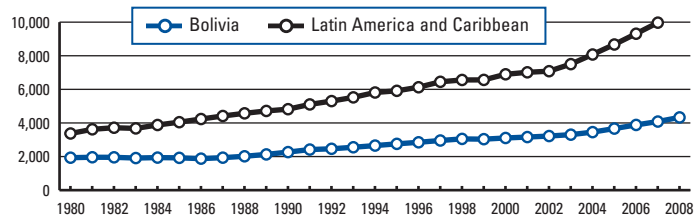


# Bolivia

## Key indicators

|  |         |
|--|---------|
| Population (millions), 2008.....                 | 9.7     |
| GDP (US\$ billions), 2008.....                   | 17.4    |
| GDP per capita (US\$), 2008.....                 | 1,736.5 |
| GDP (PPP) as share (%) of world total, 2008..... | 0.06    |

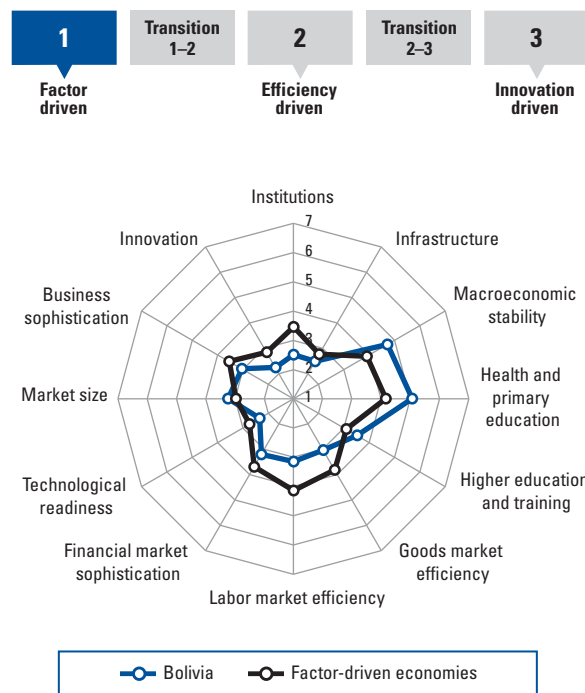
GDP (PPP int'l \$) per capita, 1980–2008



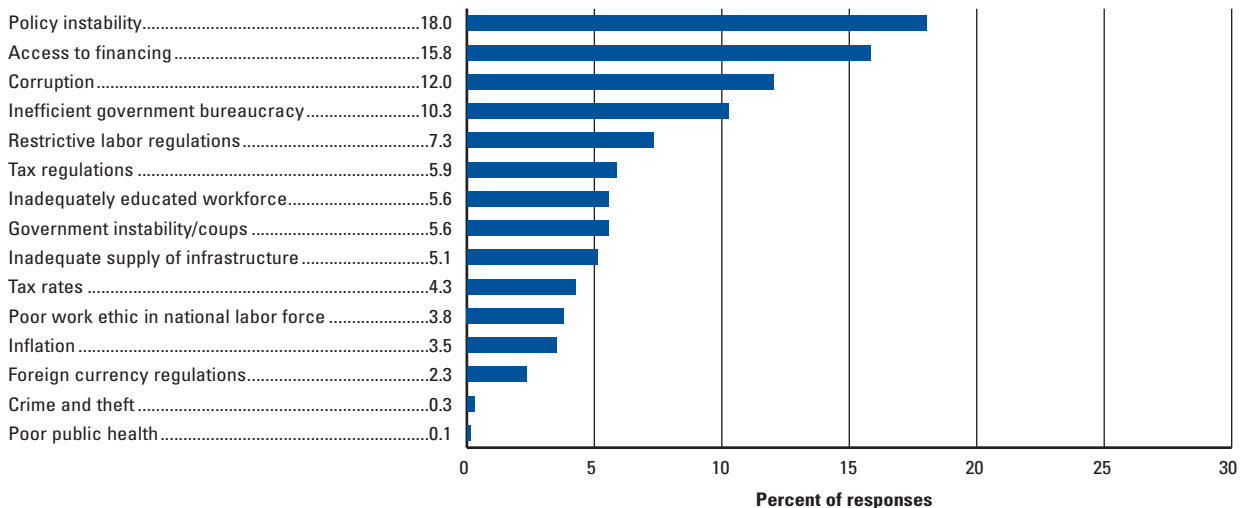
## Global Competitiveness Index

|  | Rank<br>(out of 133) | Score<br>(1–7) |
|--|----------------------|----------------|
| <b>GCI 2009–2010</b> .....                         | <b>120</b>           | <b>3.4</b>     |
| GCI 2008–2009 (out of 134).....                    | 118                  | 3.4            |
| GCI 2007–2008 (out of 131).....                    | 105                  | 3.6            |
| <b>Basic requirements</b> .....                    | <b>106</b>           | <b>3.7</b>     |
| 1st pillar: Institutions.....                      | 132                  | 2.5            |
| 2nd pillar: Infrastructure.....                    | 122                  | 2.5            |
| 3rd pillar: Macroeconomic stability.....           | 60                   | 4.7            |
| 4th pillar: Health and primary education.....      | 94                   | 5.1            |
| <b>Efficiency enhancers</b> .....                  | <b>128</b>           | <b>3.1</b>     |
| 5th pillar: Higher education and training.....     | 93                   | 3.5            |
| 6th pillar: Goods market efficiency.....           | 131                  | 3.0            |
| 7th pillar: Labor market efficiency.....           | 131                  | 3.2            |
| 8th pillar: Financial market sophistication.....   | 121                  | 3.2            |
| 9th pillar: Technological readiness.....           | 128                  | 2.3            |
| 10th pillar: Market size.....                      | 87                   | 3.2            |
| <b>Innovation and sophistication factors</b> ..... | <b>133</b>           | <b>2.6</b>     |
| 11th pillar: Business sophistication.....          | 131                  | 3.0            |
| 12th pillar: Innovation.....                       | 132                  | 2.2            |

## Stage of development



## The most problematic factors for doing business



Note: From a list of 15 factors, respondents were asked to select the five most problematic for doing business in their country/economy and to rank them between 1 (most problematic) and 5. The bars in the figure show the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

■ Competitive Advantage
■ Competitive Disadvantage

| INDICATOR   | RANK/133  | INDICATOR  | RANK/133  |
|---|-----------|--|-----------|
| <b>1st pillar: Institutions</b>                                 |           | <b>6th pillar: Goods market efficiency</b>                 |           |
| 1.01 Property rights .....                                      | 131 ..... | 6.01 Intensity of local competition .....                  | 126 ..... |
| 1.02 Intellectual property protection .....                     | 133 ..... | 6.02 Extent of market dominance .....                      | 110 ..... |
| 1.03 Diversion of public funds .....                            | 130 ..... | 6.03 Effectiveness of anti-monopoly policy .....           | 129 ..... |
| 1.04 Public trust of politicians .....                          | 126 ..... | 6.04 Extent and effect of taxation .....                   | 125 ..... |
| 1.05 Judicial independence .....                                | 128 ..... | 6.05 Total tax rate* .....                                 | 122 ..... |
| 1.06 Favoritism in decisions of government officials .....      | 131 ..... | 6.06 No. of procedures required to start a business* ..... | 120 ..... |
| 1.07 Wastefulness of government spending .....                  | 123 ..... | 6.07 Time required to start a business* .....              | 111 ..... |
| 1.08 Burden of government regulation .....                      | 101 ..... | 6.08 Agricultural policy costs .....                       | 113 ..... |
| 1.09 Efficiency of legal framework in settling disputes .....   | 131 ..... | 6.09 Prevalence of trade barriers .....                    | 132 ..... |
| 1.10 Efficiency of legal framework in challenging regs .....    | 129 ..... | 6.10 Tariff barriers* .....                                | 89 .....  |
| 1.11 Transparency of government policymaking .....              | 131 ..... | 6.11 Prevalence of foreign ownership .....                 | 130 ..... |
| 1.12 Business costs of terrorism .....                          | 116 ..... | 6.12 Business impact of rules on FDI .....                 | 133 ..... |
| 1.13 Business costs of crime and violence .....                 | 109 ..... | 6.13 Burden of customs procedures .....                    | 125 ..... |
| 1.14 Organized crime .....                                      | 117 ..... | 6.14 Degree of customer orientation .....                  | 133 ..... |
| 1.15 Reliability of police services .....                       | 132 ..... | 6.15 Buyer sophistication .....                            | 121 ..... |
| 1.16 Ethical behavior of firms .....                            | 132 ..... |  |           |
| 1.17 Strength of auditing and reporting standards .....         | 129 ..... | <b>7th pillar: Labor market efficiency</b>                 |           |
| 1.18 Efficacy of corporate boards .....                         | 127 ..... | 7.01 Cooperation in labor-employer relations .....         | 127 ..... |
| 1.19 Protection of minority shareholders' interests .....       | 131 ..... | 7.02 Flexibility of wage determination .....               | 103 ..... |
| <b>2nd pillar: Infrastructure</b>                               |           | 7.03 Rigidity of employment* .....                         | 128 ..... |
| 2.01 Quality of overall infrastructure .....                    | 124 ..... | 7.04 Hiring and firing practices .....                     | 127 ..... |
| 2.02 Quality of roads .....                                     | 123 ..... | 7.05 Firing costs* .....                                   | 128 ..... |
| 2.03 Quality of railroad infrastructure .....                   | 93 .....  | 7.06 Pay and productivity .....                            | 119 ..... |
| 2.04 Quality of port infrastructure .....                       | 115 ..... | 7.07 Reliance on professional management .....             | 129 ..... |
| 2.05 Quality of air transport infrastructure .....              | 112 ..... | 7.08 Brain drain .....                                     | 124 ..... |
| 2.06 Available seat kilometers* .....                           | 86 .....  | 7.09 Female participation in labor force* .....            | 58 .....  |
| 2.07 Quality of electricity supply .....                        | 90 .....  |  |           |
| 2.08 Telephone lines* .....                                     | 96 .....  | <b>8th pillar: Financial market sophistication</b>         |           |
| <b>3rd pillar: Macroeconomic stability</b>                      |           | 8.01 Financial market sophistication .....                 | 112 ..... |
| 3.01 Government surplus/deficit* .....                          | 24 .....  | 8.02 Financing through local equity market .....           | 116 ..... |
| 3.02 National savings rate* .....                               | 27 .....  | 8.03 Ease of access to loans .....                         | 122 ..... |
| 3.03 Inflation* .....   | 111 ..... | 8.04 Venture capital availability .....                    | 89 .....  |
| 3.04 Interest rate spread* .....                                | 101 ..... | 8.05 Restriction on capital flows .....                    | 92 .....  |
| 3.05 Government debt* .....                                     | 73 .....  | 8.06 Strength of investor protection* .....                | 100 ..... |
| <b>4th pillar: Health and primary education</b>                 |           | 8.07 Soundness of banks .....                              | 75 .....  |
| 4.01 Business impact of malaria .....                           | 103 ..... | 8.08 Regulation of securities exchanges .....              | 104 ..... |
| 4.02 Malaria incidence* .....                                   | 100 ..... | 8.09 Legal rights index* .....                             | 127 ..... |
| 4.03 Business impact of tuberculosis .....                      | 102 ..... | <b>9th pillar: Technological readiness</b>                 |           |
| 4.04 Tuberculosis incidence* .....                              | 98 .....  | 9.01 Availability of latest technologies .....             | 129 ..... |
| 4.05 Business impact of HIV/AIDS .....                          | 95 .....  | 9.02 Firm-level technology absorption .....                | 132 ..... |
| 4.06 HIV prevalence* .....                                      | 54 .....  | 9.03 Laws relating to ICT .....                            | 133 ..... |
| 4.07 Infant mortality* .....                                    | 103 ..... | 9.04 FDI and technology transfer .....                     | 131 ..... |
| 4.08 Life expectancy* .....                                     | 97 .....  | 9.05 Mobile telephone subscriptions* .....                 | 102 ..... |
| 4.09 Quality of primary education .....                         | 121 ..... | 9.06 Internet users* .....                                 | 90 .....  |
| 4.10 Primary enrollment* .....                                  | 69 .....  | 9.07 Personal computers* .....                             | 99 .....  |
| 4.11 Education expenditure* .....                               | 16 .....  | 9.08 Broadband Internet subscribers* .....                 | 93 .....  |
| <b>5th pillar: Higher education and training</b>                |           | <b>10th pillar: Market size</b>                            |           |
| 5.01 Secondary enrollment* .....                                | 85 .....  | 10.01 Domestic market size index* .....                    | 87 .....  |
| 5.02 Tertiary enrollment* .....                                 | 53 .....  | 10.02 Foreign market size index* .....                     | 81 .....  |
| 5.03 Quality of the educational system .....                    | 126 ..... | <b>11th pillar: Business sophistication</b>                |           |
| 5.04 Quality of math and science education .....                | 112 ..... | 11.01 Local supplier quantity .....                        | 131 ..... |
| 5.05 Quality of management schools .....                        | 112 ..... | 11.02 Local supplier quality .....                         | 130 ..... |
| 5.06 Internet access in schools .....                           | 114 ..... | 11.03 State of cluster development .....                   | 129 ..... |
| 5.07 Local availability of research and training services ..... | 112 ..... | 11.04 Nature of competitive advantage .....                | 131 ..... |
| 5.08 Extent of staff training .....                             | 117 ..... | 11.05 Value chain breadth .....                            | 108 ..... |
|   |           | 11.06 Control of international distribution .....          | 108 ..... |
|   |           | 11.07 Production process sophistication .....              | 117 ..... |
|   |           | 11.08 Extent of marketing .....                            | 110 ..... |
|   |           | 11.09 Willingness to delegate authority .....              | 104 ..... |
|   |           | <b>12th pillar: Innovation</b>                             |           |
|   |           | 12.01 Capacity for innovation .....                        | 117 ..... |
|   |           | 12.02 Quality of scientific research institutions .....    | 130 ..... |
|   |           | 12.03 Company spending on R&D .....                        | 132 ..... |
|   |           | 12.04 University-industry collaboration in R&D .....       | 121 ..... |
|   |           | 12.05 Gov't procurement of advanced tech products .....    | 133 ..... |
|   |           | 12.06 Availability of scientists and engineers .....       | 127 ..... |
|   |           | 12.07 Utility patents* .....                               | 82 .....  |

\* Hard data

Note: For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" at the beginning of this chapter.