

## 2011 KOF Index of Globalization

Indices and Variables		Weights
<b>A.</b>	<b>Economic Globalization</b>	<b>[36%]</b>
	i) Actual Flows	(50%)
	Trade (percent of GDP)	(22%)
	Foreign Direct Investment, stocks (percent of GDP)	(29%)
	Portfolio Investment (percent of GDP)	(22%)
	Income Payments to Foreign Nationals (percent of GDP)	(27%)
	ii) Restrictions	(50%)
	Hidden Import Barriers	(22%)
	Mean Tariff Rate	(28%)
	Taxes on International Trade (percent of current revenue)	(27%)
	Capital Account Restrictions	(23%)
<b>B.</b>	<b>Social Globalization</b>	<b>[38%]</b>
	i) Data on Personal Contact	(33%)
	Telephone Traffic	(26%)
	Transfers (percent of GDP)	(2%)
	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)	(37%)
	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)	(13%)
<b>C.</b>	<b>Political Globalization</b>	<b>[26%]</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.

Updated in:

Dreher, Axel; Noel Gaston and Pim Martens, 2008, *Measuring Globalization  
- Gauging its Consequence*, New York: Springer.