

# Puerto Rico

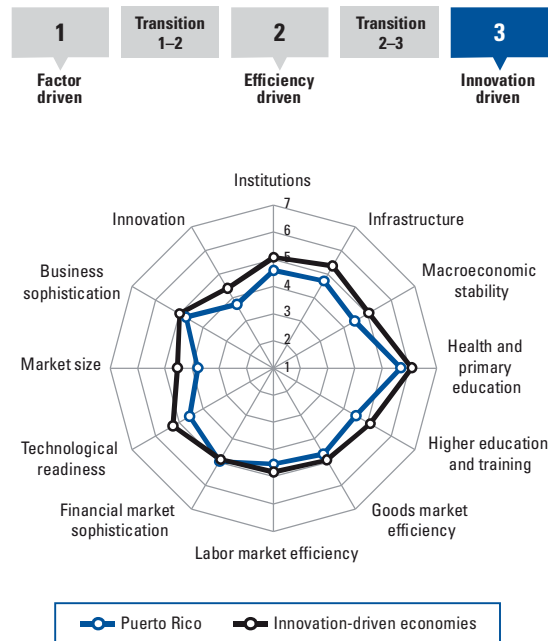
## Key indicators

Population (millions), 2008.....	4.0
GDP (US\$ billions), 2007.....	88.9
GDP per capita (US\$), 2007.....	22,595.0
GDP (PPP) as share (%) of world total.....	n/a

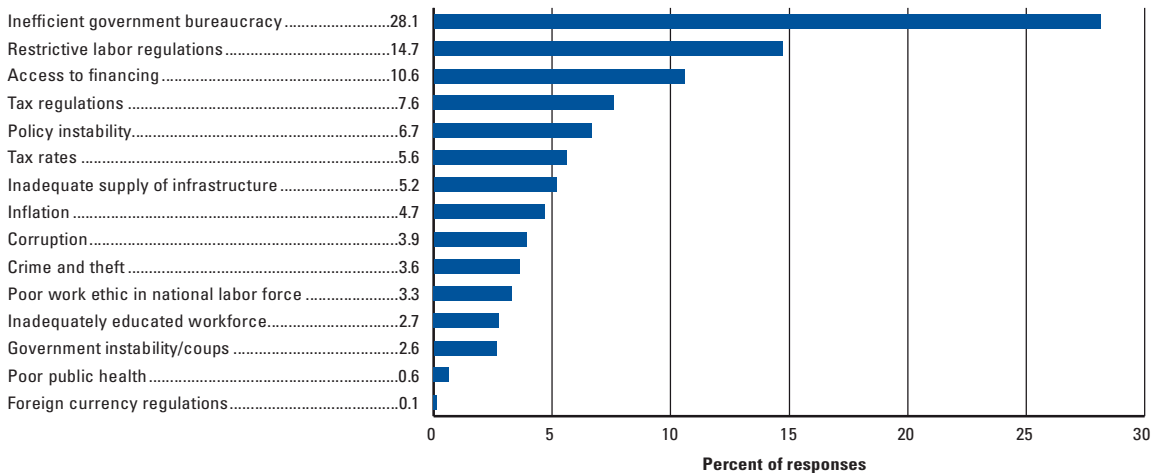
## Global Competitiveness Index

	Rank (out of 133)	Score (1-7)
<b>GCI 2009-2010</b> .....	<b>42</b>	<b>4.5</b>
GCI 2008-2009 (out of 134).....	41	4.5
GCI 2007-2008 (out of 131).....	36	4.5
<b>Basic requirements</b> .....	<b>44</b>	<b>4.8</b>
1st pillar: Institutions.....	42	4.6
2nd pillar: Infrastructure.....	33	4.7
3rd pillar: Macroeconomic stability.....	87	4.4
4th pillar: Health and primary education.....	49	5.7
<b>Efficiency enhancers</b> .....	<b>36</b>	<b>4.5</b>
5th pillar: Higher education and training.....	40	4.5
6th pillar: Goods market efficiency.....	34	4.7
7th pillar: Labor market efficiency.....	51	4.5
8th pillar: Financial market sophistication.....	19	5.0
9th pillar: Technological readiness.....	34	4.6
10th pillar: Market size.....	62	3.8
<b>Innovation and sophistication factors</b> .....	<b>31</b>	<b>4.2</b>
11th pillar: Business sophistication.....	29	4.7
12th pillar: Innovation.....	31	3.7

### Stage of development



## The most problematic factors for doing business



Note: From a list of 15 factors, respondents were asked to select the five most problematic for doing business in their country/economy and to rank them between 1 (most problematic) and 5. The bars in the figure show the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

■ Competitive Advantage ■ Competitive Disadvantage

INDICATOR	RANK/133	INDICATOR	RANK/133
<b>1st pillar: Institutions</b>		<b>6th pillar: Goods market efficiency</b>	
1.01 Property rights	18	6.01 Intensity of local competition	18
1.02 Intellectual property protection	11	6.02 Extent of market dominance	20
1.03 Diversion of public funds	51	6.03 Effectiveness of anti-monopoly policy	18
1.04 Public trust of politicians	68	6.04 Extent and effect of taxation	95
1.05 Judicial independence	40	6.05 Total tax rate*	115
1.06 Favoritism in decisions of government officials	67	6.06 No. of procedures required to start a business*	46
1.07 Wastefulness of government spending	110	6.07 Time required to start a business*	15
1.08 Burden of government regulation	131	6.08 Agricultural policy costs	106
1.09 Efficiency of legal framework in settling disputes	24	6.09 Prevalence of trade barriers	55
1.10 Efficiency of legal framework in challenging regs	33	6.10 Tariff barriers*	33
1.11 Transparency of government policymaking	71	6.11 Prevalence of foreign ownership	33
1.12 Business costs of terrorism	54	6.12 Business impact of rules on FDI	34
1.13 Business costs of crime and violence	94	6.13 Burden of customs procedures	32
1.14 Organized crime	49	6.14 Degree of customer orientation	61
1.15 Reliability of police services	47	6.15 Buyer sophistication	38
1.16 Ethical behavior of firms	38		
1.17 Strength of auditing and reporting standards	19	<b>7th pillar: Labor market efficiency</b>	
1.18 Efficacy of corporate boards	37	7.01 Cooperation in labor-employer relations	81
1.19 Protection of minority shareholders' interests	7	7.02 Flexibility of wage determination	64
		7.03 Rigidity of employment*	41
<b>2nd pillar: Infrastructure</b>		7.04 Hiring and firing practices	99
2.01 Quality of overall infrastructure	36	7.05 Firing costs*	1
2.02 Quality of roads	31	7.06 Pay and productivity	48
2.03 Quality of railroad infrastructure	72	7.07 Reliance on professional management	28
2.04 Quality of port infrastructure	25	7.08 Brain drain	74
2.05 Quality of air transport infrastructure	15	7.09 Female participation in labor force*	94
2.06 Available seat kilometers*	35		
2.07 Quality of electricity supply	57	<b>8th pillar: Financial market sophistication</b>	
2.08 Telephone lines*	n/a	8.01 Financial market sophistication	21
		8.02 Financing through local equity market	63
<b>3rd pillar: Macroeconomic stability</b>		8.03 Ease of access to loans	40
3.01 Government surplus/deficit*	92	8.04 Venture capital availability	35
3.02 National savings rate*	120	8.05 Restriction on capital flows	61
3.03 Inflation*	60	8.06 Strength of investor protection*	15
3.04 Interest rate spread*	12	8.07 Soundness of banks	65
3.05 Government debt*	88	8.08 Regulation of securities exchanges	13
		8.09 Legal rights index*	18
<b>4th pillar: Health and primary education</b>		<b>9th pillar: Technological readiness</b>	
4.01 Business impact of malaria	68	9.01 Availability of latest technologies	22
4.02 Malaria incidence*	69	9.02 Firm-level technology absorption	23
4.03 Business impact of tuberculosis	26	9.03 Laws relating to ICT	35
4.04 Tuberculosis incidence*	4	9.04 FDI and technology transfer	28
4.05 Business impact of HIV/AIDS	76	9.05 Mobile telephone subscriptions*	39
4.06 HIV prevalence*	101	9.06 Internet users*	66
4.07 Infant mortality*	49	9.07 Personal computers*	39
4.08 Life expectancy*	36	9.08 Broadband Internet subscribers*	n/a
4.09 Quality of primary education	73		
4.10 Primary enrollment*	22	<b>10th pillar: Market size</b>	
4.11 Education expenditure*	77	10.01 Domestic market size index*	65
		10.02 Foreign market size index*	61
<b>5th pillar: Higher education and training</b>		<b>11th pillar: Business sophistication</b>	
5.01 Secondary enrollment*	42	11.01 Local supplier quantity	43
5.02 Tertiary enrollment*	49	11.02 Local supplier quality	18
5.03 Quality of the educational system	53	11.03 State of cluster development	38
5.04 Quality of math and science education	87	11.04 Nature of competitive advantage	23
5.05 Quality of management schools	55	11.05 Value chain breadth	36
5.06 Internet access in schools	53	11.06 Control of international distribution	98
5.07 Local availability of research and training services	23	11.07 Production process sophistication	24
5.08 Extent of staff training	22	11.08 Extent of marketing	26
		11.09 Willingness to delegate authority	29
		<b>12th pillar: Innovation</b>	
		12.01 Capacity for innovation	54
		12.02 Quality of scientific research institutions	33
		12.03 Company spending on R&D	50
		12.04 University-industry collaboration in R&D	28
		12.05 Gov't procurement of advanced tech products	90
		12.06 Availability of scientists and engineers	15
		12.07 Utility patents*	33

\* Hard data

Note: For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" at the beginning of this chapter.