

**Economic Freedom of the World  
2003 Annual Report**



# **Economic Freedom of the World**

## **2003 Annual Report**

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and

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with

Neil Emerick

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James Gwartney  
Robert Lawson

## About the Authors

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## About the Contributor

**Neil Emerick** worked in London as a foreign exchange trader before moving to South Africa, where he subsequently opened his own IT business. Later he joined the Free Market Foundation of Southern Africa as a council member and now monitors public policy in macro-economic affairs (inflation, money supply, foreign exchange controls) and legislation or regulation affecting IT/Telecommunications for the Foundation. He is currently involved in the development and marketing of software versions of the Economic Freedom of the World indexes.

## About the Participating Institutes

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

#### **African Research Center for Public Policy and Market Process, Kenya**

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

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

The Albanian Center for Economic Research is a public-policy institute that focuses on research and advocacy. In addition to providing policy-makers and academics with applied economic research, it works to build public understanding of issues surrounding economic development. ACER seeks to promote economic reform in Albania by conducting independent research on economic growth and assisting in the creation of an adequate institutional framework for reform; encouraging public debate on several transition issues; drafting laws; influencing the country's policy and decision-makers. ACER carries out its research projects on a multi- and inter-disciplinary basis, using a team of sociologists, social workers, economists, political scientists, statisticians, and market analysts. Research methods and techniques include field surveys, focus groups, interviews, content analysis, participant observations, case studies, public polls, and so on.

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#### **Association for Liberal Thinking, Turkey**

The Association for Liberal Thinking is a non-profit, non-governmental organization seeking to introduce the liberal democratic tradition into Turkey. The Association promotes the understanding and acceptance of ideas like liberty, justice, peace, human rights, equality, and tolerance. It also encourages academic writing on liberal themes to help the Turkish people assess contemporary domestic and international changes and attempts to find effective solutions to Turkey's problems within liberal thought. The Association for Liberal Thinking is not involved in day-to-day politics and has no direct links to any political party or movement. Instead, as an independent intellectual group, it aims to set broader political agendas so as to contribute to the liberalization of economics and politics in Turkey.

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#### **Association pour la Liberté Economique et le Progrès Social (ALEPS), France**

ALEPS promotes the idea of free markets generating social progress. It connects French liberal intellectuals with the global scientific community. Thanks to its permanent contacts with various prestigious foreign institutes, in 1990 ALEPS published "Manifeste de l'Europe pour les Européens," signed by 600 faculties from 28 countries.

The economic collapse of central planning and the disappearance of totalitarian regimes in Eastern Europe have not solved all social problems. A post-socialist society has still to be set up, both in Eastern Europe as well as in Western countries such as France, where 40 years of the welfare state have led to mass unemployment, fiscal oppression, an explosive expansion of social security, an increase in poverty and in-



equality, and a loss of moral virtues and spiritual values. ALEPS provides the political and intellectual push towards this necessary revival.

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**Cato Institute, United States of America**

Founded in 1977, the Cato Institute is a research foundation dedicated to broadening debate about public policy to include more options consistent with the traditional American principles of limited government, individual liberty, free markets, and peace. To that end, the Institute strives to achieve greater involvement by the intelligent, concerned lay public in questions of policy and the proper role of government through an extensive program of publications and seminars.

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**Center for the Dissemination of Economic Knowledge (CEDICE), Venezuela**

CEDICE is a non-partisan, non-profit, private association dedicated to the research and promotion of philosophical, economic, political, and social thinking that focuses on individual initiative and a better understanding of the free-market system and free and responsible societies. To this end, CEDICE operates a library and bookstore, publishes the series, *Venezuela Today*, and other studies, provides economic training for journalists, and conducts special events and community programs.

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

The Center for Entrepreneurship and Economic Development is the first non-governmental, non-partisan free-market centre established in Montenegro. Its mission is to educate entrepreneurs about private ownership, democratic society, free markets, and the rule of law through a number of programs, initiatives, publications, and events. The Center was established to meet the demand for business knowledge by pioneering entrepreneurs who needed training to operate in a new environment after the break-up of the former Yugoslavia.

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**Center for Free Enterprise, Korea**

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

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**Center for Policy Research, Sri Lanka**

The Center for Policy Research (CPR) is a non-partisan advocacy and policy-research institute dedicated to fostering democracy and promoting free enterprise. As part of its philosophy, CPR actively takes positions on the reform of critical policies and aggressively lobbies key decision-makers in the country.

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**The Center for Research and Communication, Philippines**

The Center for Research and Communication (CRC) has, since 1967, conducted research and published works on domestic and international economic and political issues that affect the Asia-Pacific region. It provides forums for discussion and debate among academicians, businessmen, civil officials, and representatives of other sectors that shape public opinion and chart the course of policies. CRC is the main research arm of the University of Asia and the Pacific in Metro Manila, Philippines, and currently serves as the Secretariat of the Asia Pacific Economic Cooperation (APEC) Business Advisory Council.

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### **Centre for Civil Society, India**

The Centre for Civil Society is an independent, non-profit, research and educational organization inaugurated on August 15, 1997 and devoted to improving the quality of life for all citizens of India. The CCS maintains that, having earlier attained their political independence from an alien state, the Indian people must now seek economic, social, and cultural independence from the Indian state. This can work from two directions simultaneously: a “mortar” program of building or rebuilding the institutions of civil society and a “hammer” program of readjusting the size and scope of the political society. The CCS conducts monthly dialogues on topical issues to introduce classical liberal philosophy and market-based solutions into public debate. It has published *Agenda for Change*, a volume in 17 chapters that outlines policy reforms for the Indian government, Israel Kirzner’s *How Markets Work*, and *Self-Regulation in the Civil Society*, edited by Ashok Desai. It organizes Liberty and Society seminars for college students and journalists.

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

The Center for the New Europe is a European research institute, based in Brussels, that promotes a market economy, personal liberty, and creativity and responsibility in an ordered society. CNE is founded on the belief that European integration can work only in a society led by a spirit of democratic capitalism. The Center develops policy alternatives, encourages economic growth and deregulation, seeks new market-based solutions for social and environmental concerns, and promotes individual freedom, choice and responsibility.

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### **Centro Einaudi, Italy**

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

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### **Centro de Investigación para el Desarrollo A.C., Mexico**

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

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### **Centro de Investigación y Estudios Legales (CITEL), Peru**

CITEL was organized in 1989. Its principal field is the economic analysis of law. To that end, it conducts research on different legal institutions, publishes books, and organizes seminars and colloquia.

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

CIEN, the Center for Research on the National Economy, was established in Guatemala in 1982. It is a private, non-partisan, not-for-profit public-policy institute, funded by the sale of its books and periodical publications, income from conferences and seminars, and the support it receives from its members and the public. The Center's program is devoted to the technical study of economic and social problems that impede the stable development of the nation. Its members, staff, research associates, and supporters share the principles of a social order of free and responsible individuals interacting through a market economy functioning within the rule of law.

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### **Centrum im. Adama Smitha, Poland**

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

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### **The Estonian Institute for Open Society Research, Estonia**

The Estonian Institute for Open Society Research was established in 1993 as an independent non-profit public-policy research institute. EIOSR's research and public-communication programs focus on the key issues of Estonian social and political development: building a free-market economy and open civil society; enhancing social stability and integration of minority groups; and promoting Estonia's integration into European and world structures. EIOSR's first effort was the Estonian translation of Milton Friedman's *Capitalism and Freedom* in early 1994. Current EIOSR projects include promoting the idea of philanthropy to local businesses and elaborating future scenarios concerning the integration of the Russian minority into Estonian society.

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### **The F.A. Hayek Foundation, Slovak Republic**

The F.A. Hayek Foundation is an independent and non-partisan, non-profit organization that provides a forum for the exchange of opinions among scholars, businessmen, and policy makers on the causes of, and solutions to, economic, social, and political problems. It proposes practical reforms of the economy, education, social security, and legislation as the Slovak Republic is transformed into an open society. Education of high-school and university students is a large part of its activities. The F.A. Hayek Foundation promotes classical liberalism, which was virtually absent until 1989: market economy, reduced role of the government, rule of law and individual choice, responsibilities and rights to life, liberty, and property.

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### **The Fraser Institute, Canada**

The Fraser Institute is an independent Canadian economic and social research and educational organization. It has as its objective the redirection of public attention to the role of competitive markets in providing for the well-being of Canadians. Where markets work, the Institute's interest lies in trying to discover prospects for improvement. Where markets do not work, its interest lies in finding the reasons. Where competitive markets have been replaced by government control, the interest of the Institute lies in documenting objectively the nature of the improvement or deterioration resulting from government intervention. The work of the Institute is assisted by an Editorial Advisory Board of internationally renowned economists. The Fraser Institute is a national, federally chartered, non-profit organization financed by the sale of its publications and the tax-deductible contributions of its members.

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### **Free Market Centre, Yugoslavia**

Free Market Center (FMC) is a non-profit, non-governmental organization founded in 2001. It is the only free market think tank in Yugoslavia. The Center promotes the understanding and acceptance of ideas like individual liberty, free market economy, limited government, and peaceful cooperation. To that end, the FMC strives to achieve greater involvement in redirecting the attention of not only leading thinkers but also of members of the public, entrepreneurs, policy makers, and students to the role of free markets and the proper role of government. Through publications, discussion forums, and conferences, the Center seeks to disseminate classical liberal ideas.

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### **The Free Market Foundation of Southern Africa, South Africa**

The Free Market Foundation of Southern Africa was established in 1975 to promote economic freedom. The FMF sponsors and conducts research, conferences, lectures, training programs and lobbying efforts in support of the free market. Its funding comes from membership subscriptions, project sponsorships, and income from sales and fees.

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### **Fundación DL, Colombia**

Fundación DL is a private, non-profit research and educational institution based in Bogotá, Colombia. Its mission is to help improve the levels of economic, political and human development of Colombia through the promotion of policies based on the principles of economic and political freedom. Fundación DL was created in April 2000 by its General Director Andrés Mejía-Vergnaud. From its very beginning, Fundación DL has been closely associated with Atlas Economic Research Foundation and some of the main free-market-oriented think-tanks around the world. Fundación DL has a special unit devoted to economic affairs (Center for the Analysis of Colombian Economy). This unit, which has been very successful, works in identifying the main trends of the Colombian economy and producing policy recommendations from a free-market point of view. Fundación DL publishes *Política Económica* (Economic Policy), a monthly magazine about economic trends, strategy, and policy recommendations, including the section *War and Peace Watch* that deals with trends of Colombian political situation and economic consequences of internal conflict. It also publishes *Colombian Economic Watch*, a bi-weekly e-commentary by Director General Andrés Mejía-Vergnaud.

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

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

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### **Fundación Libertad, Argentina**

Fundación Libertad is a private, non-profit institution working towards two main goals: the research and distribution of public-policy issues (specifically in socio-economic and business areas) and the promotion of the concept of a free-market society. Founded in Rosario, Argentina in 1988 by a group of businessmen, professionals and intellectuals, the Foundation has developed its activities with the support of more than 200 private companies. Its projects include courses, lectures, seminars, research, studies and publications as well as a strong permanent presence in the media, through columns, and television and radio programs produced by the Foundation. These projects have focused on economic policies, education, regulations, and public spending. Outstanding guest speakers have delivered lectures and conferences for the Fundación Libertad; these include Peruvian writer Mario Vargas Llosa, Nobel prize-winning economists such as Gary Becker, Douglass North, Robert Lucas and James Buchanan, historian Paul Johnson, Nobel Peace Prize Laureate Lech Walessa, and other intellectuals like Jean

Francoise Revel. Fundación Libertad has also led the creation of REFUNDAR, a network of Argentine foundations made up of ten organizations, located in the country's major cities. This network has helped us spread our ideas all over the country and is affiliated with similar international organizations.

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### **Fundación Libertad, Panama**

Fundación Libertad, Panama, is a recently formed, non-profit foundation engaged in the promotion and development of liberty, individual choice, and voluntary cooperation and in the reduction of government. Fundación Libertad was founded by members of professional and business organizations promoting free enterprise and democracy because the existing organizations could not fully address issues affecting the freedom of the common citizen, particularly the increasing discretionary power of the state and the proliferation of legislation fostering discrimination and establishing privileges, all of which are contrary to the spirit of democratic capitalism. Fundación Libertad has drawn initial support from sister organizations such as Centro de Divulgación del Conocimiento Económico (CEDICE) in Caracas, Venezuela, and the Centro de Investigación y Estudios Nacionales (CIEN) in Guatemala.

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### **Fundación Libertad, Democracia y Desarrollo, Bolivia**

The Fundación Libertad, Democracia y Desarrollo (FULIDED) is a non-profit organization founded by citizens interested in promoting democracy and freedom. The purpose of the Foundation is to investigate and analyze issues that have economic, political, or social impact on the free market and private initiative. Through seminars, debates, and publications, FULIDED seeks to reflect Bolivia's participation in the global economy.

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

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

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### **Institute for Advanced Strategic and Political Studies, Israel**

The mission of the Institute for Advanced Strategic and Political Studies is to develop policies in economics, strategic studies, and politics that will bring about limited government in domestic affairs and the balance of power in strategic planning. The Institute's Division for Economic Policy Research (DEPR) publishes Policy Studies in both English and Hebrew, while the Division for Research in Strategy and Politics produces a series of documents in strategic studies and another in politics.

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### **Institute for Market Economics, Bulgaria**

Established in 1993, IME is the first independent economic think-tank in Bulgaria. It is a private, registered, non-profit corporation that receives international support and is widely respected for its expertise. IME designs and promotes solutions to the problems that Bulgaria is facing in its transition to a market economy, provides independent assessment and analysis of the government's economic policies, and supports an exchange of views on market economics and relevant policy issues.

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### **Institute of Business, Trinidad and Tobago**

The Institute of Business (The University of West Indies) was created in 1989 as a channel partner for developing managerial talent for the business community in Trinidad and Tobago. Its mission is to empower people and organizations in developing nations to optimize their performance capabilities and international competitiveness through development and deployment of consulting; education, research and training resources. One of the Institute's core services is business and academic research in areas of real concern to business managers, enabling them to improve their ability to manage successfully in the face of increasingly complex markets.

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### **The Institute of Economic Affairs, Ghana**

The Institute of Economic Affairs (IEA), Ghana was founded in October 1989 as an independent, non-governmental institution dedicated to the establishment and strengthening of a market economy and a democratic, free, and open society. It considers improvements in the legal, social, and political institutions as necessary conditions for sustained economic growth and human development. The IEA supports research and promotes and publishes studies on important economic, socio-political, and legal issues in order to enhance understanding of public policy.

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### **The Institute of Economic Affairs, United Kingdom**

The IEA's mission is to improve public understanding of the foundations of a free and harmonious society by expounding and analyzing the role of markets in solving economic and social problems, and bringing the results of that work to the attention of those who influence thinking. The IEA achieves its mission by a high-quality publishing program; conferences, seminars and lectures on a range of subjects; outreach to school and college students; brokering media introductions and appearances; and other related activities. Incorporated in 1955 by the late Sir Antony Fisher, the IEA is an educational charity, limited by guarantee. It is independent of any political party or group, and is financed by sales of publications, conference fees, and voluntary donations.

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### **Institute of Economic Analysis, Russia**

The Institute of Economic Analysis is a macroeconomic research institute that analyzes the current economic situation and policies and provides expert analysis of acts, programs, and current economic policy. It will offer advice to Russian government bodies, enterprises, and organizations and prepares and publishes scientific, research, and methodological economic literature. It also conducts seminars, conferences, and symposia on economic topics. The Institute is an independent, non-governmental, non-political, non-profit research centre that works closely with leading Russian and international research centres. Its research focuses on macroeconomic, budget, and social policies.

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### **Institute of Economic Studies, Iceland**

The Institute of Economic Studies was founded in 1989. It operates within the Department of Economics in the Faculty of Economics and Business Administration at the University of Iceland. From the outset, the Institute has been active in carrying out applied research projects commissioned by private and public clients ranging from small Icelandic interest groups to the Nordic Investment Bank to the governments of Iceland, Denmark, and the Faroe Islands. More recently, funded by research grants, the Institute has taken on large-scale applied research projects with substantial analytical content and economic research.

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### **The Institute of Economics, Croatia**

The Institute of Economics, Zagreb, established in 1939, is a major scientific and research institution for the study of economic processes and the application of contemporary theories in economics. The Institute's objective is the

economic and social advance of Croatia. Research encompasses both macro-economics and micro-economics, policy issues (including specialized areas such as business economics), current economic trends, methods of economic analysis, development of human resources, spatial and regional economics, international economics and technological development, and investment project planning. Researchers from both inside and outside the Institute work together on research projects. The Institute employs 40 full-time researchers, the majority of whom have completed specialized training courses in foreign countries. Results of the Institute's research activities are published in books, reports and studies as well as in scientific journals. The Institute maintains close contact with international organizations, professional associations, institutes, and universities.

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#### **Institute of Public Affairs, Australia**

Established in 1943, the IPA is Australia's oldest and largest private-sector think-tank. Its aim is to foster prosperity and full employment, the rule of law, democratic freedoms, security from crime and invasion, and high standards in education and family life for the Australian people. To identify and promote the best means of securing these values, the IPA undertakes research, organizes seminars, and publishes widely.

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#### **Institute of Public Policy Analysis, Nigeria**

PPA is a private, non-profit organization involved in research, education, and publication on matters affecting the freedom of individuals. Its objective is to provide market-oriented analysis of current and emerging policy issues, with a view to influencing the public debate and the political decision-making process.

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#### **Instituto Ecuatoriano de Economía Política, Ecuador**

The Instituto Ecuatoriano de Economía Política (IEEP) is a private, independent, non-profit institution that defends and promotes the classical liberal ideals of individual liberty, free markets, limited government, property rights, and the rule of law. The IEEP achieves its mission through publications, seminars, and workshops that debate socio-economic and political issues. The IEEP's funding comes from voluntary donations, membership subscriptions, and income from sales of its publications.

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

Instituto Liberal was founded to persuade Brazilians of the advantages of a liberal order. It is a non-profit institution supported by donations and the sponsorship of private individuals and corporations. Its by-laws provide for a Board of Trustees and forbid any political or sectarian affiliations. The institute publishes books, organizes seminars, and elaborates policy papers on subjects related to public policy.

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#### **Instituto Libertad y Desarrollo, Chile**

Libertad y Desarrollo is a private think-tank wholly independent of any religious, political, financial, or governmental groups. It is committed to the free market and to political and economic freedom. It publishes studies and analyses of public-policy issues.

E-mail: [ega@chilesat.net](mailto:ega@chilesat.net); website: [www.lyd.com](http://www.lyd.com)

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

The Institute for Liberty and Public Policy Analysis (INLAP) is a non-profit, non-partisan organization, created to defend and promote individual liberty through analysis of public policy and educational activities. Its specific objectives are (1) to increase awareness of the moral foundations of liberty and to promote liberty as an individual right necessary to achieve the highest levels of economic and human development; and (2) to foster changes in social organization and public policies by influencing the thinking of policy makers, community leaders, and citizens.

INLAP produces timely analyses of proposed laws, decrees, and regulations, and its recommendations provide guidance for elected officials who seek to achieve greater individual liberty and creativity and a more productive economy. It also conducts detailed studies of well-meant public policies that may ultimately have unintended adverse effects. The Institute's studies and recommendations are published in books, journals, and newspapers, appear as position papers and bulletins, and are also available via our website.

E-mail: [inlap@inlap.org](mailto:inlap@inlap.org); website: [www.inlap.org](http://www.inlap.org)

### **Liberales Institut, Germany**

The Liberales Institut (Liberty Institute), based in Potsdam, is the think-tank of the Friedrich-Naumann-Foundation. It spreads free-market ideas through the publication of classical liberal literature, the analysis of current political trends, and the promotion of research. The Institute organizes conferences and workshops to stimulate an intellectual exchange among liberals around the world.

E-mail: [Liblnst@fnst.org](mailto:Liblnst@fnst.org); website: [www.fnst.de](http://www.fnst.de)

### **Liberales Institut, Switzerland**

The Liberales Institut is a forum where the basic values and concepts of a free society can be discussed and questioned. The Institute's aim is the establishment of free markets as the best way towards the goals of openness, diversity, and autonomy. The Liberales Institut is not associated with any political party. Through publications, discussion forums, and seminars, the Institute seeks to develop and disseminate classical liberal ideas.

E-mail: [libinst@bluewin.ch](mailto:libinst@bluewin.ch); website: [www.libinst.ch](http://www.libinst.ch)

### **Liberalní Institut, Czech Republic**

Liberalní Institut is an independent, non-profit organization for the development and application of classical liberal ideas: individual rights, private property, rule of law, self-regulating markets, and delineated government functions. It is financed by its various activities and by donations from individuals and private corporations.

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### **Lithuanian Free Market Institute, Lithuania**

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

LFMI has provided a valuable input to tax and budgetary policy. LFMI's influence led to introducing program budgeting, exempting reinvested profits, reducing inheritance and gift taxes, abolishing capital-gains tax, suspending the introduction of real-estate tax, eliminating income tax on interest on loans from foreign banks and international financial organizations as well as revising stamp duties, VAT regulations and other taxes. LFMI initiated a deregulation and de-bureaucratization process aimed at eliminating excessive business regulations and downsizing bureaucracy. An important influence was exerted on the revision of employment, capital market, land purchase, and building regulations. Passage was gained for a deregulation-based approach to the fight against corruption.

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### **Making Our Economy Right (MOER), Bangladesh**

MOER (Making Our Economy Right), founded in 1991, is the country's lone free-market institute and continues to struggle to promote free-market capitalism against all odds. The concept of individual freedom and free markets determining the supply of goods, services and capital is little understood in Bangladesh. For the past 50 years or so, Fabian socialism and the doctrines of Karl Marx were the basis of our country's economy. MOER contributes free-market, libertarian articles in English and Bangla newspapers. We also moderate a weekly radio talk show that focuses on liberalization of the economy. MOER also publishes books both in Bangla and in English for free distribution to libraries and others with the support of the International Policy Network of London. MOER's fourth book published this year, *Clamoring for Free Market Freedom in Bangladesh*, has a foreword by Nobel laureate Milton Friedman. The book is a compilation of articles by Nizam.

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### **The Nassau Institute, Bahamas**

The Nassau Institute is an independent, non-political, non-profit institute that promotes economic growth, employment, and entrepreneurial activity. It believes that this can best be achieved with a free-market economy and a decent society—one that embraces the rule of law, the right of private property, the free exchange of property and services, and the individual virtues of self-control, commitment, and good will.

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### **The New Zealand Business Roundtable, New Zealand**

The New Zealand Business Roundtable is made up of the chief executives of about 60 of New Zealand's largest businesses. Its aim is to contribute to the development of sound public policies that reflect New Zealand's overall interests. It has been a prominent supporter of the country's economic liberalization.

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### **Open Republic Institute, Ireland**

Open Republic Institute proposes open markets, individual freedom, voluntary action, the rule of law and religion as the means to make Ireland and all other countries better places to live and work. It opposes state control of industry and services and believes that state direction of economies and societies is the prime cause of corruption, poverty, and tyranny in the world. Open Republic Institute is Ireland's only source of policy and analysis oriented towards individual rights and open markets. It evaluates public policy and proposes open-market, open-society solutions to Ireland's economic and social problems.

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### **Szazadveg Policy Research Center, Hungary**

The Szazadveg Policy Research Center is a non-profit organization performing political and economic research, advisory and training activities. This think-tank is independent of the government or any political parties and has been operating as a foundation since its establishment in 1990. Szazadveg publishes the results of its research to the public at large and also provides professional services to economic institutions, political and civil organizations, political parties, and the government.

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### **TIGRA®, Austria**

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

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### **Timbro, Sweden**

Timbro is a Swedish think-tank that encourages public opinion to favour free enterprise, a free economy, and a free society. Timbro publishes books, papers, reports, and the magazine, *Smedjan*. It also arranges seminars and establishes networks among people. Founded in 1978, Timbro is owned by the Swedish Free Enterprise Foundation.

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### **The Ukrainian Center for Independent Political Research, Ukraine**

The Ukrainian Center for Independent Political Research was established in early 1991 as a non-profit, non-partisan, and non-governmental research institution that would increase awareness of democracy among the Ukrainian people and analyze domestic and international politics and security. The UCIPR is politically independent; it does not accept any funding from either the state or any political party. The UCIPR publishes books and research papers on Ukraine's domestic and foreign policy, the economy in transition, security, relations with neighbouring states, the Crimean dilemma, interethnic relations, and the freedom of the news media. The Center has hosted a number of national and international conferences and workshops.

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### **Other Members of the Economic Freedom Network**

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**Economic Freedom of the World  
2003 Annual Report**



## Executive Summary

- ▶ This is the seventh edition of *Economic Freedom of the World*. It rates and ranks 123 nations for 2001, the most recent year for which data are available. The report also updates data in earlier reports in instances where data have been revised.
- ▶ Economic freedom continues to gain ground around the world. Based on the 10-point scale of this index, the average economic freedom rating was 6.35 for 2001, up slightly from 2000's average rating of 6.34. However, this compares well with the average rating of 5.96 in 1995. Economic freedom decreased through the 1970s, falling from 6.07 in 1970 to 5.36 in 1980. It has been on the rise since then.
- ▶ Hong Kong retains the highest rating for economic freedom, 8.6 of 10, closely followed by Singapore at 8.5, the United States at 8.3 and New Zealand and the United Kingdom, both at 8.2. The other top 10 nations are Canada, Switzerland, Ireland, Australia, and the Netherlands. The rankings of other large economies are Japan, 26; Germany, 20; Italy, 35; France, 44; Mexico, 69; China, 100; India, 73; Brazil, 82; and Russia, 112.
- ▶ Most of the lowest-ranking nations are African, Latin American or former communist states. Botswana has the best record among continental sub-Saharan African nations, ranked 26 and tied with 8 other nations, including advanced nations like Japan and Norway. Chile, with the best record in Latin America, was tied with two other nations at 20. The bottom five nations were Guinea-Bissau, Zimbabwe, Algeria, the Democratic Republic of the Congo, and Myanmar. However, a number of other nations for which data are not available, such as North Korea and Cuba, may have even less economic freedom.
- ▶ The index now contains 38 variables, including 18 survey-based variables obtained from survey data published in the *International Country Risk Guide* and the *Global Competitiveness Report*. While survey data have weaknesses, they provide insight into the important areas of legal structure and regulation and, to a lesser extent, of international trade. Unfortunately, these data are only available for about two thirds of the nations. While statistical adjustments are made to enable comparisons between the nations with and without the survey data, such comparisons should be made with caution.
- ▶ Economic freedom is highly correlated with per-capita income, economic growth, and life expectancy. Increased economic freedom does not lead to greater income inequality. The lowest 10% of income earners in nations in the bottom quintile of economic freedom receive 2.27% of total income in their nations; in nations in the fourth quintile, the bottom 10% receive 2.66% of total income; in the third quintile, 2.25%; in the second quintile, 2.83%; and in the top quintile, 2.68%. The actual income of poor people increases as nations gain in economic freedom because of the increased wealth economic freedom generates. The average per-capita income of the poorest 10% of people in nations in the bottom quintile is US\$873 compared to US\$6,681 for those in the top quintile.
- ▶ The country reports of Chapter 3 provide the detailed information underlying the EFW ratings for 1970, 1975, 1980, 1985, 1990, 1995, 2000, and 2001. All data may be down-loaded from [www.freethe world.com](http://www.freethe world.com).



# Chapter 1: Economic Freedom of the World, 2001

## Introduction

Beginning in 1986, Michael Walker of the Fraser Institute and Nobel Laureate Milton Friedman hosted a series of conferences that focused on the measurement of economic freedom. Several other leading scholars, including Nobel Prize winners Gary Becker and Douglass North, also participated in the series. Six meetings were held during the period from 1986 to 1994, and dozens of papers were presented and several approaches were analyzed.<sup>1</sup> Eventually, these conferences led to the development of the Economic Freedom of the World (EFW) index. The index, currently available for 123 countries, measures the consistency of a nation's policies and institutions with economic freedom.

## What Is Economic Freedom?

The key ingredients of economic freedom are personal choice, voluntary exchange, freedom to compete, and protection of person and property. Institutions and policies are consistent with economic freedom when they provide an infrastructure for voluntary exchange, and protect individuals and their property from aggressors seeking to use violence, coercion, and fraud to seize things that do not belong to them. Legal and monetary arrangements are particularly important: governments promote economic freedom when they provide a legal structure and law-enforcement system that protects the property rights of owners and enforces contracts in an even-handed manner. They also enhance economic freedom when they facilitate access to sound money. In some cases, the government itself may provide a currency of stable value. In other instances, it may simply remove obstacles that retard the use of sound money that is provided by others, including private organizations and other governments.

However, economic freedom also requires governments to refrain from many activities. They must

refrain from actions that interfere with personal choice, voluntary exchange, and the freedom to enter and compete in labor and product markets. Economic freedom is reduced when taxes, government expenditures, and regulations are substituted for personal choice, voluntary exchange, and market coordination. Restrictions that limit entry into occupations and business activities also retard economic freedom.

## Measurement of Economic Freedom

We are confident that the *Economic Freedom of the World* (EFW) index is the best available and that it provides a reliable measure of cross-country differences in economic freedom, using third-party data to help ensure objectivity.<sup>2</sup> However, as Milton Friedman noted following the publication of the first annual report, *Economic Freedom of the World, 1975–1995*, it is still a work in progress. We are constantly searching for ways to improve the measure and make it more valuable to both researchers and policy makers.

Differences among countries in the quality of the legal system and regulatory policies have proven particularly difficult to measure. Nonetheless, they exert a major impact on economic freedom. The *Economic Freedom of the World: 2001 Annual Report* contained a special chapter that used survey data to measure several of these dimensions of economic freedom that are difficult to quantify. Beginning with the 2002 report, several components based on survey data have been incorporated into the main EFW index. While we would prefer to have objective variables, we believe that the information provided by the survey data has significantly improved our measure of the differences among countries in the areas of legal structure and regulation.

The survey data are from two annual publications: the *Global Competitiveness Report* and the *International Country Risk Guide*.<sup>3</sup> Unfortunately, not all of the countries in the EFW index are included in

the most recent *Global Competitiveness Report*. Thus, a sizable number of countries will have missing components.

Exhibit 1 indicates the structure of the index used in *Economic Freedom of the World: 2003 Annual Report*. The index measures the degree of economic freedom present in five major areas:

- ▶ Size of Government: Expenditures, Taxes, and Enterprises
- ▶ Legal Structure and Security of Property Rights
- ▶ Access to Sound Money
- ▶ Freedom to Exchange with Foreigners
- ▶ Regulation of Credit, Labor, and Business

Within the five major areas, 21 components are incorporated into the index but many of those components are themselves made up of several sub-components. Counting the various sub-components, the EFW index utilizes 38 distinct pieces of data. Each component and sub-component is placed on a scale from 0 to 10 that reflects the distribution of the underlying data. The component ratings within each area are averaged to derive ratings for each of the five areas. In turn, the summary rating is the average of the five area ratings.<sup>4</sup> Methodological details are found in the Appendix: Explanatory Notes and Data Sources (p. 24) at the end of this chapter.

Following is a brief explanation of the components incorporated into each of the five areas and their relationship to economic freedom. See Exhibit 1 on pages 8 and 9 for a list of all areas and components.

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

The four components of Area 1 indicate the extent to which countries rely on individual choice and markets rather than the political process to allocate resources, and goods and services. When government spending increases relative to spending by individuals, households, and businesses, government decision-making is substituted for personal choice and economic freedom is reduced. The first two components address this issue. Government consumption as a share of total consumption (1A) and transfers and subsidies as a share of GDP (1B) are indicators of the size of government. When government consumption is a larger share of the total, political choice is substituted for private

choice. Similarly, when governments tax some people in order to provide transfers to others, they reduce the freedom of individuals to keep what they earn. Thus, the greater the share of transfers and subsidies in an economy, the less economic freedom.<sup>5</sup>

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

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

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

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

Protection of persons and their rightfully acquired property is a central element of both economic freedom and a civil society. Indeed, it is the most important function of government. Area 2 focuses on this issue. The key ingredients of a legal system consistent with economic freedom are rule of law, security of property rights, an independent judiciary, and an impartial court system.

Components indicating how well the protective function of government is performed were assembled from two sources: the *International Country Risk Guide* and the *Global Competitiveness Report*. The ratings from both are based on a survey approach.<sup>6</sup> The testing shows that the correlation between the two sets of data is high. This high correlation increases our con-



confidence in the reliability of the country ratings in this area even when they are based solely on data from the *International Country Risk Guide*.

Security of property rights, protected by the rule of law, is essential to economic freedom. Freedom to exchange, for example, is meaningless if individuals do not have secure rights to property, including the fruits of their labor. Failure of a country's legal system to provide for the security of property rights, enforcement of contracts, and the mutually agreeable settlement of disputes will undermine the operation of a market-exchange system. If individuals and businesses lack confidence that contracts will be enforced and the fruits of their productive efforts protected, their incentive to engage in productive activity will be eroded. Furthermore, poor performance in this area is sure to deter investment. Therefore, it is highly unlikely that countries with low ratings in this area will be able to achieve and sustain high rates of growth.

### **Area 3: Access to Sound Money**

Money oils the wheels of exchange. An absence of sound money undermines gains from trade. As Milton Friedman informed us long ago, inflation is a monetary phenomenon, caused by too much money chasing too few goods. High rates of monetary growth invariably lead to inflation. Similarly, when the rate of inflation increases, it also tends to become more volatile. High and volatile rates of inflation distort relative prices, alter the fundamental terms of long-term contracts, and make it virtually impossible for individuals and businesses to plan sensibly for the future. Sound money is essential to protect property rights and, thus, economic freedom. Inflation erodes the value of property held in monetary instruments. Governments have used inflation and printing presses, in effect, to expropriate citizens' property by devaluing it while using newly printed currency for government expenditures.

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

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

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

### **Area 4: Freedom to Exchange with Foreigners**

In our modern world of high technology and low costs for communication and transportation, freedom of exchange across national boundaries is a key ingredient of economic freedom. The vast majority of our current goods and services are now either produced abroad or contain resources supplied from abroad. Of course, exchange is a positive-sum activity. Both trading partners gain and the pursuit of the gain provides the motivation for the exchange. Thus, freedom to exchange with foreigners also contributes substantially to our modern living standards.

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

The components in this area are designed to measure a wide variety of restraints that affect international exchange: these include tariffs, quotas, hidden administrative restraints, exchange rate and capital controls. The regulatory items of Component 4B (regulatory trade barriers) and Component 4Ei (capital market controls) are based on survey data from the *Global Competitiveness Report*. The other components in this area can be quantified objectively. In order to get a high rating in this area, a country must have low tariffs, a trade sector larger than expected, efficient administration of customs, a freely convertible currency, and few controls on capital.

## Exhibit 1: The Areas and Components of the EFW Index

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

- A General government consumption spending as a percentage of total consumption
- B Transfers and subsidies as a percentage of GDP
- C Government enterprises and investment as a percentage of GDP
- D Top marginal tax rate (and income threshold to which it applies)
  - i Top marginal tax rate (excluding applicable payroll taxes)
  - ii Top marginal tax rate (including applicable payroll taxes)

### 2 Legal Structure and Security of Property Rights

- A Judicial independence—the judiciary is independent and not subject to interference by the government or parties in disputes
- B Impartial court—a trusted legal framework exists for private businesses to challenge the legality of government actions or regulation
- C Protection of intellectual property
- D Military interference in rule of law and the political process
- E Integrity of the legal system

### 3 Access to Sound Money

- A Average annual growth of the money supply in the last five years minus average annual growth of real GDP in the last ten years
- B Standard inflation variability in the last five years
- C Recent inflation rate
- D Freedom to own foreign currency bank accounts domestically and abroad

### 4 Freedom to Exchange with Foreigners

- A Taxes on international trade
  - i Revenue from taxes on international trade as a percentage of exports plus imports
  - ii Mean tariff rate
  - iii Standard deviation of tariff rates
- B Regulatory trade barriers
  - i Hidden import barriers—no barriers other than published tariffs and quotas
  - ii Costs of importing—the combined effect of import tariffs, licence fees, bank fees, and the time required for administrative red-tape raises the costs of importing equipment

## Exhibit 1 continued: The Areas and Components of the EFW Index

- C Actual size of trade sector compared to expected size
- D Difference between official exchange rate and black market rate
- E International capital market controls
  - i Access of citizens to foreign capital markets and foreign access to domestic capital markets
  - ii Restrictions on the freedom of citizens to engage in capital market exchange with foreigners  
–index of capital controls among 13 IMF categories

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

- A Credit Market Regulations
  - i Ownership of banks—percentage of deposits held in privately owned banks
  - ii Competition—domestic banks face competition from foreign banks
  - iii Extension of credit—percentage of credit extended to private sector
  - iv Avoidance of interest rate controls and regulations that lead to negative real interest rates
  - v Interest rate controls—interest rate controls on bank deposits and/or loans are freely determined by the market
- B Labor Market Regulations
  - i Impact of minimum wage—the minimum wage, set by law, has little impact on wages because it is too low or not obeyed
  - ii Hiring and firing practices—hiring and firing practices of companies are determined by private contract
  - iii Share of labor force whose wages are set by centralized collective bargaining
  - iv Unemployment Benefits—the unemployment benefits system preserves the incentive to work
  - v Use of conscripts to obtain military personnel
- C Business Regulations
  - i Price controls—extent to which businesses are free to set their own prices
  - ii Administrative conditions and new businesses—administrative procedures are an important obstacle to starting a new business
  - iii Time with government bureaucracy—senior management spends a substantial amount of time dealing with government bureaucracy
  - iv Starting a new business—starting a new business is generally easy
  - v Irregular payments—irregular, additional payments connected with import and export permits, business licenses, exchange controls, tax assessments, police protection, or loan applications are very rare

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

When regulations restrict entry into markets and interfere with the freedom to engage in voluntary exchange, they reduce economic freedom. The final area of the index focuses on this topic. Because of the difficulties involved in developing objective measures of regulatory restraints, a substantial number (10 of 15) of the sub-components in this area are based on survey data.

Regulatory restraints that limit the freedom of exchange in credit, labor, and product markets are included in the index. The first component (5A) reflects conditions in the domestic credit market. The first two sub-components provide evidence on the extent to which the banking industry is dominated by private firms and whether foreign banks are permitted to compete in the market. The final three sub-components indicate the extent to which credit is supplied to the private sector and whether controls on interest rates interfere with the market in credit. Countries that used a private banking system to allocate credit to private parties and refrained from controlling interest rates received higher ratings for this component of the regulatory area.

Many types of labor-market regulations infringe on the economic freedom of employees and employers. Among the more prominent are minimum

wages, dismissal regulations, centralized wage setting, extensions of union contracts to nonparticipating parties, unemployment benefits that undermine the incentive to accept employment, and conscription.<sup>7</sup> The labor market component (5B) is designed to measure the extent to which these restraints upon economic freedom are present across countries. In order to earn high marks in the component rating regulation of the labor market, a country must allow market forces to determine wages and establish the conditions of dismissal, avoid excessive unemployment benefits that undermine work incentives, and refrain from the use of conscription.

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

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## Summary Economic Freedom Ratings, 2001

Exhibit 2 presents summary economic freedom ratings, sorted from highest to lowest. These ratings are for the year 2001. The EFW index is calculated back to 1970 as data availability allows; see the Country Data Tables (pages 39–161) for information from past years. Hong Kong, Singapore, and the United States remain in the top three positions, as they were in the 2002 report. The other nations in the top 10 are New Zealand, United Kingdom, Canada, Australia, Ireland, Switzerland, and the Netherlands. At the bottom of the list are the Central African Republic, Malawi, Romania, Ukraine, the Republic of Congo, Guinea-Bissau, Algeria, Zimbabwe, Democratic Republic of the Congo, and, in last place, Myanmar.

As previously discussed, the new survey data (18 sub-components) are not available for all of the countries covered by the EFW Index. Thus, the ratings of the other countries are based on only 20 of the 38

sub-components of this index. Two of the areas, Size of Government: Expenditures, Taxes, and Enterprises (Area 1) and Access to Sound Money (Area 3), are unaffected by the omitted variables. The omissions, however, could be important in Legal Structure and Security of Property Rights (Area 2) and Regulation of Credit, Labor, and Business (Area 5) and, to a lesser extent, in Freedom to Exchange with Foreigners (Area 4). In Legal Structure and Security of Property Rights, only two of the five components are available for the countries not covered by the *Global Competitiveness Report*. Only five of the 15 sub-components in Regulation of Credit, Labor, and Business are available for these countries. While we have made statistical adjustments that enhance the overall comparability among the 123 countries, comparisons between the nations that have the survey data and the nations that do not should be made with a degree of caution.<sup>8</sup>

## Exhibit 2: Summary Economic Freedom Ratings, 2001



## Area Economic Freedom Ratings (and Rankings), 2001

Exhibit 3 presents the ratings (and rankings in parentheses) for each of the five areas of the index plus the ratings for 5A, 5B, and 5C.

A number of interesting patterns emerge from an analysis of these data. The high-income industrial economies generally rank quite high for Legal Structure and Security of Property Rights (Area 2), Access to Sound Money (Area 3), and Freedom to Exchange with Foreigners (Area 4). Their ratings were lower, however, for Size of Government: Expenditures, Taxes, and Enterprises (Area 1) and Regulation of Credit, Labor, and Business (Area 5). This was particularly true for Western European countries.

However, a number of developing nations show the opposite pattern. Bolivia makes an interesting case study. It shows that reasonably sized government is not enough to reap the benefits of economic freedom. The institutions of economic freedom, such as the rule of law and property rights, as well as sound money, trade openness, and sensible regulation are required. Bolivia was ranked 17<sup>th</sup> in Size of Government: Expenditures, Taxes, and Enterprises (Area 1) and a respectable 29<sup>th</sup> for Sound Money. However, Bolivia scored poorly in all the other categories, especially

Legal Structure and Security of Property Rights, where it placed 111<sup>th</sup>. In Freedom to Exchange with Foreigners, Bolivia ranked 60<sup>th</sup>, while in Regulation of Credit, Labor, and Business, Bolivia ranked 77<sup>th</sup>.

Weakness in the rule of law and property rights is particularly pronounced in sub-Saharan Africa, among Islamic nations, and for several nations that were part of the former Soviet block, though many of these nations have successfully reformed. For example, Slovenia ranks 28<sup>th</sup> in the rule of law and property rights. However, many Latin American and Southeast Asian nations also score poorly for rule of law and property rights. The nations that rank poorly in this category also tend to score poorly in the trade and regulation categories, though several of these nations have reasonably sized governments and sound money.

The economies most open to foreign trade were Hong Kong, Singapore, and Ireland. Two former Soviet block nations also rank in the top 10 in openness to trade, Estonia in 5<sup>th</sup> place and Hungary in 10<sup>th</sup>. The least regulated countries—those at the top in Regulation of Credit, Labor, and Business (Area 5)—were Hong Kong, the United States, the United Kingdom, New Zealand, Iceland, and Canada.

## Exhibit 3: Area Economic Freedom Ratings (and Rankings), 2001

	Areas					Components of Area 5		
	1 Size of Government: Expenditures, Taxes, and Enterprises	2 Legal Structure and Security of Property Rights	3 Access to Sound Money	4 Freedom to Exchange with Foreigners	5 Regulation of Credit, Labor, and Business	5A Credit Market Regulations	5B Labor Market Regulations	5C Business Regulations
Albania	5.5 (75)	4.6 (80)	7.1 (77)	5.3 (113)	5.7 (67)	5.2 (110)		
Algeria	4.3 (104)	2.9 (113)	4.6 (113)	5.8 (100)	3.7 (122)	2.3 (122)		
Argentina	7.9 (7)	3.6 (100)	9.6 (19)	6.1 (92)	5.4 (80)	7.4 (49)	5.6 (26)	3.3 (78)
Australia	6.1 (54)	9.3 (2)	9.4 (31)	7.7 (36)	7.2 (8)	8.9 (14)	5.9 (22)	6.9 (7)
Austria	4.8 (88)	8.9 (7)	9.6 (11)	8.5 (9)	6.0 (44)	7.9 (36)	4.2 (65)	5.9 (21)
Bahamas	7.5 (16)	6.8 (33)	6.8 (90)	5.1 (114)	6.8 (16)	9.5 (1)		
Bahrain	6.8 (33)	5.9 (55)	9.1 (41)	7.6 (40)	6.4 (25)	8.4 (22)		
Bangladesh	7.2 (25)	3.0 (110)	7.0 (85)	5.5 (110)	5.3 (84)	5.9 (97)	6.6 (10)	3.5 (75)
Barbados	3.9 (113)	6.6 (37)	6.7 (94)	5.0 (115)	6.6 (21)	8.3 (25)		
Belgium	4.6 (97)	7.8 (19)	9.7 (5)	8.9 (4)	5.9 (51)	8.4 (21)	4.9 (45)	4.5 (57)
Belize	6.0 (61)	6.2 (45)	6.9 (88)	5.6 (108)	6.9 (12)	9.3 (6)		
Benin	6.5 (49)	4.3 (86)	6.5 (100)	5.5 (112)	5.1 (97)	7.6 (41)		
Bolivia	7.4 (17)	3.0 (111)	9.4 (29)	7.1 (60)	5.5 (77)	8.0 (35)	4.3 (59)	4.1 (66)
Botswana	5.3 (80)	7.0 (26)	8.7 (53)	7.9 (33)	6.7 (18)	8.0 (33)	6.8 (7)	5.3 (31)
Brazil	6.3 (50)	4.9 (72)	6.1 (105)	6.4 (82)	5.3 (88)	5.9 (100)	4.7 (53)	5.4 (30)
Bulgaria	4.6 (95)	4.8 (73)	4.5 (114)	7.2 (56)	5.4 (78)	6.9 (65)	4.9 (44)	4.5 (55)
Burundi	6.1 (58)	3.3 (105)	6.1 (106)	4.3 (118)	5.5 (75)	5.4 (109)		
Cameroon	5.4 (78)	4.4 (81)	6.5 (98)	5.8 (97)	6.0 (45)	7.0 (62)		
Canada	6.5 (48)	9.0 (6)	9.5 (27)	8.1 (24)	7.3 (6)	8.4 (20)	6.5 (13)	6.9 (8)
Central Afr. Rep.	4.1 (109)	4.3 (88)	7.0 (82)	4.8 (116)	4.5 (116)	6.8 (71)		
Chad	6.7 (39)	4.2 (91)	6.6 (95)	5.8 (98)	4.6 (115)	5.7 (104)		
Chile	6.1 (59)	6.2 (47)	9.6 (15)	8.3 (14)	6.4 (26)	8.3 (24)	4.2 (66)	6.6 (11)
China	3.8 (115)	5.1 (68)	6.9 (87)	7.0 (67)	4.7 (111)	4.7 (116)	4.6 (55)	4.8 (46)
Colombia	4.6 (92)	3.4 (103)	7.5 (71)	6.4 (83)	5.2 (94)	7.0 (60)	3.7 (74)	4.7 (48)
Congo, Dem. Rep.	5.1 (84)	2.4 (119)	4.3 (115)	3.2 (121)	4.6 (114)	2.5 (121)		
Congo, Rep. of	3.9 (112)	2.4 (120)	4.2 (116)	7.1 (63)	4.7 (109)	4.1 (119)		
Costa Rica	7.3 (21)	6.5 (42)	7.9 (66)	7.9 (32)	5.9 (52)	6.7 (75)	6.1 (20)	5.0 (41)
Côte d'Ivoire	7.5 (15)	3.7 (99)	7.0 (80)	6.1 (91)	5.4 (81)	7.3 (51)		
Croatia	4.1 (108)	5.2 (67)	7.8 (67)	6.7 (76)	6.1 (37)	9.1 (9)	4.9 (43)	4.3 (62)
Cyprus	6.1 (53)	6.9 (32)	6.9 (86)	5.8 (101)	5.5 (74)	8.8 (16)		
Czech Rep.	4.5 (99)	6.6 (39)	9.4 (32)	8.1 (23)	5.8 (60)	6.8 (67)	5.4 (32)	5.1 (38)
Denmark	3.9 (114)	9.2 (4)	9.7 (7)	8.2 (17)	6.9 (11)	9.4 (4)	4.7 (49)	6.6 (10)
Dominican Rep.	8.5 (4)	3.8 (96)	8.1 (59)	6.5 (81)	6.1 (40)	7.5 (45)	6.2 (19)	4.7 (49)
Ecuador	9.0 (2)	2.5 (118)	2.6 (122)	7.0 (69)	4.0 (120)	4.3 (118)	3.7 (75)	3.9 (69)
Egypt	7.1 (27)	4.6 (77)	9.5 (21)	6.1 (88)	5.0 (100)	5.9 (92)	4.0 (67)	5.2 (36)
El Salvador	8.7 (3)	4.4 (84)	9.5 (22)	7.4 (46)	6.2 (34)	7.3 (52)	5.2 (36)	6.0 (19)
Estonia	6.5 (46)	6.5 (40)	8.8 (48)	8.8 (5)	6.8 (13)	9.0 (11)	5.1 (38)	6.4 (15)
Fiji	6.1 (56)	5.5 (63)	7.0 (81)	6.1 (89)	5.8 (56)	6.4 (84)		
Finland	4.5 (101)	9.3 (1)	9.6 (13)	8.2 (20)	6.7 (17)	8.7 (17)	3.6 (77)	7.9 (1)
France	2.8 (121)	7.1 (25)	9.6 (17)	7.9 (29)	6.2 (35)	8.2 (27)	5.0 (41)	5.3 (32)

## Exhibit 3 (continued): Area Economic Freedom Ratings (and Rankings), 2001

	Areas					Components of Area 5		
	1 Size of Government: Expenditures, Taxes, and Enterprises	2 Legal Structure and Security of Property Rights	3 Access to Sound Money	4 Freedom to Exchange with Foreigners	5 Regulation of Credit, Labor, and Business	5A Credit Market Regulations	5B Labor Market Regulations	5C Business Regulations
Gabon	4.5 (98)	4.3 (87)	5.8 (109)	5.6 (106)	5.6 (73)	6.3 (88)		
Germany	4.2 (107)	8.7 (10)	9.6 (12)	8.7 (7)	5.4 (82)	7.7 (40)	2.8 (80)	5.6 (24)
Ghana	5.7 (69)	4.2 (89)	5.8 (108)	7.5 (44)	5.8 (55)	5.8 (102)		
Greece	5.9 (64)	5.6 (61)	9.3 (35)	7.6 (39)	5.3 (89)	7.2 (53)	3.8 (70)	4.8 (45)
Guatemala	8.5 (5)	2.6 (115)	8.9 (46)	6.6 (77)	5.1 (98)	7.2 (55)	4.0 (69)	4.1 (67)
Guinea-Bissau	4.0 (111)	3.0 (109)	3.3 (119)	6.1 (90)	5.6 (71)	7.3 (50)		
Guyana	4.1 (110)	5.2 (65)	7.9 (64)	8.1 (22)	6.2 (31)	7.1 (58)		
Haiti	7.3 (20)	2.0 (122)	8.3 (58)	5.5 (111)	7.0 (10)	9.5 (3)	8.2 (1)	3.4 (76)
Honduras	7.4 (18)	2.6 (117)	8.3 (57)	7.1 (62)	5.2 (92)	6.6 (77)	5.2 (37)	3.8 (70)
Hong Kong	9.1 (1)	7.0 (27)	9.2 (38)	9.8 (1)	8.0 (1)	8.8 (15)	7.8 (2)	7.4 (5)
Hungary	4.7 (89)	6.7 (34)	8.5 (56)	8.5 (10)	6.6 (23)	8.1 (28)	5.8 (24)	5.8 (23)
Iceland	6.0 (62)	8.9 (9)	9.0 (43)	6.8 (71)	7.5 (5)	7.9 (38)	6.9 (6)	7.8 (2)
India	7.3 (19)	5.7 (58)	6.9 (89)	5.7 (103)	5.0 (102)	5.9 (95)	5.3 (33)	3.7 (71)
Indonesia	6.8 (34)	2.9 (112)	6.2 (103)	7.7 (35)	4.2 (118)	5.1 (112)	4.8 (48)	2.7 (80)
Iran	6.5 (45)	5.9 (51)	8.1 (61)	4.2 (120)	3.9 (121)	4.8 (114)		
Ireland	6.1 (55)	8.4 (16)	9.5 (26)	9.1 (3)	6.7 (19)	8.2 (26)	5.5 (30)	6.3 (16)
Israel	2.6 (122)	7.4 (21)	9.4 (33)	7.7 (37)	5.3 (85)	6.1 (89)	4.3 (60)	5.5 (26)
Italy	4.6 (96)	7.4 (22)	9.6 (18)	8.2 (18)	5.1 (96)	6.8 (68)	3.6 (76)	5.0 (39)
Jamaica	7.6 (13)	5.6 (62)	9.0 (42)	7.2 (54)	5.6 (68)	6.4 (83)	6.2 (17)	4.3 (63)
Japan	5.6 (70)	7.2 (24)	9.6 (10)	6.8 (72)	6.1 (39)	6.5 (79)	6.4 (15)	5.4 (29)
Jordan	5.6 (71)	6.1 (50)	9.6 (9)	7.1 (59)	5.8 (54)	6.8 (70)	6.4 (14)	4.3 (60)
Kenya	6.6 (43)	4.0 (94)	9.0 (44)	7.1 (64)	6.2 (32)	7.1 (59)		
Kuwait	6.1 (60)	6.9 (29)	8.1 (60)	7.2 (57)	6.2 (33)	7.0 (63)		
Latvia	5.2 (82)	5.7 (59)	8.8 (47)	7.6 (41)	5.7 (61)	7.9 (39)	4.7 (51)	4.7 (50)
Lithuania	5.2 (81)	5.1 (69)	7.5 (70)	7.8 (34)	5.5 (76)	6.8 (69)	4.5 (57)	5.3 (33)
Luxembourg	4.6 (94)	8.6 (12)	9.7 (4)	8.6 (8)	6.8 (14)	9.0 (12)		
Madagascar	7.0 (30)	4.6 (79)	6.3 (102)	5.6 (109)	4.8 (108)	5.9 (94)		
Malawi	4.2 (106)	5.3 (64)	2.9 (120)	5.9 (95)	5.7 (62)	5.5 (108)		
Malaysia	5.6 (72)	6.1 (48)	6.8 (91)	7.4 (48)	6.1 (43)	6.0 (90)	6.6 (11)	5.6 (25)
Mali	5.7 (68)	5.0 (71)	7.1 (76)	6.5 (80)	4.8 (106)	5.8 (103)		
Malta	5.8 (65)	7.2 (23)	7.3 (75)	6.0 (93)	5.7 (64)	5.9 (93)		
Mauritius	7.6 (14)	6.7 (35)	9.5 (28)	7.1 (61)	5.7 (63)	7.4 (46)	5.0 (42)	4.7 (47)
Mexico	7.6 (10)	3.6 (101)	7.1 (78)	7.3 (50)	5.2 (93)	6.6 (76)	4.7 (50)	4.2 (64)
Morocco	5.5 (77)	5.9 (54)	7.0 (84)	5.6 (107)	5.3 (87)	7.2 (54)	4.3 (61)	4.4 (58)
Myanmar	3.5 (117)	3.2 (106)	6.1 (107)	1.7 (122)	4.5 (117)	3.4 (120)		
Namibia	4.5 (102)	7.9 (18)	7.4 (73)	6.5 (79)	7.2 (7)	9.5 (2)	6.7 (9)	5.5 (27)
Nepal	5.2 (83)	4.8 (74)	6.8 (92)	5.8 (102)	5.9 (53)	6.7 (73)		
Netherlands	4.6 (93)	9.1 (5)	9.5 (20)	8.8 (6)	6.8 (15)	9.1 (10)	5.2 (35)	6.0 (20)
New Zealand	6.7 (37)	8.9 (8)	9.5 (24)	8.4 (11)	7.6 (4)	9.3 (5)	6.1 (21)	7.4 (4)
Nicaragua	5.8 (66)	3.2 (107)	8.7 (55)	8.0 (27)	6.2 (30)	7.4 (48)	6.4 (16)	4.9 (43)
Niger	6.0 (63)	4.4 (83)	7.0 (83)	5.9 (96)	4.6 (112)	5.9 (99)		



## Exhibit 3 (continued): Area Economic Freedom Ratings (and Rankings), 2001

	Areas					Components of Area 5		
	1 Size of Government: Expenditures, Taxes, and Enterprises	2 Legal Structure and Security of Property Rights	3 Access to Sound Money	4 Freedom to Exchange with Foreigners	5 Regulation of Credit, Labor, and Business	5A Credit Market Regulations	5B Labor Market Regulations	5C Business Regulations
Nigeria	6.2 (51)	3.1 (108)	5.7 (110)	7.0 (68)	5.9 (47)	7.1 (57)	7.1 (4)	3.5 (74)
Norway	4.7 (90)	8.3 (17)	9.0 (45)	7.5 (45)	5.9 (49)	7.6 (43)	4.0 (68)	6.2 (17)
Oman	5.8 (67)	6.9 (31)	9.7 (6)	7.9 (31)	6.6 (22)	8.9 (13)		
Pakistan	7.3 (23)	3.4 (104)	6.5 (97)	4.3 (119)	5.4 (79)	5.1 (111)		
Panama	7.8 (8)	4.7 (75)	9.6 (14)	7.5 (43)	6.2 (36)	8.4 (23)	5.6 (27)	4.5 (53)
Pap. New Guinea	6.5 (47)	4.4 (85)	6.2 (104)	5.9 (94)	6.0 (46)	6.9 (66)		
Paraguay	8.1 (6)	2.8 (114)	8.8 (50)	7.2 (55)	4.8 (107)	6.4 (81)	3.4 (79)	4.6 (52)
Peru	7.6 (11)	4.2 (90)	8.8 (49)	7.3 (52)	5.6 (70)	8.1 (30)	4.2 (64)	4.5 (56)
Philippines	6.9 (31)	3.9 (95)	9.2 (37)	7.4 (47)	5.7 (65)	7.6 (42)	5.7 (25)	3.7 (73)
Poland	4.5 (100)	5.8 (56)	7.6 (69)	6.7 (75)	5.3 (86)	7.5 (44)	4.3 (62)	4.1 (65)
Portugal	5.1 (85)	7.6 (20)	9.5 (25)	8.1 (25)	5.9 (50)	8.0 (34)	4.6 (54)	5.2 (34)
Romania	4.6 (91)	4.6 (76)	2.3 (123)	6.6 (78)	5.3 (83)	6.7 (74)	5.0 (39)	4.3 (61)
Russia	5.5 (73)	3.8 (97)	4.9 (112)	6.7 (74)	4.2 (119)	4.7 (115)	4.5 (56)	3.4 (77)
Rwanda	5.5 (76)	2.0 (121)	7.5 (72)		5.8 (57)	6.3 (85)		
Senegal	6.8 (32)	4.4 (82)	7.3 (74)	5.8 (99)	4.9 (105)	6.6 (78)		
Sierra Leone	6.2 (52)	3.5 (102)	6.5 (101)	4.5 (117)	5.2 (91)	4.4 (117)		
Singapore	7.8 (9)	8.5 (15)	9.6 (16)	9.4 (2)	7.0 (9)	7.9 (37)	5.6 (28)	7.7 (3)
Slovak Rep.	3.0 (120)	5.6 (60)	8.0 (62)	8.3 (12)	5.0 (101)	5.9 (98)	4.7 (52)	4.5 (54)
Slovenia	2.5 (123)	7.0 (28)	8.7 (54)	7.3 (53)	5.1 (95)	6.7 (72)	3.8 (73)	4.9 (44)
South Africa	5.5 (74)	6.6 (36)	7.9 (65)	7.3 (51)	6.5 (24)	8.5 (18)	5.4 (31)	5.4 (28)
South Korea	7.3 (24)	6.4 (43)	9.5 (23)	7.3 (49)	5.2 (90)	6.4 (80)	4.3 (63)	5.0 (40)
Spain	5.0 (86)	6.3 (44)	9.4 (30)	8.0 (26)	6.3 (28)	8.1 (29)	5.0 (40)	5.8 (22)
Sri Lanka	7.0 (28)	5.2 (66)	6.7 (93)	6.4 (85)	5.9 (48)	6.4 (82)	6.2 (18)	5.2 (35)
Sweden	3.0 (119)	8.6 (13)	9.8 (1)	8.2 (19)	6.1 (38)	8.4 (19)	3.4 (78)	6.5 (12)
Switzerland	7.0 (29)	8.6 (14)	9.7 (8)	8.3 (15)	6.6 (20)	8.1 (32)	5.3 (34)	6.5 (13)
Syria	3.7 (116)	5.1 (70)	8.0 (63)	6.2 (86)	2.9 (123)	0.7 (123)		
Taiwan	6.1 (57)	5.9 (53)	9.7 (3)	8.0 (28)	5.8 (58)	6.3 (86)	4.9 (46)	6.1 (18)
Tanzania	4.9 (87)	6.1 (49)	8.8 (51)	5.6 (105)	5.8 (59)	5.6 (105)		
Thailand	6.8 (35)	6.2 (46)	6.6 (96)	7.7 (38)	6.1 (42)	7.0 (61)	6.6 (12)	4.7 (51)
Togo	4.4 (103)	3.7 (98)	6.5 (99)	6.2 (87)	4.6 (113)	5.8 (101)		
Trinidad & Tob.	6.6 (44)	6.5 (41)	9.1 (40)	7.0 (65)	6.3 (27)	7.2 (56)	6.7 (8)	5.1 (37)
Tunisia	5.3 (79)	6.9 (30)	7.0 (79)	6.4 (84)	6.1 (41)	8.1 (31)	3.8 (72)	6.4 (14)
Turkey	6.7 (40)	4.1 (93)	3.8 (117)	7.2 (58)	4.9 (103)	6.0 (91)	4.4 (58)	4.3 (59)
Uganda	6.8 (36)	4.6 (78)	9.2 (36)	7.5 (42)	5.6 (69)	5.0 (113)		
Ukraine	3.5 (118)	4.2 (92)	3.7 (118)	6.8 (70)	4.9 (104)	5.5 (107)	5.9 (23)	3.2 (79)
United Arab Em.	7.6 (12)	6.6 (38)	9.1 (39)	8.2 (21)	6.2 (29)	7.0 (64)		
United Kingdom	6.6 (42)	9.2 (3)	9.3 (34)	8.3 (13)	7.7 (3)	9.2 (7)	7.1 (5)	6.8 (9)
United States	7.3 (22)	8.7 (11)	9.8 (2)	7.9 (30)	7.8 (2)	9.2 (8)	7.3 (3)	6.9 (6)
Uruguay	6.7 (38)	5.8 (57)	8.7 (52)	6.8 (73)	5.6 (72)	6.3 (87)	5.5 (29)	5.0 (42)
Venezuela	7.1 (26)	1.9 (123)	5.6 (111)	7.0 (66)	5.1 (99)	7.4 (47)	3.8 (71)	4.0 (68)
Zambia	6.6 (41)	5.9 (52)	7.6 (68)	8.3 (16)	5.7 (66)	5.9 (96)		

## A Chain-Weighted Summary Index

One of the most valuable aspects of this index of economic freedom is that, for many countries, it can be calculated back to 1970. We rate 53 countries in 1970; 70 in 1975; 102 in 1980, 109 in 1985, 113 in 1990, and 123 in 1995, 2000, and 2001. Using this longitudinal data, researchers are better able to examine the impact of economic freedom over time.

One problem that arises, however, is that the underlying data are more complete in recent years than in earlier years. As a result, changes in the index ratings over time may reflect the fact that some components are missing in some years but not in others. This is similar to comparing GDP or a price index over time when we know that the underlying goods and services used to calculate these statistics are constantly changing. The problem of missing components threatens the comparability of the index ratings over time.

In order to correct for this problem, we have constructed a summary economic freedom index that is based on the 2000 rating as a base year. Changes to the index going backward in time are then based only on changes in components that were present in adjacent years. For instance, the 1995 rating is based

on the 2000 rating but is adjusted based on the changes in the underlying data between 1995 and 2000 for those components that were present in both years. If the common components in 1995 were the same as in 2000, then the 1995 rating would be the same as the 2000 rating; if the 1995 components were lower than the common 2000 components, then the 2000 rating would be adjusted downward proportionately for 1995 to reflect this. This procedure was repeated backward in time to 1970.

Exhibit 4 presents this “chain-weighted” economic freedom index for years from 1970 to 2001. For researchers doing longitudinal studies of economic freedom, we believe this set of data to be of the highest quality.

### **Note on corrected error in Exhibit 4**

An error was discovered in the original computation of the chain-weighted summary index of economic freedom presented in *Economic Freedom of the World: 2002 Annual Report*. This has since been corrected. Although the differences are slight in most cases, readers are advised to use the chain-weighted summary index published in this volume.

## Exhibit 4: A Chain-Weighted Summary Index

	1970	1975	1980	1985	1990	1995	2000	2001
Albania					3.5	4.3	5.5	5.7
Algeria			3.9	3.9	3.5	3.6	4.2	4.3
Argentina	4.4	2.8	3.9	3.5	4.4	6.4	7.2	6.5
Australia	6.6	5.8	6.4	6.8	7.4	7.8	8.0	7.9
Austria	6.1	5.8	6.2	6.3	6.9	7.0	7.4	7.5
Bahamas		6.1	5.8	5.8	6.2	6.3	6.5	6.5
Bahrain			6.9	6.5	6.8	6.9	7.3	7.1
Bangladesh		2.9	3.1	3.5	4.3	5.1	5.5	5.4
Barbados		5.0	5.0	5.4	5.7	5.7	5.6	5.6
Belgium	7.3	6.6	6.9	6.9	7.3	7.2	7.4	7.4
Belize			5.0	4.8	5.7	6.3	6.2	6.2
Benin			4.9	4.6	4.9	4.5	5.7	5.7
Bolivia			4.2	3.3	5.2	6.3	6.7	6.5
Botswana			5.0	5.2	5.6	6.2	7.0	7.0
Brazil	5.3	4.3	4.0	3.6	4.3	4.4	5.3	5.7
Bulgaria				4.5	3.5	4.2	5.3	5.2
Burundi		3.9	4.0	4.4	4.6	4.2	5.1	5.1
Cameroon			5.4	5.7	5.8	5.2	5.4	5.8
Canada	7.4	6.6	7.0	7.1	7.7	7.8	8.1	8.0
Central Afr. Rep.				4.4	5.0	4.7	4.9	5.2
Chad				4.9	4.7	4.6	5.3	5.8
Chile	3.6	3.6	5.2	5.8	6.7	7.3	7.5	7.3
China			4.0	5.2	4.6	5.2	5.4	5.5
Colombia	5.3	4.9	4.6	5.1	4.9	5.4	5.5	5.4
Congo, Dem. R.	4.4	3.9	2.8	3.7	3.5	3.9	3.7	4.3
Congo, Rep. of			4.5	4.5	4.9	4.8	4.9	4.4
Costa Rica		5.7	4.9	4.8	6.5	6.7	7.3	7.1
Côte d'Ivoire			4.9	5.6	5.4	5.4	5.7	5.7
Croatia						4.1	5.5	6.2
Cyprus		5.4	5.3	5.3	5.9	6.1	6.1	6.3
Czech Rep.						5.8	6.8	6.8
Denmark	6.6	5.9	6.1	6.2	7.0	7.4	7.6	7.6
Dominican Rep.			4.6	4.3	4.2	5.9	6.7	6.7
Ecuador	3.7	4.8	5.1	4.3	5.1	6.0	5.2	5.0
Egypt		3.9	4.5	5.0	4.8	5.9	6.7	6.5
El Salvador			4.3	4.1	4.5	6.8	7.2	7.2
Estonia						5.4	6.9	7.4
Fiji		5.2	5.4	5.6	5.9	6.1	6.0	6.1
Finland	6.7	5.8	6.4	6.6	7.1	7.3	7.6	7.7
France	6.2	5.5	5.7	5.8	6.9	6.8	7.0	6.7
Gabon			3.7	4.3	4.8	4.7	5.3	5.3
Germany	7.3	6.8	7.1	7.2	7.5	7.5	7.6	7.3
Ghana		3.2	2.4	2.6	4.5	5.3	5.6	5.6
Greece	6.2	5.7	5.5	5.2	5.8	6.3	6.8	6.7
Guatemala	5.8	6.4	5.9	4.7	5.6	6.7	6.4	6.4
Guinea-Bissau					2.9	3.5	4.1	4.6

**Exhibit 4 (continued): A Chain-Weighted Summary Index**

	1970	1975	1980	1985	1990	1995	2000(	2001
Guyana						4.8	6.5	6.5
Haiti			5.5	5.7	5.5	5.4	6.3	5.9
Honduras			5.5	5.4	5.2	6.0	6.3	6.2
Hong Kong	8.2	8.3	8.4	8.2	8.5	9.0	8.8	8.6
Hungary			4.2	5.0	4.9	6.3	6.6	6.9
Iceland	6.1	4.3	4.9	5.1	6.6	7.3	7.7	7.6
India	5.0	4.2	5.0	4.7	4.9	5.6	6.1	6.1
Indonesia	4.8	5.3	5.2	6.2	6.6	6.6	5.9	5.6
Iran	6.6	6.5	3.9	4.2	4.6	4.4	5.1	5.4
Ireland	6.5	5.8	6.2	6.2	7.1	8.2	8.1	8.0
Israel	4.7	4.1	3.5	4.1	4.2	5.8	6.7	6.5
Italy	5.8	5.1	5.2	5.5	6.4	6.5	7.1	7.0
Jamaica			3.9	4.4	5.4	6.2	6.9	6.9
Japan	6.2	5.9	6.4	6.5	7.2	7.0	7.3	7.1
Jordan		5.2	5.0	5.5	5.6	6.2	7.2	6.9
Kenya	4.7	4.5	4.6	5.0	5.3	5.7	6.5	6.6
Kuwait			5.5	7.6	4.9	6.4	7.0	7.1
Latvia						4.6	6.5	6.6
Lithuania						4.7	6.2	6.2
Luxembourg	7.0	7.0	6.8	7.2	7.5	7.5	7.7	7.6
Madagascar			4.2	4.5	4.3	4.4	5.2	5.8
Malawi		4.8	4.3	4.5	4.7	4.3	4.6	5.0
Malaysia	6.2	6.0	6.6	6.7	7.3	7.4	6.7	6.4
Mali		5.2	5.3	5.0	5.1	5.2	5.7	5.8
Malta			5.1	4.9	5.3	6.6	6.4	6.4
Mauritius		4.5	4.6	5.8	6.0	7.2	7.3	7.3
Mexico	6.1	5.4	5.1	4.4	5.8	6.2	6.1	6.2
Morocco	5.6	5.0	4.4	5.0	4.9	5.9	5.9	5.9
Myanmar			4.9	4.5	3.1	3.6	3.4	4.1
Namibia					4.7	6.2	6.5	6.7
Nepal			5.3	4.9	5.2	5.2	5.6	5.8
Netherlands	7.1	6.4	6.9	7.1	7.5	7.8	8.0	7.8
New Zealand	6.1	5.5	6.1	6.0	7.4	8.6	8.2	8.2
Nicaragua			3.7	1.7	2.4	5.1	6.4	6.4
Niger			5.3	5.7	5.1	4.9	5.5	5.6
Nigeria	3.4	3.6	3.5	3.7	3.5	3.4	5.4	5.5
Norway	5.9	5.4	5.7	6.2	6.9	7.4	7.2	7.1
Oman				6.3	6.3	6.9	7.3	7.3
Pakistan	4.3	3.7	4.5	5.1	5.0	5.6	5.5	5.4
Panama		6.3	5.1	5.6	6.3	7.1	7.2	7.2
Pap. New Guinea				5.9	6.3	6.3	5.9	6.0
Paraguay			5.4	4.8	5.4	6.3	6.4	6.4
Peru	4.7	3.9	3.9	2.9	3.6	6.1	6.8	6.7
Philippines	5.2	4.9	4.9	4.8	5.5	7.2	7.1	6.7
Poland				3.8	3.6	5.3	5.8	6.0
Portugal	6.0	3.8	5.6	5.4	6.1	7.3	7.3	7.2

## Exhibit 4 (continued): A Chain-Weighted Summary Index

	1970	1975	1980	1985	1990	1995	2000	2001
Romania				4.7	4.2	3.7	4.6	4.6
Russia						4.1	4.5	5.0
Rwanda					5.0	3.9	4.6	5.3
Senegal			4.6	5.0	5.3	4.6	5.8	5.9
Sierra Leone		5.5	5.2	3.8	3.8	4.2	5.2	5.2
Singapore	7.4	7.2	7.5	7.8	8.5	8.8	8.6	8.5
Slovak Rep						5.3	6.1	6.0
Slovenia						4.7	5.9	5.9
South Africa	6.0	5.5	5.4	5.0	5.2	6.3	6.7	6.8
South Korea	5.1	5.1	5.4	5.5	6.0	6.5	7.0	7.1
Spain	6.2	5.5	5.7	5.9	6.3	7.0	7.3	7.0
Sri Lanka			4.8	5.0	4.9	6.1	6.1	6.1
Sweden	5.6	5.2	5.6	6.2	6.7	7.2	7.4	7.2
Switzerland	7.6	7.3	7.7	7.9	8.0	8.0	8.2	8.0
Syria	4.5	4.8	3.8	3.5	3.4	4.2	5.0	5.2
Taiwan	6.9	5.8	6.6	6.9	7.1	7.3	7.2	7.1
Tanzania	4.4	3.8	3.9	3.5	3.8	4.9	5.8	6.7
Thailand	5.7	5.6	5.8	5.9	6.8	7.2	6.6	6.7
Togo			4.1	5.4	5.1	4.8	5.0	5.1
Trinidad & Tob.		4.3	4.5	4.4	5.4	6.6	7.0	7.0
Tunisia	4.5	4.6	4.9	4.7	5.4	6.0	6.1	6.2
Turkey	3.5	3.8	3.5	4.7	4.8	5.7	5.8	5.3
Uganda			2.9	2.4	2.6	4.8	6.6	6.7
Ukraine						3.7	4.5	4.6
Unit. Arab Em.			5.8	6.6	7.3	7.1	7.6	7.5
United Kingdom	5.9	5.7	6.1	6.9	7.7	8.1	8.3	8.3
United States	7.0	7.1	7.4	7.5	8.2	8.3	8.5	8.3
Uruguay			5.3	5.5	6.0	5.8	6.5	6.6
Venezuela	7.3	6.2	6.7	6.2	5.6	4.2	5.8	5.3
Zambia		4.1	4.5	3.5	2.9	4.6	6.4	6.8
Zimbabwe			4.2	4.2	4.5	5.4	4.8	4.0

## Correlations between Economic Freedom and Other Indicators

The EFW index is very useful as a correlate with other *desiderata* such as income per person, economic growth, income distribution and so on. The following set of bar charts (Exhibits 5–9) illustrates some of these basic relationships. The EFW index is highly correlated with income per capita and economic growth; life expectancy is over 20 years longer in the top economic-freedom quintile compared with the bottom quintile. That economic freedom contributes to a faster growing, more efficient economy that translates into better, longer lives is hardly a controversial finding.<sup>9</sup>

Many critics of economic freedom focus on the supposed inability of the free-market to create a “just” distribution of income or in caring for the poor. Exhibits 7 and 9 present the evidence on the validity of these arguments. First, the distribution of income is no more unequal in countries with market-oriented economies than in those that are economically repressive. Moreover, it bears repeating that economically free societies are more productive and that this added productivity translates into higher incomes for all groups. The final bar chart shows the average level of income of the poorest tenth in society.

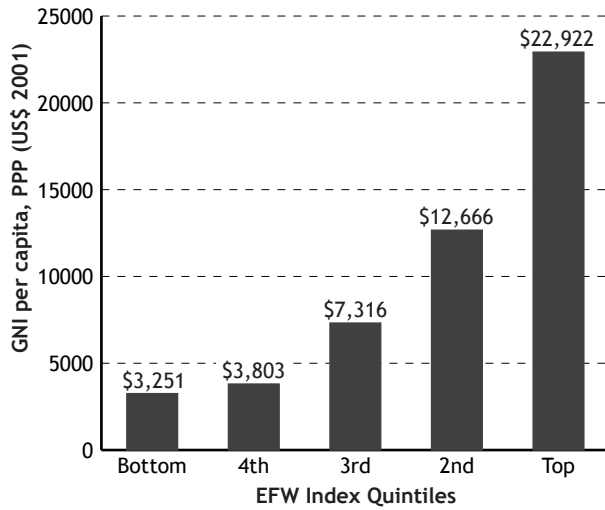
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## Concluding Thoughts

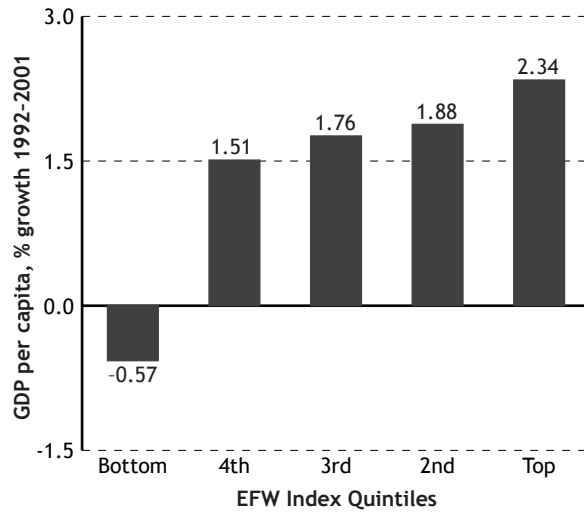
The degree of economic freedom present is influenced by numerous factors. No single statistic will be able to capture all of these factors or to represent their interrelations fully. We believe that the index presented here captures most of the important elements and provides a reasonably good measure of differences among countries in economic freedom. However, something as complex as economic freedom is difficult to measure with precision. Thus, *small differences* between countries should not be taken very seriously.

As this work goes forward, it should open doors for fruitful research in several areas. Certainly, it should be of value to those seeking to pinpoint the strengths and weaknesses of institutions and policies. It should also be useful to those seeking to enhance our knowledge of economic development and the process of economic growth. Researchers analyzing the interrelations among economic freedom, civil liberties, and democratic decision-making should also find these data of value.

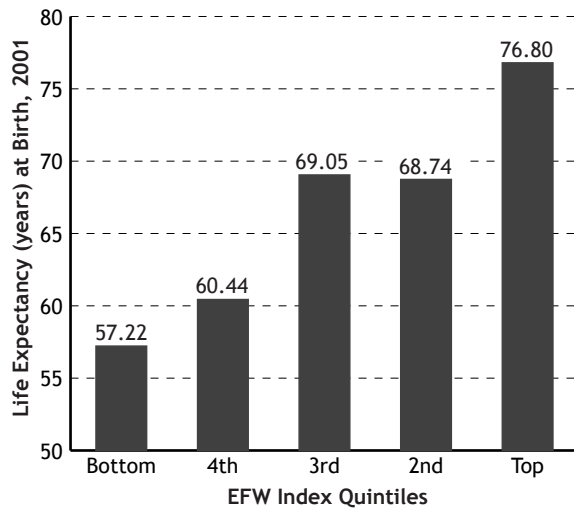
**Exhibit 5: Economic Freedom and Per-Capita Income**



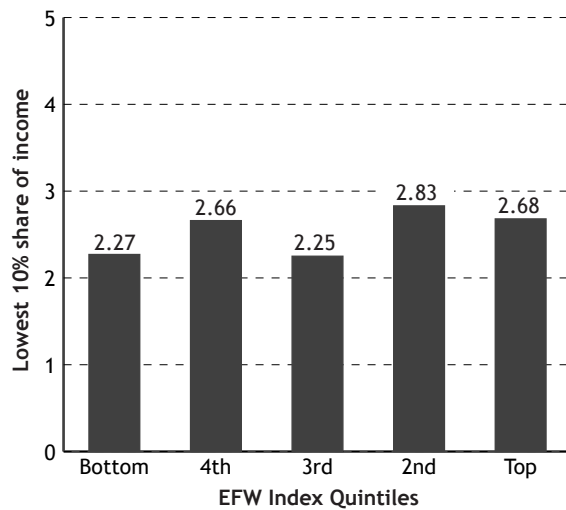
**Exhibit 8: Economic Freedom and Economic Growth**



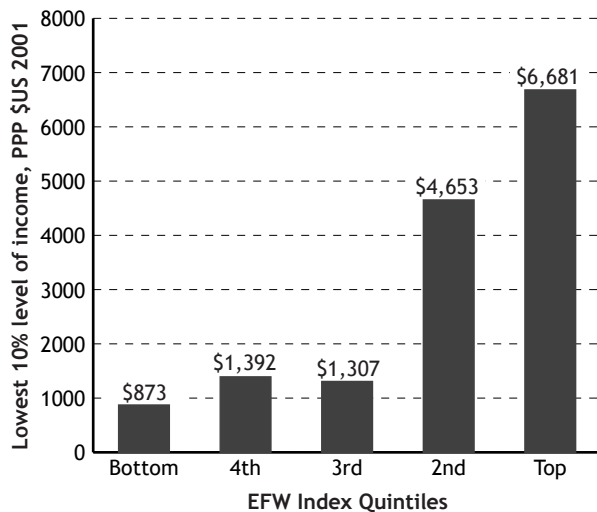
**Exhibit 6: Economic Freedom and Life Expectancy**



**Exhibit 9: Economic Freedom and the Income Share of the Poorest 10%**



**Exhibit 7: Economic Freedom and the Income Level of the Poorest 10%**



## Notes

- 1 See Michael A. Walker, ed. *Freedom, Democracy, and Economic Welfare* (Vancouver: The Fraser Institute, 1988); Walter Block, ed., *Economic Freedom: Toward a Theory of Measurement*, (Vancouver: The Fraser Institute, 1991); and Stephen T. Easton and Michael A. Walker, eds., *Rating Global Economic Freedom*, (Vancouver: The Fraser Institute, 1992).
- 2 Researchers can find all the data at [www.freetheworld.com](http://www.freetheworld.com). See the Appendix: Explanatory Notes and Data Sources (p. 24) for a list of sources used in constructing the index.
- 3 The focus of these reports differs substantially from the emphasis of the *Economic Freedom of the World*. The *International Country Risk Guide* is directed toward investors seeking information about financial and political risks that might affect their investments in different countries. The primary focus of the *World Competitiveness Report* is on the use of technology, quality of the physical infrastructure, skill of the labor force and other factors influencing the attractiveness of a country for business activity. However, the two reports also provide information on legal structure, security of property rights, and the regulatory environment. This is the information that is of value for our purposes.
- 4 Over the years, we have struggled with how to assign weights to various components and areas to construct a summary index. After experimenting with three different weighting schemes in the first edition, we finally settled on using principle component analysis to assign weights statistically. Although principle component analysis has the advantage of being value-neutral, it does create problems of its own. In particular, when two components are closely correlated, as often happens, then principle component analysis tends to assign low weights to one or both of these components. In essence, the principle component analysis wants to drop out the interrelated components. But, we often want to include these components even if they are correlated with other components in order to offset measurement error in the data and to increase the number of countries we can rate. We, therefore, decided to return to using a simple average to combine the components into area ratings and the area ratings into summary ratings in the 2002 report. Although this edition of the index uses averages, we do not mean to imply that all components and areas of economic freedom are equally important in whatever sense. Readers who want to reweigh the components and areas to suit themselves are invited to do so.
- 5 Economists often speak of the protective and productive functions of government. The protective function involves protecting citizens and their property against aggressors. It includes the provision of national defense, police protection, and a system of justice. The productive function involves the provision of a limited set of public goods like sound money, flood control, and environmental quality that are difficult to provide through markets. Countries with high incomes currently spend only about 10% to 15% of GDP on these activities. For evidence on this point, see James Gwartney, Robert Lawson, and Randall Holcombe, "The Size and Scope of Government and Economic Growth," *Cato Journal* 18, 2 (Fall, 1998): 163-90.
- 6 The *International Country Risk Guide* data are computed from an in-house panel of experts whereas the *Global Competitiveness Report* data are based on a survey of business decision-makers. For our purposes here, however, we will refer to both sources as being survey-based.



- 7 For information on how centralized wage setting, restrictive dismissal regulations, and lucrative unemployment benefits have reduced employment and increased unemployment among OECD countries, see Edward Bierhanzl and James Gwartney, "Regulation, Unions, and Labor Markets," *Regulation* (Summer, 1998): 40–53, and Horst Siebert, "Labor Market Rigidities: At the Root of Unemployment in Europe," *Journal of Economic Perspectives* 11, 3 (1997): 37–54.
- 8 In Areas 2, 4, and 5, we ran a regression among the countries for which we had complete data for the year 2000. The dependent variable was the area rating *with the survey data* and the independent variable was the area rating *excluding the survey data*. The regression relationship indicates how the omission of the survey data affects the area rating. The regression estimates were used to adjust the area ratings for the countries without survey data and, thereby, make them more comparable with the ratings of the countries for which the survey data were available. The same adjustments were performed in all years in any case where a country did not have the survey data available.
- 9 For research of this type, see John W. Dawson, "Institutions, Investment, and Growth: New Cross-Countries and Panel Data Evidence," *Economic Inquiry* 36 (October 1998): 603–19; Stephen T. Easton and Michael Walker, "Income, Growth, and Economic Freedom," *American Economic Review* 87, 2 (May, 1997): 328–32; and James Gwartney, Randall Holcombe, and Robert Lawson, "Economic Freedom and the Environment for Economic Growth," *Journal of Institutional and Theoretical Economics* (December 1999): 643–63.

## Appendix: Explanatory Notes and Data Sources

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

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

The rating for this component is equal to:  $(V_{\max} - V_i) / (V_{\max} - V_{\min})$  multiplied by 10. The  $V_i$  is the country's actual government consumption as a proportion of total consumption, while the  $V_{\max}$  and  $V_{\min}$  were set at 40 and 6 respectively. Countries with a larger proportion of government expenditures received lower ratings. If the ratio of a country's government consumption to total consumption is close to the minimum value of this ratio during the 1990 base year, the country's rating will be close to 10. In contrast, if this ratio is close to the highest value during the base year, the rating will be close to zero.

Sources: World Bank, *World Development Indicators* (various issues) and International Monetary Fund (various issues), *International Financial Statistics*.

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

The rating for this component is equal to:  $(V_{\max} - V_i) / (V_{\max} - V_{\min})$  multiplied by 10. The  $V_i$  is the country's ratio of transfers and subsidies to GDP, while the  $V_{\max}$  and  $V_{\min}$  represent the maximum and minimum values of this component during the 1990 base year. The formula will generate lower ratings for countries with larger transfer sectors. When the size of a country's transfer sector approaches that of the country with the largest transfer sector during the base year, the rating of the country will approach zero.

Sources: International Monetary Fund (various years), *Government Finance Statistics Yearbook*; World Bank (various issues), *World Development Indicators*; International Monetary Fund (various issues), *International Financial Statistics*; and Inter-American Development Bank, *Economic and Social Progress in Latin America, 1994*.

#### C Government enterprises and investment as a percentage of GDP

Data on the number, composition, and share of output supplied by State-Operated Enterprises (SOEs) and government investment as a share of total investment were used to construct the 0-to-10 ratings. Countries with more government enterprises and government investment received lower ratings. When there were few SOEs and government investment was generally less than 15% of total investment, countries were given a rating of 10. When there were few SOEs other than those involved in industries where economies of scale reduce the effectiveness of competition (e.g., power generation) and government investment was between 15% and 20% of the total, countries received a rating of 8. When there were, again, few SOEs other than those involved in energy and other such industries and government investment was between about 20% and 25% of the total, countries were rated at 7. When SOEs were present in the energy, transportation, and communication sectors of the economy and government investment was between about 25% and 30% of the total, countries were assigned a rating of 6. When a substantial number of SOEs operated in many sectors, including manufacturing, and government investment was generally between 30% and 40% of the total, countries received a rating of 4. When numerous SOEs operated in many sectors, including retail sales, and government investment was between about 40% and 50% of the total, countries were rated at 2. A rating of zero was assigned when the economy was dominated by SOEs and government investment exceeded 50% of the total.

Sources: World Bank (various issues), *World Development Indicators*; World Bank Policy Research Report (1995), *Bureaucrats in Business*; Rexford A. Ahene and Bernard S. Katz, eds. (1992), *Privatization and Investment in Sub-Saharan Africa*; Manuel Sanchez and Rossana Corona, eds. (1993), *Privatization in Latin America*; Iliya Harik and Denis J. Sullivan, eds. (1992), *Privatization and Liberalization in the Middle East*; OECD (various issues), *Economic Surveys*; and L. Bouten and M. Sumlinski, *Trends in Private Investment in Developing Countries: Statistics for 1970–1995*.

#### D Top marginal tax rate (and income threshold at which it applies)

- i Top marginal tax rate (excluding applicable payroll taxes)
- ii Top marginal tax rate (including applicable payroll taxes)

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

Source: Price Waterhouse, *Individual Taxes: A Worldwide Summary* (various issues).

Top Marginal Tax Rate	Income Threshold Level (1982/1984 US\$)			
	< 25,000	25,000-50,000	50,000-150,000	>150,000
<20%	10	10	10	10
21%-25%	9	9	10	10
26%-30%	8	8	9	9
31%-35%	7	7	8	9
36%-40%	5	6	7	8
41%-45%	4	5	6	7
46%-50%	3	4	5	5
51%-55%	2	3	4	4
56%-60%	1	2	3	3
61%-65%	0	1	2	2
66%-70%	0	0	1	1
>70%	0	0	0	0

## 2 Legal Structure and Security of Property Rights

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

#### A Judicial independence—the judiciary is independent and not subject to interference by the government or parties in disputes

Sources: World Economic Forum (2003), *Global Competitiveness Report 2002–2003* (Oxford: Oxford University Press); World Economic Forum (2000), *Global Competitiveness Report 2000* (Oxford: Oxford University Press).

**B Impartial courts: a trusted legal framework exists for private businesses to challenge the legality of government actions or regulation**

Sources: World Economic Forum (2003), *Global Competitiveness Report 2002–2003* (Oxford: Oxford University Press); World Economic Forum (2000), *Global Competitiveness Report 2000* (Oxford: Oxford University Press). Kaufmann, Daniel, Aart Kraay and Pablo Zoido-Lobaton (2002), *Governance Matters II: Updated Indicators for 2000/01*, World Bank Policy Research Working Paper No. 2772 (<http://www.worldbank.org/wbi/governance/govdata2001.htm>). This project creates an aggregated measure of governance based on an array of different indicators from different sources in six different areas: Voice and Accountability, Political Stability, Government Effectiveness, Regulatory Quality, Rule of Law, and Control of Corruption. We used the 1997/98 and 2000/01 Rule of Law estimates to fill in gaps in our Component 2-B (Impartial courts) for 1995 and 2000 respectively.

**C Protection of intellectual property**

Sources: World Economic Forum (2003), *Global Competitiveness Report 2002–2003* (Oxford: Oxford Univ. Press); World Economic Forum (2001), *Global Competitiveness Report 2001–2002* (Oxford: Oxford Univ. Press).

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

This component is based on the Political Risk Component G (Military in Politics) from the *International Country Risk Guide*.

Source: PRS Group (various issues), *International Country Risk Guide*; Kaufmann, Daniel, Aart Kraay and Pablo Zoido-Lobaton (2002), *Governance Matters II: Updated Indicators for 2000/01*, World Bank Policy Research Working Paper No. 2772 (<http://www.worldbank.org/wbi/governance/govdata2001.htm>). This project creates an aggregated measure of governance based on an array of different indicators from different sources in six different areas: Voice and Accountability, Political Stability, Government Effectiveness, Regulatory Quality, Rule of Law, and Control of Corruption. We used the 1997/98 and 2000/01 Political Stability estimates to fill in gaps in our Component 2-D (Military interference) for 1995 and 2000 respectively.

**E Integrity of the legal system**

This component is based on the Political Risk Component I (Law and Order) from the *International Country Risk Guide*.

Source: PRS Group (various issues), *International Country Risk Guide*.

**3 Access to Sound Money****A Average annual growth of the money supply in the last five years minus average annual growth of real GDP in the last ten years**

The M1 money supply figures were used to measure the growth rate of the money supply. The rating is equal to:  $(V_{\max} - V_i) / (V_{\max} - V_{\min})$  multiplied by 10.  $V_i$  represents the average annual growth rate of the money supply during the last five years adjusted for the growth of real GDP during the previous 10 years. The values for  $V_{\min}$  and  $V_{\max}$  were set at 0% and 50%, respectively. Therefore, if the adjusted growth rate of the money supply during the last five years was zero, indicating that money growth was equal to the long-term growth of real output, the formula generates a rating of 10. Ratings decline as the adjusted growth of the money supply differs from zero. When the adjusted annual money growth is equal to (or greater than) 50%, a rating of zero results.

Sources: World Bank (various issues), *World Development Indicators*, with updates from International Monetary Fund (various issues), *International Financial Statistics*.

## B Standard inflation variability in the last five years

Generally, the GDP deflator was used as the measure of inflation for this component. When these data were unavailable, the Consumer Price Index was used. The following formula was used to determine the 0-to-10 scale rating for each country:  $(V_{\max} - V_i) / (V_{\max} - V_{\min})$  multiplied by 10.  $V_i$  represents the country's standard deviation of the annual rate of inflation during the last five years. The values for  $V_{\min}$  and  $V_{\max}$  were set at 0% and 25%, respectively. This procedure will allocate the highest ratings to the countries with least variation in the annual rate of inflation. A perfect 10 results when there is no variation in the rate of inflation over the five-year period. Ratings will decline toward zero as the standard deviation of the inflation rate approaches 25% annually.

Sources: World Bank (various issues), *World Development Indicators*, with updates from International Monetary Fund (various issues), *International Financial Statistics*.

## C Recent inflation rate

Generally, the CPI was used as the measure of inflation for this component. The 0-to-10 country ratings were derived by the following formula:  $(V_{\max} - V_i) / (V_{\max} - V_{\min})$  multiplied by 10.  $V_i$  represents the rate of inflation during the most recent year. The values for  $V_{\min}$  and  $V_{\max}$  were set at 0% and 50%, respectively—the lower the rate of inflation, the higher the rating. Countries that achieve perfect price stability earn a rating of 10. As the inflation rate moves toward a 50% annual rate, the rating for this component moves toward zero. A zero rating is assigned to all countries with an inflation rate of 50% or more.

Source: World Bank (various issues), *World Development Indicators*, with updates from International Monetary Fund (various issues), *International Financial Statistics*.

## D Freedom to own foreign currency bank accounts domestically and abroad

When foreign currency bank accounts were permissible without restrictions both domestically and abroad, the rating was 10; when these accounts were restricted, the rating was zero. If foreign currency bank accounts were permissible domestically but not abroad (or vice versa), the rating was 5.

Sources: International Monetary Fund (various issues), *Annual Report on Exchange Arrangements and Exchange Restrictions*; Currency Data and Intelligence, Inc. (various issues), *World Currency Yearbook*.

# 4 Freedom to Exchange with Foreigners

## A Taxes on international trade

### i Revenue from taxes on international trade as a percentage of exports plus imports

The formula used to calculate the ratings for this component was:  $(V_{\max} - V_i) / (V_{\max} - V_{\min})$  multiplied by 10.  $V_i$  represents the revenue derived from taxes on international trade as a share of the trade sector. The values for  $V_{\min}$  and  $V_{\max}$  were set at 0% and 15%, respectively. This formula leads to lower ratings as the average tax rate on international trade increases. Countries with no specific taxes on international trade earn a perfect 10. As the revenues from these taxes rise toward 15% of international trade, ratings decline toward zero. (Note that, except for two or three extreme observations, the revenues from taxes on international trade as a share of the trade sector are within the 0% to 15% range.)

Sources: International Monetary Fund (various issues), *Government Finance Statistics Yearbook*; International Monetary Fund (various issues), *International Financial Statistics*.

## ii Mean tariff rate

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

Sources: World Bank (various issues), *World Development Indicators*; OECD (1996), *Indicators of Tariff and Non-tariff Trade Barriers*; World Bank, *World Development Report 2000*; J. Michael Finger, Merlinda D. Ingco, and Ulrich Reincke (1996), *Statistics on Tariff Concessions Given and Received*; Judith M. Dean, Seema Desai, and James Riedel (1994), *Trade Policy Reform in Developing Countries since 1985: A Review of the Evidence*; GATT (1979), *The Tokyo Round of Multilateral Trade Negotiations, Vol. II: Supplementary Report*; UNCTAD (1987), *Revitalizing Development, Growth and International Trade: Assessment and Policy Options*; R. Erzan and K. Kuwahara (1989), *The Profile of Protection in Developing Countries, UNCTAD Review 1, 1 : 29-49*; and Inter-American Development Bank (data supplied to the authors).

## iii Standard deviation of tariff rates

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

Sources: World Bank (various issues), *World Development Indicators*; OECD (1996), *Indicators of Tariff and Non-tariff Trade Barriers*; World Bank, *1997 World Development Indicators CD-Rom*; Jang-Wha Lee and Phillip Swagel (1994), *Trade Barriers and Trade Flows across Countries and Industries*, NBER Working Paper Series No. 4799; and Inter-American Development Bank (data supplied to the authors).

## B Regulatory Trade Barriers

## i Hidden import barriers—no barriers other than published tariffs and quotas

Sources: World Economic Forum (2003), *Global Competitiveness Report 2002-2003* (Oxford: Oxford Univ. Press); World Economic Forum (2001), *Global Competitiveness Report 2001-2002* (Oxford: Oxford Univ. Press).

## ii Costs of importing—the combined effect of import tariffs, licence fees, bank fees, and the time required for administrative red-tape raises the costs of importing equipment

Sources: World Economic Forum (2003), *Global Competitiveness Report 2002-2003* (Oxford: Oxford Univ. Press); World Economic Forum (2001), *Global Competitiveness Report 2001-2002* (Oxford: Oxford Univ. Press).

## C Actual size of trade sector compared to expected size

Regression analysis was used to derive an expected size of the trade sector based on various structural and geographic characteristics. (A basic description of the methodology is available upon request.) The actual size of the trade sector was then compared with the expected size for the country. If the actual size of the

trade sector is greater than expected, this figure will be positive. If it is less than expected, the number will be negative. The percent change of the negative numbers was adjusted to make it symmetrical with the percent change of the positive numbers. The following formula was used to place the figures on a 0-to-10 scale:  $(V_i - V_{\min}) / (V_{\max} - V_{\min})$  multiplied by 10.  $V_i$  is the country's actual value for the component.  $V_{\max}$  and  $V_{\min}$  were set at 100% and -50%, respectively. (Note that -50% is symmetrical with +100%.) This procedure allocates higher ratings to countries with large trade sectors compared to what would be expected, given their population, geographic size, and location. On the other hand, countries with small trade sectors relative to the expected size receive lower ratings.

Sources: World Bank (various issues), *World Development Indicators*; International Monetary Fund (various issues), *International Financial Statistics*; and Central Intelligence Agency, *1997 World Factbook*.

#### D Difference between official exchange rate and black market rate

The formula used to calculate the 0-to-10 ratings for this component was the following:  $(V_{\max} - V_i) / (V_{\max} - V_{\min})$  multiplied by 10.  $V_i$  is the country's black-market exchange rate premium. The values for  $V_{\min}$  and  $V_{\max}$  were set at 0% and 50%, respectively. This formula will allocate a rating of 10 to countries without a black-market exchange rate; *i.e.*, those with a domestic currency that is fully convertible without restrictions. When exchange rate controls are present and a black market exists, the ratings will decline toward zero as the black market premium increases toward 50%. A zero rating is given when the black market premium is equal to, or greater than, 50%.

Sources: World Bank (various issues), *World Development Indicators*; Currency Data and Intelligence, Inc. (various issues of the yearbook and the monthly report supplement), *World Currency Yearbook*; and International Monetary Fund (various issues), *International Financial Statistics*.

#### E International capital market controls

##### i Access of citizens to foreign capital markets and foreign access to domestic capital markets

Source: World Economic Forum (2001), *Global Competitiveness Report 2001–2002* (Oxford: Oxford Univ. Press).

##### ii Restrictions on the freedom of citizens to engage in capital market exchange with foreigners—index of capital controls among 13 IMF categories

The IMF reports on 13 different types of capital controls. This component is based on the number of capital controls levied. The 0-to-10 rating is constructed by taking 13 minus the number of capital controls divided by 13 and multiplied by 10.

Source: International Monetary Fund (various issues), *Annual Report on Exchange Arrangements and Exchange Restrictions*.

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

#### A Credit Market Regulations

##### i Ownership of banks—percentage of deposits held in privately owned banks

Data on the percentage of bank deposits held in privately owned banks were used to construct rating intervals. Countries with larger shares of privately held deposits received higher ratings. When privately held deposits totaled between 95% and 100%, countries were given a rating of 10. When private deposits constituted

between 75% and 95% of the total, a rating of 8 was assigned. When private deposits were between 40% and 75% of the total, the rating was 5. When private deposits totaled between 10% and 40%, countries received a rating of 2. A zero rating was assigned when private deposits were 10% or less of the total.

Sources: Euromoney Publications (various editions), *The Telrate Bank Register*; World Bank (1994), *Adjustment in Africa: Reforms, Results, and the Road Ahead*; Price Waterhouse, *Doing Business in ...* publication series; H.T. Patrick and Y.C. Park, eds. (1994), *The Financial Development of Japan, Korea, and Taiwan: Growth, Repression, and Liberalization*; D.C. Cole and B.F. Slade (1996), *Building a Modern Financial System: The Indonesian Experience*; and information supplied by member institutes of the Economic Freedom Network.

ii Competition—domestic banks face competition from foreign banks (GCR)

Source: World Economic Forum (2001), *Global Competitiveness Report 2001–2002* (Oxford: Oxford Univ. Press).

iii Extension of credit—percentage of credit extended to private sector

For this component, higher values are indicative of greater economic freedom. Thus, the formula used to derive the country ratings for this component was  $(V_i - V_{\min}) / (V_{\max} - V_{\min})$  multiplied by 10.  $V_i$  is the share of the country's total domestic credit allocated to the private sector.  $V_{\max}$  is the maximum value and  $V_{\min}$  the minimum value for the figure during the 1990 base year. Respectively, these figures were 99.9% and 0%. The formula allocates higher ratings as the share of credit extended to the private sector increases. A country's rating will be close to 10 when the private sector's share of domestic credit is near the base-year maximum (99.9%). A rating near zero results when the private sector's share of credit is close to the base-year minimum (10.0%).

Sources: International Monetary Fund (various issues), *International Financial Statistics*; and (1996) *Statistical Yearbook of the Republic of China*.

iv Avoidance of interest rate controls and regulations that lead to negative real interest rates

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

Source: International Monetary Fund (various issues, as well as the monthly supplements), *International Financial Statistics Yearbook*.

v Interest rate controls—interest rate controls on bank deposits and/or loans are freely determined by the market

This particular component was not presented in the 2001 GCR publication only due to space constraints but the data were provided to us directly from the World Economic Forum.



## B Labor Market Regulations

- i Impact of minimum wage—the minimum wage, set by law, has little impact on wages because it is too low or not obeyed

This component is based on two survey responses obtained from the *Global Competitiveness Report 2001–2002*. The first question, which was not presented in the GCR publication due to space constraints asked about the overall “impact of the minimum wage”; the second question, which was included in the published report, asked about the strength of enforcement of the minimum wage law. Countries received higher ratings if the survey respondents indicated the minimum wage had a small impact and/or was not strongly enforced. Countries received lower ratings if the impact was deemed to be great and/or if the law was strongly enforced.

Source: World Economic Forum (2001), *Global Competitiveness Report 2001–2002* (Oxford: Oxford Univ. Press).

- ii Hiring and firing practices—hiring and firing practices of companies are determined by private contract

Sources: World Economic Forum (2003), *Global Competitiveness Report 2002–2003* (Oxford: Oxford Univ. Press); World Economic Forum (2001), *Global Competitiveness Report 2001–2002* (Oxford: Oxford Univ. Press).

- iii Share of labor force whose wages are set by centralized collective bargaining

This particular component was not presented in the GCR publication due to space constraints but the data were provided to us directly from the World Economic Forum.

Sources: World Economic Forum (2003), *Global Competitiveness Report 2002–2003* (Oxford: Oxford Univ. Press).

- iv Unemployment Benefits—the unemployment benefits system preserves the incentive to work

Source: World Economic Forum (2000), *Global Competitiveness Report 2000* (Oxford: Oxford Univ. Press).

- v Use of conscripts to obtain military personnel

Data on the use and duration of military conscription were used to construct rating intervals. Countries with longer conscription periods received lower ratings. A rating of 10 was assigned to countries without military conscription. When length of conscription was six months or less, countries were given a rating of 5. When length of conscription was more than six months but not more than 12 months, countries were rated at 3. When length of conscription was more than 12 months but not more than 18 months, countries were assigned a rating of 1. When conscription periods exceeded 18 months, countries were rated zero.

Source: International Institute for Strategic Studies (various issues), *The Military Balance*.

## C Business Regulations

- i Price controls—extent to which businesses are free to set their own prices

The more widespread the use of price controls, the lower the rating. The survey data of the International Institute for Management Development (IMD), *World Competitiveness Report*, various editions, were used to rate the 46 countries (mostly developed economies) covered by this report. For other countries, the Price Waterhouse series, *Doing Business in ...* and other sources were used to categorize countries. Countries were given a rating of 10 if no price controls or marketing boards were present. When price controls were limited to industries where economies of scale may reduce the effectiveness of competition (e.g., power generation),

a country was given a rating of 8. When price controls were applied in only a few other industries, such as agriculture, a country was given a rating of 6. When price controls were levied on energy, agriculture, and many other staple products that are widely purchased by households, a rating of 4 was given. When price controls applied to a significant number of products in both agriculture and manufacturing, the rating was 2. A rating of zero was given when there was widespread use of price controls throughout various sectors of the economy.

Sources: Institute for Management Development (various issues), *World Competitiveness Report*; Price Waterhouse, *Doing Business in . . .* publication series; World Bank (1994), *Adjustment in Africa: Reforms, Results, and the Road Ahead*; Economist Intelligence Unit, *EUI Country Reports and Country Commerce, 2001*; and US State Department (various years), *Country Commercial Guides* and *Country Reports on Economic Policy and Trade Practices*.

ii Administrative conditions and new businesses—administrative procedures are an important obstacle to starting a new business

Sources: World Economic Forum (2003), *Global Competitiveness Report 2002–2003* (Oxford: Oxford Univ. Press); World Economic Forum (2001), *Global Competitiveness Report 2001–2002* (Oxford: Oxford Univ. Press).

iii Time with government bureaucracy—senior management spends a substantial amount of time dealing with government bureaucracy

Sources: World Economic Forum (2003), *Global Competitiveness Report 2002–2003* (Oxford: Oxford Univ. Press); World Economic Forum (2001), *Global Competitiveness Report 2001–2002* (Oxford: Oxford Univ. Press).

iv Starting a new business: starting a new business is generally easy

Sources: World Economic Forum (2003), *Global Competitiveness Report 2002–2003* (Oxford: Oxford Univ. Press); World Economic Forum (2001), *Global Competitiveness Report 2001–2002* (Oxford: Oxford Univ. Press).

v Irregular payments—irregular, additional payments connected with import and export permits, business licenses, exchange controls, tax assessments, police protection, or loan applications are very rare

Sources: World Economic Forum (2003), *Global Competitiveness Report 2002–2003* (Oxford: Oxford Univ. Press); World Economic Forum (2001), *Global Competitiveness Report 2001–2002* (Oxford: Oxford Univ. Press).

## Chapter 2: Using Software in the Econometric Equation

by Neil Emerick

The data in *Economic Freedom of the World: 2003 Annual Report* can now be explored using a new software tool. The tool, created by Global Economic Software Ltd., will allow economists, journalists, students, and policy-makers, among others, to explore the index and to compare it with other sets of economic data (such as the World Bank Development Indicators), which are also included in the software.<sup>1</sup> Developed by free-market researchers who have worked for many years with the data used to construct the indexes for *Economic Freedom of the World* (EFW), the software is suitable for non-technical users as well as those statisticians intent on exploring more complex relationships between public policy and economic growth. It can also provide immediate information for those simply wishing to challenge public arguments not based on economic fact. Countries can be ranked and sorted in terms of economic freedom, and charts for enhancing presentations or articles can be generated easily. This article takes the reader through some research exercises in order to explore some of the software's features and to show off the usefulness of the EFW index.

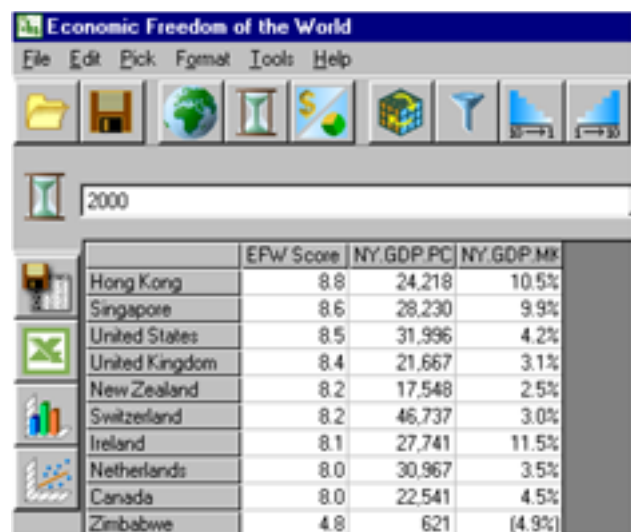
The best way to approach the software is with a specific question in mind. To start, then, we pose the question: How does economic freedom correlate with prosperity? To answer such a question, we need the largest possible sample set, so we draw upon all 123 countries in the database, transferring them to the main viewing grid (see figure 1). Secondly, we must identify which two variables we are interested in correlating. For this exercise, I choose the EFW's summary freedom indicator and the World Bank's data on income as GDP per capita in constant 1995 US dollars. Finally, I choose the year in which I am interested, in this case 2000.<sup>2</sup> While I have all the countries in the grid, I sort the data by clicking the "Sort" icon to find that Luxembourg is the richest country in the world (in terms of GDP per capita). To view this data in a more presentable form though, I highlight both

columns of data and create a chart by pressing the XY Scatter button. Adding an exponential trend-line, we get the chart for 2000 in figure 2 as an output.

Interestingly, this strong pattern is less pronounced than the one drawn for the year 1970 (figure 2, chart 1970), which has more of a "shotgun" distribution of data. A tempting conclusion would be that a Darwinian process has taken place in the last 30 years, with those countries pursuing economic freedom rapidly advancing their annual incomes, while those that did not do so languished. In other words, even with a somewhat random distribution at the beginning of the measurement period (1970), the effects of economic freedom pulled those nations with a high degree of economic freedom up the income scale while nations where economic freedom was weak were pushed down the relative income scale. The stark differences between the countries that enjoy economic freedom and those that do not have potentially sharpened the definition of this curve.

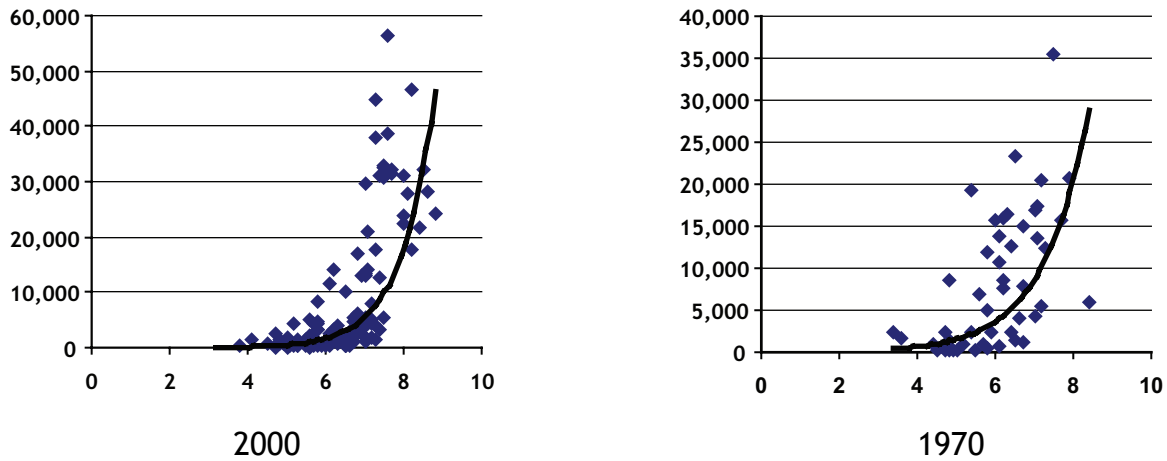
The conclusion of the last exercise leads to another question: To what degree has economic freedom

**Figure 1: Main Information Screen**



	EFW Score	NY GDP PC	NY GDP MK
Hong Kong	8.8	24,218	10.5%
Singapore	8.6	28,230	9.9%
United States	8.5	31,996	4.2%
United Kingdom	8.4	21,667	3.1%
New Zealand	8.2	17,548	2.5%
Switzerland	8.2	46,737	3.0%
Ireland	8.1	27,741	11.5%
Netherlands	8.0	30,967	3.5%
Canada	8.0	22,541	4.5%
Zimbabwe	4.8	621	(4.9%)

**Figure 2: Economic Freedom compared to GDP per capita, 2000 & 1970**



generally been improved in the last 30 years? The software provides an excellent way to answer this question. Continuing on from the previous exercise, we stick with the EFW summary freedom figure and the World Bank's data on income as GDP per capita, and now create three aggregate bands of countries separated into Poor, Middle Income, and Rich. Using the "Create Groups from Bands" option in the software, we cut the database along income levels creating three "groups," each representing the average of 41 countries. For the year 2000, the Poor are currently earning \$452 per capita per year, while the Rich are enjoying an average yearly income of \$21,594 per capita. Interestingly, the Rich reside in countries with an average score for economic freedom of 7.3 while the Poor suffer under governments with an average score of only 5.6.

To proceed with our question, we need to see the data in an historical perspective, so we select all the years in the database, which stretch back as far as 1970. Next, we rotate the axes so that "Time" is running along the column tops. In the drop-down (third)

axis at the top, we switch to the EFW Score Overall, which gives us the display shown in figure 3.

To answer our question, we can see there *has* been a general trend to freedom from the 1980s onwards, though this was less pronounced in the poorer countries than in the rich. Over the same period, the average yearly income per capita in rich countries went from \$11,937 in 1970 to \$21,594 while, in poor countries, it dropped from \$477 per capita to \$452 in 2000. So, what are the poor countries doing wrong? Which policies may be stopping them from getting rich? We cannot tell simply by looking at the general level of economic freedom. Rather, we need to look at specific policy areas and identify which seem to cause most harm. Again, creating aggregate groups within the software can help give us a general feeling for what might be the problem.

What are the rich countries doing right that poor countries are not? Which policy areas need to be addressed to set them on growth paths similar to those of the rich countries? One way to answer is this is to find the large differences between the scores of Rich

**Figure 3: EFW Score Overall**

	1970	1975	1980	1985	1990	1995	2000
Poor	5.2	4.7	4.8	4.8	4.8	5.1	5.6
Middle Income	5.5	5.4	5.0	5.1	5.3	5.8	6.2
Rich	6.5	5.8	6.0	6.2	6.5	7.0	7.3

**Table 1: Greatest Differences in Economic Freedom between Rich and Poor**

Area/Component of the EFW Index	Poor	Rich	EFW Difference
2. A. Military interference in rule of law and the political process	4.4	9.1	-4.7
5. A. (i) Ownership of banks: Percentage of deposits held in privately owned banks	2.7	7.2	-4.5
3. D. Freedom to own foreign currency bank accounts domestically and abroad	4.0	8.4	-4.4
1. C. Government enterprises and investment as a percentage of GDP	2.4	6.6	-4.2
2. C. Protection of intellectual property	3.1	7.1	-4.0

and Poor countries for economic freedom. Starting with a fresh grid, we choose all of the EFW freedom indicators. This grid now contains 35 measurements of economic freedom, from “size of government expenditure” to “inflation variation.” We rearrange the columns and rows such that the year (2000) is on our main (third) axis, with statistics running down the left of our grid, and the two country groups (Poor, Rich) settled along the top axis. To measure differences we export the data to Microsoft’s Excel™, which we do by highlighting the two columns, Poor and Rich, and clicking on the Excel icon. The entire grid is now exported to Excel and we create a difference column by placing a formula (i.e. =B8-C8) in an empty column, copying the formula down the sheet for all variables. If we then sort the data by this difference, the components shown in table 1 rise to the top:

Such exercises often reveal what appears obvious, yet this is a reflection of the accuracy and importance of the index published in *Economic Freedom of the World*. In poorer countries, the governments simply do not get the basics right and this shows up in the index’s measures. With onerous government and corruption of the local money, poverty is the inevitable outcome.

Similarly, the opposite is true: smaller government, rule of law, sound money, and general economic freedom will almost certainly guarantee wealth for its citizens. People left alone will generally prosper.

Finally, we look at an area of increasing importance to the debate about economic freedom, the accusation that capitalism works against other social goods. In fact, the opposite is true. Using the software we can show how well the freedom scores predict concomitant social benefits such as long life and literacy rates. Again, we use the “Create Groups from Bands” option and the EFW summary indicator to split the database into five new bands: Unfree, Less Free, Reasonably Free, Mostly Free, and Free. Next we bring in World Bank development indicators showing literacy rates, the percentage of the population with improved sanitation facilities, improved water sources, and their life expectancy at birth. Table 2 shows dramatically how well economic freedom correlates with good social outcomes. That is, the more free you are, the more healthy, more literate, and longer-lived you are likely to be.

In summary, indexes allow disparate countries and policy mixes to be compared using a common

**Table 2: How Economic Freedom Compares with Other Social Goods**

Country Groups	EFW Score	Illiteracy Rate (adult total)	Percent of population with access to improved sanitation facilities	Percent of population with improved water source	Life expectancy at birth
Unfree	4.8	31.20%	50.20%	66.30%	55.0
Less Free	5.8	28.40%	70.00%	76.90%	63.0
Reasonably Free	6.5	17.50%	76.80%	79.10%	64.9
Mostly Free	7.1	9.10%	86.30%	87.80%	71.6
Free	7.8	11.10%	98.70%	94.30%	77.4

metric. Such indicators are useful for correlating freedoms with other socially important factors such as economic growth, pollution rates, education levels, health, and so on. However, it is by using the data in conjunction with the number-crunching power of a computer that the relationships and patterns inherent in the data are more easily revealed. Reducing the cost of research and speeding up the process, this new software will assist university graduates, think-tank researchers, and even the popular press to become more familiar with the index concept. Furthermore, as the time required to process data falls, so the amount of research can increase. More papers citing the index and more researchers working with the data should mean an increasing amount of econometric evidence

in favour of what classical liberals already know: that the single greatest reason for economic growth is economic freedom.

## Notes

- 1 The software can be ordered at:  
<http://www.globaleconomicsoftware.com>.
- 2 Because of publishing constraints, the analysis in this article uses data from the indexes published in *Economic Freedom of the World: 2002 Annual Report*. The 2003 data will be included with the software released at the same time as this publication.

## Chapter 3: Country Data Tables

This chapter presents detailed data on the component variables used in constructing the EFW index for the countries included in this study. For each country, we present the overall EFW index rating and the ranking of that country for the years 1970, 1975, 1980, 1985, 1990, 1995, 2000, and 2001. Like all the scores in the index, these are values out of 10; 10 is the highest possible score and zero (0) is the lowest.

In the first column, titles in bold-face indicate the five areas of economic freedom that are combined to generate an overall score. Each of the rows in bold-face gives the scores (out of 10) for that particular area for each year.

Underneath each area title are the titles of the components that are combined to generate that par-

ticular area's score. In these rows are the scores (out of 10) for each year for which we have data. In parentheses beside some scores are the actual data used to derive that particular component rating. The top row under the years shows the country's summary rating for each year and, in parentheses, its overall rank. The summary score is rounded to one decimal place for the country ranking.

A more complete description of each component, including the methodology used to calculate the ratings, can be found in the Chapter 1, Appendix: Explanatory Notes and Data Sources (p. 24).

The full data-set is available on-line at:

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





# Albania

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>					4.3 (97)	4.5 (105)	5.5 (92)	5.6 (91)
<b>1. Size of Government</b>			3.9	3.9	2.8	5.2	6.2	5.5
A. Government Consumption			7.7 (13.8)	7.8 (13.4)	4.9 (23.4)	7.8 (13.6)	8.8 (10.1)	8.6 (10.6)
B. Transfers & Subsidies					3.5 (24.3)	7.8 (8.4)	7.8 (8.6)	7.8 (8.6)
C. Government Enterprises & Investment	0.0		0.0	0.0	0.0	0.0	2.0	0.0
D. Top Marginal Tax Rate								
(i) Top Marginal Income Tax Rate								
(ii) Top Marginal Income & Payroll Tax Rate								
<b>2. Legal Structure &amp; Security of Property Rights</b>				5.3	5.2	4.6	4.6	4.6
A. Judicial Independence								
B. Impartial Courts						3.9	4.3	4.3
C. Protection of Intellectual Property								
D. Military Interference						3.6	6.7	6.7
E. Integrity of Legal System						7.0	3.3	3.3
<b>3. Access to Sound Money</b>				6.5	6.5	3.3	6.3	7.1
A. Growth of Money Supply						0.0 (78.9)	5.5 (22.3)	9.6 (2.2)
B. Inflation Variability				9.6 (0.9)	9.6 (1.0)	0.0 (86.9)	4.8 (12.9)	4.5 (13.8)
C. Recent Annual Inflation				9.9 (0.4)	10.0 (0.0)	8.0 (9.8)	10.0 (0.1)	9.4 (3.1)
D. Freedom to Own Foreign Currency	0.0	0.0	0.0	0.0	0.0	5.0	5.0	5.0
<b>4. Freedom to Exchange with Foreigners</b>						5.2	5.2	5.3
A. Taxes on International Trade						5.7	6.2	6.1
(i) Taxes as Percentage of Exports & Imports						5.7 (6.5)	5.1 (7.3)	5.1 (7.3)
(ii) Mean Tariff Rate							6.8 (15.9)	6.6 (17.0)
(iii) Variability of Tariff Rates							6.6 (8.5)	6.6 (8.5)
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector			0.0	0.0	0.0	0.0	0.0	0.8
D. Official versus Black Market Exchange Rate	0.0	0.0	0.0	0.0	0.0	10.0	10.0	10.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	2.0	1.5	1.5
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	2.0	1.5	1.5
<b>5. Regulation of Credit, Labor &amp; Business</b>					2.5	4.1	5.0	5.7
A. Regulation of Credit Markets					0.0	2.9	3.6	5.2
(i) Private Ownership of Banks					0.0	2.0	2.0	5.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector						0.7	0.9	1.7
(iv) Avoidance of Negative Real Interest Rates					0.0	6.0	8.0	9.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription	0.0	0.0	0.0	0.0	0.0	3.0	10.0	10.0
C. Regulation of Business								
(i) Price Controls					0.0	4.0	4.0	6.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								



# Argentina

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>	5.6 (36)	3.4 (72)	4.3 (83)	3.9 (100)	4.8 (84)	6.4 (42)	7.2 (28)	6.5 (56)
<b>1. Size of Government</b>	6.0	5.6	6.1	5.2	6.7	7.7	7.8	7.9
A. Government Consumption	7.9 (13.0)	6.5 (17.8)	6.9 (16.5)	7.9 (13.0)	8.5 (11.0)	8.1 (12.6)	6.9 (16.6)	6.8 (17.0)
B. Transfers & Subsidies		8.0 (7.9)	7.5 (9.7)	6.9 (11.7)	8.2 (7.2)	7.3 (10.3)	7.2 (10.7)	7.0 (11.5)
C. Government Enterprises & Investment	4.0 (33.6)	4.0 (33.6)	4.0 (39.5)	4.0 (38.3)	6.0 (30.0)	8.0 (8.5)	10.0 (8.5)	10.0 (5.9)
D. Top Marginal Tax Rate		4.0	6.0	2.0	4.0	7.5	7.0	8.0
(i) Top Marginal Income Tax Rate		4.0 (51)	6.0 (45)	2.0 (62)	7.0 (35)	9.0 (30)	8.0 (35)	8.0 (35)
(ii) Top Marginal Income & Payroll Tax Rate					1.0 (57)	6.0 (40)	6.0 (36-43)	8.0 (35)
<b>2. Legal Structure &amp; Security of Property Rights</b>	3.8	1.6	4.2	4.6	6.0	5.5	5.4	3.6
A. Judicial Independence						3.9	3.2	1.0
B. Impartial Courts						4.2	5.2	1.4
C. Protection of Intellectual Property						4.6	3.7	2.5
D. Military Interference						7.7	6.7	6.7
E. Integrity of Legal System						7.0	8.3	6.7
<b>3. Access to Sound Money</b>	7.5	2.5	2.5	2.5	2.5	5.4	9.5	9.6
A. Growth of Money Supply	5.0 (24.8)	0.0 (78.3)	0.0 (150.0)	0.0 (295.2)	0.0 (515.6)	2.5 (37.5)	9.9 (-0.6)	9.5 (-7.6)
B. Inflation Variability	6.2 (9.5)	0.0 (61.9)	0.0 (119.8)	0.0 (208.3)	0.0 (1198.8)	0.0 (52.4)	9.1 (2.3)	9.5 (1.2)
C. Recent Annual Inflation	8.8 (5.8)	0.0 (198.2)	0.0 (92.0)	0.0 (620.8)	0.0 (2064.2)	9.2 (3.9)	9.2 (4.0)	9.2 (-1.1)
D. Freedom to Own Foreign Currency	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>		2.2	4.4	2.9	4.3	6.8	6.5	6.1
A. Taxes on International Trade		0.7	4.1	3.1	3.2	7.5	7.5	7.6
(i) Taxes as Percentage of Exports & Imports		1.4 (12.9)	3.7 (9.5)	1.5 (12.7)	3.4 (9.9)	7.5 (3.7)	7.9 (3.1)	8.2 (2.7)
(ii) Mean Tariff Rate		0.0 (55.9)	4.4 (27.8)	4.6 (27.0)	5.9 (20.5)	7.9 (10.5)	7.5 (12.6)	7.5 (12.6)
(iii) Variability of Tariff Rates					0.3 (24.3)	7.0 (7.6)	7.0 (7.5)	7.0 (7.5)
B. Regulatory Trade Barriers						7.2	6.4	5.9
(i) Hidden Import Barriers						7.2	6.2	5.1
(ii) Costs of Importing							6.7	6.8
C. Size of Trade Sector	0.0	0.0	0.0	1.2	0.0	0.0	2.1	1.0
D. Official versus Black Market Exchange Rate	10.0	0.0	9.8	2.0	10.0	10.0	10.0	10.0
E. Restrictions on Capital Markets	2.0	2.0	0.0	0.0	0.0	9.5	6.6	5.8
(i) Access to Foreign Capital						9.1	9.3	9.3
(ii) Restrictions on Foreign Capital Transactions	2.0	2.0	0.0	0.0	0.0	10.0	3.8	2.3
<b>5. Regulation of Credit, Labor &amp; Business</b>	5.1	5.1	4.5	4.5	4.3	6.6	6.7	5.4
A. Regulation of Credit Markets	7.0	6.6	4.4	4.2	3.7	7.9	7.7	7.4
(i) Private Ownership of Banks	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
(ii) Competition from Foreign Banks						8.6	7.3	7.3
(iii) Extension of Credit to Private Sector	9.0	8.1	8.3	7.6	6.1	7.6	6.9	6.4
(iv) Avoidance of Negative Real Interest Rates			0.0	0.0	0.0	10.0	10.0	9.0
(v) Controls on Interest Rates						8.4	9.1	9.1
B. Regulation of Labor Markets	3.6	3.7	3.7	3.7	3.5	5.9	6.1	5.6
(i) Impact of Minimum Wage						6.0	4.4	4.4
(ii) Flexibility in Hiring & Firing					3.0	3.0	5.3	2.4
(iii) Collective Bargaining	5.2	5.2	5.2	5.2	5.2	5.2	4.8	5.1
(iv) Incentives from Unemployment Benefits	5.7	5.0	5.0	4.9	4.7	5.6	6.0	6.0
(v) Military Conscriptation	0.0	1.0	1.0	1.0	1.0	10.0	10.0	10.0
C. Regulation of Business						6.0	6.4	3.3
(i) Price Controls						8.0	8.0	3.0
(ii) Administrative Obstacles for New Businesses							6.8	1.2
(iii) Time Spent with Government Bureaucracy						6.7	7.5	5.0
(iv) Ease of Starting a New Business						6.2	4.8	2.7
(v) Irregular Payments to Government Officials						3.2	5.1	4.7

## Australia

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	7.1 (9)		6.2 (16)		6.8 (13)		7.2 (6)		7.3 (10)		7.8 (8)		8.0 (9)		8.0 (7)	
<b>1. Size of Government</b>	6.1		5.2		5.1		4.9		5.4		5.7		6.2		6.1	
A. Government Consumption	6.2	(19.0)	5.0	(22.9)	4.9	(23.2)	4.8	(23.8)	5.2	(22.3)	5.5	(21.4)	4.7	(24.1)	4.8	(23.7)
B. Transfers & Subsidies			7.8	(8.5)	7.4	(10.1)	6.9	(11.9)	7.2	(10.7)	6.3	(14.2)	7.1	(11.2)	6.7	(12.5)
C. Government Enterprises & Investment	6.0	(30.0)	6.0	(37.1)	6.0	(28.4)	6.0	(30.2)	6.0	(25.2)	7.0	(21.5)	10.0	(9.6)	10.0	(9.6)
D. Top Marginal Tax Rate			2.0		2.0		2.0		3.0		4.0		3.0		3.0	
(i) Top Marginal Income Tax Rate			2.0	(64)	2.0	(62)	2.0	(60)	3.0	(49)	4.0	(47)	3.0	(47)	3.0	(47)
(ii) Top Marginal Income & Payroll Tax Rate									3.0	(49)	4.0	(48)	3.0	(49)	3.0	(49)
<b>2. Legal Structure &amp; Security of Property Rights</b>	8.0		5.1		7.3		7.9		7.9		9.0		9.5		9.3	
A. Judicial Independence											9.1		9.5		9.3	
B. Impartial Courts											9.0		9.7		8.5	
C. Protection of Intellectual Property											7.3		8.3		8.4	
D. Military Interference											9.5		10.0		10.0	
E. Integrity of Legal System											10.0		10.0		10.0	
<b>3. Access to Sound Money</b>	9.6		8.4		8.9		9.3		9.0		9.3		9.3		9.4	
A. Growth of Money Supply	9.7	(1.6)	8.4	(7.8)	8.3	(8.6)	9.4	(3.2)	7.6	(12.0)	8.1	(9.3)	8.7	(6.6)	9.2	(5.5)
B. Inflation Variability	9.6	(1.0)	8.3	(4.2)	9.4	(1.5)	9.1	(2.2)	9.2	(2.0)	9.7	(0.6)	9.4	(1.5)	9.3	(1.8)
C. Recent Annual Inflation	8.9	(5.5)	7.0	(14.9)	8.0	(9.8)	8.8	(6.1)	9.3	(3.3)	9.4	(2.9)	9.1	(4.5)	9.1	(4.4)
D. Freedom to Own Foreign Currency	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	6.7		6.3		6.4		7.2		7.5		7.6		7.7		7.7	
A. Taxes on International Trade	7.5		6.8		7.4		7.6		6.5		7.7		8.4		8.4	
(i) Taxes as Percentage of Exports & Imports	7.5	(3.7)	7.1	(4.4)	7.6	(3.6)	7.9	(3.2)	7.9	(3.1)	8.8	(1.8)	9.0	(1.5)	9.0	(1.5)
(ii) Mean Tariff Rate			6.6	(17.0)	7.1	(14.5)	7.3	(13.3)	7.2	(14.2)	8.4	(8.2)	8.8	(5.8)	8.8	(5.8)
(iii) Variability of Tariff Rates									4.3	(14.3)	6.0	(10.1)	7.4	(6.5)	7.4	(6.5)
B. Regulatory Trade Barriers											6.4		8.8		8.7	
(i) Hidden Import Barriers											6.4		8.1		8.0	
(ii) Costs of Importing													9.5		9.4	
C. Size of Trade Sector	5.6		4.7		4.9		5.4		5.0		5.4		5.3		5.5	
D. Official versus Black Market Exchange Rate	10.0		9.8		9.8		10.0		10.0		10.0		10.0		10.0	
E. Restrictions on Capital Markets	2.0		2.0		2.0		5.0		8.0		8.3		6.1		6.1	
(i) Access to Foreign Capital											8.5		9.1		9.1	
(ii) Restrictions on Foreign Capital Transactions	2.0		2.0		2.0		5.0		8.0		8.0		3.1		3.1	
<b>5. Regulation of Credit, Labor &amp; Business</b>	5.4		5.8		6.5		6.6		6.6		7.3		7.2		7.2	
A. Regulation of Credit Markets	7.9		6.1		8.4		8.7		9.7		9.0		8.8		8.9	
(i) Private Ownership of Banks	8.0		8.0		8.0		8.0		10.0		10.0		10.0		10.0	
(ii) Competition from Foreign Banks											7.9		6.5		6.5	
(iii) Extension of Credit to Private Sector	5.8		6.4		7.1		8.0		9.0		9.2		9.2		9.6	
(iv) Avoidance of Negative Real Interest Rates	10.0		4.0		10.0		10.0		10.0		10.0		10.0		10.0	
(v) Controls on Interest Rates											8.1		8.2		8.2	
B. Regulation of Labor Markets									6.6		5.4		5.6		5.9	
(i) Impact of Minimum Wage											3.6		4.5		4.5	
(ii) Flexibility in Hiring & Firing											4.5		3.1		4.2	
(iii) Collective Bargaining	5.2		5.2		5.2		5.2		5.2		5.2		5.5		6.0	
(iv) Incentives from Unemployment Benefits											3.9		4.7		4.7	
(v) Military Conscription	0.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
C. Regulation of Business											7.5		7.3		6.9	
(i) Price Controls									6.0		7.0		7.0		8.0	
(ii) Administrative Obstacles for New Businesses													6.7		3.6	
(iii) Time Spent with Government Bureaucracy											7.2		6.2		6.5	
(iv) Ease of Starting a New Business											6.8		7.4		7.5	
(v) Irregular Payments to Government Officials											9.2		9.0		8.9	

# Austria

	1970	1975	1980	1985	1990	1995	2000	2001
Summary Ratings (Rank) ▶	6.2 (27)	5.9 (21)	6.3 (19)	6.3 (21)	6.8 (17)	7.0 (28)	7.4 (18)	7.6 (13)
<b>1. Size of Government</b>	4.5	3.9	3.1	3.0	3.1	2.8	3.4	4.8
A. Government Consumption	5.5 (21.5)	4.8 (23.8)	4.5 (24.8)	4.3 (25.2)	4.4 (25.0)	4.0 (26.4)	4.2 (25.9)	4.4 (25.0)
B. Transfers & Subsidies	6.1 (14.9)	4.9 (19.4)	4.1 (22.1)	3.8 (23.1)	4.0 (22.4)	3.3 (25.2)	3.6 (23.9)	2.9 (26.4)
C. Government Enterprises & Investment	2.0	2.0 (45.0)	2.0 (44.5)	2.0 (42.0)	2.0	2.0	4.0	10.0 (7.7)
D. Top Marginal Tax Rate		4.0	2.0	2.0	2.0	2.0	2.0	2.0
(i) Top Marginal Income Tax Rate		4.0 (54)	2.0 (62)	2.0 (62)	4.0 (50)	4.0 (50)	4.0 (50)	4.0 (50)
(ii) Top Marginal Income & Payroll Tax Rate					0.0 (62)	0.0 (66)	0.0 (66)	0.0 (66)
<b>2. Legal Structure &amp; Security of Property Rights</b>			8.0	7.9	8.3	8.8	9.3	8.9
A. Judicial Independence						8.8	9.0	8.3
B. Impartial Courts						7.7	9.0	7.9
C. Protection of Intellectual Property						7.7	8.7	8.4
D. Military Interference						10.0	10.0	10.0
E. Integrity of Legal System						10.0	10.0	10.0
<b>3. Access to Sound Money</b>	8.4	7.9	8.4	8.4	9.6	9.5	9.5	9.6
A. Growth of Money Supply	9.6 (1.8)	8.5 (7.7)	9.8 (1.0)	9.5 (2.3)	9.2 (4.0)	8.6 (6.8)	9.0 (5.0)	9.2 (4.2)
B. Inflation Variability	9.7 (0.7)	9.5 (1.2)	9.6 (0.9)	9.5 (1.2)	9.7 (0.6)	9.7 (0.8)	9.6 (1.0)	9.9 (0.4)
C. Recent Annual Inflation	9.1 (4.7)	8.7 (6.5)	9.0 (5.0)	9.4 (3.1)	9.3 (3.5)	9.6 (2.1)	9.5 (2.4)	9.5 (2.7)
D. Freedom to Own Foreign Currency	5.0	5.0	5.0	5.0	10.0	10.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>	7.0	6.5	6.7	6.9	7.2	8.0	8.4	8.5
A. Taxes on International Trade	8.3	7.9	8.6	8.8	7.9	8.7	9.2	9.2
(i) Taxes as Percentage of Exports & Imports	8.3 (2.6)	8.9 (1.7)	9.5 (0.7)	9.6 (0.6)	9.5 (0.7)	9.9 (0.2)	9.9 (0.2)	9.8 (0.3)
(ii) Mean Tariff Rate		6.9 (15.4)	7.7 (11.6)	8.0 (10.0)	8.3 (8.7)	8.7 (6.7)	9.5 (2.4)	9.5 (2.7)
(iii) Variability of Tariff Rates					6.0 (10.1)	7.6 (5.9)	8.2 (4.4)	8.2 (4.4)
B. Regulatory Trade Barriers						8.1	9.2	8.8
(i) Hidden Import Barriers						8.1	8.8	8.3
(ii) Costs of Importing							9.5	9.2
C. Size of Trade Sector	6.5	4.3	4.6	5.4	5.1	4.6	5.4	6.5
D. Official versus Black Market Exchange Rate	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
E. Restrictions on Capital Markets	2.0	2.0	2.0	2.0	5.0	8.5	8.1	8.1
(i) Access to Foreign Capital						9.0	9.3	9.3
(ii) Restrictions on Foreign Capital Transactions	2.0	2.0	2.0	2.0	5.0	8.0	6.9	6.9
<b>5. Regulation of Credit, Labor &amp; Business</b>	5.1	5.3	5.4	5.5	5.5	5.9	6.4	6.0
A. Regulation of Credit Markets	7.2	6.4	7.0	7.6	7.5	6.9	8.0	7.9
(i) Private Ownership of Banks	5.0	5.0	5.0	5.0	5.0	5.0	8.0	8.0
(ii) Competition from Foreign Banks						6.5	5.7	5.7
(iii) Extension of Credit to Private Sector	8.5	8.1	7.9	7.8	7.4	7.3	8.2	7.8
(iv) Avoidance of Negative Real Interest Rates	8.0	6.0	8.0	10.0	10.0	8.0	10.0	10.0
(v) Controls on Interest Rates						7.8	8.1	8.1
B. Regulation of Labor Markets	3.2	4.8	4.6	4.6	4.6	4.3	3.9	4.2
(i) Impact of Minimum Wage						4.6	4.6	4.6
(ii) Flexibility in Hiring & Firing					4.8	4.8	3.1	3.9
(iii) Collective Bargaining	4.5	4.5	4.5	4.5	4.5	4.5	3.5	4.5
(iv) Incentives from Unemployment Benefits	5.0	5.0	4.4	4.4	4.2	4.5	5.2	5.2
(v) Military Conscriptation	0.0	5.0	5.0	5.0	5.0	3.0	3.0	3.0
C. Regulation of Business						6.4	7.3	5.9
(i) Price Controls					5.0	8.0	8.0	7.0
(ii) Administrative Obstacles for New Businesses							7.5	3.3
(iii) Time Spent with Government Bureaucracy						6.5	7.4	6.0
(iv) Ease of Starting a New Business						3.7	5.4	4.9
(v) Irregular Payments to Government Officials						7.5	8.3	8.1

# Bahamas

	1970	1975	1980	1985	1990	1995	2000	2001
Summary Ratings (Rank) ▶		6.7 (9)	6.4 (17)	6.3 (21)	6.2 (34)	6.3 (46)	6.5 (55)	6.6 (51)
<b>1. Size of Government</b>	7.9	8.1	7.7	7.2	7.3	7.9	7.5	7.5
A. Government Consumption		6.6 (17.6)	6.8 (16.9)	6.9 (16.5)	7.2 (15.6)	6.2 (18.9)	5.2 (22.4)	5.2 (22.4)
B. Transfers & Subsidies	9.8 (1.4)	10.0 (0.5)	10.0 (0.5)	10.0 (0.1)	9.9 (1.0)	9.6 (2.1)	8.9 (4.6)	8.9 (4.6)
C. Government Enterprises & Investment	6.0	6.0 (24.2)	4.0	2.0	2.0	6.0	6.0	6.0
D. Top Marginal Tax Rate		10.0	10.0	10.0	10.0	10.0	10.0	10.0
(i) Top Marginal Income Tax Rate		10.0 (0)	10.0 (0)	10.0 (0)	10.0 (0)	10.0 (0)	10.0 (0)	10.0 (0)
(ii) Top Marginal Income & Payroll Tax Rate								10.0 (0)
<b>2. Legal Structure &amp; Security of Property Rights</b>				5.7	5.7	5.2	6.3	6.8
A. Judicial Independence						5.0	5.0	
B. Impartial Courts						6.6	7.1	7.1
C. Protection of Intellectual Property						3.0	3.0	
D. Military Interference						7.3	10.0	10.0
E. Integrity of Legal System						4.1	6.7	6.7
<b>3. Access to Sound Money</b>	9.0	6.5	6.1	6.4	6.8	7.0	6.8	6.8
A. Growth of Money Supply		9.6 (-1.9)	7.9 (10.3)	9.6 (2.2)	8.7 (6.6)	9.1 (4.6)	7.8 (11.0)	8.0 (10.2)
B. Inflation Variability	9.3 (1.8)	8.7 (3.3)	8.6 (3.5)	7.9 (5.3)	9.3 (1.7)	9.3 (1.6)	9.7 (0.8)	9.7 (0.9)
C. Recent Annual Inflation	8.8 (6.2)	7.9 (10.7)	8.0 (10.0)	8.3 (8.5)	9.4 (3.2)	9.4 (2.8)	9.7 (1.6)	9.7 (2.0)
D. Freedom to Own Foreign Currency		0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>4. Freedom to Exchange with Foreigners</b>		5.1	4.6	4.8	4.5	4.8	5.1	5.1
A. Taxes on International Trade	4.7	4.1	4.3	3.7	3.6	3.1	2.8	2.8
(i) Taxes as Percentage of Exports & Imports	4.7 (7.9)	4.1 (8.8)	4.6 (8.1)	3.8 (9.3)	3.6 (9.6)	3.1 (10.3)	2.7 (11.0)	2.7 (11.0)
(ii) Mean Tariff Rate			4.0 (29.8)	3.5 (32.3)			3.0 (35.0)	3.0 (35.0)
(iii) Variability of Tariff Rates								
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector		5.8	4.5	4.5	3.5	3.1	3.9	3.9
D. Official versus Black Market Exchange Rate	7.2	7.2	6.0	7.8	7.4	9.6	9.2	9.2
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	0.0	1.5	1.5
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	0.0	1.5	1.5
<b>5. Regulation of Credit, Labor &amp; Business</b>		7.0	7.0	7.3	6.7	6.7	6.8	6.8
A. Regulation of Credit Markets	9.7	8.7	8.6	9.4	9.3	9.4	9.5	9.5
(i) Private Ownership of Banks	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector	9.5	8.0	7.9	8.1	7.9	8.2	8.5	8.6
(iv) Avoidance of Negative Real Interest Rates		8.0	8.0	10.0	10.0	10.0	10.0	10.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription		10.0	10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business								
(i) Price Controls					4.0	4.0	4.0	4.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								

# Bahrain

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>			7.3 (6)	6.9 (14)	6.8 (17)	7.0 (28)	7.3 (21)	7.1 (26)
<b>1. Size of Government</b>		6.0	6.8	6.0	5.9	6.2	6.8	6.8
A. Government Consumption			3.2 (29.0)	0.0 (43.5)	0.0 (43.8)	1.4 (35.2)	3.8 (27.2)	3.5 (28.0)
B. Transfers & Subsidies			9.8 (1.2)	10.0 (0.0)	9.6 (1.8)	9.3 (3.1)	9.4 (2.6)	9.6 (1.8)
C. Government Enterprises & Investment	0.0	2.0 (76.4)	4.0 (29.8)	4.0 (31.7)	4.0	4.0	4.0	4.0
D. Top Marginal Tax Rate		10.0	10.0	10.0	10.0	10.0	10.0	10.0
(i) Top Marginal Income Tax Rate		10.0 (0)	10.0 (0)	10.0 (0)	10.0 (0)	10.0 (0)	10.0 (0)	10.0 (0)
(ii) Top Marginal Income & Payroll Tax Rate					10.0 (0)	10.0 (0)	10.0 (0)	10.0 (0)
<b>2. Legal Structure &amp; Security of Property Rights</b>				5.7	5.7	5.9	5.9	5.9
A. Judicial Independence								
B. Impartial Courts						6.7	6.3	6.3
C. Protection of Intellectual Property								
D. Military Interference						6.1	5.0	5.0
E. Integrity of Legal System						7.0	8.3	8.3
<b>3. Access to Sound Money</b>	9.0	7.8	8.1	8.6	8.8	9.5	9.6	9.1
A. Growth of Money Supply	7.9 (10.5)	7.1 (14.4)	6.4 (18.1)	8.5 (7.7)	9.5 (2.7)	9.6 (-2.1)	9.3 (3.3)	9.7 (6.0)
B. Inflation Variability	9.4 (1.4)	7.1 (7.2)	6.8 (8.0)	6.3 (9.2)	6.9 (7.7)	8.7 (3.3)	9.6 (1.1)	6.9 (7.7)
C. Recent Annual Inflation	9.7 (1.6)	6.8 (16.1)	9.2 (3.9)	9.6 (-1.8)	8.6 (6.8)	9.8 (1.0)	9.7 (1.6)	9.7 (1.6)
D. Freedom to Own Foreign Currency		10.0	10.0	10.0	10.0	10.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>			7.3	7.1	7.3	6.9	7.6	7.6
A. Taxes on International Trade			9.4	9.2	9.3	9.1	9.1	9.1
(i) Taxes as Percentage of Exports & Imports			9.4 (0.9)	9.5 (0.7)	9.3 (1.1)	9.1 (1.4)	9.1 (1.3)	9.1 (1.4)
(ii) Mean Tariff Rate				8.8 (6.0)				
(iii) Variability of Tariff Rates								
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector		7.6	6.9	6.2	6.8	5.5	4.0	3.9
D. Official versus Black Market Exchange Rate		10.0	10.0	10.0	10.0	10.0	10.0	10.0
E. Restrictions on Capital Markets	2.0	2.0	2.0	2.0	2.0	2.0	6.9	6.9
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	2.0	2.0	2.0	2.0	2.0	2.0	6.9	6.9
<b>5. Regulation of Credit, Labor &amp; Business</b>		7.2	7.1	7.0	6.4	6.4	6.5	6.4
A. Regulation of Credit Markets	10.0	9.0	8.7	8.4	8.5	8.2	8.7	8.4
(i) Private Ownership of Banks		8.0	8.0	8.0	8.0	8.0	8.0	8.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector	10.0	9.9	9.4	8.7	7.5	8.7	8.0	8.1
(iv) Avoidance of Negative Real Interest Rates					10.0	8.0	10.0	9.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription		10.0	10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business								
(i) Price Controls					4.0	4.0	4.0	4.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								

# Bangladesh

	1970	1975	1980	1985	1990	1995	2000	2001
Summary Ratings (Rank) ▶		3.8 (69)	3.7 (98)	4.1 (93)	4.6 (93)	5.4 (79)	5.5 (92)	5.6 (91)
<b>1. Size of Government</b>		6.0	4.3	4.3	6.2	6.8	6.5	7.2
A. Government Consumption		10.0 (3.3)	9.9 (6.4)	10.0 (5.4)	7.5 (14.4)	7.4 (15.0)	6.4 (18.4)	6.4 (18.4)
B. Transfers & Subsidies								9.3 (3.2)
C. Government Enterprises & Investment	2.0	2.0 (50.4)	2.0 (44.4)	2.0 (46.6)	2.0 (47.1)	4.0 (34.0)	4.0 (32.0)	4.0 (30.0)
D. Top Marginal Tax Rate			1.0	1.0	9.0	9.0	9.0	9.0
(i) Top Marginal Income Tax Rate			1.0 (60)	1.0 (60)	9.0 (25)	9.0 (25)	9.0 (25)	9.0 (25)
(ii) Top Marginal Income & Payroll Tax Rate					9.0 (25)	9.0 (25)	9.0 (25)	9.0 (25)
<b>2. Legal Structure &amp; Security of Property Rights</b>			2.5	2.5	2.4	5.0	3.5	3.0
A. Judicial Independence								3.7
B. Impartial Courts						3.9	4.2	2.6
C. Protection of Intellectual Property							2.0	1.9
D. Military Interference						5.3	3.3	3.3
E. Integrity of Legal System						7.0	3.3	3.3
<b>3. Access to Sound Money</b>	8.5	2.0	4.5	6.0	6.9	6.4	6.9	7.0
A. Growth of Money Supply		7.8 (10.9)	6.4 (18.0)	7.4 (13.1)	9.5 (2.7)	7.7 (11.3)	8.9 (5.3)	9.1 (5.2)
B. Inflation Variability	7.0 (7.5)	0.0 (29.1)	4.2 (14.4)	8.8 (3.1)	9.2 (2.1)	9.0 (2.4)	9.1 (2.2)	9.2 (2.0)
C. Recent Annual Inflation	9.9 (0.5)	0.0 (74.5)	7.3 (13.4)	7.8 (11.1)	9.0 (4.9)	8.7 (6.7)	9.5 (2.3)	9.5 (1.4)
D. Freedom to Own Foreign Currency		0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>4. Freedom to Exchange with Foreigners</b>		2.6	2.1	2.2	2.3	3.6	5.2	5.5
A. Taxes on International Trade		4.7	0.5	0.0	0.6	1.4	5.2	5.2
(i) Taxes as Percentage of Exports & Imports		4.7 (7.9)	1.1 (13.4)	0.0 (17.9)	1.9 (12.1)	4.3 (8.6)	5.3 (7.0)	5.3 (7.0)
(ii) Mean Tariff Rate			0.0 (99.9)	0.0 (86.0)	0.0 (102.2)	0.0 (81.2)	5.7 (21.3)	5.7 (21.3)
(iii) Variability of Tariff Rates					0.0 (50.4)	0.0 (26.1)	4.6 (13.6)	4.6 (13.6)
B. Regulatory Trade Barriers							4.7	5.9
(i) Hidden Import Barriers							4.7	4.5
(ii) Costs of Importing								7.2
C. Size of Trade Sector	1.9	0.0	1.7	2.8	2.7	3.9	3.1	3.3
D. Official versus Black Market Exchange Rate		0.0	0.0	0.0	0.0	4.4	10.0	10.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	0.0	2.9	3.3
(i) Access to Foreign Capital							5.9	5.9
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.8
<b>5. Regulation of Credit, Labor &amp; Business</b>		4.6	5.0	5.3	5.2	5.0	5.5	5.3
A. Regulation of Credit Markets	0.0	1.4	3.4	4.2	5.8	5.1	5.9	5.9
(i) Private Ownership of Banks	0.0	0.0	0.0	0.0	0.0	0.0	2.0	2.0
(ii) Competition from Foreign Banks							5.9	5.9
(iii) Extension of Credit to Private Sector		2.8	4.3	6.6	7.3	7.4	8.0	7.9
(iv) Avoidance of Negative Real Interest Rates			6.0	6.0	10.0	8.0	10.0	10.0
(v) Controls on Interest Rates							3.7	3.7
B. Regulation of Labor Markets							6.6	6.6
(i) Impact of Minimum Wage							4.6	4.6
(ii) Flexibility in Hiring & Firing							5.0	5.0
(iii) Collective Bargaining							6.6	6.8
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription		10.0	10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business							4.0	3.5
(i) Price Controls					0.0	0.0	0.0	6.0
(ii) Administrative Obstacles for New Businesses							7.6	1.7
(iii) Time Spent with Government Bureaucracy							5.7	3.3
(iv) Ease of Starting a New Business							4.6	3.8
(v) Irregular Payments to Government Officials							1.9	2.5



# Barbados

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>		5.8 (24)	5.7 (39)	6.0 (33)	5.9 (42)	5.9 (66)	5.6 (89)	5.8 (82)
<b>1. Size of Government</b>	8.1	5.8	5.8	5.4	5.9	6.1	4.7	3.9
A. Government Consumption	7.0 (16.2)	6.4 (18.3)	6.1 (19.3)	4.5 (24.6)	4.7 (24.1)	5.1 (22.7)	4.6 (24.3)	4.2 (25.6)
B. Transfers & Subsidies	9.3 (2.9)	10.0 (0.2)	10.0 (0.2)	10.0 (0.0)	10.0 (0.5)	10.0 (0.0)		
C. Government Enterprises & Investment	8.0 (19.2)	6.0 (26.8)	6.0 (22.8)	6.0 (22.5)	6.0	6.0	6.0	4.0 (33.9)
D. Top Marginal Tax Rate		1.0	1.0	1.0	3.0	3.5	3.5	3.5
(i) Top Marginal Income Tax Rate		1.0 (65)	1.0 (60)	1.0 (60)	4.0 (50)	5.0 (40)	5.0 (40)	5.0 (40)
(ii) Top Marginal Income & Payroll Tax Rate					2.0 (54)	2.0 (53)	2.0 (53)	2.0 (52)
<b>2. Legal Structure &amp; Security of Property Rights</b>				5.7	5.7	4.6	5.2	6.6
A. Judicial Independence						5.0	5.0	
B. Impartial Courts						6.3	7.6	7.6
C. Protection of Intellectual Property						3.0	3.0	
D. Military Interference								
E. Integrity of Legal System						4.1		
<b>3. Access to Sound Money</b>	8.8	5.5	5.0	6.7	6.5	7.1	6.5	6.7
A. Growth of Money Supply		8.1 (9.5)	6.9 (15.3)	8.8 (5.8)	8.6 (7.1)	8.9 (-5.4)	7.7 (11.7)	7.8 (11.0)
B. Inflation Variability	9.1 (2.3)	6.3 (9.2)	7.6 (6.0)	8.6 (3.5)	8.6 (3.4)	9.5 (1.3)	8.6 (3.4)	9.4 (1.5)
C. Recent Annual Inflation	8.5 (7.3)	7.7 (11.7)	5.5 (22.6)	9.2 (4.1)	8.9 (5.5)	10.0 (0.3)	9.5 (2.4)	9.5 (2.6)
D. Freedom to Own Foreign Currency		0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>4. Freedom to Exchange with Foreigners</b>		4.8	5.4	5.3	4.7	5.1	5.3	5.0
A. Taxes on International Trade	6.6	7.1	7.5	7.2	6.1	6.6	6.2	6.2
(i) Taxes as Percentage of Exports & Imports	6.6 (5.1)	7.1 (4.4)	7.5 (3.7)	7.7 (3.4)	7.6 (3.6)	7.8 (3.3)		
(ii) Mean Tariff Rate				6.6 (17.0)		7.2 (14.1)	6.2 (19.0)	6.2 (19.0)
(iii) Variability of Tariff Rates					4.5 (13.7)	4.8 (13.1)		
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector	3.9	2.7	3.6	3.3	1.1	1.3	2.2	0.7
D. Official versus Black Market Exchange Rate		6.0	7.8	7.8	8.0	9.4	9.8	9.8
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>5. Regulation of Credit, Labor &amp; Business</b>		6.9	6.4	6.9	6.6	6.6	6.4	6.6
A. Regulation of Credit Markets	9.5	8.0	7.2	8.4	8.2	8.2	7.7	8.3
(i) Private Ownership of Banks		8.0	8.0	8.0	8.0	8.0	8.0	8.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector	9.5	8.1	7.6	7.1	6.7	6.6	7.1	6.9
(iv) Avoidance of Negative Real Interest Rates			6.0	10.0	10.0	10.0	8.0	10.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription		10.0	10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business								
(i) Price Controls					6.0	6.0	6.0	6.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								

## Belgium

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	7.7 (3)		6.8 (8)		7.1 (7)		7.1 (8)		7.3 (10)		7.2 (21)		7.4 (18)		7.4 (18)	
<b>1. Size of Government</b>	5.6		4.0		3.6		3.6		4.2		4.0		3.5		4.6	
A. Government Consumption	6.4	(18.3)	5.6	(20.9)	5.4	(21.6)	5.8	(20.3)	6.4	(18.1)	6.2	(18.9)	3.5	(28.3)	3.5	(28.2)
B. Transfers & Subsidies	4.5	(20.8)	2.4	(28.5)	3.1	(26.0)	2.6	(27.6)	3.3	(25.0)	3.0	(26.3)	3.4	(24.9)	3.8	(23.2)
C. Government Enterprises & Investment	6.0		6.0 (25.0)		6.0 (26.8)		6.0 (25.3)		6.0 (27.0)		6.0		6.0		10.0 (8.6)	
D. Top Marginal Tax Rate			2.0		0.0		0.0		1.0		1.0		1.0		1.0	
(i) Top Marginal Income Tax Rate			2.0 (64)		0.0 (76)		0.0 (76)		2.0 (55-61)		1.0 (58-64)		2.0 (58-63)		2.0 (53-57)	
(ii) Top Marginal Income & Payroll Tax Rate									0.0 (70)		1.0 (58-64)		0.0 (71)		0.0 (69-72)	
<b>2. Legal Structure &amp; Security of Property Rights</b>	8.3		7.4		7.8		7.9		8.3		7.5		8.3		7.8	
A. Judicial Independence											5.8		7.3		6.2	
B. Impartial Courts											6.4		8.2		6.6	
C. Protection of Intellectual Property											6.9		7.6		7.8	
D. Military Interference											8.5		10.0		10.0	
E. Integrity of Legal System											10.0		8.3		8.3	
<b>3. Access to Sound Money</b>	9.6		8.7		9.5		9.6		9.6		9.7		9.6		9.7	
A. Growth of Money Supply	9.7	(-1.3)	8.6	(6.9)	9.6	(1.9)	9.7	(1.6)	9.4	(2.9)	9.4	(3.0)	9.1	(4.7)	9.5	(2.6)
B. Inflation Variability	9.7	(0.7)	8.8	(3.0)	9.4	(1.6)	9.8	(0.6)	9.6	(1.0)	9.6	(0.9)	9.8	(0.6)	9.8	(0.5)
C. Recent Annual Inflation	9.1	(4.6)	7.5	(12.3)	9.2	(4.2)	8.8	(6.1)	9.4	(3.1)	9.7	(1.7)	9.5	(2.5)	9.5	(2.5)
D. Freedom to Own Foreign Currency	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	9.4		8.7		8.8		9.2		8.9		8.7		8.9		8.9	
A. Taxes on International Trade	9.7		9.1		9.0		9.2		8.5		8.7		9.2		9.2	
(i) Taxes as Percentage of Exports & Imports	9.7	(0.4)	10.0	(0.0)	9.8	(0.3)	9.8	(0.3)	9.7	(0.4)	9.7	(0.4)	9.7	(0.4)	9.8	(0.3)
(ii) Mean Tariff Rate			8.1 (9.4)		8.2 (8.8)		8.5 (7.5)		8.5 (7.4)		8.7 (6.7)		9.5 (2.4)		9.5 (2.7)	
(iii) Variability of Tariff Rates									7.1 (7.2)		7.6 (5.9)		8.2 (4.4)		8.2 (4.4)	
B. Regulatory Trade Barriers											8.3		8.9		8.9	
(i) Hidden Import Barriers											8.3		8.2		8.2	
(ii) Costs of Importing													9.5		9.6	
C. Size of Trade Sector	9.0		6.3		6.7		8.6		7.9		7.0		7.4		7.5	
D. Official versus Black Market Exchange Rate	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
E. Restrictions on Capital Markets	10.0		10.0		10.0		10.0		10.0		9.3		9.2		9.2	
(i) Access to Foreign Capital											8.6		9.9		9.9	
(ii) Restrictions on Foreign Capital Transactions	10.0		10.0		10.0		10.0		10.0		10.0		8.5		8.5	
<b>5. Regulation of Credit, Labor &amp; Business</b>	5.3		5.2		5.5		5.4		5.5		6.1		7.0		5.9	
A. Regulation of Credit Markets	8.5		7.2		8.6		8.1		8.4		8.0		8.3		8.4	
(i) Private Ownership of Banks	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
(ii) Competition from Foreign Banks											7.9		8.0		8.0	
(iii) Extension of Credit to Private Sector	5.4		5.7		5.8		4.3		5.2		5.0		5.2		5.6	
(iv) Avoidance of Negative Real Interest Rates	10.0		6.0		10.0		10.0		10.0		10.0		10.0		10.0	
(v) Controls on Interest Rates											7.0		8.3		8.3	
B. Regulation of Labor Markets	2.9		3.4		3.5		3.5		3.6		4.9		5.0		4.9	
(i) Impact of Minimum Wage											3.9		5.1		5.1	
(ii) Flexibility in Hiring & Firing											3.8		3.1		3.0	
(iii) Collective Bargaining	4.5		4.5		4.5		4.5		4.5		4.5		4.2		3.8	
(iv) Incentives from Unemployment Benefits	3.3		2.8		3.0		3.0		3.3		2.6		2.7		2.7	
(v) Military Conscription	1.0		3.0		3.0		3.0		3.0		10.0		10.0		10.0	
C. Regulation of Business											5.3		7.6		4.5	
(i) Price Controls									2.0		5.0		6.0		5.0	
(ii) Administrative Obstacles for New Businesses													8.2		2.1	
(iii) Time Spent with Government Bureaucracy											6.5		8.9		3.5	
(iv) Ease of Starting a New Business											4.6		6.4		4.2	
(v) Irregular Payments to Government Officials											5.1		8.3		7.5	

# Belize

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>			5.8 (30)	5.7 (43)	5.8 (46)	6.3 (46)	6.2 (68)	6.3 (64)
<b>1. Size of Government</b>		6.5	5.2	5.0	4.9	6.3	5.8	6.0
A. Government Consumption		6.9 (16.4)	6.1 (19.3)	5.0 (23.1)	5.6 (20.9)	6.6 (17.7)	6.3 (18.4)	6.3 (18.5)
B. Transfers & Subsidies			9.4 (2.6)	9.2 (3.6)	9.8 (1.2)	9.8 (1.2)	9.7 (1.6)	9.7 (1.6)
C. Government Enterprises & Investment		6.0 (34.4)	0.0 (51.0)	2.0 (49.9)	0.0 (55.5)	4.0 (38.3)	2.0 (47.7)	2.0 (47.4)
D. Top Marginal Tax Rate				4.0	4.0	5.0	5.0	
(i) Top Marginal Income Tax Rate				4.0 (50)	4.0 (45)	5.0 (45)	5.0	
(ii) Top Marginal Income & Payroll Tax Rate								
<b>2. Legal Structure &amp; Security of Property Rights</b>						5.3	6.2	6.2
A. Judicial Independence								
B. Impartial Courts						5.7	6.9	6.9
C. Protection of Intellectual Property								
D. Military Interference							7.2	7.2
E. Integrity of Legal System								
<b>3. Access to Sound Money</b>	8.7	6.6	6.2	6.6	6.8	7.2	6.8	6.9
A. Growth of Money Supply			8.8 (6.2)	9.3 (3.3)	8.5 (7.6)	9.8 (1.0)	8.3 (8.7)	8.5 (14.2)
B. Inflation Variability	9.0 (2.6)	6.7 (8.3)	8.5 (3.8)	7.5 (6.3)	8.8 (3.0)	9.6 (1.0)	9.1 (2.2)	9.1 (2.2)
C. Recent Annual Inflation	8.5 (7.4)	6.6 (16.9)	7.7 (11.4)	9.6 (-1.9)	9.9 (0.3)	9.2 (3.9)	9.9 (0.6)	9.9 (1.2)
D. Freedom to Own Foreign Currency			0.0	0.0	0.0	0.0	0.0	0.0
<b>4. Freedom to Exchange with Foreigners</b>			5.0	4.4	5.1	5.6	5.3	5.6
A. Taxes on International Trade			4.2	4.7	2.8	2.7	5.6	5.6
(i) Taxes as Percentage of Exports & Imports			4.2 (8.7)	2.7 (10.9)	2.8 (10.8)	2.7 (10.9)	5.6 (6.6)	5.6 (6.6)
(ii) Mean Tariff Rate				6.6 (17.0)				
(iii) Variability of Tariff Rates								
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector		6.5	4.3	4.1	4.6	2.9	2.8	4.3
D. Official versus Black Market Exchange Rate		3.6	3.2	0.0	5.0	9.4	9.2	9.2
E. Restrictions on Capital Markets			5.0	5.0	5.0	5.0	0.8	0.8
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions			5.0	5.0	5.0	5.0	0.8	0.8
<b>5. Regulation of Credit, Labor &amp; Business</b>			6.9	6.8	6.3	7.0	6.8	6.9
A. Regulation of Credit Markets		9.1	8.1	7.8	9.4	9.6	8.9	9.3
(i) Private Ownership of Banks					10.0	10.0	10.0	10.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector		9.1	8.2	7.7	8.2	8.7	8.8	8.9
(iv) Avoidance of Negative Real Interest Rates			8.0	8.0	10.0	10.0	8.0	9.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription			10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business								
(i) Price Controls					0.0	6.0	6.0	6.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								



# Bolivia

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>			4.3 (83)	3.5 (104)	5.5 (52)	6.7 (37)	6.7 (46)	6.5 (56)
<b>1. Size of Government</b>	5.9	7.0	5.4	6.9	6.8	7.1	7.5	7.4
A. Government Consumption		7.3 (15.1)	6.7 (17.1)	8.1 (12.5)	7.9 (13.3)	7.3 (15.2)	7.1 (15.8)	7.1 (15.8)
B. Transfers & Subsidies	9.9 (1.0)	9.8 (1.3)	9.7 (1.6)	9.6 (1.8)	9.4 (2.8)	9.5 (2.5)	8.8 (5.0)	8.6 (5.8)
C. Government Enterprises & Investment	2.0 (44.0)	4.0 (28.9)	2.0 (50.1)	2.0 (42.5)	0.0 (60.7)	2.0 (51.1)	4.0 (33.5)	4.0 (35.8)
D. Top Marginal Tax Rate			3.0	8.0	10.0	9.5	10.0	10.0
(i) Top Marginal Income Tax Rate			3.0 (48)	8.0 (30)	10.0 (10)	10.0 (13)	10.0 (13)	10.0 (13)
(ii) Top Marginal Income & Payroll Tax Rate					10.0 (16)	9.0 (22)		10.0 (13)
<b>2. Legal Structure &amp; Security of Property Rights</b>			2.3	1.7	3.2	5.4	3.4	3.0
A. Judicial Independence							2.2	1.4
B. Impartial Courts						4.9	3.3	2.1
C. Protection of Intellectual Property							1.7	1.3
D. Military Interference						5.9	5.0	5.0
E. Integrity of Legal System						7.0	5.0	5.0
<b>3. Access to Sound Money</b>	9.4	6.3	5.1	0.0	4.8	7.6	9.3	9.4
A. Growth of Money Supply	8.9 (5.6)	5.8 (20.9)	6.2 (19.1)	0.0 (566.0)	2.4 (38.0)	4.3 (28.3)	9.3 (-3.4)	9.5 (2.3)
B. Inflation Variability	9.4 (1.5)	1.0 (22.5)	3.8 (15.5)	0.0 (4769.2)	0.0 (85.9)	8.4 (4.0)	8.6 (3.5)	9.1 (2.1)
C. Recent Annual Inflation	9.2 (3.8)	8.4 (7.8)	0.5 (47.3)	0.0 (12336.7)	6.7 (16.3)	7.7 (11.4)	9.1 (4.6)	9.1 (1.6)
D. Freedom to Own Foreign Currency	10.0	10.0	10.0	0.0	10.0	10.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>	4.2	6.0	4.8	5.3	6.4	7.3	7.3	7.1
A. Taxes on International Trade	2.6	4.1	4.8	5.7	7.6	8.7	8.6	8.6
(i) Taxes as Percentage of Exports & Imports	2.6 (11.1)	4.1 (8.9)	4.8 (7.8)	5.3 (7.0)	8.5 (2.3)	8.6 (2.1)	8.5 (2.2)	8.6 (2.1)
(ii) Mean Tariff Rate				6.0 (19.8)	6.7 (16.7)	8.1 (9.7)	8.2 (9.0)	8.1 (9.5)
(iii) Variability of Tariff Rates						9.6 (1.1)	9.2 (2.0)	9.2 (2.0)
B. Regulatory Trade Barriers							5.5	4.9
(i) Hidden Import Barriers							4.8	3.6
(ii) Costs of Importing							6.2	6.1
C. Size of Trade Sector	6.1	6.5	3.4	2.4	4.9	4.7	4.6	4.3
D. Official versus Black Market Exchange Rate	2.2	9.0	5.6	8.2	9.4	9.8	10.0	10.0
E. Restrictions on Capital Markets	2.0	2.0	2.0	2.0	2.0	5.0	7.8	7.8
(i) Access to Foreign Capital							8.6	8.6
(ii) Restrictions on Foreign Capital Transactions	2.0	2.0	2.0	2.0	2.0	5.0	6.9	6.9
<b>5. Regulation of Credit, Labor &amp; Business</b>			3.8		6.2	6.2	6.0	5.5
A. Regulation of Credit Markets	3.3	6.5	2.5	0.0	9.3	8.5	7.8	8.0
(i) Private Ownership of Banks					10.0	8.0	10.0	10.0
(ii) Competition from Foreign Banks							5.1	5.1
(iii) Extension of Credit to Private Sector	3.3	6.5	5.0		10.0	9.6	9.6	9.4
(iv) Avoidance of Negative Real Interest Rates			0.0	0.0	8.0	8.0	8.0	9.0
(v) Controls on Interest Rates							6.3	6.3
B. Regulation of Labor Markets							4.7	4.3
(i) Impact of Minimum Wage							3.1	3.1
(ii) Flexibility in Hiring & Firing							4.9	3.8
(iii) Collective Bargaining							7.1	6.2
(iv) Incentives from Unemployment Benefits							5.5	5.5
(v) Military Conscription	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
C. Regulation of Business							5.5	4.1
(i) Price Controls					6.0	8.0	9.0	8.0
(ii) Administrative Obstacles for New Businesses							5.5	1.7
(iii) Time Spent with Government Bureaucracy							3.9	4.3
(iv) Ease of Starting a New Business							3.9	2.8
(v) Irregular Payments to Government Officials							5.1	3.7



# Brazil

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>	5.6 (36)	4.7 (53)	4.3 (83)	3.6 (103)	4.2 (100)	4.4 (108)	5.3 (101)	5.8 (82)
<b>1. Size of Government</b>	6.1	5.4	5.3	5.1	5.8	5.6	5.9	6.3
A. Government Consumption	7.6 (14.2)	7.7 (13.8)	8.3 (11.6)	7.9 (13.0)	4.5 (24.5)	4.5 (24.7)	4.4 (24.9)	4.4 (24.9)
B. Transfers & Subsidies	5.9 (15.5)	4.7 (19.9)	6.8 (12.4)	7.4 (10.0)	7.2 (10.7)	6.5 (13.3)	6.0 (15.3)	6.0 (15.3)
C. Government Enterprises & Investment	4.0 (38.3)	4.0 (35.8)	2.0 (49.2)	4.0 (36.0)	6.0 (24.9)	6.0 (17.8)	8.0 (17.1)	10.0 (13.8)
D. Top Marginal Tax Rate	7.0	5.0	4.0	1.0	5.5	5.5	5.0	5.0
(i) Top Marginal Income Tax Rate	7.0 (45)	5.0 (50)	4.0 (55)	1.0 (60)	9.0 (25)	8.0 (35)	8.0 (28)	8.0 (28)
(ii) Top Marginal Income & Payroll Tax Rate					2.0 (53)	3.0 (60)	2.0 (55)	2.0 (55)
<b>2. Legal Structure &amp; Security of Property Rights</b>	6.2	5.4	5.9	5.7	6.2	5.8	5.4	4.9
A. Judicial Independence						5.6	5.5	5.3
B. Impartial Courts						6.7	6.2	4.6
C. Protection of Intellectual Property						4.1	5.1	4.8
D. Military Interference						5.5	6.7	6.7
E. Integrity of Legal System						7.0	3.3	3.3
<b>3. Access to Sound Money</b>	5.9	3.6	1.3	0.0	0.0	0.0	3.9	6.1
A. Growth of Money Supply	5.1 (24.3)	3.9 (30.6)	1.6 (41.8)	0.0 (137.8)	0.0 (648.7)	0.0 (708.0)	6.9 (15.6)	8.1 (7.3)
B. Inflation Variability	6.9 (7.7)	7.3 (6.7)	3.4 (16.6)	0.0 (53.1)	0.0 (878.9)	0.0 (851.5)	0.0 (32.2)	7.9 (5.3)
C. Recent Annual Inflation	6.6 (17.1)	3.2 (34.0)	0.0 (87.5)	0.0 (231.7)	0.0 (2509.5)	0.0 (77.6)	8.6 (7.0)	8.6 (6.9)
D. Freedom to Own Foreign Currency	5.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>4. Freedom to Exchange with Foreigners</b>	4.7	3.8	4.4	3.1	4.4	5.4	5.7	6.4
A. Taxes on International Trade	5.6	6.2	3.3	2.6	4.8	7.7	6.3	7.2
(i) Taxes as Percentage of Exports & Imports	5.6 (6.6)	6.2 (5.7)	3.3 (10.0)	7.9 (3.2)	7.5 (3.7)	8.1 (2.8)	4.5 (8.3)	7.2 (4.2)
(ii) Mean Tariff Rate				0.0 (55.6)	4.0 (30.0)	7.6 (12.0)	7.1 (14.4)	7.1 (14.4)
(iii) Variability of Tariff Rates				0.0 (26.2)	3.0 (17.5)	7.2 (6.9)	7.2 (7.0)	7.2 (7.0)
B. Regulatory Trade Barriers						5.3	5.3	6.0
(i) Hidden Import Barriers						5.3	4.0	5.7
(ii) Costs of Importing							6.7	6.3
C. Size of Trade Sector	2.4	4.2	4.0	4.2	0.7	1.1	2.5	4.9
D. Official versus Black Market Exchange Rate	7.2	0.2	6.4	0.2	8.0	9.4	10.0	10.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	3.6	4.2	4.2
(i) Access to Foreign Capital						7.3	7.6	7.6
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	0.0	0.8	0.8
<b>5. Regulation of Credit, Labor &amp; Business</b>	5.2	5.2	4.9	4.3	4.7	5.1	6.0	5.3
A. Regulation of Credit Markets	6.4	6.5	5.3	3.4	3.9	4.7	6.6	5.9
(i) Private Ownership of Banks	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
(ii) Competition from Foreign Banks						6.5	7.1	7.1
(iii) Extension of Credit to Private Sector	8.3	8.4	6.8	5.3	6.8	8.2	7.3	6.3
(iv) Avoidance of Negative Real Interest Rates	6.0	6.0	4.0	0.0	0.0	0.0	8.0	5.0
(v) Controls on Interest Rates						3.8	5.8	5.8
B. Regulation of Labor Markets					4.8	5.3	4.6	4.7
(i) Impact of Minimum Wage						6.7	3.5	3.5
(ii) Flexibility in Hiring & Firing					6.2	6.2	5.3	5.5
(iii) Collective Bargaining	5.2	5.2	5.2	5.2	5.2	5.2	5.5	5.3
(iv) Incentives from Unemployment Benefits						5.5	6.0	6.0
(v) Military Conscription	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
C. Regulation of Business						5.2	6.7	5.4
(i) Price Controls					0.0	6.0	7.0	7.0
(ii) Administrative Obstacles for New Businesses							7.7	2.8
(iii) Time Spent with Government Bureaucracy						5.6	7.4	6.3
(iv) Ease of Starting a New Business						6.0	5.7	4.6
(v) Irregular Payments to Government Officials						3.3	5.7	6.2

## Bulgaria

Summary Ratings (Rank) ▶	1970	1975	1980	1985	1990	1995	2000	2001
				5.6 (46)	4.3 (97)	4.5 (105)	5.3 (101)	5.3 (103)
<b>1. Size of Government</b>			4.5	4.5	2.5	4.0	4.0	4.6
A. Government Consumption			9.0 (9.3)	8.1 (12.4)	4.9 (23.3)	6.5 (17.8)	5.2 (22.2)	5.8 (20.2)
B. Transfers & Subsidies				5.4 (17.5)	2.7 (27.2)	6.6 (13.0)	5.8 (15.9)	5.5 (16.8)
C. Government Enterprises & Investment	0.0	0.0	0.0	0.0	0.0 (96.4)	0.0 (55.6)	2.0 (44.8)	2.0 (49.8)
D. Top Marginal Tax Rate						3.0	3.0	5.0
(i) Top Marginal Income Tax Rate						3.0 (50)	5.0 (38)	8.0 (29)
(ii) Top Marginal Income & Payroll Tax Rate							1.0 (56)	2.0 (53)
<b>2. Legal Structure &amp; Security of Property Rights</b>				7.2	7.2	5.9	5.4	4.8
A. Judicial Independence							4.2	3.2
B. Impartial Courts						5.3	4.5	2.9
C. Protection of Intellectual Property							3.4	3.1
D. Military Interference						7.5	8.3	8.3
E. Integrity of Legal System						7.0	6.7	6.7
<b>3. Access to Sound Money</b>				6.5	4.4	1.3	4.8	4.5
A. Growth of Money Supply					7.4 (13.1)	0.0 (67.0)	1.2 (-44.2)	0.0 (14.8)
B. Inflation Variability				9.4 (1.4)	5.6 (10.9)	0.0 (66.4)	0.0 (172.1)	0.0 (410.3)
C. Recent Annual Inflation				10.0 (0.2)	4.8 (26.2)	0.0 (62.9)	7.9 (10.4)	7.9 (7.4)
D. Freedom to Own Foreign Currency	0.0	0.0	0.0	0.0	0.0	5.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>				4.2	4.3	7.0	7.0	7.2
A. Taxes on International Trade				6.4	8.4	6.4	7.8	8.0
(i) Taxes as Percentage of Exports & Imports				6.4 (5.4)	9.1 (1.3)	7.9 (3.2)	9.5 (0.7)	9.6 (0.6)
(ii) Mean Tariff Rate					7.7 (11.4)	6.6 (17.2)	7.3 (13.7)	7.5 (12.4)
(iii) Variability of Tariff Rates						4.7 (13.3)	6.8 (8.1)	6.8 (8.1)
B. Regulatory Trade Barriers							6.4	6.4
(i) Hidden Import Barriers							4.4	4.4
(ii) Costs of Importing							8.5	8.4
C. Size of Trade Sector			4.7	6.5	5.0	6.6	5.9	7.1
D. Official versus Black Market Exchange Rate	0.0	0.0	0.0	0.0	0.0	9.0	10.0	10.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	5.0	5.0	4.7
(i) Access to Foreign Capital							7.0	7.0
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	5.0	3.1	2.3
<b>5. Regulation of Credit, Labor &amp; Business</b>					3.0	4.3	5.4	5.4
A. Regulation of Credit Markets	0.0	0.0	0.0	0.0	1.7	4.3	5.9	6.9
(i) Private Ownership of Banks	0.0	0.0	0.0	0.0	0.0	2.0	8.0	8.0
(ii) Competition from Foreign Banks							5.2	5.2
(iii) Extension of Credit to Private Sector					1.0	3.0	7.1	7.3
(iv) Avoidance of Negative Real Interest Rates					4.0	8.0	4.0	9.0
(v) Controls on Interest Rates							5.3	5.3
B. Regulation of Labor Markets							4.9	4.9
(i) Impact of Minimum Wage							2.6	2.6
(ii) Flexibility in Hiring & Firing							4.3	4.6
(iii) Collective Bargaining							7.9	7.6
(iv) Incentives from Unemployment Benefits							6.8	6.8
(v) Military Conscription	0.0	0.0	0.0	0.0	0.0	1.0	3.0	3.0
C. Regulation of Business							5.4	4.5
(i) Price Controls					0.0	4.0	6.0	6.0
(ii) Administrative Obstacles for New Businesses							6.1	2.8
(iii) Time Spent with Government Bureaucracy							6.0	4.0
(iv) Ease of Starting a New Business							2.5	2.2
(v) Irregular Payments to Government Officials							6.6	7.4



# Burundi

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>		4.3 (59)	4.2 (87)	4.6 (84)	4.7 (89)	4.6 (100)	5.1 (108)	5.1 (110)
<b>1. Size of Government</b>	4.4	4.2	4.5	4.7	4.4	5.8	6.5	6.1
A. Government Consumption	8.8 (10.1)	8.5 (11.2)	9.1 (9.2)	9.4 (8.2)	8.7 (10.3)	8.1 (12.5)	8.0 (12.9)	6.9 (16.6)
B. Transfers & Subsidies						9.3 (3.2)	9.4 (2.6)	9.4 (2.6)
C. Government Enterprises & Investment	0.0 (72.5)	0.0 (55.3)	0.0 (67.7)	0.0 (82.4)	0.0 (82.5)	0.0	2.0	2.0
D. Top Marginal Tax Rate								
(i) Top Marginal Income Tax Rate								
(ii) Top Marginal Income & Payroll Tax Rate								
<b>2. Legal Structure &amp; Security of Property Rights</b>			4.7	4.2	4.4	4.5	3.3	3.3
A. Judicial Independence								
B. Impartial Courts						4.0	3.7	3.7
C. Protection of Intellectual Property								
D. Military Interference							2.2	2.2
E. Integrity of Legal System						5.2		
<b>3. Access to Sound Money</b>	8.9	5.4	4.9	6.1	6.5	5.7	6.0	6.1
A. Growth of Money Supply	9.2 (4.1)	8.8 (6.1)	5.3 (23.3)	8.5 (7.3)	9.9 (0.8)	7.6 (12.0)	7.5 (12.7)	7.7 (12.2)
B. Inflation Variability	8.4 (3.9)	7.2 (7.1)	7.6 (6.0)	7.1 (7.4)	7.2 (6.9)	8.1 (4.9)	6.6 (8.6)	6.6 (8.5)
C. Recent Annual Inflation	9.0 (5.2)	5.8 (21.1)	6.7 (16.4)	9.0 (5.1)	8.8 (6.0)	7.0 (15.2)	5.1 (24.3)	5.1 (9.2)
D. Freedom to Own Foreign Currency		0.0	0.0	0.0	0.0	0.0	5.0	5.0
<b>4. Freedom to Exchange with Foreigners</b>		2.2	1.9	2.9	3.7	2.3	4.5	4.3
A. Taxes on International Trade		1.9	0.0	1.2	1.3	2.1	1.9	1.1
(i) Taxes as Percentage of Exports & Imports		1.9 (12.2)	0.0 (18.1)	0.0 (17.0)	0.0 (22.9)	1.6 (12.6)	1.1 (13.3)	1.1 (13.3)
(ii) Mean Tariff Rate				2.4 (37.9)	2.6 (37.0)	2.6 (36.9)	2.6 (36.9)	
(iii) Variability of Tariff Rates								
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
D. Official versus Black Market Exchange Rate	5.4	0.8	1.0	5.0	8.8	1.2	10.0	10.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	0.0	2.3	2.3
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	0.0	2.3	2.3
<b>5. Regulation of Credit, Labor &amp; Business</b>		5.2	4.8	5.2	4.5	4.9	5.5	5.5
A. Regulation of Credit Markets	3.2	3.1	2.9	4.0	3.3	3.9	5.2	5.4
(i) Private Ownership of Banks	2.0	2.0	2.0	2.0	0.0	0.0	0.0	0.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector	4.3	4.3	4.8	3.9	5.8	7.8	9.7	9.3
(iv) Avoidance of Negative Real Interest Rates			2.0	6.0	4.0	4.0	6.0	7.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription		10.0	10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business								
(i) Price Controls					0.0	2.0	4.0	4.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								



# Canada

	1970	1975	1980	1985	1990	1995	2000	2001
Summary Ratings (Rank) ▶	7.5 (5)	6.7 (9)	7.1 (7)	7.2 (6)	7.5 (5)	7.8 (8)	8.1 (7)	8.1 (6)
<b>1. Size of Government</b>	4.9	5.2	4.9	4.7	5.3	5.3	6.0	6.5
A. Government Consumption	3.8 (27.2)	3.3 (28.9)	3.3 (28.8)	3.3 (28.8)	3.3 (28.6)	3.7 (27.5)	4.5 (24.6)	4.5 (24.8)
B. Transfers & Subsidies	7.8 (8.6)	7.7 (9.1)	6.2 (14.5)	5.7 (16.3)	5.9 (15.6)	5.5 (16.9)	6.3 (13.9)	6.4 (13.6)
C. Government Enterprises & Investment	8.0 (18.5)	8.0 (15.8)	8.0 (12.6)	8.0 (14.8)	8.0 (13.7)	8.0 (14.8)	10.0 (10.6)	10.0 (10.6)
D. Top Marginal Tax Rate	0.0	2.0	2.0	2.0	4.0	4.0	3.0	5.0
(i) Top Marginal Income Tax Rate	0.0 (82-91)	2.0 (59-67)	2.0 (60-68)	2.0 (50-63)	4.0 (44-54)	4.0 (44-54)	3.0 (44-51)	5.0 (39-49)
(ii) Top Marginal Income & Payroll Tax Rate					4.0 (44-54)	4.0 (44-54)	3.0 (44-51)	5.0 (39-49)
<b>2. Legal Structure &amp; Security of Property Rights</b>	8.3	5.8	7.2	7.9	8.3	8.9	9.3	9.0
A. Judicial Independence						9.5	9.2	8.8
B. Impartial Courts						8.9	9.2	8.0
C. Protection of Intellectual Property						7.3	8.0	8.0
D. Military Interference						9.0	10.0	10.0
E. Integrity of Legal System						10.0	10.0	10.0
<b>3. Access to Sound Money</b>	9.3	8.8	9.2	9.0	9.6	9.5	9.3	9.5
A. Growth of Money Supply	8.4 (7.8)	8.7 (6.5)	9.7 (1.7)	7.6 (11.9)	9.2 (3.9)	9.0 (5.1)	8.4 (7.8)	9.0 (5.5)
B. Inflation Variability	9.8 (0.5)	8.5 (3.9)	9.3 (1.7)	8.7 (3.2)	9.6 (0.9)	9.7 (0.7)	9.4 (1.6)	9.4 (1.5)
C. Recent Annual Inflation	9.0 (4.8)	8.0 (10.2)	7.8 (11.0)	9.5 (2.4)	9.4 (3.1)	9.5 (2.7)	9.5 (2.7)	9.5 (2.5)
D. Freedom to Own Foreign Currency	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>	8.5	7.5	7.7	7.8	7.6	7.4	8.3	8.1
A. Taxes on International Trade	8.4	7.5	8.1	8.4	7.9	5.9	8.8	8.8
(i) Taxes as Percentage of Exports & Imports	8.4 (2.4)	7.5 (3.7)	8.4 (2.4)	8.9 (1.7)	9.2 (1.2)	9.5 (0.7)	9.8 (0.3)	9.8 (0.3)
(ii) Mean Tariff Rate		7.4 (13.0)	7.8 (11.2)	7.9 (10.5)	8.1 (9.4)	8.0 (10.1)	9.2 (3.9)	9.2 (3.9)
(iii) Variability of Tariff Rates					6.5 (8.8)	0.3 (24.2)	7.3 (6.7)	7.3 (6.7)
B. Regulatory Trade Barriers						7.2	8.5	8.2
(i) Hidden Import Barriers						7.2	7.5	7.4
(ii) Costs of Importing							9.5	9.0
C. Size of Trade Sector	7.7	3.9	4.2	4.5	3.9	5.3	5.8	5.0
D. Official versus Black Market Exchange Rate	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
E. Restrictions on Capital Markets	8.0	8.0	8.0	8.0	8.0	8.4	8.6	8.6
(i) Access to Foreign Capital						8.8	8.8	8.8
(ii) Restrictions on Foreign Capital Transactions	8.0	8.0	8.0	8.0	8.0	8.0	8.5	8.5
<b>5. Regulation of Credit, Labor &amp; Business</b>	6.6	6.3	6.8	6.7	6.7	7.7	7.6	7.3
A. Regulation of Credit Markets	9.1	8.1	9.7	9.7	9.7	8.3	8.4	8.4
(i) Private Ownership of Banks	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
(ii) Competition from Foreign Banks						5.5	5.1	5.1
(iii) Extension of Credit to Private Sector	7.2	8.4	9.2	9.2	9.2	8.3	8.8	8.7
(iv) Avoidance of Negative Real Interest Rates	10.0	6.0	10.0	10.0	10.0	10.0	10.0	10.0
(v) Controls on Interest Rates						7.8	8.2	8.2
B. Regulation of Labor Markets	7.4	7.2	7.3	7.2	7.1	7.1	6.4	6.5
(i) Impact of Minimum Wage						6.1	4.3	4.3
(ii) Flexibility in Hiring & Firing					6.5	6.5	5.1	5.6
(iii) Collective Bargaining	7.2	7.2	7.2	7.2	7.2	7.2	7.8	7.9
(iv) Incentives from Unemployment Benefits	5.1	4.4	4.8	4.5	4.5	5.8	4.8	4.8
(v) Military Conscription	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business						7.7	8.0	6.9
(i) Price Controls					9.0	7.0	9.0	8.0
(ii) Administrative Obstacles for New Businesses							7.2	4.2
(iii) Time Spent with Government Bureaucracy						7.1	7.2	6.0
(iv) Ease of Starting a New Business						7.8	7.6	7.5
(v) Irregular Payments to Government Officials						8.8	9.1	8.6



# Chad

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>				4.5 (88)	5.4 (57)	5.3 (82)	5.3 (101)	5.6 (91)
<b>1. Size of Government</b>	2.4	2.7	2.1	4.3	6.2	6.3	6.5	6.7
A. Government Consumption	4.8 (23.7)	5.4 (21.6)	4.1 (26.0)	8.6 (10.8)	8.7 (10.5)	9.1 (9.1)	8.9 (9.7)	9.4 (7.9)
B. Transfers & Subsidies					9.9 (0.9)	9.9 (0.8)		
C. Government Enterprises & Investment	0.0	0.0	0.0	0.0 (95.7)	0.0 (94.0)	0.0 (54.5)	4.0 (37.5)	4.0 (37.5)
D. Top Marginal Tax Rate								
(i) Top Marginal Income Tax Rate								
(ii) Top Marginal Income & Payroll Tax Rate								
<b>2. Legal Structure &amp; Security of Property Rights</b>			4.7	4.2	4.4	4.4	4.2	4.2
A. Judicial Independence								
B. Impartial Courts						4.1	4.0	4.0
C. Protection of Intellectual Property								
D. Military Interference						4.4	4.7	4.7
E. Integrity of Legal System						5.2	4.0	4.0
<b>3. Access to Sound Money</b>	6.9	6.3	6.3	5.3	5.8	5.2	6.3	6.6
A. Growth of Money Supply	9.1 (4.5)	7.7 (11.5)	7.3 (13.5)	5.8 (20.9)	9.3 (-3.7)	9.7 (1.6)	8.7 (6.7)	9.7 (2.5)
B. Inflation Variability	9.4 (1.5)	9.2 (1.9)	9.8 (0.6)	6.0 (10.0)	6.2 (9.5)	2.8 (17.9)	7.1 (7.2)	7.7 (5.8)
C. Recent Annual Inflation	9.2 (3.9)	8.4 (8.2)	8.3 (8.7)	9.3 (3.8)	7.7 (11.4)	8.2 (8.9)	9.2 (3.8)	9.2 (12.4)
D. Freedom to Own Foreign Currency	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>4. Freedom to Exchange with Foreigners</b>		5.5			6.1	6.6	5.8	5.8
A. Taxes on International Trade		3.9			7.4	8.5	6.2	6.2
(i) Taxes as Percentage of Exports & Imports		3.9 (9.2)			7.4 (3.9)	8.5 (2.2)		
(ii) Mean Tariff Rate							6.8 (15.8)	6.8 (15.8)
(iii) Variability of Tariff Rates							5.6 (10.9)	5.6 (10.9)
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector	6.7	6.0	6.1	6.2	5.9	6.7	4.5	4.6
D. Official versus Black Market Exchange Rate	9.6	9.6	9.6	9.8	9.2	9.8	10.0	10.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>5. Regulation of Credit, Labor &amp; Business</b>				4.2	4.3	3.9	3.9	4.6
A. Regulation of Credit Markets		2.0	2.0	5.0	4.8	3.5	3.3	5.7
(i) Private Ownership of Banks		2.0	2.0	2.0	0.0	0.0	0.0	2.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector					6.3	6.4	6.0	6.0
(iv) Avoidance of Negative Real Interest Rates				8.0	8.0	4.0	4.0	9.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription		10.0	10.0	0.0	0.0	0.0	0.0	0.0
C. Regulation of Business								
(i) Price Controls					4.0	4.0	4.0	4.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								

## Chile

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001			
	3.7 (54)		3.6 (71)		5.2 (59)		5.8 (40)		6.6 (26)		7.3 (17)		7.5 (17)		7.3 (20)			
<b>1. Size of Government</b>	5.0		4.0		5.0		5.7		6.5		7.3		7.1		6.1			
A. Government Consumption	7.2	(15.5)	6.6	(17.7)	7.4	(15.0)	6.9	(16.7)	7.8	(13.6)	7.8	(13.6)	7.0	(16.1)	6.9	(16.5)		
B. Transfers & Subsidies	5.9	(15.4)	7.3	(10.5)	6.6	(12.9)	6.0	(15.3)	7.3	(10.5)	7.4	(10.0)	6.5	(13.4)	6.5	(13.3)		
C. Government Enterprises & Investment	2.0	(42.1)	0.0	(77.0)	4.0	(32.2)	8.0	(16.1)	7.0	(20.5)	8.0	(16.6)	10.0	(12.3)	6.0	(28.2)		
D. Top Marginal Tax Rate			2.0		2.0		2.0		4.0		6.0		5.0		5.0			
(i) Top Marginal Income Tax Rate			2.0		(60)		2.0		(58)		2.0		(56)		4.0		(50)	
(ii) Top Marginal Income & Payroll Tax Rate											4.0		(50)		6.0		(45)	
<b>2. Legal Structure &amp; Security of Property Rights</b>	1.1		3.9		6.4		5.0		6.2		6.8		6.5		6.2			
A. Judicial Independence											6.6		5.8		5.4			
B. Impartial Courts											7.1		6.5		5.4			
C. Protection of Intellectual Property											5.6		5.3		5.0			
D. Military Interference											7.5		6.7		6.7			
E. Integrity of Legal System											7.0		8.3		8.3			
<b>3. Access to Sound Money</b>	5.1		0.0		2.3		7.0		7.2		8.0		9.3		9.6			
A. Growth of Money Supply	1.0	(44.9)	0.0	(210.7)	0.0	(99.5)	7.9	(10.7)	4.8	(25.9)	5.4	(22.9)	9.1	(4.5)	9.6	(0.1)		
B. Inflation Variability	7.5	(6.2)	0.0	(233.7)	0.0	(80.6)	6.2	(9.6)	8.3	(4.2)	8.4	(4.0)	9.0	(2.4)	9.5	(1.1)		
C. Recent Annual Inflation	1.9	(40.7)	0.0	(334.7)	4.2	(28.8)	3.9	(30.7)	5.8	(21.2)	8.1	(9.3)	9.2	(3.8)	9.2	(3.6)		
D. Freedom to Own Foreign Currency	10.0		0.0		5.0		10.0		10.0		10.0		10.0		10.0			
<b>4. Freedom to Exchange with Foreigners</b>	3.6		5.8		6.6		5.8		7.2		7.5		7.5		8.3			
A. Taxes on International Trade	4.6		3.1		8.7		6.7		8.2		8.5		8.9		9.1			
(i) Taxes as Percentage of Exports & Imports	9.2	(1.2)	6.3	(5.6)	8.1	(2.8)	6.2	(5.7)	7.5	(3.7)	7.7	(3.5)	8.5	(2.3)	8.8	(1.8)		
(ii) Mean Tariff Rate	0.0	(105.0)	0.0	(55.0)	8.0	(10.0)	4.0	(30.0)	7.0	(15.0)	7.8	(11.0)	8.2	(9.0)	8.4	(8.0)		
(iii) Variability of Tariff Rates					10.0		(0.0)		10.0		(0.0)		10.0		(0.0)			
B. Regulatory Trade Barriers											7.1		8.4		8.8			
(i) Hidden Import Barriers											7.1		8.3		8.7			
(ii) Costs of Importing													8.5		8.9			
C. Size of Trade Sector	2.8		6.6		5.5		6.4		7.5		5.7		5.8		6.7			
D. Official versus Black Market Exchange Rate	0.2		9.0		8.8		5.6		10.0		9.6		10.0		10.0			
E. Restrictions on Capital Markets	2.0		2.0		2.0		2.0		2.0		6.5		4.3		7.0			
(i) Access to Foreign Capital											8.0		8.6		8.6			
(ii) Restrictions on Foreign Capital Transactions	2.0		2.0		2.0		2.0		2.0		5.0		0.0		5.4			
<b>5. Regulation of Credit, Labor &amp; Business</b>			4.6		5.7		5.7		5.8		7.1		7.0		6.4			
A. Regulation of Credit Markets			4.8		7.5		8.2		8.4		8.6		8.3		8.3			
(i) Private Ownership of Banks			2.0		5.0		8.0		8.0		8.0		8.0		8.0			
(ii) Competition from Foreign Banks											8.2		6.0		6.0			
(iii) Extension of Credit to Private Sector			7.5		9.6		8.6		9.3		9.9		9.8		9.8			
(iv) Avoidance of Negative Real Interest Rates					8.0		8.0		8.0		10.0		10.0		10.0			
(v) Controls on Interest Rates											7.0		7.8		7.8			
B. Regulation of Labor Markets									4.9		5.3		4.9		4.2			
(i) Impact of Minimum Wage											5.7		3.4		3.4			
(ii) Flexibility in Hiring & Firing									6.9		6.9		5.6		3.2			
(iii) Collective Bargaining							7.9		7.9		7.9		8.9		8.0			
(iv) Incentives from Unemployment Benefits											5.9		6.5		6.5			
(v) Military Conscription	3.0		3.0		3.0		0.0		0.0		0.0		0.0		0.0			
C. Regulation of Business											7.3		7.8		6.6			
(i) Price Controls											10.0		9.0		10.0			
(ii) Administrative Obstacles for New Businesses													7.9		3.7			
(iii) Time Spent with Government Bureaucracy											6.2		7.9		6.3			
(iv) Ease of Starting a New Business											6.5		5.7		4.9			
(v) Irregular Payments to Government Officials											6.6		8.5		8.1			

# China

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>			3.9 (94)	5.1 (68)	4.8 (84)	5.1 (90)	5.4 (98)	5.5 (100)
<b>1. Size of Government</b>	4.3	4.3	2.6	3.9	3.6	4.0	3.8	3.8
A. Government Consumption	8.6 (10.7)	8.6 (10.9)	5.3 (22.1)	5.7 (20.5)	5.9 (19.8)	6.1 (19.4)	5.5 (21.2)	5.3 (22.1)
B. Transfers & Subsidies								
C. Government Enterprises & Investment	0.0	0.0	0.0 (81.9)	0.0 (66.1)	0.0 (66.2)	0.0 (54.4)	0.0 (54.1)	0.0 (53.4)
D. Top Marginal Tax Rate				6.0	5.0	6.0	6.0	6.0
(i) Top Marginal Income Tax Rate				6.0 (45)	5.0 (45)	6.0 (45)	6.0 (45)	6.0 (45)
(ii) Top Marginal Income & Payroll Tax Rate								
<b>2. Legal Structure &amp; Security of Property Rights</b>				6.8	5.8	5.5	4.9	5.1
A. Judicial Independence						3.8	3.3	5.6
B. Impartial Courts						4.9	4.2	5.7
C. Protection of Intellectual Property						4.2	3.2	4.4
D. Military Interference						7.6	7.3	3.3
E. Integrity of Legal System						7.0	6.7	6.7
<b>3. Access to Sound Money</b>	5.8	6.6	6.2	6.0	6.5	5.4	6.5	6.9
A. Growth of Money Supply			6.0 (20.0)	7.3 (13.3)	8.1 (9.3)	6.1 (19.7)	8.6 (7.2)	8.9 (3.3)
B. Inflation Variability	8.4 (4.0)	9.7 (0.8)	9.5 (1.3)	8.6 (3.4)	8.9 (2.8)	8.1 (4.8)	7.6 (6.1)	8.7 (3.4)
C. Recent Annual Inflation	9.1 (-4.7)	10.0 (-0.1)	9.2 (3.8)	8.0 (10.1)	8.9 (5.7)	7.4 (13.2)	9.9 (0.3)	9.9 (0.3)
D. Freedom to Own Foreign Currency	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>4. Freedom to Exchange with Foreigners</b>			3.9	5.6	4.8	6.4	6.7	7.0
A. Taxes on International Trade			3.2	2.7	3.2	3.9	7.2	7.2
(i) Taxes as Percentage of Exports & Imports			6.2 (5.7)	3.3 (10.0)	7.5 (3.7)	9.2 (1.2)	9.0 (1.5)	9.0 (1.5)
(ii) Mean Tariff Rate			0.1 (49.5)	2.1 (39.5)	1.9 (40.3)	2.5 (37.5)	6.7 (16.3)	6.7 (16.3)
(iii) Variability of Tariff Rates					0.0 (32.1)	0.0 (28.0)	5.7 (10.7)	5.7 (10.7)
B. Regulatory Trade Barriers						4.6	6.0	7.5
(i) Hidden Import Barriers						4.6	4.4	6.5
(ii) Costs of Importing							7.7	8.4
C. Size of Trade Sector	0.0	2.0	2.9	7.0	7.4	10.0	9.8	10.0
D. Official versus Black Market Exchange Rate	2.0	5.2	5.0	7.8	0.0	8.6	7.8	7.8
E. Restrictions on Capital Markets	0.0	0.0	0.0	2.0	5.0	4.9	2.7	2.7
(i) Access to Foreign Capital						4.8	4.7	4.7
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	2.0	5.0	5.0	0.8	0.8
<b>5. Regulation of Credit, Labor &amp; Business</b>	3.2	3.2	3.0	3.0	3.3	4.3	5.0	4.7
A. Regulation of Credit Markets	0.0	0.0	0.0	0.0	0.0	4.0	4.7	4.7
(i) Private Ownership of Banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(ii) Competition from Foreign Banks						4.6	2.3	2.3
(iii) Extension of Credit to Private Sector						9.8	9.4	9.2
(iv) Avoidance of Negative Real Interest Rates			0.0	0.0	0.0	4.0	10.0	10.0
(v) Controls on Interest Rates						1.7	1.8	1.8
B. Regulation of Labor Markets					3.2	4.5	4.7	4.6
(i) Impact of Minimum Wage						5.8	4.4	4.4
(ii) Flexibility in Hiring & Firing					4.3	4.3	5.1	5.1
(iii) Collective Bargaining	4.5	4.5	4.5	4.5	5.2	6.2	7.7	7.1
(iv) Incentives from Unemployment Benefits						6.4	6.2	6.2
(v) Military Conscription	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
C. Regulation of Business						4.4	5.6	4.8
(i) Price Controls						4.0	3.0	3.0
(ii) Administrative Obstacles for New Businesses							7.6	3.9
(iii) Time Spent with Government Bureaucracy						4.8	5.4	5.0
(iv) Ease of Starting a New Business						6.1	6.5	5.4
(v) Irregular Payments to Government Officials						2.9	5.5	6.7

## Colombia

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	5.0 (41)		4.9 (51)		4.7 (74)		5.1 (68)		5.0 (74)		5.3 (82)		5.5 (92)		5.4 (101)	
<b>1. Size of Government</b>	6.2		7.0		5.4		5.9		6.7		6.8		5.1		4.6	
A. Government Consumption	8.4	(11.3)	8.5	(11.0)	8.1	(12.6)	7.8	(13.4)	7.8	(13.6)	6.3	(18.5)	4.4	(25.2)	4.4	(25.2)
B. Transfers & Subsidies			9.3	(3.0)	9.3	(2.9)	8.9	(4.4)	9.1	(3.7)	9.0	(4.1)	8.7	(5.2)	8.7	(5.2)
C. Government Enterprises & Investment	4.0	(31.7)	4.0	(32.8)	2.0	(41.5)	2.0	(53.9)	2.0	(43.9)	4.0	(34.1)	2.0	(40.2)	0.0	(51.9)
D. Top Marginal Tax Rate			6.0		2.0		5.0		8.0		8.0		5.5		5.5	
(i) Top Marginal Income Tax Rate			6.0	(41)	2.0	(56)	5.0	(49)	8.0	(30)	8.0	(30)	7.0	(35)	7.0	(35)
(ii) Top Marginal Income & Payroll Tax Rate									8.0	(30)	8.0	(30)	4.0	(43)	4.0	(43)
<b>2. Legal Structure &amp; Security of Property Rights</b>	2.8		3.3		4.0		3.4		3.4		2.8		3.5		3.4	
A. Judicial Independence																
B. Impartial Courts																
C. Protection of Intellectual Property																
D. Military Interference																
E. Integrity of Legal System																
<b>3. Access to Sound Money</b>	6.1		5.0		4.5		6.5		4.5		5.0		7.1		7.5	
A. Growth of Money Supply	7.4	(13.1)	6.9	(15.6)	5.3	(23.7)	6.6	(17.0)	4.4	(27.8)	4.8	(26.1)	7.4	(13.1)	8.3	(7.3)
B. Inflation Variability	9.0	(2.6)	7.7	(5.6)	8.3	(4.2)	9.3	(1.7)	9.1	(2.3)	9.2	(2.1)	7.9	(5.2)	8.5	(3.8)
C. Recent Annual Inflation	8.0	(9.9)	5.4	(22.9)	4.5	(27.6)	5.0	(24.9)	4.3	(28.6)	6.0	(19.8)	8.2	(9.2)	8.2	(8.7)
D. Freedom to Own Foreign Currency	0.0		0.0		0.0		5.0		0.0		0.0		5.0		5.0	
<b>4. Freedom to Exchange with Foreigners</b>	5.0		4.3		4.6		4.7		5.0		6.3		6.3		6.4	
A. Taxes on International Trade	4.6		5.1		4.1		4.1		5.5		7.8		7.9		7.8	
(i) Taxes as Percentage of Exports & Imports	4.6	(8.1)	5.1	(7.4)	4.8	(7.8)	5.0	(7.5)	6.0	(6.0)	8.0	(2.9)	8.4	(2.4)	8.4	(2.5)
(ii) Mean Tariff Rate					3.3	(33.5)	3.3	(33.6)	3.9	(30.4)	7.3	(13.3)	7.7	(11.7)	7.4	(12.8)
(iii) Variability of Tariff Rates									6.7	(8.3)	8.0	(4.9)	7.5	(6.2)	7.5	(6.2)
B. Regulatory Trade Barriers																
(i) Hidden Import Barriers																
(ii) Costs of Importing																
C. Size of Trade Sector	4.1		4.1		3.8		3.0		4.6		4.2		3.7		4.4	
D. Official versus Black Market Exchange Rate	7.8		4.2		6.8		8.2		6.6		8.6		10.0		10.0	
E. Restrictions on Capital Markets	0.0		0.0		0.0		0.0		0.0		6.0		3.9		3.9	
(i) Access to Foreign Capital											7.0		7.9		7.9	
(ii) Restrictions on Foreign Capital Transactions	0.0		0.0		0.0		0.0		0.0		5.0		0.0		0.0	
<b>5. Regulation of Credit, Labor &amp; Business</b>					5.2		5.2		5.5		5.5		5.5		5.2	
A. Regulation of Credit Markets			8.0		8.0		8.0		8.2		7.6		6.9		7.0	
(i) Private Ownership of Banks			8.0		8.0		8.0		8.0		8.0		8.0		8.0	
(ii) Competition from Foreign Banks													7.7		5.6	
(iii) Extension of Credit to Private Sector									8.6		8.1		8.1		7.6	
(iv) Avoidance of Negative Real Interest Rates					8.0		8.0		8.0		8.0		8.0		9.0	
(v) Controls on Interest Rates											6.0		5.0		5.0	
B. Regulation of Labor Markets											4.8		3.9		3.7	
(i) Impact of Minimum Wage											6.8		2.8		2.8	
(ii) Flexibility in Hiring & Firing									5.5		5.5		4.2		2.9	
(iii) Collective Bargaining													5.9		6.3	
(iv) Incentives from Unemployment Benefits													5.7		5.5	
(v) Military Conscription	3.0		0.0		0.0		0.0		0.0		1.0		1.0		1.0	
C. Regulation of Business											4.1		5.8		4.7	
(i) Price Controls											5.0		6.0		6.0	
(ii) Administrative Obstacles for New Businesses													6.4		2.1	
(iii) Time Spent with Government Bureaucracy													6.2		6.0	
(iv) Ease of Starting a New Business											2.6		3.8		3.4	
(v) Irregular Payments to Government Officials											2.4		5.9		6.2	



# Congo, Democratic Republic of

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>	4.9 (43)	4.7 (53)	3.4 (103)	3.8 (102)	3.6 (106)	3.9 (117)	3.7 (122)	3.9 (122)
<b>1. Size of Government</b>	3.6	4.9	5.0	3.4	5.2	5.6	4.3	5.1
A. Government Consumption	7.2 (15.5)	7.8 (13.4)	9.0 (9.3)	9.1 (9.0)	8.0 (12.7)	10.0 (5.7)	9.0 (9.3)	10.0 (4.3)
B. Transfers & Subsidies		9.9 (1.0)	10.0 (0.6)		9.9 (0.8)	10.0 (0.5)	7.6	10.0 (0.0)
C. Government Enterprises & Investment	0.0 (56.8)	0.0 (58.8)	0.0 (60.2)	0.0 (45.5)	2.0 (31.1)	2.0	0.0	0.0
D. Top Marginal Tax Rate		2.0	1.0	1.0	1.0	0.5	0.5	0.5
(i) Top Marginal Income Tax Rate		2.0 (60)	1.0 (60)	1.0 (60)	1.0 (60)	1.0 (60)	1.0 (60)	1.0 (60)
(ii) Top Marginal Income & Payroll Tax Rate					1.0 (60)	0.0 (63)	0.0 (63)	0.0 (63)
<b>2. Legal Structure &amp; Security of Property Rights</b>			2.4	2.5	2.4	2.2	2.4	2.4
A. Judicial Independence								
B. Impartial Courts						3.0	3.6	3.6
C. Protection of Intellectual Property								
D. Military Interference						1.5	0.0	0.0
E. Integrity of Legal System						0.0	1.7	1.7
<b>3. Access to Sound Money</b>	6.3	5.7	0.4	1.2	0.0	0.0	2.5	4.3
A. Growth of Money Supply	5.7 (21.7)	6.7 (16.6)	1.6 (42.2)	0.0 (52.5)	0.0 (99.5)	0.0 (2294.3)	0.0 (2290.0)	0.0 (2290.0)
B. Inflation Variability	0.0 (26.2)	8.4 (3.9)	0.0 (25.5)	0.0 (25.3)	0.0 (30.2)	0.0 (9932.5)	0.0 (202.5)	0.0 (202.5)
C. Recent Annual Inflation	9.3 (-3.3)	7.5 (12.5)	0.0 (51.4)	4.8 (25.8)	0.0 (109.0)	0.0 (466.4)	0.0 (176.0)	7.0 (15.0)
D. Freedom to Own Foreign Currency	10.0	0.0	0.0	0.0	0.0	0.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>	4.3	2.8	3.8	6.4	5.9	7.0	5.2	3.2
A. Taxes on International Trade	0.0	0.0	4.2	5.0	4.9	7.8	7.9	3.3
(i) Taxes as Percentage of Exports & Imports	0.0 (19.7)	0.0 (19.0)	3.1 (10.3)	4.4 (8.4)	3.9 (9.1)	7.8 (3.3)	7.9 (3.2)	3.3 (10.1)
(ii) Mean Tariff Rate			5.3 (23.6)	5.5 (22.4)	5.9 (20.7)			
(iii) Variability of Tariff Rates								
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector	5.2	3.5	4.5	8.1	8.6	7.9	6.1	0.0
D. Official versus Black Market Exchange Rate	6.2	0.0	0.0	8.8	6.0	9.2	1.4	1.4
E. Restrictions on Capital Markets	2.0	2.0	2.0	2.0	2.0	2.0	2.3	3.1
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	2.0	2.0	2.0	2.0	2.0	2.0	2.3	3.1
<b>5. Regulation of Credit, Labor &amp; Business</b>	5.3	5.5	5.6	5.7	4.6	4.6	4.0	4.6
A. Regulation of Credit Markets	3.4	3.9	4.3	4.7	2.9	3.1	0.0	2.5
(i) Private Ownership of Banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector	6.9	7.8	8.7	9.5	8.6	9.3		
(iv) Avoidance of Negative Real Interest Rates					0.0	0.0	0.0	5.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business								
(i) Price Controls					2.0	2.0	2.0	2.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								



# Costa Rica

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>		6.7 (9)	5.8 (30)	5.4 (56)	6.8 (17)	6.8 (35)	7.3 (21)	7.1 (26)
<b>1. Size of Government</b>	7.8	6.7	5.7	5.2	7.0	6.3	7.1	7.3
A. Government Consumption	7.5 (14.6)	6.6 (17.5)	5.4 (21.8)	5.7 (20.8)	5.0 (22.9)	5.0 (22.9)	6.9 (16.4)	6.7 (17.2)
B. Transfers & Subsidies	9.8 (1.2)	9.0 (4.1)	8.5 (6.0)	8.2 (7.2)	8.8 (5.0)	8.2 (7.0)	8.4 (6.2)	8.4 (6.2)
C. Government Enterprises & Investment	6.0 (28.2)	6.0 (29.7)	4.0 (36.2)	4.0 (34.1)	6.0 (21.0)	4.0 (27.1)	6.0 (23.2)	7.0 (23.2)
D. Top Marginal Tax Rate		5.0	5.0	3.0	8.0	8.0	7.0	7.0
(i) Top Marginal Income Tax Rate		5.0 (50)	5.0 (50)	3.0 (50)	9.0 (25)	9.0 (25)	9.0 (25)	9.0 (25)
(ii) Top Marginal Income & Payroll Tax Rate					7.0 (33)	7.0 (33)	5.0 (39)	5.0 (39)
<b>2. Legal Structure &amp; Security of Property Rights</b>			5.2	5.3	5.5	5.8	6.9	6.5
A. Judicial Independence							6.3	5.9
B. Impartial Courts						6.5	6.8	5.5
C. Protection of Intellectual Property							4.5	4.5
D. Military Interference						8.7	10.0	10.0
E. Integrity of Legal System						4.1	6.7	6.7
<b>3. Access to Sound Money</b>	9.2	7.1	7.8	4.9	8.1	7.7	7.6	7.9
A. Growth of Money Supply	9.0 (4.9)	6.8 (16.0)	6.9 (15.6)	3.6 (32.1)	7.4 (13.0)	7.3 (13.4)	4.5 (27.7)	5.1 (11.2)
B. Inflation Variability	9.1 (2.2)	6.5 (8.8)	8.2 (4.5)	0.2 (24.4)	8.7 (3.3)	7.6 (6.0)	8.2 (4.6)	8.5 (3.8)
C. Recent Annual Inflation	8.5 (7.3)	5.1 (24.5)	6.2 (18.8)	5.9 (20.5)	6.3 (18.6)	5.7 (21.3)	7.8 (11.0)	7.8 (11.2)
D. Freedom to Own Foreign Currency	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>	6.9	5.9	3.4	4.9	6.7	7.7	8.1	7.9
A. Taxes on International Trade	7.3	6.1	3.2	1.8	5.6	7.3	8.4	8.4
(i) Taxes as Percentage of Exports & Imports	7.3 (4.1)	6.1 (5.9)	6.5 (5.3)	5.4 (6.9)	5.3 (7.0)	6.9 (4.6)	9.2 (1.2)	9.2 (1.2)
(ii) Mean Tariff Rate			0.0 (55.0)	0.0 (53.0)	6.7 (16.4)	8.0 (10.2)	8.9 (5.4)	8.9 (5.4)
(iii) Variability of Tariff Rates				0.0 (61.8)	4.8 (12.9)	6.9 (7.7)	7.0 (7.5)	7.0 (7.5)
B. Regulatory Trade Barriers							6.6	6.5
(i) Hidden Import Barriers							5.2	5.0
(ii) Costs of Importing							8.0	8.0
C. Size of Trade Sector	4.2	4.7	3.6	4.1	4.9	5.0	5.9	5.0
D. Official versus Black Market Exchange Rate	10.0	8.4	0.0	5.2	10.0	10.0	10.0	10.0
E. Restrictions on Capital Markets	5.0	2.0	2.0	5.0	5.0	8.0	9.6	9.6
(i) Access to Foreign Capital							9.3	9.3
(ii) Restrictions on Foreign Capital Transactions	5.0	2.0	2.0	5.0	5.0	8.0	10.0	10.0
<b>5. Regulation of Credit, Labor &amp; Business</b>		7.3	6.9	6.8	6.7	6.8	6.6	5.9
A. Regulation of Credit Markets	9.7	9.3	8.2	8.1	8.5	8.9	7.5	6.7
(i) Private Ownership of Banks	10.0	10.0	10.0	10.0	10.0	10.0	10.0	5.0
(ii) Competition from Foreign Banks							6.2	6.2
(iii) Extension of Credit to Private Sector	9.4	8.6	6.4	8.3	7.5	8.8	8.6	8.6
(iv) Avoidance of Negative Real Interest Rates				6.0	8.0	8.0	8.0	9.0
(v) Controls on Interest Rates							4.6	4.6
B. Regulation of Labor Markets							6.0	6.1
(i) Impact of Minimum Wage							3.5	3.5
(ii) Flexibility in Hiring & Firing							5.0	5.5
(iii) Collective Bargaining							5.0	5.1
(iv) Incentives from Unemployment Benefits							6.5	6.5
(v) Military Conscription		10.0	10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business							6.3	5.0
(i) Price Controls					6.0	6.0	8.0	8.0
(ii) Administrative Obstacles for New Businesses							6.8	1.9
(iii) Time Spent with Government Bureaucracy							6.2	5.3
(iv) Ease of Starting a New Business							4.7	4.0
(v) Irregular Payments to Government Officials							5.9	5.6



# Croatia

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>						4.4 (108)	5.5 (92)	6.0 (77)
<b>1. Size of Government</b>						2.6	2.8	4.1
A. Government Consumption						1.9 (33.4)	2.5 (31.7)	3.2 (29.3)
B. Transfers & Subsidies						5.9 (15.5)	4.7 (20.1)	4.4 (20.9)
C. Government Enterprises & Investment						0.0	2.0	7.0 (21.6)
D. Top Marginal Tax Rate							2.0	2.0
(i) Top Marginal Income Tax Rate							4.0 (35-53)	4.0 (35-53)
(ii) Top Marginal Income & Payroll Tax Rate							0.0 (56-68)	0.0 (56-68)
<b>2. Legal Structure &amp; Security of Property Rights</b>						5.9	6.6	5.2
A. Judicial Independence								3.1
B. Impartial Courts						5.8	6.1	2.8
C. Protection of Intellectual Property								3.3
D. Military Interference						7.4	8.3	8.3
E. Integrity of Legal System							8.3	8.3
<b>3. Access to Sound Money</b>					2.5	3.4	6.2	7.8
A. Growth of Money Supply						0.0 (62.4)	1.4 (42.8)	8.3 (8.8)
B. Inflation Variability						0.0 (573.3)	9.3 (1.7)	9.1 (2.2)
C. Recent Annual Inflation					0.0 (500.0)	8.4 (8.0)	8.9 (5.4)	8.9 (4.8)
D. Freedom to Own Foreign Currency					5.0	5.0	5.0	5.0
<b>4. Freedom to Exchange with Foreigners</b>						6.1	6.3	6.7
A. Taxes on International Trade						7.0	8.6	8.5
(i) Taxes as Percentage of Exports & Imports						7.0 (4.6)	8.5 (2.2)	8.3 (2.5)
(ii) Mean Tariff Rate							8.7 (6.7)	8.7 (6.7)
(iii) Variability of Tariff Rates								7.2
B. Regulatory Trade Barriers								5.9
(i) Hidden Import Barriers								8.6
(ii) Costs of Importing								8.6
C. Size of Trade Sector						4.8	4.5	4.9
D. Official versus Black Market Exchange Rate					0.0	8.4	10.0	10.0
E. Restrictions on Capital Markets					0.0	2.0	0.0	0.8
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions					0.0	2.0	0.0	0.8
<b>5. Regulation of Credit, Labor &amp; Business</b>						4.0	5.5	6.1
A. Regulation of Credit Markets					0.0	3.4	7.7	9.1
(i) Private Ownership of Banks					0.0	0.0	10.0	10.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector						6.1	7.2	7.4
(iv) Avoidance of Negative Real Interest Rates						4.0	6.0	10.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								4.9
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								3.4
(iii) Collective Bargaining								6.5
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription						3.0	3.0	5.0
C. Regulation of Business								4.3
(i) Price Controls					0.0	2.0	4.0	4.0
(ii) Administrative Obstacles for New Businesses								1.9
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								5.5
(v) Irregular Payments to Government Officials								5.7

# Cyprus

Summary Ratings (Rank) ▶	1970	1975	1980	1985	1990	1995	2000	2001
		6.0 (19)	5.6 (45)	5.6 (46)	5.9 (42)	6.1 (57)	6.1 (70)	6.2 (69)
<b>1. Size of Government</b>	8.5	6.2	6.0	5.8	5.4	6.2	5.9	6.1
A. Government Consumption		6.6 (17.7)	6.8 (17.0)	6.5 (18.1)	5.2 (22.4)	5.5 (21.2)	4.8 (23.8)	5.7 (20.7)
B. Transfers & Subsidies	9.1 (3.9)	7.3 (10.3)	8.3 (6.6)	7.9 (8.1)	7.9 (8.3)	7.3 (10.3)	6.9 (11.9)	6.9 (11.9)
C. Government Enterprises & Investment	8.0 (11.1)	8.0 (12.3)	8.0 (18.1)	8.0 (17.4)	8.0	8.0	8.0	8.0
D. Top Marginal Tax Rate		3.0	1.0	1.0	0.5	4.0	4.0	4.0
(i) Top Marginal Income Tax Rate		3.0 (54)	1.0 (60)	1.0 (60)	1.0 (60)	5.0 (40)	5.0 (40)	5.0 (40)
(ii) Top Marginal Income & Payroll Tax Rate					0.0 (62)	3.0 (48)	3.0 (48)	3.0 (49)
<b>2. Legal Structure &amp; Security of Property Rights</b>				4.0	6.7	6.3	6.9	6.9
A. Judicial Independence								
B. Impartial Courts						7.2	7.3	7.3
C. Protection of Intellectual Property								
D. Military Interference						7.3	8.3	8.3
E. Integrity of Legal System						7.0	8.3	8.3
<b>3. Access to Sound Money</b>	4.8	5.2	5.7	6.7	7.0	7.2	6.8	6.9
A. Growth of Money Supply			6.4 (18.0)	9.1 (4.6)	9.5 (2.3)	9.8 (1.1)	8.4 (8.2)	8.6 (6.8)
B. Inflation Variability		8.6 (3.6)	9.1 (2.4)	8.9 (2.8)	9.7 (0.7)	9.6 (0.9)	9.6 (1.0)	9.9 (0.4)
C. Recent Annual Inflation	9.5 (2.4)	7.2 (14.2)	7.3 (13.5)	8.9 (5.7)	8.9 (5.3)	9.5 (2.6)	9.2 (4.1)	9.2 (2.0)
D. Freedom to Own Foreign Currency	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>4. Freedom to Exchange with Foreigners</b>	5.6	5.7	5.7	5.8	5.4	5.5	5.8	5.8
A. Taxes on International Trade	6.2	7.7	7.0	6.8	5.5	7.7	7.9	7.9
(i) Taxes as Percentage of Exports & Imports	6.2 (5.7)	7.7 (3.5)	7.3 (4.0)	7.1 (4.4)	7.2 (4.2)	8.3 (2.6)	9.2 (1.3)	9.2 (1.3)
(ii) Mean Tariff Rate			6.6 (17.1)	6.5 (17.6)	6.7 (16.5)	7.2 (14.0)	6.7 (16.4)	6.7 (16.4)
(iii) Variability of Tariff Rates					2.5 (18.7)			
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector	3.8	3.8	4.0	4.4	4.2	2.8	2.7	2.7
D. Official versus Black Market Exchange Rate	9.8	8.8	9.2	9.8	9.0	9.0	10.0	10.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>5. Regulation of Credit, Labor &amp; Business</b>		6.7	5.2	5.6	5.1	5.4	5.4	5.5
A. Regulation of Credit Markets	8.5	8.4	7.1	8.3	8.8	8.9	8.9	8.8
(i) Private Ownership of Banks		8.0	8.0	8.0	8.0	8.0	8.0	8.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector	9.1	9.2	9.3	8.9	8.5	8.7	8.7	8.4
(iv) Avoidance of Negative Real Interest Rates	8.0	8.0	4.0	8.0	10.0	10.0	10.0	10.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription			0.0	0.0	0.0	0.0	0.0	0.0
C. Regulation of Business								
(i) Price Controls					0.0	2.0	2.0	4.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								

# Czech Republic

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>						5.8 (68)	6.8 (43)	6.9 (39)
<b>1. Size of Government</b>						3.1	4.6	4.5
A. Government Consumption						3.0 (29.7)	3.9 (26.6)	4.0 (26.3)
B. Transfers & Subsidies					0.0 (37.2)	2.4 (28.4)	2.4 (28.6)	2.0 (29.9)
C. Government Enterprises & Investment						4.0	8.0	8.0 (18.0)
D. Top Marginal Tax Rate						3.0	4.0	4.0
(i) Top Marginal Income Tax Rate						5.0 (43)	7.0 (32)	7.0 (32)
(ii) Top Marginal Income & Payroll Tax Rate						1.0 (64)	1.0 (56)	1.0 (56)
<b>2. Legal Structure &amp; Security of Property Rights</b>				6.8	7.2	6.5	6.9	6.6
A. Judicial Independence						6.2	6.0	4.9
B. Impartial Courts						3.6	4.5	3.8
C. Protection of Intellectual Property						4.5	5.6	5.7
D. Military Interference						8.5	10.0	10.0
E. Integrity of Legal System						10.0	8.3	8.3
<b>3. Access to Sound Money</b>						6.0	9.2	9.4
A. Growth of Money Supply						6.0 (20.0)	9.3 (3.5)	9.8 (5.3)
B. Inflation Variability						4.9 (12.8)	8.5 (3.8)	8.4 (3.9)
C. Recent Annual Inflation						7.9 (10.4)	9.2 (3.9)	9.2 (4.7)
D. Freedom to Own Foreign Currency						5.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>						7.8	7.8	8.1
A. Taxes on International Trade						8.4	6.7	6.8
(i) Taxes as Percentage of Exports & Imports						9.2 (1.1)	9.7 (0.5)	9.8 (0.3)
(ii) Mean Tariff Rate						8.7 (6.7)	8.6 (6.8)	8.7 (6.5)
(iii) Variability of Tariff Rates						7.4 (6.4)	1.9 (20.2)	1.9 (20.2)
B. Regulatory Trade Barriers						7.4	7.9	7.7
(i) Hidden Import Barriers						7.4	7.3	6.4
(ii) Costs of Importing							8.5	9.0
C. Size of Trade Sector						7.4	7.4	9.1
D. Official versus Black Market Exchange Rate						10.0	10.0	10.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	5.7	7.0	7.0
(i) Access to Foreign Capital						6.4	7.9	7.9
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	5.0	6.2	6.2
<b>5. Regulation of Credit, Labor &amp; Business</b>					3.2	5.4	5.7	5.8
A. Regulation of Credit Markets	0.0	0.0	0.0	0.0	0.0	5.7	5.8	6.8
(i) Private Ownership of Banks	0.0	0.0	0.0	0.0	0.0	5.0	2.0	5.0
(ii) Competition from Foreign Banks						5.1	4.9	4.9
(iii) Extension of Credit to Private Sector						6.5	8.0	8.0
(iv) Avoidance of Negative Real Interest Rates						6.0	8.0	10.0
(v) Controls on Interest Rates						6.1	6.3	6.3
B. Regulation of Labor Markets						5.0	5.2	5.4
(i) Impact of Minimum Wage						6.6	5.1	5.1
(ii) Flexibility in Hiring & Firing					5.6	5.6	5.3	6.3
(iii) Collective Bargaining						5.2	7.7	7.4
(iv) Incentives from Unemployment Benefits						4.8	5.0	5.0
(v) Military Conscription	0.0	0.0	0.0	0.0	0.0	3.0	3.0	3.0
C. Regulation of Business						5.4	6.1	5.1
(i) Price Controls					0.0	6.0	4.0	7.0
(ii) Administrative Obstacles for New Businesses							7.8	2.7
(iii) Time Spent with Government Bureaucracy						5.9	8.1	6.0
(iv) Ease of Starting a New Business						6.0	5.5	4.5
(v) Irregular Payments to Government Officials						3.9	4.9	5.1

# Denmark

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	6.6 (18)		5.8 (24)		5.9 (26)		6.1 (29)		6.7 (23)		7.4 (13)		7.6 (13)		7.6 (13)	
<b>1. Size of Government</b>	4.9		3.6		3.1		3.1		2.9		3.1		3.6		3.9	
A. Government Consumption	3.7	(27.3)	2.2	(32.4)	1.8	(34.0)	2.0	(33.2)	1.7	(34.3)	1.9	(33.6)	1.7	(34.1)	1.4	(35.2)
B. Transfers & Subsidies			5.3	(17.8)	4.5	(20.8)	4.6	(20.4)	4.0	(22.6)	2.9	(26.5)	4.3	(21.6)	3.7	(23.7)
C. Government Enterprises & Investment	6.0		6.0 (27.3)		6.0 (25.0)		6.0 (26.0)		6.0 (20.3)		7.0 (24.9)		7.0		10.0 (8.3)	
D. Top Marginal Tax Rate			1.0		0.0		0.0		0.0		0.5		1.5		0.5	
(i) Top Marginal Income Tax Rate			1.0 (63)		0.0 (66)		0.0 (73)		0.0 (68)		1.0 (64)		2.0 (59)		1.0 (59)	
(ii) Top Marginal Income & Payroll Tax Rate									0.0 (69)		0.0 (67)		1.0 (63)		0.0 (63)	
<b>2. Legal Structure &amp; Security of Property Rights</b>	8.2		6.2		7.2		7.9		8.3		9.1		9.5		9.2	
A. Judicial Independence											8.8		9.4		9.3	
B. Impartial Courts											9.5		9.5		8.6	
C. Protection of Intellectual Property											7.4		8.8		8.3	
D. Military Interference											9.7		10.0		10.0	
E. Integrity of Legal System											10.0		10.0		10.0	
<b>3. Access to Sound Money</b>	6.7		6.2		6.7		6.4		9.4		9.7		9.6		9.7	
A. Growth of Money Supply	8.9	(5.6)	8.0	(9.8)	8.6	(7.0)	7.5	(12.5)	8.5	(7.4)	9.6	(1.9)	9.1	(4.3)	9.6	(2.5)
B. Inflation Variability	9.7	(0.7)	9.2	(2.0)	9.7	(0.8)	9.0	(2.4)	9.7	(0.7)	9.8	(0.6)	9.8	(0.4)	9.7	(0.7)
C. Recent Annual Inflation	8.3	(8.3)	7.5	(12.4)	8.4	(8.2)	9.1	(4.3)	9.3	(3.4)	9.6	(2.1)	9.4	(2.9)	9.4	(2.4)
D. Freedom to Own Foreign Currency	0.0		0.0		0.0		0.0		10.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	7.3		7.0		7.0		7.3		7.0		7.8		8.1		8.2	
A. Taxes on International Trade	8.7		8.8		9.0		9.1		8.5		8.7		9.2		9.2	
(i) Taxes as Percentage of Exports & Imports	8.7	(1.9)	9.4	(0.9)	9.7	(0.5)	9.7	(0.4)	9.8	(0.3)	9.8	(0.3)	9.8	(0.3)	9.8	(0.3)
(ii) Mean Tariff Rate			8.2 (9.0)		8.2 (8.8)		8.5 (7.5)		8.5 (7.4)		8.7 (6.7)		9.5 (2.4)		9.5 (2.7)	
(iii) Variability of Tariff Rates									7.1 (7.2)		7.6 (5.9)		8.2 (4.4)		8.2 (4.4)	
B. Regulatory Trade Barriers											9.1		9.4		9.2	
(i) Hidden Import Barriers											9.1		9.0		8.5	
(ii) Costs of Importing													9.8		9.8	
C. Size of Trade Sector	4.8		3.4		3.2		4.2		3.3		2.4		3.0		3.8	
D. Official versus Black Market Exchange Rate	10.0		9.8		9.6		10.0		10.0		10.0		10.0		10.0	
E. Restrictions on Capital Markets	5.0		5.0		5.0		5.0		5.0		8.8		9.0		9.0	
(i) Access to Foreign Capital											9.5		9.5		9.5	
(ii) Restrictions on Foreign Capital Transactions	5.0		5.0		5.0		5.0		5.0		8.0		8.5		8.5	
<b>5. Regulation of Credit, Labor &amp; Business</b>	5.8		5.8		5.7		5.6		6.0		7.5		7.2		6.9	
A. Regulation of Credit Markets	9.0		9.1		9.4		9.1		9.3		9.1		9.3		9.4	
(i) Private Ownership of Banks	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
(ii) Competition from Foreign Banks											8.8		8.2		8.2	
(iii) Extension of Credit to Private Sector			9.3		8.2		7.2		8.0		8.2		9.0		9.2	
(iv) Avoidance of Negative Real Interest Rates	8.0		8.0		10.0		10.0		10.0		10.0		10.0		10.0	
(v) Controls on Interest Rates											8.7		9.5		9.5	
B. Regulation of Labor Markets	4.1		4.0		3.5		3.5		4.7		4.8		4.6		4.7	
(i) Impact of Minimum Wage											3.7		4.8		4.8	
(ii) Flexibility in Hiring & Firing									8.1		8.1		6.5		7.0	
(iii) Collective Bargaining	5.2		5.2		5.2		5.2		5.2		5.2		4.9		4.8	
(iv) Incentives from Unemployment Benefits	4.1		3.7		2.2		2.3		2.4		4.2		4.0		4.0	
(v) Military Conscription	3.0		3.0		3.0		3.0		3.0		3.0		3.0		3.0	
C. Regulation of Business											8.5		7.6		6.6	
(i) Price Controls									7.0		9.0		7.0		7.0	
(ii) Administrative Obstacles for New Businesses													7.1		3.5	
(iii) Time Spent with Government Bureaucracy											8.9		8.2		7.3	
(iv) Ease of Starting a New Business											6.3		6.5		5.8	
(v) Irregular Payments to Government Officials											10.0		9.3		9.4	



# Dominican Republic

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>			5.9 (26)	5.5 (52)	4.6 (93)	6.1 (57)	6.7 (46)	6.6 (51)
<b>1. Size of Government</b>	7.8	5.7	5.7	6.2	6.4	8.6	8.6	8.5
A. Government Consumption	7.9 (13.1)	9.4 (7.9)	9.1 (9.0)	9.4 (8.2)	10.0 (6.0)	9.9 (6.4)	9.0 (9.6)	8.6 (10.9)
B. Transfers & Subsidies	9.6 (2.0)	9.5 (2.5)	9.7 (1.6)	9.5 (2.5)	9.7 (1.5)	9.7 (1.7)	9.3 (3.2)	9.5 (2.4)
C. Government Enterprises & Investment	6.0 (26.7)	4.0 (32.7)	4.0 (31.7)	6.0 (29.3)	6.0 (26.9)	6.0 (29.8)	7.0 (22.2)	7.0 (24.8)
D. Top Marginal Tax Rate		0.0	0.0	0.0	0.0	9.0	9.0	9.0
(i) Top Marginal Income Tax Rate		0.0 (73)	0.0 (73)	0.0 (73)	0.0 (73)	9.0 (25)	9.0 (25)	9.0 (25)
(ii) Top Marginal Income & Payroll Tax Rate					0.0 (73)	9.0 (25)	9.0 (25)	9.0 (25)
<b>2. Legal Structure &amp; Security of Property Rights</b>			5.8	5.4	5.3	5.2	4.5	3.8
A. Judicial Independence								3.8
B. Impartial Courts						6.2	5.6	3.3
C. Protection of Intellectual Property							2.9	3.8
D. Military Interference						6.6	5.0	5.0
E. Integrity of Legal System						4.1	5.0	3.3
<b>3. Access to Sound Money</b>	7.2	5.6	7.4	3.8	1.5	4.2	7.5	8.1
A. Growth of Money Supply	10.0 (-0.1)	8.3 (8.6)	9.3 (3.7)	7.3 (13.5)	2.7 (36.6)	7.5 (12.7)	7.7 (11.3)	9.4 (1.2)
B. Inflation Variability	9.1 (2.2)	7.4 (6.6)	8.1 (4.6)	3.0 (17.5)	3.5 (16.3)	2.0 (20.0)	8.8 (3.0)	9.4 (1.5)
C. Recent Annual Inflation	9.6 (2.1)	6.6 (17.0)	7.3 (13.7)	0.0 (50.5)	0.0 (51.1)	7.5 (12.6)	8.5 (7.7)	8.5 (8.9)
D. Freedom to Own Foreign Currency	0.0	0.0	5.0	5.0	0.0	0.0	5.0	5.0
<b>4. Freedom to Exchange with Foreigners</b>	3.7	3.8	3.8	5.5	4.2	5.8	6.7	6.5
A. Taxes on International Trade	0.0	0.0	3.5	5.7	5.1	5.0	6.6	6.7
(i) Taxes as Percentage of Exports & Imports	0.0 (16.5)	0.0 (16.1)	3.5 (9.8)	5.7 (6.5)	5.8 (6.3)	4.0 (9.0)	6.3 (5.5)	5.2 (7.2)
(ii) Mean Tariff Rate					4.4 (28.0)	6.0 (20.0)	7.1 (14.5)	8.2 (9.0)
(iii) Variability of Tariff Rates							6.3 (9.2)	6.8 (8.1)
B. Regulatory Trade Barriers							3.3	5.8
(i) Hidden Import Barriers							3.3	4.2
(ii) Costs of Importing								7.5
C. Size of Trade Sector	2.6	4.5	2.6	4.3	5.7	4.0	6.8	3.3
D. Official versus Black Market Exchange Rate	5.6	4.4	2.6	7.2	0.0	9.6	10.0	10.0
E. Restrictions on Capital Markets	2.0	2.0	2.0	2.0	2.0	2.0	6.5	6.5
(i) Access to Foreign Capital							8.4	8.4
(ii) Restrictions on Foreign Capital Transactions	2.0	2.0	2.0	2.0	2.0	2.0	4.6	4.6
<b>5. Regulation of Credit, Labor &amp; Business</b>			6.8	6.6	5.7	6.8	6.5	6.1
A. Regulation of Credit Markets	6.7	7.6	7.8	7.3	6.0	9.0	7.8	7.5
(i) Private Ownership of Banks			8.0	8.0	10.0	10.0	10.0	8.0
(ii) Competition from Foreign Banks							5.8	5.8
(iii) Extension of Credit to Private Sector	6.7	7.6	7.6	6.7	8.0	8.9	9.2	8.8
(iv) Avoidance of Negative Real Interest Rates					0.0	8.0	8.0	9.0
(v) Controls on Interest Rates							5.8	5.8
B. Regulation of Labor Markets							5.9	6.2
(i) Impact of Minimum Wage							2.9	2.9
(ii) Flexibility in Hiring & Firing							5.2	4.6
(iii) Collective Bargaining							5.6	7.1
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription	3.0	3.0	10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business							6.0	4.7
(i) Price Controls					4.0	6.0	6.0	4.0
(ii) Administrative Obstacles for New Businesses							7.4	3.4
(iii) Time Spent with Government Bureaucracy							5.2	5.8
(iv) Ease of Starting a New Business							5.5	4.8
(v) Irregular Payments to Government Officials							5.7	5.5

# Ecuador

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	4.4 (52)		5.5 (36)		5.8 (30)		4.9 (76)		5.5 (52)		6.2 (51)		5.2 (105)		5.0 (112)	
<b>1. Size of Government</b>	5.0		5.1		5.5		5.1		8.2		8.2		8.4		9.0	
A. Government Consumption	8.0	(12.8)	6.4	(18.2)	6.0	(19.6)	7.3	(15.1)	8.5	(11.2)	7.2	(15.7)	7.9	(13.3)	8.1	(12.4)
B. Transfers & Subsidies			8.8	(4.9)	9.0	(4.0)	9.5	(2.3)	9.7	(1.5)	9.9	(1.0)	9.9	(1.0)	9.9	(1.0)
C. Government Enterprises & Investment	2.0	(40.1)	4.0	(37.5)	2.0	(40.2)	2.0	(41.3)	7.0	(21.7)	8.0	(18.3)	8.0	(18.1)	10.0	(3.1)
D. Top Marginal Tax Rate			5.0		5.0		2.0		8.0		8.0		8.0		8.0	
(i) Top Marginal Income Tax Rate			5.0	(50)	5.0	(50)	2.0	(58)	9.0	(25)	9.0	(25)	9.0	(25)	9.0	(25)
(ii) Top Marginal Income & Payroll Tax Rate									7.0	(32)	7.0	(32)	7.0	(32)	7.0	(32)
<b>2. Legal Structure &amp; Security of Property Rights</b>	2.8		3.9		5.9		5.3		5.2		4.4		3.3		2.5	
A. Judicial Independence																
B. Impartial Courts											4.3		2.5		1.3	
C. Protection of Intellectual Property													3.0		1.9	
D. Military Interference											5.1		3.3		3.3	
E. Integrity of Legal System											4.1		5.0		5.0	
<b>3. Access to Sound Money</b>	6.2		7.3		7.9		6.4		3.8		6.1		3.3		2.6	
A. Growth of Money Supply	7.4	(13.3)	6.7	(16.5)	7.3	(13.7)	6.0	(19.9)	1.9	(40.5)	3.1	(34.4)	3.1	(34.3)	0.6	(46.8)
B. Inflation Variability	9.3	(1.8)	4.5	(13.7)	8.4	(4.1)	5.9	(10.4)	3.3	(16.8)	5.8	(10.5)	0.0	(29.9)	0.0	(33.4)
C. Recent Annual Inflation	8.2	(9.1)	8.0	(10.0)	6.1	(19.5)	3.8	(30.9)	0.0	(54.0)	5.4	(23.2)	0.0	(96.1)	0.0	(37.7)
D. Freedom to Own Foreign Currency	0.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	3.7		5.8		5.5		3.9		5.8		6.7		7.0		7.0	
A. Taxes on International Trade	0.4		4.1		5.2		4.2		3.3		7.7		7.1		7.2	
(i) Taxes as Percentage of Exports & Imports	0.4	(14.4)	4.1	(8.9)	5.2	(7.2)	5.9	(6.2)	7.3	(4.0)	7.7	(3.5)	6.5	(5.2)	6.5	(5.2)
(ii) Mean Tariff Rate							2.5	(37.7)	2.6	(37.1)	7.5	(12.3)	7.4	(12.9)	7.4	(12.8)
(iii) Variability of Tariff Rates									0.0	(27.0)	7.8	(5.6)	7.5	(6.3)	7.5	(6.3)
B. Regulatory Trade Barriers													4.7		4.8	
(i) Hidden Import Barriers													3.1		3.4	
(ii) Costs of Importing													6.3		6.3	
C. Size of Trade Sector	2.4		6.0		4.6		4.7		5.7		5.0		5.3		5.2	
D. Official versus Black Market Exchange Rate	5.6		9.0		7.4		0.4		10.0		7.6		10.0		10.0	
E. Restrictions on Capital Markets	2.0		2.0		2.0		2.0		2.0		5.0		7.7		7.7	
(i) Access to Foreign Capital													9.2		9.2	
(ii) Restrictions on Foreign Capital Transactions	2.0		2.0		2.0		2.0		2.0		5.0		6.2		6.2	
<b>5. Regulation of Credit, Labor &amp; Business</b>					4.5		3.9		4.5		5.5		4.2		4.0	
A. Regulation of Credit Markets	5.3		5.7		5.4		3.7		5.8		7.8		4.4		4.3	
(i) Private Ownership of Banks							5.0		8.0		8.0		2.0		2.0	
(ii) Competition from Foreign Banks													3.8		3.8	
(iii) Extension of Credit to Private Sector	5.3		5.7		7.3		6.2		9.4		9.3		7.9		9.2	
(iv) Avoidance of Negative Real Interest Rates					4.0		0.0		0.0		6.0		6.0		4.0	
(v) Controls on Interest Rates													2.5		2.5	
B. Regulation of Labor Markets													3.6		3.7	
(i) Impact of Minimum Wage													3.5		3.5	
(ii) Flexibility in Hiring & Firing													3.4		2.9	
(iii) Collective Bargaining													4.3		5.3	
(iv) Incentives from Unemployment Benefits													3.7		3.7	
(v) Military Conscription	0.0		0.0		0.0		0.0		3.0		3.0		3.0		3.0	
C. Regulation of Business													4.7		3.9	
(i) Price Controls									0.0		4.0		4.0		6.0	
(ii) Administrative Obstacles for New Businesses													5.3		1.3	
(iii) Time Spent with Government Bureaucracy													5.3		5.5	
(iv) Ease of Starting a New Business													4.0		2.9	
(v) Irregular Payments to Government Officials													4.9		3.9	

# Egypt

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>		4.3 (59)	4.7 (74)	5.3 (60)	5.0 (74)	5.8 (68)	6.7 (46)	6.5 (56)
<b>1. Size of Government</b>	2.9	2.9	3.4	4.0	4.9	5.2	6.5	7.1
A. Government Consumption	3.7 (27.4)	3.4 (28.4)	6.3 (18.5)	5.8 (20.2)	7.8 (13.6)	8.1 (12.4)	8.3 (11.8)	8.4 (11.5)
B. Transfers & Subsidies		3.3 (25.0)	5.4 (17.2)	6.3 (13.9)	7.7 (8.9)	7.8 (8.5)	8.9 (4.6)	8.9 (4.6)
C. Government Enterprises & Investment	2.0 (47.0)	2.0 (43.8)	2.0 (39.7)	2.0 (30.7)	2.0 (37.8)	2.0 (34.0)	2.0 (32.5)	4.0 (34.8)
D. Top Marginal Tax Rate			0.0	2.0	2.0	3.0	7.0	7.0
(i) Top Marginal Income Tax Rate			0.0 (80)	2.0 (65)	2.0 (65)	3.0 (50)	7.0 (34)	7.0 (34)
(ii) Top Marginal Income & Payroll Tax Rate								
<b>2. Legal Structure &amp; Security of Property Rights</b>	1.1	3.3	2.8	5.4	3.5	4.9	5.9	4.6
A. Judicial Independence						5.9	6.8	2.7
B. Impartial Courts						3.3	5.7	5.7
C. Protection of Intellectual Property						4.9	5.2	3.0
D. Military Interference						6.1	5.0	5.0
E. Integrity of Legal System						4.1	6.7	6.7
<b>3. Access to Sound Money</b>	7.2	5.8	7.5	8.8	8.1	7.5	9.4	9.5
A. Growth of Money Supply	9.6 (-1.8)	6.9 (15.5)	5.4 (22.9)	8.3 (8.5)	8.6 (6.8)	8.8 (5.9)	9.1 (4.6)	9.5 (2.1)
B. Inflation Variability	9.5 (1.3)	8.3 (4.2)	8.1 (4.7)	8.6 (3.4)	7.4 (6.6)	8.2 (4.5)	8.9 (2.7)	9.2 (2.1)
C. Recent Annual Inflation	9.6 (2.2)	7.9 (10.4)	6.4 (18.0)	8.2 (9.0)	6.3 (18.4)	8.1 (9.4)	9.5 (2.7)	9.5 (2.3)
D. Freedom to Own Foreign Currency	0.0	0.0	10.0	10.0	10.0	5.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>		5.3	5.3	3.4	3.6	6.1	6.3	6.1
A. Taxes on International Trade		0.0	0.9	1.7	3.1	3.1	3.7	3.7
(i) Taxes as Percentage of Exports & Imports		0.0 (16.7)	1.3 (13.1)	1.9 (12.1)	6.1 (5.9)	4.8 (7.8)	5.1 (7.3)	5.2 (7.3)
(ii) Mean Tariff Rate			0.5 (47.4)	1.4 (42.8)	3.3 (33.5)	4.3 (28.3)	5.9 (20.5)	5.9 (20.5)
(iii) Variability of Tariff Rates					0.0 (425.8)	0.0 (28.9)	0.0 (39.5)	0.0 (39.5)
B. Regulatory Trade Barriers						4.5	5.6	5.6
(i) Hidden Import Barriers						4.5	4.5	4.5
(ii) Costs of Importing							6.7	6.7
C. Size of Trade Sector	5.0	8.4	9.0	7.0	6.8	6.2	4.7	4.1
D. Official versus Black Market Exchange Rate	0.0	9.8	8.2	0.0	0.0	9.4	10.0	10.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	7.1	7.3	7.3
(i) Access to Foreign Capital						9.2	9.2	9.2
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	5.0	5.4	5.4
<b>5. Regulation of Credit, Labor &amp; Business</b>			4.5	4.8	4.8	5.3	5.2	5.0
A. Regulation of Credit Markets		5.0	3.9	5.2	5.1	6.4	6.6	5.9
(i) Private Ownership of Banks		5.0	5.0	5.0	5.0	5.0	5.0	2.0
(ii) Competition from Foreign Banks						6.7	5.8	5.8
(iii) Extension of Credit to Private Sector			2.8	4.6	4.3	4.7	6.8	6.8
(iv) Avoidance of Negative Real Interest Rates			4.0	6.0	6.0	10.0	10.0	10.0
(v) Controls on Interest Rates						5.5	5.1	5.1
B. Regulation of Labor Markets					4.0	5.6	4.0	4.0
(i) Impact of Minimum Wage						8.3	4.2	4.2
(ii) Flexibility in Hiring & Firing					4.0	4.0	3.1	3.1
(iii) Collective Bargaining			7.9	7.9	7.9	7.9	7.5	7.5
(iv) Incentives from Unemployment Benefits						7.6	5.3	5.3
(v) Military Conscription	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
C. Regulation of Business						4.1	5.2	5.2
(i) Price Controls					2.0	2.0	4.0	4.0
(ii) Administrative Obstacles for New Businesses							7.5	7.5
(iii) Time Spent with Government Bureaucracy						4.7	2.8	2.8
(iv) Ease of Starting a New Business						6.0	5.8	5.8
(v) Irregular Payments to Government Officials						3.7	5.8	5.8

## El Salvador

	1970		1975		1980		1985		1990		1995		2000		2001	
Summary Ratings (Rank) ▶					4.4 (82)		4.6 (84)		4.8 (84)		7.0 (28)		7.2 (28)		7.2 (23)	
<b>1. Size of Government</b>	8.1		7.3		6.3		6.4		7.1		8.6		8.4		8.7	
A. Government Consumption	8.1	(12.4)	7.8	(13.5)	7.0	(16.3)	7.1	(16.0)	8.8	(10.0)	9.1	(9.0)	8.7	(10.4)	8.8	(10.2)
B. Transfers & Subsidies			9.5	(2.5)	9.4	(2.7)	9.6	(2.0)	9.8	(1.4)	9.2	(3.3)	10.0	(0.1)	10.0	(0.1)
C. Government Enterprises & Investment	8.0	(11.2)	8.0	(10.8)	6.0	(20.2)	6.0	(28.4)	8.0	(20.0)	8.0	(19.0)	7.0	(23.4)	8.0	(19.9)
D. Top Marginal Tax Rate			4.0		3.0		3.0		2.0		8.0		8.0		8.0	
(i) Top Marginal Income Tax Rate			4.0	(55)	3.0	(60)	3.0	(48)	2.0	(60)	8.0	(30)	8.0	(30)	8.0	(30)
(ii) Top Marginal Income & Payroll Tax Rate																
<b>2. Legal Structure &amp; Security of Property Rights</b>					2.5		2.0		2.0		5.4		4.5		4.4	
A. Judicial Independence													4.3		3.3	
B. Impartial Courts											4.4		4.2		3.9	
C. Protection of Intellectual Property													4.1		4.7	
D. Military Interference											6.3		5.0		5.0	
E. Integrity of Legal System											7.0		5.0		5.0	
<b>3. Access to Sound Money</b>	7.0		5.9		5.3		5.5		5.0		8.7		9.4		9.5	
A. Growth of Money Supply	9.8	(-0.9)	7.5	(12.5)	7.0	(14.9)	7.8	(10.9)	7.5	(12.7)	7.4	(12.8)	9.5	(-2.7)	9.0	(-4.8)
B. Inflation Variability	9.2	(2.1)	8.3	(4.4)	7.4	(6.5)	8.2	(4.4)	7.0	(7.5)	9.4	(1.5)	8.5	(3.8)	9.4	(1.5)
C. Recent Annual Inflation	9.0	(4.8)	8.0	(9.9)	6.6	(17.0)	6.0	(20.2)	5.5	(22.5)	7.9	(10.4)	9.5	(2.3)	9.5	(3.8)
D. Freedom to Own Foreign Currency	0.0		0.0		0.0		0.0		0.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	4.7		5.4		3.5		3.7		4.8		6.6		7.4		7.4	
A. Taxes on International Trade	3.7		5.7		3.1		5.3		6.5		7.5		8.0		8.0	
(i) Taxes as Percentage of Exports & Imports	3.7	(9.4)	5.7	(6.4)	5.9	(6.2)	5.3	(7.1)	7.3	(4.1)	7.6	(3.6)	9.0	(1.5)	9.0	(1.5)
(ii) Mean Tariff Rate					0.4	(48.0)			5.8	(21.1)	8.0	(10.2)	8.5	(7.4)	8.5	(7.4)
(iii) Variability of Tariff Rates											7.0	(7.6)	6.6	(8.6)	6.6	(8.6)
B. Regulatory Trade Barriers													7.1		7.3	
(i) Hidden Import Barriers													5.7		6.1	
(ii) Costs of Importing													8.5		8.4	
C. Size of Trade Sector	2.9		5.0		4.1		2.9		2.1		2.7		2.7		3.8	
D. Official versus Black Market Exchange Rate	6.4		6.0		0.0		0.0		5.2		9.8		10.0		10.0	
E. Restrictions on Capital Markets	2.0		2.0		2.0		2.0		2.0		5.0		8.9		8.2	
(i) Access to Foreign Capital													8.6		8.6	
(ii) Restrictions on Foreign Capital Transactions	2.0		2.0		2.0		2.0		2.0		5.0		9.2		7.7	
<b>5. Regulation of Credit, Labor &amp; Business</b>							5.4		5.2		5.7		6.4		6.2	
A. Regulation of Credit Markets	9.9		9.8		9.8		8.7		8.6		9.7		7.8		7.3	
(i) Private Ownership of Banks															5.0	
(ii) Competition from Foreign Banks													4.6		4.6	
(iii) Extension of Credit to Private Sector	9.9		9.8		9.8		9.3		9.3		9.5		9.4		9.4	
(iv) Avoidance of Negative Real Interest Rates							8.0		8.0		10.0		10.0		10.0	
(v) Controls on Interest Rates													7.4		7.4	
B. Regulation of Labor Markets													4.8		5.2	
(i) Impact of Minimum Wage													3.1		3.1	
(ii) Flexibility in Hiring & Firing													4.9		6.4	
(iii) Collective Bargaining													7.7		7.9	
(iv) Incentives from Unemployment Benefits													5.5		5.5	
(v) Military Conscription	3.0				3.0		0.0		0.0		0.0		3.0		3.0	
C. Regulation of Business													6.4		6.0	
(i) Price Controls									4.0		6.0		8.0		8.0	
(ii) Administrative Obstacles for New Businesses													7.3		4.0	
(iii) Time Spent with Government Bureaucracy													5.4		7.0	
(iv) Ease of Starting a New Business													5.8		5.2	
(v) Irregular Payments to Government Officials													5.6		5.9	

# Estonia

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>						5.6 (74)	6.9 (41)	7.5 (16)
<b>1. Size of Government</b>						4.4	5.4	6.5
A. Government Consumption					5.7 (20.5)	3.2 (29.1)	3.7 (27.3)	3.9 (26.6)
B. Transfers & Subsidies						6.4 (13.6)	6.0 (15.3)	6.2 (14.5)
C. Government Enterprises & Investment						2.0	6.0	10.0 (14.3)
D. Top Marginal Tax Rate						6.0	6.0	6.0
(i) Top Marginal Income Tax Rate						8.0 (26)	8.0 (26)	8.0 (26)
(ii) Top Marginal Income & Payroll Tax Rate						4.0 (44)	4.0 (44)	4.0 (45)
<b>2. Legal Structure &amp; Security of Property Rights</b>						6.5	6.0	6.5
A. Judicial Independence								6.1
B. Impartial Courts						6.5	6.9	5.9
C. Protection of Intellectual Property							5.0	5.7
D. Military Interference						8.4	8.3	8.3
E. Integrity of Legal System							6.7	6.7
<b>3. Access to Sound Money</b>				8.8	4.5	2.3	7.7	8.8
A. Growth of Money Supply						0.0 (74.6)	5.7 (21.4)	7.2 (10.0)
B. Inflation Variability				8.7 (3.4)	5.2 (12.1)	0.0 (323.0)	5.8 (10.5)	8.9 (2.9)
C. Recent Annual Inflation				8.9 (-5.6)	3.3 (33.7)	4.2 (29.0)	9.2 (4.0)	9.2 (5.7)
D. Freedom to Own Foreign Currency					5.0	5.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>						8.6	8.7	8.8
A. Taxes on International Trade					9.8	9.8	10.0	10.0
(i) Taxes as Percentage of Exports & Imports					9.8 (0.3)	9.9 (0.1)	10.0 (0.0)	10.0 (0.0)
(ii) Mean Tariff Rate						10.0 (0.1)	10.0 (0.1)	10.0 (0.0)
(iii) Variability of Tariff Rates						9.5 (1.2)		
B. Regulatory Trade Barriers							8.3	8.8
(i) Hidden Import Barriers							8.3	8.0
(ii) Costs of Importing								9.6
C. Size of Trade Sector						7.0	7.4	7.6
D. Official versus Black Market Exchange Rate					0.0	10.0	10.0	10.0
E. Restrictions on Capital Markets					0.0	8.0	7.8	7.8
(i) Access to Foreign Capital							9.5	9.5
(ii) Restrictions on Foreign Capital Transactions					0.0	8.0	6.2	6.2
<b>5. Regulation of Credit, Labor &amp; Business</b>					2.5	6.2	6.6	6.8
A. Regulation of Credit Markets					0.0	4.3	7.8	9.0
(i) Private Ownership of Banks					0.0	5.0	8.0	10.0
(ii) Competition from Foreign Banks							6.6	6.6
(iii) Extension of Credit to Private Sector						7.9	9.6	9.6
(iv) Avoidance of Negative Real Interest Rates						0.0	6.0	10.0
(v) Controls on Interest Rates							8.9	8.9
B. Regulation of Labor Markets							4.7	5.1
(i) Impact of Minimum Wage							2.9	2.9
(ii) Flexibility in Hiring & Firing							4.6	5.8
(iii) Collective Bargaining							8.5	8.6
(iv) Incentives from Unemployment Benefits								
(v) Military Conscriptation					0.0	3.0	3.0	3.0
C. Regulation of Business						8.1	7.1	6.4
(i) Price Controls					0.0	6.0	6.0	7.0
(ii) Administrative Obstacles for New Businesses							7.6	5.1
(iii) Time Spent with Government Bureaucracy						8.5	7.2	4.8
(iv) Ease of Starting a New Business						8.5	8.0	7.6
(v) Irregular Payments to Government Officials						9.6	6.9	7.3

# Fiji

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
				(38)		(45)		(34)		(42)		(57)		(76)		(73)
<b>1. Size of Government</b>	5.3		6.0		4.8		4.7		5.2		5.9		5.9		6.1	
A. Government Consumption	6.6	(17.7)	7.4	(15.0)	5.6	(21.1)	5.0	(23.1)	5.9	(19.9)	5.5	(21.4)	5.3	(21.8)	6.1	(19.2)
B. Transfers & Subsidies			9.6	(1.9)	9.5	(2.5)	8.9	(4.5)	9.9	(1.0)	9.2	(3.5)	9.3	(2.9)	9.3	(2.9)
C. Government Enterprises & Investment	4.0	(29.8)	4.0	(30.0)	2.0	(45.0)	2.0	(37.0)	2.0	(62.0)	2.0		2.0		2.0	
D. Top Marginal Tax Rate			3.0		2.0		3.0		3.0		7.0		7.0		7.0	
(i) Top Marginal Income Tax Rate			3.0	(53)	2.0	(53)	3.0	(50)	3.0	(50)	7.0	(35)	7.0	(34)	7.0	(32)
(ii) Top Marginal Income & Payroll Tax Rate									3.0	(50)	7.0	(35)	7.0	(34)	7.0	(32)
<b>2. Legal Structure &amp; Security of Property Rights</b>											5.1		5.5		5.5	
A. Judicial Independence																
B. Impartial Courts											4.7		4.6		4.6	
C. Protection of Intellectual Property																
D. Military Interference											6.3		7.3		7.3	
E. Integrity of Legal System																
<b>3. Access to Sound Money</b>	8.6		4.8		6.0		6.5		6.3		6.9		6.6		7.0	
A. Growth of Money Supply	8.7	(6.4)	7.5	(11.2)	9.8	(-1.3)	9.1	(4.5)	7.5	(12.3)	9.0	(4.9)	7.4	(12.8)	9.2	(4.2)
B. Inflation Variability	8.5	(3.8)	6.4	(9.0)	7.7	(5.7)	8.4	(3.9)	9.2	(2.1)	9.1	(2.4)	9.2	(1.9)	9.2	(2.0)
C. Recent Annual Inflation	8.6	(6.8)	5.1	(24.3)	6.5	(17.3)	8.5	(7.5)	8.6	(7.1)	9.7	(1.6)	9.8	(1.1)	9.8	(4.3)
D. Freedom to Own Foreign Currency			0.0		0.0		0.0		0.0		0.0		0.0		0.0	
<b>4. Freedom to Exchange with Foreigners</b>	5.6		6.1		6.2		6.2		6.4		6.4		6.2		6.1	
A. Taxes on International Trade	4.3		5.6		6.1		4.7		5.7		6.6		7.3		6.8	
(i) Taxes as Percentage of Exports & Imports	4.3	(8.6)	5.6	(6.6)	6.1	(5.8)	4.7	(7.9)	5.7	(6.4)	6.6	(5.1)	7.0	(4.5)	7.0	(4.5)
(ii) Mean Tariff Rate													7.5	(12.4)	7.5	(12.4)
(iii) Variability of Tariff Rates															5.9	(10.3)
B. Regulatory Trade Barriers																
(i) Hidden Import Barriers																
(ii) Costs of Importing																
C. Size of Trade Sector	5.9		4.9		5.1		4.9		6.7		5.3		5.9		6.2	
D. Official versus Black Market Exchange Rate	4.8		6.6		6.4		8.4		9.2		9.8		9.4		9.4	
E. Restrictions on Capital Markets	5.0		5.0		5.0		5.0		2.0		2.0		0.0		0.0	
(i) Access to Foreign Capital																
(ii) Restrictions on Foreign Capital Transactions	5.0		5.0		5.0		5.0		2.0		2.0		0.0		0.0	
<b>5. Regulation of Credit, Labor &amp; Business</b>			4.9		5.7		6.0		5.7		5.9		5.9		5.8	
A. Regulation of Credit Markets	7.3		3.0		5.1		5.9		5.4		6.2		6.1		6.4	
(i) Private Ownership of Banks			2.0		2.0		2.0		2.0		2.0		2.0		2.0	
(ii) Competition from Foreign Banks																
(iii) Extension of Credit to Private Sector	7.3		7.1		7.3		7.7		8.3		8.5		8.3		8.1	
(iv) Avoidance of Negative Real Interest Rates			0.0		6.0		8.0		6.0		8.0		8.0		9.0	
(v) Controls on Interest Rates																
B. Regulation of Labor Markets																
(i) Impact of Minimum Wage																
(ii) Flexibility in Hiring & Firing																
(iii) Collective Bargaining																
(iv) Incentives from Unemployment Benefits																
(v) Military Conscription			10.0		10.0		10.0		10.0		10.0		10.0		10.0	
C. Regulation of Business																
(i) Price Controls									6.0		6.0		6.0		4.0	
(ii) Administrative Obstacles for New Businesses																
(iii) Time Spent with Government Bureaucracy																
(iv) Ease of Starting a New Business																
(v) Irregular Payments to Government Officials																

# Finland

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>	6.9 (13)	5.8 (24)	6.3 (19)	6.5 (19)	6.7 (23)	7.3 (17)	7.6 (13)	7.7 (11)
<b>1. Size of Government</b>	6.4	5.0	4.7	4.4	4.2	3.7	4.1	4.5
A. Government Consumption	5.8 (20.3)	4.9 (23.4)	4.4 (24.9)	3.8 (27.0)	3.3 (28.7)	3.3 (28.7)	3.1 (29.5)	3.0 (29.7)
B. Transfers & Subsidies		6.3 (14.1)	6.2 (14.3)	5.8 (15.8)	5.8 (16.0)	3.9 (22.8)	5.2 (18.2)	4.9 (19.1)
C. Government Enterprises & Investment	7.0 (22.4)	7.0 (18.9)	7.0 (23.3)	7.0 (24.2)	6.0 (29.3)	6.0 (42.2)	6.0	8.0 (15.5)
D. Top Marginal Tax Rate		2.0	1.0	1.0	1.5	1.5	2.0	2.0
(i) Top Marginal Income Tax Rate		2.0 (61-68)	1.0 (65-71)	1.0 (64-70)	2.0 (57-63)	2.0 (54-59)	3.0 (51-57)	3.0 (51-57)
(ii) Top Marginal Income & Payroll Tax Rate					1.0 (61-69)	1.0 (60-66)	1.0 (54-61)	1.0 (54-61)
<b>2. Legal Structure &amp; Security of Property Rights</b>	7.1	5.0	6.8	7.9	8.3	9.3	9.5	9.3
A. Judicial Independence						9.8	9.7	8.9
B. Impartial Courts						9.4	8.9	8.7
C. Protection of Intellectual Property						7.2	8.9	8.6
D. Military Interference						10.0	10.0	10.0
E. Integrity of Legal System						10.0	10.0	10.0
<b>3. Access to Sound Money</b>	8.0	6.6	7.8	7.8	9.3	8.3	9.3	9.6
A. Growth of Money Supply	8.8 (5.8)	6.2 (18.8)	8.9 (5.5)	7.9 (10.3)	8.6 (6.8)	3.9 (30.3)	8.3 (8.5)	9.5 (2.5)
B. Inflation Variability	8.8 (3.1)	7.9 (5.3)	9.3 (1.8)	9.3 (1.9)	9.6 (0.9)	9.7 (0.7)	9.6 (0.9)	9.6 (1.0)
C. Recent Annual Inflation	9.2 (3.9)	7.3 (13.3)	8.1 (9.8)	8.9 (5.3)	8.8 (5.8)	9.5 (2.4)	9.3 (3.4)	9.3 (2.6)
D. Freedom to Own Foreign Currency	5.0	5.0	5.0	5.0	10.0	10.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>	6.9	6.5	6.7	6.7	6.2	8.2	8.3	8.2
A. Taxes on International Trade	9.0	8.1	8.7	9.2	8.0	8.7	9.1	9.2
(i) Taxes as Percentage of Exports & Imports	9.0 (1.5)	8.9 (1.6)	9.5 (0.8)	9.7 (0.4)	9.6 (0.6)	9.9 (0.2)	9.7 (0.5)	9.8 (0.3)
(ii) Mean Tariff Rate		7.4 (13.2)	7.9 (10.4)	8.6 (7.0)	8.5 (7.7)	8.7 (6.7)	9.5 (2.4)	9.5 (2.7)
(iii) Variability of Tariff Rates					6.0 (10.1)	7.6 (5.9)	8.2 (4.4)	8.2 (4.4)
B. Regulatory Trade Barriers						9.3	9.8	9.4
(i) Hidden Import Barriers						9.3	9.7	9.1
(ii) Costs of Importing							9.8	9.6
C. Size of Trade Sector	5.1	4.2	4.8	4.4	2.8	4.5	4.6	4.3
D. Official versus Black Market Exchange Rate	10.0	9.8	9.8	10.0	10.0	10.0	10.0	10.0
E. Restrictions on Capital Markets	2.0	2.0	2.0	2.0	2.0	8.7	8.1	8.1
(i) Access to Foreign Capital						9.4	10.0	10.0
(ii) Restrictions on Foreign Capital Transactions	2.0	2.0	2.0	2.0	2.0	8.0	6.2	6.2
<b>5. Regulation of Credit, Labor &amp; Business</b>	6.0	5.8	5.7	5.8	5.8	7.1	7.0	6.7
A. Regulation of Credit Markets	9.6	9.0	8.6	9.3	9.3	8.9	8.8	8.7
(i) Private Ownership of Banks		8.0	8.0	8.0	8.0	8.0	8.0	8.0
(ii) Competition from Foreign Banks						8.9	8.1	8.1
(iii) Extension of Credit to Private Sector	9.6	9.9	9.9	9.9	10.0	9.0	9.0	8.6
(iv) Avoidance of Negative Real Interest Rates			8.0	10.0	10.0	10.0	10.0	10.0
(v) Controls on Interest Rates						8.8	8.9	8.9
B. Regulation of Labor Markets	4.6	4.1	4.1	3.8	3.7	3.5	3.3	3.6
(i) Impact of Minimum Wage						4.1	4.7	4.7
(ii) Flexibility in Hiring & Firing					3.9	3.9	3.2	4.4
(iii) Collective Bargaining	4.5	4.5	4.5	4.5	4.5	4.5	2.9	2.9
(iv) Incentives from Unemployment Benefits	6.2	4.9	4.9	3.9	3.5	2.0	2.8	2.8
(v) Military Conscriptation	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
C. Regulation of Business						8.9	8.8	7.9
(i) Price Controls					6.0	9.0	9.0	9.0
(ii) Administrative Obstacles for New Businesses							8.0	5.7
(iii) Time Spent with Government Bureaucracy							8.5	7.3
(iv) Ease of Starting a New Business							8.5	8.0
(v) Irregular Payments to Government Officials							9.6	9.7

## France

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	6.4 (23)		5.6 (34)		5.8 (30)		5.9 (34)		6.8 (17)		6.8 (35)		7.0 (36)		6.7 (44)	
<b>1. Size of Government</b>	5.0		4.5		3.7		3.1		3.5		3.2		2.3		2.8	
A. Government Consumption	5.8	(20.2)	5.3	(22.0)	4.8	(23.5)	4.7	(24.1)	4.8	(23.5)	2.9	(30.3)	1.9	(33.7)	2.9	(30.0)
B. Transfers & Subsidies	5.1	(18.5)	3.6	(24.0)	3.0	(26.1)	2.8	(26.8)	3.3	(25.2)	2.5	(27.9)	2.3	(28.8)	3.4	(24.7)
C. Government Enterprises & Investment	4.0		4.0		4.0 (27.4)		4.0 (33.2)		4.0 (35.0)		4.0 (30.0)		4.0		4.0	
D. Top Marginal Tax Rate			5.0		3.0		1.0		2.0		3.5		1.0		1.0	
(i) Top Marginal Income Tax Rate			5.0		(48)		3.0 (60)		1.0 (65)		3.0 (53)		4.0 (51)		2.0 (54)	
(ii) Top Marginal Income & Payroll Tax Rate									1.0 (61)		3.0 (60)		0.0 (62-65)		0.0 (61-64)	
<b>2. Legal Structure &amp; Security of Property Rights</b>	7.4		4.9		6.8		7.2		7.7		7.5		8.1		7.1	
A. Judicial Independence											6.6		6.3		5.5	
B. Impartial Courts											5.6		8.0		5.8	
C. Protection of Intellectual Property											7.3		9.4		7.6	
D. Military Interference											8.0		8.3		8.3	
E. Integrity of Legal System											10.0		8.3		8.3	
<b>3. Access to Sound Money</b>	7.1		6.2		6.3		6.6		9.6		9.8		9.5		9.6	
A. Growth of Money Supply	10.0	(0.2)	8.3	(8.4)	8.0	(10.2)	8.4	(8.1)	9.4	(2.8)	9.9	(-0.7)	8.4	(8.0)	8.8	(5.9)
B. Inflation Variability	9.4	(1.4)	8.9	(2.6)	9.7	(0.8)	9.1	(2.3)	9.6	(0.9)	9.7	(0.7)	9.8	(0.5)	9.9	(0.4)
C. Recent Annual Inflation	8.9	(5.6)	7.4	(13.0)	7.7	(11.4)	8.8	(5.8)	9.4	(3.1)	9.7	(1.6)	9.7	(1.7)	9.7	(1.6)
D. Freedom to Own Foreign Currency	0.0		0.0		0.0		0.0		10.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	6.9		6.6		6.6		6.8		7.3		7.5		8.2		7.9	
A. Taxes on International Trade	9.7		8.9		9.0		9.1		8.5		8.7		9.2		9.2	
(i) Taxes as Percentage of Exports & Imports	9.7	(0.4)	9.9	(0.1)	9.7	(0.5)	9.7	(0.4)	9.7	(0.4)	9.8	(0.3)	9.8	(0.3)	9.8	(0.3)
(ii) Mean Tariff Rate			7.8		(11.0)		8.2 (8.8)		8.5 (7.5)		8.5 (7.4)		8.7 (6.7)		9.5 (2.4)	
(iii) Variability of Tariff Rates									7.1 (7.2)		7.6 (5.9)		8.2 (4.4)		8.2 (4.4)	
B. Regulatory Trade Barriers											7.7		8.8		8.1	
(i) Hidden Import Barriers											7.7		8.4		6.9	
(ii) Costs of Importing													9.2		9.4	
C. Size of Trade Sector	4.8		4.2		4.6		5.3		4.8		4.2		4.8		4.6	
D. Official versus Black Market Exchange Rate	9.6		10.0		9.4		9.2		10.0		10.0		10.0		10.0	
E. Restrictions on Capital Markets	2.0		2.0		2.0		2.0		5.0		6.8		8.0		7.6	
(i) Access to Foreign Capital											8.6		9.1		9.1	
(ii) Restrictions on Foreign Capital Transactions	2.0		2.0		2.0		2.0		5.0		5.0		6.9		6.2	
<b>5. Regulation of Credit, Labor &amp; Business</b>	5.5		5.8		5.7		5.7		5.7		6.0		6.8		6.2	
A. Regulation of Credit Markets	8.5		9.2		8.9		8.8		9.0		8.4		8.2		8.2	
(i) Private Ownership of Banks	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
(ii) Competition from Foreign Banks											6.8		6.7		6.7	
(iii) Extension of Credit to Private Sector	9.4		9.5		8.7		8.5		9.0		8.4		8.2		7.9	
(iv) Avoidance of Negative Real Interest Rates	6.0		8.0		8.0		8.0		8.0		10.0		10.0		10.0	
(v) Controls on Interest Rates											6.8		6.2		6.2	
B. Regulation of Labor Markets	3.4		4.0		3.9		3.8		3.8		3.4		5.0		5.0	
(i) Impact of Minimum Wage											2.6		4.5		4.5	
(ii) Flexibility in Hiring & Firing									4.2		4.2		1.7		2.0	
(iii) Collective Bargaining	4.5		4.5		4.5		4.5		4.5		4.5		5.5		5.5	
(iv) Incentives from Unemployment Benefits	4.8		4.7		4.3		4.0		3.7		2.6		3.2		3.2	
(v) Military Conscription	1.0		3.0		3.0		3.0		3.0		3.0		10.0		10.0	
C. Regulation of Business											6.1		7.3		5.3	
(i) Price Controls									6.0		8.0		8.0		7.0	
(ii) Administrative Obstacles for New Businesses													7.7		2.3	
(iii) Time Spent with Government Bureaucracy											6.3		8.1		6.3	
(iv) Ease of Starting a New Business											3.4		5.2		3.5	
(v) Irregular Payments to Government Officials											6.8		7.7		7.4	



# Gabon

	1970	1975	1980	1985	1990	1995	2000	2001
Summary Ratings (Rank) ▶			4.2 (87)	5.3 (60)	5.3 (64)	5.2 (86)	5.3 (101)	5.2 (106)
<b>1. Size of Government</b>	1.7	4.3	1.9	4.6	5.1	4.8	3.7	4.5
A. Government Consumption	1.5 (34.9)	1.7 (34.2)	1.9 (33.6)	0.4 (38.7)	5.5 (21.2)	4.3 (25.3)	4.1 (26.2)	7.6 (14.0)
B. Transfers & Subsidies		9.3 (3.1)		9.4 (2.7)	9.8 (1.2)	9.8 (1.2)		
C. Government Enterprises & Investment	2.0 (48.4)	2.0 (42.6)	2.0 (42.6)	4.0 (35.3)	4.0	4.0	4.0	4.0
D. Top Marginal Tax Rate					1.0	1.0	3.0	2.0
(i) Top Marginal Income Tax Rate					1.0 (60)	1.0 (60)	3.0 (50)	3.0 (56)
(ii) Top Marginal Income & Payroll Tax Rate								1.0 (65)
<b>2. Legal Structure &amp; Security of Property Rights</b>			3.9	4.5	5.0	5.1	4.3	4.3
A. Judicial Independence								
B. Impartial Courts						4.6	4.8	4.8
C. Protection of Intellectual Property								
D. Military Interference						4.8	3.3	3.3
E. Integrity of Legal System						7.0	5.0	5.0
<b>3. Access to Sound Money</b>	7.2	3.6	4.4	6.1	5.4	5.4	6.9	5.8
A. Growth of Money Supply	9.7 (1.4)	5.1 (24.5)	9.6 (2.2)	7.4 (13.0)	9.7 (-1.5)	9.6 (1.8)	9.2 (3.9)	9.7 (1.3)
B. Inflation Variability	9.0 (2.5)	0.0 (26.3)	5.4 (11.4)	7.4 (6.5)	5.2 (12.1)	1.9 (20.3)	9.2 (1.9)	3.5 (16.1)
C. Recent Annual Inflation	9.9 (-0.4)	9.1 (4.4)	2.6 (36.8)	9.7 (-1.3)	6.9 (15.4)	9.9 (-0.5)	9.2 (4.0)	9.9 (0.5)
D. Freedom to Own Foreign Currency	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>4. Freedom to Exchange with Foreigners</b>	5.4	5.8	5.4	5.9	5.8	5.8	5.9	5.6
A. Taxes on International Trade	3.8	4.5	3.2	4.9	6.8	5.8	6.0	6.0
(i) Taxes as Percentage of Exports & Imports	3.8 (9.3)	4.5 (8.2)	5.1 (7.3)	5.7 (6.4)	6.8 (4.8)	5.8 (6.3)		
(ii) Mean Tariff Rate			1.3 (43.3)	4.1 (29.6)			5.9 (20.6)	5.9 (20.4)
(iii) Variability of Tariff Rates							6.1 (9.8)	6.1 (9.8)
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector	5.6	6.5	5.9	6.6	4.9	5.4	5.4	4.0
D. Official versus Black Market Exchange Rate	9.6	9.6	9.6	9.8	9.2	9.8	10.0	10.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>5. Regulation of Credit, Labor &amp; Business</b>			5.2	5.5	5.1	5.1	5.5	5.6
A. Regulation of Credit Markets	0.0	0.0	3.0	4.0	5.4	4.7	6.2	6.3
(i) Private Ownership of Banks	0.0	0.0	0.0	0.0	2.0	5.0	5.0	5.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector					6.3	5.2	7.6	7.8
(iv) Avoidance of Negative Real Interest Rates			6.0	8.0	8.0	4.0	6.0	6.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription		10.0	10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business								
(i) Price Controls					0.0	2.0	2.0	2.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								

# Germany

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	7.3 (6)		6.7 (9)		7.0 (9)		7.1 (8)		7.3 (10)		7.5 (12)		7.6 (13)		7.3 (20)	
<b>1. Size of Government</b>	5.1		4.6		4.6		4.3		4.9		4.4		4.5		4.2	
A. Government Consumption	5.2	(22.4)	4.0	(26.5)	4.0	(26.3)	4.1	(26.1)	4.4	(25.2)	4.2	(25.8)	4.6	(24.5)	4.6	(24.4)
B. Transfers & Subsidies	6.1	(14.8)	5.4	(17.4)	5.3	(17.6)	5.0	(19.0)	5.3	(17.9)	4.3	(21.6)	4.5	(20.8)	2.3	(28.8)
C. Government Enterprises & Investment	7.0		7.0		7.0	(25.7)	7.0	(24.4)	6.0	(24.0)	6.0	(25.5)	6.0		6.0	
D. Top Marginal Tax Rate	2.0		2.0		2.0		1.0		4.0		3.0		3.0		4.0	
(i) Top Marginal Income Tax Rate	2.0	(62)	2.0	(65)	2.0	(65)	1.0	(65)	4.0	(53)	3.0	(57)	3.0	(56)	4.0	(51)
(ii) Top Marginal Income & Payroll Tax Rate									4.0	(53)	3.0	(57)	3.0	(56)	4.0	(51)
<b>2. Legal Structure &amp; Security of Property Rights</b>	8.3		6.6		7.7		7.5		8.3		9.1		9.1		8.7	
A. Judicial Independence													9.3		9.4	
B. Impartial Courts													8.6		9.2	
C. Protection of Intellectual Property													8.0		8.8	
D. Military Interference													9.8		10.0	
E. Integrity of Legal System													10.0		8.3	
<b>3. Access to Sound Money</b>	9.5		9.3		9.4		9.6		9.3		9.5		9.6		9.6	
A. Growth of Money Supply	9.4	(2.9)	8.8	(6.2)	9.2	(4.1)	9.5	(2.6)	8.1	(9.7)	9.0	(5.0)	9.1	(4.4)	9.2	(4.2)
B. Inflation Variability	9.2	(2.1)	9.7	(0.7)	9.6	(0.9)	9.5	(1.2)	9.5	(1.2)	9.5	(1.2)	9.7	(0.7)	9.7	(0.7)
C. Recent Annual Inflation	9.3	(3.4)	8.8	(6.0)	8.9	(5.5)	9.6	(2.2)	9.5	(2.7)	9.6	(2.1)	9.6	(1.9)	9.6	(2.5)
D. Freedom to Own Foreign Currency	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	8.2		8.1		8.1		8.8		8.6		8.2		8.6		8.7	
A. Taxes on International Trade	9.7		8.9		9.0		9.1		8.4		8.7		9.1		9.2	
(i) Taxes as Percentage of Exports & Imports	9.7	(0.5)	9.7	(0.5)	9.7	(0.5)	9.7	(0.5)	9.7	(0.5)	9.7	(0.5)	9.7	(0.5)	9.8	(0.3)
(ii) Mean Tariff Rate			8.1	(9.4)	8.2	(8.8)	8.5	(7.5)	8.5	(7.4)	8.7	(6.7)	9.5	(2.4)	9.5	(2.7)
(iii) Variability of Tariff Rates									7.1	(7.2)	7.6	(5.9)	8.2	(4.4)	8.2	(4.4)
B. Regulatory Trade Barriers											8.3		8.9		8.6	
(i) Hidden Import Barriers											8.3		8.5		7.9	
(ii) Costs of Importing													9.3		9.4	
C. Size of Trade Sector	5.4		5.6		5.6		6.9		6.3		4.6		5.6		6.1	
D. Official versus Black Market Exchange Rate	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
E. Restrictions on Capital Markets	8.0		8.0		8.0		10.0		10.0		9.6		9.5		9.5	
(i) Access to Foreign Capital											9.2		9.7		9.7	
(ii) Restrictions on Foreign Capital Transactions	8.0		8.0		8.0		10.0		10.0		10.0		9.2		9.2	
<b>5. Regulation of Credit, Labor &amp; Business</b>	5.3		5.1		5.2		5.2		5.3		6.1		6.1		5.4	
A. Regulation of Credit Markets	7.8		7.0		7.6		7.6		7.6		7.8		7.8		7.7	
(i) Private Ownership of Banks	5.0		5.0		5.0		5.0		5.0		5.0		5.0		5.0	
(ii) Competition from Foreign Banks											7.8		7.2		7.2	
(iii) Extension of Credit to Private Sector	8.4		8.0		7.8		7.7		7.9		7.6		8.0		7.9	
(iv) Avoidance of Negative Real Interest Rates	10.0		8.0		10.0		10.0		10.0		10.0		10.0		10.0	
(v) Controls on Interest Rates											8.4		8.6		8.6	
B. Regulation of Labor Markets	3.3		3.3		3.3		3.3		3.5		3.6		2.9		2.8	
(i) Impact of Minimum Wage											3.4		4.6		4.6	
(ii) Flexibility in Hiring & Firing									3.9		3.9		1.8		1.4	
(iii) Collective Bargaining	4.5		4.5		4.5		4.5		4.5		4.5		2.3		2.5	
(iv) Incentives from Unemployment Benefits	4.4		4.4		4.4		4.5		4.5		3.0		2.5		2.5	
(v) Military Conscription	1.0		1.0		1.0		1.0		1.0		3.0		3.0		3.0	
C. Regulation of Business											7.0		7.8		5.6	
(i) Price Controls									9.0		9.0		8.0		6.0	
(ii) Administrative Obstacles for New Businesses													8.2		2.2	
(iii) Time Spent with Government Bureaucracy											6.5		8.5		6.5	
(iv) Ease of Starting a New Business											5.0		6.4		5.1	
(v) Irregular Payments to Government Officials											7.7		8.0		8.2	

# Ghana

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>		3.9 (68)	2.9 (105)	3.2 (107)	5.0 (74)	5.5 (77)	5.6 (89)	5.8 (82)
<b>1. Size of Government</b>	4.2	4.2	4.7	4.9	5.3	6.6	6.1	5.7
A. Government Consumption	7.4 (14.7)	7.3 (15.1)	8.3 (11.7)	8.8 (10.1)	8.9 (9.9)	7.7 (13.8)	8.3 (11.9)	7.1 (15.8)
B. Transfers & Subsidies	9.5 (2.4)	9.3 (3.1)	9.5 (2.4)	9.8 (1.3)	9.4 (2.6)	9.2 (3.3)		
C. Government Enterprises & Investment	0.0 (45.8)	0.0 (34.1)	0.0 (35.4)	0.0	2.0 (25.0)	4.0	4.0	4.0
D. Top Marginal Tax Rate	0.0	0.0	1.0	1.0	1.0	5.5	6.0	6.0
(i) Top Marginal Income Tax Rate	0.0 (70)	0.0 (70)	1.0 (60)	1.0 (60)	2.0 (55)	7.0 (35)	8.0 (30)	8.0 (30)
(ii) Top Marginal Income & Payroll Tax Rate					0.0 (62)	4.0 (45)	4.0 (41)	4.0 (41)
<b>2. Legal Structure &amp; Security of Property Rights</b>			2.8	2.7	5.8	5.6	4.4	4.2
A. Judicial Independence								
B. Impartial Courts						5.5	5.4	5.4
C. Protection of Intellectual Property								
D. Military Interference						6.0	5.0	4.2
E. Integrity of Legal System						7.0	3.3	3.3
<b>3. Access to Sound Money</b>	6.7	3.9	1.1	1.8	4.1	4.0	5.2	5.8
A. Growth of Money Supply	9.6 (2.0)	4.9 (25.7)	1.4 (42.9)	1.2 (44.2)	2.4 (37.9)	3.9 (30.4)	5.8 (20.9)	7.5 (12.7)
B. Inflation Variability	7.6 (6.0)	6.7 (8.3)	3.2 (17.1)	0.0 (38.3)	8.0 (5.0)	5.6 (10.9)	5.1 (12.3)	5.9 (10.4)
C. Recent Annual Inflation	9.4 (2.9)	4.1 (29.5)	0.0 (51.1)	5.9 (20.7)	5.9 (20.7)	1.4 (43.2)	5.0 (25.2)	5.0 (32.9)
D. Freedom to Own Foreign Currency	0.0	0.0	0.0	0.0	0.0	5.0	5.0	5.0
<b>4. Freedom to Exchange with Foreigners</b>	2.6	2.4	1.7	2.1	5.1	5.9	6.5	7.5
A. Taxes on International Trade	0.0	0.0	0.0	2.0	4.4	6.1	7.0	6.9
(i) Taxes as Percentage of Exports & Imports	0.0 (15.1)	0.0 (20.6)	0.0 (17.3)	0.0 (21.7)	2.3 (11.6)	4.6 (8.1)	6.9 (4.6)	6.9 (4.6)
(ii) Mean Tariff Rate				4.0 (30.0)	6.5 (17.5)	7.0 (15.0)	7.0 (15.0)	
(iii) Variability of Tariff Rates						6.7 (8.3)		
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector	4.6	3.7	0.0	0.0	4.1	5.4	5.7	10.0
D. Official versus Black Market Exchange Rate	0.0	0.0	0.0	0.0	8.6	9.6	10.0	10.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	0.0	1.5	2.3
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	0.0	1.5	2.3
<b>5. Regulation of Credit, Labor &amp; Business</b>		5.3	4.4	4.7	4.7	5.7	5.9	5.8
A. Regulation of Credit Markets	6.1	3.3	1.8	2.5	3.9	6.0	6.0	5.8
(i) Private Ownership of Banks		2.0	2.0	2.0	2.0	5.0	5.0	5.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector	6.1	4.6	3.3	5.4	7.8	9.0	4.9	4.3
(iv) Avoidance of Negative Real Interest Rates			0.0	0.0	2.0	4.0	8.0	8.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business								
(i) Price Controls					0.0	4.0	6.0	6.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								

## Greece

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	6.4 (23)		5.7 (29)		5.6 (45)		5.2 (65)		5.8 (46)		6.2 (51)		6.8 (43)		6.7 (44)	
<b>1. Size of Government</b>	8.0		6.3		5.3		3.7		4.8		5.7		6.4		5.9	
A. Government Consumption	8.5	(11.0)	7.9	(13.2)	7.4	(14.7)	6.6	(17.5)	6.7	(17.3)	6.9	(16.4)	6.6	(17.7)	6.3	(18.6)
B. Transfers & Subsidies	9.6	(1.9)	9.3	(3.1)	8.6	(5.7)	5.3	(17.7)	4.6	(20.5)	5.0	(19.0)	9.0	(4.3)	5.2	(18.0)
C. Government Enterprises & Investment	6.0	(28.4)	4.0	(29.0)	2.0	(32.0)	2.0	(41.0)	4.0	(37.5)	6.0	(35.8)	6.0		8.0	(16.1)
D. Top Marginal Tax Rate	4.0		4.0		3.0		1.0		4.0		5.0		4.0		4.0	
(i) Top Marginal Income Tax Rate	4.0		(52)		3.0		(60)		1.0		(63)		4.0		(50)	
(ii) Top Marginal Income & Payroll Tax Rate	4.0		(50)		3.0		(60)		4.0		(50)		5.0		(43)	
<b>2. Legal Structure &amp; Security of Property Rights</b>	5.5		5.4		5.6		5.6		6.8		6.7		5.7		5.6	
A. Judicial Independence											5.5		6.3		5.9	
B. Impartial Courts											5.7		5.7		5.0	
C. Protection of Intellectual Property											5.4		4.8		4.7	
D. Military Interference											6.9		6.7		7.5	
E. Integrity of Legal System											10.0		5.0		5.0	
<b>3. Access to Sound Money</b>	8.3		6.8		6.9		6.8		6.7		7.2		9.1		9.3	
A. Growth of Money Supply	9.3	(3.4)	7.4	(12.9)	7.2	(14.1)	6.7	(16.4)	6.3	(18.4)	7.2	(14.0)	8.0	(10.0)	8.4	(7.8)
B. Inflation Variability	9.6	(1.1)	7.1	(7.2)	9.1	(2.4)	9.0	(2.5)	9.1	(2.4)	8.5	(3.8)	9.0	(2.5)	9.3	(1.7)
C. Recent Annual Inflation	9.2	(3.9)	7.5	(12.3)	6.5	(17.7)	6.5	(17.7)	6.5	(17.7)	8.2	(8.9)	9.4	(3.2)	9.4	(3.4)
D. Freedom to Own Foreign Currency	5.0		5.0		5.0		5.0		5.0		5.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	5.3		5.8		5.6		5.4		6.1		6.6		7.5		7.6	
A. Taxes on International Trade	6.9		7.9		8.1		9.0		8.4		8.7		9.2		9.2	
(i) Taxes as Percentage of Exports & Imports	6.9	(4.7)	7.7	(3.5)	7.9	(3.2)	9.5	(0.7)	9.6	(0.6)	9.7	(0.4)	9.7	(0.4)	10.0	(0.0)
(ii) Mean Tariff Rate			8.1		(9.4)		8.2		(8.8)		8.5		(7.5)		8.5	
(iii) Variability of Tariff Rates											7.1		(7.2)		7.6	
B. Regulatory Trade Barriers											6.3		8.7		8.1	
(i) Hidden Import Barriers											6.3		8.0		6.7	
(ii) Costs of Importing													9.5		9.6	
C. Size of Trade Sector	0.0		1.6		1.2		2.9		2.6		1.5		1.4		2.5	
D. Official versus Black Market Exchange Rate	9.6		9.4		8.6		5.0		9.4		10.0		10.0		10.0	
E. Restrictions on Capital Markets	2.0		2.0		2.0		2.0		2.0		6.5		8.3		8.3	
(i) Access to Foreign Capital											8.0		8.9		8.9	
(ii) Restrictions on Foreign Capital Transactions	2.0		2.0		2.0		2.0		2.0		5.0		7.7		7.7	
<b>5. Regulation of Credit, Labor &amp; Business</b>	4.6		4.3		4.4		4.4		4.8		4.9		5.4		5.3	
A. Regulation of Credit Markets	4.9		3.5		4.2		4.1		5.6		5.9		7.1		7.2	
(i) Private Ownership of Banks	2.0		2.0		2.0		2.0		5.0		5.0		5.0		5.0	
(ii) Competition from Foreign Banks											6.4		7.0		7.0	
(iii) Extension of Credit to Private Sector	4.7		4.6		4.7		4.4		3.9		4.9		6.0		6.5	
(iv) Avoidance of Negative Real Interest Rates	8.0		4.0		6.0		6.0		8.0		8.0		10.0		10.0	
(v) Controls on Interest Rates											5.2		7.7		7.7	
B. Regulation of Labor Markets	3.6		3.6		3.6		3.6		3.7		4.0		3.4		3.8	
(i) Impact of Minimum Wage											5.2		4.1		4.1	
(ii) Flexibility in Hiring & Firing									4.8		4.8		2.3		3.3	
(iii) Collective Bargaining	4.5		4.5		4.5		4.5		4.5		4.5		4.2		4.3	
(iv) Incentives from Unemployment Benefits	6.3		6.3		6.3		6.3		5.5		5.5		6.3		6.3	
(v) Military Conscription	0.0		0.0		0.0		0.0		0.0		0.0		0.0		1.0	
C. Regulation of Business											4.7		5.6		4.8	
(i) Price Controls									0.0		6.0		5.0		6.0	
(ii) Administrative Obstacles for New Businesses													7.0		2.7	
(iii) Time Spent with Government Bureaucracy											4.8		6.4		5.8	
(iv) Ease of Starting a New Business											4.2		4.1		4.0	
(v) Irregular Payments to Government Officials											3.7		5.7		5.8	

# Guatemala

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>	6.7 (15)	7.3 (4)	6.5 (15)	5.4 (56)	5.8 (46)	6.9 (33)	6.4 (61)	6.3 (64)
<b>1. Size of Government</b>	9.0	9.1	8.7	8.1	8.3	9.1	9.1	8.5
A. Government Consumption	9.1 (9.2)	9.4 (8.0)	9.1 (9.2)	9.5 (7.8)	9.6 (7.3)	10.0 (6.0)	9.7 (7.1)	9.3 (8.4)
B. Transfers & Subsidies	9.9 (0.7)	9.9 (0.8)	9.8 (1.2)	9.8 (1.3)	9.6 (1.8)	10.0 (0.5)	9.7 (1.5)	9.7 (1.4)
C. Government Enterprises & Investment	8.0 (19.2)	8.0 (20.9)	8.0 (37.4)	8.0 (32.1)	8.0 (21.0)	8.0 (17.3)	10.0 (13.4)	8.0 (16.4)
D. Top Marginal Tax Rate		9.0	8.0	5.0	6.0	8.5	7.0	7.0
(i) Top Marginal Income Tax Rate		9.0 (34)	8.0 (40)	5.0 (48)	7.0 (34)	9.0 (25)	7.0 (31)	7.0 (31)
(ii) Top Marginal Income & Payroll Tax Rate					5.0 (37)	8.0 (28)	7.0 (34)	7.0 (34)
<b>2. Legal Structure &amp; Security of Property Rights</b>			2.5	2.0	2.4	4.7	3.4	2.6
A. Judicial Independence								1.7
B. Impartial Courts						3.6	3.8	1.9
C. Protection of Intellectual Property							2.2	3.0
D. Military Interference						4.3	3.3	3.3
E. Integrity of Legal System						7.0	3.3	3.3
<b>3. Access to Sound Money</b>	7.0	6.8	8.6	8.0	6.6	7.9	7.5	8.9
A. Growth of Money Supply	9.9 (-0.5)	8.1 (9.7)	7.9 (10.7)	8.0 (10.1)	6.3 (18.3)	6.9 (15.5)	6.9 (15.3)	7.5 (8.4)
B. Inflation Variability	9.2 (2.0)	6.9 (7.8)	8.6 (3.6)	7.9 (5.3)	3.9 (15.2)	6.4 (9.1)	9.4 (1.6)	9.2 (1.9)
C. Recent Annual Inflation	9.0 (5.0)	7.4 (13.1)	8.0 (10.0)	6.2 (18.8)	6.2 (18.8)	8.3 (8.7)	8.8 (6.0)	8.8 (7.6)
D. Freedom to Own Foreign Currency	0.0	5.0	10.0	10.0	10.0	10.0	5.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>	5.3	6.2	5.6	3.2	6.1	7.2	6.4	6.6
A. Taxes on International Trade	5.9	6.3	3.4	2.5	4.3	7.4	7.9	7.9
(i) Taxes as Percentage of Exports & Imports	5.9 (6.1)	6.3 (5.6)	6.8 (4.8)	5.0 (7.5)	7.6 (3.6)	7.1 (4.4)	8.3 (2.5)	8.2 (2.6)
(ii) Mean Tariff Rate			0.0 (50.0)	0.0 (50.0)	5.4 (23.0)	8.0 (10.2)	8.6 (7.2)	8.6 (7.2)
(iii) Variability of Tariff Rates					0.0 (26.7)	7.0 (7.4)	6.9 (7.8)	6.9 (7.8)
B. Regulatory Trade Barriers							4.1	6.0
(i) Hidden Import Barriers							4.1	4.0
(ii) Costs of Importing								8.1
C. Size of Trade Sector	2.3	3.7	3.2	0.0	3.0	2.6	2.7	2.5
D. Official versus Black Market Exchange Rate	8.2	8.0	8.0	0.0	10.0	10.0	10.0	10.0
E. Restrictions on Capital Markets	2.0	5.0	5.0	5.0	5.0	8.0	7.5	6.7
(i) Access to Foreign Capital							7.2	7.2
(ii) Restrictions on Foreign Capital Transactions	2.0	5.0	5.0	5.0	5.0	8.0	7.7	6.2
<b>5. Regulation of Credit, Labor &amp; Business</b>	5.4	6.9	6.9	5.7	5.6	5.6	5.5	5.1
A. Regulation of Credit Markets	8.8	8.1	8.5	8.5	8.5	8.4	6.6	7.2
(i) Private Ownership of Banks	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
(ii) Competition from Foreign Banks							5.6	5.6
(iii) Extension of Credit to Private Sector	9.5	8.2	9.6	9.4	9.5	9.2	8.9	8.7
(iv) Avoidance of Negative Real Interest Rates			8.0	8.0	8.0	8.0	6.0	9.0
(v) Controls on Interest Rates							4.6	4.6
B. Regulation of Labor Markets							4.0	4.0
(i) Impact of Minimum Wage							4.6	4.6
(ii) Flexibility in Hiring & Firing							5.3	4.6
(iii) Collective Bargaining							6.2	6.5
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription	0.0	10.0	10.0	0.0	0.0	0.0	0.0	0.0
C. Regulation of Business							5.7	4.1
(i) Price Controls					6.0	6.0	8.0	6.0
(ii) Administrative Obstacles for New Businesses							6.1	1.8
(iii) Time Spent with Government Bureaucracy							4.5	4.8
(iv) Ease of Starting a New Business							5.1	3.8
(v) Irregular Payments to Government Officials							4.9	4.0



# Guyana

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>			3.7 (98)	3.5 (104)		4.7 (99)	6.5 (55)	6.3 (64)
<b>1. Size of Government</b>	2.7	1.6	1.4	2.5	3.4	3.7	4.5	4.1
A. Government Consumption	5.3 (21.8)	3.2 (29.3)	2.8 (30.4)	5.0 (23.1)	7.1 (15.8)	5.6 (20.8)	5.5 (21.3)	6.2 (18.9)
B. Transfers & Subsidies								
C. Government Enterprises & Investment	0.0	0.0	0.0	0.0	0.0	0.0	2.0	0.0 (56.4)
D. Top Marginal Tax Rate					3.0	5.5	6.0	6.0
(i) Top Marginal Income Tax Rate					3.0 (50)	7.0 (33)	7.0 (33)	7.0 (33)
(ii) Top Marginal Income & Payroll Tax Rate					3.0 (50)	4.0 (41)	5.0 (39)	5.0 (39)
<b>2. Legal Structure &amp; Security of Property Rights</b>			2.2	2.1	3.4	4.8	5.2	5.2
A. Judicial Independence								
B. Impartial Courts						5.3	5.8	5.8
C. Protection of Intellectual Property								
D. Military Interference						5.8	4.4	4.4
E. Integrity of Legal System						4.1	6.7	6.7
<b>3. Access to Sound Money</b>	9.3	4.4	5.8	5.2	2.0	4.3	7.8	7.9
A. Growth of Money Supply	9.4 (2.8)	5.5 (22.7)	8.4 (7.9)	5.8 (20.8)	0.9 (45.5)	4.5 (27.6)	8.5 (7.4)	9.3 (3.7)
B. Inflation Variability	9.2 (2.0)	5.0 (12.4)	7.1 (7.3)	7.7 (5.9)	0.0 (53.1)	0.0 (48.3)	8.8 (3.0)	8.7 (3.2)
C. Recent Annual Inflation	9.4 (3.0)	7.1 (14.7)	7.6 (11.8)	7.1 (14.5)	6.9 (15.5)	7.8 (11.2)	8.8 (6.1)	8.8 (2.6)
D. Freedom to Own Foreign Currency		0.0	0.0	0.0	0.0	5.0	5.0	5.0
<b>4. Freedom to Exchange with Foreigners</b>	5.9		5.4	4.5			8.1	8.1
A. Taxes on International Trade	5.8	0.0	8.8	7.0			6.6	6.6
(i) Taxes as Percentage of Exports & Imports	5.8 (6.3)	0.0 (15.3)	8.8 (1.8)	7.4 (3.9)				
(ii) Mean Tariff Rate				6.6 (17.0)			6.6 (17.0)	6.6 (17.0)
(iii) Variability of Tariff Rates								
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector	7.4	10.0	10.0	7.0	8.6	8.9	10.0	10.0
D. Official versus Black Market Exchange Rate	8.2		0.0	0.0	8.2	9.2	9.0	9.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	5.0	5.0	6.9	6.9
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	5.0	5.0	6.9	6.9
<b>5. Regulation of Credit, Labor &amp; Business</b>						5.8	6.7	6.2
A. Regulation of Credit Markets	6.8	3.6	3.0	2.4	4.6	4.9	7.7	7.1
(i) Private Ownership of Banks								5.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector	6.8	3.6	3.0	2.4	4.6	5.8	7.4	7.3
(iv) Avoidance of Negative Real Interest Rates						4.0	8.0	9.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription					10.0	10.0	10.0	10.0
C. Regulation of Business								
(i) Price Controls								6.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								





# Honduras

	1970		1975		1980		1985		1990		1995		2000		2001	
Summary Ratings (Rank) ▶					5.8 (30)		6.2 (25)		5.9 (42)		6.6 (40)		6.3 (66)		6.1 (73)	
<b>1. Size of Government</b>	7.9		8.2		7.1		7.0		6.9		7.5		7.5		7.4	
A. Government Consumption	7.8	(13.5)	7.7	(13.7)	7.3	(15.3)	7.4	(14.8)	7.0	(16.2)	8.0	(12.8)	7.4	(14.8)	7.1	(16.0)
B. Transfers & Subsidies	10.0	(0.6)	10.0	(0.5)			9.5	(2.3)	9.5	(2.2)	9.0	(4.0)				
C. Government Enterprises & Investment	6.0	(35.1)	6.0	(31.1)	6.0	(37.4)	6.0	(62.6)	6.0	(32.0)	6.0	(37.2)	6.0		6.0	
D. Top Marginal Tax Rate			9.0		8.0		5.0		5.0		7.0		9.0		9.0	
(i) Top Marginal Income Tax Rate			9.0	(27)	8.0	(40)	5.0	(46)	5.0	(46)	7.0	(40)	9.0	(25)	9.0	(25)
(ii) Top Marginal Income & Payroll Tax Rate									5.0	(46)	7.0	(40)	9.0	(25)	9.0	(25)
<b>2. Legal Structure &amp; Security of Property Rights</b>					2.8		3.1		3.5		5.1		3.7		2.6	
A. Judicial Independence															1.7	
B. Impartial Courts											4.0		3.7		2.0	
C. Protection of Intellectual Property													2.3		2.5	
D. Military Interference											5.4		5.0		5.0	
E. Integrity of Legal System											7.0		3.3		1.7	
<b>3. Access to Sound Money</b>	9.5		8.8		8.4		9.5		8.3		7.0		7.9		8.3	
A. Growth of Money Supply	9.2	(4.1)	8.7	(6.7)	7.5	(12.7)	9.7	(1.5)	6.9	(15.4)	6.6	(17.1)	6.5	(17.5)	7.7	(5.8)
B. Inflation Variability	9.6	(1.0)	7.8	(5.6)	8.8	(3.0)	9.4	(1.5)	7.3	(6.6)	6.9	(7.8)	7.4	(6.4)	7.8	(5.5)
C. Recent Annual Inflation	9.1	(4.5)	8.7	(6.4)	7.3	(13.3)	9.0	(5.3)	9.0	(5.3)	4.7	(26.3)	7.8	(11.1)	7.8	(9.7)
D. Freedom to Own Foreign Currency	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	5.0		6.4		4.7				6.0		7.4		6.9		7.1	
A. Taxes on International Trade	5.7		6.5		3.7				6.0		7.7		7.8		7.8	
(i) Taxes as Percentage of Exports & Imports	5.7	(6.4)	6.5	(5.3)	5.5	(6.7)							8.1	(2.9)	8.1	(2.9)
(ii) Mean Tariff Rate					1.8	(41.0)			6.0	(20.0)	8.0	(10.1)	8.4	(7.9)	8.4	(7.9)
(iii) Variability of Tariff Rates											7.4	(6.5)	7.0	(7.5)	7.0	(7.5)
B. Regulatory Trade Barriers													3.4		5.4	
(i) Hidden Import Barriers													3.4		3.7	
(ii) Costs of Importing															7.0	
C. Size of Trade Sector	4.9		5.5		5.7		4.1		5.7		6.3		6.7		6.0	
D. Official versus Black Market Exchange Rate	4.0		10.0		6.0		0.0		10.0		9.8		10.0		10.0	
E. Restrictions on Capital Markets	2.0		2.0		0.0		0.0		0.0		5.0		6.6		6.2	
(i) Access to Foreign Capital													8.5		8.5	
(ii) Restrictions on Foreign Capital Transactions	2.0		2.0		0.0		0.0		0.0		5.0		4.6		3.8	
<b>5. Regulation of Credit, Labor &amp; Business</b>					6.2		5.1		4.9		5.8		5.6		5.2	
A. Regulation of Credit Markets	9.0		8.7		6.1		7.7		7.8		6.3		6.8		6.6	
(i) Private Ownership of Banks															5.0	
(ii) Competition from Foreign Banks													4.7		4.7	
(iii) Extension of Credit to Private Sector	9.0		8.7		8.2		7.4		7.5		8.6		9.9		9.8	
(iv) Avoidance of Negative Real Interest Rates					4.0		8.0		8.0		4.0		8.0		9.0	
(v) Controls on Interest Rates													4.5		4.5	
B. Regulation of Labor Markets													5.7		5.2	
(i) Impact of Minimum Wage													2.7		2.7	
(ii) Flexibility in Hiring & Firing													4.5		3.3	
(iii) Collective Bargaining													5.7		4.6	
(iv) Incentives from Unemployment Benefits																
(v) Military Conscription	10.0		10.0		10.0		0.0		0.0		10.0		10.0		10.0	
C. Regulation of Business													4.4		3.8	
(i) Price Controls									4.0		4.0		4.0		6.0	
(ii) Administrative Obstacles for New Businesses													5.8		1.5	
(iii) Time Spent with Government Bureaucracy													4.9		5.5	
(iv) Ease of Starting a New Business													2.9		2.0	
(v) Irregular Payments to Government Officials													4.4		3.9	

## Hong Kong

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	8.4 (1)		8.4 (1)		8.6 (1)		8.4 (1)		8.2 (1)		9.1 (1)		8.8 (1)		8.6 (1)	
<b>1. Size of Government</b>	9.6		9.7		9.7		9.4		9.3		9.5		9.2		9.1	
A. Government Consumption	8.9	(9.9)	8.8	(9.9)	9.0	(9.3)	8.7	(10.6)	8.4	(11.6)	8.0	(12.7)	7.6	(14.2)	7.4	(14.7)
B. Transfers & Subsidies			9.8	(1.1)	10.0	(0.6)	9.9	(0.9)	9.9	(0.9)	9.8	(1.1)				
C. Government Enterprises & Investment	10.0	(9.1)	10.0	(16.4)	10.0	(16.5)	10.0	(17.9)	10.0	(13.2)	10.0	(14.0)	10.0		10.0	
D. Top Marginal Tax Rate	10.0		10.0		10.0		9.0		9.0		10.0		10.0		10.0	
(i) Top Marginal Income Tax Rate	10.0	(15)	10.0	(15)	10.0	(15)	9.0	(25)	9.0	(25)	10.0	(20)	10.0	(17)	10.0	(17)
(ii) Top Marginal Income & Payroll Tax Rate							9.0	(25)	10.0	(20)	10.0	(17)	10.0	(17)	10.0	(17)
<b>2. Legal Structure &amp; Security of Property Rights</b>	7.7		6.6		8.1		6.3		5.9		8.2		7.2		7.0	
A. Judicial Independence											8.1		7.7		8.0	
B. Impartial Courts											7.9		8.9		8.5	
C. Protection of Intellectual Property											6.1		6.3		6.9	
D. Military Interference											8.8		5.0		5.0	
E. Integrity of Legal System											10.0		8.3		6.7	
<b>3. Access to Sound Money</b>	8.8		9.2		8.5		9.3		9.0		9.3		9.4		9.2	
A. Growth of Money Supply			8.9	(5.5)	9.0	(4.8)	9.5	(2.6)	8.4	(8.2)	8.8	(6.1)	9.9	(-0.3)	9.5	(1.4)
B. Inflation Variability	8.3	(4.4)	8.7	(3.3)	8.0	(5.0)	9.0	(2.6)	8.9	(2.9)	9.0	(2.6)	8.3	(4.4)	8.0	(5.0)
C. Recent Annual Inflation	8.3	(8.6)	9.1	(4.6)	7.0	(15.0)	8.9	(5.7)	8.9	(5.7)	9.5	(2.6)	9.3	(-3.7)	9.3	(-1.6)
D. Freedom to Own Foreign Currency	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	8.6		9.4		9.3		9.6		9.6		9.7		9.8		9.8	
A. Taxes on International Trade	10.0		9.8		9.8		9.8		9.9		9.9		9.9		9.9	
(i) Taxes as Percentage of Exports & Imports	10.0	(0.0)	9.5	(0.7)	9.7	(0.5)	9.6	(0.6)	9.7	(0.4)	9.8	(0.3)	9.8	(0.3)	9.8	(0.3)
(ii) Mean Tariff Rate			10.0	(0.0)	10.0	(0.0)	10.0	(0.0)	10.0	(0.0)	10.0	(0.0)	10.0	(0.0)	10.0	(0.0)
(iii) Variability of Tariff Rates									10.0	(0.0)	10.0	(0.0)	10.0	(0.0)	10.0	(0.0)
B. Regulatory Trade Barriers											8.8		9.4		9.2	
(i) Hidden Import Barriers											8.8		8.9		8.9	
(ii) Costs of Importing													9.8		9.6	
C. Size of Trade Sector	9.8		8.9		8.8		10.0		10.0		10.0		10.0		10.0	
D. Official versus Black Market Exchange Rate	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
E. Restrictions on Capital Markets	5.0		10.0		10.0		10.0		10.0		9.7		9.6		9.6	
(i) Access to Foreign Capital											9.4		9.9		9.9	
(ii) Restrictions on Foreign Capital Transactions	5.0		10.0		10.0		10.0		10.0		10.0		9.2		9.2	
<b>5. Regulation of Credit, Labor &amp; Business</b>	7.2		7.2		7.2		7.2		7.2		8.7		8.4		8.0	
A. Regulation of Credit Markets	10.0		10.0		10.0		10.0		10.0		9.1		8.8		8.8	
(i) Private Ownership of Banks	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
(ii) Competition from Foreign Banks											8.6		7.3		7.3	
(iii) Extension of Credit to Private Sector									9.8		9.7		9.1		9.0	
(iv) Avoidance of Negative Real Interest Rates			10.0		10.0		10.0		10.0		10.0		10.0		10.0	
(v) Controls on Interest Rates											7.3		7.8		7.8	
B. Regulation of Labor Markets									8.9		8.1		7.7		7.8	
(i) Impact of Minimum Wage											7.4		4.3		4.3	
(ii) Flexibility in Hiring & Firing									8.8		8.8		7.6		7.8	
(iii) Collective Bargaining	7.9		7.9		7.9		7.9		7.9		7.9		9.0		9.5	
(iv) Incentives from Unemployment Benefits											6.5		7.7		7.7	
(v) Military Conscription	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
C. Regulation of Business											8.7		8.5		7.4	
(i) Price Controls									10.0		9.0		9.0		7.0	
(ii) Administrative Obstacles for New Businesses													8.5		6.8	
(iii) Time Spent with Government Bureaucracy											9.5		7.3		6.0	
(iv) Ease of Starting a New Business											9.1		9.0		8.9	
(v) Irregular Payments to Government Officials											7.3		8.8		8.5	

# Hungary

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>			4.5 (79)	4.8 (78)	5.0 (74)	6.3 (46)	6.6 (52)	7.0 (35)
<b>1. Size of Government</b>	3.7	3.7	3.8	2.9	2.9	4.7	4.8	4.7
A. Government Consumption	7.3 (15.1)	7.4 (15.0)	7.5 (14.4)	7.7 (13.9)	7.4 (14.7)	7.6 (14.2)	7.9 (13.3)	7.4 (14.7)
B. Transfers & Subsidies				1.1 (33.3)	2.3 (28.7)	3.3 (25.0)	4.7 (20.0)	5.0 (18.7)
C. Government Enterprises & Investment	0.0 (93.7)	0.0 (93.8)	0.0 (92.6)	0.0 (83.5)	0.0 (68.5)	4.0	4.0	4.0
D. Top Marginal Tax Rate					2.0	4.0	2.5	2.5
(i) Top Marginal Income Tax Rate					3.0 (50)	4.0 (44)	5.0 (40)	5.0 (40)
(ii) Top Marginal Income & Payroll Tax Rate					1.0 (60)	4.0 (44)	0.0 (62)	0.0 (63)
<b>2. Legal Structure &amp; Security of Property Rights</b>				6.8	7.2	7.6	7.0	6.7
A. Judicial Independence						6.7	6.5	5.7
B. Impartial Courts						6.8	6.3	5.3
C. Protection of Intellectual Property						4.9	5.5	6.0
D. Military Interference						9.6	10.0	10.0
E. Integrity of Legal System						10.0	6.7	6.7
<b>3. Access to Sound Money</b>	6.1	6.0	6.5	6.8	5.6	6.0	6.7	8.5
A. Growth of Money Supply			8.3 (8.7)	8.7 (6.7)	6.9 (15.5)	6.9 (15.7)	6.6 (16.9)	7.6 (10.0)
B. Inflation Variability	9.3 (1.8)	9.0 (2.5)	8.9 (2.8)	9.8 (0.5)	6.9 (7.8)	7.6 (5.9)	7.2 (7.0)	8.2 (4.5)
C. Recent Annual Inflation	9.0 (4.9)	9.1 (4.4)	8.8 (6.0)	8.8 (5.9)	8.8 (5.9)	4.7 (26.7)	8.1 (9.7)	8.1 (9.1)
D. Freedom to Own Foreign Currency	0.0	0.0	0.0	0.0	0.0	5.0	5.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>			4.1	4.4	4.8	7.0	7.4	8.5
A. Taxes on International Trade			6.7	7.5	6.1	6.7	7.3	7.3
(i) Taxes as Percentage of Exports & Imports			6.7 (5.0)	7.5 (3.7)	6.6 (5.1)	6.1 (5.9)	9.4 (0.8)	9.4 (0.8)
(ii) Mean Tariff Rate						7.8 (11.0)	8.4 (8.2)	8.4 (8.2)
(iii) Variability of Tariff Rates					5.6 (11.0)	6.1 (9.7)	4.1 (14.7)	4.1 (14.7)
B. Regulatory Trade Barriers						7.1	8.5	8.3
(i) Hidden Import Barriers						7.1	8.2	7.6
(ii) Costs of Importing							8.8	8.9
C. Size of Trade Sector	7.3	7.0	5.5	6.1	4.0	4.8	6.5	8.1
D. Official versus Black Market Exchange Rate	0.0	0.0	0.0	0.0	5.6	10.0	10.0	10.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	6.4	4.5	8.8
(i) Access to Foreign Capital						7.8	8.3	8.3
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	5.0	0.8	9.2
<b>5. Regulation of Credit, Labor &amp; Business</b>			3.8	3.4	4.6	6.0	7.0	6.6
A. Regulation of Credit Markets	0.0	0.0	3.6	2.7	4.4	6.8	8.0	8.1
(i) Private Ownership of Banks	0.0	0.0	0.0	0.0	2.0	8.0	8.0	8.0
(ii) Competition from Foreign Banks						7.3	6.9	6.9
(iii) Extension of Credit to Private Sector			4.7	5.3	5.2	6.1	7.2	7.7
(iv) Avoidance of Negative Real Interest Rates			6.0		6.0	6.0	10.0	10.0
(v) Controls on Interest Rates						6.4	8.0	8.0
B. Regulation of Labor Markets						5.4	5.6	5.8
(i) Impact of Minimum Wage						6.7	4.6	4.6
(ii) Flexibility in Hiring & Firing					7.1	7.1	5.5	6.0
(iii) Collective Bargaining						5.2	7.0	7.4
(iv) Incentives from Unemployment Benefits						5.2	5.8	5.8
(v) Military Conscription	0.0	0.0	0.0	0.0	1.0	3.0	5.0	5.0
C. Regulation of Business						6.0	7.3	5.8
(i) Price Controls						8.0	8.0	5.0
(ii) Administrative Obstacles for New Businesses							7.4	3.8
(iii) Time Spent with Government Bureaucracy						6.1	6.2	6.5
(iv) Ease of Starting a New Business						6.4	7.4	6.8
(v) Irregular Payments to Government Officials						3.3	7.3	6.7

## Iceland

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	6.3 (26)		4.7 (53)		5.0 (68)		5.3 (60)		6.6 (26)		7.3 (17)		7.7 (11)		7.6 (13)	
<b>1. Size of Government</b>	7.3		6.9		5.1		5.3		6.0		5.7		5.9		6.0	
A. Government Consumption	6.7	(17.3)	5.3	(21.9)	5.2	(22.2)	5.4	(21.5)	4.7	(23.9)	4.2	(25.6)	3.4	(28.3)	3.1	(29.5)
B. Transfers & Subsidies			7.4	(9.9)	7.2	(10.6)	6.9	(11.7)	7.4	(10.1)	7.7	(9.1)	7.7	(8.9)	8.3	(6.6)
C. Government Enterprises & Investment	8.0	(20.2)	8.0	(17.6)	8.0	(15.3)	8.0	(16.1)	7.0	(22.2)	7.0	(24.8)	7.0		7.0	
D. Top Marginal Tax Rate					0.0		1.0		5.0		4.0		5.5		5.5	
(i) Top Marginal Income Tax Rate					0.0	(63)	1.0	(56)	5.0	(40)	4.0	(47)	6.0	(45)	6.0	(45)
(ii) Top Marginal Income & Payroll Tax Rate													5.0	(48)	5.0	(48)
<b>2. Legal Structure &amp; Security of Property Rights</b>	7.1		5.0		6.8		7.9		8.3		8.3		9.0		8.9	
A. Judicial Independence													7.8		8.5	
B. Impartial Courts													8.3		9.0	
C. Protection of Intellectual Property													5.8		7.6	
D. Military Interference													9.6		10.0	
E. Integrity of Legal System													10.0		10.0	
<b>3. Access to Sound Money</b>	5.7		3.0		2.4		2.0		6.8		9.3		9.0		9.0	
A. Growth of Money Supply	8.5	(7.4)	5.0	(24.8)	2.6	(37.1)	1.6	(41.8)	4.6	(26.9)	8.5	(7.3)	7.8	(11.1)	8.2	(4.8)
B. Inflation Variability	7.6	(6.1)	5.5	(11.2)	6.9	(7.7)	2.8	(18.0)	8.8	(3.0)	9.2	(2.1)	9.4	(1.4)	8.9	(2.7)
C. Recent Annual Inflation	6.7	(16.4)	1.6	(41.9)	0.0	(52.5)	3.7	(31.3)	3.7	(31.3)	9.5	(2.8)	9.0	(5.2)	9.0	(6.4)
D. Freedom to Own Foreign Currency	0.0		0.0		0.0		0.0		10.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	5.1		3.5		5.3		5.6		5.8		6.4		6.8		6.8	
A. Taxes on International Trade	3.3		4.6		6.9		7.8		7.9		8.7		8.0		8.0	
(i) Taxes as Percentage of Exports & Imports	3.3	(10.0)	4.6	(8.1)	5.7	(6.5)	6.9	(4.6)	7.3	(4.0)	9.6	(0.6)	9.7	(0.5)	9.6	(0.5)
(ii) Mean Tariff Rate					8.1	(9.6)	8.7	(6.7)	9.2	(3.8)	9.3	(3.7)	9.6	(1.9)	9.6	(1.9)
(iii) Variability of Tariff Rates									7.0	(7.5)	7.1	(7.3)	4.8	(13.0)	4.8	(13.0)
B. Regulatory Trade Barriers											6.6		8.7		7.9	
(i) Hidden Import Barriers											6.6		8.3		7.5	
(ii) Costs of Importing													9.2		8.3	
C. Size of Trade Sector	5.1		2.7		1.3		3.0		1.1		0.3		1.1		1.9	
D. Official versus Black Market Exchange Rate	9.0		0.0		8.2		6.8		10.0		10.0		10.0		10.0	
E. Restrictions on Capital Markets	0.0		2.0		2.0		2.0		2.0		6.3		6.2		6.2	
(i) Access to Foreign Capital											7.6		8.6		8.6	
(ii) Restrictions on Foreign Capital Transactions	0.0		2.0		2.0		2.0		2.0		5.0		3.8		3.8	
<b>5. Regulation of Credit, Labor &amp; Business</b>			5.3		5.5		5.5		5.8		7.0		7.6		7.5	
A. Regulation of Credit Markets	9.2		4.5		5.2		5.2		6.3		6.9		7.7		7.9	
(i) Private Ownership of Banks			2.0		2.0		2.0		2.0		2.0		5.0		5.0	
(ii) Competition from Foreign Banks													5.8		8.1	
(iii) Extension of Credit to Private Sector	9.2		9.5		9.6		9.7		8.8		9.4		9.9		9.8	
(iv) Avoidance of Negative Real Interest Rates			2.0		4.0		4.0		8.0		10.0		8.0		9.0	
(v) Controls on Interest Rates													7.1		7.5	
B. Regulation of Labor Markets									6.8		6.4		6.7		6.9	
(i) Impact of Minimum Wage											6.2		4.8		4.8	
(ii) Flexibility in Hiring & Firing											5.9		6.0		7.0	
(iii) Collective Bargaining	4.5		4.5		4.5		4.5		4.5		4.5		5.5		5.7	
(iv) Incentives from Unemployment Benefits											5.3		7.0		7.0	
(v) Military Conscription			10.0		10.0		10.0		10.0		10.0		10.0		10.0	
C. Regulation of Business											7.8		8.3		7.8	
(i) Price Controls											6.0		8.0		8.0	
(ii) Administrative Obstacles for New Businesses													7.0		5.6	
(iii) Time Spent with Government Bureaucracy													8.1		7.3	
(iv) Ease of Starting a New Business													7.7		8.7	
(v) Irregular Payments to Government Officials													9.5		9.3	

# India

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>	5.0 (41)	4.4 (58)	5.2 (59)	5.0 (73)	4.9 (80)	5.6 (74)	6.1 (70)	6.1 (73)
<b>1. Size of Government</b>	3.6	4.4	4.5	4.0	4.4	5.8	6.8	7.3
A. Government Consumption	8.7 (10.5)	8.4 (11.4)	8.3 (11.7)	7.6 (14.1)	7.2 (15.7)	7.3 (15.2)	6.7 (17.1)	6.7 (17.1)
B. Transfers & Subsidies		9.1 (3.8)	8.7 (5.4)	8.4 (6.5)	8.4 (6.5)	8.7 (5.2)	8.6 (5.5)	8.6 (5.7)
C. Government Enterprises & Investment	2.0 (38.4)	0.0 (41.0)	0.0 (46.7)	0.0 (49.5)	0.0 (42.3)	2.0 (31.4)	4.0 (30.4)	6.0 (29.9)
D. Top Marginal Tax Rate	0.0	0.0	1.0	0.0	2.0	5.0	8.0	8.0
(i) Top Marginal Income Tax Rate	0.0 (85)	0.0 (77)	1.0 (60)	0.0 (62)	2.0 (53)	5.0 (40)	8.0 (30)	8.0 (30)
(ii) Top Marginal Income & Payroll Tax Rate					2.0 (53)	5.0 (40)	8.0 (30)	8.0 (30)
<b>2. Legal Structure &amp; Security of Property Rights</b>	4.1	2.3	5.8	4.9	4.4	5.9	6.0	5.7
A. Judicial Independence						7.3	7.0	6.9
B. Impartial Courts						7.6	8.0	5.9
C. Protection of Intellectual Property						4.1	3.3	4.0
D. Military Interference						6.2	5.0	5.0
E. Integrity of Legal System						4.1	6.7	6.7
<b>3. Access to Sound Money</b>	6.7	6.3	6.1	6.5	6.5	6.3	6.5	6.9
A. Growth of Money Supply	8.9 (5.4)	8.2 (8.9)	8.4 (7.9)	7.8 (10.8)	8.0 (9.8)	7.7 (11.4)	8.5 (7.7)	9.0 (4.9)
B. Inflation Variability	8.2 (4.6)	7.1 (7.2)	8.1 (4.8)	9.6 (1.1)	9.4 (1.5)	9.1 (2.3)	8.5 (3.7)	9.2 (2.1)
C. Recent Annual Inflation	9.7 (1.7)	9.7 (-1.4)	7.7 (11.5)	8.5 (7.5)	8.5 (7.5)	8.4 (8.2)	9.2 (4.0)	9.2 (3.7)
D. Freedom to Own Foreign Currency	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>4. Freedom to Exchange with Foreigners</b>		3.8	4.2	3.8	4.1	4.8	5.4	5.7
A. Taxes on International Trade		0.1	0.0	0.0	0.0	0.9	4.1	4.3
(i) Taxes as Percentage of Exports & Imports		0.1 (14.8)	0.0 (15.5)	0.0 (24.2)	0.0 (21.1)	2.2 (11.8)	3.6 (9.6)	4.4 (8.4)
(ii) Mean Tariff Rate			0.0 (74.3)	0.0 (98.8)	0.0 (79.2)	0.0 (55.2)	3.6 (32.2)	3.5 (32.5)
(iii) Variability of Tariff Rates					0.0 (45.2)	0.6 (23.6)	5.0 (12.4)	5.0 (12.4)
B. Regulatory Trade Barriers						6.4	5.7	6.2
(i) Hidden Import Barriers						6.4	5.4	5.5
(ii) Costs of Importing							6.0	7.0
C. Size of Trade Sector	0.0	2.6	3.7	3.5	4.4	6.1	5.4	6.0
D. Official versus Black Market Exchange Rate	0.0	8.2	9.0	7.2	8.0	8.4	10.0	10.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	2.3	2.0	2.0
(i) Access to Foreign Capital						4.7	4.0	4.0
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>5. Regulation of Credit, Labor &amp; Business</b>	5.7	5.2	5.7	5.7	5.3	5.2	5.7	5.0
A. Regulation of Credit Markets	5.3	4.0	5.2	5.3	5.1	5.3	5.5	5.9
(i) Private Ownership of Banks	0.0	0.0	0.0	0.0	0.0	2.0	2.0	2.0
(ii) Competition from Foreign Banks						5.3	6.4	6.4
(iii) Extension of Credit to Private Sector	7.9	8.0	7.7	7.8	7.4	6.8	6.3	6.2
(iv) Avoidance of Negative Real Interest Rates	8.0	4.0	8.0	8.0	8.0	8.0	8.0	10.0
(v) Controls on Interest Rates						4.3	5.0	5.0
B. Regulation of Labor Markets					6.3	6.1	5.8	5.3
(i) Impact of Minimum Wage						6.2	4.3	4.3
(ii) Flexibility in Hiring & Firing					2.6	2.6	1.7	1.8
(iii) Collective Bargaining			6.2	6.2	6.2	6.2	7.7	5.1
(iv) Incentives from Unemployment Benefits						5.6	5.3	5.3
(v) Military Conscription	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business						4.4	5.9	3.7
(i) Price Controls					3.0	4.0	4.0	3.0
(ii) Administrative Obstacles for New Businesses							7.4	2.0
(iii) Time Spent with Government Bureaucracy						6.1	7.4	4.3
(iv) Ease of Starting a New Business						5.0	5.9	4.9
(v) Irregular Payments to Government Officials						2.4	4.6	4.3

## Indonesia

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	4.9 (43)		5.1 (47)		5.1 (63)		6.1 (29)		6.5 (29)		6.4 (42)		5.9 (77)		5.6 (91)	
<b>1. Size of Government</b>	7.5		6.5		5.3		6.4		7.1		8.0		7.6		6.8	
A. Government Consumption	9.0	(9.3)	8.2	(12.2)	6.8	(16.7)	7.0	(16.4)	7.9	(13.0)	8.4	(11.3)	9.0	(9.5)	8.8	(10.0)
B. Transfers & Subsidies	9.4	(2.7)	9.7	(1.5)	9.2	(3.3)	9.5	(2.5)	9.6	(2.0)	9.9	(0.9)	8.3	(6.7)	8.3	(6.7)
C. Government Enterprises & Investment	4.0	(40.4)	4.0	(39.4)	2.0	(49.5)	2.0	(43.0)	4.0	(32.5)	7.0	(20.7)	7.0	(23.0)	4.0	(39.0)
D. Top Marginal Tax Rate	4.0		4.0		3.0		7.0		7.0		6.5		6.0		6.0	
(i) Top Marginal Income Tax Rate			4.0 (48)		3.0 (50)		7.0 (35)		7.0 (35)		8.0 (30)		7.0 (35)		7.0 (35)	
(ii) Top Marginal Income & Payroll Tax Rate									7.0 (35)		5.0 (40)		5.0 (40)		5.0 (40)	
<b>2. Legal Structure &amp; Security of Property Rights</b>	4.4		3.7		3.4		4.5		4.7		3.5		3.4		2.9	
A. Judicial Independence											2.3		3.0		2.5	
B. Impartial Courts											4.2		4.0		2.2	
C. Protection of Intellectual Property											4.2		3.1		2.3	
D. Military Interference											2.9		3.3		4.2	
E. Integrity of Legal System											4.1		3.3		3.3	
<b>3. Access to Sound Money</b>	4.3		6.2		6.3		9.0		8.6		9.0		6.5		6.2	
A. Growth of Money Supply	0.0	(143.9)	3.6	(32.0)	5.2	(24.1)	8.3	(8.3)	7.5	(12.3)	8.6	(7.2)	5.4	(23.0)	5.7	(15.8)
B. Inflation Variability	0.0	(449.9)	3.6	(16.1)	6.1	(9.8)	8.6	(3.5)	7.9	(5.4)	9.4	(1.5)	1.1	(22.1)	0.0	(28.4)
C. Recent Annual Inflation	7.3	(13.6)	7.8	(11.2)	3.8	(31.0)	9.1	(4.3)	9.1	(4.3)	8.0	(9.9)	9.3	(3.7)	9.3	(11.5)
D. Freedom to Own Foreign Currency	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	5.2		6.0		6.6		6.4		6.5		6.2		7.7		7.7	
A. Taxes on International Trade	5.4		4.8		6.1		7.7		5.9		6.4		7.8		7.8	
(i) Taxes as Percentage of Exports & Imports	5.4	(6.9)	7.3	(4.0)	8.1	(2.9)	8.9	(1.6)	8.4	(2.4)	9.1	(1.3)	9.5	(0.7)	9.5	(0.8)
(ii) Mean Tariff Rate			2.3 (38.5)		4.2 (29.0)		6.4 (18.1)		5.9 (20.3)		6.6 (17.0)		8.3 (8.4)		8.3 (8.4)	
(iii) Variability of Tariff Rates									3.3 (16.7)		3.6 (16.1)		5.7 (10.8)		5.7 (10.8)	
B. Regulatory Trade Barriers											3.3		5.9		6.1	
(i) Hidden Import Barriers											3.3		3.8		4.2	
(ii) Costs of Importing													8.0		8.1	
C. Size of Trade Sector	5.8		8.3		8.9		7.7		8.3		7.6		10.0		9.9	
D. Official versus Black Market Exchange Rate	6.6		8.6		9.6		8.6		10.0		10.0		10.0		10.0	
E. Restrictions on Capital Markets	0.0		0.0		0.0		0.0		0.0		3.8		4.8		4.8	
(i) Access to Foreign Capital											7.5		8.1		8.1	
(ii) Restrictions on Foreign Capital Transactions	0.0		0.0		0.0		0.0		0.0		0.0		1.5		1.5	
<b>5. Regulation of Credit, Labor &amp; Business</b>	3.3		3.3		4.0		4.2		5.3		5.2		4.6		4.2	
A. Regulation of Credit Markets	1.0		1.0		3.2		4.5		7.1		7.1		5.2		5.1	
(i) Private Ownership of Banks	0.0		0.0		0.0		2.0		2.0		5.0		5.0		2.0	
(ii) Competition from Foreign Banks											5.9		4.6		4.6	
(iii) Extension of Credit to Private Sector					7.5		7.6		9.2		9.4		3.8		4.1	
(iv) Avoidance of Negative Real Interest Rates	2.0		2.0		2.0		4.0		10.0		10.0		8.0		10.0	
(v) Controls on Interest Rates											5.2		4.6		4.6	
B. Regulation of Labor Markets											4.2		4.0		4.8	
(i) Impact of Minimum Wage											5.1		4.6		4.6	
(ii) Flexibility in Hiring & Firing									5.6		5.6		3.2		3.1	
(iii) Collective Bargaining													6.2		5.2	
(iv) Incentives from Unemployment Benefits											6.2		5.8		5.8	
(v) Military Conscription	3.0		3.0		3.0		0.0		0.0		0.0		0.0		5.0	
C. Regulation of Business											4.4		4.8		2.7	
(i) Price Controls									7.0		3.0		2.0		2.0	
(ii) Administrative Obstacles for New Businesses													7.0		1.4	
(iii) Time Spent with Government Bureaucracy											6.3		5.3		1.5	
(iv) Ease of Starting a New Business											5.2		5.6		5.9	
(v) Irregular Payments to Government Officials											2.9		3.9		2.8	

# Iran

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>	6.5 (20)	6.1 (17)	4.0 (91)	4.1 (93)	4.6 (93)	4.4 (108)	5.1 (108)	5.7 (89)
<b>1. Size of Government</b>	6.5	5.2	4.6	4.3	4.6	5.4	4.4	6.5
A. Government Consumption		1.2 (35.9)	3.4 (28.3)	6.0 (19.6)	7.3 (15.2)	6.1 (19.2)	4.7 (24.1)	4.6 (24.2)
B. Transfers & Subsidies	9.0 (4.3)	7.7 (8.9)	8.2 (7.0)	9.3 (3.0)	8.9 (4.4)	9.3 (3.1)	9.5 (2.3)	9.5 (2.3)
C. Government Enterprises & Investment	4.0	4.0	2.0 (47.6)	2.0 (40.0)	2.0 (42.2)	2.0 (44.1)	2.0	4.0 (31.1)
D. Top Marginal Tax Rate		8.0		0.0	0.0	4.0	1.5	8.0
(i) Top Marginal Income Tax Rate		8.0 (40)		0.0 (90)	0.0 (75)	4.0 (54)	2.0 (54)	8.0 (35)
(ii) Top Marginal Income & Payroll Tax Rate					0.0 (75)	4.0 (54)	1.0 (57)	8.0 (35)
<b>2. Legal Structure &amp; Security of Property Rights</b>	4.7	4.4	1.8	2.3	2.2	5.6	5.9	5.9
A. Judicial Independence								
B. Impartial Courts						4.9	4.9	4.9
C. Protection of Intellectual Property								
D. Military Interference						6.7	8.3	8.3
E. Integrity of Legal System						7.0	6.7	6.7
<b>3. Access to Sound Money</b>	8.5	6.7	6.9	8.1	8.7	3.5	7.2	8.1
A. Growth of Money Supply	9.6 (1.8)	4.7 (26.6)	4.6 (26.8)	5.9 (20.3)	6.9 (15.3)	4.7 (26.4)	5.8 (21.2)	7.1 (13.9)
B. Inflation Variability	9.6 (1.1)	8.5 (3.8)	7.7 (5.9)	7.4 (6.5)	8.7 (3.2)	7.3 (6.7)	6.0 (9.9)	8.0 (4.9)
C. Recent Annual Inflation	9.7 (1.7)	8.8 (5.8)	5.3 (23.4)	9.1 (4.7)	9.1 (4.7)	2.1 (39.5)	7.1 (14.5)	7.1 (11.3)
D. Freedom to Own Foreign Currency	5.0	5.0	10.0	10.0	10.0	0.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>	6.2	8.1	3.0	2.3	4.1	4.0	3.9	4.2
A. Taxes on International Trade	2.4	7.6	2.9	3.2	6.1	7.3	8.4	8.4
(i) Taxes as Percentage of Exports & Imports	2.4 (11.4)	7.6 (3.6)	0.0 (17.0)	0.5 (14.2)	6.4 (5.4)	8.7 (1.9)	7.9 (3.2)	8.0 (3.1)
(ii) Mean Tariff Rate			5.9 (20.7)	5.9 (20.7)	5.9 (20.7)	5.9 (20.7)	9.0 (4.9)	9.0 (4.9)
(iii) Variability of Tariff Rates							8.3 (4.2)	8.3 (4.2)
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector	6.2	10.0	3.6	0.0	6.3	4.5	2.8	4.2
D. Official versus Black Market Exchange Rate	9.0	9.6	0.0	0.0	0.0	0.0	0.0	0.0
E. Restrictions on Capital Markets	5.0	5.0	0.0	0.0	0.0	0.0	0.0	0.0
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	5.0	5.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>5. Regulation of Credit, Labor &amp; Business</b>			3.9	3.4	3.5	3.6	3.9	3.9
A. Regulation of Credit Markets	9.7	8.3	2.7	2.4	2.9	3.2	4.8	4.8
(i) Private Ownership of Banks			0.0	0.0	0.0	0.0	0.0	0.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector	9.7	8.3	8.0	7.2	8.7	9.5	9.5	9.7
(iv) Avoidance of Negative Real Interest Rates			0.0	0.0	0.0	0.0		
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription	0.0	0.0	3.0	0.0	0.0	0.0	0.0	0.0
C. Regulation of Business								
(i) Price Controls					2.0	2.0	2.0	2.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								

## Ireland

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	6.8 (14)		5.8 (24)		6.2 (21)		6.3 (21)		6.8 (17)		8.2 (5)		8.1 (7)		8.0 (7)	
<b>1. Size of Government</b>	6.5		4.2		4.7		4.3		5.6		5.8		6.1		6.1	
A. Government Consumption	6.9	(16.5)	5.5	(21.3)	5.3	(22.0)	5.2	(22.5)	5.8	(20.3)	5.4	(21.5)	5.3	(21.9)	5.8	(20.4)
B. Transfers & Subsidies	6.5	(13.2)	5.1	(18.3)	5.4	(17.5)	4.9	(19.3)	5.4	(17.3)	5.1	(18.5)	4.2	(21.8)	4.2	(21.8)
C. Government Enterprises & Investment	6.0	(27.3)	6.0	(30.0)	7.0	(24.6)	7.0	(24.7)	10.0	(11.1)	10.0	(14.3)	10.0		10.0	(11.3)
D. Top Marginal Tax Rate	0.0		0.0		1.0		0.0		1.0		2.5		5.0		4.5	
(i) Top Marginal Income Tax Rate	0.0		(80)		1.0		(60)		0.0		(56)		3.0		(48)	
(ii) Top Marginal Income & Payroll Tax Rate	0.0		0.0		1.0		(60)		1.0		(57)		2.0		(51)	
<b>2. Legal Structure &amp; Security of Property Rights</b>	8.3		6.4		7.1		6.7		7.7		9.1		9.0		8.4	
A. Judicial Independence											9.3		8.7		8.4	
B. Impartial Courts											8.9		9.2		7.2	
C. Protection of Intellectual Property											7.3		7.0		6.5	
D. Military Interference											10.0		10.0		10.0	
E. Integrity of Legal System											10.0		10.0		10.0	
<b>3. Access to Sound Money</b>	6.6		5.6		5.8		6.6		6.8		9.6		9.5		9.5	
A. Growth of Money Supply	9.5	(2.6)	8.4	(7.8)	7.4	(12.9)	9.5	(2.8)	9.1	(4.3)	9.1	(4.6)	9.9	(0.7)	9.4	(-3.0)
B. Inflation Variability	8.9	(2.7)	8.1	(4.7)	8.6	(3.5)	8.1	(4.8)	9.0	(2.6)	9.5	(1.3)	9.2	(1.9)	9.7	(0.8)
C. Recent Annual Inflation	8.1	(9.7)	6.0	(20.1)	7.1	(14.7)	9.0	(5.2)	9.0	(5.2)	9.9	(0.4)	8.9	(5.6)	8.9	(4.9)
D. Freedom to Own Foreign Currency	0.0		0.0		0.0		0.0		0.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	6.9		7.2		7.4		7.5		7.4		8.5		9.0		9.1	
A. Taxes on International Trade	5.4		7.5		8.0		8.3		7.9		8.4		9.1		9.2	
(i) Taxes as Percentage of Exports & Imports	5.4	(6.9)	6.8	(4.8)	7.7	(3.5)	8.0	(3.0)	8.0	(3.0)	8.8	(1.8)	9.7	(0.5)	9.8	(0.3)
(ii) Mean Tariff Rate			8.1		(9.4)		8.2		(8.8)		8.5		(7.5)		8.5	
(iii) Variability of Tariff Rates											7.1		(7.2)		7.6	
B. Regulatory Trade Barriers											8.9		8.9		8.8	
(i) Hidden Import Barriers											8.9		8.9		8.2	
(ii) Costs of Importing													9.7		9.2	
C. Size of Trade Sector	6.1		5.5		6.0		6.9		6.4		6.9		8.2		8.9	
D. Official versus Black Market Exchange Rate	10.0		10.0		10.0		9.4		9.8		10.0		10.0		10.0	
E. Restrictions on Capital Markets	5.0		5.0		5.0		5.0		5.0		8.5		8.6		8.6	
(i) Access to Foreign Capital											8.9		8.8		8.8	
(ii) Restrictions on Foreign Capital Transactions	5.0		5.0		5.0		5.0		5.0		8.0		8.5		8.5	
<b>5. Regulation of Credit, Labor &amp; Business</b>	5.5		5.8		6.0		6.3		6.3		7.8		7.0		6.7	
A. Regulation of Credit Markets	6.4		6.3		7.3		8.5		8.8		8.4		7.8		8.2	
(i) Private Ownership of Banks	8.0		8.0		8.0		8.0		8.0		8.0		8.0		8.0	
(ii) Competition from Foreign Banks											8.1		7.0		7.0	
(iii) Extension of Credit to Private Sector	7.3		6.9		8.0		7.4		8.3		8.6		8.2		8.1	
(iv) Avoidance of Negative Real Interest Rates	4.0		4.0		6.0		10.0		10.0		10.0		8.0		10.0	
(v) Controls on Interest Rates											7.5		8.0		8.0	
B. Regulation of Labor Markets			6.8		6.6		6.6		6.5		6.7		5.3		5.5	
(i) Impact of Minimum Wage											7.0		4.7		4.7	
(ii) Flexibility in Hiring & Firing									5.5		5.5		3.8		4.2	
(iii) Collective Bargaining	5.2		5.2		5.2		5.2		6.2		6.2		2.9		3.3	
(iv) Incentives from Unemployment Benefits	5.5		5.2		4.5		4.6		4.4		4.7		5.3		5.3	
(v) Military Conscription			10.0		10.0		10.0		10.0		10.0		10.0		10.0	
C. Regulation of Business											8.3		7.8		6.3	
(i) Price Controls									7.0		9.0		9.0		7.0	
(ii) Administrative Obstacles for New Businesses													7.2		4.5	
(iii) Time Spent with Government Bureaucracy											7.6		7.9		5.3	
(iv) Ease of Starting a New Business											7.6		6.9		6.4	
(v) Irregular Payments to Government Officials											8.9		8.2		8.3	



# Israel

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>	4.9 (43)	4.3 (59)	3.5 (102)	4.1 (93)	4.3 (97)	5.7 (72)	6.7 (46)	6.5 (56)
<b>1. Size of Government</b>	3.3	2.4	1.9	2.6	3.3	2.8	2.8	2.6
A. Government Consumption	0.8 (37.3)	0.0 (42.3)	0.0 (43.2)	0.4 (38.5)	2.1 (32.9)	2.2 (32.4)	2.2 (32.6)	1.9 (33.6)
B. Transfers & Subsidies	7.2 (10.8)	5.3 (17.7)	4.5 (20.8)	4.8 (19.7)	5.6 (16.7)	5.1 (18.6)	4.4 (21.1)	4.0 (22.7)
C. Government Enterprises & Investment	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
D. Top Marginal Tax Rate			1.0	3.0	3.5	2.0	2.5	2.5
(i) Top Marginal Income Tax Rate			1.0 (66)	3.0 (60)	5.0 (48)	4.0 (50)	4.0 (50)	4.0 (51)
(ii) Top Marginal Income & Payroll Tax Rate					2.0 (64)	0.0 (66)	1.0 (62)	1.0 (57)
<b>2. Legal Structure &amp; Security of Property Rights</b>	6.5	6.2	4.1	6.8	4.4	7.0	8.0	7.4
A. Judicial Independence						8.7	9.2	8.1
B. Impartial Courts						7.0	9.4	8.5
C. Protection of Intellectual Property						7.2	6.5	6.9
D. Military Interference						5.1	6.7	5.0
E. Integrity of Legal System						7.0	8.3	8.3
<b>3. Access to Sound Money</b>	6.4	5.1	1.7	1.3	3.0	7.3	9.2	9.4
A. Growth of Money Supply	9.3 (3.4)	6.4 (18.0)	2.0 (40.0)	0.0 (169.3)	1.5 (42.6)	7.3 (13.5)	8.4 (8.0)	9.1 (7.1)
B. Inflation Variability	8.1 (4.9)	5.9 (10.2)	0.0 (37.4)	0.0 (103.7)	5.3 (11.7)	8.6 (3.5)	8.7 (3.1)	8.6 (3.6)
C. Recent Annual Inflation	8.1 (9.6)	3.0 (35.2)	0.0 (134.7)	0.0 (260.0)	0.0 (260.0)	8.3 (8.4)	9.8 (1.1)	9.8 (1.1)
D. Freedom to Own Foreign Currency	0.0	5.0	5.0	5.0	5.0	5.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>	4.6	4.0	6.4	6.4	6.5	6.2	7.8	7.7
A. Taxes on International Trade	4.1	4.7	6.6	8.1	9.4	8.0	9.7	9.7
(i) Taxes as Percentage of Exports & Imports	4.1 (8.9)	4.7 (8.0)	6.6 (5.1)	8.1 (2.9)	9.4 (0.9)	9.8 (0.2)	9.8 (0.3)	9.8 (0.3)
(ii) Mean Tariff Rate						8.3 (8.3)	9.6 (2.0)	9.6 (2.0)
(iii) Variability of Tariff Rates						5.7 (10.8)		
B. Regulatory Trade Barriers						5.4	8.1	7.9
(i) Hidden Import Barriers						5.4	6.9	7.5
(ii) Costs of Importing							9.3	8.4
C. Size of Trade Sector	4.8	4.9	5.2	5.4	3.9	3.4	4.0	4.0
D. Official versus Black Market Exchange Rate	4.0	0.0	9.8	8.6	9.2	10.0	10.0	10.0
E. Restrictions on Capital Markets	2.0	2.0	2.0	2.0	2.0	4.2	7.0	7.0
(i) Access to Foreign Capital						6.4	9.4	9.4
(ii) Restrictions on Foreign Capital Transactions	2.0	2.0	2.0	2.0	2.0	2.0	4.6	4.6
<b>5. Regulation of Credit, Labor &amp; Business</b>	3.9	3.9	3.5	3.3	4.3	5.0	5.9	5.3
A. Regulation of Credit Markets	3.0	2.9	1.7	1.1	3.8	4.9	6.1	6.1
(i) Private Ownership of Banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(ii) Competition from Foreign Banks						4.2	5.4	5.4
(iii) Extension of Credit to Private Sector	5.9	5.8	5.2	3.4	5.4	8.1	9.0	9.1
(iv) Avoidance of Negative Real Interest Rates			0.0	0.0	6.0	8.0	10.0	10.0
(v) Controls on Interest Rates						4.0	5.9	5.9
B. Regulation of Labor Markets					3.3	3.8	4.3	4.3
(i) Impact of Minimum Wage						4.8	4.2	4.2
(ii) Flexibility in Hiring & Firing					4.9	4.9	5.4	5.7
(iii) Collective Bargaining	5.2	5.2	5.2	5.2	5.2	5.2	6.2	6.2
(iv) Incentives from Unemployment Benefits						4.4	5.5	5.5
(v) Military Conscriptation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
C. Regulation of Business						6.2	7.4	5.5
(i) Price Controls						5.0	5.0	6.0
(ii) Administrative Obstacles for New Businesses							8.2	3.2
(iii) Time Spent with Government Bureaucracy						6.3	7.7	3.5
(iv) Ease of Starting a New Business						5.8	7.7	7.0
(v) Irregular Payments to Government Officials						7.7	8.4	7.9

## Italy

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	6.1 (30)		5.3 (43)		5.4 (51)		5.7 (43)		6.5 (29)		6.4 (42)		7.1 (34)		7.0 (35)	
<b>1. Size of Government</b>	5.4		5.2		3.6		3.0		3.3		3.7		4.6		4.6	
A. Government Consumption	6.4	(18.3)	6.2	(18.8)	6.0	(19.7)	5.5	(21.4)	5.2	(22.3)	5.7	(20.7)	4.8	(23.5)	4.7	(24.0)
B. Transfers & Subsidies	5.9	(15.6)	5.4	(17.5)	4.4	(20.9)	2.4	(28.5)	3.1	(25.8)	2.3	(28.7)	4.4	(20.9)	4.6	(20.2)
C. Government Enterprises & Investment	4.0		4.0 (30.4)		4.0 (25.9)		4.0 (33.2)		4.0 (30.3)		6.0 (28.3)		6.0		6.0	
D. Top Marginal Tax Rate			5.0		0.0		0.0		1.0		1.0		3.0		3.0	
(i) Top Marginal Income Tax Rate			5.0 (48)		0.0 (72)		0.0 (81)		1.0 (66)		1.0 (67)		3.0 (51)		4.0 (46-50)	
(ii) Top Marginal Income & Payroll Tax Rate									1.0 (66)		1.0 (67)		3.0 (52)		2.0 (55-58)	
<b>2. Legal Structure &amp; Security of Property Rights</b>	6.2		3.9		5.7		6.8		7.7		6.5		7.7		7.4	
A. Judicial Independence											5.1		4.8		5.9	
B. Impartial Courts											5.4		5.7		4.6	
C. Protection of Intellectual Property											5.4		7.8		6.3	
D. Military Interference											9.4		10.0		10.0	
E. Integrity of Legal System											7.0		10.0		10.0	
<b>3. Access to Sound Money</b>	6.3		5.5		5.3		6.2		9.2		9.5		9.4		9.6	
A. Growth of Money Supply	7.4	(12.8)	7.5	(12.7)	6.5	(17.7)	8.1	(9.7)	8.8	(6.3)	9.5	(2.5)	8.7	(6.3)	8.9	(5.3)
B. Inflation Variability	9.3	(1.8)	7.8	(5.6)	9.0	(2.4)	8.5	(3.7)	9.7	(0.7)	9.4	(1.4)	9.5	(1.3)	9.8	(0.4)
C. Recent Annual Inflation	8.6	(6.9)	6.8	(16.1)	5.8	(20.9)	8.2	(9.0)	8.2	(9.0)	9.0	(5.1)	9.5	(2.5)	9.5	(2.8)
D. Freedom to Own Foreign Currency	0.0		0.0		0.0		0.0		10.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	7.5		7.0		7.4		7.5		7.2		7.7		8.1		8.2	
A. Taxes on International Trade	9.9		8.8		9.0		9.2		8.5		8.7		9.3		9.2	
(i) Taxes as Percentage of Exports & Imports	9.9	(0.2)	9.8	(0.3)	9.7	(0.4)	9.8	(0.3)	9.8	(0.3)	9.8	(0.3)	10.0	(0.0)	9.8	(0.3)
(ii) Mean Tariff Rate			7.8 (11.0)		8.2 (8.8)		8.5 (7.5)		8.5 (7.4)		8.7 (6.7)		9.5 (2.4)		9.5 (2.7)	
(iii) Variability of Tariff Rates									7.1 (7.2)		7.6 (5.9)		8.2 (4.4)		8.2 (4.4)	
B. Regulatory Trade Barriers											7.0		8.5		8.2	
(i) Hidden Import Barriers											7.0		7.7		7.0	
(ii) Costs of Importing													9.3		9.5	
C. Size of Trade Sector	4.8		4.9		5.0		5.3		4.2		5.0		4.5		4.8	
D. Official versus Black Market Exchange Rate	9.6		8.2		10.0		10.0		10.0		10.0		10.0		10.0	
E. Restrictions on Capital Markets	5.0		5.0		5.0		5.0		5.0		8.0		8.4		8.7	
(i) Access to Foreign Capital											8.0		9.0		9.0	
(ii) Restrictions on Foreign Capital Transactions	5.0		5.0		5.0		5.0		5.0		8.0		7.7		8.5	
<b>5. Regulation of Credit, Labor &amp; Business</b>	5.2		4.9		4.8		4.9		5.3		4.8		5.5		5.1	
A. Regulation of Credit Markets	6.9		5.9		5.0		5.6		6.9		6.6		6.7		6.8	
(i) Private Ownership of Banks	5.0		5.0		5.0		5.0		5.0		5.0		5.0		5.0	
(ii) Competition from Foreign Banks											4.8		5.7		5.7	
(iii) Extension of Credit to Private Sector	7.8		6.6		6.1		5.7		5.8		6.5		7.7		8.3	
(iv) Avoidance of Negative Real Interest Rates	8.0		6.0		4.0		6.0		10.0		10.0		10.0		10.0	
(v) Controls on Interest Rates											6.5		5.2		5.2	
B. Regulation of Labor Markets	3.7		3.8		4.1		4.1		4.2		3.5		3.5		3.6	
(i) Impact of Minimum Wage											3.4		4.0		4.0	
(ii) Flexibility in Hiring & Firing									2.6		2.6		2.1		2.3	
(iii) Collective Bargaining	4.5		4.5		4.5		4.5		4.5		4.5		3.7		3.8	
(iv) Incentives from Unemployment Benefits	6.7		6.8		6.9		6.9		6.7		4.0		4.8		4.8	
(v) Military Conscription	0.0		0.0		1.0		1.0		3.0		3.0		3.0		3.0	
C. Regulation of Business											4.4		6.3		5.0	
(i) Price Controls									5.0		6.0		6.0		5.0	
(ii) Administrative Obstacles for New Businesses													6.9		2.0	
(iii) Time Spent with Government Bureaucracy											4.7		6.1		6.8	
(iv) Ease of Starting a New Business											4.1		5.1		4.4	
(v) Irregular Payments to Government Officials											2.9		7.4		6.8	

# Jamaica

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>			4.2 (87)	4.9 (76)	5.5 (52)	6.3 (46)	6.9 (41)	7.0 (35)
<b>1. Size of Government</b>	3.7	4.4	2.2	5.4	7.0	7.4	7.5	7.6
A. Government Consumption	7.0 (16.1)	5.4 (21.7)	4.7 (24.1)	6.6 (17.4)	6.4 (18.4)	6.4 (18.3)	6.1 (19.3)	6.3 (18.5)
B. Transfers & Subsidies		8.2 (7.0)		10.0 (0.5)	9.6 (2.0)	9.1 (3.9)	10.0 (0.4)	10.0 (0.0)
C. Government Enterprises & Investment	4.0 (34.4)	2.0 (45.6)	2.0 (46.5)	4.0 (13.4)	6.0 (21.3)	6.0	6.0	6.0
D. Top Marginal Tax Rate	0.0	2.0	0.0	1.0	6.0	8.0	8.0	8.0
(i) Top Marginal Income Tax Rate	0.0 (75)	2.0 (60)	0.0 (80)	1.0 (58)	7.0 (33)	9.0 (25)	9.0 (25)	9.0 (25)
(ii) Top Marginal Income & Payroll Tax Rate					5.0 (37)	7.0 (31)	7.0 (31)	7.0 (31)
<b>2. Legal Structure &amp; Security of Property Rights</b>			3.3	3.5	4.2	5.1	5.2	5.6
A. Judicial Independence								5.7
B. Impartial Courts						4.3	4.9	5.0
C. Protection of Intellectual Property							4.1	3.9
D. Military Interference						5.4	10.0	10.0
E. Integrity of Legal System						7.0	3.3	3.3
<b>3. Access to Sound Money</b>	8.7	4.3	5.1	4.0	4.6	5.1	8.2	9.0
A. Growth of Money Supply	8.0 (9.9)	6.6 (17.1)	6.4 (18.1)	6.4 (17.8)	6.2 (19.0)	0.8 (45.9)	8.0 (10.1)	8.6 (9.2)
B. Inflation Variability	9.2 (1.9)	4.9 (12.8)	7.9 (5.3)	5.6 (11.0)	8.2 (4.5)	5.3 (11.7)	6.4 (8.9)	9.1 (2.1)
C. Recent Annual Inflation	8.9 (5.6)	5.8 (20.8)	6.3 (18.3)	3.9 (30.7)	3.9 (30.7)	4.4 (27.9)	8.4 (8.2)	8.4 (7.0)
D. Freedom to Own Foreign Currency		0.0	0.0	0.0	0.0	10.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>		5.6	4.7	6.2	5.4	7.6	7.3	7.2
A. Taxes on International Trade		7.3	8.1	7.7	6.6	6.9	7.3	7.3
(i) Taxes as Percentage of Exports & Imports		7.3 (4.0)	9.4 (0.9)	8.9 (1.7)		8.5 (2.2)	8.5 (2.2)	8.5 (2.2)
(ii) Mean Tariff Rate			6.7 (16.5)	6.6 (17.0)	6.6 (17.0)	7.2 (14.0)	7.9 (10.6)	7.9 (10.6)
(iii) Variability of Tariff Rates						5.0 (12.5)	5.5 (11.3)	5.5 (11.3)
B. Regulatory Trade Barriers							5.7	6.2
(i) Hidden Import Barriers							5.7	4.8
(ii) Costs of Importing								7.7
C. Size of Trade Sector	4.0	4.7	5.3	6.8	5.7	6.5	5.3	4.4
D. Official versus Black Market Exchange Rate	8.8	5.6	0.0	6.2	4.6	8.6	10.0	10.0
E. Restrictions on Capital Markets	2.0	2.0	2.0	2.0	2.0	8.0	8.2	8.2
(i) Access to Foreign Capital							8.7	8.7
(ii) Restrictions on Foreign Capital Transactions	2.0	2.0	2.0	2.0	2.0	8.0	7.7	7.7
<b>5. Regulation of Credit, Labor &amp; Business</b>			5.8	5.6	6.5	6.2	6.4	5.6
A. Regulation of Credit Markets	8.1	8.0	5.1	5.0	8.7	7.8	6.7	6.4
(i) Private Ownership of Banks				5.0	10.0	10.0	10.0	10.0
(ii) Competition from Foreign Banks							5.7	5.7
(iii) Extension of Credit to Private Sector	8.1	8.0	6.1	6.0	8.2	7.3	7.3	3.0
(iv) Avoidance of Negative Real Interest Rates			4.0	4.0	8.0	6.0	6.0	9.0
(v) Controls on Interest Rates							4.4	4.4
B. Regulation of Labor Markets							6.5	6.2
(i) Impact of Minimum Wage							4.0	4.0
(ii) Flexibility in Hiring & Firing							4.8	3.7
(iii) Collective Bargaining							7.1	7.1
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription		10.0	10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business							5.9	4.3
(i) Price Controls					4.0	4.0	4.0	4.0
(ii) Administrative Obstacles for New Businesses							6.8	2.1
(iii) Time Spent with Government Bureaucracy							6.9	5.5
(iv) Ease of Starting a New Business							5.7	3.6
(v) Irregular Payments to Government Officials							6.3	6.1

## Japan

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	7.2 (7)		6.5 (13)		7.0 (9)		7.1 (8)		7.4 (7)		7.0 (28)		7.3 (21)		7.1 (26)	
<b>1. Size of Government</b>	8.6		6.2		5.8		6.0		6.1		5.0		5.3		5.6	
A. Government Consumption	8.1	(12.5)	7.4	(14.9)	7.6	(14.3)	7.7	(14.0)	7.8	(13.5)	5.5	(21.3)	5.0	(22.9)	4.8	(23.7)
B. Transfers & Subsidies	9.7	(1.6)	8.3	(6.7)	7.6	(9.2)	7.2	(10.9)	7.0	(11.5)	6.8	(12.2)				
C. Government Enterprises & Investment	8.0	(12.7)	8.0	(15.6)	8.0	(19.6)	8.0	(17.9)	8.0	(20.4)	6.0	(28.5)	6.0		7.0	(21.5)
D. Top Marginal Tax Rate			1.0		0.0		1.0		1.5		1.5		5.0		5.0	
(i) Top Marginal Income Tax Rate			1.0	(68)	0.0	(75)	1.0	(70)	2.0	(65)	2.0	(65)	5.0	(50)	5.0	(50)
(ii) Top Marginal Income & Payroll Tax Rate									1.0	(69)	1.0	(69)	5.0	(50)	5.0	(50)
<b>2. Legal Structure &amp; Security of Property Rights</b>	8.0		6.2		7.9		7.2		7.7		8.1		8.2		7.2	
A. Judicial Independence											8.3		8.0		6.5	
B. Impartial Courts											6.1		7.0		5.3	
C. Protection of Intellectual Property											6.8		7.6		5.7	
D. Military Interference											9.4		10.0		10.0	
E. Integrity of Legal System											10.0		8.3		8.3	
<b>3. Access to Sound Money</b>	6.8		7.3		8.2		8.5		9.7		9.6		9.5		9.6	
A. Growth of Money Supply	8.9	(5.3)	7.9	(10.5)	9.5	(2.4)	9.8	(1.2)	9.6	(2.1)	9.1	(4.5)	8.4	(7.9)	9.1	(5.6)
B. Inflation Variability	9.7	(0.7)	7.6	(5.9)	9.3	(1.8)	9.7	(0.9)	9.7	(0.8)	9.5	(1.2)	9.8	(0.6)	9.6	(1.0)
C. Recent Annual Inflation	8.7	(6.5)	8.6	(7.2)	8.9	(5.4)	9.6	(2.1)	9.6	(2.1)	9.9	(-0.6)	9.9	(-0.6)	9.9	(0.7)
D. Freedom to Own Foreign Currency	0.0		5.0		5.0		5.0		10.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	6.5		6.5		6.6		7.2		7.2		5.9		6.8		6.8	
A. Taxes on International Trade	8.1		8.5		8.8		9.1		8.2		8.1		8.4		8.4	
(i) Taxes as Percentage of Exports & Imports	8.1	(2.8)	9.1	(1.3)	9.4	(0.9)	9.5	(0.8)	9.4	(0.9)	8.9	(1.6)	9.0	(1.5)	9.0	(1.5)
(ii) Mean Tariff Rate			7.8	(11.0)	8.1	(9.5)	8.7	(6.7)	8.6	(6.9)	8.7	(6.3)	9.1	(4.5)	9.1	(4.5)
(iii) Variability of Tariff Rates									6.7	(8.3)	6.6	(8.4)	7.2	(7.0)	7.2	(7.0)
B. Regulatory Trade Barriers											3.7		7.4		7.1	
(i) Hidden Import Barriers											3.7		5.4		5.0	
(ii) Costs of Importing													9.3		9.2	
C. Size of Trade Sector	4.2		4.0		3.8		3.5		1.4		0.0		0.0		0.0	
D. Official versus Black Market Exchange Rate	9.8		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
E. Restrictions on Capital Markets	2.0		2.0		2.0		5.0		8.0		7.7		8.4		8.4	
(i) Access to Foreign Capital											7.4		9.1		9.1	
(ii) Restrictions on Foreign Capital Transactions	2.0		2.0		2.0		5.0		8.0		8.0		7.7		7.7	
<b>5. Regulation of Credit, Labor &amp; Business</b>	6.3		6.2		6.5		6.5		6.3		6.5		6.6		6.1	
A. Regulation of Credit Markets	7.2		7.1		7.8		7.9		8.0		6.9		6.2		6.5	
(i) Private Ownership of Banks	8.0		8.0		5.0		5.0		5.0		5.0		5.0		5.0	
(ii) Competition from Foreign Banks											4.9		4.2		4.2	
(iii) Extension of Credit to Private Sector	9.5		9.2		8.4		8.6		8.9		8.9		8.1		8.0	
(iv) Avoidance of Negative Real Interest Rates	4.0		4.0		10.0		10.0		10.0		10.0		8.0		10.0	
(v) Controls on Interest Rates											5.6		5.6		5.6	
B. Regulation of Labor Markets	7.9		7.9		8.0		8.1		7.2		7.5		6.5		6.4	
(i) Impact of Minimum Wage											7.6		4.0		4.0	
(ii) Flexibility in Hiring & Firing											4.8		4.2		3.0	
(iii) Collective Bargaining	7.9		7.9		7.9		7.9		7.9		7.9		7.4		8.1	
(iv) Incentives from Unemployment Benefits	5.8		5.8		6.2		6.2		6.1		7.0		6.8		6.8	
(v) Military Conscription	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
C. Regulation of Business											5.0		7.2		5.4	
(i) Price Controls									6.0		5.0		6.0		5.0	
(ii) Administrative Obstacles for New Businesses													6.5		2.2	
(iii) Time Spent with Government Bureaucracy											5.9		9.1		7.5	
(iv) Ease of Starting a New Business											4.7		5.9		4.7	
(v) Irregular Payments to Government Officials											4.6		8.5		7.6	

# Jordan

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>		5.0 (49)	5.3 (53)	5.8 (40)	5.4 (57)	6.1 (57)	7.2 (28)	6.9 (39)
<b>1. Size of Government</b>		1.5	4.1	4.6	4.6	4.4	5.6	5.6
A. Government Consumption		3.1 (29.6)	3.9 (26.8)	5.0 (22.9)	4.4 (25.1)	3.7 (27.4)	4.8 (23.8)	4.8 (23.8)
B. Transfers & Subsidies			8.4 (6.3)	8.7 (5.1)	9.1 (3.7)	9.4 (2.7)	9.6 (2.1)	9.5 (2.3)
C. Government Enterprises & Investment	0.0 (82.2)	0.0 (83.3)	0.0 (53.1)	0.0 (52.7)	0.0	0.0	0.0	0.0
D. Top Marginal Tax Rate					5.0		8.0	8.0
(i) Top Marginal Income Tax Rate					5.0 (45)		8.0 (30)	8.0 (30)
(ii) Top Marginal Income & Payroll Tax Rate								
<b>2. Legal Structure &amp; Security of Property Rights</b>			2.3	3.5	4.0	6.0	7.2	6.1
A. Judicial Independence						6.5	8.2	5.4
B. Impartial Courts						5.9	6.8	4.8
C. Protection of Intellectual Property						4.3	6.1	5.1
D. Military Interference						6.2	8.3	8.3
E. Integrity of Legal System						7.0	6.7	6.7
<b>3. Access to Sound Money</b>	4.4	5.7	6.8	7.8	6.2	7.2	9.6	9.6
A. Growth of Money Supply		7.0 (14.9)	5.9 (20.7)	9.5 (-2.5)	8.2 (9.0)	9.8 (1.0)	9.1 (-4.6)	9.8 (1.7)
B. Inflation Variability		8.0 (4.9)	6.6 (8.4)	7.1 (7.3)	6.7 (8.1)	9.5 (1.2)	9.3 (1.7)	8.9 (2.8)
C. Recent Annual Inflation	8.8 (5.9)	7.6 (12.2)	9.8 (1.1)	9.7 (-1.5)	9.7 (-1.5)	9.3 (3.4)	9.9 (0.7)	9.9 (1.8)
D. Freedom to Own Foreign Currency	0.0	0.0	5.0	5.0	0.0	0.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>		6.5	6.6	6.7	6.5	6.8	7.4	7.1
A. Taxes on International Trade		5.5	5.3	6.6	4.6	6.2	5.3	5.3
(i) Taxes as Percentage of Exports & Imports		5.5 (6.8)	5.3 (7.1)	5.9 (6.1)	6.7 (5.0)	6.2 (5.7)	7.0 (4.6)	7.0 (4.6)
(ii) Mean Tariff Rate				7.2 (13.8)			5.4 (22.8)	5.4 (22.8)
(iii) Variability of Tariff Rates					2.6 (18.5)		3.4 (16.6)	3.4 (16.6)
B. Regulatory Trade Barriers						5.1	6.3	5.9
(i) Hidden Import Barriers						5.1	5.4	5.3
(ii) Costs of Importing							7.3	6.4
C. Size of Trade Sector	2.0	7.3	7.4	7.5	9.9	7.5	7.2	6.4
D. Official versus Black Market Exchange Rate	8.8	9.8	10.0	9.4	7.8	9.8	10.0	10.0
E. Restrictions on Capital Markets	2.0	2.0	2.0	2.0	2.0	5.4	8.2	8.2
(i) Access to Foreign Capital						8.9	8.7	8.7
(ii) Restrictions on Foreign Capital Transactions	2.0	2.0	2.0	2.0	2.0	2.0	7.7	7.7
<b>5. Regulation of Credit, Labor &amp; Business</b>	5.4	6.4	6.5	6.4	5.9	6.1	6.2	5.8
A. Regulation of Credit Markets	9.3	6.6	7.0	6.7	5.7	6.2	6.8	6.8
(i) Private Ownership of Banks		5.0	5.0	5.0	5.0	5.0	5.0	5.0
(ii) Competition from Foreign Banks						6.1	5.9	5.9
(iii) Extension of Credit to Private Sector	9.3	8.3	9.0	8.4	8.2	9.3	8.4	8.4
(iv) Avoidance of Negative Real Interest Rates					4.0	6.0	10.0	10.0
(v) Controls on Interest Rates						4.7	4.8	4.8
B. Regulation of Labor Markets					8.1	7.3	6.5	6.4
(i) Impact of Minimum Wage						6.6	3.7	3.7
(ii) Flexibility in Hiring & Firing					6.3	6.3	4.5	4.5
(iii) Collective Bargaining	7.9	7.9	7.9	7.9	7.9	7.9	7.8	7.4
(iv) Incentives from Unemployment Benefits						5.9	6.5	6.5
(v) Military Conscription	0.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business						4.6	5.4	4.3
(i) Price Controls					2.0	2.0	2.0	4.0
(ii) Administrative Obstacles for New Businesses							7.6	3.0
(iii) Time Spent with Government Bureaucracy						5.4	4.6	3.5
(iv) Ease of Starting a New Business							6.6	5.1
(v) Irregular Payments to Government Officials							6.4	5.9

# Kenya

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	5.5 (38)		5.1 (47)		5.1 (63)		5.5 (52)		5.4 (57)		5.8 (68)		6.5 (55)		6.6 (51)	
<b>1. Size of Government</b>	4.8		4.2		3.8		3.9		4.3		5.2		6.6		6.6	
A. Government Consumption	5.5	(21.3)	5.5	(21.2)	4.6	(24.2)	4.9	(23.3)	5.0	(23.1)	6.6	(17.6)	6.1	(19.1)	6.1	(19.1)
B. Transfers & Subsidies	9.7	(1.6)	9.4	(2.7)	9.5	(2.3)	8.9	(4.7)	9.4	(2.8)	9.2	(3.4)	9.2	(3.4)	9.2	(3.4)
C. Government Enterprises & Investment	4.0	(30.5)	2.0	(42.1)	0.0	(55.1)	2.0	(49.5)	0.0	(58.3)	2.0	(43.3)	4.0	(41.2)	4.0	(32.9)
D. Top Marginal Tax Rate	0.0		0.0		1.0		0.0		3.0		3.0		7.0		7.0	
(i) Top Marginal Income Tax Rate	0.0	(70)	0.0	(70)	1.0	(65)	0.0	(65)	3.0	(50)	3.0	(50)	7.0	(32)	7.0	(32)
(ii) Top Marginal Income & Payroll Tax Rate									3.0 (50)		3.0 (50)		7.0 (32)		7.0 (32)	
<b>2. Legal Structure &amp; Security of Property Rights</b>	4.7		3.7		4.2		5.3		5.3		3.8		4.0		4.0	
A. Judicial Independence																
B. Impartial Courts											3.4		3.4		3.4	
C. Protection of Intellectual Property																
D. Military Interference											3.4		5.0		5.0	
E. Integrity of Legal System											4.1		3.3		3.3	
<b>3. Access to Sound Money</b>	5.9		5.7		6.0		6.7		6.3		6.7		8.9		9.0	
A. Growth of Money Supply	9.1	(4.8)	8.9	(5.5)	8.5	(7.3)	9.1	(4.5)	7.5	(12.3)	6.7	(16.7)	8.3	(8.3)	8.6	(4.0)
B. Inflation Variability	7.7	(5.6)	6.4	(9.0)	7.5	(6.2)	9.5	(1.3)	9.4	(1.4)	7.3	(6.7)	8.4	(3.9)	8.5	(3.8)
C. Recent Annual Inflation	6.9	(15.3)	7.6	(11.8)	8.1	(9.6)	8.4	(8.2)	8.4	(8.2)	7.7	(11.3)	8.8	(5.9)	8.8	(0.8)
D. Freedom to Own Foreign Currency	0.0		0.0		0.0		0.0		0.0		5.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	5.1		6.2		5.5		5.6		5.3		7.7		7.1		7.1	
A. Taxes on International Trade	6.3		6.3		3.9		3.6		2.8		4.7		5.7		5.7	
(i) Taxes as Percentage of Exports & Imports	6.3	(5.6)	6.3	(5.5)	5.9	(6.1)	5.1	(7.4)	5.8	(6.3)	6.3	(5.6)	5.9	(6.2)	5.9	(6.2)
(ii) Mean Tariff Rate					1.9 (40.3)		2.2 (39.2)		1.3 (43.7)		3.2 (34.0)		6.1 (19.3)		6.1 (19.3)	
(iii) Variability of Tariff Rates									1.4 (21.6)		4.7 (13.3)		4.9 (12.7)		4.9 (12.7)	
B. Regulatory Trade Barriers																
(i) Hidden Import Barriers																
(ii) Costs of Importing																
C. Size of Trade Sector	7.4		7.9		7.5		6.3		6.8		8.0		6.1		6.1	
D. Official versus Black Market Exchange Rate	3.8		8.4		8.0		9.6		8.8		9.6		10.0		10.0	
E. Restrictions on Capital Markets	0.0		0.0		0.0		0.0		0.0		8.0		5.4		5.4	
(i) Access to Foreign Capital																
(ii) Restrictions on Foreign Capital Transactions	0.0		0.0		0.0		0.0		0.0		8.0		5.4		5.4	
<b>5. Regulation of Credit, Labor &amp; Business</b>	6.8		5.5		6.1		6.3		5.9		5.5		6.2		6.2	
A. Regulation of Credit Markets	8.0		4.6		6.2		6.7		7.3		5.4		6.9		7.1	
(i) Private Ownership of Banks			2.0		2.0		2.0		5.0		5.0		5.0		5.0	
(ii) Competition from Foreign Banks																
(iii) Extension of Credit to Private Sector	7.9		7.8		8.5		8.1		7.0		7.3		7.7		7.3	
(iv) Avoidance of Negative Real Interest Rates	8.0		4.0		8.0		10.0		10.0		4.0		8.0		9.0	
(v) Controls on Interest Rates																
B. Regulation of Labor Markets																
(i) Impact of Minimum Wage																
(ii) Flexibility in Hiring & Firing																
(iii) Collective Bargaining																
(iv) Incentives from Unemployment Benefits																
(v) Military Conscription	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
C. Regulation of Business																
(i) Price Controls									2.0		4.0		6.0		6.0	
(ii) Administrative Obstacles for New Businesses																
(iii) Time Spent with Government Bureaucracy																
(iv) Ease of Starting a New Business																
(v) Irregular Payments to Government Officials																

# Kuwait

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>			3.7 (98)	5.6 (46)	4.7 (89)	6.2 (51)	7.0 (36)	6.9 (39)
<b>1. Size of Government</b>		1.9	3.0	1.2	3.2	3.8	6.1	6.1
A. Government Consumption	4.1 (26.0)	1.9 (33.7)	3.9 (26.6)	2.4 (31.9)	0.0 (40.6)	0.0 (44.4)	1.4 (35.2)	1.3 (35.5)
B. Transfers & Subsidies					7.5 (9.8)	7.5 (9.7)	7.1 (11.2)	7.1 (11.2)
C. Government Enterprises & Investment		2.0	2.0 (43.5)	0.0 (61.3)	2.0 (46.0)	4.0 (21.8)	6.0 (20.5)	6.0 (16.3)
D. Top Marginal Tax Rate							10.0	10.0
(i) Top Marginal Income Tax Rate							10.0 (0)	10.0 (0)
(ii) Top Marginal Income & Payroll Tax Rate							10.0 (0)	10.0 (0)
<b>2. Legal Structure &amp; Security of Property Rights</b>			1.8	5.8	2.7	6.5	6.9	6.9
A. Judicial Independence								
B. Impartial Courts						7.2	7.5	7.5
C. Protection of Intellectual Property								
D. Military Interference						8.1	8.3	8.3
E. Integrity of Legal System						7.0	8.3	8.3
<b>3. Access to Sound Money</b>	9.9	6.4	4.9	8.6	7.1	9.1	9.5	8.1
A. Growth of Money Supply		5.5 (22.3)	5.9 (20.5)	8.2 (9.0)	8.6 (7.0)	10.0 (-0.2)	9.4 (-2.8)	10.0 (1.7)
B. Inflation Variability	9.7 (0.7)	0.0 (61.7)	2.1 (19.8)	7.0 (7.4)	4.6 (13.6)	7.5 (6.2)	9.0 (2.4)	2.6 (18.4)
C. Recent Annual Inflation	9.9 (0.6)	9.9 (-0.6)	1.5 (42.6)	9.0 (4.9)	8.0 (9.8)	8.7 (6.3)	9.4 (3.0)	9.6 (1.7)
D. Freedom to Own Foreign Currency	10.0	10.0	10.0	10.0		10.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>				6.9	7.0	6.8	7.2	7.2
A. Taxes on International Trade				9.2	9.2	9.4	9.3	9.3
(i) Taxes as Percentage of Exports & Imports					9.2 (1.2)	9.4 (0.9)	9.3 (1.1)	9.3 (1.1)
(ii) Mean Tariff Rate				9.2 (4.0)				
(iii) Variability of Tariff Rates								
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector	4.3	5.6	5.5	5.2	5.4	4.6	4.0	4.0
D. Official versus Black Market Exchange Rate	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
E. Restrictions on Capital Markets	2.0	2.0	2.0	2.0	2.0	2.0	4.6	4.6
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	2.0	2.0	2.0	2.0	2.0	2.0	4.6	4.6
<b>5. Regulation of Credit, Labor &amp; Business</b>		5.1	5.1	5.5	3.5	4.9	5.1	6.2
A. Regulation of Credit Markets	10.0	7.4	7.4	7.7	3.0	6.0	6.8	7.0
(i) Private Ownership of Banks		5.0	5.0	5.0	5.0	5.0	5.0	5.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector	10.0	9.9	9.8	8.0	1.1	3.0	5.5	6.0
(iv) Avoidance of Negative Real Interest Rates				10.0		10.0	10.0	10.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription		1.0	1.0	1.0	0.0	0.0	0.0	10.0
C. Regulation of Business								
(i) Price Controls						6.0	6.0	6.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								

## Latvia

Summary Ratings (Rank) ►	1970	1975	1980	1985	1990	1995	2000	2001
						5.1 (90)	6.5 (55)	6.6 (51)
<b>1. Size of Government</b>						4.1	5.2	5.2
A. Government Consumption					7.6 (14.0)	4.1 (26.2)	4.9 (23.2)	4.6 (24.3)
B. Transfers & Subsidies						5.2 (18.2)	5.8 (15.9)	6.2 (14.3)
C. Government Enterprises & Investment						0.0	4.0	4.0
D. Top Marginal Tax Rate						7.0	6.0	6.0
(i) Top Marginal Income Tax Rate						7.0 (35)	9.0 (25)	9.0 (25)
(ii) Top Marginal Income & Payroll Tax Rate							3.0 (48)	3.0 (48)
<b>2. Legal Structure &amp; Security of Property Rights</b>						6.0	5.9	5.7
A. Judicial Independence								4.1
B. Impartial Courts						5.8	6.2	4.1
C. Protection of Intellectual Property							3.8	3.7
D. Military Interference						7.5	8.3	8.3
E. Integrity of Legal System							8.3	8.3
<b>3. Access to Sound Money</b>					6.4	3.0	8.2	8.8
A. Growth of Money Supply						0.1 (49.5)	5.7 (21.4)	6.8 (7.2)
B. Inflation Variability			8.9 (2.7)	7.4 (6.4)		0.0 (365.3)	7.8 (5.6)	9.1 (2.3)
C. Recent Annual Inflation				6.9 (15.7)		6.8 (16.0)	9.5 (2.7)	9.5 (2.5)
D. Freedom to Own Foreign Currency					5.0	5.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>						8.0	7.3	7.6
A. Taxes on International Trade						9.5	8.3	8.6
(i) Taxes as Percentage of Exports & Imports						9.5 (0.8)	9.8 (0.3)	9.8 (0.3)
(ii) Mean Tariff Rate							8.9 (5.6)	9.8 (1.0)
(iii) Variability of Tariff Rates							6.3 (9.2)	6.3 (9.2)
B. Regulatory Trade Barriers							5.3	7.0
(i) Hidden Import Barriers							5.3	5.6
(ii) Costs of Importing								8.5
C. Size of Trade Sector						4.8	5.4	4.7
D. Official versus Black Market Exchange Rate					0.0	9.6	10.0	10.0
E. Restrictions on Capital Markets					0.0	8.0	7.6	7.5
(i) Access to Foreign Capital							8.3	8.3
(ii) Restrictions on Foreign Capital Transactions					0.0	8.0	6.9	6.7
<b>5. Regulation of Credit, Labor &amp; Business</b>						4.3	5.9	5.7
A. Regulation of Credit Markets						3.7	7.3	7.9
(i) Private Ownership of Banks								..
(ii) Competition from Foreign Banks							5.1	5.1
(iii) Extension of Credit to Private Sector						5.4	8.0	8.1
(iv) Avoidance of Negative Real Interest Rates						2.0	8.0	10.0
(v) Controls on Interest Rates							8.3	8.3
B. Regulation of Labor Markets							4.5	4.7
(i) Impact of Minimum Wage							3.3	3.3
(ii) Flexibility in Hiring & Firing							3.9	5.1
(iii) Collective Bargaining							7.9	7.3
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription					0.0	1.0	3.0	3.0
C. Regulation of Business							5.8	4.7
(i) Price Controls					0.0	6.0	6.0	6.0
(ii) Administrative Obstacles for New Businesses							7.2	3.3
(iii) Time Spent with Government Bureaucracy							4.7	4.0
(iv) Ease of Starting a New Business							5.0	4.6
(v) Irregular Payments to Government Officials							5.8	5.4



# Lithuania

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>						4.9 (92)	6.2 (68)	6.2 (69)
<b>1. Size of Government</b>						4.2	5.6	5.2
A. Government Consumption					4.3 (25.2)	5.1 (22.6)	4.4 (24.9)	4.7 (23.9)
B. Transfers & Subsidies						7.3 (10.4)	6.9 (11.8)	7.2 (11.0)
C. Government Enterprises & Investment						0.0	6.0	4.0 (36.4)
D. Top Marginal Tax Rate						4.5	5.0	5.0
(i) Top Marginal Income Tax Rate						7.0 (35)	7.0 (33)	7.0 (33)
(ii) Top Marginal Income & Payroll Tax Rate						2.0 (51)	3.0 (50)	3.0 (50)
<b>2. Legal Structure &amp; Security of Property Rights</b>						5.9	5.8	5.1
A. Judicial Independence								3.5
B. Impartial Courts						5.9	6.1	3.1
C. Protection of Intellectual Property							3.2	3.7
D. Military Interference						7.2	8.3	8.3
E. Integrity of Legal System							8.3	6.7
<b>3. Access to Sound Money</b>					7.5	1.8	6.7	7.5
A. Growth of Money Supply						0.0 (53.0)	8.4 (7.9)	7.5 (6.0)
B. Inflation Variability						0.0 (329.2)	3.8 (15.6)	8.0 (5.1)
C. Recent Annual Inflation					10.0 (-0.2)	2.4 (38.1)	9.7 (1.4)	9.7 (1.2)
D. Freedom to Own Foreign Currency					5.0	5.0	5.0	5.0
<b>4. Freedom to Exchange with Foreigners</b>						8.2	7.4	7.8
A. Taxes on International Trade						8.4	8.5	8.8
(i) Taxes as Percentage of Exports & Imports						9.6 (0.7)	9.8 (0.3)	9.8 (0.3)
(ii) Mean Tariff Rate						9.1 (4.5)	8.9 (5.4)	9.8 (1.1)
(iii) Variability of Tariff Rates						6.4 (9.0)	6.8 (7.9)	6.8 (7.9)
B. Regulatory Trade Barriers							5.2	7.2
(i) Hidden Import Barriers							5.2	5.3
(ii) Costs of Importing								9.0
C. Size of Trade Sector						6.3	5.7	5.3
D. Official versus Black Market Exchange Rate					0.0	10.0	10.0	10.0
E. Restrictions on Capital Markets					0.0	8.0	7.8	7.8
(i) Access to Foreign Capital							8.1	8.1
(ii) Restrictions on Foreign Capital Transactions					0.0	8.0	7.5	7.5
<b>5. Regulation of Credit, Labor &amp; Business</b>					2.5	4.5	5.6	5.5
A. Regulation of Credit Markets					0.0	4.4	6.4	6.8
(i) Private Ownership of Banks					0.0	5.0	5.0	5.0
(ii) Competition from Foreign Banks							5.2	5.2
(iii) Extension of Credit to Private Sector						8.3	6.6	6.7
(iv) Avoidance of Negative Real Interest Rates						0.0	8.0	10.0
(v) Controls on Interest Rates							7.3	7.3
B. Regulation of Labor Markets							4.2	4.5
(i) Impact of Minimum Wage							3.0	3.0
(ii) Flexibility in Hiring & Firing							2.8	3.6
(iii) Collective Bargaining							8.2	8.2
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription					0.0	3.0	3.0	3.0
C. Regulation of Business							6.2	5.3
(i) Price Controls					0.0	4.0	4.0	6.0
(ii) Administrative Obstacles for New Businesses							7.3	3.0
(iii) Time Spent with Government Bureaucracy							7.5	5.5
(iv) Ease of Starting a New Business							4.2	3.8
(v) Irregular Payments to Government Officials							8.3	8.0

# Luxembourg

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	7.9 (2)		7.9 (2)		7.7 (2)		8.1 (2)		7.5 (5)		7.6 (11)		7.7 (11)		7.7 (11)	
<b>1. Size of Government</b>	6.7		7.0		6.8		7.4		4.7		4.4		4.5		4.6	
A. Government Consumption	7.8	(13.6)	6.9	(16.4)	6.5	(17.8)	6.8	(16.9)	6.5	(17.8)	3.8	(26.9)	3.1	(29.3)	3.1	(29.6)
B. Transfers & Subsidies	5.3	(17.8)							2.9	(26.6)	3.3	(25.2)	3.4	(24.8)	4.5	(20.8)
C. Government Enterprises & Investment	7.0		7.0		7.0	(22.0)	8.0	(18.2)	8.0	(19.2)	8.0		8.0	(23.7)	7.0	(23.7)
D. Top Marginal Tax Rate									1.5		2.5		3.5		4.0	
(i) Top Marginal Income Tax Rate									1.0	(56)	3.0	(50)	4.0	(49)	4.0	(41)
(ii) Top Marginal Income & Payroll Tax Rate									2.0	(58)	2.0	(60)	3.0	(54)	4.0	(41)
<b>2. Legal Structure &amp; Security of Property Rights</b>	8.3		8.3		7.8		8.3		8.3		9.1		8.6		8.6	
A. Judicial Independence													9.5		7.3	
B. Impartial Courts													8.6		8.2	
C. Protection of Intellectual Property													7.4		7.6	
D. Military Interference													10.0		10.0	
E. Integrity of Legal System													10.0		10.0	
<b>3. Access to Sound Money</b>	8.3		9.0		8.9		9.5		9.3		9.5		9.7		9.7	
A. Growth of Money Supply					8.6	(7.0)	9.8	(0.8)	8.4	(7.8)	9.1	(4.6)	9.8	(0.8)	9.9	(0.7)
B. Inflation Variability	8.0	(4.9)	7.2	(7.1)	8.6	(3.6)	8.9	(2.7)	9.5	(1.2)	9.2	(1.9)	9.6	(1.0)	9.5	(1.1)
C. Recent Annual Inflation	7.0	(15.1)	9.8	(-0.9)	8.4	(7.9)	9.4	(3.0)	9.3	(3.4)	9.9	(0.7)	9.4	(3.1)	9.4	(2.7)
D. Freedom to Own Foreign Currency	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	9.0		8.4		8.2		8.5		8.3		8.1		8.5		8.6	
A. Taxes on International Trade	9.9		9.1		9.1		9.2		8.5		8.7		9.2		9.2	
(i) Taxes as Percentage of Exports & Imports	9.9	(0.2)	10.0	(0.0)	9.9	(0.1)	9.9	(0.1)	9.9	(0.1)	9.9	(0.1)	9.9	(0.1)	9.8	(0.3)
(ii) Mean Tariff Rate			8.1	(9.4)	8.2	(8.8)	8.5	(7.5)	8.5	(7.4)	8.7	(6.7)	9.5	(2.4)	9.5	(2.7)
(iii) Variability of Tariff Rates									7.1	(7.2)	7.6	(5.9)	8.2	(4.4)	8.2	(4.4)
B. Regulatory Trade Barriers											8.7		9.1		9.1	
(i) Hidden Import Barriers											8.7		8.2		8.2	
(ii) Costs of Importing													10.0		10.0	
C. Size of Trade Sector	7.1		4.6		3.9		5.3		4.8		3.6		4.8		5.4	
D. Official versus Black Market Exchange Rate	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
E. Restrictions on Capital Markets	10.0		10.0		10.0		10.0		10.0		9.4		9.6		9.6	
(i) Access to Foreign Capital											8.9		9.9		9.9	
(ii) Restrictions on Foreign Capital Transactions	10.0		10.0		10.0		10.0		10.0		10.0		9.2		9.2	
<b>5. Regulation of Credit, Labor &amp; Business</b>	6.9		6.9		6.9		6.9		6.6		6.8		6.9		6.8	
A. Regulation of Credit Markets	10.0		10.0		10.0		10.0		10.0		8.4		8.9		9.0	
(i) Private Ownership of Banks	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
(ii) Competition from Foreign Banks											8.6					
(iii) Extension of Credit to Private Sector											6.3		6.8		6.9	
(iv) Avoidance of Negative Real Interest Rates	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
(v) Controls on Interest Rates											7.0					
B. Regulation of Labor Markets									6.5		5.4					
(i) Impact of Minimum Wage											3.6					
(ii) Flexibility in Hiring & Firing											4.3		4.3			
(iii) Collective Bargaining	5.2		5.2		5.2		5.2		5.2		5.2		4.2			
(iv) Incentives from Unemployment Benefits											4.2					
(v) Military Conscription	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
C. Regulation of Business											6.5					
(i) Price Controls									2.0		5.0		7.0		6.0	
(ii) Administrative Obstacles for New Businesses																
(iii) Time Spent with Government Bureaucracy											7.2					
(iv) Ease of Starting a New Business											7.0					
(v) Irregular Payments to Government Officials											6.9					

# Madagascar

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>	<b>5.8 (35)</b>		<b>4.3 (83)</b>	<b>4.5 (88)</b>	<b>4.6 (93)</b>	<b>4.6 (100)</b>	<b>5.2 (105)</b>	<b>5.6 (91)</b>
<b>1. Size of Government</b>	5.5	4.2	4.1	4.4	6.3	6.5	6.5	7.0
A. Government Consumption	7.6 (14.2)	8.5 (11.2)	8.3 (11.9)	8.9 (9.9)	9.3 (8.5)	9.7 (6.9)	9.8 (6.8)	9.0 (9.4)
B. Transfers & Subsidies	9.0 (4.2)				9.8 (1.4)	9.8 (1.1)	9.9 (1.0)	9.9 (1.0)
C. Government Enterprises & Investment	0.0 (70.3)	0.0 (59.2)	0.0 (65.4)	0.0 (79.9)	0.0 (53.5)	0.0 (54.8)	0.0 (58.7)	2.0 (49.0)
D. Top Marginal Tax Rate								
(i) Top Marginal Income Tax Rate								
(ii) Top Marginal Income & Payroll Tax Rate								
<b>2. Legal Structure &amp; Security of Property Rights</b>				4.3	3.1	4.8	4.6	4.6
A. Judicial Independence								
B. Impartial Courts						4.1	4.4	4.4
C. Protection of Intellectual Property								
D. Military Interference						4.2	5.0	5.0
E. Integrity of Legal System						7.0	5.0	5.0
<b>3. Access to Sound Money</b>	8.8	6.2	5.7	5.7	5.5	2.5	4.5	6.3
A. Growth of Money Supply	8.9 (5.4)	8.8 (5.8)	6.8 (15.9)	8.1 (9.7)	6.3 (18.7)	5.0 (25.1)	7.0 (15.1)	7.9 (11.5)
B. Inflation Variability	9.0 (2.5)	7.0 (7.5)	8.9 (2.8)	6.9 (7.8)	8.1 (4.8)	4.0 (14.9)	3.4 (16.4)	9.6 (1.1)
C. Recent Annual Inflation	8.6 (6.9)	9.1 (4.7)	7.0 (15.0)	7.9 (10.4)	7.7 (11.5)	1.0 (45.2)	7.6 (12.0)	7.6 (6.9)
D. Freedom to Own Foreign Currency		0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>4. Freedom to Exchange with Foreigners</b>	4.7	3.7	3.3	4.0	4.6	5.5	6.0	5.6
A. Taxes on International Trade	0.0	0.8	4.0	0.8	1.7	4.2	3.9	3.2
(i) Taxes as Percentage of Exports & Imports	0.0 (15.1)	0.8 (13.8)	4.3 (8.5)		0.7 (14.0)	4.3 (8.5)	3.7 (9.4)	3.2 (10.2)
(ii) Mean Tariff Rate			3.7 (31.5)	0.8 (46.0)	2.8 (36.0)	4.0 (30.0)	4.0 (30.0)	
(iii) Variability of Tariff Rates								
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector	5.4	4.1	4.4	2.7	4.7	5.4	4.9	3.5
D. Official versus Black Market Exchange Rate	9.6	5.4	0.0	8.2	8.6	9.6	10.0	10.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	0.0	3.0	3.0
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	0.0	3.0	3.0
<b>5. Regulation of Credit, Labor &amp; Business</b>	4.1		4.2	4.3	3.5	3.7	4.4	4.8
A. Regulation of Credit Markets	4.7	4.4	4.6	4.9	3.1	3.7	6.0	5.9
(i) Private Ownership of Banks	0.0	0.0	0.0	0.0	0.0	2.0	2.0	2.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector	9.5	8.7	9.3	9.7	9.3	9.0	7.9	6.8
(iv) Avoidance of Negative Real Interest Rates					0.0	0.0	8.0	9.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription	0.0		1.0	1.0	1.0	1.0	1.0	1.0
C. Regulation of Business								
(i) Price Controls					0.0	0.0	0.0	4.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								

# Malawi

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
<b>1. Size of Government</b>	7.3		4.7		4.7		4.6		4.8		4.3		4.2		4.2	
A. Government Consumption	6.4	(18.3)	6.8	(17.0)	5.4	(21.6)	5.8	(20.3)	6.7	(17.4)	5.9	(19.8)	7.7	(13.9)	7.7	(13.9)
B. Transfers & Subsidies	9.6	(1.8)	9.9	(1.0)	9.6	(2.0)	9.5	(2.3)	9.5	(2.4)						
C. Government Enterprises & Investment	6.0	(17.2)	2.0	(44.5)	0.0	(69.3)	0.0	(62.0)	0.0	(48.2)	0.0	(65.2)	0.0	(79.0)	0.0	(70.8)
D. Top Marginal Tax Rate			0.0		4.0		3.0		3.0		7.0		5.0		5.0	
(i) Top Marginal Income Tax Rate			0.0	(69)	4.0	(45)	3.0	(50)	3.0	(50)	7.0	(35)	5.0	(38)	5.0	(38)
(ii) Top Marginal Income & Payroll Tax Rate									3.0	(50)	7.0	(35)	5.0	(38)	5.0	(38)
<b>2. Legal Structure &amp; Security of Property Rights</b>					3.6		4.0		4.5		5.4		5.5		5.3	
A. Judicial Independence											6.7		6.2			
B. Impartial Courts											4.8		4.9		4.9	
C. Protection of Intellectual Property											4.8		3.2			
D. Military Interference											6.4		6.7		6.7	
E. Integrity of Legal System											4.1		6.7		5.8	
<b>3. Access to Sound Money</b>	6.3		6.0		6.1		6.4		5.2		0.8		2.1		2.9	
A. Growth of Money Supply	8.6	(6.8)	7.7	(11.5)	9.9	(-0.5)	8.4	(8.0)	5.7	(21.4)	3.4	(33.2)	4.1	(29.5)	5.1	(24.5)
B. Inflation Variability	8.4	(4.0)	7.8	(5.5)	7.6	(5.9)	8.9	(2.7)	7.3	(6.6)	0.0	(28.5)	0.0	(29.5)	2.2	(19.4)
C. Recent Annual Inflation	8.2	(8.8)	8.4	(8.2)	6.8	(15.8)	8.2	(8.9)	7.8	(10.9)	0.0	(90.4)	4.1	(29.5)	4.1	(29.5)
D. Freedom to Own Foreign Currency	0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0	
<b>4. Freedom to Exchange with Foreigners</b>	5.8		5.8		4.3		4.9		5.8		6.1		6.0		5.9	
A. Taxes on International Trade	6.6		7.5		5.6		5.4		6.6		4.6		5.2		5.0	
(i) Taxes as Percentage of Exports & Imports	6.6	(5.1)	7.5	(3.8)	5.6	(6.6)	4.1	(8.8)	6.2	(5.7)	6.2	(5.7)	4.6	(8.1)	4.6	(8.1)
(ii) Mean Tariff Rate							6.7	(16.7)	7.0	(15.2)	3.8	(30.8)	6.9	(15.7)	6.1	(19.6)
(iii) Variability of Tariff Rates											3.8	(15.5)	4.2	(14.5)	4.2	(14.5)
B. Regulatory Trade Barriers																
(i) Hidden Import Barriers																
(ii) Costs of Importing																
C. Size of Trade Sector	5.6		6.8		5.2		4.8		5.0		5.7		5.8		5.4	
D. Official versus Black Market Exchange Rate	6.8		4.4		0.4		4.0		7.2		9.8		10.0		10.0	
E. Restrictions on Capital Markets	2.0		2.0		2.0		2.0		2.0		2.0		0.8		0.8	
(i) Access to Foreign Capital																
(ii) Restrictions on Foreign Capital Transactions	2.0		2.0		2.0		2.0		2.0		2.0		0.8		0.8	
<b>5. Regulation of Credit, Labor &amp; Business</b>			5.6		5.5		5.7		5.1		5.0		5.1		5.7	
A. Regulation of Credit Markets	8.6		4.4		4.6		5.3		5.3		3.8		4.0		5.5	
(i) Private Ownership of Banks			2.0		2.0		2.0		2.0		2.0		2.0		2.0	
(ii) Competition from Foreign Banks																
(iii) Extension of Credit to Private Sector	8.6		6.7		7.9		6.0		8.0		5.5		5.9		6.4	
(iv) Avoidance of Negative Real Interest Rates					4.0		8.0		6.0		4.0		4.0		8.0	
(v) Controls on Interest Rates																
B. Regulation of Labor Markets																
(i) Impact of Minimum Wage																
(ii) Flexibility in Hiring & Firing																
(iii) Collective Bargaining																
(iv) Incentives from Unemployment Benefits																
(v) Military Conscription			10.0		10.0		10.0		10.0		10.0		10.0		10.0	
C. Regulation of Business																
(i) Price Controls									0.0		4.0		4.0		6.0	
(ii) Administrative Obstacles for New Businesses																
(iii) Time Spent with Government Bureaucracy																
(iv) Ease of Starting a New Business																
(v) Irregular Payments to Government Officials																

# Malaysia

	1970	1975	1980	1985	1990	1995	2000	2001
Summary Ratings (Rank) ▶	6.5 (20)	6.3 (15)	6.9 (11)	7.0 (12)	7.3 (10)	7.3 (17)	6.7 (46)	6.4 (60)
<b>1. Size of Government</b>	5.9	5.3	4.8	5.6	6.3	6.4	6.7	5.6
A. Government Consumption	5.5 (21.4)	4.7 (23.9)	4.5 (24.6)	5.1 (22.7)	5.6 (21.0)	5.6 (20.9)	5.9 (20.1)	5.2 (22.2)
B. Transfers & Subsidies	8.1 (7.3)	8.4 (6.4)	8.8 (4.8)	9.2 (3.6)	9.5 (2.4)	9.0 (4.0)	9.0 (4.1)	9.0 (4.1)
C. Government Enterprises & Investment	4.0 (32.3)	4.0 (37.6)	4.0 (37.3)	2.0 (46.8)	4.0 (35.5)	4.0 (29.2)	4.0 (34.6)	0.0 (50.8)
D. Top Marginal Tax Rate		4.0	2.0	6.0	6.0	7.0	8.0	8.0
(i) Top Marginal Income Tax Rate		4.0 (50)	2.0 (60)	6.0 (45)	6.0 (45)	7.0 (32)	8.0 (29)	8.0 (28)
(ii) Top Marginal Income & Payroll Tax Rate					6.0 (45)	7.0 (32)	8.0 (29)	8.0 (28)
<b>2. Legal Structure &amp; Security of Property Rights</b>	5.8	4.6	6.6	6.3	6.5	6.6	5.6	6.1
A. Judicial Independence						6.2	4.5	5.4
B. Impartial Courts						6.1	6.0	6.4
C. Protection of Intellectual Property						6.1	4.2	5.6
D. Military Interference						7.8	8.3	8.3
E. Integrity of Legal System						7.0	5.0	5.0
<b>3. Access to Sound Money</b>	7.0	7.3	8.9	8.4	9.0	9.0	7.2	6.8
A. Growth of Money Supply	9.3 (-3.7)	8.1 (9.4)	8.1 (9.7)	9.8 (0.9)	8.7 (6.5)	7.5 (12.4)	9.6 (-1.8)	9.1 (-5.0)
B. Inflation Variability	8.8 (2.9)	6.7 (8.3)	8.8 (3.1)	8.9 (2.6)	7.9 (5.2)	9.4 (1.5)	9.3 (1.6)	8.3 (4.4)
C. Recent Annual Inflation	9.9 (-0.4)	9.4 (-3.1)	8.6 (6.9)	9.7 (-1.5)	9.4 (3.0)	9.0 (5.0)	9.7 (1.5)	9.7 (1.4)
D. Freedom to Own Foreign Currency	0.0	5.0	10.0	5.0	10.0	10.0	0.0	0.0
<b>4. Freedom to Exchange with Foreigners</b>	7.4	7.9	7.9	8.0	8.0	8.0	7.5	7.4
A. Taxes on International Trade	4.7	6.5	6.4	6.7	6.8	6.9	5.8	5.7
(i) Taxes as Percentage of Exports & Imports	4.7 (8.0)	5.3 (7.0)	4.9 (7.7)	6.2 (5.7)	7.9 (3.2)	8.9 (1.6)	8.9 (1.6)	9.0 (1.6)
(ii) Mean Tariff Rate		7.6 (12.0)	7.9 (10.6)	7.3 (13.6)	7.4 (13.0)	7.4 (12.8)	8.6 (7.1)	8.1 (9.3)
(iii) Variability of Tariff Rates					5.0 (12.5)	4.4 (14.0)	0.0 (31.0)	0.0 (31.0)
B. Regulatory Trade Barriers						6.7	7.9	7.5
(i) Hidden Import Barriers						6.7	6.7	6.3
(ii) Costs of Importing							9.2	8.6
C. Size of Trade Sector	9.1	10.0	10.0	10.0	10.0	10.0	10.0	10.0
D. Official versus Black Market Exchange Rate	9.8	10.0	10.0	10.0	10.0	10.0	10.0	10.0
E. Restrictions on Capital Markets	5.0	5.0	5.0	5.0	5.0	6.2	3.7	3.7
(i) Access to Foreign Capital						7.3	6.6	6.6
(ii) Restrictions on Foreign Capital Transactions	5.0	5.0	5.0	5.0	5.0	5.0	0.8	0.8
<b>5. Regulation of Credit, Labor &amp; Business</b>	6.6	6.4	6.2	6.6	6.5	6.7	6.3	6.1
A. Regulation of Credit Markets	7.4	6.6	6.3	7.7	7.8	6.3	6.0	6.0
(i) Private Ownership of Banks	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
(ii) Competition from Foreign Banks						3.2	2.1	2.1
(iii) Extension of Credit to Private Sector	9.9	8.2	7.9	8.0	8.4	8.7	9.3	9.4
(iv) Avoidance of Negative Real Interest Rates			6.0	10.0	10.0	10.0	10.0	10.0
(v) Controls on Interest Rates						4.8	3.7	3.7
B. Regulation of Labor Markets					8.2	7.6	6.6	6.6
(i) Impact of Minimum Wage						6.7	4.5	4.5
(ii) Flexibility in Hiring & Firing					6.7	6.7	4.0	4.0
(iii) Collective Bargaining	7.9	7.9	7.9	7.9	7.9	7.9	7.5	7.4
(iv) Incentives from Unemployment Benefits						6.5	7.0	7.0
(v) Military Conscription	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business						6.1	6.2	5.6
(i) Price Controls					5.0	4.0	3.0	4.0
(ii) Administrative Obstacles for New Businesses							7.1	4.1
(iii) Time Spent with Government Bureaucracy						8.1	8.4	5.8
(iv) Ease of Starting a New Business						7.2	6.3	7.3
(v) Irregular Payments to Government Officials						5.4	6.1	6.7



# Malta

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>			5.5 (48)	5.3 (60)	5.4 (57)	6.6 (40)	6.4 (61)	6.4 (60)
<b>1. Size of Government</b>	5.5	4.6	4.2	4.4	4.3	6.0	5.9	5.8
A. Government Consumption	5.9 (19.9)	5.8 (20.4)	5.9 (20.0)	5.8 (20.2)	5.3 (21.9)	4.4 (25.1)	5.1 (22.7)	4.7 (24.0)
B. Transfers & Subsidies	6.5 (13.3)	6.1 (14.7)	6.8 (12.2)	5.9 (15.7)	5.9 (15.6)	6.5 (13.4)	5.6 (16.8)	5.6 (16.8)
C. Government Enterprises & Investment	4.0 (36.5)	2.0 (46.3)	4.0 (28.6)	6.0 (20.0)	6.0 (28.8)	6.0	6.0	6.0
D. Top Marginal Tax Rate			0.0	0.0	0.0	7.0	7.0	7.0
(i) Top Marginal Income Tax Rate			0.0 (65)	0.0 (65)	0.0 (65)	7.0 (35)	7.0 (35)	7.0 (35)
(ii) Top Marginal Income & Payroll Tax Rate					0.0 (65)	7.0 (35)	7.0 (35)	7.0 (35)
<b>2. Legal Structure &amp; Security of Property Rights</b>				3.5	4.5	7.6	7.2	7.2
A. Judicial Independence								
B. Impartial Courts						7.1	6.8	6.8
C. Protection of Intellectual Property								
D. Military Interference						9.8	10.0	10.0
E. Integrity of Legal System						10.0	8.3	8.3
<b>3. Access to Sound Money</b>	9.1	6.6	6.3	7.1	7.3	7.1	7.2	7.3
A. Growth of Money Supply	8.9 (5.7)	8.6 (7.1)	8.9 (5.5)	9.6 (-2.1)	10.0 (-0.2)	9.9 (-0.4)	9.8 (-1.1)	10.0 (1.7)
B. Inflation Variability	8.9 (2.7)	9.1 (2.3)	8.8 (3.0)	8.8 (3.1)	9.7 (0.6)	9.6 (0.9)	9.4 (1.4)	9.5 (1.1)
C. Recent Annual Inflation	9.5 (2.7)	8.9 (5.4)	7.5 (12.4)	9.9 (0.6)	9.4 (3.2)	8.9 (5.6)	9.5 (2.4)	9.5 (2.9)
D. Freedom to Own Foreign Currency		0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>4. Freedom to Exchange with Foreigners</b>	5.7	6.2	5.8	6.0	6.2	6.7	6.2	6.0
A. Taxes on International Trade	4.9	6.9	6.7	7.0	6.7	9.5	8.6	8.6
(i) Taxes as Percentage of Exports & Imports	4.9 (7.6)	6.9 (4.6)	6.7 (4.9)	7.0 (4.5)	6.7 (4.9)	9.5 (0.8)	9.5 (0.8)	9.5 (0.8)
(ii) Mean Tariff Rate							8.5 (7.6)	8.5 (7.6)
(iii) Variability of Tariff Rates							7.7 (5.8)	7.7 (5.8)
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector	3.9	4.9	4.6	4.1	4.5	4.5	4.0	3.9
D. Official versus Black Market Exchange Rate	9.4	9.0	7.6	8.6	9.6	9.2	9.4	9.4
E. Restrictions on Capital Markets	2.0	2.0	2.0	2.0	2.0	2.0	0.8	0.0
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	2.0	2.0	2.0	2.0	2.0	2.0	0.8	0.0
<b>5. Regulation of Credit, Labor &amp; Business</b>			5.7	5.6	4.9	5.6	5.5	5.7
A. Regulation of Credit Markets	4.2	4.5	5.1	5.1	4.8	6.2	6.0	5.9
(i) Private Ownership of Banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector	8.5	8.9	9.4	9.2	8.4	8.6	7.9	7.8
(iv) Avoidance of Negative Real Interest Rates			6.0	6.0	6.0	10.0	10.0	10.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription			10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business								
(i) Price Controls					0.0	2.0	2.0	4.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								

## Mauritius

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	5.4 (38)		5.3 (53)		6.5 (19)		6.2 (34)		7.4 (13)		7.3 (21)		7.3 (20)			
<b>1. Size of Government</b>	6.8		7.2		5.6		6.8		6.8		6.9		6.9		7.6	
A. Government Consumption	7.3	(15.2)	7.3	(15.2)	7.1	(15.7)	7.4	(14.7)	7.2	(15.4)	7.1	(15.7)	7.0	(16.2)	6.7	(17.1)
B. Transfers & Subsidies	9.3	(3.2)	8.3	(6.6)	8.4	(6.5)	8.7	(5.2)	9.0	(4.2)	8.9	(4.4)	8.5	(6.1)	8.5	(5.9)
C. Government Enterprises & Investment	4.0	(32.2)	6.0	(18.8)	4.0	(36.0)	4.0	(32.4)	4.0	(36.8)	4.0	(33.0)	4.0	(30.5)	7.0	(24.4)
D. Top Marginal Tax Rate					3.0		7.0		7.0		7.5		8.0		8.0	
(i) Top Marginal Income Tax Rate					3.0		(50)		7.0		(35)		8.0		(30)	
(ii) Top Marginal Income & Payroll Tax Rate									7.0		(35)		7.0		(32)	
<b>2. Legal Structure &amp; Security of Property Rights</b>							6.3		6.3		6.9		6.9		6.7	
A. Judicial Independence													6.2		6.5	
B. Impartial Courts											7.8		7.0		5.9	
C. Protection of Intellectual Property													4.8		4.2	
D. Military Interference											9.4		10.0		10.0	
E. Integrity of Legal System											7.0		6.7		6.7	
<b>3. Access to Sound Money</b>	9.6		3.7		4.8		6.9		6.0		9.4		9.6		9.5	
A. Growth of Money Supply	9.8	(1.1)	3.8	(30.9)	8.9	(5.7)	9.7	(-1.4)	6.7	(16.3)	9.0	(5.3)	9.8	(1.0)	9.7	(2.5)
B. Inflation Variability	9.2	(2.0)	1.9	(20.2)	5.8	(10.5)	9.5	(1.1)	9.4	(1.6)	9.5	(1.4)	9.5	(1.2)	8.9	(2.7)
C. Recent Annual Inflation	9.7	(1.6)	8.9	(5.3)	4.7	(26.6)	8.4	(8.2)	8.0	(10.1)	9.1	(4.7)	9.2	(4.2)	9.2	(5.4)
D. Freedom to Own Foreign Currency			0.0		0.0		0.0		0.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	4.0		4.3		4.1		5.7		5.5		7.0		7.0		7.1	
A. Taxes on International Trade	5.6		5.3		3.3		3.3		3.1		4.4		4.7		5.5	
(i) Taxes as Percentage of Exports & Imports	5.6	(6.6)	5.3	(7.1)	3.6	(9.6)	3.6	(9.6)	4.9	(7.6)	6.1	(5.9)	6.9	(4.7)	7.6	(3.7)
(ii) Mean Tariff Rate					3.0		(34.9)		3.0		(27.6)		2.8		(36.2)	
(iii) Variability of Tariff Rates									0.0		(91.5)		1.1		(22.2)	
B. Regulatory Trade Barriers													7.4		7.0	
(i) Hidden Import Barriers													7.9		6.6	
(ii) Costs of Importing													7.0		7.4	
C. Size of Trade Sector	4.4		5.4		4.8		5.0		5.9		4.7		5.0		5.2	
D. Official versus Black Market Exchange Rate	0.0		0.6		2.0		9.8		8.4		10.0		10.0		10.0	
E. Restrictions on Capital Markets	2.0		2.0		2.0		2.0		2.0		8.0		7.8		7.8	
(i) Access to Foreign Capital													8.7		8.7	
(ii) Restrictions on Foreign Capital Transactions	2.0		2.0		2.0		2.0		2.0		8.0		6.9		6.9	
<b>5. Regulation of Credit, Labor &amp; Business</b>			6.5		6.6		6.9		6.3		6.6		6.1		5.7	
A. Regulation of Credit Markets	8.1		7.0		7.3		8.5		8.1		9.0		7.3		7.4	
(i) Private Ownership of Banks			8.0		8.0		8.0		10.0		10.0		10.0		10.0	
(ii) Competition from Foreign Banks													4.3		4.3	
(iii) Extension of Credit to Private Sector	8.1		5.9		6.6		7.4		6.4		6.9		8.3		8.1	
(iv) Avoidance of Negative Real Interest Rates							10.0		8.0		10.0		8.0		9.0	
(v) Controls on Interest Rates													5.7		5.7	
B. Regulation of Labor Markets													4.9		5.0	
(i) Impact of Minimum Wage													3.1		3.1	
(ii) Flexibility in Hiring & Firing													2.0		2.3	
(iii) Collective Bargaining													3.6		3.6	
(iv) Incentives from Unemployment Benefits													5.8		5.8	
(v) Military Conscription			10.0		10.0		10.0		10.0		10.0		10.0		10.0	
C. Regulation of Business													6.2		4.7	
(i) Price Controls									4.0		4.0		6.0		4.0	
(ii) Administrative Obstacles for New Businesses													5.9		1.9	
(iii) Time Spent with Government Bureaucracy													7.5		5.8	
(iv) Ease of Starting a New Business													5.4		5.8	
(v) Irregular Payments to Government Officials													6.0		6.3	



# Mexico

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>	6.6 (18)	5.7 (29)	5.5 (48)	4.7 (83)	6.0 (39)	6.2 (51)	6.1 (70)	6.2 (69)
<b>1. Size of Government</b>	7.6	6.1	5.7	5.7	7.2	7.2	7.1	7.6
A. Government Consumption	9.4 (8.2)	8.3 (11.7)	7.8 (13.4)	8.1 (12.5)	8.6 (10.8)	7.8 (13.5)	7.7 (14.0)	7.6 (14.2)
B. Transfers & Subsidies	9.5 (2.2)	9.0 (4.1)	8.9 (4.4)	8.7 (5.4)	9.3 (3.2)	8.1 (7.5)	7.7 (8.8)	7.9 (8.1)
C. Government Enterprises & Investment	4.0 (33.3)	2.0 (40.2)	2.0 (43.5)	2.0 (38.0)	4.0 (23.2)	6.0 (19.6)	8.0	10.0 (10.5)
D. Top Marginal Tax Rate		5.0	4.0	4.0	7.0	7.0	5.0	5.0
(i) Top Marginal Income Tax Rate		5.0 (47)	4.0 (55)	4.0 (55)	7.0 (40)	7.0 (35)	7.0 (40)	7.0 (40)
(ii) Top Marginal Income & Payroll Tax Rate							3.0 (47)	3.0 (47)
<b>2. Legal Structure &amp; Security of Property Rights</b>	4.7	4.1	6.3	5.4	6.8	5.3	4.2	3.6
A. Judicial Independence						3.9	3.3	3.0
B. Impartial Courts						5.1	5.2	3.4
C. Protection of Intellectual Property						5.2	4.4	3.4
D. Military Interference						5.4	5.0	5.0
E. Integrity of Legal System						7.0	3.3	3.3
<b>3. Access to Sound Money</b>	9.1	8.1	7.4	3.3	3.6	4.5	6.2	7.1
A. Growth of Money Supply	8.9 (5.5)	7.7 (11.5)	5.1 (24.7)	1.1 (44.3)	0.0 (67.4)	5.1 (24.4)	5.9 (20.7)	7.2 (11.9)
B. Inflation Variability	9.2 (2.0)	8.2 (4.5)	9.1 (2.3)	1.9 (20.3)	0.0 (43.9)	5.6 (11.0)	5.7 (10.7)	8.1 (4.8)
C. Recent Annual Inflation	8.2 (9.0)	6.4 (17.9)	5.4 (22.8)	0.0 (54.0)	4.4 (28.1)	2.4 (37.9)	8.1 (9.5)	8.1 (6.4)
D. Freedom to Own Foreign Currency	10.0	10.0	10.0	10.0	10.0	5.0	5.0	5.0
<b>4. Freedom to Exchange with Foreigners</b>	5.1	5.0	3.0	5.1	7.4	7.8	7.8	7.3
A. Taxes on International Trade	4.8	4.7	1.9	6.1	7.9	8.2	7.5	7.5
(i) Taxes as Percentage of Exports & Imports	4.8 (7.8)	4.7 (7.9)	0.0 (17.6)	8.3 (2.6)	8.7 (2.0)	9.3 (1.1)	9.4 (0.9)	9.3 (1.0)
(ii) Mean Tariff Rate			3.8 (30.9)	4.0 (30.0)	7.8 (11.1)	7.5 (12.6)	6.8 (16.2)	6.8 (16.2)
(iii) Variability of Tariff Rates					7.2 (7.0)	7.8 (5.4)	6.3 (9.2)	6.3 (9.2)
B. Regulatory Trade Barriers						6.3	7.3	6.7
(i) Hidden Import Barriers						6.3	6.4	5.4
(ii) Costs of Importing							8.2	8.0
C. Size of Trade Sector	0.7	0.0	2.9	4.0	5.9	8.2	9.0	7.3
D. Official versus Black Market Exchange Rate	10.0	10.0	0.0	5.0	10.0	10.0	10.0	10.0
E. Restrictions on Capital Markets	2.0	2.0	2.0	2.0	5.0	6.4	5.1	5.1
(i) Access to Foreign Capital						7.8	8.7	8.7
(ii) Restrictions on Foreign Capital Transactions	2.0	2.0	2.0	2.0	5.0	5.0	1.5	1.5
<b>5. Regulation of Credit, Labor &amp; Business</b>		5.1	5.2	4.0	5.1	6.1	5.5	5.2
A. Regulation of Credit Markets	4.7	5.3	5.6	2.4	4.7	7.5	5.7	6.6
(i) Private Ownership of Banks		8.0	8.0	0.0	0.0	8.0	8.0	8.0
(ii) Competition from Foreign Banks						7.3	5.9	5.9
(iii) Extension of Credit to Private Sector	4.7	2.7	4.9	3.1	6.0	8.3	4.1	3.7
(iv) Avoidance of Negative Real Interest Rates			4.0	4.0	8.0	8.0	4.0	9.0
(v) Controls on Interest Rates						5.7	6.5	6.5
B. Regulation of Labor Markets					5.7	6.3	4.8	4.7
(i) Impact of Minimum Wage						7.9	2.7	2.7
(ii) Flexibility in Hiring & Firing					5.0	5.0	4.1	3.1
(iii) Collective Bargaining					7.2	7.2	5.7	6.0
(iv) Incentives from Unemployment Benefits						6.2	6.5	6.5
(v) Military Conscription	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
C. Regulation of Business						4.6	5.9	4.2
(i) Price Controls					0.0	5.0	7.0	6.0
(ii) Administrative Obstacles for New Businesses							6.7	2.1
(iii) Time Spent with Government Bureaucracy						6.1	6.3	4.3
(iv) Ease of Starting a New Business						4.2	3.7	3.0
(v) Irregular Payments to Government Officials						3.4	5.7	5.7

# Morocco

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	5.2 (40)		5.3 (43)		4.5 (79)		5.2 (65)		5.1 (70)		5.9 (66)		5.9 (77)		5.8 (82)	
<b>1. Size of Government</b>	4.8		5.7		4.6		4.2		4.9		5.0		5.9		5.5	
A. Government Consumption	7.6	(14.1)	6.2	(19.0)	5.5	(21.3)	6.1	(19.4)	6.1	(19.2)	6.0	(19.6)	5.1	(22.7)	5.2	(22.3)
B. Transfers & Subsidies			8.5	(6.0)	9.0	(4.1)	8.9	(4.6)	9.5	(2.3)	9.1	(3.9)	8.7	(5.4)	8.7	(5.4)
C. Government Enterprises & Investment	2.0	(40.3)	0.0	(60.5)	2.0	(46.8)	2.0	(47.5)	4.0	(31.7)	2.0	(41.7)	6.0	(29.3)	4.0	(35.4)
D. Top Marginal Tax Rate			8.0		2.0		0.0		0.0		3.0		4.0		4.0	
(i) Top Marginal Income Tax Rate			8.0	(39)	2.0	(64)	0.0	(87)	0.0	(87)	3.0	(46)	4.0	(44)	4.0	(44)
(ii) Top Marginal Income & Payroll Tax Rate																(.)
<b>2. Legal Structure &amp; Security of Property Rights</b>	3.8		3.3		2.2		4.0		4.0		6.7		6.7		5.9	
A. Judicial Independence																3.8
B. Impartial Courts													6.8		6.4	4.9
C. Protection of Intellectual Property																4.0
D. Military Interference													6.5		6.7	6.7
E. Integrity of Legal System													10.0		10.0	10.0
<b>3. Access to Sound Money</b>	6.9		5.9		6.1		6.7		6.3		6.6		6.7		7.0	
A. Growth of Money Supply	9.4	(3.1)	7.2	(13.9)	8.2	(9.0)	9.0	(4.9)	7.2	(13.8)	8.8	(5.8)	8.5	(7.7)	8.6	(5.8)
B. Inflation Variability	9.0	(2.4)	6.7	(8.4)	8.2	(4.5)	9.6	(0.9)	9.1	(2.4)	9.1	(2.2)	8.9	(2.8)	9.7	(0.7)
C. Recent Annual Inflation	9.3	(3.5)	9.7	(1.5)	8.1	(9.5)	8.3	(8.4)	8.9	(5.7)	8.4	(8.0)	9.6	(1.9)	9.6	(0.6)
D. Freedom to Own Foreign Currency	0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0	
<b>4. Freedom to Exchange with Foreigners</b>	5.3		6.1		5.2		6.1		5.7		6.2		5.2		5.6	
A. Taxes on International Trade	5.7		5.0		1.4		5.5		4.8		5.2		2.9		3.2	
(i) Taxes as Percentage of Exports & Imports	5.7	(6.5)	5.0	(7.5)	2.9	(10.7)	5.7	(6.4)	4.3	(8.6)	5.5	(6.8)	4.1	(8.8)	5.1	(7.4)
(ii) Mean Tariff Rate					0.0	(54.0)	5.3	(23.5)	5.3	(23.5)	5.4	(22.8)	3.3	(33.6)	3.3	(33.6)
(iii) Variability of Tariff Rates											4.7	(13.2)	1.2	(22.0)	1.2	(22.0)
B. Regulatory Trade Barriers																5.8
(i) Hidden Import Barriers																5.2
(ii) Costs of Importing																6.4
C. Size of Trade Sector	4.7		6.1		4.4		6.4		6.1		5.8		4.7		5.1	
D. Official versus Black Market Exchange Rate	7.8		9.4		9.8		8.6		7.4		9.8		10.0		10.0	
E. Restrictions on Capital Markets	0.0		2.0		2.0		2.0		2.0		2.0		0.0		0.8	
(i) Access to Foreign Capital																
(ii) Restrictions on Foreign Capital Transactions	0.0		2.0		2.0		2.0		2.0		2.0		0.0		0.8	
<b>5. Regulation of Credit, Labor &amp; Business</b>					4.5		4.7		4.4		4.9		5.1		5.3	
A. Regulation of Credit Markets	5.0		5.0		5.7		5.6		6.1		6.4		7.0		7.2	
(i) Private Ownership of Banks	5.0		5.0		5.0		5.0		5.0		5.0		5.0		5.0	
(ii) Competition from Foreign Banks																
(iii) Extension of Credit to Private Sector					6.4		5.7		5.3		6.2		8.0		7.7	
(iv) Avoidance of Negative Real Interest Rates							6.0		8.0		8.0		8.0		9.0	
(v) Controls on Interest Rates																
B. Regulation of Labor Markets																4.3
(i) Impact of Minimum Wage																
(ii) Flexibility in Hiring & Firing																4.5
(iii) Collective Bargaining																7.4
(iv) Incentives from Unemployment Benefits																
(v) Military Conscription	1.0		1.0		1.0		1.0		1.0		1.0		1.0		1.0	
C. Regulation of Business																4.4
(i) Price Controls									0.0		4.0		4.0		4.0	
(ii) Administrative Obstacles for New Businesses																3.4
(iii) Time Spent with Government Bureaucracy																5.5
(iv) Ease of Starting a New Business																4.3
(v) Irregular Payments to Government Officials																4.6

# Myanmar

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>			4.5 (79)	4.2 (91)	3.2 (109)	3.6 (121)	3.4 (123)	3.8 (123)
<b>1. Size of Government</b>							3.5	3.5
A. Government Consumption								
B. Transfers & Subsidies								
C. Government Enterprises & Investment	0.0	0.0	0.0	0.0	0.0 (45.0)	2.0	2.0	2.0
D. Top Marginal Tax Rate							5.0	5.0
(i) Top Marginal Income Tax Rate							5.0 (40)	5.0 (40)
(ii) Top Marginal Income & Payroll Tax Rate							5.0 (40)	5.0 (40)
<b>2. Legal Structure &amp; Security of Property Rights</b>			5.3	4.0	3.5	4.7	3.2	3.2
A. Judicial Independence								
B. Impartial Courts						4.1	3.8	3.8
C. Protection of Intellectual Property								
D. Military Interference						3.7	0.0	0.0
E. Integrity of Legal System						7.0	5.0	5.0
<b>3. Access to Sound Money</b>	6.6	3.7	6.8	7.2	3.9	4.4	4.5	6.1
A. Growth of Money Supply	9.1 (-4.3)	6.4 (17.9)	8.9 (5.6)	9.5 (2.3)	6.0 (20.2)	3.8 (30.9)	5.3 (23.6)	6.8 (16.1)
B. Inflation Variability	7.6 (6.0)	1.5 (21.2)	8.6 (3.5)	9.6 (1.0)	3.2 (17.1)	7.6 (6.0)	2.6 (18.6)	7.6 (6.0)
C. Recent Annual Inflation	9.7 (-1.4)	6.7 (16.5)	9.8 (1.2)	9.7 (1.6)	6.3 (18.5)	6.1 (19.4)	10.0 (-0.1)	10.0 (21.1)
D. Freedom to Own Foreign Currency	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>4. Freedom to Exchange with Foreigners</b>	2.1	1.7	1.9	1.7	1.7	1.7	1.7	1.7
A. Taxes on International Trade	2.4	0.0	0.5	0.0	0.0	0.0	0.0	0.0
(i) Taxes as Percentage of Exports & Imports	2.4 (11.4)	0.0 (19.3)	0.5 (14.2)	0.0 (17.6)	0.0 (19.4)	0.0 (24.7)	0.0 (21.8)	0.0 (21.8)
(ii) Mean Tariff Rate								
(iii) Variability of Tariff Rates								
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector	0.0	0.0	0.9	0.0	0.0	0.0	0.0	0.0
D. Official versus Black Market Exchange Rate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>5. Regulation of Credit, Labor &amp; Business</b>	3.3	4.6	3.9	3.8	3.7	3.7	4.0	4.5
A. Regulation of Credit Markets	2.5	1.4	0.5	0.2	0.0	0.0	1.0	3.4
(i) Private Ownership of Banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector	4.9	2.7	1.4	0.6				3.3
(iv) Avoidance of Negative Real Interest Rates			0.0	0.0	0.0	0.0	2.0	7.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription	0.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business								
(i) Price Controls					0.0	0.0	0.0	0.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								



# Nepal

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>			5.7 (39)	5.3 (60)	5.3 (64)	5.2 (86)	5.6 (89)	5.7 (89)
<b>1. Size of Government</b>		6.6	6.8	5.3	5.5	5.3	5.3	5.2
A. Government Consumption		9.3 (8.4)	9.5 (7.5)	8.6 (10.8)	9.0 (9.4)	8.7 (10.6)	8.6 (10.8)	8.3 (11.7)
B. Transfers & Subsidies								
C. Government Enterprises & Investment	2.0 (49.0)	4.0 (32.5)	4.0 (37.3)	2.0 (45.8)	2.0 (43.2)	2.0	2.0	2.0
D. Top Marginal Tax Rate								
(i) Top Marginal Income Tax Rate								
(ii) Top Marginal Income & Payroll Tax Rate								
<b>2. Legal Structure &amp; Security of Property Rights</b>						4.4	4.8	4.8
A. Judicial Independence								
B. Impartial Courts						4.6	4.4	4.4
C. Protection of Intellectual Property								
D. Military Interference							5.6	5.6
E. Integrity of Legal System								
<b>3. Access to Sound Money</b>	6.2	4.4	5.9	6.2	6.1	6.0	6.7	6.8
A. Growth of Money Supply	8.9 (5.3)	7.7 (11.6)	7.1 (14.4)	7.8 (10.8)	6.9 (15.7)	7.2 (13.9)	8.4 (7.8)	8.4 (8.8)
B. Inflation Variability	7.2 (7.0)	5.5 (11.3)	7.9 (5.4)	9.1 (2.2)	9.5 (1.3)	8.2 (4.6)	8.7 (3.3)	8.9 (2.7)
C. Recent Annual Inflation	8.6 (7.1)	4.5 (27.5)	8.5 (7.6)	7.7 (11.4)	7.9 (10.7)	8.7 (6.3)	9.7 (1.5)	9.7 (2.8)
D. Freedom to Own Foreign Currency	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>4. Freedom to Exchange with Foreigners</b>	1.8	2.9	4.8	4.7	4.3	5.0	6.0	5.8
A. Taxes on International Trade	0.6	4.1	4.9	5.2	4.8	5.6	5.0	4.9
(i) Taxes as Percentage of Exports & Imports	0.6 (14.1)	4.1 (8.9)	4.3 (8.6)	4.9 (7.7)	4.1 (8.8)	6.4 (5.4)	6.9 (4.7)	6.6 (5.1)
(ii) Mean Tariff Rate			5.6 (22.1)	5.5 (22.6)	5.5 (22.6)	6.8 (16.1)	6.4 (17.9)	6.4 (17.9)
(iii) Variability of Tariff Rates						3.6 (15.9)	1.6 (20.9)	1.6 (20.9)
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector	0.0	0.0	1.1	2.1	1.6	5.0	4.8	3.9
D. Official versus Black Market Exchange Rate	0.0	2.0	10.0	7.8	6.8	6.2	10.0	10.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	0.0	1.8	1.8
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	0.0	1.8	1.8
<b>5. Regulation of Credit, Labor &amp; Business</b>			5.2	5.2	5.4	5.3	5.5	5.9
A. Regulation of Credit Markets	0.0	0.0	4.0	3.8	5.6	5.5	6.0	6.7
(i) Private Ownership of Banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector			6.0	5.5	6.7	8.5	8.1	8.2
(iv) Avoidance of Negative Real Interest Rates			6.0	6.0	10.0	8.0	10.0	10.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription		10.0	10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business								
(i) Price Controls					2.0	2.0	2.0	4.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								

## Netherlands

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001											
	7.1 (9)		6.5 (13)		6.9 (11)		7.1 (8)		7.3 (10)		7.8 (8)		8.0 (9)		7.8 (10)											
<b>1. Size of Government</b>	4.9		4.3		3.8		3.8		4.9		4.8		4.5		4.6											
A. Government Consumption	5.8	(20.3)	5.2	(22.2)	5.2	(22.2)	5.6	(21.0)	5.9	(19.9)	6.1	(19.3)	2.5	(31.4)	2.4	(31.9)										
B. Transfers & Subsidies	5.0	(18.7)	3.2	(25.6)	2.1	(29.4)	1.5	(31.6)	2.3	(28.7)	2.0	(29.7)	2.8	(27.0)	4.2	(21.9)										
C. Government Enterprises & Investment	4.0	(33.7)	4.0	(33.6)	8.0	(14.8)	8.0	(14.7)	10.0	(12.7)	10.0	(13.8)	10.0		10.0											
D. Top Marginal Tax Rate			5.0		0.0		0.0		1.5		1.0		2.5		2.0											
(i) Top Marginal Income Tax Rate			5.0		(46)		0.0		(72)		3.0		(60)		3.0		(52)									
(ii) Top Marginal Income & Payroll Tax Rate									0.0		(63)		0.0		(63)		2.0		(54)							
<b>2. Legal Structure &amp; Security of Property Rights</b>	8.3		6.4		7.5		8.3		8.3		9.1		9.6		9.1											
A. Judicial Independence											9.4		9.5		9.0											
B. Impartial Courts											8.7		9.5		8.2											
C. Protection of Intellectual Property											7.5		9.1		8.4											
D. Military Interference											10.0		10.0		10.0											
E. Integrity of Legal System											10.0		10.0		10.0											
<b>3. Access to Sound Money</b>	9.4		9.0		9.4		9.5		9.6		9.7		9.4		9.5											
A. Growth of Money Supply	9.2	(3.8)	8.3	(8.5)	9.2	(3.9)	9.0	(4.8)	9.2	(4.2)	9.1	(4.3)	8.4	(7.9)	9.2	(4.2)										
B. Inflation Variability	9.6	(1.0)	9.7	(0.7)	9.3	(1.6)	9.3	(1.8)	9.6	(1.0)	9.9	(0.4)	9.9	(0.3)	9.4	(1.4)										
C. Recent Annual Inflation	8.8	(6.2)	8.0	(10.2)	8.9	(5.5)	9.6	(1.8)	9.5	(2.3)	9.7	(1.6)	9.5	(2.5)	9.5	(4.5)										
D. Freedom to Own Foreign Currency	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0											
<b>4. Freedom to Exchange with Foreigners</b>	7.5		7.6		8.2		8.5		8.2		8.5		8.8		8.8											
A. Taxes on International Trade	8.9		8.6		9.0		9.1		8.4		8.7		9.1		9.2											
(i) Taxes as Percentage of Exports & Imports	8.9	(1.7)	9.1	(1.3)	9.7	(0.4)	9.7	(0.4)	9.7	(0.5)	9.7	(0.5)	9.7	(0.5)	9.8	(0.3)										
(ii) Mean Tariff Rate			8.1		(9.4)		8.2		(8.8)		8.5		(7.4)		8.7		(6.7)		9.5		(2.4)		9.5		(2.7)	
(iii) Variability of Tariff Rates											7.1		(7.2)		7.6		(5.9)		8.2		(4.4)		8.2		(4.4)	
B. Regulatory Trade Barriers											8.9		9.5		8.8											
(i) Hidden Import Barriers											8.9		9.3		8.5											
(ii) Costs of Importing													9.8		9.2											
C. Size of Trade Sector	8.5		6.1		6.1		7.5		6.4		5.6		5.9		6.4											
D. Official versus Black Market Exchange Rate	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0											
E. Restrictions on Capital Markets	2.0		5.0		8.0		8.0		8.0		9.6		9.5		9.5											
(i) Access to Foreign Capital											9.1		9.9		9.9											
(ii) Restrictions on Foreign Capital Transactions	2.0		5.0		8.0		8.0		8.0		10.0		9.2		9.2											
<b>5. Regulation of Credit, Labor &amp; Business</b>	5.4		5.1		5.6		5.3		5.5		6.9		7.6		6.8											
A. Regulation of Credit Markets	8.9		7.9		9.4		8.6		9.3		9.0		9.2		9.1											
(i) Private Ownership of Banks	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0											
(ii) Competition from Foreign Banks											8.2		8.2		8.2											
(iii) Extension of Credit to Private Sector	6.7		7.8		8.3		7.8		7.8		8.2		9.1		8.6											
(iv) Avoidance of Negative Real Interest Rates	10.0		6.0		10.0		10.0		10.0		10.0		10.0		10.0											
(v) Controls on Interest Rates											8.6		8.9		8.9											
B. Regulation of Labor Markets	2.6		2.6		3.0		2.6		2.8		4.1		5.2		5.2											
(i) Impact of Minimum Wage											4.5		4.5		4.5											
(ii) Flexibility in Hiring & Firing											3.4		2.6		3.0											
(iii) Collective Bargaining	5.2		5.2		5.2		4.5		4.5		4.5		4.4		4.0											
(iv) Incentives from Unemployment Benefits	2.7		2.7		2.7		2.4		2.5		5.1		4.5		4.5											
(v) Military Conscription	0.0		0.0		1.0		1.0		1.0		3.0		10.0		10.0											
C. Regulation of Business											7.6		8.3		6.0											
(i) Price Controls									7.0		7.0		8.0		7.0											
(ii) Administrative Obstacles for New Businesses													7.7		2.9											
(iii) Time Spent with Government Bureaucracy											7.4		9.1		5.5											
(iv) Ease of Starting a New Business											7.5		7.6		6.1											
(v) Irregular Payments to Government Officials											8.5		8.9		8.5											

# New Zealand

	1970	1975	1980	1985	1990	1995	2000	2001
Summary Ratings (Rank) ▶	6.4 (23)	5.6 (34)	6.2 (21)	6.1 (29)	7.1 (15)	8.6 (3)	8.2 (5)	8.2 (4)
<b>1. Size of Government</b>	5.4	4.4	3.8	3.5	5.5	7.5	6.7	6.7
A. Government Consumption	6.7 (17.1)	6.0 (19.6)	5.1 (22.6)	5.6 (20.9)	5.5 (21.2)	6.2 (18.9)	4.8 (23.6)	4.9 (23.3)
B. Transfers & Subsidies		4.6 (20.2)	4.2 (21.9)	4.5 (20.6)	2.6 (27.5)	6.6 (12.8)	6.9 (11.9)	7.1 (11.2)
C. Government Enterprises & Investment	4.0 (33.9)	4.0 (37.5)	4.0 (30.8)	4.0 (31.4)	7.0 (25.3)	10.0 (12.0)	10.0	10.0 (13.3)
D. Top Marginal Tax Rate		3.0	2.0	0.0	7.0	7.0	5.0	5.0
(i) Top Marginal Income Tax Rate		3.0 (60)	2.0 (62)	0.0 (66)	7.0 (33)	7.0 (33)	5.0 (39)	5.0 (39)
(ii) Top Marginal Income & Payroll Tax Rate					7.0 (33)	7.0 (33)	5.0 (40)	5.0 (40)
<b>2. Legal Structure &amp; Security of Property Rights</b>	8.0	5.1	8.0	7.9	8.3	9.2	9.1	8.9
A. Judicial Independence						9.5	9.2	9.1
B. Impartial Courts						9.1	9.2	8.3
C. Protection of Intellectual Property						7.3	7.2	7.2
D. Military Interference						10.0	10.0	10.0
E. Integrity of Legal System						10.0	10.0	10.0
<b>3. Access to Sound Money</b>	6.2	5.8	6.3	6.0	7.3	9.6	9.0	9.5
A. Growth of Money Supply	9.7 (-1.8)	7.6 (12.2)	8.9 (5.6)	8.3 (8.5)	1.8 (40.9)	9.1 (4.7)	7.0 (-14.8)	9.1 (5.4)
B. Inflation Variability	7.8 (5.6)	8.5 (3.7)	9.2 (2.0)	8.7 (3.3)	7.8 (5.4)	9.9 (0.3)	9.4 (1.4)	9.3 (1.7)
C. Recent Annual Inflation	7.3 (13.3)	7.2 (14.1)	6.9 (15.4)	7.2 (14.2)	9.5 (2.7)	9.5 (2.3)	9.5 (2.6)	9.5 (2.6)
D. Freedom to Own Foreign Currency	0.0	0.0	0.0	0.0	10.0	10.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>	6.9	6.9	7.2	7.2	7.9	8.0	8.3	8.4
A. Taxes on International Trade	8.2	7.3	7.9	7.7	6.6	7.7	9.0	9.0
(i) Taxes as Percentage of Exports & Imports	8.2 (2.7)	8.4 (2.4)	8.3 (2.5)	8.7 (2.0)	8.9 (1.7)	9.1 (1.4)	9.5 (0.8)	9.5 (0.8)
(ii) Mean Tariff Rate		6.2 (18.9)	7.4 (13.0)	6.8 (16.0)	7.1 (14.5)	8.3 (8.5)	9.3 (3.3)	9.3 (3.3)
(iii) Variability of Tariff Rates					3.7 (15.7)	5.8 (10.4)	8.2 (4.4)	8.2 (4.4)
B. Regulatory Trade Barriers						8.5	9.4	9.1
(i) Hidden Import Barriers						8.5	9.1	8.5
(ii) Costs of Importing							9.7	9.6
C. Size of Trade Sector	5.1	5.2	5.2	5.8	4.5	4.3	4.5	5.1
D. Official versus Black Market Exchange Rate	7.8	9.0	10.0	9.2	10.0	10.0	10.0	10.0
E. Restrictions on Capital Markets	5.0	5.0	5.0	5.0	10.0	9.6	8.9	8.9
(i) Access to Foreign Capital						9.2	9.3	9.3
(ii) Restrictions on Foreign Capital Transactions	5.0	5.0	5.0	5.0	10.0	10.0	8.5	8.5
<b>5. Regulation of Credit, Labor &amp; Business</b>	5.7	5.7	5.7	5.8	6.6	8.8	7.9	7.6
A. Regulation of Credit Markets	6.5	6.2	6.2	6.6	9.6	9.4	9.3	9.3
(i) Private Ownership of Banks	5.0	5.0	5.0	5.0	10.0	10.0	10.0	10.0
(ii) Competition from Foreign Banks						9.1	7.9	7.9
(iii) Extension of Credit to Private Sector	8.0	7.4	7.5	6.9	8.8	9.6	9.5	9.6
(iv) Avoidance of Negative Real Interest Rates			6.0	8.0	10.0	10.0	10.0	10.0
(v) Controls on Interest Rates						8.2	9.1	9.1
B. Regulation of Labor Markets	6.5	6.5	6.6	6.5	6.8	7.5	5.9	6.1
(i) Impact of Minimum Wage						6.5	3.6	3.6
(ii) Flexibility in Hiring & Firing					7.6	7.6	3.1	4.0
(iii) Collective Bargaining	5.2	5.2	5.2	5.2	5.2	7.9	8.1	8.0
(iv) Incentives from Unemployment Benefits	4.4	4.4	4.6	4.3	4.3	5.3	4.8	4.8
(v) Military Conscriptation	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business						9.4	8.5	7.4
(i) Price Controls					9.0	10.0	10.0	10.0
(ii) Administrative Obstacles for New Businesses							7.5	3.6
(iii) Time Spent with Government Bureaucracy						9.3	7.8	6.8
(iv) Ease of Starting a New Business						8.5	7.9	7.5
(v) Irregular Payments to Government Officials						9.9	9.2	9.3

## Nicaragua

	1970		1975		1980		1985		1990		1995		2000		2001	
Summary Ratings (Rank) ▶					4.0 (91)		2.3 (111)		3.2 (109)		5.3 (82)		6.4 (61)		6.4 (60)	
<b>1. Size of Government</b>	6.3		8.6		5.0		3.4		3.4		5.6		6.3		5.8	
A. Government Consumption	8.5	(11.0)	8.7	(10.3)	6.1	(19.3)	0.0	(42.6)	0.0	(42.6)	8.0	(12.7)	6.7	(17.1)	6.7	(17.1)
B. Transfers & Subsidies			9.5	(2.4)	9.0	(4.1)	8.4	(6.2)	8.3	(6.8)	8.5	(6.0)	8.5	(5.9)	8.5	(5.9)
C. Government Enterprises & Investment	4.0	(31.5)	6.0	(29.8)	0.0	(71.9)	0.0		2.0	(45.3)	0.0	(55.9)	4.0	(32.1)	2.0	(48.3)
D. Top Marginal Tax Rate			10.0		5.0		5.0				6.0		6.0		6.0	
(i) Top Marginal Income Tax Rate			10.0	(21)	5.0	(50)	5.0	(50)			8.0	(30)	8.0	(30)	8.0	(30)
(ii) Top Marginal Income & Payroll Tax Rate											4.0	(41)	4.0	(44)	4.0	(44)
<b>2. Legal Structure &amp; Security of Property Rights</b>					2.6		2.6		4.0		4.5		4.1		3.2	
A. Judicial Independence																1.5
B. Impartial Courts											4.3		4.2			2.2
C. Protection of Intellectual Property													2.1			2.3
D. Military Interference											5.4		3.3			3.3
E. Integrity of Legal System											4.1		6.7			6.7
<b>3. Access to Sound Money</b>	9.4		8.4		5.5		0.0		0.0		3.3		8.1		8.7	
A. Growth of Money Supply	8.8	(5.9)	7.5	(12.3)	4.7	(26.7)	0.0	(69.6)	0.0	(2072.1)	0.0	(89.1)	5.9	(20.6)	7.5	(12.3)
B. Inflation Variability	8.9	(2.7)	7.6	(6.0)	4.6	(13.6)	0.0	(60.1)	0.0	(4792.5)	0.0	(1852.1)	8.8	(2.9)	9.4	(1.4)
C. Recent Annual Inflation	9.8	(-1.1)	8.7	(6.8)	2.7	(36.6)	0.0	(168.1)	0.0	(5012.7)	8.0	(9.8)	7.8	(11.2)	7.7	(11.6)
D. Freedom to Own Foreign Currency	10.0		10.0		10.0		0.0		0.0		5.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	6.1		6.1		3.0		2.3		5.5		7.1		7.6		8.0	
A. Taxes on International Trade	7.0		6.7		2.1		2.5		6.1		7.9		8.8		8.8	
(i) Taxes as Percentage of Exports & Imports	7.0	(4.5)	6.7	(4.9)	4.2	(8.7)	5.1	(7.4)	7.1	(4.3)	6.1	(5.9)	8.8	(1.8)	8.8	(1.8)
(ii) Mean Tariff Rate					0.0	(54.0)	0.0	(54.0)	5.0	(24.8)	7.9	(10.7)	9.4	(3.2)	9.4	(3.2)
(iii) Variability of Tariff Rates											9.7	(25.7)	8.1	(4.7)	8.1	(4.7)
B. Regulatory Trade Barriers													3.8			5.7
(i) Hidden Import Barriers													3.8			3.2
(ii) Costs of Importing																8.2
C. Size of Trade Sector	4.1		5.0		4.6		0.9		5.2		6.0		7.6			7.8
D. Official versus Black Market Exchange Rate	6.2		5.8		0.0		0.0		8.0		8.4		10.0			10.0
E. Restrictions on Capital Markets	5.0		5.0		0.0		0.0		0.0		5.0		8.0			8.0
(i) Access to Foreign Capital													8.3			8.3
(ii) Restrictions on Foreign Capital Transactions	5.0		5.0		0.0		0.0		0.0		5.0		7.7			7.7
<b>5. Regulation of Credit, Labor &amp; Business</b>							3.2		2.9		6.2		6.1			6.2
A. Regulation of Credit Markets					0.0		2.2		1.8		8.0		7.0			7.4
(i) Private Ownership of Banks																8.0
(ii) Competition from Foreign Banks													5.5			5.5
(iii) Extension of Credit to Private Sector							4.4		3.5		10.0		9.0			8.9
(iv) Avoidance of Negative Real Interest Rates					0.0		0.0		0.0		6.0		8.0			9.0
(v) Controls on Interest Rates													5.5			5.5
B. Regulation of Labor Markets													6.6			6.4
(i) Impact of Minimum Wage													3.6			3.6
(ii) Flexibility in Hiring & Firing													6.1			5.9
(iii) Collective Bargaining													6.7			6.0
(iv) Incentives from Unemployment Benefits																
(v) Military Conscription	3.0		5.0		5.0		0.0		0.0		10.0		10.0			10.0
C. Regulation of Business													4.8			4.9
(i) Price Controls									0.0		4.0		4.0			6.0
(ii) Administrative Obstacles for New Businesses													6.0			2.4
(iii) Time Spent with Government Bureaucracy													5.2			7.0
(iv) Ease of Starting a New Business													4.1			4.0
(v) Irregular Payments to Government Officials													4.4			5.3



# Niger

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>		5.7 (29)	5.4 (51)	5.4 (56)	5.1 (70)	4.8 (96)	5.5 (92)	5.6 (91)
<b>1. Size of Government</b>	6.6	6.3	7.2	6.3	3.8	5.8	5.9	6.0
A. Government Consumption	9.1 (8.9)	8.5 (11.1)	8.2 (12.1)	8.6 (10.9)	7.6 (14.1)	7.6 (14.1)	7.8 (13.4)	7.9 (13.1)
B. Transfers & Subsidies			9.5 (2.5)					
C. Government Enterprises & Investment	4.0 (36.8)	4.0	4.0 (33.5)	4.0 (29.4)	0.0 (76.5)	4.0	4.0	4.0
D. Top Marginal Tax Rate								
(i) Top Marginal Income Tax Rate								
(ii) Top Marginal Income & Payroll Tax Rate								
<b>2. Legal Structure &amp; Security of Property Rights</b>			4.7	4.8	5.3	3.0	4.4	4.4
A. Judicial Independence								
B. Impartial Courts						3.5	3.5	3.5
C. Protection of Intellectual Property								
D. Military Interference						4.3	6.7	6.7
E. Integrity of Legal System						0.0	3.3	3.3
<b>3. Access to Sound Money</b>	6.4	4.8	4.7	6.4	7.1	5.7	6.7	7.0
A. Growth of Money Supply	9.4 (2.8)	6.1 (19.5)	5.0 (25.0)	9.3 (3.3)	9.9 (-0.6)	9.3 (3.5)	8.5 (-7.4)	9.0 (-4.9)
B. Inflation Variability	7.8 (5.6)	4.2 (14.6)	7.9 (5.4)	7.4 (6.6)	8.9 (2.9)	4.6 (13.4)	8.8 (3.0)	9.5 (1.1)
C. Recent Annual Inflation	8.6 (7.1)	8.7 (-6.4)	5.8 (20.8)	8.8 (-5.9)	9.7 (-1.6)	8.9 (5.4)	9.4 (2.9)	9.4 (4.0)
D. Freedom to Own Foreign Currency	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>4. Freedom to Exchange with Foreigners</b>		5.7	5.7	5.4	4.9	4.8	5.8	5.9
A. Taxes on International Trade		5.5	4.4	3.7	3.5	2.8	7.6	7.6
(i) Taxes as Percentage of Exports & Imports		5.5 (6.7)	4.4 (8.4)	3.7 (9.5)	3.5 (9.8)	2.8 (10.8)		
(ii) Mean Tariff Rate							7.6 (12.0)	7.6 (12.0)
(iii) Variability of Tariff Rates								
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector	2.9	5.3	6.1	5.4	3.6	3.3	3.4	3.5
D. Official versus Black Market Exchange Rate	9.6	9.6	9.6	9.8	9.2	9.8	10.0	10.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>5. Regulation of Credit, Labor &amp; Business</b>		6.0	4.6	4.2	4.3	4.8	4.6	4.6
A. Regulation of Credit Markets	9.6	5.5	4.3	5.1	6.1	6.2	5.7	5.9
(i) Private Ownership of Banks		2.0	2.0	2.0	2.0	5.0	5.0	5.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector	9.6	9.0	8.9	8.2	8.4	7.7	8.0	8.6
(iv) Avoidance of Negative Real Interest Rates			2.0		8.0	6.0	4.0	4.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription		10.0		0.0	0.0	0.0	0.0	0.0
C. Regulation of Business								
(i) Price Controls					0.0	4.0	4.0	4.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								

## Nigeria

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	4.5 (51)		4.3 (59)		3.9 (94)		4.5 (88)		3.9 (104)		3.7 (120)		5.4 (98)		5.6 (91)	
<b>1. Size of Government</b>	9.0		5.1		2.2		5.0		2.5		4.9		5.5		6.2	
A. Government Consumption	9.0 (9.3)		7.1 (15.9)		6.6 (17.6)		7.2 (15.5)		5.5 (21.4)		7.8 (13.6)		7.6 (14.3)		9.6 (7.5)	
B. Transfers & Subsidies	9.9 (0.8)		9.4 (2.8)				9.8 (1.3)									
C. Government Enterprises & Investment	8.0 (14.6)		4.0 (30.7)		0.0 (50.9)		0.0 (49.8)		0.0 (88.1)		0.0		0.0		0.0	
D. Top Marginal Tax Rate			0.0		0.0		3.0		2.0		7.0		9.0		9.0	
(i) Top Marginal Income Tax Rate			0.0 (75)		0.0 (70)		3.0 (55)		2.0 (55)		7.0 (35)		9.0 (25)		9.0 (25)	
(ii) Top Marginal Income & Payroll Tax Rate											9.0		9.0 (25)		9.0 (25)	
<b>2. Legal Structure &amp; Security of Property Rights</b>	3.1		3.7		3.1		2.5		2.9		4.5		3.7		3.1	
A. Judicial Independence															3.4	
B. Impartial Courts											3.6		3.6		3.3	
C. Protection of Intellectual Property													2.5		2.3	
D. Military Interference											3.5		3.3		3.3	
E. Integrity of Legal System											7.0		5.0		3.3	
<b>3. Access to Sound Money</b>	2.5		3.4		5.5		6.3		4.1		0.8		5.5		5.7	
A. Growth of Money Supply	8.0 (10.0)		4.8 (25.9)		4.9 (25.5)		8.6 (7.1)		6.0 (20.1)		2.2 (38.9)		7.0 (15.0)		5.9 (21.1)	
B. Inflation Variability	2.1 (19.8)		3.5 (16.3)		9.4 (1.4)		7.4 (6.5)		1.9 (20.2)		1.1 (22.4)		1.5 (21.2)		3.1 (17.3)	
C. Recent Annual Inflation	0.0 (51.3)		5.3 (23.5)		7.5 (12.4)		9.3 (3.7)		8.6 (7.2)		0.0 (55.8)		8.6 (6.9)		8.6 (16.5)	
D. Freedom to Own Foreign Currency	0.0		0.0		0.0		0.0		0.0		0.0		5.0		5.0	
<b>4. Freedom to Exchange with Foreigners</b>	3.2		4.4		3.8		3.5		5.4		3.4		6.1		7.0	
A. Taxes on International Trade	5.6		5.6		3.9		4.6		3.5		4.7		4.7		4.9	
(i) Taxes as Percentage of Exports & Imports	5.6 (6.6)		5.6 (6.6)		4.3 (8.5)		6.6 (5.1)		7.3 (4.0)							
(ii) Mean Tariff Rate					3.5 (32.6)		2.6 (37.0)		3.1 (34.3)		5.6 (21.8)		5.6 (21.8)		6.0 (20.0)	
(iii) Variability of Tariff Rates									0.0 (30.8)		3.7 (15.7)		3.8 (15.6)		3.8 (15.6)	
B. Regulatory Trade Barriers													3.2		5.3	
(i) Hidden Import Barriers													3.2		3.4	
(ii) Costs of Importing															7.1	
C. Size of Trade Sector	2.2		6.6		7.0		4.4		10.0		4.0		7.7		10.0	
D. Official versus Black Market Exchange Rate	0.0		1.4		0.0		0.0		5.4		0.0		7.8		7.8	
E. Restrictions on Capital Markets	0.0		0.0		0.0		0.0		0.0		0.0		7.0		7.0	
(i) Access to Foreign Capital													8.7		8.7	
(ii) Restrictions on Foreign Capital Transactions	0.0		0.0		0.0		0.0		0.0		0.0		5.4		5.4	
<b>5. Regulation of Credit, Labor &amp; Business</b>			4.8		4.8		5.2		4.6		4.9		6.1		5.9	
A. Regulation of Credit Markets	2.0		2.0		2.0		3.0		3.6		4.6		5.9		7.1	
(i) Private Ownership of Banks			2.0		2.0		2.0		2.0		5.0		5.0		5.0	
(ii) Competition from Foreign Banks													7.6		7.6	
(iii) Extension of Credit to Private Sector									8.7		8.7		6.6		8.0	
(iv) Avoidance of Negative Real Interest Rates	2.0		2.0		2.0		4.0		0.0		0.0		4.0		9.0	
(v) Controls on Interest Rates													6.2		6.2	
B. Regulation of Labor Markets													7.2		7.1	
(i) Impact of Minimum Wage													4.8		4.8	
(ii) Flexibility in Hiring & Firing													7.2		6.8	
(iii) Collective Bargaining													6.9		6.9	
(iv) Incentives from Unemployment Benefits																
(v) Military Conscription	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
C. Regulation of Business													5.2		3.5	
(i) Price Controls									0.0		0.0		4.0		6.0	
(ii) Administrative Obstacles for New Businesses													7.8		1.5	
(iii) Time Spent with Government Bureaucracy													6.0		3.0	
(iv) Ease of Starting a New Business													5.1		4.2	
(v) Irregular Payments to Government Officials													3.0		2.9	

# Norway

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>	6.2 (27)	5.4 (38)	5.7 (39)	6.2 (25)	6.7 (23)	7.4 (13)	7.2 (28)	7.1 (26)
<b>1. Size of Government</b>	4.4	3.1	2.9	3.2	2.9	3.7	3.7	4.7
A. Government Consumption	4.7 (24.0)	3.8 (27.1)	3.4 (28.6)	3.7 (27.5)	3.1 (29.6)	3.0 (29.8)	2.8 (30.6)	2.5 (31.6)
B. Transfers & Subsidies	4.5 (20.6)	4.4 (21.0)	4.1 (22.1)	4.3 (21.4)	2.7 (27.3)	4.2 (21.8)	4.5 (20.7)	4.8 (19.7)
C. Government Enterprises & Investment	4.0 (31.7)	4.0 (30.5)	4.0 (35.9)	4.0 (34.2)	4.0 (37.4)	4.0 (43.1)	4.0	8.0 (16.2)
D. Top Marginal Tax Rate		0.0	0.0	1.0	2.0	3.5	3.5	3.5
(i) Top Marginal Income Tax Rate		0.0 (74)	0.0 (75)	1.0 (64)	3.0 (51)	5.0 (42)	5.0 (48)	5.0 (48)
(ii) Top Marginal Income & Payroll Tax Rate					1.0 (64)	2.0 (56)	2.0 (64)	2.0 (65)
<b>2. Legal Structure &amp; Security of Property Rights</b>	7.7	5.4	7.0	8.1	8.3	9.2	8.8	8.3
A. Judicial Independence						9.5	8.4	7.9
B. Impartial Courts						8.9	8.7	7.2
C. Protection of Intellectual Property						7.6	7.2	6.6
D. Military Interference						10.0	10.0	10.0
E. Integrity of Legal System						10.0	10.0	10.0
<b>3. Access to Sound Money</b>	6.2	6.3	6.5	6.3	8.7	9.4	9.5	9.0
A. Growth of Money Supply	8.8 (6.0)	8.0 (10.2)	9.7 (1.5)	7.5 (12.7)	6.6 (16.8)	8.8 (5.9)	8.8 (6.2)	9.1 (6.7)
B. Inflation Variability	8.6 (3.6)	9.2 (2.1)	8.9 (2.6)	8.9 (2.8)	8.9 (2.7)	9.4 (1.4)	9.8 (0.4)	7.4 (6.5)
C. Recent Annual Inflation	7.4 (12.8)	8.0 (10.0)	7.4 (13.1)	9.0 (5.2)	9.2 (3.9)	9.4 (3.1)	9.4 (3.1)	9.4 (3.0)
D. Freedom to Own Foreign Currency	0.0	0.0	0.0	0.0	10.0	10.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>	6.8	6.9	6.8	7.6	8.0	8.0	7.6	7.5
A. Taxes on International Trade	8.9	9.0	9.3	9.3	8.6	8.1	7.5	7.5
(i) Taxes as Percentage of Exports & Imports	8.9 (1.6)	9.7 (0.5)	9.8 (0.3)	9.8 (0.3)	9.8 (0.3)	9.7 (0.4)	9.8 (0.3)	9.8 (0.9)
(ii) Mean Tariff Rate		8.3 (8.5)	8.8 (6.2)	8.9 (5.7)	8.9 (5.7)	8.8 (5.9)	9.4 (2.9)	9.4 (2.9)
(iii) Variability of Tariff Rates					7.2 (6.9)	5.7 (10.7)	3.4 (16.6)	3.4 (16.6)
B. Regulatory Trade Barriers						9.2	8.3	7.9
(i) Hidden Import Barriers						9.2	7.8	7.2
(ii) Costs of Importing							8.8	8.7
C. Size of Trade Sector	7.0	5.8	5.2	5.5	5.0	4.1	4.4	4.1
D. Official versus Black Market Exchange Rate	10.0	9.8	9.4	10.0	10.0	10.0	10.0	10.0
E. Restrictions on Capital Markets	0.0	2.0	2.0	5.0	8.0	8.6	7.8	7.8
(i) Access to Foreign Capital						9.3	8.8	8.8
(ii) Restrictions on Foreign Capital Transactions	0.0	2.0	2.0	5.0	8.0	8.0	6.9	6.9
<b>5. Regulation of Credit, Labor &amp; Business</b>	5.6	5.5	5.2	5.5	5.5	6.9	6.5	5.9
A. Regulation of Credit Markets	8.4	8.1	7.2	8.8	8.5	8.6	8.1	7.6
(i) Private Ownership of Banks	10.0	10.0	10.0	10.0	8.0	8.0	8.0	8.0
(ii) Competition from Foreign Banks						8.3	6.2	6.2
(iii) Extension of Credit to Private Sector	6.7	6.2	5.6	6.4	7.5	8.1	9.4	9.7
(iv) Avoidance of Negative Real Interest Rates			6.0	10.0	10.0	10.0	10.0	7.0
(v) Controls on Interest Rates						8.6	7.1	7.1
B. Regulation of Labor Markets	4.2	4.1	3.5	3.2	3.6	4.3	3.8	4.0
(i) Impact of Minimum Wage						4.5	5.0	5.0
(ii) Flexibility in Hiring & Firing					4.9	4.9	2.1	3.0
(iii) Collective Bargaining	5.2	5.2	5.2	5.2	5.2	5.2	4.0	4.1
(iv) Incentives from Unemployment Benefits	6.3	6.2	4.4	3.5	3.5	4.2	4.8	4.8
(v) Military Conscriptation	1.0	1.0	1.0	1.0	1.0	3.0	3.0	3.0
C. Regulation of Business						7.8	7.7	6.2
(i) Price Controls					6.0	7.0	8.0	6.0
(ii) Administrative Obstacles for New Businesses							6.1	2.8
(iii) Time Spent with Government Bureaucracy							8.1	7.3
(iv) Ease of Starting a New Business							7.2	6.4
(v) Irregular Payments to Government Officials							8.7	8.7

# Oman

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
<b>1. Size of Government</b>	3.1		5.4		5.4		5.3		5.3		5.7		5.8		5.8	
A. Government Consumption	0.1	(39.8)	0.0	(66.6)	0.0	(47.4)	0.0	(45.5)	0.0	(58.8)	1.2	(36.0)	1.6	(34.4)	1.4	(35.3)
B. Transfers & Subsidies	9.3	(3.2)	9.7	(1.7)	9.6	(2.0)	9.3	(3.1)	9.3	(2.9)	9.8	(1.3)	9.6	(1.9)	9.7	(1.7)
C. Government Enterprises & Investment	0.0	(65.9)	2.0	(43.7)	2.0	(58.8)	2.0		2.0		2.0		2.0		2.0	
D. Top Marginal Tax Rate			10.0		10.0		10.0		10.0		10.0		10.0		10.0	
(i) Top Marginal Income Tax Rate			10.0	(0)	10.0	(0)	10.0	(0)	10.0	(0)	10.0	(0)	10.0	(0)	10.0	(0)
(ii) Top Marginal Income & Payroll Tax Rate									10.0	(0)	10.0	(0)	10.0	(0)	10.0	(0)
<b>2. Legal Structure &amp; Security of Property Rights</b>							5.8		5.2		6.7		6.9		6.9	
A. Judicial Independence																
B. Impartial Courts											7.5		7.4		7.4	
C. Protection of Intellectual Property																
D. Military Interference											8.7		8.3		8.3	
E. Integrity of Legal System											7.0		8.3		8.3	
<b>3. Access to Sound Money</b>	8.2		6.0		5.0		9.2		7.5		9.0		9.2		9.7	
A. Growth of Money Supply			4.6	(27.1)	7.8	(11.1)	8.8	(6.1)	8.9	(-5.4)	9.1	(-4.5)	8.6	(-6.9)	9.6	(1.9)
B. Inflation Variability	7.6	(6.1)	0.0	(75.6)	2.2	(19.4)	8.1	(4.8)	4.5	(13.7)	7.6	(6.1)	8.6	(3.5)	9.3	(1.7)
C. Recent Annual Inflation	8.8	(-6.2)	9.5	(2.4)	0.0	(51.1)	9.9	(-0.5)	6.7	(16.6)	9.3	(3.7)	9.8	(-1.1)	9.8	(-1.1)
D. Freedom to Own Foreign Currency			10.0		10.0		10.0		10.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>							7.1		7.0		6.6		7.7		7.9	
A. Taxes on International Trade	9.5						9.2		9.3		8.1		9.0		9.4	
(i) Taxes as Percentage of Exports & Imports	9.5	(0.8)					9.1	(1.4)	9.3	(1.0)	9.3	(1.1)	8.4	(2.4)	9.4	(2.4)
(ii) Mean Tariff Rate							9.4	(3.0)			8.9	(5.7)	9.0	(4.8)	9.0	(4.8)
(iii) Variability of Tariff Rates											6.3	(9.2)	9.6	(0.9)	9.6	(0.9)
B. Regulatory Trade Barriers																
(i) Hidden Import Barriers																
(ii) Costs of Importing																
C. Size of Trade Sector	6.2		7.9		6.2		5.9		5.4		4.8		4.8		5.3	
D. Official versus Black Market Exchange Rate			10.0		10.0		10.0		10.0		10.0		10.0		10.0	
E. Restrictions on Capital Markets	2.0		2.0		2.0		2.0		2.0		2.0		6.7		6.7	
(i) Access to Foreign Capital																
(ii) Restrictions on Foreign Capital Transactions	2.0		2.0		2.0		2.0		2.0		2.0		6.7		6.7	
<b>5. Regulation of Credit, Labor &amp; Business</b>					7.1		7.1		6.6		6.6		6.6		6.6	
A. Regulation of Credit Markets			5.0		8.9		9.0		9.1		9.1		9.0		8.9	
(i) Private Ownership of Banks			5.0		8.0		8.0		8.0		8.0		8.0		8.0	
(ii) Competition from Foreign Banks																
(iii) Extension of Credit to Private Sector					9.8		9.1		9.3		9.4		8.9		8.7	
(iv) Avoidance of Negative Real Interest Rates							10.0		10.0		10.0		10.0		10.0	
(v) Controls on Interest Rates																
B. Regulation of Labor Markets																
(i) Impact of Minimum Wage																
(ii) Flexibility in Hiring & Firing																
(iii) Collective Bargaining																
(iv) Incentives from Unemployment Benefits																
(v) Military Conscription			10.0		10.0		10.0		10.0		10.0		10.0		10.0	
C. Regulation of Business																
(i) Price Controls									4.0		4.0		4.0		4.0	
(ii) Administrative Obstacles for New Businesses																
(iii) Time Spent with Government Bureaucracy																
(iv) Ease of Starting a New Business																
(v) Irregular Payments to Government Officials																

# Pakistan

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>	4.7 (48)	3.8 (69)	4.6 (76)	5.1 (68)	5.0 (74)	5.6 (74)	5.5 (92)	5.4 (101)
<b>1. Size of Government</b>	6.2	4.7	5.0	4.7	4.6	5.3	6.7	7.3
A. Government Consumption	8.5 (11.1)	8.5 (11.2)	8.6 (10.8)	8.0 (12.9)	6.6 (17.5)	7.7 (13.8)	7.9 (13.1)	8.2 (12.1)
B. Transfers & Subsidies	10.0 (0.0)	9.3 (3.0)	9.5 (2.2)	9.9 (0.7)	8.9 (4.4)	9.7 (1.8)	9.8 (1.1)	9.9 (0.9)
C. Government Enterprises & Investment	0.0 (49.0)	0.0 (65.4)	0.0 (65.3)	0.0 (53.9)	0.0 (49.4)	0.0 (46.8)	2.0 (33.8)	4.0 (35.3)
D. Top Marginal Tax Rate		1.0	2.0	1.0	3.0	4.0	7.0	7.0
(i) Top Marginal Income Tax Rate		1.0 (61)	2.0 (55)	1.0 (60)	3.0 (50)	4.0 (45)	7.0 (35)	7.0 (35)
(ii) Top Marginal Income & Payroll Tax Rate					3.0 (50)	4.0 (45)	7.0 (35)	7.0 (35)
<b>2. Legal Structure &amp; Security of Property Rights</b>	2.2	1.6	2.5	3.5	2.7	4.9	4.6	3.4
A. Judicial Independence								
B. Impartial Courts						4.2	4.3	4.3
C. Protection of Intellectual Property								
D. Military Interference						4.6	5.3	0.0
E. Integrity of Legal System						7.0	5.0	5.0
<b>3. Access to Sound Money</b>	6.9	5.1	6.1	6.7	7.7	7.4	6.4	6.5
A. Growth of Money Supply	9.6 (2.0)	8.5 (7.7)	6.7 (16.4)	8.7 (6.6)	8.1 (9.4)	8.3 (8.7)	8.4 (8.2)	8.6 (3.7)
B. Inflation Variability	9.0 (2.6)	6.6 (8.5)	9.3 (1.7)	9.1 (2.3)	9.0 (2.4)	9.2 (2.0)	8.2 (4.4)	8.5 (3.7)
C. Recent Annual Inflation	9.1 (4.3)	5.2 (24.0)	8.2 (9.1)	9.1 (4.5)	8.7 (6.5)	7.2 (13.8)	9.1 (4.4)	9.1 (3.1)
D. Freedom to Own Foreign Currency	0.0	0.0	0.0	0.0	5.0	5.0	0.0	0.0
<b>4. Freedom to Exchange with Foreigners</b>	2.8	4.4	4.0	5.0	4.5	5.1	4.3	4.3
A. Taxes on International Trade	0.3	0.0	0.0	0.1	0.0	1.3	2.8	2.9
(i) Taxes as Percentage of Exports & Imports	0.3 (14.5)	0.0 (15.3)	0.0 (15.3)	0.2 (14.7)	0.0 (15.2)	2.6 (11.1)	6.3 (5.6)	6.6 (5.1)
(ii) Mean Tariff Rate			0.0 (77.6)	0.0 (78.0)	0.0 (58.8)	0.0 (61.1)	0.7 (46.5)	0.7 (46.6)
(iii) Variability of Tariff Rates					0.0 (34.0)	1.2 (21.9)	1.5 (21.2)	1.5 (21.2)
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector	3.2	5.2	5.2	5.3	5.2	4.8	4.8	4.3
D. Official versus Black Market Exchange Rate	0.0	6.6	4.6	9.2	7.2	9.4	5.0	5.0
E. Restrictions on Capital Markets	2.0	2.0	2.0	2.0	2.0	2.0	0.8	0.8
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	2.0	2.0	2.0	2.0	2.0	2.0	0.8	0.8
<b>5. Regulation of Credit, Labor &amp; Business</b>	5.7	3.4	5.4	5.7	5.4	5.1	5.2	5.4
A. Regulation of Credit Markets	5.2	2.3	4.3	5.3	4.4	4.1	4.4	5.1
(i) Private Ownership of Banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector	7.7	7.0	6.9	7.9	7.2	6.4	7.1	7.4
(iv) Avoidance of Negative Real Interest Rates	8.0	0.0	6.0	8.0	6.0	6.0	6.0	6.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscriptation	10.0	0.0	10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business								
(i) Price Controls						4.0	4.0	4.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								

## Panama

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	7.3 (4)		6.0 (24)		6.6 (18)		6.6 (26)		7.4 (13)		7.2 (28)		7.2 (23)			
<b>1. Size of Government</b>			5.3		4.8		5.0		5.6		7.4		7.3		7.8	
A. Government Consumption			4.3	(25.4)	3.5	(28.2)	4.2	(25.8)	4.7	(24.2)	5.1	(22.5)	5.3	(22.1)	5.3	(22.1)
B. Transfers & Subsidies			9.1	(3.8)	8.8	(4.9)	8.8	(4.8)	8.1	(7.4)	8.3	(6.7)	8.3	(6.6)	8.5	(6.1)
C. Government Enterprises & Investment	6.0	(26.7)	4.0	(42.9)	4.0	(39.9)	4.0	(31.4)	7.0	(22.1)	8.0	(16.1)	8.0	(17.1)	10.0	(11.9)
D. Top Marginal Tax Rate			4.0		3.0		3.0		2.5		8.0		7.5		7.5	
(i) Top Marginal Income Tax Rate			4.0	(52)	3.0	(56)	3.0	(56)	3.0	(56)	9.0	(30)	8.0	(31)	8.0	(31)
(ii) Top Marginal Income & Payroll Tax Rate									2.0	(64)	7.0	(38)	7.0	(38)	7.0	(38)
<b>2. Legal Structure &amp; Security of Property Rights</b>					3.2		3.5		3.7		5.6		5.2		4.7	
A. Judicial Independence															2.5	
B. Impartial Courts											4.9		5.4		3.2	
C. Protection of Intellectual Property													4.1		4.3	
D. Military Interference											6.7		8.3		8.3	
E. Integrity of Legal System											7.0		5.0		5.0	
<b>3. Access to Sound Money</b>	9.6		8.9		6.7		9.7		9.8		9.2		9.7		9.6	
A. Growth of Money Supply	9.1	(4.7)	8.9	(5.4)	8.0	(10.0)	9.9	(0.6)	10.0	(-0.3)	7.8	(11.1)	9.4	(3.1)	9.3	(2.7)
B. Inflation Variability	9.7	(0.7)	8.7	(3.2)	5.6	(11.0)	9.0	(2.4)	9.5	(1.2)	9.3	(1.9)	9.8	(0.4)	9.4	(1.6)
C. Recent Annual Inflation	9.8	(1.1)	8.0	(10.3)	3.3	(33.7)	9.8	(0.8)	9.9	(0.6)	9.9	(0.5)	9.7	(1.4)	9.7	(0.3)
D. Freedom to Own Foreign Currency	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	7.7		8.2		8.1		7.6		7.3		8.0		7.2		7.5	
A. Taxes on International Trade	6.9		7.9		7.9		7.3		5.4		7.3		7.5		7.5	
(i) Taxes as Percentage of Exports & Imports	6.9	(4.7)	7.9	(3.2)	7.9	(3.1)	7.3	(4.1)	8.8	(1.8)	9.1	(1.4)	7.3	(4.0)	7.3	(4.0)
(ii) Mean Tariff Rate									2.0	(40.0)	5.6	(22.0)	8.1	(9.5)	8.1	(9.5)
(iii) Variability of Tariff Rates													7.0	(7.4)	7.0	(7.4)
B. Regulatory Trade Barriers													5.0		6.9	
(i) Hidden Import Barriers													5.0		5.4	
(ii) Costs of Importing															8.5	
C. Size of Trade Sector	5.5		7.0		6.2		4.7		4.7		4.4		4.4		4.0	
D. Official versus Black Market Exchange Rate	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
E. Restrictions on Capital Markets	8.0		8.0		8.0		8.0		8.0		10.0		9.1		9.1	
(i) Access to Foreign Capital													8.2		8.2	
(ii) Restrictions on Foreign Capital Transactions	8.0		8.0		8.0		8.0		8.0		10.0		10.0		10.0	
<b>5. Regulation of Credit, Labor &amp; Business</b>			6.9		7.0		6.9		6.4		6.7		6.5		6.2	
A. Regulation of Credit Markets	9.7		8.2		8.5		8.3		9.1		9.3		8.4		8.4	
(i) Private Ownership of Banks			8.0		8.0		8.0		8.0		8.0		8.0		8.0	
(ii) Competition from Foreign Banks													7.1		7.1	
(iii) Extension of Credit to Private Sector	9.7		8.4		8.9		8.7		9.3		9.9		9.9		9.9	
(iv) Avoidance of Negative Real Interest Rates									10.0		10.0		10.0		10.0	
(v) Controls on Interest Rates													6.9		6.9	
B. Regulation of Labor Markets													5.9		5.6	
(i) Impact of Minimum Wage													3.8		3.8	
(ii) Flexibility in Hiring & Firing													4.2		2.5	
(iii) Collective Bargaining													5.9		6.0	
(iv) Incentives from Unemployment Benefits																
(v) Military Conscription			10.0		10.0		10.0		10.0		10.0		10.0		10.0	
C. Regulation of Business													5.1		4.5	
(i) Price Controls									2.0		4.0		4.0		4.0	
(ii) Administrative Obstacles for New Businesses													6.9		2.5	
(iii) Time Spent with Government Bureaucracy													3.9		6.0	
(iv) Ease of Starting a New Business													5.5		4.9	
(v) Irregular Payments to Government Officials													5.3		5.3	

# Papua New Guinea

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>				6.3 (21)	6.3 (32)	6.1 (57)	5.9 (77)	5.8 (82)
<b>1. Size of Government</b>				5.9	5.8	7.3	6.5	6.5
A. Government Consumption	2.3 (32.1)	0.5 (38.5)	3.5 (28.1)	4.1 (25.9)	3.1 (29.6)	6.0 (19.6)	6.0 (19.5)	6.0 (19.5)
B. Transfers & Subsidies				9.5 (2.5)	9.1 (3.8)		9.9 (0.8)	9.9 (0.8)
C. Government Enterprises & Investment				4.0 (34.0)	7.0 (20.3)	8.0 (18.7)	7.0 (23.1)	7.0 (22.9)
D. Top Marginal Tax Rate					4.0	8.0	3.0	3.0
(i) Top Marginal Income Tax Rate					4.0 (45)	8.0 (28)	3.0 (47)	3.0 (47)
(ii) Top Marginal Income & Payroll Tax Rate					4.0 (45)	8.0 (28)	3.0 (47)	3.0 (47)
<b>2. Legal Structure &amp; Security of Property Rights</b>				5.7	6.3	5.3	4.4	4.4
A. Judicial Independence								
B. Impartial Courts						5.0	5.1	5.1
C. Protection of Intellectual Property								
D. Military Interference						5.3	5.0	5.0
E. Integrity of Legal System						7.0	3.3	3.3
<b>3. Access to Sound Money</b>	9.2	5.7	6.2	6.6	6.6	5.4	5.4	6.2
A. Growth of Money Supply			9.3 (3.5)	9.5 (2.7)	8.8 (5.8)	7.8 (10.9)	7.4 (13.1)	9.7 (1.6)
B. Inflation Variability	9.4 (1.4)	7.5 (6.2)	6.9 (7.6)	7.2 (6.9)	8.4 (4.0)	7.5 (6.2)	7.4 (6.5)	8.4 (4.0)
C. Recent Annual Inflation	8.9 (5.7)	9.5 (2.3)	8.6 (7.1)	9.7 (1.6)	9.2 (4.1)	6.1 (19.7)	6.9 (15.6)	6.9 (9.3)
D. Freedom to Own Foreign Currency		0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>4. Freedom to Exchange with Foreigners</b>				6.7	6.3	6.3	6.8	5.9
A. Taxes on International Trade		7.7	7.8	7.3	6.9	6.5	4.5	4.5
(i) Taxes as Percentage of Exports & Imports		7.7 (3.4)	7.8 (3.3)	6.1 (5.9)	5.3 (7.1)	6.0 (6.0)	5.4 (7.0)	5.4 (7.0)
(ii) Mean Tariff Rate				8.6 (7.0)	8.6 (7.0)		5.9 (20.7)	5.8 (21.1)
(iii) Variability of Tariff Rates						7.0 (7.5)	2.3 (19.2)	2.3 (19.2)
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector	6.3	8.4	8.4	8.8	7.9	8.1	10.0	6.9
D. Official versus Black Market Exchange Rate				9.2	8.6	8.6	10.0	10.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	0.0	1.5	0.0
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	0.0	1.5	0.0
<b>5. Regulation of Credit, Labor &amp; Business</b>			6.3	6.5	6.5	6.2	6.4	6.0
A. Regulation of Credit Markets		6.8	6.4	6.9	6.9	6.4	7.0	6.9
(i) Private Ownership of Banks		5.0	5.0	5.0	5.0	5.0	5.0	5.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector		8.5	7.7	8.8	8.9	6.3	5.9	5.7
(iv) Avoidance of Negative Real Interest Rates						8.0	10.0	10.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription			10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business								
(i) Price Controls								4.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								

## Paraguay

	1970		1975		1980		1985		1990		1995		2000		2001	
Summary Ratings (Rank) ▶					6.5 (15)		5.9 (34)		6.0 (39)		6.7 (37)		6.4 (61)		6.3 (64)	
<b>1. Size of Government</b>	8.1		8.7		9.1		7.8		8.8		8.7		8.0		8.1	
A. Government Consumption	8.7	(10.4)	9.5	(7.7)	9.6	(7.4)	9.5	(7.9)	9.6	(7.4)	8.5	(11.2)	8.7	(10.4)	9.1	(9.2)
B. Transfers & Subsidies	9.7	(1.6)	9.6	(2.0)	9.6	(2.0)	9.6	(2.1)	9.6	(1.8)	9.3	(3.0)	9.3	(3.2)	9.2	(3.4)
C. Government Enterprises & Investment	6.0	(27.0)	7.0	(21.1)	8.0	(17.8)	4.0	(31.4)	8.0	(13.3)	7.0	(23.2)	4.0	(34.9)	4.0	(35.7)
D. Top Marginal Tax Rate							8.0		8.0		10.0		10.0		10.0	
(i) Top Marginal Income Tax Rate							8.0		(30)		10.0		(0)		10.0	
(ii) Top Marginal Income & Payroll Tax Rate															10.0	
<b>2. Legal Structure &amp; Security of Property Rights</b>					3.7		4.0		4.5		4.3		3.8		2.8	
A. Judicial Independence															1.7	
B. Impartial Courts											4.3		4.1		1.9	
C. Protection of Intellectual Property													2.3		2.2	
D. Military Interference											4.8		3.3		3.3	
E. Integrity of Legal System											4.1		5.0		5.0	
<b>3. Access to Sound Money</b>	9.5		8.2		7.7		7.5		6.2		7.8		9.0		8.8	
A. Growth of Money Supply	9.2	(4.0)	7.2	(14.0)	6.1	(19.6)	8.3	(8.7)	3.6	(32.1)	5.6	(22.2)	8.6	(6.9)	8.7	(6.0)
B. Inflation Variability	9.1	(2.2)	7.0	(7.5)	7.9	(5.2)	6.8	(7.9)	8.6	(3.6)	8.3	(4.3)	9.0	(2.5)	8.3	(4.1)
C. Recent Annual Inflation	9.6	(1.9)	8.7	(6.6)	6.7	(16.7)	5.0	(25.2)	2.7	(36.3)	7.4	(13.0)	8.2	(9.0)	8.2	(7.3)
D. Freedom to Own Foreign Currency	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	5.0		5.3		5.6		4.4		6.2		7.4		6.6		7.2	
A. Taxes on International Trade	3.3		4.1		3.0		4.3		6.5		8.0		7.4		7.7	
(i) Taxes as Percentage of Exports & Imports	3.3	(10.1)	4.1	(8.8)	6.0	(6.0)	8.5	(2.2)	7.8	(3.3)	8.6	(2.1)	7.1	(4.4)	8.0	(3.0)
(ii) Mean Tariff Rate					0.0		(71.0)		6.8		(16.0)		8.1		(10.9)	
(iii) Variability of Tariff Rates									4.9		(12.7)		7.2		(6.7)	
B. Regulatory Trade Barriers													2.4		6.0	
(i) Hidden Import Barriers													2.4		4.7	
(ii) Costs of Importing															7.3	
C. Size of Trade Sector	2.1		1.6		3.2		4.4		6.4		3.5		5.9		5.3	
D. Official versus Black Market Exchange Rate	6.6		7.4		8.6		0.0		4.8		7.4		10.0		10.0	
E. Restrictions on Capital Markets	5.0		5.0		5.0		5.0		5.0		10.0		7.1		7.1	
(i) Access to Foreign Capital													5.7		5.7	
(ii) Restrictions on Foreign Capital Transactions	5.0		5.0		5.0		5.0		5.0		10.0		8.5		8.5	
<b>5. Regulation of Credit, Labor &amp; Business</b>									4.5		5.5		4.8		4.8	
A. Regulation of Credit Markets									6.0		8.9		6.4		6.4	
(i) Private Ownership of Banks															..	
(ii) Competition from Foreign Banks													4.1		4.1	
(iii) Extension of Credit to Private Sector									9.9		9.8		9.5		9.6	
(iv) Avoidance of Negative Real Interest Rates									2.0		8.0		8.0		8.0	
(v) Controls on Interest Rates													4.1		4.1	
B. Regulation of Labor Markets													3.3		3.4	
(i) Impact of Minimum Wage													4.7		4.7	
(ii) Flexibility in Hiring & Firing													4.7		2.2	
(iii) Collective Bargaining													4.0		5.6	
(iv) Incentives from Unemployment Benefits																
(v) Military Conscription	0.0		0.0		1.0		0.0		0.0		0.0		0.0		1.0	
C. Regulation of Business													4.6		4.6	
(i) Price Controls									4.0		6.0		6.0		6.0	
(ii) Administrative Obstacles for New Businesses													4.9		2.9	
(iii) Time Spent with Government Bureaucracy													5.0		6.0	
(iv) Ease of Starting a New Business													4.0		4.2	
(v) Irregular Payments to Government Officials													3.1		3.7	



# Peru

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>	4.9 (43)	4.0 (65)	3.8 (97)	2.9 (109)	4.0 (101)	6.1 (57)	6.8 (43)	6.7 (44)
<b>1. Size of Government</b>	7.6	6.3	5.7	5.4	7.4	8.2	8.1	7.6
A. Government Consumption	7.4 (14.7)	7.6 (14.3)	7.3 (15.3)	8.0 (12.7)	8.7 (10.5)	8.8 (10.2)	7.7 (13.7)	7.8 (13.4)
B. Transfers & Subsidies	9.5 (2.3)	9.6 (1.9)	9.6 (1.9)	9.6 (1.8)	9.3 (3.0)	9.1 (3.9)	9.0 (4.0)	9.2 (3.6)
C. Government Enterprises & Investment	6.0 (24.3)	4.0 (36.8)	4.0 (28.1)	4.0 (33.9)	8.0 (16.9)	8.0 (17.0)	8.0 (15.9)	7.0 (20.8)
D. Top Marginal Tax Rate		4.0	2.0	0.0	3.5	7.0	7.5	6.5
(i) Top Marginal Income Tax Rate		4.0 (51)	2.0 (65)	0.0 (65)	4.0 (45)	8.0 (30)	10.0 (20)	8.0 (27)
(ii) Top Marginal Income & Payroll Tax Rate					3.0 (48)	6.0 (39)	5.0 (41)	5.0 (46)
<b>2. Legal Structure &amp; Security of Property Rights</b>	1.4	1.1	3.8	2.2	2.9	4.8	3.9	4.2
A. Judicial Independence						2.8	1.5	2.2
B. Impartial Courts						4.3	3.2	3.0
C. Protection of Intellectual Property						4.8	3.3	2.6
D. Military Interference						4.9	6.7	8.3
E. Integrity of Legal System						7.0	5.0	5.0
<b>3. Access to Sound Money</b>	5.8	4.8	1.3	0.0	1.3	4.4	8.5	8.8
A. Growth of Money Supply	6.6 (16.9)	6.3 (18.6)	2.2 (39.1)	0.0 (98.5)	0.0 (690.3)	0.0 (58.2)	6.2 (19.0)	7.0 (3.3)
B. Inflation Variability	8.5 (3.7)	7.7 (5.9)	3.1 (17.3)	0.0 (37.9)	0.0 (2341.4)	0.0 (127.5)	8.6 (3.6)	9.0 (2.5)
C. Recent Annual Inflation	8.1 (9.3)	5.4 (23.2)	0.0 (65.9)	0.0 (167.8)	0.0 (6134.8)	7.6 (12.2)	9.2 (3.8)	9.2 (2.0)
D. Freedom to Own Foreign Currency	0.0	0.0	0.0	0.0	5.0	10.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>	4.8	3.7	4.6	3.5	4.4	6.8	7.2	7.3
A. Taxes on International Trade	4.1	3.7	1.5	1.9	3.4	7.0	7.8	7.8
(i) Taxes as Percentage of Exports & Imports	4.1 (8.9)	3.7 (9.5)	2.9 (10.6)	4.5 (8.3)	7.4 (3.9)	6.3 (5.5)	7.0 (4.5)	7.1 (4.3)
(ii) Mean Tariff Rate			0.0 (57.0)	0.0 (64.0)	2.8 (36.0)	6.5 (17.6)	7.4 (13.0)	7.4 (13.0)
(iii) Variability of Tariff Rates				1.2 (22.0)	0.0 (25.0)	8.2 (4.4)	9.0 (2.6)	9.0 (2.6)
B. Regulatory Trade Barriers						6.0	6.7	6.7
(i) Hidden Import Barriers						6.0	6.8	6.1
(ii) Costs of Importing							6.7	7.4
C. Size of Trade Sector	4.3	4.4	5.1	5.3	1.7	2.3	2.5	3.1
D. Official versus Black Market Exchange Rate	7.2	0.0	6.4	0.0	6.8	10.0	10.0	10.0
E. Restrictions on Capital Markets	0.0	2.0	2.0	2.0	2.0	8.6	8.9	8.9
(i) Access to Foreign Capital						9.2	9.3	9.3
(ii) Restrictions on Foreign Capital Transactions	0.0	2.0	2.0	2.0	2.0	8.0	8.5	8.5
<b>5. Regulation of Credit, Labor &amp; Business</b>			3.5	3.4	3.8	6.5	6.4	5.6
A. Regulation of Credit Markets	5.6	4.0	2.9	2.7	2.1	8.0	8.1	8.1
(i) Private Ownership of Banks							8.0	8.0
(ii) Competition from Foreign Banks						8.1	6.6	6.6
(iii) Extension of Credit to Private Sector	5.6	4.0	5.9	5.4	4.2	9.4	9.5	8.6
(iv) Avoidance of Negative Real Interest Rates			0.0	0.0	0.0	6.0	8.0	9.0
(v) Controls on Interest Rates						8.4	8.3	8.3
B. Regulation of Labor Markets						5.4	4.7	4.2
(i) Impact of Minimum Wage						6.5	3.1	3.1
(ii) Flexibility in Hiring & Firing					6.8	6.8	7.2	4.9
(iii) Collective Bargaining						7.9	7.9	7.7
(iv) Incentives from Unemployment Benefits						5.7	5.5	5.5
(v) Military Conscription	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
C. Regulation of Business						6.1	6.5	4.5
(i) Price Controls					2.0	6.0	8.0	6.0
(ii) Administrative Obstacles for New Businesses							6.8	2.1
(iii) Time Spent with Government Bureaucracy						7.0	7.5	5.8
(iv) Ease of Starting a New Business						6.4	3.6	2.9
(v) Irregular Payments to Government Officials						5.0	6.8	5.5

## Philippines

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	6.0 (32)		5.3 (43)		5.3 (53)		5.2 (65)		5.5 (52)		7.1 (26)		7.1 (34)		6.6 (51)	
<b>1. Size of Government</b>	8.4		6.6		6.2		7.0		8.3		8.2		7.6		6.9	
A. Government Consumption	8.2	(12.3)	7.5	(14.7)	8.1	(12.4)	9.0	(9.4)	8.1	(12.4)	7.8	(13.3)	7.3	(15.3)	7.4	(14.8)
B. Transfers & Subsidies	10.0	(0.4)	9.9	(0.8)	9.8	(1.1)	10.0	(0.2)	9.9	(0.9)	9.9	(0.7)	9.2	(3.4)	9.2	(3.5)
C. Government Enterprises & Investment	7.0	(17.1)	6.0	(21.4)	6.0	(27.4)	8.0	(19.5)	8.0	(18.2)	8.0	(19.7)	7.0	(24.0)	4.0	(30.8)
D. Top Marginal Tax Rate	3.0		3.0		1.0		1.0		7.0		7.0		7.0		7.0	
(i) Top Marginal Income Tax Rate			3.0 (56)		1.0 (70)		1.0 (60)		7.0 (35)		7.0 (35)		7.0 (32)		7.0 (32)	
(ii) Top Marginal Income & Payroll Tax Rate									7.0 (35)		7.0 (35)		7.0 (32)		7.0 (32)	
<b>2. Legal Structure &amp; Security of Property Rights</b>	4.7		3.9		3.1		2.5		2.4		4.8		4.6		3.9	
A. Judicial Independence											3.7		4.5		3.9	
B. Impartial Courts											5.3		5.5		3.0	
C. Protection of Intellectual Property											4.0		3.2		2.8	
D. Military Interference											7.0		6.7		6.7	
E. Integrity of Legal System											4.1		3.3		3.3	
<b>3. Access to Sound Money</b>	6.7		5.4		5.9		4.6		4.0		8.6		9.0		9.2	
A. Growth of Money Supply	8.9	(5.7)	7.2	(13.9)	7.8	(11.0)	8.4	(7.9)	0.0	(118.7)	7.5	(12.5)	7.6	(12.1)	8.4	(4.8)
B. Inflation Variability	9.6	(1.0)	6.4	(9.1)	8.8	(2.9)	3.5	(16.4)	8.7	(3.3)	8.6	(3.5)	9.2	(1.9)	9.3	(1.7)
C. Recent Annual Inflation	8.4	(7.9)	8.1	(9.3)	7.2	(14.3)	6.5	(17.6)	7.4	(13.0)	8.5	(7.6)	9.1	(4.4)	9.1	(6.1)
D. Freedom to Own Foreign Currency	0.0		0.0		0.0		0.0		0.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	4.1		5.0		5.9		5.9		6.3		7.3		7.7		7.4	
A. Taxes on International Trade	4.7		1.1		3.9		5.2		5.7		6.1		7.8		7.8	
(i) Taxes as Percentage of Exports & Imports	4.7	(7.9)	1.1	(13.4)	5.5	(6.8)	5.9	(6.2)	5.6	(6.6)	5.7	(6.4)	8.2	(2.7)	8.1	(2.8)
(ii) Mean Tariff Rate			1.2 (44.0)		2.4 (38.0)		4.5 (27.6)		5.1 (24.3)		4.5 (27.6)		8.5 (7.6)		8.5 (7.6)	
(iii) Variability of Tariff Rates									6.3 (9.2)		8.0 (4.9)		6.8 (7.9)		6.8 (7.9)	
B. Regulatory Trade Barriers											5.7		5.9		5.8	
(i) Hidden Import Barriers											5.7		4.0		4.0	
(ii) Costs of Importing													7.8		7.7	
C. Size of Trade Sector	7.3		6.2		6.0		5.7		7.1		8.3		10.0		8.8	
D. Official versus Black Market Exchange Rate	0.0		7.4		9.4		8.6		8.6		10.0		10.0		10.0	
E. Restrictions on Capital Markets	0.0		2.0		2.0		2.0		2.0		6.6		4.6		4.6	
(i) Access to Foreign Capital											8.2		8.4		8.4	
(ii) Restrictions on Foreign Capital Transactions	0.0		2.0		2.0		2.0		2.0		5.0		0.8		0.8	
<b>5. Regulation of Credit, Labor &amp; Business</b>			5.5		5.3		5.8		6.3		6.5		6.4		5.7	
A. Regulation of Credit Markets	6.3		7.0		6.6		5.5		7.7		8.1		7.7		7.6	
(i) Private Ownership of Banks			5.0		5.0		5.0		8.0		8.0		8.0		8.0	
(ii) Competition from Foreign Banks											7.5		5.7		5.7	
(iii) Extension of Credit to Private Sector	6.3		7.9		6.8		7.5		7.1		7.6		7.5		7.0	
(iv) Avoidance of Negative Real Interest Rates			8.0		8.0		4.0		8.0		10.0		10.0		10.0	
(v) Controls on Interest Rates											7.4		7.5		7.5	
B. Regulation of Labor Markets									7.6		6.8		6.1		5.7	
(i) Impact of Minimum Wage											5.1		4.4		4.4	
(ii) Flexibility in Hiring & Firing									5.7		5.7		3.3		2.8	
(iii) Collective Bargaining									7.2		7.2		6.9		5.7	
(iv) Incentives from Unemployment Benefits											6.1		5.7		5.7	
(v) Military Conscription	3.0		3.0		3.0		10.0		10.0		10.0		10.0		10.0	
C. Regulation of Business											4.5		5.6		3.7	
(i) Price Controls											4.0		4.0		4.0	
(ii) Administrative Obstacles for New Businesses													7.2		1.6	
(iii) Time Spent with Government Bureaucracy											5.5		6.7		5.0	
(iv) Ease of Starting a New Business											6.1		5.6		4.6	
(v) Irregular Payments to Government Officials											2.3		4.3		3.1	

# Poland

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>				3.9 (100)	4.0 (101)	5.3 (82)	5.8 (81)	6.0 (77)
<b>1. Size of Government</b>		3.6	4.1	3.5	2.0	2.6	3.5	4.5
A. Government Consumption		7.2 (15.6)	8.2 (12.1)	8.0 (13.0)	3.3 (28.7)	5.0 (23.0)	6.1 (19.2)	6.2 (19.0)
B. Transfers & Subsidies				2.7 (27.4)	2.7 (27.4)	3.5 (24.4)	4.5 (20.7)	4.3 (21.4)
C. Government Enterprises & Investment	0.0 (40.7)	0.0	0.0	0.0	0.0 (58.8)	0.0 (55.8)	0.0 (43.7)	4.0 (36.6)
D. Top Marginal Tax Rate						2.0	3.5	3.5
(i) Top Marginal Income Tax Rate						4.0 (45)	5.0 (40)	5.0 (40)
(ii) Top Marginal Income & Payroll Tax Rate						0.0 (63)	2.0 (53)	2.0 (52)
<b>2. Legal Structure &amp; Security of Property Rights</b>				4.8	6.2	6.8	6.5	5.8
A. Judicial Independence						6.5	5.3	4.5
B. Impartial Courts						5.6	5.8	3.8
C. Protection of Intellectual Property						3.6	4.6	3.9
D. Military Interference						8.5	10.0	10.0
E. Integrity of Legal System						10.0	6.7	6.7
<b>3. Access to Sound Money</b>		7.8	7.4	4.4	2.5	6.0	6.2	7.6
A. Growth of Money Supply				5.9 (20.5)	0.0 (110.4)	3.8 (30.9)	5.1 (24.3)	9.0 (4.6)
B. Inflation Variability		9.0 (2.4)	9.2 (2.0)	0.0 (37.4)	0.0 (167.6)	5.9 (10.2)	6.7 (8.2)	8.4 (4.0)
C. Recent Annual Inflation		9.5 (2.4)	8.0 (9.8)	6.8 (15.8)	0.0 (435.7)	4.4 (28.2)	8.0 (10.1)	8.0 (5.5)
D. Freedom to Own Foreign Currency	5.0	5.0	5.0	5.0	10.0	10.0	5.0	5.0
<b>4. Freedom to Exchange with Foreigners</b>				3.4	5.6	6.4	6.9	6.7
A. Taxes on International Trade				5.8	6.7	6.4	7.7	7.8
(i) Taxes as Percentage of Exports & Imports				4.3 (8.6)	6.0 (6.0)	5.9 (6.1)	9.0 (1.5)	9.4 (0.9)
(ii) Mean Tariff Rate				7.3 (13.6)	7.7 (11.7)	6.3 (18.4)	8.0 (10.0)	8.0 (10.0)
(iii) Variability of Tariff Rates					6.4 (8.9)	6.9 (7.8)	6.1 (9.8)	6.1 (9.8)
B. Regulatory Trade Barriers						5.7	7.4	6.6
(i) Hidden Import Barriers						5.7	6.2	5.1
(ii) Costs of Importing							8.7	8.1
C. Size of Trade Sector			5.7	3.1	4.9	4.5	5.5	5.1
D. Official versus Black Market Exchange Rate	0.0	0.0	0.0	0.0	8.2	10.0	10.0	10.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	5.2	3.8	3.8
(i) Access to Foreign Capital						5.4	6.8	6.8
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	5.0	0.8	0.8
<b>5. Regulation of Credit, Labor &amp; Business</b>			3.1	3.1	3.5	4.5	5.7	5.3
A. Regulation of Credit Markets	0.0	0.0	0.2	0.4	0.4	4.0	6.8	7.5
(i) Private Ownership of Banks	0.0	0.0	0.0	0.0	0.0	2.0	5.0	8.0
(ii) Competition from Foreign Banks						4.2	6.7	6.7
(iii) Extension of Credit to Private Sector			0.5	0.8	1.3	3.8	6.0	6.6
(iv) Avoidance of Negative Real Interest Rates					0.0	6.0	10.0	10.0
(v) Controls on Interest Rates						3.9	6.2	6.2
B. Regulation of Labor Markets					3.6	4.4	4.2	4.3
(i) Impact of Minimum Wage						5.4	3.4	3.4
(ii) Flexibility in Hiring & Firing					5.7	5.7	2.7	3.7
(iii) Collective Bargaining			4.5	4.5	5.2	5.2	7.0	6.4
(iv) Incentives from Unemployment Benefits						5.0	4.8	4.8
(v) Military Conscription	0.0	0.0	0.0	0.0	0.0	1.0	3.0	3.0
C. Regulation of Business						5.0	6.2	4.1
(i) Price Controls						7.0	4.0	3.0
(ii) Administrative Obstacles for New Businesses							7.4	2.4
(iii) Time Spent with Government Bureaucracy						5.1	7.1	6.0
(iv) Ease of Starting a New Business						4.4	7.0	4.4
(v) Irregular Payments to Government Officials						3.3	5.6	4.7

## Portugal

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	5.9 (33)		4.0 (65)		5.7 (39)		5.5 (52)		6.0 (39)		7.2 (21)		7.3 (21)		7.2 (23)	
<b>1. Size of Government</b>	4.0		3.9		3.6		3.9		4.7		5.2		5.1		5.1	
A. Government Consumption	7.0	(16.4)	7.3	(15.3)	6.8	(16.8)	6.6	(17.6)	6.0	(19.8)	5.5	(21.4)	4.2	(25.8)	4.4	(25.2)
B. Transfers & Subsidies			6.2	(14.6)	5.7	(16.3)	4.8	(19.5)	5.9	(15.5)	6.5	(13.4)	6.1	(14.8)	5.9	(15.6)
C. Government Enterprises & Investment	2.0	(41.8)	2.0	(39.7)	2.0	(42.2)	4.0	(30.5)	4.0	(29.9)	6.0	(23.2)	6.0		6.0	
D. Top Marginal Tax Rate	3.0		0.0		0.0		0.0		3.0		3.0		4.0		4.0	
(i) Top Marginal Income Tax Rate	3.0	(58)	0.0	(82)	0.0	(84)	0.0	(69)	5.0	(40)	5.0	(40)	6.0	(40)	6.0	(40)
(ii) Top Marginal Income & Payroll Tax Rate									1.0	(57)	1.0	(57)	2.0	(57)	2.0	(57)
<b>2. Legal Structure &amp; Security of Property Rights</b>	7.1		1.4		8.0		6.1		7.7		8.0		7.6		7.6	
A. Judicial Independence													8.2	7.0	8.3	8.3
B. Impartial Courts													7.0	6.3	5.4	5.4
C. Protection of Intellectual Property													5.1	6.5	6.1	6.1
D. Military Interference													10.0	10.0	10.0	10.0
E. Integrity of Legal System													10.0	8.3	8.3	8.3
<b>3. Access to Sound Money</b>	7.1		5.5		5.5		5.5		5.7		9.0		9.3		9.5	
A. Growth of Money Supply	9.7	(1.5)	7.5	(12.4)	7.6	(11.9)	7.6	(12.2)	6.8	(16.0)	8.3	(8.7)	8.2	(9.0)	8.7	(6.7)
B. Inflation Variability	9.1	(2.1)	7.9	(5.2)	8.7	(3.3)	8.9	(2.6)	8.5	(3.7)	9.0	(2.6)	9.5	(1.1)	9.9	(0.3)
C. Recent Annual Inflation	9.6	(2.0)	6.8	(16.2)	5.8	(20.9)	5.7	(21.7)	7.4	(12.8)	9.0	(5.2)	9.4	(2.9)	9.4	(4.4)
D. Freedom to Own Foreign Currency	0.0		0.0		0.0		0.0		0.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	6.6		4.5		6.6		6.9		7.3		8.0		8.0		8.1	
A. Taxes on International Trade	7.9		6.9		8.6		9.2		8.3		8.7		9.1		9.2	
(i) Taxes as Percentage of Exports & Imports	7.9	(3.2)	6.9	(4.6)	8.6	(2.1)	9.2	(1.2)	9.1	(1.3)	9.8	(0.3)	9.7	(0.5)	9.8	(0.3)
(ii) Mean Tariff Rate									8.5	(7.4)	8.7	(6.7)	9.5	(2.4)	9.5	(2.7)
(iii) Variability of Tariff Rates									7.1	(7.2)	7.6	(5.9)	8.2	(4.4)	8.2	(4.4)
B. Regulatory Trade Barriers													8.2	8.6	9.1	9.1
(i) Hidden Import Barriers													8.2	7.7	8.9	8.9
(ii) Costs of Importing														9.5	9.3	9.3
C. Size of Trade Sector	4.9		3.7		4.6		5.7		5.7		5.0		4.5		4.5	
D. Official versus Black Market Exchange Rate	10.0		1.6		9.6		9.6		9.4		10.0		10.0		10.0	
E. Restrictions on Capital Markets	2.0		2.0		2.0		2.0		5.0		8.3		8.0		7.6	
(i) Access to Foreign Capital													8.6	9.1	9.1	9.1
(ii) Restrictions on Foreign Capital Transactions	2.0		2.0		2.0		2.0		5.0		8.0		6.9		6.2	
<b>5. Regulation of Credit, Labor &amp; Business</b>	4.6		4.6		4.5		4.9		4.7		5.7		6.4		5.9	
A. Regulation of Credit Markets	4.5		4.5		4.4		6.2		5.8		7.0		8.0		8.0	
(i) Private Ownership of Banks	0.0		0.0		0.0		0.0		2.0		2.0		5.0		5.0	
(ii) Competition from Foreign Banks													7.9	7.3	7.3	7.3
(iii) Extension of Credit to Private Sector	9.0		9.1		9.3		8.5		7.3		7.3		9.5		9.5	
(iv) Avoidance of Negative Real Interest Rates					4.0		10.0		8.0		10.0		10.0		10.0	
(v) Controls on Interest Rates													8.0	8.3	8.3	8.3
B. Regulation of Labor Markets	4.0		3.9		3.8		3.5		3.1		4.6		4.5		4.6	
(i) Impact of Minimum Wage													6.4	4.0	4.0	4.0
(ii) Flexibility in Hiring & Firing													3.4	2.8	2.3	2.3
(iii) Collective Bargaining	5.2		5.2		5.2		5.2		5.2		5.2		4.9		6.0	
(iv) Incentives from Unemployment Benefits	7.0		6.5		6.2		5.2		4.0		5.2		5.5		5.5	
(v) Military Conscription	0.0		0.0		0.0		0.0		0.0		3.0		5.0		5.0	
C. Regulation of Business													5.4	6.7	5.2	5.2
(i) Price Controls									5.0		6.0		6.0	6.0	6.0	6.0
(ii) Administrative Obstacles for New Businesses													7.6	7.6	2.9	2.9
(iii) Time Spent with Government Bureaucracy													5.5	7.2	4.8	4.8
(iv) Ease of Starting a New Business													4.3	5.7	5.1	5.1
(v) Irregular Payments to Government Officials													5.8	7.0	7.4	7.4

# Romania

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>				4.8 (78)	4.8 (84)	3.8 (118)	4.6 (115)	4.7 (116)
<b>1. Size of Government</b>			5.2	5.9	4.0	3.4	4.0	4.6
A. Government Consumption			9.4 (8.0)	9.9 (6.5)	6.8 (16.8)	6.8 (16.8)	7.5 (14.5)	6.7 (17.3)
B. Transfers & Subsidies			6.3 (14.1)	8.0 (7.9)	5.1 (18.6)	6.2 (14.6)	6.1 (14.8)	6.4 (13.7)
C. Government Enterprises & Investment	0.0	0.0	0.0	0.0	0.0	0.0 (60.7)	0.0 (56.7)	2.0 (48.6)
D. Top Marginal Tax Rate						0.5	2.5	3.5
(i) Top Marginal Income Tax Rate						1.0 (60)	5.0 (40)	5.0 (40)
(ii) Top Marginal Income & Payroll Tax Rate						0.0 (72)	0.0 (68)	2.0 (55)
<b>2. Legal Structure &amp; Security of Property Rights</b>				4.0	6.3	5.6	5.6	4.6
A. Judicial Independence								2.9
B. Impartial Courts						5.4	5.5	2.6
C. Protection of Intellectual Property							4.1	2.7
D. Military Interference						6.4	8.3	8.3
E. Integrity of Legal System						7.0	6.7	6.7
<b>3. Access to Sound Money</b>	4.9	6.6	6.9	7.1	0.7	1.6	2.3	
A. Growth of Money Supply		7.8 (11.2)	9.8 (1.2)	8.3 (8.7)	0.0 (97.9)	0.5 (47.6)	3.4 (27.0)	
B. Inflation Variability	9.8 (0.4)	8.8 (3.1)	8.1 (4.7)	7.9 (5.3)	0.0 (68.3)	0.0 (45.6)	0.0 (45.5)	
C. Recent Annual Inflation		9.9 (0.6)	9.9 (0.4)	7.3 (13.7)	2.9 (35.3)	0.9 (45.7)	0.9 (34.5)	
D. Freedom to Own Foreign Currency	0.0	0.0	0.0	5.0	0.0	5.0	5.0	
<b>4. Freedom to Exchange with Foreigners</b>				4.3	5.9	6.3	6.6	
A. Taxes on International Trade				9.7	7.2	6.7	6.9	
(i) Taxes as Percentage of Exports & Imports				9.7 (0.4)	8.2 (2.7)	8.4 (2.4)	9.3 (1.1)	
(ii) Mean Tariff Rate					6.2 (18.8)	7.4 (13.1)	7.0 (15.2)	
(iii) Variability of Tariff Rates						4.4 (14.1)	4.4 (14.1)	
B. Regulatory Trade Barriers						5.5	5.4	
(i) Hidden Import Barriers						5.5	3.8	
(ii) Costs of Importing							7.0	
C. Size of Trade Sector		6.7	3.7	3.6	4.9	4.5	5.6	
D. Official versus Black Market Exchange Rate	0.0	0.0	0.0	0.0	9.4	10.0	10.0	
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	4.5	4.9	
(i) Access to Foreign Capital						7.5	7.5	
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	1.5	2.3	
<b>5. Regulation of Credit, Labor &amp; Business</b>	2.5	2.5	2.5	2.5	3.4	5.7	5.3	
A. Regulation of Credit Markets	0.0	0.0	0.0	0.0	0.7	5.0	6.7	
(i) Private Ownership of Banks	0.0	0.0	0.0	0.0	2.0	0.0	2.0	
(ii) Competition from Foreign Banks						8.1	8.1	
(iii) Extension of Credit to Private Sector	0.0	0.0	0.0	0.0	0.0	8.3	6.5	
(iv) Avoidance of Negative Real Interest Rates					0.0	0.0	8.0	
(v) Controls on Interest Rates						8.8	8.8	
B. Regulation of Labor Markets						6.3	5.0	
(i) Impact of Minimum Wage						4.7	4.7	
(ii) Flexibility in Hiring & Firing						8.8	5.1	
(iii) Collective Bargaining						8.7	7.4	
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription	0.0	0.0	1.0	0.0	0.0	3.0	3.0	
C. Regulation of Business						5.8	4.3	
(i) Price Controls					0.0	6.0	6.0	
(ii) Administrative Obstacles for New Businesses						6.6	1.1	
(iii) Time Spent with Government Bureaucracy						7.5	8.0	
(iv) Ease of Starting a New Business						3.6	2.6	
(v) Irregular Payments to Government Officials						5.2	3.8	

## Russia

Summary Ratings (Rank) ▶	1970	1975		1980		1985		1990		1995		2000		2001	
										4.0 (116)		4.5 (118)		5.0 (112)	
<b>1. Size of Government</b>		1.1		1.2		1.2		1.2		4.8		5.3		5.5	
A. Government Consumption		2.5	(31.5)	3.0	(29.7)	2.6	(31.0)	3.0	(29.8)	3.7	(27.3)	5.0	(23.0)	5.3	(21.9)
B. Transfers & Subsidies		2.0	(30.0)	2.0	(30.0)	2.0	(30.0)	2.0	(30.0)	7.9	(8.2)	6.6	(13.1)	6.3	(14.2)
C. Government Enterprises & Investment	0.0	0.0		0.0		0.0		0.0	(90.0)	2.0	(45.0)	4.0		4.0	(35.0)
D. Top Marginal Tax Rate		0.0		0.0		0.0		0.0		5.5		5.5		6.5	
(i) Top Marginal Income Tax Rate		0.0	(100)	0.0	(100)	0.0	(100)	0.0	(80)	8.0	(30)	8.0	(30)	10.0	(13)
(ii) Top Marginal Income & Payroll Tax Rate										3.0	(51)	3.0	(50)	3.0	(49)
<b>2. Legal Structure &amp; Security of Property Rights</b>										3.4		4.4		3.8	
A. Judicial Independence										3.5		3.5		2.6	
B. Impartial Courts										4.2		5.2		2.6	
C. Protection of Intellectual Property										1.6		1.9		2.4	
D. Military Interference										4.5		6.7		6.7	
E. Integrity of Legal System												5.0		5.0	
<b>3. Access to Sound Money</b>		6.0		5.7		6.5		6.0		1.3		1.5		4.9	
A. Growth of Money Supply		8.3	(8.3)	7.9	(10.6)	8.1	(9.6)	8.1	(9.7)	0.0	(401.4)	0.0	(55.7)	2.2	(39.1)
B. Inflation Variability		9.6	(1.1)	9.3	(1.8)	9.4	(1.4)	8.9	(2.7)	0.0	(522.9)	0.0	(65.8)	1.7	(20.9)
C. Recent Annual Inflation						8.5	(7.3)	6.8	(15.9)	0.0	(170.7)	5.8	(20.8)	5.8	(21.5)
D. Freedom to Own Foreign Currency	0.0	0.0		0.0		0.0		0.0		5.0		0.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>										6.4		6.9		6.7	
A. Taxes on International Trade										6.6		7.0		6.8	
(i) Taxes as Percentage of Exports & Imports										7.1	(4.4)	6.9	(4.6)	6.0	(6.1)
(ii) Mean Tariff Rate										7.7	(11.5)	7.5	(12.6)	7.7	(11.3)
(iii) Variability of Tariff Rates										5.0	(12.4)	6.6	(8.5)	6.6	(8.5)
B. Regulatory Trade Barriers										4.3		5.1		5.1	
(i) Hidden Import Barriers										4.3		3.8		4.0	
(ii) Costs of Importing												6.3		6.2	
C. Size of Trade Sector										7.7		9.4		8.5	
D. Official versus Black Market Exchange Rate	0.0	0.0		0.0		0.0		0.0		10.0		10.0		10.0	
E. Restrictions on Capital Markets	0.0	0.0		0.0		0.0		0.0		3.5		2.9		3.2	
(i) Access to Foreign Capital										5.1		5.7		5.7	
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0		0.0		0.0		0.0		2.0		0.0		0.8	
<b>5. Regulation of Credit, Labor &amp; Business</b>		2.5		2.5		2.5		3.0		4.1		4.4		4.2	
A. Regulation of Credit Markets	0.0	0.0		0.0		0.0		0.2		4.7		3.7		4.7	
(i) Private Ownership of Banks	0.0	0.0		0.0		0.0		0.0		2.0		2.0		2.0	
(ii) Competition from Foreign Banks										3.9		4.3		4.3	
(iii) Extension of Credit to Private Sector								0.5		5.0		5.9		6.8	
(iv) Avoidance of Negative Real Interest Rates		0.0		0.0		0.0		0.0		8.0		2.0		6.0	
(v) Controls on Interest Rates										4.4		4.2		4.2	
B. Regulation of Labor Markets								1.8		4.0		4.5		4.5	
(i) Impact of Minimum Wage										6.0		2.6		2.6	
(ii) Flexibility in Hiring & Firing								1.0		1.0		6.1		6.2	
(iii) Collective Bargaining								4.5		7.2		8.3		8.1	
(iv) Incentives from Unemployment Benefits										5.7		5.5		5.5	
(v) Military Conscription	0.0	0.0		0.0		0.0		0.0		0.0		0.0		0.0	
C. Regulation of Business										3.7		5.1		3.4	
(i) Price Controls								0.0		5.0		5.0		2.0	
(ii) Administrative Obstacles for New Businesses												6.2		2.6	
(iii) Time Spent with Government Bureaucracy										4.8		5.0		3.8	
(iv) Ease of Starting a New Business										3.5		4.0		3.6	
(v) Irregular Payments to Government Officials										1.4		5.4		5.0	

# Rwanda

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>		4.1 (64)	5.3 (53)		5.3 (64)	4.3 (112)	4.6 (115)	5.2 (106)
<b>1. Size of Government</b>	7.6	7.5	7.3	6.1	7.3	7.7	5.5	5.5
A. Government Consumption	9.1 (9.0)	6.6 (17.6)	7.9 (13.0)	8.2 (12.3)	8.6 (10.8)	9.4 (8.0)	9.0 (9.5)	9.0 (9.5)
B. Transfers & Subsidies		10.0 (0.6)	9.9 (0.8)		9.2 (3.5)	9.5 (2.2)		
C. Government Enterprises & Investment	6.0	6.0 (16.9)	4.0 (39.4)	4.0 (42.4)	4.0	4.0	2.0	2.0
D. Top Marginal Tax Rate								
(i) Top Marginal Income Tax Rate								
(ii) Top Marginal Income & Payroll Tax Rate								
<b>2. Legal Structure &amp; Security of Property Rights</b>						2.4	2.0	2.0
A. Judicial Independence								
B. Impartial Courts						3.4	3.5	3.5
C. Protection of Intellectual Property								
D. Military Interference							0.0	0.0
E. Integrity of Legal System						0.0	0.0	0.0
<b>3. Access to Sound Money</b>	6.0	1.8	6.1	6.6	6.1	3.4	5.8	7.5
A. Growth of Money Supply	7.9 (10.5)	7.3 (13.4)	7.1 (14.5)	9.5 (-2.4)	9.9 (0.8)	5.4 (22.9)	8.3 (8.7)	8.7 (2.2)
B. Inflation Variability	2.0 (20.0)	0.0 (33.5)	8.0 (5.0)	8.0 (5.1)	7.3 (6.7)	3.3 (16.8)	1.0 (22.6)	7.0 (7.5)
C. Recent Annual Inflation	8.0 (9.9)	0.0 (88.0)	9.4 (3.1)	9.1 (4.6)	7.3 (13.5)	0.0 (54.2)	9.1 (4.3)	9.1 (3.3)
D. Freedom to Own Foreign Currency		0.0	0.0	0.0	0.0	5.0	5.0	5.0
<b>4. Freedom to Exchange with Foreigners</b>		1.9	2.1		2.6	3.8	4.6	
A. Taxes on International Trade		0.0	1.1		0.5	1.1	3.0	
(i) Taxes as Percentage of Exports & Imports		0.0 (16.5)	1.1 (13.3)		0.5 (14.2)	0.3 (14.6)		
(ii) Mean Tariff Rate						3.0 (34.8)	3.0 (34.8)	
(iii) Variability of Tariff Rates						0.0 (33.1)		
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector	0.0	0.0	1.0	0.0	0.0	0.0	0.0	0.0
D. Official versus Black Market Exchange Rate	2.4	1.0	0.0	0.2	4.4	9.4	10.0	10.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	0.0	1.5	1.5
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	0.0	1.5	1.5
<b>5. Regulation of Credit, Labor &amp; Business</b>		5.0	5.6	5.7	5.1	4.3	5.2	5.8
A. Regulation of Credit Markets	2.7	2.5	5.0	5.3	5.5	2.8	5.6	6.3
(i) Private Ownership of Banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector	5.5	5.0	9.0	7.8	6.5	8.5	8.9	9.0
(iv) Avoidance of Negative Real Interest Rates			6.0	8.0	10.0	0.0	8.0	8.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription		10.0	10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business								
(i) Price Controls					0.0	0.0	0.0	4.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								





# Sierra Leone

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>		5.4 (38)	5.1 (63)	4.0 (96)	3.9 (104)	4.2 (114)	5.2 (105)	5.2 (106)
<b>1. Size of Government</b>		7.3	5.6	6.4	6.0	5.6	6.2	6.2
A. Government Consumption		8.3 (11.8)	9.3 (8.4)	9.1 (8.9)	8.3 (11.8)	7.7 (13.8)	8.7 (10.5)	8.7 (10.5)
B. Transfers & Subsidies		9.7 (1.6)		10.0 (0.6)	9.7 (1.6)	9.0 (4.3)	9.8 (1.2)	9.8 (1.2)
C. Government Enterprises & Investment	6.0 (14.0)	4.0 (33.3)	2.0 (61.6)	0.0 (81.4)	0.0	0.0	0.0	0.0
D. Top Marginal Tax Rate								
(i) Top Marginal Income Tax Rate								
(ii) Top Marginal Income & Payroll Tax Rate								
<b>2. Legal Structure &amp; Security of Property Rights</b>				5.3	5.3	2.6	3.5	3.5
A. Judicial Independence								
B. Impartial Courts						4.0	4.9	4.9
C. Protection of Intellectual Property								
D. Military Interference						2.3	0.0	0.0
E. Integrity of Legal System						0.0	5.0	5.0
<b>3. Access to Sound Money</b>	9.3	5.6	5.8	0.4	0.0	3.1	7.0	6.5
A. Growth of Money Supply	9.7 (1.7)	7.5 (12.6)	6.4 (18.1)	1.6 (41.8)	0.0 (73.0)	4.0 (29.9)	4.5 (27.4)	5.1 (24.7)
B. Inflation Variability	8.8 (3.1)	7.2 (6.9)	8.9 (2.8)	0.0 (26.1)	0.0 (29.2)	0.0 (26.1)	3.7 (15.7)	6.0 (9.9)
C. Recent Annual Inflation	9.5 (-2.7)	7.8 (11.0)	8.0 (9.9)	0.0 (85.1)	0.0 (89.2)	3.3 (33.5)	9.8 (-0.8)	9.8 (2.1)
D. Freedom to Own Foreign Currency		0.0	0.0	0.0	0.0	5.0	10.0	5.0
<b>4. Freedom to Exchange with Foreigners</b>		3.2	3.3	3.8	3.7	4.5	4.4	4.5
A. Taxes on International Trade		3.1	3.0	3.5	7.4	4.5	4.4	3.3
(i) Taxes as Percentage of Exports & Imports		3.1 (10.4)	1.1 (13.3)	2.1 (11.9)	7.4 (4.0)	4.1 (8.8)	3.9 (9.2)	3.3 (10.0)
(ii) Mean Tariff Rate			4.8 (25.8)	4.8 (25.8)		4.8 (25.8)	4.8 (25.8)	
(iii) Variability of Tariff Rates								
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector	4.7	4.7	5.0	7.2	2.9	0.0	0.0	2.1
D. Official versus Black Market Exchange Rate	9.6	0.0	0.0	0.0	0.0	9.6	5.0	5.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	0.0	4.6	3.8
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	0.0	4.6	3.8
<b>5. Regulation of Credit, Labor &amp; Business</b>		5.6	5.5	4.3	4.6	5.1	4.8	5.2
A. Regulation of Credit Markets	7.9	4.3	4.7	1.5	2.9	3.3	2.5	4.4
(i) Private Ownership of Banks		2.0	2.0	2.0	2.0	2.0	2.0	2.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector	7.9	6.7	6.0	2.4	6.8	5.8	3.4	3.1
(iv) Avoidance of Negative Real Interest Rates			6.0	0.0	0.0	2.0	2.0	8.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription		10.0	10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business								
(i) Price Controls					2.0	6.0	6.0	4.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								

## Singapore

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	7.2 (7)		7.0 (7)		7.4 (5)		7.7 (4)		8.1 (2)		8.8 (2)		8.6 (2)		8.5 (2)	
<b>1. Size of Government</b>	7.2		7.0		7.0		7.1		8.2		8.4		8.0		7.8	
A. Government Consumption	7.3	(15.0)	7.4	(14.9)	7.1	(15.9)	4.7	(24.0)	6.5	(18.1)	6.9	(16.5)	5.6	(20.8)	5.3	(22.0)
B. Transfers & Subsidies	9.6	(1.8)	9.8	(1.4)	9.8	(1.1)	9.6	(1.8)	9.4	(2.6)	9.6	(1.8)	9.2	(3.3)	8.8	(4.9)
C. Government Enterprises & Investment	8.0	(19.4)	7.0	(25.0)	7.0	(24.2)	6.0	(34.7)	8.0	(18.6)	8.0		8.0		8.0	
D. Top Marginal Tax Rate	4.0		4.0		4.0		8.0		9.0		9.0		9.0		9.0	
(i) Top Marginal Income Tax Rate	4.0	(55)	4.0	(55)	4.0	(55)	8.0	(40)	9.0	(33)	9.0	(30)	9.0	(28)	9.0	(26)
(ii) Top Marginal Income & Payroll Tax Rate									9.0 (33)		9.0 (30)		9.0 (28)		9.0 (26)	
<b>2. Legal Structure &amp; Security of Property Rights</b>	7.7		6.6		8.1		7.2		7.2		8.3		8.5		8.5	
A. Judicial Independence											7.2		7.3		6.8	
B. Impartial Courts											7.1		7.7		7.9	
C. Protection of Intellectual Property											7.3		7.6		7.8	
D. Military Interference											10.0		10.0		10.0	
E. Integrity of Legal System											10.0		10.0		10.0	
<b>3. Access to Sound Money</b>	7.2		6.6		6.4		8.4		9.3		9.6		9.7		9.6	
A. Growth of Money Supply	9.3	(3.3)	9.0	(5.2)	9.4	(3.3)	9.9	(0.3)	9.1	(4.4)	9.6	(2.2)	9.7	(-1.5)	9.4	(-0.5)
B. Inflation Variability	9.8	(0.5)	7.9	(5.2)	8.6	(3.6)	8.9	(2.8)	8.9	(2.7)	9.4	(1.5)	9.5	(1.2)	9.2	(2.0)
C. Recent Annual Inflation	9.8	(0.9)	9.6	(2.2)	7.7	(11.5)	9.8	(-1.1)	9.0	(4.9)	9.5	(2.7)	9.7	(1.4)	9.7	(1.0)
D. Freedom to Own Foreign Currency	0.0		0.0		0.0		5.0		10.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	8.4		9.1		9.2		9.6		9.6		9.6		9.3		9.4	
A. Taxes on International Trade	9.1		9.6		9.8		9.9		9.7		9.6		9.9		9.9	
(i) Taxes as Percentage of Exports & Imports	9.1	(1.3)	9.6	(0.6)	9.7	(0.4)	9.8	(0.3)	9.9	(0.1)	9.9	(0.1)	9.9	(0.1)	9.9	(0.1)
(ii) Mean Tariff Rate					9.9 (0.3)		9.9 (0.3)		9.9 (0.4)		9.9 (0.4)		9.9 (0.4)		9.8 (1.0)	
(iii) Variability of Tariff Rates									9.3 (1.8)		8.9 (2.7)		10.0 (0.0)		10.0 (0.0)	
B. Regulatory Trade Barriers											8.9		9.4		9.2	
(i) Hidden Import Barriers											8.9		8.8		8.7	
(ii) Costs of Importing													10.0		9.8	
C. Size of Trade Sector	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
D. Official versus Black Market Exchange Rate	9.8		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
E. Restrictions on Capital Markets	5.0		8.0		8.0		10.0		10.0		9.3		7.2		7.6	
(i) Access to Foreign Capital											8.7		9.1		9.1	
(ii) Restrictions on Foreign Capital Transactions	5.0		8.0		8.0		10.0		10.0		10.0		5.4		6.2	
<b>5. Regulation of Credit, Labor &amp; Business</b>	5.1		5.8		6.2		6.2		6.3		7.9		7.3		7.0	
A. Regulation of Credit Markets	8.0		9.3		9.6		9.7		9.6		8.3		7.9		7.9	
(i) Private Ownership of Banks			10.0		10.0		10.0		10.0		10.0		10.0		10.0	
(ii) Competition from Foreign Banks											6.1		4.6		4.6	
(iii) Extension of Credit to Private Sector	8.0		8.7		8.9		9.0		8.8		8.8		8.3		8.2	
(iv) Avoidance of Negative Real Interest Rates					10.0		10.0		10.0		10.0		10.0		10.0	
(v) Controls on Interest Rates											6.7		6.8		6.8	
B. Regulation of Labor Markets									5.5		6.2		5.5		5.6	
(i) Impact of Minimum Wage											7.1		4.6		4.6	
(ii) Flexibility in Hiring & Firing									8.5		8.5		7.2		7.6	
(iii) Collective Bargaining	7.9		7.9		7.9		7.9		7.9		7.9		8.4		8.1	
(iv) Incentives from Unemployment Benefits											7.3		7.5		7.5	
(v) Military Conscription	0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0	
C. Regulation of Business											9.4		8.4		7.7	
(i) Price Controls									8.0		9.0		9.0		8.0	
(ii) Administrative Obstacles for New Businesses													7.7		6.6	
(iii) Time Spent with Government Bureaucracy											9.7		8.1		6.5	
(iv) Ease of Starting a New Business											9.1		8.0		8.1	
(v) Irregular Payments to Government Officials											9.7		9.1		9.1	

# Slovak Republic

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>						5.4 (79)	6.1 (70)	6.0 (77)
<b>1. Size of Government</b>						2.4	3.5	3.0
A. Government Consumption					3.3 (28.9)	3.2 (29.2)	4.0 (26.3)	4.1 (26.1)
B. Transfers & Subsidies						3.9 (23.0)	4.3 (21.5)	
C. Government Enterprises & Investment						0.0 (75.1)	2.0	0.0
D. Top Marginal Tax Rate						4.0	4.0	3.5
(i) Top Marginal Income Tax Rate						4.0 (42)	4.0 (42)	5.0 (38)
(ii) Top Marginal Income & Payroll Tax Rate						4.0 (42)	4.0 (44)	2.0 (55)
<b>2. Legal Structure &amp; Security of Property Rights</b>						6.5	6.3	5.6
A. Judicial Independence						5.1	5.0	3.7
B. Impartial Courts						5.4	5.2	3.4
C. Protection of Intellectual Property						4.0	4.7	4.4
D. Military Interference						8.0	10.0	10.0
E. Integrity of Legal System						10.0	6.7	6.7
<b>3. Access to Sound Money</b>					8.8	6.7	7.7	8.0
A. Growth of Money Supply						7.3 (13.4)	9.2 (3.9)	9.9 (3.2)
B. Inflation Variability					9.0 (2.5)	6.4 (9.0)	9.0 (2.4)	9.7 (0.7)
C. Recent Annual Inflation					8.6 (6.9)	8.1 (9.7)	7.6 (12.0)	7.6 (7.3)
D. Freedom to Own Foreign Currency						5.0	5.0	5.0
<b>4. Freedom to Exchange with Foreigners</b>						6.7	7.8	8.3
A. Taxes on International Trade						8.8	9.1	9.3
(i) Taxes as Percentage of Exports & Imports							9.3 (1.0)	9.8 (0.3)
(ii) Mean Tariff Rate						8.8 (6.1)	8.8 (6.0)	8.8 (6.0)
(iii) Variability of Tariff Rates								
B. Regulatory Trade Barriers						4.8	7.2	7.6
(i) Hidden Import Barriers						4.8	6.7	6.3
(ii) Costs of Importing							7.7	8.9
C. Size of Trade Sector						6.5	7.2	8.6
D. Official versus Black Market Exchange Rate						10.0	10.0	10.0
E. Restrictions on Capital Markets						3.6	5.5	6.2
(i) Access to Foreign Capital						5.3	7.8	7.8
(ii) Restrictions on Foreign Capital Transactions						2.0	3.1	4.6
<b>5. Regulation of Credit, Labor &amp; Business</b>						4.7	5.4	5.0
A. Regulation of Credit Markets						5.6	6.0	5.9
(i) Private Ownership of Banks						5.0	2.0	2.0
(ii) Competition from Foreign Banks						6.1	5.3	5.3
(iii) Extension of Credit to Private Sector						5.0	4.6	3.7
(iv) Avoidance of Negative Real Interest Rates						6.0	10.0	10.0
(v) Controls on Interest Rates						6.1	8.3	8.3
B. Regulation of Labor Markets						4.4	4.9	4.7
(i) Impact of Minimum Wage						6.1	4.2	4.2
(ii) Flexibility in Hiring & Firing					4.9	4.9	3.0	4.3
(iii) Collective Bargaining						5.2	7.7	7.1
(iv) Incentives from Unemployment Benefits						4.7	4.8	4.8
(v) Military Conscriptation						1.0	5.0	3.0
C. Regulation of Business						4.2	5.2	4.5
(i) Price Controls						4.0	4.0	4.0
(ii) Administrative Obstacles for New Businesses							8.0	1.9
(iii) Time Spent with Government Bureaucracy						4.7	4.5	7.0
(iv) Ease of Starting a New Business						4.3	3.0	4.7
(v) Irregular Payments to Government Officials						3.7	6.5	5.1

## Slovenia

Summary Ratings (Rank) ▶	1970	1975	1980	1985	1990	1995	2000	2001
						4.9 (92)	5.9 (77)	6.1 (73)
<b>1. Size of Government</b>						1.8	2.9	2.5
A. Government Consumption					4.1 (25.9)	4.2 (25.8)	3.7 (27.5)	3.4 (28.5)
B. Transfers & Subsidies						1.1 (33.2)	4.0 (22.4)	4.7 (20.0)
C. Government Enterprises & Investment						0.0 (75.1)	2.0	0.0
D. Top Marginal Tax Rate							2.0	2.0
(i) Top Marginal Income Tax Rate							4.0 (50)	4.0 (50)
(ii) Top Marginal Income & Payroll Tax Rate							0.0 (70)	0.0 (66)
<b>2. Legal Structure &amp; Security of Property Rights</b>						7.4	6.4	7.0
A. Judicial Independence								6.7
B. Impartial Courts						7.0	7.1	5.4
C. Protection of Intellectual Property							5.4	6.3
D. Military Interference						9.2	8.3	8.3
E. Integrity of Legal System						10.0	8.3	8.3
<b>3. Access to Sound Money</b>						3.1	7.1	8.7
A. Growth of Money Supply						0.0 (57.5)	6.6 (16.8)	7.6 (11.4)
B. Inflation Variability						0.0 (79.6)	9.1 (2.3)	9.3 (1.7)
C. Recent Annual Inflation						7.5 (12.6)	7.8 (10.8)	7.8 (9.4)
D. Freedom to Own Foreign Currency					5.0	5.0	5.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>						7.0	7.1	7.3
A. Taxes on International Trade						7.5	8.1	8.2
(i) Taxes as Percentage of Exports & Imports						7.5 (3.7)	9.5 (0.8)	9.6 (0.5)
(ii) Mean Tariff Rate							7.6 (11.8)	7.9 (10.4)
(iii) Variability of Tariff Rates							7.0 (7.4)	7.0 (7.4)
B. Regulatory Trade Barriers							7.4	8.3
(i) Hidden Import Barriers							7.4	7.3
(ii) Costs of Importing								9.3
C. Size of Trade Sector						4.4	4.7	4.6
D. Official versus Black Market Exchange Rate					0.0	10.0	10.0	10.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	5.0	5.3	5.3
(i) Access to Foreign Capital							6.8	6.8
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	5.0	3.8	3.8
<b>5. Regulation of Credit, Labor &amp; Business</b>						5.3	5.7	5.1
A. Regulation of Credit Markets						6.5	6.5	6.7
(i) Private Ownership of Banks						5.0	5.0	5.0
(ii) Competition from Foreign Banks							4.8	4.8
(iii) Extension of Credit to Private Sector						6.5	7.7	7.8
(iv) Avoidance of Negative Real Interest Rates						8.0	9.0	10.0
(v) Controls on Interest Rates							6.1	6.1
B. Regulation of Labor Markets							3.6	3.8
(i) Impact of Minimum Wage							4.0	4.0
(ii) Flexibility in Hiring & Firing							2.3	2.7
(iii) Collective Bargaining							5.1	5.3
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription						3.0	3.0	3.0
C. Regulation of Business							7.0	4.9
(i) Price Controls						6.0	8.0	2.0
(ii) Administrative Obstacles for New Businesses							7.0	3.0
(iii) Time Spent with Government Bureaucracy							7.8	6.3
(iv) Ease of Starting a New Business							5.7	6.0
(v) Irregular Payments to Government Officials							6.6	7.4

# South Africa

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>	6.7 (15)	5.9 (21)	5.7 (39)	5.4 (56)	5.3 (64)	6.2 (51)	6.7 (46)	6.8 (42)
<b>1. Size of Government</b>	6.1	4.6	4.7	4.9	5.6	5.8	5.4	5.5
A. Government Consumption	6.9 (16.6)	6.0 (19.6)	5.6 (20.9)	4.6 (24.4)	4.5 (24.8)	4.5 (24.7)	5.2 (22.4)	5.2 (22.4)
B. Transfers & Subsidies	9.3 (3.0)	9.2 (3.4)	9.3 (3.2)	8.8 (4.8)	8.8 (4.8)	8.7 (5.3)	8.6 (5.5)	8.9 (4.5)
C. Government Enterprises & Investment	2.0 (43.3)	2.0 (48.2)	2.0 (50.9)	2.0 (42.2)	4.0 (34.2)	6.0 (26.2)	4.0 (32.7)	4.0 (31.0)
D. Top Marginal Tax Rate		1.0	2.0	4.0	5.0	4.0	4.0	4.0
(i) Top Marginal Income Tax Rate		1.0 (66)	2.0 (60)	4.0 (50)	5.0 (45)	4.0 (43)	4.0 (45)	4.0 (42)
(ii) Top Marginal Income & Payroll Tax Rate					5.0 (45)	4.0 (43)	4.0 (45)	4.0 (42)
<b>2. Legal Structure &amp; Security of Property Rights</b>	7.4	5.6	6.2	4.5	2.9	6.1	6.5	6.6
A. Judicial Independence						7.2	7.2	7.6
B. Impartial Courts						7.9	8.0	7.3
C. Protection of Intellectual Property						6.5	5.8	6.7
D. Military Interference						4.9	8.3	8.3
E. Integrity of Legal System						4.1	3.3	3.3
<b>3. Access to Sound Money</b>	7.1	6.1	5.3	5.3	5.8	6.1	7.5	7.9
A. Growth of Money Supply	9.4 (2.9)	8.2 (8.9)	7.8 (11.0)	6.3 (18.6)	6.5 (17.3)	6.8 (16.0)	6.5 (17.4)	7.9 (10.3)
B. Inflation Variability	9.5 (1.2)	8.5 (3.8)	8.1 (4.7)	8.5 (3.7)	9.5 (1.3)	9.3 (1.8)	9.4 (1.6)	9.7 (0.7)
C. Recent Annual Inflation	9.4 (3.0)	7.8 (10.9)	5.2 (24.1)	6.4 (18.1)	7.0 (15.1)	8.2 (8.8)	8.9 (5.3)	8.9 (5.7)
D. Freedom to Own Foreign Currency	0.0	0.0	0.0	0.0	0.0	0.0	5.0	5.0
<b>4. Freedom to Exchange with Foreigners</b>	6.9	7.3	7.0	6.3	6.6	6.3	7.3	7.3
A. Taxes on International Trade	8.7	8.7	8.7	8.9	7.3	5.5	7.7	7.8
(i) Taxes as Percentage of Exports & Imports	8.7 (2.0)	8.7 (2.0)	9.2 (1.2)	9.1 (1.4)	8.5 (2.2)	9.3 (1.0)	9.0 (1.5)	9.1 (1.4)
(ii) Mean Tariff Rate			8.1 (9.4)	8.8 (6.0)	7.8 (11.0)	6.1 (19.7)	8.3 (8.5)	8.3 (8.5)
(iii) Variability of Tariff Rates					5.5 (11.3)	1.2 (21.9)	5.9 (10.2)	5.9 (10.2)
B. Regulatory Trade Barriers						6.4	7.6	7.7
(i) Hidden Import Barriers						6.4	6.6	6.9
(ii) Costs of Importing							8.5	8.6
C. Size of Trade Sector	6.8	8.9	7.5	7.2	6.0	5.8	7.1	7.0
D. Official versus Black Market Exchange Rate	9.0	8.8	8.8	5.0	9.4	10.0	10.0	10.0
E. Restrictions on Capital Markets	2.0	2.0	2.0	2.0	2.0	4.0	4.1	4.1
(i) Access to Foreign Capital						6.0	7.5	7.5
(ii) Restrictions on Foreign Capital Transactions	2.0	2.0	2.0	2.0	2.0	2.0	0.8	0.8
<b>5. Regulation of Credit, Labor &amp; Business</b>	6.1	6.1	5.3	5.9	5.7	6.8	6.9	6.5
A. Regulation of Credit Markets	9.2	9.2	7.5	9.1	9.1	8.5	8.5	8.5
(i) Private Ownership of Banks	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
(ii) Competition from Foreign Banks						7.9	6.8	6.8
(iii) Extension of Credit to Private Sector	8.5	8.5	8.4	9.2	9.2	9.3	9.2	9.3
(iv) Avoidance of Negative Real Interest Rates			4.0	8.0	8.0	10.0	10.0	10.0
(v) Controls on Interest Rates						5.3	6.5	6.5
B. Regulation of Labor Markets					3.9	6.1	5.5	5.4
(i) Impact of Minimum Wage						2.9	4.6	4.6
(ii) Flexibility in Hiring & Firing					5.6	5.6	2.1	2.2
(iii) Collective Bargaining					6.2	6.2	4.5	4.2
(iv) Incentives from Unemployment Benefits						5.9	6.2	6.2
(v) Military Conscription	3.0	3.0	0.0	0.0	0.0	10.0	10.0	10.0
C. Regulation of Business						5.9	6.6	5.4
(i) Price Controls						6.0	7.0	6.0
(ii) Administrative Obstacles for New Businesses							6.9	3.3
(iii) Time Spent with Government Bureaucracy						6.4	6.5	5.3
(iv) Ease of Starting a New Business						6.4	5.9	5.8
(v) Irregular Payments to Government Officials						4.6	6.8	6.9

## South Korea

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001									
	6.1 (30)		5.4 (38)		5.8 (30)		5.9 (34)		6.2 (34)		6.4 (42)		7.0 (36)		7.1 (26)									
<b>1. Size of Government</b>	8.1		6.6		6.0		6.5		6.2		6.8		7.1		7.3									
A. Government Consumption	8.5	(11.2)	7.8	(13.5)	7.3	(15.2)	7.4	(14.7)	7.1	(15.9)	7.0	(16.2)	7.3	(15.1)	7.4	(14.9)								
B. Transfers & Subsidies	9.9	(1.0)	9.6	(2.0)	9.6	(2.0)	9.5	(2.2)	9.3	(2.9)	9.3	(2.9)	9.1	(3.7)	9.1	(3.7)								
C. Government Enterprises & Investment	6.0	(25.3)	7.0	(21.1)	7.0	(22.6)	7.0	(25.4)	7.0	(19.2)	6.0	(25.5)	7.0	(20.5)	7.0	(21.3)								
D. Top Marginal Tax Rate			2.0		0.0		2.0		1.5		5.0		5.0		5.5									
(i) Top Marginal Income Tax Rate			2.0		(63)		0.0		(89)		2.0		(64)		5.0		(40)							
(ii) Top Marginal Income & Payroll Tax Rate									1.0		(66)		5.0		(48)		5.0		(44)		5.0		(43)	
<b>2. Legal Structure &amp; Security of Property Rights</b>	5.8		4.9		6.5		4.2		5.4		5.6		6.0		6.4									
A. Judicial Independence											4.9		4.7		5.5									
B. Impartial Courts											5.3		5.2		5.5									
C. Protection of Intellectual Property											4.3		5.0		5.8									
D. Military Interference											6.7		8.3		8.3									
E. Integrity of Legal System											7.0		6.7		6.7									
<b>3. Access to Sound Money</b>	5.0		4.4		5.0		6.4		6.5		7.7		9.5		9.5									
A. Growth of Money Supply	4.4	(28.1)	5.7	(21.6)	6.2	(18.8)	8.6	(7.1)	8.6	(7.0)	7.8	(10.8)	9.6	(-2.2)	9.7	(3.9)								
B. Inflation Variability	9.3	(1.8)	7.3	(6.8)	8.8	(3.0)	8.0	(4.9)	9.2	(1.9)	9.3	(1.9)	8.9	(2.7)	8.8	(3.0)								
C. Recent Annual Inflation	6.2	(19.1)	4.8	(26.0)	5.0	(24.9)	9.1	(4.6)	8.0	(9.9)	8.9	(5.6)	9.5	(2.3)	9.5	(4.3)								
D. Freedom to Own Foreign Currency	0.0		0.0		0.0		0.0		0.0		5.0		10.0		10.0									
<b>4. Freedom to Exchange with Foreigners</b>	5.4		6.6		6.2		6.5		7.4		7.0		7.0		7.3									
A. Taxes on International Trade	8.3		7.9		6.6		6.5		7.5		7.9		8.2		8.2									
(i) Taxes as Percentage of Exports & Imports	8.3	(2.5)	7.9	(3.1)	7.3	(4.1)	7.6	(3.6)	7.7	(3.4)	8.7	(2.0)	8.8	(1.8)	8.8	(1.8)								
(ii) Mean Tariff Rate					5.9		(20.4)		7.3		(13.3)		8.3		(8.7)		8.3		(8.6)					
(iii) Variability of Tariff Rates									7.3		(6.7)		7.4		(5.9)		7.6		(5.9)					
B. Regulatory Trade Barriers											6.0		6.8		7.5									
(i) Hidden Import Barriers											6.0		5.2		6.3									
(ii) Costs of Importing													8.5		8.8									
C. Size of Trade Sector	4.6		7.4		8.6		8.2		6.3		6.2		6.4		6.6									
D. Official versus Black Market Exchange Rate	6.0		9.6		7.8		7.8		9.8		10.0		10.0		10.0									
E. Restrictions on Capital Markets	0.0		0.0		0.0		2.0		5.0		4.8		3.6		4.3									
(i) Access to Foreign Capital											4.7		7.2		7.2									
(ii) Restrictions on Foreign Capital Transactions	0.0		0.0		0.0		2.0		5.0		5.0		0.0		1.5									
<b>5. Regulation of Credit, Labor &amp; Business</b>			4.6		5.1		5.7		5.4		4.8		5.3		5.2									
A. Regulation of Credit Markets	10.0		5.6		6.1		8.1		8.2		6.8		6.4		6.4									
(i) Private Ownership of Banks			5.0		5.0		5.0		5.0		5.0		5.0		5.0									
(ii) Competition from Foreign Banks											4.9		3.2		3.2									
(iii) Extension of Credit to Private Sector	10.0		9.7		9.4		9.3		9.5		9.7		9.5		9.6									
(iv) Avoidance of Negative Real Interest Rates			2.0		4.0		10.0		10.0		10.0		10.0		10.0									
(v) Controls on Interest Rates											4.6		4.5		4.5									
B. Regulation of Labor Markets									3.6		4.4		4.2		4.3									
(i) Impact of Minimum Wage											5.8		4.1		4.1									
(ii) Flexibility in Hiring & Firing											3.5		4.7		4.4									
(iii) Collective Bargaining					7.2		7.2		7.2		7.2		6.2		6.8									
(iv) Incentives from Unemployment Benefits											5.5		6.0		6.0									
(v) Military Conscription	0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0									
C. Regulation of Business											3.1		5.2		5.0									
(i) Price Controls									0.0		0.0		1.0		3.0									
(ii) Administrative Obstacles for New Businesses													6.5		3.4									
(iii) Time Spent with Government Bureaucracy											5.4		7.7		6.3									
(iv) Ease of Starting a New Business											3.7		5.4		5.8									
(v) Irregular Payments to Government Officials											3.3		5.4		6.4									

# Spain

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>	6.5 (20)	5.7 (29)	5.8 (30)	5.9 (34)	6.2 (34)	7.0 (28)	7.3 (21)	7.0 (35)
<b>1. Size of Government</b>	7.5	6.3	4.7	4.2	4.7	4.2	4.6	5.0
A. Government Consumption	8.0 (12.8)	7.7 (13.9)	6.9 (16.5)	6.3 (18.7)	5.9 (20.0)	5.5 (21.2)	5.2 (22.2)	5.1 (22.7)
B. Transfers & Subsidies	8.4 (6.4)	7.5 (9.5)	6.8 (12.3)	5.5 (16.9)	5.8 (16.0)	5.1 (18.5)	5.2 (18.0)	5.8 (16.1)
C. Government Enterprises & Investment	6.0	6.0 (17.3)	4.0 (27.1)	4.0 (30.2)	4.0 (33.5)	4.0	4.0	4.0
D. Top Marginal Tax Rate		4.0	1.0	1.0	3.0	2.0	4.0	5.0
(i) Top Marginal Income Tax Rate		4.0 (55)	1.0 (66)	1.0 (66)	3.0 (56)	2.0 (56)	4.0 (48)	5.0 (38-48)
(ii) Top Marginal Income & Payroll Tax Rate					3.0 (56)	2.0 (56)	4.0 (48)	5.0 (38-48)
<b>2. Legal Structure &amp; Security of Property Rights</b>	7.1	5.1	6.3	6.4	7.2	7.5	7.5	6.3
A. Judicial Independence						6.8	7.5	5.1
B. Impartial Courts						6.6	8.0	5.3
C. Protection of Intellectual Property						6.1	7.2	5.9
D. Military Interference						7.9	8.3	8.3
E. Integrity of Legal System						10.0	6.7	6.7
<b>3. Access to Sound Money</b>	6.9	5.5	5.9	6.5	6.1	9.6	9.3	9.4
A. Growth of Money Supply	9.2 (4.2)	6.9 (15.7)	7.6 (12.2)	8.3 (8.3)	6.8 (16.0)	9.8 (1.2)	8.5 (7.6)	8.6 (6.8)
B. Inflation Variability	9.5 (1.4)	8.5 (3.7)	8.6 (3.5)	9.2 (2.1)	9.2 (2.0)	9.5 (1.3)	9.5 (1.2)	9.7 (0.7)
C. Recent Annual Inflation	8.8 (5.9)	6.6 (16.8)	7.3 (13.4)	8.5 (7.7)	8.5 (7.3)	9.0 (4.8)	9.3 (3.4)	9.3 (3.6)
D. Freedom to Own Foreign Currency	0.0	0.0	0.0	0.0	0.0	10.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>	5.6	6.0	6.9	7.2	7.6	7.8	8.3	8.0
A. Taxes on International Trade	5.5	7.0	8.2	8.3	8.2	8.7	9.1	9.2
(i) Taxes as Percentage of Exports & Imports	5.5 (6.7)	5.9 (6.1)	8.2 (2.7)	8.0 (3.0)	9.0 (1.5)	9.9 (0.2)	9.7 (0.5)	9.8 (0.3)
(ii) Mean Tariff Rate		8.1 (9.4)	8.2 (8.8)	8.5 (7.5)	8.5 (7.4)	8.7 (6.7)	9.5 (2.4)	9.5 (2.7)
(iii) Variability of Tariff Rates					7.1 (7.2)	7.6 (5.9)	8.2 (4.4)	8.2 (4.4)
B. Regulatory Trade Barriers						7.6	8.7	8.7
(i) Hidden Import Barriers						7.6	7.6	7.9
(ii) Costs of Importing							9.8	9.6
C. Size of Trade Sector	3.6	3.2	3.0	5.0	3.9	4.5	5.6	5.5
D. Official versus Black Market Exchange Rate	8.8	9.6	10.0	9.6	9.6	10.0	10.0	10.0
E. Restrictions on Capital Markets	2.0	2.0	5.0	5.0	8.0	8.3	8.0	6.9
(i) Access to Foreign Capital						8.6	9.1	9.1
(ii) Restrictions on Foreign Capital Transactions	2.0	2.0	5.0	5.0	8.0	8.0	6.9	4.6
<b>5. Regulation of Credit, Labor &amp; Business</b>	5.3	5.5	5.2	5.4	5.5	5.9	6.8	6.3
A. Regulation of Credit Markets	7.7	8.3	7.4	8.3	8.3	7.9	8.1	8.1
(i) Private Ownership of Banks		8.0	8.0	8.0	8.0	8.0	8.0	8.0
(ii) Competition from Foreign Banks						7.7	6.1	6.1
(iii) Extension of Credit to Private Sector	7.7	8.5	8.1	6.8	6.8	6.7	8.3	8.3
(iv) Avoidance of Negative Real Interest Rates			6.0	10.0	10.0	10.0	10.0	10.0
(v) Controls on Interest Rates						7.3	8.1	8.1
B. Regulation of Labor Markets	3.7	3.8	3.6	3.4	3.7	4.1	5.3	5.0
(i) Impact of Minimum Wage						5.8	3.1	3.1
(ii) Flexibility in Hiring & Firing					2.6	2.6	3.7	2.5
(iii) Collective Bargaining	5.2	5.2	5.2	5.2	5.2	5.2	4.9	4.6
(iv) Incentives from Unemployment Benefits	5.8	5.1	4.5	4.1	4.0	3.8	5.0	5.0
(v) Military Conscription	0.0	1.0	1.0	1.0	3.0	3.0	10.0	10.0
C. Regulation of Business						5.7	6.9	5.8
(i) Price Controls					7.0	6.0	6.0	6.0
(ii) Administrative Obstacles for New Businesses							7.4	3.8
(iii) Time Spent with Government Bureaucracy						6.4	7.9	7.0
(iv) Ease of Starting a New Business						5.3	5.7	4.6
(v) Irregular Payments to Government Officials						5.1	7.6	7.7

# Sri Lanka

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
					4.9 (70)		5.1 (68)		5.0 (74)		6.1 (57)		6.1 (70)		6.3 (64)	
<b>1. Size of Government</b>	6.5		6.2		4.7		4.8		7.0		6.8		7.0		7.0	
A. Government Consumption	7.6	(14.1)	8.8	(10.2)	8.9	(9.6)	8.4	(11.4)	8.4	(11.4)	7.8	(13.5)	8.0	(12.7)	8.2	(12.1)
B. Transfers & Subsidies	8.0	(7.8)	7.9	(8.1)	7.8	(8.4)	8.7	(5.1)	8.5	(6.0)	8.5	(5.9)	9.0	(4.1)	8.9	(4.6)
C. Government Enterprises & Investment	4.0	(37.0)	2.0	(40.5)	2.0	(53.5)	2.0	(54.3)	4.0	(39.2)	4.0		4.0		4.0	
D. Top Marginal Tax Rate					0.0		0.0				7.0		7.0		7.0	
(i) Top Marginal Income Tax Rate					0.0		(61)		(61)		7.0		(35)		7.0	
(ii) Top Marginal Income & Payroll Tax Rate											7.0		(35)		7.0	
<b>2. Legal Structure &amp; Security of Property Rights</b>					4.0		3.4		2.3		4.5		4.2		5.2	
A. Judicial Independence															6.6	
B. Impartial Courts											4.9		5.0		6.1	
C. Protection of Intellectual Property													3.5		5.0	
D. Military Interference											2.0		3.3		3.3	
E. Integrity of Legal System											7.0		5.0		5.0	
<b>3. Access to Sound Money</b>	6.8		6.2		5.1		6.2		5.4		6.5		6.8		6.7	
A. Growth of Money Supply	9.6	(-1.8)	9.0	(4.8)	5.9	(20.6)	8.0	(9.8)	7.6	(12.1)	8.1	(9.3)	9.2	(3.8)	9.2	(1.9)
B. Inflation Variability	8.5	(3.8)	6.9	(7.8)	8.6	(3.6)	7.0	(7.5)	8.0	(5.0)	9.8	(0.5)	9.1	(2.1)	9.0	(2.5)
C. Recent Annual Inflation	9.0	(5.2)	8.9	(5.4)	6.0	(20.0)	9.9	(0.6)	5.9	(20.3)	8.1	(9.3)	8.8	(6.2)	8.8	(14.2)
D. Freedom to Own Foreign Currency	0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0	
<b>4. Freedom to Exchange with Foreigners</b>	2.8		3.4		5.2		4.8		4.5		6.2		6.3		6.4	
A. Taxes on International Trade	0.3		2.6		2.0		3.6		2.9		4.8		7.6		7.6	
(i) Taxes as Percentage of Exports & Imports	0.3	(14.6)	2.6	(11.1)	2.2	(11.7)	2.9	(10.6)	4.1	(8.8)	7.0	(4.5)	8.6	(2.2)	8.4	(2.3)
(ii) Mean Tariff Rate					1.7		(41.3)		4.2		(26.9)		4.8		(9.9)	
(iii) Variability of Tariff Rates									0.0		(25.5)		2.8		(18.1)	
B. Regulatory Trade Barriers													4.8		5.3	
(i) Hidden Import Barriers													4.8		5.0	
(ii) Costs of Importing															5.6	
C. Size of Trade Sector	5.2		6.2		7.7		6.1		6.1		6.5		6.2		6.1	
D. Official versus Black Market Exchange Rate	0.0		0.0		8.2		6.0		5.2		9.6		10.0		10.0	
E. Restrictions on Capital Markets	0.0		0.0		0.0		0.0		0.0		2.0		3.0		3.0	
(i) Access to Foreign Capital													6.0		6.0	
(ii) Restrictions on Foreign Capital Transactions	0.0		0.0		0.0		0.0		0.0		2.0		0.0		0.0	
<b>5. Regulation of Credit, Labor &amp; Business</b>					5.7		6.4		5.9		6.2		6.0		5.9	
A. Regulation of Credit Markets			5.0		5.1		7.0		6.6		7.8		6.1		6.4	
(i) Private Ownership of Banks			5.0		5.0		5.0		5.0		5.0		5.0		5.0	
(ii) Competition from Foreign Banks													6.1		6.1	
(iii) Extension of Credit to Private Sector					6.4		7.9		6.7		8.4		8.3		6.8	
(iv) Avoidance of Negative Real Interest Rates					4.0		8.0		8.0		10.0		6.0		9.0	
(v) Controls on Interest Rates													5.3		5.3	
B. Regulation of Labor Markets													5.9		6.2	
(i) Impact of Minimum Wage													4.1		4.1	
(ii) Flexibility in Hiring & Firing													2.9		4.6	
(iii) Collective Bargaining													6.5		6.1	
(iv) Incentives from Unemployment Benefits																
(v) Military Conscription			10.0		10.0		10.0		10.0		10.0		10.0		10.0	
C. Regulation of Business													6.0		5.2	
(i) Price Controls									4.0		4.0		4.0		4.0	
(ii) Administrative Obstacles for New Businesses													7.3		6.1	
(iii) Time Spent with Government Bureaucracy													7.2		4.0	
(iv) Ease of Starting a New Business													6.5		6.1	
(v) Irregular Payments to Government Officials													5.3		5.7	



# Sweden

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>	5.5 (38)	5.3 (43)	5.7 (39)	6.2 (25)	6.5 (29)	7.2 (21)	7.4 (18)	7.1 (26)
<b>1. Size of Government</b>	2.4	2.7	2.1	2.6	2.4	2.6	3.0	3.0
A. Government Consumption	3.2 (29.0)	2.4 (31.8)	1.1 (36.3)	1.4 (35.3)	1.5 (34.9)	2.1 (33.0)	1.7 (34.3)	1.5 (34.8)
B. Transfers & Subsidies		3.3 (25.0)	3.4 (24.7)	3.1 (26.0)	2.0 (29.9)	0.8 (34.1)	3.4 (24.9)	4.0 (22.6)
C. Government Enterprises & Investment	2.0 (46.2)	4.0 (38.1)	4.0 (41.2)	6.0 (28.0)	6.0 (22.8)	6.0 (28.3)	6.0	6.0
D. Top Marginal Tax Rate	2.0	1.0	0.0	0.0	0.0	1.5	1.0	0.5
(i) Top Marginal Income Tax Rate	2.0 (61)	1.0 (70)	0.0 (87)	0.0 (80)	0.0 (61-68)	3.0 (46-53)	2.0 (51-58)	1.0 (52-59)
(ii) Top Marginal Income & Payroll Tax Rate					0.0 (79-86)	0.0 (66-73)	0.0 (68-75)	0.0 (64-69)
<b>2. Legal Structure &amp; Security of Property Rights</b>	6.5	4.4	6.6	7.4	8.3	8.9	9.0	8.6
A. Judicial Independence						8.8	8.7	7.6
B. Impartial Courts						8.9	8.4	7.9
C. Protection of Intellectual Property						6.6	8.1	8.3
D. Military Interference						10.0	10.0	9.2
E. Integrity of Legal System						10.0	10.0	10.0
<b>3. Access to Sound Money</b>	6.1	7.4	7.6	8.0	7.8	9.5	9.7	9.8
A. Growth of Money Supply		8.6 (7.0)	8.3 (8.7)	8.9 (5.5)	8.7 (6.6)	9.8 (0.9)	9.7 (1.4)	9.9 (0.3)
B. Inflation Variability	9.4 (1.5)	8.8 (2.9)	9.4 (1.5)	9.5 (1.3)	9.4 (1.4)	9.1 (2.2)	9.4 (1.5)	9.6 (1.1)
C. Recent Annual Inflation	9.0 (5.2)	7.1 (14.5)	7.7 (11.7)	8.7 (6.6)	8.2 (8.8)	9.3 (3.7)	9.8 (1.0)	9.8 (2.4)
D. Freedom to Own Foreign Currency	0.0	5.0	5.0	5.0	5.0	10.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>	6.7	6.8	6.6	7.7	8.4	8.5	8.3	8.2
A. Taxes on International Trade	9.2	8.9	9.0	9.5	9.0	8.7	9.2	9.2
(i) Taxes as Percentage of Exports & Imports	9.2 (1.3)	9.3 (1.0)	9.5 (0.7)	9.8 (0.3)	9.7 (0.4)	9.7 (0.4)	10.0 (0.0)	9.8 (0.3)
(ii) Mean Tariff Rate		8.4 (8.0)	8.5 (7.5)	9.2 (4.1)	9.1 (4.7)	8.7 (6.7)	9.5 (2.4)	9.5 (2.7)
(iii) Variability of Tariff Rates					8.1 (4.8)	7.6 (5.9)	8.2 (4.4)	8.2 (4.4)
B. Regulatory Trade Barriers						9.1	9.2	8.9
(i) Hidden Import Barriers						9.1	8.8	8.3
(ii) Costs of Importing							9.5	9.5
C. Size of Trade Sector	5.4	5.0	4.8	5.8	4.8	5.5	6.0	5.7
D. Official versus Black Market Exchange Rate	9.0	9.8	9.0	9.8	10.0	10.0	10.0	10.0
E. Restrictions on Capital Markets	2.0	2.0	2.0	5.0	10.0	9.3	7.2	7.2
(i) Access to Foreign Capital						8.6	9.0	9.0
(ii) Restrictions on Foreign Capital Transactions	2.0	2.0	2.0	5.0	10.0	10.0	5.4	5.4
<b>5. Regulation of Credit, Labor &amp; Business</b>	5.6	5.1	5.4	5.5	5.6	6.4	6.7	6.1
A. Regulation of Credit Markets	7.7	6.4	7.6	8.1	8.4	8.6	8.4	8.4
(i) Private Ownership of Banks		8.0	8.0	8.0	8.0	8.0	8.0	8.0
(ii) Competition from Foreign Banks						8.3	6.5	6.5
(iii) Extension of Credit to Private Sector	7.4	7.1	6.8	6.2	7.2	8.6	9.1	9.1
(iv) Avoidance of Negative Real Interest Rates	8.0	4.0	8.0	10.0	10.0	10.0	10.0	10.0
(v) Controls on Interest Rates						8.3	8.6	8.6
B. Regulation of Labor Markets	4.6	4.2	4.1	4.0	4.0	3.0	3.4	3.4
(i) Impact of Minimum Wage						1.8	4.4	4.4
(ii) Flexibility in Hiring & Firing					3.9	3.9	2.2	1.9
(iii) Collective Bargaining	4.5	4.5	4.5	4.5	4.5	4.5	3.8	4.2
(iv) Incentives from Unemployment Benefits	6.4	5.2	4.8	4.5	4.4	1.9	3.5	3.5
(v) Military Conscriptation	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
C. Regulation of Business						7.7	8.3	6.5
(i) Price Controls					6.0	8.0	9.0	9.0
(ii) Administrative Obstacles for New Businesses							7.3	3.1
(iii) Time Spent with Government Bureaucracy						8.3	8.3	5.8
(iv) Ease of Starting a New Business						5.1	7.9	5.8
(v) Irregular Payments to Government Officials						9.3	9.1	9.0

## Switzerland

	1970	1975	1980	1985	1990	1995	2000	2001
Summary Ratings (Rank) ▶	7.7 (3)	7.4 (3)	7.7 (2)	7.8 (3)	7.8 (4)	8.0 (7)	8.2 (5)	8.0 (7)
<b>1. Size of Government</b>	7.7	7.3	7.1	7.0	6.8	6.8	7.0	7.0
A. Government Consumption	7.3 (15.1)	6.8 (17.0)	6.9 (16.7)	6.5 (17.8)	6.0 (19.6)	6.1 (19.2)	6.1 (19.2)	6.1 (19.2)
B. Transfers & Subsidies			6.5 (13.4)	6.5 (13.2)	5.8 (16.0)	5.0 (18.9)	5.7 (16.2)	5.8 (15.7)
C. Government Enterprises & Investment	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
D. Top Marginal Tax Rate		7.0	7.0	7.0	7.5	8.0	8.0	8.0
(i) Top Marginal Income Tax Rate		7.0 (38-42)	7.0 (31-44)	7.0 (33-46)	8.0 (33-43)	8.0 (35-39)	9.0 (31-40)	9.0 (31-40)
(ii) Top Marginal Income & Payroll Tax Rate					7.0 (36-46)	8.0 (38-42)	7.0 (39-48)	7.0 (39-48)
<b>2. Legal Structure &amp; Security of Property Rights</b>	8.3	8.3	8.1	8.3	8.3	9.1	9.3	8.6
A. Judicial Independence						9.4	8.7	7.9
B. Impartial Courts						7.9	8.5	8.4
C. Protection of Intellectual Property						8.4	9.2	8.4
D. Military Interference						10.0	10.0	10.0
E. Integrity of Legal System						10.0	10.0	8.3
<b>3. Access to Sound Money</b>	9.6	9.4	9.5	9.7	9.7	9.7	9.4	9.7
A. Growth of Money Supply	9.7 (1.4)	9.3 (3.4)	9.0 (5.1)	9.8 (1.0)	9.9 (0.6)	9.5 (2.3)	8.2 (8.9)	9.3 (3.4)
B. Inflation Variability	9.6 (0.9)	9.6 (1.1)	9.5 (1.1)	9.3 (1.8)	9.8 (0.6)	9.3 (1.7)	9.7 (0.7)	9.7 (0.8)
C. Recent Annual Inflation	9.1 (4.7)	8.6 (7.1)	9.5 (2.7)	9.5 (2.4)	9.1 (4.3)	9.8 (1.1)	9.7 (1.6)	9.7 (1.0)
D. Freedom to Own Foreign Currency	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>	6.8	6.3	8.2	8.3	8.3	7.3	8.3	8.3
A. Taxes on International Trade	7.4	8.3	8.7	8.9	9.3	7.7	9.9	9.9
(i) Taxes as Percentage of Exports & Imports	7.4 (3.9)	7.7 (3.5)	8.4 (2.4)	8.7 (2.0)	8.7 (1.9)	8.5 (2.3)	9.8 (0.3)	9.8 (0.3)
(ii) Mean Tariff Rate		8.8 (5.8)	9.1 (4.6)	9.1 (4.4)	9.1 (4.4)	9.3 (3.6)	10.0 (0.0)	10.0 (0.0)
(iii) Variability of Tariff Rates					10.0 (0.0)	5.4 (11.6)	10.0 (0.1)	10.0 (0.1)
B. Regulatory Trade Barriers						6.4	8.9	8.3
(i) Hidden Import Barriers						6.4	8.2	7.2
(ii) Costs of Importing							9.7	9.3
C. Size of Trade Sector	6.5	3.2	4.0	4.5	3.9	2.7	3.8	4.3
D. Official versus Black Market Exchange Rate	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
E. Restrictions on Capital Markets	2.0	2.0	10.0	10.0	10.0	9.6	9.1	9.1
(i) Access to Foreign Capital						9.2	9.7	9.7
(ii) Restrictions on Foreign Capital Transactions	2.0	2.0	10.0	10.0	10.0	10.0	8.5	8.5
<b>5. Regulation of Credit, Labor &amp; Business</b>	6.0	5.5	5.4	5.7	5.9	7.1	7.1	6.6
A. Regulation of Credit Markets	8.8	6.6	6.7	8.1	8.2	8.1	8.1	8.1
(i) Private Ownership of Banks		5.0	5.0	5.0	5.0	5.0	5.0	5.0
(ii) Competition from Foreign Banks						7.8	7.0	7.0
(iii) Extension of Credit to Private Sector	8.8	8.9	9.1	9.2	9.5	9.2	9.2	9.2
(iv) Avoidance of Negative Real Interest Rates		6.0	6.0	10.0	10.0	10.0	10.0	10.0
(v) Controls on Interest Rates						8.7	9.1	9.1
B. Regulation of Labor Markets	5.4	5.3	5.0	4.8	5.5	5.8	5.3	5.3
(i) Impact of Minimum Wage						7.1	4.6	4.6
(ii) Flexibility in Hiring & Firing					7.7	7.7	5.6	5.8
(iii) Collective Bargaining	6.2	6.2	6.2	6.2	6.2	6.2	7.8	7.7
(iv) Incentives from Unemployment Benefits	6.9	6.7	5.8	5.1	5.0	5.0	5.5	5.5
(v) Military Conscription	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
C. Regulation of Business						7.4	7.8	6.5
(i) Price Controls					7.0	6.0	7.0	6.0
(ii) Administrative Obstacles for New Businesses							7.3	4.3
(iii) Time Spent with Government Bureaucracy							8.3	7.3
(iv) Ease of Starting a New Business							6.6	6.2
(v) Irregular Payments to Government Officials							8.6	8.5

# Syria

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>	<b>4.8 (47)</b>	<b>5.0 (49)</b>	<b>4.0 (91)</b>	<b>3.4 (106)</b>	<b>3.6 (106)</b>	<b>4.4 (108)</b>	<b>5.0 (110)</b>	<b>5.2 (106)</b>
<b>1. Size of Government</b>	5.3	4.4	3.8	1.9	3.4	3.6	3.7	3.7
A. Government Consumption	6.1 (19.3)	4.7 (24.1)	4.2 (25.8)	3.9 (26.8)	6.8 (17.0)	7.1 (15.7)	7.5 (14.5)	7.5 (14.5)
B. Transfers & Subsidies	9.7 (1.7)	8.6 (5.5)	7.4 (10.2)					
C. Government Enterprises & Investment	0.0 (74.2)	0.0 (74.4)	0.0 (70.2)	0.0 (66.3)	0.0 (55.6)	0.0	0.0	0.0
D. Top Marginal Tax Rate								
(i) Top Marginal Income Tax Rate								
(ii) Top Marginal Income & Payroll Tax Rate								
<b>2. Legal Structure &amp; Security of Property Rights</b>			1.8	3.1	3.0	4.9	5.1	5.1
A. Judicial Independence								
B. Impartial Courts						5.0	4.6	4.6
C. Protection of Intellectual Property								
D. Military Interference						6.5	3.3	3.3
E. Integrity of Legal System						4.1	8.3	8.3
<b>3. Access to Sound Money</b>	6.6	7.5	8.0	6.0	5.5	6.4	7.1	8.0
A. Growth of Money Supply	8.3 (8.3)	6.8 (16.1)	6.8 (15.8)	6.9 (15.5)	7.1 (14.5)	8.1 (9.6)	9.6 (2.2)	9.3 (3.6)
B. Inflation Variability	8.6 (3.6)	5.1 (12.3)	8.6 (3.6)	7.9 (5.2)	8.7 (3.1)	8.6 (3.5)	8.8 (2.9)	7.8 (5.4)
C. Recent Annual Inflation	9.4 (3.0)	8.2 (8.8)	6.5 (17.5)	9.2 (4.1)	6.1 (19.3)	8.9 (5.4)	9.9 (-0.4)	9.9 (-0.4)
D. Freedom to Own Foreign Currency	0.0	10.0	10.0	0.0	0.0	0.0	0.0	5.0
<b>4. Freedom to Exchange with Foreigners</b>	4.4	5.5	3.9	3.2	3.5	4.2	6.2	6.2
A. Taxes on International Trade	3.8	4.3	3.9	5.4	4.7	7.1	7.3	7.6
(i) Taxes as Percentage of Exports & Imports	3.8 (9.3)	4.3 (8.5)	5.3 (7.1)	6.3 (5.6)	8.1 (2.9)	7.1 (4.3)	7.5 (3.7)	7.6 (3.7)
(ii) Mean Tariff Rate			2.5 (37.3)	4.6 (27.0)	5.9 (20.4)	7.0 (14.8)	7.0 (14.8)	
(iii) Variability of Tariff Rates					0.0 (27.7)			
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector	3.4	4.9	4.2	2.4	4.7	5.6	5.5	5.3
D. Official versus Black Market Exchange Rate	6.6	9.8	3.0	0.0	0.0	0.0	10.0	10.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>5. Regulation of Credit, Labor &amp; Business</b>	3.1	2.7	2.7	2.8	2.7	2.8	2.7	2.9
A. Regulation of Credit Markets	1.9	0.7	0.8	0.9	0.8	0.9	0.8	0.7
(i) Private Ownership of Banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector	3.7	1.5	1.6	2.6	2.3	2.8	2.4	2.1
(iv) Avoidance of Negative Real Interest Rates				0.0	0.0	0.0	0.0	0.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
C. Regulation of Business								
(i) Price Controls					0.0	0.0	0.0	2.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								

# Taiwan

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	6.7 (15)		5.7 (29)		6.4 (17)		6.7 (17)		6.9 (16)		7.2 (21)		7.2 (28)		7.1 (26)	
<b>1. Size of Government</b>			5.0		4.8		4.7		5.1		5.8		6.0		6.1	
A. Government Consumption			5.4 (21.7)		4.8 (23.6)		4.7 (24.0)		4.7 (23.9)		5.8 (20.3)		6.7 (17.3)		7.0 (16.3)	
B. Transfers & Subsidies			9.5 (2.2)		9.4 (2.6)		9.2 (3.6)		8.9 (4.7)		8.5 (5.9)		8.5 (6.1)		8.5 (6.1)	
C. Government Enterprises & Investment	2.0	(43.1)	2.0 (46.1)		2.0 (44.3)		2.0 (43.0)		2.0 (44.3)		2.0 (47.2)		2.0		2.0	
D. Top Marginal Tax Rate			3.0		3.0		3.0		5.0		7.0		7.0		7.0	
(i) Top Marginal Income Tax Rate			3.0 (60)		3.0 (60)		3.0 (60)		5.0 (50)		7.0 (40)		7.0 (40)		7.0 (40)	
(ii) Top Marginal Income & Payroll Tax Rate									5.0 (50)		7.0 (40)		7.0 (40)		7.0 (40)	
<b>2. Legal Structure &amp; Security of Property Rights</b>	7.7		5.3		7.8		7.2		7.2		6.7		6.1		5.9	
A. Judicial Independence											5.5		5.3		5.0	
B. Impartial Courts											6.5		5.7		5.1	
C. Protection of Intellectual Property											5.9		6.1		6.0	
D. Military Interference											8.8		6.7		6.7	
E. Integrity of Legal System											7.0		6.7		6.7	
<b>3. Access to Sound Money</b>	9.3		7.1		7.9		9.4		9.0		9.7		9.7		9.7	
A. Growth of Money Supply	8.6	(6.9)	6.2 (19.0)		7.5 (12.5)		10.0 (-0.2)		7.4 (12.8)		9.6 (-2.0)		9.2 (-4.0)		9.2 (-2.1)	
B. Inflation Variability	9.2	(2.0)	3.1 (17.2)		7.8 (5.6)		7.5 (6.2)		9.3 (1.7)		9.8 (0.5)		9.5 (1.2)		9.7 (0.7)	
C. Recent Annual Inflation	9.3	(3.4)	9.0 (5.2)		6.2 (19.0)		10.0 (-0.2)		9.2 (4.1)		9.4 (3.0)		10.0 (0.2)		10.0 (0.0)	
D. Freedom to Own Foreign Currency	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	6.2		6.7		7.3		7.2		7.7		7.6		8.0		8.0	
A. Taxes on International Trade	5.7		6.8		7.6		8.1		8.3		8.6		8.0		8.0	
(i) Taxes as Percentage of Exports & Imports	5.7	(6.4)	6.8 (4.8)		7.6 (3.6)		8.1 (2.8)		8.6 (2.1)		8.9 (1.7)		9.1 (1.3)		9.1 (1.3)	
(ii) Mean Tariff Rate									8.1 (9.7)		8.4 (8.0)		8.2 (8.8)		8.2 (8.8)	
(iii) Variability of Tariff Rates													6.7 (8.2)		6.7 (8.2)	
B. Regulatory Trade Barriers											7.3		8.2		8.0	
(i) Hidden Import Barriers											7.3		7.1		6.8	
(ii) Costs of Importing													9.3		9.2	
C. Size of Trade Sector	5.7		7.7		8.7		8.5		7.1		6.6		6.3		6.1	
D. Official versus Black Market Exchange Rate	9.4		9.0		9.8		9.4		10.0		10.0		10.0		10.0	
E. Restrictions on Capital Markets	2.0		2.0		2.0		2.0		5.0		5.7		7.6		7.6	
(i) Access to Foreign Capital											6.4		7.6		7.6	
(ii) Restrictions on Foreign Capital Transactions	2.0		2.0		2.0		2.0		5.0		5.0					
<b>5. Regulation of Credit, Labor &amp; Business</b>	3.7		4.5		4.5		5.0		5.4		6.1		6.1		5.8	
A. Regulation of Credit Markets	3.7		5.3		5.3		6.7		6.9		7.0		6.3		6.3	
(i) Private Ownership of Banks	0.0		0.0		0.0		2.0		2.0		2.0		2.0		2.0	
(ii) Competition from Foreign Banks											7.3		5.6		5.6	
(iii) Extension of Credit to Private Sector	7.4		8.0		7.8		8.2		8.6		8.5		8.2		8.2	
(iv) Avoidance of Negative Real Interest Rates			8.0		8.0		10.0		10.0		10.0		10.0		10.0	
(v) Controls on Interest Rates											6.9		5.8		5.8	
B. Regulation of Labor Markets									4.7		5.2		4.5		4.9	
(i) Impact of Minimum Wage											6.5		3.8		3.8	
(ii) Flexibility in Hiring & Firing									6.3		6.3		4.6		6.1	
(iii) Collective Bargaining									7.9		7.9		8.0		8.5	
(iv) Incentives from Unemployment Benefits											5.4		6.2		6.2	
(v) Military Conscription	0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0	
C. Regulation of Business											6.2		7.3		6.1	
(i) Price Controls									6.0		6.0		6.0		6.0	
(ii) Administrative Obstacles for New Businesses													7.6		4.1	
(iii) Time Spent with Government Bureaucracy											6.9		7.4		5.8	
(iv) Ease of Starting a New Business											7.5		7.6		7.1	
(v) Irregular Payments to Government Officials											4.5		8.1		7.6	

# Tanzania

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>	4.6 (50)	4.3 (59)	4.8 (71)	4.0 (96)	4.0 (101)	4.9 (92)	5.8 (81)	6.2 (69)
<b>1. Size of Government</b>	4.0	4.1	5.8	3.8	2.9	4.3	4.9	4.9
A. Government Consumption		6.2 (18.9)	7.5 (14.5)	6.4 (18.1)	6.7 (17.1)	7.0 (16.1)	9.6 (7.2)	9.7 (6.9)
B. Transfers & Subsidies	10.0 (0.2)	10.0 (0.1)	10.0 (0.0)	8.7 (5.2)				
C. Government Enterprises & Investment	2.0 (47.3)	0.0 (49.0)	0.0 (53.8)	0.0 (53.5)	0.0	0.0	0.0	0.0
D. Top Marginal Tax Rate	0.0	0.0		0.0	2.0	6.0	5.0	5.0
(i) Top Marginal Income Tax Rate	0.0 (70)	0.0 (80)		0.0 (95)	3.0 (50)	8.0 (30)	7.0 (31)	7.0 (31)
(ii) Top Marginal Income & Payroll Tax Rate					1.0 (57)	4.0 (45)	3.0 (46)	3.0 (46)
<b>2. Legal Structure &amp; Security of Property Rights</b>			6.1	5.8	5.2	5.4	6.1	6.1
A. Judicial Independence								
B. Impartial Courts						5.8	5.8	5.8
C. Protection of Intellectual Property								
D. Military Interference						7.8	6.7	6.7
E. Integrity of Legal System						4.1	8.3	8.3
<b>3. Access to Sound Money</b>	6.2	4.9	4.1	4.9	4.6	5.0	8.4	8.8
A. Growth of Money Supply		7.0 (15.1)	5.9 (20.3)	7.9 (10.4)	4.0 (30.0)	4.5 (27.6)	8.6 (6.9)	8.7 (6.4)
B. Inflation Variability	9.4 (1.6)	7.8 (5.6)	6.5 (8.7)	8.4 (3.9)	8.7 (3.3)	6.4 (9.1)	6.2 (9.4)	7.5 (6.3)
C. Recent Annual Inflation	9.3 (3.5)	4.8 (26.1)	4.0 (30.2)	3.3 (33.3)	5.6 (21.8)	4.2 (28.9)	8.8 (5.9)	8.8 (5.1)
D. Freedom to Own Foreign Currency	0.0	0.0	0.0	0.0	0.0	5.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>	4.9	4.0	3.6	3.0	3.8	6.1	5.8	5.6
A. Taxes on International Trade	5.8	5.1	4.9	4.7	4.5	5.3	5.0	5.0
(i) Taxes as Percentage of Exports & Imports	5.8 (6.3)	5.1 (7.3)	4.9 (7.7)	5.8 (6.3)	5.0 (7.5)	4.6 (8.1)	2.1 (11.9)	2.1 (11.9)
(ii) Mean Tariff Rate				3.6 (32.0)	4.1 (29.7)	6.1 (19.5)	6.4 (17.9)	6.4 (17.9)
(iii) Variability of Tariff Rates						5.1 (12.3)	6.6 (8.6)	6.6 (8.6)
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector	6.7	6.5	4.7	1.9	6.1	7.2	5.0	4.2
D. Official versus Black Market Exchange Rate	3.8	0.0	0.0	0.0	0.0	9.8	10.0	10.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	0.0	0.8	0.8
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	0.0	0.8	0.8
<b>5. Regulation of Credit, Labor &amp; Business</b>	3.2	4.4	4.4	2.6	3.6	3.8	3.7	5.8
A. Regulation of Credit Markets	2.1	0.7	1.6	0.3	3.7	2.9	2.8	5.6
(i) Private Ownership of Banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector	4.2	1.3	0.9	0.9	7.2	4.7	4.5	5.8
(iv) Avoidance of Negative Real Interest Rates			4.0	0.0	4.0	4.0	4.0	9.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription	0.0	10.0	10.0	0.0	0.0	0.0	0.0	10.0
C. Regulation of Business								
(i) Price Controls					0.0	4.0	4.0	6.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								

## Thailand

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	6.2 (27)		5.8 (24)		6.0 (24)		6.1 (29)		6.8 (17)		7.1 (26)		6.6 (52)		6.7 (44)	
<b>1. Size of Government</b>	7.2		6.7		6.0		5.6		7.1		7.8		6.8		6.8	
A. Government Consumption	7.7	(13.9)	8.0	(12.9)	7.1	(15.8)	6.5	(17.9)	7.6	(14.3)	7.2	(15.6)	6.8	(17.0)	6.8	(17.0)
B. Transfers & Subsidies	10.0	(0.5)	10.0	(0.6)	9.9	(0.7)	9.8	(1.2)	9.9	(1.0)	9.8	(1.1)	9.6	(2.0)	9.3	(2.9)
C. Government Enterprises & Investment	4.0	(30.0)	6.0	(19.3)	4.0	(30.9)	4.0	(31.4)	7.0	(15.1)	7.0	(20.3)	4.0	(33.8)	4.0	(30.6)
D. Top Marginal Tax Rate	3.0		3.0		3.0		2.0		4.0		7.0		7.0		7.0	
(i) Top Marginal Income Tax Rate	3.0		(60)		3.0		(60)		4.0		(55)		7.0		(37)	
(ii) Top Marginal Income & Payroll Tax Rate	4.0		(55)		7.0		(37)		7.0		(37)		7.0		(37)	
<b>2. Legal Structure &amp; Security of Property Rights</b>	5.8		4.6		6.5		5.8		6.4		5.4		6.0		6.2	
A. Judicial Independence											5.8		5.8		6.0	
B. Impartial Courts											3.8		4.7		4.9	
C. Protection of Intellectual Property											3.6		4.4		4.9	
D. Military Interference											7.0		6.7		6.7	
E. Integrity of Legal System											7.0		8.3		8.3	
<b>3. Access to Sound Money</b>	6.8		6.2		6.1		7.0		7.8		9.3		6.5		6.6	
A. Growth of Money Supply	10.0	(0.2)	9.0	(5.0)	8.3	(8.7)	9.4	(-3.0)	8.0	(10.0)	8.9	(5.3)	7.7	(11.4)	8.7	(5.4)
B. Inflation Variability	8.2	(4.5)	6.7	(8.4)	8.9	(2.9)	9.0	(2.5)	9.3	(1.7)	9.6	(1.0)	8.7	(3.3)	8.0	(4.9)
C. Recent Annual Inflation	9.0	(-5.0)	9.3	(3.5)	7.5	(12.7)	9.6	(2.2)	8.8	(5.8)	8.8	(6.0)	9.7	(1.5)	9.7	(1.7)
D. Freedom to Own Foreign Currency	0.0		0.0		0.0		0.0		5.0		10.0		0.0		0.0	
<b>4. Freedom to Exchange with Foreigners</b>	5.9		6.0		6.1		6.2		6.6		6.9		7.6		7.7	
A. Taxes on International Trade	4.4		4.0		4.5		4.7		3.2		4.6		6.7		6.7	
(i) Taxes as Percentage of Exports & Imports	4.4	(8.4)	5.3	(7.0)	5.4	(6.9)	5.7	(6.5)	6.4	(5.4)	7.7	(3.5)	9.1	(1.4)	9.0	(1.4)
(ii) Mean Tariff Rate			2.6		(37.0)		3.5		(32.3)		3.8		(31.2)		1.8	
(iii) Variability of Tariff Rates											1.4		(21.5)		3.2	
B. Regulatory Trade Barriers													5.1		7.2	
(i) Hidden Import Barriers													5.1		5.7	
(ii) Costs of Importing															8.7	
C. Size of Trade Sector	4.9		6.0		7.1		6.8		9.9		10.0		10.0		10.0	
D. Official versus Black Market Exchange Rate	10.0		9.6		9.0		9.4		10.0		10.0		10.0		10.0	
E. Restrictions on Capital Markets	2.0		2.0		2.0		2.0		2.0		4.6		4.3		4.3	
(i) Access to Foreign Capital													7.3		7.0	
(ii) Restrictions on Foreign Capital Transactions	2.0		2.0		2.0		2.0		2.0		2.0		1.5		1.5	
<b>5. Regulation of Credit, Labor &amp; Business</b>	5.1		5.4		5.3		5.9		5.8		6.0		6.2		6.1	
A. Regulation of Credit Markets	7.7		7.8		6.7		8.7		8.3		7.3		7.0		7.0	
(i) Private Ownership of Banks			8.0		8.0		8.0		8.0		8.0		5.0		5.0	
(ii) Competition from Foreign Banks													5.6		3.8	
(iii) Extension of Credit to Private Sector	7.7		7.5		8.0		8.0		8.8		9.2		9.2		9.1	
(iv) Avoidance of Negative Real Interest Rates					4.0		10.0		8.0		10.0		10.0		10.0	
(v) Controls on Interest Rates											3.6		7.3		7.3	
B. Regulation of Labor Markets									5.0		5.4		6.3		6.6	
(i) Impact of Minimum Wage											5.8		3.9		3.9	
(ii) Flexibility in Hiring & Firing											7.0		4.6		5.4	
(iii) Collective Bargaining	7.9		7.9		7.9		7.9		7.9		7.9		6.5		6.9	
(iv) Incentives from Unemployment Benefits											6.3		6.5		6.5	
(v) Military Conscription	0.0		0.0		0.0		0.0		0.0		0.0		10.0		10.0	
C. Regulation of Business													5.4		4.7	
(i) Price Controls									4.0		5.0		3.0		4.0	
(ii) Administrative Obstacles for New Businesses													6.9		3.4	
(iii) Time Spent with Government Bureaucracy													6.8		4.0	
(iv) Ease of Starting a New Business													6.5		7.3	
(v) Irregular Payments to Government Officials													3.1		5.3	

# Togo

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>			4.2 (87)	5.6 (46)	4.9 (80)	4.5 (105)	5.0 (110)	5.1 (110)
<b>1. Size of Government</b>	2.8	2.0	1.6	6.4	3.4	3.9	4.4	4.4
A. Government Consumption	5.5 (21.3)	4.0 (26.3)	3.2 (29.1)	7.6 (14.2)	6.9 (16.6)	7.7 (13.8)	8.9 (9.8)	8.9 (9.8)
B. Transfers & Subsidies				9.5 (2.4)				
C. Government Enterprises & Investment	0.0 (54.2)	0.0 (50.2)	0.0 (52.5)	2.0 (40.0)	0.0 (54.8)	0.0 (51.7)	0.0	0.0
D. Top Marginal Tax Rate								
(i) Top Marginal Income Tax Rate								
(ii) Top Marginal Income & Payroll Tax Rate								
<b>2. Legal Structure &amp; Security of Property Rights</b>			3.3	4.2	4.5	4.7	3.7	3.7
A. Judicial Independence								
B. Impartial Courts						4.1	4.1	4.1
C. Protection of Intellectual Property								
D. Military Interference						3.9	1.7	1.7
E. Integrity of Legal System						7.0	5.0	5.0
<b>3. Access to Sound Money</b>	6.8	5.1	5.0	6.5	7.0	5.0	6.5	6.5
A. Growth of Money Supply	8.8 (5.9)	7.8 (11.1)	6.7 (16.5)	8.8 (6.2)	9.4 (-2.9)	7.9 (10.6)	8.5 (7.5)	8.7 (6.6)
B. Inflation Variability	8.9 (2.8)	3.3 (16.7)	5.6 (11.1)	8.0 (4.9)	9.4 (1.6)	4.5 (13.7)	7.8 (5.6)	7.8 (5.6)
C. Recent Annual Inflation	9.7 (-1.6)	9.1 (-4.3)	7.9 (10.5)	9.3 (3.4)	9.4 (3.0)	7.6 (12.2)	9.6 (1.9)	9.6 (5.4)
D. Freedom to Own Foreign Currency	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>4. Freedom to Exchange with Foreigners</b>		6.0	5.3	5.9	5.3		6.1	6.2
A. Taxes on International Trade		5.2	1.7	4.3	3.9		7.6	7.6
(i) Taxes as Percentage of Exports & Imports		5.2 (7.2)	1.7 (12.4)	4.3 (8.6)	3.9 (9.2)			
(ii) Mean Tariff Rate							7.6 (12.0)	7.6 (12.0)
(iii) Variability of Tariff Rates								
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector	6.2	6.9	6.9	7.4	5.3	4.6	4.6	5.1
D. Official versus Black Market Exchange Rate	9.6	9.6	9.6	9.8	9.2	9.8	10.0	10.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>5. Regulation of Credit, Labor &amp; Business</b>			5.7	5.0	4.5	4.6	4.4	4.6
A. Regulation of Credit Markets		2.0	6.4	6.6	6.6	6.4	5.8	5.8
(i) Private Ownership of Banks		2.0	2.0	2.0	2.0	2.0	2.0	2.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector			9.3	9.8	9.8	9.1	9.3	9.5
(iv) Avoidance of Negative Real Interest Rates			8.0	8.0	8.0	8.0	6.0	6.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscriptation				0.0	0.0	0.0	0.0	0.0
C. Regulation of Business								
(i) Price Controls					0.0	2.0	2.0	4.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								

## Trinidad &amp; Tobago

	1970		1975		1980		1985		1990		1995		2000		2001	
Summary Ratings (Rank) ▶			4.6 (57)		5.1 (63)		5.0 (73)		5.7 (49)		6.7 (37)		7.0 (36)		7.1 (26)	
<b>1. Size of Government</b>	4.3		3.6		5.4		3.8		6.3		6.0		5.9		6.6	
A. Government Consumption	6.5	(17.9)	5.2	(22.4)	5.6	(20.8)	3.1	(29.5)	6.8	(16.8)	6.7	(17.1)	5.6	(20.8)	6.7	(17.1)
B. Transfers & Subsidies					8.5	(6.0)	6.1	(14.9)	7.4	(10.0)	8.4	(6.2)	6.8			
C. Government Enterprises & Investment	2.0	(45.9)	2.0	(45.8)	2.0	(47.6)	2.0	(40.6)	4.0	(34.6)	4.0		4.0		6.0	(25.1)
D. Top Marginal Tax Rate							4.0		7.0		5.0		7.0		7.0	
(i) Top Marginal Income Tax Rate							4.0	(50)	7.0	(35)	5.0	(38)	7.0	(35)	7.0	(35)
(ii) Top Marginal Income & Payroll Tax Rate							7.0	(35)	5.0	(38)	7.0	(35)	7.0	(35)	7.0	(35)
<b>2. Legal Structure &amp; Security of Property Rights</b>					5.4		4.8		6.2		5.4		5.9		6.5	
A. Judicial Independence															7.1	
B. Impartial Courts											6.5		6.3		5.9	
C. Protection of Intellectual Property													5.3		4.6	
D. Military Interference											7.1		8.3		8.3	
E. Integrity of Legal System											4.1		6.7		6.7	
<b>3. Access to Sound Money</b>	9.1		3.9		4.0		5.9		6.0		8.5		9.5		9.1	
A. Growth of Money Supply	10.0	(0.2)	6.7	(16.4)	5.7	(21.4)	8.8	(5.8)	9.5	(2.7)	8.2	(9.2)	9.1	(4.5)	8.7	(4.8)
B. Inflation Variability	8.2	(4.5)	3.1	(17.3)	5.9	(10.3)	6.7	(8.3)	7.8	(5.5)	6.4	(9.0)	9.6	(0.9)	8.5	(3.7)
C. Recent Annual Inflation	9.2	(4.0)	6.0	(20.1)	4.5	(27.5)	8.0	(10.1)	6.9	(15.5)	9.3	(3.8)	9.3	(3.6)	9.3	(3.6)
D. Freedom to Own Foreign Currency			0.0		0.0		0.0		0.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>			4.4		4.0		3.7		3.7		7.2		6.6		7.0	
A. Taxes on International Trade			8.3		7.9		6.4		6.1		7.0		5.4		5.4	
(i) Taxes as Percentage of Exports & Imports			8.3	(2.6)	7.9	(3.2)	6.2	(5.7)	8.2	(2.7)	8.9	(1.7)	3.2	(10.2)	3.2	(10.2)
(ii) Mean Tariff Rate							6.6	(17.0)	6.3	(18.6)	7.2	(14.1)	6.3	(18.4)	6.3	(18.4)
(iii) Variability of Tariff Rates									3.9	(15.3)	4.9	(12.7)	6.7	(8.3)	6.7	(8.3)
B. Regulatory Trade Barriers													6.2		7.4	
(i) Hidden Import Barriers													6.2		6.6	
(ii) Costs of Importing															8.2	
C. Size of Trade Sector	3.9		4.3		3.7		1.4		2.2		3.7		3.7		4.9	
D. Official versus Black Market Exchange Rate	7.2		1.4		0.2		2.2		2.0		9.4		10.0		10.0	
E. Restrictions on Capital Markets	0.0		0.0		0.0		0.0		0.0		8.0		7.5		7.5	
(i) Access to Foreign Capital													8.1		8.1	
(ii) Restrictions on Foreign Capital Transactions	0.0		0.0		0.0		0.0		0.0		8.0		6.9		6.9	
<b>5. Regulation of Credit, Labor &amp; Business</b>			6.4		6.5		6.8		6.1		6.3		7.2		6.3	
A. Regulation of Credit Markets	8.4		6.7		6.9		8.0		7.2		7.3		7.5		7.2	
(i) Private Ownership of Banks			5.0		5.0		8.0		8.0		8.0		8.0		8.0	
(ii) Competition from Foreign Banks													4.0		4.0	
(iii) Extension of Credit to Private Sector	8.4		8.4		8.8		8.1		7.7		7.8		8.6		8.1	
(iv) Avoidance of Negative Real Interest Rates							8.0		6.0		6.0		10.0		9.0	
(v) Controls on Interest Rates													6.8		6.8	
B. Regulation of Labor Markets													7.2		6.7	
(i) Impact of Minimum Wage													5.3		5.3	
(ii) Flexibility in Hiring & Firing													5.8		4.7	
(iii) Collective Bargaining													7.5		6.9	
(iv) Incentives from Unemployment Benefits																
(v) Military Conscription			10.0		10.0		10.0		10.0		10.0		10.0		10.0	
C. Regulation of Business													6.9		5.1	
(i) Price Controls									4.0		6.0		6.0		6.0	
(ii) Administrative Obstacles for New Businesses													7.5		2.9	
(iii) Time Spent with Government Bureaucracy													7.7		4.8	
(iv) Ease of Starting a New Business													6.6		5.9	
(v) Irregular Payments to Government Officials													6.6		6.1	



# Tunisia

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>	4.7 (48)	4.8 (52)	5.0 (68)	4.8 (78)	5.4 (57)	6.0 (64)	6.1 (70)	6.4 (60)
<b>1. Size of Government</b>	4.9	5.2	4.2	4.4	5.1	5.2	5.3	5.3
A. Government Consumption	5.7 (20.7)	5.9 (19.8)	6.2 (19.0)	5.2 (22.5)	5.7 (20.5)	5.6 (21.1)	5.7 (20.5)	5.7 (20.6)
B. Transfers & Subsidies	9.0 (4.2)	9.6 (1.9)	8.6 (5.6)	8.3 (6.8)	7.7 (9.0)	8.1 (7.3)	8.1 (7.5)	8.1 (7.5)
C. Government Enterprises & Investment	0.0 (58.3)	0.0 (52.1)	0.0 (53.1)	2.0 (48.6)	2.0 (49.5)	2.0 (49.3)	2.0 (48.8)	2.0 (47.8)
D. Top Marginal Tax Rate			2.0	2.0				
(i) Top Marginal Income Tax Rate			2.0 (62)	2.0 (62)				
(ii) Top Marginal Income & Payroll Tax Rate								
<b>2. Legal Structure &amp; Security of Property Rights</b>	3.8	3.3	4.9	3.5	3.5	5.7	6.4	6.9
A. Judicial Independence								6.6
B. Impartial Courts						6.7	7.0	6.7
C. Protection of Intellectual Property								6.4
D. Military Interference						8.1	6.7	6.7
E. Integrity of Legal System						4.1	8.3	8.3
<b>3. Access to Sound Money</b>	5.9	5.8	6.1	6.3	7.0	7.0	6.9	7.0
A. Growth of Money Supply		7.3 (13.3)	8.5 (7.5)	7.7 (11.5)	9.6 (1.8)	9.4 (2.9)	8.6 (7.1)	9.0 (4.5)
B. Inflation Variability	9.2 (2.1)	6.9 (7.8)	8.6 (3.4)	8.3 (4.4)	9.2 (2.0)	9.6 (0.9)	9.6 (1.1)	9.7 (0.7)
C. Recent Annual Inflation	8.7 (6.6)	9.0 (5.0)	7.4 (12.8)	9.3 (3.6)	9.1 (4.5)	9.0 (5.2)	9.4 (2.9)	9.4 (1.9)
D. Freedom to Own Foreign Currency	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>4. Freedom to Exchange with Foreigners</b>	4.0	4.8	5.0	4.9	6.1	6.2	6.1	6.4
A. Taxes on International Trade	3.5	2.9	4.4	3.2	4.7	4.6	5.5	5.5
(i) Taxes as Percentage of Exports & Imports	3.5 (9.7)	2.9 (10.7)	4.0 (9.0)	1.1 (13.3)	3.7 (9.5)	4.0 (9.0)	7.6 (3.6)	7.6 (3.6)
(ii) Mean Tariff Rate			4.7 (26.4)	5.2 (24.0)	4.5 (27.5)	4.5 (27.5)	4.0 (30.1)	4.0 (30.0)
(iii) Variability of Tariff Rates					6.0 (10.1)	5.3 (11.7)	4.8 (13.1)	4.8 (13.1)
B. Regulatory Trade Barriers								7.5
(i) Hidden Import Barriers								6.5
(ii) Costs of Importing								8.5
C. Size of Trade Sector	4.2	5.0	6.0	5.4	7.0	6.3	6.0	6.3
D. Official versus Black Market Exchange Rate	4.0	7.8	6.4	7.6	8.4	9.8	10.0	10.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	2.0	2.0	0.8	0.8
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	2.0	2.0	0.8	0.8
<b>5. Regulation of Credit, Labor &amp; Business</b>	4.8	4.9	4.7	5.0	5.4	5.7	5.6	6.1
A. Regulation of Credit Markets	5.4	5.7	4.9	5.6	7.3	7.6	7.4	8.1
(i) Private Ownership of Banks	2.0	2.0	2.0	2.0	5.0	5.0	5.0	5.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector	8.9	9.3	8.7	8.7	8.9	9.7	9.1	9.2
(iv) Avoidance of Negative Real Interest Rates			4.0	6.0	8.0	8.0	8.0	10.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								3.8
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								5.2
(iii) Collective Bargaining								3.2
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
C. Regulation of Business								6.4
(i) Price Controls					4.0	6.0	6.0	6.0
(ii) Administrative Obstacles for New Businesses								5.3
(iii) Time Spent with Government Bureaucracy								6.8
(iv) Ease of Starting a New Business								7.1
(v) Irregular Payments to Government Officials								7.0

# Turkey

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	4.1 (53)		4.0 (65)		3.7 (98)		4.8 (78)		4.8 (84)		5.7 (72)		5.8 (81)		5.3 (103)	
<b>1. Size of Government</b>	6.1		4.7		4.4		4.9		5.8		6.9		7.1		6.7	
A. Government Consumption	6.8	(16.9)	7.1	(15.7)	7.1	(15.9)	8.4	(11.4)	7.7	(13.8)	7.9	(13.3)	6.9	(16.4)	6.9	(16.5)
B. Transfers & Subsidies	9.5	(2.4)	8.5	(6.0)	8.5	(6.0)	7.3	(10.4)	9.1	(3.9)	7.9	(8.4)	9.4	(2.8)	9.4	(2.8)
C. Government Enterprises & Investment	2.0	(44.0)	2.0	(47.1)	2.0	(40.0)	2.0	(45.5)	4.0	(31.8)	8.0	(17.5)	7.0	(23.7)	6.0	(28.7)
D. Top Marginal Tax Rate	1.0		1.0		0.0		2.0		2.5		4.0		5.0		4.5	
(i) Top Marginal Income Tax Rate	1.0		(68)		0.0		(75)		2.0		(63)		4.0		(50)	
(ii) Top Marginal Income & Payroll Tax Rate	1.0		(68)		0.0		(75)		2.0		(63)		4.0		(50)	
(ii) Top Marginal Income & Payroll Tax Rate	1.0		(68)		0.0		(75)		2.0		(63)		4.0		(50)	
(ii) Top Marginal Income & Payroll Tax Rate	1.0		(68)		0.0		(75)		2.0		(63)		4.0		(50)	
<b>2. Legal Structure &amp; Security of Property Rights</b>	4.4		2.8		5.6		5.8		4.5		4.8		5.4		4.1	
A. Judicial Independence	4.4		2.8		5.6		5.8		4.5		4.8		5.4		4.1	
B. Impartial Courts	4.4		2.8		5.6		5.8		4.5		4.8		5.4		4.1	
C. Protection of Intellectual Property	4.4		2.8		5.6		5.8		4.5		4.8		5.4		4.1	
D. Military Interference	4.4		2.8		5.6		5.8		4.5		4.8		5.4		4.1	
E. Integrity of Legal System	4.4		2.8		5.6		5.8		4.5		4.8		5.4		4.1	
<b>3. Access to Sound Money</b>	4.1		4.8		0.5		2.3		3.3		3.2		3.6		3.8	
A. Growth of Money Supply	0.0	(-64.6)	5.7	(21.6)	1.9	(40.6)	3.7	(31.7)	0.2	(49.0)	0.0	(61.9)	0.0	(73.1)	0.8	(38.8)
B. Inflation Variability	8.2	(4.5)	7.6	(6.0)	0.0	(27.8)	5.7	(10.7)	3.1	(17.2)	2.8	(17.9)	4.4	(14.0)	4.4	(14.0)
C. Recent Annual Inflation	8.2	(8.8)	5.9	(20.5)	0.0	(85.0)	0.0	(52.2)	0.0	(58.2)	0.0	(87.0)	0.0	(54.9)	0.0	(54.4)
D. Freedom to Own Foreign Currency	0.0		0.0		0.0		0.0		10.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	1.7		3.3		3.7		5.7		5.1		7.2		7.3		7.2	
A. Taxes on International Trade	0.0		0.5		3.5		6.3		4.5		8.3		7.6		7.7	
(i) Taxes as Percentage of Exports & Imports	0.0	(20.7)	0.5	(14.3)	5.8	(6.3)	8.0	(3.0)	8.1	(2.8)	9.0	(1.5)	9.5	(0.7)	9.7	(0.4)
(ii) Mean Tariff Rate	0.0		(20.7)		1.2		(44.0)		4.7		(22.7)		8.2		(9.0)	
(iii) Variability of Tariff Rates	0.0		(20.7)		1.2		(44.0)		4.7		(22.7)		8.2		(9.0)	
B. Regulatory Trade Barriers	0.0		0.0		0.0		4.3		3.4		4.9		5.9		6.6	
(i) Hidden Import Barriers	0.0		0.0		0.0		4.3		3.4		4.9		5.9		6.6	
(ii) Costs of Importing	0.0		0.0		0.0		4.3		3.4		4.9		5.9		6.6	
C. Size of Trade Sector	0.0		0.0		0.0		4.3		3.4		4.9		5.9		6.6	
D. Official versus Black Market Exchange Rate	0.0		7.8		6.8		9.4		9.6		9.6		10.0		10.0	
E. Restrictions on Capital Markets	0.0		0.0		0.0		0.0		0.0		5.5		5.8		5.8	
(i) Access to Foreign Capital	0.0		0.0		0.0		0.0		0.0		5.5		5.8		5.8	
(ii) Restrictions on Foreign Capital Transactions	0.0		0.0		0.0		0.0		0.0		2.0		2.3		2.3	
<b>5. Regulation of Credit, Labor &amp; Business</b>	6.0		4.5		4.4		5.2		5.1		6.1		5.7		4.9	
A. Regulation of Credit Markets	6.0		4.5		4.4		5.2		5.1		6.1		5.7		4.9	
(i) Private Ownership of Banks	6.0		4.5		4.4		5.2		5.1		6.1		5.7		4.9	
(ii) Competition from Foreign Banks	6.0		4.5		4.4		5.2		5.1		6.1		5.7		4.9	
(iii) Extension of Credit to Private Sector	6.0		5.9		4.0		4.0		6.2		7.3		4.3		3.6	
(iv) Avoidance of Negative Real Interest Rates	6.0		4.5		4.4		5.2		5.1		6.1		5.7		4.9	
(v) Controls on Interest Rates	6.0		4.5		4.4		5.2		5.1		6.1		5.7		4.9	
B. Regulation of Labor Markets	6.0		4.5		4.4		5.2		5.1		6.1		5.7		4.9	
(i) Impact of Minimum Wage	6.0		4.5		4.4		5.2		5.1		6.1		5.7		4.9	
(ii) Flexibility in Hiring & Firing	6.0		4.5		4.4		5.2		5.1		6.1		5.7		4.9	
(iii) Collective Bargaining	6.0		4.5		4.4		5.2		5.1		6.1		5.7		4.9	
(iv) Incentives from Unemployment Benefits	6.0		4.5		4.4		5.2		5.1		6.1		5.7		4.9	
(v) Military Conscription	0.0		0.0		0.0		0.0		1.0		1.0		1.0		1.0	
C. Regulation of Business	6.0		4.5		4.4		5.2		5.1		6.1		5.7		4.9	
(i) Price Controls	6.0		4.5		4.4		5.2		5.1		6.1		5.7		4.9	
(ii) Administrative Obstacles for New Businesses	6.0		4.5		4.4		5.2		5.1		6.1		5.7		4.9	
(iii) Time Spent with Government Bureaucracy	6.0		4.5		4.4		5.2		5.1		6.1		5.7		4.9	
(iv) Ease of Starting a New Business	6.0		4.5		4.4		5.2		5.1		6.1		5.7		4.9	
(v) Irregular Payments to Government Officials	6.0		4.5		4.4		5.2		5.1		6.1		5.7		4.9	

# Uganda

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>			3.2 (104)	2.9 (109)	2.9 (113)	4.8 (96)	6.6 (52)	6.7 (44)
<b>1. Size of Government</b>				3.1	4.5	5.6	6.8	6.8
A. Government Consumption				7.2 (15.5)	9.6 (7.5)	8.7 (10.5)	8.7 (10.4)	8.6 (10.9)
B. Transfers & Subsidies							10.0 (0.0)	10.0 (0.0)
C. Government Enterprises & Investment	4.0 (31.5)	2.0 (42.8)	2.0	2.0 (26.4)	2.0 (47.6)	2.0	2.0	2.0
D. Top Marginal Tax Rate				0.0	2.0	6.0	6.5	6.5
(i) Top Marginal Income Tax Rate				0.0 (70)	3.0 (50)	8.0 (30)	8.0 (30)	8.0 (30)
(ii) Top Marginal Income & Payroll Tax Rate					1.0 (59)	4.0 (41)	5.0 (40)	5.0 (40)
<b>2. Legal Structure &amp; Security of Property Rights</b>			2.8	2.9	2.4	4.3	4.6	4.6
A. Judicial Independence								
B. Impartial Courts						5.5	4.4	4.4
C. Protection of Intellectual Property								
D. Military Interference						3.7	3.3	3.3
E. Integrity of Legal System						4.1	6.7	6.7
<b>3. Access to Sound Money</b>	0.8	3.1	1.0	0.0	0.3	4.1	9.2	9.2
A. Growth of Money Supply		5.5 (22.5)	3.1 (34.4)	0.0 (76.2)	0.0 (410.0)	3.7 (31.5)	8.6 (6.8)	8.7 (6.3)
B. Inflation Variability		3.8 (15.5)	0.0 (33.8)	0.0 (40.8)	0.0 (52.4)	4.4 (14.1)	8.6 (3.6)	8.8 (3.1)
C. Recent Annual Inflation	1.7 (41.6)			0.0 (120.4)	1.1 (44.4)	8.2 (9.2)	9.4 (2.8)	9.4 (2.0)
D. Freedom to Own Foreign Currency	0.0	0.0	0.0	0.0	0.0	0.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>		1.7	4.1	3.6	2.9	4.9	7.0	7.5
A. Taxes on International Trade		0.0	7.9	3.1	3.4	5.4	7.6	8.1
(i) Taxes as Percentage of Exports & Imports		0.0 (20.4)	7.9 (3.1)	2.3 (11.6)	2.8 (10.8)	3.2 (10.2)	6.9 (4.7)	7.9 (3.1)
(ii) Mean Tariff Rate				4.0 (30.0)	4.0 (30.1)	6.6 (17.1)	8.3 (8.3)	8.3 (8.3)
(iii) Variability of Tariff Rates						6.4 (9.1)		
B. Regulatory Trade Barriers								
(i) Hidden Import Barriers								
(ii) Costs of Importing								
C. Size of Trade Sector	5.5	0.0	4.3	1.6	0.6	1.6	0.9	2.8
D. Official versus Black Market Exchange Rate	3.8	0.0	0.0	5.0	2.0	9.4	10.0	10.0
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	0.0	8.5	8.5
(i) Access to Foreign Capital								
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	0.0	8.5	8.5
<b>5. Regulation of Credit, Labor &amp; Business</b>		5.4	4.7	4.7	4.5	5.2	5.6	5.6
A. Regulation of Credit Markets	7.6	3.8	2.6	2.6	3.2	4.3	5.0	5.0
(i) Private Ownership of Banks		2.0	2.0	2.0	2.0	2.0	2.0	2.0
(ii) Competition from Foreign Banks								
(iii) Extension of Credit to Private Sector	7.6	5.7	5.8	5.7	7.7	6.9	5.1	4.1
(iv) Avoidance of Negative Real Interest Rates			0.0	0.0	0.0	4.0	8.0	9.0
(v) Controls on Interest Rates								
B. Regulation of Labor Markets								
(i) Impact of Minimum Wage								
(ii) Flexibility in Hiring & Firing								
(iii) Collective Bargaining								
(iv) Incentives from Unemployment Benefits								
(v) Military Conscription	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business								
(i) Price Controls					0.0	4.0	6.0	6.0
(ii) Administrative Obstacles for New Businesses								
(iii) Time Spent with Government Bureaucracy								
(iv) Ease of Starting a New Business								
(v) Irregular Payments to Government Officials								

## Ukraine

Summary Ratings (Rank) ▶	1970	1975	1980	1985	1990	1995	2000	2001
						3.5 (122)	4.5 (118)	4.6 (117)
<b>1. Size of Government</b>						1.8	3.7	3.5
A. Government Consumption			4.6 (24.2)	4.4 (25.0)	5.2 (22.4)	3.6 (27.8)	4.7 (24.0)	4.6 (24.3)
B. Transfers & Subsidies							5.6 (16.6)	6.3 (14.2)
C. Government Enterprises & Investment						0.0	0.0	0.0
D. Top Marginal Tax Rate							4.5	3.0
(i) Top Marginal Income Tax Rate							5.0 (40)	5.0 (40)
(ii) Top Marginal Income & Payroll Tax Rate							4.0 (44)	1.0 (58)
<b>2. Legal Structure &amp; Security of Property Rights</b>						4.3	4.8	4.2
A. Judicial Independence						6.1	3.2	2.0
B. Impartial Courts						4.3	3.5	2.1
C. Protection of Intellectual Property						1.2	2.4	1.9
D. Military Interference						5.7	8.3	8.3
E. Integrity of Legal System							6.7	6.7
<b>3. Access to Sound Money</b>					5.9	1.7	2.6	3.7
A. Growth of Money Supply							0.0 (59.1)	3.2 (34.0)
B. Inflation Variability						0.0 (1158.3)	0.0 (165.7)	1.5 (21.2)
C. Recent Annual Inflation					6.7 (16.3)	0.0 (415.5)	5.5 (22.7)	4.9 (25.3)
D. Freedom to Own Foreign Currency					5.0	5.0	5.0	5.0
<b>4. Freedom to Exchange with Foreigners</b>						6.3	6.7	6.8
A. Taxes on International Trade							7.6	7.6
(i) Taxes as Percentage of Exports & Imports							9.4 (1.0)	9.4 (1.0)
(ii) Mean Tariff Rate							7.9 (10.5)	7.9 (10.4)
(iii) Variability of Tariff Rates							5.6 (10.9)	5.6 (10.9)
B. Regulatory Trade Barriers						2.5	5.5	4.8
(i) Hidden Import Barriers						2.5	4.0	3.2
(ii) Costs of Importing							7.0	6.3
C. Size of Trade Sector						9.9	8.4	10.0
D. Official versus Black Market Exchange Rate		0.0	0.0	0.0	0.0	9.4	7.8	7.8
E. Restrictions on Capital Markets	0.0	0.0	0.0	0.0	0.0	3.4	4.3	4.0
(i) Access to Foreign Capital						4.9	7.1	7.1
(ii) Restrictions on Foreign Capital Transactions	0.0	0.0	0.0	0.0	0.0	2.0	1.5	0.8
<b>5. Regulation of Credit, Labor &amp; Business</b>					3.5	3.2	4.6	4.9
A. Regulation of Credit Markets					0.0	1.8	4.6	5.5
(i) Private Ownership of Banks					0.0	0.0	0.0	2.0
(ii) Competition from Foreign Banks						3.2	3.9	3.9
(iii) Extension of Credit to Private Sector						1.7	8.4	8.6
(iv) Avoidance of Negative Real Interest Rates						0.0	6.0	8.0
(v) Controls on Interest Rates						4.0	4.9	4.9
B. Regulation of Labor Markets						5.1	4.3	5.9
(i) Impact of Minimum Wage						6.6	1.9	1.9
(ii) Flexibility in Hiring & Firing					5.8	5.8	6.3	5.6
(iii) Collective Bargaining						7.9	8.1	6.6
(iv) Incentives from Unemployment Benefits						5.4	5.3	5.3
(v) Military Conscription						0.0	0.0	10.0
C. Regulation of Business						2.6	4.7	3.2
(i) Price Controls					0.0	4.0	6.0	4.0
(ii) Administrative Obstacles for New Businesses							6.3	1.6
(iii) Time Spent with Government Bureaucracy						2.2	4.8	3.3
(iv) Ease of Starting a New Business						3.7	2.9	3.0
(v) Irregular Payments to Government Officials						0.6	3.8	4.3

# United Arab Emirates

	1970	1975	1980	1985	1990	1995	2000	2001						
<b>Summary Ratings (Rank) ►</b>			5.9 (26)	6.8 (16)	7.4 (7)	7.2 (21)	7.6 (13)	7.5 (16)						
<b>1. Size of Government</b>	5.8		5.2	5.0	7.6	7.9	7.6	7.6						
A. Government Consumption	1.6	(34.4)	0.4	(38.7)	0.0	(41.8)	2.9	(30.1)	3.9	(26.8)	4.7	(24.0)	4.7	(24.0)
B. Transfers & Subsidies					9.8	(1.2)	9.9	(1.0)	9.7	(1.6)	6.0		6.0	(1.6)
C. Government Enterprises & Investment							6.0		6.0		10.0		10.0	
D. Top Marginal Tax Rate	10.0		10.0		10.0		10.0		10.0		10.0		10.0	
(i) Top Marginal Income Tax Rate	10.0	(0)	10.0	(0)	10.0	(0)	10.0	(0)	10.0	(0)	10.0	(0)	10.0	(0)
(ii) Top Marginal Income & Payroll Tax Rate											10.0	(0)	10.0	(0)
<b>2. Legal Structure &amp; Security of Property Rights</b>			2.1	5.8	5.8	5.8	6.6	6.6						
A. Judicial Independence														
B. Impartial Courts						6.9	7.5	7.5						
C. Protection of Intellectual Property														
D. Military Interference						8.5	8.3	8.3						
E. Integrity of Legal System						4.1	6.7	6.7						
<b>3. Access to Sound Money</b>	8.1		7.9	9.3	9.6	8.6	8.9	9.1						
A. Growth of Money Supply			5.5	(22.7)	9.8	(-0.9)	9.7	(1.5)	7.2	(13.8)	9.1	(4.3)	9.1	(4.3)
B. Inflation Variability			8.1	(4.8)	8.1	(4.8)	9.3	(1.7)			7.4	(6.4)	7.4	(6.4)
C. Recent Annual Inflation	6.2	(19.0)	8.2	(9.1)	9.1	(4.5)	9.2	(4.1)					10.0	(-0.1)
D. Freedom to Own Foreign Currency	10.0		10.0		10.0		10.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	8.8		8.9	7.7	7.9		8.3	8.2						
A. Taxes on International Trade	10.0		10.0	9.6	10.0		9.6	9.6						
(i) Taxes as Percentage of Exports & Imports	10.0	(0.0)	10.0	(0.0)	10.0	(0.0)	10.0	(0.0)	10.0	(0.0)	10.0	(0.0)	10.0	(0.0)
(ii) Mean Tariff Rate				9.2	(4.0)		9.2	(4.0)	9.2	(4.0)	9.2	(4.0)	9.2	(4.0)
(iii) Variability of Tariff Rates														
B. Regulatory Trade Barriers														
(i) Hidden Import Barriers														
(ii) Costs of Importing														
C. Size of Trade Sector	5.8		6.3	5.6	6.5	8.0	7.8	6.9						
D. Official versus Black Market Exchange Rate	10.0		10.0	10.0	10.0	10.0	10.0	10.0						
E. Restrictions on Capital Markets	10.0		10.0	5.0	5.0	5.0	6.2	6.2						
(i) Access to Foreign Capital														
(ii) Restrictions on Foreign Capital Transactions	10.0		10.0	5.0	5.0	5.0	6.2	6.2						
<b>5. Regulation of Credit, Labor &amp; Business</b>			5.3	6.2	6.4	6.3	6.5	6.2						
A. Regulation of Credit Markets	7.0		6.9	6.2	6.5	6.4	6.9	7.0						
(i) Private Ownership of Banks	5.0		5.0	5.0	5.0	5.0	5.0	5.0						
(ii) Competition from Foreign Banks														
(iii) Extension of Credit to Private Sector	9.1		8.7	7.3	8.0	7.7	8.7	8.9						
(iv) Avoidance of Negative Real Interest Rates														
(v) Controls on Interest Rates														
B. Regulation of Labor Markets														
(i) Impact of Minimum Wage														
(ii) Flexibility in Hiring & Firing														
(iii) Collective Bargaining														
(iv) Incentives from Unemployment Benefits														
(v) Military Conscription			3.0	10.0	10.0	10.0	10.0	10.0						
C. Regulation of Business														
(i) Price Controls					8.0	8.0	8.0	6.0						
(ii) Administrative Obstacles for New Businesses														
(iii) Time Spent with Government Bureaucracy														
(iv) Ease of Starting a New Business														
(v) Irregular Payments to Government Officials														

# United Kingdom

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	5.9 (33)		5.9 (21)		6.1 (23)		7.0 (12)		7.4 (7)		8.1 (6)		8.3 (4)		8.2 (4)	
<b>1. Size of Government</b>	3.6		3.0		3.4		4.4		5.9		5.7		6.2		6.6	
A. Government Consumption	5.1	(22.6)	3.9	(26.6)	3.9	(26.6)	4.2	(25.9)	4.5	(24.6)	4.4	(25.2)	5.2	(22.2)	5.1	(22.5)
B. Transfers & Subsidies			6.0	(15.0)	5.8	(15.8)	5.3	(17.9)	6.1	(14.9)	5.3	(17.7)	5.6	(16.5)	6.3	(14.1)
C. Government Enterprises & Investment	2.0	(43.4)	2.0	(41.8)	4.0	(29.1)	6.0	(23.5)	8.0	(15.3)	8.0	(16.4)	8.0		10.0	(6.4)
D. Top Marginal Tax Rate			0.0		0.0		2.0		5.0		5.0		6.0		5.0	
(i) Top Marginal Income Tax Rate			0.0	(83)	0.0	(83)	2.0	(60)	5.0	(40)	5.0	(40)	6.0	(40)	5.0	(40)
(ii) Top Marginal Income & Payroll Tax Rate									5.0	(40)	5.0	(40)	6.0	(40)	5.0	(40)
<b>2. Legal Structure &amp; Security of Property Rights</b>	8.0		8.3		7.0		6.7		7.7		8.8		9.3		9.2	
A. Judicial Independence													9.5	9.0		8.7
B. Impartial Courts													8.9	9.0		8.5
C. Protection of Intellectual Property													7.1	8.4		9.0
D. Military Interference													8.8	10.0		10.0
E. Integrity of Legal System													10.0	10.0		10.0
<b>3. Access to Sound Money</b>	6.0		5.0		5.8		8.9		8.1		9.5		9.7		9.3	
A. Growth of Money Supply			8.0	(9.8)	8.0	(9.9)	7.8	(10.9)	4.3	(28.7)	9.0	(4.9)	9.6	(2.2)	8.1	(6.6)
B. Inflation Variability	9.4	(1.5)	7.2	(7.0)	9.0	(2.4)	9.0	(2.5)	9.4	(1.4)	9.3	(1.7)	9.7	(0.7)	9.8	(0.5)
C. Recent Annual Inflation	8.5	(7.3)	4.7	(26.3)	6.2	(18.8)	8.8	(5.9)	8.7	(6.4)	9.5	(2.4)	9.4	(2.9)	9.4	(1.8)
D. Freedom to Own Foreign Currency	0.0		0.0		0.0		10.0		10.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	5.8		7.0		8.4		8.6		8.3		8.3		8.5		8.3	
A. Taxes on International Trade	2.1		8.8		8.9		9.1		8.4		8.6		9.1		9.2	
(i) Taxes as Percentage of Exports & Imports	2.1	(11.9)	9.5	(0.7)	9.5	(0.7)	9.6	(0.6)	9.6	(0.6)	9.6	(0.6)	9.7	(0.5)	9.8	(0.3)
(ii) Mean Tariff Rate			8.1	(9.4)	8.2	(8.8)	8.5	(7.5)	8.5	(7.4)	8.7	(6.7)	9.5	(2.4)	9.5	(2.7)
(iii) Variability of Tariff Rates									7.1	(7.2)	7.6	(5.9)	8.2	(4.4)	8.2	(4.4)
B. Regulatory Trade Barriers											8.0		9.3		8.9	
(i) Hidden Import Barriers											8.0		9.0		8.2	
(ii) Costs of Importing													9.7		9.6	
C. Size of Trade Sector	6.8		5.8		5.0		5.9		5.1		5.2		4.9		4.4	
D. Official versus Black Market Exchange Rate	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
E. Restrictions on Capital Markets	2.0		2.0		10.0		10.0		10.0		9.4		9.1		9.1	
(i) Access to Foreign Capital											8.9		9.8		9.8	
(ii) Restrictions on Foreign Capital Transactions	2.0		2.0		10.0		10.0		10.0		10.0		8.5		8.5	
<b>5. Regulation of Credit, Labor &amp; Business</b>	6.2		6.0		6.0		6.6		6.8		8.3		8.1		7.7	
A. Regulation of Credit Markets	8.2		7.1		7.3		9.7		9.9		9.3		9.2		9.2	
(i) Private Ownership of Banks	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
(ii) Competition from Foreign Banks											9.3		7.4		7.4	
(iii) Extension of Credit to Private Sector	6.5		7.3		8.0		9.1		9.8		9.7		9.9		9.9	
(iv) Avoidance of Negative Real Interest Rates	8.0		4.0		4.0		10.0		10.0		10.0		10.0		10.0	
(v) Controls on Interest Rates											7.5		8.5		8.5	
B. Regulation of Labor Markets	6.6		6.8		6.7		6.8		7.2		7.2		6.9		7.1	
(i) Impact of Minimum Wage											6.7		4.6		4.6	
(ii) Flexibility in Hiring & Firing									7.4		7.4		4.9		6.1	
(iii) Collective Bargaining	5.2		5.2		5.2		5.2		6.2		6.2		8.6		8.2	
(iv) Incentives from Unemployment Benefits	4.8		5.1		4.8		5.2		5.4		5.9		6.5		6.5	
(v) Military Conscription	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
C. Regulation of Business											8.4		8.1		6.8	
(i) Price Controls									9.0		9.0		8.0		6.0	
(ii) Administrative Obstacles for New Businesses													7.9		4.4	
(iii) Time Spent with Government Bureaucracy											7.8		8.0		7.0	
(iv) Ease of Starting a New Business											8.1		7.7		7.5	
(v) Irregular Payments to Government Officials											8.7		9.0		9.0	

# United States

	1970	1975	1980	1985	1990	1995	2000	2001
Summary Ratings (Rank) ▶	7.0 (11)	7.3 (4)	7.5 (4)	7.7 (4)	7.9 (3)	8.3 (4)	8.5 (3)	8.3 (3)
<b>1. Size of Government</b>	4.0	4.8	5.2	6.0	6.7	6.9	7.6	7.3
A. Government Consumption	5.1 (22.6)	5.2 (22.2)	5.5 (21.2)	5.5 (21.5)	5.7 (20.8)	6.2 (19.0)	6.6 (17.6)	5.6 (21.0)
B. Transfers & Subsidies		7.1 (11.1)	7.2 (10.9)	6.7 (12.5)	6.7 (12.7)	6.3 (14.0)	6.7 (12.6)	6.5 (13.2)
C. Government Enterprises & Investment	7.0 (23.8)	7.0 (21.7)	8.0 (17.2)	8.0 (17.3)	8.0 (20.0)	8.0 (14.6)	10.0	10.0 (14.2)
D. Top Marginal Tax Rate	0.0	0.0	0.0	4.0	6.5	7.0	7.0	7.0
(i) Top Marginal Income Tax Rate	0.0 (70-75)	0.0 (70-75)	0.0 (70-75)	4.0 (50-59)	7.0 (33-42)	7.0 (40-46)	7.0 (40-46)	7.0 (39-46)
(ii) Top Marginal Income & Payroll Tax Rate					6.0 (36-45)	7.0 (42-49)	7.0 (42-49)	7.0 (41-48)
<b>2. Legal Structure &amp; Security of Property Rights</b>	8.3	7.9	8.3	8.3	8.3	8.8	9.2	8.7
A. Judicial Independence						8.3	8.0	7.9
B. Impartial Courts						8.5	9.0	8.0
C. Protection of Intellectual Property						7.8	9.1	9.1
D. Military Interference						9.2	10.0	8.3
E. Integrity of Legal System						10.0	10.0	10.0
<b>3. Access to Sound Money</b>	9.6	9.2	9.2	9.3	9.6	9.7	9.7	9.8
A. Growth of Money Supply	9.7 (1.5)	9.4 (3.1)	9.0 (5.1)	8.9 (5.5)	9.4 (2.9)	9.3 (3.3)	9.9 (-0.3)	9.9 (1.3)
B. Inflation Variability	9.6 (0.9)	9.3 (1.7)	9.5 (1.2)	9.0 (2.4)	9.7 (0.7)	9.7 (0.6)	9.4 (1.6)	9.8 (0.4)
C. Recent Annual Inflation	9.0 (5.1)	8.2 (9.2)	8.1 (9.5)	9.3 (3.5)	9.1 (4.3)	9.6 (2.0)	9.3 (3.4)	9.3 (2.8)
D. Freedom to Own Foreign Currency	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>	7.2	7.8	8.0	7.8	7.9	7.9	8.0	7.9
A. Taxes on International Trade	8.4	8.5	8.9	8.8	8.2	8.4	8.1	8.1
(i) Taxes as Percentage of Exports & Imports	8.4 (2.4)	9.0 (1.5)	9.3 (1.1)	8.9 (1.7)	9.0 (1.5)	9.2 (1.2)	9.4 (0.8)	9.4 (0.9)
(ii) Mean Tariff Rate		7.9 (10.3)	8.5 (7.3)	8.7 (6.6)	8.8 (6.2)	8.8 (5.9)	9.2 (4.0)	9.2 (4.0)
(iii) Variability of Tariff Rates					6.9 (7.7)	7.2 (7.0)	5.7 (10.7)	5.7 (10.7)
B. Regulatory Trade Barriers						7.8	8.8	8.5
(i) Hidden Import Barriers						7.8	8.1	7.7
(ii) Costs of Importing							9.5	9.4
C. Size of Trade Sector	1.6	4.2	4.9	4.3	5.0	5.1	5.0	4.7
D. Official versus Black Market Exchange Rate	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
E. Restrictions on Capital Markets	8.0	8.0	8.0	8.0	8.0	8.4	8.2	8.2
(i) Access to Foreign Capital						8.8	9.5	9.5
(ii) Restrictions on Foreign Capital Transactions	8.0	8.0	8.0	8.0	8.0	8.0	6.9	6.9
<b>5. Regulation of Credit, Labor &amp; Business</b>	5.9	6.7	6.8	6.8	6.8	8.2	8.2	7.8
A. Regulation of Credit Markets	9.3	8.8	9.5	9.5	9.6	9.0	9.1	9.2
(i) Private Ownership of Banks	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
(ii) Competition from Foreign Banks						8.3	7.6	7.6
(iii) Extension of Credit to Private Sector	8.0	8.3	8.5	8.4	8.9	8.8	9.4	9.5
(iv) Avoidance of Negative Real Interest Rates	10.0	8.0	10.0	10.0	10.0	10.0	10.0	10.0
(v) Controls on Interest Rates						8.1	8.7	8.7
B. Regulation of Labor Markets	4.3	7.8	7.7	7.7	7.7	7.5	7.2	7.3
(i) Impact of Minimum Wage						5.9	3.8	3.8
(ii) Flexibility in Hiring & Firing					7.1	7.1	6.7	7.0
(iii) Collective Bargaining	7.6	7.6	7.6	7.6	7.6	7.6	8.4	8.7
(iv) Incentives from Unemployment Benefits	5.5	5.9	5.6	5.6	6.0	6.7	7.0	7.0
(v) Military Conscriptation	0.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
C. Regulation of Business						8.2	8.3	6.9
(i) Price Controls					9.0	9.0	8.0	8.0
(ii) Administrative Obstacles for New Businesses							7.9	4.0
(iii) Time Spent with Government Bureaucracy						7.5	8.2	6.5
(iv) Ease of Starting a New Business						8.4	8.4	8.1
(v) Irregular Payments to Government Officials						7.9	8.8	8.1

## Uruguay

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
					5.9 (26)		5.9 (34)		6.2 (34)		6.0 (64)		6.5 (55)		6.7 (44)	
<b>1. Size of Government</b>	6.7		6.2		7.3		7.0		7.4		7.2		6.0		6.7	
A. Government Consumption	6.8	(17.0)	6.9	(16.6)	7.6	(14.1)	6.6	(17.4)	6.8	(16.8)	7.5	(14.5)	7.4	(14.8)	7.3	(15.3)
B. Transfers & Subsidies	7.4	(10.0)	6.9	(11.8)	7.7	(9.1)	7.4	(10.0)	6.9	(12.0)	5.4	(17.3)	5.2	(18.1)	5.2	(18.1)
C. Government Enterprises & Investment	6.0	(25.9)	4.0	(34.9)	4.0	(31.7)	4.0	(36.2)	6.0	(28.5)	6.0	(28.8)	4.0	(39.5)	7.0	(23.0)
D. Top Marginal Tax Rate			7.0		10.0		10.0		10.0		10.0		7.5		7.5	
(i) Top Marginal Income Tax Rate			7.0	(41)	10.0	(0)	10.0	(0)	10.0	(0)	10.0	(0)	10.0	(0)	10.0	(0)
(ii) Top Marginal Income & Payroll Tax Rate													5.0	(36)	5.0	(36)
<b>2. Legal Structure &amp; Security of Property Rights</b>					5.6		5.4		6.3		6.0		5.7		5.8	
A. Judicial Independence															7.1	
B. Impartial Courts											6.0		6.7		5.2	
C. Protection of Intellectual Property													5.5		4.1	
D. Military Interference											7.2		8.3		8.3	
E. Integrity of Legal System											7.0		5.0		4.2	
<b>3. Access to Sound Money</b>	5.1		2.5		3.8		3.6		3.8		3.2		7.6		8.7	
A. Growth of Money Supply	0.7	(46.5)	0.0	(60.5)	0.0	(58.2)	2.6	(36.9)	0.0	(74.7)	0.0	(54.3)	7.5	(12.7)	8.5	(4.4)
B. Inflation Variability	0.0	(40.6)	0.0	(32.6)	5.3	(11.8)	1.9	(20.4)	5.0	(12.4)	1.1	(22.3)	3.9	(15.3)	7.4	(6.5)
C. Recent Annual Inflation	9.9	(0.7)	0.0	(66.0)	0.0	(54.8)	0.0	(74.0)	0.0	(100.4)	1.6	(42.0)	9.0	(4.8)	9.0	(4.4)
D. Freedom to Own Foreign Currency	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	6.5		7.2		6.6		7.4		7.4		7.3		6.9		6.8	
A. Taxes on International Trade	6.9		7.7		4.1		5.0		5.9		7.8		7.7		7.7	
(i) Taxes as Percentage of Exports & Imports	6.9	(4.7)	7.7	(3.4)	4.1	(8.9)	6.1	(5.8)	6.3	(5.6)	8.2	(2.7)	8.7	(2.0)	8.7	(1.9)
(ii) Mean Tariff Rate							3.8	(31.0)	3.9	(30.5)	8.1	(9.3)	7.8	(11.1)	7.8	(11.1)
(iii) Variability of Tariff Rates									7.6	(5.9)	7.2	(7.1)	6.7	(8.3)	6.7	(8.3)
B. Regulatory Trade Barriers													6.3		6.8	
(i) Hidden Import Barriers													6.3		5.9	
(ii) Costs of Importing															7.7	
C. Size of Trade Sector	0.1		2.2		0.9		3.7		3.1		0.6		1.9		0.5	
D. Official versus Black Market Exchange Rate	9.4		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
E. Restrictions on Capital Markets	8.0		8.0		10.0		10.0		10.0		10.0		8.7		8.7	
(i) Access to Foreign Capital													9.0		9.0	
(ii) Restrictions on Foreign Capital Transactions	8.0		8.0		10.0		10.0		10.0		10.0		8.5		8.5	
<b>5. Regulation of Credit, Labor &amp; Business</b>					6.0		6.4		6.0		6.1		6.2		5.6	
A. Regulation of Credit Markets			5.0		5.5		7.0		7.0		6.6		6.5		6.3	
(i) Private Ownership of Banks			5.0		5.0		5.0		5.0		5.0		5.0		5.0	
(ii) Competition from Foreign Banks													6.3		6.3	
(iii) Extension of Credit to Private Sector							7.9		7.9		8.7		9.2		9.0	
(iv) Avoidance of Negative Real Interest Rates					6.0		8.0		8.0		6.0		6.0		5.0	
(v) Controls on Interest Rates													6.2		6.2	
B. Regulation of Labor Markets													5.9		5.5	
(i) Impact of Minimum Wage													2.6		2.6	
(ii) Flexibility in Hiring & Firing													4.1		2.7	
(iii) Collective Bargaining													6.9		6.9	
(iv) Incentives from Unemployment Benefits																
(v) Military Conscription	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
C. Regulation of Business													6.1		5.0	
(i) Price Controls									4.0		6.0		6.0		6.0	
(ii) Administrative Obstacles for New Businesses													6.8		1.8	
(iii) Time Spent with Government Bureaucracy													6.5		5.8	
(iv) Ease of Starting a New Business													5.0		3.5	
(v) Irregular Payments to Government Officials													6.1		7.6	



# Venezuela

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ▶</b>	7.0 (11)	6.1 (17)	6.6 (14)	6.2 (25)	5.5 (52)	4.2 (114)	5.8 (81)	5.3 (103)
<b>1. Size of Government</b>	7.8	7.4	6.3	6.9	6.0	6.1	7.1	7.1
A. Government Consumption	6.6 (17.6)	6.2 (19.0)	6.6 (17.7)	7.5 (14.4)	8.3 (11.9)	9.0 (9.3)	8.8 (10.0)	8.8 (10.0)
B. Transfers & Subsidies	9.8 (1.1)	9.5 (2.3)	9.6 (2.0)	8.9 (4.5)	8.6 (5.8)	8.5 (6.0)	9.6 (1.8)	9.6 (1.8)
C. Government Enterprises & Investment	7.0 (21.1)	4.0 (33.6)	2.0 (45.6)	4.0 (35.8)	0.0 (65.2)	0.0 (58.3)	2.0 (46.2)	2.0 (42.4)
D. Top Marginal Tax Rate		10.0	7.0	7.0	7.0	7.0	8.0	8.0
(i) Top Marginal Income Tax Rate		10.0 (20)	7.0 (45)	7.0 (45)	7.0 (45)	7.0 (34)	8.0 (35)	8.0 (34)
(ii) Top Marginal Income & Payroll Tax Rate					7.0 (45)	7.0 (34)	8.0 (35)	8.0 (35)
<b>2. Legal Structure &amp; Security of Property Rights</b>	4.4	2.8	6.2	5.3	5.7	3.8	3.7	1.9
A. Judicial Independence						2.9	1.7	0.5
B. Impartial Courts						2.9	3.7	0.9
C. Protection of Intellectual Property						3.7	3.4	2.2
D. Military Interference						5.6	3.3	2.5
E. Integrity of Legal System						4.1	6.7	3.3
<b>3. Access to Sound Money</b>	9.7	6.9	7.3	8.3	4.4	1.7	5.7	5.6
A. Growth of Money Supply	9.4 (3.0)	4.8 (26.0)	7.3 (13.6)	7.3 (13.3)	6.1 (19.7)	2.9 (35.8)	1.7 (41.3)	5.5 (12.0)
B. Inflation Variability	9.6 (1.1)	4.0 (15.1)	7.0 (7.4)	7.9 (5.2)	0.0 (30.2)	3.8 (15.6)	4.5 (13.9)	0.0 (39.5)
C. Recent Annual Inflation	9.7 (1.3)	9.0 (5.1)	4.8 (26.0)	7.9 (10.4)	1.7 (41.7)	0.0 (51.9)	6.8 (16.2)	6.8 (12.5)
D. Freedom to Own Foreign Currency	10.0	10.0	10.0	10.0	10.0	0.0	10.0	10.0
<b>4. Freedom to Exchange with Foreigners</b>	7.8	8.0	8.0	5.4	6.9	5.2	7.1	7.0
A. Taxes on International Trade	8.1	7.5	8.0	3.7	4.2	7.8	7.7	7.7
(i) Taxes as Percentage of Exports & Imports	8.1 (2.9)	7.5 (3.7)	8.0 (3.0)	3.9 (9.1)	8.5 (2.2)	7.9 (3.1)	7.9 (3.1)	7.9 (3.1)
(ii) Mean Tariff Rate				3.4 (32.9)	3.9 (30.6)	7.3 (13.4)	7.5 (12.6)	7.5 (12.6)
(iii) Variability of Tariff Rates					0.2 (24.4)	8.1 (4.8)	7.6 (5.9)	7.6 (5.9)
B. Regulatory Trade Barriers						4.6	5.7	6.0
(i) Hidden Import Barriers						4.6	4.9	4.6
(ii) Costs of Importing							6.5	7.4
C. Size of Trade Sector	4.6	6.2	5.6	4.9	6.9	5.1	4.1	3.7
D. Official versus Black Market Exchange Rate	10.0	10.0	10.0	5.0	10.0	1.6	10.0	10.0
E. Restrictions on Capital Markets	8.0	8.0	8.0	5.0	5.0	6.9	8.1	7.8
(i) Access to Foreign Capital						8.7	9.4	9.4
(ii) Restrictions on Foreign Capital Transactions	8.0	8.0	8.0	5.0	5.0	5.0	6.9	6.2
<b>5. Regulation of Credit, Labor &amp; Business</b>	5.3	5.2	5.0	5.4	4.6	4.0	5.2	5.1
A. Regulation of Credit Markets	9.7	7.4	6.1	6.9	4.6	4.7	6.0	7.4
(i) Private Ownership of Banks		5.0	5.0	8.0	8.0	8.0	8.0	8.0
(ii) Competition from Foreign Banks						7.6	6.2	6.2
(iii) Extension of Credit to Private Sector	9.7	9.8	9.3	8.8	5.7	2.7	7.7	7.8
(iv) Avoidance of Negative Real Interest Rates			4.0	4.0	0.0	0.0	2.0	9.0
(v) Controls on Interest Rates						5.4	6.0	6.0
B. Regulation of Labor Markets					3.9	4.3	4.0	3.8
(i) Impact of Minimum Wage						4.9	4.1	4.1
(ii) Flexibility in Hiring & Firing					4.4	4.4	4.6	3.2
(iii) Collective Bargaining	7.2	7.2	7.2	7.2	7.2	7.2	5.8	6.0
(iv) Incentives from Unemployment Benefits						5.0	5.7	5.7
(v) Military Conscription	0.0	0.0	0.0	1.0	0.0	0.0	0.0	0.0
C. Regulation of Business						3.0	5.5	4.0
(i) Price Controls						0.0	5.0	6.0
(ii) Administrative Obstacles for New Businesses							6.4	1.2
(iii) Time Spent with Government Bureaucracy						5.3	6.2	5.3
(iv) Ease of Starting a New Business						4.6	4.7	3.0
(v) Irregular Payments to Government Officials						2.1	5.0	4.5

# Zambia

Summary Ratings (Rank) ▶	1970		1975		1980		1985		1990		1995		2000		2001	
	4.7 (53)		5.1 (63)		4.0 (96)		3.2 (109)		4.8 (96)		6.4 (61)		6.8 (42)			
<b>1. Size of Government</b>	4.2		2.5		2.6		3.1		3.5		5.9		6.6		6.6	
A. Government Consumption	3.4	(28.3)	1.8	(34.0)	2.5	(31.6)	3.6	(27.8)	5.0	(23.1)	7.3	(15.2)	8.4	(11.5)	8.5	(11.0)
B. Transfers & Subsidies	9.1	(3.8)	8.2	(7.0)	7.8	(8.7)	9.0	(4.2)	8.9	(4.5)	9.4	(2.6)	10.0	(0.0)	10.0	(0.0)
C. Government Enterprises & Investment	0.0	(85.9)	0.0	(94.0)	0.0	(77.1)	0.0	(90.7)	0.0	(44.0)	0.0		0.0		0.0	
D. Top Marginal Tax Rate	0.0		0.0		0.0		0.0		0.0		7.0		8.0		8.0	
(i) Top Marginal Income Tax Rate	0.0		(70)		0.0		(70)		0.0		(80)		0.0		(75)	
(ii) Top Marginal Income & Payroll Tax Rate	0.0		(70)		0.0		(70)		0.0		(80)		0.0		(75)	
<b>2. Legal Structure &amp; Security of Property Rights</b>					6.1		4.0		3.7		5.9		5.9		5.9	
A. Judicial Independence											6.7		6.2			
B. Impartial Courts											4.8		4.9		4.9	
C. Protection of Intellectual Property											4.8		3.2			
D. Military Interference											6.3		8.3		8.3	
E. Integrity of Legal System											7.0		6.7		6.7	
<b>3. Access to Sound Money</b>	4.8		5.1		6.1		3.3		0.1		0.7		5.9		7.6	
A. Growth of Money Supply	6.9	(15.7)	7.9	(10.3)	8.4	(8.1)	6.3	(18.4)	0.0	(58.6)	0.0	(77.1)	4.3	(28.6)	5.4	(22.8)
B. Inflation Variability	4.5	(13.7)	5.1	(12.3)	8.2	(4.6)	5.0	(12.6)	0.4	(23.9)	0.0	(49.2)	4.3	(14.2)	8.7	(3.2)
C. Recent Annual Inflation	7.7	(-11.4)	7.2	(-14.2)	7.6	(11.8)	1.8	(41.1)	0.0	(106.4)	2.6	(36.9)	5.0	(24.8)	6.4	(18.1)
D. Freedom to Own Foreign Currency	0.0		0.0		0.0		0.0		0.0		0.0		10.0		10.0	
<b>4. Freedom to Exchange with Foreigners</b>	5.7		5.4		5.0		4.7		6.8		8.1		8.3		8.3	
A. Taxes on International Trade	8.3		8.4		4.4		5.8		6.0		6.9		6.2		6.2	
(i) Taxes as Percentage of Exports & Imports	8.3		(2.6)		8.4		(2.4)		5.7		(6.4)		7.1		(4.3)	
(ii) Mean Tariff Rate					3.0		(34.8)		4.9		(25.6)		7.1		(14.6)	
(iii) Variability of Tariff Rates									5.8		(10.6)		6.5		(8.8)	
B. Regulatory Trade Barriers																
(i) Hidden Import Barriers																
(ii) Costs of Importing																
C. Size of Trade Sector	10.0		10.0		8.5		7.9		7.5		8.5		6.4		7.7	
D. Official versus Black Market Exchange Rate	0.0		0.0		0.0		2.4		0.0		9.4		10.0		10.0	
E. Restrictions on Capital Markets	2.0		2.0		2.0		2.0		2.0		2.0		9.2		9.2	
(i) Access to Foreign Capital																
(ii) Restrictions on Foreign Capital Transactions	2.0		2.0		2.0		2.0		2.0		2.0		9.2		9.2	
<b>5. Regulation of Credit, Labor &amp; Business</b>	5.4		5.3		4.4		4.2		4.7		5.6		5.7		5.7	
A. Regulation of Credit Markets	7.3		4.4		4.0		1.7		2.4		3.3		6.2		5.9	
(i) Private Ownership of Banks			2.0		2.0		2.0		2.0		5.0		5.0		5.0	
(ii) Competition from Foreign Banks																
(iii) Extension of Credit to Private Sector	7.3		7.1		6.1		3.1		5.2		5.0		5.6		4.7	
(iv) Avoidance of Negative Real Interest Rates			4.0		4.0		0.0		0.0		0.0		8.0		8.0	
(v) Controls on Interest Rates																
B. Regulation of Labor Markets																
(i) Impact of Minimum Wage																
(ii) Flexibility in Hiring & Firing																
(iii) Collective Bargaining																
(iv) Incentives from Unemployment Benefits																
(v) Military Conscription	10.0		10.0		10.0		10.0		10.0		10.0		10.0		10.0	
C. Regulation of Business																
(i) Price Controls									0.0		2.0		2.0		4.0	
(ii) Administrative Obstacles for New Businesses																
(iii) Time Spent with Government Bureaucracy																
(iv) Ease of Starting a New Business																
(v) Irregular Payments to Government Officials																

# Zimbabwe

	1970	1975	1980	1985	1990	1995	2000	2001
<b>Summary Ratings (Rank) ►</b>			4.6 (76)	4.6 (84)	4.9 (80)	5.4 (79)	4.8 (114)	4.0 (121)
<b>1. Size of Government</b>	4.9	4.6	4.9	3.5	4.1	5.0	4.7	4.2
A. Government Consumption	7.8 (13.5)	7.1 (15.8)	5.6 (21.1)	4.5 (24.6)	4.8 (23.6)	5.4 (21.6)	6.3 (18.5)	3.6 (27.6)
B. Transfers & Subsidies			7.0 (11.4)	7.4 (10.0)	8.4 (6.2)	8.6 (5.7)	8.3 (6.6)	8.3 (6.6)
C. Government Enterprises & Investment	2.0 (40.1)	2.0 (39.3)	2.0 (32.5)	2.0 (53.6)	2.0	2.0	2.0	2.0
D. Top Marginal Tax Rate			5.0	0.0	1.0	4.0	2.0	3.0
(i) Top Marginal Income Tax Rate			5.0 (45)	0.0 (63)	1.0 (60)	4.0 (45)	2.0 (53)	3.0 (46)
(ii) Top Marginal Income & Payroll Tax Rate					1.0 (60)	4.0 (45)	2.0 (53)	3.0 (46)
<b>2. Legal Structure &amp; Security of Property Rights</b>			3.0	3.1	4.0	5.5	5.0	2.6
A. Judicial Independence						6.7	6.2	1.4
B. Impartial Courts						7.3	7.3	2.4
C. Protection of Intellectual Property						4.8	3.2	3.4
D. Military Interference						4.9	5.0	5.0
E. Integrity of Legal System						4.1	3.3	0.8
<b>3. Access to Sound Money</b>	5.0	5.7	6.3	6.2	5.6	4.6	2.8	2.8
A. Growth of Money Supply			7.8 (11.2)	8.6 (7.2)	7.0 (14.9)	3.4 (32.9)	3.2 (34.2)	3.9 (30.4)
B. Inflation Variability	7.5 (6.2)	8.9 (2.7)	8.7 (3.1)	7.7 (5.8)	8.4 (4.1)	7.3 (6.8)	3.2 (17.0)	2.2 (19.4)
C. Recent Annual Inflation	7.6 (-12.1)	8.1 (9.5)	8.7 (6.6)	8.7 (6.5)	7.1 (14.8)	7.9 (10.7)	0.0 (58.5)	0.0 (76.7)
D. Freedom to Own Foreign Currency	0.0	0.0	0.0	0.0	0.0	0.0	5.0	5.0
<b>4. Freedom to Exchange with Foreigners</b>			4.8	4.8	5.9	6.4	6.3	5.7
A. Taxes on International Trade		8.6	8.4	6.5	5.7	6.8	4.5	4.6
(i) Taxes as Percentage of Exports & Imports		8.6 (2.1)	8.9 (1.7)	4.7 (8.0)	3.9 (9.2)	5.4 (6.9)	5.1 (7.3)	5.1 (7.3)
(ii) Mean Tariff Rate			8.0 (10.0)	8.3 (8.7)	8.0 (10.1)	8.2 (9.2)	5.6 (22.2)	5.7 (21.4)
(iii) Variability of Tariff Rates					5.3 (11.8)		2.8 (17.9)	2.8 (17.9)
B. Regulatory Trade Barriers						3.7	5.9	5.3
(i) Hidden Import Barriers						3.7	5.2	5.0
(ii) Costs of Importing							6.5	5.6
C. Size of Trade Sector		6.4	5.3	5.8	6.4	8.3	8.6	6.1
D. Official versus Black Market Exchange Rate	7.2	0.0	0.0	1.6	7.0	9.8	10.0	10.0
E. Restrictions on Capital Markets			2.0	2.0	2.0	3.5	2.5	2.5
(i) Access to Foreign Capital						5.1	5.0	5.0
(ii) Restrictions on Foreign Capital Transactions			2.0	2.0	2.0	2.0	0.0	0.0
<b>5. Regulation of Credit, Labor &amp; Business</b>			4.3	5.5	4.8	5.3	5.2	4.7
A. Regulation of Credit Markets		2.0	4.5	4.7	5.6	5.8	5.4	5.6
(i) Private Ownership of Banks		2.0	2.0	2.0	2.0	5.0	5.0	5.0
(ii) Competition from Foreign Banks						4.8	6.8	6.8
(iii) Extension of Credit to Private Sector			5.4	4.0	6.7	6.9	6.3	6.0
(iv) Avoidance of Negative Real Interest Rates			6.0	8.0	8.0	8.0	6.0	7.0
(v) Controls on Interest Rates						4.5	3.0	3.0
B. Regulation of Labor Markets					3.6	6.0	4.9	4.8
(i) Impact of Minimum Wage						5.9	3.5	3.5
(ii) Flexibility in Hiring & Firing					3.4	3.4	1.6	1.3
(iii) Collective Bargaining					4.5	4.5	2.5	2.2
(iv) Incentives from Unemployment Benefits						6.4	6.8	6.8
(v) Military Conscription	3.0	3.0	1.0	10.0	3.0	10.0	10.0	10.0
C. Regulation of Business						4.0	5.2	3.7
(i) Price Controls					2.0	4.0	4.0	2.0
(ii) Administrative Obstacles for New Businesses							5.1	1.7
(iii) Time Spent with Government Bureaucracy						4.3	7.1	5.8
(iv) Ease of Starting a New Business						3.7	5.7	4.4
(v) Irregular Payments to Government Officials						3.9	4.1	4.7