



2013

INSIGHT ON AFRICA: SPECIAL REPORT

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Most sub-Saharan African states gained independence from their colonial rulers between 1957 and the early 1960s, except for a few countries in southern Africa where bloody confrontations and wars were necessary to obtain the same result later on. In the 1960s most Westerners who went to work there (myself included) were full of optimism. It was only the racist colonialists, we believed, who thought that it was going to go badly. The few warning words by real experts were brushed aside.

Africa then broke our hearts. Violent coups, corruption, and failure to deliver even basic services plunged the region into chaos. There were exceptions, most famously Botswana, and for a while in West Africa, Côte d'Ivoire, but there were many more deceptions.

Nigeria, the largest African state, sank into ethno-religious conflicts, corruption, and civil war, followed by years of military rule. Despite its enormous oil wealth it never lived up to its promise. The former Belgian Congo with a dreadful colonial legacy got off to a bad start and has never recovered despite its huge mineral wealth. Jomo Kenyatta of Kenya, a sophisticated anthropologist and inspiring leader became a corrupt dictator who left a legacy in Kenya of increased ethnic rivalries. His successor was far worse. Ghana began in 1957 with a per capita income roughly equal to South Korea's and a sound economy, but was derailed by the socialist schemes of vainglorious independence hero Kwame Nkrumah that led to economic collapse. In Tanzania, Julius Nyerere, one of the most honest and benevolent African dictators, also led the country into economic stagnation with his socialist development blueprint "Ujamaa", which was modelled on Mao's collective farming communes and the creation of a one-party system. That said, both leaders are seen as key figures of peace and unity in their countries and the legacies of their education and health policies are more positive than the economic ones.

In too many other places inexperienced and corrupt military men took power. They had the guns, and often simply wound up looting their countries. Idi Amin was the worst, but hardly the only case.

Outsiders were hardly blameless. France supported any dictator who played along with France's imperial delusions about "Francophonie" and bought into a system of mutual backscratching and exchanges of corrupt money. The United States happily paid off corrupt dictators who were supposedly anti-Communist, like Mobutu of the Congo. The Soviets poured in aid for those dictators who claimed to be "Marxist," including the equally corrupt ruling elite of oil-rich Angola, where, to counterbalance the Soviets, the US long supported a homicidal Maoist guerrilla leader who kept a major civil war going for a quarter of a century.

Then with the fall of European communism in 1989, it began to look as if Africa, too, would turn around by becoming more democratic and open to market-based reforms. In Mali and Côte d'Ivoire, this was an illusion. Rwanda was the worst case in the 1990s, where the democratization process and ensuing assassination of the president, combined with the civil war, led among other factors to the genocide between Hutus and Tutsis. On the other hand, there was also real progress in many other cases. Also the South African, peaceful miracle and its great leader, Nelson Mandela, served as an inspiration throughout the continent.

Now, over the past decade or so, there has been sustained economic growth in many countries. The reports that follow present a strong, realistic case for optimism. There is still too much corruption and civil strife, but the changing general situation augurs well as these reports guardedly show.

A generation of working-age adults with relatively few old people and a falling birth rate behind them means that the ratio of workers to dependents will be excellent for at least a couple of generations. In Asia, this kind of demographic change contributed significantly to rapid economic progress. Some of the Millennium Development Goals are being met, and health standards have been improving for some time as infant and childhood mortality drops, HIV/AIDS is increasingly being combated successfully, and malaria is likely to be brought under control soon.

Raw commodities still make up most exports, but Foreign Direct Investment is starting to branch out. The influence of the West is waning as Asia, and particularly China steps in to invest; but China is not the former Soviet Union. It wants economic benefits for itself, not ideological alliances, so it favours market-based realism over wasteful socialist schemes.

Doing business is still a challenge, but there are real improvements in Kenya, Uganda, Ghana, Rwanda, and even Nigeria. Small improvements do attract investments, both foreign and domestic (for a long time corrupt African elites actually exported more capital than was brought in by foreign aid). This can start a self-sustaining “virtuous circle” of economic growth and greater transparency.

Democracy has taken hold in Ghana, and perhaps, finally, in Kenya and other cases. Tanzania has abandoned its unrealistic socialism. South Africa, for all of its problems, is still an admired source of knowledge and capital.

Finally, it has become clear that to continue their progress African states need to undertake serious reforms, build better institutions, and improve education as well as general infrastructure. But these are things they must do themselves. Foreign aid, so abundant for so long in Africa, has often been counterproductive. It fostered corruption, created the sense that reform was unnecessary, and propped up incapable leaders. Instead, actual investment based on market values can and will provide capital, while growing prosperity will empower populations to demand and obtain better governance.

As these reports conclude, the optimistic scenario is not assured, and there could be a reversion, but at least right now a far sounder base is being built than was the case in the past. And that is cause for hope.

The views expressed in this Preface are those of the author and not necessarily those of the Legatum Institute.

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THE LEGATUM PROSPERITY INDEX™

AFRICA RANKINGS 2012–2013

● HIGH RANKING COUNTRIES ● MIDDLE RANKING COUNTRIES ● LOW RANKING COUNTRIES

2012			2013									
COUNTRY	OVERALL 2012 PROSPERITY RANK		OVERALL 2013 PROSPERITY RANK	COUNTRY	ECONOMY	ENTREPRENEURSHIP & OPPORTUNITY	GOVERNANCE	EDUCATION	HEALTH	SAFETY & SECURITY	PERSONAL FREEDOM	SOCIAL CAPITAL
Botswana	1		1	Botswana	10	3	1	4	7	5	5	24
Morocco	2		2	South Africa	6	1	4	3	8	16	16	7
South Africa	3		3	Morocco	1	4	6	8	4	13	22	17
Tunisia	4		4	Tunisia	7	2	12	2	1	2	32	34
Namibia	5		5	Namibia	11	7	2	6	13	9	3	22
Ghana	6		6	Algeria	3	6	17	1	2	18	35	19
Algeria	7		7	Ghana	27	9	5	10	5	4	15	26
Mali	8		8	Senegal	9	17	10	20	10	11	6	18
Malawi	9		9	Rwanda	17	10	3	12	6	10	25	30
Egypt	10		10	Zambia	13	12	13	11	31	23	9	5
Tanzania	11		11	Egypt	12	5	18	5	3	22	38	16
Zambia	12		12	Niger	5	35	9	35	11	6	7	14
Rwanda	13		13	Mali	25	23	21	36	20	3	10	1
Burkina Faso	14		14	Burkina Faso	18	22	11	28	23	8	4	21
Niger	15		15	Benin	30	28	8	17	12	1	1	36
Cameroon	16		16	Uganda	15	13	19	16	24	33	20	4
Kenya	17		17	Cameroon	8	16	28	13	22	15	21	25
Uganda	18		18	Kenya	31	8	20	14	15	28	24	9
Senegal	19		19	Tanzania	19	20	16	18	21	21	28	2
Benin	20		20	Congo (Republic)	2	19	31	9	25	14	19	32
Congo (Republic)	21		21	Malawi	32	26	7	15	9	20	23	23
Djibouti	22		22	Djibouti	29	31	14	29	14	7	26	15
Mauritania	23		23	Mozambique	16	15	15	25	32	19	12	27
Nigeria	24		24	Nigeria	20	14	29	24	19	34	27	6
Mozambique	25		25	Zimbabwe	24	21	38	7	18	32	30	8
Sudan	26		26	Mauritania	33	18	30	26	16	12	33	11
Côte d'Ivoire	27		27	Ethiopia	26	32	24	21	27	29	14	29
Guinea	28		28	Liberia	38	27	27	32	33	26	11	10
Sierra Leone	29		29	Sudan	21	11	33	23	17	36	37	3
Angola	30		30	Sierra Leone	34	30	22	33	37	27	8	12
Liberia	31		31	Cote d'Ivoire	4	25	34	34	30	31	2	33
Ethiopia	32		32	Angola	22	24	32	27	28	30	36	20
Zimbabwe	33		33	Guinea	35	34	35	31	29	24	17	31
Togo	34		34	Togo	36	29	26	19	26	17	18	38
Burundi	35		35	Burundi	37	33	23	22	34	25	29	35
Chad	36		36	Congo (DR)	23	37	36	30	35	38	34	13
Congo (DR)	37		37	Central African Republic	28	38	25	38	36	35	13	37
Central African Republic	38		38	Chad	14	36	37	37	38	37	31	28

INTRODUCTION



Today's conversations about African development and prosperity are increasingly optimistic. From world leaders to journalists and from economists to academics, the world is realizing that Africa is a continent on the rise.

This shift from pessimism to optimism has happened quickly. Consider, for example, the front cover of *The Economist* magazine in May 2000, which described Africa as “The Hopeless Continent”. What a contrast to the magazine's front cover in September 2011 that proclaimed: “Africa Rising”. Or consider the assertion made by Kofi Annan in May 2012 that “Africa is on its way to becoming a preferred investment destination, a potential pole of global growth, and a place of immense innovation and creativity”.¹

This optimism is supported by evidence. High growth rates, declining poverty, substantial improvements in health, improved educational enrolment and attainment, a reduction in conflict (internal and cross-border), and an increase in the number of democracies (of various shades) over the past 20 years all point towards a continent that has reached a tipping point.

At the same time, however, there exists a competing narrative that is more pessimistic. It suggests Africa's growth cannot be sustained, that necessary economic reforms have not been undertaken to protect the continent from a future downturn, and that political instability and accompanying violence remain too commonplace. It suggests that many African countries lack basic infrastructure, that corruption in business and government is worryingly high, and that Africa's manufacturing sector is underdeveloped (in sub-Saharan Africa, for example, manufacturing contributes to the same share of overall GDP as it did in the 1970s).²

Within the debate between the optimists and pessimists, it can be challenging to disentangle opinions from objective facts. This report attempts to provide the reader with the data and the context required to understand both the challenges and opportunities facing the world's most dynamic continent. Where possible, to illustrate the arguments, examples have been drawn from specific countries so as to avoid a monolithic depiction of Africa.

This report explores five big themes relating to the prospects of African development. Firstly, it looks at how demographic changes, especially the issue of ‘youth bulge’, present huge economic opportunities for African nations but also huge risks. Secondly, it uses Nigeria as a case study to look at how the challenges of conflict, violence, and instability pose a major roadblock to future growth. Thirdly, it looks at the effect of corruption on the ease of doing business. Fourthly, it looks at the effect of Asian investment into Africa, and considers whether the resulting growth is sustainable. Fifthly, this report looks at the progress made against the Millennium Development Goals and considers what themes should be the focus of post-2015 development goals.

I hope you find this special report stimulating and engaging.

Nathan Gamester

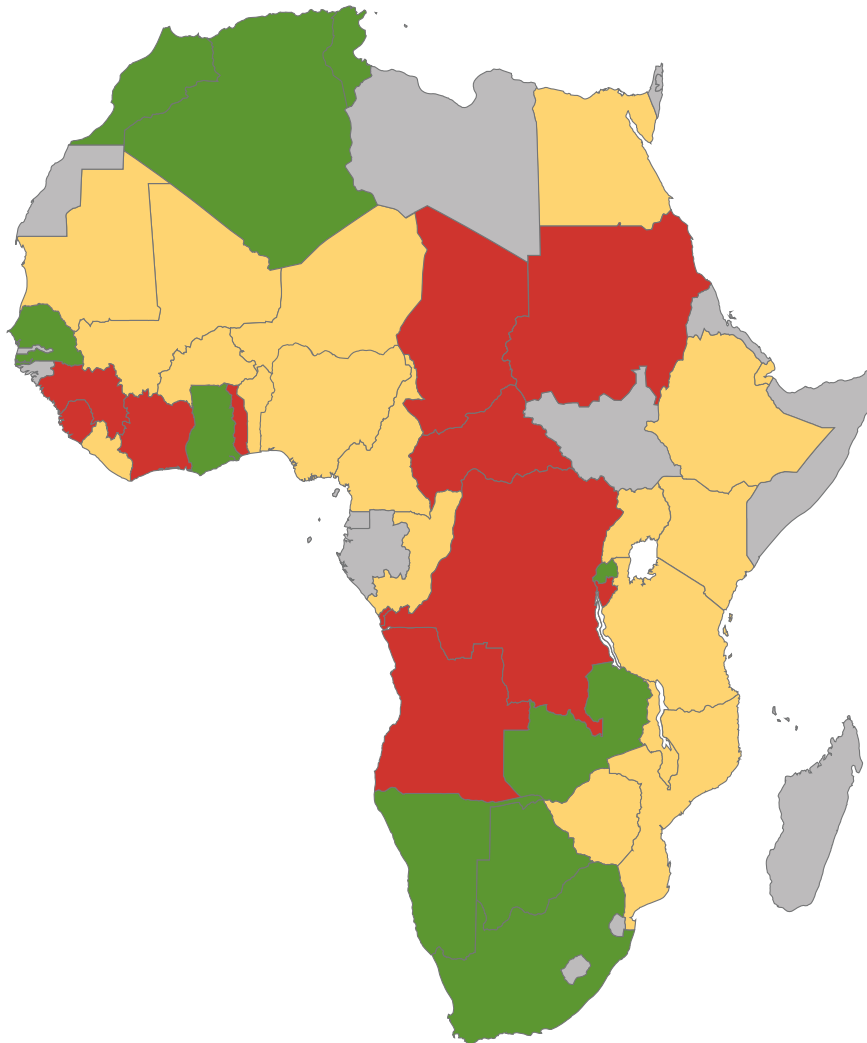
Programme Director, *Legatum Prosperity Index™*

1. Africa Progress Panel, *Africa Progress Report 2012*, (Geneva: Africa Progress Panel, 2012), <http://www.africaprogresspanel.org/en/publications/annual-reports/annual-report-2012/>

2. Shantayanan Devarajan and Wolfgang Fengler, “Africa's Economic Boom”, *Foreign Affairs*, April 3, 2013, <http://www.foreignaffairs.com/articles/139109/shantayanan-devorajan-and-wolfgang-fengler/africas-economic-boom>

PROSPERITY IN AFRICA 2013

● HIGH RANKING COUNTRIES ● MIDDLE RANKING COUNTRIES ● LOW RANKING COUNTRIES ● INSUFFICIENT DATA



ABOUT THE PROSPERITY INDEX

The majority of data and analysis within this report is taken from the Legatum Prosperity Index™, an annual report that explores the foundations of prosperity in 142 countries around the world. The Index incorporates traditional economic measures of prosperity with measurements of wellbeing and life satisfaction. Indeed, it remains the only global index to provide an empirical basis for the intuitive sense that true prosperity is a complex blend of income and wellbeing.

This holistic approach is necessary because a nation's prosperity is determined by many different and complementary factors rather than by economic factors alone.

Each country must chart its own course to success. The Prosperity Index and its accompanying reports (such as this one) seek to identify the important pillars on which prosperity is built. The 2013 edition of the Prosperity Index will be published later this year. For more information, visit www.prosperity.com

CHANGING DEMOGRAPHICS: The Youth Bulge

THE YOUTH BULGE IS A REALITY IN AFRICA, AND IT CAN BE SEEN AS AN OPPORTUNITY OR A THREAT. IN ORDER TO CREATE A DEMOGRAPHIC DIVIDEND AND TO ENSURE THAT YOUNG AFRICANS REMAIN OPTIMISTIC ABOUT THEIR FUTURE, PROGRESS IN BOTH EDUCATION AND EMPLOYMENT OPPORTUNITIES IS CRUCIAL.



In the colonial era, Africa was land rich and people poor. Now, the total population of Africa is thought to have broken the 1 billion mark and it is projected to grow at a rate of 3% per year.¹ Moreover, the ‘youth bulge’ evident in most African countries—particularly those in West Africa—means that today, 40% of the continent’s population is under the age of 15, and it is estimated that young adults (15–29) make up a further 28% of the population in a decade.²

These rapidly changing demographics present significant economic opportunities as well as serious political challenges. The result is that “two Africas” may evolve over the coming years: one which is able to cope with the influx of young workers into its economy, and one which is not.

Population growth owes much to an improvement in public health. Despite the challenges posed by malaria and HIV/AIDS, better healthcare and medicine led to falling death rates by the end of the twentieth century. Data available from the Prosperity Index confirms this positive trend in Health across Africa. This trend continues in crucial measures of health such as infant mortality rates, which have fallen in all African countries included in the Index over the last four years. In addition to this, Africans are both living longer as adults and are less likely to die within the first five years of life—it is the latter fact, combined with the continuation of high birth rates, that explains the ‘youth bulge’.

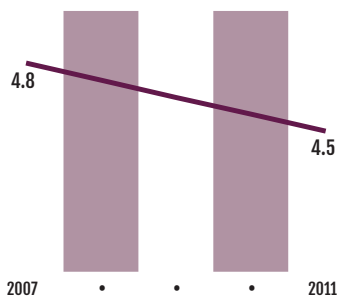
In the short term, larger populations will be an economic drain on scarce government resources. The continent cannot generate sufficient jobs as things stand. According to the International Institute for Labour Studies, the unemployment rate in sub-Saharan Africa stood at 35% in 2012 and has remained relatively stable over time, which can force young workers to engage in negative activities or to switch to the informal sector.³

Of course, African governments are aware of this impending problem. Nigeria’s finance minister, Ngozi Okonjo-Iweala, has estimated that the country will need to grow its economy at 8–10% annually simply to meet the growing need for employment.⁴ The extent of the problem illustrates that the difference in terms of prospects between those countries who can create jobs and those who can’t is likely to be vast.

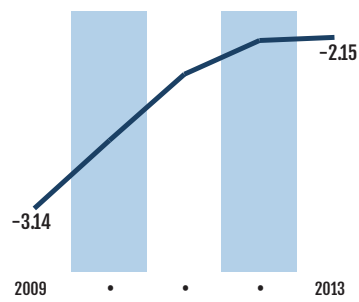
Larger populations will mean more people to educate, more competition for jobs and greater pressure on healthcare facilities. For example, one reason that Africans are living longer is that individuals with HIV/AIDS are being provided with anti-retroviral drugs, which also means that the risk of infecting others is reduced. This positive development will increase healthcare costs and will therefore require larger public budgets.

Population growth also intensifies the pressure on land and natural resources. Greater competition over land—especially in some central and southern African countries where the soil is not just an economic resource but is also central to ethnic and spiritual identity—could trigger rising ethnic tension and

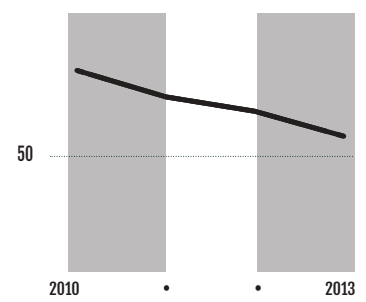
DEMOGRAPHIC TRENDS IN AFRICA*



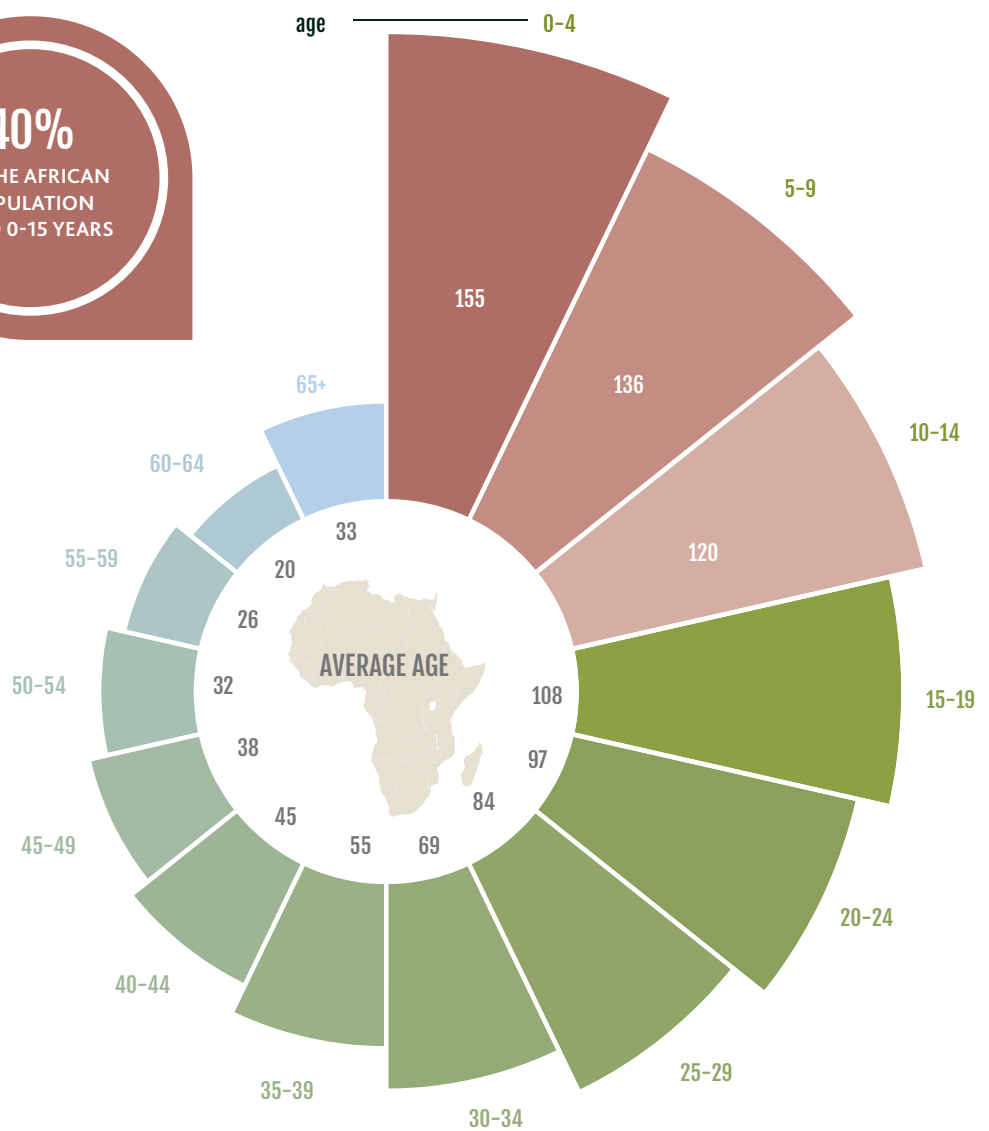
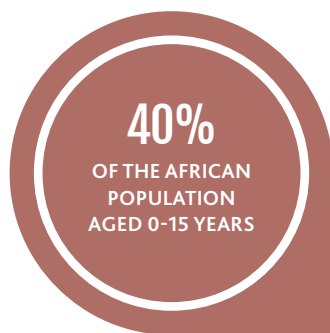
**AVERAGE FERTILITY RATE
(BIRTHS PER WOMAN)**
Average fertility rate: World Bank data



**AVERAGE PROSPERITY INDEX
HEALTH SCORES**
Health scores: Prosperity Index data



**AVERAGE INFANT MORTALITY
(PER 1000 LIVE BIRTHS)**
Average infant mortality: Prosperity Index data



*See footnotes p69-70

political instability. This risk will be particularly pronounced in parts of the continent in which climate change is already beginning to undermine traditional ways of making a living.

Population growth has resulted in a sharp rise in population density over the last two decades in Africa. However, this broad trend masks considerable variation across the continent. Countries such as Botswana and Namibia have small populations and low population densities, which could be part of the reason why they have proved to be more politically stable states. In parallel, people are competing for space in countries such as Rwanda, Nigeria and Uganda. The Prosperity Index also reveals exceptionally high levels of displacement and demographic pressures in DR Congo, Chad, and other states in the centre of the continent.

However, there is nothing inevitable about the relationship between population growth and conflict, and talk of a 'Malthusian' catastrophe, where population pressures escalate conflicts over limited resources, is misleading for two reasons. First, competition over land and natural resources will most commonly spill over into conflict due to mismanagement. While land shortages contributed to ethnic clashes and genocide in Burundi and Rwanda, these extreme examples have not been registered anywhere else in Africa.

Second, population growth will not continue unabated. Recently, fertility has started a slow decline, confirming that Africa is no exception to population trends elsewhere. The UN Population Division forecasts that by 2030, Africa's overall fertility rate will have halved from its 1990 level of 6.0 (births per woman) to 3.0, and that by 2050 it will have fallen below 2.5. As a result, population growth will not continue to rise but will plateau and decrease.

Significantly, as Africa shifts from high to low birth rates, experiences elsewhere suggest that there will be a potential 'demographic dividend',⁵ boosting consumer demand and raising household incomes and savings (and therefore wellbeing). In contrast to the West, where aging societies are worrying about how to fund pensions, in Africa the rising ratio of workers to dependents has the potential to strengthen the capacity of the government to provide public services and to generate economic growth.

But the effects of this 'youth bulge' will not all be positive. There is a danger that young Africans will become frustrated at the limited economic opportunities available to them. With the notable exceptions of Botswana, Rwanda and Angola, the vast majority of sub-Saharan African citizens, and in particular in West Africa, feel their country is not doing enough to address poverty. For example, according to Prosperity Index data, 92% feel this way in Cote d'Ivoire, while the figure is nearly 90% in both Guinea and Togo. Moreover, just 35% of people across the continent think it is a good time to find a job, while in Liberia and Angola, the proportion is over half.⁶ Evidence shows that this frustration can lead to highly undesirable outcomes such as high levels of social unrest and even increases in the number of people joining extremist movements and terrorist organisations. In the World Development Report in 2011,⁷ the predominant reason stated by young people for joining rebel groups and gangs was found to be the lack of opportunities. The devil makes work for idle hands.

Young Africans therefore face a major bottleneck. Managing the hopes and expectations of a generation will be a major test, even for the most effective African governments: in countries such as Ethiopia, Kenya, Liberia, Nigeria, and Uganda, over 70% of the population are under 30.⁸

Again, the ability of governments to make the best of demographic change will depend on the quality of economic and political institutions. Preventing wasteful expenditures and corruption will be essential to ensuring that the economy continues



DISSATISFIED WITH GOVERNMENT
EFFORTS TO ADDRESS POVERTY*

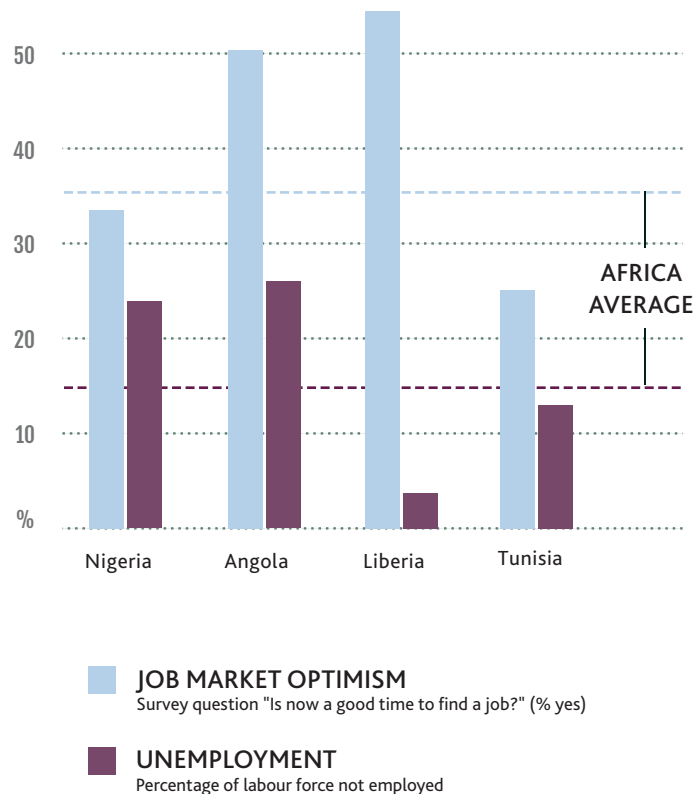
92% COTE D'IVOIRE

90% GUINEA

26% BOTSWANA

34% RWANDA

UNEMPLOYMENT AND JOB MARKET OPTIMISM*



PERHAPS COUNTERINTUITIVELY,
**A HIGH LEVEL
 OF OPTIMISM**
 ABOUT THE JOB MARKET
 DOES NOT ALWAYS STEM FROM
LOW UNEMPLOYMENT,
 SUCH AS IN THE CASE OF ANGOLA.

to grow. Inclusive political institutions can ensure that the benefits of economic growth are widely shared. Prosperity Index data on the evenness of economic development shows that many Central African countries, including DR Congo, Sudan and the Central African Republic, rank among the worst in the world on this measure. A more equal distribution of wealth is essential if young people are to feel that they have a stake in the system.

Given this, the next twenty years may well be characterised by the emergence of two Africas: one that is able to take advantage of demographic changes to make further economic and political gains, and one that fails to cope with its larger and younger population and falls further behind. Currently, the data suggests that DR Congo and the Central African Republic have the furthest to go on this score, with Rwanda, Botswana and Kenya more likely to achieve relative advantage. Job- and skill-creation schemes take time to implement, and the African demographic clock is ticking, which indicates the urgency to take measures for building long-term prosperity.

1. African Development Bank Group, *African Economic Outlook 2012: Promoting Youth Employment*, Special Theme Promoting Youth Employment, pp. 125-126, (Tunis: OECD Publishing, 2012), http://www.oecd-ilibrary.org/development/african-economic-outlook-2012_aeo-2012-en
2. Justin Yifu Lin, "Youth Bulge: A Demographic Dividend or a Demographic Bomb in Developing Countries?", *World Bank blogs*, May 1, 2012, <http://www.vanguardngr.com/2013/04/nigeria-to-delay-gdp-rebasing-till-2013-nbs/>
3. International Institute for Labour Studies, "World of work report 2013: Repairing the economic and social fabric", (Geneva: ILO, 2013), http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_214476.pdf
4. Xan Rice, "Nigeria: Hungry for progress", *Financial Times*, July 7, 2013, <http://www.ft.com/cms/s/0/6a900674-d9b3-11e2-98fa-00144feab7de.html#axzz2c332F0HK>
5. Ronald Lee and Andrew Mason, "Back to Basics: What Is the Demographic Dividend?", *Finance & Development* 43. No. 3 (2006): 16-17
6. Legatum Prosperity Index 2013
7. World Bank, *World Development Report 2011*, (Washington DC: World Bank, 2011), http://siteresources.worldbank.org/INTWDRS/Resources/WDR2011_Full_Text.pdf
8. "World Population Prospects: the 2012 Revision", United Nations, Department of Economic and Social Affairs, Population Division, last modified June 2013, <http://esa.un.org/wpp/Excel-Data/population.htm>

The Nigerian BALANCING ACT

WHERE VIOLENCE
CONTINUES TO FUEL
INSTABILITY, ECONOMIC
GROWTH CANNOT ADVANCE
UNABATED. DESPITE BEING A
RISING ECONOMIC SUCCESS
STORY, NIGERIA'S FUTURE
PROSPERITY IS IN JEOPARDY
FROM SERIOUS CHALLENGES
TO SAFETY AND SECURITY.



Nigeria's fate rests upon the shoulders of two opposing narratives. The first is a story of impressive economic growth that has propelled Nigeria into a position of global economic significance. The second is a tale of violence, rising conflict and instability. In this respect, Nigeria embodies a struggle that characterises many African nations. Securing a more prosperous future rests on which of these narratives wins out.

Nigeria has emerged as a 'good news' story for global investors despite the global economic turmoil of the past five years. This is reflected in the country's Economy ranking (20) in the Legatum Prosperity Index™, which compares favourably to its overall ranking of 24 out of 38 African countries. Nigeria is also included in Goldman Sachs' "Next 11" index of emerging economies and is considered worth watching for investment purposes in light of the high level of likely growth in the medium term.

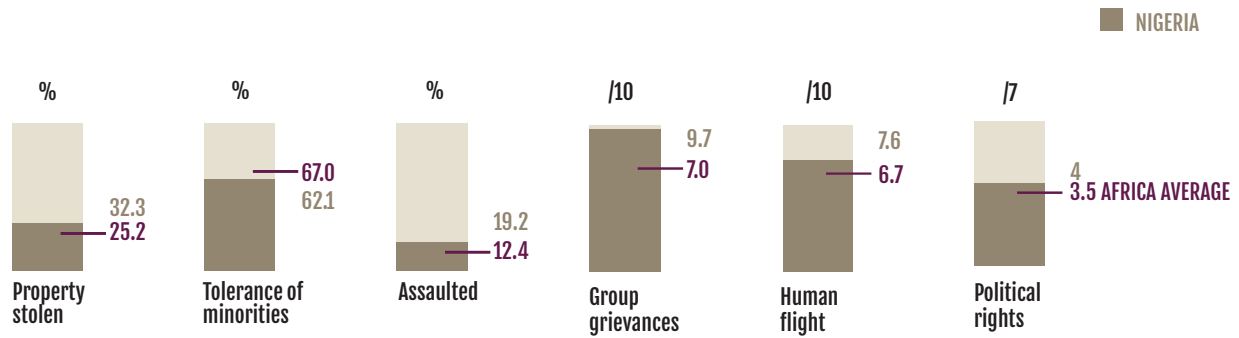
For a country whose reputation had been synonymous with corruption and economic mismanagement—indeed, the country ranks as the fifth most corrupt in Africa within the Prosperity Index—such external perceptions can be considered a measure of success by reformers in Abuja. Lagos is now firmly considered an essential aspect of any African investment strategy, from its financial sector to other aspects of the service economy, and increasingly due to increasing consumer spending power.

Nevertheless, while the country's economic fundamentals have improved and cities such as Lagos and Abuja experience vigorous expansion, there is another side to Nigeria's story. Instability caused by ethnic and religious conflict as well as high levels of violence fuelled by conflicts over natural resources threaten to undermine much of the country's economic progress.

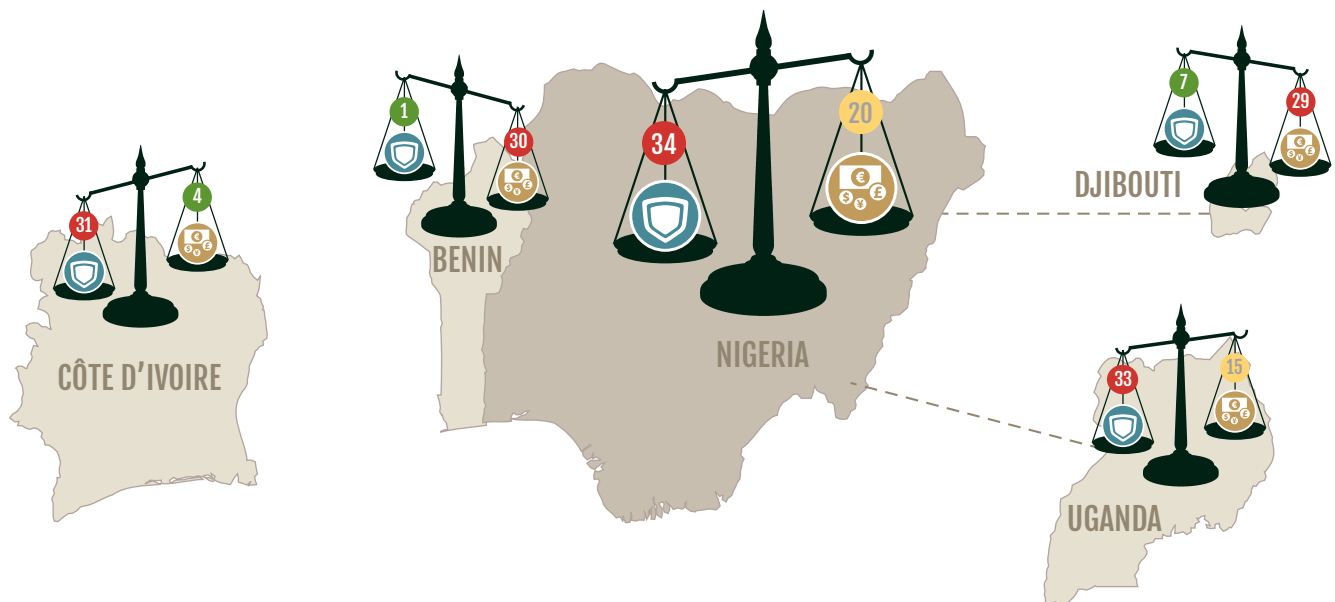
Nigeria is Africa's largest country both in terms of its population of 170 million¹—nearly double that of Ethiopia, the next most populous country—and its GDP, estimated by the IMF to reach \$284 billion this year (second only to South Africa), but understood to be undervalued significantly. A rebasing of the country's GDP, which will put greater weight for example on the telecommunications and banking sectors, is estimated to raise GDP by at least 40%, vaulting it well past South Africa in the league table.²

In an important sense, this rebasing exercise will merely reaffirm what has been a changing perception of Nigeria as an economic story for several years. Since the country's latest return to civilian rule in 1999, it has weathered four rounds of multi-party elections, which—while serving only to entrench the dominance of the ruling People's Democratic Party—appear to have all but eliminated the country's experience of military intervention in politics. While Nigeria still ranks poorly on many Governance variables, the relative stability of the governmental system, as well as the increasing level of political rights afforded to its citizens, illustrates the country's progress in this area in recent years.

DRIVERS OF LOW SAFETY & SECURITY IN NIGERIA*

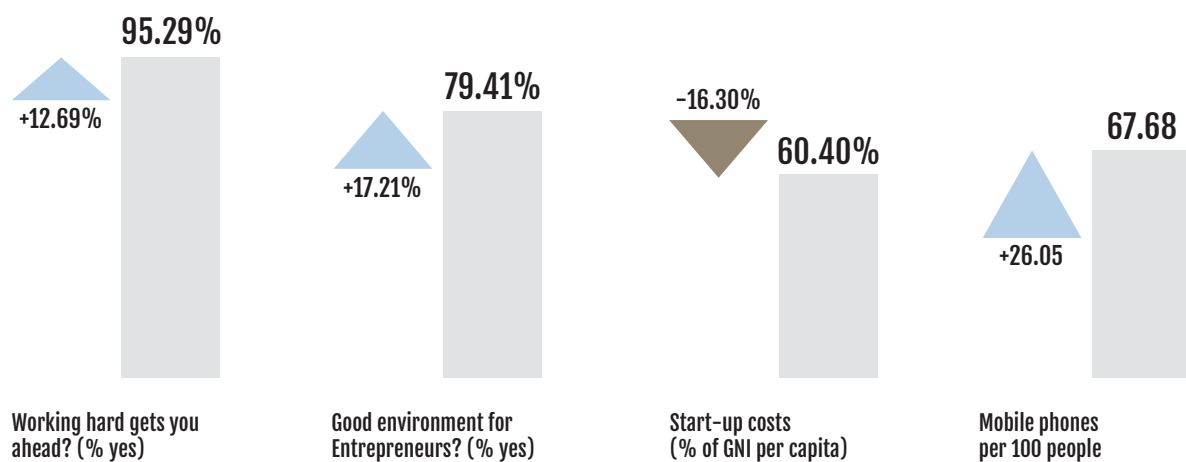


ECONOMY RANKINGS VS. SAFETY & SECURITY RANKINGS*



STRONG FOUNDATIONS FOR ENTREPRENEURSHIP IN NIGERIA*

Percentage Change 2010-2013 (Prosperity Index Data)



*See footnotes p69-70

Moreover, economic reforms, particularly at the federal level, have brought forth many benefits including the accumulation of significant foreign exchange reserves and the clearing of crippling foreign debt all while maintaining a fairly stable exchange rate. Furthermore, the Central Bank of Nigeria has been instrumental in shaking out several bad apples³ from the banking sector. Institutions in the sector had been caught out in the global economic downturn after unwise (and in some cases corrupt) investments in the Nigerian Stock Exchange.

However, the gains from this economic progress have been unequally distributed and the country ranks among the most unequal countries in the world, with a Gini coefficient of 48.8 according to World Bank data. Furthermore, Nigeria places second to last (above only Angola) on the measure of inequality used in the Prosperity Index. Moreover, territorial political marginalisation has been a significant part of Nigeria's history, and is a trend that has not been erased.

This has manifested most visibly in regional militancy, and in episodic communal violence, which intensified in the late 1990s. Although militancy tailed off sharply following a government amnesty programme in late 2009, the economic incentives driving the criminal activities of the gangs did not disappear (nor did their linkages to local community economies or to regional political dynamics). As such, there has been an intensification of oil theft (or bunkering) in the last few years, some of which becomes a source of supply for illegal small-scale refineries. The remainder finds its way onto regional or international markets—fuelling the Niger Delta region's political economy. Oil theft is now estimated at 250,000 barrels per day in Nigeria as a whole.⁴

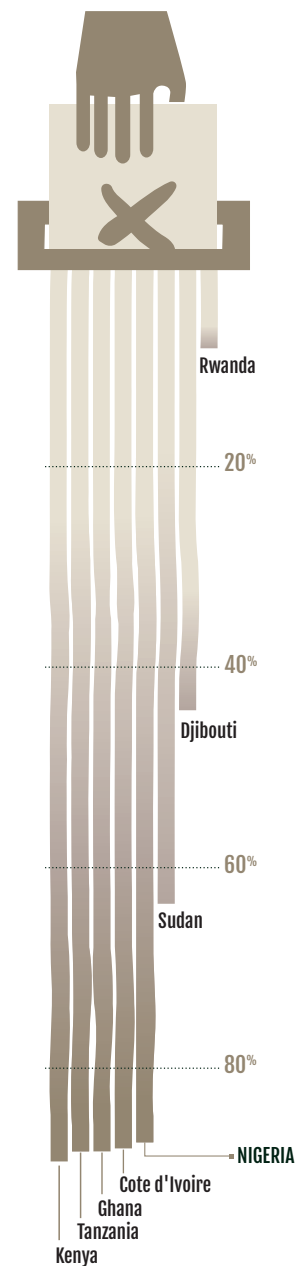
Another long-standing side-effect of political and economic marginalisation has been the persistence of occasional bouts of inter-communal violence in parts of Nigeria's 'Middle Belt'. Nigeria ranks a lowly 27th out of 38 African countries for ethnic tolerance, with only 62% of the population reporting that Nigeria is a good place to live for ethnic minorities. Groups clash over which is genuinely indigenous, and which are the settlers—even when such settlement may have happened in the nineteenth century or earlier.

Middle Belt violence has taken ethnic and religious overtones, with 'locals' being from one (predominantly Christian) ethnic group, and the 'settlers' being from another (predominantly Muslim). However, the more recent insurgency, which has shaken north-eastern Nigeria (led by the Boko Haram militant Islamist group) has seen religion emerge as the new motivator for a conflict whose roots lie mainly in economic and political marginalisation.

Populations in northern Nigeria generally have seen their livelihoods deteriorate in recent decades, as the oil sector undermined the rest of the country's export economy. Little of the vast oil wealth has found its way to the north, fuelling perceptions of bias (despite a history of northern political elites dominating national level politics in Abuja). The Boko Haram insurgency has raised safety and security fears even outside the core areas affected by the insurgency, after attacks have taken place as far afield as the outskirts of Abuja.

These persistent security issues are reflected in Nigeria's low Safety & Security rank (34), most notably due to high theft rates, group grievances, and human emigration, according to the Prosperity Index. This underscores the sense of there being 'two Nigerias'. Ultimately, these two narratives will

PERCEPTIONS OF CORRUPTION*



need to meet and be reconciled for progress to be made on the broader question of prosperity. Moreover, Nigeria's case is not unique, although the acuteness of the disjuncture is not as pronounced elsewhere.

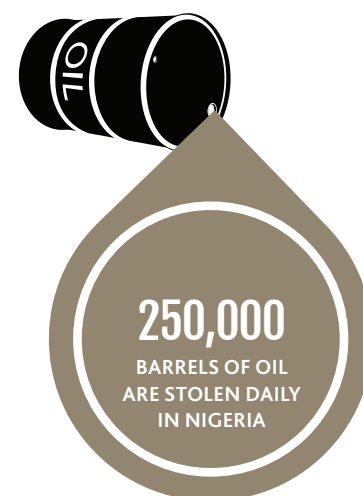
In the west of the continent, Cote d'Ivoire presents another contradictory case. Its very high Economy rank (4) contrasts sharply with a very low Safety & Security ranking (31). The latter undoubtedly reflects the 2010–11 violence around the presidential election, which itself ended a long transitional period following an electoral conflict and civil war. The perception of southern political and economic dominance and the exclusion from power of populations who allegedly immigrated from northern neighbours echoes the communal violence in Nigeria. Cote d'Ivoire was considered the economic capital of West Africa until the late 1990s—indeed, Abidjan is the host of the African Development Bank headquarters.

On the contrary, Nigeria's neighbouring country Benin ranks first in 2013 for Safety & Security and Personal Freedom, while ranking poorly for the Economy (30). This contrast between two countries with similar ethnic diversity⁵ could indicate that the oil curse plays a crucial role in explaining the dichotomy of progress in Nigeria.

In the east, two other opposing examples appear. Uganda demonstrates a relatively poor Safety & Security rank (33), compared with an Economy rank of 15. It has an urban, historical core around which significant strides have been made economically—especially in the last decade—but there remain significant populations left politically and economically marginalised. The roots of the northern Ugandan insurgency of the Lord's Resistance Army lie in a history of economic and political exclusion by successive governments in Kampala.

The second example is Djibouti, a small country neighbouring Somalia that ranks 7th on the Safety & Security sub-index, and 29th on the Economy sub-index. The multi-ethnic nation is well-known for its political stability and attracts many refugees from neighbouring countries searching for peace.⁶ However, the limited capacity to provide for these refugees (in a country with an unemployment rate of over 30%, and not long after a conflict with Eritrea in June 2008⁷) could be pointing towards a drop in its Safety & Security rank in the future.

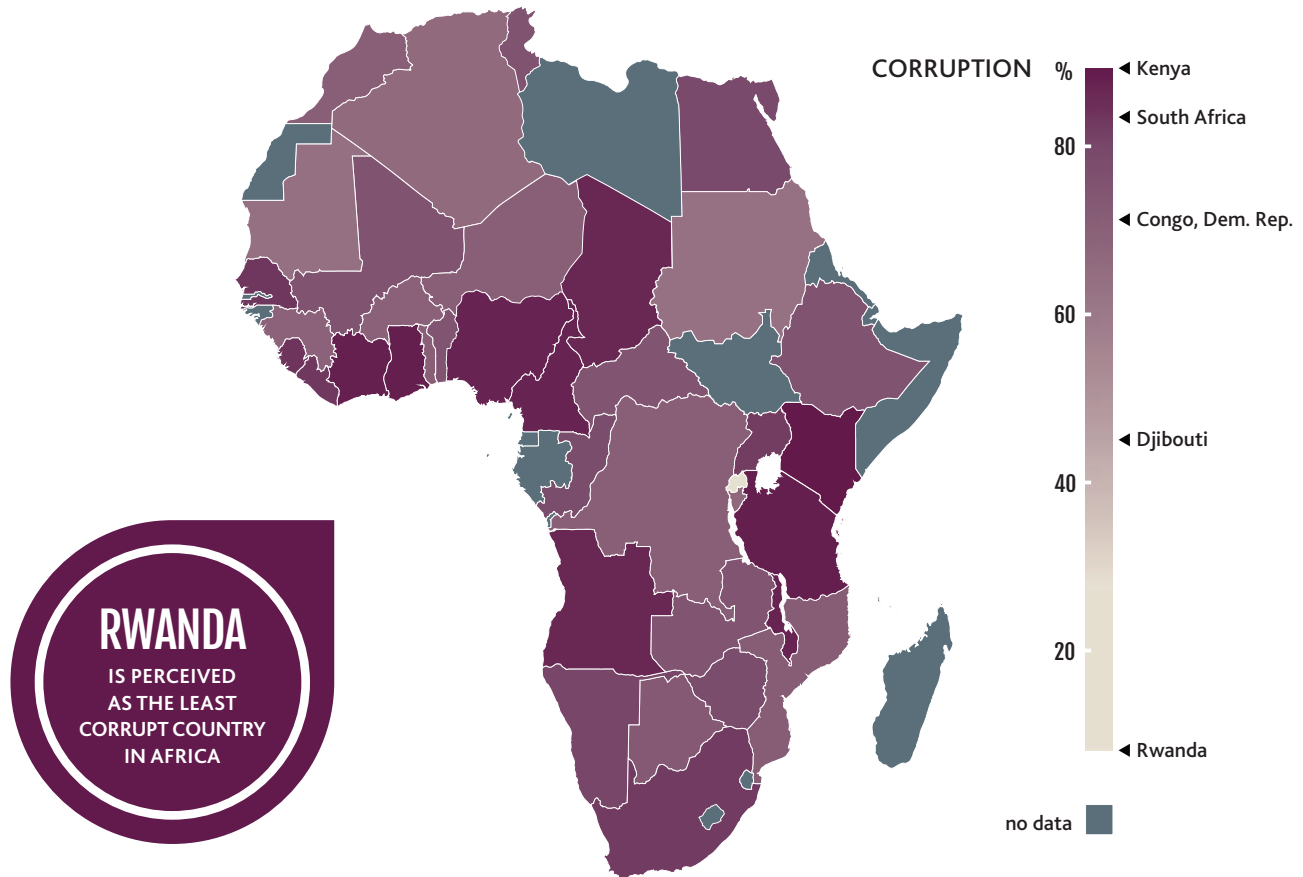
Similar to other African countries, Nigeria has made much progress on economic and political indicators in the past decade. However, the region scores lower on Safety & Security and inequality measures and the marginalisation of certain ethnic and cultural groups could potentially be a threat for future prosperity. Hope lies in the improvement of governance variables that are still lagging behind in Africa. These will be essential to sustain the rise of the continent.



1. Tim Cocks, "Will Nigerian boom babies feed prosperity or entrench poverty?", *Reuters*, April 9, 2013, <http://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/African%20Development%20Report%202012.pdf>
2. "Nigeria to delay GDP rebasing till 2013 - NBS", *Vanguard Nigeria*, April 9, 2013, http://www.upi.com/Business_News/2013/03/20/China-investments-in-Africa-boom/UPI-68541363778204/
3. Tom Burgis, "Nigeria takes control of five banks", *Financial Times*, August 14, 2009, <http://www.ft.com/cms/s/0/0b233cf4-8905-11de-b50f-00144feabdc0.html>
4. Joe Brock, "Analysis - Oil majors to stay onshore Nigeria despite grumbles", *Reuters*, August 8, 2013, <http://elibrary.worldbank.org/content/workingpaper/10.1596/1813-9450-6311>
5. Daniel N. Posner, "Measuring ethnic fractionalization in Africa", *American Journal of Political Science* 48, no. 4 (2004): 849–863, doi: 10.1111/j.0092-5853.2004.00105.x
6. "2013 UNHCR country operations profile – Djibouti", UNHCR, last modified September 11, 2013, <http://www.unhcr.org/pages/49e483836.html>
7. "Djibouti: Current conflicts", Rule of Law in Armed Conflicts Project, *Geneva Academy of International Humanitarian Law and Human Rights*, last modified September 11, 2013, http://www.geneva-academy.ch/RULAC/current_conflict.php?id_state=56

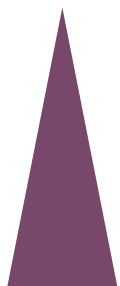
PERCEIVED CORRUPTION LEVELS IN BUSINESS AND GOVERNMENT*

Survey question: Is corruption widespread within businesses and throughout the government, or not? (% yes)



AVERAGE CHANGE IN SCORE ACROSS AFRICA (2010–2013)*

E&O SUB-INDEX

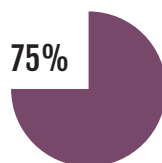


+1.10

-0.03

Regulation

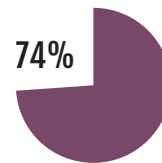
CORRUPTION*



75%

75% of people believe that corruption is widespread within the government & business

ENTREPRENEURSHIP*



74%

74% of people believe that the city or area where they live is a good place for entrepreneurs setting up a business

*See footnotes p69-70

CORRUPTION VS. EASE OF DOING BUSINESS

MEASURES DESIGNED TO TACKLE CORRUPTION MUST BE TAILORED TO EACH INDIVIDUAL COUNTRY. THIS PRESENTS MANY POLITICAL CHALLENGES. IF SUCCESSFUL, HOWEVER, THE ECONOMIC REWARDS COULD BE VAST.



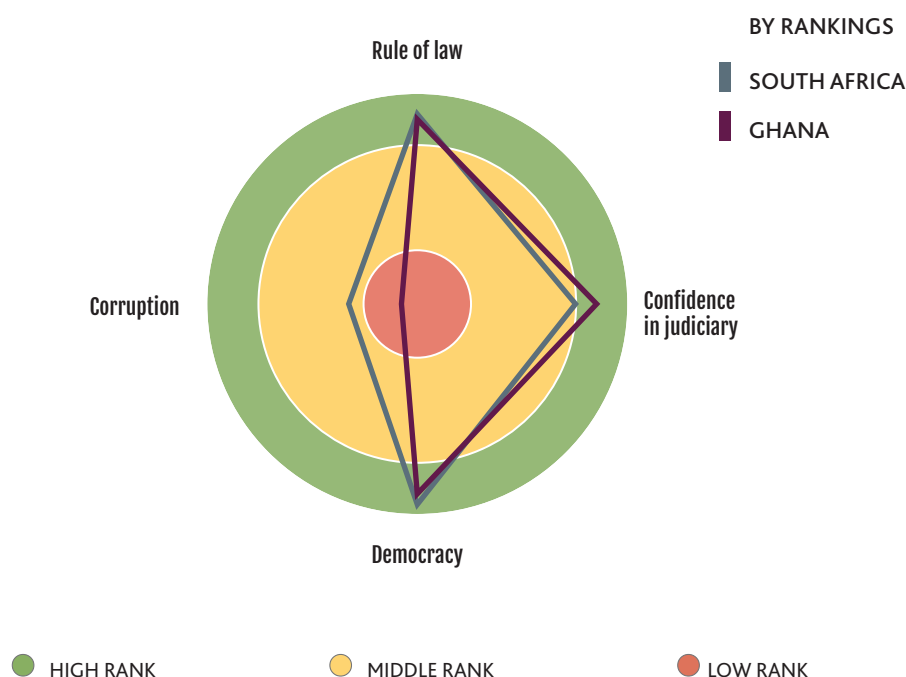
In the past few years, Africa has been thriving as a continent known for its business opportunities and is being increasingly seen by investors as the continent with the highest future growth potential. On average, according to the 2013 Legatum Prosperity Index™, three-quarters of the African population perceive that theirs is a good environment for entrepreneurs. However, despite the hopes of donors and anti-corruption campaigners, there has been no noticeable change in corruption levels in the past five years in Africa. This is despite an increase in democracy levels and an improvement in certain governance-related variables in the continent.¹

The fact that countries that perform worst on measures of perceived corruption—including Kenya, South Africa and Namibia—are democratic countries, scoring among the highest in Africa on governance indicators including the rule of law, suggests that there are likely to be factors other than institutional weakness fuelling corruption. However, the higher scores for corruption in democratic countries with sound governance than in authoritarian countries—such as Guinea, Angola and the DRC—can be explained partly by a key feature of perception surveys, namely that they are often assumed to be conducted by or for the government, meaning that individuals may feel less comfortable to voice their concerns in authoritarian countries.

As the drivers of corruption across Africa are very different, anti-corruption measures must be tailored to each specific situation if they are to be successful and must comprise measures beyond simply passing new legislation or appointing anti-corruption bodies. Two countries offer good examples of this need to make distinctions. In Ghana, the recent discovery of oil has created new opportunities for misappropriation, while in South Africa the rise of Jacob Zuma and a different style of politics have undermined the norm of restraint that constrained previous ANC governments. The challenge there is how to identify and remove corrupt political networks, and restore the integrity of the bureaucracy. There is no quick fix; long-term change will depend on a change of personnel and the adoption and implementation of new codes of conduct.

In Ghana, the government is attempting to create a sustainable future from its oil revenues by creating two ring-fenced funds that will only be used to smooth the impact of future variations in the price of oil.² This will have the benefit of providing a level of control over the strength of the country's currency, and is intended to help Ghana avoid the so-called 'Dutch disease', in which high levels of income from natural resources push up a country's currency to the point where its agricultural or manufacturing exports cease to be regionally competitive. A similar approach was adopted by Norway in the 1970s, which subsidised manufacturing output to keep it competitive as revenues surged from North Sea oil.³ Time will tell whether Accra's funds are sufficiently insulated from political manipulation to work as intended, but the degree of success is important

HIGH CORRUPTION, GOOD GOVERNANCE*



because Kenya, Uganda and Tanzania have all recently found commercially viable amounts of oil and gas, and will face similar issues to Ghana.

Corruption matters not only because of its corrosive effect on a country's political system and its impact on everyday life but also because of the extent to which it can complicate the business process. In so doing it adds an additional deterrent to external investment in a region that is already at the bottom of the global table for ease of doing business.⁴

High levels of political risk form a key part of the continent's backdrop, even among those economies traditionally seen as more stable. In South Africa, which places 4th of 38 countries in the Governance sub-index, unrealistic private-sector union wage demands may see output disruptions on a significant scale. In Uganda, the relatively low level of political constraints on the executive—the country places just 22nd in Africa (out of 38) on this measure of governance—may jeopardise development of the country's nascent energy sector.

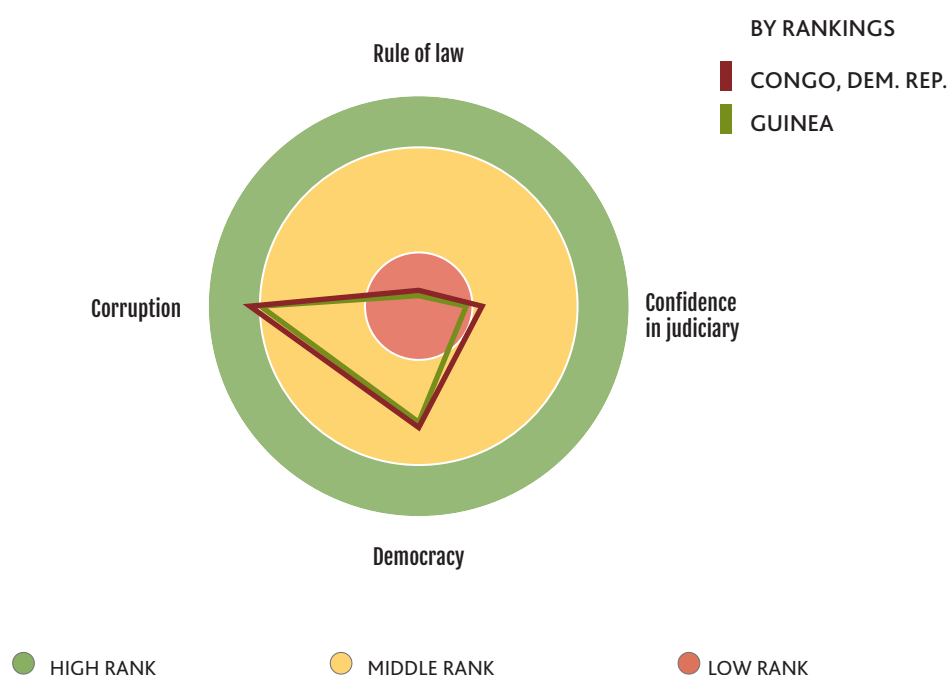
That said, the situation has been steadily improving over the last decade. This is especially true within sub-Saharan Africa as more governments pursue reforms designed to improve their domestic investment climates and so enable the private sector to harness the region's long-term economic growth potential. Sub-Saharan Africa, along with South America, was one of only two regions in the world that attracted increased FDI flows in 2012, a year when total global FDI flows fell by 18%.⁵

Africa's extractive sector remains by far the most important magnet for FDI inflows into the continent, although this is something of a mixed blessing. The Democratic Republic of Congo (DRC) succeeded in doubling FDI inflows to \$3.4 billion in 2012 despite Kinshasa's minimal efforts to improve its business climate. The DRC is currently ranked 181 out of 185 countries in the World Bank's annual Doing Business survey, and 37 out of 38 among African countries in the Legatum Institute's Entrepreneurship & Opportunity sub-index, but extractive sector firms have little choice but to invest where natural resources are located.

More significantly, FDI inflows into the continent's manufacturing and services sectors have been rising steadily on the back of its increased purchasing power, accelerating urbanisation and strong population growth. Between 2008 and 2012, for example, Africa's consumer-related industries' share of total investment in greenfield projects rose from 7% to 23%,⁶ a trend that confirms both the rising domestic component of growth trajectory and improvements in the overall ease of doing business. Of the 50 economies around the world that have made the most improvement in business regulation since 2005, more than one-third were in sub-Saharan Africa.⁷

A country's ease of doing business ranking has become a broad signal to investors about the overall attractiveness of the business environment. As a result, more countries are now pushing through regulatory reforms specifically designed to address the issues covered by this particular ranking and so boost their

LOW CORRUPTION, POOR GOVERNANCE*



rankings in the World Bank's annual survey.⁸ This strategy has helped Rwanda rank among Africa's top regulatory reformers, placing third in Africa on the effectiveness of its regulation in the Legatum Prosperity Index™. It also places in the top ten of the Entrepreneurship & Opportunity sub-index.

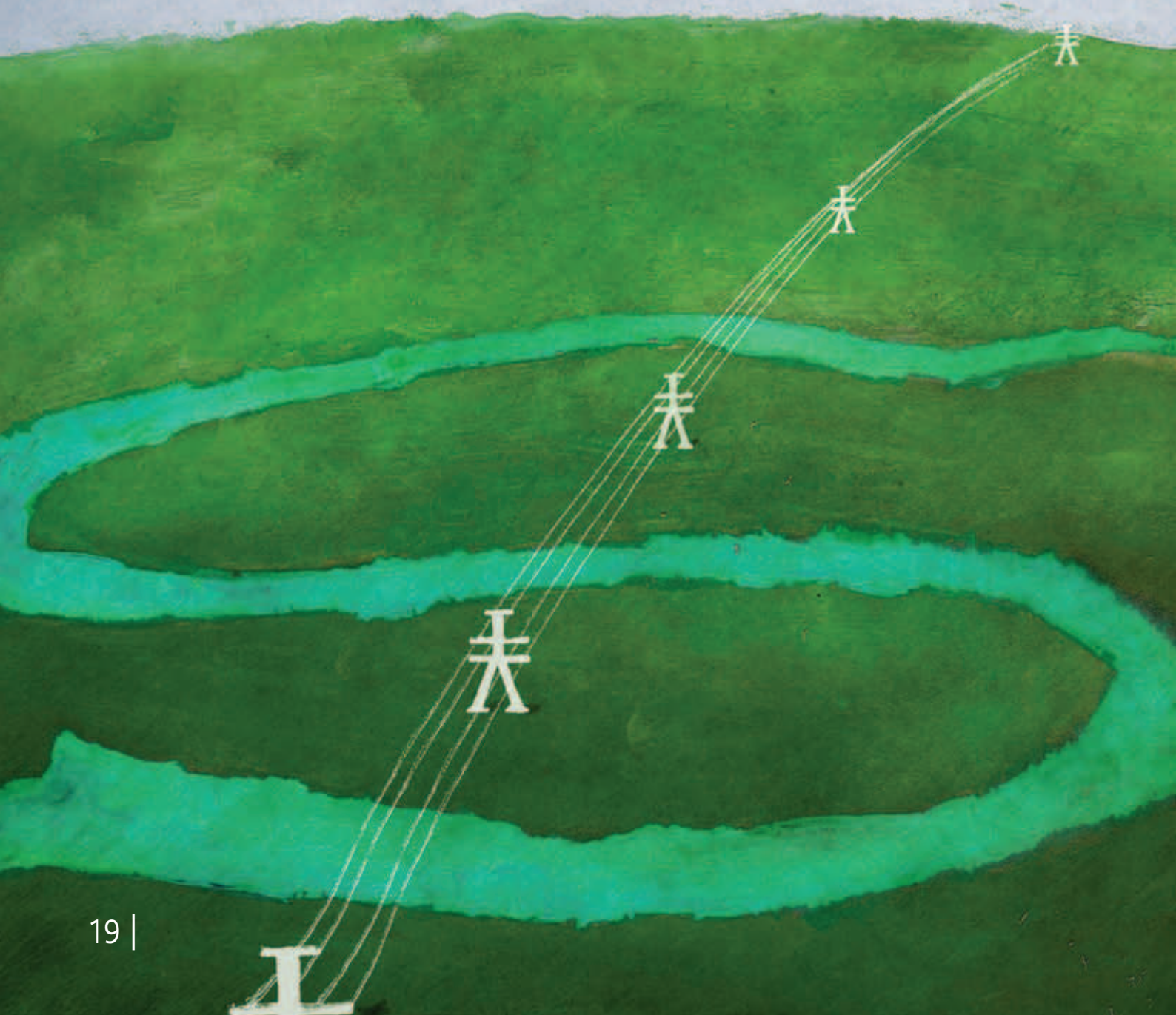
Alarmingly, most Francophone countries continue to seriously under-perform in the rankings; a situation that broadly reflects their positions within the global Prosperity Index. For example, the bottom five countries in Africa on the Entrepreneurship & Opportunity sub-index—Central African Republic, DR Congo, Chad, Niger and Guinea—are all Francophone countries, suggesting the more centralised, bureaucratic systems implemented in many former French colonies are ineffective.

What these rankings are unable to capture is the series of regional and inter-regional initiatives that aim to enhance the appeal of investing in sub-Saharan Africa as a whole, by building bigger markets and bringing the region broadly into line with other emerging market regions. After decades of under-investment, budgetary allocations for infrastructure renewal and expansion are now increasing in an effort to address the region's infrastructure deficit.

The burden of a political and economic environment that is perceived as corrupt, however, is a difficult one to dislodge. Democratization and the development of a more accountable institutional framework will certainly help to tackle the problem at its roots, although they will also lead to a spike in popular perceptions of the extent of corruption. Efforts to achieve reforms have already led to a considerable improvement in the ease of doing business in certain countries such as Ghana, and will be crucial to make yields from natural resource extraction sustainable in the future.

1. Legatum Prosperity Index 2013
2. "Ghana Petroleum Funds", *Sovereign Wealth Fund Institute*, last modified September 11, 2013, <http://www.swfinstitute.org/swfs/ghana-petroleum-funds/>
3. Hilde C. Bjørnland, "The economic effects of North Sea oil on the manufacturing sector", *Scottish Journal of Political Economy* 45, no. 5 (1998): 553-585.
4. "Global foreign direct investment declined by 18% in 2012, annual report says", *UNCTAD*, Geneva, June 26, 2013, <http://unctad.org/en/pages/PressRelease.aspx?OriginalVersionID=143>
5. World Bank: Ease of Doing Business Index 2013. The sub-Saharan African region was by far the least attractive on this measure in the 2013 Index, with just seven of 46 countries covered in the Index placing above the global median. Additionally, 30 sub-Saharan African countries rank in the bottom quartile globally.
6. "Foreign direct investment to Africa increases, defying global trend for 2012", *UNCTAD*, Geneva, June 26, 2013, <http://unctad.org/en/pages/PressRelease.aspx?OriginalVersionID=136>
7. "African Economies Make Consistent Progress in Improving Business Regulation, Report Finds", *World Bank*, October 23, 2012, <http://go.worldbank.org/8E0Z5QFLRO>
8. Bjørn Høyland, Karl Moene and Fredrik Willumsen, "The tyranny of international index rankings", *Journal of Development Economics* 97, no. 1 (2012): 1-14

AFRICAN GROWTH and ASIAN INVESTMENT



ASIAN INVESTMENT IN AFRICA IS VAST AND WELL DOCUMENTED. TO REAP LONG-TERM, TANGIBLE BENEFITS FROM ASIAN INVESTMENT, AFRICAN GOVERNMENTS SHOULD AIM TO DIVERSIFY THEIR ECONOMIES AND FOSTER LOCAL BUSINESS.



In the wake of the global financial crisis, African nations have recovered faster than any other region in the world. In fact, over the last decade, average GDP growth across Africa has stood at 5%.¹ Driven by high commodity prices

and a political climate that is seen as becoming more stable, consistent growth in the past years has created a virtuous circle in which investment has boosted growth and encouraged yet more investment, much of it from East Asia. China specifically has served as a source of investment, although investment from Japan and South Korea is not insubstantial.

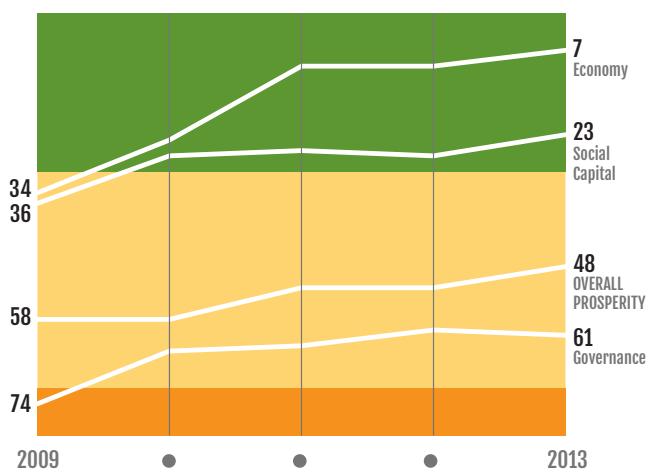
However, many African economies—particularly those reliant on commodity exports—will be unlikely to meet investor expectations should they be exposed to a major downturn in, or even shock to, the broader economic situation. Indeed, recent official projections of the continent's near-term prospects rely on relatively optimistic assumptions about the global environment. Forecasts from the African Economic Outlook—produced by the African Development Bank, among others—estimate that growth will peak above 5% in 2014 across sub-Saharan Africa, but these projections are heavily contingent on a more expansive global rebound than currently seems likely. The Legatum Prosperity Index™ shows that economic expectations for the future are also high in many African countries, including Rwanda, Angola and Namibia.

Global demand for a wide range of commodities has remained weak throughout 2013, and with the potential for prices to fall further, many African countries face the prospect that the resulting reduction in value of their main exports will hit growth rates. In particular, Nigeria and Angola both remain heavily exposed to any negative oil-price shocks.

Any deterioration in global sentiment could just as easily shift portfolio risk calculations towards traditional 'safe havens', leading to an unravelling of the 'Africa rising' narrative as investors become wary. Against this background, Chinese investment in Africa becomes even more significant as ties are underpinned by consistent growth in trade flows, which topped \$200 billion in 2012.² Links are particularly strong in the infrastructure and energy sectors.

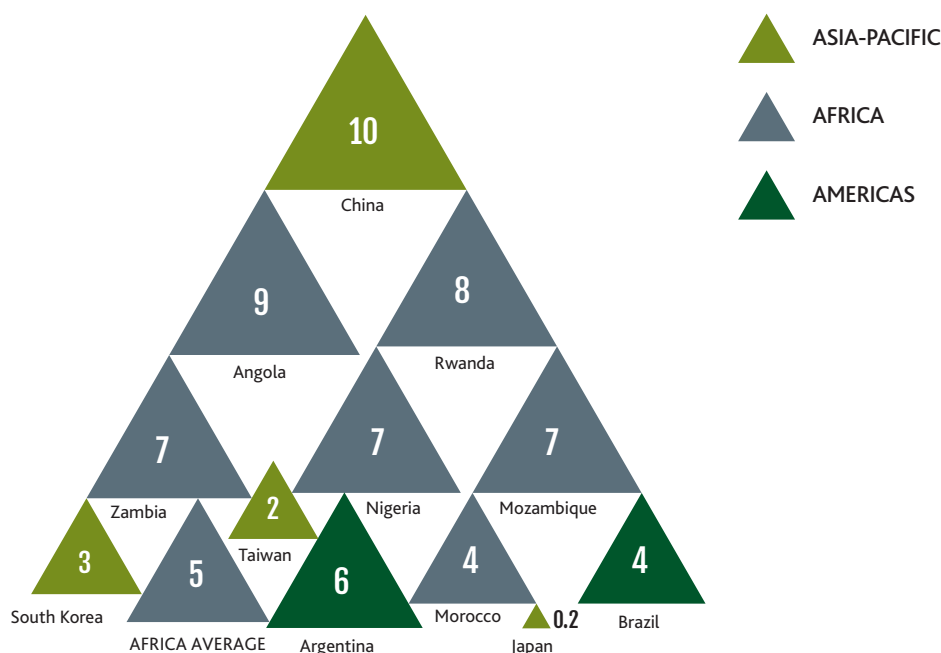
China has performed well within the Prosperity Index over the last five years, rising from 58th to 48th on the Index. The country's rise has been driven principally by its economic performance, although it has also performed well on the Social Capital and Governance sub-indices. Since 2009, China has climbed 27 places on the Economy sub-index and now ranks seventh. The country's very strong economic performance,

CHINA: CHANGES IN PROSPERITY INDEX RANK 2009–2013



Chinese Prosperity Index ranking over five years out of 110 countries

AVERAGE GDP GROWTH RATES 2007–2012 (%)*



including maintaining a gross domestic savings rate of over 50% of GDP, has allowed a high level of investment, both at home and abroad.

Chinese investment stock alone is estimated at about \$20 billion,³ of which mining comprises one-third. In net value terms, state-owned Chinese firms continue to dominate investment, largely due to their prominence in the extractive industries (China Non-Ferrous Metal Mining, which has a large presence in Zambia, is a key example). However, private Chinese firms of all sizes increasingly drive Chinese commercial expansion in Africa,⁴ and Chinese provinces and municipalities are sending their own companies overseas (Shanghai Construction Group, for example) and are implementing independent aid projects.

While among Asian countries China is the largest investor in Africa, it is important to recognise that it is not alone. Japan, for example, although much less significant in terms of overall trade flows, has embassies in 32 African countries and more than 300 companies operating across the continent in metals, telecommunications, healthcare, agriculture, environmental technologies, and official development assistance (ODA) projects. Japanese companies have traditionally approached Africa through the giant Japanese commodity trading houses: Mitsui, Mitsubishi and Sumitomo. Most have yet to devise strategies for establishing themselves in situ, although the Japanese External Trade Organization (JETRO) has identified Africa as a new economic growth pole.⁵ Other important investors in Africa include South Korea, which through its chaebol conglomerates (principally Samsung), is reportedly looking to increase its regional investment to \$10 billion by 2015.⁶

Asian investment, in particular from China, is attractive to some African governments as an important counterweight to Western firms, whose investments are often conditional on the absence or mitigation of political or reputational risk within the specific country.

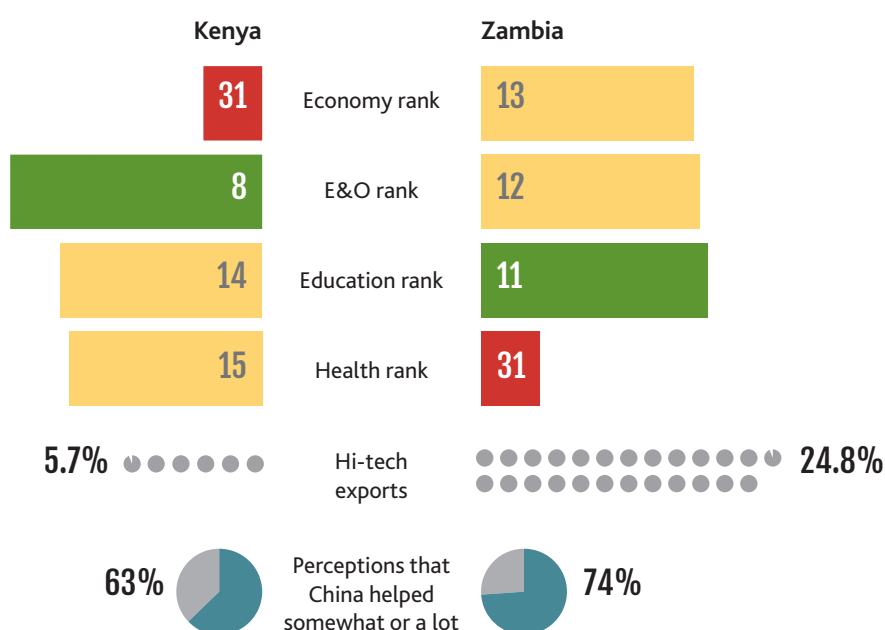
China-Africa debates have often characterised African governments as acquiescent to Chinese interests, but this perspective can overlook their frequent adeptness at using foreign relations to pursue domestic goals. In future, African leaders may not be above the scapegoating of China and Chinese nationals, should it be beneficial to their domestic political prospects.⁷ In particular, the issue of perceived quality shortcomings has made Chinese firms unpopular with some local communities, notably in Angola and South Africa, while the growing presence of Chinese traders prompted restrictive legislation in both Kenya and Nigeria in 2012.

Additionally, Chinese investments in the extractive industries tend to employ relatively few people in comparison to the benefits they accrue; many Chinese firms also tend to bring in Chinese labour, either for cultural reasons or to aid communication. For this reason, the benefits to the country's economy are often largely intangible to the local population.

However, Zambia provides an interesting case study in this area. Many Zambians hold largely positive attitudes towards foreign investment generally (and China specifically), despite occasional attacks against Chinese nationals. Indeed, Zambia is more tolerant than many of its neighbours to immigrants, with seven in ten Zambians saying they would welcome immigrants in their area according to Prosperity Index data. An Afrobarometer survey conducted in 2009 also revealed that three-quarters of the Zambian population believed that China has helped Zambia

KENYA AND ZAMBIA COMPARISON*

*See footnotes p69-70



“a lot” or “somewhat”.⁸ Zambians instead tended to blame their own politicians for economic difficulties.

In 2012, the murder of a Chinese mine supervisor in Zambia did not lead to a backlash significant enough to affect investor confidence. Zambia is currently booming; real GDP in 2013 is likely to grow by around 8% according to the IMF (from 7.3% in 2012), with fiscal policy and mining activity the key drivers. Zambia’s consistently high placing within the Economy sub-index (13th out of 38 within Africa in 2013) illustrates its strong recent performance, driven by its impressive level of high-tech exports (over 24.8% of the country’s manufactured exports are high-tech, the third-highest proportion in Africa) and strong GDP per capita growth, which averaged 3.5% between 2007–2011.

However, an interesting counterpoint to the narrative presented so far involves Kenya, which has managed average per capita GDP growth of 1.5% since 2007, (according to World Bank data) despite the post-electoral violence of early 2008. Its growth is not tied to the extractive sector or primary commodities generally. Rather, services are at the heart of its story. This is reflected in the relatively high ranking for Entrepreneurship & Opportunity (8), compared with an overall Prosperity rank of 18 of 38.

Although Kenya ranks low on Safety & Security (28), the country’s ranking for Education (14), Health (15) and Social Capital (9) underscore the broad opportunities opening up in the medium term for its economy. China has invested heavily in Kenya over the past few years⁹ in the usual economic sectors and infrastructure, but also in education and 63% of Kenyans have a positive view of Chinese influence.

The Kenyan model may provide an example for other African countries looking to harness the high levels of investment in the country to produce sustainable, longer-term growth. The development of strong institutions, along with an educated workforce capable of sustaining a service-based economy, can allow continued growth, as well as consequent improvements in wellbeing. While investment from Asia and elsewhere can provide the capital for such development, the impetus must come from strong governance and committed leadership.

1. African Development Bank Group, *African Development Report 2012: Towards Green Growth in Africa*, (Tunis-Belvedere: African Development Bank, 2013), <http://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/African%20Development%20Report%202012.pdf>
2. “China investments in Africa boom”, *United Press International*, March 20, 2013, http://www.upi.com/Business_News/2013/03/20/China-investments-in-Africa-boom/UPI-68541363778204/
3. “Insight and Strategy - Chinese private sector investment is understated, undercover”, *Standard Bank Research Portal*, last modified May 22, 2013, <https://m.research.standardbank.com/Research?view=1671-CF40C461C65E4A8F9D6A2BF66916A27D-1lastmodified>
4. Xiaofang Shen, “Private Chinese investment in Africa: myths and realities”, (working paper, The World Bank, Development Economics Vice Presidency, 2013), <http://elibrary.worldbank.org/content/workingpaper/10.1596/1813-9450-6311>
5. “The Private Sector, Trade and Investment as Engines of Development” (Tokyo International Conference on African Development, Thematic Session 1, Yokohama, Japan, June 1-3, 2013, <http://www.mofa.go.jp/files/000007153.pdf>
6. Eleanor Whitehead, “South Korea: Africa’s unsung Asian partner”, *This is Africa*, February 26, 2013, <http://www.thisisafricaonline.com/News/South-Korea-Africa-s-unsung-Asian-partner3?ct=true>
7. Ian Taylor, *China’s New Role in Africa*, Boulder (CO: Lynne Rienner Publishers, 2009)
8. Aleksandra Gadzala and Marek Hanush, “African Perspectives on Africa-China: Gauging Popular Perceptions and their Economic and Political Determinants”, (working paper, Afrobarometer, 2010), <http://www.isn.ethz.ch/Digital-Library/Publications/Detail/?id=112383&lng=en>
9. Kenya signs 10 bilateral deals with China”, *Reuters*, April 21, 2011, <http://www.reuters.com/article/2011/04/21/ozatp-kenya-china-aid-idAFJ0E73K00020110421>

MILLENNIUM DEVELOPMENT GOALS

Post–2015 Development Agenda



On Wednesday 6th September 2000, New York City played host to the Millennium Summit, the biggest meeting of global leaders in history at that time. It was at this summit that the United Nations Millennium Declaration¹ was adopted, endorsed by 189 countries, which asserts that every individual has the right to dignity, freedom, equality, a basic standard of living that includes freedom from hunger and violence, and encourages tolerance and solidarity. It is from this declaration that the Millennium Development Goals (MDGs) were derived. There are eight goals with a total of 21 targets.

As we move towards the expiration of the MDGs (2015), now is a good time to reflect on the progress that has been made as well as the challenges that have been faced. While the MDGs are global, for the purposes of this report, our focus will be on Africa.

Although none of the goals has been fully achieved and only four (universal primary education, gender equality, combat of diseases and global partnership) are on track for completion, the region has experienced substantial progress on many of the MDG targets.² For example, the spread of AIDS, malaria and tuberculosis has been reversed and gender equality in school enrolment will likely be achieved soon.

The goals themselves have certainly drawn attention to African development and have helped focus efforts and funds towards the important issues highlighted by the goals. A closer look at the continent reveals a mixed picture, with more targets having been met in northern Africa compared with sub-Saharan Africa.

The MDGs have, however, been criticised for underestimating the progress of African countries given the way they were formulated.³ Moreover, the overemphasis on “outcomes”, rather than on development “processes” has been described as a major drawback to the effectiveness of the MDG agenda, as it focuses more on short-term results than building the correct institutions for long-term sustainable development.⁴

With the 2015 deadline for the goals looming, the crucial questions to be asked are: 1) what did the original development goals miss out? And 2) what should the next set of development goals be focused on?

Goal 1 aimed to eradicate poverty and hunger before 2015. According to the 2013 MDG report, however, sub-Saharan African countries made the least progress to halve the proportion of people suffering from hunger. This slow progress is explained in the report by the recurrence of droughts, exacerbated by climate change, but also price hikes and variability.

The Legatum Prosperity Index™ shows that certain countries have managed to achieve very large improvements since 2005, most notably Nigeria, the Central African Republic and Rwanda. However, after the 2008 global food crisis there was a common trend of an increase in the prevalence of undernourishment.

THE GOALS

1. Eradicate extreme poverty and hunger



2. Achieve universal primary education



3. Promote gender equality and empower women



4. Reduce child mortality



5. Improve maternal health



6. Combat HIV/AIDS, malaria and other diseases



7. Ensure environmental sustainability

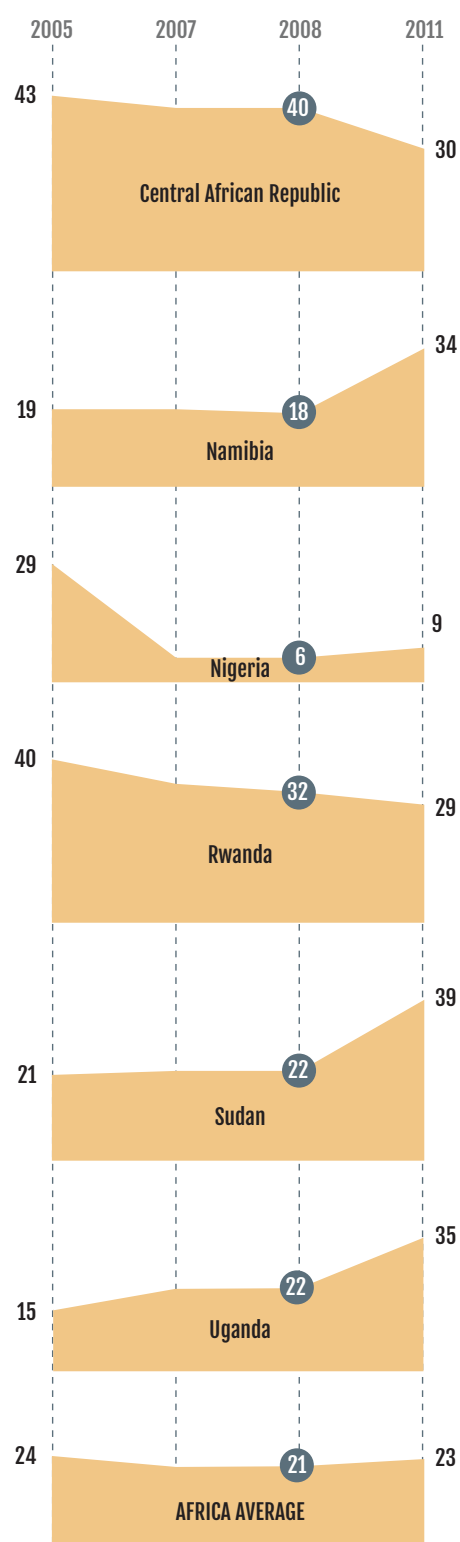


8. Create a global partnership for development with targets for aid, trade and debt relief

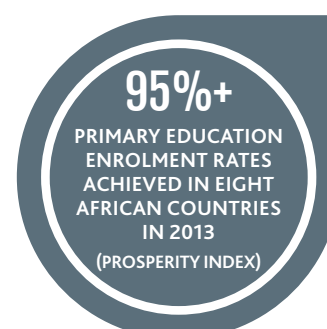
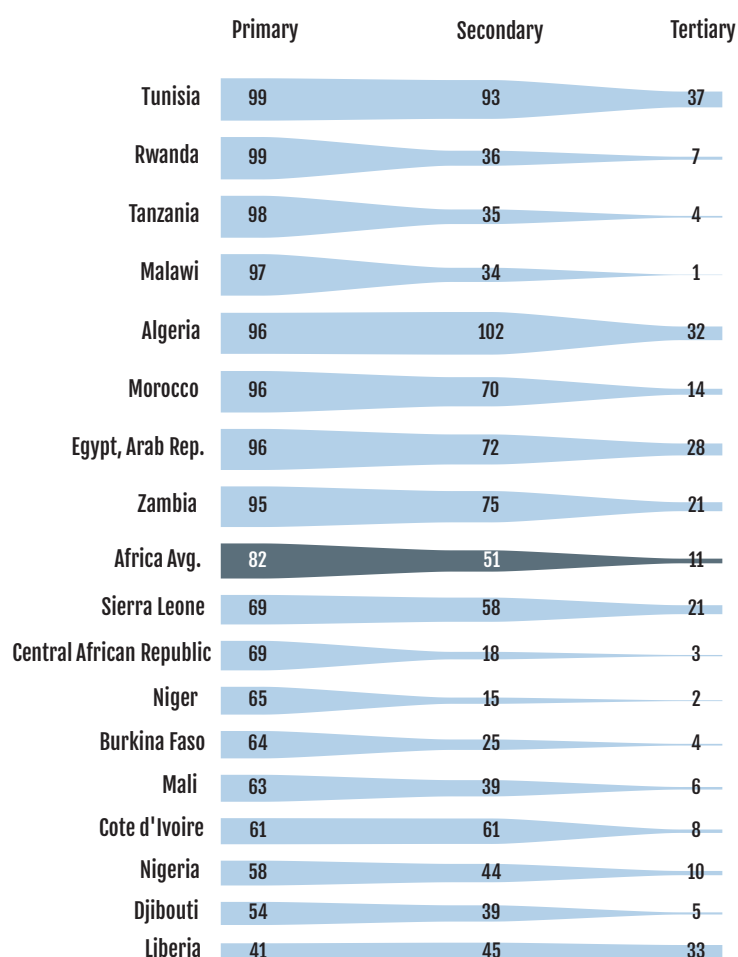




1 SHARE OF THE POPULATION WHOSE CALORY INTAKE IS CONSISTENTLY LESS THAN THE DAILY MINIMUM STANDARDS*



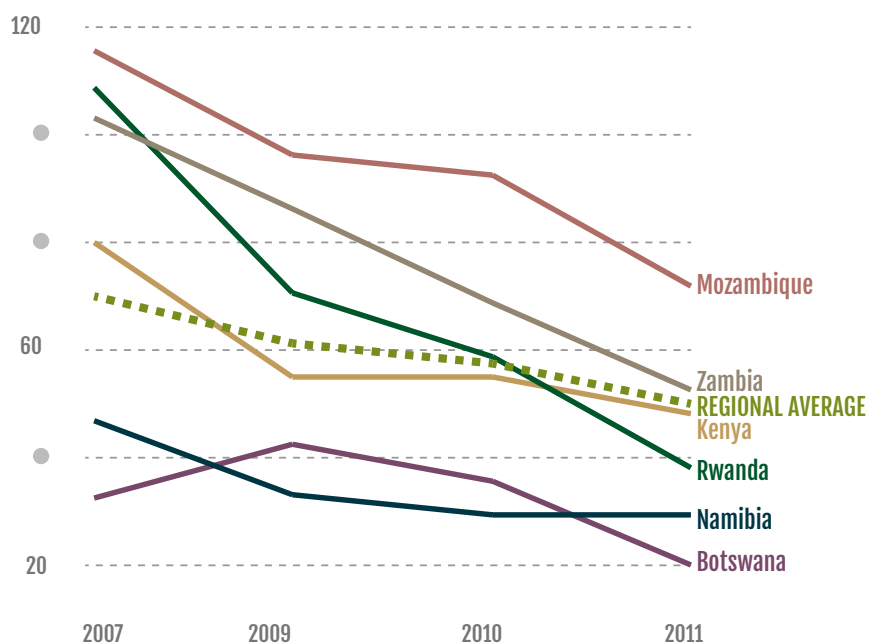
2 ENROLMENT RATES IN PRIMARY, SECONDARY AND TERTIARY EDUCATION*



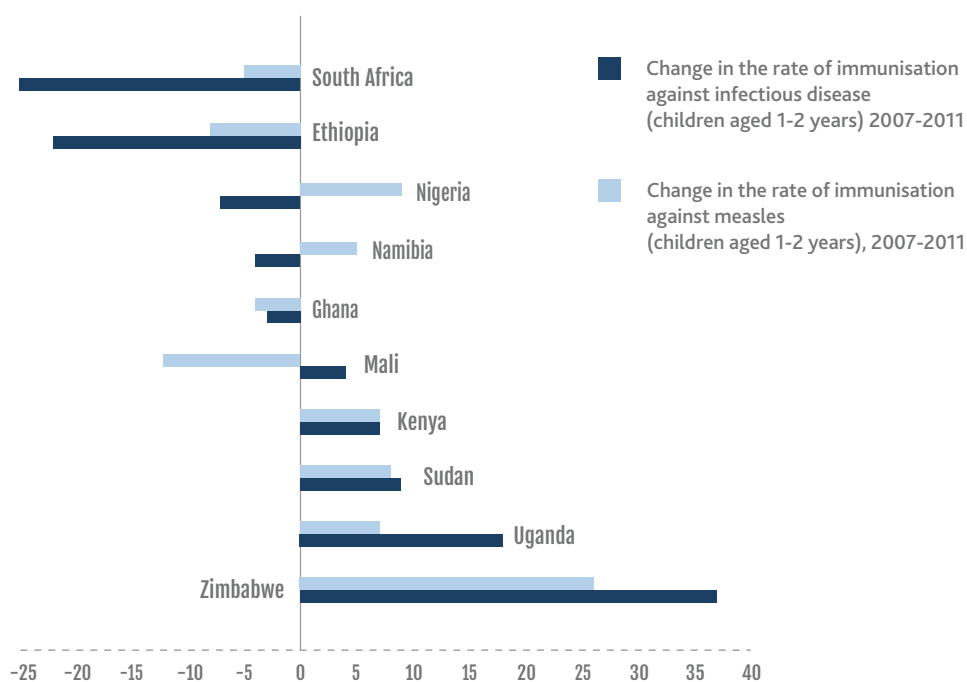
*All data are from the Legatum Prosperity Index



INFANT MORTALITY RATES (PER 1000 LIVE BIRTHS)*



IMMUNISATION RATES*



There has been progress in primary school education in Africa in the past decade. In fact, eight African countries included in the Prosperity Index achieved primary education enrolment rates above 95% in 2013⁵ (for comparison, India and Brazil have respective enrolment rates of 93% and 94%). However, completion rates are still very low and score weakly by international comparison.⁶ Moreover, enrolment rates in secondary and tertiary education, 79% and 39% respectively, are still very low compared to the global average. The Prosperity Index also shows that in the majority of African countries, the average worker has received less than a year of secondary education.

Interestingly, not all countries follow the pattern of high primary but low secondary and tertiary enrolment rates. For example, Liberia and Sierra Leone have much higher tertiary enrolment rates than, for example, Morocco or Malawi but lower primary enrolment rates. Given the above, and to enable a shift from agrarian to service economies, it is crucial that targets are set for secondary and tertiary education in the 2015 MDGs.

Goal 3 targeted gender equality in primary and secondary education. Big improvements were seen in countries such as Nigeria, Ethiopia, Mali and Mozambique. Despite these successes, drops in the ratio in countries such as Ghana, where it fell from 0.97 to 0.93, have meant that the regional average ratio has only increased slightly between 2010 and 2013, from 0.94 to 0.95.

The picture for Goal 4, which aimed at tackling child mortality by an ambitious two thirds, is more encouraging. While the goal has not been achieved worldwide, Africa infant mortality decreased by one third between 1990 and 2011.⁷ Moreover, Prosperity Index data shows that in countries such as Mozambique, Rwanda, and Zambia where infant mortality rates were above the regional average in 2007, highly impressive drops have been achieved in the past few years.

Another indicator under Goal 4 that has been widely met in Africa is immunization against measles: more than 21 countries managed to immunise 90% of their population against measles between 1990 and 2010.⁷ Within the ten top countries that have increased immunization rates are Mali, Ethiopia, Ghana and Sudan. However, we can see from the graphic below that apart from Sudan, there has been a reverse in trend in these countries since 2007, while Zimbabwe has made the most progress in the past four years. Moreover, measles vaccination is a one-dose immunization and therefore easier to achieve than other healthcare indicators. It is interesting to see that although in general immunization rates against measles and against infectious diseases (which require recalls eg for diphtheria, pertussis, and tetanus) change together, there are exceptions such as Nigeria and Namibia.

Significant progress has already been made in health, education, and poverty. These are vital areas for development and new post-2015 targets should be set for them. Looking beyond these themes, however, an important field for the further development in the region must be Safety & Security, where the region has actually lost ground over the past five years.

As the graph shows (overleaf), the improvement in the region's average score for Governance has also been minimal. These two fields are vital for obvious reasons: for any real long-term development to begin, safety and stability is crucial, and once that stability has been established, it is effective governance through stable institutions that will allow it to continue.

There has been considerable debate about whether to include variables on human rights, governance and safety in the post-MDG agenda. Some have questioned whether these targets

would be politically feasible;⁸ there is a debate about the role these issues play at different levels of development, and there are significant challenges relating to measuring them.⁹

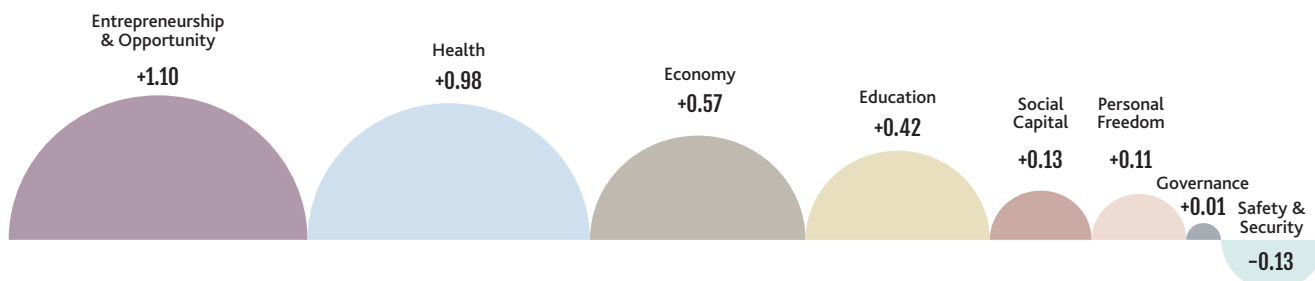
However, there has been increasing awareness and agreement that the rule of law is a crucial factor required to achieve lasting development. Indeed the UN Secretary-General's High-level Panel's recent report¹⁰ outlined specific Sustainable Development Goals (SDGs), which included Goal 10 to "ensure good governance and stable institutions" and Goal 11 to "ensure stable and peaceful societies".



If we look at important variables relating to Safety & Security in the Prosperity Index, we can see why this needs to be an important area of focus. As many as 12% of those surveyed in sub-Saharan Africa reported having been assaulted or mugged in the past year, while the world average was just 7.5%. If we look into specific countries, this number goes as high as 38% (in Angola). Over a quarter of those surveyed across the region reported having property stolen in the past year, while only 56% reported feeling safe walking alone at night. In Namibia, Chad and South Africa, less than a third of people felt this basic perception of safety.

A similar story presents itself when we look at issues of Governance. It has been on average only 12 years since the last regime change in a sub-Saharan country, while this number is 30 years for the world as a whole. It is not hard to see how consistent development is a difficult goal with such regular—and often violent—changes of regime. Sub-Saharan Africa is also far below the world average in terms of rule of law and government effectiveness. The rampant corruption in the region also stands out: over three-quarters of those surveyed in sub-Saharan Africa reported believing that corruption was widespread in business and in the government of their countries.

CHANGES IN PROSPERITY INDEX SUB-INDICES FOR AFRICA 2009–2013*



The graph shows average changes in sub-index scores over five years (2009–2013). All data are from the Prosperity Index.

On Governance variables, Ghana and Rwanda show signs for optimism: Ghana places 3rd and Rwanda places 7th (out of 38 African nations) on the quality of its regulation, and Rwandan citizens have a high level of confidence in both the military and the government. Senegal and Botswana show similar good scores in governance variables. Over the coming years, we are likely to see a growing wedge between these countries and those unable to develop and implement policies to sustain economic growth and support the huge potential of a young population. States like Cameroon, Chad, the Democratic Republic of Congo, and Zimbabwe, appear destined to struggle.

Across Africa, measures relating to Governance and Safety & Security remain very low. These factors that are vital for future development should form part of the post-2015 discussion on development goals. The formulation of the targets and the degree to which they will require international intervention will be important for their political acceptance. Although much of Africa has not yet been able to achieve the targets set out in the MDGs, much progress has been made. The focus now should be on goals and targets that aim to establish stable, democratic governance and increased peace across the continent. Only then will the foundations be laid for long-term development and prosperity.

1. United Nations General Assembly, "United Nations Millennium Declaration", Resolution 55/2, September 18, 2000, http://www.un.org/ga/search/view_doc.asp?symbol=A/RES/55/2&referer=/english/&Lang=E
2. UNDP, MDG Report 2013: Assessing progress in Africa toward the Millennium Development Goals, (Addis Ababa: UNDP, 2013), [http://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/Millennium%20Development%20Goals%20\(MDGs\)%20Report%202013.pdf](http://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/Millennium%20Development%20Goals%20(MDGs)%20Report%202013.pdf)
3. William Easterly, "How the Millennium Development Goals are unfair to Africa", *World Development* 37, no. 1 (2009):26-35
4. Clive Gabay, "The MDG legacy: social, cultural and spatial engineering", (Briefing Paper 36, International NGO Training and Research Centre, 2013), <http://www.intrac.org/data/files/resources/762/Briefing-Paper-36-The-MDG-legacy-social-cultural-and-spatial-engineering.pdf>
5. 2013 Prosperity Index data
6. Net primary enrolment rate: Ratio of children of official school age who are enrolled in school to the population of the corresponding official school age. Gross secondary (tertiary) enrolment: The ratio of total enrolment, regardless of age, to the population of the age group that officially corresponds to the level of secondary (tertiary) education.
7. UNDP, *MDG Report 2013: Assessing progress in Africa toward the Millennium Development Goals*, (Addis Ababa: UNDP, 2013), [http://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/Millennium%20Development%20Goals%20\(MDGs\)%20Report%202013.pdf](http://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/Millennium%20Development%20Goals%20(MDGs)%20Report%202013.pdf)
8. Mark Tran, "Human rights could be faultline in post-2015 development agenda", *The Guardian*, November 21, 2012, <http://www.theguardian.com/global-development/2012/nov/21/human-rights-faultline-development-agenda>
9. Lisa Denney, "Security: The missing bottom of the Millennium Development Goals?", (Research Report, Overseas Development Institute, August 2012), <http://www.odi.org.uk/sites/odi.org.uk/files/odi-assets/publications-opinion-files/7788.pdf>
10. UN Secretary-General's High-level Panel of Eminent Persons on the Post-2015 Development Agenda, *A New Global Partnership: Eradicate Poverty and Transform Economies Through Sustainable Development*, (New York: UN Secretary-General's High-level Panel of Eminent Persons on the Post-2015 Development Agenda, May 2013), <http://www.post2015hlp.org/wp-content/uploads/2013/05/UN-Report.pdf>



COUNTRY FACTSHEETS: Africa

OVERALL RANKING: (TOTAL 38)

6

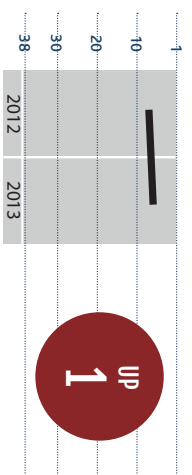
AFRICA RANKING

Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
Rwanda	9
Zambia	10
Egypt	11
Niger	12
Mali	13
Burkina Faso	14
Benin	15
Uganda	16
Cameroon	17
Kenya	18
Tanzania	19
Congo (Republic)	20
Malawi	21
Djibouti	22
Mozambique	23
Nigeria	24
Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
Congo (DR)	36
Central African Republic	37
Chad	38

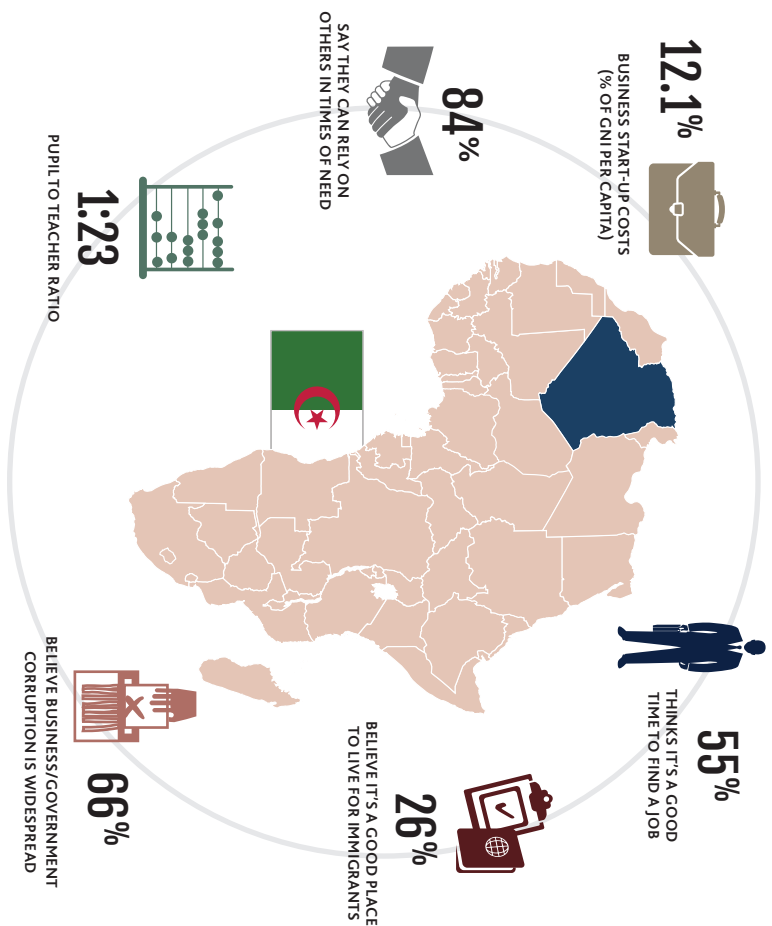
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ALGERIA

PERFORMANCE



- » Algeria has moved up one place to 6th in overall Prosperity.
- » The country ranks first in the Education sub-index, as a result of an increase in the girls to boys enrolment ratio, net primary enrolment rate, and gross secondary and tertiary enrolment rates.
- » The Economy sub-index registers a one place decline, to 3rd, because of decreasing high-tech exports and a slowdown in the 5-year GDP per capita growth rate.



DATA IN FOCUS:

SUB-INDICES

3	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	0.9%	2.7%
	Confidence in financial institutions?* (% yes)	2012	67.2%	66.7%
	Satisfaction with living standards?* (% yes)	2012	66.3%	40.8%
6	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0.5%	0.2%
	Mobile phones (per 100 ppl)	2011	103.3	701
	Will working hard get you ahead?* (% yes)	2012	90.8%	88.2%
17	GOVERNANCE			
	Confidence in the government?* (% yes)	2009	54.8%	55.1%
	Confidence in the judiciary?* (% yes)	2010	64.7%	55%
	Government effectiveness ¹	2011	-0.7	-0.7
1	EDUCATION			
	Gross secondary enrolment rate	2011	101.6%	50.6%
	Satisfaction with education quality?* (% yes)	2012	65.9%	51.8%
	Perception children are learning?* (% yes)	2012	71.4%	62.2%
2	HEALTH			
	Self-reported health problems?* (% yes)	2012	10.9%	25%
	Hospital beds* (per 1000 people)	-	2.3	1.2
	Satisfaction with health?* (% yes)	2011	84.1%	75.8%
18	SAFETY & SECURITY			
	Human flight ²	2012	5.4	6.7
	Safe walking alone at night?* (% yes)	2012	53.5%	55.7%
	Property stolen in past 12 months?* (% yes)	2012	20.2%	25.2%
35	PERSONAL FREEDOM			
	Civil liberties ³	2012	3	3.7
	Tolerance for ethnic groups?* (% yes)	2012	31.4%	67%
	Satisfaction with freedom of choice?* (% yes)	2012	58.7%	66.3%
19	SOCIAL CAPITAL			
	Volunteered time in past month?* (% yes)	2012	8.4%	17.1%
	Donated to charity in past month?* (% yes)	2012	12.1%	15%
	Helped strangers in past month?* (% yes)	2012	45%	50.2%

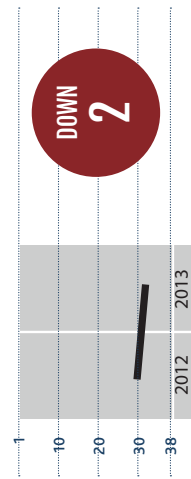
NOTES: ¹Gov. effectiveness values range from -1.66 to 2.35, higher values indicate higher effectiveness. ²Human flight values range from 1 to 10, higher values indicate higher levels of human flight. ³Civil liberties values range from 1 to 7, lower values indicate lack of civil liberties. ⁴Survey data are taken from Gallup World Poll.

AFRICA RANKING

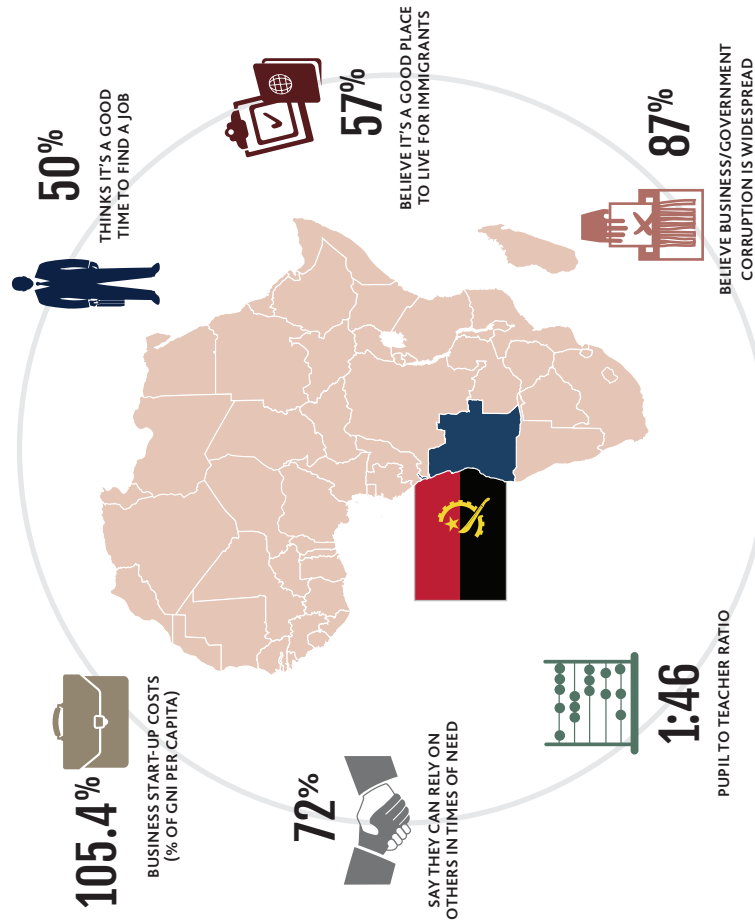
Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
Rwanda	9
Zambia	10
Egypt	11
Niger	12
Mali	13
Burkina Faso	14
Benin	15
Uganda	16
Cameroon	17
Kenya	18
Tanzania	19
Congo (Republic)	20
Malawi	21
Djibouti	22
Mozambique	23
Nigeria	24
Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
Congo (DR)	36
Central African Republic	37
Chad	38

ANGOLA

PERFORMANCE



- » **Angola has moved down two places to 32nd overall.**
- » **The Governance sub-index has registered the biggest decrease, dropping down nine places to 32nd.**
This drop is the result of an increase in perceptions of business and government corruption, and a decline in confidence in government and in the honesty of elections.
- » **The country has moved up four places to 22nd in the Economy sub-index.** This rise is due to an increase in gross domestic savings, market size and high-tech exports.



DATA IN FOCUS:

SUB-INDICES

22	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	5.7%	2.7%
	Confidence in financial institutions? ² (% yes)	2011	55.8%	66.7%
	Satisfaction with living standards? ² (% yes)	2011	50.3%	40.8%
24	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0%	0.2%
	Mobile phones (per 100 ppl)	2011	48.6	70.1
	Will working hard get you ahead? ² (% yes)	2011	59.4%	88.2%
32	GOVERNANCE			
	Confidence in the government? ² (% yes)	2011	24.4%	55.1%
	Confidence in the judiciary? ² (% yes)	2011	37.8%	55%
	Government effectiveness ¹	2011	-1.2	-0.7
27	EDUCATION			
	Gross secondary enrolment rate	2010	31.3%	50.6%
	Satisfaction with education quality? ² (% yes)	2011	44.5%	51.8%
	Perception children are learning? ² (% yes)	2011	62.5%	62.2%
28	HEALTH			
	Self-reported health problems? ² (% yes)	2011	21.1%	25%
	Hospital beds* (per 1000 people)	2005	0.8	1.2
	Satisfaction with health? ² (% yes)	2011	74.4%	75.8%
30	SAFETY & SECURITY			
	Human flight ²	2012	5.6	6.7
	Safe walking alone at night? ² (% yes)	2011	45.5%	55.7%
	Property stolen in past 12 months? ² (% yes)	2011	28.7%	25.2%
36	PERSONAL FREEDOM			
	Civil liberties ³	2012	3	3.7
	Tolerance for ethnic groups? ² (% yes)	2011	29.8%	67%
	Satisfaction with freedom of choice? ² (% yes)	2011	58.4%	66.3%
20	SOCIAL CAPITAL			
	Volunteered time in past month? ² (% yes)	2011	34.4%	17.1%
	Donated to charity in past month? ² (% yes)	2011	32.2%	15%
	Helped strangers in past month? ² (% yes)	2011	57.5%	50.2%

NOTES: ¹Gov. effectiveness: values range from -1.66 to 2.25, higher values indicate higher effectiveness. ²Human flight: values range from 1 to 10, higher values indicate higher levels of human flight. ³Civil liberties: values range from 1 to 7, lower values indicate lack of civil liberties. *Survey data are taken from Gallup World Poll.

OVERALL RANKING: (TOTAL 38)

15

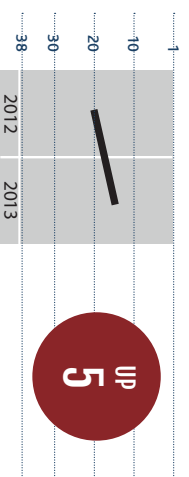
AFRICA RANKING

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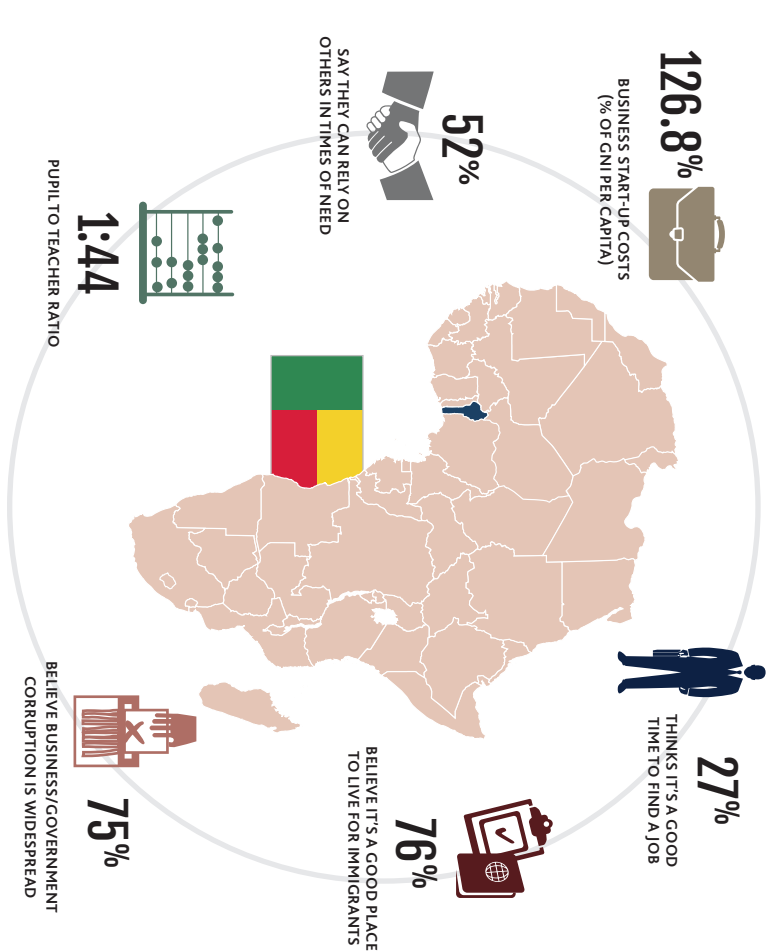
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BENIN

PERFORMANCE



- » Benin's overall Prosperity ranking rose by five places to 15th in Africa between 2012 and 2013.
- » In the Economy sub-index the nation fell seven places. A decrease in foreign direct investment, and gross domestic savings drove the country down from 23rd to 30th.
- » It has risen by four places in the Health sub-index (from 16th to 12th). This increase was caused mainly by a decrease in tuberculosis rates, undernourishment, and infant mortality.
- » Benin ranks 1st in Africa in both the Personal Freedom and Safety & Security sub-indices, but finds itself in the bottom 5 for Social Capital, where it is ranked 36th.



DATA IN FOCUS:

SUB-INDICES

30	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	0.7%	2.7%
	Confidence in financial institutions?* (% yes)	2012	64.8%	66.7%
	Satisfaction with living standards?* (% yes)	2012	20.2%	40.8%
28	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0%	0.2%
	Mobile phones (per 100 ppl)	2011	89.9	701
	Will working hard get you ahead? (% yes)	2012	88.2%	88.2%
8	GOVERNANCE			
	Confidence in the government?* (% yes)	2012	58.6%	55.1%
	Confidence in the judiciary?* (% yes)	2012	56.3%	55%
	Government effectiveness ¹	2011	-0.5	-0.7
17	EDUCATION			
	Gross secondary enrolment rate	2011	51.4%	50.6%
	Satisfaction with education quality?* (% yes)	2012	52.1%	51.8%
	Perception children are learning?* (% yes)	2012	66%	62.2%
12	HEALTH			
	Self-reported health problems?* (% yes)	2012	29.1%	25%
	Hospital beds* (per 1000 people)	2010	0.5	1.2
	Satisfaction with health?* (% yes)	2012	68.8%	75.8%
1	SAFETY & SECURITY			
	Human flight ²	2012	6.3	6.7
	Safe walking alone at night?* (% yes)	2012	71.7%	55.7%
	Property stolen in past 12 months?* (% yes)	2012	19.3%	25.2%
1	PERSONAL FREEDOM			
	Civil liberties ³	2012	6	3.7
	Tolerance for ethnic groups?* (% yes)	2012	79.6%	67%
	Satisfaction with freedom of choice?* (% yes)	2012	76.9%	66.3%
36	SOCIAL CAPITAL			
	Volunteered time in past month?* (% yes)	2012	11.6%	17.1%
	Donated to charity in past month?* (% yes)	2012	8.2%	15%
	Helped strangers in past month?* (% yes)	2012	37.4%	50.2%

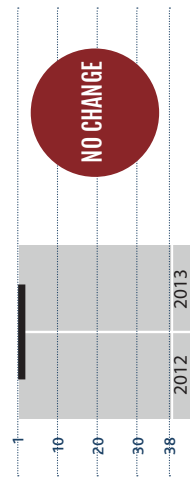
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AFRICA RANKING

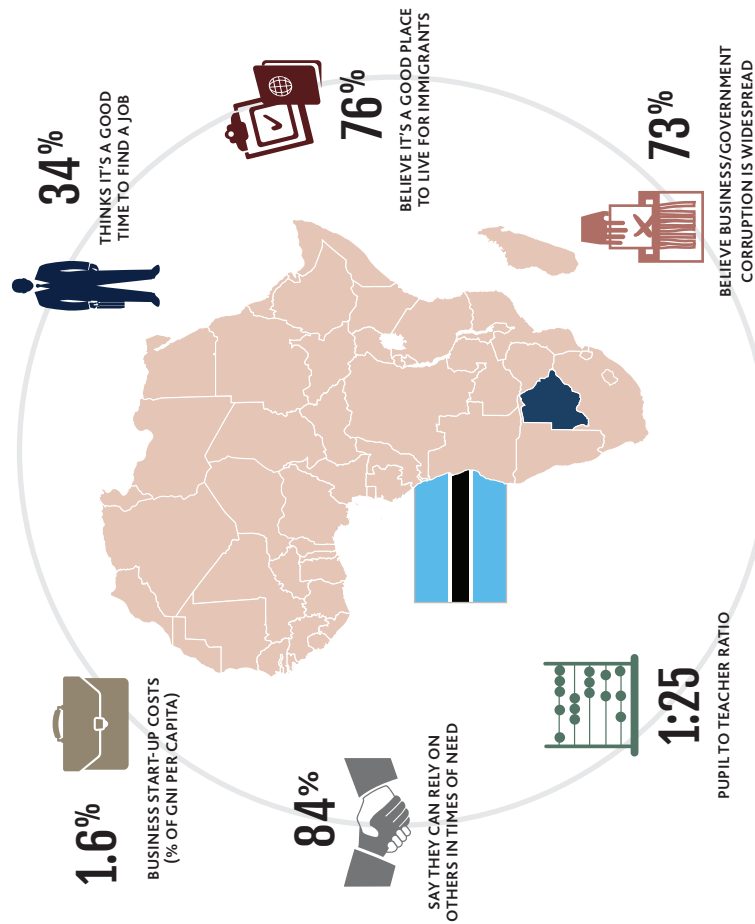
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BOTSWANA

PERFORMANCE



- » Botswana has remained at 1st in its overall Prosperity rank between 2012 and 2013.
- » The country has moved up by seven places to 10th in the Economy sub-index due to increases in its employment rate, an increase in high-tech exports and increases in the gross domestic savings rate.
- » It is in the top 10 for every sub-index in Africa except for Social Capital, down by six places, to 24th as a result of decreases in the levels of charitable donations.



DATA IN FOCUS:

SUB-INDICES

10	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	3.2%	2.7%
	Confidence in financial institutions? ² (% yes)	2012	71.5%	66.7%
	Satisfaction with living standards? ² (% yes)	2012	36%	40.8%
3	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0.2%	0.2%
	Mobile phones (per 100 ppl)	2011	150.1	70.1
	Will working hard get you ahead? ² (% yes)	2012	95.4%	88.2%
1	GOVERNANCE			
	Confidence in the government? ² (% yes)	2012	69.2%	55.1%
	Confidence in the judiciary? ² (% yes)	2011	81.8%	55%
	Government effectiveness ¹	2011	0.5	-0.7
4	EDUCATION			
	Gross secondary enrolment rate	2008	82.1%	50.6%
	Satisfaction with education quality? ² (% yes)	2011	64.3%	51.8%
	Perception children are learning? ² (% yes)	2011	91.5%	62.2%
7	HEALTH			
	Self-reported health problems? ² (% yes)	2012	29.3%	25%
	Hospital beds* (per 1000 people)	2010	1.8	1.2
	Satisfaction with health? ² (% yes)	2012	67.9%	75.8%
5	SAFETY & SECURITY			
	Human flight ²	2012	5.3	6.7
	Safe walking alone at night? ² (% yes)	2012	34.6%	55.7%
	Property stolen in past 12 months? ² (% yes)	2012	29.9%	25.2%
5	PERSONAL FREEDOM			
	Civil liberties ³	2012	6	3.7
	Tolerance for ethnic groups? ² (% yes)	2012	68%	67%
	Satisfaction with freedom of choice? ² (% yes)	2012	79.9%	66.3%
24	SOCIAL CAPITAL			
	Volunteered time in past month? ² (% yes)	2012	18.7%	17.1%
	Donated to charity in past month? ² (% yes)	2011	6.4%	15%
	Helped strangers in past month? ² (% yes)	2012	51.1%	50.2%

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OVERALL RANKING: (TOTAL 38)

14

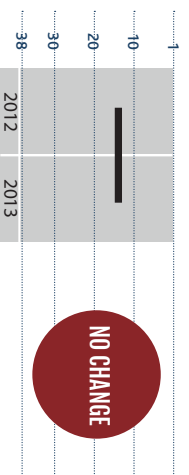
AFRICA RANKING

Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
Rwanda	9
Zambia	10
Egypt	11
Niger	12
Mali	13
Burkina Faso	14
Benin	15
Uganda	16
Cameroon	17
Kenya	18
Tanzania	19
Congo (Republic)	20
Malawi	21
Djibouti	22
Mozambique	23
Nigeria	24
Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
Congo (DR)	36
Central African Republic	37
Chad	38

LEGATUM INSTITUTE | THE 2013 LEGATUM PROSPERITY INDEX™ COUNTRY FACTSHEET

BURKINA FASO

PERFORMANCE

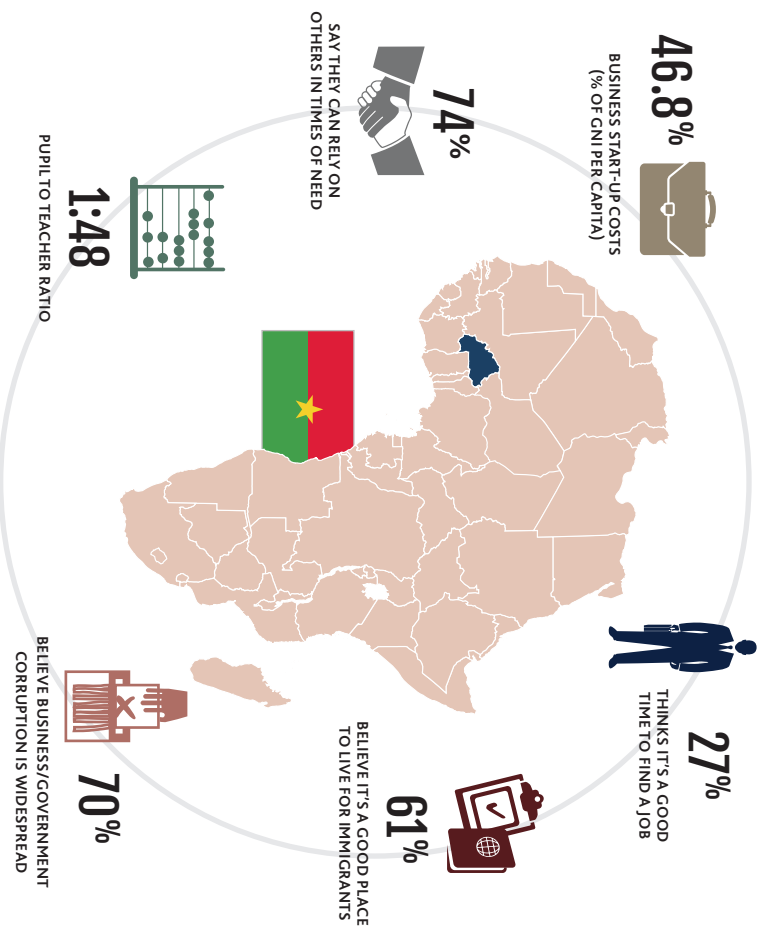


» Burkina Faso ranks **14th** in overall Prosperity rankings, with no movement from 2012.

» The Health sub-index went down **fourteen places to 23rd**. This is the result of a decrease in measles immunisation rates and per capita health expenditure, alongside an increase in undernourishment.

» Burkina Faso saw the **largest improvement in Africa for Entrepreneurship & Opportunity**, moving up nine places, to 22nd in the region.

» The Education sub-index rose by **seven places to 28th** as a result of improvements in the girl to boy ratio in primary schools and the number of years of secondary education per worker.



DATA IN FOCUS:

SUB-INDICES

18	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	1.9%	2.7%
	Confidence in financial institutions?* (% yes)	2012	72.8%	66.7%
	Satisfaction with living standards?* (% yes)	2012	27%	40.8%
22	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0%	0.2%
	Mobile phones (per 100 ppl)	2011	571	701
	Will working hard get you ahead? (% yes)	2012	87.3%	88.2%
11	GOVERNANCE			
	Confidence in the government?* (% yes)	2012	62.1%	55.1%
	Confidence in the judiciary?* (% yes)	2012	59.3%	55%
	Government effectiveness ¹	2011	-0.5	-0.7
28	EDUCATION			
	Gross secondary enrolment rate	2012	24.7%	50.6%
	Satisfaction with education quality?* (% yes)	2012	66.4%	51.8%
	Perception children are learning?* (% yes)	2012	64.4%	62.2%
23	HEALTH			
	Self-reported health problems?* (% yes)	2012	25.1%	25%
	Hospital beds* (per 1000 people)	2010	0.4	1.2
	Satisfaction with health?* (% yes)	2012	76.5%	75.8%
8	SAFETY & SECURITY			
	Human flight ²	2012	6	6.7
	Safe walking alone at night?* (% yes)	2012	69.9%	55.7%
	Property stolen in past 12 months?* (% yes)	2012	16.4%	25.2%
4	PERSONAL FREEDOM			
	Civil liberties ³	2012	5	3.7
	Tolerance for ethnic groups?* (% yes)	2012	92.2%	67%
	Satisfaction with freedom of choice?* (% yes)	2012	62.2%	66.3%
21	SOCIAL CAPITAL			
	Volunteered time in past month?* (% yes)	2012	8.2%	17.1%
	Donated to charity in past month?* (% yes)	2012	9.5%	15%
	Helped strangers in past month?* (% yes)	2012	46.2%	50.2%

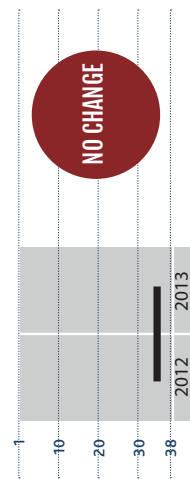
NOTES: ¹Gov. effectiveness values range from -1.66 to 2.25, higher values indicate higher effectiveness. ²Human flight values range from 1 to 10, higher values indicate higher levels of human flight. ³Civil liberties values range from 1 to 7, lower values indicate lack of civil liberties. ⁴Survey data are taken from Gallup World Poll.

AFRICA RANKING

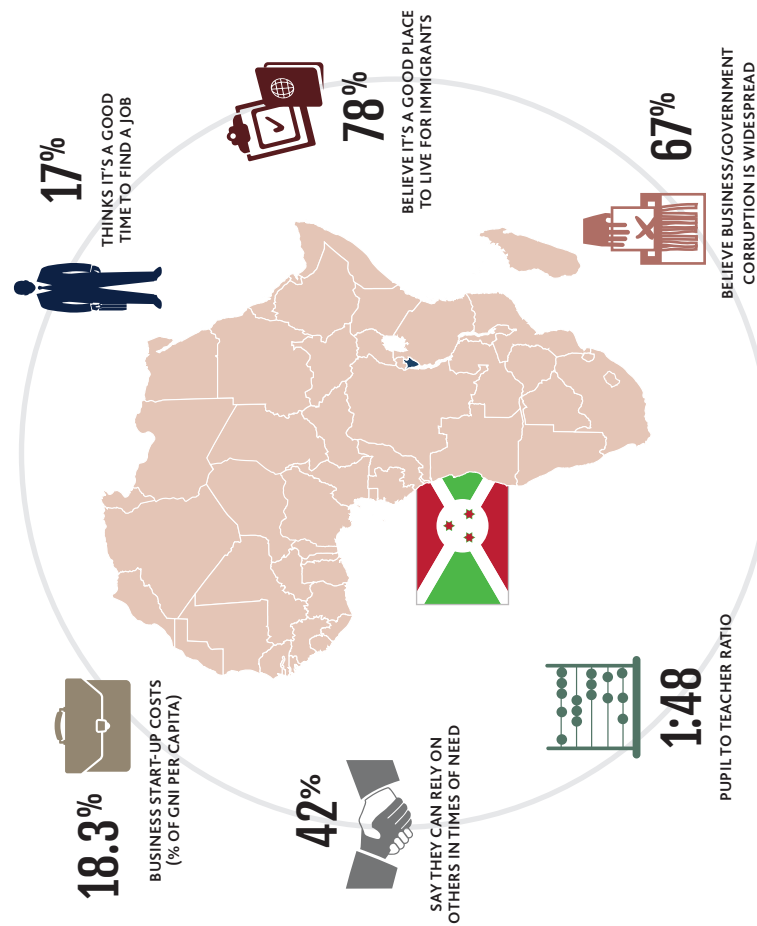
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South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
Rwanda	9
Zambia	10
Egypt	11
Niger	12
Mali	13
Burkina Faso	14
Benin	15
Uganda	16
Cameroon	17
Kenya	18
Tanzania	19
Congo (Republic)	20
Malawi	21
Djibouti	22
Mozambique	23
Nigeria	24
Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
Congo (DRC)	36
Central African Republic	37
Chad	38

BURUNDI

PERFORMANCE



- » Burundi has seen no change in overall Prosperity staying at 35th overall.
- » The Economy sub-index experienced the biggest decrease by three places, dropping to 37th. This is because of an increase in inflation, and a decline in gross domestic savings.
- » The country has moved up three places to 33rd in the Entrepreneurship & Opportunity sub-index. A decrease in business start-up costs, an increase in internet bandwidth, and in mobile phones per 100 people, helped improve this sub-index.



DATA IN FOCUS:

SUB-INDICES

37	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	0.8%	2.7%
	Confidence in financial institutions? ² (% yes)	2011	82%	66.7%
	Satisfaction with living standards? ² (% yes)	2011	26.2%	40.8%
33	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0%	0.2%
	Mobile phones (per 100 ppl)	2011	25.7	70.1
	Will working hard get you ahead? ² (% yes)	2011	91.9%	88.2%
23	GOVERNANCE			
	Confidence in the government? ² (% yes)	2011	85.2%	55.1%
	Confidence in the judiciary? ² (% yes)	2011	56.5%	55%
	Government effectiveness ¹	2011	-1.1	-0.7
22	EDUCATION			
	Gross secondary enrolment rate	2011	28%	50.6%
	Satisfaction with education quality? ² (% yes)	2011	71%	51.8%
	Perception children are learning? ² (% yes)	2011	42.5%	62.2%
34	HEALTH			
	Self-reported health problems? ² (% yes)	2011	31.2%	25%
	Hospital beds* (per 1000 people)	2011	1.9	1.2
	Satisfaction with health? ² (% yes)	2011	70.3%	75.8%
25	SAFETY & SECURITY			
	Human flight ²	2012	5.9	6.7
	Safe walking alone at night? ² (% yes)	2011	65.2%	55.7%
	Property stolen in past 12 months? ² (% yes)	2011	24.3%	25.2%
29	PERSONAL FREEDOM			
	Civil liberties ³	2012	3	3.7
	Tolerance for ethnic groups? ² (% yes)	2011	76.6%	67%
	Satisfaction with freedom of choice? ² (% yes)	2011	49%	66.3%
35	SOCIAL CAPITAL			
	Volunteered time in past month? ² (% yes)	2011	7.7%	17.1%
	Donated to charity in past month? ² (% yes)	2011	4.8%	15%
	Helped strangers in past month? ² (% yes)	2011	27.8%	50.2%

NOTES: ¹Gov. effectiveness: values range from -1.66 to 2.25, higher values indicate higher effectiveness. ²Human flight: values range from 1 to 10, higher values indicate higher levels of human flight. ³Civil liberties: values range from 1 to 7, lower values indicate lack of civil liberties. *Survey data are taken from Gallup World Poll.

OVERALL RANKING: (TOTAL 38)

17

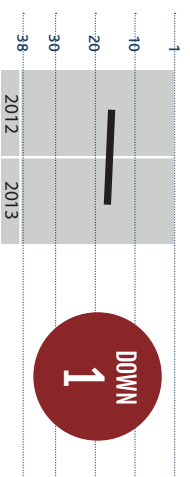
AFRICA RANKING

Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
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Guinea	33
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Burundi	35
Congo (DR)	36
Central African Republic	37
Chad	38

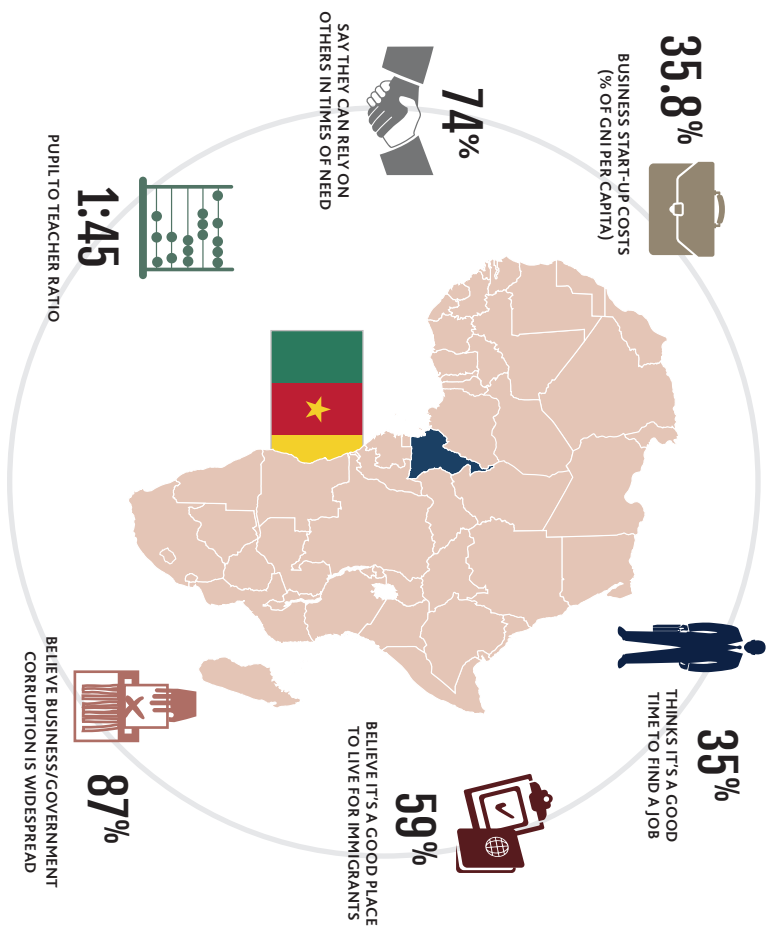
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CAMEROON

PERFORMANCE



- » Cameroon has fallen from 16th to 17th in overall Prosperity rank.
- » The Personal Freedom sub-index has gone down nine places to 21st. This decline is the result of decreases in tolerance for immigrants and ethnic minorities.
- » The Safety & Security sub-index has improved seven places to 15th due to decreases the incidences of property being stolen and an increased perception in being able to safely walk home alone at night.
- » Cameroon's best performance is in the Economy sub-index, ranking 8th in the region.



DATA IN FOCUS:

SUB-INDICES

8	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	0.5%	2.7%
	Confidence in financial institutions?* (% yes)	2012	59.4%	66.7%
	Satisfaction with living standards?* (% yes)	2012	39.3%	40.8%
16	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0%	0.2%
	Mobile phones (per 100 ppl)	2011	64	701
	Will working hard get you ahead? (% yes)	2012	93.5%	88.2%
28	GOVERNANCE			
	Confidence in the government?* (% yes)	2012	53.8%	55.1%
	Confidence in the judiciary?* (% yes)	2012	41.3%	55%
	Government effectiveness ¹	2011	-0.9	-0.7
13	EDUCATION			
	Gross secondary enrolment rate	2011	51.3%	50.6%
	Satisfaction with education quality?* (% yes)	2012	66.9%	51.8%
	Perception children are learning?* (% yes)	2012	70.3%	62.2%
22	HEALTH			
	Self-reported health problems?* (% yes)	2012	29.1%	25%
	Hospital beds* (per 1000 people)	2010	1.3	1.2
	Satisfaction with health?* (% yes)	2012	73%	75.8%
15	SAFETY & SECURITY			
	Human flight ²	2012	7.5	6.7
	Safe walking alone at night?* (% yes)	2012	60.8%	55.7%
	Property stolen in past 12 months?* (% yes)	2012	13.9%	25.2%
21	PERSONAL FREEDOM			
	Civil liberties ³	2012	2	3.7
	Tolerance for ethnic groups?* (% yes)	2012	70.8%	67%
	Satisfaction with freedom of choice?* (% yes)	2012	76.6%	66.3%
25	SOCIAL CAPITAL			
	Volunteered time in past month?* (% yes)	2012	12.5%	17.1%
	Donated to charity in past month?* (% yes)	2012	17.2%	15%
	Helped strangers in past month?* (% yes)	2012	66.7%	50.2%

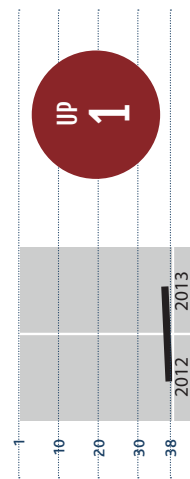
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AFRICA RANKING

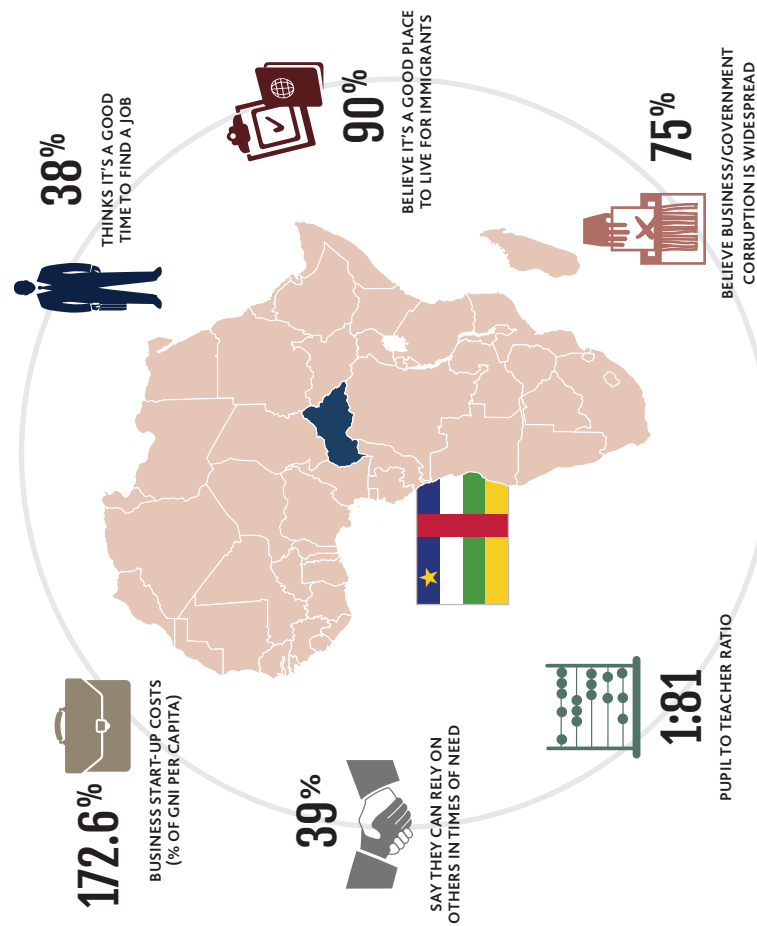
Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
Rwanda	9
Zambia	10
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Mozambique	23
Nigeria	24
Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
Congo (DR)	36
Central African Republic	37
Chad	38

CENTRAL AFRICAN REPUBLIC

PERFORMANCE



- » **Central African Republic has moved up one place to 37th overall**, registering increases in the Economy (now 28th) and Governance (25th) sub-indices.
- » **Personal Freedom presents the biggest rise—moving up 13 places to 13th**—due to an increase in the guarantee of civil liberties and tolerance towards immigrants and ethnic minorities.
- » **Social Capital registers the biggest decrease, going down five places to 37th in 2013**. Compared to last year, the country presents lower scores on perceptions of social support, less people volunteered their time to organisations, and a smaller percentage of people have helped strangers this year.



DATA IN FOCUS:

SUB-INDICES

28	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	0.8%	2.7%
	Confidence in financial institutions? ² (% yes)	2011	72.3%	66.7%
	Satisfaction with living standards? ² (% yes)	2011	33.8%	40.8%
38	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0%	0.2%
	Mobile phones (per 100 ppl)	2011	23.4	70.1
	Will working hard get you ahead? ² (% yes)	2011	90.6%	88.2%
25	GOVERNANCE			
	Confidence in the government? ² (% yes)	2011	80.3%	55.1%
	Confidence in the judiciary? ² (% yes)	2011	69.2%	55%
	Government effectiveness ¹	2011	-1.4	-0.7
38	EDUCATION			
	Gross secondary enrolment rate	2011	18%	50.6%
	Satisfaction with education quality? ² (% yes)	2011	39.3%	51.8%
	Perception children are learning? ² (% yes)	2011	53.5%	62.2%
36	HEALTH			
	Self-reported health problems? ² (% yes)	2011	25.1%	25%
	Hospital beds* (per 1000 people)	2011	1	1.2
	Satisfaction with health? ² (% yes)	2011	70.1%	75.8%
35	SAFETY & SECURITY			
	Human flight ²	2012	5.6	6.7
	Safe walking alone at night? ² (% yes)	2011	59.8%	55.7%
	Property stolen in past 12 months? ² (% yes)	2011	30.4%	25.2%
13	PERSONAL FREEDOM			
	Civil liberties ³	2012	3	3.7
	Tolerance for ethnic groups? ² (% yes)	2011	74.5%	67%
	Satisfaction with freedom of choice? ² (% yes)	2011	78%	66.3%
37	SOCIAL CAPITAL			
	Volunteered time in past month? ² (% yes)	2011	14.6%	17.1%
	Donated to charity in past month? ² (% yes)	2011	12.1%	15%
	Helped strangers in past month? ² (% yes)	2011	43.1%	50.2%

NOTES: ¹Gov. effectiveness: values range from -1.66 to 2.25, higher values indicate higher effectiveness. ²Human flight: values range from 1 to 10, higher values indicate higher levels of human flight. ³Civil liberties: values range from 1 to 7, lower values indicate lack of civil liberties. *Survey data are taken from Gallup World Poll.

OVERALL RANKING: (TOTAL 38)

38

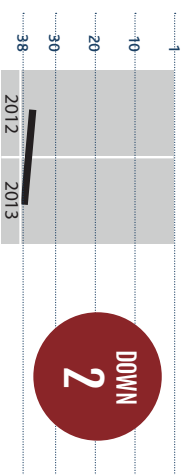
AFRICA RANKING

Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
Rwanda	9
Zambia	10
Egypt	11
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Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
Congo (DR)	36
Central African Republic	37
Chad	38

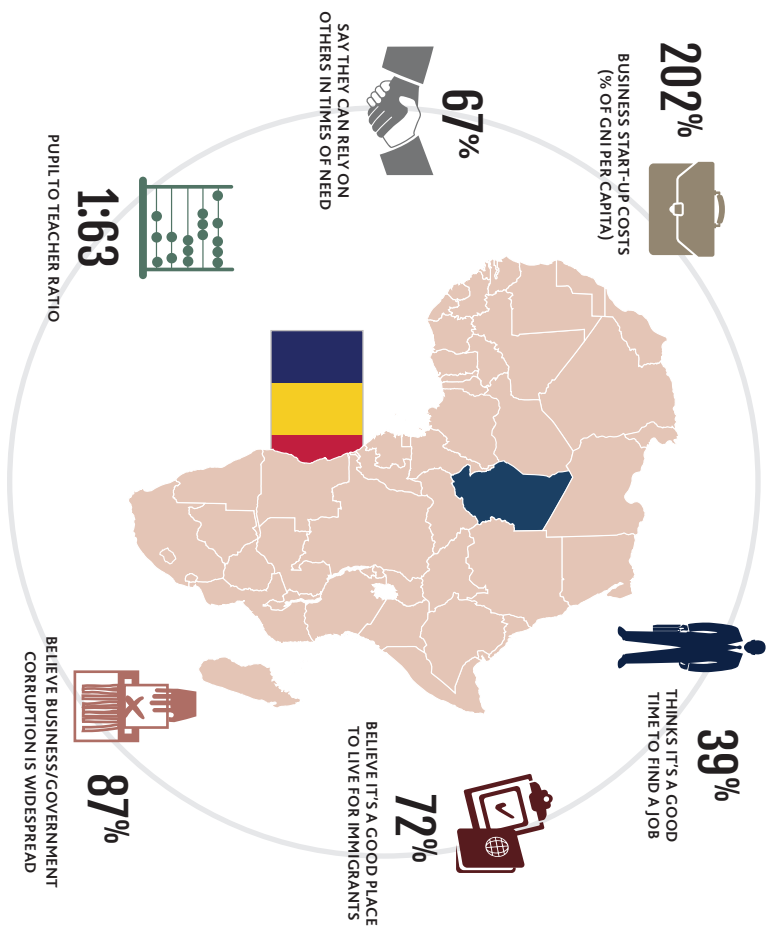
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CHAD

PERFORMANCE



- » Chad moves down two places to the bottom of the ranking in overall Prosperity (38th).
- » The Economy sub-index registers the biggest increase in ranking, moving up six places to 14th. This is mainly due to a big increase in gross domestic savings.
- » Social Capital sub-index has fallen the most, down fourteen places to 28th, due to a decline in perceptions of social support and in money donations to charity.
- » Rankings for Entrepreneurship & Opportunity (36th), Governance (37th), Education (37th), Health (38th) and Social Capital (28th) sub-indices have all decreased.



DATA IN FOCUS:

SUB-INDICES

14	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	0.5%	2.7%
	Confidence in financial institutions?* (% yes)	2012	66.3%	66.7%
	Satisfaction with living standards?* (% yes)	2012	41.9%	40.8%
36	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0%	0.2%
	Mobile phones (per 100 ppl)	2011	35.5	701
	Will working hard get you ahead? (% yes)	2012	80.1%	88.2%
37	GOVERNANCE			
	Confidence in the government?* (% yes)	2012	30.7%	55.1%
	Confidence in the judiciary?* (% yes)	2012	31.7%	55%
	Government effectiveness ¹	2011	-1.4	-0.7
37	EDUCATION			
	Gross secondary enrolment rate	2011	25.4%	50.6%
	Satisfaction with education quality?* (% yes)	2012	58.8%	51.8%
	Perception children are learning?* (% yes)	2012	53.7%	62.2%
38	HEALTH			
	Self-reported health problems?* (% yes)	2012	29.7%	25%
	Hospital beds* (per 1000 people)	2005	0.4	1.2
	Satisfaction with health?* (% yes)	2012	67.4%	75.8%
37	SAFETY & SECURITY			
	Human flight ²	2012	7.7	6.7
	Safe walking alone at night?* (% yes)	2012	32.9%	55.7%
	Property stolen in past 12 months?* (% yes)	2012	19.5%	25.2%
31	PERSONAL FREEDOM			
	Civil liberties ³	2012	2	3.7
	Tolerance for ethnic groups?* (% yes)	2012	70.1%	67%
	Satisfaction with freedom of choice?* (% yes)	2012	56.3%	66.3%
28	SOCIAL CAPITAL			
	Volunteered time in past month?* (% yes)	2012	11.7%	17.1%
	Donated to charity in past month?* (% yes)	2012	12.8%	15%
	Helped strangers in past month?* (% yes)	2012	50.4%	50.2%

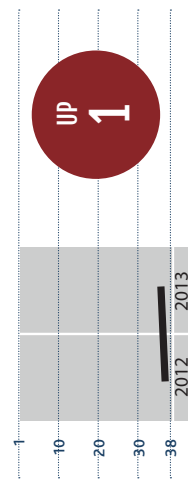
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AFRICA RANKING

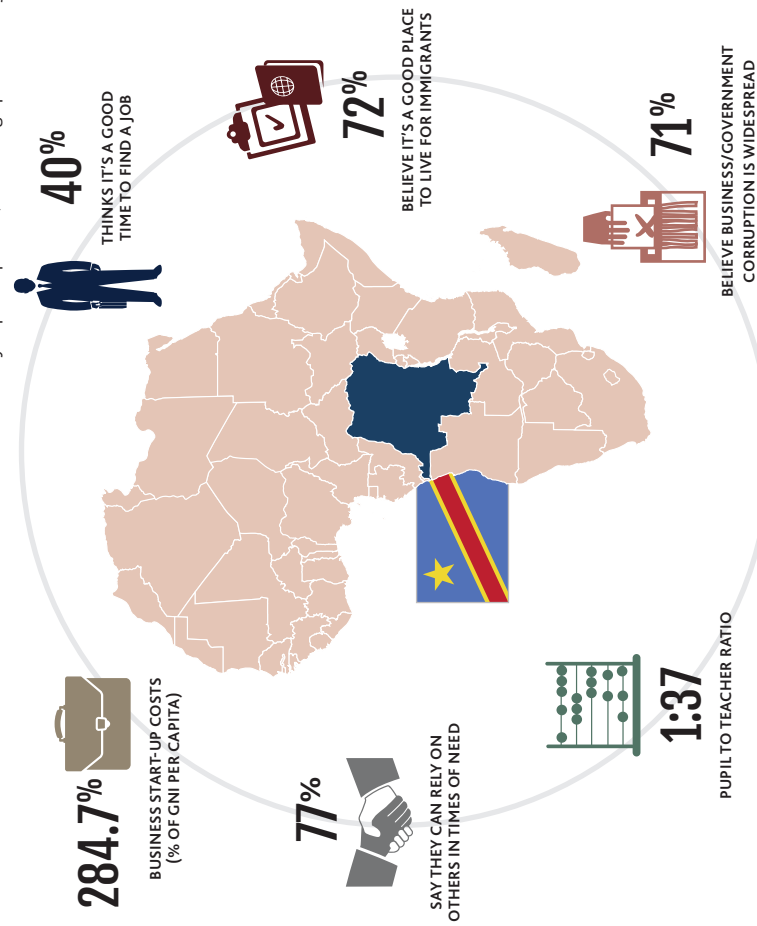
Botswana	1
South Africa	2
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Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
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CONGO (DEMOCRATIC REPUBLIC)

PERFORMANCE



- » The Democratic Republic of Congo has moved up one place to 36th in overall Prosperity.
- » The Economy sub-index registers a ten place increase in ranking, rising to 23rd. This is associated with a rise in gross domestic savings, increase in market size, higher expectations of the economy and a greater satisfaction with standards of living.
- » The Personal Freedom dropped four places (to 34th) driven by a decrease in perceptions of civic choice, freedom of choice, tolerance towards immigrants and minorities.
- » Safety & Security's drop by one place (to 38th) is the result of increases in state-sponsored political violence, refugees and internally displaced persons, and demographic instability.



DATA IN FOCUS:

SUB-INDICES

23	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	2.9%	2.7%
	Confidence in financial institutions? ^{2*} (% yes)	2012	62.3%	66.7%
	Satisfaction with living standards? ^{2*} (% yes)	2012	42.2%	40.8%
37	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0.3%	0.2%
	Mobile phones (per 100 ppl)	2011	28	70.1
	Will working hard get you ahead? ^{2*} (% yes)	2012	81.3%	88.2%
36	GOVERNANCE			
	Confidence in the government? ^{2*} (% yes)	2012	48.7%	55.1%
	Confidence in the judiciary? ^{2*} (% yes)	2012	40.8%	55%
	Government effectiveness ¹	2011	-1.7	-0.7
30	EDUCATION			
	Gross secondary enrolment rate	2011	39.8%	50.6%
	Satisfaction with education quality? ^{2*} (% yes)	2012	40.3%	51.8%
	Perception children are learning? ^{2*} (% yes)	2012	38.7%	62.2%
35	HEALTH			
	Self-reported health problems? ^{2*} (% yes)	2012	23.8%	25%
	Hospital beds* (per 1000 people)	2006	0.8	1.2
	Satisfaction with health? ^{2*} (% yes)	2012	71.6%	75.8%
38	SAFETY & SECURITY			
	Human flight ²	2012	7.4	6.7
	Safe walking alone at night? ^{2*} (% yes)	2012	48.5%	55.7%
	Property stolen in past 12 months? ^{2*} (% yes)	2012	17.6%	25.2%
34	PERSONAL FREEDOM			
	Civil liberties ³	2012	2	3.7
	Tolerance for ethnic groups? ^{2*} (% yes)	2012	61.5%	67%
	Satisfaction with freedom of choice? ^{2*} (% yes)	2012	55.7%	66.3%
13	SOCIAL CAPITAL			
	Volunteered time in past month? ^{2*} (% yes)	2012	10.6%	17.1%
	Donated to charity in past month? ^{2*} (% yes)	2012	8.1%	15%
	Helped strangers in past month? ^{2*} (% yes)	2012	29.8%	50.2%

NOTES: ¹Gov. effectiveness: values range from -1.66 to 2.25, higher values indicate higher effectiveness. ²Human flight: values range from 1 to 10, higher values indicate higher levels of human flight. ³Civil liberties: values range from 1 to 7, lower values indicate lack of civil liberties. *Survey data are taken from Gallup World Poll.

OVERALL RANKING: (TOTAL 38)

20

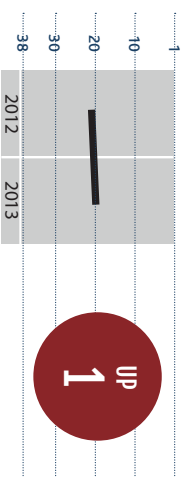
AFRICA RANKING

Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
Rwanda	9
Zambia	10
Egypt	11
Niger	12
Mali	13
Burkina Faso	14
Benin	15
Uganda	16
Cameroon	17
Kenya	18
Tanzania	19
Congo (Republic)	20
Malawi	21
Djibouti	22
Mozambique	23
Nigeria	24
Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
Congo (DR)	36
Central African Republic	37
Chad	38

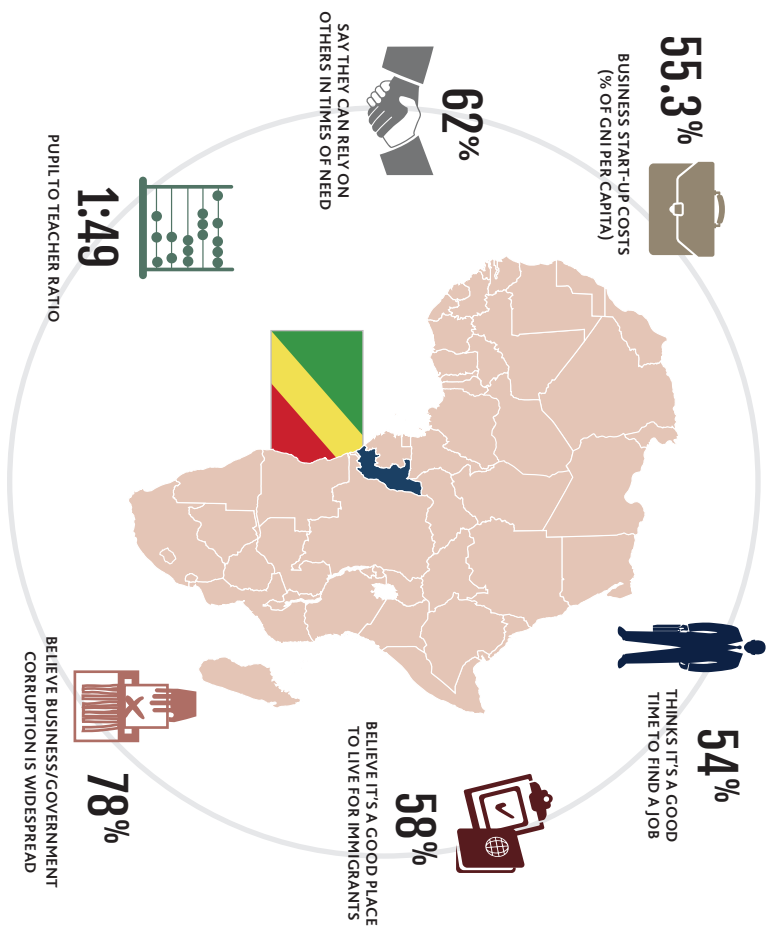
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CONGO (REPUBLIC)

PERFORMANCE



- » The Republic of Congo is now in the top 20 countries in overall Prosperity, rising one place to 20th.
- » The Economy sub-index registers the biggest increase, a four place rise to 2nd in 2013. An increase in the capital per worker and gross domestic savings, combined with diminishing unemployment figures, contributes to this increase.
- » The biggest decline is seen in the Health sub-index, dropping three places, to 25th. This is the result of a drop in health expenditure per person, combined with an increase in infant mortality rates and undernourishment figures.



DATA IN FOCUS:

SUB-INDICES

2	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	1.7%	2.7%
	Confidence in financial institutions?* (% yes)	2012	72.7%	66.7%
	Satisfaction with living standards?* (% yes)	2012	41.8%	40.8%
19	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0%	0.2%
	Mobile phones (per 100 ppl)	2011	101.2	701
	Will working hard get you ahead? (% yes)	2012	82.5%	88.2%
31	GOVERNANCE			
	Confidence in the government?* (% yes)	2012	54.3%	55.1%
	Confidence in the judiciary?* (% yes)	2012	56.6%	55%
	Government effectiveness ¹	2011	-1.2	-0.7
9	EDUCATION			
	Gross secondary enrolment rate	-	83.8%	50.6%
	Satisfaction with education quality?* (% yes)	2012	55.9%	51.8%
	Perception children are learning?* (% yes)	2012	53.4%	62.2%
25	HEALTH			
	Self-reported health problems?* (% yes)	2012	28.6%	25%
	Hospital beds* (per 1000 people)	2005	1.6	1.2
	Satisfaction with health?* (% yes)	2012	73.7%	75.8%
14	SAFETY & SECURITY			
	Human flight? ²	2012	6.5	6.7
	Safe walking alone at night?* (% yes)	2012	51.3%	55.7%
	Property stolen in past 12 months?* (% yes)	2012	14.9%	25.2%
19	PERSONAL FREEDOM			
	Civil liberties ³	2012	3	3.7
	Tolerance for ethnic groups?* (% yes)	2012	65.9%	67%
	Satisfaction with freedom of choice?* (% yes)	2012	77.2%	66.3%
32	SOCIAL CAPITAL			
	Volunteered time in past month?* (% yes)	2012	10.5%	17.1%
	Donated to charity in past month?* (% yes)	2012	10.1%	15%
	Helped strangers in past month?* (% yes)	2012	55.1%	50.2%

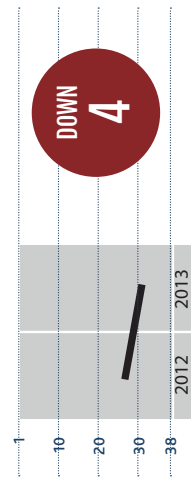
NOTES: ¹Gov. effectiveness values range from -1.66 to 2.25, higher values indicate higher effectiveness. ²Human flight values range from 1 to 10, higher values indicate higher levels of human flight. ³Civil liberties values range from 1 to 7, lower values indicate lack of civil liberties. ⁴Survey data are taken from Gallup World Poll.

AFRICA RANKING

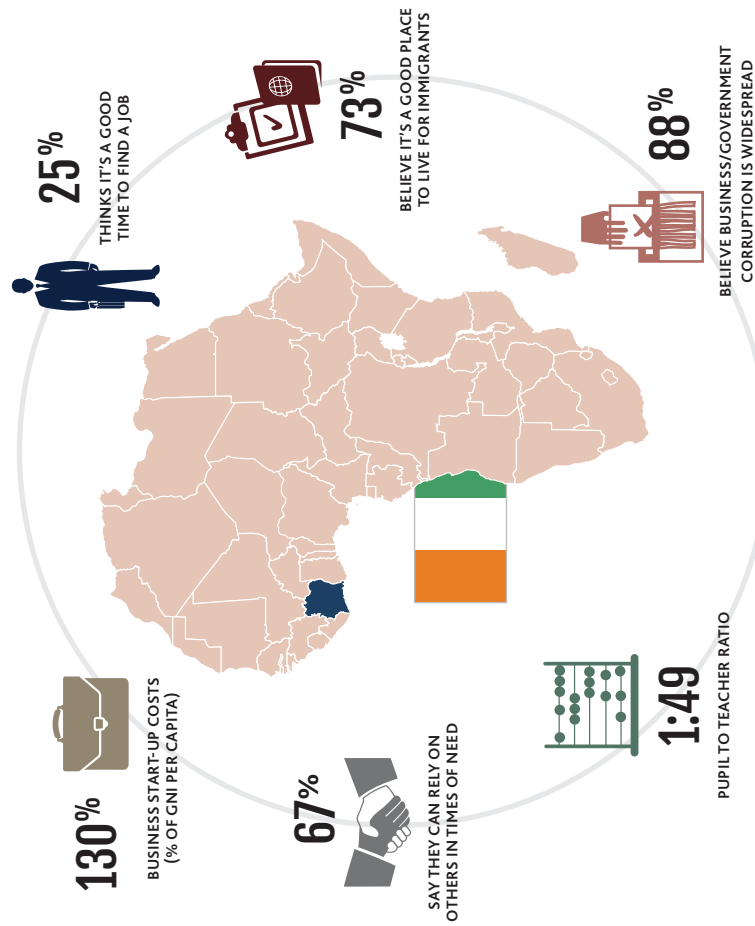
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Kenya	18
Tanzania	19
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Malawi	21
Djibouti	22
Mozambique	23
Nigeria	24
Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
Congo (DR)	36
Central African Republic	37
Chad	38

COTE D'IVOIRE

PERFORMANCE



- » **Côte d'Ivoire has moved down four places to 31st in overall Prosperity**, driven by decreases in the Entrepreneurship & Opportunity (25th), Education (34th), Safety & Security (31st) and Health (30th) sub-indices.
- » **Health has seen the biggest decrease in ranking**, moving down nine places, to 30th due to a decline in the rate of immunisation against infectious diseases and measles, increases in the undernourishment rates and higher incidents of tuberculosis.
- » **The Economy sub-index has moved up seven places to 4th in the region**. This increase is the result of a decrease in unemployment rate, an increase in capital per worker and high-tech exports.



DATA IN FOCUS:

SUB-INDICES

4	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	0.8%	2.7%
	Confidence in financial institutions? ² (% yes)	2009	67.7%	66.7%
	Satisfaction with living standards? ² (% yes)	2009	17.5%	40.8%
25	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0%	0.2%
	Mobile phones (per 100 ppl)	2011	96.3	70.1
	Will working hard get you ahead? ² (% yes)	2009	86.8%	88.2%
34	GOVERNANCE			
	Confidence in the government? ² (% yes)	2009	42.7%	55.1%
	Confidence in the judiciary? ² (% yes)	2009	49.5%	55%
	Government effectiveness ¹	2011	-1.2	-0.7
34	EDUCATION			
	Gross secondary enrolment rate	-	61%	50.6%
	Satisfaction with education quality? ² (% yes)	2009	25.9%	51.8%
	Perception children are learning? ² (% yes)	2009	57.9%	62.2%
30	HEALTH			
	Self-reported health problems? ² (% yes)	2009	27.8%	25%
	Hospital beds* (per 1000 people)	2006	0.4	1.2
	Satisfaction with health? ² (% yes)	2009	68%	75.8%
31	SAFETY & SECURITY			
	Human flight ²	2012	7.6	6.7
	Safe walking alone at night? ² (% yes)	2009	47.1%	55.7%
	Property stolen in past 12 months? ² (% yes)	2009	12.2%	25.2%
2	PERSONAL FREEDOM			
	Civil liberties ³	2012	3	3.7
	Tolerance for ethnic groups? ² (% yes)	2009	90.5%	67%
	Satisfaction with freedom of choice? ² (% yes)	2009	76%	66.3%
33	SOCIAL CAPITAL			
	Volunteered time in past month? ² (% yes)	2009	6.6%	17.1%
	Donated to charity in past month? ² (% yes)	2009	6.1%	15%
	Helped strangers in past month? ² (% yes)	2009	45%	50.2%

NOTES: ¹Gov. effectiveness: values range from -1.66 to 2.25, higher values indicate higher effectiveness. ²Human flight: values range from 1 to 10, higher values indicate higher levels of human flight. ³Civil liberties: values range from 1 to 7, lower values indicate lack of civil liberties. *Survey data are taken from Gallup World Poll.

OVERALL RANKING: (TOTAL 38)

22

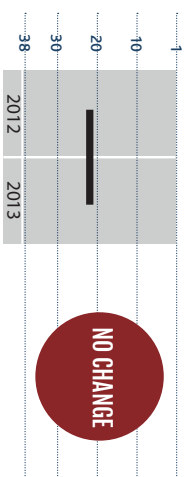
AFRICA RANKING

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South Africa	2
Morocco	3
Tunisia	4
Namibia	5
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DJIBOUTI

PERFORMANCE



NO CHANGE

- » Djibouti retains its position at 22nd in overall Prosperity since 2012.
- » The Safety & Security sub-index registers the biggest decline, moving down three places, to 7th. This is because of increased demographic instability and state-sponsored political violence.
- » The country has moved up five places in the Health sub-index, to 14th. This is due to an increase in the rate of immunisation against measles and in health public expenditure per person, alongside a decrease rates of infant mortality and undernourishment.

150.7%



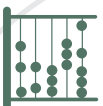
BUSINESS START-UP COSTS
(% OF GNI PER CAPITA)

63%



SAY THEY CAN RELY ON
OTHERS IN TIMES OF NEED

1:35



PUPIL TO TEACHER RATIO

59%



THINKS IT'S A GOOD
TIME TO FIND A JOB

54%



BELIEVE IT'S A GOOD PLACE
TO LIVE FOR IMMIGRANTS

44%



BELIEVE BUSINESS/GOVERNMENT
CORRUPTION IS WIDESPREAD

DATA IN FOCUS:

SUB-INDICES

29	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	3.3%	2.7%
	Confidence in financial institutions?* (% yes)	2011	63.1%	66.7%
	Satisfaction with living standards?* (% yes)	2011	63.2%	40.8%
31	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0%	0.2%
	Mobile phones (per 100 ppl)	2011	22.7	701
	Will working hard get you ahead? (% yes)	2011	73.8%	88.2%
14	GOVERNANCE			
	Confidence in the government?* (% yes)	2011	71.4%	55.1%
	Confidence in the judiciary?* (% yes)	2011	60%	55%
	Government effectiveness ¹	2011	-1	-0.7
29	EDUCATION			
	Gross secondary enrolment rate	2012	39.1%	50.6%
	Satisfaction with education quality?* (% yes)	2011	69.3%	51.8%
	Perception children are learning?* (% yes)	2011	78.5%	62.2%
14	HEALTH			
	Self-reported health problems?* (% yes)	2011	20.3%	25%
	Hospital beds* (per 1000 people)	2010	1.4	1.2
	Satisfaction with health?* (% yes)	2011	87.3%	75.8%
7	SAFETY & SECURITY			
	Human flight ²	2012	4.9	6.7
	Safe walking alone at night?* (% yes)	2011	72.4%	55.7%
	Property stolen in past 12 months?* (% yes)	2011	8.5%	25.2%
26	PERSONAL FREEDOM			
	Civil liberties ³	2012	3	3.7
	Tolerance for ethnic groups?* (% yes)	2011	61.2%	67%
	Satisfaction with freedom of choice?* (% yes)	2011	74.6%	66.3%
15	SOCIAL CAPITAL			
	Volunteered time in past month?* (% yes)	2011	8.2%	17.1%
	Donated to charity in past month?* (% yes)	2011	13.3%	15%
	Helped strangers in past month?* (% yes)	2011	40.9%	50.2%

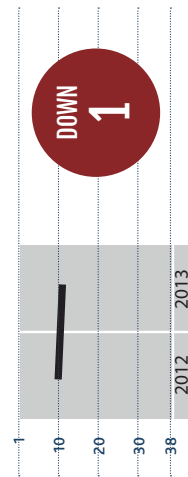
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AFRICA RANKING

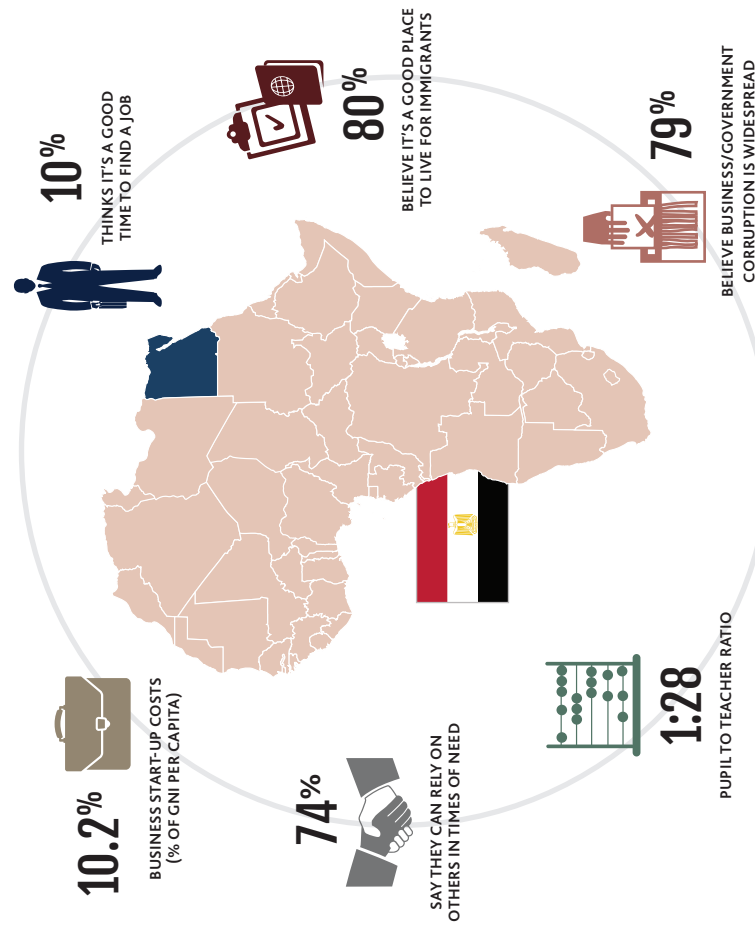
Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
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EGYPT (ARAB REPUBLIC)

PERFORMANCE



- » Egypt's overall Prosperity rank is 11th, dropping one place since 2012.
- » The largest drop is found in the Governance sub-index, dropping by seven places, to 18th. This is the result of a decrease in government effectiveness, a guarantee of the rule of law, declines in the constraints on the executive, and a decrease in effective regulation.
- » The Safety & Security sub-index has dropped by three places, to 22nd. This drop is attributed to an increase in people reporting property being stolen and group grievances.



DATA IN FOCUS:

SUB-INDICES

12	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	3.4%	2.7%
	Confidence in financial institutions? ² (% yes)	2012	69%	66.7%
	Satisfaction with living standards? ² (% yes)	2012	63%	40.8%
5	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0.8%	0.2%
	Mobile phones (per 100 ppl)	2011	115.3	70.1
	Will working hard get you ahead? ² (% yes)	2012	92.8%	88.2%
18	GOVERNANCE			
	Confidence in the government? ² (% yes)	2012	65%	55.1%
	Confidence in the judiciary? ² (% yes)	2012	76%	55%
	Government effectiveness ¹	2011	-0.6	-0.7
5	EDUCATION			
	Gross secondary enrolment rate	2010	72.5%	50.6%
	Satisfaction with education quality? ² (% yes)	2012	40.8%	51.8%
	Perception children are learning? ² (% yes)	2012	48.5%	62.2%
3	HEALTH			
	Self-reported health problems? ² (% yes)	2012	20.7%	25%
	Hospital beds* (per 1000 people)	2010	1.7	1.2
	Satisfaction with health? ² (% yes)	2011	90%	75.8%
22	SAFETY & SECURITY			
	Human flight ²	2012	5.7	6.7
	Safe walking alone at night? ² (% yes)	2012	57.2%	55.7%
	Property stolen in past 12 months? ² (% yes)	2012	12.9%	25.2%
38	PERSONAL FREEDOM			
	Civil liberties ³	2012	3	3.7
	Tolerance for ethnic groups? ² (% yes)	2011	22%	67%
	Satisfaction with freedom of choice? ² (% yes)	2012	45.2%	66.3%
16	SOCIAL CAPITAL			
	Volunteered time in past month? ² (% yes)	2012	6.6%	17.1%
	Donated to charity in past month? ² (% yes)	2012	15%	15%
	Helped strangers in past month? ² (% yes)	2012	47.4%	50.2%

NOTES: ¹Gov. effectiveness: values range from -1.66 to 2.25, higher values indicate higher effectiveness. ²Human flight: values range from 1 to 10, higher values indicate higher levels of human flight. ³Civil liberties: values range from 1 to 7, lower values indicate lack of civil liberties. *Survey data are taken from Gallup World Poll.

OVERALL RANKING: (TOTAL 38)

27

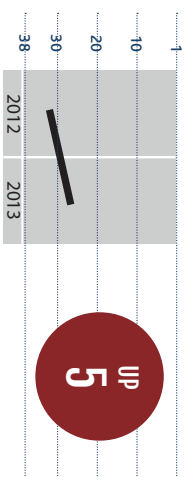
AFRICA RANKING

Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
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Senegal	8
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Congo (DR)	36
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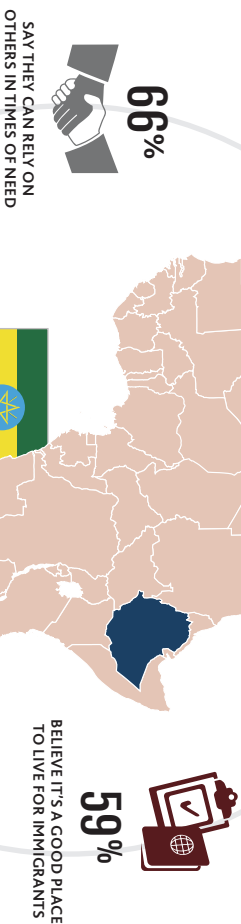
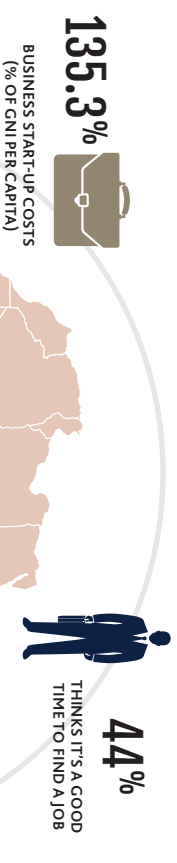
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ETHIOPIA

PERFORMANCE



- » Ethiopia has moved up five places to 27th in overall Prosperity.
- » Personal Freedom saw the biggest increase, moving up 23 places, to 14th. An increase in perceptions of freedom of choice, and tolerance towards immigrants and minorities has driven this shift.
- » In the Health sub-index, the country has decreased four places, to 27th, due to a drop in the rate of immunisation against infectious diseases and measles.



BELIEVE BUSINESS/GOVERNMENT CORRUPTION IS WIDESPREAD



DATA IN FOCUS:

SUB-INDICES

26	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	6.8%	2.7%
	Confidence in financial institutions?* (% yes)	2007	46.9%	66.7%
	Satisfaction with living standards?* (% yes)	2012	56.1%	40.8%
32	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2010	0.2%	0.2%
	Mobile phones (per 100 ppl)	2011	23.7	701
	Will working hard get you ahead?* (% yes)	2012	94.6%	88.2%
24	GOVERNANCE			
	Confidence in the government?* (% yes)	2007	36.8%	55.1%
	Confidence in the judiciary?* (% yes)	2007	30.7%	55%
	Government effectiveness ¹	2011	-0.4	-0.7
21	EDUCATION			
	Gross secondary enrolment rate	2011	37.6%	50.6%
	Satisfaction with education quality?* (% yes)	2007	47.7%	51.8%
	Perception children are learning?* (% yes)	2012	73.2%	62.2%
27	HEALTH			
	Self-reported health problems?* (% yes)	2012	22%	25%
	Hospital beds* (per 1000 people)	2011	6.3	1.2
	Satisfaction with health?* (% yes)	2012	85.3%	75.8%
29	SAFETY & SECURITY			
	Human flight? ²	2012	7	6.7
	Safe walking alone at night?* (% yes)	2012	69.9%	55.7%
	Property stolen in past 12 months?* (% yes)	2012	15.7%	25.2%
14	PERSONAL FREEDOM			
	Civil liberties ³	2012	2	3.7
	Tolerance for ethnic groups?* (% yes)	2012	84.6%	67%
	Satisfaction with freedom of choice?* (% yes)	2012	77.6%	66.3%
29	SOCIAL CAPITAL			
	Volunteered time in past month?* (% yes)	2012	10.8%	17.1%
	Donated to charity in past month?* (% yes)	2012	10.4%	15%
	Helped strangers in past month?* (% yes)	2012	43.2%	50.2%

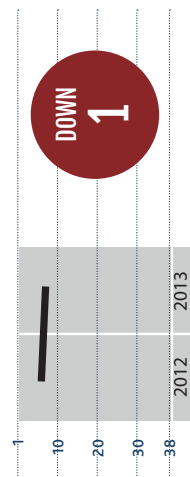
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AFRICA RANKING

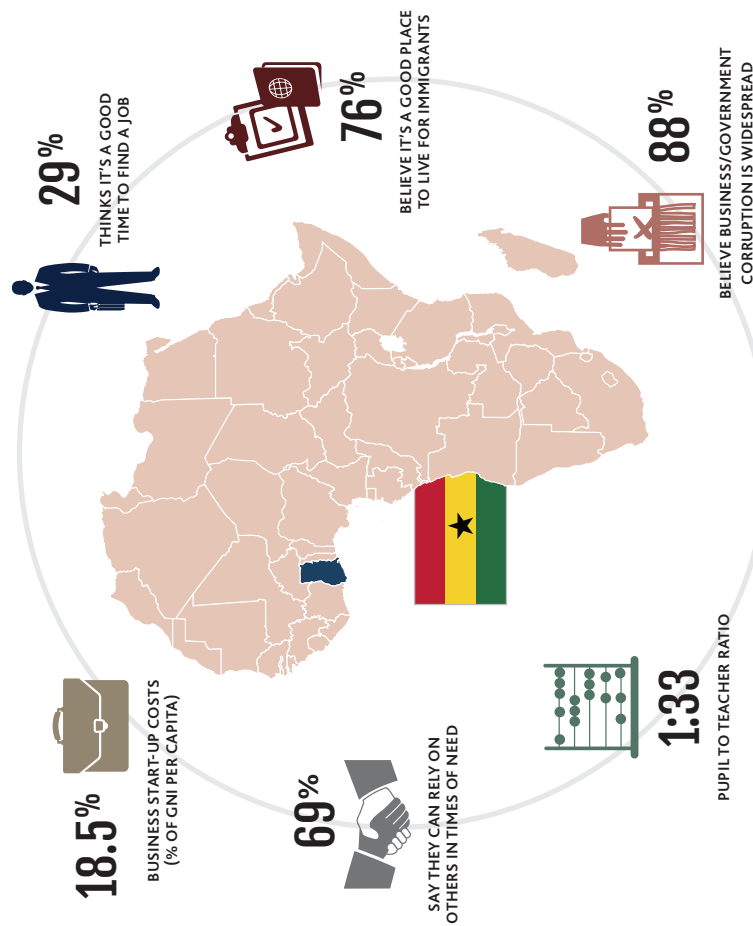
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GHANA

PERFORMANCE



- » Ghana's overall Prosperity ranking has moved down one place from 6th to 7th in Africa since 2012.
- » The Economy sub-index has moved down by eight places to 27th, the result of a large decrease in gross domestic savings, high tech exports and a fall in reported access to adequate food and shelter.
- » Personal Freedom has dropped by eleven places (to 15th) because of a drop in tolerance for immigrants and perceived freedom of choice.
- » Ghana is in the top 5 for Health, Governance and Safety & Security.



DATA IN FOCUS:

SUB-INDICES

27	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	5.7%	2.7%
	Confidence in financial institutions? ^{2*} (% yes)	2012	70.9%	66.7%
	Satisfaction with living standards? ^{2*} (% yes)	2012	35%	40.8%
9	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0.3%	0.2%
	Mobile phones (per 100 ppl)	2011	100.3	70.1
	Will working hard get you ahead? ^{2*} (% yes)	2012	96.2%	88.2%
5	GOVERNANCE			
	Confidence in the government? ^{2*} (% yes)	2012	58.4%	55.1%
	Confidence in the judiciary? ^{2*} (% yes)	2012	74.9%	55%
	Government effectiveness ¹	2011	0	-0.7
10	EDUCATION			
	Gross secondary enrolment rate	2012	59.2%	50.6%
	Satisfaction with education quality? ^{2*} (% yes)	2012	59.2%	51.8%
	Perception children are learning? ^{2*} (% yes)	2012	77.2%	62.2%
5	HEALTH			
	Self-reported health problems? ^{2*} (% yes)	2012	27.5%	25%
	Hospital beds* (per 1000 people)	2011	0.9	1.2
	Satisfaction with health? ^{2*} (% yes)	2012	75.3%	75.8%
4	SAFETY & SECURITY			
	Human flight ²	2012	7.6	6.7
	Safe walking alone at night? ^{2*} (% yes)	2012	73%	55.7%
	Property stolen in past 12 months? ^{2*} (% yes)	2012	273%	25.2%
15	PERSONAL FREEDOM			
	Civil liberties ³	2012	6	3.7
	Tolerance for ethnic groups? ^{2*} (% yes)	2012	55.1%	67%
	Satisfaction with freedom of choice? ^{2*} (% yes)	2012	67.9%	66.3%
26	SOCIAL CAPITAL			
	Volunteered time in past month? ^{2*} (% yes)	2012	20.9%	17.1%
	Donated to charity in past month? ^{2*} (% yes)	2012	26.8%	15%
	Helped strangers in past month? ^{2*} (% yes)	2012	49.9%	50.2%

NOTES: ¹Gov. effectiveness: values range from -1.66 to 2.25, higher values indicate higher effectiveness. ²Human flight: values range from 1 to 10, higher values indicate higher levels of human flight. ³Civil liberties: values range from 1 to 7, lower values indicate lack of civil liberties. *Survey data are taken from Gallup World Poll.

OVERALL RANKING: (TOTAL 38)

33

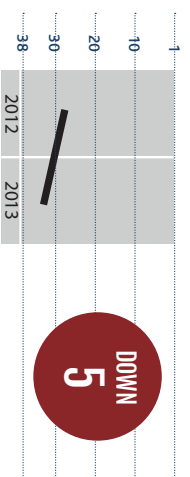
AFRICA RANKING

Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
Rwanda	9
Zambia	10
Egypt	11
Niger	12
Mali	13
Burkina Faso	14
Benin	15
Uganda	16
Cameroon	17
Kenya	18
Tanzania	19
Congo (Republic)	20
Malawi	21
Djibouti	22
Mozambique	23
Nigeria	24
Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
Congo (DR)	36
Central African Republic	37
Chad	38

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GUINEA

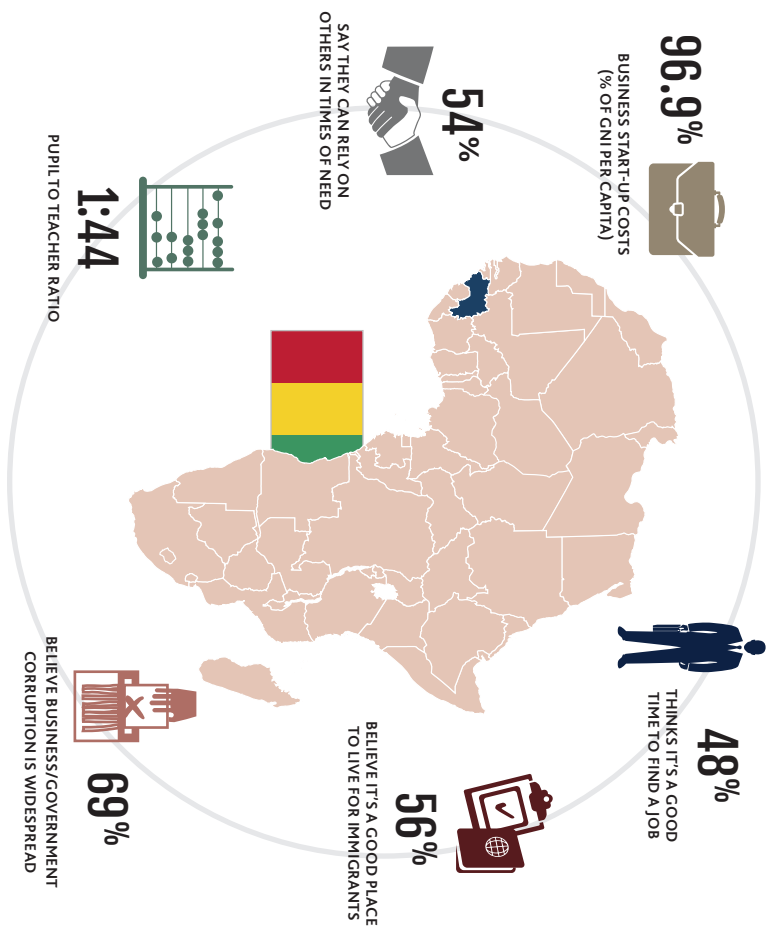
PERFORMANCE



» Guinea registers a decline by five places to 33rd in overall Prosperity due to a decrease in all sub-indices.

» The country ranks in the bottom 10 for overall Prosperity.

» The Personal freedom sub-index registers the biggest drop, moving down eleven places to 17th. This is due to a decrease in freedom of choice and reported tolerance towards immigrants and minorities.



DATA IN FOCUS:

SUB-INDICES

35	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	0.2%	2.7%
	Confidence in financial institutions?* (% yes)	2012	61.9%	66.7%
	Satisfaction with living standards?* (% yes)	2012	20.1%	40.8%
34	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0%	0.2%
	Mobile phones (per 100 ppl)	2011	45.6	701
	Will working hard get you ahead? (% yes)	2012	83.5%	88.2%
35	GOVERNANCE			
	Confidence in the government?* (% yes)	2012	56.8%	55.1%
	Confidence in the judiciary? (% yes)	2012	44.4%	55%
	Government effectiveness ¹	2011	-1.2	-0.7
31	EDUCATION			
	Gross secondary enrolment rate	2012	42.7%	50.6%
	Satisfaction with education quality?* (% yes)	2012	22.6%	51.8%
	Perception children are learning? (% yes)	2012	32.6%	62.2%
29	HEALTH			
	Self-reported health problems?* (% yes)	2012	28.1%	25%
	Hospital beds* (per 1000 people)	2011	0.3	1.2
	Satisfaction with health? (% yes)	2012	69.5%	75.8%
24	SAFETY & SECURITY			
	Human flight ²	2012	8	6.7
	Safe walking alone at night? (% yes)	2012	50.7%	55.7%
	Property stolen in past 12 months? (% yes)	2012	16.2%	25.2%
17	PERSONAL FREEDOM			
	Civil liberties ³	2012	3	3.7
	Tolerance for ethnic groups? (% yes)	2012	80.2%	67%
	Satisfaction with freedom of choice?* (% yes)	2012	64.6%	65.4%
31	SOCIAL CAPITAL			
	Volunteered time in past month? (% yes)	2012	18.2%	17.1%
	Donated to charity in past month? (% yes)	2012	17.2%	15%
	Helped strangers in past month? (% yes)	2012	51.4%	50.2%

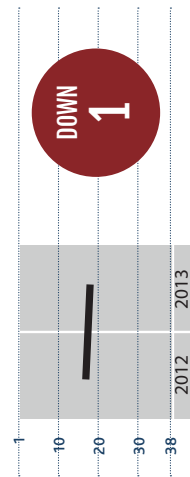
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AFRICA RANKING

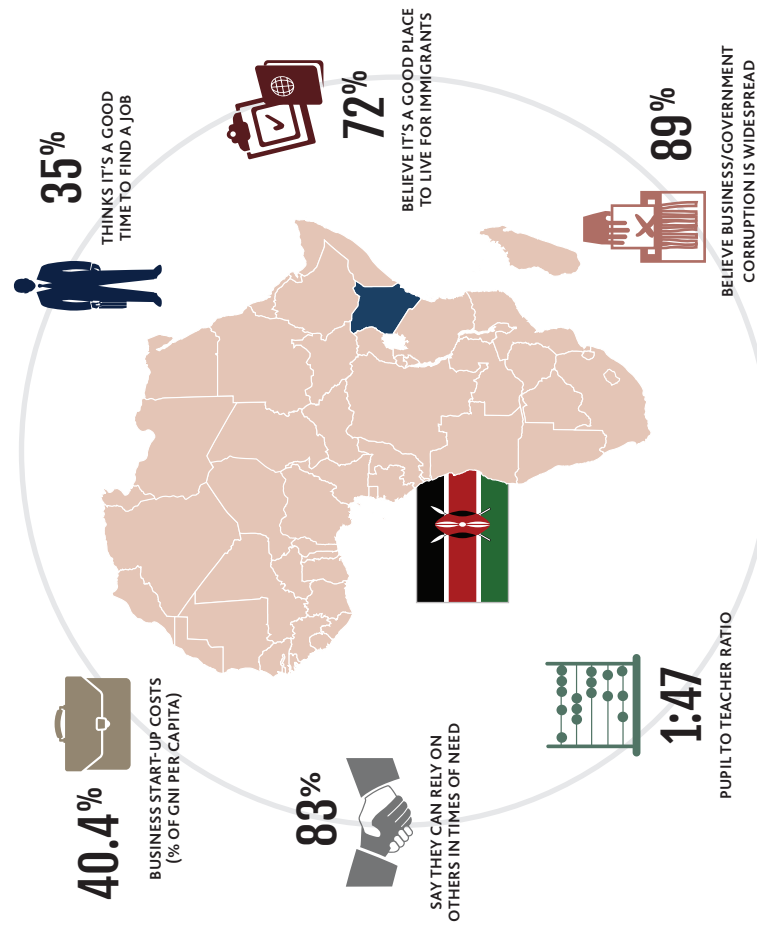
Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
Rwanda	9
Zambia	10
Egypt	11
Niger	12
Mali	13
Burkina Faso	14
Benin	15
Uganda	16
Cameroon	17
Kenya	18
Tanzania	19
Congo (Republic)	20
Malawi	21
Djibouti	22
Mozambique	23
Nigeria	24
Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
Congo (DRC)	36
Central African Republic	37
Chad	38

KENYA

PERFORMANCE



- » Kenya has fallen one place to 18th in overall Prosperity.
- » The Personal Freedom sub-index has moved down seven places to 24th.
- » The Economy sub-index has moved down by six places to 31st because of an increase in inflation, a decrease in gross domestic savings.
- » Personal Freedom dropped by seven places (to 24th) because of a decrease in tolerance for immigrants.
- » Kenya is ranked in the top 10 for both Entrepreneurship & Opportunity (8th) and Social Capital (9th).



DATA IN FOCUS:

SUB-INDICES

31	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	1.5%	2.7%
	Confidence in financial institutions? ² (% yes)	2012	72.2%	66.7%
	Satisfaction with living standards? ² (% yes)	2012	33.7%	40.8%
8	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0.5%	0.2%
	Mobile phones (per 100 ppl)	2011	71.9	70.1
	Will working hard get you ahead? ² (% yes)	2012	94.5%	88.2%
20	GOVERNANCE			
	Confidence in the government? ² (% yes)	2012	41.3%	55.1%
	Confidence in the judiciary? ² (% yes)	2012	48.1%	55%
	Government effectiveness ¹	2011	-0.5	-0.7
14	EDUCATION			
	Gross secondary enrolment rate	2009	60.2%	50.6%
	Satisfaction with education quality? ² (% yes)	2012	69.5%	51.8%
	Perception children are learning? ² (% yes)	2012	65%	62.2%
15	HEALTH			
	Self-reported health problems? ² (% yes)	2012	30.9%	25%
	Hospital beds* (per 1000 people)	2010	1.4	1.2
	Satisfaction with health? ² (% yes)	2012	74.7%	75.8%
28	SAFETY & SECURITY			
	Human flight ²	2012	7.7	6.7
	Safe walking alone at night? ² (% yes)	2012	50.4%	55.7%
	Property stolen in past 12 months? ² (% yes)	2012	38.3%	25.2%
24	PERSONAL FREEDOM			
	Civil liberties ³	2012	4	3.7
	Tolerance for ethnic groups? ² (% yes)	2012	72.2%	67%
	Satisfaction with freedom of choice? ² (% yes)	2012	62.8%	66.3%
9	SOCIAL CAPITAL			
	Volunteered time in past month? ² (% yes)	2012	28.3%	17.1%
	Donated to charity in past month? ² (% yes)	2012	27.7%	15%
	Helped strangers in past month? ² (% yes)	2012	65.3%	50.2%

NOTES: ¹Gov. effectiveness: values range from -1.66 to 2.25, higher values indicate higher effectiveness. ²Human flight: values range from 1 to 10, higher values indicate higher levels of human flight. ³Civil liberties: values range from 1 to 7, lower values indicate lack of civil liberties. *Survey data are taken from Gallup World Poll.

OVERALL RANKING: (TOTAL 38)

28

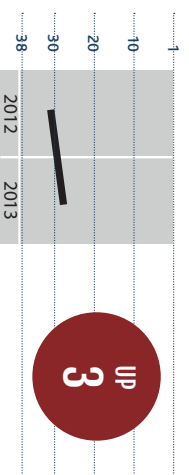
AFRICA RANKING

Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
Rwanda	9
Zambia	10
Egypt	11
Niger	12
Mali	13
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Kenya	18
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Djibouti	22
Mozambique	23
Nigeria	24
Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
Congo (DR)	36
Central African Republic	37
Chad	38

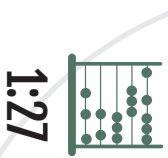
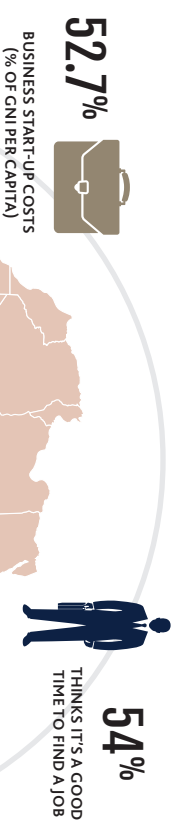
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LIBERIA

PERFORMANCE



- » Liberia has moved up three places to 28th in overall Prosperity.
- » The Education sub-index saw the biggest drop in ranking, going down fifteen places to 32nd because of a decrease in net primary enrolment rates and in gross secondary enrolment.
- » The biggest increase came in the Personal freedom sub-index, moving up eleven places, to 11th because of increased perceptions of tolerance towards minorities and an increase in freedom of choice.



BELIEVE BUSINESS/GOVERNMENT CORRUPTION IS WIDESPREAD

DATA IN FOCUS:

SUB-INDICES

38	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	8%	2.7%
	Confidence in financial institutions?* (% yes)	2011	65.8%	66.7%
	Satisfaction with living standards?* (% yes)	2011	42.8%	40.8%
27	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0.1%	0.2%
	Mobile phones (per 100 ppl)	2011	56.4	701
	Will working hard get you ahead? (% yes)	2011	96.3%	88.2%
27	GOVERNANCE			
	Confidence in the government?* (% yes)	2011	53.4%	55.1%
	Confidence in the judiciary?* (% yes)	2011	33.5%	55%
	Government effectiveness ¹	2011	-1.2	-0.7
32	EDUCATION			
	Gross secondary enrolment rate	2011	44.8%	50.6%
	Satisfaction with education quality?* (% yes)	2011	46.9%	51.8%
	Perception children are learning?* (% yes)	2011	47.2%	62.2%
33	HEALTH			
	Self-reported health problems?* (% yes)	2011	34.7%	25%
	Hospital beds* (per 1000 people)	2010	0.8	1.2
	Satisfaction with health?* (% yes)	2011	76.1%	75.8%
26	SAFETY & SECURITY			
	Human flight ²	2012	6.7	6.7
	Safe walking alone at night?* (% yes)	2011	42.7%	55.7%
	Property stolen in past 12 months?* (% yes)	2011	56.4%	25.2%
11	PERSONAL FREEDOM			
	Civil liberties ³	2012	4	3.7
	Tolerance for ethnic groups?* (% yes)	2011	53.7%	67%
	Satisfaction with freedom of choice?* (% yes)	2011	87.3%	66.3%
10	SOCIAL CAPITAL			
	Volunteered time in past month?* (% yes)	2011	53.1%	17.1%
	Donated to charity in past month?* (% yes)	2011	11.9%	15%
	Helped strangers in past month?* (% yes)	2011	80.8%	50.2%

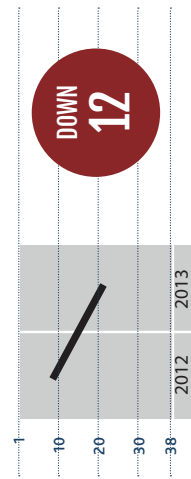
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AFRICA RANKING

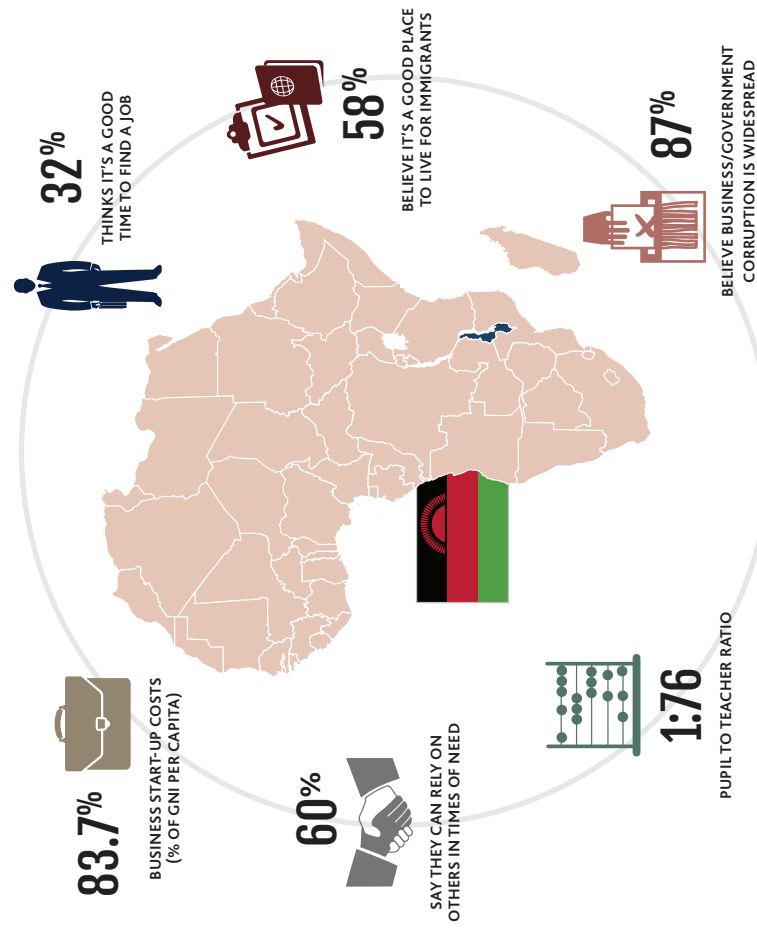
Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
Rwanda	9
Zambia	10
Egypt	11
Niger	12
Mali	13
Burkina Faso	14
Benin	15
Uganda	16
Cameroon	17
Kenya	18
Tanzania	19
Congo (Republic)	20
Malawi	21
Djibouti	22
Mozambique	23
Nigeria	24
Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
Congo (DRC)	36
Central African Republic	37
Chad	38

MALAWI

PERFORMANCE



- » **Malawi's twelve place drop in overall Prosperity rank is the largest in Africa**, falling from 9th in last year's index to 21st this year.
- » **The Economy sub-index has fallen by sixteen places.** An increase in non-performing loans and inflation along with falls in gross domestic savings drove the country down to 32nd.
- » **The decrease in the Social Capital score, which moved down sixteen places to 23rd**, was caused by a drop in donations and volunteerism.
- » **Malawi has moved down to 7th in Africa for Governance** but still remains in the top 10 countries for this sub-index.



DATA IN FOCUS:

SUB-INDICES

32	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	4.4%	2.7%
	Confidence in financial institutions? ² (% yes)	2012	65.9%	66.7%
	Satisfaction with living standards? ² (% yes)	2012	37.3%	40.8%
26	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0.2%	0.2%
	Mobile phones (per 100 ppl)	2011	278	701
	Will working hard get you ahead? ² (% yes)	2012	95%	88.2%
7	GOVERNANCE			
	Confidence in the government? ² (% yes)	2012	48.2%	55.1%
	Confidence in the judiciary? ² (% yes)	2011	62.5%	55%
	Government effectiveness ¹	2011	-0.4	-0.7
15	EDUCATION			
	Gross secondary enrolment rate	2011	34.2%	50.6%
	Satisfaction with education quality? ² (% yes)	2011	66.2%	51.8%
	Perception children are learning? ² (% yes)	2011	77.1%	62.2%
9	HEALTH			
	Self-reported health problems? ² (% yes)	2012	27%	25%
	Hospital beds* (per 1000 people)	2011	1.3	1.2
	Satisfaction with health? ² (% yes)	2012	75.1%	75.8%
20	SAFETY & SECURITY			
	Human flight ²	2012	7.8	6.7
	Safe walking alone at night? ² (% yes)	2012	48.7%	55.7%
	Property stolen in past 12 months? ² (% yes)	2012	38.7%	25.2%
23	PERSONAL FREEDOM			
	Civil liberties ³	2012	4	3.7
	Tolerance for ethnic groups? ² (% yes)	2012	73.3%	67%
	Satisfaction with freedom of choice? ² (% yes)	2012	63.7%	66.3%
23	SOCIAL CAPITAL			
	Volunteered time in past month? ² (% yes)	2012	29.6%	17.1%
	Donated to charity in past month? ² (% yes)	2011	21.9%	15%
	Helped strangers in past month? ² (% yes)	2012	56%	50.2%

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OVERALL RANKING: (TOTAL 38)

13

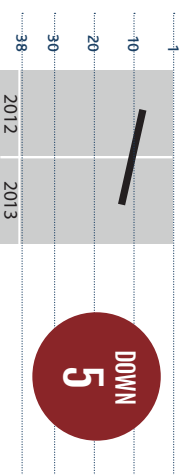
AFRICA RANKING

Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
Rwanda	9
Zambia	10
Egypt	11
Niger	12
Mali	13
Burkina Faso	14
Benin	15
Uganda	16
Cameroon	17
Kenya	18
Tanzania	19
Congo (Republic)	20
Malawi	21
Djibouti	22
Mozambique	23
Nigeria	24
Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
Congo (DR)	36
Central African Republic	37
Chad	38

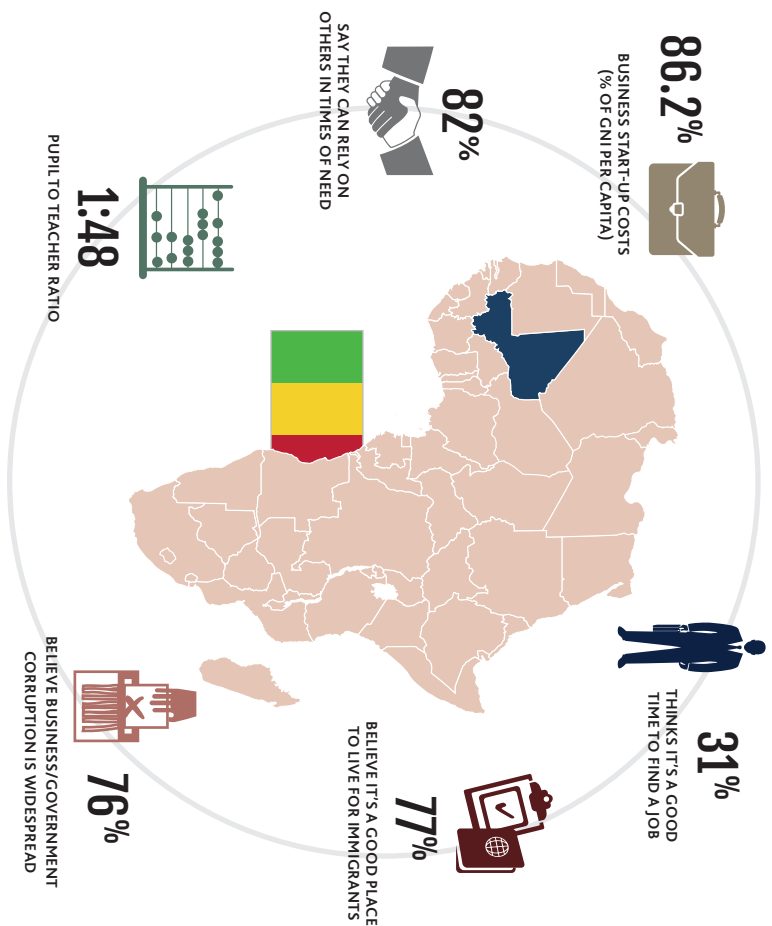
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MALI

PERFORMANCE



- » Mali has moved down 5 places to 13th (from 8th) in overall Prosperity rankings.
- » The Economy sub-index has moved down by 15 places to 25th, the result of a large decrease in the employment rate and satisfaction with living standards, alongside an increase in inflation.
- » Personal Freedom sub-index has moved down 7 places to 10th driven by a drop in civil liberties and perceived freedom to choose the course of one's life.
- » Mali ranks 1st in Africa for Social Capital this year, up from 5th in 2012.



DATA IN FOCUS:

SUB-INDICES

25	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	1.2%	2.7%
	Confidence in financial institutions?* (% yes)	2012	75.3%	66.7%
	Satisfaction with living standards?* (% yes)	2012	26.1%	40.8%
23	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0%	0.2%
	Mobile phones (per 100 ppl)	2011	89.6	701
	Will working hard get you ahead?* (% yes)	2012	87.5%	88.2%
21	GOVERNANCE			
	Confidence in the government?* (% yes)	2012	49.4%	55.1%
	Confidence in the judiciary?* (% yes)	2012	38.2%	55%
	Government effectiveness ¹	2011	-0.8	-0.7
36	EDUCATION			
	Gross secondary enrolment rate	2011	39.5%	50.6%
	Satisfaction with education quality?* (% yes)	2012	34.7%	51.8%
	Perception children are learning?* (% yes)	2012	52%	62.2%
20	HEALTH			
	Self-reported health problems?* (% yes)	2012	21.8%	25%
	Hospital beds* (per 1000 people)	2010	0.1	1.2
	Satisfaction with health?* (% yes)	2012	69.4%	75.8%
3	SAFETY & SECURITY			
	Human flight ²	2012	7.3	6.7
	Safe walking alone at night?* (% yes)	2012	67.1%	55.7%
	Property stolen in past 12 months?* (% yes)	2012	14.5%	25.2%
10	PERSONAL FREEDOM			
	Civil liberties ³	2012	3	3.7
	Tolerance for ethnic groups?* (% yes)	2012	82.6%	67%
	Satisfaction with freedom of choice?* (% yes)	2012	70.4%	66.3%
1	SOCIAL CAPITAL			
	Volunteered time in past month?* (% yes)	2012	6.4%	17.1%
	Donated to charity in past month?* (% yes)	2012	8.3%	15%
	Helped strangers in past month?* (% yes)	2012	41.7%	50.2%

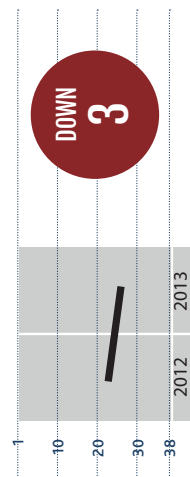
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AFRICA RANKING

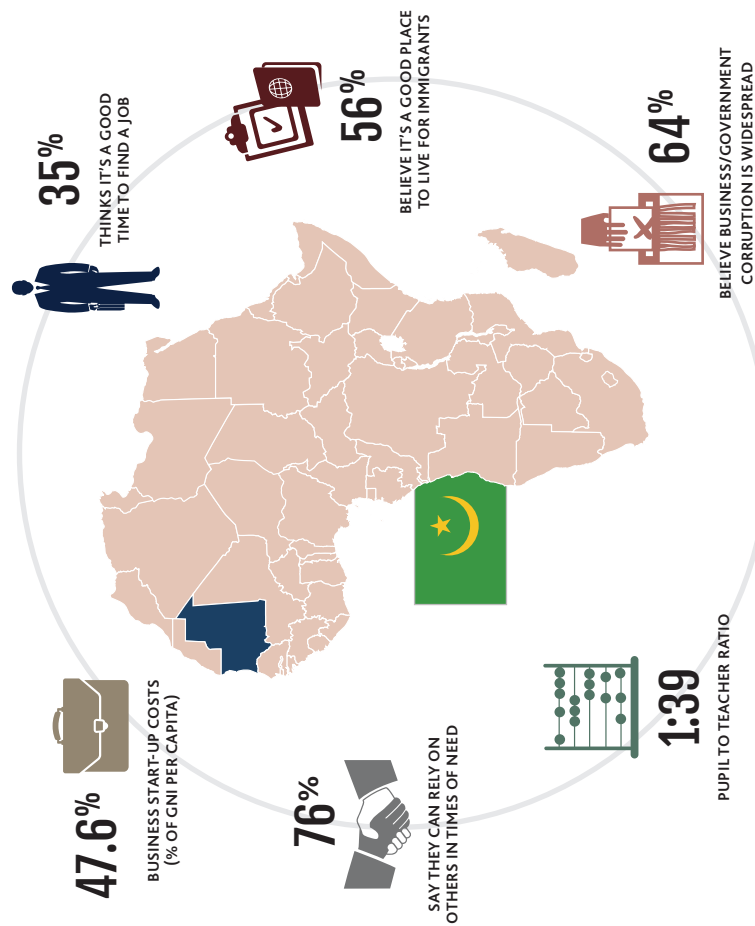
Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
Rwanda	9
Zambia	10
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Cameroon	17
Kenya	18
Tanzania	19
Congo (Republic)	20
Malawi	21
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Mozambique	23
Nigeria	24
Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
Congo (DR)	36
Central African Republic	37
Chad	38

MAURITANIA

PERFORMANCE



- » Mauritania has declined three places to 23rd in overall Prosperity.
- » The Economy sub-index has declined five places to 33rd. This decline is the result of a decrease in gross domestic savings and a decrease in the perception of living standards.
- » The Governance sub-index has moved up two places, to 30th. This increase is primarily because of increased separation of powers and lower corruption levels.



DATA IN FOCUS:

SUB-INDICES

33	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	0.1%	2.7%
	Confidence in financial institutions? ² (% yes)	2012	60.9%	66.7%
	Satisfaction with living standards? ² (% yes)	2012	42.9%	40.8%
18	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0%	0.2%
	Mobile phones (per 100 ppl)	2011	111.1	70.1
	Will working hard get you ahead? ² (% yes)	2012	76.7%	88.2%
30	GOVERNANCE			
	Confidence in the government? ² (% yes)	2012	39.5%	55.1%
	Confidence in the judiciary? ² (% yes)	2012	35.7%	55%
	Government effectiveness ¹	2011	-0.9	-0.7
26	EDUCATION			
	Gross secondary enrolment rate	2011	27%	50.6%
	Satisfaction with education quality? ² (% yes)	2012	31%	51.8%
	Perception children are learning? ² (% yes)	2012	55.7%	62.2%
16	HEALTH			
	Self-reported health problems? ² (% yes)	2012	19.3%	25%
	Hospital beds* (per 1000 people)	2006	0.4	1.2
	Satisfaction with health? ² (% yes)	2012	77.3%	75.8%
12	SAFETY & SECURITY			
	Human flight ²	2012	5.4	6.7
	Safe walking alone at night? ² (% yes)	2012	64.6%	55.7%
	Property stolen in past 12 months? ² (% yes)	2012	31.1%	25.2%
33	PERSONAL FREEDOM			
	Civil liberties ³	2012	3	3.7
	Tolerance for ethnic groups? ² (% yes)	2012	68.4%	67%
	Satisfaction with freedom of choice? ² (% yes)	2012	48.7%	66.3%
11	SOCIAL CAPITAL			
	Volunteered time in past month? ² (% yes)	2012	12.5%	17.1%
	Donated to charity in past month? ² (% yes)	2012	21.3%	15%
	Helped strangers in past month? ² (% yes)	2012	42.6%	50.2%

NOTES: ¹Gov. effectiveness: values range from -1.66 to 2.25, higher values indicate higher effectiveness. ²Human flight: values range from 1 to 10, higher values indicate higher levels of human flight. ³Civil liberties: values range from 1 to 7, lower values indicate lack of civil liberties. *Survey data are taken from Gallup World Poll.

OVERALL RANKING: (TOTAL 38)

3

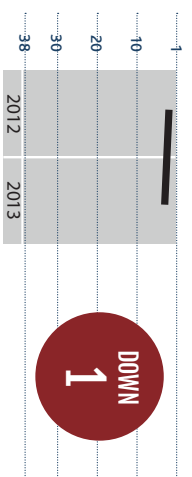
AFRICA RANKING

Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
Rwanda	9
Zambia	10
Egypt	11
Niger	12
Mali	13
Burkina Faso	14
Benin	15
Uganda	16
Cameroon	17
Kenya	18
Tanzania	19
Congo (Republic)	20
Malawi	21
Djibouti	22
Mozambique	23
Nigeria	24
Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
Congo (DR)	36
Central African Republic	37
Chad	38

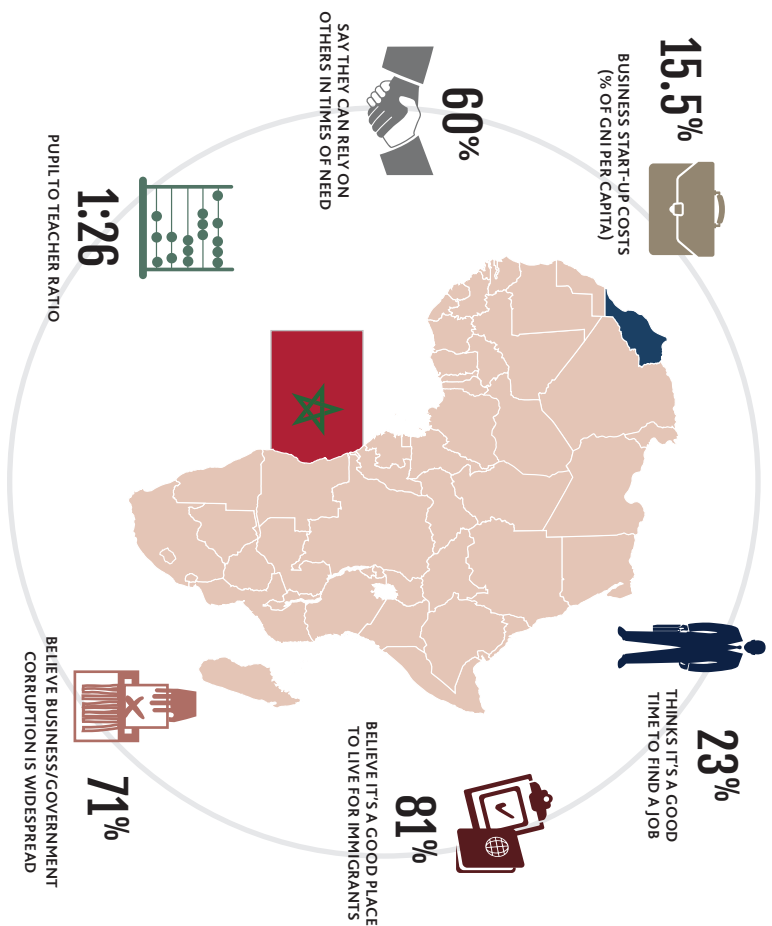
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MOROCCO

PERFORMANCE



- » Morocco has dropped one place in overall Prosperity, to 2nd in part due to the poor Social Capital performance.
- » A sixteen place drop in the Social Capital sub-index (to 17th) is the result of far less people being able to rely on others and a large drop in volunteerism rates.
- » Governance improved by four places, to 6th in the region due to a decrease in perceptions of corruption, and an increased confidence in elections.



DATA IN FOCUS:

SUB-INDICES

1	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	3.2%	2.7%
	Confidence in financial institutions?* (% yes)	2012	60.3%	66.7%
	Satisfaction with living standards?* (% yes)	2012	73.7%	40.8%
4	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0.8%	0.2%
	Mobile phones (per 100 ppl)	2011	119.7	701
	Will working hard get you ahead?* (% yes)	2012	95.1%	88.2%
6	GOVERNANCE			
	Confidence in the government?* (% yes)	2012	65.7%	55.1%
	Confidence in the judiciary?* (% yes)	2012	54.9%	55%
	Government effectiveness ¹	2011	-0.2	-0.7
8	EDUCATION			
	Gross secondary enrolment rate	2012	69.8%	50.6%
	Satisfaction with education quality?* (% yes)	2012	42.5%	51.8%
	Perception children are learning?* (% yes)	2012	67.8%	62.2%
4	HEALTH			
	Self-reported health problems?* (% yes)	2012	23.2%	25%
	Hospital beds* (per 1000 people)	2009	11	1.2
	Satisfaction with health?* (% yes)	2011	90.4%	75.8%
13	SAFETY & SECURITY			
	Human flight ²	2012	6.7	6.7
	Safe walking alone at night?* (% yes)	2012	57.6%	55.7%
	Property stolen in past 12 months?* (% yes)	2012	19%	25.2%
22	PERSONAL FREEDOM			
	Civil liberties ³	2012	4	3.7
	Tolerance for ethnic groups?* (% yes)	2011	59.3%	67%
	Satisfaction with freedom of choice?* (% yes)	2012	78.3%	66.3%
17	SOCIAL CAPITAL			
	Volunteered time in past month?* (% yes)	2012	71%	171%
	Donated to charity in past month?* (% yes)	2012	6%	15%
	Helped strangers in past month?* (% yes)	2012	47.4%	50.2%

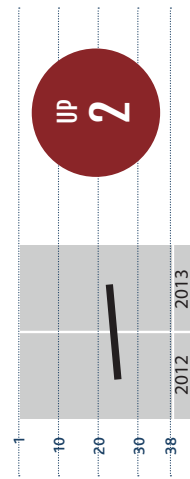
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AFRICA RANKING

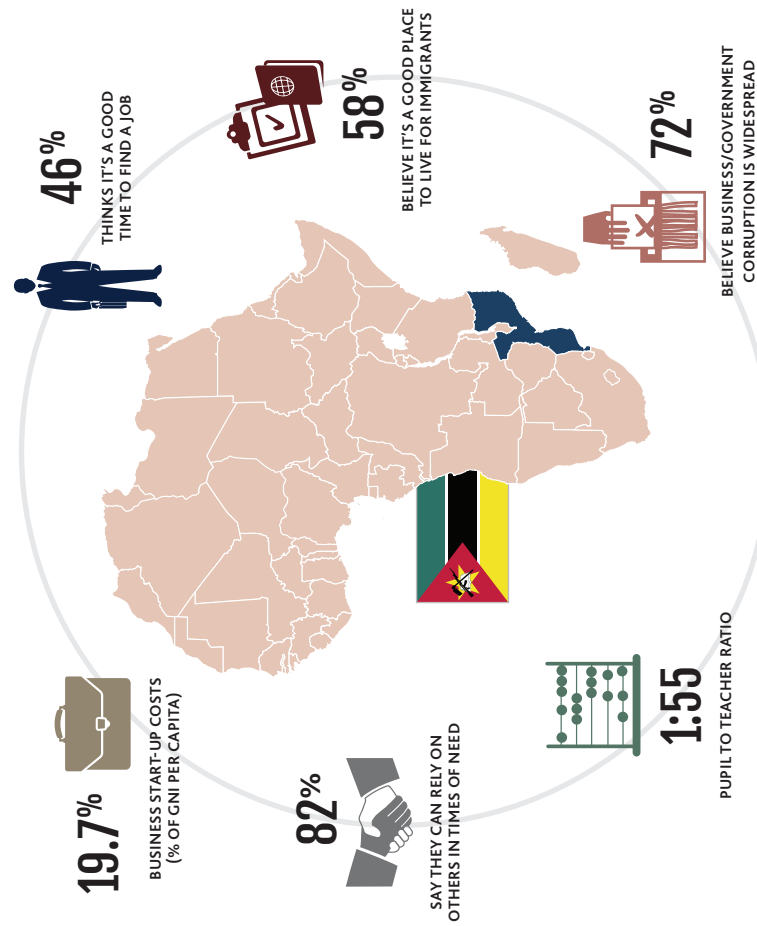
Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
Rwanda	9
Zambia	10
Egypt	11
Niger	12
Mali	13
Burkina Faso	14
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Cameroon	17
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Tanzania	19
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Djibouti	22
Mozambique	23
Nigeria	24
Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
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Sierra Leone	30
Côte d'Ivoire	31
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Guinea	33
Togo	34
Burundi	35
Congo (DRC)	36
Central African Republic	37
Chad	38

MOZAMBIQUE

PERFORMANCE



- » **Mozambique has moved up two places to 23rd in overall Prosperity** in part thanks to an eleven place rise in the Economy sub-index.
- » **The Economy sub-index saw had the biggest increase, climbing to 16th.** Increasing capital per worker, gross domestic savings, market size, and high-tech exports contributed to this rise in ranking.
- » **The Entrepreneurship & Opportunity declined four places, to 15th,** resulting from increasing start-up costs and uneven economic development levels.



DATA IN FOCUS:

SUB-INDICES

16	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	4.2%	2.7%
	Confidence in financial institutions? ² (% yes)	2011	81.7%	66.7%
	Satisfaction with living standards? ² (% yes)	2011	37.9%	40.8%
15	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0%	0.2%
	Mobile phones (per 100 ppl)	2011	331	701
	Will working hard get you ahead? ² (% yes)	2011	79.9%	88.2%
15	GOVERNANCE			
	Confidence in the government? ² (% yes)	2011	63.7%	55.1%
	Confidence in the judiciary? ² (% yes)	2011	62%	55%
	Government effectiveness ¹	2011	-0.6	-0.7
25	EDUCATION			
	Gross secondary enrolment rate	2012	26%	50.6%
	Satisfaction with education quality? ² (% yes)	2011	64.7%	51.8%
	Perception children are learning? ² (% yes)	2011	53.4%	62.2%
32	HEALTH			
	Self-reported health problems? ² (% yes)	2011	21.6%	25%
	Hospital beds* (per 1000 people)	2011	0.7	1.2
	Satisfaction with health? ² (% yes)	2011	84.7%	75.8%
19	SAFETY & SECURITY			
	Human flight ²	2012	7.5	6.7
	Safe walking alone at night? ² (% yes)	2011	41.9%	55.7%
	Property stolen in past 12 months? ² (% yes)	2011	30.9%	25.2%
12	PERSONAL FREEDOM			
	Civil liberties ³	2012	5	3.7
	Tolerance for ethnic groups? ² (% yes)	2011	65.4%	67%
	Satisfaction with freedom of choice? ² (% yes)	2011	63.9%	66.3%
27	SOCIAL CAPITAL			
	Volunteered time in past month? ² (% yes)	2011	17.3%	17.1%
	Donated to charity in past month? ² (% yes)	2011	10.2%	15%
	Helped strangers in past month? ² (% yes)	2011	36.5%	50.2%

NOTES: ¹Gov. effectiveness: values range from -1.66 to 2.25, higher values indicate higher effectiveness. ²Human flight: values range from 1 to 10, higher values indicate higher levels of human flight. ³Civil liberties: values range from 1 to 7, lower values indicate lack of civil liberties. *Survey data are taken from Gallup World Poll.

OVERALL RANKING: (TOTAL 38)

5

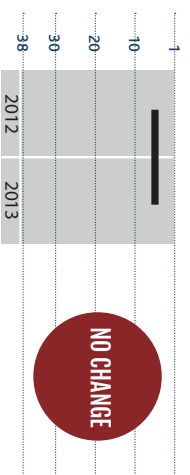
AFRICA RANKING

Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
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NAMIBIA

PERFORMANCE



NO CHANGE

- » Namibia has remained ranked 5th in Africa for overall Prosperity.
- » The Economy sub-index has decreased by three places to 11th, caused mainly by a big decrease in gross domestic savings.
- » The Health sub-index has fallen by seven places to 13th driven by an increase in cases of tuberculosis, alongside a large spike in undernourishment.
- » Namibia is in the top five for both Governance (2nd) and Personal Freedom (3rd).

18.5%



BUSINESS START-UP COSTS
(% OF GNI PER CAPITA)

34%



THINKS IT'S A GOOD
TIME TO FIND A JOB

83%



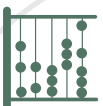
SAY THEY CAN RELY ON
OTHERS IN TIMES OF NEED

72%



BELIEVE IT'S A GOOD PLACE
TO LIVE FOR IMMIGRANTS

1:30



PUPIL TO TEACHER RATIO

80%



BELIEVE BUSINESS/GOVERNMENT
CORRUPTION IS WIDESPREAD

DATA IN FOCUS:

SUB-INDICES

11	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	2.1%	2.7%
	Confidence in financial institutions?* (% yes)	2007	75.7%	66.7%
	Satisfaction with living standards?* (% yes)	2007	61.4%	40.8%
7	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0.2%	0.2%
	Mobile phones (per 100 ppl)	2011	103	701
	Will working hard get you ahead? (% yes)	2007	96.2%	88.2%
2	GOVERNANCE			
	Confidence in the government?* (% yes)	2007	83.9%	55.1%
	Confidence in the judiciary? (% yes)	2007	78.4%	55%
	Government effectiveness ¹	2011	0.1	-0.7
6	EDUCATION			
	Gross secondary enrolment rate	2007	64%	50.6%
	Satisfaction with education quality?* (% yes)	2007	75.3%	51.8%
	Perception children are learning? (% yes)	2007	78.7%	62.2%
13	HEALTH			
	Self-reported health problems?* (% yes)	2007	17.1%	25%
	Hospital beds* (per 1000 people)	2009	2.7	1.2
	Satisfaction with health? (% yes)	2007	87.3%	75.8%
9	SAFETY & SECURITY			
	Human flight ²	2012	6.8	6.7
	Safe walking alone at night? (% yes)	2007	32.9%	55.7%
	Property stolen in past 12 months? (% yes)	2007	22.5%	25.2%
3	PERSONAL FREEDOM			
	Civil liberties ³	2012	6	3.7
	Tolerance for ethnic groups? (% yes)	2007	75.9%	67%
	Satisfaction with freedom of choice?* (% yes)	2007	78.1%	66.3%
22	SOCIAL CAPITAL			
	Volunteered time in past month? (% yes)	2007	16.6%	17.1%
	Donated to charity in past month? (% yes)	2007	17.4%	15%
	Helped strangers in past month? (% yes)	2007	48.9%	50.2%

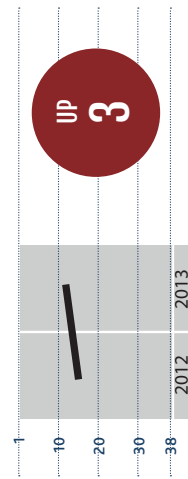
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AFRICA RANKING

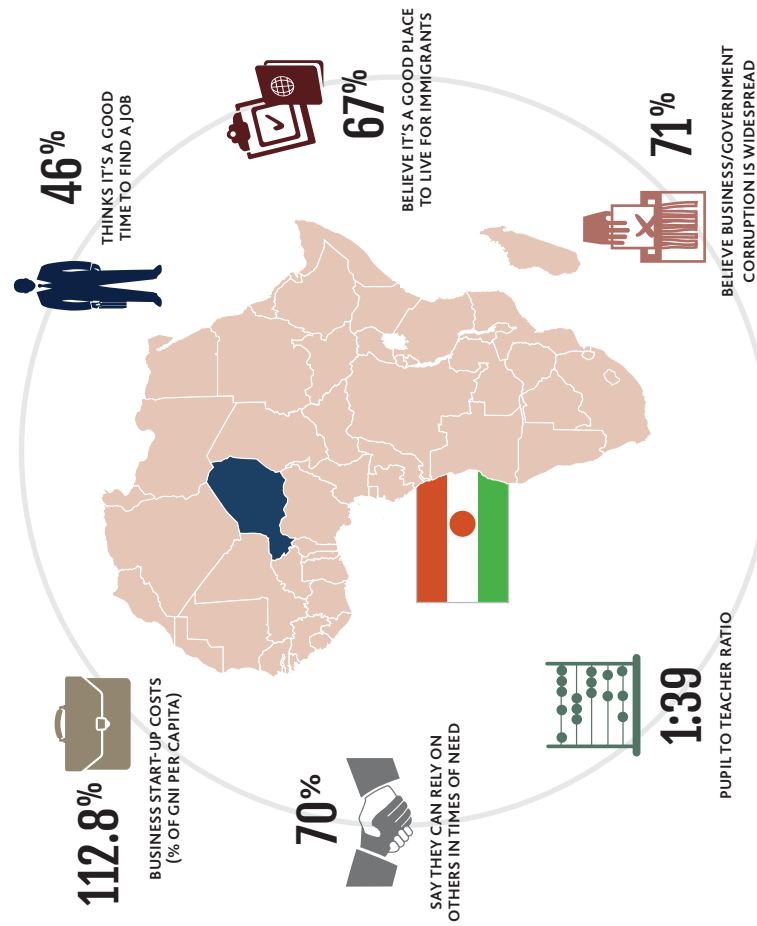
Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
Rwanda	9
Zambia	10
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Burkina Faso	14
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Tanzania	19
Congo (Republic)	20
Malawi	21
Djibouti	22
Mozambique	23
Nigeria	24
Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
Congo (DR)	36
Central African Republic	37
Chad	38

NIGER

PERFORMANCE



- » Niger's overall Prosperity ranking rose from 15th to 12th in Africa between 2012 and 2013.
- » An increase in perception of safety and a decrease in theft and assault rates drove the country up from 11th to 6th in the Safety & Security sub-index.
- » Social Capital score has risen by eight places (to 14th) caused by a reported increase in volunteerism and perceptions of social support.
- » Niger is ranked in the bottom five countries in Africa for Education and for Entrepreneurship & Opportunity, with a rank of 35th.



DATA IN FOCUS:

SUB-INDICES

5	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	2.5%	2.7%
	Confidence in financial institutions? ² (% yes)	2012	55.1%	66.7%
	Satisfaction with living standards? ² (% yes)	2012	56.8%	40.8%
35	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0%	0.2%
	Mobile phones (per 100 ppl)	2011	32.4	70.1
	Will working hard get you ahead? ² (% yes)	2012	85%	88.2%
9	GOVERNANCE			
	Confidence in the government? ² (% yes)	2012	54.1%	55.1%
	Confidence in the judiciary? ² (% yes)	2012	63.6%	55%
	Government effectiveness ¹	2011	-0.7	-0.7
35	EDUCATION			
	Gross secondary enrolment rate	2012	15.2%	50.6%
	Satisfaction with education quality? ² (% yes)	2012	47.4%	51.8%
	Perception children are learning? ² (% yes)	2012	65.4%	62.2%
11	HEALTH			
	Self-reported health problems? ² (% yes)	2012	21.2%	25%
	Hospital beds* (per 1000 people)	2005	0.3	1.2
	Satisfaction with health? ² (% yes)	2012	83.3%	75.8%
6	SAFETY & SECURITY			
	Human flight ²	2012	6	6.7
	Safe walking alone at night? ² (% yes)	2012	86.7%	55.7%
	Property stolen in past 12 months? ² (% yes)	2012	8.1%	25.2%
7	PERSONAL FREEDOM			
	Civil liberties ³	2012	4	3.7
	Tolerance for ethnic groups? ² (% yes)	2012	86.8%	67%
	Satisfaction with freedom of choice? ² (% yes)	2012	73.4%	66.3%
14	SOCIAL CAPITAL			
	Volunteered time in past month? ² (% yes)	2012	11%	17.1%
	Donated to charity in past month? ² (% yes)	2012	6.3%	15%
	Helped strangers in past month? ² (% yes)	2012	49%	50.2%

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OVERALL RANKING: (TOTAL 38)

24

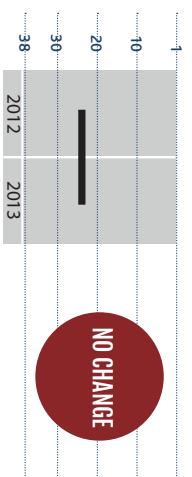
AFRICA RANKING

Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
Rwanda	9
Zambia	10
Egypt	11
Niger	12
Mali	13
Burkina Faso	14
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Kenya	18
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Mauritania	26
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Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
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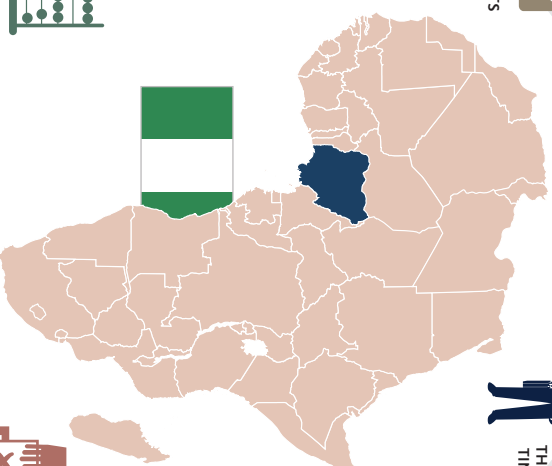
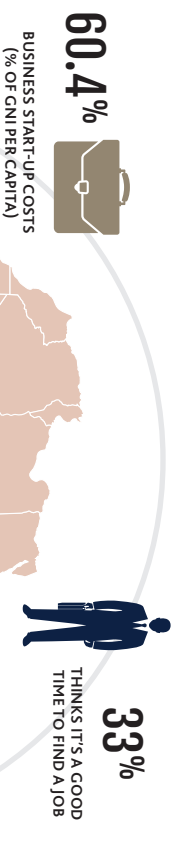
NIGERIA

PERFORMANCE



NO CHANGE

- » Nigeria retains its place at 24th in overall Prosperity in 2013.
- » The Personal Freedom sub-index registers the biggest decline, going down nine places to 27th, with less people satisfied with freedom of choice, and reported lower tolerance towards immigrants.
- » The country has moved up four places to 20th in the Economy sub-index as a result of increasing capital per worker, market size, satisfaction with standards of living and adequate access to food and shelter, alongside decreasing non-performing loans and inflation rate.



1:36 PUPIL TO TEACHER RATIO

87% BELIEVE BUSINESS/GOVERNMENT CORRUPTION IS WIDESPREAD

DATA IN FOCUS:

SUB-INDICES

20	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	4.1%	2.7%
	Confidence in financial institutions?* (% yes)	2012	66.1%	66.7%
	Satisfaction with living standards?* (% yes)	2012	49.8%	40.8%
14	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0.6%	0.2%
	Mobile phones (per 100 ppl)	2011	677	701
	Will working hard get you ahead?* (% yes)	2012	95.3%	88.2%
29	GOVERNANCE			
	Confidence in the government?* (% yes)	2012	32.1%	55.1%
	Confidence in the judiciary?* (% yes)	2012	48.6%	55%
	Government effectiveness ¹	2011	-11	-0.7
24	EDUCATION			
	Gross secondary enrolment rate	2010	44.1%	50.6%
	Satisfaction with education quality?* (% yes)	2012	56.3%	51.8%
	Perception children are learning?* (% yes)	2012	67.3%	62.2%
19	HEALTH			
	Self-reported health problems?* (% yes)	2012	17.3%	25%
	Hospital beds* (per 1000 people)	-	0.1	1.2
	Satisfaction with health?* (% yes)	2012	84.4%	75.8%
34	SAFETY & SECURITY			
	Human flight ²	2012	7.6	6.7
	Safe walking alone at night?* (% yes)	2012	61.5%	55.7%
	Property stolen in past 12 months?* (% yes)	2012	32.3%	25.2%
27	PERSONAL FREEDOM			
	Civil liberties ³	2012	3	3.7
	Tolerance for ethnic groups?* (% yes)	2012	62.1%	67%
	Satisfaction with freedom of choice?* (% yes)	2012	65.2%	66.3%
6	SOCIAL CAPITAL			
	Volunteered time in past month?* (% yes)	2012	36.7%	17.1%
	Donated to charity in past month?* (% yes)	2012	30.4%	15%
	Helped strangers in past month?* (% yes)	2012	66.1%	50.2%

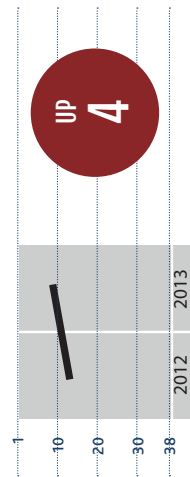
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AFRICA RANKING

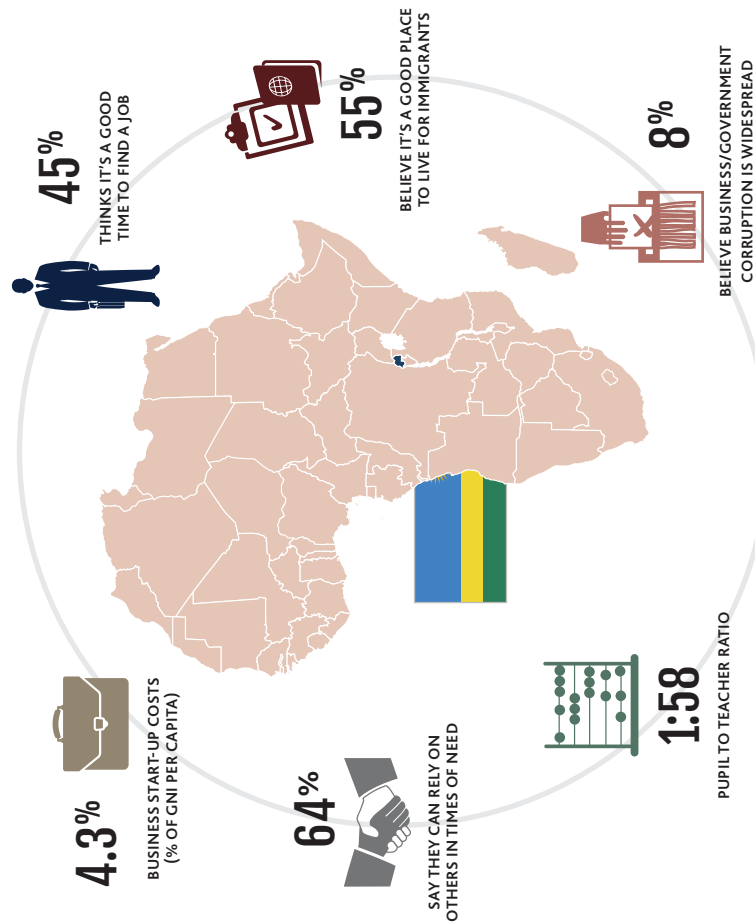
Botswana	1
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Sierra Leone	30
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Guinea	33
Togo	34
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Central African Republic	37
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RWANDA

PERFORMANCE



- » Rwanda has risen four places to 9th in overall Prosperity.
- » It ranks in the top ten for four out of the eight sub-indices, but low for Social Capital (30th) and Personal Freedom (25th).
- » The Health sub-index has moved up by seven places to 6th with big increases in health expenditure, measles immunization rates, and the immunization rate for infectious diseases.
- » The increase in the Economy score, up five to 17th, was caused by an enlargement of market size, an increase in foreign direct investment, and higher GDP per capita growth than last year's.



DATA IN FOCUS:

SUB-INDICES

17	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	5.1%	2.7%
	Confidence in financial institutions? ² (% yes)	2012	92.3%	66.7%
	Satisfaction with living standards? ² (% yes)	2012	29.8%	40.8%
10	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2005	0%	0.2%
	Mobile phones (per 100 ppl)	2011	50.5	70.1
	Will working hard get you ahead? ² (% yes)	2012	93.7%	88.2%
3	GOVERNANCE			
	Confidence in the government? ² (% yes)	2009	95%	55.1%
	Confidence in the judiciary? ² (% yes)	2012	91.2%	55%
	Government effectiveness ¹	2011	0.1	-0.7
12	EDUCATION			
	Gross secondary enrolment rate	2011	35.8%	50.6%
	Satisfaction with education quality? ² (% yes)	2012	75.9%	51.8%
	Perception children are learning? ² (% yes)	2012	96.5%	62.2%
6	HEALTH			
	Self-reported health problems? ² (% yes)	2012	18.5%	25%
	Hospital beds* (per 1000 people)	2007	1.6	1.2
	Satisfaction with health? ² (% yes)	2012	64.9%	75.8%
10	SAFETY & SECURITY			
	Human flight ²	2012	7	6.7
	Safe walking alone at night? ² (% yes)	2012	86.1%	55.7%
	Property stolen in past 12 months? ² (% yes)	2012	8.6%	25.2%
25	PERSONAL FREEDOM			
	Civil liberties ³	2012	2	3.7
	Tolerance for ethnic groups? ² (% yes)	2006	72.8%	67%
	Satisfaction with freedom of choice? ² (% yes)	2012	83.5%	66.3%
30	SOCIAL CAPITAL			
	Volunteered time in past month? ² (% yes)	2012	10%	17%
	Donated to charity in past month? ² (% yes)	2012	14.7%	15%
	Helped strangers in past month? ² (% yes)	2012	27.3%	50.2%

NOTES: ¹Gov. effectiveness: values range from -1.66 to 2.25, higher values indicate higher effectiveness. ²Human flight: values range from 1 to 10, higher values indicate higher levels of human flight. ³Civil liberties: values range from 1 to 7, lower values indicate lack of civil liberties. *Survey data are taken from Gallup World Poll.

OVERALL RANKING: (TOTAL 38)

8

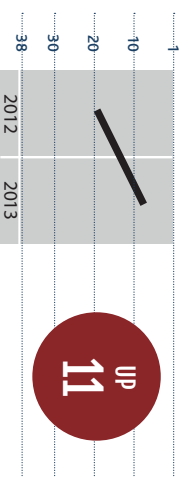
AFRICA RANKING

Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
Rwanda	9
Zambia	10
Egypt	11
Niger	12
Mali	13
Burkina Faso	14
Benin	15
Uganda	16
Cameroon	17
Kenya	18
Tanzania	19
Congo (Republic)	20
Malawi	21
Djibouti	22
Mozambique	23
Nigeria	24
Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
Congo (DR)	36
Central African Republic	37
Chad	38

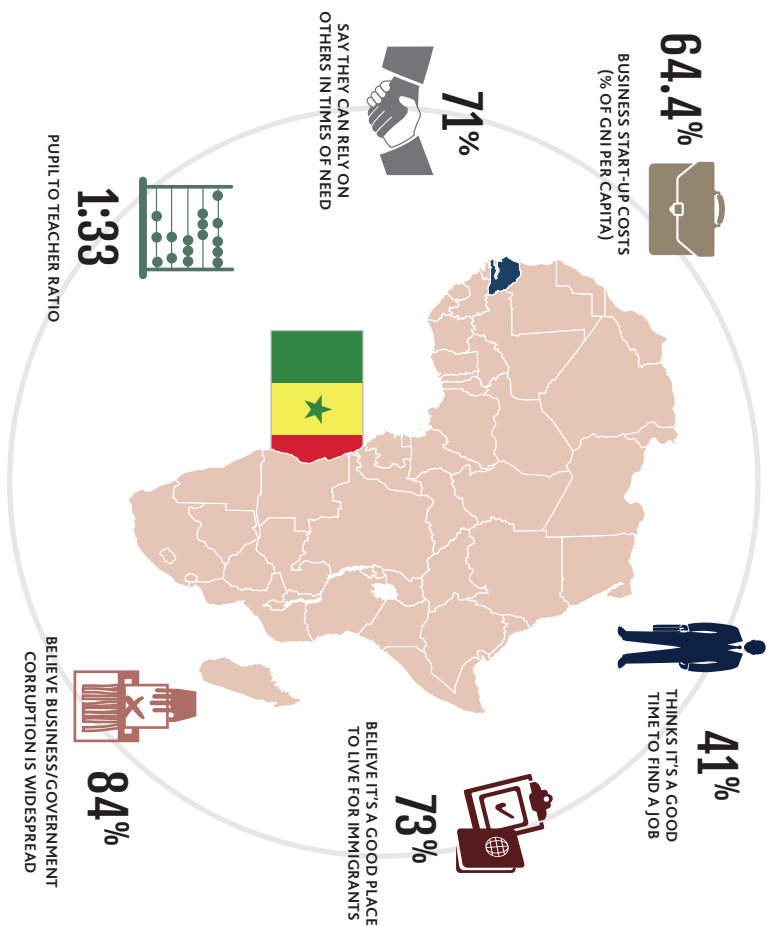
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SENEGAL

PERFORMANCE



- » Senegal has risen eleven places to 8th—the most improved African nation between 2012 and 2013 in overall Prosperity rankings.
- » It has moved up by twelve places to 10th in the Health sub-index due to big increases in health expenditure and immunisation rates for measles and infectious diseases, along with a drop in incidences of tuberculosis.
- » Social Capital has risen by thirteen places to 18th caused by a reported increase in volunteering rates and charitable donations.



DATA IN FOCUS:

SUB-INDICES

9	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	0.6%	2.7%
	Confidence in financial institutions?* (% yes)	2012	65.3%	66.7%
	Satisfaction with living standards?* (% yes)	2012	37.5%	40.8%
17	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0%	0.2%
	Mobile phones (per 100 ppl)	2011	875	701
	Will working hard get you ahead? (% yes)	2012	86.2%	88.2%
10	GOVERNANCE			
	Confidence in the government?* (% yes)	2012	64.8%	55.1%
	Confidence in the judiciary? (% yes)	2012	67.9%	55%
	Government effectiveness ¹	2011	-0.4	-0.7
20	EDUCATION			
	Gross secondary enrolment rate	2011	42.1%	50.6%
	Satisfaction with education quality?* (% yes)	2012	31.3%	51.8%
	Perception children are learning? (% yes)	2012	53.9%	62.2%
10	HEALTH			
	Self-reported health problems?* (% yes)	2012	21.8%	25%
	Hospital beds* (per 1000 people)	2008	0.3	1.2
	Satisfaction with health? (% yes)	2012	76.1%	75.8%
11	SAFETY & SECURITY			
	Human flight ²	2012	6.3	6.7
	Safe walking alone at night? (% yes)	2012	56.9%	55.7%
	Property stolen in past 12 months? (% yes)	2012	27.5%	25.2%
6	PERSONAL FREEDOM			
	Civil liberties ³	2012	5	3.7
	Tolerance for ethnic groups? (% yes)	2012	83.3%	67%
	Satisfaction with freedom of choice?* (% yes)	2012	66.8%	66.3%
18	SOCIAL CAPITAL			
	Volunteered time in past month? (% yes)	2012	15.2%	17.1%
	Donated to charity in past month? (% yes)	2012	15.8%	15%
	Helped strangers in past month? (% yes)	2012	67.9%	50.2%

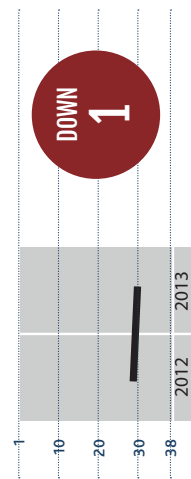
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AFRICA RANKING

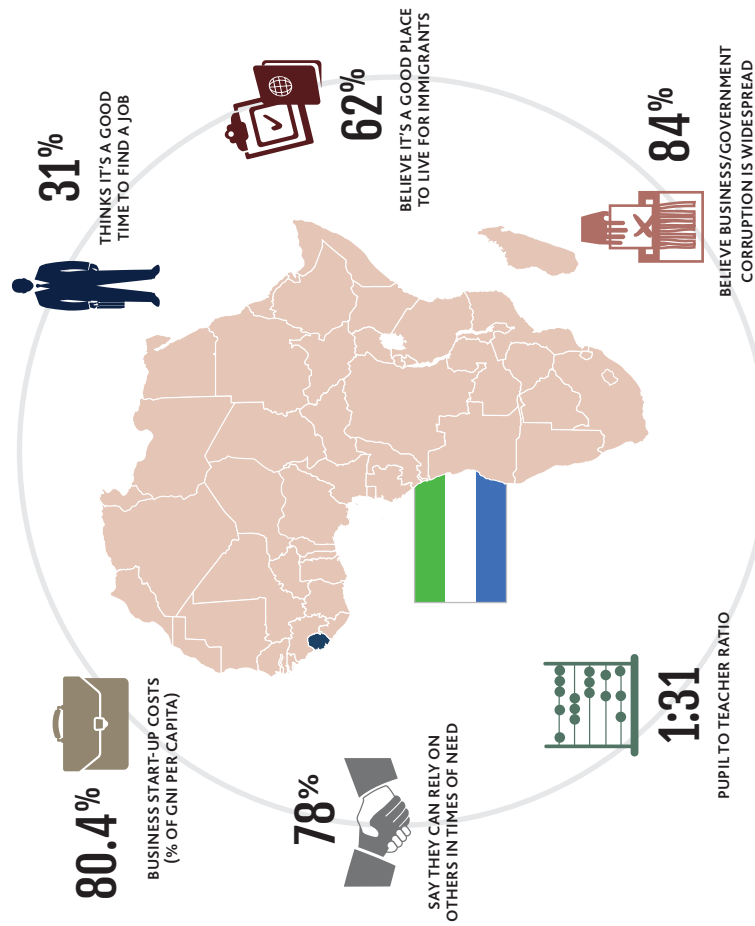
Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
Rwanda	9
Zambia	10
Egypt	11
Niger	12
Mali	13
Burkina Faso	14
Benin	15
Uganda	16
Cameroon	17
Kenya	18
Tanzania	19
Congo (Republic)	20
Malawi	21
Djibouti	22
Mozambique	23
Nigeria	24
Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
Congo (DRC)	36
Central African Republic	37
Chad	38

SIERRA LEONE

PERFORMANCE



- » **Sierra Leone has declined one place to 30th in overall Prosperity, retaining its place in the bottom ten.**
- » **The country's rankings have declined in Education, (its biggest decrease) and Health (37th) where girls to boys enrolment ratio and rate of immunisation against infectious diseases are the biggest issues, respectively.**
- » **The Economy sub-index registers a two place increase to 34th due to an increase in capital per worker, high-tech exports and 5-year GDP per capita growth rate.**



DATA IN FOCUS:

SUB-INDICES

34	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	3.4%	2.7%
	Confidence in financial institutions? ² (% yes)	2011	68.6%	66.7%
	Satisfaction with living standards? ² (% yes)	2011	31.5%	40.8%
30	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2009	0.1%	0.2%
	Mobile phones (per 100 ppl)	2011	361	701
	Will working hard get you ahead? ² (% yes)	2011	87.2%	88.2%
22	GOVERNANCE			
	Confidence in the government? ² (% yes)	2011	58.5%	55.1%
	Confidence in the judiciary? ² (% yes)	2011	44%	55%
	Government effectiveness ¹	2011	-1.2	-0.7
33	EDUCATION			
	Gross secondary enrolment rate	-	57.9%	50.6%
	Satisfaction with education quality? ² (% yes)	2011	33.1%	51.8%
	Perception children are learning? ² (% yes)	2011	42.8%	62.2%
37	HEALTH			
	Self-reported health problems? ² (% yes)	2011	31.1%	25%
	Hospital beds* (per 1000 people)	2006	0.4	1.2
	Satisfaction with health? ² (% yes)	2011	67.9%	75.8%
27	SAFETY & SECURITY			
	Human flight ²	2012	77	6.7
	Safe walking alone at night? ² (% yes)	2011	50.5%	55.7%
	Property stolen in past 12 months? ² (% yes)	2011	52.9%	25.2%
8	PERSONAL FREEDOM			
	Civil liberties ³	2012	5	3.7
	Tolerance for ethnic groups? ² (% yes)	2011	55.9%	67%
	Satisfaction with freedom of choice? ² (% yes)	2011	77%	66.3%
12	SOCIAL CAPITAL			
	Volunteered time in past month? ² (% yes)	2011	30.4%	17.1%
	Donated to charity in past month? ² (% yes)	2011	15.3%	15%
	Helped strangers in past month? ² (% yes)	2011	71.3%	50.2%

NOTES: ¹Gov. effectiveness: values range from -1.66 to 2.25, higher values indicate higher effectiveness. ²Human flight: values range from 1 to 10, higher values indicate higher levels of human flight. ³Civil liberties: values range from 1 to 7, lower values indicate lack of civil liberties. *Survey data are taken from Gallup World Poll.

OVERALL RANKING: (TOTAL 38)

2

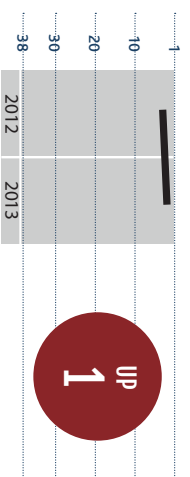
AFRICA RANKING

Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
Rwanda	9
Zambia	10
Egypt	11
Niger	12
Mali	13
Burkina Faso	14
Benin	15
Uganda	16
Cameroon	17
Kenya	18
Tanzania	19
Congo (Republic)	20
Malawi	21
Djibouti	22
Mozambique	23
Nigeria	24
Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
Congo (DR)	36
Central African Republic	37
Chad	38

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SOUTH AFRICA

PERFORMANCE

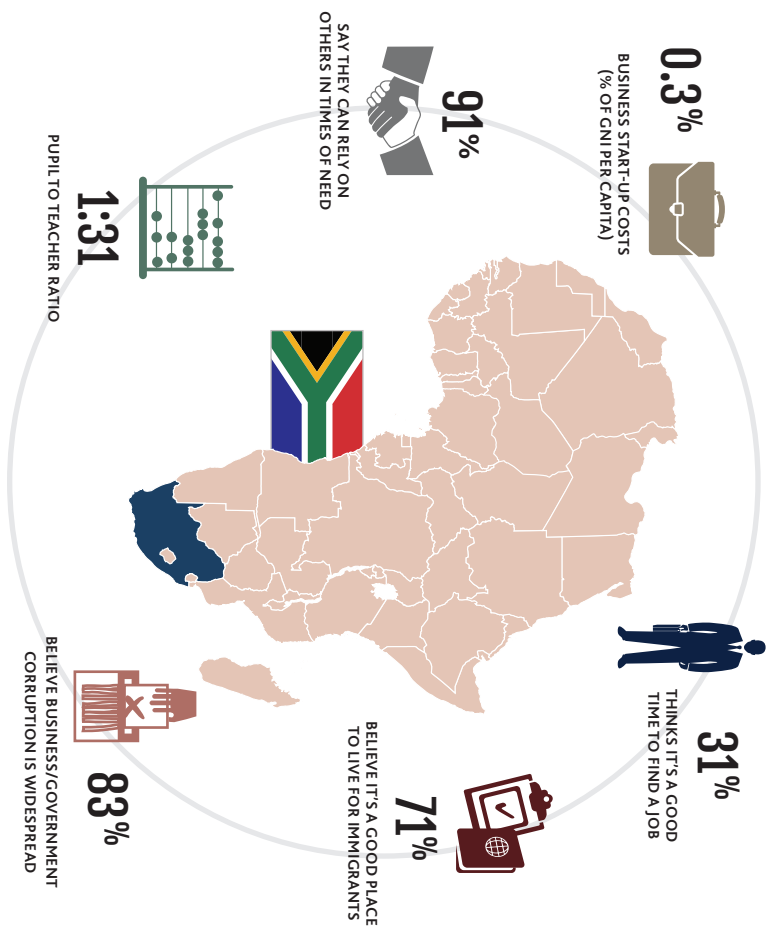


» South Africa has moved up one place to 2nd in overall Prosperity.

» The Health sub-index moved up four places to 8th because of a large increase in its per capita health expenditure, alongside a decrease in infant mortality.

» Personal Freedom fell by seven places to 16th caused by a reported decrease in perceived freedom to choose the course of one's life.

» South Africa is in the top ten for six out of the eight sub-indices except Personal Freedom and Safety and Security.



DATA IN FOCUS:

SUB-INDICES

6	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	1.6%	2.7%
	Confidence in financial institutions?* (% yes)	2012	67.2%	66.7%
	Satisfaction with living standards?* (% yes)	2012	43%	40.8%
1	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0.9%	0.2%
	Mobile phones (per 100 ppl)	2011	134.8	701
	Will working hard get you ahead?* (% yes)	2012	88.1%	88.2%
4	GOVERNANCE			
	Confidence in the government?* (% yes)	2012	43.4%	55.1%
	Confidence in the judiciary?* (% yes)	2012	65.6%	55%
	Government effectiveness ¹	2011	0.4	-0.7
3	EDUCATION			
	Gross secondary enrolment rate	2009	93.8%	50.6%
	Satisfaction with education quality?* (% yes)	2012	69.4%	51.8%
	Perception children are learning?* (% yes)	2012	80.2%	62.2%
8	HEALTH			
	Self-reported health problems?* (% yes)	2012	20.3%	25%
	Hospital beds* (per 1000 people)	2005	2.8	1.2
	Satisfaction with health?* (% yes)	2012	80.2%	75.8%
16	SAFETY & SECURITY			
	Human flight ²	2012	4	6.7
	Safe walking alone at night?* (% yes)	2012	26.9%	55.7%
	Property stolen in past 12 months?* (% yes)	2012	35%	25.2%
16	PERSONAL FREEDOM			
	Civil liberties ³	2012	6	3.7
	Tolerance for ethnic groups?* (% yes)	2012	71.8%	67%
	Satisfaction with freedom of choice?* (% yes)	2012	59%	66.3%
7	SOCIAL CAPITAL			
	Volunteered time in past month?* (% yes)	2012	21.2%	17.1%
	Donated to charity in past month?* (% yes)	2012	12.1%	15%
	Helped strangers in past month?* (% yes)	2012	54%	50.2%

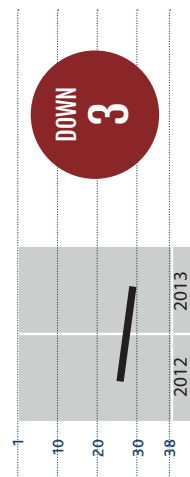
NOTES: ¹Gov. effectiveness values range from -1.66 to 2.35, higher values indicate higher effectiveness. ²Human flight values range from 1 to 10, higher values indicate higher levels of human flight. ³Civil liberties values range from 1 to 7, lower values indicate lack of civil liberties. *Survey data are taken from Gallup World Poll.

AFRICA RANKING

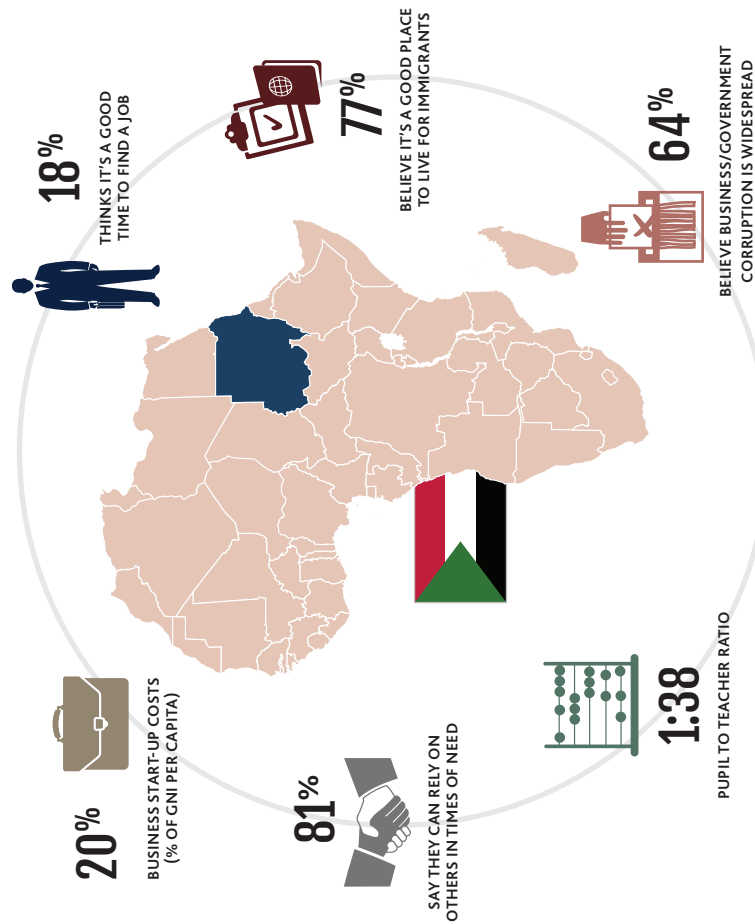
Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
Rwanda	9
Zambia	10
Egypt	11
Niger	12
Mali	13
Burkina Faso	14
Benin	15
Uganda	16
Cameroon	17
Kenya	18
Tanzania	19
Congo (Republic)	20
Malawi	21
Djibouti	22
Mozambique	23
Nigeria	24
Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
Congo (DRC)	36
Central African Republic	37
Chad	38

SUDAN

PERFORMANCE



- » Sudan moves down three places to 29th—in the bottom ten countries for overall Prosperity.
- » Economy (21st), Education (23rd), Personal Freedom (37th) are all in decline.
- » The Health sub-index (17th) registers the biggest fall due to a decrease in the rate of immunisation against measles and undernourishment affecting a higher share of the population.
- » The Entrepreneurship & Opportunity sub-index moves up four places to 11th, as a result of an increase in the number of mobile phones per 100 people, ICT exports and expenditures for research and development, alongside a decrease in start-up costs and uneven economic development levels.



DATA IN FOCUS:

SUB-INDICES

21	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	3.1%	2.7%
	Confidence in financial institutions? ² (% yes)	2012	61.3%	66.7%
	Satisfaction with living standards? ² (% yes)	2012	44.2%	40.8%
11	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0.4%	0.2%
	Mobile phones (per 100 ppl)	2011	60.5	70.1
	Will working hard get you ahead? ² (% yes)	2012	94.2%	88.2%
33	GOVERNANCE			
	Confidence in the government? ² (% yes)	2007	57%	55.1%
	Confidence in the judiciary? ² (% yes)	2011	70.1%	55%
	Government effectiveness ¹	2011	-1.4	-0.7
23	EDUCATION			
	Gross secondary enrolment rate	2009	39%	50.6%
	Satisfaction with education quality? ² (% yes)	2012	38.5%	51.8%
	Perception children are learning? ² (% yes)	2012	42.5%	62.2%
17	HEALTH			
	Self-reported health problems? ² (% yes)	2012	26.1%	25%
	Hospital beds* (per 1000 people)	2009	0.7	1.2
	Satisfaction with health? ² (% yes)	2012	81.3%	75.8%
36	SAFETY & SECURITY			
	Human flight ²	2012	8.3	6.7
	Safe walking alone at night? ² (% yes)	2012	68.9%	55.7%
	Property stolen in past 12 months? ² (% yes)	2012	28.7%	25.2%
37	PERSONAL FREEDOM			
	Civil liberties ³	2012	1	3.7
	Tolerance for ethnic groups? ² (% yes)	2012	64.4%	67%
	Satisfaction with freedom of choice? ² (% yes)	2012	41.2%	66.3%
3	SOCIAL CAPITAL			
	Volunteered time in past month? ² (% yes)	2012	19%	17.1%
	Donated to charity in past month? ² (% yes)	2012	16.5%	15%
	Helped strangers in past month? ² (% yes)	2012	65.1%	50.2%

NOTES: ¹Gov. effectiveness: values range from -1.66 to 2.25, higher values indicate higher effectiveness. ²Human flight: values range from 1 to 10, higher values indicate higher levels of human flight. ³Civil liberties: values range from 1 to 7, lower values indicate lack of civil liberties. *Survey data are taken from Gallup World Poll.

OVERALL RANKING: (TOTAL 38)

19

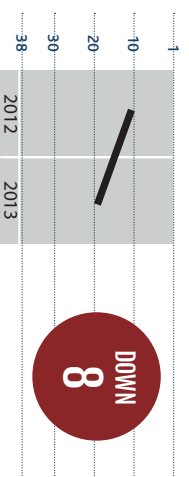
AFRICA RANKING

Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
Rwanda	9
Zambia	10
Egypt	11
Niger	12
Mali	13
Burkina Faso	14
Benin	15
Uganda	16
Cameroon	17
Kenya	18
Tanzania	19
Congo (Republic)	20
Malawi	21
Djibouti	22
Mozambique	23
Nigeria	24
Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
Congo (DR)	36
Central African Republic	37
Chad	38

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TANZANIA

PERFORMANCE

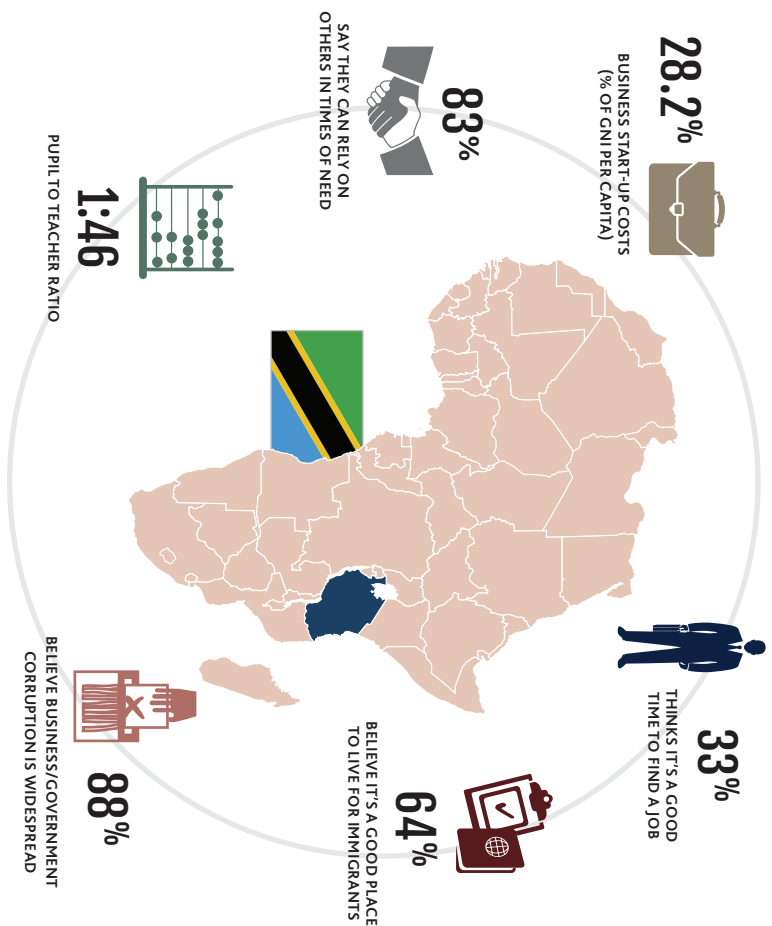


» Tanzania has moved down eight places to 19th in overall Prosperity.

» The Economy sub-index has moved down by twelve places to 19th, due to a large decrease in perceived job availability and access to adequate food and shelter.

» Personal Freedom has fallen four places to 28th because of a drop in tolerance for immigrants and perceived freedom to choose the course of one's life.

» Tanzania's best performance is in Social Capital, where it ranks 2nd this year, up from 6th in 2012.



DATA IN FOCUS:

SUB-INDICES

19	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	3.7%	2.7%
	Confidence in financial institutions?* (% yes)	2012	61.2%	66.7%
	Satisfaction with living standards?* (% yes)	2012	39.5%	40.8%
20	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0.3%	0.2%
	Mobile phones (per 100 ppl)	2011	571	701
	Will working hard get you ahead? (% yes)	2012	80.6%	88.2%
16	GOVERNANCE			
	Confidence in the government?* (% yes)	2012	41.8%	55.1%
	Confidence in the judiciary? (% yes)	2012	40.7%	55%
	Government effectiveness ¹	2011	-0.5	-0.7
18	EDUCATION			
	Gross secondary enrolment rate	2012	35.1%	50.6%
	Satisfaction with education quality?* (% yes)	2012	35.8%	51.8%
	Perception children are learning? (% yes)	2012	50.1%	62.2%
21	HEALTH			
	Self-reported health problems?* (% yes)	2012	26.8%	25%
	Hospital beds* (per 1000 people)	2010	0.7	1.2
	Satisfaction with health? (% yes)	2012	69.9%	75.8%
21	SAFETY & SECURITY			
	Human flight? ²	2012	6.1	6.7
	Safe walking alone at night? (% yes)	2012	57.9%	55.7%
	Property stolen in past 12 months? (% yes)	2012	33.6%	25.2%
28	PERSONAL FREEDOM			
	Civil liberties ³	2012	5	3.7
	Tolerance for ethnic groups? (% yes)	2012	54.6%	67%
	Satisfaction with freedom of choice?* (% yes)	2012	57.7%	66.3%
2	SOCIAL CAPITAL			
	Volunteered time in past month? (% yes)	2012	19.4%	17.1%
	Donated to charity in past month? (% yes)	2012	38.9%	15%
	Helped strangers in past month? (% yes)	2012	49.5%	50.2%

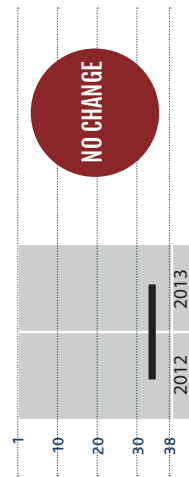
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AFRICA RANKING

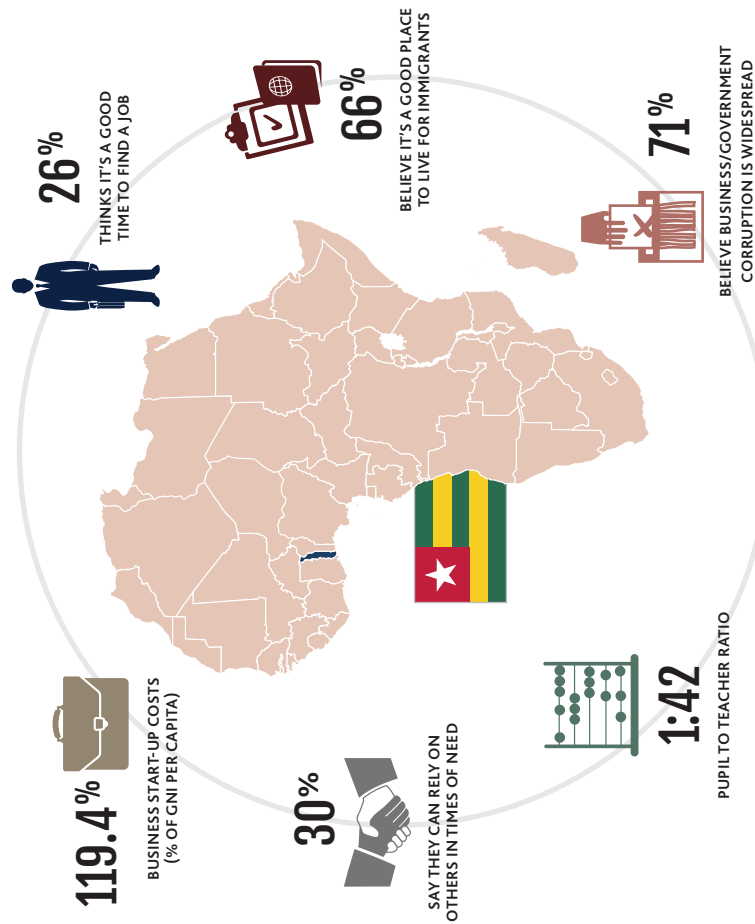
Botswana	1
South Africa	2
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Uganda	16
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Tanzania	19
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Mozambique	23
Nigeria	24
Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
Congo (DRC)	36
Central African Republic	37
Chad	38

TOGO

PERFORMANCE



- » Togo retains its position at 34th in overall Prosperity.
- » It is now in the Top 20 for Education (19th), due to big increases in gross secondary and tertiary enrolment rates.
- » The Safety & Security sub-index has gone down two places to 17th. The decline in this sub-index is the result of an increase in refugees and internally displaced persons, and an increase in reported state-sponsored violence.



DATA IN FOCUS:

SUB-INDICES

36	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	0.7%	2.7%
	Confidence in financial institutions? ² (% yes)	2011	62.2%	66.7%
	Satisfaction with living standards? ² (% yes)	2011	16.4%	40.8%
29	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0%	0.2%
	Mobile phones (per 100 ppl)	2011	56	70.1
	Will working hard get you ahead? ² (% yes)	2011	74.2%	88.2%
26	GOVERNANCE			
	Confidence in the government? ² (% yes)	2011	54.4%	55.1%
	Confidence in the judiciary? ² (% yes)	2011	49.7%	55%
	Government effectiveness ¹	2011	-1.4	-0.7
19	EDUCATION			
	Gross secondary enrolment rate	2011	56.5%	50.6%
	Satisfaction with education quality? ² (% yes)	2011	45.5%	51.8%
	Perception children are learning? ² (% yes)	2011	51.4%	62.2%
26	HEALTH			
	Self-reported health problems? ² (% yes)	2011	35.5%	25%
	Hospital beds* (per 1000 people)	2011	0.7	1.2
	Satisfaction with health? ² (% yes)	2011	55.2%	75.8%
17	SAFETY & SECURITY			
	Human flight ²	2012	6.9	6.7
	Safe walking alone at night? ² (% yes)	2011	52.5%	55.7%
	Property stolen in past 12 months? ² (% yes)	2011	32.4%	25.2%
18	PERSONAL FREEDOM			
	Civil liberties ³	2012	4	3.7
	Tolerance for ethnic groups? ² (% yes)	2011	77.9%	67%
	Satisfaction with freedom of choice? ² (% yes)	2011	58.4%	66.3%
38	SOCIAL CAPITAL			
	Volunteered time in past month? ² (% yes)	2011	12.5%	17.1%
	Donated to charity in past month? ² (% yes)	2011	6.9%	15%
	Helped strangers in past month? ² (% yes)	2011	21.6%	50.2%

NOTES: ¹Gov. effectiveness: values range from -1.66 to 2.25, higher values indicate higher effectiveness. ²Human flight: values range from 1 to 10, higher values indicate higher levels of human flight. ³Civil liberties: values range from 1 to 7, lower values indicate lack of civil liberties. *Survey data are taken from Gallup World Poll.

OVERALL RANKING: (TOTAL 38)

4

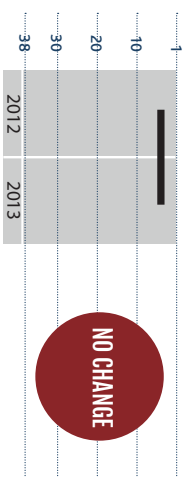
AFRICA RANKING

Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
Rwanda	9
Zambia	10
Egypt	11
Niger	12
Mali	13
Burkina Faso	14
Benin	15
Uganda	16
Cameroon	17
Kenya	18
Tanzania	19
Congo (Republic)	20
Malawi	21
Djibouti	22
Mozambique	23
Nigeria	24
Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
Congo (DR)	36
Central African Republic	37
Chad	38

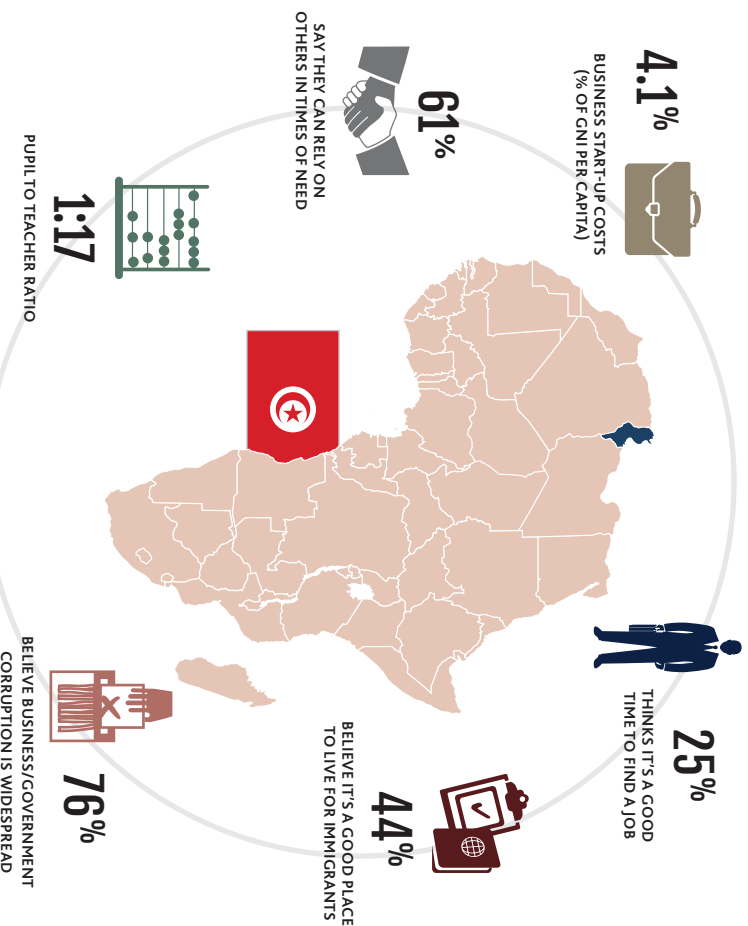
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TUNISIA

PERFORMANCE



- » Tunisia retains its position at 4th in overall Prosperity.
- » The country has declined five places to 12th in the Governance sub-index as a result of a decline in government stability, government effectiveness, regulation quality and reported confidence in the government—in spite of an increase in separation of powers and registered lower levels of corruption.
- » The Safety & Security sub-index presents the biggest increase, moving up four places to 2nd. This is due to a reported decrease in property being stolen and registered demographic instability, alongside with people feeling safer walking alone at night.



DATA IN FOCUS:

SUB-INDICES

7	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	1.9%	2.7%
	Confidence in financial institutions?* (% yes)	2012	62.2%	66.7%
	Satisfaction with living standards?* (% yes)	2012	54.6%	40.8%
2	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0.7%	0.2%
	Mobile phones (per 100 ppl)	2011	120	701
	Will working hard get you ahead? (% yes)	2012	92.7%	88.2%
12	GOVERNANCE			
	Confidence in the government?* (% yes)	2012	48.5%	55.1%
	Confidence in the judiciary?* (% yes)	2012	58.3%	55%
	Government effectiveness ¹	2011	0	-0.7
2	EDUCATION			
	Gross secondary enrolment rate	2011	92.6%	50.6%
	Satisfaction with education quality?* (% yes)	2012	47.3%	51.8%
	Perception children are learning?* (% yes)	2012	63.6%	62.2%
1	HEALTH			
	Self-reported health problems?* (% yes)	2012	26.2%	25%
	Hospital beds* (per 1000 people)	2010	2.1	1.2
	Satisfaction with health?* (% yes)	2011	82.5%	75.8%
2	SAFETY & SECURITY			
	Human flight ²	2012	5.2	6.7
	Safe walking alone at night?* (% yes)	2012	60.1%	55.7%
	Property stolen in past 12 months?* (% yes)	2012	17.7%	25.2%
32	PERSONAL FREEDOM			
	Civil liberties ³	2012	4	3.7
	Tolerance for ethnic groups?* (% yes)	2012	35.5%	67%
	Satisfaction with freedom of choice?* (% yes)	2012	56.8%	66.3%
34	SOCIAL CAPITAL			
	Volunteered time in past month?* (% yes)	2012	4.2%	17.1%
	Donated to charity in past month?* (% yes)	2012	11%	15%
	Helped strangers in past month?* (% yes)	2012	55.9%	50.2%

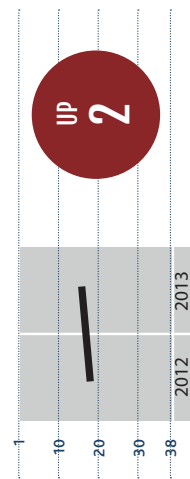
NOTES: ¹Gov. effectiveness values range from -1.66 to 2.35, higher values indicate higher effectiveness. ²Human flight values range from 1 to 10, higher values indicate higher levels of human flight. ³Civil liberties values range from 1 to 7, lower values indicate lack of civil liberties. *Survey data are taken from Gallup World Poll.

AFRICA RANKING

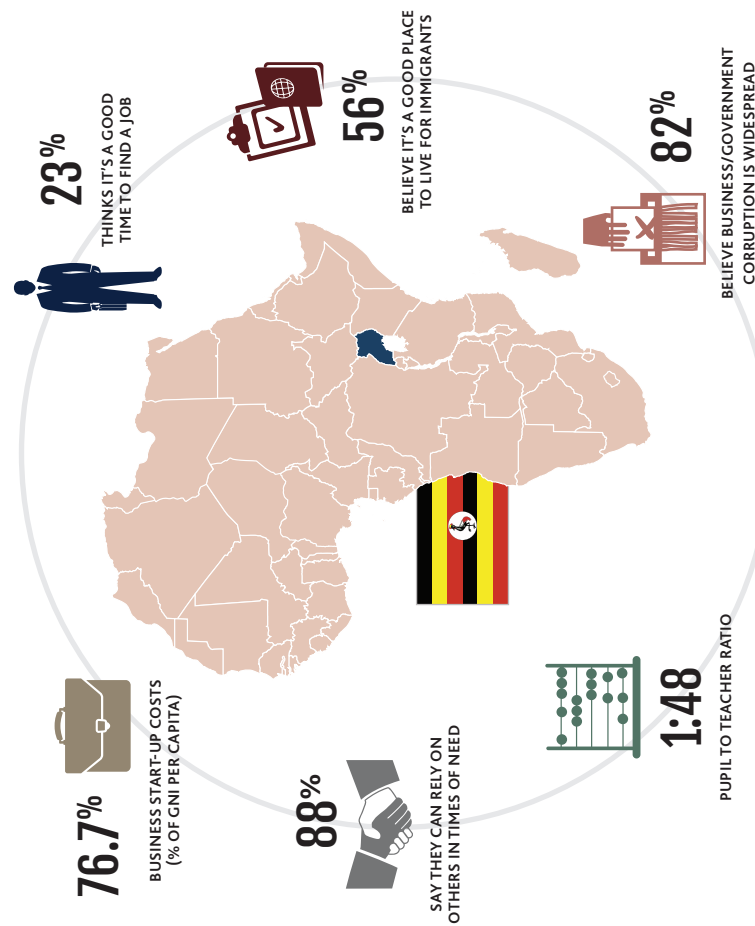
Botswana	1
South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
Rwanda	9
Zambia	10
Egypt	11
Niger	12
Mali	13
Burkina Faso	14
Benin	15
Uganda	16
Cameroon	17
Kenya	18
Tanzania	19
Congo (Republic)	20
Malawi	21
Djibouti	22
Mozambique	23
Nigeria	24
Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
Congo (DR)	36
Central African Republic	37
Chad	38

UGANDA

PERFORMANCE



- » Uganda has improved two places in overall Prosperity to 16th.
- » The Governance sub-index has moved down three places. A decrease in court and government approval ratings and in reported confidence in elections drove the ranking down.
- » Uganda's best performance is in the Social Capital sub-index, where it is ranked 4th.
- » The Health score is up by three places to 24th, because of an increase in the immunisation rates for measles and infectious diseases and a decrease in infant mortality.
- » Safety & Security is the worst performer, ranked 33rd.



DATA IN FOCUS:

SUB-INDICES

15	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	3.8%	2.7%
	Confidence in financial institutions? ² (% yes)	2012	61.3%	66.7%
	Satisfaction with living standards? ² (% yes)	2012	38.6%	40.8%
13	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0.4%	0.2%
	Mobile phones (per 100 ppl)	2011	45.9	70.1
	Will working hard get you ahead? ² (% yes)	2012	92.3%	88.2%
19	GOVERNANCE			
	Confidence in the government? ² (% yes)	2012	40.5%	55.1%
	Confidence in the judiciary? ² (% yes)	2012	33.8%	55%
	Government effectiveness ¹	2011	-0.5	-0.7
16	EDUCATION			
	Gross secondary enrolment rate	2009	28.4%	50.6%
	Satisfaction with education quality? ² (% yes)	2012	48.2%	51.8%
	Perception children are learning? ² (% yes)	2012	66.4%	62.2%
24	HEALTH			
	Self-reported health problems? ² (% yes)	2012	26.8%	25%
	Hospital beds* (per 1000 people)	2010	0.5	1.2
	Satisfaction with health? ² (% yes)	2012	73.2%	75.8%
33	SAFETY & SECURITY			
	Human flight ²	2012	6.9	6.7
	Safe walking alone at night? ² (% yes)	2012	41.5%	55.7%
	Property stolen in past 12 months? ² (% yes)	2012	44%	25.2%
20	PERSONAL FREEDOM			
	Civil liberties ³	2012	4	3.7
	Tolerance for ethnic groups? ² (% yes)	2012	68.5%	67%
	Satisfaction with freedom of choice? ² (% yes)	2012	64.9%	66.3%
4	SOCIAL CAPITAL			
	Volunteered time in past month? ² (% yes)	2012	22.7%	17.1%
	Donated to charity in past month? ² (% yes)	2012	25.1%	15%
	Helped strangers in past month? ² (% yes)	2012	61.1%	50.2%

NOTES: ¹Gov. effectiveness: values range from -1.66 to 2.25, higher values indicate higher effectiveness. ²Human flight: values range from 1 to 10, higher values indicate higher levels of human flight. ³Civil liberties: values range from 1 to 7, lower values indicate lack of civil liberties. *Survey data are taken from Gallup World Poll.

OVERALL RANKING: (TOTAL 38)

10

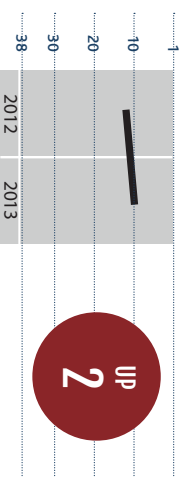
AFRICA RANKING

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South Africa	2
Morocco	3
Tunisia	4
Namibia	5
Algeria	6
Ghana	7
Senegal	8
Rwanda	9
Zambia	10
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Zimbabwe	25
Mauritania	26
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Sudan	29
Sierra Leone	30
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Guinea	33
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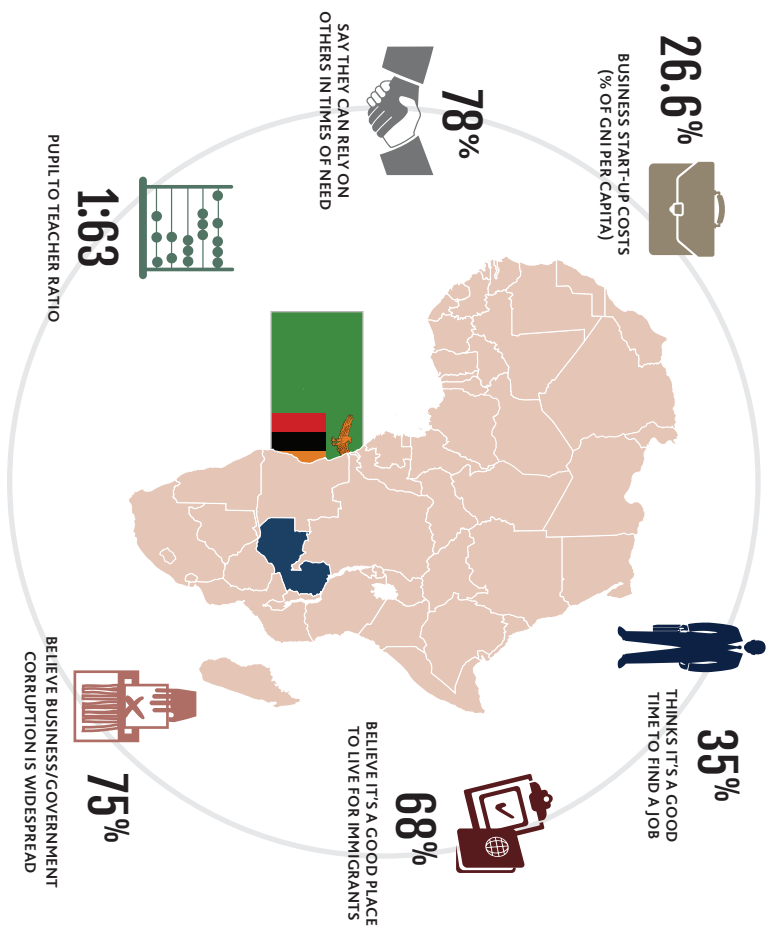
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ZAMBIA

PERFORMANCE



- » Zambia has moved up two places to 10th in overall Prosperity.
- » The increase in its Economy score, which moved Zambia up eight places to 13th, was due to an increase in high tech exports and a rise in the employment rate.
- » Personal Freedom climbed twelve places to 9th. This is the result of increases in tolerance for ethnic minorities and perceived freedom to choose the course of one's life.



DATA IN FOCUS:

SUB-INDICES

13	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	3.5%	2.7%
	Confidence in financial institutions?* (% yes)	2012	69.6%	66.7%
	Satisfaction with living standards?* (% yes)	2012	34.1%	40.8%
12	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2011	0.3%	0.2%
	Mobile phones (per 100 ppl)	2011	75.8	701
	Will working hard get you ahead?* (% yes)	2012	96.2%	88.2%
13	GOVERNANCE			
	Confidence in the government?* (% yes)	2012	63.1%	55.1%
	Confidence in the judiciary?* (% yes)	2012	58.7%	55%
	Government effectiveness ¹	2011	-0.7	-0.7
11	EDUCATION			
	Gross secondary enrolment rate	-	74.9%	50.6%
	Satisfaction with education quality?* (% yes)	2012	54%	51.8%
	Perception children are learning?* (% yes)	2012	66.6%	62.2%
31	HEALTH			
	Self-reported health problems?* (% yes)	2012	29.3%	25%
	Hospital beds* (per 1000 people)	2010	2	1.2
	Satisfaction with health?* (% yes)	2012	76.2%	75.8%
23	SAFETY & SECURITY			
	Human flight? ²	2012	71	6.7
	Safe walking alone at night?* (% yes)	2012	45.8%	55.7%
	Property stolen in past 12 months?* (% yes)	2012	32.7%	25.2%
9	PERSONAL FREEDOM			
	Civil liberties ³	2012	4	3.7
	Tolerance for ethnic groups?* (% yes)	2012	71%	67%
	Satisfaction with freedom of choice?* (% yes)	2012	78.8%	66.3%
5	SOCIAL CAPITAL			
	Volunteered time in past month?* (% yes)	2012	27.2%	17.1%
	Donated to charity in past month?* (% yes)	2012	21.5%	15%
	Helped strangers in past month?* (% yes)	2012	63.2%	50.2%

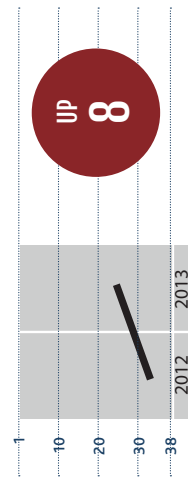
NOTES: ¹Gov. effectiveness values range from -1.66 to 2.25, higher values indicate higher effectiveness. ²Human flight values range from 1 to 10, higher values indicate higher levels of human flight. ³Civil liberties values range from 1 to 7, lower values indicate lack of civil liberties. ⁴Survey data are taken from Gallup World Poll.

AFRICA RANKING

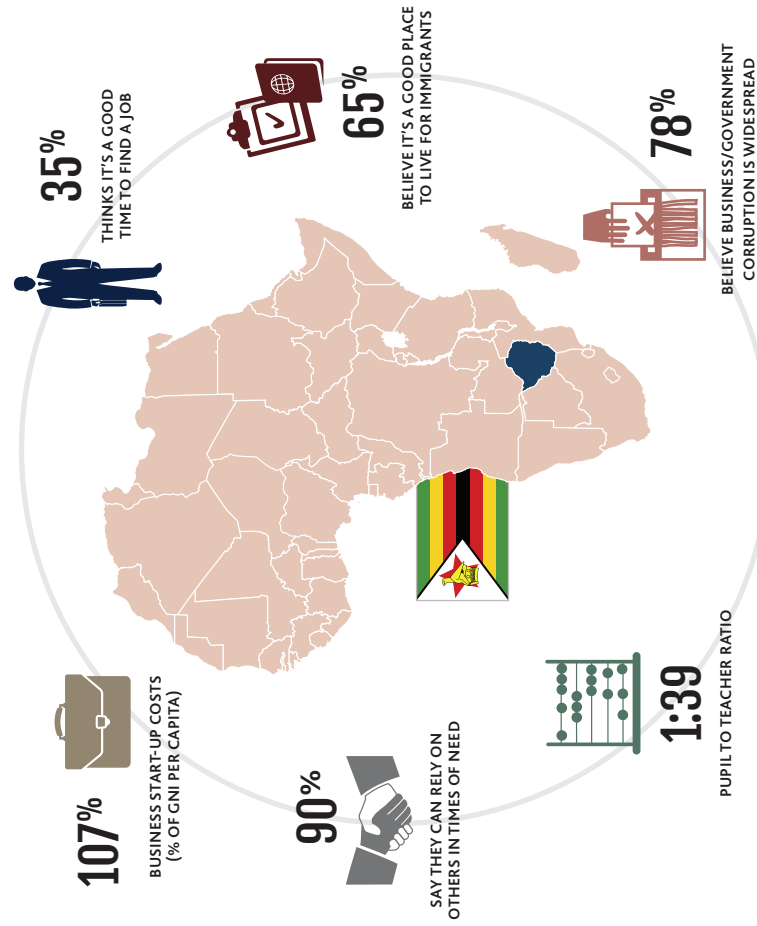
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Zambia	10
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Mali	13
Burkina Faso	14
Benin	15
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Mozambique	23
Nigeria	24
Zimbabwe	25
Mauritania	26
Ethiopia	27
Liberia	28
Sudan	29
Sierra Leone	30
Côte d'Ivoire	31
Angola	32
Guinea	33
Togo	34
Burundi	35
Congo (DR)	36
Central African Republic	37
Chad	38

ZIMBABWE

PERFORMANCE



- » Zimbabwe has moved up eight places to 25th in overall Prosperity.
- » The Economy sub-index registers the biggest improvement, going up fourteen places to 24th. A big increase in gross domestic savings and a drop in the country's inflation rate explain the rise in this sub-index.
- » The country has increased in every sub-index, except in Personal Freedom (down two places to 30th), with declining perceptions of freedom of choice, and tolerance towards immigrants.

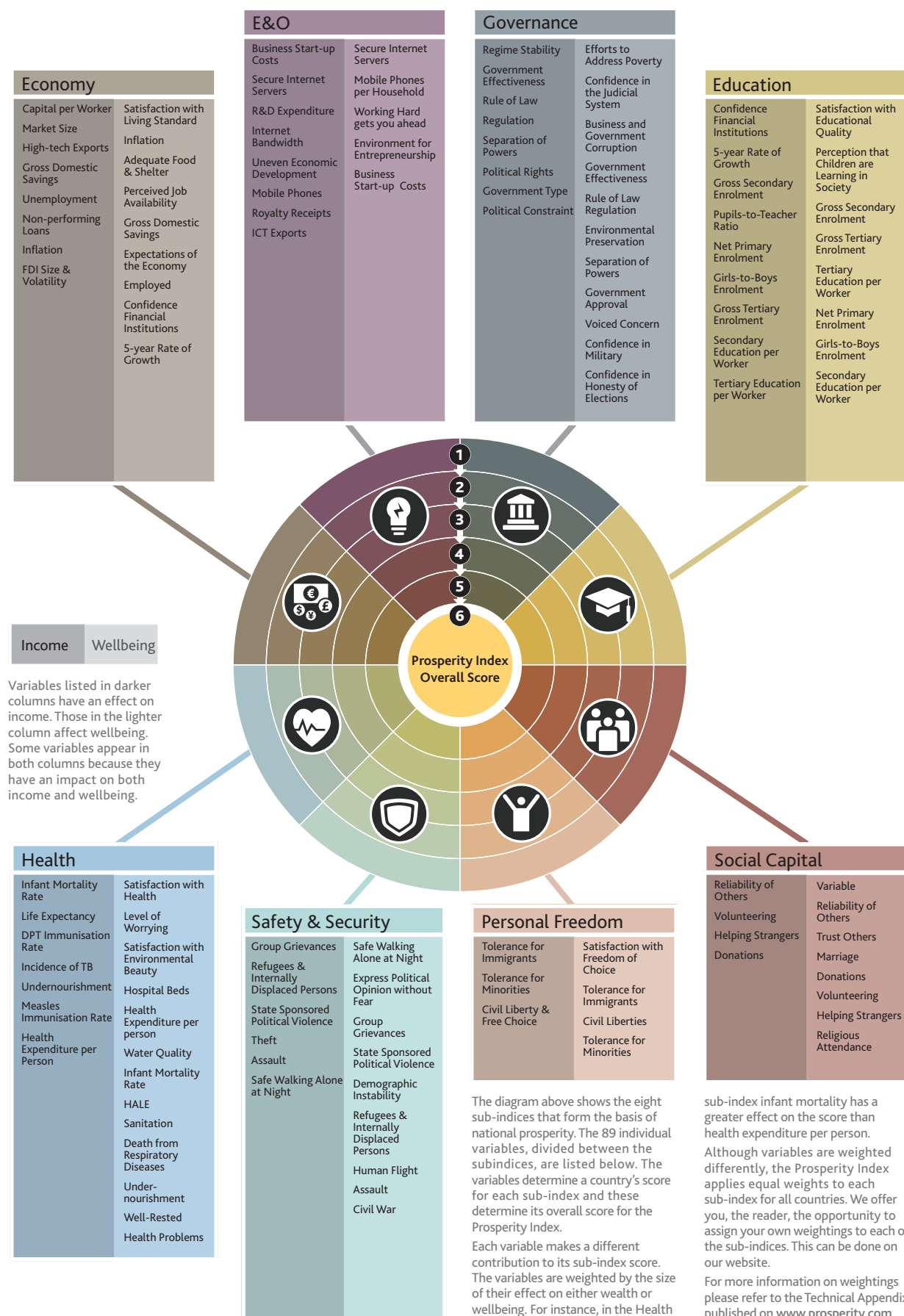


DATA IN FOCUS:

SUB-INDICES

24	ECONOMY	Year	Data	Africa Av.
	5 year growth rate	2011	0.3%	2.7%
	Confidence in financial institutions? ² (% yes)	2012	57.9%	66.7%
	Satisfaction with living standards? ² (% yes)	2012	40.1%	40.8%
21	ENTREPRENEURSHIP & OPPORTUNITY			
	R&D expenditure (% of GDP)	2006	0.3%	0.2%
	Mobile phones (per 100 ppl)	2011	96.9	70.1
	Will working hard get you ahead? ² (% yes)	2012	94.4%	88.2%
38	GOVERNANCE			
	Confidence in the government? ² (% yes)	2012	43.2%	55.1%
	Confidence in the judiciary? ² (% yes)	2012	45.9%	55%
	Government effectiveness ¹	2011	-1.4	-0.7
7	EDUCATION			
	Gross secondary enrolment rate	-	92.7%	50.6%
	Satisfaction with education quality? ² (% yes)	2012	62.7%	51.8%
	Perception children are learning? ² (% yes)	2012	83.6%	62.2%
18	HEALTH			
	Self-reported health problems? ² (% yes)	2012	23.7%	25%
	Hospital beds* (per 1000 people)	2011	1.7	1.2
	Satisfaction with health? ² (% yes)	2012	77.8%	75.8%
32	SAFETY & SECURITY			
	Human flight ²	2012	9	6.7
	Safe walking alone at night? ² (% yes)	2012	52.5%	55.7%
	Property stolen in past 12 months? ² (% yes)	2012	23.2%	25.2%
30	PERSONAL FREEDOM			
	Civil liberties ³	2012	2	3.7
	Tolerance for ethnic groups? ² (% yes)	2012	76.6%	67%
	Satisfaction with freedom of choice? ² (% yes)	2012	47%	66.3%
8	SOCIAL CAPITAL			
	Volunteered time in past month? ² (% yes)	2012	22.7%	17.1%
	Donated to charity in past month? ² (% yes)	2012	9.6%	15%
	Helped strangers in past month? ² (% yes)	2012	48.7%	50.2%

NOTES: ¹Gov. effectiveness: values range from -1.66 to 2.25, higher values indicate higher effectiveness. ²Human flight: values range from 1 to 10, higher values indicate higher levels of human flight. ³Civil liberties: values range from 1 to 7, lower values indicate lack of civil liberties. *Survey data are taken from Gallup World Poll.



METHODOLOGY:

How We Build the Index



The 2013 Legatum Prosperity Index™ offers a unique insight into how prosperity is forming and changing across the world.

Traditionally, a nation's prosperity has been based solely on macroeconomic indicators such as a country's income, represented either by GDP or by average income per person (GDP per capita). However, most people would agree that prosperity is more than just the accumulation of material wealth, it is also the joy of everyday life and the prospect of being able to build an even better life in the future. The Prosperity Index is distinctive in that it is the only global measurement of prosperity based on both income and wellbeing.

Attempting to understand how we move 'beyond' GDP is a particularly stimulating challenge, one that we strive to meet with academic and analytical rigour. This short methodological overview provides an understanding of how we constructed the 2013 Legatum Prosperity Index™ by combining established theoretical and empirical research on the determinants of wealth and wellbeing.

The Index values the need for a country to promote high levels of per capita income, but also advocates the need for countries to improve the subjective wellbeing of its citizens. Our econometric analysis has identified 89 variables, which are spread across eight sub-indices. Through this process we are able to identify and analyse the specific factors that contribute to the prosperity of a country.

We endeavour to create an Index that is methodologically sound. To that end, we also publish a full methodology document to provide the reader with all the information required to understand the Legatum Prosperity Index™ in a way that is transparent, useful, and informative.

HOW DO WE MEASURE A COUNTRY'S OVERALL PROSPERITY?

- 1 Selecting the variables.** Starting with the current academic literature on economic growth and wellbeing, we identified a large number of variables (more than 200 in total) that have an impact upon wealth and wellbeing. The final variables were selected according to their global coverage and by using regression analysis to determine those that have a statistically significant relationship with wealth and wellbeing. The remaining 89 variables are divided into eight sub-indices depending on what aspect of prosperity the data influences.
- 2 Standardisation.** The 89 variables use many different units of measurement. For example, the proportion of citizens that express confidence in financial institutions is measured in percentage terms, while capital per worker is measured in US Dollars. We transformed all variables to a common scale using a statistical technique called standardisation. A variable is standardised by subtracting the mean and dividing by the standard deviation.
- 3 Variable weights.** When the methodology was set in 2010, we also determined the weight of each variable, using regression analysis. A variable's weight (or 'coefficient') represents its relative importance to the outcome (either income or wellbeing). In other words, statistically speaking, some things matter more to prosperity than others.

HOW TO CALCULATE PI SCORES AND RANKINGS

- 4 Income and Wellbeing scores.** For each country, the latest data available in 2013 were gathered for the 89 variables. The raw values are standardised and multiplied by the weights. The weighted variable values are then summed to produce a country's wellbeing and income score in each sub-index. The income and wellbeing scores are then standardised so that they can be compared.
- 5 Sub-index scores.** The standardised income and wellbeing scores are added together to create the countries' sub-index scores. Countries are ranked according to their scores in each of the eight sub-indices.
- 6 Prosperity Index score.** Finally, the Prosperity Index score is determined by assigning equal weights to all eight sub-indices. The average of the eight sub-indices yields a country's overall prosperity score. The overall Prosperity Index rankings are based on this score.

FOOTNOTES TO GRAPHS

Changing Demographics: The Youth Bulge

AVERAGE AGE

African Development Bank Group, African Economic Outlook 2012: Promoting Youth Employment, Special Theme Promoting Youth Employment, pp. 125-126, (Tunis: OECD Publishing, 2012), <http://www.oecd.org/site/devyewa/Pocket%20Edition%20AEO2012-EN.pdf>

DISSATISFIED WITH GOVERNMENT EFFORTS TO ADDRESS POVERTY (% YES)

*Survey question: "In (respondent's country), are you satisfied or dissatisfied with efforts to deal with the poor?"

The Nigerian Balancing Act

DRIVERS OF LOW SAFETY & SECURITY IN NIGERIA

*Property stolen: Survey question: "Within the past 12 months, have you had money or property stolen from you or another household member?"

*Tolerance of minorities: Survey question: "Is the city or area where you live a good place or not a good place to live for racial and ethnic minorities?"

*Assaulted: Survey question: "Within the past 12 months, have you been assaulted or mugged?"

Group grievances: Grievances based on recent or past injustices, which could date back centuries. Including atrocities committed with impunity against communal groups and/or specific groups singled out by state authorities, or by dominant groups, for persecution or repression. (Ordinal rating).

Human flight: Flight of professionals, intellectuals and political dissidents and voluntary emigration of the middle class to other nations. (Ordinal rating).

Political rights: Ability to participate in political processes such as voting in legitimate elections, joining parties, running for office, etc. This variable captures elements relating to the electoral process, political pluralism and participation as well as the functionality of the government and additional discretionary political rights. (Ordinal rating).

STRONG FOUNDATIONS FOR ENTREPRENEURSHIP IN NIGERIA

*Survey question: "Can people in this country get ahead by working hard, or not?"

*Survey question: "Is the city or area where you live a good place or not a good place to live for entrepreneurs forming new businesses?"

Start-up business costs measured as share of GNI per capita.

Cellular devices per 100 people.

PERCEPTIONS OF CORRUPTION

*Composite variable includes two survey questions: "Is corruption widespread within businesses located in (respondent's country), or not? Is corruption widespread throughout the government in (respondent's country), or not?"

*Original source: Gallup World Poll

Corruption vs. Ease of Doing Business

AVERAGE CHANGE IN SCORE ACROSS AFRICA (2010–2013)

Regulation quality: Captures perceptions of the ability of the government to formulate and implement sound policies and regulations that permit and promote private sector development. (-2.5 to +2.5, World Bank data)

CORRUPTION

*Composite variable includes two survey questions: "Is corruption widespread within businesses located in (respondent's country), or not? Is corruption widespread throughout the government in (respondent's country), or not?"

ENTREPRENEURSHIP

E&O score: determines the country's rank on the E&O sub-index, the score is produced taking into account variables such as business start-up costs, ICT exports and perceptions on the environment for entrepreneurs.

*Survey question: "Is the city or area where you live a good place or not a good place to live for entrepreneurs forming new businesses?"

African Growth and Asian Investment

AVERAGE GDP GROWTH RATES 2007–2012 (%)

Growth rates data sources:

China, Japan, South Korea, Brazil: The World Bank data, <http://data.worldbank.org/>

Argentina: IMF Data and Statistics, <http://www.imf.org/external/data.htm>

Taiwan: National Statistics of the Republic of China, <http://eng.stat.gov.tw/mp.asp?mp=5>

African average: African Development Bank, African Economic Outlook 2013: Structural Transformation and Natural Resources (Paris: OECD Publishing, 2013), Annex Table 2, <http://www.africaneconomicoutlook.org/en/data-statistics/>

Individual African countries: African Development Bank, African Statistical Yearbook 2013 (Tunis: African Development Bank, 2013), <http://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/African%20Statistical%20Yearbook%202013.pdf>

KENYA AND ZAMBIA COMPARISON

Hi-tech exports (% of manufactured exports): High Technology exports as a percentage of manufactured exports. (Logged value).

Perceptions of Chinese help: 2009 Afrobarometer survey: Survey question: "In your opinion, how much do each of the following do to help your country, or haven't you heard enough to say: China?"

Aleksandra Gadzala and Marek Hanush, "African perspectives on China-Africa: gauging popular perceptions and their economic and political determinants", Working Paper 117, (Afrobarometer January 2010), <http://www.isn.ethz.ch/Digital-Library/Publications/Detail/?id=112383&lng=en>

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Data Visualisation Consultant: Jack Hagley.

Unless otherwise stated, all data are from the Legatum Prosperity Index™ 2013.
All original data sources can be found at www.prosperity.com.

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BUILDING A MORE PROSPEROUS WORLD THROUGH LIBERTY AND RESPONSIBILITY

The 2013 edition of the *Legatum Prosperity Index* will be released later this year.
For more information, please visit www.prosperity.com

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