

# Table: Criteria and Indicators

Criteria	Indicators
<input type="checkbox"/> <b>Status Index (Democracy)</b>	<input type="checkbox"/> <b>Status Index (Market Economy)</b>
<input type="checkbox"/> <b>Stateness</b> <ul style="list-style-type: none"><li>· To what extent does the state monopoly on the use of force encompass the entire country?</li><li>· Is there fundamental agreement about who qualifies as a citizen of the state?</li><li>· Is there at least a minimum of secularization, especially in terms of the separation of church and state?</li><li>· Do viable administrative structures exist?</li></ul>	<input type="checkbox"/> <b>Level of Socioeconomic Development</b> <ul style="list-style-type: none"><li>· To what extent can one assume that fundamental social exclusions due to poverty, education or gender are a marginal phenomenon?</li></ul>
<input type="checkbox"/> <b>Political Participation</b> <ul style="list-style-type: none"><li>· To what extent are rulers determined by general, free and fair elections?</li><li>· Do democratically elected rulers have the actual power to govern, or are there veto powers and political enclaves?</li><li>· To what extent can independent political and/or civic groups form and gather freely (freedom of choice)?</li><li>· To what extent can citizens, organizations and the mass media express opinions freely?</li></ul>	<input type="checkbox"/> <b>Organization of the Market and Competition</b> <ul style="list-style-type: none"><li>· To what level have the fundamentals of market-based competition developed?</li><li>· Are monopolies avoided or combated?</li><li>· To what extent has the liberalization of foreign trade evolved?</li><li>· Are the foundations of a banking system and capital market in place?</li></ul>
<input type="checkbox"/> <b>Rule of Law</b> <ul style="list-style-type: none"><li>· To what extent are state powers independent and interdependent?</li><li>· Does an independent judiciary exist?</li><li>· Are there legal or political penalties for officeholders who abuse their positions?</li><li>· To what extent do civil rights exist, and to what extent can citizens seek redress for violations of these liberties?</li></ul>	<input type="checkbox"/> <b>Currency and Price Stability</b> <ul style="list-style-type: none"><li>· Does the country pursue a consistent inflation policy and an appropriate foreign exchange policy? Is there an independent central bank?</li><li>· Do government authorities give signals to preserve macroeconomic stability, especially in fiscal and debt policy?</li></ul>
<input type="checkbox"/> <b>Institutional Stability</b> <ul style="list-style-type: none"><li>· Are democratic institutions, including the administrative system and system of justice, capable of performing?</li><li>· To what extent are democratic institutions accepted or supported by the relevant actors?</li></ul>	<input type="checkbox"/> <b>Private Property</b> <ul style="list-style-type: none"><li>· Do government authorities ensure well-defined rights of private property and regulate the acquisition of property?</li><li>· Are private companies permitted, or are state companies undergoing a process of privatization in conformity with market principles?</li></ul>
<input type="checkbox"/> <b>Political and Social Integration</b> <ul style="list-style-type: none"><li>· To what extent is there a stable, moderate, socially-anchored party system to articulate and aggregate societal interests?</li><li>· To what extent is there a network of cooperative associations or interest groups to mediate between society and the political system?</li><li>· How strong is the population's consent to democratic norms and procedures?</li><li>· To what extent have social self-organization, participation and the buildup of social capital advanced?</li></ul>	<input type="checkbox"/> <b>Welfare Regime</b> <ul style="list-style-type: none"><li>· Do social safety nets exist to compensate for poverty and other risks such as old age, illness, unemployment and disability?</li><li>· To what extent does equality of opportunity exist?</li></ul>
	<input type="checkbox"/> <b>Strength of the Economy</b> <ul style="list-style-type: none"><li>· What quantitative performance do the current macroeconomic indicators show?</li></ul>
	<input type="checkbox"/> <b>Sustainability</b> <ul style="list-style-type: none"><li>· To what extent are environmental concerns taken into account on a micro- and macro-economic level?</li><li>· To what extent are there solid institutions for basic and continuing education as well as for research and development? Is there a modern infrastructure?</li></ul>
	<input type="checkbox"/> <b>Trend Indicator</b>
	<input type="checkbox"/> <b>Political regime</b> <ul style="list-style-type: none"><li>· Have stateness, political participation and the rule of law changed significantly?</li></ul>
	<input type="checkbox"/> <b>Degree to which democracy has consolidated</b> <ul style="list-style-type: none"><li>· Have institutional stability as well as political and economic integration improved appreciably, thus further stabilizing the overall democratic framework?</li></ul>
	<input type="checkbox"/> <b>Level of socioeconomic development</b> <ul style="list-style-type: none"><li>· Has the country's level of socioeconomic development changed appreciably?</li></ul>
	<input type="checkbox"/> <b>Economic structure</b> <ul style="list-style-type: none"><li>· Has the institutional framework for market-based action improved or deteriorated overall?</li></ul>
	<input type="checkbox"/> <b>Economic performance</b> <ul style="list-style-type: none"><li>· Have there been qualitative and/or quantitative leaps in economic development?</li></ul>
	<input checked="" type="checkbox"/> <b>Management Index</b>
	<input type="checkbox"/> <b>Reliable Pursuit of Goals</b> <ul style="list-style-type: none"><li>· Does the government set strategic priorities?</li><li>· Does the government back a consistent, coherent policy of reform?</li><li>· Can the government induce social and economic actors to trust its policies?</li></ul>
	<input type="checkbox"/> <b>Effective Use of Resources</b> <ul style="list-style-type: none"><li>· Does the government make efficient use of available resources?</li><li>· Does the government implement its reform policy effectively?</li><li>· Does the government provide sufficient public services for developmental progress?</li><li>· Can the government curb corruption successfully?</li><li>· Is the political elite able to harness the existing cultural heritage as a resource for reform?</li></ul>
	<input type="checkbox"/> <b>Governance Capability</b> <ul style="list-style-type: none"><li>· Are the leading political actors flexible and willing as well as able to learn? Can they replace failed policies with innovative ones?</li><li>· Does the government have enough political authority to bring about reforms?</li><li>· Does the government avoid the misallocation of economic resources?</li><li>· Are the reformers politically astute in their choice of tools and strategies?</li></ul>
	<input type="checkbox"/> <b>Consensus-Building</b> <ul style="list-style-type: none"><li>· Do the major political actors agree on building a market-based democracy?</li><li>· Can the reformers exclude or integrate anti-democratic actors who have veto powers?</li><li>· Can the government manage political cleavages so that they do not escalate into irreconcilable conflicts?</li><li>· Can the government build solidarity, understood as a fundamental willingness to act cooperatively, among citizens and social groups?</li><li>· Can the political elite bring about reconciliation between the victims and perpetrators of past injustices?</li></ul>
	<input type="checkbox"/> <b>International Cooperation</b> <ul style="list-style-type: none"><li>· Do political actors cooperate with bilateral or international donors in bringing about the transition to democracy and a market economy?</li><li>· Does the government give the international community a sense that expectations will be reliably fulfilled?</li><li>· Are political actors willing to cooperate with neighboring countries in regional and international organizations?</li></ul>
	<input checked="" type="checkbox"/> <b>Determining the Level of Difficulty</b> <ul style="list-style-type: none"><li>· What development level and structure has the economy attained?</li><li>· How well-educated is the population?</li><li>· How serious are ethnic, religious and social conflicts?</li><li>· How well-defined is the rule of law? Is the state efficiently administered?</li><li>· Are there traditions of a civil society?</li></ul>