

COUNTRY PROFILE



Netherlands

GLOBAL RANK: 11th of 104



The Netherlands achieves 6th place for Comparative Liveability but 17th for Economic Competitiveness, leaving it 11th overall. Key to its success are its excellent governance, community life and income scores.

● BACKGROUND

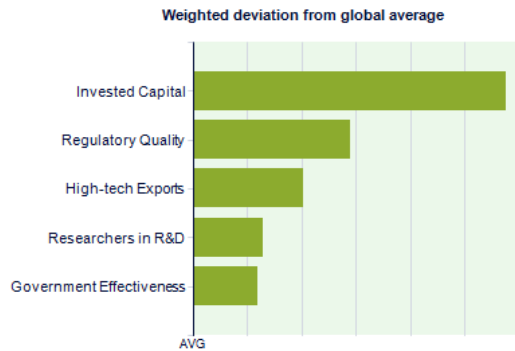
Once a colonial power, the Netherlands is now a small but prosperous northern European country with an economy heavily reliant on foreign trade. Key exports include natural gas, chemicals, and food. Rotterdam, partly as a result of its strategic location, is the largest port in Europe. Holland has often been associated with consensual and tolerant values, with liberal policies on drugs, prostitution, euthanasia, and same-sex marriage. Church attendance levels have fallen dramatically in the last fifty years and are now amongst the lowest in Europe. In recent years, political tensions with the minority Muslim population have become a prominent national challenge.

FAST FACTS

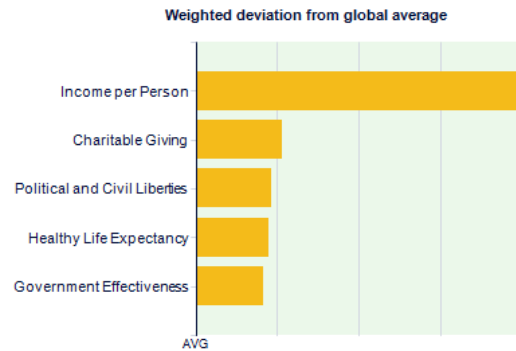
Population:	16.6 million (2008 est.)	FDI (net inflow):	7.49% (2006 est.)
Life Today	7.4 (2007 est.)	Exports	59.56% (2006 est.)
GDP (PPP)	\$639.5 billion (2007 est.)	Imports	53.34% (2006 est.)
GDP (Growth)	3.5% (2007 est.)	Unemployment:	3.2% (2007 est.)
GDP (per Capita)	\$38,500 (2007 est.)	Life Expectancy	79.25 years (2008 est.)
Political System:	Constitutional Monarchy		
Foreign Aid:	No data		

● KEY SCORE DRIVERS

ECONOMIC COMPETITIVENESS



COMPARATIVE LIVEABILITY



The Netherlands, the world's 16th largest economy, coincidentally ranks 16th on the Economic Competitiveness index. The average income per person is slightly higher than its neighbours, Belgium and France, and levels of investment in productive capital are very high.

Like Belgium, the Dutch economy depends heavily on foreign trade and investment, which together average 120% of the country's GDP, reflecting a high level of economic openness. The Dutch economy, centred on food processing, chemicals, petroleum refining, and electrical machinery, is suffering from tighter global credit conditions, the impact of a stronger euro on foreign trade, and upward pressure on wages. However, in the longer term, an ability to engage with the

A high average income is a key driver of the Netherlands' Comparative Liveability and contributes to high scores in a number of other areas. Health-adjusted life expectancy, at 71.2 years, is extremely high, as a result of the good healthcare system.

The Dutch are tolerant, sharing the characteristically high levels of religious freedom and low levels of religious faith of many other Western European countries. Although clashes with the large Muslim minority are an ongoing challenge, the Dutch generally trust one another and feel supported by strong networks of relatives and friends. These networks are reflected in high community and family life scores. This is particularly noticeable in the high score for charitable giving, with 75%⁹ of respondents to the Gallup World Poll

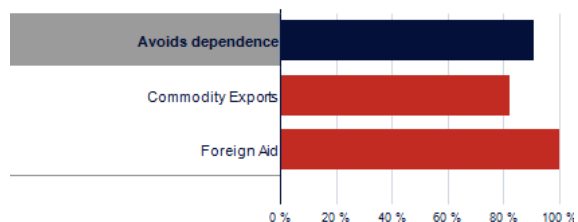
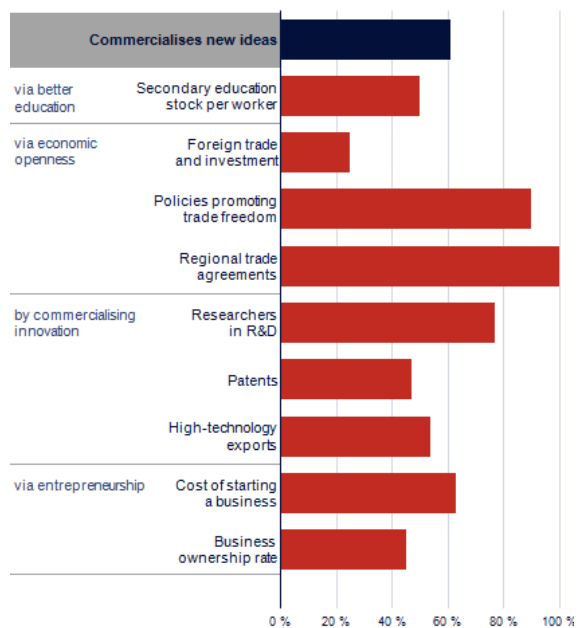
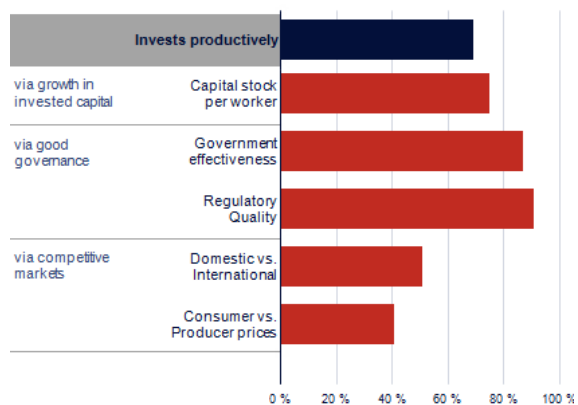
global economy is a great benefit, shown in scores for high tech exports, one aspect of commercialising innovation.

The government has gradually reduced its role in the economy since the 1980s, and privatisation and deregulation continues. This is reflected in high scores for quality of regulation. Government effectiveness is another strong point as are levels of mass education.

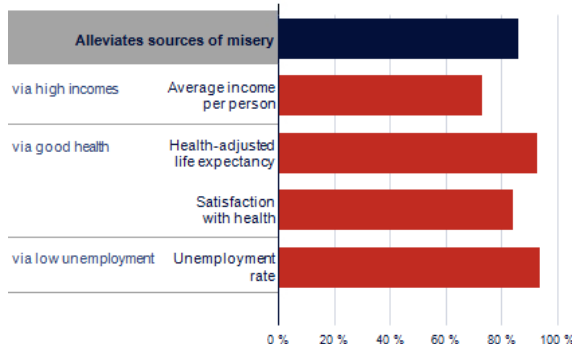
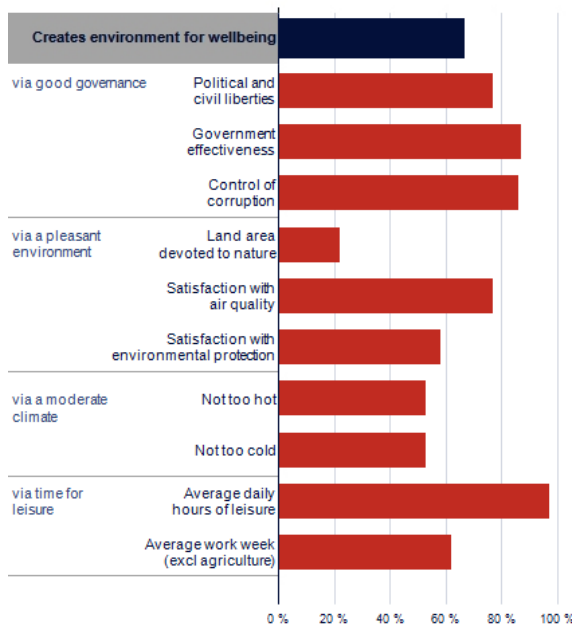
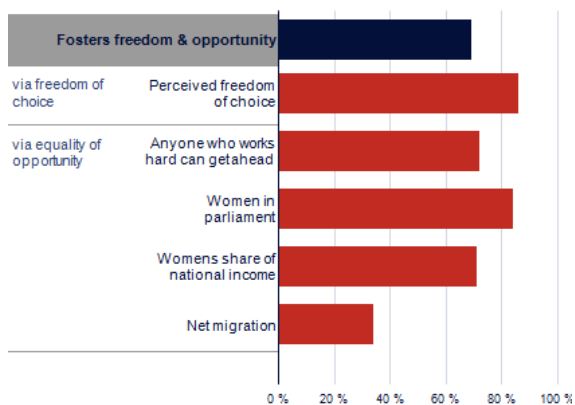
reporting that they donated money to charity in the previous month.

The Netherlands is a historically free culture, and the Dutch benefit from a high level of political and civil liberties as well as government effectiveness. 89%⁹ say they are satisfied with their freedom to choose what they do with their life. A high quality of life is also evident in the amount of free time the Dutch enjoy: they report more leisure time than anyone else in the world apart from the Danish.

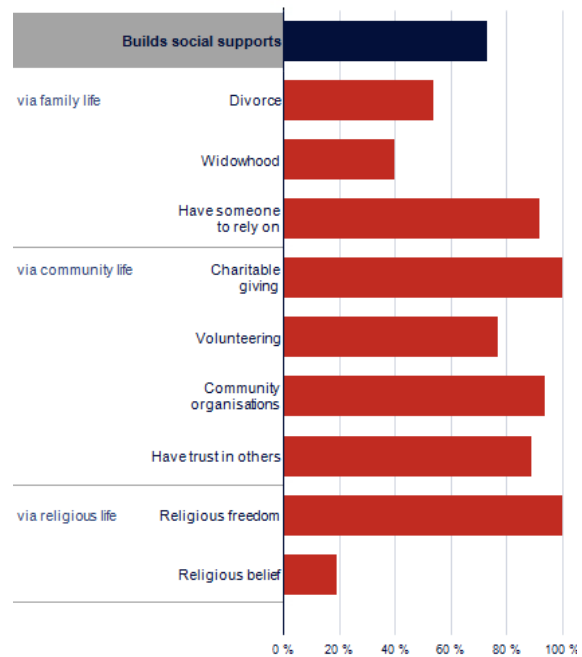
ECONOMIC COMPETITIVENESS: SCORECARD



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.