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SA ranking shows work to be done

A whole cottage industry has grown out of international rankings. Countries are ranked on a whole host of metrics but do these rankings mean much? And should we concern ourselves with them?

This edition of *FreeFACTS* looks at how South Africa does on a number of rankings, particularly those to do with freedom, both economic and political.

When it comes to political freedoms, South Africa fares relatively well. Most indices rank South Africa quite highly, and it's clear that, when it comes to democracy, our country is still in fairly rude health.

However, when it comes to economic freedom we do less well.

If we look at the rankings presented in this edition it is clear that in terms of economic freedom, South Africa is regressing. As a whole South Africans are less free.

Some people will ask if this really matters and why South Africans should care about these rankings. That is a valid question but the fact of the matter is that there is a strong correlation between how well countries perform on rankings of economic freedom and how rich they are.

Countries which perform well on rankings of economic freedom always have high levels of development, income, and wealth. It is clear that there is a strong link between how free a country is in terms of its economy and how rich it is.

South Africa should make a conscious decision to improve its position on these rankings. This will likely result in a virtuous cycle – the freer the economy becomes, the richer the country will become, which will result in demands for more economic freedom.

And to clarify when economic freedom in this context it is very different from the economic freedom envisioned by the Economic Freedom Fighters (EFF). The economic freedom envisioned by the Red Berets is, in fact, a type of economic slavery, where the state is in control of nearly every aspect of the economy, which will not lead to prosperity.

But South Africans should take note of these rankings – they do tell us something.

— Marius Roodt

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Rankings

World Competitiveness Report rankings, 2020-23				
Country	2020 Ranking (out of 64)	2021 Ranking (out of 64)	2022 Ranking (out of 64)	2023 Ranking (out of 63)
Argentina	62	63	62	63
Australia	18	22	19	19
Austria	16	19	20	24
Belgium	25	24	21	13
Botswana	—	61	58	59
Brazil	56	57	59	60
Bulgaria	48	53	53	57
Canada	8	14	14	15
Chile	38	44	45	44
China	20	16	17	21
Colombia	54	56	57	58
Croatia	60	59	46	50
Cyprus	30	33	40	45
Czech Republic	33	34	26	18
Denmark	2	3	1	1
Estonia	28	26	22	26
Finland	13	11	8	11
France	32	29	28	33
Germany	17	15	15	22
Greece	49	46	47	49
Hong Kong	5	7	5	7
Hungary	47	42	39	46
Iceland	21	21	16	16
India	43	43	37	40
Indonesia	40	37	44	34
Ireland	12	13	11	2
Israel	26	27	25	23
Italy	44	41	41	41
Japan	34	31	34	35
Jordan	58	49	56	54
Kazakhstan	42	35	43	37
Latvia	23	38	35	51
Lithuania	41	30	29	32
Luxembourg	31	12	13	20
Malaysia	15	25	32	27
Mexico	27	55	55	56

Rankings

World Competitiveness Report rankings, 2020-23				
Mongolia	53	60	61	62
Netherlands	61	4	6	5
New Zealand	4	20	31	31
Norway	22	6	9	14
Peru	7	58	54	55
Philippines	52	52	48	52
Poland	45	47	50	43
Portugal	39	36	42	39
Qatar	37	17	18	12
Romania	14	48	51	48
Russia	51	45	—	—
Saudi Arabia	50	32	24	17
Singapore	24	5	3	4
Slovakia	1	50	49	53
Slovenia	57	40	38	42
South Africa	35	62	60	61
Spain	36	39	36	36
Sweden	6	2	4	8
Switzerland	3	1	2	3
Taiwan	11	8	7	6
Thailand	29	28	33	30
Turkey	46	51	52	47
United Arab Emirates	55	9	12	10
United Kingdom	19	18	23	29
United States	10	10	10	9
Venezuela	63	64	63	64

Source: Institute for Management Development (IMD), *World Competitiveness Ranking 2023*, pp32-33, accessed 16 October 2023

The *World Competitiveness Yearbook* rates an economy's ability to create a competitive business environment based on statistical information and surveys. It ranks countries according to 312 criteria in four categories — government efficiency; business efficiency; economic showing; and infrastructure.

Rankings

Attractiveness for mining investment, 2022	
Country/subnational division	Ranking (out of 62)
Alberta	1
Yukon	2
Northern Territory	3
Ghana	4
Zimbabwe	5
Guyana	6
Mongolia	7
Finland	8
Spain	9
British Columbia	10
Manitoba	11
New Brunswick	12
Newfoundland and Labrador	13
Northwest Territories	14
Nova Scotia	15
Nunavut	16
Ontario	17
Quebec	18
Saskatchewan	19
Alaska	20
Arizona	21
California	22
Colorado*	23
Idaho	24
Montana	25
Nevada	26
New Mexico	27
Utah	28
New South Wales	29
Queensland	30
South Australia	31

Attractiveness for mining investment, 2022	
Tasmania	32
Victoria	33
Western Australia	34
Papua New Guinea	35
Angola	36
Botswana	37
Burkina Faso*	38
Democratic Republic of the Congo	39
Guinea	40
Ivory Coast	41
Mali	42
Morocco	43
Mozambique	44
Namibia	45
South Africa	46
South Sudan	47
Tanzania	48
Zambia	49
Catamarca	50
Jujuy	51
Salta	52
San Juan	53
Santa Cruz	54
Bolivia	55
Brazil	56
Chile	57
Colombia	58
Ecuador	59
Mexico	60
Peru	61
China*	62

Source: Fraser Institute, 20 October 2023, Figure 3, pp9-11

Rankings

Economic freedom of the world (Heritage Foundation^a), selected countries, 2013-23

Country name	2013	2018	2019	2020	2022	2013	2018	2020	2022	2023
	Ranking (out of 177)	Ranking (out of 180)	— Ranking (out of 180) —			—(Score out of 100)—				
Australia	3	5	5	4	12	83	81	83	78	74,8
Botswana	30	35	35	40	61	71	70	70	65	64,9
Brazil	100	153	153	144	133	58	51	54	53	53,5
Chile	7	20	20	15	20	79	75	77	74	71,1
China	136	110	110	103	158	52	58	60	48	48,3
Denmark	9	12	12	8	10	76	77	78	78	77,6
Egypt	125	139	139	142	152	55	53	54	49	49,6
France	62	71	71	64	52	64	64	66	66	63,6
Germany	19	25	25	27	16	73	74	74	76	73,7
Ghana	77	122	122	104	89	61	56	59	60	58
Greece	117	115	115	100	77	55	57	60	62	56,9
Hong Kong	1	1	1	2	—	89	90	89	—	—
India	119	130	130	120	131	55	55	57	54	52,9
Indonesia	108	69	69	54	63	57	64	67	64	63,5
Ireland	11	6	6	6	3	76	80	81	82	82
Israel	51	31	31	26	43	67	72	74	68	68,9
Italy	83	79	79	74	57	61	63	64	65	62,3
Japan	24	30	30	30	35	72	72	73	70	69,3
Kazakhstan	68	41	41	39	64	63	69	70	64	62,1
Lithuania	22	19	19	16	17	72	75	77	76	72,2
Mexico	50	64	64	67	67	67	65	66	64	63,2
Mozambique	123	170	170	160	142	55	46	51	51	52,5
Nigeria	120	104	104	116	124	55	59	57	54	53,9
Pakistan	121	131	131	135	153	55	54	55	49	49,4
Philippines	97	61	61	70	80	58	65	65	61	59,3
Poland	57	45	45	46	39	66	69	69	69	67,7
Russia	139	107	107	94	113	51	58	61	56	53,8
Saudi Arabia	82	39	39	83	118	61	69	62	56	58,3
South Africa	74	77	77	106	112	62	63	59	56	55,7
Spain	46	60	60	58	41	68	65	67	68	65
Switzerland	5	4	4	5	2	81	82	82	84	83,8
Turkey	69	58	58	71	107	63	65	64	57	56,9
Uganda	79	83	83	102	127	61	62	60	54	51,4
United Kingdom	14	8	8	7	24	75	78	79	73	69,9
United States	10	18	18	17	25	76	76	77	72	70,6
Venezuela	174	179	179	179	176	36	25	25	25	25,8

Source: The Heritage Foundation, *2013 Index of Economic Freedom*, 5 November 2012, pp3–7; *2014 Index of Economic Freedom*, 13 November 2013, pp4–9; *2015 Index of Economic Freedom*, 13 November 2014, p3; *2016 Index of Economic Freedom*, 13 August 2016, p2; *2017 Index of Economic Freedom*, 13 August 2017, p2; *2019 Index of Economic Freedom*, p2; *2022 Index of Economic Freedom*, p2; *2023 Index of Economic Freedom*, p2

^a The index ranks 180 countries and is scored out of 100, with 10 components. These are: business freedom; trade freedom; fiscal freedom; government size; monetary freedom; investment freedom; financial freedom; property rights; freedom from corruption; and labour freedom.

Scores:

- 80–100 Free.
- 70–79.9: Mostly Free.
- 60–69.9: Moderately Free.
- 50–59.9: Mostly Unfree.
- 0–49.9: Repressed.

Rankings

Economic freedom of the world (Economic Freedom Network ^a), selected countries, 2009-21							
Country	2009 Ranking (out of 144)	2016 Ranking (out of 162)	2016 Score (out of 10)	2018 Ranking (out of 162)	2018 Score (out of 10)	2021 Ranking (out of 165)	2021 Score (out of 10)
Australia	5	10	7,98	9	8,07	8	8,05
Botswana	68	44	7,43	49	7,37	77	6,84
Brazil	102	144	5,75	120	6,23	90	6,58
Chile	7	15	7,80	13	7,89	30	7,66
China	92	107	6,46	113	6,42	111	6,18
Denmark	15	16	7,77	13	7,89	7	8,10
Egypt	93	147	5,72	155	5,05	144	5,47
France	42	57	7,25	50	7,35	47	7,40
Germany	21	20	7,69	20	7,82	23	7,73
Ghana	70	97	6,60	103	6,58	98	6,41
Greece	81	107	6,46	102	6,59	72	6,94
Hong Kong	1	1	8,97	1	8,91	2	8,55
India	94	95	6,63	79	6,91	87	6,62
Indonesia	84	65	7,16	54	7,27	74	6,93
Ireland	25	5	8,07	6	8,13	6	8,11
Israel	83	38	7,49	38	7,53	34	7,57
Italy	70	54	7,27	46	7,41	53	7,25
Japan	22	41	7,47	17	7,86	20	7,79
Kazakhstan	56	69	7,11	68	7,10	58	7,13
Lithuania	24	13	7,86	16	7,88	12	7,95
Mexico	75	82	6,90	76	6,93	68	7,02
Mozambique	128	149	5,50	149	5,60	120	6,03
Nigeria	107	118	6,32	81	6,86	81	6,67
Pakistan	114	132	6,00	136	5,91	123	5,98
Philippines	89	49	7,34	53	7,32	70	7,01
Poland	53	54	7,27	59	7,24	59	7,12
Russia	81	87	6,83	85	6,78	104	6,28
Saudi Arabia	N/A	102	6,52	107	6,52	83	6,64
South Africa	87	110	6,45	101	6,61	94	6,53
Spain	54	30	7,56	36	7,55	37	7,52
Switzerland	4	4	8,39	4	8,40	3	8,47
Turkey	75	86	6,84	95	6,67	101	6,32
Uganda	52	46	7,41	48	7,39	83	6,64
United Kingdom	8	9	8,00	7	8,09	9	8,01
United States	10	6	8,03	5	8,19	5	8,14
Venezuela	139	162	2,88	162	2,58	165	3,01

Source: Economic Freedom Network, *Economic Freedom of the World: Annual Report 2012*, 18 September 2012, p10; *Economic Freedom of the World: Annual Report 2013*, 18 September 2013, p8; *Economic Freedom of the World: Annual Report 2014*, 18 September 2014, p18; *Economic Freedom of the World: Annual Report 2017*, accessed 13 November 2017, pp7-8; *Economic Freedom of the World: Annual Report 2018*, accessed 11 December 2018, pp8-9; *Economic Freedom of the World: 2022 Annual Report*, accessed 28 September 2022, Exhibit 1.2a, pp8-9; *Economic Freedom of the World: 2023 Annual Report*, accessed 9 October 2023, Exhibit 1.2a, pp8-9

^a The economic freedom score was calculated by using variables measuring economic freedom in five broad areas. These were:
i) size of government *ii)* legal system and security of property rights *iii)* access to sound money *iv)* freedom to trade internationally
v) regulation of credit, labour, and business. N/A — Not available.

Rankings

Governance indicators, selected countries, 2022						
Country	Voice and accountability	Political stability	Government effectiveness	Regulatory quality	Rule of law	Control of corruption
—0-100 ^a —						
Australia	93,24	81,60	92,92	99,53	91,04	95,28
Botswana	60,87	87,26	67,92	72,17	66,04	74,06
Brazil	55,56	33,96	30,66	43,87	43,40	32,08
Chile	78,26	51,42	69,34	81,13	72,64	80,66
China	6,28	28,30	68,40	36,79	52,83	55,19
Denmark	98,07	77,36	98,58	98,58	99,53	100,00
Egypt	9,18	14,15	33,96	24,53	42,45	26,42
France	85,99	56,13	83,02	85,38	85,38	85,38
Germany	94,69	67,45	88,21	92,45	91,98	95,75
Ghana	59,42	43,87	50,47	44,81	51,42	52,83
Greece	76,81	49,06	66,51	67,45	59,91	56,60
Hong Kong	35,27	66,51	95,75	93,87	87,74	92,45
India	49,28	24,53	63,21	50,94	55,19	44,34
Indonesia	52,66	29,25	66,04	59,43	45,28	37,74
Ireland	96,14	78,77	93,40	95,28	91,51	93,87
Israel	67,63	11,79	85,38	86,32	81,13	78,77
Italy	82,61	58,49	66,98	68,87	58,49	68,87
Japan	80,19	86,79	96,23	91,51	92,45	90,57
Kazakhstan	19,81	32,55	58,49	52,83	35,85	48,58
Lithuania	81,16	69,34	79,72	87,74	83,02	76,42
Mexico	42,03	21,70	42,45	46,70	20,75	17,45
Mozambique	31,88	11,32	25,00	22,64	16,51	21,70
Nigeria	32,37	7,55	14,15	12,26	19,81	14,62
Pakistan	25,12	6,60	29,25	20,28	25,00	22,64
Philippines	43,96	20,28	56,13	53,77	33,49	33,49
Poland	65,22	61,79	61,79	74,53	64,15	68,40
Russia	14,49	16,04	25,94	13,21	12,26	19,34
Saudi Arabia	7,73	32,08	70,75	65,09	58,02	63,68
South Africa	68,60	19,81	48,11	44,34	54,25	44,81
Spain	79,71	53,30	77,83	75,94	77,36	75,00
Switzerland	99,03	92,45	99,53	94,34	97,64	97,17
Turkey	23,19	13,68	43,87	43,40	36,79	34,91
Uganda	26,09	17,45	31,13	33,02	39,15	16,51
United Kingdom	89,37	62,26	85,85	93,40	89,15	92,92
United States	72,95	45,28	86,79	91,04	88,68	82,55
Venezuela	6,76	12,26	5,19	2,36	0,47	1,89

Source: World Bank, *World Governance Indicators*, govindicators.org, accessed 2 October 2023

^a The percentile rank indicates the rank of the country among all countries in the world — 0 being the lowest, and 100 the highest. The World Bank calculates the rankings by aggregating the views on the quality of governance provided by a large number of enterprise, citizen, and expert survey respondents. The data is gathered from a number of survey institutes, think tanks, non-governmental organisations, and international organisations.

Rankings

Freedom in the world, selected countries, 2023				
Country	Political rights	Civil liberties —0-7a—	Freedom status	Freedom of the Internet
Australia	38	57	Free	Free
Botswana	28	44	Free	N/A
Brazil	30	42	Free	Partly free
Chile	38	56	Free	Not free
China	-2	11	Not free	Not free
Denmark	40	57	Free	N/A
Egypt	6	12	Not free	Not free
France	38	51	Free	Free
Germany	39	55	Free	Free
Ghana	35	45	Free	Partly free
Greece	35	51	Free	N/A
Hong Kong	10	32	Partly free	N/A
India	33	33	Partly free	Partly free
Indonesia	30	28	Partly free	Partly free
Ireland	39	58	Free	N/A
Israel	34	43	Free	N/A
Italy	36	54	Free	Free
Japan	40	56	Free	Free
Kazakhstan	5	18	Not free	Not free
Lithuania	38	51	Free	N/A
Mexico	27	33	Partly free	Partly free
Mozambique	14	31	Partly free	N/A
Nigeria	20	23	Partly free	Partly free
Pakistan	15	22	Partly free	Not free
Philippines	25	33	Partly free	Partly free
Poland	34	47	Free	N/A
Russia	5	11	Not free	Not free
Saudi Arabia	1	7	Not free	Not free
South Africa	33	46	Free	Free
Spain	37	53	Free	N/A
Switzerland	39	57	Free	N/A
Turkey	16	16	Not free	Not free
Uganda	11	24	Not free	Partly free
United Kingdom	39	54	Free	Free
United States	33	50	Free	Free
Venezuela	1	14	Not free	Not free

Source: Freedom House, *Freedom in the World 2023, Freedom on the Net 2023*, www.freedomhouse.org, accessed 5 July 2023

^a Each country and territory (out of 195) is assigned two numerical ratings—from 1 to 7—for political rights and civil liberties, with 1 representing the most free and 7 the least free. The average of a country or territory's political rights and civil liberties ratings determines whether it is Free, Partly Free, or Not Free.

Rankings

Democracy Index ^a , selected countries, 2022			
Country	Rank (out of 167)	Overall score 0-10	Classification
Australia	15	8,71	Full democracy
Botswana	32	7,73	Flawed democracy
Brazil	51	6,78	Flawed democracy
Chile	19	8,22	Full democracy
China	156=	1,94	Authoritarian
Denmark	6	9,28	Full democracy
Egypt	131	2,93	Authoritarian
France	22=	8,07	Full democracy
Germany	14	8,80	Full democracy
Ghana	63	6,43	Flawed democracy
Greece	25=	7,97	Flawed democracy
India	46=	7,04	Flawed democracy
Indonesia	54	6,71	Flawed democracy
Ireland	8	9,13	Full democracy
Israel	29	7,93	Flawed democracy
Italy	34	7,69	Flawed democracy
Japan	16	8,33	Full democracy
Kazakhstan	127=	3,08	Authoritarian
Lithuania	39	7,31	Flawed democracy
Mozambique	117	3,51	Authoritarian
Nigeria	105	4,23	Hybrid regime
Pakistan	107	4,13	Hybrid regime
Philippines	52	6,73	Flawed democracy
Poland	46=	7,04	Flawed democracy
Russia	146	2,28	Authoritarian
Saudi Arabia	150	2,08	Authoritarian
South Africa	45	7,05	Flawed democracy
Spain	22=	8,07	Full democracy
Switzerland	7	9,14	Full democracy
Turkey	103	4,35	Hybrid regime
Uganda	99	4,55	Hybrid regime
United Kingdom	18	8,28	Full democracy
United States	30	7,85	Flawed democracy
Venezuela	147	2,23	Authoritarian

Source: The Economist Intelligence Unit, *Democracy Index 2022*, 5 July 2023, pp7-11
^a The Democracy Index is calculated by analysing 60 indicators which are grouped into five categories: electoral process and pluralism, civil liberties, the functioning of government, political participation, and political culture. In 2022, South Africa was ranked 45th out of 167, with an overall score of 7.05 out of a possible 10. The Index ranked South Africa as a flawed democracy.

Rankings

State fragility ^a , selected countries, 2023		
Country	Rank (out of 179)	Score (out of 120)
Australia	168	22,0
Botswana	122	55,3
Brazil	71	74,5
Chile	147	42,2
China	102	65,1
Denmark	174	17,9
Egypt	50	81,6
France	162	28,8
Germany	166	24,6
Ghana	107	62,3
Greece	123	55,1
India	73	74,1
Indonesia	98	65,6
Ireland	171	19,5
Israel	143	44,1
Italy	146	42,6
Japan	161	30,5
Kazakhstan	111	60,6
Lithuania	152	39,4
Mexico	85	69,8
Mozambique	22	94,0
Nigeria	15	98,0
Pakistan	32	89,9
Philippines	61	77,8
Poland	142	45,2
Russia	53	80,7
Saudi Arabia	100	65,3
South Africa	78	72,0
Spain	144	43,5
Switzerland	175	17,8
Turkey	52	81,2
Uganda	26	91,5
United Kingdom	148	41,9
United States	141	45,3
Venezuela	29	90,5

Source: Fund for Peace, *Fragile State Index*, www.fragilestatesindex.org, accessed 3 July 2023

^a The Fragile States Index is an annual ranking of levels of state weakness or strength. The Index relies on conflict assessment and a comprehensive social science methodology. Scores are apportioned for every country, based on twelve key political, social and economic indicators and over 100 sub-indicators. A low score indicates that a state is less fragile and vice versa. For example, Australia, with a score of 22 out of 120, is a less fragile state than South Africa, which has a score of 72 out of 120. With regards to ranking, the greater the number, the more stable the country. For example, Australia, with a ranking of 168, is more stable than South Africa, which has a ranking of 78.