

## 2010 KOF Index of Globalization

<b>Indices and Variables</b>	<b>Weights</b>
<b>A. Economic Globalization</b>	<b>[37%]</b>
i) Actual Flows	(50%)
Trade (percent of GDP)	(19%)
Foreign Direct Investment, flows (percent of GDP)	(20%)
Foreign Direct Investment, stocks (percent of GDP)	(24%)
Portfolio Investment (percent of GDP)	(17%)
Income Payments to Foreign Nationals (percent of GDP)	(20%)
ii) Restrictions	(50%)
Hidden Import Barriers	(22%)
Mean Tariff Rate	(28%)
Taxes on International Trade (percent of current revenue)	(27%)
Capital Account Restrictions	(22%)
<b>B. Social Globalization</b>	<b>[39%]</b>
i) Data on Personal Contact	(33%)
Telephone Traffic	(26%)
Transfers (percent of GDP)	(3%)
International Tourism	(26%)
Foreign Population (percent of total population)	(20%)
International letters (per capita)	(25%)
ii) Data on Information Flows	(36%)
Internet Users (per 1000 people)	(36%)
Television (per 1000 people)	(36%)
Trade in Newspapers (percent of GDP)	(28%)
iii) Data on Cultural Proximity	(31%)
Number of McDonald's Restaurants (per capita)	(43%)
Number of Ikea (per capita)	(44%)
Trade in books (percent of GDP)	(12%)
<b>C. Political Globalization</b>	<b>[25%]</b>
Embassies in Country	(25%)
Membership in International Organizations	(28%)
Participation in U.N. Security Council Missions	(22%)
International Treaties	(25%)

Source:

Dreher, Axel, 2006, Does Globalization Affect Growth?

Empirical Evidence from a new Index, *Applied Economics* 38, 10: 1091-1110.