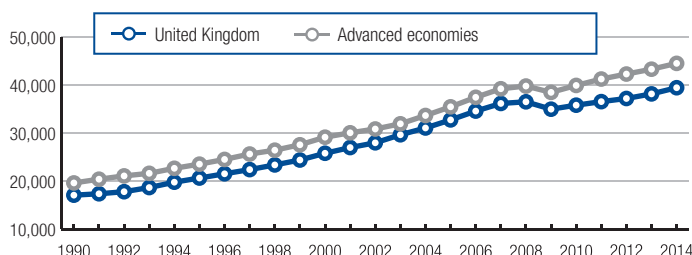


# United Kingdom

## Key indicators, 2014

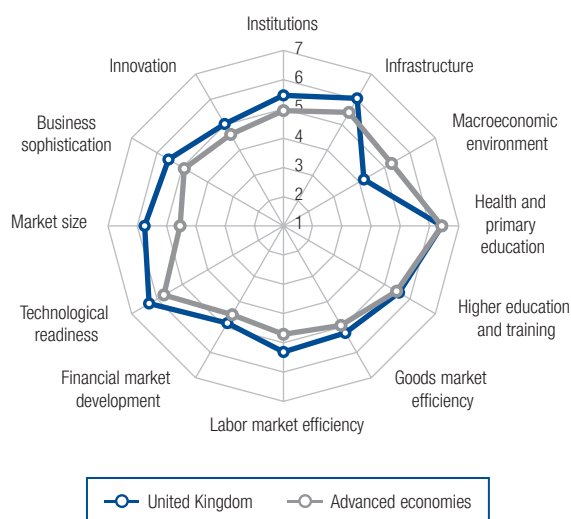
|  |         |
|--|---------|
| Population (millions).....                 | 64.5    |
| GDP (US\$ billions).....                   | 2,945.1 |
| GDP per capita (US\$).....                 | 45,653  |
| GDP (PPP) as share (%) of world total..... | 2.36    |

GDP (PPP) per capita (int'l \$), 1990–2014

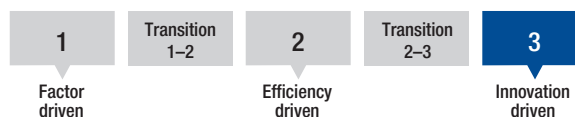


## Global Competitiveness Index

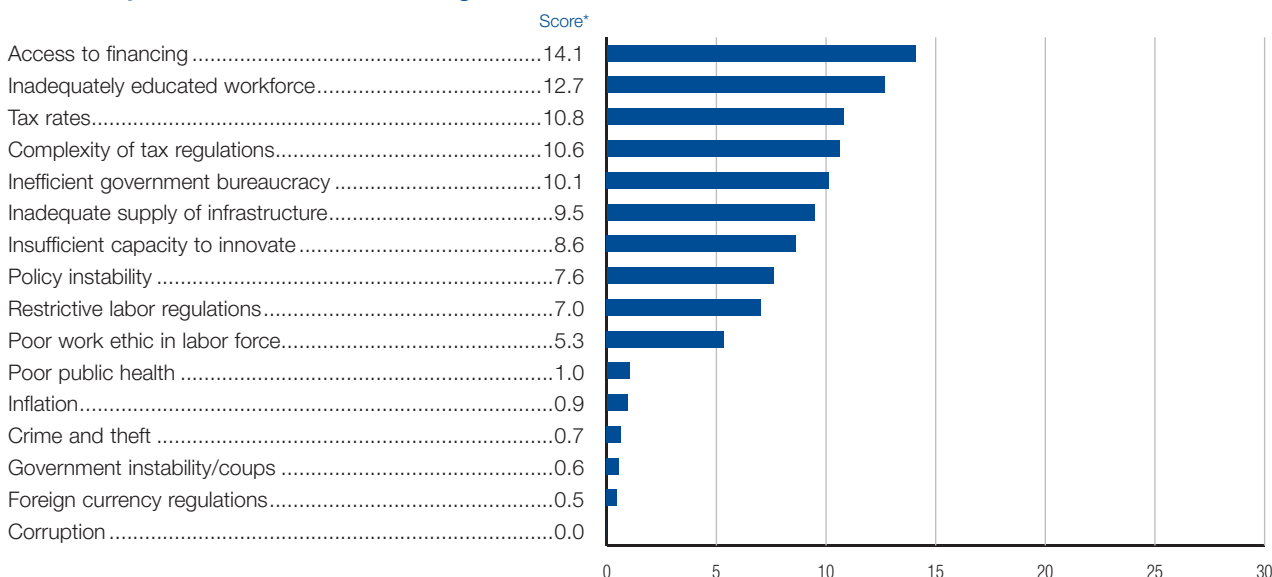
|  | Rank<br>(out of 140) | Score<br>(1–7) |
|--|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>10</b>            | <b>5.4</b>     |
| GCI 2014–2015 (out of 144).....                            | 9                    | 5.4            |
| GCI 2013–2014 (out of 148).....                            | 10                   | 5.4            |
| GCI 2012–2013 (out of 144).....                            | 8                    | 5.4            |
| <b>Basic requirements (20.0%)</b> .....                    | <b>25</b>            | <b>5.5</b>     |
| 1st pillar: Institutions.....                              | 14                   | 5.5            |
| 2nd pillar: Infrastructure.....                            | 9                    | 6.0            |
| 3rd pillar: Macroeconomic environment.....                 | 108                  | 4.2            |
| 4th pillar: Health and primary education.....              | 18                   | 6.4            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>5</b>             | <b>5.5</b>     |
| 5th pillar: Higher education and training.....             | 18                   | 5.6            |
| 6th pillar: Goods market efficiency.....                   | 12                   | 5.2            |
| 7th pillar: Labor market efficiency.....                   | 5                    | 5.3            |
| 8th pillar: Financial market development.....              | 16                   | 4.8            |
| 9th pillar: Technological readiness.....                   | 3                    | 6.3            |
| 10th pillar: Market size.....                              | 9                    | 5.7            |
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>9</b>             | <b>5.3</b>     |
| 11th pillar: Business sophistication.....                  | 6                    | 5.5            |
| 12th pillar: Innovation.....                               | 12                   | 5.0            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# United Kingdom

## The Global Competitiveness Index in detail

| INDICATOR  | VALUE  | RANK/140 | INDICATOR  | VALUE   | RANK/140   |         |     |
|--|--|----------|--|---|--|---------|-----|
| <b>1st pillar: Institutions</b>                  |  |          | <b>6th pillar: Goods market efficiency (cont'd.)</b> |   |  |         |     |
| 1.01   | Property rights                                    | 6.3      | 3  | 6.06  | No. procedures to start a business*              | 6       | 57  |
| 1.02   | Intellectual property protection                   | 6.0      | 7  | 6.07  | No. days to start a business*                    | 6.0     | 28  |
| 1.03   | Diversion of public funds                          | 5.6      | 15   | 6.08  | Agricultural policy costs                        | 4.5     | 22  |
| 1.04   | Public trust in politicians                        | 4.5      | 22   | 6.09  | Prevalence of non-tariff barriers                | 4.7     | 28  |
| 1.05   | Irregular payments and bribes                      | 6.0      | 15   | 6.10  | Trade tariffs, % duty*                           | 1.2     | 5   |
| 1.06   | Judicial independence                              | 6.2      | 10   | 6.11  | Prevalence of foreign ownership                  | 6.2     | 3   |
| 1.07   | Favoritism in decisions of government officials    | 4.5      | 18   | 6.12  | Business impact of rules on FDI                  | 5.9     | 5   |
| 1.08   | Wastefulness of government spending                | 3.8      | 34   | 6.13  | Burden of customs procedures                     | 5.4     | 11  |
| 1.09   | Burden of government regulation                    | 3.9      | 33   | 6.14  | Imports as a percentage of GDP*                  | 29.9    | 115 |
| 1.10   | Efficiency of legal framework in settling disputes | 5.7      | 6  | 6.15  | Degree of customer orientation                   | 5.4     | 21  |
| 1.11   | Efficiency of legal framework in challenging regs. | 5.3      | 9  | 6.16  | Buyer sophistication                             | 4.6     | 10  |
| 1.12   | Transparency of government policymaking            | 5.5      | 13   | <b>7th pillar: Labor market efficiency</b>      |  |         |     |
| 1.13   | Business costs of terrorism                        | 5.1      | 83   | 7.01  | Cooperation in labor-employer relations          | 5.2     | 21  |
| 1.14   | Business costs of crime and violence               | 5.2      | 44   | 7.02  | Flexibility of wage determination                | 5.8     | 15  |
| 1.15   | Organized crime                                    | 5.7      | 33   | 7.03  | Hiring and firing practices                      | 4.8     | 11  |
| 1.16   | Reliability of police services                     | 5.6      | 25   | 7.04  | Redundancy costs, weeks of salary*               | 9.3     | 29  |
| 1.17   | Ethical behavior of firms                          | 5.5      | 20   | 7.05  | Effect of taxation on incentives to work         | 4.2     | 34  |
| 1.18   | Strength of auditing and reporting standards       | 5.9      | 15   | 7.06  | Pay and productivity                             | 4.6     | 21  |
| 1.19   | Efficacy of corporate boards                       | 5.7      | 16   | 7.07  | Reliance on professional management              | 5.9     | 12  |
| 1.20   | Protection of minority shareholders' interests     | 5.4      | 10   | 7.08  | Country capacity to retain talent                | 5.3     | 9   |
| 1.21   | Strength of investor protection, 0-10 (best)*      | 7.8      | 4  | 7.09  | Country capacity to attract talent               | 5.9     | 4   |
| <b>2nd pillar: Infrastructure</b>                |  |          | 7.10   | Women in labor force, ratio to men*             | 0.86   | 51      |     |
| 2.01   | Quality of overall infrastructure                  | 5.3      | 24   | <b>8th pillar: Financial market development</b> |  |         |     |
| 2.02   | Quality of roads                                   | 5.2      | 29   | 8.01  | Availability of financial services               | 6.1     | 7   |
| 2.03   | Quality of railroad infrastructure                 | 4.8      | 18   | 8.02  | Affordability of financial services              | 5.5     | 19  |
| 2.04   | Quality of port infrastructure                     | 5.7      | 11   | 8.03  | Financing through local equity market            | 5.4     | 7   |
| 2.05   | Quality of air transport infrastructure            | 5.8      | 19   | 8.04  | Ease of access to loans                          | 2.7     | 82  |
| 2.06   | Available airline seat km/week, millions*          | 6,888.2  | 3  | 8.05  | Venture capital availability                     | 3.9     | 14  |
| 2.07   | Quality of electricity supply                      | 6.6      | 9  | 8.06  | Soundness of banks                               | 5.0     | 63  |
| 2.08   | Mobile telephone subscriptions/100 pop.*           | 123.6    | 53   | 8.07  | Regulation of securities exchanges               | 5.4     | 21  |
| 2.09   | Fixed-telephone lines/100 pop.*                    | 52.4     | 8  | 8.08  | Legal rights index, 0-12 (best)*                 | 7       | 24  |
| <b>3rd pillar: Macroeconomic environment</b>     |  |          | <b>9th pillar: Technological readiness</b>           |   |  |         |     |
| 3.01   | Government budget balance, % GDP*                  | -5.7     | 118  | 9.01  | Availability of latest technologies              | 6.5     | 5   |
| 3.02   | Gross national savings, % GDP*                     | 12.2     | 118  | 9.02  | Firm-level technology absorption                 | 5.7     | 14  |
| 3.03   | Inflation, annual % change*                        | 1.5      | 1  | 9.03  | FDI and technology transfer                      | 5.2     | 17  |
| 3.04   | General government debt, % GDP*                    | 89.5     | 123  | 9.04  | Individuals using Internet, %*                   | 91.6    | 8   |
| 3.05   | Country credit rating, 0-100 (best)*               | 88.0     | 14   | 9.05  | Fixed-broadband Internet subscriptions/100 pop.* | 37.4    | 7   |
| <b>4th pillar: Health and primary education</b>  |  |          | 9.06   | Int'l Internet bandwidth, kb/s per user*        | 429.8  | 7       |     |
| 4.01   | Malaria cases/100,000 pop.*                        | S.L.     | n/a  | 9.07  | Mobile-broadband subscriptions/100 pop.*         | 98.7    | 16  |
| 4.02   | Business impact of malaria                         | N/Appl.  | n/a  | <b>10th pillar: Market size</b>                 |  |         |     |
| 4.03   | Tuberculosis cases/100,000 pop.*                   | 13.0     | 31   | 10.01   | Domestic market size index, 1-7 (best)*          | 5.7     | 10  |
| 4.04   | Business impact of tuberculosis                    | 6.5      | 25   | 10.02   | Foreign market size index, 1-7 (best)*           | 6.0     | 15  |
| 4.05   | HIV prevalence, % adult pop.*                      | 0.3      | 63   | 10.03   | GDP (PPP\$ billions)*                            | 2,548.9 | 10  |
| 4.06   | Business impact of HIV/AIDS                        | 6.5      | 22   | 10.04   | Exports as a percentage of GDP*                  | 28.6    | 102 |
| 4.07   | Infant mortality, deaths/1,000 live births*        | 3.9      | 30   | <b>11th pillar: Business sophistication</b>     |  |         |     |
| 4.08   | Life expectancy, years*                            | 81.0     | 20   | 11.01   | Local supplier quantity                          | 5.6     | 4   |
| 4.09   | Quality of primary education                       | 4.9      | 27   | 11.02   | Local supplier quality                           | 5.4     | 16  |
| 4.10   | Primary education enrollment, net %*               | 99.9     | 3  | 11.03   | State of cluster development                     | 5.3     | 8   |
| <b>5th pillar: Higher education and training</b> |  |          | 11.04  | Nature of competitive advantage                 | 6.0  | 8       |     |
| 5.01   | Secondary education enrollment, gross %*           | 95.4     | 54   | 11.05   | Value chain breadth                              | 5.5     | 5   |
| 5.02   | Tertiary education enrollment, gross %*            | 61.9     | 37   | 11.06   | Control of international distribution            | 5.0     | 8   |
| 5.03   | Quality of the education system                    | 4.7      | 21   | 11.07   | Production process sophistication                | 5.9     | 11  |
| 5.04   | Quality of math and science education              | 4.4      | 46   | 11.08   | Extent of marketing                              | 6.0     | 2   |
| 5.05   | Quality of management schools                      | 5.9      | 3  | 11.09   | Willingness to delegate authority                | 5.0     | 16  |
| 5.06   | Internet access in schools                         | 6.1      | 7  | <b>12th pillar: Innovation</b>                  |  |         |     |
| 5.07   | Availability of specialized training services      | 5.8      | 7  | 12.01   | Capacity for innovation                          | 5.4     | 10  |
| 5.08   | Extent of staff training                           | 4.8      | 21   | 12.02   | Quality of scientific research institutions      | 6.3     | 2   |
| <b>6th pillar: Goods market efficiency</b>       |  |          | 12.03  | Company spending on R&D                         | 4.9  | 17      |     |
| 6.01   | Intensity of local competition                     | 6.0      | 3  | 12.04   | University-industry collaboration in R&D         | 5.7     | 4   |
| 6.02   | Extent of market dominance                         | 4.9      | 15   | 12.05   | Gov't procurement of advanced tech products      | 3.8     | 34  |
| 6.03   | Effectiveness of anti-monopoly policy              | 5.2      | 12   | 12.06   | Availability of scientists and engineers         | 4.9     | 18  |
| 6.04   | Effect of taxation on incentives to invest         | 4.4      | 23   | 12.07   | PCT patents, applications/million pop.*          | 89.9    | 18  |
| 6.05   | Total tax rate, % profits*                         | 33.7     | 57   |   |  |         |     |

**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.