

APPENDIX II: DETAILED METHODOLOGY AND DATA SOURCE INFORMATION

LP Sources

Variable Name	Original Scale	Data Modifications	Year	Number of Countries	Source	Detailed Information about Data Source
Judicial Independence	1 = no, heavily influenced; 7 = yes, entirely independent	The original data was rescaled to a scale of 0 - 10.	2008-2009	134	World Economic Forum - Global Competitiveness Report http://gcr.weforum.org/	The ranking reflects experts' answers to the survey question: "Is the judiciary in your country independent from political influence of members of government, citizens or firms?"
Rule of Law	-2.5 (worst) - 2.5 (best)	The original data was rescaled to a scale of 0 - 10.	2008	212	World Bank Institute - Governance Matters 2009: Worldwide Governance Indicators, 1996-2008 http://info.worldbank.org/governance/wgi/index.asp	Combines several indicators including judicial independence, respect for law in relations between citizens and the administration, property rights, confidence in the police force, enforceability of contracts, direct financial fraud, law and order, which measure the existence of the rule of law.
Political Stability	-2.5 (worst) - 2.5 (best)	The original data was rescaled to a scale of 0 - 10.	2008	212	World Bank Institute - Governance Matters 2009: Worldwide Governance Indicators, 1996-2008 http://info.worldbank.org/governance/wgi/index.asp	Combines several indicators which measure perceptions of the likelihood that the government in power will be destabilized or overthrown by possibly unconstitutional and/or violent means, including domestic violence and terrorism.
Control of Corruption	-2.5 (worst) - 2.5 (best)	The original data was rescaled to a scale of 0 - 10.	2008	212	World Bank Institute - Governance Matters 2009: Worldwide Governance Indicators, 1996-2008 http://info.worldbank.org/governance/wgi/index.asp	Combines several indicators which measure the extent to which public power is exercised for private gain, including petty and grand forms of corruption, as well as "capture" of the state by elites and private interests.

PPR Sources

Variable Name	Original Scale	Data Modifications	Year	Number of Countries	Source	Detailed Information about Data Source
Property Rights	1 (worst) - 7 (best)	The original data was rescaled to a scale of 0 - 10.	2008-2009	134	World Economic Forum - Global Competitiveness Report http://gcr.weforum.org	Survey participants were asked to comment on: Property rights in your country, including over financial assets, are (1 = poorly defined and not protected by law, 7 = clearly defined and well protected by law).
Registering Property	Actual Number	The variable is a weighted average of the source's "Procedures to register property" and "Days to register property" data, with 30% of the weight given to the former and 70% to the latter. The actual numbers were standardized to a 0-10 scale.	2009	181	The World Bank Group - Doing Business 2009 www.doingbusiness.org	Number of procedures legally required to register property and time spent (in days) in completing the procedures. This indicator assumes a standard case of an entrepreneur who wants to purchase land and a building in the largest business city.
Ease of Access to Loans	1 (worst) - 7 (best)	The original data was rescaled to a scale of 0 - 10.	2008-2009	134	World Economic Forum - Global Competitiveness Report http://gcr.weforum.org	Survey participants were asked: "How easy is it to obtain a bank loan in your country with only a good business plan and no collateral? (1 = impossible, 7 = easy)"

IPR Sources

Variable Name	Original Scale	Data Modifications	Year	Number of Countries	Source	Detailed Information about Data Source
Intellectual Property Protection	1 (worst) - 7 (best)	The original data was rescaled to a scale of 0 - 10.	2008-2009	134	World Economic Forum - Global Competitiveness Report http://gcr.weforum.org	Survey participants were asked to comment on: "Intellectual property protection and anti-counterfeiting measures in your country are (1 = weak and not enforced, 7 = strong and enforced)."
Patent Protection	0 (worst) - 5 (best)	The original data was rescaled to a scale of 0 - 10.	2005	122	Ginarte-Park Index of Patent Rights. www1.american.edu/cas/econ/faculty/park/Web%20Page%20Update%2010-08/IPP%20Data.xls For more information, see Ginarte & Park (1997).	A country's rank in patent strength is based on five extensive criteria: coverage, membership in international treaties, restrictions on patent rights, enforcement, and duration of protection.
Copyright Piracy Level	Percentage	Calculation per industry: $(100 - V_i)/10$. The average of all industries' piracy level was taken to calculate final rescaled value.	2008	110	International Intellectual Property Alliance's Special 301 Report submitted to the U.S. Trade Representative www.iipa.com/2009_SPEC301_TOC.htm . Additional data was obtained from Sixth Annual BSA and IDC Global Software Piracy Study http://global.bsa.org/global_piracy2008/index.html .	Special 301 is an annual review process used in fighting international copyright piracy. It starts with the submission of public comments, of which IIPA's annual report is one of the most extensive and useful in terms of data.

GE Sources

Variable Name	Original Scale	Data Modifications	Year	Number of Countries	Source	Detailed Information about Data Source
Women's Access to Land Ownership	0 (best) 0.5 (average) 1 (worst)	The original data was rescaled to a scale of 0 - 10.	2009	124	OECD Gender, Institutions and Development Database (GID-DB) http://www.oecd.org/dev/gender/gid	The GID-DB covers an array of 60 indicators on gender discrimination. The database has been compiled using a variety of sources.
Women's Access to Bank Loans	0 (best) 0.5 (average) 1 (worst)	The original data was rescaled to a scale of 0 - 10.	2009	124	OECD Gender, Institutions and Development Database (GID-DB) http://www.oecd.org/dev/gender/gid	The GID-DB covers an array of 60 indicators on gender discrimination. The database has been compiled using a variety of sources.
Women's Access to Property Other than land	0 (best) 0.5 (average) 1 (worst)	The original data was rescaled to a scale of 0 - 10.	2009	124	OECD Gender, Institutions and Development Database (GID-DB) http://www.oecd.org/dev/gender/gid	The GID-DB covers an array of 60 indicators on gender discrimination. The database has been compiled using a variety of sources.
Inheritance Practices	0 (best) 0.5 (average) 1 (worst)	The original data was rescaled to a scale of 0 - 10.	2009	124	OECD Gender, Institutions and Development Database (GID-DB) http://www.oecd.org/dev/gender/gid	The GID-DB covers an array of 60 indicators on gender discrimination. The database has been compiled using a variety of sources.
Women's Social Rights	0 (best) 0.5 (average) 1 (worst)	This component of the gender equality indicator is a simple composite of four variables in the GID-DB. The original data of each variable was rescaled to a scale of 0 - 10 and then averaged to determine this score.	2009	124	OECD Gender, Institutions and Development Database (GID-DB) http://www.oecd.org/dev/gender/gid	The four components comprising this variable are: Parental Authority, Female Genital Mutilation, Freedom of Movement, and Ratio of Female to Male Adult Literacy.