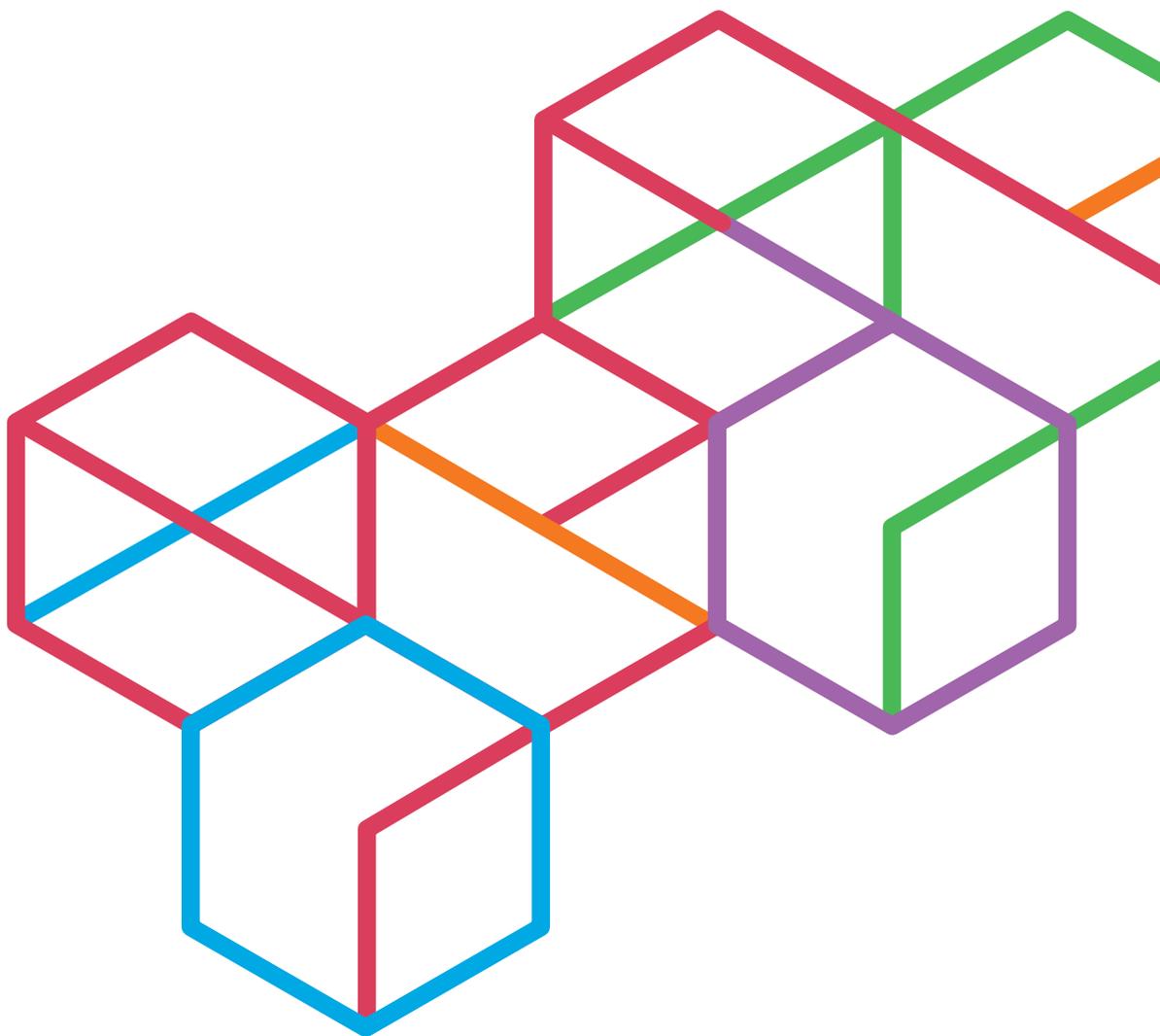


# 2016 PCDI Report

Another way to grow



**PCDI**

The alternative GDP

# 2016 PCDI Report

Another way to grow

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A tool designed to observe and guide  
the world down the path towards  
sustainable human development

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The PCDI initiative was promoted by the following organisations: Fundación Alianza por la Solidaridad, Fundación Mundubat - Mundubat Fundazioa, Instituto Sindical de Cooperación al Desarrollo (ISCOD), Fundación Paz y Solidaridad Serafín Aliaga Comisiones Obreras, Fundación IEPALA, Economistas Sin Fronteras, Comisión Española de Ayuda al Refugiado (CEAR), Paz con Dignidad, AIETI and Movimiento por la paz.

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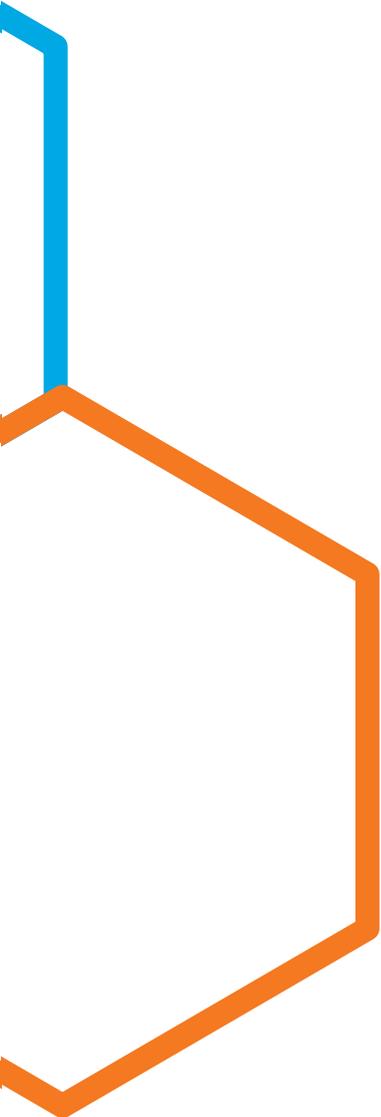
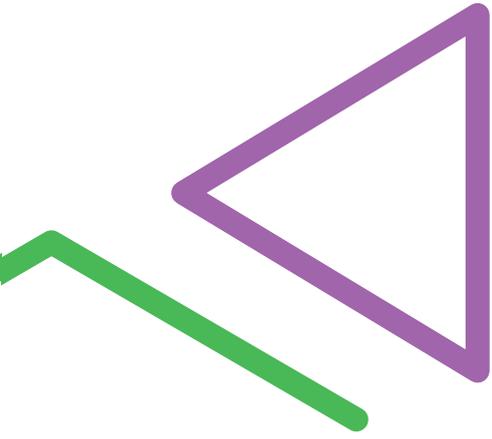
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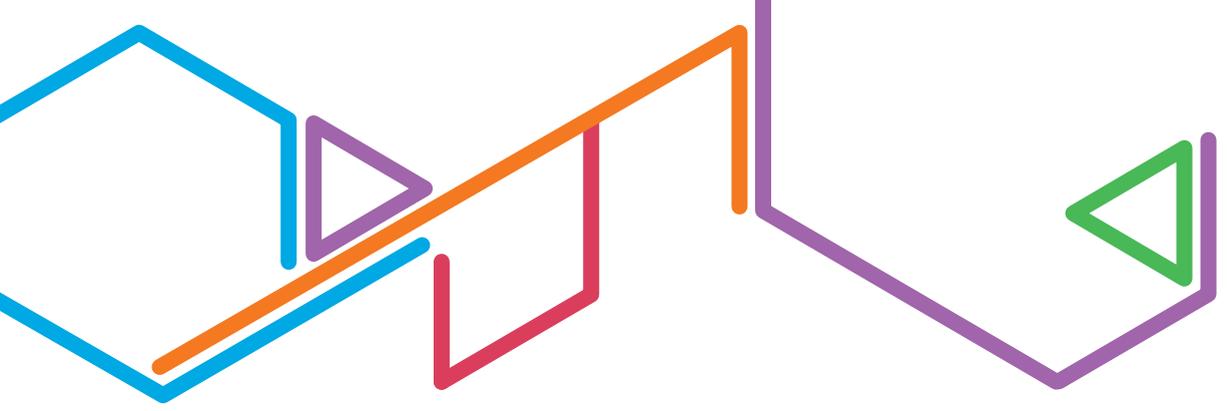
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# Beyond **GDP**



# 1.1

## *An alternative to GDP to help build a fairer world*

The Policy Coherence for Development Index (PCDI) is a tool designed to measure, evaluate and compare the behaviour of countries in terms of their sustainable, fair and equitable human development. It was conceived as an alternative to the limited, hegemonic view of the indicators typically used to measure progress, especially Gross Domestic Product (GDP). A country's progress can only be considered as such if it is compatible with that of other countries and the planet as a whole. It is precisely to measure this that the PCDI was built.

The tools typically used for this purpose are inadequate and sometimes misleading when it comes to properly measuring progress or development. GDP, for instance, measures a country's economic growth but overlooks what underlies this growth and its links to social rights. Other more complex indicators such as the Human Development Index (HDI) remain linked to a simplistic interpretation of development which is considered something that each country achieves on its own without taking into account the effect that the development of one country has on the population of another or on the entire planet.

In contrast, the PCDI analyses policies from a sustainable development perspective, bearing in mind not only the effects that these policies have on the country in question but also on third countries or the planet as a whole. The PCDI features a complete sustainable development map.

**1**  
 Plataforma 2015 y más,  
 a network of 11 NGOs  
 devoted to research,  
 communication and  
 advocacy on issues of  
 development and human  
 rights, concluded its  
 activities in December 2015.  
 The social organisations  
 promoting the PCDI  
 belonged to that platform.

**2**  
 The articles published  
 from that research can be  
 found at [www.icpd.info](http://www.icpd.info) and  
[www.2015ymas.org](http://www.2015ymas.org).

This map evaluates the performance of 133 countries by assessing 20 public policies focusing on 49 variables, grouped into five areas: social, environmental, economic, global and production (the last chapter of this report provides details on the structure and workings of the PCDI and the criteria underpinning its creation). Of the 49 variables, 18 are detrimental to sustainable development processes (i.e. early school drop-out, military spending or ecological footprint), while the other 31 favour such processes (i.e. inequality reduction, public spending on social protection and ratification of treaties on universal justice). The 2016 PCDI also includes a classification into eight regions showing how development breaks down geographically.

Just as other yardsticks such as GDP, Gross National Income (GNI) or the HDI, our index is not neutral. The PCDI sanctions and/or rewards the performance of countries in terms of their commitment to sustainable human development, gender perspective, human rights and being highly cosmopolitan, aware of the fact that the effects and impact of national policies are not limited to their own citizens. Our aim is to displace GDP and the HDI as the main benchmarks in determining government policy and provide a tool to facilitate public policy evaluation. We would like to see governments put the development of people and the planet at the forefront of the public policy agenda.

The PCDI is driven by social organisations devoted to development issues and was created to become a reliable alternative yardstick with which to evaluate, scrutinize and transform public policies both nationally and internationally to forge the way towards a fairer, more sustainable and equitable governance model. A multidisciplinary team of men and women researchers (sociologists, economists, political scientists, communicators...) was involved in its building in cooperation with a team of statisticians, computer experts, graphic designers, and experts in communications.

The PCDI is the result of ambitious applied research begun by the Plataforma 2015 y más<sup>1</sup> and carried out by their team of experts over a period of more than 5 years. The research<sup>2</sup> is the result of the Plataforma 2015 y más' firm belief in the potential for change that policy coherence for development has gained in recent years and in its ability to redefine public policies and address global challenges such as the fight against poverty and inequality, climate change and biodiversity loss, and the advancement of justice, human rights and equity.



# 1.2

## ***Towards a different development model***

Ongoing disputes remain regarding the concept of development, used by those who limit its meaning to a traditional view linked to economic growth and by others who prefer a more complex approach and propose a transformative notion of development by putting well-being, human rights and environmental sustainability at the heart of the model for co-existence on the planet.

The more hegemonic vision places economic growth, perceived to be either a prerequisite or the only possible measurement, at the heart of development. Thus, for decades development has been evaluated considering only monetizable activities without considering other elements such as environmental sustainability, gender equality, redistribution of wealth or the quality of institutions (Unceta, 2009)<sup>3</sup>. According to these approaches, development basically means increasing per capita income.

In contrast to this view, others propose incorporating elements such as environmental sustainability, gender equality, human rights or the redistribution of wealth into the concept of development. Here, the notion of human development refers to capacity-building, greater freedom and enhancing choices for all people on the planet and for future generations. If governments are to set their sights on this view of development, beyond lip service, they must reset the economic, social and political stages to ensure human development for all people worldwide.

3

Quote from Millán, N. et al., "Programa de investigación para el análisis de la coherencia de políticas para el desarrollo", in *Y después de 2015, ¿qué hacemos? XII Annual Report of Plataforma 2015 y más*, Madrid, 2015 y más, 2015, pp. 75-87.

In this dispute, the PCDI aims to break with standard concepts when it comes to development issues. Our notion of human development is multidimensional, including environmental sustainability, a cosmopolitan and also gender perspective, and aims to safeguard human rights for all.

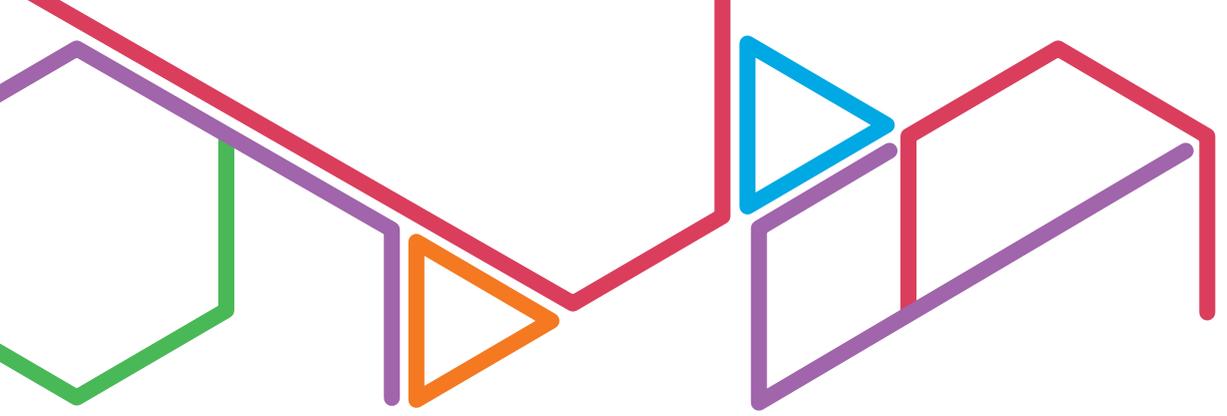
**HUMAN** development. The PCDI aims to put caring for people at the heart of policy. The well-being of citizens both within and beyond our borders should be the central focus of public action.

**SUSTAINABLE** development. We believe that personal well-being is inextricably linked to the welfare of the planet we inhabit. Thus, our index analyses and assesses the impact of policy actions on social and environmental constraints and the future of the planet.

**COSMOPOLITAN** development. We view development as a social process that goes beyond governments' domestic responsibilities and forces them to also consider global issues (i.e. those affecting the whole planet) and the link between their domestic development and that of other countries. From this vantage point, no country can be considered developed if its development is not 'universalizable', i.e. compatible with that of other peoples and countries and with human and environmental development overall around the planet.

**RIGHTS-BASED** development. Capabilities and assets are not considered ex gratia services but rather as people's innate rights. The aim is to view people as global citizens, and this implies building strong institutions able to develop effective policies with accountability to citizens.

Development based on **GENDER EQUALITY**. The PCDI not only seeks to rate government policy action (or lack thereof) specifically devoted to the prevention of discrimination between men and women, but also tries to assess the impact that policies in all areas have on gender equality. Furthermore, the PCDI seeks to assess governments' commitment (or lack of interest) to drawing attention to and placing value on care-taking and reproduction, missing from most of the standard indicators. Our index is also critical of the structural domination exercised by the values and interests of the patriarchal system.



# 1.3

## *The policy coherence for development perspective*

The PCDI is based on the premise that all public policies, irrespective of their sector or whether they are domestic or international, are development policies. This implies that all policies can be analysed on the basis of the type of development they produce, who benefits from the development model they propose and the rights and interests they deem most important.

Now that we have described our development approach in the previous section, we turn our attention to understanding the extent to which the PCDI and, more generally, policy coherence for development, can help transform the current development model, which is ecologically unsustainable and generates inequality and a growing lack of democracy for most of the planet's inhabitants, placing the priority on the interests and lives of people worldwide.

Policy coherence for development as prescribed in the PCDI prioritises the well-being of people and the planet over economic growth

Policy coherence for development is a technique to bring about political change and help reorient public policies towards sustainable development. This implies at least two things:

- 1.** It is a mechanism for change. This means that it has a critical component and is based on the premise that, for different reasons, current policies fail to contribute to sustainable human development.
- 2.** It is a political tool. This means that it is based on inherent political conflict between the interests of different social groups. Policy coherence for development as the ultimate goal of the political process thus implies always choosing the public policies that best promote sustainable development.

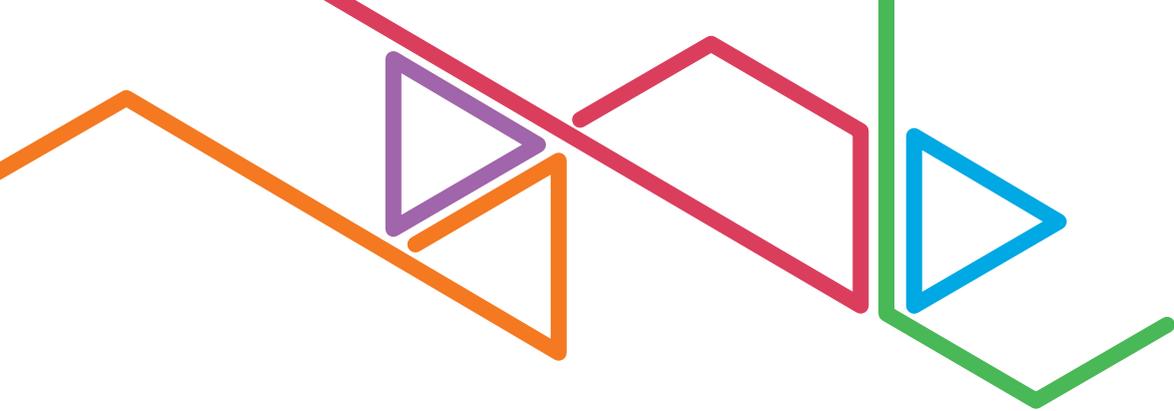
Therefore, the PCDI is a tool designed to determine which countries implement public policies that support sustainable development to a greater or lesser degree and also which public policies most urgently need to be changed or redefined.

The PCDI stresses the issue of political change because, in many cases, policy coherence for development is viewed as an approach to improve the coordination of public policies or simply to eliminate contradictions among them.

In the face of a global development model giving rise to growing inequality, it is vital to choose policies geared towards different interests based on other notions of what is desirable in terms of development. And as in any political choice, this is subject to conflict. In this sense, policy coherence for development as prescribed in the PCDI prioritises the well-being of people and the planet over economic growth, which will necessarily lead to conflict as this involves overhauling the statu quo.

More conventional analysis of development issues is based on the premise that some countries are developed while others are not, with the “less developed” ones being urged to implement public policies that put them on a par with their more developed counterparts. In our view, no country is sufficiently developed and therefore no country can serve as a model for development. Quite the contrary. All countries must take steps to transform their development model.

The PCDI takes the approach that all countries can be considered developing countries because development is precisely the course, the social process they are on. The PCDI puts forward an interdependent world where development is a global process in which all countries take part and domestic and international actions are intertwined and impact one another.



# 1.4

## *How to measure the impossible*

### **MEASURING TO TRANSFORM**

Policy coherence for development is a political approach conceived to bring about change and entails choosing amongst policies that defend different interests and visions. Measuring sustainable development from this perspective requires taking a critical look at reality in order to see what lies behind what seems to be obvious at first glance.

This critical approach must be taken with a willingness to transform things by identifying what has the greatest potential for improvement and change. The PCDI is based on this premise. It was put together taking into account not only the aspects of development that other indicators ignore but also those with the greatest potential to generate change.

This perspective has led us, for example, to leave out a typical variable such as economic growth in our measurement of development. Economic growth is structurally limited in terms of the planet's ecological resources. Therefore, from a sustainable development approach, economic growth in today's world may not be compatible with economic development in the future or for future generations.

Furthermore, while economic growth may be a very important factor for human development in some countries, it tells us nothing about the nature of that growth which could be the result of activities that debase human rights or thwart social rights, such as when they are based on a high level of indebtedness.

We believe that economic growth typically masks true sustainable development. The PCDI aims to scrutinise progress made by countries without taking this type of growth into account as a positive feature of development per se. A shift in public policy focus away from economic growth and towards rights-based development will be more likely if the PCDI is used as a starting point.

We would do things differently if we took into account aspects of our reality that are normally not shown to us. Measuring social reality provides a perspective that can guide action, and because the PCDI is a political effort to do so, it stands as a way of building a different sort of society.

## **MEASURING TO MAKE SENSE OF THE WORLD**

Each phenomenon taking place within a given country is somehow intertwined with the rest of the world. Development, and all other social phenomena for that matter, can never be only “domestic”. It will always be global. Development in one single country is impossible. Development and all the components contributing to it are global public goods.

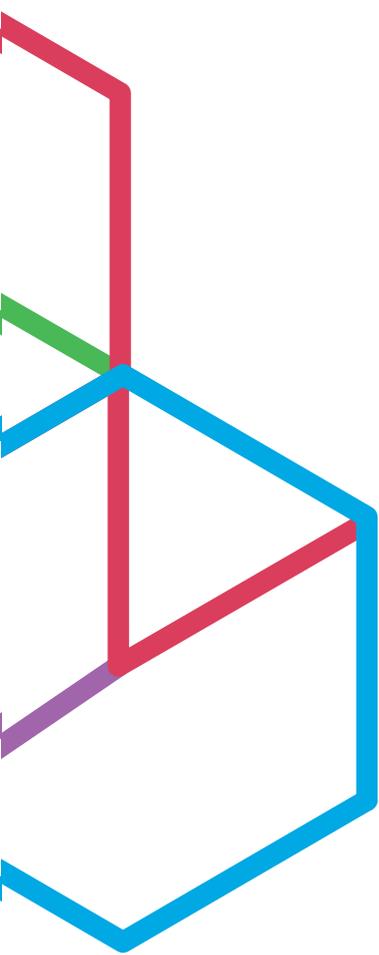
This leads to the need to incorporate a cosmopolitan vision into the policies we analyse. The PCDI takes account of both the extent to which countries contribute to building international mechanisms that promote global development and the contradictions between a country’s domestic development and what we see when we expand our view.

How does one “measure” contradictions? By bearing the inherent contradictions of development in mind. A country such as Switzerland, with a very high degree of human development, performs very poorly on the PCDI because its high level of development contradicts the price paid by the rest of the world for it to maintain that level of development, for instance in terms of financial opacity.

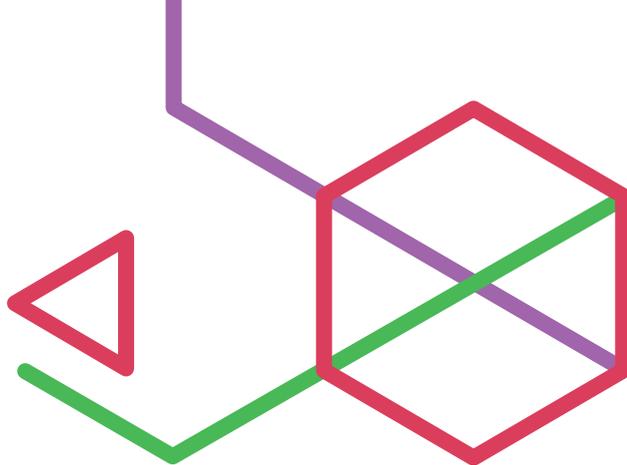
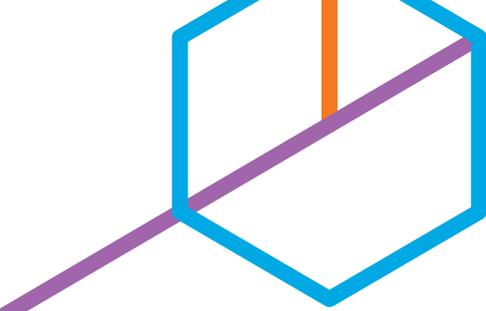
Therefore, no matter how good a country’s social indicators are, we cannot assert that its public policy is coherent for development if it has a very large ecological footprint or bases its economic model on irresponsible banking. These indicators bring to light public policies that fail to take account of other countries’ potential for development.

The PCDI does not fall into the nation-state trap, i.e. the idea that the nation-state implements its policies in a vacuum. Environmental sustainability, one of the central issues on any development agenda, is impossible to tackle from an individual country perspective because the problems that need solving (i.e. climate change, fossil fuels, etc.) are global. Today it is also undeniable that issues relating to such things as financial markets, the expansion of rights and freedoms and access to goods and services have reached a planetary or global dimension, calling on all States to devise global governance mechanisms regarding major development issues.





# 2016 PCDI **Results**



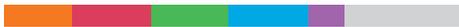
# 2.1

## *The 2016 PCDI ranking*

### Colors for each component

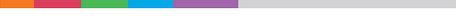
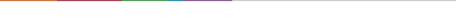
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- Economic 
- Social 
- Environmental 
- Global 
- Production 

ORDER	COUNTRIES	SCORE	COMPONENTS
1	<b>Denmark</b>	89.60	
2	<b>Sweden</b>	84.89	
3	<b>Norway</b>	82.63	
4	<b>Australia</b>	80.80	
5	<b>Portugal</b>	80.43	
6	<b>United Kingdom</b>	79.77	
7	<b>Iceland</b>	79.65	
8	<b>Italy</b>	79.34	
9	<b>France</b>	78.26	
10	<b>Latvia</b>	77.53	
11	<b>Finland</b>	77.04	
12	<b>Poland</b>	76.74	
13	<b>Spain</b>	76.73	
14	<b>Czech Republic</b>	76.72	
15	<b>Greece</b>	76.61	
16	<b>Lithuania</b>	75.98	
17	<b>Argentina</b>	75.87	
18	<b>Japan</b>	75.62	
19	<b>Slovakia</b>	75.59	
20	<b>Canada</b>	75.43	
21	<b>Germany</b>	75.33	
22	<b>Cyprus</b>	74.77	
23	<b>Uruguay</b>	74.62	
24	<b>Netherlands</b>	74.22	
25	<b>Slovenia</b>	73.89	
26	<b>New Zealand</b>	73.74	
27	<b>Belgium</b>	73.72	

ORDER	COUNTRIES	SCORE	COMPONENTS
28	Georgia	73.69	
29	Mexico	73.47	
30	Bulgaria	72.91	
31	Croatia	72.77	
32	Malta	72.72	
33	Brazil	72.60	
34	Israel	72.43	
35	Moldavia	72.19	
36	Rumania	72.00	
37	Ecuador	71.76	
38	Albania	71.46	
39	Cuba	71.33	
40	Hungary	71.27	
41	Serbia	70.27	
42	Bosnia and Herzegovina	69.94	
43	South Korea	69.92	
44	Tunisia	68.78	
45	Kyrgyzstan	68.72	
46	Chile	68.48	
47	Estonia	68.42	
48	Macedonia	68.24	
49	Ukraine	67.52	
50	Turkey	67.38	
51	South Africa	67.30	
52	Costa Rica	67.24	
53	Russia	67.24	
54	Ireland	67.20	

ORDER	COUNTRIES	SCORE	COMPONENTS
55	<b>Belarus</b>	67.20	
56	<b>Algeria</b>	66.97	
57	<b>Venezuela</b>	66.95	
58	<b>Switzerland</b>	66.84	
59	<b>Mauritius</b>	66.64	
60	<b>Luxembourg</b>	66.63	
61	<b>Tajikistan</b>	66.39	
62	<b>Azerbaijan</b>	66.04	
63	<b>Honduras</b>	65.98	
64	<b>Panama</b>	65.21	
65	<b>United States</b>	64.72	
66	<b>Namibia</b>	64.58	
67	<b>Austria</b>	64.22	
68	<b>Philippines</b>	63.55	
69	<b>China</b>	63.45	
70	<b>Kazakhstan</b>	62.66	
71	<b>Peru</b>	62.44	
72	<b>Paraguay</b>	62.24	
73	<b>Dominican Republic</b>	62.21	
74	<b>Armenia</b>	61.83	
75	<b>Bolivia</b>	61.63	
76	<b>Jamaica</b>	61.61	
77	<b>Sri Lanka</b>	61.49	
78	<b>El Salvador</b>	61.46	
79	<b>India</b>	60.84	
80	<b>Thailand</b>	60.65	
81	<b>Kuwait</b>	60.50	

ORDER	COUNTRIES	SCORE	COMPONENTS
82	Vietnam	59.74	
83	Guatemala	59.67	
84	Montenegro	59.16	
85	Colombia	58.94	
86	Jordan	58.89	
87	Nicaragua	58.03	
88	Mongolia	57.86	
89	Egypt	57.70	
90	Bangladesh	57.10	
91	Iran	55.87	
92	Morocco	55.39	
93	Nepal	54.54	
94	Ghana	54.39	
95	Trinidad and Tobago	54.09	
96	Lesotho	53.51	
97	Indonesia	53.50	
98	Saudi Arabia	53.27	
99	Cambodia	53.12	
100	Bhutan	52.68	
101	Botswana	52.64	
102	Lebanon	52.14	
103	Senegal	51.92	
104	Qatar	50.71	
105	Malaysia	49.62	
106	Kenya	49.43	
107	Côte d'Ivoire	49.12	
108	Oman	48.79	

ORDER	COUNTRIES	SCORE	COMPONENTS
109	Burkina Faso	47.64	
110	United Arab Emirates	47.52	
111	Malawi	47.28	
112	Mozambique	46.23	
113	Benin	46.08	
114	Rwanda	44.76	
115	Cameroon	44.61	
116	Pakistan	44.41	
117	Mauritania	44.23	
118	Mali	42.46	
119	Burundi	42.32	
120	Zambia	42.08	
121	Uganda	41.96	
122	Guinea	41.61	
123	Liberia	41.44	
124	Tanzania	40.41	
125	Zimbabwe	39.82	
126	Nigeria	39.29	
127	Togo	38.88	
128	Sierra Leone	38.69	
129	Madagascar	38.32	
130	Niger	38.13	
131	Ethiopia	37.81	
132	Angola	35.93	
133	Singapore	23.70	

# 2.2

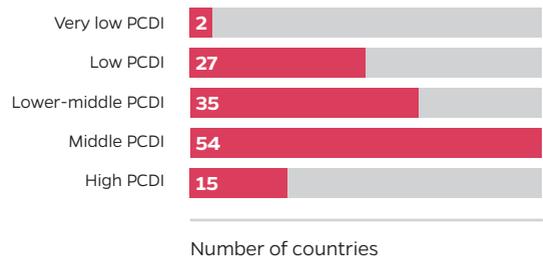
## 2016 PCDI: All countries need to change their development models

It cannot be claimed in today's world that some countries are already developed whereas others are underdeveloped or developing. The 2016 PCDI shows that, in terms of policy coherence for development, the performance of the 133 countries analysed is actually very similar. We cannot, then, affirm that some countries have completed their development process while others must continue down this path.

From this perspective, there is considerable proximity between countries when judged on their PCDI scores, with 87% of those evaluated in the middle three quintiles of the ranking, as seen in Figure 1. This chart showing the PCDI divides countries into five different groups based on the scores obtained in 2016.

As we can see, most countries fall into the middle three groups, which shows that, in policy coherence for development terms, they tended to perform very similarly. The chart also shows that only 17 countries are in one of the other two groups, with either a high or very low PCDI.

**FIGURE 1**  
Number of countries broken down into PCDI groups



Indeed, all countries need to make different types of changes if they are to achieve coherence for development. The PCDI shows that, contrary to popular belief, if we analyse the world from this need-for-change perspective, most countries are actually in a very similar position. Below, we will analyse each of these groups of countries to gain a better understanding of what the index shows.

## COUNTRY DISTRIBUTION IN THE 2016 PCDI

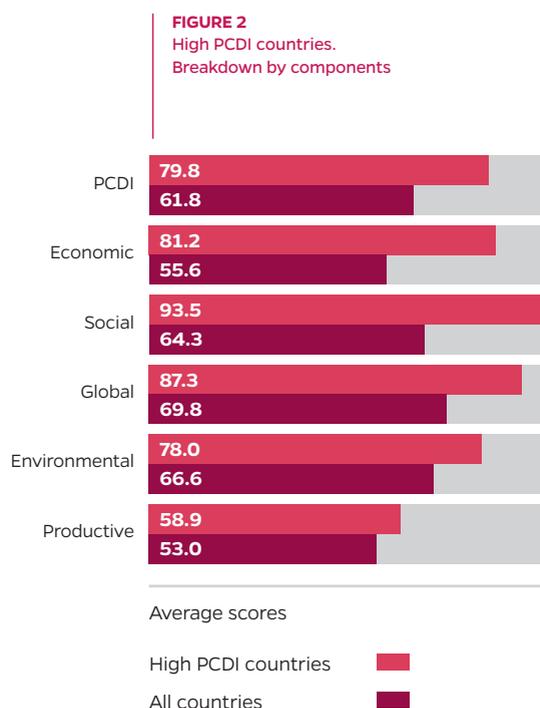
### High PCDI countries

The first group includes the 15 countries with the greatest policy coherence for development. All 15 are high income countries. Fourteen are part of the Western Europe, United States and Canada region, all of them European, and one (Australia) is in the Oceania and Pacific region. The European countries at the top of the ranking are three Scandinavian countries (Denmark, Sweden and Norway, in the first three places). They are followed by Portugal, United Kingdom, Iceland, Italy, France, Latvia, Finland, Poland, Spain (in 13th place), the Czech Republic and Greece (the last three are separated by just two tenths of a percentage point).

Figure 2 shows the average PCDI rating and each of the components for the high PCDI group in relation to all countries taken together. It reveals the components where these countries excel and those where they have more room for improvement.

These 15 countries have a relatively coherent development model to the extent that they achieve above-average scores in all components. They come out higher in the ranking in both the economic and social components, whereas in environmental and production components they perform less well. This is because most of these countries have social development models that grant their citizens considerable rights, but these rights have been constructed without taking their environmental and global cost into account.

Countries with high PCDI		
1	Denmark	89.60
2	Sweden	84.89
3	Norway	82.63
4	Australia	80.80
5	Portugal	80.43
6	United Kingdom	79.77
7	Iceland	79.65
8	Italy	79.34
9	France	78.26
10	Latvia	77.53
11	Finland	77.04
12	Poland	76.74
13	Spain	76.73
14	Czech Republic	76.72
15	Greece	76.61



### United Kingdom: social development which harms the global economy

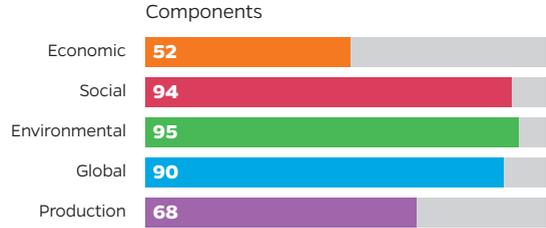
Despite its high PCDI score and good performance in some components, the United Kingdom has very little coherence for sustainable development in the economic area. This is a result of its oversized banking sector and high degree of financial opacity

## United Kingdom

PCDI

79.77

Position: 6



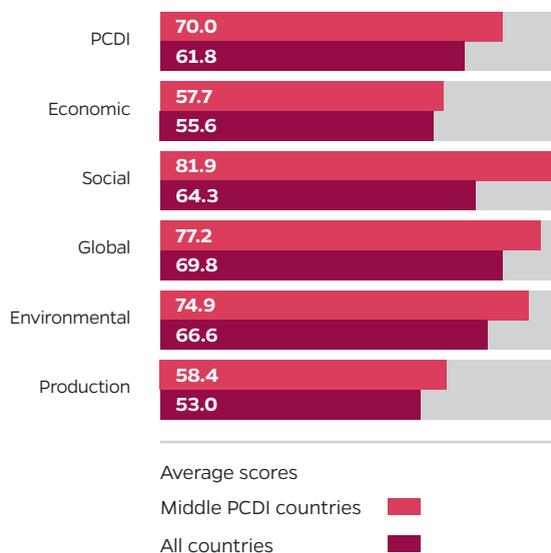
Income	High income
HDI	Very high HDI
Region	Western Europe, USA and Canada
Organization	EU 28

### Middle PCDI countries

The mid-ranking PCDI group contains the largest number of countries (54), ranging from 16th (Lithuania) to 69th place (China), all above the average PCDI value. There are 26 high income countries, 21 upper-middle income countries and seven lower-middle income countries. The best represented regions (with 16 countries) are Western Europe, United States and Canada on the one hand, and Central Asia and Eastern Europe on the other. Canada comes out 20th and United States 65th, while the lowest-scoring country in this region is Austria (67th). Cyprus (22nd) comes top of the Central Asian and Eastern European region. This group of middle PCDI countries contains the 11 best-ranking countries in Latin America and the Caribbean in the PCDI (from Uruguay in 23rd place to Panama in 64th). We also find three Middle Eastern and North African countries (Israel in 34th place, Tunisia in 44th and Algeria in 56th) and the three highest-scoring countries in Sub-Saharan Africa (South Africa in 51st place, Mauritius in 59th and Namibia in 66th). Rounding up this group are the two best-positioned countries in the PCDI in South Asia, namely the Philippines (68th) and China (69th).

Countries with middle PCDI								
16	Lithuania	75.98	34	Israel	72.43	52	Costa Rica	67.24
17	Argentina	75.87	35	Moldavia	72.19	53	Russia	67.24
18	Japan	75.62	36	Rumania	72.00	54	Ireland	67.20
19	Slovakia	75.59	37	Ecuador	71.76	55	Belarus	67.20
20	Canada	75.43	38	Albania	71.46	56	Algeria	66.97
21	Germany	75.33	39	Cuba	71.33	57	Venezuela	66.95
22	Cyprus	74.77	40	Hungary	71.27	58	Switzerland	66.84
23	Uruguay	74.62	41	Serbia	70.27	59	Mauritius	66.64
24	Netherlands	74.22	42	Bosnia and Herzegovina	69.94	60	Luxembourg	66.63
25	Slovenia	73.89	43	South Korea	69.92	61	Tajikistan	66.39
26	New Zealand	73.74	44	Tunisia	68.78	62	Azerbaijan	66.04
27	Belgium	73.72	45	Kyrgyzstan	68.72	63	Honduras	65.98
28	Georgia	73.69	46	Chile	68.48	64	Panama	65.21
29	Mexico	73.47	47	Estonia	68.42	65	United States	64.72
30	Bulgaria	72.91	48	Macedonia	68.24	66	Namibia	64.58
31	Croatia	72.77	49	Ukraine	67.52	67	Austria	64.22
32	Malta	72.72	50	Turkey	67.38	68	Philippines	63.55
33	Brazil	72.60	51	South Africa	67.30	69	China	63.45

Broadly, it is interesting to note that the countries in this group perform much worse in the economic component than those in the high PCDI group. They prove to be less able to implement development-focused fiscal policies and to have global governance problems when it comes to international taxation. In social, environmental and global terms, despite their considerable heterogeneity, they achieve reasonably high average scores. From the PCDI perspective, the changes required involve balancing and improving economic policies by reducing inequality and the negative consequences of their development model.



**FIGURE 3**  
Middle PCDI countries.  
Breakdown by components

## Is China a model for economic development?

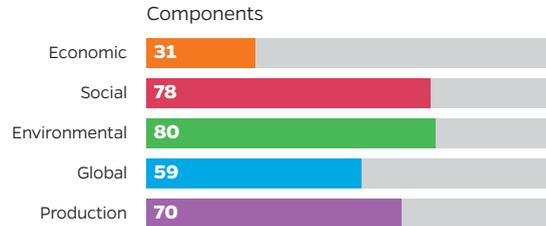
Since the late 1980s, China has revolutionized the world economy with its high economic growth rates. However, in coherence for development terms, the Chinese economic situation is beset by major contradictions, as indicated by the fact that it has the lowest score for redistribution through fiscal policy of all 133 countries analysed in the PCDI

## China

PCDI

# 63.45

Position: 69



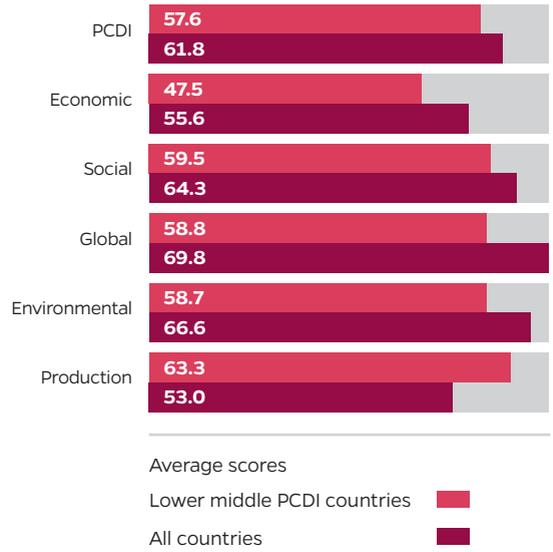
Income	Upper middle income
HDI	Very high HDI
Region	Eastern Asia

## Lower middle PCDI countries

In this third group, which reflects lower middle PCDI, we have 35 countries, of which only the first four exceed the PCDI average (Kazakhstan, Peru, Paraguay and Dominican Republic). This group of countries ranges from 70th place (Peru) to 104th (Qatar), and is dominated by countries in Latin America and the Caribbean (10) on the one hand, and the Middle East and North Africa (8) on the other. The ten lowest-scoring countries here are in the Latin American and Caribbean region, with Trinidad and Tobago bringing up the rear in 95th place and Nicaragua in 87th. The group also includes the three countries with the lowest score in the Central Asian and Eastern European region (Kazakhstan in 70th place, Armenia 74th and Montenegro 84th). Most of the countries in the South Asian region (the other five that make up the region, together with China) can be found in this group where Sri Lanka is best positioned (77th) and Bhutan worst (100th). The two highest-scoring countries of the 19 low income countries measured by the PCDI are also in this group, namely Nepal in 93rd place and Cambodia in 99th.

Countries with lower middle PCDI					
70	Kazakhstan	62.66	88	Mongolia	57.86
71	Peru	62.44	89	Egypt	57.70
72	Paraguay	62.24	90	Bangladesh	57.10
73	Dominican Republic	62.21	91	Iran	55.87
74	Armenia	61.83	92	Morocco	55.39
75	Bolivia	61.63	93	Nepal	54.54
76	Jamaica	61.61	94	Ghana	54.39
77	Sri Lanka	61.49	95	Trinidad and Tobago	54.09
78	El Salvador	61.46	96	Lesotho	53.51
79	India	60.84	97	Indonesia	53.50
80	Thailand	60.65	98	Saudi Arabia	53.27
81	Kuwait	60.50	99	Cambodia	53.12
82	Vietnam	59.74	100	Bhutan	52.68
83	Guatemala	59.67	101	Botswana	52.64
84	Montenegro	59.16	102	Lebanon	52.14
85	Colombia	58.94	103	Senegal	51.92
86	Jordan	58.89	104	Qatar	50.71
87	Nicaragua	58.03			

This group contains a very wide range of countries. Overall, it can be said that most are highly incoherent from the economic perspective, for instance, in their lack of commitment to reducing inequality through fiscal policy. They do, however, obtain better results in the social component of the PCDI, although performance is still below average. They also achieve a good relative result in the production component. It is in this area, that is, in reducing inequality and consolidating social rights in keeping pace with economic growth, where there seems to be a need to resolve contradictions among this group of countries.



**FIGURE 4**  
 Lower middle PCDI countries.  
 Breakdown by components

### Saudi Arabia, a country with no global commitment

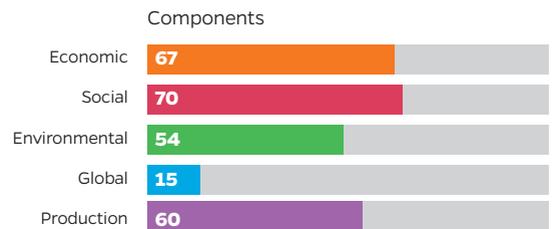
Deeply at odds with rights-based development, Saudi Arabia scores lowest in the global component. Although it pulls off modest performance in all other components, its lack of international commitment to peace and human rights accounts for its lagging position near the very bottom of the table

### Saudi Arabia

PCDI

53.27

Position: 98



Income	High income
HDI	Very high HDI
Region	Middle East and North Africa

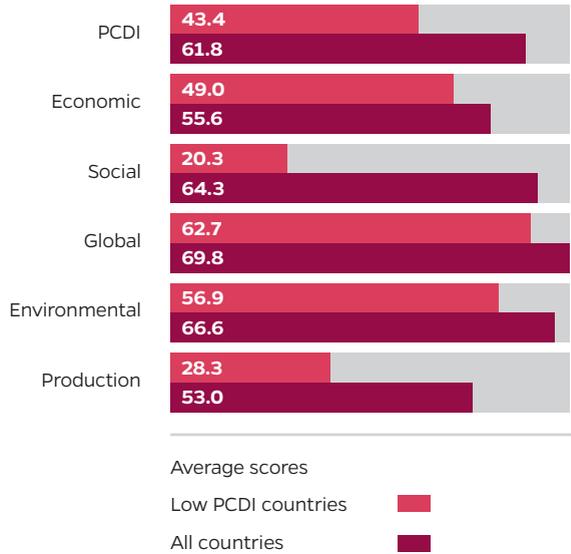
**Low PCDI countries**

The fourth group, with low PCDI, comprises 27 countries, 23 of them in Sub-Saharan Africa. It also includes Malaysia, in East Asia in 105th place, Pakistan, in South Asia in 116th place, and the two lowest-scoring countries in the Middle East and North Africa region, Oman and United Arab Emirates, 108th and 110th respectively.

This group has the lowest average values in the social and production components, but performs very well in the global and environmental components, with higher scores than average in the lower middle PCDI group. Unlike others, in this group of countries, incoherence is not related to a highly costly development model for the planet as a whole, but has more to do with serious issues in institution and governance building in order to guarantee the rights of their citizens.

In the low PCDI group of countries, there are two which are better positioned in the social component but whose development model could not be replicated across the planet: Oman and United Arab Emirates.

Countries with low PCDI					
105	Malaysia	49.62	119	Burundi	42.32
106	Kenya	49.43	120	Zambia	42.08
107	Ivory Coast	49.12	121	Uganda	41.96
108	Oman	48.79	122	Guinea	41.61
109	Burkina Faso	47.64	123	Liberia	41.44
110	Arab Emirates	47.52	124	Tanzania	40.41
111	Malawi	47.28	125	Zimbabwe	39.82
112	Mozambique	46.23	126	Nigeria	39.29
113	Benin	46.08	127	Togo	38.88
114	Rwanda	44.76	128	Sierra Leone	38.69
115	Cameroon	44.61	129	Madagascar	38.32
116	Pakistan	44.41	130	Niger	38.13
117	Mauritania	44.23	131	Ethiopia	37.81
118	Mali	42.46			



**FIGURE 5**  
Low PCDI countries.  
Breakdown by components

### Very low PCDI countries

The final group includes the countries that are least coherent for development. It comprises just two countries which come last on the PCDI table. One is an upper-middle income country (Angola, 132nd) and the other a high income country (Singapore, 133rd).

These two countries represent two very different models of incoherence. On the one hand, Angola is a country performing very poorly in the social area, while on the other, Singapore is a high income country performing acceptably in social terms but totally unsustainable for the planet as a whole.

Countries with very low PCDI		
132	Angola	35.93
133	Singapore	23.70

### Is the United Arab Emirates sustainable for the planet?

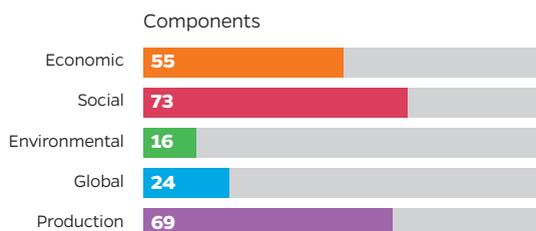
The United Arab Emirates is an incoherent country in terms of sustainable development. It combines relatively high social development with high energy and resource costs that are totally unsustainable, placing it in the low PCDI group

### United Arab Emirates

PCDI

**47.52**

Position: 110



Income	High income
HDI	Very high HDI
Region	Middle East and North Africa

### Singapore: what development should not be like

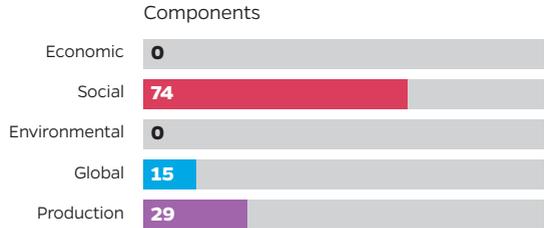
Singapore is at the bottom of our ranking and is the perfect example of how a country should not develop. It combines a high level of social development with great financial opacity, a high degree of militarization and highly unsustainable development. In this sense, Singapore is the least coherent country in sustainable development terms

## Singapore

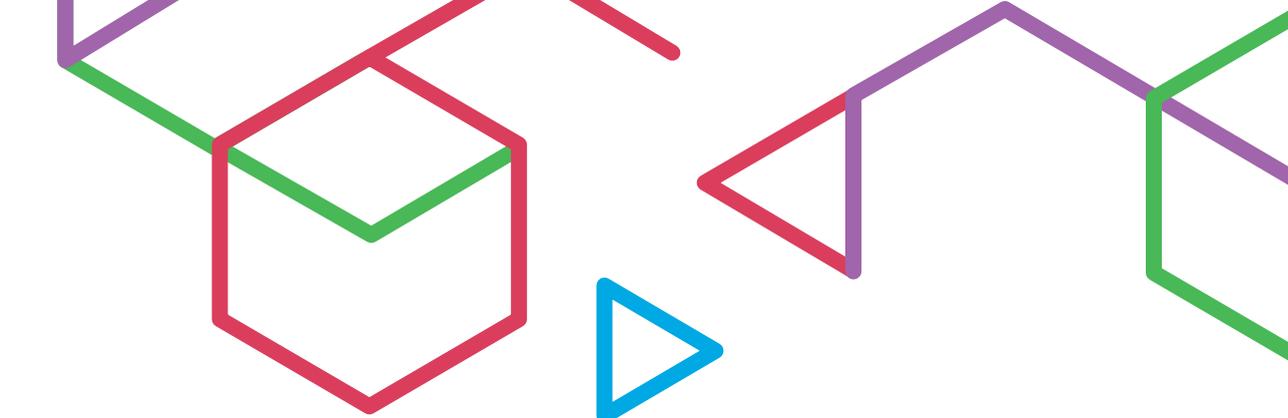
PCDI

23.70

Position: 133



Income	High income
HDI	Very high HDI
Region	Eastern Asia



## 2.3

### *The PCDI as compared to other ways of measuring development*

#### **WHY IS COUNTRY INCOME, THOUGH IMPORTANT, NOT DECISIVE FOR THE PCDI?**

The PCDI is a more useful tool than the HDI when it comes to mitigating the weight attributed to income in perceptions of a country's relative wealth or state of development. Indeed, per capita income or similar income indicators are not among the variables used in the PCDI, which is made up instead of other variables that shape a country's relative "state of development", such as access to certain kinds of social services, observance of human rights and income distribution levels.

The PCDI also incorporates other variables that seek to gauge how countries behave regarding their own global issues at the core of current development challenges, although these variables should be considered negative when they have an adverse impact on or make a negative contribution to development. These variables include encouraging international taxation avoidance, contributing to environmental pollution, repetition rates in schools or vulnerable employment in different countries, to name a few.

If we analyse the PCDI ranking on the basis of country income, we will see, for instance, that the 27 best-positioned countries belong to the high income group according to the World Bank classification, while the two worst-positioned countries, Angola and Singapore, are classified as upper-middle and high income respectively. This indicates the significance for the PCDI, not purely of per capita income, but countries' scope and potential for allocating enough funding to establish fiscal policies with a broader tax base, maintain systems that safeguard social rights, and undertake environmental protection measures.

In short, in the PCDI, the income at a country's disposal is not as relevant as the effects and impacts that this availability has in terms of equality, sustainability and respect for human rights.

## HOW DOES THE PCDI CLASSIFICATION DIFFER FROM THE TRADITIONAL HDI CLASSIFICATION?

The PCDI is being published with a set of countries (133) that is sufficiently representative in geographical, geopolitical and developmental terms to be compared with other traditionally used classification systems measuring development. These comparisons may prove useful to better understand both what the PCDI can offer and its potential for breaking with widely-held perceptions regarding a country's true development position.

The Human Development Index (HDI), published by the United Nations Development Programme (UNDP) since 1990, has been the best and most widely-accepted exponent of the international community's attempts to provide a summary measure of the different dimensions of development enabling country classification. To achieve this, it combines economic data on income and revenue with indicators on education and health, environment, labour and others. However, the HDI has traditionally been very closely linked to the income availability data it included.

If we compare the places of our 133 countries on the HDI scale and the per capita income and Gross National Income (GNI) published by the World Bank, we can see that the correlation coefficient stands at 95.9%. In other words, the HDI classification is highly impacted by a country's per capita income. While the PCDI classification also gives us a positive correlation with regard to HDI (76.0%) and GNI (65.2%), clearly be distinguished from both<sup>1</sup>.

CORRELATION PCDI/HDI	CORRELATION PCDI/GNI	CORRELATION HDI/GNI
0,760831863	0,652288795	0,959391355

If we compare the PCDI classification with the HDI, the changes in country position are both numerous and notable. In fact, of the total 133 countries, only three (Japan, Hungary and Armenia) are identically placed on both the HDI and the PCDI. Given their relative human development level, this would indicate a reasonable performance in policy coherence for development. A total of 53 countries fall in the PCDI ranking as compared to the HDI, while 77 countries climb higher on the PCDI than on the HDI.

If we take the 40 countries whose position differs most in these two classification systems and divide them into two groups according to whether the PCDI places them in a better or worse position than the HDI, we observe the following.

**1.** To do the calculations presented in the report, we used the most recent HDI available (from 2014) and, having removed all countries not in the PCDI, classified the remaining 133 countries. The data are taken from the World Bank (2015a), IMF (2015) and United Nations Statistics Division (2015).

### The 20 countries with relatively higher HDI than PCDI

This group comprises those countries with a lower score on the PCDI than the HDI. Interestingly, the countries with the worst relationship between their PCDI and HDI positions are Singapore (which drops 122 places) and a group of Arab countries (Qatar, United Arab Emirates, Saudi Arabia and Oman, which drop between 74 and 61 places), followed by high income countries like the United States, Switzerland, Malaysia, Ireland and Luxembourg (dropping between 57 and 43 places). It can be asserted that these countries make their development more costly for the rest of the planet.

In other words, the more developed countries on the HDI are not actually so developed when we analyse them in a more transformative light, as the PCDI does. The development models of most of these countries reveal severe contradictions, making their social development, which is usually high, incompatible with the development of the planet as a whole. Naturally, this does not mean that they should forego this social development. However, they do need to substantially transform their development models to make them ecologically sustainable and aligned with democratic global governance.

Comparison between the HDI and the PCDI			
Country	Difference HDI - PCDI	PCDI (position)	HDI (position)
Singapore	-122	133	11
Qatar	-74	104	30
United Arab Emirates	-73	110	37
Saudi Arabia	-63	98	35
Oman	-61	108	47
United States	-57	65	8
Switzerland	-55	58	3
Malaysia	-52	105	53
Ireland	-47	54	7
Austria	-46	67	21
Lebanon	-44	102	58
Luxembourg	-43	60	17
Montenegro	-40	84	44
Trinidad and Tobago	-40	95	55
Kuwait	-38	81	43
Iran	-31	91	60
South Korea	-28	43	15
Angola	-22	132	110
Kazakhstan	-20	70	50
Netherlands	-19	24	5

### The 20 countries with relatively lower HDI than PCDI

These countries score higher on the PCDI than on the HDI. They include a group of seven countries in Central Asia and Eastern Europe (Moldavia, Kyrgyzstan, Georgia, Tajikistan, Albania, Bosnia and Macedonia, which climb between 50 and 21 places), a group of countries in Latin America and the Caribbean (Ecuador, Honduras, Mexico and Brazil, which climb between 39 and 32 places), and a number of African countries (Tunisia, South Africa, Namibia and Burkina Faso), as well as Portugal.

The countries farthest above the HDI are those best able to make their development compatible with that of other countries. This does not necessarily imply that they maintain a high or acceptable HDI, but that they should not achieve a high HDI ranking at the expense of other countries' potential.

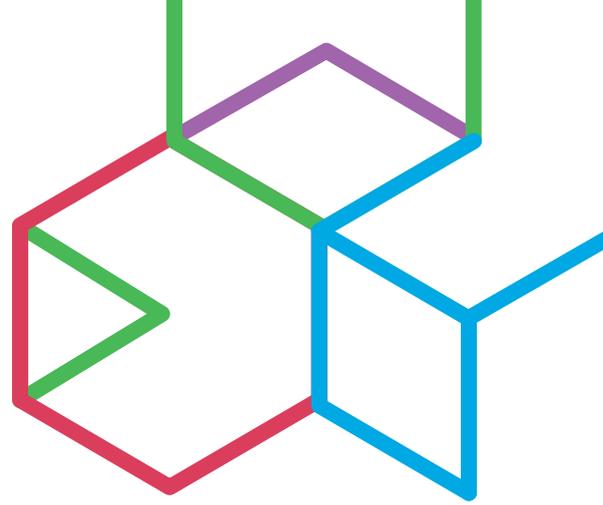
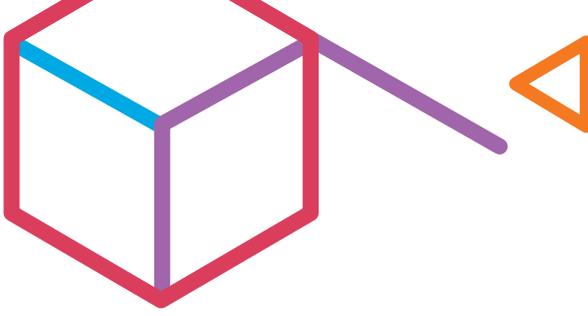
### ANOTHER WAY OF MEASURING TO BUILD A DIFFERENT DEVELOPMENT MODEL

In short, in this first edition of 2016, the PCDI provides a ranking of 133 countries around the world that brings to light both interdependencies and the multidimensional nature of the development challenges they face. The index is therefore useful for explaining and probing further into the common but differentiated responsibilities that countries claim to have in a challenge that, in essence, is shared by the whole of global society. These responsibilities should not only be measured with respect to relative levels of human development as by the HDI, or to per capita income based on Gross National Income (GNI) as by the World Bank classification but in terms of the performance of the policies countries use to tackle their expectations for progress, as expressed by the PCDI. A review of a country's changing situation on the PCDI scale will indicate whether that country is furthering progress not only for its own citizens, but also in line with a framework of responsibility towards

Comparison between the HDI and the PCDI			
Country	Difference HDI - PCDI	PCDI	HDI
Moldavia	50	35	85
Kyrgyzstan	49	45	94
South Africa	40	51	91
Ecuador	39	37	76
Georgia	38	28	66
Tajikistan	38	61	99
Honduras	38	63	101
Tunisia	36	44	80
Mexico	35	29	64
Albania	35	38	73
Portugal	34	5	39
Bosnia	33	42	75
Brazil	32	33	65
Latvia	31	10	41
Namibia	31	66	97
Uruguay	26	23	49
Burkina Faso	22	109	131
Macedonia	21	48	69
Philippines	21	68	89
India	21	79	100

global development challenge where no single dimension is considered, but rather appropriate, balanced, multidimensional development. This is measured, through the five components that make up the PCDI.

The PCDI is an alternative measuring tool which significantly mitigates the weight attributed to income in our notion of development. It is an alternative designed to move beyond the prism that has dominated the development narrative in order to find another way to grow.



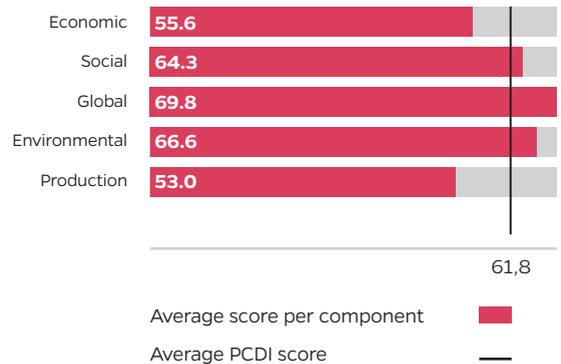
## 2.4

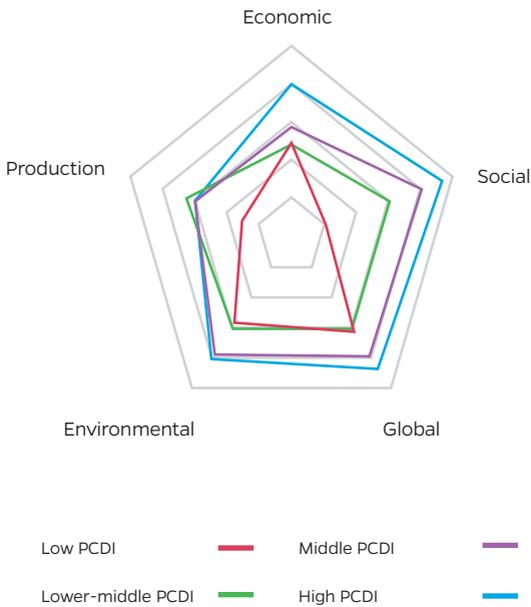
### *Major policy coherence for development challenges facing the world*

The PCDI takes a global perspective. It seeks to overcome the limitations in perceiving States as responsible solely for their own development policies. Instead, it is based on global interdependencies and the relationship between different spheres of development. Consequently, certain conclusions can be drawn from the 2016 PCDI as to the main challenges the world faces on policy coherence for development.

If we analyse each component on the basis of its average scores, the PCDI reveals that the world just about “scrapes by” with a pass mark on the policy coherence for development components. If we compare these individual components against the average overall PCDI score (61.84), we will see that the economic and production components fall below that average score. There is a worldwide need to improve policy coherence for development in both of these components, though without losing sight of the fact that the average social component score is only slightly above the PCDI average score.

**FIGURE 6**  
Average scores for the five PCDI components





**FIGURE 7**  
Average PCDI component scores by PCDI group<sup>3</sup>

If, on the other hand, we consider groups of countries by level of coherence (countries with high, middle, lower-middle and low PCDI scores)<sup>2</sup>, and we analyse the average scores for each component, we will see that the greatest distance can be found in the social component where high-PCDI countries score over 90 on average, indicative of high rates of enjoyment of social rights and services and lower inequality of opportunities). Meanwhile, countries with a low PCDI score barely exceed a 20 point average indicative of low rates of access to social rights and lack of coverage for large population segments. This clearly reflects current global inequality with regard to social rights and services, including gender inequality.

We see relatively low scores worldwide in the production component. Three of the five groups have similar scores of around 60 points, which is a striking indicator of the need to transform the production, industrial and infrastructure base using development principles with a coherent approach. This is the component where, overall, there is the greatest scope for global improvement.

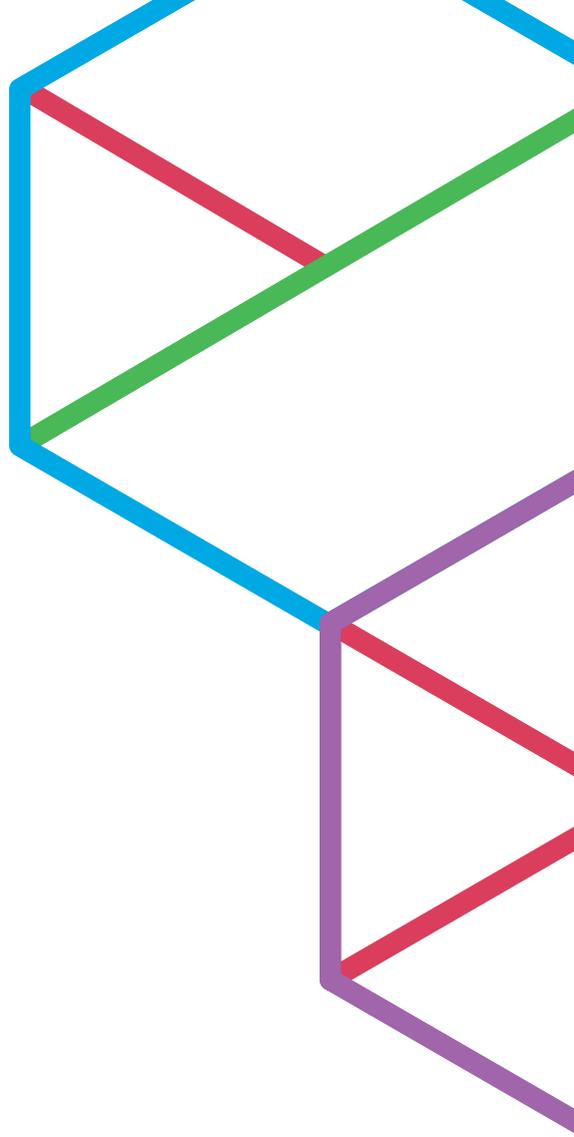
In the environmental component, country groups achieve very similar scores to each other. Here too, the global challenge is shared and can be expressed by the need to raise public spending on environmental protection and draw up policies that will reverse the current rates of environmental degradation, both with regard to harmful emissions and to loss of biodiversity. There is a worldwide need to transform the model for harnessing natural resources to safeguard a framework of environmental sustainability in development processes. Improvement is essential in all country groups if policy coherence for development scores are to be raised.

<sup>2</sup> As it comprises just two countries (Angola and Singapore), we have excluded the group of countries with very low PCDI from this comparative analysis.

<sup>3</sup> As it comprises just two countries (Angola and Singapore), we have not included the group of countries with very low PCDI in this chart.

The world average in the global component is the highest of all five areas. Even countries with a low PCDI achieve relatively high scores. This would suggest a greater commitment to the issues relating to the various human rights treaties in the international community, although given the regulatory nature of many of the variables contained in this component, there may be a gap between the signing and ratification of treaties and their direct effects on the living conditions of the population. Any improvement in adopting such global commitments would bring about substantial progress in policy coherence for development.

Finally, the economic component shows that, except in the high PCDI group of countries, tax base and income redistribution severely constrain policy coherence for development in most parts of the world (in 118 out of 133 countries). This economic component's correlation with ability to generate a larger tax base enabling appropriate investment in the social and production components reflects one of the keys to the multidimensional nature of development processes while at the same time pointing to the potential of the policy coherence approach.



**In depth**



# 3.1

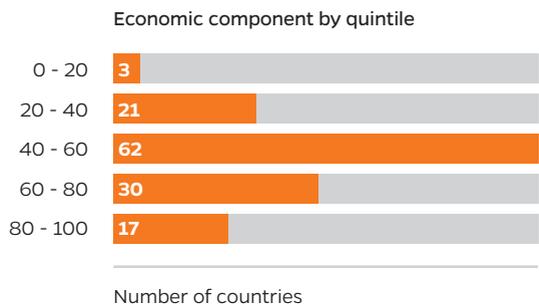
## The economic component

For the PCDI, economic policy coherence for development means economic policies that put a priority on the well-being of people and the planet. Increased economic growth as measured by GDP, which guides many economic policies today, is no longer considered the main point of reference when assessing the economic policy performance of countries from the perspective of the index. Instead, the PCDI will assess the extent to which taxation and finance are being used for the benefit of the majority of the people and are thereby contributing to global development. Thus, in the area of taxation, there will be an assessment of the efforts countries make to gather funds which enable them to guarantee universal access to basic social services and uphold economic, social and cultural rights; the extent to which fiscal policy is being used to combat inequality; the level of spending that countries earmark for environmental protection; and their commitment to fighting tax evasion and avoidance.

In the field of finance, the PCDI assesses the size of the banking sector, penalising countries with a disproportionately large banking sector given the risk this poses for global stability and governance, and likewise takes note of the level of external debt insofar as that increases the vulnerability of countries to outside events and the financial markets.

### OVERVIEW: DEEP-SET CONTRADICTIONS IN ECONOMIC BEHAVIOUR AROUND THE WORLD

An initial analysis of countries' performance on the economic component of the PCDI, summarised in an "economic ranking", shows that most countries (62 out of the 133 surveyed) are in the middle quintile of the ranking (40 to 60 range). Only 17 countries showed good performance on economic variables (scores above 80) and 3 had scores below 20.



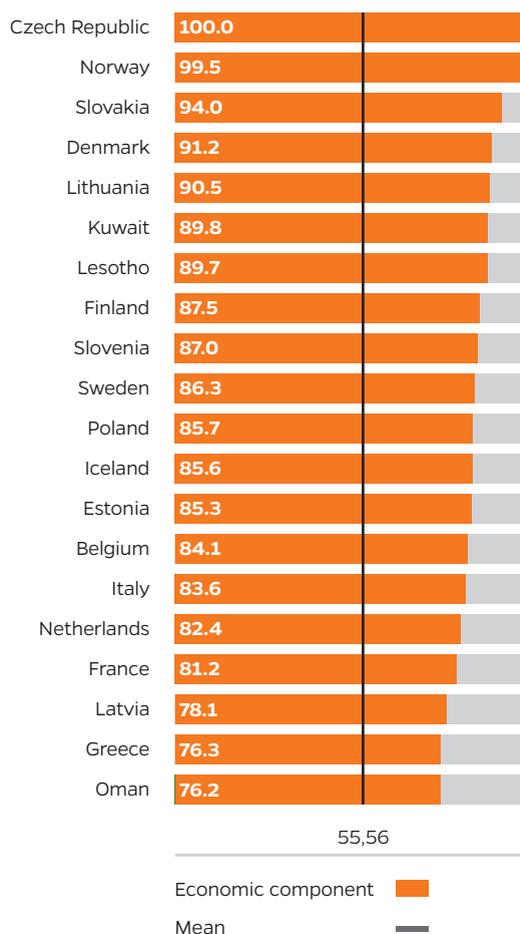
**FIGURE 8**  
Breakdown of countries according to the economic component of the PCDI by quintile

## THE BEST IN THE ECONOMIC RANKING: THE MOST REDISTRIBUTIVE COUNTRIES

The Czech Republic and Norway are first and second in the economic ranking, with very similar scores. Both are among the countries with the most redistributive fiscal policies. The Czech Republic is also the country that spends the highest percentage of its GDP on environmental protection while Norway is one of the five countries with the highest tax pressure.

Both countries are slightly penalised for the size of their banking sectors, which are disproportionately large in comparison to their economies, and for the level of financial secrecy which, although not excessively high, leaves room for improvement in terms of corporate transparency. In the case of the Czech Republic more could also be done to fight tax evasion.

Of the 20 highest scoring countries, only three are not European: Kuwait, Oman and Lesotho. Their high rank is attributable to their high tax revenues. In the case of Kuwait, these revenues are mainly from oil, and in that of Oman, from oil and natural gas. In the case of Lesotho, a large percentage is income received from the Southern African Customs Union of which it is a member alongside South Africa, Namibia, Botswana and Swaziland. We would note that these countries did not do as well in the overall PCDI ranking due to lower scores in other components (social, environmental, global and production). This illustrates the importance of the integrated, comprehensive view provided by policy coherence for development to government activity as opposed to other one-dimensional or sectoral analyses. Achieving high scores in the economic component does not automatically guarantee a good score in the general ranking.

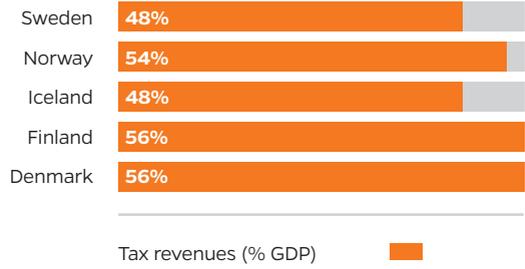


**FIGURE 9**  
The 20 top countries on the economic component

**Nordic countries lead both the economic and overall ranking**

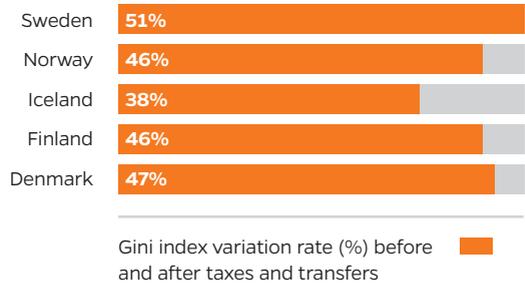
Norway, Denmark, Finland, Sweden and Iceland, worldwide reference points for their welfare model, stand out for their high levels of tax revenues and reduction of income inequality before and after taxes and transfers, which reflects their commitment to a decidedly redistributive fiscal policy and to mobilising domestic resources providing them with stable funding frameworks for their welfare states, thus contributing to fiscal sustainability by way of revenues as opposed to other strategies that prioritise public spending cuts.

The high score on these indicators is slightly offset by indicators measuring the size of the banking sector and its level of financial secrecy. All five countries have banking sectors that exceed up to 2.5 times (Finland and Denmark) the size of their economies. While their financial secrecy scores are not that bad, there is room for improvement in corporate transparency regulations, especially in Norway, Sweden and Iceland. If it were not for these penalties, these five countries would have the best scores on the economic component.



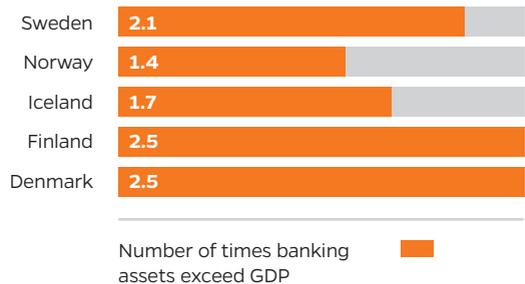
**Source:** Created in-house from the International Monetary Fund data, World Economic Outlook Database, April 2015.

**FIGURE 10**  
Tax collection in the Nordic countries



**Source:** Created in-house from data taken from The Standardized World Income Inequality Database.

**FIGURE 11**  
Inequality reduction in the Nordic countries



**Source:** Created in-house from Helgilibrary data.

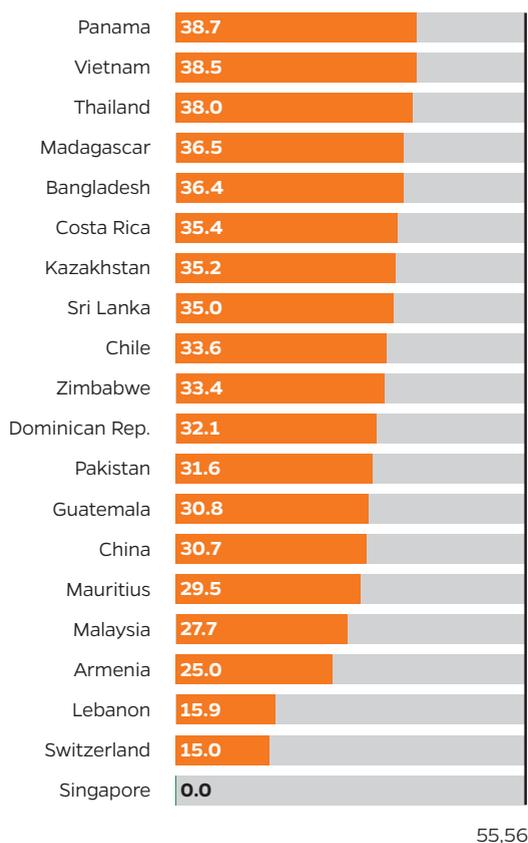
**FIGURE 12**  
Weight of the banking sector in the Nordic countries

## THE LOWEST: SINGAPORE AND SWITZERLAND

Singapore and Switzerland are at the bottom of the ranking. In other words, the economic policies of these two countries are the least coherent with development.

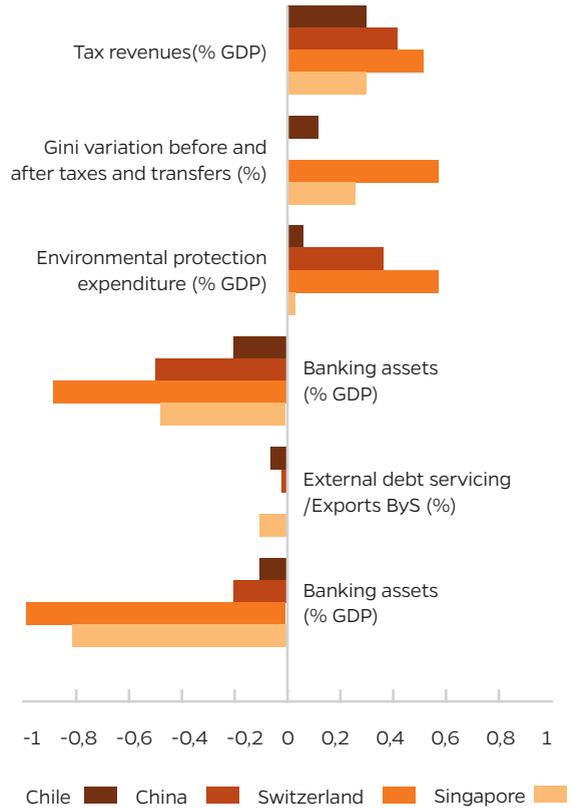
Singapore is last in the economic ranking. Despite being considered a “developed” or high-income country according to the World Bank classification, its economic policies are the least coherent of all of the countries surveyed. This is due to its relatively low tax burden and weak inequality reduction before and after taxes and transfers and to the disproportionate size of its banking sector and especially the high degree of financial opacity. All variables appear to indicate not only that the economic policies of this country fail to prioritise the welfare of the majority of its population, but that they also hinder the development prospects of other countries. This goes to show that a country’s level of income does not necessarily go hand-in-hand with its contribution or commitment to global development.

Switzerland, a country whose tax burden is close to the mean and has a relatively high level of inequality reduction, nonetheless received the second worst score on this component. This is due to the enormous weight of the banking sector in relation to the size of the Swiss economy (its banking assets are 4.5 times its GDP) and the fact that it is considered to be the country with the greatest financial opacity of the 133 surveyed. Switzerland dropped 100 places in the ranking due to its poor score on these two indicators.



**FIGURE 13**  
The 20 lowest-ranked countries  
on the economic component

Also striking is the very poor performance of another two high income countries, China and Chile: China ranks sixth from last and particularly stands out as the country with the worst score in redistribution and poor scores on banking sector size and financial secrecy. Chile also stands out for its low score on fiscal policy due to its limited ability to redistribute wealth and is also penalised (though significantly less than China) for the size of its banking sector and financial opacity.



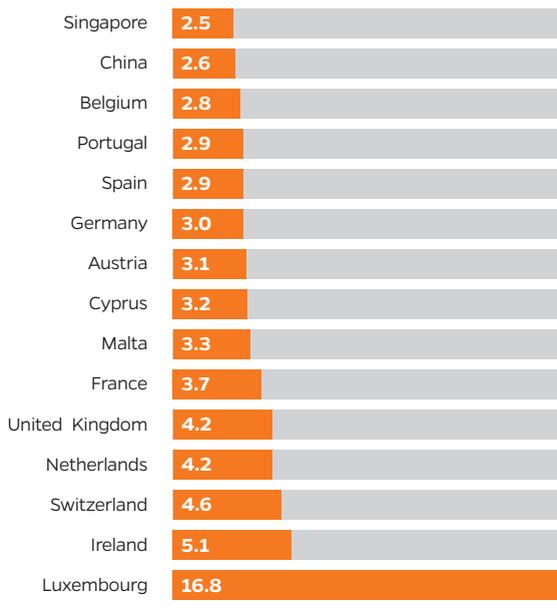
**FIGURE 14**  
Performance of Chile, China, Switzerland and Singapore on the economic variables of the PCDI

Switzerland receives the second worst score on the economic component because both the enormous weight of the banking sector relative to the size of its economy and the fact that it is the country with the greatest financial opacity of the 133 surveyed

### Penalised by the disproportionately large size of the banking sector and financial secrecy

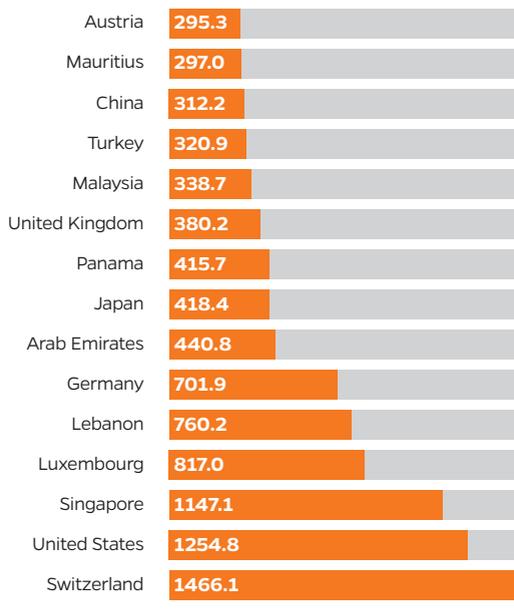
Countries with relatively good indicators in terms of tax burden and combating inequality were penalised in the economic ranking owing to poor scores on indicators related to the size of the banking sector and degree of financial transparency:

- Switzerland, the country with the highest degree of financial secrecy of those evaluated, fell 100 places in the ranking.
- Luxembourg, whose banking sector is nearly 17 times larger than the size of its economy, fell 94 places.
- The United States, the second most financially opaque country, fell 53 places in the ranking.
- The United Kingdom fell 44 places due mainly to the size of its banking sector which is four times its GDP.
- Ireland dropped 43 places mainly due to the size of its banking sector but also because of weakness in combating tax evasion and promoting corporate transparency.
- Germany, one of the 10 countries with the highest level of financial secrecy, fell 35 places.
- The Netherlands and France fell 15 places each, mainly due to their disproportionately large banking sectors.



Number of times banking assets exceed GDP

Source: Created in-house from Helgilibrary data.



Financial secrecy index

Source: Created in-house from Financial Secrecy Index data.

**FIGURE 15**  
Countries with the largest banking sector in relative terms  
**FIGURE 16**  
Countries with the highest levels of financial secrecy

## **DOES HIGHER INCOME MEAN GREATER COHERENCE ON THE ECONOMIC COMPONENT?**

An analysis of economic rank by income group revealed a positive relation between higher income and coherence in economic matters. However, this positive relation is not decisive, as evidenced by the fact that only 27% of the upper middle income countries are among the most coherent on the economic component and, as mentioned above, the fact that the two countries with the lowest levels of coherence, Singapore and Switzerland, are both high income countries,

Disparities in the degree of economic coherence between high and low income countries are due largely to differences in their tax systems. Higher income countries are able to collect more taxes and therefore have greater margin to implement redistributive fiscal policies to combat inequality. Low income countries, however, have to cope with numerous structural problems and shortcomings in their tax systems.

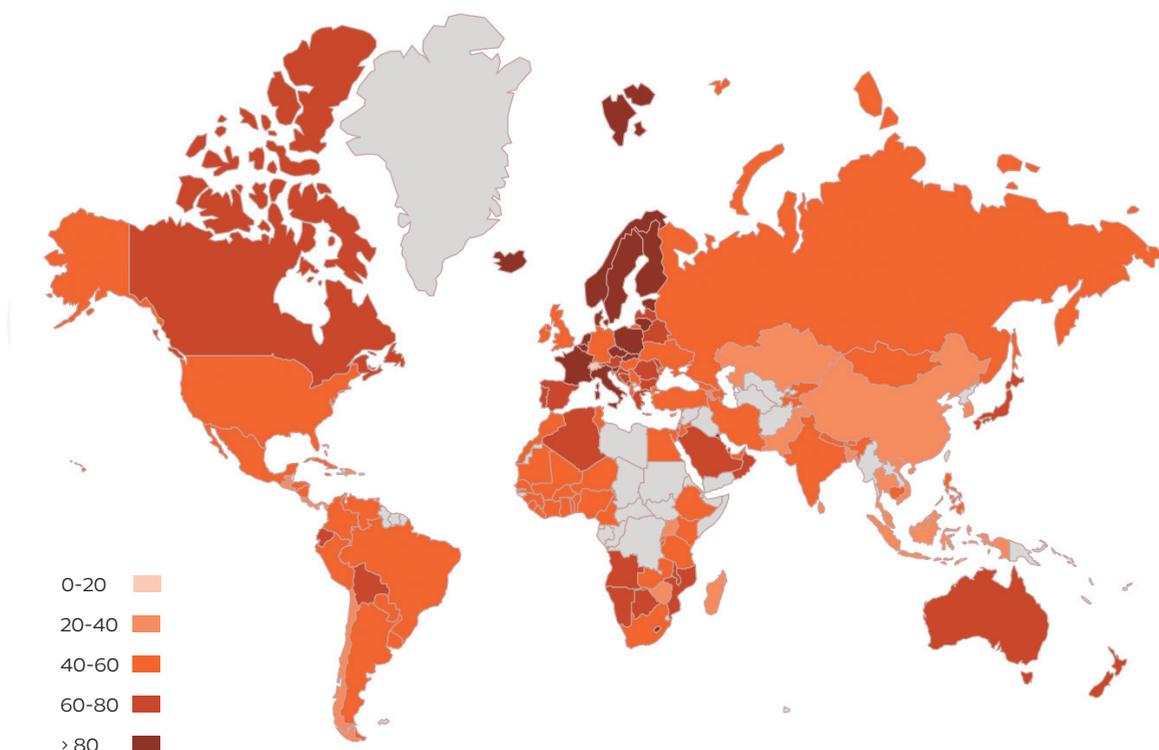
However, despite the better economic ranking achieved by higher income countries, attributable to greater tax revenues and redistribution, these are also the ones most penalised for the disproportionate size of their banking sectors and for their lack of financial transparency, both of these factors having a major impact on global development due to the constraints they pose for the potential development of other countries.

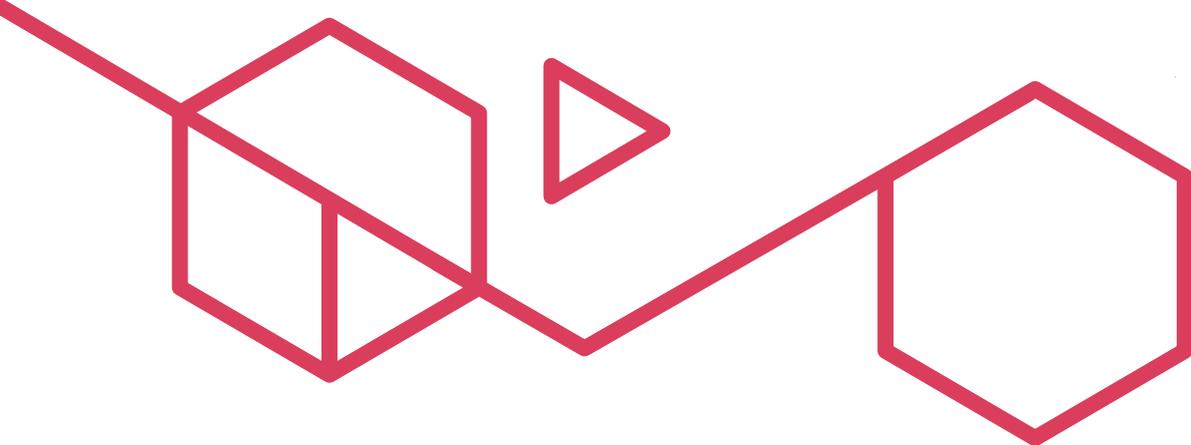
## THE ECONOMIC COMPONENT BY REGION

Western Europe, the United States and Canada is the region with the highest proportion of countries at the top of the economic ranking, followed by the Pacific and Oceania. Despite the risk for global development posed by the countries from the first group due to the disproportionately large size of their banking sectors and their financial opacity, they collect large amounts of tax and have high redistributive capabilities.

The Pacific and Oceania region is made up of four high income, very high HDI countries (Australia, Japan, New Zealand and South Korea). Of this group, South Korea is the only one showing poor economic coherence. South Korea's low score is mainly due to its tax burden (of the high-income countries evaluated, it has the lowest tax burden), weak redistributive effort and some penalisation for the size of its banking sector and level of financial secrecy.

East and South Asia are at the other end of the spectrum. All of the countries ranked as having the lowest degree of coherence are in these two regions. East Asia includes countries like China, Singapore and Malaysia where the banking sector is disproportionately large relative to the size of their economies and there is a high degree of financial secrecy. Unlike the Western Europe, the United States and Canada region, these drawbacks are not offset by higher tax burden and redistribution scores. Of the regions surveyed, South Asia is the one that, on average, collects and redistributes the least amount of taxes.





## 3.2

### *The social component*

The PCDI social component provides a snapshot of how satisfied citizens are with the social rights afforded them by their governments. It is obtained by evaluating six policy areas that define the social component profile: education, health, equality, employment, social protection and science and technology. For the PCDI, a social component that is more coherent with the principles of development is one that receives sufficient public funding in a framework of equality and universality based on a human rights approach. The quality of services, of employment and life expectancy, citizen participation in the implementation of these services, their accessibility and affordability, and gender as a cross-cutting component taking account of the status of women relative to society as a whole, are its essential defining elements.

Assessment of the social aspects of public policy from the aforementioned vantage point not only involves indicators measuring the status of countries in terms of satisfaction levels with social services, but also incorporates other variables that best account for the level of satisfaction from a rights-based perspective.

Social protection is therefore considered specifically alongside variables measuring education and health services, in terms of public spending devoted to this purpose, and specifically examines the percentage of the population receiving old age pensions and how well the protection system addresses the poorest 20% of the population in each country.

The gender perspective is not confined to equality policy but is considered in all of the areas examined. Thus, our index includes variables related to the gender gap in employment, to work-life balance focusing on pre-school childcare, as well as unpaid care-giving as a proportion of working women. While it is true that there are still no reliable worldwide data on this type of care-giving to measure the contribution of this type of unpaid work to the economy, we have included the best available estimates of what we call unpaid family workers. Similarly, the analysis focuses on school enrolment rates by gender and the proportion of women graduates from tertiary studies over the total number of graduates.

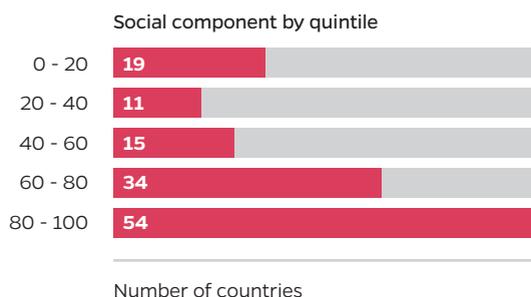
In short, the social component provides an overview of how countries redistribute resources by implementing active, inclusive social policies to guarantee the protection and exercise of rights, while creating opportunities within a framework of equality with special attention to the most disadvantaged and most discriminated groups. Country performance is measured not only in terms of employment rates, life expectancy and school enrolment, but also in terms of employment stability, healthy life expectancy and enrolment in universal, participatory and quality education.

## AN OVERVIEW OF THE SOCIAL COMPONENT RANKING: POSITIVE OVERALL RESULTS

Of the 133 countries surveyed, 54 are in the highest quintile of the social component ranking mainly because the PCDI sample of countries (determined on the basis of data availability) is skewed towards a larger relative number of high income countries (48) and countries from the regions of Europe, United States and Canada (30) and the Pacific and Oceania (4). Of the 54 countries with the highest score on the social component (80 to 100), 42 are high income countries, 30 are from Europe, the US and Canada and four from the Pacific and Oceania. This distribution indicates that there is significant relation between income level/geopolitical location and the highest scores on the social component. This is corroborated by the fact that 34 countries earned scores between 60 and 80, six of them high income and 24 upper middle-income countries; and that of the 45 countries that scored below 60, only five were are not lower-middle or low-income countries, and that 29 of the 31 sub-Saharan countries surveyed were in this under 60 group.

As regards the social component, most countries, 84, are above the mean (64.27) while 49 are below, indicating that the world as a whole performs reasonably well on the social component.

**FIGURE 17**  
Breakdown of countries  
according to the PCDI social  
component by quintile

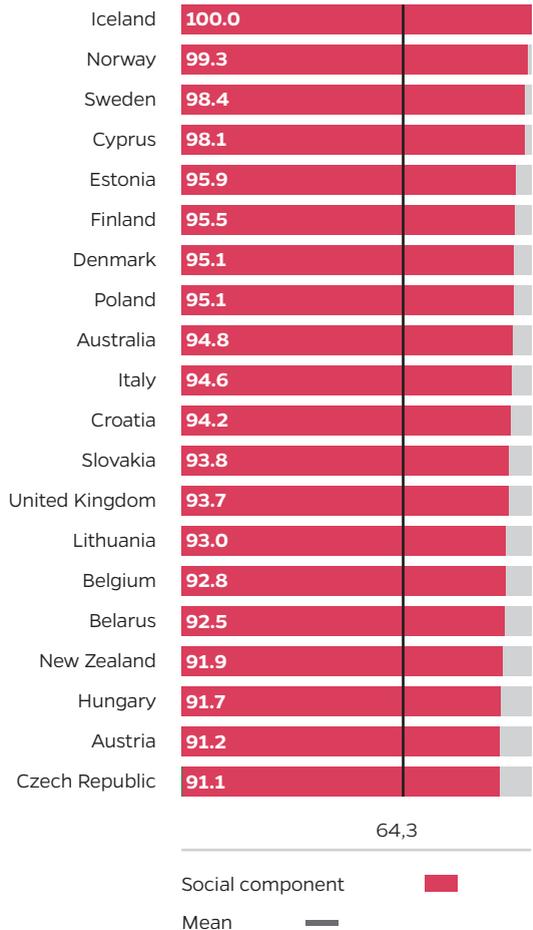


## COUNTRIES WITH THE HIGHEST SOCIAL COMPONENT SCORES

Iceland, Norway and Sweden lead the social ranking, followed by Cyprus and Estonia. The top 20 countries are all European except for Australia, ranked ninth, and New Zealand, ranked 17th. This top-ranking group is composed of five types of countries, all with good performance on the social component: the Nordic countries, EU countries with high and low incomes (15 of the 20 are EU-28 countries), several countries from the former communist bloc and two from Oceania.

To provide a representative graphic image of this group of the top 20 countries in the social component, we took ten of them and made two groups of five countries each. The first group is made up of one country from each of the five types mentioned based on their population and importance: from the group of Nordic countries we chose Sweden; from the two EU country groups, the United Kingdom and Croatia; from the group of former communist bloc countries, Belarus, the only country of the 20 from Central Asia and Eastern Europe; and from Oceania, Australia. The second group was formed of countries with the largest gap between their social component scores and their overall PCDI score. Again, one country from each of the five types mentioned was chosen. This group consists of Denmark, Austria, Cyprus, Hungary and New Zealand.

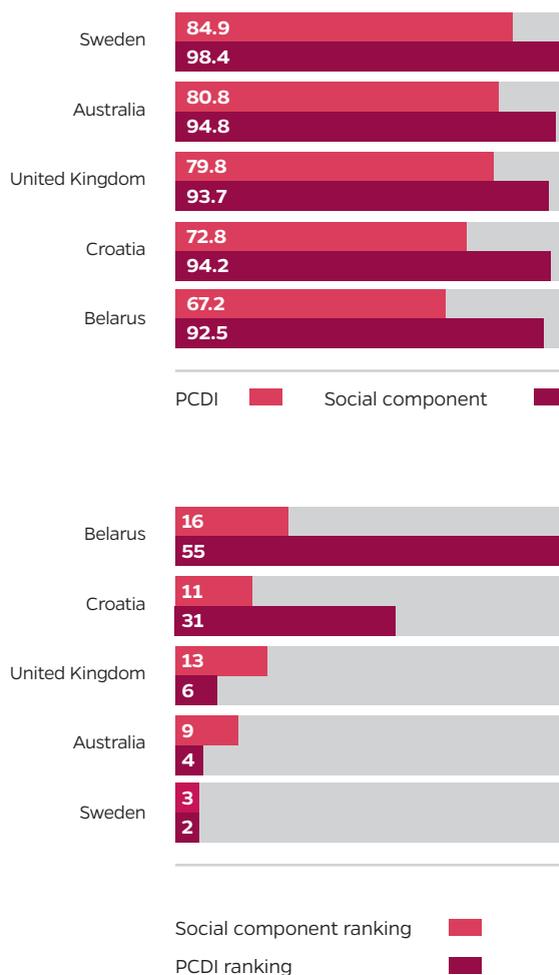
School enrolment rates in these countries is nearly 100%. There are very few children not enrolled from primary through secondary school indicating that the right to education is effective and of high quality. They also have the lowest student per teacher ratios in pre- and primary school and very low repetition rates, the highest percentages for which are found in Slovakia (2.8%) and Hungary (2.5%). Therefore, their scores were not penalised by overcrowded classrooms or high academic failure rates. In these countries, women outnumber men in higher education: over 54% of those who graduate and earn a university degree are women.



**FIGURE 18**  
Top 20 countries in  
the social component

GROUP 1			GROUP 2		
COUNTRY	PCDI	SOCIAL	COUNTRY	PCDI	SOCIAL
Sweden	84.89	98.42	Cyprus	74.77	98.14
Australia	80.80	94.79	Denmark	89.60	95.09
Croatia	72.77	94.20	New Zealand	73.74	91.90
United Kingdom	79.77	93.71	Hungary	71.27	91.74
Belarus	67.20	92.52	Austria	64.22	91.18

These are countries that devote large sums of public money for so-called social spending, from 30.8% of GDP in Denmark to 15.8% in Belarus. Moreover, this spending has a major impact on benefits for the poorest fifth of the population. Generally over 20% of social spending is earmarked for the poorest, the most sensitive countries in this connection being Poland, Australia and Croatia, that spend over 40% of their social budget on the poorest fifth of the population. The country in this group which spends the least on the poorest members of society is Italy, with only 8%. In these countries the elderly are well provided for through to pension schemes. Eight countries cover 100% of the elderly and in all of the other countries over 83% of the elderly population receives a pension with the exception of Croatia where coverage is only provided for 57.6% of the elderly.



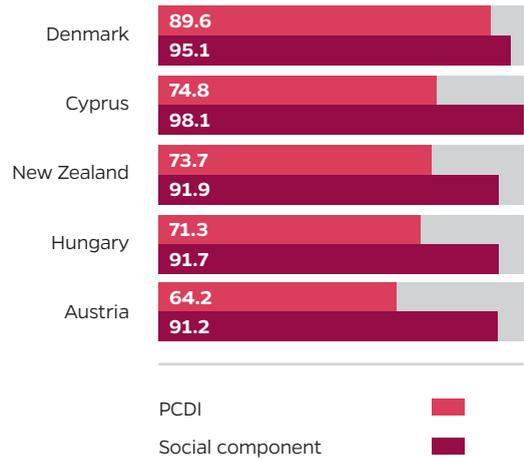
**FIGURE 19**  
Comparison of overall PCDI and social component scores in Group 1

**FIGURE 20**  
Comparison of overall PCDI and social component ranking in Group 1

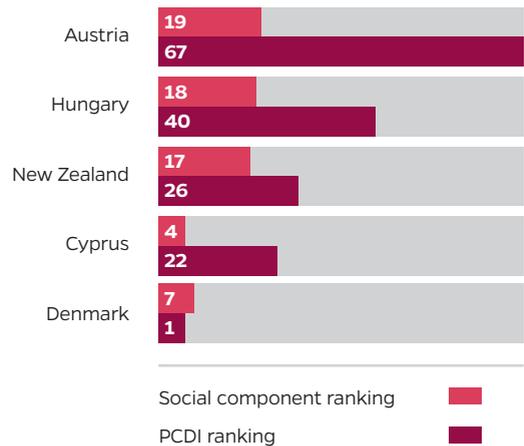
These countries also have good maternity leave schemes; all exceeding Iceland’s 91 days and most over 120 days. The country with most compulsory maternity leave days is Croatia with 406, followed by the UK and Australia with 364 and Norway with 245. They all also have good legal coverage of gender-based violence and sexual harassment, except for Belarus and Hungary which do not recognise such crimes, and take a front-running stance in the United Nations on the rights of the LGBT population. All these countries have fewer women than men engaged in vulnerable employment and low rates of unpaid family workers and therefore their scores are not penalised by the extent of vulnerable employment that especially affects women in other countries.

In the area of health, all these countries exceed the average healthy life expectancy of 65 with the exception of Belarus where it is 62. The number of hospitals per 100,000 inhabitants ratio is good, near or above the world average of 1.5. In all countries, access to sanitation is above Belarus’ 92%, resulting in a high rate of environmental health.

It is important to note that not all countries in this group with the highest social component scores have high overall PCDI scores. This indicates that the social component has only relative impact on overall policy coherence for development. Looking at the countries in groups 1 and 2, variation is observed in terms of overall PCDI scores and some actually did quite poorly, which is the case of Croatia (31), Hungary (40), Belarus (55) and Austria (67), despite their very good performance on the social component.



**FIGURE 21**  
Comparison of overall PCDI and social component scores in Group 2



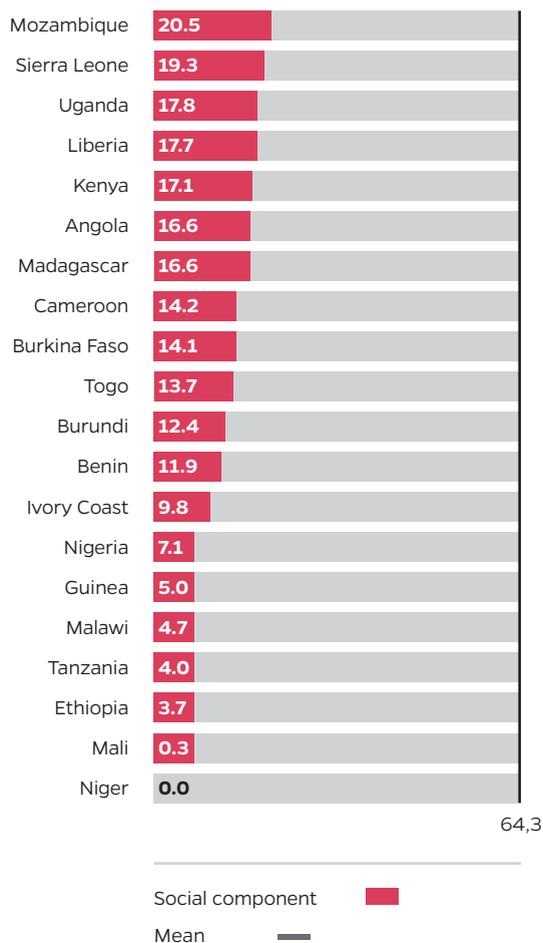
**FIGURE 22**  
Comparison of overall PCDI and social component ranking in Group 2

## THE COUNTRIES WITH THE LOWEST SOCIAL COMPONENT SCORES

The 20 lowest-ranking countries on the social component earned scores below the 20.54 threshold corresponding to Mozambique, ranked number 114. All 20 are from Sub-Saharan Africa and most are low-income countries. The only low-middle income countries are Kenya, Ivory Coast, Cameroon and Nigeria, and Angola which is in the upper-middle income range. As the figure illustrates, all of these countries scored far from the mean social component score of the 133 countries surveyed.

In this case the group is much more homogeneous both in terms of its geopolitical makeup and the difference vis-à-vis overall PCDI ranking, which is why we selected only one group of five countries to represent the entire group.

These are some of the countries with the lowest scores on the different indicators. For instance, Angola has the lowest school enrolment rate for girls compared to boys in primary education, i.e. only 7.6 girls for every 10 boys. We also have the countries with the lowest survival rate in secondary school, Malawi and Niger, where only 31% and 44% of students, respectively, complete secondary school. If we consider penalising variables, Liberia stands out as one of the countries where over half of the children are not enrolled in primary school and where six out of ten do not attend school at all; Tanzania, with the highest student-teacher ratio in pre-school with 82 pupils per teacher; and Malawi with the highest student-per-teacher ratio in primary school at 69. There is also Burundi, with the highest percentage of students repeating grades at 29%. Burundi also has the lowest percentage of graduates in tertiary education in the world, 28%, while Benin has the lowest number of women enrolled at this level of education, at 2.6 women for every 10 men.



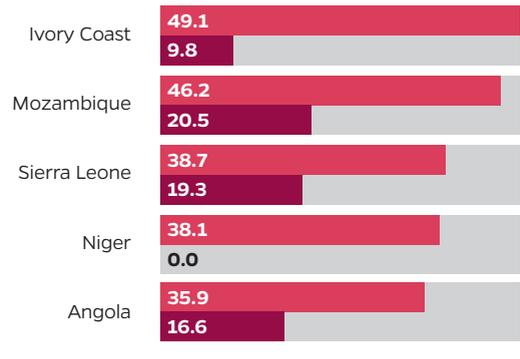
**FIGURE 23**  
The 20 lowest-ranking countries  
on the social component

In these countries one cannot speak of social protection systems since public spending for social programmes is below the 6.8% of GDP in Angola and Tanzania, and the average of the 20 countries is just over 4%. This results in an average of only 7.9% of the elderly having old age pensions in these 20 countries, with coverage ranging from 17.3% in Mozambique to 2.1% in Sierra Leone. None of these countries show any relevant impact of such benefits on the poorest 20% of the population, such impact being under 15% in all cases.

With the exception of Burundi which has laws against sexual harassment and gender-based violence, these countries have no specific legislation or only barely deal with violence in marriage. Seven of the 20 countries take a stance at the UN in favour of LGBT rights but the rest do not. Average official maternity leave for the group is 88 days and none of them exceeds 98 days. All countries in the group were penalised equally for having a moderate rate of unpaid female workers, with the exception of Tanzania which has a much higher rate (38%). In all cases, more women than men are subject to vulnerable employment but that did not entail a major penalisation in scoring the social component of these countries.

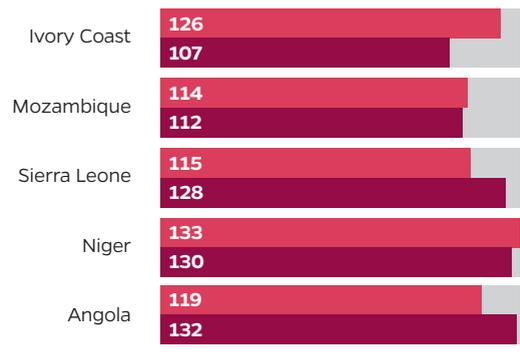
Healthy life expectancy is among the lowest in the world, ranging from 39 years in Sierra Leone and 44 in Angola to 56 in Ethiopia. Only Ivory Coast and Kenya register near the world average of 1.5 hospitals per 100,000 inhabitants, while most countries in this group have fewer than 0.6 hospitals per 100,000 inhabitants. Only about one in four people in this group of countries has access to basic sanitation, the lowest figures being recorded for Niger (10%), Madagascar (12%) and Sierra Leone (13.3%).

Social component scores were lower than overall PCDI scores in all the countries of this group, although overall PCDI scores were still low in all cases. Kenya is the country in this group with the highest PCDI rank at 106,



PCDI ■  
Social component ■

**FIGURE 24**  
Comparison of overall PCDI  
and social component  
scores in Group 3



Social component ranking ■  
PCDI ranking ■

**FIGURE 25**  
Comparison of overall PCDI  
and social component  
ranking in Group 3

the worst being Angola at 132. Unlike the top 20 countries on the social component, there are no major differences between the social component ranking of these countries and their overall PCDI ranking, the biggest difference being found in Malawi (18 places) and the Ivory Coast (19 places). This would seem to indicate that these countries perform equally poorly on the social component and the rest of the PCDI components.

### **THE SOCIAL COMPONENT ACCORDING TO COUNTRY INCOME AND HDI**

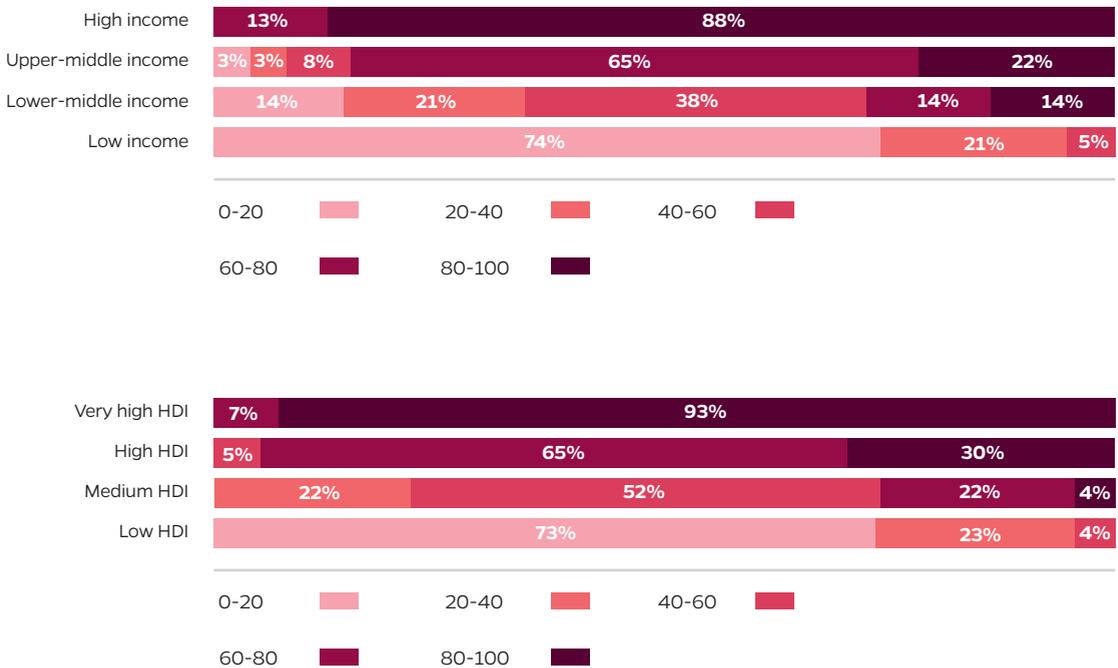
There is a strong positive relation between per capital income and good performance on the social component. As the figure shows, most high-income countries earned high scores (80-100), nearly two thirds of the upper-middle income countries earned medium to high scores (60-80); just over 70% of low-middle income countries earned low to medium scores (20-80), and three-quarters of the low-income countries earned low scores (0-20).

There is an even higher correlation among countries in regard to the HDI: all countries with a low HDI are in the bottom quintile, while 93% of countries with a high HDI are in the top quintile. This makes sense given that the HDI incorporates some social policy indicators that resemble the variables used for the PCDI social component.

For the PCDI, a social component that is more coherent with the principles of development is one that receives sufficient public funding in a framework of equality and universality based on a human rights approach

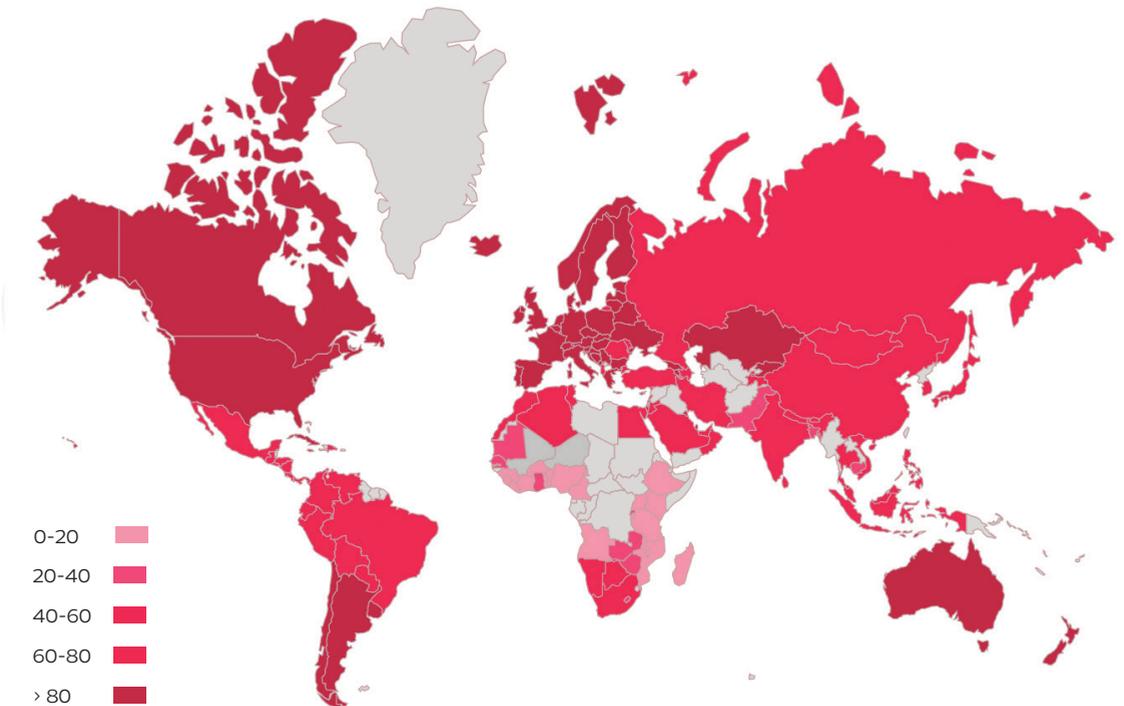
These two analyses show strong relation between countries' level of development measured more traditionally and social coherence. The most novel contribution made by the PCDI as compared with these analyses is that it contextualises this coherence in other dimensions of development from a global perspective providing a much broader map of the development process.

**FIGURE 26**  
Breakdown of countries by income on the social component  
**FIGURE 27**  
Breakdown of countries by HDI on the social component



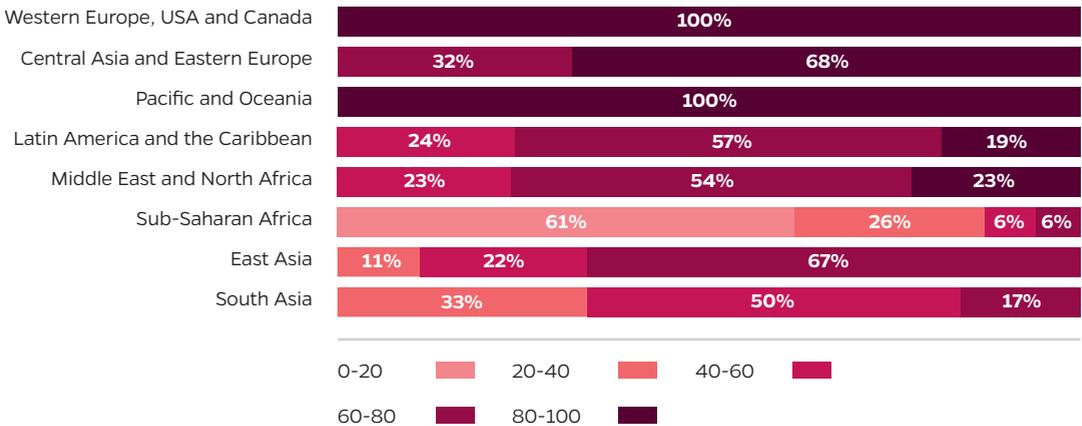
## THE SOCIAL COMPONENT BY REGION

The social component ranking shows a very diversified breakdown of countries in each geopolitical region. Three regions are found to hold most of the positions in the highest quintile (80-100): all countries from the region of Western Europe, the United States and Canada and the Pacific and Oceania. These regions are joined by many countries from Central Asia and Eastern Europe, only four countries from Latin America and the Caribbean (Uruguay, Cuba, Argentina and Chile) and three from the Middle East and North Africa (Israel, Kuwait and Qatar). Most countries from these latter two regions scored in the middle range (60-80), except for five Latin American and Caribbean countries (Honduras, El Salvador, Nicaragua, Guatemala and Bolivia) and three North African and Middle Eastern countries (Iran, Morocco and Egypt), with the lowest scores for both regions in the 40-60 range.



In Central Asia and Eastern Europe there were only six countries (Moldova, Romania, Azerbaijan, Albania, Tajikistan and Turkey) whose score put them in the upper middle quintile (60-80). As for the rest of Asia, of the nine East Asian countries only three scored below the upper middle quintile (60-80), two of these (Vietnam and Indonesia) in the middle quintile (40-60) and only one country (Cambodia) scored in the lower middle (20-40). Only one of the six South Asian countries, Sri Lanka, scored in the upper middle quintile (60-80) and two, Bangladesh and Pakistan, in the lower middle quintile (20-40).

At the other extreme, the lowest quintile (0-20) is made up exclusively of 19 of the 31 Sub-Saharan African countries. Only two countries from this region (Botswana and Namibia) scored in the middle quintile (40-60) and two others (Mauritius and South Africa) scored in the upper middle quintile (60-80).

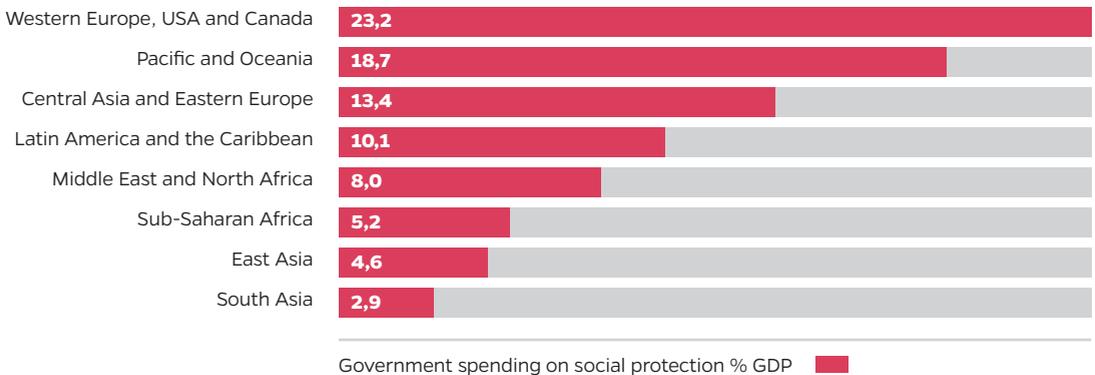


**FIGURE 28**  
Breakdown of countries by  
geopolitical region on the  
social component

### What are the differentiating factors in the social component? Social protection, employment vulnerability, freedoms and equality rights

While all variables have an impact on the final result, social protection schemes are the most important factors that account for differences between regions. The two leading regions spend an average of 18% and 23% of their respective GDP on social protection. The remaining regions invest between half and 10 times less than Western Europe.

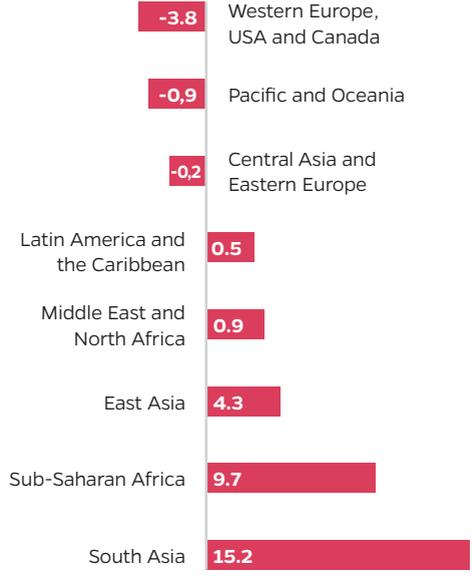
As for variables hampering development, the biggest differences are found in the gender gap in relation to vulnerable employment. While in the regions that scored the highest on the social component there are as many or even more men with vulnerable employment, in other regions more women are engaged in this sort of employment. The percentage of unpaid female employment also has a serious impact on the opportunities and living standard of many women, seriously limiting their social advancement in most of the regions with the greatest number of countries with the lowest social ranking.



**Source:** Created in-house from ILOSTAT data, several years.

**FIGURE 29**  
Public expenditure on  
social protection by region

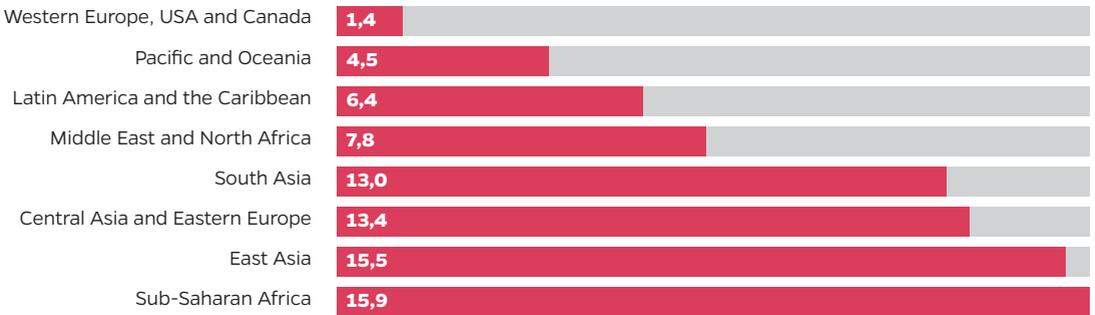
The relatively high rank of Central Asia and Eastern Europe is mainly due to infrastructure and legislative factors, very likely a legacy from their time as former socialist bloc countries. We would draw attention to the average 178 days of compulsory maternity leave and, in terms of infrastructure, the 3.44 hospitals per 100,000 inhabitants, rivalled only by the average of the four Oceanian countries.



% women with respect to men

**Source:** Created in-house from World Bank data, several years.

**FIGURE 30**  
Gender gap in vulnerable employment by region



% of female employment

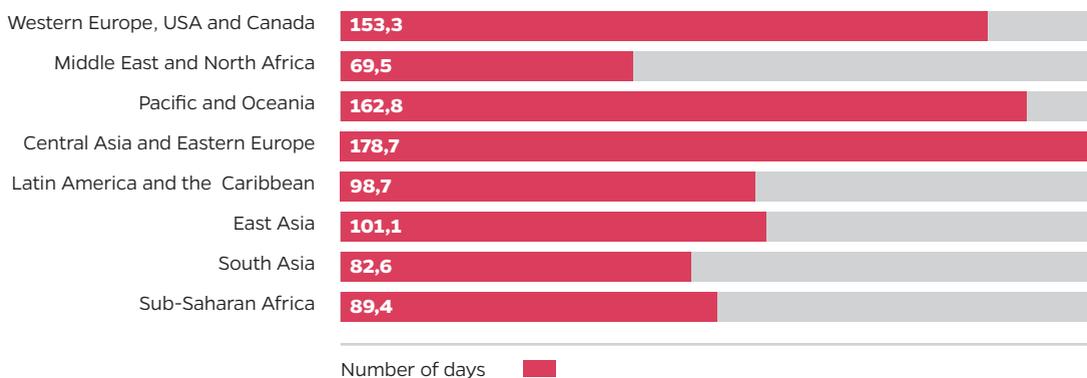
**Source:** Created in-house with World Bank data, several years.

**FIGURE 31**  
Unpaid family workers by region

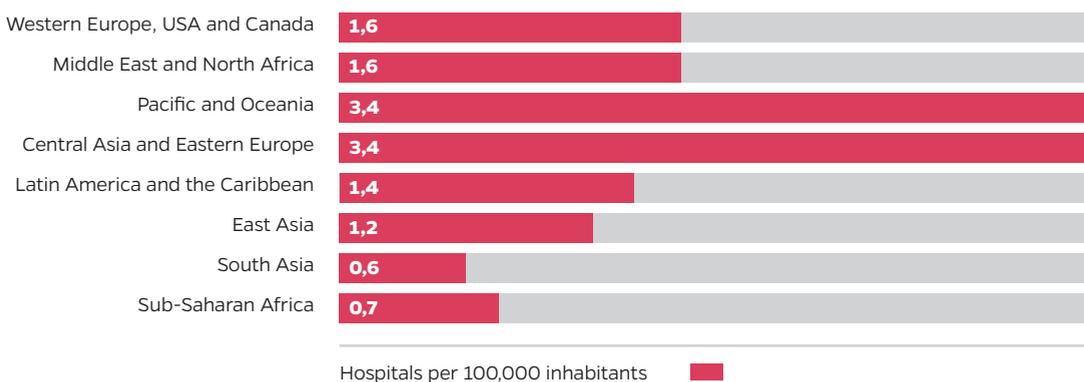
Sub-Saharan Africa has the lowest figures for practically all variables except vulnerable employment (where South Asia is worse): maternity leave, laws against gender-based violence and stance taken at the United Nations on LGBT rights —concerning which the figures are even lower than the already extremely low average of the Middle East and North Africa, regions where most countries take a clearly discriminatory stance towards this community.

Restrictions on women's freedoms and rights are also a major problem for the Middle East and North Africa in the social component. This region earned the lowest score on legislation and prosecution of crimes of violence against women.

**FIGURE 32**  
Average length of  
maternity leave by region  
**FIGURE 33**  
Average hospital  
density by region



**Source:** Created in-house from UN Women data.



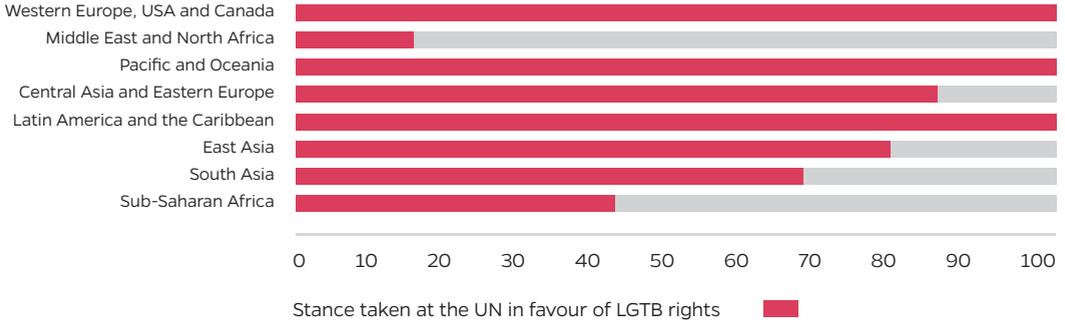
**Source:** Created in-house from World Health Organisation data.

This variable is one of the few where Latin America and the Caribbean lead other regions, along with the two variables referring to the percentage of women enrolled in tertiary education (where the Middle East and North Africa earned the highest score) and to the percentage of women who complete this level of education.

**FIGURE 34**  
Stance taken at the United Nations on LGBT rights by region

**FIGURE 35**  
Legislation against sexual harassment and gender-based violence by region

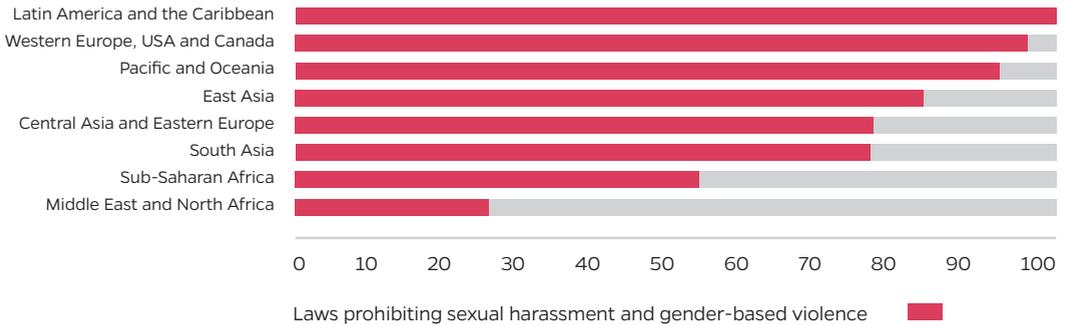
**FIGURE 36**  
Enrolment ratio of women to men in tertiary education by region



Stance taken at the UN in favour of LGTB rights



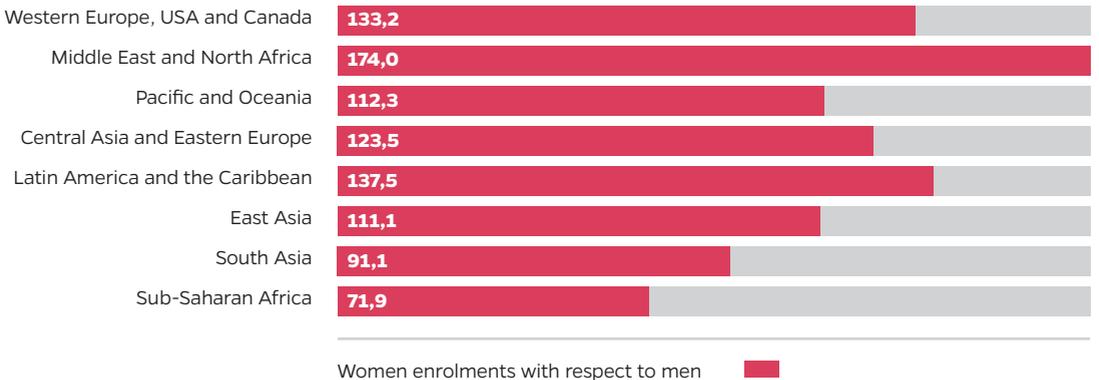
Source: Created in-house from UN data.



Laws prohibiting sexual harassment and gender-based violence



Source: Created in-house from UN Women data.



Women enrolments with respect to men



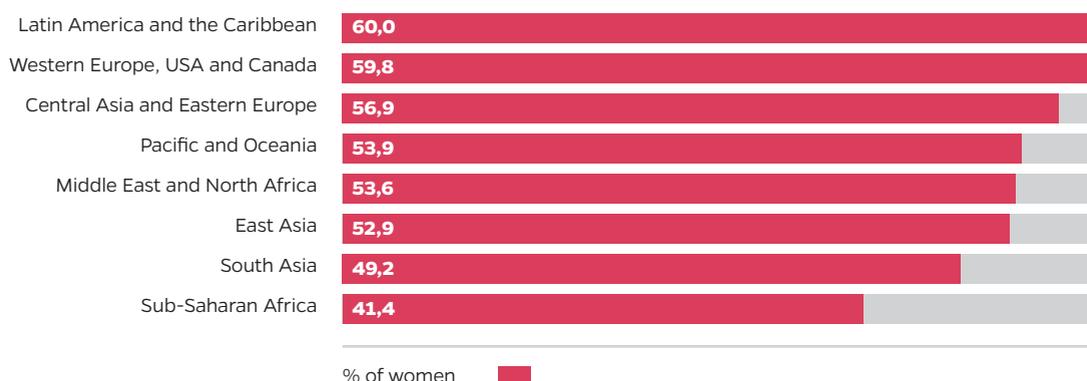
Source: Created in-house from UNESCO data.

However, the region of Latin America and the Caribbean stands out the most for its treatment of the poorest segment of the population, showing a very high percentage of impact of benefits on the poorest quintile of the population in comparison to other countries.

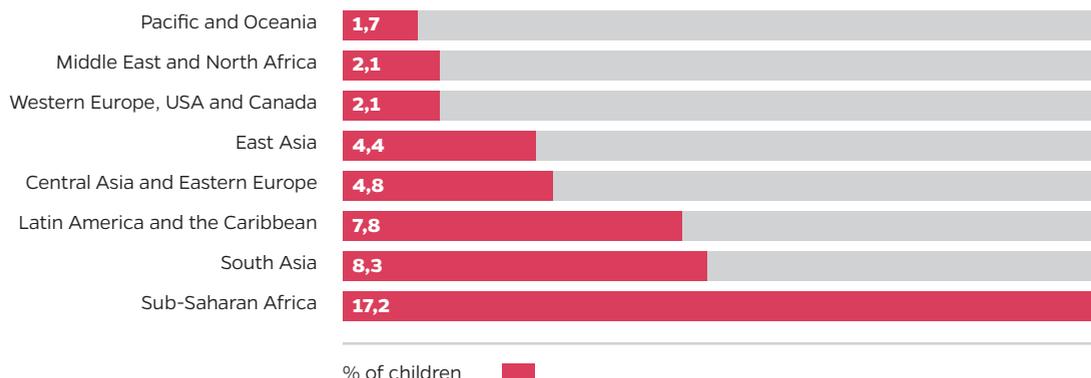
**FIGURE 37**  
Percentage of women graduates in tertiary education by region

**FIGURE 38**  
Children not enrolled at the prescribed age for commencing primary education by region

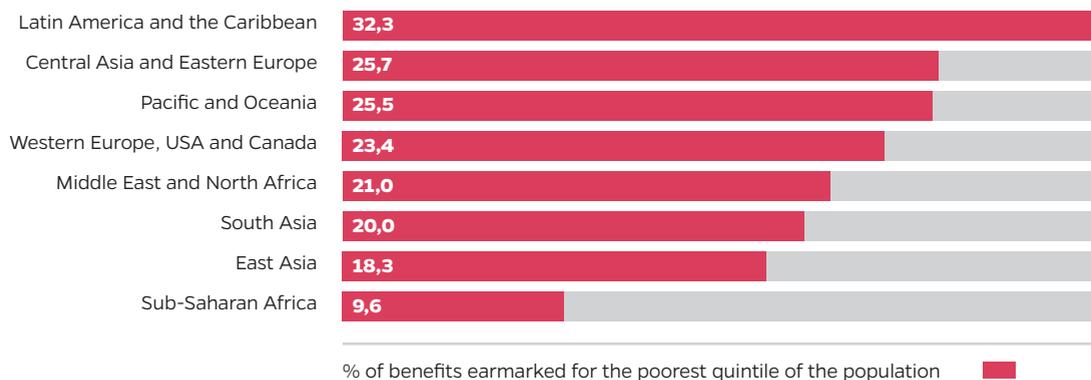
**FIGURE 39**  
Impact of social benefits on the poorest quintile by region



Source: Created in-house from UNESCO data.



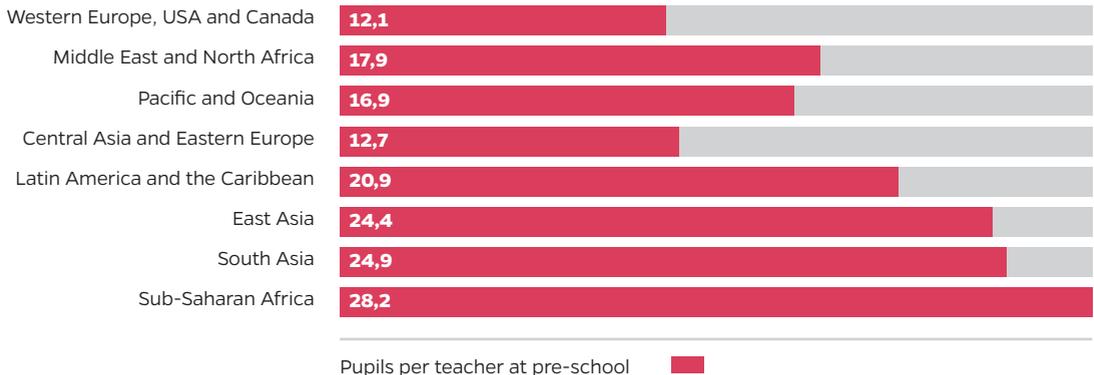
Source: Created in-house from UNESCO data.



Source: Created in-house from World Bank data.

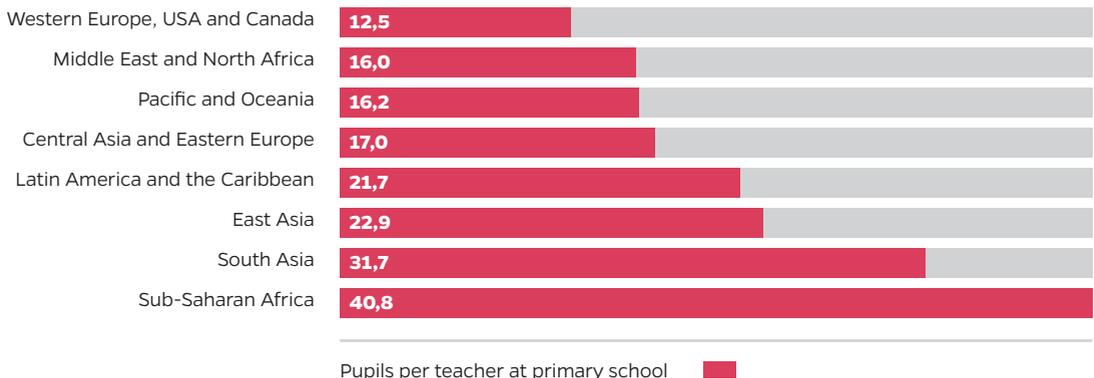
Both South and East Asia are severely penalised by their high student-teacher ratios at pre-school and primary school, pointing to serious overcrowding in the classroom.

**FIGURE 40**  
Student-teacher ratio  
in pre-school education  
by region

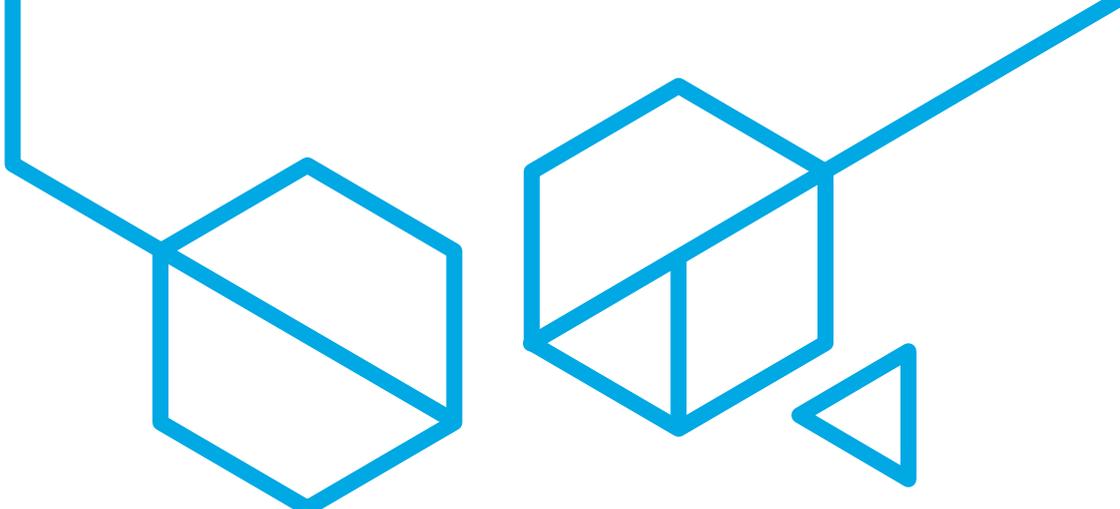


**Source:** Created in-house from UNESCO data.

**FIGURE 41**  
Student-teacher ratio  
in primary school  
education by region



**Source:** Created in-house from UNESCO data.



## 3.3

### *The global component*

The global component of the PCDI shows country coherence in a number of areas contributing to global governance such as peace and human security, international cooperation, support for multilateral governance fora on issues such as development and sustainability, migration and human mobility, the international legal framework on human rights, international justice and the arms trade. In addition to these areas, the global component analyses a number of other elements that stand in the way of human security and, as a result, decrease the likelihood of building global democratic governance based on human rights, conflict prevention and peace building. Militarisation is the main element detracting from coherence on the PCDI global component.

#### **AN OVERVIEW: GEOPOLITICS ARE DECISIVE IN COMMITMENT TO GLOBAL DEVELOPMENT**

Based on the analysis of the overall ranking in chapter 2, with very few exceptions the countries with the best PCDI rank are the same ones that rank high on the global component.

We find the top positions being held by high income countries and those with the best scores on the human development index. This same relation holds true for the lowest ranked countries on the global component. Therefore, although there is no denying the relevance of income levels and HDI, a deeper understanding can be gained by focusing on geographic and political factors as discussed in greater detail in this chapter, which appear to have a greater influence on the performance of different countries on the global component.

This makes sense, as this is a component where geopolitics and being located in areas subject to ongoing armed conflict have an obvious impact on many policy decisions relating to global governance. This explains why, although the PCDI did not include countries engaged in armed conflicts due to the lack of recent data, countries affected by conflict or located in areas heavily influenced by conflict, perform worse on the global component as a result.

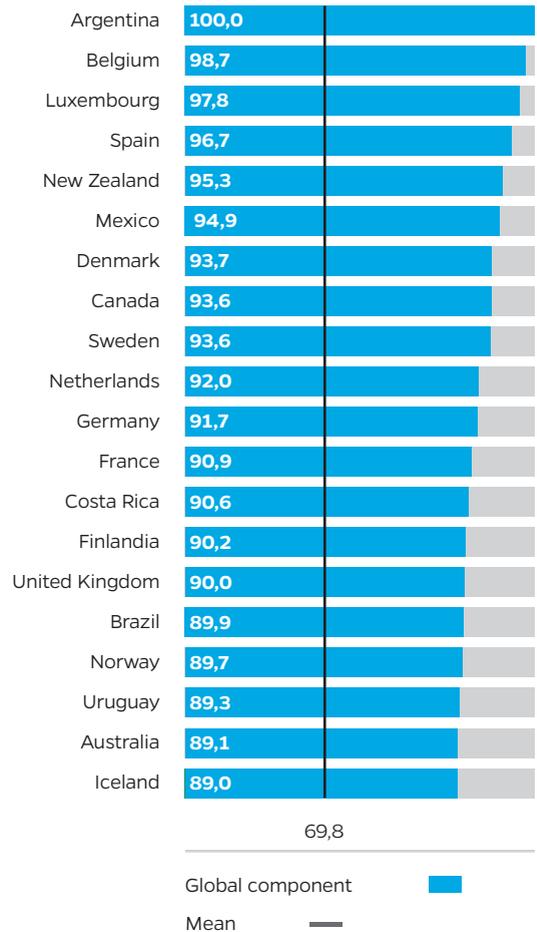
### An international regulatory framework created by (and benefiting) the West

Just as the geopolitical situation is important in explaining countries' performance on the global component, historical-political factors also go a long way in explaining how the international regulatory framework for global and democratic governance was defined. When interpreting the results of the global component, one should bear in mind that the regulatory framework and international treaties were established under the leadership of a large group of Western countries and international organisations. While this fact does not invalidate or discredit the analysis, it does provide a better understanding of the fact that, in general terms, Western countries are the ones that show greater commitment to the international regulatory framework, which is not neutral.

### THE MOST COMMITTED TO THE GLOBAL COMPONENT

Argentina ranks number one on the global component of the PCDI. It is one of the countries that combines a high level of commitment to the international framework of human rights and universal justice and women's rights with low levels of militarisation.

Along with Argentina, there are three European countries, Belgium, Luxembourg and Spain, and one Oceanian country, New Zealand, holding the top five positions on the PCDI global component. As with Argentina, all of these countries combine deep respect for the international framework of human rights and universal justice and low levels of militarisation as compared to the average for the countries surveyed in the PCDI. Spain differs slightly in this regard, as it is more militarised than the other four global component leaders.



**FIGURE 42**  
The top 20 countries on the global component



Argentina ranks number one on the global component of the PCDI. It is one of the countries that combines a high level of commitment to the international framework of human rights and universal justice and women’s rights with low levels of militarisation



**FIGURE 43**  
Performance on the PCDI global component variables of Argentina, Belgium, Luxembourg, Spain and New Zealand

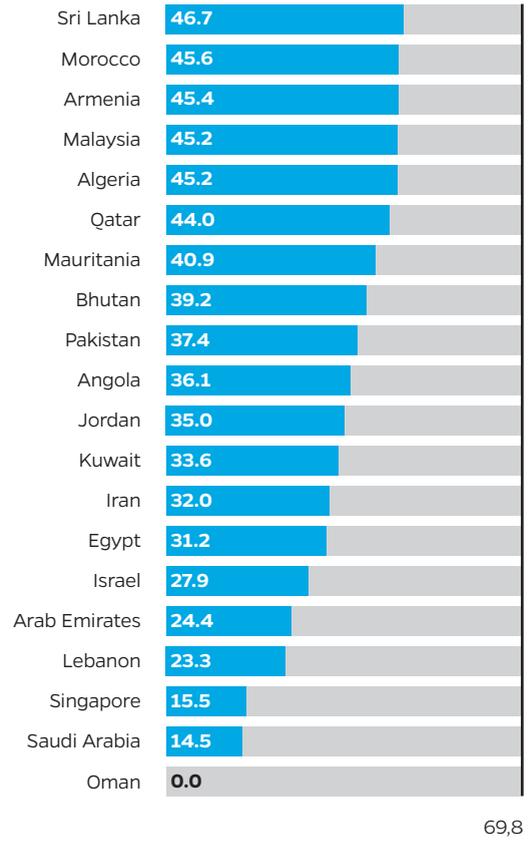
## THE LEAST COMMITTED TO THE GLOBAL COMPONENT: OMAN, SAUDI ARABIA AND SINGAPORE

Oman was by far the lowest on the global component. It has the highest military spending as a proportion of GDP and ranks eighth in terms of size of its armed forces relative to population. Of the countries included in the PCDI, it is also among the least committed to the international framework of human rights and universal justice and international arms trade treaties. The countries with the next lowest performance on this component are Saudi Arabia and Singapore. All three are high-income countries with very high HDI.

Of the 20 lowest-ranking countries, all very far from the global component average of the countries surveyed, these three scored quite a bit lower than even their already low-ranking counterparts in terms of commitment to global democratic governance and they are therefore considered the three least coherent countries on the basis of the criteria included in the PCDI global component.

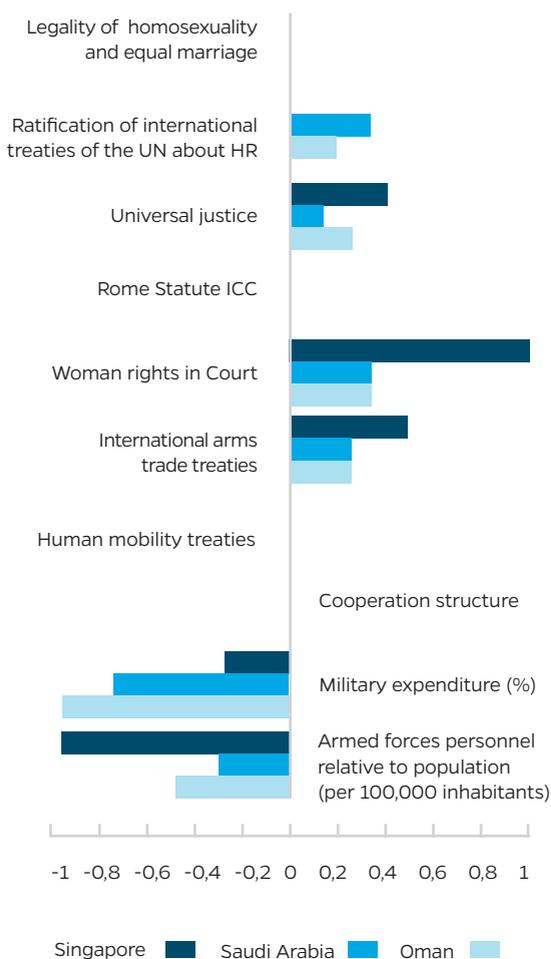
A closer look at these 20 lowest-ranked countries in the global component reveals that there are fewer high-income, very high HDI countries than at the other extreme of the ranking. Despite this fact, there is still a significant representation of high-income, high HDI countries and very few low-income, low HDI countries in this segment.

Unlike the top 20 countries on the global component, the 20 lowest ranked are more homogeneous in geopolitical terms than in terms of income or HDI level. Of these 20 countries, a total of 12 pertain to the Middle East and North Africa region, three to South Asia, two to East Asia, two to Sub-Saharan Africa and one to Central Asia and Eastern Europe. No country from Latin America and the Caribbean, Western Europe, United States and Canada or the Pacific and Oceania are among the 20 lowest ranked on this component.



Global component ■  
Mean ■

**FIGURE 44**  
The 20 lowest-ranking countries  
on the global component



**FIGURE 45**  
Performance on the PCDI global component variables for Singapore, Saudi Arabia and Oman

Top 30 countries on the global component		Lowest 30 countries on the global component	
High income: 22	Very high HDI: 21	High income: 8	Very high HDI: 7
Upper middle income: 6	High HDI: 6	Upper middle income: 12	High HDI: 14
Lower middle income: 1	Medium HDI: 2	Lower middle income: 8	Medium HDI: 4
Low income: 1	Low HDI: 1	Low income: 2	Low HDI: 5

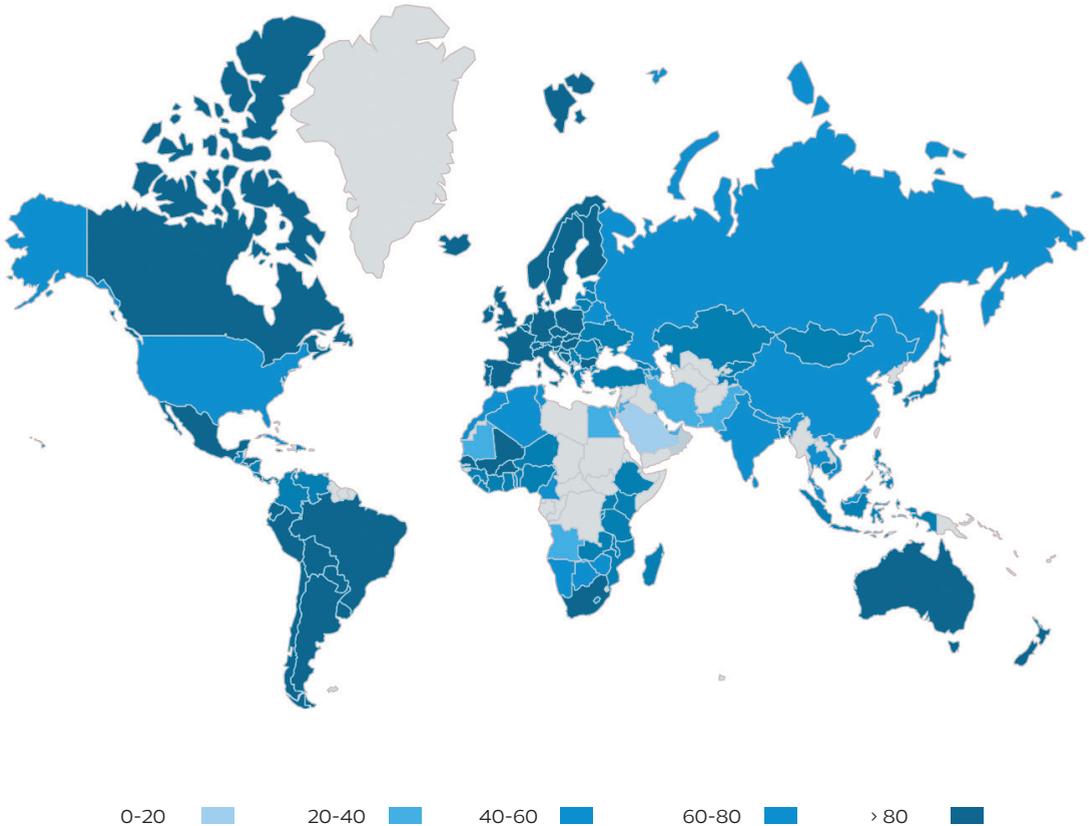
### INCOME, HDI AND COMMITMENT TO GLOBAL DEVELOPMENT

While it is true that high income, very high HDI countries rank the highest, a significant number of highly developed countries, defined as such by traditional income and HDI classifications, are among the lowest ranked on the global component. It can therefore be concluded that the global component is not unequivocally determined by income and HDI levels.

No one reason for this was found: on the one hand, low income, low HDI countries generally have lower levels of militarisation. On the other hand, many high income, high HDI countries have failed to firmly commit to the international framework of human rights and universal justice, international arms trade treaties and protection of migrants and displaced persons. All of this adds a number of qualifiers to the undeniable relation between higher income and HDI and good performance on the global component. However, the reasons why different countries perform a certain way on the global component differ significantly and do not always coincide with income or HDI criteria. The regional analysis discussed in the next section clarifies some of the reasons behind the performance of different groups of countries on the global component.

## COMMITMENT TO GLOBAL DEVELOPMENT BY REGION

The global component was put together based on an approach to global governance which is affected by geopolitical considerations, power distribution and global responsibilities. Therefore, for the global component as well, a regional analysis will make greater differentiations and offer more analytical options than an income or HDI-based approach.



### Western Europe, United States and Canada

The performance of the region made up of countries from Western Europe, the United States and Canada is quite homogeneous and many of them are among those earning the highest PCDI scores. Ninety percent of the countries of this region rank in the top half of the global component and most are among the top 50. Three countries, Estonia, Greece and the United States, scored significantly lower than the rest of the countries in the region.

On average, this region performed the best on the PCDI global component. However, some countries, such as Greece, the United States and, to a lesser degree Estonia, performed more poorly on the global component. The poor performance of the United States and Estonia is due to weak commitment to some of the major international frameworks for human rights and universal justice. In the case of the United States, the country in the region with the lowest global component ranking, this is specifically due to its lack of commitment to the International Criminal Court, as it is not a signatory of the Rome Statute, and to international treaties on human rights, human movement and the arms trade.

Greece's high level of militarisation mostly accounts for its poor ranking. Greece's performance on other indicators contributing positively to the global component is on par with the regional average and on some it is significantly higher, its law regarding human movement being a case in point. Greece's poor score on the global component is therefore due to its degree of militarisation, as it is the most militarised country of the region.

COUNTRIES	GLOBAL COMPONENT RANKING	GLOBAL COMPONENT SCORE
Belgium	2	98.7
Luxembourg	3	97.8
Spain	4	96.7
Denmark	7	93.7
Canada	8	93.6
Sweden	9	93.6
Netherlands	10	92.0
Germany	11	91.7
France	12	90.9
Finland	14	90.2
United Kingdom	15	90.0
Norway	17	89.7
Iceland	20	89.0
Austria	21	88.6
Hungary	24	87.9
Switzerland	25	87.8
Ireland	26	87.5
Czech Republic	27	87.5
Portugal	32	84.6
Croatia	34	83.9
Poland	35	83.9
Italy	40	83.5
Slovakia	43	82.2
Slovenia	46	81.7
Malta	47	81.4
Latvia	52	80.0
Lithuania	56	78.1
Estonia	72	71.9
Greece	86	66.8
United States	100	59.4

### Latin America and the Caribbean

The performance of Latin America and the Caribbean on the global component is extremely heterogeneous. This is a region comprised of 21 countries with varying social, political and economic realities and, particularly from a subregional point of view, immersed in differing geopolitical contexts. This heterogeneity, already apparent in the general PCDI ranking, is even more evident regarding the global component, where Argentina scored the highest on this component while Cuba came in last in the region. The rest of the countries are scattered between these two extremes. Despite this heterogeneity, most of the region's countries are in the middle of the global component ranking.

The region as a whole is more coherent than the average. The basic reason for this good performance is the countries' low level of militarisation owing to the region's geopolitical context and few armed conflicts. Only Colombia and, to a lesser degree Cuba, Uruguay, Bolivia, Ecuador and Chile, are an exception to this low level of militarisation.

COUNTRIES	GLOBAL COMPONENT RANKING	GLOBAL COMPONENT SCORE
Argentina	1	100
Mexico	6	94.9
Costa Rica	13	90.6
Brazil	16	89.9
Uruguay	18	89.3
Panama	28	87.3
Honduras	30	84.9
Chile	31	84.8
Ecuador	33	84.6
Paraguay	36	83.9
Peru	41	83.1
Bolivia	48	81.2
Venezuela	50	80.4
Nicaragua	55	78.3
Dominican Republic	59	77.4
Guatemala	60	77.0
El Salvador	62	75.9
Colombia	68	73.1
Trinidad and Tobago	78	69.7
Jamaica	93	64.4
Cuba	106	55.9

## Pacific and Oceania

Despite being the smallest region in number of countries, the Pacific and Oceania's performance on the global component was very heterogeneous. The global component ranking ranged from fifth place for New Zealand to 94th for Japan.

Oceanian countries performed well in the areas contributing to this component and are not overly militarised, particularly New Zealand. In contrast, the Asian countries are less committed to the areas contributing to this component (especially Japan) and also scored higher on the penalising indicators. This is especially the case with South Korea, which is highly militarised in comparison to the rest of the countries in the region.

Japan was particularly surprising as the worst ranked country in the region. The reason for this negative performance was not its militarisation, as it is one of the least militarised countries in the region (practically on par with New Zealand), but rather due to its weak commitment to human rights. It is the only country in the region that has not signed the Rome Statute on the International Criminal Court and has a poor track record when it comes to signing international arms trade treaties.

COUNTRIES	GLOBAL COMPONENT RANKING	GLOBAL COMPONENT SCORE
New Zealand	5	95.3
Australia	19	89.1
South Korea	90	65.5
Japan	94	63.5

Japan was particularly surprising as the worst ranked country in the region. The reason for this negative performance is due to its weak commitment to human rights

## Sub-Saharan Africa

As with Latin America and the Caribbean, Sub-Saharan Africa is extremely heterogeneous on the global component. The 31 countries comprising the region were ranked from position 22 (South Africa) to 123 (Angola) on the ranking.

The degree of militarisation is only significant in four countries, Angola, Mauritania, Namibia and Zimbabwe, and accounts for their low rank on this component.

However, there are two areas in which the countries in this region stand out and account for Sub-Saharan Africa's performance on the global component: the signing and ratification of the Rome Statute on the International Criminal Court, signed by most countries in the region, and the degree of recognition of gender equality in basic aspects of the legal systems of many of this region's countries.

COUNTRIES	GLOBAL COMPONENT RANKING	GLOBAL COMPONENT SCORE
South Africa	22	88.1
Burkina Faso	29	86.0
Mali	38	83.6
Senegal	39	83.6
Niger	51	80.3
Ivory Coast	53	79.1
Ghana	57	78.1
Madagascar	61	76.6
Mauritius	64	75.0
Nigeria	66	73.5
Benin	67	73.2
Kenya	69	73.1
Uganda	70	72.9
Lesotho	73	71.7
Sierra Leone	75	70.8
Rwanda	76	70.5
Liberia	77	69.8
Guinea	79	68.7
Mozambique	82	67.6
Ethiopia	84	67.0
Malawi	87	66.8
Burundi	88	66.4
Tanzania	89	65.5
Zambia	91	64.7
Botswana	97	60.9
Cameroon	98	60.3
Namibia	99	59.9
Togo	102	58.0
Zimbabwe	113	49.6
Mauritania	120	40.9
Angola	123	36.1

## Central Asia and Eastern Europe

As in the two previous cases, Central Asia and Eastern Europe is also a region characterised by heterogeneity in terms of its performance on the PCDI global component. The region's 19 countries are scattered throughout virtually the entire continuum of the global component: Bosnia, the region's highest ranking country came in at 23 on the global component while Armenia, the least coherent with global development, was ranked at 116.

The regional average for Central Asia and Eastern Europe is practically the same as that of Sub-Saharan Africa. The main reason that some of these countries did not score well on the global component is that most of them (12 out of 19) are highly militarised, above the average of the countries surveyed. Indeed, the size of the military relative to the population penalised many of the countries of this region, this being the indicator on which it had the lowest scores. The Middle East and North Africa was the only region that scored lower.

COUNTRIES	GLOBAL COMPONENT RANKING	GLOBAL COMPONENT SCORE
Bosnia and Herzegovina	23	88.1
Albania	37	83.9
Macedonia	42	82.3
Bulgaria	44	81.9
Moldavia	45	81.8
Romania	58	77.7
Tajikistan	63	75.9
Cyprus	65	74.6
Georgia	71	72.0
Serbia	74	71.5
Ukraine	80	68.5
Kazakhstan	81	67.9
Turkey	95	62.7
Kyrgyzstan	96	61.8
Azerbaijan	104	56.6
Montenegro	107	53.8
Russia	108	53.3
Belarus	109	52.5
Armenia	116	45.4

### East Asia

A broad range of scores was exhibited by the nine countries of East Asia on the global component. While these countries scored under the mean on the global component, they ranged from place 49 held by the Philippines, the leading country in the region, to place 131 held by Singapore. With the exception of Singapore, the scores earned by these countries were mostly due to their weak commitment to the international regulatory framework. They were not strongly penalised for excessive militarisation.

### South Asia

The region of South Asia is made up of six countries that, for the most part, performed homogeneously on the global component. All six are in the lower part of the global component ranking, between positions 92 and 122. Bangladesh, ranked at 92, outperformed the other countries in the region. This is the region with the second lowest global component performance after the Middle East and North Africa.

Regional performance is below the mean. Penalisation and poor results on the variables positively contributing to the global component account for this poor performance. Although it is not one of the most militarised regions, it does include countries such as Sri Lanka which is highly militarised, and two nations, India and Pakistan, which are nuclear powers. The region's poor overall performance on global component indicators also accounts for its poor ranking: on average the region's countries exhibit weak commitment to the international frameworks for human rights and universal justice (only Bangladesh ratified the Statute of Rome), the arms trade and human mobility.

COUNTRIES	GLOBAL COMPONENT RANKING	GLOBAL COMPONENT SCORE
Philippines	49	80.6
Mongolia	54	78.4
Cambodia	83	67.6
Indonesia	85	66.8
China	101	59.1
Vietnam	103	56.6
Thailand	112	50.3
Malaysia	117	45.2
Singapore	131	15.5

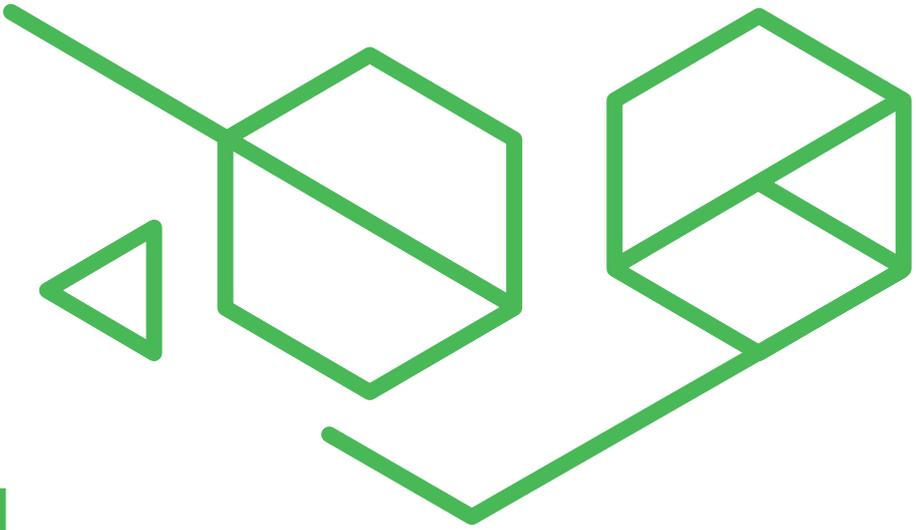
COUNTRIES	GLOBAL COMPONENT RANKING	GLOBAL COMPONENT SCORE
Bangladesh	92	64.6
India	110	51.5
Nepal	111	51.1
Sri Lanka	114	46.7
Bhutan	121	39.2
Pakistan	122	37.4

### Middle East and North Africa

The region of the Middle East and North Africa is the most homogeneous in terms of its performance on the global component. It is comprised of 13 countries ranked from 105th place (Tunisia) to 133rd place (Oman).

This region earned the lowest scores on the global component and is the only one where all the countries scored below the mean. This is clearly due to a combination of elements: lack of commitment to the international frameworks for human rights and universal justice, the arms trade and international treaties on human mobility. These countries also demonstrated lack of commitment to women's rights and the protection of human rights. This region is also by far the one with the highest degree of militarisation.

COUNTRIES	GLOBAL COMPONENT RANKING	GLOBAL COMPONENT SCORE
Tunisia	105	56.0
Morocco	115	45.6
Algeria	118	45.2
Qatar	119	44.0
Jordan	124	35.0
Kuwait	125	33.6
Iran	126	32.0
Egypt	127	31.2
Israel	128	27.9
Arab Emirates	129	24.4
Lebanon	130	23.3
Saudi Arabia	132	14.5
Oman	133	0.0



# 3.4

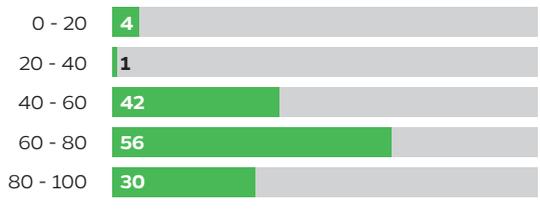
## The environmental component

The PCDI environmental component seeks to assess the relation between countries’ economic and production activities and their ability to conserve natural resources and lessen the footprint they leave on the planet. To achieve that, a series of areas and policies were synthesised into a group of variables that reflect countries’ degree of coherence with environmental sustainability.

Five elements were gleaned from this selection on areas and policies considered to contribute to sustainable development: promoting change in the energy (and production) model leading to a gradual shift from fossil fuels to renewable clean energy; protection of ecosystems and biodiversity; implementation of actions to prevent and mitigate pollution and environmental degradation; inclusion of the gender approach in public decision-making processes; and the signing of international agreements promoting progress towards global governance of global environmental goods.

### AN OVERVIEW OF THE ENVIRONMENTAL COMPONENT: A BROADLY SHARED CHALLENGE

At first sight, the environmental component ranking appears to show quite uniform results, with countries tending to earn similar scores. However, these scores conceal enormous differences in development models, where there are certain countries that exert much greater pressure on the environment but are capable of instituting “compensatory” policies to mitigate their negative environmental impact.



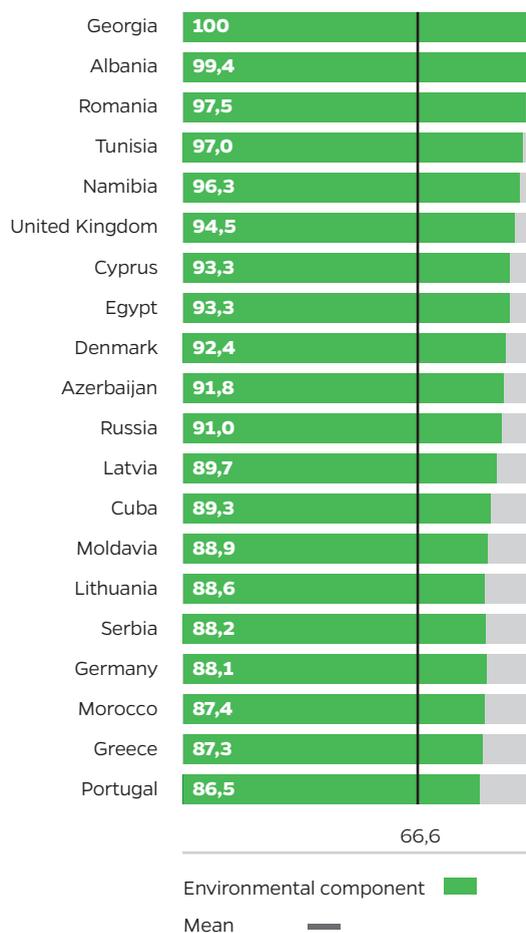
**FIGURE 46**  
Breakdown of countries on the environmental component of the PCDI by quintile

## TOP COUNTRIES ON THE ENVIRONMENTAL COMPONENT

The scores earned by the top 20 countries on the environmental ranking are quite similar, the range being a mere 15 points. However, this group of countries is quite heterogeneous in terms of income, HDI and geographical location. Of the top 20 countries, nine are high income, seven are upper-middle income and four are lower-middle income. The HDI scores of this group of countries are quite similar: eight scored very high, eight scored high and four scored in the middle range.

Two middle income countries, Georgia and Albania, led the environmental ranking. Georgia earned the maximum score (100) and was the top ranked country, with Albania second at 99.41, just two points above Romania which came in at number three. These two countries have high HDI scores and are from the same region —Central Asia and Eastern Europe— but their income levels differ, with Georgia being a lower-middle income country while Albania is in the upper-middle income bracket.

**FIGURE 47**  
The top 20 countries on the environmental component

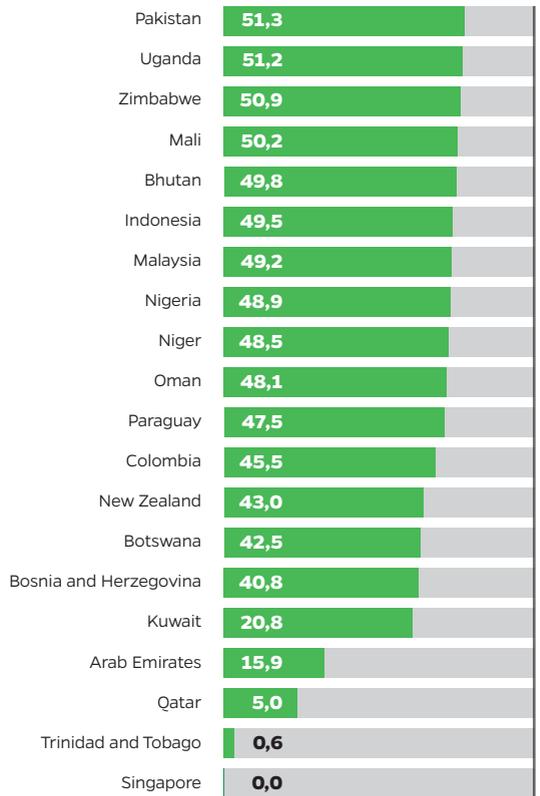
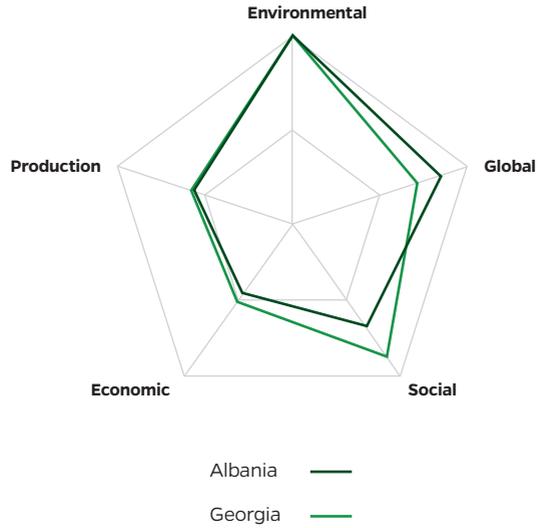


These two countries, Georgia and Albania, scored highest for a number of reasons. Both make scant use of agricultural fertilisers, have a small ecological footprint in terms of production and imports and moderate levels of pollution as a result of agricultural activity.

Neither of them, however, earned the same high scores on the other PCDI components.

### THE LOWEST RANKING COUNTRIES ON THE ENVIRONMENTAL COMPONENT

The 20 lowest ranking countries on the environmental component are more heterogeneous than their top 20 counterparts. Here we find countries from all income groups, albeit with a predominance of high income countries, and all HDI levels. The group is geographically diverse as well.



**FIGURE 48**  
Scores earned by Georgia and Albania on the five components of the PCDI

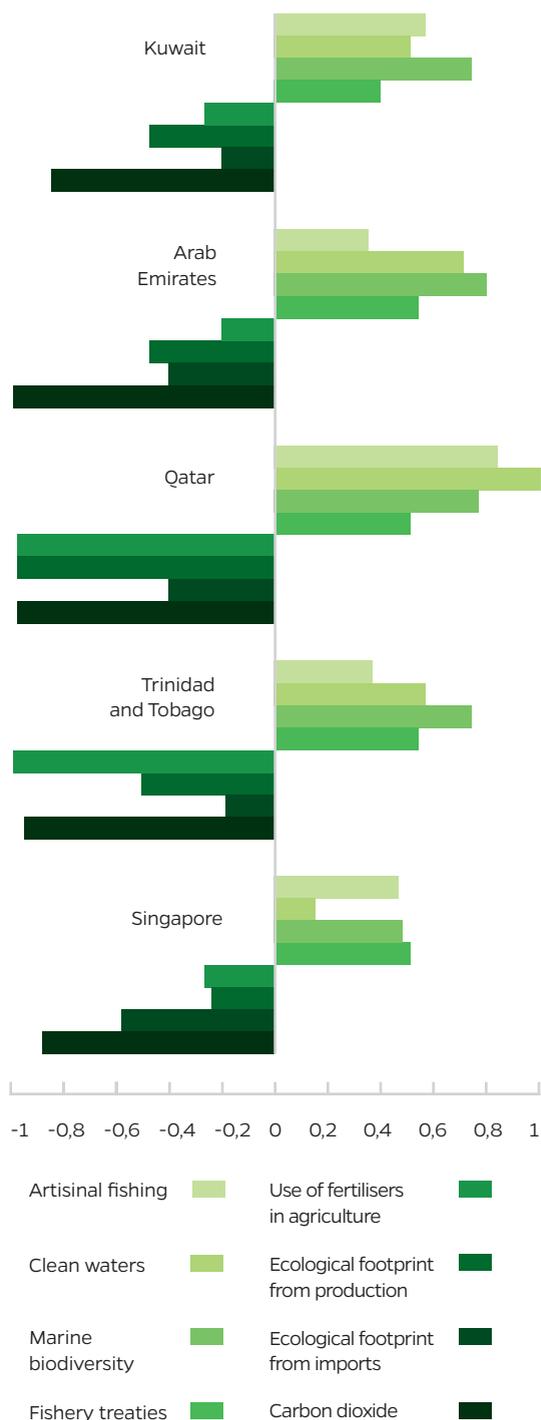
**FIGURE 49**  
The 20 lowest-ranking countries on the environmental component

66,6

Environmental component █

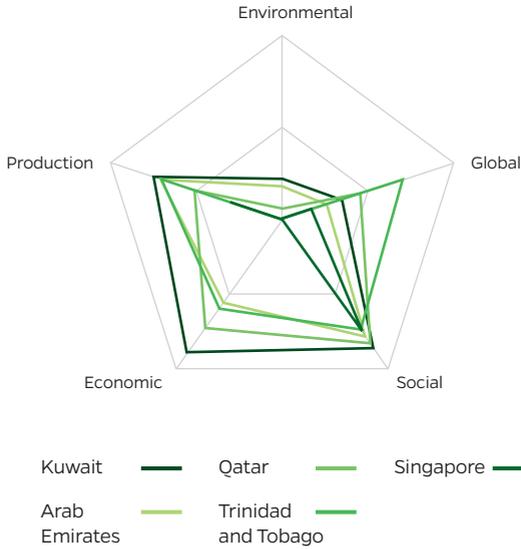
Mean —

Kuwait, Arab Emirates, Qatar, Trinidad and Tobago and Singapore scored the lowest on the environmental component. All five are high-income countries and four have a very high HDI (Trinidad and Tobago has a high HDI). Although they performed adequately on several of the environmental variables (the ones that score positively), they were penalised by the variables that score negatively. For instance, all five emit large amounts of CO<sub>2</sub>. Fertiliser use in agriculture is the reason that Trinidad and Tobago and Qatar are at the bottom of the environmental ranking. Moreover, of all the countries surveyed, Qatar has the largest ecological footprint from production activities.



**FIGURE 50**  
Performance of Kuwait, Arab Emirates, Qatar, Trinidad and Tobago and Singapore on environmental variables

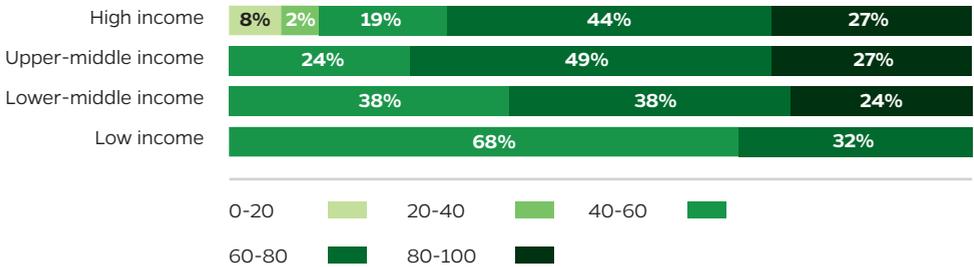
Despite high production and economic performance, the environmental cost of these countries' activities or their poor commitment to the global component put them at the bottom of the general PCDI ranking, meaning that their policies are not coherent for development.



### RELATION BETWEEN INCOME LEVEL AND HDI AND THE ENVIRONMENTAL RANKING

High income and HDI results are no guarantee of high environmental ranking. Quite to the contrary, it would appear that countries with higher income levels and HDI generally scored lower than countries with the next lower income and HDI rating. Furthermore, some of the highest income and HDI countries are the most environmentally incoherent, as they appear to base their development model and achievements on other PCDI components at the expense of the environment.

Data show that countries with high income-generating development models (correlating significantly with high HDI) are in a position to preserve biodiversity and be parties to more international treaties on environmental preservation and sustainability despite the fact that they pollute more and deplete resources.

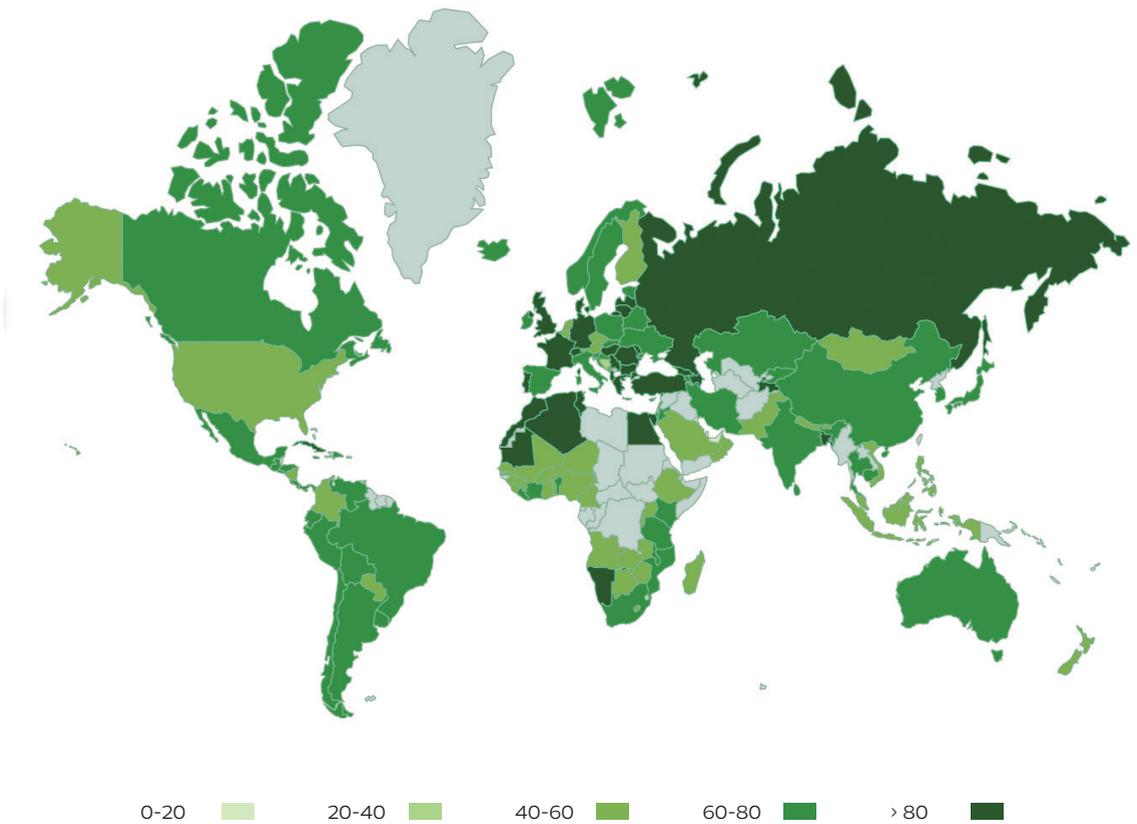


**FIGURE 51**  
Scores earned by Kuwait, Arab Emirates, Qatar, Trinidad and Tobago and Singapore on the five PCDI components

**FIGURE 52**  
Breakdown of countries on the environmental component by income bracket

## THE ENVIRONMENTAL COMPONENT BY REGION

The region of Central Asia and Eastern Europe earned the highest environmental scores, with an average score of 80.66 and accounting for eight of the top 20 countries. Georgia, Albania and Romania are the top three countries on the environmental component.

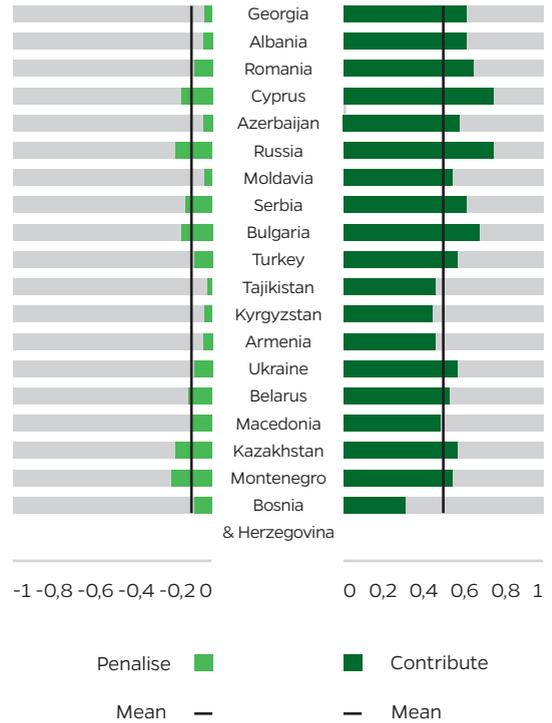


However, the countries of this region are not known for pursuing active environmental protection policies; for many of the region's countries, the positive result is due to their low environmental impact. Virtually all of the countries are close to or below the mean in terms of pollution and ecological footprint.

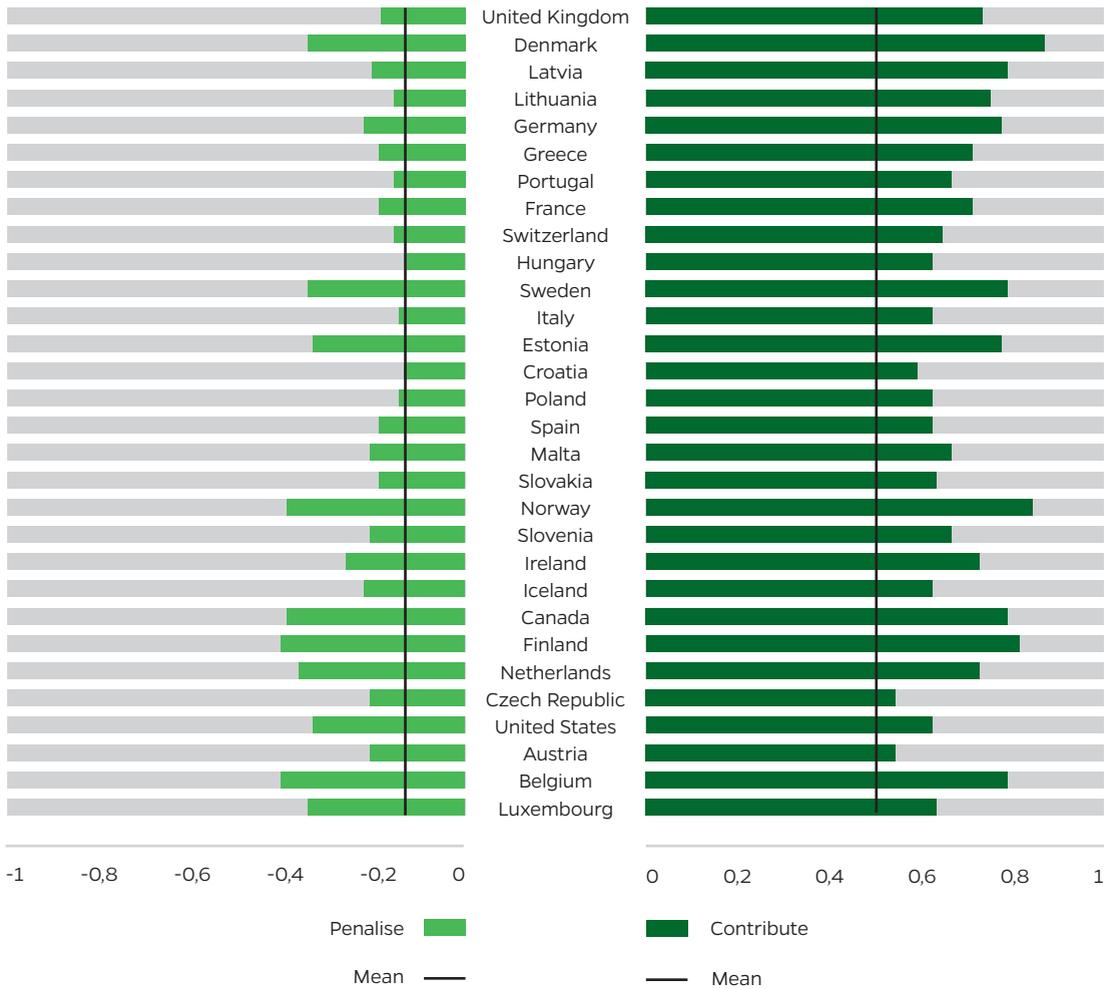
The region made up of Western Europe, the United States and Canada ranked second on the environmental component, with a score of 74.36. These countries have development models that take a high toll on the environment. Nearly all are well above the mean in terms of active environmental protection policies but are also the ones with the worst performance on the variables that are environmentally penalising or have a negative impact on the sustainable development model.

The Middle Eastern and North African countries are quite heterogeneous in terms of environmental performance. The region's 13 countries range from fourth place (Tunisia), with a score of 96.99, to 131st place (Qatar, with a mere 4.99 points). Qatar, Arab Emirates and Kuwait are at the bottom of this region's environmental ranking.

These countries are last in the region because they are seriously penalised for heavy pollution and excessive use of natural resources.



**FIGURE 53**  
PCDI scores for the region of Central Asia and Eastern Europe on variables that contribute to or penalise countries on the environmental component as compared with the total average



**FIGURE 54**  
 PCDI scores for the region of Western Europe, the United States and Canada for variables that contribute to or penalise countries in the environmental component as compared with the total average

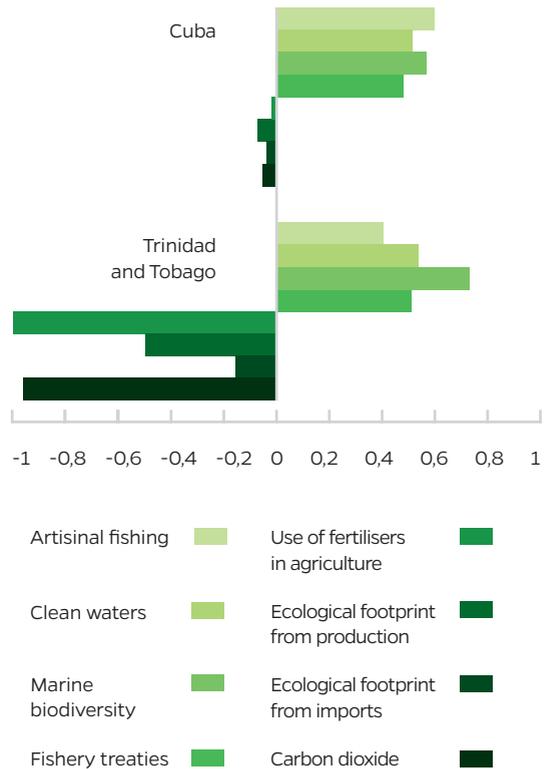
The average environmental score for Latin America and the Caribbean was 62.28. Cuba, ranked 13th, is the region's leader with a score of 89.27, while Trinidad and Tobago is at the opposite end, ranked at 132 with a score of 0.58.

The development models of Cuba and Trinidad and Tobago are diametrically opposed and this has important environmental implications. The pressure put on the environment by Trinidad and Tobago's development model is much greater than that produced by Cuba's agricultural activity and rural development policies. The ecological footprint (including production and imports) and especially the volume of fertilisers used in agriculture and CO2 emissions are the reasons why Trinidad and Tobago is at the bottom of the environmental ranking.

Most of the countries in the region of Sub-Saharan Africa (20 out of 31) are in the middle of the environmental ranking. The development model of this region puts less pressure on the earth's environment.

The environmental performance of the Pacific and Oceania was generally poor, with an average score of 60.49. New Zealand, at position 126, had the lowest environmental ranking by far.

A comparison of this region with South Asia and Sub-Saharan Africa shows that, even though performance on this component was very similar, their development models are substantially different in environmental terms. In the Pacific and Oceania, a region comprised exclusively of high-income, high

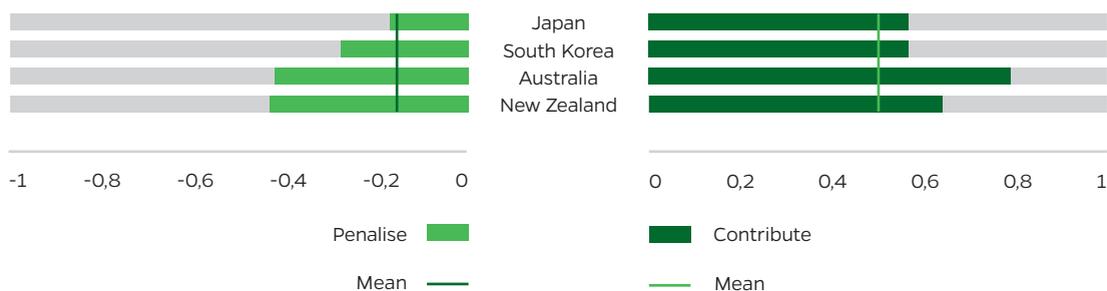


**FIGURE 55**  
Performance of Cuba and Trinidad and Tobago on environmental variables

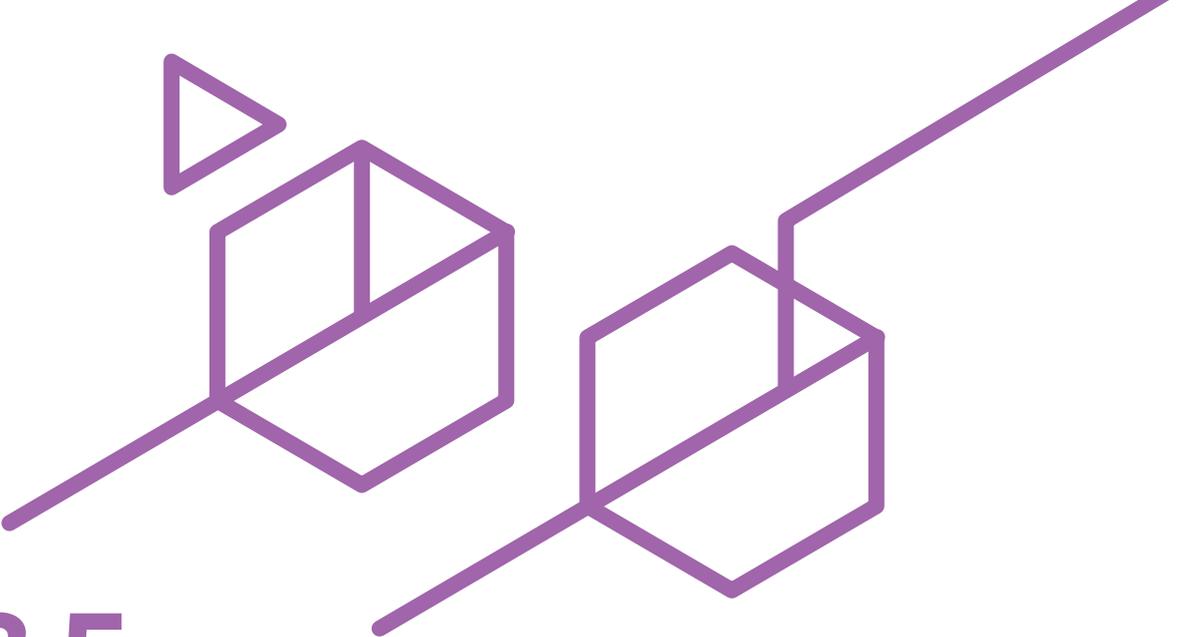
HDI countries, all scored above the mean on elements contributing to environmental coherence but were also above the mean in terms of pollution and use of natural resources. The development model employed by these countries puts clear pressure on the environment and requires the implementation of more ambitious compensatory measures to offset negative environmental impacts.

The region of East Asia is strongly affected by Singapore, the country in that region with the lowest environmental score. It is the region with the lowest environmental score (55.01). However, if Singapore is taken out of the analysis, the regional average rises to 61.88, surpassing the Pacific and Oceania, Sub-Saharan Africa and the Middle East and North Africa.

The region of Central Asia and Eastern Europe earned the highest score on the environmental component. Georgia, Albania and Romania are the top three countries on the environmental component



**FIGURE 56**  
Scores on positive and negative environmental variables in the Pacific and Oceania as compared to the overall average



## 3.5

### *The production component*

A country's infrastructure and productive means markedly determine its development processes. From a human development perspective, the evaluation of policies related with these processes should not follow the economic logic of "the more, the better" (nor the opposite) but should rather take social, environmental and governance criteria into account as well.

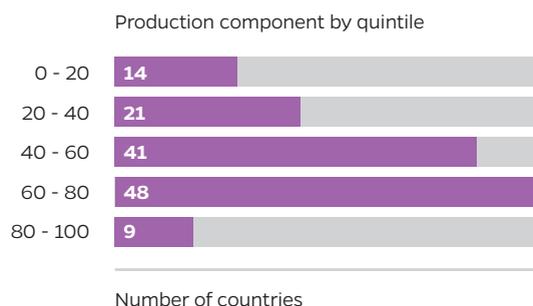
Hence, when assessing the coherence of industrial policy, the PCDI aims to overcome the reductionist logic of "the more industry, the better." A group of variables was selected to be able to conduct a more complex evaluation of the effect of this policy on development: public expenditure on research and development (R&D), withdrawal of fresh water for industrial use, and the gender gap in access to employment in this sector.

In this same vein, consideration is given to the risks associated with excessive tourism measured in terms of tourist arrivals as a proportion of host country population, bearing in mind that revenues from an overdeveloped tourist sector can create economic dependence if they account for an inordinately large proportion of the country's goods and services exports, not to mention the environmental impact of excessive tourism.

Lastly, the assessment of coherence in the area of production from the point of view of infrastructures takes account of the percentage of the population with access to basic services such as drinking water and electricity.

### An overview of the production component

At first view, the production component ranking shows that most countries earned moderately high (between 60 and 80) or medium (40 to 60) scores, with only nine countries earning values indicating higher levels of coherence and 14 showing very low coherence (scores between 0 and 20).



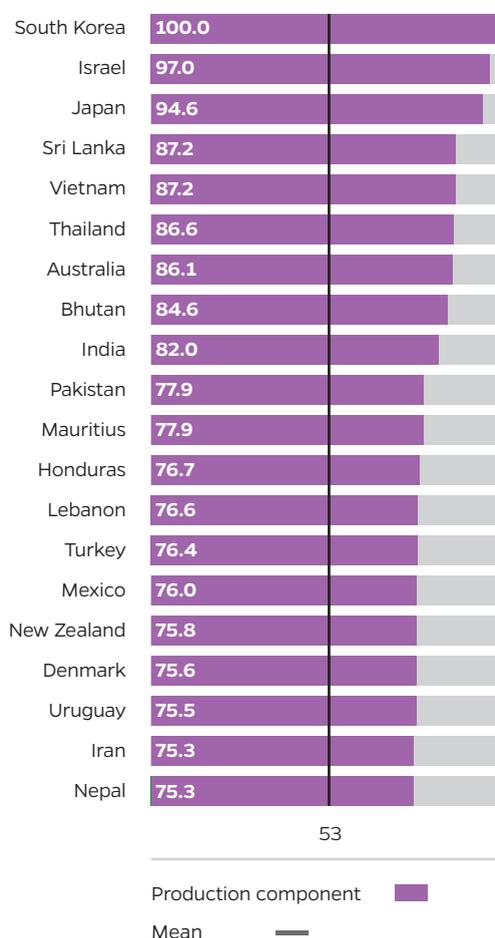
**FIGURE 57**

Breakdown of countries according to the production component of the PCDI by quintile

### THE TOP 20 IN THE PRODUCTION RANKING: ONLY ONE EUROPEAN COUNTRY AMONG THE HIGHEST RANKED

The ranking is led by a heterogeneous group of countries with differing income levels, HDI scores and from different regions. The highest scores are attributable to good net results derived from: 1) positive variables such as guaranteed access to basic services like water and electricity or emphasis on R&D; 2) variables that sanction aggressive tourism and industries that consume large amounts of natural resources such as fresh water and industries in which there is a high rate of inequality in employment opportunities for women

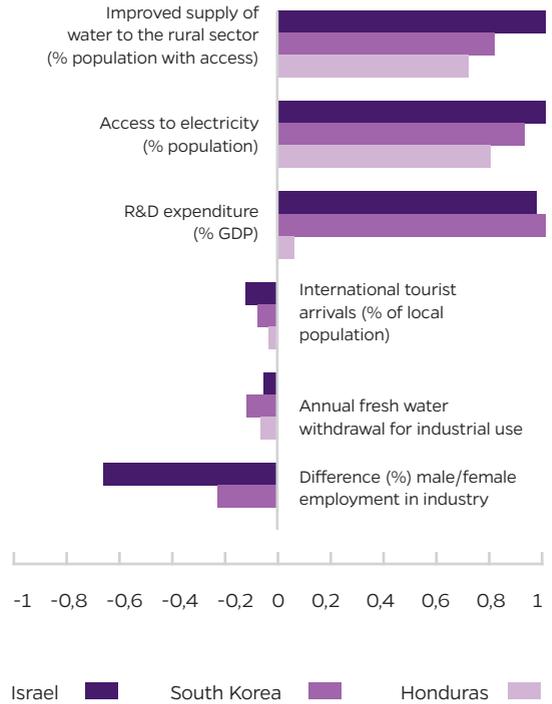
Amongst the leaders were South Korea and Israel with high scores on variables fostering development (such as access to electricity) and moderately low scores on those hindering it (excessive tourism), and Honduras which, although it did not have high scores on positive development variables, had very low scores on negative ones.



**FIGURE 58**

The top 20 countries on the production component

The same reasons explain why there is only one EU country, Denmark, in the top 20. Although EU countries earned high scores on access to basic services and R&D, they are under heavy tourist pressure and the fact that they are industrially developed means that they consume greater amounts of natural resources, such as water, and also show high levels of gender inequality in access to employment in the industrial sector.



**FIGURE 59**

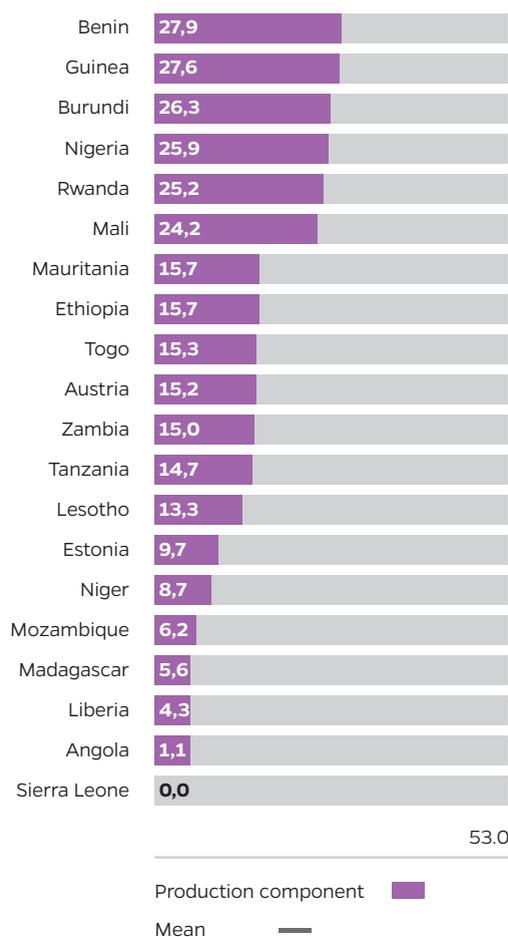
Scores earned by Israel, South Korea and Honduras on PCDI production variables

It is surprising to find Austria and Estonia in this group of low scoring countries, as they are both high income and very high HDI countries. They are the only ones from the Western Europe, United States and Canada region at the bottom of the ranking

## THE 20 LOWEST-RANKED COUNTRIES IN THE PRODUCTION COMPONENT

The Sub-Saharan African countries are predominant among the 20 least coherent on the production component, with low levels of human development and income due mainly to their lack of infrastructure and their low-tech industrial sector, as demonstrated by their low scores on R&D expenditure.

It is surprising to find Austria and Estonia in this group of low-scoring countries, as they are both high-income and very high HDI countries. They are the only ones from the Western Europe, United States and Canada region at the bottom of the ranking. Both countries scored very well on infrastructure and R&D but registered low scores on tourism, fresh water withdrawals for industrial use and the gender gap in industry. For instance, after Malta, Austria had the lowest score on the variable measuring tourist pressure and Estonia earned the highest score for fresh water withdrawals for industrial use (96% of fresh water withdrawals per year in Estonia are for industry).



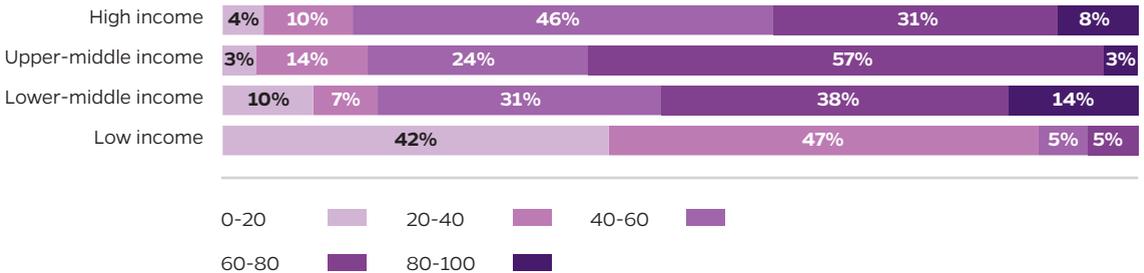
**FIGURE 60**

The 20 lowest-ranking countries on the production component

### INCOME LEVEL RELATIVE TO RANKING ON THE PRODUCTION COMPONENT

As one may have guessed from the foregoing analysis, most low-income countries are near the bottom of the ranking. Only 5% of the low-income countries surveyed are in the second most coherent quintile (scores between 60 and 80), and none are in the top quintile (scores between 80 and 100). As already stated, this is due to infrastructure deficit and low R&D expenditure.

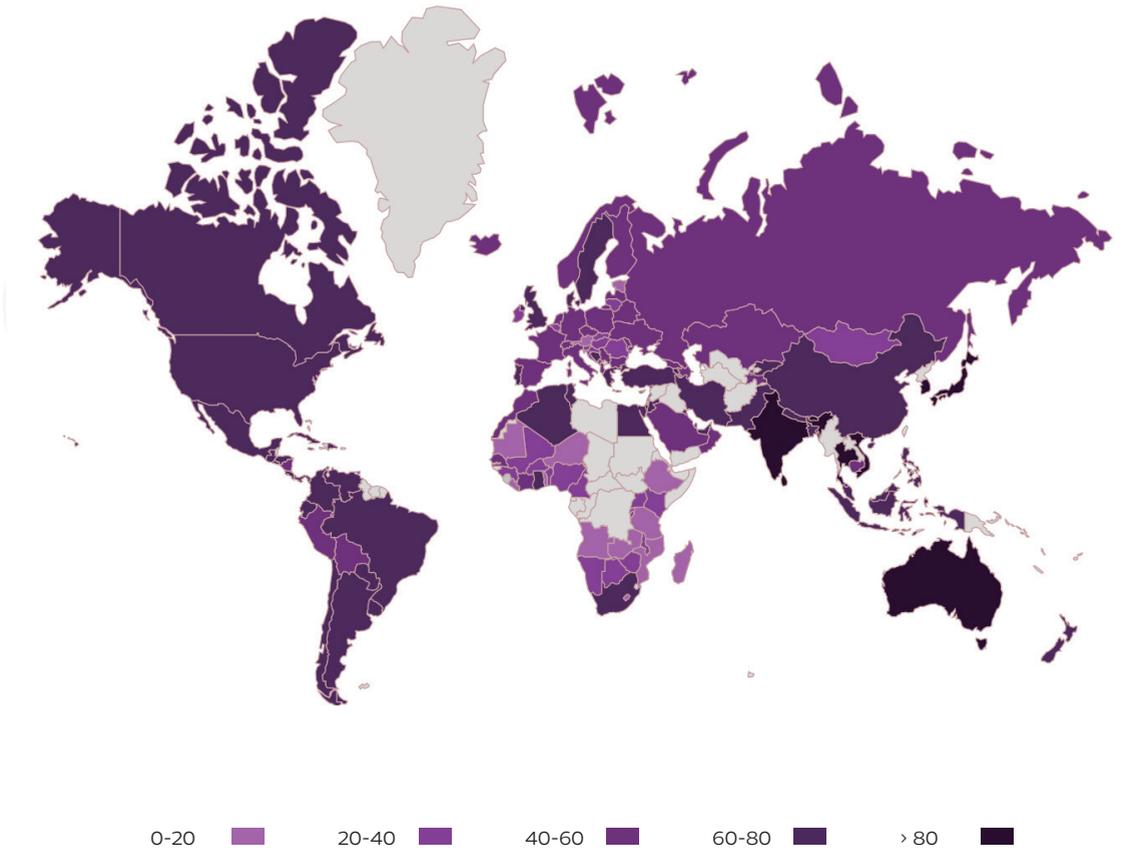
It is worth noting that although high, upper-middle and lower-middle income countries are distributed evenly along the coherence continuum, with countries in both the most and least coherent groups, high-income countries as a group ranked second behind low-income countries in terms of representation in the most coherent group (scores between 60-80 and 80-100). This is because, although higher income typically goes hand-in-hand with higher infrastructure coverage and higher R&D spending scores, many high income countries scored low on variables that sanction mass tourism, intensive use of fresh water in industry and the gender gap in industrial employment. In short, higher income does not necessarily mean greater coherence on the production component.



**FIGURE 61**  
Breakdown of countries on the production component by income bracket

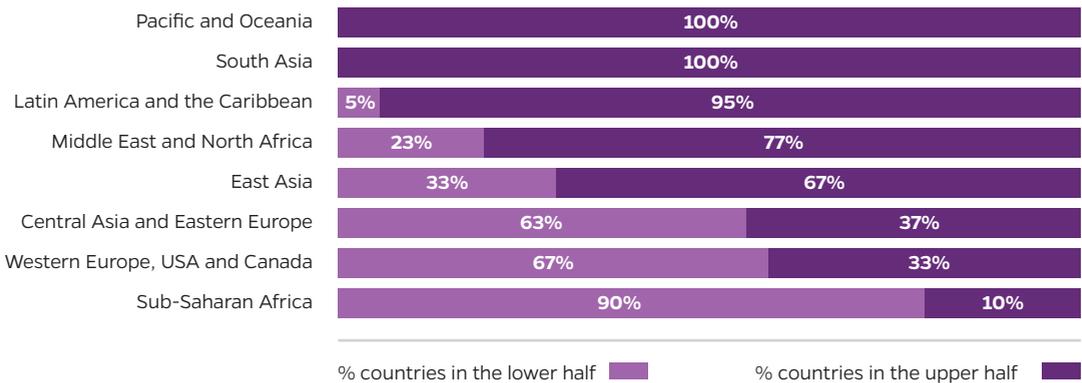
## THE PRODUCTION COMPONENT BY REGION

The leading regions in coherence on the production component are the Pacific and Oceania and South Asia, all of whose countries are in the upper quintiles of the ranking.



The Pacific and Oceania is composed of four high-income, very high HDI countries: South Korea, Japan, Australia and New Zealand. Japan, Australia and New Zealand earned maximum scores on infrastructure and, of all countries surveyed, South Korea is the one which spends the most on R&D. Regarding variables detracting from coherence, Japan, South Korea and Australia are among the high-income countries with the least pressure from tourism and New Zealand has low figures for fresh water withdrawal for industrial use.

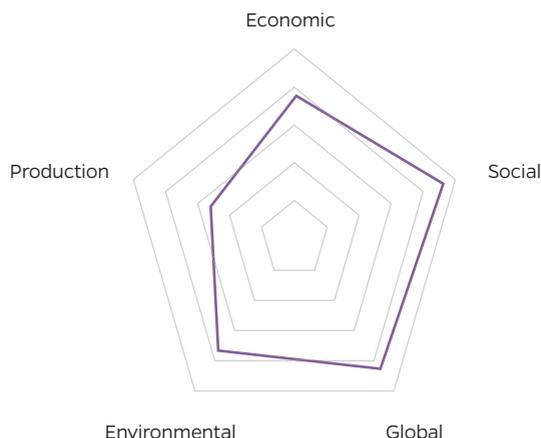
The region of South Asia is different. The high ranking achieved by the six low and lower-middle income countries comprising this region (Sri Lanka, Bhutan, India, Pakistan, Nepal and Bangladesh) is mostly due to low tourist pressure and less intensive use of fresh water for industrial purposes.



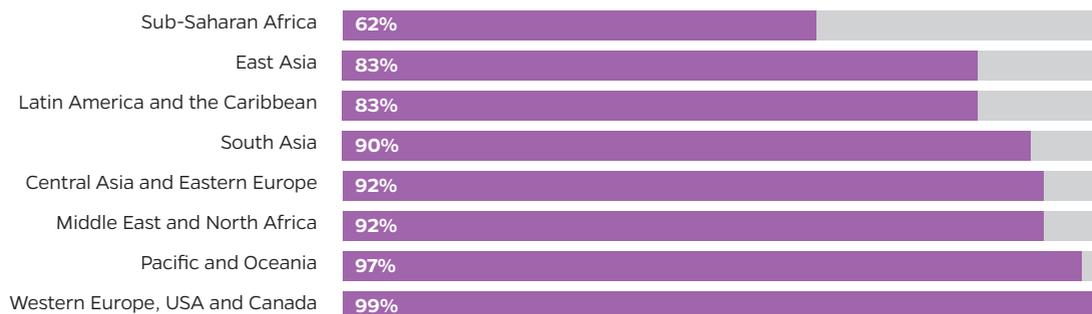
**FIGURE 62**  
Countries in the upper and lower halves of production component by region

Sub-Saharan Africa is at the other end of the spectrum, being the region with the fewest countries in leading positions in the ranking. This is mainly due to the fact that this is the region with the lowest scores for basic infrastructure and low expenditure on R&D.

The region of Western Europe, United States and Canada did not fare well either. As the figure shows, this is the component on which this region scored the lowest. This is because of tourist pressure on the countries in this region and a number of very developed industrial sectors that are highly dependent on natural resources such as fresh water.

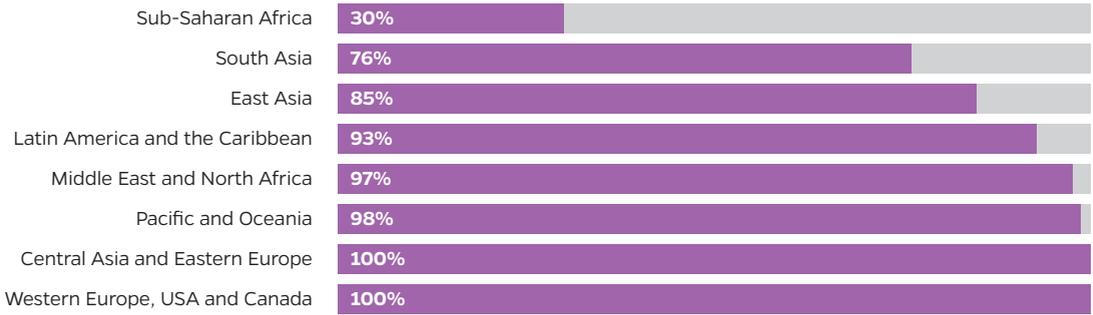


**FIGURE 63**  
Scores earned by the region of Western Europe, United States and Canada on the five PCDI components



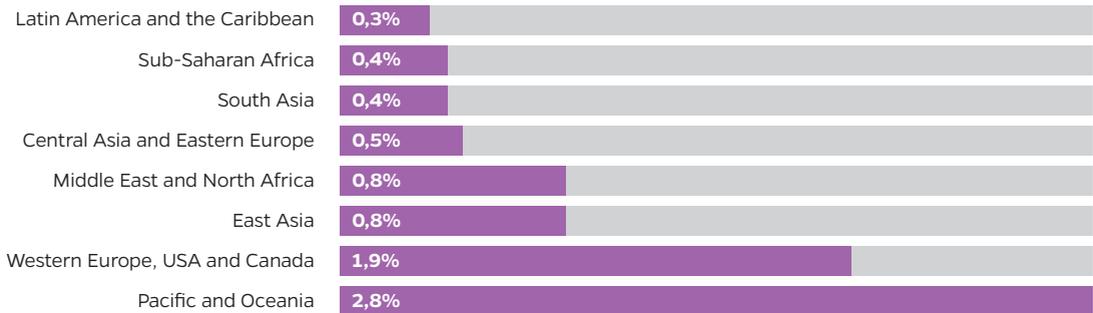
**Source:** Created in-house from World Bank data.

**FIGURE 64**  
Percentage of the population with access to drinking water in the rural sector by region



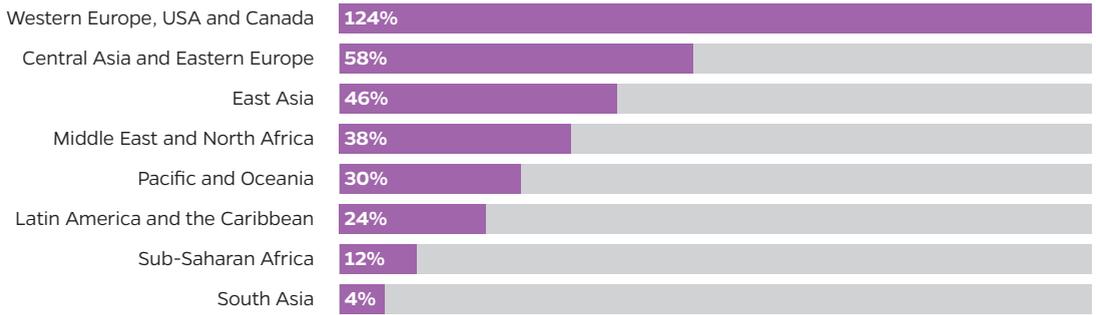
**Source:** Created in-house from World Bank data.

**FIGURE 65**  
Percentage of the population with access to electricity (% of the population) by region



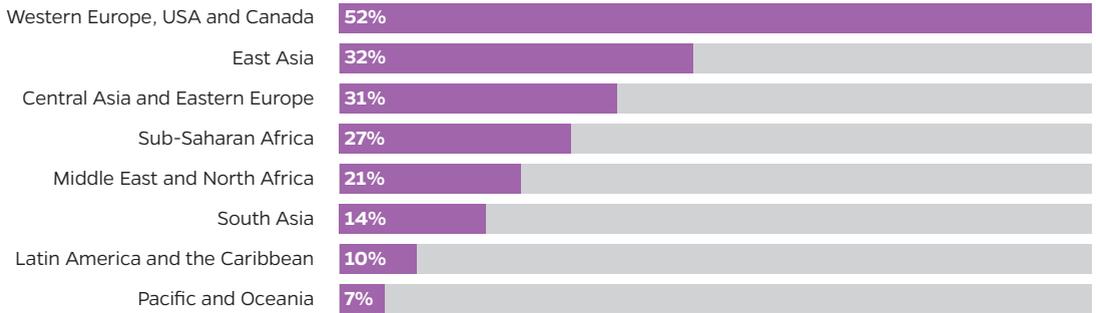
**Source:** Created in-house from World Bank data.

**FIGURE 66**  
R&D expenditure (% GDP) by region



**Source:** Created in-house from World Bank data.

**FIGURE 67**  
International tourist arrivals  
(as a percentage of host country  
population) by region



**Source:** Created in-house from World Bank data.

**FIGURE 68**  
Annual fresh water withdrawals  
for industrial use by region

# 3.6

## A glance at the regions

### EUROPE, UNITED STATES AND CANADA

There are 30 high-income, very high HDI countries in this region, including 25 EU members, with PCDI scores ranging from 64.2 to 89.6. The PCDI mean score for this region is 75.16; 18 countries are above and 12 below that score.

As regards PCDI ranking, 16 countries (53% of the region) are in the upper middle PCDI quintile and the other 14 countries (47%) are in the top quintile.

Most countries in this region are in the top tiers of the PCDI. Their development models are very advanced in the social and economic areas and in most cases they are strongly committed to global governance. However, this region takes a high toll on the environment worldwide, its banking sector is disproportionately large and it is home to countries with the least financial transparency.

PCDI RANKING	COUNTRIES	PCDI
1	Denmark	89.60
2	Sweden	84.89
3	Norway	82.63
5	Portugal	80.43
6	United Kingdom	79.77
7	Iceland	79.65
8	Italy	79.34
9	France	78.26
10	Latvia	77.53
11	Finland	77.04
12	Poland	76.74
13	Spain	76.73
14	Czech Republic	76.72
15	Greece	76.61
16	Lithuania	75.98
19	Slovakia	75.59
20	Canada	75.43
21	Germany	75.33
24	Netherlands	74.22
25	Slovenia	73.89
27	Belgium	73.72
31	Croatia	72.77
32	Malta	72.72
40	Hungary	71.27
47	Estonia	68.42
54	Ireland	67.20
58	Switzerland	66.84
60	Luxembourg	66.63
65	United States	64.72
67	Austria	64.22

Denmark, Sweden and Norway are the three top-ranked countries, with very similar PCDI scores. A closer look shows high scores on the economic, social and global components but less brilliant performance on production and the environment possibly due to the role played by the oil and gas sector in Norway which lowered that country's score as compared to Denmark.

These three countries are followed in the PCDI ranking by Portugal and the United Kingdom, high-income, very high HDI countries and also EU members. The two have similar PCDI scores, with only slight variations except for the economic component on which the United Kingdom exhibits clear contradictions having to do with its lack of transparency in the banking sector.

Europe, United States and Canada takes a high toll on the environment worldwide, its banking sector is disproportionately large and it is home to countries with the least financial transparency

PCDI of the highest-ranking countries in the region of Europe, United States and Canada						
COUNTRIES	PCDI	Economic	Social	Global	Environmental	Production
Denmark	89.60	91.17	95.09	93.67	92.42	75.64
Sweden	84.89	86.33	98.42	93.60	80.80	65.33
Norway	82.63	99.51	99.27	89.73	72.38	52.28
Portugal	80.43	72.10	89.80	84.64	86.50	69.09
U. Kingdom	79.77	52.95	93.71	90.04	94.54	67.62
Overall PCDI ranking and ranking on the five components						
Denmark	1	4	7	7	9	17
Sweden	2	10	3	9	30	45
Norway	3	2	2	17	52	73
Portugal	5	24	26	32	20	34
U. Kingdom	6	66	13	15	6	42

The region's lowest four places on the PCDI ranking are held by Switzerland, Luxembourg, United States and Austria. There are no major variations in their scores; all are affected by a lack of financial transparency and the disproportionate weight of the banking sector in their economies.

Switzerland and Luxembourg performed well on the social, environmental and global indicators but that was not the case in the economic area. Indeed, Switzerland is the world leader in financial secrecy and earned one of the lowest scores on the PCDI economic component. Luxembourg performed the poorest on the economic and environmental components due to its opaque policies in tax matters and its polluting industrial sector. The case of Austria is similar although its poor performance in the area of production is partly due to the pressure of tourism and the withdrawal of fresh water for industrial use.

It is fair to say that the United States is a country with low policy coherence for development. Despite scoring well on social indicators, it performed quite poorly on the rest of the components. Regarding the economic component, the United States is very reluctant to redistribute wealth through tax policy and its financial system is very opaque. On the global component, it exhibits low commitment to global democratic governance, having signed few human rights treaties, and contributes to world militarisation through one of the world's highest military budgets relative to GDP. As for the environmental component, it leaves a deep ecological footprint which means that its development model is not compatible with the sustainable development of most of the world.

PCDI of the lowest-ranking countries in the region of Europe, United States and Canada						
COUNTRIES	PCDI	Economic	Social	Global	Environmental	Production
Switzerland	66.84	15.00	89.72	87.81	83.90	57.76
Luxembourg	66.63	41.08	89.15	97.83	51.82	53.27
United States	64.72	47.18	87.28	59.41	55.09	74.65
Austria	64.22	71.66	91.18	88.64	54.43	15.20
Overall PCDI ranking and ranking on the five components						
Switzerland	58	132	28	25	24	63
Luxembourg	60	108	31	3	112	72
United States	65	88	38	100	99	22
Austria	67	25	19	21	101	123

## CENTRAL ASIA AND EASTERN EUROPE

This region is made up of 19 countries, two high income, 11 upper-middle income and six lower-middle income. In terms of HDI, two are very high, 14 are high and three are in the middle range. Only three are EU members.

Their PCDI scores range between 59.16 and 74.77. Nine countries scored higher than the PCDI mean for the region (68.40) while the other ten scored lower.

Sixteen, or 84%, of the countries from the Central Asia and Eastern Europe region ranked in the middle of the PCDI range, while the other three countries (16%) ranked in the lower-middle quintile.

The PCDI scores of the countries in this region were quite similar, with the exception of Armenia and Kazakhstan on the economic and Montenegro on the production component.

In general, this region excelled on environmental but had only modest scores on social indicators. It fared worse, however, on the economic and global components, appearing to point to a need to reorient their economies towards sustainable development and firmer commitment to global governance in the international arena.

PCDI Ranking	COUNTRIES	PCDI
22	Cyprus	74.77
28	Georgia	73.69
30	Bulgaria	72.91
35	Moldavia	72.19
36	Romania	72.00
38	Albania	71.46
41	Serbia	70.27
42	Bosnia & Herzegovina	69.94
45	Kyrgyzstan	68.72
48	Macedonia	68.24
49	Ukraine	67.52
50	Turkey	67.38
53	Russia	67.24
55	Belarus	67.20
61	Tajikistan	66.39
62	Azerbaijan	66.04
70	Kazakhstan	62.66
74	Armenia	61.83
84	Montenegro	59.16

Cyprus and Georgia led the region's PCDI ranking. Cyprus and Georgia earned good scores on the social and environmental components, proving that they are able to sustainably combine good social indicators. In fact, Georgia is the overall PCDI leader on the environmental component.

Kazakhstan, Armenia and Montenegro were the region's lowest ranking countries. In line with the other countries of their region, they performed well on the social but did not score so well on the economic component. Their environmental and global scores were also low, indicating a weak international commitment.

PCDI of the highest-ranking countries in the region of Central Asia and Eastern Europe						
COUNTRIES	PCDI	Economic	Social	Global	Environmental	Production
Cyprus	74.77	59.63	98.14	74.57	93.29	48.23
Georgia	73.69	51.71	87.89	71.99	100.00	56.88
Overall PCDI ranking and ranking on the five components						
Cyprus	22	48	4	65	7	83
Georgia	28	72	33	71	1	67

PCDI of the lowest-ranking countries in the region of Central Asia and Eastern Europe						
COUNTRIES	PCDI	Economic	Social	Global	Environmental	Production
Kazakhstan	62.66	35.22	90.70	67.92	63.20	56.27
Armenia	61.83	25.04	86.14	45.40	77.93	74.63
Montenegro	59.16	65.90	86.88	53.81	56.30	32.93
Overall PCDI ranking and ranking on the five components						
Kazakhstan	70	120	23	81	77	68
Armenia	74	130	42	116	38	23
Montenegro	84	37	38	107	96	109

## EAST ASIA

There are nine countries in this region, one of which is high income, four are upper-middle income, three are lower-middle income and one is low-income. Four have a high HDI, three have a medium and one has a very high HDI.

Their PCDI scores range from 23.70 to 63.55. The PCDI mean score for the region is 53.91; five countries are higher and four are lower.

As regards PCDI ranking in the East Asian region, two countries (22% of the region) are in the middle PCDI quintile, five countries (56%) are in the lower-middle, one country (11%) is in the low quintile and the last country has a very low PCDI score.

This region is very heterogeneous and performed modestly on the PCDI. It exhibited good results overall on the environmental component, where most of the countries are ranked relatively high. However, the social and global components are quite diverse. It is difficult to generalise regarding the other components, especially the economic scores earned by Singapore, Malaysia and China.

PCDI Ranking	COUNTRIES	PCDI
68	Philippines	63.55
69	China	63.45
80	Thailand	60.65
82	Vietnam	59.74
88	Mongolia	57.86
97	Indonesia	53.50
99	Cambodia	53.12
105	Malaysia	49.62
133	Singapore	23.70

The Philippines earned high scores on the global component, indicating that it works actively in favour of global democratic governance but has room for improvement in the environmental and social areas. China does not stand out on any of the five components but ranks relatively well on social and environmental. Both countries have a long way to go on the economic component, especially China which is among the ten lowest ranked countries in this area.

Singapore ranks last, as it scored very low on four of the five components (the exception being the social component), so it is fair to say that it exhibits an extremely low level of PCDI coherence for 2016. It combines a high degree of social development with virtually no financial transparency, high militarisation and environmentally unsustainable development. This country can be said to be the least coherent in terms of sustainable development.

PCDI of the highest-ranking countries in the region of East Asia						
COUNTRIES	PCDI	Economic	Social	Global	Environmental	Production
Philippines	63.55	41.62	62.76	80.65	59.74	73.00
China	63.45	30.71	77.61	59.14	79.58	70.22
Overall PCDI ranking and ranking on the five components						
Philippines	68	107	87	49	87	28
China	69	127	61	101	33	32

PCDI of the lowest-ranking country in the region of East Asia						
COUNTRIES	PCDI	Economic	Social	Global	Environmental	Production
Singapore	23.70	0.00	73.89	15.47	0.00	29.17
Overall PCDI ranking and ranking on the five components						
Singapore	133	133	67	131	133	111

## SOUTH ASIA

There are six countries in this region, five of which are lower-middle income and one is low-income. Two have low HDI scores, three are in the middle range and one has a high score. The PCDI scores of this small group of countries range from 44.41 to 61.49. Three countries scored higher than the PCDI mean for the region (55.18) while the other three scored lower.

As regards the PCDI ranking in the South Asian region, five countries (83% of the region) are in the lower-middle PCDI quintile and the remaining country (17%) is in the low quintile.

The countries of South Asia share many of the same characteristics as the previous region. While they do not have the lowest scores on the social component, performance in that area was quite low. They are more heterogeneous on the environmental and global components, where they have moderate scores, but there is a lot of room for improvement on the economic component.

Sri Lanka is the regional leader but, as the scores show, it has important deficiencies in the economic and global areas. It performed better on the environmental and production component.

Pakistan is at the tail end of the region, presenting serious deficiencies on the economic, social and global components of the PCDI, but exhibiting more acceptable policy coherence in the environmental and especially production area owing to positive performance by its industrial sector and infrastructures.

PCDI Ranking	COUNTRIES	PCDI
77	Sri Lanka	61.49
79	India	60.84
90	Bangladesh	57.10
93	Nepal	54.54
100	Bhutan	52.68
116	Pakistan	44.41

PCDI of the highest-ranking countries in the region of South Asia

COUNTRIES	PCDI	Economic	Social	Global	Environmental	Production
Sri Lanka	61.49	35.04	65.48	46.70	73.00	87.24
Overall PCDI ranking and ranking on the five components						
Sri Lanka	77	121	82	114	50	4

PCDI of the lowest-ranking countries in the region of South Asia

COUNTRIES	PCDI	Economic	Social	Global	Environmental	Production
Pakistan	44.41	31.59	23.86	37.43	51.27	77.91
Overall PCDI ranking and ranking on the five components						
Pakistan	116	125	110	122	114	10

## PACIFIC AND OCEANIA

There are four high-income, very high HDI countries in this region. The PCDI scores of this small group of countries range from 69.92 to 80.80. Two countries scored above the PCDI mean for the region (75.02), while the other two scored below. As regards PCDI ranking, one country (25% of the region) ranked high while the other three (75%) are in the middle range.

In general, all four countries earned high scores especially on the social component, Australia notably ahead of the rest. The differences in their places on the ranking are mostly due to the economic and environmental components where ample margin for improvement exists if they adopt policies more in line with sustainable development.

Australia is the regional leader with respectable scores on the social, global and production components but clear deficiencies in the economic and environmental areas.

South Korea had the lowest PCDI ranking of the region mostly due to poor scores on the economic component related to low tax burden and lack of wealth distribution which is the result of reduced tax revenues. However, it did earn an excellent score in production thanks to strong investment in infrastructure and R&D.

PCDI Ranking	COUNTRIES	PCDI
4	Australia	80.80
18	Japan	75.62
26	New Zealand	73.74
43	South Korea	69.92

### PCDI of the highest-ranking countries in the region of the Pacific and Oceania

COUNTRIES	PCDI	Economic	Social	Global	Environmental	Production
Australia	80.80	69.62	94.79	89.11	64.39	86.10

### Overall PCDI ranking and ranking on the five components

Australia	4	27	9	19	73	7
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### PCDI of the lowest-ranking countries in the region of the Pacific and Oceania

COUNTRIES	PCDI	Economic	Social	Global	Environmental	Production
South Korea	69.92	38.87	80.64	65.47	64.64	100

### Overall PCDI ranking and ranking on the five components

South Korea	43	113	53	90	72	1
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## LATIN AMERICA AND THE CARIBBEAN

This region is comprised of 21 countries, five of which are high income, 11 are upper-middle income and five are lower-middle income. Two have a very high HDI score, 13 have a high HDI score and the remaining six are in the middle range.

Their PCDI scores range from 54.09 to 75.87. Ten countries scored higher than the PCDI mean for the region (65.52), while 11 scored lower.

As regards the PCDI ranking, 11 countries (52% of the region) are in the middle and the other ten countries (48%) are in the lower-middle quintile.

Latin America is a heterogeneous region in terms of policy coherence for development, making it difficult to identify any trend. It is fair to say, however, that in light of the degree of inequality, one of the region's most prevalent characteristics, it is important to raise coherence on the economic component by strengthening tax systems and enhancing their redistributive function with a view to improving social component indicators.

PCDI Ranking	COUNTRIES	PCDI
17	Argentina	75.87
23	Uruguay	74.62
29	Mexico	73.47
33	Brazil	72.60
37	Ecuador	71.76
39	Cuba	71.33
46	Chile	68.48
52	Costa Rica	67.24
57	Venezuela	66.95
63	Honduras	65.98
64	Panama	65.21
71	Peru	62.44
72	Paraguay	62.24
73	Dominican Republic	62.21
75	Bolivia	61.63
76	Jamaica	61.61
78	El Salvador	61.46
83	Guatemala	59.67
85	Colombia	58.94
87	Nicaragua	58.03
95	Trinidad and Tobago	54.09

Argentina leads the regional PCDI ranking with excellent scores on the global component and acceptable scores on all others although, as already mentioned, showing deficiencies on the economic component due to insufficient tax redistribution.

In contrast, Trinidad and Tobago is at the bottom of the regional ranking, owing mostly to its low score on the environmental component due to an aggressive mining industry and its negative effects on the environment.

PCDI of the highest-ranking countries in the region of Latin America and the Caribbean						
COUNTRIES	PCDI	Economic	Social	Global	Environmental	Production
Argentina	75.87	59.56	85.69	100	69.97	64.15
Overall PCDI ranking and ranking on the five components						
Argentina	17	49	43	1	60	51

PCDI of the lowest-ranking countries in the region of Latin America and the Caribbean						
COUNTRIES	PCDI	Economic	Social	Global	Environmental	Production
Trinidad and Tobago	54.09	57.96	74.12	69.74	0.58	68.05
Overall PCDI ranking and ranking on the five components						
Trinidad and Tobago	95	53	66	78	132	41

## MIDDLE EAST AND NORTH AFRICA

This region is made up of 13 countries, six of which are high income, five are upper-middle income and two are lower-middle income. Five have a very high HDI score, six have a high HDI score and two are in the middle range.

Their PCDI scores range from 47.52 to 72.43. Six countries scored above the PCDI mean for the region (57.61) while seven scored below.

As regards the PCDI ranking in the Middle East and North Africa, three countries (23% of the region) are in the middle PCDI quintile, eight (62%) are in the lower-middle and two are in the lowest quintile.

The countries of this region occupy very diverse positions in the ranking, with the exception of the global component where most have very low scores.

Israel is the highest-ranked country in the region, with a high score on the production component but one of the poorest scores of any country surveyed on the global component. This is partly due to its failure to ratify international legal instruments on human rights, arms control and international justice, in addition to its high degree of militarisation.

PCDI Ranking	COUNTRIES	PCDI
34	Israel	72.43
44	Tunisia	68.78
56	Algeria	66.97
81	Kuwait	60.50
86	Jordan	58.89
89	Egypt	57.70
91	Iran	55.87
92	Morocco	55.39
98	Saudi Arabia	53.27
102	Lebanon	52.14
104	Qatar	50.71
108	Oman	48.79
110	Arab Emirates	47.52

Arab Emirates is the region's lowest-ranking country, with poor performance on the global and environmental components, the latter severely weakened by a mining industry that makes a considerable ecological footprint and high CO2 emissions. As for the global component, in addition to the reasons just set forth in the case of Israel, Arab Emirates lost points because women do not have access to judicial institutions on equal footing with men and the fact that homosexuality is illegal and same-sex marriage is not recognised.

PCDI of the highest-ranking countries in the region of the Middle East and North Africa						
COUNTRIES	PCDI	Economic	Social	Global	Environmental	Production
Israel	72.43	69.33	88.29	27.87	79.65	97.01
Overall PCDI ranking and ranking on the five components						
Israel	34	29	32	128	32	2

PCDI of the lowest-ranking countries in the region of the Middle East and North Africa						
COUNTRIES	PCDI	Economic	Social	Global	Environmental	Production
Arab Emirates	47.52	55.10	73.16	24.42	15.94	68.96
Overall PCDI ranking and ranking on the five components						
Arab Emirates	110	58	68	129	130	37

## SUB-SAHARAN AFRICA

This region is made up of 31 countries, six of which are upper-middle income, eight are lower-middle income and 17 are low-income. Only one has a high HDI, five are in the middle range and 25 have a low HDI.

Their PCDI scores range from 35.93 to 67.30. Twelve countries scored above the PCDI mean for the region (46.11), while 19 scored below. As regards the PCDI ranking, three countries (10% of the region) are in the middle; four (13%) in the lower-middle; 23 (74%) in the low range and one (3%) in the very low range.

PCDI Ranking	COUNTRIES	PCDI
51	South Africa	67.30
59	Mauritius	66.64
66	Namibia	64.58
94	Ghana	54.39
96	Lesotho	53.51
101	Botswana	52.64
103	Senegal	51.92
106	Kenya	49.43
107	Ivory Coast	49.12
109	Burkina Faso	47.64
111	Malawi	47.28
112	Mozambique	46.23
113	Benin	46.08
114	Rwanda	44.76
115	Cameroon	44.61
117	Mauritania	44.23
118	Mali	42.46
119	Burundi	42.32
120	Zambia	42.08
121	Uganda	41.96
122	Guinea	41.61
123	Liberia	41.44
124	Tanzania	40.41
125	Zimbabwe	39.82
126	Nigeria	39.29
127	Togo	38.88
128	Sierra Leone	38.69
129	Madagascar	38.32
130	Niger	38.13
131	Ethiopia	37.81
132	Angola	35.93

The most notable feature of this region is the fact that some countries have very low scores on the social and production components, implying that many social rights are not guaranteed and there is a clear lack of access to basic infrastructures. In contrast, these countries fared better on the global and environmental indicators, which points to suitable performance on global issues considering their relative position.

South Africa is the regional leader on the PCDI ranking. It earned a high score on the global component but performed poorly on the economic component, mostly because of its low tax revenues, not only reflecting the weakness of its tax system but also the deficient impact it has on reducing inequality.

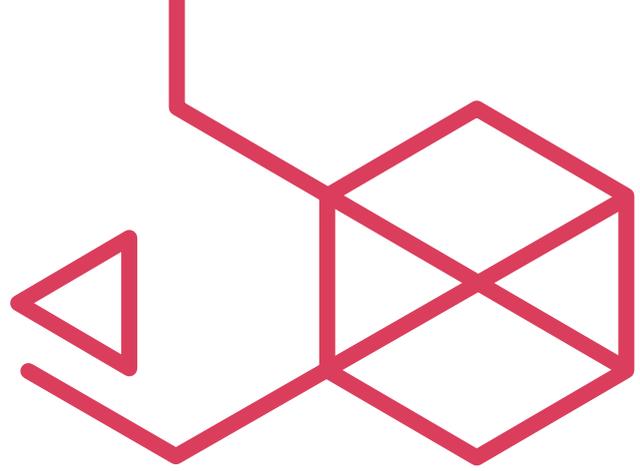
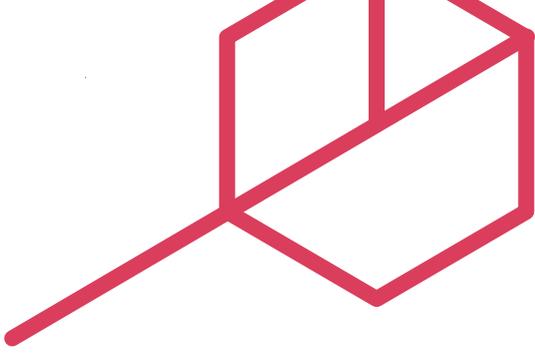
Angola earned the region's lowest score. While it performed well on the economic component, it did very poorly in the area of production due to lack of infrastructure. It also scored very low on the social and global components, reflecting a lack of resources devoted to education, social protection, employment, gender equality and health, not to mention its failure to ratify international legal instruments. Moreover, public funds are spent on the military which could have been allocated to help mitigate the poverty suffered by a segment of the population.

#### PCDI of the highest-ranking countries in Sub-Saharan Africa

COUNTRIES	PCDI	Economic	Social	Global	Environmental	Production
South Africa	67.30	46.04	68.24	88.14	70.83	63.27
Overall PCDI ranking and ranking on the five components						
South Africa	51	91	77	22	56	52

#### PCDI of the lowest-ranking countries in Sub-Saharan Africa

COUNTRIES	PCDI	Economic	Social	Global	Environmental	Production
Angola	35.93	70.24	16.64	36.13	55.51	1.11
Overall PCDI ranking and ranking on the five components						
Angola	132	26	119	123	98	132



# 3.7

## *Spain in the 2016 PCDI*

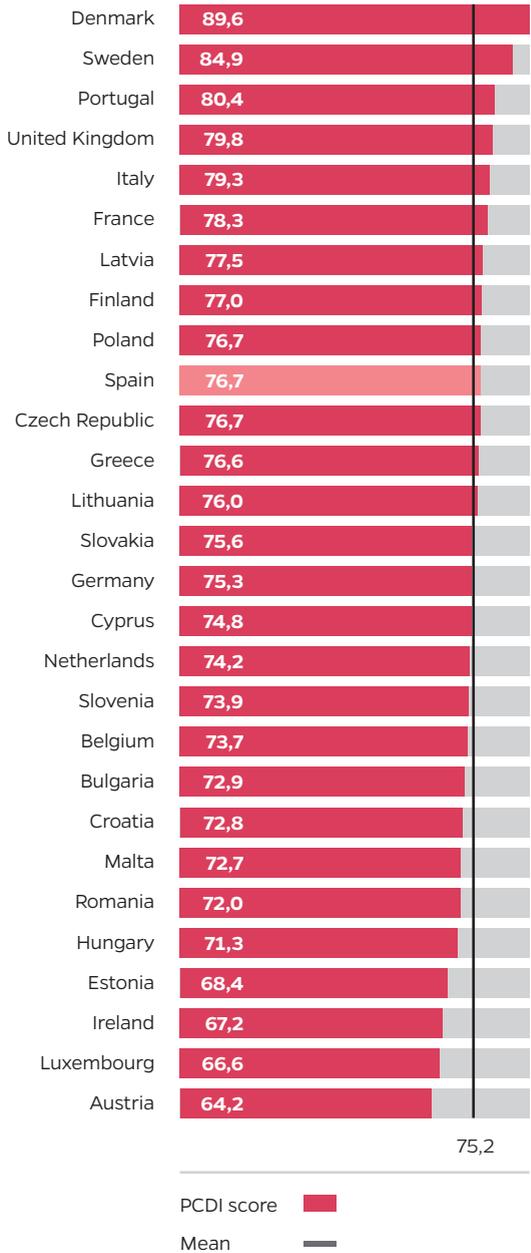
Spain ranked 13th in the PCDI, placing it in the upper part of the ranking in the group of high PCDI countries. We will now compare the ranking of Spain's performance in each of the components.

The table shows that Spain's component rankings are below its general position in all areas except global. Indeed, its rank on this component is the reason for its positive position on the general PCDI ranking. Its performance is much poorer in the other areas. Spain's placement relative to EU-28 is upper-middle, i.e. 10th out of 28.

Performance of Spain by component					
PCDI	Economic	Social	Global	Environmental	Production
13	33	41	4	44	66
lower/higher	-20	-28	+9	-31	-53

This analysis shows also that European Union country performance on the PCDI is very diverse, ranging from Denmark at first place to Austria at 67th place. This dispersion in the ranking is relevant for our analysis as it shows that European Union membership does not mean that Member State policies are more coherent for development. Countries such as Austria and Luxembourg are in the middle of the PCDI ranking and most European Union countries scored below the European Union-28 average of 75.2.

COUNTRIES	RANKING	COUNTRIES	RANKING
Denmark	1	Germany	21
Sweden	2	Cyprus	22
Portugal	5	Netherlands	24
U.Kingdom	6	Slovenia	25
Italy	8	Belgium	27
France	9	Bulgaria	31
Latvia	10	Croatia	32
Finland	11	Malta	33
Poland	12	Romania	36
Spain	13	Hungary	40
Czech Republic	14	Estonia	47
Greece	15	Ireland	53
Lithuania	16	Luxembourg	60
Slovakia	20	Austria	67

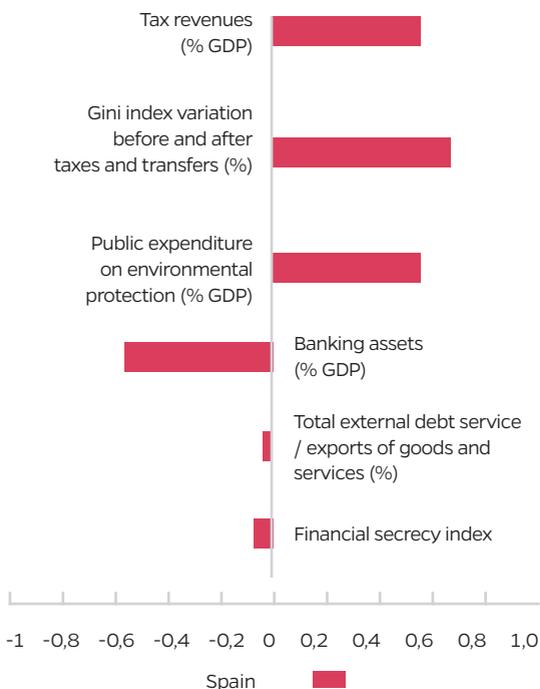


**FIGURE 69**  
European Union (EU-28) country scores on the PCDI

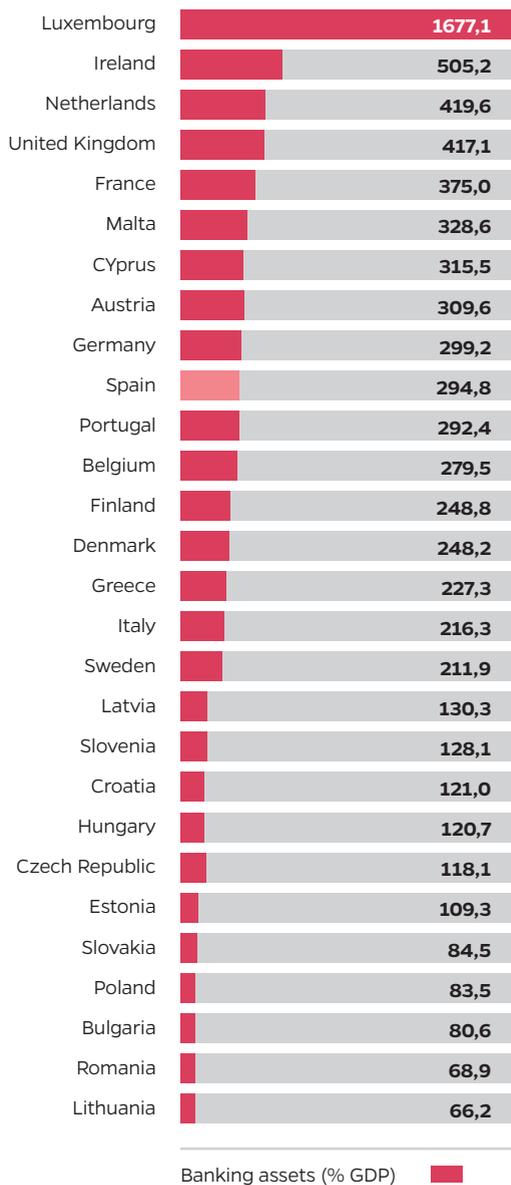
### PCDI ANALYSIS BY COMPONENT

Spain ranks 33 on the economic component, putting it in the second quintile (countries with a mid-level PCDI). As Figure 70 shows, Spain performed well on the economic variables related to tax burden and inequality reduction but was penalised for the size of its banking sector relative to GDP; Spain's banking sector is practically three times the size of its economy.

However, the large relative size of the banking sector is the norm throughout the European Union, as seen in Figure 71 which compares the performance of EU Member States on this variable.

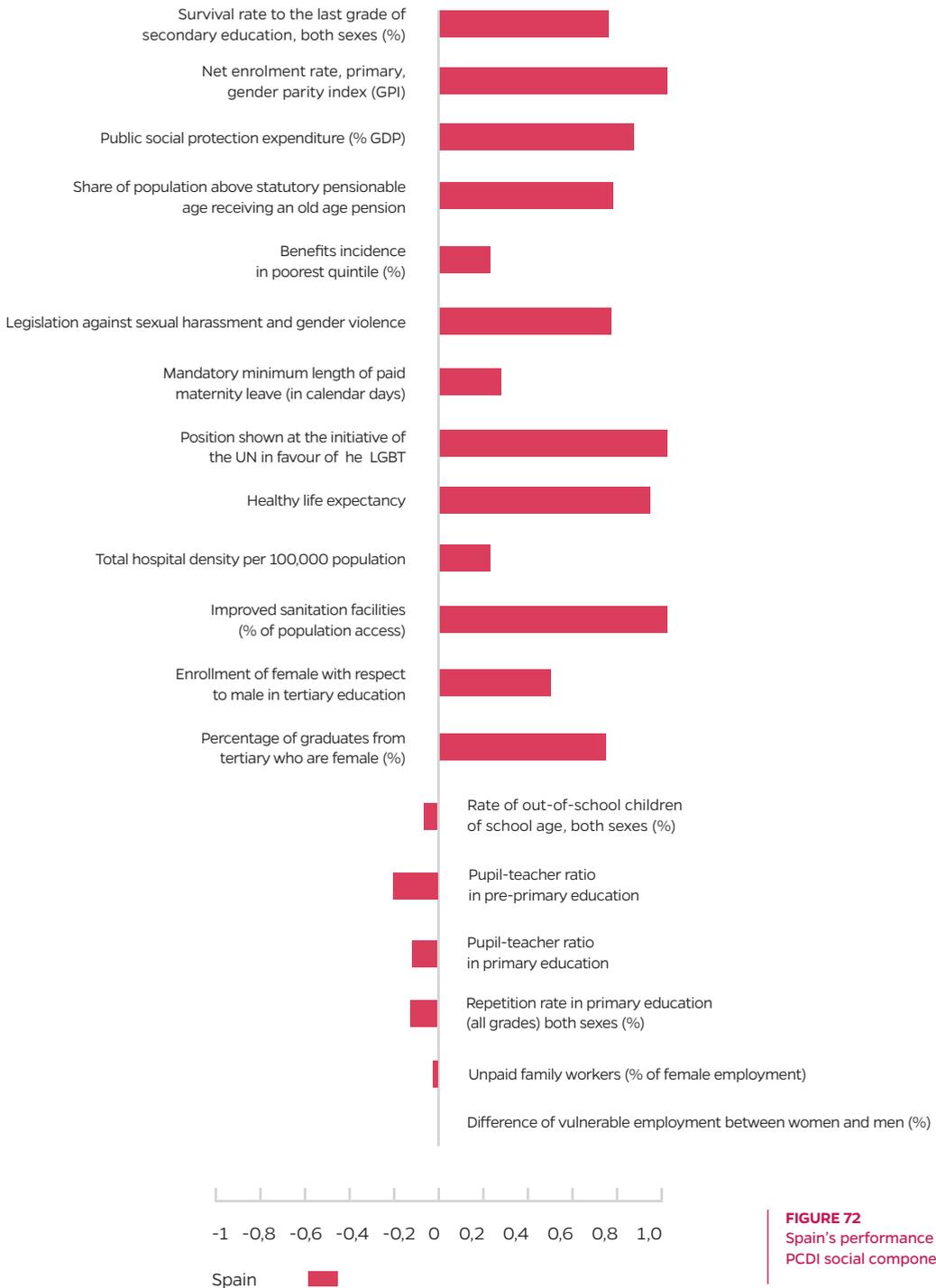


**FIGURE 70**  
Spain's performance on PCDI economic variables



**Source:** Created in-house from Helgilibrary data.

**FIGURE 71**  
Size of the banking sector as a percentage of GDP in the European Union (EU-28)



**FIGURE 72**  
Spain's performance on the PCDI social component

Spain is not the EU country with the largest banking sector relative to its economy but rather is located in the mid-range. Banking sector figures of other countries such as Ireland and Luxembourg are much higher. It is important to note that, with the exception of the United Kingdom, the countries with the largest banking sectors relative to their economies are in the Eurozone. This shows that the single currency can have negative effects from a human development perspective to the extent that it stimulates size in this sector.

Spain ranks 41st on the social component, one of the lowest among EU Member States. A closer look at the variables helps explain why.

Spain performed well on all but three of the positive variables: impact of social benefits on the poorest quintile of the population, number of hospitals per 100,000 inhabitants and length of maternity leave.

As for the variables detracting from development, Spain did not lose many points on the education variables and very little on the variable measuring the percentage of unpaid jobs of total female employment, which aims to measure the insecurity of female employment.

The single currency can have negative effects from a human development perspective to the extent that it stimulates size in the banking sector

This variable also sheds light on the importance each country places on work-life balance. As Figure 73 shows, Spain is among the EU-28 countries with the shortest mandatory maternity leave and is well below the mean. This stands in stark contrast with other countries, such as the United Kingdom or Ireland, where the State grants nearly three times the number of days as a sign of support for such balance.

Spain is among the EU-28 countries with the shortest mandatory maternity leave and is well below the mean



**Source:** Created in-house from UN Women data.

**FIGURE 73**  
Mandatory minimum length of paid maternity leave in the European Union (EU-28)

Spain earned its highest scores in the global area, with respectable scores on all variables, both positive and negative, earning it the number four ranking on this component.

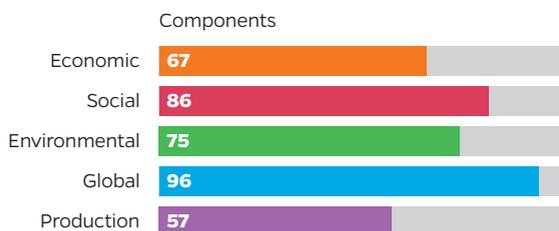
Spain ranked number three among European Union countries on the global component. It is interesting to note the very wide range of performance on the global component in the European Union from position number two (Belgium) to number 86 (Greece). This shows that even though the EU is a very homogeneous region on the global component—most countries scoring between 80 and 98—some countries behave very differently, indicating that European Union membership is no guarantee against very divergent behaviour.

## Spain

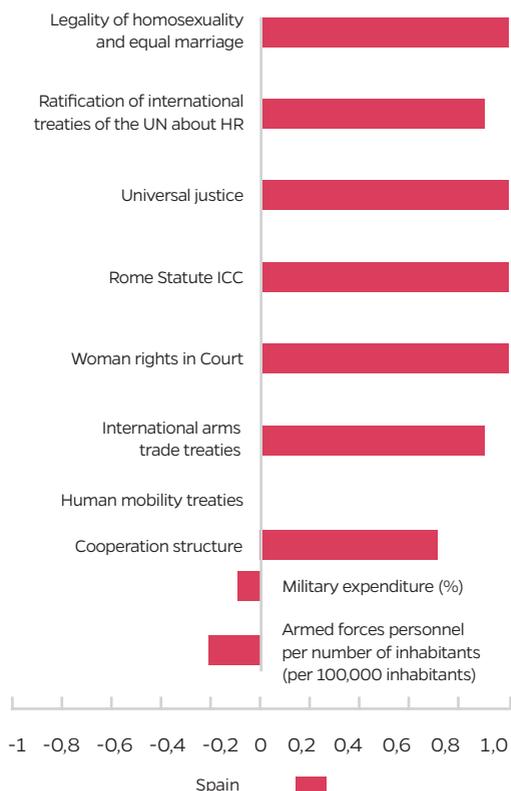
PCDI

**76.73**

Position: 13



Income	High income
HDI	Very high HDI
Region	Western Europe, USA and Canada
Organization	EU 28



**FIGURE 74**  
Spain's performance on the PCDI global component

This same divergence is apparent in the different levels of military expenditure in the European Union as illustrated in Figure 75.

The figure illustrates the differences in military expenditure as a percentage of GDP among European Union countries. Greece led military spending with 2.45% of its GDP earmarked for that purpose, while Luxembourg spent the least, nearly two percentage points less. Spain is among the group of countries with the lowest military spending in the European Union.

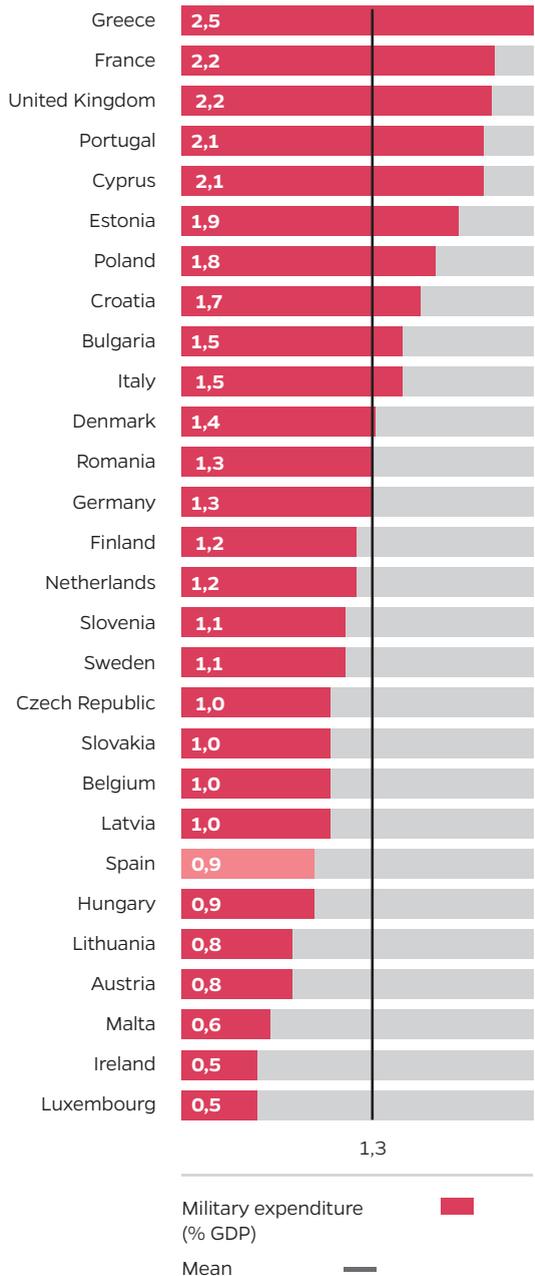
Spain ranks 44 on the environmental component, putting it in the upper middle range. Figure 76 shows that Spain earn average scores on nearly all of the positive variables except on participation in fishery treaties, where it scored high. Spain was not excessively penalised by any of the negative variables.

One of a country's most interesting variables in terms of policy coherence for development is its ecological footprint. Figure 77 shows the ecological footprint of imports in the European Union. This provides information on the global hectares each person needs to maintain his/her level of consumption of commodities imported from other countries.

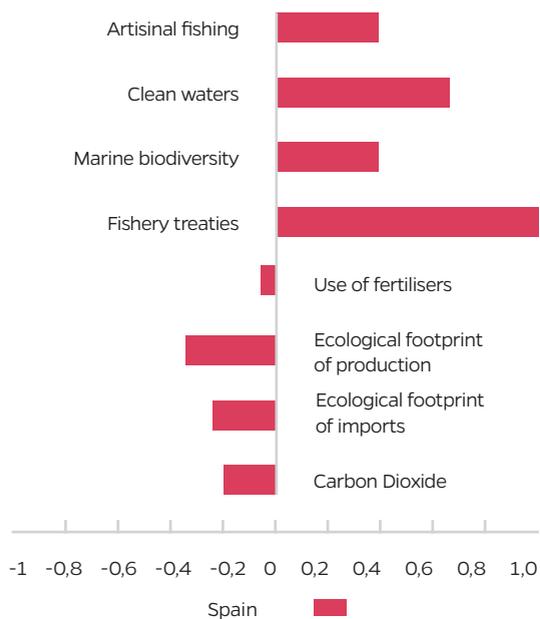
As the figure shows, Spain ranks 12th, meaning that nearly four hectares per Spanish citizen is needed to provide Spaniards with the imported goods they consume.

The figure highlights differences between countries. For instance, Belgium uses 16 times more hectares than Romania, the country with the smallest ecological footprint of imports in the EU (according to available data).

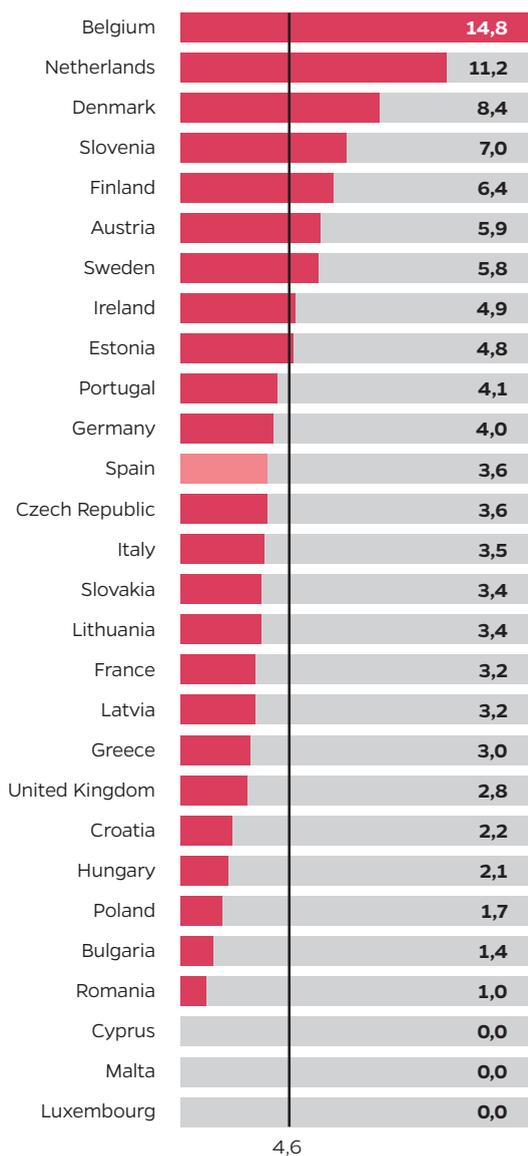
Spain ranks number 66 on the production component, its lowest ranking on the PCDI.



**FIGURE 75**  
Military spending as a percentage of GDP in the European Union (EU- 28)



**FIGURE 76**  
Spain's performance on the PCDI environmental component



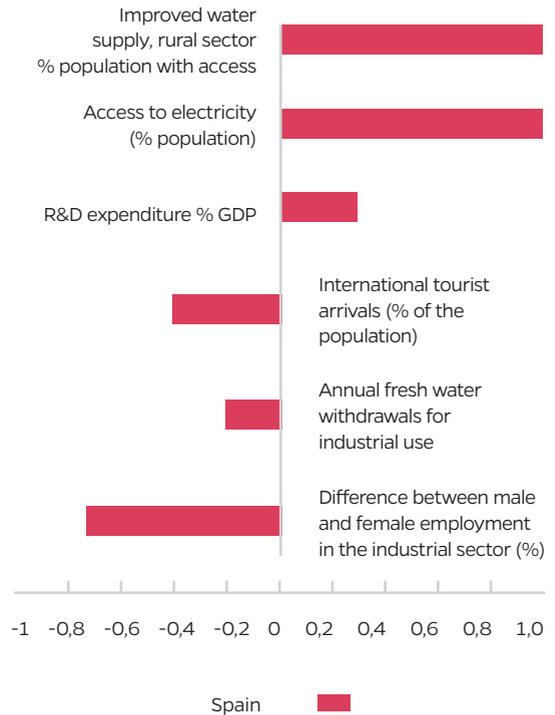
Global hectare per person ■  
Mean ■

**Source:** Created in-house from Footprint Network data.

**FIGURE 77**  
Ecological footprint of imports in the European Union (EU-28)

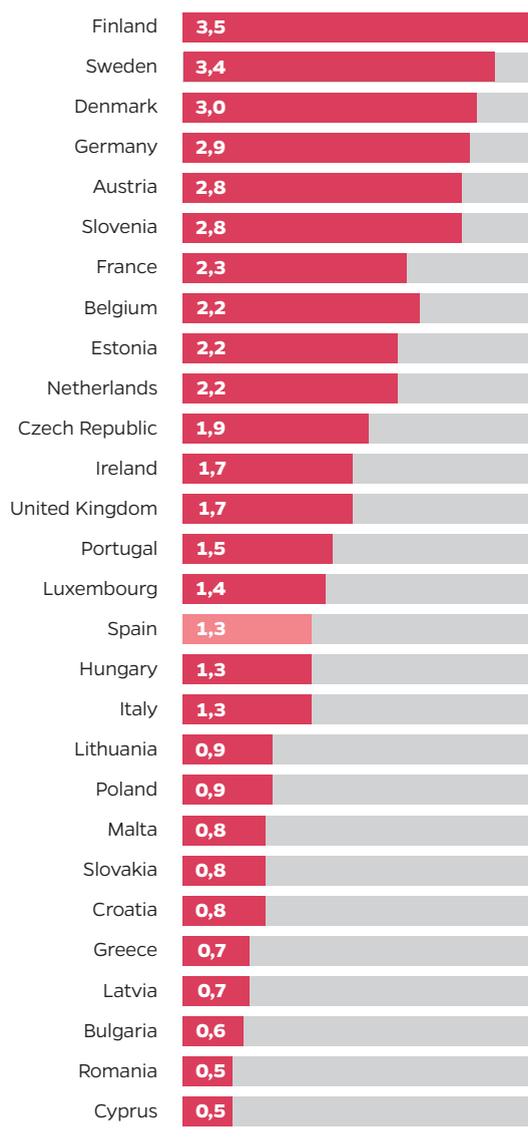
In terms of negative variables, there are important gender differences in Spain between male and female industrial workers and Spain was also penalised for its number of tourist arrivals. As for positive variables in this component, Spain scored low on R&D expenditure but showed the highest level of electricity and water coverage in the rural sector. A closer look at R&D expenditure figures shows each country's commitment to a knowledge-based economy.

Figure 79 shows each EU Member Country's spending on R&D as a percentage of GDP. There is a huge gap between the country that spends the most on research and development, Finland, at 3.5% of GDP, and Cyprus, with only 0.5%. Spain is located in the middle of the graph but spends a relatively small amount in comparison with the biggest R&D spenders.



**FIGURE 78**  
Spain's performance on the PCDI production component

Spain has a long way to go in terms of policy coherence for development. Especially in the social, environmental and production areas, Spain ranked relatively low, meaning that it needs to implement measures to effectively guarantee social rights, commit to making the Spanish economy much more sustainable and knowledge-based and build a more advanced production model



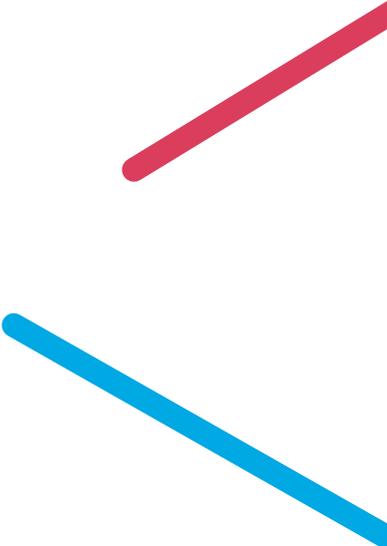
**Source:** Created in-house from World Bank data.

**FIGURE 79**  
R&D expenditure in Spain and the European Union (EU-28) (% of GDP)

## SPAIN, ONE OF MANY COUNTRIES IN A HETEROGENEOUS EUROPEAN UNION

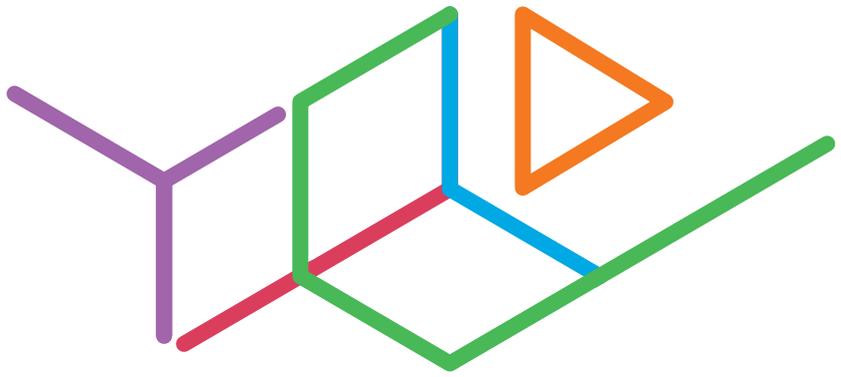
In this analysis we have taken an in-depth look at Spain's performance on the PCDI, its rank on each of the components, the variables where its score was penalised to varying degrees and those showing that Spain is a relatively coherent country. Now that the analysis is complete, it is fair to say that our country has a long way to go in terms of policy coherence for development. Especially in the social, environmental and production areas, Spain ranked relatively low, meaning that it needs to implement measures to effectively guarantee social rights, commit to making the Spanish economy much more sustainable and knowledge-based and build a more advanced production model.

Another conclusion may also be gleaned from our analysis: the European Union is a heterogeneous group of countries in terms of policy coherence for development in general but much more homogeneous on the global component. We have seen how countries perform differently on each of the components. In the general PCDI ranking, EU-28 countries hold the number one position (Denmark) along with position number 67 (Austria). No country scored consistently low or high on all variables, but rather varied performance was found on each of the components.



The **tool**



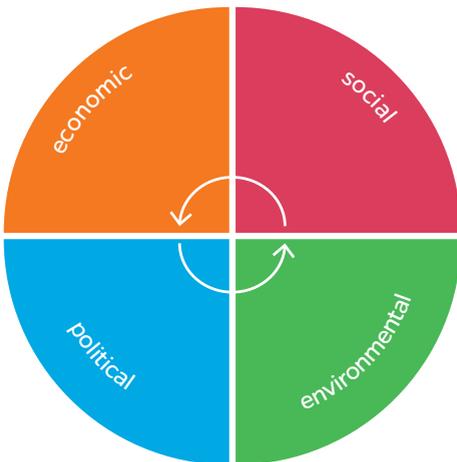


# 4.1

## *The workings*

One of the challenges of the PCDI is to overcome the sectoralization of other indexes and measures of progress. To achieve this, our tool is based on a sustainable human development approach, which calls for development to be understood as a “multidimensional” process that must reflect simultaneous progress in the economic, environmental, social and political dimensions in such a way that none of these is given priority over or subordinated to the others.

The PCDI is based on a sustainable human development approach, which calls for development to be understood as a “multidimensional” process that must reflect simultaneous progress in the economic, environmental, social and political dimensions



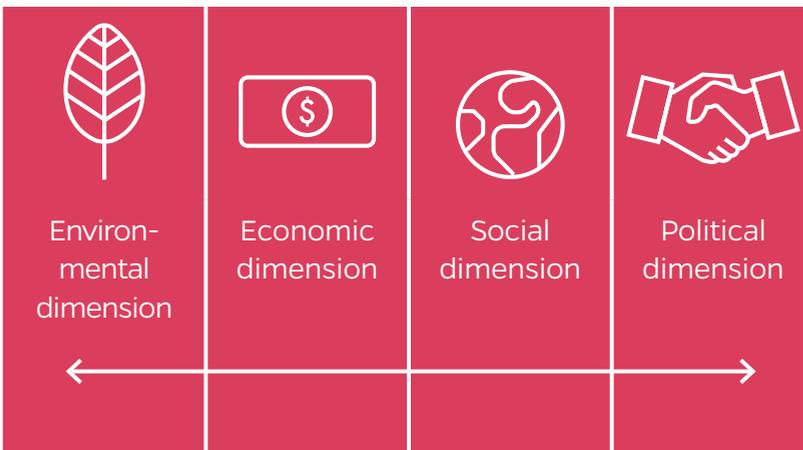
## POLICY ANALYSIS

The usual approaches to measuring development have tended to identify and isolate the effects of a policy within each development dimension, so that social and economic policies, for instance, are solely evaluated in terms of their social or economic results.

By contrast, the PCDI enables us to analyse a country's public policies through four sustainable development dimensions, thereby providing an integrated and comprehensive result of the links between policies and their multidimensional effects on development. The aim is to show how a country's policies perform in terms of PCD while avoiding exclusively sectorial or one-dimensional analysis.

To achieve this, we conducted qualitative analysis of 20 public policies through four different dimensions:

The PCDI enables us to analyse a country's public policies through four sustainable development dimensions



In order to organize the multidimensional analysis of each policy, an analysis matrix was constructed with two inputs.

20 Policies	Dimensions			
	Social	Economic	Political	Environmental
Peace & security				
Cooperation				
Justice & human rights				
Human mobility & migration				
Fiscal				
Financial				
Energy				
Biodiversity				
Fisheries				
Rural & agricultural development				
Education				
Health				
Social protection				
Equality				
Employment				
Science & technology				
Industry				
Infrastructures & transport				
Tourism				
Urban development				

Where policies bear similarities, they were grouped together in five components which to some extent constitute a sectorial classification of these policies: economic, social, global, environmental and production. However, it is important to bear in mind that every policy was analysed multidimensionally, compensating for any temptation to consider individual components as tantamount to a sustainable development dimension.

These five components constitute a reasonable approach for future recommendations arising from the index since decision-makers and the media can more easily identify them following sectorial inertia.

In addition to analysing public policies through the four sustainable development dimensions, two cross-cutting criteria based on human rights-based and the gender perspective were introduced throughout the analysis. In other words, throughout the analysis process, specific attention was given to the effects generated by policies from the human rights gender inequality perspectives. Issues like affordability and legal safeguards were therefore highlighted when dealing with access to goods and services. Employment with rights was a criterion for analysis as opposed to merely considering employment rates, and the impact differing by gender was analysed in industrial policy.

ECONOMIC COMPONENT	Fiscal
	Financial
SOCIAL COMPONENT	Education
	Health
	Social protection
	Equality
	Employment
	Science & technology
GLOBAL COMPONENT	Peace & security
	Cooperation
	Justice & human rights
	Human mobility & migration
ENVIRONMENTAL COMPONENT	Energy
	Biodiversity
	Fisheries
	Rural & agricultural development
PRODUCTION COMPONENT	Industry
	Infrastructure & transport
	Tourism
	Urban planning

The aim is therefore to establish what contributions a policy, such as fiscal policy, can make in the social (fairness and distribution), economic (tax base), environmental (spending on environmental protection) and political (transparency and financial control) dimensions.

Using both these criteria and existing literature, we established the effects and impacts of each policy that were most relevant to policy coherence for development. The example of fiscal policy analysis concludes with an indication of the policy's most sensitive aspects in each of its different dimensions and identified the relevant PCD evaluation variables.

Economic dimension	Social dimension	Environmental dimension	Political dimension
Mobilization resources for ESCR and basic social services	Redistributive function	Promotion sustainable production and consumption patterns	Fight against tax avoidance and evasion
			Transparency, participation & accountability

In addition to analysing public policies through the four sustainable development dimensions, two cross-cutting criteria based on human rights-based and the gender perspective were introduced throughout the analysis

Because the complete matrix provides and identifies variables in each of the 80 boxes (20 policies x 4 dimensions), some necessarily refer to similar or even identical issues. The social dimension of infrastructure policy, for instance, takes account of the maternal mortality rate in view of its close relationship to health infrastructure and its access in the same way that, in the social dimension of public health policy, the density of hospitals and health centres is taken into account.

These crossovers are not only reasonable in view of the methodology used. They also illustrate the need to avoid a merely sectorial understanding of the policies, but understand them instead in multidimensional terms. In those cases where there are exact duplications between two boxes in the matrix, the variable for one of them was eliminated.

We thus obtained a matrix where the essential aspects to be considered for every policy were turned into defined variables and indicator search criteria, such as in following example for education policy:

EDUCATION			
Social	Economic	Political	Environmental
Essential measuring aspects			
Quality of education	Investment in education	Type of education system	Impacts & commitment
Access to education	Role as social "elevator"	Participation in the system	
Gender gap in access			
Indicators			
Education systems: start year and duration of education cycle	Total number of teachers (ratio per teacher or per inhabitant, or per population attending school)	Public spending on education in relation to GDP, to budget and/or to enrolled population	Distance and/or time to reach school
Repetition rates Absenteeism Languages	Total funding / by origin of funds	Free and universal education (type of system)	Curricular and/or participatory initiatives on environmental education
Gender gap (access, dropouts)	Proportion of private spending of total spending on education	Existence of grants and programmes to prevent student dropout	
	Distribution of public spending by quintiles		

## INDICATOR SELECTION

Once the variables for analysis had been defined, the appropriate indicators were selected so that rigorous, approved standards could be put forward for each of them.

The selection was made from existing data bases which had to comply with at least two of the following basic characteristics:

1. Availability of a worldwide sample of countries. We used the longest possible list of countries (234). In other words, the indicators are constructed from a sufficiently representative sample of countries in all geographical areas, at all levels of development including a diversity of cultural identities, while delivering sufficient comparability.
2. Availability of sufficient rigour and acceptance in the construction of the indicator. This meant that to gauge the indicators' rigor, methodological documents and metadata had to be considered together with a combination of the prestige of the institution compiling them and the methodology used in their construction.

Indicators were then selected using these criteria for each and every one of the matrix variables, as in the example of taxation policy.

The search for and selection of indicators was no easy task. Many of the aspects we considered essential to measure were not available as indicators or at least not widely enough across countries. We encountered great heterogeneity in primary sources and considerable bias in the construction of global indicators subject to the interests of the institutions in charge of compiling and publicising them, as well as a paucity of data from some countries<sup>1</sup>.

Fiscal policy			
Economic dimension	Social Dimension	Environmental dimension	Political dimension
Tax revenue as percent of GDP [Global Finance Statistics, IMF]	Variation rate of the Gini Index pre and post taxes and transfers (%) [World Income Inequality Database]	Environmental protection expenditure [Global Finance Statistics, IMF]	Financial Secrecy Index [Tax Justice Network]
Social expenditure/ GDP [Global Finance Statistics, IMF]	Indirect taxes / total revenue [Global Finance Statistics, IMF]		Open Budget Index [International Budget Partnership]

<sup>1</sup> For more detailed information on some of the solutions considered, see Ospina, S., "De la teoría a la medición: Implicaciones sobre el uso de indicadores para la medición del desarrollo", in *Y después de 2015, ¿qué hacemos? XII Informe Anual de la Plataforma 2015 y más*, Madrid, 2015 y más, 2015, pp. 123-130.

Once the variables had been selected, they were codified and organized, using a total set of 201 indicators, the data for which were then selected under the criterion “latest available figure”.

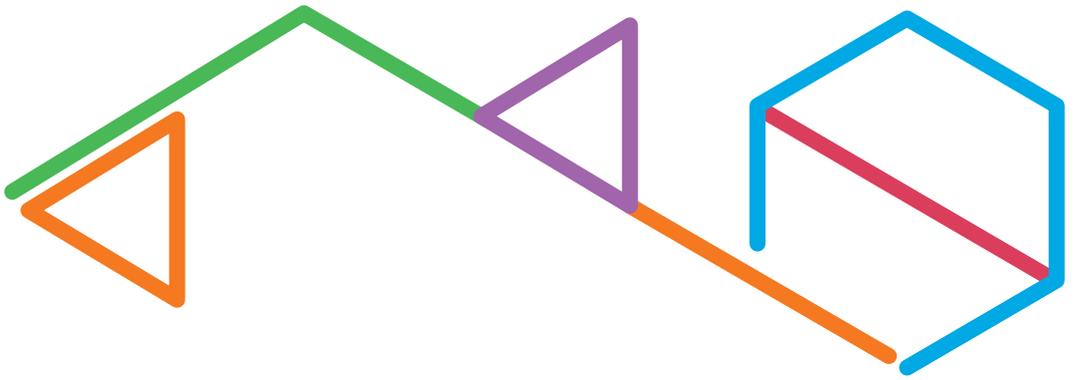
The distribution of indicators by policy was as follows:

Policies	No. indicators	Policy code
Peace & security	12	PYS
Cooperation	6	C
Justice & human rights	15	J
Human mobility & migration	8	M
Fiscal	7	FIS
Financial	6	F
Energy	6	EN
Biodiversity	12	B
Fisheries	12	P
Rural & agricultural development	13	DR
Education	14	EDU
Health	13	S
Social protection	10	PS
Equality	14	IG
Employment	9	EM
Science & technology	13	CIT
Industry	9	IN
Infrastructure & transport	10	IT
Tourism	6	T
Urban planning	6	U
<b>TOTAL</b>	<b>201</b>	

## PURGING THE DATA BASE

Using the initial data base of 201 indicators and 234 countries, the following steps were then taken:

- 1. Purging of data and countries.** Those countries for which more than 60% of data were missing were eliminated, as were variables where more than 60% of data were missing, leaving a set of available data of more than 50%. After this purge, 133 countries and 178 variables remained.
- 2. Correlation analysis.** The best variables with a correlation of over 70% were selected, those with more than 30% of missing data were eliminated, and some dichotomous variables were grouped together. This left 133 countries and 133 variables.
- 3. Factor analysis** This was conducted by component, eliminating variables using factor analysis. The result was the final data base with a total of 49 variables for 133 countries.



# 4.2

## The structure

The PCDI is divided up into five components: economic, social, global, environmental and production. These five components were calculated from the 49 variables selected: six in the economic component, nineteen in the social, ten in the global, eight in the environmental and six in the production component. Of the 49 variables, 18 reflected indicators contrary to sustainable development processes (such as school dropout rates, military spending and ecological footprint), whereas the other 31 reflected indicators that favoured them (such as inequality reduction, public spending on social protection and ratification of universal justice treaties). Thus, the PCDI has the following basic structure:

The PCDI is divided up into five components: economic, social, global, environmental and production

PCDI									
ECONOMIC COMP.		SOCIAL COMP.		GLOBAL COMP.		ENVIRONMETAL COMP.		GLOBAL COMP.	
+	-	+	-	+	-	+	-	+	-
3 variables	3 variables	13 variables	6 variables	8 variables	2 variables	4 variables	4 variables	3 variables	3 variables

## **CLASSIFICATION OF VARIABLES BY CONTRIBUTION TO DEVELOPMENT**

As we can see in the diagram, not all of the variables examined and maintained after statistically analysing the data measure positive contributions to development processes. Indeed, a large group measure aspects that would oppose processes that seek to promote development. The aim is to consider policies' social impacts not as unambiguous and unidirectional, but as ambivalent and having undesired effects. This fosters a better understanding of their net contribution to development processes.

Consequently, using the definitive data base, all the variables were classified according to whether they promoted or hampered development processes. They were therefore divided up in each component into those variables that contributed to and those that penalized development.

COMPONENT		CONTRIBUTING VARIABLES	
Economic component	FIS1	Tax revenue (% GDP)	
	FIS3	Variation rate of the Gini Index pre and post taxes and transfers (%)	
	FIS5	Environment protection expenditure (% GDP)	
Social component	EDU5	Survival rate to the last grade of secondary education, both sexes (%)	
	EDU11	Net enrolment rate, primary, gender parity index (GPI)	
	PS1	Public social protection expenditure (% GDP)	
	PS5	Share of population above statutory pensionable age receiving an old age pension	
	PS8	Benefits incidence in poorest quintile (%)	
	IG5_6_7	Legislation against sexual harassment and gender violence	
	IG11	Mandatory minimum length of paid maternity leave (in calendar days)	
	IG14	Position shown at the initiative of the UN in favour of the LGBT	
	S2	Healthy life expectancy	
	S3	Total density per 100,000 population: Hospitals	
	S11	Improved sanitation facilities (% of population with access)	
	CIT6	Enrolment ratio of female with respect to male in tertiary education (%)	
	CIT13	Percentage of graduates from tertiary education who are female (%)	
Global component	J4_5	Legality of homosexuality and equal marriage	
	J6	Participation in the ratification of international treaties of the UN about human rights (%)	
	J8	Universal jurisdiction	
	J9	Ratification of UN international justice treaties	
	J13_14_15	Women's rights in court	
	PYS6	International weapons treaties	
	M4_5	Convention relating to the Status of Refugees and International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families	
	C3	Existence of a specific structure of cooperation and appreciation of its political rank	
Environmental component	P2	Artisanal fishing opportunities	
	P4	Clean waters	
	P6	Marine biodiversity	
	P9	Participation in treaties, conventions and agreements on fishing in %	
Production component	IT3	Improved water supply, rural sector (% population with access)	
	IT4	Access to electricity (% population)	
	IN1	R&D expenditure (% GDP)	



## CALCULATING THE COMPONENTS

The score for each of the PCDI's five components is calculated with a formula subtracting the normalized values of the variables contributing negatively to development from the normalized values of those that contribute positively. However, not all variables have the same weight. The weight attributed to them is drawn from the analysis of key components, since this provides a better summary of the whole set of information included in all the variables in a single concise indicator.

The results of these formulas provide us with five figures, one for each component, which are ultimately the basis for the final calculation of the PCDI.

<b>ECONOMIC COMPONENT</b>
$EC = [0,454*FIS1 + 0,297*FIS3 + 0,250*FIS5] - [0,333*F2 + 0,333*F5 + 0,333*FIS6]$
<b>SOCIAL COMPONENT</b>
$SC = [0,098*EDU5 + 0,074*EDU11 + 0,054*PS1 + 0,087*PS5 + 0,078*PS8 + 0,004*IG5_6_7 + 0,043*IG11 + 0,049*IG14 + 0,101*S2 + 0,084*S3 + 0,119*S11 + 0,112*CIT6 + 0,097*CIT13] - [0,146*EDU2 + 0,180*EDU8 + 0,195*EDU9 + 0,175*EDU14 + 0,150*IG2 + 0,172*EM6]$
<b>GLOBAL COMPONENT</b>
$GC = [0,131*J4_5 + 0,214*J6 + 0,175*J8 + 0,150*J9 + 0,160*J13_14_15 + 0,099*PYS6 + 0,021*M4_5 + 0,051*C3] - [0,499*PYS1 + 0,501*PYS3]$
<b>ENVIRONMENTAL COMPONENT</b>
$EC = [0,279*P2 + 0,220*P4 + 0,282*P6 + 0,219*P9] - [0,156*DR9 + 0,305*B2 + 0,252*EN2 + 0,287*EN4]$
<b>PRODUCTION COMPONENT</b>
$PC = [0,397*IT3 + 0,380*IT4 + 0,223*IN1] - [0,350*T1 + 0,359*IN5 + 0,292*IN8]$

## WEIGHTING THE COMPONENTS

The PCD approach requires us to consider the effects of States' public policies from a cosmopolitan perspective, in other words, without assuming that national policies only impact citizens of that particular country. Instead we need to identify States' net contributions to global development to the extent that their political actions have repercussions on areas beyond their own sovereign territories. Also, we need to show that certain components are stronger indicators of the impact on other countries and therefore on the scope to develop policies fostering development. These considerations need to be to the PCDI by attaching a relative weight to each component in line with the criterion "common but differentiated responsibilities".

Because the environmental and economic components are considered to have greater impact on global development issues, they are assigned a weighting factor of 3.

The global component, largely overlapping with what is conventionally known as foreign policy, is also highly influential, although in this case, given that its variables consist mainly of legislation, it is assigned a weighting factor of 2.

Finally, a weighting factor of 1 is assigned to the social and production components, given that they have fewer repercussions than the previous components on other countries' scope of action.

Once weighted, the resulting figures for each component are normalized using the min-max method (0-100).

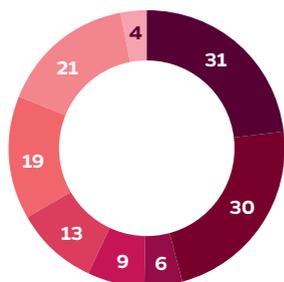
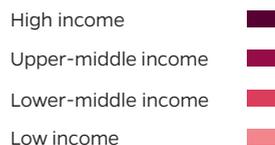
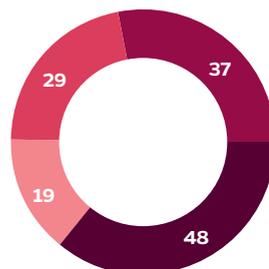
The PCDI is calculated as the arithmetic mean of the values of the five components: economic, environmental, social, global and production.

## THE FINAL SAMPLE

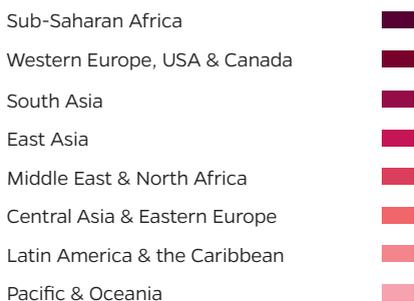
By offering data for 133 countries in its first version for 2016, the PCDI offers a classification on a global scale. The set of PCDI countries is a representative sample, both in terms of income level and geographical distribution.

In terms of the World Bank income groups, of the 133 countries, 48 are high income, 37 are upper-middle income, 29 are lower-middle income and 19 are low income. The more comprehensive representation of countries from the two highest income groups is due to greater availability of data for these countries. The PCDI is built using the reliable data available and lower income countries often have more difficulty providing sufficient data for many variables.

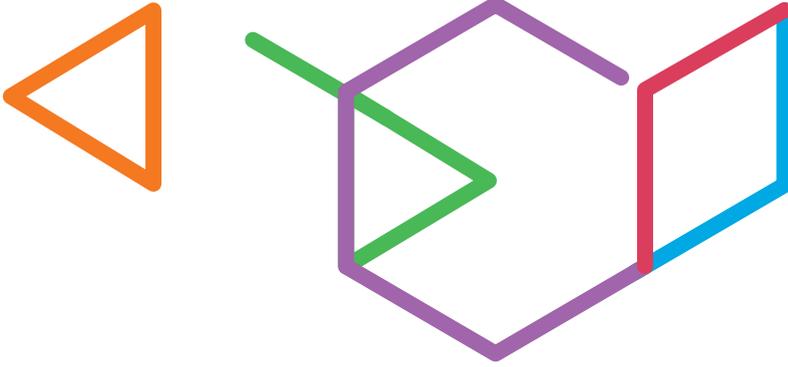
**FIGURE 80**  
Number of countries by income level



**FIGURE 81**  
Number of countries by region



The 133 countries have been organized into eight geographical-political regions. On this basis, the region with the largest number of countries is Sub-Saharan Africa with 31, followed by Western Europe, United States and Canada with 30. Latin America and the Caribbean show data for 21 countries, while Central Asia and Eastern Europe includes 19, followed by the Middle East and North Africa with 13 countries, East Asia with nine, South Asia with six and the Pacific and Oceania with four. The PCDI therefore encompasses the broadest possible political and geographical area. It should be noted that countries in a state of open armed conflict, such as Syria and Libya, have not been included, owing to the lack of up-to-date information.



## 4.3

### *Some basic data to understand the 2016 PCDI*

The PCDI enables us to establish a ranking with scores of between 0 and 100. First place goes to Denmark (89.60) and last place to Singapore (23.70).

The middle places on the PCDI go to the United States (64.72 in 65th place), Namibia (64.58 in 66th) and Austria (64.22 in 67th). Austria's score is therefore the median value, since 66 countries improve on this value and 66 countries obtain a lower score.

The mean score for all 133 countries is 61.84. A total of 73 countries are above this score and 60 are below it. The 133 countries are distributed across a 65.89 point range, with a mid-range of 56.65, a figure very close to Iran's score (55.87 in 91st place). The PCDI dispersion, in terms of standard deviation, is 12.95.

Mean	61,84
Variance	167,76
Standard deviation	12,95
Median	64,22
Range	65,89
Mid-range	56,65
Range (each quintile)	13,178

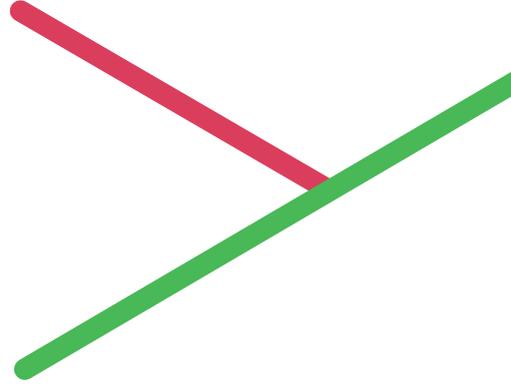
## First place in the PCDI goes to Denmark (89.60) and last place to Singapore (23.70)

Most countries (101 of the 133) fall between 50 and 81 points, standing from the 4th to the 104th places in the ranking. This would suggest that the distance between the policy coherence for development performances in the vast majority of countries is not insurmountable but indeed quite the contrary. By modifying certain index variables, countries could climb or drop back numerous places in the ranking in subsequent updates.

The dispersion in the scores obtained throughout the ranking shows a high degree of concentration in the previously mentioned ranges. Consequently, the 2016 PCDI shows that countries tend to be much closer to each other in policy coherence for development than might be expected other traditional development classifications.

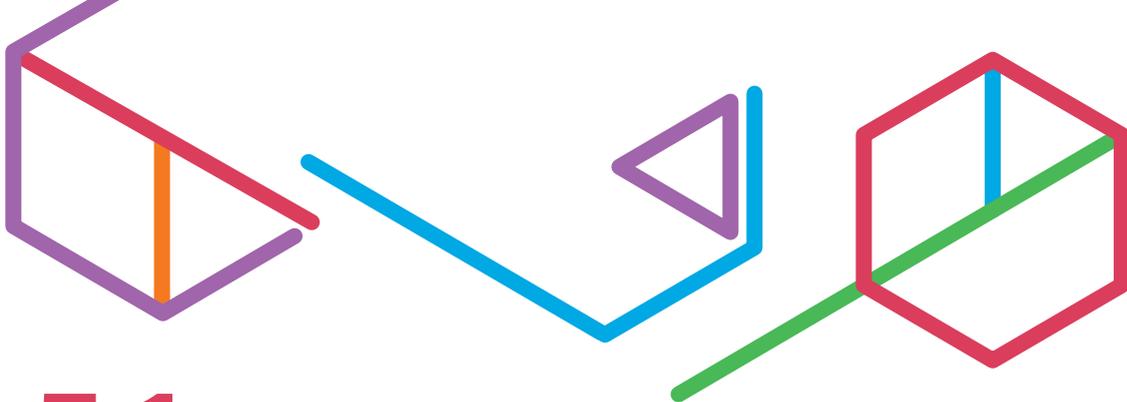
PCDI scores and components for the first five countries in alphabetical order

COUNTRIES	RANKING	PCDI	ECONOM	SOCIAL	GLOBAL	ENVIRON	PRODUC
Albania	38	71,46	47,54	69,41	83,87	99,41	57,07
Algeria	56	66,97	65,28	68,24	45,15	82,51	73,68
Angola	132	35,93	70,24	16,64	36,13	55,51	1,11
Germany	21	75,33	60,84	87,45	91,74	88,12	48,51
Saudi Arabia	98	53,27	67,50	70,36	14,51	54,43	59,55





The **data**



# 5.1

## Original sources of the PCDI variables

The following is a list of sources used to compile the data for the variables that make up the PCDI.

### ECONOMIC COMPONENT

- **Tax revenue (% GDP) (FIS1) (2014):** International Monetary Fund (IMF), World Economic Outlook Database, published April 2015. Available at: <http://www.imf.org/external/pubs/ft/weo/2014/01/weodata/download.aspx>
- **Variation rate of the Gini Index pre and post taxes and transfers (%) (FIS3) (2006-2013):** Solt, Frederick. Iowa University, Standardized World Income Inequality Database, extracted 2015. Available at: <https://dataverse.harvard.edu/dataset.xhtml?persistentId=hdl:1902.1/11992>
- **Public expenditure on environmental protection (% GDP) (FIS5) (2010-2013):** International Monetary Fund (IMF), see Table W10: Government Finance Statistics Yearbook (GFSY), expenditure by function and level of government (CFG), extracted in 2015. Available at: <http://data.imf.org/?sk=5804C5E1-0502-4672-BDCD-671BCDC565A9>
- **Financial secrecy index (FIS6) (2015):** Tax Justice Network, published in November 2015. Available at: <http://www.financialsecrecyindex.com/introduction/fsi-2015-results>
- **Bank assets (% GDP) (F2) (2008-2012):** Helgi Library of Helgi Analytics, extracted in 2015. Available at: <http://www.helgilibrary.com/indicators/index/bank-assets-as-of-gdp>
- **External service, total debt / Exports of goods and services (%) (F5) (2007-2013):** World Bank (BM) and Eurostat, extracted in 2015. Available at: <http://databank.worldbank.org/data/reports.aspx?source=2&country=&series=DT.TDS.DECT.CD&period=> and <http://ec.europa.eu/eurostat/data/database>.

## SOCIAL COMPONENT

- **Rate of out-of-school children of primary school age, both sexes (%) (EDU2) (2006-2014):** United Nations Educational, Scientific and Cultural Organization (UNESCO), extracted in 2015. Available at: [http://data.uis.unesco.org/Index.aspx?DataSetCode=EDULIT\\_DS](http://data.uis.unesco.org/Index.aspx?DataSetCode=EDULIT_DS)
- **Survival rate to the last grade of secondary education, both sexes (%) (EDU5) (2006-2013):** United Nations Educational, Scientific and Cultural Organization (UNESCO), extracted in 2015. Available at: [http://data.uis.unesco.org/Index.aspx?DataSetCode=EDULIT\\_DS](http://data.uis.unesco.org/Index.aspx?DataSetCode=EDULIT_DS)
- **Pupil-teacher ratio in pre-primary education (EDU8) (2006-2014):** United Nations Educational, Scientific and Cultural Organization (UNESCO), extracted in 2015. Available at: [http://data.uis.unesco.org/Index.aspx?DataSetCode=EDULIT\\_DS](http://data.uis.unesco.org/Index.aspx?DataSetCode=EDULIT_DS)
- **Pupil-teacher ratio in primary education (EDU9) (2007-2014):** United Nations Educational, Scientific and Cultural Organization (UNESCO), extracted in 2015. Available at: [http://data.uis.unesco.org/Index.aspx?DataSetCode=EDULIT\\_DS](http://data.uis.unesco.org/Index.aspx?DataSetCode=EDULIT_DS)
- **Net enrolment rate, primary, gender parity index (GPI) (EDU11) (2006-2014):** United Nations Educational, Scientific and Cultural Organization (UNESCO), extracted in 2015. Available at: [http://data.uis.unesco.org/Index.aspx?DataSetCode=EDULIT\\_DS](http://data.uis.unesco.org/Index.aspx?DataSetCode=EDULIT_DS)
- **Repetition rate in primary education (all grades) both sexes (%) (EDU14) (2006-2013):** United Nations Educational, Scientific and Cultural Organization (UNESCO), extracted in 2015. Available at: [http://data.uis.unesco.org/Index.aspx?DataSetCode=EDULIT\\_DS](http://data.uis.unesco.org/Index.aspx?DataSetCode=EDULIT_DS)
- **Healthy life expectancy (S2) (2013):** World Health Organisation (WHO), extracted in 2015. Available at: <http://apps.who.int/gho/data/node.main.688>
- **Total density per 100,000 population: hospitals (S3) (2013):** World Health Organisation (WHO), extracted in 2015. Available at: <http://apps.who.int/gho/data/view.main.30000>

- **Improved sanitation facilities (% of population with access) (S11) (2006-2015):** World Health Organisation (WHO)-UNICEF, Joint Monitoring Programme (JMP) for Water Supply and Sanitation (<http://www.wssinfo.org/>), extracted in 2015. Available at: <http://apps.who.int/gho/data/node.main.46>, published in World Bank database <http://datos.bancomundial.org/indicador/SH.STA.ACSN>
- **Unpaid family workers, female (% of female employment) (IG2) (2013):** International Labour Organization, central statistics database (ILOSTAT), published by the World Bank, extracted in 2015. Available at: <http://wdi.worldbank.org/table/1.5>
- **Existence of legislation against domestic violence, Existence of legislation against sexual harassment, Existence of legislation against marital rape (IG5\_6\_7) (2011):** UN Women, Report: Progress of the World's Women, in pursuit of justice 2011-2012, page 134, extracted in 2015. Available at: <http://www.unwomen.org/-/media/headquarters/attachments/sections/library/publications/2011/progressoftheworldswomen-2011-en.pdf>
- **What is the minimum length of compulsory maternity leave (in days)? (IG11) (2015):** UN Women, Report: Progress of the world's women 2015-2016, transforming economies, realizing rights, Annex 3, page 268, extracted in 2015. Available at: <http://progress.unwomen.org/en/2015/>
- **Position shown at the initiative of the UN in favor of the LGBT (IG14) (2015):** United Nations Organization (UNO), according to: 1) Human Rights Council Resolution on human rights, sexual orientation and gender identity” of 2 October 2014, A / HRC / RES / 27/32, ONU, extracted in 2015. Available at: <http://daccess-dds-ny.un.org/doc/UNDOC/GEN/G14/177/32/PDF/G1417732.pdf?OpenElement>. 2) UN General Assembly 70 and 71 plenary session of 18 December 2008, extracted in 2015, Available at: <http://www.un.org/press/en/2008/ga10801.doc.htm>. 3) Resolution 17/19 on human rights, sexual orientation and gender identity of 14 July 2011, UNO, in 2015 and available at: <http://daccess-dds-ny.un.org/doc/UNDOC/GEN/G11/148/76/PDF/G1114876.pdf?OpenElement> 4) Joint statement on ending acts of violence and related human rights violations based on sexual orientation and gender identity of 17 November 2011, UNO, A / HRC / 19/41, extracted in 2015. Available at: [http://www2.ohchr.org/english/bodies/hrcouncil/docs/19session/A.HRC.19.41\\_English.pdf](http://www2.ohchr.org/english/bodies/hrcouncil/docs/19session/A.HRC.19.41_English.pdf)
- **Difference between vulnerable employment between men and women (%) (EM6) (2006-2013):** International Labour Organization, key indicators from the labour market database (ILOSTAT), data for men and women obtained from the World Bank, extracted in 2015. Available at: <http://wdi.worldbank.org/table/2.4>

- **Public social protection expenditure (% GDP) (PS1) (2006-2013):** International Labour Organization, social security database (ILOSTAT), extracted in 2015, Available at: [http://www.ilo.org/ilostat/faces/help\\_home/data\\_by\\_subject/subject-details/indicator-details-by-subject?subject=SOC&indicator=SOC\\_PSPE\\_EXP\\_RT&datasetCode=AH&collectionCode=SSI&\\_afLoop=2061654826108080#%40%3Findicator%3DSOC\\_PSPE\\_EXP\\_RT%26subject%3DSOC%26\\_afLoop%3D2061654826108080%26datasetCode%3DAH%26collectionCode%3DSSI%26\\_adf.ctrl-state%3D3d3cpt60r\\_370](http://www.ilo.org/ilostat/faces/help_home/data_by_subject/subject-details/indicator-details-by-subject?subject=SOC&indicator=SOC_PSPE_EXP_RT&datasetCode=AH&collectionCode=SSI&_afLoop=2061654826108080#%40%3Findicator%3DSOC_PSPE_EXP_RT%26subject%3DSOC%26_afLoop%3D2061654826108080%26datasetCode%3DAH%26collectionCode%3DSSI%26_adf.ctrl-state%3D3d3cpt60r_370)
- **Share of population above statutory pensionable age receiving an old age pension (PS5) (2006-2013):** International Labour Organization, social security database (ILOSTAT), extracted in 2015. Available at: [http://www.ilo.org/ilostat/faces/help\\_home/data\\_by\\_subject/subject-details/indicator-details-by-subject?subject=SOC&indicator=SOC\\_PPEN\\_SEX\\_TYP\\_RT&datasetCode=AH&collectionCode=SSI&\\_afLoop=145054904780975#%40%3Findicator%3DSOC\\_PPEN\\_SEX\\_TYP\\_RT%26subject%3DSOC%26\\_afLoop%3D145054904780975%26datasetCode%3DAH%26collectionCode%3DSSI%26\\_adf.ctrl-state%3Dpzq55gloz\\_326](http://www.ilo.org/ilostat/faces/help_home/data_by_subject/subject-details/indicator-details-by-subject?subject=SOC&indicator=SOC_PPEN_SEX_TYP_RT&datasetCode=AH&collectionCode=SSI&_afLoop=145054904780975#%40%3Findicator%3DSOC_PPEN_SEX_TYP_RT%26subject%3DSOC%26_afLoop%3D145054904780975%26datasetCode%3DAH%26collectionCode%3DSSI%26_adf.ctrl-state%3Dpzq55gloz_326)
- **Benefits incidence in poorest quintile (%) (PS8) (2006-2014):** Atlas of Social Protection - Indicators of Resilience and Equity (ASPIRE), data obtained from the World Bank, extracted in 2015. Available at: [http://data.worldbank.org/indicator/per\\_sa\\_allsa.ben\\_q1\\_tot\\_y](http://data.worldbank.org/indicator/per_sa_allsa.ben_q1_tot_y) [http://datatopics.worldbank.org/aspire/indicator\\_glance](http://datatopics.worldbank.org/aspire/indicator_glance)
- **Enrollment ratio of female with respect to male in tertiary education (%) (CIT6) (2006-2014):** United Nations Educational, Scientific and Cultural Organization (UNESCO) Institute for Statistics, extracted in 2015. Available at: <http://data.uis.unesco.org/?queryid=142>
- **Percentage of graduates from tertiary education who are female (%) (CIT13) (2006-2014):** United Nations Educational, Scientific and Cultural Organization (UNESCO) Institute for Statistics, extracted in 2015. Available at: <http://data.uis.unesco.org/index.aspx?queryid=163>

## GLOBAL COMPONENT

- **Legality of homosexuality. Legality of egalitarian marriage (J4\_J5) (2015):** International Lesbian and Gay Association - ILGA, extracted in 2015. Available at: [http://old.ilga.org/Statehomophobia/ILGA\\_WorldMap\\_2015\\_ENG.pdf](http://old.ilga.org/Statehomophobia/ILGA_WorldMap_2015_ENG.pdf), [http://old.ilga.org/files\\_target.asp?FileCategoryID=3](http://old.ilga.org/files_target.asp?FileCategoryID=3) and [http://old.ilga.org/Statehomophobia/ILGA\\_mapa\\_2013\\_A4.pdf](http://old.ilga.org/Statehomophobia/ILGA_mapa_2013_A4.pdf)
- **Participation in the ratification of international treaties of the UN about human rights (%) (J6) (2013):** United Nations Organization (UNO), extracted in 2015. Available at: <http://www.ohchr.org/Documents/HRBodies/HRChart.xls> and <https://treaties.un.org/Pages/Treaties.aspx?id=4&subid=A&lang=en>
- **Universal jurisdiction (J8) (2012):** Amnesty International (AI), extracted in 2015. Available at: <https://www.amnesty.org/download/Documents/24000/ior530192012en.pdf>
- **Ratification of UN treaties on international justice (J9) (2015):** United Nations Organization (UNO), extracted in 2015, Available at: <https://treaties.un.org/Pages/showDetails.aspx?objid=0800000280025774>
- **Does a women's testimony carry the same evidentiary weight as a man's? Can a married woman pass citizenship on to her foreign spouse in the same way as a man? Are women legally obligated to obey their husbands? (J13\_J14\_J15) (2012):** World Bank, extracted in 2015. Available at: <http://wbl.worldbank.org/data/exploretopics/going-to-court#equality-of-access>

- **Military expenditure (% GDP) (PYS1) (2006-2013):** Stockholm International Peace Research Institute (SIPRI), Yearbook: Armaments, Disarmament and International Security, published by the World Bank, extracted in 2015. Available at: <http://data.worldbank.org/indicator/MS.MIL.XPND.GD.ZS>
- **Armed forces personnel, total (per 100,000 population) (PYS3) (2012):** International Institute for Strategic Studies (IISS), Yearbook: The Military Balance, published by the World Bank, extracted in 2015. Available at: <http://datos.bancomundial.org/indicador/MS.MIL.TOTL.P1> and <http://wdi.worldbank.org/table/5.7> and data on population <http://data.worldbank.org/indicator/SP.POP.TOTL>
- **International treaties about weapons (PYS6) (2015):** United Nations Organization (UNO), extracted in 2015. Available at: <https://treaties.un.org/Pages/Treaties.aspx?id=26&subid=A&lang=en> and <http://disarmament.un.org/treaties/>
- **Convention relating to the status of refugees, International convention on the protection of the rights of all migrant workers and members of their families (M4\_M5) (2015):** United Nations Organization (UNO), extracted in 2015. Available at: <https://treaties.un.org/doc/Publication/MTDSG/Volume%20I/Chapter%20IV/IV-13.en.pdf> and <https://treaties.un.org/Pages/showDetails.aspx?objid=080000028003002e>
- **Existence of a specific structure for cooperation and appreciation of its political rank (C3) (2015):** indicator built by our researchers based on information provided by Ministries of Foreign Affairs, directorates general, related departments, committees and agencies specializing in international cooperation on 69 countries, extracted in 2015.

## ENVIRONMENTAL COMPONENT

- **Artisanal fishing opportunities (P2) (2014):** Ocean Health Index, extracted in 2015. Available at: <http://www.oceanhealthindex.org/region-scores/annual-scores-and-rankings> and <http://www.oceanhealthindex.org/methodology/goals/artisanal-fishing-opportunities>
- **Clean waters (P4) (2014):** Ocean Health Index, extracted in 2015. Available at: <http://www.oceanhealthindex.org/region-scores/annual-scores-and-rankings> and <http://www.oceanhealthindex.org/methodology/goals/clean-waters>
- **Marine biodiversity (P6) (2014):** Ocean Health Index, extracted in 2015. Available at: <http://www.oceanhealthindex.org/region-scores/annual-scores-and-rankings> and <http://www.oceanhealthindex.org/methodology/goals/biodiversity>
- **Participation in treaties, conventions and agreements on fishing (%) (P9) (2015):** International Maritime Organization - IMO, extracted in 2015. Available at: <http://www.imo.org/en/About/Conventions/StatusOfConventions/Pages/Default.aspx>
- **Use of fertilizers (DR9) (2010):** Food and Agriculture Organization of the United Nations, Statistics Division (FAOSTAT), extracted in 2015. Available at: <http://faostat3.fao.org/download/E/EF/E>
- **Ecological footprint of production (global hectare per person) (B2) (2007):** Global Footprint Network, published in 2010, extracted in 2015. Available at: [http://www.footprintnetwork.org/es/index.php/GFN/page/footprint\\_data\\_and\\_results/](http://www.footprintnetwork.org/es/index.php/GFN/page/footprint_data_and_results/)
- **Ecological footprint of imports (global hectare per person) (EN2) (2007):** Global Footprint Network, published in 2010, extracted in 2015. Available at: [http://www.footprintnetwork.org/es/index.php/GFN/page/footprint\\_data\\_and\\_results/](http://www.footprintnetwork.org/es/index.php/GFN/page/footprint_data_and_results/)
- **Metric tons of carbon dioxide per person (EN4):** U.S. Energy Information Administration - EIA), extracted in 2015. Available at: <http://www.eia.gov/cfapps/ipdbproject/iedindex3.cfm?tid=45&aid=8&cid=regions&syid=2008&eyid=2012&unit=MMTCD>

## PRODUCTION COMPONENT

- **International tourist arrivals (% of the population in the host country) (T1) (2013):** World Tourism Organization, Yearbook of Tourism Statistics, Compendium of Tourism Statistics and date files, published by the World Bank, extracted in 2015. Available at: <http://data.worldbank.org/indicator/ST.INT.ARVL> and data on population <http://data.worldbank.org/indicator/SP.POP.TOTL>
- **Improved water supply, rural sector (% population with access) (IT3) (2006-2012):** World Health Organization, WHO-UNICEF / Joint Monitoring Programme (JMP) for Water Supply and Sanitation, published by the World Bank, extracted in 2015. Available at: <http://data.worldbank.org/indicator/SH.H2O.SAFE.RU.ZS/countries>
- **Access to electricity (% of the population) (IT4) (2010):** International Energy Agency (IEA), IEA OECD / IEA statistics (<http://www.iea.org/stats/index.asp>) (World Energy Outlook), published by the World Bank, extracted in 2015. Available at: <http://datos.bancomundial.org/indicador/EG.ELC.ACCS.ZS>
- **Research and development expenditure (% of GDP) (IN1) (2007-2012):** Institute for Statistics of the United Nations Educational, Scientific and Cultural Organization (UNESCO), published by the World Bank, extracted in 2015. Available at: <http://datos.bancomundial.org/indicador/GB.XPD.RSDV.GD.ZS>
- **Annual freshwater withdrawals, industry (% of total freshwater withdrawal) (IN5) (2006-2013):** Food and Agriculture Organization, AQUASTAT data, published by the World Bank, extracted in 2015. Available at: <http://data.worldbank.org/indicator/ER.H2O.FWIN.ZS>
- **Difference between male and female employment in the industrial sector (%)(IN8) (2009-2012):** International Labour Organization, key indicators of the labour market database for the industry sector of the ILOSTAT central statistics database, published by the World Bank, extracted in 2015. Available at: <http://wdi.worldbank.org/table/2.3>

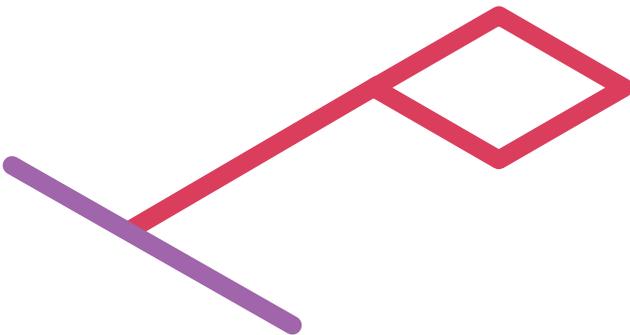
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