

Annex II: Indicators of governance in the Arab countries

Table 1: Institutional quality in the Arab countries in 1996

	Voice and accountability	Political stability	Government effectiveness	Regulatory quality	Rule of law	Control of corruption	Average institutional quality
LOW INCOME	-1.59	-1.97	-1.17	-1.53	-1.50	-0.90	-1.44
Comoros	-0.04	1.05	-0.71	-0.82	..	..	-0.13
Mauritania	-0.95	0.56	0.20	-0.86	-0.88	..	-0.39
Somalia	-1.91	-2.30	-1.77	-2.91	-2.10	-1.74	-2.12
Sudan	-1.95	-2.58	-1.49	-1.88	-1.63	-1.13	-1.78
Yemen	-0.94	-1.15	-0.55	-0.44	-1.15	-0.29	-0.75
LOWER MIDDLE INCOME	-1.17	-1.33	-0.26	-0.47	-0.41	-0.27	-0.65
Algeria	-1.36	-2.44	-0.39	-0.94	-1.21	-0.37	-1.12
Djibouti	-0.72	0.21	-0.98	0.17	-0.24	..	-0.31
Egypt	-1.04	-1.07	-0.03	0.24	0.08	0.06	-0.29
Iraq	-1.96	-2.90	-1.49	-2.95	-1.61	-1.39	-2.05
Jordan	-0.37	0.17	0.23	0.29	0.44	-0.15	0.10
Morocco	-0.63	-0.61	-0.05	0.15	0.12	0.22	-0.13
Syria	-1.61	-0.82	-0.15	-0.91	-0.49	-0.79	-0.80
Tunisia	-0.85	0.16	0.51	0.56	-0.20	-0.10	0.01
OPT	-0.70	..	..	..	..	..	-0.70
UPPER MIDDLE INCOME	-1.18	-0.88	-0.22	-0.94	-0.49	-0.51	-0.70
Lebanon	-0.39	-0.52	0.21	0.02	-0.22	-0.23	-0.19
Libya	-1.82	-1.76	-1.02	-2.10	-1.29	-0.97	-1.49
Oman	-1.02	0.47	0.86	0.10	0.87	0.06	0.22
HIGH INCOME	-1.44	-0.34	-0.17	-0.22	0.50	-0.27	-0.33
Bahrain	-1.19	-0.82	0.43	0.51	0.17	0.02	-0.15
Kuwait	-0.47	0.01	0.35	-0.04	0.74	0.61	0.20
Qatar	-0.94	0.33	0.49	0.34	0.10	-0.12	0.03
Saudi Arabia	-1.62	-0.52	-0.34	-0.38	0.45	-0.42	-0.47
UAE	-1.02	0.74	0.42	0.53	0.84	0.13	0.27
OVERALL AVERAGE	-1.28	-1.35	-0.44	-0.69	-0.56	-0.41	-0.80

Source: Kauffman, World Bank Governance Indicators, 2008.

Note: Estimates between -2.5 and 2.5; higher is better.

Table 2: Institutional quality in the Arab countries in 2007

	Voice and accountability	Political stability	Government effectiveness	Regulatory quality	Rule of law	Control of corruption	Average institutional quality
LOW INCOME	-1.49	-2.03	-1.25	-1.22	-1.40	-1.10	-1.42
Comoros	-0.45	-0.40	-1.80	-1.43	-0.93	-0.69	-0.95
Mauritania	-0.75	-0.33	-0.68	-0.36	-0.60	-0.50	-0.54
Somalia	-1.89	-3.01	-2.35	-2.72	-2.64	-1.87	-2.41
Sudan	-1.73	-2.30	-1.18	-1.25	-1.46	-1.25	-1.53
Yemen	-1.06	-1.48	-1.02	-0.71	-0.94	-0.62	-0.97
LOWER MIDDLE INCOME	-1.15	-1.00	-0.54	-0.53	-0.46	-0.58	-0.71
Algeria	-1.01	-1.18	-0.52	-0.66	-0.72	-0.47	-0.76
Djibouti	-1.06	-0.05	-0.98	-0.80	-0.51	-0.48	-0.65
Egypt	-1.24	-0.77	-0.44	-0.31	-0.13	-0.58	-0.58
Iraq	-1.29	-2.82	-1.68	-1.35	-1.89	-1.39	-1.74
Jordan	-0.64	-0.29	0.27	0.35	0.51	0.32	0.09
Morocco	-0.62	-0.52	-0.07	-0.11	-0.15	-0.24	-0.29
Syria	-1.77	-0.61	-0.88	-1.22	-0.55	-0.88	-0.99
Tunisia	-1.22	0.10	0.46	0.15	0.32	0.08	-0.02
OPT	-1.28	-2.07	-1.24	-1.38	-0.84	-0.77	-1.26
UPPER MIDDLE INCOME	-1.28	-0.29	-0.63	-0.41	-0.36	-0.48	-0.58
Lebanon	-0.45	-2.09	-0.61	-0.21	-0.66	-0.65	-0.78
Libya	-1.94	0.47	-1.07	-0.98	-0.62	-0.83	-0.83
Oman	-1.03	0.76	0.38	0.63	0.73	0.62	0.35
HIGH INCOME	-1.36	-0.29	0.01	0.08	0.38	0.14	-0.17
Bahrain	-0.82	-0.28	0.41	0.89	0.66	0.60	0.24
Kuwait	-0.46	0.40	0.20	0.29	0.69	0.49	0.27
Qatar	-0.64	0.81	0.06	0.55	0.89	1.00	0.45
Saudi Arabia	-1.59	-0.59	-0.18	-0.10	0.27	-0.10	-0.38
UAE	-0.89	0.76	0.86	0.70	0.66	1.00	0.52
OVERALL AVERAGE	-1.25	-1.13	-0.65	-0.62	-0.58	-0.62	-0.81

Source: Kauffman, World Bank Governance Indicators, 2008.

Note: Estimates between -2.5 and 2.5; higher is better.

Table 3: Direction of institutional reforms in Arab countries: change in governance indicators between 1996 and 2007

	Voice and accountability	Political stability	Government effectiveness	Regulatory quality	Rule of law	Control of corruption	Average institutional quality
LOW INCOME	0.09	-0.09	-0.09	0.29	0.10	-0.18	0.02
Comoros	-0.41	-1.45	-1.09	-0.61	..	..	-0.89
Mauritania	0.20	-0.89	-0.88	0.50	0.28	..	-0.16
Somalia	0.02	-0.71	-0.58	0.19	-0.54	-0.13	-0.29
Sudan	0.22	0.28	0.31	0.63	0.17	-0.12	0.25
Yemen	-0.12	-0.33	-0.47	-0.27	0.21	-0.33	-0.22
LOWER MIDDLE INCOME	0.01	0.34	-0.27	-0.05	-0.05	-0.31	0.00
Algeria	0.35	1.26	-0.13	0.28	0.49	-0.10	0.36
Djibouti	-0.34	-0.26	0.00	-0.97	-0.27	..	-0.37
Egypt	-0.20	0.30	-0.41	-0.55	-0.21	-0.64	-0.29
Iraq	0.67	0.08	-0.19	1.60	-0.28	0.00	0.31
Jordan	-0.27	-0.46	0.04	0.06	0.07	0.47	-0.02
Morocco	0.01	0.09	-0.02	-0.26	-0.27	-0.46	-0.15
Syria	-0.16	0.21	-0.73	-0.31	-0.06	-0.09	-0.19
Tunisia	-0.37	-0.06	-0.05	-0.41	0.52	0.18	-0.03
OPT	-0.58	..	..	..	..	..	-0.58
UPPER MIDDLE INCOME	-0.08	0.62	-0.38	0.57	0.15	0.04	0.15
Lebanon	-0.06	-1.57	-0.82	-0.23	-0.44	-0.42	-0.59
Libya	-0.12	2.23	-0.05	1.12	0.67	0.14	0.67
Oman	-0.01	0.29	-0.48	0.53	-0.14	0.56	0.13
HIGH INCOME	0.06	0.01	0.15	0.27	-0.13	0.38	0.12
Bahrain	0.37	0.54	-0.02	0.38	0.49	0.58	0.39
Kuwait	0.01	0.39	-0.15	0.33	-0.05	-0.12	0.07
Qatar	0.30	0.48	-0.43	0.21	0.79	1.12	0.41
Saudi Arabia	0.03	-0.07	0.16	0.28	-0.18	0.32	0.09
UAE	0.13	0.02	0.44	0.17	-0.18	0.87	0.24
OVERALL AVERAGE	0.03	0.22	-0.19	0.08	-0.02	-0.19	-0.02

Source: UNDP/AHDR calculations based on World Bank Governance Indicators, 2008.

Note: Positive differences indicate improvements in the governance dimension while negative differences indicate a deterioration. As the average institutional change for the Arab countries is -0.02, there is no evidence of any overall improvements in governance. Indeed, the period 1996-2007 saw a deterioration. On the sub-regional level, the following conclusions may be drawn from Table 3: 1) For low income countries, the institutional reform challenge resides in Government Effectiveness, Political Stability and Control of Corruption where a deterioration is recorded in the 11 years under consideration. 2) For the lower middle income countries a small improvement in political stability is noticeable; however the obvious explanation for this is that each of these populous countries, namely Algeria, Egypt and Iraq, started in 1996 with very low achievements in this dimension. On the other dimensions of governance, they record a deterioration. 3) The upper middle income countries recorded improvements on 4 of the 6 governance indicators. 4) The high income countries recorded improvements on all fronts, with the exception of the rule of law indicator. However, despite these achievements, the high income countries score below average on "Voice and Accountability", which remains a significant priority for their reform efforts.

