**Program on the Geopolitical Implications of
Globalization and Transnational Security**

Proposal for a Stability Matrix

Dr. Nayef R.F. Al-Rodhan
**Senior Scholar in Geostrategy and
Director of the Program on the
Geopolitical Implications of Globalization
and Transnational Security
Geneva Centre for Security Policy**

Mr. Hrair Balian
**Deputy Director (Special Programmes and Management)
Geneva Centre for Security Policy**

Dr. Graeme Herd
**Joint Course Director
International Training Course in Security Policy
Geneva Centre for Security Policy**

December 20, 2006

To comment, please email Ms. Bethany Webster at b.webster@gcsp.ch.

Introduction

In reviewing existing stability indices, we found that most view state stability through a rather narrowly focused prism. Although some indices assess more than one dimension of state stability, they do not account for a range of factors that, if taken into consideration, would allow for a more comprehensive and therefore more robust assessment of this state. We propose the development of a matrix that would supplement existing indices by taking into account a range of additional factors that in some way can impact the stability of a state in either the political, economic, social, military, security, or environmental spheres. An approach that is more comprehensive would do more justice to the complexity of the notion of state stability by considering factors that are clearly at the center of state stability but have so far been neglected.

For some time, analysts have been trying to develop a way to predict the fall of governments, states, and societies in order to prevent conflict. While this is, of course, one important part of determining a state's stability, it is also critical, at the regional level, for neighboring states to have a well-founded, robust, and thorough measurement of the stability of other states in their region. The availability of such a measurement could facilitate sounder policy choices in economic, political, and military matters that could prevent instability from spreading throughout a region. We propose that, through the development of a stability matrix, we will provide the means for developing preventative measures to contribute to the stability of the international system. Therefore, this paper proposes the means and methodology for creating a matrix that we feel would accurately and effectively measure state stability.

In reviewing the indices that have so far been utilized for assessing state stability, and by presenting them in a table, it becomes clear that there is a need for a truly comprehensive overview that could lead to the creation of a more robust matrix. The following paragraphs provide a number of examples from our review of the available indices that tend to look at only a limited number of mostly political and economic factors:

- The World Bank **Conflict Analysis Framework**, established in 2002 to examine social, political, security, economic, environmental, and external factors, is the most comprehensive index.[1]

Other indices only consider economic stability. Some of these do take into account the political and institutional sectors as well, since they naturally affect opportunities for foreign investment. Despite measuring other factors, the main measurements still concentrate on the economic dimension. Such indices are:

- The **Political Risk Services** of the Political Risk Services Group;[2]

- The **Small Island Developing States Vulnerability Index** of the Foundation for International Studies of the University of Malta;[3]
- The World Bank **Country Policy and Institutional Assessment**;[4]
- The *Harvard Business Review* **Global Risk Navigator**.[5]

The economic dimension is not the only factor measured in isolation. The political aspect is also quite often used as a basis for measurement, as is evident in the following indices:

- The World Audit **World Democracy Audit** measures the level of democracy in a given country;[6]
- The Swisspeace **FAST Early Warning Program** also focuses on the political aspect as a way to prevent violent conflict;[7]
- The World Bank **Governance Indicators: 1996-2004** measures governance stability;[8] and
- The Anthony Annett **INS Index, Political Stability** measures political instability based on social aspects as an indicator of political unrest.[9]

Other indices look at a number of factors and assess stability in a way that more closely resembles our own proposal.

- The PRS Group **International Country Risks Guide** measures political, economic, and financial risks;[10]
- The Carleton University **Country Indicators for Foreign Policy (CIFP)** measures political, economic, social, and cultural environments as a way of determining which countries are more likely to collapse;[11] and
- The **Forum on Early Warning and Early Response** measures numerous factors (identification of conflict and peace indicators, main conflict categories, peace categories) as a way of determining the level of vulnerability to conflict.[12]

Other indices base their measurements on two or three dimensions when calculating the level of stability in a particular country. They are able to provide concrete analysis in a couple of vital areas, including, for example, the political system, the economy, or society. In spite of the similarity to our own proposal, we include other dimensions that are important to a country's stability that the available tools leave out. These indices are:

- The **UNDP Early Warning Report**;[13]
- The London School of Economics **Global Civil Society Index**;[14]
- The University of Maryland **Center for International Development and Conflict Management Peace and Conflict Ledger**;[15]
- The **Bertelsmann Transformation Index**;[16]

- The World Bank **Post-Conflict Performance Indicators**;[17] and
- The **Failed States Index (The Fund for Peace)**/*Foreign Policy.*[18]

The **Alternative Country-Risk Index** developed by the D3E (Development, Economy, Ecology, Equity – Latin America) and the Latin American Centre for Social Ecology[19] while not listed in our official table provides another measure of two or three dimensions and was also used as a basis for the creation of the GCSP Stability Matrix.

Thus, our proposed matrix includes issues that are already being used in other indices, as well as additional, crucial issues that can affect a state's stability, whether the influence of any particular issue is minor or major. We propose a matrix that will examine social, political, economic, environmental, and military/security capabilities in order to determine to what extent a state is threatened from external instability but, more importantly, how stable it currently is. These dimensions were chosen due to their potential to present a sweeping overview in all state aspects. The major sources of stability and instability are found in one or more of these facets. By calculating all of these factors, we have found a more effective way of measuring state stability. This measurement includes the extent to which a state is equipped to respond in case of a disturbance in any of these dimensions. Thus it becomes possible to appreciate more fully the degree of a state's stability and its vulnerabilities as a way of ensuring future stability on the state and regional levels.

Methodology

There were two methodological issues to consider during the development of the GCSP Stability Matrix: first, how to identify indicators that determine stability, and; second, how to measure the reliability of these indicators and to examine to what extent they measure up to observations regarding the overall stability of a state.

The first issue refers to the way in which we developed indicators in a grid that aims to measure the level of stability within a state (see Table 1). These indicators were compiled on the basis of a comprehensive review of existing measurements used in available indices. In addition, we added indicators that literature and documents on state stability suggest are important. The selection of these indicators was based on what historically has been shown to represent measures of stability, as well as potential sources of conflict. While the determination of individual points to consider remains slightly subjective, the *value* of each indicator, once chosen, will be assessed based on data from reliable sources. The grid therefore represents factors from all the dimensions that we consider significant in determining stability levels, as well as what has been measured in existing indices. The indicators should offer an exhaustive compilation of factors that can create an environment conducive to stability in a country or region.

The second methodological issue is the analysis that will be used in order to determine the ranking of a particular country. We propose that an index of this type be produced annually in order for the stability assessment to be based on patterns rather than random fluctuations in the international system. By conducting the research more often, trends would be harder to identify. Some indicators may offer more accurate measurements than others. Consequently, it is important to weigh each of these factors based on their perceived importance in the stability debates of the particular country in question. While this project assesses each of these factors as being equally important in the analysis of stability, it is impossible for us to fully consider which factors should be given more weight in an assessed country at any given time. This paper suggests that, in order to do so accurately, a panel of experts on each main sector (economic, military/security, societal, environmental, and political) should be assembled to determine the proper weight of each variable. This would appear as a percentage at the start of each section. Through this iterative process, the GCSP Stability Matrix offers the potential to create a dynamic picture that would allow analysts to assess current stability trends and likely future stability trajectories.

Once the relevant factors have been determined (which, again, would be granted a certain value based on their importance to the assessed country), data would be pulled from existing measurements. For instance, Table 2 presents indices that illustrate economic stability. By taking current measures, we would be able to compile a ranking in terms of economic stability for the countries that the matrix is measuring. Our matrix would then fill in the remaining gaps in the measurements, using reliable sources, where possible. In the absence of information for a given indicator, we would measure those aspects that are present in order to gauge stability, even at the most basic level.

We propose that each indicator be measured using existing indices and information from reputable and established institutions such as the United Nations (UN) and its agencies, or the World Trade Organization (WTO) and the International Monetary Fund (IMF), in order to complete the assessment in all the given countries. For those countries where measurements do not exist in current indices, a methodology would need to be worked out according to the information available for that country. For instance, if there is no information on Internet availability for measuring access to information, another measure would have to be found that can indicate the same contribution to stability. Perhaps this could be measured by considering the number of new telephone lines added or access to foreign news sources. In the best-case scenario, all of the indicators that are listed in Table 1 would have a value, but it would be unrealistic to expect to find measurements of all of these factors in existing indices or other information sources. Despite the potential lack of such data, those indicators that can be measured could still offer an indication of stability that would be interesting to explore in this field of study.

In our stability matrix, each country will be measured in terms of broad sectors and more-specific sub-sectors (indicated in Table 1 as A.1, A.2, etc.) based on the evaluation of experts in the specific sectors (e.g., economic). Once these measurements have been determined, the information from existing indices, as well as the information that has been provided to fill in any gaps, would be weighted as a percentage of the final score. For example, if the gross domestic product (GDP) growth rate has been determined to be valued at 10 percent of the contribution to stable, economic conditions in Germany by the assembled experts, and if the growth rate is strong (as determined by the index being used to provide this information, e.g., the CIFP Index), a 1 would be assigned to indicate that this variable contributes to the stability of the *Economic Conditions* (A.1). This means that this particular indicator contributes a 1 to the economic sector and subsequently to the entire stability of the state. Once each of these variables has been rated on a scale of 1-3 (either contributing to stability, to borderline stability, or to instability, respectively), an average of these measurements would be taken for the sub-sector and weighted within this average in accordance with the value determined by the expert panel. In this case, *Economic Conditions* (A.1) would have a 10 percent value contribution to the average score for the Economic Sector. Consequently, Sub-sector A.1 for Germany might therefore be ranked with a 1. This would be repeated for every indicator and every sub-sector. The next step would be to see how many of the sub-sectors (A.1, A.2, A.3, etc.) contribute to stability, instability, or makes a borderline contribution and again take an average based on the expert valuation. This would determine the contribution of the Economic Sector (A), and the remaining rankings for the main sectors would be determined in exactly the same manner. Finally, the rankings of the individual sectors would make up the overall state measurement, which would also be based on 1, 2, or 3 and would ultimately indicate the level of stability in a particular state.

As with any measurement of stability or security, other factors must be taken into consideration in order to get an accurate and realistic indication. This would include the current situation of the individual state being measured. For instance, governmental collapse or corruption in one country will not have the same stability value as governmental collapse or corruption in another country. This would have to be taken into account when this matrix is applied. As a way of eliminating the potentially heavy subjective nature of this approach, in the application of this matrix, we provide two more points of consideration. The first consideration concerns the potential problem in determining the value of each sector within an expert panel. It is possible that two expert groups would determine completely varying opinions about the weighted values and therefore create an entirely different matrix result. Second, we would suggest that, for each country assessed, a minimum- and maximum-value scale would be created based on the political and economic systems within the country being measured. While this would not eliminate the subjective nature of this valuation entirely, it would assist in determining the most accurate matrix value possible.

In addition, it would be important for the users of this matrix to understand the historical, cultural, societal, economic, and environmental relevance of the state responses to these stability factors in order to predict future trends. However, it would be beyond the scope of this proposal and premature in the development of this index to indicate what measures would be best used for carrying out a reality check on the matrix itself for each particular country measured.

Results

(1) GCSP Stability Matrix

The development of an effective way of measuring the level of a state's stability at any given time is certainly not a simple task. By assessing the existing matrices currently in use, as well as other important but overlooked factors that contribute to stability, we propose the following list of indicators and structure that could be used to measure the level of stability of a given state, as well as indicate possible trends for future stability/instability.

(2) Other Measures of Stability

The development of this methodology was based on available indices that aim to measure stability. Through an exhaustive examination of the literature on this topic, we were able to identify the indices that are presented in Table 2. This is an extensive overview of the methodology that the authors of the other indices have employed and the variables they use in determining their rankings. In assessing the development and variables that are currently being used, our program was able to develop a more comprehensive and potentially more effective matrix for measuring the level of state stability.

Discussion

As we can see from the examples identified, many institutions and organizations have assessed state stability by measuring state vulnerability to collapse from a combination of external and internal factors such as conflict and unrest. Previous assessments include a broad range of variables or are more narrowly focused on, for example, the economic stability of small island states and the impact the environment may have on these nations. The GCSP matrix capitalizes on the strengths of both approaches to include a degree of comprehensiveness and specificity within identified categories of assessment. This approach provides more than a snapshot of stability. Through periodic iterations, we can identify trends and trajectories for state and regional stability. The GCSP Stability Matrix offers an assessment of the geopolitical implications to global stability and therefore contributes meaningfully to the discourse.

The benefit of such an approach is clear. Overall, it provides a crude measure of state stability but also allows the analyst to identify, assess, and measure the integrity of elements

critical to stability within each of the sectors. In the **political sector**, for example, we examine governance, political sentiments, elections, political groups, discrimination, political rights, press and media, as well as law and order. This covers the extensive nature of the political system in any state and addresses areas of potential concern. Specifically, the GCSP Stability Matrix measures the integrity of elections, confidence in political leaders, the ability for opposition activity, human rights abuses, freedom of expression, and finally what the security sector has in place for maintaining a civil society. It allows for an examination of public perceptions of the effectiveness of political processes, as well as of the effectiveness of political bodies.

Within the **societal sector**, it is important to look at demographics, demographic tensions, religion, ethnicity, education, health, migration, refugees, and technology. One of the main focuses of this program in looking at the globalization debate is education and the impact that technology can have on society. This is a critical part of stability and security. Without looking at issues such as migration, potential pandemics, spread of technology, civility, religious tensions, ethnic tensions, and the sufficiency of the educational system, it is difficult to assess the other dimensions correctly. The upbringing of the people within a society, the extent to which the key components of societal identity (ethnicity, religion, language, and values) are protected or under threat, the ways in which societies are treated and what rights they are given have a direct impact on the political system and its legitimacy. Deprived of societal confidence, even the most effective government will not be able to operate without discourse.

Economic stability is repeatedly the focus when measuring stability. As countries become economically tied to a particular state economy, there is the potential for a severe economic loss if that state should collapse. This creates an incentive for increased stability measurements. This can also account for the number of indices that focus on the level of economic interdependence and use that as a means for determining the level of vulnerability of a particular state. In our matrix, it is important to also address these issues. Economic conditions, trade balances, economic management (which, of course, can also tie into the political system), the level of unemployment and the probability of economic decline all contribute to the level of confidence that an external investor may have in a given state and can therefore severely impact its stability level. Thus, it becomes critical to look at the level of debt that a state is acquiring, the level of trade openness, the level of job security, the stability of the currency, and the impact or potential impact of conflict-induced poverty. By considering all of these points, an accurate evaluation of this sector is made possible.

In recent years, the **environment** has become more critical to the policies of a state than ever before. With the emergence of larger natural disasters, as we have seen recently with the tsunami in South-East Asia, the abundance of hurricanes in the Atlantic and Gulf of Mexico, and the devastation caused by earthquakes, states are beginning to incorporate more

environmental considerations into their policy-making decisions. Environmental resources as a cause or consequence of war (oil), as a source of funding for conflicts (blood diamonds), and environmental devastation all tie the environment to security and state stability. Taking into account these factors has never been more critical. As the Small Island Developing States Vulnerability Index illustrates, environmental stress, resource availability, the implications of natural disasters, and disputes over resources have become serious issues for the international system. Stability of environmental coordination needs to begin at the grassroots level, and so this computation is crucial to the permanence of a state.

Finally, the **military and security** aspect must be discussed. Of course, this is one of the most essential portions of this discourse. It is important to ask whether the military in any particular country is prepared to deal with an external conflict or internal unrest in a way that will be detrimental to civil society. If the other sectors fail in their ability to stabilize a nation, military forces may need to be used as a means of restoring order. However, it is imperative that this sector have the legitimacy required and be free from any corruption in order to properly achieve this goal. Consequently, the number of armed conflicts, the militarization of society, and the accountability of military forces are key elements to consider. Confidence in the army, the number of army personnel, and the level of specialization become more and more important in trying to deal with potential and real internal and regional conflicts. It is also useful to note how many conflicts a state may have been involved in and the way in which those conflicts developed. Again, this sector is interlinked with the others, and sometimes this sector will be strongly influenced by the political, economic, and societal dimensions. Despite this linkage, it is important to look at the way in which the military conducts itself and the way it is perceived in order to accurately reflect the level of stability a nation may have at any given time.

In addition, it is important to look at factors such as law and order, the crime rate, people's perception of how secure they are, the status of threats such as terrorism, and the role played by corruption, if any, in society. These issues concern human and state security that is partially maintained by military factors; however, it is also worth examining this security in a slightly different light, as it incorporates both military and non-military ideas. Furthermore, the rule of law and institutional legal measures in place come into account here.

All of these sectors provide an insight into the various dimensions of a state. By looking at multiple sub-sectors and variables, no stone is left unturned. Every aspect, no matter how major or minor, is taken into account, and therefore the entity is fully and completely calibrated. Without any one of these dimensions, central themes can be left undiscovered. What one country, leader, or institution may see as important may have less influence in their state but may play a key role in another one. By providing an exhaustive list of variables, *all* factors are taken into account regardless of the origins of the study.

Conclusion

It is important for the stability of the entire international system that there be a robust means of measuring the level of a state's vulnerability and the impact that this state may have on its region. Our overview has shown that, while there are excellent resources available for measuring some dimensions, there is not a single index that takes into account all of the identified factors that can contribute to the assessment of how stable a country is. The GCSP Stability Matrix aims to be as comprehensive as possible and is based on current scientific debates and evidence. It is hoped that the matrix can provide tools that may contribute to creating a more stable and secure international system.

Table 1:
GCSP Stability Matrix

SECTOR	SUB-SECTOR	VARIABLE	1	2	3
A. ECONOMIC	**A.1 Economic Conditions**	GDP Growth Rate			
		GDP Per Capita			
		Foreign Direct Investment			
		Foreign Exchange Reserves			
		Total Debt/Debt Management			
		Access to Capital Markets			
		Debt-Service History			
		Black Market			
		Bank Failures			
		Bankruptcy Rate			
		Export Diversification			
		Financial Liberalization			
		Efficiency of Revenue Mobilization			
		Exposure to Foreign Economic Conditions			
		Living Standard			
	A.2 Trade	Trade Openness			
		Remoteness and Insularity			
		Trade Policies			
	A.3 Economic Management	Socioeconomic Conditions			
		Ratio of Spending to Means			
		Economic Inequality			
		Social Stratification/Along Group Lines			
		Corruption			
		Fiscal Policy			
		Economic Transparency and Accountability			
	A.4 Unemployment	Total Unemployment			
		Unemployment Demographics			
		Job Safety			
		Access to Social Security/Welfare			
	A.5 Economic Decline	Inflation/Currency Stability			
		Prevalence/Increase in Poverty			
		Sanctions			
		Conflict-Induced Poverty			
	A.6 Multinational Corporations	Corporate Corruption			
		Corporate Ethics			
		Corporate Influence			
		Government Influence on Corporations			

Each factor is given a score of 1-3, where 1 indicates that the factor contributes to stability, 2 indicates that it makes a borderline contribution to stability, and 3 indicates that it contributes to instability.

Dr. Nayef R.F. Al-Rodhan
Mr. Hrair Balian
Dr. Graeme Herd

SECTOR	SUB-SECTOR	VARIABLE	1	2	3
B. ENVIRON-MENTAL	**B.1 Environmental Stress**	Environmental Degradation			
		Deforestation			
		Pollution			
	B.2 Resource Availability	Access to Resources			
		Agriculture Failure/Agriculture Availability			
		Population Density and Arable Land			
		Freshwater Resources			
	B.3 Natural Disasters	Natural Disasters/Disaster Proneness			
	B.4 Resource Disputes	Natural-Resource Disputes			

Each factor is given a score of 1-3, where 1 indicates that the factor contributes to stability, 2 indicates that it makes a borderline contribution to stability, and 3 indicates that it contributes to instability.

Dr. Nayef R.F. Al-Rodhan
Mr. Hrair Balian
Dr. Graeme Herd

SECTOR	SUB-SECTOR	VARIABLE	1	2	3
C. **MILITARY &** **SECURITY**	**C.1** **Militarization**	Militarization of Society			
		Military in Politics			
		Total Armed Forces			
		Military Expenditure			
		Arms Availability			
	C.2 **Military** **Accountability** **and Transparency**	Civilian Oversight of Budget			
		Transparency of Decision Making			
		Society-Military Relations			
	C.3 **Law and Order**	Crime Rate			
		Confidence in Police/Prosecution/Courts of Justice			
		Institutional Bias/Persecution			
		Arbitrary Application of Laws			
		Public Perception of Security/Disillusion of Security Apparatus			
		Frequency of Political Arrests			
	C.4 **Conflicts**	Armed Internal Conflicts			
		Regional Conflicts			
		International Conflicts			
		Border Disputes, Incomplete Territorial Control			
		Bordering Countries in Civil or Regional War			
		Terrorism			
	C.5 **Security Services**	Security Apparatus Acts as a "State Within a State"			
		Operational Ability			
		Corruption			
		Infrastructure			

Each factor is given a score of 1-3, where 1 indicates that the factor contributes to stability, 2 indicates that it makes a borderline contribution to stability, and 3 indicates that it contributes to instability.

SECTOR	SUB-SECTOR	VARIABLE	1	2	3
D. POLITICAL	**D.1 Governance**	Regime Type/Ideologies			
		Confidence in Head of State			
		Confidence in Parliament			
		Confidence in Government			
		Consensus Building			
		International Disputes			
		Regime Durability/Systemic Instability			
		Unconsolidated Power			
		Legitimacy			
		Political Representation/Participation			
		Government Effectiveness/Steering Capability			
		Government Corruption			
		Control of Corruption			
		Government Accountability			
	D.2 Political Sentiments	Political Assassinations			
		Political Violence			
		Restrictions on Civil and Political Rights			
		Miniaturization of Dissent			
		Strikes and Demonstrations			
		Dissatisfaction With Management of State Affairs			
		Criminalization/Delegitimization of State			
	D.3 Elections	Integrity of Elections			
		Electoral Fraud			
		Voter Intimidation			
		Possibility of Standing for Elections			

SECTOR	SUB-SECTOR	VARIABLE	1	2	3
D. POLITICAL	**D.4 Political Groups**	Changing Alliances			
		Rise of Factionalized Elites			
		Social Unrest			
		Purging of Persons With Doubtful Loyalty			
		Proliferation of Opposition Groups/Size and Cohesion of Groups			
		Increased Opposition Activity			
		Tension Between Regime Supporters and Opposition Groups			
		External Support for Opposition Groups			
	D.5 Discrimination	Discriminatory Ethnic Policies			
		Discriminatory Religious Policies			
		Discriminatory Economic Policies			
		Language Laws			
		Equal Rights/Female Emancipation			
	D.6 Political Rights	Human Rights Abuses			
		Constitutional Abuses			
		Freedom of Expression			
		Freedom of Movement			
		Freedom of Assembly			
	D.7 Press and Media	Press Freedom			
		Trustworthiness of Media			
		Propaganda			
		Range of Available News Sources			

Each factor is given a score of 1-3, where 1 indicates that the factor contributes to stability, 2 indicates that it makes a borderline contribution to stability, and 3 indicates that it contributes to instability.

SECTOR	SUB-SECTOR	VARIABLE	1	2	3
E. SOCIETAL	**E.1 Demographics**	Number of Ethnic and Religious Groups/Diversity			
		Total Population			
		Population Density			
		Population Growth			
		Urban Population			
		Urban Population Growth			
		Youth Bulge			
		Myth-Making			
		Gender			
		Changing Elites			
		Differential Social Opportunities			
		Historical Rivalries			
		Territorial Disputes			
	E.2 Demographic Tensions	Inter-Group Violence			
		Inflammatory Institutions/Exploitation of Differences/Propaganda			
		Culture or Tradition of Violence			
		Reconciliation			
		Tolerance Toward Immigrants			
		Civility			
	E.3 Religion	Salience of Religious Groups			
		Religious Tension			
		Public Perception of Religious Tension			
		Antagonistic Behavior by Religious Groups			
	E.4 Ethnicity	Salience of Ethnic Groups			
		Ethnic Tensions			
		Public Perception of Ethnic Tension			
		Antagonistic Behavior by Ethnic Groups			
	E.5 Cultural Influence	Cinema			
		Radio			
		Television			
		Magazines			
		Foreign Broadcasting Ratio			
		Government Censorship			

Dr. Nayef R.F. Al-Rodhan
Mr. Hrair Balian
Dr. Graeme Herd

SECTOR	SUB-SECTOR	VARIABLE	1	2	3
E. SOCIETAL	**E.6 Education**	Primary-School Enrolment			
		Secondary-School Enrolment			
		Literacy			
		Number of Schooling Institutions			
		Female Schooling			
	E.7 Health	Access to Sanitation			
		Infant Mortality			
		Maternal Mortality			
		HIV/AIDS Prevalence			
	E.8 Migration and Refugees	Number of Migrants/Refugees			
		Ethno-Religious Salience of Migrants/Refugees			
		Refugee Movement			
		Reintegration of Migrants/Refugees			
		Migrant/Refugee Tolerance			
	E.9 Technology	Spread of Technology			
		Telephone Mainlines			
		Mobile Phones			
		Internet Users			
		Traditionalists/Tolerance Toward Technological Development			

Each factor is given a score of 1-3, where 1 indicates that the factor contributes to stability, 2 indicates that it makes a borderline contribution to stability, and 3 indicates that it contributes to instability.

Table 2:
Stability Index Ratings[1]

World Bank: Country Policy and Institutional Assessment (CPIA) (est. 1970s)			
Index	**Variables**	**Measure**	**Methodology**
Country Policy and Institutional Assessment http://siteresources .worldbank.org/IDA /Resources/CPIA2 005Questionnaire. pdf. Publication Cycle: *Annually, although the information just started to become publicly available.*	**1. Economic Management** a. Macroeconomic Management b. Fiscal Policy c. Debt Policy **2. Structural Policies** a. Trade b. Financial Sector c. Business Regulatory Environment **3. Policies for Social Inclusion/Equity** a. Gender Equality b. Equity of Public Resource Use c. Building Human Resources d. Social Protection and Labor e. Policies and Institutions for Environmental Sustainability **4. Public-Sector Management and Institutions** a. Property Rights and Rule-Based Governance b. Quality of Budgetary and Financial Management c. Efficiency of Revenue Mobilization d. Quality of Public Administration e. Transparency, Accountability, and Corruption in the Public Sector	The Country Policy and Institutional Assessment evaluates the quality of a country's present policy and institutional framework. "Quality" means how conducive that framework is to fostering poverty reduction, sustainable growth, and the effective use of development assistance.	There are 20 items to be assessed, each with a 5% weight in the overall rating. Countries should be rated on their current status in relation to these guidelines and to the benchmark countries in each region. Ratings Scale: 1 (low) through 6 (high) Intermediate scores of 2.5, 3.5, and 4.5 may also be given. Scores of 1.5 and 5.5 may not be given. For full details about the rankings, please see the reference listed in the index column.

---

[1] The methodology and description of the indices presented in Table 2 are excerpts taken from the websites and publications that describe them, referenced in the index portion of the tables. In some cases, they have been edited for clarity.

The Political Risk Services Group: Political Risk Services (PRS) (est. 1979)			
Index	**Variables**	**Measure**	**Methodology**
Political Risks Services http://www.prsgroup.com/commonhtml/methods.html. Publication Cycle: *100 country reports produced in a quarterly edition.*	**1. 18-Month Assessment** a. Turmoil b. Equity Restrictions c. Operations Restrictions d. Taxation Discrimination e. Repatriation Restrictions f. Exchange Controls g. Tariff Barriers h. Other Import Barriers i. Payment Delays j. Fiscal and Monetary Expansion k. Labor Policies l. Foreign Debt **2. Five-Year Report** a. Turmoil b. Investment Restrictions c. Trade Restrictions d. Domestic Economic Problems e. International Economic Problems	The *Political Risk Services* system forecasts the risks related to the general business concerns of regime stability, turmoil, financial transfer, direct investment, and export markets.	The PRS system forecasts risk for investors in two stages, first by identifying the three most likely future regime scenarios for each country over two time periods – 18 months and five years – and then by assigning a probability to each scenario over each time period. For each regime scenario, PRS's expert consultants identify likely changes in the level of political turmoil and 11 types of government intervention that affect the business climate. After calculating consolidated scores for all regimes (100% of possibilities), the PRS system converts these numbers into letter grades (on a scale from A+ to D) for three investment areas: financial transfers (banking and lending); foreign direct investment (e.g., retail, manufacturing, mining); and exports to the host-country market. PRS's unique system provides only industry-specific forecasts, not a generic macro-level assessment, as is usually the case.

The Political Risk Services Group: International Country Risk Guide (ICRG) (est. 1980)			
Index	**Variables**	**Measure**	**Methodology**
International Country Risk Guide http://www.prsgroup.com/commonhtml/methods.html. Publication Cycle: *Monthly.*	**1. Political Risk Components (100 points)** a. Government Stability b. Socioeconomic Conditions c. Investment Profile d. Internal Conflict e. External Conflict f. Corruption g. Military in Politics h. Religious Tensions i. Law and Order j. Ethnic Tensions k. Democratic Accountability l. Quality of Bureaucracy **2. Financial Risk Components (50 points)** a. Foreign Debt as a Percentage of GDP b. Foreign Debt Service as a Percentage of Exchanges c. Current Account as a Percentage of Exchanges d. Net Liquidity as Months of Import Cover e. Exchange-Rate Stability **3. Economic Risk Components (50 points)** a. GDP Per Head of Population b. Real Annual GDP Growth c. Annual Inflation Rate d. Budget Balance as a Percentage of GDP e. Current-Account Balance as a Percentage of GDP	The ***ICRG System*** rates political, economic, and financial risks for 140 countries, breaking each down into its key components, as well as compiling composite ratings and forecasts.	The ICRG rating comprises 22 variables in three subcategories of risk: political, financial, and economic. A separate index is created for each of the subcategories. The Political Risk index is based on 100 points, Financial Risk on 50 points, and Economic Risk on 50 points. The total points from the three indices are divided by two to produce the weights for inclusion in the composite country risk score. The composite scores, ranging from 0 to 100, are then broken down into categories from Very Low Risk (80 to 100 points) to Very High Risk (0 to 49.5 points). ICRG staff collect political information and financial and economic data, converting these into risk points for each individual risk component on the basis of a consistent pattern of evaluation. The political risk assessments are made on the basis of subjective analysis of the available information, while the financial and economic risk assessments are made solely on the basis of objective data. At the same time as the current risk assessments are produced, one- and five-year risk forecasts are produced using the same methodology. Two forecasts are produced for each time period: a worst-case forecast and a best-case forecast. As composite risk is always a proportion of 100, no calculation is necessary: Very High Risk 0-49.9% High Risk 50-59.9% Moderate Risk 60-69.9% Low Risk 70-79.9% Very Low Risk 80-100%

Carleton University: Country Indicators for Foreign Policy (CIFP) (est. 1991) (originally GEOPOL)			
Index	**Variables**	**Measure**	**Methodology**
CIFP Risk Assessment http://www.carleton.ca/cifp, http://www.carleton.ca/cifp/descriptions.htm, and David Carment, "Assessing Country Risk: Creating an Index of Severity," Background Discussion Paper Prepared for CIFP Risk Assessment Template, May 2001, http://www.carleton.ca/cifp/docs/IndexOfSeverity.pdf. Publication Cycle: *Country-dependent, depends on country being assessed, different reports are updated at varying intervals.*	**1. History of Armed Conflict (weighting: 6)** a. Armed Conflicts (Conflict Intensity Level) b. Refugees Produced (Refugees by Country Origin) c. Refugees Hosted, Internally Displaced Persons and Others of Concern **2. Governance and Political Instability (weighting: 5)** a. Level of Democracy (Overall Polity Score) b. Regime Durability c. Restrictions on Civil and Political Rights d. Restrictions on Press Freedom e. Corruption Score **3. Militarization (weighting: 5)** a. Military Expenditure (% of GDP) b. Fraction of Regional Military Expenditure (% of known total spending for the 1990s) c. Total Armed Forces (per 1,000 people) **4. Population Heterogeneity (weighting: 4)** a. Ethnic Diversity Score (single measure: 1990s) b. Religious Diversity Score (single measure: 1990s) c. Risk of Ethnic Rebellion (single measure: 1990s) **5. Demographic Stress (weighting: 4)** a. Total Population (time period: 1985-1998) b. Population Growth Rate (Annual %) c. Population Density (people per square kilometer, time period: 1985-1998) d. Urban Population (% of total) e. Urban Population Growth Rate (% of total) f. Youth Bulge (population aged 10-14 as % of total) **6. Economic Performance (weighting: 6)** a. GDP Growth Rate (annual %, time period: 1985-1998) b. GDP Per Capita (purchasing power parity, current international $, time period: 1985-1998) c. Inflation (consumer prices, annual %, time period: 1985-1998) d. Official Exchange Rate (local currency per US$, time period 1985-1998) e. Foreign Direct Investment, Net Inflows (% of GNP, time period: 1985-1998) f. Total Debt Service (% of GNI, time period: 1985-1998) g. Trade Openness (trade as a % of GDP, time period: 1985-1998) h. Inequality Score (GINI coefficient, single measure) **7. Human Development (weighting: 3)**	The CIFP Index provides country-specific data that translate into early-warning reports on country stability. It represents an ongoing effort to identify and assemble statistical information conveying the key features of the political, economic, social, and cultural environments of countries around the world. The data set provides at-a-glance global overviews, issue-based perspectives, and country performance measures. Countries Assessed: 196.	The methodological approach developed by the CIFP Project provides the analyst with a comprehensive analytical framework for the elaboration of Risk Assessment Reports, which precede and serve as grounds for subsequent country-specific early-warning reports that will integrate various data sources and analytical methods (local analysis, events data, structural data). The CIFP's methodology is structural, focused on macro or long-term processes associated with structural transformation and the associated structural problems of country risk (CIFP Methodology, Data Descriptions, Data Sources). Country risk is measured by an index of severity consisting of these nine composite indicators. The higher the index of severity, that is, the greater the weighted scores of the composite indicators, the greater the risk of prolonged conflict the country faces. The core task in operationalizing the linkage between the composite indicators and the index of severity is to determine the overall weight of the composite indicators. The index of severity can be used to generate comparable scores for, and a rank order of, overall country risk (Carment, p. 5).

a. Access to Improved Water Source (% of total population, time period: 1990, 2000)		
b. Access to Sanitation (% of total population, time period: 1990, 2000)		
c. Life Expectancy (years, time period: 1987-1998 ('87, '90, '92, '97, '98))		
d. Infant Mortality Rate (per 1,000 live births, time period: 1987-1998 ('87, '90, '92, '97, '98))		
e. Maternal Mortality Rate (per 100,000 live births, single measure: 1995)		
f. HIV/AIDS (% of adult population, time period: 1997, 1999)		
g. Primary-School Enrolment (% of relevant age group, time period: 1985-1997)		
h. Secondary-School Enrolment (% of relevant age group, time period: 1985-1997)		
i. Children in Labor Force (% of 10-14 age group, time period, 1990-1998 ('90, '95, '98))		
8. Environmental Stress (weighting: 5)		
a. Rate of Deforestation (% change, single measure: 1990-1995)		
b. People Per Square Kilometer of Arable Land (single measure: 1997)		
c. Freshwater Resources (cubic meters per capita, single measure: 1998)		
9. International Linkages (weighting: 5)		
a. Economic Organizations (single measure: 2000)		
b. Military/Security Alliances (single measure: 2000)		
c. UN Agencies (single measure: 2000)		
d. Multipurpose and Miscellaneous Organizations (single measure: 2000)		
e. Total International Disputes (time period: 1999-2000)		

George Mason University, Center for Global Policy, Political Instability Task Force (currently the Political Instability Task Force): State Failure Task Force Report (est. 1994) (outlined in five models of study as indicated in the variables)			
Index	**Variables**	**Measure**	**Methodology**
State Failure Task Force Report "State Failure Task Force Report: Phase III Findings" September 30, 2000, see http://globalpolicy.gmu.edu/pitf/SFTF%20Phase%20III%20Report%20Final.pdf. Publication Cycle: *This particular methodology was published in 1994; however, the studies continue under new methodologies and project leadership.*	**Global Model** **1. Infant Mortality** **2. Regime Type** **3. Trade Openness** **4. Population Size** **5. Population Density** **6. Bordering States With Major Civil Conflict** **Sub-Saharan Africa Model** **1. Regime Type** **2. Trade Openness** **3. Population Size** **4. Over-Urbanization** **5. Colonial Heritage** **6. Discrimination** **7. Leader's Tenure** **Muslim Countries Model** **1. Regime Type** **2. Trade Openness** **3. Population Size** **4. Infant Mortality** **5. Sectarian Islam** **6. Religious Diversity** **7. Armed Conflict in Neighboring States** **8. Regional Memberships** **Ethnic War Model** **1. Infant Mortality** **2. Ethnic Discrimination** **3. Ethnic Diversity** **4. Regional Memberships** **5. Upheaval** **Genocide/Politicide Model** **1 (a). Ethnicity of the Ruling Elite** **1 (b). Group Discrimination** **2 (a). Magnitude of Previous State Failures** **2 (b). Previous Civil Strife** **3. Exclusionary Elite Ideology** **4. Autocracy** **5 (a). Trade Openness** **5 (b). Membership in Intergovernmental Organizations** **6. Other Indicators**	The goal of the Task Force's research is to develop statistical models that can be used to identify countries at greater risk of state failure and in so doing to shed light on the foundations of state failure in ways that might inform the actions of US policy makers. **Global Model:** This model identifies factors associated with the risk of all types of state failure in all countries. **Sub-Saharan Africa Model:** This model identifies factors associated with the risk of all types of state failure in sub-Saharan Africa. **Muslim Countries Model:** This analysis investigated the risk of state failure in predominantly Muslim countries, which they defined as countries with populations that are at least 40% Muslim. **Ethnic War Model:** This analysis investigated the risk of state failure through ethnic conflicts. **Genocide/Politicide Model:** This analysis was intended to assess the risk that a country would experience a genocide or politicide (assassination of political leaders) in the near future, given that it is already experiencing state failure.	Task Force members suggest candidate explanatory variables based on theory and the availability of pertinent data. Once this data has been collected, single-variable tests are used to identify factors that more powerfully distinguish impending state failures from non-failures. Variables that show promise in the single-variable tests are tested in multivariate logistic regression models, and often in neural networks as well. A final multivariate model is selected primarily based on its accuracy. When choosing between models that provide similar accuracy, the Task Force favors models that include variables it considers of particular interest to policy makers. Much of the information used is drawn from existing databases provided by the World Bank, United Nations, US Census Bureau, and other organizations, including independent scholars. However, the Task Force also develops new data specifically for this project.

Foundation for International Studies of the University of Malta: Small Island Developing States, Vulnerability Index (est. 1995)			
Index	**Variables**	**Measure**	**Methodology**
Small Island Developing States Vulnerability Index Lino Briguglio, "Small Island Developing States and Their Economic Vulnerabilities," *World Development*, Vol. 23, No. 9, 1995, pp. 1615-1632. Please also see http://humandevelopment.bu.edu/use_exsisting_index/show_aggregate.cfm?index_id=87&data_type=1 for further information on variables and methodology. Publishing Cycle: *Published once, in* World Development.	**1. Exposure to Foreign Economic Conditions** (measured by the ratio of imports and exports to GDP) [Weighted 50%] **2. Remoteness and Insularity** (the ratio of transport and freight costs to export revenues) [Weighted 40%] **3. Disaster Proneness** (measured by an index of proneness to hurricanes, fire, volcanic eruptions, epidemics, power shortages, and other natural and man-made disasters) [Weighted 10%]	This index is intended to reflect the vulnerability, fragility, and lack of resiliency to outside forces often characteristic of small island developing states. The index includes only economic variables. Countries Assessed: 114	The variables are standardized in order to make the index insensitive to the scale of measurement used, since the variables that compose the index are measured in different units. A composite index is used that creates an average of a number of sub-indices (this index uses the three sub-indices indicated in the variables section). Weighting the various variables occurs based on a slightly subjective methodology. The weighting is the result of the authors' opinion regarding what impacts vulnerability the most. The standardization of the data allows for scoring and ranking.

World Bank: Governance Indicators: 1996-2004 (est. 1996)			
Index	**Variables**	**Measure**	**Methodology**
Governance Indicators: 1996-2004 http://www.worldbank.org/wbi/governance/govdata/index.html. Publication Cycle: *Every two years: the next data set will appear in 2007.*	**1. Voice and Accountability** **2. Political Stability and Absence of Violence** **3. Government Effectiveness** **4. Regulatory Quality** **5. Rule of Law** **6. Control of Corruption**	Assesses 209 countries measuring the six dimensions of governance presented in the column to the left.	An Unobserved Component Model (UCM) is used to aggregate the various responses in the six broad clusters. This model treats the "true" level of governance in each country as unobserved and assumes that each of the available sources for a country provides noisy "signals" of the level of governance. The UCM then constructs a weighted average of the sources for each country as the best estimate of governance for that country. The weights are proportional to the reliability of each source. The resulting estimates of governance have an expected value (across countries) of 0, and a standard deviation (across countries) of 1. This implies that virtually all scores lie between -2.5 and 2.5, with higher scores corresponding to better outcomes.

World Audit: World Democracy Audit (est. 1997)			
Index	**Variables**	**Measure**	**Methodology**
World Democracy Audit http://www.worldaudit.org/home.htm. Publication Cycle: *Dependent on data retrieval, usually two to three times a year.*	**1. Political Rights** **2. Civil Liberties** **3. Press Freedom** **4. Corruption**	Measures the level of democracy in a country. Assesses 210 countries.	**Democracy Audit** Each country is rated on a scale of 1 to 7 by Freedom House for political rights (P) and civil liberties (C). Countries are assigned to a division (D) within the democracy table thus: If P and C are both 1, then D=1 If P is 1 and C is 2, then D=2 If P + C is between 3 and 7, then D=3 If P + C is 7 or above, then D=4 Within each division, positions are calculated using an average of press freedom and corruption scores. World Audit corruption scores are calculated using the Transparency International NGO Corruption Perceptions Index (CPI).[2] The World Audit corruption scores (used in the World Democracy Audit) are taken from the CPI data and calculated using the following equation where T is the CPI score: World Audit corruption score = 100 - 10T The resulting World Audit corruption scores all lie between 0 and 100 (lower being more favorable). The purpose of the equation is to facilitate comparison between the CPI score, which lies between 0 and 10 before the use of the equation (a higher score being more favorable), and the press freedom score, which lies between 0 and 100 (lower being more favorable).

Heidelberg Institute for International Conflict Research (HIIK): Conflict Barometer (est. 1997)			
Index	**Variables**	**Measure**	**Methodology**
HIIK Conflict Barometer www.hiik.de. Publication Cycle: *Updated every six months with an annual publication.*	**1. Territory** **2. Secession** **3. Decolonization** **4. Autonomy** **5. System, Ideology** **6. National Power** **7. Regional Predominance** **8. International Power** **9. Resources** **10. Other**	The HIIK Conflict Barometer registers and evaluates political conflicts.	The HIIK uses a qualitative conflict definition (operationalized with some quantitative indicators) covering violent and non-violent conflicts. Conflicts are categorized through the following intensity levels: 1. Latent Conflict (Non-Violent Conflict) 2. Manifest Conflict (Non-Violent Conflict) 3. Crisis (Violent Conflict) 4. Severe Crisis (Violent Conflict) 5. War (Violent Conflict) Intensity levels 1 and 2 represent low intensities, while 3 is medium and 4 and 5 are high-intensity conflicts.

---

[2] See http://www.transparencey.org/policy_research/surveys_indices/cpi.

		The *Economist* Intelligence Unit: Country Risk Model (est. 1997)		
Index	**Variables**	**Measure**	**Methodology**	
Country Risk Model http://a330.g.akamai.net/7/330/2540/20051026153304/graphics.eiu.com/files/ad_pdfs/2005CountryRiskModel.pdf. Publication Cycle: *Monthly.*	**1. Current Account** a. Cumulative Years of a Current-Account Deficit b. Current-Account Direction c. Current-Account Magnitude d. Current-Account Deficit – Investment/Consumption-Driven e. Reliance on a Single Raw Material Export f. Reliance on a Single Export Category g. Export Receipts – Annual Rate of Growth **2. Debt Structure** a. Default History b. Total External Debt/Exports c. Debt-Service Ratio d. Interest Due/Exports **3. Exchange-Rate Policy** a. Real Appreciation b. Real Appreciation – Evaluation c. Exchange-Rate Regime d. Change in Prospects e. Expectations of a Regime Change f. Interest Differentials g. Black Market/Dual Exchange Rate **4. Fiscal Policy** a. Public-Sector Budget Balance/GDP b. Cumulative Years of a Public-Sector Budget Deficit c. Government's Ability to Generate Tax Revenue d. Public Debt/GDP e. Public Debt/GDP – Direction **5. Financial Structure** a. Asset Price b. Performance of Bank Stocks c. Incidence of Bank Failures d. Banking-Sector Ratings e. Reliance on External Debt f. Corruption in the Banking Sector g. Government Involvement in the Banking Sector **6. Global Climate** a. Global Short-Term Interest Rates b. Global Real GDP Growth c. International Financial Support d. "Contagion" Effect **7. Growth/Savings** a. National Savings/GDP b. Fixed Investment/GDP c. Pension System d. Investment Efficiency, Real GDP Growth – Average e. Real GDP Growth – Latest f. Real GDP Growth – Volatility	The Country Risk Model measures sovereign debt, currency, and banking-sector risks by assigning each a rating that can be compared across countries and over time.	The model is a signaling model and provides an early-warning system for sovereign default, currency crisis, and banking-sector crisis. The rating for each risk category is determined by a weighted combination of the scores for each of the questions in the model. The model works on a rolling 12-month time horizon, assessing the risk of sovereign default, currency crisis, or banking-sector crisis during the following 12 months. The model comprises 60 questions and is divided into five sections (politics, economic policy, economic structure, macro economy, financing and liquidity). The number of questions in each section varies, but there are at least 10 for each section. The questions are weighted in accordance with their relevance for the particular type of risk. For example, questions relating to the government's commitment to pay, the ratio of public debt to GDP, the transparency of public finances, and the government's payment record all have heavy weightings for sovereign risk. Of the 60 questions, 30 are quantitative and 30 are qualitative. Each question has five possible scores, ranging from 0 to 4, with 0 indicating least risk and 4 most risk. For quantitative questions, the scores are determined on the basis of thresholds. For example, there is a question relating to the fiscal balance in the most recent 12-month period; the score for this question ranges from 0 for countries running surpluses or a balanced budget to 4 for countries where the deficit exceeds 5% of GDP.	

8. Liquidity

a. External Short-Term Debt/Exports

b. Percentage Decline in Official Reserves – Actual

c. Percentage Decline in Official Reserves – Forecast

d. Net Direct Investment/Financing Requirement

e. Import Cover

f. "Means"/"Spending" Ratio

g. Net Portfolio Inflows/Financing Requirement

h. US $M2/Reserves

i. Access to Capital Markets

j. Domestic Debt Maturity Structure

9. Monetary Policy

a. Inflation Rate

b. Inflation Rate – Direction

c. Policies Favorable to Savers

d. Ability to Boost Interest Rates

e. Monetary Stability

f. Use of Indirect Instruments of Monetary Policy

g. Real Lending Rates

h. Boom-Bust Scenario

i. Financial Liberalization

10. Political Efficacy

a. Change in Government/Pro-Business Orientation

b. Institutional Effectiveness

c. Bureaucracy

d. Transparency/Fairness

e. Corruption

f. Crime

11. Political Stability

a. War

b. Social Unrest

c. Orderly Political Transfers

d. Politically Motivated Violence

e. International Disputes

12. Regulatory Policy

a. Official Data (Quality/Timeliness)

b. Policy Toward Foreign Capital

c. Popular Attitudes Toward Foreign Capital

d. Restrictions on Transfers

13. Trade Policy

a. Trade Liberalization

b. Exports/GDP

United Nations Development Programme (UNDP): Early Warning Report (est. 1997)			
Index	**Variables**	**Measure**	**Methodology**
UNDP Early Warning Report, Macedonian Country Report, 2005 http://www.undp.org.mk/datacenter/publications/documents/EWREngDec05.pdf. Publication Cycle: *Country-dependent, depends on country being assessed, different reports are published at varying intervals, usually 3-4 times a year.*	**1. Political and Institutional Stability** a. Confidence in the President b. Confidence in the Parliament c. Confidence in the Government d. Confidence in the Courts of Justice/Prosecution e. Confidence in Municipal Governments/Administrations f. Perception of Possibility of Joining EU in 5 years g. Trustworthiness of Media Reporting About Political Issues **2. Economic Stability** a. Unemployment, Registered With Employment Bureau b. Unemployed, Not Registered c. Safety of Present Job d. Living Standard e. Readiness to Leave Macedonia to Live in Another Country f. Trustworthiness of Media Reporting About Economic Issues **3. Interethnic Relations** a. Perception of Current Interethnic Relations b. Perceptions of Media Contributing to Ethnic Tension c. Perceptions of Politicians Contributing to Ethnic Tension d. Support Future Public Protests, Strikes, Demonstrations Against Incidents/Actions Related to Ethnic Questions e. Trustworthiness of Media Reporting About Ethnic Issues **4. Personal and Public Security** a. Crime Rate b. Confidence in the Police c. Confidence in the Army d. Public Perception of the Situation in Terms of Personal Security e. Public Trust in Security Structures and Their Reforms	Provides an early-warning measure as to the risk of conflict.	The methodology applied in the Early Warning Report (EWR) is standardized and it is a subject of constant amendment and improvement. Brima Gallup – the branch of Gallup International in Skopje – saw to the methodological appropriateness of the public-opinion survey, which is the foundation of the analyses included in the EWR. The Early Warning Report uses a questionnaire that has already been supplemented with expertise provided by UNDP experts and is further supplemented with the Index of Political Stability. This index is a complex composite calculated on the basis of the citizens' perceptions of the elections and of the way in which the state is governed. The opinion survey for the Macedonia survey was carried out between 16 and 24 November 2005, on a standardized sample of 1,057 respondents. The measures used were: -No Change (0-0.5%) -Slight Improvement (0.5-5%) -Slight Deterioration (0.5-5%) -Substantial Improvement (above 5%) -Substantial Deterioration (above 5%)

**Swisspeace: FAST[3] International Early Warning Program (est. 1998)**			
Index	**Variables**	**Measure**	**Methodology**
FAST International Early Warning Program http://www.swisspeace.org/fast/. Also see: http://www.carleton.ca/cifp/docs/CIFPCompareMEthods_AllIndicatorDescriptions.pdf. Publication Cycle: *Published periodically depending on when the respective country team was established and as data is collected.*	**1. Root Causes** a. Historic b. Political/Institutional c. Societal/Socio-Demographic d. Economic e. Ecological f. International **2. Proximate Causes** a. Political/Governance b. Security c. Societal/Socio-Demographic d. Economic e. Ecological f. International **3. Intervening Factors** a. Decreasing the Likelihood of Conflict b. Increasing the Likelihood of Conflict	FAST International is an independent early-warning program covering 20 countries/regions in Africa, Europe, and Asia. The objective of FAST International is the early recognition of impending or potential crisis situations in order to prevent violent conflict. FAST International aims to enhance the ability of political decision makers and their staff to identify critical developments in a timely manner so that coherent political strategies can be formulated to either prevent or limit destructive effects of violent conflicts or identify windows of opportunity for peacebuilding. 1. Analytical Monitoring Raster – Identification of the causes and intervening factors that lead to armed conflict in each particular country. 2. Chronology of Events – Chronology of key historical and most current events 3. Key Actors – Identification of key political actors and their views 4. Supporting Figures – Economic facts represented in graphs and tables 5. Tension Barometers – Graphic representation of the evolution of domestic tensions. Their objective is to measure the degree of conflictive and cooperative interaction between main state and non-state actors in order to detect "critical situations" (i.e., situations where conflict (de-)escalation is imminent) The Tension Barometers represent the following trends: 1. Violence 2. Domestic Conflict and Cooperation 3. Regional Conflict and Cooperation 4. Conflict Carrying Capacity and Forceful Action 5. Goldstein[4] Conflict and Cooperation 6. Conflict Intensity 7. Civilian and Government Direct Actions (measurement section taken from the Carleton University webpage on the CIFP index)	The centerpiece of FAST's methodology is based on a collection of single cooperative and conflictive events. These events are collected by local staff and entered into a web-based software tool through a coding scheme called IDEA (Integrated Data for Event Analysis), which is based on the WEIS (World Event Interaction Survey) coding scheme. For each country/region monitored, unique sets of data are collected by FAST's own Local Information Networks (LINs). This is done independently from Western media coverage, thus providing a constant influx of information. The quantitative empirical analysis is based on composed indicators, developed within the IDEA Framework. As even the most profound quantitative analysis requires interpretation, FAST's qualitative data analysis is carried out in collaboration with internationally renowned country experts.

---

[3] FAST is the acronym for the German term *Frühanalyse von Spannungen und Tatsachenermittlung*, which translates as "Early Analysis of Tensions and Fact Finding."

[4] Goldstein graphs are used to display proportions of conflict/cooperation events in time (see http://vranet.com/VisVar.html).

Forum on Early Warning and Early Response (FEWER) (est. 1998)			
Index	**Indicators**	**Measure**	**Methodology**
FEWER http://www.fewer-international.org/pages/africa/index.html. Also see: http://www.carleton.ca/cifp/docs/CIFPCompareMEthods_AllIndicatorDescriptions.pdf. Publication Cycle: E*very few months, reports are done when possible.*	**1. Identification of Conflict and Peace Indicators Considering:** a. Root Causes b. Proximate Causes c. Triggers d. Indicator Trends e. Possible Scenarios **2. Main Conflict Categories** a. Regional/Inter-State Indicators b. Strategic and Military Indicators c. State Sovereignty and Monopoly of Power d. Political Opposition e. Fragmentation and Behavior of Main Actors f. Ideological Factors g. Social and Geographical Spread of Conflict h. Displaced Population/Refugees i. Violence j. Exclusion/Ethnic Tension k. Economic Factors **3. Main Peace Categories** a. Strategic Indicators/Security/Stability b. Inclusive and Good Governance c. Cooperation of External Actors With Local Stakeholders d. Promising Economic Factors e. Strong Civil Society	Provides analysis of conflict vulnerability as an attempt to produce an early-warning measure.	The objective of this methodology is to provide an analytical and action framework to plan preliminary responses to early warning. A) Conflict Indicators - Structural - Accelerators - Triggers B) Peace Indicators - Systemic - Processes - Tools C) Stakeholders - Agendas/Power - Needs - Actions D) Summary Analysis - Trends Summary - Conclusion: (a) - (b)/(c) E) Entry Points and Contingency Planning The analytical assumption is - Conflict Trends - - Peace Trends +/- - Stakeholder Trends = Overall Trends

United Nations Development Programme (UNDP): Programme on Governance in the Arab Region (POGAR) (est. 2000)			
Index	**Variables**	**Measure**	**Methodology**
Programme on Governance in the Arab Region http://www.pogar.org/. Publication Cycle: *Continuously updated website as new information becomes available.*	**1. Basic Statistics** a. Population b. Human Development Index (HDI) c. HDI Rank d. Gender-Related Development Index e. Gross Domestic Income (GDI) Rank f. Real GDP Per Capita g. Life Expectancy at Birth h. Adult Literacy Rate **2. Governance** a. Voice and Accountability b. Political Stability c. Government Effectiveness d. Regulatory Quality e. Rule of Law f. Control of Corruption g. Political Rights Ratings h. Civil Liberties Ratings i. Press Freedom Score j. Polity Score k. Contract Intensive Money l. Corruption Perceptions Index m. Corruption Perceptions Index (CPI) Rank n. Public-Sector Ethics Index o. Judicial/Legal Effectiveness **3. Corporate Governance Indicators** a. Corporate Illegal Corruption Index Component b. Corporate Legal Corruption Index Component c. Corporate Ethics Index d. Corporate Governance Index **4. Demography** a. Population b. Average Annual Population Growth Rate c. Urban Population d. Population Under Age 15 e. Population Aged 65 and Above f. Total Fertility Rate for Women **5. Development** a. Human Development Index (HDI) b. Human Development Index Rank c. Life Expectancy at Birth d. Adult Literacy Rate e. Youth Literacy Rate f. Net Primary Enrollment Ratio (education) g. Net Secondary Enrollment Ratio (education) h. Children Reaching 5th Grade **6. Economic Performance** a. GDP b. GDP Purchasing Power Parity c. GDP Per Capita	POGAR aims to assist government actors, civil society, and the private sector to improve governance processes in the Arab states. POGAR's program activities relate to rule of law, participation and transparency, and accountability. These activities include rendering policy advice, engaging in institutional capacity building, and testing policy options through pilot projects. Since its inception, POGAR has launched projects to promote dialogue about judicial reform; build the capacities of parliaments, particularly in the area of information-management and research capabilities; and educate governance actors about methods for combating corruption.	POGAR is dedicated to the promotion and development of good governance practices and related reforms in the Arab states; it works in partnership with key governance institutions, including legislatures, judiciaries, and civil society organizations to identify needs and solutions. POGAR's activities, which include rendering policy advice, engaging in institutional capacity building, and testing policy options through pilot projects, revolve around three main concepts: 1. Participation 2. Transparency and Accountability 3. Rule of Law **Participation** Civil Society: Well-developed state-civil society relations enhance good governance by strengthening participation, transparency, equity, and accountability. Civil society organizations, like media institutions, non-governmental organizations, and research centers, provide checks on government power, formulate policy, safeguard rights, articulate interests, and deliver social services. In doing so, they enhance the participatory basis of the polity. Decentralization: Decentralization, which refers to the process of transferring political authority and operations to sub-national government bodies, can provide improved governance through increased responsiveness, participation, and efficiency. Decentralization creates more opportunities for public participation and input by placing government institutions directly within the populations they serve, and makes government officials more responsive to local conditions. Elections: Regularly held elections can be the principal means whereby the people elect their leaders. They enable people to participate and interact with their government. In addition, elections can play a crucial role as a mechanism of accountability, ensuring that government actions resonate with the wishes of the governed. Elections contribute to the rule of law by enabling the peaceful transition of power. Gender: Improving women's status in society is essential to achieving greater participation, equity, efficiency, and strategic vision. Fostering women's participation in development projects, building development projects around the needs of women, and encouraging development as constitutive of women's role in public life, all serve to enhance

d. GDP Per Capita Purchasing Power Parity

e. GDP Per Capita Annual Growth Rate Since 1975

f. Average Annual Change in Consumer Price Index Since 1990

g. GDP Per Capita Annual Growth Rate Since 1990

h. Average Annual Change in Consumer Price Index

i. Growth Competitiveness Index

j. Growth Competitiveness Index Rank

7. Balance of Payments (BoP)

a. BoP Capital Account – Debit

b. BoP Capital Account – Credit

c. BoP Current Transfers – Debit

d. BoP Current Transfers – Credit

e. BoP Financial Account

f. BoP Goods – Exports

g. BoP Goods – Imports

h. BoP Net Errors and Omissions

i. BoP Reserves and Related Items

j. BoP Service and Income – Credit

k. BoP Service and Income – Debit

8. Financial Flows and Trade

a. Total Official Development Assistance Received

b. Official Development Assistance Received Per Capita

c. Official Development Assistance Received as % of GDP

d. Net Foreign Direct Investment (FDI) Inflows (% of GDP)

e. Other Private Flows (% of GDP)

f. Total Debt Service (% of GDP)

g. Total Debt Service (% of Exports of Goods and Services)

h. Imports of Goods and Services

i. Exports of Goods and Services

j. Primary Exports

k. Manufactured Exports

l. High-Technology Exports

m. Terms of Trade

n. External Debt: Public and Publicly Guaranteed Long-Term Debt

o. Net Trade in Goods

p. Current-Account Balance

q. Trade in Goods

9. Public Spending

a. Public Expenditure on Education (% of GDP)

b. Public Expenditure on Education (% of Government Expenditure)

c. Public Expenditure on Education by Level (% of All Pre-Primary and Primary)

d. Public Expenditure on Education by Level (% of All Levels of Secondary)

e. Public Expenditure on Education by Level (% of All Levels of Tertiary)

f. Total Debt Service

women's status in society.

Rule of Law

Constitution:

By framing the basic legal principles of the country, constitutions define the rule of law and thereby contribute to transparency in governance. By delineating the powers of the branches of government and outlining the interaction between them, constitutions also contribute to the development of accountability and the responsibility of political institutions to each other and to the citizenry.

Judiciary:

By providing oversight of the other branches of government, the judiciary makes certain that institutions and individual leaders are held accountable for their actions. The judicial institutions also play an important role in ensuring the rule of law by interpreting the constitutionality of legislative and executive acts, and ensuring that the laws of the land are upheld. The judiciary also provides an additional point of access for citizens to be heard.

Transparency and Accountability

Financial Management:

The soundness of financial management can be regarded as a barometer of a country's vitality and strategic vision, which in turn is necessary for sustainable development. Sound financial management is essential to achieving a balance between state financial operations and the private sector, one that encourages effective, efficient, and equitable use of resources that also meets society's needs.

Legislature:

The legislative branch is instrumental in fostering participation, accountability, and the rule of law. Representation and constituency-service enhance participation and accountability; law making ensures that the rule of law is attuned to the changing needs of society; and legislative oversight of the other branches of government enhances accountability and transparency. Most legislatures in the Arab region also exercise a consultative function, in agreement with the tradition of "shura," or consultation, which aims to bring the government closer to the people.

	g. Public Expenditure on Education (% of GNP)		
	h. Public Expenditure on Health (% of GDP)		
	i. Military Expenditure (% of GDP)		
	10. Education and Research		
	a. Public Expenditure on Education (% of GDP)		
	b. Public Expenditure on Education (% of Total Government Expenditure)		
	c. Public Expenditure on Education by Level (% of All Levels of Pre-Primary and Primary)		
	d. Public Expenditure on Education by Level (% of All Levels of Secondary)		
	e. Public Expenditure on Education by Level (% of All Levels of Tertiary)		
	f. Tertiary Students in Science, Math, and Engineering		
	g. Telephone Mainlines		
	h. Mobile Subscribers		
	i. Internet Users		
	j. Patents Granted to Residents		
	k. Receipts of Royalties and License Fees		
	l. Research and Development (R&D) Expenditure		
	m. Scientists and Engineers in R&D		
	11. Gender		
	a. Gender-Related Development Index (GDI)		
	b. GDI Rank		
	c. Female Economic Activity Rate (15 and Above)		
	d. Female Economic Activity Index		
	e. Female Economic Activity Rate as a % of Male Rate		
	f. Female Employment in Agriculture (% of Female Labor Force)		
	g. Male Employment in Agriculture (%)		
	h. Female Employment in Industry (% of Female Labor Force)		
	i. Male Employment in Industry (%)		
	j. Female Employment in Services (% of Female Labor Force)		
	k. Male Employment in Services (%)		
	l. Seats in Parliament Held by Women – Lower House or Single House		
	m. Seats in Parliament Held by Women – Upper House or Senate		
	12. Refugees and Armaments		
	a. Internally Displaced Persons		
	b. Refugees by Country of Asylum		
	c. Refugees by Country of Origin		
	d. Conventional Arms Transfers: Imports		
	e. Conventional Arms Transfers: Exports		
	f. Conventional Arms Transfers: Share %		
	g. Total Armed Forces		
	h. Total Armed Forces Index		
	13. Development Assistance		
	a. Total Official Development Assistance Received		
	b. Official Development Assistance Received Per Capita		

c. Official Development Assistance Received as % of GDP		
d. Development Grant Expenditures: Government Self-Supporting		
e. Development Grant Expenditures: Other UN System: Extra-Budgetary		
f. Development Grant Expenditures: Other UN System: Regular Budget		
g. Development Grant Expenditures: Total		
h. Development Grant Expenditures: UNDP Central Resources		
i. Development Grant Expenditures: UNDP Special Funds		
j. Development Grant Expenditures: UNFPA		
k. Development Grant Expenditures: UNICEF		
l. Development Grant Expenditures: WFP		
m. Net Disbursements of Official Development Assistance and Official Bilateral Aid		
n. Net Disbursements of Official Development Assistance and Official Multilateral Aid		
o. Net Disbursements of Official Development Assistance and Total Bilateral and Multilateral Aid		
p. Net Disbursements of Official Development Assistance and Total Bilateral and Multilateral Aid (Per Capita)		
14. Culture and Information and Communication Technology (ICT)		
a. Telephone Mainlines		
b. Mobile Subscribers		
c. Internet Users		
d. Mobile Telephone Subscribers		
e. Cinemas: Annual Attendance		
f. Cinemas: Number		
g. Daily Newspaper Circulation Per 1,000 Inhabitants		
h. Total Daily Newspaper Circulation		
i. Daily Newspapers		
j. Internet Users		
k. Non-Daily Newspaper Circulation Per 1,000 Inhabitants		
l. Total Non-Daily Newspaper Circulation		
m. Non-Daily Newspapers		
n. Periodicals		
o. Periodicals: Total Circulation		
p. Radio Receivers in Use Per 1,000 Inhabitants		
q. Total Radio Receivers in Use		
r. Television Receivers in Use Per 1,000 Inhabitants		
s. Total Television Receivers in Use		
t. Networked Readiness Index		
u. Networked Readiness Index Rank		
15. Unemployment		
a. Unemployment Both Sexes (% Unemployed)		
b. Unemployment Both Sexes (in Thousands)		
c. Unemployment Female (% Unemployed)		

	d. Unemployment Female (in Thousands)		
	e. Unemployment Male (% Unemployed)		
	f. Unemployment Male (in Thousands)		

University of Maryland, Center for International Development and Conflict Management (CIDCM): The Peace and Conflict Ledger (est. 2001)			
Index	**Variables**	**Measure**	**Methodology**
The Peace and Conflict Ledger http://www.cidcm.umd.edu/CIDCMpeace.pdf. Also see: http://www.carleton.ca/cifp/docs/CIFPCompareMEthods_AllIndicatorDescriptions.pdf. Publication Cycle: *Biannually.*	**1. Armed Conflict:** *Red icon*: Medium to high magnitude. *Yellow icon:* Low level, or armed conflict that ended in the period of time considered. *Green icon:* No armed conflicts. **2. Self-Determination:** *Red icon:* Country challenged by armed conflicts over self-determination in the time considered. *Yellow icon:* Non-violent self-determination movements in the time considered, but no track record of accommodating other such movements in the past, or violent self-determination movements and a track record of these in the past. *Green icon:* Successfully managed one or more such conflicts. **3. Regime Type:** *Red icon:* Autocratic regimes. *Yellow icon:* Governments in the transitional zone between autocracy and democracy. *Green icons:* Full democracy. **4. Regime Durability:** *Red icon:* Political institutions established recently, between 1995 and 1999. *Yellow icons:* Polities established during the 1985-1994 decade. *Green icon:* Polities established before 1985. **5. Societal Capacity:** *Red icon:* Countries in the lowest quintiles of energy consumption. *Yellow icon:* Countries in the second and third quintiles. *Green icon:* Countries in the top two quintiles of energy consumption. **6. Neighborhood:** *Red icon:* Countries with two or more bordering countries engaged in armed conflicts. *Yellow icon:* Regions with middling armed conflict and mostly autocratic regimes. *Green icon:* Regions with relatively low armed conflicts and mostly democratic regimes.	A country is considered to have a high peacebuilding capacity if it has avoided recent armed conflicts, successfully managed movements for self-determination, maintained stable democratic institutions, has substantial material resources, and is free from serious threats from its external environment.	The Peace and Conflict Ledger ranks the 160 largest countries in the world on six indicators of capacity for building peace and avoiding destabilizing political crises. *Red and yellow icons:* Evidence of problems *Green icon:* Capacity for managing conflict 1) Weights are assigned to icons of the six indicators: 2 for red 1 for yellow -1.5 for green 2) An average is calculated for each country 3) Average > 1 = red icon on PBC Average < 0 = green icon on PBC Average 0 - 1 = yellow icon on PBC

Anthony Annett: INS Index, Political Stability[5] (est. 2001)			
Index	**Variables**	**Measure**	**Methodology**
INS, Political Stability Index Anthony Annett, "Social Fractionalization, Political Instability, and the Size of Government," *IMF Staff Papers*, Vol. 48, No. 3, 2001, pp. 561-592. http://www.imf.org/External/Pubs/FT/staffp/2001/03/pdf/annett.pdf. Publication Cycle: *Published only once.*	**1. Genocidal Incidents Involving Communal Victims or Mixed Communal and Political Victims** **2. The Occurrence of a Civil War** **3. The Number of Assassinations Per Thousand of Population** **4. The Number of Extra-Constitutional or Forced Changes in the Top Government Elite and/or its Effective Control of the Nation's Power Structure** **5. The Number of Illegal or Forced Changes in the Top Government Elite**, any attempt at such change, or any successful or unsuccessful armed rebellion whose aim is independence from the central government **6. Violent Demonstrations or Clashes Involving More Than a Hundred Citizens Involving the Use of Physical Force** **7. The Number of Major Government Crises**, where a crisis is defined as any rapidly developing situation threatening to bring the downfall of the present regime, excluding instances of revolt aimed at overthrow **8. The Number of Times in a Year That a New Premier is Named and/or 50 Percent of the Cabinet Posts are Occupied by New Ministers** **9. The Number of Basic Alterations in a State's Constitutional Structure**, the extreme case being the adoption of a new constitution that significantly alters the prerogatives of the various branches of government	These factors measure political instability along a number of different dimensions, all threatening the survival of the present government in some way. From the point of view of the model, it is necessary to develop an index of political instability that directly captures those aspects of social disruption that will lead the government to trade off private rents in order to devote resources toward the alleviation of this instability.	The statistical methodology employed in designing such an index is that of factor analysis. The factor-analysis technique is designed to reduce the dimensionality of a variable by describing linear combinations of those variables that contain most of the information. In essence, the technique recovers the latent original variable by identifying a small number of common factors that linearly reconstruct the original variables.

---

[5] Also referred to as the Annett Political Stability Index.

London School of Economics and Political Science: Global Civil Society Index (GCSI) (est. 2001)			
Index	**Variables Used (HDI)**	**Measurement**	**Methodology (HDI)**
The Global Civil Society Index Helmut Anheier and Sally Stares, "Introducing The Global Civil Society Index," London School of Economics, 2002, please see http://www.lse.ac.uk/Depts/global/Publications/Yearbooks/2002/2002chapter910.pdf. In developing the index that appears here, LSE initially calculated their index using two different methodologies, the Human Development Index (HDI) style and a factor-analysis model. They concluded that the HDI style is both simpler and more intuitive in its meaning and thus preferable. Therefore, only the HDI version is presented here. Publication Cycle: *This was a one-time proposal of a new methodology. Further research has been done but not on a global scale, and this specific index was never published again.*	**1. Participation** a. Political Participation b. Membership in Civil Society Groups (measure split between participation and infrastructure) **2. Infrastructure** a. Membership in Civil Society Groups b. Membership Density of International Non-Governmental Organizations (INGOs) **3. Civility** a. Tolerance Toward Immigrants as Neighbors b. Encouraged Tolerance in Children	This index provides a measure of the socio-sphere of ideas, values, organizations, networks, and individuals located primarily outside the institutional complexes of family, market, and state and beyond the confines of national societies, polities, and economies.	**Participation and Infrastructure** These indices are linked through a common indicator, so they calculate the country score on participation and infrastructure together. The rationale for this procedure is based on the results of the confirmatory factor analysis, which suggested that the indicator (membership in global civil society associations) is highly related to both the participation and the infrastructure constructs. Therefore, they take account of this dual relationship in calculating the GCSI using the additive approach. The individual measurements are: A) The percentage of a country's population who are members of at least one of four civil society organizations (a community action group, a Third World or human rights movement, a peace movement, or an environmental group); B) The average proportion of people willing to take political action for or against a particular cause (the arithmetic mean of proportions of people who would be willing to sign a petition, join a boycott, attend a lawful demonstration, take part in an unofficial strike, and/or occupy a building); and C) Membership density of INGOs (how many INGOs have one member or more in the assessed country). **Civility** This index consists of two indicators. They combine information on: A) The proportion of people who would not object to having immigrants or foreign workers as neighbors; and B) The proportion of people who say that tolerance is an important quality to encourage in children. **Global Civil Society Calculation** To calculate the GCSI score, they combine the scores on infrastructure, participation, and civility. Since two of the components are already combined in a double score, the civility index is given half the weight of this double-score index.

Harvard Business Review: Global Risk Navigator (est. 2001)			
Index	**Variables**	**Measure**	**Methodology**
Global Risk Navigator, Harvard Business School http://www.navigaterisk.com/. Publication Cycle: *Monthly.*	**1. Government** **2. Society** **3. Security** **4. Economy**	The Global Risk Navigator is a comparative political and economic index designed specifically to measure stability in emerging markets.	Constructed by the Eurasia Group on the basis of leading social science theories, the index incorporates 20 composite indicators of risk, including both quantitative and qualitative criteria of stability, defined as the capacity of countries to withstand shocks and crises and to avoid generating shocks and crises. The countries are scored by Eurasia Group analysts on a scale of 0-100, with higher numbers indicating greater stability. The composite indicators that make up each country's score are derived from four equally weighted subcategories: government, society, security, and economy. Approximately 65 percent of the total weight consists of political factors, and some 35 percent consists of economic factors. The scores are subject to a rigorous monthly review to ensure that they follow the Eurasia Group's guidelines, which require that all countries be scored in the same manner and that each country be scored in a consistent way over time. 80-100 = Maximum Stability 60-79 = High Stability 40-59 = Moderate Stability 20-39 = Low Stability 0-19 = Failed State

The World Bank: Conflict Analysis Framework (CAF) (est. 2002)			
Index	**Variables**	**Measure**	**Methodology**
Conflict Analysis Framework http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTSOCIALDEVELOPMENT/EXTCPR/0,,contentMDK:20486708~menuPK:1260893~pagePK:148956~piPK:216618~theSitePK:407740,00.html. "The Conflict Analysis Framework (CAF), Identifying Conflict-related Obstacles to Development," Social Development Department, Dissemination Notes, No. 5, October 2002, http://siteresources.worldbank.org/INTCPR/214578-1111751313696/20480168/CPR+5+final+legal.pdf. Publication Cycle: *Reports published on an as-needed basis.*	**1. Social and Ethnic Relations** a. Social and Economic Cleavages b. Ethnic Cleavages c. Regional Imbalances d. Differential Social Opportunities e. Bridging Social Capital f. Group Identity-Building g. Myth-Making h. Culture or Tradition of Violence **2. Governance and Political Institutions** a. Governance and Political Institutions b. Stability of Political Institutions c. Equity of Law/Judicial System d. Links Between Government and Citizens **3. Human Rights and Security** a. Role of Media and Freedom of Expression b. Human Rights Status c. Militarization of Society d. Security of Civilians **4. Economic Structure and Performance** a. Economic Growth b. Income Disparities c. Per Capita Income Changes d. Inflationary Trends e. External-Debt Management f. Reliance on High-Value Primary Commodities g. Employment and Access to Productive Resources h. Conflict-Induced Poverty **5. Environmental and Natural Resources** a. Availability of Natural Resources b. Access to Natural Resources (including land) c. In-Country, Cross-Border Competition Over Natural Resources **6. External Forces** a. Regional Conflicts b. Role of Kindred Groups Outside Country c. Role of Diasporas	The CAF aims to highlight key factors influencing conflict by focusing on the six areas presented in the variables column. The CAF is composed of six categories of variables covering factors that have been shown to affect or be affected by conflict, and teams consider the linkages of these variables to both conflict and poverty in the country under consideration.	The CAF uses six categories of variables related to conflict. The categories consist of several variables, each with corresponding indicators on three levels of intensity (warning, increasing intensity, de-escalation) that reflect change in the level of violent conflict. These indicators are used to estimate the impact of a variable on a country's level of conflict and its link with poverty. Analysis of each variable is done along seven dimensions to determine the way it relates to conflict and to poverty: A) History/changes: how the issue has evolved over a pertinent time span; B) Dynamics/trends: what is determining the future path of the issue, and how it is likely to develop; C) Public perceptions: public attitudes and biases regarding the issue; D) Politicization: how the issue is used politically by different groups; E) Organization: the extent to which the issue has led to the establishment of interest groups and/or influenced political parties and militant organizations; F) Link to conflict and intensity: how the factor contributes to conflict and the current level of intensity; and G) Link to poverty: how the issue relates to poverty. The results of the analysis on the above seven dimensions will help develop a prioritized list of factors that are closely linked with conflict, according to their degree of importance. Factors with a high degree of impact on conflict and poverty, especially if their degree of importance is increasing, should be considered priority areas and of special concern in country strategies. The analysis of each variable would provide essential information about how the factors play out in the country, and should guide development assistance on the issue.

Bertelsmann Stiftung: Bertelsmann Transformation Index (BTI) (est. 2004)			
Index	**Variables**	**Measure**	**Methodology**
Bertelsmann Transformation Index http://www.bertelsmann-transformation-index.de/11.0.html?&L=1. The BTI was first presented in its present form in 2004, although trial versions were put in operation in 2001. Publication Cycle: *Every two years.*	**1. Democracy** a. Stateness b. Political Participation c. Rule of Law d. Stability of Democratic Institutions e. Political and Social Integration **2. Market Economy** a. Socioeconomic Development b. Market and Competition c. Currency and Prices d. Private Property e. Welfare Regime f. Performance g. Sustainability **3. Management** a. Level of Difficulty b. Steering Capability c. Resource Efficiency d. Consensus-Building e. International Cooperation	The Bertelsmann Transformation Index examines the political management of change on the way to a market-based democracy. To this end, the index provides two rankings and two trend indicators, which present the results of the comparative analysis and rating of 119 countries in a consolidated and concise form. The Status Index shows the state of development that a country has achieved on the way to democracy and a market economy. The Management Index classifies the quality of transformation management.	**Status Index** The Status Index's overall result represents the mean value of the scores for the dimensions "Political Transformation" and "Economic Transformation." The mean value was calculated using the exact, unrounded values for both these dimensions, which, in turn, were derived from the ratings for the five political criteria (based on 18 indicators) and the seven economic criteria (based on 14 indicators). The score for "Political Transformation" is obtained by calculating the mean value of the ratings for the following criteria: A) Stateness B) Political Participation C) Rule of Law D) Stability of Democratic Institutions E) Political and Social Integration The score for "Economic Transformation" is obtained by calculating the mean value of the ratings for the following criteria: A) Level of Socioeconomic Development B) Organization of the Market and Competition C) Currency and Price Stability D) Private Property E) Welfare Regime F) Economic Performance G) Sustainability **Management Index** This index evaluates management by political decision makers while taking into consideration the level of difficulty. The Management Index's overall result is calculated by multiplying the intermediate result with a factor derived from the level-of-difficulty evaluation. The intermediate result is obtained by calculating the mean value of the ratings for the following criteria: A) Steering Capability B) Resource Efficiency C) Consensus-Building D) International Cooperation The level-of-difficulty evaluation takes into account the structural constraints on political management. It is obtained by calculating six indicators that evaluate a country's structural conditions, traditions of civil society, intensity of conflicts, level of education, economic performance, and institutional capacity.

World Bank: Post-Conflict Performance Indicators (PCPI) (est. 2004)			
Index	**Variables**	**Measure**	**Methodology**
Post-Conflict Performance Indicators http://siteresources.worldbank.org/INTCPR/1090479-1115613025365/20482305/Post-Conflict+Performance+Indicators,+2004-05.pdf. Publication Cycle: *Published annually to assist in allocation distribution decisions of states.*	**1. Security and Reconciliation** a. Public Security b. Reconciliation c. Disarmament, Demobilization, and Reintegration **2. Economic Recovery** a. Management of Inflation, External Debt, and Adequacy of the Budget b. Trade Policy, Foreign Exchange, and Price Regimes c. Management and Sustainability of Post-Conflict Reconstruction Program **3. Social Exclusion and Social-Sector Development** a. Reintegration of Displaced Populations b. Education c. Health **4. Public-Sector Management and Institutions** a. Budgetary and Financial Management, and Efficiency of Revenue Mobilization b. Re-establishing Public Administration and Rule-Based Governance c. Transparency, Accountability, and Corruption in the Public Sector	The Post-Conflict Performance Indicators ratings framework is designed to measure change in countries that are eligible for exceptional post-conflict allocations from the World Bank IDA (International Development Association).	For each variable, there is an extensive written score description in order to standardize scoring. Countries are rated on a six-point scale where 1 equals ongoing or re-ignition of conflict and no positive change and 6 equals a very strong performance.

The Economist **Intelligence Unit: Quality-of-Life Index (est. 2005)**			
Index	**Variables**	**Measure**	**Methodology**
Quality-of-Life Index http://www.econom ist.com/media/pdf/ QUALITY_OF_LIF E.pdf. Publication Cycle: *Published once.*	**1. Material Well-being** (GDP per person, at purchasing power parity in $) **2. Health** (Life expectancy at birth, years) **3. Political Stability and Security** (Political stability and security ratings) **4. Family Life** (Divorce rate per 1,000 population, converted into index of 1 (lowest divorce rates) to 5 (highest)) **5. Community Life** (Dummy variable taking value 1 if country has either high rate of church attendance or trade-union membership; 0 otherwise) **6. Climate and Geography** (Latitude, to distinguish between warmer and colder climates) **7. Job Security** (Unemployment rate, %) **8. Political Freedom** (Average of indices of political and civil liberties; scale of 1 (completely free) to 7 (unfree)) **9. Gender Equality** (Ratio of average male and female earnings, latest available data)	Provides a quality-of-life measure on a scale of 1-10. Measures 111 countries (2005).	The basis for this calculation is to survey results collected from 74 countries, which also provides a starting point for weighing the factors. Scores are related in a multivariate regression analysis to factors that have been shown to be associated with life satisfaction in many studies (the variables used explain 80% of the inter-country variation). For the 2005 Quality-of-Life Index, 3,000 people were questioned and statistically analyzed. The resulting coefficients were used to determine a Quality-of-Life Index for 2005.

The Fund for Peace (FfP)/*Foreign Policy*: The Failed States Index (est. 2005)			
Index	**Variables**	**Measure**	**Methodology**
The Failed States Index/*Foreign Policy* http://www.foreignpolicy.com/story/cms.php?story_id=3098 and http://www.fundforpeace.org/. Publication Cycle: *Annually.*	**1. Social Indicators** a. Mounting Demographic Pressures b. Massive Movement of Refugees or Internally Displaced Persons (IDPs), Creating Complex Humanitarian Emergencies c. Legacy of Vengeance-Seeking Group Grievance or Group Paranoia d. Chronic and Sustained Human Flight **2. Economic Indicators** a. Uneven Economic Development Along Group Lines b. Sharp and/or Severe Economic Decline **3. Political Indicators** a. Criminalization and/or Delegitimization of the State b. Progressive Deterioration of Public Services c. Suspension or Arbitrary Application of the Rule of Law and Widespread Violation of Human Rights d. Security Apparatus Operates as a "State Within a State" e. Rise of Factionalized Elites f. Intervention of Other States or External Political Actors	The index is compiled using the Fund for Peace's internationally recognized methodology, the Conflict Assessment System Tool (CAST). It assesses violent internal conflicts and measures the impact of mitigating strategies. In addition to rating indicators of state failure that drive conflict, it offers techniques for assessing the capacities of core state institutions and analyzing trends in state instability.	The Fund for Peace used its Conflict Assessment System Tool (CAST), an original methodology it has developed and tested over the last decade. CAST is a flexible model that employs a four-step trend-line analysis, consisting of (1) rating 12 social, economic, and political/military indicators; (2) assessing the capabilities of five core state institutions considered essential for sustaining security; (3) identifying idiosyncratic factors and surprises; and (4) placing countries on a conflict map that shows the risk history of countries being analyzed. For the Failed States Index, the FfP focused solely on the first step, which provides snapshots of state vulnerability or risk of violence during a window in time. The CAST software indexed and scanned tens of thousands of open-source articles and reports using Boolean logic. The data are electronically gathered using Thomson Dialog, a powerful data-collection system that includes international and local media reports and other public documents, including US State Department reports, independent studies, and even corporate financial filings. The data used in each index are collected from May to December of the preceding year. The software calculates the number of positive and negative "hits" for the 12 indicators. Internal and external experts then review the scores as well as the articles themselves, when necessary, to confirm the scores and ensure accuracy.

GCSP Stability Matrix (est. 2006)			
Index	**Variables**	**Measure**	**Methodology**
GCSP Stability Matrix **Nayef R.F. Al-Rodhan, Hrair Balian, Graeme Herd, "Proposal for a Stability Matrix," Geneva Centre for Security Policy Program on the Geopolitical Implications of Globalization and Transnational Security, 2006.** http://www.gcsp.ch/e/publications/Globalisation/Publications/index.htm. Publication Cycle: *It is proposed that this index would be published annually.*	**1. Economic** **2. Environmental** **3. Military and Security** **4. Political** **5. Societal**	The GCSP Stability Matrix provides a comparative ranking of the stability of states.	Each variable has a number of indicators that are used to determine a value for that particular variable and that eventually will contribute to the overall ranking based on a scale of 1-3, where 1 contributes to stability, 2 makes a borderline contribution to stability, and 3 contributes to instability. Each indicator is granted a value based on a measurement taken from a current index that is presented in this table and then granted a value between 1 and 3 based on the ranking of the particular index, as well as what the assembled expert pool has determined is the importance of that particular variable. Once this exercise has been done for all indicators, a sub-sector value is granted based on the simple majority of the rankings, which would also be given a value between 1 and 3. Once this has been completed, the same exercise would be conducted on the sectorial level and then on the basis of the five variables in order to grant a country value. The countries could then be ranked based on this scale and compared to one another.

References

[1] See http://siteresources.worldbank.org/INTCPR/214578-1111751313696/20480168/CPR+5+final+legal.pdf.

[2] See http://www.prsgropu.com/commonhtml/methods.html.

[3] See http://humandevelopment.bu.edu/use_exsisting_index/show_aggregate.cfm?index_id=87&data_type=1.

[4] See http://siteresources.worldbank.org/IDA/Resources/CPIA2003.pdf.

[5] See http://www.navigaterisk.com/methodology.cfm.

[6] See http://www.worldaudit.org/home.htm.

[7] See http://www.swisspeace.org/fast.

[8] See http://www.worldbank.org/wbi/governance/data.html.

[9] See http://www.imf.org/External/pubs/FT/staffp/2001/03/pdf/annett.pdf.

[10] See http://www.prsgroup.com/commonhtml/methods.html#_International_Country_Risk.

[11] See http://www.carleton.ca/cifp/about.htm.

[12] See http://www.reliefweb.int/library/documents/studman2.pdf.

[13] See http://www.undp.org.mk/datacentre/publication/documents/EWREngDec05.pdf.

[14] See http://www.lse.ac.uk/Depts/global/Publications/Yearbooks/2002/2002chapter910.pdf.

[15] See http://www.cidcm.umd.edu/CIDCMpeace.pdf.

[16] See http://www.bertelsmann-transformation-index.de/11.0.html?&L=1.

[17] See http://siteresources.worldbank.org/INTCPR/1090479-1115613025365/20482305/Post-Conflict+Performance+Indicators,+2004-05.pdf.

[18] See http://www.foreignpolicy.com/story/cms.php?story_id=3098.

[19] See http://www.sela.org/sela/prensa.asp?id=1762&step=3.