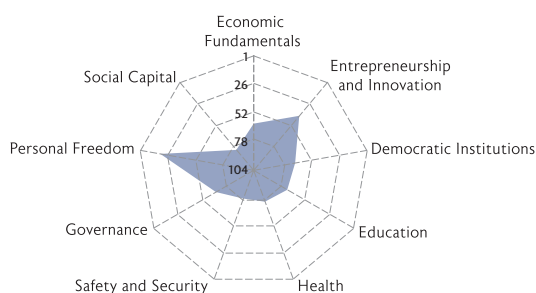




Fast Facts

Population	98 mn (2009 est.)	GDP (per capita)	\$3,300 (2008 est.)	Average Life Satisfaction	4.6/10 (2008)
Life Expectancy	59 years (2003 est.)	GDP (PPP)	\$317.5 bn (2008 est.)	Freedom House Rating	Partly Free (2009)
Unemployment	6% (2007 est.)	GDP (growth)	4% (2008 est.)	Political System	Republic
Inflation	3% (2007 est.)				

Sub-Index Rankings



The numbers on the graph indicate rankings

Index Comparisons (Rank/No. of countries)

Legatum Prosperity Index	55/104
Average Life Satisfaction Ranking	91/104
Per Capita GDP Ranking	81/104
WEF Global Competitiveness Index	87/133
UN Human Development Index	102/179
Heritage/WSJ Economic Freedom Index	104/178
TI Corruption Perceptions Index	141/180
Vision of Humanity Global Peace Index	114/144

Economic Fundamentals

RANKED 63RD

Low domestic savings, coupled with weak foreign direct investment, weaken investment in productive capital

Unemployment in the Philippines is below the international average at 6%, but workers have access to a relatively small amount of physical capital, hampering productivity levels. At 25% and 16%, respectively, household expenditure and domestic savings rates are weak, placing the Philippines in the bottom quartile with respect to both variables, but the inflation rate, at 3%, is reasonably low. Export revenues compared to the price of imports are very low, ranking the Philippines 79th on this variable and hinting at weak terms of trade. Foreign direct investment, equalling only 2% of GDP, is less positive, implying that the Philippines is not an attractive prospect for foreign investors. A raw material concentration level less than 1% indicates that the Philippines does not rely on raw material exports as a revenue source. Interest margins of four percentage points and a default rate of 5.8% imply that the Filipino credit sector is only moderately efficient, ranking the country 55th and 63rd, respectively.

Entrepreneurship and Innovation

RANKED 41ST

Despite low R&D expenditure, the Philippines has the largest proportion of ICT and high-tech exports in the world

Despite high barriers to entry, signified by the 11 formal procedures required to start up a business, approximately 19,000 new businesses were registered in 2007, ranking the Philippines 37th on this variable. Value added in the service industry stands at 54% of GDP, just below the international average, as does the level of royalty receipts. Internet connectivity and security are moderate as measured by internet bandwidth and number of secure servers. However, with only 73 personal computers per 1,000 people, the benefits of internet connectivity are highly reduced. Despite a low R&D expenditure equivalent to only 0.2% of its GDP, the Philippines performs astonishingly well in producing technologically advanced goods: the proportions of ICT and high-tech exports as a share of total goods exported are the highest worldwide, at 56% and 68%, respectively.

Democratic Institutions

RANKED 67TH

The Philippines has a democratic system that affords its citizens limited political rights and civil liberties

Political rights and civil liberties such as freedom of expression and association are moderate, ranking the country 57th and 51st, respectively. The Philippines is almost fully democratic: the political system is characterised by a high level of competition, with multiple parties competing in free and fair democratic elections at both executive and legislative levels. There are some constraints to the executive power, meaning leaders cannot make arbitrary decisions. However, the judiciary is not independent from the other branches of government, which could lead to interference in legal proceedings. The current political system has been in place since the 1980s, ranking the Philippines 45th on political stability.

Education

RANKED 70TH

Below average enrolment figures hinder the development of human capital in the Filipino workforce

By international standards, primary enrolment figures are rather low, at only 91%, and fall even more at secondary and tertiary levels, to 83% and 28%, respectively. Educational expenditure stands at approximately \$300 per student in primary and secondary education, a very low figure, ranking the country 77th overall. Primary level classes have near gender-equal enrolment, with 102 girls for every 100 boys, but the student to teacher ratio, at one

to 35 is larger than the global average. The low level of secondary education in the workforce ranks the country at 72nd, but a higher than average level of tertiary education places the Philippines at 43rd.

Health

RANKED 75TH

A weak health infrastructure hinders citizens from overcoming widespread health challenges

Access to medical professionals and hospital beds is severely limited in the Philippines, ranking the country below the international averages at 64th and 73rd, respectively. Health-adjusted life expectancy is low at 59 years, ranking the country 72nd. Citizens face other widespread health challenges that place the country below the global average: 18% of people are undernourished, infant mortality is high at 25 deaths per 1,000 live births, and only 78% of the population has access to improved sanitation facilities. Despite this a high 81% are satisfied with their quality of water.* Further, roughly four in five Filipinos are satisfied with their health, just over a quarter report debilitating health problems and protracted pain, and 75% report feeling well rested, the latter variable placing the Philippines amongst the top 25 countries.*

Safety and Security

RANKED 78TH

Both personal and domestic security cause large problems in the Philippines

The Philippines has enormous security challenges related to internally displaced people, refugees, instances of violence involving social groups with a history of discrimination, and human flight, ranking the country in the bottom quartile on these variables. Casualties resulting from civil war in 2008 were among the five highest rates, internationally. Personal security is also a problem for Filipinos: homicide rates are high, with roughly 17 recorded homicides per 100,000 people, approximately one-fifth of respondents reported having property stolen in 2008, and 7% claimed being mugged or assaulted in the same year.* Despite this, 73% of people feel safe walking alone after dark, ranking the Philippines 29th on this variable.*

Governance

RANKED 66TH

Widespread perception of corruption in local government is a reflection of ineffective governance in the Philippines

The application of the rule of law is weak in the Philippines, implying that the law is often enforced unequally and unevenly. Further, the low quality of economic and financial regulation indicates a regulatory environment that does not always encourage open and competitive markets, and the institutional framework is also somewhat ineffective when it comes to carrying out objectives. The Philippines ranks below the global average on both variables. Political participation is deemed free and fair, but, in reality, citizens' rights to self-determine are limited to some extent. While 61% approve of the judicial system, only 36% of the population has confidence in electoral honesty, ranking the country 73rd, internationally.* Approximately 85% of the population perceive local businesses and government to be corrupt, ranking the country 61st on both variables.* The percentage of respondents who have confidence in the nation's military is around the international average at 72%.*

Personal Freedom

RANKED 20TH

Filipinos are generally intolerant of immigrants and minorities

Filipinos enjoy excellent freedom of movement, religion, and speech, and 85% of respondents express satisfaction with the freedoms afforded to them in their daily lives.* Whereas 57% of Filipinos believe their country to be a good place for immigrants, only 49% believe this to be true for ethnic minorities, ranking the country at 75th and 89th, respectively, on these variables.*

Social Capital

RANKED 81ST

Only one out of 10 Filipinos claim to trust others but there are high rates of volunteering and helping strangers

General levels of trust are low in the Philippines, with roughly one in 10 claiming to trust others.* Despite this, almost two-thirds claim to have helped strangers over the past month, the fourth highest rate, worldwide.* Also, one-third of all Filipinos volunteer their time to charities and other organisations, placing the Philippines 13th on this variable.* While most Filipinos rate friends as very important, only 80% believe that they can count on their friends and family in times of need.* On the self-declared religiosity scale, the Philippines ranks in the top 15 countries, indicating access to support networks among the religious community.* However, citizens are not highly integrated into their communities through other group membership, with less than 15% being members of a sports, environmental, or arts organisation.*

Regional Ranking: Asia-Pacific

Rank	Country
6	Australia
10	New Zealand
16	Japan
18	Hong Kong
23	Singapore
24	Taiwan
26	South Korea
39	Malaysia
44	Thailand
45	India
50	Mongolia
55	Philippines
58	Sri Lanka
61=	Indonesia
75	China
76	Kazakhstan
77	Vietnam
87	Bangladesh
90	Nepal
92	Uzbekistan
93	Cambodia
99	Pakistan

*Data taken from the Gallup World Poll