

Economic Freedom of the World

2008 Annual Report

James Gwartney
Florida State University

Robert Lawson
Capital University

with the assistance of Joshua Hall
Beloit College

with

Seth Norton
Wheaton College

Economic Freedom Network
2008

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Data Available to Researchers

The full data set, including all of the data published in this report as well as data omitted due to limited space, can be freely downloaded at <<http://www.freetheworld.com>>. If you are using the data across time periods, it would be better to use the chain-link series presented in Chapter 1, exhibit 1.5, and available at the website, for reasons outlined in that chapter. If you have any difficulties downloading the data, please feel free to contact us via e-mail to freetheworld@fraserinstitute.org or via telephone at +1.604.714.4563.

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James Gwartney & Robert Lawson

About the Authors

James D. Gwartney

James Gwartney holds the Gus A. Stavros Eminent Scholar Chair at Florida State University, where he directs the Stavros Center for the Advancement of Free Enterprise and Economic Education. He is a coauthor of *Economics: Private and Public Choice* (Cengage/South-Western Press), a widely used text on the principles of economics that is now in its twelfth edition. He is also a coauthor of an economics primer, *Common Sense Economics: What Everyone Should Know about Wealth and Prosperity* (St. Martin's Press, 2005). His publications have appeared in both professional journals and popular media such as the *Wall Street Journal* and the *New York Times*. He served as Chief Economist of the Joint Economic Committee of the US Congress during 1999/2000. He was invited by the incoming Putin Administration in March 2000 to make presentations and have discussions with leading Russian economists concerning the future of the Russian economy. In 2004, he was the recipient of the Adam Smith Award of the Association of Private Enterprise Education for his contribution to the advancement of free-market ideals. He is the current President of the Southern Economic Association. His Ph.D. in economics is from the University of Washington.

Robert A. Lawson

Robert Lawson is Associate Professor in the Department of Finance at Auburn University where he is Co-Director of the Center for International Finance and Global Competitiveness and Director of the Economic Freedom Initiative. Previously, he taught at Capital University, where he held the George H. Moor Chair, and Shawnee State University. Professor Lawson has numerous professional publications in journals such as *Public Choice*, *Cato Journal*, *Kyklos*, *Journal of Labor Research*, *Journal of Institutional and Theoretical Economics*, and *European Journal of Political Economy*. He has served as president of the Association of Private Enterprise Education and is a member of the Mont Pelerin Society. He writes regularly for <www.divisionoflabour.com>. He earned his B.S. in economics from the Honors Tutorial College at Ohio University and his M.S. and Ph.D. in economics from Florida State University.

Joshua C. Hall

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

About the Contributor

Seth Norton

Seth Norton is Aldeen Professor of Business at Wheaton College. He holds a B.A. in history from Northwestern University, an M.B.A. in finance and industrial relations, and a Ph.D. in economics from the University of Chicago. Professor Norton has held teaching positions at Washington University, Illinois State University, and the University of Michigan. He has a broad teaching background, including economics, finance, marketing and strategy. Professor Norton's research record is also diverse: he has published in comparative economic systems, development economics, industrial organization, finance, marketing, and strategic management. Publications include works in the *Cato Journal*, *Economic Inquiry*, *Journal of Business*, *Journal of Corporate Finance*, *Journal of Economics & Management Strategy*, *Journal of Institutional and Theoretical Economics*, *Journal of Law & Economics*, *Marketing Science*, and *Strategic Management Journal*. Professor Norton was recently elected to the Board of Directors of the Western Economics Association International. He is currently studying the links between economic institutions and human well-being across countries, the role of culture in framing economic institutions, the role of information in firm performance, and alternative theories of competition.

About the Members of the Economic Freedom Network

Co-publishers of *Economic Freedom of the World*

Albania ♦ **Albanian Center for Economic Research (ACER)**

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

Argentina ♦ **Fundación Libertad**

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

Australia ♦ **Institute of Public Affairs**

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

Austria ♦ **TIGRA®**

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

Azerbaijan ♦ **Center for Economic and Political Research**

The Center for Economic and Political Research, Azerbaijan, is a non-profit, non-governmental, research institute founded in 1994. Its mission is to facilitate the country's democratization and economic liberalization and to increase the role of civil society. The main objectives of the Center's activities are analyzing the economic situation

and progress of market reforms, political processes, foreign political relations, and regional economic and political tendencies. The Center also conducts sociological surveys and holds conferences, round-tables, and seminars on different aspects of economic and political reforms in the country. ♦ E-mail: bagirov.sabit@gmail.com.

Bahamas ♦ The Nassau Institute

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

Bangladesh ♦ Making Our Economy Right (MOER)

MOER, 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 Ahmad. ♦ E-mail: drmanzur@citechco.net.

Belarus ♦ Scientific Research Mises Center

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

Belgium ♦ Centre for the New Europe

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

Bolivia ♦ Fundación Libertad y Democracia (FULIDE)

The Fundación Libertad y Democracia 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, FULIDE seeks to reflect Bolivia's participation in the global economy. ♦ E-mail: fulide@fulide.org.bo; website: <<http://www.fulide.org.bo>>.

Brazil ♦ Instituto Liberal do Rio de Janeiro

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

organizes seminars, and elaborates policy papers on subjects related to public policy. ♦ E-mail: ilrj@gbl.com.br; website: <http://www.institutoliberal.org.br>.

Bulgaria ♦ Institute for Market Economics

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

Burkina Faso ♦ Le Centre des Affaires Humaines (CEDAH)

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

Cambodia ♦ The Cambodia Institute of Development Study

The Cambodia Institute of Development Study (CIDS) is a non-profit, independent, local research institute founded in December 2004. The Institute's mission is to provide high-quality research on the local and provincial levels in the specialized areas of economics, natural resources and environment, agriculture and rural development, and public finance and governance, within the context of world integration. Its objectives are to generate and disseminate research on the national and provincial economies, and to enhance the capacity and promote the professional development of local resources by providing training and practical research opportunities. ♦ E-mail: k_cdrrot@yahoo.com.

Canada ♦ The Fraser Institute

Our vision is a free and prosperous world where individuals benefit from greater choice, competitive markets, and personal responsibility. Our mission is to measure, study, and communicate the impact of competitive markets and government interventions on the welfare of individuals. Founded in 1974, we are an independent research and educational organization with locations throughout North America and international partners in over 70 countries. Our work is financed by tax-deductible contributions from thousands of individuals, organizations, and foundations. In order to protect its independence, the Institute does not accept grants from government or contracts for research. ♦ E-mail: info@fraserinstitute.org; website: <http://www.fraserinstitute.org>, <http://www.freetheworld.com>.

Chile ♦ Instituto Libertad y Desarrollo

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

Colombia ♦ Instituto Libertad y Progreso (ILP)

Instituto Libertad y Progreso (ILP) is a research and educational institution based in Bogota and focused on institutional topics, both in Colombia and internationally. ILP is focused on constitutional reform, constitutional law, economic institutions, and political thought. ♦ E-mail: andresmejia@cable.net.co; website: <http://www.libertadyprogreso.net>.

Costa Rica ♦ Instituto para la Libertad y el Análisis de Políticas

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

INLAP produces timely analyses of proposed laws, decrees, and regulations, and its recommendations provide guidance for elected officials who seek to achieve greater individual liberty and creativity and a more productive economy. It also conducts detailed studies of well-meant public policies that may ultimately have unintended adverse effects. The Institute's studies and recommendations are published in books, journals, and newspapers, appear as position papers and bulletins, and are also available via our website. ♦ E-mail: inlapp@racsa.co.cr; website: <http://www.inlap.org>.

Croatia ♦ The Institute of Economics

The Institute of Economics, Zagreb, established in 1939, is a major scientific and research institution for the study of economic processes and the application of contemporary theories in economics. The Institute's objective is the economic and social advance of Croatia. Research encompasses both 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. ♦ E-mail: ssvaljek@eizg.hr; website: <http://www.eizg.hr/>.

Czech Republic ♦ Liberální Institut

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

Denmark ♦ Center for Politiske Studier (CEPOS)

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

Dominican Republic ♦ Fundación Economía y Desarrollo, Inc.

The Fundación Economía y Desarrollo, Inc. (FEyD) is a private, non-profit organization dedicated to fostering competitive markets, private enterprise, and strategies that promote economic development. To meet its objectives, FEyD has several regular publications in the most important newspapers in the country. It also produces a one-hour television program called "Triálogo," which is broadcast three times a week and explains studies of the performance of the Dominican economy and its sectors. ♦ E-mail: feyd01@tricom.net.

Ecuador ♦ Instituto Ecuatoriano de Economía Política

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

Estonia ♦ International University Audentes

The International University Audentes is the international institute of Audentes University, the biggest private university in Estonia. The university was established in 1992. Our mission is to encourage and enable our students to develop their professional, academic and personal abilities, as creative, progressive, committed individuals, to the very highest standards, so that they might best contribute to economic, social, cultural, intellectual and political life at national, European and global levels. We aim to be the leader in international education in North-Eastern Europe. ♦ E-mail: university@audentes.eu; website: <http://www.audentes.eu>.

France ♦ Association pour la Liberté Economique et le Progrès Social (ALEPS)

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 has 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 inequality, and a loss of moral virtues and spiritual values. ALEPS provides the political and intellectual push towards this necessary revival. ♦ E-mail: jacques.garello@univ.u-3mrs.fr; website: <http://www.libres.org>.

Georgia ♦ Society for Disseminating Economic Knowledge: New Economic School—Georgia

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

Germany ♦ Liberales Institut

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

Ghana ♦ The Institute of Economic Affairs

The Institute of Economic Affairs (IEA), Ghana was founded in October 1989 as an independent, non-governmental institution dedicated to the establishment and strengthening of a market economy and a democratic, free, and open society. It considers improvements in the legal, social, and political institutions as necessary conditions for sustained economic growth and human development. The IEA supports research and promotes and publishes studies on important economic, socio-political, and legal issues in order to enhance understanding of public policy. ♦ E-mail: iea@ieaghana.org; Tel: 233-21-244716/233-21-7010714; Fax: 233-21-222313.

Guatemala ♦ Centro de Investigaciones Económicas Nacionales

The Centro de Investigaciones Económicas Nacionales (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. ♦ E-mail: cien@cien.org.gt; website: <http://www.cien.org.gt>.

Haiti ♦ Institut de Recherche pour la Liberté Économique et la Prospérité (IRLEP)

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

Hong Kong ♦ Hong Kong Centre for Economic Research

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

Hungary ♦ Szazadveg Foundation

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

Iceland ♦ Centre for Social and Economic Research (RSE)

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

India ♦ Centre for Civil Society

The Centre for Civil Society (CCS) is an independent, non-profit, research and educational organization inaugurated on August 15, 1997 and devoted to improving the quality of life for all citizens of India. The CCS maintains that, having earlier attained their political independence from an alien state, the Indian people must now seek economic, social, and cultural independence from the Indian state. This can work from two directions simultaneously: a “mortar” program of building or rebuilding the institutions of civil society and a “hammer” program of readjusting the size and scope of the political society. The CCS conducts monthly dialogues on topical issues to introduce classical liberal philosophy and market-based solutions into public debate. It has published *Agenda for Change*, a

volume in 17 chapters that outlines policy reforms for the Indian government, Israel Kirzner's *How Markets Work*, and *Self-Regulation in the Civil Society*, edited by Ashok Desai. It organizes Liberty and Society seminars for college students and journalists. ♦ E-mail: parth@ccsindia.org; website: <<http://www.ccsindia.org>>.

Indonesia ♦ **The Institute for Development of Economics and Finance**

E-mail: Indef@indo.net.id; website: <<http://home.indo.net.id/~indef/>>.

Ireland ♦ **Open Republic Institute**

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

Israel ♦ **Jerusalem Institute for Market Studies**

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

Italy ♦ **Centro Einaudi**

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

Ivory Coast ♦ **Bureau d'Analyse d'Ingenierie et de Logiciels (BAILO)**

E-mail: bailo@afribone.net.ml.

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

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

Korea ♦ **Center for Free Enterprise**

The Center for Free Enterprise (CFE) is a foundation committed to promoting free enterprise, limited government, freedom and individual responsibility, the rule of law and restraint of violence. Funded by the members of the Federation of Korean Industries (FKI), the CFE was founded as a non-profit, independent foundation

on April 1, 1997, at a time of economic crisis in Korean society. The CFE has concentrated on championing a free economy through books and reports on public policies, statistics, and analyses. In workshops and policy forums, the CFE has put forward alternatives to policies proposed as solutions for issues facing Korean society. ♦ E-mail: csn@cfе.org; website: <http://www.cfe.org>.

Kyrgyz Republic ♦ Economic Policy Institute—Bishkek Consensus

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

Lithuania ♦ Lithuanian Free Market Institute

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

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 debureaucratization 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. ♦ E-mail: AstaT@freema.org; website: <http://www.freema.org>.

Luxembourg ♦ D'Letzeburger Land

E-mail: info@mmp.lu

Mexico ♦ Centro de Investigación para el Desarrollo A.C.

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

Mongolia ♦ Open Society Forum

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

Montenegro ♦ The Center for Entrepreneurship and Economic Development (CEED)

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

Nepal ♦ The Prosperity Foundation

E-mail: robsitoula@gmail.com.

New Zealand ♦ The New Zealand Business Roundtable

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

Nigeria ♦ Initiative of Public Policy Analysis

The Initiative of Public Policy Analysis (IPPA) is a private, non-profit organization involved in research, education, and publication on matters affecting the freedom of individuals. Its objective is to provide market-oriented analysis of current and emerging policy issues, with a view to influencing the public debate and the political decision-making process. ♦ E-mail: info@ippanigeria.org; website: <http://www.ippanigeria.org>; mail: P.O. Box 6434 Shomolu, Lagos-Nigeria.

Norway ♦ Center for Business and Society Incorporated (Civita)

Civita, the first market-oriented think tank in Norway, was established in 2004. It strives for increased consensus on important market economic principles and their implications for welfare, freedom, and democracy. Civita is also dedicated to promoting personal responsibility and civil society to achieve larger, more important roles in society's development. To communicate its ideas to the public, it conducts research, publishes reports and holds seminars and conferences. ♦ E-mail: Dag.Ekelberg@civita.no; website: <http://www.civita.no>.

Oman ♦ International Research Foundation (IRF)

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

The vision of IRF is to create wealth and jobs through the promotion of economic freedom. Its mission is to measure, research, and communicate to a global audience the impact of competitive markets on the

welfare of individuals. The Board of Trustees of the IRF consists of high profile private-sector members from different organizations. IRF has initiated the establishment of a network of academic researchers to facilitate research projects, which will help in its endeavor to research economic issues affecting the daily life of individuals. ♦ E-mail: azzan@ociped.com; website: www.irfoman.org.

Pakistan ♦ Alternate Solutions Institute

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

Palestine ♦ Pal-Think for Strategic Studies

Pal-Think for Strategic Studies is an independent, non-profit, institute in Gaza, Palestine. It was established in March 2007. Pal-Think's mission is to promote peace, freedom, and prosperity through debate on public issues, producing policy recommendations for the decision-makers in Palestine and the Middle East. The main objective of Pal-Think is to conduct research on thematic issues that serve as a basis for policy debates on matters that are important to the Palestinians, the region, and the international community.

To achieve its vision of being a leading think tank in Palestine and the Middle East, Pal-Think also organizes conferences, workshops, round-table discussions, and other events on specific issues in Palestine and the region to deepen the understanding by the various constituencies and to provide appropriate policy solutions. ♦ E-mail: omar@palthink.org; website: <http://www.palthink.org>.

Panama ♦ Fundación Libertad

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

Peru ♦ Centro de Investigación y Estudios Legales (CITEL)

CITEL was organized in 1989. Its principal field is the economic analysis of law. To that end, it conducts research on different legal institutions, publishes books, and organizes seminars and colloquia. ♦ E-mail: enrique@ghersi.com.

Philippines ♦ The Center for Research and Communication

The Center for Research and Communication (CRC) has, since 1967, conducted research and published works on domestic and international economic and political issues that affect the Asia-Pacific region. It provides forums for discussion and debate among academicians, businessmen, civil officials, and representatives of other sectors that shape public opinion and chart the course of policies. CRC is the main research arm of the University of Asia and the Pacific in Metro Manila, Philippines, and currently serves as the Secretariat of the Asia Pacific Economic Cooperation (APEC) Business Advisory Council. ♦ E-mail: crcfi@info.com.ph; website: <http://www.crc.org.ph>.

Poland ♦ Centrum im. Adama Smitha

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

Portugal ♦ Causa Liberal

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

Romania ♦ Romania Think Tank

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

Russia ♦ Institute of Economic Analysis

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

Serbia ♦ Free Market Center (FMC)

Free Market Center (FMC) is a non-profit, non-governmental organization founded in 2001. It is the only free-market think-tank in Serbia. The Center promotes the understanding and acceptance of ideas like individual liberty, the free-market economy, limited government, and peaceful cooperation. To that end, the FMC strives to achieve greater involvement in redirecting the attention not only of leading thinkers but also of members of the public, entrepreneurs, policy-makers, and students to the role of free markets and the proper role of government. Through publications, discussion forums, and conferences, the Center seeks to disseminate classical liberal ideas. ♦ E-mail: fmc@yubc.net; website: <<http://www.fmc.org.yu>>.

Slovak Republic ♦ The F.A. Hayek Foundation

The F.A. Hayek Foundation is an independent and non-partisan, non-profit organization that provides a forum for the exchange of opinions among scholars, businessmen, and policy-makers on the causes of, and solutions to, economic, social, and political problems. It proposes practical reforms of the economy, education, social security, and legislation as the Slovak Republic is transformed into an open society. Education of high-

school and university students is a large part of its activities. The F.A. Hayek Foundation promotes classical liberalism, which was virtually absent until 1989: market economy, reduced role of the government, rule of law and individual choice, responsibilities and rights to life, liberty, and property. ♦ E-mail: hayek@hayek.sk; website: <<http://www.hayek.sk>>.

Slovenia ♦ Free Society Institute

The Free Society Institute (FSI) is a Slovenian non-partisan, economic-policy and research think-tank founded in 2006. Its mission is to promote in Slovenia the principles of a free society such as economic and individual freedom, self-initiative, and limited government with low public spending and taxes in order to abolish privileges of interest groups and strengthen private property and, thus, make Slovenia a more people friendly, competitive, and less administrative nation. The FSI believes in the power of freedom, individual reason, and their self-initiative, which leads to happiness and prosperity for everyone. Only free people are able to think productively. The FSI achieves its mission through the *Tribunal*, a biweekly, free-of-charge, newspaper. Email: contact@fsi-institute.si; website: <<http://www.fsi-institute.si>>.

South Africa ♦ The Free Market Foundation of Southern Africa

The Free Market Foundation is an independent policy research and education organization founded in 1975 to promote the principles of limited government, economic freedom and individual liberty in Southern Africa. Funding is received from members (corporate, organizational and individual), sponsorships, and the sale of publications. ♦ E-mail: fmf@mweb.co.za; website: <<http://www.freemarketfoundation.com>>.

Sri Lanka ♦ The Pathfinder Foundation

The Pathfinder Foundation has replaced the Center for Policy Research. Through informed and well-researched information, it seeks to challenge old ideas and the conventional wisdom, stimulate debate, change public attitudes, and seek new and innovative solutions to the economic and social problems of Sri Lanka. ♦ E-mail: info@pathfinderfoundation.org.

Sweden ♦ Timbro

Timbro is a Swedish think-tank that encourages public opinion to favour free enterprise, a free economy, and a free society. Timbro publishes books, papers, reports, and the magazine, *Smedjan*. It also arranges seminars and establishes networks among people. Founded in 1978, Timbro is owned by the Swedish Free Enterprise Foundation, which has as its principals a large number of Swedish companies and organizations. ♦ E-mail: fredrik.erixon@timbro.se; website: <<http://www.timbro.se>>.

Switzerland ♦ Liberales Institut

The Liberales Institut is a forum where the basic values and concepts of a free society can be discussed and questioned. The Institute's aim is the establishment of free markets as the best way towards the goals of openness, diversity, and autonomy. The Liberales Institut is not associated with any political party. Through publications, discussion forums, and seminars, it seeks to develop and disseminate classical liberal ideas. ♦ E-mail: libinst@libinst.ch; website: <<http://www.libinst.ch/>>.

Trinidad and Tobago ♦ Arthur Lok Jack Graduate School of Business, The University of the West Indies

The Arthur Lok Jack Graduate School of Business was created in 1989 as a channel partner for developing managerial talent for the business community in Trinidad and Tobago. Its mission is to empower people and organizations in developing nations to optimize their performance capabilities and international competitiveness through development and deployment of consulting; education, research, and training resources. One of the Institute's core services are business and academic research in areas of real concern to business managers, enabling them to improve their ability to manage successfully in the face of increasingly complex markets. ♦ E-mail: r.balgobin@gsb.tt; website: <<http://www.gsb.tt>>.

Turkey ♦ Association for Liberal Thinking

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

Ukraine ♦ The Ukrainian Center for Independent Political Research

The Ukrainian Center for Independent Political Research (UCIPR) was established in early 1991 as a non-profit, non-partisan, and non-governmental research institution that would increase awareness of democracy among the Ukrainian people and analyze domestic and international politics and security. The UCIPR is politically independent; it does not accept any funding from either the state or any political party. The UCIPR publishes books and research papers on Ukraine's domestic and foreign policy, the economy in transition, security, relations with 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. ♦ E-mail: maxim@uncpd.kiev.ua; website: <http://www.ucipr.kiev.ua>.

United Kingdom ♦ Institute of Economic Affairs (IEA)

The mission of the Institute of Economic Affairs (IEA) is to improve public understanding of the foundations of a free and harmonious society by expounding and analyzing the role of markets in solving economic and social problems, and bringing the results of that work to the attention of those who influence thinking. The IEA achieves its mission by a high-quality publishing program; conferences, seminars, and lectures on a range of subjects; outreach to school and college students; brokering media introductions and appearances; and other related activities. Incorporated in 1955 by the late Sir Antony Fisher, the IEA is an educational charity, limited by guarantee. It is independent of any political party or group, and is financed by sales of publications, conference fees, and voluntary donations. ♦ E-mail: pbooth@iea.org.uk; website: <http://www.iea.org.uk>.

United States of America ♦ Cato Institute

Founded in 1977, the Cato Institute is a research foundation dedicated to broadening debate about public policy to include more options consistent with the traditional American principles of limited government, individual liberty, free markets, and peace. To that end, the Institute strives to achieve greater involvement by the intelligent, concerned, lay public in questions of policy and the proper role of government through an extensive program of publications and seminars. ♦ E-mail: ivasquez@cato.org; website: <http://www.cato.org>.

Venezuela ♦ The Center for the Dissemination of Economic Knowledge (CEDICE)

CEDICE is a non-partisan, non-profit, private association dedicated to the research and promotion of philosophical, economic, political, and social thinking that focuses on individual initiative and a better understanding of the free-market system and free and responsible societies. To this end, CEDICE operates a library and bookstore, publishes the series, *Venezuela Today*, and other studies, provides economic training for journalists, and conducts special events and community programs. ♦ E-mail: cedice@cedice.org.ve; website: <http://www.cedice.org.ve>.

Vietnam ♦ Research Center for Entrepreneurship Development

The Center, founded in 2004, is a non-government research and educational organization devoted to entrepreneurial development of private sector in Vietnam. Its mission is to study the development of policies that create the most favorable institutional and policy environment for entrepreneurial development of the private sector

in Vietnam. Through publications, discussion forums, and conferences, the Center seeks to disseminate and encourage appropriate policies and entrepreneurial development. ♦ E-mail: manhcuongiss@gmail.com; website: <http://www.rced.com.vn>.

Zambia ♦ The Zambia Institute for Public Policy Analysis (ZIPPA)

The mission of the Zambia Institute for Public Policy Analysis (ZIPPA) is to promote wider appreciation of the key role of free markets and competition in economic development. Zambia, though peaceful and stable, is currently mired in a combination of protracted poverty, the HIV/AIDS pandemic, political animosities following a disputed election, and scepticism about economic liberalization. In this depressing environment, ZIPPA wants to play a constructive role by promoting realistic economic policies and by suggesting solutions that have been successfully applied in other countries to similar economic problems. ♦ E-mail: zippamail@gmail.com.

Executive Summary

Economic Freedom of the World

The index published in *Economic Freedom of the World* measures the degree to which the policies and institutions of countries are supportive of economic freedom. The cornerstones of economic freedom are personal choice, voluntary exchange, freedom to compete, and security of privately owned property. Forty-two variables are used to construct a summary index and to measure the degree of economic freedom in five broad areas: (1) size of government; (2) legal structure and security of property rights; (3) access to sound money; (4) freedom to trade internationally; and (5) regulation of credit, labor and business.

Economic freedom has grown considerably in recent decades

- ◆ The chain-linked summary index (exhibit 1.5) permits comparison over time. The average economic freedom score rose from 5.46 (out of 10) in 1980 to 6.65 in the most recent year for which data are available.
- ◆ Of the 102 nations with chain-linked scores going back to 1980, 89 saw an improved score and 13 saw a decrease.
- ◆ Ten nations increased their score by more than 2.5 points since 1980: Ghana (4.12), Uganda (3.37), Israel (3.26), Peru (2.92), Jamaica (2.89), Iran (2.87), Hungary (2.80), El Salvador (2.74), Nicaragua (2.56), and Turkey (2.53).
- ◆ Only three nations decreased their score by more than one point: Zimbabwe (−1.93), Venezuela (−1.83), and Myanmar (−1.16).
- ◆ In this year's index, Hong Kong retains the highest rating for economic freedom, 8.94 out of 10. The other top-10 nations are Singapore (8.57), New Zealand (8.28), Switzerland (8.20), United Kingdom (8.07), Chile (8.06), Canada (8.05), United States (8.04), Australia (8.04), and Ireland (7.92).
- ◆ The rankings of other large economies are Germany, 17 (7.64); Japan, 27 (7.48); France, 45 (7.19); Italy, 49 (7.15); Mexico, 58 (6.98); India, 77 (6.59); China, 93 (6.29); Brazil, 96 (6.16); and Russia, 101 (6.12).
- ◆ Eight of the nations in the bottom 11 are African. The other two nations are Venezuela and Myanmar. The bottom-10 nations are Burundi (5.23), Rwanda (5.23), Chad (5.12), Central African Republic (5.01), Guinea-Bissau (5.01), Venezuela (4.76), Niger (4.67), Republic of Congo (4.64), Myanmar (4.19), Angola (4.10), and Zimbabwe (2.67).

Nations that are economically free perform better than non-free nations in indicators of well-being

- ◆ Nations in the top quartile of economic freedom have an average per-capita GDP of \$31,480 in 2006, compared to \$3,882 for those nations in the bottom quartile in constant 2005 international dollars (exhibit 1.6).

- ◆ The top quartile has an average per-capita economic growth rate of 2.31%, compared to 0.50% for the bottom quartile (exhibit 1.7).
- ◆ In nations of the top quartile, the average income of the poorest 10% of the population is US\$8,730, compared to \$961 for those in the bottom quartile, in constant 2005 international dollars averaged over the period from 1990 to 2006 (exhibit 1.12).
- ◆ Life expectancy is 79 years in the top quartile compared to 58 years in the bottom quartile (exhibit 1.13).
- ◆ Nations in the top quartile of economic freedom have an average score of 1.87 for political rights on a scale of 1 to 7, where 1 marks the highest level, while those in the bottom quartile have an average score of 4.39 (exhibit 1.15).
- ◆ Nations in the top quartile of economic freedom have an average score of 1.68 for civil liberties on a scale of 1 to 7, where 1 marks the highest level, while those in the bottom quartile have an average score of 4.06 (exhibit 1.15).
- ◆ Nations in the top quartile of economic freedom have an average score of 84.7 (out of 100 where a higher value indicates a greater environmental performance) for environmental performance, while those in the bottom quartile have an average score of 63.8 (exhibit 1.16).

Economic Freedom and Poverty

A global effort has been devoted to reducing world poverty. Some claim poverty can be best combated by foreign aid. Others point to the importance of domestic policies, such as those that support or weaken economic freedom. In chapter 2, Seth Norton and James Gwartney investigate the connection between economic freedom and poverty. Using various measures of poverty, they find a strong positive relationship between economic freedom and poverty reduction and call for more research in this area. Among their findings are the following.

- ◆ Both the \$1-per-day and the \$2-per-day poverty rates have declined since 1980. Various non-pecuniary indicators of poverty also imply that the well-being of the poor has improved during the past quarter of a century (exhibits 2.2 and 2.3).
- ◆ The average \$1-per-day poverty rate is 32.1% for nations (un-weighted by population) with levels of economic freedom (EFW scores) below five, compared to 11.7% for nations with EFW scores between six and seven (exhibit 2.4). Because data are not available for developed and many advanced developing nations on the \$1-per-day poverty rate, there are no nations in the relevant data set with EFW scores above seven.
- ◆ In an initial econometric investigation of economic freedom and poverty between 1980 and 2004, the authors found that, when the initial 1980 EFW summary rating was one unit higher, countries saw an increased reduction in the \$1-per-day poverty rate of 4.68 percentage points between 1980 and 2004. A one-unit increase in the EFW rating between 1980 and 1995 was associated with a reduction of 5.21 percentage points in the \$1-per-day poverty rate (exhibit 2.6).
- ◆ Chapter 2 investigates why the poverty rate is higher in sub-Saharan Africa than elsewhere. It finds that average EFW scores are lower for sub-Saharan Africa than for other regions: the average for sub-Saharan Africa was 5.71; for Central and South America, 6.66; for Asia, 6.26; for the former Soviet Bloc, 6.76; and for the G7, 7.66. The authors show this pattern also holds for area ratings that are key for economic growth (exhibit 2.8).

Policy implications

- ◆ Globally, developing nations need to focus on improving levels of economic freedom to reduce poverty.
- ◆ The nations of sub-Saharan Africa nations need to increase levels of economic freedom particularly by:
 - ◆ removing trade barriers so that African nations, most of which are small, can enjoy the benefits generated by division of labor, economies of scale, and specialization;
 - ◆ building the rule of law to protect property rights, encourage investment, and reduce corruption;
 - ◆ simplifying business regulations by eliminating unnecessary regulatory barriers, reducing the need for pay-offs and thus corruption, and lowering the administrative costs of business.

Data Available to Researchers

The full data set, including all of the data published in this report as well as data omitted due to limited space, can be freely downloaded at <http://www.freetheworld.com>. If you are using the data across time periods, it would be better to use the chain-link series presented in Chapter 1, Exhibit 1.5, and available at the website, for reasons outlined in that chapter. If you have any difficulties downloading the data, please feel free to contact us via e-mail to freetheworld@fraserinstitute.org or via telephone at +1.604.714.4563.

**Economic Freedom of the World
2008 Annual Report**

Chapter 1: Economic Freedom of the World, 2006

It has now been 22 years since the Economic Freedom of the World (EFW) project was initiated with a series of conferences sponsored by the Fraser Institute and hosted by Milton Friedman and Michael Walker. From the very beginning, the objective was to develop a comprehensive measure of economic freedom for a large number of countries. The EFW index now incorporates 42 different components (or sub-components) and uses them to measure how consistent the institutions and policies of 141 countries are with economic freedom. This report is now published annually by a network of institutes in more than 70 countries.

What Does the EFW Index Measure?

The EFW index is designed to measure the consistency of a nation's institutions and policies with economic freedom. The key ingredients of economic freedom are

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

These four cornerstones underpin the design of the EFW index. In order to achieve a high EFW rating, a country must provide secure protection of privately owned property, even-handed enforcement of contracts, and a stable monetary environment. It also must keep taxes low, refrain from creating barriers to both domestic and international trade, and rely more fully on markets rather than the political process to allocate goods and resources.

Institutions and policies are consistent with economic freedom when they provide an infrastructure for voluntary exchange and protect individuals and their

property from aggressors. Personal ownership of self is an underlying postulate of economic freedom. Self ownership means individuals have a right to choose—to decide how they will use their time and talents. On the other hand, they do not have a right to the time, talents, and resources of others. Thus, they do not have a right to take things from others or demand that others provide things for them.

It is important to recognize the difference between economic freedom and democracy. Democracy has to do with how political choices are made, while economic freedom is about the consistency of those choices with voluntary exchange and the protection of people and their property from aggressors. Political democracy is present when all adult citizens are free to participate in the political process (vote, lobby, and choose among candidates), and when political outcomes are determined through fair and open elections. Political restrictions that inhibit personal choice, voluntary exchange, the opportunity to compete, and the right of individuals to keep what they earn are in conflict with economic freedom. This is true, regardless of whether they are adopted by democratic or non-democratic procedures.

Clearly, democratic political decision-making will not guarantee economic freedom. Voters may elect political leaders who substantially restrict economic freedom. In recent years, this has been the case in both Venezuela and Zimbabwe. The experiences of India and Israel during the period from 1960 to 1990 also illustrate the potential conflict between political democracy and economic freedom. Interestingly, it is also possible for a country with very little democracy to nonetheless have a substantial amount of economic freedom. Hong Kong during the last several decades provides an example.

The differences between economic freedom and democracy highlight the importance of measuring economic freedom. Armed with this measure, we will be able to track changes in economic freedom in various countries and investigate how these changes affect growth rates, income levels, and other indicators of performance.

The Economic Freedom of the World Index

The construction of the index published in *Economic Freedom of the World* is based on three important methodological principles. First, objective components are always preferred to those that involve surveys or value judgments. Given the multidimensional nature of economic freedom and the importance of legal and regulatory elements it is sometimes necessary to use data based on surveys, expert panels, and generic case studies. To the fullest extent possible, however, the index uses objective components. Second, the data used to construct the index ratings are from external sources such as the International Monetary Fund, World Bank, and World Economic Forum that provide data for a large number of countries. Data provided directly from a source within a country are rarely used, and only when the data are unavailable from international sources. Importantly, the value judgments of the authors or others in the Economic Freedom Network are never used to alter the raw data or the rating of any country. Third, transparency is present throughout. The report provides information about the data sources, the methodology used to transform raw data into component ratings, and how the component ratings are used to construct both the area and summary ratings. Complete methodological details can be found in Appendix 1: Explanatory Notes and Data Sources (page 183). The entire data set used in the construction of the index is freely available to researchers at www.freetheworld.com.

Exhibit 1.1 indicates the structure of the EFW index. The index measures the degree of economic freedom present in five major areas:

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

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

areas. In turn, the five area ratings are averaged to derive the summary rating for each country. The following section provides an overview of the five major areas.

1 Size of Government: Expenditures, Taxes and Enterprises

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

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

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

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

2 Legal Structure and Security of Property Rights

Protection of persons and their rightfully acquired property is a central element of economic freedom and a civil society. Indeed, it is the most important function of government.

Exhibit 1.1: 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
- D Top marginal tax rate
 - i Top marginal income tax rate
 - ii Top marginal income and payroll tax rates

2 Legal Structure and Security of Property Rights

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

3 Access to Sound Money

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

4 Freedom to Trade Internationally

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

B Regulatory trade barriers

- i Non-tariff trade barriers (GCR)
- ii Compliance cost of importing & exporting (DB)

C Size of trade sector relative to expected

D Black-market exchange rates

E International capital market controls

- i Foreign ownership/investment restrictions (GCR)
- ii Capital controls

5 Regulation of Credit, Labor, and Business

A Credit market regulations

- i Ownership of banks
- ii Foreign bank competition
- iii Private sector credit
- iv Interest rate controls/negative real interest rates

B Labor market regulations

- i Minimum wage (DB)
- ii Hiring and firing regulations (GCR)
- iii Centralized collective bargaining (GCR)
- iv Mandated cost of hiring (DB)
- v Mandated cost of worker dismissal (DB)
- vi Conscription

C Business regulations

- i Price controls
- ii Administrative requirements (GCR)
- iii Bureaucracy costs (GCR)
- iv Starting a business (DB)
- v Extra payments/bribes (GCR)
- vi Licensing restrictions (DB)
- vii Cost of tax compliance (DB)

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 three primary sources: the *International Country Risk Guide*, the *Global Competitiveness Report*, and the World Bank's *Doing Business* project.

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

3 Access to Sound Money

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

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

There are four components to the EFW index in Area 3. All of them are objective and relatively easy to obtain and all have been included in the earlier editions

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

4 Freedom to Trade Internationally

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

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

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

5 Regulation of Credit, Labor, and Business

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

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

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

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

Construction of Area and Summary Ratings

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

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

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

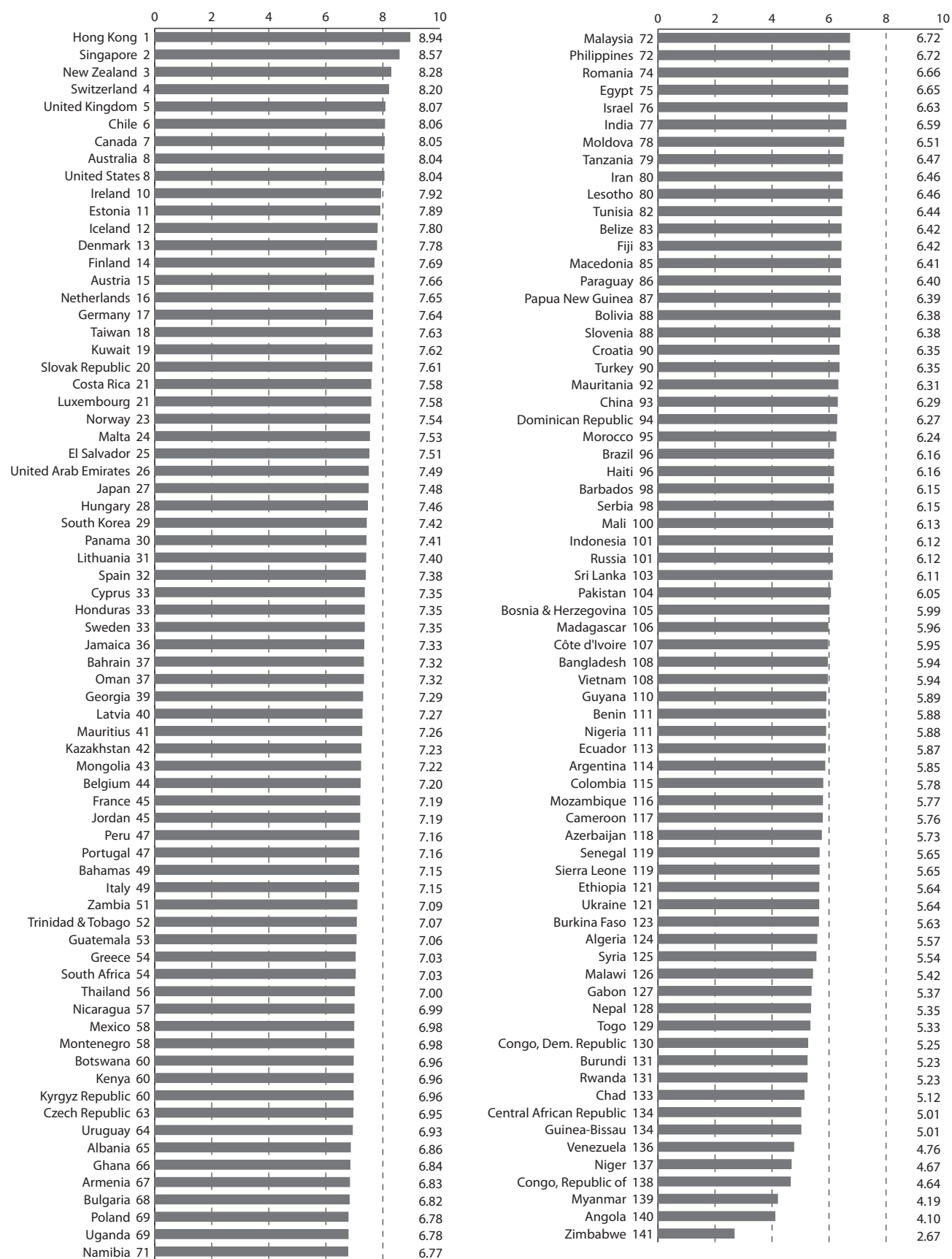
As the result of these two considerations, we organize the elements of the index in a manner that seems sensible to us but we make no attempt to weight the components in any special way when deriving either area or summary ratings. Of course, the component and sub-component data are available to researchers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

Summary Economic Freedom Ratings, 2006

Exhibit 1.2 presents a summary of economic freedom ratings, sorted from highest to lowest. These ratings are for the year 2006, the most recent year for which comprehensive data are available. Hong Kong and Singapore, once again, occupy the top two positions. The other nations in the top 10 are New Zealand, Switzerland, United Kingdom, Chile, Canada, United States, Australia, and Ireland. The ranks of other major countries include Germany (17th), Japan (27th), South Korea (29th), Spain (32nd), France (45th), Italy (49th), Mexico (58th), India (77th), China (93rd), Brazil (96th) and Russia (101st). The lowest-rated countries are Burundi, Rwanda, Chad, Central African Republic, Guinea-Bissau, Venezuela, Niger, Republic of Congo, Myanmar, Angola and, in last place, Zimbabwe. (There are eleven countries because of a tie.)

The EFW index is calculated back to 1970 as the availability of data allows; see the Country Data Tables in Chapter 3 or our website, <<http://www.freetheworld.com>>, for information from past years. Because some data for earlier years may have been updated or corrected, researchers are always encouraged to use the data from the most recent annual report to assure the best-quality data.

Exhibit 1.2: Summary Economic Freedom Ratings, 2006



Area Economic Freedom Ratings (and Ranks), 2006

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

On the other hand, a number of developing nations show the opposite pattern. Albania makes an interesting case study. It shows that reasonably sized government alone is not enough to reap the benefits of economic freedom. The institutions of economic freedom, such as the rule of law and property rights, as well as sound money, trade openness, and sensible regulation are required. Albania ranked quite high at eighth in Size of Government: Expenditures, Taxes, and Enterprises (Area 1) and seventh in Sound Money (Area 3). However, Albania scored

poorly in all the other categories: 92nd in Legal Structure and Security of Property Rights (Area 2), 112th in Freedom to Trade Internationally (Area 4), and 113th in Regulation (Area 5). Despite relatively high ranks in a couple of areas, Albania's overall rank was only 65th.

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

The economies most open to foreign trade are Hong Kong and Singapore, followed by a number of European nations such as Ireland, the Netherlands, and Belgium. Some nations formerly of the Soviet bloc also rank fairly high in openness to trade: Slovak Republic (eighth), Estonia (tenth), and Czech Republic (twelfth). Chile is also highly open to foreign trade, ranking fourth in this area. The least regulated countries—those at the top in Regulation of Credit, Labor, and Business (Area 5)—were Iceland, New Zealand, Hong Kong, and Denmark.

Exhibit 1.3: Area Economic Freedom Ratings (Ranks), 2006

	AREAS					COMPONENTS OF AREA 5		
	1 Size of Government	2 Legal System & Property Rights	3 Sound Money	4 Freedom to Trade Internationally	5 Regulation	5A Credit Market Regulations	5B Labor Market Regulations	5C Business Regulations
	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Albania	8.07 (8)	4.94 (92)	9.57 (7)	5.93 (112)	5.80 (113)	7.12 (119)	4.98 (100)	5.31 (92)
Algeria	4.93 (115)	5.15 (86)	6.33 (124)	6.30 (98)	5.15 (127)	5.86 (132)	4.24 (118)	5.36 (89)
Angola	0.85 (141)	3.16 (130)	4.06 (139)	6.97 (62)	5.44 (124)	7.74 (97)	5.07 (98)	3.51 (135)
Argentina	7.48 (26)	4.35 (106)	6.17 (127)	6.32 (97)	4.94 (130)	6.70 (123)	4.06 (122)	4.05 (131)
Armenia	6.26 (76)	5.56 (75)	9.43 (22)	6.53 (86)	6.37 (86)	8.59 (73)	5.65 (78)	4.86 (107)
Australia	6.77 (57)	8.68 (6)	9.46 (21)	7.17 (48)	8.12 (13)	9.50 (15)	7.06 (28)	7.79 (12)
Austria	5.18 (108)	8.67 (7)	9.54 (9)	7.68 (20)	7.22 (41)	9.15 (41)	4.57 (110)	7.96 (11)
Azerbaijan	3.64 (135)	5.67 (69)	7.10 (99)	6.38 (92)	5.86 (110)	7.23 (117)	5.65 (80)	4.69 (111)
Bahamas	7.85 (15)	8.47 (11)	7.04 (102)	4.23 (138)	8.17 (12)	9.56 (13)		
Bahrain	6.52 (68)	6.13 (53)	9.38 (26)	7.30 (40)	7.29 (37)	9.11 (45)	7.35 (20)	5.40 (86)
Bangladesh	8.04 (10)	3.12 (131)	6.60 (116)	5.82 (119)	6.10 (101)	7.42 (107)	6.25 (56)	4.64 (112)
Barbados	5.22 (106)	6.86 (35)	6.23 (126)	5.25 (132)	7.20 (42)	8.57 (75)	7.12 (27)	5.91 (62)
Belgium	4.31 (126)	7.02 (30)	9.51 (15)	8.06 (11)	7.09 (50)	8.65 (68)	5.14 (94)	7.47 (21)
Belize	4.34 (124)	5.84 (61)	8.04 (79)	5.47 (126)	8.43 (5)	9.63 (9)	7.62 (12)	8.05 (8)
Benin	7.20 (39)	4.33 (108)	6.86 (109)	5.25 (132)	5.78 (115)	9.15 (40)	3.89 (125)	4.31 (121)

Exhibit 1.3 (continued): Area Economic Freedom Ratings (Ranks), 2006

	AREAS					COMPONENTS OF AREA 5		
	1 Size of Government	2 Legal System & Property Rights	3 Sound Money	4 Freedom to Trade Internationally	5 Regulation	5A Credit Market Regulations	5B Labor Market Regulations	5C Business Regulations
	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Bolivia	6.20 (79)	4.11 (115)	8.66 (61)	7.29 (41)	5.63 (119)	8.08 (86)	4.22 (119)	4.58 (114)
Bosnia & Herzeg.	6.09 (81)	3.46 (125)	7.99 (80)	5.81 (120)	6.61 (73)	9.48 (16)	5.87 (67)	4.47 (116)
Botswana	5.04 (109)	6.80 (38)	8.62 (62)	6.91 (65)	7.45 (27)	9.41 (20)	6.76 (35)	6.17 (53)
Brazil	6.65 (62)	5.19 (85)	7.77 (86)	6.51 (87)	4.69 (138)	5.74 (133)	4.13 (121)	4.20 (128)
Bulgaria	4.95 (113)	5.61 (71)	8.76 (54)	7.64 (22)	7.11 (47)	9.22 (35)	7.03 (29)	5.09 (101)
Burkina Faso	5.52 (99)	4.03 (117)	6.80 (110)	5.36 (129)	6.45 (78)	8.65 (70)	5.21 (92)	5.48 (80)
Burundi	4.68 (118)	3.06 (133)	7.30 (93)	4.31 (137)	6.78 (68)	8.80 (62)	7.57 (13)	3.98 (132)
Cameroon	6.52 (68)	3.69 (121)	7.07 (101)	5.80 (121)	5.71 (117)	7.33 (113)	6.66 (37)	3.14 (138)
Canada	6.88 (53)	8.39 (14)	9.60 (6)	7.14 (52)	8.22 (10)	9.32 (28)	7.22 (23)	8.12 (7)
Central Afr. Rep.	6.32 (75)	2.99 (135)	6.80 (110)	4.03 (139)	4.91 (132)	7.08 (120)	3.51 (130)	4.13 (129)
Chad	6.45 (70)	2.28 (140)	6.12 (128)	5.93 (112)	4.81 (134)	5.38 (136)	4.63 (108)	4.41 (119)
Chile	7.50 (24)	6.99 (31)	9.14 (38)	8.40 (4)	8.24 (9)	9.23 (33)	7.94 (7)	7.56 (19)
China	5.00 (111)	5.93 (59)	8.22 (73)	7.47 (30)	4.83 (133)	7.30 (115)	3.24 (132)	3.96 (133)
Colombia	4.44 (122)	4.49 (105)	7.85 (84)	6.05 (108)	6.05 (103)	8.54 (76)	3.55 (129)	6.07 (56)
Congo, Dem. Rep.	7.24 (36)	2.06 (141)	7.25 (95)	5.43 (128)	4.26 (141)	2.80 (141)	6.54 (43)	3.43 (137)
Congo, Rep. of	3.90 (132)	2.35 (139)	5.71 (133)	6.02 (109)	5.22 (126)	5.71 (134)	5.73 (75)	4.23 (127)
Costa Rica	8.01 (12)	6.79 (39)	8.89 (50)	7.62 (23)	6.59 (74)	7.67 (101)	5.82 (70)	6.27 (50)
Côte d'Ivoire	7.35 (30)	3.36 (127)	6.88 (108)	5.97 (111)	6.21 (96)	7.35 (111)	5.25 (90)	6.02 (58)
Croatia	4.34 (124)	5.74 (65)	8.32 (68)	6.73 (77)	6.64 (72)	8.80 (60)	5.57 (85)	5.55 (76)
Cyprus	7.44 (27)	7.49 (23)	9.19 (36)	6.84 (68)	5.81 (112)	9.19 (38)	2.90 (138)	5.33 (91)
Czech Republic	4.49 (121)	6.16 (52)	9.30 (35)	7.92 (12)	6.88 (57)	8.86 (56)	6.07 (58)	5.72 (71)
Denmark	4.39 (123)	8.96 (2)	9.36 (28)	7.77 (16)	8.44 (4)	9.39 (22)	7.71 (11)	8.23 (5)
Dominican Rep.	7.80 (18)	4.63 (101)	5.58 (135)	6.96 (63)	6.37 (86)	7.83 (92)	5.85 (68)	5.43 (84)
Ecuador	8.03 (11)	4.06 (116)	5.06 (138)	6.58 (83)	5.60 (120)	7.90 (90)	3.82 (126)	5.09 (102)
Egypt	7.29 (34)	5.66 (70)	8.74 (56)	6.63 (80)	4.93 (131)	6.10 (130)	3.67 (127)	5.03 (104)
El Salvador	8.96 (2)	4.83 (96)	9.37 (27)	7.18 (47)	7.23 (40)	9.64 (8)	5.43 (87)	6.62 (38)
Estonia	7.03 (46)	7.35 (26)	9.32 (33)	8.14 (10)	7.59 (21)	9.95 (2)	5.16 (93)	7.67 (17)
Ethiopia	5.86 (89)	4.66 (99)	5.76 (132)	5.67 (122)	6.25 (92)	5.20 (138)	8.05 (6)	5.49 (78)
Fiji	6.08 (83)	5.61 (71)	6.56 (119)	5.45 (127)	8.40 (6)	9.66 (7)	8.12 (4)	7.42 (23)
Finland	5.03 (110)	9.01 (1)	9.52 (13)	7.43 (32)	7.47 (26)	9.62 (10)	4.34 (115)	8.45 (2)
France	4.11 (128)	7.53 (22)	9.51 (15)	7.38 (36)	7.40 (32)	9.13 (43)	5.65 (81)	7.42 (22)
Gabon	4.26 (127)	4.27 (113)	6.03 (130)	5.48 (125)	6.82 (64)	7.45 (106)	7.33 (21)	5.66 (72)
Georgia	7.42 (29)	4.95 (91)	9.07 (41)	7.44 (31)	7.55 (23)	9.40 (21)	6.56 (41)	6.69 (31)
Germany	5.82 (90)	8.59 (9)	9.47 (20)	7.88 (14)	6.47 (77)	7.75 (96)	3.99 (124)	7.68 (15)
Ghana	6.60 (66)	5.74 (65)	8.21 (74)	6.79 (72)	6.85 (61)	7.69 (99)	6.51 (45)	6.34 (47)
Greece	6.82 (55)	6.56 (43)	9.53 (11)	6.21 (101)	6.05 (103)	7.78 (94)	4.32 (116)	6.04 (57)
Guatemala	7.77 (19)	5.22 (83)	9.17 (37)	6.84 (68)	6.27 (90)	8.82 (59)	4.25 (117)	5.75 (70)
Guinea-Bissau	3.09 (136)	3.68 (122)	6.67 (114)	5.67 (122)	5.94 (108)	8.80 (61)	4.56 (111)	4.46 (117)
Guyana	3.06 (137)	4.56 (103)	7.79 (85)	7.67 (21)	6.39 (84)	7.93 (89)	5.79 (72)	5.45 (82)
Haiti	7.26 (35)	2.59 (137)	8.28 (70)	6.49 (88)	6.16 (100)	6.81 (122)	6.95 (33)	4.72 (109)
Honduras	8.94 (3)	4.85 (95)	8.94 (46)	7.23 (44)	6.79 (67)	8.63 (71)	5.84 (69)	5.89 (63)
Hong Kong	9.13 (1)	8.19 (16)	9.36 (28)	9.50 (1)	8.54 (3)	9.22 (34)	8.15 (3)	8.24 (4)
Hungary	5.70 (95)	6.68 (41)	9.48 (19)	8.24 (7)	7.18 (44)	9.01 (50)	5.89 (66)	6.65 (37)

Exhibit 1.3 (continued): Area Economic Freedom Ratings (Ranks), 2006

	AREAS					COMPONENTS OF AREA 5		
	1 Size of Government	2 Legal System & Property Rights	3 Sound Money	4 Freedom to Trade Internationally	5 Regulation	5A Credit Market Regulations	5B Labor Market Regulations	5C Business Regulations
	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Iceland	6.94 (51)	8.80 (5)	8.62 (62)	5.90 (116)	8.76 (1)	9.50 (14)	8.10 (5)	8.69 (1)
India	7.14 (41)	6.12 (54)	6.70 (113)	6.82 (71)	6.17 (98)	6.29 (129)	6.37 (51)	5.86 (64)
Indonesia	6.36 (73)	3.93 (120)	7.18 (97)	7.29 (41)	5.83 (111)	7.52 (104)	4.81 (106)	5.16 (98)
Iran	6.79 (56)	6.11 (55)	8.24 (71)	6.42 (91)	4.76 (136)	6.52 (127)	2.52 (139)	5.24 (95)
Ireland	6.38 (72)	7.89 (19)	9.52 (13)	8.31 (6)	7.49 (24)	8.33 (80)	6.45 (47)	7.68 (16)
Israel	3.83 (133)	6.22 (49)	9.14 (38)	7.56 (25)	6.38 (85)	7.50 (105)	4.88 (104)	6.77 (29)
Italy	5.99 (86)	6.26 (48)	9.42 (23)	7.24 (43)	6.84 (63)	8.65 (67)	5.95 (64)	5.91 (61)
Jamaica	8.51 (4)	5.36 (80)	8.86 (52)	7.05 (59)	6.87 (58)	8.72 (65)	6.29 (55)	5.60 (73)
Japan	6.23 (77)	7.90 (18)	9.72 (1)	5.87 (117)	7.69 (18)	8.31 (82)	7.50 (14)	7.27 (26)
Jordan	5.53 (98)	6.40 (46)	8.94 (46)	7.60 (24)	7.45 (27)	9.03 (49)	7.00 (30)	6.32 (49)
Kazakhstan	7.77 (19)	6.21 (50)	8.21 (74)	6.86 (67)	7.11 (47)	9.42 (19)	6.43 (49)	5.49 (79)
Kenya	7.85 (15)	5.07 (87)	8.49 (67)	6.61 (82)	6.80 (66)	8.24 (83)	6.34 (54)	5.80 (66)
Kuwait	6.63 (64)	7.43 (25)	9.51 (15)	6.73 (77)	7.81 (15)	9.59 (11)	7.15 (25)	6.69 (32)
Kyrgyz Republic	8.05 (9)	4.61 (102)	8.69 (58)	6.78 (75)	6.68 (70)	9.03 (48)	5.74 (74)	5.26 (94)
Latvia	5.98 (87)	6.89 (34)	8.74 (56)	7.40 (35)	7.35 (35)	9.67 (6)	5.72 (76)	6.66 (35)
Lesotho	7.10 (45)	4.65 (100)	7.91 (83)	6.19 (102)	6.44 (81)	8.98 (51)	6.05 (60)	4.30 (122)
Lithuania	6.67 (61)	6.82 (37)	8.87 (51)	7.51 (28)	7.11 (47)	9.57 (12)	4.93 (101)	6.84 (28)
Luxembourg	4.93 (115)	8.11 (17)	8.99 (44)	8.16 (9)	7.72 (17)	8.83 (58)	6.63 (38)	7.69 (14)
Macedonia	6.05 (85)	4.35 (106)	8.18 (77)	6.33 (95)	7.14 (46)	8.93 (53)	6.06 (59)	6.43 (42)
Madagascar	6.92 (52)	3.32 (128)	7.33 (92)	6.46 (89)	5.77 (116)	7.75 (95)	4.50 (113)	5.04 (103)
Malawi	5.41 (102)	5.25 (81)	5.31 (137)	4.96 (134)	6.18 (97)	7.69 (98)	5.65 (77)	5.19 (97)
Malaysia	5.50 (101)	6.85 (36)	6.02 (131)	7.55 (26)	7.66 (20)	9.36 (24)	6.96 (32)	6.66 (34)
Mali	7.33 (31)	4.51 (104)	6.47 (121)	6.25 (99)	6.09 (102)	8.49 (77)	4.58 (109)	5.21 (96)
Malta	5.91 (88)	7.75 (20)	9.53 (11)	7.43 (32)	7.02 (54)	9.32 (27)	6.91 (34)	4.82 (108)
Mauritania	5.78 (92)	5.44 (78)	7.09 (100)	6.58 (83)	6.67 (71)	9.22 (36)	6.37 (52)	4.42 (118)
Mauritius	7.16 (40)	5.86 (60)	8.54 (65)	7.38 (36)	7.35 (35)	8.88 (54)	6.55 (42)	6.60 (39)
Mexico	7.33 (31)	5.45 (77)	8.24 (71)	7.14 (52)	6.72 (69)	9.13 (42)	5.65 (79)	5.39 (87)
Moldova	6.84 (54)	5.72 (68)	6.97 (104)	6.79 (72)	6.24 (93)	8.19 (84)	5.10 (97)	5.43 (83)
Mongolia	7.52 (21)	5.80 (64)	8.67 (60)	7.01 (60)	7.09 (50)	9.34 (25)	5.92 (65)	6.00 (59)
Montenegro	7.01 (48)	5.44 (78)	7.92 (82)	7.12 (55)	7.41 (31)	9.70 (4)	6.62 (39)	5.93 (60)
Morocco	6.68 (60)	6.10 (56)	6.89 (107)	5.87 (117)	5.64 (118)	6.07 (131)	5.02 (99)	5.83 (65)
Mozambique	4.67 (119)	4.13 (114)	7.51 (88)	6.58 (83)	5.96 (107)	8.40 (78)	4.49 (114)	4.99 (105)
Myanmar	5.77 (93)	2.60 (136)	4.05 (140)	2.30 (141)	6.22 (94)	5.28 (137)		
Namibia	6.09 (81)	7.32 (27)	6.24 (125)	6.45 (90)	7.75 (16)	9.67 (5)	7.79 (8)	5.78 (67)
Nepal	5.26 (105)	3.96 (119)	6.58 (118)	5.49 (124)	5.46 (123)	6.65 (125)	5.12 (96)	4.60 (113)
Netherlands	4.06 (129)	8.49 (10)	9.69 (3)	8.33 (5)	7.69 (18)	9.21 (37)	6.37 (53)	7.48 (20)
New Zealand	6.70 (58)	8.90 (4)	9.35 (30)	7.79 (15)	8.65 (2)	9.98 (1)	7.75 (9)	8.23 (6)
Nicaragua	7.52 (21)	4.32 (109)	9.06 (42)	7.09 (58)	6.98 (55)	9.12 (44)	6.40 (50)	5.41 (85)
Niger	3.04 (138)	4.32 (109)	6.55 (120)	4.46 (135)	4.98 (129)	7.68 (100)	2.99 (136)	4.28 (125)
Nigeria	3.97 (131)	3.98 (118)	7.38 (91)	7.22 (46)	6.86 (59)	8.57 (74)	7.72 (10)	4.29 (124)
Norway	5.80 (91)	8.91 (3)	8.90 (49)	6.62 (81)	7.48 (25)	9.42 (18)	5.22 (91)	7.79 (13)
Oman	5.51 (100)	7.05 (29)	9.33 (32)	7.13 (54)	7.56 (22)	8.78 (63)	7.39 (18)	6.52 (41)
Pakistan	7.01 (48)	4.31 (111)	6.45 (122)	5.91 (115)	6.56 (76)	8.61 (72)	6.11 (57)	4.97 (106)

Exhibit 1.3 (continued): Area Economic Freedom Ratings (Ranks), 2006

	AREAS					COMPONENTS OF AREA 5		
	1 Size of Government	2 Legal System & Property Rights	3 Sound Money	4 Freedom to Trade Internationally	5 Regulation	5A Credit Market Regulations	5B Labor Market Regulations	5C Business Regulations
	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Panama	8.37 (5)	5.21 (84)	9.11 (40)	7.41 (34)	6.98 (55)	9.16 (39)	6.02 (62)	5.76 (69)
Papua New Guinea	6.55 (67)	4.71 (98)	7.51 (88)	6.14 (104)	7.06 (53)	7.15 (118)	7.32 (22)	6.70 (30)
Paraguay	7.50 (24)	3.43 (126)	8.20 (76)	7.72 (18)	5.14 (128)	7.33 (114)	2.95 (137)	5.14 (99)
Peru	8.27 (6)	5.00 (90)	8.76 (54)	7.31 (39)	6.44 (81)	7.29 (116)	6.47 (46)	5.57 (74)
Philippines	7.12 (44)	4.90 (94)	8.13 (78)	7.17 (48)	6.28 (89)	8.12 (85)	5.35 (89)	5.36 (88)
Poland	5.34 (103)	5.83 (62)	9.54 (9)	6.84 (68)	6.36 (88)	8.35 (79)	5.61 (83)	5.14 (100)
Portugal	5.71 (94)	7.21 (28)	9.32 (33)	7.33 (38)	6.22 (94)	7.40 (110)	4.89 (103)	6.37 (45)
Romania	5.54 (97)	5.51 (76)	8.69 (58)	7.12 (55)	6.45 (78)	7.34 (112)	6.43 (48)	5.57 (75)
Russia	5.64 (96)	5.73 (67)	7.46 (90)	6.00 (110)	5.79 (114)	7.99 (88)	5.44 (86)	3.93 (134)
Rwanda	4.87 (117)	3.04 (134)	6.79 (112)	4.39 (136)	7.08 (52)	7.41 (109)	7.45 (16)	6.38 (44)
Senegal	6.07 (84)	3.55 (124)	6.94 (105)	6.13 (107)	5.57 (121)	8.95 (52)	3.50 (131)	4.26 (126)
Serbia	6.20 (79)	4.74 (97)	7.11 (98)	6.25 (99)	6.45 (78)	9.09 (46)	5.96 (63)	4.30 (123)
Sierra Leone	7.13 (42)	3.17 (129)	7.24 (96)	5.26 (131)	5.43 (125)	5.19 (139)	5.59 (84)	5.53 (77)
Singapore	7.86 (14)	8.43 (12)	8.99 (44)	9.35 (2)	8.22 (10)	9.24 (32)	6.99 (31)	8.42 (3)
Slovak Republic	6.44 (71)	6.56 (43)	9.40 (24)	8.22 (8)	7.44 (30)	9.29 (31)	6.69 (36)	6.34 (46)
Slovenia	2.48 (140)	6.05 (57)	8.94 (46)	7.23 (44)	7.20 (42)	8.65 (69)	6.53 (44)	6.41 (43)
South Africa	6.97 (50)	6.55 (45)	7.76 (87)	6.70 (79)	7.15 (45)	9.32 (29)	5.81 (71)	6.33 (48)
South Korea	6.62 (65)	7.45 (24)	9.34 (31)	6.89 (66)	6.81 (65)	9.08 (47)	4.68 (107)	6.66 (33)
Spain	6.69 (59)	6.71 (40)	9.49 (18)	7.16 (50)	6.86 (59)	9.33 (26)	5.13 (95)	6.12 (54)
Sri Lanka	7.03 (46)	4.92 (93)	6.10 (129)	6.35 (94)	6.17 (98)	7.42 (108)	5.62 (82)	5.48 (81)
Sweden	3.73 (134)	8.41 (13)	9.61 (5)	7.72 (18)	7.26 (39)	9.31 (30)	4.51 (112)	7.97 (10)
Switzerland	7.89 (13)	8.66 (8)	9.56 (8)	6.79 (72)	8.12 (13)	8.84 (57)	7.50 (15)	8.01 (9)
Syria	4.95 (113)	5.01 (89)	7.26 (94)	6.14 (104)	4.34 (140)	4.79 (140)	3.67 (128)	4.56 (115)
Taiwan	7.44 (27)	6.66 (42)	9.71 (2)	7.92 (12)	6.43 (83)	7.85 (91)	4.90 (102)	6.53 (40)
Tanzania	5.20 (107)	5.94 (58)	9.01 (43)	5.93 (112)	6.26 (91)	7.66 (103)	5.79 (73)	5.34 (90)
Thailand	7.33 (31)	6.20 (51)	6.61 (115)	7.51 (28)	7.37 (34)	8.72 (64)	7.20 (24)	6.17 (51)
Togo	6.36 (73)	2.46 (138)	6.90 (106)	6.17 (103)	4.77 (135)	6.42 (128)	3.18 (133)	4.71 (110)
Trinidad & Tobago	7.24 (36)	5.04 (88)	8.53 (66)	7.16 (50)	7.38 (33)	8.66 (66)	7.38 (19)	6.10 (55)
Tunisia	5.31 (104)	6.90 (33)	6.98 (103)	6.14 (104)	6.85 (61)	8.02 (87)	5.42 (88)	7.10 (27)
Turkey	7.82 (17)	6.29 (47)	5.42 (136)	6.77 (76)	5.47 (122)	6.64 (126)	3.13 (134)	6.66 (36)
Uganda	7.23 (38)	4.28 (112)	8.80 (53)	6.33 (95)	7.29 (37)	7.67 (102)	8.41 (1)	5.78 (68)
Ukraine	4.06 (129)	5.25 (81)	6.60 (116)	6.38 (92)	5.92 (109)	8.87 (55)	4.82 (105)	4.07 (130)
United Arab Emir.	6.21 (78)	6.96 (32)	8.32 (68)	8.51 (3)	7.45 (27)	7.79 (93)	7.15 (26)	7.40 (24)
United Kingdom	6.64 (63)	8.33 (15)	9.40 (24)	7.76 (17)	8.25 (8)	9.76 (3)	7.42 (17)	7.57 (18)
United States	7.13 (42)	7.58 (21)	9.66 (4)	7.53 (27)	8.31 (7)	9.37 (23)	8.29 (2)	7.27 (25)
Uruguay	7.52 (21)	5.57 (74)	7.98 (81)	6.99 (61)	6.58 (75)	6.96 (121)	6.61 (40)	6.17 (52)
Venezuela	4.99 (112)	3.08 (132)	5.64 (134)	5.35 (130)	4.75 (137)	8.31 (81)	3.06 (135)	2.89 (139)
Vietnam	4.58 (120)	5.82 (63)	6.37 (123)	6.95 (64)	6.00 (105)	9.47 (17)	4.21 (120)	4.33 (120)
Zambia	8.19 (7)	5.58 (73)	8.57 (64)	7.11 (57)	6.00 (105)	6.66 (124)	6.03 (61)	5.30 (93)
Zimbabwe	2.66 (139)	3.61 (123)	0.00 (141)	2.73 (140)	4.35 (139)	5.60 (135)	4.02 (123)	3.44 (136)

The Chain-Linked Summary Index, 1970–2006

The EFW data are available for many countries back to 1970: 53 countries have ratings in 1970; 70 in 1975; 102 in 1980, 109 in 1985, 113 in 1990, 123 for the period from 1995 to 2002, 127 in 2003, 130 for 2004 to 2006. These longitudinal data make it possible to follow the changes in economic freedom and analyze their impact over a lengthy period of time.

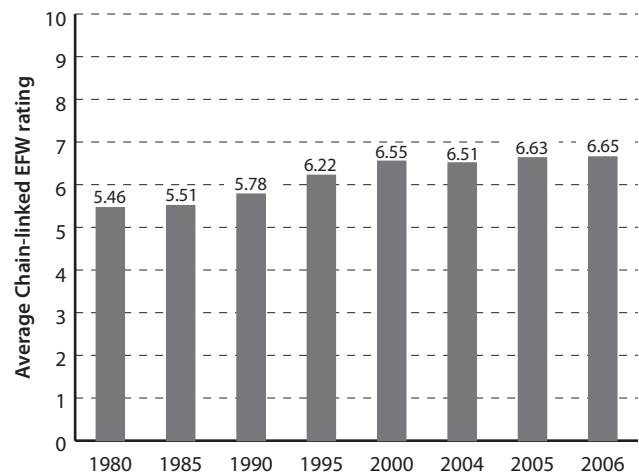
Through time, the index has become more comprehensive and the available data more complete. As a result, the number and composition of the components for many countries will vary across time. This presents a problem similar to that confronted when calculating GDP or a price index over time when we know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

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

Correspondingly, in cases where the ratings for the common components were higher in 2005 than for 2004, the country's 2005 summary rating was adjusted upward proportionally. The chain-linked ratings were constructed by repeating this procedure backward in time to 1970 and forward in time to 2006. The chain-linked methodology means that a country's rating will change across time periods only when there is a change in ratings for components present during adjacent years. This is precisely what one would want when making comparisons across time periods.

Exhibit 1.4 shows the average chain-linked economic freedom index rating for the 102 countries with ratings since 1980. The average level of economic freedom, as

Exhibit 1.4: Average Chain-linked EFW Rating for the 102 Countries with Ratings since 1980



measured by the chain-linked EFW index, has increased to 6.65 in 2006 from 5.46 in 1980. Much of this increase was driven by reductions in marginal income-tax rates, if not aggregate taxation; improvements in monetary policy; and global trade liberalization.

The Chain-Linked Summary ratings for all years are found in Exhibit 1.5. Researchers using the data for long-term studies should use these chain-linked data. The chain-link methodology was also used to derive area ratings. The chain-linked summary and area ratings (and ranks) are presented in the country tables of chapter 3. The country tables also present the unadjusted summary and area ratings but, for those tracking ratings across time, the chain-link ratings will present a more accurate picture.

Big Movers

Several countries have substantially increased their ratings and become relatively free during the past decade. Exhibit 1.5 allows us to track these changes. The chain-linked rating of Estonia has increased by 2.27 units since 1995 and it is now one of the freest economies in the world. Lithuania and Latvia have increased their ratings by at least 2 units since 1995 and their 2006 ratings are greater than 7.0. The ratings of Cyprus, Hungary, Kuwait, and South Korea have also improved substantially and their ratings are now 7.3 or more. Two African economies, Ghana and Zambia, have become substantially freer and their chain-linked ratings are now 7.04 and 7.13, respectively.

But not all of the news is good. Economic freedom is regressing in several other countries. The rating of Zimbabwe has fallen by 2.75 units and that of Argentina by

0.96 units since 1995. During the same period, the ratings of Malaysia and the Philippines have fallen by about seven-tenths of a point. Since 2000, the rating of Venezuela has declined by over a point, down to 4.48. During the same period, Nepal's chain-linked rating has fallen by two-thirds of a unit from 5.62 to 4.97. While Botswana's 2006 chain-linked rating is 6.77, this is more than six-

tenths of a point lower than 2000. The chain-linked rating of the United States is down almost seven-tenths of a point from 8.55 in 2000 to 7.86 in 2006, which has sent the accompanying rank down to tenth from second in 2000. Lower ratings in the legal structure area and for the administrative costs of clearing customs were primarily responsible for the rating reduction of the United States.

Exhibit 1.5: The Chain-Linked Summary Index of Ratings, 1970–2006

	1970	1975	1980	1985	1990	1995	2000	2001	2002	2003	2004	2005	2006
Albania					4.12	4.49	5.97	6.07	6.31	6.72	6.46	6.81	6.99
Algeria			3.97	4.03	3.63	3.72	4.52	4.61	4.66	4.68	4.74	5.48	5.56
Argentina	5.06	3.25	4.28	3.86	4.89	6.68	7.19	6.49	5.96	5.73	5.96	5.62	5.72
Armenia											6.46	6.55	6.59
Australia	7.31	6.40	7.12	7.45	7.64	7.80	8.02	7.91	7.87	7.80	7.83	7.86	7.96
Austria	6.46	6.16	6.65	6.64	7.20	7.04	7.76	7.59	7.48	7.63	7.67	7.64	7.75
Azerbaijan											5.65	5.66	5.78
Bahamas		6.73	6.47	6.37	6.34	6.42	6.60	6.70	6.69	6.80	6.88	7.16	7.13
Bahrain			7.43	6.94	6.91	7.03	7.33	7.23	7.22	7.25	7.13	6.80	7.32
Bangladesh		3.39	3.61	3.92	4.68	5.47	5.83	5.75	5.84	5.69	5.64	5.91	5.77
Barbados		6.05	6.11	6.43	6.48	6.50	6.19	6.23	6.29	6.31	6.42	6.55	6.38
Belgium	7.66	6.96	7.22	7.25	7.52	7.21	7.68	7.35	7.15	7.32	7.26	7.19	7.13
Belize			5.36	5.21	5.57	6.06	5.92	5.87	6.26	6.34	6.33	6.62	6.59
Benin			5.37	5.01	5.42	4.99	5.63	5.74	5.76	5.72	5.79	5.99	5.99
Bolivia			4.51	3.57	5.26	6.52	6.79	6.52	6.51	6.39	6.32	6.44	6.33
Botswana			5.60	5.76	5.85	6.47	7.38	7.34	7.34	7.13	7.19	7.04	6.77
Brazil	5.43	4.52	4.20	3.70	4.47	4.47	5.99	5.93	6.08	5.95	5.89	6.03	6.15
Bulgaria				5.17	4.08	4.48	5.06	5.66	5.97	6.24	6.25	6.37	6.54
Burundi		4.24	4.27	4.68	4.84	4.47	4.96	5.10	5.03	4.53	4.42	4.80	5.05
Cameroon			5.39	5.60	5.62	5.18	5.63	5.86	5.87	5.90	5.92	5.72	5.77
Canada	7.97	7.14	7.58	7.65	7.97	7.80	8.12	8.06	7.91	8.00	8.05	8.06	7.98
Central Afr. Rep.				3.99	4.60	4.38	4.72	4.81	4.68	5.18	5.08	4.49	4.92
Chad				4.59	4.69	4.65	5.12	5.52	5.66	5.57	5.35	5.06	4.99
Chile	4.08	3.91	5.56	6.16	6.93	7.48	7.28	7.47	7.45	7.61	7.62	7.93	7.98
China			4.42	5.33	5.13	5.52	5.98	6.04	5.96	6.03	5.94	6.17	6.17
Colombia	5.31	5.00	4.77	5.16	4.94	5.45	5.28	5.46	5.33	5.45	5.46	5.44	5.55
Congo, Dem. Rep.	4.41	4.03	2.92	3.58	3.28	3.54	3.72	3.86	4.73	4.51	4.51	4.54	5.14
Congo, Rep. of			4.43	4.42	4.66	4.68	4.32	4.55	4.40	4.40	4.37	4.76	4.66
Costa Rica		6.22	5.53	5.23	6.66	6.76	7.35	7.22	7.08	7.34	7.21	7.34	7.49
Côte d'Ivoire			5.35	5.91	5.65	5.57	5.89	6.00	5.64	5.76	5.71	5.79	6.00
Croatia						4.28	6.05	6.17	6.08	6.01	6.16	6.31	6.41
Cyprus		5.74	5.65	5.57	6.11	6.28	6.34	6.43	6.85	6.83	7.45	7.56	7.53
Czech Republic						5.81	6.69	6.80	6.70	6.83	6.92	6.87	6.84
Denmark	7.08	6.31	6.52	6.66	7.34	7.46	7.78	7.58	7.54	7.61	7.63	7.77	7.85
Dominican Rep.			5.38	5.01	4.49	6.01	6.57	6.54	6.46	6.08	5.36	6.25	6.12
Ecuador	3.96	4.96	5.32	4.50	5.27	5.97	5.69	5.47	5.86	5.80	5.22	5.59	5.62
Egypt		4.02	4.72	5.28	5.03	5.87	6.57	6.40	6.03	5.94	6.09	6.70	6.79

Exhibit 1.5 (continued): The Chain-Linked Summary Index of Ratings, 1970–2006

	1970	1975	1980	1985	1990	1995	2000	2001	2002	2003	2004	2005	2006
El Salvador			4.65	4.47	4.75	6.96	7.26	7.24	7.17	7.17	7.25	7.43	7.40
Estonia						5.55	7.45	7.58	7.63	7.71	7.70	7.85	7.82
Fiji		5.35	5.64	5.81	5.86	6.02	6.22	6.03	5.98	5.91	5.94	6.39	6.54
Finland	7.12	6.25	6.90	7.06	7.37	7.56	7.80	7.67	7.66	7.61	7.58	7.75	7.71
France	6.58	5.79	6.06	6.06	7.06	6.80	7.04	6.72	6.81	7.04	7.17	6.98	7.07
Gabon			3.93	4.58	4.82	4.79	5.46	5.32	5.26	5.26	5.29	5.42	5.44
Georgia										6.21	6.11	6.52	7.18
Germany	7.70	7.17	7.42	7.43	7.66	7.50	7.49	7.29	7.29	7.61	7.58	7.69	7.70
Ghana		3.74	2.92	3.12	4.98	5.56	5.89	5.86	6.26	6.57	6.36	6.51	7.04
Greece	6.37	5.86	5.83	5.34	6.00	6.29	6.84	6.76	6.84	6.98	6.92	6.96	6.99
Guatemala	6.10	6.61	6.08	5.03	5.58	6.65	6.28	6.37	6.38	6.53	6.67	7.09	7.18
Guinea-Bissau					3.21	3.77	4.29	4.93	5.02	4.87	4.88	4.94	5.04
Guyana						4.68	6.08	6.02	5.83	5.80	5.59	5.80	5.61
Haiti			6.14	6.39	6.09	6.06	5.70	5.60	5.56	5.72	5.74	5.94	5.78
Honduras			5.98	5.82	5.62	6.28	6.56	6.39	6.63	6.67	6.69	6.64	7.00
Hong Kong	8.98	8.98	9.23	8.94	8.78	9.14	8.85	8.78	8.72	8.77	8.71	8.92	8.93
Hungary			4.61	5.23	5.35	6.36	6.74	7.02	7.01	7.38	7.52	7.37	7.41
Iceland	6.57	4.72	5.36	5.56	6.95	7.38	7.75	7.67	7.61	7.73	7.81	7.82	7.76
India	5.35	4.44	5.28	4.97	5.00	5.63	6.31	6.16	6.31	6.37	6.37	6.59	6.64
Indonesia	4.88	5.33	5.19	6.13	6.51	6.57	5.80	5.51	5.69	6.03	5.93	6.27	6.21
Iran	5.90	5.74	3.82	4.14	4.68	4.57	5.86	6.27	6.11	6.03	6.15	6.49	6.69
Ireland	7.16	6.36	6.76	6.81	7.39	8.28	8.20	8.01	7.90	7.82	7.93	8.02	7.93
Israel	4.92	4.29	3.68	4.23	4.49	5.81	6.51	6.47	6.74	6.69	6.75	7.12	6.94
Italy	6.06	5.29	5.38	5.66	6.57	6.50	7.08	6.95	6.94	6.71	6.94	6.90	7.01
Jamaica			4.37	4.78	5.54	6.49	7.34	7.21	7.09	7.09	7.19	7.34	7.26
Japan	6.85	6.48	7.01	7.06	7.47	7.07	7.42	7.08	6.97	7.34	7.28	7.38	7.33
Jordan		5.47	5.29	5.77	5.56	6.06	7.14	6.97	7.06	7.01	7.05	7.21	7.10
Kenya	4.82	4.56	4.73	5.07	5.10	5.44	6.21	6.33	6.31	6.53	6.44	6.65	6.70
Kuwait			5.13	7.07	5.07	6.38	6.64	6.90	6.96	7.09	7.16	7.28	7.58
Latvia						4.91	6.67	6.80	6.91	6.76	6.84	7.15	7.20
Lithuania						4.89	6.25	6.27	6.63	6.62	6.98	7.27	7.23
Luxembourg	7.79	7.75	7.66	8.05	7.95	7.81	7.88	7.81	7.68	7.66	7.66	7.40	7.48
Macedonia										5.78	5.76	6.15	6.20
Madagascar			4.36	4.56	4.46	4.50	5.72	6.12	5.72	5.90	5.73	5.68	5.80
Malawi		5.13	4.64	4.81	4.89	4.48	4.70	5.40	5.43	6.01	5.74	5.64	5.40
Malaysia	6.62	6.43	7.04	7.13	7.49	7.43	6.63	6.18	6.29	6.38	6.49	6.65	6.70
Mali		5.28	5.33	4.97	5.06	5.16	5.90	5.88	5.49	6.02	5.80	5.82	6.00
Malta			5.60	5.38	5.62	6.80	6.69	6.62	6.65	6.49	7.22	7.39	7.44
Mauritania													
Mauritius		5.03	5.16	6.29	6.14	7.26	7.26	7.24	6.99	6.74	6.77	7.42	7.33
Mexico	6.47	5.76	5.60	4.71	6.02	6.32	6.28	6.30	6.43	6.34	6.51	6.92	6.93
Mongolia											6.32	6.68	6.67
Morocco	5.64	5.01	4.41	4.93	4.92	5.77	5.96	5.90	5.93	6.25	6.01	6.13	6.17
Mozambique										5.37	5.46	5.49	5.50
Myanmar			5.31	4.87	3.78	4.48	4.31	4.31	3.95	3.75	4.08	4.22	4.15
Namibia					5.51	6.52	6.62	6.66	6.46	6.86	6.44	6.65	6.73
Nepal			5.57	5.16	5.25	5.25	5.62	5.54	5.53	5.06	5.12	5.16	4.97

Exhibit 1.5 (continued): The Chain-Linked Summary Index of Ratings, 1970–2006

	1970	1975	1980	1985	1990	1995	2000	2001	2002	2003	2004	2005	2006
Netherlands	7.54	6.85	7.31	7.47	7.80	7.82	8.03	7.75	7.65	7.57	7.58	7.67	7.64
New Zealand	6.72	6.00	6.72	6.54	7.71	8.64	8.35	8.23	8.20	8.19	8.24	8.26	8.12
Nicaragua			4.10	2.10	3.05	5.36	6.59	6.49	6.57	6.64	6.65	6.69	6.66
Niger			4.56	4.91	4.58	4.37	4.79	4.47	4.42	4.43	4.39	4.11	4.06
Nigeria	3.73	3.81	3.74	3.98	3.80	4.01	5.54	5.57	5.90	5.48	5.26	5.37	5.90
Norway	6.32	5.83	6.13	6.61	7.25	7.44	7.37	6.98	6.83	7.10	7.21	7.51	7.45
Oman				6.63	6.18	6.87	6.91	6.93	6.95	7.18	7.21	7.29	7.54
Pakistan	4.44	3.80	4.59	5.09	4.97	5.62	5.45	5.57	5.64	5.44	5.56	5.92	5.89
Panama		6.78	5.54	6.06	6.33	7.17	7.26	7.22	7.09	7.15	7.11	7.14	7.01
Papua New Guinea				6.05	6.18	6.28	5.64	5.69	5.66	5.60	5.65	6.22	6.32
Paraguay			5.69	5.11	5.60	6.46	6.21	6.30	6.14	6.18	6.08	6.17	6.16
Peru	4.75	4.05	4.03	3.08	4.16	6.32	7.06	7.02	7.01	7.00	6.98	6.87	6.95
Philippines	5.73	5.30	5.35	5.17	5.53	7.22	6.96	6.64	6.64	6.60	6.37	6.57	6.54
Poland				3.94	4.00	5.30	6.19	5.95	6.11	6.11	6.65	6.72	6.77
Portugal	6.32	4.10	5.87	5.64	6.36	7.27	7.33	7.22	7.32	7.31	7.43	7.16	7.21
Romania				4.62	4.73	3.98	4.98	5.08	5.50	5.81	5.87	6.47	6.58
Russia						4.09	4.93	5.11	5.39	5.44	5.77	5.99	5.91
Rwanda					4.12	3.34	4.21	4.07	4.34	3.89	3.84	4.14	4.19
Senegal			4.69	5.01	5.38	4.76	5.91	5.77	5.70	5.65	5.65	5.85	5.53
Sierra Leone		5.60	5.39	3.60	3.87	4.31	5.02	5.12	5.69	5.84	5.65	5.98	5.68
Singapore	7.88	7.63	7.92	8.27	8.69	8.79	8.51	8.14	8.24	8.20	8.29	8.48	8.54
Slovak Republic						5.54	6.16	6.52	6.42	6.83	7.41	7.59	7.52
Slovenia						4.96	6.00	6.23	6.19	6.19	6.27	6.29	6.40
South Africa	6.68	5.95	5.87	5.46	5.46	6.34	6.97	6.91	6.86	6.99	6.89	6.93	6.91
South Korea	5.40	5.33	5.63	5.67	6.10	6.42	6.62	6.88	6.91	6.95	7.08	7.15	7.32
Spain	6.55	5.87	6.04	6.16	6.46	7.03	7.29	7.03	7.05	7.44	7.50	7.35	7.22
Sri Lanka			5.27	5.41	5.10	6.21	6.20	6.16	5.97	6.12	5.99	5.97	5.95
Sweden	5.75	5.62	6.05	6.63	6.93	7.18	7.43	7.05	7.26	7.41	7.19	7.30	7.28
Switzerland	8.02	7.79	8.19	8.32	8.30	8.04	8.43	8.18	8.22	8.30	8.31	8.33	8.18
Syria	4.49	4.68	3.83	3.52	3.86	4.57	5.02	5.53	5.26	5.09	5.40	5.53	5.59
Taiwan	6.86	6.06	6.90	7.13	7.29	7.31	7.28	7.07	7.34	7.35	7.58	7.67	7.66
Tanzania	4.37	3.79	3.91	3.50	3.93	4.80	6.16	6.39	6.38	6.47	6.61	6.46	6.41
Thailand	5.99	5.86	6.16	6.20	6.88	7.19	6.66	6.67	6.77	6.65	6.79	6.80	6.83
Togo			4.01	5.17	4.93	4.63	4.84	4.93	5.01	4.82	4.83	4.75	4.67
Trinidad & Tobago		4.88	5.09	4.98	5.79	6.85	7.34	7.17	7.01	6.87	6.94	6.92	6.96
Tunisia	4.99	5.00	5.38	5.15	5.63	6.21	6.34	6.40	6.29	6.27	6.31	6.46	6.37
Turkey	4.00	4.12	3.83	4.93	5.04	5.73	5.77	5.18	5.51	5.94	6.12	6.25	6.36
Uganda			3.21	2.80	3.00	5.05	6.53	6.45	6.48	6.59	6.58	6.59	6.58
Ukraine						3.90	4.70	4.82	5.23	5.14	5.53	5.50	5.51
United Arab Emir.			5.83	6.72	7.10	7.09	7.34	7.31	7.38	7.45	7.28	7.48	7.76
United Kingdom	6.48	6.21	6.53	7.45	7.83	8.08	8.35	8.11	8.11	8.12	8.08	8.10	8.06
United States	7.61	7.74	7.99	8.14	8.41	8.33	8.55	8.32	8.09	8.03	8.07	7.90	7.86
Uruguay			5.82	5.88	6.12	6.10	6.95	6.76	6.83	6.75	6.90	6.91	6.86
Venezuela	6.85	5.80	6.31	5.98	5.35	4.26	5.51	5.49	4.44	3.99	4.46	4.56	4.48
Zambia		4.53	5.00	3.93	3.30	4.74	6.53	6.62	6.47	6.56	6.77	7.10	7.13
Zimbabwe			4.28	4.20	4.44	5.10	3.92	3.13	3.09	3.19	2.82	2.54	2.35

Concluding Thoughts

This chapter concludes with some graphs illustrating simple relationships between economic freedom by quartile and various other indicators of human and political progress (exhibits 1.6–1.16, pp. 18–21). The graphs use the average of the chain-linked EFW index for the period from 1990 to 2006. Because persistence is important and the impact of economic freedom will be felt over a lengthy time period, it is better to use the average rating over a fairly long time span rather than the current rating to observe the impact of economic freedom on performance.

The graphs begin with the data on the relationship between economic freedom and the growth rate and level of per-capita GDP. In recent years, numerous scholarly studies have analyzed these relationships in detail. Almost without exception, these studies have found that countries with more economic freedom grow more rapidly and achieve higher levels of per capita GDP. Chapter 2 (p. 23) presents data for various measures of poverty across time

periods and analyzes the relationship between economic freedom and poverty. Additional graphics on that topic are presented there.

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

Data Available to Researchers

The full data set, including all of the data published in this report as well as data omitted due to limited space, can be freely downloaded at <<http://www.freetheworld.com>>. If you are using the data across time periods, it would be better, for reasons outlined on p.13, to use the chain-link series presented in exhibit 1.5 and available at the website. If you have any difficulties downloading the data, please feel free to contact us via e-mail to freetheworld@fraserinstitute.org or via telephone at +1.604.714.4563.

Exhibit 1.6: Economic Freedom and Income per Capita

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

Sources: Fraser Institute; World Bank, *World Development Indicators 2008*.

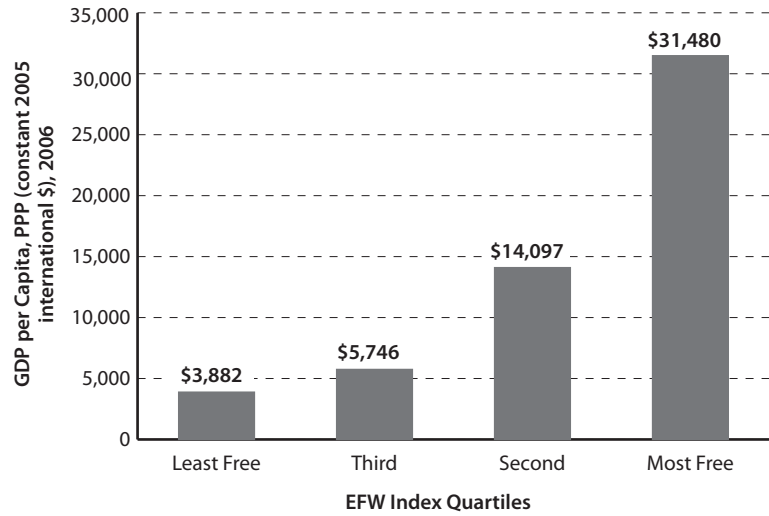


Exhibit 1.7: Economic Freedom and Economic Growth

Countries with more economic freedom have higher growth rates.

Sources: Fraser Institute; World Bank, *World Development Indicators 2008*.



Exhibit 1.8: Economic Freedom and Foreign Direct Investment

Countries with more economic freedom attract more foreign investment.

Sources: Fraser Institute; World Bank, *World Development Indicators 2008*.

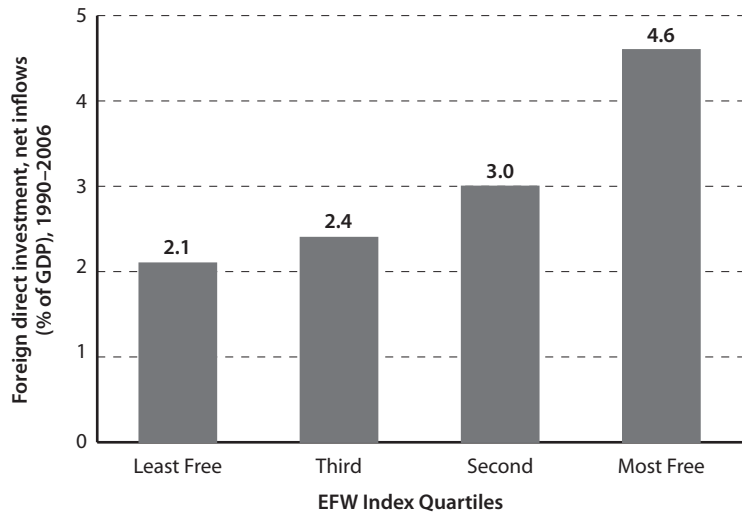
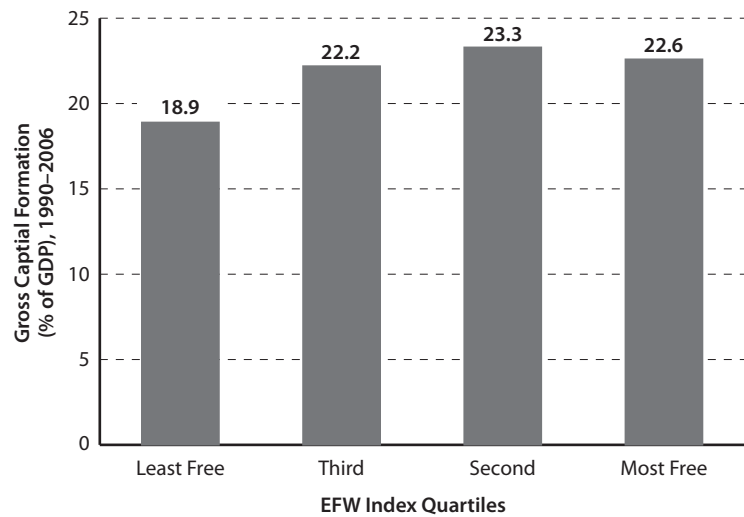


Exhibit 1.9: Gross Capital Formation

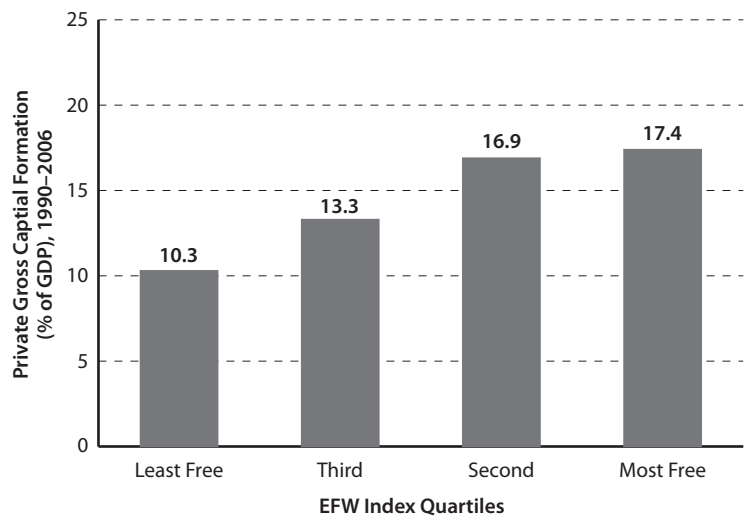
Total investment is slightly higher in countries with more economic freedom.

Sources: Fraser Institute; World Bank, *World Development Indicators 2008*.

**Exhibit 1.10: Private Gross Capital Formation**

Private investment spending is much higher in countries with more economic freedom

Sources: Fraser Institute; World Bank, *World Development Indicators 2008*.

**Exhibit 1.11: Economic Freedom and the Income Share of the Poorest 10%**

The share of income earned by the poorest 10% of the population is unrelated to the degree of economic freedom in a nation.

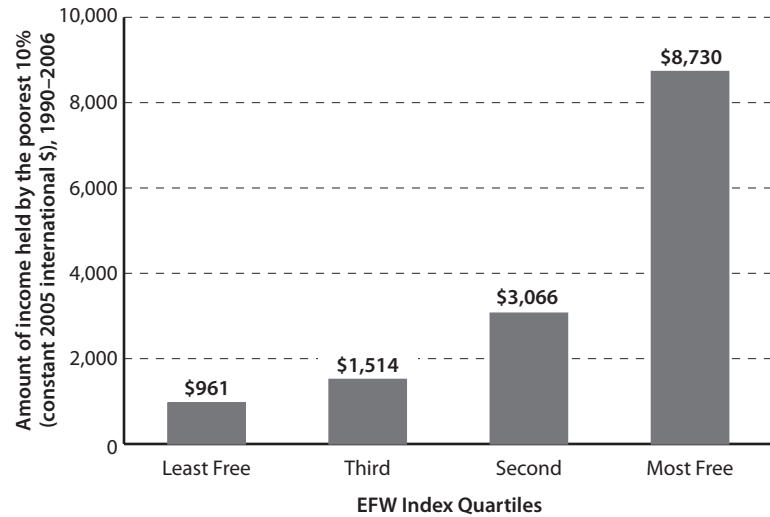
Sources: Fraser Institute; World Bank, *World Development Indicators 2008*.



Exhibit 1.12: Economic Freedom and the Income Level of the Poorest 10%

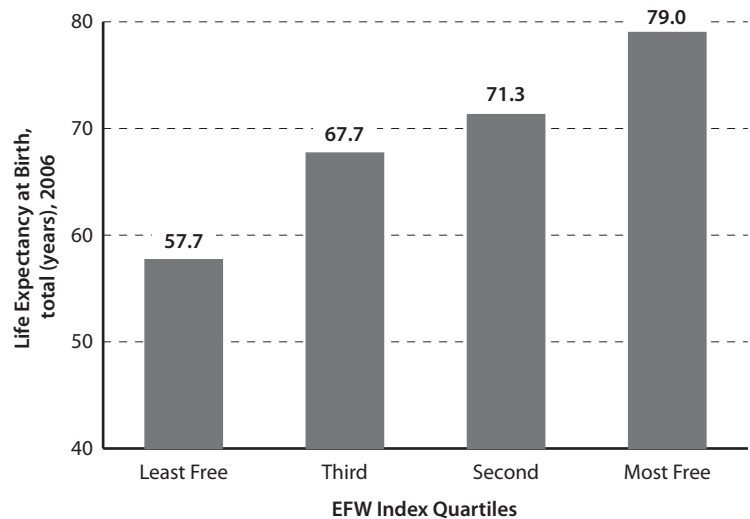
The amount per capita, as opposed to the share, of income going to the poorest 10% of the population is much greater in nations with the most economic freedom than it is in those with the least.

Sources: Fraser Institute; World Bank, *World Development Indicators 2008*.

**Exhibit 1.13: Economic Freedom and Life Expectancy**

Life expectancy is over 20 years longer in countries with the most economic freedom than it is in those with the least.

Sources: Fraser Institute; World Bank, *World Development Indicators 2008*.

**Exhibit 1.14: Economic Freedom and Corruption**

With fewer regulations, taxes, and tariffs, economic freedom reduces the opportunities for corruption on the part of public officials.

Note: "The scores in the 2005 *Corruption Perceptions Index* (CPI) are derived from the perceptions of the degree of corruption as seen by business people and country analysts and ranges between 10 (highly clean) and 0 (highly corrupt)."

Sources: Fraser Institute; Transparency International, *Corruption Perceptions Index 2007*, <http://www.transparency.org/policy_research/surveys_indices/cpi/2007/>.

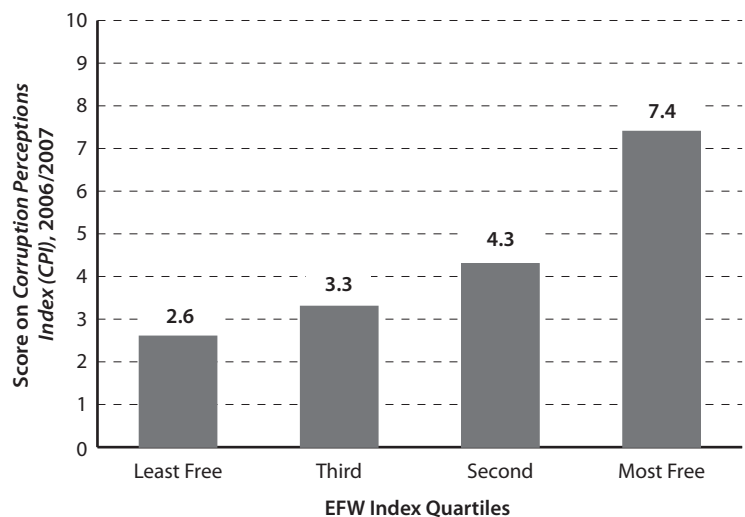


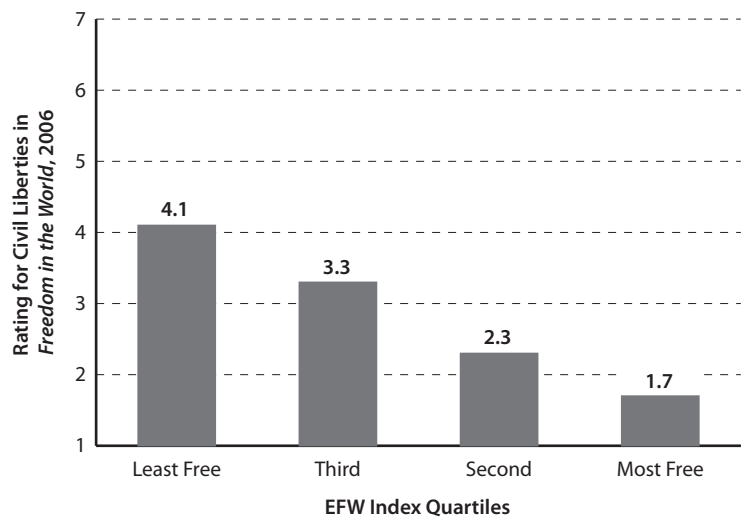
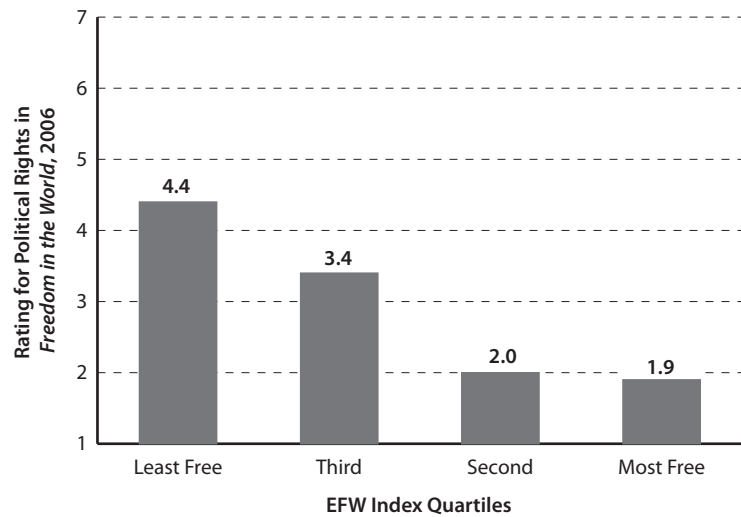
Exhibit 1.15: Economic Freedom and Political Rights and Civil Liberties

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

Note: Political rights and civil liberties are measured on a scale from 1 to 7: 1 = the highest degree of political rights and civil liberties; 7 = the lowest.

"The Freedom in the World survey provides an annual evaluation of the state of global freedom as experienced by individuals. The survey measures freedom—the opportunity to act spontaneously in a variety of fields outside the control of the government and other centers of potential domination—according to two broad categories: political rights and civil liberties. Political rights enable people to participate freely in the political process, including the right to vote freely for distinct alternatives in legitimate elections, compete for public office, join political parties and organizations, and elect representatives who have a decisive impact on public policies and are accountable to the electorate. Civil liberties allow for the freedoms of expression and belief, associational and organizational rights, rule of law, and personal autonomy without interference from the state." <<http://www.freedomhouse.org/template.cfm?page=35&year=2006>>

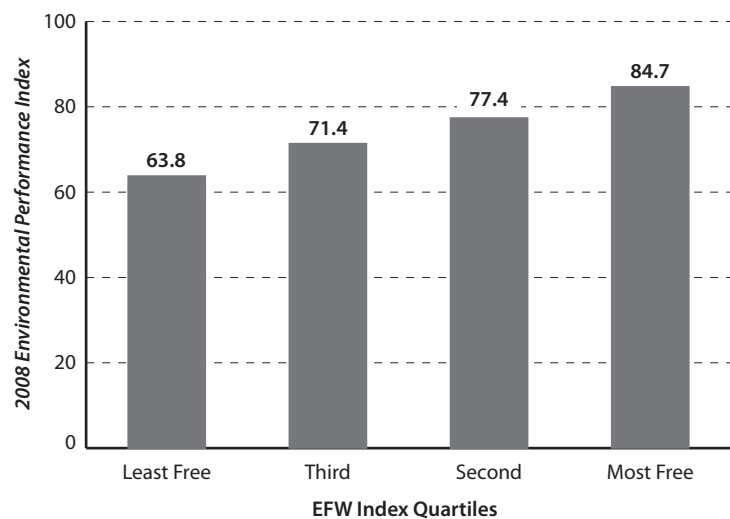
Sources: The Fraser Institute; Freedom House, *Freedom in the World 2006*, <<http://www.freedomhouse.org/template.cfm?page=15&year=2006>>.

**Exhibit 1.16: Economic Freedom and Environmental Performance**

Environmental stresses on human health are lower and ecosystem vitality is greater in countries with more economic freedom.

Note: Higher index values (out of 100) indicate greater environmental performance.

Sources: The Fraser Institute; Yale Center for Environmental Law and Policy (YCELP) and Center for International Earth Science Information Network (CIESIN), Columbia University, with the World Economic Forum, and Joint Research Centre (JRC) of the European Commission, *2008 Environmental Performance Index*, <<http://sedac.ciesin.columbia.edu/es/epi/>>.



Chapter 2: Economic Freedom and World Poverty

by Seth W. Norton & James D. Gwartney¹

Introduction

The eradication of world poverty is one of the most important issues facing economists, policy makers, and concerned citizens. There are several reasons why this is the case. First, as Theodore W. Schultz (1980) notes, most of the world is poor and this fact makes poverty reduction a central issue of economics. On varying intellectual terrains, scholars such as Lucas (1988), North (1981) and de Soto (1990) have spread that message. Second, increased trade and capital flows in recent decades, that is, “globalization,” have drawn increased attention to cross-country differences in income, living standards, and the plight of the poor, particularly those living in impoverished countries. Third, modern communications and transportation have increased the visibility of global poverty. The issue has attracted the attention of celebrities such as the Irish rock star, Bono. Clearly, there is a cachet associated with the movement to eradicate world poverty.

Some act as if the eradication of poverty is primarily a matter of elevating this objective and directing aid from high-income to low-income countries. This view is largely reflected in the United Nations Millennium Development Goals. It also permeates the recent popular book by Jeffrey Sachs, *The End of Poverty* (2005). Sachs argues that the elimination of extreme poverty is simple and readily achievable if wealthy nations are willing to make the commitment and supply needed funds to the poorer nations of the world, particularly those in Africa. In fact, Sachs’s book can be viewed as an apologetic for the feasibility of the Millennium Development Goals, buttressed by criticisms of leaders of industrialized countries for failing to instantly affirm the goals and subsidize strategies to achieve them.

Other researchers argue that the views of Bono, Sachs, and the proponents of the Millennium Development

Goals are unrealistic, wasteful, and even counter-productive. Recent books by William Easterly (2006) and Paul Collier (2007) are representative of this less sanguine view. Both criticize the “top down” approach to eradicating poverty and generate considerable doubt about the ability of the Millennium Development Project to achieve the desired objectives.

All of these factors have contributed to increased interest in, and active discussion of, the causes of world poverty and its reduction. This chapter develops a measure of poverty that makes it possible to track its path since 1980 for a large set of countries comprising approximately 90% of the population in the less-developed world. Building on previous research showing that economic freedom improves the quality of life of the poor (Norton 1998, 2003), the chapter also examines the link between economic freedom and reductions in poverty. Jeffery Sachs has argued that economic freedom is a “mantra” for “instant solutions” and that it is a concept that serves as a “substitute for analysis” (2005: 318–19). He also contends that economic freedom is irrelevant to reducing poverty in sub-Saharan Africa (2005: 320). These contentions will be considered within the framework of the institutions and policies currently present in that region and their predictable impact on the growth process.

Dimensions of World Poverty

Poverty is a multidimensional term with wide usage (Deaton, 2006). Some of its connotations are linked with low-income status or the absence of economic growth. In other contexts, it is associated with inequality. Popular use of the term may also be associated with the absence of health or the presence of conditions that threaten health. Thus, there are both pecuniary and non-pecuniary aspects to poverty. The former are primarily associated with per-capita income and the latter with a host of items linked with “basic needs” including nutrition, health, hunger, education, and mortality.

¹ Joseph Connors provided research assistance for this paper. The authors would also like to express their appreciation to P.J. Hill, Ian Vasquez, and two anonymous reviewers for their helpful comments on an earlier draft of this chapter.

By any standard—whether based on income or on quality of life—poverty is ubiquitous. There are approximately six billion people in the world. Perhaps as many as five billion might be classified as poor. Nearly one billion live on less than one dollar per day measured in terms of the purchasing power of the dollar in 1990. They are commonly labeled the “extreme poor.” The remaining poor are better off but by most dimensions of modern life experience misery or the threat of misery. Using quality-of-life measures, the ubiquity of poverty is also evident. In at least 28 countries, one third or more of the population does not have access to safe drinking water. In short, no matter how we measure it, poverty is widespread throughout the world.

The widely celebrated United Nations Millennium Development Goals also underscore both the multidimensional nature and ubiquity of poverty. Consider the details of the goals. They are to: (i) eradicate extreme poverty and hunger, (ii) achieve universal primary education, (iii) promote gender equity and empowerment of women, (iv) reduce child mortality (v) improve maternal health (vi) combat HIV/AIDS, malaria, and other diseases, (vii) ensure environmental stability, and (viii) develop a global partnership for development. Thus, the Millennium Development Goals fit well with concepts of poverty based upon either income or quality of life.

Alternative Measures of Poverty

Because poverty is multidimensional and because there are considerable difficulties measuring the incomes of residents in the world’s poorest countries, it is useful to consider both pecuniary and non-pecuniary indicators of poverty. Moreover, many will find that non-pecuniary indicators are a more easily understandable measure of poverty than those that are income based. Thus, we will consider measures of poverty based upon both income and quality of life.

Measures Based on Income

The standard income-based measure of poverty is the number of people living below \$1 or \$2 per day derived by the purchasing power parity method and measured in 1990 US dollars. These measures have a standardized unit of account feature and thus they are meaningful even if it is difficult to understand how people could survive on such a meager income. The advantage of using these measures is that they provide a standardized measure across time. If the purchasing power over goods and services

of the poor increases across time periods, the percentage of persons below the \$1 or \$2 threshold will decline. They also have an inherent distributional aspect because the percentage of persons with incomes below the respective cutoffs constitutes the fraction of the population that seems to have missed the benefits of economic growth.

Measures Based on Quality of Life

In recent years, the United Nations organization has constructed alternative measures of poverty not based on income. The UN developed and introduced the Human Poverty Index (HPI) in the 1997 Human Development Report. This framework is designed to provide a broader and not exclusively monetary view of poverty.

The HPI is constructed by combining several indicators of the absence of well-being. The first indicator is the proportion of people not expected to survive to age 40. The second is the proportion of adults who are illiterate and therefore excluded from the benefits and privileges of reading and communication. The third indicator is a composite consisting of the proportion of people without access to health services, the proportion of people without access to safe water, and the percentage of malnourished (underweight) children under the age of five. The components are combined into an indicator scaled from zero to 100.²

While the HPI is calculated for most less-developed countries, it is largely unavailable for high-income countries and for years prior to 1995. However, some of the components of the HPI and other non-pecuniary indicators of poverty are available for more countries and over a longer period of time. These indicators provide useful information about changes in world poverty during recent decades.

Exhibit 2.1 defines the various measures of poverty used in this paper and indicates their source. The first two measures are pecuniary. They are the percentage of the population that subsists on less than \$1 per day (or \$2 per day) at standardized international prices. The first category is often referred to as “extreme poverty” while the second category is labeled “moderate poverty.” Exhibit 2.1 also defines the various non-pecuniary indicators of poverty that we will analyze. Clearly, increases in the magnitude of variables like life expectancy at birth and access to safe water are indicative of improvements in the quality of life

² In more recent years, the UN has omitted the health-services factor of the standard-of-living component of the HPI because reliable estimates for health-services provision are not available for many countries.

Exhibit 2.1: Descriptions and Sources of Various Measures of Poverty

\$1 per day

Percentage of the population living on less than \$1.08 a day at 1993 international prices (or \$1 per day in 1990 prices).

Sources: United Nations, Human Development Report (1997;2004); World Bank, World Development Indicators

\$2 per day

Percentage of the population living on less than \$ 2.15 a day at 1993 international prices (or \$2 per day in 1990 prices).

Sources: United Nations, Human Development Report (1997;2004); World Bank, World Development Indicators

Improved Water

Percentage of the population with access to safe water.

Sources: World Bank, World Development Indicators

Life Expectancy at Birth

The number of years a newborn infant would live if prevailing patterns of mortality at birth were to stay the same throughout its life.

Sources: World Bank, World Development Indicators

Infant Survival Rate

The number of infants surviving to one year of age per 1,000 live births. It is equal to 1,000 minus the infant mortality rate.

Sources: World Bank, World Development Indicators

Under Five Survival Rate

The number of infants, per 1,000 live births, projected to survive to age five, given current mortality rates. It is equal to 1,000 minus the under-age-five mortality rate.

Sources: World Bank, World Development Indicators

Physicians per 1,000 People

Number of graduates of any facility of a school of medicine, working in the country in any medical field, per 1,000 population.

Sources: World Bank, World Development Indicators

Adequate Nutrition

Percentage of population with adequate nutrition. It is equal to 100 minus the percentage of the population whose food intake is insufficient to meet dietary energy requirements continuously.

Sources: World Bank, World Development Indicators

Human Poverty Index (HPI)

A measure of the percentage of people deprived of a long and healthy life, knowledge, and a decent standard of living. Items included in the index are: percentage not surviving to age 40, percentage of adults who are not literate, percentage of people without access to safe water, and the percentage of children underweight for their age. The index runs from 0 to 100. In the original index higher values indicated greater poverty, but we reversed the scale so that higher values would represent less poverty and improved well being.

Sources: United Nations, Human Development Report, 2004

and reductions in the incidence of poverty. However, the opposite is the case for variables like infant mortality rate or percentage of the population with inadequate nutrition. In order to make it easier to track changes, the scale of the non-pecuniary indicators is arranged so that higher values are always indicative of lower poverty rates and improvements in well-being. For example, rather than presenting the infant mortality rate per 1000, we present the infant survival rate so that a higher value translates to an improvement in well-being. In its original form, increases in the HPI on its 100-point scale are indicative of reductions in the well-being of the poor. Again, we reversed the direction of that scale, so that higher values indicate an improvement in the quality of life of the poor.

What Is Happening to the World Poverty Rate?

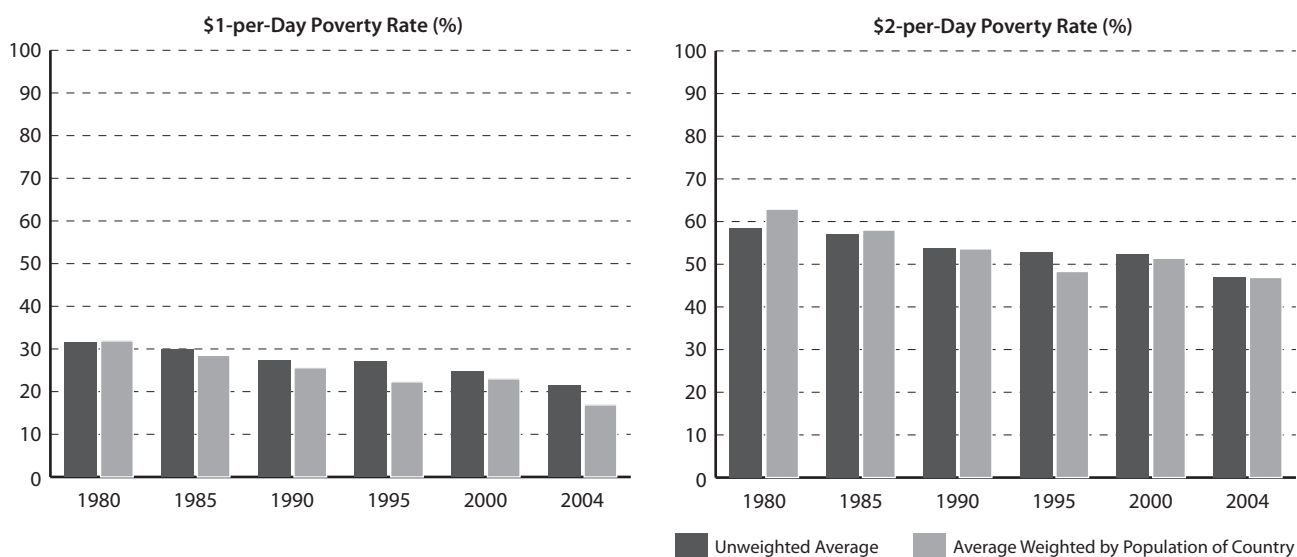
The \$1-per-day and \$2-per-day poverty rates are available for a substantial number of developing countries for various years, mostly since 1995. However, these data are incomplete. In searching for an instrument that might be used to provide estimates for the missing values, we discovered that the mortality rate for children under age five is highly correlated with the \$2-per-day poverty rate and

is available for a larger set of countries and years. Thus, this instrument is used, along with per-capita GDP, to estimate the missing values for the \$2-per-day poverty rate for a large set of countries at five-year intervals for the period from 1980 to 2000 and for 2004. Unsurprisingly, the \$1-per-day poverty rate is closely linked to the \$2-per-day rate. While the \$1-per-day rate is lower, countries with a high \$2-per-day rate also tended to have a \$1-per-day rate that was relatively high. Thus, the data for the \$2-per-day poverty rate can be used to derive the \$1-per-day rate. The source note to the Appendix to Exhibit 2.1 (page 38) provides additional details on these calculations and that table presents both the \$1-per-day and \$2-per-day poverty rates for 79 less-developed countries for various years during the period from 1980 to 2004.

The population of the 79 countries of the Appendix to Exhibit 2.1 sum to 4.8 billion, approximately 90% of the total residing in the world's less developed countries for the period from 1980 to 2004. Because the \$1-per-day and \$2-per-day poverty rates are largely unavailable for high-income developed countries, it was not possible to make estimates for these countries. The omitted high-income countries have a population of approximately 800 million.

Exhibit 2.2 provides a graphic illustration of the mean values of the \$1-per-day and \$2-per-day poverty rates for the developing countries shown in the Appendix

Exhibit 2.2: Average Percentage of Population in Developing Countries Living on \$1 and \$2 per Day, 1980–2004



Source: Derived from World Bank, *World Development Indicators* and United Nations, *Human Development Report*; see Appendix to Exhibit 2.1 for details. These figures are for the 79 countries shown in the Appendix, which constitute approximately 90% of the population of less-developed countries. The number of countries for which data were available ranged from 65 in 1980 to 78 in 2004. Calculations were made for only countries with data during all years and the mean values were virtually identical to those presented above.

to Exhibit 2.1 for various years from 1980 to 2004. Both unweighted and weighted means are presented. The unweighted mean is merely the average of the entire set of countries with data during the year. The number of countries for which the poverty rates were available ranged from 65 in 1980 to 78 in 2004. In the case of the weighted average, the mean percentage with income below the cutoff is weighted by the population of the country. Thus, more populous countries like China and India will have a larger impact on the mean calculation when it is derived by the weighted method. The weighted method will also tend to provide a more accurate measure of the poverty rate for the entire sample of countries.

In 1980, the mean values of both the unweighted and weighted \$1-per-day poverty rates were approximately 32%, indicating that about one third of the population in developing countries had incomes of less than \$1 per day. The \$1-per-day poverty rate declined steadily during the 1980s and 1990s. By 2004, the unweighted mean had fallen to 21.5% of the population. The weighted average fell by an even larger amount, to 16.9% in 2004. Thus, the weighted mean indicates that the overall \$1-per-day poverty rate of developing countries was nearly cut in half between 1980 and 2004.

The relative reduction in the \$2-per-day poverty rate was not as pronounced. The unweighted \$2-per-day poverty rate fell from 58.5% in 1980 to 47% in 2004. The weighted mean fell by 16 percentage points from 62.9% in 1980 to 46.9% in 2004. This reduction of 16 percentage points in the weighted \$2-per-day rate between 1980 and 2004 was nearly the same as the percentage point reduction in the weighted \$1-per-day rate during the same time frame.

As was previously noted, these figures are for approximately 90% of the world's population living in less-developed countries. At least 800 million people residing in high-income countries are omitted from these calculations. No doubt, the share of the population with an income of \$1 per day or \$2 per day is considerably lower in the omitted high-income countries. Thus, the overall world poverty rate is somewhat lower than the figures presented in Exhibit 2.2.

Both the \$1-per-day and \$2-per-day poverty rates indicate that progress has been made since 1980. However, they also indicate that slightly more than one in six persons in the less-developed countries of the world had an income of less than \$1 per day in 2004, and nearly half of the population in these countries had an income of less than \$2 per day.

Exhibit 2.3 presents data on several measures of poverty based on quality of life for various periods from

the early 1980s through 2005. These indicators are similar to those included in the United Nations *Human Poverty Index*. The data of Exhibit 2.3 are for a larger number of countries than Exhibit 2.2. They include both high-income developed countries as well as those with low incomes.

The pattern of the indicators of quality of life is similar to that of the \$1-per-day and \$2-per-day poverty rates. The mean values for all of the non-pecuniary indicators increased across time periods, illustrating an improvement in conditions and a reduction in poverty. For example, for every 1,000 children under the age of five, over 23 more children survived the first five years of life in the period from 2001 to 2005 compared to the fraction surviving in the period from 1981 to 1985. In a nation with a million children under age five, that would mean 23,000 fewer deaths and grieving parents. The emotionally wrenching effects of child mortality that are so inextricably linked with poverty are notably reduced. Less dramatically, but hardly unimportant, the percentage of people with access to "improved" water increased more than an average of 6% during this period and life expectancy at birth on average increased from about 64 years of age to more than 68 years, a remarkable occurrence in light of the AIDS pandemic. In short, both the income based and quality of life based measures indicate that there has been a noticeable reduction in poverty since 1980.

How Does Economic Freedom Affect Poverty?

Numerous studies have shown that countries with more economic freedom grow more rapidly and achieve higher per-capita income levels than those that are less free (Berggren, 2003; Cole, 2003; Dawson, 1998, 2003; de Haan, Lundstrom, and Sturm, 2006; Easton and Walker, 1997). One would expect that this growth would also result in less poverty. Using ratings from various editions of *Economic Freedom of the World* (EFW), we now turn to an examination of this issue.

Exhibit 2.4 divides the less-developed countries of the Appendix into three categories: those with an average EFW summary rating during the period from 1980 to 2000 of less than 5, those between 5 and 6, and those between 6 and 7. Because the data on poverty rates are unavailable for high-income developed economies and even some of the more successful developing economies like Chile, South Korea, and Malaysia, among the countries of the Appendix there are none with an average EFW summary rating from 1980 to 2000 of 7 or more .

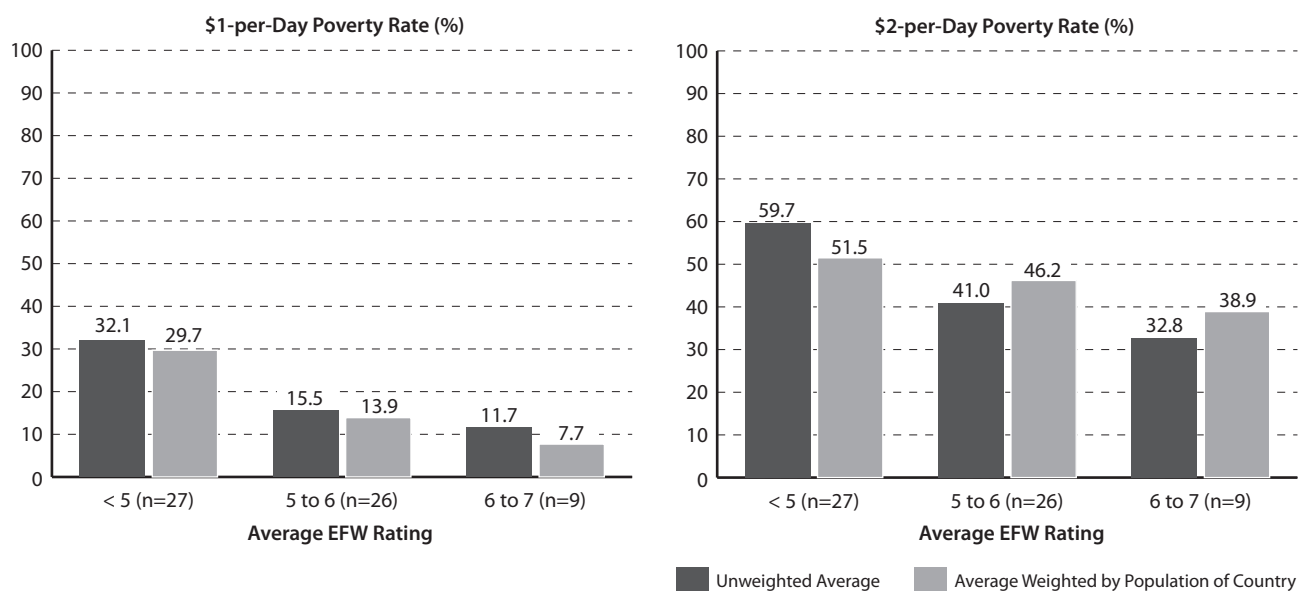
Exhibit 2.3: Alternative Indicators of World Poverty, 1981–1985 to 2001–2005

Indicators [number of countries]	Average 1981–1985	Average 1986–1990	Average 1991–1995	Average 1996–2000	Average 2001–2005
% of population with access to improved water [96]	—	80.1	82.4	84.7	86.2
Life expectancy at birth, total (years) [122]	64.4	65.8	66.4	67.1	68.1
Infant survival rate (per 1,000 live births) ^a [118]	947.7	953.1	957.0	961.3	964.6
Under-five survival rate (per 1,000) ^a [106]	918.3	926.9	932.8	938.3	941.9
Physicians (per 1,000 people) [71]	1.3	1.5	1.6	1.8	1.9
% of population with adequate nourishment ^b [103]	83.3	—	83.1	83.6	85.3

Note a: These figures are based on the infant mortality rate and the under-5 mortality rate, respectively. They are presented here as survival rates (i.e., 1000 minus mortality rate) so that a larger number represents improvement.

Note b: This is derived from the data on prevalence of undernourishment. It is presented here as sufficient nourishment (i.e., 100 minus the undernourished as a percentage of the population) so that a larger number represents improvement.

Source: World Bank, *World Development Indicators*. A country is included if it has data for the indicator across all time periods and it was included in *Economic Freedom of the World: 2000 Annual Report*. While the number of countries differs from indicator to indicator, it is the same across time periods for each indicator.

Exhibit 2.4: Economic Freedom, 1980–2000, and \$1- and \$2-per-Day Poverty Rates for Developing Countries

Source: Derived from World Bank, *World Development Indicators*; United Nations, *Human Development Report*; and *Economic Freedom of the World: 2008 Annual Report*. See note at end of Appendix to Exhibit 2.1 for the explanation of how the poverty rates were derived. The 62 countries for which there are 2004 poverty rates and EFW ratings from 1980 to 2000 are included here. The chain-link method was used to derive the EFW average ratings for countries from 1980 to 2000 (see exhibit 1.5).

Exhibit 2.4 indicates the average of the \$1-per-day and \$2-per-day poverty rates during 2004 for the countries in the three categories. Both the unweighted and weighted (by population) means are shown. If economic freedom makes a difference, the mean poverty rates for the freer economies should be lower. This is indeed the case. The unweighted \$1-per-day poverty rate was 32.1% in 2004 for countries with EFW ratings of less than 5, but only 11.7% for countries with EFW ratings between 6 and 7. The \$1-per-day poverty rate for the middle group was between these two extremes. For the weighted means, the pattern of the \$1-per-day poverty figures was similar. As Exhibit 2.4 shows, the \$2-per-day poverty rate declines from 59.7% to 41.0% to 32.8% as one moves from the less free to the more free economies. In the case of the weighted means, the difference between the freer economies and the least-free group was smaller, but still substantial.

Persons with incomes of less than \$1-per-day and \$2-per-day are largely people who experience few if any of the gains from trade, specialization, cooperation with others, and economies of scale. With gains from these sources blocked by political factors, physical obstacles, and the absence of transportation and communication networks, they survive by raising a few fruits and vegetables on small land plots, building shelters with whatever they can get their hands on, and only a low level of trading with others, mostly those living in their village or surrounding area. There will be little change in their economic well-being until they are brought into the exchange economy. Economic freedom helps make this possible. Thus, the lower poverty rates of the freer economies are an expected result.³ Further, the strong relationship between more economic freedom and lower poverty rates observed in exhibit 2.4 is particularly revealing, given that these data include only less-developed countries (LDCs) and even the freest economies among this group are omitted.

The initial objective of the Millennium Development Goals is to reduce extreme poverty—of those living on \$1 per day—by one half. The data in exhibit 2.4 suggest that a straightforward step would be to promote institutions and policies supportive of economic freedom in the less developed world. After all, the freest of the LDCs already

³ Regression analysis was also used to examine the data of exhibit 2.4 in more detail. When the average EFW rating from 1980 to 2000 was regressed on the 2004 \$1-per-day poverty rate, a one-unit increase in the EFW rating reduced the \$1-per-day poverty rate by 13 percentage points. Parallel analysis indicated that a one-unit increase in the EFW average reduced the \$2-per-day poverty rate by 17 percentage points. Both of these estimates were significant at the 99% confidence level.

have \$1-per-day poverty rates that are substantially less than half of the least-free LDCs.

Exhibit 2.5 examines the relationship between economic freedom and the non-pecuniary set of poverty indicators. These variables are available for a larger set of countries, including those with higher income levels and average EFW ratings of more than 7 between 1980 and 2000. Thus, the poverty indicators are shown for four categories: countries with an average EFW summary rating of less than 5, between 5 and 6, between 6 and 7, and greater than 7. These four categories might properly be thought of as mostly unfree, lower middle, upper middle, and mostly free. The quality-of-life indicators are for the most recent period, from 2001 to 2005. As previously indicated, the direction of the scale of the non-pecuniary variables has been arranged such that a higher value is always indicative of less poverty and an improvement in well-being.

In the mostly unfree economies, 72.6% of the population has access to safe water, compared to nearly 100% in the mostly free economies. The two middle groups fell between these two extremes. Given the centrality of clean water to health and well-being and the excessive caloric expenditures to obtain clean water, the impoverishing effect of this differential is highly noteworthy. Consider next, life expectancy at birth. As one moves from the mostly unfree to the middle groups and on then to the mostly free economies, life expectancy increases. The life expectancy of people in the mostly free group is slightly more than 20-years greater than for the mostly unfree group.

For every 1,000 births on average, 64 more babies survive in freer economies per year than in the unfree economies. The gap in the rate for child mortality under age five is even greater, with an average of 109 more children per thousand surviving each year in economically free economies than for those that are mostly unfree. Similarly, there are more than twice as many physicians per 1,000 population in the mostly free economies than for those that are mostly unfree. Malnutrition affects more than a quarter of the population for the least-free economies but only a small fraction—approximately 2.5%—in the free economies. There is also a substantial difference between the free and unfree economies in the United Nations Human Poverty Index. The HPI increases from 63.9 for the mostly unfree to 93.7 for the mostly free economies with the middle groups again falling in between.⁴

⁴ Regressions were run with each of the quality-of-life indicators of exhibit 2.5 as the dependent variable and average EFW from 1980 to 2000 as the independent variable. The EFW variable was significant at the 99% level of confidence in every regressions.

Exhibit 2.5: Economic Freedom and Country Averages for Alternative Indicators of Poverty, 2001–2005

Indicators [number of countries]	Mostly Unfree (Avg. 1980–2000 EFW Rating < 5)	Lower Middle (Avg. 1980–2000 EFW Rating 5–6)	Upper Middle (Avg. 1980–2000 EFW Rating 6–7)	Mostly Free (Avg. 1980–2000 EFW Rating > 7)
% of population with access to improved water [90]	72.6	86.0	90.3	99.9
Life expectancy at birth, total (years) [112]	58.0	67.4	71.8	78.6
Infant survival rate (per 1,000 live births) ^a [108]	931.1	961.1	979.7	994.9
Under-five survival rate (per 1,000) ^a [96]	884.1	936.3	977.3	993.4
Physicians (per 1,000 people) [63]	1.2	1.1	2.3	2.5
% of population with adequate nourishment ^b [102]	72.1	86.2	90.5	97.5
<i>UN Human Poverty Index, 2004</i> ^c [68]	63.9	75.5	80.8	93.7

Note a: These figures are based on the infant mortality rate and the under-5 mortality rate, respectively. They are presented here as survival rates (i.e., 1000 minus mortality rate) so that a larger number represents improvement.

Note b: This is derived from the data on prevalence of undernourishment. It is presented here as sufficient nourishment (i.e., 100 minus the undernourished as a percentage of the population) so that a larger number represents improvement.

Note c: In the original index, higher values indicated greater poverty but we reversed the direction of the scale so that higher values would represent less poverty and improved well being.

Sources: World Bank, *World Development indicators*; United Nations, *Human Development Report*; and *Economic Freedom of the World: 2008 Annual Report*. The chain-link method was used to derive the EFW average ratings for countries from 1980 to 2000 (see exhibit 1.5).

Exhibits 2.4 and 2.5 paint a similar picture: poverty rates are substantially lower in persistently free economies compared to those with persistently lower levels of economic freedom. This is true regardless of whether poverty is measured by income or quality-of-life indicators. No doubt, this pattern is largely reflective of the linkage between economic freedom and growth. The freer economies grow more rapidly and, at the same time, they achieve both higher income levels and lower rates of poverty.

Hong Kong and Singapore provide early evidence for the linkage between economic growth and lower poverty rates. These two economies achieved high levels of economic freedom in the 1960s and 1970s and in recent years they have ranked first and second in the EFW index. Even though they were relatively poor in 1960, today the income levels and poverty-rate indicators of Hong Kong and Singapore are virtually identical with those of the high-income countries of North America and Western Europe.

Since 1980, the EFW ratings of Thailand, Malaysia, and Panama have been persistently greater than 6.0. Their average ratings from 1980 to 2000 are among the highest

of LDCs during this period. In turn, they have achieved substantial progress against poverty. The \$2-per-day poverty rate of Thailand fell from 45% in 1980 to 30% in 1990 and 15% in 2005. Life expectancy at birth in Thailand increased from 64 years in 1980 to 70 years in 2004. Thailand's under-five mortality rate fell from 58 per thousand in 1980 to 21 in 2005.

While the poverty rates of Malaysia are unavailable for the entire period, the \$2-per-day poverty rate fell from 15% in 1987 to 9% in 1997. Malaysia's \$1-per-day poverty rate of 2% is among the lowest among LDCs. The increase in life expectancy at birth and reduction in under-five mortality rates in Malaysia also indicate that the quality of life of the poor has improved substantially since 1980.

Panama has also made substantial progress against poverty. Its \$2-per-day poverty rate fell from 30% in 1980 to 17% in 2004. The \$1-per-day poverty rate of Panama fell from 11% in 1980 to 6% in 2004. Like the figures of exhibits 2.4 and 2.5, these case studies of economies with persistently high levels of economic freedom also illustrate that economic freedom is a powerful weapon against poverty.

Changes in Economic Freedom and Reductions in Poverty

Thus far the focus has been on how persistent differences in the level of economic freedom influence poverty rates and related indicators of quality of life. If a country adopts reforms supportive of economic freedom, will the well-being of the poor improve? Theory indicates that the answer to this question is “yes,” but substantial reductions in poverty are likely to take some time. It will take time for the new policy direction to acquire credibility, investors and other decision-makers to respond to the more attractive environment, and the rate of growth to increase. As the higher level of economic freedom is sustained and the more rapid growth persists, poverty rates will fall, and they will fall by larger amounts with the passage of time.

Exhibit 2.6 investigates the relationship between changes in economic freedom and reductions in the poverty rate. In equation 1 of exhibit 2.6, the dependent

variable is the percentage-point reduction in the \$1-per-day poverty rate between 1980 and 2004. In equation 2, the dependent variable is the reduction in the \$2-per-day poverty rate during the same period. In each of these equations, the poverty rate at the beginning of the period is an independent variable designed to control for cross-country differences in the initial incidence of poverty. The level of economic freedom in 1980, along with the change in EFW rating from 1980 to 1995 and from 1995 to 2005, are also included as independent variables. The earlier change in EFW rating is expected to exert a larger impact than the more recent change because the earlier change will affect the economy over a longer time frame. The initial poverty rate is insignificant in both equations. Both the initial EFW rating and the change in EFW rating from 1980 to 2005 were positive and significant at the 95% confidence level in both equations. Equation 1 indicates that, when the initial 1980 EFW summary rating

Exhibit 2.6: Regression Analysis of the Linkage between Economic Freedom and Poverty

Independent Variable	Dependent Variable		
	1 Percentage Reduction in \$1-per-Day Poverty Rate, 1980–2004	2 Percentage Reduction in \$2-per-Day Poverty Rate, 1980–2004	3 Human Poverty Index, 2004
<i>Intercept</i>	19.29 (–1.54)	–11.61 (–0.72)	37.32 (3.32)
<i>Initial Poverty Rate, 1980</i>	0.06 (0.52)	–0.13 (–1.31)	
<i>Per-Capita GDP, 1980</i>			0.33*** (3.16)
<i>Economic Freedom, 1980</i>	4.68** (2.31)	4.98** (2.13)	3.78* (1.76)
<i>Change in EFW rating, 1980–1995</i>	5.21** (2.43)	5.22** (2.31)	7.85*** (3.08)
<i>Change in EFW rating, 1995–2005</i>	1.20 (0.67)	2.64 (1.39)	2.71 (1.04)
<i>R²</i>	0.162	0.266	0.544
<i>Number of Countries</i>	53	53	57

Note: The numbers in parentheses are t-ratios for the coefficients. *, **, and *** indicate significance at the 90%, 95%, and 99% levels, respectively. The dependent variables are the change in the poverty measure for the period from 1980 to 2004 or United Nations *Human Poverty Index*. The GDP per capita was measured in hundreds of dollars.

Sources: World Bank, *World Development Indicators*; United Nations, *Human Development Report*; and *Economic Freedom of the World, 2008 Annual Report*. The chain-link EFW data of exhibit 1.5 were used to calculate the change in economic freedom across periods. The respective equations incorporated all countries for which the data were available.

was one unit higher, countries achieved a reduction in the \$1-per-day poverty rate that was 4.68 percentage points larger between 1980 and 2004. At the same time, a one-unit increase in the EFW rating between 1980 and 1995 was associated with a 5.21 percentage-point reduction in the \$1-per-day poverty rate. As equation 2 indicates, a one-unit increase in the initial EFW rating reduced the \$2-per-day poverty rate by 4.98 percentage points, while a one-unit increase in EFW during the period from 1980 to 1995 reduced the \$2-per-day poverty rate by 5.22 percentage points. The change in EFW rating from 1995 to 2005 is insignificant in both equations. This is an expected result because there would be only a brief time period for the later change to affect growth and thereby reduce the poverty rate.⁵

Equations 1 and 2 indicate that both higher initial levels and larger increases in economic freedom reduce the poverty rate. Thus, countries that move toward more economic freedom achieved lower poverty rates with the passage of time. A one-unit increase in EFW rating reduced both the \$1-per-day and \$2-per-day poverty rates by about 5 percentage points a decade later. A two-unit improvement reduced poverty rates by approximately 10 percentage points over the following decade.

Peru and Chile illustrate the potency of major reforms that increase economic freedom. Both have become substantially more free in recent decades. After stagnating around 4.0 during the 1980s, Peru's EFW rating jumped from 4.2 in 1990 to 6.3 in 1995 and on to 7.1 in 2000. Over the same period, Peru's \$2-per-day poverty rate only fell from 43% in 1980 to 42% in 1990 but, as the economy became substantially more free during the 1990s, the \$2-per-day rate fell to 31% in 2000. The \$1-per-day poverty rate of Peru went from 23% in 1980 to

19% in 1990 but it fell even more sharply to 11% in 2000 and 7% in 2004. Peru also achieved a major increase in life expectancy and reduction in the under-five mortality during the same period.

Chile's EFW rating increased from 5.6 in 1980 to 6.9 in 1990 and 7.3 in 2000. While the \$1-per-day and \$2-per-day poverty rates are unavailable for early years, Chile's \$2-per-day rate declined from 24% in 1987 to 6% in 2003. Its \$1-per-day poverty rate has been around 2% for at least a decade. Life expectancy at birth in Chile increased from 69 years in 1980 to 74 years in 1990 and 78 years in 2005. Correspondingly, the under-five mortality rate fell from 45 per thousand in 1980 to 21 in 1990 and 8.4 in 2004. Just as equations 1 and 2 of exhibit 2.6 imply, the big increases in the economic freedom of both Peru and Chile were closely followed by a substantial improvement in the well-being of the poor.

Equation 3 of exhibit 2.6 investigates the impact of economic freedom on the incidence of poverty as measured by the United Nations' Human Poverty Index. The 2004 HPI is the dependent variable in equation 3, while initial per-capita GDP and the three economic-freedom variables are included as independent variables. The initial (1980) per-capita GDP, inserted to control for initial differences among countries, is highly significant. Both the initial EFW rating and the change between 1980 and 1995 are also significant. A one-unit increase in EFW during the period from 1980 to 1995 increases the 2004 HPI by 7.85 points. This is a huge increase, given that the difference in the HPI values between the low and high countries included here is only about 50 points. (Remember the scale of the HPI has been reversed so that higher values reflect less poverty.)

Exhibit 2.6 indicates that both the level of economic freedom and the change in economic freedom exert a strong impact on the poverty rate. Countries with higher initial levels of economic freedom achieved more rapid reductions in poverty. At the same time, countries adopting liberal reforms from 1980 to 1995 received an additional payoff in the form of lower poverty rates in 2004. Both the initial level and the change in economic freedom from 1980 to 1995 also exerted a positive impact on the recent HPI measures. The fact that both the initial level and the change in EFW rating reduce the incidence of poverty is strong evidence that, contrary to the views of Jeffery Sachs, economic freedom is a powerful weapon with which to combat world poverty.

These results highlight the need for further research into the connection between reducing poverty and economic freedom, including testing with various control

⁵ To check for the robustness of the change in EFW rating over other time frames, modified forms of regression equations 1 and 2 of exhibit 2.6 were run with changes in EFW ratings during the 1980s and the period from 1990 to 2005 as independent variables.

For the \$1-per-day poverty rate, this estimated equation was: percentage-point reduction in \$1-per-day poverty rate = $20.65 - 0.001 \times (\text{\$1-per-day poverty rate in 1980})^* + 5.46 \times (\text{EFW rating in 1980})^* + 6.73 \times (\text{change in EFW rating 1980-1990})^* + 2.42 \times (\text{change in EFW rating 1990-2005})$.

The estimated equation for the \$2-per-day poverty rate was: percentage-point reduction in \$2-per-day poverty rate = $13.95 - 0.15 \times (\text{\$2-per-day poverty rate in 1980})^* + 5.80 \times (\text{EFW rating in 1980})^* + 7.06 \times (\text{change in EFW rating 1980-1990})^* + 3.37 \times (\text{change in EFW rating 1990-2005})^{**}$.

* indicates significance at the 99% level; ** indicates significance at the 95% level.

variables. The initial results reported here show strong positive linkages between economic freedom and the reduction of poverty and we will continue to investigate this issue in more detail.

Why Is the Poverty Rate of Africa So High?

Exhibit 2.7 presents the mean values for the \$1-per-day and \$2-per-day poverty rates of the 34 sub-Saharan African countries for various years during the period from 1980 to 2004. The mean value of both the weighted and unweighted \$1-per-day poverty rate hovers around 40% for each of the years. On average, the \$1-per-day poverty rate in 2004 is not much different than that in 1980 and no obvious trend is present. Exhibit 2.2 provides the same figures for all less developed countries. Comparisons indicate that the \$1-per-day poverty rate (weighted average) in 2004 for sub-Saharan Africa was more than twice the rate of less developed countries as a whole. The \$2-per-day poverty rate for sub-Saharan Africa fluctuated around 70% throughout the period from 1980 to 2004; as was the case for the \$1-per-day rate, there was no discernible downward trend. The weighted average for the sub-Saharan African countries was 69.4% in 2004, compared to 46.9% for all LDCs. This indicates that the \$2-per-day poverty rate of the sub-Saharan countries was approximately 50% higher than for other less developed countries. Clearly, the poverty rate of sub-Saharan Africa is exceedingly high. Why is this the case? It is not because Africa has received an inadequate share of foreign aid from high-income countries and international organizations such as the World Bank. During the past 50 years, no region has received more aid than Africa.⁶

Reducing Poverty through Economic Growth

Reductions in poverty are closely tied to economic growth. The poverty rates in countries such as Chile, Peru, Thailand, Malaysia, South Korea, China, and India have fallen sharply in recent decades because these countries

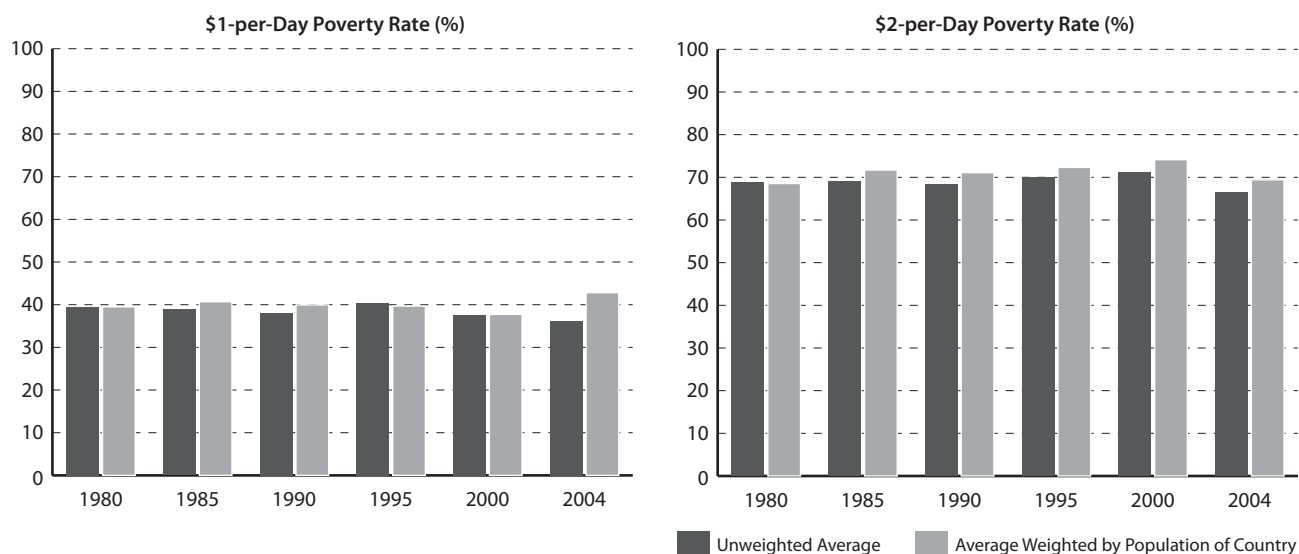
have achieved rapid economic growth. Growth is the driving force underlying reductions in poverty. Thus, if you want to reduce poverty rates, it is vitally important to understand the growth process.

Growth and the achievement of high income levels are strongly dependent on (1) gains from trade, (2) entrepreneurship, and (3) investment. Division of labor, specialization, and economies of scale facilitate larger outputs and lower per-unit costs. But trade restrictions retard gains from these sources. Discovery and development of improved products and less costly methods of production are also a major contributing factor to growth. Just think of how innovative new products like cellular phones, personal computers, DVD players, microwave ovens, air conditioning for buildings and automobiles, laser surgeries, and life-saving drugs have improved living standards during the past 50 years. These products and many others are the fruits of business entrepreneurship. Investment in equipment, structures, and roads also enhance our productive capabilities. When people work with more and better capital assets, they will be able to produce more and achieve higher levels of income.

Thus, gains from trade, entrepreneurship, and investment are the core of the growth process. However, gains from these sources do not just happen. They are the result of institutions and policies supportive of economic freedom. Uncertain protection of property rights, biased law enforcement, trade restrictions, and regulations that restrict entry into markets and impose heavy costs on business will undermine these gains. Areas 2, 4, and 5C of the index published in *Economic Freedom of the World* provide insight on cross-country differences in these areas. Let's consider how the institutions and policies of sub-Saharan Africa measure up in these vitally important areas.

Exhibit 2.8 presents the 2006 average summary ratings for Africa and other less developed regions for the EFW index, Area 2 (Legal Structure and Security of Property Rights), Area 4 (Freedom to Trade Internationally), and 5C (Business Regulations). In addition to the 34 sub-Saharan African countries, the countries of central and South America, the LDCs of Asia, and the former, centrally planned, Soviet-bloc economies are included in Exhibit 2.8. All of the countries in these groups have had very low EFW ratings at various times during the past two decades and many of them still do. Most also have high poverty rates, although some have achieved major reductions in poverty in recent years. In essence, these countries have an historical background of institutions and policies inconsistent with economic freedom.

⁶ While African countries have received large amounts of foreign aid, research in this area indicates that aid has little or no positive effect on the economic performance of recipient countries. For evidence on this point, see Easterly, Levine, and Roodman, 2004; Easterly, 2006; Djankov, Montalvo, and Reynal-Querol, 2006; Rajan, and Subramanian, 2005; and Vásquez, 1998.

Exhibit 2.7: Average Percentage of Population in Sub-Saharan Africa Living on \$1 and \$2 per Day, 1980–2004

Source: Derived from World Bank, *World Development Indicators* and United Nations, *Human Development Report* (1997, 2004) see addendum 2.1A for details. These figures are for the 34 countries in sub-Saharan Africa that have \$1-per-day and \$2-per-day poverty rates and are included in *Economic Freedom of the World: 2008 Annual Report*. These countries are: Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Central African Republic, Chad, Democratic Republic of Congo, Republic of Congo, Côte d'Ivoire, Ethiopia, Gabon, Ghana, Guinea-Bissau, Kenya, Lesotho, Madagascar, Malawi, Mali, Mauritania, Mozambique, Namibia, Niger, Nigeria, Rwanda, Senegal, Sierra Leone, South Africa, Tanzania, Togo, Uganda, Zambia, Zimbabwe.

Exhibit 2.8: Average Summary Ratings, Area 2, Area 4 and Area 5C from *Economic Freedom of the World* for Countries in Sub-Saharan Africa Compared to Other Groups of Countries

Groups [number of countries]	EFW Summary Rating (average)	Area 2 (Legal Structure and Security of Property Rights) (average)	Area 4 (Freedom to Trade Internationally) (average)	Area 5C (Business Regulations) (average)
Sub-Saharan Africa ^a [34]	5.71	4.20	5.83	4.92
Central and South America ^b [19]	6.66	4.89	6.96	5.61
Asia ^c [14]	6.26	5.14	6.47	5.37
Formerly Centrally Planned [24]	6.76	5.66	6.98	5.60
G7 Countries [7]	7.66	7.80	7.26	7.32

Note a: See exhibit 2.7 for the list of countries.

Note b: This group comprises: Argentina, Belize, Bolivia; Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Guyana, Honduras, Nicaragua, Panama, Paraguay, Peru, Trinidad & Tobago, Uruguay, Venezuela.

Note c: This group comprises: Bangladesh, China, India, Indonesia, Malaysia, Mongolia, Myanmar, Nepal, Pakistan, Philippines, South Korea, Sri Lanka, Thailand, Vietnam. Note that Hong Kong, Singapore, and Japan were omitted because of their high economic freedom and income status. The Asian former Soviet-block countries are included in the centrally planned group.

Source: Derived from exhibits 1.2 and 1.3.

The mean values of the sub-Saharan African group are lower, and often substantially lower, than for any of the other three groupings. The weak ratings of the African countries in the legal system and trade areas are particularly pronounced. Even though the legal system is still a major weakness of Central and South America, the mean rating of the African countries is still worse (4.20 compared to 4.89). The rating of African countries in this crucial area is lower by almost a point and a half than that of the group of countries that formerly had a centrally planned economy. In the international exchange area, the average rating of the African group is a full point lower than Central and South America and the former Soviet-bloc countries.

The ratings for the G7 nations are included as a benchmark. The average ratings of the African countries are well below the G7 group in each of the four categories, and lower in the legal system area by a whopping three points and a half.

Exhibit 2.9 considers the quality of African institutions and policies from another interesting perspective: the representation of the region in the bottom 40 and top 40 among the 141 countries covered by the index in *Economic Freedom of the World: 2007 Annual Report*. This issue is examined for the summary ratings, as well as for Area 2 (Legal Structure and Security of Property Rights), Area 4 (Freedom to Trade Internationally), and 5C (Business Regulations). The sub-Saharan countries dominate the bottom 40 for each of these institutional measures, supplying 23 of the bottom 40 in both the summary ratings and Area 2 (Legal Structure and Security of Property Rights). They also make up 21 of the bottom 40 in Area 4 (Freedom to Trade Internationally) and 18 in 5C (Business Regulations). In contrast, there is virtually no representation of sub-Saharan Africa in the top 40 in the summary rating or any of the three areas.

Once one thinks about the importance of gains from trade, entrepreneurship, and investment, it is easy to see why Africa is poor. The countries of sub-Saharan Africa are approximately the geographic size of the typical US state. Before resources and products can cross these national boundaries, they are subject to both taxes and the inspection of customs officials.⁷ This is a costly, time-consuming, and onerous ordeal that exerts a corrupting influence on both business and government. Most

important, it is a major deterrent to gains from specialization, economies of scale, entrepreneurship, and investment. If trade restrictions of this type were present among the states, the United States would be a poorer country and poverty would be more wide-spread.

The trade restrictions alone are enough to undermine prosperity but, when coupled with legal systems that fail to protect property rights and regulations that restrict entry and drive up the cost of doing business, the results are catastrophic. Africa will not grow and prosper as long as these institutional restraints are in place. Africa needs institutional reforms that will reduce trade barriers, provide legal protection for property rights, and reduce business regulation. Until such reforms are instituted, doubling or tripling of foreign aid will not have much impact on the poverty rates of Africa.⁸

Implications and Conclusion

Progress has been made in reducing poverty during the past several decades. Measures of poverty based both on income and on quality of life illustrate this point. But the progress has been uneven. Reductions in poverty are closely related to institutions and policies consistent with economic freedom. Both the level and change in economic freedom have contributed to reductions in the poverty rate over recent decades.

The growth process is the driving force underlying reductions in poverty. Without economic growth, there will be little or no reduction in poverty. The poverty rates of sub-Saharan Africa are exceedingly high and the current rates are virtually unchanged from the levels of 1980. Once one takes a close look at the institutional quality of sub-Saharan Africa, the high and largely unchanged poverty rates of the region are not mysterious. The institutions and policies of the region are highly inconsistent with economic growth. The failure of the legal system to protect property rights, the roadblocks imposed by trade restrictions, and the heavy regulation and administrative costs imposed on business undermine economic growth because they stifle the gains from trade, entrepreneurship, and investment. Given that most of the sub-Saharan countries are relatively small, the high trade barriers are particularly damaging.

⁷ In Area 4 (Freedom to Trade Internationally), 30 of the 34 African countries rank in the bottom half of the 141 countries covered by the index in *Economic Freedom of the World: 2007 Annual Report*.

⁸ Paul Collier (2007) emphasizes the ubiquity of conflict in Africa. His compelling argument strengthens the case that aid, unaccompanied by institutional changes, offers little hope of eradicating poverty in Africa.

Exhibit 2.9: Number of Countries in the Bottom 40 and Top 40 of the EFW Summary Rankings, Area 2, Area 4 and Area 5C, Sub-Saharan Africa Compared to Other Groupings

Summary Index	Number of Countries in the Bottom 40		
	Area 2	Area 4	Area 5C
Sub-Saharan Africa			
23	23	21	18
Angola; Benin; Burkina Faso; Burundi; Cameroon; Central Afr. Rep.; Chad; Congo, Dem. Rep.; Congo, Rep.; Côte d'Ivoire; Ethiopia; Gabon; Guinea-Bissau; Madagascar; Malawi; Mozambique; Niger; Nigeria; Rwanda; Senegal; Sierra Leone; Togo; Zimbabwe	Angola; Benin; Burkina Faso; Burundi; Cameroon; Central Afr. Rep.; Chad; Congo, Dem. Rep.; Congo, Rep.; Côte d'Ivoire; Gabon; Guinea-Bissau; Madagascar; Mali; Mozambique; Niger; Nigeria; Rwanda; Senegal; Sierra Leone; Togo; Uganda; Zimbabwe	Benin; Burkina Faso; Burundi; Cameroon; Central Afr. Rep.; Chad; Congo, Dem. Rep.; Congo, Rep.; Côte d'Ivoire; Ethiopia; Gabon; Guinea-Bissau; Madagascar; Malawi; Mozambique; Niger; Rwanda; Senegal; Sierra Leone; Togo; Zimbabwe	Angola; Benin; Burundi; Cameroon; Central Afr. Rep.; Chad; Congo, Dem. Rep.; Congo, Rep.; Guinea-Bissau; Lesotho; Madagascar; Mauritania; Mozambique; Niger; Nigeria; Senegal; Togo; Zimbabwe
Central and South America			
5	8	3	5
Argentina; Colombia; Ecuador; Guyana; Venezuela	Argentina; Bolivia; Colombia; Ecuador; Guyana; Nicaragua; Paraguay; Venezuela	Belize; Colombia; Venezuela	Argentina; Bolivia; Brazil; Ecuador; Venezuela
Asia			
7	5	4	5
Bangladesh; Indonesia; Myanmar; Nepal; Pakistan; Sri Lanka; Vietnam	Bangladesh; Indonesia; Myanmar; Nepal; Pakistan	Bangladesh; Myanmar; Nepal; Pakistan	Bangladesh; China; Nepal; Pakistan; Vietnam
Former, Centrally Planned, Soviet Bloc			
4	3	3	8
Azerbaijan; Bosnia & Herzegovina; Russia; Ukraine	Bosnia & Herzegovina; Kyrgyz Rep.; Macedonia	Albania; Bosnia & Herzegovina; Russia	Armenia; Azerbaijan; Bosnia & Herzegovina; Bulgaria; Poland; Russia; Serbia; Ukraine
Summary Index	Number of Countries in the Top 40		
	Area 2	Area 4	Area 5C
Sub-Saharan Africa			
0	2	0	0
	Botswana; Namibia		
Central and South America			
5	2	6	3
Chile; Costa Rica; El Salvador; Honduras; Panama	Chile; Costa Rica	Chile; Costa Rica; Guyana; Panama; Paraguay; Peru	Belize; Chile; El Salvador
Asia			
1	2	3	2
South Korea	Malaysia; South Korea	China; Malaysia; Thailand	Malaysia; South Korea
Former, Centrally Planned, Soviet Bloc			
6	3	8	5
Estonia; Georgia; Hungary; Latvia; Lithuania; Slovak Rep.	Estonia; Latvia; Lithuania	Bulgaria; Czech Rep.; Estonia; Georgia; Hungary; Latvia; Lithuania; Slovak Rep.;	Estonia; Georgia; Latvia; Lithuania; Hungary

Source: Derived from exhibits 1.2 and 1.3 of this report.

Three Steps towards Economic Growth in Africa

1 *Eliminate Trade Barriers and Business Regulations*

The trade barriers and business regulations that are currently paralyzing Africa need to be reduced and eliminated. Tariffs, quotas, and marketing boards need to be abolished. Regulations that restrict entry into markets and increase the administrative cost imposed on business need to be drastically cut. These changes would both reduce the roadblocks to African trade and lead to the movement of customs officials and other government employees from counter-productive into productive activities.⁹ These are vitally important reforms that could be adopted and implemented quickly.

2 *Improve the Legal System*

Steps need to be taken to improve the legal system. This is a more complex task and it will require some time. Eliminating or, at least substantially reducing, trade and regulatory barriers will also be helpful in the legal area. Currently, these regulations are a breeding ground for corruption and they help explain why sub-Saharan African countries rank so low in the Transparency International index and other measures of political corruption. But other steps are also needed. Private ownership rights need to be more clearly defined and the entitlement process made more transparent. Further, the law needs to make it clear that arbitration provisions included in contracts will not be over-ruled by judges or other political decision-makers.

3 *Develop an Interstate Highway System throughout Africa*

Third, from an investment standpoint, the most constructive thing for the Millennium Development Project would be to provide funding for the development of a

major African road network, something akin to the interstate highway system of the United States.¹⁰ This link would reduce transport costs and widen markets. It would also increase competition and make it possible for successful businesses in one African country to quickly enlarge the market for their good or service by expanding into other countries.

Sub-Saharan Africa is in dire need of policies consistent with economic freedom. Peru and Chile have shown that such reforms are possible and that they make a huge difference. Both of these countries adopted reforms that increased their EFW ratings by about two units in a relatively short period of time. Our analysis indicates that reforms of this magnitude would reduce the number of persons with incomes below \$1 and \$2 per day by about 10 percentage points. Given the 660 million people living in sub-Saharan Africa, this would mean that, about a decade after the reforms, there would be approximately 66 million fewer Africans living in such poverty.

Without such reforms, prior experience indicates that the Millennium Development Goals will not be met. Foreign aid, even in large doses, will not reduce poverty, at least not by much, unless institutions and policies consistent with economic growth are adopted. There is little evidence that the leading proponents of the Millennium Development Goals have any appreciation of this point. Jeffery Sachs has certainly made it clear that he does not.

Good intentions alone will not reduce poverty. As they reflect on their actions, the planners working towards meeting the Millennium Development Goals must focus on economic freedom and growth. If they fail to do so, the results, tragically, of the project are virtually certain to be disappointing.

⁹ See Baumol (1990) for the classic analysis of how the allocation of resources between productive and counter-productive activities influences economic performance.

¹⁰ Jeffrey Herbst (2000) documents the importance of road traffic in Africa: 80%–90% of passenger and freight traffic in Africa moves via roads. Herbst also argues that lack of a road infrastructure sorely limits the economic participation of Africans.

Appendix to Exhibit 2.1: \$1-per-Day and \$2-per-Day Poverty Rates (in 1990 USD) for Developing Countries, 1980–2004

	Percentage Living on \$1 per Day or Less						Percentage Living on \$2 per Day or Less					
	1980	1985	1990	1995	2000	2004	1980	1985	1990	1995	2000	2004
Albania		16.74	15.02	13.28	8.50	2.00		40.31	38.40	36.32	27.71	11.81
Algeria	23.52	18.16	15.07	2.00	10.49	8.74	43.86	38.11	35.26	15.10	29.24	26.17
Angola		44.42	43.09	45.38	44.75	43.90		69.78	67.04	71.75	70.47	68.72
Armenia			17.36	19.79	15.11	2.00			41.19	47.67	39.66	30.81
Azerbaijan				27.67	24.32	3.70				57.25	51.04	9.10
Bangladesh	43.27	40.05	36.89	32.86	36.00	25.14	74.84	72.41	69.30	64.94	82.80	54.88
Belize	19.08	17.26	13.60	11.25	9.22	8.25	43.36	41.53	34.95	30.80	27.03	25.36
Benin	45.84	43.84	43.38	41.62	39.85	30.90	78.92	76.83	77.77	76.19	73.40	72.50
Bolivia	34.12	32.08	29.85	26.87	23.60	23.20	60.11	59.69	58.07	54.66	42.80	47.50
Botswana	22.78	16.74	13.11	23.50	16.94	17.51	49.08	39.24	32.73	50.10	34.78	33.93
Brazil	15.76	14.59	12.16	9.42	7.08	7.54	34.40	33.33	30.51	26.49	22.91	21.50
Burkina Faso	49.40	46.29	45.48	44.54	43.22	27.19	81.91	79.03	78.72	77.60	75.97	71.77
Burundi	45.51	44.21	43.98	54.60	46.28	46.27	80.80	78.81	78.32	81.51	87.60	83.03
Cameroon	34.64	30.67	31.73	34.63	17.10	33.06	61.44	56.80	60.05	64.38	62.45	50.64
Central African Rep.	38.98	38.04	38.76	66.60	41.85	42.87	69.41	68.96	70.58	83.96	73.55	75.64
Chad	48.75	44.93	44.67	44.74	45.12	38.58	83.40	77.59	77.98	78.54	79.33	65.88
China	29.34	23.45	20.93	16.18	16.64	7.36	65.27	55.05	50.01	40.66	33.38	46.70
Colombia	13.53		7.86	5.46	4.15	7.03	33.85		24.90	20.91	18.90	17.76
Congo, Dem. Rep.	39.89	39.45	40.64	44.42	47.19	47.44	67.22	66.99	69.44	77.22	82.91	83.42
Congo, Rep.	37.69		34.05	32.03	33.89	34.37	74.18		68.73	64.86	68.66	69.66
Côte d'Ivoire	34.41	33.87	34.65	37.66	38.91	14.77	61.09	62.29	63.61	67.36	68.19	48.82
Dominican Republic	20.88	18.53	16.46	13.21	8.32	2.52	44.10	41.30	38.66	33.61	25.31	11.00
Ecuador	22.92	19.27	16.42	14.05	15.78	9.07	47.48	43.49	39.67	36.68	37.19	28.70
Egypt, Arab Rep.	34.66	28.95	24.86	19.87	3.08	11.30	61.47	54.61	50.65	44.86	43.89	31.96
El Salvador	23.76	20.50	16.70	12.63	9.68	19.04	46.50	44.53	39.83	33.35	28.79	40.55
Ethiopia		48.98	47.52	47.17	22.98	43.01		85.64	83.72	84.61	77.80	79.52
Gabon	19.37	18.22	17.44	16.98	17.37	17.41	37.89	37.28	37.04	36.23	37.03	37.11
Georgia		11.34	12.55	20.89	18.85	6.51		29.90	33.06	50.47	46.28	25.29
Ghana	35.03	34.88	31.76	29.71	44.80	28.49	64.40	65.97	62.39	59.81	78.50	57.04
Guatemala	26.84	24.32	20.71	17.24	14.68	13.46	50.00	49.15	45.09	40.41	36.63	31.89
Guinea-Bissau	54.54	52.56	49.47	47.59	46.95	47.06	86.53	85.15	81.10	79.68	81.06	82.90
Guyana	23.72	23.37	21.39	19.60	2.00	16.50	48.04	48.67	45.68	43.22	39.97	38.82
Haiti	34.29		31.73	32.89	53.89		57.74		58.56	62.70	77.90	
Honduras	25.43	23.35	19.36	17.26	20.70	15.27	51.97	50.39	45.43	42.48	44.00	39.52
India	39.62	35.50	31.29	27.73	34.70	22.35	71.68	66.85	61.31	56.55	79.90	48.04
Indonesia	32.70	29.28	25.02	19.10	15.80	7.51	63.92	59.07	52.73	43.96	39.61	52.40
Iran, Islamic Rep.	23.97	19.07	16.80	12.81	2.00	7.17	45.32	39.98	38.42	32.51	7.30	23.28
Jamaica	12.25	9.09	6.65	6.46	2.00	6.47	34.20	29.19	24.58	24.19	13.28	24.21
Jordan	16.18	12.79	12.23	10.64	9.72	2.00	38.09	33.15	33.35	30.77	29.54	26.24
Kazakhstan			13.76	17.85	16.96	13.90			33.38	41.25	38.62	32.33
Kenya	33.73	32.31	31.08	22.81	34.52	34.61	67.39	66.50	64.38	58.34	68.75	68.60
Kyrgyz Republic			22.88	27.33	24.81	2.00			49.83	59.78	55.15	21.40
Lesotho	36.82	35.28	31.03	36.40	27.39	27.31	70.40	69.85	63.40	56.10	55.70	54.59
Macedonia, FYR			7.18	6.00	2.11	2.00			23.25	22.44	15.52	4.00
Madagascar	39.94	41.19	40.72	40.62	38.48	37.17	72.05	74.89	74.60	76.02	85.10	73.45
Malawi	52.83	52.08	52.70	49.64	41.66	45.13	86.39	87.01	89.36	86.45	76.13	82.69

	Percentage Living on \$1 per Day or Less						Percentage Living on \$2 per Day or Less					
	1980	1985	1990	1995	2000	2004	1980	1985	1990	1995	2000	2004
Mali	54.31	53.91	51.28	72.30	47.84	46.11	84.69	87.27	85.23	90.60	81.67	78.80
Mauritania	36.75	33.90	34.08	31.85	25.93	31.17	66.17	64.37	65.69	61.91	63.08	60.78
Mexico	12.99	9.61	8.28	6.11	3.14	2.47	30.31	26.07	24.43	21.28	16.01	14.96
Moldova			12.57	20.20	22.00	15.95			34.00	49.22	63.70	42.61
Mongolia		33.04	30.19	27.74	27.02	20.26		64.09	61.06	58.87	74.90	48.19
Morocco	29.85	25.50	21.72	19.11	2.00	12.65	55.50	50.89	46.23	43.58	14.44	33.83
Mozambique	49.30	50.77	49.98	37.85	42.41	37.64	83.86	88.23	84.58	78.39	76.73	70.48
Namibia	17.34	16.51	17.63	34.93	14.20	12.38	34.66	34.45	38.23	36.06	33.49	30.49
Nepal	44.62	41.60	37.64	33.75	29.71	24.10	78.98	75.47	71.37	66.76	61.83	68.53
Nicaragua	22.79	19.89	19.85	16.72	45.12	12.92	45.19	43.02	45.22	40.82	79.93	35.01
Niger	53.57	55.69	55.97	60.60	52.87	51.72	80.48	84.83	85.42	85.80	85.80	84.94
Nigeria	46.39	49.10	47.47	47.78	45.25	70.80	78.14	83.18	80.11	80.73	78.65	75.05
Pakistan	38.26	35.58	32.77	30.31	28.51	16.98	71.57	67.54	63.40	59.96	57.61	73.58
Panama	11.10	9.72	9.44	6.98	4.74	6.52	30.22	28.33	28.43	23.97	19.91	17.13
Papua New Guinea	27.96		27.82	25.28	25.36	25.00	56.49		57.14	52.33	52.91	52.49
Paraguay	14.41	12.95	10.85	8.65	7.54	16.37	35.00	33.34	30.37	26.93	25.47	33.22
Peru	22.89	20.85	19.41	14.85	11.12	7.14	43.63	42.43	42.70	36.04	30.79	31.81
Philippines	18.94	19.36	16.49	14.39	15.50	10.15	41.60	43.13	39.12	36.58	47.50	29.83
Rwanda	43.55	40.57	39.80	44.88	51.66	42.75	73.54	71.72	72.04	77.61	83.72	74.06
Senegal	42.81	38.38	35.57	26.30	34.45	33.47	72.14	68.84	66.73	67.80	65.63	63.94
Sierra Leone	55.71	54.34	57.00	55.34	57.45	56.40	82.72	82.74	74.47	87.76	93.05	91.32
South Africa	13.03	11.60	8.94	9.57	10.70	9.81	28.11	26.93	23.90	25.32	34.07	24.72
Sri Lanka	19.86	16.88	14.08	10.51	7.60	3.40	47.94	42.88	38.19	31.83	24.65	41.60
Syrian Arab Rep.	20.95	18.60	16.17	11.52	8.49	6.04	46.67	44.01	40.91	33.10	28.10	23.81
Tanzania			44.45	19.90	42.46	39.42			83.22	84.58	89.93	77.61
Thailand	19.14	14.99	10.25	4.52	3.40	1.00	45.11	38.48	29.68	19.40	17.64	14.48
Togo	35.61	35.72	35.22	35.42	34.78	34.64	63.16	65.14	65.47	66.68	65.90	65.95
Tunisia	21.68	16.73	13.47	10.10	6.26	1.00	44.67	38.55	34.27	28.98	6.64	17.53
Turkey	25.58	21.27	16.94	13.50	9.08	1.00	48.23	43.15	37.36	32.86	26.34	20.65
Uganda		42.57	40.49	38.77	36.22	34.73		77.45	75.22	72.22	68.47	66.38
Vietnam			23.82	20.18	15.00	10.85			55.41	49.14	39.80	32.78
Zambia	37.69	39.15	41.91	43.80	63.70	42.91	70.12	72.18	75.42	79.05	79.00	77.21
Zimbabwe	26.54	23.41	22.09	56.10	27.61	31.15	53.58	50.11	48.21	50.41	82.97	60.21

Note: The values in **bold** are the actual figures for the \$1-per day and \$2-per day poverty rates as reported by the United Nations. These figures were unavailable for many countries and years. However, the under-five mortality rate is highly correlated (approximately 0.80) with the \$2-per day poverty rate. The following regression was derived for countries with the \$2-per day poverty rate, the under five-mortality rate, and real per-capita GDP during the same year:

$$\%\$2Day_t = 114.68 + 13.366 \times \log(USMort_t) - 15.820 \times \log(GDP_t) \quad R^2 = 0.723,$$

where $\%\$2Day$ is the estimated percentage of the population living beneath \$2 per day, $USMort$ is under-five mortality and GDP is per-capita GDP in constant 2000 dollars. The R^2 for this equation indicates that the independent variables explained 72.3% of the cross-country variation in the \$2-per-day poverty rate. The under-five mortality rate and per-capita real GDP are available for a larger set of countries and years. Thus, they were used as instruments in the above regression to estimate the missing values for the \$2-per-day poverty rate for various countries and years. The linkage between the \$2-per-day poverty rate and the \$1-per-day poverty rate was then derived for countries containing actual observations for both measures. The estimated regression equation was:

$$\%\$1Day_t = -6.629 + 0.487 \times \%\$2Day_t + 0.066 \times USMort_t \quad R^2 = 0.804.$$

This equation was then used to estimate the missing values for the \$1-per-day poverty rate by country and year. The figures derived by the procedures explained here are presented in regular type. Because data on poverty rates are largely unavailable for high-income, developed countries, it was only possible to make estimates for less-developed countries.

Source: Derived from United Nations, *Human Development Report* (1997, 2004) and World Bank, *World Development Indicators*.

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Chapter 3: Country Data Tables

This chapter presents detailed data on the components used in constructing the EFW index for the 141 countries included in this study. For each country, we present the overall EFW index rating and the rank of that country for the years 1980, 1985, 1990, 1995, 2000, and 2004, to 2006. Like all the ratings in the index, these are values out of 10; 10 is the highest possible rating and zero (0) is the lowest. A higher rating indicates a greater degree of economic freedom.

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

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

A more complete description of each component, including the methodology used to calculate the ratings, can be found in the Appendix 1: Explanatory Notes and Data Sources (page 183).

Ratings are available for many countries as far back as 1970 and for the years 2001 to 2003, but these data are omitted from the tables due to limited space.

Data Available to Researchers

The full data set, including all of the data published in this report as well as data omitted due to limited space, can be freely downloaded at <<http://www.freetheworld.com>>. If you are using the data across time periods, it would be better to use the chain-link series presented in Chapter 1, exhibit 1.5 (pp. 14–16), and available at the website, for reasons outlined in that chapter. If you have any difficulties downloading the data, please feel free to contact us via e-mail to freetheworld@fraserinstitute.org or via telephone at +1.604.714.4563.

Albania

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >			4.12 (99)	4.49 (105)	5.97 (82)	6.46 (64)	6.81 (56)	6.99 (51)
1. Size of Government	4.42 (68)	4.49 (69)	2.80 (109)	5.21 (78)	7.63 (15)	7.84 (18)	8.89 (3)	8.92 (4)
2. Legal Structure and Security of Property Rights		4.63 (62)	4.59 (65)	4.09 (99)	4.03 (96)	3.77 (93)	4.08 (99)	4.13 (95)
3. Access to Sound Money		4.89 (95)	4.90 (88)	3.26 (106)	7.40 (71)	9.66 (5)	9.64 (7)	9.57 (7)
4. Freedom to Trade Internationally				5.46 (96)	5.40 (108)	5.35 (119)	5.44 (111)	5.93 (104)
5. Regulation of Credit, Labor and Business			2.46 (115)	4.33 (105)	5.32 (90)	5.66 (85)	5.98 (85)	6.40 (72)
Unadjusted								
Summary Rating (Rank) >			4.26 (99)	4.47 (108)	5.98 (82)	6.46 (64)	6.69 (69)	6.86 (65)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	3.85	3.91	2.80	5.21	7.63	7.84	8.04	8.07
A. Government consumption	7.70 13.81	7.83 13.39	4.87 23.44	7.78 13.55	9.10 9.07	8.91 9.70	8.99 9.42	9.11 9.03
B. Transfers and subsidies			3.51 24.30	7.85 8.40	7.80 8.57	7.60 9.29	9.66 1.73	9.66 1.73
C. Government enterprises and investment	0.00	0.00	0.00	0.00	6.00 26.70	7.00 21.13	8.00 19.45	7.00 22.46
D. Top marginal tax rate							5.50	6.50
(i) Top marginal income tax rate							9.00 25	10.00 20
(ii) Top marginal income and payroll tax rates							2.00 51	3.00 47
2. Legal Structure and Security of Property Rights		5.25	5.21	4.64	4.58	3.77	4.87	4.94
A. Judicial independence						2.94	2.38	2.30
B. Impartial courts				3.94	4.31	2.42	2.66	2.68
C. Protection of property rights						1.81	3.36	3.54
D. Military interference				3.65	6.67	8.33	8.33	8.33
E. Integrity of the legal system				6.96	3.33	3.33	3.68	4.17
F. Legal enforcement of contracts							5.79	5.59
G. Regulatory restrictions of sale of real property							7.93	7.96
3. Access to Sound Money		6.52	6.54	3.26	7.40	9.66	9.64	9.57
A. Money growth				0.00 78.90	9.57 2.16	9.57 2.17	9.50 2.50	9.35 3.24
B. Standard deviation of inflation		9.64 0.91	9.62 0.95	0.00 86.94	5.03 12.43	9.54 1.15	9.53 1.16	9.41 1.47
C. Inflation: most recent year		9.93 0.35	10.00 0.00	8.03 9.83	9.99 0.05	9.54 2.28	9.53 2.37	9.53 2.37
D. Freedom to own foreign currency	0.00	0.00	0.00	5.00	5.00	10.00	10.00	10.00
4. Freedom to Trade Internationally				5.18	5.32	5.35	5.44	5.93
A. Taxes on international trade				5.70	6.11	7.91	8.24	8.28
(i) Revenues from trade taxes (% of trade sector)				5.70 6.45	5.14 7.29	8.14 2.79	8.14 2.79	8.14 2.79
(ii) Mean tariff rate					6.60 17.00	8.34 8.30	8.74 6.30	8.86 5.70
(iii) Standard deviation of tariff rates					6.60 8.50	7.24 6.90	7.83 5.42	7.83 5.42
B. Regulatory trade barriers						4.91	4.55	6.21
(i) Non-tariff trade barriers						5.40	4.41	5.39
(ii) Compliance cost of importing and exporting						4.42	4.69	7.03
C. Size of trade sector	0.40	0.00	0.00	0.00	0.72	0.75	1.15	1.69
D. Black-market exchange rates	0.00	0.00	0.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	2.00	1.54	3.20	3.28	3.48
(i) Foreign ownership/investment restrictions						5.62	5.02	5.42
(ii) Capital controls	0.00	0.00	0.00	2.00	1.54	0.77	1.54	1.54
5. Regulation of Credit, Labor and Business			2.47	4.05	4.98	5.66	5.43	5.80
A. Credit market regulations			0.00	2.90	3.63	6.64	6.65	7.12
(i) Ownership of banks			0.00	2.00	2.00	5.00	5.00	5.00
(ii) Foreign bank competition						9.00	9.00	9.00
(iii) Private sector credit				0.70	0.90	2.55	3.60	4.47
(iv) Interest rate controls/negative real int. rates			0.00	6.00	8.00	10.00	9.00	10.00
B. Labor market regulations						5.73	4.65	4.98
(i) Minimum wage						5.70	5.70	5.12
(ii) Hiring and firing regulations						6.34	6.69	6.03
(iii) Centralized collective bargaining						7.86	7.74	7.64
(iv) Mandated cost of hiring							0.67	3.31
(v) Mandated cost of dismissing							4.10	4.81
(vi) Conscription	0.00	0.00	0.00	3.00	10.00	3.00	3.00	3.00
C. Business regulations						4.62	5.00	5.31
(i) Price controls			0.00	4.00	4.00	6.00	6.00	6.00
(ii) Administrative requirements						2.64	2.66	3.30
(iii) Bureaucracy costs						4.25	0.99	2.64
(iv) Starting a business						6.06	8.23	8.52
(v) Extra payments/bribes						4.12	4.94	4.71
(vi) Licensing restrictions							4.90	4.69
(vii) Cost of tax compliance							7.31	7.31

Algeria

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ▶	3.97 (91)	4.03 (93)	3.63 (108)	3.72 (121)	4.52 (117)	4.74 (122)	5.48 (114)	5.56 (111)
1. Size of Government	3.85 (78)	3.72 (85)	4.29 (86)	4.38 (95)	5.65 (78)	4.93 (105)	4.89 (108)	4.93 (105)
2. Legal Structure and Security of Property Rights	3.60 (59)	3.36 (84)	3.35 (84)	3.52 (109)	2.74 (119)	3.14 (108)	5.09 (76)	4.94 (76)
3. Access to Sound Money	4.87 (87)	6.18 (74)	4.50 (93)	4.12 (100)	5.75 (109)	5.74 (119)	6.26 (114)	6.33 (115)
4. Freedom to Trade Internationally	4.19 (71)	3.50 (79)	3.31 (99)	3.88 (108)	5.60 (105)	5.65 (110)	5.89 (93)	6.30 (91)
5. Regulation of Credit, Labor and Business			2.73 (113)	2.69 (120)	2.91 (120)	4.27 (123)	5.28 (113)	5.30 (116)
Unadjusted	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
Summary Ratings (Rank) ▶	3.90 (95)	3.96 (98)	3.47 (108)	3.81 (119)	4.63 (118)	4.74 (125)	5.49 (124)	5.57 (124)
1. Size of Government	2.32	2.25	2.60	4.38	5.65	4.93	4.89	4.93
A. Government consumption	4.65 24.19	4.50 24.69	5.19 22.35	5.29 22.01	4.53 24.60	3.99 26.43	3.90 26.74	4.02 26.33
B. Transfers and subsidies				7.84 8.43	8.41 6.32	6.78 12.30	6.78 12.30	6.78 12.30
C. Government enterprises and investment	0.00 34.60	0.00 55.80	0.00 57.60	0.00	4.00 31.20	4.00 31.71	4.00 32.47	4.00 32.47
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
2. Legal Structure and Security of Property Rights	3.77	3.52	3.50	3.68	2.87	3.14	5.31	5.15
A. Judicial independence						3.02	4.57	4.42
B. Impartial courts				3.61	3.84	4.06	5.11	4.82
C. Protection of property rights						2.43	5.80	5.58
D. Military interference				0.00	0.00	2.15	5.00	5.00
E. Integrity of the legal system				6.96	3.33	4.03	5.00	5.00
F. Legal enforcement of contracts							5.65	4.66
G. Regulatory restrictions of sale of real property							6.06	6.57
3. Access to Sound Money	4.87	6.18	4.50	4.12	5.75	5.74	6.26	6.33
A. Money growth	6.91 15.45	7.32 13.40	9.33 3.35	8.11 9.44	7.95 10.26	7.51 12.47	7.84 10.81	7.80 11.00
B. Standard deviation of inflation	7.70 5.75	8.33 4.17	5.53 11.17	4.07 14.83	5.14 12.16	6.18 9.55	7.52 6.20	8.03 4.93
C. Inflation: most recent year	4.87 25.66	9.07 4.64	3.12 34.40	4.31 28.46	9.93 0.34	9.29 3.56	9.67 1.64	9.49 2.53
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Freedom to Trade Internationally	4.65	3.88	3.67	3.96	5.72	5.65	5.89	6.30
A. Taxes on international trade	7.66	5.66	5.08	3.72	4.95	6.10	6.94	6.75
(i) Revenues from trade taxes (% of trade sector)				3.58 9.63	6.36 5.46	7.69 3.46	8.18 2.73	8.18 2.73
(ii) Mean tariff rate	7.66 11.70	5.66 21.70	5.08 24.60	5.42 22.90	5.08 24.60	6.32 18.40	6.84 15.80	6.26 18.70
(iii) Standard deviation of tariff rates				2.16 19.60	3.40 16.50	4.28 14.30	5.81 10.47	5.81 10.47
B. Regulatory trade barriers						5.50	4.85	6.42
(i) Non-tariff trade barriers						5.19	5.16	5.55
(ii) Compliance cost of importing and exporting						5.82	4.55	7.30
C. Size of trade sector	7.34	5.50	5.04	5.83	5.99	5.82	6.22	6.22
D. Black-market exchange rates	0.00	0.00	0.00	0.00	7.78	7.93	7.93	7.96
E. International capital market controls	0.00	0.00	0.00	2.00	1.67	2.89	3.49	4.15
(i) Foreign ownership/investment restrictions						4.95	6.07	5.99
(ii) Capital controls	0.00	0.00	0.00	2.00	1.67	0.83	0.91	2.31
5. Regulation of Credit, Labor and Business			3.07	2.92	3.16	4.27	5.12	5.15
A. Credit market regulations	0.00	0.00	0.87	0.48	0.59	4.72	5.84	5.86
(i) Ownership of banks	0.00	0.00	0.00	0.00	0.00	0.00	2.00	2.00
(ii) Foreign bank competition						6.00	8.00	8.00
(iii) Private sector credit			1.74	1.44	1.78	2.89	3.34	3.42
(iv) Interest rate controls/negative real int. rates				0.00	0.00	10.00	10.00	10.00
B. Labor market regulations						3.66	4.30	4.24
(i) Minimum wage						4.78	4.78	4.82
(ii) Hiring and firing regulations						4.06	4.35	4.12
(iii) Centralized collective bargaining						4.79	5.59	5.28
(iv) Mandated cost of hiring							1.64	1.79
(v) Mandated cost of dismissing							8.43	8.42
(vi) Conscription	5.00	5.00	1.00	1.00	1.00	1.00	1.00	1.00
C. Business regulations						4.42	5.23	5.36
(i) Price controls			2.00	2.00	4.00	4.00	4.00	4.00
(ii) Administrative requirements						2.15	3.31	3.11
(iii) Bureaucracy costs						5.80	3.74	4.46
(iv) Starting a business						5.58	8.72	8.94
(v) Extra payments/bribes						4.57	5.66	5.13
(vi) Licensing restrictions							6.81	6.90
(vii) Cost of tax compliance							4.35	4.94

Angola

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >								
1. Size of Government								
2. Legal Structure and Security of Property Rights								
3. Access to Sound Money								
4. Freedom to Trade Internationally								
5. Regulation of Credit, Labor and Business								
Unadjusted							3.57 (140)	4.10 (140)
Summary Ratings (Rank) >	Rating	Rating	Rating	Rating	Rating	Rating	Rating	Rating
	Data	Data	Data	Data	Data	Data	Data	Data
1. Size of Government							1.29	0.85
A. Government consumption							2.59	31.20
B. Transfers and subsidies							1.69	34.24
C. Government enterprises and investment							0.00	62.50
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
2. Legal Structure and Security of Property Rights							3.45	3.16
A. Judicial independence							3.08	3.08
B. Impartial courts							2.92	2.92
C. Protection of property rights							4.11	4.11
D. Military interference							3.33	3.33
E. Integrity of the legal system							5.00	5.00
F. Legal enforcement of contracts							4.32	2.30
G. Regulatory restrictions of sale of real property							1.35	1.35
3. Access to Sound Money							1.26	4.06
A. Money growth							0.00	53.88
B. Standard deviation of inflation							0.00	40.17
C. Inflation: most recent year							5.05	24.76
D. Freedom to own foreign currency							0.00	5.00
4. Freedom to Trade Internationally							7.19	6.97
A. Taxes on international trade							7.92	7.96
(i) Revenues from trade taxes (% of trade sector)								
(ii) Mean tariff rate							8.48	7.60
(iii) Standard deviation of tariff rates							7.35	6.62
B. Regulatory trade barriers							4.34	4.02
(i) Non-tariff trade barriers							6.67	6.67
(ii) Compliance cost of importing and exporting							2.01	1.38
C. Size of trade sector							10.00	9.56
D. Black-market exchange rates							10.00	10.00
E. International capital market controls							3.68	3.33
(i) Foreign ownership/investment restrictions							5.83	5.83
(ii) Capital controls							1.54	0.83
5. Regulation of Credit, Labor and Business							4.68	5.44
A. Credit market regulations							6.15	7.74
(i) Ownership of banks							5.00	5.00
(ii) Foreign bank competition							9.00	9.00
(iii) Private sector credit							5.61	7.97
(iv) Interest rate controls/negative real int. rates							5.00	9.00
B. Labor market regulations							5.49	5.07
(i) Minimum wage							9.06	6.23
(ii) Hiring and firing regulations							4.39	4.39
(iii) Centralized collective bargaining							7.62	7.62
(iv) Mandated cost of hiring							7.57	7.57
(v) Mandated cost of dismissing							4.27	4.62
(vi) Conscription							0.00	0.00
C. Business regulations							2.41	3.51
(i) Price controls								
(ii) Administrative requirements							2.17	2.17
(iii) Bureaucracy costs							0.46	0.46
(iv) Starting a business							1.74	3.17
(v) Extra payments/bribes							4.88	4.88
(vi) Licensing restrictions							2.57	3.41
(vii) Cost of tax compliance							2.65	6.95

Argentina

	1980	1985	1990	1995	2000	2004	2005	2006	
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	
Summary Rating (Rank)	4.28 (84)	3.86 (99)	4.89 (81)	6.68 (38)	7.19 (35)	5.96 (86)	5.62 (109)	5.72 (106)	
1. Size of Government	5.49 (33)	4.69 (61)	6.68 (25)	7.72 (16)	7.78 (14)	8.15 (9)	7.56 (22)	7.48 (25)	
2. Legal Structure and Security of Property Rights	4.51 (51)	4.90 (59)	6.48 (42)	5.45 (64)	5.41 (68)	3.85 (91)	4.00 (102)	3.80 (101)	
3. Access to Sound Money	2.50 (100)	2.50 (105)	2.50 (110)	6.57 (63)	9.71 (4)	6.19 (116)	5.44 (122)	6.17 (118)	
4. Freedom to Trade Internationally	4.00 (73)	2.61 (92)	4.14 (88)	7.02 (47)	6.30 (86)	6.24 (92)	5.89 (93)	6.32 (90)	
5. Regulation of Credit, Labor and Business	5.10 (59)	5.02 (61)	4.85 (77)	6.65 (23)	6.74 (28)	5.35 (102)	5.21 (114)	4.86 (120)	
Unadjusted	Summary Ratings (Rank)	4.35 (85)	3.93 (99)	4.75 (88)	6.67 (40)	7.19 (33)	5.96 (86)	5.75 (115)	5.85 (114)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	
1. Size of Government	6.10	5.22	6.68	7.72	7.78	8.15	7.56	7.48	
A. Government consumption	6.91 16.50	7.94 13.00	8.53 11.00	8.06 12.60	6.88 16.62	7.34 15.05	6.98 16.26	6.66 17.37	
B. Transfers and subsidies	7.49 9.70	6.95 11.70	8.17 7.20	7.33 10.30	7.22 10.69	8.28 6.82	8.28 6.82	8.28 6.82	
C. Government enterprises and investment	4.00 39.50	4.00 38.30	6.00 30.00	8.00 8.50	10.00 6.44	10.00 9.02	10.00 11.03	10.00 11.01	
D. Top marginal tax rate	6.00	2.00	4.00	7.50	7.00	7.00	5.00	5.00	
(i) Top marginal income tax rate	6.00 45	2.00 62	7.00 35	9.00 30	8.00 35	7.00 35	7.00 35	7.00 35	
(ii) Top marginal income and payroll tax rates			1.00 57	6.00 40	6.00 36-43	7.00 35	3.00 46	3.00 46	
2. Legal Structure and Security of Property Rights	4.20	4.56	6.03	5.45	5.41	3.85	4.58	4.35	
A. Judicial independence				3.87	3.17	2.04	1.96	1.96	
B. Impartial courts				4.20	5.18	2.61	2.62	2.26	
C. Protection of property rights				4.57	3.72	3.55	3.18	3.28	
D. Military interference				7.66	6.67	6.67	7.22	7.50	
E. Integrity of the legal system				6.96	8.33	4.38	5.00	4.17	
F. Legal enforcement of contracts							5.63	5.02	
G. Regulatory restrictions of sale of real property							6.44	6.27	
3. Access to Sound Money	2.50	2.50	2.50	6.57	9.71	6.19	5.44	6.17	
A. Money growth	0.00 149.99	0.00 295.24	0.00 515.64	7.07 14.66	9.50 -2.48	5.67 21.66	3.33 33.35	5.52 22.42	
B. Standard deviation of inflation	0.00 119.77	0.00 208.29	0.00 1198.84	0.00 52.44	9.52 1.20	4.99 12.52	5.37 11.56	6.34 9.15	
C. Inflation: most recent year	0.00 92.02	0.00 620.84	0.00 2064.19	9.23 3.87	9.81 -0.94	9.12 4.42	8.07 9.64	7.82 10.90	
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	5.00	5.00	5.00	
4. Freedom to Trade Internationally	4.42	2.88	4.29	6.97	6.30	6.24	5.89	6.32	
A. Taxes on international trade	4.05	3.07	3.19	7.46	7.47	6.81	6.49	6.38	
(i) Revenues from trade taxes (% of trade sector)	3.67 9.50	1.53 12.70	3.40 9.90	7.53 3.70	7.92 3.12	5.58 6.62	5.58 6.62	5.58 6.62	
(ii) Mean tariff rate	4.44 27.80	4.60 27.00	5.90 20.50	7.90 10.50	7.48 12.60	7.72 11.40	7.88 10.60	7.56 12.20	
(iii) Standard deviation of tariff rates			0.28 24.30	6.96 7.60	7.00 7.50	7.12 7.20	6.00 10.00	6.00 10.00	
B. Regulatory trade barriers				7.17	6.42	5.71	5.09	5.63	
(i) Non-tariff trade barriers				7.17	6.18	4.95	3.81	3.68	
(ii) Compliance cost of importing and exporting					6.66	6.48	6.36	7.57	
C. Size of trade sector	0.00	1.08	0.00	0.67	1.01	5.12	4.95	4.94	
D. Black-market exchange rates	9.80	2.00	10.00	10.00	10.00	10.00	10.00	10.00	
E. International capital market controls	0.00	0.00	0.00	9.53	6.58	3.54	2.94	4.66	
(i) Foreign ownership/investment restrictions				9.06	9.31	7.08	5.88	5.47	
(ii) Capital controls	0.00	0.00	0.00	10.00	3.85	0.00	0.00	3.85	
5. Regulation of Credit, Labor and Business	4.53	4.46	4.27	6.63	6.74	5.35	5.26	4.94	
A. Credit market regulations	4.45	4.20	3.70	7.92	7.68	6.84	6.69	6.70	
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	
(ii) Foreign bank competition				8.63	7.33	8.00	8.00	8.00	
(iii) Private sector credit	8.34	7.61	6.09	7.61	6.95	3.09	3.76	4.82	
(iv) Interest rate controls/negative real int. rates	0.00	0.00	0.00	10.00	10.00	9.00	10.00	9.00	
B. Labor market regulations	3.73	3.70	3.46	5.94	6.11	5.14	4.23	4.06	
(i) Minimum wage				5.95	4.42	6.21	6.21	5.24	
(ii) Hiring and firing regulations			3.00	3.00	5.28	2.75	2.50	2.83	
(iii) Centralized collective bargaining	5.18	5.18	5.18	5.18	4.83	4.95	4.60	4.20	
(iv) Mandated cost of hiring	5.01	4.93	4.66	5.55	6.01	1.80	0.76	2.10	
(v) Mandated cost of dismissing							1.29	0.00	
(vi) Conscription	1.00	1.00	1.00	10.00	10.00	10.00	10.00	10.00	
C. Business regulations				6.02	6.44	4.07	4.86	4.05	
(i) Price controls				8.00	8.00	1.00	1.00	0.00	
(ii) Administrative requirements					6.78	2.34	2.48	2.57	
(iii) Bureaucracy costs				6.70	7.50	6.44	7.09	4.48	
(iv) Starting a business				6.22	4.83	4.96	8.81	8.89	
(v) Extra payments/bribes				3.16	5.07	5.59	4.98	4.31	
(vi) Licensing restrictions							6.13	4.98	
(vii) Cost of tax compliance							3.50	3.11	

Armenia

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >						6.46 (64)	6.55 (71)	6.59 (71)
1. Size of Government						6.38 (62)	6.25 (70)	6.26 (70)
2. Legal Structure and Security of Property Rights						3.51 (98)	4.29 (96)	4.26 (93)
3. Access to Sound Money						9.11 (41)	9.21 (34)	9.43 (22)
4. Freedom to Trade Internationally						7.18 (47)	6.62 (68)	6.53 (81)
5. Regulation of Credit, Labor and Business						6.13 (62)	6.37 (66)	6.48 (63)
Unadjusted						6.46 (64)	6.79 (64)	6.83 (67)
Summary Ratings (Rank) >	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government						6.38	6.25	6.26
A. Government consumption						8.43 11.32	8.16 12.26	7.76 13.63
B. Transfers and subsidies						8.59 5.68	8.33 6.62	8.79 4.94
C. Government enterprises and investment						0.00	0.00	0.00
D. Top marginal tax rate						8.50	8.50	8.50
(i) Top marginal income tax rate						9.00	9.00	9.00
(ii) Top marginal income and payroll tax rates						8.00	8.00	8.00
2. Legal Structure and Security of Property Rights						3.51	5.59	5.56
A. Judicial independence						1.91	2.11	2.18
B. Impartial courts						2.77	2.97	3.12
C. Protection of property rights						2.04	5.53	5.81
D. Military interference						5.83	5.83	5.83
E. Integrity of the legal system						5.00	5.00	5.00
F. Legal enforcement of contracts							7.99	7.16
G. Regulatory restrictions of sale of real property							9.72	9.79
3. Access to Sound Money						9.11	9.21	9.43
A. Money growth						9.01 4.95	7.56 12.20	8.91 5.47
B. Standard deviation of inflation						8.84 2.90	9.41 1.48	9.40 1.50
C. Inflation: most recent year						8.61 6.96	9.87 0.64	9.42 2.89
D. Freedom to own foreign currency						10.00	10.00	10.00
4. Freedom to Trade Internationally						7.18	6.62	6.53
A. Taxes on international trade						9.00	7.69	7.68
(i) Revenues from trade taxes (% of trade sector)						9.53 0.71	9.32 1.03	9.27 1.10
(ii) Mean tariff rate						9.34 3.30	9.40 3.00	9.40 3.00
(iii) Standard deviation of tariff rates						8.12 4.70	4.36 14.10	4.36 14.10
B. Regulatory trade barriers						4.83	5.16	5.75
(i) Non-tariff trade barriers						4.86	5.31	5.34
(ii) Compliance cost of importing and exporting						4.81	5.00	6.15
C. Size of trade sector						4.68	2.65	1.27
D. Black-market exchange rates						10.00	10.00	10.00
E. International capital market controls						7.40	7.61	7.94
(i) Foreign ownership/investment restrictions						6.33	6.76	6.65
(ii) Capital controls						8.46	8.46	9.23
5. Regulation of Credit, Labor and Business						6.13	6.27	6.37
A. Credit market regulations						7.65	8.51	8.59
(i) Ownership of banks						10.00	10.00	10.00
(ii) Foreign bank competition						7.00	7.00	7.00
(iii) Private sector credit						8.13	8.02	8.36
(iv) Interest rate controls/negative real int. rates						8.00	9.00	9.00
B. Labor market regulations						5.22	5.56	5.65
(i) Minimum wage						7.81	7.81	7.69
(ii) Hiring and firing regulations						6.52	5.15	5.60
(iii) Centralized collective bargaining						7.72	7.64	7.61
(iv) Mandated cost of hiring						4.04	4.29	4.22
(v) Mandated cost of dismissing							8.46	8.79
(vi) Conscription						0.00	0.00	0.00
C. Business regulations						5.52	4.74	4.86
(i) Price controls						5.00	5.00	5.00
(ii) Administrative requirements						3.17	3.04	3.27
(iii) Bureaucracy costs						6.31	2.93	3.74
(iv) Starting a business						7.60	9.12	9.36
(v) Extra payments/bribes						5.53	5.19	4.39
(vi) Licensing restrictions							7.93	8.28
(vii) Cost of tax compliance							0.00	0.00

Australia

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ▶	7.12 (11)	7.45 (8)	7.64 (11)	7.80 (10)	8.02 (10)	7.83 (9)	7.86 (10)	7.96 (8)
1. Size of Government	5.08 (43)	4.92 (48)	5.35 (56)	5.68 (56)	6.22 (55)	6.14 (71)	6.38 (67)	6.77 (52)
2. Legal Structure and Security of Property Rights	8.57 (14)	9.29 (9)	9.27 (15)	8.96 (10)	9.49 (3)	8.76 (9)	9.18 (7)	9.02 (3)
3. Access to Sound Money	8.93 (7)	9.32 (10)	9.03 (16)	9.40 (28)	9.40 (27)	9.36 (29)	9.44 (24)	9.46 (21)
4. Freedom to Trade Internationally	6.27 (39)	6.90 (25)	7.35 (23)	7.67 (25)	7.77 (29)	7.24 (45)	7.12 (47)	7.17 (51)
5. Regulation of Credit, Labor and Business	6.87 (14)	6.96 (13)	7.28 (10)	7.29 (10)	7.21 (15)	7.66 (7)	7.19 (25)	7.36 (24)
Unadjusted	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
Summary Ratings (Rank) ▶	6.88 (12)	7.19 (7)	7.26 (12)	7.78 (9)	8.02 (10)	7.83 (9)	7.95 (10)	8.04 (8)
1. Size of Government	5.08	4.92	5.35	5.68	6.22	6.14	6.38	6.77
A. Government consumption	4.93 23.23	4.77 23.79	5.20 22.33	5.47 21.40	4.79 23.70	4.91 23.32	4.72 23.95	4.64 24.23
B. Transfers and subsidies	7.38 10.10	6.89 11.90	7.22 10.70	6.27 14.20	7.09 11.17	6.65 12.78	6.80 12.26	6.93 11.77
C. Government enterprises and investment	6.00 28.40	6.00 30.20	6.00 25.20	7.00 21.50	10.00 9.57	10.00 8.61	10.00 8.94	10.00 9.13
D. Top marginal tax rate	2.00	2.00	3.00	4.00	3.00	3.00	4.00	5.50
(i) Top marginal income tax rate	2.00 62	2.00 60	3.00 49	4.00 47	3.00 47	3.00 47	4.00 47	6.00 45
(ii) Top marginal income and payroll tax rates			3.00 49	4.00 48	3.00 49	3.00 49	4.00 49	5.00 47
2. Legal Structure and Security of Property Rights	7.26	7.88	7.86	8.96	9.49	8.76	8.84	8.68
A. Judicial independence				9.05	9.52	8.42	8.80	9.00
B. Impartial courts				9.00	9.69	7.59	8.31	8.19
C. Protection of property rights				7.32	8.27	7.80	8.97	8.91
D. Military interference				9.46	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	10.00	10.00	9.79	9.17
F. Legal enforcement of contracts							8.41	7.23
G. Regulatory restrictions of sale of real property							7.57	8.29
3. Access to Sound Money	8.93	9.32	9.03	9.40	9.40	9.36	9.44	9.46
A. Money growth	8.28 8.59	9.37 3.16	7.60 12.01	8.43 7.83	9.19 4.04	8.21 8.96	8.61 6.94	8.87 5.63
B. Standard deviation of inflation	9.40 1.51	9.13 2.17	9.19 2.02	9.74 0.64	9.31 1.72	9.68 0.80	9.68 0.79	9.69 0.78
C. Inflation: most recent year	8.03 9.84	8.79 6.06	9.35 3.26	9.42 2.90	9.10 4.48	9.53 2.34	9.47 2.67	9.29 3.54
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	6.58	7.24	7.49	7.53	7.77	7.24	7.12	7.17
A. Taxes on international trade	7.35	7.60	6.46	7.71	8.46	8.44	8.47	8.52
(i) Revenues from trade taxes (% of trade sector)	7.60 3.60	7.87 3.20	7.93 3.10	8.80 1.80	9.13 1.30	8.93 1.60	9.09 1.36	9.09 1.36
(ii) Mean tariff rate	7.10 14.50	7.34 13.30	7.16 14.20	8.36 8.20	8.84 5.80	8.98 5.10	9.14 4.30	9.30 3.50
(iii) Standard deviation of tariff rates			4.28 14.30	5.96 10.10	7.40 6.50	7.40 6.50	7.17 7.07	7.17 7.07
B. Regulatory trade barriers				6.42	8.78	8.11	7.80	8.01
(i) Non-tariff trade barriers				6.42	8.07	7.66	7.44	7.36
(ii) Compliance cost of importing and exporting					9.50	8.57	8.16	8.66
C. Size of trade sector	5.55	5.42	4.84	5.27	5.50	4.40	4.39	4.39
D. Black-market exchange rates	9.80	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	5.00	8.00	8.27	6.11	5.24	4.94	4.95
(i) Foreign ownership/investment restrictions				8.53	9.14	8.17	7.57	7.59
(ii) Capital controls	2.00	5.00	8.00	8.00	3.08	2.31	2.31	2.31
5. Regulation of Credit, Labor and Business	6.53	6.62	6.56	7.34	7.21	7.66	7.95	8.12
A. Credit market regulations	8.38	8.67	9.68	9.04	8.79	9.23	9.50	9.50
(i) Ownership of banks	8.00	8.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				7.92	6.53	8.00	8.00	8.00
(iii) Private sector credit	7.14	8.00	9.03	9.19	9.23	9.94	10.00	9.98
(iv) Interest rate controls/negative real int. rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations			6.56	5.43	5.57	6.65	6.87	7.06
(i) Minimum wage				3.58	4.55	7.43	7.43	7.58
(ii) Hiring and firing regulations			4.50	4.50	3.08	4.14	4.60	4.86
(iii) Centralized collective bargaining	5.18	5.18	5.18	5.18	5.52	6.07	5.93	6.37
(iv) Mandated cost of hiring				3.88	4.68	5.58	3.62	3.92
(v) Mandated cost of dismissing							9.63	9.63
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				7.54	7.26	7.09	7.48	7.79
(i) Price controls			6.00	7.00	7.00	8.00	7.00	8.00
(ii) Administrative requirements					6.73	3.28	3.49	3.36
(iii) Bureaucracy costs				7.21	6.20	7.14	5.32	8.21
(iv) Starting a business				6.80	7.37	8.24	9.92	9.93
(v) Extra payments/bribes				9.16	9.01	8.81	8.94	8.98
(vi) Licensing restrictions							8.92	7.29
(vii) Cost of tax compliance							8.80	8.80

Austria

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) >	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	6.65 (18)	6.64 (21)	7.20 (20)	7.04 (29)	7.76 (14)	7.67 (12)	7.64 (18)	7.75 (15)
2. Legal Structure and Security of Property Rights	2.71 (100)	2.63 (108)	3.11 (103)	2.82 (117)	4.77 (94)	5.19 (97)	5.23 (95)	5.18 (98)
3. Access to Sound Money	9.47 (5)	9.27 (11)	9.82 (11)	8.85 (12)	9.34 (5)	8.68 (11)	9.16 (8)	9.15 (2)
4. Freedom to Trade Internationally	8.36 (13)	8.36 (23)	9.56 (7)	9.55 (18)	9.63 (9)	9.62 (11)	9.55 (15)	9.54 (9)
5. Regulation of Credit, Labor and Business	6.86 (26)	6.91 (23)	7.44 (19)	8.11 (15)	8.51 (10)	8.24 (12)	7.67 (19)	7.68 (21)
5. Regulation of Credit, Labor and Business	6.09 (30)	6.27 (27)	6.21 (31)	5.89 (53)	6.53 (34)	6.63 (34)	6.59 (54)	7.18 (30)
Unadjusted								
Summary Ratings (Rank) >	6.37 (19)	6.36 (21)	6.76 (19)	7.03 (29)	7.76 (13)	7.67 (12)	7.56 (21)	7.66 (15)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	3.14	3.05	3.11	2.82	4.77	5.19	5.23	5.18
A. Government consumption	4.46 24.82	4.35 25.22	4.40 25.03	4.01 26.37	4.16 25.86	4.65 24.18	4.58 24.44	4.57 24.45
B. Transfers and subsidies	4.11 22.10	3.84 23.10	4.03 22.40	3.27 25.20	2.93 26.44	2.60 27.67	2.84 26.78	2.66 27.42
C. Government enterprises and investment	2.00 44.50	2.00 42.00	2.00	2.00	10.00 7.65	10.00 5.12	10.00 5.43	10.00 4.65
D. Top marginal tax rate	2.00	2.00	2.00	2.00	2.00	3.50	3.50	3.50
(i) Top marginal income tax rate	2.00 62	2.00 62	4.00 50	4.00 50	4.00 50	4.00 50	4.00 50	4.00 50
(ii) Top marginal income and payroll tax rates			0.00 62	0.00 66	0.00 66	3.00 54	3.00 54	3.00 54
2. Legal Structure and Security of Property Rights	8.04	7.88	8.35	8.85	9.34	8.68	8.68	8.67
A. Judicial independence				8.82	9.02	8.00	8.15	8.44
B. Impartial courts				7.72	9.02	7.81	8.56	8.44
C. Protection of property rights				7.73	8.65	7.57	9.08	9.23
D. Military interference				9.97	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	10.00	10.00	10.00	10.00
F. Legal enforcement of contracts							7.05	6.70
G. Regulatory restrictions of sale of real property							7.92	7.92
3. Access to Sound Money	8.36	8.36	9.56	9.55	9.63	9.62	9.55	9.54
A. Money growth	9.80 0.98	9.55 2.26	9.20 4.02	8.92 5.39	9.18 4.10	8.98 5.11	8.77 6.15	8.52 7.41
B. Standard deviation of inflation	9.64 0.90	9.51 1.23	9.75 0.63	9.69 0.78	9.80 0.50	9.92 0.21	9.91 0.23	9.91 0.21
C. Inflation: most recent year	9.00 5.00	9.38 3.08	9.31 3.45	9.57 2.13	9.53 2.35	9.59 2.06	9.54 2.30	9.71 1.45
D. Freedom to own foreign currency	5.00	5.00	10.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	6.90	6.95	7.29	8.05	8.51	8.24	7.67	7.68
A. Taxes on international trade	8.61	8.80	7.92	8.72	9.18	9.18	8.48	8.30
(i) Revenues from trade taxes (% of trade sector)	9.53 0.70	9.60 0.60	9.53 0.70	9.87 0.20	9.78 0.33	9.85 0.22	9.84 0.24	9.84 0.24
(ii) Mean tariff rate	7.68 11.60	8.00 10.00	8.26 8.70	8.66 6.70	9.52 2.40	9.64 1.80	9.46 2.70	8.92 5.40
(iii) Standard deviation of tariff rates			5.96 10.10	7.64 5.90	8.24 4.40	8.04 4.90	6.13 9.67	6.13 9.67
B. Regulatory trade barriers				8.13	9.15	8.46	8.39	8.57
(i) Non-tariff trade barriers				8.13	8.80	7.85	7.84	8.14
(ii) Compliance cost of importing and exporting					9.50	9.08	8.93	8.99
C. Size of trade sector	5.70	5.77	5.35	4.89	6.12	6.05	6.00	5.97
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	5.00	8.50	8.11	7.52	5.50	5.59
(i) Foreign ownership/investment restrictions				9.00	9.30	8.12	7.93	8.09
(ii) Capital controls	2.00	2.00	5.00	8.00	6.92	6.92	3.08	3.08
5. Regulation of Credit, Labor and Business	5.39	5.55	5.52	5.88	6.53	6.63	6.68	7.22
A. Credit market regulations	6.96	7.59	7.46	6.93	8.39	8.43	9.22	9.15
(i) Ownership of banks	5.00	5.00	5.00	5.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				6.52	5.73	5.73	8.00	8.00
(iii) Private sector credit	7.88	7.78	7.39	7.29	8.14	8.33	8.87	8.58
(iv) Interest rate controls/negative real int. rates	8.00	10.00	10.00	8.00	10.00	10.00	10.00	10.00
B. Labor market regulations	4.63	4.63	4.63	4.28	3.86	4.45	3.67	4.57
(i) Minimum wage				4.58	4.56	6.62	6.62	6.65
(ii) Hiring and firing regulations			4.82	4.82	3.05	4.66	4.25	4.44
(iii) Centralized collective bargaining	4.49	4.49	4.49	4.49	3.50	2.89	2.77	2.93
(iv) Mandated cost of hiring	4.40	4.40	4.22	4.50	5.18	5.07	0.49	0.58
(v) Mandated cost of dismissing							4.93	9.81
(vi) Conscription	5.00	5.00	5.00	3.00	3.00	3.00	3.00	3.00
C. Business regulations				6.43	7.33	7.00	7.15	7.96
(i) Price controls			5.00	8.00	8.00	8.00	8.00	9.00
(ii) Administrative requirements					7.53	3.87	4.27	4.47
(iii) Bureaucracy costs				6.52	7.43	8.09	5.54	8.66
(iv) Starting a business				3.72	5.42	6.36	8.81	8.86
(v) Extra payments/bribes				7.48	8.27	8.70	8.92	9.01
(vi) Licensing restrictions							7.59	7.62
(vii) Cost of tax compliance							6.95	8.09

Azerbaijan

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >						5.65 (101)	5.66 (107)	5.78 (102)
1. Size of Government						4.20 (119)	3.67 (125)	3.64 (125)
2. Legal Structure and Security of Property Rights						4.62 (73)	4.70 (82)	4.72 (82)
3. Access to Sound Money						7.34 (85)	6.82 (98)	7.10 (93)
4. Freedom to Trade Internationally						6.56 (78)	6.54 (72)	6.58 (78)
5. Regulation of Credit, Labor and Business						5.56 (89)	6.61 (50)	6.90 (43)
Unadjusted						5.65 (103)	5.61 (122)	5.73 (118)
Summary Ratings (Rank) >	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government						4.20	3.67	3.64
A. Government consumption						7.60 14.16	6.00 19.61	5.91 19.91
B. Transfers and subsidies								
C. Government enterprises and investment						0.00	0.00	0.00
D. Top marginal tax rate						5.00	5.00	5.00
(i) Top marginal income tax rate						7.00 35	7.00 35	7.00 35
(ii) Top marginal income and payroll tax rates						3.00 50	3.00 49	3.00 49
2. Legal Structure and Security of Property Rights						4.62	5.64	5.67
A. Judicial independence						3.01	2.98	2.81
B. Impartial courts						3.72	3.40	3.68
C. Protection of property rights						3.01	4.39	4.57
D. Military interference						6.67	6.67	6.67
E. Integrity of the legal system						6.67	6.04	5.83
F. Legal enforcement of contracts							7.25	7.33
G. Regulatory restrictions of sale of real property							8.72	8.78
3. Access to Sound Money						7.34	6.82	7.10
A. Money growth								
B. Standard deviation of inflation						8.37 4.09	7.77 5.58	7.96 5.11
C. Inflation: most recent year						8.64 6.78	7.68 11.59	8.34 8.30
D. Freedom to own foreign currency						5.00	5.00	5.00
4. Freedom to Trade Internationally						6.56	6.33	6.38
A. Taxes on international trade						8.06	6.91	6.99
(i) Revenues from trade taxes (% of trade sector)								
(ii) Mean tariff rate						8.06 9.70	7.92 10.40	8.08 9.60
(iii) Standard deviation of tariff rates							5.89 10.27	5.89 10.27
B. Regulatory trade barriers						2.00	2.22	3.40
(i) Non-tariff trade barriers						4.01	4.38	4.82
(ii) Compliance cost of importing and exporting						0.00	0.07	1.97
C. Size of trade sector						7.92	7.67	6.94
D. Black-market exchange rates						10.00	10.00	10.00
E. International capital market controls						4.84	4.88	4.55
(i) Foreign ownership/investment restrictions						6.61	6.68	6.79
(ii) Capital controls						3.08	3.08	2.31
5. Regulation of Credit, Labor and Business						5.56	5.62	5.86
A. Credit market regulations						7.25	7.00	7.23
(i) Ownership of banks						5.00	5.00	5.00
(ii) Foreign bank competition						6.00	6.00	6.00
(iii) Private sector credit						8.01	7.99	8.92
(iv) Interest rate controls/negative real int. rates						10.00	9.00	9.00
B. Labor market regulations						5.39	5.26	5.65
(i) Minimum wage						7.32	7.32	7.11
(ii) Hiring and firing regulations						6.18	7.78	7.13
(iii) Centralized collective bargaining						7.08	7.60	7.38
(iv) Mandated cost of hiring							1.79	3.31
(v) Mandated cost of dismissing							6.07	7.96
(vi) Conscription						1.00	1.00	1.00
C. Business regulations						4.02	4.60	4.69
(i) Price controls								
(ii) Administrative requirements						4.07	3.96	4.21
(iii) Bureaucracy costs						6.67	5.89	4.59
(iv) Starting a business						0.00	6.54	8.97
(v) Extra payments/bribes						5.34	4.65	4.19
(vi) Licensing restrictions							5.06	6.15
(vii) Cost of tax compliance							1.53	0.00

Bangladesh

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) >	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	3.61 (99)	3.92 (98)	4.68 (88)	5.47 (80)	5.83 (90)	5.64 (105)	5.91 (99)	5.77 (104)
2. Legal Structure and Security of Property Rights	4.52 (65)	4.56 (68)	7.37 (9)	8.07 (12)	8.07 (8)	8.04 (11)	8.03 (10)	8.04 (10)
3. Access to Sound Money	2.20 (79)	2.13 (103)	2.11 (108)	4.35 (94)	3.26 (110)	2.72 (115)	3.61 (107)	3.05 (115)
4. Freedom to Trade Internationally	4.49 (94)	5.98 (83)	6.91 (48)	6.42 (67)	7.02 (79)	6.74 (102)	6.65 (103)	6.60 (107)
5. Regulation of Credit, Labor and Business	2.22 (91)	2.11 (95)	1.84 (103)	3.25 (111)	5.30 (111)	5.33 (120)	5.42 (112)	5.82 (111)
5. Regulation of Credit, Labor and Business	4.42 (78)	4.67 (71)	5.20 (61)	5.00 (82)	5.47 (82)	5.38 (100)	5.84 (94)	5.40 (114)
Unadjusted								
Summary Ratings (Rank) >	3.72 (98)	4.04 (95)	4.67 (92)	5.46 (79)	5.81 (90)	5.64 (105)	6.06 (103)	5.94 (108)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	4.30	4.33	7.00	7.67	8.07	8.04	8.03	8.04
A. Government consumption	9.89 6.38	10.00 5.39	10.00 4.82	10.00 5.33	10.00 5.60	9.74 6.87	9.69 7.04	9.72 6.95
B. Transfers and subsidies					9.28 3.15	9.43 2.59	9.43 2.59	9.43 2.59
C. Government enterprises and investment	2.00 44.40	2.00 46.60	2.00 47.10	4.00 34.00	4.00 30.03	4.00 30.03	4.00 30.03	4.00 30.03
D. Top marginal tax rate	1.00	1.00	9.00	9.00	9.00	9.00	9.00	9.00
(i) Top marginal income tax rate	1.00 60	1.00 60	9.00 25	9.00 25	9.00 25	9.00 25	9.00 25	9.00 25
(ii) Top marginal income and payroll tax rates			9.00 25	9.00 25	9.00 25	9.00 25	9.00 25	9.00 25
2. Legal Structure and Security of Property Rights	2.54	2.46	2.44	5.02	3.47	2.72	3.69	3.12
A. Judicial independence						2.84	2.48	2.60
B. Impartial courts				3.91	4.22	2.90	2.97	2.80
C. Protection of property rights					2.02	1.94	4.70	4.48
D. Military interference				5.25	3.33	4.17	4.58	5.00
E. Integrity of the legal system				6.96	3.33	1.74	3.33	4.17
F. Legal enforcement of contracts							6.42	1.15
G. Regulatory restrictions of sale of real property							1.38	1.61
3. Access to Sound Money	4.49	5.98	6.91	6.42	7.02	6.74	6.65	6.60
A. Money growth	6.41 17.95	7.37 13.14	9.47 2.67	7.99 10.03	9.07 4.64	9.33 3.37	8.55 7.24	8.09 9.57
B. Standard deviation of inflation	4.23 14.43	8.76 3.10	9.16 2.10	9.05 2.38	9.46 1.36	9.46 1.34	9.45 1.38	9.68 0.80
C. Inflation: most recent year	7.32 13.39	7.79 11.07	9.03 4.87	8.65 6.73	9.56 2.21	8.17 9.17	8.59 7.04	8.65 6.77
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Freedom to Trade Internationally	2.24	2.13	1.79	3.16	5.04	5.33	5.42	5.82
A. Taxes on international trade	0.53	0.00	0.64	1.42	5.19	5.01	5.64	5.75
(i) Revenues from trade taxes (% of trade sector)	1.07 13.40	0.00 17.90	1.93 12.10	4.27 8.60	5.33 7.00	3.76 9.36	3.76 9.36	3.76 9.36
(ii) Mean tariff rate	0.00 99.90	0.00 86.00	0.00 102.20	0.00 81.20	5.68 21.60	6.72 16.40	6.64 16.80	6.96 15.20
(iii) Standard deviation of tariff rates			0.00 50.40	0.00 26.10	4.56 13.60	4.56 13.60	6.53 8.66	6.53 8.66
B. Regulatory trade barriers					4.73	5.12	4.54	5.57
(i) Non-tariff trade barriers					4.73	5.66	5.40	5.33
(ii) Compliance cost of importing and exporting						4.58	3.67	5.82
C. Size of trade sector	2.37	2.34	0.00	1.71	2.34	2.56	2.76	3.79
D. Black-market exchange rates	0.00	0.00	0.00	4.40	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	2.93	3.98	4.15	3.97
(i) Foreign ownership/investment restrictions					5.86	7.18	7.52	7.17
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	0.77	0.77	0.77
5. Regulation of Credit, Labor and Business	5.03	5.31	5.22	5.03	5.47	5.38	6.51	6.10
A. Credit market regulations	3.44	4.19	5.76	5.12	5.91	5.68	7.72	7.42
(i) Ownership of banks	0.00	0.00	0.00	0.00	2.00	2.00	5.00	5.00
(ii) Foreign bank competition					5.85	5.85	8.00	8.00
(iii) Private sector credit	4.31	6.56	7.28	7.37	8.05	7.89	7.90	6.69
(iv) Interest rate controls/negative real int. rates	6.00	6.00	10.00	8.00	10.00	9.00	10.00	10.00
B. Labor market regulations					6.55	6.74	7.33	6.25
(i) Minimum wage					4.60	4.84	4.84	4.49
(ii) Hiring and firing regulations					4.97	5.02	6.00	5.90
(iii) Centralized collective bargaining					6.63	7.12	7.52	6.77
(iv) Mandated cost of hiring							10.00	10.00
(v) Mandated cost of dismissing							5.64	0.36
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations					3.96	3.70	4.48	4.64
(i) Price controls			0.00	0.00	0.00	6.00	6.00	6.00
(ii) Administrative requirements					7.55	2.40	2.40	2.79
(iii) Bureaucracy costs					5.73	2.50	2.40	3.34
(iv) Starting a business					4.58	5.24	8.02	7.15
(v) Extra payments/bribes					1.91	2.38	2.35	2.21
(vi) Licensing restrictions							7.38	5.45
(vii) Cost of tax compliance							2.83	5.52

Belgium

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) >	7.22 (10)	7.25 (11)	7.52 (12)	7.21 (23)	7.68 (16)	7.26 (27)	7.19 (37)	7.13 (42)
1. Size of Government	3.42 (88)	3.40 (92)	4.19 (87)	4.04 (101)	4.57 (100)	4.29 (117)	4.34 (116)	4.31 (116)
2. Legal Structure and Security of Property Rights	8.97 (11)	9.03 (13)	9.57 (14)	7.52 (25)	8.29 (18)	7.58 (21)	7.97 (21)	7.48 (26)
3. Access to Sound Money	9.54 (1)	9.56 (4)	9.60 (5)	9.73 (5)	9.62 (10)	9.61 (13)	9.53 (16)	9.51 (15)
4. Freedom to Trade Internationally	8.63 (4)	8.84 (3)	8.72 (3)	8.66 (5)	8.95 (6)	8.45 (6)	8.07 (10)	8.06 (11)
5. Regulation of Credit, Labor and Business	5.75 (35)	5.62 (46)	5.72 (46)	6.11 (45)	6.96 (22)	6.35 (50)	6.07 (82)	6.24 (79)
Unadjusted								
Summary Ratings (Rank) >	7.05 (8)	7.08 (8)	7.27 (11)	7.18 (25)	7.68 (16)	7.26 (27)	7.26 (38)	7.20 (44)
	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>
1. Size of Government	3.62	3.60	4.19	4.04	4.57	4.29	4.34	4.31
A. Government consumption	5.43 21.55	5.79 20.30	6.44 18.10	6.20 18.93	3.45 28.26	2.90 30.14	2.95 29.96	2.96 29.93
B. Transfers and subsidies	3.05 26.00	2.62 27.60	3.32 25.00	2.97 26.30	3.81 23.21	3.27 25.20	3.39 24.77	3.29 25.12
C. Government enterprises and investment	6.00 26.80	6.00 25.30	6.00 27.00	6.00	10.00 11.86	10.00 7.96	10.00 8.46	10.00 7.66
D. Top marginal tax rate	0.00	0.00	1.00	1.00	1.00	1.00	1.00	1.00
(i) Top marginal income tax rate	0.00 76	0.00 76	2.00 55-61	1.00 58-64	2.00 58-63	2.00 50-55	2.00 50-55	2.00 50-55
(ii) Top marginal income and payroll tax rates			0.00 70	1.00 58-64	0.00 71	0.00 62-66	0.00 62-66	0.00 62-66
2. Legal Structure and Security of Property Rights	7.83	7.88	8.35	7.52	8.29	7.58	7.48	7.02
A. Judicial independence				5.78	7.35	6.91	6.98	7.28
B. Impartial courts				6.42	8.18	5.97	6.32	6.17
C. Protection of property rights				6.90	7.57	6.69	8.20	8.41
D. Military interference				8.49	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts							9.24	5.65
G. Regulatory restrictions of sale of real property							3.30	3.33
3. Access to Sound Money	9.54	9.56	9.60	9.73	9.62	9.61	9.53	9.51
A. Money growth	9.63 1.85	9.67 1.64	9.41 2.94	9.63 1.85	9.10 4.48	8.99 5.04	8.79 6.06	8.49 7.53
B. Standard deviation of inflation	9.38 1.56	9.76 0.59	9.62 0.95	9.64 0.90	9.89 0.28	9.89 0.28	9.89 0.28	9.89 0.28
C. Inflation: most recent year	9.16 4.18	8.79 6.05	9.37 3.14	9.67 1.67	9.49 2.54	9.58 2.09	9.44 2.78	9.64 1.79
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	8.75	8.96	8.71	8.53	8.95	8.45	8.07	8.06
A. Taxes on international trade	9.02	9.15	8.46	8.68	9.18	9.18	8.48	8.30
(i) Revenues from trade taxes (% of trade sector)	9.80 0.30	9.80 0.30	9.73 0.40	9.73 0.40	9.78 0.33	9.85 0.22	9.84 0.24	9.84 0.24
(ii) Mean tariff rate	8.24 8.80	8.50 7.50	8.52 7.40	8.66 6.70	9.52 2.40	9.64 1.80	9.46 2.70	8.92 5.40
(iii) Standard deviation of tariff rates			7.12 7.20	7.64 5.90	8.24 4.40	8.04 4.90	6.13 9.67	6.13 9.67
B. Regulatory trade barriers				8.28	8.86	8.13	8.11	8.26
(i) Non-tariff trade barriers				8.28	8.22	7.16	7.21	7.58
(ii) Compliance cost of importing and exporting					9.50	9.11	9.02	8.93
C. Size of trade sector	6.59	7.54	6.95	6.39	7.52	6.84	7.00	6.92
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	10.00	10.00	10.00	9.31	9.17	8.12	6.74	6.82
(i) Foreign ownership/investment restrictions				8.61	9.87	7.77	8.10	8.25
(ii) Capital controls	10.00	10.00	10.00	10.00	8.46	8.46	5.38	5.38
5. Regulation of Credit, Labor and Business	5.52	5.39	5.50	6.07	6.96	6.35	6.89	7.09
A. Credit market regulations	8.60	8.11	8.40	7.96	8.30	8.44	8.51	8.65
(i) Ownership of banks	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				7.90	7.98	8.00	8.00	8.00
(iii) Private sector credit	5.80	4.33	5.21	4.96	5.20	5.85	6.02	6.60
(iv) Interest rate controls/negative real int. rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	3.49	3.49	3.63	4.93	5.01	4.97	5.19	5.14
(i) Minimum wage				3.87	5.12	6.20	6.20	6.23
(ii) Hiring and firing regulations			3.77	3.77	3.10	2.63	2.59	2.41
(iii) Centralized collective bargaining	4.49	4.49	4.49	4.49	4.17	3.41	3.84	3.67
(iv) Mandated cost of hiring	2.99	2.99	3.25	2.55	2.67	2.61	0.00	0.00
(v) Mandated cost of dismissing							8.52	8.52
(vi) Conscription	3.00	3.00	3.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				5.30	7.56	5.64	6.98	7.47
(i) Price controls			2.00	5.00	6.00	5.00	5.00	7.00
(ii) Administrative requirements					8.20	2.01	3.04	2.96
(iii) Bureaucracy costs				6.49	8.88	8.23	7.94	8.30
(iv) Starting a business				4.60	6.42	5.62	8.75	9.75
(v) Extra payments/bribes				5.11	8.28	7.34	8.09	7.98
(vi) Licensing restrictions							7.80	8.05
(vii) Cost of tax compliance							8.21	8.25

Benin

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) >	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	5.37 (53)	5.01 (69)	5.42 (61)	4.99 (90)	5.63 (97)	5.79 (94)	5.99 (93)	5.99 (95)
2. Legal Structure and Security of Property Rights	6.32 (16)	4.88 (51)	5.64 (49)	5.47 (65)	6.39 (51)	7.83 (19)	7.00 (43)	7.20 (36)
3. Access to Sound Money	6.27 (45)	6.07 (78)	6.74 (54)	5.26 (85)	6.62 (94)	6.59 (108)	6.56 (107)	6.86 (101)
4. Freedom to Trade Internationally					5.35 (110)	5.13 (122)	5.09 (121)	5.25 (119)
5. Regulation of Credit, Labor and Business	4.57 (73)	4.84 (67)	4.97 (71)	4.95 (86)	5.40 (86)	5.94 (71)	6.12 (76)	5.93 (94)
Unadjusted								
Summary Ratings (Rank) >	5.16 (62)	4.76 (82)	5.07 (72)	4.60 (105)	5.22 (107)	5.79 (95)	5.88 (108)	5.88 (111)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	4.67	3.60	4.17	4.04	4.72	7.83	7.00	7.20
A. Government consumption	9.35 8.22	7.21 15.50	8.34 11.66	8.08 12.53	7.45 14.68	7.50 14.50	6.99 16.23	7.75 13.66
B. Transfers and subsidies						10.00 0.17	10.00 0.20	9.86 1.03
C. Government enterprises and investment	0.00 53.70	0.00 53.50	0.00 55.20	0.00 60.10	2.00 40.31	6.00 29.71	4.00 34.15	4.00 34.15
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
2. Legal Structure and Security of Property Rights	4.67	4.25	4.42	4.46	4.33	3.48	4.77	4.33
A. Judicial independence						2.39	4.59	4.66
B. Impartial courts				4.81	4.55	2.87	4.07	4.15
C. Protection of property rights						3.43	4.39	4.55
D. Military interference				3.82	4.70	4.70	7.10	7.10
E. Integrity of the legal system				5.18	4.00	4.00		
F. Legal enforcement of contracts							4.37	1.47
G. Regulatory restrictions of sale of real property							4.09	4.02
3. Access to Sound Money	6.27	6.07	6.74	5.26	6.62	6.59	6.56	6.86
A. Money growth	8.40 8.02	8.00 9.99	9.85 0.73	9.11 4.44	8.05 9.76	7.65 -11.75	8.42 -7.91	9.43 -2.86
B. Standard deviation of inflation	8.74 3.15	7.24 6.89	8.34 4.16	4.98 12.54	9.26 1.86	8.89 2.78	8.89 2.79	8.77 3.08
C. Inflation: most recent year	7.96 10.19	9.02 -4.88	8.78 6.11	6.93 15.37	9.17 4.17	9.83 0.87	8.93 5.36	9.24 3.78
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Freedom to Trade Internationally	5.01	5.05			5.37	5.13	5.09	5.25
A. Taxes on international trade	2.93	2.52			7.60	5.87	5.86	6.02
(i) Revenues from trade taxes (% of trade sector)	2.93 10.60					3.09 10.36	3.20 10.20	3.20 10.20
(ii) Mean tariff rate		2.52 37.40			7.60 12.00	7.20 14.00	7.12 14.40	7.60 12.00
(iii) Standard deviation of tariff rates						7.32 6.70	7.26 6.84	6.84
B. Regulatory trade barriers						4.72	4.88	5.11
(i) Non-tariff trade barriers						5.34	5.67	5.48
(ii) Compliance cost of importing and exporting						4.10	4.09	4.75
C. Size of trade sector	4.32	4.71	1.66	3.31	1.04	1.70	1.73	1.73
D. Black-market exchange rates	9.60	9.80	9.20	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.00	3.36	2.98	3.38
(i) Foreign ownership/investment restrictions						6.73	5.97	5.99
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.77
5. Regulation of Credit, Labor and Business	5.15	4.83	4.96	4.65	5.07	5.94	5.96	5.78
A. Credit market regulations	5.31	5.92	6.25	6.20	7.61	9.14	9.09	9.15
(i) Ownership of banks	0.00	0.00	2.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition								
(iii) Private sector credit	9.94	9.76	8.76	6.60	8.84	9.41	9.28	9.44
(iv) Interest rate controls/negative real int. rates	6.00	8.00	8.00	2.00	4.00	8.00	8.00	8.00
B. Labor market regulations						4.05	4.14	3.89
(i) Minimum wage						2.90	2.90	2.04
(ii) Hiring and firing regulations						5.12	5.70	5.44
(iii) Centralized collective bargaining						7.18	6.83	7.02
(iv) Mandated cost of hiring							1.67	1.18
(v) Mandated cost of dismissing							6.74	6.66
(vi) Conscription		1.00	1.00	1.00	1.00	1.00	1.00	1.00
C. Business regulations						4.63	4.65	4.31
(i) Price controls				2.00	2.00	2.00	2.00	2.00
(ii) Administrative requirements						2.31	2.40	2.86
(iii) Bureaucracy costs						8.85	6.51	3.97
(iv) Starting a business						6.93	5.91	5.80
(v) Extra payments/bribes						3.06	3.85	3.62
(vi) Licensing restrictions							4.93	4.93
(vii) Cost of tax compliance							6.97	6.97

Bolivia

	1980	1985	1990	1995	2000	2004	2005	2006	
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	
Summary Rating (Rank) ▶	4.51 (78)	3.57 (103)	5.26 (66)	6.52 (41)	6.79 (45)	6.32 (73)	6.44 (79)	6.33 (84)	
1. Size of Government	5.46 (34)	7.05 (8)	6.93 (18)	7.18 (22)	7.97 (10)	6.18 (70)	6.64 (59)	6.20 (72)	
2. Legal Structure and Security of Property Rights	1.83 (86)	1.32 (110)	2.50 (102)	4.28 (96)	3.43 (106)	3.19 (106)	3.69 (105)	3.49 (108)	
3. Access to Sound Money		0.00 (111)	4.79 (90)	8.10 (39)	9.32 (28)	9.26 (37)	8.90 (46)	8.66 (60)	
4. Freedom to Trade Internationally	5.19 (53)	5.62 (51)	6.26 (48)	7.06 (45)	7.25 (50)	7.06 (56)	6.83 (59)	7.29 (41)	
5. Regulation of Credit, Labor and Business			5.75 (43)	5.72 (55)	6.00 (57)	5.92 (72)	6.12 (76)	6.02 (89)	
Unadjusted	Summary Ratings (Rank) ▶	4.39 (83)	3.61 (104)	5.49 (55)	6.83 (37)	6.79 (44)	6.32 (71)	6.48 (81)	6.38 (88)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	
1. Size of Government	5.36	6.93	6.81	7.06	7.97	6.18	6.64	6.20	
A. Government consumption	6.75 17.05	8.08 12.52	7.86 13.27	7.28 15.24	7.12 15.80	6.08 19.32	6.03 19.51	6.21 18.87	
B. Transfers and subsidies	9.70 1.60	9.65 1.80	9.37 2.80	9.46 2.50	8.76 5.04	8.66 5.43	8.54 5.86	8.60 5.64	
C. Government enterprises and investment	2.00 50.10	2.00 42.50	0.00 60.70	2.00 51.10	6.00 27.92	0.00 58.34	2.00 46.09	0.00 56.47	
D. Top marginal tax rate	3.00	8.00	10.00	9.50	10.00	10.00	10.00	10.00	
(i) Top marginal income tax rate	3.00 48	8.00 30	10.00 10	10.00 13	10.00 13	10.00 13	10.00 13	10.00 13	
(ii) Top marginal income and payroll tax rates			10.00 16	9.00 22		10.00 13	10.00 13	10.00 13	
2. Legal Structure and Security of Property Rights	2.32	1.67	3.17	5.43	3.43	3.19	4.35	4.11	
A. Judicial independence					2.17	2.03	2.49	2.39	
B. Impartial courts				4.93	3.34	2.43	2.48	2.28	
C. Protection of property rights					1.65	1.52	3.48	3.47	
D. Military interference				5.93	5.00	5.00	5.00	5.00	
E. Integrity of the legal system				6.96	5.00	5.00	5.00	5.00	
F. Legal enforcement of contracts							5.37	3.99	
G. Regulatory restrictions of sale of real property							6.62	6.65	
3. Access to Sound Money	5.13	0.00	4.79	8.10	9.32	9.26	8.90	8.66	
A. Money growth	6.18 19.10	0.00 566.00	2.39 38.03	6.28 18.59	9.54 2.28	8.94 5.32	7.69 11.54	6.91 15.43	
B. Standard deviation of inflation	3.81 15.47	0.00 4769.22	0.00 85.90	8.42 3.95	8.66 3.36	9.00 2.50	9.00 2.50	8.59 3.53	
C. Inflation: most recent year	0.54 47.30	0.00 12336.70	6.75 16.26	7.71 11.43	9.08 4.60	9.11 4.44	8.92 5.40	9.14 4.28	
D. Freedom to own foreign currency	10.00	0.00	10.00	10.00	10.00	10.00	10.00	10.00	
4. Freedom to Trade Internationally	5.33	5.83	6.50	7.41	7.25	7.06	6.83	7.29	
A. Taxes on international trade	4.80	5.69	7.56	8.74	8.62	8.99	8.85	8.80	
(i) Revenues from trade taxes (% of trade sector)	4.80 7.80	5.33 7.00	8.47 2.30	8.60 2.10	8.41 2.38	9.12 1.32	9.17 1.24	9.26 1.12	
(ii) Mean tariff rate		6.04 19.80	6.66 16.70	8.06 9.70	8.10 9.50	8.50 7.50	8.56 7.20	8.34 8.30	
(iii) Standard deviation of tariff rates				9.56 1.10	9.36 1.60	9.36 1.60	8.80 2.99	8.80 2.99	
B. Regulatory trade barriers					5.49	4.76	3.70	5.10	
(i) Non-tariff trade barriers					4.82	4.17	3.90	4.29	
(ii) Compliance cost of importing and exporting					6.16	5.36	3.50	5.90	
C. Size of trade sector	6.02	5.08	5.34	5.36	4.34	5.33	5.67	6.83	
D. Black-market exchange rates	5.60	8.20	9.40	9.80	10.00	10.00	10.00	10.00	
E. International capital market controls	2.00	2.00	2.00	5.00	7.78	6.19	5.92	5.74	
(i) Foreign ownership/investment restrictions					8.63	5.46	4.91	4.57	
(ii) Capital controls	2.00	2.00	2.00	5.00	6.92	6.92	6.92	6.92	
5. Regulation of Credit, Labor and Business	3.81		6.20	6.16	6.00	5.92	5.70	5.63	
A. Credit market regulations	2.49	0.00	9.33	8.55	7.80	8.11	7.77	8.08	
(i) Ownership of banks			10.00	8.00	10.00	10.00	8.00	8.00	
(ii) Foreign bank competition					5.07	5.07	5.00	5.00	
(iii) Private sector credit	4.97		10.00	9.65	9.63	9.19	9.07	9.30	
(iv) Interest rate controls/negative real int. rates	0.00	0.00	8.00	8.00	8.00	10.00	9.00	10.00	
B. Labor market regulations					4.73	4.82	4.57	4.22	
(i) Minimum wage					3.09	4.80	4.80	5.24	
(ii) Hiring and firing regulations					4.90	3.42	5.45	4.19	
(iii) Centralized collective bargaining					7.13	7.38	7.50	7.16	
(iv) Mandated cost of hiring					5.51	5.51	5.74	5.74	
(v) Mandated cost of dismissing							0.91	0.00	
(vi) Conscription	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	
C. Business regulations					5.47	4.83	4.77	4.58	
(i) Price controls			6.00	8.00	9.00	8.00	8.00	8.00	
(ii) Administrative requirements					5.50	2.32	2.55	2.62	
(iii) Bureaucracy costs					3.85	5.33	4.00	3.53	
(iv) Starting a business					3.87	3.93	6.76	6.98	
(v) Extra payments/bribes					5.14	4.55	4.72	4.46	
(vi) Licensing restrictions							7.38	6.50	
(vii) Cost of tax compliance							0.00	0.00	

Bosnia & Herzegovina

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >								
1. Size of Government								
2. Legal Structure and Security of Property Rights								
3. Access to Sound Money								
4. Freedom to Trade Internationally								
5. Regulation of Credit, Labor and Business								
Unadjusted							6.16 (99)	5.99 (105)
Summary Ratings (Rank) >	Rating	Rating	Rating	Rating	Rating	Rating	Rating	Rating
	Data	Data	Data	Data	Data	Data	Data	Data
1. Size of Government							5.97	6.09
A. Government consumption							5.76	20.42
B. Transfers and subsidies							5.65	16.46
C. Government enterprises and investment								
D. Top marginal tax rate							6.50	6.50
(i) Top marginal income tax rate							10.00	15
(ii) Top marginal income and payroll tax rates							3.00	50
2. Legal Structure and Security of Property Rights							4.01	3.46
A. Judicial independence							3.54	3.57
B. Impartial courts							3.26	2.32
C. Protection of property rights							3.26	3.66
D. Military interference							4.20	4.20
E. Integrity of the legal system								
F. Legal enforcement of contracts							6.79	3.65
G. Regulatory restrictions of sale of real property							3.03	3.36
3. Access to Sound Money							8.42	7.99
A. Money growth							9.80	1.00
B. Standard deviation of inflation							9.32	1.70
C. Inflation: most recent year							9.57	2.13
D. Freedom to own foreign currency							5.00	5.00
4. Freedom to Trade Internationally							6.03	5.81
A. Taxes on international trade							5.76	5.76
(i) Revenues from trade taxes (% of trade sector)							3.39	9.91
(ii) Mean tariff rate							8.56	7.20
(iii) Standard deviation of tariff rates							5.33	11.66
B. Regulatory trade barriers							5.23	7.00
(i) Non-tariff trade barriers							5.67	6.55
(ii) Compliance cost of importing and exporting							4.80	7.45
C. Size of trade sector							4.59	1.76
D. Black-market exchange rates							10.00	10.00
E. International capital market controls							4.55	4.51
(i) Foreign ownership/investment restrictions							5.25	5.18
(ii) Capital controls							3.85	3.85
5. Regulation of Credit, Labor and Business							6.38	6.61
A. Credit market regulations							9.49	9.48
(i) Ownership of banks							8.00	8.00
(ii) Foreign bank competition							10.00	10.00
(iii) Private sector credit							9.94	9.94
(iv) Interest rate controls/negative real int. rates							10.00	10.00
B. Labor market regulations							4.66	5.87
(i) Minimum wage							3.55	0.00
(ii) Hiring and firing regulations							4.57	4.77
(iii) Centralized collective bargaining							7.87	7.88
(iv) Mandated cost of hiring							0.00	5.44
(v) Mandated cost of dismissing							6.96	7.13
(vi) Conscription							5.00	10.00
C. Business regulations							4.98	4.47
(i) Price controls								
(ii) Administrative requirements							1.99	2.02
(iii) Bureaucracy costs							6.16	3.20
(iv) Starting a business							7.65	7.81
(v) Extra payments/bribes							5.22	4.34
(vi) Licensing restrictions							0.00	3.57
(vii) Cost of tax compliance							8.88	5.87

Botswana

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	5.60 (41)	5.76 (43)	5.85 (46)	6.47 (46)	7.38 (21)	7.19 (33)	7.04 (46)	6.77 (62)
	3.62 (83)	3.28 (95)	3.74 (93)	4.79 (86)	5.76 (73)	5.79 (81)	5.54 (91)	5.04 (99)
2. Legal Structure and Security of Property Rights		6.75 (32)	6.71 (38)	6.80 (32)	7.24 (28)	6.84 (30)	7.38 (30)	6.80 (38)
3. Access to Sound Money	5.32 (76)	5.28 (90)	5.57 (81)	7.85 (43)	9.09 (37)	9.17 (39)	8.80 (52)	8.62 (61)
4. Freedom to Trade Internationally	7.11 (21)	7.08 (21)	7.37 (21)	6.81 (53)	7.77 (29)	7.14 (50)	6.85 (58)	6.91 (64)
5. Regulation of Credit, Labor and Business	5.96 (33)	6.47 (22)	5.93 (40)	6.14 (42)	7.07 (18)	7.03 (18)	6.61 (50)	6.45 (65)
Unadjusted								
Summary Ratings (Rank) ▶	5.61 (48)	5.78 (43)	5.77 (49)	6.38 (46)	7.28 (26)	7.19 (32)	7.23 (40)	6.96 (60)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	3.62	3.28	3.74	4.79	5.76	5.79	5.54	5.04
A. Government consumption	3.68 27.50	0.97 36.71	1.63 34.45	0.00 45.92	0.00 49.02	0.00 43.24	0.00 43.91	0.00 41.40
B. Transfers and subsidies	8.80 4.90	8.15 7.30	8.34 6.60	8.17 7.20	8.04 7.70	7.16 10.91	7.16 10.91	7.16 10.91
C. Government enterprises and investment	2.00 44.90	2.00 53.20	2.00	4.00	6.00 28.15	7.00 22.50	6.00 25.32	4.00 33.34
D. Top marginal tax rate	0.00	2.00	3.00	7.00	9.00	9.00	9.00	9.00
(i) Top marginal income tax rate	0.00 75	2.00 60	3.00 50	7.00 35	9.00 25	9.00 25	9.00 25	9.00 25
(ii) Top marginal income and payroll tax rates			3.00 50	7.00 35	9.00 25	9.00 25	9.00 25	9.00 25
2. Legal Structure and Security of Property Rights		6.31	6.28	6.35	6.77	6.84	7.39	6.80
A. Judicial independence						7.21	7.22	7.08
B. Impartial courts				6.45	6.76	6.53	6.57	6.33
C. Protection of property rights						4.44	6.43	6.46
D. Military interference				8.29	10.00	10.00	10.00	10.00
E. Integrity of the legal system				6.96	6.67	6.04	6.67	6.67
F. Legal enforcement of contracts							7.80	3.29
G. Regulatory restrictions of sale of real property							7.02	7.79
3. Access to Sound Money	5.32	5.28	5.57	7.85	9.09	9.17	8.80	8.62
A. Money growth	8.64 6.82	9.19 4.07	6.93 15.34	9.98 -0.09	9.86 0.72	9.77 -1.13	8.55 -7.27	8.96 -5.18
B. Standard deviation of inflation	6.44 8.90	6.46 8.86	6.55 8.62	8.28 4.30	8.24 4.40	8.31 4.23	8.40 4.01	7.83 5.42
C. Inflation: most recent year	6.18 19.08	5.47 22.67	8.79 6.03	8.14 9.31	8.28 8.60	8.61 6.95	8.28 8.61	7.69 11.56
D. Freedom to own foreign currency	0.00	0.00	0.00	5.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	7.19	7.16	7.38	6.81	7.78	7.14	6.85	6.91
A. Taxes on international trade	4.79	7.03	6.29	4.18	6.84	6.99	6.27	6.32
(i) Revenues from trade taxes (% of trade sector)	1.47 12.80	5.27 7.10	5.60 6.60	5.25 7.13	5.96 6.06	5.96 6.06	5.96 6.06	5.96 6.06
(ii) Mean tariff rate	8.12 9.40	8.80 6.00	7.80 11.00	6.06 19.70	8.56 7.20	9.00 5.00	8.02 9.90	8.40 8.00
(iii) Standard deviation of tariff rates			5.48 11.30	1.24 21.90	6.00 10.00	6.00 10.00	4.82 12.96	4.59 13.52
B. Regulatory trade barriers						6.56	5.38	5.52
(i) Non-tariff trade barriers						6.75	6.33	6.32
(ii) Compliance cost of importing and exporting						6.37	4.44	4.71
C. Size of trade sector	10.00	10.00	8.84	7.11	6.96	5.02	5.70	5.76
D. Black-market exchange rates	8.00	5.60	8.60	9.60	10.00	10.00	10.00	10.00
E. International capital market controls	5.00	5.00	5.00	5.00	6.92	7.14	6.91	6.95
(i) Foreign ownership/investment restrictions						7.35	6.90	7.24
(ii) Capital controls	5.00	5.00	5.00	5.00	6.92	6.92	6.92	6.67
5. Regulation of Credit, Labor and Business	6.32	6.86	5.87	6.07	7.00	7.03	7.59	7.45
A. Credit market regulations	6.47	8.07	5.92	6.59	9.65	9.87	9.39	9.41
(i) Ownership of banks			5.00	5.00	10.00	10.00	8.00	8.00
(ii) Foreign bank competition						10.00	10.00	10.00
(iii) Private sector credit	8.95	8.14	8.76	8.77	8.95	9.50	9.55	9.65
(iv) Interest rate controls/negative real int. rates	4.00	8.00	4.00	6.00	10.00	10.00	10.00	10.00
B. Labor market regulations						6.48	7.29	6.76
(i) Minimum wage						4.62	4.62	8.22
(ii) Hiring and firing regulations						4.51	4.14	4.13
(iii) Centralized collective bargaining						6.80	6.72	6.55
(iv) Mandated cost of hiring							10.00	10.00
(v) Mandated cost of dismissing							8.25	1.66
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						4.72	6.09	6.17
(i) Price controls			6.00	6.00	6.00	6.00	6.00	6.00
(ii) Administrative requirements						4.10	3.55	3.47
(iii) Bureaucracy costs						4.41	3.41	4.68
(iv) Starting a business						2.33	6.55	6.56
(v) Extra payments/bribes						6.78	6.91	6.44
(vi) Licensing restrictions							7.77	7.61
(vii) Cost of tax compliance							8.43	8.43

Brazil

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >	4.20 (87)	3.70 (100)	4.47 (95)	4.47 (109)	5.99 (80)	5.89 (91)	6.03 (92)	6.15 (91)
1. Size of Government	4.58 (62)	4.42 (70)	5.82 (43)	5.63 (57)	6.48 (48)	6.44 (59)	6.48 (62)	6.49 (64)
2. Legal Structure and Security of Property Rights	6.37 (32)	6.22 (38)	6.73 (36)	5.76 (55)	5.35 (73)	4.16 (83)	4.66 (84)	4.64 (83)
3. Access to Sound Money				0.00 (122)	6.14 (105)	7.63 (81)	7.64 (80)	7.77 (81)
4. Freedom to Trade Internationally	3.56 (79)	3.20 (84)	4.87 (73)	5.88 (88)	6.06 (93)	6.34 (89)	6.31 (80)	6.51 (82)
5. Regulation of Credit, Labor and Business	5.46 (45)	4.84 (67)	5.02 (68)	5.14 (74)	5.91 (60)	4.89 (114)	5.04 (120)	5.38 (115)
Unadjusted	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>
Summary Ratings (Rank) >	4.35 (85)	3.62 (103)	4.24 (100)	4.42 (110)	5.99 (81)	5.89 (91)	6.05 (105)	6.16 (96)
1. Size of Government	5.27	5.08	5.82	5.63	6.48	6.44	6.64	6.65
A. Government consumption	8.34 11.65	7.93 13.05	4.55 24.55	4.51 24.66	4.44 24.90	4.29 25.42	4.43 24.94	4.46 24.82
B. Transfers and subsidies	6.76 12.40	7.41 10.00	7.22 10.70	6.52 13.27	5.96 15.33	5.96 15.33		
C. Government enterprises and investment	2.00 49.20	4.00 36.00	6.00 24.90	6.00 17.80	10.00 13.82	10.00 13.82	10.00 13.82	10.00
D. Top marginal tax rate	4.00	1.00	5.50	5.50	5.50	5.50	5.50	5.50
(i) Top marginal income tax rate	4.00 55	1.00 60	9.00 25	8.00 35	8.00 28	8.00 28	8.00 28	8.00 28
(ii) Top marginal income and payroll tax rates			2.00 53	3.00 60	3.00 50	3.00 50	3.00 50	3.00 50
2. Legal Structure and Security of Property Rights	5.86	5.72	6.19	5.76	5.35	4.16	5.22	5.19
A. Judicial independence				5.55	5.51	3.34	3.03	3.57
B. Impartial courts				6.67	6.18	3.62	3.42	3.10
C. Protection of property rights				4.15	5.08	3.68	6.02	5.77
D. Military interference				5.45	6.67	6.67	6.67	6.67
E. Integrity of the legal system				6.96	3.33	3.47	4.17	4.17
F. Legal enforcement of contracts							5.41	4.82
G. Regulatory restrictions of sale of real property							7.80	8.23
3. Access to Sound Money	1.25	0.00	0.00	0.00	6.14	7.63	7.64	7.77
A. Money growth	1.63 41.83	0.00 137.80	0.00 648.69	0.00 479.01	8.07 9.63	7.94 10.29	7.92 10.39	8.34 8.32
B. Standard deviation of inflation	3.37 16.57	0.00 53.14	0.00 878.93	0.00 851.49	7.88 5.29	8.88 2.80	9.02 2.45	8.60 3.50
C. Inflation: most recent year	0.00 87.47	0.00 231.72	0.00 2509.47	0.00 77.59	8.59 7.04	8.68 6.60	8.63 6.87	9.16 4.18
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	5.00	5.00	5.00
4. Freedom to Trade Internationally	4.49	2.98	4.54	5.63	6.06	6.34	6.31	6.51
A. Taxes on international trade	3.33	2.62	4.84	7.66	7.18	7.24	7.20	7.20
(i) Revenues from trade taxes (% of trade sector)	3.33 10.00	7.87 3.20	7.53 3.70	8.13 2.81	7.21 4.18	7.21 4.18	7.21 4.18	7.21 4.18
(ii) Mean tariff rate		0.00 55.60	4.00 30.00	7.60 12.00	7.12 14.40	7.38 13.10	7.54 12.30	7.54 12.30
(iii) Standard deviation of tariff rates		0.00 26.20	3.00 17.50	7.24 6.90	7.20 7.00	7.12 7.20	6.85 7.87	6.85 7.87
B. Regulatory trade barriers				5.27	5.34	4.98	4.67	6.18
(i) Non-tariff trade barriers				5.27	4.02	4.80	5.12	5.07
(ii) Compliance cost of importing and exporting					6.66	5.16	4.21	7.28
C. Size of trade sector	4.47	3.83	1.63	2.16	3.63	4.95	4.50	3.85
D. Black-market exchange rates	6.40	0.20	8.00	9.40	10.00	9.04	9.04	9.81
E. International capital market controls	0.00	0.00	0.00	3.64	4.17	5.51	6.16	5.52
(i) Foreign ownership/investment restrictions				7.29	7.56	6.40	6.16	6.05
(ii) Capital controls	0.00	0.00	0.00	0.00	0.77	4.62	6.15	5.00
5. Regulation of Credit, Labor and Business	4.89	4.33	4.67	5.07	5.91	4.89	4.44	4.69
A. Credit market regulations	5.26	3.43	3.95	4.70	6.37	5.56	5.63	5.74
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
(ii) Foreign bank competition				6.47	7.13	6.00	8.00	8.00
(iii) Private sector credit	6.79	5.30	6.85	8.23	5.87	5.97	4.53	4.97
(iv) Interest rate controls/negative real int. rates	4.00	0.00	0.00	0.00	8.00	5.00	5.00	5.00
B. Labor market regulations			4.78	5.30	4.65	5.04	3.36	4.13
(i) Minimum wage				6.67	3.46	7.23	7.23	7.04
(ii) Hiring and firing regulations			6.18	6.18	5.25	3.48	2.85	2.76
(iii) Centralized collective bargaining	5.18	5.18	5.18	5.18	5.52	5.19	5.25	5.40
(iv) Mandated cost of hiring				5.47	6.01	6.29	1.85	0.00
(v) Mandated cost of dismissing							0.00	6.57
(vi) Conscription	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
C. Business regulations				5.21	6.71	4.07	4.32	4.20
(i) Price controls			0.00	6.00	7.00	6.00	6.00	5.00
(ii) Administrative requirements					7.70	1.75	1.46	1.42
(iii) Bureaucracy costs				5.61	7.38	5.40	5.26	6.32
(iv) Starting a business				5.95	5.73	1.50	6.56	6.56
(v) Extra payments/bribes				3.27	5.73	5.71	6.28	5.22
(vi) Licensing restrictions							4.67	4.89
(vii) Cost of tax compliance							0.00	0.00

Bulgaria

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >		5.17 (59)	4.08 (101)	4.48 (106)	5.06 (106)	6.25 (77)	6.37 (81)	6.54 (75)
1. Size of Government	4.10 (75)	3.68 (86)	2.08 (112)	3.59 (109)	4.01 (112)	4.49 (112)	4.80 (109)	4.95 (103)
2. Legal Structure and Security of Property Rights		6.72 (33)	6.72 (37)	5.45 (64)	5.41 (68)	4.57 (76)	4.93 (79)	4.86 (77)
3. Access to Sound Money		8.29 (25)	4.45 (95)	1.99 (112)	3.23 (119)	8.70 (57)	8.89 (47)	8.76 (54)
4. Freedom to Trade Internationally		3.99 (74)	4.21 (86)	6.93 (48)	7.24 (51)	7.32 (44)	7.16 (46)	7.64 (23)
5. Regulation of Credit, Labor and Business			3.04 (107)	4.38 (104)	5.42 (85)	6.16 (61)	6.08 (79)	6.49 (60)
Unadjusted								
Summary Ratings (Rank) >		5.60 (50)	4.30 (98)	4.61 (104)	5.06 (108)	6.25 (77)	6.58 (74)	6.82 (68)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	4.52	4.50	2.54	4.03	4.01	4.49	4.80	4.95
A. Government consumption	9.04 9.26	8.12 12.40	4.91 23.31	6.54 17.77	5.24 22.20	5.43 21.54	5.60 20.96	5.86 20.09
B. Transfers and subsidies		5.37 17.50	2.72 27.20	6.59 13.00	5.81 15.90	5.54 16.86	5.60 16.63	5.94 15.40
C. Government enterprises and investment	0.00	0.00	0.00 96.40	0.00 55.60	2.00 49.75	2.00	2.00	2.00
D. Top marginal tax rate				3.00	3.00	5.00	6.00	6.00
(i) Top marginal income tax rate				3.00 50	5.00 38	8.00 29	9.00 24	9.00 24
(ii) Top marginal income and payroll tax rates					1.00 56	2.00 55	3.00 50	3.00 46
2. Legal Structure and Security of Property Rights		7.25	7.25	5.88	5.41	4.57	5.69	5.61
A. Judicial independence					4.18	2.57	2.51	2.92
B. Impartial courts				5.29	4.51	2.62	2.55	2.92
C. Protection of property rights					3.35	2.64	4.58	4.69
D. Military interference				7.46	8.33	8.33	8.33	8.33
E. Integrity of the legal system				6.96	6.67	6.67	6.67	6.67
F. Legal enforcement of contracts							6.30	4.87
G. Regulatory restrictions of sale of real property							8.88	8.88
3. Access to Sound Money		6.47	4.45	1.99	3.23	8.70	8.89	8.76
A. Money growth			7.38 13.10	2.97 35.15	0.00 76.68	6.89 15.56	7.29 13.53	7.42 12.89
B. Standard deviation of inflation		9.44 1.39	5.64 10.90	0.00 66.37	0.00 409.71	9.19 2.03	9.28 1.80	9.07 2.31
C. Inflation: most recent year		9.95 0.23	4.76 26.19	0.00 62.85	7.94 10.32	8.73 6.35	8.99 5.04	8.55 7.26
D. Freedom to own foreign currency	0.00	0.00	0.00	5.00	5.00	10.00	10.00	10.00
4. Freedom to Trade Internationally		4.19	4.28	6.88	7.24	7.32	7.16	7.64
A. Taxes on international trade		6.40	8.43	6.37	7.85	7.68	7.74	7.77
(i) Revenues from trade taxes (% of trade sector)		6.40 5.40	9.13 1.30	7.87 3.20	9.53 0.71	9.60 0.61	9.57 0.64	9.58 0.63
(ii) Mean tariff rate			7.72 11.40	6.56 17.20	7.26 13.70	7.96 10.20	7.86 10.70	7.92 10.40
(iii) Standard deviation of tariff rates				4.68 13.30	6.76 8.11	5.48 11.30	5.80 10.50	5.80 10.50
B. Regulatory trade barriers					6.42	6.69	5.75	6.25
(i) Non-tariff trade barriers					4.35	5.85	5.02	5.57
(ii) Compliance cost of importing and exporting					8.50	7.53	6.49	6.92
C. Size of trade sector	5.22	6.33	4.76	5.87	6.91	6.92	7.39	7.75
D. Black-market exchange rates	0.00	0.00	0.00	9.00	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	5.00	5.04	5.30	4.91	6.46
(i) Foreign ownership/investment restrictions					7.01	5.21	5.21	5.22
(ii) Capital controls	0.00	0.00	0.00	5.00	3.08	5.38	4.62	7.69
5. Regulation of Credit, Labor and Business			2.98	4.28	5.42	6.16	6.36	7.11
A. Credit market regulations	0.00	0.00	1.67	4.33	5.90	8.18	9.18	9.22
(i) Ownership of banks	0.00	0.00	0.00	2.00	8.00	8.00	10.00	10.00
(ii) Foreign bank competition					5.18	9.00	8.00	8.00
(iii) Private sector credit			1.00	2.98	7.07	8.63	8.72	8.89
(iv) Interest rate controls/negative real int. rates			4.00	8.00	4.00	10.00	10.00	10.00
B. Labor market regulations					4.92	6.01	4.88	7.03
(i) Minimum wage					2.57	6.70	6.70	7.02
(ii) Hiring and firing regulations					4.33	5.80	4.50	5.25
(iii) Centralized collective bargaining					7.87	7.72	7.62	7.72
(iv) Mandated cost of hiring					6.85	6.85	0.21	3.01
(v) Mandated cost of dismissing							7.24	9.17
(vi) Conscription	0.00	0.00	0.00	1.00	3.00	3.00	3.00	10.00
C. Business regulations					5.43	4.29	5.01	5.09
(i) Price controls			0.00	4.00	6.00	3.00	3.00	3.00
(ii) Administrative requirements					6.10	2.88	2.75	3.21
(iii) Bureaucracy costs					5.95	3.70	3.38	4.30
(iv) Starting a business					2.53	4.71	8.53	8.70
(v) Extra payments/bribes					6.57	7.16	7.42	5.46
(vi) Licensing restrictions							6.87	7.88
(vii) Cost of tax compliance							3.10	3.10

Burkina Faso

	1980	1985	1990	1995	2000	2004	2005	2006
	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Chain-Linked								
Summary Rating (Rank) >								
1. Size of Government								
2. Legal Structure and Security of Property Rights								
3. Access to Sound Money								
4. Freedom to Trade Internationally								
5. Regulation of Credit, Labor and Business								
Unadjusted							5.63 (120)	5.63 (123)
Summary Ratings (Rank) >								
	Rating	Data	Rating	Data	Rating	Data	Rating	Data
1. Size of Government							6.10	5.52
A. Government consumption							5.10	22.66
B. Transfers and subsidies							9.19	3.46
C. Government enterprises and investment							4.00	36.01
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
2. Legal Structure and Security of Property Rights							4.10	4.03
A. Judicial independence							3.37	3.26
B. Impartial courts							3.67	3.73
C. Protection of property rights							5.74	5.76
D. Military interference							5.00	5.00
E. Integrity of the legal system							5.83	5.83
F. Legal enforcement of contracts							2.10	2.10
G. Regulatory restrictions of sale of real property							2.98	2.55
3. Access to Sound Money							6.84	6.80
A. Money growth							9.55	2.23
B. Standard deviation of inflation							9.11	2.23
C. Inflation: most recent year							8.72	6.42
D. Freedom to own foreign currency							0.00	0.00
4. Freedom to Trade Internationally							5.07	5.36
A. Taxes on international trade							7.05	6.92
(i) Revenues from trade taxes (% of trade sector)							6.52	5.22
(ii) Mean tariff rate							7.38	13.10
(iii) Standard deviation of tariff rates							7.26	6.84
B. Regulatory trade barriers							3.96	4.68
(i) Non-tariff trade barriers							7.04	6.33
(ii) Compliance cost of importing and exporting							0.88	3.02
C. Size of trade sector							0.24	1.34
D. Black-market exchange rates							10.00	10.00
E. International capital market controls							4.09	3.85
(i) Foreign ownership/investment restrictions							7.40	6.94
(ii) Capital controls							0.77	0.77
5. Regulation of Credit, Labor and Business							6.02	6.45
A. Credit market regulations							8.66	8.65
(i) Ownership of banks							10.00	10.00
(ii) Foreign bank competition							7.00	7.00
(iii) Private sector credit							9.64	9.60
(iv) Interest rate controls/negative real int. rates							8.00	8.00
B. Labor market regulations							4.78	5.21
(i) Minimum wage							0.00	0.00
(ii) Hiring and firing regulations							4.82	4.70
(iii) Centralized collective bargaining							5.99	5.79
(iv) Mandated cost of hiring							3.16	3.92
(v) Mandated cost of dismissing							4.72	6.85
(vi) Conscription							10.00	10.00
C. Business regulations							4.63	5.48
(i) Price controls								
(ii) Administrative requirements							4.29	4.14
(iii) Bureaucracy costs							4.09	4.36
(iv) Starting a business							5.40	7.20
(v) Extra payments/bribes							5.04	4.24
(vi) Licensing restrictions							1.99	5.96
(vii) Cost of tax compliance							6.97	6.97

Burundi

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	4.27 (86)	4.68 (82)	4.84 (83)	4.47 (109)	4.96 (110)	4.42 (125)	4.80 (121)	5.05 (119)
2. Legal Structure and Security of Property Rights	6.50 (14)	6.71 (14)	6.26 (31)	5.78 (52)	5.80 (72)	5.07 (99)	4.98 (103)	4.68 (108)
3. Access to Sound Money	3.63 (58)	3.31 (85)	3.44 (82)	3.47 (110)	3.26 (110)	1.57 (128)	2.22 (124)	2.32 (121)
4. Freedom to Trade Internationally	4.92 (86)	6.15 (76)	6.47 (60)	5.83 (75)	6.19 (103)	6.92 (97)	6.71 (102)	7.30 (88)
5. Regulation of Credit, Labor and Business	2.13 (92)	2.82 (88)	3.63 (95)	2.45 (113)	4.24 (118)	2.80 (129)	2.36 (129)	3.11 (128)
5. Regulation of Credit, Labor and Business	4.25 (84)	4.59 (72)	4.36 (90)	4.76 (95)	5.34 (89)	5.74 (78)	7.70 (13)	7.51 (20)
Unadjusted								
Summary Ratings (Rank) ▶	4.21 (89)	4.66 (83)	4.72 (90)	4.71 (100)	5.01 (112)	4.71 (126)	4.97 (132)	5.23 (131)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	4.53	4.68	4.37	5.78	5.80	5.07	4.98	4.68
A. Government consumption	9.07 9.16	9.36 8.17	8.75 10.27	8.08 12.54	7.96 12.92	5.77 20.38	5.52 21.24	4.61 24.34
B. Transfers and subsidies				9.28 3.16	9.43 2.60	9.43 2.60	9.43 2.60	9.43 2.60
C. Government enterprises and investment	0.00 67.70	0.00 82.40	0.00 82.50	0.00	0.00 87.30	0.00 80.29	0.00 81.86	0.00 81.86
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
2. Legal Structure and Security of Property Rights	4.67	4.25	4.42	4.45	3.26	2.51	2.93	3.06
A. Judicial independence							1.40	1.70
B. Impartial courts				4.00	3.67	2.91	2.53	2.67
C. Protection of property rights							3.31	3.76
D. Military interference					2.20	0.88	1.90	1.90
E. Integrity of the legal system				5.18				
F. Legal enforcement of contracts							5.23	3.91
G. Regulatory restrictions of sale of real property							3.22	4.44
3. Access to Sound Money	4.92	6.15	6.47	5.83	6.19	6.92	6.71	7.30
A. Money growth	5.34 23.32	8.54 7.29	9.85 0.75	8.29 8.56	7.67 11.66	6.65 16.76	6.83 15.85	7.26 13.70
B. Standard deviation of inflation	7.60 5.99	7.05 7.37	7.22 6.94	8.06 4.86	6.95 7.62	8.16 4.61	7.72 5.69	7.52 6.21
C. Inflation: most recent year	6.72 16.38	8.99 5.07	8.80 5.99	6.96 15.18	5.14 24.31	7.86 10.68	7.30 13.52	9.44 2.81
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	5.00	5.00	5.00	5.00
4. Freedom to Trade Internationally	2.08	3.00	3.86	2.61	4.33	3.37	3.27	4.31
A. Taxes on international trade	0.00	1.21	1.30	2.11	1.13	3.56	4.48	4.94
(i) Revenues from trade taxes (% of trade sector)	0.00 18.10	0.00 17.00	0.00 22.90	1.60 12.60	1.13 13.31	1.13 13.31	1.13 13.31	1.13 13.31
(ii) Mean tariff rate		2.42 37.90	2.60 37.00	2.62 36.90		6.00 20.00	6.08 19.60	7.46 12.70
(iii) Standard deviation of tariff rates							6.24 9.40	6.24 9.40
B. Regulatory trade barriers						0.00	2.06	3.13
(i) Non-tariff trade barriers							4.12	4.47
(ii) Compliance cost of importing and exporting						0.00	0.00	1.79
C. Size of trade sector	1.11	0.50	0.97	1.46	0.00	0.00	1.02	3.11
D. Black-market exchange rates	1.00	5.00	8.80	1.20	10.00	4.88	4.88	7.37
E. International capital market controls	0.00	0.00	0.00	0.00	2.31	2.31	3.92	3.02
(i) Foreign ownership/investment restrictions							5.54	5.27
(ii) Capital controls	0.00	0.00	0.00	0.00	2.31	2.31	2.31	0.77
5. Regulation of Credit, Labor and Business	4.84	5.23	4.46	4.87	5.46	5.68	6.94	6.78
A. Credit market regulations	2.94	3.96	3.26	3.95	5.23	6.00	8.59	8.80
(i) Ownership of banks	2.00	2.00	0.00	0.00	0.00	0.00	8.00	8.00
(ii) Foreign bank competition						5.00	8.00	8.00
(iii) Private sector credit	4.81	3.87	5.78	7.85	9.68	9.01	8.36	9.19
(iv) Interest rate controls/negative real int. rates	2.00	6.00	4.00	4.00	6.00	10.00	10.00	10.00
B. Labor market regulations							7.75	7.57
(i) Minimum wage						7.06	7.06	7.06
(ii) Hiring and firing regulations							5.75	5.07
(iii) Centralized collective bargaining							8.07	7.83
(iv) Mandated cost of hiring							7.90	7.87
(v) Mandated cost of dismissing							7.69	7.59
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations							4.48	3.98
(i) Price controls			0.00	2.00	4.00	4.00	4.00	4.00
(ii) Administrative requirements							2.76	3.34
(iii) Bureaucracy costs							4.67	2.46
(iv) Starting a business						5.87	6.52	5.99
(v) Extra payments/bribes							3.98	3.63
(vi) Licensing restrictions							0.99	0.00
(vii) Cost of tax compliance							8.43	8.43

Cameroon

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) >	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	5.39 (48)	5.60 (47)	5.62 (50)	5.18 (86)	5.63 (97)	5.92 (90)	5.72 (105)	5.77 (104)
2. Legal Structure and Security of Property Rights	5.93 (23)	5.40 (36)	5.24 (62)	5.58 (61)	6.89 (32)	7.05 (37)	6.54 (60)	6.52 (62)
3. Access to Sound Money	5.49 (41)	5.55 (51)	5.50 (53)	4.53 (92)	4.23 (94)	3.88 (90)	3.80 (103)	3.77 (103)
4. Freedom to Trade Internationally	5.41 (74)	6.39 (65)	7.06 (43)	5.83 (75)	6.60 (96)	7.30 (86)	7.20 (90)	7.07 (94)
5. Regulation of Credit, Labor and Business	5.31 (50)	6.06 (44)	5.39 (62)	5.40 (99)	5.64 (102)	5.62 (112)	5.40 (113)	5.80 (112)
5. Regulation of Credit, Labor and Business	4.57 (73)	4.57 (74)	4.87 (73)	4.52 (101)	4.78 (103)	5.73 (80)	5.68 (102)	5.72 (108)
Unadjusted								
Summary Ratings (Rank) >	5.80 (37)	5.80 (41)	5.71 (50)	5.21 (89)	5.74 (97)	5.92 (90)	5.71 (116)	5.76 (117)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	7.37	5.53	5.24	5.58	6.89	7.05	6.54	6.52
A. Government consumption	8.18 12.19	8.16 12.27	7.04 16.06	8.61 10.73	8.00 12.80	8.15 12.29	8.07 12.55	8.02 12.74
B. Transfers and subsidies	9.92 0.80	9.97 0.60	9.40 2.70	9.70 1.60	9.57 2.09	9.57 2.09	9.57 2.09	9.57 2.09
C. Government enterprises and investment	4.00 27.70	2.00 41.70	4.00 32.00	4.00	10.00 12.52	10.00 13.64	8.00 16.91	8.00 16.23
D. Top marginal tax rate		2.00	0.50	0.00	0.00	0.50	0.50	0.50
(i) Top marginal income tax rate		2.00 60	1.00 60	0.00 66	0.00 65	1.00 60	1.00 60	1.00 60
(ii) Top marginal income and payroll tax rates			0.00 63	0.00 69	0.00 68	0.00 68	0.00 68	0.00 68
2. Legal Structure and Security of Property Rights	5.78	5.85	5.79	4.77	4.45	3.88	3.73	3.69
A. Judicial independence						1.98	2.06	1.99
B. Impartial courts				3.76	3.76	3.31	2.81	3.01
C. Protection of property rights						4.11	4.14	4.60
D. Military interference				4.38	6.67	6.67	6.67	6.67
E. Integrity of the legal system				6.96	3.33	3.33	3.33	4.17
F. Legal enforcement of contracts							3.84	2.17
G. Regulatory restrictions of sale of real property							3.24	3.24
3. Access to Sound Money	5.41	6.39	7.06	5.83	6.60	7.30	7.20	7.07
A. Money growth	6.85 15.76	8.46 7.68	9.19 -4.06	9.40 -3.02	7.36 13.21	9.69 1.53	9.88 -0.61	9.99 0.03
B. Standard deviation of inflation	7.65 5.88	9.34 1.66	9.38 1.55	7.34 6.64	9.30 1.75	9.54 1.14	9.34 1.65	9.30 1.74
C. Inflation: most recent year	7.15 14.25	7.76 11.19	9.67 1.64	6.59 17.03	9.75 1.23	9.95 0.23	9.60 2.01	8.98 5.12
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Freedom to Trade Internationally	5.31	6.06	5.38	5.17	5.79	5.62	5.40	5.80
A. Taxes on international trade	2.67	5.93	6.40	3.71	5.08	5.46	5.50	5.52
(i) Revenues from trade taxes (% of trade sector)	2.67 11.00	5.93 6.10	6.40 5.40	4.87 7.70	3.84 9.24	3.84 9.24	3.84 9.24	3.84 9.24
(ii) Mean tariff rate				6.26 18.70	6.32 18.40	6.38 18.10	6.32 18.40	6.40 18.00
(iii) Standard deviation of tariff rates				0.00 29.60		6.16 9.60	6.33 9.18	6.33 9.18
B. Regulatory trade barriers						4.66	4.39	5.51
(i) Non-tariff trade barriers						6.20	5.20	5.18
(ii) Compliance cost of importing and exporting						3.12	3.59	5.84
C. Size of trade sector	6.05	6.37	3.11	4.12	4.89	3.92	3.48	3.98
D. Black-market exchange rates	9.60	9.80	9.20	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.77	4.04	3.62	3.96
(i) Foreign ownership/investment restrictions						7.32	6.46	6.39
(ii) Capital controls	0.00	0.00	0.00	0.00	0.77	0.77	0.77	1.54
5. Regulation of Credit, Labor and Business	5.16	5.16	5.06	4.70	4.97	5.73	5.68	5.71
A. Credit market regulations	3.00	3.00	5.23	4.03	4.94	6.93	7.31	7.33
(i) Ownership of banks	0.00	0.00	0.00	2.00	2.00	5.00	5.00	5.00
(ii) Foreign bank competition								
(iii) Private sector credit			7.69	6.10	6.81	7.78	7.93	7.99
(iv) Interest rate controls/negative real int. rates	6.00	6.00	8.00	4.00	6.00	8.00	9.00	9.00
B. Labor market regulations						6.59	6.49	6.66
(i) Minimum wage						5.72	5.72	6.20
(ii) Hiring and firing regulations						4.31	5.71	5.64
(iii) Centralized collective bargaining						6.35	5.95	6.02
(iv) Mandated cost of hiring							5.29	5.14
(v) Mandated cost of dismissing							6.29	6.94
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						3.68	3.24	3.14
(i) Price controls			0.00	0.00	0.00	4.00	4.00	4.00
(ii) Administrative requirements						2.19	1.75	1.88
(iii) Bureaucracy costs						3.06	3.66	3.34
(iv) Starting a business						6.06	6.29	6.88
(v) Extra payments/bribes						3.08	3.98	3.02
(vi) Licensing restrictions							3.02	2.82
(vii) Cost of tax compliance							0.00	0.00

Canada

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ▶	7.58 (6)	7.65 (6)	7.97 (5)	7.80 (10)	8.12 (8)	8.05 (7)	8.06 (6)	7.98 (6)
1. Size of Government	4.87 (53)	4.74 (56)	5.31 (60)	5.30 (71)	5.97 (66)	6.62 (54)	6.76 (52)	6.88 (49)
2. Legal Structure and Security of Property Rights	8.46 (16)	9.29 (9)	9.84 (9)	8.95 (11)	9.27 (7)	8.40 (14)	8.70 (15)	8.53 (13)
3. Access to Sound Money	9.20 (5)	8.96 (14)	9.56 (7)	9.58 (15)	9.47 (20)	9.60 (15)	9.69 (3)	9.60 (6)
4. Freedom to Trade Internationally	7.69 (12)	7.68 (13)	7.59 (16)	7.50 (30)	8.29 (15)	7.82 (23)	7.51 (24)	7.14 (54)
5. Regulation of Credit, Labor and Business	7.65 (4)	7.63 (6)	7.63 (8)	7.64 (8)	7.61 (6)	7.78 (5)	7.64 (16)	7.74 (16)
Unadjusted	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
Summary Ratings (Rank) ▶	7.15 (7)	7.22 (6)	7.49 (6)	7.77 (10)	8.12 (7)	8.05 (7)	8.12 (5)	8.05 (7)
1. Size of Government	4.87	4.74	5.31	5.30	5.97	6.62	6.76	6.88
A. Government consumption	3.29 28.83	3.28 28.84	3.35 28.63	3.67 27.53	4.54 24.56	4.21 25.69	4.23 25.61	4.24 25.60
B. Transfers and subsidies	6.19 14.50	5.69 16.30	5.89 15.60	5.53 16.89	6.34 13.92	7.27 10.53	7.31 10.38	7.30 10.42
C. Government enterprises and investment	8.00 12.60	8.00 14.80	8.00 13.70	8.00 14.80	10.00 10.60	10.00 12.02	10.00 12.15	10.00 12.36
D. Top marginal tax rate	2.00	2.00	4.00	4.00	3.00	5.00	5.50	6.00
(i) Top marginal income tax rate	2.00 60-68	2.00 50-63	4.00 44-54	4.00 44-54	3.00 44-51	5.00 39-49	6.00 39-49	6.00 39-49
(ii) Top marginal income and payroll tax rates			4.00 44-54	4.00 44-54	3.00 44-51	5.00 39-49	5.00 39-49	6.00 39-49
2. Legal Structure and Security of Property Rights	7.18	7.88	8.35	8.95	9.27	8.40	8.55	8.39
A. Judicial independence				9.52	9.19	7.57	7.91	8.36
B. Impartial courts				8.85	9.19	6.92	7.42	7.63
C. Protection of property rights				7.34	7.98	7.51	8.16	8.47
D. Military interference				9.04	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	10.00	10.00	10.00	10.00
F. Legal enforcement of contracts							7.13	5.18
G. Regulatory restrictions of sale of real property							9.25	9.09
3. Access to Sound Money	9.20	8.96	9.56	9.58	9.47	9.60	9.69	9.60
A. Money growth	9.66 1.70	7.62 11.88	9.23 3.86	9.13 4.36	9.08 4.59	9.34 3.30	9.65 1.73	9.19 4.04
B. Standard deviation of inflation	9.32 1.70	8.71 3.22	9.65 0.88	9.72 0.69	9.34 1.65	9.45 1.38	9.54 1.15	9.62 0.94
C. Inflation: most recent year	7.80 11.00	9.52 2.42	9.38 3.11	9.46 2.69	9.45 2.75	9.63 1.86	9.56 2.21	9.60 2.00
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	7.77	7.75	7.52	7.31	8.29	7.82	7.51	7.14
A. Taxes on international trade	8.08	8.38	7.93	5.94	8.78	8.79	8.73	6.58
(i) Revenues from trade taxes (% of trade sector)	8.40 2.40	8.87 1.70	9.20 1.20	9.53 0.70	9.79 0.31	9.80 0.30	9.77 0.35	9.77 0.35
(ii) Mean tariff rate	7.76 11.20	7.90 10.50	8.12 9.40	7.98 10.10	9.22 3.90	9.26 3.70	9.10 4.50	8.90 5.50
(iii) Standard deviation of tariff rates			6.48 8.80	0.32 24.20	7.32 6.70	7.32 6.70	7.32 6.70	1.07 22.33
B. Regulatory trade barriers				7.20	8.48	8.02	7.52	7.78
(i) Non-tariff trade barriers				7.20	7.45	7.32	6.63	6.66
(ii) Compliance cost of importing and exporting					9.50	8.72	8.41	8.89
C. Size of trade sector	4.60	4.21	3.51	5.02	5.56	4.22	4.10	4.10
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	8.00	8.00	8.00	8.39	8.65	8.08	7.21	7.25
(i) Foreign ownership/investment restrictions				8.78	8.83	7.69	7.50	7.58
(ii) Capital controls	8.00	8.00	8.00	8.00	8.46	8.46	6.92	6.92
5. Regulation of Credit, Labor and Business	6.76	6.75	6.70	7.71	7.61	7.78	8.11	8.22
A. Credit market regulations	9.72	9.75	9.74	8.32	8.41	9.01	9.32	9.32
(i) Ownership of banks	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				5.47	5.08	8.00	8.00	8.00
(iii) Private sector credit	9.16	9.25	9.21	8.31	8.76	8.85	9.28	9.26
(iv) Interest rate controls/negative real int. rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	7.33	7.24	7.05	7.13	6.41	7.06	7.23	7.22
(i) Minimum wage				6.12	4.28	6.71	6.71	6.77
(ii) Hiring and firing regulations			6.47	6.47	5.08	5.44	5.44	5.54
(iii) Centralized collective bargaining	7.24	7.24	7.24	7.24	7.83	7.60	7.48	7.55
(iv) Mandated cost of hiring	4.75	4.49	4.49	5.80	4.84	5.58	6.35	6.05
(v) Mandated cost of dismissing							7.40	7.40
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				7.67	8.01	7.27	7.78	8.12
(i) Price controls			9.00	7.00	9.00	8.00	8.00	8.00
(ii) Administrative requirements					7.20	4.01	3.87	4.12
(iii) Bureaucracy costs				7.07	7.23	7.66	6.39	8.13
(iv) Starting a business				7.82	7.55	8.27	8.89	8.89
(v) Extra payments/bribes				8.82	9.08	8.38	8.39	8.58
(vi) Licensing restrictions							9.28	9.47
(vii) Cost of tax compliance							8.67	8.67

Central African Republic

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >								
1. Size of Government	3.84 (79)	3.99 (94)	4.60 (91)	4.38 (111)	4.72 (114)	5.08 (119)	4.49 (126)	4.92 (123)
2. Legal Structure and Security of Property Rights	3.75 (57)	3.58 (88)	3.70 (94)	3.83 (103)	5.28 (86)	6.32 (64)	4.95 (106)	6.32 (69)
3. Access to Sound Money	4.86 (88)	4.34 (98)	7.09 (41)	5.04 (90)	7.03 (78)	7.09 (90)	7.05 (93)	6.80 (102)
4. Freedom to Trade Internationally		4.36 (71)	4.00 (92)	4.60 (105)	3.99 (119)	3.77 (127)	3.24 (127)	4.03 (127)
5. Regulation of Credit, Labor and Business		3.78 (93)	4.45 (87)	4.01 (112)	3.97 (115)	4.68 (117)	3.86 (126)	4.00 (126)
Unadjusted								
Summary Ratings (Rank) >	4.72 (75)	4.27 (91)	4.87 (83)	4.67 (102)	5.05 (110)	5.27 (118)	4.57 (138)	5.01 (134)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	3.84	3.58	3.70	3.83	5.28	6.32	4.95	6.32
A. Government consumption	7.67 13.91	7.16 15.66	7.41 14.81	7.65 13.98	8.55 10.92	8.65 10.61	7.91 13.12	8.64 10.61
B. Transfers and subsidies								
C. Government enterprises and investment	0.00 65.70	0.00 67.00	0.00 51.80	0.00 54.80	2.00 49.16	4.00 32.34	2.00 44.99	4.00 37.00
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
2. Legal Structure and Security of Property Rights	4.67	4.25	4.42	4.88	4.28	3.96	2.85	2.99
A. Judicial independence								
B. Impartial courts						3.01	3.30	3.30
C. Protection of property rights								
D. Military interference					4.70	4.70	3.30	3.30
E. Integrity of the legal system				5.18	4.00	4.00		
F. Legal enforcement of contracts							1.10	0.51
G. Regulatory restrictions of sale of real property							3.70	4.85
3. Access to Sound Money	4.86	4.34	7.09	5.04	7.03	7.09	7.05	6.80
A. Money growth	5.59 22.06	8.54 7.29	9.95 -0.23	6.83 15.84	9.12 -4.39	9.73 -1.37	9.68 1.60	8.80 5.99
B. Standard deviation of inflation	7.50 6.24	5.64 10.90	8.86 2.85	6.02 9.94	9.65 0.88	9.06 2.34	9.08 2.30	9.07 2.33
C. Inflation: most recent year	6.35 18.27	3.17 34.15	9.55 2.27	7.32 13.41	9.36 3.20	9.59 -2.07	9.42 2.88	9.33 3.37
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Freedom to Trade Internationally	5.52	5.36	4.79	5.64	4.76	4.22	3.24	4.03
A. Taxes on international trade	2.93	3.60	2.97	6.22	5.58	6.05	6.21	6.20
(i) Revenues from trade taxes (% of trade sector)	2.93 10.60		2.33 11.50		4.27 8.60	5.88 6.18	5.88 6.18	5.88 6.18
(ii) Mean tariff rate		3.60 32.00	3.60 32.00	6.28 18.60	6.28 18.60	6.22 18.90	6.42 17.90	6.40 18.00
(iii) Standard deviation of tariff rates				6.16 9.60	6.20 9.50	6.04 9.90	6.33 9.18	6.33 9.18
B. Regulatory trade barriers						0.00	0.00	1.26
(i) Non-tariff trade barriers								
(ii) Compliance cost of importing and exporting						0.00	0.00	1.26
C. Size of trade sector	6.88	5.19	3.54	3.98	0.00	0.00	0.00	0.37
D. Black-market exchange rates	9.60	9.80	9.20	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.31
(i) Foreign ownership/investment restrictions								
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.31
5. Regulation of Credit, Labor and Business		3.82	4.37	3.94	3.91	4.75	4.78	4.91
A. Credit market regulations	0.00	4.00	6.29	4.87	4.75	7.31	7.22	7.08
(i) Ownership of banks	0.00	0.00	2.00	2.00	2.00	5.00	5.00	5.00
(ii) Foreign bank competition								
(iii) Private sector credit			6.88	6.60	6.24	7.94	7.65	7.25
(iv) Interest rate controls/negative real int. rates		8.00	10.00	6.00	6.00	9.00	9.00	9.00
B. Labor market regulations							3.04	3.51
(i) Minimum wage						1.07	1.07	1.55
(ii) Hiring and firing regulations								
(iii) Centralized collective bargaining								
(iv) Mandated cost of hiring							4.53	4.53
(v) Mandated cost of dismissing							6.55	7.96
(vi) Conscription	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations							4.08	4.13
(i) Price controls			0.00	0.00	0.00	0.00	0.00	0.00
(ii) Administrative requirements								
(iii) Bureaucracy costs								
(iv) Starting a business						8.66	5.47	5.65
(v) Extra payments/bribes								
(vi) Licensing restrictions							6.50	6.50
(vii) Cost of tax compliance							4.35	4.35

Chad

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >		4.59 (84)	4.69 (87)	4.65 (100)	5.12 (105)	5.35 (114)	5.06 (119)	4.99 (121)
1. Size of Government	2.75 (99)	5.74 (28)	5.78 (45)	5.92 (47)	6.66 (43)	6.93 (41)	6.85 (48)	6.45 (65)
2. Legal Structure and Security of Property Rights	3.41 (62)	3.10 (88)	3.22 (86)	3.22 (115)	3.07 (115)	2.75 (114)	2.46 (122)	2.10 (123)
3. Access to Sound Money	6.33 (42)	5.27 (91)	5.79 (76)	5.16 (87)	6.64 (93)	6.59 (108)	6.03 (117)	6.12 (119)
4. Freedom to Trade Internationally					5.39 (109)	6.03 (100)	5.71 (104)	5.93 (104)
5. Regulation of Credit, Labor and Business		4.50 (79)	4.14 (95)	3.76 (115)	3.73 (118)	4.46 (121)	4.25 (124)	4.32 (123)
Unadjusted								
Summary Ratings (Rank) >		4.49 (89)	5.30 (64)	5.25 (86)	5.52 (100)	5.35 (116)	5.20 (130)	5.12 (133)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	2.06	4.30	6.19	6.33	7.12	6.93	6.85	6.45
A. Government consumption	4.12 26.00	8.60 10.75	8.66 10.54	9.08 9.14	9.44 7.90	9.85 6.50	9.71 7.00	8.90 9.74
B. Transfers and subsidies			9.89 0.90	9.92 0.80	9.92 0.80			
C. Government enterprises and investment	0.00	0.00 95.70	0.00 94.00	0.00 54.50	2.00 44.99	4.00 32.14	4.00 34.72	4.00 35.85
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
2. Legal Structure and Security of Property Rights	4.67	4.25	4.42	4.42	4.20	2.75	2.67	2.28
A. Judicial independence						1.50	1.28	1.50
B. Impartial courts				4.10	4.04	1.97	1.97	2.24
C. Protection of property rights						1.60	2.66	2.69
D. Military interference				4.35	4.70	4.70	2.80	2.80
E. Integrity of the legal system				5.18	4.00	4.00		
F. Legal enforcement of contracts							3.16	0.30
G. Regulatory restrictions of sale of real property							4.17	4.17
3. Access to Sound Money	6.33	5.27	5.79	5.16	6.64	6.59	6.03	6.12
A. Money growth	7.31 13.47	5.82 20.92	9.25 -3.74	9.56 2.19	9.67 -1.66	9.76 1.18	9.52 2.40	9.81 0.97
B. Standard deviation of inflation	9.76 0.59	6.00 10.00	6.19 9.53	2.84 17.90	7.65 5.87	7.65 5.87	6.17 9.56	6.28 9.30
C. Inflation: most recent year	8.25 8.73	9.25 3.75	7.72 11.41	8.22 8.90	9.24 3.82	8.93 -5.36	8.42 7.89	8.39 8.04
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Freedom to Trade Internationally			5.80	6.42	5.76	6.03	5.71	5.93
A. Taxes on international trade			7.40	8.53	6.24	6.41	6.44	6.36
(i) Revenues from trade taxes (% of trade sector)			7.40 3.90	8.53 2.20				
(ii) Mean tariff rate					6.84 15.80	6.58 17.10	6.56 17.20	6.40 18.00
(iii) Standard deviation of tariff rates					5.64 10.90	6.24 9.40	6.33 9.18	6.33 9.18
B. Regulatory trade barriers						3.44	1.82	1.76
(i) Non-tariff trade barriers						3.97	3.64	3.53
(ii) Compliance cost of importing and exporting						2.92	0.00	0.00
C. Size of trade sector	5.37	4.77	4.18	5.58	4.35	7.51	7.96	8.32
D. Black-market exchange rates	9.60	9.80	9.20	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.00	2.79	2.35	3.21
(i) Foreign ownership/investment restrictions						5.57	4.70	4.87
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.54
5. Regulation of Credit, Labor and Business		4.15	4.31	3.92	3.89	4.46	4.73	4.81
A. Credit market regulations	2.00	5.00	4.76	3.46	3.35	5.78	5.68	5.38
(i) Ownership of banks	2.00	2.00	0.00	0.00	0.00	2.00	2.00	2.00
(ii) Foreign bank competition								
(iii) Private sector credit			6.29	6.38	6.04	6.33	6.03	5.14
(iv) Interest rate controls/negative real int. rates		8.00	8.00	4.00	4.00	9.00	9.00	9.00
B. Labor market regulations						3.69	4.43	4.63
(i) Minimum wage						0.00	0.00	2.36
(ii) Hiring and firing regulations						4.41	4.26	4.46
(iii) Centralized collective bargaining						7.36	7.70	7.68
(iv) Mandated cost of hiring							3.56	3.62
(v) Mandated cost of dismissing							8.09	6.66
(vi) Conscription	10.00	0.00	0.00	0.00	0.00	3.00	3.00	3.00
C. Business regulations						3.92	4.09	4.41
(i) Price controls			4.00	4.00	4.00	4.00	4.00	4.00
(ii) Administrative requirements						2.72	2.35	2.41
(iii) Bureaucracy costs						6.38	3.13	2.79
(iv) Starting a business						3.73	2.24	4.31
(v) Extra payments/bribes						2.79	3.69	2.66
(vi) Licensing restrictions							4.59	6.04
(vii) Cost of tax compliance							8.63	8.63

Chile

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >	5.56 (45)	6.16 (31)	6.93 (24)	7.48 (14)	7.28 (30)	7.62 (15)	7.93 (8)	7.98 (6)
1. Size of Government	5.00 (49)	5.71 (29)	6.51 (27)	7.30 (21)	6.12 (60)	7.34 (27)	7.43 (24)	7.50 (24)
2. Legal Structure and Security of Property Rights	7.23 (26)	5.64 (48)	6.95 (32)	6.75 (33)	6.53 (46)	6.09 (47)	6.69 (43)	6.55 (43)
3. Access to Sound Money	2.31 (102)	6.97 (37)	7.23 (38)	8.65 (36)	9.30 (31)	9.55 (18)	9.34 (31)	9.14 (38)
4. Freedom to Trade Internationally	6.91 (24)	5.89 (46)	7.27 (26)	7.61 (27)	7.46 (44)	8.35 (10)	8.21 (7)	8.40 (5)
5. Regulation of Credit, Labor and Business	6.90 (13)	6.73 (16)	6.82 (14)	7.07 (13)	6.99 (20)	6.77 (27)	7.99 (10)	8.34 (6)
Unadjusted	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>
Summary Ratings (Rank) >	5.25 (59)	5.85 (38)	6.59 (26)	7.47 (14)	7.28 (26)	7.62 (15)	8.01 (8)	8.06 (6)
1. Size of Government	5.00	5.71	6.51	7.30	6.12	7.34	7.43	7.50
A. Government consumption	7.36 14.98	6.86 16.69	7.76 13.62	7.77 13.58	7.02 16.14	6.84 16.74	7.13 15.76	7.21 15.47
B. Transfers and subsidies	6.62 12.90	5.97 15.30	7.28 10.50	7.42 9.97	6.48 13.42	7.53 9.55	7.60 9.32	7.80 8.58
C. Government enterprises and investment	4.00 32.20	8.00 16.10	7.00 20.50	8.00 16.60	6.00 28.21	10.00 14.43	10.00 12.71	10.00 12.71
D. Top marginal tax rate	2.00	2.00	4.00	6.00	5.00	5.00	5.00	5.00
(i) Top marginal income tax rate	2.00 58	2.00 56	4.00 50	6.00 45	5.00 45	5.00 40	5.00 40	5.00 40
(ii) Top marginal income and payroll tax rates			4.00 50	6.00 45	5.00 45	5.00 40	5.00 40	5.00 40
2. Legal Structure and Security of Property Rights	6.43	5.02	6.19	6.75	6.53	6.09	7.14	6.99
A. Judicial independence				6.62	5.85	5.24	4.77	5.41
B. Impartial courts				7.07	6.51	5.61	5.99	6.26
C. Protection of property rights				5.60	5.27	4.60	7.47	7.35
D. Military interference				7.51	6.67	6.67	6.88	7.50
E. Integrity of the legal system				6.96	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts							7.53	5.11
G. Regulatory restrictions of sale of real property							8.99	8.99
3. Access to Sound Money	2.31	6.97	7.23	8.65	9.30	9.55	9.34	9.14
A. Money growth	0.00 99.48	7.87 10.66	4.82 25.92	8.07 9.67	9.58 2.08	9.07 4.64	8.72 6.39	8.34 8.32
B. Standard deviation of inflation	0.00 80.63	6.17 9.58	8.34 4.15	8.40 4.00	8.40 4.01	9.34 1.65	9.23 1.92	8.90 2.76
C. Inflation: most recent year	4.25 28.76	3.86 30.71	5.75 21.24	8.14 9.32	9.23 3.84	9.79 1.05	9.39 3.05	9.32 3.39
D. Freedom to own foreign currency	5.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	6.82	5.82	7.17	7.59	7.46	8.35	8.21	8.40
A. Taxes on international trade	8.71	6.73	8.18	8.49	8.88	9.54	9.48	9.42
(i) Revenues from trade taxes (% of trade sector)	8.13 2.80	6.20 5.70	7.53 3.70	7.67 3.49	8.45 2.32	9.59 0.62	9.61 0.58	9.65 0.53
(ii) Mean tariff rate	8.00 10.00	4.00 30.00	7.00 15.00	7.80 11.00	8.20 9.00	9.02 4.90	9.02 4.90	8.80 6.00
(iii) Standard deviation of tariff rates	10.00 0.00	10.00 0.00	10.00 0.00	10.00 0.00	10.00 0.00	10.00 0.00	9.81 0.48	9.81 0.48
B. Regulatory trade barriers				7.05	8.39	7.91	7.21	7.47
(i) Non-tariff trade barriers				7.05	8.28	7.68	7.68	7.86
(ii) Compliance cost of importing and exporting					8.50	8.14	6.74	7.09
C. Size of trade sector	6.42	6.54	7.53	6.32	5.70	6.57	6.69	6.79
D. Black-market exchange rates	8.80	5.60	10.00	9.60	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	6.49	4.30	7.75	7.65	8.34
(i) Foreign ownership/investment restrictions				7.98	8.61	8.57	8.38	8.22
(ii) Capital controls	2.00	2.00	2.00	5.00	0.00	6.92	6.92	8.46
5. Regulation of Credit, Labor and Business	5.70	5.74	5.84	7.06	6.99	6.77	7.94	8.24
A. Credit market regulations	7.54	8.19	8.43	8.60	8.32	8.08	9.22	9.23
(i) Ownership of banks	5.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
(ii) Foreign bank competition				8.15	5.95	5.95	9.00	9.00
(iii) Private sector credit	9.63	8.56	9.28	9.86	9.82	9.62	9.86	9.90
(iv) Interest rate controls/negative real int. rates	8.00	8.00	8.00	10.00	10.00	9.00	10.00	10.00
B. Labor market regulations			4.95	5.27	4.86	5.34	7.48	7.94
(i) Minimum wage				5.68	3.36	7.26	7.26	10.00
(ii) Hiring and firing regulations			6.91	6.91	5.57	3.97	4.92	4.88
(iii) Centralized collective bargaining		7.93	7.93	7.93	8.85	8.56	8.47	8.52
(iv) Mandated cost of hiring				5.85	6.51	6.91	8.97	9.09
(v) Mandated cost of dismissing							5.24	5.18
(vi) Conscription	3.00	0.00	0.00	0.00	0.00	0.00	10.00	10.00
C. Business regulations				7.32	7.80	6.89	7.12	7.56
(i) Price controls				10.00	9.00	8.00	9.00	10.00
(ii) Administrative requirements					7.88	4.41	4.66	4.71
(iii) Bureaucracy costs				6.18	7.93	7.87	6.03	6.67
(iv) Starting a business				6.52	5.65	6.12	9.03	9.05
(v) Extra payments/bribes				6.58	8.53	8.04	8.40	7.89
(vi) Licensing restrictions							7.58	8.16
(vii) Cost of tax compliance							5.16	6.46

China

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	4.42 (80)	5.33 (54)	5.13 (68)	5.52 (79)	5.98 (81)	5.94 (87)	6.17 (88)	6.17 (88)
2. Legal Structure and Security of Property Rights	4.92 (52)	5.37 (37)	5.01 (67)	5.52 (64)	4.71 (97)	5.03 (103)	5.04 (102)	5.00 (101)
3. Access to Sound Money	6.18 (50)	5.99 (82)	6.47 (60)	5.77 (78)	8.12 (57)	8.06 (73)	8.18 (71)	8.22 (72)
4. Freedom to Trade Internationally	3.65 (78)	4.79 (64)	4.56 (81)	6.72 (57)	7.17 (53)	7.45 (35)	7.55 (22)	7.47 (32)
5. Regulation of Credit, Labor and Business	3.69 (92)	3.69 (95)	3.79 (100)	4.48 (102)	4.99 (98)	4.26 (125)	4.98 (121)	4.95 (119)
Unadjusted								
Summary Ratings (Rank) ▶	3.99 (94)	5.03 (72)	4.80 (86)	5.20 (90)	5.73 (98)	5.94 (88)	6.29 (90)	6.29 (93)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	2.63	3.91	3.65	4.02	3.43	5.03	5.04	5.00
A. Government consumption	5.25 22.14	5.73 20.51	5.94 19.81	6.07 19.38	4.28 25.46	3.92 26.66	3.87 26.84	3.72 27.34
B. Transfers and subsidies						8.20 7.10	8.29 6.76	8.29 6.76
C. Government enterprises and investment	0.00 81.90	0.00 66.10	0.00 66.20	0.00 54.40	0.00 64.72	2.00 49.65	2.00 46.90	2.00 46.90
D. Top marginal tax rate		6.00	5.00	6.00	6.00	6.00	6.00	6.00
(i) Top marginal income tax rate		6.00 45	5.00 45	6.00 45	6.00 45	6.00 45	6.00 45	6.00 45
(ii) Top marginal income and payroll tax rates								
2. Legal Structure and Security of Property Rights		6.78	5.79	5.49	4.95	4.88	5.84	5.93
A. Judicial independence				3.80	3.34	3.93	3.92	4.05
B. Impartial courts				4.92	4.18	4.27	4.03	4.32
C. Protection of property rights				4.15	3.22	3.69	4.95	5.52
D. Military interference				7.60	7.34	5.00	5.00	5.00
E. Integrity of the legal system				6.96	6.67	7.50	7.50	7.50
F. Legal enforcement of contracts							7.10	6.87
G. Regulatory restrictions of sale of real property							8.38	8.27
3. Access to Sound Money	6.18	5.99	6.47	5.77	8.12	8.06	8.18	8.22
A. Money growth	6.00 20.00	7.33 13.33	8.14 9.28	7.63 11.83	8.90 5.48	8.97 5.15	9.05 4.76	9.11 4.45
B. Standard deviation of inflation	9.48 1.31	8.64 3.40	8.86 2.84	8.09 4.77	8.63 3.43	9.04 2.40	9.04 2.41	9.08 2.31
C. Inflation: most recent year	9.24 3.78	7.97 10.14	8.86 5.68	7.36 13.18	9.95 0.26	9.22 3.89	9.64 1.82	9.71 1.46
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	5.00	5.00	5.00	5.00
4. Freedom to Trade Internationally	4.13	5.42	4.84	6.41	7.17	7.45	7.55	7.47
A. Taxes on international trade	3.15	2.72	3.16	3.90	7.16	7.62	7.96	7.91
(i) Revenues from trade taxes (% of trade sector)	6.20 5.70	3.33 10.00	7.53 3.70	9.20 1.20	9.01 1.49	8.81 1.78	8.81 1.78	8.81 1.78
(ii) Mean tariff rate	0.10 49.50	2.10 39.50	1.94 40.30	2.50 37.50	6.74 16.30	8.04 9.80	8.16 9.20	8.02 9.90
(iii) Standard deviation of tariff rates			0.00 32.10	0.00 28.00	5.72 10.70	6.00 10.00	6.91 7.72	6.91 7.72
B. Regulatory trade barriers				4.63	6.01	6.15	6.07	6.21
(i) Non-tariff trade barriers				4.63	4.35	4.99	5.14	5.52
(ii) Compliance cost of importing and exporting					7.66	7.31	6.99	6.91
C. Size of trade sector	4.26	6.37	7.83	10.00	10.00	10.00	10.00	10.00
D. Black-market exchange rates	5.00	7.80	0.00	8.60	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	2.00	5.00	4.91	2.71	3.46	3.74	3.20
(i) Foreign ownership/investment restrictions				4.82	4.66	6.15	6.71	6.41
(ii) Capital controls	0.00	2.00	5.00	5.00	0.77	0.77	0.77	0.00
5. Regulation of Credit, Labor and Business	3.04	3.04	3.27	4.33	4.99	4.26	4.84	4.83
A. Credit market regulations	0.00	0.00	0.00	4.01	4.70	4.45	7.30	7.30
(i) Ownership of banks	0.00	0.00	0.00	0.00	0.00	0.00	2.00	2.00
(ii) Foreign bank competition				4.62	2.30	2.30	8.00	8.00
(iii) Private sector credit				9.81	9.39	9.16	9.18	9.18
(iv) Interest rate controls/negative real int. rates	0.00	0.00	0.00	4.00	10.00	9.00	10.00	10.00
B. Labor market regulations			3.16	4.54	4.66	4.66	3.39	3.24
(i) Minimum wage				5.80	4.37	5.07	5.07	4.96
(ii) Hiring and firing regulations			4.30	4.30	5.10	5.80	5.27	5.58
(iii) Centralized collective bargaining	4.49	4.49	5.18	6.21	7.67	7.03	7.44	7.32
(iv) Mandated cost of hiring				6.42	6.18	5.37	0.88	0.00
(v) Mandated cost of dismissing							1.66	1.56
(vi) Conscription	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations				4.42	5.60	3.68	3.85	3.96
(i) Price controls				4.00	3.00	2.00	2.00	1.00
(ii) Administrative requirements					7.60	3.99	3.96	4.29
(iii) Bureaucracy costs				4.78	5.40	0.37	2.00	4.77
(iv) Starting a business				6.05	6.52	5.61	5.22	8.17
(v) Extra payments/bribes				2.87	5.49	6.42	5.52	5.35
(vi) Licensing restrictions							4.77	3.92
(vii) Cost of tax compliance							3.45	0.23

Colombia

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >	4.77 (69)	5.16 (62)	4.94 (78)	5.45 (81)	5.28 (104)	5.46 (110)	5.44 (115)	5.55 (112)
1. Size of Government	5.35 (36)	5.94 (25)	6.73 (23)	6.83 (27)	4.64 (98)	4.79 (108)	3.95 (123)	4.44 (112)
2. Legal Structure and Security of Property Rights	3.55 (61)	3.03 (93)	3.04 (88)	2.85 (118)	3.53 (102)	3.42 (101)	4.04 (100)	3.61 (105)
3. Access to Sound Money	4.52 (93)	6.49 (57)	4.46 (94)	5.32 (84)	6.31 (100)	7.70 (78)	7.81 (77)	7.85 (79)
4. Freedom to Trade Internationally	4.69 (62)	4.68 (66)	4.83 (75)	6.58 (64)	6.41 (82)	5.82 (103)	5.58 (107)	6.05 (99)
5. Regulation of Credit, Labor and Business	5.64 (40)	5.64 (45)	5.64 (47)	5.69 (56)	5.53 (79)	5.55 (90)	5.80 (96)	5.93 (94)
Unadjusted	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>
Summary Ratings (Rank) >	4.74 (74)	5.13 (69)	5.01 (76)	5.36 (83)	5.28 (106)	5.46 (112)	5.66 (117)	5.78 (115)
1. Size of Government	5.35	5.94	6.73	6.83	4.64	4.79	3.95	4.44
A. Government consumption	8.07 12.57	7.82 13.43	7.78 13.56	6.31 18.54	4.35 25.20	4.97 23.10	2.69 30.87	5.16 22.47
B. Transfers and subsidies	9.35 2.90	8.94 4.40	9.13 3.70	9.02 4.10	8.71 5.24	8.71 5.24	7.60 9.32	7.60 9.32
C. Government enterprises and investment	2.00 41.50	2.00 53.90	2.00 43.90	4.00 34.10	0.00 51.89	0.00 51.89	0.00 51.89	0.00 51.89
D. Top marginal tax rate	2.00	5.00	8.00	8.00	5.50	5.50	5.50	5.00
(i) Top marginal income tax rate	2.00 56	5.00 49	8.00 30	8.00 30	7.00 35	7.00 35	7.00 35	7.00 35
(ii) Top marginal income and payroll tax rates			8.00 30	8.00 30	4.00 43	4.00 44	4.00 45	3.00 47
2. Legal Structure and Security of Property Rights	3.98	3.40	3.41	2.85	3.53	3.42	5.03	4.49
A. Judicial independence				3.72	3.51	3.93	4.42	4.69
B. Impartial courts				3.52	5.85	4.23	4.64	4.50
C. Protection of property rights				4.13	3.28	3.96	6.16	5.89
D. Military interference				2.88	3.33	3.33	3.33	3.33
E. Integrity of the legal system				0.00	1.67	1.67	1.67	2.50
F. Legal enforcement of contracts							6.60	1.80
G. Regulatory restrictions of sale of real property							8.41	8.74
3. Access to Sound Money	4.52	6.49	4.46	5.32	6.31	7.70	7.81	7.85
A. Money growth	5.25 23.73	6.61 16.96	4.45 27.77	6.07 19.64	8.28 8.61	7.99 10.05	7.69 11.53	7.75 11.25
B. Standard deviation of inflation	8.33 4.17	9.33 1.68	9.09 2.27	9.15 2.12	8.81 2.97	9.00 2.49	9.57 1.09	9.50 1.24
C. Inflation: most recent year	4.48 27.61	5.02 24.90	4.29 28.55	6.04 19.79	8.16 9.22	8.82 5.90	8.99 5.05	9.14 4.30
D. Freedom to own foreign currency	0.00	5.00	0.00	0.00	0.00	5.00	5.00	5.00
4. Freedom to Trade Internationally	4.69	4.68	4.94	6.33	6.41	5.82	5.58	6.05
A. Taxes on international trade	4.05	4.14	5.53	7.81	7.85	7.96	7.71	7.02
(i) Revenues from trade taxes (% of trade sector)	4.80 7.80	5.00 7.50	5.99 6.01	8.04 2.94	8.37 2.44	8.61 2.09	8.72 1.93	6.75 4.87
(ii) Mean tariff rate	3.30 33.50	3.28 33.60	3.92 30.40	7.34 13.30	7.66 11.70	7.74 11.30	7.62 11.90	7.50 12.50
(iii) Standard deviation of tariff rates			6.68 8.30	8.04 4.90	7.52 6.20	7.52 6.20	6.80 8.00	6.80 8.00
B. Regulatory trade barriers				5.15	6.11	5.67	4.57	5.94
(i) Non-tariff trade barriers				5.15	4.90	5.41	4.83	4.98
(ii) Compliance cost of importing and exporting					7.33	5.93	4.32	6.90
C. Size of trade sector	4.36	2.82	4.34	4.06	4.15	3.82	3.77	4.64
D. Black-market exchange rates	6.80	8.20	6.60	8.60	10.00	8.07	8.07	8.88
E. International capital market controls	0.00	0.00	0.00	6.02	3.94	3.56	3.79	3.77
(i) Foreign ownership/investment restrictions				7.04	7.87	6.35	6.81	6.77
(ii) Capital controls	0.00	0.00	0.00	5.00	0.00	0.77	0.77	0.77
5. Regulation of Credit, Labor and Business	5.16	5.16	5.50	5.46	5.53	5.55	5.91	6.05
A. Credit market regulations	8.00	8.00	8.20	7.55	6.94	7.09	8.21	8.54
(i) Ownership of banks	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
(ii) Foreign bank competition				7.68	5.58	5.58	8.00	8.00
(iii) Private sector credit			8.61	8.11	8.10	6.85	6.84	8.17
(iv) Interest rate controls/negative real int. rates	8.00	8.00	8.00	8.00	8.00	10.00	10.00	10.00
B. Labor market regulations				4.75	3.89	4.27	3.72	3.55
(i) Minimum wage				6.83	2.85	3.17	3.17	3.65
(ii) Hiring and firing regulations			5.50	5.50	4.15	4.72	5.05	4.86
(iii) Centralized collective bargaining					5.93	7.56	6.81	7.08
(iv) Mandated cost of hiring				5.68	5.51	5.91	1.37	1.18
(v) Mandated cost of dismissing							5.93	4.53
(vi) Conscription	0.00	0.00	0.00	1.00	1.00	0.00	0.00	0.00
C. Business regulations				4.07	5.76	5.29	5.79	6.07
(i) Price controls				5.00	6.00	5.00	5.00	6.00
(ii) Administrative requirements					6.43	2.99	2.61	2.66
(iii) Bureaucracy costs				6.20	6.75	6.32	5.81	5.50
(iv) Starting a business				2.63	3.75	4.77	8.36	8.45
(v) Extra payments/bribes				2.44	5.89	7.39	6.38	5.44
(vi) Licensing restrictions							7.21	7.45
(vii) Cost of tax compliance							5.16	7.00

Congo, Democratic Republic of

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
	2.92 (101)	3.58 (102)	3.28 (110)	3.54 (122)	3.72 (123)	4.51 (123)	4.54 (125)	5.14 (118)
1. Size of Government	4.76 (55)	4.81 (53)	5.24 (62)	5.63 (57)	7.45 (19)	7.19 (33)	7.16 (35)	7.24 (33)
2. Legal Structure and Security of Property Rights	2.37 (77)	2.46 (98)	2.44 (104)	2.22 (122)	2.41 (120)	1.08 (129)	1.39 (130)	1.62 (128)
3. Access to Sound Money				0.00 (122)	1.25 (123)	4.80 (127)	5.04 (127)	7.25 (90)
4. Freedom to Trade Internationally	3.13 (86)	5.08 (59)	4.66 (78)	5.63 (92)	3.69 (120)	5.85 (102)	5.33 (114)	5.41 (116)
5. Regulation of Credit, Labor and Business	3.83 (90)	3.93 (91)	3.83 (99)	3.89 (113)	3.89 (117)	3.63 (127)	3.76 (127)	4.18 (125)
Unadjusted								
Summary Ratings (Rank) ▶	3.45 (103)	3.82 (101)	3.60 (107)	3.85 (118)	3.90 (123)	4.80 (124)	4.65 (137)	5.25 (130)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	5.00	3.37	5.24	5.63	7.45	7.19	7.16	7.24
A. Government consumption	9.04 9.28	9.12 8.98	8.03 12.70	10.00 5.72	9.29 8.41	9.26 8.53	9.16 8.87	9.44 7.89
B. Transfers and subsidies	9.97 0.60		9.92 0.80	10.00 0.49	10.00 0.01	10.00 0.33	10.00 0.33	10.00 0.33
C. Government enterprises and investment	0.00 60.20	0.00 45.50	2.00 31.10	2.00	10.00 13.15	7.00 21.81	7.00 21.81	7.00 21.81
D. Top marginal tax rate	1.00	1.00	1.00	0.50	0.50	2.50	2.50	2.50
(i) Top marginal income tax rate	1.00 60	1.00 60	1.00 60	1.00 60	1.00 60	3.00 50	3.00 50	3.00 50
(ii) Top marginal income and payroll tax rates			1.00 60	0.00 63	0.00 63	2.00 54	2.00 54	2.00 54
2. Legal Structure and Security of Property Rights	2.37	2.46	2.44	2.22	2.41	2.14	1.76	2.06
A. Judicial independence								
B. Impartial courts				3.02	3.59	2.48	2.50	2.50
C. Protection of property rights								
D. Military interference				1.45	0.00	0.00	0.00	0.00
E. Integrity of the legal system				0.00	1.67	1.67	1.67	1.67
F. Legal enforcement of contracts							0.00	0.30
G. Regulatory restrictions of sale of real property							4.64	5.83
3. Access to Sound Money	0.39	1.21	0.00	0.00	1.25	4.80	5.04	7.25
A. Money growth	1.56 42.22	0.00 52.53	0.00 99.48	0.00 1631.82	0.00 2290.00	0.00 2290.00	4.44 27.79	5.59 22.06
B. Standard deviation of inflation	0.00 25.49	0.00 25.25	0.00 30.17	0.00 9932.53	0.00 248.28	0.00 241.78	0.00 163.85	6.03 9.93
C. Inflation: most recent year	0.00 51.40	4.84 25.82	0.00 108.95	0.00 466.40	0.00 550.01	9.20 3.99	5.74 21.32	7.38 13.09
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	5.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	3.89	6.31	5.79	6.76	4.43	6.03	5.36	5.43
A. Taxes on international trade	4.21	4.96	4.90	7.77	5.71	7.10	7.32	7.32
(i) Revenues from trade taxes (% of trade sector)	3.13 10.30	4.40 8.40	3.93 9.10	7.77 3.34	5.71 6.44	6.81 4.78	6.81 4.78	6.81 4.78
(ii) Mean tariff rate	5.28 23.60	5.52 22.40	5.86 20.70			7.38 13.10	7.60 12.00	7.60 12.00
(iii) Standard deviation of tariff rates							7.55 6.12	7.55 6.12
B. Regulatory trade barriers						0.00	1.79	2.19
(i) Non-tariff trade barriers								
(ii) Compliance cost of importing and exporting						0.00	1.79	2.19
C. Size of trade sector	4.98	7.59	7.86	6.67	4.47	8.03	7.67	7.64
D. Black-market exchange rates	0.00	8.80	6.00	9.20	1.43	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	2.00	2.31	2.31	0.00	0.00
(i) Foreign ownership/investment restrictions								
(ii) Capital controls	2.00	2.00	2.00	2.00	2.31	2.31	0.00	0.00
5. Regulation of Credit, Labor and Business	5.61	5.74	4.55	4.62	3.98	3.83	3.92	4.26
A. Credit market regulations	4.34	4.75	2.88	3.12	0.00	2.31	2.65	2.80
(i) Ownership of banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Foreign bank competition								
(iii) Private sector credit	8.69	9.50	8.65	9.35		6.92	7.96	8.41
(iv) Interest rate controls/negative real int. rates			0.00	0.00	0.00	0.00	0.00	0.00
B. Labor market regulations							6.10	6.54
(i) Minimum wage						0.00	0.00	1.14
(ii) Hiring and firing regulations								
(iii) Centralized collective bargaining								
(iv) Mandated cost of hiring							7.26	7.87
(v) Mandated cost of dismissing							7.14	7.13
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations							3.01	3.43
(i) Price controls			2.00	2.00	2.00	2.00	2.00	2.00
(ii) Administrative requirements								
(iii) Bureaucracy costs								
(iv) Starting a business						0.00	2.63	3.33
(v) Extra payments/bribes								
(vi) Licensing restrictions							0.93	1.84
(vii) Cost of tax compliance							6.50	6.55

Congo, Republic of

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	4.43 (79)	4.42 (89)	4.66 (90)	4.68 (98)	4.32 (118)	4.37 (127)	4.76 (122)	4.66 (125)
2. Legal Structure and Security of Property Rights	2.99 (98)	3.81 (83)	5.15 (66)	4.70 (91)	4.54 (102)	4.92 (106)	5.23 (95)	3.90 (122)
3. Access to Sound Money	4.67 (48)	3.05 (90)	3.02 (91)	3.24 (114)	2.39 (121)	1.93 (124)	2.11 (126)	1.91 (125)
4. Freedom to Trade Internationally	5.32 (76)	6.06 (79)	5.83 (74)	5.69 (80)	4.29 (114)	4.86 (126)	5.33 (124)	5.71 (123)
5. Regulation of Credit, Labor and Business	4.30 (82)	4.58 (73)	4.81 (76)	4.86 (76)	5.71 (91)	5.71 (101)	5.45 (115)	6.02 (100)
5. Regulation of Credit, Labor and Business	4.30 (82)	4.58 (73)	4.86 (76)	4.12 (110)	4.58 (107)	4.68 (117)	5.56 (107)	5.89 (100)
Unadjusted								
Summary Ratings (Rank) ▶	4.81 (73)	4.62 (85)	4.66 (93)	4.95 (93)	4.57 (119)	4.60 (127)	4.73 (136)	4.64 (138)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	1.86	2.37	3.47	4.70	4.54	4.92	5.23	3.90
A. Government consumption	3.72 27.34	4.75 23.86	6.42 18.16	6.50 17.89	1.60 34.55	2.09 32.88	2.33 32.09	0.00 44.28
B. Transfers and subsidies				9.30 3.09	9.55 2.15	8.60 5.62	8.60 5.62	8.60 5.62
C. Government enterprises and investment	0.00 44.20	0.00 59.40	0.00	0.00	4.00 30.73	6.00 28.90	7.00 24.08	4.00 37.65
D. Top marginal tax rate			4.00	3.00	3.00	3.00	3.00	3.00
(i) Top marginal income tax rate			4.00 50	3.00 50	3.00 50	3.00 50	3.00 50	3.00 50
(ii) Top marginal income and payroll tax rates								
2. Legal Structure and Security of Property Rights	4.67	3.05	3.02	3.24	2.39	2.78	2.60	2.35
A. Judicial independence								
B. Impartial courts				1.75	1.86	3.47	3.00	3.00
C. Protection of property rights								
D. Military interference				0.00	0.00	0.00	0.00	0.00
E. Integrity of the legal system				6.96	3.33	3.33	3.33	3.33
F. Legal enforcement of contracts							3.63	3.01
G. Regulatory restrictions of sale of real property							3.05	2.41
3. Access to Sound Money	5.32	6.06	5.83	5.69	4.29	4.86	5.33	5.71
A. Money growth	8.29 8.57	8.32 8.40	9.28 -3.60	9.40 2.99	7.24 13.81	9.09 -4.56	8.60 7.01	8.65 6.73
B. Standard deviation of inflation	7.04 7.41	6.42 8.96	4.20 14.51	4.04 14.90	0.10 24.75	0.57 23.58	3.79 15.52	4.89 12.79
C. Inflation: most recent year	5.97 20.14	9.50 2.50	9.85 -0.77	9.32 3.38	9.83 -0.84	9.79 1.04	8.94 5.28	9.31 3.44
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Freedom to Trade Internationally	7.05	6.13	5.85	6.78	6.77	5.68	5.55	6.02
A. Taxes on international trade	7.47	3.60	4.53	6.70	7.43	7.06	7.13	7.17
(i) Revenues from trade taxes (% of trade sector)	7.47 3.80		4.53 8.20	7.61 3.58	9.25 1.13	8.95 1.57	8.95 1.57	8.95 1.57
(ii) Mean tariff rate		3.60 32.00		6.28 18.60	6.48 17.60	6.08 19.60	6.18 19.10	6.32 18.40
(iii) Standard deviation of tariff rates				6.20 9.50	6.56 8.60	6.16 9.60	6.25 9.38	6.25 9.38
B. Regulatory trade barriers						0.61	2.10	2.10
(i) Non-tariff trade barriers								
(ii) Compliance cost of importing and exporting						0.61	2.10	2.10
C. Size of trade sector	10.00	9.06	7.33	9.21	8.25	7.57	8.54	8.53
D. Black-market exchange rates	9.60	9.80	9.20	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.31
(i) Foreign ownership/investment restrictions								
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.31
5. Regulation of Credit, Labor and Business	5.16	5.49	5.13	4.35	4.84	4.75	4.92	5.22
A. Credit market regulations	3.00	4.00	5.45	2.88	4.49	4.95	5.36	5.71
(i) Ownership of banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Foreign bank competition								
(iii) Private sector credit			6.36	6.64	7.48	6.86	8.07	8.13
(iv) Interest rate controls/negative real int. rates	6.00	8.00	10.00	2.00	6.00	8.00	8.00	9.00
B. Labor market regulations							6.12	5.73
(i) Minimum wage						3.22	3.22	4.81
(ii) Hiring and firing regulations								
(iii) Centralized collective bargaining								
(iv) Mandated cost of hiring							5.11	1.18
(v) Mandated cost of dismissing							6.15	6.94
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations							3.29	4.23
(i) Price controls			0.00	0.00	0.00	0.00	0.00	0.00
(ii) Administrative requirements								
(iii) Bureaucracy costs								
(iv) Starting a business						3.56	4.10	6.56
(v) Extra payments/bribes								
(vi) Licensing restrictions							5.51	7.14
(vii) Cost of tax compliance							3.54	3.21

Costa Rica

	1980	1985	1990	1995	2000	2004	2005	2006	
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	
Summary Rating (Rank) ▶	5.53 (47)	5.23 (56)	6.66 (28)	6.76 (37)	7.35 (23)	7.21 (30)	7.34 (30)	7.49 (24)	
1. Size of Government	5.52 (32)	5.03 (46)	6.95 (17)	6.31 (38)	7.38 (20)	7.35 (26)	7.82 (15)	8.01 (12)	
2. Legal Structure and Security of Property Rights	5.27 (44)	5.32 (54)	5.52 (52)	5.87 (52)	6.87 (37)	6.65 (34)	7.23 (36)	7.10 (30)	
3. Access to Sound Money	7.83 (20)	4.93 (93)	8.09 (28)	7.87 (42)	7.88 (62)	8.89 (52)	8.75 (53)	8.89 (50)	
4. Freedom to Trade Internationally	3.33 (82)	4.68 (66)	6.45 (42)	7.30 (35)	8.01 (24)	7.33 (43)	7.29 (35)	7.62 (24)	
5. Regulation of Credit, Labor and Business	5.88 (34)	6.16 (30)	6.30 (29)	6.42 (32)	6.59 (32)	5.83 (75)	5.63 (105)	5.81 (104)	
Unadjusted	Summary Ratings (Rank) ▶	5.85 (34)	5.42 (57)	6.78 (18)	6.88 (36)	7.35 (21)	7.21 (30)	7.44 (26)	7.58 (21)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	
1. Size of Government	5.72	5.21	6.95	6.31	7.38	7.35	7.82	8.01	
A. Government consumption	5.37 21.75	5.66 20.76	5.04 22.85	5.02 22.93	6.94 16.40	6.58 17.64	6.66 17.36	6.68 17.30	
B. Transfers and subsidies	8.50 6.00	8.17 7.20	8.77 5.00	8.23 7.00	8.59 5.66	8.81 4.88	8.64 5.50	9.35 2.90	
C. Government enterprises and investment	4.00 36.20	4.00 34.10	6.00 21.00	4.00 27.10	7.00 23.20	7.00 23.20	7.00	7.00	
D. Top marginal tax rate	5.00	3.00	8.00	8.00	7.00	7.00	9.00	9.00	
(i) Top marginal income tax rate	5.00 50	3.00 50	9.00 25	9.00 25	9.00 25	9.00 18-30	10.00 15-25	10.00 15-25	
(ii) Top marginal income and payroll tax rates			7.00 33	7.00 33	5.00 39	5.00 27-45	8.00 24-33	8.00 24-33	
2. Legal Structure and Security of Property Rights	5.21	5.25	5.46	5.80	6.87	6.65	6.91	6.79	
A. Judicial independence					6.35	6.67	6.87	6.79	
B. Impartial courts				6.54	6.85	5.49	6.51	6.01	
C. Protection of property rights					4.50	4.44	6.08	6.00	
D. Military interference				8.73	10.00	10.00	10.00	10.00	
E. Integrity of the legal system				4.11	6.67	6.67	6.67	6.67	
F. Legal enforcement of contracts							3.82	3.52	
G. Regulatory restrictions of sale of real property							8.42	8.52	
3. Access to Sound Money	7.83	4.93	8.09	7.87	7.88	8.89	8.75	8.89	
A. Money growth	6.87 15.64	3.57 32.13	7.40 13.02	8.14 9.28	5.16 24.22	8.72 6.41	8.37 8.14	8.39 8.03	
B. Standard deviation of inflation	8.22 4.46	0.23 24.42	8.68 3.29	7.60 5.99	8.55 3.63	9.29 1.78	9.40 1.49	9.46 1.36	
C. Inflation: most recent year	6.23 18.83	5.89 20.53	6.29 18.57	5.73 21.34	7.80 10.99	7.54 12.32	7.24 13.80	7.71 11.47	
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	
4. Freedom to Trade Internationally	3.62	4.91	6.76	7.66	8.01	7.33	7.29	7.62	
A. Taxes on international trade	3.23	1.80	5.63	7.27	8.40	8.37	8.09	8.15	
(i) Revenues from trade taxes (% of trade sector)	6.47 5.30	5.40 6.90	5.33 7.00	6.93 4.60	9.28 1.08	9.24 1.14	9.27 1.10	9.24 1.14	
(ii) Mean tariff rate	0.00 55.00	0.00 53.00	6.72 16.40	7.96 10.20	8.92 5.40	8.86 5.70	8.60 7.00	8.82 5.90	
(iii) Standard deviation of tariff rates		0.00 61.80	4.84 12.90	6.92 7.70	7.00 7.50	7.00 7.50	6.39 9.03	6.39 9.03	
B. Regulatory trade barriers					6.58	5.06	4.61	6.09	
(i) Non-tariff trade barriers					5.17	3.85	4.70	5.08	
(ii) Compliance cost of importing and exporting					8.00	6.26	4.52	7.09	
C. Size of trade sector	4.60	4.31	5.00	4.85	5.42	5.20	5.45	5.63	
D. Black-market exchange rates	0.00	5.20	10.00	10.00	10.00	10.00	10.00	10.00	
E. International capital market controls	2.00	5.00	5.00	8.00	9.63	8.03	8.31	8.23	
(i) Foreign ownership/investment restrictions					9.26	7.88	7.54	8.00	
(ii) Capital controls	2.00	5.00	5.00	8.00	10.00	8.18	9.09	8.46	
5. Regulation of Credit, Labor and Business	6.90	6.79	6.65	6.78	6.59	5.83	6.40	6.59	
A. Credit market regulations	8.18	8.09	8.50	8.93	7.47	6.48	7.62	7.67	
(i) Ownership of banks	10.00	10.00	10.00	10.00	10.00	5.00	5.00	5.00	
(ii) Foreign bank competition					6.15	6.15	8.00	8.00	
(iii) Private sector credit	6.37	8.28	7.51	8.79	8.64	7.68	8.49	8.69	
(iv) Interest rate controls/negative real int. rates		6.00	8.00	8.00	8.00	9.00	9.00	9.00	
B. Labor market regulations					5.99	6.10	5.69	5.82	
(i) Minimum wage					3.46	3.15	3.15	3.37	
(ii) Hiring and firing regulations					4.97	5.16	5.51	6.06	
(iii) Centralized collective bargaining					5.00	5.67	5.73	6.63	
(iv) Mandated cost of hiring					6.51	6.51	2.86	2.10	
(v) Mandated cost of dismissing							6.88	6.76	
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	
C. Business regulations					6.32	4.92	5.90	6.27	
(i) Price controls			6.00	6.00	8.00	8.00	8.00	8.00	
(ii) Administrative requirements					6.83	2.67	2.58	2.99	
(iii) Bureaucracy costs					6.15	4.74	2.35	6.01	
(iv) Starting a business					4.70	3.39	7.28	7.31	
(v) Extra payments/bribes					5.92	5.79	6.91	6.51	
(vi) Licensing restrictions							8.69	7.57	
(vii) Cost of tax compliance							5.49	5.49	

Côte d'Ivoire

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	5.35 (56)	5.91 (38)	5.65 (48)	5.57 (75)	5.89 (87)	5.71 (100)	5.79 (104)	6.00 (93)
2. Legal Structure and Security of Property Rights	5.09 (42)	5.34 (38)	5.89 (42)	6.94 (23)	7.89 (12)	8.03 (12)	8.06 (9)	7.35 (29)
3. Access to Sound Money	4.63 (92)	5.72 (46)	4.80 (61)	5.44 (66)	3.85 (99)	2.60 (116)	2.94 (119)	3.88 (99)
4. Freedom to Trade Internationally	4.63 (92)	6.63 (48)	6.91 (48)	4.87 (95)	6.69 (91)	6.77 (100)	6.73 (100)	6.88 (100)
5. Regulation of Credit, Labor and Business	6.02 (42)	6.20 (39)	5.45 (60)	5.58 (94)	5.74 (99)	5.80 (104)	5.82 (97)	5.97 (102)
5. Regulation of Credit, Labor and Business	5.42 (49)	5.06 (58)	4.82 (79)	5.03 (80)	5.28 (91)	5.33 (104)	5.38 (110)	6.00 (91)
Unadjusted								
Summary Ratings (Rank) ▶	5.36 (54)	5.55 (51)	5.18 (69)	5.44 (80)	5.96 (83)	5.88 (92)	5.77 (114)	5.95 (107)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	4.89	3.69	4.07	5.95	7.89	8.03	8.06	7.35
A. Government consumption	5.54 21.17	6.06 19.38	6.20 18.93	7.37 14.95	8.18 12.20	8.69 10.45	8.82 10.02	8.72 10.35
B. Transfers and subsidies	9.01 4.15			9.44 2.55	9.48 2.41	9.41 2.66	9.35 2.89	9.32 2.99
C. Government enterprises and investment	0.00 52.40	0.00 66.70	2.00 42.10	4.00 32.80	6.00 26.20	6.00 25.83	6.00 28.00	4.00 31.34
D. Top marginal tax rate	5.00	5.00	4.00	3.00				
(i) Top marginal income tax rate	5.00 45	5.00 45	4.00 45	3.00 49				
(ii) Top marginal income and payroll tax rates								
2. Legal Structure and Security of Property Rights		5.72	4.80	5.44	3.85	3.28	2.55	3.36
A. Judicial independence								
B. Impartial courts				4.97	4.60	3.05	3.00	3.00
C. Protection of property rights								
D. Military interference				5.94	1.67	1.67	1.67	3.33
E. Integrity of the legal system				6.96	5.00	4.17	4.17	4.17
F. Legal enforcement of contracts							3.62	2.47
G. Regulatory restrictions of sale of real property							0.30	3.83
3. Access to Sound Money	4.63	6.63	6.91	4.87	6.69	6.77	6.73	6.88
A. Money growth	7.15 14.25	9.00 4.98	9.21 -3.94	7.60 12.02	9.79 1.06	8.32 8.42	8.49 7.54	8.91 5.46
B. Standard deviation of inflation	6.18 9.55	7.58 6.05	9.34 1.64	3.57 16.07	7.48 6.29	9.05 2.37	9.21 1.98	9.10 2.24
C. Inflation: most recent year	5.17 24.14	9.93 0.34	9.10 -4.52	8.30 8.50	9.51 2.46	9.71 1.44	9.22 3.89	9.51 2.47
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Freedom to Trade Internationally	5.74	5.91	5.20	5.83	6.00	5.99	5.82	5.97
A. Taxes on international trade	2.98	3.74	3.07	4.27	5.72	6.09	6.51	6.44
(i) Revenues from trade taxes (% of trade sector)	1.47 12.80	2.13 11.80	2.73 10.90	0.00 17.32	3.83 9.25	3.56 9.66	4.80 7.80	4.45 8.32
(ii) Mean tariff rate	4.50 27.50	5.34 23.30	3.40 33.00	3.40 33.00	7.60 12.00	7.46 12.70	7.48 12.60	7.60 12.00
(iii) Standard deviation of tariff rates				9.40 1.50	5.72 10.70	7.24 6.90	7.26 6.84	7.26 6.84
B. Regulatory trade barriers						4.31	5.41	5.55
(i) Non-tariff trade barriers								
(ii) Compliance cost of importing and exporting						4.31	5.41	5.55
C. Size of trade sector	7.90	7.81	5.50	6.87	6.07	6.77	6.42	7.07
D. Black-market exchange rates	9.60	9.80	9.20	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.00	0.00	0.77	0.77
(i) Foreign ownership/investment restrictions								
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	0.00	0.77	0.77
5. Regulation of Credit, Labor and Business	6.21	5.79	4.91	5.12	5.37	5.32	5.69	6.21
A. Credit market regulations	6.56	7.12	6.39	6.43	7.26	7.36	7.36	7.35
(i) Ownership of banks	2.00	2.00	2.00	8.00	8.00	8.00	8.00	8.00
(ii) Foreign bank competition								
(iii) Private sector credit	9.67	9.35	9.17	7.29	7.78	8.08	8.07	8.06
(iv) Interest rate controls/negative real int. rates	8.00	10.00	8.00	4.00	6.00	6.00	6.00	6.00
B. Labor market regulations							3.71	5.25
(i) Minimum wage						4.79	4.79	10.00
(ii) Hiring and firing regulations								
(iii) Centralized collective bargaining								
(iv) Mandated cost of hiring							5.32	4.53
(v) Mandated cost of dismissing							3.73	5.46
(vi) Conscription	10.00	5.00	5.00	5.00	5.00	1.00	1.00	1.00
C. Business regulations							6.01	6.02
(i) Price controls			0.00	2.00	2.00	6.00	6.00	6.00
(ii) Administrative requirements								
(iii) Bureaucracy costs								
(iv) Starting a business						5.68	6.41	6.57
(v) Extra payments/bribes								
(vi) Licensing restrictions							4.65	4.55
(vii) Cost of tax compliance							6.97	6.97

Croatia

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >				4.28 (114)	6.05 (78)	6.16 (78)	6.31 (82)	6.41 (78)
1. Size of Government				2.22 (121)	4.28 (109)	4.00 (122)	4.33 (117)	4.34 (114)
2. Legal Structure and Security of Property Rights				5.47 (63)	5.87 (59)	5.37 (62)	5.87 (62)	5.98 (59)
3. Access to Sound Money			1.25 (114)	3.35 (105)	7.88 (62)	8.09 (71)	8.20 (69)	8.32 (67)
4. Freedom to Trade Internationally				6.19 (82)	6.37 (84)	6.72 (72)	6.53 (73)	6.73 (72)
5. Regulation of Credit, Labor and Business				4.17 (108)	5.75 (67)	6.63 (34)	6.61 (50)	6.66 (55)
Unadjusted				4.37 (112)	6.10 (77)	6.16 (79)	6.26 (92)	6.35 (90)
Summary Ratings (Rank) >	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government				2.62	4.28	4.00	4.33	4.34
A. Government consumption				1.94 33.42	2.45 31.66	4.04 26.26	3.99 26.44	3.99 26.45
B. Transfers and subsidies				5.91 15.50	4.65 20.13	3.97 22.64	4.35 21.23	4.39 21.10
C. Government enterprises and investment				0.00	8.00 16.90	7.00 21.40	8.00 16.97	8.00 18.42
D. Top marginal tax rate					2.00	1.00	1.00	1.00
(i) Top marginal income tax rate					4.00 35-53	2.00 45-63	2.00 45-63	2.00 45-63
(ii) Top marginal income and payroll tax rates					0.00 56-68	0.00 53-71	0.00 62-75	0.00 62-75
2. Legal Structure and Security of Property Rights				5.90	6.60	5.37	5.64	5.74
A. Judicial independence						3.14	3.69	3.83
B. Impartial courts				5.82	6.07	3.40	4.04	3.82
C. Protection of property rights						3.66	4.98	5.39
D. Military interference				7.39	8.33	8.33	8.33	8.33
E. Integrity of the legal system					8.33	8.33	8.33	8.33
F. Legal enforcement of contracts							6.73	5.40
G. Regulatory restrictions of sale of real property							3.36	5.07
3. Access to Sound Money			2.50	3.35	7.88	8.09	8.20	8.32
A. Money growth				0.00 62.40	8.28 8.60	7.95 10.26	8.62 6.89	9.05 4.77
B. Standard deviation of inflation				0.00 573.30	9.15 2.11	9.84 0.41	9.87 0.34	9.87 0.33
C. Inflation: most recent year			0.00 500.00	8.40 8.00	9.07 4.63	9.59 2.03	9.33 3.34	9.36 3.21
D. Freedom to own foreign currency			5.00	5.00	5.00	5.00	5.00	5.00
4. Freedom to Trade Internationally				6.01	6.22	6.72	6.53	6.73
A. Taxes on international trade				6.97	8.47	8.58	8.81	8.66
(i) Revenues from trade taxes (% of trade sector)				6.97 4.55	8.27 2.59	9.51 0.74	9.54 0.69	9.60 0.61
(ii) Mean tariff rate					8.66 6.70	9.18 4.10	9.52 2.40	9.02 4.90
(iii) Standard deviation of tariff rates						7.04 7.40	7.37 6.57	7.37 6.57
B. Regulatory trade barriers						6.39	5.46	6.79
(i) Non-tariff trade barriers						6.13	6.00	6.25
(ii) Compliance cost of importing and exporting						6.65	4.92	7.32
C. Size of trade sector				4.49	4.46	4.87	4.51	4.36
D. Black-market exchange rates			0.00	8.40	10.00	10.00	10.00	10.00
E. International capital market controls			0.00	2.00	0.00	3.78	3.85	3.84
(i) Foreign ownership/investment restrictions						6.02	6.17	6.14
(ii) Capital controls			0.00	2.00	0.00	1.54	1.54	1.54
5. Regulation of Credit, Labor and Business				3.99	5.51	6.63	6.58	6.64
A. Credit market regulations			0.00	3.37	7.72	9.28	8.73	8.80
(i) Ownership of banks			0.00	0.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition						10.00	8.00	8.00
(iii) Private sector credit				6.11	7.16	8.13	7.92	8.21
(iv) Interest rate controls/negative real int. rates				4.00	6.00	9.00	9.00	9.00
B. Labor market regulations						5.54	5.68	5.57
(i) Minimum wage						5.60	5.60	5.67
(ii) Hiring and firing regulations						4.66	5.13	4.59
(iii) Centralized collective bargaining						6.90	7.07	6.94
(iv) Mandated cost of hiring							4.77	4.83
(v) Mandated cost of dismissing							6.50	6.38
(vi) Conscription			3.00	3.00	3.00	5.00	5.00	5.00
C. Business regulations						5.05	5.34	5.55
(i) Price controls			0.00	2.00	4.00	3.00	3.00	3.00
(ii) Administrative requirements						2.41	3.22	3.01
(iii) Bureaucracy costs						9.36	5.70	5.33
(iv) Starting a business						4.90	8.22	8.54
(v) Extra payments/bribes						5.60	5.73	5.72
(vi) Licensing restrictions							4.15	5.45
(vii) Cost of tax compliance							7.40	7.80

Czech Republic

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >				5.81 (69)	6.69 (47)	6.92 (46)	6.87 (54)	6.84 (59)
1. Size of Government				3.11 (114)	4.34 (108)	4.40 (114)	4.45 (111)	4.49 (111)
2. Legal Structure and Security of Property Rights		7.58 (25)	8.10 (27)	6.55 (39)	6.89 (36)	6.57 (36)	6.64 (46)	6.01 (56)
3. Access to Sound Money				5.95 (74)	8.13 (56)	9.00 (49)	9.05 (38)	9.30 (35)
4. Freedom to Trade Internationally				7.92 (21)	8.37 (13)	8.24 (12)	7.94 (12)	7.92 (12)
5. Regulation of Credit, Labor and Business			3.57 (101)	5.54 (59)	5.71 (68)	6.39 (46)	6.28 (69)	6.47 (64)
Unadjusted				5.76 (71)	6.69 (48)	6.92 (46)	6.99 (53)	6.95 (63)
Summary Ratings (Rank) >	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government				3.11	4.34	4.40	4.45	4.49
A. Government consumption				3.04 29.66	3.02 29.73	2.67 30.93	2.64 31.03	2.73 30.72
B. Transfers and subsidies			0.00 37.20	2.40 28.40	2.35 28.56	2.94 26.40	3.17 25.58	3.23 25.36
C. Government enterprises and investment				4.00	8.00 18.00	8.00 17.04	8.00 18.87	8.00 18.55
D. Top marginal tax rate				3.00	4.00	4.00	4.00	4.00
(i) Top marginal income tax rate				5.00 43	7.00 32	7.00 32	7.00 32	7.00 32
(ii) Top marginal income and payroll tax rates				1.00 64	1.00 56	1.00 58	1.00 58	1.00 58
2. Legal Structure and Security of Property Rights		6.78	7.25	6.55	6.89	6.57	6.80	6.16
A. Judicial independence				6.17	6.01	5.57	4.73	5.17
B. Impartial courts				3.58	4.51	4.40	4.12	3.95
C. Protection of property rights				4.54	5.58	4.56	6.00	5.97
D. Military interference				8.45	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts							7.73	2.99
G. Regulatory restrictions of sale of real property							6.69	6.69
3. Access to Sound Money				5.95	8.13	9.00	9.05	9.30
A. Money growth				6.00 20.00	9.87 0.65	7.27 13.65	7.45 12.76	8.44 7.79
B. Standard deviation of inflation				4.88 12.79	8.43 3.93	9.30 1.74	9.11 2.23	9.27 1.82
C. Inflation: most recent year				7.92 10.41	9.22 3.90	9.43 2.83	9.63 1.85	9.49 2.53
D. Freedom to own foreign currency				5.00	5.00	10.00	10.00	10.00
4. Freedom to Trade Internationally				7.81	8.37	8.24	7.94	7.92
A. Taxes on international trade				8.45	8.22	8.59	8.48	8.30
(i) Revenues from trade taxes (% of trade sector)				9.25 1.13	9.69 0.47	9.85 0.22	9.84 0.24	9.84 0.24
(ii) Mean tariff rate				8.66 6.70	8.70 6.50	9.64 1.80	9.46 2.70	8.92 5.40
(iii) Standard deviation of tariff rates				7.44 6.40	6.28 9.30	6.28 9.30	6.13 9.67	6.13 9.67
B. Regulatory trade barriers				7.42	7.88	7.47	7.19	7.70
(i) Non-tariff trade barriers				7.42	7.27	7.06	7.27	7.70
(ii) Compliance cost of importing and exporting						8.50	7.88	7.70
C. Size of trade sector			6.09	7.44	8.71	8.14	7.89	8.16
D. Black-market exchange rates				10.00	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	5.72	7.03	6.99	6.13	5.46
(i) Foreign ownership/investment restrictions				6.44	7.92	7.82	8.42	7.84
(ii) Capital controls	0.00	0.00	0.00	5.00	6.15	6.15	3.85	3.08
5. Regulation of Credit, Labor and Business			3.18	5.40	5.71	6.39	6.69	6.88
A. Credit market regulations	0.00	0.00	0.00	5.74	5.84	8.18	8.78	8.86
(i) Ownership of banks	0.00	0.00	0.00	5.00	2.00	8.00	10.00	10.00
(ii) Foreign bank competition				5.07	4.90	10.00	8.00	8.00
(iii) Private sector credit				6.53	7.99	6.56	7.13	7.43
(iv) Interest rate controls/negative real int. rates				6.00	8.00	10.00	10.00	10.00
B. Labor market regulations				5.03	5.22	4.96	6.05	6.07
(i) Minimum wage				6.58	5.09	7.28	7.28	7.08
(ii) Hiring and firing regulations			5.62	5.62	5.30	4.11	3.26	3.49
(iii) Centralized collective bargaining				5.18	7.70	7.41	7.75	7.88
(iv) Mandated cost of hiring				4.75	5.01	3.00	0.00	0.00
(v) Mandated cost of dismissing							8.00	7.96
(vi) Conscription	0.00	0.00	0.00	3.00	3.00	3.00	10.00	10.00
C. Business regulations				5.44	6.07	6.04	5.24	5.72
(i) Price controls			0.00	6.00	4.00	7.00	7.00	7.00
(ii) Administrative requirements					7.80	3.08	2.22	2.26
(iii) Bureaucracy costs				5.89	8.10	8.81	5.51	7.43
(iv) Starting a business				5.97	5.53	5.00	8.49	9.23
(v) Extra payments/bribes				3.89	4.92	6.30	6.56	6.17
(vi) Licensing restrictions							6.89	7.95
(vii) Cost of tax compliance							0.00	0.00

Denmark

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) >	6.52 (20)	6.66 (20)	7.34 (17)	7.46 (15)	7.78 (13)	7.63 (14)	7.77 (13)	7.85 (11)
1. Size of Government	3.06 (94)	3.14 (98)	2.92 (107)	3.07 (115)	4.23 (111)	4.20 (119)	4.00 (120)	4.39 (113)
2. Legal Structure and Security of Property Rights	8.48 (15)	9.31 (8)	9.86 (8)	9.09 (8)	9.54 (2)	9.17 (1)	9.47 (1)	9.02 (3)
3. Access to Sound Money	6.66 (35)	6.42 (62)	9.39 (10)	9.77 (2)	9.71 (4)	9.65 (8)	9.49 (19)	9.36 (28)
4. Freedom to Trade Internationally	7.35 (16)	7.51 (15)	7.32 (24)	7.93 (20)	8.23 (18)	7.89 (20)	7.72 (17)	7.77 (17)
5. Regulation of Credit, Labor and Business	7.31 (5)	7.21 (10)	7.30 (9)	7.45 (9)	7.20 (16)	7.22 (14)	8.19 (7)	8.70 (3)
Unadjusted								
Summary Ratings (Rank) >	5.94 (26)	6.07 (31)	6.72 (24)	7.46 (15)	7.78 (12)	7.63 (14)	7.73 (14)	7.78 (13)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	3.06	3.14	2.92	3.07	4.23	4.20	4.00	4.39
A. Government consumption	1.76 34.01	1.99 33.23	1.69 34.25	1.87 33.63	1.74 34.08	1.36 35.37	1.55 34.74	1.63 34.45
B. Transfers and subsidies	4.47 20.80	4.58 20.40	3.98 22.60	2.92 26.50	3.67 23.72	3.95 22.71	3.95 22.71	4.44 20.92
C. Government enterprises and investment	6.00 25.00	6.00 26.00	6.00 20.30	7.00 24.90	10.00 8.33	10.00 9.13	10.00 8.62	10.00 8.60
D. Top marginal tax rate	0.00	0.00	0.00	0.50	1.50	1.50	0.50	1.50
(i) Top marginal income tax rate	0.00 66	0.00 73	0.00 68	1.00 64	2.00 59	2.00 59	1.00 59	2.00 59
(ii) Top marginal income and payroll tax rates			0.00 69	0.00 67	1.00 63	1.00 63	0.00 63	1.00 62
2. Legal Structure and Security of Property Rights	7.18	7.88	8.35	9.09	9.54	9.17	9.41	8.96
A. Judicial independence				8.82	9.35	8.72	8.78	9.07
B. Impartial courts				9.52	9.52	8.88	9.25	9.14
C. Protection of property rights				7.38	8.82	8.23	9.34	9.32
D. Military interference				9.73	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	10.00	10.00	10.00	10.00
F. Legal enforcement of contracts							9.52	6.19
G. Regulatory restrictions of sale of real property							9.01	9.01
3. Access to Sound Money	6.66	6.42	9.39	9.77	9.71	9.65	9.49	9.36
A. Money growth	8.60 6.98	7.50 12.51	8.53 7.36	9.75 1.27	9.75 1.27	9.02 4.89	8.56 7.20	8.03 9.85
B. Standard deviation of inflation	9.67 0.82	9.03 2.42	9.72 0.71	9.76 0.60	9.69 0.76	9.80 0.51	9.77 0.58	9.77 0.57
C. Inflation: most recent year	8.35 8.23	9.13 4.33	9.32 3.40	9.57 2.14	9.42 2.92	9.77 1.16	9.64 1.81	9.62 1.89
D. Freedom to own foreign currency	0.00	0.00	10.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	7.10	7.26	6.94	7.86	8.23	7.89	7.72	7.77
A. Taxes on international trade	8.95	9.12	8.48	8.70	9.18	9.18	8.48	8.30
(i) Revenues from trade taxes (% of trade sector)	9.67 0.50	9.73 0.40	9.80 0.30	9.80 0.30	9.78 0.33	9.85 0.22	9.84 0.24	9.84 0.24
(ii) Mean tariff rate	8.24 8.80	8.50 7.50	8.52 7.40	8.66 6.70	9.52 2.40	9.64 1.80	9.46 2.70	8.92 5.40
(iii) Standard deviation of tariff rates			7.12 7.20	7.64 5.90	8.24 4.40	8.04 4.90	6.13 9.67	6.13 9.67
B. Regulatory trade barriers				9.05	9.43	8.70	8.39	8.52
(i) Non-tariff trade barriers				9.05	9.04	7.93	7.35	7.61
(ii) Compliance cost of importing and exporting					9.83	9.46	9.43	9.43
C. Size of trade sector	3.80	4.03	3.07	2.76	3.59	3.49	3.83	4.22
D. Black-market exchange rates	9.60	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	5.00	5.00	5.00	8.77	8.97	8.09	7.89	7.79
(i) Foreign ownership/investment restrictions				9.54	9.48	7.72	8.08	7.90
(ii) Capital controls	5.00	5.00	5.00	8.00	8.46	8.46	7.69	7.69
5. Regulation of Credit, Labor and Business	5.71	5.64	6.00	7.50	7.20	7.22	8.01	8.44
A. Credit market regulations	9.41	9.08	9.34	9.13	9.39	9.42	9.36	9.39
(i) Ownership of banks	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				8.82	8.23	8.23	8.00	8.00
(iii) Private sector credit	8.24	7.25	8.03	8.16	9.23	9.38	9.45	9.56
(iv) Interest rate controls/negative real int. rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	3.46	3.49	4.66	4.83	4.62	5.08	6.47	7.71
(i) Minimum wage				3.68	4.76	6.06	6.06	10.00
(ii) Hiring and firing regulations			8.10	8.10	6.47	7.27	7.39	7.66
(iii) Centralized collective bargaining	5.18	5.18	5.18	5.18	4.85	5.30	6.18	5.88
(iv) Mandated cost of hiring	2.20	2.29	2.37	4.17	4.01	3.79	9.79	9.70
(v) Mandated cost of dismissing							6.39	10.00
(vi) Conscription	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
C. Business regulations				8.55	7.60	7.16	8.19	8.23
(i) Price controls			7.00	9.00	7.00	7.00	7.00	7.00
(ii) Administrative requirements					7.05	4.93	4.56	4.79
(iii) Bureaucracy costs				8.87	8.23	6.98	8.44	8.48
(iv) Starting a business				6.32	6.45	7.84	9.69	9.67
(v) Extra payments/bribes				9.99	9.29	9.06	9.49	9.49
(vi) Licensing restrictions							9.65	9.68
(vii) Cost of tax compliance							8.49	8.49

Dominican Republic

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ▶	5.38 (50)	5.01 (69)	4.49 (93)	6.01 (66)	6.57 (57)	5.36 (113)	6.25 (85)	6.12 (92)
1. Size of Government	5.71 (27)	6.20 (22)	6.43 (28)	8.64 (6)	8.88 (3)	7.86 (17)	8.67 (4)	7.80 (18)
2. Legal Structure and Security of Property Rights	5.18 (45)	4.81 (60)	4.75 (63)	4.67 (91)	4.37 (88)	3.21 (105)	4.30 (95)	4.39 (90)
3. Access to Sound Money	7.42 (25)	3.82 (101)	1.54 (113)	4.48 (98)	6.82 (88)	3.68 (129)	5.87 (119)	5.58 (125)
4. Freedom to Trade Internationally	3.70 (77)	5.23 (56)	4.04 (89)	5.62 (93)	6.23 (88)	6.36 (88)	6.35 (78)	6.96 (62)
5. Regulation of Credit, Labor and Business	5.16 (55)	5.04 (60)	5.46 (52)	6.52 (29)	6.54 (33)	5.69 (83)	6.08 (79)	5.89 (100)
Unadjusted	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
Summary Ratings (Rank) ▶	5.93 (27)	5.53 (52)	4.63 (94)	6.19 (57)	6.52 (60)	5.36 (115)	6.40 (84)	6.27 (94)
1. Size of Government	5.71	6.20	6.43	8.64	8.88	7.86	8.67	7.80
A. Government consumption	9.12 8.98	9.35 8.20	10.00 6.00	9.87 6.43	9.03 9.29	8.34 11.63	11.67 7.48	9.45 7.88
B. Transfers and subsidies	9.70 1.60	9.46 2.50	9.73 1.50	9.67 1.70	9.49 2.36	8.11 7.42	8.00 7.83	8.25 6.91
C. Government enterprises and investment	4.00 31.70	6.00 29.30	6.00 26.90	6.00 29.80	8.00 17.83	7.00 20.11	7.00 23.93	7.00 24.79
D. Top marginal tax rate	0.00	0.00	0.00	9.00	9.00	8.00	8.00	6.50
(i) Top marginal income tax rate	0.00 73	0.00 73	0.00 73	9.00 25	9.00 25	9.00 25	9.00 25	8.00 30
(ii) Top marginal income and payroll tax rates			0.00 73	9.00 25	9.00 25	7.00 32	7.00 32	5.00 37
2. Legal Structure and Security of Property Rights	5.78	5.38	5.30	5.22	4.47	3.21	4.54	4.63
A. Judicial independence						2.27	4.17	3.78
B. Impartial courts				6.23	5.57	2.42	3.75	3.24
C. Protection of property rights					2.90	3.02	5.27	5.33
D. Military interference				6.63	5.00	5.00	5.00	5.00
E. Integrity of the legal system				4.11	5.00	3.33	3.33	3.33
F. Legal enforcement of contracts							3.97	4.51
G. Regulatory restrictions of sale of real property							6.30	7.19
3. Access to Sound Money	7.42	3.82	1.54	4.48	6.82	3.68	5.87	5.58
A. Money growth	9.27 3.65	7.29 13.54	2.69 36.57	8.44 7.82	9.39 3.06	7.58 12.10	7.40 13.00	6.98 15.11
B. Standard deviation of inflation	8.14 4.64	3.00 17.49	3.48 16.30	1.99 20.03	9.42 1.45	2.16 19.61	1.91 20.22	1.84 20.40
C. Inflation: most recent year	7.26 13.70	0.00 50.50	0.00 51.05	7.49 12.56	8.46 7.72	0.00 51.46	9.16 4.19	8.49 7.57
D. Freedom to own foreign currency	5.00	5.00	0.00	0.00	0.00	5.00	5.00	5.00
4. Freedom to Trade Internationally	3.98	5.62	4.19	5.84	5.91	6.36	6.35	6.96
A. Taxes on international trade	3.47	5.67	5.11	5.00	5.78	7.16	7.03	7.62
(i) Revenues from trade taxes (% of trade sector)	3.47 9.80	5.67 6.50	5.83 6.26	4.01 8.99	5.23 7.16	6.79 4.82	6.03 5.96	7.69 3.46
(ii) Mean tariff rate			4.40 28.00	6.00 20.00	6.10 19.50	7.94 10.30	8.20 9.00	8.30 8.50
(iii) Standard deviation of tariff rates					6.00 10.00	6.75 8.12	6.87 7.82	6.87 7.82
B. Regulatory trade barriers					3.33	4.97	6.04	6.62
(i) Non-tariff trade barriers					3.33	3.06	4.40	4.90
(ii) Compliance cost of importing and exporting						6.88	7.68	8.35
C. Size of trade sector	3.57	5.01	5.62	4.39	3.92	4.17	2.91	4.10
D. Black-market exchange rates	2.60	7.20	0.00	9.60	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	2.00	6.52	5.52	5.77	6.47
(i) Foreign ownership/investment restrictions					8.42	7.20	7.70	7.56
(ii) Capital controls	2.00	2.00	2.00	2.00	4.62	3.85	3.85	5.38
5. Regulation of Credit, Labor and Business	6.76	6.61	5.69	6.79	6.54	5.69	6.56	6.37
A. Credit market regulations	7.79	7.34	5.99	8.97	7.75	6.42	7.85	7.83
(i) Ownership of banks	8.00	8.00	10.00	10.00	10.00	8.00	8.00	8.00
(ii) Foreign bank competition					5.78	5.78	5.78	5.78
(iii) Private sector credit	7.58	6.68	7.97	8.90	9.17	8.48	8.61	8.55
(iv) Interest rate controls/negative real int. rates			0.00	8.00	8.00	4.00	9.00	9.00
B. Labor market regulations					5.92	6.00	5.96	5.85
(i) Minimum wage					2.93	2.41	2.41	4.24
(ii) Hiring and firing regulations					5.17	4.75	7.10	6.23
(iii) Centralized collective bargaining					5.58	6.84	7.50	7.06
(iv) Mandated cost of hiring							5.90	5.74
(v) Mandated cost of dismissing							2.87	1.84
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations					5.95	4.65	5.86	5.43
(i) Price controls			4.00	6.00	6.00	4.00	4.00	4.00
(ii) Administrative requirements					7.37	3.58	3.55	3.29
(iii) Bureaucracy costs					5.18	8.11	4.44	3.43
(iv) Starting a business					5.48	3.56	7.27	8.97
(v) Extra payments/bribes					5.73	3.98	5.11	4.30
(vi) Licensing restrictions							8.01	7.22
(vii) Cost of tax compliance							8.61	6.79

Ecuador

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) >	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	5.32 (59)	4.50 (87)	5.27 (65)	5.97 (67)	5.69 (95)	5.22 (117)	5.59 (110)	5.62 (108)
2. Legal Structure and Security of Property Rights	5.29 (38)	4.94 (47)	8.25 (5)	8.22 (9)	8.93 (2)	8.10 (10)	8.03 (10)	8.03 (11)
3. Access to Sound Money	5.16 (46)	4.62 (63)	4.59 (65)	3.85 (103)	3.30 (109)	2.35 (121)	3.01 (116)	2.94 (117)
4. Freedom to Trade Internationally	7.93 (18)	6.42 (62)	3.80 (101)	6.47 (65)	4.90 (113)	4.13 (128)	4.73 (129)	5.06 (128)
5. Regulation of Credit, Labor and Business	4.64 (63)	3.50 (79)	5.53 (59)	6.38 (73)	7.11 (59)	6.59 (77)	6.68 (65)	6.58 (78)
5. Regulation of Credit, Labor and Business	3.59 (94)	3.09 (99)	4.00 (97)	4.89 (91)	4.23 (113)	4.93 (112)	5.47 (109)	5.49 (113)
Unadjusted								
Summary Ratings (Rank) >	5.87 (30)	4.91 (77)	5.52 (53)	6.26 (55)	5.69 (99)	5.22 (120)	5.84 (111)	5.87 (113)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	5.45	5.09	8.25	8.22	8.93	8.10	8.03	8.03
A. Government consumption	6.01 19.57	7.32 15.10	8.48 11.16	7.15 15.68	7.86 13.27	7.55 14.33	7.53 14.41	7.52 14.44
B. Transfers and subsidies	8.80 4.90	9.05 4.00	9.51 2.30	9.73 1.50	9.86 1.02	9.86 1.02	9.59 2.00	9.59 2.00
C. Government enterprises and investment	2.00 40.20	2.00 41.30	7.00 21.70	8.00 18.30	10.00 3.15	7.00 20.14	7.00 20.14	7.00 20.14
D. Top marginal tax rate	5.00	2.00	8.00	8.00	8.00	8.00	8.00	8.00
(i) Top marginal income tax rate	5.00 50	2.00 58	9.00 25	9.00 25	9.00 25	9.00 25	9.00 25	9.00 25
(ii) Top marginal income and payroll tax rates			7.00 32	7.00 32	7.00 32	7.00 32	7.00 35	7.00 32
2. Legal Structure and Security of Property Rights	5.86	5.25	5.21	4.38	3.30	2.35	4.15	4.06
A. Judicial independence					2.67	0.36	1.90	1.74
B. Impartial courts				4.28	2.51	1.46	2.20	1.96
C. Protection of property rights					2.98	2.43	4.05	3.91
D. Military interference				5.07	3.33	2.50	2.50	2.50
E. Integrity of the legal system				4.11	5.00	5.00	4.38	4.17
F. Legal enforcement of contracts							6.61	5.45
G. Regulatory restrictions of sale of real property							7.40	8.69
3. Access to Sound Money	7.93	6.42	3.80	6.47	4.90	4.13	4.73	5.06
A. Money growth	7.26 13.68	6.02 19.89	1.90 40.48	4.76 26.19	4.25 28.73	1.94 40.32	2.73 36.33	1.98 40.10
B. Standard deviation of inflation	8.38 4.06	5.85 10.37	3.29 16.77	5.78 10.54	5.36 11.61	5.13 12.17	6.69 8.29	8.85 2.87
C. Inflation: most recent year	6.10 19.51	3.82 30.90	0.00 54.01	5.35 23.23	0.00 96.09	9.45 2.74	9.52 2.41	9.39 3.03
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	0.00	0.00	0.00
4. Freedom to Trade Internationally	5.61	3.90	5.82	6.72	7.11	6.59	6.68	6.58
A. Taxes on international trade	5.20	4.16	3.30	7.66	7.14	7.24	7.14	7.14
(i) Revenues from trade taxes (% of trade sector)	5.20 7.20	5.87 6.20	7.33 4.00	7.67 3.50	6.53 5.20	6.53 5.20	6.53 5.20	6.53 5.20
(ii) Mean tariff rate		2.46 37.70	2.58 37.10	7.54 12.30	7.42 12.90	7.70 11.50	7.64 11.80	7.66 11.70
(iii) Standard deviation of tariff rates			0.00 27.00	7.76 5.60	7.48 6.30	7.48 6.30	7.24 6.90	7.24 6.90
B. Regulatory trade barriers					4.73	4.95	4.89	4.83
(i) Non-tariff trade barriers					3.13	3.47	3.91	4.08
(ii) Compliance cost of importing and exporting					6.33	6.44	5.87	5.57
C. Size of trade sector	5.25	4.67	5.62	5.15	5.98	4.07	4.68	4.98
D. Black-market exchange rates	7.40	0.40	10.00	7.60	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	5.00	7.69	6.68	6.71	5.97
(i) Foreign ownership/investment restrictions					9.23	4.90	4.95	5.02
(ii) Capital controls	2.00	2.00	2.00	5.00	6.15	8.46	8.46	6.92
5. Regulation of Credit, Labor and Business	4.52	3.88	4.52	5.53	4.23	4.93	5.58	5.60
A. Credit market regulations	5.42	3.74	5.79	7.78	4.43	6.77	7.87	7.90
(i) Ownership of banks	5.00	5.00	8.00	8.00	2.00	8.00	8.00	8.00
(ii) Foreign bank competition					3.80	3.80	3.80	3.80
(iii) Private sector credit	7.27	6.21	9.37	9.33	7.89	9.61	9.69	9.81
(iv) Interest rate controls/negative real int. rates	4.00	0.00	0.00	6.00	6.00	10.00	10.00	10.00
B. Labor market regulations					3.57	4.19	3.85	3.82
(i) Minimum wage					3.49	5.08	5.08	4.64
(ii) Hiring and firing regulations					3.43	3.37	3.24	3.10
(iii) Centralized collective bargaining					4.25	5.82	5.74	5.80
(iv) Mandated cost of hiring					3.67	3.67	6.05	6.35
(v) Mandated cost of dismissing							0.00	0.00
(vi) Conscription	0.00	0.00	3.00	3.00	3.00	3.00	3.00	3.00
C. Business regulations					4.69	3.82	5.03	5.09
(i) Price controls			0.00	4.00	4.00	6.00	6.00	6.00
(ii) Administrative requirements					5.33	2.23	2.41	2.81
(iii) Bureaucracy costs					5.25	4.22	3.28	3.66
(iv) Starting a business					3.97	3.10	7.36	7.59
(v) Extra payments/bribes					4.87	3.54	4.54	3.90
(vi) Licensing restrictions							8.31	8.41
(vii) Cost of tax compliance							3.27	3.27

Egypt

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank)	4.72 (71)	5.28 (55)	5.03 (74)	5.87 (68)	6.57 (57)	6.09 (82)	6.70 (60)	6.79 (61)
1. Size of Government	3.45 (87)	4.04 (79)	4.87 (73)	5.23 (76)	6.13 (59)	5.99 (76)	7.19 (31)	7.29 (32)
2. Legal Structure and Security of Property Rights	2.89 (69)	5.63 (49)	3.67 (79)	4.88 (81)	5.87 (59)	4.39 (78)	5.87 (62)	5.82 (62)
3. Access to Sound Money	7.48 (24)	8.78 (16)	8.08 (30)	7.61 (45)	9.53 (18)	8.65 (60)	8.85 (49)	8.74 (56)
4. Freedom to Trade Internationally	4.88 (60)	2.97 (86)	3.46 (98)	6.15 (84)	6.09 (92)	6.48 (81)	6.45 (76)	6.63 (74)
5. Regulation of Credit, Labor and Business	4.78 (66)	5.19 (55)	5.16 (62)	5.55 (58)	5.25 (94)	4.93 (112)	5.15 (116)	5.51 (112)
Unadjusted	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Ratings (Rank)	4.71 (76)	5.27 (64)	4.95 (80)	5.80 (68)	6.57 (58)	6.09 (82)	6.56 (76)	6.65 (75)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	3.45	4.04	4.87	5.23	6.13	5.99	7.19	7.29
A. Government consumption	6.33 18.47	5.83 20.18	7.77 13.60	8.12 12.40	8.29 11.80	7.42 14.77	7.32 15.11	7.41 14.82
B. Transfers and subsidies	5.45 17.20	6.35 13.90	7.71 8.90	7.81 8.53	9.22 3.38	9.56 2.13	9.44 2.56	7.74 8.78
C. Government enterprises and investment	2.00 39.70	2.00 30.70	2.00 37.80	2.00 34.00	0.00 50.40	0.00 51.65	2.00 48.92	4.00 38.97
D. Top marginal tax rate	0.00	2.00	2.00	3.00	7.00	7.00	10.00	10.00
(i) Top marginal income tax rate	0.00 80	2.00 65	2.00 65	3.00 50	7.00 34	7.00 34	10.00 20	10.00 20
(ii) Top marginal income and payroll tax rates								
2. Legal Structure and Security of Property Rights	2.76	5.38	3.50	4.88	5.87	4.39	5.71	5.66
A. Judicial independence				5.93	6.85	1.67	6.37	6.43
B. Impartial courts				3.33	5.68	4.62	5.09	5.28
C. Protection of property rights				4.90	5.17	3.99	6.22	6.75
D. Military interference				6.13	5.00	5.00	5.00	5.00
E. Integrity of the legal system				4.11	6.67	6.67	6.67	6.67
F. Legal enforcement of contracts							6.26	3.46
G. Regulatory restrictions of sale of real property							4.35	6.02
3. Access to Sound Money	7.48	8.78	8.08	7.61	9.53	8.65	8.85	8.74
A. Money growth	5.43 22.87	8.30 8.49	8.64 6.79	9.12 4.42	9.46 2.69	8.44 7.82	7.94 10.31	7.80 11.00
B. Standard deviation of inflation	8.12 4.71	8.63 3.42	7.38 6.56	8.20 4.51	9.20 2.01	8.42 3.95	8.42 3.94	8.68 3.29
C. Inflation: most recent year	6.39 18.03	8.19 9.04	6.31 18.44	8.12 9.41	9.46 2.68	7.75 11.27	9.03 4.87	8.47 7.64
D. Freedom to own foreign currency	10.00	10.00	10.00	5.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	5.39	3.28	3.51	5.93	6.09	6.48	6.45	6.63
A. Taxes on international trade	0.89	1.69	3.12	3.06	3.74	4.68	4.90	4.82
(i) Revenues from trade taxes (% of trade sector)	1.27 13.10	1.93 12.10	6.07 5.90	4.83 7.75	5.33 7.00	7.81 3.29	8.48 2.28	8.31 2.54
(ii) Mean tariff rate	0.52 47.40	1.44 42.80	3.30 33.50	4.34 28.30	5.90 20.50	6.22 18.90	6.22 18.90	6.14 19.30
(iii) Standard deviation of tariff rates			0.00 425.80	0.00 28.90	0.00 39.50	0.00 39.50	0.00 141.08	0.00 141.08
B. Regulatory trade barriers				4.52	5.58	5.33	5.32	6.18
(i) Non-tariff trade barriers				4.52	4.50	4.12	4.55	4.57
(ii) Compliance cost of importing and exporting					6.66	6.54	6.09	7.78
C. Size of trade sector	9.66	6.47	6.17	5.57	3.81	6.63	6.00	5.84
D. Black-market exchange rates	8.20	0.00	0.00	9.40	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	7.10	7.31	5.77	6.05	6.33
(i) Foreign ownership/investment restrictions				9.21	9.23	6.16	5.94	5.99
(ii) Capital controls	0.00	0.00	0.00	5.00	5.38	5.38	6.15	6.67
5. Regulation of Credit, Labor and Business	4.46	4.84	4.76	5.34	5.25	4.93	4.60	4.93
A. Credit market regulations	3.93	5.20	5.11	6.36	6.55	5.24	6.02	6.10
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	2.00	2.00	2.00
(ii) Foreign bank competition				6.67	5.83	3.00	6.00	6.00
(iii) Private sector credit	2.80	4.60	4.34	4.65	6.79	6.06	6.09	6.40
(iv) Interest rate controls/negative real int. rates	4.00	6.00	6.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations			3.98	5.57	4.01	5.25	3.64	3.67
(i) Minimum wage				8.33	4.17	7.87	7.87	8.40
(ii) Hiring and firing regulations			4.02	4.02	3.05	4.83	3.44	3.44
(iii) Centralized collective bargaining	7.93	7.93	7.93	7.93	7.50	8.21	8.44	7.79
(iv) Mandated cost of hiring				7.55	5.34	5.34	2.10	2.40
(v) Mandated cost of dismissing							0.00	0.00
(vi) Conscription	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations				4.11	5.18	4.30	4.15	5.03
(i) Price controls			2.00	2.00	4.00	4.00	4.00	4.00
(ii) Administrative requirements					7.50	3.16	3.10	3.62
(iii) Bureaucracy costs				4.70	2.75	2.54	1.13	4.73
(iv) Starting a business				6.02	5.83	5.53	5.38	9.37
(v) Extra payments/bribes				3.72	5.80	6.24	6.39	5.47
(vi) Licensing restrictions							4.70	6.00
(vii) Cost of tax compliance							4.35	2.03

El Salvador

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) >	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	4.65 (73)	4.47 (88)	4.75 (85)	6.96 (32)	7.26 (32)	7.25 (28)	7.43 (23)	7.40 (29)
2. Legal Structure and Security of Property Rights	6.34 (15)	6.41 (17)	7.14 (11)	8.59 (7)	8.67 (4)	9.18 (1)	9.25 (1)	9.09 (2)
3. Access to Sound Money	2.52 (76)	1.98 (105)	1.94 (109)	5.33 (72)	4.51 (83)	4.14 (84)	4.36 (91)	3.96 (98)
4. Freedom to Trade Internationally	5.26 (79)	5.50 (88)	5.00 (87)	8.88 (34)	9.42 (26)	9.66 (5)	9.63 (8)	9.37 (27)
5. Regulation of Credit, Labor and Business	3.90 (75)	3.43 (82)	4.61 (80)	6.48 (70)	7.53 (40)	7.03 (58)	6.72 (62)	7.18 (50)
Unadjusted								
Summary Ratings (Rank) >	4.45 (82)	4.59 (86)	4.81 (84)	7.04 (28)	7.30 (23)	7.25 (28)	7.58 (20)	7.51 (25)
	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>
1. Size of Government	6.34	6.41	7.14	8.59	8.67	9.18	9.25	8.96
A. Government consumption	6.97 16.30	7.05 16.02	8.81 10.03	9.11 9.02	8.70 10.42	8.72 10.36	9.01 9.38	9.05 9.23
B. Transfers and subsidies	9.40 2.70	9.59 2.00	9.75 1.40	9.24 3.30	10.00 0.32	10.00 0.29	10.00 0.29	9.29 3.10
C. Government enterprises and investment	6.00 20.20	6.00 28.40	8.00 20.00	8.00 19.00	8.00 19.89	10.00 1.86	10.00 1.86	10.00 1.86
D. Top marginal tax rate	3.00	3.00	2.00	8.00	8.00	8.00	8.00	7.50
(i) Top marginal income tax rate	3.00 60	3.00 48	2.00 60	8.00 30	8.00 30	8.00 30	8.00 30	8.00 30
(ii) Top marginal income and payroll tax rates								7.00 34
2. Legal Structure and Security of Property Rights	2.54	1.99	1.95	5.37	4.51	4.14	5.32	4.83
A. Judicial independence					4.34	3.51	3.07	3.51
B. Impartial courts				4.40	4.18	3.47	3.37	3.39
C. Protection of property rights					4.05	3.96	5.78	5.69
D. Military interference				6.25	5.00	5.00	5.00	5.00
E. Integrity of the legal system				6.96	5.00	4.79	4.58	4.17
F. Legal enforcement of contracts							7.63	3.83
G. Regulatory restrictions of sale of real property							7.83	8.23
3. Access to Sound Money	5.26	5.50	5.00	8.88	9.42	9.66	9.63	9.37
A. Money growth	7.03 14.86	7.81 10.93	7.47 12.66	8.20 8.98	9.03 -4.83	9.89 0.56	9.98 0.10	8.92 5.41
B. Standard deviation of inflation	7.39 6.53	8.23 4.43	7.02 7.45	9.39 1.52	9.09 2.29	9.65 0.88	9.48 1.29	9.38 1.54
C. Inflation: most recent year	6.61 16.95	5.97 20.17	5.51 22.47	7.91 10.44	9.55 2.27	9.11 4.45	9.06 4.69	9.19 4.04
D. Freedom to own foreign currency	0.00	0.00	0.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	3.65	3.69	4.82	6.71	7.53	7.03	6.72	7.18
A. Taxes on international trade	3.13	5.27	6.52	7.51	8.02	8.17	8.29	8.33
(i) Revenues from trade taxes (% of trade sector)	5.87 6.20	5.27 7.10	7.27 4.10	7.60 3.60	8.99 1.51	8.95 1.57	9.01 1.48	9.04 1.45
(ii) Mean tariff rate	0.40 48.00		5.78 21.10	7.96 10.20	8.52 7.40	8.92 5.40	8.72 6.40	8.82 5.90
(iii) Standard deviation of tariff rates				6.96 7.60	6.56 8.60	6.64 8.40	7.14 7.14	7.14 7.14
B. Regulatory trade barriers					7.11	6.25	4.49	6.66
(i) Non-tariff trade barriers					5.72	6.39	5.80	6.03
(ii) Compliance cost of importing and exporting					8.50	6.12	3.19	7.28
C. Size of trade sector	4.88	2.92	2.13	3.05	3.59	3.34	3.25	3.36
D. Black-market exchange rates	0.00	0.00	5.20	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	5.00	8.93	7.37	7.54	7.54
(i) Foreign ownership/investment restrictions					8.62	7.06	7.38	7.38
(ii) Capital controls	2.00	2.00	2.00	5.00	9.23	7.69	7.69	7.69
5. Regulation of Credit, Labor and Business		5.38	5.15	5.68	6.37	6.23	6.97	7.23
A. Credit market regulations	9.85	8.66	8.65	9.74	7.85	7.24	9.59	9.64
(i) Ownership of banks						5.00	10.00	10.00
(ii) Foreign bank competition					4.60	4.60	9.00	9.00
(iii) Private sector credit	9.85	9.32	9.30	9.48	9.39	9.22	9.35	9.57
(iv) Interest rate controls/negative real int. rates		8.00	8.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations					4.84	5.53	4.98	5.43
(i) Minimum wage					3.12	5.11	5.11	8.02
(ii) Hiring and firing regulations					4.85	6.46	6.31	6.07
(iii) Centralized collective bargaining					7.73	7.55	8.08	8.00
(iv) Mandated cost of hiring					5.51	5.51	5.35	5.44
(v) Mandated cost of dismissing							2.03	2.03
(vi) Conscription	3.00	0.00	0.00	0.00	3.00	3.00	3.00	3.00
C. Business regulations					6.40	5.91	6.34	6.62
(i) Price controls			4.00	6.00	8.00	8.00	8.00	8.00
(ii) Administrative requirements					7.27	3.47	3.76	3.96
(iii) Bureaucracy costs					5.40	6.70	2.98	4.83
(iv) Starting a business					5.78	5.16	7.07	8.03
(v) Extra payments/bribes					5.57	6.19	6.86	5.99
(vi) Licensing restrictions							8.20	8.03
(vii) Cost of tax compliance							7.49	7.49

Estonia

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >				5.55 (77)	7.45 (18)	7.70 (11)	7.85 (11)	7.82 (12)
1. Size of Government				4.41 (93)	6.43 (50)	6.69 (52)	6.96 (46)	7.03 (43)
2. Legal Structure and Security of Property Rights				6.46 (42)	6.60 (43)	6.52 (38)	7.33 (32)	6.99 (33)
3. Access to Sound Money		6.98 (36)	3.36 (106)	2.30 (111)	8.67 (45)	9.53 (21)	9.43 (26)	9.32 (33)
4. Freedom to Trade Internationally				9.16 (3)	9.00 (5)	8.45 (6)	8.30 (6)	8.37 (6)
5. Regulation of Credit, Labor and Business			2.83 (109)	5.51 (62)	6.60 (31)	7.32 (12)	7.23 (23)	7.40 (22)
Unadjusted				5.60 (76)	7.30 (23)	7.70 (11)	7.91 (11)	7.89 (11)
Summary Ratings (Rank) >	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government				4.41	6.43	6.69	6.96	7.03
A. Government consumption			5.74 20.48	3.22 29.06	3.73 27.33	4.31 25.33	4.38 25.12	4.64 24.21
B. Transfers and subsidies				6.43 13.60	5.98 15.25	6.95 11.69	6.95 11.69	6.97 11.63
C. Government enterprises and investment				2.00	10.00 14.28	10.00 4.81	10.00 4.81	10.00 4.81
D. Top marginal tax rate				6.00	6.00	5.50	6.50	6.50
(i) Top marginal income tax rate				8.00 26	8.00 26	8.00 26	9.00 24	9.00 23
(ii) Top marginal income and payroll tax rates				4.00 44	4.00 44	3.00 47	4.00 45	4.00 44
2. Legal Structure and Security of Property Rights				6.50	6.00	6.52	7.71	7.35
A. Judicial independence						6.21	7.12	7.11
B. Impartial courts				6.46	6.94	5.90	6.84	6.55
C. Protection of property rights					5.00	5.48	7.68	7.74
D. Military interference				8.42	8.33	8.33	8.33	8.33
E. Integrity of the legal system					6.67	6.67	6.67	6.67
F. Legal enforcement of contracts							8.69	6.21
G. Regulatory restrictions of sale of real property							8.61	8.87
3. Access to Sound Money		8.77	4.48	2.30	8.67	9.53	9.43	9.32
A. Money growth				0.00 67.37	8.32 8.39	9.75 1.23	9.34 3.30	9.04 4.82
B. Standard deviation of inflation		8.65 3.37	5.18 12.06	0.00 323.00	7.15 7.13	8.99 2.54	9.20 1.99	9.14 2.15
C. Inflation: most recent year		8.88 -5.61	3.27 33.65	4.20 29.00	9.19 4.03	9.39 3.05	9.18 4.09	9.11 4.43
D. Freedom to own foreign currency			5.00	5.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally				8.58	8.83	8.45	8.07	8.14
A. Taxes on international trade			9.77	9.81	9.99	9.89	8.48	8.30
(i) Revenues from trade taxes (% of trade sector)			9.77 0.34	9.94 0.09	9.99 0.02	9.97 0.04	9.84 0.24	9.84 0.24
(ii) Mean tariff rate				9.98 0.10		9.80 1.00	9.46 2.70	8.92 5.40
(iii) Standard deviation of tariff rates				9.52 1.20			6.13 9.67	6.13 9.67
B. Regulatory trade barriers					8.34	8.43	7.76	8.54
(i) Non-tariff trade barriers					8.34	8.24	7.24	7.64
(ii) Compliance cost of importing and exporting						8.62	8.28	9.43
C. Size of trade sector				6.96	8.01	6.50	6.62	6.34
D. Black-market exchange rates			0.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls			0.00	8.00	7.82	7.45	7.48	7.51
(i) Foreign ownership/investment restrictions					9.49	7.97	8.04	8.09
(ii) Capital controls			0.00	8.00	6.15	6.92	6.92	6.92
5. Regulation of Credit, Labor and Business			2.47	6.22	6.57	7.32	7.41	7.59
A. Credit market regulations			0.00	4.30	7.82	9.03	9.68	9.95
(i) Ownership of banks			0.00	5.00	8.00	10.00	10.00	10.00
(ii) Foreign bank competition					6.63	6.63	10.00	10.00
(iii) Private sector credit				7.90	9.58	9.63	9.72	9.81
(iv) Interest rate controls/negative real int. rates				0.00	6.00	10.00	9.00	10.00
B. Labor market regulations					4.74	6.05	5.18	5.16
(i) Minimum wage					2.94	7.08	7.08	7.42
(ii) Hiring and firing regulations					4.57	5.74	5.33	5.11
(iii) Centralized collective bargaining					8.45	8.67	8.75	8.67
(iv) Mandated cost of hiring						5.78	0.00	0.00
(v) Mandated cost of dismissing							6.92	6.76
(vi) Conscription			0.00	3.00	3.00	3.00	3.00	3.00
C. Business regulations				8.14	7.14	6.88	7.36	7.67
(i) Price controls			0.00	6.00	6.00	7.00	6.00	6.00
(ii) Administrative requirements					7.62	5.19	5.34	5.51
(iii) Bureaucracy costs				8.47	7.15	7.33	6.18	6.86
(iv) Starting a business				8.52	8.03	7.07	8.68	9.66
(v) Extra payments/bribes				9.57	6.91	7.84	7.51	7.59
(vi) Licensing restrictions							8.95	8.96
(vii) Cost of tax compliance							8.83	9.09

Ethiopia

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >								
1. Size of Government								
2. Legal Structure and Security of Property Rights								
3. Access to Sound Money								
4. Freedom to Trade Internationally								
5. Regulation of Credit, Labor and Business								
Unadjusted							5.45 (125)	5.64 (121)
Summary Ratings (Rank) >	Rating	Rating	Rating	Rating	Rating	Rating	Rating	Rating
	Data	Data	Data	Data	Data	Data	Data	Data
1. Size of Government							5.67	5.86
A. Government consumption							7.37	14.95
B. Transfers and subsidies							7.65	9.11
C. Government enterprises and investment							2.00	44.46
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
2. Legal Structure and Security of Property Rights							4.42	4.66
A. Judicial independence							1.97	2.81
B. Impartial courts							2.68	3.48
C. Protection of property rights							4.34	5.23
D. Military interference							1.67	1.67
E. Integrity of the legal system							8.33	8.33
F. Legal enforcement of contracts							6.40	4.34
G. Regulatory restrictions of sale of real property							5.52	6.72
3. Access to Sound Money							5.67	5.76
A. Money growth							8.20	8.99
B. Standard deviation of inflation							6.79	8.03
C. Inflation: most recent year							7.68	11.61
D. Freedom to own foreign currency							0.00	0.00
4. Freedom to Trade Internationally							5.05	5.67
A. Taxes on international trade							4.54	4.54
(i) Revenues from trade taxes (% of trade sector)							1.56	12.66
(ii) Mean tariff rate							6.64	16.80
(iii) Standard deviation of tariff rates							5.43	11.42
B. Regulatory trade barriers							4.07	4.34
(i) Non-tariff trade barriers							5.39	5.00
(ii) Compliance cost of importing and exporting							2.75	3.69
C. Size of trade sector							5.10	6.77
D. Black-market exchange rates							8.00	10.00
E. International capital market controls							3.52	2.69
(i) Foreign ownership/investment restrictions							5.50	5.38
(ii) Capital controls							1.54	0.00
5. Regulation of Credit, Labor and Business							6.43	6.25
A. Credit market regulations							5.89	5.20
(i) Ownership of banks							2.00	2.00
(ii) Foreign bank competition								
(iii) Private sector credit							6.67	6.59
(iv) Interest rate controls/negative real int. rates							9.00	7.00
B. Labor market regulations							8.04	8.05
(i) Minimum wage							10.00	10.00
(ii) Hiring and firing regulations							4.56	4.77
(iii) Centralized collective bargaining							7.43	7.23
(iv) Mandated cost of hiring							10.00	10.00
(v) Mandated cost of dismissing							6.27	6.29
(vi) Conscription							10.00	10.00
C. Business regulations							5.36	5.49
(i) Price controls								
(ii) Administrative requirements							3.33	4.27
(iii) Bureaucracy costs							3.66	3.45
(iv) Starting a business							4.96	5.91
(v) Extra payments/bribes							5.18	4.71
(vi) Licensing restrictions							5.59	6.85
(vii) Cost of tax compliance							9.42	7.78

Fiji

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ▶	5.64 (39)	5.81 (41)	5.86 (45)	6.02 (65)	6.22 (69)	5.94 (87)	6.39 (80)	6.54 (75)
1. Size of Government	4.75 (56)	4.72 (59)	5.19 (65)	5.92 (47)	7.06 (29)	6.07 (74)	6.05 (75)	6.08 (76)
2. Legal Structure and Security of Property Rights				5.12 (76)	5.46 (67)	5.44 (60)	6.10 (56)	6.41 (47)
3. Access to Sound Money	6.00 (62)	6.51 (56)	6.32 (64)	6.94 (57)	6.90 (83)	6.48 (112)	6.56 (107)	6.56 (110)
4. Freedom to Trade Internationally	6.64 (31)	6.53 (32)	6.66 (35)	6.70 (58)	6.29 (87)	6.19 (94)	5.54 (110)	5.45 (115)
5. Regulation of Credit, Labor and Business	5.14 (56)	5.42 (51)	5.26 (58)	5.46 (66)	5.44 (84)	5.54 (92)	7.69 (14)	8.20 (9)
Unadjusted								
Summary Ratings (Rank) ▶	5.71 (42)	5.88 (37)	5.93 (42)	6.08 (63)	6.30 (68)	5.95 (87)	6.30 (88)	6.42 (83)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	4.75	4.72	5.19	5.92	7.06	6.07	6.05	6.08
A. Government consumption	5.56 21.09	4.96 23.12	5.90 19.93	5.48 21.38	5.88 20.00	4.66 24.16	4.63 24.27	4.63 24.27
B. Transfers and subsidies	9.46 2.50	8.91 4.50	9.86 1.00	9.18 3.50	9.35 2.90	8.63 5.54	8.59 5.68	8.69 5.32
C. Government enterprises and investment	2.00 45.00	2.00 37.00	2.00 62.00	2.00	6.00 29.69	4.00 31.86	4.00 33.86	4.00 33.86
D. Top marginal tax rate	2.00	3.00	3.00	7.00	7.00	7.00	7.00	7.00
(i) Top marginal income tax rate	2.00 53	3.00 50	3.00 50	7.00 35	7.00 34	7.00 31	7.00 31	7.00 31
(ii) Top marginal income and payroll tax rates			3.00 50	7.00 35	7.00 34	7.00 31	7.00 31	7.00 31
2. Legal Structure and Security of Property Rights				5.12	5.46	5.39	5.34	5.61
A. Judicial independence								
B. Impartial courts				4.68	4.63	5.22	5.10	5.10
C. Protection of property rights								
D. Military interference				6.34	7.34	6.58	7.10	7.10
E. Integrity of the legal system								
F. Legal enforcement of contracts							4.03	5.11
G. Regulatory restrictions of sale of real property							5.15	5.15
3. Access to Sound Money	6.00	6.51	6.32	6.94	6.90	6.48	6.56	6.56
A. Money growth	9.75 -1.25	9.11 4.47	7.53 12.34	9.02 4.92	9.41 2.93	8.21 8.93	7.62 11.91	7.63 11.84
B. Standard deviation of inflation	7.72 5.71	8.44 3.89	9.16 2.10	9.06 2.36	8.42 3.95	8.25 4.37	9.11 2.22	9.11 2.21
C. Inflation: most recent year	6.54 17.31	8.50 7.49	8.58 7.10	9.68 1.59	9.78 1.09	9.43 2.83	9.53 2.37	9.50 2.49
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Freedom to Trade Internationally	6.44	6.33	6.47	6.50	6.15	6.33	5.54	5.45
A. Taxes on international trade	6.13	4.73	5.73	6.60	7.27	6.99	5.23	5.23
(i) Revenues from trade taxes (% of trade sector)	6.13 5.80	4.73 7.90	5.73 6.40	6.60 5.10	7.03 4.46	7.55 3.67	7.73 3.40	7.73 3.40
(ii) Mean tariff rate					7.52 12.40	7.52 12.40	7.96 10.20	7.96 10.20
(iii) Standard deviation of tariff rates					5.90 10.25	0.00 43.04	0.00 43.04	0.00 43.04
B. Regulatory trade barriers						6.83	6.95	6.51
(i) Non-tariff trade barriers								
(ii) Compliance cost of importing and exporting						6.83	6.95	6.51
C. Size of trade sector	6.49	5.35	7.21	5.92	5.90	5.48	5.53	5.53
D. Black-market exchange rates	6.40	8.40	9.20	9.80	9.40	10.00	10.00	10.00
E. International capital market controls	5.00	5.00	2.00	2.00	0.00	0.00	0.00	0.00
(i) Foreign ownership/investment restrictions								
(ii) Capital controls	5.00	5.00	2.00	2.00	0.00	0.00	0.00	0.00
5. Regulation of Credit, Labor and Business	5.65	5.96	5.73	5.94	5.93	5.50	8.02	8.40
A. Credit market regulations	5.09	5.91	5.45	6.16	6.10	6.34	9.61	9.66
(i) Ownership of banks	2.00	2.00	2.00	2.00	2.00	2.00	10.00	10.00
(ii) Foreign bank competition						5.00	10.00	10.00
(iii) Private sector credit	7.27	7.73	8.34	8.47	8.31	8.35	8.45	8.64
(iv) Interest rate controls/negative real int. rates	6.00	8.00	6.00	8.00	8.00	10.00	10.00	10.00
B. Labor market regulations							7.04	8.12
(i) Minimum wage						3.16	3.16	5.42
(ii) Hiring and firing regulations								
(iii) Centralized collective bargaining								
(iv) Mandated cost of hiring							7.57	7.26
(v) Mandated cost of dismissing							7.42	9.81
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations							7.40	7.42
(i) Price controls			6.00	6.00	6.00	4.00	4.00	4.00
(ii) Administrative requirements								
(iii) Bureaucracy costs								
(iv) Starting a business						5.58	8.23	8.26
(v) Extra payments/bribes								
(vi) Licensing restrictions							8.95	8.99
(vii) Cost of tax compliance							8.43	8.43

France

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	6.06 (28)	6.06 (34)	7.06 (22)	6.80 (35)	7.04 (39)	7.17 (36)	6.98 (47)	7.07 (46)
2. Legal Structure and Security of Property Rights	3.47 (86)	2.92 (102)	3.53 (95)	3.22 (113)	2.56 (122)	4.06 (121)	4.11 (118)	4.11 (118)
3. Access to Sound Money	7.82 (22)	8.30 (19)	8.86 (21)	7.49 (26)	8.09 (21)	7.66 (20)	7.83 (22)	7.83 (19)
4. Freedom to Trade Internationally	6.34 (41)	6.58 (53)	9.62 (4)	9.83 (1)	9.59 (11)	9.61 (13)	9.58 (10)	9.51 (15)
5. Regulation of Credit, Labor and Business	6.81 (27)	6.83 (26)	7.45 (18)	7.45 (32)	8.12 (20)	7.76 (24)	7.21 (40)	7.38 (37)
5.97 (32)	5.92 (38)	5.94 (39)	5.99 (48)	6.84 (25)	6.77 (27)	6.17 (74)	6.50 (59)	
Unadjusted								
Summary Ratings (Rank) ▶	5.84 (35)	5.85 (38)	6.74 (21)	6.78 (38)	7.04 (38)	7.17 (35)	7.10 (45)	7.19 (45)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	3.72	3.13	3.53	3.22	2.56	4.06	4.11	4.11
A. Government consumption	4.84 23.55	4.68 24.07	4.85 23.52	2.85 30.29	1.86 33.69	2.97 29.91	3.13 29.36	3.11 29.42
B. Transfers and subsidies	3.02 26.10	2.83 26.80	3.27 25.20	2.53 27.90	3.40 24.71	3.28 25.16	3.33 24.98	3.34 24.93
C. Government enterprises and investment	4.00 27.40	4.00 33.20	4.00 35.00	4.00 30.00	4.00 30.00	8.00 15.92	8.00 16.33	8.00 15.29
D. Top marginal tax rate	3.00	1.00	2.00	3.50	1.00	2.00	2.00	2.00
(i) Top marginal income tax rate	3.00 60	1.00 65	3.00 53	4.00 51	2.00 54	3.00 52	3.00 52	3.00 52
(ii) Top marginal income and payroll tax rates			1.00 61	3.00 60	0.00 62-65	1.00 62-64	1.00 62-64	1.00 62-64
2. Legal Structure and Security of Property Rights	6.83	7.25	7.73	7.49	8.09	7.66	7.54	7.53
A. Judicial independence				6.62	6.35	6.88	6.77	7.10
B. Impartial courts				5.55	8.02	6.86	6.78	7.13
C. Protection of property rights				7.28	9.40	7.92	8.47	8.43
D. Military interference				8.03	8.33	8.33	8.82	9.17
E. Integrity of the legal system				10.00	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts							9.19	6.91
G. Regulatory restrictions of sale of real property							4.40	5.67
3. Access to Sound Money	6.34	6.58	9.62	9.83	9.59	9.61	9.58	9.51
A. Money growth	7.96 10.21	8.39 8.05	9.43 2.83	9.89 0.57	8.84 5.82	9.00 5.01	8.79 6.03	8.51 7.46
B. Standard deviation of inflation	9.69 0.77	9.08 2.29	9.64 0.89	9.74 0.65	9.85 0.38	9.85 0.38	9.88 0.30	9.86 0.34
C. Inflation: most recent year	7.72 11.38	8.85 5.76	9.38 3.09	9.69 1.57	9.66 1.69	9.57 2.13	9.64 1.81	9.68 1.60
D. Freedom to own foreign currency	0.00	0.00	10.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	6.63	6.65	7.12	7.38	8.12	7.76	7.21	7.38
A. Taxes on international trade	8.95	9.12	8.46	8.70	9.18	9.18	8.48	8.30
(i) Revenues from trade taxes (% of trade sector)	9.67 0.50	9.73 0.40	9.73 0.40	9.80 0.30	9.78 0.33	9.85 0.22	9.84 0.24	9.84 0.24
(ii) Mean tariff rate	8.24 8.80	8.50 7.50	8.52 7.40	8.66 6.70	9.52 2.40	9.64 1.80	9.46 2.70	8.92 5.40
(iii) Standard deviation of tariff rates			7.12 7.20	7.64 5.90	8.24 4.40	8.04 4.90	6.13 9.67	6.13 9.67
B. Regulatory trade barriers				7.70	8.79	7.86	7.14	7.91
(i) Non-tariff trade barriers				7.70	8.42	7.86	7.40	7.32
(ii) Compliance cost of importing and exporting					9.17	7.86	6.88	8.49
C. Size of trade sector	4.61	4.74	3.96	3.68	4.62	3.86	3.85	3.97
D. Black-market exchange rates	9.40	9.20	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	5.00	6.81	8.01	7.91	6.60	6.70
(i) Foreign ownership/investment restrictions				8.62	9.09	7.35	7.05	7.25
(ii) Capital controls	2.00	2.00	5.00	5.00	6.92	8.46	6.15	6.15
5. Regulation of Credit, Labor and Business	5.70	5.65	5.71	5.96	6.84	6.77	7.06	7.40
A. Credit market regulations	8.91	8.82	9.01	8.40	8.21	8.17	8.95	9.13
(i) Ownership of banks	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				6.82	6.67	6.67	8.00	8.00
(iii) Private sector credit	8.73	8.46	9.03	8.37	8.21	7.99	7.80	8.52
(iv) Interest rate controls/negative real int. rates	8.00	8.00	8.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	3.93	3.81	3.83	3.35	4.98	5.65	5.44	5.65
(i) Minimum wage				2.55	4.55	6.82	6.82	8.26
(ii) Hiring and firing regulations			4.16	4.16	1.67	2.37	2.35	2.32
(iii) Centralized collective bargaining	4.49	4.49	4.49	4.49	5.53	6.08	6.41	6.26
(iv) Mandated cost of hiring	4.31	3.96	3.69	2.58	3.17	3.00	0.00	0.00
(v) Mandated cost of dismissing							7.04	7.03
(vi) Conscription	3.00	3.00	3.00	3.00	10.00	10.00	10.00	10.00
C. Business regulations				6.12	7.34	6.50	6.80	7.42
(i) Price controls			6.00	8.00	8.00	7.00	4.00	6.00
(ii) Administrative requirements					7.73	3.05	2.75	2.61
(iii) Bureaucracy costs				6.30	8.08	7.37	5.87	8.20
(iv) Starting a business				3.43	5.15	6.87	9.73	9.76
(v) Extra payments/bribes				6.76	7.71	8.20	8.29	8.24
(vi) Licensing restrictions							7.76	8.64
(vii) Cost of tax compliance							9.19	8.52

Georgia

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >						6.11 (81)	6.52 (73)	7.18 (40)
1. Size of Government						5.65 (86)	5.69 (89)	7.42 (28)
2. Legal Structure and Security of Property Rights						2.47 (120)	3.17 (115)	3.36 (112)
3. Access to Sound Money						9.05 (45)	8.91 (44)	9.07 (41)
4. Freedom to Trade Internationally						7.01 (61)	6.74 (61)	7.44 (34)
5. Regulation of Credit, Labor and Business						6.37 (48)	8.13 (8)	8.72 (2)
Unadjusted						6.11 (81)	6.61 (72)	7.29 (39)
Summary Ratings (Rank) >	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government						5.65	5.69	7.42
A. Government consumption						7.04 16.06	5.72 20.56	6.97 16.31
B. Transfers and subsidies						8.05 7.67	8.05 7.67	7.73 8.84
C. Government enterprises and investment						0.00	0.00	6.00
D. Top marginal tax rate						7.50	9.00	9.00
(i) Top marginal income tax rate						10.00 20	10.00 12	10.00 12
(ii) Top marginal income and payroll tax rates						5.00 40	8.00 27	8.00 27
2. Legal Structure and Security of Property Rights						2.47	4.67	4.95
A. Judicial independence						2.26	1.88	2.54
B. Impartial courts						2.41	2.38	2.70
C. Protection of property rights						2.26	4.23	3.86
D. Military interference						2.96	4.20	4.20
E. Integrity of the legal system								
F. Legal enforcement of contracts							5.71	6.50
G. Regulatory restrictions of sale of real property							9.63	9.87
3. Access to Sound Money						9.05	8.91	9.07
A. Money growth						8.09 11.69	8.09 14.97	8.09 15.56
B. Standard deviation of inflation						9.26 1.84	9.19 2.02	9.13 2.17
C. Inflation: most recent year						8.86 5.70	8.35 8.23	9.07 4.65
D. Freedom to own foreign currency						10.00	10.00	10.00
4. Freedom to Trade Internationally						7.01	6.74	7.44
A. Taxes on international trade						8.70	8.51	8.55
(i) Revenues from trade taxes (% of trade sector)						8.88 1.68	9.17 1.25	9.29 1.07
(ii) Mean tariff rate						8.50 7.50	8.60 7.00	8.60 7.00
(iii) Standard deviation of tariff rates						8.72 3.20	7.76 5.60	7.76 5.60
B. Regulatory trade barriers						4.96	3.80	7.20
(i) Non-tariff trade barriers						5.79	5.22	6.12
(ii) Compliance cost of importing and exporting						4.13	2.39	8.28
C. Size of trade sector						3.96	4.33	4.41
D. Black-market exchange rates						10.00	10.00	10.00
E. International capital market controls						7.43	7.07	7.04
(i) Foreign ownership/investment restrictions						6.53	5.81	6.40
(ii) Capital controls						8.33	8.33	7.69
5. Regulation of Credit, Labor and Business						6.37	7.05	7.55
A. Credit market regulations						7.52	9.23	9.40
(i) Ownership of banks						10.00	10.00	10.00
(ii) Foreign bank competition						4.00	8.00	8.00
(iii) Private sector credit						9.61	9.91	9.60
(iv) Interest rate controls/negative real int. rates						4.00	9.00	10.00
B. Labor market regulations						6.46	6.05	6.56
(i) Minimum wage						10.00	10.00	10.00
(ii) Hiring and firing regulations						6.42	6.78	6.74
(iii) Centralized collective bargaining						8.40	8.31	8.05
(iv) Mandated cost of hiring							0.58	3.92
(v) Mandated cost of dismissing							9.63	9.63
(vi) Conscription						1.00	1.00	1.00
C. Business regulations						5.14	5.86	6.69
(i) Price controls						8.00	8.00	8.00
(ii) Administrative requirements						2.77	4.74	5.18
(iii) Bureaucracy costs						4.47	3.22	3.84
(iv) Starting a business						5.82	9.03	9.55
(v) Extra payments/bribes						4.66	5.00	5.62
(vi) Licensing restrictions							6.06	9.02
(vii) Cost of tax compliance							4.98	5.66

Germany

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) >	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	7.42 (8)	7.43 (10)	7.66 (10)	7.50 (13)	7.49 (17)	7.58 (16)	7.69 (15)	7.70 (17)
2. Legal Structure and Security of Property Rights	4.59 (61)	4.26 (75)	4.90 (72)	4.36 (96)	3.96 (113)	5.52 (89)	5.74 (85)	5.82 (82)
3. Access to Sound Money	9.10 (10)	8.85 (15)	9.87 (4)	9.13 (5)	9.14 (10)	8.82 (7)	9.22 (6)	8.87 (7)
4. Freedom to Trade Internationally	9.43 (3)	9.64 (3)	9.26 (13)	9.56 (17)	9.55 (15)	9.54 (20)	9.53 (16)	9.47 (20)
5. Regulation of Credit, Labor and Business	7.85 (10)	8.25 (7)	8.18 (9)	8.30 (9)	8.67 (8)	8.19 (14)	7.79 (16)	7.88 (15)
5. Regulation of Credit, Labor and Business	6.12 (29)	6.12 (32)	6.14 (33)	6.15 (40)	6.15 (49)	5.82 (76)	6.19 (72)	6.45 (65)
Unadjusted								
Summary Ratings (Rank) >	6.98 (10)	6.99 (12)	7.19 (14)	7.48 (13)	7.49 (17)	7.58 (16)	7.64 (16)	7.64 (17)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	4.59	4.26	4.90	4.36	3.96	5.52	5.74	5.82
A. Government consumption	4.03 26.30	4.09 26.10	4.35 25.20	4.19 25.75	4.55 24.52	4.73 23.93	4.67 24.11	4.72 23.96
B. Transfers and subsidies	5.34 17.60	4.96 19.00	5.26 17.90	4.25 21.60	2.29 28.81	2.34 28.61	2.29 28.78	2.56 27.82
C. Government enterprises and investment	7.00 25.70	7.00 24.40	6.00 24.00	6.00 25.50	6.00 25.50	10.00 8.38	10.00 8.00	10.00 7.95
D. Top marginal tax rate	2.00	1.00	4.00	3.00	3.00	5.00	6.00	6.00
(i) Top marginal income tax rate	2.00 65	1.00 65	4.00 53	3.00 57	3.00 56	5.00 46	6.00 44	6.00 44
(ii) Top marginal income and payroll tax rates			4.00 53	3.00 57	3.00 56	5.00 46	6.00 44	6.00 44
2. Legal Structure and Security of Property Rights	7.70	7.48	8.35	9.13	9.14	8.82	8.92	8.59
A. Judicial independence				9.27	9.35	8.79	9.18	9.21
B. Impartial courts				8.60	9.19	8.21	8.95	8.83
C. Protection of property rights				7.99	8.84	8.79	9.61	9.45
D. Military interference				9.81	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts							8.51	6.78
G. Regulatory restrictions of sale of real property							7.88	7.53
3. Access to Sound Money	9.43	9.64	9.26	9.56	9.55	9.54	9.53	9.47
A. Money growth	9.18 4.10	9.48 2.60	8.06 9.70	9.12 4.39	8.77 6.13	8.84 5.80	8.64 6.81	8.38 8.12
B. Standard deviation of inflation	9.64 0.89	9.52 1.20	9.52 1.20	9.54 1.16	9.71 0.72	9.67 0.84	9.88 0.31	9.83 0.44
C. Inflation: most recent year	8.90 5.50	9.56 2.18	9.46 2.70	9.58 2.10	9.71 1.47	9.67 1.67	9.61 1.95	9.66 1.71
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	7.95	8.34	8.15	8.22	8.67	8.19	7.79	7.88
A. Taxes on international trade	8.95	9.08	8.44	8.66	9.18	9.18	8.48	8.30
(i) Revenues from trade taxes (% of trade sector)	9.67 0.50	9.67 0.50	9.67 0.50	9.67 0.50	9.78 0.33	9.85 0.22	9.84 0.24	9.84 0.24
(ii) Mean tariff rate	8.24 8.80	8.50 7.50	8.52 7.40	8.66 6.70	9.52 2.40	9.64 1.80	9.46 2.70	8.92 5.40
(iii) Standard deviation of tariff rates			7.12 7.20	7.64 5.90	8.24 4.40	8.04 4.90	6.13 9.67	6.13 9.67
B. Regulatory trade barriers				8.28	8.89	8.55	8.47	8.47
(i) Non-tariff trade barriers				8.28	8.45	7.81	7.65	7.80
(ii) Compliance cost of importing and exporting					9.33	9.29	9.29	9.14
C. Size of trade sector	4.63	4.50	4.15	4.54	5.80	5.77	5.98	6.56
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	8.00	10.00	10.00	9.61	9.48	7.47	6.03	6.06
(i) Foreign ownership/investment restrictions				9.23	9.72	8.01	8.22	8.27
(ii) Capital controls	8.00	10.00	10.00	10.00	9.23	6.92	3.85	3.85
5. Regulation of Credit, Labor and Business	5.22	5.22	5.27	6.12	6.15	5.82	6.24	6.47
A. Credit market regulations	7.61	7.58	7.65	7.77	7.75	7.88	7.71	7.75
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
(ii) Foreign bank competition				7.77	7.17	8.00	8.00	8.00
(iii) Private sector credit	7.83	7.74	7.94	7.65	7.99	7.81	7.85	7.99
(iv) Interest rate controls/negative real int. rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	3.29	3.32	3.48	3.56	2.85	3.29	3.67	3.99
(i) Minimum wage				3.38	4.63	6.07	6.07	7.51
(ii) Hiring and firing regulations			3.94	3.94	1.82	2.20	2.42	2.34
(iii) Centralized collective bargaining	4.49	4.49	4.49	4.49	2.32	3.03	3.20	3.23
(iv) Mandated cost of hiring	4.40	4.49	4.49	2.97	2.51	2.16	3.53	4.22
(v) Mandated cost of dismissing							3.82	3.60
(vi) Conscription	1.00	1.00	1.00	3.00	3.00	3.00	3.00	3.00
C. Business regulations				7.03	7.83	6.28	7.32	7.68
(i) Price controls			9.00	9.00	8.00	7.00	7.00	6.00
(ii) Administrative requirements					8.18	2.84	3.43	3.42
(iii) Bureaucracy costs				6.47	8.53	6.62	5.80	9.20
(iv) Starting a business				4.97	6.40	6.43	9.03	9.22
(v) Extra payments/bribes				7.68	8.04	8.48	9.10	8.95
(vi) Licensing restrictions							8.08	9.17
(vii) Cost of tax compliance							8.82	7.80

Ghana

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ▶	2.92 (101)	3.12 (106)	4.98 (76)	5.56 (76)	5.89 (87)	6.36 (71)	6.51 (74)	7.04 (47)
1. Size of Government	4.49 (67)	4.68 (62)	5.32 (59)	6.61 (32)	6.09 (63)	6.50 (56)	6.73 (54)	6.60 (60)
2. Legal Structure and Security of Property Rights	2.83 (71)	2.77 (94)	5.95 (47)	5.75 (56)	4.57 (82)	5.06 (65)	5.30 (72)	6.06 (55)
3. Access to Sound Money	1.15 (104)	1.76 (108)	4.07 (98)	4.13 (99)	5.82 (107)	7.22 (88)	7.38 (87)	8.21 (73)
4. Freedom to Trade Internationally	2.09 (93)	2.09 (96)	5.08 (70)	5.84 (89)	7.26 (49)	6.91 (66)	5.84 (96)	7.29 (41)
5. Regulation of Credit, Labor and Business	3.82 (91)	4.06 (87)	4.53 (84)	5.53 (61)	5.71 (68)	6.09 (67)	7.26 (21)	7.01 (36)
Unadjusted	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
Summary Ratings (Rank) ▶	2.93 (105)	3.21 (107)	4.97 (79)	5.57 (78)	5.89 (87)	6.36 (70)	6.32 (86)	6.84 (66)
1. Size of Government	4.70	4.90	5.32	6.61	6.09	6.50	6.73	6.60
A. Government consumption	8.31 11.74	8.80 10.07	8.87 9.85	7.72 13.77	7.12 15.80	8.14 12.34	8.07 12.57	7.55 14.33
B. Transfers and subsidies	9.48 2.40	9.78 1.30	9.43 2.60	9.24 3.30	9.24 3.30	9.87 0.98	9.87 0.98	9.87 0.98
C. Government enterprises and investment	0.00 35.40	0.00	2.00 25.00	4.00	2.00 43.32	2.00 43.62	2.00 41.38	2.00 44.29
D. Top marginal tax rate	1.00	1.00	1.00	5.50	6.00	6.00	7.00	7.00
(i) Top marginal income tax rate	1.00 60	1.00 60	2.00 55	7.00 35	8.00 30	8.00 30	9.00 25	9.00 25
(ii) Top marginal income and payroll tax rates			0.00 62	4.00 45	4.00 41	4.00 41	5.00 37	5.00 37
2. Legal Structure and Security of Property Rights	2.76	2.69	5.79	5.60	4.45	5.06	5.02	5.74
A. Judicial independence						6.71		
B. Impartial courts				5.54	5.42	6.38	5.20	5.20
C. Protection of property rights						4.68		
D. Military interference				6.04	5.00	4.17	4.44	5.00
E. Integrity of the legal system				6.96	3.33	3.33	3.61	4.17
F. Legal enforcement of contracts							8.08	5.40
G. Regulatory restrictions of sale of real property							3.78	8.93
3. Access to Sound Money	1.15	1.76	4.07	4.13	5.82	7.22	7.38	8.21
A. Money growth	1.42 42.91	1.16 44.21	2.42 37.90	4.51 27.44	7.46 12.72	4.43 27.84	6.06 19.71	7.59 12.03
B. Standard deviation of inflation	3.17 17.07	0.00 38.34	8.00 4.99	5.65 10.88	5.85 10.37	6.96 7.61	6.47 8.83	7.43 6.44
C. Inflation: most recent year	0.00 51.13	5.87 20.65	5.87 20.66	1.37 43.17	4.96 25.19	7.48 12.62	6.98 15.12	7.82 10.92
D. Freedom to own foreign currency	0.00	0.00	0.00	5.00	5.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	1.66	2.06	5.00	5.81	7.23	6.91	5.44	6.79
A. Taxes on international trade	0.00	2.00	4.38	6.09	6.54	5.78	4.61	4.61
(i) Revenues from trade taxes (% of trade sector)	0.00 17.30	0.00 21.70	2.27 11.60	4.60 8.10	6.93 4.60	4.25 8.62	4.25 8.62	4.25 8.62
(ii) Mean tariff rate		4.00 30.00	6.50 17.50	7.00 15.00	6.96 15.20	7.36 13.20	7.36 13.20	7.36 13.20
(iii) Standard deviation of tariff rates				6.68 8.30	5.72 10.70	5.72 10.70	2.23 19.43	2.23 19.43
B. Regulatory trade barriers						6.45	2.79	6.76
(i) Non-tariff trade barriers						7.25		
(ii) Compliance cost of importing and exporting						5.65	2.79	6.76
C. Size of trade sector	0.00	0.00	3.81	5.17	9.90	6.93	7.48	7.94
D. Black-market exchange rates	0.00	0.00	8.60	9.60	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	1.54	5.39	2.31	4.62
(i) Foreign ownership/investment restrictions						8.47		
(ii) Capital controls	0.00	0.00	0.00	0.00	1.54	2.31	2.31	4.62
5. Regulation of Credit, Labor and Business	4.40	4.67	4.67	5.69	5.88	6.09	7.02	6.85
A. Credit market regulations	1.76	2.48	3.93	6.00	5.95	7.57	7.67	7.69
(i) Ownership of banks	2.00	2.00	2.00	5.00	5.00	8.00	8.00	8.00
(ii) Foreign bank competition						7.00	7.00	7.00
(iii) Private sector credit	3.29	5.45	7.79	8.99	4.85	5.27	5.68	5.75
(iv) Interest rate controls/negative real int. rates	0.00	0.00	2.00	4.00	8.00	10.00	10.00	10.00
B. Labor market regulations						6.18	7.10	6.51
(i) Minimum wage						4.50	4.50	10.00
(ii) Hiring and firing regulations						5.68		
(iii) Centralized collective bargaining						4.54		
(iv) Mandated cost of hiring							6.20	6.05
(v) Mandated cost of dismissing							7.69	0.00
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						4.53	6.28	6.34
(i) Price controls			0.00	4.00	6.00	6.00	6.00	6.00
(ii) Administrative requirements						4.60		
(iii) Bureaucracy costs						3.63		
(iv) Starting a business						3.11	6.49	8.15
(v) Extra payments/bribes						5.33		
(vi) Licensing restrictions							6.04	4.62
(vii) Cost of tax compliance							6.59	6.59

Greece

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) >	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	5.83 (34)	5.34 (53)	6.00 (44)	6.29 (55)	6.84 (44)	6.92 (46)	6.96 (48)	6.99 (51)
2. Legal Structure and Security of Property Rights	5.26 (41)	3.74 (84)	4.81 (75)	5.73 (55)	5.95 (67)	6.65 (53)	6.77 (51)	6.82 (50)
3. Access to Sound Money	6.24 (35)	6.30 (36)	7.59 (28)	6.69 (36)	5.70 (63)	5.60 (56)	6.69 (43)	6.53 (44)
4. Freedom to Trade Internationally	6.93 (29)	6.80 (41)	6.71 (55)	7.34 (48)	9.32 (28)	9.64 (9)	9.56 (14)	9.53 (11)
5. Regulation of Credit, Labor and Business	6.10 (40)	5.37 (54)	6.14 (50)	6.70 (58)	7.86 (28)	7.10 (55)	6.22 (87)	6.21 (93)
5. Regulation of Credit, Labor and Business	4.59 (72)	4.56 (75)	4.87 (73)	4.96 (84)	5.38 (87)	5.63 (87)	5.55 (108)	5.85 (103)
Unadjusted								
Summary Ratings (Rank) >	5.68 (45)	5.20 (65)	5.84 (46)	6.24 (56)	6.84 (43)	6.92 (46)	6.99 (53)	7.03 (54)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	5.26	3.74	4.81	5.73	5.95	6.65	6.77	6.82
A. Government consumption	7.44 14.69	6.63 17.46	6.69 17.25	6.95 16.38	6.57 17.67	6.51 17.86	6.71 17.17	6.69 17.25
B. Transfers and subsidies	8.59 5.69	5.31 17.70	4.55 20.50	4.96 19.00	5.23 18.00	5.08 18.57	5.35 17.55	5.58 16.71
C. Government enterprises and investment	2.00 32.00	2.00 41.00	4.00 37.50	6.00 35.80	8.00 16.13	10.00 14.92	10.00 12.54	10.00 11.98
D. Top marginal tax rate	3.00	1.00	4.00	5.00	4.00	5.00	5.00	5.00
(i) Top marginal income tax rate	3.00 60	1.00 63	4.00 50	5.00 45	5.00 43	5.00 40	5.00 40	5.00 40
(ii) Top marginal income and payroll tax rates			4.00 50	5.00 45	3.00 50	5.00 40	5.00 40	5.00 40
2. Legal Structure and Security of Property Rights	5.57	5.61	6.76	6.69	5.70	5.60	6.73	6.56
A. Judicial independence				5.45	6.35	5.23	5.63	5.69
B. Impartial courts				5.70	5.68	4.77	5.45	5.09
C. Protection of property rights				5.44	4.83	5.09	7.24	6.96
D. Military interference				6.86	6.67	7.50	7.64	8.33
E. Integrity of the legal system				10.00	5.00	5.42	7.50	7.50
F. Legal enforcement of contracts							8.55	4.13
G. Regulatory restrictions of sale of real property							5.06	8.25
3. Access to Sound Money	6.93	6.80	6.71	7.34	9.32	9.64	9.56	9.53
A. Money growth	7.19 14.07	6.73 16.36	6.33 18.37	7.67 11.66	8.70 6.52	9.28 3.59	9.10 4.49	8.83 5.85
B. Standard deviation of inflation	9.06 2.35	9.00 2.51	9.05 2.37	8.47 3.82	9.21 1.97	9.85 0.37	9.85 0.37	9.93 0.18
C. Inflation: most recent year	6.46 17.69	6.47 17.67	6.47 17.67	8.22 8.88	9.37 3.17	9.42 2.89	9.29 3.56	9.36 3.20
D. Freedom to own foreign currency	5.00	5.00	5.00	5.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	6.19	5.45	6.09	6.57	7.86	7.10	6.22	6.21
A. Taxes on international trade	8.05	9.02	8.41	8.68	9.18	9.18	8.48	8.30
(i) Revenues from trade taxes (% of trade sector)	7.87 3.20	9.53 0.70	9.60 0.60	9.73 0.40	9.78 0.33	9.85 0.22	9.84 0.24	9.84 0.24
(ii) Mean tariff rate	8.24 8.80	8.50 7.50	8.52 7.40	8.66 6.70	9.52 2.40	9.64 1.80	9.46 2.70	8.92 5.40
(iii) Standard deviation of tariff rates			7.12 7.20	7.64 5.90	8.24 4.40	8.04 4.90	6.13 9.67	6.13 9.67
B. Regulatory trade barriers				6.25	8.73	7.42	6.35	7.16
(i) Non-tariff trade barriers				6.25	7.95	7.48	7.10	7.39
(ii) Compliance cost of importing and exporting					9.50	7.36	5.61	6.93
C. Size of trade sector	4.09	3.01	2.45	1.41	3.10	1.50	1.10	0.32
D. Black-market exchange rates	8.60	5.00	9.40	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	6.52	8.30	7.42	5.17	5.26
(i) Foreign ownership/investment restrictions				8.03	8.91	7.15	6.49	6.67
(ii) Capital controls	2.00	2.00	2.00	5.00	7.69	7.69	3.85	3.85
5. Regulation of Credit, Labor and Business	4.45	4.42	4.82	4.85	5.38	5.63	5.68	6.05
A. Credit market regulations	4.24	4.13	5.63	5.89	7.14	7.92	7.99	7.78
(i) Ownership of banks	2.00	2.00	5.00	5.00	5.00	8.00	8.00	8.00
(ii) Foreign bank competition				6.37	7.00	6.00	6.00	6.00
(iii) Private sector credit	4.73	4.38	3.90	4.91	6.01	7.88	7.94	7.14
(iv) Interest rate controls/negative real int. rates	6.00	6.00	8.00	8.00	10.00	10.00	10.00	10.00
B. Labor market regulations	3.61	3.61	3.69	3.99	3.38	4.01	3.02	4.32
(i) Minimum wage				5.23	4.07	6.22	6.22	6.97
(ii) Hiring and firing regulations			4.81	4.81	2.33	3.24	2.93	2.96
(iii) Centralized collective bargaining	4.49	4.49	4.49	4.49	4.17	4.00	3.48	3.72
(iv) Mandated cost of hiring	6.33	6.33	5.45	5.45	6.35	5.59	0.88	1.49
(v) Mandated cost of dismissing							3.62	7.78
(vi) Conscription	0.00	0.00	0.00	0.00	0.00	1.00	1.00	3.00
C. Business regulations				4.68	5.62	4.96	6.04	6.04
(i) Price controls			0.00	6.00	5.00	4.00	5.00	5.00
(ii) Administrative requirements					6.98	2.99	2.79	2.67
(iii) Bureaucracy costs				4.79	6.40	6.54	4.51	5.51
(iv) Starting a business				4.20	4.08	5.01	8.13	8.20
(v) Extra payments/bribes				3.71	5.65	6.25	6.22	5.83
(vi) Licensing restrictions							7.92	8.05
(vii) Cost of tax compliance							7.71	7.04

Guatemala

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ▶	6.08 (27)	5.03 (68)	5.58 (54)	6.65 (39)	6.28 (66)	6.67 (57)	7.09 (45)	7.18 (40)
1. Size of Government	8.47 (5)	7.83 (3)	8.32 (4)	9.12 (4)	8.63 (5)	8.68 (4)	8.18 (8)	8.14 (9)
2. Legal Structure and Security of Property Rights	1.95 (84)	1.53 (109)	1.87 (110)	3.62 (106)	2.80 (118)	3.30 (103)	5.03 (78)	5.04 (75)
3. Access to Sound Money	8.61 (10)	8.03 (27)	6.63 (56)	8.08 (40)	7.64 (67)	9.27 (36)	9.17 (37)	9.17 (37)
4. Freedom to Trade Internationally	5.03 (56)	2.77 (90)	5.76 (54)	6.78 (56)	6.86 (66)	6.52 (80)	6.31 (80)	6.84 (66)
5. Regulation of Credit, Labor and Business	6.75 (15)	5.50 (49)	5.52 (51)	5.48 (64)	5.46 (83)	5.57 (88)	6.70 (48)	6.64 (56)
Unadjusted	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
Summary Ratings (Rank) ▶	6.51 (17)	5.38 (58)	5.83 (47)	6.95 (34)	6.32 (65)	6.67 (57)	6.96 (59)	7.06 (53)
1. Size of Government	8.72	8.07	8.32	9.12	8.63	8.68	7.82	7.77
A. Government consumption	9.07 9.16	9.48 7.77	9.62 7.30	9.99 6.05	9.66 7.14	9.88 6.42	9.95 6.18	9.82 6.62
B. Transfers and subsidies	9.81 1.20	9.78 1.30	9.65 1.80	10.00 0.50	9.85 1.05	9.85 1.05		
C. Government enterprises and investment	8.00 37.40	8.00 32.10	8.00 21.00	8.00 17.30	8.00 16.43	8.00 16.43	8.00 16.43	8.00 16.43
D. Top marginal tax rate	8.00	5.00	6.00	8.50	7.00	7.00	5.50	5.50
(i) Top marginal income tax rate	8.00 40	5.00 48	7.00 34	9.00 25	7.00 31	7.00 31	7.00 31	7.00 31
(ii) Top marginal income and payroll tax rates			5.00 37	8.00 28	7.00 34	7.00 34	4.00 42	4.00 42
2. Legal Structure and Security of Property Rights	2.54	1.99	2.44	4.72	3.42	3.30	5.20	5.22
A. Judicial independence						2.50	3.80	3.82
B. Impartial courts				3.60	3.79	2.15	3.82	3.36
C. Protection of property rights					2.18	2.28	5.30	5.18
D. Military interference				4.31	3.33	7.08	8.33	8.33
E. Integrity of the legal system				6.96	3.33	2.50	3.89	3.33
F. Legal enforcement of contracts							4.12	3.39
G. Regulatory restrictions of sale of real property							7.15	9.10
3. Access to Sound Money	8.61	8.03	6.63	8.08	7.64	9.27	9.17	9.17
A. Money growth	7.87 10.66	7.98 10.09	6.33 18.34	7.69 11.54	7.47 12.64	8.81 5.95	8.64 6.82	8.30 8.52
B. Standard deviation of inflation	8.56 3.61	7.88 5.31	3.94 15.15	6.37 9.07	9.28 1.79	9.74 0.65	9.73 0.68	9.68 0.80
C. Inflation: most recent year	8.00 10.00	6.24 18.78	6.24 18.78	8.27 8.67	8.80 5.98	8.52 7.39	8.32 8.42	8.71 6.45
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	5.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	5.72	3.15	6.12	7.20	6.43	6.52	6.31	6.84
A. Taxes on international trade	3.40	2.50	4.33	7.36	7.91	8.13	6.60	8.35
(i) Revenues from trade taxes (% of trade sector)	6.80 4.80	5.00 7.50	7.60 3.60	7.07 4.40	8.30 2.55	8.50 2.25	7.77 3.35	8.60 2.10
(ii) Mean tariff rate	0.00 50.00	0.00 50.00	5.40 23.00	7.96 10.20	8.56 7.20	8.98 5.10	9.46 2.70	8.88 5.60
(iii) Standard deviation of tariff rates			0.00 26.70	7.04 7.40	6.88 7.80	6.92 7.70	2.57 18.57	7.56 6.10
B. Regulatory trade barriers					4.13	5.34	5.90	6.63
(i) Non-tariff trade barriers					4.13	3.51	5.56	5.82
(ii) Compliance cost of importing and exporting						7.17	6.24	7.45
C. Size of trade sector	3.97	0.00	3.05	2.47	2.66	2.11	1.39	1.41
D. Black-market exchange rates	8.00	0.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	5.00	5.00	5.00	8.00	7.46	6.99	7.65	7.84
(i) Foreign ownership/investment restrictions					7.23	5.52	6.84	7.21
(ii) Capital controls	5.00	5.00	5.00	8.00	7.69	8.46	8.46	8.46
5. Regulation of Credit, Labor and Business	6.95	5.67	5.64	5.61	5.46	5.57	6.33	6.27
A. Credit market regulations	8.53	8.46	8.49	8.39	6.63	7.57	8.81	8.82
(i) Ownership of banks	8.00	8.00	8.00	8.00	8.00	10.00	10.00	10.00
(ii) Foreign bank competition					5.60	5.60	8.00	8.00
(iii) Private sector credit	9.58	9.38	9.48	9.16	8.95	8.63	8.23	8.29
(iv) Interest rate controls/negative real int. rates	8.00	8.00	8.00	8.00	6.00	9.00	9.00	9.00
B. Labor market regulations					4.02	4.18	4.38	4.25
(i) Minimum wage					4.62	6.68	6.68	6.22
(ii) Hiring and firing regulations					5.25	4.29	5.91	5.57
(iii) Centralized collective bargaining					6.22	5.74	6.84	7.01
(iv) Mandated cost of hiring							6.11	6.05
(v) Mandated cost of dismissing							0.73	0.64
(vi) Conscription	10.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations					5.74	4.95	5.79	5.75
(i) Price controls			6.00	6.00	8.00	6.00	6.00	6.00
(ii) Administrative requirements					6.10	2.62	3.86	4.18
(iii) Bureaucracy costs					4.53	6.32	4.64	4.55
(iv) Starting a business					5.12	5.29	8.04	8.59
(v) Extra payments/bribes					4.94	4.50	6.00	5.76
(vi) Licensing restrictions							4.92	5.02
(vii) Cost of tax compliance							7.09	6.14

Guyana

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >				4.68 (98)	6.08 (77)	5.59 (107)	5.80 (103)	5.61 (109)
1. Size of Government	1.34 (110)	2.35 (110)	3.37 (98)	3.71 (105)	3.85 (116)	2.74 (129)	2.99 (128)	3.06 (127)
2. Legal Structure and Security of Property Rights	1.84 (85)	1.74 (108)	2.81 (94)	3.95 (101)	5.38 (71)	3.42 (101)	4.04 (100)	3.80 (101)
3. Access to Sound Money	5.79 (68)	5.15 (92)	1.95 (112)	4.94 (93)	7.87 (64)	7.90 (74)	7.72 (78)	7.79 (80)
4. Freedom to Trade Internationally					7.15 (55)	7.52 (31)	7.40 (31)	7.67 (22)
5. Regulation of Credit, Labor and Business				5.13 (76)	5.96 (58)	6.37 (48)	6.83 (43)	5.79 (106)
Unadjusted								
Summary Ratings (Rank) >	3.71 (99)	3.56 (105)		4.81 (98)	6.63 (50)	5.59 (107)	6.06 (103)	5.89 (110)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	1.41	2.48	3.37	3.71	3.85	2.74	2.99	3.06
A. Government consumption	2.82 30.41	4.96 23.14	7.11 15.83	5.64 20.81	5.54 21.15	2.73 30.72	3.48 28.17	3.67 27.51
B. Transfers and subsidies								
C. Government enterprises and investment	0.00	0.00	0.00	0.00	0.00 58.07	0.00 69.20	0.00 94.39	0.00 94.39
D. Top marginal tax rate			3.00	5.50	6.00	5.50	5.50	5.50
(i) Top marginal income tax rate			3.00 50	7.00 33	7.00 33	7.00 33	7.00 33	7.00 33
(ii) Top marginal income and payroll tax rates			3.00 50	4.00 41	5.00 39	4.00 41	4.00 41	4.00 41
2. Legal Structure and Security of Property Rights	2.23	2.11	3.41	4.80	6.54	3.42	4.85	4.56
A. Judicial independence						2.29	3.01	2.99
B. Impartial courts				5.31	5.79	1.81	2.40	2.39
C. Protection of property rights						1.11	3.95	4.09
D. Military interference				5.79	10.00	8.06	6.67	6.67
E. Integrity of the legal system				4.11	6.67	3.82	4.17	3.33
F. Legal enforcement of contracts							5.03	4.55
G. Regulatory restrictions of sale of real property							8.72	7.88
3. Access to Sound Money	5.79	5.15	1.95	4.94	7.87	7.90	7.72	7.79
A. Money growth	8.43 7.86	5.85 20.76	0.91 45.47	6.98 15.12	9.25 3.74	8.86 5.68	8.47 7.64	8.08 9.59
B. Standard deviation of inflation	7.07 7.32	7.66 5.86	0.00 53.12	0.00 48.31	8.47 3.83	8.66 3.34	8.80 3.01	9.40 1.50
C. Inflation: most recent year	7.64 11.78	7.10 14.51	6.90 15.51	7.77 11.17	8.77 6.15	9.07 4.67	8.61 6.93	8.68 6.58
D. Freedom to own foreign currency	0.00	0.00	0.00	5.00	5.00	5.00	5.00	5.00
4. Freedom to Trade Internationally	5.40	4.50			8.13	7.52	7.40	7.67
A. Taxes on international trade	8.80	7.01			6.60	6.72	6.49	6.49
(i) Revenues from trade taxes (% of trade sector)	8.80 1.80	7.41 3.88						
(ii) Mean tariff rate		6.60 17.00			6.60 17.00	7.60 12.00	7.78 11.10	7.78 11.10
(iii) Standard deviation of tariff rates						5.84 10.40	5.20 11.99	5.20 11.99
B. Regulatory trade barriers						4.76	4.63	5.70
(i) Non-tariff trade barriers						6.08	5.99	5.94
(ii) Compliance cost of importing and exporting						3.45	3.27	5.46
C. Size of trade sector	10.00	7.27	8.74	10.00	10.00	9.96	10.00	10.00
D. Black-market exchange rates	0.00	0.00	8.20	9.20	9.00	9.49	9.49	10.00
E. International capital market controls	0.00	0.00	5.00	5.00	6.92	6.69	6.38	6.13
(i) Foreign ownership/investment restrictions						6.46	5.85	6.11
(ii) Capital controls	0.00	0.00	5.00	5.00	6.92	6.92	6.92	6.15
5. Regulation of Credit, Labor and Business				5.79	6.74	6.37	7.32	6.39
A. Credit market regulations	3.02	2.38	4.61	4.90	7.71	6.38	7.90	7.93
(i) Ownership of banks						8.00	10.00	10.00
(ii) Foreign bank competition						3.00	7.00	7.00
(iii) Private sector credit	3.02	2.38	4.61	5.80	7.42	5.54	5.62	5.74
(iv) Interest rate controls/negative real int. rates				4.00	8.00	9.00	9.00	9.00
B. Labor market regulations						8.15	8.39	5.79
(i) Minimum wage						10.00	10.00	0.00
(ii) Hiring and firing regulations						5.80	6.00	5.76
(iii) Centralized collective bargaining						6.81	6.50	6.61
(iv) Mandated cost of hiring							7.81	7.57
(v) Mandated cost of dismissing							10.00	4.81
(vi) Conscription			10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						4.59	5.67	5.45
(i) Price controls						6.00	6.00	6.00
(ii) Administrative requirements						2.57	2.54	3.16
(iii) Bureaucracy costs						5.00	5.21	3.85
(iv) Starting a business						5.58	7.46	7.68
(v) Extra payments/bribes						3.79	4.26	3.97
(vi) Licensing restrictions							7.45	6.73
(vii) Cost of tax compliance							6.77	6.77

Honduras

	1980	1985	1990	1995	2000	2004	2005	2006	
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	
Summary Rating (Rank) ▶	5.98 (31)	5.82 (40)	5.62 (50)	6.28 (56)	6.56 (59)	6.69 (56)	6.64 (66)	7.00 (50)	
1. Size of Government	8.18 (6)	7.07 (7)	6.98 (16)	7.61 (17)	8.48 (7)	8.56 (5)	8.46 (6)	8.94 (3)	
2. Legal Structure and Security of Property Rights	2.07 (82)	2.29 (100)	2.63 (98)	3.81 (105)	3.03 (117)	3.15 (107)	3.53 (109)	4.07 (96)	
3. Access to Sound Money	8.40 (12)	9.52 (6)	8.30 (25)	7.17 (51)	8.22 (54)	9.07 (44)	8.85 (49)	8.94 (46)	
4. Freedom to Trade Internationally			5.72 (55)	7.18 (39)	7.13 (57)	6.94 (64)	6.80 (60)	7.23 (45)	
5. Regulation of Credit, Labor and Business	5.42 (49)	4.42 (82)	4.44 (88)	5.24 (73)	5.84 (65)	5.74 (78)	5.60 (106)	5.77 (107)	
Unadjusted	Summary Ratings (Rank) ▶	5.86 (32)	6.15 (27)	5.91 (45)	6.60 (41)	6.55 (59)	6.69 (56)	6.98 (55)	7.35 (33)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	
1. Size of Government	7.09	6.98	6.88	7.51	8.37	8.56	8.46	8.94	
A. Government consumption	7.28 15.25	7.40 14.83	7.00 16.21	8.00 12.80	7.43 14.75	7.27 15.27	7.32 15.11	7.34 15.05	
B. Transfers and subsidies	9.51 2.30	9.51 2.30	9.54 2.20	9.05 4.00	9.05 4.00	9.98 0.56	10.00 0.47	9.91 0.82	
C. Government enterprises and investment	6.00 37.40	6.00 62.60	6.00 32.00	6.00 37.20	8.00 19.15	8.00 18.53	8.00 19.07	10.00 14.43	
D. Top marginal tax rate	8.00	5.00	5.00	7.00	9.00	9.00	8.50	8.50	
(i) Top marginal income tax rate	8.00 40	5.00 46	5.00 46	7.00 40	9.00 25	9.00 25	9.00 25	9.00 25	
(ii) Top marginal income and payroll tax rates			5.00 46	7.00 40	9.00 25	9.00 25	8.00 28	8.00 28	
2. Legal Structure and Security of Property Rights	2.76	3.05	3.50	5.07	3.72	3.15	4.20	4.85	
A. Judicial independence						2.28	2.44	3.36	
B. Impartial courts				3.98	3.68	2.83	3.02	3.58	
C. Protection of property rights					2.30	3.13	4.15	5.17	
D. Military interference				5.42	5.00	5.00	5.56	6.67	
E. Integrity of the legal system				6.96	3.33	2.50	2.50	2.50	
F. Legal enforcement of contracts							4.35	5.00	
G. Regulatory restrictions of sale of real property							7.41	7.64	
3. Access to Sound Money	8.40	9.52	8.30	7.17	8.22	9.07	8.85	8.94	
A. Money growth	7.46 12.70	9.69 1.53	6.91 15.43	7.09 14.57	7.66 11.70	8.38 8.10	7.74 11.28	7.67 11.64	
B. Standard deviation of inflation	8.81 2.97	9.42 1.45	7.34 6.64	6.88 7.81	7.42 6.44	9.51 1.23	9.41 1.49	9.19 2.02	
C. Inflation: most recent year	7.35 13.27	8.95 5.25	8.95 5.25	4.73 26.34	7.79 11.06	8.38 8.11	8.24 8.81	8.88 5.58	
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	
4. Freedom to Trade Internationally	4.87		5.94	7.40	6.81	6.94	6.80	7.23	
A. Taxes on international trade	3.67		6.00	7.69	7.83	8.41	8.42	8.51	
(i) Revenues from trade taxes (% of trade sector)	5.53 6.70				8.07 2.90	9.07 1.40	9.11 1.33	9.17 1.25	
(ii) Mean tariff rate	1.80 41.00		6.00 20.00	7.98 10.10	8.42 7.90	8.96 5.20	8.66 6.70	8.88 5.60	
(iii) Standard deviation of tariff rates				7.40 6.50	7.00 7.50	7.20 7.00	7.49 6.27	7.49 6.27	
B. Regulatory trade barriers					3.35	5.03	4.46	6.37	
(i) Non-tariff trade barriers					3.35	4.09	4.47	5.69	
(ii) Compliance cost of importing and exporting						5.97	4.44	7.05	
C. Size of trade sector	6.44	3.94	5.52	6.35	6.27	6.09	6.07	6.26	
D. Black-market exchange rates	6.00	0.00	10.00	9.80	10.00	10.00	10.00	10.00	
E. International capital market controls	0.00	0.00	0.00	5.00	6.57	5.19	5.04	5.03	
(i) Foreign ownership/investment restrictions					8.53	6.54	6.23	6.98	
(ii) Capital controls	0.00	0.00	0.00	5.00	4.61	3.85	3.85	3.08	
5. Regulation of Credit, Labor and Business	6.20	5.06	4.93	5.82	5.62	5.74	6.59	6.79	
A. Credit market regulations	6.10	7.70	7.77	6.30	6.76	8.22	8.90	8.63	
(i) Ownership of banks						10.00	10.00	10.00	
(ii) Foreign bank competition					4.70	8.00	6.00	6.00	
(iii) Private sector credit	8.20	7.41	7.54	8.60	9.86	9.62	9.61	9.51	
(iv) Interest rate controls/negative real int. rates	4.00	8.00	8.00	4.00	8.00	9.00	10.00	9.00	
B. Labor market regulations					5.72	4.88	5.79	5.84	
(i) Minimum wage					2.72	0.57	0.57	3.40	
(ii) Hiring and firing regulations					4.50	3.46	5.10	5.16	
(iii) Centralized collective bargaining					5.67	5.51	6.27	6.40	
(iv) Mandated cost of hiring							7.11	6.96	
(v) Mandated cost of dismissing							5.70	3.14	
(vi) Conscription	10.00	0.00	0.00	10.00	10.00	10.00	10.00	10.00	
C. Business regulations					4.39	4.13	5.09	5.89	
(i) Price controls			4.00	4.00	4.00	6.00	6.00	6.00	
(ii) Administrative requirements					5.80	2.99	3.00	4.26	
(iii) Bureaucracy costs					4.88	3.23	3.25	4.41	
(iv) Starting a business					2.85	3.36	7.23	8.61	
(v) Extra payments/bribes					4.42	5.07	4.57	4.99	
(vi) Licensing restrictions							6.30	7.73	
(vii) Cost of tax compliance							5.25	5.25	

Hong Kong

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) >	9.23 (1)	8.94 (1)	8.78 (1)	9.14 (1)	8.85 (1)	8.71 (1)	8.92 (1)	8.93 (1)
1. Size of Government	9.75 (2)	9.39 (1)	9.31 (2)	9.47 (2)	9.35 (1)	9.11 (2)	9.08 (2)	9.13 (1)
2. Legal Structure and Security of Property Rights	9.45 (6)	7.34 (28)	6.91 (33)	8.17 (18)	7.23 (29)	7.47 (24)	8.25 (18)	8.43 (17)
3. Access to Sound Money	8.51 (11)	9.33 (9)	9.02 (17)	9.44 (26)	9.11 (36)	9.21 (38)	9.48 (20)	9.36 (28)
4. Freedom to Trade Internationally	9.75 (1)	9.75 (1)	9.76 (1)	9.77 (1)	9.78 (1)	9.48 (1)	9.41 (1)	9.50 (1)
5. Regulation of Credit, Labor and Business	8.85 (1)	8.85 (1)	8.85 (1)	8.84 (1)	8.76 (1)	8.31 (2)	8.39 (2)	8.26 (8)
Unadjusted								
Summary Ratings (Rank) >	8.64 (1)	8.37 (1)	8.22 (1)	9.08 (1)	8.82 (1)	8.71 (1)	8.92 (1)	8.94 (1)
	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>
1. Size of Government	9.75	9.39	9.31	9.47	9.35	9.11	9.08	9.13
A. Government consumption	9.02 9.34	8.66 10.57	8.36 11.58	8.03 12.70	7.58 14.22	7.59 14.19	7.92 13.07	8.10 12.47
B. Transfers and subsidies	9.97 0.60	9.89 0.90	9.89 0.90	9.84 1.10	9.84 1.10	8.83 4.78	8.41 6.34	8.41 6.34
C. Government enterprises and investment	10.00 16.50	10.00 17.90	10.00 13.20	10.00 14.00	10.00 14.00	10.00 1.38	10.00 1.38	10.00 1.38
D. Top marginal tax rate	10.00	9.00	9.00	10.00	10.00	10.00	10.00	10.00
(i) Top marginal income tax rate	10.00 15	9.00 25	9.00 25	10.00 20	10.00 17	10.00 20	10.00 20	10.00 19
(ii) Top marginal income and payroll tax rates			9.00 25	10.00 20	10.00 17	10.00 20	10.00 20	10.00 19
2. Legal Structure and Security of Property Rights	8.13	6.31	5.94	8.17	7.23	7.47	8.02	8.19
A. Judicial independence				8.07	7.68	7.01	8.17	8.23
B. Impartial courts				7.93	8.85	7.91	8.31	8.32
C. Protection of property rights				6.07	6.30	6.61	8.73	8.79
D. Military interference				8.76	5.00	8.33	8.33	8.33
E. Integrity of the legal system				10.00	8.33	7.50	7.71	8.33
F. Legal enforcement of contracts							8.09	7.99
G. Regulatory restrictions of sale of real property							6.79	7.34
3. Access to Sound Money	8.51	9.33	9.02	9.44	9.11	9.21	9.48	9.36
A. Money growth	9.04 4.80	9.48 2.60	8.36 8.20	9.33 3.37	9.46 -2.71	7.60 12.02	8.98 5.08	8.90 5.50
B. Standard deviation of inflation	7.99 5.03	8.97 2.57	8.86 2.85	8.96 2.59	7.73 5.68	9.30 1.74	9.10 2.25	8.97 2.58
C. Inflation: most recent year	7.01 14.96	8.86 5.71	8.86 5.71	9.49 2.56	9.25 -3.76	9.92 -0.40	9.82 0.91	9.59 2.04
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	9.59	9.58	9.60	9.68	9.78	9.48	9.41	9.50
A. Taxes on international trade	9.83	9.80	9.91	9.93	9.93	10.00	10.00	10.00
(i) Revenues from trade taxes (% of trade sector)	9.67 0.50	9.60 0.60	9.73 0.40	9.80 0.30	9.80 0.30	9.99 0.02	9.99 0.02	9.99 0.02
(ii) Mean tariff rate	10.00 0.00	10.00 0.00	10.00 0.00	10.00 0.00	10.00 0.00	10.00 0.00	10.00 0.00	10.00 0.00
(iii) Standard deviation of tariff rates			10.00 0.00	10.00 0.00	10.00 0.00	10.00 0.00	10.00 0.00	10.00 0.00
B. Regulatory trade barriers				8.75	9.38	8.63	8.34	9.12
(i) Non-tariff trade barriers				8.75	8.94	8.42	8.60	8.90
(ii) Compliance cost of importing and exporting					9.83	8.84	8.08	9.35
C. Size of trade sector	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	10.00	10.00	10.00	9.70	9.57	8.77	8.71	8.37
(i) Foreign ownership/investment restrictions				9.40	9.92	9.08	8.96	9.05
(ii) Capital controls	10.00	10.00	10.00	10.00	9.23	8.46	8.46	7.69
5. Regulation of Credit, Labor and Business	7.25	7.25	7.22	8.66	8.64	8.31	8.62	8.54
A. Credit market regulations	10.00	10.00	9.94	9.10	8.83	8.90	9.22	9.22
(i) Ownership of banks	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				8.58	7.32	8.00	8.00	8.00
(iii) Private sector credit			9.82	9.68	9.10	8.76	8.89	8.90
(iv) Interest rate controls/negative real int. rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations			8.92	8.14	8.55	8.65	8.85	8.15
(i) Minimum wage				7.40		10.00	10.00	10.00
(ii) Hiring and firing regulations			8.83	8.83	7.55	7.92	6.90	7.12
(iii) Centralized collective bargaining	7.93	7.93	7.93	7.94	8.99	9.02	8.90	9.03
(iv) Mandated cost of hiring				6.53	7.68	6.31	8.48	8.48
(v) Mandated cost of dismissing							8.80	4.25
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				8.73	8.52	7.38	7.79	8.24
(i) Price controls			10.00	9.00	9.00	8.00	9.00	8.00
(ii) Administrative requirements					8.54	6.30	6.38	6.31
(iii) Bureaucracy costs				9.55	7.25	5.55	4.57	7.51
(iv) Starting a business				9.08	9.02	8.89	9.61	9.62
(v) Extra payments/bribes				7.27	8.81	8.15	8.80	8.78
(vi) Licensing restrictions							7.10	8.35
(vii) Cost of tax compliance							9.10	9.10

Hungary

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	4.61 (75)	5.23 (56)	5.35 (63)	6.36 (51)	6.74 (46)	7.52 (20)	7.37 (28)	7.41 (28)
2. Legal Structure and Security of Property Rights	2.58 (102)	2.64 (107)	2.94 (105)	4.73 (90)	4.85 (92)	6.27 (65)	5.84 (82)	5.70 (86)
3. Access to Sound Money	6.48 (38)	6.82 (40)	5.65 (79)	6.24 (70)	7.16 (74)	9.28 (35)	9.44 (24)	9.48 (19)
4. Freedom to Trade Internationally	4.39 (67)	4.51 (68)	5.01 (71)	7.16 (40)	7.69 (31)	8.38 (9)	7.88 (14)	8.24 (9)
5. Regulation of Credit, Labor and Business	4.29 (83)	4.44 (81)	5.07 (66)	6.06 (46)	6.99 (20)	7.27 (13)	6.72 (47)	6.72 (53)
Unadjusted								
Summary Ratings (Rank) ▶	4.60 (79)	4.87 (78)	5.06 (74)	6.34 (48)	6.74 (46)	7.52 (20)	7.41 (28)	7.46 (28)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	3.77	2.92	2.94	4.73	4.85	6.27	5.84	5.70
A. Government consumption	7.53 14.40	7.69 13.87	7.43 14.75	7.58 14.23	7.86 13.27	7.72 13.74	8.01 12.75	7.83 13.38
B. Transfers and subsidies		1.06 33.30	2.32 28.70	3.32 25.00	5.04 18.71	4.85 19.40	4.86 19.36	4.49 20.74
C. Government enterprises and investment	0.00 92.60	0.00 83.50	0.00 68.50	4.00	4.00 68.50	10.00 13.65	8.00 16.83	8.00 19.28
D. Top marginal tax rate			2.00	4.00	2.50	2.50	2.50	2.50
(i) Top marginal income tax rate			3.00 50	4.00 44	5.00 40	5.00 38	5.00 38	5.00 36
(ii) Top marginal income and payroll tax rates			1.00 60	4.00 44	0.00 62	0.00 64	0.00 64	0.00 62
2. Legal Structure and Security of Property Rights		6.78	7.25	7.60	7.01	6.42	6.71	6.68
A. Judicial independence				6.68	6.51	5.56	5.38	5.68
B. Impartial courts				6.77	6.35	4.73	5.36	4.68
C. Protection of property rights				4.93	5.53	5.14	7.44	7.40
D. Military interference				9.62	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	6.67	6.67	6.67	6.67
F. Legal enforcement of contracts							7.22	7.15
G. Regulatory restrictions of sale of real property							4.91	5.19
3. Access to Sound Money	6.48	6.82	5.65	6.24	7.16	9.28	9.44	9.48
A. Money growth	8.26 8.70	8.66 6.70	6.90 15.50	7.67 11.67	7.62 11.91	9.78 1.08	9.49 2.55	9.53 2.33
B. Standard deviation of inflation	8.87 2.82	9.80 0.50	6.87 7.83	7.64 5.90	7.97 5.08	8.70 3.24	8.98 2.54	9.15 2.13
C. Inflation: most recent year	8.79 6.03	8.82 5.91	8.82 5.91	4.65 26.73	8.04 9.80	8.64 6.78	9.29 3.55	9.22 3.88
D. Freedom to own foreign currency	0.00	0.00	0.00	5.00	5.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	4.33	4.45	4.84	7.10	7.69	8.38	7.88	8.24
A. Taxes on international trade	6.67	7.53	6.09	6.67	7.31	7.87	8.48	8.35
(i) Revenues from trade taxes (% of trade sector)	6.67 5.00	7.53 3.70	6.57 5.14	6.09 5.86	9.45 0.83	9.85 0.22	9.84 0.24	10.00 0.00
(ii) Mean tariff rate				7.80 11.00	8.36 8.20	9.64 1.80	9.46 2.70	8.92 5.40
(iii) Standard deviation of tariff rates			5.60 11.00	6.12 9.70	4.12 14.70	4.12 14.70	6.13 9.67	6.13 9.67
B. Regulatory trade barriers				7.13	8.52	7.95	7.02	7.59
(i) Non-tariff trade barriers				7.13	8.20	8.15	7.30	7.59
(ii) Compliance cost of importing and exporting					8.83	7.75	6.74	7.59
C. Size of trade sector	6.73	6.47	4.28	5.30	8.10	7.97	8.04	8.93
D. Black-market exchange rates	0.00	0.00	5.60	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	6.38	4.53	8.08	5.86	6.32
(i) Foreign ownership/investment restrictions				7.76	8.29	8.48	7.86	8.02
(ii) Capital controls	0.00	0.00	0.00	5.00	0.77	7.69	3.85	4.62
5. Regulation of Credit, Labor and Business	3.82	3.37	4.61	6.05	6.99	7.27	7.18	7.18
A. Credit market regulations	3.56	2.66	4.40	6.76	8.13	8.17	9.04	9.01
(i) Ownership of banks	0.00	0.00	2.00	8.00	8.00	8.00	10.00	10.00
(ii) Foreign bank competition				7.30	6.85	6.85	8.00	8.00
(iii) Private sector credit	4.68	5.33	5.21	6.11	7.79	8.02	8.17	8.03
(iv) Interest rate controls/negative real int. rates	6.00		6.00	6.00	10.00	10.00	10.00	10.00
B. Labor market regulations				5.41	5.59	7.09	5.97	5.89
(i) Minimum wage				6.67	4.65	6.81	6.81	6.85
(ii) Hiring and firing regulations			7.07	7.07	5.50	4.94	4.62	4.66
(iii) Centralized collective bargaining				5.18	6.97	7.82	7.49	7.06
(iv) Mandated cost of hiring				5.15	5.85	5.88	0.00	0.00
(v) Mandated cost of dismissing							6.89	6.76
(vi) Conscription	0.00	0.00	1.00	3.00	5.00	10.00	10.00	10.00
C. Business regulations				5.97	7.26	6.55	6.53	6.65
(i) Price controls				8.00	8.00	6.00	7.00	8.00
(ii) Administrative requirements					7.42	3.22	3.03	2.66
(iii) Bureaucracy costs				6.14	6.18	9.74	6.58	6.91
(iv) Starting a business				6.40	7.37	6.51	8.29	9.09
(v) Extra payments/bribes				3.32	7.35	7.29	7.27	6.27
(vi) Licensing restrictions							6.94	7.46
(vii) Cost of tax compliance							6.59	6.19

Iceland

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) >	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	5.36 (54)	5.56 (49)	6.95 (23)	7.38 (18)	7.75 (15)	7.81 (10)	7.82 (12)	7.76 (13)
2. Legal Structure and Security of Property Rights	5.02 (46)	5.24 (43)	5.91 (40)	5.60 (60)	6.07 (64)	6.27 (65)	6.91 (47)	6.94 (47)
3. Access to Sound Money	7.96 (21)	9.18 (12)	9.73 (13)	8.30 (17)	9.03 (12)	8.86 (4)	9.36 (3)	8.92 (5)
4. Freedom to Trade Internationally	2.38 (101)	2.05 (107)	6.79 (52)	9.45 (25)	9.18 (34)	9.08 (42)	8.75 (53)	8.62 (61)
5. Regulation of Credit, Labor and Business	5.55 (46)	5.57 (52)	5.92 (52)	6.62 (62)	6.88 (65)	6.37 (87)	5.73 (101)	5.90 (108)
5. Regulation of Credit, Labor and Business	6.29 (23)	6.30 (25)	6.66 (17)	6.91 (16)	7.56 (7)	8.44 (1)	8.38 (3)	8.45 (5)
Unadjusted								
Summary Ratings (Rank) >	5.09 (67)	5.28 (63)	6.57 (27)	7.40 (19)	7.75 (15)	7.81 (10)	7.86 (12)	7.80 (12)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	5.12	5.35	6.03	5.72	6.07	6.27	6.91	6.94
A. Government consumption	5.23 22.21	5.45 21.48	4.74 23.87	4.22 25.65	3.44 28.31	2.68 30.89	3.22 29.04	3.23 29.02
B. Transfers and subsidies	7.25 10.60	6.95 11.70	7.38 10.10	7.65 9.12	8.34 6.60	7.90 8.19	7.90 8.19	8.01 7.79
C. Government enterprises and investment	8.00 15.30	8.00 16.10	7.00 22.20	7.00 24.80	7.00 24.80	8.00 16.52	10.00 10.96	10.00 11.20
D. Top marginal tax rate	0.00	1.00	5.00	4.00	5.50	6.50	6.50	6.50
(i) Top marginal income tax rate	0.00 63	1.00 56	5.00 40	4.00 47	6.00 45	7.00 39	7.00 39	7.00 39
(ii) Top marginal income and payroll tax rates					5.00 48	6.00 42	6.00 42	6.00 42
2. Legal Structure and Security of Property Rights	6.83	7.88	8.35	8.30	9.03	8.86	9.23	8.80
A. Judicial independence				7.78	8.52	8.11	8.39	8.42
B. Impartial courts				8.28	9.02	8.28	8.94	8.05
C. Protection of property rights				5.80	7.62	7.93	9.44	8.89
D. Military interference				9.64	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	10.00	10.00	10.00	10.00
F. Legal enforcement of contracts							8.71	7.13
G. Regulatory restrictions of sale of real property							9.14	9.14
3. Access to Sound Money	2.38	2.05	6.79	9.45	9.18	9.08	8.75	8.62
A. Money growth	2.59 37.05	1.63 41.83	4.61 26.93	9.18 4.12	8.16 9.21	8.10 9.50	7.06 14.68	7.10 14.51
B. Standard deviation of inflation	6.92 7.70	2.82 17.95	8.81 2.97	9.16 2.09	9.61 0.97	8.78 3.06	8.76 3.11	8.71 3.22
C. Inflation: most recent year	0.00 52.48	3.74 31.30	3.74 31.30	9.45 2.75	8.97 5.16	9.44 2.80	9.17 4.16	8.66 6.69
D. Freedom to own foreign currency	0.00	0.00	10.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	5.61	5.62	5.90	6.54	6.88	6.37	5.73	5.90
A. Taxes on international trade	6.87	7.80	7.86	8.65	8.02	8.48	6.05	6.05
(i) Revenues from trade taxes (% of trade sector)	5.67 6.50	6.93 4.60	7.34 3.99	9.61 0.58	9.65 0.53	9.70 0.45	9.69 0.46	9.68 0.49
(ii) Mean tariff rate	8.08 9.60	8.66 6.70	9.24 3.80	9.26 3.70	9.62 1.90	8.98 5.10	8.46 7.70	8.46 7.70
(iii) Standard deviation of tariff rates			7.00 7.50	7.08 7.30	4.80 13.00	6.76 8.10	0.00 38.65	0.00 38.65
B. Regulatory trade barriers				6.62	8.71	7.48	6.92	7.08
(i) Non-tariff trade barriers				6.62	8.25	6.56	5.86	6.13
(ii) Compliance cost of importing and exporting					9.17	8.40	7.97	8.03
C. Size of trade sector	2.76	3.30	1.42	1.13	1.43	1.23	0.69	1.33
D. Black-market exchange rates	8.20	6.80	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	6.28	6.25	4.67	5.00	5.02
(i) Foreign ownership/investment restrictions				7.56	8.65	5.50	6.15	6.20
(ii) Capital controls	2.00	2.00	2.00	5.00	3.85	3.85	3.85	3.85
5. Regulation of Credit, Labor and Business	5.50	5.51	5.76	7.01	7.56	8.44	8.69	8.76
A. Credit market regulations	5.20	5.23	6.28	6.86	7.70	9.09	9.24	9.50
(i) Ownership of banks	2.00	2.00	2.00	2.00	5.00	10.00	10.00	10.00
(ii) Foreign bank competition				5.83	8.10	8.00	8.00	8.00
(iii) Private sector credit	9.61	9.69	8.83	9.42	9.95	9.98	9.98	9.99
(iv) Interest rate controls/negative real int. rates	4.00	4.00	8.00	10.00	8.00	10.00	9.00	10.00
B. Labor market regulations			6.80	6.38	6.66	8.01	8.24	8.10
(i) Minimum wage				6.20	4.76	9.96	9.96	9.96
(ii) Hiring and firing regulations			5.92	5.92	6.03	7.33	7.67	7.41
(iii) Centralized collective bargaining	4.49	4.49	4.49	4.49	5.48	5.78	6.67	6.10
(iv) Mandated cost of hiring				5.28	7.01	7.00	6.35	6.35
(v) Mandated cost of dismissing							8.79	8.79
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				7.81	8.33	8.22	8.59	8.69
(i) Price controls				6.00	8.00	8.00	8.00	9.00
(ii) Administrative requirements					6.98	5.72	7.24	6.51
(iii) Bureaucracy costs				8.06	8.43	8.97	8.57	8.00
(iv) Starting a business				7.67	8.25	8.93	9.75	9.77
(v) Extra payments/bribes				9.50	9.99	9.51	9.69	9.50
(vi) Licensing restrictions							8.87	9.65
(vii) Cost of tax compliance							8.04	8.43

India

	1980	1985	1990	1995	2000	2004	2005	2006	
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	
Summary Rating (Rank) ▶	5.28 (62)	4.97 (73)	5.00 (75)	5.63 (73)	6.31 (65)	6.37 (69)	6.59 (68)	6.64 (70)	
1. Size of Government	4.50 (66)	4.00 (80)	4.38 (82)	5.76 (53)	7.33 (21)	6.76 (46)	7.17 (33)	7.14 (38)	
2. Legal Structure and Security of Property Rights	6.32 (34)	5.38 (53)	4.79 (62)	5.87 (52)	5.99 (55)	6.33 (43)	7.25 (35)	6.60 (42)	
3. Access to Sound Money	6.05 (59)	6.47 (59)	6.49 (59)	6.50 (64)	6.88 (84)	6.95 (95)	6.84 (97)	6.70 (104)	
4. Freedom to Trade Internationally	4.32 (69)	3.68 (77)	4.03 (90)	4.69 (103)	5.52 (106)	6.38 (86)	6.36 (77)	6.82 (68)	
5. Regulation of Credit, Labor and Business	5.27 (52)	5.29 (54)	5.24 (59)	5.36 (68)	5.81 (66)	5.44 (96)	5.37 (111)	5.90 (99)	
Unadjusted	Summary Ratings (Rank) ▶	5.24 (60)	4.93 (76)	4.90 (82)	5.60 (76)	6.31 (66)	6.37 (68)	6.55 (77)	6.59 (77)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	
1. Size of Government	4.50	4.00	4.38	5.76	7.33	6.76	7.17	7.14	
A. Government consumption	8.34 11.65	7.62 14.11	7.15 15.68	7.31 15.16	6.74 17.10	7.15 15.68	6.95 16.38	6.84 16.73	
B. Transfers and subsidies	8.66 5.40	8.37 6.50	8.37 6.50	8.72 5.20	8.59 5.66	8.89 4.56	8.74 5.14	8.72 5.19	
C. Government enterprises and investment	0.00 46.70	0.00 49.50	0.00 42.30	2.00 31.40	6.00 29.94	6.00	6.00	6.00	
D. Top marginal tax rate	1.00	0.00	2.00	5.00	8.00	5.00	7.00	7.00	
(i) Top marginal income tax rate	1.00 60	0.00 62	2.00 53	5.00 40	8.00 30	5.00 36	7.00 34	7.00 35	
(ii) Top marginal income and payroll tax rates			2.00 53	5.00 40	8.00 30	5.00 36	7.00 34	7.00 35	
2. Legal Structure and Security of Property Rights	5.78	4.92	4.39	5.87	5.99	6.33	6.72	6.12	
A. Judicial independence				7.33	7.01	7.23	8.16	7.16	
B. Impartial courts				7.60	8.02	6.15	6.87	6.28	
C. Protection of property rights				4.10	3.27	4.95	7.88	7.14	
D. Military interference				6.21	5.00	6.67	6.67	6.67	
E. Integrity of the legal system				4.11	6.67	6.67	6.67	6.67	
F. Legal enforcement of contracts							4.64	2.59	
G. Regulatory restrictions of sale of real property							6.14	6.30	
3. Access to Sound Money	6.05	6.47	6.49	6.50	6.88	6.95	6.84	6.70	
A. Money growth	8.43 7.85	7.84 10.82	8.04 9.81	8.56 7.22	9.03 4.86	8.74 6.30	8.41 7.97	8.32 8.41	
B. Standard deviation of inflation	8.10 4.76	9.56 1.11	9.42 1.45	9.06 2.34	9.29 1.77	9.82 0.46	9.79 0.53	9.66 0.85	
C. Inflation: most recent year	7.69 11.54	8.50 7.52	8.50 7.52	8.37 8.16	9.20 4.01	9.25 3.77	9.15 4.25	8.84 5.80	
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4. Freedom to Trade Internationally	4.19	3.57	3.91	4.63	5.52	6.38	6.36	6.82	
A. Taxes on international trade	0.00	0.00	0.00	0.91	4.31	5.40	5.62	5.54	
(i) Revenues from trade taxes (% of trade sector)	0.00 15.50	0.00 24.20	0.00 21.10	2.16 11.76	4.39 8.41	6.79 4.82	7.25 4.13	7.45 3.83	
(ii) Mean tariff rate	0.00 74.30	0.00 98.80	0.00 79.20	0.00 55.20	3.50 32.50	4.38 28.10	6.60 17.00	6.16 19.20	
(iii) Standard deviation of tariff rates			0.00 45.20	0.56 23.60	5.04 12.40	5.04 12.40	3.01 17.47	3.01 17.47	
B. Regulatory trade barriers				6.35	5.67	5.87	5.69	6.84	
(i) Non-tariff trade barriers				6.35	5.35	6.08	6.91	6.34	
(ii) Compliance cost of importing and exporting					5.99	5.67	4.46	7.34	
C. Size of trade sector	3.69	2.39	3.28	5.17	5.61	6.92	6.77	8.17	
D. Black-market exchange rates	9.00	7.20	8.00	8.40	10.00	10.00	10.00	10.00	
E. International capital market controls	0.00	0.00	0.00	2.33	2.02	3.72	3.70	3.56	
(i) Foreign ownership/investment restrictions				4.67	4.05	7.43	7.40	7.13	
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5. Regulation of Credit, Labor and Business	5.68	5.70	5.34	5.24	5.81	5.44	5.69	6.17	
A. Credit market regulations	5.22	5.28	5.13	5.26	5.53	5.91	6.19	6.29	
(i) Ownership of banks	0.00	0.00	0.00	2.00	2.00	2.00	2.00	2.00	
(ii) Foreign bank competition				5.27	6.35	6.35	6.00	6.00	
(iii) Private sector credit	7.67	7.84	7.40	6.79	6.32	6.25	6.76	7.15	
(iv) Interest rate controls/negative real int. rates	8.00	8.00	8.00	8.00	8.00	10.00	10.00	10.00	
B. Labor market regulations			6.26	6.11	6.05	5.73	5.52	6.37	
(i) Minimum wage				6.23	4.35	3.42	3.42	7.89	
(ii) Hiring and firing regulations			2.56	2.56	1.70	2.60	3.31	3.56	
(iii) Centralized collective bargaining	6.21	6.21	6.21	6.21	7.72	7.31	7.47	7.13	
(iv) Mandated cost of hiring				5.55	6.50	5.31	6.26	4.83	
(v) Mandated cost of dismissing							2.68	4.81	
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	
C. Business regulations				4.36	5.85	4.67	5.35	5.86	
(i) Price controls			3.00	4.00	4.00	5.00	3.00	5.00	
(ii) Administrative requirements					7.37	2.88	3.23	3.23	
(iii) Bureaucracy costs				6.06	7.40	5.88	5.17	6.02	
(iv) Starting a business				4.95	5.93	4.09	7.08	8.16	
(v) Extra payments/bribes				2.42	4.57	5.51	6.62	5.33	
(vi) Licensing restrictions							5.29	6.33	
(vii) Cost of tax compliance							7.04	6.96	

Indonesia

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) >	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	5.19 (64)	6.13 (33)	6.51 (30)	6.57 (40)	5.80 (91)	5.93 (89)	6.27 (84)	6.21 (86)
2. Legal Structure and Security of Property Rights	5.27 (40)	6.35 (20)	7.13 (12)	7.96 (13)	6.82 (36)	6.43 (60)	6.43 (66)	6.36 (67)
3. Access to Sound Money	3.27 (66)	4.27 (69)	4.52 (69)	3.55 (107)	3.36 (108)	3.92 (87)	4.14 (97)	4.15 (94)
4. Freedom to Trade Internationally	6.26 (46)	9.02 (13)	8.64 (23)	9.09 (32)	6.20 (102)	7.44 (83)	7.39 (85)	7.18 (92)
5. Regulation of Credit, Labor and Business	6.61 (34)	6.21 (38)	6.47 (40)	6.61 (63)	7.65 (33)	7.13 (52)	7.43 (28)	7.29 (41)
	4.42 (78)	4.56 (75)	5.62 (50)	5.54 (59)	4.97 (100)	4.74 (115)	5.94 (89)	6.07 (85)
Unadjusted								
Summary Ratings (Rank) >	5.14 (64)	6.07 (31)	6.43 (31)	6.42 (45)	5.80 (92)	5.93 (89)	6.17 (98)	6.12 (101)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	5.27	6.35	7.13	7.96	6.82	6.43	6.43	6.36
A. Government consumption	6.84 16.75	6.95 16.36	7.93 13.04	8.45 11.28	8.98 9.47	8.51 11.08	8.47 11.19	8.21 12.10
B. Transfers and subsidies	9.24 3.30	9.46 2.50	9.59 2.00	9.89 0.90	8.30 6.73	7.23 10.67	7.23 10.67	7.23 10.67
C. Government enterprises and investment	2.00 49.50	2.00 43.00	4.00 32.50	7.00 20.70	4.00 39.02	4.00 39.02	4.00 39.02	4.00
D. Top marginal tax rate	3.00	7.00	7.00	6.50	6.00	6.00	6.00	6.00
(i) Top marginal income tax rate	3.00 50	7.00 35	7.00 35	8.00 30	7.00 35	7.00 35	7.00 35	7.00 35
(ii) Top marginal income and payroll tax rates			7.00 35	5.00 40	5.00 40	5.00 40	5.00 40	5.00 40
2. Legal Structure and Security of Property Rights	3.41	4.46	4.72	3.55	3.36	3.92	3.92	3.93
A. Judicial independence				2.33	3.01	3.69	3.01	3.28
B. Impartial courts				4.22	4.01	3.69	3.92	4.19
C. Protection of property rights				4.20	3.13	3.60	4.59	3.96
D. Military interference				2.88	3.33	4.17	4.17	4.17
E. Integrity of the legal system				4.11	3.33	4.44	5.00	5.00
F. Legal enforcement of contracts							1.17	1.17
G. Regulatory restrictions of sale of real property							5.59	5.75
3. Access to Sound Money	6.26	9.02	8.64	9.09	6.20	7.44	7.39	7.18
A. Money growth	5.17 24.14	8.33 8.33	7.54 12.29	8.97 5.17	5.56 22.19	8.54 7.29	8.45 7.76	8.08 9.61
B. Standard deviation of inflation	6.07 9.82	8.59 3.52	7.86 5.35	9.38 1.54	0.00 27.72	7.45 6.37	8.21 4.48	8.27 4.33
C. Inflation: most recent year	3.80 30.99	9.14 4.28	9.14 4.28	8.02 9.89	9.26 3.72	8.75 6.24	7.91 10.45	7.38 13.11
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	5.00	5.00	5.00
4. Freedom to Trade Internationally	6.73	6.32	6.33	6.25	7.65	7.13	7.43	7.29
A. Taxes on international trade	6.13	7.66	5.88	6.43	7.88	7.92	7.93	7.90
(i) Revenues from trade taxes (% of trade sector)	8.07 2.90	8.93 1.60	8.39 2.41	9.13 1.31	9.65 0.53	9.36 0.96	9.36 0.96	9.36 0.96
(ii) Mean tariff rate	4.20 29.00	6.38 18.10	5.94 20.30	6.60 17.00	8.32 8.40	8.72 6.40	8.70 6.50	8.62 6.90
(iii) Standard deviation of tariff rates			3.32 16.70	3.56 16.10	5.68 10.80	5.68 10.80	5.72 10.70	5.72 10.70
B. Regulatory trade barriers				3.33	5.91	6.50	6.30	6.89
(i) Non-tariff trade barriers				3.33	3.82	5.82	6.41	7.06
(ii) Compliance cost of importing and exporting					8.00	7.18	6.20	6.72
C. Size of trade sector	9.74	7.18	7.59	7.72	9.63	7.27	7.98	6.73
D. Black-market exchange rates	9.60	8.60	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	3.76	4.83	3.98	4.95	4.92
(i) Foreign ownership/investment restrictions				7.53	8.12	6.42	8.36	8.30
(ii) Capital controls	0.00	0.00	0.00	0.00	1.54	1.54	1.54	1.54
5. Regulation of Credit, Labor and Business	4.05	4.18	5.31	5.23	4.97	4.74	5.69	5.83
A. Credit market regulations	3.18	4.53	7.08	7.10	5.20	5.46	7.46	7.52
(i) Ownership of banks	0.00	2.00	2.00	5.00	5.00	2.00	5.00	5.00
(ii) Foreign bank competition				5.88	4.58	4.58	8.00	8.00
(iii) Private sector credit	7.53	7.58	9.25	9.40	3.81	6.13	6.84	7.08
(iv) Interest rate controls/negative real int. rates	2.00	4.00	10.00	10.00	8.00	10.00	10.00	10.00
B. Labor market regulations				4.22	4.97	4.99	5.06	4.81
(i) Minimum wage				5.12	4.62	6.69	6.69	3.63
(ii) Hiring and firing regulations			5.56	5.56	3.20	4.34	4.49	5.82
(iii) Centralized collective bargaining					6.18	5.32	7.30	7.43
(iv) Mandated cost of hiring				6.22	5.85	3.60	6.90	6.96
(v) Mandated cost of dismissing							0.00	0.00
(vi) Conscription	3.00	0.00	0.00	0.00	5.00	5.00	5.00	5.00
C. Business regulations				4.36	4.76	3.76	4.55	5.16
(i) Price controls			7.00	3.00	2.00	2.00	1.00	2.00
(ii) Administrative requirements					6.95	3.49	6.26	4.80
(iii) Bureaucracy costs				6.30	5.30	6.34	5.85	5.35
(iv) Starting a business				5.22	5.63	2.92	5.28	5.70
(v) Extra payments/bribes				2.91	3.91	4.06	3.13	4.06
(vi) Licensing restrictions							6.61	7.20
(vii) Cost of tax compliance							3.72	7.02

Iran

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ▶	3.82 (96)	4.14 (92)	4.68 (88)	4.57 (102)	5.86 (89)	6.15 (79)	6.49 (75)	6.69 (67)
1. Size of Government	3.42 (88)	4.33 (73)	4.56 (81)	5.35 (68)	5.42 (82)	6.91 (42)	6.82 (49)	6.79 (51)
2. Legal Structure and Security of Property Rights	1.76 (87)	2.26 (101)	2.20 (107)	5.60 (59)	5.91 (58)	5.89 (50)	6.40 (50)	6.01 (56)
3. Access to Sound Money	6.90 (30)	8.10 (26)	8.68 (22)	3.87 (102)	8.00 (60)	7.90 (74)	8.06 (74)	8.24 (70)
4. Freedom to Trade Internationally	2.67 (90)	2.02 (98)	3.53 (96)	3.54 (109)	5.20 (113)	5.36 (118)	5.27 (116)	6.46 (83)
5. Regulation of Credit, Labor and Business	5.05 (62)	4.42 (82)	4.66 (82)	4.77 (94)	4.78 (103)	4.72 (116)	5.87 (92)	5.92 (97)
Unadjusted	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Ratings (Rank) ▶	4.02 (93)	4.07 (94)	4.60 (96)	4.49 (107)	5.83 (88)	6.18 (78)	6.26 (92)	6.46 (80)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	4.56	4.33	4.56	5.35	5.42	6.91	6.82	6.79
A. Government consumption	3.44 28.29	6.00 19.59	7.30 15.17	6.12 19.19	4.68 24.10	5.88 20.02	5.51 21.28	5.51 21.28
B. Transfers and subsidies	8.23 7.00	9.32 3.00	8.94 4.40	9.29 3.10	9.52 2.26	8.25 6.91	8.27 6.85	8.16 7.26
C. Government enterprises and investment	2.00 47.60	2.00 40.00	2.00 42.20	2.00 44.10	6.00 26.93	6.00 26.58	6.00 26.65	6.00 26.65
D. Top marginal tax rate		0.00	0.00	4.00	1.50	7.50	7.50	7.50
(i) Top marginal income tax rate		0.00 90	0.00 75	4.00 54	2.00 54	8.00 35	8.00 35	8.00 35
(ii) Top marginal income and payroll tax rates			0.00 75	4.00 54	1.00 57	7.00 37	7.00 37	7.00 37
2. Legal Structure and Security of Property Rights	1.76	2.26	2.20	5.60	5.91	5.73	6.50	6.11
A. Judicial independence								
B. Impartial courts				4.92	4.86	4.09	4.20	4.20
C. Protection of property rights								
D. Military interference				6.67	8.33	8.33	8.33	8.33
E. Integrity of the legal system				6.96	6.67	6.67	6.67	6.67
F. Legal enforcement of contracts							5.63	5.51
G. Regulatory restrictions of sale of real property							7.68	5.84
3. Access to Sound Money	6.90	8.10	8.68	3.87	8.00	7.90	8.06	8.24
A. Money growth	4.64 26.80	5.94 20.30	6.94 15.30	6.09 19.57	7.15 14.27	7.70 11.48	7.69 11.57	8.16 9.18
B. Standard deviation of inflation	7.66 5.85	7.40 6.51	8.73 3.17	7.31 6.72	7.73 5.67	6.85 7.86	7.23 6.93	7.17 7.07
C. Inflation: most recent year	5.32 23.41	9.05 4.73	9.05 4.73	2.10 39.50	7.10 14.48	7.05 14.76	7.31 13.43	7.61 11.94
D. Freedom to own foreign currency	10.00	10.00	10.00	0.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	3.03	2.30	4.01	4.01	5.89	5.60	5.18	6.42
A. Taxes on international trade	2.93	3.20	6.15	7.30	8.44	7.24	7.11	7.60
(i) Revenues from trade taxes (% of trade sector)	0.00 17.00	0.53 14.20	6.43 5.35	8.74 1.89	7.97 3.05	7.15 4.28	7.95 3.07	8.23 2.65
(ii) Mean tariff rate	5.86 20.70	5.86 20.70	5.86 20.70	5.86 20.70	9.02 4.90	6.26 18.70	6.26 18.70	6.26 18.70
(iii) Standard deviation of tariff rates					8.32 4.20	8.32 4.20		8.32 4.20
B. Regulatory trade barriers						1.84	3.21	5.36
(i) Non-tariff trade barriers								
(ii) Compliance cost of importing and exporting						1.84	3.21	5.36
C. Size of trade sector	3.94	0.00	5.63	4.52	3.97	5.66	5.57	7.57
D. Black-market exchange rates	0.00	0.00	0.00	0.00	8.86	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.54
(i) Foreign ownership/investment restrictions								
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.54
5. Regulation of Credit, Labor and Business	3.86	3.38	3.55	3.63	3.92	4.79	4.72	4.76
A. Credit market regulations	2.68	2.40	2.89	3.16	4.76	6.50	6.55	6.52
(i) Ownership of banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Foreign bank competition								
(iii) Private sector credit	8.03	7.19	8.67	9.48	9.52	9.51	9.65	9.56
(iv) Interest rate controls/negative real int. rates	0.00	0.00	0.00	0.00		10.00	10.00	10.00
B. Labor market regulations							2.46	2.52
(i) Minimum wage						4.16	4.16	4.50
(ii) Hiring and firing regulations								
(iii) Centralized collective bargaining								
(iv) Mandated cost of hiring							3.01	3.01
(v) Mandated cost of dismissing							1.66	1.56
(vi) Conscription	3.00	0.00	0.00	0.00	0.00	1.00	1.00	1.00
C. Business regulations							5.17	5.24
(i) Price controls			2.00	2.00	2.00	2.00	2.00	2.00
(ii) Administrative requirements								
(iii) Bureaucracy costs								
(iv) Starting a business						5.49	8.42	8.44
(v) Extra payments/bribes								
(vi) Licensing restrictions							3.52	3.82
(vii) Cost of tax compliance							6.73	6.73

Ireland

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) >	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	6.76 (16)	6.81 (18)	7.39 (15)	8.28 (5)	8.20 (7)	7.93 (8)	8.02 (7)	7.93 (9)
2. Legal Structure and Security of Property Rights	5.01 (47)	4.57 (67)	5.97 (37)	6.18 (40)	6.59 (46)	5.73 (84)	6.17 (72)	6.18 (73)
3. Access to Sound Money	8.37 (17)	7.86 (21)	9.14 (16)	9.09 (8)	8.97 (14)	8.78 (8)	8.93 (13)	8.49 (14)
4. Freedom to Trade Internationally	5.77 (69)	6.63 (48)	6.77 (53)	9.60 (13)	9.43 (25)	9.71 (3)	9.65 (6)	9.52 (13)
5. Regulation of Credit, Labor and Business	7.80 (11)	7.73 (12)	7.69 (15)	8.75 (4)	9.05 (3)	8.54 (5)	8.37 (4)	8.31 (8)
5. Regulation of Credit, Labor and Business	7.16 (10)	7.50 (7)	7.68 (7)	7.74 (7)	7.01 (19)	6.86 (25)	6.96 (36)	7.09 (32)
Unadjusted								
Summary Ratings (Rank) >	6.21 (22)	6.25 (24)	6.75 (20)	8.17 (5)	8.12 (7)	7.93 (8)	8.01 (8)	7.92 (10)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	4.67	4.26	5.56	5.76	6.13	5.73	6.37	6.38
A. Government consumption	5.31 21.96	5.15 22.49	5.80 20.27	5.44 21.52	5.33 21.88	4.70 24.03	4.02 26.32	4.00 26.41
B. Transfers and subsidies	5.37 17.50	4.88 19.30	5.42 17.30	5.10 18.50	4.20 21.78		6.94 11.73	7.01 11.49
C. Government enterprises and investment	7.00 24.60	7.00 24.70	10.00 11.10	10.00 14.30	10.00 11.31	8.00 15.09	10.00 13.15	10.00 13.67
D. Top marginal tax rate	1.00	0.00	1.00	2.50	5.00	4.50	4.50	4.50
(i) Top marginal income tax rate	1.00 60	0.00 65	1.00 56	3.00 48	5.00 42	5.00 42	5.00 42	5.00 42
(ii) Top marginal income and payroll tax rates			1.00 57	2.00 51	5.00 42	4.00 50	4.00 49	4.00 49
2. Legal Structure and Security of Property Rights	7.08	6.65	7.73	9.09	8.97	8.78	8.30	7.89
A. Judicial independence				9.30	8.68	8.42	8.57	8.34
B. Impartial courts				8.88	9.19	7.72	7.10	7.10
C. Protection of property rights				7.29	7.00	7.75	9.00	8.87
D. Military interference				10.00	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	10.00	10.00	10.00	10.00
F. Legal enforcement of contracts							7.55	4.95
G. Regulatory restrictions of sale of real property							5.90	5.93
3. Access to Sound Money	5.77	6.63	6.77	9.60	9.43	9.71	9.65	9.52
A. Money growth	7.42 12.90	9.45 2.75	9.15 4.27	9.03 4.87	9.39 -3.05	10.00 0.01	9.73 1.34	9.34 3.28
B. Standard deviation of inflation	8.61 3.48	8.09 4.78	8.97 2.57	9.47 1.32	9.42 1.44	9.30 1.76	9.37 1.57	9.53 1.18
C. Inflation: most recent year	7.06 14.71	8.96 5.18	8.96 5.18	9.91 0.43	8.89 5.56	9.56 2.19	9.51 2.43	9.21 3.94
D. Freedom to own foreign currency	0.00	0.00	0.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	7.53	7.47	7.36	8.61	9.05	8.54	8.37	8.31
A. Taxes on international trade	7.95	8.25	7.88	8.37	9.18	9.18	8.48	8.30
(i) Revenues from trade taxes (% of trade sector)	7.67 3.50	8.00 3.00	8.00 3.00	8.80 1.80	9.78 0.33	9.85 0.22	9.84 0.24	9.84 0.24
(ii) Mean tariff rate	8.24 8.80	8.50 7.50	8.52 7.40	8.66 6.70	9.52 2.40	9.64 1.80	9.46 2.70	8.92 5.40
(iii) Standard deviation of tariff rates			7.12 7.20	7.64 5.90	8.24 4.40	8.04 4.90	6.13 9.67	6.13 9.67
B. Regulatory trade barriers				8.88	8.93	8.22	8.12	8.36
(i) Non-tariff trade barriers				8.88	8.18	7.79	8.19	7.88
(ii) Compliance cost of importing and exporting					9.67	8.65	8.05	8.83
C. Size of trade sector	6.56	6.52	5.94	7.35	8.53	6.61	6.47	6.47
D. Black-market exchange rates	10.00	9.40	9.80	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	5.00	5.00	5.00	8.46	8.61	8.70	8.78	8.44
(i) Foreign ownership/investment restrictions				8.91	8.76	8.95	9.10	9.19
(ii) Capital controls	5.00	5.00	5.00	8.00	8.46	8.46	8.46	7.69
5. Regulation of Credit, Labor and Business	5.97	6.26	6.32	7.80	7.01	6.86	7.38	7.49
A. Credit market regulations	7.35	8.46	8.77	8.44	7.83	8.15	8.69	8.33
(i) Ownership of banks	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
(ii) Foreign bank competition				8.05	6.95	8.00	8.00	8.00
(iii) Private sector credit	8.04	7.37	8.32	8.63	8.17	7.71	9.75	8.31
(iv) Interest rate controls/negative real int. rates	6.00	10.00	10.00	10.00	8.00	9.00	9.00	9.00
B. Labor market regulations	6.55	6.58	6.53	6.68	5.35	5.78	6.00	6.45
(i) Minimum wage				6.95	4.69	5.92	5.92	6.62
(ii) Hiring and firing regulations			5.52	5.52	3.77	3.99	3.95	3.64
(iii) Centralized collective bargaining	5.18	5.18	6.21	6.21	2.93	3.73	4.24	4.02
(iv) Mandated cost of hiring	4.49	4.57	4.40	4.72	5.34	5.27	6.72	6.66
(v) Mandated cost of dismissing							5.17	7.78
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				8.28	7.84	6.65	7.46	7.68
(i) Price controls			7.00	9.00	9.00	5.00	6.00	7.00
(ii) Administrative requirements					7.20	4.61	4.80	4.30
(iii) Bureaucracy costs				7.61	7.93	8.29	6.72	7.61
(iv) Starting a business				7.63	6.92	6.85	9.18	9.58
(v) Extra payments/bribes				8.87	8.17	8.52	8.42	8.24
(vi) Licensing restrictions							7.92	7.87
(vii) Cost of tax compliance							9.15	9.15

Israel

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	3.68 (98)	4.23 (90)	4.49 (93)	5.81 (69)	6.51 (62)	6.75 (55)	7.12 (43)	6.94 (55)
2. Legal Structure and Security of Property Rights	1.68 (109)	2.29 (111)	3.29 (100)	2.83 (116)	2.65 (121)	3.78 (126)	3.84 (124)	3.83 (123)
3. Access to Sound Money	4.59 (50)	7.67 (24)	4.96 (58)	6.98 (30)	8.01 (22)	6.74 (32)	7.29 (33)	6.91 (36)
4. Freedom to Trade Internationally	1.75 (103)	1.25 (110)	2.95 (109)	7.43 (47)	8.09 (58)	9.32 (33)	9.34 (31)	9.14 (38)
5. Regulation of Credit, Labor and Business	6.64 (31)	6.61 (29)	6.64 (36)	6.80 (54)	7.87 (27)	7.91 (18)	8.08 (9)	7.90 (14)
5. Regulation of Credit, Labor and Business	3.91 (88)	3.71 (94)	4.60 (83)	5.03 (80)	5.91 (60)	5.99 (69)	7.06 (32)	6.90 (43)
Unadjusted								
Summary Ratings (Rank) ▶	3.58 (102)	4.12 (93)	4.32 (97)	5.71 (72)	6.51 (61)	6.75 (55)	6.80 (62)	6.63 (76)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	1.87	2.55	3.29	2.83	2.65	3.78	3.84	3.83
A. Government consumption	0.00 43.15	0.45 38.48	2.09 32.90	2.24 32.38	2.18 32.58	2.17 32.61	2.11 32.82	2.09 32.91
B. Transfers and subsidies	4.47 20.80	4.77 19.70	5.59 16.70	5.07 18.60	3.92 22.80	6.96 11.66	7.25 10.58	7.24 10.64
C. Government enterprises and investment	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
D. Top marginal tax rate	1.00	3.00	3.50	2.00	2.50	4.00	4.00	4.00
(i) Top marginal income tax rate	1.00 66	3.00 60	5.00 48	4.00 50	4.00 50	4.00 49	4.00 49	4.00 49
(ii) Top marginal income and payroll tax rates			2.00 64	0.00 66	1.00 62	4.00 49	4.00 49	4.00 49
2. Legal Structure and Security of Property Rights	4.06	6.78	4.39	6.98	8.01	6.74	6.57	6.22
A. Judicial independence				8.68	9.19	7.79	8.87	8.38
B. Impartial courts				7.02	9.35	6.62	7.14	6.64
C. Protection of property rights				7.15	6.53	6.81	7.94	7.76
D. Military interference				5.10	6.67	4.17	4.17	4.17
E. Integrity of the legal system				6.96	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts							4.71	3.46
G. Regulatory restrictions of sale of real property							4.81	4.81
3. Access to Sound Money	1.75	1.25	2.95	7.43	8.09	9.32	9.34	9.14
A. Money growth	2.00 40.01	0.00 169.27	1.49 42.56	7.80 10.98	9.07 4.64	8.20 9.00	8.44 7.80	7.84 10.81
B. Standard deviation of inflation	0.00 37.42	0.00 103.70	5.32 11.71	8.59 3.53	8.50 3.74	9.18 2.05	9.17 2.08	9.15 2.11
C. Inflation: most recent year	0.00 134.74	0.00 260.00	0.00 260.00	8.33 8.36	9.77 1.14	9.92 -0.41	9.73 1.33	9.58 2.11
D. Freedom to own foreign currency	5.00	5.00	5.00	5.00	5.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	6.70	6.66	6.69	6.36	7.87	7.91	7.73	7.56
A. Taxes on international trade	6.60	8.07	9.39	7.95	9.69	9.43	7.86	7.61
(i) Revenues from trade taxes (% of trade sector)	6.60 5.10	8.07 2.90	9.39 0.92	9.84 0.24	9.77 0.34	9.75 0.37	9.77 0.34	9.77 0.34
(ii) Mean tariff rate				8.34 8.30	9.60 2.00	9.10 4.50	9.46 2.70	8.70 6.50
(iii) Standard deviation of tariff rates				5.68 10.80			4.36 14.11	4.36 14.11
B. Regulatory trade barriers				5.38	8.11	7.84	7.89	7.85
(i) Non-tariff trade barriers				5.38	6.88	7.05	7.27	7.30
(ii) Compliance cost of importing and exporting					9.33	8.64	8.51	8.41
C. Size of trade sector	6.90	6.46	4.71	4.25	4.53	4.27	4.44	4.11
D. Black-market exchange rates	9.80	8.60	9.20	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	4.21	7.02	8.02	8.43	8.22
(i) Foreign ownership/investment restrictions				6.42	9.42	7.57	7.70	7.97
(ii) Capital controls	2.00	2.00	2.00	2.00	4.61	8.46	9.17	8.46
5. Regulation of Credit, Labor and Business	3.52	3.34	4.27	4.97	5.91	5.99	6.54	6.38
A. Credit market regulations	1.75	1.14	3.81	4.88	6.06	7.17	7.49	7.50
(i) Ownership of banks	0.00	0.00	0.00	0.00	0.00	5.00	5.00	5.00
(ii) Foreign bank competition				4.23	5.43	6.00	6.00	6.00
(iii) Private sector credit	5.25	3.43	5.43	8.14	8.99	8.97	8.98	9.01
(iv) Interest rate controls/negative real int. rates	0.00	0.00	6.00	8.00	10.00	10.00	10.00	10.00
B. Labor market regulations			3.35	3.84	4.26	4.82	5.01	4.88
(i) Minimum wage				4.75	4.20	7.46	7.46	6.14
(ii) Hiring and firing regulations			4.87	4.87	5.43	5.65	5.74	6.38
(iii) Centralized collective bargaining	5.18	5.18	5.18	5.18	6.17	6.85	6.99	7.02
(iv) Mandated cost of hiring				4.38	5.51	4.16	8.21	8.18
(v) Mandated cost of dismissing							1.66	1.56
(vi) Conscription	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations				6.20	7.41	5.97	7.10	6.77
(i) Price controls				5.00	5.00	6.00	6.00	5.00
(ii) Administrative requirements					8.18	3.70	4.36	4.35
(iii) Bureaucracy costs				6.34	7.73	6.03	7.30	7.14
(iv) Starting a business				5.77	7.68	6.53	8.86	8.87
(v) Extra payments/bribes				7.69	8.44	7.60	8.40	7.74
(vi) Licensing restrictions							7.18	6.88
(vii) Cost of tax compliance							7.65	7.42

Italy

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) >	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	3.60 (84)	2.96 (101)	3.33 (99)	3.75 (104)	4.62 (99)	5.58 (88)	5.92 (79)	5.99 (79)
2. Legal Structure and Security of Property Rights	6.35 (33)	7.56 (26)	8.62 (22)	6.47 (41)	7.66 (23)	5.84 (51)	6.28 (53)	6.18 (52)
3. Access to Sound Money	5.33 (75)	6.20 (73)	9.17 (15)	9.58 (15)	9.47 (20)	9.56 (17)	9.52 (18)	9.42 (23)
4. Freedom to Trade Internationally	7.27 (17)	7.23 (19)	7.00 (30)	7.84 (24)	8.17 (19)	7.47 (33)	7.06 (50)	7.24 (44)
5. Regulation of Credit, Labor and Business	4.39 (80)	4.52 (77)	4.97 (71)	4.87 (93)	5.50 (80)	6.22 (59)	5.73 (101)	6.19 (82)
Unadjusted								
Summary Ratings (Rank) >	5.38 (52)	5.66 (45)	6.51 (29)	6.46 (43)	7.08 (36)	6.94 (44)	7.06 (48)	7.15 (49)
	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>
1. Size of Government	3.60	2.96	3.33	3.75	4.62	5.58	5.92	5.99
A. Government consumption	5.96 19.75	5.48 21.37	5.22 22.26	5.67 20.71	4.84 23.54	4.63 24.25	4.20 25.71	4.26 25.50
B. Transfers and subsidies	4.44 20.90	2.37 28.50	3.11 25.80	2.32 28.70	4.64 20.17	4.20 21.80	4.47 20.79	4.19 21.82
C. Government enterprises and investment	4.00 25.90	4.00 33.20	4.00 30.30	6.00 28.30	6.00 28.30	10.00 11.55	10.00 11.37	10.00 10.91
D. Top marginal tax rate	0.00	0.00	1.00	1.00	3.00	3.50	5.00	5.50
(i) Top marginal income tax rate	0.00 72	0.00 81	1.00 66	1.00 67	3.00 51	4.00 47	6.00 43-45	6.00 43-45
(ii) Top marginal income and payroll tax rates			1.00 66	1.00 67	3.00 52	3.00 52	4.00 51	5.00 49
2. Legal Structure and Security of Property Rights	5.70	6.78	7.73	6.47	7.66	5.84	6.36	6.26
A. Judicial independence				5.12	4.84	4.17	4.31	4.66
B. Impartial courts				5.43	5.68	3.58	3.66	3.32
C. Protection of property rights				5.43	7.80	5.49	6.79	6.71
D. Military interference				9.39	10.00	10.00	10.00	10.00
E. Integrity of the legal system				6.96	10.00	5.97	6.67	6.67
F. Legal enforcement of contracts							3.93	3.18
G. Regulatory restrictions of sale of real property							9.19	9.29
3. Access to Sound Money	5.33	6.20	9.17	9.58	9.47	9.56	9.52	9.42
A. Money growth	6.47 17.67	8.06 9.69	8.75 6.25	9.89 0.56	8.94 5.29	8.88 5.62	8.65 6.76	8.36 8.22
B. Standard deviation of inflation	9.04 2.41	8.54 3.65	9.72 0.69	9.43 1.42	9.43 1.43	9.80 0.51	9.83 0.41	9.74 0.65
C. Inflation: most recent year	5.82 20.91	8.20 9.01	8.20 9.01	8.99 5.06	9.49 2.54	9.56 2.21	9.60 1.99	9.58 2.09
D. Freedom to own foreign currency	0.00	0.00	10.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	7.48	7.44	7.06	7.68	8.17	7.47	7.06	7.24
A. Taxes on international trade	8.99	9.15	8.48	8.70	9.18	9.18	8.48	8.30
(i) Revenues from trade taxes (% of trade sector)	9.73 0.40	9.80 0.30	9.80 0.30	9.80 0.30	9.78 0.33	9.85 0.22	9.84 0.24	9.84 0.24
(ii) Mean tariff rate	8.24 8.80	8.50 7.50	8.52 7.40	8.66 6.70	9.52 2.40	9.64 1.80	9.46 2.70	8.92 5.40
(iii) Standard deviation of tariff rates			7.12 7.20	7.64 5.90	8.24 4.40	8.04 4.90	6.13 9.67	6.13 9.67
B. Regulatory trade barriers				6.98	8.51	7.29	6.22	7.02
(i) Non-tariff trade barriers				6.98	7.68	7.46	7.00	6.67
(ii) Compliance cost of importing and exporting					9.33	7.11	5.44	7.36
C. Size of trade sector	5.27	4.87	3.66	4.71	4.78	3.88	3.97	4.26
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	5.00	5.00	5.00	8.00	8.36	7.00	6.64	6.63
(i) Foreign ownership/investment restrictions				8.00	9.04	5.54	5.59	5.57
(ii) Capital controls	5.00	5.00	5.00	8.00	7.69	8.46	7.69	7.69
5. Regulation of Credit, Labor and Business	4.77	4.91	5.27	4.83	5.50	6.22	6.43	6.84
A. Credit market regulations	5.02	5.58	6.93	6.56	6.71	7.51	8.61	8.65
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	8.00	8.00	8.00
(ii) Foreign bank competition				4.78	5.70	6.00	8.00	8.00
(iii) Private sector credit	6.06	5.73	5.80	6.54	7.67	8.35	8.45	8.61
(iv) Interest rate controls/negative real int. rates	4.00	6.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	4.12	4.12	4.20	3.49	3.53	5.46	4.73	5.95
(i) Minimum wage				3.40	4.01	6.26	6.26	10.00
(ii) Hiring and firing regulations			2.62	2.62	2.10	2.74	2.80	2.28
(iii) Centralized collective bargaining	4.49	4.49	4.49	4.49	3.68	3.86	3.59	3.64
(iv) Mandated cost of hiring	6.86	6.86	6.69	3.95	4.84	4.43	0.09	0.00
(v) Mandated cost of dismissing							5.64	9.81
(vi) Conscription	1.00	1.00	3.00	3.00	3.00	10.00	10.00	10.00
C. Business regulations				4.43	6.27	5.71	5.95	5.91
(i) Price controls			5.00	6.00	6.00	5.00	5.00	5.00
(ii) Administrative requirements					6.85	1.85	1.73	1.87
(iii) Bureaucracy costs				4.71	6.05	7.95	6.08	6.44
(iv) Starting a business				4.10	5.08	6.29	9.38	9.36
(v) Extra payments/bribes				2.91	7.39	7.45	7.44	6.29
(vi) Licensing restrictions							6.02	6.48
(vii) Cost of tax compliance							5.96	5.96

Jamaica

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	4.37 (82)	4.78 (80)	5.54 (57)	6.49 (45)	7.34 (24)	7.19 (33)	7.34 (30)	7.26 (35)
2. Legal Structure and Security of Property Rights	3.00 (97)	5.22 (44)	6.99 (15)	7.36 (19)	8.52 (6)	8.72 (3)	8.66 (5)	8.51 (5)
3. Access to Sound Money	3.33 (64)	3.58 (80)	4.30 (73)	5.22 (75)	5.61 (65)	5.42 (61)	6.17 (54)	5.42 (68)
4. Freedom to Trade Internationally	5.15 (80)	3.98 (100)	4.57 (92)	6.10 (71)	8.72 (43)	8.69 (58)	8.64 (57)	8.86 (52)
5. Regulation of Credit, Labor and Business	4.64 (63)	5.89 (46)	5.26 (66)	7.40 (34)	7.48 (43)	6.89 (67)	6.89 (57)	7.05 (59)
5.34 (51)	5.32 (53)	6.65 (18)	6.35 (35)	6.35 (42)	6.24 (56)	6.33 (67)	6.44 (69)	
Unadjusted								
Summary Ratings (Rank) ▶	4.28 (87)	4.95 (75)	5.53 (52)	6.46 (43)	7.19 (33)	7.19 (32)	7.41 (28)	7.33 (36)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	2.23	5.41	6.99	7.36	8.52	8.72	8.66	8.51
A. Government consumption	4.68 24.08	6.64 17.41	6.35 18.40	6.37 18.33	6.09 19.30	6.91 16.52	6.70 17.23	6.13 19.17
B. Transfers and subsidies		10.00 0.50	9.59 2.00	9.07 3.90	10.00 0.00	9.96 0.64	9.92 0.78	9.92 0.78
C. Government enterprises and investment	2.00 46.50	4.00 13.40	6.00 21.30	6.00	10.00 10.22	10.00 5.05	10.00 6.10	10.00 6.10
D. Top marginal tax rate	0.00	1.00	6.00	8.00	8.00	8.00	8.00	8.00
(i) Top marginal income tax rate	0.00 80	1.00 58	7.00 33	9.00 25	9.00 25	9.00 25	9.00 25	9.00 25
(ii) Top marginal income and payroll tax rates			5.00 37	7.00 31	7.00 31	7.00 33	7.00 33	7.00 33
2. Legal Structure and Security of Property Rights	3.28	3.52	4.23	5.14	5.17	5.42	6.09	5.36
A. Judicial independence						5.14	5.40	5.37
B. Impartial courts				4.27	4.90	4.93	4.67	4.22
C. Protection of property rights					4.10	4.54	6.59	6.60
D. Military interference				5.39	10.00	10.00	10.00	10.00
E. Integrity of the legal system				6.96	3.33	2.50	4.17	3.33
F. Legal enforcement of contracts							7.25	3.44
G. Regulatory restrictions of sale of real property							4.54	4.54
3. Access to Sound Money	5.15	3.98	4.57	6.10	8.72	8.69	8.64	8.86
A. Money growth	6.38 18.12	6.44 17.80	6.20 18.99	4.67 26.67	8.62 6.89	8.25 8.77	8.37 8.13	8.17 9.13
B. Standard deviation of inflation	7.88 5.29	5.61 10.97	8.20 4.49	5.31 11.73	7.90 5.26	9.24 1.89	9.24 1.89	8.97 2.57
C. Inflation: most recent year	6.33 18.34	3.86 30.69	3.86 30.69	4.41 27.93	8.37 8.17	7.27 13.63	6.94 15.30	8.28 8.59
D. Freedom to own foreign currency	0.00	0.00	0.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	4.90	6.23	5.36	7.49	7.18	6.89	6.89	7.05
A. Taxes on international trade	8.05	7.73	6.60	6.92	7.30	7.17	7.33	7.49
(i) Revenues from trade taxes (% of trade sector)	9.40 0.90	8.87 1.70		8.55 2.18	8.55 2.18	7.79 3.31	7.66 3.51	8.14 2.79
(ii) Mean tariff rate	6.70 16.50	6.60 17.00	6.60 17.00	7.20 14.00	7.88 10.60	8.12 9.40	8.54 7.30	8.54 7.30
(iii) Standard deviation of tariff rates				5.00 12.50	5.48 11.30	5.60 11.00	5.80 10.51	5.80 10.51
B. Regulatory trade barriers					5.73	6.59	6.36	6.87
(i) Non-tariff trade barriers					5.73	6.48	5.86	6.72
(ii) Compliance cost of importing and exporting						6.70	6.86	7.03
C. Size of trade sector	6.23	7.01	5.39	5.76	4.66	4.17	4.27	4.51
D. Black-market exchange rates	0.00	6.20	4.60	8.60	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	8.00	8.18	6.54	6.51	6.36
(i) Foreign ownership/investment restrictions					8.67	7.69	7.63	7.72
(ii) Capital controls	2.00	2.00	2.00	8.00	7.69	5.38	5.38	5.00
5. Regulation of Credit, Labor and Business	5.85	5.62	6.52	6.23	6.35	6.24	6.77	6.87
A. Credit market regulations	5.06	5.00	8.72	7.76	6.66	6.60	8.40	8.72
(i) Ownership of banks		5.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition					5.70	5.70	10.00	10.00
(iii) Private sector credit	6.13	5.99	8.17	7.29	7.27	3.96	4.60	5.89
(iv) Interest rate controls/negative real int. rates	4.00	4.00	8.00	6.00	6.00	9.00	9.00	9.00
B. Labor market regulations					6.45	6.62	6.27	6.29
(i) Minimum wage					3.98	4.10	4.10	4.59
(ii) Hiring and firing regulations					4.77	4.95	5.27	4.98
(iii) Centralized collective bargaining					7.07	7.43	7.35	7.45
(iv) Mandated cost of hiring							6.50	6.35
(v) Mandated cost of dismissing							4.42	4.34
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations					5.94	5.51	5.63	5.60
(i) Price controls			4.00	4.00	4.00	4.00	4.00	4.00
(ii) Administrative requirements					6.83	2.64	2.85	2.79
(iii) Bureaucracy costs					6.88	7.72	5.41	5.61
(iv) Starting a business					5.70	6.90	9.62	9.65
(v) Extra payments/bribes					6.28	6.27	6.10	5.52
(vi) Licensing restrictions							6.02	6.28
(vii) Cost of tax compliance							5.36	5.36

Japan

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) >	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	7.01 (13)	7.06 (15)	7.47 (14)	7.07 (28)	7.42 (20)	7.28 (25)	7.38 (27)	7.33 (30)
2. Legal Structure and Security of Property Rights	5.55 (31)	5.70 (31)	5.93 (39)	4.84 (85)	5.82 (71)	5.72 (85)	5.72 (88)	6.23 (71)
3. Access to Sound Money	9.19 (9)	8.42 (18)	8.98 (18)	8.13 (19)	8.18 (19)	7.54 (23)	8.06 (20)	7.66 (21)
4. Freedom to Trade Internationally	8.18 (15)	8.50 (19)	9.71 (2)	9.72 (7)	9.65 (8)	9.60 (15)	9.66 (5)	9.72 (1)
5. Regulation of Credit, Labor and Business	5.97 (43)	6.34 (36)	6.42 (43)	6.26 (78)	6.84 (68)	6.64 (76)	6.35 (78)	5.87 (109)
5. Regulation of Credit, Labor and Business	6.32 (22)	6.34 (23)	6.35 (27)	6.41 (33)	6.61 (30)	6.91 (22)	7.11 (29)	7.17 (31)
Unadjusted								
Summary Ratings (Rank) >	7.01 (9)	7.06 (10)	7.37 (8)	7.03 (29)	7.45 (18)	7.28 (25)	7.53 (22)	7.48 (27)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	5.80	5.95	6.08	4.95	5.96	5.72	5.72	6.23
A. Government consumption	7.56 14.29	7.65 13.98	7.80 13.47	5.50 21.32	5.04 22.85	4.77 23.80	4.76 23.82	4.82 23.63
B. Transfers and subsidies	7.63 9.20	7.17 10.90	7.00 11.50	6.81 12.20	6.81 12.20	5.13 18.39	5.10 18.47	5.10 18.47
C. Government enterprises and investment	8.00 19.60	8.00 17.90	8.00 20.40	6.00 28.50	7.00 21.48	8.00 17.02	8.00 15.22	10.00 13.53
D. Top marginal tax rate	0.00	1.00	1.50	1.50	5.00	5.00	5.00	5.00
(i) Top marginal income tax rate	0.00 75	1.00 70	2.00 65	2.00 65	5.00 50	5.00 50	5.00 50	5.00 50
(ii) Top marginal income and payroll tax rates			1.00 69	1.00 69	5.00 50	5.00 50	5.00 50	5.00 50
2. Legal Structure and Security of Property Rights	7.91	7.25	7.73	8.13	8.18	7.54	8.31	7.90
A. Judicial independence				8.33	8.02	7.24	7.60	7.52
B. Impartial courts				6.13	7.01	6.41	7.31	7.65
C. Protection of property rights				6.83	7.55	7.23	8.73	8.65
D. Military interference				9.38	10.00	8.47	8.33	8.33
E. Integrity of the legal system				10.00	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts							9.48	6.70
G. Regulatory restrictions of sale of real property							8.42	8.09
3. Access to Sound Money	8.18	8.50	9.71	9.72	9.65	9.60	9.66	9.72
A. Money growth	9.52 2.39	9.77 1.17	9.58 2.10	9.46 2.70	9.09 4.56	8.50 7.52	8.80 6.00	9.03 4.83
B. Standard deviation of inflation	9.28 1.80	9.65 0.87	9.66 0.84	9.53 1.17	9.65 0.89	9.89 0.27	9.91 0.22	9.87 0.31
C. Inflation: most recent year	8.91 5.44	9.58 2.12	9.58 2.12	9.87 -0.64	9.86 -0.71	10.00 -0.01	9.95 -0.27	9.95 0.24
D. Freedom to own foreign currency	5.00	5.00	10.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	6.69	7.10	7.03	5.90	6.84	6.64	6.35	5.87
A. Taxes on international trade	8.75	9.06	8.23	8.10	8.43	8.47	6.11	5.96
(i) Revenues from trade taxes (% of trade sector)	9.40 0.90	9.47 0.80	9.40 0.90	8.93 1.60	9.00 1.50	9.00 1.50	9.00 1.50	9.00 1.50
(ii) Mean tariff rate	8.10 9.50	8.66 6.70	8.62 6.90	8.74 6.30	9.10 4.50	9.42 2.90	9.34 3.30	8.88 5.60
(iii) Standard deviation of tariff rates			6.68 8.30	6.64 8.40	7.20 7.00	7.00 7.50	0.00 25.59	0.00 25.59
B. Regulatory trade barriers				3.68	7.37	7.33	7.29	7.32
(i) Non-tariff trade barriers				3.68	5.42	5.78	6.03	6.00
(ii) Compliance cost of importing and exporting					9.33	8.89	8.56	8.64
C. Size of trade sector	4.51	3.29	0.75	0.00	0.00	0.08	0.97	0.97
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	5.00	8.00	7.70	8.40	7.32	7.39	5.10
(i) Foreign ownership/investment restrictions				7.40	9.11	6.17	6.31	6.35
(ii) Capital controls	2.00	5.00	8.00	8.00	7.69	8.46	8.46	3.85
5. Regulation of Credit, Labor and Business	6.46	6.48	6.29	6.46	6.61	6.91	7.63	7.69
A. Credit market regulations	7.82	7.88	7.97	6.89	6.16	7.13	8.37	8.31
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	5.00	8.00	8.00
(ii) Foreign bank competition				4.92	4.18	8.00	8.00	8.00
(iii) Private sector credit	8.45	8.65	8.91	8.92	8.05	7.11	7.50	7.23
(iv) Interest rate controls/negative real int. rates	10.00	10.00	10.00	10.00	8.00	10.00	10.00	10.00
B. Labor market regulations	8.03	8.06	7.20	7.46	6.48	7.00	7.37	7.50
(i) Minimum wage				7.55	3.99	7.06	7.06	7.05
(ii) Hiring and firing regulations			4.82	4.82	4.18	4.38	4.62	4.18
(iii) Centralized collective bargaining	7.93	7.93	7.93	7.93	7.40	8.20	8.37	8.08
(iv) Mandated cost of hiring	6.16	6.25	6.07	6.98	6.85	5.38	6.14	6.05
(v) Mandated cost of dismissing							8.03	9.63
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				5.04	7.20	6.59	7.14	7.27
(i) Price controls			6.00	5.00	6.00	5.00	5.00	6.00
(ii) Administrative requirements					6.50	3.98	4.29	5.15
(iii) Bureaucracy costs				5.86	9.13	9.03	7.14	8.21
(iv) Starting a business				4.72	5.85	6.26	8.65	9.18
(v) Extra payments/bribes				4.60	8.50	8.66	8.94	8.24
(vi) Licensing restrictions							9.47	8.00
(vii) Cost of tax compliance							6.47	6.08

Jordan

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ▶	5.29 (61)	5.77 (42)	5.56 (56)	6.06 (62)	7.14 (36)	7.05 (41)	7.21 (36)	7.10 (45)
1. Size of Government	4.20 (72)	4.70 (60)	4.60 (80)	4.47 (92)	5.56 (80)	5.81 (79)	6.02 (77)	5.53 (89)
2. Legal Structure and Security of Property Rights	2.54 (75)	3.86 (75)	4.37 (72)	5.95 (50)	7.22 (30)	6.55 (37)	6.90 (40)	6.42 (46)
3. Access to Sound Money	6.82 (31)	7.83 (30)	6.17 (67)	7.15 (53)	9.67 (7)	9.40 (27)	9.21 (34)	8.94 (46)
4. Freedom to Trade Internationally	6.52 (35)	6.33 (37)	6.58 (37)	6.48 (70)	7.02 (62)	7.46 (34)	7.63 (21)	7.60 (25)
5. Regulation of Credit, Labor and Business	6.08 (31)	6.01 (36)	5.98 (37)	6.24 (38)	6.22 (44)	6.05 (68)	6.31 (68)	6.99 (38)
Unadjusted	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
Summary Ratings (Rank) ▶	5.30 (58)	5.81 (40)	5.43 (59)	6.06 (64)	7.24 (30)	7.05 (40)	7.31 (35)	7.19 (45)
1. Size of Government	4.10	4.60	4.62	4.37	6.08	5.81	6.02	5.53
A. Government consumption	3.89 26.78	5.04 22.85	4.37 25.14	3.72 27.36	4.75 23.84	5.68 20.70	6.66 17.34	5.94 19.82
B. Transfers and subsidies	8.42 6.30	8.75 5.10	9.13 3.70	9.40 2.70	9.56 2.13	8.57 5.74	6.42 13.63	7.20 10.78
C. Government enterprises and investment	0.00 53.10	0.00 52.70	0.00	0.00	2.00 41.20	4.00 37.53	6.00 29.65	4.00 30.55
D. Top marginal tax rate			5.00		8.00	5.00	5.00	5.00
(i) Top marginal income tax rate			5.00 45		8.00 30	7.00 35	7.00 35	7.00 35
(ii) Top marginal income and payroll tax rates						3.00 46	3.00 46	3.00 46
2. Legal Structure and Security of Property Rights	2.32	3.52	3.99	5.95	7.22	6.55	6.88	6.40
A. Judicial independence				6.45	8.18	6.12	6.53	6.46
B. Impartial courts				5.85	6.85	5.85	6.32	6.08
C. Protection of property rights				4.33	6.05	5.76	6.63	7.61
D. Military interference				6.16	8.33	8.33	8.33	8.33
E. Integrity of the legal system				6.96	6.67	6.67	6.67	6.67
F. Legal enforcement of contracts							7.35	3.38
G. Regulatory restrictions of sale of real property							6.30	6.30
3. Access to Sound Money	6.82	7.83	6.17	7.15	9.67	9.40	9.21	8.94
A. Money growth	5.86 20.70	9.50 -2.50	8.21 8.95	9.77 -1.14	9.85 0.75	8.86 5.68	8.03 9.87	7.73 11.36
B. Standard deviation of inflation	6.64 8.40	7.09 7.27	6.74 8.14	9.52 1.21	8.97 2.57	9.40 1.51	9.51 1.23	9.27 1.82
C. Inflation: most recent year	9.78 1.10	9.71 -1.45	9.71 -1.45	9.32 3.39	9.87 0.67	9.33 3.36	9.30 3.49	8.75 6.25
D. Freedom to own foreign currency	5.00	5.00	0.00	0.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	6.75	6.68	6.41	6.78	7.02	7.46	7.63	7.60
A. Taxes on international trade	5.27	6.59	4.63	6.20	4.35	6.30	6.54	6.65
(i) Revenues from trade taxes (% of trade sector)	5.27 7.10	5.93 6.10	6.67 5.00	6.20 5.70	6.96 4.57	8.01 2.98	8.21 2.68	8.35 2.47
(ii) Mean tariff rate		7.24 13.80			5.20 24.00	7.12 14.40	7.52 12.40	7.70 11.50
(iii) Standard deviation of tariff rates			2.60 18.50		0.88 22.80	3.76 15.60	3.88 15.30	3.88 15.30
B. Regulatory trade barriers				5.08	6.34	6.33	6.17	6.58
(i) Non-tariff trade barriers				5.08	5.35	5.70	6.26	5.97
(ii) Compliance cost of importing and exporting					7.33	6.96	6.07	7.20
C. Size of trade sector	8.31	7.25	9.42	7.41	6.22	6.78	7.67	7.59
D. Black-market exchange rates	10.00	9.40	7.80	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	5.43	8.20	7.90	7.76	7.19
(i) Foreign ownership/investment restrictions				8.85	8.71	8.11	7.83	7.46
(ii) Capital controls	2.00	2.00	2.00	2.00	7.69	7.69	7.69	6.92
5. Regulation of Credit, Labor and Business	6.49	6.42	5.94	6.06	6.22	6.05	6.83	7.45
A. Credit market regulations	7.01	6.70	5.72	6.22	6.81	6.34	9.02	9.03
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	5.00	10.00	10.00
(ii) Foreign bank competition				6.10	5.88	4.00	8.00	8.00
(iii) Private sector credit	9.02	8.40	8.16	9.31	8.38	7.95	8.10	8.11
(iv) Interest rate controls/negative real int. rates			4.00	6.00	10.00	10.00	10.00	10.00
B. Labor market regulations			8.07	7.34	6.50	6.59	5.83	7.00
(i) Minimum wage				6.62	3.75	4.81	4.81	4.62
(ii) Hiring and firing regulations			6.27	6.27	4.45	3.98	3.91	3.56
(iii) Centralized collective bargaining	7.93	7.93	7.93	7.93	7.80	8.18	7.93	7.52
(iv) Mandated cost of hiring				5.88	6.51	6.00	6.66	6.66
(v) Mandated cost of dismissing							1.66	9.63
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				4.62	5.36	5.23	5.63	6.32
(i) Price controls			2.00	2.00	2.00	5.00	3.00	4.00
(ii) Administrative requirements					7.55	4.70	4.33	4.68
(iii) Bureaucracy costs				5.40	4.60	2.89	3.07	5.65
(iv) Starting a business				6.57	6.27	6.27	5.05	6.25
(v) Extra payments/bribes				4.50	6.37	7.28	7.08	6.75
(vi) Licensing restrictions							8.01	8.05
(vii) Cost of tax compliance							8.87	8.87

Kazakhstan

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >								
1. Size of Government								
2. Legal Structure and Security of Property Rights								
3. Access to Sound Money								
4. Freedom to Trade Internationally								
5. Regulation of Credit, Labor and Business								
Unadjusted							7.33 (34)	7.23 (42)
Summary Ratings (Rank) >	Rating	Rating	Rating	Rating	Rating	Rating	Rating	Rating
	Data	Data	Data	Data	Data	Data	Data	Data
1. Size of Government							8.22	7.77
A. Government consumption							6.39	18.27 6.38 18.32
B. Transfers and subsidies							8.76	5.06 8.93 4.44
C. Government enterprises and investment								
D. Top marginal tax rate							9.50	8.00
(i) Top marginal income tax rate							10.00	20 10.00 20
(ii) Top marginal income and payroll tax rates							9.00	25 6.00 37
2. Legal Structure and Security of Property Rights							6.07	6.21
A. Judicial independence							2.89	3.08
B. Impartial courts							4.13	4.27
C. Protection of property rights							4.89	4.97
D. Military interference							8.33	8.33
E. Integrity of the legal system							6.67	6.67
F. Legal enforcement of contracts							7.08	7.39
G. Regulatory restrictions of sale of real property							8.49	8.72
3. Access to Sound Money							8.10	8.21
A. Money growth							5.86	20.71 6.98 15.10
B. Standard deviation of inflation							8.07	4.82 7.58 6.06
C. Inflation: most recent year							8.48	7.58 8.28 8.59
D. Freedom to own foreign currency							10.00	10.00
4. Freedom to Trade Internationally							7.07	6.86
A. Taxes on international trade							9.49	9.38
(i) Revenues from trade taxes (% of trade sector)							9.44	0.83 9.22 1.17
(ii) Mean tariff rate							9.54	2.30 9.54 2.30
(iii) Standard deviation of tariff rates								
B. Regulatory trade barriers							2.29	2.40
(i) Non-tariff trade barriers							4.59	4.55
(ii) Compliance cost of importing and exporting							0.00	0.25
C. Size of trade sector							9.73	8.73
D. Black-market exchange rates							10.00	10.00
E. International capital market controls							3.84	3.81
(i) Foreign ownership/investment restrictions							6.14	6.08
(ii) Capital controls							1.54	1.54
5. Regulation of Credit, Labor and Business							7.20	7.11
A. Credit market regulations							9.37	9.42
(i) Ownership of banks							10.00	10.00
(ii) Foreign bank competition							8.00	8.00
(iii) Private sector credit							9.47	9.70
(iv) Interest rate controls/negative real int. rates							10.00	10.00
B. Labor market regulations							6.07	6.43
(i) Minimum wage							7.92	8.28
(ii) Hiring and firing regulations							7.61	7.44
(iii) Centralized collective bargaining							8.34	7.92
(iv) Mandated cost of hiring							3.31	5.74
(v) Mandated cost of dismissing							9.23	9.17
(vi) Conscription							0.00	0.00
C. Business regulations							6.18	5.49
(i) Price controls								
(ii) Administrative requirements							3.40	3.60
(iii) Bureaucracy costs							4.23	4.86
(iv) Starting a business							9.05	9.17
(v) Extra payments/bribes							5.54	5.05
(vi) Licensing restrictions							6.59	3.30
(vii) Cost of tax compliance							8.25	6.96

Kenya

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ▶	4.73 (70)	5.07 (67)	5.10 (69)	5.44 (82)	6.21 (70)	6.44 (66)	6.65 (63)	6.70 (65)
1. Size of Government	3.79 (81)	3.94 (81)	4.33 (83)	5.20 (79)	7.09 (26)	7.73 (21)	7.82 (15)	7.85 (15)
2. Legal Structure and Security of Property Rights	3.59 (60)	4.48 (65)	4.53 (67)	3.21 (116)	3.39 (107)	3.89 (89)	4.42 (90)	4.54 (86)
3. Access to Sound Money	6.04 (61)	6.73 (43)	6.34 (63)	6.81 (58)	8.76 (42)	8.60 (63)	8.62 (58)	8.49 (66)
4. Freedom to Trade Internationally	5.20 (52)	5.03 (60)	4.91 (72)	7.14 (41)	6.58 (76)	6.54 (79)	6.30 (82)	6.61 (77)
5. Regulation of Credit, Labor and Business	4.65 (71)	4.80 (70)	4.99 (69)	4.68 (97)	5.22 (95)	5.44 (96)	6.08 (79)	6.01 (90)
Unadjusted	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
Summary Ratings (Rank) ▶	5.15 (63)	5.53 (52)	5.42 (60)	5.78 (70)	6.59 (54)	6.44 (66)	6.91 (60)	6.96 (60)
1. Size of Government	3.79	3.94	4.33	5.20	7.09	7.73	7.82	7.85
A. Government consumption	4.65 24.20	4.92 23.26	4.96 23.14	6.58 17.63	6.15 19.10	6.33 18.49	6.36 18.37	6.48 17.96
B. Transfers and subsidies	9.51 2.30	8.86 4.70	9.37 2.80	9.22 3.35	9.21 3.40	9.61 1.94	9.91 0.84	9.91 0.84
C. Government enterprises and investment	0.00 55.10	2.00 49.50	0.00 58.30	2.00 43.30	6.00 26.17	7.00 23.34	7.00 22.68	7.00 24.86
D. Top marginal tax rate	1.00	0.00	3.00	3.00	7.00	8.00	8.00	8.00
(i) Top marginal income tax rate	1.00 65	0.00 65	3.00 50	3.00 50	7.00 32	8.00 30	8.00 30	8.00 30
(ii) Top marginal income and payroll tax rates			3.00 50	3.00 50	7.00 32	8.00 30	8.00 30	8.00 30
2. Legal Structure and Security of Property Rights	4.20	5.25	5.30	3.76	3.97	3.89	4.95	5.07
A. Judicial independence						3.18	3.32	3.31
B. Impartial courts				3.40	3.43	3.13	3.33	3.47
C. Protection of property rights						3.14	4.90	5.15
D. Military interference				3.39	5.00	6.67	6.67	6.67
E. Integrity of the legal system				4.11	3.33	3.33	3.89	4.17
F. Legal enforcement of contracts							5.24	5.34
G. Regulatory restrictions of sale of real property							7.27	7.41
3. Access to Sound Money	6.04	6.73	6.34	6.81	8.76	8.60	8.62	8.49
A. Money growth	8.55 7.27	9.10 4.51	7.55 12.26	7.18 14.09	8.60 6.99	7.94 10.28	7.80 10.98	7.94 10.32
B. Standard deviation of inflation	7.53 6.18	9.48 1.31	9.44 1.39	7.32 6.71	8.44 3.89	8.76 3.10	8.75 3.12	8.91 2.72
C. Inflation: most recent year	8.09 9.55	8.35 8.23	8.35 8.23	7.74 11.31	8.00 9.98	7.68 11.62	7.94 10.31	7.11 14.45
D. Freedom to own foreign currency	0.00	0.00	0.00	5.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	5.68	5.49	5.22	7.59	6.99	6.54	6.30	6.61
A. Taxes on international trade	3.94	3.61	2.81	4.72	5.35	6.23	6.88	6.84
(i) Revenues from trade taxes (% of trade sector)	5.93 6.10	5.07 7.40	5.80 6.30	6.27 5.59	4.99 7.52	7.38 3.93	7.75 3.38	7.75 3.38
(ii) Mean tariff rate	1.94 40.30	2.16 39.20	1.26 43.70	3.20 34.00	6.14 19.30	6.76 16.20	7.58 12.10	7.46 12.70
(iii) Standard deviation of tariff rates			1.36 21.60	4.68 13.30	4.92 12.70	4.56 13.60	5.33 11.68	5.33 11.68
B. Regulatory trade barriers						4.71	3.33	4.96
(i) Non-tariff trade barriers						4.67	4.14	4.50
(ii) Compliance cost of importing and exporting						4.74	2.52	5.42
C. Size of trade sector	8.24	6.01	6.28	7.46	6.03	5.94	5.74	5.57
D. Black-market exchange rates	8.00	9.60	8.80	9.60	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	8.00	5.38	5.83	5.55	5.68
(i) Foreign ownership/investment restrictions						7.05	6.49	6.75
(ii) Capital controls	0.00	0.00	0.00	8.00	5.38	4.62	4.62	4.62
5. Regulation of Credit, Labor and Business	6.06	6.26	5.89	5.53	6.17	5.44	6.88	6.80
A. Credit market regulations	6.17	6.69	7.33	5.44	6.90	6.11	8.83	8.24
(i) Ownership of banks	2.00	2.00	5.00	5.00	5.00	5.00	10.00	10.00
(ii) Foreign bank competition						3.00	8.00	8.00
(iii) Private sector credit	8.52	8.06	6.99	7.33	7.69	7.45	7.32	6.97
(iv) Interest rate controls/negative real int. rates	8.00	10.00	10.00	4.00	8.00	9.00	10.00	8.00
B. Labor market regulations						5.78	6.18	6.34
(i) Minimum wage						0.00	0.00	0.38
(ii) Hiring and firing regulations						6.42	5.86	6.27
(iii) Centralized collective bargaining						6.72	7.11	6.97
(iv) Mandated cost of hiring							8.48	8.78
(v) Mandated cost of dismissing							5.64	5.64
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						4.43	5.62	5.80
(i) Price controls			2.00	4.00	6.00	6.00	6.00	6.00
(ii) Administrative requirements						3.14	2.91	3.31
(iii) Bureaucracy costs						3.96	4.34	5.02
(iv) Starting a business						4.66	7.76	8.11
(v) Extra payments/bribes						4.40	4.41	3.85
(vi) Licensing restrictions							8.07	9.18
(vii) Cost of tax compliance							5.83	5.16

Kyrgyz Republic

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >								
1. Size of Government								
2. Legal Structure and Security of Property Rights								
3. Access to Sound Money								
4. Freedom to Trade Internationally								
5. Regulation of Credit, Labor and Business								
Unadjusted							6.72 (68)	6.96 (60)
Summary Ratings (Rank) >	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government							7.93	8.05
A. Government consumption							6.43	18.13
B. Transfers and subsidies							9.43	2.60
C. Government enterprises and investment								9.15
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
2. Legal Structure and Security of Property Rights							3.73	4.61
A. Judicial independence							1.59	1.74
B. Impartial courts							2.44	2.79
C. Protection of property rights							3.33	3.62
D. Military interference							3.10	3.10
E. Integrity of the legal system								
F. Legal enforcement of contracts							3.85	7.79
G. Regulatory restrictions of sale of real property							8.07	8.58
3. Access to Sound Money							8.65	8.69
A. Money growth							6.34	18.28
B. Standard deviation of inflation							9.11	2.22
C. Inflation: most recent year							9.13	4.35
D. Freedom to own foreign currency							10.00	10.00
4. Freedom to Trade Internationally							6.55	6.78
A. Taxes on international trade							8.80	8.44
(i) Revenues from trade taxes (% of trade sector)							9.63	0.55
(ii) Mean tariff rate							9.04	4.80
(iii) Standard deviation of tariff rates							7.72	5.71
B. Regulatory trade barriers							1.99	2.24
(i) Non-tariff trade barriers							3.98	4.17
(ii) Compliance cost of importing and exporting							0.00	0.32
C. Size of trade sector							6.83	8.23
D. Black-market exchange rates							10.00	10.00
E. International capital market controls							5.15	4.96
(i) Foreign ownership/investment restrictions							4.91	4.93
(ii) Capital controls							5.38	5.00
5. Regulation of Credit, Labor and Business							6.76	6.68
A. Credit market regulations							8.94	9.03
(i) Ownership of banks							10.00	10.00
(ii) Foreign bank competition							9.00	9.00
(iii) Private sector credit							8.76	9.13
(iv) Interest rate controls/negative real int. rates							8.00	8.00
B. Labor market regulations							5.82	5.74
(i) Minimum wage							10.00	8.46
(ii) Hiring and firing regulations							7.35	7.00
(iii) Centralized collective bargaining							7.59	6.94
(iv) Mandated cost of hiring							1.94	3.62
(v) Mandated cost of dismissing							8.06	8.42
(vi) Conscription							0.00	0.00
C. Business regulations							5.52	5.26
(i) Price controls								
(ii) Administrative requirements							1.83	2.36
(iii) Bureaucracy costs							2.97	3.72
(iv) Starting a business							9.22	9.23
(v) Extra payments/bribes							3.53	3.32
(vi) Licensing restrictions							7.85	5.17
(vii) Cost of tax compliance							7.71	7.74

Latvia

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >				4.91 (92)	6.67 (49)	6.84 (51)	7.15 (40)	7.20 (39)
1. Size of Government				3.55 (111)	5.18 (88)	5.52 (89)	5.85 (81)	5.98 (80)
2. Legal Structure and Security of Property Rights				5.72 (57)	6.12 (51)	5.75 (55)	6.47 (49)	6.36 (48)
3. Access to Sound Money		5.82 (85)	4.86 (89)	2.98 (109)	8.55 (47)	8.77 (54)	8.61 (60)	8.74 (56)
4. Freedom to Trade Internationally				7.57 (28)	7.45 (45)	7.44 (39)	7.38 (32)	7.40 (36)
5. Regulation of Credit, Labor and Business				4.62 (99)	6.05 (53)	6.70 (32)	7.42 (20)	7.54 (18)
Unadjusted				5.06 (92)	6.58 (57)	6.84 (50)	7.21 (42)	7.27 (40)
Summary Ratings (Rank) >	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government				4.06	5.18	5.52	5.85	5.98
A. Government consumption			7.65 13.99	4.06 26.19	4.94 23.22	4.64 24.24	5.25 22.15	5.71 20.58
B. Transfers and subsidies				5.18 18.20	5.80 15.91	7.46 9.82	7.63 9.20	7.72 8.88
C. Government enterprises and investment				0.00	4.00	4.00	4.00	4.00
D. Top marginal tax rate				7.00	6.00	6.00	6.50	6.50
(i) Top marginal income tax rate				7.00 35	9.00 25	9.00 25	9.00 25	9.00 25
(ii) Top marginal income and payroll tax rates					3.00 48	3.00 48	4.00 45	4.00 45
2. Legal Structure and Security of Property Rights				5.96	5.95	5.75	7.02	6.89
A. Judicial independence						4.21	4.65	4.75
B. Impartial courts				5.83	6.20	4.09	4.58	4.24
C. Protection of property rights					3.82	3.81	6.46	6.69
D. Military interference				7.53	8.33	8.33	8.33	8.33
E. Integrity of the legal system					8.33	8.33	8.33	8.33
F. Legal enforcement of contracts							8.43	7.58
G. Regulatory restrictions of sale of real property							8.32	8.32
3. Access to Sound Money			6.43	2.98	8.55	8.77	8.61	8.74
A. Money growth				0.10 49.50	6.81 15.97	7.08 14.60	7.13 14.35	7.68 11.59
B. Standard deviation of inflation		8.91 2.73	7.44 6.39	0.00 365.31	7.93 5.17	9.23 1.92	8.65 3.37	8.58 3.54
C. Inflation: most recent year			6.85 15.74	6.80 16.00	9.47 2.65	8.76 6.19	8.65 6.76	8.69 6.56
D. Freedom to own foreign currency			5.00	5.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally				8.02	7.17	7.44	7.38	7.40
A. Taxes on international trade				9.46	8.33	8.84	8.48	8.30
(i) Revenues from trade taxes (% of trade sector)				9.46 0.81	9.78 0.33	9.85 0.22	9.84 0.24	9.84 0.24
(ii) Mean tariff rate					8.88 5.60	9.64 1.80	9.46 2.70	8.92 5.40
(iii) Standard deviation of tariff rates					6.32 9.20	7.04 7.40	6.13 9.67	6.13 9.67
B. Regulatory trade barriers					5.30	6.87	6.88	7.53
(i) Non-tariff trade barriers					5.30	6.16	6.42	6.73
(ii) Compliance cost of importing and exporting						7.58	7.34	8.33
C. Size of trade sector			5.20	4.90	4.64	4.43	4.65	4.49
D. Black-market exchange rates			0.00	9.60	10.00	10.00	10.00	10.00
E. International capital market controls			0.00	8.00	7.60	7.05	6.90	6.67
(i) Foreign ownership/investment restrictions					8.28	7.18	6.87	7.19
(ii) Capital controls			0.00	8.00	6.92	6.92	6.92	6.15
5. Regulation of Credit, Labor and Business				4.28	6.05	6.70	7.22	7.35
A. Credit market regulations				3.70	7.88	8.48	9.34	9.67
(i) Ownership of banks						10.00	10.00	10.00
(ii) Foreign bank competition					5.12	5.12	9.00	9.00
(iii) Private sector credit				5.40	8.00	9.03	9.36	9.68
(iv) Interest rate controls/negative real int. rates				2.00	8.00	10.00	9.00	10.00
B. Labor market regulations					4.53	5.75	5.91	5.72
(i) Minimum wage					3.33	7.31	7.31	7.34
(ii) Hiring and firing regulations					3.93	4.82	5.26	4.51
(iii) Centralized collective bargaining					7.85	7.87	8.30	8.34
(iv) Mandated cost of hiring							3.19	2.70
(v) Mandated cost of dismissing							8.42	8.42
(vi) Conscription			0.00	1.00	3.00	3.00	3.00	3.00
C. Business regulations					5.75	5.88	6.39	6.66
(i) Price controls			0.00	6.00	6.00	6.00	6.00	6.00
(ii) Administrative requirements					7.18	3.84	3.88	3.66
(iii) Bureaucracy costs					4.73	6.91	4.53	6.02
(iv) Starting a business					5.00	6.80	9.28	9.38
(v) Extra payments/bribes					5.84	5.83	6.44	6.18
(vi) Licensing restrictions							8.23	7.80
(vii) Cost of tax compliance							6.41	7.55

Lesotho

	1980	1985	1990	1995	2000	2004	2005	2006
	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Chain-Linked								
Summary Rating (Rank) >								
1. Size of Government								
2. Legal Structure and Security of Property Rights								
3. Access to Sound Money								
4. Freedom to Trade Internationally								
5. Regulation of Credit, Labor and Business								
Unadjusted							6.69 (69)	6.46 (80)
Summary Ratings (Rank) >								
	Rating	Data	Rating	Data	Rating	Data	Rating	Data
1. Size of Government							7.11	7.10
A. Government consumption							7.18	15.59
B. Transfers and subsidies							7.16	10.92
C. Government enterprises and investment							7.00	21.95
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
2. Legal Structure and Security of Property Rights							5.48	4.65
A. Judicial independence							5.00	4.25
B. Impartial courts							4.68	3.60
C. Protection of property rights							3.95	3.37
D. Military interference							7.10	7.10
E. Integrity of the legal system								
F. Legal enforcement of contracts							6.86	4.22
G. Regulatory restrictions of sale of real property							5.30	5.40
3. Access to Sound Money							8.08	7.91
A. Money growth							8.92	5.38
B. Standard deviation of inflation							9.10	2.24
C. Inflation: most recent year							9.31	3.44
D. Freedom to own foreign currency							5.00	5.00
4. Freedom to Trade Internationally							6.34	6.19
A. Taxes on international trade							4.57	4.71
(i) Revenues from trade taxes (% of trade sector)							0.00	17.20
(ii) Mean tariff rate							8.02	9.90
(iii) Standard deviation of tariff rates							5.70	10.74
B. Regulatory trade barriers							4.45	4.06
(i) Non-tariff trade barriers							5.15	4.69
(ii) Compliance cost of importing and exporting							3.76	3.42
C. Size of trade sector							8.18	8.10
D. Black-market exchange rates							10.00	10.00
E. International capital market controls							4.51	4.06
(i) Foreign ownership/investment restrictions							6.71	6.59
(ii) Capital controls							2.31	1.54
5. Regulation of Credit, Labor and Business							6.42	6.44
A. Credit market regulations							9.01	8.98
(i) Ownership of banks							10.00	10.00
(ii) Foreign bank competition							10.00	10.00
(iii) Private sector credit							6.05	5.90
(iv) Interest rate controls/negative real int. rates							10.00	10.00
B. Labor market regulations							5.97	6.05
(i) Minimum wage							1.28	1.40
(ii) Hiring and firing regulations							4.49	4.28
(iii) Centralized collective bargaining							4.38	4.69
(iv) Mandated cost of hiring							10.00	10.00
(v) Mandated cost of dismissing							5.64	5.92
(vi) Conscription							10.00	10.00
C. Business regulations							4.27	4.30
(i) Price controls								
(ii) Administrative requirements							2.53	2.36
(iii) Bureaucracy costs							1.30	2.55
(iv) Starting a business							6.41	7.22
(v) Extra payments/bribes							5.32	3.96
(vi) Licensing restrictions							6.35	3.54
(vii) Cost of tax compliance							3.68	6.17

Lithuania

	1980	1985	1990	1995	2000	2004	2005	2006						
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)						
Summary Rating (Rank) >				4.89 (93)	6.25 (68)	6.98 (42)	7.27 (35)	7.23 (36)						
1. Size of Government				4.23 (99)	5.09 (89)	6.58 (55)	6.78 (50)	6.67 (56)						
2. Legal Structure and Security of Property Rights				5.38 (69)	5.81 (62)	5.05 (67)	5.96 (60)	5.90 (60)						
3. Access to Sound Money			3.74 (104)	1.85 (114)	7.09 (76)	9.34 (31)	8.95 (43)	8.87 (51)						
4. Freedom to Trade Internationally				8.00 (18)	7.63 (34)	7.55 (30)	7.49 (25)	7.51 (30)						
5. Regulation of Credit, Labor and Business			2.72 (114)	4.94 (87)	5.63 (73)	6.39 (46)	7.16 (27)	7.22 (28)						
Unadjusted				4.93 (95)	6.18 (75)	6.98 (42)	7.43 (27)	7.40 (31)						
Summary Ratings (Rank) >	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data						
1. Size of Government				4.23	5.09	6.58	6.78	6.67						
A. Government consumption		4.34	25.25	5.11	22.62	4.44	24.90	5.43	21.55	5.78	20.35	5.40	21.65	
B. Transfers and subsidies				7.30	10.40	6.92	11.82	6.41	13.67	6.83	12.13	6.77	12.34	
C. Government enterprises and investment				0.00		4.00	36.44	10.00	4.97	10.00	5.58	10.00	5.58	
D. Top marginal tax rate				4.50		5.00		4.50		4.50		4.50		
(i) Top marginal income tax rate				7.00	35	7.00	33	7.00	33	7.00	33	7.00	33	
(ii) Top marginal income and payroll tax rates				2.00	51	3.00	50	2.00	51	2.00	51	2.00	51	
2. Legal Structure and Security of Property Rights				5.87		5.81		5.05		6.89		6.82		
A. Judicial independence								3.05		3.96		4.34		
B. Impartial courts				5.88		6.07		3.60		4.31		4.36		
C. Protection of property rights						3.20		3.58		6.51		6.89		
D. Military interference				7.23		8.33		8.33		8.33		8.33		
E. Integrity of the legal system						8.33		6.67		6.67		6.67		
F. Legal enforcement of contracts										8.75		7.45		
G. Regulatory restrictions of sale of real property										9.68		9.71		
3. Access to Sound Money			7.49	1.85	7.09	9.34	8.95	8.87						
A. Money growth				0.00	53.00	7.47	12.63	8.15	9.25	7.41	12.93	7.56	12.19	
B. Standard deviation of inflation				0.00	329.24	6.09	9.77	9.45	1.37	8.91	2.73	8.67	3.31	
C. Inflation: most recent year			9.97	-0.15	2.39	38.05	9.80	1.01	9.76	1.20	9.47	2.66	9.23	3.84
D. Freedom to own foreign currency			5.00	5.00	5.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00		
4. Freedom to Trade Internationally				8.17		7.26		7.55		7.49		7.51		
A. Taxes on international trade				8.35		8.50		8.79		8.48		8.30		
(i) Revenues from trade taxes (% of trade sector)				9.56	0.66	9.78	0.33	9.92	0.11	9.84	0.24	9.84	0.24	
(ii) Mean tariff rate				9.10	4.50	8.92	5.40	9.64	1.80	9.46	2.70	8.92	5.40	
(iii) Standard deviation of tariff rates				6.40	9.00	6.80	8.00	6.80	8.00	6.13	9.67	6.13	9.67	
B. Regulatory trade barriers						5.20		7.27		7.35		7.34		
(i) Non-tariff trade barriers						5.20		6.17		6.10		6.16		
(ii) Compliance cost of importing and exporting								8.37		8.60		8.51		
C. Size of trade sector			6.34	6.35	4.81	5.13	5.55	5.73						
D. Black-market exchange rates			0.00	10.00	10.00	10.00	10.00	10.00						
E. International capital market controls			0.00	8.00	7.81	6.54	6.09	6.20						
(i) Foreign ownership/investment restrictions					8.12	6.93	6.03	6.25						
(ii) Capital controls			0.00	8.00	7.50	6.15	6.15	6.15						
5. Regulation of Credit, Labor and Business			2.47	4.52	5.63	6.39	7.05	7.11						
A. Credit market regulations			0.00	4.44	6.42	8.15	9.46	9.57						
(i) Ownership of banks			0.00	5.00	5.00	8.00	10.00	10.00						
(ii) Foreign bank competition					5.18	7.00	9.00	9.00						
(iii) Private sector credit				8.32	6.61	8.46	8.84	9.28						
(iv) Interest rate controls/negative real int. rates				0.00	8.00	10.00	10.00	10.00						
B. Labor market regulations					4.23	5.40	5.03	4.93						
(i) Minimum wage					3.01	7.02	7.02	7.20						
(ii) Hiring and firing regulations					2.75	3.58	3.55	3.43						
(iii) Centralized collective bargaining						8.17	8.01	8.28						
(iv) Mandated cost of hiring								1.49				0.58		
(v) Mandated cost of dismissing								6.87				7.22		
(vi) Conscription			0.00	3.00	3.00	3.00	3.00	3.00				3.00		
C. Business regulations					6.25	5.63	6.65	6.84						
(i) Price controls			0.00	4.00	4.00	6.00	6.00	6.00				6.00		
(ii) Administrative requirements					7.28	3.13	3.34	4.13						
(iii) Bureaucracy costs					7.48	6.32	4.81	6.30						
(iv) Starting a business					4.18	5.83	8.95	8.98						
(v) Extra payments/bribes					8.29	6.89	6.86	6.21						
(vi) Licensing restrictions								8.42				8.13		
(vii) Cost of tax compliance								8.18				8.14		

Macedonia

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >						5.76 (96)	6.15 (90)	6.20 (87)
1. Size of Government						5.86 (78)	6.01 (78)	6.05 (78)
2. Legal Structure and Security of Property Rights						2.59 (117)	3.29 (114)	3.41 (110)
3. Access to Sound Money						8.13 (70)	8.33 (63)	8.18 (75)
4. Freedom to Trade Internationally						5.97 (101)	6.20 (88)	6.35 (87)
5. Regulation of Credit, Labor and Business						6.23 (57)	6.95 (37)	7.01 (36)
Unadjusted						5.76 (97)	6.36 (85)	6.41 (85)
Summary Ratings (Rank) >	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government						5.86	6.01	6.05
A. Government consumption						5.57 21.06	6.03 19.51	6.14 19.12
B. Transfers and subsidies								
C. Government enterprises and investment						6.00 28.53	6.00 28.53	6.00 28.53
D. Top marginal tax rate						6.00	6.00	6.00
(i) Top marginal income tax rate						9.00 24	9.00 24	9.00 24
(ii) Top marginal income and payroll tax rates						3.00 47	3.00 47	3.00 47
2. Legal Structure and Security of Property Rights						2.59	4.21	4.35
A. Judicial independence						2.11	2.37	2.57
B. Impartial courts						2.27	3.19	2.92
C. Protection of property rights						2.42	4.12	4.54
D. Military interference						3.54	3.50	3.50
E. Integrity of the legal system								
F. Legal enforcement of contracts							4.64	5.55
G. Regulatory restrictions of sale of real property							7.42	7.00
3. Access to Sound Money						8.13	8.33	8.18
A. Money growth						8.96 2.78	8.96 19.95	8.96 2.79
B. Standard deviation of inflation						8.78 3.04	9.36 1.59	9.41 1.48
C. Inflation: most recent year						9.79 1.05	9.99 0.04	9.34 3.32
D. Freedom to own foreign currency						5.00	5.00	5.00
4. Freedom to Trade Internationally						5.97	6.47	6.33
A. Taxes on international trade						6.66	9.18	6.85
(i) Revenues from trade taxes (% of trade sector)								
(ii) Mean tariff rate						7.96 10.20	9.18 4.10	8.34 8.30
(iii) Standard deviation of tariff rates						5.36 11.60		5.36 11.60
B. Regulatory trade barriers						5.68	5.43	6.48
(i) Non-tariff trade barriers						4.98	5.56	5.44
(ii) Compliance cost of importing and exporting						6.39	5.30	7.51
C. Size of trade sector						4.61	4.82	5.27
D. Black-market exchange rates						10.00	10.00	10.00
E. International capital market controls						2.91	2.90	3.05
(i) Foreign ownership/investment restrictions						5.06	5.04	5.33
(ii) Capital controls						0.77	0.77	0.77
5. Regulation of Credit, Labor and Business						6.23	6.80	7.14
A. Credit market regulations						8.47	9.01	8.93
(i) Ownership of banks						8.00	10.00	10.00
(ii) Foreign bank competition						7.00	7.00	7.00
(iii) Private sector credit						8.88	9.05	8.71
(iv) Interest rate controls/negative real int. rates						10.00	10.00	10.00
B. Labor market regulations						5.78	5.15	6.06
(i) Minimum wage						6.69	6.69	6.61
(ii) Hiring and firing regulations						3.90	5.06	4.59
(iii) Centralized collective bargaining						7.53	7.80	7.59
(iv) Mandated cost of hiring							0.12	0.00
(v) Mandated cost of dismissing							6.23	7.59
(vi) Conscription						5.00	5.00	10.00
C. Business regulations						4.45	6.24	6.43
(i) Price controls								
(ii) Administrative requirements						2.98	3.20	3.29
(iii) Bureaucracy costs						6.08	5.29	4.05
(iv) Starting a business						3.86	7.87	9.45
(v) Extra payments/bribes						4.88	4.88	5.25
(vi) Licensing restrictions							7.31	7.59
(vii) Cost of tax compliance							8.92	8.92

Madagascar

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	4.36 (83)	4.56 (86)	4.46 (96)	4.50 (104)	5.72 (93)	5.73 (99)	5.68 (106)	5.80 (101)
2. Legal Structure and Security of Property Rights	5.65 (28)	6.06 (23)	6.34 (29)	6.52 (33)	7.21 (23)	6.21 (69)	7.00 (43)	6.92 (48)
3. Access to Sound Money	5.68 (71)	5.71 (86)	5.51 (82)	2.82 (110)	7.17 (73)	7.37 (84)	6.99 (95)	7.33 (87)
4. Freedom to Trade Internationally	3.25 (84)	3.88 (75)	4.62 (79)	5.46 (96)	6.23 (88)	6.71 (74)	6.24 (86)	6.38 (85)
5. Regulation of Credit, Labor and Business	3.17 (97)	3.23 (98)	3.17 (106)	3.33 (116)	3.96 (116)	5.25 (107)	5.17 (115)	5.71 (109)
Unadjusted								
Summary Ratings (Rank) ▶	4.37 (84)	4.56 (88)	4.62 (95)	4.70 (101)	5.93 (85)	5.73 (102)	5.85 (110)	5.96 (106)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	4.13	4.43	6.34	6.52	7.21	6.21	7.00	6.92
A. Government consumption	8.25 11.94	8.86 9.89	9.25 8.54	9.73 6.90	9.75 6.83	8.87 9.84	9.22 8.64	8.77 10.19
B. Transfers and subsidies			9.75 1.40	9.84 1.10	9.86 1.00	9.77 1.35	9.77 1.35	10.00 0.32
C. Government enterprises and investment	0.00 65.40	0.00 79.90	0.00 53.50	0.00 54.80	2.00 44.73	0.00 51.39	2.00 45.61	2.00 41.37
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
2. Legal Structure and Security of Property Rights		4.32	3.09	4.81	4.59	3.13	3.70	3.32
A. Judicial independence						3.11	3.26	3.34
B. Impartial courts				4.10	4.35	3.21	3.73	3.69
C. Protection of property rights						3.47	4.32	4.31
D. Military interference				4.22	5.00	1.67	1.67	1.67
E. Integrity of the legal system				6.96	5.00	4.17	2.08	4.17
F. Legal enforcement of contracts							6.97	2.42
G. Regulatory restrictions of sale of real property							3.85	3.65
3. Access to Sound Money	5.68	5.71	5.51	2.82	7.17	7.37	6.99	7.33
A. Money growth	6.82 15.89	8.06 9.69	6.26 18.69	6.26 18.68	7.85 10.74	9.37 3.15	9.20 4.00	8.86 5.68
B. Standard deviation of inflation	8.89 2.77	6.87 7.82	8.08 4.81	4.05 14.88	8.22 4.44	7.88 5.29	7.44 6.39	7.62 5.95
C. Inflation: most recent year	7.00 14.99	7.92 10.42	7.71 11.46	0.97 45.17	7.59 12.03	7.24 13.81	6.30 18.51	7.85 10.77
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	5.00	5.00	5.00	5.00
4. Freedom to Trade Internationally	3.47	4.07	4.64	5.67	6.30	6.71	6.32	6.46
A. Taxes on international trade	4.02	0.80	1.73	5.08	4.11	7.21	6.86	6.65
(i) Revenues from trade taxes (% of trade sector)	4.33 8.50		0.67 14.00	4.33 8.50	4.11 8.83	5.46 6.81	5.23 7.16	4.97 7.55
(ii) Mean tariff rate	3.70 31.50	0.80 46.00	2.80 36.00	4.00 30.00		8.96 5.20	7.68 11.60	7.34 13.30
(iii) Standard deviation of tariff rates				6.92 7.70			7.66 5.85	7.66 5.85
B. Regulatory trade barriers						5.02	3.89	5.04
(i) Non-tariff trade barriers						5.35	5.49	5.33
(ii) Compliance cost of importing and exporting						4.68	2.29	4.76
C. Size of trade sector	5.10	3.13	4.62	5.46	6.19	6.70	6.37	5.92
D. Black-market exchange rates	0.00	8.20	8.60	9.60	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	3.00	4.63	4.50	4.70
(i) Foreign ownership/investment restrictions						6.25	6.01	6.06
(ii) Capital controls	0.00	0.00	0.00	0.00	3.00	3.00	3.00	3.33
5. Regulation of Credit, Labor and Business	4.20	4.28	3.51	3.68	4.38	5.25	5.23	5.77
A. Credit market regulations	4.63	4.87	3.09	3.67	5.97	8.17	7.46	7.75
(i) Ownership of banks	0.00	0.00	0.00	2.00	2.00	8.00	5.00	5.00
(ii) Foreign bank competition								
(iii) Private sector credit	9.27	9.75	9.26	9.00	7.92	7.51	8.39	8.26
(iv) Interest rate controls/negative real int. rates			0.00	0.00	8.00	9.00	9.00	10.00
B. Labor market regulations						3.15	4.00	4.50
(i) Minimum wage						0.00	0.00	2.39
(ii) Hiring and firing regulations						4.38	5.35	5.10
(iii) Centralized collective bargaining						7.21	6.90	6.79
(iv) Mandated cost of hiring							4.53	4.53
(v) Mandated cost of dismissing							6.21	7.22
(vi) Conscription	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
C. Business regulations						4.43	4.24	5.04
(i) Price controls			0.00	0.00	0.00	4.00	4.00	4.00
(ii) Administrative requirements						2.58	2.75	2.97
(iii) Bureaucracy costs						5.99	4.14	3.74
(iv) Starting a business						5.76	4.88	8.44
(v) Extra payments/bribes						3.80	4.07	3.86
(vi) Licensing restrictions							4.30	4.96
(vii) Cost of tax compliance							5.52	7.33

Malawi

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	3.19 (93)	3.08 (99)	3.22 (102)	4.32 (98)	3.94 (115)	7.33 (28)	6.10 (74)	5.41 (92)
2. Legal Structure and Security of Property Rights	3.94 (53)	4.33 (68)	4.86 (60)	5.44 (66)	5.61 (65)	4.76 (71)	5.45 (69)	5.37 (69)
3. Access to Sound Money	6.10 (56)	6.39 (65)	5.22 (86)	1.21 (119)	2.88 (121)	5.22 (123)	5.31 (125)	5.31 (127)
4. Freedom to Trade Internationally	4.98 (57)	5.15 (58)	6.05 (51)	6.54 (66)	6.10 (90)	6.14 (97)	5.58 (107)	4.96 (122)
5. Regulation of Credit, Labor and Business	4.77 (67)	4.98 (64)	4.99 (69)	4.94 (87)	4.98 (99)	5.23 (108)	5.76 (99)	5.96 (92)
Unadjusted								
Summary Ratings (Rank) ▶	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	4.75	4.58	4.78	4.32	5.33	7.33	6.10	5.41
A. Government consumption	5.41 21.62	5.79 20.30	6.65 17.39	5.95 19.77	6.82 16.80	6.99 16.22	7.29 15.23	7.24 15.37
B. Transfers and subsidies	9.59 2.00	9.51 2.30	9.48 2.40		9.48 2.40			
C. Government enterprises and investment	0.00 69.30	0.00 62.00	0.00 48.20	0.00 65.20	0.00 73.86	10.00 10.05	6.00 29.72	4.00 31.13
D. Top marginal tax rate	4.00	3.00	3.00	7.00	5.00	5.00	5.00	5.00
(i) Top marginal income tax rate	4.00 45	3.00 50	3.00 50	7.00 35	5.00 38	5.00 38	5.00 38	5.00 38
(ii) Top marginal income and payroll tax rates			3.00 50	7.00 35	5.00 38	5.00 38	5.00 38	5.00 38
2. Legal Structure and Security of Property Rights	3.62	3.99	4.48	5.36	5.53	4.76	5.33	5.25
A. Judicial independence				6.67	6.18	5.52	5.90	5.90
B. Impartial courts				4.84	4.91	4.22	4.41	4.41
C. Protection of property rights				4.77	3.23	2.39	5.28	5.28
D. Military interference				6.41	6.67	6.67	6.67	6.67
E. Integrity of the legal system				4.11	6.67	5.00	5.00	5.00
F. Legal enforcement of contracts							3.38	2.21
G. Regulatory restrictions of sale of real property							6.65	7.25
3. Access to Sound Money	6.10	6.39	5.22	1.21	2.88	5.22	5.31	5.31
A. Money growth	9.91 -0.46	8.41 7.96	5.71 21.43	4.85 25.73	5.05 24.75	8.17 9.15	9.32 3.38	9.03 4.86
B. Standard deviation of inflation	7.64 5.89	8.94 2.66	7.35 6.63	0.00 28.51	2.37 19.06	0.00 25.10	0.00 26.01	0.00 26.32
C. Inflation: most recent year	6.84 15.79	8.21 8.93	7.83 10.85	0.00 90.42	4.08 29.58	7.71 11.43	6.92 15.41	7.21 13.97
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	5.00	5.00	5.00
4. Freedom to Trade Internationally	4.60	5.01	5.88	6.28	5.85	6.14	5.58	4.96
A. Taxes on international trade	5.60	5.40	6.58	4.61	4.96	5.90	3.97	3.97
(i) Revenues from trade taxes (% of trade sector)	5.60 6.60	4.13 8.80	6.20 5.70	6.20 5.70	4.60 8.10	4.60 8.10	4.60 8.10	4.60 8.10
(ii) Mean tariff rate		6.66 16.70	6.96 15.20	3.84 30.80	6.08 19.60	7.30 13.50	7.30 13.50	7.30 13.50
(iii) Standard deviation of tariff rates				3.80 15.50	4.20 14.50	5.80 10.50	0.00 34.29	0.00 34.29
B. Regulatory trade barriers						5.13	3.87	3.92
(i) Non-tariff trade barriers						5.27	4.82	4.82
(ii) Compliance cost of importing and exporting						4.98	2.92	3.02
C. Size of trade sector	6.76	5.43	5.41	6.78	5.26	5.66	6.79	2.86
D. Black-market exchange rates	0.40	4.00	7.20	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	2.00	0.83	4.00	3.29	4.06
(i) Foreign ownership/investment restrictions						7.17	6.58	6.58
(ii) Capital controls	2.00	2.00	2.00	2.00	0.83	0.83	0.00	1.54
5. Regulation of Credit, Labor and Business	5.49	5.74	5.10	5.04	5.08	5.23	5.97	6.18
A. Credit market regulations	4.65	5.32	5.35	3.82	3.97	5.20	7.45	7.69
(i) Ownership of banks	2.00	2.00	2.00	2.00	2.00	2.00	10.00	10.00
(ii) Foreign bank competition							6.00	6.00
(iii) Private sector credit	7.95	5.96	8.05	5.47	5.91	5.59	5.81	6.76
(iv) Interest rate controls/negative real int. rates	4.00	8.00	6.00	4.00	4.00	8.00	8.00	8.00
B. Labor market regulations						5.71	5.84	5.65
(i) Minimum wage						2.08	2.08	5.37
(ii) Hiring and firing regulations						4.11	4.56	2.08
(iii) Centralized collective bargaining						6.63	7.06	4.56
(iv) Mandated cost of hiring							9.70	9.70
(v) Mandated cost of dismissing							1.66	2.21
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						4.80	4.62	5.19
(i) Price controls			0.00	4.00	4.00	6.00	6.00	6.00
(ii) Administrative requirements						3.58	3.98	3.98
(iii) Bureaucracy costs						3.33	1.09	1.09
(iv) Starting a business						5.74	7.41	6.83
(v) Extra payments/bribes						5.35	5.46	5.50
(vi) Licensing restrictions							7.13	7.10
(vii) Cost of tax compliance							1.23	5.85

Mali

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) >	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	5.33 (58)	4.97 (73)	5.06 (72)	5.16 (87)	5.90 (86)	5.80 (93)	5.82 (102)	6.00 (93)
2. Legal Structure and Security of Property Rights	6.25 (19)	5.69 (32)	5.66 (47)	5.23 (76)	5.73 (75)	6.27 (65)	6.23 (71)	6.10 (74)
3. Access to Sound Money	3.80 (56)	2.74 (96)	2.71 (95)	4.75 (88)	4.49 (84)	4.73 (72)	4.86 (81)	4.47 (87)
4. Freedom to Trade Internationally	5.93 (64)	6.44 (60)	6.95 (47)	5.14 (88)	8.40 (48)	6.51 (110)	6.27 (113)	6.47 (112)
5. Regulation of Credit, Labor and Business	5.58 (45)	6.00 (45)	5.81 (53)	6.16 (83)	6.41 (82)	6.20 (93)	5.78 (99)	6.25 (92)
5. Regulation of Credit, Labor and Business	5.02 (64)	4.12 (86)	4.32 (91)	4.43 (103)	4.50 (109)	5.31 (105)	5.96 (87)	6.79 (48)
Unadjusted								
Summary Ratings (Rank) >	5.86 (32)	5.46 (54)	5.46 (56)	5.25 (86)	6.31 (66)	5.80 (94)	5.96 (106)	6.13 (100)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	7.84	7.14	7.10	5.23	7.15	6.27	7.49	7.33
A. Government consumption	10.00 4.86	7.92 13.08	7.31 15.13	6.46 18.03	7.47 14.60	8.54 10.97	8.46 11.22	7.99 12.83
B. Transfers and subsidies	9.51 2.30	9.51 2.30	9.97 0.60		9.97 0.60		10.00 0.01	10.00 0.00
C. Government enterprises and investment	4.00 21.40	4.00 22.40	4.00	4.00	4.00 35.07	4.00 35.75	4.00 33.93	4.00 37.50
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
2. Legal Structure and Security of Property Rights	4.23	3.05	3.02	5.29	5.00	4.73	4.89	4.51
A. Judicial independence						4.74	4.43	4.55
B. Impartial courts				4.74	4.38	4.42	3.90	4.63
C. Protection of property rights						3.68	5.12	5.23
D. Military interference				5.55	6.67	5.83	5.83	5.83
E. Integrity of the legal system				6.96	5.00	5.00	5.00	5.00
F. Legal enforcement of contracts							5.80	1.84
G. Regulatory restrictions of sale of real property							4.17	4.45
3. Access to Sound Money	5.93	6.44	6.95	5.14	8.40	6.51	6.27	6.47
A. Money growth	8.15 9.26	7.72 11.42	8.99 -5.03	7.89 10.55	10.00 -0.02	9.44 2.79	9.16 4.21	8.83 5.85
B. Standard deviation of inflation	8.83 2.93	8.30 4.26	9.36 1.59	5.18 12.04	8.72 3.20	7.21 6.96	7.21 6.97	7.36 6.60
C. Inflation: most recent year	6.74 16.31	9.73 1.33	9.45 2.73	7.50 12.49	9.86 -0.68	9.38 -3.10	8.72 6.40	9.69 1.54
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	5.00	0.00	0.00	0.00
4. Freedom to Trade Internationally	5.57	5.98	5.79	6.03	6.40	6.20	5.78	6.25
A. Taxes on international trade	5.23	4.83	5.97	6.17	7.73	7.30	7.30	7.62
(i) Revenues from trade taxes (% of trade sector)	7.47 3.80	6.67 5.00	6.93 4.60	6.80 4.80	7.87 3.20	7.23 4.16	7.11 4.33	7.98 3.03
(ii) Mean tariff rate	3.00 35.00	3.00 35.00	5.00 25.00	6.74 16.30	7.60 12.00	7.44 12.80	7.52 12.40	7.60 12.00
(iii) Standard deviation of tariff rates				4.96 12.60		7.24 6.90	7.26 6.84	7.26 6.84
B. Regulatory trade barriers						4.60	3.12	3.60
(i) Non-tariff trade barriers						5.79	5.04	4.78
(ii) Compliance cost of importing and exporting						3.42	1.19	2.42
C. Size of trade sector	5.42	7.09	5.61	5.99	6.08	5.81	5.09	6.31
D. Black-market exchange rates	9.00	9.80	9.20	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.00	3.29	3.38	3.75
(i) Foreign ownership/investment restrictions						6.58	6.77	6.73
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.77
5. Regulation of Credit, Labor and Business	5.73	4.70	4.44	4.56	4.63	5.31	5.38	6.09
A. Credit market regulations	5.29	5.90	6.52	5.57	5.81	7.57	8.41	8.49
(i) Ownership of banks	2.00	2.00	2.00	2.00	2.00	5.00	8.00	8.00
(ii) Foreign bank competition								
(iii) Private sector credit	9.88	9.70	9.57	8.71	9.42	9.71	9.22	9.47
(iv) Interest rate controls/negative real int. rates	4.00	6.00	8.00	6.00	6.00	8.00	8.00	8.00
B. Labor market regulations						3.62	3.59	4.58
(i) Minimum wage						4.61	4.61	7.77
(ii) Hiring and firing regulations						3.99	5.58	5.39
(iii) Centralized collective bargaining						5.86	6.09	5.67
(iv) Mandated cost of hiring							2.74	1.49
(v) Mandated cost of dismissing							2.51	7.13
(vi) Conscription	10.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations						4.74	4.13	5.21
(i) Price controls			0.00	4.00	4.00	6.00	6.00	6.00
(ii) Administrative requirements						3.58	3.33	4.31
(iii) Bureaucracy costs						4.53	1.74	3.80
(iv) Starting a business						5.15	5.04	6.36
(v) Extra payments/bribes						4.42	4.15	3.87
(vi) Licensing restrictions							1.68	5.14
(vii) Cost of tax compliance							6.97	6.97

Mauritania

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >								
1. Size of Government								
2. Legal Structure and Security of Property Rights								
3. Access to Sound Money								
4. Freedom to Trade Internationally								
5. Regulation of Credit, Labor and Business								
Unadjusted							6.57 (75)	6.31 (92)
Summary Ratings (Rank) >	Rating	Rating	Rating	Rating	Rating	Rating	Rating	Rating
	Data	Data	Data	Data	Data	Data	Data	Data
1. Size of Government							7.00	5.78
A. Government consumption							6.01	19.57
B. Transfers and subsidies								4.56
C. Government enterprises and investment							8.00	18.17
D. Top marginal tax rate								7.00
(i) Top marginal income tax rate								23.92
(ii) Top marginal income and payroll tax rates								
2. Legal Structure and Security of Property Rights							5.39	5.44
A. Judicial independence							4.71	4.07
B. Impartial courts							5.12	4.58
C. Protection of property rights							4.57	5.11
D. Military interference							5.50	5.50
E. Integrity of the legal system								
F. Legal enforcement of contracts							5.59	6.04
G. Regulatory restrictions of sale of real property							6.84	7.36
3. Access to Sound Money							7.36	7.09
A. Money growth							9.17	4.15
B. Standard deviation of inflation							7.71	5.72
C. Inflation: most recent year							7.57	12.13
D. Freedom to own foreign currency							5.00	5.00
4. Freedom to Trade Internationally							6.69	6.58
A. Taxes on international trade							7.50	7.50
(i) Revenues from trade taxes (% of trade sector)								
(ii) Mean tariff rate							7.86	10.70
(iii) Standard deviation of tariff rates							7.13	7.17
B. Regulatory trade barriers							3.77	4.42
(i) Non-tariff trade barriers							3.40	4.22
(ii) Compliance cost of importing and exporting							4.15	4.61
C. Size of trade sector							8.56	7.33
D. Black-market exchange rates							10.00	10.00
E. International capital market controls							3.63	3.64
(i) Foreign ownership/investment restrictions							6.43	5.75
(ii) Capital controls							0.83	1.54
5. Regulation of Credit, Labor and Business							6.40	6.67
A. Credit market regulations							9.22	9.22
(i) Ownership of banks								
(ii) Foreign bank competition								
(iii) Private sector credit							9.44	9.44
(iv) Interest rate controls/negative real int. rates							9.00	9.00
B. Labor market regulations							5.94	6.37
(i) Minimum wage							0.00	2.61
(ii) Hiring and firing regulations							7.79	6.54
(iii) Centralized collective bargaining							5.88	6.80
(iv) Mandated cost of hiring							4.83	5.14
(v) Mandated cost of dismissing							7.14	7.13
(vi) Conscription							10.00	10.00
C. Business regulations							4.05	4.42
(i) Price controls								
(ii) Administrative requirements							6.00	5.17
(iii) Bureaucracy costs							2.68	3.30
(iv) Starting a business							2.99	5.68
(v) Extra payments/bribes							3.77	3.54
(vi) Licensing restrictions							6.65	6.62
(vii) Cost of tax compliance							2.20	2.20

Mauritius

	1980	1985	1990	1995	2000	2004	2005	2006	
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	
Summary Rating (Rank) ▶	5.16 (65)	6.29 (29)	6.14 (38)	7.26 (21)	7.26 (32)	6.77 (53)	7.42 (24)	7.33 (30)	
1. Size of Government	5.63 (29)	6.79 (12)	6.81 (20)	6.89 (25)	6.87 (33)	6.76 (46)	7.19 (31)	7.16 (37)	
2. Legal Structure and Security of Property Rights		6.41 (35)	6.37 (43)	7.04 (28)	6.94 (34)	6.02 (48)	7.42 (29)	7.05 (31)	
3. Access to Sound Money	4.84 (89)	6.91 (39)	6.02 (72)	9.51 (21)	9.58 (12)	8.83 (53)	8.86 (48)	8.54 (64)	
4. Freedom to Trade Internationally	4.07 (72)	5.47 (53)	5.68 (56)	6.87 (51)	6.81 (71)	6.11 (98)	7.18 (43)	7.38 (37)	
5. Regulation of Credit, Labor and Business	5.74 (36)	5.86 (39)	5.75 (43)	5.98 (50)	6.11 (51)	6.11 (64)	6.51 (58)	6.49 (60)	
Unadjusted	Summary Ratings (Rank) ▶	5.33 (55)	6.53 (19)	6.22 (34)	7.43 (18)	7.26 (29)	6.77 (53)	7.34 (33)	7.26 (41)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	
1. Size of Government	5.63	6.79	6.81	6.89	6.87	6.76	7.19	7.16	
A. Government consumption	7.14 15.72	7.44 14.69	7.24 15.40	7.13 15.75	7.00 16.19	6.36 18.36	6.62 17.50	6.70 17.21	
B. Transfers and subsidies	8.37 6.50	8.72 5.20	8.99 4.20	8.94 4.40	8.49 6.06	8.67 5.39	8.62 5.55	8.43 6.25	
C. Government enterprises and investment	4.00 36.00	4.00 32.40	4.00 36.80	4.00 33.00	4.00 30.20	4.00 31.94	6.00 28.19	6.00 28.69	
D. Top marginal tax rate	3.00	7.00	7.00	7.50	8.00	8.00	7.50	7.50	
(i) Top marginal income tax rate	3.00 50	7.00 35	7.00 35	8.00 30	9.00 25	9.00 25	8.00 30	8.00 30	
(ii) Top marginal income and payroll tax rates			7.00 35	7.00 32	7.00 33	7.00 33	7.00 31	7.00 31	
2. Legal Structure and Security of Property Rights		6.31	6.28	6.94	6.94	6.02	6.18	5.86	
A. Judicial independence					6.18	3.94	6.11	6.20	
B. Impartial courts				7.82	7.01	4.92	6.42	6.11	
C. Protection of property rights					4.80	4.55	7.63	7.74	
D. Military interference				9.35	10.00	10.00	8.70	8.70	
E. Integrity of the legal system				6.96	6.70	6.70			
F. Legal enforcement of contracts							7.18	3.94	
G. Regulatory restrictions of sale of real property							1.03	2.48	
3. Access to Sound Money	4.84	6.91	6.02	9.51	9.58	8.83	8.86	8.54	
A. Money growth	8.85 5.73	9.73 -1.36	6.74 16.28	9.54 2.30	9.64 -1.81	6.78 16.12	6.82 15.91	6.36 18.19	
B. Standard deviation of inflation	5.80 10.50	9.54 1.14	9.37 1.58	9.46 1.36	9.51 1.21	9.49 1.28	9.59 1.03	9.60 1.00	
C. Inflation: most recent year	4.69 26.57	8.36 8.20	7.98 10.12	9.06 4.69	9.16 4.20	9.05 4.77	9.02 4.91	8.22 8.91	
D. Freedom to own foreign currency	0.00	0.00	0.00	10.00	10.00	10.00	10.00	10.00	
4. Freedom to Trade Internationally	4.26	5.73	5.64	7.19	6.81	6.11	7.18	7.38	
A. Taxes on international trade	3.31	3.31	3.14	4.41	3.57	4.30	7.51	7.94	
(i) Revenues from trade taxes (% of trade sector)	3.60 9.60	3.60 9.60	4.93 7.60	6.05 5.92	6.92 4.62	7.59 3.62	7.79 3.32	8.08 2.89	
(ii) Mean tariff rate	3.02 34.90	3.02 34.90	4.48 27.60	2.76 36.20	3.80 31.00	5.30 23.50	8.30 8.50	9.30 3.50	
(iii) Standard deviation of tariff rates			0.00 91.50		0.00 27.80	0.00 27.80	6.43 8.93	6.43 8.93	
B. Regulatory trade barriers					7.44	5.71	6.99	7.33	
(i) Non-tariff trade barriers					7.88	4.00	6.15	6.91	
(ii) Compliance cost of importing and exporting					6.99	7.43	7.82	7.74	
C. Size of trade sector	5.74	5.34	6.44	5.37	5.20	4.03	4.64	4.63	
D. Black-market exchange rates	2.00	9.80	8.40	10.00	10.00	10.00	10.00	10.00	
E. International capital market controls	2.00	2.00	2.00	8.00	7.84	6.52	6.75	7.03	
(i) Foreign ownership/investment restrictions					8.75	6.11	6.57	7.14	
(ii) Capital controls	2.00	2.00	2.00	8.00	6.92	6.92	6.92	6.92	
5. Regulation of Credit, Labor and Business	6.59	6.93	6.34	6.59	6.11	6.11	7.33	7.35	
A. Credit market regulations	7.28	8.47	8.13	8.97	7.26	7.25	8.81	8.88	
(i) Ownership of banks	8.00	8.00	10.00	10.00	10.00	10.00	10.00	10.00	
(ii) Foreign bank competition					4.27	4.27	9.00	9.00	
(iii) Private sector credit	6.56	7.42	6.38	6.91	8.29	7.22	7.25	7.54	
(iv) Interest rate controls/negative real int. rates		10.00	8.00	10.00	8.00	9.00	9.00	9.00	
B. Labor market regulations					4.90	6.73	7.10	6.55	
(i) Minimum wage					3.12	10.00	10.00	7.18	
(ii) Hiring and firing regulations					1.98	4.32	2.59	3.13	
(iii) Centralized collective bargaining					3.55	3.48	3.52	4.08	
(iv) Mandated cost of hiring					5.85	5.85	7.87	8.18	
(v) Mandated cost of dismissing							8.59	6.76	
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	
C. Business regulations					6.17	4.36	6.07	6.60	
(i) Price controls			4.00	4.00	6.00	4.00	4.00	4.00	
(ii) Administrative requirements					5.93	1.89	2.16	3.47	
(iii) Bureaucracy costs					7.50	5.00	4.40	5.42	
(iv) Starting a business					5.42	5.04	8.43	9.72	
(v) Extra payments/bribes					6.01	5.88	6.56	6.28	
(vi) Licensing restrictions							8.74	9.10	
(vii) Cost of tax compliance							8.23	8.20	

Mexico

	1980	1985	1990	1995	2000	2004	2005	2006	
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	
Summary Rating (Rank) >	5.60 (41)	4.71 (81)	6.02 (43)	6.32 (53)	6.28 (66)	6.51 (62)	6.92 (50)	6.93 (56)	
1. Size of Government	5.32 (37)	5.32 (40)	6.74 (22)	6.75 (30)	7.14 (25)	7.33 (28)	7.36 (26)	7.33 (30)	
2. Legal Structure and Security of Property Rights	6.72 (30)	5.74 (45)	7.22 (30)	5.30 (73)	4.25 (93)	4.47 (77)	5.36 (70)	5.15 (73)	
3. Access to Sound Money	7.40 (26)	3.26 (103)	3.59 (105)	5.50 (82)	6.85 (86)	8.07 (72)	8.27 (66)	8.24 (70)	
4. Freedom to Trade Internationally	3.10 (88)	4.98 (61)	7.37 (21)	7.91 (22)	7.54 (39)	7.14 (50)	7.11 (48)	7.14 (54)	
5. Regulation of Credit, Labor and Business	5.70 (39)	4.36 (84)	5.30 (54)	6.21 (39)	5.60 (74)	5.55 (90)	6.48 (60)	6.80 (47)	
Unadjusted	Summary Ratings (Rank) >	5.54 (50)	4.66 (83)	5.99 (41)	6.38 (46)	6.28 (70)	6.51 (62)	6.97 (57)	6.98 (58)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	
1. Size of Government	5.69	5.69	7.21	7.22	7.14	7.33	7.36	7.33	
A. Government consumption	7.83 13.36	8.08 12.52	8.60 10.75	7.80 13.48	7.65 13.98	7.41 14.82	7.51 14.46	7.42 14.78	
B. Transfers and subsidies	8.94 4.40	8.66 5.40	9.25 3.24	8.09 7.50	7.92 8.13	7.92 8.13	7.92 8.13	7.92 8.13	
C. Government enterprises and investment	2.00 43.50	2.00 38.00	4.00 23.20	6.00 19.60	8.00 15.02	7.00 21.01	8.00 19.68	8.00 19.82	
D. Top marginal tax rate	4.00	4.00	7.00	7.00	5.00	7.00	6.00	6.00	
(i) Top marginal income tax rate	4.00 55	4.00 55	7.00 40	7.00 35	7.00 40	7.00 33	8.00 30	8.00 29	
(ii) Top marginal income and payroll tax rates					3.00 47	7.00 33	4.00 42	4.00 44	
2. Legal Structure and Security of Property Rights	6.29	5.38	6.76	5.30	4.25	4.47	5.68	5.45	
A. Judicial independence				3.88	3.34	4.16	4.41	4.30	
B. Impartial courts				5.05	5.18	4.07	3.85	3.42	
C. Protection of property rights				5.22	4.38	3.84	6.05	5.51	
D. Military interference				5.37	5.00	5.42	7.50	7.50	
E. Integrity of the legal system				6.96	3.33	4.86	5.00	5.00	
F. Legal enforcement of contracts							6.08	5.39	
G. Regulatory restrictions of sale of real property							6.86	7.06	
3. Access to Sound Money	7.40	3.26	3.59	5.50	6.85	8.07	8.27	8.24	
A. Money growth	5.06 24.68	1.13 44.34	0.00 67.43	8.95 5.23	7.22 13.89	9.17 4.13	9.35 3.25	9.34 3.30	
B. Standard deviation of inflation	9.08 2.29	1.90 20.26	0.00 33.89	5.62 10.95	7.09 7.27	9.04 2.40	9.51 1.22	9.36 1.61	
C. Inflation: most recent year	5.44 22.80	0.00 54.01	4.37 28.13	2.43 37.85	8.10 9.50	9.06 4.69	9.20 3.99	9.27 3.63	
D. Freedom to own foreign currency	10.00	10.00	10.00	5.00	5.00	5.00	5.00	5.00	
4. Freedom to Trade Internationally	3.09	4.97	7.29	7.73	7.54	7.14	7.11	7.14	
A. Taxes on international trade	1.91	6.13	7.88	8.21	7.47	7.57	7.54	7.22	
(i) Revenues from trade taxes (% of trade sector)	0.00 17.60	8.27 2.60	8.67 2.00	9.30 1.05	9.34 0.99	9.34 0.99	9.34 0.99	9.34 0.99	
(ii) Mean tariff rate	3.82 30.90	4.00 30.00	7.78 11.10	7.48 12.60	6.76 16.20	7.08 14.60	8.16 9.20	7.20 14.00	
(iii) Standard deviation of tariff rates			7.20 7.00	7.84 5.40	6.32 9.20	6.28 9.30	5.13 12.18	5.13 12.18	
B. Regulatory trade barriers				6.30	7.28	6.68	6.59	6.72	
(i) Non-tariff trade barriers				6.30	6.40	5.80	6.15	6.13	
(ii) Compliance cost of importing and exporting					8.16	7.56	7.03	7.30	
C. Size of trade sector	3.29	3.47	5.40	7.74	7.80	7.06	6.88	7.21	
D. Black-market exchange rates	0.00	5.00	10.00	10.00	10.00	10.00	10.00	10.00	
E. International capital market controls	2.00	2.00	5.00	6.39	5.12	4.37	4.54	4.56	
(i) Foreign ownership/investment restrictions				7.77	8.70	7.21	7.54	7.58	
(ii) Capital controls	2.00	2.00	5.00	5.00	1.54	1.54	1.54	1.54	
5. Regulation of Credit, Labor and Business	5.23	3.99	5.09	6.13	5.60	5.55	6.44	6.72	
A. Credit market regulations	5.62	2.36	4.65	7.47	6.10	7.33	9.14	9.13	
(i) Ownership of banks	8.00	0.00	0.00	8.00	10.00	10.00	10.00	10.00	
(ii) Foreign bank competition				7.28	5.87	5.87	10.00	10.00	
(iii) Private sector credit	4.87	3.08	5.96	8.33	4.10	4.24	6.57	6.53	
(iv) Interest rate controls/negative real int. rates	4.00	4.00	8.00	8.00	4.00	10.00	10.00	10.00	
B. Labor market regulations			5.75	6.27	4.80	5.55	5.10	5.65	
(i) Minimum wage				7.92	2.75	8.18	8.18	8.76	
(ii) Hiring and firing regulations			5.00	5.00	4.10	3.35	4.65	4.55	
(iii) Centralized collective bargaining			7.24	7.24	5.65	6.62	6.89	6.80	
(iv) Mandated cost of hiring				6.18	6.51	4.59	2.77	3.62	
(v) Mandated cost of dismissing							3.09	5.18	
(vi) Conscription	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	
C. Business regulations				4.65	5.90	3.78	5.09	5.39	
(i) Price controls			0.00	5.00	7.00	4.00	4.00	3.00	
(ii) Administrative requirements					6.73	2.43	2.70	2.65	
(iii) Bureaucracy costs				6.09	6.33	3.07	3.79	5.28	
(iv) Starting a business				4.15	3.70	3.80	7.93	8.96	
(v) Extra payments/bribes				3.36	5.73	5.61	6.19	5.40	
(vi) Licensing restrictions							7.01	8.60	
(vii) Cost of tax compliance							3.99	3.81	

Moldova

	1980	1985	1990	1995	2000	2004	2005	2006
	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Chain-Linked								
Summary Rating (Rank) >								
1. Size of Government								
2. Legal Structure and Security of Property Rights								
3. Access to Sound Money								
4. Freedom to Trade Internationally								
5. Regulation of Credit, Labor and Business								
Unadjusted							6.48 (81)	6.51 (78)
Summary Ratings (Rank) >								
	Rating	Data	Rating	Data	Rating	Data	Rating	Data
1. Size of Government							7.05	6.84
A. Government consumption							7.55	14.33
B. Transfers and subsidies							6.56	13.13
C. Government enterprises and investment								
D. Top marginal tax rate								7.00
(i) Top marginal income tax rate								10.00
(ii) Top marginal income and payroll tax rates								4.00
2. Legal Structure and Security of Property Rights							5.62	5.72
A. Judicial independence							1.98	2.38
B. Impartial courts							2.62	2.83
C. Protection of property rights							4.20	4.35
D. Military interference							6.67	6.67
E. Integrity of the legal system							8.33	8.33
F. Legal enforcement of contracts							6.92	6.71
G. Regulatory restrictions of sale of real property							8.60	8.80
3. Access to Sound Money							6.65	6.97
A. Money growth							5.30	23.51
B. Standard deviation of inflation							8.92	2.70
C. Inflation: most recent year							7.38	13.11
D. Freedom to own foreign currency							5.00	5.00
4. Freedom to Trade Internationally							6.78	6.79
A. Taxes on international trade							8.50	8.55
(i) Revenues from trade taxes (% of trade sector)							9.15	1.27
(ii) Mean tariff rate							8.96	5.20
(iii) Standard deviation of tariff rates							7.38	6.55
B. Regulatory trade barriers							5.46	5.63
(i) Non-tariff trade barriers							5.70	5.95
(ii) Compliance cost of importing and exporting							5.21	5.30
C. Size of trade sector							7.41	6.81
D. Black-market exchange rates							10.00	10.00
E. International capital market controls							2.51	2.95
(i) Foreign ownership/investment restrictions							5.02	5.13
(ii) Capital controls							0.00	0.77
5. Regulation of Credit, Labor and Business							6.31	6.24
A. Credit market regulations							8.12	8.19
(i) Ownership of banks							8.00	8.00
(ii) Foreign bank competition							6.00	6.00
(iii) Private sector credit							8.48	8.76
(iv) Interest rate controls/negative real int. rates							10.00	10.00
B. Labor market regulations							5.17	5.10
(i) Minimum wage							7.87	8.35
(ii) Hiring and firing regulations							5.73	5.80
(iii) Centralized collective bargaining							7.48	7.39
(iv) Mandated cost of hiring							0.88	1.49
(v) Mandated cost of dismissing							8.06	6.57
(vi) Conscription							1.00	1.00
C. Business regulations							5.63	5.43
(i) Price controls							2.00	2.00
(ii) Administrative requirements							2.55	2.76
(iii) Bureaucracy costs							3.53	4.43
(iv) Starting a business							8.79	9.09
(v) Extra payments/bribes							6.78	6.29
(vi) Licensing restrictions							8.54	5.88
(vii) Cost of tax compliance							7.20	7.56

Morocco

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) >	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	4.41 (81)	4.93 (75)	4.92 (80)	5.77 (71)	5.96 (83)	6.01 (84)	6.13 (91)	6.17 (88)
2. Legal Structure and Security of Property Rights	4.63 (60)	4.23 (76)	4.91 (71)	5.02 (80)	6.32 (52)	6.80 (44)	6.71 (55)	6.68 (55)
3. Access to Sound Money	2.08 (81)	3.71 (78)	3.71 (78)	6.26 (43)	6.20 (49)	5.25 (63)	6.08 (58)	5.84 (61)
4. Freedom to Trade Internationally	6.12 (54)	6.74 (42)	6.29 (65)	6.69 (59)	6.96 (82)	6.95 (95)	7.01 (94)	6.89 (99)
5. Regulation of Credit, Labor and Business	5.26 (51)	6.08 (43)	5.62 (58)	6.23 (81)	5.50 (107)	5.56 (113)	5.73 (101)	5.87 (109)
5. Regulation of Credit, Labor and Business	4.13 (85)	4.03 (88)	4.20 (93)	4.67 (98)	4.84 (102)	5.50 (94)	5.12 (118)	5.57 (111)
Unadjusted								
Summary Ratings (Rank) >	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	4.56 (80)	5.15 (66)	5.04 (75)	5.90 (67)	6.09 (78)	6.01 (84)	6.15 (100)	6.24 (95)
A. Government consumption	4.63	4.23	4.91	5.02	6.32	6.80	6.71	6.68
B. Transfers and subsidies	5.51 21.26	6.06 19.41	6.12 19.18	6.01 19.57	5.10 22.65	4.76 23.81	4.48 24.75	4.47 24.79
C. Government enterprises and investment	9.02 4.10	8.88 4.60	9.51 2.30	9.07 3.92	8.16 7.25	8.43 6.28	8.37 6.48	8.26 6.87
D. Top marginal tax rate	2.00 46.80	2.00 47.50	4.00 31.70	2.00 41.70	8.00 18.39	10.00 13.51	10.00 12.48	10.00 12.05
(i) Top marginal income tax rate	2.00	0.00	0.00	3.00	4.00	4.00	4.00	4.00
(ii) Top marginal income and payroll tax rates	2.00 64	0.00 87	0.00 87	3.00 46	4.00 44	4.00 44	4.00 44	4.00 44
2. Legal Structure and Security of Property Rights	2.24	3.99	3.99	6.74	6.67	5.25	6.34	6.10
A. Judicial independence						3.47	4.07	4.73
B. Impartial courts				6.76	6.37	4.27	5.06	5.06
C. Protection of property rights						3.52	6.26	6.12
D. Military interference				6.55	6.67	6.67	6.67	6.67
E. Integrity of the legal system				10.00	10.00	8.33	8.33	8.33
F. Legal enforcement of contracts							7.58	4.30
G. Regulatory restrictions of sale of real property							6.45	7.50
3. Access to Sound Money	6.12	6.74	6.29	6.69	6.96	6.95	7.01	6.89
A. Money growth	8.20 9.02	9.02 4.88	7.25 13.76	9.25 3.73	8.61 6.96	8.44 7.80	8.60 7.02	8.62 6.89
B. Standard deviation of inflation	8.19 4.52	9.64 0.91	9.06 2.36	9.11 2.22	9.60 0.99	9.67 0.82	9.65 0.86	9.61 0.97
C. Inflation: most recent year	8.11 9.46	8.32 8.42	8.87 5.66	8.41 7.96	9.62 1.89	9.70 1.49	9.80 0.98	9.34 3.28
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Freedom to Trade Internationally	5.24	6.06	5.60	6.16	5.43	5.56	5.73	5.87
A. Taxes on international trade	1.43	5.52	4.78	5.20	3.19	4.30	4.53	4.48
(i) Revenues from trade taxes (% of trade sector)	2.87 10.70	5.73 6.40	4.27 8.60	5.45 6.82	5.09 7.36	6.76 4.86	6.88 4.68	7.76 3.36
(ii) Mean tariff rate	0.00 54.00	5.30 23.50	5.30 23.50	5.44 22.80	3.28 33.60	4.34 28.30	6.12 19.40	5.10 24.50
(iii) Standard deviation of tariff rates				4.72 13.20	1.20 22.00	1.80 20.50	0.59 23.52	0.59 23.52
B. Regulatory trade barriers						5.20	5.24	6.44
(i) Non-tariff trade barriers						4.20	4.98	5.07
(ii) Compliance cost of importing and exporting						6.20	5.50	7.80
C. Size of trade sector	4.76	5.98	5.59	5.58	5.77	5.04	5.54	5.49
D. Black-market exchange rates	9.80	8.60	7.40	9.80	10.00	9.42	9.42	9.16
E. International capital market controls	2.00	2.00	2.00	2.00	0.00	3.83	3.92	3.80
(i) Foreign ownership/investment restrictions						6.90	7.07	6.82
(ii) Capital controls	2.00	2.00	2.00	2.00	0.00	0.77	0.77	0.77
5. Regulation of Credit, Labor and Business	4.55	4.70	4.41	4.90	5.09	5.50	4.93	5.64
A. Credit market regulations	5.69	5.57	6.09	6.39	6.98	7.76	6.03	6.07
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
(ii) Foreign bank competition						8.00	3.00	3.00
(iii) Private sector credit	6.38	5.72	5.26	6.16	7.95	8.02	8.13	8.29
(iv) Interest rate controls/negative real int. rates		6.00	8.00	8.00	8.00	10.00	8.00	8.00
B. Labor market regulations						4.10	4.12	5.02
(i) Minimum wage						0.00	0.00	1.41
(ii) Hiring and firing regulations						4.58	5.30	5.00
(iii) Centralized collective bargaining						6.80	7.50	7.33
(iv) Mandated cost of hiring							4.62	4.22
(v) Mandated cost of dismissing							2.28	2.12
(vi) Conscription	1.00	1.00	1.00	1.00	1.00	5.00	5.00	10.00
C. Business regulations						4.65	4.65	5.83
(i) Price controls			0.00	4.00	4.00	4.00	4.00	4.00
(ii) Administrative requirements						3.08	3.56	4.10
(iii) Bureaucracy costs						5.14	5.40	4.72
(iv) Starting a business						6.97	7.23	9.30
(v) Extra payments/bribes						4.06	5.08	5.06
(vi) Licensing restrictions							5.02	7.66
(vii) Cost of tax compliance							2.27	5.99

Mozambique

	1980	1985	1990	1995	2000	2004	2005	2006
	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Chain-Linked								
Summary Rating (Rank) >						5.46 (110)	5.49 (113)	5.50 (115)
1. Size of Government						4.74 (109)	5.47 (92)	4.67 (109)
2. Legal Structure and Security of Property Rights						3.26 (104)	3.71 (104)	3.44 (109)
3. Access to Sound Money						8.56 (64)	7.61 (81)	7.51 (83)
4. Freedom to Trade Internationally						6.18 (95)	6.10 (90)	6.58 (78)
5. Regulation of Credit, Labor and Business						4.56 (119)	4.56 (122)	5.20 (117)
Unadjusted								
Summary Ratings (Rank) >						5.46 (112)	5.79 (113)	5.77 (116)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government						4.74	5.47	4.67
A. Government consumption						8.23 12.02	8.41 11.41	8.00 12.80
B. Transfers and subsidies								
C. Government enterprises and investment						0.00 52.27	2.00 45.74	0.00 63.46
D. Top marginal tax rate						6.00	6.00	6.00
(i) Top marginal income tax rate						7.00 32	7.00 32	7.00 32
(ii) Top marginal income and payroll tax rates						5.00 37	5.00 37	5.00 37
2. Legal Structure and Security of Property Rights						3.26	4.46	4.13
A. Judicial independence						2.45	2.46	2.96
B. Impartial courts						2.62	2.68	3.00
C. Protection of property rights						2.87	4.82	4.72
D. Military interference						3.33	3.61	6.67
E. Integrity of the legal system						5.00	5.00	5.00
F. Legal enforcement of contracts							5.12	0.00
G. Regulatory restrictions of sale of real property							7.50	6.54
3. Access to Sound Money						8.56	7.61	7.51
A. Money growth						8.31 6.96	8.31 7.77	8.31 8.28
B. Standard deviation of inflation						8.46 3.84	8.56 3.59	9.39 1.53
C. Inflation: most recent year						7.47 12.66	8.57 7.17	7.35 13.24
D. Freedom to own foreign currency						10.00	5.00	5.00
4. Freedom to Trade Internationally						6.18	6.10	6.58
A. Taxes on international trade						6.47	6.75	6.85
(i) Revenues from trade taxes (% of trade sector)								
(ii) Mean tariff rate						7.46 12.70	7.38 13.10	7.58 12.10
(iii) Standard deviation of tariff rates						5.48 11.30	6.13 9.68	6.13 9.68
B. Regulatory trade barriers						5.17	4.42	5.10
(i) Non-tariff trade barriers						5.05	4.68	4.68
(ii) Compliance cost of importing and exporting						5.30	4.17	5.53
C. Size of trade sector						6.06	5.97	7.69
D. Black-market exchange rates						10.00	10.00	10.00
E. International capital market controls						3.19	3.35	3.28
(i) Foreign ownership/investment restrictions						6.38	6.70	6.56
(ii) Capital controls						0.00	0.00	0.00
5. Regulation of Credit, Labor and Business						4.56	5.30	5.96
A. Credit market regulations						7.07	8.10	8.40
(i) Ownership of banks								
(ii) Foreign bank competition							10.00	10.00
(iii) Private sector credit						6.15	5.31	6.19
(iv) Interest rate controls/negative real int. rates						8.00	9.00	9.00
B. Labor market regulations						2.51	2.84	4.49
(i) Minimum wage						0.00	0.00	9.98
(ii) Hiring and firing regulations						4.32	3.01	3.17
(iii) Centralized collective bargaining						5.71	5.25	5.03
(iv) Mandated cost of hiring							8.78	8.78
(v) Mandated cost of dismissing							0.00	0.00
(vi) Conscription						0.00	0.00	0.00
C. Business regulations						4.10	4.94	4.99
(i) Price controls								
(ii) Administrative requirements						3.55	2.01	3.12
(iii) Bureaucracy costs						7.19	2.31	2.99
(iv) Starting a business						1.17	5.63	8.46
(v) Extra payments/bribes						4.49	5.09	4.20
(vi) Licensing restrictions							7.19	3.75
(vii) Cost of tax compliance							7.42	7.42

Nepal

	1980	1985	1990	1995	2000	2004	2005	2006	
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	
Summary Rating (Rank) >	5.57 (44)	5.16 (62)	5.25 (67)	5.25 (85)	5.62 (99)	5.12 (118)	5.16 (118)	4.97 (122)	
1. Size of Government	6.77 (11)	5.29 (42)	5.50 (53)	5.33 (70)	5.30 (85)	5.30 (95)	5.23 (95)	5.26 (95)	
2. Legal Structure and Security of Property Rights				4.88 (81)	4.76 (79)	2.54 (118)	1.78 (129)	1.51 (130)	
3. Access to Sound Money	5.86 (66)	6.17 (75)	6.05 (70)	6.26 (69)	6.97 (81)	6.70 (104)	6.61 (104)	6.58 (109)	
4. Freedom to Trade Internationally	4.79 (61)	4.39 (70)	4.03 (90)	4.85 (101)	5.86 (98)	5.38 (117)	5.10 (120)	5.18 (121)	
5. Regulation of Credit, Labor and Business	4.56 (75)	4.51 (78)	5.08 (65)	5.07 (78)	5.28 (91)	5.67 (84)	7.06 (32)	6.55 (58)	
Unadjusted	Summary Ratings (Rank) >	5.78 (38)	5.36 (61)	5.33 (62)	5.29 (84)	5.75 (95)	5.29 (117)	5.55 (123)	5.35 (128)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	
1. Size of Government	6.77	5.29	5.50	5.33	5.30	5.30	5.23	5.26	
A. Government consumption	9.55 7.54	8.58 10.83	9.00 9.40	8.65 10.57	8.60 10.77	8.59 10.78	8.45 11.27	8.52 11.02	
B. Transfers and subsidies									
C. Government enterprises and investment	4.00 37.30	2.00 45.80	2.00 43.20	2.00	2.00 43.20	2.00	2.00	2.00	
D. Top marginal tax rate									
(i) Top marginal income tax rate									
(ii) Top marginal income and payroll tax rates									
2. Legal Structure and Security of Property Rights				4.44	4.76	3.23	4.67	3.96	
A. Judicial independence							5.16	4.47	
B. Impartial courts				4.57	4.42	4.11	3.57	3.20	
C. Protection of property rights							5.09	4.92	
D. Military interference					5.61	1.68	0.00	0.00	
E. Integrity of the legal system									
F. Legal enforcement of contracts							6.26	3.37	
G. Regulatory restrictions of sale of real property							7.92	7.80	
3. Access to Sound Money	5.86	6.17	6.05	6.26	6.97	6.70	6.61	6.58	
A. Money growth	7.11 14.44	7.84 10.80	6.87 15.66	8.13 9.35	9.19 -4.05	8.51 7.43	8.97 5.17	8.50 7.50	
B. Standard deviation of inflation	7.86 5.36	9.13 2.18	9.48 1.29	8.16 4.60	9.19 2.03	8.87 2.83	8.86 2.86	9.35 1.62	
C. Inflation: most recent year	8.48 7.61	7.72 11.42	7.86 10.71	8.74 6.30	9.50 2.48	9.43 2.84	8.63 6.84	8.49 7.56	
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4. Freedom to Trade Internationally	5.23	4.79	4.40	5.10	6.16	5.62	5.40	5.49	
A. Taxes on international trade	4.92	5.17	4.81	5.60	6.10	5.69	6.14	6.37	
(i) Revenues from trade taxes (% of trade sector)	4.27 8.60	4.87 7.70	4.13 8.80	6.37 5.44	6.59 5.11	5.38 6.93	5.97 6.05	6.51 5.24	
(ii) Mean tariff rate	5.58 22.10	5.48 22.60	5.48 22.60	6.78 16.10	7.06 14.70	7.04 14.80	7.06 14.70	7.22 13.90	
(iii) Standard deviation of tariff rates				3.64 15.90	4.64 13.40	4.64 13.40	5.39 11.54	5.39 11.54	
B. Regulatory trade barriers						3.77	4.45	4.43	
(i) Non-tariff trade barriers							4.79	4.49	
(ii) Compliance cost of importing and exporting						3.77	4.10	4.37	
C. Size of trade sector	3.00	2.74	2.16	5.48	4.71	3.61	2.77	2.98	
D. Black-market exchange rates	10.00	7.80	6.80	6.20	10.00	10.00	10.00	10.00	
E. International capital market controls	0.00	0.00	0.00	0.00	1.82	1.82	3.66	3.65	
(i) Foreign ownership/investment restrictions							4.82	4.99	
(ii) Capital controls	0.00	0.00	0.00	0.00	1.82	1.82	2.50	2.31	
5. Regulation of Credit, Labor and Business	5.24	5.18	5.36	5.35	5.57	5.61	5.83	5.46	
A. Credit market regulations	4.00	3.84	5.56	5.52	6.25	6.64	6.67	6.65	
(i) Ownership of banks	0.00	0.00	0.00	0.00	0.00	2.00	2.00	2.00	
(ii) Foreign bank competition									
(iii) Private sector credit	6.00	5.53	6.68	8.55	8.76	7.91	8.02	7.94	
(iv) Interest rate controls/negative real int. rates	6.00	6.00	10.00	8.00	10.00	10.00	10.00	10.00	
B. Labor market regulations							5.47	5.12	
(i) Minimum wage						1.75	1.75	2.68	
(ii) Hiring and firing regulations							3.56	3.46	
(iii) Centralized collective bargaining							5.86	5.95	
(iv) Mandated cost of hiring							10.00	6.96	
(v) Mandated cost of dismissing							1.66	1.66	
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	
C. Business regulations							5.35	4.60	
(i) Price controls			2.00	2.00	2.00	4.00	4.00	4.00	
(ii) Administrative requirements							3.07	3.09	
(iii) Bureaucracy costs							4.18	3.51	
(iv) Starting a business						7.98	8.59	8.23	
(v) Extra payments/bribes							4.20	3.52	
(vi) Licensing restrictions							7.95	4.45	
(vii) Cost of tax compliance							5.43	5.43	

Netherlands

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	7.31 (9)	7.47 (7)	7.80 (8)	7.82 (8)	8.03 (9)	7.58 (16)	7.67 (16)	7.64 (19)
2. Legal Structure and Security of Property Rights	3.57 (85)	3.51 (90)	4.94 (69)	4.78 (87)	4.46 (106)	4.25 (118)	4.40 (114)	4.06 (119)
3. Access to Sound Money	8.84 (12)	9.87 (1)	9.87 (4)	9.11 (6)	9.62 (1)	8.95 (2)	9.43 (2)	8.75 (8)
4. Freedom to Trade Internationally	9.37 (4)	9.49 (7)	9.57 (6)	9.70 (8)	9.57 (14)	9.45 (24)	9.47 (21)	9.69 (3)
5. Regulation of Credit, Labor and Business	8.30 (5)	8.44 (5)	8.20 (7)	8.65 (6)	8.95 (6)	8.33 (11)	8.11 (8)	8.33 (7)
	6.62 (17)	6.26 (28)	6.47 (24)	6.85 (17)	7.56 (7)	6.92 (21)	6.95 (37)	7.37 (23)
Unadjusted								
Summary Ratings (Rank) ▶	6.92 (11)	7.07 (9)	7.29 (10)	7.82 (8)	8.03 (9)	7.58 (16)	7.68 (15)	7.65 (16)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	3.84	3.78	4.94	4.78	4.46	4.25	4.40	4.06
A. Government consumption	5.23 22.22	5.60 20.96	5.93 19.85	6.08 19.34	2.54 31.37	2.02 33.13	2.05 33.02	1.49 34.95
B. Transfers and subsidies	2.13 29.40	1.53 31.60	2.32 28.70	2.04 29.70	2.79 26.97	3.99 22.55	4.55 20.51	3.75 23.43
C. Government enterprises and investment	8.00 14.80	8.00 14.70	10.00 12.70	10.00 13.80	10.00 13.80	8.00 16.98	8.00 17.37	8.00 16.52
D. Top marginal tax rate	0.00	0.00	1.50	1.00	2.50	3.00	3.00	3.00
(i) Top marginal income tax rate	0.00 72	0.00 72	3.00 60	2.00 60	3.00 52	3.00 52	3.00 52	3.00 52
(ii) Top marginal income and payroll tax rates			0.00 63	0.00 63	2.00 54	3.00 52	3.00 52	3.00 52
2. Legal Structure and Security of Property Rights	7.48	8.35	8.35	9.11	9.62	8.95	9.15	8.49
A. Judicial independence				9.37	9.52	8.39	9.05	9.01
B. Impartial courts				8.73	9.52	8.20	8.90	8.42
C. Protection of property rights				7.46	9.09	8.16	9.21	9.01
D. Military interference				10.00	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	10.00	10.00	10.00	10.00
F. Legal enforcement of contracts							8.97	5.11
G. Regulatory restrictions of sale of real property							7.92	7.87
3. Access to Sound Money	9.37	9.49	9.57	9.70	9.57	9.45	9.47	9.69
A. Money growth	9.22 3.88	9.05 4.77	9.15 4.24	9.27 3.65	9.26 3.70	8.72 -6.38	8.91 -5.46	9.45 -2.77
B. Standard deviation of inflation	9.35 1.63	9.28 1.79	9.58 1.04	9.85 0.37	9.54 1.15	9.31 1.73	9.30 1.75	9.54 1.15
C. Inflation: most recent year	8.90 5.52	9.65 1.76	9.54 2.31	9.67 1.63	9.50 2.52	9.75 1.24	9.66 1.70	9.77 1.14
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	8.32	8.46	8.09	8.60	8.95	8.33	8.11	8.33
A. Taxes on international trade	8.99	9.12	8.44	8.66	9.18	9.18	8.48	8.30
(i) Revenues from trade taxes (% of trade sector)	9.73 0.40	9.73 0.40	9.67 0.50	9.67 0.50	9.78 0.33	9.85 0.22	9.84 0.24	9.84 0.24
(ii) Mean tariff rate	8.24 8.80	8.50 7.50	8.52 7.40	8.66 6.70	9.52 2.40	9.64 1.80	9.46 2.70	8.92 5.40
(iii) Standard deviation of tariff rates			7.12 7.20	7.64 5.90	8.24 4.40	8.04 4.90	6.13 9.67	6.13 9.67
B. Regulatory trade barriers				8.88	9.54	8.11	8.04	8.34
(i) Non-tariff trade barriers				8.88	9.25	7.18	7.01	7.40
(ii) Compliance cost of importing and exporting					9.83	9.05	9.08	9.29
C. Size of trade sector	6.50	7.04	5.88	5.89	6.51	5.84	5.81	6.35
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	8.00	8.00	8.00	9.55	9.54	8.53	8.20	8.64
(i) Foreign ownership/investment restrictions				9.10	9.85	7.83	7.95	8.05
(ii) Capital controls	8.00	8.00	8.00	10.00	9.23	9.23	8.46	9.23
5. Regulation of Credit, Labor and Business	5.60	5.29	5.52	6.89	7.56	6.92	7.27	7.69
A. Credit market regulations	9.44	8.59	9.26	9.00	9.24	9.10	9.16	9.21
(i) Ownership of banks	10.00	8.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				8.17	8.18	8.00	8.00	8.00
(iii) Private sector credit	8.33	7.77	7.78	8.25	9.09	8.59	8.65	8.85
(iv) Interest rate controls/negative real int. rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	2.97	2.62	2.83	4.09	5.19	5.43	6.26	6.37
(i) Minimum wage				4.52	4.47	6.48	6.48	7.91
(ii) Hiring and firing regulations			3.38	3.38	2.58	3.06	3.17	3.11
(iii) Centralized collective bargaining	5.18	4.49	4.49	4.49	4.40	3.54	4.14	4.24
(iv) Mandated cost of hiring	2.73	2.37	2.46	5.08	4.51	4.05	5.26	4.53
(v) Mandated cost of dismissing							8.52	8.42
(vi) Conscription	1.00	1.00	1.00	3.00	10.00	10.00	10.00	10.00
C. Business regulations				7.59	8.26	6.23	6.38	7.48
(i) Price controls			7.00	7.00	8.00	6.00	7.00	7.00
(ii) Administrative requirements					7.73	3.43	3.64	3.70
(iii) Bureaucracy costs				7.37	9.10	5.76	5.99	8.43
(iv) Starting a business				7.53	7.58	7.56	9.30	9.44
(v) Extra payments/bribes				8.46	8.88	8.41	8.91	8.80
(vi) Licensing restrictions							7.66	7.03
(vii) Cost of tax compliance							2.15	7.98

New Zealand

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	3.82 (80)	3.54 (89)	5.55 (52)	7.46 (18)	6.68 (42)	6.74 (48)	6.74 (53)	6.70 (53)
2. Legal Structure and Security of Property Rights	9.52 (3)	9.32 (7)	9.88 (2)	9.17 (3)	9.10 (11)	8.90 (3)	9.06 (10)	8.69 (9)
3. Access to Sound Money	6.25 (47)	6.03 (80)	7.28 (36)	9.75 (4)	9.54 (17)	9.52 (22)	9.43 (26)	9.35 (30)
4. Freedom to Trade Internationally	7.23 (19)	7.01 (22)	7.93 (12)	8.16 (13)	8.52 (9)	7.98 (16)	7.85 (15)	7.79 (16)
5. Regulation of Credit, Labor and Business	7.22 (7)	7.34 (8)	8.29 (2)	8.66 (2)	7.89 (5)	8.04 (4)	8.21 (6)	8.09 (11)
Unadjusted								
Summary Ratings (Rank) ▶	6.25 (21)	6.09 (30)	7.13 (15)	8.65 (3)	8.35 (5)	8.24 (4)	8.41 (3)	8.28 (3)
	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>
1. Size of Government	3.82	3.54	5.55	7.46	6.68	6.74	6.74	6.70
A. Government consumption	5.12 22.59	5.63 20.86	5.54 21.17	6.21 18.89	4.84 23.56	4.93 23.23	4.87 23.45	4.69 24.07
B. Transfers and subsidies	4.17 21.90	4.52 20.60	2.64 27.50	6.65 12.80	6.90 11.87	7.02 11.45	7.10 11.16	7.13 11.05
C. Government enterprises and investment	4.00 30.80	4.00 31.40	7.00 25.30	10.00 12.00	10.00 13.30	10.00 12.78	10.00 13.38	10.00 13.38
D. Top marginal tax rate	2.00	0.00	7.00	7.00	5.00	5.00	5.00	5.00
(i) Top marginal income tax rate	2.00 62	0.00 66	7.00 33	7.00 33	5.00 39	5.00 39	5.00 39	5.00 39
(ii) Top marginal income and payroll tax rates			7.00 33	7.00 33	5.00 40	5.00 39	5.00 40	5.00 40
2. Legal Structure and Security of Property Rights	8.04	7.88	8.35	9.17	9.10	8.90	9.28	8.90
A. Judicial independence				9.47	9.19	8.37	8.86	9.15
B. Impartial courts				9.08	9.19	8.33	8.15	8.10
C. Protection of property rights				7.29	7.15	7.80	8.66	8.46
D. Military interference				10.00	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	10.00	10.00	9.65	9.17
F. Legal enforcement of contracts							9.71	7.50
G. Regulatory restrictions of sale of real property							9.93	9.93
3. Access to Sound Money	6.25	6.03	7.28	9.75	9.54	9.52	9.43	9.35
A. Money growth	8.89 5.55	8.29 8.54	1.83 40.85	9.58 2.09	9.19 4.06	9.11 4.47	8.87 5.64	8.55 7.27
B. Standard deviation of inflation	9.20 2.00	8.68 3.29	7.84 5.39	9.87 0.33	9.48 1.29	9.44 1.39	9.47 1.33	9.51 1.23
C. Inflation: most recent year	6.93 15.36	7.16 14.19	9.46 2.70	9.55 2.27	9.48 2.62	9.54 2.29	9.39 3.04	9.33 3.36
D. Freedom to own foreign currency	0.00	0.00	10.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	7.44	7.21	7.89	8.10	8.52	7.98	7.85	7.79
A. Taxes on international trade	7.87	7.73	6.56	7.74	9.01	8.80	8.88	9.01
(i) Revenues from trade taxes (% of trade sector)	8.33 2.50	8.67 2.00	8.87 1.70	9.07 1.40	9.47 0.79	8.91 1.63	9.30 1.04	9.30 1.04
(ii) Mean tariff rate	7.40 13.00	6.80 16.00	7.10 14.50	8.30 8.50	9.32 3.40	9.26 3.70	9.00 5.00	9.40 3.00
(iii) Standard deviation of tariff rates			3.72 15.70	5.84 10.40	8.24 4.40	8.24 4.40	8.33 4.17	8.33 4.17
B. Regulatory trade barriers				8.52	9.38	8.87	8.86	8.75
(i) Non-tariff trade barriers				8.52	9.09	8.76	9.04	8.74
(ii) Compliance cost of importing and exporting					9.67	8.97	8.68	8.76
C. Size of trade sector	6.18	5.97	4.73	4.68	5.32	3.84	3.72	3.72
D. Black-market exchange rates	10.00	9.20	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	5.00	5.00	10.00	9.59	8.89	8.38	7.77	7.47
(i) Foreign ownership/investment restrictions				9.18	9.32	8.30	7.84	8.02
(ii) Capital controls	5.00	5.00	10.00	10.00	8.46	8.46	7.69	6.92
5. Regulation of Credit, Labor and Business	5.68	5.78	6.59	8.76	7.89	8.04	8.75	8.65
A. Credit market regulations	6.18	6.64	9.59	9.37	9.29	9.76	9.94	9.98
(i) Ownership of banks	5.00	5.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				9.08	7.85	10.00	10.00	10.00
(iii) Private sector credit	7.54	6.91	8.77	9.58	9.49	9.71	9.77	9.92
(iv) Interest rate controls/negative real int. rates	6.00	8.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	6.58	6.50	6.78	7.46	5.92	6.54	8.11	7.75
(i) Minimum wage				6.52	3.62	6.49	6.49	5.10
(ii) Hiring and firing regulations			7.62	7.62	3.07	4.68	4.46	4.09
(iii) Centralized collective bargaining	5.18	5.18	5.18	7.93	8.05	7.98	7.68	7.60
(iv) Mandated cost of hiring	4.57	4.31	4.31	5.25	4.84	3.56	10.00	9.70
(v) Mandated cost of dismissing							10.00	10.00
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				9.44	8.47	7.82	8.21	8.23
(i) Price controls			9.00	10.00	10.00	10.00	9.00	8.00
(ii) Administrative requirements					7.47	3.65	4.13	3.76
(iii) Bureaucracy costs				9.35	7.80	7.55	6.13	7.64
(iv) Starting a business				8.47	7.85	8.42	9.61	9.61
(v) Extra payments/bribes				9.94	9.23	9.49	9.60	9.54
(vi) Licensing restrictions							9.81	9.81
(vii) Cost of tax compliance							9.22	9.22

Nicaragua

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	4.10 (88)	2.10 (109)	3.05 (112)	5.36 (83)	6.59 (56)	6.65 (58)	6.69 (61)	6.66 (69)
2. Legal Structure and Security of Property Rights	4.30 (70)	2.88 (103)	3.50 (96)	5.63 (57)	7.06 (29)	7.87 (15)	7.32 (27)	7.52 (21)
3. Access to Sound Money			0.00 (119)	5.20 (86)	8.66 (46)	9.17 (39)	9.19 (36)	9.06 (42)
4. Freedom to Trade Internationally	3.11 (87)	2.32 (94)	5.42 (61)	6.27 (77)	7.56 (38)	7.23 (46)	6.90 (56)	7.09 (58)
5. Regulation of Credit, Labor and Business		2.96 (101)	2.82 (111)	6.04 (47)	6.17 (47)	6.11 (64)	6.55 (57)	6.45 (65)
Unadjusted								
Summary Ratings (Rank) ▶	4.06 (91)	2.30 (111)	3.16 (110)	5.61 (74)	6.59 (54)	6.65 (58)	7.01 (51)	6.99 (57)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	5.03	3.36	3.43	5.63	7.06	7.87	7.32	7.52
A. Government consumption	6.09 19.29	0.00 42.59	0.00 42.57	8.03 12.71	6.72 17.14	8.43 11.33	8.47 11.19	8.29 11.83
B. Transfers and subsidies	9.02 4.10	8.45 6.20	8.28 6.80	8.50 6.00	8.53 5.88	9.54 2.18	7.80 8.59	7.80 8.59
C. Government enterprises and investment	0.00 71.90	0.00	2.00 45.30	0.00 55.90	7.00 22.44	7.00 23.93	7.00 23.35	8.00 19.52
D. Top marginal tax rate	5.00	5.00		6.00	6.00	6.50	6.00	6.00
(i) Top marginal income tax rate	5.00 50	5.00 50		8.00 30	8.00 30	9.00 25	8.00 30	8.00 30
(ii) Top marginal income and payroll tax rates				4.00 41	4.00 44	4.00 44	4.00 44	4.00 44
2. Legal Structure and Security of Property Rights	2.58	2.59	3.99	4.47	4.07	2.86	4.61	4.32
A. Judicial independence						0.36	0.81	0.96
B. Impartial courts				4.28	4.16	1.36	1.91	2.04
C. Protection of property rights					2.08	2.56	4.06	4.33
D. Military interference				5.45	3.33	3.33	3.89	5.00
E. Integrity of the legal system				4.11	6.67	6.67	6.67	6.67
F. Legal enforcement of contracts							8.31	4.77
G. Regulatory restrictions of sale of real property							6.63	6.51
3. Access to Sound Money	5.47	0.00	0.00	5.20	8.66	9.17	9.19	9.06
A. Money growth	4.66 26.71	0.00 69.61	0.00 2072.08	7.76 11.22	7.58 12.11	9.32 3.42	9.73 1.36	9.32 3.42
B. Standard deviation of inflation	4.56 13.61	0.00 60.08	0.00 4792.48	0.00 1852.08	9.26 1.85	9.04 2.40	8.96 2.59	8.76 3.09
C. Inflation: most recent year	2.68 36.62	0.00 168.07	0.00 5012.69	8.04 9.79	7.81 10.94	8.31 8.47	8.08 9.60	8.17 9.14
D. Freedom to own foreign currency	10.00	0.00	0.00	5.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	3.14	2.34	5.47	6.51	7.04	7.23	6.90	7.09
A. Taxes on international trade	2.10	2.53	6.09	7.88	8.77	8.63	8.31	8.42
(i) Revenues from trade taxes (% of trade sector)	4.20 8.70	5.07 7.40	7.13 4.30	6.07 5.90	8.83 1.76	9.22 1.18	9.15 1.28	9.24 1.13
(ii) Mean tariff rate	0.00 54.00	0.00 54.00	5.04 24.80	7.86 10.70	9.36 3.20	9.02 4.90	8.64 6.80	8.88 5.60
(iii) Standard deviation of tariff rates				9.72 25.70	8.12 4.70	7.64 5.90	7.13 7.17	7.13 7.17
B. Regulatory trade barriers					3.78	4.95	4.15	4.61
(i) Non-tariff trade barriers					3.78	3.67	3.70	4.44
(ii) Compliance cost of importing and exporting						6.22	4.61	4.77
C. Size of trade sector	5.34	0.88	5.06	3.11	4.66	5.62	4.99	5.32
D. Black-market exchange rates	0.00	0.00	8.00	8.40	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	5.00	7.99	6.98	7.03	7.10
(i) Foreign ownership/investment restrictions					8.30	6.27	6.37	6.69
(ii) Capital controls	0.00	0.00	0.00	5.00	7.69	7.69	7.69	7.50
5. Regulation of Credit, Labor and Business		3.21	2.92	6.25	6.12	6.11	7.05	6.98
A. Credit market regulations	0.00	2.20	1.77	7.99	7.00	7.15	8.76	9.12
(i) Ownership of banks						8.00	10.00	10.00
(ii) Foreign bank competition					5.52	5.52	8.00	8.00
(iii) Private sector credit		4.40	3.54	9.99	9.02	7.77	8.05	8.47
(iv) Interest rate controls/negative real int. rates	0.00	0.00	0.00	6.00	8.00	9.00	9.00	10.00
B. Labor market regulations					6.60	6.78	6.86	6.40
(i) Minimum wage					3.63	5.24	5.24	2.20
(ii) Hiring and firing regulations					6.12	4.42	5.70	5.97
(iii) Centralized collective bargaining					6.65	7.45	7.58	7.64
(iv) Mandated cost of hiring							4.83	4.83
(v) Mandated cost of dismissing							7.82	7.78
(vi) Conscription	5.00	0.00	0.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations					4.75	4.41	5.53	5.41
(i) Price controls			0.00	4.00	4.00	6.00	6.00	6.00
(ii) Administrative requirements					6.03	3.13	3.24	3.56
(iii) Bureaucracy costs					5.18	3.28	4.62	3.53
(iv) Starting a business					4.10	4.65	7.19	7.50
(v) Extra payments/bribes					4.45	4.99	4.80	4.27
(vi) Licensing restrictions							5.54	5.72
(vii) Cost of tax compliance							7.31	7.31

Niger

	1980	1985	1990	1995	2000	2004	2005	2006	
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	
Summary Rating (Rank) >	4.56 (77)	4.91 (77)	4.58 (92)	4.37 (112)	4.79 (113)	4.39 (126)	4.11 (129)	4.06 (129)	
1. Size of Government	6.10 (21)	6.28 (21)	3.81 (91)	5.81 (50)	3.96 (113)	3.93 (124)	4.02 (119)	3.04 (128)	
2. Legal Structure and Security of Property Rights	4.67 (48)	4.78 (61)	5.30 (54)	3.02 (117)	4.38 (86)	3.69 (95)	4.14 (97)	4.01 (97)	
3. Access to Sound Money	4.67 (91)	6.38 (67)	7.11 (39)	5.71 (79)	8.25 (53)	6.71 (103)	6.31 (111)	6.55 (111)	
4. Freedom to Trade Internationally					5.96 (95)	5.56 (113)	5.31 (115)	5.57 (113)	
5. Regulation of Credit, Labor and Business		1.79 (105)	1.80 (117)	1.98 (122)	1.91 (122)	2.08 (128)	1.42 (130)	1.54 (130)	
Unadjusted	Summary Ratings (Rank) >	5.43 (51)	5.44 (56)	5.09 (70)	4.86 (97)	5.42 (105)	5.05 (121)	4.74 (135)	4.67 (137)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	
1. Size of Government	7.22	6.28	3.81	5.81	3.96	3.93	4.02	3.04	
A. Government consumption	8.19 12.15	8.56 10.90	7.63 14.06	7.62 14.10	7.91 13.10	7.86 13.28	8.04 12.65	6.08 19.34	
B. Transfers and subsidies	9.46 2.50								
C. Government enterprises and investment	4.00 33.50	4.00 29.40	0.00 76.50	4.00	0.00 57.31	0.00 56.87	0.00 52.69	0.00 52.69	
D. Top marginal tax rate									
(i) Top marginal income tax rate									
(ii) Top marginal income and payroll tax rates									
2. Legal Structure and Security of Property Rights	4.67	4.78	5.30	3.02	4.38	4.09	4.47	4.32	
A. Judicial independence									
B. Impartial courts				3.54	3.49	3.93	4.10	4.10	
C. Protection of property rights									
D. Military interference				4.28	6.67	5.00	5.00	5.00	
E. Integrity of the legal system				0.00	3.33	3.33	3.33	3.33	
F. Legal enforcement of contracts							5.43	2.74	
G. Regulatory restrictions of sale of real property							4.47	6.44	
3. Access to Sound Money	4.67	6.38	7.11	5.71	8.25	6.71	6.31	6.55	
A. Money growth	5.00 24.99	9.33 3.34	9.88 -0.58	9.28 3.62	9.04 -4.78	7.91 10.45	8.34 8.30	7.76 11.22	
B. Standard deviation of inflation	7.86 5.35	7.36 6.60	8.86 2.85	4.64 13.40	9.54 1.14	8.99 2.53	8.46 3.85	8.45 3.88	
C. Inflation: most recent year	5.84 20.82	8.82 -5.90	9.68 -1.60	8.92 5.38	9.42 2.90	9.95 0.26	8.44 7.80	9.99 0.04	
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	5.00	0.00	0.00	0.00	
4. Freedom to Trade Internationally	5.94	5.55	4.91	4.98	5.94	5.78	4.25	4.46	
A. Taxes on international trade	4.40	3.67	3.47	2.80	7.60	7.38	7.36	7.43	
(i) Revenues from trade taxes (% of trade sector)	4.40 8.40	3.67 9.50	3.47 9.80	2.80 10.80					
(ii) Mean tariff rate					7.60 12.00	7.44 12.80	7.46 12.70	7.60 12.00	
(iii) Standard deviation of tariff rates						7.32 6.70	7.26 6.84	7.26 6.84	
B. Regulatory trade barriers							0.00	0.97	
(i) Non-tariff trade barriers									
(ii) Compliance cost of importing and exporting							0.00	0.97	
C. Size of trade sector	7.48	6.05	3.68	4.10	3.90	3.31	3.88	3.88	
D. Black-market exchange rates	9.60	9.80	9.20	9.80	10.00	10.00	10.00	10.00	
E. International capital market controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
(i) Foreign ownership/investment restrictions									
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5. Regulation of Credit, Labor and Business	4.64	4.19	4.32	4.76	4.59	4.76	4.67	4.98	
A. Credit market regulations	4.30	5.12	6.13	6.24	5.67	7.04	7.70	7.68	
(i) Ownership of banks	2.00	2.00	2.00	5.00	5.00	8.00	10.00	10.00	
(ii) Foreign bank competition									
(iii) Private sector credit	8.91	8.24	8.38	7.73	8.01	9.11	9.10	9.03	
(iv) Interest rate controls/negative real int. rates	2.00		8.00	6.00	4.00	4.00	4.00	4.00	
B. Labor market regulations							2.00	2.99	
(i) Minimum wage						0.00	0.00	0.00	
(ii) Hiring and firing regulations									
(iii) Centralized collective bargaining									
(iv) Mandated cost of hiring							5.01	4.83	
(v) Mandated cost of dismissing							2.99	7.13	
(vi) Conscription		0.00	0.00	0.00	0.00	0.00	0.00	0.00	
C. Business regulations							4.31	4.28	
(i) Price controls			0.00	4.00	4.00	4.00	4.00	4.00	
(ii) Administrative requirements									
(iii) Bureaucracy costs									
(iv) Starting a business						6.64	3.05	5.02	
(v) Extra payments/bribes									
(vi) Licensing restrictions							3.23	1.14	
(vii) Cost of tax compliance							6.97	6.97	

Nigeria

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	3.74 (97)	3.98 (95)	3.80 (106)	4.01 (117)	5.54 (100)	5.26 (116)	5.37 (117)	5.90 (99)
2. Legal Structure and Security of Property Rights	2.19 (107)	3.40 (92)	2.49 (110)	4.93 (83)	6.19 (57)	4.00 (122)	3.97 (121)	3.97 (121)
3. Access to Sound Money	2.68 (73)	2.16 (102)	2.56 (100)	3.96 (100)	3.50 (104)	3.53 (97)	3.62 (106)	4.84 (78)
4. Freedom to Trade Internationally	5.47 (73)	6.31 (69)	4.12 (97)	1.27 (117)	5.37 (112)	6.70 (104)	6.72 (101)	7.38 (86)
5. Regulation of Credit, Labor and Business	3.25 (84)	2.79 (89)	4.76 (77)	4.34 (107)	6.52 (78)	6.44 (83)	6.64 (67)	7.22 (47)
	5.47 (44)	5.86 (39)	5.09 (64)	5.43 (67)	6.10 (52)	5.65 (86)	5.90 (91)	6.25 (78)
Unadjusted								
Summary Ratings (Rank) ▶	3.89 (96)	4.46 (90)	3.90 (104)	4.03 (116)	5.47 (103)	5.26 (119)	5.37 (129)	5.88 (111)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	2.19	5.00	2.49	4.93	6.19	4.00	3.97	3.97
A. Government consumption	6.58 17.64	7.21 15.49	5.48 21.37	7.78 13.56	7.56 14.28	0.99 36.64	0.91 36.90	0.91 36.90
B. Transfers and subsidies		9.78 1.30						
C. Government enterprises and investment	0.00 50.90	0.00 49.80	0.00 88.10	0.00	2.00 47.28	2.00 40.87	2.00 45.28	2.00 46.82
D. Top marginal tax rate	0.00	3.00	2.00	7.00	9.00	9.00	9.00	9.00
(i) Top marginal income tax rate	0.00 70	3.00 55	2.00 55	7.00 35	9.00 25	9.00 25	9.00 25	9.00 25
(ii) Top marginal income and payroll tax rates					9.00 25	9.00 25	9.00 25	9.00 25
2. Legal Structure and Security of Property Rights	3.06	2.46	2.93	4.53	3.74	3.53	2.98	3.98
A. Judicial independence						4.85	3.59	4.20
B. Impartial courts				3.62	3.56	3.60	3.74	3.81
C. Protection of property rights					2.52	3.37	4.66	4.68
D. Military interference				3.51	3.33	3.33	3.33	3.33
E. Integrity of the legal system				6.96	5.00	2.50	2.78	3.33
F. Legal enforcement of contracts							2.74	5.08
G. Regulatory restrictions of sale of real property							0.00	3.45
3. Access to Sound Money	5.47	6.31	4.12	1.27	5.37	6.70	6.72	7.38
A. Money growth	4.90 25.49	8.58 7.09	5.98 20.09	4.00 29.98	5.93 20.35	9.95 0.23	8.98 -5.11	9.91 -0.46
B. Standard deviation of inflation	9.44 1.39	7.39 6.52	1.93 20.18	1.06 22.35	1.95 20.12	4.83 12.92	6.46 8.86	6.25 9.37
C. Inflation: most recent year	7.52 12.42	9.26 3.69	8.57 7.16	0.00 55.83	8.61 6.93	7.00 15.00	6.43 17.86	8.35 8.24
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	5.00	5.00	5.00	5.00
4. Freedom to Trade Internationally	3.93	3.37	5.41	4.58	5.94	6.44	6.64	7.22
A. Taxes on international trade	3.91	4.60	3.49	4.68	3.76	4.40	7.04	7.00
(i) Revenues from trade taxes (% of trade sector)	4.33 8.50	6.60 5.10	7.33 4.00					
(ii) Mean tariff rate	3.48 32.60	2.60 37.00	3.14 34.30	5.64 21.80		5.04 24.80	7.68 11.60	7.60 12.00
(iii) Standard deviation of tariff rates			0.00 30.80	3.72 15.70	3.76 15.60	3.76 15.60	6.40 9.00	6.40 9.00
B. Regulatory trade barriers					3.20	3.80	3.95	4.93
(i) Non-tariff trade barriers					3.20	4.54	4.48	4.74
(ii) Compliance cost of importing and exporting						3.06	3.42	5.11
C. Size of trade sector	7.50	3.99	9.94	10.00	10.00	10.00	8.20	10.00
D. Black-market exchange rates	0.00	0.00	5.40	0.00	5.68	7.86	7.86	7.41
E. International capital market controls	0.00	0.00	0.00	0.00	7.04	6.12	6.16	6.75
(i) Foreign ownership/investment restrictions					8.69	6.86	6.93	7.35
(ii) Capital controls	0.00	0.00	0.00	0.00	5.38	5.38	5.38	6.15
5. Regulation of Credit, Labor and Business	4.82	5.16	4.56	4.86	6.10	5.65	6.55	6.86
A. Credit market regulations	2.00	3.00	3.56	4.57	5.87	7.55	8.74	8.57
(i) Ownership of banks	2.00	2.00	2.00	5.00	5.00	8.00	10.00	10.00
(ii) Foreign bank competition					7.57	7.57	7.57	7.57
(iii) Private sector credit			8.69	8.71	6.60	7.03	7.39	6.72
(iv) Interest rate controls/negative real int. rates	2.00	4.00	0.00	0.00	4.00	9.00	10.00	10.00
B. Labor market regulations					7.22	5.47	6.78	7.72
(i) Minimum wage					4.79	0.00	0.00	10.00
(ii) Hiring and firing regulations					7.15	5.88	6.62	6.75
(iii) Centralized collective bargaining					6.93	6.00	6.69	6.92
(iv) Mandated cost of hiring							7.72	7.26
(v) Mandated cost of dismissing							9.63	5.36
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations					5.20	3.93	4.12	4.29
(i) Price controls			0.00	0.00	4.00	6.00	6.00	6.00
(ii) Administrative requirements					7.83	3.73	3.72	3.88
(iii) Bureaucracy costs					6.03	1.03	3.16	4.82
(iv) Starting a business					5.12	4.85	7.71	8.32
(v) Extra payments/bribes					3.03	4.06	3.89	3.64
(vi) Licensing restrictions							4.36	3.37
(vii) Cost of tax compliance							0.00	0.00

Norway

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >	6.13 (25)	6.61 (24)	7.25 (19)	7.44 (16)	7.37 (22)	7.21 (30)	7.51 (21)	7.45 (26)
1. Size of Government	2.64 (101)	2.99 (100)	2.94 (105)	3.67 (107)	4.75 (95)	5.06 (101)	5.69 (89)	5.80 (83)
2. Legal Structure and Security of Property Rights	8.34 (18)	9.60 (5)	9.88 (2)	9.19 (2)	8.85 (15)	8.68 (11)	9.30 (4)	8.90 (6)
3. Access to Sound Money	6.51 (37)	6.32 (68)	8.69 (21)	9.47 (23)	9.01 (39)	8.67 (59)	8.97 (42)	8.90 (49)
4. Freedom to Trade Internationally	7.20 (20)	7.86 (10)	8.35 (6)	8.11 (15)	7.58 (37)	7.02 (59)	6.55 (71)	6.62 (75)
5. Regulation of Credit, Labor and Business	6.23 (25)	6.62 (20)	6.54 (23)	6.79 (20)	6.67 (29)	6.62 (36)	7.04 (34)	7.03 (35)
Unadjusted								
	Rating	Rating	Rating	Rating	Rating	Rating	Rating	Rating
Summary Ratings (Rank) >	5.70 (43)	6.15 (27)	6.68 (25)	7.45 (16)	7.37 (20)	7.21 (30)	7.60 (19)	7.54 (23)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	2.87	3.25	2.94	3.67	4.75	5.06	5.69	5.80
A. Government consumption	3.36 28.57	3.69 27.46	3.06 29.59	3.00 29.79	2.76 30.62	2.13 32.76	2.13 32.75	2.29 32.21
B. Transfers and subsidies	4.11 22.10	4.31 21.40	2.70 27.30	4.20 21.80	4.76 19.72	4.60 20.32	5.11 18.44	5.43 17.28
C. Government enterprises and investment	4.00 35.90	4.00 34.20	4.00 37.40	4.00 43.10	8.00 16.16	10.00 14.56	10.00 12.86	10.00 12.91
D. Top marginal tax rate	0.00	1.00	2.00	3.50	3.50	3.50	5.50	5.50
(i) Top marginal income tax rate	0.00 75	1.00 64	3.00 51	5.00 42	5.00 48	5.00 48	7.00 40	7.00 40
(ii) Top marginal income and payroll tax rates			1.00 64	2.00 56	2.00 64	2.00 65	4.00 54	4.00 54
2. Legal Structure and Security of Property Rights	7.05	8.11	8.35	9.19	8.85	8.68	9.32	8.91
A. Judicial independence				9.45	8.35	8.33	8.86	8.48
B. Impartial courts				8.88	8.68	7.72	8.81	8.41
C. Protection of property rights				7.61	7.20	7.33	8.83	8.85
D. Military interference				10.00	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	10.00	10.00	10.00	10.00
F. Legal enforcement of contracts							9.55	7.53
G. Regulatory restrictions of sale of real property							9.16	9.12
3. Access to Sound Money	6.51	6.32	8.69	9.47	9.01	8.67	8.97	8.90
A. Money growth	9.70 1.51	7.45 12.73	6.63 16.83	9.06 4.68	9.10 4.50	7.40 13.00	7.74 11.30	7.70 11.52
B. Standard deviation of inflation	8.95 2.63	8.86 2.84	8.91 2.72	9.43 1.43	7.55 6.11	7.36 6.59	8.45 3.87	8.36 4.10
C. Inflation: most recent year	7.38 13.12	8.96 5.21	9.23 3.87	9.38 3.09	9.38 3.09	9.91 0.47	9.70 1.52	9.53 2.33
D. Freedom to own foreign currency	0.00	0.00	10.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	6.93	7.56	7.90	8.00	7.58	7.02	6.55	6.62
A. Taxes on international trade	9.28	9.33	8.63	8.09	7.55	7.92	6.06	6.07
(i) Revenues from trade taxes (% of trade sector)	9.80 0.30	9.80 0.30	9.80 0.30	9.73 0.40	9.88 0.17	9.89 0.16	9.91 0.13	9.93 0.11
(ii) Mean tariff rate	8.76 6.20	8.86 5.70	8.86 5.70	8.82 5.90	9.42 2.90	9.48 2.60	8.28 8.60	8.28 8.60
(iii) Standard deviation of tariff rates			7.24 6.90	5.72 10.70	3.36 16.60	4.40 14.00	0.00 37.41	0.00 37.41
B. Regulatory trade barriers				9.17	8.32	6.96	7.02	7.31
(i) Non-tariff trade barriers				9.17	7.80	4.89	4.90	5.48
(ii) Compliance cost of importing and exporting					8.83	9.02	9.14	9.14
C. Size of trade sector	5.79	5.31	4.71	4.08	4.17	3.41	3.25	3.38
D. Black-market exchange rates	9.40	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	5.00	8.00	8.64	7.84	6.79	6.40	6.35
(i) Foreign ownership/investment restrictions				9.28	8.76	7.43	7.42	7.32
(ii) Capital controls	2.00	5.00	8.00	8.00	6.92	6.15	5.38	5.38
5. Regulation of Credit, Labor and Business	5.17	5.50	5.53	6.93	6.67	6.62	7.49	7.48
A. Credit market regulations	7.19	8.80	8.51	8.61	8.54	8.75	9.43	9.42
(i) Ownership of banks	10.00	10.00	8.00	8.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				8.33	6.23	8.00	8.00	8.00
(iii) Private sector credit	5.56	6.39	7.53	8.12	9.43	9.72	9.71	9.70
(iv) Interest rate controls/negative real int. rates	6.00	10.00	10.00	10.00	10.00	9.00	10.00	10.00
B. Labor market regulations	3.52	3.23	3.64	4.33	3.79	4.23	5.21	5.22
(i) Minimum wage				4.45	5.00	6.18	6.18	6.14
(ii) Hiring and firing regulations			4.88	4.88	2.05	3.25	2.83	2.73
(iii) Centralized collective bargaining	5.18	5.18	5.18	5.18	4.03	4.89	4.63	4.89
(iv) Mandated cost of hiring	4.40	3.52	3.52	4.17	4.84	3.81	5.71	5.74
(v) Mandated cost of dismissing							8.89	8.79
(vi) Conscription	1.00	1.00	1.00	3.00	3.00	3.00	3.00	3.00
C. Business regulations				7.83	7.67	6.87	7.83	7.79
(i) Price controls			6.00	7.00	8.00	6.00	6.00	8.00
(ii) Administrative requirements					6.08	4.23	4.70	4.41
(iii) Bureaucracy costs				8.11	8.70	7.58	7.09	7.85
(iv) Starting a business				7.22	6.83	7.54	9.47	9.58
(v) Extra payments/bribes				9.01	8.73	8.98	9.26	8.92
(vi) Licensing restrictions							9.24	6.73
(vii) Cost of tax compliance							9.02	9.02

Oman

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >		6.63 (22)	6.18 (36)	6.87 (33)	6.91 (43)	7.21 (30)	7.29 (33)	7.54 (21)
1. Size of Government	5.40 (35)	5.32 (40)	5.34 (57)	5.74 (54)	5.31 (84)	5.45 (91)	5.17 (99)	5.51 (90)
2. Legal Structure and Security of Property Rights		5.85 (43)	5.21 (56)	6.71 (35)	6.93 (35)	7.45 (25)	7.82 (23)	7.49 (24)
3. Access to Sound Money	5.00 (84)	9.19 (12)	7.53 (34)	9.15 (30)	8.31 (51)	8.61 (62)	8.62 (58)	9.33 (32)
4. Freedom to Trade Internationally		6.54 (31)	6.47 (40)	6.51 (67)	7.53 (40)	7.76 (24)	7.23 (38)	7.45 (33)
5. Regulation of Credit, Labor and Business	6.39 (21)	6.29 (26)	6.32 (28)	6.32 (36)	6.47 (36)	6.75 (29)	7.62 (17)	7.91 (13)
Unadjusted		6.91 (14)	6.34 (32)	7.00 (31)	7.04 (38)	7.04 (41)	7.31 (35)	7.32 (37)
Summary Ratings (Rank) >	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	5.40	5.32	5.34	5.74	5.31	5.45	5.17	5.51
A. Government consumption	0.00 47.45	0.00 45.46	0.00 58.84	1.18 36.00	1.65 34.40	2.39 31.88	1.29 35.61	2.63 31.06
B. Transfers and subsidies	9.59 2.00	9.29 3.10	9.35 2.90	9.78 1.30	9.61 1.92	9.40 2.69	9.40 2.69	9.40 2.69
C. Government enterprises and investment	2.00 58.80	2.00	2.00	2.00	0.00 62.99	0.00 65.34	0.00 65.34	0.00 65.34
D. Top marginal tax rate	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
(i) Top marginal income tax rate	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0
(ii) Top marginal income and payroll tax rates			10.00 0	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0
2. Legal Structure and Security of Property Rights		5.85	5.21	6.71	6.93	6.90	7.72	7.05
A. Judicial independence								6.10
B. Impartial courts				7.47	7.43	7.29	6.80	6.46
C. Protection of property rights								6.28
D. Military interference				8.74	8.33	8.33	8.33	8.33
E. Integrity of the legal system				6.96	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts							6.43	5.14
G. Regulatory restrictions of sale of real property							8.71	8.71
3. Access to Sound Money	5.00	9.19	7.53	9.15	8.31	8.61	8.62	9.33
A. Money growth	7.77 11.14	8.78 6.11	8.92 -5.40	9.76 -1.20	9.62 -1.92	8.58 7.08	8.52 7.42	8.52 7.42
B. Standard deviation of inflation	2.24 19.39	8.09 4.78	4.54 13.65	7.56 6.11	3.88 15.31	6.01 9.98	6.32 9.19	9.44 1.40
C. Inflation: most recent year	0.00 51.11	9.90 -0.51	6.68 16.62	9.26 3.68	9.75 -1.27	9.85 0.76	9.63 1.86	9.36 3.20
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally		7.07	6.97	6.78	7.86	7.70	7.23	7.13
A. Taxes on international trade		9.23	9.33	8.15	9.34	9.12	7.70	7.60
(i) Revenues from trade taxes (% of trade sector)		9.07 1.40	9.33 1.00	9.27 1.10	9.43 0.86	9.45 0.83	9.45 0.83	9.45 0.83
(ii) Mean tariff rate		9.40 3.00		8.86 5.70	9.06 4.70	8.40 8.00	9.24 3.80	8.94 5.30
(iii) Standard deviation of tariff rates				6.32 9.20	9.52 1.20	9.52 1.20	4.40 13.99	4.40 13.99
B. Regulatory trade barriers						6.13	6.55	6.04
(i) Non-tariff trade barriers								5.39
(ii) Compliance cost of importing and exporting						6.13	6.55	6.70
C. Size of trade sector	7.22	5.95	5.32	5.59	5.12	6.02	5.25	5.25
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	2.00	6.67	6.67	6.67	6.76
(i) Foreign ownership/investment restrictions								5.82
(ii) Capital controls	2.00	2.00	2.00	2.00	6.67	6.67	6.67	7.69
5. Regulation of Credit, Labor and Business	7.14	7.14	6.64	6.64	6.79	6.56	7.79	7.56
A. Credit market regulations	8.89	9.04	9.12	9.12	9.64	8.90	8.03	8.78
(i) Ownership of banks	8.00	8.00	8.00	8.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition						8.00	3.00	6.00
(iii) Private sector credit	9.79	9.12	9.35	9.36	8.93	8.62	9.10	9.13
(iv) Interest rate controls/negative real int. rates		10.00	10.00	10.00	10.00	9.00	10.00	10.00
B. Labor market regulations							8.19	7.39
(i) Minimum wage						6.68	6.68	7.46
(ii) Hiring and firing regulations								4.72
(iii) Centralized collective bargaining								5.84
(iv) Mandated cost of hiring							7.26	6.66
(v) Mandated cost of dismissing							8.83	9.63
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations							7.16	6.52
(i) Price controls			4.00	4.00	4.00	6.00	6.00	6.00
(ii) Administrative requirements								5.55
(iii) Bureaucracy costs								6.19
(iv) Starting a business						6.73	8.54	7.09
(v) Extra payments/bribes								6.07
(vi) Licensing restrictions							4.66	5.44
(vii) Cost of tax compliance							9.42	9.31

Pakistan

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	5.03 (45)	4.73 (57)	4.64 (79)	5.34 (69)	7.19 (24)	7.21 (32)	7.26 (29)	7.01 (45)
2. Legal Structure and Security of Property Rights	2.24 (78)	3.10 (88)	2.36 (105)	4.34 (95)	4.08 (95)	2.51 (119)	3.42 (111)	3.39 (111)
3. Access to Sound Money	6.06 (58)	6.71 (44)	7.72 (33)	7.60 (46)	6.15 (104)	5.87 (118)	6.50 (109)	6.45 (113)
4. Freedom to Trade Internationally	4.38 (68)	5.19 (57)	4.84 (74)	5.42 (98)	4.37 (117)	5.67 (108)	5.78 (99)	5.91 (107)
5. Regulation of Credit, Labor and Business	5.20 (54)	5.57 (48)	5.24 (59)	5.14 (74)	5.21 (96)	6.54 (39)	6.62 (49)	6.68 (54)
Unadjusted								
Summary Ratings (Rank) ▶	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>
1. Size of Government	5.03	4.73	4.64	5.34	7.19	7.21	7.26	7.01
A. Government consumption	8.60 10.77	7.97 12.91	6.62 17.49	7.70 13.81	7.91 13.12	8.75 10.24	9.11 9.04	8.07 12.57
B. Transfers and subsidies	9.54 2.20	9.95 0.70	8.94 4.40	9.66 1.75	9.85 1.05	9.10 3.80	8.95 4.37	8.99 4.21
C. Government enterprises and investment	0.00 65.30	0.00 53.90	0.00 49.40	0.00 46.80	4.00 35.29	4.00 30.89	4.00 30.89	4.00 30.89
D. Top marginal tax rate	2.00	1.00	3.00	4.00	7.00	7.00	7.00	7.00
(i) Top marginal income tax rate	2.00 55	1.00 60	3.00 50	4.00 45	7.00 35	7.00 35	7.00 35	7.00 35
(ii) Top marginal income and payroll tax rates			3.00 50	4.00 45	7.00 35	7.00 35	7.00 35	7.00 35
2. Legal Structure and Security of Property Rights	2.54	3.52	2.68	4.93	4.63	2.51	4.35	4.31
A. Judicial independence						2.61	3.79	4.18
B. Impartial courts				4.21	4.26	2.25	3.39	3.53
C. Protection of property rights						2.70	4.50	4.96
D. Military interference				4.57	5.28	0.00	0.42	1.67
E. Integrity of the legal system				6.96	5.00	5.00	5.00	5.00
F. Legal enforcement of contracts							5.35	3.55
G. Regulatory restrictions of sale of real property							8.02	7.31
3. Access to Sound Money	6.06	6.71	7.72	7.60	6.15	5.87	6.50	6.45
A. Money growth	6.72 16.40	8.69 6.56	8.13 9.37	8.97 5.17	8.55 7.27	8.54 7.29	8.75 6.23	8.49 7.55
B. Standard deviation of inflation	9.33 1.67	9.06 2.34	9.05 2.38	9.21 1.97	6.91 7.73	6.44 8.91	9.05 2.38	8.91 2.72
C. Inflation: most recent year	8.19 9.06	9.09 4.53	8.71 6.45	7.24 13.79	9.13 4.37	8.51 7.44	8.19 9.06	8.42 7.92
D. Freedom to own foreign currency	0.00	0.00	5.00	5.00	0.00	0.00	0.00	0.00
4. Freedom to Trade Internationally	4.09	4.85	4.52	5.06	4.08	5.67	5.78	5.91
A. Taxes on international trade	0.00	0.10	0.00	1.27	2.82	5.24	6.42	6.53
(i) Revenues from trade taxes (% of trade sector)	0.00 15.30	0.20 14.70	0.00 15.21	2.58 11.13	6.27 5.60	6.62 5.07	6.59 5.12	6.85 4.72
(ii) Mean tariff rate	0.00 77.60	0.00 78.00	0.00 58.80	0.00 61.10	0.68 46.60	6.78 16.10	7.08 14.60	7.14 14.30
(iii) Standard deviation of tariff rates			0.00 34.00	1.24 21.90	1.52 21.20	2.32 19.20	5.60 11.01	5.60 11.01
B. Regulatory trade barriers						5.72	5.26	6.05
(i) Non-tariff trade barriers						5.09	5.56	5.14
(ii) Compliance cost of importing and exporting						6.34	4.96	6.97
C. Size of trade sector	5.61	4.75	5.17	4.43	3.58	4.27	4.57	3.85
D. Black-market exchange rates	4.60	9.20	7.20	9.40	5.00	8.93	8.93	9.05
E. International capital market controls	2.00	2.00	2.00	2.00	0.77	4.17	3.73	4.09
(i) Foreign ownership/investment restrictions						7.58	6.70	7.41
(ii) Capital controls	2.00	2.00	2.00	2.00	0.77	0.77	0.77	0.77
5. Regulation of Credit, Labor and Business	5.35	5.74	5.40	5.13	5.20	6.54	6.49	6.56
A. Credit market regulations	4.29	5.31	4.41	4.13	4.37	7.61	8.56	8.61
(i) Ownership of banks	0.00	0.00	0.00	0.00	0.00	5.00	8.00	8.00
(ii) Foreign bank competition						8.00	9.00	9.00
(iii) Private sector credit	6.87	7.93	7.23	6.40	7.10	7.43	7.23	7.42
(iv) Interest rate controls/negative real int. rates	6.00	8.00	6.00	6.00	6.00	10.00	10.00	10.00
B. Labor market regulations						7.82	6.36	6.11
(i) Minimum wage						7.58	7.58	6.26
(ii) Hiring and firing regulations						5.77	5.96	6.11
(iii) Centralized collective bargaining						7.91	6.63	5.98
(iv) Mandated cost of hiring							6.35	6.66
(v) Mandated cost of dismissing							1.66	1.66
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						4.18	4.55	4.97
(i) Price controls				4.00	4.00	4.00	4.00	4.00
(ii) Administrative requirements						2.56	3.45	3.32
(iii) Bureaucracy costs						4.71	1.91	4.52
(iv) Starting a business						5.85	9.04	9.08
(v) Extra payments/bribes						3.80	4.52	4.47
(vi) Licensing restrictions							5.24	5.71
(vii) Cost of tax compliance							3.72	3.72

Panama

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	5.54 (46)	6.06 (34)	6.33 (35)	7.17 (26)	7.26 (32)	7.11 (39)	7.14 (42)	7.01 (48)
2. Legal Structure and Security of Property Rights	4.71 (58)	4.89 (50)	5.57 (50)	7.36 (19)	7.81 (13)	8.29 (8)	8.30 (7)	8.37 (6)
3. Access to Sound Money	2.83 (71)	3.13 (87)	3.33 (85)	4.97 (79)	5.00 (76)	4.60 (74)	5.11 (75)	4.73 (81)
4. Freedom to Trade Internationally	6.72 (33)	9.69 (1)	9.84 (1)	9.50 (22)	9.58 (12)	9.32 (33)	9.02 (39)	9.11 (40)
5. Regulation of Credit, Labor and Business	7.04 (22)	6.51 (33)	6.75 (32)	7.48 (31)	7.42 (46)	7.02 (59)	7.06 (50)	6.62 (75)
5. Regulation of Credit, Labor and Business	6.17 (28)	6.13 (31)	6.23 (30)	6.48 (30)	6.48 (35)	6.33 (52)	6.24 (70)	6.27 (77)
Unadjusted								
Summary Ratings (Rank) ▶	6.00 (25)	6.56 (18)	6.57 (27)	7.44 (17)	7.24 (30)	7.11 (38)	7.39 (30)	7.41 (30)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	4.82	5.00	5.57	7.36	7.81	8.29	8.30	8.37
A. Government consumption	3.48 28.18	4.16 25.84	4.66 24.15	5.14 22.51	5.26 22.10	6.60 17.56	6.65 17.40	7.42 14.78
B. Transfers and subsidies	8.80 4.90	8.83 4.80	8.12 7.40	8.31 6.70	8.48 6.06	8.56 5.80	8.56 5.80	8.56 5.80
C. Government enterprises and investment	4.00 39.90	4.00 31.40	7.00 22.10	8.00 16.10	10.00 11.86	10.00 11.86	10.00 11.86	10.00 11.86
D. Top marginal tax rate	3.00	3.00	2.50	8.00	7.50	8.00	8.00	7.50
(i) Top marginal income tax rate	3.00 56	3.00 56	3.00 56	9.00 30	8.00 31	9.00 30	9.00 30	8.00 27
(ii) Top marginal income and payroll tax rates			2.00 64	7.00 38	7.00 38	7.00 36	7.00 36	7.00 34
2. Legal Structure and Security of Property Rights	3.19	3.52	3.75	5.60	5.24	4.60	5.64	5.21
A. Judicial independence						2.53	2.40	2.46
B. Impartial courts				4.87	5.35	3.17	3.10	3.21
C. Protection of property rights					4.07	3.96	6.71	6.87
D. Military interference				6.71	8.33	8.33	8.33	8.33
E. Integrity of the legal system				6.96	5.00	5.00	5.00	5.00
F. Legal enforcement of contracts							5.54	2.26
G. Regulatory restrictions of sale of real property							8.38	8.38
3. Access to Sound Money	6.72	9.69	9.84	9.50	9.58	9.32	9.02	9.11
A. Money growth	8.00 10.00	9.89 0.57	9.95 -0.25	8.82 5.90	9.32 3.39	7.85 10.76	6.92 15.40	7.01 14.95
B. Standard deviation of inflation	5.62 10.96	9.04 2.39	9.54 1.16	9.26 1.85	9.28 1.80	9.49 1.27	9.80 0.49	9.83 0.42
C. Inflation: most recent year	3.26 33.69	9.84 0.81	9.89 0.57	9.91 0.47	9.70 1.50	9.92 0.40	9.35 3.26	9.58 2.10
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	8.27	7.65	7.26	8.04	7.11	7.02	7.06	7.41
A. Taxes on international trade	7.93	7.27	5.40	7.33	7.49	8.16	7.95	7.95
(i) Revenues from trade taxes (% of trade sector)	7.93 3.10	7.27 4.10	8.80 1.80	9.07 1.40	7.33 4.00	8.94 1.59	8.94 1.59	8.94 1.59
(ii) Mean tariff rate			2.00 40.00	5.60 22.00	8.10 9.50	8.42 7.90	8.52 7.40	8.54 7.30
(iii) Standard deviation of tariff rates					7.04 7.40	7.12 7.20	6.38 9.05	6.38 9.05
B. Regulatory trade barriers					4.95	6.48	5.37	7.09
(i) Non-tariff trade barriers					4.95	5.78	5.09	5.33
(ii) Compliance cost of importing and exporting						7.18	5.65	8.85
C. Size of trade sector	7.27	4.83	4.74	4.70	4.00	2.71	3.40	3.13
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	8.00	8.00	8.00	10.00	9.12	7.73	8.57	8.85
(i) Foreign ownership/investment restrictions					8.24	5.46	7.13	7.70
(ii) Capital controls	8.00	8.00	8.00	10.00	10.00	10.00	10.00	10.00
5. Regulation of Credit, Labor and Business	6.99	6.95	6.43	6.69	6.48	6.33	6.96	6.98
A. Credit market regulations	8.47	8.33	9.12	9.30	8.37	8.71	9.19	9.16
(i) Ownership of banks	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
(ii) Foreign bank competition					7.05	9.00	9.00	9.00
(iii) Private sector credit	8.95	8.67	9.35	9.90	9.92	9.69	9.76	9.63
(iv) Interest rate controls/negative real int. rates			10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations					5.94	5.59	5.89	6.02
(i) Minimum wage					3.76	4.02	4.02	5.48
(ii) Hiring and firing regulations					4.15	3.39	3.37	3.67
(iii) Centralized collective bargaining					5.85	4.95	6.59	6.85
(iv) Mandated cost of hiring							5.74	4.22
(v) Mandated cost of dismissing							5.61	5.92
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations					5.13	4.68	5.79	5.76
(i) Price controls			2.00	4.00	4.00	4.00	4.00	4.00
(ii) Administrative requirements					6.93	3.20	3.07	3.76
(iii) Bureaucracy costs					3.90	5.17	4.69	4.96
(iv) Starting a business					5.53	6.34	9.13	9.16
(v) Extra payments/bribes					5.30	4.71	5.76	5.60
(vi) Licensing restrictions							8.62	8.23
(vii) Cost of tax compliance							5.25	4.60

Papua New Guinea

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >		6.05 (36)	6.18 (36)	6.28 (56)	5.64 (96)	5.65 (101)	6.22 (87)	6.32 (85)
1. Size of Government		5.55 (35)	6.04 (35)	9.46 (3)	5.93 (69)	6.11 (72)	6.50 (61)	6.55 (61)
2. Legal Structure and Security of Property Rights		5.72 (46)	6.28 (44)	5.28 (74)	4.36 (89)	3.75 (94)	4.36 (91)	4.63 (84)
3. Access to Sound Money	6.21 (49)	6.59 (52)	6.60 (57)	5.56 (81)	6.27 (101)	6.66 (107)	7.70 (79)	7.51 (83)
4. Freedom to Trade Internationally		6.59 (30)	6.19 (49)	6.49 (69)	6.10 (90)	6.34 (89)	6.03 (91)	6.14 (96)
5. Regulation of Credit, Labor and Business	5.58 (41)	5.73 (43)	5.75 (43)	5.36 (68)	5.54 (76)	5.40 (99)	6.50 (59)	6.78 (49)
Unadjusted								
Summary Ratings (Rank) >		6.28 (23)	6.30 (33)	6.15 (60)	5.81 (90)	5.75 (99)	6.30 (88)	6.39 (87)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government		5.86	5.79	7.33	5.93	6.11	6.50	6.55
A. Government consumption	3.50 28.12	4.13 25.95	3.06 29.61	6.00 19.59	3.80 27.08	5.31 21.95	6.88 16.61	7.08 15.92
B. Transfers and subsidies		9.46 2.50	9.10 3.80		9.92 0.79	9.12 3.74	9.12 3.74	9.12 3.74
C. Government enterprises and investment		4.00 34.00	7.00 20.30	8.00 18.70	7.00 22.93	7.00 22.93	7.00	7.00
D. Top marginal tax rate			4.00	8.00	3.00	3.00	3.00	3.00
(i) Top marginal income tax rate			4.00 45	8.00 28	3.00 47	3.00 47	3.00 47	3.00 47
(ii) Top marginal income and payroll tax rates			4.00 45	8.00 28	3.00 47	3.00 47	3.00 47	3.00 47
2. Legal Structure and Security of Property Rights		5.72	6.28	5.28	4.36	4.13	4.43	4.71
A. Judicial independence								
B. Impartial courts				5.02	5.06	4.11	3.90	3.90
C. Protection of property rights								
D. Military interference				5.25	5.00	5.00	5.42	7.50
E. Integrity of the legal system				6.96	3.33	3.33	3.75	4.17
F. Legal enforcement of contracts							2.15	1.01
G. Regulatory restrictions of sale of real property							6.93	6.96
3. Access to Sound Money	6.21	6.59	6.60	5.56	6.27	6.66	7.70	7.51
A. Money growth	9.31 3.47	9.46 2.71	8.83 5.83	8.68 6.60	9.73 1.36	9.28 3.59	9.05 4.76	8.41 7.97
B. Standard deviation of inflation	6.95 7.63	7.23 6.93	8.39 4.02	7.52 6.19	8.49 3.78	7.77 5.57	7.08 7.30	7.08 7.31
C. Inflation: most recent year	8.58 7.09	9.68 1.62	9.17 4.13	6.05 19.73	6.88 15.60	9.57 2.16	9.66 1.70	9.54 2.29
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	5.00	5.00
4. Freedom to Trade Internationally		6.75	6.34	6.40	6.15	6.46	6.03	6.14
A. Taxes on international trade	7.80	7.33	6.93	6.50	4.51	5.74	5.91	5.95
(i) Revenues from trade taxes (% of trade sector)	7.80 3.30	6.07 5.90	5.27 7.10	5.99 6.01	5.14 7.29	5.90 6.15	5.90 6.15	5.90 6.15
(ii) Mean tariff rate		8.60 7.00	8.60 7.00		5.78 21.10	8.72 6.40	8.78 6.10	8.90 5.50
(iii) Standard deviation of tariff rates				7.00 7.50	2.60 18.50	3.05 17.38	3.05 17.38	3.05 17.38
B. Regulatory trade barriers						5.81	5.65	6.17
(i) Non-tariff trade barriers								
(ii) Compliance cost of importing and exporting						5.81	5.65	6.17
C. Size of trade sector	9.89	9.04	7.99	8.73	6.52	8.56	8.56	8.56
D. Black-market exchange rates		9.20	8.60	8.60	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	1.54	0.00	0.00	0.00
(i) Foreign ownership/investment restrictions								
(ii) Capital controls	0.00	0.00	0.00	0.00	1.54	0.00	0.00	0.00
5. Regulation of Credit, Labor and Business	6.29	6.46	6.48	6.16	6.36	5.38	6.84	7.06
A. Credit market regulations	6.37	6.88	6.93	6.43	6.95	6.21	7.01	7.15
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	5.00	10.00	10.00
(ii) Foreign bank competition							4.00	4.00
(iii) Private sector credit	7.75	8.76	8.87	6.29	5.86	4.64	5.04	5.59
(iv) Interest rate controls/negative real int. rates				8.00	10.00	9.00	9.00	9.00
B. Labor market regulations							6.80	7.32
(i) Minimum wage						3.10	3.10	5.93
(ii) Hiring and firing regulations								
(iii) Centralized collective bargaining								
(iv) Mandated cost of hiring							7.66	6.96
(v) Mandated cost of dismissing							6.44	6.38
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations							6.70	6.70
(i) Price controls						4.00	4.00	4.00
(ii) Administrative requirements								
(iii) Bureaucracy costs								
(iv) Starting a business						4.62	7.89	7.93
(v) Extra payments/bribes								
(vi) Licensing restrictions							7.14	7.19
(vii) Cost of tax compliance							7.78	7.69

Paraguay

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	5.69 (37)	5.11 (65)	5.60 (53)	6.46 (47)	6.21 (70)	6.08 (83)	6.17 (88)	6.16 (90)
2. Legal Structure and Security of Property Rights	9.16 (4)	7.75 (4)	8.81 (3)	8.69 (5)	7.58 (16)	7.83 (19)	7.82 (15)	7.75 (19)
3. Access to Sound Money	2.84 (70)	3.05 (90)	3.42 (83)	3.31 (113)	3.16 (114)	1.92 (125)	2.41 (123)	2.14 (122)
4. Freedom to Trade Internationally	7.66 (22)	7.51 (32)	6.23 (66)	8.20 (38)	8.72 (43)	8.75 (55)	8.24 (68)	8.20 (74)
5. Regulation of Credit, Labor and Business	4.91 (58)	3.73 (76)	5.38 (63)	7.06 (45)	6.62 (75)	7.36 (40)	7.23 (38)	7.72 (19)
			4.03 (96)	4.91 (90)	4.88 (101)	4.52 (120)	5.15 (116)	5.13 (118)
Unadjusted								
Summary Ratings (Rank) ▶	6.59 (14)	5.94 (35)	6.07 (39)	7.00 (31)	6.27 (71)	6.08 (83)	6.41 (83)	6.40 (86)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	9.06	7.75	8.81	8.69	7.58	7.83	7.57	7.50
A. Government consumption	9.60 7.36	9.45 7.87	9.57 7.45	8.46 11.23	7.04 16.07	8.28 11.84	8.25 11.95	8.26 11.91
B. Transfers and subsidies	9.59 2.00	9.56 2.10	9.65 1.80	9.32 3.00	9.26 3.21	9.04 4.02	9.04 4.02	9.26 3.23
C. Government enterprises and investment	8.00 17.80	4.00 31.40	8.00 13.30	7.00 23.20	4.00 35.71	4.00 35.71	4.00 35.71	4.00 35.71
D. Top marginal tax rate		8.00	8.00	10.00	10.00	10.00	9.00	8.50
(i) Top marginal income tax rate		8.00 30	8.00 30	10.00 0	10.00 0	10.00 0	10.00 0	10.00 10
(ii) Top marginal income and payroll tax rates							8.00 27	7.00 34
2. Legal Structure and Security of Property Rights	3.71	3.99	4.48	4.32	3.79	1.92	3.85	3.43
A. Judicial independence						0.73	1.08	0.91
B. Impartial courts				4.33	4.08	1.48	1.76	1.65
C. Protection of property rights					2.27	1.57	3.35	3.43
D. Military interference				4.79	3.33	2.50	2.50	2.50
E. Integrity of the legal system				4.11	5.00	3.33	3.33	3.33
F. Legal enforcement of contracts							6.47	4.19
G. Regulatory restrictions of sale of real property							8.44	7.98
3. Access to Sound Money	7.66	7.51	6.23	8.20	8.72	8.75	8.24	8.20
A. Money growth	6.08 19.58	8.26 8.69	3.59 32.07	7.09 14.57	8.66 6.72	7.91 10.43	6.58 17.12	6.65 16.73
B. Standard deviation of inflation	7.91 5.23	6.84 7.91	8.58 3.55	8.29 4.27	8.02 4.94	7.96 5.10	7.75 5.62	8.05 4.88
C. Inflation: most recent year	6.66 16.71	4.95 25.24	2.74 36.28	7.40 12.99	8.20 8.98	9.13 4.33	8.64 6.79	8.08 9.59
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	5.92	4.51	6.34	8.31	6.38	7.36	7.23	7.72
A. Taxes on international trade	3.00	4.27	6.51	7.99	7.63	7.98	7.92	7.87
(i) Revenues from trade taxes (% of trade sector)	6.00 6.00	8.53 2.20	7.80 3.30	8.60 2.10	7.76 3.37	8.13 2.80	8.81 1.78	8.98 1.53
(ii) Mean tariff rate	0.00 71.00	0.00 71.70	6.80 16.00	8.14 9.30	7.82 10.90	8.30 8.50	8.34 8.30	8.02 9.90
(iii) Standard deviation of tariff rates			4.92 12.70	7.24 6.90	7.32 6.70	7.52 6.20	6.59 8.51	6.59 8.51
B. Regulatory trade barriers					2.43	5.74	5.18	5.24
(i) Non-tariff trade barriers					2.43	5.11	4.98	5.32
(ii) Compliance cost of importing and exporting						6.36	5.38	5.17
C. Size of trade sector	4.81	5.04	7.20	8.03	4.75	5.93	5.90	9.13
D. Black-market exchange rates	8.60	0.00	4.80	7.40	10.00	10.00	10.00	10.00
E. International capital market controls	5.00	5.00	5.00	10.00	7.06	7.16	7.15	6.37
(i) Foreign ownership/investment restrictions					5.67	5.08	5.07	5.24
(ii) Capital controls	5.00	5.00	5.00	10.00	8.46	9.23	9.23	7.50
5. Regulation of Credit, Labor and Business			4.48	5.46	4.88	4.52	5.15	5.14
A. Credit market regulations			5.97	8.88	6.73	6.06	7.13	7.33
(i) Ownership of banks					8.00	8.00	8.00	8.00
(ii) Foreign bank competition					4.08	4.08	4.08	4.08
(iii) Private sector credit			9.95	9.76	9.47	9.13	9.44	9.22
(iv) Interest rate controls/negative real int. rates			2.00	8.00	8.00	5.00	7.00	8.00
B. Labor market regulations					3.33	2.87	3.13	2.95
(i) Minimum wage					4.67	3.00	3.00	2.33
(ii) Hiring and firing regulations					4.72	2.83	3.26	3.26
(iii) Centralized collective bargaining					3.95	4.64	5.74	6.26
(iv) Mandated cost of hiring							4.98	4.83
(v) Mandated cost of dismissing							0.82	0.00
(vi) Conscription	1.00	0.00	0.00	0.00	0.00	1.00	1.00	1.00
C. Business regulations					4.57	4.65	5.18	5.14
(i) Price controls			4.00	6.00	6.00	6.00	6.00	6.00
(ii) Administrative requirements					4.87	3.07	2.94	3.31
(iii) Bureaucracy costs					4.95	6.86	5.13	3.33
(iv) Starting a business					3.98	3.28	6.08	8.06
(v) Extra payments/bribes					3.07	4.02	4.30	3.60
(vi) Licensing restrictions							5.48	5.38
(vii) Cost of tax compliance							6.32	6.32

Peru

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) >	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	4.03 (89)	3.08 (107)	4.16 (98)	6.32 (53)	7.06 (38)	6.98 (42)	6.87 (54)	6.95 (54)
2. Legal Structure and Security of Property Rights	5.62 (30)	5.33 (39)	7.38 (8)	8.21 (10)	8.07 (8)	8.31 (6)	7.78 (20)	8.27 (7)
3. Access to Sound Money		0.00 (111)	1.25 (114)	5.13 (89)	8.79 (41)	9.02 (47)	9.01 (40)	8.76 (54)
4. Freedom to Trade Internationally	4.47 (66)	3.30 (83)	4.50 (82)	6.91 (49)	7.27 (48)	7.16 (49)	7.17 (45)	7.31 (40)
5. Regulation of Credit, Labor and Business	5.13 (58)	5.01 (62)	4.71 (80)	6.61 (25)	7.24 (14)	6.41 (43)	6.07 (82)	6.15 (83)
Unadjusted								
Summary Ratings (Rank) >	3.81 (97)	2.90 (109)	4.01 (101)	6.30 (51)	7.06 (37)	6.98 (42)	7.08 (47)	7.16 (47)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	5.72	5.42	7.38	8.21	8.07	8.31	7.78	8.27
A. Government consumption	7.26 15.33	8.04 12.67	8.69 10.46	8.77 10.17	7.73 13.72	7.99 12.84	7.86 13.29	7.81 13.44
B. Transfers and subsidies	9.62 1.90	9.65 1.80	9.32 3.00	9.07 3.90	9.04 4.02	9.25 3.27	9.25 3.24	9.25 3.24
C. Government enterprises and investment	4.00 28.10	4.00 33.90	8.00 16.90	8.00 17.00	8.00 19.61	10.00 14.55	8.00 15.35	10.00 14.16
D. Top marginal tax rate	2.00	0.00	3.50	7.00	7.50	6.00	6.00	6.00
(i) Top marginal income tax rate	2.00 65	0.00 65	4.00 45	8.00 30	10.00 20	8.00 30	8.00 30	8.00 30
(ii) Top marginal income and payroll tax rates			3.00 48	6.00 39	5.00 41	4.00 50	4.00 48	4.00 48
2. Legal Structure and Security of Property Rights	3.77	2.23	2.93	4.76	3.94	4.01	5.06	5.00
A. Judicial independence				2.75	1.50	1.71	1.59	1.99
B. Impartial courts				4.33	3.17	2.25	2.58	2.30
C. Protection of property rights				4.83	3.33	2.76	4.13	4.31
D. Military interference				4.90	6.67	8.33	8.33	8.33
E. Integrity of the legal system				6.96	5.00	5.00	5.00	5.00
F. Legal enforcement of contracts							5.48	4.77
G. Regulatory restrictions of sale of real property							8.32	8.29
3. Access to Sound Money	1.32	0.00	1.25	5.13	8.79	9.02	9.01	8.76
A. Money growth	2.18 39.08	0.00 98.50	0.00 690.27	2.94 35.32	7.03 14.85	7.57 12.15	7.09 14.53	6.48 17.62
B. Standard deviation of inflation	3.10 17.26	0.00 37.94	0.00 2341.35	0.00 127.50	8.87 2.83	9.24 1.90	9.25 1.87	8.98 2.55
C. Inflation: most recent year	0.00 65.92	0.00 167.75	0.00 6134.79	7.56 12.18	9.25 3.76	9.27 3.66	9.68 1.62	9.60 2.00
D. Freedom to own foreign currency	0.00	0.00	5.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	4.77	3.46	4.71	6.92	7.27	7.16	7.17	7.31
A. Taxes on international trade	1.47	1.89	3.40	7.02	7.71	8.31	8.06	8.00
(i) Revenues from trade taxes (% of trade sector)	2.93 10.60	4.47 8.30	7.40 3.90	6.33 5.50	6.98 4.54	8.01 2.99	8.43 2.35	8.43 2.35
(ii) Mean tariff rate	0.00 57.00	0.00 64.00	2.80 36.00	6.48 17.60	7.32 13.40	8.08 9.60	8.16 9.20	7.96 10.20
(iii) Standard deviation of tariff rates		1.20 22.00	0.00 25.00	8.24 4.40	8.84 2.90	8.84 2.90	7.59 6.02	7.59 6.02
B. Regulatory trade barriers				5.98	6.71	6.12	5.70	5.90
(i) Non-tariff trade barriers				5.98	6.75	5.34	5.19	5.58
(ii) Compliance cost of importing and exporting					6.66	6.91	6.22	6.22
C. Size of trade sector	5.77	5.14	3.14	2.97	3.07	3.69	4.23	4.68
D. Black-market exchange rates	6.40	0.00	6.80	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	8.61	8.88	7.66	7.86	7.97
(i) Foreign ownership/investment restrictions				9.22	9.30	6.85	7.27	7.47
(ii) Capital controls	2.00	2.00	2.00	8.00	8.46	8.46	8.46	8.46
5. Regulation of Credit, Labor and Business	3.46	3.39	3.78	6.48	7.24	6.41	6.37	6.44
A. Credit market regulations	2.95	2.72	2.11	7.96	8.46	8.50	7.45	7.29
(i) Ownership of banks					10.00	10.00	8.00	8.00
(ii) Foreign bank competition				8.12	6.58	6.58	4.00	4.00
(iii) Private sector credit	5.90	5.44	4.21	9.39	9.49	8.67	8.78	9.15
(iv) Interest rate controls/negative real int. rates	0.00	0.00	0.00	6.00	8.00	9.00	9.00	8.00
B. Labor market regulations				5.36	6.75	6.34	6.32	6.47
(i) Minimum wage				6.45	3.08	4.58	4.58	5.20
(ii) Hiring and firing regulations			6.75	6.75	7.20	3.83	3.74	3.68
(iii) Centralized collective bargaining				7.93	7.93	7.79	7.82	7.80
(iv) Mandated cost of hiring				5.68	5.51	5.51	6.96	6.96
(v) Mandated cost of dismissing							4.85	5.18
(vi) Conscription	0.00	0.00	0.00	0.00	10.00	10.00	10.00	10.00
C. Business regulations				6.11	6.52	4.38	5.34	5.57
(i) Price controls			2.00	6.00	8.00	6.00	6.00	6.00
(ii) Administrative requirements					6.75	1.78	2.25	2.09
(iii) Bureaucracy costs				7.00	7.50	6.10	4.19	5.42
(iv) Starting a business				6.43	3.57	1.68	6.34	7.38
(v) Extra payments/bribes				5.02	6.78	6.31	6.41	5.67
(vi) Licensing restrictions							6.98	7.20
(vii) Cost of tax compliance							5.25	5.25

Philippines

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ▶	5.35 (56)	5.17 (59)	5.53 (58)	7.22 (22)	6.96 (41)	6.37 (69)	6.57 (70)	6.54 (75)
1. Size of Government	6.24 (20)	7.00 (9)	8.25 (5)	8.20 (11)	6.87 (33)	7.06 (36)	7.11 (40)	7.12 (41)
2. Legal Structure and Security of Property Rights	3.19 (68)	2.57 (97)	2.55 (101)	4.82 (84)	4.65 (81)	3.69 (95)	4.56 (87)	4.47 (87)
3. Access to Sound Money	5.95 (63)	4.58 (96)	4.02 (99)	8.80 (35)	9.23 (33)	8.32 (68)	8.19 (70)	8.13 (76)
4. Freedom to Trade Internationally	6.28 (38)	6.11 (42)	6.40 (46)	7.67 (25)	7.59 (36)	7.45 (35)	7.31 (34)	7.17 (51)
5. Regulation of Credit, Labor and Business	5.14 (56)	5.59 (47)	6.39 (26)	6.60 (26)	6.45 (38)	5.35 (102)	5.68 (102)	5.80 (105)
Unadjusted	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
Summary Ratings (Rank) ▶	5.32 (56)	5.15 (66)	5.45 (57)	7.11 (26)	6.96 (42)	6.37 (68)	6.76 (65)	6.72 (72)
1. Size of Government	6.24	7.00	8.25	8.20	6.87	7.06	7.11	7.12
A. Government consumption	8.13 12.35	9.01 9.37	8.11 12.43	7.85 13.32	7.26 15.31	7.98 12.88	8.17 12.23	8.18 12.20
B. Transfers and subsidies	9.84 1.10	10.00 0.20	9.89 0.90	9.95 0.70	9.21 3.40	9.25 3.27	9.29 3.11	9.29 3.09
C. Government enterprises and investment	6.00 27.40	8.00 19.50	8.00 18.20	8.00 19.70	4.00 30.76	4.00 30.76	4.00 30.76	4.00 30.76
D. Top marginal tax rate	1.00	1.00	7.00	7.00	7.00	7.00	7.00	7.00
(i) Top marginal income tax rate	1.00 70	1.00 60	7.00 35	7.00 35	7.00 32	7.00 32	7.00 32	7.00 32
(ii) Top marginal income and payroll tax rates			7.00 35	7.00 35	7.00 32	7.00 32	7.00 32	7.00 32
2. Legal Structure and Security of Property Rights	3.06	2.46	2.44	4.82	4.65	3.69	5.00	4.90
A. Judicial independence				3.72	4.51	2.82	3.93	3.86
B. Impartial courts				5.27	5.51	2.82	3.62	3.45
C. Protection of property rights				3.96	3.22	2.98	5.69	5.58
D. Military interference				7.04	6.67	6.53	5.83	5.83
E. Integrity of the legal system				4.11	3.33	3.33	3.75	4.17
F. Legal enforcement of contracts							4.67	3.42
G. Regulatory restrictions of sale of real property							7.50	8.00
3. Access to Sound Money	5.95	4.58	4.02	8.80	9.23	8.32	8.19	8.13
A. Money growth	7.80 11.01	8.41 7.94	0.00 118.70	8.11 9.47	8.41 7.96	9.95 -0.25	9.77 1.13	9.20 4.01
B. Standard deviation of inflation	8.83 2.92	3.45 16.37	8.69 3.27	8.58 3.54	9.32 1.71	9.52 1.20	9.51 1.22	9.56 1.10
C. Inflation: most recent year	7.15 14.25	6.47 17.63	7.41 12.97	8.49 7.55	9.21 3.95	8.80 5.98	8.47 7.63	8.75 6.24
D. Freedom to own foreign currency	0.00	0.00	0.00	10.00	10.00	5.00	5.00	5.00
4. Freedom to Trade Internationally	6.04	5.88	6.22	7.28	7.59	7.45	7.31	7.17
A. Taxes on international trade	3.93	5.17	5.69	6.08	7.84	8.17	8.13	7.88
(i) Revenues from trade taxes (% of trade sector)	5.47 6.80	5.87 6.20	5.60 6.60	5.73 6.40	8.19 2.71	8.31 2.53	8.23 2.66	7.66 3.51
(ii) Mean tariff rate	2.40 38.00	4.48 27.60	5.14 24.30	4.48 27.60	8.48 7.60	9.12 4.40	8.92 5.40	8.74 6.30
(iii) Standard deviation of tariff rates			6.32 9.20	8.04 4.90	6.84 7.90	7.08 7.30	7.25 6.87	7.25 6.87
B. Regulatory trade barriers				5.72	5.89	6.82	6.62	6.78
(i) Non-tariff trade barriers				5.72	3.95	6.31	6.03	5.94
(ii) Compliance cost of importing and exporting					7.83	7.33	7.20	7.62
C. Size of trade sector	6.65	5.40	6.61	7.98	9.59	9.37	8.29	7.77
D. Black-market exchange rates	9.40	8.60	8.60	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	6.61	4.60	2.88	3.49	3.41
(i) Foreign ownership/investment restrictions				8.21	8.44	5.00	6.21	6.05
(ii) Capital controls	2.00	2.00	2.00	5.00	0.77	0.77	0.77	0.77
5. Regulation of Credit, Labor and Business	5.34	5.81	6.34	6.46	6.45	5.35	6.18	6.28
A. Credit market regulations	6.60	5.50	7.70	8.09	7.72	7.45	8.03	8.12
(i) Ownership of banks	5.00	5.00	8.00	8.00	8.00	8.00	8.00	8.00
(ii) Foreign bank competition				7.47	5.67	5.67	8.00	8.00
(iii) Private sector credit	6.79	7.51	7.10	7.63	7.47	6.13	6.11	6.47
(iv) Interest rate controls/negative real int. rates	8.00	4.00	8.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations			7.65	6.82	6.06	4.97	5.02	5.35
(i) Minimum wage				5.05	4.38	1.52	1.52	3.11
(ii) Hiring and firing regulations			5.70	5.70	3.30	2.67	4.28	4.19
(iii) Centralized collective bargaining			7.24	7.24	6.92	5.60	5.47	5.35
(iv) Mandated cost of hiring				6.10	5.68	5.07	7.17	7.87
(v) Mandated cost of dismissing							1.66	1.56
(vi) Conscription	3.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				4.47	5.57	3.64	5.49	5.36
(i) Price controls				4.00	4.00	3.00	3.00	3.00
(ii) Administrative requirements					7.20	2.44	2.39	2.54
(iii) Bureaucracy costs				5.48	6.68	4.36	4.13	4.46
(iv) Starting a business				6.08	5.63	5.19	8.24	7.84
(v) Extra payments/bribes				2.32	4.35	3.19	4.24	3.97
(vi) Licensing restrictions							7.49	7.90
(vii) Cost of tax compliance							8.95	7.81

Poland

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >		3.94 (96)	4.00 (102)	5.30 (84)	6.19 (73)	6.65 (58)	6.72 (59)	6.77 (62)
1. Size of Government	3.39 (90)	3.28 (95)	1.85 (113)	2.62 (119)	4.25 (110)	5.34 (92)	5.40 (93)	5.34 (93)
2. Legal Structure and Security of Property Rights		5.39 (52)	6.97 (31)	6.84 (31)	6.50 (47)	5.77 (54)	6.04 (59)	6.10 (54)
3. Access to Sound Money	8.34 (14)	4.43 (97)	2.50 (110)	6.03 (72)	7.49 (69)	9.36 (29)	9.45 (22)	9.54 (9)
4. Freedom to Trade Internationally		3.19 (85)	5.32 (65)	6.48 (70)	6.83 (70)	7.06 (56)	6.71 (63)	6.84 (66)
5. Regulation of Credit, Labor and Business	3.35 (96)	3.39 (97)	3.56 (102)	4.54 (100)	5.86 (63)	5.72 (81)	5.98 (85)	6.03 (87)
Unadjusted								
Summary Ratings (Rank) >		3.84 (100)	3.94 (103)	5.24 (88)	6.19 (74)	6.65 (58)	6.74 (66)	6.78 (69)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	4.10	3.54	2.00	2.62	4.25	5.34	5.40	5.34
A. Government consumption	8.21 12.09	7.95 12.97	3.33 28.69	4.99 23.02	5.00 23.00	4.92 23.26	5.15 22.50	4.89 23.39
B. Transfers and subsidies		2.67 27.40	2.67 27.40	3.49 24.40	4.50 20.69	4.95 19.04	4.96 19.01	4.96 18.98
C. Government enterprises and investment	0.00	0.00	0.00 58.80	0.00 55.80	4.00 36.62	8.00 17.17	8.00 18.00	8.00 18.44
D. Top marginal tax rate				2.00	3.50	3.50	3.50	3.50
(i) Top marginal income tax rate				4.00 45	5.00 40	5.00 40	5.00 40	5.00 40
(ii) Top marginal income and payroll tax rates				0.00 63	2.00 53	2.00 52	2.00 55	2.00 52
2. Legal Structure and Security of Property Rights		4.78	6.19	6.84	6.50	5.77	5.78	5.83
A. Judicial independence				6.47	5.34	4.00	4.18	4.23
B. Impartial courts				5.60	5.85	3.86	4.37	3.55
C. Protection of property rights				3.58	4.63	4.32	4.58	5.01
D. Military interference				8.54	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	6.67	6.67	7.08	7.50
F. Legal enforcement of contracts							4.47	4.39
G. Regulatory restrictions of sale of real property							5.75	6.11
3. Access to Sound Money	7.42	4.43	2.50	6.03	7.49	9.36	9.45	9.54
A. Money growth		5.90 20.50	0.00 110.44	3.83 30.87	8.97 5.14	9.16 4.22	8.77 6.14	8.97 5.16
B. Standard deviation of inflation	9.21 1.97	0.00 37.35	0.00 167.57	5.91 10.22	8.00 5.00	8.99 2.53	9.44 1.41	9.42 1.44
C. Inflation: most recent year	8.04 9.80	6.83 15.83	0.00 435.66	4.37 28.17	7.99 10.06	9.28 3.58	9.58 2.11	9.78 1.11
D. Freedom to own foreign currency	5.00	5.00	10.00	10.00	5.00	10.00	10.00	10.00
4. Freedom to Trade Internationally		3.31	5.50	6.25	6.83	7.06	6.71	6.84
A. Taxes on international trade		5.77	6.70	6.38	7.76	8.51	8.48	8.30
(i) Revenues from trade taxes (% of trade sector)		4.27 8.60	6.00 6.00	5.95 6.08	9.20 1.20	9.80 0.30	9.84 0.24	9.84 0.24
(ii) Mean tariff rate		7.28 13.60	7.66 11.70	6.32 18.40	8.00 10.00	9.64 1.80	9.46 2.70	8.92 5.40
(iii) Standard deviation of tariff rates			6.44 8.90	6.88 7.80	6.08 9.80	6.08 9.80	6.13 9.67	6.13 9.67
B. Regulatory trade barriers				5.70	7.45	6.72	6.07	6.32
(i) Non-tariff trade barriers				5.70	6.23	6.22	5.19	5.60
(ii) Compliance cost of importing and exporting					8.66	7.22	6.95	7.05
C. Size of trade sector	6.03	2.52	4.40	3.98	5.19	5.92	5.43	5.83
D. Black-market exchange rates	0.00	0.00	8.20	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	5.21	3.78	4.17	3.59	3.77
(i) Foreign ownership/investment restrictions				5.41	6.78	6.81	5.65	6.00
(ii) Capital controls	0.00	0.00	0.00	5.00	0.77	1.54	1.54	1.54
5. Regulation of Credit, Labor and Business	3.10	3.13	3.49	4.46	5.86	5.72	6.34	6.36
A. Credit market regulations	0.24	0.38	0.44	3.99	7.15	8.07	8.34	8.35
(i) Ownership of banks	0.00	0.00	0.00	2.00	5.00	8.00	8.00	8.00
(ii) Foreign bank competition				4.20	6.67	9.00	8.00	8.00
(iii) Private sector credit	0.48	0.76	1.31	3.81	7.84	7.11	7.34	7.40
(iv) Interest rate controls/negative real int. rates			0.00	6.00	10.00	10.00	10.00	10.00
B. Labor market regulations			3.62	4.45	4.20	4.75	5.09	5.61
(i) Minimum wage				5.38	3.39	6.81	6.81	6.94
(ii) Hiring and firing regulations			5.67	5.67	2.72	4.20	4.78	4.64
(iii) Centralized collective bargaining	4.49	4.49	5.18	5.18	7.03	6.74	6.11	6.66
(iv) Mandated cost of hiring				5.00	4.84	3.00	2.16	3.62
(v) Mandated cost of dismissing							7.69	8.79
(vi) Conscription	0.00	0.00	0.00	1.00	3.00	3.00	3.00	3.00
C. Business regulations				4.95	6.22	4.35	5.59	5.14
(i) Price controls				7.00	4.00	1.00	2.00	3.00
(ii) Administrative requirements					7.40	2.83	3.45	2.95
(iii) Bureaucracy costs				5.14	7.13	6.97	6.50	5.36
(iv) Starting a business				4.37	6.98	5.43	8.05	8.14
(v) Extra payments/bribes				3.30	5.60	5.53	5.55	5.59
(vi) Licensing restrictions							5.52	5.61
(vii) Cost of tax compliance							8.04	5.31

Portugal

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ▶	5.87 (32)	5.64 (46)	6.36 (33)	7.27 (20)	7.33 (27)	7.43 (23)	7.16 (38)	7.21 (38)
1. Size of Government	3.28 (92)	3.49 (91)	4.72 (77)	5.24 (74)	5.01 (90)	5.96 (77)	5.73 (87)	5.71 (85)
2. Legal Structure and Security of Property Rights	9.27 (7)	7.05 (31)	8.97 (19)	8.04 (20)	7.64 (25)	7.56 (22)	7.77 (24)	7.56 (23)
3. Access to Sound Money	5.53 (72)	5.54 (87)	5.69 (78)	9.18 (29)	9.51 (19)	9.41 (26)	9.34 (31)	9.32 (33)
4. Freedom to Trade Internationally	6.73 (29)	6.91 (23)	7.44 (19)	8.12 (14)	8.09 (21)	7.62 (28)	7.00 (54)	7.33 (39)
5. Regulation of Credit, Labor and Business	5.10 (59)	5.50 (49)	5.27 (56)	5.76 (54)	6.39 (41)	6.59 (38)	5.94 (89)	6.12 (84)
Unadjusted	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
Summary Ratings (Rank) ▶	5.67 (47)	5.45 (55)	6.01 (40)	7.22 (23)	7.33 (22)	7.43 (23)	7.10 (45)	7.16 (47)
1. Size of Government	3.63	3.86	4.72	5.24	5.01	5.96	5.73	5.71
A. Government consumption	6.83 16.76	6.60 17.57	5.95 19.76	5.47 21.41	4.18 25.80	4.69 24.04	4.61 24.33	4.70 24.02
B. Transfers and subsidies	5.69 16.30	4.82 19.50	5.91 15.50	6.49 13.40	5.88 15.64	5.16 18.26	4.81 19.54	4.63 20.22
C. Government enterprises and investment	2.00 42.20	4.00 30.50	4.00 29.90	6.00 23.20	6.00 23.20	10.00 13.60	10.00 13.02	10.00 10.47
D. Top marginal tax rate	0.00	0.00	3.00	3.00	4.00	4.00	3.50	3.50
(i) Top marginal income tax rate	0.00 84	0.00 69	5.00 40	5.00 40	6.00 40	6.00 40	5.00 42	5.00 42
(ii) Top marginal income and payroll tax rates			1.00 57	1.00 57	2.00 57	2.00 58	2.00 58	2.00 58
2. Legal Structure and Security of Property Rights	8.00	6.08	7.73	8.04	7.64	7.56	7.41	7.21
A. Judicial independence				8.15	7.01	7.66	7.76	7.80
B. Impartial courts				6.97	6.35	5.08	5.33	4.88
C. Protection of property rights				5.10	6.48	6.75	7.43	7.63
D. Military interference				9.99	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts							6.99	5.04
G. Regulatory restrictions of sale of real property							6.00	6.77
3. Access to Sound Money	5.53	5.54	5.69	9.18	9.51	9.41	9.34	9.32
A. Money growth	7.62 11.89	7.56 12.19	6.79 16.04	8.80 5.98	8.77 6.14	8.32 8.38	8.05 9.75	8.05 9.77
B. Standard deviation of inflation	8.66 3.34	8.94 2.64	8.54 3.66	8.95 2.62	9.85 0.39	9.80 0.51	9.78 0.55	9.80 0.51
C. Inflation: most recent year	5.82 20.90	5.65 21.73	7.45 12.77	8.97 5.16	9.43 2.85	9.53 2.36	9.54 2.29	9.45 2.74
D. Freedom to own foreign currency	0.00	0.00	0.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	6.68	6.86	7.21	7.94	8.09	7.62	7.00	7.33
A. Taxes on international trade	8.60	9.20	8.26	8.70	9.18	9.18	8.48	8.30
(i) Revenues from trade taxes (% of trade sector)	8.60 2.10	9.20 1.20	9.13 1.30	9.80 0.30	9.78 0.33	9.85 0.22	9.84 0.24	9.84 0.24
(ii) Mean tariff rate			8.52 7.40	8.66 6.70	9.52 2.40	9.64 1.80	9.46 2.70	8.92 5.40
(iii) Standard deviation of tariff rates			7.12 7.20	7.64 5.90	8.24 4.40	8.04 4.90	6.13 9.67	6.13 9.67
B. Regulatory trade barriers				8.18	8.62	8.34	7.65	7.80
(i) Non-tariff trade barriers				8.18	7.73	8.21	7.78	7.78
(ii) Compliance cost of importing and exporting					9.50	8.46	7.53	7.82
C. Size of trade sector	5.01	5.34	5.25	4.52	4.68	3.88	3.48	3.68
D. Black-market exchange rates	9.60	9.60	9.40	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	5.00	8.32	7.99	6.72	5.37	6.88
(i) Foreign ownership/investment restrictions				8.64	9.05	7.28	7.67	7.60
(ii) Capital controls	2.00	2.00	5.00	8.00	6.92	6.15	3.08	6.15
5. Regulation of Credit, Labor and Business	4.54	4.89	4.71	5.69	6.39	6.59	6.04	6.22
A. Credit market regulations	4.42	6.17	5.76	7.02	8.02	8.37	7.39	7.40
(i) Ownership of banks	0.00	0.00	2.00	2.00	5.00	8.00	2.00	2.00
(ii) Foreign bank competition				7.87	7.27	6.00	8.00	8.00
(iii) Private sector credit	9.27	8.50	7.29	7.27	9.51	9.52	9.56	9.59
(iv) Interest rate controls/negative real int. rates	4.00	10.00	8.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	3.78	3.46	3.13	4.64	4.46	5.89	4.83	4.89
(i) Minimum wage				6.42	4.05	6.94	6.94	7.06
(ii) Hiring and firing regulations			3.40	3.40	2.83	3.06	2.86	2.64
(iii) Centralized collective bargaining	5.18	5.18	5.18	5.18	4.88	5.73	5.51	5.76
(iv) Mandated cost of hiring	6.16	5.19	3.96	5.22	5.51	3.70	2.77	2.70
(v) Mandated cost of dismissing							0.91	1.19
(vi) Conscription	0.00	0.00	0.00	3.00	5.00	10.00	10.00	10.00
C. Business regulations				5.41	6.70	5.51	5.91	6.37
(i) Price controls			5.00	6.00	6.00	6.00	6.00	5.00
(ii) Administrative requirements					7.58	4.02	3.68	3.55
(iii) Bureaucracy costs				5.53	7.20	4.63	3.57	6.94
(iv) Starting a business				4.32	5.65	4.57	8.00	9.63
(v) Extra payments/bribes				5.79	7.04	8.33	8.33	7.69
(vi) Licensing restrictions							5.48	5.49
(vii) Cost of tax compliance							6.32	6.32

Romania

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) >	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	4.08 (76)	4.62 (83)	4.73 (86)	3.98 (118)	4.98 (109)	5.87 (92)	6.47 (76)	6.58 (73)
2. Legal Structure and Security of Property Rights		4.63 (64)	3.09 (104)	3.37 (112)	4.52 (104)	5.07 (99)	5.86 (80)	5.54 (88)
3. Access to Sound Money	6.61 (36)	6.95 (38)	7.10 (40)	0.74 (120)	2.71 (122)	6.76 (101)	8.28 (65)	8.69 (58)
4. Freedom to Trade Internationally			4.18 (87)	6.08 (86)	6.74 (72)	6.85 (68)	7.05 (52)	7.12 (56)
5. Regulation of Credit, Labor and Business	3.67 (93)	3.44 (96)	3.44 (104)	4.69 (96)	5.54 (76)	5.90 (73)	5.80 (96)	6.42 (71)
Unadjusted								
Summary Ratings (Rank) >		4.84 (79)	4.80 (86)	3.81 (119)	4.95 (113)	5.87 (93)	6.49 (80)	6.66 (74)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	5.23	5.95	3.96	3.37	4.52	5.07	5.86	5.54
A. Government consumption	9.41 8.01	9.85 6.51	6.82 16.82	6.81 16.84	7.50 14.48	8.44 11.31	8.44 11.31	7.15 15.70
B. Transfers and subsidies	6.29 14.10	7.98 7.90	5.07 18.60	6.16 14.59	6.09 14.84	6.34 13.92	7.01 11.49	7.01 11.49
C. Government enterprises and investment	0.00	0.00	0.00	0.00 60.70	2.00 48.63	2.00 48.63	2.00 48.63	2.00
D. Top marginal tax rate				0.50	2.50	3.50	6.00	6.00
(i) Top marginal income tax rate				1.00 60	5.00 40	5.00 40	10.00 16	10.00 16
(ii) Top marginal income and payroll tax rates				0.00 72	0.00 68	2.00 55	2.00 54	2.00 52
2. Legal Structure and Security of Property Rights		3.99	6.28	5.64	5.58	4.78	5.72	5.51
A. Judicial independence						2.63	3.14	3.48
B. Impartial courts				5.40	5.52	2.98	3.45	3.39
C. Protection of property rights					4.10	3.32	5.12	5.22
D. Military interference				6.37	8.33	8.33	8.33	8.33
E. Integrity of the legal system				6.96	6.67	6.67	6.67	6.67
F. Legal enforcement of contracts							7.19	5.21
G. Regulatory restrictions of sale of real property							6.13	6.24
3. Access to Sound Money	6.61	6.95	7.10	0.74	2.71	6.76	8.28	8.69
A. Money growth	7.76 11.20	9.76 1.20	8.25 8.74	0.00 58.13	9.98 -0.12	9.11 4.46	8.83 5.83	8.62 6.89
B. Standard deviation of inflation	8.78 3.05	8.11 4.73	7.87 5.32	0.00 68.32	0.00 44.43	5.29 11.78	6.07 9.82	7.44 6.39
C. Inflation: most recent year	9.88 0.59	9.93 0.37	7.26 13.72	2.94 35.30	0.87 45.67	7.62 11.88	8.20 8.99	8.68 6.58
D. Freedom to own foreign currency	0.00	0.00	5.00	0.00	0.00	5.00	10.00	10.00
4. Freedom to Trade Internationally			4.22	5.94	6.41	6.85	7.05	7.12
A. Taxes on international trade			9.73	7.22	6.76	6.79	7.68	7.06
(i) Revenues from trade taxes (% of trade sector)			9.73 0.40	8.20 2.70	8.95 1.58	9.39 0.91	9.39 0.91	9.39 0.91
(ii) Mean tariff rate				6.24 18.80	6.96 15.20	7.34 13.30	8.68 6.60	6.82 15.90
(iii) Standard deviation of tariff rates					4.36 14.10	3.64 15.90	4.98 12.56	4.98 12.56
B. Regulatory trade barriers					5.48	6.00	5.79	7.03
(i) Non-tariff trade barriers					5.48	5.49	5.43	5.71
(ii) Compliance cost of importing and exporting						6.52	6.15	8.35
C. Size of trade sector	7.27	3.38	3.11	4.89	5.27	5.49	5.20	5.16
D. Black-market exchange rates	0.00	0.00	0.00	9.40	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	4.54	5.95	6.57	6.33
(i) Foreign ownership/investment restrictions					7.55	5.75	6.23	6.52
(ii) Capital controls	0.00	0.00	0.00	0.00	1.54	6.15	6.92	6.15
5. Regulation of Credit, Labor and Business	2.64	2.47	2.47	3.38	5.55	5.90	5.56	6.45
A. Credit market regulations	0.00	0.00	0.00	0.67	4.58	7.53	7.28	7.34
(i) Ownership of banks	0.00	0.00	0.00	2.00	0.00	5.00	5.00	5.00
(ii) Foreign bank competition					8.07	7.00	7.00	7.00
(iii) Private sector credit	0.00	0.00	0.00	0.00	6.02	8.81	9.12	9.38
(iv) Interest rate controls/negative real int. rates			0.00	0.00	0.00	8.00	8.00	8.00
B. Labor market regulations					6.28	5.03	3.81	6.43
(i) Minimum wage					4.66	6.93	6.93	6.96
(ii) Hiring and firing regulations					8.80	3.51	4.15	4.40
(iii) Centralized collective bargaining					8.67	7.65	7.87	7.36
(iv) Mandated cost of hiring						4.05	0.00	0.58
(v) Mandated cost of dismissing							0.91	9.26
(vi) Conscription	1.00	0.00	0.00	1.00	3.00	3.00	3.00	10.00
C. Business regulations					5.78	5.16	5.58	5.57
(i) Price controls			0.00	6.00	6.00	1.00	0.00	1.00
(ii) Administrative requirements					6.63	3.33	3.50	4.12
(iii) Bureaucracy costs					7.50	9.95	7.04	4.77
(iv) Starting a business					3.60	6.47	9.59	9.50
(v) Extra payments/bribes					5.18	5.03	5.18	5.14
(vi) Licensing restrictions							5.83	6.73
(vii) Cost of tax compliance							7.89	7.74

Russia

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >				4.09 (116)	4.93 (111)	5.77 (95)	5.99 (93)	5.91 (98)
1. Size of Government	1.10 (111)	1.02 (114)	1.09 (114)	4.78 (87)	5.27 (87)	5.65 (86)	5.74 (85)	5.64 (87)
2. Legal Structure and Security of Property Rights				3.54 (108)	4.45 (85)	4.27 (81)	4.54 (88)	4.75 (79)
3. Access to Sound Money	6.38 (40)	6.52 (55)	5.95 (73)	1.25 (118)	3.66 (115)	6.79 (99)	7.59 (83)	7.46 (85)
4. Freedom to Trade Internationally				6.70 (58)	6.84 (68)	6.72 (72)	6.26 (85)	6.00 (101)
5. Regulation of Credit, Labor and Business	2.83 (99)	2.83 (102)	2.83 (109)	4.20 (107)	4.43 (110)	5.45 (95)	5.82 (95)	5.65 (110)
Unadjusted				4.01 (117)	4.93 (114)	5.77 (96)	6.21 (96)	6.12 (101)
Summary Ratings (Rank) >	Rating	Rating	Rating	Rating	Rating	Rating	Rating	Rating
	Data	Data	Data	Data	Data	Data	Data	Data
1. Size of Government	1.25	1.15	1.24	4.78	5.27	5.65	5.74	5.64
A. Government consumption	3.03 29.70	2.65 31.00	2.99 29.84	3.74 27.30	5.01 22.96	4.35 25.21	4.40 25.06	3.98 26.48
B. Transfers and subsidies	1.96 30.00	1.96 30.00	1.96 30.00	7.90 8.20	6.56 13.11	6.73 12.49	7.05 11.33	7.08 11.22
C. Government enterprises and investment	0.00	0.00	0.00 90.00	2.00 45.00	4.00 35.00	4.00	4.00	4.00
D. Top marginal tax rate	0.00	0.00	0.00	5.50	5.50	7.50	7.50	7.50
(i) Top marginal income tax rate	0.00 100	0.00 100	0.00 80	8.00 30	8.00 30	10.00 13	10.00 13	10.00 13
(ii) Top marginal income and payroll tax rates				3.00 51	3.00 50	5.00 39	5.00 39	5.00 36
2. Legal Structure and Security of Property Rights				3.43	4.45	4.27	5.48	5.73
A. Judicial independence				3.48	3.51	2.18	2.14	2.83
B. Impartial courts				4.20	5.18	2.68	2.78	3.06
C. Protection of property rights				1.56	1.88	2.30	3.63	3.60
D. Military interference				4.49	6.67	7.50	7.50	7.50
E. Integrity of the legal system					5.00	6.67	6.67	6.67
F. Legal enforcement of contracts						6.74	7.53	
G. Regulatory restrictions of sale of real property						8.89	8.92	
3. Access to Sound Money	5.72	6.52	5.95	1.25	3.66	6.79	7.59	7.46
A. Money growth	7.88 10.60	8.08 9.60	8.06 9.70	0.00 401.40	2.19 39.06	8.24 -8.79	8.92 -5.39	7.80 -11.01
B. Standard deviation of inflation	9.28 1.80	9.44 1.40	8.92 2.70	0.00 522.92	1.61 20.98	6.11 9.73	8.97 2.57	8.96 2.60
C. Inflation: most recent year		8.54 7.30	6.82 15.90	0.00 170.74	5.84 20.78	7.83 10.86	7.46 12.68	8.06 9.68
D. Freedom to own foreign currency	0.00	0.00	0.00	5.00	5.00	5.00	5.00	5.00
4. Freedom to Trade Internationally				6.45	6.84	6.72	6.26	6.00
A. Taxes on international trade				6.60	7.00	6.60	5.08	4.57
(i) Revenues from trade taxes (% of trade sector)				7.07 4.40	6.92 4.62	4.02 8.96	1.17 13.25	0.00 15.64
(ii) Mean tariff rate				7.70 11.50	7.48 12.60	7.94 10.30	8.08 9.60	7.72 11.40
(iii) Standard deviation of tariff rates				5.04 12.40	6.60 8.50	7.84 5.40	5.99 10.03	5.99 10.03
B. Regulatory trade barriers				4.32	5.06	5.62	5.15	4.84
(i) Non-tariff trade barriers				4.32	3.78	4.70	4.76	4.78
(ii) Compliance cost of importing and exporting					6.33	6.55	5.55	4.90
C. Size of trade sector			5.81	7.80	9.30	7.24	7.03	6.71
D. Black-market exchange rates	0.00	0.00	0.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	3.54	2.86	4.11	4.03	3.90
(i) Foreign ownership/investment restrictions				5.08	5.71	4.38	4.22	3.95
(ii) Capital controls	0.00	0.00	0.00	2.00	0.00	3.85	3.85	3.85
5. Regulation of Credit, Labor and Business	2.47	2.47	2.98	4.12	4.43	5.45	5.96	5.79
A. Credit market regulations	0.00	0.00	0.17	4.67	3.68	6.68	7.67	7.99
(i) Ownership of banks	0.00	0.00	0.00	2.00	2.00	5.00	5.00	5.00
(ii) Foreign bank competition				3.93	4.32	6.00	8.00	8.00
(iii) Private sector credit			0.50	5.05	5.88	8.20	8.67	8.96
(iv) Interest rate controls/negative real int. rates	0.00	0.00	0.00	8.00	2.00	10.00	9.00	10.00
B. Labor market regulations			1.84	4.00	4.50	5.80	5.43	5.44
(i) Minimum wage				6.00	2.58	9.32	9.32	9.34
(ii) Hiring and firing regulations			1.03	1.03	6.08	6.75	6.75	6.60
(iii) Centralized collective bargaining			4.49	7.24	8.30	7.64	8.02	7.69
(iv) Mandated cost of hiring				5.72	5.51	5.30	0.00	0.58
(v) Mandated cost of dismissing							8.46	8.42
(vi) Conscription	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations				3.68	5.12	3.88	4.80	3.93
(i) Price controls			0.00	5.00	5.00	3.00	2.00	1.00
(ii) Administrative requirements					6.22	1.96	2.06	2.44
(iii) Bureaucracy costs				4.79	5.00	4.15	3.60	4.83
(iv) Starting a business				3.52	4.00	5.25	8.88	9.02
(v) Extra payments/bribes				1.40	5.36	5.05	5.59	5.23
(vi) Licensing restrictions							4.36	0.00
(vii) Cost of tax compliance							7.13	4.98

Rwanda

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >			4.12 (99)	3.34 (123)	4.21 (121)	3.84 (129)	4.14 (128)	4.19 (127)
1. Size of Government	5.80 (26)	5.91 (27)	6.12 (33)	6.45 (35)	6.23 (54)	4.94 (104)	4.98 (103)	4.87 (107)
2. Legal Structure and Security of Property Rights				1.97 (123)	1.98 (123)	1.02 (130)	2.12 (125)	1.81 (126)
3. Access to Sound Money	6.12 (54)	6.65 (46)	6.12 (69)	3.47 (104)	7.54 (68)	6.38 (113)	6.59 (105)	6.79 (103)
4. Freedom to Trade Internationally						4.76 (125)	4.12 (126)	4.39 (125)
5. Regulation of Credit, Labor and Business	1.69 (101)	1.72 (106)	1.74 (118)	1.47 (123)	1.76 (123)	2.08 (128)	2.24 (128)	2.41 (128)
Unadjusted								
Summary Ratings (Rank) >	5.38 (52)		5.29 (65)	4.32 (114)	5.52 (100)	4.82 (123)	5.19 (131)	5.23 (131)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	7.28	6.08	7.26	7.65	7.39	4.94	4.98	4.87
A. Government consumption	7.93 13.04	8.15 12.28	8.59 10.81	9.42 7.98	8.63 10.66	7.87 13.23	7.96 12.94	7.73 13.71
B. Transfers and subsidies	9.92 0.80		9.18 3.50	9.54 2.20	9.54 2.20			
C. Government enterprises and investment	4.00 39.40	4.00 42.40	4.00	4.00	4.00 33.95	2.00 41.47	2.00 45.29	2.00 40.27
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
2. Legal Structure and Security of Property Rights				2.38	1.98	2.10	3.56	3.04
A. Judicial independence								
B. Impartial courts				3.43	3.48	3.97	3.80	3.80
C. Protection of property rights								
D. Military interference					0.00	0.00	3.10	3.10
E. Integrity of the legal system				0.00	0.00	0.00		
F. Legal enforcement of contracts							5.50	3.35
G. Regulatory restrictions of sale of real property							1.84	1.91
3. Access to Sound Money	6.12	6.65	6.12	3.47	7.54	6.38	6.59	6.79
A. Money growth	7.09 14.53	9.52 -2.39	9.85 0.75	5.61 21.95	9.06 -4.69	5.11 24.44	5.31 23.43	5.75 21.23
B. Standard deviation of inflation	7.99 5.03	7.97 5.07	7.34 6.65	3.27 16.82	6.98 7.56	7.86 5.35	7.86 5.35	8.20 4.50
C. Inflation: most recent year	9.39 3.06	9.09 4.56	7.31 13.46	0.00 54.20	9.14 4.29	7.55 12.25	8.20 9.01	8.22 8.88
D. Freedom to own foreign currency	0.00	0.00	0.00	5.00	5.00	5.00	5.00	5.00
4. Freedom to Trade Internationally	2.51		2.64	3.75		5.08	4.12	4.39
A. Taxes on international trade	1.13		0.53	1.10		7.65	6.30	6.15
(i) Revenues from trade taxes (% of trade sector)	1.13 13.30		0.53 14.20	0.27 14.60				
(ii) Mean tariff rate				3.04 34.80		8.34 8.30	6.56 17.20	6.26 18.70
(iii) Standard deviation of tariff rates				0.00 33.10		6.96 7.60	6.04 9.91	6.04 9.91
B. Regulatory trade barriers						0.00	0.00	1.92
(i) Non-tariff trade barriers								
(ii) Compliance cost of importing and exporting						0.00	0.00	1.92
C. Size of trade sector	3.13	0.33	0.00	0.00	0.00	0.00	0.46	0.81
D. Black-market exchange rates	0.00	0.20	4.40	9.40	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	1.54	3.85	3.85	3.08
(i) Foreign ownership/investment restrictions								
(ii) Capital controls	0.00	0.00	0.00	0.00	1.54	3.85	3.85	3.08
5. Regulation of Credit, Labor and Business	5.62	5.72	5.14	4.34	5.18	5.61	6.68	7.08
A. Credit market regulations	5.01	5.26	5.50	2.85	5.64	6.08	7.41	7.41
(i) Ownership of banks	0.00	0.00	0.00	0.00	0.00	5.00	8.00	8.00
(ii) Foreign bank competition						3.00	3.00	3.00
(iii) Private sector credit	9.03	7.79	6.49	8.55	8.92	8.32	8.65	8.65
(iv) Interest rate controls/negative real int. rates	6.00	8.00	10.00	0.00	8.00	8.00	10.00	10.00
B. Labor market regulations							6.55	7.45
(i) Minimum wage						3.60	3.60	3.74
(ii) Hiring and firing regulations								
(iii) Centralized collective bargaining								
(iv) Mandated cost of hiring							7.57	8.48
(v) Mandated cost of dismissing							5.01	7.59
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations							6.10	6.38
(i) Price controls			0.00	0.00	0.00	4.00	4.00	4.00
(ii) Administrative requirements								
(iii) Bureaucracy costs								
(iv) Starting a business						7.98	6.38	7.69
(v) Extra payments/bribes								
(vi) Licensing restrictions							5.88	5.73
(vii) Cost of tax compliance							8.12	8.12

Senegal

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	4.25 (71)	4.62 (66)	6.58 (26)	5.29 (72)	7.08 (27)	5.80 (80)	6.05 (75)	6.07 (77)
2. Legal Structure and Security of Property Rights	3.37 (63)	3.95 (73)	3.95 (76)	3.36 (112)	4.38 (86)	4.31 (80)	4.70 (82)	3.81 (100)
3. Access to Sound Money	6.10 (56)	6.63 (48)	7.09 (41)	5.80 (77)	7.28 (72)	7.02 (94)	7.24 (89)	6.94 (97)
4. Freedom to Trade Internationally	5.40 (48)	5.79 (48)	5.17 (68)	5.49 (95)	6.65 (74)	6.08 (99)	6.18 (89)	5.97 (102)
5. Regulation of Credit, Labor and Business	4.13 (85)	3.94 (90)	4.15 (94)	3.86 (114)	4.26 (112)	5.02 (111)	5.08 (119)	4.82 (121)
Unadjusted								
Summary Ratings (Rank) ▶	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	6.36	3.99	5.67	4.56	7.08	5.80	6.05	6.07
A. Government consumption	6.08 19.34	6.97 16.31	7.02 16.13	7.68 13.90	8.32 11.70	7.49 14.54	8.48 11.18	8.57 10.85
B. Transfers and subsidies	8.99 4.20				10.00 0.43	8.71 5.24	8.71 5.24	8.71 5.24
C. Government enterprises and investment	4.00 36.70	4.00 36.20	6.00 30.10	6.00	7.00 22.00	4.00 31.89	4.00 33.56	4.00 33.90
D. Top marginal tax rate		1.00	4.00	0.00	3.00	3.00	3.00	3.00
(i) Top marginal income tax rate		1.00 65	4.00 48	0.00 64	3.00 50	3.00 50	3.00 50	3.00 50
(ii) Top marginal income and payroll tax rates			4.00 48	0.00 64	3.00 50	3.00 50	3.00 50	3.00 50
2. Legal Structure and Security of Property Rights	3.41	3.99	3.99	3.40	4.43	4.31	4.33	3.55
A. Judicial independence						3.50		2.53
B. Impartial courts				5.39	5.33	5.21	5.10	2.97
C. Protection of property rights						4.50		4.78
D. Military interference				3.99	3.33	3.33	3.33	3.33
E. Integrity of the legal system				0.00	5.00	5.00	5.00	5.00
F. Legal enforcement of contracts							5.36	3.39
G. Regulatory restrictions of sale of real property							2.85	2.85
3. Access to Sound Money	6.10	6.63	7.09	5.80	7.28	7.02	7.24	6.94
A. Money growth	7.76 11.20	9.00 4.98	9.60 -2.02	8.73 6.34	9.45 2.74	8.81 -5.96	9.94 0.31	8.86 5.71
B. Standard deviation of inflation	8.95 2.63	9.38 1.55	9.01 2.47	5.65 10.87	9.82 0.44	9.39 1.52	9.34 1.64	9.33 1.68
C. Inflation: most recent year	7.69 11.53	8.14 9.30	9.76 1.19	8.82 5.92	9.85 0.73	9.90 0.51	9.66 1.70	9.58 2.11
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Freedom to Trade Internationally	5.34	5.50	4.91	5.22	6.32	6.08	5.91	6.13
A. Taxes on international trade	2.40	3.33	2.57	2.25	6.02	6.14	6.10	6.23
(i) Revenues from trade taxes (% of trade sector)	2.40 11.40	4.47 8.30	2.13 11.80	1.33 13.00	4.44 8.34	3.83 9.25	3.83 9.25	3.83 9.25
(ii) Mean tariff rate		2.20 39.00	3.00 35.00	3.16 34.20	7.60 12.00	7.32 13.40	7.20 14.00	7.60 12.00
(iii) Standard deviation of tariff rates						7.28 6.80	7.26 6.84	7.26 6.84
B. Regulatory trade barriers						5.40	8.04	5.80
(i) Non-tariff trade barriers						4.33		4.74
(ii) Compliance cost of importing and exporting						6.47	8.04	6.86
C. Size of trade sector	6.49	6.16	4.56	5.84	5.10	4.65	4.67	4.71
D. Black-market exchange rates	9.60	9.80	9.20	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	2.31	4.20	0.77	3.92
(i) Foreign ownership/investment restrictions						8.40		7.06
(ii) Capital controls	0.00	0.00	0.00	0.00	2.31	0.00	0.77	0.77
5. Regulation of Credit, Labor and Business	4.91	4.68	4.45	4.14	4.56	5.02	5.84	5.57
A. Credit market regulations	6.46	5.86	6.53	4.84	5.56	8.41	9.12	8.95
(i) Ownership of banks	2.00	2.00	2.00	2.00	2.00	8.00	10.00	10.00
(ii) Foreign bank competition								
(iii) Private sector credit	9.37	9.57	9.60	8.53	8.69	9.23	9.37	8.84
(iv) Interest rate controls/negative real int. rates	8.00	6.00	8.00	4.00	6.00	8.00	8.00	8.00
B. Labor market regulations						2.84	3.41	3.50
(i) Minimum wage						4.18	4.18	1.60
(ii) Hiring and firing regulations						2.83		5.11
(iii) Centralized collective bargaining						4.33		4.22
(iv) Mandated cost of hiring							3.01	3.62
(v) Mandated cost of dismissing							6.45	6.48
(vi) Conscription	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations						3.83	4.99	4.26
(i) Price controls			0.00	2.00	4.00	4.00	4.00	4.00
(ii) Administrative requirements						2.00		2.73
(iii) Bureaucracy costs								3.90
(iv) Starting a business						4.93	6.18	6.18
(v) Extra payments/bribes						4.38		3.79
(vi) Licensing restrictions							7.58	7.06
(vii) Cost of tax compliance							2.20	2.20

Serbia

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >								
1. Size of Government								
2. Legal Structure and Security of Property Rights								
3. Access to Sound Money								
4. Freedom to Trade Internationally								
5. Regulation of Credit, Labor and Business								
Unadjusted							5.65 (119)	6.15 (98)
Summary Ratings (Rank) >	Rating	Rating	Rating	Rating	Rating	Rating	Rating	Rating
	Data	Data	Data	Data	Data	Data	Data	Data
1. Size of Government							6.47	6.20
A. Government consumption							5.60	20.95
B. Transfers and subsidies							4.26	21.56
C. Government enterprises and investment							10.00	11.40
D. Top marginal tax rate							6.00	7.00
(i) Top marginal income tax rate							10.00	15
(ii) Top marginal income and payroll tax rates							2.00	53
2. Legal Structure and Security of Property Rights							4.75	4.74
A. Judicial independence							2.45	3.02
B. Impartial courts							2.94	3.49
C. Protection of property rights							4.62	4.07
D. Military interference							6.67	6.67
E. Integrity of the legal system							5.83	5.83
F. Legal enforcement of contracts							4.58	3.95
G. Regulatory restrictions of sale of real property							6.16	6.13
3. Access to Sound Money							4.55	7.11
A. Money growth							6.40	17.99
B. Standard deviation of inflation							0.00	32.54
C. Inflation: most recent year							6.78	16.10
D. Freedom to own foreign currency							5.00	5.00
4. Freedom to Trade Internationally							6.04	6.25
A. Taxes on international trade							7.75	7.75
(i) Revenues from trade taxes (% of trade sector)							7.47	3.80
(ii) Mean tariff rate							8.36	8.20
(iii) Standard deviation of tariff rates							7.43	6.42
B. Regulatory trade barriers							5.05	6.86
(i) Non-tariff trade barriers							5.37	5.43
(ii) Compliance cost of importing and exporting							4.73	8.28
C. Size of trade sector							4.30	3.93
D. Black-market exchange rates							10.00	10.00
E. International capital market controls							3.07	2.68
(i) Foreign ownership/investment restrictions							5.37	5.37
(ii) Capital controls							0.77	0.00
5. Regulation of Credit, Labor and Business							6.47	6.45
A. Credit market regulations							9.04	9.09
(i) Ownership of banks							10.00	10.00
(ii) Foreign bank competition							8.00	8.00
(iii) Private sector credit							9.16	9.35
(iv) Interest rate controls/negative real int. rates							9.00	9.00
B. Labor market regulations							5.29	5.96
(i) Minimum wage							6.17	7.25
(ii) Hiring and firing regulations							5.00	6.14
(iii) Centralized collective bargaining							7.12	7.13
(iv) Mandated cost of hiring							2.40	4.53
(v) Mandated cost of dismissing							8.03	7.68
(vi) Conscription							3.00	3.00
C. Business regulations							5.08	4.30
(i) Price controls							2.00	2.00
(ii) Administrative requirements							1.72	1.41
(iii) Bureaucracy costs							5.14	3.64
(iv) Starting a business							9.43	9.14
(v) Extra payments/bribes							5.68	4.33
(vi) Licensing restrictions							3.49	2.68
(vii) Cost of tax compliance							8.12	6.87

Sierra Leone

	1980	1985	1990	1995	2000	2004	2005	2006	
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	
Summary Rating (Rank) ▶	5.39 (48)	3.60 (101)	3.87 (104)	4.31 (113)	5.02 (107)	5.65 (101)	5.98 (95)	5.68 (107)	
1. Size of Government	7.87 (7)	6.37 (18)	6.00 (36)	5.56 (62)	5.83 (70)	6.46 (58)	7.12 (38)	7.13 (39)	
2. Legal Structure and Security of Property Rights		5.25 (55)	5.30 (54)	2.64 (119)	3.52 (103)	3.99 (86)	4.53 (89)	3.02 (116)	
3. Access to Sound Money			0.00 (119)	3.81 (103)	6.47 (98)	7.09 (90)	7.20 (90)	7.24 (91)	
4. Freedom to Trade Internationally	2.79 (89)	2.03 (97)	3.52 (97)	4.52 (106)	4.55 (116)	5.31 (121)	4.93 (122)	4.79 (124)	
5. Regulation of Credit, Labor and Business	5.10 (59)	3.98 (89)	4.49 (85)	4.98 (83)	4.75 (105)	5.43 (98)	6.11 (78)	6.43 (70)	
Unadjusted	Summary Ratings (Rank) ▶	5.05 (68)	3.73 (102)	3.89 (105)	4.35 (113)	5.06 (108)	5.76 (97)	5.95 (107)	5.65 (119)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	
1. Size of Government	5.65	6.37	6.00	5.56	5.83	6.46	7.12	7.13	
A. Government consumption	9.29 8.40	9.15 8.90	8.30 11.78	7.72 13.75	7.79 13.50	7.85 13.31	7.83 13.37	7.86 13.26	
B. Transfers and subsidies	9.97	0.60	9.70 1.60	8.96 4.30	9.71 1.57	9.52 2.26	9.52 2.26	9.52 2.26	
C. Government enterprises and investment	2.00 61.60	0.00 81.40	0.00	0.00	0.00 78.76	2.00 43.37	4.00 33.40	4.00 33.24	
D. Top marginal tax rate									
(i) Top marginal income tax rate									
(ii) Top marginal income and payroll tax rates									
2. Legal Structure and Security of Property Rights		5.25	5.30	2.64	3.52	4.32	4.76	3.17	
A. Judicial independence									
B. Impartial courts				3.96	4.89	3.61	3.60	3.60	
C. Protection of property rights									
D. Military interference				2.27	0.00	4.17	4.17	4.17	
E. Integrity of the legal system				0.00	5.00	5.42	5.83	5.83	
F. Legal enforcement of contracts							6.28	1.58	
G. Regulatory restrictions of sale of real property							3.90	0.66	
3. Access to Sound Money	5.82	0.41	0.00	3.81	6.47	7.09	7.20	7.24	
A. Money growth	6.38 18.10	1.64 41.82	0.00 72.99	6.93 15.37	4.37 28.16	9.13 4.36	9.42 2.89	9.02 4.89	
B. Standard deviation of inflation	8.90 2.76	0.00 26.10	0.00 29.16	0.00 26.09	6.67 8.33	7.06 7.35	6.78 8.04	6.83 7.91	
C. Inflation: most recent year	8.02 9.90	0.00 85.08	0.00 89.15	3.30 33.49	9.83 -0.84	7.16 14.19	7.59 12.05	8.09 9.54	
D. Freedom to own foreign currency	0.00	0.00	0.00	5.00	5.00	5.00	5.00	5.00	
4. Freedom to Trade Internationally	3.23	2.35	3.59	4.69	4.65	5.56	5.42	5.26	
A. Taxes on international trade	2.99	3.45	7.37	4.48	3.39	3.15	5.58	5.58	
(i) Revenues from trade taxes (% of trade sector)	1.13 13.30	2.07 11.90	7.37 3.95	4.11 8.83	3.39 9.92	3.15 10.27	3.15 10.27	3.15 10.27	
(ii) Mean tariff rate	4.84 25.80	4.84 25.80		4.84 25.80			7.28 13.60	7.28 13.60	
(iii) Standard deviation of tariff rates							6.30 9.25	6.30 9.25	
B. Regulatory trade barriers						4.42	4.71	5.44	
(i) Non-tariff trade barriers									
(ii) Compliance cost of importing and exporting						4.42	4.71	5.44	
C. Size of trade sector	4.88	0.00	2.35	1.14	2.00	3.05	2.95	2.56	
D. Black-market exchange rates	0.00	0.00	0.00	9.60	5.00	10.00	10.00	10.00	
E. International capital market controls	0.00	0.00	0.00	0.00	4.61	3.85	3.85	2.73	
(i) Foreign ownership/investment restrictions									
(ii) Capital controls	0.00	0.00	0.00	0.00	4.61	3.85	3.85	2.73	
5. Regulation of Credit, Labor and Business	5.49	4.29	4.57	5.07	4.83	5.40	5.24	5.43	
A. Credit market regulations	4.67	1.47	2.94	3.25	2.48	5.30	5.16	5.19	
(i) Ownership of banks	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	
(ii) Foreign bank competition									
(iii) Private sector credit	6.02	2.40	6.82	5.76	3.44	4.91	4.49	4.56	
(iv) Interest rate controls/negative real int. rates	6.00	0.00	0.00	2.00	2.00	9.00	9.00	9.00	
B. Labor market regulations							5.08	5.59	
(i) Minimum wage						3.36	3.36	5.38	
(ii) Hiring and firing regulations									
(iii) Centralized collective bargaining									
(iv) Mandated cost of hiring							6.96	6.96	
(v) Mandated cost of dismissing							0.00	0.00	
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	
C. Business regulations							5.49	5.53	
(i) Price controls			2.00	6.00	6.00	4.00	4.00	4.00	
(ii) Administrative requirements									
(iii) Bureaucracy costs									
(iv) Starting a business						7.50	5.83	5.83	
(v) Extra payments/bribes									
(vi) Licensing restrictions							6.58	6.74	
(vii) Cost of tax compliance							5.53	5.53	

Singapore

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) >	7.92 (4)	8.27 (3)	8.69 (2)	8.79 (2)	8.51 (3)	8.29 (3)	8.48 (2)	8.54 (2)
1. Size of Government	6.98 (9)	7.09 (6)	8.22 (7)	8.39 (8)	7.97 (10)	7.93 (13)	8.00 (12)	7.86 (14)
2. Legal Structure and Security of Property Rights	9.48 (4)	8.45 (17)	8.45 (23)	8.31 (16)	8.53 (17)	8.09 (16)	8.11 (19)	8.13 (18)
3. Access to Sound Money	6.41 (39)	8.41 (21)	9.26 (13)	9.69 (10)	9.46 (22)	8.48 (65)	8.74 (55)	8.99 (44)
4. Freedom to Trade Internationally	9.29 (2)	9.70 (2)	9.71 (2)	9.68 (2)	9.32 (2)	9.31 (2)	9.30 (2)	9.35 (2)
5. Regulation of Credit, Labor and Business	7.91 (3)	7.92 (4)	7.89 (6)	7.89 (5)	7.27 (13)	7.62 (9)	8.26 (4)	8.34 (6)
Unadjusted								
Summary Ratings (Rank) >	7.38 (6)	7.71 (4)	8.11 (2)	8.78 (2)	8.51 (3)	8.29 (3)	8.52 (2)	8.57 (2)
	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>
1. Size of Government	6.98	7.09	8.22	8.39	7.97	7.93	8.00	7.86
A. Government consumption	7.08 15.93	4.70 24.02	6.45 18.06	6.92 16.47	5.65 20.80	5.98 19.65	5.81 20.24	5.29 22.02
B. Transfers and subsidies	9.84 1.10	9.65 1.80	9.43 2.60	9.65 1.80	9.23 3.32	8.73 5.16	9.17 3.54	9.17 3.54
C. Government enterprises and investment	7.00 24.20	6.00 34.70	8.00 18.60	8.00	8.00 18.60	7.00 22.80	7.00 22.80	7.00 22.80
D. Top marginal tax rate	4.00	8.00	9.00	9.00	9.00	10.00	10.00	10.00
(i) Top marginal income tax rate	4.00 55	8.00 40	9.00 33	9.00 30	9.00 28	10.00 22	10.00 21	10.00 20
(ii) Top marginal income and payroll tax rates			9.00 33	9.00 30	9.00 28	10.00 22	10.00 21	10.00 20
2. Legal Structure and Security of Property Rights	8.13	7.25	7.25	8.31	8.53	8.09	8.41	8.43
A. Judicial independence				7.17	7.35	7.29	7.01	7.66
B. Impartial courts				7.05	7.68	8.07	7.97	8.30
C. Protection of property rights				7.33	7.62	8.43	8.90	9.02
D. Military interference				10.00	10.00	8.33	8.33	8.33
E. Integrity of the legal system				10.00	10.00	8.33	8.33	8.33
F. Legal enforcement of contracts							9.40	8.48
G. Regulatory restrictions of sale of real property							8.91	8.91
3. Access to Sound Money	6.41	8.41	9.26	9.69	9.46	8.48	8.74	8.99
A. Money growth	9.35 3.25	9.95 0.26	9.12 4.41	9.89 0.55	9.42 -2.88	5.35 23.23	5.91 20.44	6.93 15.33
B. Standard deviation of inflation	8.57 3.57	8.90 2.76	8.91 2.73	9.39 1.53	8.70 3.24	8.89 2.78	9.11 2.21	9.21 1.97
C. Inflation: most recent year	7.71 11.47	9.78 -1.10	9.02 4.92	9.47 2.66	9.73 1.36	9.67 1.66	9.91 0.43	9.80 1.02
D. Freedom to own foreign currency	0.00	5.00	10.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	9.19	9.60	9.56	9.56	9.32	9.31	9.30	9.35
A. Taxes on international trade	9.84	9.87	9.70	9.59	9.95	10.00	9.99	10.00
(i) Revenues from trade taxes (% of trade sector)	9.73 0.40	9.80 0.30	9.91 0.14	9.93 0.10	9.93 0.11	10.00 0.00	10.00 0.00	10.00 0.00
(ii) Mean tariff rate	9.94 0.30	9.94 0.30	9.92 0.40	9.92 0.40	9.92 0.40	10.00 0.00	9.98 0.10	10.00 0.00
(iii) Standard deviation of tariff rates			9.28 1.80	8.92 2.70	10.00 0.00	10.00 0.00	10.00 0.00	10.00 0.00
B. Regulatory trade barriers				8.85	9.39	9.03	8.88	9.12
(i) Non-tariff trade barriers				8.85	8.79	8.74	8.60	8.67
(ii) Compliance cost of importing and exporting					10.00	9.33	9.16	9.56
C. Size of trade sector	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	8.00	10.00	10.00	9.34	7.25	7.54	7.61	7.64
(i) Foreign ownership/investment restrictions				8.68	9.12	8.92	9.06	9.13
(ii) Capital controls	8.00	10.00	10.00	10.00	5.38	6.15	6.15	6.15
5. Regulation of Credit, Labor and Business	6.18	6.19	6.26	7.95	7.27	7.62	8.14	8.22
A. Credit market regulations	9.64	9.67	9.59	8.31	7.92	7.88	9.28	9.24
(i) Ownership of banks	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				6.05	4.55	4.55	9.00	9.00
(iii) Private sector credit	8.91	9.00	8.77	8.76	8.26	8.06	8.13	7.98
(iv) Interest rate controls/negative real int. rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations			5.48	6.16	5.52	6.92	6.99	6.99
(i) Minimum wage				7.13	4.56	10.00	10.00	10.00
(ii) Hiring and firing regulations			8.50	8.50	7.17	8.17	8.15	7.99
(iii) Centralized collective bargaining	7.93	7.93	7.93	7.93	8.37	8.31	8.15	8.29
(iv) Mandated cost of hiring				7.25	7.52	8.10	6.05	6.05
(v) Mandated cost of dismissing							9.63	9.63
(vi) Conscription	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations				9.38	8.38	8.08	8.15	8.42
(i) Price controls			8.00	9.00	9.00	7.00	6.00	6.00
(ii) Administrative requirements					7.68	7.30	6.79	7.17
(iii) Bureaucracy costs				9.73	8.05	8.21	6.42	7.96
(iv) Starting a business				9.07	8.02	8.63	9.80	9.83
(v) Extra payments/bribes				9.72	9.15	9.25	9.58	9.34
(vi) Licensing restrictions							8.77	9.21
(vii) Cost of tax compliance							9.66	9.45

Slovak Republic

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >				5.54 (78)	6.16 (75)	7.41 (24)	7.59 (19)	7.52 (23)
1. Size of Government				2.66 (118)	2.98 (120)	6.41 (61)	6.48 (62)	6.44 (66)
2. Legal Structure and Security of Property Rights				6.50 (40)	6.30 (48)	5.82 (52)	6.40 (50)	6.26 (50)
3. Access to Sound Money			8.16 (26)	6.69 (59)	7.90 (61)	9.33 (32)	9.69 (3)	9.40 (24)
4. Freedom to Trade Internationally				6.90 (50)	7.91 (26)	8.76 (4)	8.36 (5)	8.46 (4)
5. Regulation of Credit, Labor and Business				4.96 (84)	5.69 (70)	6.73 (31)	7.03 (35)	7.04 (34)
Unadjusted				5.42 (81)	6.16 (76)	7.41 (24)	7.63 (17)	7.61 (20)
Summary Ratings (Rank) >	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government				2.39	2.98	6.41	6.48	6.44
A. Government consumption			3.27 28.89	3.18 29.20	4.04 26.26	4.25 25.53	4.59 24.38	4.36 25.18
B. Transfers and subsidies					3.88 22.95	4.90 19.20	4.82 19.50	4.90 19.20
C. Government enterprises and investment				0.00 75.10	0.00 75.10	10.00 9.33	10.00 7.68	10.00 6.98
D. Top marginal tax rate				4.00	4.00	6.50	6.50	6.50
(i) Top marginal income tax rate				4.00 42	4.00 42	10.00 19	10.00 19	10.00 19
(ii) Top marginal income and payroll tax rates				4.00 42	4.00 44	3.00 48	3.00 48	3.00 48
2. Legal Structure and Security of Property Rights				6.50	6.30	5.82	6.71	6.56
A. Judicial independence				5.08	5.01	3.91	4.30	4.34
B. Impartial courts				5.43	5.18	3.91	4.37	3.88
C. Protection of property rights				3.97	4.67	4.64	6.67	6.75
D. Military interference				8.04	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	6.67	6.67	6.67	6.67
F. Legal enforcement of contracts							5.30	4.64
G. Regulatory restrictions of sale of real property							9.65	9.65
3. Access to Sound Money			8.81	6.69	7.90	9.33	9.69	9.40
A. Money growth				7.32 13.40	9.81 -0.94	9.68 1.61	9.83 0.85	9.12 4.42
B. Standard deviation of inflation			8.99 2.52	6.39 9.03	9.20 2.01	9.15 2.12	9.46 1.34	9.39 1.52
C. Inflation: most recent year			8.63 6.86	8.05 9.73	7.59 12.04	8.49 7.55	9.46 2.71	9.10 4.48
D. Freedom to own foreign currency				5.00	5.00	10.00	10.00	10.00
4. Freedom to Trade Internationally				6.76	7.91	8.76	8.13	8.22
A. Taxes on international trade				8.78	9.07	9.75	8.48	8.30
(i) Revenues from trade taxes (% of trade sector)					9.34 0.99	9.85 0.22	9.84 0.24	9.84 0.24
(ii) Mean tariff rate				8.78 6.10	8.80 6.00	9.64 1.80	9.46 2.70	8.92 5.40
(iii) Standard deviation of tariff rates							6.13 9.67	6.13 9.67
B. Regulatory trade barriers				4.83	7.17	7.98	7.56	7.33
(i) Non-tariff trade barriers				4.83	6.67	7.97	7.94	8.15
(ii) Compliance cost of importing and exporting					7.66	8.00	7.18	6.51
C. Size of trade sector				6.56	7.84	7.83	7.53	8.53
D. Black-market exchange rates				10.00	10.00	10.00	10.00	10.00
E. International capital market controls				3.65	5.46	8.26	7.08	6.95
(i) Foreign ownership/investment restrictions				5.29	7.83	8.82	8.77	8.89
(ii) Capital controls				2.00	3.08	7.69	5.38	5.00
5. Regulation of Credit, Labor and Business				4.75	5.69	6.73	7.14	7.44
A. Credit market regulations				5.71	7.35	7.89	9.14	9.29
(i) Ownership of banks				5.00	5.00	10.00	10.00	10.00
(ii) Foreign bank competition				6.12	5.33	5.33	10.00	10.00
(iii) Private sector credit				5.31	8.10	5.80	6.57	7.16
(iv) Interest rate controls/negative real int. rates				6.00	10.00	10.00	10.00	10.00
B. Labor market regulations				4.38	4.54	6.60	6.01	6.69
(i) Minimum wage				6.12	4.17	7.13	7.13	7.15
(ii) Hiring and firing regulations			4.92	4.92	3.00	6.29	6.83	6.10
(iii) Centralized collective bargaining				5.18	7.67	7.72	8.28	8.10
(iv) Mandated cost of hiring				4.68	4.84	6.86	0.00	0.00
(v) Mandated cost of dismissing							8.80	8.79
(vi) Conscription				1.00	3.00	5.00	5.00	10.00
C. Business regulations				4.17	5.19	5.68	6.27	6.34
(i) Price controls				4.00	4.00	5.00	7.00	6.00
(ii) Administrative requirements					8.00	2.92	3.49	3.21
(iii) Bureaucracy costs				4.70	4.50	7.38	5.21	7.47
(iv) Starting a business				4.28	3.00	6.80	9.01	9.04
(v) Extra payments/bribes				3.70	6.47	6.32	6.61	6.32
(vi) Licensing restrictions							6.45	6.21
(vii) Cost of tax compliance							6.14	6.14

Slovenia

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >				4.96 (91)	6.00 (79)	6.27 (76)	6.29 (83)	6.40 (80)
1. Size of Government				1.66 (122)	2.42 (123)	2.54 (130)	2.41 (130)	2.48 (130)
2. Legal Structure and Security of Property Rights				7.79 (22)	7.18 (31)	6.25 (45)	6.69 (43)	6.77 (39)
3. Access to Sound Money			3.12 (108)	3.12 (108)	7.49 (69)	8.97 (50)	8.99 (41)	8.94 (46)
4. Freedom to Trade Internationally				7.12 (44)	7.29 (47)	7.35 (42)	7.19 (42)	7.23 (45)
5. Regulation of Credit, Labor and Business				5.25 (72)	5.67 (72)	6.26 (55)	6.16 (75)	6.56 (57)
Unadjusted				4.95 (93)	5.82 (89)	6.27 (75)	6.28 (91)	6.38 (88)
Summary Ratings (Rank) >	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government				1.75	2.42	2.54	2.41	2.48
A. Government consumption			4.15 25.90	4.17 25.83	3.67 27.51	4.26 25.50	4.04 26.27	4.03 26.29
B. Transfers and subsidies				1.09 33.20	4.02 22.44	4.41 21.01	4.08 22.22	4.40 21.07
C. Government enterprises and investment				0.00 75.10	0.00 75.10	0.00	0.00	0.00
D. Top marginal tax rate					2.00	1.50	1.50	1.50
(i) Top marginal income tax rate					4.00 50	3.00 50	3.00 50	3.00 50
(ii) Top marginal income and payroll tax rates					0.00 70	0.00 70	0.00 70	0.00 70
2. Legal Structure and Security of Property Rights				7.44	6.40	6.25	5.98	6.05
A. Judicial independence						5.03	5.87	5.81
B. Impartial courts				7.02	7.14	4.70	5.27	5.13
C. Protection of property rights					5.37	5.67	6.48	6.52
D. Military interference				9.22	8.33	8.33	8.33	9.17
E. Integrity of the legal system				10.00	8.33	7.50	7.50	7.50
F. Legal enforcement of contracts							4.08	3.87
G. Regulatory restrictions of sale of real property							4.34	4.34
3. Access to Sound Money				3.12	7.49	8.97	8.99	8.94
A. Money growth				0.00 57.50	7.62 11.91	7.45 12.77	7.67 11.66	7.29 13.54
B. Standard deviation of inflation				0.00 79.63	9.12 2.19	9.15 2.14	8.78 3.04	8.95 2.63
C. Inflation: most recent year				7.48 12.60	8.22 8.88	9.28 3.59	9.50 2.48	9.51 2.46
D. Freedom to own foreign currency			5.00	5.00	5.00	10.00	10.00	10.00
4. Freedom to Trade Internationally				7.08	7.09	7.35	7.19	7.23
A. Taxes on international trade				7.53	8.05	8.89	8.48	8.30
(i) Revenues from trade taxes (% of trade sector)				7.53 3.70	9.48 0.78	9.83 0.26	9.84 0.24	9.84 0.24
(ii) Mean tariff rate					7.64 11.80	9.64 1.80	9.46 2.70	8.92 5.40
(iii) Standard deviation of tariff rates					7.04 7.40	7.20 7.00	6.13 9.67	6.13 9.67
B. Regulatory trade barriers					7.38	7.74	7.14	7.16
(i) Non-tariff trade barriers					7.38	7.53	7.29	7.15
(ii) Compliance cost of importing and exporting						7.95	6.99	7.18
C. Size of trade sector				4.69	4.71	4.26	4.58	4.85
D. Black-market exchange rates			0.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	5.00	5.30	5.85	5.73	5.83
(i) Foreign ownership/investment restrictions					6.76	5.55	5.30	5.50
(ii) Capital controls	0.00	0.00	0.00	5.00	3.85	6.15	6.15	6.15
5. Regulation of Credit, Labor and Business				5.34	5.71	6.26	6.82	7.20
A. Credit market regulations				6.50	6.52	8.03	8.56	8.65
(i) Ownership of banks				5.00	5.00	8.00	8.00	8.00
(ii) Foreign bank competition					4.78	8.00	8.00	8.00
(iii) Private sector credit				6.51	7.69	8.02	8.22	8.60
(iv) Interest rate controls/negative real int. rates				8.00	9.00	10.00	10.00	10.00
B. Labor market regulations					3.60	5.60	5.89	6.53
(i) Minimum wage					4.02	5.93	5.93	9.98
(ii) Hiring and firing regulations					2.32	3.14	2.92	3.16
(iii) Centralized collective bargaining					5.05	6.00	5.55	5.51
(iv) Mandated cost of hiring						2.93	4.95	4.22
(v) Mandated cost of dismissing							6.01	6.29
(vi) Conscription				3.00	3.00	10.00	10.00	10.00
C. Business regulations					7.01	5.16	6.00	6.41
(i) Price controls				6.00	8.00	4.00	3.00	4.00
(ii) Administrative requirements					6.95	2.85	3.18	3.73
(iii) Bureaucracy costs					7.80	6.32	5.38	7.07
(iv) Starting a business					5.73	4.87	7.92	7.83
(v) Extra payments/bribes					6.58	7.77	8.27	7.83
(vi) Licensing restrictions							7.31	7.32
(vii) Cost of tax compliance							6.95	7.09

South Africa

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ▶	5.87 (32)	5.46 (50)	5.46 (60)	6.34 (52)	6.97 (40)	6.89 (49)	6.93 (49)	6.91 (57)
1. Size of Government	4.72 (57)	4.85 (52)	5.57 (50)	5.80 (51)	6.45 (49)	6.99 (40)	6.99 (45)	6.97 (46)
2. Legal Structure and Security of Property Rights	6.81 (29)	4.91 (58)	3.22 (86)	6.11 (48)	6.54 (44)	6.61 (35)	7.14 (38)	6.64 (41)
3. Access to Sound Money	5.27 (78)	5.30 (89)	5.75 (77)	6.44 (66)	7.85 (65)	7.59 (82)	7.55 (84)	7.76 (82)
4. Freedom to Trade Internationally	7.47 (15)	6.41 (35)	6.76 (31)	6.51 (67)	7.16 (54)	6.84 (70)	6.56 (70)	6.70 (73)
5. Regulation of Credit, Labor and Business	5.22 (53)	5.82 (41)	5.82 (42)	6.85 (17)	6.87 (24)	6.41 (43)	6.42 (65)	6.45 (65)
Unadjusted	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
Summary Ratings (Rank) ▶	5.78 (38)	5.38 (58)	5.31 (63)	6.30 (51)	6.97 (41)	6.89 (49)	7.05 (49)	7.03 (54)
1. Size of Government	4.72	4.85	5.57	5.80	6.45	6.99	6.99	6.97
A. Government consumption	5.61 20.94	4.58 24.43	4.46 24.83	4.50 24.69	5.17 22.42	4.74 23.90	4.76 23.83	4.79 23.73
B. Transfers and subsidies	9.26 3.20	8.83 4.80	8.83 4.80	8.69 5.30	8.62 5.55	8.72 5.19	8.69 5.31	8.58 5.70
C. Government enterprises and investment	2.00 50.90	2.00 42.20	4.00 34.20	6.00 26.20	8.00 16.97	10.00 14.78	10.00 14.73	10.00 14.09
D. Top marginal tax rate	2.00	4.00	5.00	4.00	4.00	4.50	4.50	4.50
(i) Top marginal income tax rate	2.00 60	4.00 50	5.00 45	4.00 43	4.00 45	5.00 40	5.00 40	5.00 40
(ii) Top marginal income and payroll tax rates			5.00 45	4.00 43	4.00 45	4.00 41	4.00 41	4.00 41
2. Legal Structure and Security of Property Rights	6.18	4.46	2.93	6.11	6.54	6.61	7.05	6.55
A. Judicial independence				7.17	7.18	6.47	7.63	7.42
B. Impartial courts				7.85	8.02	7.35	7.62	7.39
C. Protection of property rights				6.53	5.82	6.74	7.97	7.96
D. Military interference				4.91	8.33	8.33	8.33	8.33
E. Integrity of the legal system				4.11	3.33	4.17	4.17	4.17
F. Legal enforcement of contracts							7.68	3.93
G. Regulatory restrictions of sale of real property							5.95	6.65
3. Access to Sound Money	5.27	5.30	5.75	6.44	7.85	7.59	7.55	7.76
A. Money growth	7.80 10.99	6.28 18.61	6.54 17.30	8.22 8.89	7.87 10.66	6.58 17.09	6.88 15.58	7.95 10.23
B. Standard deviation of inflation	8.12 4.71	8.54 3.66	9.49 1.27	9.29 1.78	9.60 0.99	9.06 2.36	9.01 2.48	9.03 2.42
C. Inflation: most recent year	5.18 24.12	6.39 18.06	6.98 15.09	8.25 8.76	8.93 5.34	9.72 1.39	9.32 3.40	9.07 4.64
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	5.00	5.00	5.00	5.00
4. Freedom to Trade Internationally	7.43	6.37	6.54	6.34	7.16	6.84	6.56	6.70
A. Taxes on international trade	8.66	8.93	7.27	5.54	7.79	7.49	6.84	6.87
(i) Revenues from trade taxes (% of trade sector)	9.20 1.20	9.07 1.40	8.53 2.20	9.33 1.00	9.15 1.28	8.85 1.73	8.60 2.10	8.57 2.14
(ii) Mean tariff rate	8.12 9.40	8.80 6.00	7.80 11.00	6.06 19.70	8.30 8.50	8.30 8.50	8.30 8.50	8.40 8.00
(iii) Standard deviation of tariff rates			5.48 11.30	1.24 21.90	5.92 10.20	5.32 11.70	3.63 15.92	3.63 15.92
B. Regulatory trade barriers				6.40	7.56	6.57	6.05	6.10
(i) Non-tariff trade barriers				6.40	6.62	6.04	6.67	6.73
(ii) Compliance cost of importing and exporting					8.50	7.11	5.44	5.46
C. Size of trade sector	9.52	7.72	5.84	5.75	6.35	5.94	6.02	6.74
D. Black-market exchange rates	8.80	5.00	9.40	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	3.98	4.12	4.20	3.87	3.82
(i) Foreign ownership/investment restrictions				5.97	7.46	7.62	6.97	6.87
(ii) Capital controls	2.00	2.00	2.00	2.00	0.77	0.77	0.77	0.77
5. Regulation of Credit, Labor and Business	5.30	5.90	5.74	6.82	6.87	6.41	7.11	7.15
A. Credit market regulations	7.48	9.08	9.07	8.50	8.51	8.75	9.29	9.32
(i) Ownership of banks	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				7.93	6.78	8.00	8.00	8.00
(iii) Private sector credit	8.43	9.25	9.22	9.30	9.24	9.22	9.15	9.26
(iv) Interest rate controls/negative real int. rates	4.00	8.00	8.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations			3.92	6.11	5.47	5.12	5.89	5.81
(i) Minimum wage				2.87	4.61	3.43	3.43	2.09
(ii) Hiring and firing regulations			5.55	5.55	2.05	2.10	2.36	2.16
(iii) Centralized collective bargaining			6.21	6.21	4.52	4.05	3.84	4.04
(iv) Mandated cost of hiring				5.90	6.18	6.02	9.21	8.78
(v) Mandated cost of dismissing							6.52	7.78
(vi) Conscription	0.00	0.00	0.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				5.85	6.62	5.37	6.16	6.33
(i) Price controls				6.00	7.00	6.00	5.00	5.00
(ii) Administrative requirements					6.92	3.07	3.29	2.81
(iii) Bureaucracy costs				6.38	6.53	5.37	4.55	6.41
(iv) Starting a business				6.43	5.88	5.93	8.69	8.93
(v) Extra payments/bribes				4.60	6.77	6.49	7.54	7.05
(vi) Licensing restrictions							7.98	8.03
(vii) Cost of tax compliance							6.08	6.08

South Korea

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) >	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	5.85 (25)	6.36 (19)	6.24 (32)	6.42 (36)	6.51 (47)	6.74 (48)	6.66 (57)	6.62 (59)
2. Legal Structure and Security of Property Rights	7.06 (27)	4.50 (64)	5.90 (49)	5.62 (58)	5.97 (57)	6.33 (43)	6.57 (48)	6.84 (37)
3. Access to Sound Money	5.02 (83)	6.42 (62)	6.46 (62)	8.04 (41)	8.27 (52)	9.38 (28)	9.37 (29)	9.34 (31)
4. Freedom to Trade Internationally	6.06 (41)	6.12 (41)	7.08 (29)	7.13 (43)	7.08 (60)	7.17 (48)	6.50 (75)	6.89 (65)
5. Regulation of Credit, Labor and Business	4.34 (81)	4.85 (66)	4.87 (73)	4.89 (91)	5.28 (91)	5.78 (77)	6.59 (54)	6.87 (45)
Unadjusted								
Summary Ratings (Rank) >	5.75 (40)	5.80 (41)	6.16 (37)	6.33 (49)	6.62 (52)	7.08 (39)	7.25 (39)	7.42 (29)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	5.97	6.49	6.24	6.42	6.51	6.74	6.66	6.62
A. Government consumption	7.29 15.23	7.43 14.74	7.10 15.87	6.99 16.22	6.37 18.33	5.66 20.76	5.55 21.13	5.39 21.67
B. Transfers and subsidies	9.59 2.00	9.54 2.20	9.35 2.90	7.68 9.01	7.68 9.01	7.30 10.42	7.10 11.13	7.10 11.13
C. Government enterprises and investment	7.00 22.60	7.00 25.40	7.00 19.20	6.00 25.50	7.00 21.30	8.00 19.76	8.00 18.67	8.00 18.67
D. Top marginal tax rate	0.00	2.00	1.50	5.00	5.00	6.00	6.00	6.00
(i) Top marginal income tax rate	0.00 89	2.00 65	2.00 64	5.00 48	5.00 44	6.00 40	6.00 39	6.00 39
(ii) Top marginal income and payroll tax rates			1.00 66	5.00 48	5.00 44	6.00 40	6.00 39	6.00 39
2. Legal Structure and Security of Property Rights	6.52	4.16	5.45	5.62	5.97	6.33	7.17	7.45
A. Judicial independence				4.87	4.68	5.32	5.21	6.89
B. Impartial courts				5.25	5.18	5.31	5.26	6.61
C. Protection of property rights				4.26	5.00	5.77	7.40	7.85
D. Military interference				6.75	8.33	6.94	6.67	6.67
E. Integrity of the legal system				6.96	6.67	8.33	8.33	8.33
F. Legal enforcement of contracts							9.57	8.11
G. Regulatory restrictions of sale of real property							7.72	7.72
3. Access to Sound Money	5.02	6.42	6.46	8.04	8.27	9.38	9.37	9.34
A. Money growth	6.25 18.77	8.57 7.13	8.60 6.99	9.01 4.97	9.66 -1.70	8.67 6.65	8.60 6.98	8.46 7.72
B. Standard deviation of inflation	8.79 3.02	8.04 4.89	9.22 1.94	9.26 1.85	8.87 2.83	9.58 1.05	9.42 1.45	9.34 1.66
C. Inflation: most recent year	5.03 24.87	9.07 4.64	8.02 9.91	8.88 5.60	9.55 2.27	9.28 3.59	9.45 2.75	9.55 2.24
D. Freedom to own foreign currency	0.00	0.00	0.00	5.00	5.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	6.19	6.25	7.22	6.80	7.08	7.17	6.50	6.89
A. Taxes on international trade	6.59	6.50	7.46	7.91	8.35	8.38	5.86	5.65
(i) Revenues from trade taxes (% of trade sector)	7.27 4.10	7.60 3.60	7.73 3.40	8.67 2.00	9.15 1.28	9.31 1.04	9.37 0.95	9.37 0.95
(ii) Mean tariff rate	5.92 20.40	5.40 23.00	7.34 13.30	7.70 11.50	8.26 8.70	8.20 9.00	8.20 9.00	7.58 12.10
(iii) Standard deviation of tariff rates			7.32 6.70	7.36 6.60	7.64 5.90	7.64 5.90	0.00 49.37	0.00 49.37
B. Regulatory trade barriers				5.97	6.84	7.38	7.19	7.82
(i) Non-tariff trade barriers				5.97	5.18	6.42	5.98	7.03
(ii) Compliance cost of importing and exporting					8.50	8.34	8.41	8.62
C. Size of trade sector	8.36	6.78	5.67	5.29	6.63	5.98	5.78	5.89
D. Black-market exchange rates	7.80	7.80	9.80	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	2.00	5.00	4.83	3.58	4.10	3.68	5.10
(i) Foreign ownership/investment restrictions				4.66	7.16	6.67	5.82	7.12
(ii) Capital controls	0.00	2.00	5.00	5.00	0.00	1.54	1.54	3.08
5. Regulation of Credit, Labor and Business	5.05	5.65	5.43	4.78	5.28	5.78	6.54	6.81
A. Credit market regulations	6.13	8.11	8.16	6.85	6.43	7.40	9.09	9.08
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	5.00	8.00	8.00
(ii) Foreign bank competition				4.93	3.17	8.00	9.00	9.00
(iii) Private sector credit	9.40	9.32	9.49	9.75	9.52	9.50	9.36	9.32
(iv) Interest rate controls/negative real int. rates	4.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations			3.59	4.43	4.20	4.90	4.29	4.68
(i) Minimum wage				5.83	4.14	6.70	6.70	6.36
(ii) Hiring and firing regulations			3.53	3.53	4.70	5.13	4.71	6.24
(iii) Centralized collective bargaining	7.24	7.24	7.24	7.24	6.17	7.44	7.87	7.85
(iv) Mandated cost of hiring				5.53	6.01	5.25	4.83	6.05
(v) Mandated cost of dismissing							1.66	1.56
(vi) Conscription	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations				3.08	5.19	5.05	6.25	6.66
(i) Price controls			0.00	0.00	1.00	1.00	3.00	1.00
(ii) Administrative requirements					6.52	4.61	3.54	5.58
(iii) Bureaucracy costs				5.38	7.65	6.61	6.31	7.85
(iv) Starting a business				3.65	5.38	6.53	8.12	8.31
(v) Extra payments/bribes				3.28	5.40	6.52	6.51	7.47
(vi) Licensing restrictions							9.52	9.69
(vii) Cost of tax compliance							6.75	6.75

Spain

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	6.04 (30)	6.16 (31)	6.46 (32)	7.03 (30)	7.29 (29)	7.50 (21)	7.35 (29)	7.22 (37)
2. Legal Structure and Security of Property Rights	4.68 (59)	4.20 (77)	4.67 (78)	4.16 (100)	4.75 (95)	6.73 (50)	6.70 (56)	6.69 (54)
3. Access to Sound Money	7.26 (25)	7.35 (27)	8.19 (25)	7.46 (27)	7.54 (26)	6.38 (42)	6.82 (42)	6.46 (45)
4. Freedom to Trade Internationally	5.87 (65)	6.49 (57)	6.14 (68)	9.61 (12)	9.44 (24)	9.62 (11)	9.58 (10)	9.49 (18)
5. Regulation of Credit, Labor and Business	6.95 (23)	7.13 (20)	7.57 (17)	7.98 (19)	8.27 (17)	7.91 (18)	7.18 (43)	7.16 (53)
5.58 (41)	5.79 (42)	5.96 (38)	5.93 (51)	6.45 (38)	6.86 (25)	6.47 (63)	6.30 (75)	
Unadjusted								
Summary Ratings (Rank) ▶	5.81 (36)	5.92 (36)	6.17 (36)	6.98 (33)	7.29 (25)	7.50 (21)	7.51 (24)	7.38 (32)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	4.68	4.20	4.67	4.16	4.75	6.73	6.70	6.69
A. Government consumption	6.93 16.45	6.27 18.67	5.89 19.98	5.53 21.18	5.22 22.25	4.83 23.58	4.79 23.73	4.79 23.73
B. Transfers and subsidies	6.78 12.30	5.53 16.90	5.78 16.00	5.10 18.47	5.76 16.05	6.09 14.84	6.00 15.18	5.96 15.34
C. Government enterprises and investment	4.00 27.10	4.00 30.20	4.00 33.50	4.00	4.00 33.50	10.00 12.00	10.00 12.08	10.00 12.29
D. Top marginal tax rate	1.00	1.00	3.00	2.00	4.00	6.00	6.00	6.00
(i) Top marginal income tax rate	1.00 66	1.00 66	3.00 56	2.00 56	4.00 48	6.00 35-45	6.00 35-45	6.00 35-45
(ii) Top marginal income and payroll tax rates			3.00 56	2.00 56	4.00 48	6.00 35-45	6.00 35-45	6.00 35-45
2. Legal Structure and Security of Property Rights	6.35	6.42	7.16	7.46	7.54	6.38	7.09	6.71
A. Judicial independence				6.75	7.52	4.65	4.49	4.59
B. Impartial courts				6.63	8.02	5.27	5.26	5.30
C. Protection of property rights				6.09	7.15	5.65	7.69	7.57
D. Military interference				7.85	8.33	8.33	8.33	8.33
E. Integrity of the legal system				10.00	6.67	7.99	8.33	8.33
F. Legal enforcement of contracts							8.33	5.54
G. Regulatory restrictions of sale of real property							7.16	7.33
3. Access to Sound Money	5.87	6.49	6.14	9.61	9.44	9.62	9.58	9.49
A. Money growth	7.55 12.23	8.34 8.31	6.79 16.03	9.93 -0.35	8.66 6.70	9.21 3.96	9.02 4.88	8.73 6.34
B. Standard deviation of inflation	8.60 3.49	9.16 2.09	9.22 1.95	9.48 1.31	9.77 0.57	9.87 0.34	9.95 0.12	9.93 0.18
C. Inflation: most recent year	7.33 13.35	8.46 7.69	8.54 7.31	9.04 4.81	9.31 3.43	9.39 3.04	9.33 3.37	9.30 3.52
D. Freedom to own foreign currency	0.00	0.00	0.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	6.91	7.08	7.42	7.77	8.27	7.91	7.18	7.16
A. Taxes on international trade	8.22	8.25	8.21	8.72	9.18	9.18	8.48	8.30
(i) Revenues from trade taxes (% of trade sector)	8.20 2.70	8.00 3.00	9.00 1.50	9.87 0.20	9.78 0.33	9.85 0.22	9.84 0.24	9.84 0.24
(ii) Mean tariff rate	8.24 8.80	8.50 7.50	8.52 7.40	8.66 6.70	9.52 2.40	9.64 1.80	9.46 2.70	8.92 5.40
(iii) Standard deviation of tariff rates			7.12 7.20	7.64 5.90	8.24 4.40	8.04 4.90	6.13 9.67	6.13 9.67
B. Regulatory trade barriers				7.63	8.73	7.69	7.76	7.70
(i) Non-tariff trade barriers				7.63	7.62	6.52	6.73	6.61
(ii) Compliance cost of importing and exporting					9.83	8.86	8.79	8.79
C. Size of trade sector	3.15	4.39	3.10	4.21	5.41	4.67	4.43	4.60
D. Black-market exchange rates	10.00	9.60	9.60	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	5.00	5.00	8.00	8.28	8.02	8.03	5.23	5.19
(i) Foreign ownership/investment restrictions				8.57	9.11	7.60	7.39	7.31
(ii) Capital controls	5.00	5.00	8.00	8.00	6.92	8.46	3.08	3.08
5. Regulation of Credit, Labor and Business	5.22	5.42	5.49	5.89	6.45	6.86	7.02	6.86
A. Credit market regulations	7.37	8.27	8.27	7.92	8.51	8.56	9.20	9.33
(i) Ownership of banks	8.00	8.00	8.00	8.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				7.67	6.12	6.00	8.00	8.00
(iii) Private sector credit	8.11	6.80	6.82	6.67	8.33	8.71	8.78	9.31
(iv) Interest rate controls/negative real int. rates	6.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	3.55	3.44	3.71	4.07	3.92	6.22	5.23	5.13
(i) Minimum wage				5.78	3.06	7.24	7.24	6.80
(ii) Hiring and firing regulations			2.62	2.62	3.67	3.19	2.82	3.09
(iii) Centralized collective bargaining	5.18	5.18	5.18	5.18	4.85	6.38	6.13	6.07
(iv) Mandated cost of hiring	4.49	4.13	4.05	3.75	5.01	4.28	0.39	0.00
(v) Mandated cost of dismissing							4.81	4.81
(vi) Conscription	1.00	1.00	3.00	3.00	3.00	10.00	10.00	10.00
C. Business regulations				5.69	6.92	5.80	6.64	6.12
(i) Price controls			7.00	6.00	6.00	5.00	5.00	3.00
(ii) Administrative requirements					7.40	4.12	3.23	3.56
(iii) Bureaucracy costs				6.37	7.90	7.37	6.30	6.92
(iv) Starting a business				5.32	5.67	4.83	8.27	8.29
(v) Extra payments/bribes				5.06	7.63	7.68	8.02	7.39
(vi) Licensing restrictions							6.26	7.00
(vii) Cost of tax compliance							9.37	6.66

Sweden

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ▶	6.05 (29)	6.63 (22)	6.93 (24)	7.18 (25)	7.43 (19)	7.19 (33)	7.30 (32)	7.28 (34)
1. Size of Government	2.13 (108)	2.61 (109)	2.37 (111)	2.60 (120)	3.17 (118)	3.46 (127)	3.67 (125)	3.73 (124)
2. Legal Structure and Security of Property Rights	7.78 (23)	8.72 (16)	9.83 (10)	8.85 (12)	9.02 (13)	8.08 (17)	8.94 (12)	8.46 (16)
3. Access to Sound Money	7.58 (23)	8.02 (28)	7.84 (31)	9.54 (20)	9.84 (1)	9.78 (1)	9.71 (2)	9.61 (5)
4. Freedom to Trade Internationally	6.71 (30)	7.63 (14)	8.43 (5)	8.56 (8)	8.29 (15)	7.97 (17)	7.70 (18)	7.72 (19)
5. Regulation of Credit, Labor and Business	6.21 (26)	6.32 (24)	6.41 (25)	6.36 (34)	6.84 (25)	6.67 (33)	6.48 (60)	6.84 (46)
Unadjusted								
	Rating	Rating	Rating	Rating	Rating	Rating	Rating	Rating
Summary Ratings (Rank) ▶	5.68 (45)	6.23 (25)	6.49 (30)	7.19 (24)	7.43 (19)	7.19 (32)	7.38 (32)	7.35 (33)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	2.13	2.61	2.37	2.60	3.17	3.46	3.67	3.73
A. Government consumption	1.10 36.25	1.39 35.27	1.49 34.95	2.05 33.02	1.68 34.28	1.11 36.22	1.17 36.03	1.12 36.20
B. Transfers and subsidies	3.41 24.70	3.05 26.00	1.99 29.90	0.84 34.10	3.98 22.59	3.74 23.47	4.00 22.51	4.29 21.44
C. Government enterprises and investment	4.00 41.20	6.00 28.00	6.00 22.80	6.00 28.30	6.00 28.30	8.00 18.08	8.00 17.13	8.00 16.93
D. Top marginal tax rate	0.00	0.00	0.00	1.50	1.00	1.00	1.50	1.50
(i) Top marginal income tax rate	0.00 87	0.00 80	0.00 61-68	3.00 46-53	2.00 51-58	2.00 54-62	3.00 52-59	3.00 52-59
(ii) Top marginal income and payroll tax rates			0.00 79-86	0.00 66-73	0.00 68-75	0.00 68	0.00 66	0.00 66
2. Legal Structure and Security of Property Rights	6.61	7.41	8.35	8.85	9.02	8.08	8.89	8.41
A. Judicial independence				8.82	8.68	6.33	8.11	8.60
B. Impartial courts				8.88	8.35	7.21	8.72	8.50
C. Protection of property rights				6.57	8.08	7.71	8.71	8.90
D. Military interference				10.00	10.00	9.17	9.17	9.17
E. Integrity of the legal system				10.00	10.00	10.00	10.00	10.00
F. Legal enforcement of contracts							8.54	4.73
G. Regulatory restrictions of sale of real property							8.98	8.98
3. Access to Sound Money	7.58	8.02	7.84	9.54	9.84	9.78	9.71	9.61
A. Money growth	8.26 8.70	8.90 5.50	8.68 6.60	9.81 0.97	9.71 1.47	9.52 2.39	9.25 3.77	9.00 4.98
B. Standard deviation of inflation	9.41 1.47	9.50 1.26	9.44 1.40	9.10 2.24	9.83 0.44	9.69 0.78	9.69 0.79	9.71 0.72
C. Inflation: most recent year	7.66 11.72	8.67 6.63	8.23 8.84	9.27 3.67	9.82 0.90	9.93 0.37	9.91 0.45	9.73 1.36
D. Freedom to own foreign currency	5.00	5.00	5.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	6.68	7.59	8.30	8.49	8.29	7.97	7.70	7.72
A. Taxes on international trade	9.02	9.49	8.96	8.68	9.18	9.18	8.48	8.30
(i) Revenues from trade taxes (% of trade sector)	9.53 0.70	9.80 0.30	9.73 0.40	9.73 0.40	9.78 0.33	9.85 0.22	9.84 0.24	9.84 0.24
(ii) Mean tariff rate	8.50 7.50	9.18 4.10	9.06 4.70	8.66 6.70	9.52 2.40	9.64 1.80	9.46 2.70	8.92 5.40
(iii) Standard deviation of tariff rates			8.08 4.80	7.64 5.90	8.24 4.40	8.04 4.90	6.13 9.67	6.13 9.67
B. Regulatory trade barriers				9.13	9.15	8.71	8.79	8.86
(i) Non-tariff trade barriers				9.13	8.80	7.94	8.30	8.60
(ii) Compliance cost of importing and exporting					9.50	9.49	9.29	9.12
C. Size of trade sector	5.20	5.51	4.41	5.34	5.89	5.16	5.56	5.64
D. Black-market exchange rates	9.00	9.80	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	5.00	10.00	9.30	7.22	6.78	5.66	5.79
(i) Foreign ownership/investment restrictions				8.59	9.05	8.18	8.24	8.51
(ii) Capital controls	2.00	5.00	10.00	10.00	5.38	5.38	3.08	3.08
5. Regulation of Credit, Labor and Business	5.42	5.51	5.58	6.44	6.84	6.67	6.93	7.26
A. Credit market regulations	7.59	8.07	8.39	8.64	8.83	9.19	9.30	9.31
(i) Ownership of banks	8.00	8.00	8.00	8.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				8.33	6.48	8.00	8.00	8.00
(iii) Private sector credit	6.76	6.22	7.18	8.62	9.08	9.35	9.22	9.26
(iv) Interest rate controls/negative real int. rates	8.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	4.11	3.99	3.95	3.03	3.38	3.46	3.62	4.51
(i) Minimum wage				1.83	4.41	5.49	5.49	10.00
(ii) Hiring and firing regulations			3.93	3.93	2.18	2.27	1.92	2.84
(iii) Centralized collective bargaining	4.49	4.49	4.49	4.49	3.78	3.91	3.56	3.33
(iv) Mandated cost of hiring	4.84	4.49	4.40	1.90	3.51	2.61	0.00	0.27
(v) Mandated cost of dismissing							7.78	7.59
(vi) Conscription	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
C. Business regulations				7.66	8.31	7.38	7.87	7.97
(i) Price controls			6.00	8.00	9.00	7.00	7.00	7.00
(ii) Administrative requirements					7.27	4.13	3.73	3.72
(iii) Bureaucracy costs				8.28	8.30	9.17	8.26	8.75
(iv) Starting a business				5.08	7.87	7.90	9.37	9.41
(v) Extra payments/bribes				9.29	9.12	8.68	9.30	9.42
(vi) Licensing restrictions							8.81	8.84
(vii) Cost of tax compliance							8.63	8.63

Switzerland

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) >	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	8.19 (2)	8.32 (2)	8.30 (4)	8.04 (7)	8.43 (4)	8.31 (2)	8.33 (3)	8.18 (3)
2. Legal Structure and Security of Property Rights	6.96 (10)	6.89 (10)	6.82 (19)	6.78 (29)	7.25 (22)	7.87 (15)	7.88 (13)	7.89 (13)
3. Access to Sound Money	9.62 (2)	9.87 (1)	9.87 (4)	9.14 (4)	9.27 (7)	8.70 (10)	8.97 (11)	8.59 (12)
4. Freedom to Trade Internationally	9.50 (2)	9.66 (2)	9.70 (3)	9.63 (11)	9.70 (6)	9.63 (10)	9.61 (9)	9.56 (8)
5. Regulation of Credit, Labor and Business	8.10 (7)	8.11 (8)	8.01 (11)	7.56 (29)	8.51 (10)	7.66 (26)	7.29 (35)	6.79 (70)
5. Regulation of Credit, Labor and Business	6.71 (16)	7.07 (12)	7.08 (13)	7.06 (14)	7.40 (10)	7.68 (6)	7.89 (11)	8.05 (12)
Unadjusted								
Summary Ratings (Rank) >	7.70 (3)	7.82 (3)	7.82 (4)	8.02 (7)	8.43 (4)	8.31 (2)	8.35 (4)	8.20 (4)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	7.09	7.02	6.82	6.78	7.25	7.87	7.88	7.89
A. Government consumption	6.86 16.68	6.54 17.77	6.01 19.55	6.12 19.19	7.16 15.64	6.94 16.41	7.08 15.91	7.13 15.77
B. Transfers and subsidies	6.49 13.40	6.54 13.20	5.78 16.00	4.99 18.90	5.85 15.75	6.54 13.20	6.42 13.65	6.42 13.65
C. Government enterprises and investment	8.00	8.00	8.00	8.00	8.00	10.00 11.83	10.00 11.83	10.00 11.83
D. Top marginal tax rate	7.00	7.00	7.50	8.00	8.00	8.00	8.00	8.00
(i) Top marginal income tax rate	7.00 31-44	7.00 33-46	8.00 33-43	8.00 35-39	9.00 31-40	9.00 26-44	9.00 26-42	9.00 26-42
(ii) Top marginal income and payroll tax rates			7.00 36-46	8.00 38-42	7.00 39-48	7.00 34-50	7.00 34-50	7.00 35-49
2. Legal Structure and Security of Property Rights	8.13	8.35	8.35	9.14	9.27	8.70	9.04	8.66
A. Judicial independence				9.35	8.68	8.43	8.63	8.83
B. Impartial courts				7.92	8.52	8.20	8.61	8.56
C. Protection of property rights				8.44	9.17	8.52	9.28	9.30
D. Military interference				10.00	10.00	10.00	10.00	10.00
E. Integrity of the legal system				10.00	10.00	8.33	8.33	8.33
F. Legal enforcement of contracts							8.87	6.03
G. Regulatory restrictions of sale of real property							9.57	9.57
3. Access to Sound Money	9.50	9.66	9.70	9.63	9.70	9.63	9.61	9.56
A. Money growth	8.98 5.11	9.80 1.01	9.88 0.61	9.44 2.82	9.28 3.60	8.84 5.82	8.94 5.28	8.71 6.44
B. Standard deviation of inflation	9.55 1.13	9.30 1.75	9.78 0.55	9.32 1.70	9.83 0.42	9.83 0.42	9.75 0.63	9.73 0.69
C. Inflation: most recent year	9.46 2.71	9.53 2.37	9.15 4.27	9.77 1.13	9.69 1.54	9.84 0.80	9.77 1.17	9.79 1.06
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	8.35	8.35	8.32	7.43	8.51	7.66	7.29	6.79
A. Taxes on international trade	8.74	8.89	9.28	7.70	9.92	9.72	9.77	6.11
(i) Revenues from trade taxes (% of trade sector)	8.40 2.40	8.67 2.00	8.73 1.90	8.47 2.30	9.79 0.31	9.81 0.28	9.84 0.24	9.84 0.24
(ii) Mean tariff rate	9.08 4.60	9.12 4.40	9.12 4.40	9.28 3.60	10.00 0.00	9.36 3.20	9.46 2.70	8.48 7.60
(iii) Standard deviation of tariff rates			10.00 0.00	5.36 11.60	9.96 0.10	10.00 0.00	10.00 0.00	0.00 30.48
B. Regulatory trade barriers				6.40	8.94	6.16	6.05	7.22
(i) Non-tariff trade barriers				6.40	8.22	4.36	5.07	5.51
(ii) Compliance cost of importing and exporting					9.67	7.95	7.03	8.93
C. Size of trade sector	4.88	4.73	4.20	3.42	4.63	4.37	4.73	4.73
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	10.00	10.00	10.00	9.62	9.08	8.05	5.90	5.90
(i) Foreign ownership/investment restrictions				9.25	9.70	7.64	7.96	7.96
(ii) Capital controls	10.00	10.00	10.00	10.00	8.46	8.46	3.85	3.85
5. Regulation of Credit, Labor and Business	5.42	5.71	5.90	7.10	7.40	7.68	7.94	8.12
A. Credit market regulations	6.69	8.08	8.15	8.14	8.67	8.88	8.83	8.84
(i) Ownership of banks	5.00	5.00	5.00	5.00	8.00	8.00	8.00	8.00
(ii) Foreign bank competition				7.80	7.00	8.00	8.00	8.00
(iii) Private sector credit	9.07	9.25	9.46	9.24	9.20	9.26	9.33	9.38
(iv) Interest rate controls/negative real int. rates	6.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	5.01	4.77	5.48	5.79	5.70	7.37	7.60	7.50
(i) Minimum wage				7.05	4.56	10.00	10.00	10.00
(ii) Hiring and firing regulations			7.71	7.71	5.62	7.29	7.79	7.83
(iii) Centralized collective bargaining	6.21	6.21	6.21	6.21	7.80	8.03	8.06	7.92
(iv) Mandated cost of hiring	5.81	5.10	5.01	5.00	5.51	6.53	5.87	5.44
(v) Mandated cost of dismissing							8.89	8.79
(vi) Conscription	3.00	3.00	3.00	3.00	5.00	5.00	5.00	5.00
C. Business regulations				7.38	7.85	6.79	7.40	8.01
(i) Price controls			7.00	6.00	7.00	5.00	5.00	6.00
(ii) Administrative requirements					7.30	4.63	5.11	5.47
(iii) Bureaucracy costs				8.31	9.08	8.14	5.99	8.69
(iv) Starting a business				6.58	7.67	7.62	9.17	9.29
(v) Extra payments/bribes				8.62	8.18	8.57	8.92	8.99
(vi) Licensing restrictions							8.33	8.31
(vii) Cost of tax compliance							9.29	9.29

Syria

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	3.83 (94)	3.52 (104)	3.86 (105)	4.57 (102)	5.02 (107)	5.40 (112)	5.53 (111)	5.59 (110)
2. Legal Structure and Security of Property Rights	3.06 (94)	2.86 (104)	4.96 (68)	5.24 (74)	5.50 (81)	4.85 (107)	5.05 (101)	4.95 (103)
3. Access to Sound Money	1.76 (87)	3.05 (90)	3.02 (91)	4.91 (80)	5.06 (74)	5.06 (65)	5.49 (68)	5.31 (70)
4. Freedom to Trade Internationally	7.98 (17)	6.00 (81)	5.50 (83)	6.59 (62)	6.46 (99)	7.69 (79)	7.39 (85)	7.26 (89)
5. Regulation of Credit, Labor and Business	3.34 (81)	2.64 (91)	3.28 (100)	3.44 (110)	5.11 (114)	5.11 (123)	5.16 (119)	6.12 (98)
5. Regulation of Credit, Labor and Business	2.90 (98)	3.07 (100)	3.04 (107)	3.08 (119)	3.04 (119)	4.31 (122)	4.55 (123)	4.30 (124)
Unadjusted								
Summary Ratings (Rank) ▶	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	4.06 (91)	3.39 (106)	3.61 (106)	4.39 (111)	4.82 (116)	5.49 (111)	5.38 (128)	5.54 (125)
A. Government consumption	3.84	1.95	3.38	3.57	3.75	4.85	5.05	4.95
B. Transfers and subsidies	4.17 25.82	3.89 26.76	6.76 17.03	7.14 15.72	7.50 14.51	6.56 17.69	7.16 15.65	6.84 16.73
C. Government enterprises and investment	7.36 10.20							
D. Top marginal tax rate	0.00 70.20	0.00 66.30	0.00 55.60	0.00	0.00 63.64	0.00 60.24	0.00 64.67	0.00 64.12
(i) Top marginal income tax rate						8.00	8.00	8.00
(ii) Top marginal income and payroll tax rates						8.00 28	8.00 28	8.00 28
2. Legal Structure and Security of Property Rights	1.76	3.05	3.02	4.91	5.06	5.11	4.83	5.01
A. Judicial independence								4.16
B. Impartial courts				5.05	4.64	4.85	4.80	4.11
C. Protection of property rights								7.58
D. Military interference				6.53	3.33	3.33	3.33	3.33
E. Integrity of the legal system				4.11	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts							3.32	3.22
G. Regulatory restrictions of sale of real property							4.36	4.36
3. Access to Sound Money	7.98	6.00	5.50	6.59	6.46	7.69	7.39	7.26
A. Money growth	6.85 15.76	6.90 15.48	7.11 14.46	8.83 5.83	9.16 4.20	8.19 9.03	8.01 9.93	8.09 9.55
B. Standard deviation of inflation	8.56 3.60	7.91 5.22	8.75 3.13	8.62 3.46	7.47 6.33	8.44 3.91	8.00 4.99	7.95 5.14
C. Inflation: most recent year	6.51 17.47	9.18 4.10	6.13 19.33	8.92 5.38	9.23 -3.85	9.11 4.43	8.55 7.24	8.00 10.02
D. Freedom to own foreign currency	10.00	0.00	0.00	0.00	0.00	5.00	5.00	5.00
4. Freedom to Trade Internationally	3.99	3.16	3.46	4.11	6.12	5.38	5.16	6.14
A. Taxes on international trade	3.90	5.43	4.66	7.09	7.55	7.31	7.31	7.31
(i) Revenues from trade taxes (% of trade sector)	5.27 7.10	6.27 5.60	8.07 2.90	7.15 4.28	7.55 3.67	7.55 3.67	7.55 3.67	7.55 3.67
(ii) Mean tariff rate	2.54 37.30	4.60 27.00	5.92 20.40	7.04 14.80		7.06 14.70	7.06 14.70	7.06 14.70
(iii) Standard deviation of tariff rates			0.00 27.70					
B. Regulatory trade barriers						0.50	2.12	5.79
(i) Non-tariff trade barriers								4.45
(ii) Compliance cost of importing and exporting						0.50	2.12	7.14
C. Size of trade sector	4.78	2.09	4.36	5.24	4.86	4.59	5.35	4.97
D. Black-market exchange rates	3.00	0.00	0.00	0.00	10.00	10.00	10.00	9.50
E. International capital market controls	0.00	0.00	0.00	0.00	0.00	1.00	1.00	3.13
(i) Foreign ownership/investment restrictions								4.59
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	1.00	1.00	1.67
5. Regulation of Credit, Labor and Business	2.75	2.80	2.71	2.75	2.71	4.42	4.48	4.34
A. Credit market regulations	0.82	0.85	0.78	0.92	0.79	4.45	4.73	4.79
(i) Ownership of banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Foreign bank competition								
(iii) Private sector credit	1.63	2.56	2.33	2.75	2.38	3.34	4.18	4.36
(iv) Interest rate controls/negative real int. rates		0.00	0.00	0.00	0.00	10.00	10.00	10.00
B. Labor market regulations							3.45	3.67
(i) Minimum wage						6.30	6.30	3.63
(ii) Hiring and firing regulations								3.82
(iii) Centralized collective bargaining								7.16
(iv) Mandated cost of hiring							4.83	4.83
(v) Mandated cost of dismissing							2.65	2.58
(vi) Conscription	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations							5.28	4.56
(i) Price controls			0.00	0.00	0.00	2.00	2.00	2.00
(ii) Administrative requirements								3.26
(iii) Bureaucracy costs								4.13
(iv) Starting a business						5.49	4.80	4.70
(v) Extra payments/bribes								3.20
(vi) Licensing restrictions							8.08	8.36
(vii) Cost of tax compliance							6.23	6.23

Taiwan

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) >	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	4.96 (51)	4.91 (49)	5.40 (54)	6.10 (43)	6.73 (40)	7.49 (24)	7.15 (36)	7.44 (26)
2. Legal Structure and Security of Property Rights	8.79 (13)	8.14 (20)	8.14 (26)	6.74 (34)	6.08 (53)	6.42 (40)	6.58 (47)	6.24 (51)
3. Access to Sound Money	7.86 (19)	9.36 (8)	8.99 (19)	9.70 (8)	9.46 (22)	9.71 (3)	9.58 (10)	9.71 (2)
4. Freedom to Trade Internationally	7.66 (14)	7.32 (17)	7.90 (14)	7.87 (23)	8.09 (21)	8.18 (15)	7.92 (13)	7.92 (12)
5. Regulation of Credit, Labor and Business	5.43 (48)	6.11 (33)	6.17 (32)	6.15 (40)	6.05 (53)	6.11 (64)	7.09 (30)	6.99 (38)
Unadjusted								
Summary Ratings (Rank) >	6.52 (16)	6.74 (17)	6.94 (16)	7.26 (22)	7.28 (26)	7.58 (16)	7.63 (17)	7.63 (18)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	4.96	4.91	5.40	6.10	6.73	7.49	7.15	7.44
A. Government consumption	4.82 23.60	4.71 24.00	4.74 23.90	6.03 19.50	6.69 17.25	6.90 16.54	6.53 17.78	6.67 17.31
B. Transfers and subsidies	10.00 0.35	9.95 0.67	9.87 0.99	9.37 2.80	9.21 3.40	9.08 3.89	9.08 3.89	9.08 3.89
C. Government enterprises and investment	2.00 44.30	2.00 43.00	2.00 44.30	2.00 47.20	4.00 30.23	7.00 24.52	6.00 25.48	7.00 23.82
D. Top marginal tax rate	3.00	3.00	5.00	7.00	7.00	7.00	7.00	7.00
(i) Top marginal income tax rate	3.00 60	3.00 60	5.00 50	7.00 40	7.00 40	7.00 40	7.00 40	7.00 40
(ii) Top marginal income and payroll tax rates			5.00 50	7.00 40	7.00 40	7.00 40	7.00 40	7.00 40
2. Legal Structure and Security of Property Rights	7.83	7.25	7.25	6.74	6.08	6.42	7.03	6.66
A. Judicial independence				5.53	5.34	5.49	5.05	5.49
B. Impartial courts				6.47	5.68	6.09	5.69	5.34
C. Protection of property rights				5.92	6.07	6.48	7.15	7.37
D. Military interference				8.81	6.67	6.67	6.67	6.67
E. Integrity of the legal system				6.96	6.67	7.36	8.33	8.33
F. Legal enforcement of contracts							8.41	5.56
G. Regulatory restrictions of sale of real property							7.87	7.87
3. Access to Sound Money	7.86	9.36	8.99	9.70	9.46	9.71	9.58	9.71
A. Money growth	7.50 12.51	9.96 -0.21	7.44 12.78	9.59 -2.03	9.50 -2.52	9.28 3.62	8.95 5.27	9.17 4.16
B. Standard deviation of inflation	7.76 5.60	7.52 6.21	9.32 1.71	9.80 0.51	9.09 2.28	9.60 0.99	9.64 0.90	9.69 0.78
C. Inflation: most recent year	6.20 19.00	9.96 -0.20	9.18 4.10	9.40 3.00	9.27 3.67	9.97 0.17	9.75 1.26	10.00 -0.01
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	7.51	7.18	7.69	7.64	8.09	8.18	7.92	7.92
A. Taxes on international trade	7.60	8.13	8.33	8.63	7.98	8.30	7.36	7.36
(i) Revenues from trade taxes (% of trade sector)	7.60 3.60	8.13 2.80	8.60 2.10	8.87 1.70	8.98 1.52	9.49 0.77	9.49 0.77	9.49 0.77
(ii) Mean tariff rate			8.06 9.70	8.40 8.00	8.24 8.80	8.62 6.90	8.72 6.40	8.72 6.40
(iii) Standard deviation of tariff rates					6.72 8.20	6.80 8.00	3.88 15.30	3.88 15.30
B. Regulatory trade barriers				7.30	8.23	7.78	7.57	7.45
(i) Non-tariff trade barriers				7.30	7.13	7.16	7.02	6.57
(ii) Compliance cost of importing and exporting					9.33	8.41	8.12	8.33
C. Size of trade sector	10.00	8.21	6.96	6.54	6.62	7.27	7.22	7.46
D. Black-market exchange rates	9.80	9.40	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	5.00	5.71	7.63	7.55	7.44	7.31
(i) Foreign ownership/investment restrictions				6.43	7.63	7.55	7.44	7.31
(ii) Capital controls	2.00	2.00	5.00	5.00				
5. Regulation of Credit, Labor and Business	4.46	5.02	5.39	6.13	6.05	6.11	6.46	6.43
A. Credit market regulations	5.26	6.74	6.88	6.96	6.31	6.30	7.82	7.85
(i) Ownership of banks	0.00	2.00	2.00	2.00	2.00	2.00	5.00	5.00
(ii) Foreign bank competition				7.33	5.57	5.57	8.00	8.00
(iii) Private sector credit	7.79	8.23	8.63	8.51	8.15	8.12	8.29	8.40
(iv) Interest rate controls/negative real int. rates	8.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations			4.73	5.22	4.51	5.34	4.89	4.90
(i) Minimum wage				6.50	3.78	6.30	6.30	6.63
(ii) Hiring and firing regulations			6.26	6.26	4.60	5.96	5.92	6.04
(iii) Centralized collective bargaining			7.93	7.93	7.98	8.66	8.36	8.13
(iv) Mandated cost of hiring				5.43	6.18	5.80	7.11	6.05
(v) Mandated cost of dismissing							1.66	1.56
(vi) Conscription	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
C. Business regulations				6.21	7.33	6.68	6.67	6.53
(i) Price controls			6.00	6.00	6.00	6.00	6.00	5.00
(ii) Administrative requirements					7.63	5.87	5.21	5.09
(iii) Bureaucracy costs				6.88	7.35	7.31	6.52	7.12
(iv) Starting a business				7.50	7.58	6.19	7.69	7.84
(v) Extra payments/bribes				4.46	8.09	8.01	7.95	7.17
(vi) Licensing restrictions							6.63	7.32
(vii) Cost of tax compliance							6.68	6.19

Tanzania

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ▶	3.91 (93)	3.50 (105)	3.93 (103)	4.80 (94)	6.16 (75)	6.61 (60)	6.46 (77)	6.41 (78)
1. Size of Government	2.22 (106)	1.93 (112)	2.92 (107)	4.34 (97)	6.21 (56)	6.48 (57)	6.27 (69)	5.20 (97)
2. Legal Structure and Security of Property Rights	6.05 (38)	5.77 (44)	5.14 (57)	5.34 (71)	6.07 (54)	5.91 (49)	5.85 (64)	5.99 (58)
3. Access to Sound Money	4.11 (96)	4.92 (94)	4.58 (91)	5.02 (92)	8.84 (40)	9.46 (23)	8.82 (51)	9.01 (43)
4. Freedom to Trade Internationally	3.48 (80)	2.95 (87)	3.81 (93)	6.11 (85)	5.62 (103)	5.67 (108)	5.68 (105)	5.93 (104)
5. Regulation of Credit, Labor and Business	3.57 (95)	2.12 (103)	3.19 (105)	3.32 (117)	4.19 (114)	5.54 (92)	5.68 (102)	5.93 (94)
Unadjusted	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
Summary Ratings (Rank) ▶	4.82 (72)	4.01 (96)	4.01 (101)	4.90 (96)	6.29 (69)	6.61 (60)	6.52 (79)	6.47 (79)
1. Size of Government	5.83	3.79	2.92	4.34	6.21	6.48	6.27	5.20
A. Government consumption	7.50 14.50	6.44 18.10	6.75 17.06	7.03 16.08	9.64 7.24	9.44 7.89	9.31 8.34	6.11 19.24
B. Transfers and subsidies	10.00 0.00	8.72 5.20						
C. Government enterprises and investment	0.00 53.80	0.00 53.50	0.00	0.00	4.00 34.22	4.00 39.70	4.00 39.73	4.00 39.76
D. Top marginal tax rate		0.00	2.00	6.00	5.00	6.00	5.50	5.50
(i) Top marginal income tax rate		0.00 95	3.00 50	8.00 30	7.00 31	8.00 30	8.00 30	8.00 30
(ii) Top marginal income and payroll tax rates			1.00 57	4.00 45	3.00 46	4.00 45	3.00 46	3.00 46
2. Legal Structure and Security of Property Rights	6.13	5.85	5.21	5.41	6.15	5.91	5.80	5.94
A. Judicial independence						6.40	4.91	5.07
B. Impartial courts				5.84	5.84	5.00	4.46	4.44
C. Protection of property rights						3.17	4.90	4.92
D. Military interference				7.81	6.67	6.67	6.67	6.67
E. Integrity of the legal system				4.11	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts							6.50	6.11
G. Regulatory restrictions of sale of real property							4.84	6.01
3. Access to Sound Money	4.11	4.92	4.58	5.02	8.84	9.46	8.82	9.01
A. Money growth	5.94 20.30	7.92 10.40	4.00 30.00	4.48 27.60	8.72 6.40	8.17 9.16	7.32 13.41	7.68 11.60
B. Standard deviation of inflation	6.54 8.66	8.43 3.93	8.70 3.26	6.38 9.06	7.83 5.43	9.68 0.79	9.68 0.80	9.63 0.93
C. Inflation: most recent year	3.96 30.20	3.34 33.28	5.64 21.82	4.23 28.86	8.82 5.92	9.99 0.03	8.27 8.63	8.72 6.42
D. Freedom to own foreign currency	0.00	0.00	0.00	5.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	3.67	2.90	3.74	5.98	5.50	5.67	5.68	5.93
A. Taxes on international trade	4.87	4.70	4.53	5.26	4.96	5.30	4.94	4.95
(i) Revenues from trade taxes (% of trade sector)	4.87 7.70	5.80 6.30	5.00 7.50	4.60 8.10	2.07 11.90	2.07 11.90	2.07 11.90	2.07 11.90
(ii) Mean tariff rate		3.60 32.00	4.06 29.70	6.10 19.50	6.18 19.10	7.18 14.10	7.42 12.90	7.46 12.70
(iii) Standard deviation of tariff rates				5.08 12.30	6.64 8.40	6.64 8.40	5.33 11.68	5.33 11.68
B. Regulatory trade barriers						5.21	4.70	5.83
(i) Non-tariff trade barriers						4.62	4.93	5.37
(ii) Compliance cost of importing and exporting						5.80	4.46	6.28
C. Size of trade sector	5.24	1.52	5.92	6.62	3.56	4.62	5.07	5.21
D. Black-market exchange rates	0.00	0.00	0.00	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.77	3.21	3.69	3.66
(i) Foreign ownership/investment restrictions						6.42	7.38	7.32
(ii) Capital controls	0.00	0.00	0.00	0.00	0.77	0.00	0.00	0.00
5. Regulation of Credit, Labor and Business	4.35	2.59	3.60	3.75	4.74	5.54	6.02	6.26
A. Credit market regulations	1.64	0.30	3.74	2.90	2.84	6.20	7.67	7.66
(i) Ownership of banks	0.00	0.00	0.00	0.00	0.00	2.00	8.00	8.00
(ii) Foreign bank competition							7.00	7.00
(iii) Private sector credit	0.93	0.89	7.21	4.69	4.51	7.59	6.67	6.65
(iv) Interest rate controls/negative real int. rates	4.00	0.00	4.00	4.00	4.00	9.00	9.00	9.00
B. Labor market regulations						5.08	5.68	5.79
(i) Minimum wage						0.00	0.00	0.97
(ii) Hiring and firing regulations						4.45	5.09	4.51
(iii) Centralized collective bargaining						5.88	7.43	7.08
(iv) Mandated cost of hiring							5.14	5.14
(v) Mandated cost of dismissing							6.44	7.03
(vi) Conscription	10.00	0.00	0.00	0.00	10.00	10.00	10.00	10.00
C. Business regulations						5.33	4.71	5.34
(i) Price controls			0.00	4.00	4.00	6.00	6.00	6.00
(ii) Administrative requirements						4.23	4.19	4.31
(iii) Bureaucracy costs						5.96	2.98	4.45
(iv) Starting a business						5.65	7.17	8.58
(v) Extra payments/bribes						4.82	4.60	4.34
(vi) Licensing restrictions							0.81	1.61
(vii) Cost of tax compliance							7.22	8.07

Thailand

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) >	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	6.16 (23)	6.20 (30)	6.88 (27)	7.19 (24)	6.66 (50)	6.79 (52)	6.80 (57)	6.83 (60)
2. Legal Structure and Security of Property Rights	7.00 (28)	6.27 (37)	6.90 (34)	5.41 (68)	5.99 (55)	5.47 (57)	5.90 (61)	5.81 (63)
3. Access to Sound Money	6.15 (51)	7.00 (35)	7.79 (32)	9.46 (24)	6.61 (95)	7.06 (93)	6.76 (99)	6.61 (106)
4. Freedom to Trade Internationally	6.31 (37)	6.19 (40)	6.75 (32)	7.14 (41)	7.63 (34)	7.49 (32)	7.32 (33)	7.51 (30)
5. Regulation of Credit, Labor and Business	5.44 (46)	6.05 (34)	5.93 (40)	6.14 (42)	6.21 (45)	6.41 (43)	6.89 (42)	6.91 (41)
Unadjusted								
Summary Ratings (Rank) >	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>
1. Size of Government	6.01	5.58	7.11	7.76	6.84	7.51	7.12	7.33
A. Government consumption	7.11 15.81	6.51 17.86	7.57 14.26	7.19 15.57	6.77 17.00	6.95 16.36	6.71 17.18	6.72 17.15
B. Transfers and subsidies	9.95 0.70	9.81 1.20	9.86 1.00	9.84 1.10	9.60 1.96	9.11 3.78	8.79 4.95	9.60 1.95
C. Government enterprises and investment	4.00 30.90	4.00 31.40	7.00 15.10	7.00 20.30	4.00 35.78	7.00 24.57	7.00 22.81	6.00 25.59
D. Top marginal tax rate	3.00	2.00	4.00	7.00	7.00	7.00	6.00	7.00
(i) Top marginal income tax rate	3.00 60	2.00 65	4.00 55	7.00 37	7.00 37	7.00 37	6.00 37	7.00 37
(ii) Top marginal income and payroll tax rates			4.00 55	7.00 37	7.00 37	7.00 37	6.00 37	7.00 37
2. Legal Structure and Security of Property Rights	6.52	5.85	6.43	5.41	5.99	5.47	6.30	6.20
A. Judicial independence				5.77	5.85	5.70	5.67	6.20
B. Impartial courts				3.75	4.68	5.58	5.87	5.66
C. Protection of property rights				3.60	4.42	5.21	7.11	6.84
D. Military interference				6.96	6.67	6.67	6.67	6.67
E. Integrity of the legal system				6.96	8.33	4.17	4.17	4.17
F. Legal enforcement of contracts							6.71	5.99
G. Regulatory restrictions of sale of real property							7.89	7.89
3. Access to Sound Money	6.15	7.00	7.79	9.46	6.61	7.06	6.76	6.61
A. Money growth	8.27 8.66	9.41 -2.96	7.99 10.03	9.42 2.90	8.71 6.47	9.16 4.22	8.53 7.34	8.12 9.39
B. Standard deviation of inflation	8.85 2.87	9.02 2.45	9.34 1.66	9.62 0.96	8.06 4.86	9.63 0.92	9.40 1.49	9.25 1.87
C. Inflation: most recent year	7.46 12.70	9.56 2.18	8.85 5.77	8.80 6.01	9.69 1.57	9.45 2.77	9.09 4.54	9.07 4.64
D. Freedom to own foreign currency	0.00	0.00	5.00	10.00	0.00	0.00	0.00	0.00
4. Freedom to Trade Internationally	6.31	6.18	6.57	6.87	7.63	7.49	7.32	7.51
A. Taxes on international trade	4.47	4.71	3.21	4.57	6.65	6.94	6.85	6.92
(i) Revenues from trade taxes (% of trade sector)	5.40 6.90	5.67 6.50	6.40 5.40	7.67 3.50	9.06 1.41	9.19 1.21	9.32 1.02	9.42 0.87
(ii) Mean tariff rate	3.54 32.30	3.76 31.20	1.84 40.80	2.80 36.00	6.60 17.00	7.34 13.30	7.88 10.60	8.00 10.00
(iii) Standard deviation of tariff rates			1.40 21.50	3.24 16.90	4.28 14.30	4.28 14.30	3.35 16.64	3.35 16.64
B. Regulatory trade barriers				5.13	7.20	6.50	5.84	6.62
(i) Non-tariff trade barriers				5.13	5.73	5.77	5.00	5.38
(ii) Compliance cost of importing and exporting					8.66	7.23	6.68	7.87
C. Size of trade sector	7.88	6.61	9.44	10.00	10.00	10.00	10.00	10.00
D. Black-market exchange rates	9.00	9.40	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	2.00	2.00	2.00	4.65	4.28	4.01	3.89	4.00
(i) Foreign ownership/investment restrictions				7.30	7.02	6.48	6.25	6.47
(ii) Capital controls	2.00	2.00	2.00	2.00	1.54	1.54	1.54	1.54
5. Regulation of Credit, Labor and Business	5.29	5.88	5.80	6.01	6.21	6.41	7.35	7.37
A. Credit market regulations	6.67	8.65	8.26	7.28	7.04	7.04	8.71	8.72
(i) Ownership of banks	8.00	8.00	8.00	8.00	5.00	5.00	8.00	8.00
(ii) Foreign bank competition				5.55	3.75	3.75	8.00	8.00
(iii) Private sector credit	8.02	7.96	8.78	9.23	9.17	9.17	8.83	8.89
(iv) Interest rate controls/negative real int. rates	4.00	10.00	8.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations			4.98	5.39	6.30	7.00	7.11	7.20
(i) Minimum wage				5.77	3.94	7.64	7.64	8.15
(ii) Hiring and firing regulations			7.01	7.01	4.60	5.29	4.75	5.33
(iii) Centralized collective bargaining	7.93	7.93	7.93	7.93	6.45	6.22	6.12	6.58
(iv) Mandated cost of hiring				6.27	6.51	5.84	8.48	8.18
(v) Mandated cost of dismissing							5.64	4.99
(vi) Conscription	0.00	0.00	0.00	0.00	10.00	10.00	10.00	10.00
C. Business regulations				5.35	5.29	5.20	6.24	6.17
(i) Price controls			4.00	5.00	3.00	4.00	4.00	2.00
(ii) Administrative requirements					6.88	4.71	4.89	4.65
(iii) Bureaucracy costs				6.77	3.98	3.95	2.17	6.47
(iv) Starting a business				6.53	7.28	6.50	8.88	8.88
(v) Extra payments/bribes				3.11	5.31	6.84	5.85	5.79
(vi) Licensing restrictions							8.49	8.36
(vii) Cost of tax compliance							9.42	7.04

Togo

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ▶	4.01 (90)	5.17 (59)	4.93 (79)	4.63 (101)	4.84 (112)	4.83 (121)	4.75 (123)	4.67 (124)
1. Size of Government	2.26 (105)	6.77 (13)	4.84 (74)	5.44 (66)	6.26 (53)	6.24 (68)	6.32 (68)	6.36 (67)
2. Legal Structure and Security of Property Rights	3.33 (64)	4.22 (71)	4.48 (70)	4.75 (88)	3.73 (101)	3.10 (111)	2.95 (118)	2.09 (124)
3. Access to Sound Money	5.04 (82)	6.53 (54)	7.05 (44)	5.03 (91)	6.48 (97)	7.07 (92)	6.88 (96)	6.90 (98)
4. Freedom to Trade Internationally					5.99 (94)	5.63 (111)	5.79 (98)	6.17 (95)
5. Regulation of Credit, Labor and Business	1.91 (100)	1.95 (104)	1.94 (116)	2.00 (121)	1.92 (121)	2.08 (128)	1.93 (129)	1.98 (129)
Unadjusted								
	Rating	Rating	Rating	Rating	Rating	Rating	Rating	Rating
Summary Ratings (Rank) ▶	4.24 (88)	5.61 (47)	4.95 (80)	4.56 (106)	5.04 (111)	5.52 (110)	5.43 (126)	5.33 (129)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	1.60	6.36	3.43	3.86	4.44	6.24	6.32	6.36
A. Government consumption	3.20 29.11	7.60 14.18	6.87 16.65	7.72 13.76	8.88 9.82	8.85 9.92	8.96 9.52	9.09 9.11
B. Transfers and subsidies	9.48	2.40				9.88 0.95	10.00 0.28	10.00 0.28
C. Government enterprises and investment	0.00 52.50	2.00 40.00	0.00 54.80	0.00 51.70	0.00 51.70	0.00	0.00	0.00
D. Top marginal tax rate								
(i) Top marginal income tax rate								
(ii) Top marginal income and payroll tax rates								
2. Legal Structure and Security of Property Rights	3.33	4.22	4.48	4.75	3.73	3.65	3.46	2.46
A. Judicial independence								
B. Impartial courts				4.15	4.11	3.77	3.70	3.70
C. Protection of property rights								
D. Military interference				3.90	1.67	1.67	0.14	0.00
E. Integrity of the legal system				6.96	5.00	5.00	5.00	5.00
F. Legal enforcement of contracts							4.96	3.15
G. Regulatory restrictions of sale of real property							3.53	0.43
3. Access to Sound Money	5.04	6.53	7.05	5.03	6.48	7.07	6.88	6.90
A. Money growth	6.70 16.49	8.76 6.19	9.41 -2.93	8.06 9.71	8.66 6.69	9.55 -2.23	9.94 -0.32	9.05 4.74
B. Standard deviation of inflation	5.56 11.11	8.04 4.90	9.37 1.58	4.50 13.74	7.65 5.88	8.82 2.95	8.94 2.66	9.01 2.47
C. Inflation: most recent year	7.91 10.47	9.32 3.40	9.40 2.98	7.57 12.17	9.62 1.89	9.92 0.39	8.64 6.80	9.55 2.23
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Freedom to Trade Internationally	5.51	5.95	5.31		6.13	5.84	5.79	6.17
A. Taxes on international trade	1.73	4.27	3.87		7.60	7.28	7.27	7.44
(i) Revenues from trade taxes (% of trade sector)	1.73 12.40	4.27 8.60	3.87 9.20			7.41 3.89	7.47 3.80	7.47 3.80
(ii) Mean tariff rate					7.60 12.00	7.12 14.40	7.08 14.60	7.60 12.00
(iii) Standard deviation of tariff rates						7.32 6.70	7.26 6.84	7.26 6.84
B. Regulatory trade barriers						4.52	4.63	6.34
(i) Non-tariff trade barriers								
(ii) Compliance cost of importing and exporting						4.52	4.63	6.34
C. Size of trade sector	8.02	7.48	5.28	4.37	4.84	4.43	6.27	6.27
D. Black-market exchange rates	9.60	9.80	9.20	9.80	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	0.00	0.00	0.77	0.77
(i) Foreign ownership/investment restrictions								
(ii) Capital controls	0.00	0.00	0.00	0.00	0.00	0.00	0.77	0.77
5. Regulation of Credit, Labor and Business	5.70	4.97	4.46	4.60	4.42	4.81	4.72	4.77
A. Credit market regulations	6.42	6.61	6.59	6.38	5.78	6.61	6.73	6.42
(i) Ownership of banks	2.00	2.00	2.00	2.00	2.00	5.00	5.00	5.00
(ii) Foreign bank competition								
(iii) Private sector credit	9.26	9.82	9.77	9.15	9.33	8.84	9.20	8.27
(iv) Interest rate controls/negative real int. rates	8.00	8.00	8.00	8.00	6.00	6.00	6.00	6.00
B. Labor market regulations							2.49	3.18
(i) Minimum wage						3.72	3.72	3.64
(ii) Hiring and firing regulations								
(iii) Centralized collective bargaining								
(iv) Mandated cost of hiring							2.40	2.40
(v) Mandated cost of dismissing							3.85	6.66
(vi) Conscription		0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations							4.93	4.71
(i) Price controls			0.00	2.00	2.00	4.00	4.00	4.00
(ii) Administrative requirements								
(iii) Bureaucracy costs								
(iv) Starting a business						4.91	4.50	3.93
(v) Extra payments/bribes								
(vi) Licensing restrictions							4.25	3.93
(vii) Cost of tax compliance							6.97	6.97

Tunisia

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ▶	5.38 (50)	5.15 (64)	5.63 (49)	6.21 (59)	6.34 (63)	6.31 (75)	6.46 (77)	6.37 (82)
1. Size of Government	5.01 (47)	5.21 (45)	5.21 (64)	5.29 (72)	5.34 (83)	5.18 (98)	5.23 (95)	5.31 (94)
2. Legal Structure and Security of Property Rights	5.38 (42)	3.85 (76)	3.83 (77)	6.21 (44)	7.03 (32)	6.69 (33)	7.15 (37)	6.65 (40)
3. Access to Sound Money	6.14 (52)	6.31 (69)	6.98 (46)	7.02 (56)	7.05 (77)	7.26 (87)	7.30 (88)	6.98 (96)
4. Freedom to Trade Internationally	5.54 (47)	5.24 (55)	6.34 (47)	6.56 (65)	6.42 (81)	6.15 (96)	6.01 (92)	6.14 (96)
5. Regulation of Credit, Labor and Business	4.73 (69)	4.99 (63)	5.64 (47)	5.93 (51)	5.87 (62)	6.27 (54)	6.60 (53)	6.76 (50)
Unadjusted								
	Rating	Rating	Rating	Rating	Rating	Rating	Rating	Rating
Summary Ratings (Rank) ▶	5.01 (69)	4.80 (80)	5.40 (61)	5.95 (66)	6.08 (79)	6.31 (73)	6.53 (78)	6.44 (82)
	Data	Data	Data	Data	Data	Data	Data	Data
1. Size of Government	4.19	4.36	5.14	5.23	5.28	5.18	5.23	5.31
A. Government consumption	6.17 19.03	5.16 22.46	5.75 20.45	5.56 21.11	5.74 20.50	5.84 20.16	6.01 19.58	6.41 18.19
B. Transfers and subsidies	8.61 5.60	8.28 6.80	7.68 9.00	8.14 7.34	8.10 7.47	7.40 10.04	7.41 10.00	7.32 10.34
C. Government enterprises and investment	0.00 53.10	2.00 48.60	2.00 49.50	2.00 49.30	2.00 45.03	2.00 45.03	2.00 45.03	2.00 45.03
D. Top marginal tax rate	2.00	2.00				5.50	5.50	5.50
(i) Top marginal income tax rate	2.00 62	2.00 62				7.00 35	7.00 35	7.00 35
(ii) Top marginal income and payroll tax rates						4.00 51	4.00 51	4.00 51
2. Legal Structure and Security of Property Rights	4.92	3.52	3.50	5.68	6.43	6.69	7.42	6.90
A. Judicial independence						6.27	6.78	6.95
B. Impartial courts				6.71	6.99	6.48	6.59	6.92
C. Protection of property rights						5.70	7.37	7.48
D. Military interference				8.07	6.67	6.67	6.67	6.67
E. Integrity of the legal system				4.11	8.33	8.33	8.33	8.33
F. Legal enforcement of contracts							9.27	4.88
G. Regulatory restrictions of sale of real property							6.92	7.07
3. Access to Sound Money	6.14	6.31	6.98	7.02	7.05	7.26	7.30	6.98
A. Money growth	8.50 7.50	7.71 11.46	9.63 1.83	9.48 2.60	9.04 4.82	9.97 0.13	9.78 1.09	9.03 4.87
B. Standard deviation of inflation	8.63 3.43	8.25 4.37	9.20 2.00	9.62 0.94	9.75 0.62	9.81 0.47	9.83 0.41	9.81 0.48
C. Inflation: most recent year	7.44 12.80	9.28 3.60	9.10 4.48	8.96 5.19	9.41 2.93	9.27 3.63	9.60 2.02	9.10 4.49
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Freedom to Trade Internationally	5.11	4.83	5.97	6.17	6.04	6.15	6.01	6.14
A. Taxes on international trade	4.36	3.17	4.71	4.61	5.53	6.10	5.30	4.50
(i) Revenues from trade taxes (% of trade sector)	4.00 9.00	1.13 13.30	3.67 9.50	4.00 9.00	7.75 3.37	8.41 2.38	8.58 2.13	8.85 1.73
(ii) Mean tariff rate	4.72 26.40	5.20 24.00	4.50 27.50	4.50 27.50	3.88 30.60	4.94 25.30	7.32 13.40	4.64 26.80
(iii) Standard deviation of tariff rates			5.96 10.10	5.32 11.70	4.96 12.60	4.96 12.60	0.00 26.00	0.00 26.00
B. Regulatory trade barriers						6.30	6.15	6.79
(i) Non-tariff trade barriers						5.77	6.30	6.21
(ii) Compliance cost of importing and exporting						6.82	6.01	7.37
C. Size of trade sector	6.57	5.14	6.55	6.25	5.73	5.71	5.69	6.20
D. Black-market exchange rates	6.40	7.60	8.40	9.80	10.00	8.79	8.79	9.20
E. International capital market controls	0.00	0.00	2.00	2.00	0.77	3.86	4.11	4.03
(i) Foreign ownership/investment restrictions						6.95	7.45	7.30
(ii) Capital controls	0.00	0.00	2.00	2.00	0.77	0.77	0.77	0.77
5. Regulation of Credit, Labor and Business	4.70	4.96	5.38	5.66	5.60	6.27	6.69	6.85
A. Credit market regulations	4.89	5.58	7.29	7.55	7.37	8.03	8.03	8.02
(i) Ownership of banks	2.00	2.00	5.00	5.00	5.00	5.00	5.00	5.00
(ii) Foreign bank competition						8.00	8.00	8.00
(iii) Private sector credit	8.68	8.75	8.88	9.66	9.11	9.10	9.12	9.07
(iv) Interest rate controls/negative real int. rates	4.00	6.00	8.00	8.00	8.00	10.00	10.00	10.00
B. Labor market regulations						4.30	5.15	5.42
(i) Minimum wage						4.40	4.40	6.16
(ii) Hiring and firing regulations						5.27	5.83	5.70
(iii) Centralized collective bargaining						4.54	5.97	5.93
(iv) Mandated cost of hiring							4.38	3.31
(v) Mandated cost of dismissing							7.32	8.42
(vi) Conscription	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
C. Business regulations						6.48	6.90	7.10
(i) Price controls			4.00	6.00	6.00	6.00	6.00	6.00
(ii) Administrative requirements						4.86	5.28	5.73
(iii) Bureaucracy costs						7.07	4.30	6.69
(iv) Starting a business						7.91	9.35	9.48
(v) Extra payments/bribes						6.57	6.84	7.06
(vi) Licensing restrictions							7.79	7.73
(vii) Cost of tax compliance							8.74	7.00

Turkey

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	3.83 (94)	4.93 (75)	5.04 (73)	5.73 (72)	5.77 (92)	6.12 (80)	6.25 (85)	6.36 (83)
1. Size of Government	4.13 (74)	4.63 (64)	5.82 (43)	6.93 (24)	7.08 (27)	8.31 (6)	7.84 (14)	7.82 (17)
2. Legal Structure and Security of Property Rights	5.82 (40)	6.11 (39)	4.68 (64)	4.85 (83)	5.39 (70)	5.17 (64)	6.10 (56)	5.77 (65)
3. Access to Sound Money	0.47 (105)	2.34 (106)	3.33 (107)	3.21 (107)	3.57 (116)	5.05 (125)	4.84 (128)	5.42 (126)
4. Freedom to Trade Internationally	3.85 (76)	5.78 (49)	5.67 (57)	7.42 (33)	7.14 (56)	6.93 (65)	6.62 (68)	6.77 (71)
5. Regulation of Credit, Labor and Business	5.03 (63)	5.95 (37)	5.63 (49)	6.29 (37)	5.69 (70)	5.13 (109)	5.87 (92)	6.07 (85)
Unadjusted								
Summary Ratings (Rank) ▶	3.71 (99)	4.78 (81)	4.75 (88)	5.65 (73)	5.77 (94)	6.12 (80)	6.25 (94)	6.35 (90)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	4.40	4.93	5.82	6.93	7.08	8.31	7.84	7.82
A. Government consumption	7.09 15.89	8.40 11.44	7.71 13.78	7.85 13.30	6.93 16.43	6.87 16.66	6.98 16.26	6.91 16.50
B. Transfers and subsidies	8.50 6.00	7.30 10.40	9.07 3.90	7.86 8.36	9.37 2.81	9.38 2.77	9.38 2.77	9.38 2.77
C. Government enterprises and investment	2.00 40.00	2.00 45.50	4.00 31.80	8.00 17.50	7.00 24.47	10.00 14.51	8.00 17.15	8.00 18.00
D. Top marginal tax rate	0.00	2.00	2.50	4.00	5.00	7.00	7.00	7.00
(i) Top marginal income tax rate	0.00 75	2.00 63	4.00 50	4.00 55	6.00 45	7.00 40	7.00 40	7.00 35
(ii) Top marginal income and payroll tax rates			1.00 57	4.00 55	4.00 46	7.00 40	7.00 40	7.00 35
2. Legal Structure and Security of Property Rights	5.57	5.85	4.48	4.85	5.39	5.17	6.64	6.29
A. Judicial independence				5.47	5.34	4.30	5.30	5.66
B. Impartial courts				6.62	6.51	3.94	4.68	4.51
C. Protection of property rights				4.25	3.43	3.44	6.35	6.33
D. Military interference				3.80	5.00	6.67	6.67	5.00
E. Integrity of the legal system				4.11	6.67	7.50	7.50	7.50
F. Legal enforcement of contracts							7.22	6.16
G. Regulatory restrictions of sale of real property							8.78	8.87
3. Access to Sound Money	0.47	2.34	3.33	3.21	3.57	5.05	4.84	5.42
A. Money growth	1.87 40.63	3.66 31.72	0.21 48.96	0.00 50.41	0.00 81.91	0.00 58.25	0.00 59.29	0.00 55.42
B. Standard deviation of inflation	0.00 27.75	5.71 10.72	3.11 17.23	2.84 17.89	4.27 14.33	2.31 19.23	1.40 21.49	3.78 15.56
C. Inflation: most recent year	0.00 85.04	0.00 52.18	0.00 58.21	0.00 86.99	0.00 54.92	7.88 10.58	7.97 10.14	7.90 10.51
D. Freedom to own foreign currency	0.00	0.00	10.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	3.71	5.56	5.01	7.14	7.14	6.93	6.62	6.77
A. Taxes on international trade	3.50	6.34	4.53	8.31	7.42	7.78	6.87	6.35
(i) Revenues from trade taxes (% of trade sector)	5.80 6.30	8.00 3.00	8.13 2.80	9.00 1.50	9.55 0.67	9.73 0.41	9.73 0.41	9.61 0.58
(ii) Mean tariff rate	1.20 44.00	4.68 26.60	5.46 22.70	8.20 9.00	8.58 7.10	9.48 2.60	9.52 2.40	8.08 9.60
(iii) Standard deviation of tariff rates			0.00 35.70	7.72 5.70	4.12 14.70	4.12 14.70	1.36 21.60	1.36 21.60
B. Regulatory trade barriers				7.60	6.98	6.72	6.60	7.35
(i) Non-tariff trade barriers				7.60	5.63	6.29	6.28	6.65
(ii) Compliance cost of importing and exporting					8.33	7.16	6.93	8.05
C. Size of trade sector	0.00	3.87	2.69	4.69	5.53	5.95	5.58	5.76
D. Black-market exchange rates	6.80	9.40	9.60	9.60	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	5.49	5.79	4.18	4.04	4.38
(i) Foreign ownership/investment restrictions				8.98	9.27	6.05	6.55	7.23
(ii) Capital controls	0.00	0.00	0.00	2.00	2.31	2.31	1.54	1.54
5. Regulation of Credit, Labor and Business	4.41	5.21	5.13	6.15	5.69	5.13	5.29	5.47
A. Credit market regulations	3.99	6.65	5.41	7.59	6.72	5.92	6.49	6.64
(i) Ownership of banks	8.00	8.00	8.00	8.00	8.00	5.00	5.00	5.00
(ii) Foreign bank competition				7.82	5.10	6.00	6.00	6.00
(iii) Private sector credit	3.98	3.96	6.22	7.35	4.29	4.38	4.95	5.56
(iv) Interest rate controls/negative real int. rates	0.00	8.00	2.00	8.00	8.00	6.00	10.00	10.00
B. Labor market regulations			5.16	5.35	4.49	4.34	3.12	3.13
(i) Minimum wage				6.35	3.38	4.04	4.04	2.77
(ii) Hiring and firing regulations			7.23	7.23	5.32	4.20	4.02	4.13
(iii) Centralized collective bargaining	7.24	7.24	7.24	7.24	6.57	6.81	6.39	6.36
(iv) Mandated cost of hiring				4.93	6.18	5.63	3.28	3.31
(v) Mandated cost of dismissing							0.00	1.19
(vi) Conscription	0.00	0.00	1.00	1.00	1.00	1.00	1.00	1.00
C. Business regulations				5.51	5.86	5.12	6.26	6.66
(i) Price controls			8.00	5.00	6.00	5.00	5.00	7.00
(ii) Administrative requirements					7.40	3.07	3.28	3.23
(iii) Bureaucracy costs				6.24	5.15	4.80	6.21	5.75
(iv) Starting a business				7.55	5.22	7.15	9.35	9.54
(v) Extra payments/bribes				3.23	5.52	5.58	6.33	6.39
(vi) Licensing restrictions							6.47	7.18
(vii) Cost of tax compliance							7.15	7.50

Uganda

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	3.21 (100)	2.80 (108)	3.00 (113)	5.05 (89)	6.53 (60)	6.58 (61)	6.59 (68)	6.58 (73)
2. Legal Structure and Security of Property Rights	2.60 (74)	2.77 (94)	2.31 (106)	4.11 (98)	4.35 (90)	4.22 (82)	4.61 (85)	3.63 (104)
3. Access to Sound Money		0.00 (111)	0.28 (117)	4.62 (97)	9.30 (31)	9.05 (45)	8.70 (56)	8.80 (53)
4. Freedom to Trade Internationally	4.21 (70)	3.47 (81)	2.75 (101)	4.61 (104)	6.35 (85)	6.42 (84)	5.73 (101)	6.33 (89)
5. Regulation of Credit, Labor and Business	4.49 (77)	4.48 (80)	4.71 (80)	5.48 (64)	5.92 (59)	6.22 (59)	6.91 (41)	7.06 (33)
Unadjusted								
Summary Ratings (Rank) ▶	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government		3.07	4.52	6.47	6.73	7.00	7.02	7.23
A. Government consumption		7.20 15.51	9.57 7.48	8.68 10.49	7.50 14.51	7.09 15.89	7.16 15.65	7.09 15.89
B. Transfers and subsidies				9.20 3.42	8.94 4.40	7.89 8.23	7.93 8.10	7.81 8.53
C. Government enterprises and investment	2.00	2.00 26.40	2.00 47.60	2.00	4.00 32.01	7.00 23.34	7.00 21.27	8.00 19.02
D. Top marginal tax rate		0.00	2.00	6.00	6.50	6.00	6.00	6.00
(i) Top marginal income tax rate		0.00 70	3.00 50	8.00 30	8.00 30	8.00 30	8.00 30	8.00 30
(ii) Top marginal income and payroll tax rates			1.00 59	4.00 41	5.00 40	4.00 41	4.00 41	4.00 41
2. Legal Structure and Security of Property Rights	2.76	2.93	2.44	4.35	4.60	4.22	5.43	4.28
A. Judicial independence						4.70	4.63	3.95
B. Impartial courts				5.54	4.41	3.83	4.12	3.78
C. Protection of property rights						2.56	4.29	4.31
D. Military interference				3.70	3.33	3.33	3.33	3.33
E. Integrity of the legal system				4.11	6.67	6.67	6.67	6.67
F. Legal enforcement of contracts							7.53	3.70
G. Regulatory restrictions of sale of real property							7.42	4.20
3. Access to Sound Money	1.04	0.00	0.28	4.62	9.30	9.05	8.70	8.80
A. Money growth	3.12 34.40	0.00 76.20	0.00 410.00	5.96 20.21	8.73 6.34	8.92 5.39	8.56 7.20	8.72 6.40
B. Standard deviation of inflation	0.00 33.80	0.00 40.83	0.00 52.40	4.36 14.10	9.05 2.39	7.94 5.16	7.86 5.36	7.84 5.41
C. Inflation: most recent year		0.00 120.35	1.12 44.38	8.15 9.23	9.43 2.83	9.34 3.31	8.37 8.15	8.65 6.77
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	4.34	3.75	2.98	5.09	6.87	6.42	5.73	6.33
A. Taxes on international trade	7.93	3.13	3.39	5.38	5.39	6.87	5.65	5.68
(i) Revenues from trade taxes (% of trade sector)	7.93 3.10	2.27 11.60	2.80 10.80	3.20 10.20	2.43 11.35	4.23 8.65	4.11 8.83	4.25 8.63
(ii) Mean tariff rate		4.00 30.00	3.98 30.10	6.58 17.10	8.34 8.30	8.66 6.70	7.52 12.40	7.46 12.70
(iii) Standard deviation of tariff rates				6.36 9.10		7.72 5.70	5.33 11.68	5.33 11.68
B. Regulatory trade barriers						4.12	2.43	4.58
(i) Non-tariff trade barriers						4.76	4.12	4.58
(ii) Compliance cost of importing and exporting						3.47	0.74	4.58
C. Size of trade sector	5.53	2.36	1.22	2.43	2.34	3.12	2.36	3.53
D. Black-market exchange rates	0.00	5.00	2.00	9.40	10.00	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	0.00	8.46	7.97	8.21	7.86
(i) Foreign ownership/investment restrictions						7.49	7.97	8.02
(ii) Capital controls	0.00	0.00	0.00	0.00	8.46	8.46	8.46	7.69
5. Regulation of Credit, Labor and Business	4.72	4.70	4.46	5.18	5.60	6.22	7.14	7.29
A. Credit market regulations	2.61	2.58	3.23	4.29	5.02	5.03	7.53	7.67
(i) Ownership of banks	2.00	2.00	2.00	2.00	2.00	2.00	10.00	10.00
(ii) Foreign bank competition							7.00	7.00
(iii) Private sector credit	5.84	5.74	7.70	6.86	5.06	4.10	4.11	4.67
(iv) Interest rate controls/negative real int. rates	0.00	0.00	0.00	4.00	8.00	9.00	9.00	9.00
B. Labor market regulations						8.64	8.42	8.41
(i) Minimum wage						9.13	9.13	9.22
(ii) Hiring and firing regulations						6.61	6.88	6.90
(iii) Centralized collective bargaining						8.84	8.69	8.59
(iv) Mandated cost of hiring							6.96	6.96
(v) Mandated cost of dismissing							8.89	8.79
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						4.98	5.46	5.78
(i) Price controls			0.00	4.00	6.00	6.00	6.00	6.00
(ii) Administrative requirements						3.73	3.82	4.25
(iii) Bureaucracy costs						5.06	2.41	4.10
(iv) Starting a business						6.10	7.61	8.14
(v) Extra payments/bribes						3.99	4.20	3.50
(vi) Licensing restrictions							6.83	7.12
(vii) Cost of tax compliance							7.34	7.34

Ukraine

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >				3.90 (119)	4.70 (115)	5.53 (109)	5.50 (112)	5.51 (114)
1. Size of Government				3.57 (110)	3.59 (117)	4.31 (116)	3.96 (122)	4.06 (119)
2. Legal Structure and Security of Property Rights				4.78 (86)	4.81 (78)	4.59 (75)	4.91 (80)	4.59 (85)
3. Access to Sound Money			3.79 (102)	1.62 (116)	3.49 (117)	6.37 (114)	6.13 (115)	6.60 (107)
4. Freedom to Trade Internationally				6.70 (58)	7.05 (61)	7.01 (61)	6.51 (74)	6.38 (85)
5. Regulation of Credit, Labor and Business			2.74 (112)	3.27 (118)	4.57 (108)	5.36 (101)	5.95 (88)	5.95 (93)
Unadjusted				3.43 (123)	4.70 (117)	5.53 (109)	5.63 (120)	5.64 (121)
Summary Ratings (Rank) >	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government				1.79	3.59	4.31	3.96	4.06
A. Government consumption	4.65 24.20	4.41 25.00	5.16 22.44	3.58 27.84	3.59 27.80	4.52 24.63	4.38 25.12	4.70 24.02
B. Transfers and subsidies					6.26 14.24	5.23 18.01	3.98 22.59	4.02 22.43
C. Government enterprises and investment				0.00	0.00	0.00	0.00	0.00
D. Top marginal tax rate					4.50	7.50	7.50	7.50
(i) Top marginal income tax rate					5.00 40	10.00 13	10.00 13	10.00 13
(ii) Top marginal income and payroll tax rates					4.00 44	5.00 38	5.00 38	5.00 39
2. Legal Structure and Security of Property Rights				4.32	4.81	4.59	5.62	5.25
A. Judicial independence				6.10	3.17	2.12	2.56	2.54
B. Impartial courts				4.28	3.51	3.23	3.05	2.92
C. Protection of property rights				1.22	2.38	2.61	3.95	3.82
D. Military interference				5.67	8.33	8.33	8.33	8.33
E. Integrity of the legal system					6.67	6.67	6.67	6.67
F. Legal enforcement of contracts							7.77	5.28
G. Regulatory restrictions of sale of real property							6.99	7.16
3. Access to Sound Money			5.87	1.67	3.49	6.37	6.13	6.60
A. Money growth					3.17 34.15	5.13 24.35	5.27 23.66	6.20 19.02
B. Standard deviation of inflation				0.00 1158.31	1.45 21.38	7.17 7.08	6.95 7.64	7.00 7.50
C. Inflation: most recent year			6.73 16.34	0.00 415.53	4.36 28.20	8.19 9.04	7.30 13.52	8.18 9.08
D. Freedom to own foreign currency			5.00	5.00	5.00	5.00	5.00	5.00
4. Freedom to Trade Internationally				6.22	7.05	7.01	6.51	6.38
A. Taxes on international trade					7.62	7.63	6.75	6.77
(i) Revenues from trade taxes (% of trade sector)					9.37 0.95	8.87 1.69	8.87 1.70	8.92 1.62
(ii) Mean tariff rate					7.90 10.50	8.42 7.90	8.64 6.80	8.64 6.80
(iii) Standard deviation of tariff rates					5.60 11.00	5.60 11.00	2.74 18.16	2.74 18.16
B. Regulatory trade barriers				2.52	5.51	5.42	4.50	4.74
(i) Non-tariff trade barriers				2.52	4.03	4.70	4.56	4.35
(ii) Compliance cost of importing and exporting					6.99	6.15	4.44	5.13
C. Size of trade sector			5.82	9.51	10.00	9.53	8.63	7.74
D. Black-market exchange rates	0.00	0.00	0.00	9.40	7.78	10.00	10.00	10.00
E. International capital market controls	0.00	0.00	0.00	3.43	4.34	2.45	2.69	2.66
(i) Foreign ownership/investment restrictions				4.86	7.13	4.12	4.61	4.55
(ii) Capital controls	0.00	0.00	0.00	2.00	1.54	0.77	0.77	0.77
5. Regulation of Credit, Labor and Business			3.45	3.18	4.57	5.36	5.93	5.92
A. Credit market regulations			0.00	1.77	4.65	7.19	8.83	8.87
(i) Ownership of banks			0.00	0.00	0.00	5.00	8.00	8.00
(ii) Foreign bank competition				3.17	3.93	8.00	8.00	8.00
(iii) Private sector credit				1.72	8.43	9.07	9.31	9.47
(iv) Interest rate controls/negative real int. rates				0.00	6.00	9.00	10.00	10.00
B. Labor market regulations				5.15	4.31	4.83	4.64	4.82
(i) Minimum wage				6.62	1.87	5.75	5.75	6.25
(ii) Hiring and firing regulations			5.83	5.83	6.25	6.33	6.34	6.56
(iii) Centralized collective bargaining				7.93	8.07	6.75	7.30	7.33
(iv) Mandated cost of hiring				5.35	5.34	5.34	0.00	0.00
(v) Mandated cost of dismissing							8.46	8.79
(vi) Conscription				0.00	0.00	0.00	0.00	0.00
C. Business regulations				2.64	4.75	4.07	4.33	4.07
(i) Price controls			0.00	4.00	6.00	4.00	4.00	4.00
(ii) Administrative requirements					6.27	2.73	2.58	2.79
(iii) Bureaucracy costs				2.20	4.80	3.43	3.80	4.80
(iv) Starting a business				3.73	2.87	4.87	8.20	8.39
(v) Extra payments/bribes				0.62	3.79	5.30	5.59	4.76
(vi) Licensing restrictions							6.18	3.79
(vii) Cost of tax compliance							0.00	0.00

United Arab Emirates

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) ▶	5.83 (34)	6.72 (19)	7.10 (21)	7.09 (27)	7.34 (24)	7.28 (25)	7.48 (22)	7.76 (13)
1. Size of Government	4.56 (63)	4.40 (72)	5.68 (46)	5.94 (45)	6.11 (62)	6.35 (63)	7.28 (28)	7.54 (20)
2. Legal Structure and Security of Property Rights	2.15 (80)	6.09 (40)	6.03 (46)	6.08 (49)	6.84 (38)	6.19 (46)	6.89 (41)	6.93 (35)
3. Access to Sound Money	6.72 (33)	7.84 (29)	8.09 (28)	7.76 (44)	7.75 (66)	7.80 (76)	7.60 (82)	8.32 (67)
4. Freedom to Trade Internationally					8.07 (23)	8.42 (8)	8.55 (3)	8.64 (3)
5. Regulation of Credit, Labor and Business	6.59 (18)	7.77 (5)	7.90 (5)	7.86 (6)	8.02 (4)	7.65 (8)	7.23 (23)	7.52 (19)
Unadjusted								
Summary Ratings (Rank) ▶	5.92 (29)	6.81 (16)	7.45 (7)	7.38 (20)	7.01 (40)	7.28 (25)	7.22 (41)	7.49 (26)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	5.19	5.00	7.57	7.92	6.11	6.35	5.99	6.21
A. Government consumption	0.37 38.73	0.00 41.76	2.91 30.10	3.88 26.80	4.71 23.97	5.68 20.70	5.97 19.69	6.62 17.49
B. Transfers and subsidies			9.81 1.20	9.86 1.00	9.71 1.55	9.71 1.55		
C. Government enterprises and investment					0.00 54.33	0.00 53.52	2.00 46.63	2.00 46.63
D. Top marginal tax rate	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
(i) Top marginal income tax rate	10.00 0	10.00 0	10.00	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0
(ii) Top marginal income and payroll tax rates							10.00 16	10.00 16
2. Legal Structure and Security of Property Rights	2.06	5.85	5.79	5.83	6.56	6.19	6.93	6.96
A. Judicial independence						5.27	6.30	6.63
B. Impartial courts				6.92	7.55	5.22	6.35	6.61
C. Protection of property rights						5.49	6.82	6.97
D. Military interference				8.50	8.33	8.33	8.33	8.33
E. Integrity of the legal system				4.11	6.67	6.67	6.67	6.67
F. Legal enforcement of contracts							4.87	4.30
G. Regulatory restrictions of sale of real property							9.17	9.23
3. Access to Sound Money	7.93	9.25	9.55	9.45	7.75	7.80	7.60	8.32
A. Money growth	5.46 22.70	9.82 -0.89	9.70 1.50	8.90 5.51	8.87 5.66	7.20 13.98	6.65 16.75	6.65 16.75
B. Standard deviation of inflation	8.08 4.79	8.09 4.78	9.32 1.69		6.49 8.78	5.64 10.89	6.62 8.45	6.62 8.45
C. Inflation: most recent year	8.18 9.10	9.11 4.46	9.18 4.10		5.63 21.83	8.37 8.16	7.14 14.29	10.00 0.00
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	9.16	7.73	7.95		8.15	8.42	8.42	8.51
A. Taxes on international trade	10.00	9.60	10.00		9.60	9.60	8.87	8.85
(i) Revenues from trade taxes (% of trade sector)	10.00 0.00	10.00 0.00	10.00 0.00		10.00 0.00	10.00 0.00	10.00 0.00	10.00 0.00
(ii) Mean tariff rate		9.20 4.00			9.20 4.00	9.20 4.00	9.04 4.80	9.00 5.00
(iii) Standard deviation of tariff rates							7.56 6.10	7.56 6.10
B. Regulatory trade barriers						8.67	7.58	7.97
(i) Non-tariff trade barriers						8.64	7.62	7.68
(ii) Compliance cost of importing and exporting						8.71	7.53	8.26
C. Size of trade sector	7.68	5.87	6.62	7.52	6.87	8.11	9.21	9.21
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	10.00	5.00	5.00	5.00	6.15	5.72	6.42	6.50
(i) Foreign ownership/investment restrictions						5.28	6.69	6.84
(ii) Capital controls	10.00	5.00	5.00	5.00	6.15	6.15	6.15	6.15
5. Regulation of Credit, Labor and Business	5.28	6.22	6.37	6.34	6.46	7.65	7.17	7.45
A. Credit market regulations	6.85	6.17	6.49	6.36	6.86	7.80	7.80	7.79
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
(ii) Foreign bank competition						8.00	8.00	8.00
(iii) Private sector credit	8.71	7.35	7.98	7.73	8.71	8.18	8.21	8.15
(iv) Interest rate controls/negative real int. rates						10.00	10.00	10.00
B. Labor market regulations						8.87	7.00	7.15
(i) Minimum wage						10.00	10.00	10.00
(ii) Hiring and firing regulations						6.70	6.21	6.41
(iii) Centralized collective bargaining						8.80	8.47	8.23
(iv) Mandated cost of hiring							6.20	6.05
(v) Mandated cost of dismissing							1.14	2.21
(vi) Conscription	3.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations						6.29	6.71	7.40
(i) Price controls			8.00	8.00	8.00	6.00	6.00	6.00
(ii) Administrative requirements						5.31	5.56	5.99
(iii) Bureaucracy costs						5.77	2.18	6.48
(iv) Starting a business						6.16	6.44	6.60
(v) Extra payments/bribes						8.23	8.07	7.99
(vi) Licensing restrictions							8.88	8.88
(vii) Cost of tax compliance							9.87	9.87

United States

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
1. Size of Government	7.99 (3)	8.14 (4)	8.41 (3)	8.33 (4)	8.55 (2)	8.07 (6)	7.90 (9)	7.86 (10)
2. Legal Structure and Security of Property Rights	5.08 (43)	5.94 (25)	6.71 (24)	6.88 (26)	7.53 (18)	7.15 (35)	7.13 (37)	7.13 (39)
3. Access to Sound Money	9.81 (1)	9.81 (4)	9.81 (12)	8.76 (15)	9.23 (9)	7.82 (18)	7.29 (33)	7.14 (28)
4. Freedom to Trade Internationally	9.15 (6)	9.31 (11)	9.56 (7)	9.76 (3)	9.78 (2)	9.73 (2)	9.76 (1)	9.66 (4)
5. Regulation of Credit, Labor and Business	8.09 (8)	7.79 (11)	7.93 (12)	8.03 (17)	8.01 (24)	7.58 (29)	7.46 (27)	7.53 (29)
5. Regulation of Credit, Labor and Business	8.10 (2)	8.08 (2)	8.17 (4)	8.21 (4)	8.19 (2)	8.08 (3)	7.86 (12)	7.87 (14)
Unadjusted								
Summary Ratings (Rank) ▶	7.51 (4)	7.65 (5)	7.85 (3)	8.30 (4)	8.55 (2)	8.07 (6)	8.08 (7)	8.04 (8)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	5.17	6.05	6.71	6.88	7.53	7.15	7.13	7.13
A. Government consumption	5.53 21.21	5.45 21.46	5.66 20.76	6.18 18.97	6.59 17.60	6.37 18.33	6.34 18.43	6.32 18.51
B. Transfers and subsidies	7.17 10.90	6.73 12.50	6.68 12.70	6.32 14.00	6.54 13.19	6.72 12.55	6.69 12.66	6.69 12.66
C. Government enterprises and investment	8.00 17.20	8.00 17.30	8.00 20.00	8.00 16.90	10.00 14.92	8.00 16.48	8.00 16.07	8.00 16.41
D. Top marginal tax rate	0.00	4.00	6.50	7.00	7.00	7.50	7.50	7.50
(i) Top marginal income tax rate	0.00 70-75	4.00 50-59	7.00 33-42	7.00 40-46	7.00 40-46	8.00 35-42	8.00 35-42	8.00 35-42
(ii) Top marginal income and payroll tax rates			6.00 36-45	7.00 42-49	7.00 42-49	7.00 37-44	7.00 37-44	7.00 37-44
2. Legal Structure and Security of Property Rights	8.35	8.35	8.35	8.76	9.23	7.82	7.74	7.58
A. Judicial independence				8.30	8.02	7.47	6.60	6.76
B. Impartial courts				8.52	9.02	7.38	6.80	6.47
C. Protection of property rights				7.76	9.10	8.97	8.05	7.58
D. Military interference				9.23	10.00	6.94	6.67	6.67
E. Integrity of the legal system				10.00	10.00	8.33	8.33	8.33
F. Legal enforcement of contracts							8.12	7.63
G. Regulatory restrictions of sale of real property							9.61	9.61
3. Access to Sound Money	9.15	9.31	9.56	9.76	9.78	9.73	9.76	9.66
A. Money growth	8.97 5.13	8.89 5.54	9.41 2.94	9.70 1.51	9.94 -0.28	9.60 1.98	9.92 -0.41	9.51 2.44
B. Standard deviation of inflation	9.54 1.15	9.04 2.41	9.71 0.72	9.74 0.64	9.84 0.40	9.84 0.40	9.79 0.52	9.75 0.62
C. Inflation: most recent year	8.10 9.51	9.30 3.52	9.13 4.34	9.60 2.00	9.32 3.38	9.46 2.68	9.32 3.39	9.35 3.23
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	8.07	7.77	7.78	7.89	8.01	7.58	7.46	7.53
A. Taxes on international trade	8.90	8.77	8.23	8.41	8.12	8.12	8.38	8.36
(i) Revenues from trade taxes (% of trade sector)	9.27 1.10	8.87 1.70	9.00 1.50	9.20 1.20	9.44 0.84	9.43 0.85	9.49 0.76	9.49 0.76
(ii) Mean tariff rate	8.54 7.30	8.68 6.60	8.76 6.20	8.82 5.90	9.20 4.00	9.36 3.20	9.36 3.20	9.30 3.50
(iii) Standard deviation of tariff rates			6.92 7.70	7.20 7.00	5.72 10.70	5.56 11.10	6.28 9.31	6.28 9.31
B. Regulatory trade barriers				7.82	8.81	8.02	7.78	8.11
(i) Non-tariff trade barriers				7.82	8.12	7.18	6.72	6.87
(ii) Compliance cost of importing and exporting					9.50	8.86	8.85	9.35
C. Size of trade sector	5.32	3.94	4.53	4.83	4.90	4.24	4.45	4.45
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	8.00	8.00	8.00	8.39	8.21	7.52	6.72	6.72
(i) Foreign ownership/investment restrictions				8.78	9.49	8.12	7.28	7.28
(ii) Capital controls	8.00	8.00	8.00	8.00	6.92	6.92	6.15	6.15
5. Regulation of Credit, Labor and Business	6.82	6.80	6.83	8.23	8.19	8.08	8.30	8.31
A. Credit market regulations	9.52	9.47	9.64	9.04	9.14	9.26	9.36	9.37
(i) Ownership of banks	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Foreign bank competition				8.33	7.60	8.00	8.00	8.00
(iii) Private sector credit	8.55	8.40	8.93	8.79	9.43	9.64	9.45	9.47
(iv) Interest rate controls/negative real int. rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
B. Labor market regulations	7.74	7.74	7.68	7.46	7.17	7.90	8.33	8.29
(i) Minimum wage				5.90	3.82	7.74	7.74	7.23
(ii) Hiring and firing regulations			7.15	7.15	6.65	7.15	7.01	7.09
(iii) Centralized collective bargaining	7.59	7.59	7.59	7.59	8.35	8.42	7.83	7.86
(iv) Mandated cost of hiring	5.63	5.63	5.98	6.67	7.01	6.19	7.42	7.57
(v) Mandated cost of dismissing							10.00	10.00
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				8.21	8.26	7.09	7.20	7.27
(i) Price controls			9.00	9.00	8.00	7.00	7.00	6.00
(ii) Administrative requirements					7.92	4.32	4.29	4.19
(iii) Bureaucracy costs				7.48	8.15	7.07	5.93	7.80
(iv) Starting a business				8.43	8.40	8.51	9.83	9.80
(v) Extra payments/bribes				7.91	8.82	8.52	7.23	6.75
(vi) Licensing restrictions							9.75	9.98
(vii) Cost of tax compliance							6.36	6.36

Uruguay

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	5.82 (36)	5.88 (39)	6.12 (39)	6.10 (61)	6.95 (42)	6.90 (48)	6.91 (52)	6.86 (58)
1. Size of Government	6.70 (13)	6.42 (16)	6.80 (21)	6.62 (31)	6.78 (38)	6.85 (43)	7.50 (23)	7.52 (21)
2. Legal Structure and Security of Property Rights	6.17 (36)	5.91 (42)	6.90 (34)	6.60 (38)	6.54 (44)	5.78 (53)	6.13 (55)	5.79 (64)
3. Access to Sound Money	3.82 (99)	3.62 (102)	3.76 (103)	3.92 (101)	8.39 (49)	8.42 (66)	8.18 (71)	7.98 (78)
4. Freedom to Trade Internationally	6.74 (28)	7.44 (16)	7.18 (27)	7.29 (36)	6.94 (64)	6.85 (68)	6.97 (55)	6.99 (60)
5. Regulation of Credit, Labor and Business	5.72 (38)	6.04 (35)	6.04 (35)	6.12 (44)	6.16 (48)	6.61 (37)	5.80 (96)	6.03 (87)
Unadjusted								
Summary Ratings (Rank) ▶	5.93 (27)	5.96 (34)	6.16 (37)	6.13 (61)	6.77 (45)	6.90 (48)	6.98 (55)	6.93 (64)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	7.32	7.01	7.42	7.23	6.78	6.85	7.50	7.52
A. Government consumption	7.61 14.11	6.64 17.41	6.83 16.77	7.49 14.52	7.40 14.84	8.01 12.76	7.88 13.19	7.91 13.11
B. Transfers and subsidies	7.66 9.10	7.41 10.00	6.87 12.00	5.42 17.30	5.20 18.10	4.87 19.33	6.60 12.99	6.69 12.65
C. Government enterprises and investment	4.00 31.70	4.00 36.20	6.00 28.50	6.00 28.80	7.00 23.80	8.00 15.33	8.00 17.61	8.00 17.43
D. Top marginal tax rate	10.00	10.00	10.00	10.00	7.50	6.50	7.50	7.50
(i) Top marginal income tax rate	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0	10.00 0
(ii) Top marginal income and payroll tax rates					5.00 36	3.00 46	5.00 36	5.00 36
2. Legal Structure and Security of Property Rights	5.61	5.38	6.28	6.00	5.74	5.78	5.90	5.57
A. Judicial independence						6.98	6.55	6.39
B. Impartial courts				6.04	6.67	5.22	5.47	5.11
C. Protection of property rights					5.53	4.18	6.26	6.18
D. Military interference				7.24	8.33	8.33	8.19	6.67
E. Integrity of the legal system				6.96	5.00	4.17	4.17	4.17
F. Legal enforcement of contracts							4.22	4.05
G. Regulatory restrictions of sale of real property							6.42	6.42
3. Access to Sound Money	3.82	3.62	3.76	3.92	8.39	8.42	8.18	7.98
A. Money growth	0.00 58.20	2.62 36.90	0.00 74.70	2.99 35.05	8.49 7.57	8.37 8.14	6.89 15.53	6.36 18.19
B. Standard deviation of inflation	5.28 11.81	1.85 20.37	5.03 12.43	1.08 22.30	6.04 9.89	7.12 7.20	6.76 8.11	6.83 7.91
C. Inflation: most recent year	0.00 54.76	0.00 74.02	0.00 100.39	1.59 42.03	9.05 4.76	8.17 9.16	9.06 4.70	8.72 6.40
D. Freedom to own foreign currency	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
4. Freedom to Trade Internationally	6.93	7.42	7.33	7.44	6.75	6.85	6.97	6.99
A. Taxes on international trade	4.07	4.97	5.94	7.83	7.72	7.66	7.72	7.68
(i) Revenues from trade taxes (% of trade sector)	4.07 8.90	6.13 5.80	6.27 5.60	8.20 2.70	8.70 1.95	8.35 2.48	8.39 2.41	8.43 2.36
(ii) Mean tariff rate		3.80 31.00	3.90 30.50	8.14 9.30	7.78 11.10	7.84 10.80	8.02 9.90	7.88 10.60
(iii) Standard deviation of tariff rates			7.64 5.90	7.16 7.10	6.68 8.30	6.80 8.00	6.74 8.16	6.74 8.16
B. Regulatory trade barriers					6.25	6.03	6.24	6.30
(i) Non-tariff trade barriers					6.25	5.22	5.73	5.89
(ii) Compliance cost of importing and exporting						6.84	6.76	6.72
C. Size of trade sector	2.41	3.96	2.56	1.21	1.05	3.14	3.28	3.21
D. Black-market exchange rates	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
E. International capital market controls	10.00	10.00	10.00	10.00	8.74	7.42	7.60	7.74
(i) Foreign ownership/investment restrictions					9.02	6.39	6.74	7.15
(ii) Capital controls	10.00	10.00	10.00	10.00	8.46	8.46	8.46	8.33
5. Regulation of Credit, Labor and Business	6.00	6.36	5.99	6.07	6.16	6.61	6.38	6.58
A. Credit market regulations	5.50	6.97	6.97	6.57	6.53	6.98	6.71	6.96
(i) Ownership of banks	5.00	5.00	5.00	5.00	5.00	5.00	2.00	2.00
(ii) Foreign bank competition					6.30	7.00	8.00	8.00
(iii) Private sector credit		7.91	7.92	8.72	9.17	7.73	7.84	7.85
(iv) Interest rate controls/negative real int. rates	6.00	8.00	8.00	6.00	6.00	9.00	9.00	10.00
B. Labor market regulations					5.89	7.32	6.07	6.61
(i) Minimum wage					2.56	8.16	8.16	7.84
(ii) Hiring and firing regulations					4.12	4.49	3.29	3.42
(iii) Centralized collective bargaining					6.90	6.62	3.47	3.09
(iv) Mandated cost of hiring							3.92	8.18
(v) Mandated cost of dismissing							7.61	7.13
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations					6.07	5.52	6.36	6.17
(i) Price controls			4.00	6.00	6.00	6.00	6.00	6.00
(ii) Administrative requirements					6.75	3.14	3.50	3.54
(iii) Bureaucracy costs					6.48	6.60	4.96	5.21
(iv) Starting a business					5.00	4.51	7.60	7.52
(v) Extra payments/bribes					6.11	7.38	7.49	7.48
(vi) Licensing restrictions							8.37	6.86
(vii) Cost of tax compliance							6.64	6.59

Venezuela

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked								
Summary Rating (Rank) ▶	6.31 (22)	5.98 (37)	5.35 (63)	4.26 (115)	5.51 (101)	4.46 (124)	4.56 (124)	4.48 (126)
1. Size of Government	6.29 (18)	6.86 (11)	5.95 (38)	6.13 (42)	5.95 (67)	5.34 (92)	4.91 (107)	4.99 (102)
2. Legal Structure and Security of Property Rights	6.11 (37)	5.16 (56)	5.60 (50)	3.84 (104)	3.75 (100)	1.79 (126)	1.87 (127)	1.72 (127)
3. Access to Sound Money	7.28 (28)	8.30 (24)	4.43 (96)	1.93 (113)	5.56 (110)	5.14 (124)	5.10 (126)	5.64 (124)
4. Freedom to Trade Internationally	7.25 (18)	4.83 (63)	6.52 (38)	5.31 (100)	7.13 (57)	5.78 (105)	5.61 (106)	5.35 (117)
5. Regulation of Credit, Labor and Business	4.74 (68)	5.07 (57)	4.31 (92)	4.07 (111)	5.16 (97)	4.27 (123)	5.30 (112)	4.79 (122)
Unadjusted								
Summary Ratings (Rank) ▶	6.58 (15)	6.23 (25)	5.50 (54)	4.22 (115)	5.51 (102)	4.46 (128)	4.84 (134)	4.76 (136)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government	6.29	6.86	5.95	6.13	5.95	5.34	4.91	4.99
A. Government consumption	6.56 17.68	7.52 14.44	8.25 11.95	9.02 9.32	6.06 19.39	5.81 20.25	6.36 18.37	6.17 19.02
B. Transfers and subsidies	9.59 2.00	8.91 4.50	8.56 5.80	8.50 6.01	7.74 8.79	6.05 14.98	5.77 16.01	5.77 16.01
C. Government enterprises and investment	2.00 45.60	4.00 35.80	0.00 65.20	0.00 58.30	2.00 42.36	2.00 42.36	2.00 42.36	2.00 42.36
D. Top marginal tax rate	7.00	7.00	7.00	7.00	8.00	7.50	5.50	6.00
(i) Top marginal income tax rate	7.00 45	7.00 45	7.00 45	7.00 34	8.00 35	8.00 34	7.00 34	7.00 34
(ii) Top marginal income and payroll tax rates			7.00 45	7.00 34	8.00 35	7.00 36	4.00 49	5.00 43
2. Legal Structure and Security of Property Rights	6.22	5.25	5.70	3.84	3.75	1.79	3.34	3.08
A. Judicial independence				2.85	1.67	0.52	0.31	0.31
B. Impartial courts				2.90	3.67	1.14	0.93	0.89
C. Protection of property rights				3.72	3.40	2.29	2.27	2.15
D. Military interference				5.65	3.33	0.83	0.83	0.83
E. Integrity of the legal system				4.11	6.67	4.17	5.00	5.00
F. Legal enforcement of contracts							5.37	3.97
G. Regulatory restrictions of sale of real property							8.69	8.39
3. Access to Sound Money	7.28	8.30	4.43	1.93	5.56	5.14	5.10	5.64
A. Money growth	7.28 13.60	7.34 13.31	6.06 19.68	3.94 30.28	5.48 22.60	4.42 27.88	3.12 34.40	3.24 33.78
B. Standard deviation of inflation	7.02 7.44	7.94 5.15	0.00 30.17	3.77 15.57	0.00 39.24	5.48 11.30	5.49 11.29	7.03 7.42
C. Inflation: most recent year	4.80 26.02	7.92 10.41	1.66 41.71	0.00 51.93	6.76 16.21	5.65 21.75	6.81 15.95	7.27 13.66
D. Freedom to own foreign currency	10.00	10.00	10.00	0.00	10.00	5.00	5.00	5.00
4. Freedom to Trade Internationally	8.08	5.33	6.80	5.19	7.13	5.78	5.61	5.35
A. Taxes on international trade	8.00	3.68	4.22	7.78	7.61	7.94	7.64	7.62
(i) Revenues from trade taxes (% of trade sector)	8.00 3.00	3.93 9.10	8.53 2.20	7.93 3.10	7.89 3.16	8.61 2.09	8.43 2.35	8.43 2.35
(ii) Mean tariff rate		3.42 32.90	3.88 30.60	7.32 13.40	7.30 13.50	7.56 12.20	7.44 12.80	7.40 13.00
(iii) Standard deviation of tariff rates			0.24 24.40	8.08 4.80	7.64 5.90	7.64 5.90	7.04 7.41	7.04 7.41
B. Regulatory trade barriers				4.57	5.68	5.16	4.74	3.53
(i) Non-tariff trade barriers				4.57	4.87	4.61	4.78	4.73
(ii) Compliance cost of importing and exporting					6.49	5.70	4.69	2.33
C. Size of trade sector	6.27	4.77	6.62	5.14	4.24	5.18	5.35	5.12
D. Black-market exchange rates	10.00	5.00	10.00	1.60	10.00	5.13	5.13	6.43
E. International capital market controls	8.00	5.00	5.00	6.87	8.15	5.51	5.21	4.02
(i) Foreign ownership/investment restrictions				8.74	9.37	5.64	5.03	4.20
(ii) Capital controls	8.00	5.00	5.00	5.00	6.92	5.38	5.38	3.85
5. Regulation of Credit, Labor and Business	5.04	5.39	4.60	4.01	5.16	4.27	5.21	4.75
A. Credit market regulations	6.09	6.92	4.58	4.73	5.99	7.47	8.50	8.31
(i) Ownership of banks	5.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
(ii) Foreign bank competition				7.60	6.15	6.15	8.00	8.00
(iii) Private sector credit	9.26	8.77	5.75	2.70	7.75	7.15	7.99	7.24
(iv) Interest rate controls/negative real int. rates	4.00	4.00	0.00	0.00	2.00	10.00	10.00	10.00
B. Labor market regulations			3.87	4.30	4.03	3.50	4.03	3.06
(i) Minimum wage				4.85	4.07	6.96	6.96	6.79
(ii) Hiring and firing regulations			4.36	4.36	4.55	1.48	1.69	1.62
(iii) Centralized collective bargaining	7.24	7.24	7.24	7.24	5.83	5.29	4.29	4.84
(iv) Mandated cost of hiring				5.03	5.68	3.76	5.53	5.14
(v) Mandated cost of dismissing							5.70	0.00
(vi) Conscription	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Business regulations				2.99	5.45	1.83	3.12	2.89
(i) Price controls				0.00	5.00	0.00	0.00	0.00
(ii) Administrative requirements					6.42	1.95	1.39	0.94
(iii) Bureaucracy costs				5.31	6.15	1.43	3.73	4.35
(iv) Starting a business				4.57	4.68	1.33	6.50	6.37
(v) Extra payments/bribes				2.07	5.02	4.45	4.44	3.82
(vi) Licensing restrictions							5.43	4.41
(vii) Cost of tax compliance							0.32	0.32

Vietnam

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >						5.63 (106)	5.86 (100)	5.98 (96)
1. Size of Government						4.38 (115)	4.39 (115)	4.58 (110)
2. Legal Structure and Security of Property Rights						4.39 (78)	5.23 (73)	5.25 (71)
3. Access to Sound Money						6.33 (115)	6.30 (112)	6.37 (114)
4. Freedom to Trade Internationally						6.75 (71)	6.65 (66)	6.95 (63)
5. Regulation of Credit, Labor and Business						6.28 (53)	6.74 (46)	6.75 (52)
Unadjusted						5.63 (106)	5.82 (112)	5.94 (108)
Summary Ratings (Rank) >	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data
1. Size of Government						4.38	4.39	4.58
A. Government consumption						9.13 8.94	9.17 8.83	9.25 8.56
B. Transfers and subsidies								
C. Government enterprises and investment						0.00	0.00	0.00
D. Top marginal tax rate						4.00	4.00	4.50
(i) Top marginal income tax rate						5.00 40	5.00 40	6.00 40
(ii) Top marginal income and payroll tax rates						3.00 52	3.00 52	3.00 52
2. Legal Structure and Security of Property Rights						4.39	5.79	5.82
A. Judicial independence						3.97	4.13	4.34
B. Impartial courts						4.01	4.60	4.64
C. Protection of property rights						2.60	5.72	5.39
D. Military interference						4.72	5.00	5.00
E. Integrity of the legal system						6.67	6.67	6.67
F. Legal enforcement of contracts							6.05	6.36
G. Regulatory restrictions of sale of real property							8.34	8.34
3. Access to Sound Money						6.33	6.30	6.37
A. Money growth						7.90 10.48	7.95 10.27	7.72 11.42
B. Standard deviation of inflation						8.98 2.54	8.90 2.76	9.30 1.75
C. Inflation: most recent year						8.44 7.80	8.35 8.27	8.46 7.69
D. Freedom to own foreign currency						0.00	0.00	0.00
4. Freedom to Trade Internationally						6.75	6.65	6.95
A. Taxes on international trade						6.01	5.80	5.56
(i) Revenues from trade taxes (% of trade sector)						8.16 2.76	8.16 2.76	8.16 2.76
(ii) Mean tariff rate						7.28 13.60	7.36 13.20	6.64 16.80
(iii) Standard deviation of tariff rates						2.60 18.50	1.87 20.33	1.87 20.33
B. Regulatory trade barriers						5.29	4.67	5.74
(i) Non-tariff trade barriers						4.04	4.35	4.77
(ii) Compliance cost of importing and exporting						6.53	4.98	6.72
C. Size of trade sector						10.00	10.00	10.00
D. Black-market exchange rates						10.00	10.00	10.00
E. International capital market controls						2.44	2.77	3.43
(i) Foreign ownership/investment restrictions						4.88	5.54	6.09
(ii) Capital controls						0.00	0.00	0.77
5. Regulation of Credit, Labor and Business						6.28	6.00	6.00
A. Credit market regulations						9.81	9.54	9.47
(i) Ownership of banks								
(ii) Foreign bank competition								
(iii) Private sector credit						9.61	9.09	8.93
(iv) Interest rate controls/negative real int. rates						10.00	10.00	10.00
B. Labor market regulations						4.83	4.02	4.21
(i) Minimum wage						6.74	6.74	7.22
(ii) Hiring and firing regulations						5.32	5.41	5.28
(iii) Centralized collective bargaining						7.27	6.24	5.99
(iv) Mandated cost of hiring							4.83	4.83
(v) Mandated cost of dismissing							0.91	1.93
(vi) Conscription						0.00	0.00	0.00
C. Business regulations						4.19	4.44	4.33
(i) Price controls								
(ii) Administrative requirements						2.33	2.30	2.70
(iii) Bureaucracy costs						5.69	3.98	3.91
(iv) Starting a business						5.27	7.87	8.19
(v) Extra payments/bribes						3.49	4.05	4.08
(vi) Licensing restrictions							8.47	7.08
(vii) Cost of tax compliance							0.00	0.00

Zambia

	1980	1985	1990	1995	2000	2004	2005	2006	
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	
Summary Rating (Rank) ▶	5.00 (68)	3.93 (97)	3.30 (109)	4.74 (97)	6.53 (60)	6.77 (53)	7.10 (44)	7.13 (42)	
1. Size of Government	2.56 (103)	3.15 (97)	3.47 (97)	5.93 (46)	6.63 (44)	7.18 (34)	7.82 (15)	8.19 (8)	
2. Legal Structure and Security of Property Rights	6.66 (31)	4.37 (67)	4.05 (75)	5.91 (51)	5.85 (61)	5.47 (57)	5.78 (65)	5.50 (67)	
3. Access to Sound Money	6.05 (59)	3.26 (103)	0.11 (118)	0.65 (121)	7.15 (75)	7.72 (77)	8.11 (73)	8.57 (63)	
4. Freedom to Trade Internationally	5.04 (55)	4.76 (65)	4.48 (83)	6.25 (79)	7.19 (52)	7.01 (61)	7.05 (52)	7.11 (57)	
5. Regulation of Credit, Labor and Business	5.02 (64)	4.17 (85)	4.42 (89)	4.94 (87)	5.85 (64)	6.47 (41)	6.75 (45)	6.23 (80)	
Unadjusted	Summary Ratings (Rank) ▶	5.14 (64)	3.98 (97)	3.26 (109)	4.78 (99)	6.59 (54)	6.77 (53)	7.05 (49)	7.09 (51)
	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	Rating Data	
1. Size of Government	2.56	3.15	3.47	5.93	6.63	7.18	7.82	8.19	
A. Government consumption	2.47 31.60	3.60 27.78	4.96 23.14	7.28 15.24	8.53 11.00	5.39 21.67	8.24 11.98	7.44 14.70	
B. Transfers and subsidies	7.77 8.70	8.99 4.20	8.91 4.50	9.43 2.60	10.00 0.00	9.31 3.03	9.03 4.07	9.31 3.02	
C. Government enterprises and investment	0.00 77.10	0.00 90.70	0.00 44.00	0.00	0.00 57.46	6.00 29.15	6.00 29.77	8.00 16.63	
D. Top marginal tax rate	0.00	0.00	0.00	7.00	8.00	8.00	8.00	8.00	
(i) Top marginal income tax rate	0.00 70	0.00 80	0.00 75	7.00 35	8.00 30	8.00 30	8.00 30	8.00 30	
(ii) Top marginal income and payroll tax rates									
2. Legal Structure and Security of Property Rights	6.09	3.99	3.70	5.91	5.85	5.47	5.87	5.58	
A. Judicial independence				6.67	6.18	4.50	2.86	3.48	
B. Impartial courts				4.85	4.86	4.50	5.00	4.58	
C. Protection of property rights				4.77	3.23	3.33	6.05	5.92	
D. Military interference				6.31	8.33	8.33	8.33	8.33	
E. Integrity of the legal system				6.96	6.67	6.67	6.67	6.67	
F. Legal enforcement of contracts							6.66	4.56	
G. Regulatory restrictions of sale of real property							5.52	5.52	
3. Access to Sound Money	6.05	3.26	0.11	0.65	7.15	7.72	8.11	8.57	
A. Money growth	8.38 8.08	6.31 18.44	0.00 58.59	0.00 58.52	5.45 22.73	6.22 18.91	6.97 15.14	7.47 12.66	
B. Standard deviation of inflation	8.18 4.55	4.96 12.60	0.43 23.92	0.00 49.23	8.35 4.11	8.24 4.40	9.13 2.17	8.63 3.42	
C. Inflation: most recent year	7.65 11.76	1.77 41.14	0.00 106.39	2.62 36.92	4.79 26.03	6.41 17.97	6.34 18.32	8.20 9.02	
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	10.00	10.00	10.00	10.00	
4. Freedom to Trade Internationally	5.72	5.14	4.83	6.72	7.73	7.01	7.05	7.11	
A. Taxes on international trade	8.40	4.39	5.84	6.04	6.22	7.26	6.98	7.10	
(i) Revenues from trade taxes (% of trade sector)	8.40 2.40	5.73 6.40	6.80 4.80	7.47 3.80	5.11 7.33	7.93 3.11	7.86 3.21	8.07 2.90	
(ii) Mean tariff rate		3.04 34.80	4.88 25.60	4.88 25.60	7.06 14.70	7.36 13.20	7.08 14.60	7.22 13.90	
(iii) Standard deviation of tariff rates				5.76 10.60	6.48 8.80	6.48 8.80	6.00 10.01	6.00 10.01	
B. Regulatory trade barriers						4.40	3.17	3.78	
(i) Non-tariff trade barriers						5.00	5.07	5.83	
(ii) Compliance cost of importing and exporting						3.80	1.26	1.72	
C. Size of trade sector	10.00	8.71	8.10	8.00	5.07	4.09	6.35	6.01	
D. Black-market exchange rates	0.00	2.40	0.00	9.40	10.00	10.00	10.00	10.00	
E. International capital market controls	2.00	2.00	2.00	2.00	9.23	9.31	8.74	8.67	
(i) Foreign ownership/investment restrictions						9.40	8.25	8.11	
(ii) Capital controls	2.00	2.00	2.00	2.00	9.23	9.23	9.23	9.23	
5. Regulation of Credit, Labor and Business	5.26	4.37	4.20	4.69	5.55	6.47	6.39	6.00	
A. Credit market regulations	4.04	1.70	2.39	3.34	6.21	6.06	6.07	6.66	
(i) Ownership of banks	2.00	2.00	2.00	5.00	5.00	5.00	5.00	5.00	
(ii) Foreign bank competition									
(iii) Private sector credit	6.13	3.10	5.18	5.03	5.62	5.19	5.22	5.97	
(iv) Interest rate controls/negative real int. rates	4.00	0.00	0.00	0.00	8.00	8.00	8.00	9.00	
B. Labor market regulations						8.63	7.35	6.03	
(i) Minimum wage						10.00	10.00	3.89	
(ii) Hiring and firing regulations						6.33	8.16	7.11	
(iii) Centralized collective bargaining						8.17	8.68	7.93	
(iv) Mandated cost of hiring							7.26	7.26	
(v) Mandated cost of dismissing							0.00	0.00	
(vi) Conscription	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	
C. Business regulations						4.73	5.73	5.30	
(i) Price controls			0.00	2.00	2.00	4.00	4.00	4.00	
(ii) Administrative requirements						3.83	5.31	4.97	
(iii) Bureaucracy costs							5.53	3.69	
(iv) Starting a business						5.99	8.68	8.62	
(v) Extra payments/bribes						5.10	2.90	3.31	
(vi) Licensing restrictions							5.20	4.03	
(vii) Cost of tax compliance							8.52	8.52	

Zimbabwe

	1980	1985	1990	1995	2000	2004	2005	2006
Chain-Linked	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)	Rating (Rank)
Summary Rating (Rank) >	4.28 (84)	4.20 (91)	4.44 (97)	5.10 (88)	3.92 (122)	2.82 (130)	2.54 (130)	2.35 (130)
1. Size of Government	3.91 (77)	2.78 (105)	3.25 (101)	3.99 (102)	3.07 (119)	3.21 (128)	2.91 (129)	2.66 (129)
2. Legal Structure and Security of Property Rights	3.21 (67)	3.29 (86)	4.30 (73)	5.53 (61)	5.02 (75)	3.12 (110)	2.93 (120)	2.88 (118)
3. Access to Sound Money	6.30 (44)	6.24 (71)	5.61 (80)	4.92 (94)	2.89 (120)	0.00 (130)	0.00 (130)	0.00 (130)
4. Freedom to Trade Internationally	4.48 (65)	4.24 (72)	5.10 (69)	6.32 (76)	3.66 (121)	3.66 (128)	2.81 (128)	2.73 (129)
5. Regulation of Credit, Labor and Business	3.86 (89)	4.95 (65)	4.46 (86)	5.26 (70)	5.36 (88)	4.11 (126)	4.03 (125)	3.49 (127)
Unadjusted	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>	Rating <i>Data</i>
Summary Ratings (Rank) >	4.68 (77)	4.59 (86)	4.81 (84)	5.42 (81)	4.15 (121)	2.82 (130)	2.85 (141)	2.67 (141)
1. Size of Government	4.90	3.48	4.07	5.00	3.85	3.21	2.91	2.66
A. Government consumption	5.56 21.10	4.52 24.65	4.84 23.56	5.42 21.57	3.65 27.60	4.63 24.25	3.72 27.36	2.98 29.87
B. Transfers and subsidies	7.03 11.40	7.41 10.00	8.45 6.20	8.57 5.73	7.75 8.77			
C. Government enterprises and investment	2.00 32.50	2.00 53.60	2.00	2.00	2.00 53.60	2.00	2.00	2.00
D. Top marginal tax rate	5.00	0.00	1.00	4.00	2.00	3.00	3.00	3.00
(i) Top marginal income tax rate	5.00 45	0.00 63	1.00 60	4.00 45	2.00 53	3.00 46	3.00 46	3.00 46
(ii) Top marginal income and payroll tax rates			1.00 60	4.00 45	2.00 53	3.00 46	3.00 46	3.00 46
2. Legal Structure and Security of Property Rights	2.97	3.05	3.99	5.53	5.02	3.12	3.68	3.61
A. Judicial independence				6.67	6.18	1.85	1.10	1.36
B. Impartial courts				7.25	7.35	2.56	2.14	2.14
C. Protection of property rights				4.77	3.23	3.99	1.44	1.89
D. Military interference				4.87	5.00	5.00	5.00	5.00
E. Integrity of the legal system				4.11	3.33	2.22	5.00	5.00
F. Legal enforcement of contracts							6.67	5.43
G. Regulatory restrictions of sale of real property							4.43	4.43
3. Access to Sound Money	6.30	6.24	5.61	4.92	2.89	0.00	0.00	0.00
A. Money growth	7.76 11.18	8.56 7.19	7.02 14.90	4.53 27.34	3.92 30.39	0.00 165.08	0.00 224.09	0.00 224.09
B. Standard deviation of inflation	8.75 3.13	7.68 5.80	8.38 4.05	7.28 6.81	2.64 18.39	0.00 162.95	0.00 140.78	0.00 375.68
C. Inflation: most recent year	8.69 6.57	8.70 6.49	7.05 14.75	7.86 10.70	0.00 55.86	0.00 282.38	0.00 302.12	0.00 1096.68
D. Freedom to own foreign currency	0.00	0.00	0.00	0.00	5.00	0.00	0.00	0.00
4. Freedom to Trade Internationally	4.95	4.69	5.59	6.40	3.66	3.66	2.81	2.73
A. Taxes on international trade	8.43	6.46	5.71	6.78	4.56	4.83	3.92	3.92
(i) Revenues from trade taxes (% of trade sector)	8.87 1.70	4.67 8.00	3.87 9.20	5.40 6.90	5.11 7.33	5.11 7.33	5.11 7.33	5.11 7.33
(ii) Mean tariff rate	8.00 10.00	8.26 8.70	7.98 10.10	8.16 9.20	5.72 21.40	6.82 15.90	6.66 16.70	6.66 16.70
(iii) Standard deviation of tariff rates			5.28 11.80		2.84 17.90	2.56 18.60	0.00 71.68	0.00 71.68
B. Regulatory trade barriers				3.68	5.86	3.94	3.18	3.03
(i) Non-tariff trade barriers				3.68	5.22	3.95	4.68	4.45
(ii) Compliance cost of importing and exporting					6.49	3.92	1.68	1.62
C. Size of trade sector	6.11	5.16	5.05	8.21	5.37	7.15	4.92	4.92
D. Black-market exchange rates	0.00	1.60	7.00	9.80	0.00	0.00	0.00	0.00
E. International capital market controls	2.00	2.00	2.00	3.53	2.50	2.38	2.00	1.75
(i) Foreign ownership/investment restrictions				5.06	5.00	4.76	4.00	3.51
(ii) Capital controls	2.00	2.00	2.00	2.00	0.00	0.00	0.00	0.00
5. Regulation of Credit, Labor and Business	4.28	5.49	4.78	5.27	5.36	4.11	4.84	4.35
A. Credit market regulations	4.45	4.65	5.55	5.81	6.01	4.68	5.33	5.60
(i) Ownership of banks	2.00	2.00	2.00	5.00	8.00	8.00	8.00	8.00
(ii) Foreign bank competition				4.75	6.77	6.77	9.00	9.00
(iii) Private sector credit	5.36	3.95	6.66	6.87	6.26	5.61	4.33	5.38
(iv) Interest rate controls/negative real int. rates	6.00	8.00	8.00	8.00	6.00	0.00	0.00	0.00
B. Labor market regulations			3.63	6.02	4.88	5.25	5.87	4.02
(i) Minimum wage				5.85	3.52	4.33	4.33	0.00
(ii) Hiring and firing regulations			3.42	3.42	1.57	2.02	2.59	2.57
(iii) Centralized collective bargaining			4.49	4.49	2.45	3.04	2.82	2.80
(iv) Mandated cost of hiring				6.35	6.85	6.85	8.18	8.78
(v) Mandated cost of dismissing							7.29	0.00
(vi) Conscription	1.00	10.00	3.00	10.00	10.00	10.00	10.00	10.00
C. Business regulations				3.98	5.18	2.40	3.31	3.44
(i) Price controls			2.00	4.00	4.00	0.00	0.00	0.00
(ii) Administrative requirements					5.10	2.38	1.99	2.12
(iii) Bureaucracy costs				4.30	7.05	1.79	3.37	4.00
(iv) Starting a business				3.68	5.68	2.31	3.42	6.52
(v) Extra payments/bribes				3.92	4.09	5.54	4.55	4.35
(vi) Licensing restrictions							2.27	0.00
(vii) Cost of tax compliance							7.58	7.13

Appendix 1: Explanatory Notes and Data Sources

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

A General government consumption spending as a percentage of total consumption

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

B Transfers and subsidies as a percentage of GDP

This component is measured as general government transfers and subsidies as a share of GDP. The rating for this component is equal to: $(V_{\max} - V_i) / (V_{\max} - V_{\min})$ multiplied by 10. The V_i is the country's ratio of transfers and subsidies to GDP, while the V_{\max} and V_{\min} values are set at 37.2 and 0.5, respectively. The 1990 data were used to derive the maximum and minimum values for this component. The formula will generate lower ratings for countries with larger transfer sectors. When the size of a country's transfer sector approaches that of the country with the largest transfer sector during the 1990 benchmark year, the rating of the country will approach zero. ♦ **Sources** International Monetary Fund, *Government Finance Statistics Yearbook* (various years); World Bank, *World Development Indicators* (various issues); International Monetary Fund, *International Financial Statistics* (various issues); Inter-American Development Bank, *Economic and Social Progress in Latin America*, 1994.

C Government enterprises and investment

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

issues); International Monetary Fund, *International Finance Statistics* (various issues); International Institute of Management Development (IMD), *World Competitiveness Yearbook* (2007); World Bank Policy Research Report, *Bureaucrats in Business* (1995); Rexford A. Ahene and Bernard S. Katz, eds., *Privatization and Investment in Sub-Saharan Africa* (1992); Manuel Sanchez and Rossana Corona, eds., *Privatization in Latin America* (1993); Iliya Harik and Denis J. Sullivan, eds., *Privatization and Liberalization in the Middle East* (1992); OECD, *Economic Surveys* (various issues); L. Bouten and M. Sumlinski, *Trends in Private Investment in Developing Countries: Statistics for 1970–1995*.

D Top marginal tax rate

i Top marginal income tax rate

Countries with higher marginal tax rates that take effect at lower income thresholds received lower ratings based on the matrix below. The 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). These figures include subnational rates if applicable.

ii Top marginal income and payroll tax rates

Countries with higher marginal income and payroll (wage) tax rates that take effect at lower income thresholds received lower ratings based on the matrix below. The 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). These figures include subnational rates if applicable.

Top Marginal Tax Rate	Income Threshold at Which the Top Marginal Rate Applies (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

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

Area 2 Legal Structure and Security of Property Rights

Note The ratings for Area 2 from 1970 to 1995 are the same as the Area V ratings from *Economic Freedom of the World: 2001 Annual Report*. The methodological details from that report are reproduced on page 186.

A Judicial independence

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

B Impartial courts

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

C Protection of property rights

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

D Military interference in rule of law and the political process

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

E Integrity of the legal system

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

F Legal enforcement of contracts

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

G Regulatory restrictions on the sale of real property

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

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

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

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

Area 3 Access to Sound Money

A Money growth

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

B Standard deviation of inflation

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

C Inflation: Most recent year

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

D Freedom to own foreign currency bank accounts

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

Area 4 Freedom to Trade Internationally

A Taxes on international trade

i Revenues from trade taxes (% of trade sector)

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

ii Mean tariff rate

This sub-component is based on the unweighted mean of tariff rates. The formula used to calculate the zero-to-10 rating for each country was: $(V_{\max} - V_i) / (V_{\max} - V_{\min})$ multiplied by 10. V_i represents the country's mean tariff rate. The values for V_{\min} and V_{\max} were set at 0% and 50%, respectively. This formula will allocate a rating of 10 to countries that do not impose tariffs. As the mean tariff rate increases, countries are assigned lower ratings. The rating will decline toward zero as the mean tariff rate approaches 50%. (Note that except for two or three extreme observations, all countries have mean tariff rates within this range from 0% to 50%.) ♦ **Sources** World Trade Organization/International Trade Centre/United Nations Conference on Trade and Development, *World Tariff Profiles 2006*; World Bank, *World Development Indicators* (various issues); Organisation for Economic Co-operation and Development, *Indicators of Tariff and Non-tariff Trade Barriers* (1996); World Bank *World Development Report 2000*; J. Michael Finger, Merlinda D. Ingco, and Ulrich Reincke, *Statistics on Tariff Concessions Given and Received* (1996); Judith M. Dean, Seema Desai, and James Riedel, *Trade Policy Reform in Developing Countries since 1985: A Review of the Evidence* (1994); GATT, *The Tokyo Round of Multilateral Trade Negotiations, Vol. II: Supplementary Report* (1979); UNCTAD, *Revitalizing Development, Growth and International Trade: Assessment and Policy Options* (1987); R. Erzan and K. Kuwahara, *The Profile of Protection in Developing Countries, UNCTAD Review* 1, 1 (1989): 29–49; 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 zero-to-10 ratings for this component was: $(V_{\max} - V_i) / (V_{\max} - V_{\min})$ multiplied by 10. V_i represents the standard deviation of the country's tariff rates. The values for V_{\min} and V_{\max} were set at 0% and 25%, respectively. This formula will allocate a rating of 10 to countries that impose a uniform tariff. As the standard deviation of tariff rates increases toward 25%, ratings decline toward zero. (Note that except for a few very extreme observations, the standard deviations of the tariff rates for the countries in our study fall within this 0% to 25% range.) ♦ **Sources** World Trade Organization/International Trade Centre/United Nations Conference on Trade and Development, *World Tariff Profiles 2006*, <<http://stat.wto.org/CountryProfile/WSDBCountryPFHome.aspx?Language=E>>; World Bank, *World Development Indicators* (various issues); Organisation for Economic Co-operation and Development, *Indicators of Tariff and Non-tariff Trade Barriers* (1996); Jang-Wha Lee and Phillip Swagel, *Trade Barriers and Trade Flows across Countries and Industries* (NBER Working Paper Series No. 4799, 1994); Inter-American Development Bank (data supplied to the authors).

B Regulatory Trade Barriers

i Non-tariff trade barriers

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

ii Compliance cost of importing and exporting

This sub-component is based on the World Bank's *Doing Business* data on the time (i.e., non money) cost of procedures required to export or import a full, 20-foot, container of dry goods that contains no hazardous or military items. Countries where it takes longer to export or import are given lower ratings. Zero-to-10 ratings were constructed for (1) the time cost to export a good (measured in number of calendar days required) and (2) the time cost to import a good (measured in number of calendar days required). These two ratings were then averaged to arrive at the final rating for this sub-component. The formula used to calculate the zero-to-10 ratings was: $(V_{\max} - V_i) / (V_{\max} - V_{\min})$ multiplied by 10. V_i represents the time cost value. The values for V_{\max} and V_{\min} were set at 62 and 80 days (1.5 standard deviations above average) and 2 days (1.5 standard deviations below average) and 0 days, respectively. Countries with values outside of the V_{\max} and V_{\min} range received ratings of either zero or ten, accordingly. ♦ **Note** In previous years, this component was based on the following survey question from the World Economic Forum's *Global Competitiveness Report*: "Costs of importing—the combined effect of import tariffs, license fees, bank fees, and the time required for administrative red-tape raises costs of importing equipment (by 10% or less = score of 10; by more than 50% = score of 0)." ♦ **Source** World Bank, *Doing Business* (various issues), <<http://www.doingbusiness.org/>>.

C Size of the trade sector relative to expected

Regression analysis was used to derive an expected size of the trade sector based on the population and geographic size of the country and its location relative to the concentration of world GDP. The actual size of the trade sector was then compared with the expected size for the country. If the actual size of the trade sector is greater than expected, this figure will be positive. If it is less than expected, the number will be negative. The percent change of the negative numbers was adjusted to make it symmetrical with the percent change of the positive numbers. The following formula was used to place the figures on a zero-to-10 scale: $(V_i - V_{\min}) / (V_{\max} - V_{\min})$ multiplied by 10. V_i is the country's actual value for the component. V_{\max} and V_{\min} were set at 100% and minus 50%, respectively. (Note that minus 50% is symmetrical with positive 100%.) This procedure allocates higher ratings to countries with large trade sectors compared to what would be expected, given their population, geographic size, and location. On the other hand, countries with small trade sectors relative to the expected size receive lower ratings. A short paper providing additional details is available on the website: <<http://www.freetheworld.com/2004/TradeSectorMethodology.pdf>>. ♦ **Sources** World Bank, *World Development Indicators* (various issues); International Monetary Fund, *International Financial Statistics* (various issues); Central Intelligence Agency, *1997 World Factbook*.

D Black-market exchange rates

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

Currency (various issues), <<http://www.mriguide.com/>>; World Bank, *World Development Indicators* (various issues); Currency Data and Intelligence, Inc., *World Currency Yearbook* (various issues of the yearbook and the monthly report supplement); International Monetary Fund, *International Financial Statistics* (various issues).

E International capital market controls

i Foreign ownership / investment restrictions

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

ii Capital controls

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

Area 5 Regulation of Credit, Labor, and Business

A Credit market regulations

i Ownership of banks

Data on the percentage of bank deposits held in privately owned banks were used to construct rating intervals. Countries with larger shares of privately held deposits received higher ratings. When privately held deposits totaled between 95% and 100%, countries were given a rating of 10. When private deposits constituted between 75% and 95% of the total, a rating of 8 was assigned. When private deposits were between 40% and 75% of the total, the rating was 5. When private deposits totaled between 10% and 40%, countries received a rating of 2. A zero rating was assigned when private deposits were 10% or less of the total. ♦ **Sources** James R. Barth, Gerard Caprio, Jr. and Ross Levine, *Bank Regulation and Supervision* (various years), <<http://econ.worldbank.org/external/default/main?menuPK=64166093&pagePK=64165259&piPK=64165421&theSitePK=469382&repNo=WPS2588>>; James R. Barth, Gerard Caprio, and Ross Levine, *Rethinking Bank Regulation: Till Angels Govern* (2006); Euromoney Publications, *The Telrate Bank Register* (various editions); World Bank, *Adjustment in Africa: Reforms, Results, and the Road Ahead* (1994); Price Waterhouse, *Doing Business In ...* publication series; H.T. Patrick and Y.C. Park, eds., *The Financial Development of Japan, Korea, and Taiwan: Growth, Repression, and Liberalization* (1994); D.C. Cole and B.F. Slade, *Building a Modern Financial System: The Indonesian Experience* (1996); information supplied by member institutes of the Economic Freedom Network.

ii Foreign bank competition

Beginning with *Economic Freedom of the World: 2004 Annual Report*, data on the denial rate of foreign bank license applications and on foreign bank assets were used to update most countries' data. If a country approved all or most foreign bank applications and if foreign banks had a large share of the banking sector assets, then the country received a higher rating according to the matrix below.

		Foreign Bank License Denial Rate (Denials/Applications)		
		0%	0%–49%	50%–100%
Foreign bank assets as a share of total banking sector assets	80%–100%	10	8	5
	40%–79%	9	7	4
	0%–39%	8	6	3

In earlier years this component was based on a survey question, which has since been discontinued, from the World Economic Forum's *Global Competitiveness Report*. ♦ **Source** James R. Barth, Gerard Caprio, Jr., and Ross Levine, *Bank Regulation and Supervision* (various years), <<http://econ.worldbank.org/external/default/main?menuPK=64166093&pagePK=64165259&piPK=64165421&theSitePK=469382&repNo=WPS2588>>; World Economic Forum, *Global Competitiveness Report* (2001).

iii Private sector credit

This sub-component is based on the percentage of domestic credit consumed by the private sector. For this component, higher values are indicative of greater economic freedom. Thus, the formula used to derive the country ratings for this sub-component was $(V_i - V_{\min}) / (V_{\max} - V_{\min})$ multiplied by 10. V_i is the share of the country's total domestic credit allocated to the private sector and the values for V_{\max} and V_{\min} are set at 99.9% and 10.0%, respectively. The 1990 data were used to derive the maximum and minimum values for this component. The formula allocates higher ratings as the share of credit extended to the private-sector increases. 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%). ♦ **Source** International Monetary Fund, *International Financial Statistics* (various issues).

iv Interest rate controls / negative real interest rates

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

B Labor market regulations

i Minimum wage

This sub-component is based on the World Bank's *Doing Business* data for the ratio of mandated minimum wage to the average value added per worker, an unpublished component that is part of the "Difficulty of Hiring Index." Countries with higher mandated minimum wages relative to average value added per worker are given lower ratings. The formula used to calculate the zero-to-10 ratings for this sub-component was: $(V_{\max} - V_i) / (V_{\max} - V_{\min})$ multiplied by 10. V_i represents the ratio between minimum wage and average value added per worker. The values for V_{\max} and V_{\min} were set at 79% (1.5 standard deviations above average) and 0, respectively. Countries where the minimum wage was more than 79% of the average value added per worker were given a rating of zero. Countries with values outside of the V_{\max} and V_{\min} range received ratings of either zero or 10, accordingly. ♦ **Note** In earlier reports, this component was based on two survey responses obtained from the World Economic Forum's *Global Competitiveness Report* (various issues). The first question asked about the overall "impact of the minimum wage." The second question 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 Bank, *Doing Business* (various issues), <<http://www.doingbusiness.org/>>.

ii Hiring and firing regulations

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

iii Centralized collective bargaining

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

iv Mandated cost of hiring

This sub-component is based on the World Bank's *Doing Business* data on the cost of all social security and payroll taxes and the cost of other mandated benefits including those for retirement, sickness, health care, maternity leave, family allowance, and paid vacations and holidays associated with hiring an employee. The

formula used to calculate the zero-to-10 ratings was: $(V_{\max} - V_i) / (V_{\max} - V_{\min})$ multiplied by 10. V_i represents the hiring cost (measured as a percentage of salary). The values for V_{\max} and V_{\min} were set at 33% (1.5 standard deviations above average) and 0%, respectively. Countries with values outside of the V_{\max} and V_{\min} range received ratings of either zero or 10, accordingly. ♦ **Source** World Bank, *Doing Business* (various issues), <<http://www.doingbusiness.org/>>.

v Mandated cost of worker dismissal

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

vi Conscription

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

C Business Regulations

i Price controls

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

ii Administrative requirements

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

iii Bureaucracy costs

This sub-component is based on the *Global Competitiveness Report's* question: "Standards on product/service quality, energy and other regulations (outside environmental regulations) in your country are: (1 = Lax or non-existent, 7 = among the world's most stringent)." This question replaces the question: "How much time does your firm's senior management spend dealing/negotiating with government officials? (as a percentage of work time)," which was dropped from the *Global Competitiveness Report*. ♦ **Source** World Economic Forum, *Global Competitiveness Report* (various issues), <<http://www.weforum.org/en/initiatives/gcp/index.htm>>.

iv Starting a business

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

v Extra payments/bribes

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

vi Licensing restrictions

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

vii Cost of tax compliance

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

Appendix 2: Selected Publications Using Ratings from *Economic Freedom of the World*

The following are some of the publications that have used the economic freedom ratings from *Economic Freedom of the World*. In most cases, a brief abstract of the article is provided. Those interested in doing further research using the Economic Freedom index are invited to retrieve the data set from the website of the Economic Freedom Network, <<http://www.freetheworld.com>>. The most up-to-date information on articles using the index of *Economic Freedom of the World* can be found at <<http://www.freetheworld.com/papers.html>>.

Adkins, Lee C., Ronald L. Moomaw, and Andreas Savvides (2002). Institutions, Freedom, and Technical Efficiency. *Southern Economic Journal* 69 (July): 92–108.

The authors conclude that increases in economic freedom are associated with improved economic performance in that increases in economic freedom move countries closer to the production frontier.

Ali, Abdiweli M. (1997). Economic Freedom, Democracy and Growth. *Journal of Private Enterprise* 13 (Fall): 1–20.

“This paper takes advantage of newly constructed measures of economic freedom to show the importance of economic freedom on growth. I find that economic freedom is a more robust determinant of growth than political freedom and civil liberty.”

Ali, Abdiweli M. (2003). Institutional Differences as Sources of Growth Differences. *Atlantic Economic Journal* 31, 4 (December): 348–62.

“Until very recently most of the studies investigating the determinants of growth fail to incorporate the importance of institutions into their empirical analysis. This paper highlights the importance of institutions on growth and development, and evaluates the empirical results on the effect of institutions on growth and investment. It provides ample evidence that the institutional environment in which an economic activity takes place is an important determinant of economic growth. This paper uses alternative measures of institutional quality to capture the role of institutions in explaining growth differences across countries. When these institutional variables are incorporated into the core regression equations as additional explanatory variables in two different sample periods; both samples yield similar results. The empirical results reveal that countries with high levels of economic growth are characterized by high levels of economic freedom and judicial efficiency; low levels of corruption, effective bureaucracy and protected private property.”

Ali, Abdiweli M., and W. Mark Crain (2002). Institutional Distortions, Economic Freedom, and Growth. *Cato Journal* 21, 3 (Winter): 415–26.

This paper examines the robustness of economic freedom as a predictor of growth and investment compared to political rights and civil liberties. It also examines the relation between economic freedom and input-price distortions and institutional quality.

Ali, Abdiweli M., and Hodan Said Isse (2003). Determinants of Economic Corruption: A Cross Country Comparison. *Cato Journal* 22, 3 (Winter): 449–66.

In this paper, the authors looked at what factors determine the level of corruption across nations. They used education, judicial efficiency, the size of government, political and economic freedom, foreign aid, ethnicity, and the type of the political regime to explain cross-country differences in corruption. They concluded that “[c]orruption

is found to be negatively and significantly correlated with the level of education, judicial efficiency, and economic freedom. It is positively and significantly correlated with foreign aid and the size of government” (p. 461).

Ayal, Eliezer B., and Karras Georgios (1998). Components of Economic Freedom and Growth: An Empirical Study. *Journal of Developing Areas* 32 (Spring): 327–38.

The paper uses regression analysis to examine the effect of the components of economic freedom on growth, output and investment and finds that “economic freedom enhances growth both via increasing total factor productivity and via enhancing capital accumulation.” It also identifies components that have the highest statistical effects on these variables, with the aim of informing policy makers.

Bengoa, Marta, and Blanca Sanchez-Robles (2003). Foreign Direct Investment, Economic Freedom and Growth: New Evidence from Latin America. *European Journal of Political Economy* 19, 3: 529–45.

“This paper explores the interplay between economic freedom, foreign direct investment (FDI) and economic growth using panel data analysis for a sample of 18 Latin American countries for 1970–1999. We find that economic freedom in the host country is a positive determinant of FDI inflows. Our results also suggest that foreign direct investment is positively correlated with economic growth in the host countries. The host country requires, however, adequate human capital, economic stability and liberalized markets to benefit from long-term capital flows.”

Berggren, Niclas (1999). Economic Freedom and Equality: Friends or Foes? *Public Choice* 100, 3/4 (September): 203–23.

This paper describes a theoretical model of the relationship between economic freedom and income distribution, and investigates empirical results. The results indicate that “sustained and gradual increases in economic freedom influence equality measures positively ... [but] the absolute level of economic freedom appears to be negatively related to equality in some cases.”

Berggren, Niclas, and Henrik Jordahl (2005). Does Free Trade Really Reduce Growth? Further Testing Using the Economic Freedom Index. *Public Choice* 22, 1–2: 99–114.

“While studies of the relationship between economic freedom and economic growth have shown it to be positive, significant and robust, it has rightly been argued that different areas of economic freedom may have quite different effects on growth. Along that line, Carlsson and Lundström (2002) present the surprising result that ‘International exchange: Freedom to trade with foreigners’ is detrimental for growth. We find that ‘Taxes on international trade’ seems to drive this result. However, using newer data and a more extensive sensitivity analysis, we find that it is not robust. Least Trimmed Squares-based estimation in fact renders the coefficient positive.”

Berggren, Niclas and Jordahl, Henrik (2006). Free to Trust: Economic Freedom and Social Capital. *Kyklos* 59 (May): 141–69.

“We present new evidence on how generalized trust is formed. Unlike previous studies, we look at the explanatory power of economic institutions, use newer data, incorporate more countries, and use instrumental variables in an attempt to handle the causality problem. A central result is that legal structure and security of property rights (area 2 of the Economic Freedom Index) increase trust. The idea is that a market economy, building on voluntary transactions and interactions with both friends and strangers within the predictability provided by the rule of law, entails both incentives and mechanisms for trust to emerge between people.”

Boockmann, Bernhard, and Axel Dreher (2003). The Contribution of the IMF and the World Bank to Economic Freedom. *European Journal of Political Economy* 19, 3: 633–49.

“We analyse the effect of IMF and World Bank policies on the composite index of economic freedom by Gwartney et al. (2000) as well as its sub-indexes, using a panel of 85 countries observed between 1970 and 1997. With respect to the Bank, we find that the number of projects has a positive impact on overall economic freedom, while the effect of the amount of World Bank credits appears to be negative. These effects are stronger during the 1990s than in earlier periods. There is no clear relationship between credits and programmes of the IMF and economic freedom as measured by the index.”

Carlsson, F., and S. Lundstrom (2002). Economic Freedom and Growth: Decomposing the Effects. *Public Choice* 112, 3–4 (September): 335–44.

“Most studies of the relation between economic freedom and growth of GDP have found a positive relation. In this paper we investigate what specific types of economic freedom measures that are important for growth. The results show that economic freedom does matter for growth. This does not mean that increasing economic freedom, defined in general terms, is good for economic growth since some of the categories in the index are insignificant and some of the significant variables have negative effects.”

Chafuen, Alejandro (1998). Estado y Corrupción. In Alejandro Chafuen and Eugenio Guzmán, *Corrupción y Gobierno* (Santiago, Chile: Fundación Libertad y Desarrollo): 45–98.

Finds that corruption is negatively related to economic freedom.

Cole, Julio H. (2003). The Contribution of Economic Freedom to World Economic Growth, 1980–99. *Cato Journal* 23, 2 (Fall): 189–98.

“The purpose of this study is not to compare different theories of economic growth, but to evaluate the impact of economic freedom on economic growth under alternative theoretical frameworks. The particular measure of economic freedom employed –the EFW index–was found to be quite robust and with respect to major changes in the model specifications. We conclude that economic freedom is significant factor in economic growth, regardless of the basic theoretical framework.”

Dawson, John W. (1998). Institutions, Investment, and Growth: New Cross-Country and Panel Data Evidence. *Economic Inquiry* 36 (October): 603–19.

“This paper outlines the alternative channels through which institutions affect growth, and studies the empirical relationship between institutions, investment, and growth. The empirical results indicate that (i) free-market institutions have a positive effect on growth; (ii) economic freedom affects growth through both a direct effect on total factor productivity and an indirect effect on investment; (iii) political and civil liberties may stimulate investment; (iv) an important interaction exists between freedom and human capital investment; (v) Milton Friedman’s conjectures on the relation between political and economic freedom are correct; (vi) promoting economic freedom is an effective policy toward facilitating growth and other types of freedom.”

De Haan, Jakob, and Jan-Egbert Sturm (2000). On the Relationship between Economic Freedom and Economic Growth. *European Journal of Political Economy* 16: 215–41.

“It is often maintained that economic freedom underlies high levels of economic growth. This paper compares various indicators for economic freedom. We conclude that, although these measures differ somewhat in their coverage, they show similar rankings for the countries covered. Some elements in these measures are, however, questionable. Our main conclusion is that greater economic freedom fosters economic growth. The level of economic freedom is, however, not related to growth.”

De Haan, Jakob, and Jan-Egbert Sturm (2003). Does More Democracy Lead to Greater Economic Freedom? New Evidence for Developing Countries. *European Journal of Political Economy* 19, 3 (September): 547–63.

“This paper examines the relationship between economic and political freedom, focusing on developing countries. We conclude that increases in economic freedom between 1975 and 1990 are to some extent caused by the level of political freedom. This result shows up for all measures of political freedom that we employ.”

de Vanssay, Xavier, Vincent Hildebrand, and Zane A. Spindler (2005). Constitutional Foundations of Economic Freedom: A Time-Series Cross-Section Analysis. *Constitutional Political Economy* 16, 4 (December): 327–46.

“Using time-series cross-section analysis, we provide additional empirical validation for the principal-agent model developed by Adserà et al. (2003). In our innovation, efficient economic policy is proxied by ‘economic freedom’ from the Fraser Institute database and constitutional ‘political institutions’ are proxied by variables

from the Database of Political Institutions. Our results suggest that the more credible the threat of removal from office, the more government officials will pursue efficient economic policies.”

DiRienzo, Cassandra E., Das Jayoti, Kathryn T. Cort, and John Burbridge, Jr. (2007). Corruption and the Role of Information. *Journal of International Business Studies* 38: 320–32.

“The purpose of this research is to investigate whether access to information can affect the level of corruption within a country, while controlling for several variables to prevent model mis-specification. The major empirical finding of this research shows that greater access to information significantly lowers corruption levels across nations. This is an important finding, as bridging the digital disparity across countries can serve to lessen national corruption levels and improve the conduct of international business by lowering global transaction costs. This study also affirms previous research that countries that have lower levels of masculinity and high levels of economic development and freedom exhibit lower corruption levels.”

Doucouliaqos, Chris, and Mehmet Ali Ulubasoglu (2006). Economic Freedom and Economic Growth: Does Specification Make a Difference? *European Journal of Political Economy* 22, 1: 60–81.

The study analyzes the literature on the impact of economic freedom on economic growth. The authors analyzed the results of 45 different studies published over the last decade and concluded that “regardless of the sample of countries, the measure of economic freedom and the level of aggregation, there is a solid finding of a direct positive association between economic freedom and growth” (p. 19). Furthermore, they noted that studies of economic growth that fail to include a measure of economic freedom in their analysis will produce biased results. The authors also highlight the importance of including a measure of physical investment when estimating the impact of economic freedom on economic growth. They found that the exclusion of a measure of investment in physical capital increases the estimated effect economic freedom has on economic growth.

Dreher, Axel, and Sarah M. Rupprecht (2007). IMF Programs and Reforms—Inhibition or Encouragement? *Economics Letters* 95, 3 (June): 320–26.

“We analyze the impact of International Monetary Fund (IMF) programs on market-oriented reforms [as measured by economic freedom]. Employing panel data for 116 countries over the period 1970–2000 we find that the net effect of IMF programs on reforms is negative.”

Easton, Steven T., and Michael A. Walker (1997). Income, Growth, and Economic Freedom. *American Economic Review* 87, 2 (May): 328–32.

This paper finds that economic freedom is an important explanatory variable for steady-state levels of income. The addition of a variable for economic freedom is also shown to increase the explanatory power of a neo-classical growth model. ♦ *Economic Freedom of the World: 1975–1995* is the main data source for institutional variables.

Esposito, Alfredo, and Peter Zaleski (1999). Economic Freedom and the Quality of Life. *Constitutional Political Economy* 10: 185–97.

“Previous empirical research on the social and economic impact of freedom has tended to focus on the link between freedom and economic growth rates. Only a few studies have looked at freedom’s effect on the quality of life, and these generally focused on the effect of political freedom. Here, we attempt to bridge this gap by analyzing the effect of economic freedom on the quality of life. Taking advantage of newly developed measures of economic freedom, we analyze the impact of economic freedom on life expectancy and literacy rates. We find that greater economic freedom enhances the quality of life both across nations and increases the improvements in the quality of life over time.”

Farr, W. Ken, Richard A. Lord, and J. Larry Wolfenbarger (1998). Economic Freedom, Political Freedom and Economic Well-Being: A Causality Analysis. *Cato Journal* 18, 2 (Fall): 247–62.

The paper uses Granger causality analysis to demonstrate that economic freedom “causes” economic well-being and economic well-being “causes” economic freedom. Additionally, the authors argue that economic well-being

causes political freedom but that there is no causation flowing from political freedom to economic well-being. The paper also finds no evidence of a causal relationship in either direction between economic freedom and political freedom. Indirectly economic freedom causes political freedom through its effect on economic well-being. ♦ *Economic Freedom of the World: 1975–1995* and the Freedom House index of political rights and civil liberties are the main data sources for institutional variables.

Feldmann, Horst (2007). Economic Freedom and Unemployment around the World. *Southern Economic Journal* 74, 1: 158–76.

“Using data from 87 countries and the years 1980–2003, this paper empirically analyzes whether and to what extent economic freedom affects unemployment. According to the regression results, economic freedom is likely to substantially reduce unemployment, especially among women and young people. A small government sector and a legal system characterized by an independent judiciary, impartial courts, and an effective protection of property rights most clearly seem to have beneficial effects. In addition, there are indications that freedom to trade across national boundaries and a light regulatory burden may also lower unemployment, though apparently in the long term only.”

Graeff, P., and G. Mehlkop (2003). The Impact of Economic Freedom on Corruption: Different Patterns for Rich and Poor Countries. *European Journal of Political Economy* 19, 3 (September): 605–20.

“This paper investigates the impact of various components of economic freedom on corruption. Some aspects of economic freedom appear to deter corruption while others do not. We identify a stable pattern of aspects of economic freedom influencing corruption that differs depending on whether countries are rich or poor. This implies that there is a strong relation between economic freedom and corruption. This relation depends on a country’s level of development. Contrary to expectations, we find that some types of regulation reduce corruption.”

Green, Sam, Andrew Melnyk, and Dennis Powers (2002). Is Economic Freedom Necessary for Technology Diffusion? *Applied Economics Letters* 9, 14 (November): 907–10 .

“Benhabib and Spiegel (1996) argue that human capital increases technological diffusion and, as a result, has a positive effect on economic growth. When human capital is accounted for in this way they find that other institutional variables do not affect growth. Their findings are re-examined by considering the effects of economic freedom on technology spillovers, hence on growth, and it is found that the greater the economic freedom in a country, the greater the amount of technological diffusion. More generally, this research suggests that institutional variables which are captured by economic freedom do indeed have an impact on growth, but only through technological diffusion. However, after accounting for the effects of economic freedom on technological diffusion, there is only weak evidence that human capital has a positive effect on technological diffusion.”

Grubel, Herbert G. (1998). Economic Freedom and Human Welfare: Some Empirical Findings. *Cato Journal* 18, 2 (Fall): 287–304.

The paper compares economic freedom to income, growth, unemployment in the OECD, the UN Human Development Index, life expectancy, literacy, poverty, and income distribution. It finds that “economic freedom does not have a cost in terms of income levels, income growth, unemployment rates, and human development.”

Gwartney, D. James, Randall G. Holcombe, and Robert A. Lawson (2006). Institutions and the Impact of Investment on Growth. *Kyklos* 59, 2: 255–73.

This paper investigates the effects of institutions on economic growth through the impact of economic institutions on both the levels and productivity of investment. That is, the authors looked at both the indirect and direct effects of economic freedom on economic growth. They found, using data for 94 countries from 1980 to 2000, that countries that have high-quality institutions, as measured by The Fraser Institute’s report, *Economic Freedom of the World*, have not only higher levels of private investment, but also higher productivity with that

investment. Specifically, it was found that the productivity of private investment, measured as the impact of investment on growth, was 74% greater in countries with high-quality institutions. In addition, the authors found that a one-unit increase in institutional quality, i.e., economic freedom, increases the long-term economic growth by about 1.5 percentage points when both direct and indirect effects are included, compared to 1.0 percentage point when only the direct affect of institutions are included.

Gwartney, James, Robert Lawson, and Randall Holcombe (1999). Economic Freedom and the Environment for Economic Growth. *Journal of Institutional and Theoretical Economics* 155, 4: 1–21.

This study examines the relationship between economic freedom and economic growth. The authors find that economic freedom is a “significant determinant of economic growth, even when human and physical capital, and demographics are taken into account.” The authors also test for causality. They find that increases in economic freedom lead to higher economic growth but not that higher economic growth leads to higher economic freedom.

Hanke, Steve H., and Stephen J.K. Walters (1997). Economic Freedom, Prosperity, and Equality: A Survey. *Cato Journal* 17, 2 (Fall): 117–46.

The article compares several institutional indexes for content and explanatory power: Gerald Scully’s studies, The Fraser Institute’s *Economic Freedom of the World*, Freedom House’s *Economic Freedom Indicators*, The Heritage Foundation’s *Indices of Economic Freedom*, The International Institute for Management Development’s *World Competitiveness Yearbook 1996* and The World Forum’s *Global Competitiveness Report 1996*. Compares liberty and prosperity, equality and foreign policy implications. They find that economic freedom is positively correlated with GNP per capita.

International Monetary Fund (2005). *World Economic Outlook: Building Institutions*. Washington, DC: International Monetary Fund.

The book uses *Economic Freedom of the World: 2004 Annual Report* as the key measure of good institutions.

Johnson, James P., and Tomasz Lenartowicz (1998). Culture, Freedom and Economic Growth: Do Cultural Values Explain Economic Growth? *Journal of World Business* 33, 4: 332–56.

The paper discusses which cultural values are associated with economic freedom, drawing on two international quantitative cultural indexes.

Knack, Stephen, and Jac Heckelman (2005). *Foreign Aid and Market-Liberalizing Reform*. World Bank Policy Research Working Paper 3557 (April). Washington, DC: World Bank.

Market-oriented economic policies—reflected in limited economic activity by government, protection of private property rights, a sound monetary policy, outward orientation regarding trade and efficient tax and regulatory policy—have been strongly linked to faster rates of economic growth. Foreign aid is often provided in the belief that it encourages liberalizing reforms in these areas. This paper analyzes the impact of aid on market-liberalizing policy reform, correcting for the possible endogeneity of aid. Results indicate that higher aid slowed reform over the period from 1980 to 2000, as measured by a broad index of policies. Disaggregating policy into five areas, aid is significantly linked to slower reform in some policy areas but not in others. Disaggregating by decade, aid’s adverse impact on policy reform is much more pronounced for the 1980s than for the 1990s. The *Economic Freedom of the World: 2004 Annual Report* as the key measure of market oriented policies.

Ludovic, Comeau (2003). The Political Economy of Growth in Latin America and East Asia: Some Empirical Evidence. *Contemporary Economic Policy* 21, 4 (October): 476–89.

“This article examines the historical records of poor economic performance of Latin America compared to East Asia’s relative success in the 1970s and 1980s. This study shows that the respective sociopolitical and institutional environment of the two regions was also an important factor contributing to their economic outcomes. Using data for selected countries in both regions, the results confirm the hypothesis of a negative direct (efficiency)

effect of sociopolitical instability on growth, with an additional indirect (accumulation) effect through investment, irrespective of a country's location. Policies adopted by governments, particularly to control inflation and foreign indebtedness and to enhance economic freedom and human capital accumulation, appear crucial for stability. Such policies influenced economic performance through both the direct and the indirect channels."

Mahoney, P.G. (2001). The Common Law and Economic Growth: Hayek Might Be Right. *Journal of Legal Studies* 30 (June): 503–25.

"Recent finance scholarship finds that countries with legal systems based on the common law have more developed financial markets than civil-law countries. The present paper argues that finance is not the sole, or principal, channel through which legal origin affects growth. Instead, following Hayek, I focus on the common law's association with limited government. I present evidence that common-law countries experienced faster economic growth than civil-law countries during the period 1960–92 and then present instrumental variables results that suggest that the common law produces faster growth through greater security of property and contract rights."

Mbaku, John Mukum (1998). Constitutional Engineering and the Transition to Democracy in Post-Cold War Africa. *The Independent Review* 2, 4 (Spring): 501–17.

Discusses the constitutional guarantees necessary to secure economic freedom and why such guarantees are important. Focuses on Africa.

Mbaku, John Mukum, ed. (1999). *Preparing Africa for the Twenty-First Century: Strategies for Peaceful Coexistence and Sustainable Development*. Aldershot, UK and Brookfield, VT: Ashgate.

Chapter 6, "A Balance Sheet of Structural Adjustment in Africa: Towards a Sustainable Development Agenda" (John Mukum Mbaku) and chapter 12, "Making the State Relevant to African Societies" (John Mukum Mbaku) emphasize the constitutional guarantee of economic freedoms as the single most important way both to generate the wealth that Africans need to meet the challenges of the new century and to deal more effectively with the continent's colossal debt.

Nelson, Michael A., and Ram D. Singh, (1998). Democracy, Economic Freedom, Fiscal Policy and Growth in LDCs: A Fresh Look. *Economic Development and Cultural Change* 46, 4 (July): 677–96.

The study examines the effect of democracy on economic growth after controlling for a number of variables for the size of government and institutions and finds that it is not the redistributive policies of democratic governments that hinder development in developing countries but the lack of economic freedom.

Norton, Seth W. (1998). Poverty, Property Rights, and Human Well-Being: A Cross-National Study. *Cato Journal* 18, 2 (Fall): 233–45.

The paper compares property rights to indicators of development and determines that the "well-being of the world's poorest inhabitants [is] sensitive to the cross-national specification of property rights." The paper shows that well-specified property rights enhance the well-being of the world's most impoverished.

Norton, Seth W. (1998). Property Rights, the Environment, and Economic Well-Being. In Peter J. Hill and Roger E. Meiners (eds.), *Who Owns the Environment* (Rowman & Littlefield): 37–54.

Investigates whether countries with better property rights have better performance on environmental measures.

Norton, Seth W. (2003). Economic Institutions and Human Well-Being: A Cross-National Analysis. *Eastern Economic Journal* 29, 1 (Winter): 23–40.

"Economic institutions are widely thought to be important in enhancing human well-being. Other scholars emphasize geography in determining economic deprivation and development. This paper examines both types of factors and finds that property rights and economic freedom substantially reduce poverty and enhance economic development."

Ovaska, Tomi, and Ryo Takashima (2006). Economic Policy and the Level of Self-perceived Well-being: An International Comparison. *Journal of Socio-Economics* 35: 308–25.

This study examines whether economic policies and their outcomes have an effect on people's self-perceived level of well-being. The authors used two different measures of well being, happiness and life satisfaction, both of which come from survey database managed by the Erasmus University in The Netherlands. Using data for 68 countries during the 1990s, Ovaska and Takashima found that economic freedom, as measured by The Fraser Institute, and health, as measured by life expectancy, have consistently turned out to be statistically significant in determining people's level of well-being. That is, both longer life expectancy and the freedom to make choices that are consistent with personal preferences increases one's self-perceived level of well being and happiness.

Paldam, Martin (2003). Economic Freedom and the Success of the Asian Tigers. An Essay on Controversy. *European Journal of Political Economy* 19, 3 (September): 453–77.

“The term ‘tigers’ refers to a group of four to five East Asian countries that joined the rich Western countries after less than 50 years of ‘miraculous’ growth. Controversies surround the attempt to explain how the successes were achieved. This paper surveys the discussion and uses the index published in *Economic Freedom of the World* to address the main controversy, which is the role of the state in the rapid growth that took place. After a discussion of likely biases, the data are considered. Three of the five countries have a level of regulation much like other rich countries while two have been as close to *laissez faire* as any country in the world. All are much more ‘market-friendly’ than the LDCs that they left behind. The extent of *laissez faire* can, however, be only one aspect of the miracle.”

Park, Walter G., and Juan Carlos Ginarte (1997). Intellectual Property Rights and Economic Growth. *Contemporary Economic Policy* 15 (July): 51–61.

The authors have compiled an index of intellectual property rights (IPRs), and examine its effects on growth and the factors of production (investment, schooling, and R&D). “The paper finds that IPRs affect economic growth indirectly by stimulating the accumulation of factor inputs like R&D and physical capital.”

Scully, G.W. (2002). Economic Freedom, Government Policy and the Trade-Off between Equity and Economic Growth. *Public Choice* 113, 1–2 (October): 77–96.

“This study investigates the role that economic freedom plays in economic growth and in the distribution of market income, the role of government policy in advancing economic progress and in promoting income equality, and the effect that the rate of economic progress has on the distribution of market income. Structural and reduced form models are estimated that reveal that economic freedom promotes both economic growth and equity, and that there is a positive but relatively small trade-off between growth and income inequality.”

Spindler, Z. A., and X. de Vanssay (2002). Constitutions and Economic Freedom: An International Comparison. *South African Journal of Economics* 70, 6 (September): 1135–47.

“The effects of *de jure* constitution enumerations and the number of *de facto* veto players in a polity on economic freedom are empirically explored with the result that only a few constitutional characteristics, such as a bicameral legislature, religious freedom and the *de facto* veto players, seem to matter.”

Stocker, L. Marshall (2005). Equity Returns and Economic Freedom. *Cato Journal* 25, 3 (Fall): 583–94.

“This article views existing research on economic freedom and investigates the relationship between equity returns and economic freedom. Results show that cross-country equity returns are directly related to increases in economic freedom. For investors seeking superior investment returns, countries likely to experience an increase in economic freedom should be selected for investment.”

Stroup, D. Michael (2007). Economic Freedom, Democracy, and the Quality of Life. *World Development* 35, 1, 52–66.

“Many empirical studies indicate that economic freedom in society is positively correlated with prosperity and growth, while democracy exhibits mixed correlations. However, these studies do not control for the possible interaction of these two types of freedoms or their respective influences on social welfare. This empirical analysis examines the interaction of economic freedom and democracy on measures of health, education, and disease

prevention in society. The results imply that greater economic freedom consistently enhances these welfare measures, even among more democratic countries. Democracy has a smaller positive influence that disappears for many welfare measures in countries with more economic freedoms.”

Sturm, J.E., and J. De Haan (2001). How Robust Is the Relationship between Economic Freedom and Economic Growth? *Applied Economics* 33, 7 (June): 839–44.

“Using various indicators for economic freedom, it is shown that increases in economic freedom are robustly related to economic growth. This conclusion holds even if the impact of outlying observations is taken into account. The level of economic freedom is not related to growth.”

Thompson, G. Herbert, Jr., and Christopher Garbacz (2007). Mobile, Fixed Line and Internet Service Effects on Global Productive Efficiency. *Information Economics and Policy* 19: 189–214.

“Since the pioneering work of Hardy [Hardy, Andrew P. (1980). *The Role of the Telephone in Economic Development. Telecommunications Policy* (December): 278–86.], Saunders et al. [Saunders, R.J., J.J. Warford, and B. Wellenius (1983). *Telecommunications and Economic Development*. World Bank; Johns Hopkins University Press.] and Leff [Leff, N.H. (1984). Externalities, Information Costs, and Social Benefit-Cost Analysis for Economic Development: An Example from Telecommunications. *Economic Development and Cultural Change* 32: 255–76.], researchers have strived to measure the link between communication technologies and economic development. Waverman in his current [Waverman, L., M. Meschi, and M. Fuss (2005). *The Impact of Telecoms on Economic Growth in Developing Countries*. In *Africa: The Impact of Mobile Phones*, Vodafone Policy Paper Series No. 2 (March): 10–24.] and past [Roller, L., and L. Waverman (2001). Telecommunications Infrastructure and Economic Development: A Simultaneous Approach. *American Economic Review* 74: 909–23.] efforts has demonstrated the positive link between telecommunications infrastructure investments and economic growth. Jorgenson and Vu [Jorgenson, D., and K. Vu (2005). Information Technology and the World Economy. *Scandinavian Journal of Economics* 12: 631–50] explore a similar link.

Our approach focuses explicitly on information networks and the effect they have on business transactions costs, information dissemination and organizational efficiency. Using a stochastic-frontier production function approach, we separate the factors responsible for determining frontier production for subsets of countries while simultaneously exploring the impact of communication networks and economic reform on economies below the frontier. We find institutional reforms and the growth in information networks appear to benefit the world as a whole, but particularly its poorest nations, by improving the efficiency of how these and other resources are used. Finally, only in Asia we find that education is an important factor in shifting the production frontier out. Our findings suggest that expanded communication networks work in conjunction with economic reforms to improve business and government relations.”

Tures, John A. (2003). Economic Freedom and Conflict Reduction: Evidence from the 1970s, 1980s, and 1990s. *Cato Journal* 22, 3 (Winter): 533–42.

This paper examines the impact of economic freedom on the reduction of conflict. The author concluded that “[t]he major lesson from our study is that economic freedom promotes peace. Consequently, the more a government erodes economic liberties, the greater the likelihood that a severe crisis or war will erupt” (p. 542).

Vamvakidis, Athanasios (1998). Explaining Investment in the WAEMU [West African Economic and Monetary Union]. Working paper WP/98/99. International Monetary Fund.

Relates differences in investment as a share of GDP within the West African Economic and Monetary Union to differences in economic freedom using fixed and random-effects models across time.

Vásquez, Ian (1998). Official Assistance, Economic Freedom, and Policy Change: Is Foreign Aid Like Champagne? *Cato Journal* 18, 2 (Fall): 275–86.

In this article, Mr. Vásquez argues that foreign aid is propping up countries that are not economically free. Mr. Vásquez also tests the notion that aid agencies target pro-growth policies. He finds that for the countries where economic freedom declines or does not improve, foreign aid actually increases (19 of 20 cases). As well, in over one half of these countries GDP per capita declines.

Vega-Gordillo, Manuel, and José L. Álvarez-Arce (2003). Economic Growth and Freedom: A Causality Study. *Cato Journal* 23, 2 (Fall): 199–215.

“The dynamic relationships estimated strongly suggest that economic freedom fosters economic growth. The impact of political freedoms on economic growth is much less clear. However, based on the evidence, it is plausible to say that political freedoms do not have to be postponed. Furthermore, the dynamic relationships estimated with the Kiviet method indicate that intensified democracy may result in faster growth and greater economic freedom. They also indicate that economic prosperity makes democratization easier. Our findings, therefore, are closer to Friedman’s belief than to Lipset’s: freedom is a key component in any attempt to improve economic and social well-being.”

Voigt, Stefan (1998). Making Constitutions Work: Conditions for Maintaining the Rule of Law. *Cato Journal* 18, 2 (Fall): 191–208.

Makes reference to the general conclusions of *Economic Freedom of the World: 1975–1995* regarding economic freedom and income and growth and discusses conditions under which the rule of law can be maintained.

Weede, Erich, and Sebastian Kampf (2002). The Impact of Intelligence and Institutional Improvements on Economic Growth. *Kyklos* 55, 3: 361–80.

“Standard indicators of human capital endowment—like literacy, school enrollment ratios or years of schooling—suffer from a number of defects. They are crude. Mostly, they refer to input rather than output measures of human capital formation. Occasionally, they produce implausible effects. They are not robustly significant determinants of growth. Here, they are replaced by average intelligence. This variable consistently outperforms the other human capital indicators in spite of suffering from severe defects of its own. The immediate impact of institutional improvements, i.e., more government tolerance of private enterprise or economic freedom, on growth is in the same order of magnitude as intelligence effects are.”

Wu, Wenbo, and Otto A. Davis (1999). The Two Freedoms in a Growth Model. *Journal of Private Enterprise* 14, 2: 115–43.

The paper develops a theoretical model describing the impact that economic and political freedoms might have upon economic growth, then estimates the relative impact of the two on growth in the world as a whole and for subsets of developing and developed nations.

Wu, Wenbo, and Otto A. Davis (1999). Two Freedoms, Economic Growth and Development: An Empirical Study. *Public Choice* 100: 39–64.

“The main results are: given economic freedom, the rate of economic growth is independent of political freedom and the level of income; given the level of income, political freedom is independent of economic freedom and the growth rate. The analysis suggests the fundamental effects of economic freedom in fostering economic growth and a high level of income as the condition of a high degree of political freedom.” The article also uses principle component analysis to weight the results published in *Economic Freedom of the World*.