

Bolivia Gap Analysis
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Highlights

Bolivia's Development Profile. Bolivia's development progress lags well behind the Latin America and Caribbean (LAC) average on four of the five Monitoring Country Progress (MCP) dimensions: economic reforms; governing justly & democratically; economic performance; and investing in people. Bolivia's peace and security score is close to the LAC average. Based on the four core development indices (i.e., less peace & security), Bolivia's development profile most closely resembles that of three Central American countries: Honduras; Nicaragua; and Guatemala. Of all the LAC countries, only Haiti significantly trails Bolivia in all four development dimensions.

(1)Economic reforms. Bolivia's progress in economic reforms is very unbalanced. It is very far along in terms of trade liberalization and better than LAC average in its fiscal budget balance. Yet, it lags considerably in fostering a favorable business environment and in the capacity and commitment of the government to implement market-oriented reforms. Economic reforms have backtracked on balance since 1996, though have recovered some in more recent years due to gains in trade liberalization as well as improvements in the fiscal balance. Bolivia's business environment is very unfavorable by global and regional standards, and has shown significant erosion relative to world standards since 2005.

(2)Governing justly and democratically. Bolivia lags behind the LAC progress of democratization across all five dimensions measured: political rights; civil liberties; independent media; rule of law; and anti-corruption reforms. Far and away, the greatest democratization gaps are in the rule of law and in anti-corruption reforms. The backsliding in democratization has been even more pronounced than the economic reform regression. Democratization has regressed every year from 1995 to 2009 with one exception. Three of the five dimensions have regressed substantially: political rights; media freedom; and rule of law. The backsliding in media freedom has been the most pronounced.

(3)Economic Performance. Bolivia's economy lags behind the LAC average in the majority of the eight economic performance dimensions of the MCP index. Foreign direct investment flows have fallen substantially since the late 1990s. Reliance on gas and mineral exports as well as remittances has grown significantly in the past decade. Agricultural productivity is very low and has stagnated in Bolivia while agricultural productivity in the LAC region overall has increased since 1990.

Bolivia's economic growth trends have been at odds with regional and global trends; its economy showing little evidence of the existence of the global financial crisis by this measure. In the years leading up to the global financial crisis, Bolivia's economy expanded at a rate less than the economic growth of the region and the world. As economic growth slowed most

elsewhere in 2008, the pace of growth of Bolivia's economy increased. As global and LAC output contracted in 2009, Bolivia's economy continued its expansion. As global and LAC output rebounded significantly in 2010, economic growth increased only marginally in Bolivia.

(4) Investing in people. Progress in investing in people is very uneven. Bolivia trails considerably by LAC standards in health, income, and gender equality. However, education trends are much more favorable.

Bolivia is among the poorest countries of LAC; only Haiti, Guyana, Nicaragua, and Honduras have per capita incomes lower than Bolivia's average income. Bolivia's poverty rate is very high, though it has been falling, at least through 2008. Income inequality has also been falling, though it remains among the highest in the LAC region and in fact the world. Of the nine regions in Bolivia, Potosi is the least developed, roughly comparable to the level of development in Equatorial Guinea, and Tarija is the most developed, with a level of development comparable to that of Ukraine. Development among all the nine regions has advanced over the past two decades, and their levels of development have been gradually converging.

Secondary and tertiary enrollment rates in Bolivia are high by LAC standards, though such enrollments have been declining in recent years. The urban-rural education gap is significant. Formal education attainment is particularly low for women in rural Bolivia.

Health trends are generally dismal but improving. Life expectancy is 66 years, an increase from 61 years in 1995. The LAC average is 73 years. Of the LAC countries, only Haiti has a lower life expectancy (at 61 years) than Bolivia. Similarly, Bolivia's under five-mortality rate is exceeded only by Haiti's in LAC. The under-five mortality rate in Bolivia is 54 deaths per 1,000 children. The LAC average is 24 deaths, and ranges from 6 deaths in Cuba to 89 deaths in Haiti. Bolivia's environmental health indicators are problematic.

(5) Peace and Security. Of the nine LAC countries which are currently included in the MCP peace and security index, Bolivia's score is close to the middle; more peaceful and secure than Mexico, Venezuela, and Colombia; less peaceful and secure than the Dominican Republic, Peru, Ecuador, Guatemala, and Haiti. Of the six peace and security components, Bolivia lags the most in counter-narcotics followed by transnational crime. Evidence suggests that Bolivia's counter-narcotics challenges are growing.

Introduction. This analysis draws largely on the dataset and methodology of the Europe & Eurasia Bureau's *Monitoring Country Progress* (MCP) system. The core of the MCP system consists of five indices: (1) economic reforms; (2) governing justly and democratically; (3) economic growth and performance; (4) investing in people; and (5) peace and security. We draw on readily available public data and standardize the metrics to a 1 to 5 scale in which a 5 represents the most advanced standards worldwide. Primary sources of data for MCP Global include the World Bank, Freedom House, UNDP, UNICEF, UNODC, U.S. Department of State, U.S. Department of Commerce, and USAID. Bolivia-specific sources used in this analysis include the Economist Intelligence Unit, *Bolivia Country Report* (March 2011), the International Monetary Fund (IMF), *Bolivia Country Report* (January 2010), the Inter-American Development Bank (IDB), *The Bank's Country Strategy with Bolivia: 2008-2010* (2008), the World Bank, *Strengthening Bolivian Competitiveness* (2009), World Bank (M. Morales), *The Social Dimensions of Adaptation to Climate Change in Bolivia* (December 2010), and the UNDP, *Human Development Report: Bolivia* (2010). The appendix elaborates on the sources of data, the indicator definitions, and the MCP methodology.

Bolivia's Development Profile. *Figures 1 and 2* provide an overview of Bolivia's development progress across four of the five MCP indices. *Figure 1* compares Bolivia's progress to the 36 country average of the Latin America and the Caribbean (LAC) region; in *Figure 2*, the comparison is with that of Chile and Costa Rica (i.e., the Advanced LAC countries). Each circle on these charts represents a country observation; hence, the charts provide a view of the distribution of performance. Bolivia's development progress lags well behind the LAC average on all four dimensions; on economic reforms, governing justly & democratically, economic growth & performance, and in investing in people. Relative to both the LAC and Advanced LAC averages, Bolivia lags the most in economic reforms and governing justly & democratically.

Economic reforms and governing justly & democratically (*Tables 1 and 2, Figures 3 and 4*). *Figures 3 and 4* show a bird's eye view of the economic and democratic reform progress of each of the LAC countries of the region against the two standards: the LAC average (*Figure 3*) and the Advanced LAC average (*Figure 4*). The scatterplots also highlight an apparent linear relationship between economic and democratic reforms in the region; those countries more advanced in one reform dimension also tend to be more advanced in the other. Overall, only four LAC countries notably trail Bolivia in economic and democratic reforms combined: Venezuela; Cuba; Haiti; and Ecuador. Bolivia's economic and democratic reform profile most closely approximates the reform profile of Honduras.

Economic reforms (*Table 1 and Figures 5-10*). *Figures 5-7* show the components of four of the five MCP indices measured against three standards: the LAC average (*Figure 5*); the Advanced LAC average (*Figure 6*) and Bolivia's progress five years ago (*Figure 7*). The greater the red area (and higher the number), the greater is the progress. We focus first on economic reforms and refer back to these charts when we subsequently analyze the other dimensions. On economic reforms, Bolivia's progress is very unbalanced. It is very far along in terms of trade liberalization and better than LAC average in terms of its fiscal budget balance (or crudely, fiscal reform). Yet, it lags considerably in fostering a favorable business environment and in the capacity and commitment of the government to implement market-oriented reforms. *Figure 7*

highlights that this unbalanced economic reform progress developed largely within the past five years. In that time period, significant backsliding occurred in the regulatory quality and business environment reforms while gains in trade liberalization and most notably in fiscal budget resources occurred.

Figures 8 and 9 highlight more explicitly the trends over time in economic reforms in Bolivia. Due to data limitations, we are only able to combine three of the five economic reform components for aggregate economic reform trends over time since the mid-1990s in *Figure 8* (trade liberalization, regulatory quality, and government effectiveness). By these measures, economic reforms have advanced moderately in the LAC region since 1996, and more impressively in the Advanced LAC countries. In contrast, economic reforms have backtracked on balance in Bolivia since 1996, though have recovered some in more recent years due to gains in trade liberalization as well as improvements in the fiscal balance (as shown in *Figure 9*). Fiscal gains may be short-lived; the public sector fiscal balance is forecast to record deficits in 2011 and 2012 due in part to expensive fuel subsidies and anticipated public sector wage increases. Improvements in the fiscal balance in the recent past have been facilitated by increased revenue (from increased prices) from the nationalized hydrocarbon sector.

Figure 10 and Table 1 shed additional light on Bolivia's dismal business environment. This indicator is drawn from the World Bank's *Doing Business* analysis which is based on ten microeconomic reform aspects of the business environment influenced by government interventions ranging from rules and regulations needed to start a business, employ workers, register business property, access credit, pay taxes, and close a business. According to these measures, Bolivia's business environment is very unfavorable by global and regional standards. In 2009, Bolivia ranked 148th out of 183 countries worldwide in these microeconomic reforms (the higher the rank, the poorer the business environment; *Table 1*). In the LAC region, only Venezuela (with a rank of 170), Haiti (163), and Suriname (160) rank higher than Bolivia.

Of the 10 indicators that comprise the *Doing Business* analysis, Bolivia scores the poorest (with a ranking of 177 out of 183) in *paying taxes*, hampered by a lengthy time to prepare and pay taxes on the part of businesses (1,080 hours per year vs. the LAC average of 385 hours) and a tax rate of 80% of profits. In the World Bank's previous (2009-2010) *Doing Business* report, Bolivia ranked last worldwide (183rd out of 183 countries) in its labor market reforms. From the employer's perspective, according to this measure, Bolivia's labor market laws and regulations (towards hiring, employing, and firing workers) are extremely rigid and burdensome. Bolivia's adoption of a new constitution in early 2009 signified a greater government role in economic development including in labor markets; firms are now prohibited from firing workers due to "redundancy" and employer-employee conflicts are to be resolved by the state. Employment in the informal sector is estimated to be very high; as high as 65% of the labor force by one estimate.

In *Figure 10*, the business environment rankings are converted into percentile ranks to compare trends over time since the sample size has increased from year to year. Bolivia is in the 20th percentile, and has shown significant erosion relative to world standards in the business environment since 2005 when it was closer to the 30th percentile; this is comparable to the erosion which occurred in Haiti.

As a land-locked country, Bolivia relies primarily on railroads and motor vehicles for the transportation of goods and people. Yet Bolivia's transportation infrastructure has significant gaps in connectivity and quality. The World Economic Forum's *Global Competitiveness Report* (2009-2010) ranks Bolivia's road quality 121st out of 139 countries. Paved roads account for only 30% of all roads managed by the Bolivian Highway Administration with the remainder composed of gravel (49%) or dirt (21%).

Governing justly and democratically (Table 2 and Figures 5-7, 11 and 12). Figures 5-7 show Bolivia's progress in democratization across the five components of the governing justly and democratically MCP index: Figure 5 relative to the LAC averages; Figure 6 compared to progress in the Advanced LAC countries; and Figure 7 compared to progress in these components in Bolivia five years ago. Bolivia lags behind the LAC progress of democratization across all five dimensions: in political rights; civil liberties; independent media; rule of law; and anti-corruption reforms. Far and away, the greatest democratization gaps are in the rule of law and in anti-corruption reforms. Of the 36 LAC countries, only three countries lag more in rule of law than does Bolivia: Ecuador; Haiti; and Venezuela (Table 2). In none of the five dimensions has there been progress on balance in the past five years, and backsliding has occurred in two: in rule of law in particular, and media freedom to a lesser extent (Figure 7).

According to Transparency International's *Global Corruption Barometer* (2010), Bolivian households perceive the judicial system to be the most corrupt institution in Bolivia. One result of the corrupt judiciary has been the "privatization" of the rule of law, with most commercial disputes (80%) settled out of court through direct negotiations.

Figure 11 shows trends over time in governing justly and democratically in Bolivia compared to the LAC region on average as well as the two Advanced LAC countries (of Chile and Costa Rica). The general patterns roughly mirror the economic reform trends portrayed in Figure 8. While the Advanced LAC countries have witnessed a modest advancement in democratization since 1995, and the LAC region no change overall, Bolivia has experienced a steady erosion of such reforms. The backsliding in democratization in Bolivia is even more pronounced than the economic reform regression from 1995/96 to 2009. Democratization regressed in Bolivia every year from 1995 to 2009 with one exception, 2006.

Figure 12 shows the democratization trends over time in Bolivia disaggregated by the five components of the MCP index. Since the mid to late 1990s, three of the five elements have regressed substantially: political rights; media freedom; and rule of law. The backsliding in media freedom has been the most pronounced and steady. In contrast, since 1996, civil liberties have not changed. Finally, progress in anti-corruption reforms have fluctuated in a decidedly non-linear fashion, though on balance, there has been little net change between 1996 and 2009, modest progress overall. Recent surveys convey a reasonably favorable perception among Bolivians about the government's efforts to fight corruption. The *Latin American Barometer Survey* reported that 50% of the respondents in Bolivia believed there had been "much" or "some" progress in reducing corruption in state institutions between 2007 and 2009.

Economic performance and investing in people (Tables 3 and 7, Figures 13 and 14). Figures 13 and 14 show a bird's eye view of progress of economic performance and investing in people of each of the LAC countries of the region against the two standards: the LAC average (Figure 13) and the Advanced LAC average (Figure 14). The economic growth and performance index includes key structural economic indicators as well as macroeconomic stability and growth. The investing in people index includes indicators of health, education, gender equality, and income.

In broad terms, the relationship between these two sets of indicators and the two sets of reform indicators (economic and democratic) is twofold and mutually reinforcing. One, progress in macroeconomic performance and in investing in people is an outcome to some extent of progress in economic and democratic reforms. Two, progress in macroeconomic performance and investing in people helps sustain the reform gains. Advances in economic and democratic reforms are less likely to be sustained if they do not translate into a well-functioning economy characterized by broad-based and sufficient economic growth with adequate investments in people, in human capital.

As with economic and democratic reforms, Bolivia lags behind most countries of the region in economic performance and investing in people; Bolivia's position in the economic performance and investing in people scatterplot is similar to its position in the economic and democratic reform scatterplot. Only Guatemala, Haiti, Guyana, and Nicaragua lag more than Bolivia in investing in people (Table 7); only Guatemala, Haiti, and Jamaica lag more in economic growth & performance (Table 3). As with its reform profile, Bolivia's profile on these outcome indicators most closely resembles Honduras' profile; Nicaragua, Guatemala, and Paraguay also share similar profiles with Bolivia in these two dimensions.

Economic Performance. (Tables 3-6, Figures 5-7, 15-27). Figures 5-7 show the components of the macroeconomic performance MCP index and Bolivia's progress in those components relative to the LAC averages, the Advanced LAC averages, and progress in Bolivia on these dimensions five years ago. Bolivia's economy lags behind the LAC average in five of the eight dimensions: (1) foreign direct investment (FDI) as a percent of GDP; (2) uneven development (or economic disparities); (3) the size and composition of the export sector; (4) domestic credit as a percent of GDP; and (5) environmental sustainability (or ecosystem vitality and natural resource management). Bolivia's five year annual average per capita economic growth of 2.7% is LAC average. On two dimensions, Bolivia's economy outperforms the LAC average: (1) macroeconomic stability (stemming primarily from relatively low external debt and a favorable current account balance, Table 4) and (2) energy security (driven largely by significant energy exports relative to domestic energy consumption, Table 5). Figure 7 reveals notable backsliding on three dimensions compared to five years ago (FDI, domestic credit, and environmental sustainability), and improvements in two dimensions (economic growth and exports).

Figure 15 provides a closer look at economic growth trends in Bolivia relative to the region and the world. By these comparisons, Bolivia's economic growth trend has been quite distinct; its economy showing little evidence of the existence of a recent global recession. In the years leading up to the global financial crisis, Bolivia's economy expanded at a rate less than the economic growth of the region and the world. As economic growth slowed most elsewhere in 2008, the pace of growth of Bolivia's economy increased. As global and LAC output contracted

in 2009, Bolivia's economy continued its expansion. As global and LAC output rebounded significantly in 2010, economic growth increased only marginally in Bolivia.

Figures 16 and 17 shed some light on why Bolivia's economic growth pattern has diverged from the norm. Reliance on gas and mineral exports as well as remittances has grown significantly in Bolivia in the past decade. In 2002, gas and mineral exports plus remittances constituted about 10% of GDP; by 2008, it had grown to almost 40% of GDP. As a percentage of total exports, gas and mineral exports increased from about 60% in 2005 in Bolivia to almost 80% in 2008 and 70% in 2009. (*Table 6* highlights the "flip-side"; less than 6% of Bolivian exports are manufactures, and hi-tech exports are miniscule). These changes have been driven to a great extent by very favorable price trends for Bolivia. *Figure 17* highlights the changes in the price and volume of gas exports for Bolivia from 2003 to 2009. While the volume of gas exports increased steadily to 2008 (and until global demand decreased in 2009 from the global crisis), the price of natural gas increased even more significantly; by 2008, it was three times higher than in 2003; by 2009, still more than two times higher. The prices of minerals in recent years have witnessed a similar pattern to that of prices of gas and oil, though the fluctuations have not been quite as extreme.

Bolivia not only has an abundant supply of energy for export (and also abundant relative to domestic energy consumption), it is also a country which by global standards, at least by one basic indicator, is relatively energy efficient. *Figure 18* and *Table 5* attempt to capture these two energy security dimensions in a select number of countries. Of the four quadrants of *Figure 18*, Bolivia is among the countries which are both relatively energy independent and energy efficient; energy independent because Bolivia exports more energy than it consumes; energy efficient because its output per energy use exceeds the global average of 5.8. By comparison, a number of other LAC countries (including Mexico, Argentina, and Ecuador) also fall into the energy efficient and independent quadrant while the United States is found in the most energy insecure quadrant, namely, it is both energy dependent and inefficient.

As suggested earlier, Bolivia has suffered from a dearth of foreign direct investment in recent years (*Figure 19*). From 2004-2009, FDI in Bolivia averaged only 1.4 percent of GDP, only slightly more than FDI in Haiti or Paraguay, considerably less than FDI in the Advanced LAC countries and most of the LAC countries (*Table 3*). What is striking in the trends in *Figure 19* is the extent to which FDI flows have declined in Bolivia since the late 1990s; for six consecutive years, from 1997 to 2002, FDI as a percent of GDP in Bolivia equaled 9% or greater. Since 2003, it has not been above 3% of GDP.

Agriculture and food security (*Figures 20-31*). In this section we look at two types of agricultural productivity in Bolivia, agricultural output per worker and per hectare. We then compare some data across countries on agricultural production, domestic and for export. We also provide some very preliminary observations on food security.

Agricultural productivity in Bolivia is very low by Latin America and Caribbean standards. *Figures 20-22* show estimates and trends over time of agricultural value added per worker in Bolivia and elsewhere. By this measure, agricultural productivity in Bolivia is only roughly one-fifth the agricultural productivity overall in the LAC region. In addition, agricultural

productivity has increased significantly in LAC as whole since 1990, while remaining stagnant in Bolivia. *Figures 20 and 21* also provide a more global context. Two salient observations emerge: one, agricultural productivity in the LAC region, both level and progress, is dwarfed by more favorable trends in the Euro area; and two, agricultural productivity in Sub-Saharan Africa and South Asia is notably lower than such productivity in Bolivia.

Figure 23 highlights trends in agricultural productivity per crop per hectare in Bolivia and *Figure 24* compares those data against South American standards. By this measure, crop yield competitiveness has increased in a handful of crops in Bolivia over the past decade in absolute terms (*Figure 23*). However, when compared to South American standards, crop yield competitiveness of at least half of Bolivian's crops, and certainly its traditional, more significant crops, is both well below productivity standards in the region, and not moving towards closing the productivity gap. This includes sugar cane, wheat, quinoa, maize, and coffee.

One likely reason why agricultural productivity in Bolivia is low by regional standards is the relatively low usage of fertilizer per hectare in Bolivia (*Figure 25*). In addition, a relatively small proportion of Bolivia's agricultural land is irrigated; we've seen estimates range from 4% (FAO) to 15% (World Bank).

Bolivia's low agricultural productivity has translated into slow growth of crop output. This observation is drawn by comparing Bolivia's crop production from 1990 to 2007 with three LAC countries which share a similar development profile with Bolivia: Honduras; Guatemala; and Paraguay. These three countries share similar locations in the MCP scatterplot charts with Bolivia as well as similar per capita incomes. *Figure 26* shows the trends for all crops; *Figure 27* for a subset of crops, namely food crops (or edible crops less coffee and tea). Particularly for food crops, growth of output in Paraguay, Honduras, and Guatemala has significantly outstripped food crop production growth in Bolivia, and particularly during the most recent years for which data are available (from 2002-2007). Crop production growth in Bolivia has exceeded that of Haiti's.

The proportion of agricultural goods for export in Bolivia has decreased notably in recent years (*Figure 28*), exports of food as well as agricultural raw materials. The proportions are very similar, however, to LAC averages (*Figure 29*). What separates Bolivia from the LAC trends in terms of the structure of exports is the much higher proportion of fuels and minerals for export and the much lower proportion of manufactured exports.

Figure 30 is an attempt to summarize some aspects of food security in the world. It shows measures of the efficiency of agricultural production across countries as well as the dependency of countries to international trade in food. The latter is calculated by subtracting the value of food imports from food exports and dividing that amount by the value of total trade. It provides a crude yardstick of a country's food capacity relative to its needs. Overall, relative to most LAC countries, Bolivia fares poorly on these two dimensions of food security, very inefficient and only marginally independent vis-à-vis its trading partners.

There's much of course that is not captured in *Figure 30* in terms of food security. Country-wide needs can differ widely with the needs of the population. *Figure 31* highlights this fact for

Bolivia. The findings of *Figure 31* are drawn from a 2005 Vulnerability Analysis and Mapping study by the UN's World Food Programme. It's not clear (at least to us) how "high food vulnerability" is defined. In addition, the study is dated; the reality could certainly have changed considerably since the analysis was done. With those considerable caveats in mind, the evidence suggests that food insecurity may be very prevalent in much of Bolivia. Seventy-seven percent of the municipalities in the Altiplano "macro-zone" of Bolivia (with 26% of Bolivia's population) suffered from high food vulnerabilities at the time of the analysis; 50% in the Valley macro-zone (where 42% of Bolivia's population exists).

A more recent accounting of food security in Bolivia is from the International Food Policy Research Institute's *2010 Global Hunger Index* (GHI). The GHI incorporates three hunger-related indicators: the proportion of undernourished in the population; the prevalence of underweight in children, and the mortality rate of children. The 2010 GHI reflects data from 2003-2008 and is calculated for 122 countries. Results in the scores range from "<5" (for 38 countries which include 8 LAC countries, Argentina, Brazil, Costa Rica, Chile, Cuba, Jamaica, Mexico, and Uruguay), to 41 (the Democratic Republic of Congo). Five categories are assigned to the scores: low; moderate; serious; alarming; and extremely alarming. Bolivia scores a 10.9 which falls just inside the "serious" range (of 10.0-19.9). Countries which score similarly include Nicaragua (9.9), Ghana (10.0), Swaziland (10.8), Vietnam (11.5), and Guatemala (12.0). The data underlying the index in the case of Bolivia are: 23% of the population undernourished in 2004-2006 (down marginally from 24% in 1990-1992); 4.3% of underweight children under five years in 2003-2008 (down significantly from 9.7% in 1988-1992); and an under five mortality rate of 54 deaths per 1,000 live births in 2008 (down significantly from 122 deaths in 1990).

Investing in people (and domestic disparities). (*Figures 5-7,13,14, 32-46, Tables 7-10*).

Figure 13 shows that Bolivia lags considerably in investing in people by LAC standards; only Haiti, Guatemala, and Nicaragua lag notably more. The investing in people "spider" chart in *Figure 5* shows the components of the MCP investing in people index and the gaps in the case of Bolivia. By LAC standards, Bolivia lags considerably in health, income, and gender equality. In contrast, Bolivia outperforms the LAC average on the three education indicators (combined enrollments, literacy rate, and education spending as % of GDP). *Figure 7* shows that little change has occurred in these indicators over the past five years; on balance, essentially no advancements in investing in people in Bolivia over this time period.

Bolivia is among the poorest countries of LAC. Of the LAC countries, only Haiti, Guyana, Nicaragua, and Honduras have per capita incomes lower than Bolivia's (*Table 7*). Bolivia's poverty rate is very high, though it has been falling, at least through 2008 (latest year of available data, *Figure 32*). According to the UNDP's *Human Development Report: Bolivia* (2010), extreme poverty (which appears to be roughly equivalent to the World Bank's definition of extreme poverty of \$1 a day) fell from 45% of the population in Bolivia in 2000 to 33% in 2008, a greater proportionate fall than overall poverty; i.e., extreme poverty represented 68% of total poverty in Bolivia in 2000 and decreased to 56% in 2008. Income inequality (at least as measured by the gini coefficient) has also been falling in Bolivia. Nevertheless, income inequality in Bolivia remains among the highest in the LAC region and in fact the world. The World Bank provides estimates of income inequality across the globe with widely varying years

as to when the data were collected. With that caveat in mind, the wealthiest twenty percent of the population in Bolivia received more than twenty three times the income than the poorest twenty percent of the population in 2007. By this measure, only nine other countries worldwide have income inequality of this comparable magnitude or greater: Angola; Belize; Botswana; Colombia; Haiti; Honduras; Namibia; Panama; and South Africa.

There is also fairly significant inequality among geographic regions within Bolivia. The UNDP provides estimates of its Human Development Index (HDI) for nine regions of Bolivia, the most recent data for 2007. The HDI combines three aspects of human development: health (life expectancy), education (school enrollment rates) and living standards (per capita income). *Figure 33* shows the range of human development across the nine regions of Bolivia compared to a select number of countries in the world. Potosi is the least developed region by this measure, roughly comparable to the level of development in Equatorial Guinea and Guatemala. At the other end of the development spectrum is the region of Tarija, with a level of development comparable to that of Ukraine. *Figure 34* brings in the two global extremes in human development (Liberia and Norway), and provides additional context and perspective to the geographic development disparities within Bolivia. Equatorial Guinea is ranked 117th out of 162 countries in the HDI index; Ukraine is ranked 69th. In other words, and converting to percentile ranks, human development in the nine regions of Bolivia range from a global percentile rank of 43rd percentile in the case of Tarija to 72nd percentile rank in Potosi.

Considerable progress in human development has occurred in all nine regions over the past twenty years (*Figures 35-37*). The most significant development gains from 1976 to 2007 have occurred in Chuguisaca followed by Tarija, then Potosi, and Cochabamba (*Figure 35*). *Figure 37* underscores two additional observations: (1) the least developed region in Bolivia in 2007 (Potosi) is more advanced than the most developed region in Bolivia in 1976 (Santa Cruz); and (2) development disparities between the region have decreased in this time period; development among the regions appears to be converging.

Education (Figures 7, 38-41, Tables 7 and 10). Bolivia's education indicators of the spider chart in *Figure 7* are among the most advanced of all the indicators of Bolivia of the MCP indices, across the development sectors. They are also very favorable compared to LAC norms.

Figures 38-41 shed additional light on education trends. Secondary and tertiary enrollment rates in Bolivia are high by LAC standards. However, in contrast to at least some of the other countries in the region, such enrollments in Bolivia have been declining in recent years. *Figures 40 and 41* highlight two key types of disparities in education, urban vs. rural and male vs. female. The urban-rural education gap is significant. Seventy-six percent of rural Bolivians have gone no further than completing primary education, and 23% haven't even completed primary school. In contrast, the majority of urban Bolivians have completed either tertiary education (33%) or secondary education (32%); all but 5% of them have completed at least primary school.

Formal education attainment is particularly low for women in rural Bolivia (*Figure 41*). Only 5% of rural women complete tertiary education and only 13% complete secondary education; both proportions are roughly only half the percentage of such education attainment by rural

males. One-third of rural women don't even complete primary education. This compares to 11% of rural males.

Health. (Figures 5, 42-46, Tables 7 and 9). Basic health indicators in Bolivia are significantly below LAC average (Figure 5). Table 9 aggregates the four health indicators of the MCP investing in people index into a separate health index: under-five mortality; life expectancy; health expenditures; and environmental health. Of the 33 LAC countries for which data are available, only five countries score below Bolivia on this index: Nicaragua; Guatemala; Haiti; Grenada; and Guyana.

Life expectancy in Bolivia is 66 years and has been increasing steadily; it was 61 years in 1995 (Figure 42). The LAC average is 73 years. Of the LAC countries, only Haiti has a lower life expectancy (at 61 years) than Bolivia. Similarly, Bolivia's under five mortality rate is exceeded only by Haiti's in LAC. The under five mortality rate in Bolivia in 2008 was 54 deaths per 1,000 children; the LAC average is 24 deaths and ranges from 6 deaths in Cuba to 89 deaths in Haiti (Table 9). Figure 43 shows that the under-five mortality rate has fallen significantly in Bolivia from 1990 to 2008, though remains closer to South Asia standards than LAC norms.

Tables 9 and Figure 44 show Bolivia scores poorly on environmental health as well. This indicator is drawn from the Yale Center for Environment Policy & Law's *Environmental Sustainability Index* (ESI). The ESI consists of two primary components: environmental health and ecosystem vitality. Environmental health consists of three parts: (1) environmental burden of disease (measured in disability adjusted life years or DALYs); (2) access to water and sanitation (a: the percentage of the country's population that has access to an improved source of sanitation; and b: the percentage of the country's population that has access to an improved source of drinking water); and (3) air pollution (a: indoor pollution: the percentage of the population using solid fuels; and b: outdoor air pollution).

Figure 44 shows the results for all of the components of the ESI for Bolivia compared to the LAC average as well as other countries in the world with comparable per capita income. Bolivia lags considerably from the LAC average in all three environmental health sector components. Figure 45 shows the aggregate results of the ESI (i.e., the environmental health aspects as well as the ecosystem vitality aspects), Bolivia vs. other countries of LAC and select countries elsewhere in the world. Of the LAC countries, only Haiti scores lower on the Environmental Sustainability Index than does Bolivia.

Finally, a key aspect of health, particularly of children's health, stems from population growth dynamics. The youth dependency ratio in Bolivia is very high; children under the age of 15 constitute an equivalent of 63% of the working age population. In LAC overall, the youth dependency ratio is only 44%. This difference is also evident in fertility rates (Figure 46). Fertility rates have fallen considerably across the developing regions of the world with the exception of Sub-Saharan Africa. The fertility rate in Bolivia has fallen significantly as well, though remains closer to South Asia rates than LAC rates. As with many other indicators, the urban-rural discrepancy in Bolivia's fertility rate is very large: 4.9 children per woman in the rural areas vs. 2.9 children per woman in urban Bolivia.

Peace and Security (Figures 47-49, Table 11). The MCP peace and security index was developed to mirror the six primary elements of the peace and security objective developed in 2006 by the Director of Foreign Assistance. These elements include combating weapons of mass destruction, combating transnational crime, counter-narcotics, counter-terrorism, stabilization operations and security sector reforms, and conflict mitigation. The MCP peace and security dataset is our most recent MCP index and hence partly as a result includes a more limited number of countries than do the other MCP indices. Currently, nine LAC countries are part of the dataset.

Figure 47 shows the peace and security scores in a select number of countries worldwide and compares those scores with the MCP governing justly and democratically index. On both dimensions, progress in the eight Northern Tier Central and Eastern Europe countries is used as a benchmark. In general, the figure highlights that countries which are more peaceful and secure also tend to be more democratic and advanced in governing justly. The most salient outliers to this trend are India and Pakistan.

Overall, Bolivia's peace and security score is slightly below the nine-country LAC average (*Table 11*). By this measure, Bolivia (with a score of 2.5) is more peaceful and secure than Mexico (2.4), Venezuela (2.4), and Colombia (2.3); and less peaceful and secure than the Dominican Republic (2.9), Peru (2.9), Ecuador (2.7), Guatemala (2.6) and Haiti (2.6).

Figure 48 highlights Bolivia progress on the six peace and security measures relative to the LAC average and to global standards (a "5" by definition). Bolivia lags the most in counter-narcotics (1.9) followed by transnational crime (2.1). Bolivia also lags by LAC standards in its counter-terrorism capacity and results. Finally, *Figure 49* sheds additional light on Bolivia's counter-narcotics gap. It suggests that the challenges and problems are growing. After a dramatic drop in coca cultivation in the late 1990s and early 2000, coca cultivation has been steadily increasing, from 2000-2009. This has coincided with a general decrease in coca eradication, though the decline has leveled off in recent years. Bolivia is the world's third largest cultivator of coca (after Colombia and Peru) with an estimated 30,900 hectares under cultivation in 2009. It is also a transit country for Peruvian and Colombian cocaine destined for Brazil, Argentina, Chile, Paraguay, and Europe.



Bolivia MCP Gap Analysis

USAID

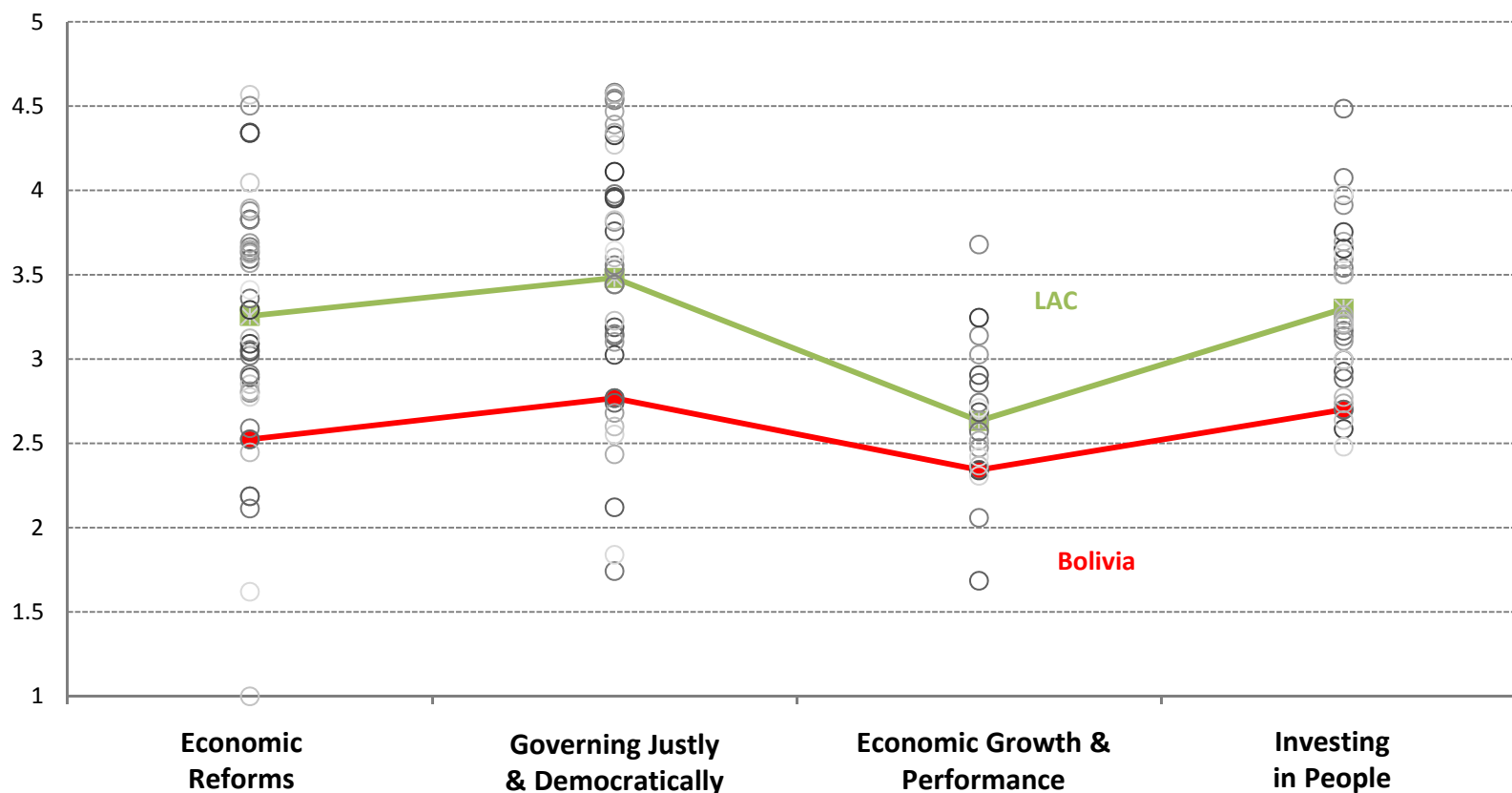
E&E Bureau

Strategic Planning and Analysis Division

April 2011

Figure 1

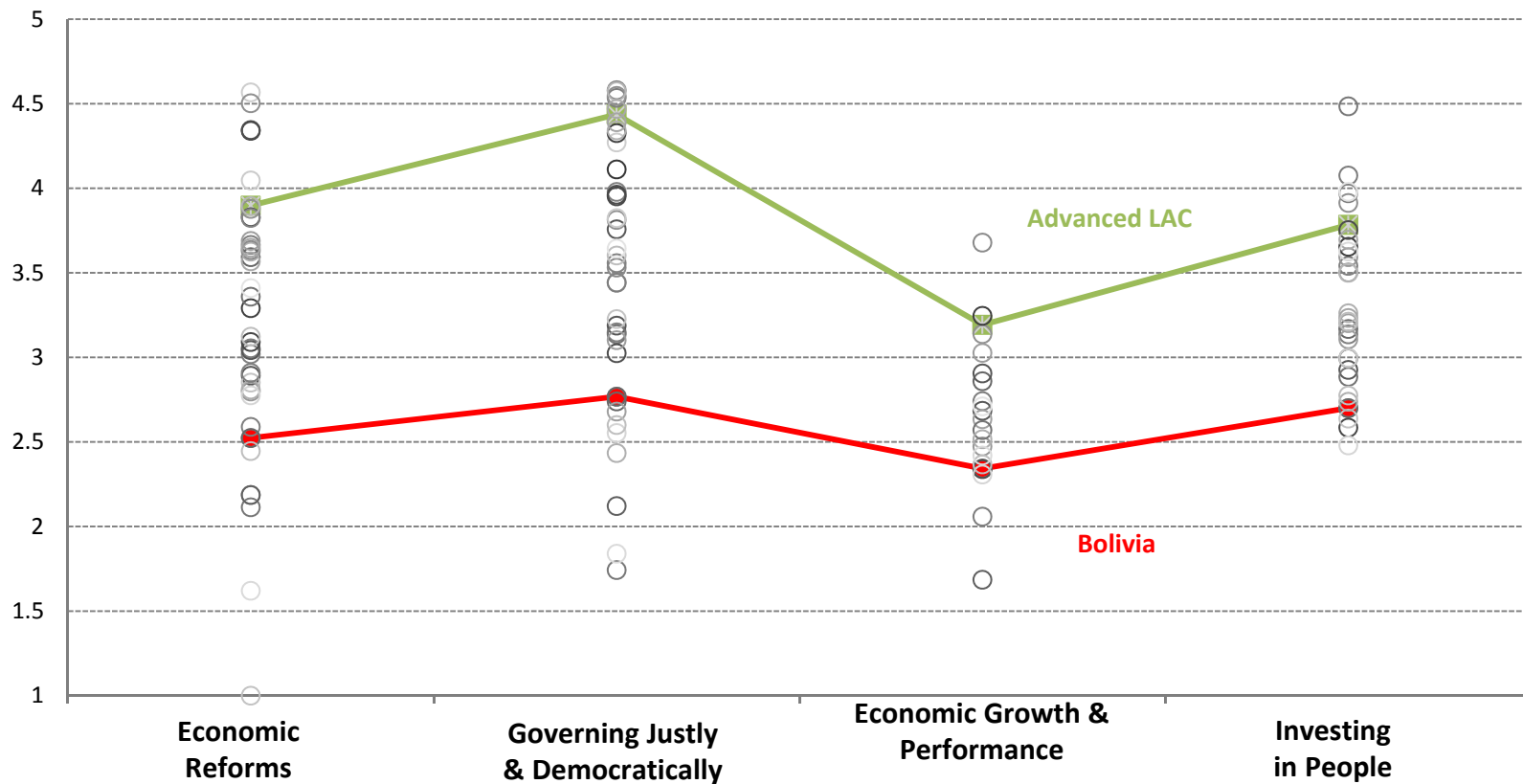
Bolivia's Development Profile



Ratings are based on a 1 to 5 scale, with 5 representing the most advanced worldwide. Elaboration of the indicator definitions, time periods, and data sources are provided in the *Bolivia Gap Analysis Appendix*. Latin America and the Caribbean (LAC) refers to 36 countries of the region, data permitting. Most data are from 2009-2010.

Figure 2

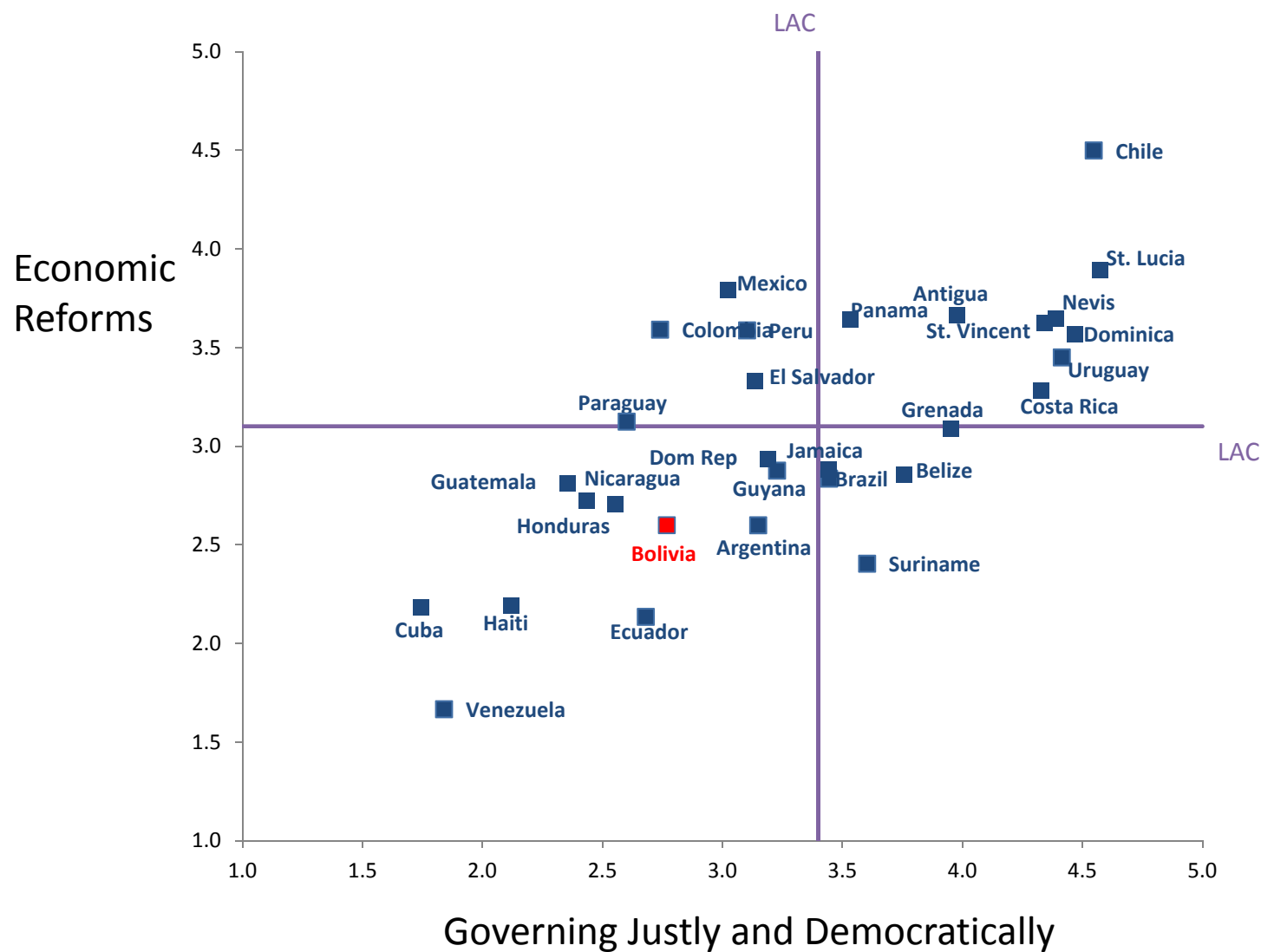
Bolivia's Development Profile



Ratings are based on a 1 to 5 scale, with 5 representing the most advanced worldwide. Elaboration of the indicator definitions, time periods, and data sources are provided in the *Bolivia Gap Analysis Appendix*. Advanced Latin America and the Caribbean (LAC) refers to Costa Rica and Chile. Most data are from 2009-2010.

Figure 3

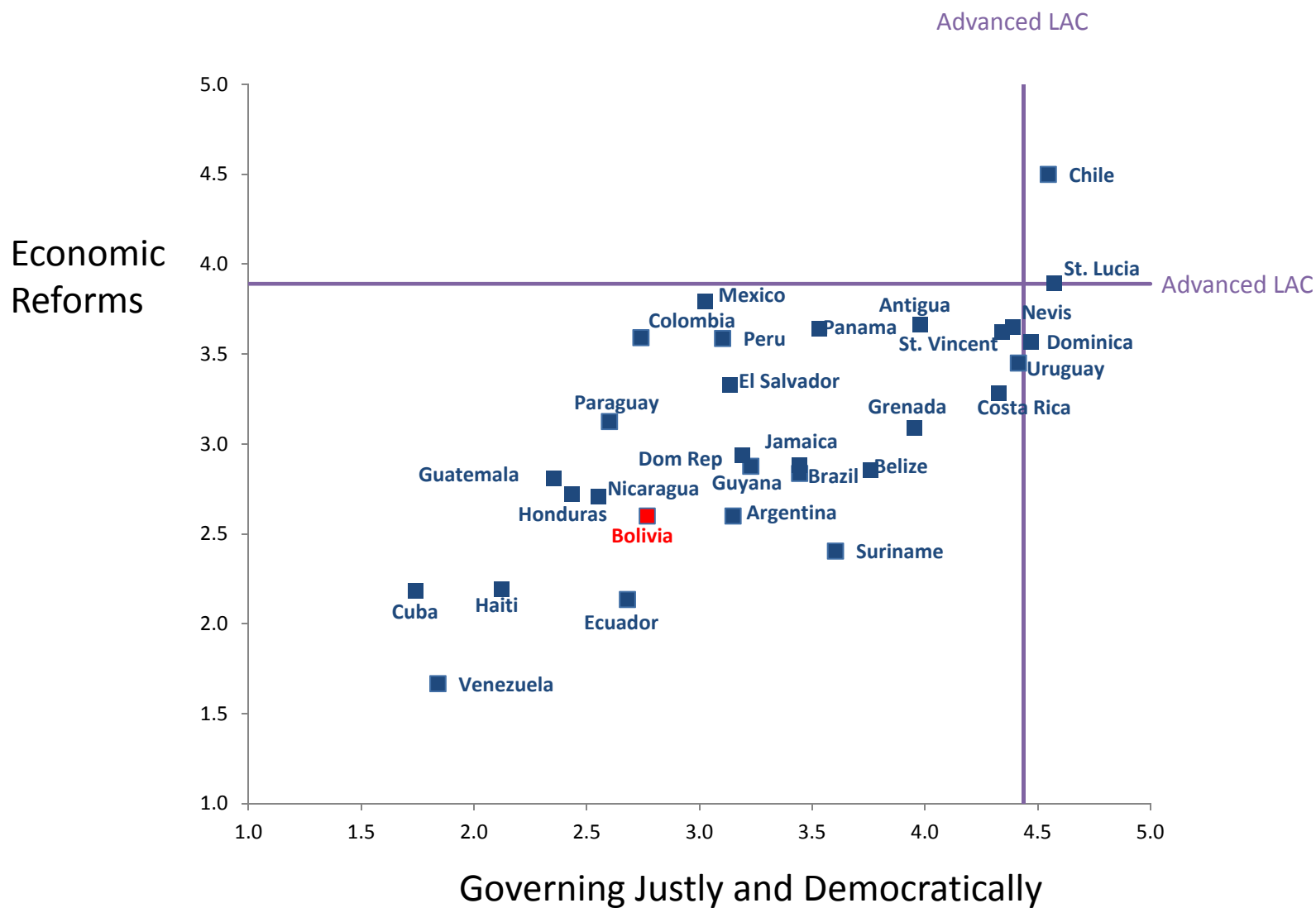
Economic Reforms vs. Governing Justly & Democratically in LAC



Ratings are based on a 1 to 5 scale, with 5 representing the most advanced worldwide. Elaboration of the indicator definitions, time periods, and data sources are provided in the *Bolivia Gap Analysis Appendix*. Most data are from 2009-2010.

Figure 4

Economic Reforms vs. Governing Justly & Democratically in LAC



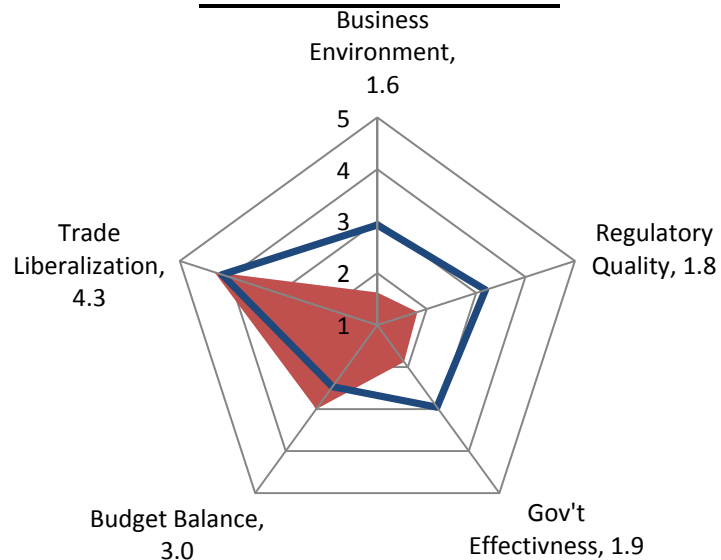
Ratings are based on a 1 to 5 scale, with 5 representing the most advanced worldwide. Elaboration of the indicator definitions, time periods, and data sources are provided in the *Bolivia Gap Analysis Appendix*. Most data are from 2009-2010. Advanced LAC refers to Costa Rica and Chile.

Figure 5

Bolivia's Development Gaps

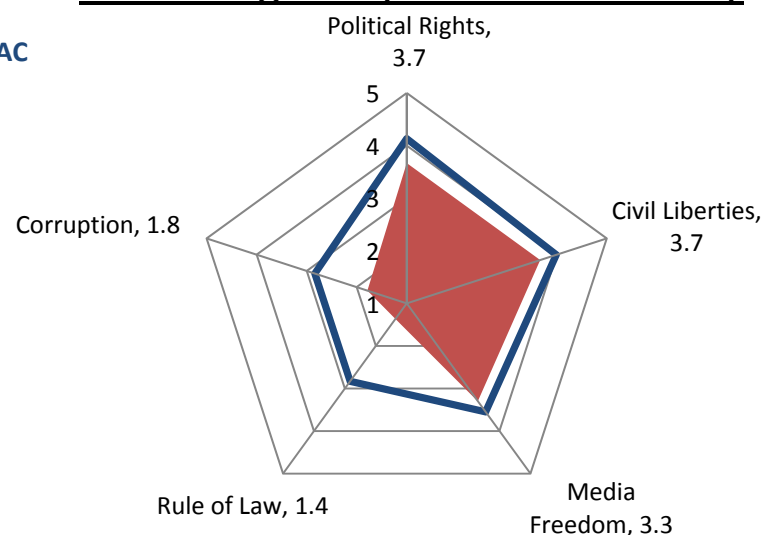
LAC

Economic Reforms



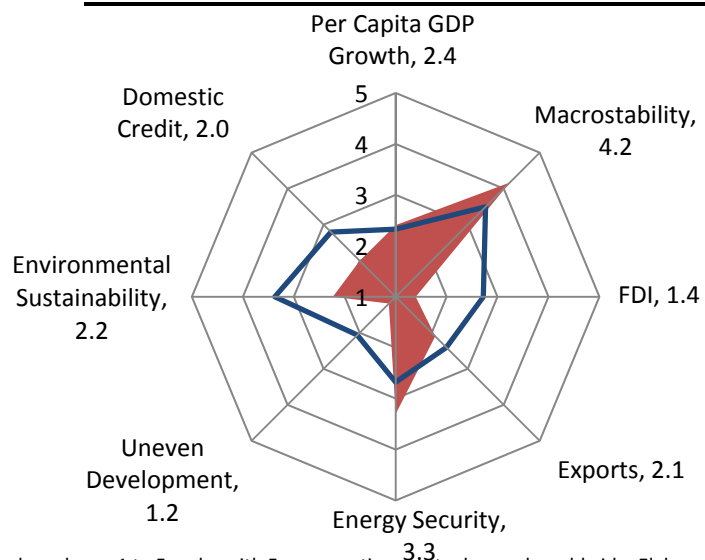
LAC

Governing Justly & Democratically



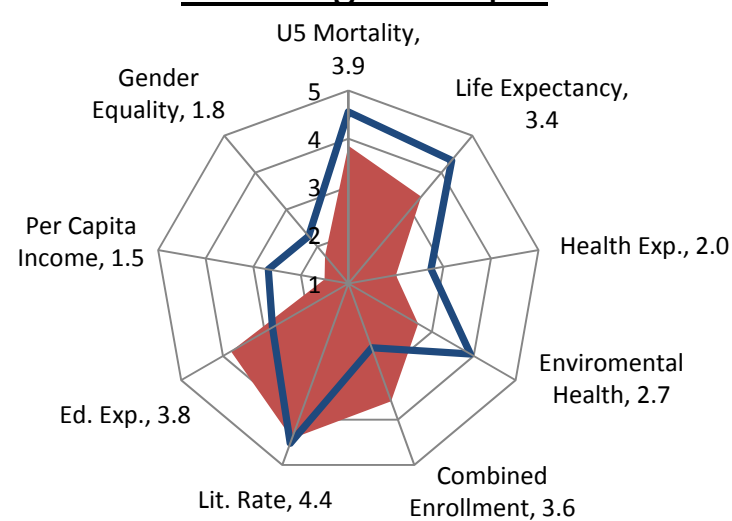
LAC

Economic Growth and Performance



LAC

Investing in People



Ratings are based on a 1 to 5 scale, with 5 representing most advanced worldwide. Elaboration of the indicator definitions, time periods, and data sources are provided in the *Bolivia Gap Analysis Appendix*. Most data are from 2009-2010 for economic and democratic reforms; 2008-2010 for economic growth and performance and investing in people.

Figure 6

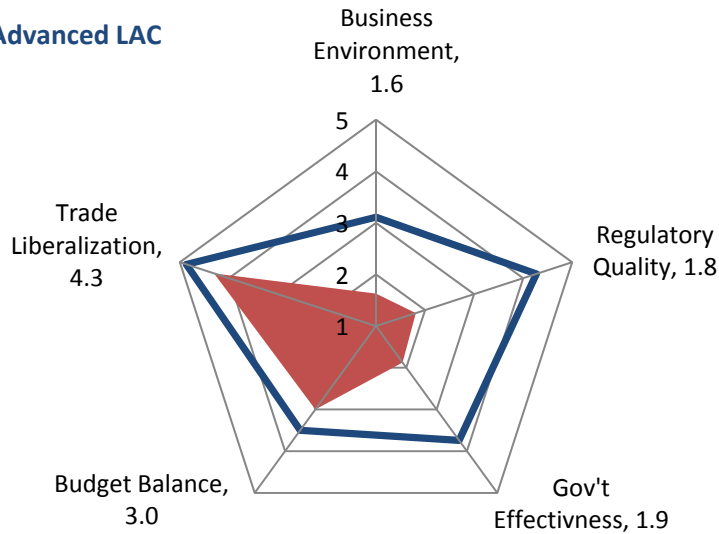
Bolivia vs. Advanced LAC

(Chile and Costa Rica)

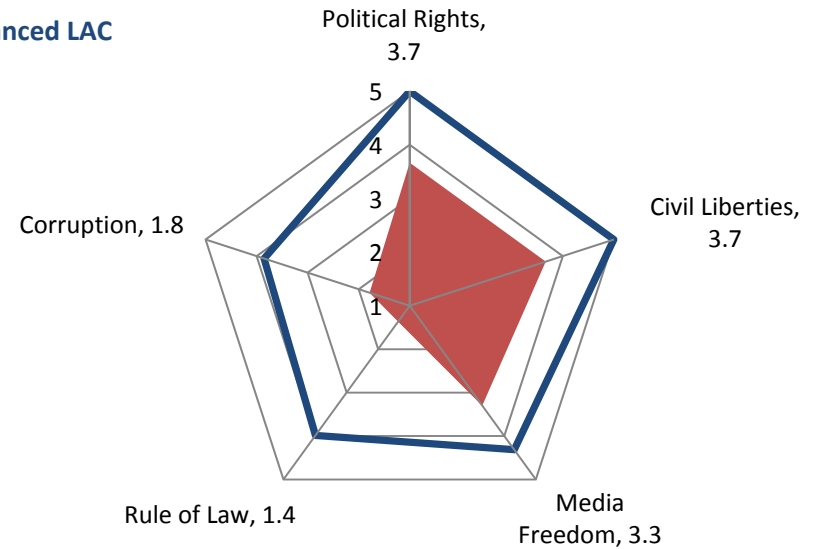
Economic Reforms

Governing Justly & Democratically

Advanced LAC



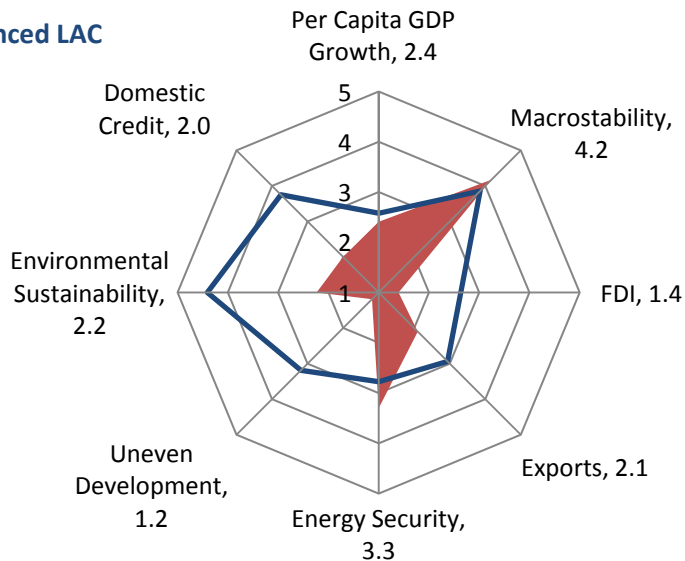
Advanced LAC



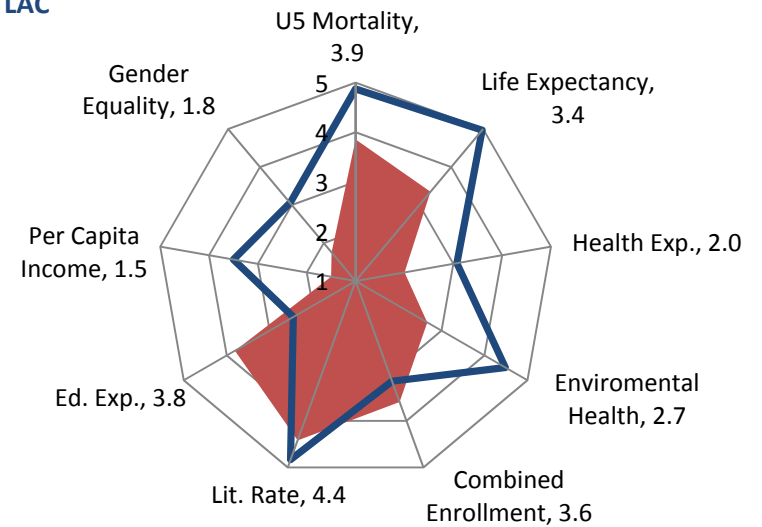
Economic Growth and Performance

Investing in People

Advanced LAC



Advanced LAC



Ratings are based on a 1 to 5 scale, with 5 representing most advanced worldwide.

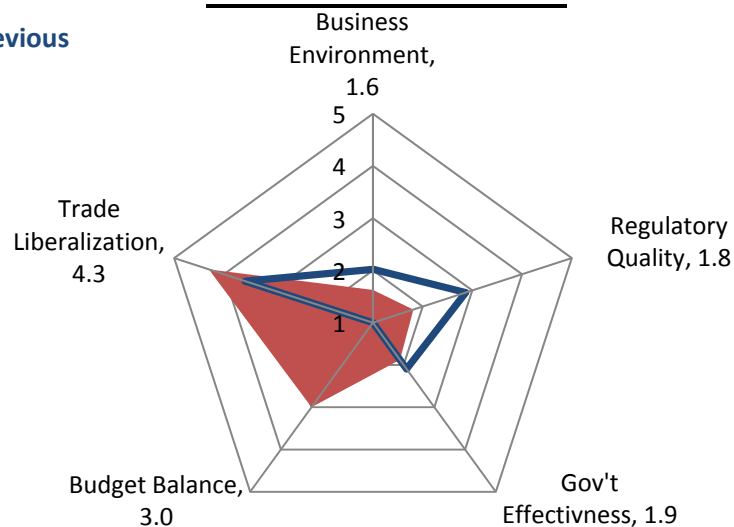
Figure 7

Bolivia's Progress

Current Situation vs. 5 Years' Previous

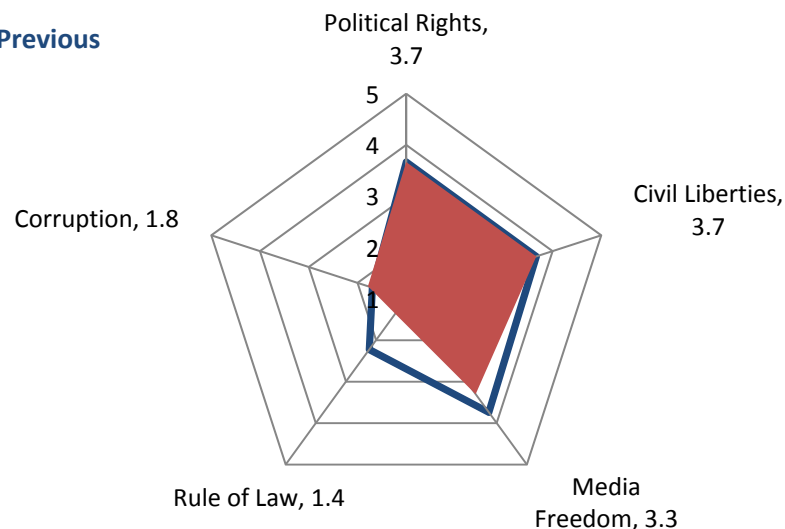
Economic Reforms

5Yrs Previous



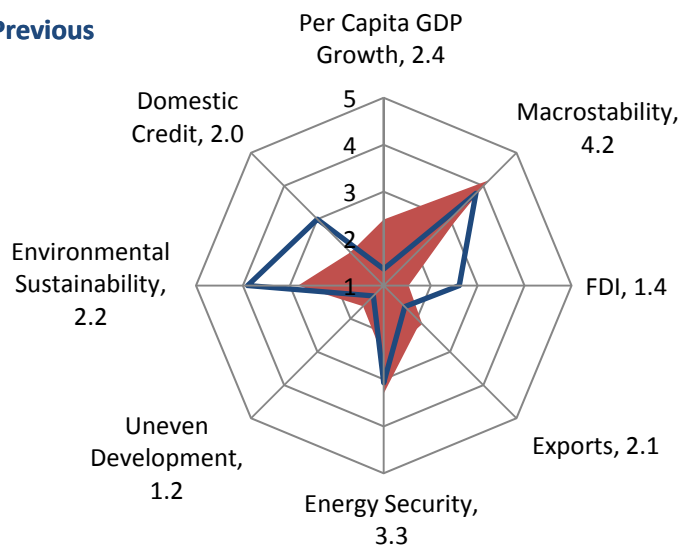
Governing Justly & Democratically

5 Yrs Previous



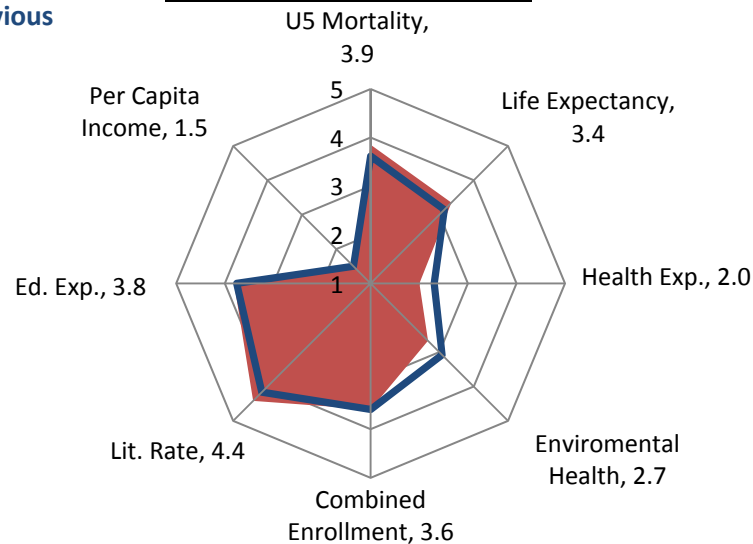
Economic Growth and Performance

5 Yrs Previous



Investing in People

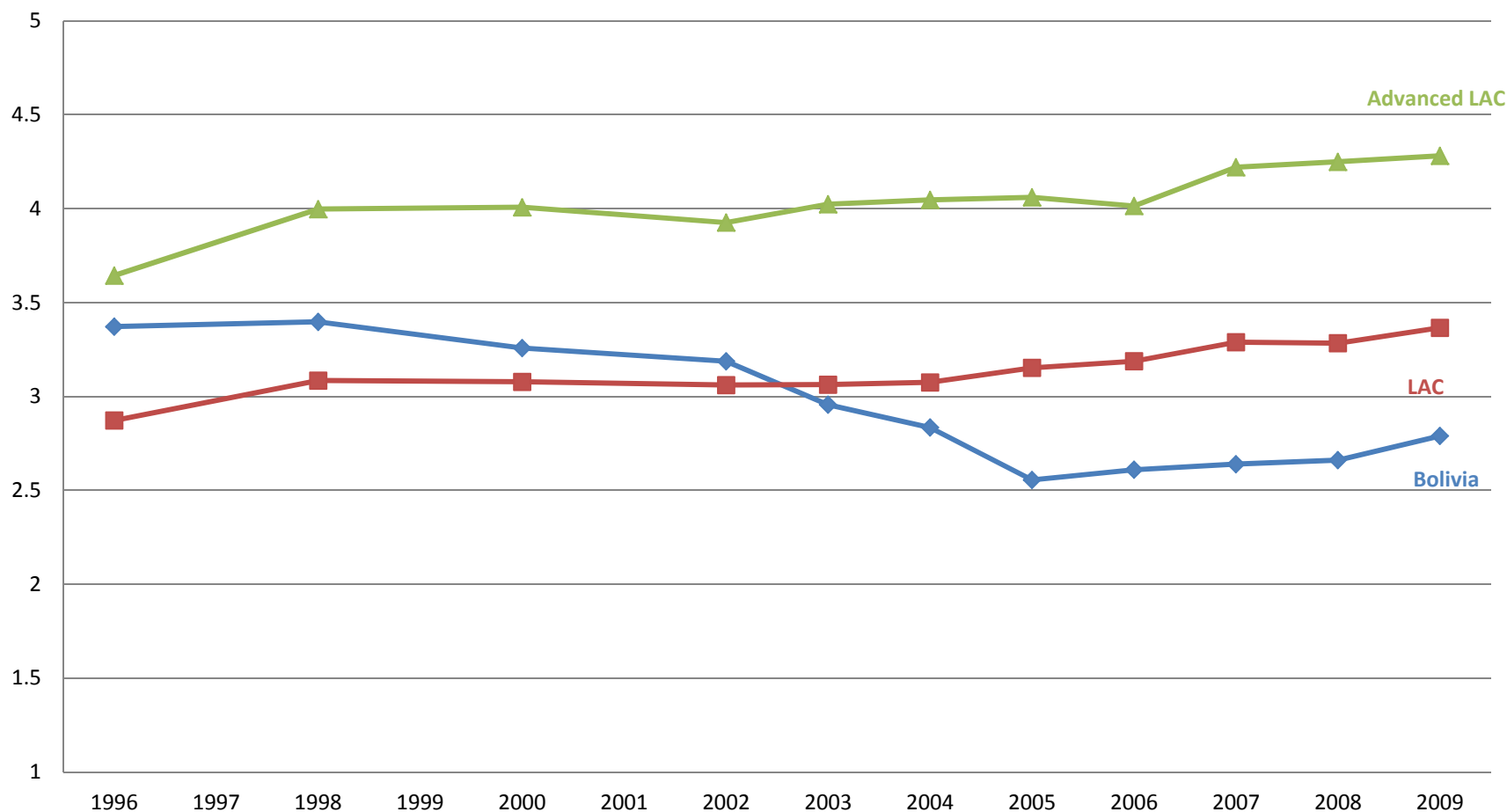
5 Yrs Previous



Ratings are based on a 1 to 5 scale, with 5 representing most advanced world wide. Elaboration of the indicator definitions, time periods, and data sources are provided in the *Bolivia Gap Analysis Appendix*. Most current data are from 2008-2010.

Figure 8

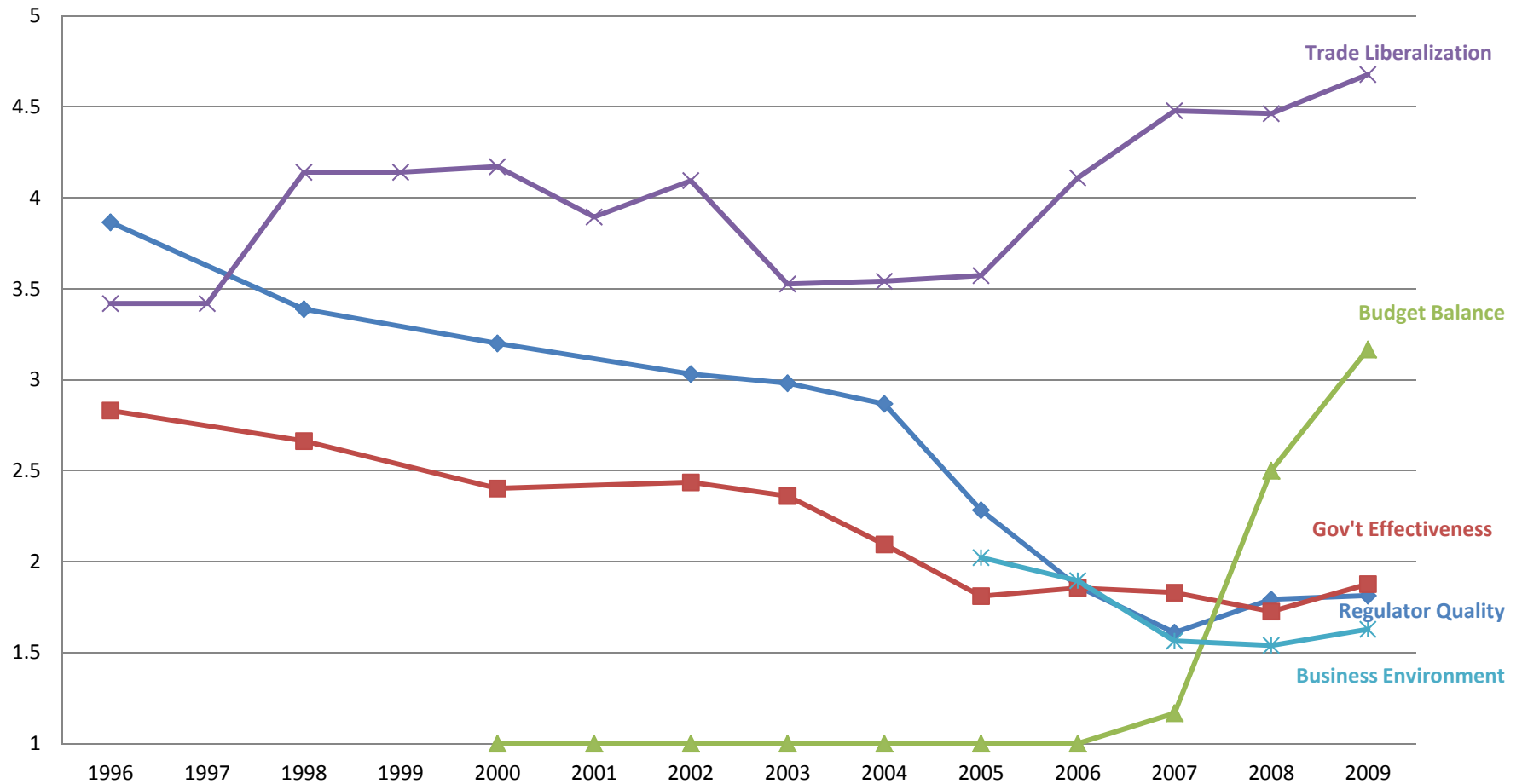
Economic Reforms in Latin America & the Caribbean, 1996-2009



Ratings are based on a 1 to 5 scale, with 5 representing the most advanced worldwide. World Bank, Governance Matters, and Heritage Foundation, Index of Economic Freedom. Due to data limitations, these economic reform trends are a composite of (only) three indicators: trade liberalization; regulatory quality, and government effectiveness.

Figure 9

Economic Reforms Bolivia, 1996-2009



Ratings are based on a 1 to 5 scale, with 5 representing most advanced. World Bank, *Governance Matters*; Heritage Foundation, *Index of Economic Freedom*; World Bank, *World Development Indicators*; World Bank, *Doing Business*.

Figure 10

Business Environment in Latin America & the Caribbean 2005-2009

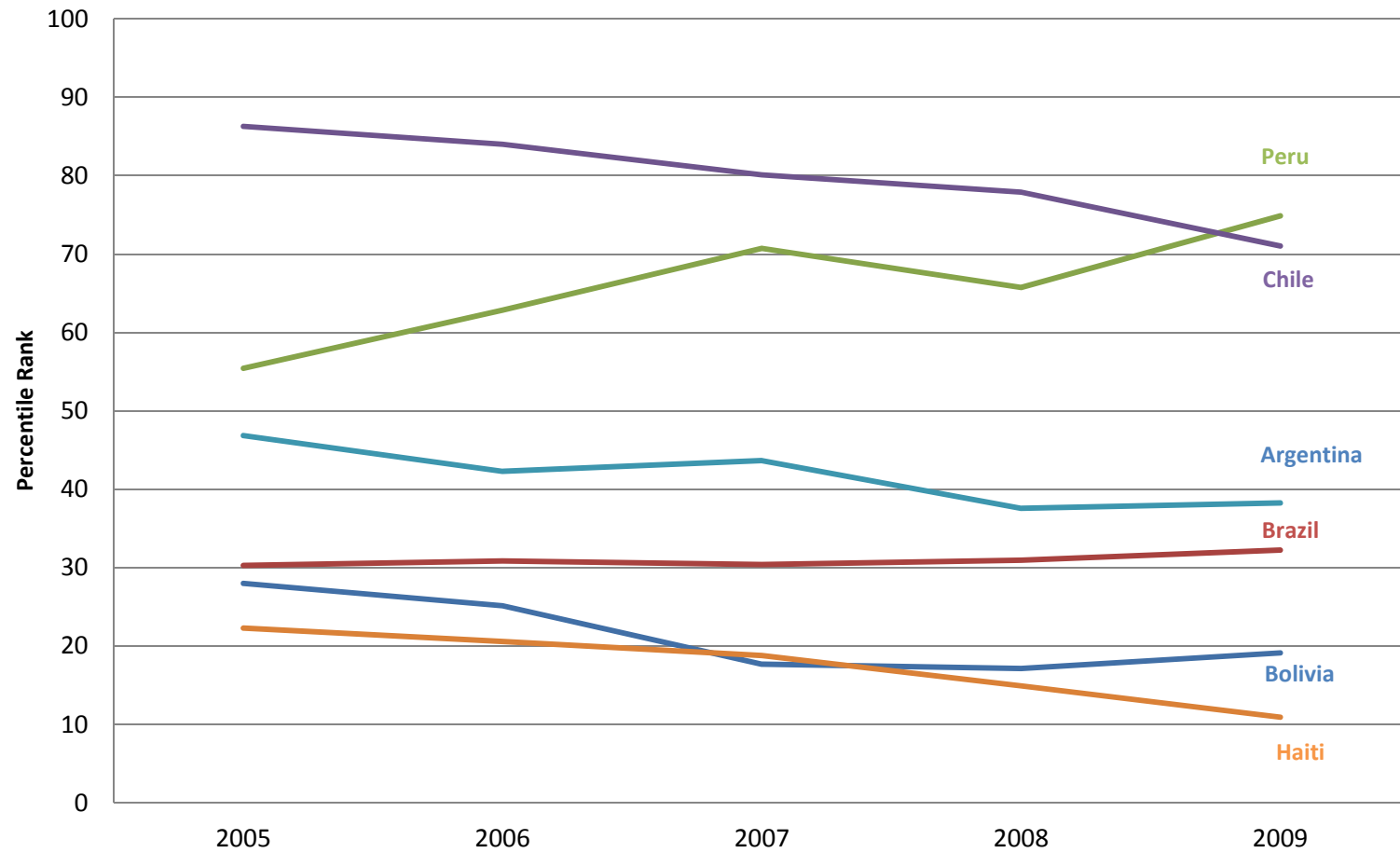
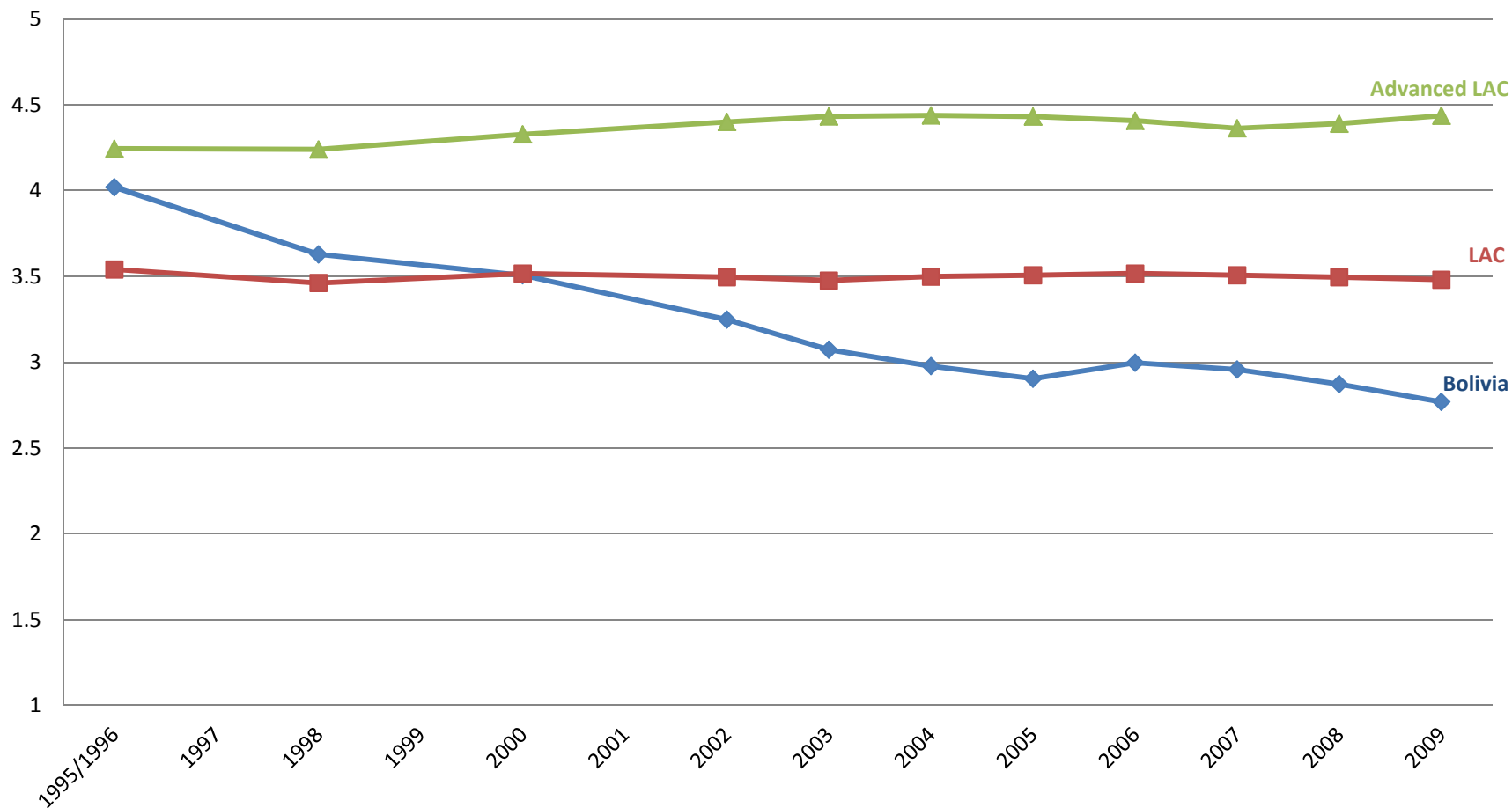


Figure 11

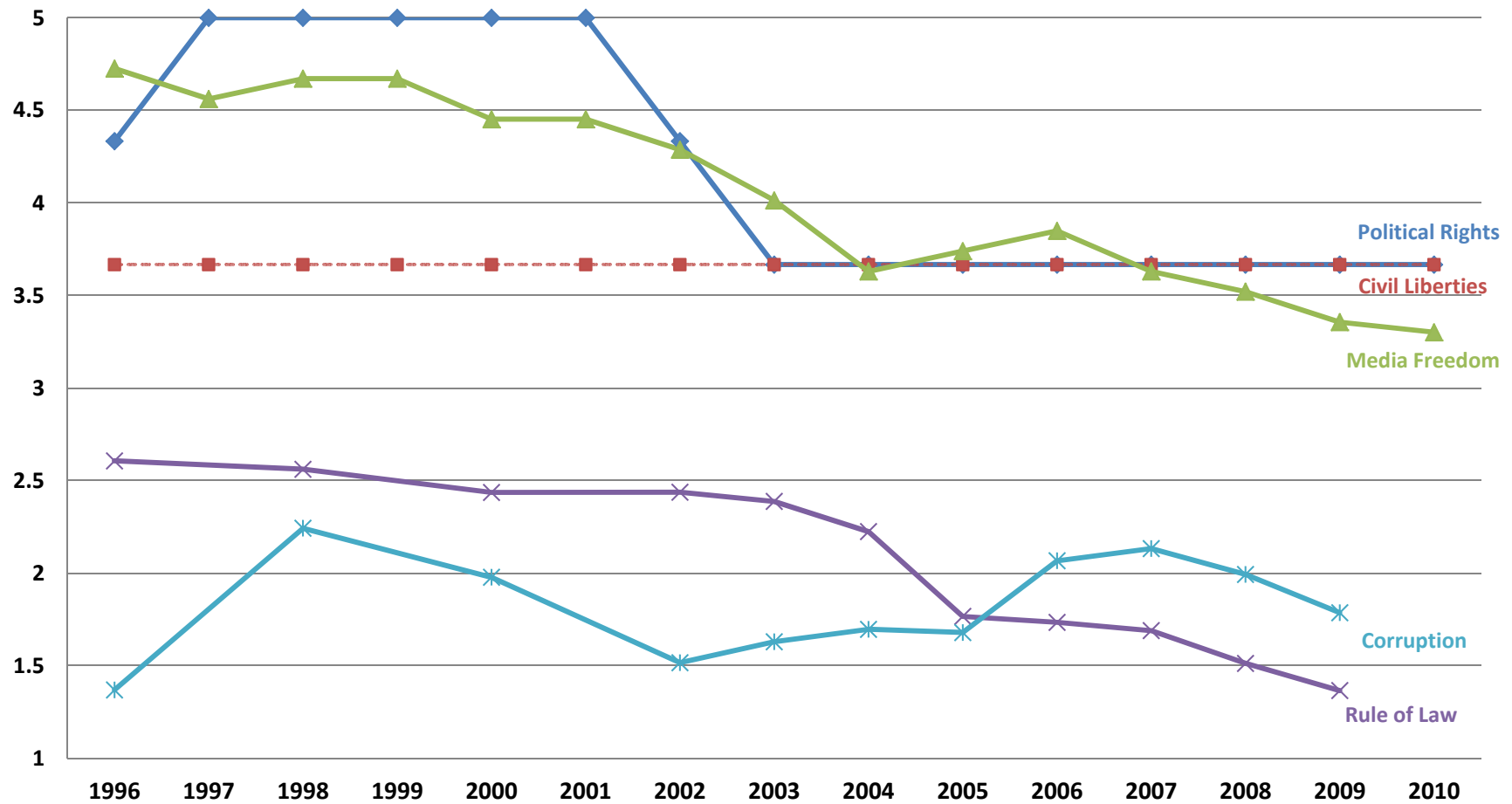
Governing Justly and Democratically in Latin America & the Caribbean, 1996-2009



Ratings are based on a 1 to 5 scale, with 5 representing most advanced. Freedom House's *Freedom in the World* and *Freedom of the Press*; and the World Bank, *Governance Matters*, various years.

Figure 12

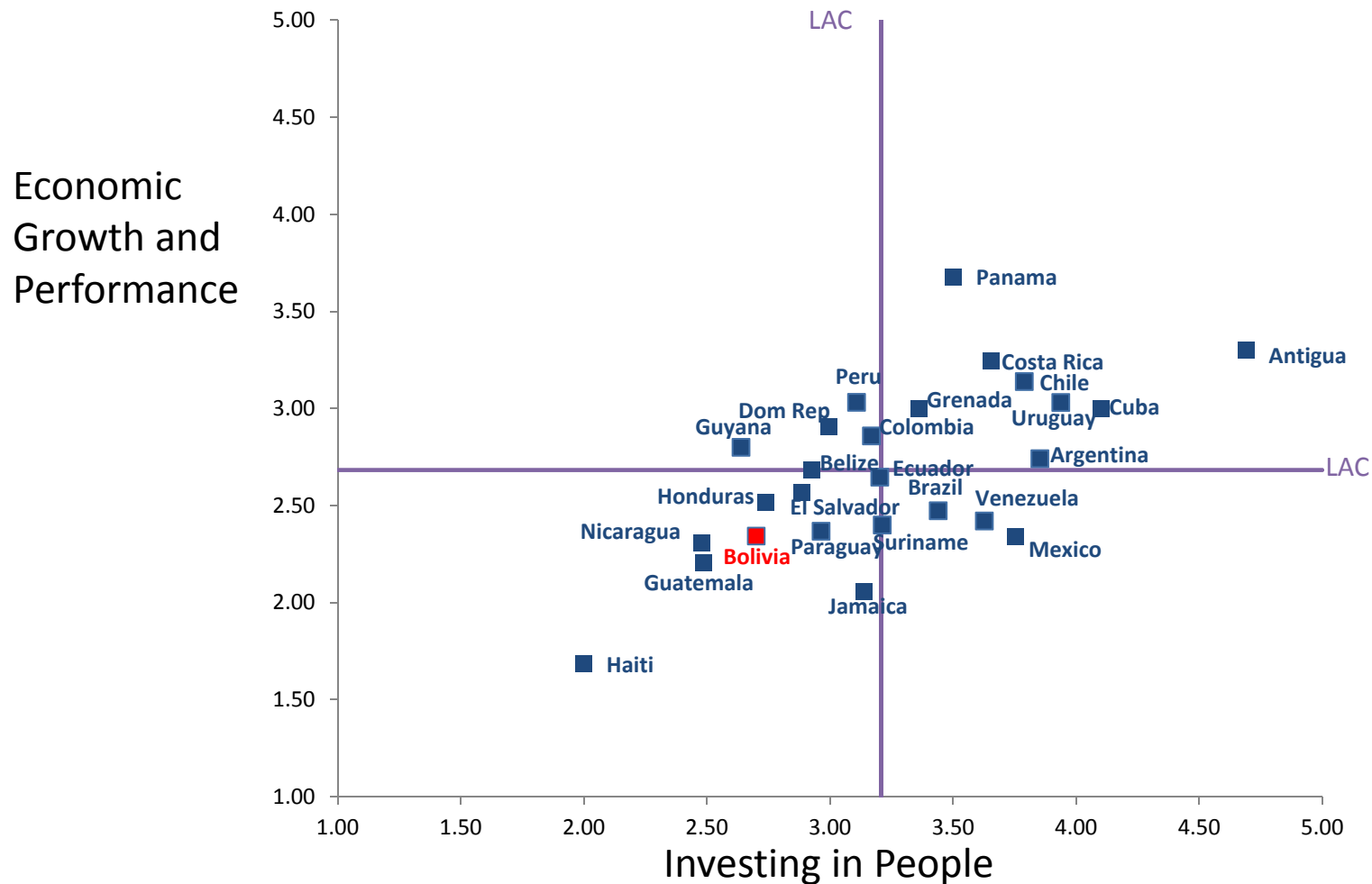
Governing Justly and Democratically in Bolivia, 1996-2010



Ratings are based on a 1 to 5 scale, with 5 representing most advanced. Freedom House, *Freedom in the World* and *Freedom of the Press*; and the World Bank, *Governance Matters*, various years.

Figure 13

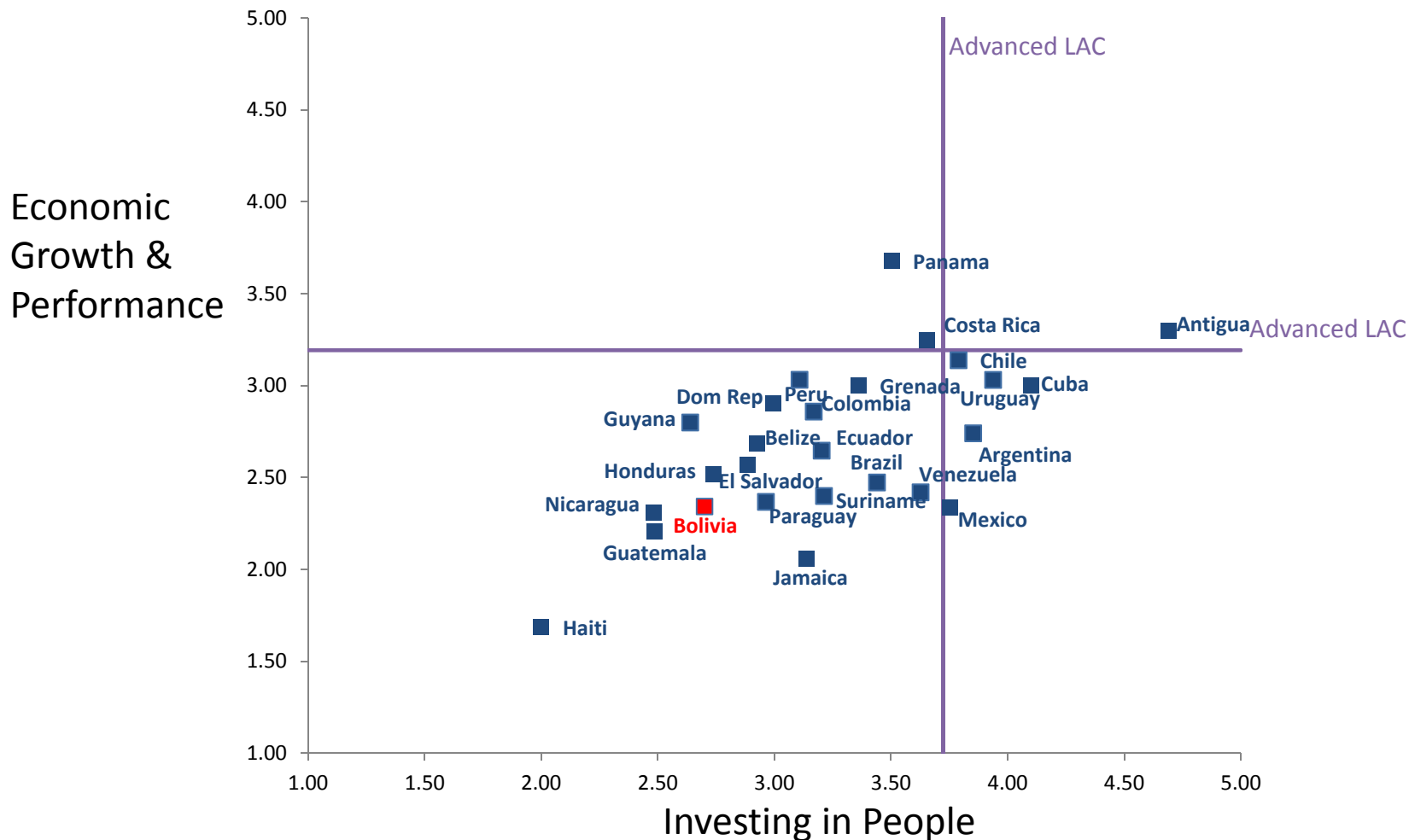
Economic Growth and Performance vs. Investing in People in LAC



Ratings are based on a 1 to 5 scale, with 5 representing most advanced worldwide. Elaboration of the indicator definitions, time periods, and data sources are provided in the *Bolivia Gap Analysis Appendix*. Most data are from 2008-2010.

Figure 14

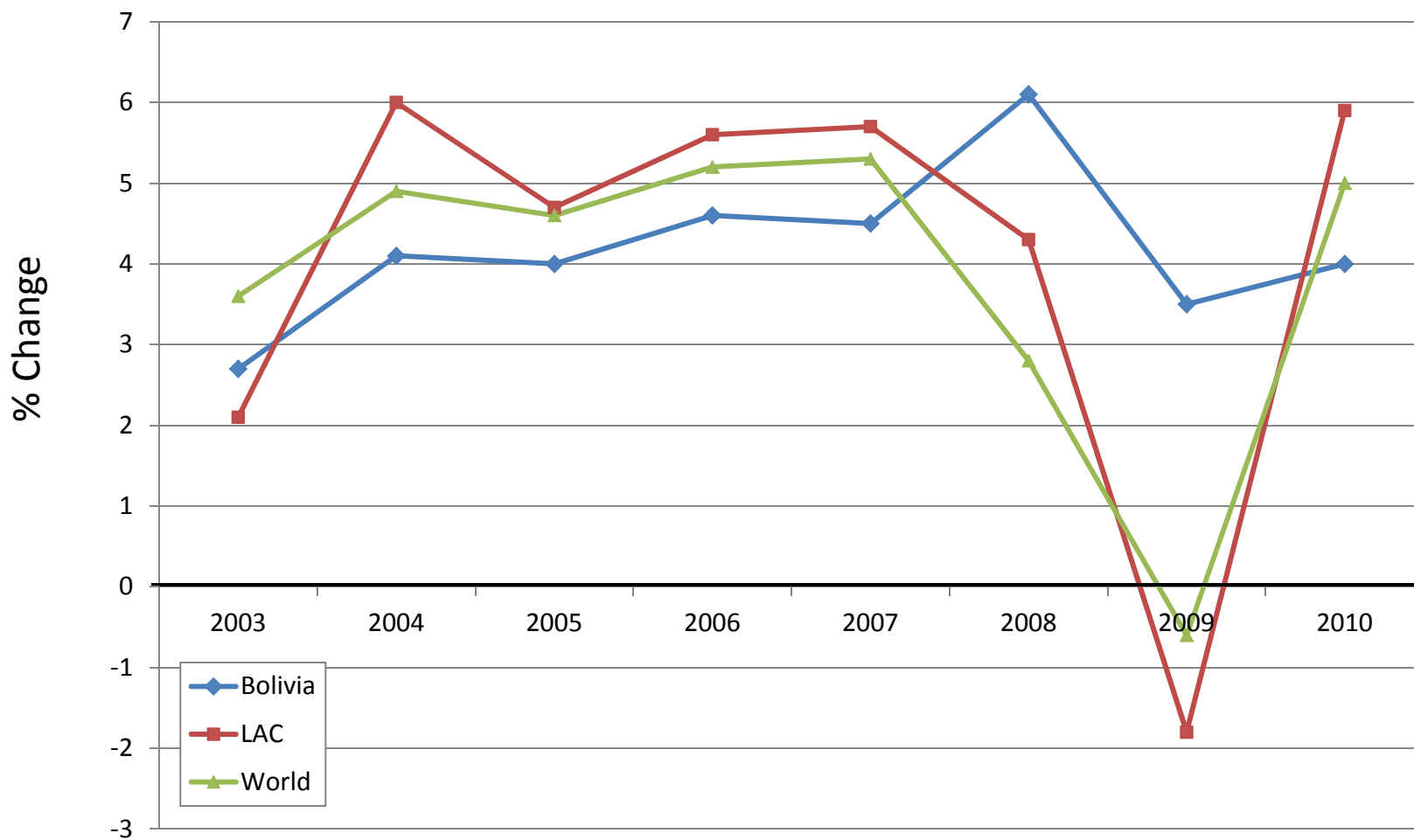
Economic Growth and Performance vs. Investing in People in LAC



Ratings are based on a 1 to 5 scale, with 5 representing the most advanced worldwide. Elaboration of the indicator definitions, time periods, and data sources are provided in the *Bolivia Gap Analysis Appendix*. Most data are from 2008-2010. Advanced LAC refers to Chile and Costa Rica.

Figure 15

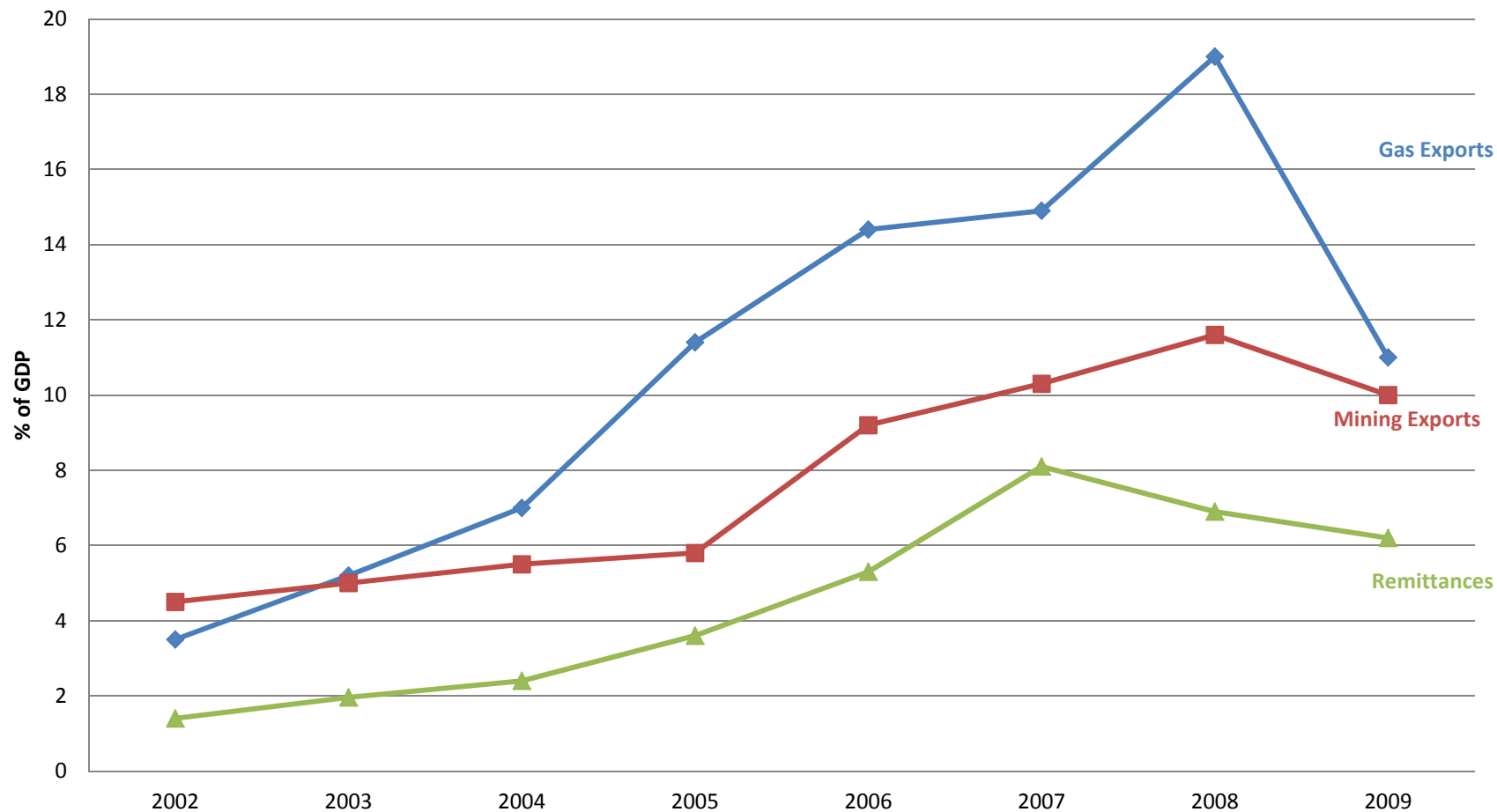
Economic Growth in Bolivia Compared to Latin America & the Caribbean and the World



Source: IMF, World Economic Outlook, March 2011.

Figure 16

Bolivian Exports and Remittances



IMF, *Bolivia Country Report* (January 2010).

Figure 17

Bolivian Natural Gas Export Volumes and Prices

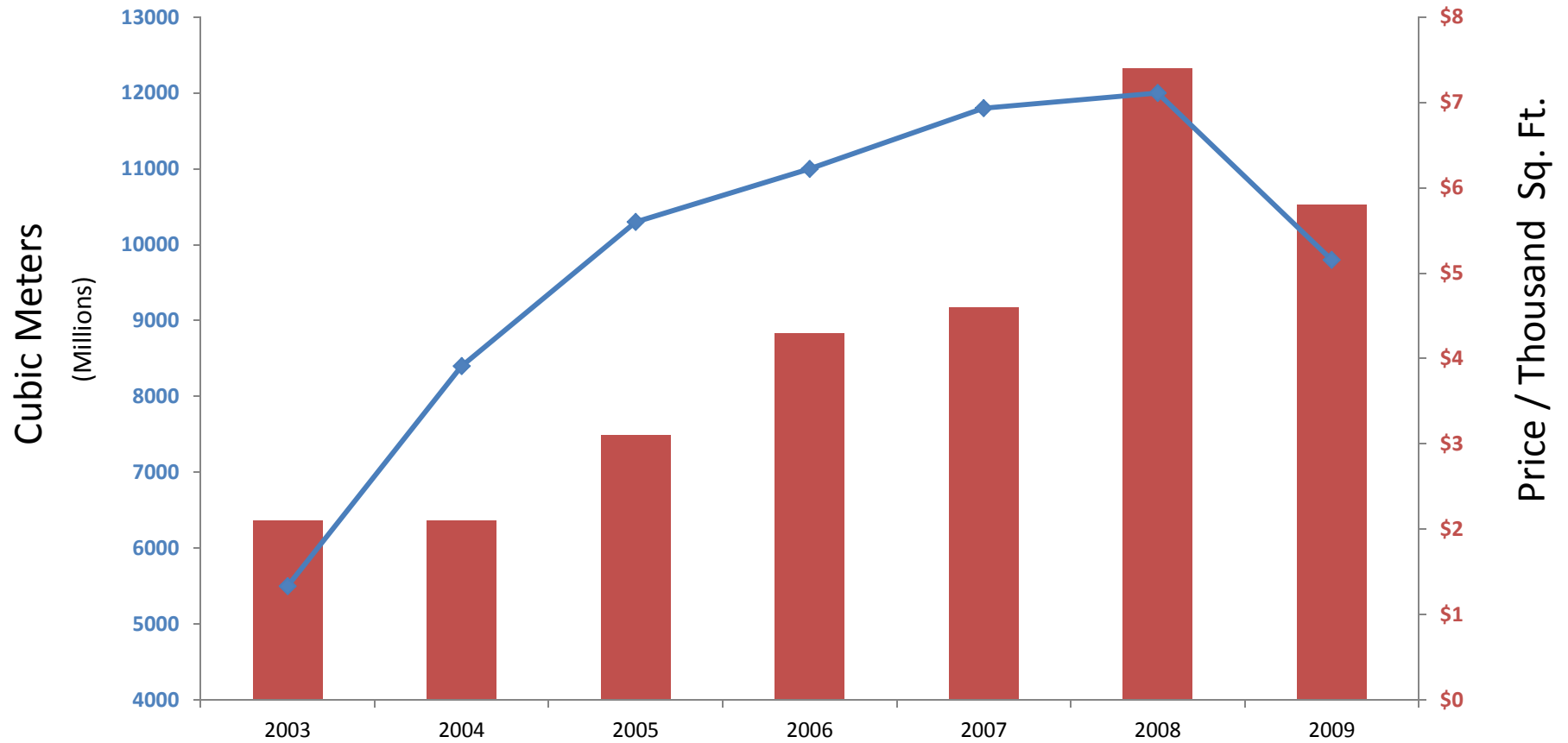


Figure 18

Energy Security

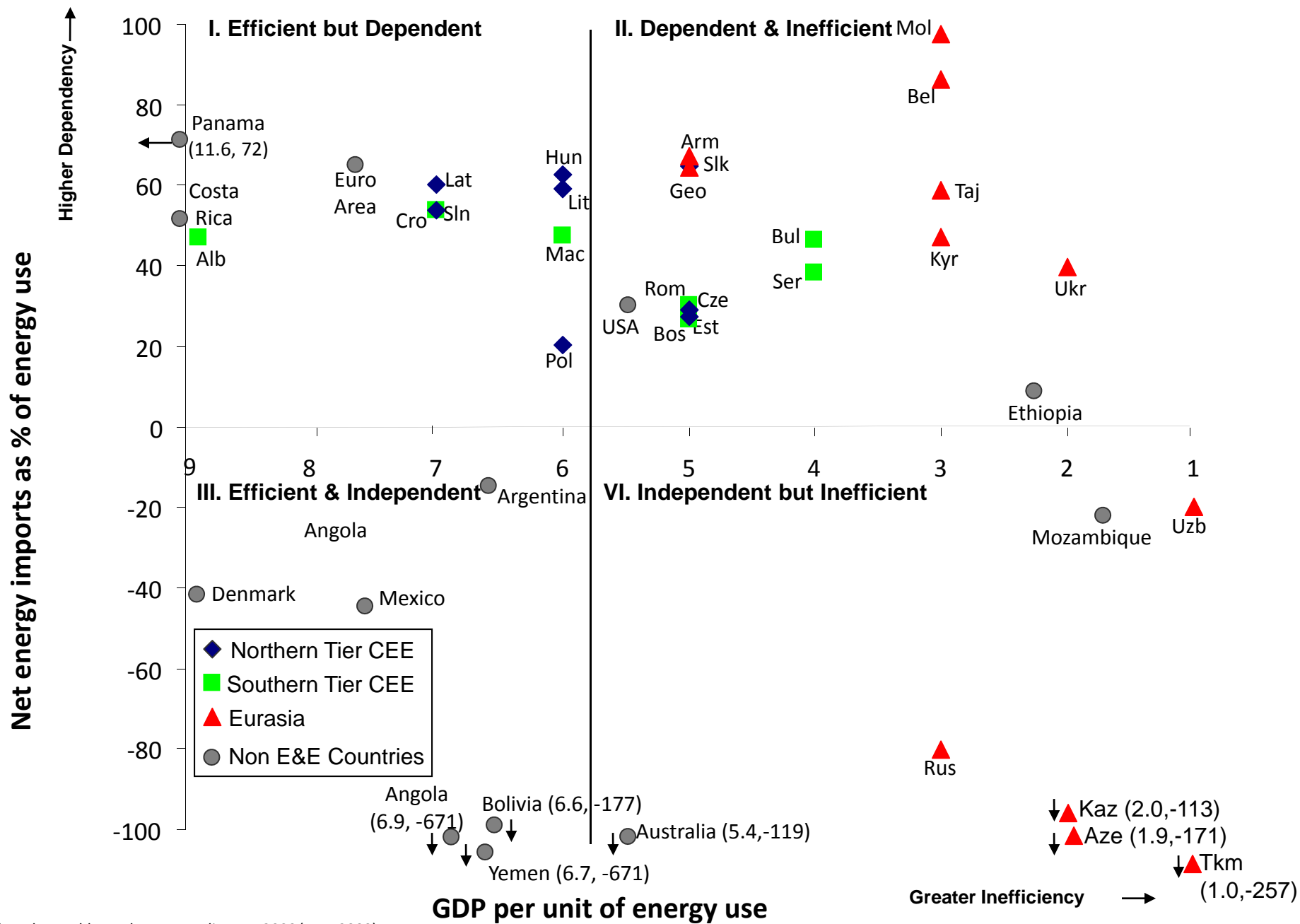


Figure 19

Net Foreign Direct Investment (Percentage of GDP)

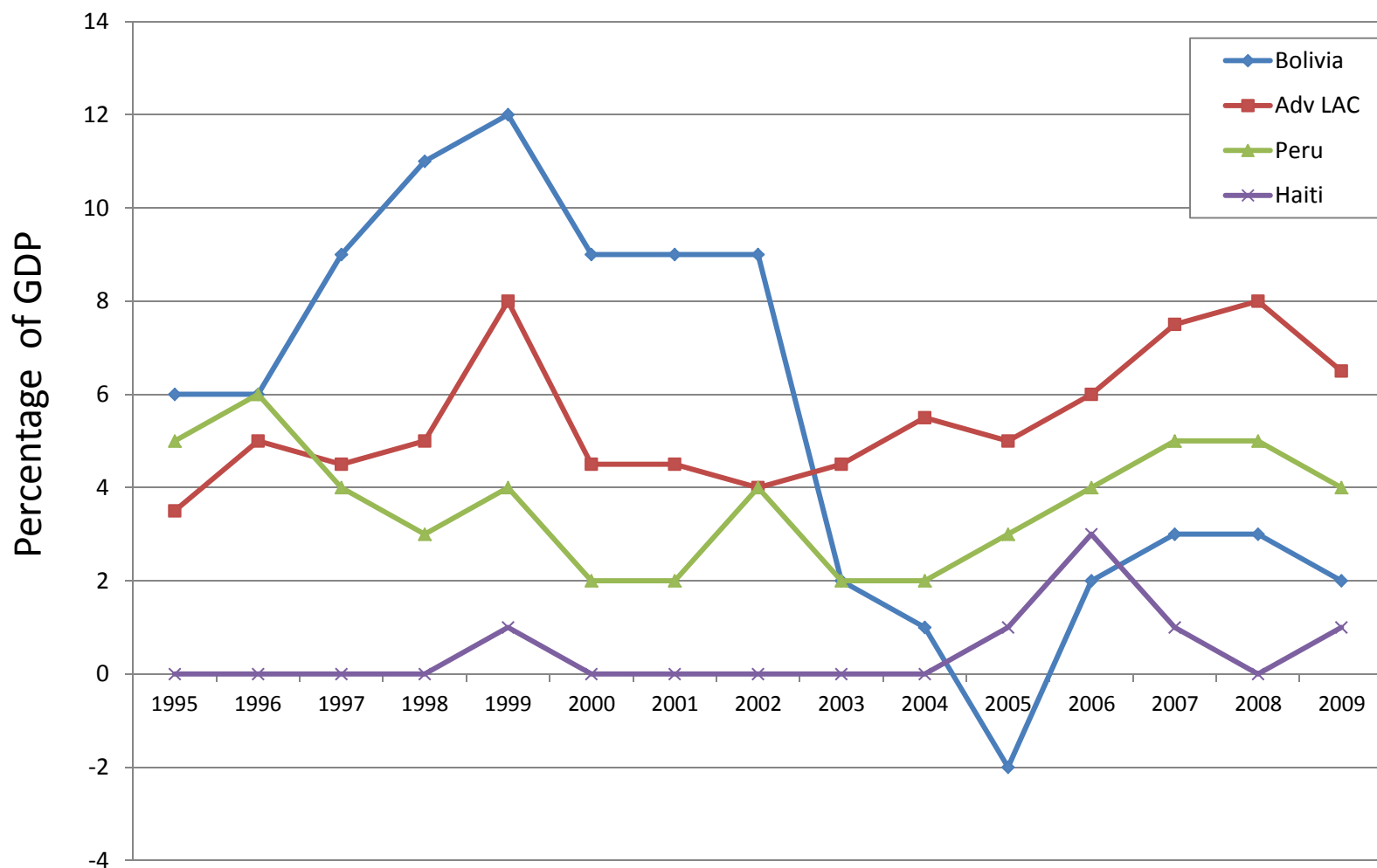


Figure 20

Agricultural productivity (in US \$,per worker)

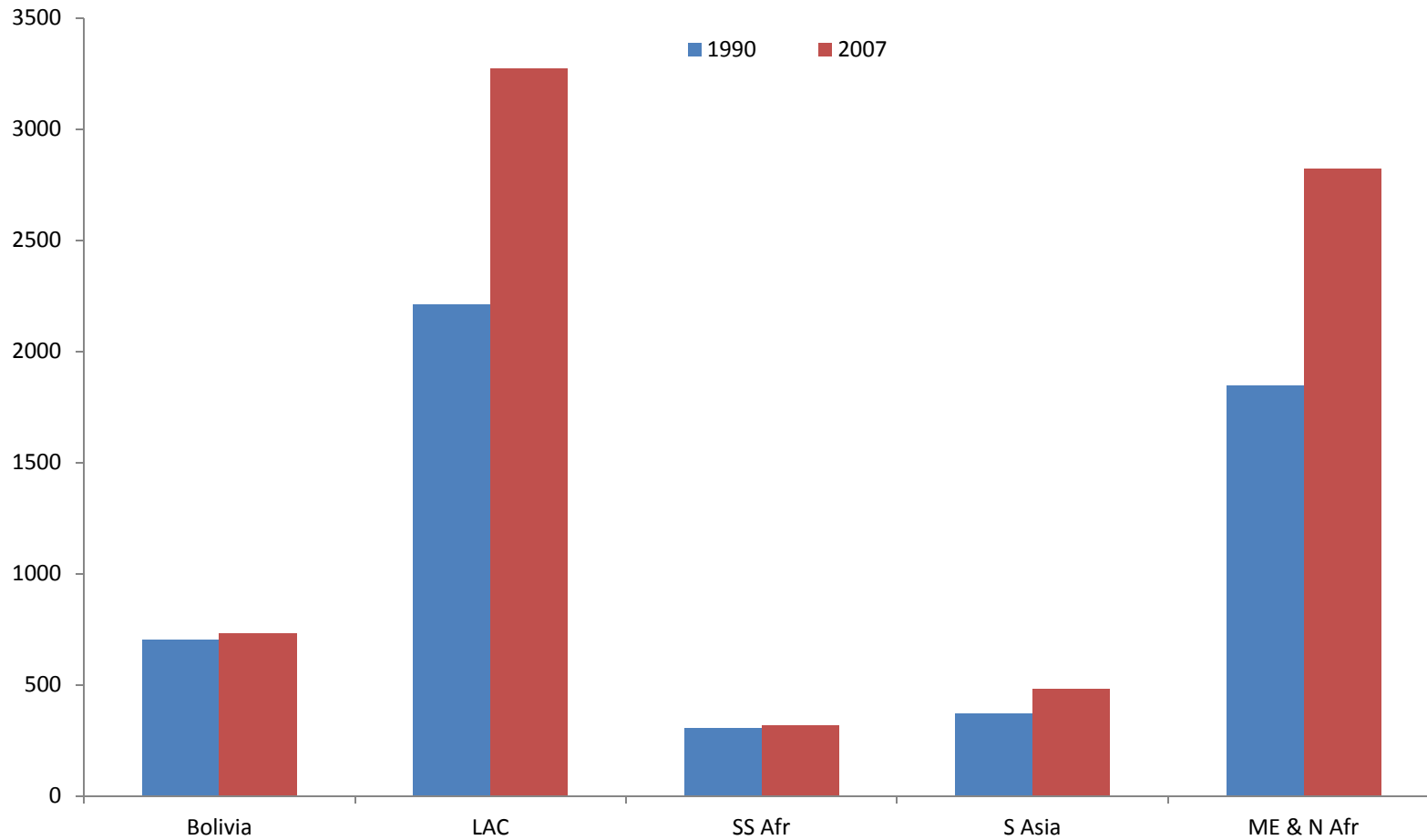


Figure 21

Agricultural productivity (in US \$, per worker)

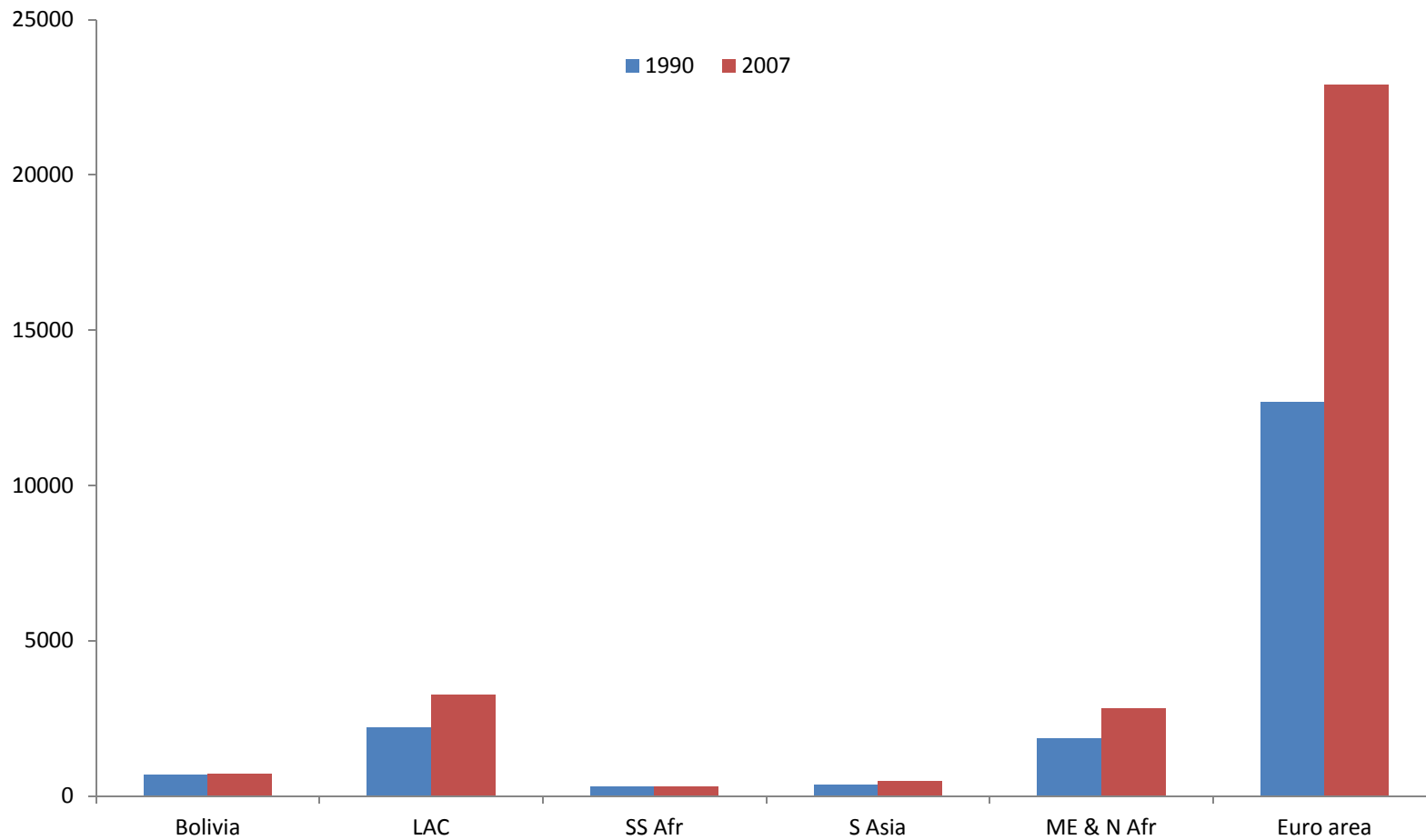


Figure 22

Agricultural Value Added in Latin America (per worker)

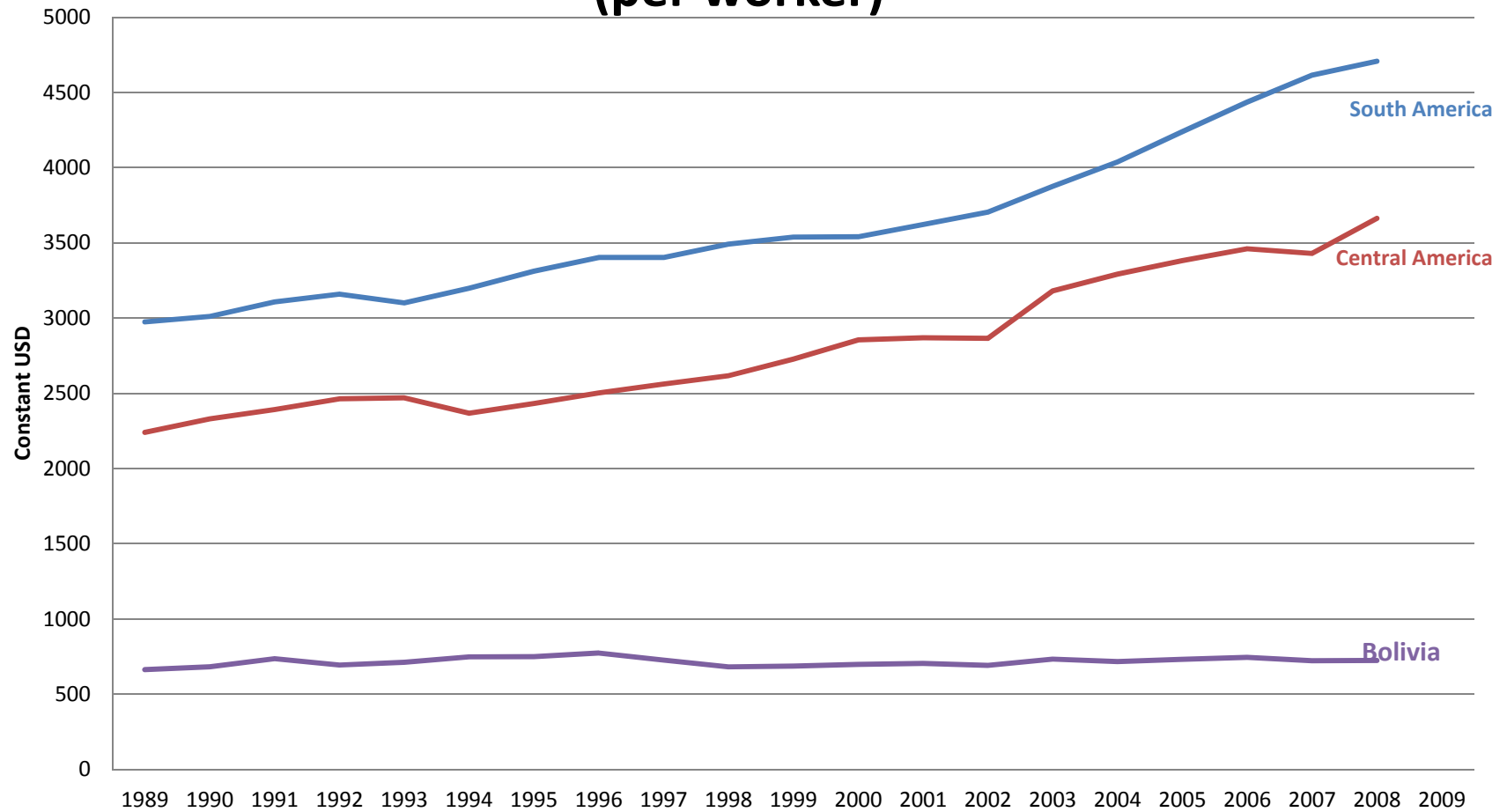


Figure 23

Crop Yield Competitiveness in Bolivia

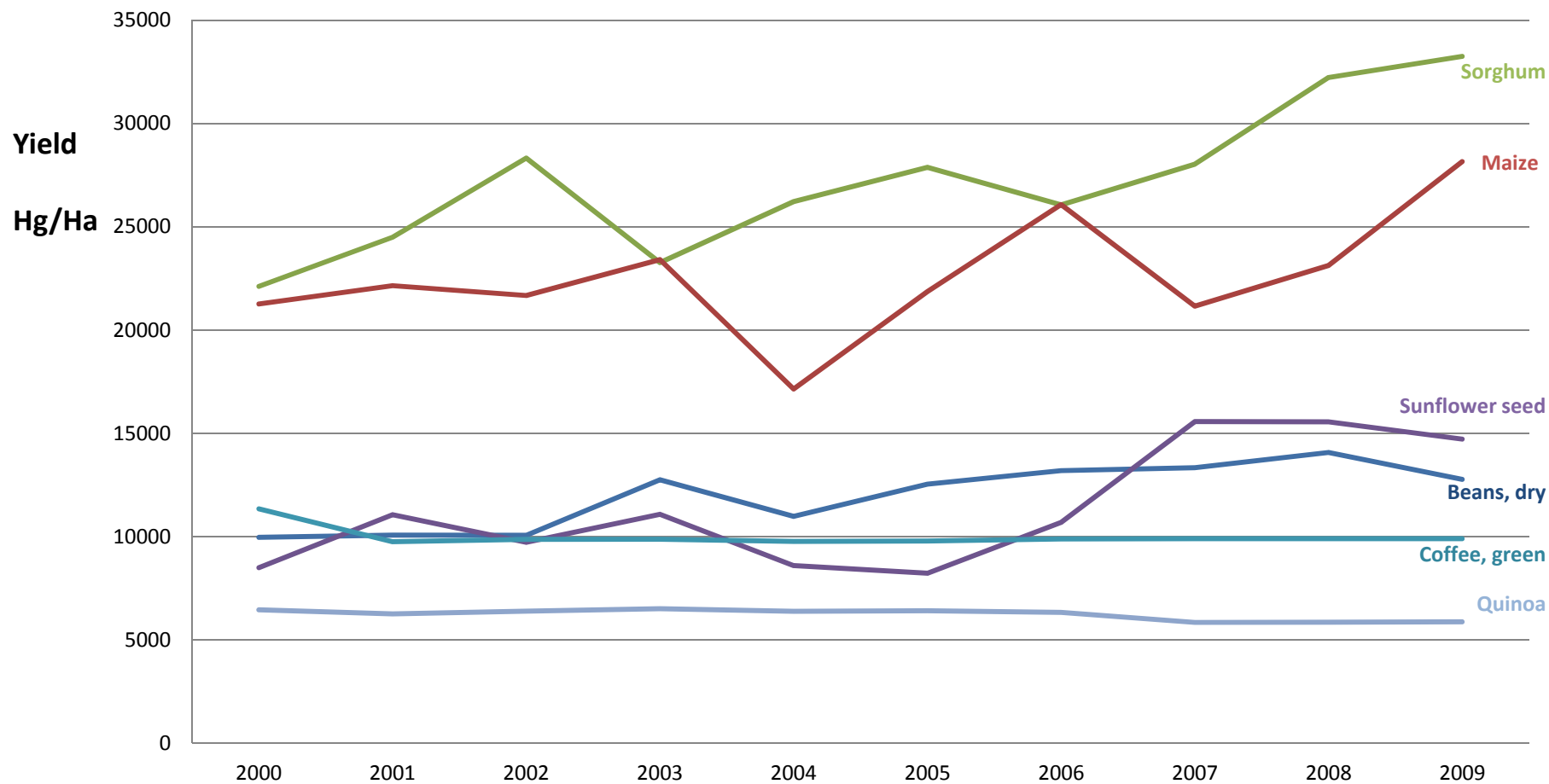


Figure 24

Crop Yield Competitiveness Bolivia vs South American Average

Yield as % of
South American
Average

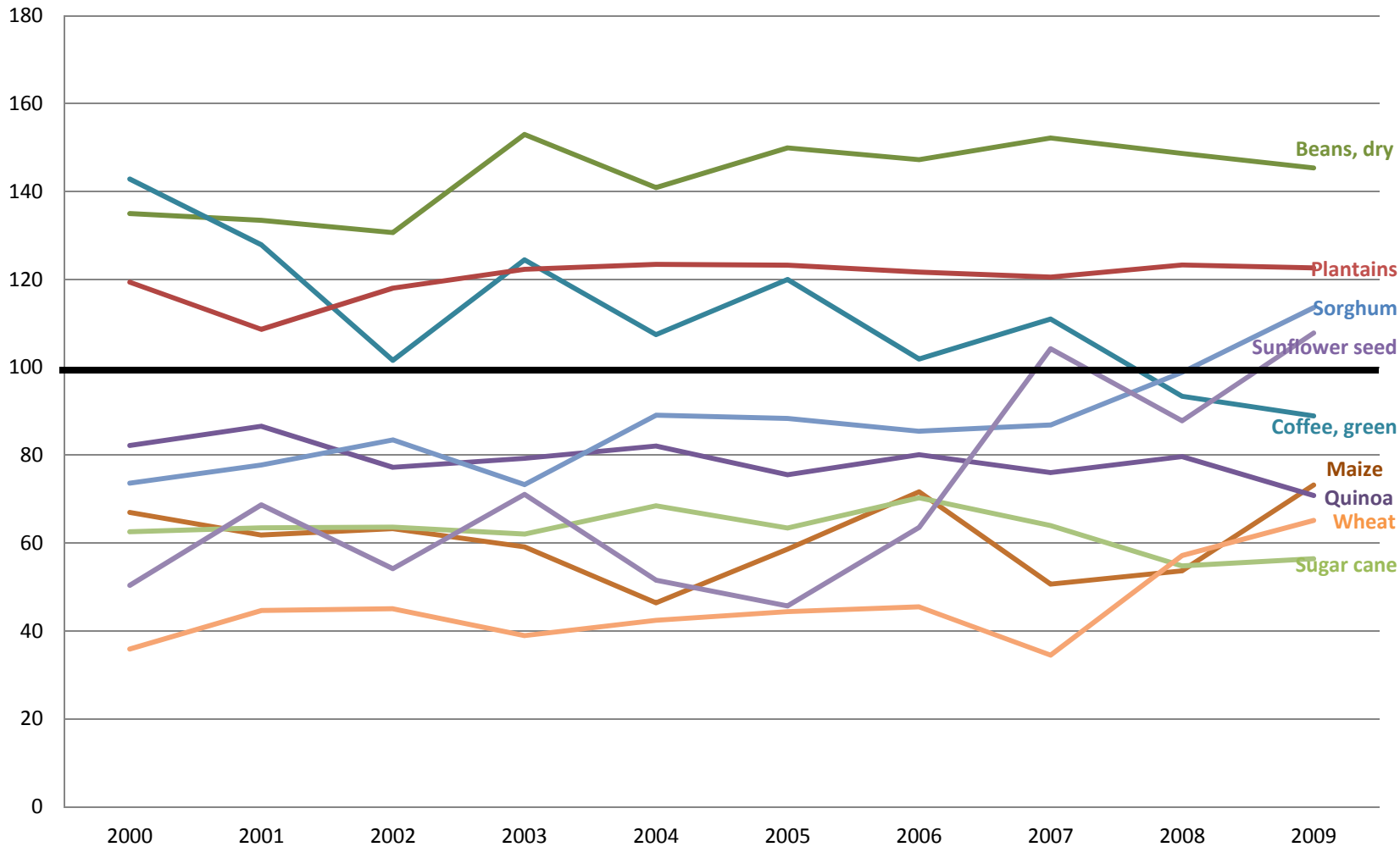


Figure 25

Fertilizer Usage in Latin America

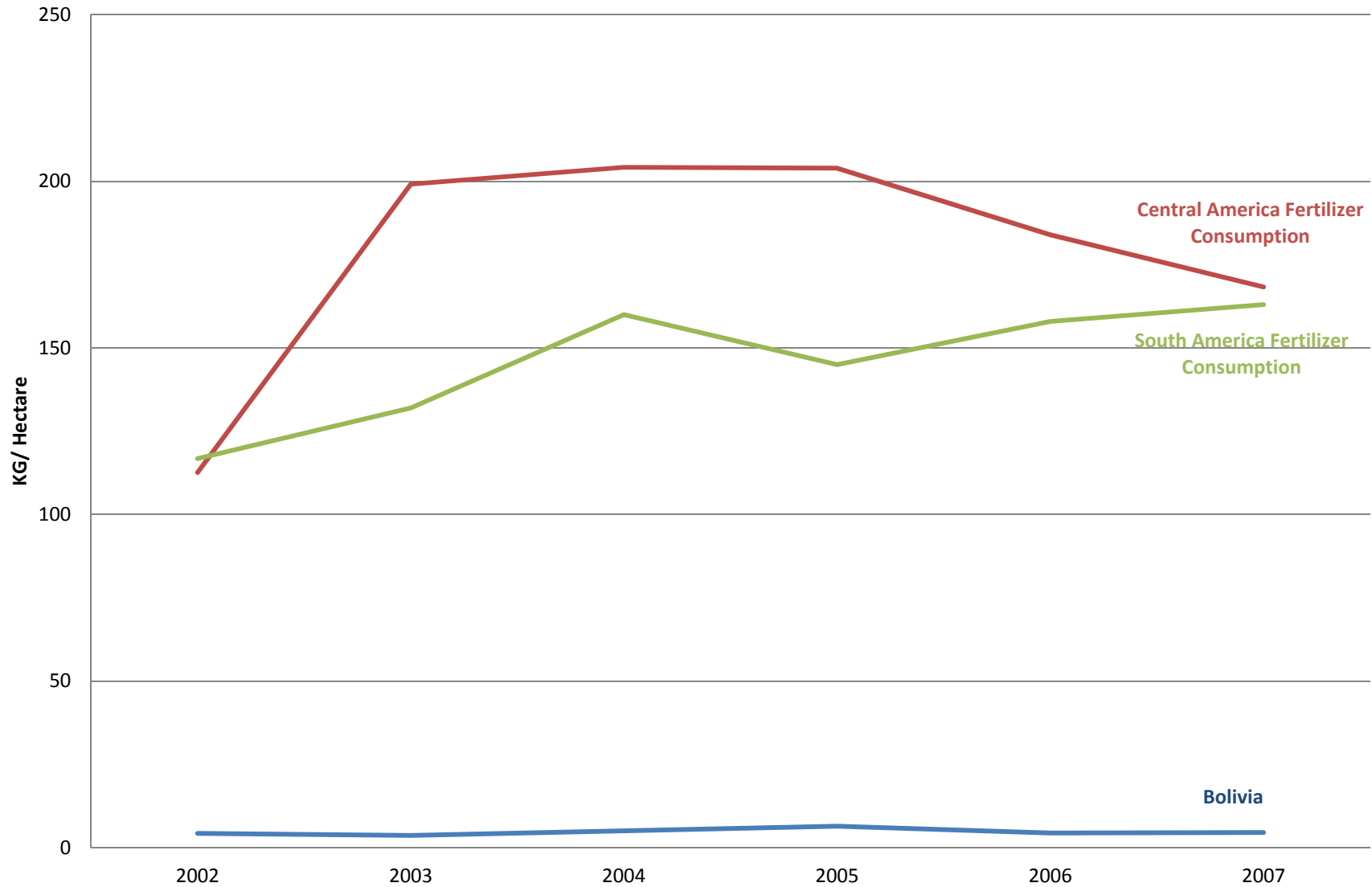


Figure 26

Crop production index

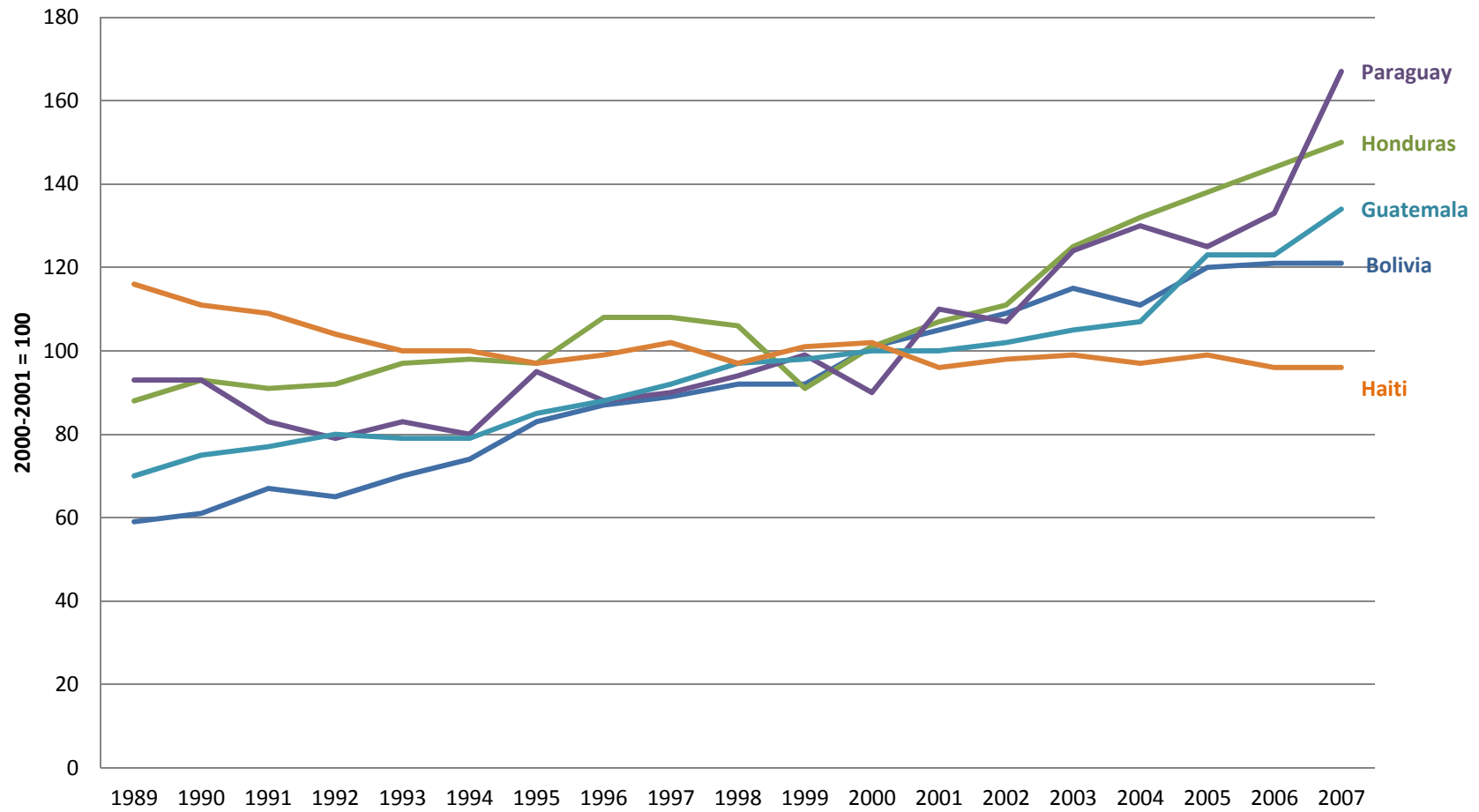


Figure 27

Food crop production index

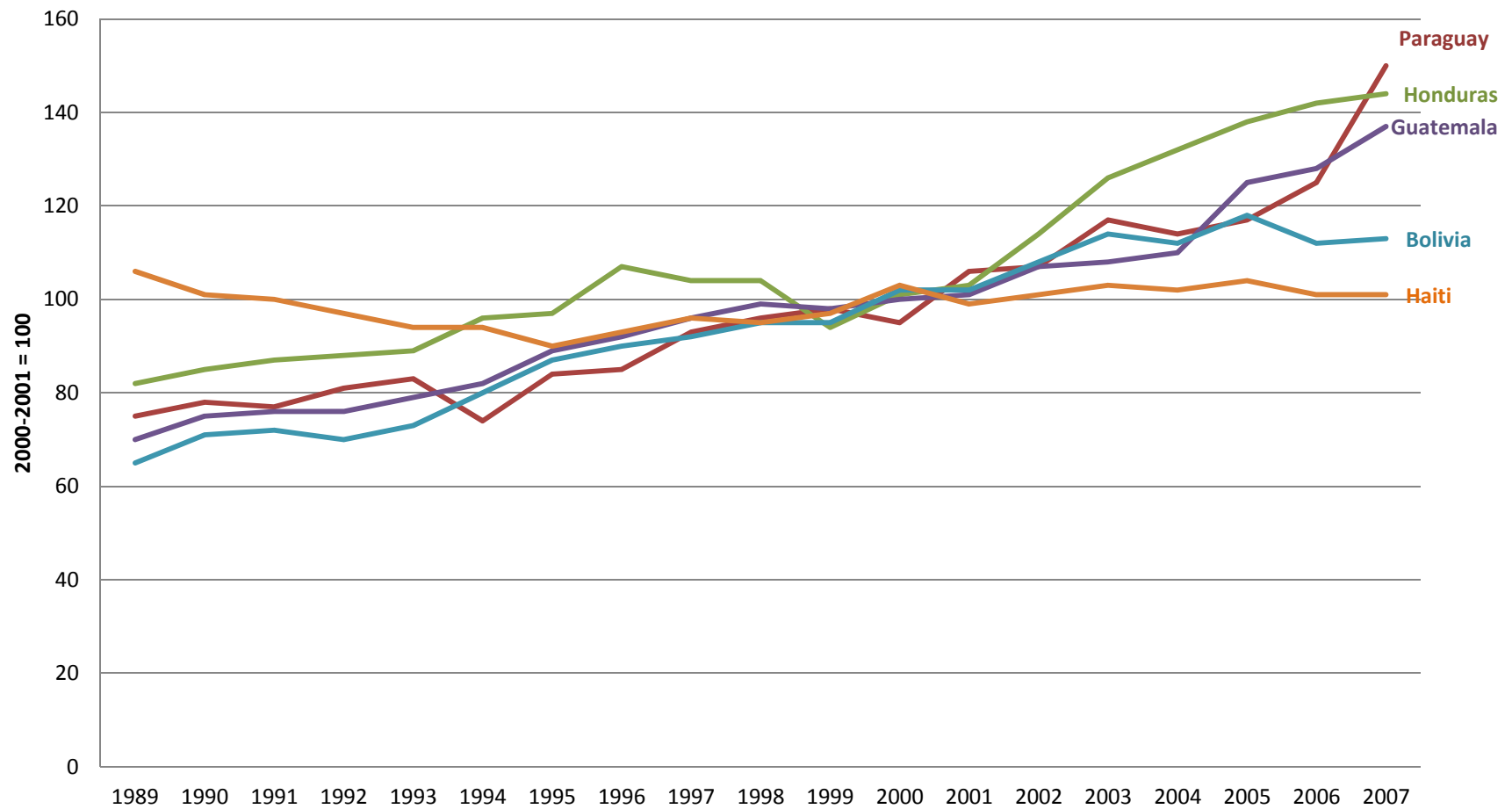


Figure 28

Structure of exports in Bolivia

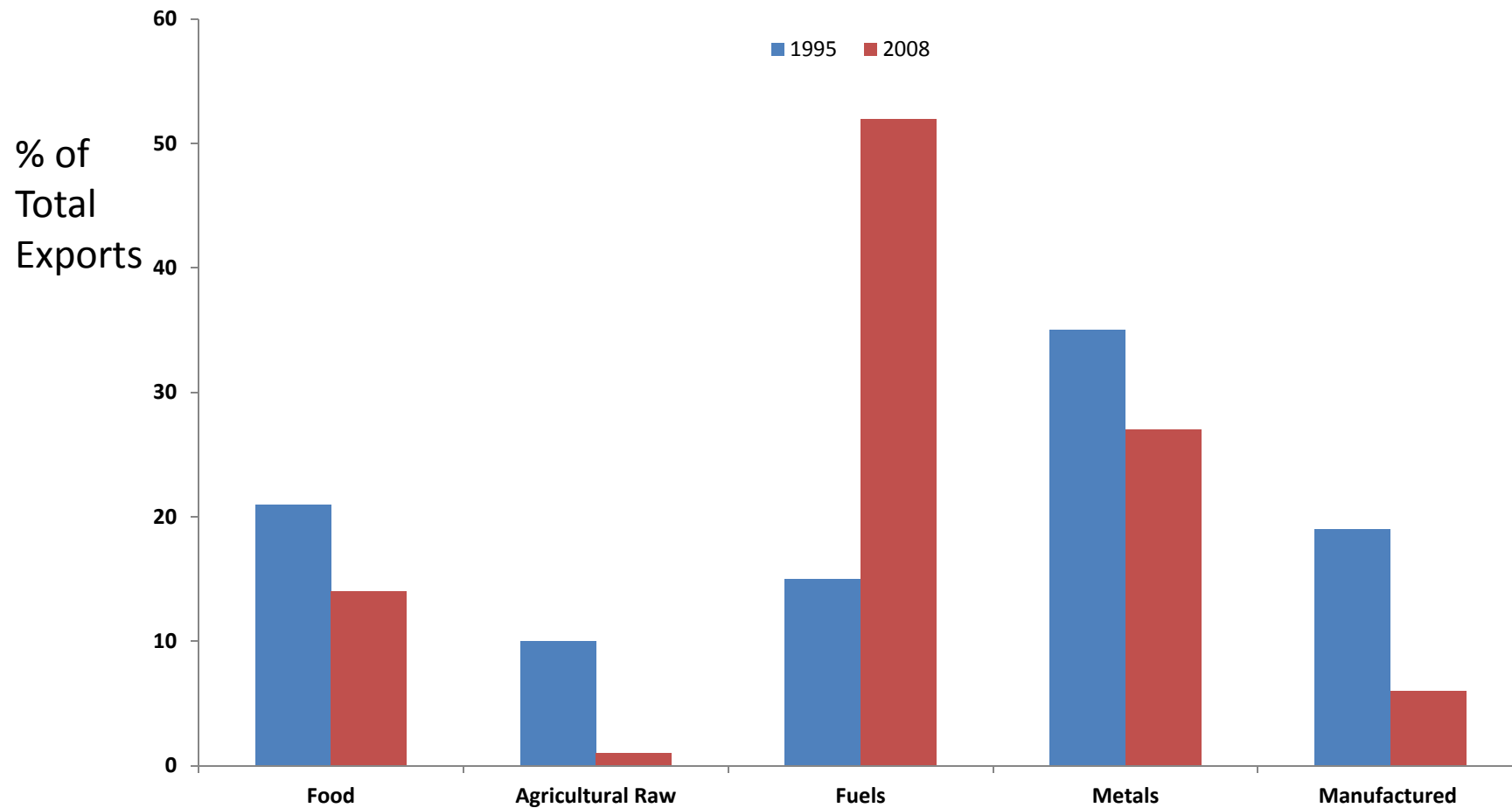


Figure 29

Structure of exports in LAC

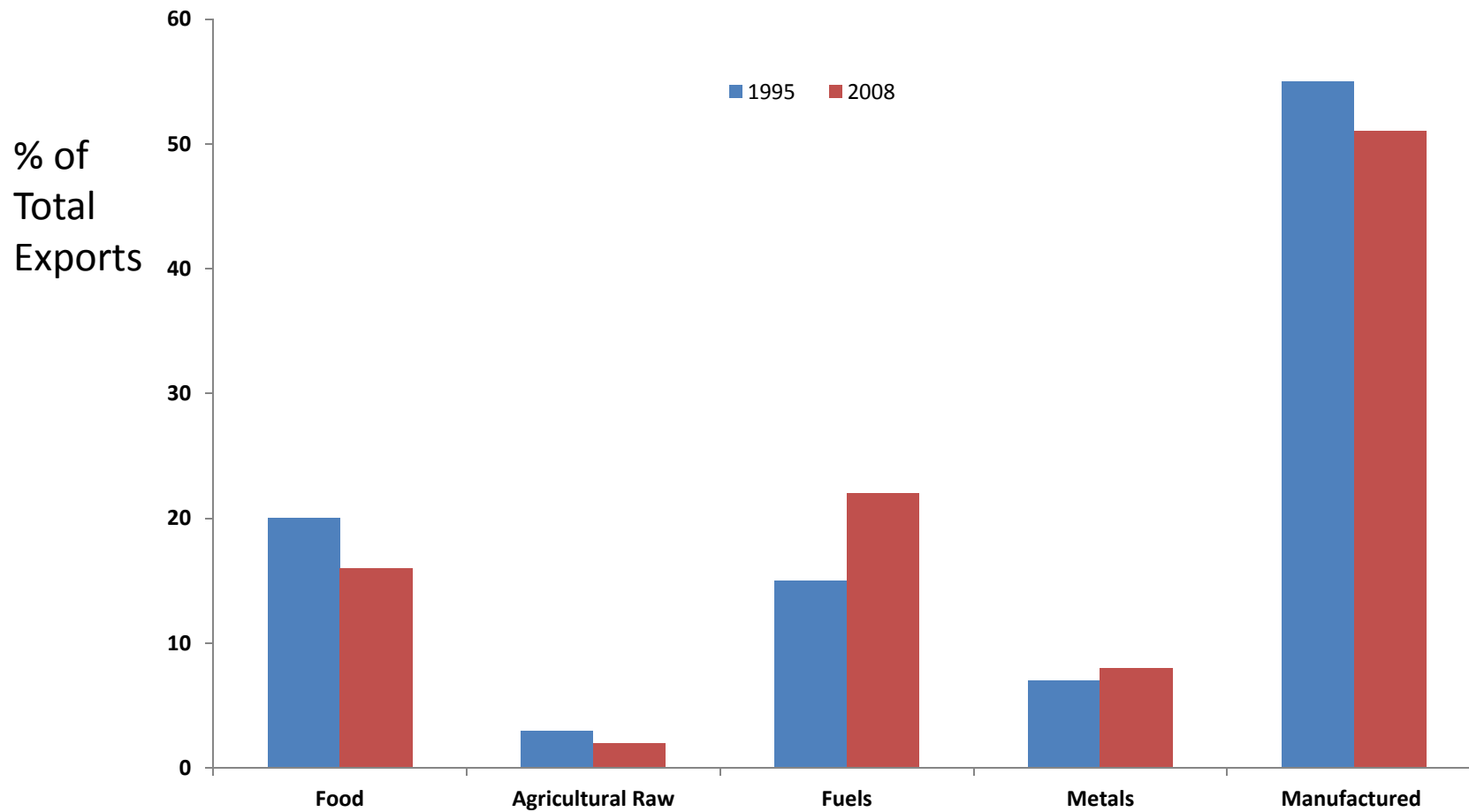
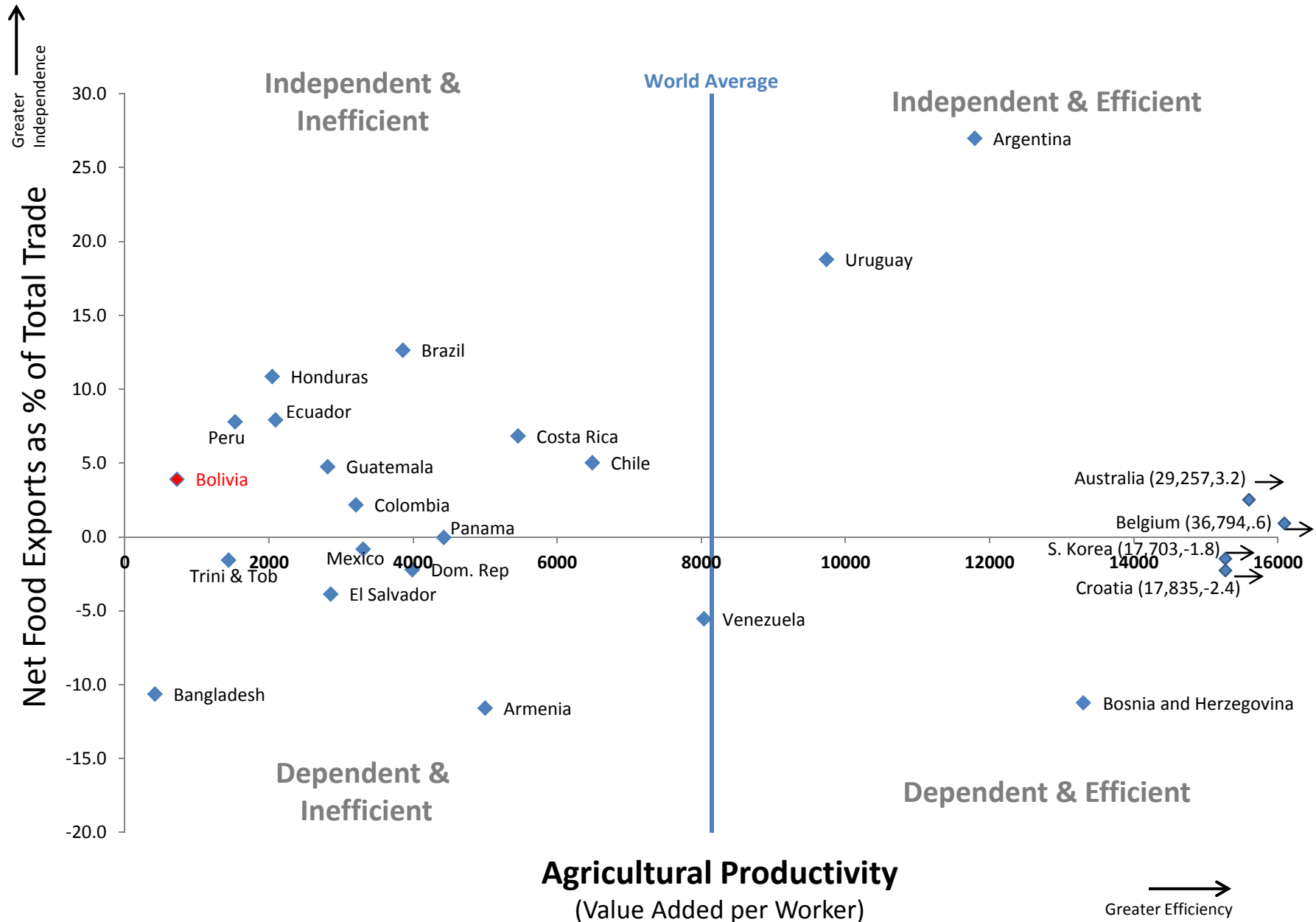


Figure 30

Food Security in the World



World Bank, *World Development Indicators* (2011).

Figure 31

Food Vulnerabilities

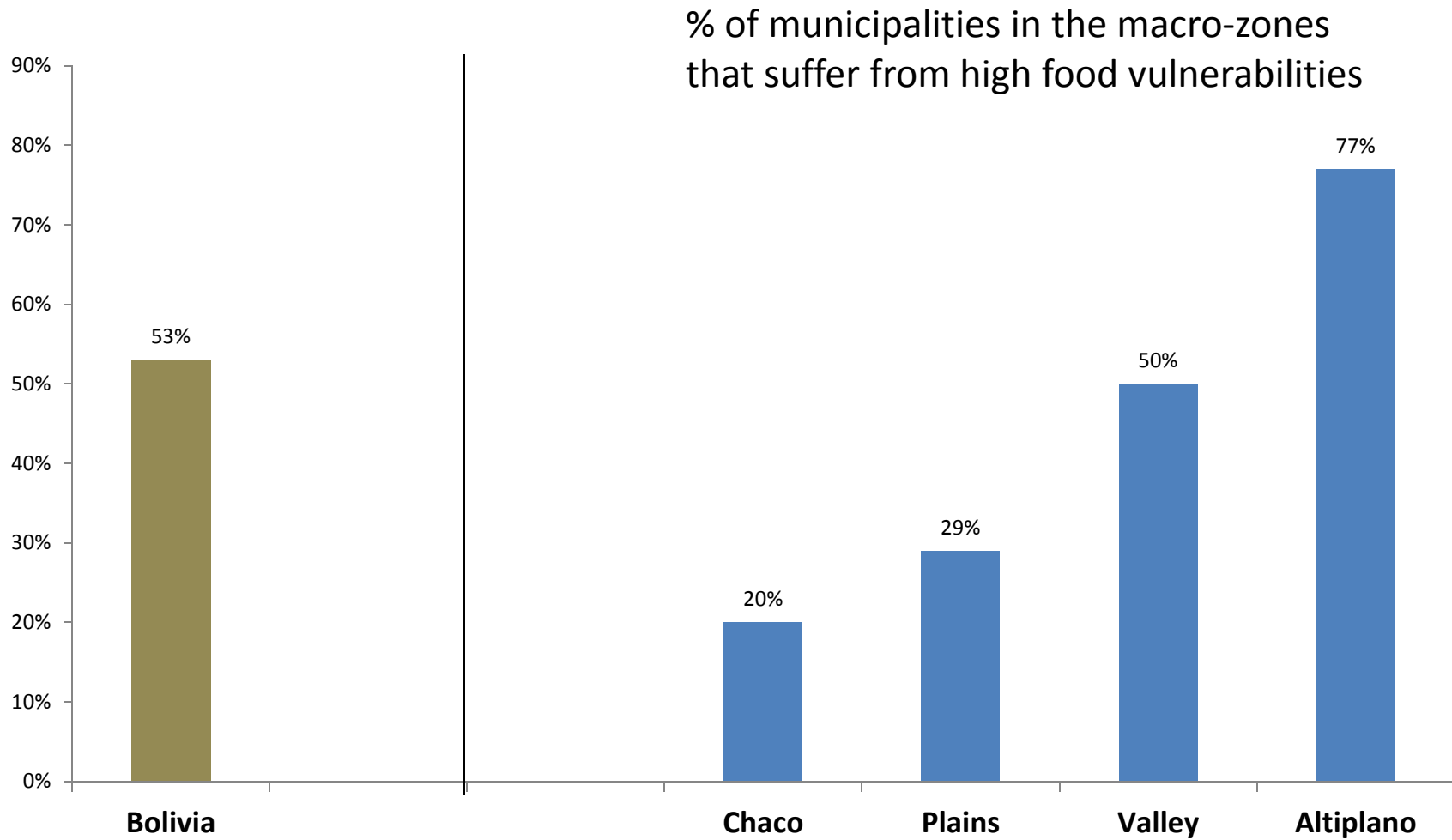


Figure 32 Poverty and Inequality trends over time
2000-2008

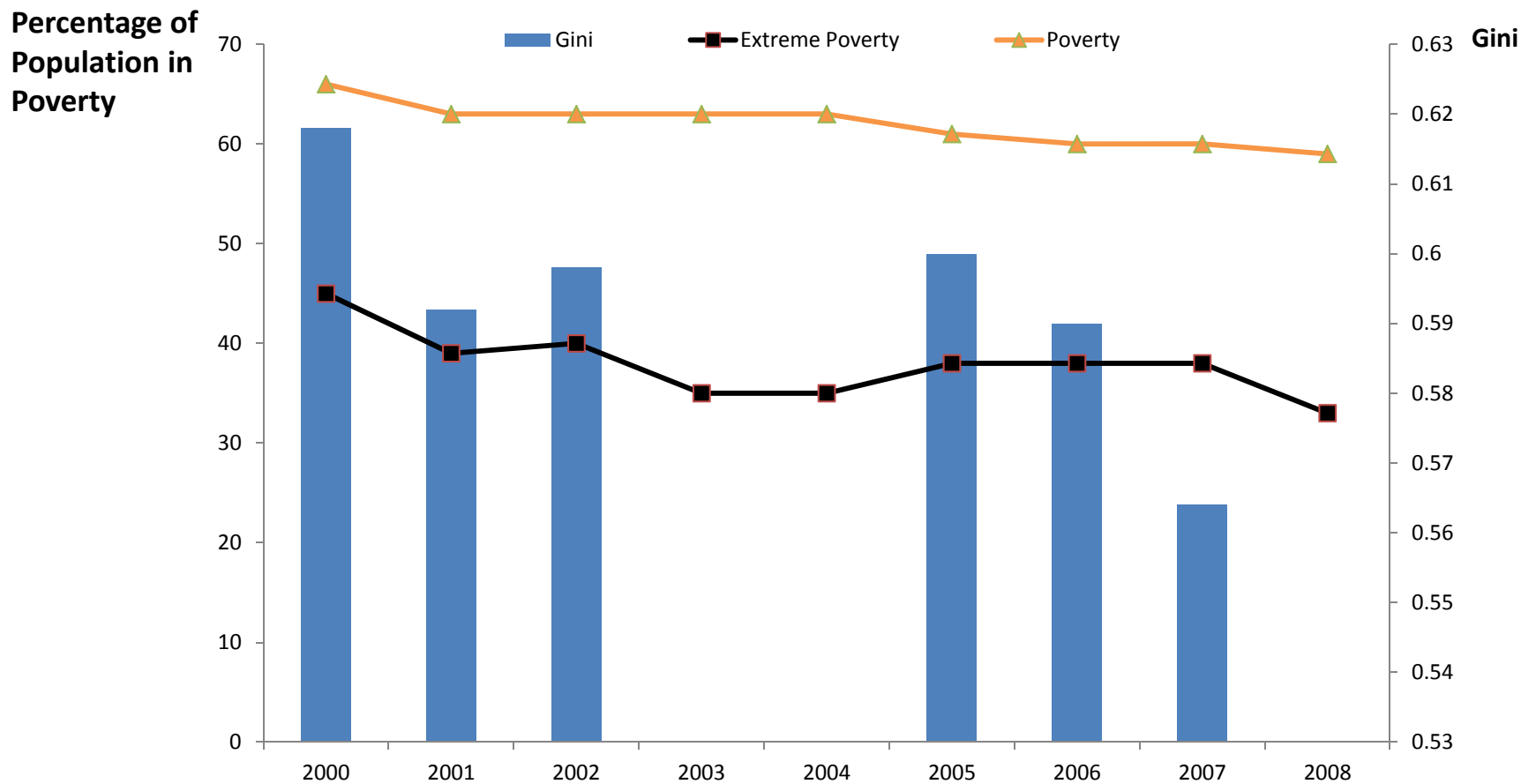


Figure 33

Human Development within Bolivia vs. Comparison Countries

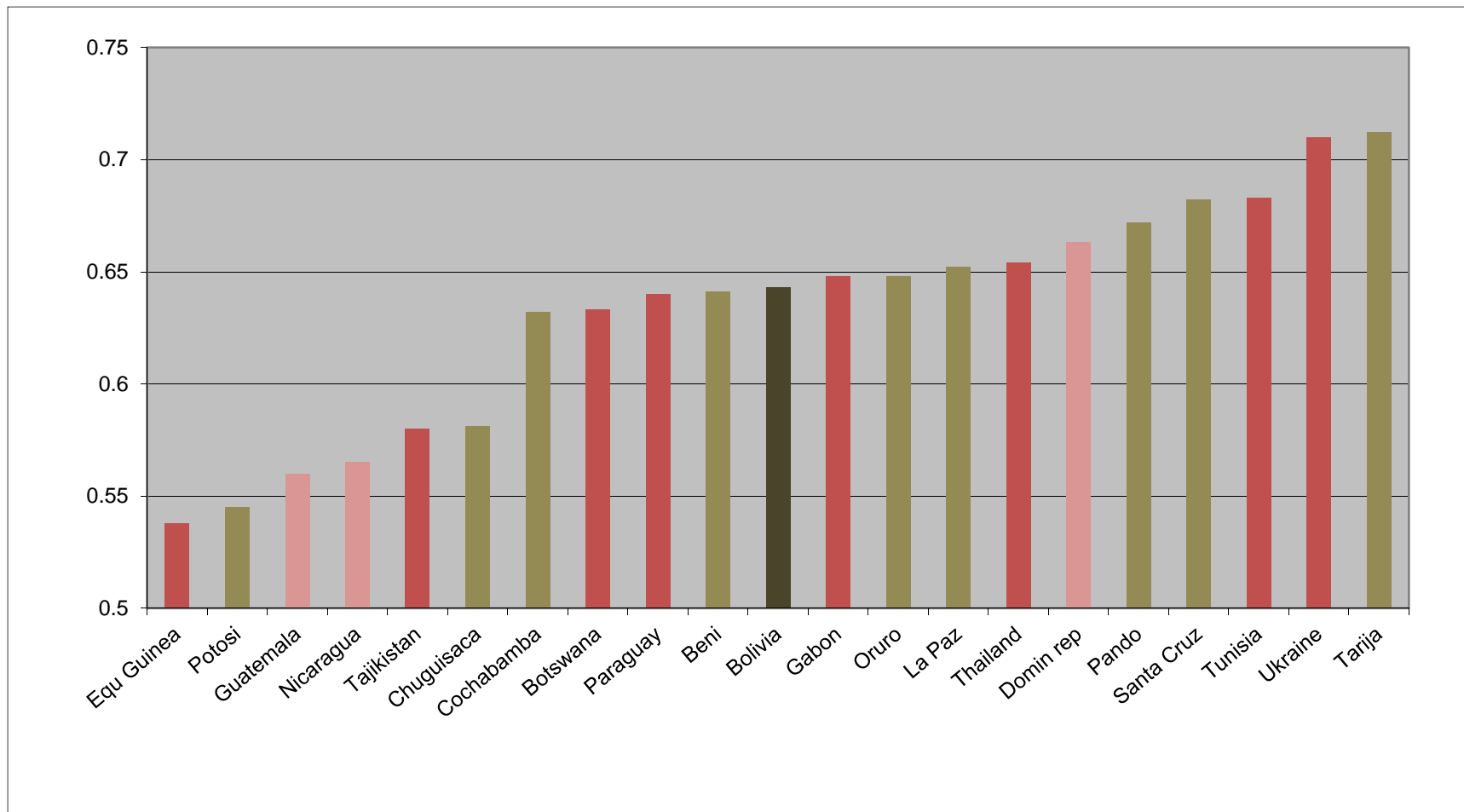


Figure 34

Human Development in Bolivia's regions vs. various countries

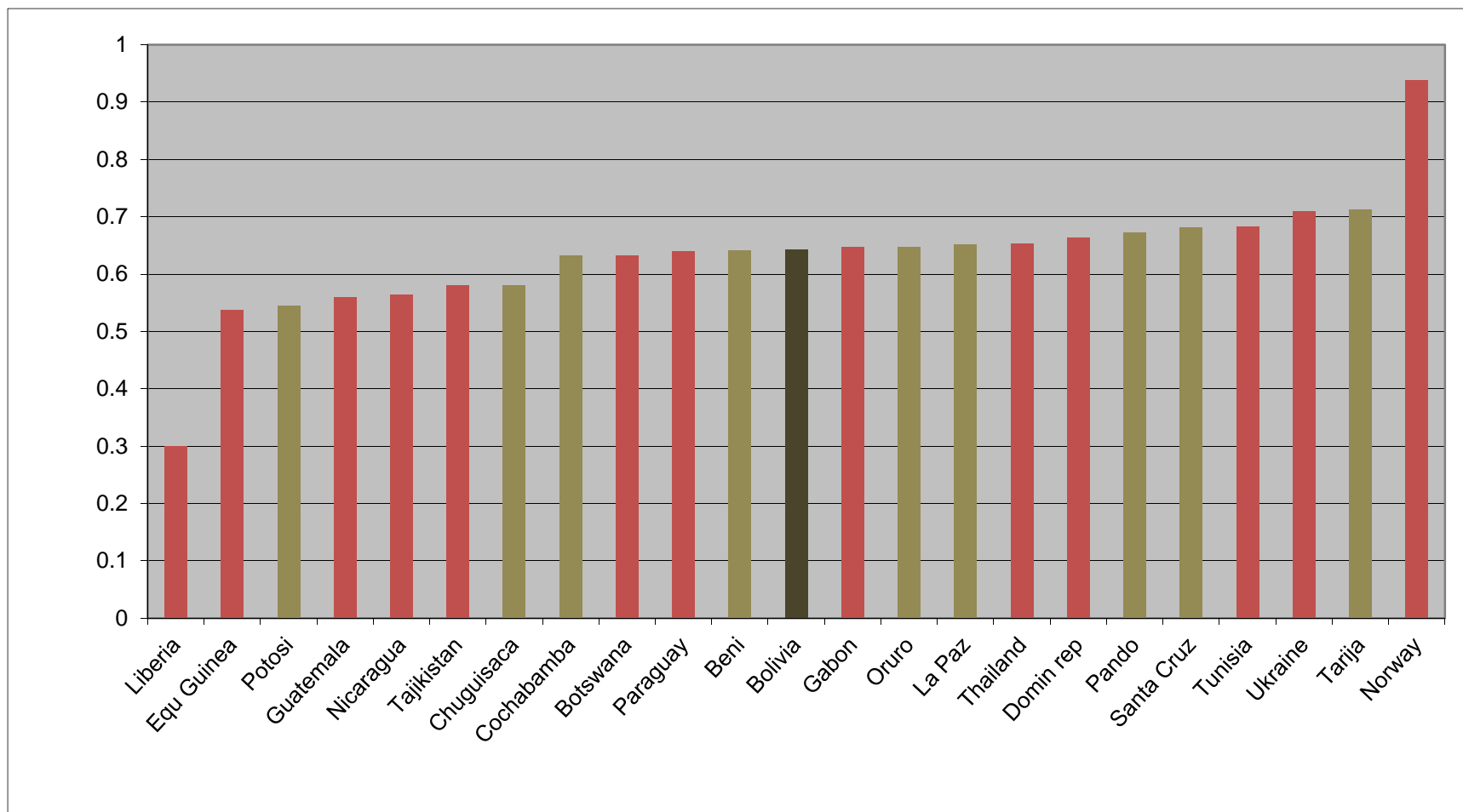


Figure 35

Human Development Bolivia's regions 1976 vs. 2007

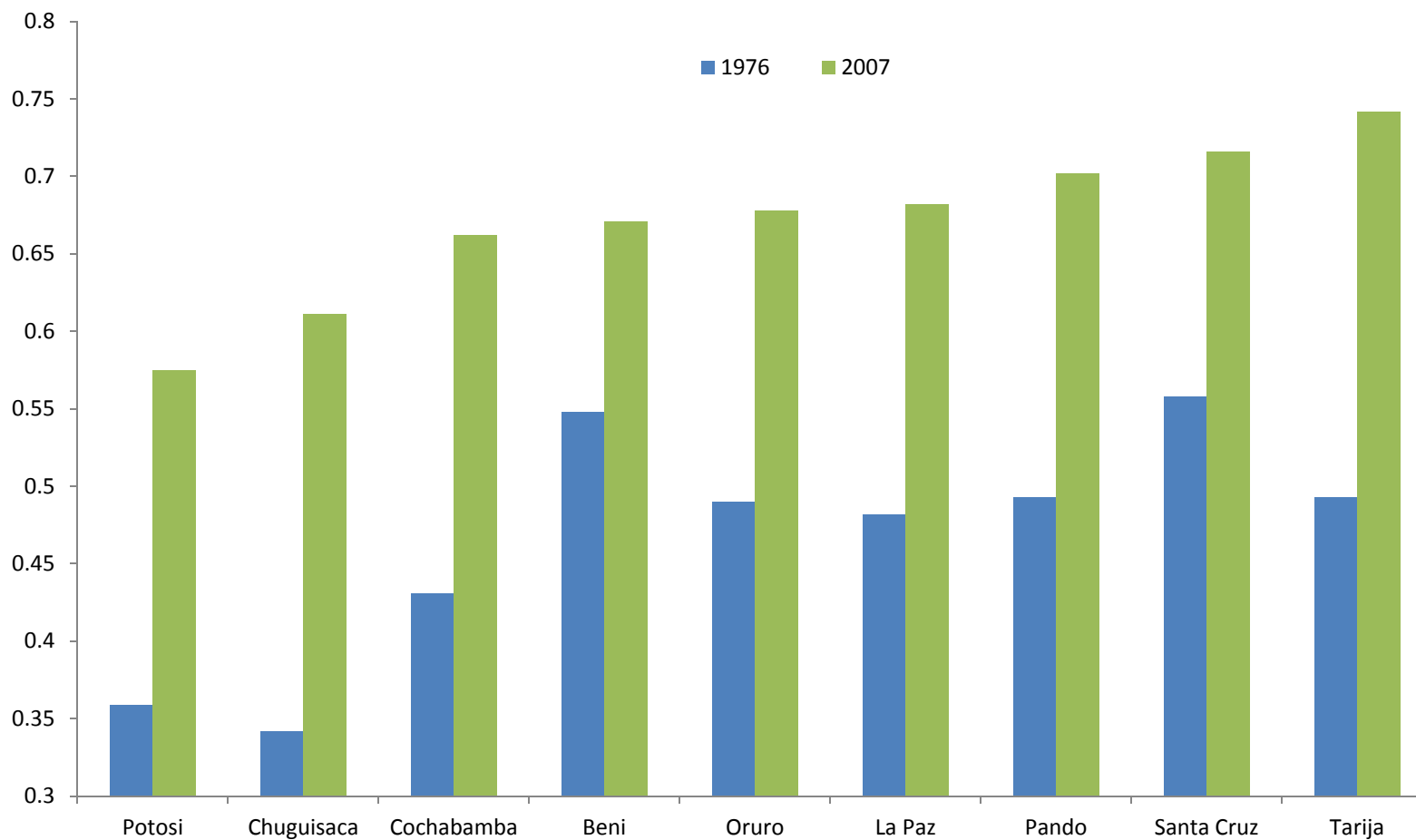


Figure 36

Human Development in Bolivia's regions 2001 vs. 2007



Figure 37 Human Development in Bolivia's regions
1976 vs. 2007

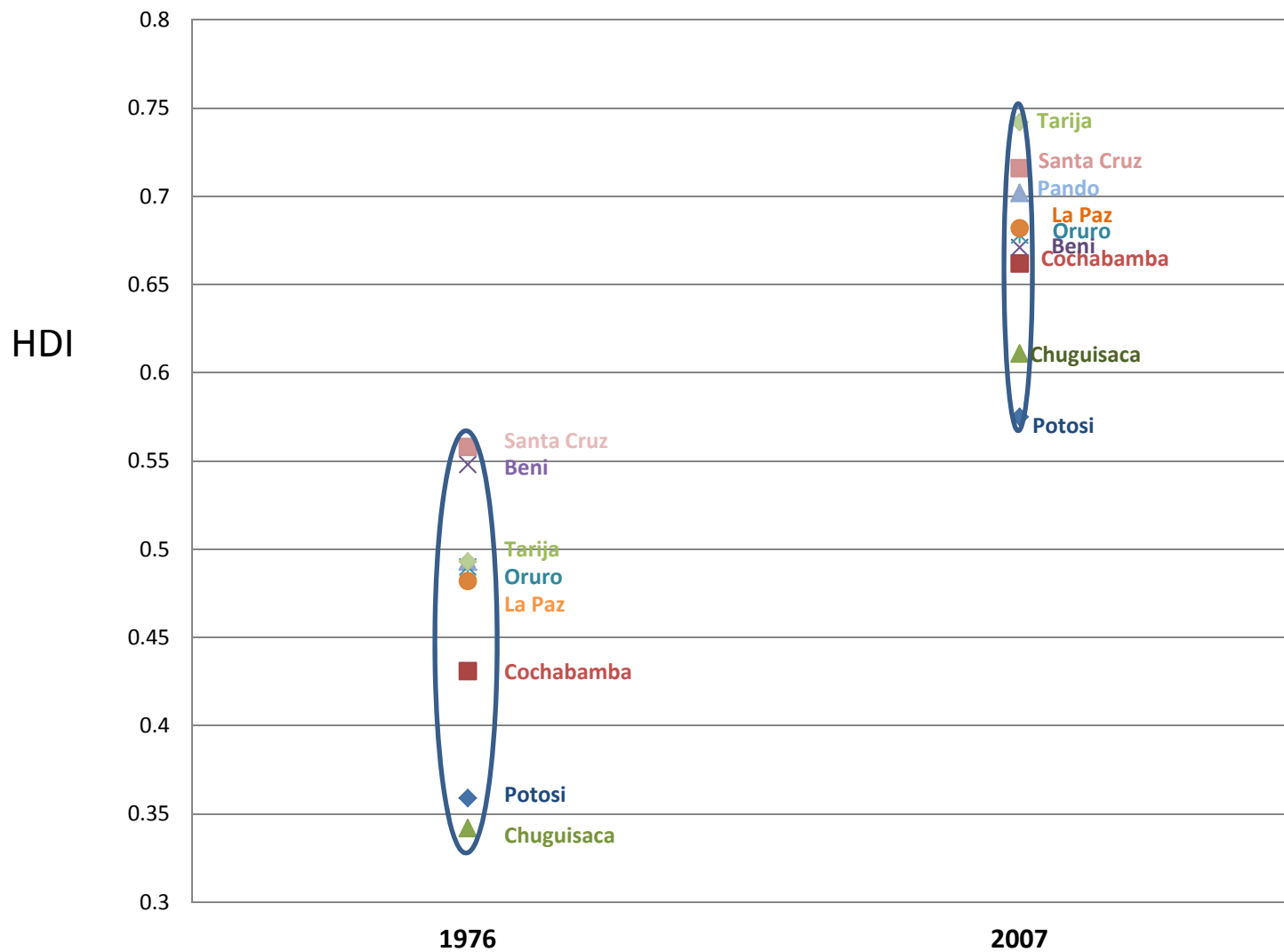


Figure 38

Gross Secondary School Enrollment Ratio

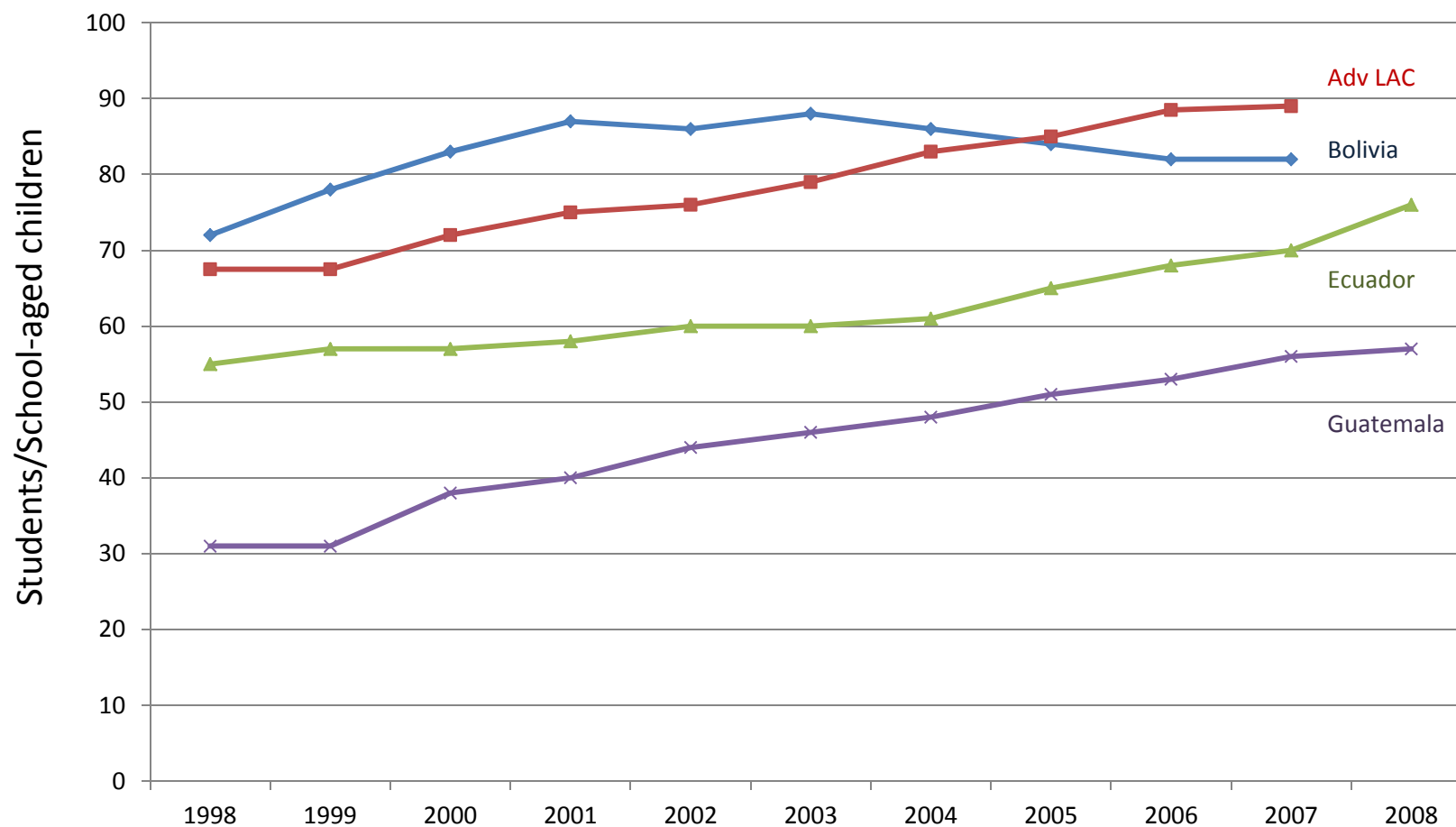


Figure 39

Gross Tertiary School Enrollment

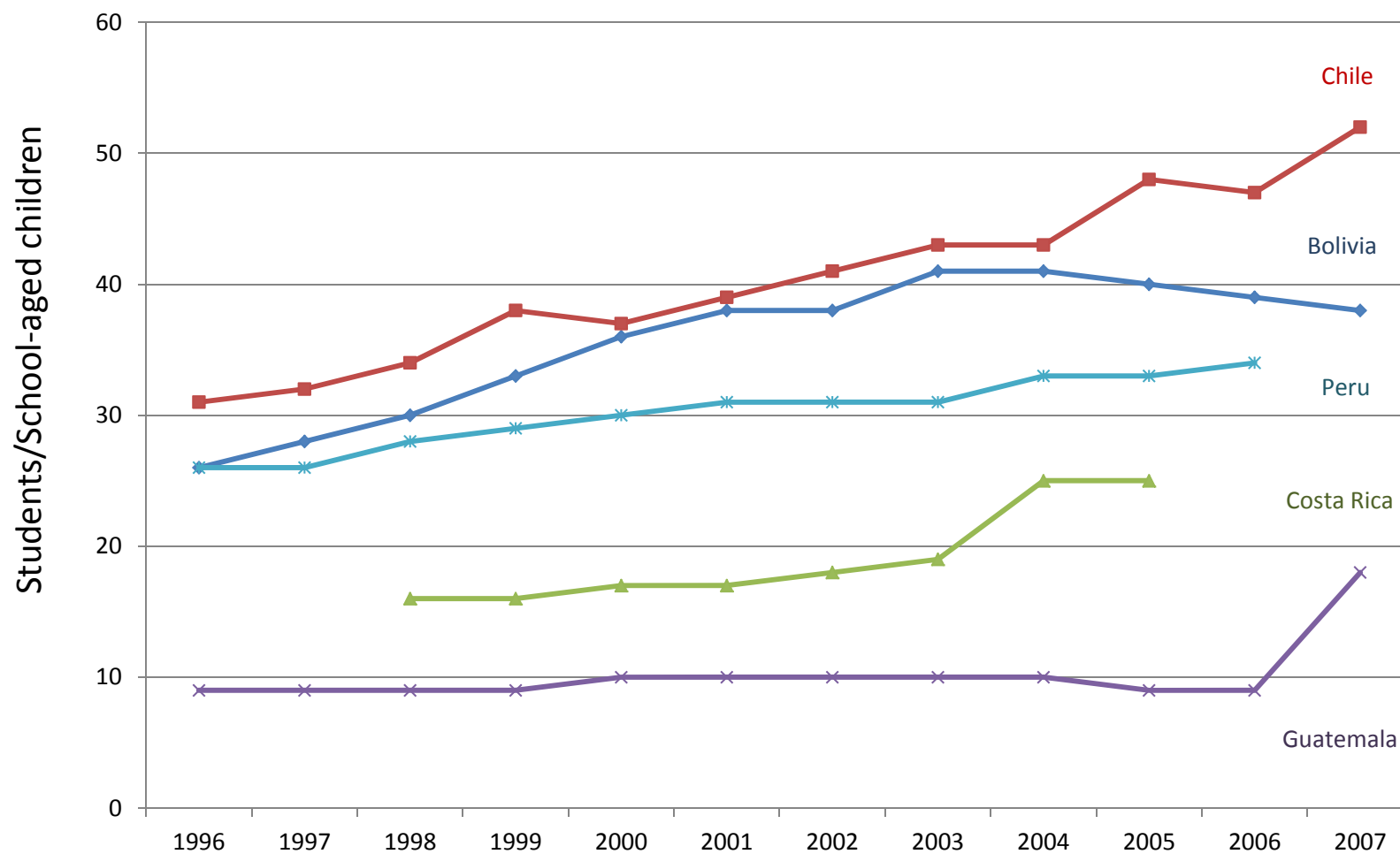


Figure 40

Education attainment in Bolivia Urban vs. Rural

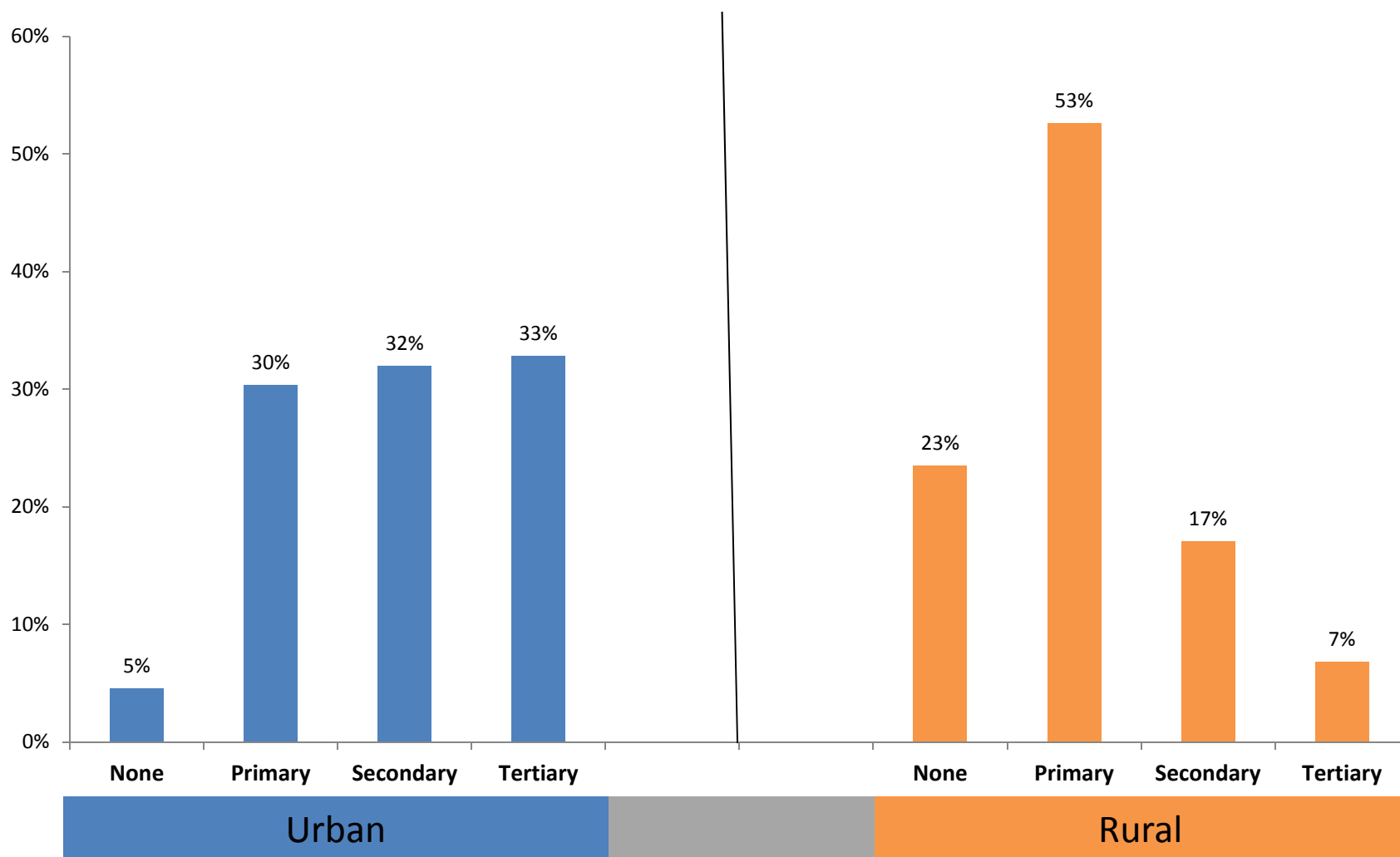


Figure 41

Education attainment in rural Bolivia Male vs. Female

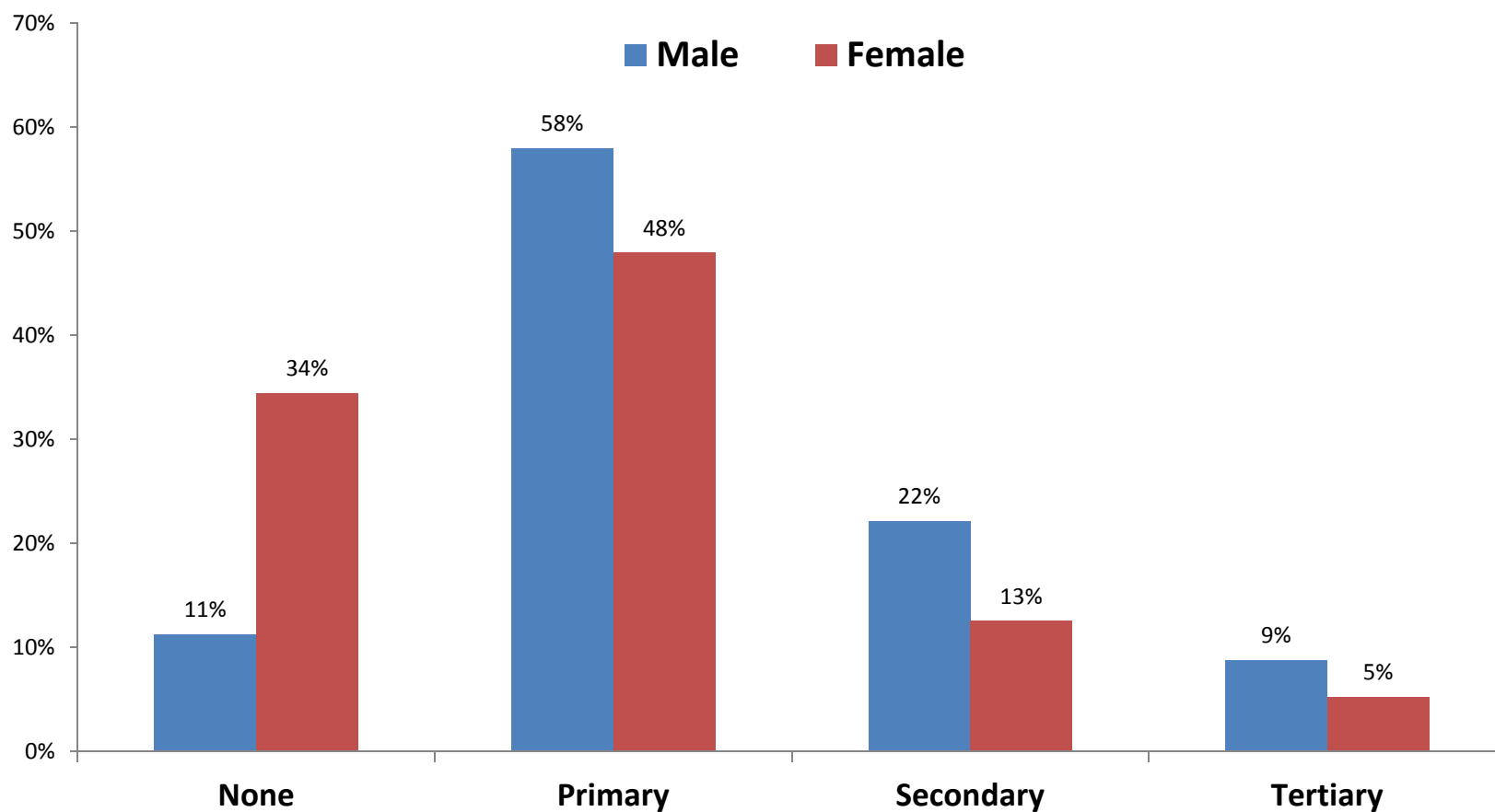


Figure 42

Life Expectancy at Birth

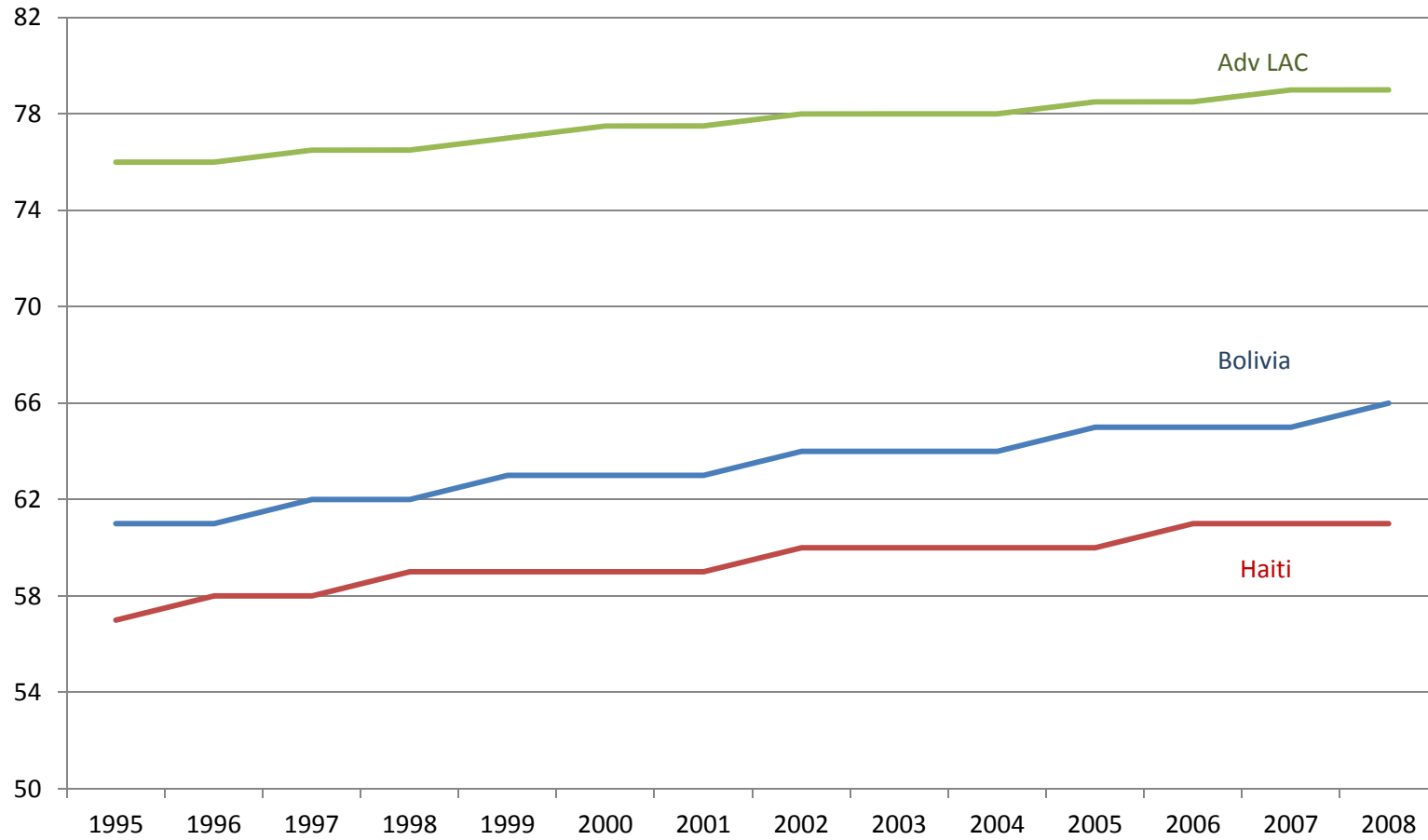


Figure 43

Under 5 Mortality Rate in Bolivia vs. regions of the world, 1990-2008

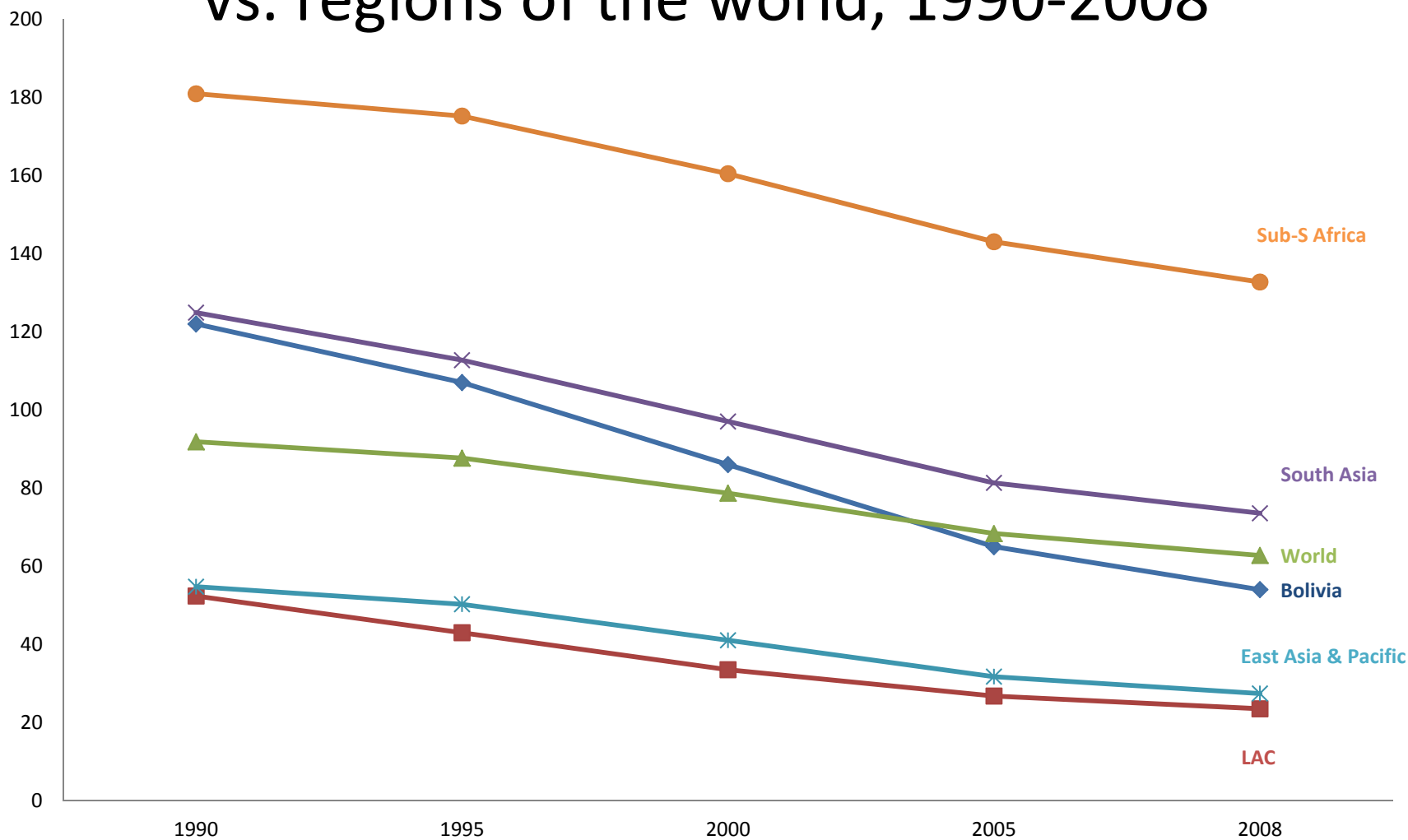


Figure 44

Bolivia's Environmental Performance Profile

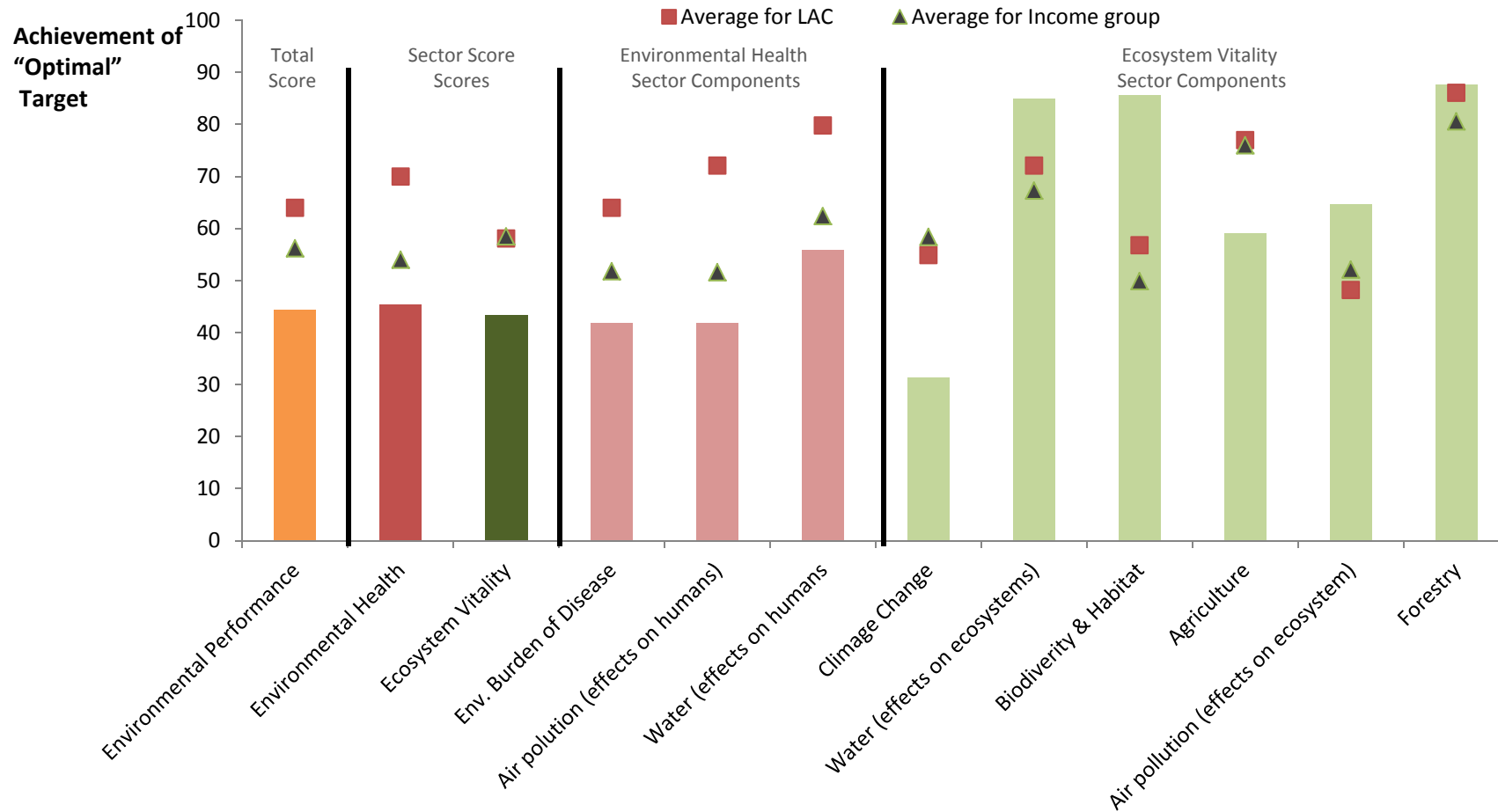


Figure 45

Environmental Performance in the World

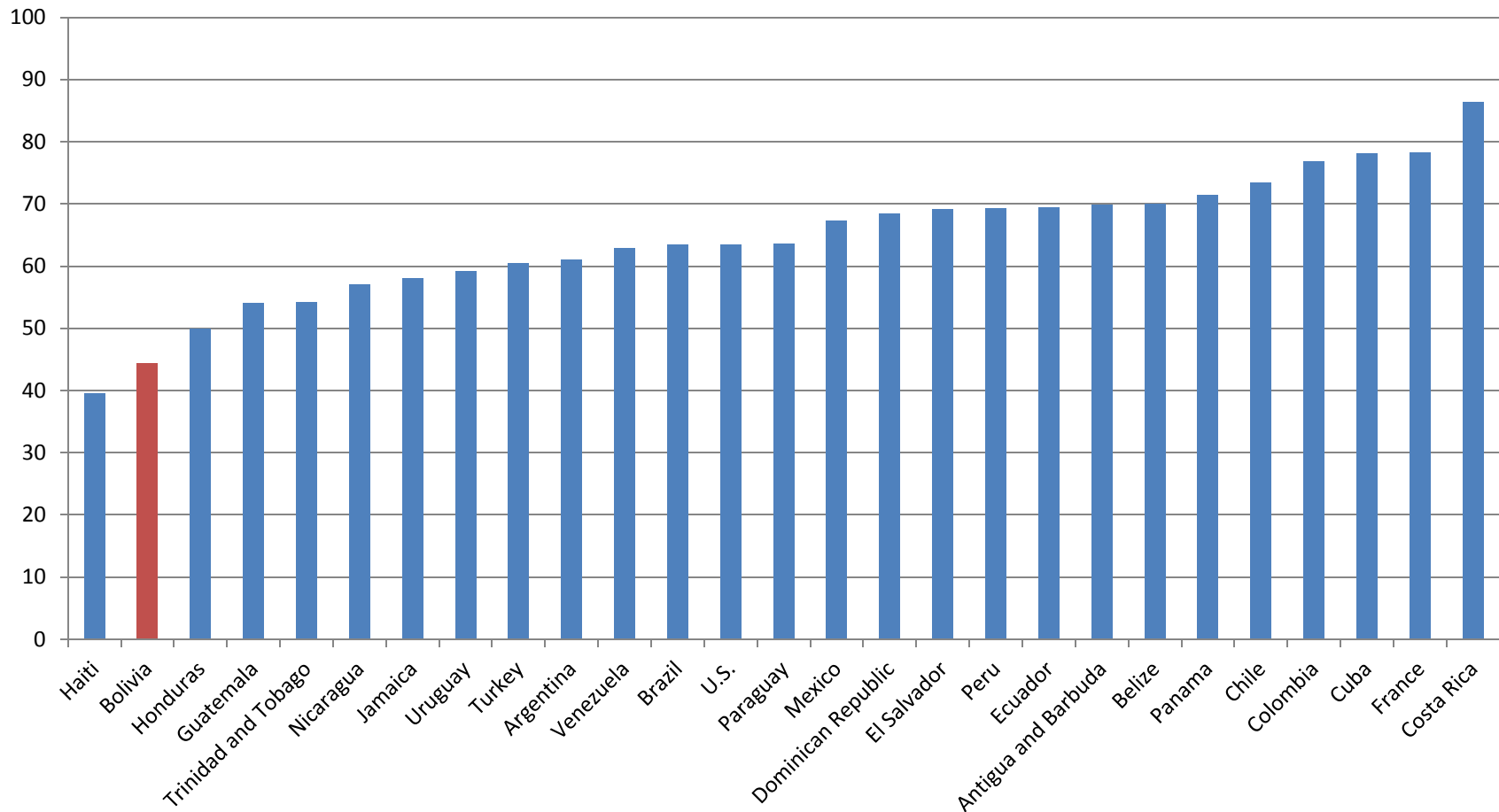
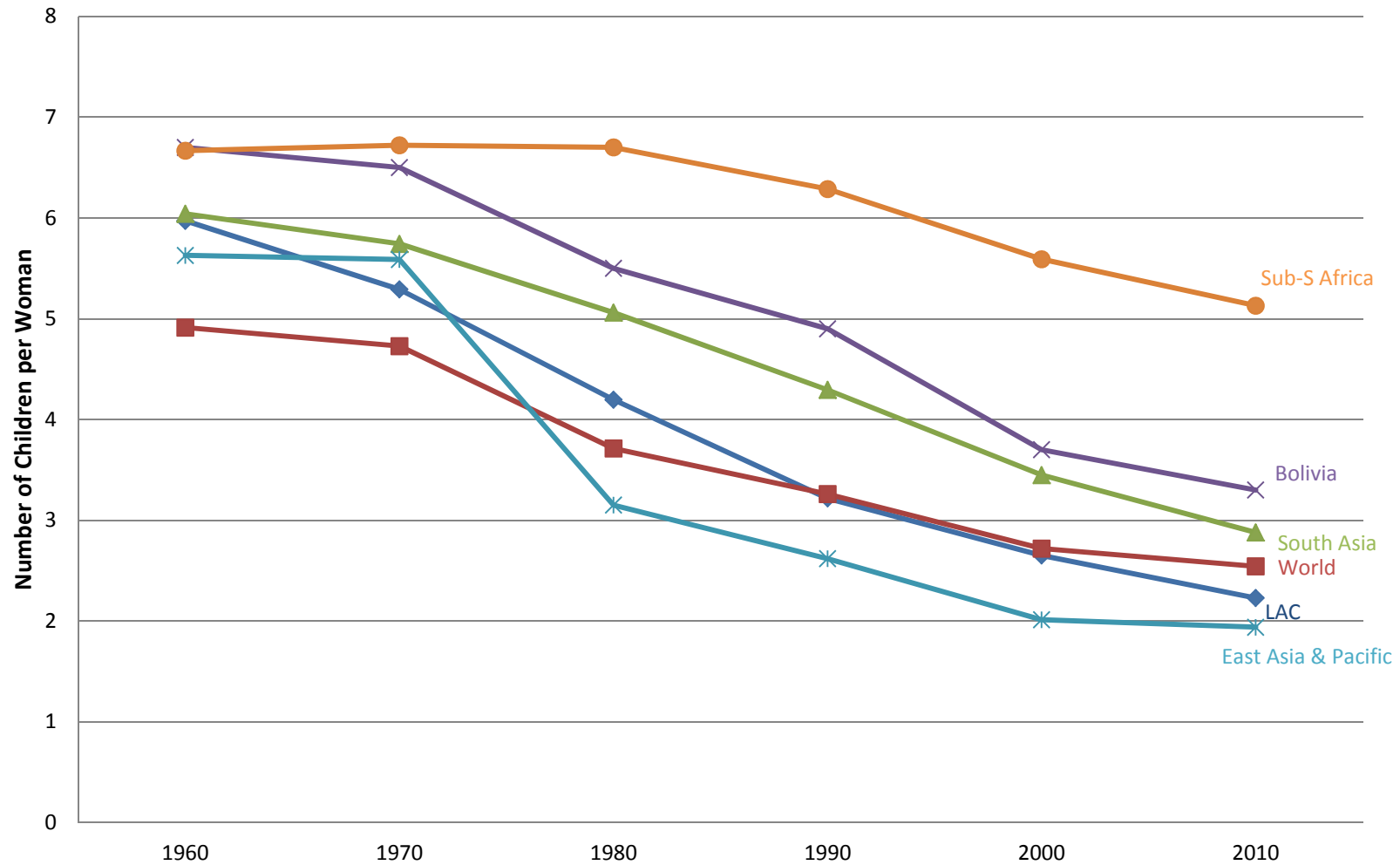


Figure 46

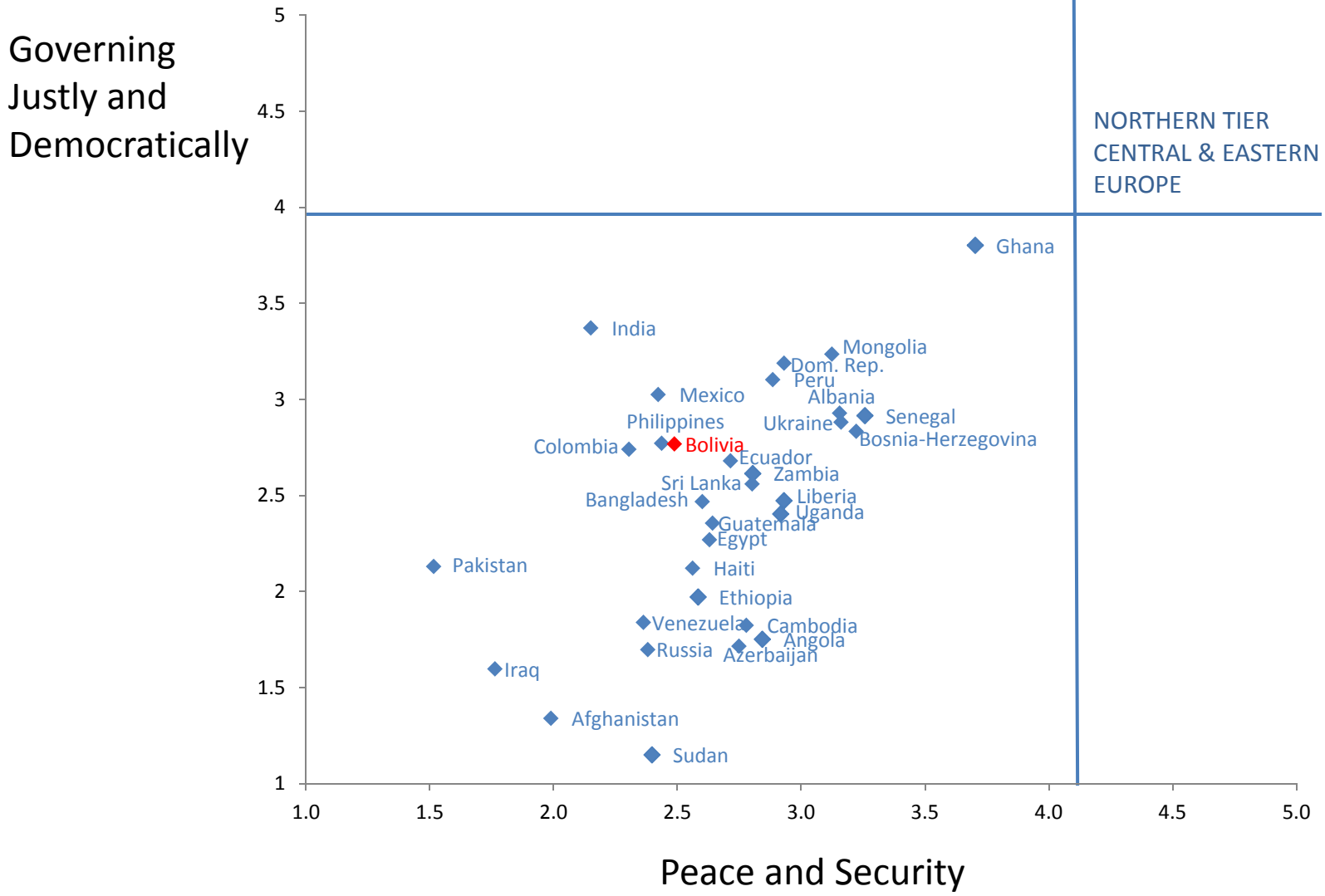
Fertility Rate in Bolivia vs. Regions of the World 1960-2010



WHO, *World Health Statistics* (2010), BUCEN-IDB (2009).

Figure 47

Peace and Security and Governing Justly and Democratically in Bolivia and elsewhere



Ratings are based on a 1 to 5 scale, with 5 representing the most advanced worldwide. Elaboration of the indicator definitions, time periods, and data sources are provided in the *Bolivia Gap Analysis Appendix*. Most data are from 2008-2010. The Northern Tier Central and Eastern Europe refers to Poland, the Czech Republic, Slovakia, Slovenia, Hungary, Latvia, Lithuania, and Estonia.

Figure 48

Peace and Security in Bolivia

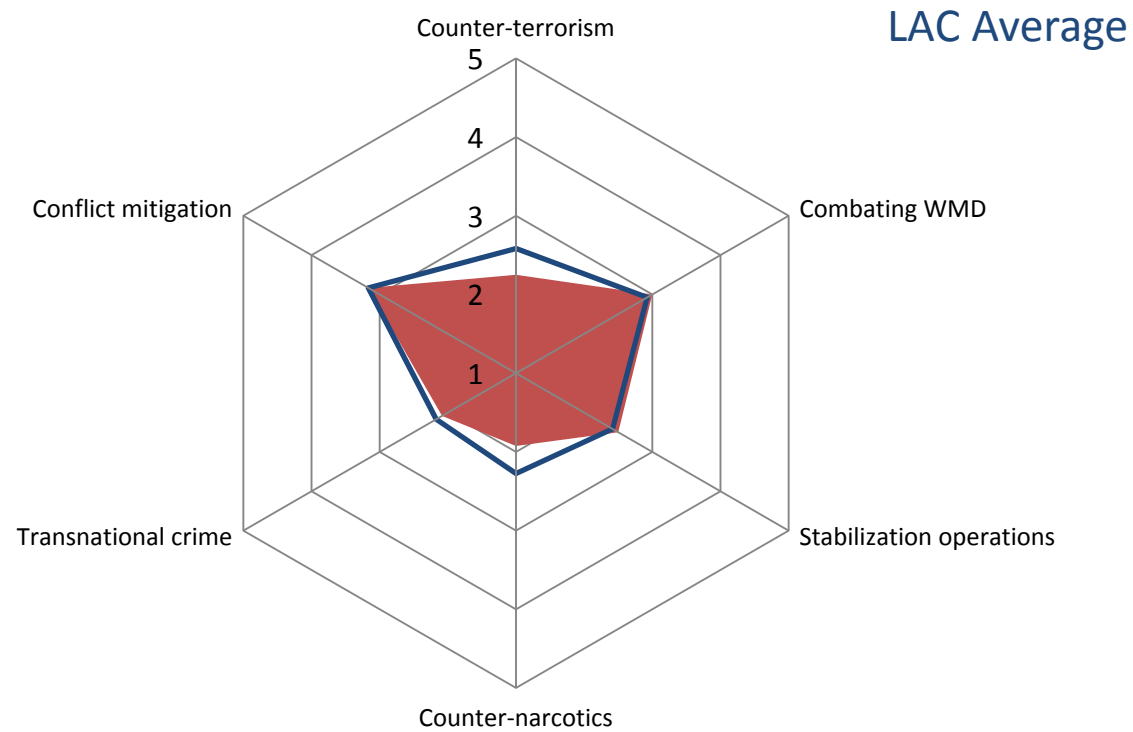
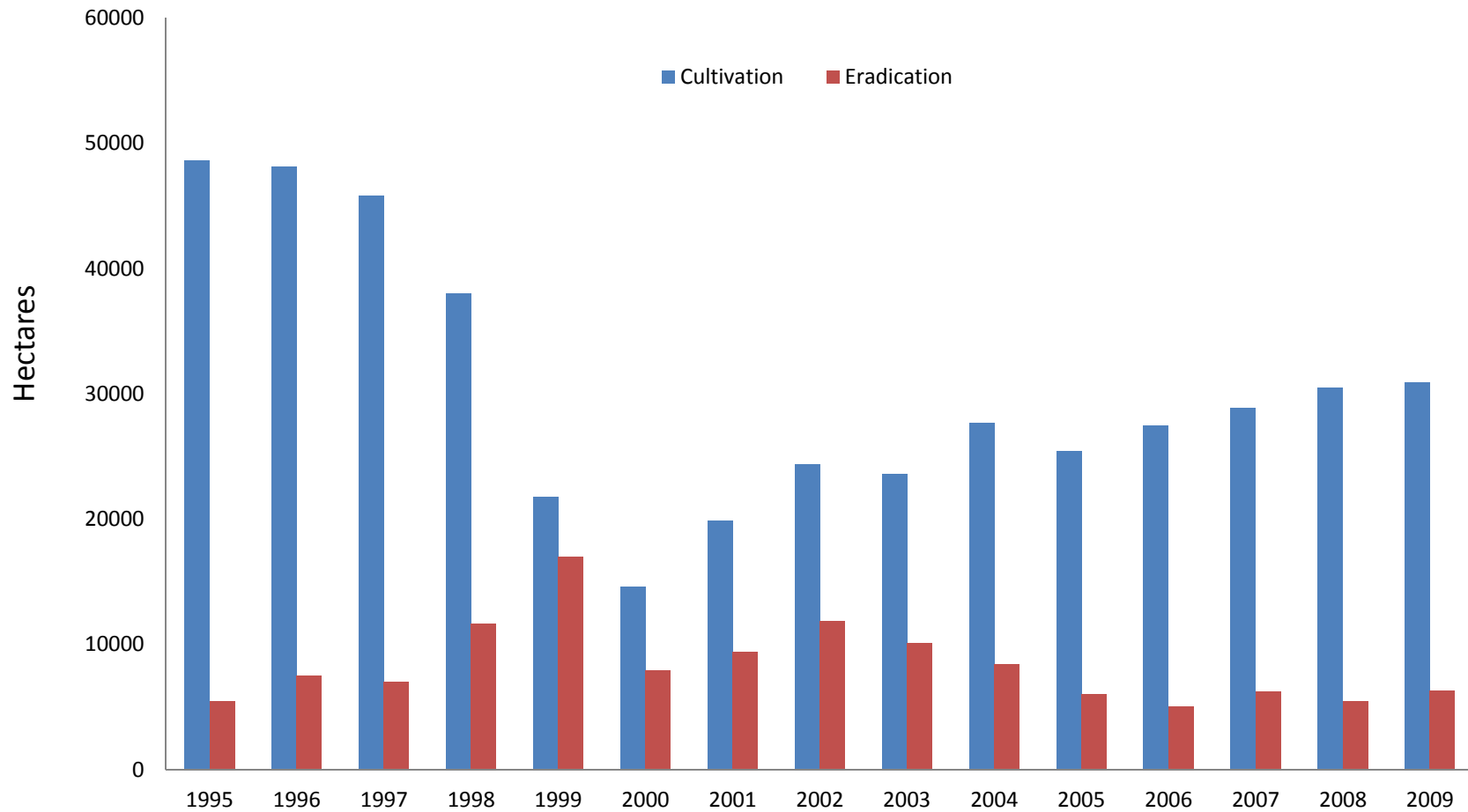


Figure 49

Coca Cultivation and Eradication in Bolivia



Economic Reforms

TABLE 1

| | Business Environment (1 to 183) | MCP Score 1 to 5 | Regulatory Quality (-2.5 to 2.5) | MCP Score 1 to 5 | Government Effectiveness (-2.5 to 2.5) | MCP Score 1 to 5 | Budget Balance (% of GDP) | MCP Score 1 to 5 | Trade Liberalization (1 to 100) | MCP Score 1 to 5 | Total MCP Score |
|--------------------------------|------------------------------------|---------------------|-------------------------------------|---------------------|---|---------------------|------------------------------|---------------------|------------------------------------|---------------------|-----------------|
| Chile | 53 | 3.9 | 1.5 | 4.9 | 1.2 | 4.2 | 4.7 | 4.5 | 88.0 | 5.0 | 4.5 |
| St. Lucia | 45 | 4.1 | 0.5 | 3.6 | 1.0 | 3.9 | --- | --- | --- | --- | 3.9 |
| Mexico | 41 | 4.2 | 0.3 | 3.4 | 0.2 | 2.9 | --- | --- | 82.0 | 4.7 | 3.8 |
| Peru | 46 | 4.1 | 0.4 | 3.5 | -0.4 | 2.3 | 2.0 | 3.5 | 86.0 | 5.0 | 3.7 |
| Antigua and Barbuda | 56 | 3.9 | 0.6 | 3.8 | 0.5 | 3.3 | --- | --- | --- | --- | 3.7 |
| St. Vincent and the Grenadines | 72 | 3.5 | 0.5 | 3.6 | 0.9 | 3.8 | --- | --- | --- | --- | 3.6 |
| Panama | 62 | 3.7 | 0.4 | 3.6 | 0.2 | 3.0 | --- | --- | 75.8 | 4.2 | 3.6 |
| Dominica | 85 | 3.2 | 0.5 | 3.6 | 0.7 | 3.6 | --- | --- | 74.3 | 4.1 | 3.6 |
| Colombia | 38 | 4.3 | 0.2 | 3.3 | 0.0 | 2.8 | --- | --- | 72.5 | 4.0 | 3.6 |
| St. Kitts and Nevis | 83 | 3.2 | 0.5 | 3.7 | 0.9 | 3.8 | --- | --- | --- | --- | 3.6 |
| Trinidad and Tobago | 95 | 2.9 | 0.6 | 3.7 | 0.4 | 3.2 | 0.7 | 2.5 | 81.7 | 4.7 | 3.4 |
| El Salvador | 80 | 3.3 | 0.4 | 3.5 | 0.0 | 2.7 | 0.3 | 2.5 | 83.8 | 4.8 | 3.4 |
| Uruguay | 122 | 2.3 | 0.4 | 3.5 | 0.7 | 3.6 | -0.9 | 2.5 | 82.8 | 4.8 | 3.3 |
| Costa Rica | 121 | 2.3 | 0.5 | 3.7 | 0.4 | 3.3 | -0.8 | 2.5 | 82.5 | 4.7 | 3.3 |
| Paraguay | 105 | 2.7 | -0.4 | 2.5 | -0.9 | 1.6 | 3.2 | 4.0 | 83.5 | 4.8 | 3.1 |
| Grenada | 98 | 2.8 | 0.3 | 3.4 | 0.3 | 3.1 | --- | --- | --- | --- | 3.1 |
| Barbados | --- | --- | 0.5 | 3.6 | 1.5 | 4.5 | --- | 1.0 | 60.5 | 3.0 | 3.1 |
| Dominican Republic | 86 | 3.1 | -0.2 | 2.8 | -0.4 | 2.2 | 0.3 | 2.5 | 80.0 | 4.5 | 3.0 |
| Bahamas, The | 71 | 3.5 | 0.7 | 3.9 | 1.1 | 4.0 | -1.7 | 2.0 | 42.2 | 1.6 | 3.0 |
| Jamaica | 79 | 3.3 | 0.3 | 3.4 | 0.1 | 2.9 | -5.1 | 1.0 | 72.2 | 3.9 | 2.9 |
| Guatemala | 100 | 2.8 | -0.1 | 2.9 | -0.7 | 1.9 | -1.6 | 2.0 | 84.6 | 4.9 | 2.9 |
| Belize | 93 | 3.0 | -0.5 | 2.4 | -0.4 | 2.3 | --- | --- | 71.5 | 3.9 | 2.9 |
| Guyana | 101 | 2.8 | -0.6 | 2.3 | -0.2 | 2.5 | --- | --- | 71.3 | 3.9 | 2.9 |
| Honduras | 128 | 2.1 | -0.2 | 2.7 | -0.7 | 1.9 | -0.2 | 2.5 | 83.7 | 4.8 | 2.8 |
| Brazil | 124 | 2.2 | 0.2 | 3.2 | 0.1 | 2.8 | -1.2 | 2.0 | 69.2 | 3.7 | 2.8 |
| Nicaragua | 119 | 2.3 | -0.4 | 2.5 | -1.0 | 1.5 | --- | --- | 82.8 | 4.8 | 2.8 |
| Argentina | 113 | 2.5 | -0.9 | 1.9 | -0.4 | 2.2 | --- | --- | 69.5 | 3.7 | 2.6 |
| Bolivia | 148 | 1.6 | -1.0 | 1.8 | -0.7 | 1.9 | 1.2 | 3.0 | 76.9 | 4.3 | 2.5 |
| Suriname | 160 | 1.3 | -0.6 | 2.2 | 0.0 | 2.7 | --- | --- | 66.4 | 3.5 | 2.4 |
| Ecuador | 127 | 2.1 | -1.4 | 1.3 | -0.8 | 1.7 | -2.5 | 1.5 | 76.0 | 4.2 | 2.2 |
| Haiti | 163 | 1.3 | -0.8 | 2.0 | -1.4 | 1.0 | --- | --- | 79.1 | 4.5 | 2.2 |
| Cuba | --- | --- | -1.6 | 1.0 | -0.5 | 2.2 | --- | --- | 61.7 | 3.1 | 2.1 |
| Venezuela, RB | 170 | 1.1 | -1.7 | 1.0 | -0.9 | 1.6 | --- | --- | 57.2 | 2.8 | 1.6 |
| Bermuda | --- | --- | 1.4 | 4.7 | 1.0 | 4.0 | --- | --- | --- | --- | --- |
| Netherlands Antilles | --- | --- | 0.9 | 4.1 | 0.8 | 3.7 | --- | --- | --- | --- | --- |
| Aruba | --- | --- | 1.3 | 4.6 | 1.4 | 4.5 | --- | --- | --- | --- | --- |
| LAC | 96.3 | 2.9 | 0.1 | 3.1 | 0.1 | 2.9 | -0.1 | 2.5 | 74.9 | 4.1 | 3.1 |
| Advanced LAC | 87.0 | 3.1 | 1.0 | 4.3 | 0.8 | 3.7 | 2.0 | 3.5 | 85.3 | 4.9 | 3.9 |

See MCP Global Appendix for data sources and explanations.

Governing Justly and Democratically

TABLE 2

| | Political Rights (1 to 7) | MCP Score 1 to 5 | Civil Liberties (1 to 7) | MCP Score 1 to 5 | Media Freedom (1 to 100) | MCP Score 1 to 5 | Rule of Law (-2.5 to 2.5) | MCP Score 1 to 5 | Corruption (-2.5 to 2.5) | MCP Score 1 to 5 | Total MCP Score |
|--------------------------------|------------------------------|---------------------|--------------------------------|---------------------|--------------------------------|---------------------|------------------------------|---------------------|-----------------------------|---------------------|-----------------|
| Barbados | 1.0 | 5.0 | 1.0 | 5.0 | 19.0 | 4.6 | 1.0 | 4.1 | 1.3 | 4.2 | 4.6 |
| St. Lucia | 1.0 | 5.0 | 1.0 | 5.0 | 15.0 | 4.8 | 0.8 | 3.9 | 1.3 | 4.1 | 4.6 |
| Chile | 1.0 | 5.0 | 1.0 | 5.0 | 30.0 | 4.0 | 1.3 | 4.4 | 1.4 | 4.3 | 4.5 |
| Bahamas, The | 1.0 | 5.0 | 1.0 | 5.0 | 20.0 | 4.6 | 0.8 | 3.9 | 1.4 | 4.3 | 4.5 |
| St. Kitts and Nevis | 1.0 | 5.0 | 1.0 | 5.0 | 20.0 | 4.6 | 0.7 | 3.8 | 1.1 | 3.9 | 4.5 |
| Uruguay | 1.0 | 5.0 | 1.0 | 5.0 | 25.0 | 4.3 | 0.7 | 3.8 | 1.2 | 4.1 | 4.4 |
| St. Vincent and the Grenadines | 1.0 | 5.0 | 1.0 | 5.0 | 17.0 | 4.7 | 0.9 | 4.0 | 1.1 | 3.9 | 4.4 |
| Dominica | 1.0 | 5.0 | 1.0 | 5.0 | 23.0 | 4.4 | 0.7 | 3.7 | 0.8 | 3.5 | 4.3 |
| Costa Rica | 1.0 | 5.0 | 1.0 | 5.0 | 19.0 | 4.6 | 0.6 | 3.6 | 0.7 | 3.5 | 4.3 |
| Antigua and Barbuda | 3.0 | 3.7 | 2.0 | 4.3 | 38.0 | 3.6 | 1.0 | 4.1 | 1.4 | 4.2 | 4.0 |
| Grenada | 1.0 | 5.0 | 2.0 | 4.3 | 24.0 | 4.3 | 0.1 | 3.0 | 0.4 | 3.1 | 4.0 |
| Belize | 1.0 | 5.0 | 2.0 | 4.3 | 21.0 | 4.5 | -0.4 | 2.4 | -0.1 | 2.5 | 3.8 |
| Trinidad and Tobago | 2.0 | 4.3 | 2.0 | 4.3 | 23.0 | 4.4 | -0.2 | 2.6 | -0.1 | 2.5 | 3.6 |
| Suriname | 2.0 | 4.3 | 2.0 | 4.3 | 23.0 | 4.4 | -0.1 | 2.7 | -0.3 | 2.2 | 3.6 |
| Panama | 1.0 | 5.0 | 2.0 | 4.3 | 44.0 | 3.2 | -0.1 | 2.8 | -0.3 | 2.3 | 3.5 |
| Brazil | 2.0 | 4.3 | 2.0 | 4.3 | 43.0 | 3.3 | -0.2 | 2.6 | -0.1 | 2.5 | 3.4 |
| Jamaica | 2.0 | 4.3 | 3.0 | 3.7 | 16.0 | 4.8 | -0.5 | 2.3 | -0.4 | 2.1 | 3.4 |
| Guyana | 2.0 | 4.3 | 3.0 | 3.7 | 30.0 | 4.0 | -0.6 | 2.1 | -0.5 | 2.0 | 3.2 |
| Dominican Republic | 2.0 | 4.3 | 2.0 | 4.3 | 39.0 | 3.5 | -0.7 | 2.0 | -0.7 | 1.8 | 3.2 |
| Argentina | 2.0 | 4.3 | 2.0 | 4.3 | 49.0 | 3.0 | -0.7 | 2.1 | -0.5 | 2.0 | 3.1 |
| El Salvador | 2.0 | 4.3 | 3.0 | 3.7 | 43.0 | 3.3 | -0.8 | 1.9 | -0.2 | 2.4 | 3.1 |
| Peru | 2.0 | 4.3 | 3.0 | 3.7 | 44.0 | 3.2 | -0.7 | 2.1 | -0.4 | 2.2 | 3.1 |
| Mexico | 3.0 | 3.7 | 3.0 | 3.7 | 60.0 | 2.4 | -0.6 | 2.2 | -0.3 | 2.3 | 3.0 |
| Bolivia | 3.0 | 3.7 | 3.0 | 3.7 | 43.0 | 3.3 | -1.2 | 1.4 | -0.7 | 1.8 | 2.8 |
| Colombia | 3.0 | 3.7 | 4.0 | 3.0 | 60.0 | 2.4 | -0.4 | 2.3 | -0.3 | 2.3 | 2.7 |
| Ecuador | 3.0 | 3.7 | 3.0 | 3.7 | 47.0 | 3.1 | -1.3 | 1.3 | -0.9 | 1.5 | 2.7 |
| Paraguay | 3.0 | 3.7 | 3.0 | 3.7 | 59.0 | 2.4 | -1.0 | 1.7 | -0.9 | 1.6 | 2.6 |
| Nicaragua | 4.0 | 3.0 | 4.0 | 3.0 | 47.0 | 3.1 | -0.8 | 1.8 | -0.8 | 1.7 | 2.6 |
| Honduras | 4.0 | 3.0 | 4.0 | 3.0 | 59.0 | 2.4 | -0.9 | 1.8 | -0.9 | 1.6 | 2.4 |
| Guatemala | 4.0 | 3.0 | 4.0 | 3.0 | 60.0 | 2.4 | -1.1 | 1.5 | -0.6 | 1.9 | 2.4 |
| Haiti | 4.0 | 3.0 | 5.0 | 2.3 | 49.0 | 3.0 | -1.3 | 1.2 | -1.1 | 1.3 | 2.1 |
| Venezuela, RB | 5.0 | 2.3 | 5.0 | 2.3 | 75.0 | 1.5 | -1.6 | 1.0 | -1.2 | 1.2 | 1.8 |
| Cuba | 7.0 | 1.0 | 6.0 | 1.7 | 93.0 | 1.0 | -0.6 | 2.1 | 0.3 | 3.0 | 1.7 |
| Aruba | --- | --- | --- | --- | --- | --- | 1.4 | 4.6 | 1.1 | 3.9 | --- |
| Bermuda | --- | --- | --- | --- | --- | --- | 0.9 | 4.0 | 1.4 | 4.2 | --- |
| Netherlands Antilles | --- | --- | --- | --- | --- | --- | 0.9 | 4.0 | 0.9 | 3.7 | --- |
| LAC | 2.3 | 4.1 | 2.5 | 4.0 | 38.7 | 3.6 | -0.1 | 2.7 | 0.1 | 2.8 | 3.4 |
| Advanced LAC | 1.0 | 5.0 | 1.0 | 5.0 | 24.5 | 4.3 | 0.9 | 4.0 | 1.0 | 3.9 | 4.4 |

See MCP Global Appendix for data sources and explanations.

Economic Growth and Performance

TABLE 3

| | GDP per-Capita Growth (% 5 Yr. Avg.) | MCP Score 1 to 5 | Macro stability MCP Score (1 to 5) | Energy Security MCP Score (1 to 5) | FDI (% of GDP, 5 Yr. Avg.) | MCP Score 1 to 5 | Exports MCP Score (1 to 5) | Uneven Development (1 to 10) | MCP Score 1 to 5 | Environmental Sustainability (25 to 100) | MCP Score 1 to 5 | Domestic Credit (% of GDP) | MCP Score 1 to 5 | Total MCP Score |
|--------------------------------|--------------------------------------|------------------|------------------------------------|------------------------------------|----------------------------|------------------|----------------------------|------------------------------|------------------|--|------------------|----------------------------|------------------|-----------------|
| Panama | 6.3 | 4.3 | 3.6 | 3.8 | 8.8 | 3.4 | 3.0 | 7.5 | 1.9 | 71.0 | 4.2 | 89.4 | 4.5 | 3.7 |
| Antigua and Barbuda | 3.2 | 2.7 | 2.8 | --- | 22.2 | 5.0 | 3.1 | 6.1 | 2.8 | 56.4 | 3.2 | 75.9 | 4.5 | 3.3 |
| St. Kitts and Nevis | 1.6 | 1.9 | 3.2 | --- | 22.9 | 5.0 | 3.3 | --- | --- | --- | --- | 75.1 | 4.5 | 3.3 |
| Costa Rica | 3.4 | 2.8 | 3.5 | 3.1 | 5.5 | 2.5 | 3.8 | 6.5 | 2.6 | 90.6 | 5.0 | 50.8 | 3.0 | 3.2 |
| St. Vincent and the Grenadines | 3.8 | 3.0 | 3.1 | --- | 18.4 | 5.0 | 1.8 | --- | --- | --- | --- | 58.4 | 3.5 | 3.2 |
| Chile | 2.6 | 2.3 | 4.2 | 2.4 | 6.3 | 2.7 | 2.1 | 4.5 | 3.8 | 65.4 | 3.8 | 96.9 | 4.5 | 3.1 |
| St. Lucia | 1.1 | 1.6 | 3.1 | --- | 17.6 | 5.0 | 2.8 | --- | --- | --- | --- | 129.6 | 4.5 | 3.1 |
| Cuba | 6.9 | 4.6 | 4.0 | 1.4 | 0.2 | 1.1 | 1.5 | 6.6 | 2.5 | 71.9 | 4.3 | --- | --- | 3.0 |
| Peru | 5.6 | 3.9 | 4.2 | 3.3 | 5.4 | 2.5 | 1.7 | 8.0 | 1.6 | 77.2 | 4.7 | 24.8 | 1.5 | 3.0 |
| Uruguay | 5.5 | 3.9 | 3.8 | 3.5 | 5.2 | 2.4 | 1.9 | 5.0 | 3.5 | 46.2 | 2.4 | 27.1 | 2.0 | 3.0 |
| Bahamas, The | 1.7 | 1.9 | 2.8 | --- | 9.6 | 3.6 | 3.5 | 6.4 | 2.6 | --- | --- | 86.0 | 4.5 | 3.0 |
| Grenada | 2.1 | 2.1 | 2.7 | --- | 16.5 | 5.0 | 2.1 | 6.7 | 2.4 | --- | --- | 85.3 | 4.5 | 3.0 |
| Dominican Republic | 5.7 | 4.0 | 3.7 | 2.9 | 3.8 | 2.1 | 2.5 | 7.8 | 1.8 | 64.4 | 3.7 | 20.9 | 1.5 | 2.9 |
| Colombia | 2.9 | 2.5 | 4.0 | 4.7 | 4.3 | 2.2 | 1.6 | 8.3 | 1.4 | 78.9 | 4.8 | 34.3 | 2.0 | 2.9 |
| Guyana | 2.3 | 2.2 | 2.7 | --- | 12.3 | 4.4 | 2.7 | 7.7 | 1.8 | 52.1 | 2.9 | 57.0 | 3.5 | 2.8 |
| Argentina | 5.8 | 4.0 | 3.9 | 2.7 | 2.3 | 1.6 | 1.8 | 5.8 | 3.0 | 47.6 | 2.5 | 13.7 | 1.0 | 2.7 |
| Trinidad and Tobago | 4.6 | 3.4 | 4.2 | 2.0 | 5.5 | 2.5 | 2.8 | 7.2 | 2.1 | 38.3 | 1.9 | 27.0 | 2.0 | 2.7 |
| Belize | -0.5 | 1.0 | 3.4 | --- | 9.8 | 3.7 | 2.4 | 7.1 | 2.2 | 72.3 | 4.3 | 63.2 | 3.5 | 2.7 |
| Ecuador | 3.3 | 2.7 | 4.2 | 3.5 | 1.8 | 1.5 | 1.9 | 8.0 | 1.6 | 62.9 | 3.6 | 26.1 | 2.0 | 2.6 |
| El Salvador | 2.1 | 2.1 | 3.7 | 2.7 | 3.3 | 1.9 | 2.4 | 7.9 | 1.7 | 69.3 | 4.1 | 41.3 | 2.5 | 2.6 |
| Honduras | 2.5 | 2.3 | 3.6 | 2.1 | 5.6 | 2.6 | 3.3 | 8.3 | 1.4 | 41.7 | 2.1 | 51.9 | 3.0 | 2.5 |
| Barbados | -3.6 | 1.0 | 3.2 | --- | 4.9 | 2.4 | 3.0 | 6.7 | 2.4 | --- | --- | 94.6 | 4.5 | 2.5 |
| Brazil | 2.7 | 2.4 | 4.1 | 2.8 | 1.9 | 1.5 | 1.8 | 8.8 | 1.1 | 55.2 | 3.1 | 53.6 | 3.0 | 2.5 |
| Venezuela, RB | 4.7 | 3.4 | 3.5 | 2.9 | 0.3 | 1.1 | 1.6 | 7.6 | 1.9 | 46.7 | 2.5 | 21.7 | 1.5 | 2.4 |
| Paraguay | 1.8 | 2.0 | 3.9 | 2.7 | 1.3 | 1.4 | 2.2 | 8.0 | 1.6 | 69.0 | 4.1 | 23.2 | 1.5 | 2.4 |
| Suriname | 3.0 | 2.6 | 4.2 | --- | -6.0 | 1.0 | 1.0 | 7.7 | 1.8 | 65.6 | 3.8 | 26.1 | 2.0 | 2.4 |
| Bolivia | 2.7 | 2.4 | 4.2 | 3.3 | 1.4 | 1.4 | 2.0 | 8.7 | 1.2 | 43.3 | 2.2 | 34.7 | 2.0 | 2.3 |
| Mexico | 0.9 | 1.5 | 4.1 | 3.0 | 2.1 | 1.6 | 3.0 | 8.0 | 1.6 | 58.1 | 3.3 | 21.1 | 1.5 | 2.3 |
| Nicaragua | 2.0 | 2.0 | 2.4 | 1.8 | 6.3 | 2.8 | 2.5 | 7.9 | 1.7 | 55.4 | 3.1 | 37.7 | 2.5 | 2.3 |
| Guatemala | 1.4 | 1.7 | 3.7 | 2.5 | 1.9 | 1.5 | 2.2 | 8.0 | 1.6 | 51.6 | 2.8 | 27.2 | 2.0 | 2.2 |
| Jamaica | 0.2 | 1.1 | 2.5 | 1.6 | 6.5 | 2.8 | 2.5 | 6.5 | 2.6 | 45.8 | 2.4 | 28.3 | 2.0 | 2.1 |
| Haiti | 0.5 | 1.3 | 3.3 | 1.8 | 1.2 | 1.3 | 1.1 | 8.3 | 1.4 | 50.9 | 2.8 | 12.7 | 1.0 | 1.7 |
| Aruba | -0.7 | 1.0 | 2.7 | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Bermuda | 2.9 | 2.5 | --- | --- | --- | --- | 1.9 | --- | --- | --- | --- | --- | --- | --- |
| Dominica | 3.0 | 2.6 | 3.0 | --- | 9.8 | 3.7 | 2.2 | --- | --- | --- | --- | 59.9 | 3.5 | --- |
| Netherlands Antilles | --- | --- | --- | 1.0 | --- | --- | 3.6 | --- | --- | --- | --- | --- | --- | --- |
| LAC | 2.7 | 2.5 | 3.5 | 2.7 | 6.6 | 2.7 | 2.4 | 7.3 | 2.1 | 59.5 | 3.4 | 49.2 | 2.8 | 2.7 |
| Advanced LAC | 3.0 | 2.6 | 3.9 | 2.8 | 5.9 | 2.6 | 3.0 | 5.5 | 3.2 | 78.0 | 4.4 | 73.8 | 3.8 | 3.2 |

See MCP Global Appendix for data sources and explanations.

Macro Stability

TABLE 4

| | External Debt (% of GDP) | MCP Score 1 to 5 | Inflation (%, 3 Yr. Avg.) | MCP Score 1 to 5 | Current Account Balance (3 Yr. Avg.) | MCP Score 1 to 5 | MCP Score |
|--------------------------------|-----------------------------|---------------------|------------------------------|---------------------|---|---------------------|------------|
| Trinidad and Tobago | --- | --- | 7.9 | 3.4 | 29.2 | 5.0 | 4.2 |
| Chile | 47 | 4.1 | 1.5 | 4.7 | 1.9 | 3.7 | 4.2 |
| Ecuador | 23 | 4.7 | 4.5 | 4.1 | 1.7 | 3.7 | 4.2 |
| Bolivia | 34 | 4.4 | 8.2 | 3.4 | 9.6 | 4.7 | 4.2 |
| Peru | 25 | 4.7 | 3.1 | 4.4 | -0.7 | 3.4 | 4.2 |
| Suriname | --- | --- | 7.0 | 3.6 | 9.6 | 4.7 | 4.2 |
| Brazil | 18 | 4.9 | 4.0 | 4.2 | -1.1 | 3.4 | 4.1 |
| Mexico | 22 | 4.8 | 4.0 | 4.2 | -1.0 | 3.4 | 4.1 |
| Cuba | --- | --- | 3.0 | 4.4 | 0.4 | 3.6 | 4.0 |
| Colombia | 24 | 4.7 | 4.9 | 4.0 | -2.6 | 3.2 | 4.0 |
| Argentina | 40 | 4.3 | 6.9 | 3.6 | 2.6 | 3.8 | 3.9 |
| Paraguay | 29 | 4.6 | 6.6 | 3.7 | -0.7 | 3.4 | 3.9 |
| Uruguay | 34.5 | 4.4 | 6.6 | 3.7 | -1.7 | 3.3 | 3.8 |
| Dominican Republic | 25 | 4.7 | 5.9 | 3.8 | -6.6 | 2.7 | 3.7 |
| Guatemala | 39 | 4.3 | 6.7 | 3.7 | -3.4 | 3.1 | 3.7 |
| El Salvador | 54 | 3.9 | 4.0 | 4.2 | -4.9 | 2.9 | 3.7 |
| Panama | 52 | 4.0 | 4.7 | 4.1 | -6.2 | 2.7 | 3.6 |
| Honduras | 26 | 4.7 | 7.1 | 3.6 | -8.3 | 2.5 | 3.6 |
| Costa Rica | 28 | 4.6 | 9.0 | 3.2 | -5.8 | 2.8 | 3.5 |
| Venezuela, RB | 16.7 | 4.9 | 21.9 | 1.0 | 7.5 | 4.4 | 3.5 |
| Belize | 89 | 3.0 | 2.7 | 4.5 | -6.9 | 2.6 | 3.4 |
| Haiti | --- | --- | 8.0 | 3.4 | -3.2 | 3.1 | 3.3 |
| St. Kitts and Nevis | 44 | 4.2 | 3.1 | 4.4 | -29.1 | 1.0 | 3.2 |
| Barbados | --- | --- | 4.7 | 4.1 | -9.7 | 2.3 | 3.2 |
| St. Lucia | 48 | 4.1 | 3.9 | 4.2 | -30.3 | 1.0 | 3.1 |
| St. Vincent and the Grenadines | 37 | 4.4 | 5.4 | 3.9 | -35.9 | 1.0 | 3.1 |
| Dominica | 70 | 3.5 | 3.2 | 4.4 | -31.4 | 1.0 | 3.0 |
| Bahamas, The | --- | --- | 2.7 | 4.5 | -18.2 | 1.2 | 2.8 |
| Antigua and Barbuda | --- | --- | 2.4 | 4.5 | -28.5 | 1.0 | 2.8 |
| Grenada | 92 | 2.9 | 3.8 | 4.2 | -36.8 | 1.0 | 2.7 |
| Aruba | --- | --- | 4.4 | 4.1 | -17.8 | 1.3 | 2.7 |
| Guyana | --- | --- | 7.3 | 3.5 | -13.5 | 1.8 | 2.7 |
| Jamaica | 78 | 3.3 | 12.2 | 2.6 | -14.9 | 1.6 | 2.5 |
| Nicaragua | 76 | 3.3 | 11.0 | 2.8 | -19.1 | 1.1 | 2.4 |
| Bermuda | --- | --- | 3.0 | 4.4 | --- | --- | --- |
| Netherlands Antilles | --- | --- | 3.6 | 4.3 | --- | --- | --- |
| LAC | 42.9 | 4.2 | 5.8 | 3.8 | -8.1 | 2.7 | 3.5 |
| Advanced LAC | 37.4 | 4.4 | 5.3 | 3.9 | -2.0 | 3.3 | 3.9 |

See MCP Global Appendix for data sources and explanations.

Energy Security

TABLE 5

| | Energy Imports (% of Energy Use) | MCP Score 1 to 5 | Energy Efficiency (GDP per unit of Energy Use) | MCP Score 1 to 5 | Total MCP Score |
|-----------------------------------|-------------------------------------|---------------------|---|---------------------|-----------------|
| Colombia | -197.2 | 3.3 | 12.1 | 5.0 | 4.7 |
| Panama | 75.4 | 1.2 | 12.8 | 5.0 | 3.8 |
| Ecuador | -144.9 | 2.9 | 8.1 | 4.1 | 3.5 |
| Uruguay | 61.7 | 1.3 | 11.3 | 5.0 | 3.5 |
| Peru | 13.2 | 1.7 | 14.7 | 5.0 | 3.3 |
| | | | | | |
| Bolivia | -177.0 | 3.2 | 6.6 | 3.4 | 3.3 |
| Costa Rica | 47.3 | 1.4 | 9.6 | 4.9 | 3.1 |
| Mexico | -36.2 | 2.1 | 7.6 | 3.9 | 3.0 |
| Venezuela, RB | -188.4 | 3.3 | 4.9 | 2.6 | 2.9 |
| Dominican Republic | 80.5 | 1.1 | 9.0 | 4.6 | 2.9 |
| | | | | | |
| Brazil | 8.5 | 1.7 | 7.4 | 3.8 | 2.8 |
| Paraguay | -69.9 | 2.3 | 6.1 | 3.2 | 2.7 |
| El Salvador | 42.0 | 1.4 | 7.7 | 4.0 | 2.7 |
| Argentina | -12.1 | 1.9 | 6.8 | 3.5 | 2.7 |
| Guatemala | 35.7 | 1.5 | 7.0 | 3.6 | 2.5 |
| | | | | | |
| Chile | 72.5 | 1.2 | 7.0 | 3.6 | 2.4 |
| Honduras | 55.3 | 1.3 | 5.4 | 2.8 | 2.1 |
| Trinidad and Tobago | -142.0 | 2.9 | 2.1 | 1.2 | 2.0 |
| Nicaragua | 40.8 | 1.4 | 3.9 | 2.1 | 1.8 |
| Haiti | 27.8 | 1.5 | 3.6 | 2.0 | 1.8 |
| | | | | | |
| Jamaica | 89.9 | 1.1 | 3.9 | 2.1 | 1.6 |
| Cuba | 47.9 | 1.4 | --- | --- | 1.4 |
| Netherlands Antilles | 100 | 1 | --- | --- | 1 |
| Antigua and Barbuda | --- | --- | --- | --- | --- |
| Aruba | --- | --- | --- | --- | --- |
| | | | | | |
| Bahamas, The | --- | --- | --- | --- | --- |
| Barbados | --- | --- | --- | --- | --- |
| Belize | --- | --- | --- | --- | --- |
| Bermuda | --- | --- | --- | --- | --- |
| Dominica | --- | --- | --- | --- | --- |
| | | | | | |
| Grenada | --- | --- | --- | --- | --- |
| Guyana | --- | --- | --- | --- | --- |
| St. Kitts and Nevis | --- | --- | --- | --- | --- |
| St. Lucia | --- | --- | --- | --- | --- |
| St. Vincent and the Grenadines | --- | --- | --- | --- | --- |
| | | | | | |
| Suriname | --- | --- | --- | --- | --- |
| LAC | -7.4 | 1.8 | 7.5 | 3.6 | 2.7 |
| Advanced LAC | 59.9 | 1.3 | 8.3 | 4.3 | 2.8 |

See MCP Global Appendix for data sources and explanations.

Exports

TABLE 6

| | Export Share of GDP (%) | MCP Score 1 to 5 | Hi Tech Exports (% of total Exports) | MCP Score 1 to 5 | Manufacturing Exports (% of Total Exports) | MCP Score 1 to 5 | Total MCP Score |
|--------------------------------|-------------------------|------------------|--------------------------------------|------------------|--|------------------|-----------------|
| Costa Rica | 23.7 | 2.9 | 24.4 | 5.8 | 63.3 | 3.8 | 3.8 |
| St. Kitts and Nevis | 19.2 | 2.5 | --- | --- | 88.6 | 4.9 | 3.3 |
| Honduras | 23.0 | 3.3 | --- | --- | --- | --- | 3.3 |
| Panama | 42.1 | 4.8 | 0.0 | 1.0 | 8.9 | 1.3 | 3.0 |
| Mexico | 15.2 | 2.0 | 14.3 | 3.8 | 73.6 | 4.2 | 3.0 |
| Barbados | 33.1 | 3.7 | 2.0 | 1.4 | 49.0 | 3.1 | 3.0 |
| Trinidad and Tobago | 68.4 | 4.1 | 0.2 | 1.0 | 25.1 | 2.0 | 2.8 |
| St. Lucia | 26.8 | 3.2 | 6.7 | 2.3 | 34.3 | 2.5 | 2.8 |
| Guyana | 68.3 | 4.1 | 0.0 | 1.0 | 10.4 | 1.4 | 2.7 |
| Dominican Republic | 12.2 | 1.8 | 5.7 | 2.1 | 75.3 | 4.3 | 2.5 |
| Jamaica | 19.0 | 2.6 | 0.3 | 1.1 | 61.0 | 3.7 | 2.5 |
| Nicaragua | 19.2 | 2.5 | 0.0 | --- | 35.3 | 2.5 | 2.5 |
| Belize | 62.1 | 3.8 | 0.0 | 1.0 | 1.4 | 1.0 | 2.4 |
| El Salvador | 12.2 | 1.8 | 3.2 | 1.6 | 74.2 | 4.3 | 2.4 |
| Dominica | 21.0 | 2.5 | 0.2 | 1.0 | 45.2 | 3.0 | 2.2 |
| Paraguay | 25.4 | 3.2 | 0.9 | 1.2 | 9.3 | 1.3 | 2.2 |
| Guatemala | 12.8 | 1.8 | 1.9 | 1.4 | 47.0 | 3.0 | 2.2 |
| Chile | 20.8 | 2.9 | 0.8 | 1.2 | 12.7 | 1.5 | 2.1 |
| Grenada | 14.7 | 1.8 | 4.5 | 1.9 | 41.1 | 2.8 | 2.1 |
| Bolivia | 19.5 | 2.9 | 0.3 | 1.1 | 5.8 | 1.2 | 2.0 |
| Ecuador | 20.3 | 2.5 | 0.4 | 1.1 | 8.5 | 1.3 | 1.9 |
| Uruguay | 14.5 | 2.0 | 1.2 | 1.2 | 29.0 | 2.2 | 1.9 |
| Argentina | 11.7 | 1.7 | 2.8 | 1.5 | 31.2 | 2.3 | 1.8 |
| Brazil | 6.2 | 1.2 | 5.4 | 2.0 | 44.8 | 2.9 | 1.8 |
| St. Vincent and the Grenadines | 18.5 | 2.3 | 0.0 | 1.0 | 14.9 | 1.6 | 1.8 |
| Peru | 12.9 | 1.9 | 0.4 | 1.1 | 16.1 | 1.6 | 1.7 |
| Colombia | 8.9 | 1.4 | 1.2 | 1.2 | 32.4 | 2.4 | 1.6 |
| Venezuela, RB | 10.0 | 2.1 | 0.1 | 1.0 | 4.3 | 1.1 | 1.6 |
| Suriname | --- | --- | 0.2 | 1.0 | 1.7 | 1.0 | 1.0 |
| Netherlands Antilles | --- | --- | --- | --- | 60.2 | 3.6 | --- |
| Bahamas, The | --- | --- | --- | --- | 57.8 | 3.5 | --- |
| Antigua and Barbuda | 26.0 | 3.1 | --- | --- | --- | --- | --- |
| Bermuda | 26.3 | 1.9 | --- | --- | --- | --- | --- |
| Cuba | 20.0 | 1.5 | --- | --- | --- | --- | --- |
| Haiti | 7.8 | 1.1 | --- | --- | --- | --- | --- |
| Aruba | --- | --- | --- | --- | --- | --- | --- |
| LAC | 23.2 | 2.5 | 2.9 | 1.6 | 35.4 | 2.5 | 2.3 |
| Advanced LAC | 20.8 | 2.9 | 0.8 | 1.2 | 36.5 | 2.6 | 3.0 |

See MCP Global Appendix for data sources and explanations.

Investing in People

TABLE 7

| | Under-five Mortality (per 1,000) | MCP Score 1 to 5 | Life Expectancy | MCP Score 1 to 5 | Health Expenditures (% of GDP) | MCP Score 1 to 5 | Environmental Health (25 to 100) | MCP Score 1 to 5 | Combined Enrollments (%) | MCP Score 1 to 5 | Literacy Rate (%) | MCP Score 1 to 5 | Educational Expenditures (% of GDP) | MCP Score 1 to 5 | Per Capita Income (PPP) | MCP Score 1 to 5 | Gender (0 to 1) | MCP Score 1 to 5 | Total MCP Score |
|--------------------------------|--|------------------------|--------------------|------------------------|--------------------------------------|------------------------|--|------------------------|--------------------------------|------------------------|-------------------------|------------------------|---|------------------------|----------------------------------|------------------------|--------------------|------------------------|-----------------------|
| Antigua and Barbuda | 12.3 | 4.8 | --- | --- | 4.7 | 1.9 | 83.2 | 4.6 | --- | --- | 99.0 | 4.9 | --- | --- | 18846 | 5.0 | --- | --- | 4.7 |
| Cuba | 6.0 | 5.0 | 78.7 | 5.0 | 10.4 | 4.6 | 84.3 | 4.6 | 100.8 | 5.0 | 99.8 | 5.0 | 13.6 | 5.0 | 10114 | 3.0 | 0.47 | 3.3 | 4.1 |
| Barbados | 11.3 | 4.8 | 77.0 | 4.8 | 7.0 | 3.0 | 81.2 | 4.5 | 92.9 | 4.0 | --- | --- | 6.7 | 4.1 | --- | --- | 0.45 | 3.5 | 4.1 |
| Argentina | 14.7 | 4.8 | 75.3 | 4.5 | 10.0 | 4.4 | 74.5 | 4.1 | 88.6 | 3.7 | 97.7 | 4.9 | 4.9 | 2.9 | 13220 | 4.0 | 0.53 | 2.8 | 4.0 |
| Trinidad and Tobago | 35.3 | 4.3 | 69.3 | 3.8 | 4.8 | 1.9 | 70.2 | 3.9 | 61.1 | 2.2 | 98.7 | 4.9 | --- | --- | 24032 | 5.0 | 0.47 | 3.3 | 4.0 |
| Chile | 8.7 | 4.9 | 78.6 | 5.0 | 6.2 | 2.6 | 81.3 | 4.5 | 82.5 | 3.4 | 98.6 | 4.9 | 3.4 | 1.9 | 13390 | 4.0 | 0.50 | 3.0 | 3.9 |
| Uruguay | 13.9 | 4.8 | 76.0 | 4.6 | 8.0 | 3.5 | 72.0 | 4.0 | 90.9 | 3.9 | 98.2 | 4.9 | 2.8 | 1.5 | 11682 | 3.5 | 0.51 | 3.0 | 3.8 |
| Mexico | 17.5 | 4.7 | 75.1 | 4.5 | 5.9 | 2.4 | 76.6 | 4.2 | 80.2 | 3.3 | 92.9 | 4.6 | 4.8 | 2.8 | 13434 | 4.0 | 0.58 | 2.5 | 3.8 |
| Costa Rica | 10.9 | 4.8 | 78.9 | 5.0 | 8.1 | 3.5 | 82.2 | 4.5 | 73.0 | 2.9 | 96.0 | 4.7 | 5.0 | 3.0 | 10374 | 3.0 | 0.50 | 3.1 | 3.7 |
| St. Kitts and Nevis | 15.5 | 4.7 | --- | --- | 6.0 | 2.5 | 81.9 | 4.5 | 73.1 | 2.9 | --- | --- | --- | --- | 14461 | 4.0 | --- | --- | 3.7 |
| Venezuela, RB | 18.1 | 4.7 | 73.5 | 4.3 | 5.8 | 2.4 | 79.1 | 4.4 | 85.9 | 3.6 | 95.2 | 4.7 | 3.7 | 2.1 | 11756 | 3.5 | 0.56 | 2.6 | 3.6 |
| Panama | 23.3 | 4.6 | 75.7 | 4.6 | 6.7 | 2.8 | 71.7 | 4.0 | 79.7 | 3.3 | 93.5 | 4.6 | 3.8 | 2.2 | 11767 | 3.5 | 0.63 | 2.0 | 3.5 |
| St. Lucia | 19.4 | 4.7 | --- | --- | 6.3 | 2.7 | 80.4 | 4.4 | 77.2 | 3.1 | --- | --- | 6.3 | 3.8 | 9170 | 3.0 | --- | --- | 3.5 |
| Brazil | 21.8 | 4.6 | 72.4 | 4.2 | 8.4 | 3.7 | 71.6 | 4.0 | 87.2 | 3.7 | 90.0 | 4.4 | 5.2 | 3.1 | 9559 | 3.0 | 0.63 | 2.1 | 3.4 |
| Grenada | 14.8 | 4.8 | 75.3 | 4.5 | 7.1 | 3.0 | 73.6 | 4.1 | --- | --- | --- | --- | --- | --- | 8177 | 2.5 | --- | --- | 3.4 |
| Dominica | 10.4 | 4.9 | --- | --- | 6.2 | 2.6 | 79.8 | 4.4 | 78.5 | 3.2 | --- | --- | 4.8 | 2.8 | 8177 | 2.5 | --- | --- | 3.3 |
| Suriname | 27.4 | 4.5 | 69.0 | 3.8 | 7.6 | 3.3 | 70.7 | 3.9 | 74.3 | 3.0 | 90.7 | 4.4 | --- | --- | 6835 | 2.0 | --- | --- | 3.2 |
| Ecuador | 25.1 | 4.5 | 75.1 | 4.5 | 5.8 | 2.4 | 75.8 | 4.2 | --- | --- | 84.2 | 4.0 | --- | --- | 7560 | 2.5 | 0.65 | 2.0 | 3.2 |
| Colombia | 19.6 | 4.6 | 73.0 | 4.3 | 6.1 | 2.5 | 74.6 | 4.1 | 79.0 | 3.2 | 93.4 | 4.6 | 3.9 | 2.3 | 8185 | 2.5 | 0.66 | 1.9 | 3.2 |
| St. Vincent and the Grenadines | 13.2 | 4.8 | 71.7 | 4.1 | 5.4 | 2.2 | --- | --- | 68.9 | 2.7 | --- | --- | 7.0 | 4.3 | 8556 | 2.5 | --- | --- | 3.2 |
| Jamaica | 31.0 | 4.4 | 71.8 | 4.1 | 4.7 | 1.9 | 70.2 | 3.9 | 78.1 | 3.2 | 85.9 | 4.1 | 6.2 | 3.7 | 7182 | 2.5 | 0.64 | 2.0 | 3.1 |
| Peru | 22.8 | 4.6 | 73.3 | 4.3 | 4.3 | 1.7 | 61.3 | 3.5 | 88.1 | 3.7 | 89.6 | 4.3 | 2.7 | 1.5 | 7858 | 2.5 | 0.61 | 2.2 | 3.1 |
| Dominican Republic | 32.6 | 4.4 | 72.6 | 4.2 | 5.4 | 2.2 | 72.5 | 4.0 | 73.5 | 2.9 | 88.2 | 4.3 | 2.2 | 1.1 | 7505 | 2.5 | 0.65 | 2.0 | 3.0 |
| El Salvador | 17.9 | 4.7 | 71.3 | 4.0 | 6.2 | 2.6 | 68.9 | 3.8 | 74.0 | 2.9 | 84.0 | 4.0 | 3.6 | 2.1 | 6270 | 2.0 | 0.65 | 1.9 | 2.9 |
| Belize | 18.8 | 4.7 | 76.3 | 4.7 | 4.0 | 1.5 | 67.6 | 3.8 | 78.3 | 3.2 | --- | --- | 5.1 | 3.0 | 6228 | 2.0 | 0.60 | 2.3 | 2.9 |
| Paraguay | 23.3 | 4.6 | 71.9 | 4.1 | 5.7 | 2.4 | 58.1 | 3.3 | 72.1 | 2.8 | 94.6 | 4.7 | 4.0 | 2.3 | 4347 | 1.5 | 0.64 | 2.0 | 2.8 |
| Honduras | 30.6 | 4.4 | 72.2 | 4.2 | 6.2 | 2.6 | 58.0 | 3.3 | 74.8 | 3.0 | 83.6 | 4.0 | --- | --- | 3628 | 1.5 | 0.68 | 1.7 | 2.7 |
| Bolivia | 54.2 | 3.9 | 65.7 | 3.4 | 5.0 | 2.0 | 45.4 | 2.7 | 86.0 | 3.6 | 90.7 | 4.4 | 6.3 | 3.8 | 3950 | 1.5 | 0.67 | 1.8 | 2.7 |
| Guyana | 36.3 | 4.3 | 67.1 | 3.5 | 8.2 | 3.6 | 66.4 | 3.7 | 83.9 | 3.5 | --- | --- | 6.1 | 3.7 | 2830 | 1.0 | 0.67 | 1.8 | 2.6 |
| Nicaragua | 27.0 | 4.5 | 73.1 | 4.3 | 8.3 | 3.6 | 58.7 | 3.3 | 72.1 | 2.8 | --- | --- | --- | --- | 2576 | 1.0 | 0.67 | 1.7 | 2.5 |
| Guatemala | 40.7 | 4.2 | 70.3 | 3.9 | 7.3 | 3.1 | 56.4 | 3.2 | 70.5 | 2.8 | 73.8 | 3.4 | 3.2 | 1.8 | 4367 | 1.5 | 0.71 | 1.4 | 2.5 |
| Haiti | 89.3 | 3.0 | 61.2 | 2.8 | 5.3 | 2.2 | 28.1 | 1.8 | --- | --- | --- | --- | --- | --- | 1032 | 1.0 | 0.74 | 1.2 | 2.0 |
| Aruba | --- | --- | 74.7 | 4.5 | --- | --- | --- | --- | --- | --- | 98.1 | 4.9 | 4.9 | 2.9 | --- | --- | --- | --- | --- |
| Netherlands Antilles | --- | --- | 76.0 | 4.6 | --- | --- | --- | --- | --- | --- | 96.3 | 4.8 | --- | --- | --- | --- | --- | --- | --- |
| Bahamas, The | 13.2 | 4.8 | 73.5 | 4.3 | 7.3 | 3.1 | 76.4 | 4.2 | 71.8 | 2.8 | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Bermuda | --- | --- | 79.0 | 5.0 | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| LAC | 23.5 | 4.6 | 73.3 | 4.3 | 6.5 | 2.7 | 70.4 | 3.9 | 79.2 | 3.3 | 92.2 | 4.5 | 5.0 | 2.8 | 8898 | 2.7 | 0.6 | 2.3 | 3.3 |
| Advanced LAC | 9.8 | 4.9 | 78.8 | 5.0 | 7.2 | 3.1 | 81.7 | 4.5 | 77.8 | 3.1 | 97.3 | 4.8 | 4.2 | 2.4 | 11882 | 3.5 | 0.5 | 3.1 | 3.8 |

See MCP Global Appendix for data sources and explanations.

IIP by Sub-aggregate

TABLE 8

| | Health Index (1 to 5) | Education Index (1 to 5) | Per Capita Income (PPP) | MCP Score 1 to 5 | Gender (0 to 1) | MCP Score 1 to 5 | Total MCP Score |
|--------------------------------|-----------------------|--------------------------|-------------------------|------------------|-----------------|------------------|-----------------|
| Antigua and Barbuda | 4.1 | --- | 18846 | 5.0 | --- | --- | 4.7 |
| Cuba | 4.5 | 4.8 | 10114 | 3.0 | 0.47 | 3.3 | 4.1 |
| Barbados | 4.1 | 4.0 | --- | --- | 0.45 | 3.5 | 4.1 |
| Trinidad and Tobago | 4.0 | 3.6 | 24032 | 5.0 | 0.47 | 3.3 | 4.0 |
| Argentina | 4.0 | 4.0 | 13220 | 4.0 | 0.53 | 2.8 | 4.0 |
| Chile | 3.9 | 3.7 | 13390 | 4.0 | 0.50 | 3.0 | 3.9 |
| Uruguay | 3.8 | 3.8 | 11682 | 3.5 | 0.51 | 3.0 | 3.8 |
| Mexico | 3.8 | 3.7 | 13434 | 4.0 | 0.58 | 2.5 | 3.8 |
| St. Kitts and Nevis | 3.7 | 2.9 | 14461 | 4.0 | --- | --- | 3.7 |
| Costa Rica | 3.7 | 3.7 | 10374 | 3.0 | 0.50 | 3.1 | 3.7 |
| Venezuela, RB | 3.6 | 3.7 | 11756 | 3.5 | 0.56 | 2.6 | 3.6 |
| Panama | 3.5 | 3.6 | 11767 | 3.5 | 0.63 | 2.0 | 3.5 |
| St. Lucia | 3.5 | 3.3 | 9170 | 3.0 | --- | --- | 3.5 |
| Brazil | 3.6 | 3.8 | 9559 | 3.0 | 0.63 | 2.1 | 3.4 |
| Grenada | 2.6 | 1.0 | 8177 | 2.5 | --- | --- | 3.4 |
| Dominica | 3.3 | 3.1 | 8177 | 2.5 | --- | --- | 3.3 |
| St. Vincent and the Grenadines | 3.2 | 3.2 | 8556 | 2.5 | --- | --- | 3.2 |
| Suriname | 3.2 | 3.7 | 6835 | 2.0 | --- | --- | 3.2 |
| Ecuador | 3.2 | 3.6 | 7560 | 2.5 | 0.65 | 2.0 | 3.2 |
| Colombia | 3.2 | 3.6 | 8185 | 2.5 | 0.66 | 1.9 | 3.2 |
| Jamaica | 3.1 | 3.7 | 7182 | 2.5 | 0.64 | 2.0 | 3.1 |
| Peru | 3.1 | 3.5 | 7858 | 2.5 | 0.61 | 2.2 | 3.1 |
| Dominican Republic | 3.0 | 3.1 | 7505 | 2.5 | 0.65 | 2.0 | 3.0 |
| Belize | 2.9 | 3.1 | 6228 | 2.0 | 0.60 | 2.3 | 2.9 |
| El Salvador | 2.9 | 3.2 | 6270 | 2.0 | 0.65 | 1.9 | 2.9 |
| Paraguay | 2.8 | 3.5 | 4347 | 1.5 | 0.64 | 2.0 | 2.8 |
| Honduras | 2.7 | 3.5 | 3628 | 1.5 | 0.68 | 1.7 | 2.7 |
| Bolivia | 2.7 | 4.0 | 3950 | 1.5 | 0.67 | 1.8 | 2.7 |
| Guyana | 2.6 | 3.5 | 2830 | 1.0 | 0.67 | 1.8 | 2.6 |
| Guatemala | 2.5 | 2.8 | 4367 | 1.5 | 0.71 | 1.4 | 2.5 |
| Nicaragua | 2.5 | 2.8 | 2576 | 1.0 | 0.67 | 1.7 | 2.5 |
| Haiti | --- | --- | 1032 | 1.0 | 0.74 | 1.2 | 2.0 |
| Aruba | --- | 2.9 | --- | --- | --- | --- | --- |
| Bahamas, The | 3.5 | 2.8 | --- | --- | --- | --- | --- |
| Bermuda | --- | 1.0 | --- | --- | --- | --- | --- |
| Netherlands Antilles | --- | 2.9 | --- | --- | --- | --- | --- |
| LAC | 3.3 | 3.3 | 8898 | 2.7 | 0.60 | 2.3 | 3.3 |
| Advanced LAC | 3.9 | 3.7 | 16118 | 4.5 | 0.50 | 3.0 | 3.8 |

See MCP Global Appendix for data sources and explanations.

Health Index

TABLE 9

| | Under-five Mortality (per 1,000) | MCP Score 1 to 5 | Life Expectancy | MCP Score 1 to 5 | Health Expenditures (% of GDP) | MCP Score 1 to 5 | Environmental Health (25 to 100) | MCP Score 1 to 5 | Total MCP Score |
|--------------------------------|--|------------------------|--------------------|------------------------|--------------------------------------|------------------------|--|------------------------|-----------------------|
| Cuba | 6.0 | 5.0 | 78.7 | 5.0 | 10.4 | 4.6 | 84.3 | 4.6 | 4.5 |
| Antigua and Barbuda | 12.3 | 4.8 | --- | --- | 4.7 | 1.9 | 83.2 | 4.6 | 4.1 |
| Barbados | 11.3 | 4.8 | 77.0 | 4.8 | 7.0 | 3.0 | 81.2 | 4.5 | 4.1 |
| Trinidad and Tobago | 35.3 | 4.3 | 69.3 | 3.8 | 4.8 | 1.9 | 70.2 | 3.9 | 4.0 |
| Argentina | 14.7 | 4.8 | 75.3 | 4.5 | 10.0 | 4.4 | 74.5 | 4.1 | 4.0 |
| Chile | 8.7 | 4.9 | 78.6 | 5.0 | 6.2 | 2.6 | 81.3 | 4.5 | 3.9 |
| Uruguay | 13.9 | 4.8 | 76.0 | 4.6 | 8.0 | 3.5 | 72.0 | 4.0 | 3.8 |
| Mexico | 17.5 | 4.7 | 75.1 | 4.5 | 5.9 | 2.4 | 76.6 | 4.2 | 3.8 |
| St. Kitts and Nevis | 15.5 | 4.7 | --- | --- | 6.0 | 2.5 | 81.9 | 4.5 | 3.7 |
| Costa Rica | 10.9 | 4.8 | 78.9 | 5.0 | 8.1 | 3.5 | 82.2 | 4.5 | 3.7 |
| Venezuela, RB | 18.1 | 4.7 | 73.5 | 4.3 | 5.8 | 2.4 | 79.1 | 4.4 | 3.6 |
| Brazil | 21.8 | 4.6 | 72.4 | 4.2 | 8.4 | 3.7 | 71.6 | 4.0 | 3.6 |
| Bahamas, The | 13.2 | 4.8 | 73.5 | 4.3 | 7.3 | 3.1 | 76.4 | 4.2 | 3.5 |
| Panama | 23.3 | 4.6 | 75.7 | 4.6 | 6.7 | 2.8 | 71.7 | 4.0 | 3.5 |
| St. Lucia | 19.4 | 4.7 | --- | --- | 6.3 | 2.7 | 80.4 | 4.4 | 3.5 |
| Dominica | 10.4 | 4.9 | --- | --- | 6.2 | 2.6 | 79.8 | 4.4 | 3.3 |
| St. Vincent and the Grenadines | 13.2 | 4.8 | 71.7 | 4.1 | 5.4 | 2.2 | --- | --- | 3.2 |
| Suriname | 27.4 | 4.5 | 69.0 | 3.8 | 7.6 | 3.3 | 70.7 | 3.9 | 3.2 |
| Ecuador | 25.1 | 4.5 | 75.1 | 4.5 | 5.8 | 2.4 | 75.8 | 4.2 | 3.2 |
| Colombia | 19.6 | 4.6 | 73.0 | 4.3 | 6.1 | 2.5 | 74.6 | 4.1 | 3.2 |
| Jamaica | 31.0 | 4.4 | 71.8 | 4.1 | 4.7 | 1.9 | 70.2 | 3.9 | 3.1 |
| Peru | 22.8 | 4.6 | 73.3 | 4.3 | 4.3 | 1.7 | 61.3 | 3.5 | 3.1 |
| Dominican Republic | 32.6 | 4.4 | 72.6 | 4.2 | 5.4 | 2.2 | 72.5 | 4.0 | 3.0 |
| Belize | 18.8 | 4.7 | 76.3 | 4.7 | 4.0 | 1.5 | 67.6 | 3.8 | 2.9 |
| El Salvador | 17.9 | 4.7 | 71.3 | 4.0 | 6.2 | 2.6 | 68.9 | 3.8 | 2.9 |
| Paraguay | 23.3 | 4.6 | 71.9 | 4.1 | 5.7 | 2.4 | 58.1 | 3.3 | 2.8 |
| Honduras | 30.6 | 4.4 | 72.2 | 4.2 | 6.2 | 2.6 | 58.0 | 3.3 | 2.7 |
| Bolivia | 54.2 | 3.9 | 65.7 | 3.4 | 5.0 | 2.0 | 45.4 | 2.7 | 2.7 |
| Guyana | 36.3 | 4.3 | 67.1 | 3.5 | 8.2 | 3.6 | 66.4 | 3.7 | 2.6 |
| Grenada | 14.8 | 4.8 | 75.3 | 4.5 | 7.1 | 3.0 | 73.6 | 4.1 | 2.6 |
| Haiti | 89.3 | 3.0 | 61.2 | 2.8 | 5.3 | 2.2 | 28.1 | 1.8 | 2.5 |
| Guatemala | 40.7 | 4.2 | 70.3 | 3.9 | 7.3 | 3.1 | 56.4 | 3.2 | 2.5 |
| Nicaragua | 27.0 | 4.5 | 73.1 | 4.3 | 8.3 | 3.6 | 58.7 | 3.3 | 2.5 |
| Aruba | --- | --- | 74.7 | 4.5 | --- | --- | --- | --- | --- |
| Bermuda | --- | --- | 79.0 | 5.0 | --- | --- | --- | --- | --- |
| Netherlands Antilles | --- | --- | 76.0 | 4.6 | --- | --- | --- | --- | --- |
| LAC | 23.5 | 4.6 | 73.3 | 4.3 | 6.5 | 2.7 | 70.4 | 3.9 | 3.3 |
| Advanced LAC | 13.1 | 4.8 | 76.0 | 4.6 | 6.3 | 2.7 | 77.6 | 4.3 | 3.9 |

See MCP Global Appendix for data sources and explanations.

Education Index

TABLE 10

| | Combined Enrollments (%) | MCP Score 1 to 5 | Literacy Rate (%) | MCP Score 1 to 5 | Educational Expenditures (% of GDP) | MCP Score 1 to 5 | Total MCP Score |
|--------------------------------|--------------------------------|---------------------|----------------------|---------------------|---|---------------------|-----------------|
| Cuba | 100.8 | 5.0 | 99.8 | 5.0 | 13.6 | 5.0 | 5.0 |
| Argentina | 88.6 | 3.7 | 97.7 | 4.9 | 4.9 | 2.9 | 4.0 |
| Barbados | 92.9 | 4.0 | --- | --- | 6.7 | 4.1 | 4.0 |
| Bolivia | 86.0 | 3.6 | 90.7 | 4.4 | 6.3 | 3.8 | 4.0 |
| Brazil | 87.2 | 3.7 | 90.0 | 4.4 | 5.2 | 3.1 | 3.8 |
| Uruguay | 90.9 | 3.9 | 98.2 | 4.9 | 2.8 | 1.5 | 3.8 |
| Venezuela, RB | 85.9 | 3.6 | 95.2 | 4.7 | 3.7 | 2.1 | 3.7 |
| Chile | 82.5 | 3.4 | 98.6 | 4.9 | 3.4 | 1.9 | 3.7 |
| Mexico | 80.2 | 3.3 | 92.9 | 4.6 | 4.8 | 2.8 | 3.7 |
| Suriname | 74.3 | 3.0 | 90.7 | 4.4 | --- | --- | 3.7 |
| Jamaica | 78.1 | 3.2 | 85.9 | 4.1 | 6.2 | 3.7 | 3.7 |
| Costa Rica | 73.0 | 2.9 | 96.0 | 4.7 | 5.0 | 3.0 | 3.7 |
| Ecuador | 70.2 | 2.7 | 84.2 | 4.0 | --- | --- | 3.6 |
| Trinidad and Tobago | 61.1 | 2.2 | 98.7 | 4.9 | --- | --- | 3.6 |
| Panama | 79.7 | 3.3 | 93.5 | 4.6 | 3.8 | 2.2 | 3.6 |
| Colombia | 79.0 | 3.2 | 93.4 | 4.6 | 3.9 | 2.3 | 3.6 |
| Guyana | 83.9 | 3.5 | --- | --- | 6.1 | 3.7 | 3.5 |
| Peru | 88.1 | 3.7 | 89.6 | 4.3 | 2.7 | 1.5 | 3.5 |
| Honduras | 74.8 | 3.0 | 83.6 | 4.0 | --- | --- | 3.5 |
| Paraguay | 72.1 | 2.8 | 94.6 | 4.7 | 4.0 | 2.3 | 3.5 |
| St. Lucia | 77.2 | 3.1 | --- | --- | 6.3 | 3.8 | 3.3 |
| St. Vincent and the Grenadines | 68.9 | 2.7 | --- | --- | 7.0 | 4.3 | 3.2 |
| El Salvador | 74.0 | 2.9 | 84.0 | 4.0 | 3.6 | 2.1 | 3.2 |
| Belize | 78.3 | 3.2 | --- | --- | 5.1 | 3.0 | 3.1 |
| Dominican Republic | 73.5 | 2.9 | 88.2 | 4.3 | 2.2 | 1.1 | 3.1 |
| Dominica | 78.5 | 3.2 | --- | --- | 4.8 | 2.8 | 3.1 |
| Aruba | --- | --- | 98.1 | 4.9 | 4.9 | 2.9 | 2.9 |
| St. Kitts and Nevis | 73.1 | 2.9 | --- | --- | --- | --- | 2.9 |
| Guatemala | 70.5 | 2.8 | 73.8 | 3.4 | 3.2 | 1.8 | 2.8 |
| Netherlands Antilles | --- | --- | 96.3 | 4.8 | --- | --- | --- |
| Bahamas, The | 71.8 | 2.8 | --- | --- | --- | --- | --- |
| Nicaragua | 72.1 | 2.8 | --- | --- | --- | --- | --- |
| Bermuda | --- | --- | --- | --- | --- | --- | --- |
| Grenada | --- | --- | --- | --- | --- | --- | --- |
| Haiti | --- | --- | --- | --- | --- | --- | --- |
| Antigua and Barbuda | --- | --- | 99.0 | 4.9 | --- | --- | --- |
| LAC | 78.9 | 3.2 | 92.2 | 4.5 | 5.0 | 2.8 | 3.5 |
| Advanced LAC | 77.8 | 3.1 | 97.3 | 4.8 | 4.2 | 2.4 | 3.7 |

See MCP Global Appendix for data sources and explanations.

TABLE 11

| Peace & Security - (1 to 5 Scale) 2009-10 | Counter Terrorism | Combatting Weapons of Mass Destruction | Stabilization Operations and Defense Reform | Counter- Narcotics | Trans- national Crime | Conflict Mitigation | Peace and Security Score |
|---|----------------------|---|--|-----------------------|-----------------------------|------------------------|-----------------------------|
| Germany | 4.3 | 5.0 | 4.8 | 2.8 | 3.8 | 4.3 | 4.2 |
| Poland | 4.8 | 5.0 | 4.2 | 3.1 | 3.9 | 3.7 | 4.1 |
| South Korea | 4.3 | 5.0 | 4.1 | 2.9 | 3.9 | 4.3 | 4.1 |
| Latvia | 4.8 | 5.0 | 3.4 | 3.2 | 3.2 | 3.7 | 3.9 |
| Italy | 4.4 | 5.0 | 3.8 | 1.8 | 3.0 | 4.7 | 3.8 |
| Ghana | 4.0 | 3.0 | 3.8 | 3.4 | 3.4 | 4.7 | 3.7 |
| USA | 4.3 | 5.0 | 3.4 | 1.9 | 3.6 | 4.0 | 3.7 |
| South Africa | 3.5 | 4.0 | 2.8 | 2.7 | 3.2 | 4.0 | 3.4 |
| Senegal | 3.0 | 3.0 | 3.5 | 3.3 | 3.1 | 3.7 | 3.3 |
| Ukraine | 3.5 | 5.0 | 3.1 | 2.5 | 2.3 | 3.0 | 3.2 |
| Sierra Leone | 3.6 | 3.0 | 3.3 | 3.2 | 2.8 | 3.3 | 3.2 |
| Bosnia-Herzegovina | 2.3 | 3.0 | 4.1 | 2.5 | 3.2 | 3.8 | 3.2 |
| Morocco | 3.1 | 3.0 | 3.5 | 3.2 | 2.9 | 3.2 | 3.2 |
| Albania | 3.0 | 2.0 | 4.4 | 2.7 | 3.0 | 3.8 | 3.2 |
| Mongolia | 3.8 | 2.0 | 3.6 | 2.5 | 3.2 | 3.7 | 3.1 |
| Kazakhstan | 4.0 | 3.0 | 2.9 | 2.4 | 2.8 | 3.2 | 3.0 |
| Turkey | 2.5 | 5.0 | 2.8 | 2.9 | 2.6 | 2.2 | 3.0 |
| Rwanda | 3.1 | 3.0 | 2.8 | 3.3 | 3.2 | 2.7 | 3.0 |
| Dominican Rep. | 3.0 | 3.0 | 2.8 | 2.3 | 2.2 | 4.3 | 2.9 |
| Liberia | 3.3 | 3.0 | 2.0 | 2.9 | 3.1 | 3.3 | 2.9 |
| Uganda | 2.0 | 3.0 | 2.4 | 3.5 | 3.1 | 3.5 | 2.9 |
| Peru | 2.8 | 3.0 | 3.3 | 2.6 | 2.5 | 3.2 | 2.9 |
| Angola | 3.1 | 3.0 | 2.0 | 3.7 | 2.9 | 2.3 | 2.8 |
| Zambia | 3.4 | 2.3 | 2.3 | 3.1 | 3.1 | 2.7 | 2.8 |
| Sri Lanka | 2.6 | 3.0 | 2.4 | 3.6 | 2.8 | 2.3 | 2.8 |
| Cambodia | 3.3 | 3.0 | 2.8 | 2.6 | 2.4 | 2.7 | 2.8 |
| Azerbaijan | 2.8 | 2.0 | 3.4 | 3.2 | 2.7 | 2.5 | 2.7 |
| Indonesia | 2.1 | 3.0 | 3.1 | 2.9 | 2.0 | 3.2 | 2.7 |
| Ecuador | 2.5 | 3.0 | 2.3 | 2.3 | 2.4 | 3.8 | 2.7 |
| Zimbabwe | 3.1 | 2.3 | 2.4 | 3.3 | 2.2 | 3.0 | 2.7 |
| Guatemala | 3.0 | 3.0 | 2.8 | 1.8 | 1.9 | 3.5 | 2.6 |
| Egypt | 2.6 | 2.0 | 3.4 | 2.9 | 2.4 | 2.5 | 2.6 |
| China | 2.9 | 2.0 | 3.8 | 2.8 | 1.6 | 2.7 | 2.6 |
| Bangladesh | 2.3 | 3.0 | 3.1 | 2.7 | 2.5 | 2.0 | 2.6 |
| Ethiopia | 2.8 | 3.0 | 2.0 | 3.1 | 3.0 | 1.7 | 2.6 |
| Cote D'Ivoire | 2.8 | 3.0 | 3.3 | 1.8 | 2.3 | 2.3 | 2.6 |
| Haiti | 2.8 | 3.0 | 2.0 | 2.4 | 2.2 | 3.0 | 2.6 |
| Bolivia | 2.3 | 3.0 | 2.5 | 1.9 | 2.1 | 3.2 | 2.5 |
| Uzbekistan | 2.3 | 1.7 | 3.2 | 2.5 | 2.1 | 2.0 | 2.5 |
| Philippines | 1.5 | 3.0 | 2.3 | 2.8 | 1.9 | 3.2 | 2.4 |
| Mexico | 3.0 | 2.3 | 2.2 | 2.3 | 2.3 | 2.5 | 2.4 |
| Sudan | 1.3 | 3.0 | 2.0 | 3.8 | 3.1 | 1.3 | 2.4 |
| Russia | 2.0 | 3.7 | 2.2 | 2.7 | 1.6 | 2.2 | 2.4 |
| Thailand | 2.4 | 2.7 | 2.7 | 2.5 | 1.5 | 2.5 | 2.4 |
| Venezuela | 2.1 | 3.0 | 2.2 | 2.3 | 1.6 | 3.0 | 2.4 |
| Colombia | 1.9 | 3.0 | 1.8 | 2.6 | 2.5 | 2.0 | 2.3 |
| Somalia | 1.0 | 3.0 | 1.7 | 2.9 | 3.3 | 1.3 | 2.2 |
| Yemen | 1.3 | 1.7 | 2.3 | 3.0 | 2.5 | 2.3 | 2.2 |
| India | 1.3 | 3.0 | 2.4 | 2.3 | 1.9 | 2.0 | 2.2 |
| Nigeria | 1.5 | 3.0 | 2.2 | 1.8 | 2.7 | 1.7 | 2.1 |
| Afghanistan | 1.0 | 2.0 | 3.0 | 2.4 | 2.2 | 1.3 | 2.0 |
| Iran | 1.0 | 1.0 | 2.9 | 2.5 | 2.0 | 2.3 | 2.0 |
| Burma | 1.8 | 2.0 | 2.0 | 2.3 | 2.0 | 1.0 | 1.8 |
| Iraq | 1.0 | 1.0 | 2.3 | 2.3 | 2.4 | 1.7 | 1.8 |
| Pakistan | 1.1 | 1.0 | 1.8 | 2.0 | 1.5 | 1.7 | 1.5 |
| Global Avg. (n=55) | 2.7 | 3.0 | 2.9 | 2.7 | 2.6 | 2.9 | 2.8 |
| Africa Avg. (n=15) | 2.8 | 3.0 | 2.5 | 3.0 | 3.0 | 2.8 | 2.8 |
| Asia Avg. (n=10) | 2.5 | 2.9 | 3.0 | 2.6 | 2.3 | 2.7 | 2.7 |
| ME/NA Avg. (n=7) | 1.8 | 2.2 | 2.9 | 2.8 | 2.4 | 2.2 | 2.4 |
| E&E Avg. (n=9) | 3.3 | 3.4 | 3.4 | 2.8 | 2.8 | 3.1 | 3.1 |
| LAC Avg. (n=9) | 2.6 | 2.9 | 2.4 | 2.3 | 2.2 | 3.2 | 2.6 |

See MCP Global Appendix for data sources and explanations.

Bolivia Gap Analysis

Appendix

April 2011

This appendix includes: (1) a general overview of the Monitoring Country Progress (MCP) system; (2) indicator definitions of the components of the MCP indices; (3) an explanation of the method used to convert the initial data to a “1” to “5” scale; and (4) the weighting schemes for each of the MCP indices.

General Overview of the MCP system

The core of the MCP system consists of five indices: (1) economic reforms; (2) governing justly and democratically; (3) macroeconomic growth and performance; (4) investing in people; and (5) peace and security. For each index, primary data are converted to a “1” to “5” scale, where a “1” represents the worst country performances on that indicator worldwide and a “5” represents the best worldwide. Three indices (economic reforms, governing justly and democratically, and peace & security) are calculated by equally weighting the components. The weighting schemes for the other two indices (economic growth and performance, and investing in people) are more complex and attempt to reflect an iterative process of analysis and feedback among many colleagues in the U.S. government and beyond. *Figures 1-3* provide the specifics of the weighting schemes for each of the five indices.

MCP draws on publicly-available standardized (i.e., cross-country) data from a variety of sources including international organizations (such as the World Bank, the International Monetary Fund, the World Health Organization (WHO), the United Nations Office on Drugs and Crime (UNODC), and the United Nations Children Fund (UNICEF)), various U.S. government sources and reports (such as from USAID, U.S. Department of State, U.S. Department of Commerce, U.S. Defense Department, and U.S. Trade Representative), as well as think tanks and universities (such as Freedom House, Transparency International, Fund for Peace, Binghamton University, and George Mason University).

Sequencing of progress by the sectors is an important aspect in the MCP system application. First, sufficient progress in peace and security needs to precede or at the least accompany progress in economic and democratic reforms. Second, progress in economic and democratic reforms needs to precede or at the least accompany macroeconomic performance and investing in people. Countries may do relatively well on the MCP macroeconomic performance and investing in people scores in the absence of adequate reform progress, but such conditions cannot be sustained over the long term without reform progress.

Additionally, sustainability of the gains in any one sector (or any one index) is less likely to occur if other sectors are lagging considerably. The sustainable development path necessarily involves economic and democratic reforms progressing together in the medium term if not year-to-year; similarly, relatively balanced results and progress are needed between economic performance and investing in people.

Indicator Definitions of the Components of the MCP Indices

1. Economic Reforms Index

(1) Business environment. This indicator is an average rank of nine business environment areas measured by the World Bank's *Doing Business*. Each of these nine areas in turn is an average ranking of a number of components: (1) *starting a business* averages the country rankings of procedures, days, cost and minimum capital requirement to register a business; (2) *dealing with construction permits* averages the country rankings of number of procedures to get a license, number of days to get it, and the cost; (3) *registering property* is an average rank based on procedures, time and cost to register property; (4) *access to credit* includes credit information availability and legal rights for borrowers and lenders; (5) *protecting investors* ranks the World Bank's disclosure index (which measures the extent to which businesses disclose ownership and financial information); (6) *paying taxes* includes number of payments per year; hours per year in dealing with taxes, and the total tax rate; (7) *trading across borders* includes the number of documents needed to trade, the time and cost involved in dealing with the bureaucracy; (8) *enforcing contracts* averages the country rankings on the procedures, time and cost to enforce an overdue payment through the courts; and (9) *closing a business* is an average rank of the time, cost, and recovery rate to close a business via bankruptcy. Possible score: 1 to 183. 2009 data.

(2) Regulatory quality. This indicator is from the World Bank Institute (*Governance Matters*) and is an index of surveys which attempts to measure the incidence of market-unfriendly policies such as price controls or inadequate bank supervision, as well as perceptions of the burdens imposed by excessive regulation in areas such as foreign trade and business development. Possible score: -2.5 to 2.5. 2009 data.

(3) Government effectiveness. This indicator is also from the World Bank Institute (*Governance Matters*). It is an index of surveys that rates countries on the quality of public service provision, the quality of the bureaucracy, the competence of civil servants, the independence of the civil service from political pressures, and the credibility of the government's commitment to policies. Possible score: -2.5 to 2.5. 2009 data.

(4) Central government budget balance. Budget balance equals central government revenues minus expenditures as a percent of GDP. Primary source is the World Bank's *World Development Indicators*. 2009 data.

(5) Trade Liberalization. This indicator from the Heritage Foundation, *Index of Economic Freedom*, attempts to measure the extent of a country's tariff and non-tariff barriers. Possible score: 1 to 100. 2009 data.

2. Governing Justly and Democratically Index

(1) Political rights. This indicator comes from Freedom House's annual *Freedom in the World*. Political rights are rated by independent experts and include the extent to which elections (national and local) are free, fair, and competitive; the ability of citizens to form political parties; freedom from domination by the military, foreign power, totalitarian parties, religious hierarchies and economic oligarchies; and political rights of the minority groups. Two general criteria are used to rate progress: policy (the laws) and practice (the implementation of laws). Possible score: 1 to 7. 2010 data.

(2) Civil liberties. This is also from Freedom House's *Freedom in the World*. Independent experts rate freedom of expression; association and organizational rights; rule of law and human rights; and personal autonomy and economic rights. Two general criteria are used to rate progress: policy (the laws) and practice (the implementation of laws). Possible score: 1 to 7. 2010 data.

(3) Media freedom. This Freedom House indicator is assessed worldwide annually in *Freedom of the Press*. Countries are scored on the basis of 23 questions divided into three subcategories: (1) legal environment (an examination of the laws and regulations that could influence media content and the government's inclination to use these laws and legal institutions to restrict the media's ability to operate); (2) political environment (an evaluation of the degree of political control over the content of news media); and (3) economic environment (an examination of the structure of media ownership; transparency and concentration of ownership; the costs of establishing media as well as of production and distribution; the selective withholding of advertising or subsidies by the state or other actors; the impact of corruption and bribery on content; and the extent to which the economic situation in a country impacts the development of the media). Possible score: 0 to 100. 2010 data.

(4) Rule of law. This World Bank Institute indicator is an index of surveys that rates countries on the extent to which the public has confidence in and abides by rules of society; incidence of violent and non-violent crime; effectiveness and predictability of the judiciary; and the enforceability of contracts. Possible score: -2.5 to 2.5. 2009 data.

(5) Control of corruption. From the World Bank Institute, this index of surveys rates countries on various forms of corruption, including petty and grand corruption and state

capture (which is the private sector capturing the state by illegally influencing the implementation of laws). Possible score: -2.5 to 2.5. 2009 data.

3. Macroeconomic Performance Index

(1) GDP per capita growth. This indicator is measured as a five year average; World Bank, *World Development Indicators*. 2005-2009 average data.

(2) Macroeconomic stability. This index includes three indicators: inflation (three-year average, 2007-2009 data, consumer price index), World Bank, *World Development Indicators*; external debt (as a percentage of GDP, 2009 data), World Bank, *World Development Indicators*; and current account balance (three year average, 2007-2009 data), World Bank, *World Development Indicators*.

(3) Foreign direct investment. This indicator measures average net flows as a percent of GDP five year average, 2005-2009 data; World Bank, *World Development Indicators*.

(4) Exports. This indicator combines the size of the export sector (export share of GDP, 2008 data) with the composition of exports (manufactured export as percent of total exports, 2009 data, and high-tech exports as percent of total exports, 2008 data); World Bank, *World Development Indicators*.

(5) Energy security. This index combines energy dependency (net energy imports as percent of energy use) with energy efficiency (GDP per unit of energy use); World Bank, *World Development Indicators*. 2007 data.

(6) Uneven development. This indicator attempts to measure economic disparities between ethnic and religious groups. It is from the Fund for Peace's *Failed States Index* and measures "group-based impoverishment as measured by poverty levels, infant mortality rates, educational levels; and the rise of communal nationalism based on real or perceived group inequalities." The fund uses conflict assessment system tool software which indexes and scans hundreds of thousands of open-source articles and reports; internal and external experts review the scores generated from the software to improve accuracy. Possible score: 1 to 10. 2009 data.

(7) Environmental sustainability. This indicator is an index of five components which attempt to measure ecosystem vitality and natural resource management: (1) biodiversity and habitat; (2) sustainable energy; (3) air quality; (4) water resources; and (5) productive natural resources. Source: Yale Center for Environmental Law & Policy and Columbia University Center for International Earth Science Information Network, *The Environmental Performance Index*. Possible score: 25 to 100. 2010 data.

(8) Domestic credit. This indicator measures domestic credit as percent of GDP; World Bank, *World Development Indicators*. 2008 data.

4. Investing in People Index

(1) Under five mortality rate. Deaths of children under the age of five per 1,000 live births; World Bank, *World Development Indicators*. 2008 data.

(2) Life expectancy. Number of years of life expectancy; World Bank, *World Development Indicators*. 2008 data.

(3) Public health expenditures. Government expenditures in health as percentage of GDP; World Bank, *World Development Indicators*. 2007 data.

(4) Environmental health. An index of five indicators: urban particulates; indoor air pollution; drinking water; adequate sanitation; and disability adjusted life years (DALYs). Source: Yale Center for Environmental Law & Policy and Columbia University Center for International Earth Science Information Network. *The Environmental Performance Index*. Possible score: 25 to 100. 2010 data.

(5) Combined gross education enrollment rates. Percentage includes primary, secondary, and tertiary rates. Source: UNDP, *Human Development Report*. 2008 data.

(6) Literacy rate. Percentage of the population that is literate; World Bank, *World Development Indicators*. 2008 data.

(7) Public education expenditures. Government expenditures in education as percentage of GDP; World Bank, *World Development Indicators*. 2007 data.

(8) Per capita GDP. In purchasing power parity; World Bank, *World Development Indicators*. 2008 data.

(9) Gender equality. An index with three dimensions: reproductive health (maternal mortality rate and adolescent fertility rate); empowerment (share of parliamentary seats held by each sex); and labor market (attainment at secondary and higher education by each sex, and labor market participation rate by each sex). Source: UNDP, *Human Development Report*. Possible score: 0 to 1. 2008 data.

5. Peace and Security Index

The six components of this index are drawn from the Director of Foreign Assistance's conceptual framework of peace and security. Further elaboration is provided in J. Swedberg and R. Sprout, *Peace and Security in Eastern Europe & Eurasia*, USAID/E&E Working Paper Series, No. 10 (October 2009).

(1) Counter-terrorism is an index of four indicators and measures the incidents and severity of terrorism as well as the capacity of governments to avert or control terrorism and/or the likelihood of political instability stemming from terrorism. Sources include the U.S. Department of State, *Country Reports on Terrorism*, and the National Counter-Terrorism Center, *Worldwide Incidents Tracking System*. 2009-2010 data.

(2) Combating weapons of mass destruction consists of three indicators and measures the extent to which governments are able to control and regulate the export of chemical, biological, and nuclear weapons. Sources include U.S. Department of Commerce, *Export Administration Regulations*, and the U.S. Department of State, *Border Security Assessment*. Primarily 2009-2010 data.

(3) Stabilization operations and security sector reform consists of five components and measures the capacity, scope, and intent of a government's security sector as well as estimates of the domestic security environment and status. Sources include the Center of International Development and Conflict Management, University of Maryland, *Peace and Conflict Instability Ledger*; USAID DCHA/CMM, *Instability Alert List*; SUNY at Binghamton, *Cingranelli-Richards Human Rights Dataset*; UNICEF, *TransMONEE database*; World Bank, *World Development Indicators*; and A.T. Kearney/Foreign Policy Magazine, *Globalization Index*. Primarily 2008-2009 data.

(4) Counter-narcotics consists of four indicators and measures both the demand and supply of the four major types of narcotics: opiates, cocaine, cannabis, and amphetamines. Sources: UNODC, *World Drug Report*, and U.S. Department of State, *International Narcotics Control Strategy Report*. 2006-2010 data.

(5) Combating transnational crime consists of five indicators and measures the extent of trafficking in persons, piracy of intellectual property rights, narcotics, and money laundering as well as the capacity of governments to address these concerns. Sources include the U.S. Department of State, *Trafficking in Persons Report*; U.S. Trade Representative, *Special 301 Report, Intellectual Property*; the U.S. Department of State, *International Narcotics Control Strategy Report*; and the Fund for Peace/Foreign Policy Magazine, *Failed States Index*. 2009-2010 data.

(6) Conflict mitigation consists of three indicators and measures the potential or vulnerability of governments toward conflict and state failure by taking stock of instability, conflict history of the country, and the potential for conflict among neighborhood countries. Sources include the Center for Global Policy, George Mason University and the Political Instability Task Force; USAID DCHA/CMM, *Fragility Alert List*; and Center of International Development and Conflict Management, University of Maryland, *Peace and Conflict 2010*. 2009-2010 data.

Converting the Primary Data into a "1" to "5" Scale

For each indicator, a “5” represents the best performance worldwide; that is, a level of progress which corresponds to the lower bound results of the top 5% of country performances worldwide. A “1” represents the worst performance worldwide; that is, a level of progress which corresponds to the upper bound results of the bottom 5% of country performances worldwide.

The “1” to “5” “spread” is determined by the minimum-maximum normalization technique (see OECD’s *Handbook on Constructing Composite Indicators: Methodology and User Guide*, 2008, pages 27-30). For indicators that are positively correlated with development (i.e., an increase in value indicates development):

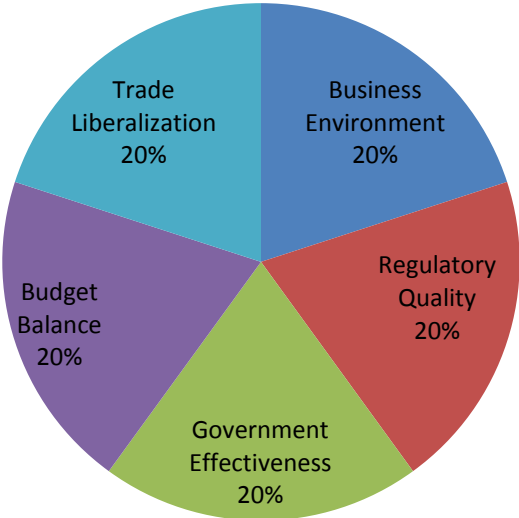
$$\frac{(x - Min)}{(Max - Min)} * 4 + 1$$

For indicators that are negatively correlated with development (i.e., a decrease in value indicates development):

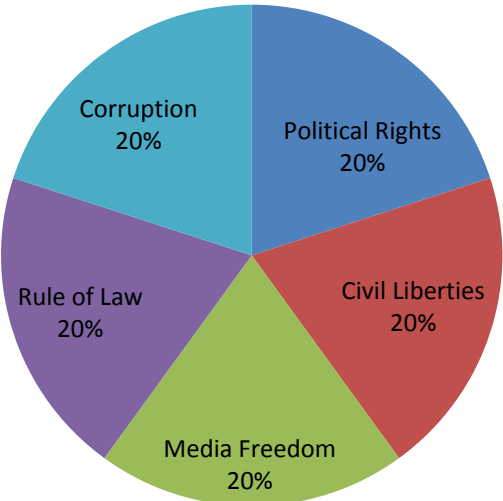
$$5 - 4 * \frac{(x - Min)}{(Max - Min)}$$

Components and Weights MCP Global

Economic Reforms

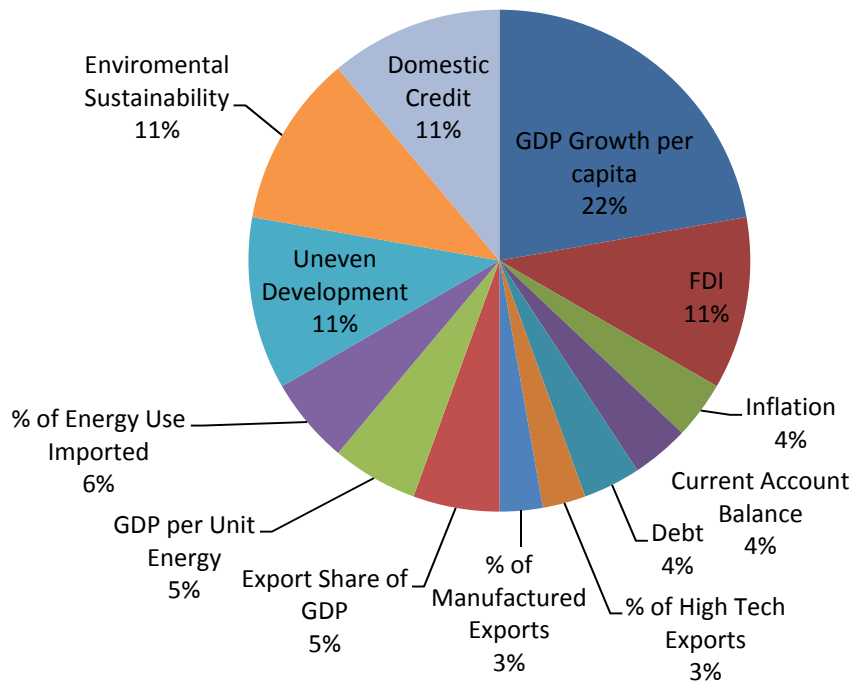


Governing Justly and Democratically

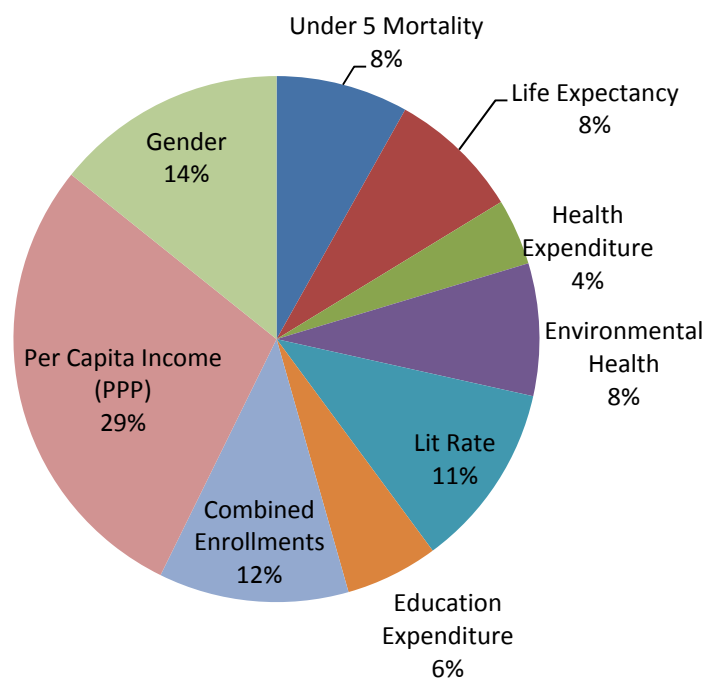


Components and Weights MCP Global

Macroeconomic Performance



Investing in People



Components and Weights MCP Global

Peace and Security

