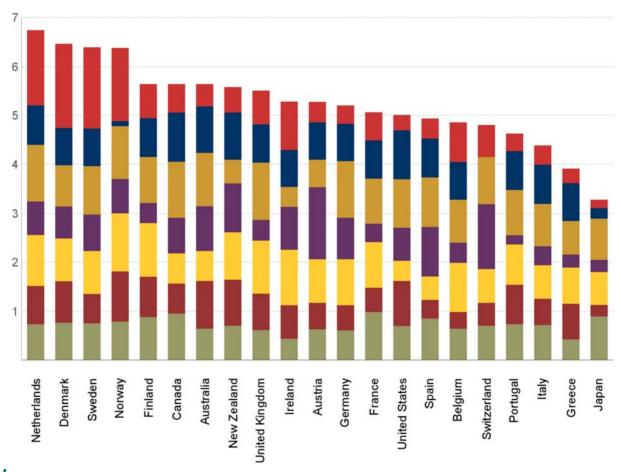
# **Commitment to Development Index**



David Roodman
Research Fellow
Center for Global
Development





# Components

- Aid
- Trade
- Investment
- Migration
- Environment
- Security
- Technology



# Aid



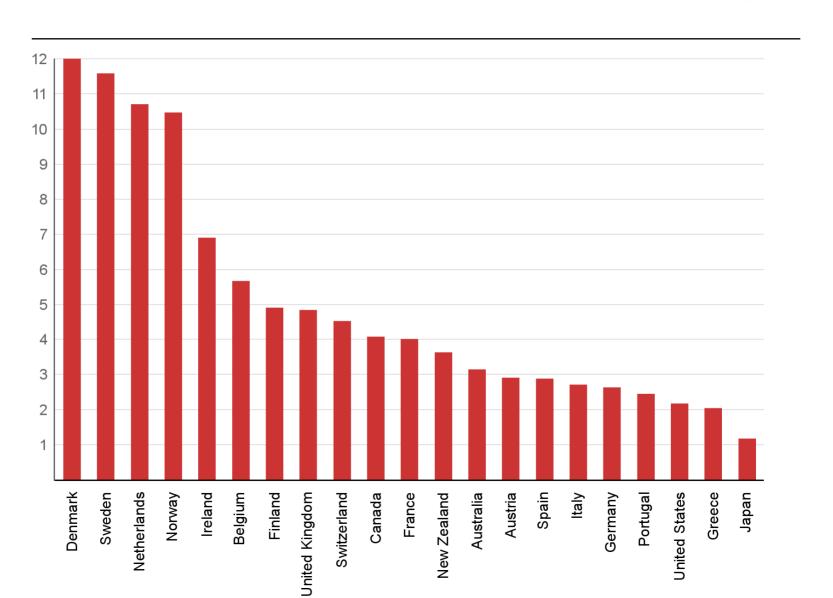
# Aid



- Quantity, net of debt payments
- Untying
- Selectivity
- "Non-proliferation" of aid projects
- Tax incentives for charitable giving

#### Aid Results







# Trade



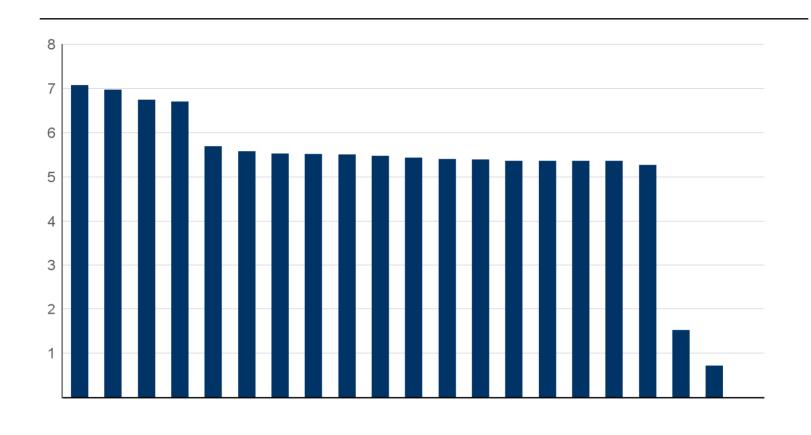
### Trade



- Low tariffs
- Minimal quotas
- Low subsidies for farmers
- High imports from developing countries

### **Trade Results**





Canada

United States New Zealand Netherlands

Australia

Italy

Portugal Finland

United Kingdom

Spain

France Greece

Sweden

Denmark

Austria

Germany

Belgium

Japan Ireland

Norway

Switzerland



# Investment



### Investment



- Political risk insurance
  - Environment and labor screens
- Participation in international efforts against bribery
- Rules to prevent double taxation on profits

# Investment checklist

#### Political risk insurance

- ✓ Multilateral Insurance?
- ✓ Official national agency?
- ✓ Agency monitors environment/labor/human rights?
- ✓ Investors in all sectors eligible?
- ✓ No inappropriate national econ interest tests?
- ✓ Restrict extending coverage to inefficient import-substituting projects?
- ✓ International companies with a significant presence in this country eligible?

# Prevention of Bribery/Corrupt Practices

- ✓ OECD convention -- participation level?
- ✓ EITI Conference participation?
- ✓ Bribe Payers Index Score Quintile

#### **Double Taxation**

- ✓ Avoids double taxation?
- ✓ Lets investors enjoy developing country tax incentives?

#### Other FDI

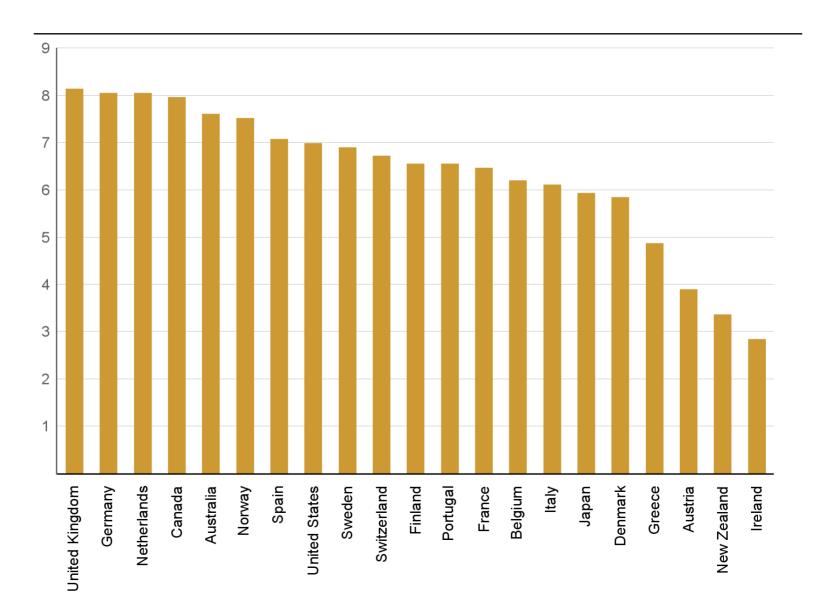
- ✓ Official assistance in resolving investment disputes?
- ✓ Help businesses identify investment opportunities?
- ✓ Help developing countries set up investment promotion agencies?
- ✓ Negative advocacy

#### **Portfolio**

- ✓ Official support for design of developing country securities institutions and regulations?
- ✓ No restrictions on pension fund investment in emerging markets?

#### **Investment Results**







# Migration



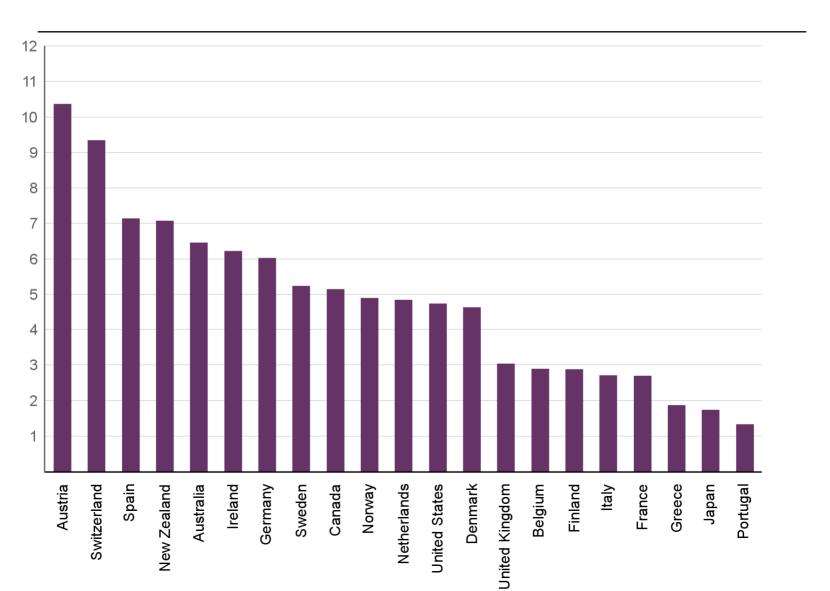
# Migration



- Immigration from developing countries, especially unskilled
- High % of foreign students from developing countries
- Aid to refugees and asylumseekers



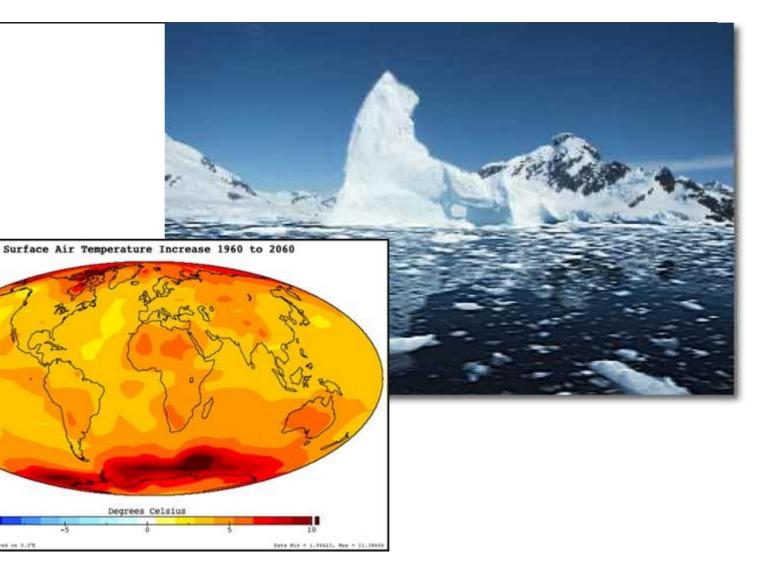
# Migration Results





# **Environment**

leside projection centered on 5.0%



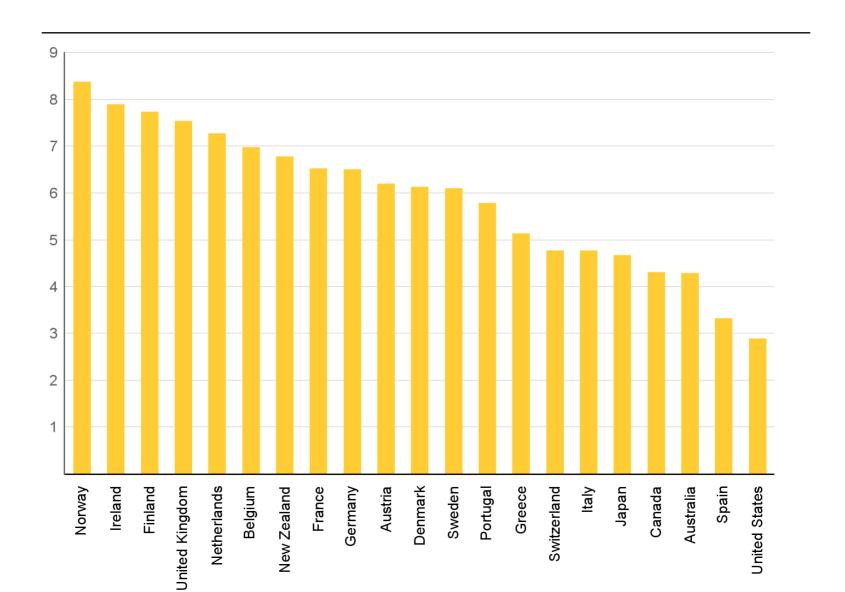
## **Environment**



- Low greenhouse gas emissions, falling emissions/GDP
- High gas taxes
- Low fishing subsidies
- Low tropical timber imports
- More

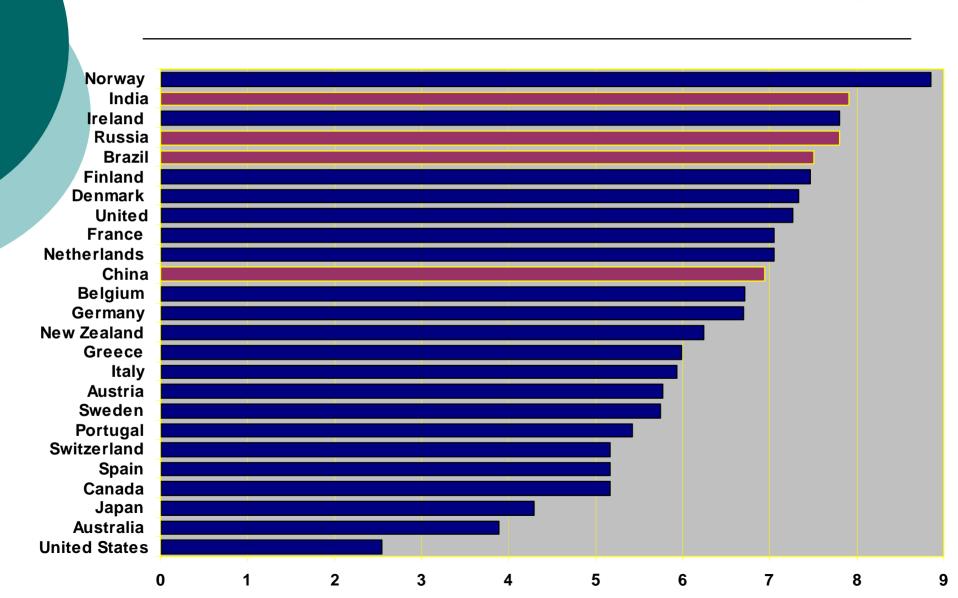
#### **Environment Results**





# Environment Results, with BRICs







# Security





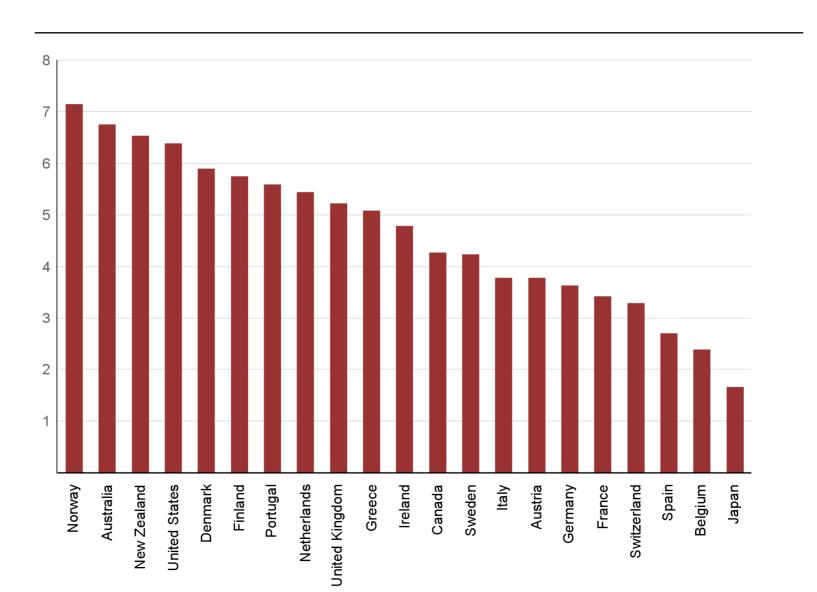
# Security



- \$ and personnel to U.N. peacekeeping
- Personnel to non-U.N. operations with international mandate
- Low arms exports to undemocratic countries that are heavy military spenders
- Protection of sea lanes for global trade

# Security Results







# Technology





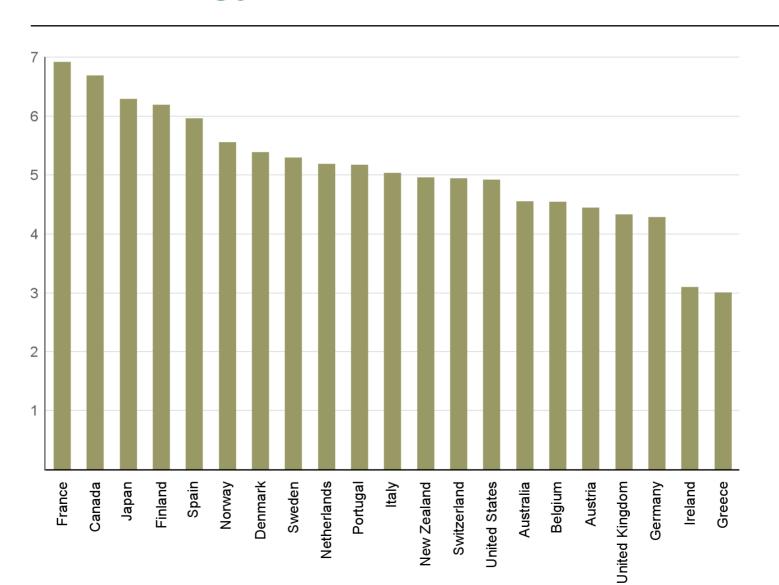
# Technology

- Public spending on R&D
- Tax breaks for R&D
- Not extending intellectual property beyond WTO treaty



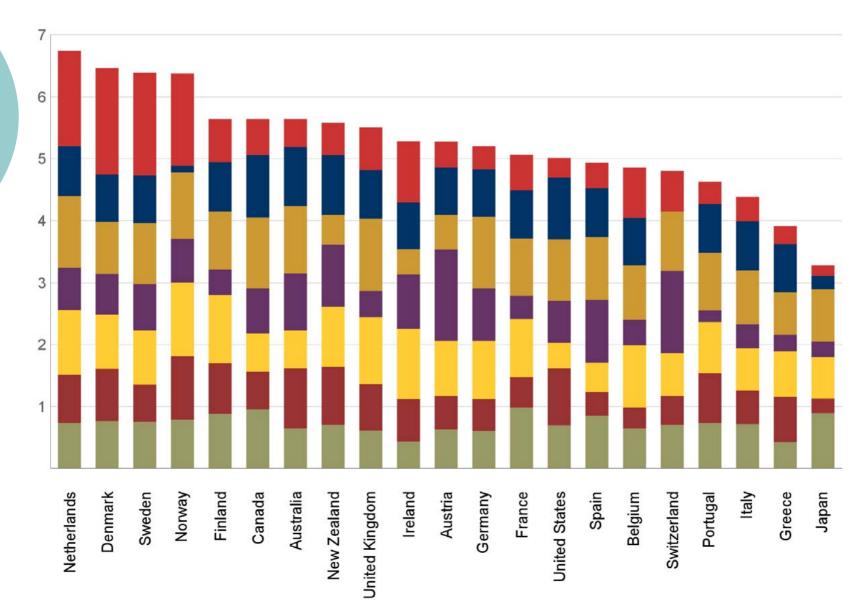


# Technology Results



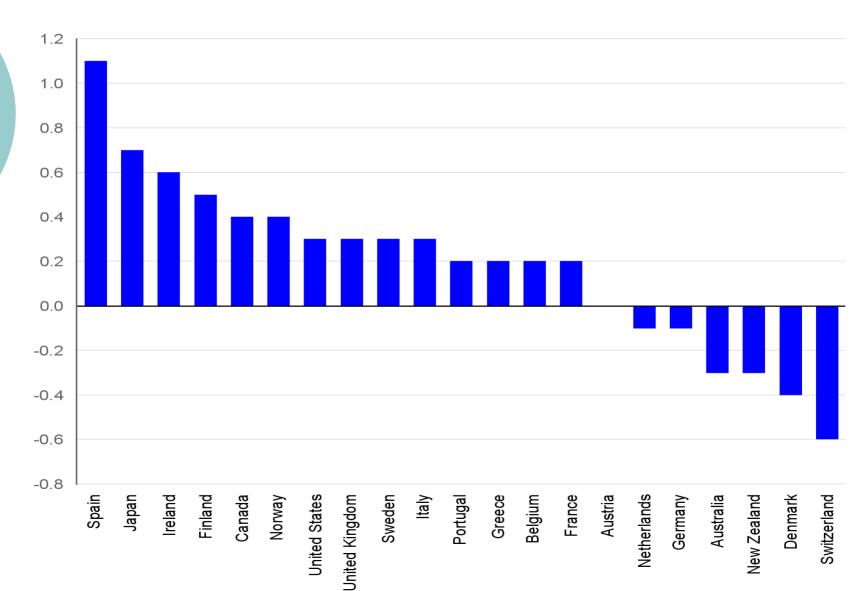
# Overall results





# Change, 2003-07 (2007 methodology)

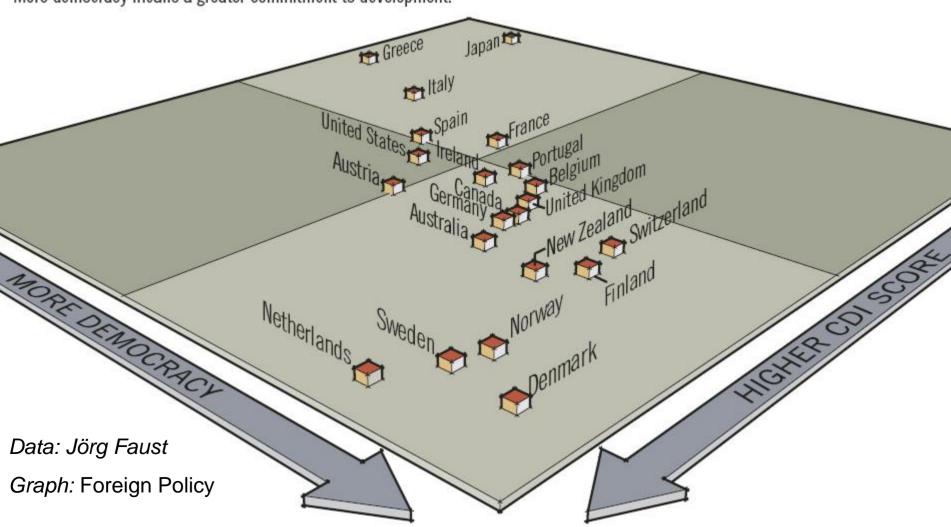




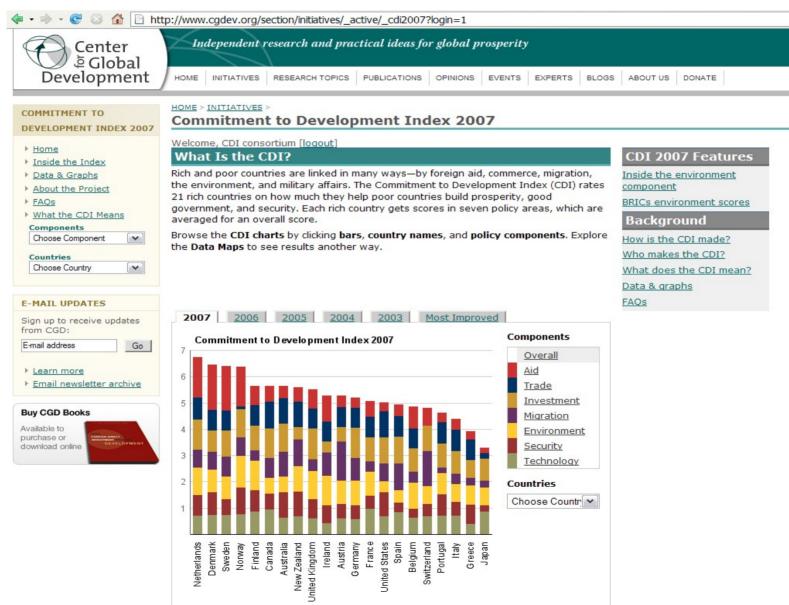


#### Democracy at Home, Development Abroad

More democracy means a greater commitment to development.



# www.cgdev.org/cdi



## Overall results



Commitment to Development Index 2007

33	int to bevelopmen	111007							
									Overall
Rank	Country	Aid	Trade	Investment	Migration	Environment	Security	Technology	(Average)
5	Australia	3.1	6.7	7.6	6.5	4.3	6.8	4.6	5.6
10	Austria	2.9	5.4	3.9	10.4	6.2	3.8	4.4	5.3
15	Belgium	5.7	5.4	6.2	2.9	7.0	2.4	4.5	4.9
5	Canada	4.1	7.1	8.0	5.1	4.3	4.3	6.7	5.6
2	Denmark	12.0	5.4	5.8	4.6	6.1	5.9	5.4	6.5
5	Finland	4.9	5.5	6.5	2.9	7.7	5.7	6.2	5.6
13	France	4.0	5.4	6.5	2.7	6.5	3.4	6.9	5.1
12	Germany	2.6	5.4	8.0	6.0	6.5	3.6	4.3	5.2
20	Greece	2.0	5.4	4.9	1.9	5.1	5.1	3.0	3.9
10	Ireland	6.9	5.3	2.8	6.2	7.9	4.8	3.1	5.3
19	Italy	2.7	5.6	6.1	2.7	4.8	3.8	5.0	4.4
21	Japan	1.2	1.5	5.9	1.7	4.7	1.7	6.3	3.3
1	Netherlands	10.7	5.7	8.0	4.8	7.3	5.4	5.2	6.7
5	New Zealand	3.6	6.7	3.4	7.1	6.8	6.5	5.0	5.6
3	Norway	10.5	0.7	7.5	4.9	8.4	7.1	5.6	6.4
18	Portugal	2.4	5.5	6.5	1.3	5.8	5.6	5.2	4.6
15	Spain	2.9	5.5	7.1	7.1	3.3	2.7	6.0	4.9
3	Sweden	11.6	5.4	6.9	5.2	6.1	4.2	5.3	6.4
17	Switzerland	4.5	0.0	6.7	9.3	4.8	3.3	4.9	4.8
9	United Kingdom	4.8	5.5	8.1	3.0	7.5	5.2	4.3	5.5
14	United States	2.2	7.0	7.0	4.7	2.9	6.4	4.9	5.0