

A Brief Introduction to Political Country Rankings

By Heiko Pleines, Bremen

Since *Freedom House* began assessing the extent of freedom in the countries of the world in 1972, the idea of handing out “report card”-style audits to entire societies has won increasing numbers of supporters. In the last decade, several organizations launched new projects which systematically and comparatively assess the political state of affairs. As a result, the areas under investigation are being increasingly differentiated and the rating systems are becoming increasingly complex.

Whereas the first Freedom House project, *Freedom in the World*, only differentiated political and civil rights, the organization’s *Nations in Transit* series, begun in 1995, now encompasses seven topic areas ranging from “democracy and governance”, “electoral process”, “independent media”, “civil society”, and “corruption” to “judicial framework and independence”. The *Bertelsmann Transformation Index*, which was introduced in 2003, evaluates nearly 40 indicators. The *Global Integrity Report*, which was first issued in the same year, tracks almost 300 indicators, but due to this in-depth level of investigation, only covers a smaller number of countries. In addition, there are several rankings that consciously focus only on certain aspects of a political system, such as freedom of the media or corruption.

The increasing number of indicators has also complicated the evaluation process. Whereas the first Freedom House ranking simply offered scores from 1 through 7, the newer indices are based on composite values which allow for a more differentiated ranking of all countries in the world.

All political country rankings primarily refer to the ideals of democracy, human rights, and the rule of law, and assess the extent to which individual countries meet these ideals. Perfect democracies with rule of law thus receive the highest marks, while dictatorships are generally at the bottom of the tables. Some rankings, however, also take into account the rulers’ management qualities or socio-economic indicators and criteria related to economic policy.

Most of the rankings are based on expert assessments. As a rule, one or two experts write up a country study, which is subsequently reviewed and, if necessary, corrected by other experts. The experts are generally well acquainted with the country in question in their capacities as scientists or journalists. Alternatively, some indices such as the *Corruption Perceptions Index* published by Transparency International evaluate opinion surveys collected from the population or from economic experts. As a reaction to the increasing number of indices, the World

Bank has created a meta-index. *Worldwide Governance Indicators* summarize the results of a total of 31 indices under the heading of a new index.

While many academics use country rankings in order to compare democratization processes internationally and to identify causal factors in successful transformations, others view such rankings as public-relations stunts or even as misleading. The limits of their explanatory power can be seen when comparing several indices that purport to measure the same variables. Since 2002, the freedom of the press has been assessed by as many as three independent rankings, namely *Freedom of the Press Rating* (Reporters without Borders), *Nations in Transit – Media*, and the *Press Freedom Index* (both from Freedom House). The significant discrepancies in the development of the individual indices for many countries illustrate the limitations of quantifying the freedom of the press.

Another weakness of country ratings is that shorthand representations in the news media overstretch the explanatory power of such indices. A good example for this is the *Corruption Perceptions Index*, published by Transparency International, which is regularly described in the mass media as a ranking of the world’s most corrupt countries, with development trends being indicated by comparison with the previous year. In its notes on the index, Transparency International denounces both of these uses as inadmissible. The index only measures perceptions, not actual corruption. Studies have demonstrated that this is a significant distinction. Direct comparisons with the values for the previous year are not admissible because of variations in sources used, moving averages over several years, and other methodological problems.

The World Bank also tones down the applicability of its *Worldwide Governance Indicators* in the fine print. The section on “frequently asked questions” states that changes in country rankings over time may be caused by four different factors. Three of these are related to changes in surveying methods and are not connected

to the development of the country in question. In conclusion, it is stated that two of these factors “typically only have very small effects on changes”.

In assessing the explanatory power of the country ratings, at least as important as methodological questions on indexing is the fact that they rely on the subjective appraisals of experts. These experts derive their opinions from journalistic publications and from their own personal assessments as academics, journalists, and business professionals; as a rule, they have no access to other non-public sources. At the same time, the experts, who generally only scrutinize one country, are limited in their ability to draw comparisons between different countries. Therefore, there is no guarantee that two

experts assessing different countries that are on the same level of development will award the same ranking to their respective countries.

Accordingly, the *World Bank*, for example, declares: “We recognize there are limitations to what can be achieved with this kind of cross-country, highly-aggregated data. Therefore, this type of data cannot substitute for in-depth, country-specific governance diagnostics as a basis for policy advice to improve governance in a particular country, but should rather be viewed as a complementing tool.” This is probably also why most organizations supply extensive country studies together with their country rankings. These, however, generally tend to be disregarded by the media and the general public.

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