



Chile News

February 9, 2006

CHILE RANKS 20TH IN FORBES STUDY OF NATIONS MOST HOSPITABLE TO INVESTORS

- A recent study of “**Nations Most Hospitable to Investors**” by *Forbes* Magazine ranked Chile 20th out of 135 countries surveyed, above Japan, Holland, France, and Italy.
- Chile is the top ranking Latin American country in the index, 19 places above Uruguay, and 26 above Brazil (ranked 46th), the next highest rankings in the region.
- The index drawn up by Forbes draws from a range of more specific studies by the *World Bank*, *Transparency International*, and *Freedom House* among others. For Chile’s rankings in individual categories and a full list of sources see below.
- The *Forbes* ranking is similar to that obtained by Chile in the *World Economic Forum’s* (WEF) **Growth Competitiveness Index** 2005 (23rd), in which Chile also leads the region, with Uruguay 31 places behind (ranked 54th). Mexico ranked 55th and Brazil 65th in the survey.
- In their more comprehensive WEF **Global Competitiveness Index**, Chile ranked 1st in the world in the Macroeconomy category.
- To quote the WEF report:

“Indeed, the gap with respect to the next best performer in the region has widened from 26 places in 2004 to 31 places in 2005, a characteristic not seen in any other region of the world.

The country continues to benefit from a combination of remarkably competent macroeconomic management, and public institutions which have achieved EU levels of transparency and efficiency. Indeed, only eight of the 25 EU members have higher ranks on the public institutions subindex.” (p3-4, Executive Summary, 2005 GCI Report)



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Forbes' Capital Hospitality Index:

Category	Percentile
Foreign Restrictions	92
Wages & Prices	99
Regulation	86
Competitiveness	72
Technology	70
Red Tape	72
Investor Protection	68
Corruption	87
Personal Freedom	100
Corporate Tax Rate	87

Sources for Forbes' Capital Hospitality Index:

- Foreign Restrictions + Regulation: Components of *The Heritage Foundation's* 2005 Index of Economic Freedom.
- Competitiveness + Technology: *World Economic Forum's* "Global Competitiveness Report, 2005".
- Technology: a component of the Competitiveness Index. Red Tape, Investor Protection: *World Bank, 2005*.
- Corruption: *Transparency International's* "Global Corruption Report 2005."
- Personal Freedom: *Freedom House's* "Freedom in the World, 2004".
- Corporate Tax Rate: International Tax, *Deloitte Tax LLP*. "Corporate Tax Rates at a Glance, August 2005".
- GDP Growth + Unemployment: U.S. *Central Intelligence Agency's* World Factbook.

Link to **Forbes' Capital Hospitality Index:**

http://www.forbes.com/lists/2006/6/Score_1.html