18	10	-0.35	0.17	9	-0.17	0.24	8	-0.08	0.21	7	-0.09	0.21	7
INDONESIA	IDN	-0.42	0.18	11	-0.67	0.17	10	-0.34	0.23	9	0.10	0.21	6	0.27	0.21	7
IRAN	IRN	-1.33	0.20	8	-1.23	0.19	7	-1.29	0.37	3	-1.56	0.40	3	-1.62	0.29	4
IRAQ	IRQ	-1.79	0.23	6	-2.26	0.19	6	-3.43	0.37	3	-3.99	0.40	3	-2.26	0.29	4
IRELAND	IRL	1.63	0.21	8	1.63	0.18	7	1.70	0.29	5	1.54	0.23	6	1.58	0.22	6
ISRAEL	ISR	0.69	0.21	8	1.01	0.18	8	0.95	0.27	6	0.73	0.23	5	1.24	0.22	6
ITALY	ITA	0.97	0.21	8	1.13	0.18	8	0.78	0.27	7	0.81	0.23	6	0.86	0.22	6
IVORY COAST	CIV	-0.83	0.19	9	-0.38	0.18	8	-0.32	0.26	6	0.18	0.26	6	-0.15	0.27	5
JAMAICA	JAM	0.15	0.20	8	0.30	0.19	7	0.41	0.35	4	0.63	0.39	4	0.54	0.29	4
JAPAN	JPN	1.04	0.21	8	0.98	0.18	8	0.84	0.27	6	0.55	0.23	5	0.84	0.22	6
JORDAN	JOR	0.13	0.18	10	0.10	0.18	8	0.68	0.29	5	0.59	0.25	6	0.06	0.24	6
KAZAKHSTAN	KAZ	-0.89	0.18	10	-0.71	0.17	9	-0.47	0.29	6	-0.35	0.24	6	-0.27	0.28	4
KENYA	KEN	-0.43	0.18	11	-0.52	0.18	8	-0.16	0.24	7	-0.18	0.26	6	-0.48	0.27	5
KIRIBATI	KIR	-0.49	0.43	3	-1.10	0.46	2	-0.78	0.37	2	-0.96	0.51	1	-0.36	0.59	1
KOREA, NORTH	PRK	-2.05	0.22	5	-1.89	0.25	3	-1.70	0.54	2	-1.75	0.52	2	-2.43	0.49	2
KOREA, SOUTH	KOR	0.69	0.18	10	0.84	0.17	9	0.47	0.24	7	0.30	0.21	7	0.69	0.22	6
KUWAIT	KWT	0.10	0.22	6	0.36	0.19	7	-0.13	0.37	3	-0.07	0.40	3	0.16	0.29	4
KYRGYZ REPUBLIC	KGZ	-0.06	0.22	9	-0.42	0.21	8	-0.36	0.27	6	-0.72	0.25	5	-0.16	0.38	3
LAOS	LAO	-1.24	0.26	6	-1.25	0.24	5	-1.24	0.34	3	-1.18	0.42	2	-1.17	0.43	2
LATVIA	LVA	1.02	0.18	11	0.92	0.17	10	0.53	0.28	6	0.72	0.24	6	0.53	0.26	5
LEBANON	LBN	-0.49	0.20	8	-0.49	0.18	8	0.29	0.31	4	0.53	0.33	4	0.22	0.27	5
LESOTHO	LSO	-0.26	0.25	7	-0.41	0.23	5	-0.38	0.31	3	0.05	0.30	3	-0.71	0.43	2
LIBERIA	LBR	-1.83	0.34	3	-1.53	0.25	3	-1.35	0.31	3	-2.35	0.46	2	-2.91	0.52	2
LIBYA	LYB	-1.52	0.21	7	-1.57	0.19	6	-2.01	0.37	3	-3.00	0.40	3	-1.96	0.29	4
LIECHTENSTEIN	LIE	1.62	0.62	1	1.69	0.30	1	..	..	..	..	..	..	..	..	..
LITHUANIA	LTU	1.16	0.18	11	1.04	0.17	10	0.52	0.26	8	0.21	0.24	6	0.38	0.26	5
LUXEMBOURG	LUX	2.02	0.26	6	1.93	0.22	5	1.90	0.38	3	1.27	0.25	4	1.50	0.28	4
MACAO	MAC	1.50	0.62	1	0.71	0.30	1	..	..	..	..	..	..	..	..	..
MACEDONIA	MKD	-0.19	0.19	10	-0.09	0.19	7	0.13	0.44	2	-0.16	0.29	3	-0.16	0.31	3
MADAGASCAR	MDG	0.10	0.22	8	-0.22	0.22	5	-0.17	0.29	5	-0.46	0.39	4	-0.07	0.40	3
MALAWI	MWI	-0.57	0.18	10	-0.39	0.18	7	-0.10	0.29	5	0.10	0.29	5	-0.43	0.29	4
MALAYSIA	MYS	0.44	0.18	10	0.55	0.17	9	0.36	0.25	7	0.57	0.21	7	0.86	0.21	7
MALDIVES	MDV	0.00	0.43	3	0.71	0.26	3	0.07	0.37	2	0.21	0.51	1	0.23	0.59	1
MALI	MLI	-0.26	0.21	9	-0.39	0.21	6	0.24	0.29	4	0.13	0.39	4	0.16	0.40	3
MALTA	MLT	1.30	0.28	5	1.11	0.25	3	0.45	0.54	2	0.55	0.52	2	0.22	0.49	2
MARSHALL ISLANDS	MHL	-0.55	0.51	2	-0.76	0.46	2	-0.66	0.37	2	-0.83	0.51	1	..	..	..
MARTINIQUE	MTQ	0.80	0.62	1	0.95	0.30	1	..	..	..	..	..	..	..	..	..
MAURITANIA	MRT	0.04	0.28	5	0.09	0.24	4	-0.38	0.31	3	-0.47	0.42	2	-0.65	0.43	2
MAURITIUS	MUS	0.33	0.21	7	0.52	0.19	6	0.74	0.29	4	0.45	0.30	4	0.17	0.35	2
MEXICO	MEX	0.55	0.18	10	0.45	0.17	9	0.68	0.24	8	0.78	0.21	7	0.59	0.21	7
MICRONESIA	FSM	0.04	0.43	3	-0.65	0.46	2	-0.56	0.37	2	-0.70	0.51	1	..	..	..
MOLDOVA	MDA	-0.49	0.18	10	-0.16	0.18	8	-1.11	0.29	6	-0.39	0.24	6	0.07	0.26	5
MONGOLIA	MNG	0.18	0.24	7	-0.10	0.22	5	0.37	0.32	4	0.27	0.39	3	-0.57	0.40	3
MOROCCO	MAR	-0.26	0.18	10	-0.01	0.18	9	0.32	0.26	5	0.25	0.26	6	-0.01	0.27	5
MOZAMBIQUE	MOZ	-0.29	0.21	10	-0.52	0.21	6	-0.05	0.29	4	-0.29	0.29	5	-0.98	0.40	3
MYANMAR	MMR	-2.34	0.21	7	-1.83	0.19	6	-1.40	0.37	3	-1.25	0.40	3	-1.12	0.29	4
NAMIBIA	NAM	0.45	0.18	11	0.25	0.18	9	0.35	0.29	5	0.40	0.29	4	0.26	0.33	3
NEPAL	NPL	-0.60	0.21	7	-0.51	0.24	5	-0.39	0.34	3	-0.34	0.42	2	-0.22	0.43	2
NETHERLANDS	NLD	1.67	0.21	8	1.90	0.18	8	1.91	0.29	5	1.51	0.23	5	1.77	0.22	6
NETHERLANDS ANTILLES	ANT	0.80	0.62	1	..	..	..	..	..	..	..	..	..	..	..	..
NEW ZEALAND	NZL	1.78	0.21	8	1.69	0.18	7	1.45	0.29	5	1.60	0.23	5	1.97	0.22	6
NICARAGUA	NIC	-0.15	0.20	8	-0.41	0.19	7	0.32	0.34	5	0.45	0.39	3	-0.21	0.26	5
NIGER	NER	-0.63	0.23	7	-0.66	0.22	5	-0.26	0.29	4	-0.47	0.39	3	-0.84	0.40	3

TABLE C4: Regulatory Quality (cont.)

Country	Code	2004			2002			2000			1998			1996		
		Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.
NIGERIA	NGA	-1.26	0.18	11	-1.18	0.18	9	-0.38	0.24	7	-0.48	0.26	6	-0.97	0.27	5
NORWAY	NOR	1.33	0.21	8	1.52	0.18	7	0.95	0.29	5	1.25	0.23	5	1.54	0.22	6
OMAN	OMN	0.43	0.22	6	0.63	0.19	7	0.79	0.37	3	0.44	0.40	3	0.61	0.29	4
PAKISTAN	PAK	-1.03	0.19	10	-0.80	0.18	8	-0.58	0.26	7	-0.15	0.25	5	-0.57	0.27	5
PANAMA	PAN	0.22	0.20	8	0.47	0.18	8	1.00	0.29	6	1.23	0.33	4	0.65	0.27	5
PAPUA NEW GUINEA	PNG	-0.64	0.21	8	-0.46	0.19	6	-0.61	0.27	5	-0.48	0.39	3	-0.78	0.33	3
PARAGUAY	PRY	-0.60	0.20	8	-0.56	0.19	7	-0.79	0.35	4	-0.26	0.39	4	0.58	0.29	4
PERU	PER	0.17	0.19	9	0.19	0.18	8	0.59	0.27	7	0.89	0.25	6	0.65	0.24	6
PHILIPPINES	PHL	-0.06	0.18	10	0.05	0.17	9	0.35	0.25	7	0.71	0.21	6	0.45	0.21	7
POLAND	POL	0.64	0.17	12	0.65	0.16	11	0.62	0.24	9	0.83	0.18	8	0.45	0.20	8
PORTUGAL	PRT	1.14	0.21	8	1.47	0.18	7	1.05	0.29	6	1.19	0.23	6	1.46	0.22	6
PUERTO RICO	PRI	0.75	0.43	3	1.23	0.29	2	1.20	0.46	1	1.13	0.52	1	0.97	0.56	1
QATAR	QAT	-0.16	0.22	6	0.15	0.19	6	0.52	0.37	3	0.47	0.40	3	0.18	0.33	3
REUNION	REU	0.91	0.62	1	..	..	..	..	..	..	..	..	..	..	..	..
ROMANIA	ROM	-0.06	0.17	12	0.04	0.17	10	-0.27	0.26	8	0.30	0.24	5	-0.43	0.25	6
RUSSIA	RUS	-0.51	0.17	12	-0.35	0.16	11	-1.58	0.24	9	-0.37	0.18	8	-0.41	0.20	8
RWANDA	RWA	-0.42	0.26	5	-0.89	0.24	4	-0.54	0.31	3	-0.94	0.42	2	-1.09	0.59	1
SAMOA	SAM	0.39	0.43	3	-0.06	0.24	3	-0.03	0.34	3	-0.70	0.51	1	-0.21	0.59	1
SAO TOME AND PRINCIPE	STP	-0.47	0.38	3	-0.43	0.25	3	-0.52	0.33	2	-0.96	0.51	1	-0.36	0.59	1
SAUDI ARABIA	SAU	-0.34	0.21	7	0.06	0.19	7	-0.10	0.37	3	-0.14	0.40	3	0.07	0.29	4
SENEGAL	SEN	-0.31	0.19	9	-0.23	0.18	7	-0.05	0.29	5	-0.26	0.39	4	-0.45	0.29	4
SERBIA AND MONTENEGRO	YUG	-0.72	0.19	10	-0.59	0.17	9	-0.83	0.71	1	-1.93	0.72	1	-1.18	0.33	3
SEYCHELLES	SYC	-1.21	0.35	4	-0.49	0.25	3	-1.34	0.33	2	-1.22	0.51	1	-1.17	0.59	1
SIERRA LEONE	SLE	-1.02	0.24	6	-1.28	0.23	4	-1.05	0.29	4	-1.41	0.39	3	-0.45	0.40	3
SINGAPORE	SGP	1.87	0.19	9	1.91	0.18	8	2.31	0.27	7	1.65	0.23	6	2.29	0.22	6
SLOVAK REPUBLIC	SVK	1.15	0.17	12	0.75	0.16	11	0.37	0.25	8	0.29	0.20	7	0.27	0.23	7
SLOVENIA	SVN	0.89	0.17	12	0.85	0.16	11	0.66	0.25	8	0.74	0.24	5	0.50	0.26	5
SOLOMON ISLANDS	SLB	-1.47	0.43	3	-1.89	0.46	2	-1.55	0.37	2	-1.09	0.51	1	-1.24	0.59	1
SOMALIA	SOM	-2.63	0.34	3	-2.01	0.27	2	-2.40	0.38	3	-2.52	0.39	3	-2.91	0.52	2
SOUTH AFRICA	ZAF	0.44	0.17	12	0.53	0.17	10	0.12	0.22	9	0.33	0.19	8	0.27	0.21	7
SPAIN	ESP	1.13	0.21	8	1.40	0.18	8	1.39	0.29	6	1.16	0.23	6	1.16	0.22	6
SRI LANKA	LKA	0.21	0.19	10	0.16	0.18	9	0.32	0.26	6	0.72	0.33	4	0.34	0.27	5
ST. KITTS AND NEVIS	KNA	0.44	0.45	2	0.14	0.53	1	0.28	0.48	1	0.47	0.51	1	-0.14	0.59	1
ST. LUCIA	LCA	0.46	0.45	2	0.14	0.53	1	0.28	0.48	1	0.47	0.51	1	-0.14	0.59	1
ST. VINCENT AND THE GRENADINES	VCT	0.48	0.45	2	0.14	0.53	1	0.28	0.48	1	0.34	0.51	1	-0.21	0.59	1
SUDAN	SDN	-1.04	0.21	8	-1.19	0.19	7	-0.84	0.26	5	-1.14	0.39	3	-1.67	0.29	4
SURINAME	SUR	-0.52	0.30	4	-0.61	0.25	3	-0.97	0.54	2	-0.70	0.52	2	-0.86	0.49	2
SWAZILAND	SWZ	-0.36	0.25	7	-0.14	0.23	5	-0.37	0.31	3	0.21	0.30	3	0.02	0.43	2
SWEDEN	SWE	1.54	0.21	8	1.70	0.18	7	1.39	0.29	6	1.14	0.23	5	1.46	0.22	6
SWITZERLAND	CHE	1.55	0.21	8	1.62	0.18	7	1.55	0.29	5	1.18	0.23	6	1.41	0.22	6
SYRIA	SYR	-1.21	0.21	7	-0.94	0.19	6	-0.78	0.37	3	-1.13	0.40	3	-1.03	0.29	4
TAIWAN	TWN	1.29	0.19	9	1.04	0.18	8	0.95	0.27	6	1.11	0.23	5	1.17	0.22	6
TAJIKISTAN	TJK	-1.16	0.22	9	-1.26	0.21	8	-1.33	0.27	5	-1.71	0.25	4	-1.88	0.38	3
TANZANIA	TZA	-0.55	0.18	11	-0.50	0.18	8	0.07	0.26	6	0.21	0.26	6	-0.52	0.27	5
THAILAND	THA	-0.01	0.18	10	0.31	0.17	9	0.70	0.24	8	0.27	0.21	7	0.49	0.21	7
TIMOR, EAST	TMP	-0.43	0.57	2	-1.25	0.30	1	..	..	..	..	..	..	..	..	..
TOGO	TGO	-0.77	0.23	7	-0.61	0.22	5	-0.47	0.29	4	-0.64	0.39	4	0.24	0.52	2
TONGA	TON	-0.43	0.43	3	-1.22	0.46	2	-0.18	0.37	2	-1.09	0.51	1	-0.14	0.59	1
TRINIDAD AND TOBAGO	TTO	0.61	0.21	7	0.66	0.19	6	0.81	0.34	5	0.82	0.39	3	0.44	0.29	4
TUNISIA	TUN	-0.22	0.18	10	-0.03	0.18	9	0.37	0.26	6	0.50	0.26	5	0.05	0.27	5
TURKEY	TUR	-0.07	0.18	11	0.05	0.17	10	0.24	0.24	8	0.86	0.21	7	0.51	0.21	7
TURKMENISTAN	TKM	-2.22	0.23	7	-1.89	0.21	6	-2.18	0.31	4	-2.45	0.25	4	-2.68	0.38	3
TUVALU	TUV	0.76	0.57	2	0.35	0.69	1	0.43	0.50	1	..	..	..	..	..	..
UGANDA	UGA	0.07	0.18	11	-0.02	0.18	8	0.16	0.26	6	0.42	0.26	6	0.10	0.27	5
UKRAINE	UKR	-0.48	0.18	11	-0.62	0.17	10	-1.22	0.28	7	-0.89	0.20	7	-0.59	0.23	6
UNITED ARAB EMIRATES	ARE	0.95	0.21	7	0.98	0.19	7	0.53	0.37	3	0.43	0.40	3	1.02	0.29	4
UNITED KINGDOM	GBR	1.62	0.21	8	1.78	0.18	8	1.69	0.27	7	1.60	0.23	6	1.82	0.22	6
UNITED STATES	USA	1.22	0.21	8	1.48	0.18	8	1.53	0.27	7	1.51	0.23	6	1.56	0.22	6
URUGUAY	URY	0.30	0.19	9	0.47	0.18	8	1.05	0.27	7	1.02	0.33	4	0.97	0.27	5
UZBEKISTAN	UZB	-2.10	0.19	10	-1.44	0.18	9	-1.40	0.27	6	-1.82	0.25	5	-1.44	0.28	4
VANUATU	VUT	-0.33	0.43	3	-1.20	0.46	2	-0.74	0.37	2	-0.31	0.51	1	-0.06	0.59	1
VENEZUELA	VEN	-1.24	0.18	10	-0.54	0.17	9	-0.55	0.24	8	0.13	0.21	7	-0.08	0.21	7
VIETNAM	VNM	-0.57	0.19	10	-0.68	0.18	9	-0.65	0.26	6	-0.58	0.25	5	-0.56	0.24	6
VIRGIN ISLANDS (U.S.)	VIR	0.96	0.62	1	..	..	..	..	..	..	..	..	..	..	..	..
WEST BANK	WBG	-1.02	0.51	2	-0.98	0.29	2	0.66	0.96	1	-0.16	0.98	1	..	..	..
YEMEN	YEM	-1.04	0.20	7	-0.61	0.19	6	-0.43	0.38	3	-0.39	0.39	3	-0.72	0.29	4
ZAMBIA	ZMB	-0.49	0.18	11	-0.56	0.18	8	0.33	0.26	6	0.32	0.26	6	0.27	0.27	5
ZIMBABWE	ZWE	-2.15	0.18	11	-1.70	0.18	9	-1.61	0.24	7	-0.35	0.22	7	-0.87	0.24	6

TABLE C5: Rule of Law

Country	Code	2004			2002			2000			1998			1996		
		Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.
AFGHANISTAN	AFG	-1.81	0.17	7	-1.62	0.23	4	-2.31	0.40	2	-1.13	0.72	1	-1.19	0.74	1
ALBANIA	ALB	-0.80	0.15	9	-0.94	0.17	8	-0.76	0.17	8	-0.93	0.21	7	-0.32	0.25	5
ALGERIA	DZA	-0.73	0.13	13	-0.62	0.14	11	-0.80	0.18	9	-0.79	0.21	7	-0.62	0.18	6
AMERICAN SAMOA	ASM	0.80	0.31	1	..	..	..	..	..	..	..	..	..	..	..	..
ANDORRA	ADO	1.43	0.30	2	1.52	0.32	1	..	..	..	..	..	..	..	..	..
ANGOLA	AGO	-1.33	0.14	11	-1.53	0.15	10	-1.47	0.18	9	-1.45	0.21	8	-1.44	0.18	6
ANGUILLA	AIA	1.00	0.31	1	..	..	..	..	..	..	..	..	..	..	..	..
ANTIGUA AND BARBUDA	ATG	0.91	0.30	2	0.99	0.32	1	..	..	..	..	..	..	..	..	..
ARGENTINA	ARG	-0.71	0.12	15	-0.78	0.13	15	0.17	0.14	14	0.17	0.17	11	0.28	0.15	10
ARMENIA	ARM	-0.58	0.14	12	-0.48	0.15	10	-0.52	0.16	9	-0.35	0.19	8	-0.46	0.22	5
ARUBA	ABW	1.00	0.31	1	..	..	..	..	..	..	..	..	..	..	..	..
AUSTRALIA	AUS	1.82	0.13	12	1.80	0.13	11	1.98	0.16	10	1.99	0.19	9	1.89	0.15	9
AUSTRIA	AUT	1.76	0.13	11	1.87	0.13	11	2.08	0.16	10	2.10	0.18	10	1.98	0.15	9
AZERBAIJAN	AZE	-0.85	0.12	15	-0.84	0.13	13	-0.99	0.15	11	-0.81	0.18	9	-0.86	0.16	6
BAHAMAS	BHS	1.28	0.22	4	1.30	0.25	3	1.09	0.39	2	0.99	0.41	2	0.80	0.44	2
BAHRAIN	BHR	0.68	0.14	11	0.90	0.14	9	0.77	0.21	7	1.03	0.24	6	0.74	0.18	6
BANGLADESH	BGD	-0.86	0.13	13	-0.74	0.13	12	-0.65	0.18	10	-0.72	0.21	7	-0.68	0.18	6
BARBADOS	BRB	1.21	0.22	4	1.38	0.26	2	1.34	0.45	1	0.55	0.48	1	-0.28	0.52	1
BELARUS	BLR	-1.31	0.14	11	-1.13	0.16	9	-0.99	0.17	9	-1.08	0.21	7	-1.01	0.26	4
BELGIUM	BEL	1.47	0.13	11	1.46	0.13	11	1.62	0.16	10	1.29	0.19	9	1.65	0.15	9
BELIZE	BLZ	0.25	0.20	5	0.02	0.23	4	0.38	0.28	4	0.03	0.32	3	0.70	0.47	2
BENIN	BEN	-0.47	0.17	9	-0.38	0.21	6	-0.39	0.25	5	-0.38	0.29	4	-0.01	0.47	2
BERMUDA	BMU	1.10	0.31	1	1.25	0.32	1	..	..	..	..	..	..	..	..	..
BHUTAN	BTN	0.27	0.23	5	0.22	0.24	4	-0.39	0.35	3	-0.07	0.39	2	-1.19	0.74	1
BOLIVIA	BOL	-0.55	0.13	12	-0.65	0.14	12	-0.52	0.16	11	-0.35	0.20	9	-0.66	0.18	7
BOSNIA-HERZEGOVINA	BIH	-0.76	0.14	11	-0.86	0.16	10	-0.84	0.19	6	-1.04	0.24	4	-0.19	0.74	1
BOTSWANA	BWA	0.73	0.13	14	0.68	0.14	12	0.67	0.20	9	0.66	0.24	7	0.80	0.20	5
BRAZIL	BRA	-0.21	0.12	15	-0.32	0.13	15	-0.16	0.14	13	-0.08	0.17	12	-0.26	0.15	10
BRUNEI	BRN	0.56	0.28	3	0.61	0.29	3	0.93	0.54	2	0.91	0.54	2	0.71	0.56	2
BULGARIA	BGR	0.05	0.12	14	0.01	0.13	14	-0.13	0.14	12	-0.22	0.18	9	-0.09	0.16	7
BURKINA FASO	BFA	-0.62	0.17	9	-0.51	0.21	6	-0.54	0.24	6	-0.42	0.29	5	-0.75	0.41	3
BURUNDI	BDI	-1.50	0.21	6	-1.43	0.25	4	-0.93	0.21	6	-0.85	0.32	3	-0.19	0.74	1
CAMBODIA	KHM	-0.98	0.17	9	-0.90	0.18	7	-0.77	0.22	6	-0.73	0.26	4	-0.91	0.37	2
CAMEROON	CMR	-1.00	0.14	10	-1.19	0.15	10	-1.06	0.20	9	-0.92	0.23	8	-1.18	0.20	5
CANADA	CAN	1.75	0.13	12	1.77	0.13	13	1.99	0.15	12	1.98	0.18	10	1.87	0.15	9
CAPE VERDE	CPV	0.26	0.20	6	0.17	0.22	4	0.47	0.28	3	0.67	0.33	2	0.09	0.52	1
CAYMAN ISLANDS	CYM	1.17	0.31	1	1.52	0.32	1	..	..	..	..	..	..	..	..	..
CENTRAL AFRICAN REPUBLIC	CAF	-1.44	0.18	7	-1.03	0.22	5	-0.66	0.32	3	-0.87	0.39	2	-0.19	0.74	1
CHAD	TCD	-1.15	0.16	9	-0.82	0.21	6	-0.81	0.27	4	-0.98	0.29	4	-0.19	0.74	1
CHILE	CHL	1.16	0.12	15	1.24	0.13	14	1.31	0.14	14	1.27	0.17	11	1.26	0.15	10
CHINA	CHN	-0.47	0.12	14	-0.26	0.13	13	-0.33	0.14	12	-0.22	0.18	10	-0.45	0.15	9
COLOMBIA	COL	-0.70	0.12	15	-0.82	0.13	14	-0.65	0.14	14	-0.66	0.17	12	-0.46	0.15	10
COMOROS	COM	-1.04	0.25	4	-1.00	0.26	3	-1.19	0.33	2	-0.97	0.42	1	..	..	..
CONGO	COG	-1.18	0.17	9	-1.23	0.18	9	-1.19	0.20	7	-1.23	0.23	6	-1.27	0.30	4
Congo, Dem. Rep. (Zaire)	ZAR	-1.74	0.14	11	-1.81	0.18	9	-1.86	0.19	8	-1.97	0.23	6	-1.82	0.28	5
COOK ISLANDS	COK	0.57	0.57	1	0.91	0.47	1	0.75	0.71	1	..	..	..	..	..	..
COSTA RICA	CRI	0.57	0.13	14	0.67	0.14	13	0.78	0.16	11	0.90	0.18	10	0.64	0.17	8
CROATIA	HRV	0.07	0.12	13	0.09	0.13	13	0.14	0.15	10	-0.04	0.18	8	-0.53	0.16	6
CUBA	CUB	-1.12	0.14	10	-0.96	0.15	9	-0.64	0.21	7	-0.50	0.24	6	-0.74	0.18	6
CYPRUS	CYP	0.85	0.14	9	0.81	0.15	8	0.99	0.21	6	0.88	0.24	6	0.61	0.18	6
CZECH REPUBLIC	CZE	0.69	0.11	15	0.69	0.12	14	0.59	0.13	13	0.62	0.15	12	0.64	0.14	10
DENMARK	DNK	1.91	0.13	12	1.93	0.13	12	1.95	0.16	11	1.99	0.19	9	2.03	0.15	9
DJIBOUTI	DJI	-0.61	0.21	5	-0.57	0.22	4	-0.55	0.28	3	-0.33	0.33	2	..	..	..
DOMINICA	DMA	0.66	0.26	3	0.65	0.28	2	-0.32	0.39	1	-0.33	0.42	1	..	..	..
DOMINICAN REPUBLIC	DOM	-0.54	0.13	12	-0.42	0.14	11	-0.20	0.16	10	-0.06	0.22	6	-0.52	0.19	5
ECUADOR	ECU	-0.71	0.13	13	-0.65	0.13	12	-0.67	0.15	12	-0.67	0.19	10	-0.39	0.17	8
EGYPT	EGY	-0.02	0.12	14	0.05	0.13	13	0.21	0.15	12	0.17	0.18	10	0.23	0.16	8
EL SALVADOR	SLV	-0.34	0.15	11	-0.43	0.16	9	-0.45	0.19	9	-0.15	0.23	7	-0.48	0.19	6
EQUATORIAL GUINEA	GNQ	-1.05	0.20	6	-1.22	0.21	5	-1.51	0.28	3	-1.69	0.33	2	..	..	..
ERITREA	ERI	-0.78	0.20	7	-0.44	0.24	5	-0.07	0.30	4	-0.05	0.39	2	-0.19	0.74	1
ESTONIA	EST	0.91	0.12	15	0.78	0.12	14	0.71	0.13	13	0.54	0.18	9	0.35	0.16	6
ETHIOPIA	ETH	-1.00	0.14	12	-0.44	0.20	8	-0.38	0.23	7	-0.23	0.29	5	-0.27	0.41	3
FIJI	FJI	-0.19	0.20	5	-0.38	0.22	5	-0.69	0.30	3	-0.40	0.29	4	0.09	0.47	2
FINLAND	FIN	1.97	0.13	11	1.96	0.13	12	2.11	0.16	11	2.06	0.19	9	2.08	0.15	9
FRANCE	FRA	1.33	0.13	12	1.30	0.13	12	1.47	0.15	12	1.44	0.18	10	1.65	0.15	9
FRENCH GUIANA	GUF	0.50	0.31	1	0.99	0.32	1	..	..	..	..	..	..	..	..	..
GABON	GAB	-0.51	0.13	11	-0.26	0.14	10	-0.57	0.18	9	-0.48	0.22	6	-0.31	0.19	5
GAMBIA	GMB	-0.32	0.17	9	-0.53	0.20	7	-0.34	0.25	5	-0.29	0.29	4	0.25	0.56	2
GEORGIA	GEO	-0.87	0.13	13	-1.20	0.15	11	-0.57	0.16	9	-0.74	0.19	7	-0.84	0.22	5
GERMANY	DEU	1.66	0.13	12	1.71	0.13	13	1.89	0.15	12	1.90	0.18	10	1.90	0.15	9

TABLE C5: Rule of Law (cont.)

Country	Code	2004			2002			2000			1998			1996		
		Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.
GHANA	GHA	-0.16	0.12	15	-0.16	0.14	12	-0.08	0.18	10	-0.06	0.20	9	-0.12	0.18	6
GREECE	GRC	0.75	0.13	11	0.77	0.13	11	0.73	0.16	9	0.66	0.19	9	0.78	0.15	9
GRENADA	GRD	0.46	0.26	3	0.25	0.28	2	0.39	0.39	1	0.30	0.42	1	..	..	..
GUAM	GUM	0.90	0.31	1	..	..	..	..	..	..	..	..	..	..	..	..
GUATEMALA	GTM	-0.96	0.13	14	-0.84	0.14	12	-0.77	0.17	10	-0.70	0.20	8	-0.64	0.18	7
GUINEA	GIN	-1.09	0.18	8	-0.73	0.21	7	-0.96	0.25	5	-0.89	0.27	5	-1.08	0.41	3
GUINEA-BISSAU	GNB	-1.26	0.19	7	-1.07	0.20	7	-1.27	0.24	6	-1.24	0.27	5	-1.59	0.56	2
GUYANA	GUY	-0.48	0.20	6	-0.46	0.22	5	-0.14	0.26	5	0.06	0.29	4	0.01	0.41	3
HAITI	HTI	-1.66	0.18	9	-1.78	0.19	7	-1.50	0.25	6	-0.99	0.29	4	-1.23	0.41	3
HONDURAS	HND	-0.61	0.14	13	-0.77	0.14	11	-0.89	0.17	10	-0.56	0.20	8	-0.85	0.18	7
HONG KONG	HKG	1.42	0.13	9	1.21	0.14	10	1.64	0.17	8	1.73	0.20	8	1.71	0.16	7
HUNGARY	HUN	0.85	0.11	16	0.84	0.12	15	0.84	0.13	14	0.78	0.15	12	0.66	0.14	10
ICELAND	ISL	2.01	0.16	8	1.96	0.18	7	2.06	0.19	7	1.90	0.23	6	1.70	0.24	5
INDIA	IND	-0.09	0.12	14	0.04	0.13	14	0.22	0.14	12	0.21	0.17	11	-0.01	0.15	9
INDONESIA	IDN	-0.91	0.12	16	-0.89	0.12	15	-0.93	0.14	13	-0.97	0.18	10	-0.36	0.15	9
IRAN	IRN	-0.83	0.13	12	-0.57	0.14	11	-0.44	0.19	8	-0.49	0.22	7	-0.77	0.17	7
IRAQ	IRQ	-1.97	0.15	8	-1.65	0.15	8	-1.50	0.21	7	-1.68	0.24	6	-1.57	0.18	6
IRELAND	IRL	1.62	0.13	12	1.68	0.13	12	1.84	0.16	11	1.81	0.18	10	1.77	0.15	9
ISRAEL	ISR	0.77	0.13	11	0.90	0.13	12	1.07	0.17	9	1.08	0.20	8	1.18	0.15	9
ITALY	ITA	0.74	0.13	11	0.79	0.13	12	0.93	0.15	12	1.07	0.18	10	0.89	0.15	9
IVORY COAST	CIV	-1.42	0.14	11	-1.24	0.15	10	-0.57	0.20	8	-0.52	0.23	8	-0.69	0.20	5
JAMAICA	JAM	-0.32	0.14	10	-0.46	0.15	9	-0.15	0.18	7	-0.24	0.21	7	-0.21	0.19	5
JAPAN	JPN	1.39	0.13	12	1.37	0.13	13	1.80	0.16	11	1.72	0.20	8	1.60	0.15	9
JORDAN	JOR	0.30	0.13	13	0.34	0.14	10	0.55	0.16	9	0.60	0.19	9	0.20	0.17	7
KAZAKHSTAN	KAZ	-0.98	0.12	15	-0.92	0.13	13	-0.77	0.14	12	-0.80	0.17	10	-0.73	0.16	6
KENYA	KEN	-0.98	0.12	16	-1.03	0.14	11	-0.94	0.17	10	-1.02	0.20	9	-0.77	0.18	6
KIRIBATI	KIR	0.25	0.24	4	0.62	0.36	2	0.02	0.37	2	-0.65	0.42	1	..	..	..
KOREA, NORTH	PRK	-1.15	0.16	7	-0.98	0.23	5	-1.08	0.34	4	-1.21	0.38	3	-1.04	0.41	3
KOREA, SOUTH	KOR	0.67	0.12	14	0.83	0.13	14	0.64	0.15	12	0.82	0.17	11	0.81	0.15	9
KUWAIT	KWT	0.65	0.14	9	0.79	0.14	10	1.18	0.21	6	1.16	0.24	6	0.65	0.18	6
KYRGYZ REPUBLIC	KGZ	-1.04	0.13	13	-0.77	0.15	11	-0.90	0.16	8	-0.67	0.19	7	-0.69	0.24	4
LAOS	LAO	-1.27	0.17	8	-0.96	0.18	7	-1.00	0.22	6	-1.07	0.26	4	-1.36	0.32	3
LATVIA	LVA	0.48	0.12	13	0.42	0.13	12	0.24	0.14	10	0.08	0.18	9	0.19	0.16	6
LEBANON	LBN	-0.32	0.14	10	-0.28	0.14	10	-0.10	0.19	8	0.16	0.21	7	-0.27	0.18	6
LESOTHO	LSO	-0.03	0.16	9	-0.08	0.19	7	-0.05	0.27	4	-0.13	0.31	4	-0.31	0.47	2
LIBERIA	LBR	-1.76	0.24	5	-1.62	0.25	5	-1.55	0.28	5	-1.79	0.35	3	-2.15	0.56	2
LIBYA	LBY	-0.65	0.14	9	-0.83	0.15	8	-0.91	0.21	6	-1.11	0.24	6	-1.00	0.18	6
LIECHTENSTEIN	LIE	1.36	0.30	2	1.52	0.32	1	..	..	..	..	..	..	..	..	..
LITHUANIA	LTU	0.60	0.12	14	0.45	0.13	13	0.25	0.14	12	0.19	0.18	9	-0.15	0.16	6
LUXEMBOURG	LUX	1.98	0.18	7	2.05	0.21	7	2.07	0.29	5	1.92	0.27	5	1.78	0.26	5
MACAO	MAC	1.49	0.31	1	0.73	0.32	1	..	..	..	..	..	..	..	..	..
MACEDONIA	MKD	-0.44	0.13	11	-0.45	0.14	9	-0.32	0.20	5	-0.33	0.23	5	-0.56	0.19	3
MADAGASCAR	MDG	-0.30	0.17	9	-0.25	0.21	6	-0.67	0.23	7	-1.01	0.27	5	-0.85	0.41	3
MALAWI	MWI	-0.29	0.13	13	-0.44	0.15	10	-0.46	0.19	9	-0.51	0.21	8	-0.20	0.19	5
MALAYSIA	MYS	0.52	0.12	15	0.52	0.13	14	0.53	0.14	13	0.82	0.17	11	0.85	0.15	9
MALDIVES	MDV	-0.57	0.24	4	0.28	0.25	3	-0.64	0.37	2	-0.65	0.42	1	..	..	..
MALI	MLI	-0.34	0.15	12	-0.47	0.19	9	-0.71	0.24	6	-0.57	0.27	5	-0.77	0.41	3
MALTA	MLT	1.23	0.19	6	1.06	0.25	3	0.74	0.39	2	0.69	0.41	2	0.04	0.44	2
MARSHALL ISLANDS	MHL	-0.11	0.36	3	-0.05	0.36	2	-0.58	0.37	2	-0.33	0.42	1	..	..	..
MARTINIQUE	MTQ	0.95	0.31	1	1.25	0.32	1	..	..	..	..	..	..	..	..	..
MAURITANIA	MRT	-0.62	0.20	6	-0.38	0.22	5	-0.53	0.25	5	-0.48	0.32	3	-0.61	0.47	2
MAURITIUS	MUS	0.84	0.14	9	0.86	0.15	8	0.86	0.17	8	0.96	0.22	7	0.71	0.20	3
MEXICO	MEX	-0.26	0.12	16	-0.31	0.13	15	-0.38	0.14	14	-0.38	0.17	12	-0.12	0.15	10
MICRONESIA	FSM	0.40	0.24	4	-0.22	0.36	2	-0.54	0.37	2	-0.33	0.42	1	..	..	..
MOLDOVA	MDA	-0.65	0.12	12	-0.53	0.14	10	-0.55	0.15	10	-0.13	0.18	9	-0.20	0.16	6
MONACO	MCO	0.77	0.71	1	..	..	..	..	..	..	..	..	..	..	..	..
MONGOLIA	MNG	0.18	0.17	9	0.34	0.20	7	0.22	0.25	6	0.02	0.23	5	0.48	0.41	3
MOROCCO	MAR	-0.05	0.13	14	0.07	0.13	12	0.30	0.18	8	0.53	0.20	9	0.19	0.17	7
MOZAMBIQUE	MOZ	-0.60	0.13	14	-0.59	0.18	9	-0.65	0.20	7	-1.02	0.23	7	-1.24	0.30	4
MYANMAR	MMR	-1.62	0.15	9	-1.61	0.16	8	-1.15	0.25	6	-1.06	0.28	5	-1.32	0.20	5
NAMIBIA	NAM	0.22	0.13	14	0.43	0.14	12	1.06	0.22	8	1.14	0.26	6	0.36	0.22	3
NAURU	NRU	0.77	0.71	1	..	..	..	..	..	..	..	..	..	..	..	..
NEPAL	NPL	-0.82	0.14	11	-0.42	0.18	8	-0.36	0.22	6	-0.25	0.26	4	-0.36	0.32	3
NETHERLANDS	NLD	1.78	0.13	11	1.80	0.13	12	1.95	0.16	11	2.02	0.19	9	1.94	0.15	9
NETHERLANDS ANTILLES	ANT	0.75	0.31	1	..	..	..	..	..	..	..	..	..	..	..	..
NEW ZEALAND	NZL	1.93	0.13	10	1.86	0.14	9	1.97	0.17	9	2.17	0.20	8	2.08	0.16	8
NICARAGUA	NIC	-0.65	0.14	13	-0.67	0.15	10	-0.91	0.19	9	-0.82	0.23	7	-0.68	0.19	6
NIGER	NER	-0.92	0.18	8	-0.80	0.21	6	-0.82	0.24	6	-0.70	0.29	4	-1.25	0.41	3
NIGERIA	NGA	-1.44	0.12	16	-1.40	0.13	14	-0.99	0.16	12	-1.30	0.20	9	-1.20	0.17	7

TABLE C5: Rule of Law (cont.)

Country	Code	2004			2002			2000			1998			1996		
		Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.
NORWAY	NOR	1.95	0.13	11	1.92	0.13	11	1.99	0.16	10	2.21	0.19	9	2.10	0.15	9
OMAN	OMN	0.98	0.14	9	0.83	0.14	10	1.24	0.21	7	1.27	0.24	6	1.12	0.18	6
PALAU	PCI	0.77	0.71	1	..	..	..	..	..	..	..	..	..	..	..	..
PAKISTAN	PAK	-0.78	0.12	14	-0.71	0.14	12	-0.62	0.17	11	-0.72	0.18	9	-0.44	0.17	7
PANAMA	PAN	-0.04	0.13	13	-0.03	0.14	13	-0.04	0.16	11	-0.03	0.21	8	0.26	0.18	7
PAPUA NEW GUINEA	PNG	-0.82	0.14	11	-0.93	0.15	9	-0.43	0.18	9	-0.32	0.22	6	-0.33	0.20	4
PARAGUAY	PRY	-1.09	0.14	12	-1.16	0.14	11	-0.83	0.18	9	-0.75	0.21	8	-0.50	0.19	6
PERU	PER	-0.63	0.12	14	-0.50	0.13	14	-0.53	0.15	13	-0.48	0.18	11	-0.35	0.16	9
PHILIPPINES	PHL	-0.62	0.12	14	-0.55	0.13	13	-0.51	0.14	13	-0.04	0.18	10	-0.11	0.15	9
POLAND	POL	0.51	0.11	16	0.58	0.12	16	0.62	0.13	14	0.57	0.15	12	0.46	0.14	10
PORTUGAL	PRT	1.16	0.13	11	1.26	0.13	11	1.14	0.16	10	1.30	0.18	10	1.35	0.15	9
PUERTO RICO	PRI	0.74	0.23	3	1.11	0.25	2	1.08	0.43	1	0.89	0.54	1	0.75	0.60	1
QATAR	QAT	0.79	0.16	8	0.82	0.16	6	1.09	0.25	5	1.39	0.29	4	0.95	0.22	3
REUNION	REU	0.87	0.31	1	..	..	..	..	..	..	..	..	..	..	..	..
ROMANIA	ROM	-0.18	0.12	15	-0.15	0.13	14	-0.22	0.14	12	-0.25	0.18	8	-0.29	0.16	7
RUSSIA	RUS	-0.70	0.11	16	-0.84	0.12	16	-0.87	0.13	14	-0.78	0.15	12	-0.84	0.14	10
RWANDA	RWA	-0.90	0.19	7	-0.94	0.21	6	-0.83	0.25	5	-1.20	0.32	3	-0.19	0.74	1
SAMOA	SAM	0.62	0.24	4	1.04	0.25	3	-0.01	0.30	3	-0.97	0.42	1	..	..	..
SAN MARINO	SMR	0.77	0.71	1	..	..	..	..	..	..	..	..	..	..	..	..
SAO TOME AND PRINCIPE	STP	-0.55	0.25	4	-0.52	0.26	3	-0.69	0.33	2	-0.97	0.42	1	..	..	..
SAUDI ARABIA	SAU	0.20	0.13	11	0.40	0.14	11	0.62	0.19	8	0.89	0.22	7	0.75	0.17	7
SENEGAL	SEN	-0.20	0.13	13	-0.23	0.15	10	-0.34	0.19	9	-0.26	0.21	7	-0.17	0.19	5
SERBIA AND MONTENEGRO	YUG	-0.72	0.14	11	-0.95	0.14	10	-0.98	0.22	4	-0.91	0.27	4	-1.20	0.22	3
SEYCHELLES	SYC	-0.17	0.23	5	0.48	0.26	3	-0.44	0.33	2	-0.33	0.42	1	..	..	..
SIERRA LEONE	SLE	-1.10	0.18	9	-1.23	0.23	6	-0.90	0.24	6	-0.72	0.29	4	-1.02	0.41	3
SINGAPORE	SGP	1.82	0.12	12	1.71	0.13	11	2.10	0.16	11	2.24	0.18	10	2.13	0.15	9
SLOVAK REPUBLIC	SVK	0.49	0.12	14	0.35	0.12	13	0.30	0.13	12	0.13	0.17	10	0.12	0.15	8
SLOVENIA	SVN	0.93	0.12	15	1.06	0.12	14	0.87	0.13	12	0.91	0.18	8	0.52	0.16	6
SOLOMON ISLANDS	SLB	-1.15	0.24	4	-1.53	0.36	2	-1.34	0.37	2	-0.65	0.42	1	..	..	..
SOMALIA	SOM	-2.31	0.24	5	-2.04	0.27	4	-1.72	0.26	5	-1.80	0.29	4	-1.69	0.56	2
SOUTH AFRICA	ZAF	0.32	0.11	17	0.11	0.12	16	0.28	0.14	14	0.21	0.17	12	0.35	0.15	9
SPAIN	ESP	1.12	0.13	12	1.12	0.13	13	1.36	0.15	12	1.35	0.18	10	1.23	0.15	9
SRI LANKA	LKA	-0.03	0.13	14	0.22	0.13	12	-0.17	0.16	10	-0.11	0.21	7	0.29	0.18	6
ST. KITTS AND NEVIS	KNA	0.71	0.26	3	0.31	0.49	1	0.39	0.39	1	-0.33	0.42	1	..	..	..
ST. LUCIA	LCA	0.75	0.26	3	0.31	0.49	1	0.39	0.39	1	-0.33	0.42	1	..	..	..
ST. VINCENT AND THE GRENADINES	VCT	0.76	0.26	3	0.63	0.49	1	0.39	0.39	1	-0.33	0.42	1	..	..	..
SUDAN	SDN	-1.59	0.15	10	-1.30	0.16	9	-1.10	0.20	8	-1.31	0.26	5	-1.46	0.21	4
SURINAME	SUR	-0.25	0.21	5	-0.32	0.25	3	-0.62	0.39	2	-0.73	0.41	2	-0.83	0.44	2
SWAZILAND	SWZ	-0.95	0.16	8	-0.64	0.19	6	-0.08	0.27	4	-0.17	0.31	4	0.40	0.47	2
SWEDEN	SWE	1.85	0.13	12	1.88	0.13	12	1.96	0.15	12	1.95	0.19	9	2.03	0.15	9
SWITZERLAND	CHE	1.98	0.13	11	1.98	0.13	11	2.20	0.16	11	2.36	0.18	10	2.17	0.15	9
SYRIA	SYR	-0.40	0.14	10	-0.40	0.15	9	-0.33	0.21	7	-0.25	0.24	6	-0.53	0.18	6
TAIWAN	TWN	0.83	0.12	13	0.87	0.13	12	0.86	0.16	11	1.17	0.19	9	1.02	0.15	9
TAJIKISTAN	TJK	-1.18	0.14	11	-1.29	0.16	10	-1.28	0.17	7	-1.42	0.23	5	-1.41	0.29	3
TANZANIA	TZA	-0.49	0.12	15	-0.46	0.14	12	-0.28	0.17	10	-0.28	0.20	9	-0.70	0.18	6
THAILAND	THA	-0.05	0.12	14	0.23	0.13	13	0.41	0.15	12	0.40	0.17	11	0.49	0.15	9
TIMOR, EAST	TMP	-0.60	0.27	4	-1.12	0.32	1	..	..	..	..	..	..	..	..	..
TOGO	TGO	-1.01	0.18	8	-0.69	0.21	6	-0.93	0.25	5	-0.83	0.27	5	-1.23	0.56	2
TONGA	TON	-0.11	0.24	4	0.04	0.36	2	-0.39	0.37	2	-0.65	0.42	1	..	..	..
TRINIDAD AND TOBAGO	TTO	0.17	0.14	9	0.30	0.15	8	0.47	0.18	8	0.38	0.22	6	0.36	0.19	5
TUNISIA	TUN	0.24	0.13	13	0.28	0.13	12	0.44	0.17	10	0.44	0.21	8	0.07	0.18	6
TURKEY	TUR	0.04	0.12	15	-0.05	0.13	15	0.05	0.14	13	0.19	0.17	11	0.03	0.15	9
TURKMENISTAN	TKM	-1.43	0.14	9	-1.15	0.16	8	-1.13	0.16	6	-1.19	0.20	6	-1.20	0.24	4
TUVALU	TUV	0.76	0.27	3	1.79	0.47	1	1.49	0.71	1	..	..	..	..	..	..
UGANDA	UGA	-0.79	0.12	16	-0.76	0.14	12	-0.58	0.17	10	-0.11	0.20	9	-0.88	0.18	6
UKRAINE	UKR	-0.83	0.12	16	-0.84	0.12	14	-0.72	0.13	12	-0.76	0.16	11	-0.67	0.15	8
UNITED ARAB EMIRATES	ARE	0.85	0.14	9	0.97	0.14	9	1.41	0.21	6	1.27	0.24	6	0.78	0.18	6
UNITED KINGDOM	GBR	1.71	0.13	12	1.76	0.13	13	1.91	0.15	12	2.05	0.18	10	1.94	0.15	9
UNITED STATES	USA	1.58	0.13	11	1.62	0.13	12	1.90	0.16	11	1.77	0.18	10	1.79	0.15	9
URUGUAY	URY	0.42	0.13	12	0.54	0.14	11	0.65	0.16	11	0.54	0.21	8	0.53	0.18	7
UZBEKISTAN	UZB	-1.30	0.12	14	-1.23	0.13	12	-0.95	0.15	10	-1.04	0.18	8	-1.02	0.17	5
VANUATU	VUT	-0.07	0.24	4	-0.21	0.36	2	-0.28	0.37	2	-0.65	0.42	1	..	..	..
VENEZUELA	VEN	-1.10	0.12	16	-1.06	0.13	14	-0.82	0.15	12	-0.64	0.17	12	-0.66	0.15	10
VIETNAM	VNM	-0.59	0.12	15	-0.42	0.13	13	-0.74	0.15	11	-0.81	0.18	9	-0.50	0.16	8
VIRGIN ISLANDS (U.S.)	VIR	1.24	0.31	1	..	..	..	..	..	..	..	..	..	..	..	..
WEST BANK	WBG	-0.95	0.28	2	-0.32	0.30	2	0.33	0.67	1	1.38	0.56	1	..	..	..
YEMEN	YEM	-1.11	0.14	11	-1.23	0.16	9	-0.90	0.20	7	-0.68	0.22	6	-1.04	0.19	5
ZAMBIA	ZMB	-0.54	0.12	15	-0.52	0.14	12	-0.44	0.17	10	-0.34	0.20	9	-0.35	0.18	6
ZIMBABWE	ZWE	-1.53	0.13	14	-1.39	0.13	12	-0.74	0.16	10	0.00	0.19	10	-0.24	0.17	7

TABLE C6: Control of Corruption

Country	Code	2004			2002			2000			1998			1996		
		Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.
AFGHANISTAN	AFG	-1.33	0.21	6	-1.32	0.27	3	-1.56	0.44	1	..	..	..	..	..	..
ALBANIA	ALB	-0.72	0.16	7	-0.83	0.18	6	-0.61	0.18	7	-0.92	0.20	5	0.05	0.42	2
ALGERIA	DZA	-0.49	0.14	10	-0.72	0.16	9	-0.62	0.20	7	-0.70	0.21	5	-0.34	0.24	4
AMERICAN SAMOA	ASM	0.06	0.41	1	..	..	..	..	..	..	..	..	..	..	..	..
ANDORRA	ADO	1.17	0.41	1	1.29	0.38	1	..	..	..	..	..	..	..	..	..
ANGOLA	AGO	-1.12	0.15	9	-1.17	0.16	9	-1.44	0.20	7	-1.05	0.18	6	-1.00	0.24	4
ANGUILLA	AIA	0.78	0.41	1	..	..	..	..	..	..	..	..	..	..	..	..
ANTIGUA AND BARBUDA	ATG	0.88	0.41	1	0.84	0.38	1	..	..	..	..	..	..	..	..	..
ARGENTINA	ARG	-0.44	0.13	13	-0.78	0.14	12	-0.34	0.15	13	-0.22	0.16	10	-0.12	0.17	7
ARMENIA	ARM	-0.53	0.14	9	-0.69	0.16	8	-0.74	0.18	7	-0.71	0.18	6	-0.65	0.37	2
ARUBA	ABW	1.17	0.41	1	..	..	..	..	..	..	..	..	..	..	..	..
AUSTRALIA	AUS	2.02	0.13	11	1.87	0.14	10	2.07	0.18	8	2.21	0.19	7	1.86	0.17	7
AUSTRIA	AUT	2.10	0.15	10	1.85	0.16	8	1.95	0.19	8	2.02	0.17	9	1.66	0.17	7
AZERBAIJAN	AZE	-1.04	0.12	12	-1.04	0.13	11	-1.06	0.13	10	-1.01	0.17	7	-0.97	0.25	3
BAHAMAS	BHS	1.36	0.35	2	1.41	0.33	2	0.87	0.66	1	0.67	0.76	1	0.37	0.61	1
BAHRAIN	BHR	0.76	0.17	8	0.96	0.17	7	0.38	0.22	5	0.41	0.26	4	0.08	0.24	4
BANGLADESH	BGD	-1.09	0.14	10	-0.95	0.14	10	-0.60	0.16	8	-0.40	0.21	5	-0.47	0.24	4
BARBADOS	BRB	0.81	0.34	2	1.29	0.38	1	..	..	..	..	..	..	..	..	..
BELARUS	BLR	-0.91	0.15	8	-0.76	0.17	7	-0.05	0.18	7	-0.60	0.19	6	-0.92	0.50	1
BELGIUM	BEL	1.53	0.15	9	1.61	0.16	9	1.38	0.19	8	1.23	0.18	8	1.12	0.17	7
BELIZE	BLZ	-0.07	0.26	3	-0.24	0.31	2	0.18	0.36	2	-0.29	0.37	1	..	..	..
BENIN	BEN	-0.34	0.19	6	-0.52	0.26	4	0.00	0.42	2	-0.76	0.31	2	..	..	..
BERMUDA	BMU	0.88	0.41	1	1.29	0.38	1	..	..	..	..	..	..	..	..	..
BHUTAN	BTN	0.69	0.22	4	0.88	0.22	3	0.55	0.24	2	0.46	0.37	1	..	..	..
BOLIVIA	BOL	-0.78	0.15	10	-0.82	0.15	9	-0.65	0.17	9	-0.41	0.19	8	-0.87	0.24	4
BOSNIA-HERZEGOVINA	BIH	-0.54	0.14	9	-0.61	0.17	7	-0.48	0.22	4	-0.35	0.23	2	..	..	..
BOTSWANA	BWA	0.86	0.15	11	0.80	0.16	10	1.02	0.21	7	0.53	0.19	5	0.40	0.27	3
BRAZIL	BRA	-0.15	0.13	13	-0.06	0.14	12	0.04	0.15	12	0.10	0.16	11	-0.11	0.17	7
BRUNEI	BRN	0.23	0.35	2	0.32	0.33	2	-0.12	0.66	1	0.06	0.76	1	0.37	0.61	1
BULGARIA	BGR	-0.04	0.12	12	-0.15	0.13	11	-0.13	0.14	11	-0.50	0.16	8	-0.67	0.24	4
BURKINA FASO	BFA	-0.35	0.20	6	0.13	0.26	4	-0.68	0.31	4	-0.51	0.23	3	-0.31	0.61	1
BURUNDI	BDI	-1.16	0.24	4	-0.98	0.28	3	-1.27	0.27	4	-0.80	0.37	1	..	..	..
CAMBODIA	KHM	-0.97	0.19	6	-0.95	0.19	5	-0.72	0.20	4	-1.27	0.27	2	-0.94	0.47	1
CAMEROON	CMR	-0.78	0.17	8	-1.04	0.19	7	-1.05	0.22	7	-1.11	0.18	6	-1.10	0.27	3
CANADA	CAN	1.99	0.14	11	2.05	0.15	10	2.32	0.17	10	2.51	0.18	8	2.14	0.17	7
CAPE VERDE	CPV	0.31	0.25	4	0.46	0.28	3	0.32	0.42	2	-0.29	0.37	1	..	..	..
CAYMAN ISLANDS	CYM	1.17	0.41	1	1.29	0.38	1	..	..	..	..	..	..	..	..	..
CENTRAL AFRICAN REPUBLIC	CAF	-1.36	0.24	4	-1.17	0.28	3	-1.02	0.42	2	-0.55	0.37	1	..	..	..
CHAD	TCD	-1.14	0.19	6	-0.94	0.27	4	-0.57	0.42	2	-0.84	0.31	2	..	..	..
CHILE	CHL	1.44	0.13	12	1.53	0.14	12	1.56	0.15	13	1.20	0.16	10	1.28	0.17	7
CHINA	CHN	-0.51	0.12	12	-0.35	0.13	12	-0.34	0.15	12	-0.14	0.14	9	-0.01	0.17	7
COLOMBIA	COL	-0.16	0.13	12	-0.51	0.14	11	-0.40	0.15	13	-0.61	0.16	11	-0.43	0.17	7
COMOROS	COM	-1.14	0.26	3	-0.92	0.28	3	-0.97	0.42	2	-0.80	0.37	1	..	..	..
CONGO	COG	-1.02	0.18	7	-1.02	0.20	7	-0.98	0.25	5	-0.99	0.24	4	-0.81	0.40	2
Congo, Dem. Rep. (Zaire)	ZAR	-1.31	0.15	9	-1.42	0.18	8	-1.49	0.22	6	-1.58	0.24	4	-1.98	0.33	3
COOK ISLANDS	COK	-0.24	0.41	1	0.03	0.31	1	-0.22	0.27	1	..	..	..	..	..	..
COSTA RICA	CRI	0.78	0.14	12	0.91	0.15	10	1.05	0.16	9	0.71	0.17	9	0.76	0.22	5
CROATIA	HRV	0.08	0.13	11	0.25	0.14	10	0.04	0.16	9	-0.33	0.17	6	-0.48	0.25	3
CUBA	CUB	-0.62	0.17	7	-0.16	0.17	7	-0.32	0.22	5	-0.29	0.26	4	0.01	0.24	4
CYPRUS	CYP	0.80	0.16	7	0.89	0.18	6	1.11	0.24	4	1.38	0.26	4	1.58	0.24	4
CZECH REPUBLIC	CZE	0.30	0.12	13	0.36	0.13	12	0.40	0.14	13	0.35	0.14	10	0.59	0.17	7
DENMARK	DNK	2.38	0.14	11	2.25	0.15	9	2.38	0.18	9	2.57	0.18	8	2.24	0.17	7
DJIBOUTI	DJI	-0.94	0.26	3	-0.72	0.28	3	-1.15	0.42	2	-0.80	0.37	1	..	..	..
DOMINICA	DMA	0.25	0.28	2	0.54	0.31	2	-0.19	0.46	1	-0.29	0.37	1	..	..	..
DOMINICAN REPUBLIC	DOM	-0.50	0.15	9	-0.40	0.16	8	-0.30	0.18	8	-0.53	0.23	4	-0.33	0.26	3
ECUADOR	ECU	-0.75	0.15	11	-1.00	0.15	10	-0.96	0.16	11	-0.74	0.19	8	-0.75	0.23	5
EGYPT	EGY	-0.21	0.14	12	-0.28	0.15	11	-0.17	0.16	11	-0.25	0.16	8	0.11	0.22	6
EL SALVADOR	SLV	-0.39	0.17	8	-0.49	0.18	7	-0.16	0.19	7	-0.27	0.22	5	-0.75	0.27	3
EQUATORIAL GUINEA	GNQ	-1.65	0.24	4	-1.86	0.27	4	-2.05	0.42	2	-0.80	0.37	1	..	..	..
ERITREA	ERI	-0.64	0.22	5	-0.09	0.26	4	0.08	0.33	3	0.46	0.37	1	..	..	..
ESTONIA	EST	0.82	0.12	13	0.72	0.13	12	0.78	0.14	12	0.49	0.16	8	0.05	0.25	3
ETHIOPIA	ETH	-0.85	0.16	9	-0.32	0.23	6	0.06	0.27	5	-0.25	0.23	3	-0.98	0.61	1
FIJI	FJI	-0.14	0.25	3	0.15	0.27	3	0.53	0.35	2	0.20	0.31	2	..	..	..
FINLAND	FIN	2.53	0.15	10	2.45	0.16	9	2.56	0.18	9	2.55	0.18	8	2.23	0.17	7
FRANCE	FRA	1.44	0.14	11	1.39	0.15	10	1.48	0.17	9	1.75	0.18	8	1.39	0.17	7
FRENCH GUIANA	GUF	0.59	0.41	1	0.84	0.38	1	..	..	..	..	..	..	..	..	..
GABON	GAB	-0.58	0.15	9	-0.52	0.17	8	-0.74	0.20	7	-0.90	0.23	4	-1.24	0.26	3
GAMBIA	GMB	-0.61	0.18	7	-0.74	0.24	5	-0.15	0.38	3	-0.49	0.35	2	0.37	0.61	1

TABLE C6: Control of Corruption (cont.)

Country	Code	2004			2002			2000			1998			1996		
		Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.
GEORGIA	GEO	-0.91	0.13	11	-1.03	0.15	8	-0.71	0.16	8	-0.64	0.18	5	-1.05	0.37	2
GERMANY	DEU	1.90	0.14	11	1.81	0.15	10	1.74	0.17	9	2.21	0.17	9	1.76	0.17	7
GHANA	GHA	-0.17	0.13	13	-0.39	0.16	10	-0.34	0.20	8	-0.44	0.17	7	-0.47	0.24	4
GREECE	GRC	0.56	0.15	10	0.58	0.16	9	0.82	0.18	8	0.85	0.18	8	0.37	0.17	7
GRENADA	GRD	0.52	0.28	2	0.73	0.31	2	0.19	0.46	1	-0.04	0.37	1	..	..	..
GUAM	GUM	0.45	0.41	1	..	..	..	..	..	..	..	..	..	..	..	..
GUATEMALA	GTM	-0.74	0.15	12	-0.71	0.16	9	-0.64	0.17	9	-0.63	0.19	6	-0.96	0.24	4
GUINEA	GIN	-0.81	0.23	5	-0.66	0.25	5	-0.41	0.38	3	-0.82	0.30	3	0.37	0.61	1
GUINEA-BISSAU	GNB	-0.71	0.22	5	-0.59	0.24	5	-0.53	0.31	4	-0.57	0.30	3	-0.98	0.61	1
GUYANA	GUY	-0.35	0.24	4	-0.48	0.28	3	-0.37	0.32	3	-0.26	0.35	2	-0.31	0.61	1
HAITI	HTI	-1.49	0.22	6	-1.68	0.23	5	-1.00	0.28	4	-0.85	0.35	2	-0.98	0.61	1
HONDURAS	HND	-0.71	0.15	10	-0.76	0.16	9	-0.64	0.18	8	-0.75	0.19	6	-0.97	0.24	4
HONG KONG	HKG	1.57	0.13	10	1.43	0.14	9	1.52	0.17	9	1.73	0.14	9	1.50	0.17	6
HUNGARY	HUN	0.65	0.12	13	0.59	0.13	13	0.78	0.13	14	0.69	0.14	11	0.63	0.17	7
ICELAND	ISL	2.43	0.17	7	2.19	0.20	5	2.49	0.24	5	2.33	0.23	4	1.77	0.22	4
INDIA	IND	-0.31	0.12	13	-0.36	0.13	12	-0.25	0.15	12	-0.17	0.13	11	-0.31	0.17	7
INDONESIA	IDN	-0.90	0.12	15	-1.15	0.12	13	-1.00	0.13	13	-0.95	0.14	9	-0.47	0.17	7
IRAN	IRN	-0.59	0.15	9	-0.36	0.16	9	-0.59	0.22	6	-0.63	0.25	5	-0.83	0.23	5
IRAQ	IRQ	-1.45	0.18	6	-1.44	0.18	6	-1.18	0.22	5	-1.37	0.26	4	-1.36	0.24	4
IRELAND	IRL	1.61	0.14	11	1.67	0.15	9	1.57	0.18	9	2.15	0.17	9	1.84	0.17	7
ISRAEL	ISR	0.79	0.14	10	1.03	0.15	9	1.27	0.17	8	1.41	0.19	7	1.48	0.17	7
ITALY	ITA	0.66	0.15	10	0.80	0.16	9	0.91	0.16	11	1.00	0.17	9	0.46	0.17	7
IVORY COAST	CIV	-1.01	0.17	8	-0.92	0.18	8	-0.60	0.22	6	-0.35	0.18	6	0.41	0.27	3
JAMAICA	JAM	-0.52	0.16	7	-0.45	0.17	7	-0.17	0.22	5	-0.26	0.21	5	-0.33	0.26	3
JAPAN	JPN	1.19	0.13	12	1.20	0.14	11	1.39	0.16	11	1.16	0.15	9	1.22	0.17	7
JORDAN	JOR	0.35	0.14	10	0.04	0.16	8	0.15	0.19	7	0.21	0.18	7	-0.10	0.22	5
KAZAKHSTAN	KAZ	-1.10	0.13	12	-1.06	0.14	11	-0.85	0.16	10	-0.86	0.16	8	-0.85	0.24	4
KENYA	KEN	-0.89	0.13	14	-1.09	0.16	9	-1.04	0.18	9	-0.92	0.17	7	-1.05	0.24	4
KIRIBATI	KIR	-0.02	0.24	3	0.20	0.27	2	-0.21	0.24	2	-0.55	0.37	1	..	..	..
KOREA, NORTH	PRK	-1.46	0.23	4	-1.17	0.29	3	-0.93	0.41	2	-0.55	0.76	1	-0.31	0.61	1
KOREA, SOUTH	KOR	0.17	0.12	13	0.36	0.13	11	0.37	0.15	12	0.11	0.13	11	0.54	0.17	7
KUWAIT	KWT	0.71	0.17	7	1.01	0.16	8	0.90	0.24	4	1.07	0.26	4	0.63	0.24	4
KYRGYZ REPUBLIC	KGZ	-0.92	0.13	10	-0.83	0.14	9	-0.85	0.15	7	-0.69	0.18	5	-0.79	0.37	2
LAOS	LAO	-1.15	0.19	5	-0.97	0.19	5	-0.81	0.20	4	-0.70	0.27	2	-0.94	0.47	1
LATVIA	LVA	0.23	0.13	11	0.09	0.14	10	0.04	0.15	9	-0.10	0.16	8	-0.56	0.25	3
LEBANON	LBN	-0.51	0.16	7	-0.37	0.16	8	-0.50	0.20	6	-0.32	0.21	5	-0.18	0.24	4
LESOTHO	LSO	-0.05	0.18	7	-0.18	0.23	5	0.32	0.42	2	0.03	0.24	2	..	..	..
LIBERIA	LBR	-0.86	0.30	3	-1.30	0.27	4	-1.29	0.31	4	-1.44	0.35	2	-1.66	0.61	1
LIBYA	LYB	-0.91	0.18	6	-0.79	0.18	6	-0.91	0.24	4	-0.91	0.26	4	-0.90	0.24	4
LIECHTENSTEIN	LIE	1.69	0.41	1	1.29	0.38	1	..	..	..	..	..	..	..	..	..
LITHUANIA	LTU	0.36	0.12	12	0.26	0.13	11	0.29	0.14	12	0.07	0.17	7	-0.13	0.25	3
LUXEMBOURG	LUX	2.16	0.20	6	2.17	0.25	4	2.07	0.36	3	2.17	0.26	4	1.80	0.24	3
MACAO	MAC	1.65	0.41	1	-0.07	0.38	1	..	..	..	..	..	..	..	..	..
MACEDONIA	MKD	-0.52	0.14	9	-0.73	0.16	6	-0.45	0.21	4	-0.30	0.20	4	-0.99	0.33	1
MADAGASCAR	MDG	-0.15	0.21	6	0.05	0.26	4	-0.76	0.27	5	-0.80	0.30	3	0.37	0.61	1
MALAWI	MWI	-0.83	0.14	10	-0.85	0.17	8	-0.21	0.20	7	-0.50	0.18	6	-0.99	0.26	3
MALAYSIA	MYS	0.29	0.12	14	0.36	0.13	12	0.28	0.16	11	0.73	0.14	10	0.51	0.17	7
MALDIVES	MDV	0.12	0.24	3	-0.05	0.22	3	-0.45	0.24	2	-0.55	0.37	1	..	..	..
MALI	MLI	-0.52	0.17	9	-0.11	0.22	7	-0.54	0.31	4	-0.58	0.30	3	-0.31	0.61	1
MALTA	MLT	1.25	0.26	4	0.80	0.33	2	0.21	0.66	1	0.67	0.76	1	0.37	0.61	1
MARSHALL ISLANDS	MHL	-0.84	0.28	2	-1.06	0.27	2	-0.73	0.24	2	-0.55	0.37	1	..	..	..
MARTINIQUE	MTQ	0.69	0.41	1	0.84	0.38	1	..	..	..	..	..	..	..	..	..
MAURITANIA	MRT	0.02	0.24	4	0.20	0.28	3	-0.66	0.33	3	-0.29	0.37	1	..	..	..
MAURITIUS	MUS	0.33	0.15	7	0.49	0.18	6	0.59	0.20	6	0.20	0.18	5	0.48	0.28	2
MEXICO	MEX	-0.27	0.13	14	-0.21	0.14	12	-0.36	0.15	13	-0.39	0.16	10	-0.34	0.17	7
MICRONESIA	FSM	-0.30	0.24	3	-0.26	0.27	2	-0.35	0.24	2	-0.29	0.37	1	..	..	..
MOLDOVA	MDA	-0.86	0.13	10	-0.90	0.14	8	-0.84	0.15	9	-0.51	0.17	7	-0.21	0.25	3
MONGOLIA	MNG	-0.51	0.20	6	0.11	0.20	5	-0.21	0.21	4	-0.28	0.23	3	0.37	0.61	1
MOROCCO	MAR	-0.02	0.14	11	-0.05	0.16	9	0.37	0.21	6	-0.10	0.17	7	0.22	0.23	5
MOZAMBIQUE	MOZ	-0.79	0.14	11	-0.84	0.20	7	-0.32	0.25	5	-0.77	0.19	5	-0.52	0.40	2
MYANMAR	MMR	-1.49	0.19	6	-1.36	0.20	6	-1.23	0.25	4	-1.30	0.32	3	-1.17	0.27	3
NAMIBIA	NAM	0.18	0.15	11	0.16	0.16	10	1.13	0.23	6	0.24	0.21	4	0.77	0.30	2
NEPAL	NPL	-0.61	0.16	8	-0.37	0.18	6	-0.56	0.20	4	-0.59	0.27	2	-0.28	0.47	1
NETHERLANDS	NLD	2.08	0.15	10	2.16	0.16	9	2.36	0.18	9	2.48	0.18	8	2.13	0.17	7
NETHERLANDS ANTILLES	ANT	1.02	0.41	1	..	..	..	..	..	..	..	..	..	..	..	..
NEW ZEALAND	NZL	2.38	0.15	8	2.27	0.16	7	2.38	0.18	7	2.55	0.19	7	2.22	0.17	6
NICARAGUA	NIC	-0.34	0.16	10	-0.46	0.17	8	-0.88	0.19	7	-0.75	0.22	5	-0.15	0.27	3
NIGER	NER	-0.87	0.23	5	-1.06	0.26	4	-0.84	0.38	3	-0.88	0.35	2	-0.31	0.61	1

TABLE C6: Control of Corruption (cont.)

Country	Code	2004			2002			2000			1998			1996		
		Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.	Est.	S.E.	N.
NIGERIA	NGA	-1.11	0.13	14	-1.32	0.15	11	-1.06	0.17	10	-1.01	0.16	8	-1.20	0.23	5
NORWAY	NOR	2.11	0.15	10	1.99	0.16	8	2.13	0.19	8	2.35	0.18	8	2.01	0.17	7
OMAN	OMN	0.78	0.17	7	1.00	0.16	8	0.75	0.22	5	0.89	0.26	4	0.12	0.24	4
PAKISTAN	PAK	-0.87	0.14	12	-0.81	0.15	9	-0.80	0.16	9	-0.76	0.18	8	-0.98	0.23	5
PANAMA	PAN	-0.06	0.14	11	-0.24	0.15	10	-0.33	0.16	9	-0.28	0.21	6	-0.50	0.24	4
PAPUA NEW GUINEA	PNG	-0.90	0.15	9	-0.75	0.15	8	-0.85	0.16	7	-0.70	0.23	4	-0.27	0.26	3
PARAGUAY	PRY	-0.99	0.15	9	-1.20	0.16	9	-1.01	0.19	7	-0.97	0.21	6	-0.50	0.26	3
PERU	PER	-0.35	0.14	12	-0.23	0.15	11	-0.07	0.16	12	-0.17	0.17	9	-0.10	0.22	6
PHILIPPINES	PHL	-0.55	0.12	13	-0.50	0.13	12	-0.46	0.15	12	-0.26	0.14	9	-0.40	0.17	7
POLAND	POL	0.16	0.12	14	0.40	0.13	13	0.49	0.13	14	0.49	0.14	10	0.41	0.17	7
PORTUGAL	PRT	1.23	0.15	10	1.33	0.16	8	1.44	0.18	8	1.56	0.17	9	1.22	0.17	7
PUERTO RICO	PRI	0.88	0.27	3	1.18	0.30	2	1.41	0.44	1	1.46	0.48	1	1.18	0.50	1
QATAR	QAT	0.55	0.21	6	0.92	0.20	5	0.74	0.25	4	0.81	0.32	3	-0.06	0.27	3
REUNION	REU	1.02	0.41	1	..	..	..	..	..	..	..	..	..	..	..	..
ROMANIA	ROM	-0.25	0.12	13	-0.32	0.13	11	-0.45	0.14	12	-0.38	0.17	7	-0.18	0.24	4
RUSSIA	RUS	-0.72	0.12	14	-0.92	0.13	13	-1.02	0.13	14	-0.69	0.14	11	-0.74	0.17	7
RWANDA	RWA	-0.36	0.24	4	-0.34	0.26	4	0.06	0.33	3	-0.55	0.37	1	..	..	..
SAMOA	SAM	0.05	0.24	3	0.22	0.22	3	-0.12	0.24	2	-0.29	0.37	1	..	..	..
SAO TOME AND PRINCIPE	STP	-0.66	0.26	3	-0.31	0.28	3	0.06	0.42	2	-0.80	0.37	1	..	..	..
SAUDI ARABIA	SAU	0.15	0.17	8	0.51	0.16	9	0.11	0.22	6	0.35	0.25	5	-0.32	0.23	5
SENEGAL	SEN	-0.40	0.15	10	-0.19	0.17	8	-0.38	0.20	7	-0.45	0.21	5	-0.39	0.26	3
SERBIA AND MONTENEGRO	YUG	-0.48	0.14	9	-0.74	0.15	8	-1.05	0.23	3	-0.97	0.23	4	-0.92	0.30	2
SEYCHELLES	SYC	0.01	0.24	4	0.35	0.28	3	0.19	0.42	2	-0.29	0.37	1	..	..	..
SIERRA LEONE	SLE	-0.88	0.22	6	-0.79	0.24	5	-0.79	0.31	4	-0.72	0.35	2	-1.66	0.61	1
SINGAPORE	SGP	2.44	0.13	11	2.32	0.14	10	2.51	0.16	11	2.50	0.14	9	2.18	0.17	7
SLOVAK REPUBLIC	SVK	0.39	0.12	11	0.29	0.13	11	0.27	0.14	11	-0.08	0.15	8	0.41	0.22	5
SLOVENIA	SVN	0.97	0.12	12	0.91	0.13	12	1.10	0.14	11	0.83	0.17	6	1.05	0.25	3
SOLOMON ISLANDS	SLB	-1.23	0.24	3	-1.58	0.27	2	-0.95	0.24	2	-0.55	0.37	1	..	..	..
SOMALIA	SOM	-1.58	0.30	3	-1.18	0.29	3	-1.60	0.32	3	-1.44	0.35	2	-1.66	0.61	1
SOUTH AFRICA	ZAF	0.48	0.12	15	0.35	0.14	13	0.57	0.15	13	0.42	0.14	11	0.63	0.17	7
SPAIN	ESP	1.45	0.14	11	1.44	0.15	10	1.69	0.17	10	1.59	0.17	9	0.77	0.17	7
SRI LANKA	LKA	-0.16	0.14	11	-0.13	0.14	10	-0.09	0.15	8	-0.24	0.21	5	-0.23	0.24	4
ST. KITTS AND NEVIS	KNA	0.34	0.28	2	0.41	0.46	1	0.19	0.46	1	-0.04	0.37	1	..	..	..
ST. LUCIA	LCA	0.29	0.28	2	0.41	0.46	1	0.58	0.46	1	-0.04	0.37	1	..	..	..
ST. VINCENT AND THE GRENADINES	VCT	0.34	0.28	2	0.41	0.46	1	0.19	0.46	1	-0.04	0.37	1	..	..	..
SUDAN	SDN	-1.30	0.17	8	-1.03	0.18	8	-1.08	0.22	6	-0.75	0.28	3	-1.08	0.30	2
SURINAME	SUR	0.36	0.30	3	0.19	0.33	2	0.21	0.66	1	0.06	0.76	1	-0.31	0.61	1
SWAZILAND	SWZ	-0.95	0.19	6	-0.30	0.24	4	-0.13	0.42	2	-0.19	0.24	2	..	..	..
SWEDEN	SWE	2.20	0.14	10	2.24	0.15	9	2.50	0.17	10	2.55	0.18	8	2.19	0.17	7
SWITZERLAND	CHE	2.17	0.15	10	2.17	0.16	8	2.24	0.18	9	2.58	0.17	9	2.11	0.17	7
SYRIA	SYR	-0.74	0.17	7	-0.28	0.17	7	-0.72	0.22	5	-0.58	0.26	4	-0.71	0.24	4
TAIWAN	TWN	0.64	0.13	12	0.72	0.14	11	0.67	0.16	11	0.86	0.15	9	0.74	0.17	7
TAJKISTAN	TJK	-1.11	0.15	8	-1.07	0.15	8	-1.05	0.17	5	-1.12	0.21	3	-1.64	0.50	1
TANZANIA	TZA	-0.57	0.13	12	-0.97	0.16	10	-0.97	0.19	8	-0.95	0.17	7	-1.03	0.24	4
THAILAND	THA	-0.25	0.12	12	-0.28	0.13	12	-0.30	0.15	12	-0.26	0.14	10	-0.32	0.17	7
TIMOR, EAST	TMP	-0.29	0.30	3	-0.52	0.38	1	..	..	..	..	..	..	..	..	..
TOGO	TGO	-0.92	0.23	5	-0.68	0.26	4	-0.63	0.38	3	-0.45	0.30	3	-0.98	0.61	1
TONGA	TON	-0.68	0.24	3	-0.73	0.27	2	-0.59	0.24	2	-0.29	0.37	1	..	..	..
TRINIDAD AND TOBAGO	TTO	0.02	0.16	7	-0.04	0.18	6	0.38	0.20	6	0.13	0.23	4	0.33	0.26	3
TUNISIA	TUN	0.29	0.14	10	0.44	0.15	10	0.70	0.19	8	0.11	0.18	6	-0.05	0.24	4
TURKEY	TUR	-0.23	0.13	13	-0.40	0.15	12	-0.28	0.16	12	-0.01	0.16	10	0.08	0.17	7
TURKMENISTAN	TKM	-1.34	0.15	6	-1.21	0.16	6	-1.12	0.20	4	-1.13	0.19	4	-1.43	0.37	2
TUVALU	TUV	-0.78	0.30	2	0.47	0.31	1	-0.07	0.27	1	..	..	..	..	..	..
UGANDA	UGA	-0.71	0.13	13	-0.92	0.16	10	-0.86	0.19	8	-0.62	0.17	7	-0.52	0.24	4
UKRAINE	UKR	-0.89	0.12	14	-0.97	0.13	12	-0.96	0.15	11	-0.89	0.15	10	-0.74	0.22	5
UNITED ARAB EMIRATES	ARE	1.23	0.17	7	1.17	0.17	7	0.69	0.24	4	0.78	0.26	4	0.19	0.24	4
UNITED KINGDOM	GBR	2.06	0.14	11	1.93	0.15	10	2.19	0.16	11	2.33	0.17	9	1.91	0.17	7
UNITED STATES	USA	1.83	0.13	11	1.75	0.14	10	1.79	0.17	10	1.95	0.18	8	1.71	0.17	7
URUGUAY	URY	0.50	0.15	10	0.81	0.15	9	0.76	0.16	10	0.42	0.20	7	0.45	0.24	4
UZBEKISTAN	UZB	-1.21	0.13	11	-1.03	0.13	10	-0.80	0.14	8	-0.98	0.17	6	-0.99	0.25	3
VANUATU	VUT	-0.53	0.24	3	-0.83	0.27	2	-0.83	0.24	2	-0.29	0.37	1	..	..	..
VENEZUELA	VEN	-0.94	0.13	14	-0.94	0.14	12	-0.61	0.16	11	-0.77	0.16	10	-0.72	0.17	7
VIETNAM	VNM	-0.74	0.12	13	-0.67	0.13	12	-0.71	0.14	10	-0.60	0.15	8	-0.64	0.22	6
VIRGIN ISLANDS (U.S.)	VIR	0.88	0.41	1	..	..	..	..	..	..	..	..	..	..	..	..
WEST BANK	WBG	-0.60	0.34	2	-0.92	0.35	2	0.79	0.49	1	0.49	0.49	1	..	..	..
YEMEN	YEM	-0.84	0.16	8	-0.70	0.18	7	-0.67	0.22	5	-0.57	0.23	4	-0.25	0.26	3
ZAMBIA	ZMB	-0.74	0.13	12	-0.91	0.16	10	-0.82	0.19	8	-0.56	0.17	7	-0.98	0.24	4
ZIMBABWE	ZWE	-1.01	0.14	11	-1.22	0.16	10	-0.87	0.18	8	-0.13	0.15	9	-0.12	0.22	5

Appendix D: Definition and Construction of Governance Indicators

D1: Definition of Governance Indicators

We construct six aggregate governance indicators, motivated by a broad definition of governance as the traditions and institutions by which authority in a country is exercised. This includes (1) the process by which governments are selected, monitored and replaced, (2) the capacity of the government to effectively formulate and implement sound policies, and (3) the respect of citizens and the state for the institutions that govern economic and social interactions among them. This classification of indicators into clusters corresponding to this definition of governance is not intended to be definitive. Rather, it simply reflects our views of what constitutes a consistent and useful organization of the data that is concordant with prevailing notions of governance.

The first two governance clusters are intended to capture the first part of our definition of governance: the process by which those in authority are selected and replaced. We refer to the first of these as “Voice and Accountability”, and include in it a number of indicators measuring various aspects of the political process, civil liberties and political rights. These indicators measure the extent to which citizens of a country are able to participate in the selection of governments. We also include in this category indicators measuring the independence of the media, which serves an important role in holding monitoring those in authority and holding them accountable for their actions. The second governance cluster is labeled “Political Stability and Absence of Violence”. In this index we combine several indicators which measure perceptions of the likelihood that the government in power will be destabilized or overthrown by possibly unconstitutional and/or violent means, including domestic violence and terrorism. This index captures the idea that the quality of governance in a country is compromised by the likelihood of wrenching changes in government, which not only has a direct effect on the continuity of policies, but also at a deeper level undermines the ability of all citizens to peacefully select and replace those in power.²

The next two clusters summarize various indicators of the ability of the government to formulate and implement sound policies. In “Government Effectiveness” we combine responses on the quality of public service provision, the quality of the bureaucracy, the competence of civil servants, the independence of the civil service from political pressures, and the credibility of the government’s commitment to policies. The main focus of this index is on “inputs” required for the government to be able to produce and implement good policies and deliver public goods. The second cluster, which we refer to as “Regulatory Quality”, is more focused on the policies themselves. It includes measures of the incidence of market-unfriendly policies such as price controls or inadequate bank supervision, as well as perceptions of the burdens imposed by excessive regulation in areas such as foreign trade and business development.

The last two clusters summarize in broad terms the respect of citizens and the state for the institutions which govern their interactions. In “Rule of Law” we include several indicators which measure the extent to which agents have confidence in and

² It is worth noting that there is some ambiguity regarding the normative direction of a few of the subcomponents this indicator. For example, a few of our sources rank countries such as Cuba and North Korea highly in terms of their political stability, which simply reflects the longevity of the governments in power in these countries.

abide by the rules of society. These include perceptions of the incidence of crime, the effectiveness and predictability of the judiciary, and the enforceability of contracts. Together, these indicators measure the success of a society in developing an environment in which fair and predictable rules form the basis for economic and social interactions, and importantly, the extent to which property rights are protected. The final cluster, which we refer to as Control of Corruption, measures perceptions of corruption, conventionally defined as the exercise of public power for private gain. Despite this straightforward focus, the particular aspect of corruption measured by the various sources differs somewhat, ranging from the frequency of “additional payments to get things done,” to the effects of corruption on the business environment, to measuring “grand corruption” in the political arena or in the tendency of elite forms to engage in “state capture”. The presence of corruption is often a manifestation of a lack of respect of both the corrupter (typically a private citizen or firm) and the corrupted (typically a public official or politician) for the rules which govern their interactions, and hence represents a failure of governance according to our definition.

D2. Aggregation Methodology

For each of the governance clusters, we combine the component indicators into an aggregate governance indicator using the same methodology used to calculate our first set of indicators, as documented in detail in Kaufmann, Kraay, and Zoido-Lobaton (1999a). We use an extension of the standard unobserved components model which expresses the observed data in each cluster as a linear function of the unobserved common component of governance, plus a disturbance term capturing perception errors and/or sampling variation in each indicator.³ In particular, we assume that we can write the observed score of country j on indicator k , $y(j,k)$, as a linear function of unobserved governance, $g(j)$, and a disturbance term, $\varepsilon(j,k)$, as follows:

$$(D1) \quad y(j,k) = \alpha(k) + \beta(k) \cdot (g(j) + \varepsilon(j,k))$$

where $\alpha(k)$ and $\beta(k)$ are unknown parameters which map unobserved governance $g(j)$ into the observed data $y(j,k)$. As a choice of units, we assume that $g(j)$ is a random variable with mean zero and variance one. We assume that the error term has zero mean and a variance is the same across countries, but differs across indicators, i.e. $E[\varepsilon(j,k)^2] = \sigma_\varepsilon^2(k)$. Finally we assume that the errors are independent across sources, i.e. $E[\varepsilon(j,k) \cdot \varepsilon(j,l)] = 0$ for l different from k . This assumption imposes the identifying assumption that the only reason why two sources might be correlated with each other is because they are both measuring the same underlying unobserved governance dimension.⁴

³ Unobserved components models were pioneered in economics by Goldberger (1972), and the closely-related hierarchical and empirical Bayes models in statistics by Efron and Morris (1971, 1972).

⁴ For some pairs of sources, this assumption may not be literally true. For example, it will be violated if different risk rating agencies base their own assessments on the assessments of other agencies included in our sample. We have to the best of our knowledge excluded any source of governance data where we found that it was explicitly based on another one of our sources. Nevertheless, the possibility of correlated errors remains. The main consequence of this is that our standard errors will be biased downwards -- see Kaufmann, Kraay and Zoido-Lobaton (1999a) for an example. This underscores the importance of caution in comparing governance estimates across countries and over time, that we emphasize throughout.

The disturbance term $\varepsilon(j,k)$ captures two sources of uncertainty in the relationship between true governance and the observed indicators. First, the particular aspect of governance covered by indicator k is imperfectly measured in each country, reflecting either perception errors on the part of experts (in the case of polls of experts), or sampling variation (in the case of surveys of citizens or entrepreneurs). Second, the relationship between the particular concept measured by indicator k and the corresponding broader aspect of governance may be imperfect. For example, even if the particular aspect of corruption covered by some indicator k , (such as the prevalence of “improper practices”) is perfectly measured, it may nevertheless be a noisy indicator of corruption if there are differences across countries in what “improper practices” are considered to be. Both of these sources of uncertainty are reflected in the indicator-specific variance of the error term, $\sigma_{\varepsilon}^2(k)$.

Given estimates of the parameters of the model, $\alpha(k)$, $\beta(k)$, and $\sigma(k)$, we can compute estimates of governance for each country, as well as measures of the precision of these estimates. Formally, the estimate of governance for a country produced by the unobserved components model is the mean of the distribution of unobserved governance conditional on the $K(j)$ observed data points for that country. This conditional mean is the following weighted average of appropriately-rescaled scores of each of the component indicators:

$$(D2) \quad E[g(j) | y(j,1), \dots, y(j, K(j))] = \sum_{k=1}^{K(j)} w(k) \cdot \frac{y(j,k) - \alpha(k)}{\beta(k)}$$

where the weights applied to each source k , $w(k) = \frac{\sigma_{\varepsilon}(k)^{-2}}{1 + \sum_{k=1}^{K(j)} \sigma_{\varepsilon}(k)^{-2}}$, are inversely

proportional to the variance of the error term of that source. As we discuss in more detail in the final section of the paper, we find that the efficiency gains from precision-weighting are substantial relative to the alternative of simply averaging re-scaled scores from each source for each country. We also report the standard deviation of this conditional distribution as an indicator of the confidence we can have in this estimate, which is:

$$(D3) \quad SD[g(j) | y(j,1), \dots, y(j, K(j))] = \left(1 + \sum_{k=1}^{K(j)} \sigma_{\varepsilon}(k)^{-2} \right)^{-\frac{1}{2}}$$

This standard deviation is declining in the number of individual indicators in which a particular country appears, and is increasing in the variance of the disturbance term on each of these indicators.

The assumptions of the unobserved components model ensure that the distribution of unobserved governance in each country is normal, conditional on the data for that country. Therefore, these conditional means and standard deviations for each country have a natural interpretation. For example, a useful interpretation of the reported estimates and standard deviations for each country is to note that there is a 90% probability that the “true” level of governance in a country is in an interval of plus or minus 1.64 times the reported standard deviation centered on the point estimate itself.

We refer to such a range as a 90% confidence interval around the estimate of governance for a country.⁵

In order to implement this approach, we require estimates of all of the unknown survey-specific parameters, $\alpha(k)$, $\beta(k)$, and $\sigma_{\varepsilon}^2(k)$. We do this in a two-stage procedure. First, we assume that governance and the error terms in Equation (D1) are jointly normally distributed, and then apply maximum likelihood methods using only the representative sources to retrieve the parameters of interest for each governance cluster. This is nothing more than a standard application of the unobserved components model. We cannot however include our many non-representative sources in the first stage of the estimation procedure. This is because the distribution of unobserved governance in the subset of countries covered by these surveys is not the same as that in the world as a whole. As a result, for these sources we cannot make the assumption that unobserved governance in the countries covered by these surveys follows a standard normal distribution, as is required by the maximum likelihood procedure.

We instead obtain the parameters of the non-representative sources in a two-stage procedure. First, we estimate the parameters of the model only for the representative sources, and construct preliminary estimates of governance based only on these sources. In the second stage, we treat these preliminary estimates as an observable proxy for governance, and obtain the parameters of interest for the non-representative sources by regressing these indicators on observable governance, i.e. by directly estimating Equation (D1).⁶ We then use all the estimated parameters of the unobserved components model to construct a final set of estimates of governance.

The resulting estimates of governance have an expected value (across countries) of zero, and a standard deviation (across countries) of one. Due to sampling variability, this will not be exactly true for any one of our governance indicators in any period. To avoid any confusion regarding the units of the governance indicators, we rescale the estimates of governance by subtracting the mean (across countries) and dividing by the standard deviation (across countries) for each indicator, so that each indicator has a mean of zero and a standard deviation of one in each period.

It is also important to note that we have assumed that the distribution of unobserved governance is the same in every period. In particular, this imposes the restriction that the mean or world average of governance is the same in each period. As a result, our indicators are not informative about global trends in governance, although they are potentially informative about changes in countries' relative positions over time.

⁵ This is a slight abuse of terminology, as these are not confidence intervals in the usual frequentist sense of a stochastically varying interval centered around a fixed unknown parameter. Rather, we treat governance as a random variable, and the 90% confidence interval is simply the 5th and 95th percentiles of the conditional distribution of governance given the observed data.

⁶ In order to get consistent estimates of the parameters of the non-representative sources, we need to adjust for attenuation bias caused by the fact that our observable proxy for governance is a noisy indicator of true governance. Fortunately, we can use the information on the standard errors associated with the governance estimates obtained in the first stage to do this.