

EuCham Charts
April 2015
Competitiveness Improvement
in Europe



		<i>Improvement rate</i>	<i>2015 ranking</i>
1	Macedonia	9.08%	30
2	Georgia	8.52%	31
3	Bulgaria	7.63%	26
4	Albania	7.45%	38
5	Turkey	7.04%	22
...			
14	Switzerland	1.70%	1
...			
38	Iceland	-7.28%	15

- Macedonia achieves the highest place in improving GCI with over 9% post-crisis
- Switzerland maintains the best GCI ranking during and after the global financial crisis
- Iceland strongly worsened its competitiveness but still maintains its middle-tier position

Source: eucham.eu/charts

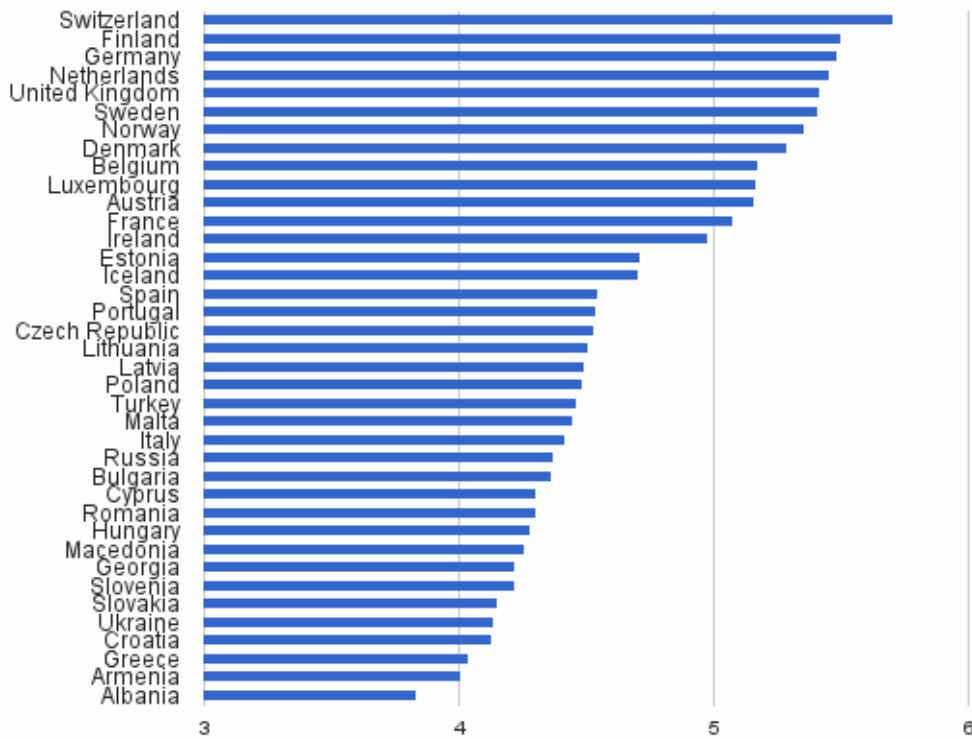
Global Competitiveness Index (GCI)
of World Economic Forum, data 2008-2009 & 2014-2015
38 European countries were considered

Detailed Information

EuCham - European Chamber lists the countries based on the Global Competitiveness Index (GCI) improvement from the global financial crisis in 2008 to nowadays. GCI is defined by the World Economic Forum as the set of institutions, policies, and factors that determine the level of productivity (hence competitiveness and growth potential) of a country. While Switzerland, Germany and Scandinavian countries are dominant in Europe concerning competitiveness, the main aim of the chart is to highlight the countries which experienced the biggest variations, including Macedonia, Georgia, and Bulgaria, in the overall score since 2008, in order to quantify the result of their effort to overcome the aftermath of crisis.

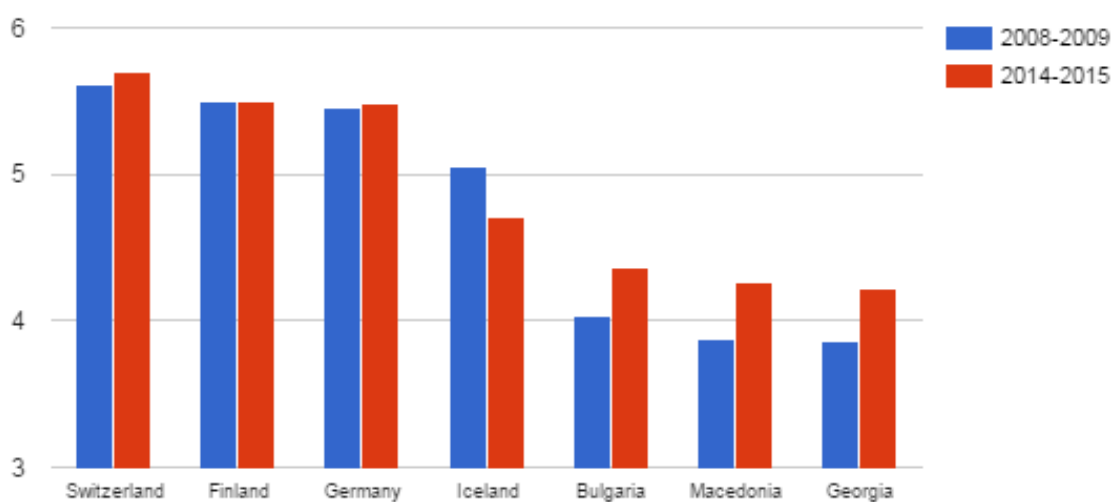
As it can be inferred from Figure 1, Switzerland tops the GCI in both compared periods. Followingly, Finland and Germany have gained the high GCI position post-crisis and performed the slightly increasing overall score which are 0.06% and 0.42%, respectively.

Figure 1: GCI value 2014-2015



In spite of not still reaching the top positions of the GCI ranking, Macedonia addressed the most significant competitiveness improvement after the crisis. This can be explained by its moderate economic freedom, above the European and worldwide average according to the Heritage Foundation and the Wall Street Journal, as well as by the financial support from IMF Precautionary Credit Line in 2011. The other countries experiencing the best improvement are Georgia, Bulgaria, Albania and Turkey. Iceland worsened its competitiveness during the past years, yet still preserves an above average ranking, while Slovakia and Slovenia fell 11 and 13 positions respectively. The fact that economy of Iceland faced a dramatic depreciation of the currency and higher import dependence post-crisis with the collapse of the banking system might also explain the subsequent decline in GCI.

Figure 2: GCI value 2008-2009 & 2014-2015



Methodology

The GCI rank (position) and overall value are collected from the official reports of World Economic Forum. GCI is based on 12 main pillars, which are divided into three categories (factor-driven, efficiency-driven and innovation-driven economies). Among these pillars, 110 indicators are sorted from 1 to 10 where 10 is the highest performance whereas 1 is the lowest. The competitiveness improvement is the increasing percentage compared between 2008-2009 and 2014-2015 values. The higher the percentage is achieved, the better the position is ranked.

Table 1: Global Competitiveness Index Improvement in Europe

Country	GCI 2008-2009		GCI 2014-2015		GCI Improvement
	Value	Rank	Value	Rank	Value
Macedonia	3.87	35	4.26	30	9.08%
Georgia	3.86	36	4.22	31	8.52%
Bulgaria	4.03	34	4.37	26	7.63%
Albania	3.55	38	3.84	38	7.45%
Turkey	4.15	30	4.46	22	7.04%
Armenia	3.73	37	4.01	37	7.04%
Luxembourg	4.85	14	5.17	10	6.04%
Latvia	4.26	27	4.50	20	5.30%
Romania	4.10	32	4.30	28	4.62%
Poland	4.28	26	4.48	21	4.45%
Malta	4.31	25	4.45	23	3.03%
Norway	5.22	9	5.35	7	2.52%
United Kingdom	5.30	7	5.41	5	2.18%
Switzerland	5.61	1	5.70	1	1.70%
Portugal	4.47	20	4.54	17	1.52%
Italy	4.35	23	4.42	24	1.44%
Hungary	4.22	29	4.28	29	1.41%
Ukraine	4.09	33	4.14	34	1.28%
Russia	4.31	24	4.37	25	1.28%
Lithuania	4.45	21	4.51	19	1.27%
Estonia	4.67	16	4.71	14	0.93%
Netherlands	5.41	6	5.45	4	0.80%
Belgium	5.14	11	5.18	9	0.80%
Germany	5.46	5	5.49	3	0.42%
Finland	5.50	4	5.50	2	0.06%
Ireland	4.99	13	4.98	13	-0.24%*
Austria	5.23	8	5.16	11	-1.39%*
Greece	4.11	31	4.04	36	-1.74%*
Czech Republic	4.62	17	4.53	18	-1.85%*
Croatia	4.22	28	4.13	35	-2.23%*
Sweden	5.53	3	5.41	6	-2.35%*
France	5.22	10	5.08	12	-2.80%*
Spain	4.72	15	4.55	16	-3.77%*
Cyprus	4.53	18	4.31	27	-5.10%*
Denmark	5.58	2	5.29	8	-5.62%*
Slovakia	4.40	22	4.15	33	-6.07%*
Slovenia	4.50	19	4.22	32	-6.57%*
Iceland	5.05	12	4.71	15	-7.28%*

* indicates worsening of the competitiveness

No data: Azerbaijan, Belarus, Serbia, Bosnia and Herzegovina, Moldova, Kosovo, Montenegro, Andorra, Liechtenstein, San Marino

Source: World Economic Forum Report (2008-2009, 2014-2015)

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