

COUNTRY PROFILE



Belgium

GLOBAL RANK: 14th= of 104



Belgium's overall rank of 14th, tied with Norway, Canada, the UK, and France, results from its 14th place for Comparative Liveability and a slightly higher 13th place for Economic Competitiveness. The country achieves particularly high marks for capital investment and openness to foreign trade.

● BACKGROUND

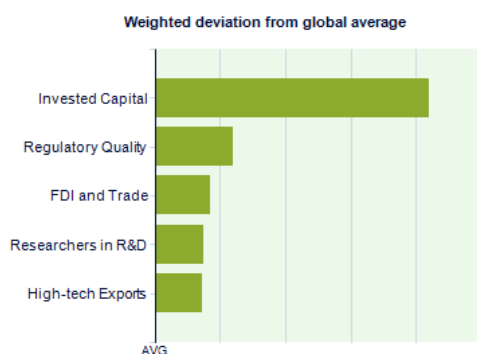
The dominant feature of Belgium's cultural and political landscape is the divide between the Dutch-speaking Flemish in the north of the country and the French-speaking Walloon minority in the south. Six months of political paralysis in 2007 led many observers to question the long-term survival of the union. Although Belgium is a prosperous trading economy, it possesses few natural resources and is particularly exposed to global downturns. Income tax rates and government spending are high even by European standards. Belgium is host to both the European Union institutions and the North Atlantic Treaty Organisation.

FAST FACTS

Population:	10.4 million (2008 est.)	FDI (net inflow):	16.02% (2006 est.)
Life Today	7.3 (2007 est.)	Exports	93.01% (2006 est.)
GDP (PPP)	\$376 billion (2007 est.)	Imports	89.20% (2006 est.)
GDP (Growth)	2.7% (2007 est.)	Unemployment:	7.5% (2007 est.)
GDP (per Capita)	\$35,300 (2007 est.)	Life Expectancy	79.07 years (2008 est.)
Political System:	Federal Parliamentary Democracy under a Constitutional Monarchy		
Foreign Aid:	No data		

● KEY SCORE DRIVERS

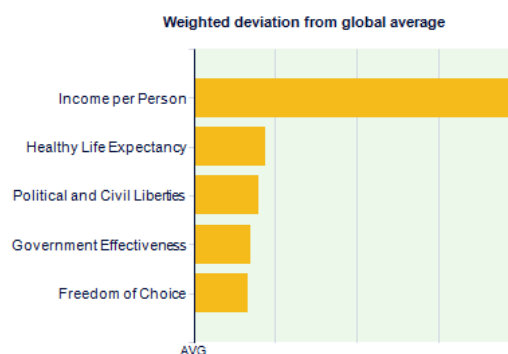
ECONOMIC COMPETITIVENESS



Belgium, a tiny country at the heart of a highly industrialised region, has enjoyed steady economic growth over the past decade that has helped maintain living standards at a relatively high level, in large part due to high levels of capital investment.

This investment is driven by Belgium's engagement with the global economy. Much of the investment is foreign investment: Belgium holds first place in the Index for the percentage of GDP accounted for by foreign direct investment, and is the highest-ranked out of all European countries in terms of openness. Excellent regulatory quality

COMPARATIVE LIVEABILITY



Belgians enjoy high average incomes of around \$30,000. Belgium also achieves excellent health scores, particularly its health-adjusted life expectancy of 71.1 years, and the 84%⁹ satisfaction rate with personal health, according to the Gallup World Poll.

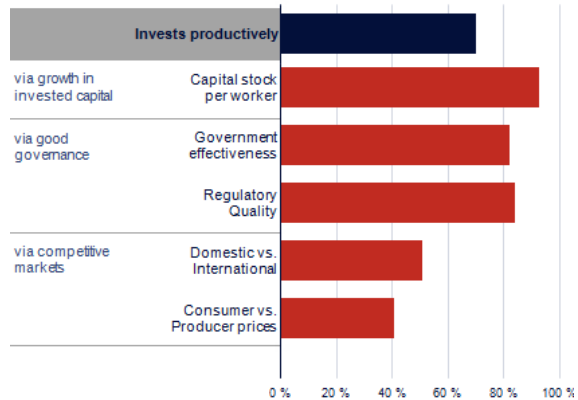
Belgians, like most Western Europeans, are satisfied with the freedom they have to determine the course of their own lives, resulting in a high freedom of choice score. Furthermore, nearly 90%⁹ of Belgians think that people in their country can get ahead if they work hard, according to Gallup.

also helps to foster a good business environment and attract investment. More broadly, foreign trade and investment are crucial to Belgium's material wealth. More than 80% of Belgium's GDP is derived from foreign sales, one of the highest percentages among industrialised nations.

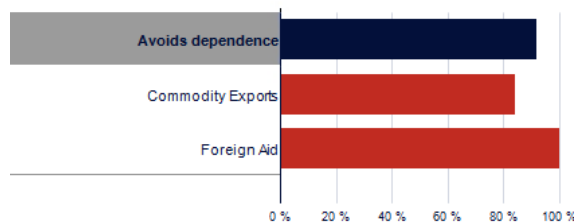
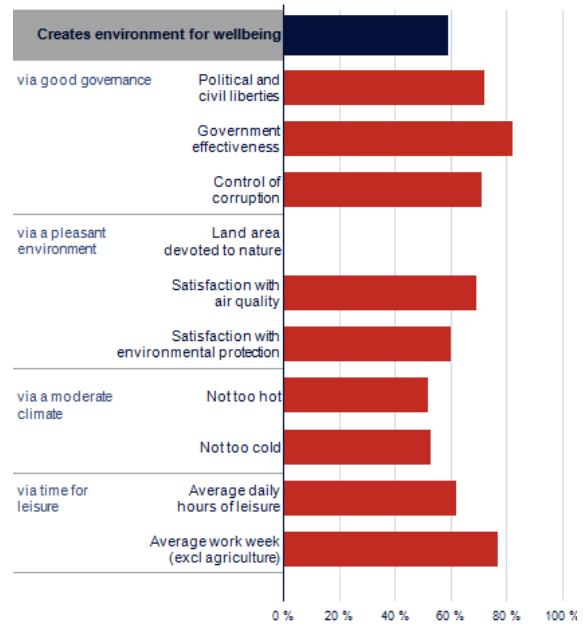
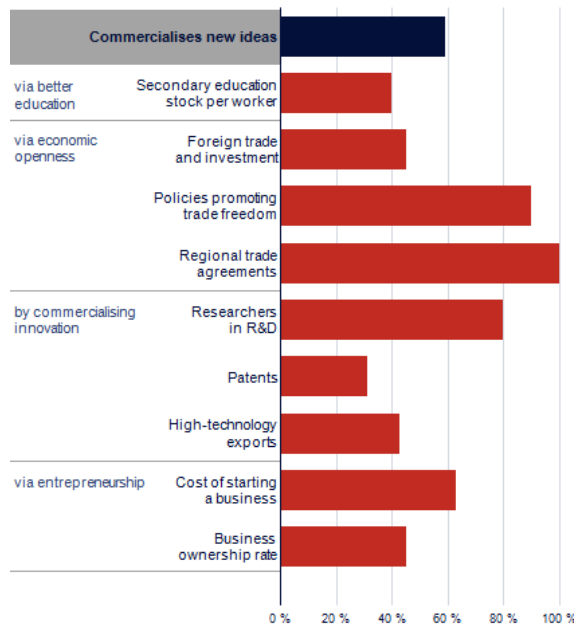
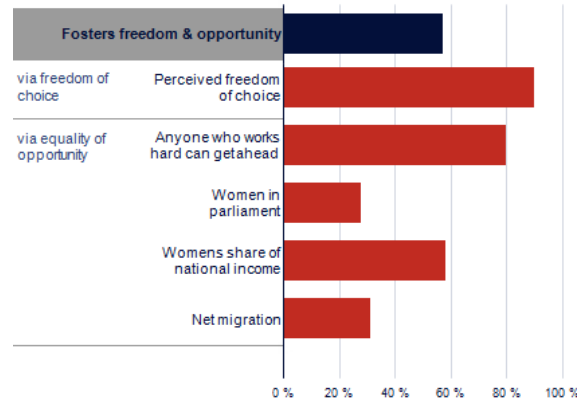
Similarly impressive is Belgium's strength in research and development, which, combined with the drivers above, leads to a good score for high-tech exports. However, the relatively low quality of mass education is a notable weakness.

Despite this meritocratic work ethic, Belgium earns good leisure scores with relatively short average working hours of 32.6 hours a week. The quality-of-life benefits are reinforced by high government effectiveness and strong standards of political and civil liberties (thus far helping Belgium to navigate the tensions between the two culturally and linguistically distinct regions, Flanders and Wallonia).

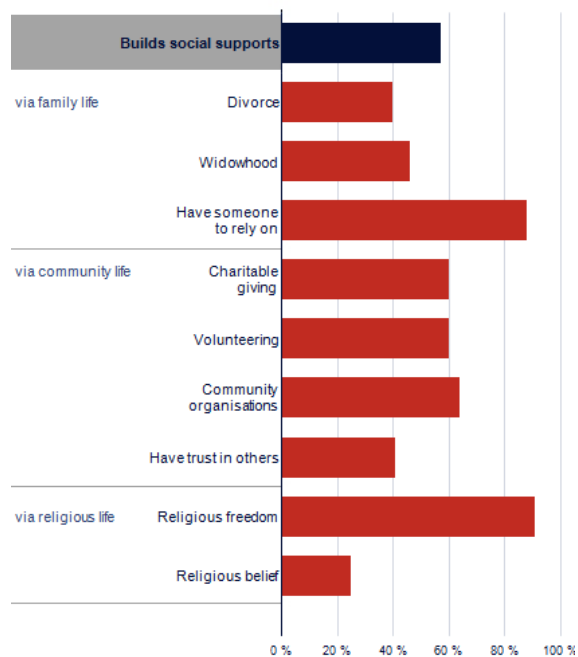
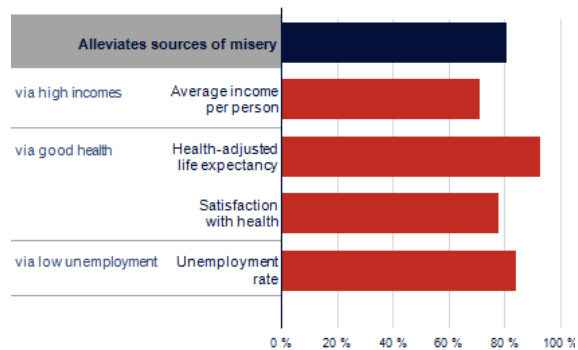
ECONOMIC COMPETITIVENESS: SCORECARD



COMPARATIVE LIVEABILITY: SCORECARD



All subindicator scores in the Index are shown unweighted, expressed as a percentage of the score for the best-performing country in the Index. Indicator scores (in dark blue) are derived from the weighted average of relevant subindicators. For more information on how the subindicator scores are weighted to produce indicator scores and an overall Index score and ranking, see Chapter Two of this report.



References:

^{9, w} See www.prosperity.com/references.aspx for further details including date of survey, sample size, and margin of error.