

COUNTRY PROFILE



United Kingdom

GLOBAL RANK: 14th= of 104



The United Kingdom's 14th place for Economic Competitiveness and 13th for Comparative Liveability earn it 14th place overall, in a tie with Norway, Canada, Belgium and France. Consistently good scores, particularly for regulatory quality, regional trade agreements, average leisure time and charitable giving, outweigh the negative influence of relatively high levels of divorce.

● BACKGROUND

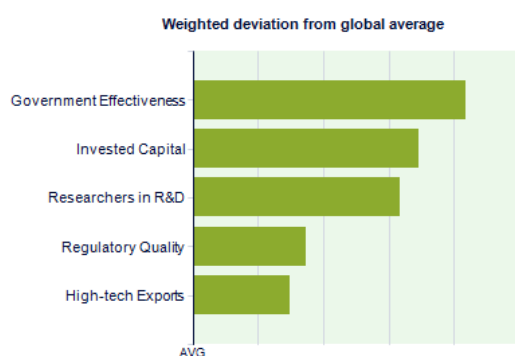
The UK has experienced ten years of rising consumer affluence. Significant spending on schools, healthcare, and transportation infrastructure has been made possible by increased tax receipts and government borrowing. Devolved assemblies in Scotland and Wales have allowed local politics to flourish, while hopes continue for a long-term solution to the conflict in Northern Ireland. Rapid levels of immigration, particularly from Eastern Europe, have created strains on housing and infrastructure in certain areas and fuelled debates about how the UK should accommodate its increasingly multicultural society. Debate over the UK's role in European integration is as heated as ever.

FAST FACTS

Population:	60.9 million (2008 est.)	FDI (net inflow):	4.74% (2006 est.)
Life Today	6.9 (2007 est.)	Exports	17.86% (2006 est.)
GDP (PPP)	\$2.137 trillion (2007 est.)	Imports	22.82% (2006 est.)
GDP (Growth)	3.1% (2007 est.)	Unemployment:	5.4% (2007 est.)
GDP (per Capita)	\$35,100 (2007 est.)	Life Expectancy	78.85 years (2008 est.)
Political System:	Constitutional Monarchy		
Foreign Aid:	No data		

● KEY SCORE DRIVERS

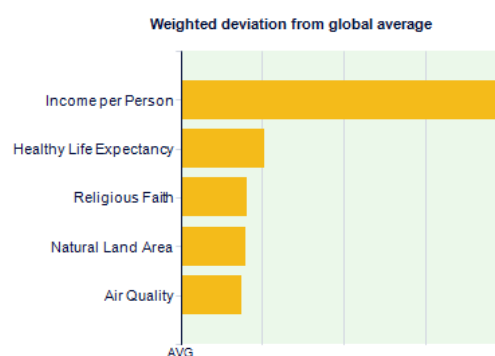
ECONOMIC COMPETITIVENESS



The UK has shifted from having a manufacturing-based economy to a deregulated and innovative service economy over the last three decades. High levels of mass education have underpinned this progress, with high levels of human capital reflected in high numbers of patent applications, although these remain slightly lower than those for similarly-ranked countries. London now competes with New York and Tokyo as one of the world's major financial centres. The UK's 'knowledge economy' has also become associated with high-tech industries such as information technology and pharmaceuticals, a diverse mix that avoids dependence on any one industry.

The country's economic fundamentals have remained strong for quite

COMPARATIVE LIVEABILITY



The UK government has sought to balance economic growth with greater social justice and inclusion, and achieves excellent scores for the effectiveness of its governance and the strength of political rights and civil liberties.

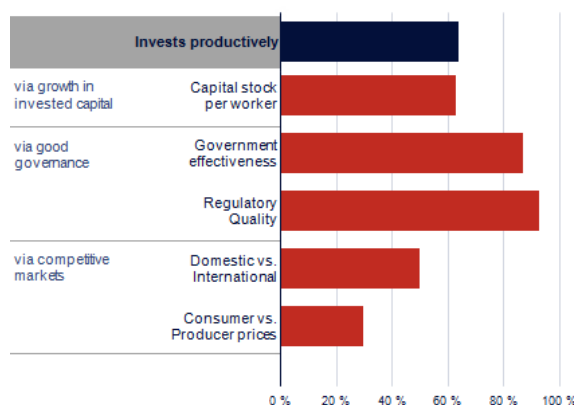
Britain enjoys a high health-adjusted life expectancy (70.6 years on average) owing to advances in healthcare and perhaps healthier lifestyles. Though impressive in comparison to the EU's newer member states, Britain still has room to improve in terms of equal opportunities. Women's share of national income, for example, remains well behind Scandinavian and Australasian countries.

some time. The UK's ratio of inward investment as a proportion of GDP outperforms leading exporters such as the United States and Japan. In addition to high levels of human capital, investors are attracted by good governance in terms of both effectiveness and the quality of regulation. GDP has grown at an average of 2-3% since 2004, slightly ahead of the European average. Today, GDP per capita surpasses Germany and France.

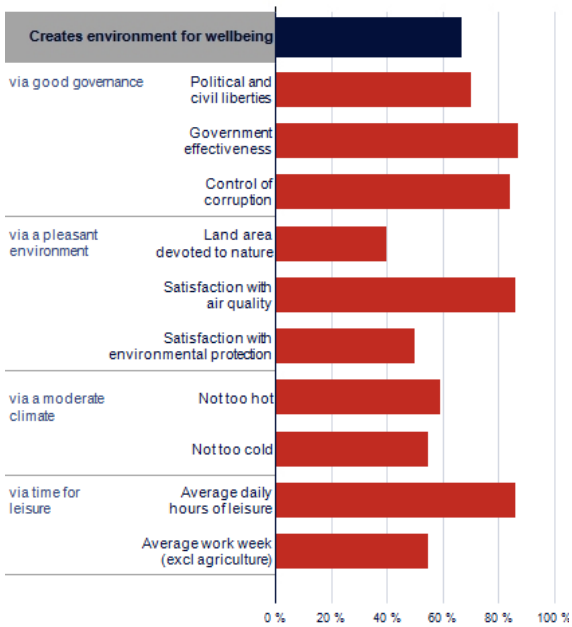
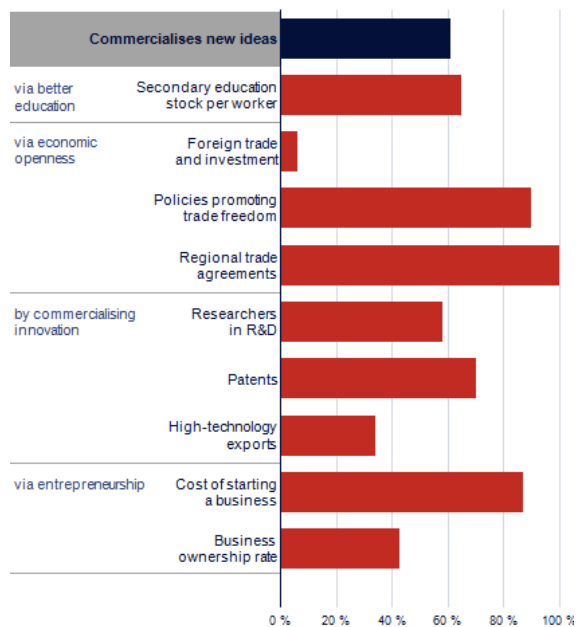
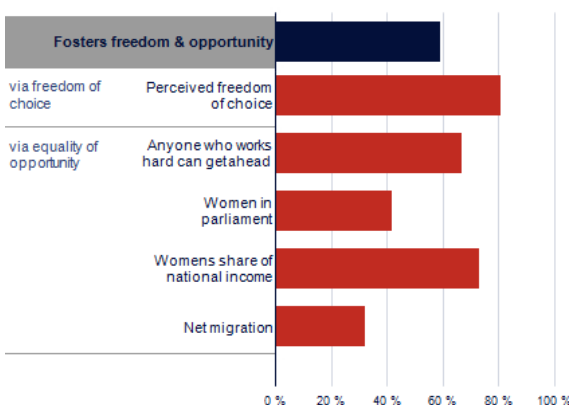
The UK's community involvement scores are the lowest in Europe after Spain, according to the World Values Survey. Levels of social trust and volunteering also fall well short of other European countries. That said, individual British citizens boast the highest personal charitable donation rates in the region after the Netherlands.

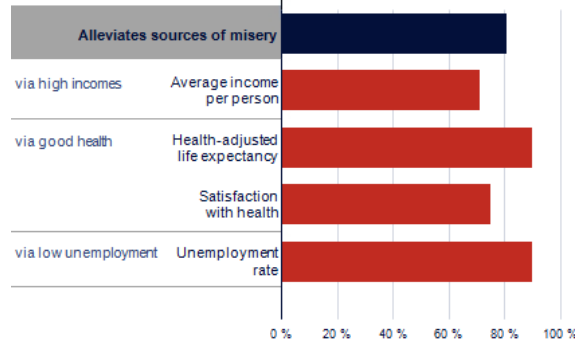
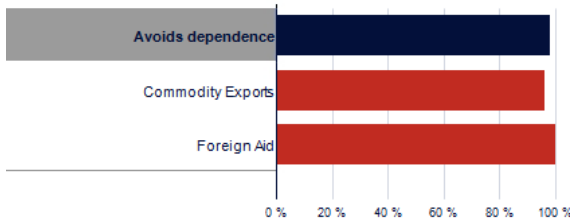
On a positive and perhaps surprising note, the Prosperity Index indicates the UK's notoriously wet climate to be one of the best in the region, as it is neither too hot nor too cold for comfort (although one might object that neither rainfall nor hours of sunshine are captured in the Index indicators, which are strictly temperature-based).

ECONOMIC COMPETITIVENESS: SCORECARD

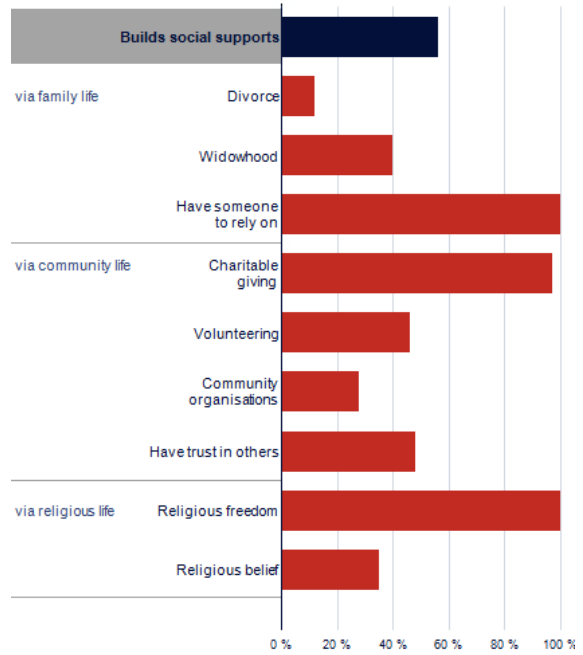


COMPARATIVE LIVEABILITY: SCORECARD





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.