

# The Economist Intelligence Unit's index of democracy

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## Defining and measuring democracy

There is no consensus on how to measure democracy, definitions of democracy are contested and there is an ongoing lively debate on the subject. The issue is not only of academic interest. For example, although democracy-promotion is high on the list of American foreign-policy priorities, there is no consensus within the American government on what constitutes a democracy. As one observer recently put it, “the world’s only superpower is rhetorically and militarily promoting a political system that remains undefined—and it is staking its credibility and treasure on that pursuit” (Horowitz, 2006, p 114).

Although the terms “freedom” and “democracy” are often used interchangeably, the two are not synonymous. Democracy can be seen as a set of practices and principles that institutionalise and thus ultimately protect freedom. Even if a consensus on precise definitions has proved elusive, most observers today would agree that, at a minimum, the fundamental features of a democracy include government based on majority rule and the consent of the governed, the existence of free and fair elections, the protection of minorities and respect for basic human rights. Democracy presupposes equality before the law, due process and political pluralism. Is reference to these basic features sufficient for a satisfactory concept of democracy? As discussed below, there is a question of how far the definition may need to be widened.

Some insist that democracy is necessarily a dichotomous concept—a state is either democratic or not. But most measures now appear to adhere to a continuous concept, with the possibility of varying degrees of democracy. At present, the best-known measure is produced by the US-based Freedom House organisation. The average of its indexes, on a 1 to 7 scale, of political freedom (based on 10 indicators) and of civil liberties (based on 15 indicators) is often taken to be a measure of democracy.

The index is available for all countries, and stretches back to the early 1970s. It has been used heavily in empirical investigations of the relationship between democracy and various economic and social variables. The so-called Polity Project provides, for a smaller number of countries, measures of democracy and regime types, based on rather minimalist definitions, stretching back to the 19th century.

Freedom House also measures a narrower concept, that of “electoral democracy”. Democracies in this mini-

mal sense share at least one common, essential characteristic. Positions of political power are filled through regular, free, and fair elections between competing parties, and it is possible for an incumbent government to be turned out of office through elections. Freedom House criteria for an electoral democracy include:

1. A competitive, multiparty political system.
2. Universal adult suffrage.
3. Regularly contested elections conducted on the basis of secret ballots, reasonable ballot security and the absence of massive voter fraud.
4. Significant public access of major political parties to the electorate through the media and through generally open campaigning.

The Freedom House definition of political freedom is somewhat (though not much) more demanding than its criteria for electoral democracy—ie, it classifies more countries as electoral democracies than as “free” (some “partly free” countries are also categorised as electoral democracies). At the end of 2005, 122 states were classified as electoral democracies; of these, 89 states were classified as free. The Freedom House political-freedom measure covers the electoral process and political pluralism and, to a lesser extent, the functioning of government and a few aspects of participation.

A key difference in the various measures of democracy is between “thin” or minimalist ones and “thick” or wider concepts (Coppedge, 2005). The thin concepts correspond closely to an immensely influential academic definition of democracy, that of Robert Dahl’s concept of polyarchy (Dahl, 1970). Polyarchy has eight components, or institutional requirements: almost all adult citizens have the right to vote; almost all adult citizens are eligible for public office; political leaders have the right to compete for votes; elections are free and fair; all citizens are free to form and join political parties and other organisations; all citizens are free to express themselves on all political issues; diverse sources of information about politics exist and are protected by law; and government policies depend on votes and other expressions of preference.

The Freedom House electoral democracy measure is a thin concept. Its measure of democracy based on political rights and civil liberties is thicker than the measure of electoral democracy. Other definitions of democracy have broadened to include aspects of society and political culture in democratic societies.

### The Economist Intelligence Unit's measure of democracy

The Economist Intelligence Unit's index is based on the view that measures of democracy that reflect the state of political freedoms and civil liberties are not thick enough. They do not encompass sufficiently or at all some features that determine how substantive democracy is or its quality. Freedom is an essential component of democracy, but not sufficient. In existing measures, the elements of political participation and functioning of government are taken into account only in a marginal way.

The Economist Intelligence Unit's democracy index is based on five categories: electoral process and pluralism; civil liberties; the functioning of government; political participation; and political culture. The five categories are interrelated and form a coherent conceptual whole. The condition of having **free and fair competitive elections**, and satisfying related aspects of political freedom, is clearly the basic requirement of all definitions.

All modern definitions, except the most minimalist, also consider **civil liberties** to be a vital component of what is often called "liberal democracy". The principle of the protection of basic human rights is widely accepted. It is embodied in constitutions throughout the world as well as in the UN Charter and international agreements such as the Helsinki Final Act. Basic human rights include freedom of speech, expression and the press; freedom of religion; freedom of assembly and association; and the right to due judicial process. All democracies are systems in which citizens freely make political decisions by majority rule. But rule by the majority is not necessarily democratic. In a democracy majority rule must be combined with guarantees of individual human rights and the rights of minorities.

Most measures also include aspects of the minimum quality of **functioning of government**. If democratically based decisions cannot or are not implemented then the concept of democracy is not very meaningful or it becomes an empty shell.

Democracy is more than the sum of its institutions. A democratic **political culture** is also crucial for the legitimacy, smooth functioning and ultimately the sustainability of democracy. A culture of passivity and apathy, an obedient and docile citizenry, are not consistent with democracy. The electoral process periodically divides the population into winners and losers. A successful democratic political culture implies that the losing parties and their supporters accept the judgment of the voters, and allow for the peaceful transfer of power.

**Participation** is also a necessary component, as apathy and abstention are inimical to democracy. Even measures that focus predominantly on the processes of representative, liberal democracy include (although inadequately or insufficiently) some aspects of participation. In a democracy, government is only one element in a social fabric of many and varied institutions, political organisations and associations. Citizens cannot be required to take part in the political process, and they are free to express their dissatisfaction by not participating. However, a healthy democracy requires the active, freely chosen participation of citizens in public life. Democracies flourish when citizens are willing to take part in

public debate, elect representatives and join political parties. Without this broad, sustaining participation, democracy begins to wither and become the preserve of small, select groups.

At the same time, even our thicker, more inclusive and wider measure of democracy does not include other aspects—which some authors argue are also crucial components of democracy—such as levels of economic and social wellbeing. Thus our index respects the dominant tradition that holds that a variety of social and economic outcomes can be consistent with political democracy.

The Economist Intelligence Unit's index provides a snapshot of the current state of democracy worldwide for 165 independent states and two territories. This covers almost the entire population of the world and the vast majority of the world's 192 independent states (27 micro-states are excluded).

Several things stand out. Although almost half of the world's countries can be considered to be democracies, the number of "full democracies" is relatively low (only 28). Almost twice as many (54) are rated as "flawed democracies". Of the remaining 85 states, 55 are authoritarian and 30 are considered to be "hybrid regimes". As could be expected, the developed OECD countries (with the notable exception of Italy) dominate among full democracies, although there are two Latin American, two central European and one African country, which means that the level of development is not a binding constraint. Only one Asian country, Japan, makes the grade.

More than half of the world's population lives in a democracy of some sort, although only some 13% reside in full democracies. Despite the advances in democracy in recent decades, almost 40% of the world's population still lives under authoritarian rule (with a large share of these being, of course, in China). Given the most recent trends, that are tantamount to a retreat from democracy as discussed in our article in *The World in 2007*, it is unlikely that this proportion will decrease significantly soon. On our ten-country watchlist for likely significant changes in 2007 (see box below) only one country is on positive watch and nine are on negative watch.

The relationship between the level of development (income per head) and democracy is not clear-cut. There is an apparent association, although even in the full democracy category there are a few that are not rich OECD countries. The simple correlation between our democracy index and GDP per head (\$ at PPP) in 2006 is 0.6. This may look surprisingly low—it implies that in a simple two-variable regression of the democracy index on income per head, less than 40% of the inter-country variation in democracy is explained by income levels. If we also control for oil wealth (with a so-called dummy variable that takes a value of 1 for major oil exporting countries and 0 otherwise), the explanatory power of the regression rises sharply to almost two-thirds of the inter-country variation in the democracy index. Although this still leaves more than one-third of the variation unexplained, it illustrates the often-observed strong negative impact on democratic development of a reliance on oil.

However, the direction of causality between democracy and income is debatable. The standard modernisation hypothesis that economic development leads to—and is a necessary pre-condition for—democracy,

Table 1

**Economist Intelligence Unit democracy index 2006**

	Rank	Overall score	Category scores				
			I Electoral process and pluralism	II Functioning of government	III Political participation	IV Political culture	V Civil liberties
<b>Full democracies</b>							
Sweden	1	9.88	10.00	10.00	10.00	9.38	10.00
Iceland	2	9.71	10.00	9.64	8.89	10.00	10.00
Netherlands	3	9.66	9.58	9.29	9.44	10.00	10.00
Norway	4	9.55	10.00	9.64	10.00	8.13	10.00
Denmark	5	9.52	10.00	9.64	8.89	9.38	9.71
Finland	6	9.25	10.00	10.00	7.78	8.75	9.71
Luxembourg	7	9.10	10.00	9.29	7.78	8.75	9.71
Australia	8	9.09	10.00	8.93	7.78	8.75	10.00
Canada	9	9.07	9.17	9.64	7.78	8.75	10.00
Switzerland	10	9.02	9.58	9.29	7.78	8.75	9.71
Ireland	11=	9.01	9.58	8.93	7.78	8.75	10.00
New Zealand	11=	9.01	10.00	8.57	8.33	8.13	10.00
Germany	13	8.82	9.58	8.57	7.78	8.75	9.41
Austria	14	8.69	9.58	8.21	7.78	8.75	9.12
Malta	15	8.39	9.17	8.21	6.11	8.75	9.71
Spain	16	8.34	9.58	7.86	6.11	8.75	9.41
US	17	8.22	8.75	7.86	7.22	8.75	8.53
Czech Republic	18	8.17	9.58	6.79	7.22	8.13	9.12
Portugal	19	8.16	9.58	8.21	6.11	7.50	9.41
Belgium	20=	8.15	9.58	8.21	6.67	6.88	9.41
Japan	20=	8.15	9.17	7.86	5.56	8.75	9.41
Greece	22	8.13	9.58	7.50	6.67	7.50	9.41
UK	23	8.08	9.58	8.57	5.00	8.13	9.12
France	24	8.07	9.58	7.50	6.67	7.50	9.12
Mauritius	25=	8.04	9.17	8.21	5.00	8.13	9.71
Costa Rica	25=	8.04	9.58	8.21	6.11	6.88	9.41
Slovenia	27=	7.96	9.58	7.86	6.67	6.88	8.82
Uruguay	27=	7.96	10.00	8.21	5.00	6.88	9.71
<b>Flawed democracies</b>							
South Africa	29	7.91	8.75	7.86	7.22	6.88	8.82
Chile	30	7.89	9.58	8.93	5.00	6.25	9.71
South Korea	31	7.88	9.58	7.14	7.22	7.50	7.94
Taiwan	32	7.82	9.58	7.50	6.67	5.63	9.71
Estonia	33	7.74	9.58	7.50	5.00	7.50	9.12
Italy	34	7.73	9.17	6.43	6.11	8.13	8.82
India	35	7.68	9.58	8.21	5.56	5.63	9.41
Botswana	36=	7.60	9.17	7.86	5.00	6.88	9.12
Cyprus	36=	7.60	9.17	6.79	6.67	6.25	9.12
Hungary	38	7.53	9.58	6.79	5.00	6.88	9.41
Cape Verde	39=	7.43	9.17	7.86	5.00	6.88	8.24
Lithuania	39=	7.43	9.58	6.43	6.67	5.63	8.82
Slovakia	41	7.40	9.58	7.50	6.11	5.00	8.82
Brazil	42	7.38	9.58	7.86	4.44	5.63	9.41
Latvia	43	7.37	9.58	6.43	6.11	5.63	9.12
Panama	44	7.35	9.58	7.14	5.56	5.63	8.82
Jamaica	45	7.34	9.17	7.14	5.00	6.25	9.12
Poland	46	7.30	9.58	6.07	6.11	5.63	9.12
Israel	47	7.28	9.17	6.64	7.78	7.50	5.29
Trinidad and Tobago	48	7.18	9.17	6.79	6.11	5.63	8.24
Bulgaria	49	7.10	9.58	5.71	6.67	5.00	8.53
Romania	50	7.06	9.58	6.07	6.11	5.00	8.53
Croatia	51	7.04	9.17	6.07	6.11	5.63	8.24
Ukraine	52	6.94	9.58	5.71	5.56	5.63	8.24
Mexico	53	6.67	8.75	6.07	5.00	5.00	8.53
Argentina	54	6.63	8.75	5.00	5.56	5.63	8.24
Serbia	55	6.62	9.17	5.36	5.00	5.63	7.94

	Category scores						
	Rank	Overall score	I Electoral process and pluralism	II Functioning of government	III Political participation	IV Political culture	V Civil liberties
Mongolia	56	6.60	9.17	6.07	3.89	5.63	8.24
Sri Lanka	57	6.58	6.92	5.00	5.56	7.50	7.94
Montenegro	58	6.57	9.17	5.71	5.00	5.63	7.35
Namibia	59=	6.54	4.75	4.00	6.67	8.75	8.53
Papua New Guinea	59=	6.54	7.33	6.43	4.44	6.25	8.24
Suriname	61	6.52	9.17	6.07	4.44	5.00	7.94
Moldova	62	6.50	9.17	4.29	6.11	5.00	7.94
Lesotho	63=	6.48	7.92	6.43	4.44	6.25	7.35
Philippines	63=	6.48	9.17	5.36	5.00	3.75	9.12
Indonesia	65=	6.41	6.92	7.14	5.00	6.25	6.76
Timor Leste	65=	6.41	7.00	5.57	5.00	6.25	8.24
Colombia	67	6.40	9.17	4.36	5.00	4.38	9.12
Macedonia	68	6.33	8.25	4.50	7.22	3.75	7.94
Honduras	69	6.25	8.33	6.43	4.44	5.00	7.06
El Salvador	70	6.22	9.17	5.43	3.89	4.38	8.24
Paraguay	71=	6.16	7.92	5.00	5.00	4.38	8.53
Benin	71=	6.16	6.83	6.43	3.89	6.88	6.76
Guyana	73	6.15	8.33	5.36	4.44	4.38	8.24
Dom Rep	74	6.13	9.17	4.29	3.33	5.63	8.24
Bangladesh	75=	6.11	7.42	5.07	4.44	6.25	7.35
Peru	75=	6.11	8.75	3.29	5.56	5.00	7.94
Guatemala	77	6.07	8.75	6.79	2.78	4.38	7.65
Hong Kong	78	6.03	3.50	5.71	5.00	6.25	9.71
Palestine	79	6.01	8.25	2.71	7.78	6.88	4.41
Mali	80	5.99	8.25	5.71	3.89	5.63	6.47
Malaysia	81=	5.98	6.08	5.71	4.44	7.50	6.18
Bolivia	81=	5.98	8.33	5.71	4.44	3.75	7.65
<b>Hybrid regimes</b>							
Albania	83	5.91	7.33	5.07	4.44	5.63	7.06
Singapore	84	5.89	4.33	7.50	2.78	7.50	7.35
Madagascar	85=	5.82	5.67	5.71	5.56	6.88	5.29
Lebanon	85=	5.82	7.92	2.36	6.11	6.25	6.47
Bosnia and Hercegovina	87	5.78	8.25	3.29	4.44	5.00	7.94
Turkey	88	5.70	7.92	6.79	4.44	3.75	5.59
Nicaragua	89	5.68	8.25	5.71	3.33	3.75	7.35
Thailand	90	5.67	4.83	6.43	5.00	5.63	6.47
Fiji	91	5.66	6.50	5.21	3.33	5.00	8.24
Ecuador	92	5.64	7.83	4.29	5.00	3.13	7.94
Venezuela	93	5.42	7.00	3.64	5.56	5.00	5.88
Senegal	94	5.37	7.00	5.00	3.33	5.63	5.88
Ghana	95	5.35	7.42	4.64	4.44	4.38	5.88
Mozambique	96	5.28	5.25	5.71	4.44	6.88	4.12
Zambia	97	5.25	5.25	4.64	3.33	6.25	6.76
Liberia	98	5.22	7.75	2.14	5.00	5.63	5.59
Tanzania	99	5.18	6.00	3.93	5.06	5.63	5.29
Uganda	100	5.14	4.33	3.93	4.44	6.25	6.76
Kenya	101	5.08	4.33	4.29	5.56	6.25	5.00
Russia	102	5.02	7.00	3.21	5.56	3.75	5.59
Malawi	103	4.97	6.00	5.00	3.89	4.38	5.59
Georgia	104	4.90	7.92	1.79	3.33	5.00	6.47
Cambodia	105	4.77	5.58	6.07	2.78	5.00	4.41
Ethiopia	106	4.72	4.00	3.93	5.00	6.25	4.41
Burundi	107	4.51	4.42	3.29	3.89	6.25	4.71
Gambia	108	4.39	4.00	4.64	4.44	5.63	3.24
Haiti	109	4.19	5.58	3.64	2.78	2.50	6.47
Armenia	110	4.15	4.33	3.21	3.89	3.13	6.18
Kyrgyzstan	111	4.08	5.75	1.86	2.78	5.00	5.00
Iraq	112	4.01	4.75	0.00	5.56	5.63	4.12

	Category scores						
	Rank	Overall score	I Electoral process and pluralism	II Functioning of government	III Political participation	IV Political culture	V Civil liberties
<b>Authoritarian regimes</b>							
Pakistan	113=	3.92	4.33	5.36	0.56	4.38	5.00
Jordan	113=	3.92	3.08	3.79	3.89	5.00	3.82
Comoros	115=	3.90	3.00	3.21	4.44	5.63	3.24
Morocco	115=	3.90	3.50	3.79	2.78	5.63	3.82
Egypt	115=	3.90	2.67	3.64	2.78	6.88	3.53
Rwanda	118	3.82	3.00	3.57	2.22	5.00	5.29
Burkina Faso	119	3.72	4.00	1.79	2.78	5.63	4.41
Kazakhstan	120	3.62	2.67	2.14	3.33	4.38	5.59
Sierra Leone	121	3.57	5.25	2.21	2.22	3.75	4.41
Niger	122	3.54	5.25	1.14	1.67	3.75	5.88
Bahrain	123	3.53	3.50	2.57	2.78	5.00	3.82
Cuba	124=	3.52	1.75	4.64	3.89	4.38	2.94
Nigeria	124=	3.52	3.08	1.86	4.44	4.38	3.82
Nepal	126	3.42	0.08	3.57	2.22	5.63	5.59
Côte d'Ivoire	127	3.38	1.25	2.86	3.33	5.63	3.82
Belarus	128	3.34	2.58	2.86	3.33	4.38	3.53
Azerbaijan	129	3.31	3.08	0.79	3.33	3.75	5.59
Cameroon	130	3.27	0.92	3.21	2.78	5.63	3.82
Congo Brazzaville	131	3.19	1.42	2.86	2.22	5.63	3.82
Algeria	132	3.17	2.25	2.21	2.22	5.63	3.53
Mauritania	133	3.12	1.83	4.29	2.22	3.13	4.12
Kuwait	134	3.09	1.33	4.14	1.11	5.63	3.24
Afghanistan	135=	3.06	6.17	0.00	2.22	2.50	4.41
Tunisia	135=	3.06	0.00	2.36	2.22	6.88	3.82
Yemen	137	2.98	2.67	2.71	2.78	4.38	2.35
China	138	2.97	0.00	4.64	2.78	6.25	1.18
Swaziland	139=	2.93	1.75	2.86	2.22	3.13	4.71
Iran	139=	2.93	0.08	3.57	3.89	5.63	1.47
Sudan	141	2.90	2.25	2.36	1.67	5.00	3.24
Qatar	142	2.78	0.00	3.43	1.67	5.00	3.82
Oman	143	2.77	0.00	3.07	1.67	5.00	4.12
Democratic Republic of Congo	144	2.76	4.58	0.36	2.78	3.75	2.35
Vietnam	145	2.75	0.83	4.29	2.78	4.38	1.47
Gabon	146	2.72	0.50	3.21	2.22	5.63	2.06
Bhutan	147=	2.62	0.08	4.64	1.11	3.75	3.53
Zimbabwe	147=	2.62	0.17	0.79	3.89	5.63	2.65
Tajikistan	149	2.45	1.83	0.79	2.22	6.25	1.18
UAE	150	2.42	0.00	3.07	1.11	5.00	2.94
Angola	151	2.41	0.50	2.14	1.11	5.63	2.65
Djibouti	152	2.37	2.50	1.43	0.56	5.00	2.35
Syria	153	2.36	0.00	1.79	1.67	6.88	1.47
Eritrea	154	2.31	0.00	2.14	1.11	6.25	2.06
Laos	155	2.10	0.00	3.21	1.11	5.00	1.18
Equatorial Guinea	156	2.09	0.00	2.86	1.11	5.00	1.47
Guinea	157	2.02	1.00	0.79	2.22	3.75	2.35
Guinea-Bissau	158	2.00	2.08	0.07	3.33	1.88	2.65
Saudi Arabia	159	1.92	0.00	2.36	1.11	4.38	1.76
Uzbekistan	160	1.85	0.08	0.79	2.78	5.00	0.59
Libya	161	1.84	0.00	1.64	1.11	5.00	1.47
Turkmenistan	162	1.83	0.00	0.79	2.78	5.00	0.59
Myanmar	163	1.77	0.00	1.79	0.56	5.63	0.88
Togo	164	1.75	0.00	0.79	0.56	5.63	1.76
Chad	165	1.65	0.00	0.00	0.00	5.00	3.24
Central Africa	166	1.61	0.42	1.43	1.67	1.88	2.65
North Korea	167	1.03	0.83	2.50	0.56	1.25	0.00

Table 2

**Democracy index 2006 by regime type**

	Countries	% of countries	% of world population
Full democracies	28	16.8	13.0
Flawed democracies	54	32.3	38.3
Hybrid regimes	30	18.0	10.5
Authoritarian regimes	55	32.9	38.2

"World" population refers to total population of the 167 countries that are covered. Since this excludes only micro states this is nearly equal to the entire actual estimated world population in 2006.

Source: Economist Intelligence Unit; CIA World Factbook

is no longer universally accepted. Instead it has been argued that the primary direction of causation runs from democracy to income (Rigobon and Rodrik, 2005; Acemoglu et al, 2005).

One advantage of our index compared with others is that it provides for considerable differentiation of scores, including among developed countries. The "near-perfect" democracy is Sweden, the country with the highest score. The other Nordic countries also have high ranks. By contrast, the United States and Britain are near the bottom of the full democracy category, but for somewhat different reasons. America falls down on some aspects of governance and civil liberties. Despite low election turnouts, political participation in the United States is comparatively high. In Britain low political participation (the lowest in the developed world) is a major problem, and to a lesser extent, for now, so are eroding

civil liberties. The rating for France is also comparatively low as a result of modest scores for the functioning of government, political participation and political culture. Italy performs even worse, and falls in the flawed democracies category—as a result of problems in functioning of government and the electoral process, as well as weaknesses in the political culture.

These results seem to highlight the interesting hypothesis that large countries, other things being equal, tend to be less democratic. But this appears to be the case only among the developed countries. It does not hold across the whole sample—there is no significant relationship between the value of the democracy index and the size of population for the entire 167-country sample.

Looking at the regional distribution of regime types, flawed democracies are concentrated in Latin America and eastern Europe, and to a lesser extent in Asia. Despite progress in Latin American democratisation in recent decades, many countries in the region remain fragile democracies. Levels of political participation are generally very low and democratic cultures are weak (with the caudillismo phenomenon still widespread according to opinion surveys). There has also been significant backsliding in recent years in some areas such as media freedoms.

Much of eastern Europe illustrates the difference between formal and substantive democracy. The new EU members from the region have pretty much equal levels of political freedoms and civil liberties as the old devel-

## 2007 watchlist

### Positive watch

**Hong Kong:** further improvements in civil liberties and democratic political practices after Donald Tsang's election as chief executive in March 2007.

### Negative watch

**Taiwan:** risk of a no-confidence vote in the government that could trigger a constitutional crisis; increased pressures in the run-up to the 2007 parliamentary elections.

**Bangladesh:** caretaker government will oversee general elections in early 2007. An unclear or disputed election result could trigger political crisis and rollback of democracy.

**Armenia:** parliamentary election in May 2007 could be highly flawed, tipping the country into an outright authoritarian regime.

**Russia:** at present a hybrid regime, with a trend towards curtailment of media and other civil liberties. A potentially highly flawed parliamentary election at the end of 2007 would reflect a further intensification of the country's apparent slide in an authoritarian direction.

**Nigeria:** a disputed April 2007 election to be followed by political turbulence and the possible installation of a military-backed interim government.

**Burundi:** president and government intensify crackdown on opponents. The country could slide from a hybrid regime to authoritarianism.

**Guinea and Guinea-Bissau** are already rated as authoritarian, but things could get even worse in 2007 as there is a high risk of military coups in both. In Guinea there is a risk of a military takeover in 2007 if ailing President Lansana Conte dies. In Guinea-Bissau rising discontent in the army increases the risk of a coup.

**Mauritania:** the country is undergoing a democratic transition following a military coup in August 2005. But there is a high risk of a backlash, especially as the move from military to civilian rule has potentially destabilising inter-ethnic implications. Hopes of democratisation are unlikely to be fulfilled.

Table 3

**Democracy across the regions**

	Democracy index average	Number of countries	Full democracies	Flawed democracies	Hybrid regimes	Authoritarian regimes
North America	8.64	2	2	0	0	0
West Europe	8.60	21	18	2	1	0
Eastern Europe	5.76	28	2	14	6	6
Latin America & the Caribbean	6.37	24	2	17	4	1
Asia & Australasia	5.44	28	3	12	4	9
Middle East & North Africa	3.53	20	0	2	2	16
Sub-Saharan Africa	4.24	44	1	7	13	23
Total	5.52	167	28	54	30	55

oped EU, but lag significantly in political participation and political culture—a reflection of widespread anomie and weaknesses of democratic development. Only two countries from the region—the Czech Republic and Slovenia (just)—are in the full democracy category. Hybrid and authoritarian regimes dominate heavily in the countries of the former Soviet Union, as the momentum towards “colour revolutions” has appeared to peter out.

Most of the world’s authoritarian regimes are to be found in the Middle East and Africa, although there is also a fair number in Asia. The dearth of democratic regimes in the Middle East and North Africa is a well-known phenomenon, with much debate about the causes. In the statistical relationship between democ-

racy and income discussed above, a dummy variable for Middle East and North Africa is negative and highly significant statistically even when oil wealth is controlled for in our 167-country sample—that is, Middle East and North Africa has much lower levels of democratisation than could be inferred on the basis of income levels. A similar variable for Asia is also negative, although at lower levels of statistical significance. And there is some evidence that western Europe’s average democracy levels are higher than even its high income levels would suggest. For other regions—Sub-Saharan Africa, eastern Europe and Latin America—average level of democratic development correspond to what would be expected on the basis of average income levels.

## Methodology

The Economist Intelligence Unit's index of democracy, on a 0 to 10 scale, is based on the ratings for 60 indicators grouped in five categories: electoral process and pluralism; civil liberties; the functioning of government; political participation; and political culture. Each category has a rating on a 0 to 10 scale, and the overall index of democracy is the simple average of the five category indexes.

The category indexes are based on the sum of the indicator scores in the category, converted to a scale of 0 to 10. Adjustments to the category scores are made if countries do not score a 1 in the following critical areas for democracy:

1. Whether national elections are free and fair;
2. The security of voters;
3. The influence of foreign powers on government;
4. The capability of the civil service to implement policies.

If the scores for the first three questions are 0 (or 0.5), one point (0.5 point) is deducted from the index in the relevant category (either the electoral process and pluralism or the functioning of government). If the score for 4 is 0, one point is deducted from the functioning-of-government category index.

The index values are used to place countries within one of four types of regimes:

1. Full democracies—scores of 8–10.
2. Flawed democracies—scores of 6 to 7.9.
3. Hybrid regimes—scores of 4 to 5.9.
4. Authoritarian regimes—scores below 4.

Threshold points for regime types depend on overall scores that are rounded to one decimal point.

### The scoring system

We use a combination of a dichotomous and a three-point scoring system for the 60 indicators. A dichotomous 1-0 scoring system (1 for a yes and 0 for a no answer) is not without problems, but it has several distinct advantages over more refined scoring scales (such as the often-used 1-5 or 1-7). For many indicators, the possibility of a 0.5 score is introduced, to capture “grey areas” where a simple yes (1) or no (0) is problematic, with guidelines as to when that should be used. Thus for many indicators there is a three-point scoring system, which represents a compromise between simple dichotomous scoring and the use of finer scales.

The problems of 1-5 or 1-7 scoring scales are numerous. For most indicators under such a system, it is extremely difficult to define meaningful and comparable criteria or guidelines for each score. This can lead to arbitrary, spurious and non-comparable scorings. For example, a score of 2 for one country may be scored a 3 in another and so on. Or one expert might score an indicator for a particular country in a different way to another expert. This contravenes a basic principle of measurement, that of so-called reliability—the degree to which a measurement procedure produces the same measurements every time, regardless of who is performing it. Two- and three-point systems do not guarantee reliability, but make it more likely.

Second, comparability be-

tween indicator scores and aggregation into a multi-dimensional index appears more valid with a two- or three-point scale for each indicator (the dimensions being aggregated are similar across indicators). By contrast, with a 1-5 system, the scores are more likely to mean different things across the indicators (for example a 2 for one indicator may be more comparable to a 3 or 4 for another indicator, rather than a 2 for that indicator). The problems of a 1-5 or 1-7 system are magnified when attempting to extend the index to many regions and countries.

### Some features of the Economist Intelligence Unit's index

#### *Public opinion surveys*

A crucial, differentiating aspect of our measure is that in addition to experts' assessments we use, where available, public opinion surveys—mainly the World Values Survey. Indicators based on the surveys predominate heavily in the political participation and political culture categories, and a few are used in the civil liberties and functioning of government categories.

In addition to the World Values Survey, other sources that can be leveraged include the Eurobarometer surveys, Gallup polls, Latin American Barometer, and national surveys. In the case of countries for which survey results are missing, survey results for similar countries and expert assessment are used to fill in gaps.

#### *Participation and voter turnout*

After increasing for many decades, there has been a trend of decreasing voter turnout in most established democracies since the

1960s. Low turnout may be due to disenchantment, but it can also be a sign of contentment. Many, however, see low turnout as undesirable, and there is much debate over the factors that affect turnout and how to increase it.

A high turnout is generally seen as evidence of the legitimacy of the current system. Contrary to widespread belief, there is in fact a close correlation between turnout and overall measures of democracy—ie, developed, consolidated democracies have, with very few exceptions, higher turnout (generally above 70%) than less established democracies.

#### *The legislative and executive branches*

The appropriate balance between these is much-disputed in political theory. In our model the clear predominance of the legislature is rated positively as there is a very strong correlation between legislative dominance and measures of overall democracy.



**The model****I Electoral process and pluralism**

1. Are elections for the national legislature and head of government free?

Consider whether elections are competitive in that electors are free to vote and are offered a range of choices.

1: Essentially unrestricted conditions for the presentation of candidates (for example, no bans on major parties)

0.5: There are some restrictions on the electoral process

0: A single-party system or major impediments exist (for example, bans on a major party or candidate)

2. Are elections for the national legislature and head of government fair?

1: No major irregularities in the voting process

0.5: Significant irregularities occur (intimidation, fraud), but do not affect significantly the overall outcome

0: Major irregularities occur and affect the outcome

Score 0 if score for question 1 is 0.

3. Are municipal elections both free and fair?

1: Are free and fair

0.5: Are free but not fair

0: Are neither free nor fair

4. Is there universal suffrage for all adults?

Bar generally accepted exclusions (for example, non-nationals; criminals; members of armed forces in some countries).

1: Yes

0: No

5. Can citizens cast their vote free of significant threats to their security from state or non-state bodies?

1: Yes

0: No

6. Do laws provide for broadly equal campaigning opportunities?

1: Yes

0.5: Yes formally, but in practice opportunities are limited for some candidates

0: No

7. Is the process of financing political parties transparent and generally accepted?

1: Yes

0.5: Not fully transparent

0: No

8. Following elections, are the constitutional mechanisms for the orderly transfer of power from one government to another clear, established and accepted?

1: All three criteria are fulfilled

0.5: Two of the three criteria are fulfilled

0: Only one or none of the criteria is satisfied

9. Are citizens free to form political parties that are independent of the government?

1: Yes

0.5: There are some restrictions

0: No

10. Do opposition parties have a realistic prospect of achieving government?

1: Yes

0.5: There is a dominant two-party system in which other political forces never have any effective chance of taking part in national government

0: No

11. Is potential access to public office open to all citizens?

1: Yes

0.5: Formally unrestricted, but in practice restricted for some groups, or for citizens from some parts of the country

0: No

12. Are citizens free to form political and civic organisations, free of state interference and surveillance?

1: Yes

0.5: Officially free, but subject to some restrictions or interference

0: No

**II Functioning of government**

13. Do freely elected representatives determine government policy?

1: Yes

0.5: Exercise some meaningful influence

0: No

14. Is the legislature the supreme political body, with a clear supremacy over other branches of government?

1: Yes

0: No

15. Is there an effective system of checks and balances on the exercise of government authority?

1: Yes

0.5: Yes, but there are some serious flaws

0: No

16. Government is free of undue influence by the military or the security services.

1: Yes

0.5: Influence is low, but the defence minister is not a civilian. If the current risk of a military coup is extremely low, but the country has a recent history of military rule or coups

0: No

17. Foreign powers do not determine important government functions or policies.

1: Yes

0.5: Some features of a protectorate

0: No (significant presence of foreign troops; important decisions taken by foreign power; country is a protectorate)

18. Special economic, religious or other powerful domestic groups do not exercise significant political power, parallel to democratic institutions?

1: Yes

0.5: Exercise some meaningful influence

0: No

19. Are sufficient mechanisms and institutions in place for assuring government accountability to the electorate in between elections?

1: Yes

0.5: Yes, but serious flaws exist

0: No

20. Does the government's authority extend over the full territory of the country?

1: Yes

0: No

21. Is the functioning of government open and transparent, with sufficient public access to information?

1: Yes

0.5: Yes, but serious flaws exist

0: No

22. How pervasive is corruption?

1: Corruption is not a major problem

0.5: Corruption is a significant issue

0: Pervasive corruption exists

23. Is the civil service willing and capable of implementing government policy?

1: Yes

0.5: Yes, but serious flaws exist

0: No

24. Popular perceptions of the extent to which they have free choice and control over their lives

1: High

0.5: Moderate

0: Low

If available, from World Values Survey

% of people who think that they have a great deal of choice/control

1 if more than 70%

0.5 if 50-70%

0 if less than 50%

25. Public confidence in government.

1: High

0.5: Moderate

0: Low

If available, from World Values Survey

% of people who have a "great deal" or "quite a lot" of confidence in government

1 if more than 40%

0.5 if 25-40%

0 if less than 25%

26. Public confidence in political parties.

1: High  
0.5: Moderate  
0: Low

If available, from World Values Survey

% of people who have a “great deal” or “quite a lot” of confidence

1 if more than 40%  
0.5 if 25-40%  
0 if less than 25%

### III Political participation

27. Voter participation/turnout for national elections.

(average turnout in parliamentary and/or presidential elections since 2000. Turnout as proportion of population of voting age).

1 if consistently above 70%  
0.5 if between 50% and 70%  
0 if below 50%

If voting is obligatory, score 0. Score 0 if scores for questions 1 or 2 is 0.

28. Do ethnic, religious and other minorities have a reasonable degree of autonomy and voice in the political process?

1: Yes  
0.5: Yes, but serious flaws exist  
0: No

29. Women in parliament. % of members of parliament who are women

1 if more than 20% of seats  
0.5 if 10-20%  
0 if less than 10%

30. Extent of political participation. Membership of political parties and political non-governmental organisations.

1 if over 7% of population for either  
0.5 if 4% to 7%  
0 if under 4%.

If participation is forced, score 0.

31. Citizens' engagement with politics.

1: High  
0.5: Moderate  
0: Low

If available, from World Values Survey

% of people who are very or somewhat interested in politics

1 if over 60%  
0.5 if 40% to 60%  
0 if less than 40%

32. The preparedness of population to take part in lawful demonstrations.

1: High  
0.5: Moderate  
0: Low

If available, from World Values Survey

% of people who have taken part in or would consider attending lawful demonstrations

1 if over 40%  
0.5 if 30% to 40%  
0 if less than 30%

33. Adult literacy.

1 if over 90%  
0.5 if 70% to 90%  
0 if less than 70%

34. Extent to which adult population shows an interest in and follows politics in the news.

1: High  
0.5: Moderate  
0: Low

If available, from World Values Survey

% of population that follows politics in the news media (print, TV or radio) every day

1 if over 50%  
0.5 if 30% to 50%  
0 if less than 30%

35. The authorities make a serious effort to promote political participation.

1: Yes  
0.5: Some attempts  
0: No

Consider the role of the education system, and other promotional efforts. Consider measures to facilitate voting by members of the diaspora.

If participation is forced, score 0.

### IV Democratic political culture

36. Is there a sufficient degree of societal consensus and cohesion to underpin a stable, functioning democracy?

1: Yes  
0.5: Yes, but some serious doubts and risks  
0: No

37. Perceptions of leadership; proportion of the population that desires a strong leader who bypasses parliament and elections.

1: Low  
0.5: Moderate  
0: High

If available, from World Values Survey

% of people who think it would be good or fairly good to have a strong leader who does not bother with parliament and elections

1 if less than 30%  
0.5 if 30% to 50%  
0 if more than 50%

38. Perceptions of military rule; proportion of the population that would prefer military.

1: Low  
0.5: Moderate  
0: High

If available, from World Values Survey

% of people who think it would be very or fairly good to have army rule

1 if less than 10%  
0.5 if 10% to 30%  
0 if more than 30%

39. Perceptions of rule by experts or technocratic government; proportion of the population that would prefer rule by experts or technocrats.

1: Low  
0.5: Moderate  
0: High

If available, from World Values Survey

% of people who think it would be very or fairly good to have experts, not government, make decisions for the country

1 if less than 50%  
0.5 if 50% to 70%  
0 if more than 70%

40. Perception of democracy and public order; proportion of the population that believes that democracies are not good at maintaining public order.

1: Low  
0.5: Moderate  
0: High

If available, from World Values Survey

% of people who disagree with the view that democracies are not good at maintaining order  
1 if more than 70%  
0.5 if 50% to 70%  
0 if less than 50%

41. Perception of democracy and the economic system; proportion of the population that believes that democracy benefits economic performance.

If available, from World Values Survey

% of people who disagree with the view that the economic system runs badly in democracies  
1 if more than 80%  
0.5 if 60% to 80%  
0 if less than 60%

42. Degree of popular support for democracy.

1: High  
0.5: Moderate  
0: Low

If available, from World Values Survey

% of people who agree or strongly agree that democracy is better than any other form of government

1 if more than 90%  
0.5 if 75% to 90%  
0 if less than 75%

43. There is a strong tradition of the separation of church and state.

1: Yes  
0.5: Some residual influence of church on state  
0: No

### V Civil liberties

44. Is there a free electronic media?

1: Yes  
0.5: Pluralistic, but state-controlled media are heavily favoured. One or two private owners dominate the media  
0: No

45. Is there a free print media?

1: Yes  
0.5: Pluralistic, but state-controlled media are heavily favoured. There is high degree of concentration of private ownership of national newspapers  
0: No

46. Is there freedom of expression and protest (bar only generally accepted restrictions such as banning advocacy of violence)?

1: Yes  
0.5: Minority viewpoints are subject to some official harassment. Libel laws restrict heavily scope for free expression  
0: No

47. Is media coverage robust? Is there open and free discussion of public issues, with a reasonable diversity of opinions?

1: Yes  
0.5: There is formal freedom, but high degree of conformity of opinion, including through self-censorship, or discouragement of minority or marginal views  
0: No

48. Are there political restrictions on access to the internet?

1: No  
0.5: Some moderate restrictions  
0: Yes

49. Are citizens free to form professional organisations and trade unions?

1: Yes  
0.5: Officially free, but subject to some restrictions  
0: No

50. Do institutions provide citizens with the opportunity to successfully petition government to redress grievances?

1: Yes  
0.5: Some opportunities  
0: No

51. The use of torture by the state

1: Torture is not used  
0: Torture is used

52. The degree to which the judiciary is independent of government influence.

Consider the views of international legal and judicial watchdogs. Have the courts ever issued an important judgment against the government, or a senior government official?

1: High  
0.5: Moderate  
0: Low

53. The degree of religious tolerance and freedom of religious expression.

Are all religions permitted to operate freely, or are some restricted? Is the right to worship permitted both publicly and privately? Do some religious groups feel intimidated by others, even if the law requires equality and protection?

1: High  
0.5: Moderate  
0: Low

54. The degree to which citizens are treated equally under the law.

Consider whether favoured members of groups are spared prosecution under the law.

1: High  
0.5: Moderate  
0: Low

55. Do citizens enjoy basic security?

1: Yes  
0.5: Crime is so pervasive as to endanger security for large segments  
0: No

56. Extent to which private property rights protected and private business is free from undue government influence.

1: High  
0.5: Moderate  
0: Low

57. Extent to which citizens enjoy personal freedoms. Consider gender equality, right to travel, choice of work and study.

1: High  
0.5: Moderate  
0: Low

58. Popular perceptions on human rights protection; proportion of the population that think that basic human rights are well-protected.

1: High  
0.5: Moderate  
0: Low

If available, from World Values Survey

% of people who think that human rights are respected in their country  
1 if more than 70%  
0.5 if 50% to 70%  
0 if less than 50%

59. There is no significant discrimination on the basis of people's race, colour or creed.

1: Yes  
0.5: Yes, but some significant exceptions  
0: No

60. Extent to which the government invokes new risks and threats as an excuse for curbing civil liberties.

1: Low  
0.5: Moderate  
0: High

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