

## Rule of Law

*Rule of law captures perceptions of the extent to which agents have confidence in and abide by the rules of society, and in particular the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence. This table lists the individual variables from each data source used to construct this measure in the Worldwide Governance Indicators*

| Code   | Concept Measured   |                                     |
|--|--|-------------------------------------|
| <b>Representative Sources</b>  |  |                                     |
| <b>EIU</b>   | Violent crime  |                                     |
|  | Organized crime  |                                     |
|  | Fairness of judicial process   |                                     |
|  | Enforceability of contracts  |                                     |
|  | Speediness of judicial process   |                                     |
|  | Confiscation/expropriation   |                                     |
|  | Intellectual property rights protection  |                                     |
|  | Private property protection  |                                     |
|  | <b>GCS</b>   | Business Cost of Crime and Violence |
|  |  | Cost of Organized Crime             |
| Reliability of Police Services   |  |                                     |
| Judicial Independence  |  |                                     |
| Efficiency of Legal Framework for Challenging Regulations  |  |                                     |
| <b>GWP</b>   | IPR protection   |                                     |
|  | Property Rights  |                                     |
|  | Informal Sector  |                                     |
|  | Confidence in the police force   |                                     |
|  | Confidence in judicial system  |                                     |
| <b>HER</b>   | Have you had money property stolen from you or another household member?   |                                     |
|  | Have you been assaulted or mugged?   |                                     |
| <b>IPD</b>   | Property Rights  |                                     |
|  | Degree of security of goods and persons  |                                     |
|  | Violent activities by criminal organizations (drug trafficking, weapons, prostitution...)  |                                     |
|  | Degree of judicial independence vis-à-vis the State  |                                     |
|  | Degree of enforcement of court orders  |                                     |
|  | Timeliness of judicial decisions   |                                     |
|  | Equal treatment of foreigners before the law (compared to nationals)   |                                     |
|  | Practical ability of the administration to limit tax evasion   |                                     |
|  | Efficiency of the legal means to protect property rights in the event of conflict between private stakeholders?                                |                                     |
|  | Generally speaking, does the State exercise arbitrary pressure on private property (e.g. red tape...)?   |                                     |
|  | Does the State pay compensation equal to the loss in cases of expropriation (by law or fact) when the expropriation concerns land ownership?   |                                     |
|  | Does the State pay compensation equal to the loss in cases of expropriation (by law or fact) when the expropriation concerns production means? |                                     |
|  | Degree of observance of contractual terms between national private stakeholders  |                                     |
|  | Degree of observance of contractual terms between national and foreign private stakeholders  |                                     |
|  | In the past 3 years, has the State withdrawn from contracts without paying the corresponding compensation... vis-à-vis national stakeholders?  |                                     |
| In the past 3 years, has the State withdrawn from contracts without paying the corresponding compensation... vis-à-vis foreign stakeholders? |  |                                     |
| <b>PRS</b>   | Respect for intellectual property rights relating to... trade secrets and industrial patents   |                                     |
|  | Respect for intellectual property rights relating to... industrial counterfeiting  |                                     |
|  | Does the State recognize formally the diversity of land tenure system?   |                                     |
|  | Law and Order  |                                     |

|            |   |
|------------|---|
| <b>TPR</b> | Trafficking in People   |
| <b>VDM</b> | Liberal component index (measuring rule of law, judicial independence, checks and balances)   |
| <b>WMO</b> | <p><i>Expropriation.</i> The risk that the state or other sovereign political authority will deprive, expropriate, nationalise, or confiscate the assets of private businesses, whether domestic or foreign.</p> <p><i>State contract alteration.</i> The risk that a government or state body alters the terms of, cancels outright, or frustrates (usually through delay) contracts it has with private parties without due process.</p> <p><i>Contract enforcement.</i> The risk that the judicial system will not enforce contractual agreements between private-sector entities, whether domestic or foreign, due to inefficiency, corruption, bias, or an inability to enforce rulings promptly and firmly.</p> |

#### Non-representative Sources

|            |  |
|------------|--|
| <b>ADB</b> | Property rights and rule based governance  |
| <b>AFR</b> | Over the past year, how often have you or anyone in your family feared crime in your own home?<br>Over the past year, how often have you or anyone in your family had something stolen from your house?<br>Over the past year, how often have you or anyone in your family been physically attacked?<br>How much do you trust the courts of law?<br>Trust police                                 |
| <b>ASD</b> | Property rights and rule based governance  |
| <b>BPS</b> | How often is following characteristic associated with the court system: Fair and honest?<br>How often is following characteristic associated with the court system: Enforceable?<br>How often is following characteristic associated with the court system: Quick?<br>How problematic is crime for the growth of your business?<br>How problematic is judiciary for the growth of your business? |
| <b>BTI</b> | Rule of Law  |
| <b>FRH</b> | Judicial Accountability  |
| <b>GII</b> | Public Management<br>Rights<br>Gender  |
| <b>IFD</b> | Access to land<br>Access to water for agriculture  |
| <b>LBO</b> | Trust in Judiciary<br>Trust in Police<br>Have you been a victim of crime?  |
| <b>PIA</b> | Property rights and rule based governance  |
| <b>VAB</b> | Trust in supreme court<br>Trust in justice system<br>Trust in police<br>Have you been a victim of crime?   |
| <b>WCY</b> | Tax evasion is not a threat to your economy<br>Justice is fairly administered<br>Personal security and private property rights are adequately protected<br>Parallel (black-market, unrecorded) economy does not impair economic development<br>Intellectual property rights are adequately enforced  |
| <b>WJP</b> | Factor 5.1: Crime is effectively controlled (Order and Security)<br>Factor 7: Civil Justice<br>Factor 8: Criminal Justice  |

| <b>Code</b> | <b>Data Source Name</b>   |
|-------------|---|
| ADB         | African Development Bank Country Policy and Institutional Assessments |
| AFR         | Afrobarometer   |
| ASD         | Asian Development Bank Country Policy and Institutional Assessments   |
| BPS         | Business Enterprise Environment Survey                                |
| BTI         | Bertelsmann Transformation Index                                      |
| CCR         | Freedom House Countries at the Crossroads                             |
| EBR         | European Bank for Reconstruction and Development Transition Report    |
| EIU         | Economist Intelligence Unit Riskwire & Democracy Index                |
| FRH         | Freedom House   |
| GCB         | Transparency International Global Corruption Barometer Survey         |
| GCS         | World Economic Forum Global Competitiveness Report                    |
| GII         | Global Integrity Index  |
| GWP         | Gallup World Poll   |

|     |   |
|-----|---|
| HER | Heritage Foundation Index of Economic Freedom                           |
| HUM | Cingranelli Richards Human Rights Database and Political Terror Scale   |
| IFD | IFAD Rural Sector Performance Assessments                               |
| IJT | iJET Country Security Risk Ratings                                      |
| IPD | Institutional Profiles Database   |
| IRP | IREEP African Electoral Index   |
| LBO | Latinobarometro   |
| MSI | International Research and Exchanges Board Media Sustainability Index   |
| OBI | International Budget Project Open Budget Index                          |
| PIA | World Bank Country Policy and Institutional Assessments                 |
| PRC | Political Economic Risk Consultancy Corruption in Asia Survey           |
| PRS | Political Risk Services International Country Risk Guide                |
| RSF | Reporters Without Borders Press Freedom Index                           |
| TPR | US State Department Trafficking in People report                        |
| VAB | Vanderbilt University Americas Barometer                                |
| VDM | Varieties of Democracy Project  |
| WCY | Institute for Management and Development World Competitiveness Yearbook |
| WJP | World Justice Project Rule of Law Index                                 |
| WMO | Global Insight Business Conditions and Risk Indicators                  |