

COUNTRY PROFILE

Uzbekistan

GLOBAL RANK: 80th= of 104



Despite a very poor governance score, Uzbekistan's surprisingly good education indicators boost its Economic Competitiveness rank (66th), outstripping its Comparative Liveability rank (88th). Uzbekistan's overall Prosperity Index rank is 80th, tied with Vietnam.

● BACKGROUND

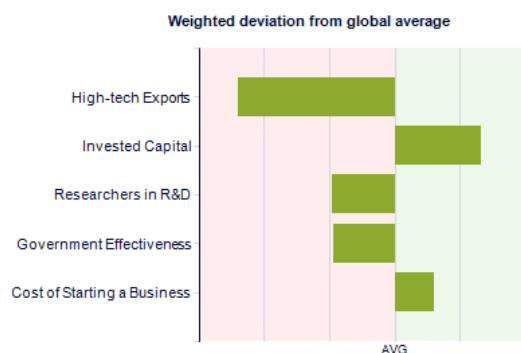
This landlocked Central Asian state has elections that are not free and power is monopolised by a single party. Uzbekistan's human rights record is poor, with political detainees often being tortured, and an estimated 10,000 Uzbeks are imprisoned for practising their religion. The Uzbek government also received strong Western criticism of a massacre of anti-government protestors in Andijan in 2005. Recently Uzbekistan has experienced economic growth driven by exports of cotton, minerals, and natural gas. However, a third of the population lives in poverty, and 2007 saw severe food and energy shortages.

FAST FACTS

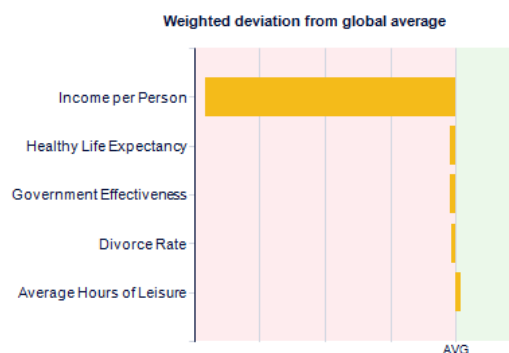
Population:	28.3 million (2008 est.)	FDI (net inflow):	0.33% (2005 est.)
Life Today	5.2 (2006 est.)	Exports	No data
GDP (PPP)	\$64.15 billion (2007 est.)	Imports	No data
GDP (Growth)	9.5% (2007 est.)	Unemployment:	0.8% (2007 est.)
GDP (per Capita)	\$2,300 (2007 est.)	Life Expectancy	65.38 years (2008 est.)
Political System:	Republic; Authoritarian Presidential Rule, with little power outside the executive branch		
Foreign Aid:	No data		

● KEY SCORE DRIVERS

ECONOMIC COMPETITIVENESS



COMPARATIVE LIVEABILITY



Although Uzbekistan has made some progress in the transition to a market economy, democracy has failed to gain ground. Governance scores are among the weakest of all the countries covered in the Index, both in terms of regulatory quality and effectiveness.

As a consequence of weaknesses in governance, the unfavourable experiences of previous investors to the country, and a lack of openness, capital investment in the economy remains scarce. The overall stock of foreign direct investment barely exceeds \$1 billion. Moreover, recent government regulations and legislative activity have imposed new constraints on trade and entrepreneurship and contributed to a deteriorating business climate.

Uzbekistan ranks over 20 places lower for Comparative Liveability than for Economic Competitiveness. The country scores weakly on civil liberties. Human rights conditions are particularly poor since the authorities' violent suppression of unrest in Andijan in 2005. Corruption is widespread, and bribery is commonly used to obtain lucrative positions.

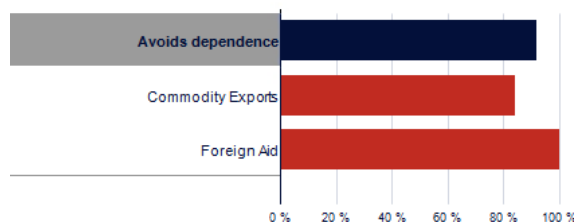
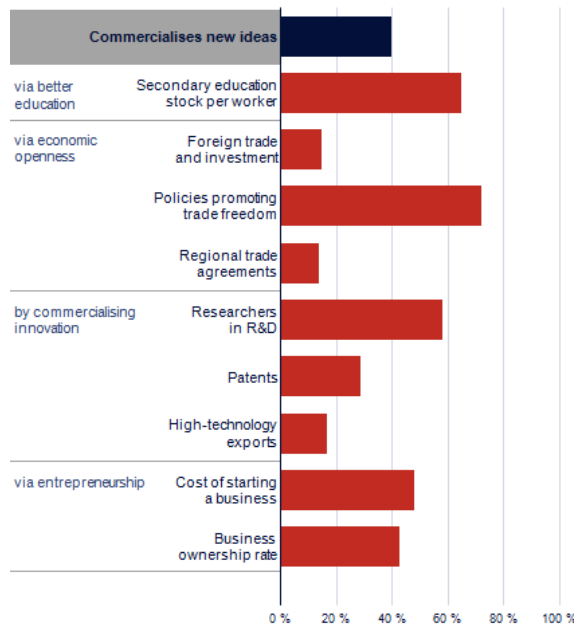
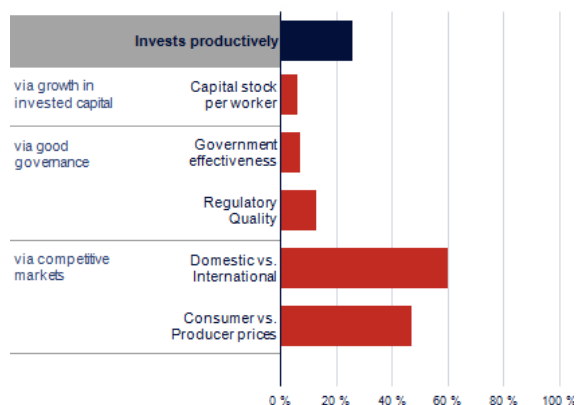
Widespread corruption and the lack of investment contribute to low income levels, which are a key liveability problem for Uzbekistan. Annual per capita income is below \$2,000: a level comparable to Moldova, the poorest country in Europe. 28% of the population lives below the national poverty line and 25% are undernourished, according to UNDP. GDP per capita is stagnant, and inequalities are

However, Uzbekistan has so far avoided filling this gap with foreign aid, therefore avoiding dependence on donors. Additionally, mass education scores are high, particularly in comparison to countries with similar incomes, and may prove a key driver of future material wealth. Still, this figure should be interpreted with some caution, as years of completed education under other communist regimes have proven notoriously difficult to value accurately.

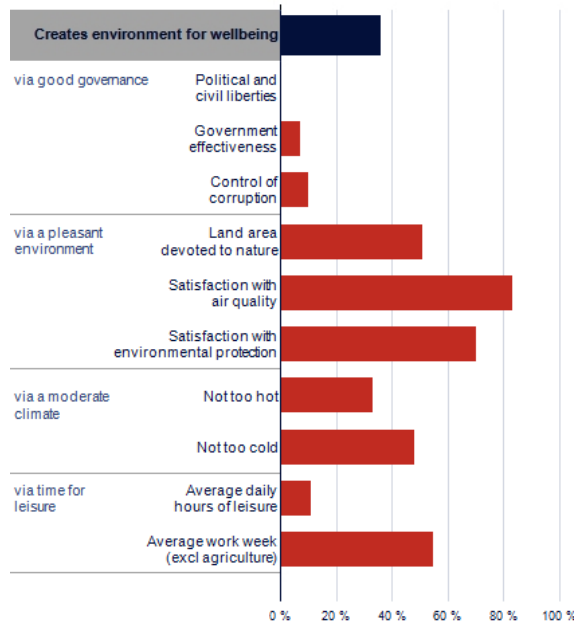
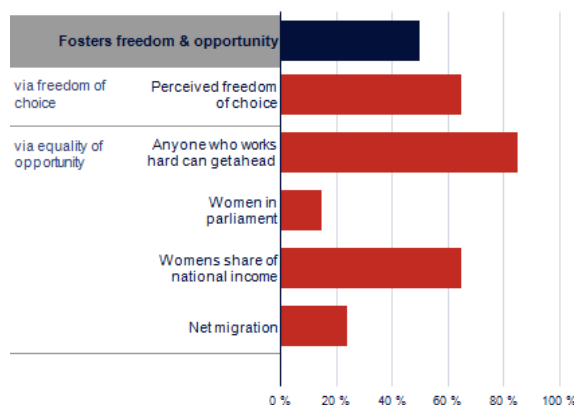
amplified by double-digit inflation figures. The detrimental effect of the cold climate in Uzbekistan is exacerbated by this lack of income, as the poor do not have the means to adequately shield themselves from the elements.

In terms of community involvement, Uzbekistan presents a mixed picture. High rates of volunteering are contrasted with a distinct lack of charitable giving. This maybe due in part to people donating their time rather than money, given their low incomes. There are some other positives. One example is the 70%⁹ of the population that reports itself satisfied with the preservation of the environment.

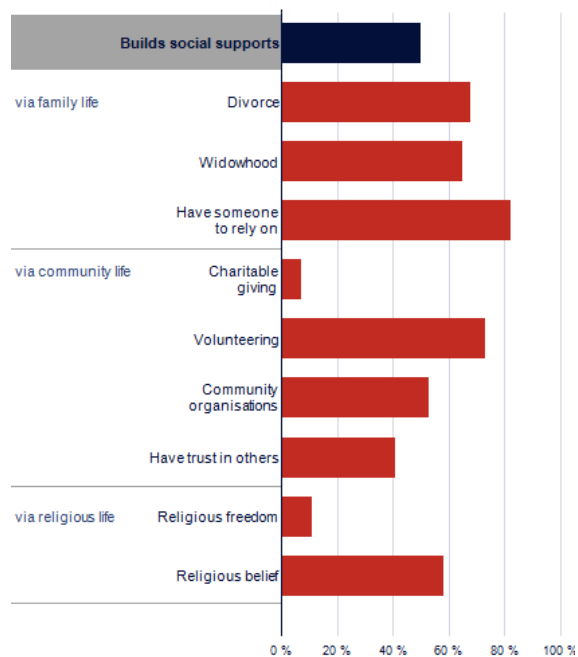
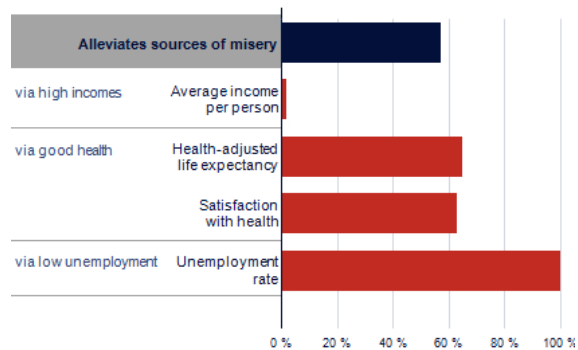
ECONOMIC COMPETITIVENESS: SCORECARD



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.