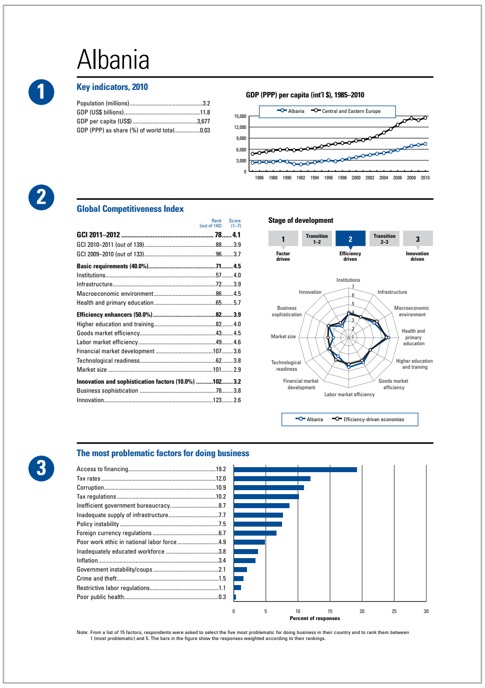
How to Read the Country/Economy Profiles

The Country/Economy Profiles section presents a two-page profile for each of the 142 economies covered in *The Global Competitiveness Report 2011–2012*.



Page 1

1 Key indicators

The first section presents a selection of key indicators:

- Population figures come from the United Nations Population Fund (UNFPA)'s *State of World Population 2011*. Figures for Puerto Rico are from national sources.

- Gross domestic product (GDP) data come from the April 2011 edition of the International Monetary Fund (IMF)'s *World Economic Outlook (WEO) Database*, with the exception of Montenegro, Puerto Rico, and Trinidad and Tobago, for which figures were calculated using data from the WEO as well as national sources. Reported GDP and GDP per capita are valued at current prices.

- The chart on the upper right-hand side displays the evolution of GDP per capita at purchasing power parity (PPP) from 1985 through 2010 (or the period for which data are available) for the economy under review (blue line). The black line plots the GDP-weighted average of GDP per capita of the group of economies to which the economy under review belongs. We draw on the IMF classification, which divides the world into six regions: *Central and Eastern Europe; Commonwealth of Independent States (CIS),* which includes Georgia and Mongolia although they are not members; *Developing Asia; Middle East and North Africa; Sub-Saharan Africa;* and *Latin America and the Caribbean*. A last group is made up of *Advanced economies*. GDP figures come from the WEO database. For more information regarding the classification and the data, please consult www.imf.org/weo. Note that no data are available for Puerto Rico.

2 Global Competitiveness Index

This section details the economy's performance on the various components of the Global Competitiveness Index (GCI). The first column shows the country's rank among the 142 economies, while the second column presents the score. The percentage contribution to the overall GCI score of each subindex score is reported next to the subindex name. These weights vary depending on the country's stage of development. For more information on the methodology of the GCI, refer to Chapter 1.1. On the right-hand side, a chart shows the country's performance in the 12 pillars of the GCI (blue line) measured against the average scores across all the economies in the same stage of development (black line).

3 The most problematic factors for doing business

This chart summarizes those factors seen by business executives as the most problematic for doing business in their economy. The information is drawn from the 2011 edition of the World Economic Forum's Executive Opinion Survey. From a list of 15 factors, respondents were asked to select the five most problematic and rank them from 1 (most problematic) to 5. The results were then tabulated and weighted according to the ranking assigned by respondents.

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4 The Global Competitiveness Index in detail

This page details the country's performance on each of the indicators entering the composition of the GCI. Indicators are organized by pillar. For indicators entering at the GCI in two different pillars, only the first instance is shown on this page.

- **INDICATOR:** This column contains the title of each indicator and, where relevant, the units in which it is measured—for example, "days" or "% GDP." Indicators that are not derived from the Executive Opinion Survey are identified by an asterisk (*). Indicators derived from the Executive Opinion Survey are always expressed as scores on a 1–7 scale, with 7 being the most desirable outcome.

- **VALUE:** This column reports the country's score on each of the variables that compose the GCI.

- **RANK/142:** This column reports the country's position among the 142 economies covered by the GCI 2011–2012. The ranks of those indicators that constitute a notable competitive advantage are highlighted in blue bold typeface (except for inflation). Competitive advantages are defined as follows:

  - For those economies ranked in the top 10 in the overall GCI, individual indicators ranked from 1 through 10 are considered to be advantages. For instance, in the case of Germany —which is ranked 6th overall—its 7th rank on indicator 1.06 *Judicial independence* makes this indicator a competitive advantage.

  - For those economies ranked from 11 through 50 in the overall GCI, variables ranked higher than the economy's own rank are considered to be advantages. In the case of Chile, ranked 31st overall, its rank of 29 on indicator 7.02 *Flexibility of wage determination* makes this indicator a competitive advantage.

  - For those economies ranked lower than 50 in the overall GCI, any individual indicators ranked higher than 51 are considered to be advantages. For Mauritius, ranked 54th overall, indicator 11.03 *State of cluster development,* where the country ranks 38th, constitutes a competitive advantage.

For further analysis, the data tables in the following section of the *Report* provide ranks, values, and the year of each data point, indicator by indicator.

Albania

4 The Global Competitiveness Index in detail

	INDICATOR	VALUE	RANK/142
	1st pillar: Institutions		
1.01	Property rights	3.4	115
1.02	Intellectual property protection	3.0	94
1.03	Diversion of public funds	3.3	69
1.04	Public trust of politicians	2.9	63
1.05	Irregular payments and bribes	4.1	62
1.06	Judicial independence	3.0	101
1.07	Favoritism in decisions of government officials	3.0	66
1.08	Wastefulness of government spending	3.5	51
1.09	Burden of government regulation	4.4	**9**
1.10	Efficiency of legal framework in settling disputes	3.7	63
1.11	Efficiency of legal framework in challenging regs.	3.7	65
1.12	Transparency of government policymaking	4.7	**43**
1.13	Business costs of terrorism	6.0	**44**
1.14	Business costs of crime and violence	5.3	**44**
1.15	Organized crime	5.2	69
1.16	Reliability of police services	4.5	57
1.17	Ethical behavior of firms	4.5	**44**
1.18	Strength of auditing and reporting standards	4.4	83
1.19	Efficacy of corporate boards	5.0	**27**
1.20	Protection of minority shareholders' interests	4.2	69
1.21	Strength of investor protection, 0–10 (best)*	7.3	**15**
	2nd pillar: Infrastructure		
2.01	Quality of overall infrastructure	4.2	72
2.02	Quality of roads	4.2	58
2.03	Quality of railroad infrastructure	1.1	120
2.04	Quality of port infrastructure	3.9	85
2.05	Quality of air transport infrastructure	5.1	56
2.06	Available airline seat kms/week, millions*	23.5	114
2.07	Quality of electricity supply	5.0	63
2.08	Fixed telephone lines/100 pop.*	10.3	91
2.09	Mobile telephone subscriptions/100 pop.*	141.9	**18**
	3rd pillar: Macroeconomic environment		
3.01	Government budget balance, % GDP*	-3.7	73
3.02	Gross national savings, % GDP*	15.0	102
3.03	Inflation, annual % change*	3.6	67
3.04	Interest rate spread, %*	6.4	86
3.05	General government debt, % GDP*	59.7	107
3.06	Country credit rating, 0–100 (best)*	38.1	83
	4th pillar: Health and primary education		
4.01	Business impact of malaria	N/Appl.	**1**
4.02	Malaria cases/100,000 pop.*	(NE)	**1**
4.03	Business impact of tuberculosis	6.8	**4**
4.04	Tuberculosis incidence/100,000 pop.*	15.0	**35**
4.05	Business impact of HIV/AIDS	6.9	**1**
4.06	HIV prevalence, % adult pop.*	<0.1	**1**
4.07	Infant mortality, deaths/1,000 live births*	13.5	64
4.08	Life expectancy, years*	76.8	**40**
4.09	Quality of primary education	4.4	**49**
4.10	Primary education enrollment, net %*	84.7	117
	5th pillar: Higher education and training		
5.01	Secondary education enrollment, gross %*	72.4	100
5.02	Tertiary education enrollment, gross %*	19.3	89
5.03	Quality of the educational system	4.2	**45**
5.04	Quality of math and science education	4.5	**42**
5.05	Quality of management schools	4.2	69
5.06	Internet access in schools	4.4	57
5.07	Availability of research and training services	3.5	100
5.08	Extent of staff training	4.5	**32**

	INDICATOR	VALUE	RANK/142
	6th pillar: Goods market efficiency		
6.01	Intensity of local competition	4.0	122
6.02	Extent of market dominance	3.5	78
6.03	Effectiveness of anti-monopoly policy	3.7	87
6.04	Extent and effect of taxation	4.2	**24**
6.05	Total tax rate, % profits*	40.6	73
6.06	No. procedures to start a business*	5	**23**
6.07	No. days to start a business*	5	**9**
6.08	Agricultural policy costs	3.9	66
6.09	Prevalence of trade barriers	4.8	**46**
6.10	Trade tariffs, % duty*	3.4	**43**
6.11	Prevalence of foreign ownership	4.6	80
6.12	Business impact of rules on FDI	5.1	**33**
6.13	Burden of customs procedures	4.2	66
6.14	Imports as a percentage of GDP*	55.2	**47**
6.15	Degree of customer orientation	5.3	**23**
6.16	Buyer sophistication	3.5	63
	7th pillar: Labor market efficiency		
7.01	Cooperation in labor-employer relations	5.1	**21**
7.02	Flexibility of wage determination	5.1	73
7.03	Rigidity of employment index, 0–100 (worst)*	25.0	68
7.04	Hiring and firing practices	4.7	**21**
7.05	Redundancy costs, weeks of salary*	56	93
7.06	Pay and productivity	4.7	**17**
7.07	Reliance on professional management	4.3	69
7.08	Brain drain	3.1	83
7.09	Women in labor force, ratio to men*	0.73	87
	8th pillar: Financial market development		
8.01	Availability of financial services	3.8	108
8.02	Affordability of financial services	3.6	99
8.03	Financing through local equity market	1.4	140
8.04	Ease of access to loans	2.1	121
8.05	Venture capital availability	2.0	124
8.06	Soundness of banks	4.7	96
8.07	Regulation of securities exchanges	2.6	132
8.08	Legal rights index, 0–10 (best)*	9.0	**8**
	9th pillar: Technological readiness		
9.01	Availability of latest technologies	4.9	75
9.02	Firm-level technology absorption	4.7	73
9.03	FDI and technology transfer	5.0	**42**
9.04	Internet users/100 pop.*	45.0	53
9.05	Broadband Internet subscriptions/100 pop.*	3.4	79
9.06	Internet bandwidth, kb/s/capita*	4.4	69
	10th pillar: Market size		
10.01	Domestic market size index, 1–7 (best)*	2.7	99
10.02	Foreign market size index, 1–7 (best)*	3.3	107
	11th pillar: Business sophistication		
11.01	Local supplier quantity	4.0	123
11.02	Local supplier quality	3.9	108
11.03	State of cluster development	2.4	130
11.04	Nature of competitive advantage	3.1	88
11.05	Value chain breadth	2.7	131
11.06	Control of international distribution	4.7	**23**
11.07	Production process sophistication	4.0	**50**
11.08	Extent of marketing	4.9	**33**
11.09	Willingness to delegate authority	4.0	**40**
	12th pillar: Innovation		
12.01	Capacity for innovation	2.4	119
12.02	Quality of scientific research institutions	2.2	134
12.03	Company spending on R&D	3.2	51
12.04	University-industry collaboration in R&D	2.1	139
12.05	Gov't procurement of advanced tech products	3.8	58
12.06	Availability of scientists and engineers	3.2	126
12.07	Utility patents granted/million pop.*	0.0	90

Notes: Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.