



**FOR IMMEDIATE RELEASE**

**UNITED ARAB EMIRATES CONTINUES AS MOST PROSPEROUS ARAB NATION, AHEAD OF KUWAIT, FINDS LEGATUM PROSPERITY INDEX**

***Lack of freedoms strongly limit prosperity in other Arab states; Egypt, Iran and Yemen amongst the worst***

**LONDON, October 26, 2009** – The third edition of the Legatum Prosperity Index, published today, ranks 104 countries (covering 90% of the world's population), based on a definition of prosperity that combines economic growth together with measures of happiness and quality of life. At 47<sup>th</sup>, the UAE is the only Arab nation ranked in the top 50 for the second year running, thanks to strong scores in security and safety, and health. In contrast, several other Middle East and North African nations are clustered in the bottom quarter, such as Saudi Arabia (81<sup>st</sup>), Egypt, (88<sup>th</sup>), Iran (94<sup>th</sup>), Algeria (96<sup>th</sup>), and Yemen (102<sup>nd</sup>).

*“The Legatum Prosperity Index is the world’s only global assessment of wealth and wellbeing,”* said Dr. William Inboden, Senior Vice President of the Legatum Institute. *“While several countries in the region are taking positive steps towards reform, the Prosperity Index demonstrates that the region still faces considerable challenges in developing its economic potential as well as improving the quality of life of its citizens,”* he continued. *“There are some bright spots, such as relatively high ranks on Safety and Security for the UAE (18<sup>th</sup>) and Kuwait (24<sup>th</sup>). But to catch up to the rest of the world, most countries across the region should focus upon access to freedoms, economic factors, good governance, and the general well-being of their citizens,”* concluded Dr. Inboden.

**Key Findings from the 2009 Legatum Prosperity Index:**

- Finland tops the Index, followed by Switzerland, Sweden, and Denmark; the United States is 9<sup>th</sup> and the United Kingdom is 12<sup>th</sup>.
- The UAE scores in the top global tier on Health (29<sup>th</sup>) and Safety and Security (18<sup>th</sup>), but in the lowest tier on Democratic Institutions (98<sup>th</sup>) and Social Capital (77<sup>th</sup>).
- Iran performs poorly across the board, and is near the global bottom in Governance (102<sup>nd</sup>) and Personal Freedom (101<sup>st</sup>).
- Egypt also lags far behind global averages, ranking near the bottom in Personal Freedom (95<sup>th</sup>) and Social Capital (100<sup>th</sup>).
- Jordan (80<sup>th</sup> overall) and Tunisia (68<sup>th</sup> overall) are in the middle tiers in Education, Health, Safety and Security, and Governance, indicating areas with potential for continued improvement.
- Despite its massive petroleum wealth, Saudi Arabia's overall rank (81<sup>st</sup>) suffers from very poor performances in Entrepreneurship and Innovation (81<sup>st</sup>), Democratic Institutions (101<sup>st</sup>), and Personal Freedom (98<sup>th</sup>).
- Yemen at 102<sup>nd</sup> overall continues to face major challenges, ranking in the bottom global tier in every category.

The Prosperity Index identifies nine key factors that drive economic growth and personal wellbeing, which are the foundations of prosperity. Each of these nine factors is represented in a sub-index and a country's final Prosperity Index ranking is generated by averaging its scores across all nine sub-indexes, equally weighted. **More information on the Prosperity Index, including full country rankings, background on data and methodology, and profiles of each country can be found at [www.prosperity.com](http://www.prosperity.com).**

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**Notes to Editors:**

**About the Legatum Prosperity Index**

The 2009 Legatum Prosperity Index is based on statistical analysis of more than 40 years of data for more than 100 countries worldwide, produced and supervised by the Legatum Institute, with input from the research consultancy Oxford Analytica and a panel of respected academic advisors in the fields of economics, history, development, sociology, and political science.

<b>TOP TWENTY COUNTRIES</b>	<b>MIDDLE EAST &amp; NORTH AFRICA</b>
1. Finland	27. Israel
2. Switzerland	47. UAE
3. Sweden	53. Kuwait
4. Denmark	68. Tunisia
5. Norway	80. Jordan
6. Australia	81. Saudi Arabia
7. Canada	83. Morocco
8. Netherlands	86. Lebanon
9. United States	88. Egypt
10. New Zealand	94. Iran
11. Ireland	96. Algeria
12. United Kingdom	102. Yemen
13. Belgium	
14. Germany	
15. Austria	
16. Japan	
17. France	
18. Hong Kong	
19. Spain	
20. Slovenia	

<b>BOTTOM TEN COUNTRIES</b>
95. Kenya
96. Algeria
97. Tanzania
98. Nigeria
99. Pakistan
100. Cameroon
101. Central African Republic
102. Yemen
103. Sudan
104. Zimbabwe

**How the Index is constructed**

The Prosperity Index accounts for 90 percent of the world's population, using a combination of objective data and subjective responses to surveys. This data comprises 79 different variables, and each is then distilled into one of the nine different sub-indexes identified as a foundation of prosperity. A country's performance in each sub-index is given a score, and the overall Prosperity Index rankings are produced by averaging the equally-weighted scores of the 9 sub-indexes for each country. Those countries that perform well across each sub-index score highest in the overall rankings.



The nine foundations of prosperity that define successful nations are:

- **Economic Fundamentals** – a growing, sound economy that provides opportunities for wealth creation
- **Entrepreneurship and Innovation** – an environment friendly to new enterprises and the commercialisation of new ideas
- **Education** – an accessible, high-quality educational system that fosters human development
- **Democratic Institutions** – transparent and accountable governing institutions that promote economic growth
- **Governance** – an honest and effective government that preserves order and encourages productive citizenship
- **Health** – the physical well-being of the populace
- **Personal Freedom** – the degree to which individuals can choose the course of their lives
- **Security** – a safe environment in which people can pursue opportunity
- **Social Capital** – trustworthiness in relationships and strong communities

#### **About the Legatum Institute**

The Legatum Institute ("LI") is an independent policy, advocacy and advisory organisation. The Institute's mission is to research and promote the principles that drive the creation of global prosperity and the expansion of human liberty and wellbeing.

For more information about the Legatum Institute, please visit [www.li.com](http://www.li.com).

The Institute is part of the Legatum Group, a private global investment organization focused on investing in the international capital markets and the promotion of sustainable development.

For more information about the Legatum Group, please visit [www.Legatum.com](http://www.Legatum.com).

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