MEASURING PEACE AND ASSESSING COUNTRY RISK

GPi
GLOBAL PEACE INDEX

INSTITUTE FOR
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QUANTIFYING PEACE AND ITS BENEFITS

The Institute for Economics and Peace (IEP) is an independent, non-partisan, non-profit think tank dedicated to shifting the world's focus to peace as a positive, achievable, and tangible measure of human well-being and progress.

IEP achieves its goals by developing new conceptual frameworks to define peacefulness; providing metrics for measuring peace; and uncovering the relationships between business, peace and prosperity as well as promoting a better understanding of the cultural, economic and political factors that create peace.

IEP has offices in Sydney, New York and Oxford. It works with a wide range of partners internationally and collaborates with intergovernmental organizations on measuring and communicating the economic value of peace.

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EXECUTIVE SUMMARY

This is the eighth edition of the Global Peace Index (GPI), which ranks nations according to their level of peace. The Index is composed of 22 qualitative and quantitative indicators from highly respected sources and ranks 162 independent states, covering 99.6 percent of the world's population. The index gauges global peace using three broad themes: the level of safety and security in society; the extent of domestic or international conflict; and the degree of militarisation.

In addition to presenting the findings from the 2014 GPI and its seven-year trend analysis, this year's report includes an updated analysis of the economic impact of violence as well as a detailed assessment of country risk using risk models developed by IEP based on its unique datasets.

The last year was marked by heightened tensions in the Ukraine, the ongoing conflict in Syria, civil war in South Sudan and a broadening and increased intensity of terrorist activity in many countries including Afghanistan, Iraq, the Philippines and Libya. These factors have contributed to the world becoming slightly less peaceful, continuing the global slide in peacefulness which has now been in effect for the last seven years.

500 MILLION PEOPLE LIVE IN COUNTRIES AT RISK OF INSTABILITY AND CONFLICT

200 MILLION OF THEM LIVE BELOW THE POVERTY LINE

Iceland tops the Index again, with the ten highest ranking nations being all relatively small, stable democracies. Nordic and alpine countries are particularly well represented. Asia-Pacific is also represented at the top, with New Zealand 4th and Japan 8th.

The most peaceful region continues to be Europe while the least peaceful region is South Asia. Afghanistan has been replaced at the bottom of the Index by Syria due to a slight improvement in its peace combined with further deterioration of the situation in Syria. South Sudan experienced the largest drop in the Index this year falling from 145th to 160th and ranking as the third least peaceful country. Major deteriorations also occurred in Egypt, Ukraine and Central African Republic.

The largest improvement occurred in Georgia, gradually returning to normality following its 2011 conflict with Russia while Cote d'Ivoire recorded the second biggest improvement with reductions in the *likelihood of violent demonstrations* and in the *number of displaced persons*. This follows the gradual recovery from the end of the civil war which was triggered by the disputed 2011 elections. Cote d'Ivoire had one of the largest declines in the 2013 Index highlighting how some nations can experience large swings in peace in relatively short periods of time. Other countries to show improvements include Burundi, Slovakia and Mongolia.

The fall in global peace in the last year has primarily been driven by the deterioration in four indicators: *terrorist activity, number of internal and external conflicts fought, deaths from internal conflicts* and *number of displaced persons as a percentage of population*. Counteracting these falls were improvements in *political terror,* the *number of armed service personnel, number of homicides* and the *number of deaths from organised external conflicts.* The longer term trend of decreasing inter-state conflicts and increasing internal conflicts is apparent for the last year.

The past seven years have been marked by many changes; however the overall trend has seen a slight deterioration in peace with small deteriorations occurring every year. Only four indicators improved over this period while 18 indicators deteriorated.

In past editions of the GPI report, the global trend was calculated by averaging the scores of the 162 countries in the index. To further enhance the methodology a global weighted *per person measure* of peace was calculated this year to determine if, when adjusted for population, there were any marked differences. The findings from the two methodologies are very similar; however individual indicator movements do vary. The trends analysis presented in this report and covered in Section 2 is based on *per person* peace scores.

Over the seven years, global peace was negatively affected by a number of international events including major outbreaks of violence in the Middle East; a deterioration of security in Afghanistan and Pakistan; civil wars in Libya and Syria; the escalation of the drug war in Central America; continued deteriorations in peace in Somalia, DRC and

THE WORLD HAS BECOME LESS PEACEFUL EVERY YEAR SINCE 2008, HIGHLIGHTING THE IMPORTANCE OF BETTER UNDERSTANDING CONFLICT AND VIOLENCE RISK.

Rwanda; and violent demonstrations associated with the economic downturn in a number of European countries.

On the positive side, the improvements in peace were mainly driven by declining rates of militarisation due to the winding down of military operations in Iraq and Afghanistan; stagnating military spending due to the European budget crisis and technological changes in the military. Contrary to this trend there has been an increase in the levels of weapons imports and exports.

The four indicators that recorded the greatest deterioration over the last seven years are the *level of terrorist activity, per capita weapons imports, per capita weapons exports* and *number of homicides*, while the three indicators that have had the greatest improvement are *nuclear and heavy weapons capability, per capita number of police* and *number of armed service personnel*.

The economic impact of violence on the global economy in 2013 was also calculated, updating the IEP model developed last year. This methodology enables global and country-based estimates for the 162 countries covered by the GPI. To allow relative comparisons between countries at different levels of economic development, GDP per capita has been used to scale the costs associated with violence for each country.

The economic analysis this year found that:

- The economic impact of containing and dealing with the consequences of violence in 2013 was significant, amounting to US$9.8 trillion per annum or 11.3 percent of global GDP.
- This amount is equivalent to around US$1,350 per person.
- Compared to estimates for 2012 this represents an increase of US$179 billion or a 3.8 percent rise in violence containment costs globally.
- The increase in the global economic impact of violence is equal to 0.4% of global GDP.

Section three of the report this year includes ***Country Risk Models*** developed by IEP based on its unique data sets. These models measure peace and violence in order to assess the relative probability of countries deteriorating or improving in peace. The outputs of the models have good predictive capabilities when compared against history. Using a combination of models, it was possible to forecast deteriorations in peace based on 2008 data for 27 out of 30 countries where peace had deteriorated by 2014. The model was also able to identify, on average, 70 percent of the countries which experienced the ten largest deteriorations in peace using a two-year window since 2006.

The techniques on which the models were developed are based on concepts of Positive Peace combined with the peace characteristics of similar countries and the individual countries' history of peace, along with other socio-economic data. The models also use Bayesian inference statistical techniques in the final calculations of risk. Subsets of the GPI and Positive Peace Index have been developed which date back to 1996 and can be used as a historical dataset to test various models and hypotheses.

It is envisaged these country risk models will be used by:

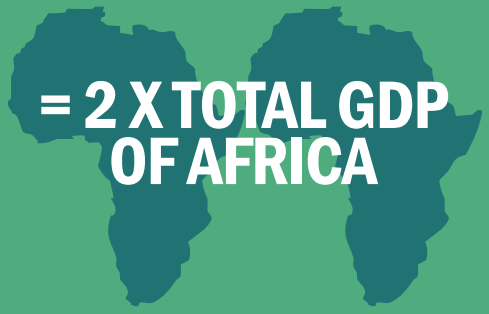
- Business and investors: to provide improved ways of measuring investment risk.
- International development practitioners: to help better prioritise peace-building efforts.
- Government: to improve the allocation of aid flows.
- Civil society and researchers: to provide insights to better advocate and research developmental priorities.

Countries identified as most at risk of small to medium deteriorations in peace include: Zambia, Haiti, Argentina, Chad, Bosnia and Herzegovina, Nepal, Burundi, Georgia, Liberia and Qatar. These countries span different regions, are represented by various government types except for full democracies, and range from high to low income economies.

It was found that over 500 million people living in 16 countries have an IEP Country Risk score of more than 50, indicating a higher chance of experiencing a small to medium deterioration in peace over the next two years. Of those 500 million people, around 200 million live on less than $2 per day, making them highly vulnerable if deteriorations in peace do occur.

RESULTS, FINDINGS & METHODOLOGY

THE **GLOBAL ECONOMIC IMPACT OF VIOLENCE** IS **$US 9.8 TRILLION OR 11.3% OF GLOBAL GDP**



HIGHLIGHTS

The 2014 Global Peace Index score deteriorated slightly for the sixth year in a row continuing to record a gradual slide in global peacefulness since 2008.

For 2014, five out of the nine geographical regions experienced an improvement in peace and, among those that became less peaceful, substantial changes in the Index were only seen in two: sub-Saharan Africa and the Middle East and North Africa (MENA), which continues to suffer from the political aftermath of the Arab Spring. Yet again, Europe maintained its position as the most peaceful region in the world, supported by a lack of domestic and external conflicts. The largest improvement, however, was seen in what nevertheless remains the world's most violent region, South Asia, which includes Afghanistan.

In terms of *societal safety and security*, an improvement in the relative *number of jailed population* was coupled with a deterioration in the *level of violent crime*. The *perception of criminality in society* deteriorated accordingly. Aside from sub-Saharan Africa, where criminality is often fuelled by ethnic strife and political unrest, Latin America clearly remained the world's most violent region in terms of crime, as highlighted by its poor results in most related categories, particularly in Central America and the Caribbean, where many of the world's highest homicide rates can be found. Generally lower (better) scores were also seen in *political instability* and *political terror* although it is notable that the former category deteriorated slightly in Europe, which over the past few years has suffered from austerity-driven dissatisfaction and unrest. Meanwhile, the *political terror* score also improved or remained static in all regions except sub-Saharan Africa, which points to less widespread use of state repression on a global scale. This bodes well for the gradual consolidation of democratic institutions in some of the world's more fragile states, although higher *likelihood of violent demonstrations* in many regions stands out as a

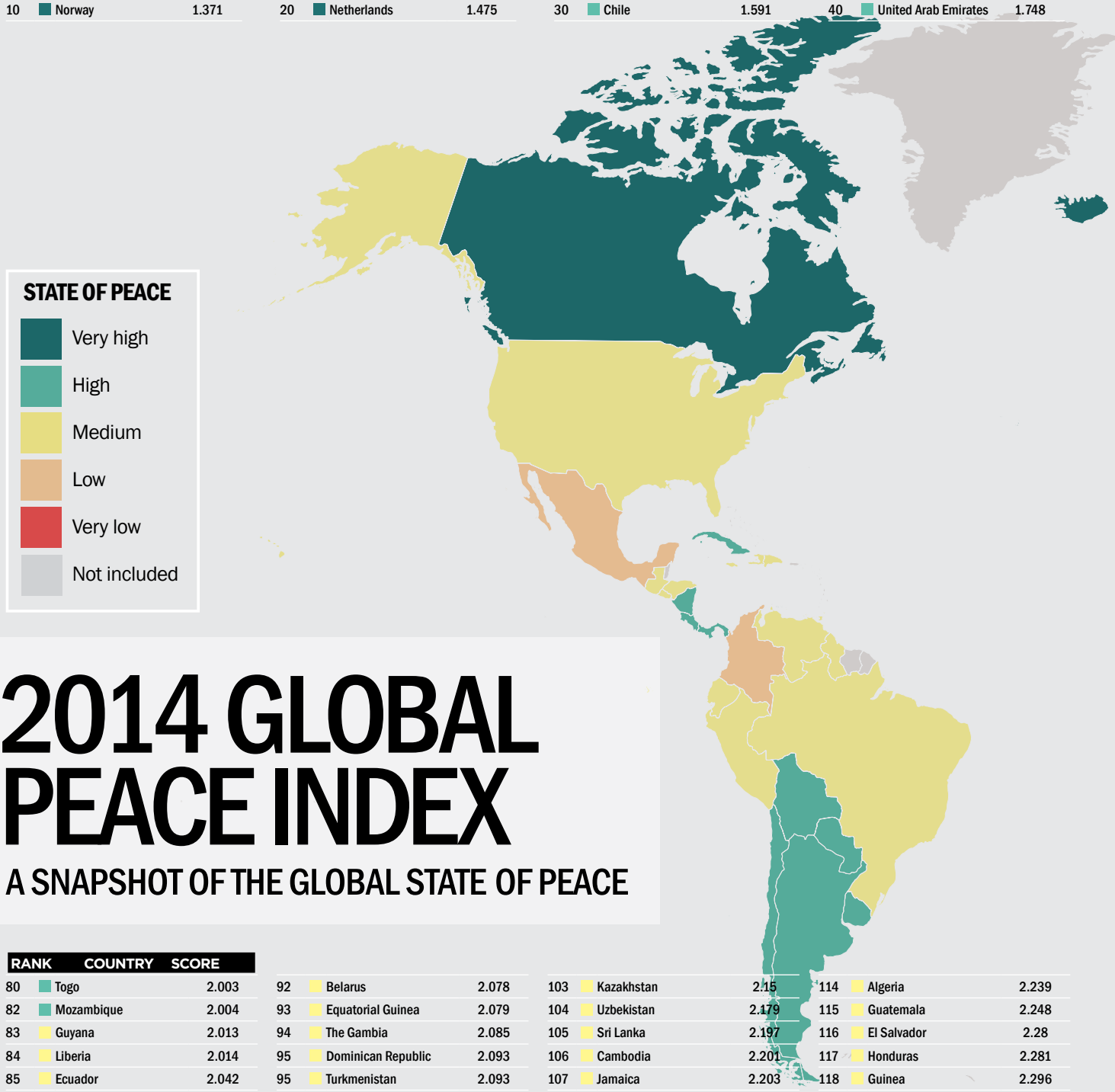
SECTION 1

latent risk. Finally, *the number of refugees and displaced persons* rose during the past year, exacerbated by internal conflict in the Middle East and North Africa primarily, but also in certain Latin American countries, notably Colombia and Haiti. In the case of Colombia, a potential peace plan between government and FARC rebels offers hope of an end to one of the region's most long-standing conflicts.

With regards to *domestic and international conflict*, a fall in the number of *deaths from organised external conflict* was offset by a rise in those originating from *internal conflict*, triggered primarily by a small number of severe crises in key global hotspots. In the case of sub-Saharan Africa, this was largely driven by the outbreak of ethnic warfare in South Sudan, Central African Republic and Mali, which although internal in origin has impacted *relations with neighbouring countries* as well as foreign powers (in the last two cases resulting in French military intervention). The Middle East and North Africa also performed poorly in the relevant categories as a result of the added international dimension of the Syrian civil war, which, during 2013, came close to involving military operations by the Western powers before an agreement was reached to dismantle Syria's chemical-weapons arsenal. The ousting of president Mohammed Morsi and the violence that preceded and followed it also resulted in Egypt dragging down the region's scores significantly; in fact, the Middle East and North Africa was the only region in the world not to see an improvement in at least one of the five of the indicators that comprise the domestic and international conflict dimension (it worsened in four). Elsewhere, the main flare-up has been the ongoing crisis between Russia and the Ukraine, which was triggered by the Euromaidan protests in November 2013 and later escalated into a Russian military intervention in the Crimea. Aside from incidents in these three regions, however, there was very little in the way of international conflict during the past year, one which saw no major war between states. Nevertheless, tense relationships between the two Koreas, concerns over China's growing military assertiveness in the Asia-Pacific region, and the ever-present possibility that the Russia-Ukraine standoff could escalate into all out military conflict suggest these as a potential hotspots for conflict in the future.

Lastly, the *militarisation* domain was characterised by a widespread reduction in the number of armed services personnel. This was contrasted by an overall rise in *military expenditure as a percentage of GDP* in three key regions; Sub-Saharan Africa, South Asia, and (especially) the Middle East and North Africa. The arms trade also saw a fall in inter-European transfers (both exports and imports), but the flow of Russian arms to the Middle East and Asia-Pacific continued. Much of this has been sent to support Syrian government forces against the rebels which, in contrast, have received much lower quantities of weaponry from the West. A major positive development has been the decrease in *nuclear and heavy weapons capabilities*. This trend has been most evident in some of the world's most militarized regions such as Europe, Russia and Eurasia, and the Middle East and North Africa, although in the latter case this was partly due to losses incurred by Syrian government forces in the civil war. This broad improvement, however, may prove to be short-lived if there is greater impetus for rearmament among NATO countries as a result of Russian aggression. This would be particularly evident in some of the NATO states bordering (or close to) Russia itself but could also affect core countries like Germany which over the past few years have trimmed down their armed forces and stocks of heavy weaponry.

RANK	COUNTRY	SCORE
1	Iceland	1.189
2	Denmark	1.193
3	Austria	1.200
4	New Zealand	1.236
5	Switzerland	1.258
6	Finland	1.297
7	Canada	1.306
8	Japan	1.316
9	Belgium	1.354
10	Norway	1.371
11	Czech Republic	1.381
11	Sweden	1.381
13	Ireland	1.384
14	Slovenia	1.398
15	Australia	1.414
16	Bhutan	1.422
17	Germany	1.423
18	Portugal	1.425
19	Slovakia	1.467
20	Netherlands	1.475
21	Hungary	1.482
22	Qatar	1.491
23	Poland	1.532
24	Mauritius	1.544
25	Singapore	1.545
26	Croatia	1.548
26	Spain	1.548
28	Taiwan	1.558
29	Uruguay	1.565
30	Chile	1.591
31	Estonia	1.635
32	Bulgaria	1.637
33	Malaysia	1.659
34	Italy	1.675
35	Romania	1.677
36	Botswana	1.678
37	Kuwait	1.679
38	Laos	1.723
39	Latvia	1.745
40	United Arab Emirates	1.748



2014 GLOBAL PEACE INDEX

A SNAPSHOT OF THE GLOBAL STATE OF PEACE

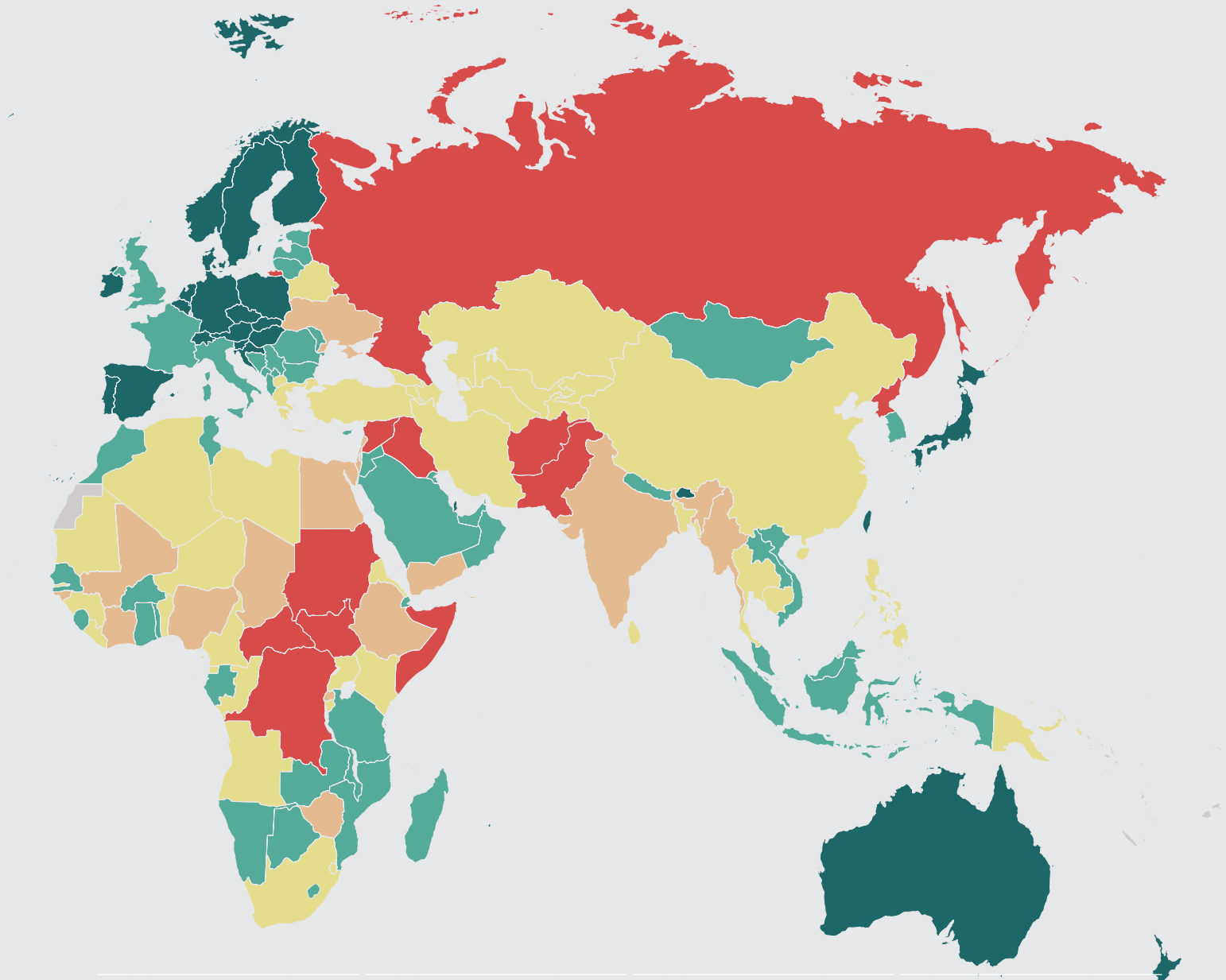
RANK	COUNTRY	SCORE
80	Togo	2.003
82	Mozambique	2.004
83	Guyana	2.013
84	Liberia	2.014
85	Ecuador	2.042
86	Greece	2.052
87	Macedonia (FYR)	2.056
87	Swaziland	2.056
89	Trinidad and Tobago	2.065
90	Papua New Guinea	2.066
91	Brazil	2.073
92	Belarus	2.078
93	Equatorial Guinea	2.079
94	The Gambia	2.085
95	Dominican Republic	2.093
95	Turkmenistan	2.093
97	Armenia	2.097
98	Bangladesh	2.106
99	Haiti	2.127
100	Benin	2.129
101	United States of America	2.137
102	Angola	2.143
103	Kazakhstan	2.15
104	Uzbekistan	2.179
105	Sri Lanka	2.197
106	Cambodia	2.201
107	Jamaica	2.203
108	China	2.207
109	Republic of the Congo	2.211
110	Uganda	2.221
111	Bahrain	2.225
111	Georgia	2.225
113	Cameroon	2.235
114	Algeria	2.239
115	Guatemala	2.248
116	El Salvador	2.28
117	Honduras	2.281
118	Guinea	2.296
119	Peru	2.304
120	Mauritania	2.35
121	Niger	2.351
122	South Africa	2.364
123	Azerbaijan	2.365
124	Eritrea	2.377

41	Mongolia	1.778
42	Costa Rica	1.781
43	Argentina	1.789
44	Zambia	1.791
45	Vietnam	1.792
46	Lithuania	1.797
47	United Kingdom	1.798
48	France	1.808
48	Namibia	1.808
50	Lesotho	1.839

51	Cyprus	1.844
52	Serbia	1.849
52	South Korea	1.849
54	Indonesia	1.853
55	Montenegro	1.86
56	Jordan	1.861
57	Panama	1.877
58	Nicaragua	1.882
59	Oman	1.889
59	Tanzania	1.889

61	Bosnia & Herzegovina	1.902
61	Ghana	1.902
63	Morocco	1.915
64	Kosovo	1.929
65	Albania	1.939
66	Madagascar	1.942
66	Sierra Leone	1.942
68	Gabon	1.945
69	Timor-Leste	1.947
70	Bolivia	1.969

71	Moldova	1.971
72	Senegal	1.974
73	Paraguay	1.976
74	Djibouti	1.979
75	Cuba	1.986
76	Nepal	1.989
77	Malawi	1.995
78	Burkina Faso	1.998
79	Tunisia	2.001
80	Saudi Arabia	2.003



125	Kyrgyz Republic	2.382
126	Tajikistan	2.395
126	Thailand	2.395
128	Turkey	2.402
129	Venezuela	2.41
130	Burundi	2.418
131	Iran	2.437
132	Kenya	2.452
133	Libya	2.453
134	Philippines	2.456
135	Mali	2.465

136	Myanmar	2.473
137	Rwanda	2.494
138	Mexico	2.5
139	Ethiopia	2.502
140	Cote d'Ivoire	2.52
141	Ukraine	2.546
142	Chad	2.558
143	Egypt	2.571
143	India	2.571
145	Guinea-Bissau	2.591
146	Lebanon	2.62

147	Yemen	2.629
148	Zimbabwe	2.662
149	Israel	2.689
150	Colombia	2.701
151	Nigeria	2.71
152	Russia	3.039
153	North Korea	3.071
154	Pakistan	3.107
155	Democratic Republic of the Congo	3.213
156	Central African Republic	3.331

157	Sudan	3.362
158	Somalia	3.368
159	Iraq	3.377
160	South Sudan	3.397
161	Afghanistan	3.416
162	Syria	3.65

ANALYSIS OF THE RESULTS

REGIONAL OVERVIEW

EUROPE

Europe once again led the world in terms of overall levels of peace, with the Scandinavian countries performing particularly well. The top five positions remained unchanged from 2013, led by Iceland, which once again ranked as the most peaceful country in the world, despite a mild deterioration in the overall score due to a slight increase in military spending. Most of the big gainers, however, were in the Balkans, an area that has traditionally been the most turbulent in the region. This improvement was due primarily to lower military expenditure as a percentage of GDP, as well as a reduction in nuclear and heavy-weapons capabilities, as many of these countries continue to slim down their Soviet-era arsenals (this trend was also marked in some of the larger NATO countries, including Germany, Spain and Sweden). A lower number of refugees and displaced people in Bosnia and Herzegovina, as well as Serbia (now under 3 percent of the population) also contributed to the lower score. Some of these countries, along with various crisis-hit Mediterranean countries, benefited from a reduction in the political terror scale score; coincidentally, Cyprus was the only country where this category worsened, on account of its own banking crisis, which erupted early in 2013. Crisis-hit countries including Greece, Spain and Cyprus also saw their levels of political instability deteriorate as austerity policies continue to take a toll on public support of their respective governments.

EUROPE CONTINUES TO BE THE WORLD'S MOST PEACEFUL REGION.

TABLE 1.1 EUROPE RANKINGS

EUROPE	OVERALL RANK	OVERALL SCORE	CHANGE IN SCORE	REGIONAL RANK
Iceland	1	1.189	0.027	1
Denmark	2	1.193	-0.001	2
Austria	3	1.200	-0.049	3
Switzerland	5	1.258	-0.001	4
Finland	6	1.297	–	5
Belgium	9	1.354	0.001	6
Norway	10	1.371	0.025	7
Czech Republic	11	1.381	-0.023	8
Sweden	11	1.381	0.062	8
Ireland	13	1.384	–	10
Slovenia	14	1.398	-0.002	11
Germany	17	1.423	-0.021	12
Portugal	18	1.425	-0.029	13
Slovakia	19	1.467	-0.155	14
Netherlands	20	1.475	-0.033	15
Hungary	21	1.482	-0.038	16
Poland	23	1.532	0.002	17
Croatia	26	1.548	-0.023	18
Spain	26	1.548	-0.014	18
Estonia	31	1.635	-0.075	20
Bulgaria	32	1.637	-0.053	21
Italy	34	1.675	0.012	22
Romania	35	1.677	0.066	23
Latvia	39	1.745	-0.027	24
Lithuania	46	1.797	-0.014	25
United Kingdom	47	1.798	-0.003	26
France	48	1.808	-0.068	27
Cyprus	51	1.844	0.004	28
Serbia	52	1.849	-0.063	29
Montenegro	55	1.860	-0.117	30
Bosnia and Herzegovina	61	1.902	-0.066	31
Kosovo	64	1.929	-0.053	32
Albania	65	1.939	-0.023	33
Greece	86	2.052	0.109	34
Macedonia (FYR)	87	2.056	-0.001	35
Turkey	128	2.402	-0.048	36
Average		**1.609**		

NORTH AMERICA

TABLE 1.2 NORTH AMERICA RANKINGS

NORTH AMERICA	OVERALL RANK	OVERALL SCORE	CHANGE IN SCORE	REGIONAL RANK
Canada	7	1.306	-	1
United States of America	101	2.137	0.011	2
Average		**1.722**		

Across the Atlantic, the North American score deteriorated slightly, mostly on account of a rise in terrorist activity in the US, related to the Boston-marathon attack in April 2013. Aside from that, there was little change in the scores, which saw some modest improvement due to lower US military expenditure as a percentage of GDP. Overall, the region retained its position as the second-most peaceful in the world, behind Europe (largely on account of Canada's score).

ASIA-PACIFIC

TABLE 1.3 ASIA-PACIFIC RANKINGS

ASIA-PACIFIC	OVERALL RANK	OVERALL SCORE	CHANGE IN SCORE	REGIONAL RANK
New Zealand	4	1.236	–	1
Japan	8	1.316	0.023	2
Australia	15	1.414	-0.024	3
Singapore	25	1.545	0.080	4
Taiwan	28	1.558	-0.007	5
Malaysia	33	1.659	0.072	6
Laos	38	1.723	-0.001	7
Mongolia	41	1.778	-0.170	8
Vietnam	45	1.792	0.020	9
South Korea	52	1.849	0.027	10
Indonesia	54	1.853	-0.039	11
Timor-Leste	69	1.947	0.093	12
Papua New Guinea	90	2.066	-0.060	13
Cambodia	106	2.201	-0.062	14
China	108	2.207	0.065	15
Thailand	126	2.395	0.017	16
Philippines	134	2.456	0.082	17
Myanmar	136	2.473	-0.056	18
North Korea	153	3.071	–	19
Average		**1.923**		

Owing to a lack of major conflicts over the past year, the Asia-Pacific region remains among the most peaceful in the world: it ranked third overall, behind Europe and North America, and suffered only a very modest deterioration of its 2013 score. The countries that saw their scores decline the most included Singapore, Malaysia and the Philippines, in the case of the first of these, due to an increase in internal security and the police force, as well as higher perceived criminality. In contrast, the last two of these countries saw a worsening of their terrorist activity and political instability, while the Philippines saw a worsening of its relations with neighbouring countries on the back of tensions with China relative to the South China Sea dispute. All three countries also recorded a modest-to-moderate build-up of nuclear and heavy-weapons capabilities, in line with a general trend towards the modernisation of armed forces in the region. The worst performer, however, was Timor-Leste, whose score fell as a result of increasing crime and likelihood of violent demonstration, stemming from a still fragile political environment in one of the world's youngest countries. On the whole, the Asia-Pacific rankings changed little from last year, and continued to see the countries of the Indochina sub-region, as well as North Korea, at the bottom. In contrast, the more highly developed regional states, such as New Zealand, Japan, Australia, Singapore and Taiwan remained the top performers, the first two of which also ranked among the top ten worldwide.

SOUTH AMERICA

TABLE 1.4 SOUTH AMERICA RANKINGS

SOUTH AMERICA	OVERALL RANK	OVERALL SCORE	CHANGE IN SCORE	REGIONAL RANK
Uruguay	29	1.565	0.037	1
Chile	30	1.591	0.003	2
Argentina	43	1.789	-0.118	3
Bolivia	70	1.969	-0.094	4
Paraguay	73	1.976	-0.071	5
Guyana	83	2.013	0.064	6
Ecuador	85	2.042	0.004	7
Brazil	91	2.073	0.009	8
Peru	119	2.304	0.033	9
Venezuela	129	2.410	0.040	10
Colombia	150	2.701	0.067	11
Average		**2.039**		

South America scored slightly above the global average, with the strongest improvements coming from Argentina, Bolivia and Paraguay. In contrast, Uruguay (which retains its position as the region's most peaceful country and second

in the Western Hemisphere behind Canada) saw its score decline as a result of a rise in the number of police and security forces. Internal tensions underlined the trends in the two lowest-scoring countries in the region, Colombia and Venezuela. Colombia continued to suffer as a result of refugees and displacements, which are the product of its ongoing conflict with the Fuerzas Armadas de la Revolución Colombiana (FARC) guerrillas. Ongoing peace negotiations with the government, and which are strongly supported by the population, offer some hope of an improvement. Venezuela, meanwhile, continues its military build-up (mostly with Russian-supplied weapons), which has rapidly seen it possess one of the most modern arsenals in the continent, although it is still modest by global standards. To this are added the ongoing risks of social unrest and government repression, particularly after student protests erupted in early 2014. On the positive side, major episodes of political disruption, such as that which took place during the removal of the former president, Fernando Lugo, in Paraguay in 2012, did not take place, while the death of Venezuela's Hugo Chávez in March 2013 resulted in a relatively peaceful transition.

CENTRAL AMERICA AND THE CARIBBEAN

TABLE 1.5 CENTRAL AMERICA AND THE CARIBBEAN RANKINGS

CENTRAL AMERICA AND CARIBBEAN	OVERALL RANK	OVERALL SCORE	CHANGE IN SCORE	REGIONAL RANK
Costa Rica	42	1.781	–	1
Panama	57	1.877	-0.016	2
Nicaragua	58	1.882	-0.049	3
Cuba	75	1.986	0.037	4
Trinidad and Tobago	89	2.065	-0.009	5
Dominican Republic	95	2.093	-0.037	6
Haiti	99	2.127	0.052	7
Jamaica	107	2.203	-0.097	8
Guatemala	115	2.248	0.014	9
El Salvador	116	2.280	0.013	10
Honduras	117	2.281	-0.048	11
Mexico	138	2.500	0.040	12
Average		**2.110**		

Peace in Central America and the Caribbean remains challenging, but the region managed to improve slightly compared to its 2013 score and ranks only slightly below the global average. Jamaica and Nicaragua were the strongest gainers, almost entirely on the basis of improvements in their domestic safety and security scores. Even with these improvements, however, Jamaica ranks quite low compared to the global average in the domestic peace ranking, on account of its high homicide rate and overall levels of violent crime. In fact, the region ranked the lowest in the world in those two categories, as well as in level of perceived criminality in society, which remains stubbornly high in the countries of the so-called "golden triangle" (Guatemala, El Salvador and Honduras), as well as Caribbean states such as Jamaica, Dominican Republic and Trinidad and Tobago. This is mostly due to urban gang violence as well as drug-related crime. Mexico, which continues to be mired in a vicious drug war, fell further due to an increase in the number of internal security officers, as crime-related indicators remained static over the past year. Still, lacking any significant changes to its drug-fighting strategy, the new government will struggle to reduce the level of criminality in the short run. On the bright side, many of these countries (including Mexico) benefit from the absence of intra-regional conflicts, friendly relations with neighbours and minimal nuclear and heavy-weapons capabilities among them.

SUB-SAHARAN AFRICA

TABLE 1.6 SUB-SAHARAN AFRICA RANKINGS

SUB-SAHARAN AFRICA	OVERALL RANK	OVERALL SCORE	CHANGE IN SCORE	REGIONAL RANK
Mauritius	24	1.544	0.020	1
Botswana	36	1.678	0.053	2
Zambia	44	1.791	-0.040	3
Namibia	48	1.808	0.001	4
Lesotho	50	1.839	-0.001	5
Tanzania	59	1.889	0.002	6
Ghana	61	1.902	-0.024	7
Madagascar	66	1.942	-0.145	8
Sierra Leone	66	1.942	0.038	8
Gabon	68	1.945	-0.077	10
Senegal	72	1.974	-0.087	11
Djibouti	74	1.979	0.062	12
Malawi	77	1.995	-0.016	13
Burkina Faso	78	1.998	-0.093	14
Togo	80	2.003	0.023	15
Mozambique	82	2.004	0.080	16

Liberia	84	2.014	-0.034	17
Swaziland	87	2.056	-0.013	18
Equatorial Guinea	93	2.079	0.006	19
The Gambia	94	2.085	-0.006	20
Benin	100	2.129	-0.027	21
Angola	102	2.143	-0.005	22
Republic of the Congo	109	2.211	0.028	23
Uganda	110	2.221	0.041	24
Cameroon	113	2.235	0.044	25
Guinea	118	2.296	0.024	26
Mauritania	120	2.350	0.038	27
Niger	121	2.351	-0.011	28
South Africa	122	2.364	0.045	29
Eritrea	124	2.377	0.089	30
Burundi	130	2.418	-0.175	31
Kenya	132	2.452	-0.028	32
Mali	135	2.465	0.119	33
Rwanda	137	2.494	0.051	34
Ethiopia	139	2.502	-0.128	35
Cote d' Ivoire	140	2.520	-0.212	36
Chad	142	2.558	0.092	37
Guinea-Bissau	145	2.591	0.146	38
Zimbabwe	148	2.662	-0.034	39
Nigeria	151	2.710	0.003	40
Dem. Republic of the Congo	155	3.213	0.128	41
Central African Republic	156	3.331	0.313	42
Somalia	158	3.368	-0.026	43
South Sudan	160	3.397	0.795	44
Average		**2.269**		

Sub-Saharan Africa saw the second sharpest deterioration in the regional scores but still fares better than Russia and Eurasia, Middle-East and North Africa, as well as South Asia. In fact, four out of the ten countries with the sharpest negative score changes came from this region, topped by South Sudan and the Central African Republic. South Sudan, the world's newest sovereign state, witnessed a major outbreak of violence in late 2013 that continues to this day, brought about by an uprising against the government by the Sudan People's Liberation Army. The conflict has also drawn in Ugandan forces in support of the government. Violent conflict has also affected the Central African Republic and Mali, in both cases resulting in intervention by French and other foreign troops. Consequently, the categories where the region deteriorated the most were in those related to the number of external and internal conflicts fought, the number of refugees and displaced people and relations with neighbouring countries. Many other countries also saw a worsening in the political terror scale score, although it should be noted that a large number also improved. Countries that performed better in 2014 included Cote d'Ivoire, Burundi, Madagascar and Ethiopia, of which Madagascar was notable for climbing 10 positions in the regional ranking and 25 positions in the global ranking.

RUSSIA AND EURASIA

TABLE 1.7 RUSSIA AND EURASIA RANKINGS

RUSSIA AND CIS	OVERALL RANK	OVERALL SCORE	CHANGE IN SCORE	REGIONAL RANK
Moldova	71	1.971	–	1
Belarus	92	2.078	-0.038	2
Turkmenistan	95	2.093	-0.061	3
Armenia	97	2.097	-0.026	4
Kazakhstan	103	2.150	0.119	5
Uzbekistan	104	2.179	-0.141	6
Georgia	111	2.225	-0.272	7
Azerbaijan	123	2.365	0.028	8
Kyrgyz Republic	125	2.382	-0.009	9
Tajikistan	126	2.395	0.100	10
Ukraine	141	2.546	0.295	11
Russia	152	3.039	-0.021	12
Average		**2.293**		

As a whole, Russia and Eurasia showed a modest improvement in the rankings, and benefited from positive score changes from all but four of the 12 states on the Index. These were Kazakhstan, Azerbaijan, Tajikistan and Ukraine. Kazakhstan and Tajikistan were affected by a rise in the number of deaths from organised conflict (internal) as both countries continued to suffer from anti-government movements, including jihadist and separatist groups. Undoubtedly, the key event in the region was the crisis between Russia and Ukraine, which was sparked by the Euromaidan protests and led to the removal of the Yanukovych government in late February followed by the subsequent Russian occupation and annexation of the Crimea in March. This caused both Ukraine and Russia's performance in domestic and internationals conflict to tumble, although Russia's overall score was offset by improvements in the number of security officers and police, number of homicides, number of external and internal conflicts fought (this driven by the exclusion of the 2008 Ossetian conflict from the calculations) and, to a lesser extent, terrorist activity. In contrast, Ukraine's domestic

peace score also deteriorated sharply on account of its internal conflict and political instability. Still, Russia remained the least peaceful country in the region and one of the worst performers globally, ranking 152nd. The most robust positive changes in the overall score were seen in Georgia and Uzbekistan, the former gradually returning to normality following its 2011 conflict with Russia.

MIDDLE EAST AND NORTH AFRICA

TABLE 1.8 MIDDLE EAST AND NORTH AFRICA RANKINGS

MIDDLE EAST AND NORTH AFRICA	OVERALL RANK	OVERALL SCORE	CHANGE IN SCORE	REGIONAL RANK
Qatar	22	1.491	0.038	1
Kuwait	37	1.679	-0.026	2
United Arab Emirates	40	1.748	0.069	3
Jordan	56	1.861	-0.011	4
Oman	59	1.889	0.056	5
Morocco	63	1.915	0.032	6
Tunisia	79	2.001	0.010	7
Saudi Arabia	80	2.003	-0.116	8
Bahrain	111	2.225	0.090	9
Algeria	114	2.239	-0.032	10
Iran	131	2.437	-0.036	11
Libya	133	2.453	-0.204	12
Egypt	143	2.571	0.314	13
Lebanon	146	2.620	0.032	14
Yemen	147	2.629	-0.117	15
Israel	149	2.689	-0.041	16
Sudan	157	3.362	0.120	17
Iraq	159	3.377	0.132	18
Syria	162	3.650	0.244	19
Average		**2.360**		

The Middle East and North Africa (MENA) remains in the headlines as numerous conflicts stemming from the Arab Spring continue to escalate. Egypt and Syria were, unsurprisingly, the two countries that saw their overall scores deteriorate most, with Egypt suffering the second-steepest decline at the global level. The main cause of this disruption was the military-led ousting of the former president, Mohamed Morsi, and the resulting crackdown on his supporters from the Muslim Brotherhood, which had risen to become the country's largest party. Meanwhile, in Syria, the civil war intensified in its third year, amid a bloody stalemate between government forces loyal to the president, Bashar al-Assad, and the numerous rebel groups fighting against it. Syria saw some of its categories reach the highest score (5), including those related to refugees and displaced persons (estimated at over one-third of the population), ease of access to small arms and light weapons, and overall level of violent crime. This more than offset an important improvement in terms of its nuclear and heavy-weapons capabilities, many of which have been destroyed over the course of the conflict. Other countries that became less peaceful over the past year included Iraq (partly due to an increase in internal violence, but also due to the ongoing build-up of its armed forces under US auspices), the UAE and Oman, whereas Libya, Saudi Arabia and Yemen recorded the sharpest improvements; in the case of Libya, this was as a result of a gradual normalisation of conditions in the years after the 2011 revolution and NATO intervention.

SOUTH-ASIA

TABLE 1.9 SOUTH-ASIA RANKINGS

SOUTH-ASIA	OVERALL RANK	OVERALL SCORE	CHANGE IN SCORE	REGIONAL RANK
Bhutan	16	1.422	-0.052	1
Nepal	76	1.989	-0.069	2
Bangladesh	98	2.106	-0.053	3
Sri Lanka	105	2.197	-0.033	4
India	143	2.571	–	5
Pakistan	154	3.107	–	6
Afghanistan	161	3.416	-0.025	7
Average		**2.401**		

Lastly, South Asia remained at the bottom of the overall regional rankings, but benefited from seeing the largest rise in the overall score compared to any other region. All countries in South Asia improved their overall scores, as well as in terms of domestic peace. The main cause for Afghanistan's score change was a rise in military expenditure as a percentage of GDP, which, at 13.8 percent, is high by global standards, but reflects a process of rearmament by the government in order gradually to take a greater share of security responsibilities from NATO-led ISAF forces. The recent elections, of which a first round of voting proceeded without major incident in early April, offer some hope that political stability may improve over the next few years. Despite this, its overall score improved and it was replaced by Syria at the bottom of the global rankings. Aside from that, the main improvements were seen in the political terror scale, as well as in the number of refugees and displaced people in Sri Lanka and Bhutan.

RISERS AND FALLERS

Georgia was the country that experienced the largest improvement in peace during the past year, rising 28 places in the ranking to 111th. It was followed by Cote d'Ivoire which rose 11 places to 140th and Libya, up 14 positions into 133th. A key characteristic among the three top risers was the ongoing improvement in political stability after suffering from conflicts over the past few years. This suggests some degree of democratic consolidation although in the case of Libya (and to a lesser extent Cote d'Ivoire) still face lingering threats from rebel and terrorist groups. Rounding up the top five was Burundi and Mongolia, the latter which now boasts of an encouraging position in the index (41st).

Unsurprisingly, the country that saw the most severe deterioration in peace was South Sudan, the world's youngest sovereign state that in late 2013 witnessed an outbreak of armed resistance from opponents of the government. This caused the country's rank to tumble by 16 positions into 160th, just two positions from the bottom. Egypt was the next worst performer, falling 31 positions to 143rd following the ousting of former president Morsi. Elsewhere, the Central African Republic was also gripped with internal conflict that saw it slip to 156th, while Ukraine tumbled 30 positions to 141 as a result of its ongoing standoff with Russia. Lastly, Syria fell just one position but it was enough to overtake Afghanistan as the world's least peaceful country in 2013/14.

TOP FIVE NATIONAL IMPROVEMENTS IN PEACE

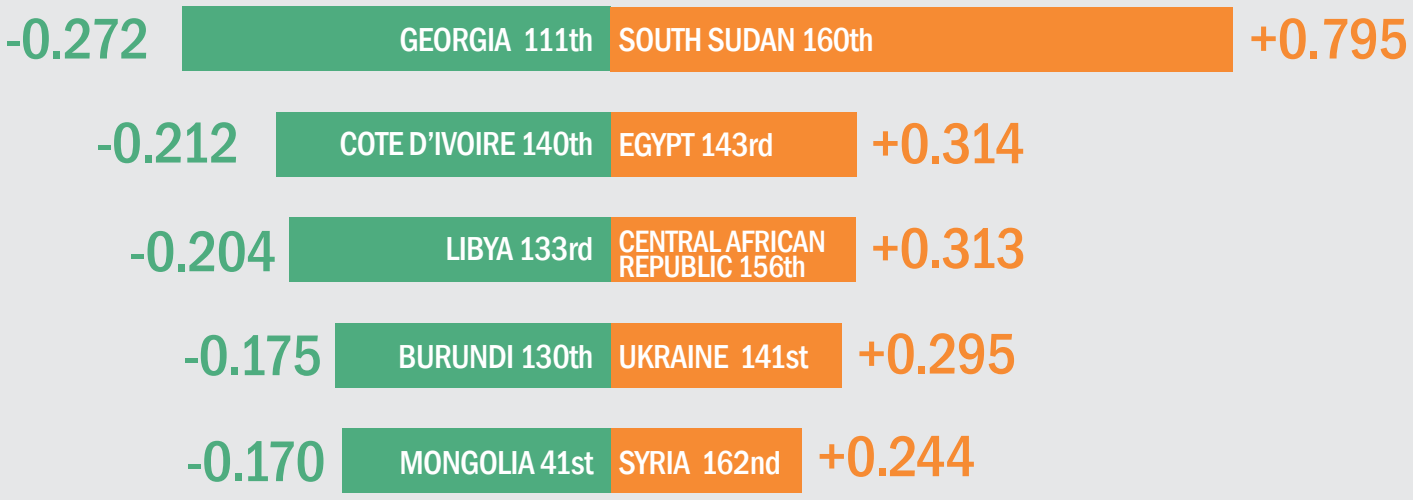
GEORGIA 111TH

CHANGE IN SCORE 2013/14: **-0.272**
CHANGE IN RANK 2013/14: ↑28

Georgia experienced the most significant increase in peace in the 2014 Global Peace Index and also managed to climb 28 positions in the rankings, to 111th. This still puts it below the global average, but represents an important improvement for a country that in 2008 suffered from a conflict with Russia over the separatist regions of South Ossetia and Abkhazia. Georgia showed a strong improvement in both its *external* and *internal peace* scores. In the former case, it was due to gradually improving relationships with its neighbours, including Russia, with which it still has not formalised diplomatic ties, but has seen some thawing of its existing animosity though a (limited) resumption of trade. On the internal side, Georgia's score

RISERS/ FALLERS

CHANGE IN SCORE 2013/14



was boosted by a fall in the *jailed population*, as well as in the *number of refugees and displaced persons*, while its post-war stability was reflected in a reduction of its *level of organised conflict*, as well as *political instability* in the government's second year in office. To a lesser extent, Georgia also benefited from a fall in *military expenditure*.

COTE D'IVOIRE 140TH

CHANGE IN SCORE 2013/14: **-0.212**
CHANGE IN RANK 2013/14: ↑11

The score for Cote d'Ivoire continued to improve as political stability became more entrenched following the 2011 conflict (known as the second Ivorian civil war), which saw the forces loyal to the current president, Alassane Ouattara, prevail against those of his predecessor, Laurent Gbagbo. Cote d'Ivoire's score benefited from higher internal and external peace as a result of a fall in the *number of deaths from internal organised conflict*, as well as in the *number of refugees and displaced persons*, the latter category now receiving the lowest (best) score possible. Likewise, political stability has helped lower the likelihood of violent demonstrations. Although Cote d'Ivoire's scores for *perceived criminality* and *political terror* also improved over the past year, their high score of 4 is still a concern. The process of post-civil-war reconciliation has not been entirely smooth and occasional attacks by small bands of rebel forces remain commonplace, increasing the risk of *terrorist activity* (this was the only category for which Cote d'Ivoire's score deteriorated). However, a return to all-out conflict, as experienced during 2010–11, is unlikely in the current political environment.

LIBYA 133RD

CHANGE IN SCORE 2013/14: **-0.204**
CHANGE IN RANK 2013/14: ↑14

For the second consecutive year, Libya has shown a strong improvement in its overall score, as it recovers from its brief, but bloody, 2011 revolution, which saw the government of Muammar Gaddafi toppled with the help of Western intervention. Although, in absolute terms, Libya's improvement in the 2014 GPI was slightly lower than that of 2013, it managed to climb more positions in the rankings, 14 to be exact, reaching 133rd (it only rose three places in 2013). The main gains were made through a sharp reduction in *deaths from organised conflict* (where it previously had the highest possible score), as well as in *political terror* and *heavy-weapons capabilities* which are now the second lowest in the Middle East, only behind Qatar (and partly reflective of the relatively smaller size of Libya's armed forces during the Qaddafi era. A reduction in the *number of armed services personal*, as well as *refugees and displaced persons* also helped boost its score. On the negative side, Libya's score suffered from an increase in military expenditure, as well as the *likelihood of violent demonstrations* and *terrorist activity*. This suggests that risks to peace are still pronounced, given the still tense state of the country's factionalist politics.

BURUNDI 130TH

CHANGE IN SCORE 2013/14: **-0.175**
CHANGE IN RANK 2013/14: ↑13

After Cote d'Ivoire, Burundi is the sub-Saharan country that saw the highest rise in the 2014 GPI, of which the gains were entirely due to more benign domestic conditions. In this regard, the country benefited from a drop in the reported *homicide rate*, which was the largest contributor to the score change, but also by the reduced number of registered *deaths from internal organised conflict* and lower *terrorist activity* and overall *political instability*. Burundi also saw an improvement in its score as a result of a lower *number of refugees and displaced persons*, a category that now has the lowest (best) possible score. However, it saw a rise in the *number of external and internal conflicts fought* due to its involvement in fighting Al-Shabaab in Somalia. Going forward, although the country's improvements in the GPI are laudable, its rather fragile political environment and sharp ethnic divisions between Hutus and Tutsis leave it vulnerable to potential unrest, particularly since tensions among the country's numerous political groups have not eased since the turbulent 2010 elections.

MONGOLIA 41ST

CHANGE IN SCORE 2013/14: **-0.170**
CHANGE IN RANK 2013/14: ↑25

Mongolia's ranking in the 2014 GPI improved by 25 places, placing it in 41st place overall. The score change was primarily affected by a lower *level of organised conflict*, as well as *political instability* and *political terror*. In all three cases, these were brought down to scores of 1–2, close to the lowest possible. Over the past year, the country has benefited from general political stability, aided by the re-election of Tsakhiagiin Elbegdorj of the Democratic Party in June 2013. Externally, although an increase in *military spending and nuclear and heavy weapons capabilities* eroded the score, the country continues to benefit from a highly pragmatic foreign policy with its much larger neighbours, Russia and China, while also strengthening relations with regional powers such as Japan, South Korea

and also with the US. Despite this, the country remains at risk of political turbulence, while high inflation and nationalist sentiment over the presence of foreign mining firms keep the door open to potential unrest.

TOP FIVE NATIONAL DETERIORATIONS IN PEACE

SOUTH SUDAN 160TH

CHANGE IN SCORE 2013/14: **+0.795**
CHANGE IN RANK: ↓16

South Sudan suffered by far the sharpest deterioration in the 2014 GPI, after losing nearly one-quarter of its 2013 score. In absolute terms, its change of 0.795 was over twice that of the next worst, Egypt, and left the country as the third-worst-ranked in the world, above only Afghanistan and Syria. South Sudan's score was affected by the sudden outbreak of violence that followed opposition leader, Riek Machar, and his supporters' taking up arms against the government in December 2013. As is the case with many of the other sub-Saharan conflicts that have flared up the past year, the South Sudanese conflict has a clear ethnic dimension, as shown by the support given by the Nuer minority to the rebels, while the government is backed by the Dinka majority. According to IISS data, around 5,000 people have since been killed in the fighting and possibly as many as one million have been displaced. Unsurprisingly, therefore, South Sudan's score deteriorated quite severely in most key indicators and obtained the highest (worst) possible score in those indicators relating to the number of *external and internal conflicts fought*, *level of violent crime* and *perceived criminality in society*, *political instability* and *ease of access to small arms*.

EGYPT 143RD

CHANGE IN SCORE 2013/14: **+0.314**
CHANGE IN RANK 2013/14: ↓31

Since its 2011 revolution, Egypt has continued to fail in consolidating political stability and, as a consequence, suffered the second-steepest deterioration of any country in the 2014 GPI, along with a fall of 31 places in the Index (more than any other), to 143rd. Furthermore, this came after only a modest decrease in 2013. The key domestic event in the past year was the ousting of former president, Mohammed Morsi, by the military and the subsequent crackdown on his party, the Muslim Brotherhood, which had grown into the country's largest political force after being outlawed during the Mubarak era. The ousting of Mr Morsi, effectively a coup d'état, was exacerbated by the political chaos and intensified unrest, among both Mr Morsi's followers and his opponents, and which has resulted in hundreds of deaths at the hands of the security forces. Egypt's score, therefore, deteriorated primarily due to this increase in deaths, but also due to an uptick in *levels of perceived criminality* and *number of homicides per 100,000 people*. Although the unrest is likely to ebb over the next year, the marginalisation of the Muslim Brotherhood, which still commands support from an important share of the population, could serve to radicalise Islamist elements, potentially risking further outbreaks of violence or terrorism.

CENTRAL AFRICAN REPUBLIC 156TH

CHANGE IN SCORE 2013/14: **+0.313**
CHANGE IN RANK 2013/14: ↓3

The Central African Republic (CAR) was one of many in the sub-Saharan Africa region to suffer from sectarian conflict, resulting in a deterioration of peace. Already one of the least peaceful countries in the Index, the CAR suffered a major outbreak of violence, beginning in December 2012 as a rebel army from the mostly Muslim Séléka coalition marched towards the capital and had taken control of the government by March. However, the campaign was marked by extensive human-rights abuses, as well as hundreds of thousands of internally displaced people. Fighting between different groups has continued since, however, amid claims of genocide and ethnic cleansing that eventually triggered a French intervention (on a smaller scale than the operation in Mali). As a result, the CAR now scores the highest (worst) in terms of its *relations with neighbouring countries*, as well as in the *number of refugees and displaced people*. Additionally, continued political unrest (which has intensified since the cut-off date) has also led to a high likelihood of *violent demonstrations*. Sharp divisions between the country's Muslims and Christians, amid accusations of atrocities committed by both sides, highlight the fragile state of peace in this country.

UKRAINE 141ST

CHANGE IN SCORE 2013/14: **+0.295**
CHANGE IN RANK 2013/14: ↓30

Ukraine is the only country outside of Africa and the Middle East to feature among the five countries with the sharpest deterioration of peace over the past year. It also saw the second-steepest fall in the rankings: 30 positions, to 141st place, which places it lowest in the Russia and Eurasia region, aside from Russia itself. The defining event was the outbreak of the Euromaidan movement in November 2013. The protests, which originally called for greater European integration, in contrast to the pro-Russian agenda of the government of Viktor Yanukovych, eventually widened to demand the removal of the government itself, something that was finally achieved in late February 2014. The protests, however, had the effect of antagonising Ukraine's neighbour, Russia, with which it has strong economic linkages and upon which it is dependent for oil and gas supplies. Ukraine's score was affected by a worsening of indicators relating to *relations with neighbouring countries* and *levels of organised conflict*, and, to a lesser extent, by the *likelihood of violent demonstrations* and *political instability*. Supporting the score, however, was a fall in the *jailed population* and a reduction in *heavy-weapons capabilities*.

SYRIA 162ND

CHANGE IN SCORE 2013/14: **+0.244**
CHANGE IN RANK 2013/14: ↓1

Syria has swapped places with previously bottom-ranked Afghanistan and now appears as the least peaceful country in the world, according to the 2014 GPI. Over the course of the past year, the Syrian civil war intensified to new heights of violence and bloodshed, with an estimate of around 100,000 persons killed since the fighting erupted in 2011, and millions displaced (this, in turn, was the main indicator that led to the deterioration in Syria's score, along with the *ease of access to small arms*). The most significant event was the chemical attack by government forces in Ghouta, a suburb of Damascus, that left hundreds dead and resulted in strong international condemnation and, almost, to intervention by Western forces. This was only averted after a last-minute deal, sponsored by Russia, to disarm the Syrian government of its chemical-weapons capabilities, to which it has mostly complied and, hence, has resulted in a slight boost to the score. However, the tepid support offered by the West to the rebels (in contrast to the lavish support of the government by Russia) has resulted in a stalemate, in which the government now appears more likely to prevail and that foreshadows another year of bloodshed for what is the world's least peaceful country.

MAJOR INTERNAL CONFLICT OR CIVIL WAR IS A FEATURE IN ALL OF THE COUNTRIES MOST DETERIORATED IN PEACE IN THE 2014 GPI.

GPI INDICATORS: ANNUAL CHANGES

The fall in global peace in the last year has primarily been driven by the deterioration in four indicators: *terrorist activity*; *number of internal and external conflicts fought*; *number of displaced people as a percentage of the population*; and *number of deaths from organised internal conflict*. Counteracting these deteriorations are slight improvements on four indicators: *political terror*, *number of homicides per 100,000 people*, *number of deaths from organised external conflict* and *number of armed services personnel per 100,000 people*. The annual change is calculated by taking the average of the scores for each of the 22 indicators of the GPI for each of the 162 countries analysed in 2013 and 2014.

IMPROVEMENTS

Political terror, which measures levels of political violence and terror, saw a two percent improvement. Political terror decreased especially in the South Asia and the Middle East and North Africa regions with the most significant improvements in Afghanistan, Nepal, Sri Lanka, Yemen, Libya, Egypt and Algeria. A few countries in other regions however experienced an increase in *political terror,* with the biggest deteriorations recorded in Mali and Haiti. These annual changes are in line with the seven-year trend which shows steady improvement pointing to less widespread use of state repression.

Number of homicides per 100,000 people has improved due to changes in nine countries. It should be noted however that the global homicide rate may vary year-to-year due to better data collection by the UNODC, therefore year-on-year trends may be slightly conflicting with the longer term trend being more accurate.

The ***number of deaths from organised external conflict*** has improved slightly due to positive changes in only three countries: Cambodia, Ethiopia and France. This was the result of lessening tensions in the Cambodian-Thai border dispute, fewer deaths for the Ethiopian conflict with the Oromo Liberation Front (OLF) and fewer external deaths for the French involvement in Afghanistan.

DETERIORATIONS

Terrorist activity, a composite weighted measure of the number of fatalities, injuries and property damage caused by terrorism, recorded the greatest deterioration of all indicators since last year. It moved 10 percent, more than double the change of the next largest deteriorating indicator. According to the Global Terrorism Database which underpins this indicator, the number of deaths from terrorist activity increased globally from 11,000 in 2012 to an estimated 17,800 in 2013. While the majority of the increase in terrorist activity can be attributed to Iraq, Afghanistan, Pakistan and Nigeria their scores did not increase greatly as these countries were already at or near the highest possible score. There were also notable increases in terrorist activity in the Asia-Pacific countries of Malaysia and the Philippines as well as large increases being recorded in MENA and sub-Saharan Africa. The United States also deteriorated due to the Boston Marathon bombings.

The ***number of internal and external conflicts fought*** increased, particularly in sub-Saharan Africa with the largest increases recorded for South Sudan and Uganda. Other regions deteriorated as well with countries such as China and Sudan engaging in new conflicts. In total 16 countries recorded an increase in the number of conflicts with eight of those being sub-Saharan African. China's score deteriorated due to the recognition of ongoing conflict with the East Turkestan independence movement. In the case of South Sudan and Uganda they are both engaged in conflict with the Allied Democratic movement (ADF) and Lord's Resistance Army (LRA).

The ***number of displaced people as a percentage of the population*** measures both the levels of refugees leaving a country as well as the number of Internally Displaced Persons (IDPs) within the country. Not surprisingly, Syria saw the single largest deterioration on this indicator with more than 12 percent of its population displaced or in refugee status. Most of the other increases in the number of displaced people were recorded in sub-Saharan Africa, driven by the outbreak of ethnic conflict in South Sudan, Central African Republic and Mali. Increases were also recorded in other regions, in countries such as Haiti, Kyrgyz Republic and Myanmar.

TABLE 1.10 THE THREE INDICATORS WHICH HAD THE BIGGEST IMPROVEMENTS AND DETERIORATIONS FROM 2013 TO 2014

It should be noted that, on the whole, the magnitude of indicator changes has been greater for those indicators which have deteriorated than those which have improved.

TOP-THREE IMPROVEMENTS	2013 TO 2014 CHANGE
Political terror	-0.049
Number of homicides per 100,000 people	-0.049
Estimated number of deaths from organised conflict external	-0.019
TOP-THREE DETERIORATIONS	**2013 TO 2014 CHANGE**
Terrorist activity	0.167
Number of external and internal conflicts fought	0.099
Number of displaced people as a percentage of the population	0.031

GLOBAL COST OF VIOLENCE IN 2013

- **The economic impact of containing and dealing with the consequences of violence in 2013 was significant, amounting to US$9.8 trillion or 11.3 percent of global GDP.**
- **To put it in perspective, this amount is equivalent to around US$1,350 per person, or twice the size of Africa's economy.**
- **Compared to estimates for 2012, it represents an increase of direct costs of US$179 billion or a 3.8 percent rise in violence containment costs globally.**
- **The increase in the global economic impact of violence equates to 0.4 percent of global GDP.**

IEP has developed a methodology for estimating the cost of violence to the global economy. Reflecting updated data and refinements to the methodology, these estimates have been updated as part of the 2014 Global Peace Index to enable an assessment of the global cost of violence for 2013. For further details on the methodology please refer to IEP's report *The Economic Cost of Violence Containment.*

The method values thirteen different dimensions of violence and conflict, allowing for relative comparisons to be made between 162 countries as well as aggregating the amount to arrive at a global figure. Violence containment spending is defined as economic activity that is related to the consequences or prevention of violence where the violence is directed against people or property.

Since the methodology was first developed as part of the 2013 Global Peace Index, a number of refinements have been made, so as to allow for better estimates. The estimates are highly conservative as there are many items which have not been counted simply because accurate data could not be obtained. Due to the inability to count many items, military spending as a percentage of the total expenditure at 52 percent of the total is higher than would be expected. Results of the analysis have been provided in Table 1.11.

The economic impact to the global economy of containing and dealing with the consequences of violence in 2013 was significant, amounting to US$9.8 trillion, or 11.3 percent, up by 0.4 percent of global GDP. To put this in perspective this is equivalent to around US$1,350 per person, and is twice the size of Africa's economy. Compared to estimates for 2012 this represents an increase of US$179 billion or a 3.8 percent rise in violence containment costs globally.

TABLE 1.11: GLOBAL VIOLENCE CONTAINMENT COSTS

The costs of violence containment from military expenditure, homicides and internal security are significant.

VIOLENCE TYPE	TOTAL DIRECT COST (US$ BILLION)
Military expenditure	$2,535
Homicides	$720
Internal security	$625
Violent crime	$325
Private security	$315
Incarceration	$185
GDP losses from conflict	$130
Deaths from internal conflict	$30
Fear	$25
Terrorism	$10
UN peacekeeping	$5
IDPs and refugees	$2
Deaths from external conflict	$1
Total (direct only)	$4,908
TOTAL (INCLUDING 1 FOR 1 PEACE MULTIPLIER)	**$9,816**

The increase is due not only to the deterioration in peace as recorded in the GPI but also to IEP being able to include additional data. One notable area of increase is a result of China's military expenditure being revised upwards from 1.1 to 2.1 percent of GDP. The second biggest movements were those relating to internal conflict, with an increase of $50 billion as a consequence of the 'cost of conflict' estimates now including all those countries with greater than 500 battle deaths.

This deeper insight into the international costs of violence enables the international community to more accurately assess the cost/benefits associated with interventions to decrease violence and the likely benefits that would flow from improvements in peace. A full list of violence containment estimates by country has been provided in Annex B.

COUNTRY CASE STUDIES

Exploring the relationship between the role of institutions and outcomes in countries' peacefulness is one of the key objectives of the Global Peace Index research programme. Some countries display remarkable levels of peacefulness in spite of serious shortcomings in their institutions; others have strong, democratic institutions and yet perform poorly in the Global Peace Index rankings. Twenty case studies have been selected to explore the relationship between democratic institutions and peace: ten with strong democracies and a relatively low level of peacefulness and ten relatively peaceful compared to their institutional strength. The country sample was determined by calculating the delta between countries' performance in the 2013 Global Peace Index and the EIU's 2012 Democracy Index—those with the largest discrepancy were included in the analysis. This selection criterion allowed us to capture a diverse set of countries, encompassing different geographies, degrees of economic development, political systems and sets of internal and external issues. This section is intended to advance the dialogue on the relationship between democratic institutions and peace and highlight key challenges countries face in their journey towards becoming more prosperous societies.

TABLE 1.12 CASE STUDY COUNTRIES WITH A PEACE OR DEMOCRACY DEFICIT

Countries with the largest discrepancy between levels of democracy and peace and vice versa.

DEMOCRACY DEFICIT	PEACE DEFICIT
Qatar	Israel
Laos	India
UAE	Colombia
Vietnam	South Africa
Oman	Mexico
Bhutan	Jamaica
Kuwait	United States
Djibouti	Thailand
Jordan	Philippines
Equatorial Guinea	Peru

QATAR

2014 GLOBAL PEACE INDEX RANK	22/162 (VERY HIGH)
2012 DEMOCRACY INDEX RANK	138/167 (AUTHORITARIAN REGIME)
COST OF VIOLENCE CONTAINMENT PER CAPITA	US$2,995
COST OF VIOLENCE CONTAINMENT AS % OF GDP	3.1%
LEVEL OF HUMAN DEVELOPMENT	VERY HIGH
INCOME GROUP	HIGH INCOME
POPULATION SIZE	2,050,500 (SMALL)

Qatar has consistently topped the regional rankings in the Global Peace Index since 2009, a testament to the ability of successive leaders to ensure prolonged domestic stability. Qataris continue to enjoy the benefits of the country's vast hydrocarbons wealth, but risks to peaceful development in the country include frequent diplomatic tensions with neighbouring states, self-censorship and discrimination against foreign workers.

DEMOCRACY DEFICIT ANALYSIS

The wide discrepancy between Qatar's peace and democracy scores is explained by the royal family's commitment to providing its subjects with an extremely high standard of living, resulting in a very peaceful society. An orderly transfer from Sheikh Hamad bin Khalifa al-Thani to his son, Sheikh Tamim bin Hamad al-Thani, in June 2013 was a rare peaceful transition of power in a turmoil-hit region, and has stemmed a potentially divisive rivalry with the influential former prime minister, Sheikh Hamad Bin Jassim al-Thani. The refreshing of the political leadership has helped ensure that Qatar remains largely unaffected by the social unrest that has gripped parts of the region since early 2011, although the new emir has, to a great extent, maintained the policies of his predecessor.

Qatar has thrown its weight behind the pro-democracy protests that have swept North Africa and parts of the Middle East since January 2011. However, there is ample

evidence to suggest that internal opposition to the emir is not tolerated by the local authorities. An example of the ongoing self-censorship is the case of Mohammed al-Ajami, a Qatari poet, who was arrested in 2011 and subsequently sentenced to life-imprisonment a year later for reciting a poem critical of Sheikh Hamad and his son (the sentence was later reduced to 15 years).

Qatar's web of (often conflicting) alliances on the international scene has given the country's global profile a welcome boost, but has also alienated regional heavyweights. Sheikh Tamim assumed power amid heightened expectations that he would tamper with his father's activist foreign policy. However, Qatar continues to court Islamist groups, and its powerful media arm, the state-owned Al-Jazeera TV, continues to place internal conflicts in neighbouring countries under the spotlight. The dispute with Egypt culminated in the removal of Egypt's envoy to Qatar in January 2014. Saudi Arabia, the UAE and Bahrain have also recalled their envoys to Qatar, due to alleged interference by Qatar in their internal affairs. This has led Qatar to a point of isolation in a region torn by rivalries. So far, business relations with the UAE and Saudi Arabia, on whom Qatar relies for much of its construction material essential to completing major infrastructure works, have been unaffected.

BARRIERS TO PEACE

Freedom of expression is limited in Qatar. The ruling family has been able to maintain its control over decision-making, as many powerful local families favour a steadfastly conservative political system that protects vested interests. An electoral law passed in 2008 paved the way for the creation of a two-thirds-elected Advisory Council with limited legislative powers. However, no election has yet taken place and the council remains fully appointed.

Foreign workers also complain that their employers are rarely held accountable. The government plans to amend parts of its Labour Law, but the nascent state of the judicial system will prove problematic for foreign workers seeking to hold their employers to account. An abundance of cheap labour in developing countries means that the Qatari government can easily replace domestic foreign labour, should labourers protest their working conditions in public.

Difficulty in developing peaceful relations with regional powers is among the greatest threats facing the country at present. Although an armed conflict with fellow Gulf Cooperation Council (GCC) states and Egypt is a distant scenario, a prolonged stand-off with the former could undermine Qatar's efforts to become a regional financial and business hub.

LAOS

2014 GLOBAL PEACE INDEX RANK	38/162 (HIGH)
2012 DEMOCRACY INDEX RANK	156/167 (AUTHORITARIAN REGIME)
COST OF VIOLENCE CONTAINMENT PER CAPITA	US$55
COST OF VIOLENCE CONTAINMENT AS % OF GDP	1.8%
LEVEL OF HUMAN DEVELOPMENT	MEDIUM
INCOME GROUP	LOWER MIDDLE INCOME
POPULATION SIZE	6,645,800 (MEDIUM)

Laos enjoys internal stability and a benign external environment, but aspects of this positive picture are misleading. In particular, domestic tranquillity is imposed from above by a repressive and unaccountable regime, rather than achieved from below, through a political system that allows people to express their grievances and addresses them efficiently. Governance problems, such as rampant corruption and the absence of the rule of law and judicial independence, continue to pose significant risks. In the past five years, rapid economic development has boosted general material wellbeing, but a skew towards national-resource extraction and large-scale agribusiness has also sown the seeds for rising social tensions.

DEMOCRACY DEFICIT ANALYSIS

Laos is a country at peace—ranking 38th overall in the 2014 Global Peace Index—but is almost entirely lacking in democratic freedoms. Only 11 countries in the world are more authoritarian, according to the EIU's 2012 Democracy Index. A heavy-handed government enforces internal security tightly, and there is no significant, organised resistance to the authorities. Rapid economic growth and regional trade integration are, on balance, supportive of peace, as they raise living standards at home and strengthen crossborder links. Nevertheless, this placid picture hides problems that could undermine Laos's peacefulness in the years ahead, most of which relate to the governance problems of the authoritarian, one-party state. In particular, rapid economic growth is exacerbating disputes over land and other resources.

Governance problems in Laos can be traced to the nature of the ruling party, the Lao People's Revolutionary Party (LPRP), and its monopoly on power. Like its communist brethren in neighbouring China and Vietnam, the LPRP has embraced limited economic liberalisation in recent years. Economic development has boosted per-capita income, literacy and life-expectancy. Laos joined the WTO in 2013 and is committed to expanding ties within the Association

of South-East Asian Nations (ASEAN), which plans to transform itself into a single market, the ASEAN Economic Community, by 2015.

However, wide-ranging economic liberalisation has not been accompanied by structural political change. Lao's population is poor and mostly rural, and there is little evidence of growing demand for increased civil liberties. Nevertheless, the government's lack of accountability is generating discontent that could eventually lead to instability. Rampant corruption and land-disputes are two prominent—and connected—examples. Laos consistently ranks within the bottom 20% globally on corruption indices, and the government-controlled judiciary offers little recourse from official graft or land grabs. There are no effective curbs on the ability of officials to confiscate land—all of which is state-owned—and hand it over to mining and agribusiness interests in exchange for lucrative kickbacks. In recent years, the acreage of land conceded to large developers has soared, along with unresolved claims for compensation. In the absence of freedom of expression and electoral institutions, there are few ways, other than illegal protests, for victims to publicise their plight, to seek redress or to put pressure on the government to change its policies.

BARRIERS TO PEACE

Looking ahead, the LPRP's governance failures will pose challenges to peace, which will be exacerbated by aspects of Laos's foreign relations. The involvement of foreign firms—often Chinese or Vietnamese state-owned enterprises operating with local partners—in resource extraction, plantation agribusiness and hydropower projects has been associated with evictions and losses of arable land. As these sectors continue to drive economic development in the years ahead, domestic political stability could come under strain unless the government develops mechanisms for dealing with grievances related to corruption and land dispossession.

LAOS IS A COUNTRY AT PEACE—RANKING 38TH OVERALL IN THE 2014 GLOBAL PEACE INDEX—BUT IS ALMOST ENTIRELY LACKING IN DEMOCRATIC FREEDOMS.

UNITED ARAB EMIRATES

2014 GLOBAL PEACE INDEX RANK	40/162 (HIGH)
2012 DEMOCRACY INDEX RANK	149/167 (AUTHORITARIAN REGIME)
COST OF VIOLENCE CONTAINMENT PER CAPITA	US$1,270
COST OF VIOLENCE CONTAINMENT AS % OF GDP	4.3%
LEVEL OF HUMAN DEVELOPMENT	VERY HIGH
INCOME GROUP	HIGH INCOME
POPULATION SIZE	9,205,700 (MEDIUM)

The UAE has remained politically stable over the last five years, contributing to a broadly peaceful period. The uprisings that erupted in several countries in the Middle East and North Africa in 2011 did not directly affect the UAE, but did prompt the authorities to tighten security, including a crackdown on those seen as political activists.

DEMOCRACY DEFICIT ANALYSIS

The UAE scores relatively well on measures of peace, but badly on measures of democracy. The score for the UAE in the Global Peace Index has fluctuated within a narrow band in 2008–14, worsening to 1.75 in 2013 from 1.56 in 2008. The indicators of levels of internal peace have however stayed much the same over the seven-year period. The UAE has not suffered from internal conflicts or terrorist activity in these years and enjoys low levels of violent crime and homicides. While the political system is largely unrepresentative, the population of UAE nationals is small and largely well cared for materially by the state. There have been some signs of discontent from the northern emirates, where the benefits of economic development have not been felt as strongly as they have in Abu Dhabi and Dubai. The authorities are responding with various development programmes for the poorer emirates.

There has been a strong focus on domestic security throughout the period, with considerable investment in maintaining a heavily staffed police force, resulting in a score of 4 for 'internal security'. The UAE is also a big purchaser of major conventional weapons; military spending in the UAE is driven both by domestic and external factors. Security focus have become even more marked since 2011, following the Arab Spring uprisings, which saw protests break out elsewhere in the region. Although the UAE has not experienced much in the way of social unrest, the authorities have tightened freedom of speech—the UAE

has dropped three places, to 118th in the 2014 World Press Freedom Index—and initiated a crackdown on political activists. A trial of 94 activists in July 2013 found 69 of them guilty of plotting to overthrow the government. Many of the defendants belonged to the Islamist group, Al-Islah. International human-rights groups and the UN criticised this trial and a second trial in January 2014 as deeply flawed.

The UAE's performance in militarisation indicators has deteriorated slightly over the seven-year period, largely owing to burgeoning military expenditure. The UAE is situated in a volatile region and has maintained high levels of military expenditure out of its concern to ensure security. In particular, the UAE has been worried in recent years about the potential for Iran to develop its nuclear-weapons capability. These investments are designed as deterrents against aggressors, rather than a reflection of a belligerent power—the UAE is not prone to becoming engaged in external military conflicts (although it did contribute fighter jets to the 2011 NATO mission in Libya).

BARRIERS TO PEACE

While the UAE enjoys a number of relatively peaceful trends, there are areas for improvement. Reforms to improve the independence and transparency of the judiciary would instil some confidence in the justice system and the UAE's observance of human rights. Freedom of the press is also lacking. Meanwhile, investments to reduce socio-economic disparities between the different emirates would help support the largely stable political scene. If such investments displaced a proportion of military spending, then the UAE's score in the index would improve.

VIETNAM

2014 GLOBAL PEACE INDEX RANK	45/162 (HIGH)
2012 DEMOCRACY INDEX RANK	144/167 (AUTHORITARIAN REGIME)
COST OF VIOLENCE CONTAINMENT PER CAPITA	US$155
COST OF VIOLENCE CONTAINMENT AS % OF GDP	3.8%
LEVEL OF HUMAN DEVELOPMENT	MEDIUM
INCOME GROUP	LOWER MIDDLE INCOME
POPULATION SIZE	88,775,500 (LARGE)

Recent economic trends have been a positive force for peace in Vietnam, with the country recovering from a bout of macroeconomic instability in 2010–11 that sharpened social tensions and fuelled public discontent. Improved policymaking, including part-privatisation of the over-extended and inefficient state-owned sector, is helping to revive GDP growth and generate greater employment opportunities. Politically, the domestic scene is largely peaceful—although this partly reflects the authorities' intolerance of dissent, rather than an absence of discontent. On the external front, however, the temperature of Vietnam's territorial disputes with China has risen, fuelling concerns that maritime stand-offs could escalate dangerously.

DEMOCRACY DEFICIT ANALYSIS

Vietnam scores far better on indicators of peacefulness than democracy; the country ranks 45th in the 2014 Global Peace Index, but languishes at 144th on the Democracy Index. This variance is rooted in diverging economic and political trends, as Vietnam pursues a development model that combines economic change with political stasis. A crackdown on government critics, especially bloggers, was launched in 2013, leading to a series of show trials and the imprisonment of dozens of people. With the judiciary and all state institutions controlled by the Communist Party of Vietnam (CPV), and little space for civil society to develop, victims of official malfeasance have no real avenues by which to seek redress. This is one underlying reason for a spate of violent incidents in recent years, in which citizens have attacked government representatives. Anti-Chinese nationalism has also sparked protests, bringing a harsh response from a government that perceives accusations of weakness in its foreign policy as a challenge to the CPV's legitimacy.

This continuing authoritarianism contrasts with recent economic trends that have been strongly supportive of domestic peace in Vietnam. Steady economic development is pushing up average incomes, allowing higher spending on education, boosting literacy and raising enrolment in higher education—all factors broadly correlated with peacefulness. The country is vigorously pursuing regional and global integration; Vietnam joined the WTO in 2007, is a participant in negotiations towards the Trans-Pacific Partnership (TPP) trade pact, and is a member of the single-market ASEAN Economic Community (slated for 2015). Export growth is an economic-policy priority, and large and steadily increasing inflows of foreign direct investment (FDI) are giving the authorities an incentive to pursue market reforms.

On the policy front, the government is gradually dismantling the privileged position of state-owned enterprises, many of which have stagnated in recent years, while private businesses have thrived. Given that the state sector is far more closed, opaque and corrupt, paring it back will have a positive impact on drivers of peace tied to perceptions of corruption and criminality. Between 2010 and 2012, at the same time that the government began to crack down on graft and mismanagement in the state sector, Vietnam's score on Transparency International's Corruption Perceptions Index crept up sufficiently to pull the country out of the bottom third of the global rankings.

BARRIERS TO PEACE

Looking ahead, the government's strategy of economic liberalisation, combined with tight political control, may pose a longer-term dilemma. On the one hand, increased affluence will likely stimulate demand for civil liberties, free expression and more meaningful political participation. On the other hand, failure to deliver continued rapid economic growth and job creation would also put the government under pressure. Meanwhile, tensions with China are likely to continue to flare up regularly, reflecting both the intractability of the two countries' maritime territorial disputes and a rising risk of escalation, as both countries enhance their naval capabilities, fishing activities and hydrocarbon exploration. Since there is a fine line between expressing nationalism and criticising the CPV for failing to stand up to its historical foe, the government will continue to suppress anti-China protests. As a result, Vietnam's turbulent relations with its giant neighbour are reinforcing its authoritarian instincts at home.

OMAN

2014 GLOBAL PEACE INDEX RANK	59/162 (HIGH)
2012 DEMOCRACY INDEX RANK	135/167 (AUTHORITARIAN REGIME)
COST OF VIOLENCE CONTAINMENT PER CAPITA	US$3,940
COST OF VIOLENCE CONTAINMENT AS % OF GDP	13.8%
LEVEL OF HUMAN DEVELOPMENT	HIGH
INCOME GROUP	HIGH INCOME
POPULATION SIZE	3,314,000 (SMALL)

Domestic stability over the past five years has been informed by the popular protests that began in 2011 and gave way to smaller-scale demonstrations in 2012. The government's response to unrest, in the form of a series of political and economic concessions, helped to ensure stability. However, risks to the sultanate's peaceful development remain as a result of widespread perceptions of corruption, inequalities of wealth and high youth unemployment. External risks to peace are posed by instabilty in neighbouring Yemen and the possibility of a deterioration in the US's relations with Iran.

DEMOCRACY DEFICIT ANALYSIS

Oman, like its Gulf Arab neighbours, is an authoritarian state and, therefore, ranks poorly the 2012 Democracy Index (135th place out of 167). However, Oman's comparatively high ranking on the Global Peace Index (59th out of 162), reflects the country's low level of perceived criminality, violent crime and terrorist activity. Nonetheless, Oman scores a 4 for its *number of internal security officers* and *access to light weapons*, and a 4.6 for *military spending*. The *likelihood of violent demonstration* also remains relatively high, with a score of 3.

The 2011 protests calling for greater job creation, faster political reform and more transparent governance centred on the industrial city of Sohar, which is home to many of the industries intended to improve economic diversification and thereby reduce Oman's dependence on oil. In response, a raft of economic and political concessions were announced by Oman's ruler, Sultan Qaboos bin Said al-Said, the most important of which was the granting of legislative powers to the Majlis al-Shura (Consultative Council) in October 2011. Other significant concessions included a major cabinet reshuffle in March 2011, which saw 12 ministers replaced, with five new ministers being selected from the Majlis al-Shura. The Council of Ministers, comprising the Majlis al-Shura and the fully appointed Majlis al-Dawla, the State Council, has also been granted legislative powers. However, in spite of these concessions, political power is still concentrated in the hands of the sultan, and, as such, remains the key risk to political stability.

Criticism of the authorities—and of the sultan himself—has increased since 2012, and the subsequent arrest and conviction of a number of bloggers and activists indicates that the government is unwilling to tolerate full freedom of expression. Oman's ranking in the 2014 World Press Freedom Index, published by Reporters Without Borders, fell to 134th place out of 180 countries, from 127th in 2013. In March 2013 the sultan issued a pardon for those who had been convicted in 2012, but, following this conciliatory gesture, the clampdown on freedom of speech has continued with further arrests. There were small-scale demonstrations in 2012 protesting against a renewed clampdown on freedom of expression. Aware of the potential for further protests, the authorities have increased attempts to root out corruption, and have, since early 2014, sentenced a number of government officials and executives at state-run companies to lengthy prison terms for corruption and abuse of office.

External threats to peace are also posed by Oman's geographical position, which makes it susceptible to regional tensions, especially given its location on the opposite side of the Strait of Hormuz from Iran. Tensions rose in January 2012 when Iran threatened to close the strait. Iran may repeat such threats sporadically, although the more moderate stance adopted by Iran's new president, Hassan Rouhani, and the November 2013 interim nuclear deal with the P5+1 powers (permanent members of the UN Security Council plus Germany) make this less likely. Further, Oman shares its southern border with Yemen, which is emerging from a deep political crisis. Parts of Yemen are

under the sway of tribal, military and—in a few places—terrorist control, and Oman has tightened its border as a consequence of this.

BARRIERS TO PEACE

The key risk to domestic political stability, and, therefore, peace, is the centralisation of power in the hands of the sultan. Uncertainty surrounding his succession became more important in light of protests in 2011–12, which called for a more open political process. The 73-year-old head of state, who has ruled since 1970 and exercises authority within a highly centralised structure, has no children, and none of the three first cousins widely viewed as the leading candidates to succeed him has yet been trusted with substantial executive power. The succession process is unusual and untested. Moreover, the potential for further popular discontent remains high, given widespread perceptions of corruption, inequalities of wealth and high youth unemployment. External threats to peace remain in the form of any deterioration in relations between Iran and and the US or other Gulf Cooperation Council (GCC) states, or a further deterioration in security in Yemen.

BHUTAN

2014 GLOBAL PEACE INDEX RANK	16/162 (VERY HIGH)
2012 DEMOCRACY INDEX RANK	107/167 (HYBRID REGIME)
COST OF VIOLENCE CONTAINMENT PER CAPITA	US$35
COST OF VIOLENCE CONTAINMENT AS % OF GDP	0.5%
LEVEL OF HUMAN DEVELOPMENT	MEDIUM
INCOME GROUP	LOWER MIDDLE INCOME
POPULATION SIZE	741,800 (SMALL)

Bhutan has succeeded in establishing a longstanding internal peace and its transition from monarchy to a full-fledged democracy, although recent, has been remarkable. The small Himalayan kingdom held its second general election in 2013 and, although the opposition won, the transfer of power was efficient and smooth.

DEMOCRACY DEFICIT ANALYSIS

Bhutan's firm move to democracy in 2008 is commendable, particularly if its transition is compared to that of Nepal. While, in the latter, the monarchy was stripped of its powers and the path to democracy was laid by a Maoist insurgency movement and violent pro-democracy protests, Bhutan's transition was relatively smooth. As a result, Bhutan's scores on both the Global Peace Index and the Democracy Index improved in 2013. The Himalayan nation, which uses a measure of *gross national happiness* as an alternative to gross national product, elected a new government in 2013. Although the new administration seems to be focusing less on the gross national happiness index, there is little to indicate that the tiny nation's largely peaceful history will change. The country has experienced very few instances of internal and external conflict—a largely smooth transition of power from monarchy to democracy and good relations with its neighbours are at the crux of its peaceful existence.

Bhutan's culture is steeped in the ancient traditions of Buddhism—at the core of which is a strong non-violence pledge—Bhutan provides universal healthcare and free education for its population and as a consequence internal conflict and crime are almost non-existent. However, its emphasis on the Buddhist culture had resulted in violent ethnic unrest in the late 1980s and 1990s: a census conducted in 1988 classified a large proportion of the Lhotshampas, an ethnic Nepali community most of whom practise Hinduism, as illegal in Bhutan. The violence that followed led to several Nepalis being forced to leave Bhutan—an estimated 100,000 Lhotshampas became refugees and some of these were granted refuge in the US. Relations with Nepal have been strained since then. Although there have been no reports of the expulsion of any of the remaining Lhotshampas in recent years, the minority community has been increasingly alienated from mainstream society.

Given its geographic position, nestled between China and India, Bhutan has strategic significance, making it an important ally for India. Its foreign relations are predominantly determined by India; Bhutan and China do not have official diplomatic relations, although the government, led by the Druk Phuensum Tshogpa party, did move closer to Beijing in the later years of its rule, thereby straining relations with India. The People's Democratic Party, led by Tshering Tobgay, won the 2013 election and his campaign has since focused on restoring the good relationship with New Delhi.

BARRIERS TO PEACE

There are no apparent threats to the country's political stability and this will limit the probability of disruptions to internal peace. The peaceful nature of its population, combined with a policy focus on general happiness and wellbeing, should further ensure that Bhutan remains on a stable path throughout its first years as a democracy. In respect of external peace, there is only a minimal risk of an escalated conflict, which would be likely to entail a dispute between China and India.

KUWAIT

2014 GLOBAL PEACE INDEX RANK	37/162 (HIGH)
2012 DEMOCRACY INDEX RANK	119/167 (AUTHORITARIAN REGIME)
COST OF VIOLENCE CONTAINMENT PER CAPITA	US$2,480
COST OF VIOLENCE CONTAINMENT AS % OF GDP	5.2%
LEVEL OF HUMAN DEVELOPMENT	HIGH
INCOME GROUP	HIGH INCOME
POPULATION SIZE	3,250,500 (SMALL)

Over the past five years, Kuwait's political scene has been characterised by volatility, which has led to a number of large street demonstrations, and, on rare occasions, to violent civil unrest. Externally, Kuwait has been vulnerable to instability in neighbouring Iraq and to the threat of regional conflict triggered by Iran's nuclear programme.

DEMOCRACY DEFICIT ANALYSIS

Although Kuwait is an authoritarian state, and, therefore, ranks poorly on the EIU's 2012 Democracy Index (119th out of 167 states), its comparatively strong position on the Global Peace Index (37th place) reflects its largely peaceful society, supported by the country's social contract with its citizens—sharing oil wealth in return for political acquiescence. The political environment has improved since the most recent elections (July 2013) paved the way for a National Assembly with a more even balance of government supporters and their opponents, as the previous assembly was dominated by government loyalists. However, political stability in Kuwait remains challenging, and characterised by the struggle for power between the elected National Assembly and a cabinet appointed by the Emir, a struggle that shows no sign of abating.

During the Arab Spring, confrontations between an emboldened opposition and the government intensified. Although mass protests succeeded in gaining Sheikh Nasser's resignation, demonstrations against the government continued, and, in October 2012, the largest protest in Kuwait's history drew 100,000 protesters. As elements of the opposition favoured direct action against the government, demonstrations occasionally turned violent, deepening hostilities; security forces used tear gas and rubber bullets to disperse protesters. (Kuwait has a high number of security personnel compared to civilians, scoring a 5 out of 5 on the GPI).

In response, the government has cracked down on social media and the press. The authorities have become increasingly sensitive to criticism and have shown that they will not tolerate any protests or dissent that they view as a threat to social stability. A number of social-media users have also been jailed for insulting the Emir, and Kuwait's ranking in the 2014 World Press Freedom Index, published by Reporters Without Borders, fell to 91st place out of 180 countries, from 77th in 2013. Furthermore, sectarian tensions have escalated over the past few years as groups of Kuwaiti Sunnis and Shia have backed opposing warring parties in Syria.

Corruption in both politics and business remains a factor, although the creation in June 2013 of an anti-corruption body, along with the introduction of tougher corruption laws, may improve the situation. Nonetheless, Kuwait scores poorly on the Corruption Perceptions Index, ranking 69th out of 177 countries. Traditionally, there have been strong ties between leading business families and politicians, and, although these have weakened over the past five years, they can still come into play over economic issues where entrenched interests are at stake.

Externally, even as relations with Iraq have improved in recent years (most recently with the resumption of Kuwait Airways flights to Iraq in November 2013), Iraq has remained one of Kuwait's leading foreign-policy concerns. Relations with Iran have warmed since the election of Hassan Rouhani as president in June 2013. Kuwait has welcomed his policy of regional rapprochement, in contrast to that of Saudi Arabia, which has called for the aggressive containment of Iran.

BARRIERS TO PEACE

The biggest barrier to domestic political stability in Kuwait remains poor executive-legislative relations and a revival of the political opposition, as suggested by Kuwait's poor scoring on the Democracy Index's functioning of government category. Although MPs have far more power to initiate and block legislation and to question ministers than in the other Gulf Cooperation Council (GCC) countries, the National Assembly has extremely limited powers to propose new policies. As a result, MPs' attempts to block policy will persist. External threats to peace will continue to loom. Although the prospects of a conflict over Iran's nuclear programme has diminished since the deal struck between Iran and the P5+1 (the permanent members of the UN Security Council and Germany) in November 2013, as a strategic ally of the US, Kuwait still risks being drawn into a conflict should Iran's relations with the GCC deteriorate. Furthermore, there is a threat to Kuwait of spillover from Iraqi turbulence.

DJIBOUTI

2014 GLOBAL PEACE INDEX RANK	74/162 (HIGH)
2012 DEMOCRACY INDEX RANK	147/167 (AUTHORITARIAN REGIME)
COST OF VIOLENCE CONTAINMENT PER CAPITA	US$100
COST OF VIOLENCE CONTAINMENT AS % OF GDP	3.4%
LEVEL OF HUMAN DEVELOPMENT	LOW
INCOME GROUP	LOWER MIDDLE INCOME
POPULATION SIZE	859,700 (SMALL)

Djibouti, despite facing serious challenges in its democratic process, is a haven of relative peace in the otherwise turbulent Horn of Africa. Instability in neighbouring states represents a threat to security in the country, but its status as a relatively secure, strategic regional hub is likely to remain.

DEMOCRACY DEFICIT ANALYSIS

Djibouti ranks 74th in the 2014 Global Peace Index, reflecting its relatively peaceful status. However, despite the fact that its rank in the Democracy Index rose slightly (from 152nd of 167 in 2008 to 147th in 2013), Djibouti remains far from being a fully-developed democracy. Its democratic credentials improved in the 2013 parliamentary elections, in which the opposition secured seats in the National Assembly for the first time since independence in 1977. Opposition groups rejected the result, which gave the ruling party's electoral coalition, Union pour la majorité présidentielle (UMP) 49 of 65 seats, and street demonstrations alleging fraud were met with a heavy-handed response, echoing the rapid put-down of protests in 2011 following the Arab Spring. The UMP continues to dominate the political landscape; opposition parties are given little space to voice dissenting opinions in the state-controlled media—Djibouti ranks 169th of 180 countries in the 2014 World Press Freedom Index—and the political system remains rooted in patronage. In practice, the political pluralism enshrined in the constitution does little to conceal the enormous power residing with the presidential office and Djibouti's rank on the Democracy Index puts it among the countries considered "authoritarian regimes".

Internally, the threats to peace are minor, as shown by good scores in indicators such as *level of violent crime* (1/5) and *terrorist activity* (1/5), although tensions between the two main ethnic groups—the Issa of Somali origin and the Afar, who have ethnic links to Ethiopia and Eritrea—are a constant facet of domestic political life. Inequality is another potential driver of internal conflict. Income inequality, as measured by the Gini index, was 0.4 in 2002 (the most recent data available), which compares unfavourably with neighbouring Ethiopia (0.3 in 2005). (The index ranges from 0, representing perfect equality, to 1, maximum inequality.) Gross national income in Djibouti is far higher than in neighbouring states, but the livelihoods of a small, relatively well educated elite stand in stark contrast to those of the majority. Unemployment is estimated at above 50 percent and indices of absolute and relative poverty are among the worst in sub-Saharan Africa.

In 2008 fighting broke out between Djiboutian and Eritrean troops in the disputed Ras Doumeira border area, and the dispute is yet to be resolved. Djibouti's attempts to play a stabilising role in Somalia has included hosting UN-sponsored Somali reconciliation talks in 2008-09 and contributing troops to the African Union Mission in Somalia (Amisom) since 2011. The government's role in Somalia inevitably brings attendant security risks, but Djibouti's reputation for peace and political stability has nourished its strategic importance in the region, politically as host to foreign military facilities belonging to the US, France and others, and commercially as a key hub for trade, both regionally and globally.

BARRIERS TO PEACE

Internally, domestic discontent, driven by ethnic tensions and extreme inequality of wealth, could fuel any resultant threats to national security, although criticism of the status quo is harshly suppressed as a matter of routine. Dijbouti's enduring strategic importance is likely to temper criticism of its limited political pluralism. However, Djibouti remains vulnerable to external destabilisation, particularly given its population's extensive links to neighbouring states in the volatile Horn of Africa.

JORDAN

2014 GLOBAL PEACE INDEX RANK	56/162 (HIGH)
2012 DEMOCRACY INDEX RANK	121/167 (AUTHORITARIAN REGIME)
COST OF VIOLENCE CONTAINMENT PER CAPITA	US$350
COST OF VIOLENCE CONTAINMENT AS % OF GDP	5.6%
LEVEL OF HUMAN DEVELOPMENT	MEDIUM
INCOME GROUP	UPPER MIDDLE INCOME
POPULATION SIZE	6,318,000 (MEDIUM)

Jordan is vulnerable to the wave of unrest that has washed

over the Arab world since 2011. Although the regime appears more secure than its neighbours—particularly as the protests organised by the Islamist, leftist and youth-led opposition appear to favour reform over revolution—there is significant frustration over the slow pace of political and economic change. The ruling monarch, King Abdullah II, is not directly threatened, as opposition groups appear to be in favour of a constitutional monarchy. However, the broad support that the king currently enjoys among the population could be put at risk if faster progress is not made in tackling social and economic grievances.

DEMOCRACY DEFICIT ANALYSIS

Despite a number of external and internal threats, Jordan can be considered quite peaceful, ranking 56th in the Global Peace Index. However, notwithstanding some modest political reforms in recent years, Jordan still falls into the group of countries categorised as authoritarian regimes.

Since the Arab Spring of 2011 the Jordanian government has faced a vocal protest movement. In response, the king initiated a reform programme to appease the opposition, but this has largely failed to placate widespread public frustration. The government's critics have dismissed the changes as largely cosmetic, while the Islamic Action Front (IAF)—the main opposition party and political arm of an Islamic political organisation, the Muslim Brotherhood—decided to boycott the last parliamentary election in January 2013. The reforms introduced so far have done little to move the centre of power away from the king, who still sets the country's strategic direction and remains responsible for foreign policy. This comes against the backdrop of a deterioration in some key social and economic indicators; for example, the average number of years spent in school has fallen from 13.3 in 2008 to 12.7 in 2013, while the enrolment ratio in higher education declined from 39.3% to 37.4% over the same period. Meanwhile, the growing presence of Syrian refugees in Jordan (more than 560,000 are estimated to have crossed the border into Jordan since the start of the conflict in Syria) is placing further strain on the country's healthcare, education and social-welfare systems.

Jordan achieves relatively high scores for the maintenance of internal peace. Since the killing of 60 civilians in co-ordinated suicide attacks on three hotels in the capital, Amman, in 2005 by Iraqi militants, Jordan has witnessed no large-scale terrorist attacks. Domestically, there is little support for terrorist activity, which helps contain security threats—this is reflected in Jordan's 86th place (out of 158) in the Global Terrorism Index. Also, levels of violent crime are relatively low; for example, Jordan is roughly on a par with Canada in terms of the incidence of homicides.

In contrast, Jordan fares relatively poorly in terms of its levels of militarisation and external conflict. New international security risks have also emerged in recent years, particularly the violence in Syria on Jordan's northern border. There have been several exchanges of fire between Jordanian and Syrian troops, as Jordanian soldiers have sought to protect fleeing refugees. The security challenge posed by the fighting in Syria was also underlined by an incident in mid-April, when the Jordanian air force confirmed that it had attacked and destroyed several camouflaged vehicles that were attempting to cross the border from Syria. The Syrian army denied that any of its vehicles were involved—leading to the suspicion that one of the many rebel groups operating in Syria may have been involved. However, this has served to accentuate concerns within Jordan that radical Islamic groups in Syria pose an increasing security threat.

At the same time, because of Jordan's perceived strategic importance, the kingdom will continue to receive strong military, logistical and financial support from the US. King Abdullah has also been energetic in cultivating close ties with Saudi Arabia and other members of the Gulf Cooperation Council (GCC). These links will be an important factor in helping to preserve external peace.

BARRIERS TO PEACE

No resolution of the civil war in Syria is in sight, which means that Jordan will remain exposed to negative economic and political spillover from the conflict for many years ahead. The upsurge in al-Qaida-linked violence in the Iraqi province of Anbar on Jordan's eastern border is also a source of concern, not least because it threatens to disrupt the recent blossoming of Jordanian-Iraqi trade, including vital oil imports. In addition, as Jordan hosts a large number of Palestinian refugees, the continuing obstacles in the path of an Israeli-Palestinian peace agreement also pose a risk to stability. Internally, the government will continue to face opposition from the Muslim Brotherhood; the IAF is still refusing to participate in the formal political process because of what it perceives to be an unfair electoral system. Although the government has promised further gradual electoral reform, the Muslim Brotherhood will, in the meantime, use street protests as the principal means of transmitting its message.

ECONOMIC AND POLITICAL SPILLOVER FROM THE CIVIL WAR IN SYRIA IS JORDAN'S BIGGEST THREAT TO PEACE.

EQUATORIAL GUINEA

2014 GLOBAL PEACE INDEX RANK	93/162 (MEDIUM)
2012 DEMOCRACY INDEX RANK	160/167 (AUTHORITARIAN REGIME)
COST OF VIOLENCE CONTAINMENT PER CAPITA	US$1,180
COST OF VIOLENCE CONTAINMENT AS % OF GDP	4.4%
LEVEL OF HUMAN DEVELOPMENT	MEDIUM
INCOME GROUP	HIGH INCOME
POPULATION SIZE	736,300 (SMALL)

In terms of the conventional understanding of negative peace—meaning the absence of war or violence—Equatorial Guinea has been relatively peaceful over the past five years. However, a rising incidence of maritime piracy in the Gulf of Guinea region, severe restrictions on political and democratic freedoms, and widespread socio-economic inequality mean the peace has been fragile, undermined by a climate of fear and repression by the country's security services.

DEMOCRACY DEFICIT ANALYSIS

As reflected in the Global Peace Index, where it ranks 93th out of 162 countries, Equatorial Guinea is a relatively peaceful country. This partly stems from its geographic position, which has prevented spillovers from destabilising conflicts elsewhere in the region, and partly from its ample oil wealth, which has allowed the regime to buy off political elites who may otherwise have turned to armed opposition. Yet, despite the country's peaceful appearance, there are high levels of political repression and few democratic institutions, as reflected in the country's poor showing in the EIU Democracy Index, where it is ranked 160th out of 167 countries, putting it among the most authoritarian countries in the world. The regime led by the president, Teodoro Obiang Nguema Mbasogo, has ruled the country since 1979; he and his family maintain overwhelming influence over the government, legislature, judiciary, military and economic affairs in the country. Frequent repression by the security services, including the harassment of opposition leaders, and restrictions on political freedoms—for example, the country is among the lowest-ranked in Reporters Without Borders' 2013 Press Freedom Index—have prevented the political opposition from mobilising wider popular support and have deterred people from publicly protesting against the regime. The security forces' readiness to suppress discontent means public demonstrations—when they do occur—often turn violent, and this weighs on its GPI ranking.

Continued crackdowns on dissent, including the recurrent arrest of prominent human-rights and political activists, are indicative of official determination to prevent the opposition from making its voice heard by a wider audience. Real or imagined coup plots are regularly invoked as reasons to maintain a heavy security presence in major cities. This, together with widespread public fear of the notorious and unaccountable security services, has contributed to a tense socio-political climate over the past five years and is reflected in the country's relatively weak score on political terror in the GPI. However, as the country is sparsely populated its score on the number of security officers per 100,000 people is low. Socio-economic inequalities also contribute to the fragile peace in the country. Equatorial Guinea is among the top five oil producers in sub-Saharan Africa and has the highest GDP per capita in the continent, but poverty remains widespread. Formal job opportunities are lacking for the vast majority of locals and the provision of basic public services, including healthcare and education, has improved little over the past five years, as the regime has chosen to invest revenue from the oil industry in large, prestigious infrastructure projects, rather than in social welfare.

External threats to peace stem primarily from growing maritime piracy in the Gulf of Guinea. The threat this poses to the country was highlighted in early 2009, when seaborne assailants—who have been variously identified as Movement for the Emancipation of the Niger Delta (MEND) rebels, Cameroon-based militants and local Equatorial Guineans and exiled opposition members—attacked the presidential palace in the capital, Malabo, before being pushed back by the army. Since then, there have been no attacks on the country's soil—and the GPI score on terrorist activity is low—but incidences of maritime piracy in the region, including in or near Equatorial Guinean waters, have risen in recent years. Attacks by Niger Delta-based groups have taken place as far off as Ivorian and Gabonese waters over the past year, suggesting that Equatorial Guinea is still within reach for these groups; the authorities have sought to bolster naval-defence capabilities since then. Yet, despite collective concern, effective regional co-operation on the issue has been lacking, while the monitoring, intervention and deterrence capacities of the Equatorial Guinean armed forces have remained relatively weak.

BARRIERS TO PEACE

A major barrier to a more sustainable peace in Equatorial Guinea is the lack of legitimate democratic channels to express discontent in regard to the political and socio-economic situation facing most citizens. Coupled with widespread human-rights abuses, as well as a lack of job opportunities, poor provision of basic social services, and glaring wealth inequalities, this hinders the building of a more peaceful state and is likely to lead to sporadic protests. Low population density and widespread poverty

are likely to prevent larger protest movements emerging. The domination of political and economic affairs by the president and his clan means that there are no sufficiently strong institutions or entrenched formal political processes to support an orderly transition, either via democratic means or should the elderly president suddenly leave office due to ill health. The lack of clarity on the succession poses a serious threat to peace in the longer run.

ISRAEL

2014 GLOBAL PEACE INDEX RANK	149/162 (LOW)
2012 DEMOCRACY INDEX RANK	37/167 (FLAWED DEMOCRACY)
COST OF VIOLENCE CONTAINMENT PER CAPITA	US$2,795
COST OF VIOLENCE CONTAINMENT AS % OF GDP	8.1%
LEVEL OF HUMAN DEVELOPMENT	VERY HIGH
INCOME GROUP	HIGH INCOME
POPULATION SIZE	7,907,900 (MEDIUM)

Despite the polarising nature of many of the key issues facing the country, Israel has successfully maintained a vibrant democracy. However, the longstanding failure to secure a peace settlement with the Palestinians has resulted in regional isolation, perpetuating external security threats and also a relatively poor Global Peace Index score.

PEACE DEFICIT ANALYSIS

Despite being the only democratic country in the Middle East and ranking in the top quarter of the Democracy Index, Israel is a relatively volatile country, as a result of its strained ties with its Arab neighbours. Political participation—both at grassroots level and in terms of voter turnout at elections—is high. Israel's main weakness is in civil liberties: although there is vigorous public debate, a vocal press and free expression, the authorities have at times been accused of a heavy-handed response when dealing with actual and perceived security threats.

There has been an improvement in some socio-economic indicators over the last five years—including falling unemployment (from 9.4 percent in 2009 to 5.8 percent in March 2014) and rising labour-force participation (up from 56.6 percent to 64 percent over the same period). However, these gains have been partially offset by the public's complaints about the rising cost of living and the popular perception of a significant widening in income disparities. According to a recent OECD report, around 20 percent of Israeli households fall below the (relative) poverty line; as a result, Israel has the worst score on this particular measure amongst all OECD countries. Although the scale of social dissent has subsided since the so-called summer of protest in 2011, the government has been forced to pay much greater heed to issues of social welfare. The proportion of Israeli Arabs and haredi (ultra-Orthodox) Jews in the population is rising, reflecting higher birth rates among these two groups. This threatens to exacerbate social and economic tensions, since these two groups tend to have low labour-force-participation rates, greater dependence on welfare and relatively low levels of education. For example, only around 40 percent of haredi males of working age are economically active, compared with 78 percent of Israelis as a whole.

Security issues remain of paramount importance, as reflected in the continued high level of military spending; as well as consuming over one-fifth of the national budget, defence outlays account for around 7.5 percent of GDP. The threat from Palestinian militants remains a key focus of concern. The last major conflict was in November 2012, when Israel mounted an offensive against militants in the Gaza Strip, which is controlled by the Palestinian militant Islamist organisation, Hamas. Since then, violence has been sporadic. A fresh attempt at a peace settlement between Israel and the Palestinians has been underway since last August, following heavy prompting by the US secretary of state, John Kerry. Mr Kerry was hoping to have a "framework agreement" in place by the time his self-imposed deadline expired at the end of April. However, many of the obstacles that have impeded progress towards a peace settlement in the past remain in place, and the process now appears close to collapsing amid mutual recrimination.

The political convulsions in the Arab world present an additional security challenge for Israel. The 1979 treaty between Israel and Egypt has secured a lengthy period of peace between the two countries. Although the Egyptian military's overthrow of the then president, Mohamed Morsi, in July 2013 was no doubt welcomed by Israel, it has so far failed to resolve the uncertainty over Egypt's future. Meanwhile, Israel has condemned the interim deal struck between the P5+1 (the permanent members of the UN Security Council and Germany) and Iran over the latter's nuclear programme (which Israel views as a major threat to its own security), warning that Iran is attempting to deceive the West with its conciliatory gestures.

BARRIERS TO PEACE

The recent breakdown of the US-brokered peace talks risks amplifying the sense of Palestinian frustration, with the danger that it could spill over into renewed violence. Other threats include the security chaos in the Sinai Peninsula, which borders southern Israel, as well as the ongoing conflict in Syria; Israel is particularly concerned about weaponry falling into the hands of Hizbullah, a Lebanese Shia group.

Meanwhile, despite Iran's more conciliatory approach since Hassan Rouhani took over as president, Israel remains fearful of Iran's nuclear and regional ambitions, and views the Islamic republic as the major destabilising force within the region. Internally, the government will need to pay greater attention to the questions of income inequality and poverty if it is to avoid the threat of another bout of social unrest. As noted by the OECD, the problem of poverty is particularly acute among Arabs and the rapidly growing Ultra-orthodox Jewish community; amongst these particular groups, one out of every two individuals falls below the poverty line. Nonetheless, it is important to note that the wave of unrest that occurred in 2011 was also a middle-class phenomenon, triggered by discontent over high living costs and weak real wage growth. To defuse the threat of a re-occurrence, the authorities will need to respond with a broad-based strategy that addresses a variety of problems, including high domestic food costs and increasing strains on the health care system.

INDIA

2014 GLOBAL PEACE INDEX RANK	143/162 (LOW)
2012 DEMOCRACY INDEX RANK	38/167 (FLAWED DEMOCRACY)
COST OF VIOLENCE CONTAINMENT PER CAPITA	US$145
COST OF VIOLENCE CONTAINMENT AS % OF GDP	3.6%
LEVEL OF HUMAN DEVELOPMENT	MEDIUM
INCOME GROUP	LOWER MIDDLE INCOME
POPULATION SIZE	1,236,686,700 (VERY LARGE)

India suffers chronically from international strife and widespread internal conflict. Maoist movements are the biggest threat to India's internal security, while sporadic conflict with China and Pakistan threaten the country's external security. An estimated 65 operational terror groups compound the challenge of maintaining peace in the world's biggest democracy.

PEACE DEFICIT ANALYSIS

India's democratic institutions are strongly entrenched and the electoral process is largely peaceful. Elections were held in nine phases from April 7th to May 12th 2014, with 100m new young voters taking to the polls. By the end of this period, the Bharatiya Janata Party formed a new government, and now will be faced with the challenge of meeting the rising demands of an expectant population. The transition of power will be peaceful and, although corruption is rampant in Indian politics—as indicated by India's low score of 36 out of 100 in Transparency International's Corruption Perceptions Index—the voting process is likely to be fair and the results undisputed. However, that in itself will not resolve India's multiple internal conflicts.

India's internal conflicts originate from the existence of several ethnic groups, terrorist camps and state-level independence movements. India is ranked number four out of 159 countries in the Global Terrorism Index. The Maoist insurgency movement, known for its left-wing extremism, is among the strongest of these internal threats, as has been acknowledged by India's prime minister, Manmohan Singh. The movement began in the eastern state of West Bengal in the 1960s and, according to some estimates, encompasses over 20,000 armed rebels. The Maoists have a particularly strong presence in the eastern and south-western states of India. In the past, they have been known to attack security officers and civilians alike. Their popularity is based on their fight for communist rule in a society marked by rising socio-economic inequalities and their strongest support can be found in far-flung rural areas, as they claim to be furthering the cause of landless peasants and the rural poor.

India's diverse population has also resulted in several pockets of ethnic conflict, whereby there are some active and some dormant statehood movements. Extremist groups demanding independent states are especially active in the north-east of the country and many dormant movements were revived when the government decided to carve out the new state of Telangana from Andhra Pradesh in south India. Further, despite its democratic credentials, India scores quite poorly on the Political Terror Scale, 4 out of 5 (5 representing a state of total suppression), thereby further nurturing the ground for political strife.

India's spending on defence is among the highest in the world—according to a report released by the Stockholm International Peace Research Institute (SIPRI) in March, India's imports of major weapons rose by 111 percent between 2008 and 2013. India now accounts for 14 percent of the volume of international arms imports, up from 7 percent in 2008. This increase in defence spending is mainly a response to China's increasingly threatening foreign policy. The strained relations with Pakistan similarly add to India's security concerns. The partition of India and Pakistan in 1947 was characterised by violence and turmoil and, since then, border disputes over Kashmir in northern India have ensured frequent conflict, including three major wars between the two countries. It is also believed that several terrorist groups that target India are based in Pakistan and recruit actively in Kashmir. Relations with Bangladesh are equally strained, both by disputes over water rights and a porous 4,000-km-long border that has allowed a huge inflow of illegal immigrants into India. Several terrorist groups with an anti-India agenda also operate from Bangladesh and, in recent years, this has led the government to crack down on their operations. China and India also have unresolved border disputes, in Kashmir in the north and Arunachal Pradesh

in the east. These disputes have resulted in one war and several lesser conflicts to date. The fear of border incursions weigh on relations between the two countries and tensions escalated in 2013 when the Chinese army set up a camp in Kashmir, a region that India claims as its own.

BARRIERS TO PEACE

The nature of both the external and internal conflicts in India precludes a quick resolution. The greatest threats to peace are all a result of longstanding issues and their roots are so well entrenched that it will take years of strong policymaking to resolve them. The historic tensions between India and its former territories under the British Empire are unlikely to dissipate any time soon. Equally, Delhi will follow the increasingly aggressive Chinese rhetoric on territorial questions with some trepidation. Domestically, containing the Maoist movement will be one of the biggest challenges facing the new government, as will be addressing the demands for a higher standard of living from millions of Indians.

COLOMBIA

2014 GLOBAL PEACE INDEX RANK	150/162 (LOW)
2012 DEMOCRACY INDEX RANK	57/167 (FLAWED DEMOCRACY)
COST OF VIOLENCE CONTAINMENT PER CAPITA	US$1,060
COST OF VIOLENCE CONTAINMENT AS % OF GDP	9.7%
LEVEL OF HUMAN DEVELOPMENT	HIGH
INCOME GROUP	UPPER MIDDLE INCOME
POPULATION SIZE	47,704,400 (LARGE)

Over the past five years, Colombia has remained one of the least peaceful countries in the Americas, blighted by a 50-year-old civil conflict between the government and left-wing guerrillas, as well as violence stemming from right-wing paramilitary groups and other criminal bands. Although political stability has improved markedly over the past decade and there are rising prospects of a peace agreement with the Fuerzas Armadas Revolucionarias de Colombia (FARC), crime, drug-trafficking and violence are still widespread.

PEACE DEFICIT ANALYSIS

Colombia stands at 150th out of 162 countries worldwide and ranks last of the American countries in the Global Peace Index. Despite this, it has one of the oldest democratic systems in the Western Hemisphere, ranking 57th out of 167 in the Democracy Index, and scoring 9.17 and 8.82 out of 10 on the *electoral process* and *civil liberties* indicators, respectively. Indeed, Colombia's score in the Democracy Index highlights the country's established democracy, with longstanding functioning political parties, relatively strong institutions and a strong legal tradition that has helped sustain policy continuity (particularly in recent years), as well as successful handovers of power. Moreover, despite a series of incidents with neighbouring countries—most notably a series of trade and diplomatic spats with Venezuela since 2010—the threat to external peace is low, underpinned by growing commercial and political ties within the region.

However, Colombia is still facing a serious internal conflict, fuelled by decades of violence between the government and the FARC guerrillas. A conflict that causes over 4,000 deaths per year (81 percent of which are civilians), has led to 5.7 million displaced people – one of the highest rates in the world – in addition to thousands of cases of kidnappings, forced disappearances, mutilation and sexual violence. Under the administration of Álvaro Uribe (2002–10), the government managed to reduce significantly the guerrillas' military capabilities, while right-wing paramilitary groups demobilised as a result of a controversial peace and justice law. This has helped bring a gradual fall in the homicide rate (although it is still above 30 per 100,000 people) and to pacify certain parts of the country in the past five years. Nonetheless, violence and human-rights abuses remain commonplace, fuelled in part by new criminal gangs formed by ex-paramilitaries that are actively involved in drug-trafficking and extortion.

Moreover, in spite of a sustained increase in fiscal revenue to fund extra spending, the state's capacity to deal with security problems, including violence stemming from the conflict, remains inadequate, highlighting persistent corruption at the regional and local level—Colombia scores 36 out of 100 on Transparency International's 2013 Corruption Perception Index—as well as a dysfunctional judicial system. The past few years have seen a series of scandals where politicians (some of them very prominent) have been discharged or sentenced for having close ties to criminal organisations and illegal groups, yet there has been very limited progress in setting institutional mechanisms to avoid similar episodes in the future. The population is well aware of these shortcomings, fuelling public distrust and a high perception of impunity. Indeed, public dissatisfaction in Colombia has become more evident in the past five years, in particular among rural groups that have seen few rewards from the country's ongoing economic boom. This has translated into a rising number of protests (some of them violent) and has highlighted the deep divisions that persist between the country's rural and urban areas.

BARRIERS TO PEACE

The ongoing conflict between government and the FARC represents the most important impediment to improving

internal peace. In this context, there is cautious optimism regarding the current peace talks between the guerrillas and the government of Juan Manuel Santos. The parties have shown willingness to compromise on key areas, paving the way for a potential agreement within the next year. An end to the conflict with the FARC would have a major impact on Colombia, as it has the potential to bring further institutional strengthening and investment, particularly to rural regions. However, achieving long-term peace will prove challenging, as the presence of violent groups (fuelled not by ideology, but by drug-trafficking) and slow progress in tackling social ills (particularly high levels of poverty and inequality) will provide encouraging conditions for criminal activities. In respect of external peace, there is a minor risk that relations with Venezuela will deteriorate again, leading to further diplomatic spats, but the threat of war is minimal.

SOUTH AFRICA

2014 GLOBAL PEACE INDEX RANK	122/162 (MEDIUM)
2012 DEMOCRACY INDEX RANK	31/167 (FLAWED DEMOCRACY)
COST OF VIOLENCE CONTAINMENT PER CAPITA	US$1,000
COST OF VIOLENCE CONTAINMENT AS % OF GDP	8.6%
LEVEL OF HUMAN DEVELOPMENT	MEDIUM
INCOME GROUP	UPPER MIDDLE INCOME
POPULATION SIZE	51,189,300 (LARGE)

Peace and conflict in South Africa over the past five years have been driven by poverty, inequality, and the slow pace of reform by government. This is fuelling crime, violent strike action and political confrontation—the last in part a hangover from the practices of violent protest against the apartheid state.

PEACE DEFICIT ANALYSIS

South Africa is not an obvious candidate for a case study. Since the advent of majority rule in 1994, it has proved broadly democratic (ranking 31st out of 167 countries in The EIU's most recent Democracy Index). At the same time, it faces few external or organised domestic threats to peace: it is not engaged in armed conflict with any of its neighbours, and has no active secessionist movements. Despite this, it is categorically not a peaceful state: a poor score on the *ease of access to weapons* indicator and a "shoot first, ask questions later" mentality among some sections of society, has contributed to very high rates of extreme violence. For the year ending March 31st 2013, there were, on average, 45 murders per day, giving a murder rate of around 31 per 100,000 population—four and a half times higher than the global average. Crime is often gratuitous (victims are often shot during a simple robbery, with no apparent motive), while broader violence—against agents of the state, political rivals or "outsiders"—also remains frequent.

At the heart of the issue is poverty and persistent inequality. The country's Gini coefficient (which measures income inequality) has not changed between 2008 and 2013—South Africa's Gini coefficient was estimated at 0.62 (1 being total inequality) in 2008, much worse than Brazil, with 0.55, and Russia, with 0.40. Lack of progress on inequality—as well as high unemployment and poor service delivery—has already sparked periodic protests among shantytown dwellers and other disaffected groups, some of which have turned violent. Such discontent also threatens to fuel attacks on outsiders—the most serious of such incidents took place in 2008, when there was a wave of xenophobic attacks on foreign Africans. Sporadic episodes have occurred in subsequent years—and high unemployment and poor service delivery are among the factors in the violence of strike action, in sectors including mining, since 2012.

Scepticism about the effectiveness of Jacob Zuma's government has not yet turned to scepticism about the broader electoral process: political participation rates have remained broadly stable, at around 75 percent in the last three presidential elections. However, it has contributed to a steady loss of support for the African National Congress (ANC), albeit from a very high level, and an increase in both violent confrontations between supporters of rival political organisations, and violent protests against the existing administration. The latter, in particular, is in part a hangover from South Africa's apartheid past (although the transition from apartheid to multiparty rule was ultimately remarkably peaceful, it was preceded by years of violent protest against the state). The 2014 elections saw a victory of the ANC, in spite of a loss of 15 seats in parliament and the rise of the moderates (the Democratic Alliance) and new left-wing groupings, such as the Economic Freedom Fighters party, entering the parliament on the back of over a million votes.

BARRIERS TO PEACE

While South Africa is highly unlikely to face any external threats, it is set to remain a violent society for the foreseeable future. High unemployment and income inequality are not issues that are amenable to rapid resolution—particularly with poor economic performance—and there is little to suggest that service delivery will improve markedly under a new ANC administration. The country's strong institutions, well-established democratic traditions and widely respected constitution should limit the risk of serious instability. However, without reductions in unemployment, threats to the state's overall peacefulness are likely to persist. At worst, a failure to tackle such underlying problems could lead to the emergence of serious inter-ethnic and inter-racial violence between South Africans.

MEXICO

2014 GLOBAL PEACE INDEX RANK	138/162 (LOW)
2012 DEMOCRACY INDEX RANK	51/167 (FLAWED DEMOCRACY)
COST OF VIOLENCE CONTAINMENT PER CAPITA	US$1,430
COST OF VIOLENCE CONTAINMENT AS % OF GDP	9.4%
LEVEL OF HUMAN DEVELOPMENT	HIGH
INCOME GROUP	UPPER MIDDLE INCOME
POPULATION SIZE	120,847,500 (VERY LARGE)

Over the past few decades, Mexico has enjoyed general internal and external peace, in contrast to many of its regional neighbours. However, an escalation of drug-related violence since 2007 has brought further internal conflict and, despite some success on the part of the authorities in combating this, it shows no sign of abating.

PEACE DEFICIT ANALYSIS

Although Mexico scores well in terms of *the indicators measuring its level of militarisation and external conflict,* its levels *internal peace* are extremely low, characterised by the scale of its military response to the drug conflict, unique among Latin American states. Mexico has enjoyed generally positive relationships with its neighbours since the 1930s and there are currently no major international territorial disputes that it is involved in. As a result, militarisation of society is quite low, even by Latin American standards, as evidenced by the small share of military expenditure relative to GDP (just 0.6 percent in 2013 according to SIPRI, compared with 3.4 percent in Colombia), as well as the absence of major offensive weapons or a substantial domestic military industry. Under the longstanding Estrada Doctrine, successive governments have purposely avoided intervention in external affairs and the country does not participate in UN peacekeeping operations. The country has also enjoyed a prolonged period of political stability since the 1920s (at which time the military largely withdrew from politics), aside from some minor outbreaks, such as the 1994 Zapatista insurrection in the state of Chiapas, of which the actual combat phase lasted only a few days.

Nevertheless, the country has suffered from escalating drug-related violence since the launch of sustained military operations in late 2006 against the country's powerful cartels. This has led to a sharp rise in overall criminality as a result of the cartels' subsequently branching out onto other activities besides drug-trafficking, such as kidnapping and extortion, which are particular problems in those states where the cartels have the strongest presence. Murder rates have also risen substantially, having reached 21.5 per 100,000 in 2012 according to the UNODC, nearly triple the level of 2007. In those cities where there are turf wars, however, the rate has exceeded 100 per 100,000, although it tends to fall once cartel activity moves elsewhere. Although the overall murder rate remains lower than that of many other large Latin American countries, such as Brazil, Colombia and Venezuela, many of the killings have been a result of shoot-outs between the gangs themselves or with the military, on a scale and frequency that is well above what is normally experienced in Latin America.

The most important consequence of the drug war has been the participation of the military as the spearhead of government efforts against the cartels. This is largely due to the inefficiency and corruption among the police force, which is exacerbated by its highly fragmented nature. Although federal police are relatively well prepared and well-armed, state and local forces tend to suffer significant training and equipment shortages and are highly prone to being corrupted by the cartels themselves, making them all but ineffective. Lack of confidence in the police, as well as in judicial institutions, has raised citizens' perceptions of insecurity and, in some cases, has led to the creation of self-defence militias. The most notable case is the state of Michoacán, where thousands armed militiamen have taken back numerous cities held by the cartels amid an uneasy stand-off with the government.

Addressing the high levels of corruption, which directly contribute to both police and judicial inefficiency, will be problematic, given the lack of visible improvements in recent years. According to data from the 2013 Corruption Perceptions Index, the country ranks 106th (out of 177) and is the worst performer among the large Latin American countries, aside from Venezuela. Corruption tends to be much worse at state and local levels, and frequently compromises crime-fighting efforts by these jurisdictions in the absence of strong federal involvement.

BARRIERS TO PEACE

The main impediment to achieving a sustained improvement in the security situation is Mexico's weak institutional underpinnings, which dilute the effectiveness of the government's anti-crime strategy. This is particularly evident in cases where federal and state/local forces must collaborate. Unfortunately, Mexico's federalist political structure means that these gaps in institutional capacities will remain pronounced, although the current government appears keen on strengthening the federal role. The government has also vowed to reduce the role of the military in combating the cartels, through the creation of a European-style *gendarmerie*, which will gradually take over the military's duties once the former is up and running. In the meantime, security strategy will largely remain the same as it has been for the past few years, with improvements being incremental, but not enough fundamentally to change the security landscape.

JAMAICA

2014 GLOBAL PEACE INDEX RANK	107/162 (MEDIUM)
2012 DEMOCRACY INDEX RANK	39/167 (FLAWED DEMOCRACY)
COST OF VIOLENCE CONTAINMENT PER CAPITA	US$915
COST OF VIOLENCE CONTAINMENT AS % OF GDP	9.9%
LEVEL OF HUMAN DEVELOPMENT	HIGH
INCOME GROUP	UPPER MIDDLE INCOME
POPULATION SIZE	2,712,100 (SMALL)

Jamaica faces significant threats to peace, deriving partly from the weak economy and high unemployment—which raise risks of social unrest—but mostly from steep rates of crime, much of it related to longstanding gangs and drug-trafficking. Despite this troubled situation, Jamaica benefits from a parliamentary system characterised by orderly government formation and political transitions, stable institutions and strong popular support for democracy.

PEACE DEFICIT ANALYSIS

Internal violence is the main reason for Jamaica's poor performance in the Global Peace Index (107th out of 162) in comparison to its top-quarter standing in the EIU's Democracy Index.

There are no external threats to peace, as Jamaica has no major border or political disputes with neighbouring countries. The risk of domestic armed conflict or terrorism is low. The political system is stable, elections are peaceful and there are no significant political or ideological tensions among the political parties since independence in 1962. Jamaica scores relatively well in the Democracy Index for *electoral processes*, *civil liberties* and *freedom of the press*, although it scores worse for *political participation* and the *functioning of government*.

Jamaica's main problem is its high homicide rate. At 44 per 100,000 inhabitants, it was among the highest in the world in 2013 (although this was below Jamaica's 2009 nadir of 63 per 100,000). This compares with a Latin American and Caribbean average of 25 murders per 100,000 and a global average of 6.2, according to the latest UNODC data. Criminal gangs in the capital, Kingston, and other urban areas, are behind much of the violence. These gangs are linked to drug-trafficking, turf wars and extortion. Also, with a crackdown on drug gangs in South America and Mexico in recent years, part of the drug trade has shifted back to the Caribbean, including Jamaica. An inefficient criminal-justice system and poor police enforcement practices perpetuate crime and violent behaviour.

Current criminal activity is also tied to a past history of politically motivated violence dating from the 1970s and 1980s. Although historical links between criminal bosses and politicians have weakened since then, they persist in some parts of the country. For example, the Jamaica Labour Party's (JLP) links to a prominent crime boss, who was arrested and extradited to the US in 2011, created a crisis for the JLP government and contributed to its loss in the 2012 elections.

Violent Crime is the most serious barrier to peace and is expected to persist into the medium term, driven by unemployment, long-established organised gangs and Jamaica's geographical location as a transfer route for internationally trafficked narcotics. Jamaica's location also facilitates the importation of small arms, which further fuels violence. In addition, the country's police force is overstretched, understaffed and often corrupt.

BARRIERS TO PEACE

While the weak economy—with several consecutive years of negative or flat growth—exacerbates crime, crime also contributes to poor economic outcomes. The UNDP estimates that youth crime in Jamaica is costing the country as much as 3.21 percent of its gross domestic product (GDP). Poor economic performance, if it continues, will, therefore, also undermine peace. If reforms being implemented under a four-year International Monetary Fund's (IMF) programme (in place since May 2013) fail to restore economic growth, the public could become frustrated, sustaining the risk of social unrest and a potential increase in crime. However, this is unlikely to be sufficient to undermine general political stability.

UNITED STATES

2014 GLOBAL PEACE INDEX RANK	101/162 (MEDIUM)
2012 DEMOCRACY INDEX RANK	21/167 (FULL DEMOCRACY)
COST OF VIOLENCE CONTAINMENT PER CAPITA	US$5,455
COST OF VIOLENCE CONTAINMENT AS % OF GDP	10.2%
LEVEL OF HUMAN DEVELOPMENT	VERY HIGH
INCOME GROUP	HIGH INCOME
POPULATION SIZE	313,914,000 (VERY LARGE)

The US is a stable democracy, with well-established institutions. The president, Barack Obama, has sought to reduce US military involvement abroad, winding down the US presence in Afghanistan and Iraq. Nevertheless, the

country's high degree of militarisation remains a prominent feature in the US GPI score: as the world's largest economy and military power, the US is prone to being drawn into new conflicts, as an act of strength, on humanitarian grounds or to protect its economic or geo-strategic interests. The US has the highest incarceration rate in the world, which drags down domestic peace levels.

PEACE DEFICIT ANALYSIS

The US is one of the highest-ranking countries in the world in terms of democracy (21st out of 167). It would rank higher but it is also held back by restrictions to civil liberties tied to anti-terrorism efforts, and by only moderate political participation. Confidence in politicians, and especially in Congress as an institution, is abjectly low. The electoral structure means that participation is, in effect, restricted to a duopoly of parties, the Democrats and the Republicans. Nevertheless, respect for the constitution and democratic values are deeply entrenched by centuries of democratic practice.

Political institutions are well established, stable and respected by the majority of the population. Despite the frequent bitterness of US politics, its institutions have never come under serious threat. Transfers of power are carefully described in the federal and state constitutions, and are carried out with little controversy. Both the print and broadcast media are free from direct political interference, as reflected in the 2013 Press Freedom Index, in which the US ranks 32nd out of 179 countries worldwide.

The biggest drag on its internal peace is the high proportion of the population that is in prison. Almost 25 percent of all prisoners in the world are in the US, despite the fact the US has only five percent of the world's population. Harsh drug laws are one of the main reasons why the prison population has more than tripled since 1980. In addition prosecution has become more efficient, meaning that those arrested are more likely to go to jail than in the past, and the authorities have increased the length of prison sentences.

The impact of terrorist attacks is the next most important factor bringing down the internal peace score. The bomb attacks on the Boston marathon by Islamist-inspired terrorists in April 2013 were the most shocking attacks on US soil since the September 11th 2001 attacks on New York and the capital, Washington, DC. Furthermore, the intelligence and security services have disrupted and prevented a number of plots over the past decade. This is reflected in the GPI score for terrorist activity, for which the US scores in the bottom quartile.

Intelligence-driven data-gathering programmes by the government have been driving protests over civil-liberty violations, but are, ultimately, likely to continue. In part, the most recent controversy over the CIA is a sign that many Americans are increasingly uncomfortable with the intelligence community's broad powers. Americans have been willing to give up some civil liberties in the aftermath of the terrorist attack on September 11th 2001, when Congress enacted the Patriot Act. However, now that the wars in Iraq and Afghanistan are winding down and the threat of terrorist attack is perceived by many to be receding, many are looking to reclaim some of the privacy rights they earlier gave up. Nonetheless, while Americans are protective of their privacy, they also give considerable latitude to law-enforcement agencies in the fight against terrorism.

BARRIERS TO PEACE

As the world's sole superpower, the US could be drawn into confrontations to show strength, on humanitarian grounds, or to protect its economic interests. Limited military support to the recent UN mission in Libya, diminishing risk of a military confrontation with Iran and a limited response to Russia's action Crimea in March 2014 suggest that the degree of interventionism seen in previous years is unlikely. Internally, there is a criminal-justice reform movement that could eventually lead to a reduction in the number of people US courts send to prison, which would improve its peace levels.

THAILAND

2014 GLOBAL PEACE INDEX RANK	126/162 (MEDIUM)
2012 DEMOCRACY INDEX RANK	58/167 (FLAWED DEMOCRACY)
COST OF VIOLENCE CONTAINMENT PER CAPITA	US$365
COST OF VIOLENCE CONTAINMENT AS % OF GDP	3.6%
LEVEL OF HUMAN DEVELOPMENT	MEDIUM
INCOME GROUP	UPPER MIDDLE INCOME
POPULATION SIZE	66,785,000 (LARGE)

The history of peace and conflict in Thailand in the past five years is dominated by the country's decade-long political crisis, which remains unresolved. The security forces are also fighting a prolonged insurgency in the south of the country, which shows no sign of abating.

PEACE DEFICIT ANALYSIS

From an institutional standpoint, Thailand is a relatively well functioning democracy. It scores 7.8 out of 10 in the EIU's Democracy Index for *electoral process and pluralism*, owing to free elections, universal suffrage and fair party representation. It has a lively press that criticises government policy, although discussion of the royal family

remains off limits.

What holds Thailand back from being classified as a full democracy in this category is a profound distrust of political parties and the government. Thailand's *political culture*, with a score of 6.3 out of 10, remains dominated by low levels of social cohesion and the prominence of the military in national politics. A deep schism between the numerous poor agricultural workers in the north of the country and the urban elite in the capital, Bangkok, remains one of the main features of the political crisis. The southern domination of politics was halted by the empowerment of the north by a telecommunications tycoon, Thaksin Shinawatra, who held power between 2001 and 2006. For the majority of the eight years since Thaksin was overthrown in a military coup, Thailand has been governed by pro-Thaksin parties, but these administrations have been subject to heavy pressure from the military, the courts and pressure groups associated with the elite, for whom the development of a newly enfranchised rural north has been an unexpected challenge.

Thailand scores in the bottom quartile of the 2014 Global Peace Index, a testament to its internal volatility. Thailand is a militarised country under little external threat; it has no claim to disputed areas in the South China Sea, which represent the biggest risk of international conflict in South-east Asia. The most significant threats to peace are all internal and are a reflection of the bitter enmity between the north and the south and the shortcomings of the political culture. As a result, Thailand is one of the bottom performers in the Asia-Pacific region. The long-running insurgency in Thailand's four southernmost, Muslim-majority provinces has continued throughout the last five years, killing thousands. The unwillingness of the central government to grant the area self-government means that a peace process is now on the back burner, while the Thai government's counter-insurgency capabilities are improving. There are signs of increasing radicalisation among the separatist forces, as well as rising use of improvised explosive devices (IEDs) and roadside bombings. Distrust of the political system is clearly reflected in poor scores in indicators such as *political terror* (3.5/5), *political instability* (3/5) and *levels of violent crime* (4/5). *Violent demonstrations* (4/5), particularly in Bangkok, are frequent. On two occasions, in 2010 and 2013–14, these demonstrations have turned violent, leading to tens of deaths and a further deepening of hostility.

BARRIERS TO PEACE

The largest obstacle preventing greater peace in Thailand is the fact that both north and south are now so entrenched in their positions that the circumstances that would enable resolution are hard to identify. It is impossible to imagine the elites accepting a Shinawatra-led government, nor the family voluntarily stepping away from power. Militant wings and significant involvement of the police and the military are drivers of further radicalisation.

PHILIPPINES

2014 GLOBAL PEACE INDEX RANK	134/162 (MEDIUM)
2012 DEMOCRACY INDEX RANK	69/167 (FLAWED DEMOCRACY)
COST OF VIOLENCE CONTAINMENT PER CAPITA	US$105
COST OF VIOLENCE CONTAINMENT AS % OF GDP	2.3%
LEVEL OF HUMAN DEVELOPMENT	MEDIUM
INCOME GROUP	LOWER MIDDLE INCOME
POPULATION SIZE	96,706,800 (LARGE)

Corruption, poverty and the patron-client nature of relations in the Philippines means that problems exist across all levels of society—not just in areas under conflict—with high levels of violent crime and kidnapping. Further, the decades-long conflict on the southern island of Mindanao, between the government and Muslim separatist groups, continues.

PEACE DEFICIT ANALYSIS

While in many ways exhibiting strong democratic credentials, the Philippines ranks just 134th out of 162 countries in the Global Peace Index. It scores in the bottom quartile of the GPI for several indicators, including internal conflict, level of violent crime, political terror and terrorist activity. Corruption in the Philippines is widespread—the country scores 36 out of 100 on Transparency International's 2013 Corruption Perceptions Index—and there is a widely held belief that graft among the elite is the reason why poverty rates and income inequality have remained very high by regional standards, despite strong economic performance in the past decade. The patron-client nature of underlying relations also plays a role. These relationships can distort the allocation of resources away from the areas where they are most needed, or could be used most effectively. In parts of the Philippines, this system combines with disputes over ethnicity-related matters, to result in violence between wealthy political families who seek to maintain control over the sources of their power and influence. This was the case in 2009 with the Maguindanao massacre, when 58 Mangudadatu family members and supporters were killed by a rival political clan ahead of a gubernatorial election. It is also reflected in the Democracy Index, where the Philippines only scores 3.13 out of 10 for *political culture*.

Corruption and poverty are equally pervasive among the factors that have seen the decades-long endurance of the various conflicts between the government and separatist Islamic groups on Mindanao, which have incurred an estimated 120,000 deaths over the last 40 years. Despite

the formation in 1989 of a semi-autonomous area, the Autonomous Region of Muslim Mindanao (ARMM), which, in theory, gave parts of Mindanao greater autonomy, conflict has continued (the latest attempt at peace resulted in the signing of the Comprehensive Agreement on the Bangsamoro, CAB, in March 2014). Corruption was a major problem facing the effective functioning of the ARMM and has meant that Mindanao remains one of the poorest and least developed areas of the country, despite substantial funds designated for the ARMM.

External challenges to peace also exist. The Philippines' relations with China have deteriorated in the past few years, as the Chinese government has become more assertive in its claims over various parts of the South China Sea (SCS), areas of which are also claimed by the Philippines. Diplomatic efforts to resolve tensions have failed, in part because China is only willing to discuss the SCS question on a bilateral basis with individual claimant countries. This puts its smaller Asian neighbours at a significant disadvantage. Failure to find a diplomatic resolution to the SCS issue led Manila in 2013 to seek international arbitration of the dispute, and filed a claim under the UN Convention of the Law of the Sea (UNCLOS). The move, which China said "seriously damaged bilateral relations", was a risky one and could result in a long-term estrangement between the two sides. As a consequence, the Philippines score for relations with neighbouring countries deteriorated this year.

BARRIERS TO PEACE

The difficult task of implementing the CAB is still to come, but continued high levels of trust in the president, Benigno Aquino, should work in favour of a lasting peace. The abolition in 2013 of the so-called pork-barrel system was an important, albeit insufficient, step towards ensuring that the allocation of public funds is rationalised and politics becomes less personalised. However, the strengthening of political parties and local governments' capacity to deliver basic services will be crucial going forward. On the external front, while the Philippines government does not expect China to engage in the UNCLOS process, it hopes to bring the issue to the fore of international debate and win the PR battle. But, with China increasingly powerful militarily and economically, other Asian nations engaged in disputes over the SCS will nonetheless avoid any action that may provoke the Chinese government and risk repercussions.

PERU

2014 GLOBAL PEACE INDEX RANK	119/162 (MEDIUM)
2012 DEMOCRACY INDEX RANK	61/167 (FLAWED DEMOCRACY)
COST OF VIOLENCE CONTAINMENT PER CAPITA	US$515
COST OF VIOLENCE CONTAINMENT AS % OF GDP	4.5%
LEVEL OF HUMAN DEVELOPMENT	HIGH
INCOME GROUP	UPPER MIDDLE INCOME
POPULATION SIZE	29,987,800 (LARGE)

The history of peace and conflict in Peru in the past five years is framed by institutional frailties and a conflict between the authorities and a violent Maoist guerrilla group known as Sendero Luminoso (SL, the Shining Path), which devastated much of the country during the 1980s and 1990s. Remnants of the group still exist and are involved in the trafficking of illegal narcotics.

PEACE DEFICIT ANALYSIS

As with other countries in Latin America, Peru has made some progress over the past decade in strengthening its democracy via a consolidation of the country's electoral process and protection of civil rights—it ranks 61st out of 167 countries in the 2012 Democracy Index. However, progress in consolidating peace has been much slower, with the country ranking 119th (out of 162) in the Global Peace Index.

Peace in Peru faces few external threats. A dispute over a maritime border with Chile was peacefully resolved in January 2014 by the International Court of Justice (ICJ) in The Hague and both sides have since pledged to abide by the ruling. Rather, threats to peace are all internal. These stem from two decades of political violence stoked by the SL, sporadic outbreaks of violent social unrest around large-scale mining projects and the country's weak institutional framework.

The remnants of the SL guerrilla group are operationally weak and are now concentrated in rural areas, particularly the Ene and Apurímac river valleys (known as VRAE). However, they are capable of launching localised attacks on infrastructure and disrupting business operations, as was the case in 2012 when they kidnapped, and subsequently released, seven workers on a gas pipeline. They also provide security for, and are involved in, the illegal drug trade and extort payments from businesses operating in the VRAE area. Although the army has stepped up its presence in rural areas, the state's absence and corruption among local officials have impeded progress in completely eliminating SL.

Social conflict, usually around large-scale mining projects,

will also sustain an underlying risk to peace in Peru. This will remain the case while Peru's institutions remain weak and a wide urban/rural divide persists, as the state remains absent in remote regions. Although efforts are being made to placate rural communities and protesters by delivering social projects and showing tangible evidence of a more inclusive social policy, this will start to have a significant positive impact only over the medium-to-long term, once the sizeable rural population starts to see tangible evidence of the benefits of Peru's rapid economic development of the past decade (which has been largely confined to the major cities). Until then, radical leaders—some of whom are associated with contraband trade, illegal mining activities and cocaleaf farming—will continue to promote unrest in the form of extended roadblocks and strikes, disrupting business and weakening institutions at local level. Illegal activities are also fuelling a widespread sense of insecurity and civilian demands for a more repressive security policy, as reflected in the deterioration of the *number of jailed population per 100,000* indicator in this year's Global Peace Index.

BARRIERS TO PEACE

The barriers to peace in Peru are not insurmountable, but, given the lack of progress to date on addressing them, they represent significant challenges. Despite rapid growth and economic development over the past decade, reforms to improve the political and institutional framework have lagged, particularly in rural areas that lack effective mechanisms for dealing with local grievances through official channels. As a result, Peru's political system remains dysfunctional, characterised by populist leaders, a lack of well-rooted political parties and a fragmented legislature. This was underscored by widespread street protests in 2013 after a recording emerged of the leaders of the main political parties carving up key judicial posts among themselves. This has sustained an underlying institutional weakness that foments social protests and hinders progress on combating illegal drug-trafficking. Not only does this hinder a more rapid consolidation of Peru's democracy—as reflected in the country's poor score for the *functioning of government* in the Democracy Index—but it also poses barriers to internal peace. By contrast, the country will continue to consolidate its peaceful relations with its neighbours, guaranteeing external peace.

DESPITE RAPID GROWTH AND ECONOMIC DEVELOPMENT IN PERU OVER THE PAST DECADE, REFORMS TO IMPROVE THE POLITICAL AND INSTITUTIONAL FRAMEWORK HAVE LAGGED, PARTICULARLY IN RURAL AREAS THAT LACK EFFECTIVE MECHANISMS FOR DEALING WITH LOCAL GRIEVANCES THROUGH OFFICIAL CHANNELS.

GPI METHODOLOGY

MEASURING STATES OF PEACE

Peace is notoriously difficult to define. Perhaps the simplest way of approaching it is in terms of harmony achieved by the absence of war, conflict or violence or fear of the aforementioned. Applied to nations, this would suggest that those not involved in violent conflicts with neighbouring states or suffering internal wars or violence have achieved a state of peace, which has been described as "negative peace".

In attempting to gauge peacefulness, the GPI investigates the extent to which countries are involved in ongoing domestic and international conflicts. It also seeks to evaluate the level of harmony or discord within a nation; ten indicators broadly assess what might be described as safety and security in society. The assertion is that low crime rates, minimal terrorist activity and violent demonstrations, harmonious relations with neighbouring countries, a stable political scene and a small proportion of the population being internally displaced or made refugees can be equated with peacefulness.

Seven further indicators are related to a country's military build-up—reflecting the assertion that the level of militarisation and access to weapons is directly linked to how peaceful a country feels, both domestically and internationally. Comparable data on *military expenditure as a percentage of GDP* and the number of armed service officers per head are gauged, as are financial contributions to UN peacekeeping missions.

An additional aim of the GPI is to explore the concept of *positive peace*. Various studies have proposed that a culture of peace might be based on human rights, gender equality, democratic participation, a tolerant society, open communication and international security. However, these links between peace and its causes tend to be presumed, rather than systematically measured. For this reason, this report examines the relationships between the GPI and many reliable international measures of democracy, transparency, education and material wellbeing. By doing so, the research ultimately attempts to understand the relative importance of a range of potential determinants, or *drivers*, which may influence the creation and nurturance of peaceful societies, both internally and externally.

THE RESEARCH TEAM

The GPI was founded by Steve Killelea, an Australian technology entrepreneur and philanthropist. It is produced by the Institute for Economics and Peace, a global think tank dedicated to building a greater understanding of the relationship between economics, business and peace. The GPI is collated and calculated by The Economist Intelligence Unit (EIU), which has also contributed to the results, findings and methodology section of this report, including the regional analysis and the case studies.

An international panel of independent experts played a key role in establishing the GPI in 2007—in selecting the indicators that best assess a nation's level of peace and in assigning their weightings. The panel has overseen each edition of the GPI; this year, it included:

PROFESSOR KEVIN P. CLEMENTS, CHAIRPERSON
Foundation Chair of Peace and Conflict Studies and director, National Centre for Peace and Conflict Studies, University of Otago, Dunedin, New Zealand

DR SABINA ALKIRE
Director, Oxford Poverty & Human Development Initiative (OPHI), University of Oxford, United Kingdom

DR IAN ANTHONY
Research co-ordinator and director of the Arms Control and Non-proliferation Programme, Stockholm International Peace Research Institute (SIPRI), Sweden

MR VASU GOUNDEN
Founder and Executive Director, African Centre for the Constructive Resolution of Disputes (ACCORD), Durban, South Africa

MR NICK GRONO
CEO, The Freedom Fund, London, United Kingdom

DR MANUELA MESA
Director, Centre for Education and Peace Research (CEIPAZ) and president, Spanish Association for Peace Research (AIPAZ), Madrid, Spain

DR EKATERINA STEPANOVA
Head, Unit on Peace and Conflict Studies, Institute of the World Economy and International Relations (IMEMO), Russian Academy of Sciences, Moscow, Russia.

THE INDICATORS

The GPI comprises 22 indicators of the existence of absence violence or fear of violence. The indicators were originally selected with the assistance of an international panel of independent experts in 2007 and have been reviewed by the expert panel on an annual basis. All scores for each indicator are normalised on a scale of 1-5, whereby qualitative indicators are banded into five groupings and quantitative ones are either banded into ten groupings or rounded to the first decimal point. The Economist Intelligence Unit's team of country analysts has scored seven of the eight qualitative indicators and also provided estimates where there have been gaps in the quantitative data. A detailed explanation of the scoring criteria used for each indicator is supplied in Annex A.

ONGOING DOMESTIC AND INTERNATIONAL CONFLICT

Number of external and internal conflicts fought
Uppsala Conflict Data Program (UCDP), University of Uppsala; The Economist Intelligence Unit
Number of deaths from organised conflict (external)
UCDP; University of Uppsala
Number of deaths from organised conflict (internal)
International Institute for Strategic Studies (IISS) Armed Conflict Database
Level of organised conflict (internal)
Qualitative assessment by EIU analysts
Relations with neighbouring countries
Qualitative assessment by EIU analysts

SOCIETAL SAFETY AND SECURITY

Level of perceived criminality in society
Qualitative assessment by EIU analysts
Number of refugees and displaced people as a percentage of the population
UNHCR Statistical Yearbook and the Internal Displacement Monitoring Centre (IDMC)
Political instability
Qualitative assessment by EIU analysts
Political Terror Scale
Qualitative assessment of Amnesty International and US State Department yearly reports
Terrorist activity
Global Terrorism Index, Institute for Economics and Peace
Number of homicides per 100,000 people
United Nations Surveys on Crime Trends and the Operations of Criminal Justice Systems (CTS); Economist Intelligence Unit estimates
Level of violent crime
Qualitative assessment by EIU analysts
Likelihood of violent demonstrations
Qualitative assessment by EIU analysts
Number of jailed population per 100,000 people
World Prison Brief, International Centre for Prison Studies, University of Essex
Number of internal security officers and police per 100,000 people
CTS; EIU estimates

MILITARISATION

Military expenditure as a percentage of GDP
The Military Balance, IISS
Number of armed-services personnel per 100,000 people
The Military Balance, IISS
Volume of transfers of major conventional weapons as recipient (imports) per 100,000 people
Stockholm International Peace Research Institute (SIPRI) Arms Transfers Database
Volume of transfers of major conventional weapons as supplier (exports) per 100,000 people
SIPRI Arms Transfers Database
Financial contribution to UN peacekeeping missions
United Nations Committee on Contributions; Institute for Economics and Peace
Nuclear and heavy weapons capability
The Military Balance, IISS; SIPRI; and Institute for Economics and Peace
Ease of access to small arms and light weapons
Qualitative assessment by EIU analysts

METHODOLOGICAL NOTES

WEIGHTING THE INDEX

When the GPI was launched in 2007 the advisory panel of independent experts apportioned scores based on the relative importance of each of the indicators on a scale 1-5. Two sub-component weighted indices were then calculated from the GPI group of indicators:

1) A measure of how at peace internally a country is;
2) A measure of how at peace externally a country is (its state of peace beyond its borders).

The overall composite score and index was then formulated by applying a weight of 60 percent to the measure of internal peace and 40 percent for external peace. The heavier weight applied to internal peace was agreed upon by the advisory panel, following robust debate. The decision was based on the innovative notion that a greater level of internal peace is likely to lead to, or at least correlate with, lower external conflict. The weights have been reviewed by the advisory panel prior to the compilation of each edition of the GPI.

INDICATOR WEIGHT

Internal Peace 60% / External Peace 40%

INTERNAL PEACE (Weight 1 to 5)

Level of perceived criminality in society → **3**
Number of internal security officers and police per 100,000 people → **3**
Number of homicides per 100,000 people → **4**
Number of jailed population per 100,000 people → **3**
Ease of access to small arms and light weapons → **3**
Level of organised conflict (internal) → **5**
Likelihood of violent demonstrations → **3**
Level of violent crime → **4**
Political instability → **4**
Political Terror Scale → **4**
Volume of transfers of major conventional weapons, as recipient (imports) per 100,000 people → **2**
Terrorist activity → **2**
Number of deaths from organised conflict (internal) → **5**

EXTERNAL PEACE (Weight 1 to 5)

Military expenditure as a percentage of GDP → **2**
Number of armed services personnel per 100,000 people → **2**
Financial contribution to UN peacekeeping missions → **2**
Nuclear and heavy weapons capability → **3**
Volume of transfers of major conventional weapons as supplier (exports) per 100,000 people → **3**
Number of displaced people as a percentage of the population → **4**
Relations with neighbouring countries → **5**
Number of external and internal conflicts fought → **5**
Estimated number of deaths from organised conflict (external) → **5**

QUALITATIVE SCORING: THE ECONOMIST INTELLIGENCE UNIT'S APPROACH

The EIU's Country Analysis team plays an important role in producing the GPI by scoring seven qualitative indicators and filling in data gaps on quantitative indicators when official data is missing. The EIU employs more than 100 full-time country experts and economists, supported by 650 in-country contributors. Analysts generally focus on two or three countries and, in conjunction with local contributors, develop a deep knowledge of a nation's political scene, the performance of its economy and the society in general.

Seven of the GPI's 22 indicators are scored qualitatively by the EIU's country analysts. Scoring follows a strict process to ensure reliability, consistency and comparability:

1. Individual country analysts score qualitative indicators.
2. Country analysts meet with their respective regional teams collectively to assess indicators and to ensure consistency and comparability within the region.
3. Indicator scores are checked by the EIU's Custom Research team (which has responsibility for the GPI) to ensure global comparability.
4. If an indicator score is found to be questionable, the Custom Research team, and the appropriate regional director and country analyst discuss and make a judgment on the score.
5. Scores are assessed by the external advisory panel before finalising the GPI.
6. If the advisory panel finds an indicator score to be questionable, the Custom Research team, and the appropriate regional director and country analyst discuss and make a final judgment on the score.

Because of the large scope of the GPI, occasionally data for quantitative indicators do not extend to all nations. In this case, country analysts are asked to suggest an alternative data source or provide an estimate to fill any gap. This score is checked by the Regional Director to ensure reliability and consistency within the region, and by the Custom Research team to ensure global comparability. Again, indicators are assessed by the external advisory panel before finalisation.

Explore the data on the interactive Global Peace Index map. View the world according to each of the 22 indicators.
www.visionofhumanity.org

TRENDS IN PEACE

HIGHLIGHTS

Since the inception of the Global Peace Index in 2007, world peace has deteriorated, falling gradually every year for the past seven years. This trend has been driven predominately by deteriorations in internal peace indicators, especially those relating to safety and security, although external indicators have also slightly deteriorated.

This year, IEP added a new method to the existing approach for calculating levels of global peace. In previous years, IEP calculated a global peace score based on the average of all country scores. Although this is a methodologically sound approach, it does not take into account the large differences in population size between countries. Therefore it was decided to also determine the average peacefulness when weighted by population. Hence, this year, IEP's analysis provides a '*country average*' and a '*per person average*' of global peace covering the period since 2008.

The results of the two methodologies were compared to determine whether there were differing trends. Both sets of results show the same overall trend, strengthening confidence in the statement the world has become less peaceful in the past seven years.

The research highlights several key trends:

- Both methodologies show a gradual deterioration in peace for the seven-year period from 2008 to 2014. This is mostly due to a sustained deterioration in indicators measuring internal peace, especially those of safety and security.
- Although the biggest deteriorations occurred in indicators associated with external peace the total deterioration in measures of internal peace was greater. This is because other factors associated with external peace improved or remained constant.
- The key internal indicators that deteriorated over this seven-year period are levels of *terrorist activity*, the *homicide rate*, the *likelihood of violent demonstrations*, *levels of organised conflict* and *perceptions of criminality*.

SINCE 2008 MORE COUNTRIES DETERIORATED IN PEACE

111

THAN INCREASED IN PEACE

51

SECTION 2

- The two key external indicators to deteriorate over the period are *weapons exports per 100,000* and *weapons imports per 100,000,* which are measures of transfers of major conventional weapons.
- The majority of weapons exports come from only five countries: The U.S., Russia, Germany, China, and France, accounting for just under 75 percent of weapons exports from 2006 to 2012. France is the only major weapons exporter to reduce its level of exports since the inception of the GPI while China's developing military technology partly explains its increasing share of global arms exports. The majority of the increase in arms trade is in aircraft transfers which represent over 40 percent of the global arms trade.
- Very low levels of peace are concentrated in 11 countries. Eight percent of the world's population live in these countries, compared to six percent who live in countries with very high levels of peace.
- Positive Peace, the measure of the attitudes, institutions and structures which create and sustain peaceful societies, has seen a slight improvement from 1996 to 2012.
- There is a link between peace and population dynamics, with the most peaceful countries having smaller populations. Small countries, which are defined as having less than five million people, are over 25 percent more peaceful than very large countries, which are defined as countries over 100 million people.

By combining the raw data for the 22 GPI indicators in statistically appropriate ways, it is possible to produce a global 'per person' average, which can be thought of as the level of peacefulness for the average citizen of this world. This analysis shows the per person peace score deteriorated from 1.96 to 2.20 or about 12 percent from 2008 to 2014, indicating a decrease in peace.

Although the seven-year trend points to increasing violence this should not be seen as indicative of the longer term trend. Recent research has highlighted two other long-term trends in peace pointing to large increases over the longer term. Firstly, several studies of violence dating back to the beginning of recorded human history have highlighted large increases in peace over the past five thousand years.[1] Secondly, studies focused on conflict since the end of the Second World War have shown a remarkable improvement in peace, especially related to the regularity of conflict between states.[2]

As the seven-year trend breaks with the patterns of the last 60 years, it is important to understand the themes underlying this pattern of increasing violence. One of the more disturbing trends to gain momentum since the start of the Iraq war is terrorist activity. According to the Global Terrorism Database the number of deaths from terrorist activity increased globally from over 3,800 in 2002, to over 11,000 in 2012 and up to an estimated 17,800 in 2013. There has been an increase in both the number of deaths from terrorism and the number of countries where deaths have occurred. Whilst only 28 countries were affected by deaths from terrorism in 2002, in 2013 this more than doubled to 59 countries. Given the recent surge in terrorist activity in Iraq, Pakistan, Nigeria and Syria it is unlikely this trend will end soon.

The homicide rate has also increased notably since the beginning of the GPI in 2007. The global trends vary greatly with many high income, and high peace countries experiencing declines in homicide, while substantial increases have occurred in Sub-Saharan Africa, Latin America and Southern Asia. Whilst the cause of the increased number of homicides globally may partially be the result of better data collection at the national level, other factors have been key. These factors include increased rural to urban migration, the role of international criminal networks, and the ongoing legacy of political violence. It should be noted that the global homicide rate may vary year-to-year due to better data collection by the UNODC; therefore year-on-year trends may be slightly conflicting and the longer term trend more accurate.

HAS THE WORLD BECOME MORE OR LESS PEACEFUL?

The best available evidence over a range of indicators of violence, conflict and warfare indicates that the world has become much more peaceful since the end of the Second World War. Some evidence also shows that the world has become even more peaceful over a much longer time period.[3] However, the high visibility and devastating impact of certain violent events since the beginning of the 21st century combined with deteriorations in many other factors means that, for the average country, peace has deteriorated. However, as some countries are much larger than others, a country average may not accurately reflect global peacefulness due to the great variation in the number of people per country. Therefore, to further analyse real changes in peace, a *per person peace* measure was calculated to complement the *country average* method. An explanation of the way this *per person peace* score was calculated can be found in Box 2.1.

Previous trend analysis by IEP noted that the *country average* peacefulness had deteriorated since the 2008 GPI report was released, with a modest, albeit statistically significant, increase in average GPI scores. The country average score went from 1.96 to 2.06 representing five percent deterioration. However, when the per person average score is calculated, the decrease in peacefulness becomes larger indicating approximately a 12 percent deterioration from 1.96 to 2.20, as shown in Figure 2.1.

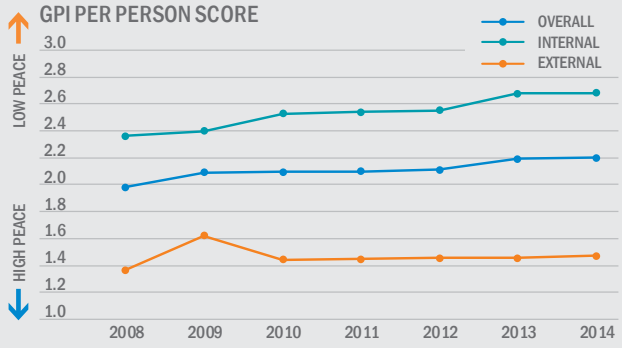
The *per person* average score deterioration is a trend largely driven by a decline in internal peace, although external peace also deteriorated slightly.

The fall in global peace has largely been driven by changes in measures related to safety and security. The majority of these indicators deteriorated over the period, with *perceptions of criminality*, *likelihood of violent demonstrations*, *number of homicides per 100,000* and *terrorist activity* deteriorating most significantly. Some indicators of ongoing conflict also deteriorated significantly, such as *number of deaths from organised internal conflict* and the qualitative indicator of *level of organised conflict*. This data supports the broader long-term shift away from large inter-state conflicts towards greater organised internal conflict, criminal violence, terrorism and violent demonstrations.

Although there are some differences between the *per person average* and *country averages*, both show a deterioration in score, indicating the world has become less peaceful. The comparison with the country average score is shown in Figure 2.2.

FIGURE 2.1 PER PERSON TREND IN PEACE (OVERALL, INTERNAL, AND EXTERNAL), 2008 GPI TO 2014 GPI

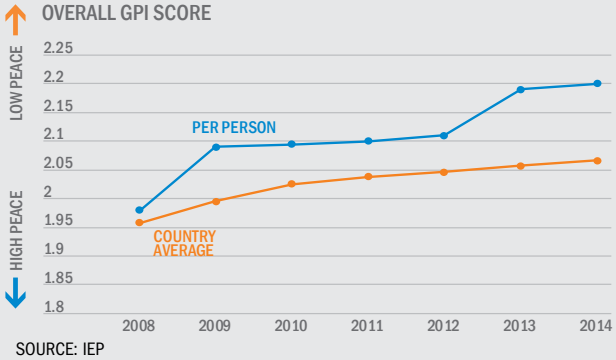
Whilst both internal and external peacefulness have deteriorated, the greatest deterioration has been in internal peace.



SOURCE: IEP

FIGURE 2.2 PER PERSON AVERAGE TREND IN PEACE AS AGAINST COUNTRY AVERAGE TREND, 2008 GPI TO 2014 GPI

The per person average trend shows a decline in peace over the past seven years. Both methods of calculating the global change in peace show the same trend, indicating the world has become less peaceful.



SOURCE: IEP

The country average measure highlights a small but constant decrease in peace from 2008 to 2014, moving from 1.96 to around 2.06. By contrast, the *per person average* shows a more emphatic deterioration in peacefulness, with notable decreases occurring in both the 2009 and 2013 GPI scores. The fact that both averages deteriorated over this time period strongly suggests that the world has become less peaceful since the inception of the GPI.

Of the 162 countries measured, 111 countries have seen deteriorations in their GPI scores over this period, whilst scores improved in only 51 countries. Furthermore, the average country deterioration in peace of 0.16 was significantly higher than the average 0.1 improvement in peace.

BOX 2.1 // CALCULATING A PER PERSON PEACE AVERAGE

The GPI covers 162 countries across six continents, measuring the state of peace for over 99.6 percent of the world's population. Past GPI reports have analysed the average level of country peace by determining the average of all countries measured. However, countries are not homogeneous units and vary greatly in population size. To complement the historical trends which have already been done a new global score has been produced which calculates the average peacefulness of the world by person. To achieve this, IEP has calculated a score for the world as whole, treating it as if it were a single country, using the same indicator scoring bands and weights for each indicator as used in the GPI.

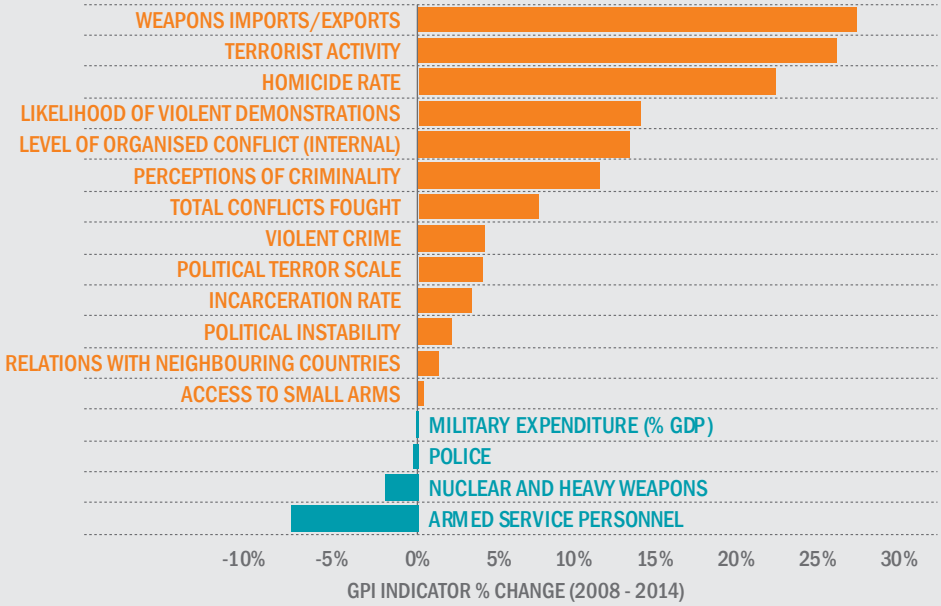
To create a global score for the qualitative indicators, an adjusted population-weighted average was used. This means that qualitative scores in more populous countries comprise a greater percentage of the global score; however, this weighting is adjusted to prevent the scores of the largest countries from completely dominating the global average.

What is the difference between per person average of peace and country average of peace?

Whereas the global average trend reflects the movement in peacefulness for the average country, the global per person peace score and trend reflects the level of peacefulness for the average person in the world. The results of the two peace trends suggest that, whilst most countries have not become significantly more or less peaceful, the world as a whole is less peaceful than it was seven years ago. More people are experiencing violence and the fear of violence, and the world is a less peaceful place for the average human being. However, this may be a short-term trend; the longer term trend over the last 60 years has shown a significant and sustained increase in peace.

FIGURE 2.3
PERCENTAGE CHANGE IN PER PERSON GLOBAL AVERAGE INDICATOR SCORE, 2008 GPI TO 2014 GPI

Only four indicators have increased in peacefulness using the per person average method over the last seven years.



SOURCE: IEP

As can be seen in Figure 2.3, only four indicators improved in score, with very slight changes occurring in total *military expenditure and* the *number of police*, with more substantial improvements in *heavy weapons and nuclear capability* and *armed service personnel.*

The largest deteriorations occurred in *weapons imports and exports*, *terrorist impact,* and *homicide per 100,000,* with slightly smaller deteriorations in *the likelihood of violent demonstrations* and *perceptions of criminality*.

More countries increased their weapon imports than decreased with 40 countries increasing their level of imports per 100,000 from the 2008 to 2014 GPI and ten countries decreasing their level of imports. According to the GPI data, the biggest increases occurred in India, the UAE, Pakistan and Algeria. The biggest reductions in weapons imports occurred in China, Greece, Iran, Austria and Israel. It should be noted that while China is one of the countries that saw a significant decrease in imports from the five-year average from 2008 to 2014, it was coming off a high base. In the 2004-2008 time period China had 11 percent of the global share in international arms imports compared to five percent in 2009-2013.

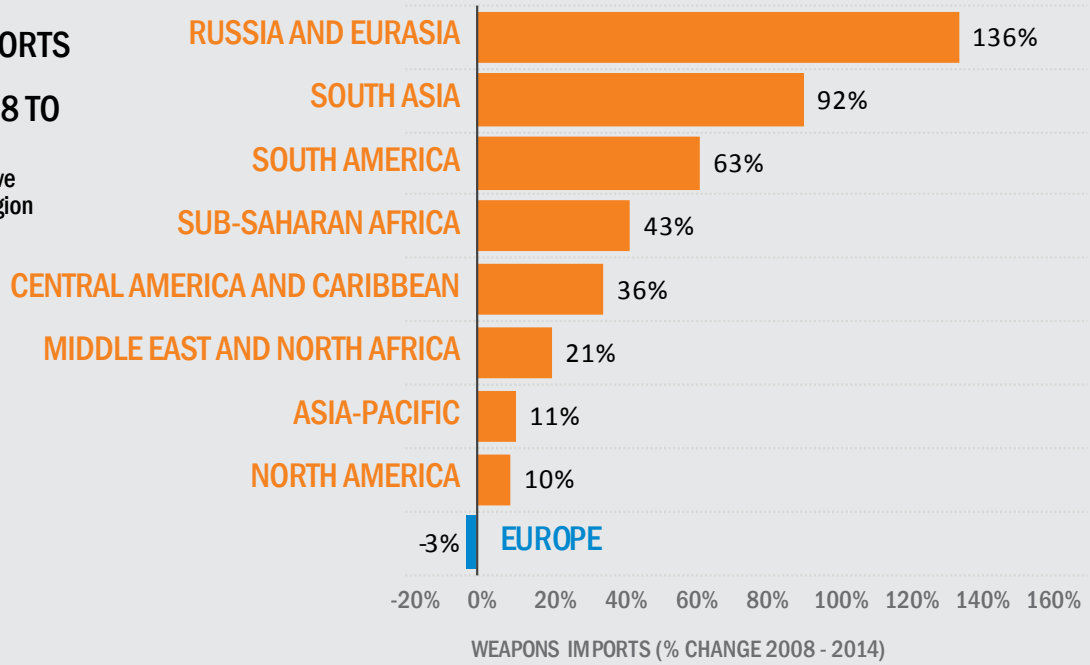
Every region other than Europe increased its level of weapons imports over this time period, with a 136 percent increase in the Russia and Eurasia region, (although it was starting from a low base), South Asia increased by 92 percent, South America by 63 percent and Sub-Saharan Africa by 43 percent.

Changes in weapons exports were concentrated in a far smaller number of countries. Six countries – the U.S., Russia, China, Spain, Germany and Israel – accounted for over 75 percent of the increase in weapons exports. France was the only major military power to see a significant reduction in the level of weapons exports. It is important to note this is based on the GPI indicators which take a five-year moving average of the military imports and exports per capita, so therefore cannot be directly compared to year-on-year changes. Whilst the number of weapons imports and exports increased, overall military expenditure did not, as the number of armed service personnel actually fell over this same period indicating the shift towards more technically sophisticated forces.

When breaking down the composition of global weapons imports and exports, the great majority of the increase in the last six years has been in aircraft transfers, followed by armoured vehicles, missiles and air defence systems. The large change in aircraft imports and exports is attributable to several Middle Eastern and Gulf states which have invested heavily in advanced combat aircraft. Armoured vehicles also increased significantly reflective of German and Russian exports of tanks to nations outside of Europe, as well as the post-global financial crisis decision by several European countries to purchase second-hand tanks from other EU nations.[4]

FIGURE 2.4
PERCENTAGE CHANGE IN WEAPONS IMPORTS BY REGION FROM THE 2008 TO 2014 GPI

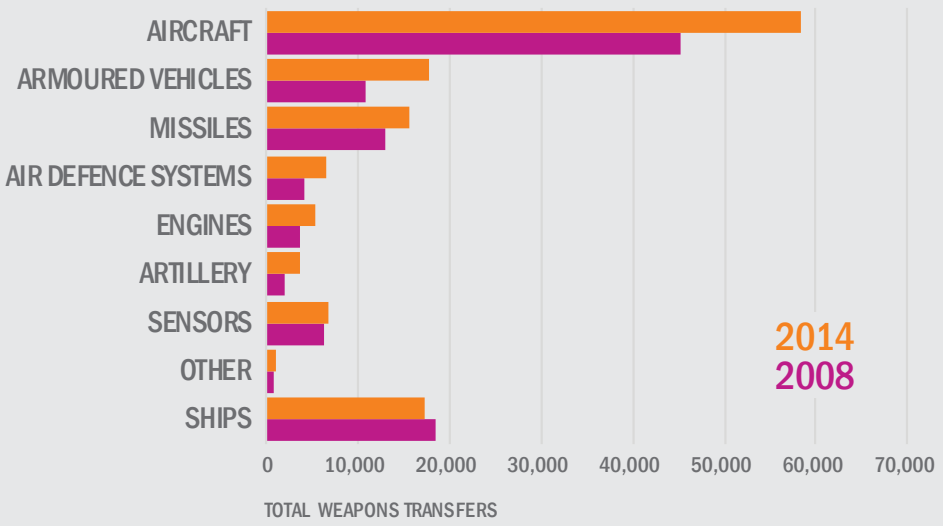
Weapons imports have increased in every region other than Europe.



SOURCE: SIPRI Arms Transfers Database, IEP Calculations

FIGURE 2.5
COMPOSITION OF GLOBAL WEAPONS EXPORTS AND IMPORTS, FIVE-YEAR AVERAGE, 2008 COMPARED TO 2014.

Transfers have increased in every weapons category other than ships.



SOURCE: SIPRI Arms Transfers Database, Trend Indicator Value (TIV) data

BOX 2.2 // HOW ARE WEAPONS TRANSFERS CALCULATED?

Tracking and calculating the economic value of weapons transfers is very difficult. There is no internationally agreed definition of arms, and some governments do not make their weapons exports data available, whilst others only provide information on the value of arms exports licenses. As such, collating accurate year-on-year data on the financial value of weapons transfers is very complex. However, the Stockholm Peace Research Institute (SIPRI) does produce a comparable measure of weapons imports and exports at the country level: The 'Trend Indicator Value' series (TIV), which is part of their arms transfer database.

What is the TIV?
The TIV is sourced from many different sources including national accounts, company annual reports and media reports. Values of imports and exports are expressed in constant dollars for comparability.

How is the TIV series calculated?
The TIV series is calculated based on the known production cost of a core set of weapons.[5] If the production cost of a weapons system is not known, it is assigned a cost based on other weapons systems with similar size and performance characteristics. Used or older weapons have their TIV value discounted.

Why does the GPI use a five-year moving sum of TIV data?
Arms transfers tend to fluctuate significantly from year to year. Using a five-year moving sum gives a better picture of long term-trends in weapons imports and exports.

EVERY REGION OTHER THAN EUROPE INCREASED ITS LEVEL OF WEAPONS IMPORTS OVER THIS TIME PERIOD, WITH A 136 PERCENT INCREASE IN THE RUSSIA AND EURASIA REGION.

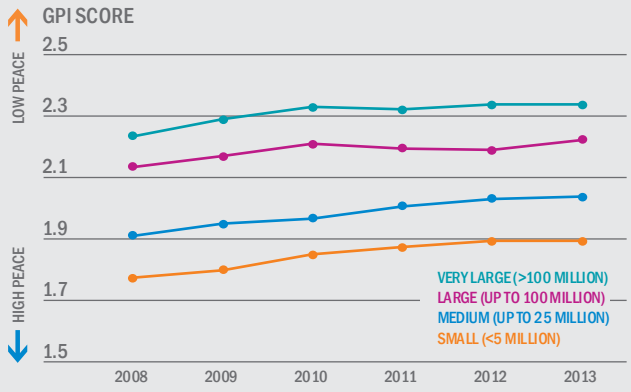
PEACE AND POPULATION

There is an association between peace and a country's population size. Countries with more people tend to be less peaceful. When the countries are organised into population groups, the relationship between peace and population is clear. The relationship between peace and population has held true for every year of the GPI, as shown in Figure 2.6. Population is more closely associated with peacefulness than other fixed factors like border length, number of neighbouring countries, or the average GPI score of neighbouring countries, as outlined in Box 2.3 on page 53.

Whilst there are many other factors associated with large populations that need to be considered when making the link between peace and population, the existence of the link is clear. The fact that larger countries tend to be less peaceful would suggest that more people in the world are living in less peaceful countries than peaceful countries. However, this is offset by the fact that the number of countries with very low levels of peace is quite small, and the majority of countries in the world are relatively closer in terms of peace scores. Very high levels of conflict and violence are rare, and most people in the world live in countries with average or just less than average levels of peacefulness. There is a similar pattern of variance for the individual GPI indicators. For example, 11 percent of the global population lives in countries with the highest possible homicide indicator score which is a homicide rate of greater than 20 per 100,000.

FIGURE 2.6 GPI SCORE OVER TIME BY POPULATION GROUP

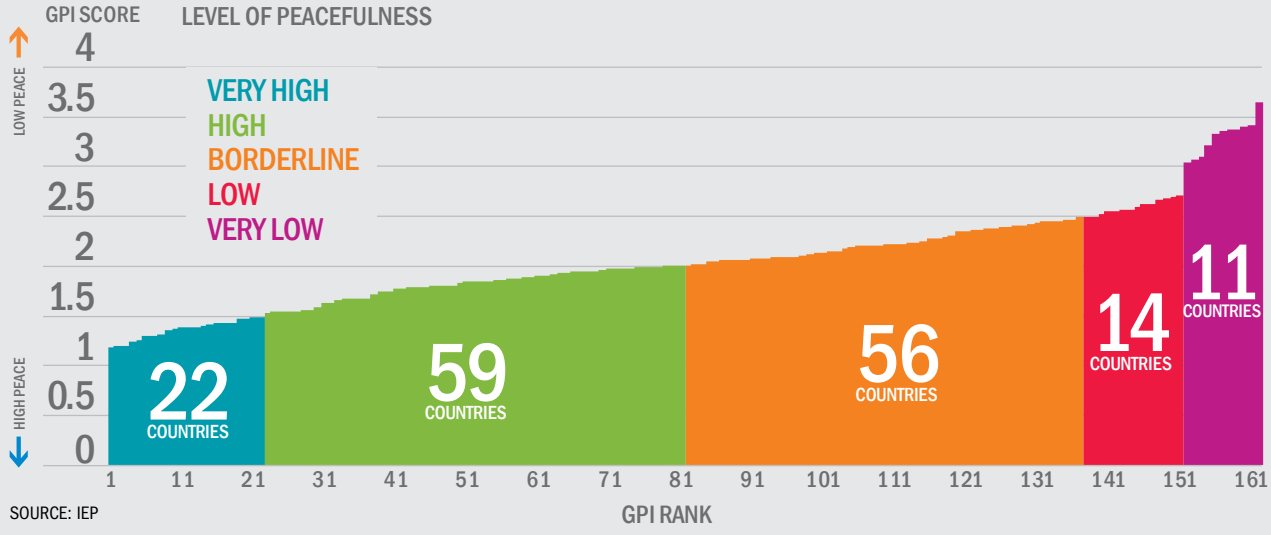
More populous countries tend to be less peaceful.



SOURCE: World Bank, IEP

FIGURE 2.7 GPI SCORES 2014, BY RANK AND BAND

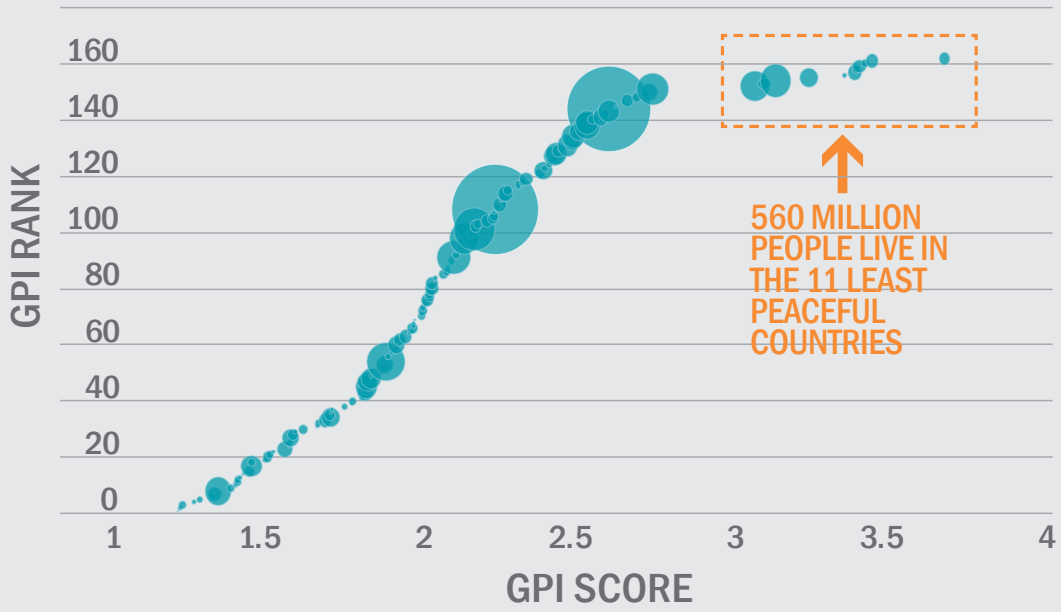
Only 25 countries have low or very low levels of peace. Of these, 17 are from Sub-Saharan Africa or the Middle East and North Africa regions.



SOURCE: IEP

FIGURE 2.8 GPI SCORE VS GPI RANK VS POPULATION

Eight percent of the world's population lives in countries with very low levels of peace.



SOURCE: UNHCR Population Data, IEP

Of the 81 countries with scores above the GPI median, only 11 countries are classified as having very low levels of peace while 14 countries score in the next lowest band.

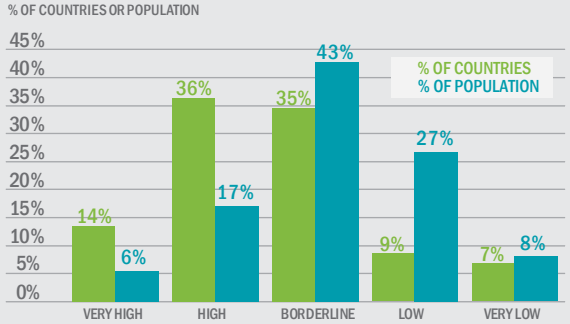
Figure 2.8 shows the 2014 GPI score against rank, with the size of the circles representing the population of each country.

The 11 least peaceful countries in the world, outlined in the orange box in Figure 2.8, are home to around eight percent of the global population. Conversly, twenty-three percent of the world's population lives in countries that have high or very high levels of peace while a far larger number of people live in countries with low or borderline levels, as shown in Figure 2.9.

Whilst population averages are heavily skewed by the size of the two most populous countries in the world, India and China, the trend still holds when looking at median rather than average population size, as shown in Table 2.1. The median population size for countries with very high levels of peace is 8.2 million, and 6.7 million for countries with high levels of peace. By contrast, the median populations for countries with low and very low levels of peace are 34.7 and 29.9 million people respectively.

FIGURE 2.9 PERCENTAGE OF COUNTRIES AND PERCENTAGE OF GLOBAL POPULATION BANDED BY PEACE

77 percent of the world lives in a country with a borderline, low, or very low level of peace.



SOURCE: UNHCR Population Data, IEP

TABLE 2.1 AVERAGE AND MEDIAN POPULATION SIZE BY PEACE BAND

Even when the impact of India and China is factored out, larger countries still tend to be less peaceful.

	AVERAGE (MILLIONS)	MEDIAN (MILLIONS)	NUMBER OF COUNTRIES
Very High	17.6	8.2	22
High	20.2	6.7	59
Borderline	53.6	11.4	56
Low	134	34.7	14
Very Low	50.9	29.9	11

SUB-DOMAINS OF THE GLOBAL PEACE INDEX

The Global Peace Index can be conceptually divided into three different sub-domains, each comprising a mix of internal and external indicators. The three sub-domains can therefore be represented in three separate scores. By splitting the index up in this way, the conceptual association between different types of violence and conflict can be tested, and thus the conceptual validity of the GPI as a true measure of negative peace can be confirmed.

The three sub-domains that IEP splits the GPI into are *Ongoing Domestic and International Conflict, Militarisation,* and *Societal Safety and Security.* For a full list of the indicators assigned to each sub-domain, see the methodology section of this report at page 38.

The indicators in the GPI cover a broad spectrum of types of violence and conflict, incorporating deaths from homicide and armed conflict, the fear of violence at both the individual and state level, the resources allocated to combatting violence, the likelihood of future violence, and conflict both within and between states.

The GPI does not treat these different sub-domains of violence as being conceptually separate but rather as comparable. As such, there should be at least some level of correlation between the three GPI sub-domains. Figure 2.10 shows the correlation between the three GPI sub-domains.

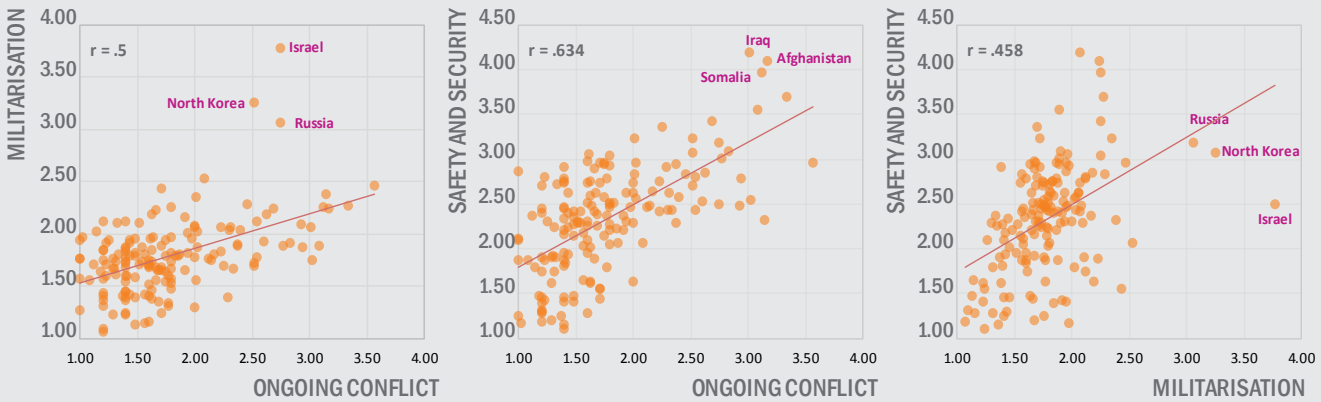
The strongest correlation is between *Ongoing Conflict* and *Societal Safety and Security* (r=.634). This association is intuitively and conceptually clear: conflict-ridden and post-conflict societies are unable to enforce the rule of law, leading to the breakdown of state authority and an increase in interpersonal violence and mistrust between citizens. Similarly, rising social tensions caused by increasing interpersonal violence undermine governmental authority and can lead to tension, distrust, violent demonstrations, and even to clashes between governments and non-state actors.

The link between militarisation and ongoing conflict is also clear, as increasing militarisation is often caused by patterns of past conflict or the anticipation of immediate future conflict. However, increasing militarisation can also be a cause of conflict, as the existence of a large military can lead to increasing political clout for the armed forces or the downplaying of non-military and diplomatic responses to conflict situations.

The correlation between *Societal Safety and Security* and *Militarisation* is the weakest of the three correlations. However, factors that are associated with an increase in militarisation[6] such as corruption, weak separation of government branches and weak rule of law, are also

FIGURE 2.10 CORRELATION BETWEEN THE THREE GPI SUB-DOMAINS (2008-2014 AVERAGE SCORE)

All three sub-domains are closely correlated, which shows that different forms of negative violence are related.



SOURCE: IEP

associated with the inability to prevent interpersonal crime. Therefore, whilst the link between these two sub-domains is more indirect than the other correlations, there is still good reason to believe that there is at least an indirect link between the two.

The correlation between *Militarisation* and the other two sub-domains is slightly distorted by the presence of three outliers which, if removed, would strengthen the two correlations in question. Israel, North Korea and Russia have significantly higher militarisation scores than any other country.

In general, the strong correlations between the three sub-domains show that the conceptual framework underlying the GPI is sound. Combining different types of violence into a single composite score provides the best possible snapshot of peacefulness in a country and the best overview of the relative levels of peacefulness between countries.

RESULTS IN SUB-DOMAINS OF THE GPI

The results of the 2014 GPI, disaggregated by the three sub-domains, help to demonstrate how peace has been decreasing. Internal conflict has been the greatest driver of falling peace. Tables 2.2 and 2.3 show the least and most peaceful countries on each of the three GPI sub-domains for the 2014 GPI.

TABLE 2.2 LEAST PEACEFUL COUNTRIES BY SUB-DOMAIN, 2014 GPI

Syria is the only country to appear in the bottom five for all three sub-domains – no other country is in the bottom five for more than one sub-domain.

LEAST PEACEFUL					
SAFETY & SECURITY	Score	ONGOING CONFLICT	Score	MILITARISATION	Score
Syria	4.18	South Sudan	3.80	Israel	3.45
Somalia	4.18	Syria	3.60	North Korea	3.23
Iraq	4.16	Pakistan	3.60	Russia	3.14
Afghanistan	4.15	Sudan	3.40	Syria	2.62
Central African Republic	3.94	DRC	3.40	United States	2.54

Syria is placed in the bottom five for all three sub-domains and is the only country that appears in more than one sub-domain. It has the least peaceful safety and security score, the second poorest ongoing conflict score and the fourth worst *Militarisation* score. Syria's lack of peacefulness across all three sub-domains is the result of the devastating and seemingly intractable civil war, exacerbated by the influx of foreign fighters and the influence of both neighbouring countries and the international community at large.

Whilst all the countries that place in the bottom five for *Societal Safety and Security* and *Ongoing Conflict* are either from Sub-Saharan Africa or the Middle East and North Africa, the *Militarisation* sub-domain features four countries from outside these regions: Israel, North Korea, Russia and the United States. Of these, Israel, North Korea and Russia are clear outliers, whereas the level of *Militarisation* in the United States is relatively commensurate with its size, economic strength and recent involvement in overseas conflicts.

Table 2.3 shows the most peaceful countries on each of the GPI sub-domains. All of the five most peaceful countries in the *Safety and Security* sub-domain are European and three of those are Scandinavian. Only Sweden is ranked outside of the top ten on the overall GPI for 2014, and Iceland (1st), Denmark (2nd), Austria (3rd) and Switzerland (5th) are all ranked in the top five for the overall GPI. Iceland is the only country to rank in the five most peaceful for more than one sub-domain; it has the fifth lowest level of *Militarisation* in the 2014 GPI.

TABLE 2.3 MOST PEACEFUL COUNTRIES BY SUB-DOMAIN, 2014 GPI

Only six countries in the world are not involved in conflict in any way in the 2014 GPI.

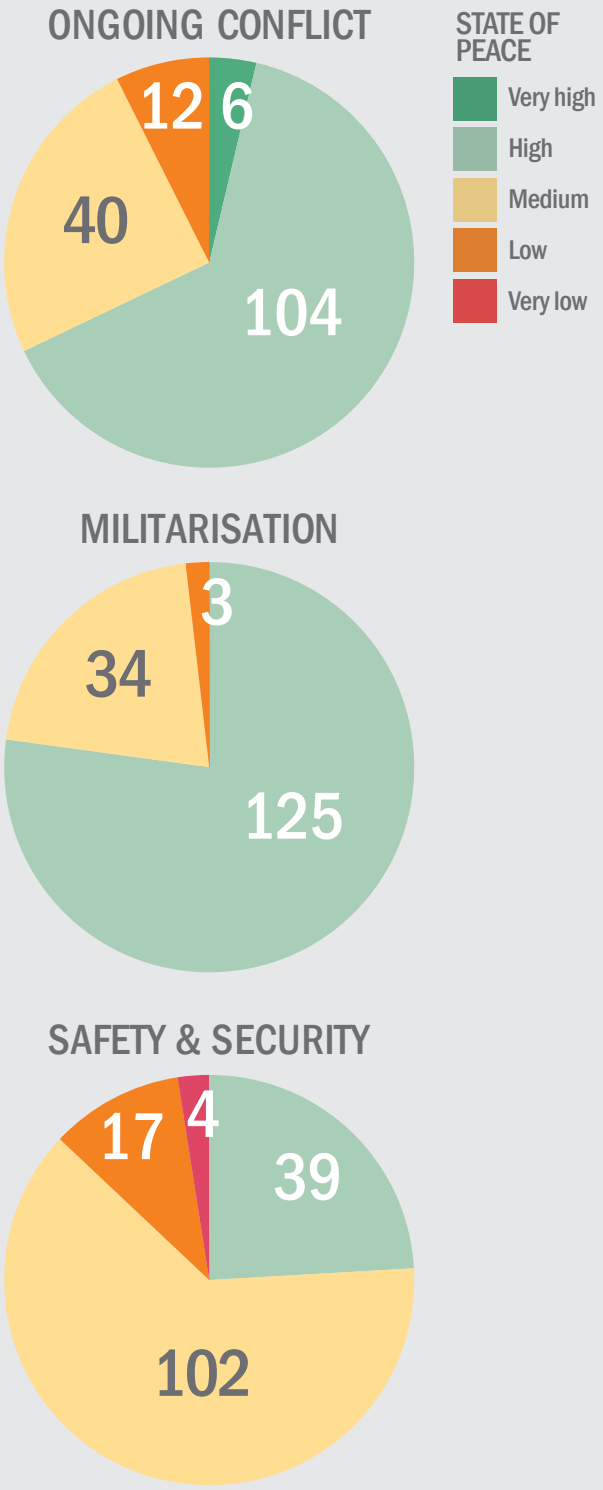
MOST PEACEFUL					
SAFETY & SECURITY	Score	ONGOING CONFLICT	Score	MILITARISATION	Score
Denmark	1.09	Botswana	1.00	New Zealand	1.08
Austria	1.18	Brazil	1.00	Czech Republic	1.09
Iceland	1.18	Chile	1.00	Denmark	1.11
Switzerland	1.18	Mauritius	1.00	Hungary	1.18
Sweden	1.21	Switzerland	1.00	Iceland	1.20
		Uruguay	1.00		

There are six countries with the lowest possible ongoing conflict scores. This means that these countries have not been involved in any external conflicts in a military capacity, have not been involved in any formal conflicts with internal rebel groups or similar, and have maintained excellent relations with neighbouring countries.

Whilst there are only six countries with the lowest possible *Ongoing Conflict* score, there are 19 countries with the next lowest possible score and 110 of the 162 GPI countries have a score lower than two. Currently, 121 countries are involved in some capacity in at least one conflict. The full distribution of scores by sub-domain is shown in Figure 2.11. Whilst there are many countries with both low levels of *Ongoing Conflict* and low levels of *Militarisation*, a low score on all three indicators is considerably rarer. Only 33 countries have scores lower than two for all three GPI sub-domains.

FIGURE 2.11 SCORE DISTRIBUTIONS FOR THE THREE GPI SUB-DOMAINS: NUMBER OF COUNTRIES

Most countries in the world have both low levels of *Ongoing Conflict* and low levels of *Militarisation*.



SOURCE: IEP

TRENDS IN THE SUB-DOMAINS OF THE GPI

Tables 2.4 and 2.5 highlight the countries which have had the largest deteriorations and improvements in peace by GPI sub-domain. Both Syria and the Central African Republic are not only amongst the five least peaceful countries on the *Safety and Security* sub-domain, they are also amongst the countries with the biggest deteriorations. *Safety and Security* also deteriorated considerably in Libya and Egypt in the wake of the Arab Spring uprising and the overthrow of the existing regime in both countries.

Only two countries from the largest deteriorations are located outside of either Sub-Saharan Africa or the Middle East and North Africa. One of these countries, the Ukraine, experienced the second largest increase in ongoing conflict. In contrast, Norway, the tenth most peaceful country in the world according to the 2014 GPI, saw the third largest rise in militarisation, largely as the result of increased weapons exports per capita. Although Norway's total level of weapons exports is relatively low, it did increase 180 percent from the 2008 to the 2014 GPI.[7] Only four countries, Switzerland, Israel, Russia and Sweden, have higher levels of weapons exports per capita than Norway.

TABLE 2.4 COUNTRIES WITH THE LARGEST DECREASES IN PEACE BY SUB-DOMAIN, 2008 GPI TO 2014 GPI

Syria had the biggest deterioration on two sub-domains and the second largest deterioration on the third.

BIGGEST DETERIORATIONS IN PEACE 2008-2014		
SAFETY & SECURITY	Score	Change
Syria	4.18	2.03
South Sudan	3.76	0.88
Central African Republic	3.94	0.84
Libya	2.69	0.75
Egypt	3.00	0.74
ONGOING CONFLICT	Score	Change
Syria	3.60	1.80
Ukraine	3.20	1.60
South Sudan	3.80	1.20
Egypt	2.40	1.00
Congo, DRC	3.40	1.00
MILITARISATION	Score	Change
Afghanistan	2.50	0.73
Syria	2.62	0.68
Norway	2.02	0.66
Iraq	2.29	0.50
Cote d'Ivoire	2.07	0.47

TABLE 2.5 COUNTRIES WITH THE LARGEST INCREASES IN PEACE BY SUB-DOMAIN, 2008 GPI TO 2014 GPI

The biggest improvers span different continents.

BIGGEST IMPROVEMENTS IN PEACE 2008-2014		
SAFETY & SECURITY	Score	Change
Saudi Arabia	2.03	-0.49
Burundi	2.53	-0.44
Georgia	2.38	-0.41
Croatia	1.71	-0.38
Mongolia	2.15	-0.35
ONGOING CONFLICT	Score	Change
Chad	2.60	-1.00
Georgia	2.40	-0.60
Israel	2.40	-0.60
Iraq	3.00	-0.60
Sri Lanka	2.00	-0.50
MILITARISATION	Score	Change
Montenegro	1.46	-0.72
Georgia	1.64	-0.56
Armenia	1.64	-0.50
Kazakhstan	1.65	-0.50
Paraguay	1.58	-0.46

A number of countries became substantially more peaceful despite being located in regions with low levels of average peace. The largest increases in *Societal Safety and Security* occurred in Saudi Arabia and Burundi. Saudi Arabia saw reductions in *violent crime*, *perceptions of criminality* and the *likelihood of violent demonstrations*, whilst Burundi saw a substantial drop in the reported *homicide rate*. Georgia also managed to avoid serious regional entanglement as the effects of Russian intervention began to dissipate and improved its scores across all three sub-domains.

Despite the overall global increase in conflict since 2008, a number of countries emerged from a period of protracted conflict and thus substantially improved their score in the *Ongoing Conflict* sub-domain. The end of formal hostilities in Sri Lanka, the Israel-Hezbollah conflict, and the civil war in Chad saw all these countries improve significantly in the ongoing conflict sub-domain.

There was also a substantial decrease in *Militarisation* amongst the former Soviet states and in the Balkans. Kazakhstan, Georgia, Armenia and Montenegro all reduced their levels of *Militarisation*.

LINK BETWEEN SAFETY, CONFLICT, MILITARISATION, AND POSITIVE PEACE

The GPI is strongly correlated with the eight Pillars of Peace: the attitudes, institutions, and structures which help create and sustain peaceful societies. Each of the three GPI sub-domains is also correlated with the Pillars of Peace; however, the correlation between some Pillars and some sub-domains is much stronger than others. In general, the weakest correlation is between the Pillars of Peace and the level of *Militarisation*, whilst the strongest correlations are between Pillars of Peace and the *Safety and Security* sub-domain. Table 2.6 shows the full list of correlations between the eight Pillars of Peace and the three GPI sub-domains.

Whilst all of the correlations are statistically significant, the weakest association is between *Militarisation* and high levels of human capital and also between *Militarisation* and the equitable distribution of resources. The level of *Militarisation* is only very weakly connected to education and inequality, and there are several countries with high levels of education that also have relatively high levels of *Militarisation*. It is also interesting to note levels of *Militarisation* are moderately correlated to good relations with neighbours, indicating the link between *Militarisation* and the extent of political and economic integration.

TABLE 2.6 CORRELATION BETWEEN THE THREE GPI SUB-DOMAINS (AVERAGE 2008-2014) AND THE POSITIVE PEACE INDEX

Governance, a sound business environment, and corruption are strongly linked to levels of *Societal Safety and Security*, and moderately associated with levels of *Ongoing Conflict*.

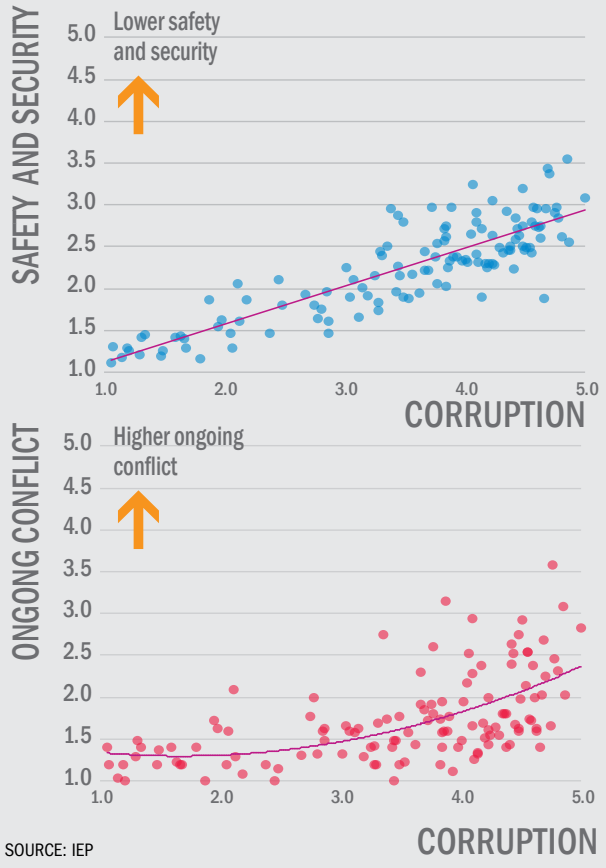
SUB-DOMAIN	OVERALL PPI SCORE	WELL-FUNCTIONING GOVERNMENT	SOUND BUSINESS ENVIRONMENT	LOW LEVELS OF CORRUPTION	HIGH LEVELS OF HUMAN CAPITAL	ACCEPTANCE OF THE RIGHTS OF OTHERS	EQUITABLE DISTRIBUTION OF RESOURCES	GOOD RELATIONS WITH NEIGHBOURS	FREE FLOW OF INFORMATION
Ongoing Conflict	0.526	0.458	0.383	0.555	0.356	0.509	0.300	0.630	0.517
Militarisation	0.329	0.248	0.228	0.321	0.181	0.382	0.184	0.415	0.384
Safety and Security	0.857	0.856	0.757	0.858	0.730	0.754	0.639	0.760	0.693

All the Pillars of Peace are strongly associated with *Societal Safety and Security*, with the strongest single correlation being with low levels of corruption. Whilst disentangling causation between the pillars is difficult, regression analysis suggests that governance, corruption and a sound business environment have the greatest impact on the level of *Safety and Security*.

Corruption is the pillar most closely associated with *Ongoing Conflict*. Previous IEP analysis has identified a 'tipping point' between peace and corruption, which suggests that beyond a certain point small increases in corruption can lead to large decreases in peace. There appears to be a threshold beyond which corruption severely inhibits societies functioning, and the likelihood of violence and conflict increases dramatically. Correlating corruption with both *Ongoing Conflict* and *Safety and Security* illustrates this threshold effect more clearly. The relationship between corruption and *Safety and Security* is linear. However, the relationship between corruption and *Ongoing Conflict* clearly demonstrates the existence of the tipping point.

FIGURE 2.12 CORRELATION BETWEEN CORRUPTION AND ONGOING CONFLICT, AND SAFETY AND SECURITY

Increases in corruption beyond a certain point can lead to widespread conflict.



SOURCE: IEP

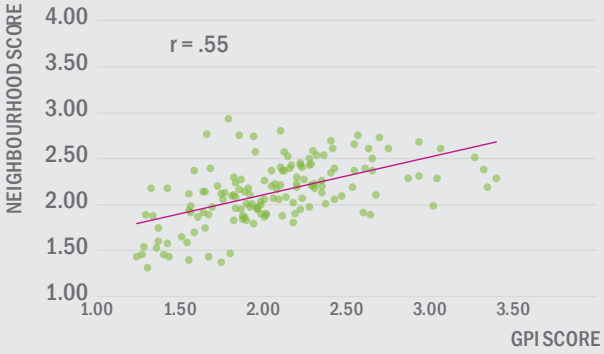
BOX 2.3 // PEACE, GEOGRAPHY, DESTINY

When looking at peacefulness across the three GPI sub-domains and attempting to determine which factors are most closely associated with peace, fixed geographic and economic factors should not be overlooked. The most peaceful countries in the world tend to be rich, small countries, either isolated or with peaceful neighbours. Japan and Canada are the only countries in the ten most peaceful countries with populations of over ten million people, and both are relatively isolated.

In order to try and determine the extent to which these fixed or slowly changing factors impact the peacefulness of a country, IEP has created a 'neighbourhood adjusted' GPI score which takes into account a country's population, the number of neighbouring countries and their GPI scores, adjusted for total shared border length and total border size. There is a reasonably strong correlation between a country's GPI score and its neighbourhood score.

FIGURE 2.13 IEP NEIGHBOURHOOD SCORE COMPARED TO GPI SCORE

The IEP neighbourhood score takes into account a country's population, the number of neighbouring countries and their GPI scores, adjusted for total shared border length and total border size. While these factors are correlated to peace and important, they are not as important as a nation's Positive Peace societal factors.



SOURCE: IEP

Although the explanatory capacity of this link is notable, it is not as strong as the institutional factors outlined in the Pillars of Peace. Regression models that only take into account fixed factors like population, total border length and neighbourhood GPI scores can only account for 30 percent of the variance in peacefulness, whereas models that include the pillars of peace can explain as much as 80 percent of the variance in peacefulness. This suggests countries have ultimate control of their peacefulness by virtue of their ability to manage their Positive Peace factors.

ENDNOTES

1. Pinker S. (2011). The Better Angels of Our Nature: Why Violence Has Declined. New York, USA: Viking Books.
2. Human Security Report Project. (2013). Human Security Report 2013. Vancouver, Canada: Simon Fraser University Canada.
3. Pinker S. op. cit.
4. Wezeman S., & Wezeman P. (2014). Trends in International Arms Transfers, 2013. Stockholm International Peace Institute Fact Sheet. Retrieved from http://books.sipri.org/product_info?c_product_id=475.
5. Stockholm International Peace Institute. (2014). SIPRI Arms Transfers Database – Methodology. Retrieved from http://www.sipri.org/databases/armstransfers/background/background_default#TIV-tables.
6. Grebe J. (2011). Global Militarization Index. Bonn International Centre for Conversion.
7. The GPI uses a five-year moving average for measuring weapons imports and exports. The 2014 weapons exports score uses data from 2008 to 2012.

FOR A FULL LIST OF COUNTRY RANKINGS BY GPI SUB-DOMAINS REFER TO ANNEX C, PAGE 102.

ASSESSING COUNTRY RISK

THE IEP RISK MODEL IDENTIFIES ON AVERAGE SEVEN OUT OF THE TEN LARGEST DETERIORATIONS IN PEACE IN EACH TWO-YEAR PERIOD SINCE 2006.

HIGHLIGHTS

Although there are many rigorous methods of measuring sovereign risk, there are only a few standard or commonly used methods of assessing country risk especially when it pertains to violence, conflict and instability. This is true for both private and public organisations including fund managers and intergovernmental organisations. While sovereign risk focuses on the risk of default on sovereign bonds and other factors related to law and political stability, country risk is associated with additional factors that may affect the investment climate or social stability of a country.

Analysis by IEP has determined that measures of peace act as a robust proxy for country risk. Changes in peace levels are in fact reflected in changing economic circumstances, political and social conditions and vice versa. This was borne out by successful statistical analysis on a number of risk and probability models developed by IEP, which are further explained in this section.

By analysing the interconnectivity between violence and societal dynamics, it is possible to create country risk models that improve the accuracy of the techniques currently used. By combining risk theory with large datasets and quantitative analysis IEP has implemented frameworks to operationalise a series of risk models. The methodology developed, when applied retrospectively, has proven to be reliable in identifying as 'at risk', countries that subsequently fell in peace.

The approach places a significant focus on understanding the trajectory and development of the long-term institutions that support peace and observing how particular combinations of societal strength or 'Positive Peace' interact with violence and conflict.

One of the strengths of the IEP country risk models is the ability to highlight the risk of small as well as large changes in levels of violence. This work is a starting point; future analysis and better data availability is expected to improve the accuracy of prediction and enable insights into a wider set of applications.

SECTION 3

By focusing on the long-term trajectory of societal factors and how they sustain peace and build resilience, it is also possible to better understand which countries provide the best opportunity for improving their economies and societies.

The IEP risk framework has practical uses for a range of stakeholders:

- Business and investors: by providing a consistent means of evaluating and pricing areas of opportunity and risk.
- International development practitioners: by identifying and prioritising the appropriate countries for the allocation of resources targeting peacebuilding and development programmes.
- Government: by providing long-term indicators for planning policy aimed at economic and social development and specifically for preventing violence.
- Civil society and researchers: by providing data to advocate for new policy approaches; new priorities and to better inform citizens about the progress of their communities and nations towards long-term peacefulness.

Key Findings

- The ten countries most likely to deteriorate in peace in the next two years are Zambia, Haiti, Argentina, Chad, Bosnia and Herzegovina, Nepal, Burundi, Georgia, Liberia and Qatar. Countries which range from high to low income and span all forms of government except for full democracies.
- Sixteen countries, or over 500 million people, live in countries with an IEP Country Risk score of more than 50, indicating a high chance of experiencing a deterioration in peace over the next two years. Of those 500 million people at risk, around 200 million live on less than $2 per day, making them highly vulnerable if deteriorations in peace do occur.
- Only three out of the 30 countries identified as 'at risk' in 2008 using the IEP models had not deteriorated in peace by 2014.
- Current IEP risk models identify on average seven out of the ten largest deteriorations in peace in each two-year period since 2006.
- The risk model identifies countries that are four times more likely to deteriorate by 15 percent in GPI peace score within two years when compared to the average country.
- The risk model identifies countries that are twice as likely to improve in peace within two years when compared to the average country.
- Prominent fragility tools do not perform well as predictive tools for future deteriorations in peace and political stability.
- Assessed risks are higher in hybrid regimes where there tends to be a deficit in political and social freedoms. While full democracies have some risk of a small to medium deterioration in levels of violence, they have virtually zero likelihood of large deteriorations in violence.
- Positive and Negative Peace tend toward each other in the long term. This was confirmed by historical regression analysis, which highlighted that 80 percent of countries followed this trend in the last 16 years.
- For the ten countries that improved the most in Positive Peace since 1996, all but one experienced improvements in their levels of violence.
- For the ten countries that improved their levels of violence the most over the past 16 years, only one country saw deteriorations in Positive Peace.

RESULTS OF IEP RISK ASSESSMENT

IEP has developed new methodologies based on evidence that links societal structures and violence together to develop a series of risk models. These models are a large step forward in assessing the likelihood of a country experiencing heightened peace or conflict. As such, they provide an important baseline for policymakers, practitioners and investors to understand the long-term likelihood of nations becoming more or less peaceful.

This framework combines risk theory with quantitative data analysis to enable detailed assessments of country risk and opportunity. The framework has immediate and practical applicability by allowing policymakers and investors to:

- Better assess the likelihood and impact of the long-term risk or opportunity in relation to changes in peace.
- Price the impact if the realisation of risk or opportunity occurs by utilising IEP's global violence containment methodology.
- Price or assess the cost/benefit of interventions or investments, to enable the pricing of potential counterfactuals.

The results of the risk framework can be interpreted in two ways:

A Countries that have the **highest likelihood of deterioration in peace** in the next two years. This is based on the *IEP Country Risk Score* combined with its *Positive Peace Deficit* score.

B Countries that have the **highest potential financial impact** if their risk of deterioration is realised. The impact is represented either in per capita dollar terms or as a percentage of GDP.

Using a database of 4,700 datasets, IEP has developed a number of risk models to explore the relationships between Positive and Negative Peace with more models in development. This section presents two of the models that were found to be effective:

- The *Positive Peace Deficit Model*: used to highlight countries that have the highest propensity to deteriorate or improve in peace.
- The *Like Country Model*: used to highlight countries that are outliers given their historical levels of peace and also outliers compared to a subset of nations with similar levels of Positive Peace.

The ***Positive Peace Deficit Model*** highlights countries that are outliers in terms of their ranks in both IEP's Positive Peace Index (PPI) and Global Peace Index (GPI). In this model, countries that have high levels of peace but lack the attitudes, institutions and structures that are typically required to sustain such peacefulness are identified. Tested retrospectively, this model identifies many countries that have experienced large deteriorations in peace since 2008.

The ***Like Country Model*** compares countries on Positive Peace levels and also on historical levels of violence. The current level of violence is compared to the historical data from the country as well as a set of similar countries. This identifies countries that are currently outliers when compared to known historical positions and movements of a set of like countries. Results from this model have been found to have a reasonable level of predictive accuracy over the short to medium-term. Combining the *Positive Peace Deficit* and the *Like Country* models allows identification of countries that have both the potential and the historical evidence to deteriorate in peace.

IEP's models offer a framework for addressing opportunity within a country as well as risk. It is important to note that opportunity is not simply the absence of risk. Future research by IEP will aim to explore drivers of opportunity using similar techniques applied to risk.

The primary focus of these models has been to identify countries that are at risk of deteriorating in peace and differs from tools that aim to identify current levels of fragility. To highlight the relevance of this research to the broader development challenges facing society, it is useful to compare how the IEP risk model performs relative to other prominent fragility measures. Because fragility measures provide a snapshot in time and are measuring the realised risk, they do not have significant predictive power. Table 3.1 shows that the commonly used measures to assess fragility failed to identify the countries that since 2008 have deteriorated the most in peace.

TABLE 3.1 COUNTRIES THAT FELL MOST SIGNIFICANTLY ON THE GPI FROM 2008-2013 COMPARED TO SELECT FRAGILITY MEASURES AND IEP'S POSITIVE PEACE DEFICIT AND LIKE COUNTRY MODELS

Prominent fragility measures were not effective in identifying countries that had significant deteriorations in peace in the last five years. IEP risk models identified nine of the ten countries that experienced the largest deteriorations in peace as being 'at risk'.

COUNTRY	2008-2013 PERCENTAGE CHANGE IN GPI SCORE	GPI RANK IN 2013 (162)	WORLD BANK CPI SCORE ABOVE 3.2 IN 2008	FAILED STATES INDEX (SCORE ABOVE 90 – OECD CRITERIA)	STATE FRAGILITY INDEX SCORE IN 2008 (VERY HIGH FRAGILITY MEANS IDENTIFIED)	IEP POSITIVE PEACE DEFICIT ANALYSIS AND LIKE COUNTRY MODELLING*
Syria	-70%	160	No	Yes	No	Yes
Libya	-39%	145	No	No	No	Yes
Rwanda	-31%	135	No	No	No	Yes
Madagascar	-27%	90	Yes	No	No	Yes
Oman	-23%	36	No	No	No	Yes
Tunisia	-21%	77	No	No	No	Yes
Cote d'Ivoire	-19%	151	No	Yes	No	Yes
Yemen	-18%	152	No	Yes	No	Yes
Mexico	-18%	133	No	No	No	No
Bahrain	-17%	95	No	No	No	Yes

*30 out of 162 countries were identified as being at risk.

ASSESSING THE LIKELIHOOD OF A SMALL TO MEDIUM DETERIORATION IN PEACE

Box 3.1 explains in more detail how IEP estimated the likelihood of changes in peace. However, it should be noted that:

- Assessing small to medium changes in peace allows for a more sensible comparison of countries. For example, while the likelihood of genocide occurring in the Scandinavian region is close to nil, the likelihood of a terrorist attack is not.
- While large events such as civil wars generate devastating violence, most deaths globally occur in other less concentrated forms of interpersonal violence.
- The term 'small to medium' is used only as an indication of the change in GPI score, not as an indication of the real-world effects of such a change.

By running the risk model against the most recent data available, the countries that have the highest likelihood of deteriorating in peace in the next two years have been identified.[1] Table 3.2 lists the ten countries with the highest potential for deterioration based on the IEP's *Like Country Model*.

These countries tend to be lower middle income countries. The list also illustrates that hybrid regimes are more likely to experience deteriorations in peace. The presence of Qatar and Argentina in the list indicates that high income or better governance does not completely eliminate country risk.

Peace and resilience cannot be attributed to one factor alone. Risk is better conceptualised within a system as described in IEP's Pillars of Peace research (detailed further in Box 3.3 on page 67). Increases in all eight Pillars are required to build positive momentum in the attitudes, institutions and structures that sustain more peaceful societies.

PEACE AND RESILIENCE CANNOT BE ATTRIBUTED TO ONE FACTOR ALONE. SIMILARLY, RISK OF VIOLENCE AND CONFLICT DEPENDS ON MANY VARIABLES.

TABLE 3.2 COUNTRIES WITH HIGHEST POTENTIAL FOR SMALL TO MEDIUM DETERIORATIONS IN PEACE BETWEEN 2014 AND 2016 USING THE LIKE COUNTRY MODEL

The ten countries most likely to deteriorate in peace include nations from MENA, Europe, South America and Asia. They range from high to low income and span all forms of government except for full democracies.

COUNTRY	GOVERNMENT	INCOME	IEP COUNTRY RISK SCORE (OUT OF 100)	2014 GPI LEVELS	AVERAGE GPI OF COUNTRY SINCE 1996	AVERAGE GPI OF LIKE COUNTRIES SINCE 1996
Zambia	Hybrid regime	Lower middle income	86	1.8	2.9	Medium PPI countries = 2.3
Haiti	Hybrid regime	Low income	78	2.1	2.7	Medium PPI countries = 2.3
Argentina	Flawed democracy	Upper middle income	76	1.5	1.8	High PPI countries = 2.0
Chad	Authoritarian regime	Low income	74	2.7	3.5	Low PPI countries = 2.9
Bosnia and Herzegovina	Hybrid regime	Upper middle income	72	1.3	1.6	Medium PPI countries = 2.3
Nepal	Hybrid regime	Low income	70	1.9	2.4	Medium PPI countries = 2.3
Burundi	Hybrid regime	Low income	70	2.1	3.7	Low PPI countries = 2.9
Georgia	Hybrid regime	Lower middle income	70	1.7	2.2	High PPI countries = 2.0
Liberia	Hybrid regime	Low income	67	2.0	3.0	Medium PPI countries = 2.3
Qatar	Authoritarian regime	High income	65	1.1	1.3	High PPI countries = 2.0

BOX 3.1 // INTERPRETING THE IEP COUNTRY RISK SCORE

The IEP Country Risk Score is a measure that reflects the *relative* potential for changes in a country's current levels of peace as rated against other like countries. It can be interpreted as the likelihood of a country deteriorating in peace in the presence of a trigger factor occurring domestically or internationally. Higher likelihoods represent higher country fragility due to the country's societal factors not being strong enough to absorb a potential shock.

A high IEP Country Risk score indicates that the country's institutions are not strong enough to guarantee its current level of peace. It does not mean that it will deteriorate in the future, only that it has the potential to. Such countries may find it difficult to maintain higher levels of peace in the longer term without improving their Positive Peace measures.

The likelihood of relatively small to medium changes in peace is explored in the model presented here. It should be noted small to medium is only used as a relative term to differentiate the levels of conflict and violence. The purpose of exploring small to medium changes in peace is to produce more nuanced and globally comparable results. For example, history shows it is highly unlikely for full democracies to have large uprisings or conflicts of the magnitude of the Arab Spring uprisings. However, such countries are still susceptible to small to medium deteriorations. Protests in Iceland as a result of the Euro debt crisis are a case in point. Exploring these types of changes allows for a more nuanced assessment of risk that is not possible when only looking at large-scale events such as civil wars or genocide and istherefore more useful to a wider variety of applications.

This section defines a small to medium change in peacefulness as an increase in the GPI of 0.1. Only 13 countries experienced a change of this magnitude or greater in the 2014 GPI. A change of this magnitude would be approximately equivalent to one of the following:

- A significant increase in the fear of violence within a society.
- A serious deterioration in diplomatic relations.
- An increase in the homicide rate of two per 100,000 (for an average sized country this would represent an increase of 500-1000 more homicides per year).

ASSESSING THE POTENTIAL FINANCIAL IMPACT

Understanding the likelihood of deteriorations in peace is the first step to measuring country risk. It is also important to understand the likely financial impact of deteriorations in peace. To do so, IEP uses its *Global Violence Containment* model, which conservatively estimates the costs associated with 13 different types of violence for 162 countries. Therefore estimations can be made of the cost of potential deteriorations in peace.

Exposure to risk can be calculated by multiplying potential changes in a country's violence containment costs with the *IEP Country Risk score* to deduce a final weighted financial impact score. It is important to note that the methodology is highly conservative; therefore the realised costs may be much higher. Despite this, it does form the basis for cross-country comparisons as the method used for each country is the same.

The approach taken in the *Like Country Model* is to use a subset of GPI and PPI indicators that can be taken back to 1996 and apply them as the basis for determining a country's history of violence and the likelihood of future levels of peacefulness. Box 3.5 (on page 77) presents the details of each of these measures. By combining both the likelihood and potential impact of the projected increases in violence, an overall risk can then be calculated for the purposes of prioritising financial impact. The final risk score therefore represents a combination of the likelihood of a fall occurring and the financial impact if it were to occur. While this final value has a statistical meaning, in practice it should be interpreted as a measure of the relative risk facing a country.

Two sets of results were produced for the purposes of demonstrating the practical application of the risk tool. The first of these, shown in Table 3.3, lists countries that have the greatest risk based on the likelihood of deterioration and the potential financial impact if the risk eventuated.

The second, shown in Table 3.5, details those countries with low levels of human development that are facing the largest risk on a per capita basis.

The financial impact of a small to medium rise in violence was found to be greatest in South Korea, Indonesia and Argentina. Such an increase in violence would be equivalent to US$3.8 billion, US$3.7 billion and US$2.0 billion respectively.

The dollar impacts do not include potential flow-on impacts on the economy from higher levels of violence nor do they account for violence having negative consequences which result in further increases in violence. These estimates are therefore at the lower end of what would occur if the risk were realised.

TABLE 3.3 LIKELIHOOD AND IMPACT OF A SMALL TO MEDIUM INCREASE IN VIOLENCE, SORTED BY FINANCIAL IMPACT

The potential financial impact of a small rise in violence to the global economy would be large.

COUNTRY	IEP RISK SCORE	FINANCIAL IMPACT OF SMALL TO MEDIUM RISE IN VIOLENCE ($ BILLION PPP)	RISK LIKELIHOOD X IMPACT ($ BILLION PPP)
Indonesia	58/100	$3.7Bn	$2.1Bn
South Korea	53/100	$3.8Bn	$2.0Bn
Argentina	76/100	$2.0Bn	$1.5Bn
Myanmar	59/100	$0.6Bn	$0.3Bn
Qatar	65/100	$0.4Bn	$0.2Bn
Bulgaria	60/100	$0.2Bn	$0.1Bn
Paraguay	64/100	$0.2Bn	$0.1Bn
Chad	74/100	$0.1Bn	$0.1Bn
Nepal	70/100	$0.1Bn	$0.1Bn
Zambia	86/100	$0.1Bn	$0.1Bn

TABLE 3.4 LIKELIHOOD AND IMPACT OF A SMALL TO MEDIUM DETERIORATION IN PEACE, SORTED BY THE POTENTIAL FINANCIAL IMPACT PER PERSON IN THE NEXT TWO YEARS, US$ PPP

This table highlights the countries with the highest potential financial impact if a small to medium deterioration in peace did occur. The financial impact can be very significant when looking at the potential effect of how many people could drop below $1.25 per day if the risk were directly carried by the population.

COUNTRY	IEP RISK SCORE	PER PERSON IMPACT OF MINOR RISE IN VIOLENCE ($ PPP)	PER CAPITA RISK ($ PPP) LIKELIHOOD X IMPACT	NUMBER OF PEOPLE WHO COULD DROP BELOW $1.25 A DAY POVERTY LINE
Chad	74/100	$10.2	$7.6	5.5M
Myanmar	59/100	$10.6	$6.2	*
Angola	19/100	$31.0	$5.9	3.2M
Zambia	86/100	$ 5.5	$4.7	*
Papua New Guinea	41/100	$10.3	$4.2	*
Haiti	78/100	$ 4.7	$3.7	*
Nepal	70/100	$ 4.8	$3.3	0.4M
Kenya	42/100	$ 7.0	$3.0	1.5M
Benin	41/100	$ 6.0	$2.5	0.5M
Uganda	32/100	$ 6.0	$1.9	0.9M

*Estimate unavailable

Based on this analysis, the largest per capita impacts would occur in Angola, Myanmar and Papua New Guinea. Specifically, if these countries were to experience deteriorations in peace, as measured by the GPI, they would respectively experience an increase in their violence containment costs of $31, $10.6 and $10.3 per person.

Nations with the highest probability of experiencing a small to medium deterioration in the GPI were found to be Zambia, Haiti and Chad. The methodology shows Zambia had a score of 86/100 while Haiti and Chad had scores of 78/100 and 74/100 respectively, indicating relatively high potential for deterioration.

What is perhaps most significant, however, is the number of people who could potentially drop below the $1.25 a day poverty line. As can be clearly seen should violence occur, 5.5 million, 3.2 million and 1.5 million people could drop below the $1.25 poverty line in Chad, Angola and Kenya respectively.[2]

TABLE 3.5 TOTAL IMPACT OF A SMALL DETERIORATION IN PEACE IN LOW HDI NATIONS

If small deteriorations in peace were to occur the financial impact would be particularly high for Angola, Myanmar and Kenya.

COUNTRY	TOTAL IMPACT ($ MILLIONS PPP)
Angola	$363M
Myanmar	$307M
Kenya	$217M
Nepal	$112M
Chad	$77M
Zambia	$67M
Papua New Guinea	$54M
Benin	$45M
Niger	$38M
Haiti	$36M

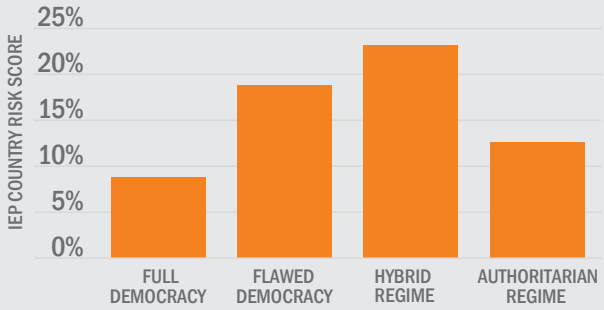
It was found that 16 countries, or over 500 million people, live in countries with an IEP Country Risk score of more than 50, indicating a higher chance of experiencing a small to medium deterioration in peace over the next two years. Interestingly, assessed risks are higher in hybrid regimes where there tends to be a deficit in political and social freedoms.

Figureas 3.1 and 3.2 illustrate that although full democracies experience small deteriorations in peace, the likelihood of full democracies experiencing larger deteriorations is zero. To put this in context, a large deterioration of 0.5 in GPI score is essentially equivalent to the onset of a civil war or very major internal conflict.

Authoritarian regimes are more likely to experience large deteriorations in peace than flawed democracies. Hybrid regimes are still the most likely to suffer from large deteriorations.

FIGURE 3.1 AVERAGE RISK BY REGIME TYPE OF A SMALL TO MEDIUM DETERIORATION IN PEACE

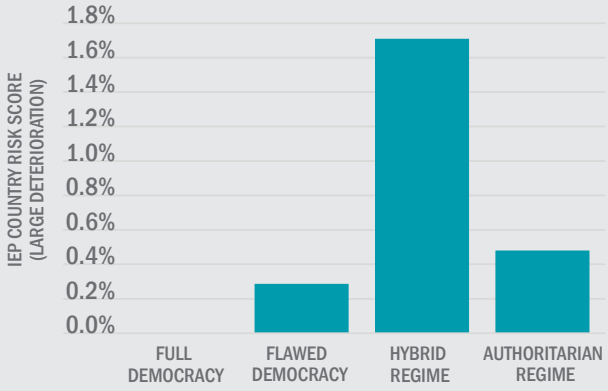
The results of IEP risk modelling show that hybrid regimes are the countries with the highest likelihood of a small to medium deterioration in peace.



SOURCE: EIU, IEP

FIGURE 3.2 AVERAGE RISK BY REGIME TYPE OF A LARGE DETERIORATION IN PEACE

In contrast with other government types, full democracies have negligible likelihood of suffering large deteriorations in peace.[3] Authoritarian regimes are more likely than flawed democracies to experience large deteriorations in peace.

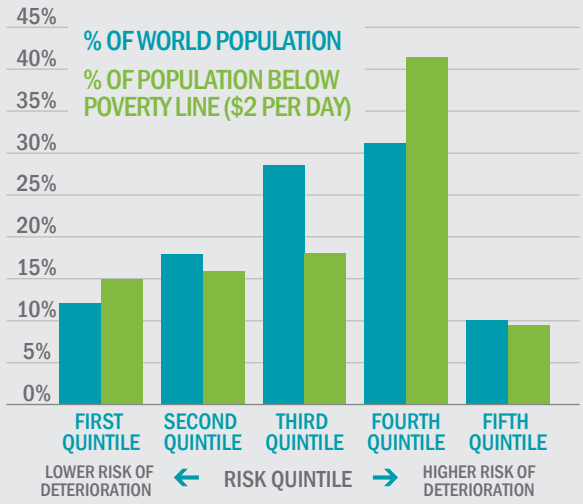


SOURCE: EIU, IEP

Of people at risk of facing increases in levels of violence, around 200 million live in acute poverty or on less than $2 per day, making them extremely vulnerable to such deteriorations in peace. This is illustrated in more detail in Figure 3.3.

FIGURE 3.3 GLOBAL POPULATION DISTRIBUTIONS AND RISK

A large proportion of those living in poverty are also facing the prospect of deteriorations in peace. Forty percent of the world's people living in acute poverty live in countries vulnerable to small to medium deteriorations in peace. Poverty is defined as two dollars a day.



SOURCE: World Bank, IEP

HISTORICAL ACCURACY OF IEP RISK MODEL

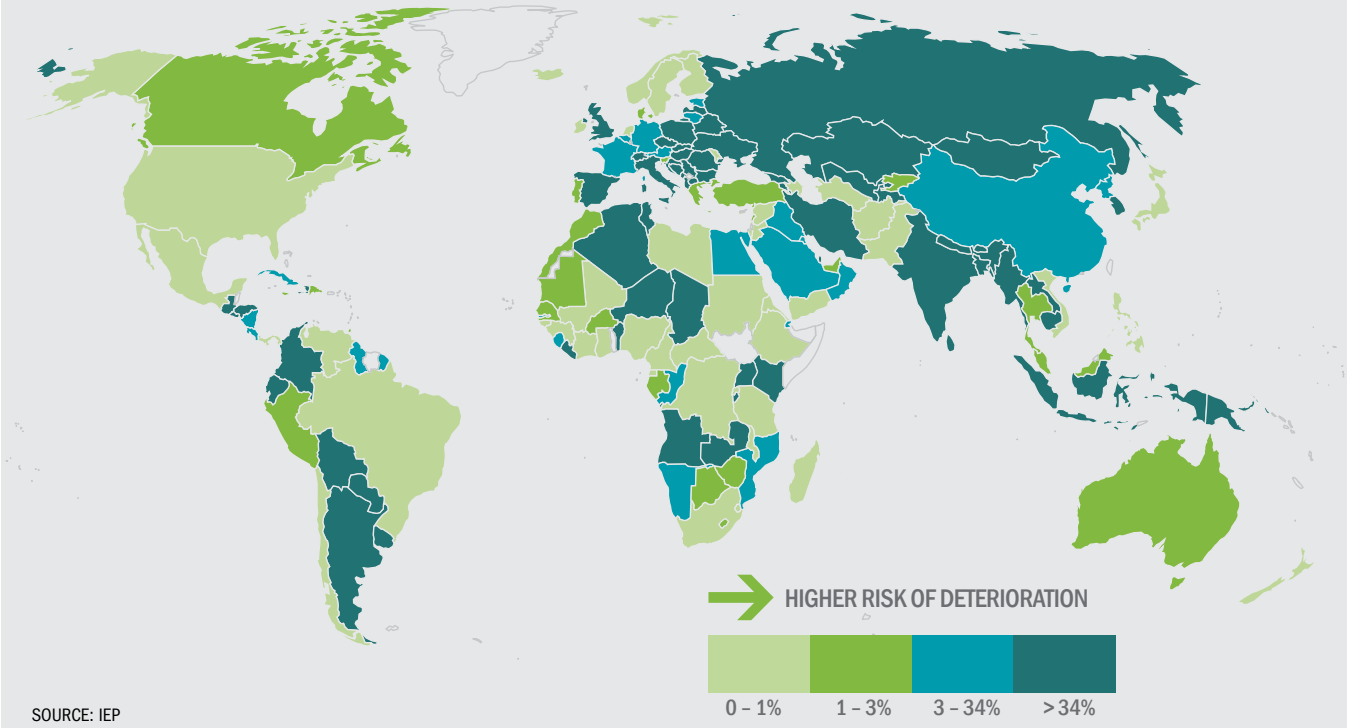
To assess the different models developed by IEP, a number of experiments were carried out using historical data. Outputs of the risk models were compared to actual outcomes to measure the effectiveness of each approach. From the 30 countries with the largest Positive Peace deficits in 2008 only three had not deteriorated in peace by 2014. These countries are shown in Table 3.6.

To determine the accuracy over a shorter time frame, experiments were designed for the *Like Country Model* using two-year time horizons. Between 2006 and 2010 this approach was used to calculate the likelihood of deterioration for each country. The 30 countries with the largest likelihoods were then classified as being at risk in that year. Historically, countries that were identified as being at risk in this approach were four times more likely to deteriorate in peace than countries that were not. On the other end of the spectrum, the 30 countries that were assessed as having the greatest likelihood of improving were found to be twice as likely to improve when compared to the remainder countries.

Repeating the two-year time frame experiments over eight years produced four measurement periods. On average, this approach identified seven out of ten of

FIGURE 3.4 IEP COUNTRY RISK OF A SMALL TO MEDIUM DETERIORATION IN PEACE

This map shows the IEP Country Risk score measuring the likelihood of small deteriorations in peacefulness over the next two years.



SOURCE: IEP

the countries that had the largest actual deterioration in peace within two years. Furthermore, the risk model identifies countries that are four times more likely to deteriorate in peace when compared to other countries. A combined *Positive Peace Deficit* and *Like Country Model* performed better, highlighting nine of the ten countries that deteriorated.

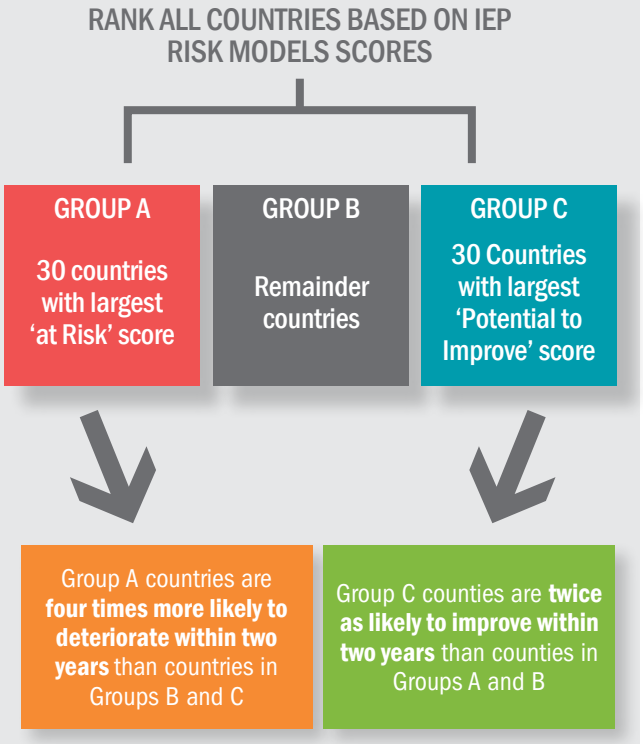
TABLE 3.6 MANY COUNTRIES WITH LARGE POSITIVE PEACE DEFICITS IN 2008 HAVE DETERIORATED IN PEACE

Only three out of the 30 countries with the largest Positive Peace deficits in 2008 did not deteriorate in peace by 2014.

COUNTRIES WITH POSITIVE PEACE DEFICITS IN 2008 (RED = DETERIORATED, GREEN = NO DETERIORATION)	
BANGLADESH	MALAWI
BELARUS	MALAYSIA
BOLIVIA	MOROCCO
BURKINA FASO	MOZAMBIQUE
CAMBODIA	NEPAL
CAMEROON	ROMANIA
CHINA	RWANDA
EGYPT	SIERRA LEONE
ETHIOPIA	SWAZILAND
GABON	SYRIA
INDONESIA	TANZANIA
IRAN	TUNISIA
JORDAN	UZBEKISTAN
LAOS	VIETNAM
MADAGASCAR	YEMEN

FIGURE 3.5 IEP RISK MODELLING IDENTIFIES COUNTRIES THAT HAVE LIKELIHOODS OF DETERIORATION AND IMPROVEMENT

Experimenting retrospectively with data from 2006-2012 IEP Risk modelling identifies countries that were four times more likely to deteriorate and twice as likely to improve in peace.[4]



SOURCE: IEP

TABLE 3.7 COUNTRIES WITH THE LARGEST DETERIORATIONS IN PEACE COMPARED TO IEP RATINGS USING THE LIKE COUNTRY MODEL AND POSITIVE PEACE DEFICIT MODEL

On average the IEP risk approach identifies seven out of the ten countries that experienced the largest deteriorations in peace within a two-year time frame.[5]

LARGEST DETERIORATIONS 2006–2008	FORECASTED AT RISK IN 2006?	LARGEST DETERIORATIONS 2007–2009	FORECASTED AT RISK IN 2007?	LARGEST DETERIORATIONS 2008–2010	FORECASTED AT RISK IN 2008?	LARGEST DETERIORATIONS 2009–2011	FORECASTED AT RISK IN 2009?	LARGEST DETERIORATIONS 2010–2012	FORECASTED AT RISK IN 2010?
Equatorial Guinea	Yes	Madagascar	Yes	Rwanda	Yes	Burkina Faso	Yes	Syria	Yes
Mali	No	Equatorial Guinea	Yes	Ethiopia	No	Libya	Yes	Mali	Yes
Cambodia	No	North Korea	No	Cote d'Ivoire	Yes	Cameroon	Yes	Oman	Yes
Nicaragua	Yes	Gabon	Yes	Angola	Yes	Ghana	No	Cameroon	No
Vietnam	Yes	Rwanda	Yes	Senegal	Yes	Cote d'Ivoire	Yes	Guinea	Yes
Kazakhstan	Yes	Chile	No	North Korea	No	Sierra Leone	Yes	Ghana	No
Malawi	No	Zambia	Yes	Sierra Leone	Yes	Kyrgyzstan	Yes	Djibouti	Yes
Panama	Yes	Indonesia	Yes	Uganda	No	Bahrain	Yes	Burkina Faso	No
Madagascar	Yes	Malawi	Yes	Kyrgyzstan	Yes	Kenya	Yes	Azerbaijan	Yes
Bolivia	Yes	Nicaragua	Yes	Zambia	No	Ethiopia	No	Libya	Yes
7/10		8/10		6/10		8/10		7/10	

CONCEPTUAL LINK BETWEEN PEACE AND INSTITUTIONS

'...The cause of violence may vary, but the underlying reason for societies' inability to resist stresses is that their institutions are too weak to mediate them peacefully. Durable solutions to violence, therefore, require more than addressing each individual stress, they require action to address the underlying weaknesses in institutional legitimacy'.[6]

-WORLD DEVELOPMENT REPORT 2011

An important contribution of the Global Peace Index since its first release in 2007 has been to shift thinking about peace away from a simple binary state of conflict or war, to a more sophisticated layered concept, where countries and regions can be represented on a nuanced continuum of peace. The GPI's definition of peace is what is termed 'Negative Peace', defined as the absence of violence or fear of violence and is represented by measures of societal safety and security, militarisation and ongoing internal and external conflict. Negative Peace is important to measure and understand over time. Extensive research exists that shows direct forms of violence and conflict fundamentally undermine human wellbeing and almost every conceivable development goal.

While Negative Peace is important to understand and measure over time, it does not explain the key factors that should be cultivated to create a more peaceful society. Only by increasing the understanding of what is termed Positive Peace (defined as the attitudes, institutions and structures that create and sustain peace over time) can we better understand how to create more peaceful and resilient societies. By systematically assessing how these long-term societal factors move over time we can better understand underlying risk factors and the resilience countries may have to internal and external conflict stressors.

IEP has developed a framework for conceptualising the key societal structures that are statistically prevalent in the most peaceful countries in the world. This framework, called the Pillars of Peace, provides a starting point for assessing the Positive Peace factors that create and sustain peaceful societies. The taxonomy also forms an ideal base for measuring a society's trajectory towards conflict as well as its potential for peace. These Positive Peace factors are also positively associated with many qualities that we consider beneficial such as strong economies, gender equality, greater ecological sustainability and fairer and more harmonious societies.

In constructing the Pillars of Peace, over 4,700 different indices, datasets and attitudinal surveys were analysed in consultation with recent literature about what drives peace, resilience and conflict. The framework describes eight key characteristics that define the most peaceful nations:

- Well-functioning government
- Sound business environment
- Equitable distribution of resources
- Acceptance of the rights of others
- Good relations with neighbours
- Free flow of information
- High level of human capital
- Low levels of corruption.

FIGURE 3.6 PILLARS OF PEACE

SOURCE: IEP

These eight Pillars are associated with peaceful environments and are both inter-dependent and mutually reinforcing, such that improvements in one factor would tend to strengthen others and vice versa. Therefore the relative strength of any one Pillar has the potential to positively or negatively impact the others, thereby influencing peace. A peaceful environment is dependent on the strength of all Pillars. This is analogous to a brick wall: take out one brick and the strength of the entire wall is materially impacted.

The link between weak societal factors and cycles of violence and conflict has been solidly established in development literature and notably in the World Bank's World Development Report (WDR) 2011. The focus of much of this literature is on internal and external stressors that create conflict such as horizontal inequalities, ethnic divides, unemployment, natural resource wealth and climate change. The Pillars framework aims to go beyond measuring conflict stressors towards a more systematic analysis of the underlying ability of a country to be resilient against a variety of internal and external shocks that may eventuate in the future.

The attitudes, institutions and structures described by the Pillars not only provide a framework for assessing a country's potential for peace, it also provides a proxy for a country's ability to plan for and respond to change or shocks. A key reason for this is the mutually reinforcing nature of the societal structures underpinning the Pillars. For instance, when a country has strong formal institutions, such as a well-functioning legal system, in combination with strong informal institutions, such as cohesive communities, it will more effectively respond or adapt to specific shocks.

Conversely, countries may also be exposed to positive shocks or exogenous factors. A classic example may be the large discovery of oil reserves or other primary resources, favourable free trade agreements or the lifting of sanctions. Nations with stronger Positive Peace will be able to better capitalize on fortuitous circumstances strengthening the potential for greater levels of future peace and prosperity. Norwegian management of its North Sea oil reserves and the foresight to develop a large fund for future social or economic needs is a prominent example.

Protection in the aftermath of a large shock lies in the ability of the social system to rebound and respond. This is measured by its resilience. The link between resilience and Positive Peace is shown in Figure 3.7 and is further expanded upon in this section of the report.

Figure 3.8 represents the effect of an identical shock event depending on the resilience of the system, with higher resilient systems seeing smaller negative effects in peace.

The real-world link between the Positive Peace factors and peace can be assessed by looking at the strong correlation between socio-economic factors and peace as measured by components of the GPI and the various Pillars shown above.

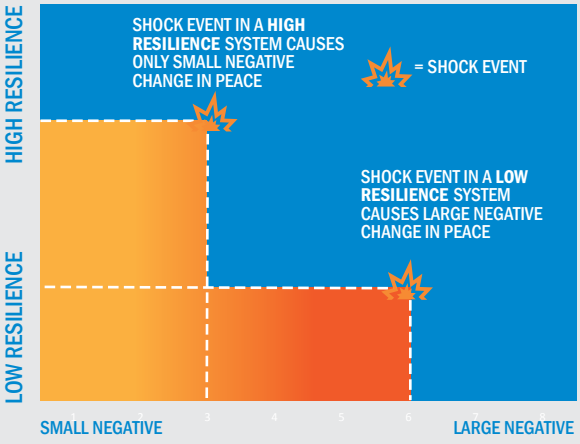
FIGURE 3.7 LINK BETWEEN RESILIENCE AND POSITIVE PEACE

Positive Peace can be measured by the Pillars of Peace. Better performance on the Pillars of Peace equates to higher resilience against shocks.

SOURCE: IEP

FIGURE 3.8 IMPACT OF AN IDENTICAL SHOCK ON A HIGH AND LOW RESILIENCE SYSTEM

An identical event may have starkly different impacts depending on the resilience of a system.



SOURCE: IEP

Figure 3.9 demonstrates the strength of the correlation of the PPI and the GPI ranks in 2013. This shows that as countries improve their ranking on Positive Peace, they will also experience improvements in the levels of violence as measured by the GPI. What can also be seen are outlier countries, which experience below average Positive Peace and relatively low levels of violence. Conversely, other countries experience higher levels of violence in spite of their relatively high Positive Peace.

By tracking the movement of societal factors against levels of violence it is possible to understand the trajectory of particular countries and their risk of conflict or opportunity. As a general principle, over time, a country's actual Negative Peace will trend towards the country's level of Positive Peace.

BOX 3.2 // THE IMPORTANCE OF MEASURING RESILIENCE

The interconnected nature of the global community means that realised risks increasingly affect individuals, communities and businesses. Some risks can be foreseen; for instance, it is widely recognised that natural and human-made shocks and stresses will continue to occur due to the structural pressures of fiscal imbalances, increased urbanisation, population ageing and subsequent political tensions. With the growth of these structural risks, the resilience of nations and cities will continue to be tested and the importance of understanding whether nations and communities are becoming more or less resilient is increasingly important.

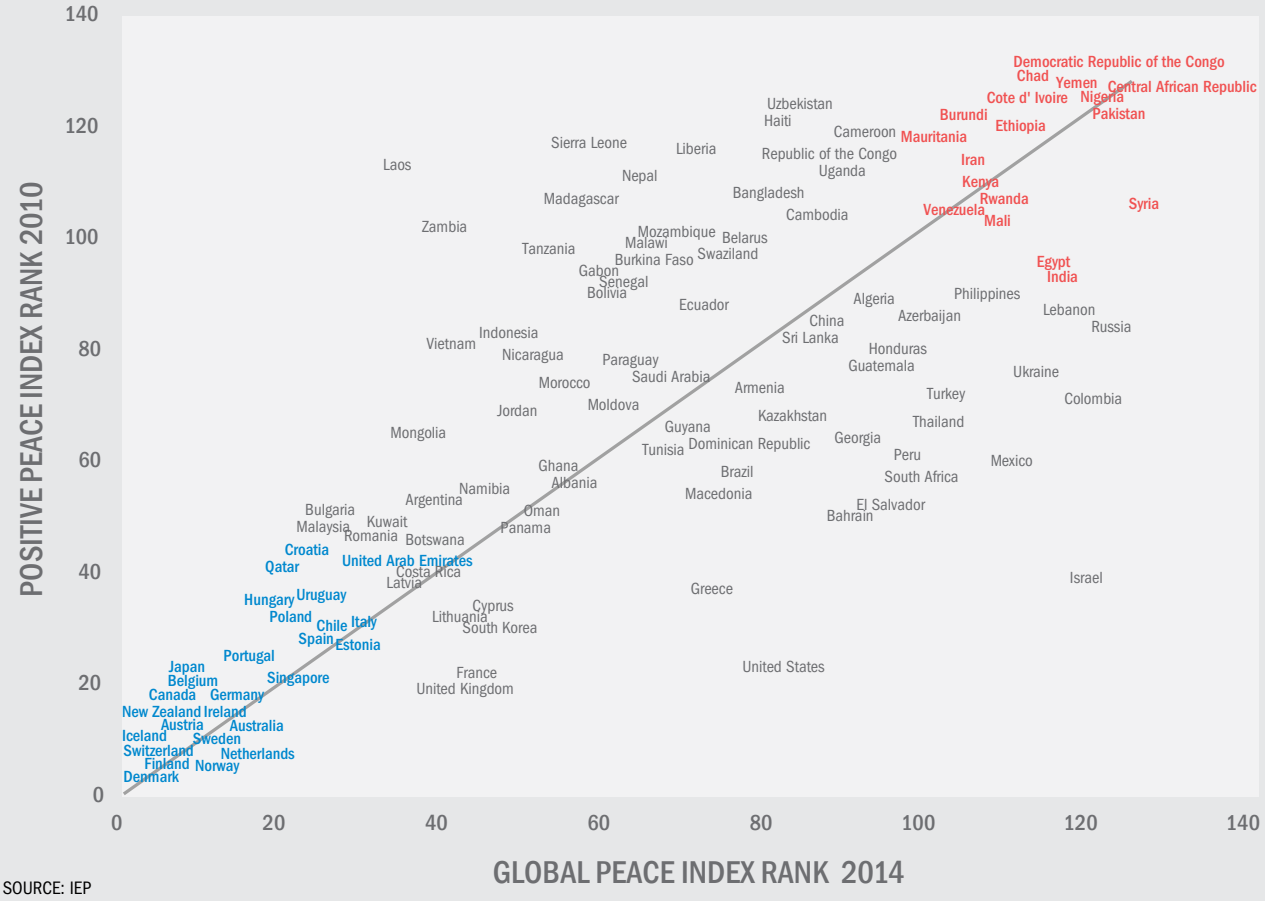
The data generated by IEP shows that the countries that will be at the most risk of economic loss, violence and societal breakdown will have the lowest levels of resilience and Positive Peace factors in place. Nations with low levels of Positive Peace are less likely to remain flexible, 'pull together' and rebound in the face of crisis. This is why donors and development agencies such as UNDP have placed resilience-building as a guiding principle of their operations.

IEP's Pillars of Peace is a practical framework for measuring and thus understanding whether countries are improving or going backwards in terms of building societal resilience. The Pillars also provide an excellent framework to measure and analyse long-term development assistance and peacebuilding.

In order to understand whether countries are increasing their resilience to shocks, better measurements are needed that reflect the processes of development and the attitudes, institutions and structures that underpin resilience. With better information about the positive or negative trajectory of countries, it is possible to focus on time development assistance towards prevention rather than on more costly after-the-fact interventions.

FIGURE 3.9 POSITIVE PEACE COMPARED TO NEGATIVE PEACE

There is a strong correlation between the attitudes, institutions and structures as measured by the Positive Peace Index, which captures the eight key Pillars of Peace and the level of violence a nation experiences. Countries in blue are resilient and peaceful countries; those in red are more violent and vulnerable.



SOURCE: IEP

BOX 3.3 // POSITIVE PEACE INDEX – A COMPOSITE MEASURE OF THE PILLARS OF PEACE

In the same way Negative Peace cannot be wholly understood by just taking account of homicide rates or levels of organised conflict, it is not possible to understand Positive Peace or societal capacity and resilience by just measuring governance or corruption.

In order to systematically measure the Pillars of Peace, IEP has developed a composite measure of Positive Peace. The Positive Peace Index (PPI) is a measure of the strength of the attitudes, institutions, and structures of 126 nations to determine their capacity to create and maintain a peaceful society. It is a proxy to measure the societal strength, capacity and resilience of nations. Each domain in the Index is equally weighted to reflect the equal importance of the eight Pillars to sustaining peace and building durable resilient societies. Table 3.8 shows the indicators of the Positive Peace Index.

THE POSITIVE PEACE INDEX MEASURES THE ATTITUDES, INSTITUTIONS AND STRUCTURES THAT SUSTAIN PEACEFUL SOCIETIES.

TABLE 3.8 POSITIVE PEACE INDEX INDICATORS

PILLAR	INDICATOR	SOURCE
WELL-FUNCTIONING GOVERNMENT	Government Effectiveness	World Governance Indicators, World Bank
	Rule of Law	World Governance Indicators, World Bank
	Political Culture	Sub-Index, Democracy Index, EIU
SOUND BUSINESS ENVIRONMENT	Ease of Doing Business	Ease of Doing Business Index, World Bank
	Economic Freedom	Heritage Foundation
	GDP per Capita	World Bank
EQUITABLE DISTRIBUTION OF RESOURCES	Life Expectancy Index Loss	Human Development Report, UNDP
	Gini Coefficient	EIU
	Population living below $2/day	World Bank, IEP
ACCEPTANCE OF THE RIGHTS OF OTHERS	Hostility to Foreigners	Economist Intelligence Unit
	Empowerment Index	Cingarelli-Richards Human Rights Dataset
	Gender Inequality	Human Development Report, UNDP
GOOD RELATIONS WITH NEIGHBOURS	Satisfaction with Community	Human Development Report, UNDP
	Regional Integration	Economist Intelligence Unit
	Intergroup Cohesion	Indices for Social Development, International Institute for Social Studies
FREE FLOW OF INFORMATION	Freedom of the Press Index	Freedom House
	World Press Freedom Index	Reporters without Borders
	Mobile Phones Subs. per 1000	International Telecommunications Union
HIGH LEVELS OF HUMAN CAPITAL	Youth Development Index	Commonwealth Secretariat
	Non Income Human Development Index	Human Development Report, UNDP
	Number of Scientific Publications	World Bank and UNDP
LOW LEVELS OF CORRUPTION	Control of Corruption	World Governance Indicators, World Bank
	Factionalised Elites	Fund for Peace
	Perceptions of Corruption	Transparency International

PEACE AND ECONOMIC GROWTH

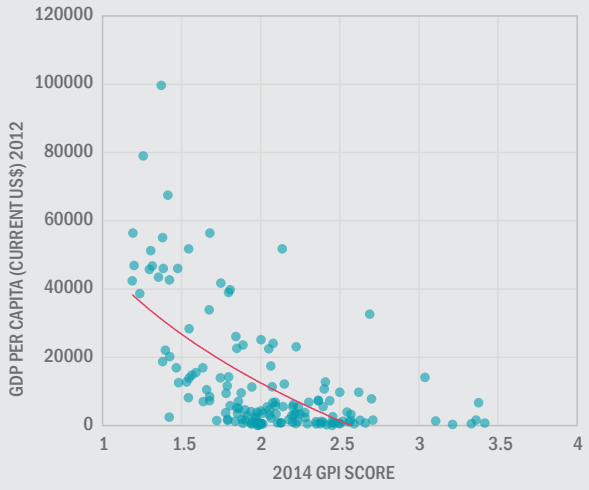
One of the key Pillars underpinning more peaceful societies is a strong and sound business environment, which provides stability and certainty for private sector growth as well as a reliable tax base for governments to implement policies that develop a country.

A peaceful environment with low levels of violence, insecurity and fear also provides the environment for business and investment to flourish. The direction of causality between peace and economic growth is not entirely constant and is dependent on context. In some cases, it is clear that deterioration in economic conditions can lead to increased social tensions, resulting in increased violence. This has been the case in Greece in the wake of the Global Financial Crisis. [7] Conversely, there are cases where conflict and violence as a primary consequence of social and political tensions are the catalyst for a significant deterioration in economic activity. Seen in this light, peace can be the product or producer of a more economically prosperous society with causality running in either direction.

Closely associated with levels of peace is the corresponding level of spending a country commits to containing and dealing with the consequences of violence. Violence containment spending, defined as the economic activity related to dealing with the consequences or prevention of violence where the violence is directed against people or property, is closely linked to levels of peace. This link is seen at the global and sub-national level, where countries that have lower levels of homicide, violent crime and conflict will also have lower levels of spending on policing, judicial functions and military spending.

FIGURE 3.10 GDP PER CAPITA, CURRENT PPP AND THE GLOBAL PEACE INDEX, R=0.6

Countries that are more peaceful also tend to be more economically prosperous.



SOURCE: World Bank, IEP

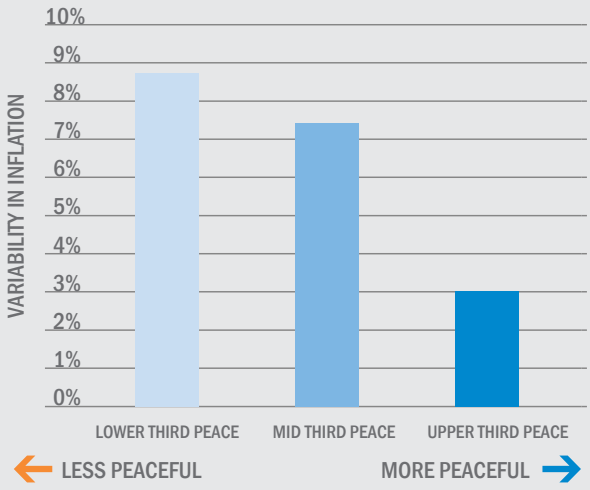
One of the key measures over time is the link between GDP per capita and peace. Figure 3.10 shows the strong correlation between the two measures. The major outliers are the US and Israel with relatively low peace but high GDP per capita, and a handful of low peace countries with large natural resource exports such as Equatorial Guinea.

Another key metric that underpins both peace and economic prosperity is the rate of inflation as well as its variability. Inflation can have many effects on an economy but it is accepted that high or volatile inflation rates have a negative effect on the economy by increasing uncertainty and discouraging investment. In some situations, very high levels of inflation can also affect consumption by encouraging hoarding of goods for fear of future price rises.

What can also be seen in Figure 3.11 is the strong link between inflation rates and less peaceful countries. The most peaceful countries on the GPI average one-third the inflation rate of the bottom 50.

FIGURE 3.11 VARIABILITY IN INFLATION AND LEVELS OF PEACE

Countries that have lower levels of violence tend to have less volatile inflation rates and as a consequence more certainty for investment.



SOURCE: IEP

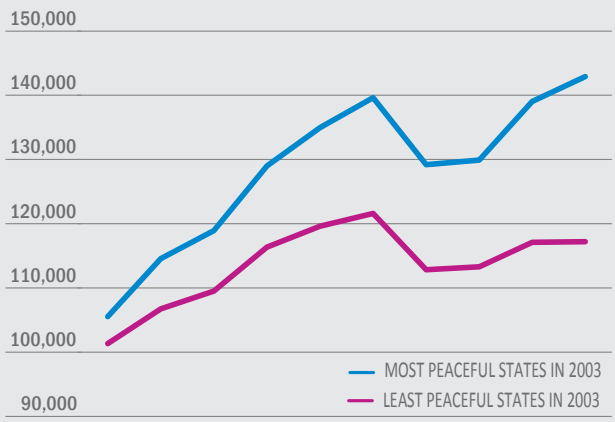
PEACE AND ECONOMIC GROWTH AT THE SUB-NATIONAL LEVEL

The link between economic prosperity and peace can also be seen at the sub-national level. IEP research has found several examples where differences in the level of peace have influenced future GDP per capita. While the link may be obvious in the extreme case of civil war, it is generally less well understood that a region, province or state with lower levels of interpersonal violence such as homicide, violent crime or organised crime will also see notable differences in economic prosperity.

A prominent example can be seen in the case of Mexico over the period 2003 to 2011. It is well documented that Mexico experienced unprecedented increases in violence during this ten-year period due to the proliferation of international criminal networks and the subsequent drug war. IEP research as part of the Mexico Peace Index, which mapped peace in Mexico's 32 states, highlighted that there was a strong link between peacefulness and subsequent growth in GDP per capita. Figure 3.12 shows the states that were more violent in 2003 tended to also experience weaker economic growth over the subsequent decade. States with higher levels of peace had much higher per capita incomes. Importantly, this tendency was also true when states were compared within the same region and while also taking out outliers like Campeche, which had significant revenues from oil.

FIGURE 3.12 GDP GROWTH AND LEVELS OF PEACEFULNESS, MEXICAN STATES

The five most peaceful states in 2003 had 20 percent higher GDP per capita than the least peaceful by the end of the decade.

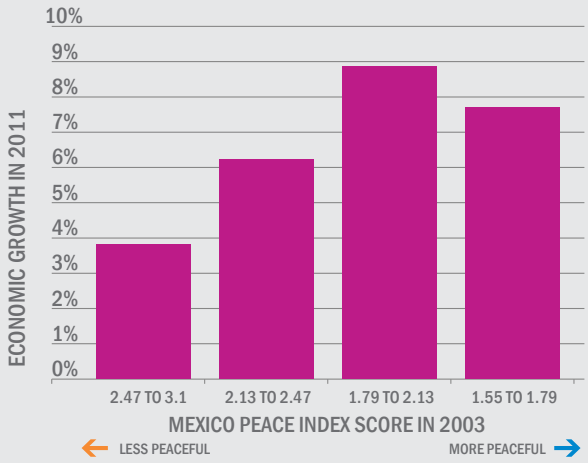


SOURCE: IEP

The full extent of the economic impact of violence in the Mexican context can be seen when viewing the average GDP growth of the most peaceful states versus least peaceful states from the beginning of the drug violence. Figure 3.13 illustrates the significant difference in the average levels of GDP growth between the states. The most peaceful states experienced a growth rate more than double the least peaceful.

FIGURE 3.13 LEVELS OF PEACE AND AVERAGE GDP GROWTH OF MEXICAN STATES, 2011.

On average the most peaceful quartile of Mexican States had more than double the rate of economic growth in 2011 than the least peaceful states, which had significantly higher levels of criminal violence.



SOURCE: IEP

COST OF VIOLENCE IN THE UNITED STATES

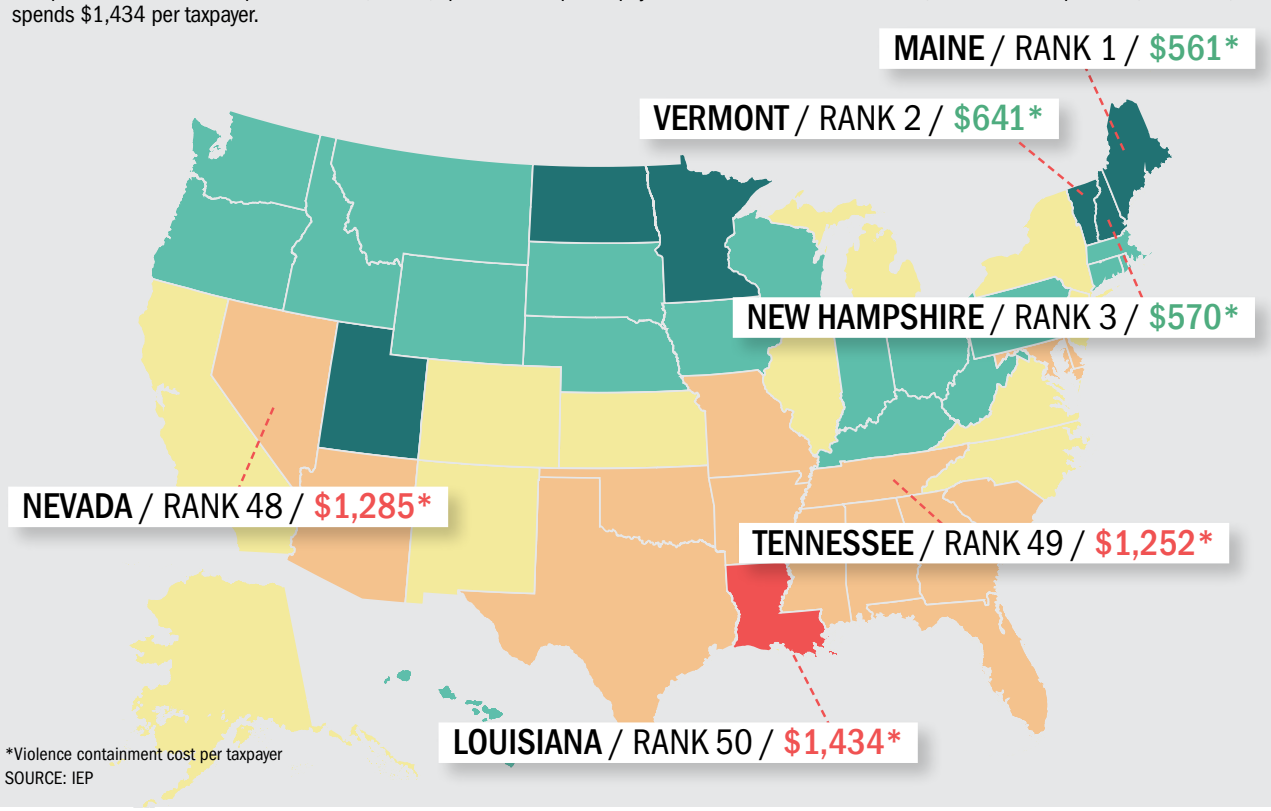
Figure 3.14 illustrates how the direct costs of violence can vary at the sub-national level even in a very high-income context such as the United States. The direct costs are mostly borne by state governments. These can include judicial expenditures related to homicide, policing costs, incarceration costs and medical expenses related to violent assault.

The most peaceful states spend almost three times less than the least peaceful, so can divert expenditures to more productive areas such as education or infrastructure or through tax cuts back to citizens.

These costs of violence are conservative yet significant and do not include the large private sector costs. Less spending on violence allows more spending in other more productive areas that can create long-term growth and

FIGURE 3.14 PEACEFULNESS MAPPED IN THE UNITED STATES, AS MEASURED BY THE UNITED STATES PEACE INDEX (USPI)

The least peaceful U.S. states spend significantly more on dealing with the direct costs of violent crime and homicide including incarceration, judicial and police costs. The most peaceful state, Maine, spends $561 per taxpayer on the direct costs of violence, while the least peaceful, Louisiana, spends $1,434 per taxpayer.



*Violence containment cost per taxpayer
SOURCE: IEP

BOX 3.4 // MAJOR CONFLICT AND ECONOMIC GROWTH

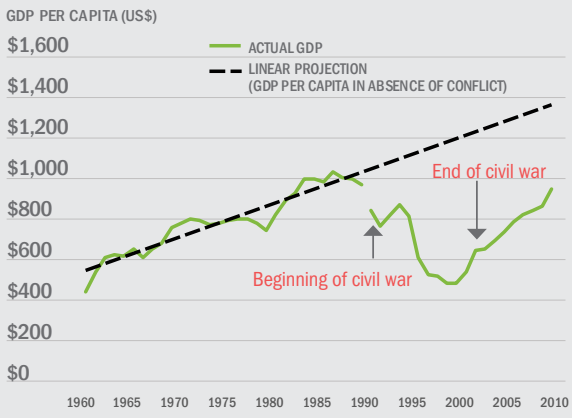
The most powerful illustration of the link between violence and economic prosperity can be seen when a nation experiences outright conflict and in the worst-case scenario, civil war. There are many prominent examples from the long revolutionary period in Nicaragua from the 1950s to 1990s, to civil war in El Salvador from 1979 to 1991 and more recently in Afghanistan and Iraq where economic progress has been set back for many years. Figure 3.15 shows the case of Sierra Leone, where the absence of peace has resulted in a substantial loss of life and economic progress. The Sierra Leone Civil War lasted for 11 years, beginning in 1991 and ending in 2002. Even though the end of the war brought back economic growth, by 2010 the level of GDP per capita was still 31 percent lower than what would have been expected in the absence of conflict.

The negative economic impacts from conflict in Sierra Leone have also been mirrored by the trends in human development as measured by the Human Development Index, with Sierra Leone's levels of human development lagging behind regional averages and only improving after the cessation of conflict.

Although such examples underline the economic and development impacts of violence, the benefits of peace extend beyond the absence of violence. That is, peace is not just the absence of violence, but involves the creation of those attitudes, institutions and structures that encourage greater resilience and foster human development. Encouraging peace through the development of the appropriate societal factors that sustain peace both reduces violence containment expenditure and encourages the fulfilment of human potential.

FIGURE 3.15 GDP PER CAPITA IN SIERRA LEONE, 1960 TO 2010

In 2010, GDP per capita was 31 percent lower as a consequence of civil war.



SOURCE: Penn World Table 7.1

TRENDS IN POSITIVE PEACE AND RESILIENCE

As Positive Peace defines the attitudes, institutions and structures that create and sustain peaceful societies, it also describes a process that results in improvements in a range of other societal qualities that are considered desirable. For instance, gains in the Pillars of Peace lead to improvements in public service delivery, increased literacy and life expectancy, more stable business environments and more equally distributed access to health and education services.

Therefore the Pillars of Peace can be seen as a proxy measure for describing an optimal environment for human potential to flourish. Using Positive Peace measures and tracking them back over time, it can be seen that many of the countries that have improved most significantly in peace have also seen significant improvements in their Positive Peace.

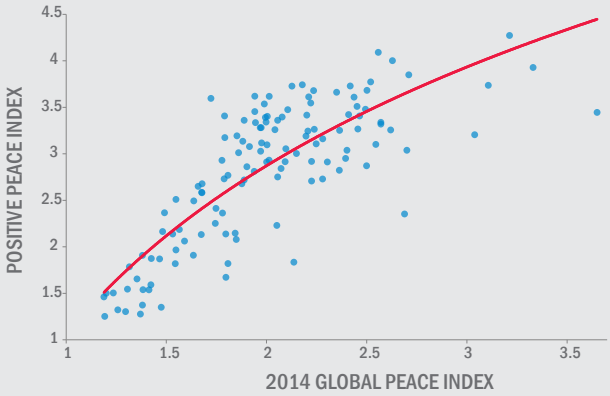
The link between Positive Peace and conflict can be tracked over time by looking at two IEP developed measures: Negative Peace - the Global Peace Index (GPI), and Positive Peace - the Positive Peace Index (PPI). Subsets of these indexes can be taken back to 1996 for the GPI and to 1996 for the PPI. The methodology underpinning the subset of GPI and PPI measures is explained in Box 3.5.

There is a strong correlation between the subset GPI and the subset PPI in 1996 (r=0.57). In 2012 the correlation was at its strongest (r=0.66).

Figure 3.16 shows the correlation between Positive Peace and Negative Peace in 2012.

FIGURE 3.16 FIGURE 3.16: 2014 GLOBAL PEACE INDEX VS. POSITIVE PEACE INDEX R=0.76

The correlation between measures of the absence of violence and Positive Peace is very strong based on latest data.

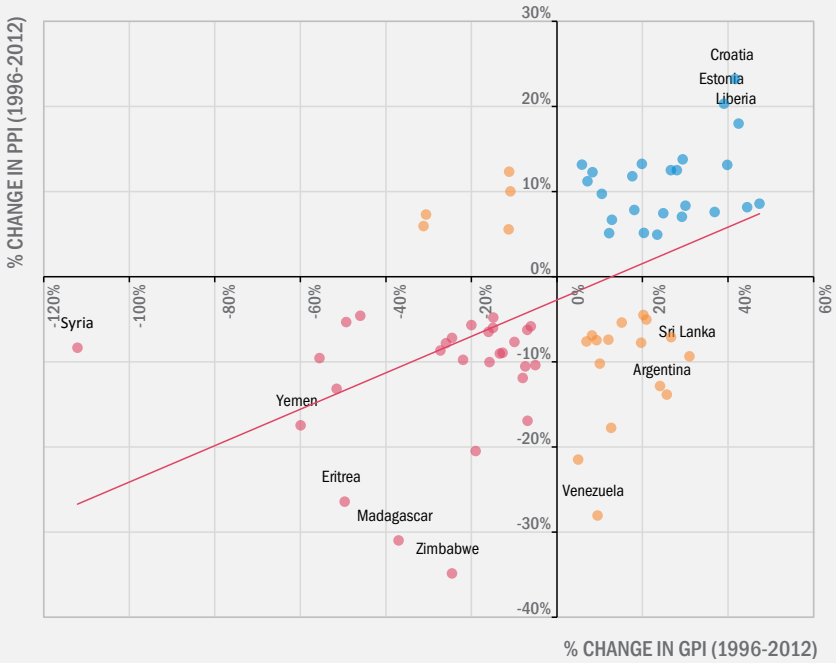


SOURCE: IEP

By comparing the average change or difference in Negative Peace and Positive Peace from 1996 to 2012 it is possible to better assess the potential causal link between Positive Peace and levels of violence as measured by the Internal GPI. When eliminating the countries that experienced relatively small changes, defined as less than five percent change in score, it can be seen that there is a notable correlation between changes in Positive Peace and changes in violence as measured by the GPI. Figure 3.17 shows the correlation between change which is significant at r=0.44.[8]

FIGURE 3.17 CORRELATION BETWEEN CHANGES IN NEGATIVE AND POSITIVE PEACE FOR 75 COUNTRIES WHICH HAD CHANGES GREATER THAN FIVE PERCENT 1996-2012 R=0.44

Improvements in Negative Peace are correlated with improvements in Positive Peace and vice versa, underpinning the potential causal links between Positive Peace and Negative Peace measures.



SOURCE: IEP

While the correlation on changes is not as strong as the Positive Peace and Negative Peace scores when correlated in any one year, 70 percent or – 52 of 74 – countries for their long-term trends of Positive Peace and Negative Peace moving in the same direction. In the four quadrants displayed in Figure 3.17, it can be seen that a significant number of countries conformed to the rule in the top right part of the graph, 32 percent of countries saw a development of lower violence alongside improving Positive Peace from 1996 to 2012. In the lower left, 38 percent of countries conformed to the counter rule of higher violence alongside deteriorating Positive Peace. The summary statistics are shown in Table 3.8.

TABLE 3.9 SUMMARY TABLE – NUMBER OF COUNTRIES IN EACH QUADRANT

Seventy percent of countries have conformed to the rule of Positive Peace and Negative Peace moving in the same direction. Removing several countries from the analysis due to the cessation of significant conflict events at the start of the 1996 period shows up to 80 percent of countries conform to the rule.

NUMBER OF COUNTRIES			
LOWER VIOLENCE AND DETERIORATING POSITIVE PEACE*	HIGHER VIOLENCE AND DETERIORATING POSITIVE PEACE	LOWER VIOLENCE AND IMPROVING POSITIVE PEACE	HIGHER VIOLENCE AND IMPROVING POSITIVE PEACE
16/74 (8/74)	28/74	24/74	6/74
22% (11%)	38%	32%	8%

It is interesting to assess the 30 percent of cases where countries did not conform to the rule of Negative and Positive Peace moving in the same direction. By analysing the 16 countries or 22 percent of cases where there was lower violence and also deteriorating positive peace, eight countries had notable conflict events occur near 1996, thereby distorting their outcomes during the period of measurement. Countries coming off a severe conflict event or 'high base' of conflict at the start of the period have improved their violence scores, but this may not reflect the broader historical trend in the last ten years. For instance South Africa had significant post-election violence from 1994 to 1996, which indicated higher than trend levels of violence at the start of the period. Similarly, Papua New Guinea was recovering from the cessation of the Bougainville conflict in 1998, which was one of the most severe conflicts in the South Pacific since the Second World War. Nepal was emerging from civil war and Russia had just ended the first Chechen war, which incurred more than 5,500 battle deaths. By removing eight of these from the analysis, only eight countries experienced a countervailing trend of decreasing violence as well as decreasing positive peace.

WHEN ELIMINATING THE COUNTRIES THAT EXPERIENCED RELATIVELY SMALL CHANGES, IT CAN BE SEEN THAT THERE IS A NOTABLE CORRELATION BETWEEN CHANGES IN POSITIVE PEACE AND CHANGES IN VIOLENCE AS MEASURED BY THE GPI.

COUNTRIES WHICH IMPROVED AND DETERIORATED IN POSITIVE AND NEGATIVE PEACE 1996 -2012

This section briefly analyses the key changes in Positive and Negative Peace over the 16-year period to 2012. By focusing on the countries that improved and deteriorated the most in Positive and Negative Peace, it is possible to better understand the countries that are most improving their long-term resilience and to what extent these changes have been associated with lower violence.

What can be seen is that improvements in Positive Peace have been consistently associated with lower levels of violence, while large deteriorations in violence have been largely associated with declines in Positive Peace. This baseline understanding of how Positive Peace tracks over time with levels of violence provides important evidence-based guidance for the IEP risk framework.

TABLE 3.10 TEN COUNTRIES MOST IMPROVED IN POSITIVE PEACE 1996-2012

For the ten countries most improved in Positive Peace, all but one experienced improvements in their levels of violence.

COUNTRY	SUBSET PPI 1996	SUBSET PPI 2012	IMPROVEMENT IN PPI SCORE	IMPROVEMENT IN GPI SCORE
Croatia	3.142	2.412	23%	42%
Estonia	2.241	1.786	20%	39%
Liberia	4.365	3.580	18%	43%
Latvia	2.635	2.272	14%	29%
Albania	3.499	3.035	13%	20%
El Salvador	3.160	2.745	13%	6%
Bulgaria	3.077	2.673	13%	40%
Serbia	3.204	2.803	13%	27%
Indonesia	3.855	3.373	13%	28%
Nigeria	4.476	3.924	12%	-11%

Key points of countries most improved in Positive Peace

- Nine of the ten countries most improved in Positive Peace experienced improvements in their Global Peace Index scores.
- Four countries that made significant gains are European Union countries that have recently acceded to the EU – Croatia, Estonia, Latvia and Bulgaria.
- Only one low income country is in the list – Liberia – driven by strong gains in press freedom, governance, human rights standards, corruption and human development since 1996.

TABLE 3.11 TEN COUNTRIES WITH GREATEST DETERIORATION IN POSITIVE PEACE 1996-2012

Six of the ten countries that fell most significantly in Positive Peace also fell in their GPI Score indicating an increase in violence.

COUNTRY	SUBSET PPI 1996	SUBSET PPI 2012	DETERIORATION IN PPI SCORE	CHANGE IN GPI SCORE
Zimbabwe	3.359	4.530	-35%	-24%
Madagascar	2.879	3.771	-31%	-37%
Venezuela	2.862	3.665	-28%	10%
Eritrea	3.677	4.649	-26%	-50%
*South Africa	2.190	2.661	-21%	5%
Dominican Republic	2.649	3.191	-20%	-19%
*Spain	1.584	1.866	-18%	13%
Yemen	3.727	4.378	-17%	-60%
Israel	1.982	2.317	-17%	-7%
*Canada	1.236	1.420	-15%	4%

**Post-apartheid South Africa experienced a number of violent events in the 1994-1996 period skewing the baseline of the period of analysis. Notable deteriorations in Positive Peace have also occurred in Canada and Spain. Government effectiveness as measured by the World Bank has been deteriorating in Canada and Spain by 6 percent and 32 percent, respectively, since 1996 with the corruption measure in Canada increasing by 12 percent. Assessment scores from Freedom House suggest that press freedom has slightly deteriorated in both countries since 1996. However both countries have a system that is still classified as 'free' in their overall assessment and have high levels of Positive Peace.*

Key points of countries with the greatest deterioration in Positive Peace

- Six of the ten countries with the greatest deterioration in Positive Peace experienced notable declines in peacefulness over the period except for Venezuela, South Africa and Spain.
- Open armed inter-state conflict was a feature to varying degrees in Eritrea and Israel and coups d'état were either attempted or successful in Madagascar, Yemen and Venezuela.
- There is a spread in governance types: four can be described as authoritarian regimes, one hybrid, three flawed democracies and two full democracies.
- There is a mix of low, middle and upper income and high income countries.

TABLE 3.12 TEN COUNTRIES MOST IMPROVED IN THE SUBSET GPI 1996-2012

For the ten countries most improved in peacefulness over the 16-year period, only one country saw deteriorations in Positive Peace scores.

COUNTRY	SUBSET GPI 1996	SUBSET GPI 2012	IMPROVEMENT IN GPI SCORE	CHANGE IN PPI SCORE
Burundi	4.000	2.105	47%	9%
Algeria	3.095	1.719	44%	8%
Liberia	3.495	2.009	43%	18%
Croatia	1.841	1.074	42%	23%
Bulgaria	1.853	1.115	40%	13%
Estonia	2.172	1.323	39%	20%
Zambia	2.833	1.788	37%	8%
Sri Lanka	3.244	2.238	31%	-9%
Paraguay	3.000	2.091	30%	0%
Bosnia & Herzegovina	1.793	1.254	30%	8%

Key points of countries most improved in Negative Peace

- The countries most improved in peacefulness over the period generally also saw significant improvements in Positive Peace scores, with almost half of these nations being African.
- There are three prominent examples of European countries making significant improvements in Positive Peace: Croatia, Estonia, and Bosnia and Herzegovina.
- Sri Lanka is the only country to go against the trend, mainly because of its improvement due to the cessation of the civil war, which brought it down from a high base of violence in 1996.

IT CAN BE SEEN THAT IMPROVEMENTS IN POSITIVE PEACE HAVE BEEN CONSISTENTLY ASSOCIATED WITH LOWERING LEVELS OF VIOLENCE.

TABLE 3.13 TEN COUNTRIES WITH GREATEST DETERIORATION IN THE SUBSET GPI 1996-2012

Eight out of ten of the countries with the greatest deterioration in peacefulness also experienced falls in Positive Peace scores reflecting a lower state of resilience and institutional capacity.

COUNTRY	SUBSET GPI 1996	SUBSET GPI 2012	DETERIORATION IN GPI SCORE	CHANGE IN PPI SCORE
Syria	1.800	3.818	-112%	-8%
Mali	1.533	2.700	-76%	2%
Yemen	1.740	2.783	-60%	-17%
United States	1.486	2.311	-56%	-10%
Cote d'Ivoire	2.200	3.333	-52%	-13%
Eritrea	2.240	3.351	-50%	-26%
Trinidad and Tobago	1.787	2.667	-49%	-5%
Mauritania	1.700	2.481	-46%	-5%
Ethiopia	2.427	3.500	-44%	-2%
Central African Republic	2.667	3.667	-38%	3%

Key points of countries with the greatest deterioration in Negative Peace

- In a similar trend to the other countries with significant movements, the majority conform to the rule that deteriorations in violence are generally associated with deteriorations in Positive Peace. Only two countries saw small improvements in Positive Peace.
- For countries that have seen significant declines, timing issues in terms of when the data is updated reflect some potentially inconsistant trends. For instance, Mali and Syria, which have both seen recent deteriorations in peace, will not have seen those deteriorations flow through to various Positive Peace measures as yet.
- Notable is the regional trend of sub-Saharan African countries with greatest differentiation. Six of the ten are from that region.
- The United States is the only very high human development and high income nation to be on the list.

Figure 3.18 shows three hypothetical countries and their growth in resilience and Positive Peace over time. Given that Positive Peace increases alongside resilience, the virtuous link between the two and the impact a shock can have on Positive Peace, which will be mitigated by the level of resilience, can be visualised. This theoretical diagram shows three hypothetical environments, where there are different rates of improvement.

Visualising a shock event, Figure 3.18 shows a highly resilient environment may temporarily see a short decline in

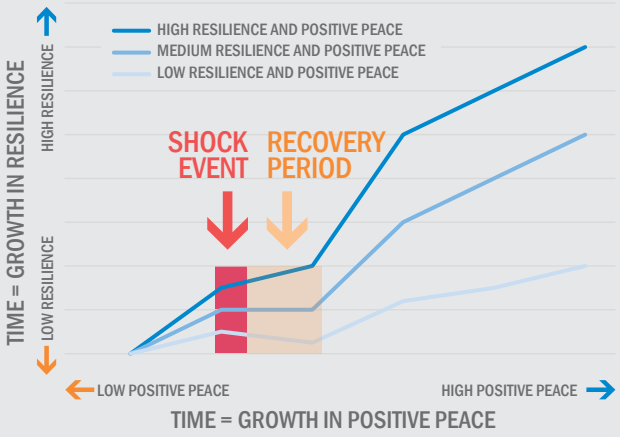
the rate of improvement but a faster recovery and the ability to 'bounce back' and become more resilient in future years. Conversely, a low resilience environment will become less resilient immediately after a shock event and then take more years to recover and rebuild.

The key indication of resilience is the ability of a system to be stable and withstand shocks. Countries vulnerable to stressors or shocks will tend to see higher increases in violence, which could manifest through a higher likelihood of violent demonstrations, violent crime, terrorism, political terrorism and political instability.

By analysing the GPI and Positive Peace data over the past seven years, it can be seen that countries with lower Positive Peace scores tend to have higher variability in their levels of peacefulness. This relationship is shown in Figure 3.19

FIGURE 3.18 RELATIONSHIP BETWEEN RESILIENCE AND POSITIVE PEACE AND RESPONSES TO SHOCKS

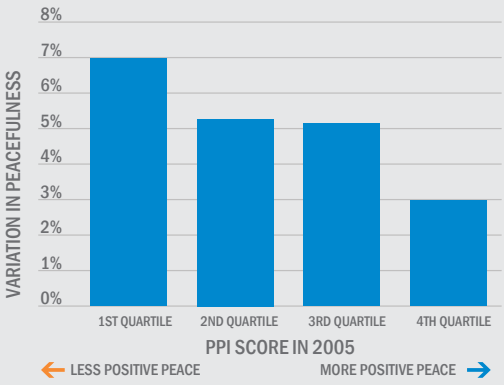
Highly resilient systems are able to bounce back faster.



SOURCE: IEP

FIGURE 3.19 VARIATION IN PEACE, MEASURED BY AVERAGE CHANGES IN GPI SCORE VS PPI SCORES 2008-2013

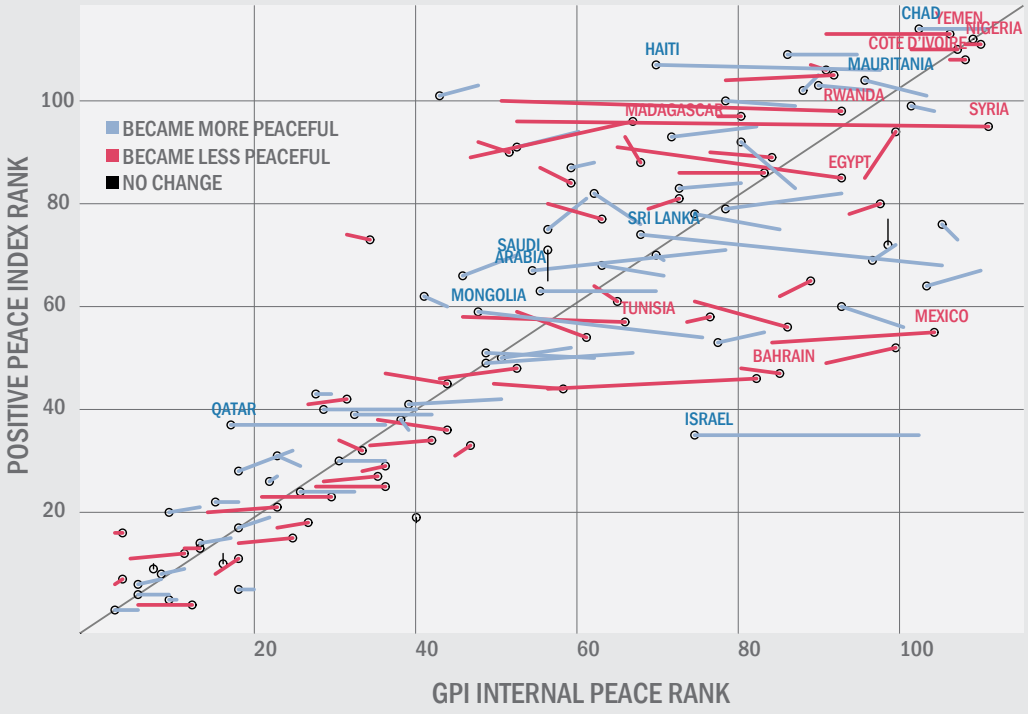
This shows countries that have Positive Peace scores in the bottom 25 percent have significantly more volatility in their measured levels of peace in the last six years. This is a strong indicator of vulnerability to shocks and their greater impact in lower Positive Peace environments.



SOURCE: IEP

FIGURE 3.20 CHANGES IN POSITIVE PEACE AND NEGATIVE PEACE FROM 2008 -2013

Countries with large discrepancies between levels of Positive and Negative Peace tend to have more volatility in the GPI.



SOURCE: IEP

Figure 3.20 shows the movement of countries on Positive Peace and Negative Peace over a five-year period from 2008 to 2013, measured by rank. At the bottom left of the figure are countries that score well on both Positive and Negative Peace; these tend to be fully democratic, high income and high development countries. At the top right are countries that score relatively low in both Positive and Negative Peace which can be defined as highly vulnerable or fragile states in a vicious cycle of conflict. These countries have relatively lower levels of resilience and are very vulnerable to further shocks or stressors. Countries above the line, which score well on Positive Peace and poorly on Negative Peace, are relatively peaceful given the capacity of their societal factors.

This can be explored further by calculating countries' historical changes in peace and then comparing this to their levels of Positive Peace. Figure 3.21 shows these historical movements since 1996 with peace banded into four categories: Low, Medium, High and Very High. Improvements in peace are represented by a green arrow while deteriorations are represented by a red arrow. Due to this, countries that are classified as having Very High peace cannot improve their position and therefore these countries have no upward movement. Similarly countries with Low Peace cannot deteriorate and therefore can only move upwards or remain where they are.

These results show countries with very high levels of peace and very strong Positive Peace are likely to remain at very high levels of peace. Countries with very high levels of peace and poor Positive Peace on the other hand have deteriorated to a lower quartile for 27 percent of all cases since 1996. Historically, only one percent of countries with very strong Positive Peace and very high levels of negative peace have deteriorated within two years.

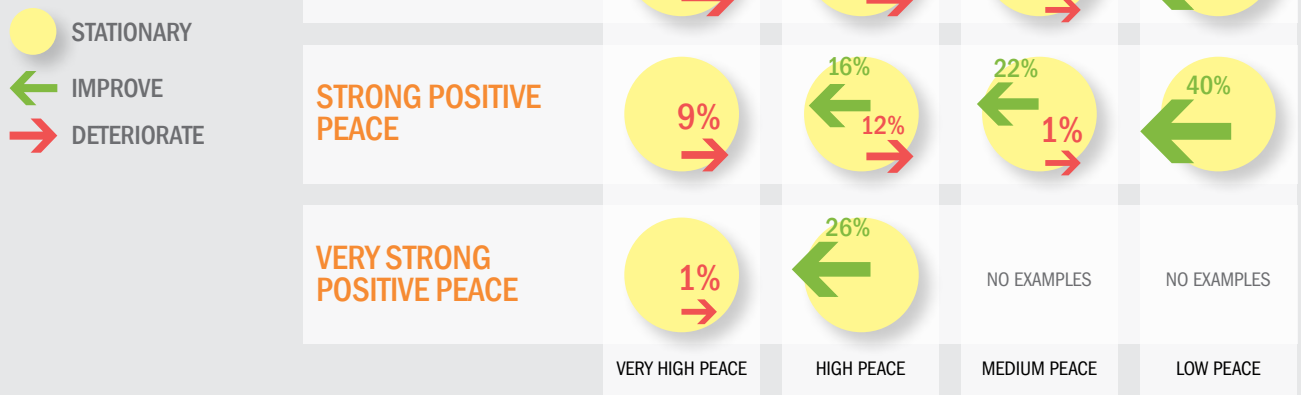
What can be observed over time are three key features about the link between Positive Peace and Negative Peace:

1 **Over time, attitudes, institutions and structures (Positive Peace) and violence align.** It can be seen that in various time periods there will be countries that are outliers in terms of having relatively high levels of violence given their Positive Peace factors. However, over time countries will tend to revert to a point where Positive Peace and violence will relatively equate to each other. This could be observed in 2008 to 2013 where the largest deteriorations in peace, Syria, Egypt, Madagascar and Rwanda all fell from their status as outliers.

2 **Attitudes, institutions and structures take many years to transform.** While there can be dramatic changes in violence, conflict and instability, the measure of Positive

FIGURE 3.21
HISTORICAL MOVEMENTS IN PEACE BASED ON POSITIVE PEACE

Historical changes show that deteriorations in peace are more likely with lower levels of Positive Peace. Peace measured by the GPI.



SOURCE: IEP

*Note: *Countries that are high in Positive Peace and high in peace can only move down, whereas countries low in Positive Peace and peace can only move up. This is simply because the chart measures quartile changes.*

Peace or the attitudes, institutions, and structures which underpin resilience and peacefulness, see very little change over a five-year period. More meaningful transformation in societal factors can be seen over a time period longer than 15 years. The ten countries with the biggest improvements in Positive Peace from 1996 to 2012 averaged a 15 percent improvement. The most dramatic change was Croatia, which improved 23 percent, which while significant, was only enough to move from the lower quartile of the Index to the middle.

3 **Lower Positive Peace countries experience greater volatility in violence.** Countries in the lower half of the global distribution for Positive Peace tend to experience more volatility in their levels of violence. This highlights the fact that even countries relatively resilient and in the middle of the distribution curve for both measures, for instance Bahrain, can experience sudden and dramatic escalation in levels of violence. Countries at the bottom of both Positive and Negative Peace have already realised their risks and cannot decline much further.

BOX 3.4 // A SYSTEMS APPROACH TO PEACE

A system is a collection of components, which interact together to perform a function. An example of this might be a forest, which is comprised of individual components such as trees, grass, soil and fauna. Just as the organisms that live in the forest rely on it for their survival, so too does the forest rely on the organisms. The system is therefore more than simply the sum of its components, as the wider interactions in a system also determine the way components themselves operate.

Similarly, when considering the environment which underlies a peaceful society, it is vital to recognise the way government, the economy, and culture might interact. For the Pillars of Peace this means that any one Pillar cannot be considered alone.

For example, when considering well-functioning government, low levels of corruption and strong business environment, it is very hard to determine which one of these indicators has the strongest impact on the others. It may be dependent on the situation and therefore differ from situation to situation or more likely they are all interdependent.

Consequently defining causality is difficult, as it may not be possible to isolate factors, which interact with one-another to make a country more peaceful. Therefore it is best to think in terms virtuous or vicious cycles, with the system interacting to propel it in a certain direction. Because of this, the Pillars of Peace should be seen as mutually interdependent, meaning that significant improvements in peace result from improvements in the entire system.

BOX 3.5 //DEVELOPING TIME SERIES MEASURES OF POSITIVE AND NEGATIVE PEACE

To enable an assessment of the various methodologies developed by IEP it has been necessary to use indicators with a long enough time series to produce statistically significant results. This is not a replacement for the GPI and PPI and the subset indices cannot offer as accurate prediction as what would have been provided if the full datasets were available. The full GPI and PPI have 22 and 24 indicators respectively. However, historical data earlier than 2008 for most of these indicators does not exist, making it difficult to do robust analysis of trends and relationships. To overcome this limitation, various subsets of both the GPI and the PPI have been developed, which can be backdated to 1996. It is important to note the full and subset measures correlate closely at r=0.84. The Global Peace Index - Subset (GPI-S) and Positive Peace Index – Subset (PPI-S) have been constructed in the following ways:

COMPOSITION OF THE GLOBAL PEACE INDEX - SUBSET

POSITIVE PEACE INDEX - SUBSET			
Indicator	*Source*	*Banding*	*Weighting*
Homicide rates	UNODC and WHO	1-5 using 2005 as base year	Average of all three indicators
Political terror	Amnesty and US State Department		
Battle deaths	Uppsala Database		

COMPOSITION OF THE POSITIVE PEACE INDEX - SUBSET

POSITIVE PEACE INDEX - SUBSET			
Indicator	*Source*	*Banding*	*Weighting*
Press freedom	Freedom House	1-5 using 2005 as base year	Average of all five indicators
Human rights empowerment	Cingranelli - Richards Human Rights Data (CIRI)		
Control of corruption	World Bank (World Governance Indicators)		
Government effectiveness	World Bank (World Governance Indicators)		
Human Development Index	United Nations Development Programme		

CONCEPTUAL FRAMEWORK FOR IEP RISK ASSESSMENTS

IEP has developed methodologies based on the evidence linking Positive and Negative Peace, societal factors and violence to operationalise a series of risk models. While still in the development phase, such models represent a significant step forward in assessing risk and opportunity for peace and conflict and provide an important baseline for a range of policymakers and investors to understand the long-term prospects of countries.

This framework combines country risk theory with quantitative data analysis unique to IEP to enable detailed assessment of a country's risk profile. The framework has immediate practical applicability by allowing policymakers and investors to:

1. Assess the likelihood and impact of the long-term risk or opportunity of changes in peace.
2. Price the financial impact of the realisation of that risk or opportunity.
3. Enable policymakers and investors to assess the cost/benefit of interventions or investments against counterfactual options.

OPERATIONALISING A COUNTRY RISK AND OPPORTUNITY TOOL

The IEP approach for operationalising a risk and opportunity tool is to combine existing theories of risk with quantitative data analysis. This approach extracts key relationships and trends to assess the likelihood and impact of future trends related to country risk. A key part of the IEP approach is to utilise a large number of datasets (over 4,700), which contain in excess of 3,500,000 observations as a starting point for analysis. However, a large dataset is only a first step to the methodology, which is also informed by conceptual approaches to assessing uncertainty.

The concept of opportunity is related to risk. This relationship is not straightforward as in general the absence of risk does not guarantee opportunity. However, by applying similar approaches to assessing risk, IEP has begun developing measures that identify opportunity. The transition from measuring peace to identifying risk and opportunity represents the logical next step forward to understanding how to practically apply peace to help solve big societal problems.

FIGURE 3.22 'BIG DATA' TO ASSESS RISK AND OPPORTUNITY

With over 4,700 historical time series datasets IEP has begun measuring and quantifying current day risks.

SOURCE: IEP

BOX 3.6 // UNCERTAINTY AND PREDICTION

The likelihood of world events is a constant unknown and it is impossible to quantify the likelihood of any one event happening. In many cases the only information available to use for prediction is historical data. However, this in itself is problematic as highlighted by the story of the turkey and the farmer. A farmer begins to feed a certain turkey every day at a certain time. Based on this the turkey becomes very good at predicting when she would get fed and this prediction was accurate for a long while. This accuracy built the turkey's confidence that her predictions were accurate. As time went on the farmer began giving the turkey more and more food every day. This allowed the turkey to predict not only the time but the increasing amount of food that would be offered. Based on these predictions the turkey believed she had a very good relationship with the farmer. On Thanksgiving the turkey realized the peril of projecting the past into the future.

One way of mitigating the problems of prediction is to widen the scope of information used as a basis. For example, imagine a country that has always had a high level of peace. If only the country history was taken into account, the prediction would be that the country will always have a high level of peace. However other countries with similar societal capacity or economic compositions may have a different story.

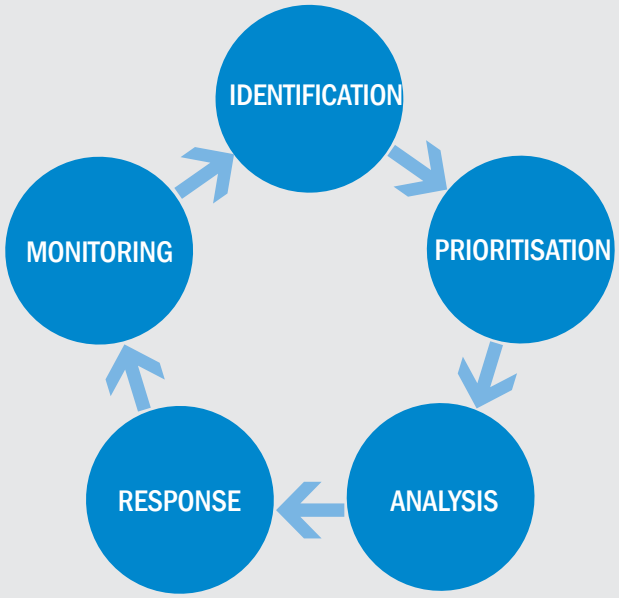
Having compiled a database of over 4,700 datasets, IEP is able to identify historic data relevant to the assessment of risk within a country. While this is limited in assessing the likelihood of 'Black Swan' events, it does provide a quick summary of history. This is a necessary and critical first step of the prediction process.

RISK MANAGEMENT

Although the complexity of the modern world makes country risk difficult to assess, responding to risk doesn't require that we attempt to eliminate it, only that, where possible, we identify it. Although effective risk management may take a number of forms, generally it involves the identification, prioritisation and analysis of risks so as to allow for informed choices to be made by policy makers. The conceptual framework for this process is shown in Figure 3.23.

FIGURE 3.23 RISK MANAGEMENT

Risk management tools can be used for the purposes of evaluating conflict risk.



SOURCE: IEP

Risk identification refers to the process of examining and identifying the factors that might lead to violence. These might be structural factors such as poverty or inequality, trigger factors such as elections, or accelerators such as sudden increases in the availability of weapons. Each of these factors can be examined within their relevant contexts for the purposes of determining their likelihood and impact, and identifying potential policy measures which would address them. The inverse of this is opportunity, where favourable factors may be identified which lead to policy measures that ensure greater stability.

PREPARING FOR TYPES OF RISKS

Although it can be difficult to envision the full range of risks that might be faced by individuals, communities and government, efforts are increasingly focused on anticipating and preparing for shocks and risks. A number of major international reports have recently placed increased focus on understanding the nature of shocks and their impact, such as the 2014 World Bank World Development Report.

Box 3.7 summarises recent approaches to understand risk and risk management from the perspective of other major international organisations and research institutes.

UNDERSTANDING TRIGGER FACTORS FOR VIOLENCE AND CONFLICT

Many studies in peace and conflict research aim at understanding why conflict occurs and the chain of causality driving economic, political and cultural patterns and events. However, complex patterns of causation are unlikely to be explained in simple terms. Causality can flow in either direction, depending on the circumstances of a particular situation. The IEP approach aims to focus on the drivers of peace and views sustainable peace as a systemic process.

Although it is likely that the drivers of conflict are particular to a given conflict, the factors that have been generally accepted as being associated with a greater risk of conflict include low average income, a country's size and whether conflict has recently been experienced by a nation.[12] Internal factors that have been associated with higher risk of violence include rapid urbanization, corruption, the concentration and level of natural resource wealth and unemployment. The actual and perceived justice in a community may also increase the risk of conflict; this might include internal factors such as ethnic, religious or regional competition or marginalisation. Marginalised groups, such as indigenous, religious or ethnic groups, may find conflict to be a viable option, particularly if there are no peaceful alternatives for resolving grievances.[13]

Similarly, the risk of violence may arise where the tensions exist between nations, or specific groups within nations, as opposed to within a particular state. Research also suggests that the risk of conflict is higher in countries where the government tends to infringe on the fundamental rights of its citizens.[14]

Both internal and external security concerns may also increase the prospect of conflict. These might include a history of conflict, the presence of foreign troops, conflicts in adjacent countries or the existence of transnational terrorism. Adjacent conflicts may also encourage the emergence of conflict through the creation of tensions through criminal activity and violence spilling over national borders.

BOX 3.7 // CURRENT APPROACHES TO RISK AND FRAGILITY

Recently, there has been increased attention given to risk concepts such as fragility, vulnerability and resilience. This box briefly references recent work on risk by the Overseas Development Institute (ODI), Organisation for Economic Cooperation and Development (OECD), World Bank (WB) and the World Economic Forum (WEF).

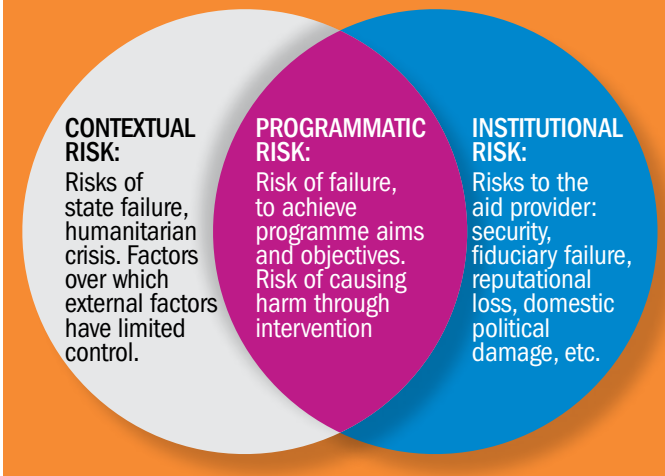
In their 2012 note on applying a risk management approach, the ODI noted that the concept of resilience had emerged from a disparate range of disciplines in response to attempts to understand those factors that explain a system, community or individual's ability to 'bounce back' from shocks and stresses. 'Shocks' are defined as those events which are transitory in nature, such as a flood. On the other hand a stress tends to occur over a longer time frame, such as an economic downturn.[9]

In exploring the concept of resilience, they note both the challenge of developing an adequate definition given its application across fields and the importance of using the concept appropriately. For instance, resilience is not simply the opposite of being vulnerable as it is possible that an individual can recover quickly from a shock, despite also being more exposed to it.

For donors working in fragile states, the nature of risk will depend on the difference between contextual, programmatic and institutions risks. More detail of each of these risks as defined by the OECD has been provided below:

FIGURE 3.24 TYPES OF RISK AS DEFINED BY THE OECD

The OECD differentiates between contextual, programmatic and institutional risk.



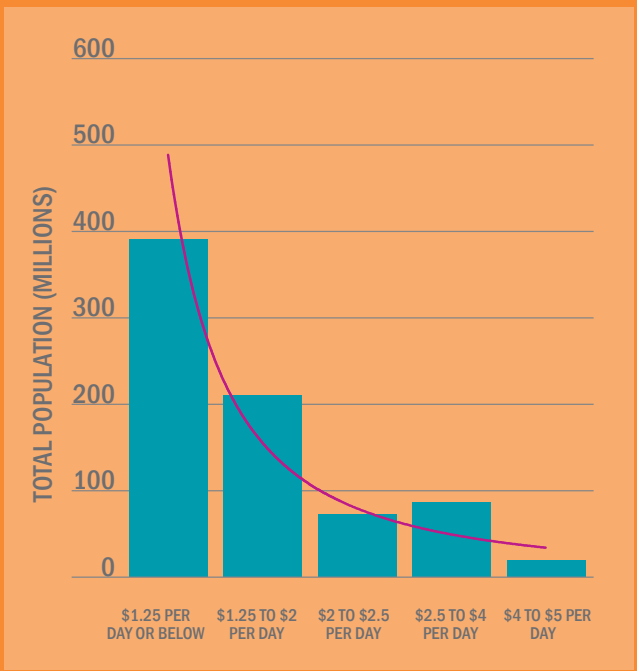
SOURCE: OECD[10]

In addition to this framework being useful for the purposes of the classification of risk, a key insight from this research is that it is not sufficient to just measure risk, but to understand where, to who and to what extent risk is an issue. For instance, although a return to conflict suggests a significant contextual risk in some contexts, the way in which it might pose a risk to particular organisations and programs will differ.

In its most recent 2014 World Development Report (WDR), the World Bank notes that globally there have been an increasing number of shocks ranging from financial crises to natural disasters. When combined with greater levels of interdependence this has meant that managing these risks is no longer only a national but a global priority. As some of the world's most vulnerable are being increasingly exposed to risks outside of their control, such issues are of particular relevance to the international development community.

FIGURE 3.25 THE GROWING SIZE AND FREQUENCY OF SHOCKS IS OF PARTICULAR RELEVANCE TO THE MOST VULNERABLE

Effectively managing risks is crucial for the most vulnerable. Those living on very low incomes are particularly vulnerable to increased violence and deteriorations in positive peace.



SOURCE: World Bank, based on 2010 data for low income countries

BOX 3.7 continued

Risk Preparation Index

In the 2014 World Development Report (WDR) the World Bank developed an index measuring the extent of preparation against risk. The index comprises a range of measures of services and assets across the categories of physical and financial assets, social support, state support and human capital.

When this measure was examined alongside the Global Peace Index, there was found to be a clear association, with more peaceful nations tending to also have higher risk preparedness scores (r=0.62). Additionally, analysis conducted on a number of other measures, such as the historical variability in per capita GDP growth, suggested that more peaceful nations are more economically and socially stable.

In the 2014 WDR, many of these trigger factors were similarly identified. However, as a general rule it was suggested that the risk of conflict tended to be highest when[11]:

1. Institutions and the state are weak and there are links between the political system and criminals;
2. There exists a legacy of conflict and violence;
3. There are grievances as a consequence of inequality and marginalisation; and
4. A region is faced with extreme climates, such as high temperature, low rainfall etc.

Echoing the growing interconnectedness of the global economy in its 2014 Global Risks Report, the WEF noted that it was necessary for traditional risk management approaches to be supplemented by tools used for analysing uncertainty and policies aimed at building resilience. Furthermore, in recognition of the global nature of risks, global risk management efforts need to combine global coordination with local flexibility.

PRACTICAL APPLICATIONS

MEASURING RESILIENCE AND FRAGILITY AND WHY BETTER TOOLS ARE NEEDED

Both fragility and resilience are commonly used terms but with many competing definitions and measures. Fragility and resilience, while conceptually distinct, are in many ways two opposing ends of an idealised state of development.

Currently, there is no internationally agreed definition for the term 'fragile states' or 'fragility' let alone for how to practically determine which states are fragile versus those that are not. Broadly speaking, a fragile state is often characterised as a country that is low income with weak governance and a high level of vulnerability to external and internal shocks.

Similarly, resilience, while being one of the most increasingly used terms in the development community, also has significant ambiguity about its definition and practical measurement. The United Nations Office for Disaster Risk Reduction (UNISDR) defines resilience as *"the ability of a system, community or society exposed to hazards to resist, absorb, accommodate to and recover from the effects of a hazard in a timely and efficient manner, including through the preservation and restoration of its essential basic structures and functions."* UNDP takes a broader view of the term, seeing it as a process leading to better long-term outcomes rather than just maintaining the status quo, *"a transformative process of strengthening the capacity of people, communities and countries to anticipate, manage, recover and transform from shocks".* The term is broadly understood as the ability of a country to anticipate and respond effectively to shocks, absorb their impact and bounce back.

Several efforts have been made to generate quantitative tools which measure resilience in different fields of study from resilience to earthquake disaster risk[15] to biosphere resilience[16] to household resilience against food shocks.[17] There have been no known attempts to develop a quantitative resilience measure against conflict risks or stressors. IEP's Pillars of Peace has been used as a proxy for resilience and when analysed against historical data has proved to be a reliable measure of the ability of countries to absorb shocks.

Fragility, on the other hand, has been measured by several different organisations and researchers. This section briefly surveys three prominent measures of fragility and aims to look back at how well these measures highlighted future significant declines in peace as measured by the GPI: These measures are:

1. The World Bank Country Policy and Institutional Assessment
2. The Fund for Peace Failed States Index
3. The Center for Systemic Peace State Fragility Index.

The World Bank's **Country Policy and Institutional Assessment (CPIA)** is one of the most commonly used definitions of fragility. It involves World Bank analysts assessing a country on 16 criteria grouped into four clusters: Economic management, structural policies, policies for social inclusion and equity, and public sector management and institutions.[18] The criteria are scored between 1 and 6 and then tallied to create a final score. The final assessment aims to summarise the quality of a country's present policy and institutional framework and is used by the International Development Association (IDA) to allocate funds to developing countries. Countries are classified as fragile by the World Bank when they receive a score greater than 3.2 on the CPIA criteria or whether they have a UN political or peacekeeping mission.

The Failed States Index (FSI) has been developed by Fund for Peace since 2005 and aims to measure and track failing states. It aims to provide a political risk assessment and an early warning of conflict to a broad audience of policymakers. Notably, the OECD uses a combination of the World Bank definition based on CPIA in addition to the Failed States Index for its identification of fragile states. It takes the CPIA list and adds to it any country that scores a fragility score over 90 in the Failed States Index.

The State Fragility Index from the Center for Systemic Peace also produces the well-cited Polity IV which measures political regime characteristics. The State Fragility Index is a widely cited quantitative tool available to social science researchers and practitioners looking for a quantitative measure of state fragility.[19] The Index scores countries from 0 to 25 on a fragility continuum, as follows:

- 25-20 – Very high fragility
- 16-19 – High fragility
- 8-15 – Medium fragility
- 4-7 – Low fragility
- 3-0 – No fragility.

COMPARING NOTABLE MEASURES OF FRAGILITY TO SIGNIFICANT MOVEMENTS IN PEACE FROM 2008-2013

One method of assessing how well fragility measures work as predictive tools for conflict or escalating violence is to look at the countries with the biggest deteriorations in peace in the GPI over the 2008-2013 period.

This analysis shows the three fragility tools have very limited use as predictive tools for the onset of future violence. Of the ten countries with the largest deteriorations on the GPI from 2008 to 2013, the various fragility measures captured the following:

- For the CPIA measure, only one country, Madagascar, had a score over 3.2.
- For the Failed States Index, only two countries had a fragility score above 90 in 2008.
- The State Fragility Index identified two countries as 'High Fragility' and no countries were identified as 'Very High Fragility'.

This highlights the fact these fragility measures tend to focus on 'realised fragility' as opposed to potential fragility, providing little information on the potential future trajectory of countries towards fragility.

This shows there is a need for better forward looking dynamic assessment tools to understand whether countries face the highest potential risks. Some key issues inhibiting current fragility measures include:

- Definitions of fragility and its counter state, resilience, vary significantly; hence there is ambiguity about common methods of measurement.
- Current fragility measures capture 'realised fragility' as opposed to potential future fragility.
- Fragility measures tend to track slow-moving institutions; the interactions between long-term institutions and conflict stressors needs to be more systematically understood and measured.
- Measures that are snapshots in time cannot be used to understand the momentum of particular countries.
- The lists can be incomplete due to data gaps or political considerations; several states may not be included.

THERE IS A NEED FOR BETTER FORWARD LOOKING DYNAMIC ASSESSMENT TOOLS TO UNDERSTAND WHETHER COUNTRIES FACE RISK.

TABLE 3.14 COUNTRIES WITH THE LARGEST DETERIORATIONS IN PEACE ON THE GPI FROM 2008-2013 COMPARED TO VARIOUS MEASURES OF FRAGILITY INCLUDING THE IEP POSITIVE PEACE DEFICIT MODEL IN 2008

Prominent fragility measures were not very effective in identifying countries that have significant deteriorations in peacefulness in the last five years. IEP Positive Peace deficit and Like Country analysis showed nine of the ten were at risk.

COUNTRY	2008-2013 PERCENTAGE CHANGE IN GPI SCORE	GPI RANK IN 2013 (162)	WORLD BANK CPIA SCORE ABOVE 3.2 IN 2008	FAILED STATES INDEX, 2008 (SCORE ABOVE 90? – OECD CRITERIA)	STATE FRAGILITY INDEX SCORE IN 2008 (VERY HIGH FRAGILITY > 20)	IEP POSITIVE PEACE DEFICIT ANALYSIS AND IEP LIKE COUNTRY ANALYSIS
Syria	-70%	160	No	Yes (90.1)	No/10 (Medium Fragility)	Yes
Libya	-39%	145	No	No (70)	No/8 (Medium Fragility)	Yes
Rwanda	-31%	135	No	No (88)	No/19 (High Fragility)	Yes
Madagascar	-27%	90	Yes	No (76.7)	No/10 (Medium Fragility)	Yes
Oman	-23%	36	No	No (47.4)	No/5 (Low Fragility)	Yes
Tunisia	-21%	77	No	No (65.6)	No/7 (Low Fragility)	Yes
Cote d'Ivoire	-19%	151	No	Yes (104.6)	No/15 (Medium Fragility)	Yes
Yemen	-18%	152	No	Yes (95.4)	No/16 (High Fragility)	Yes
Mexico	-18%	133	No	No (72.2)	No/4 (Low Fragility)	No
Bahrain	-17%	95	No	No (56.4)	No/4 (Low Fragility)	Yes

IMPLICATIONS FOR BUSINESS INVESTMENT AND DEVELOPMENT POLICY

HOW CAN THE IEP RISK MODELS BE USED BY BUSINESS AND INTERNATIONAL AGENCIES FOR MANAGING RISK?

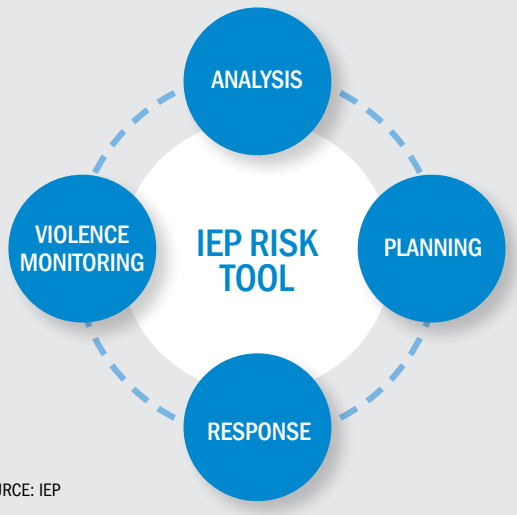
The IEP risk framework is a powerful means of objectively quantifying current knowledge around the societal systems that drive peace and conflict. The methodologies described in this paper have a number of practical uses. In particular, it will help:

- International development practitioners to identify and prioritise the allocation of resources targeted for peacebuilding.
- Business to better target investments through improved understanding of opportunity and risk.
- Government through providing better frameworks for planning economic and social policy programs aimed at preventing violence and building societal strength and resilience.

More generally, the risk tool provides an objective and rigorous means of identifying and prioritising global risks. It provides a simple and efficient means of assessing these factors against a country's history. Prioritisation can then be conducted by combining the risk scores with calculations of potential financial impact which are measured in comparable terms to provide an objective measure of risk. This concept is illustrated in Figure 3.26.

FIGURE 3.26 APPLICATION OF RISK TOOL RESULTS

The Risk Tool can provide a valuable input for the purposes of investment analysis and informing development policy.



SOURCE: IEP

At the international level, the tool can be employed by global security bodies as an input into their thinking around likely scenarios for global security. Similarly, regional bodies can use the results to provide evidence where greater efforts may be needed for the long-term strengthening of positive peace factors through greater regional cooperation in trade and peace agreements. Nationally, such analysis can help governments strengthen forward-planning through identifying the extent of unrealised risk, thereby strengthening the case for investments in institution-building and addressing societal grievances.

One of the tool's key applications is in its ability to allow for a more objective assessment of the risk of conflict and increased violence, allowing for the international business and aid community to more accurately allocate investment. The IEP risk tool thus seeks to improve current understanding so as to transform uncertainty into risk, thus providing the international development and business community a means to manage risk, rather than simply avoid it.

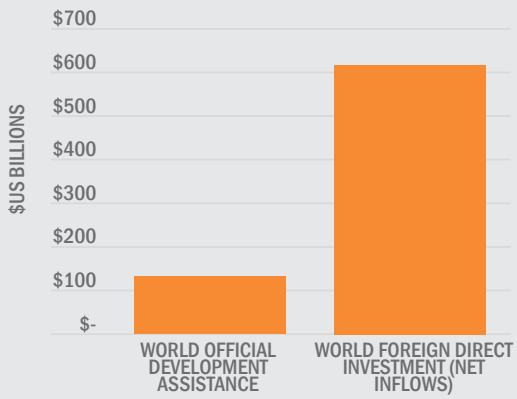
RISK AND INTERNATIONAL FINANCIAL INVESTMENT

Over the past decade the world has increasingly become more connected with improvements in communication and transport technology allowing for people, information and goods to move across borders at an unprecedented pace. Consequently, the world economy is more connected and interdependent.

Increasingly, attention has been paid by the international community to the critical role that trade and investment have in driving economic growth and development. This is underpinned by the fact global investment flows vastly exceed foreign aid flows (see Figure 3.27).[20]

FIGURE 3.27 GLOBAL INVESTMENT FLOWS COMPARED TO OFFICIAL DEVELOPMENT ASSISTANCE (ODA)

World investment flows in low and middle income countries are more than four times Official Development Assistance and Aid

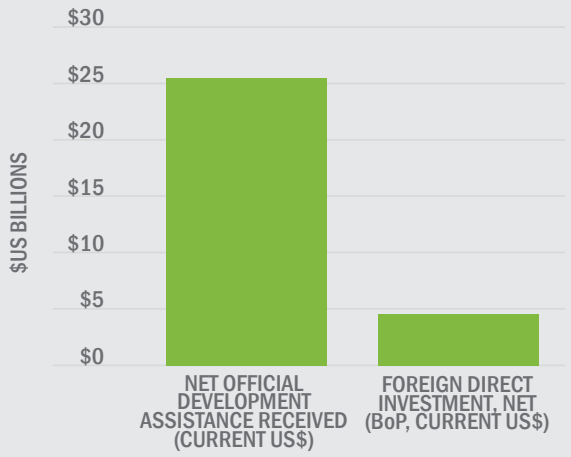


SOURCE: World Bank (2012)

The magnitude of financial and trade flows shows the significant potential for development to be driven through trade and investment. However, there is a high level of reluctance by the international business community to invest in underdeveloped and fragile states, with Official Development Assistance (ODA) contributing more than foreign direct investment (FDI) for fragile states (see Figure 3.28).[21] This is partly driven by uncertainty rather than an objective assessment of risk and is largely due to the lack of data necessary to enable informed decisions.

FIGURE 3.28 INVESTMENT FLOWS COMPARED TO DEVELOPMENT ASSISTANCE (ODA) IN FRAGILE STATES

Unlike most other low to middle income nations, aid inflows are larger than foreign investment in fragile states



SOURCE: World Bank (2012)

While it is clear that ODA flows represent a much needed resource for many fragile states, it is unclear to what extent this large imbalance between aid and investment represents a balanced view of risks and opportunities in countries classified as fragile states. That is, it is possible that current levels of foreign investment in fragile states represent this risk aversion, as opposed to opportunity.

To test this, IEP conducted analysis on the average foreign investment flows for economies at differing levels of fragility as measured by the World Bank's CPIA and the IEP risk score. The approach taken was to separate countries into four groups according to their levels of fragility, first using the World Bank's CPIA and then using IEP's risk score. Average levels of foreign direct investment as a percent of GDP were then calculated from 2005 to 2012 to determine how FDI flows align with different measures of fragility. Results of the analysis have been provided in Figure 3.29:

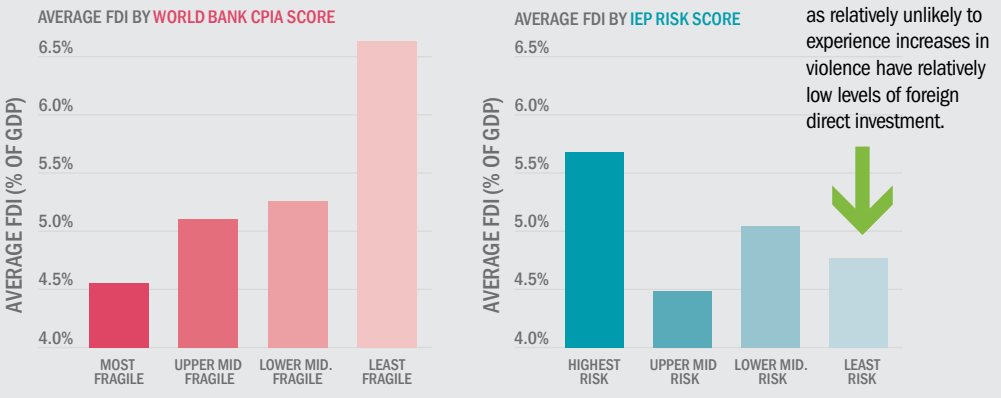
As illustrated, when countries are grouped according to the World Bank's CPIA score, there is a clear tendency for FDI as a percent of GDP to be higher as nations are assessed as being less fragile. For instance, using the CPIA the 'most fragile' quartile of countries had an average level of foreign direct investment of 4.6 percent of GDP, while for the least fragile states foreign investment flows were 6.6 percent of GDP.

However, when this analysis is repeated with IEP's risk score, the results are quite different, with many nations which are measured as relatively unlikely to experience falls in violence having relatively low levels of foreign direct investment. Conversely, a range of countries which are assessed as having a relatively high likelihood of experiencing increases in violence have relatively high levels of investment.

This is only one aspect of determining the pattern of foreign direct investment, and does not suggest international investment flows are being misallocated. It is also important to consider there is a range of evidence suggesting that foreign direct investment and ODA can be complementary in driving development and reducing the chance of a country relapsing into conflict because the importance of particular risks will vary between investors, future risk models could provide a more nuanced assessment for various international investors.

FIGURE 3.29 FDI FLOWS COMPARED TO WB FRAGILITY SCORES AND IEP'S RISK ASSESSMENT MODEL*

There is considerable potential benefit in using IEP's risk score to help international investors conceptualise risk in fragile and uncertain contexts.



SOURCE: World Bank, IEP

RISK TOOL METHODOLOGY

'LIKE COUNTRY' MODEL METHODOLOGY

Central to transforming realised risk into measures of potential risk is the concept of 'like countries'. To assess the potential risk of a country, IEP uses big data to extract other countries that are historically similar to the selected country. Comparing the relative levels of peace of 'like countries' enables comparison of the likelihood of a change in peace of any country.

ESTIMATING THE LIKELIHOOD OF A CHANGE IN PEACE BASED ON STRUCTURAL INDICATORS

The model that measures potential risk is constructed using the Bayesian inference process explained in Box 3.10.[23]

From this process it is possible to calculate a likelihood of both significant improvements and deteriorations in peace for any country.

BOX 3.8 // USING BAYESIAN INFERENCE TO ESTIMATE LIKELIHOODS

Bayesian inference is a mathematical way of dealing with imperfect knowledge. For example, imagine a country that has always had a high level of peace. If only the country history was taken into account, the prediction would be that the country will always have a high level of peace. However other countries with similar institutional capacity or economic compositions may have a different story. The 'Like Country' method uses Bayesian inference based on historic data to estimate the likelihood of a country either improving or deteriorating in peace.

The process is as follows:

1. Select a country for assessment (Country A).
2. Select indicators on which to identify 'like countries'.
3. Select "like countries" as the countries with the similar values for the indicators as Country A.
4. Calculate the proportion of time that Country A was significantly less/more peaceful than it is currently (Probability 1).
5. Calculate the proportion of times that like countries were significantly less/more peaceful than Country A is currently (Probability 2).
6. Calculate which proportion of historical changes in peace that are significant (Probability 3)
7. Calculate using Bayesian inference the likelihood that Country A will be in the future significantly less or more peaceful.

Combining these values gives a posterior possibility of how likely a country will fall in peace ***given*** other like countries. The following formula gives the number required:

$$\frac{\text{Probability 1} \times \text{Probablity 2}}{\text{Probability 1} \times \text{Probability 2} + \text{Probability 3} \times (1 - \text{Probability 1})}$$

Using this process the following probabilities are calculated for each country:

- P(Deterioration) = the likelihood that the country will deteriorate in peace in the next two years.
- P(Improvement) = the likelihood that the country will improve in peace in the next two years.
- The balance of probabilities = P(Deterioration) - P(Improvement).

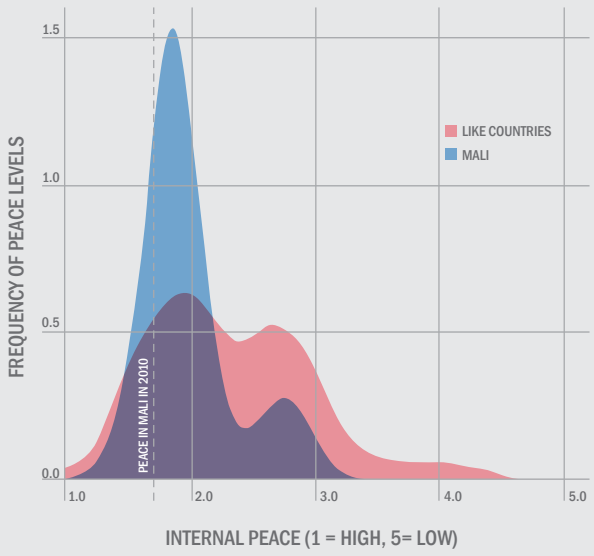
The balance of probabilities is used to identify those countries which are much more likely to move in one direction. If a country is far more likely to deteriorate in peace then the balance of probabilities will be greater than zero. Conversely, if a country is much more likely to improve then the balance of probabilities will be less than zero. If a country is equally likely to improve or deteriorate, the balance of probabilities will be zero indicating that the data is insufficient to make an informed prediction. It should be noted that the value of these likelihoods are theoretical and should not be interpreted as actual probabilities. The purpose of this process is to identify statistical outliers based on their own history and the history of like countries. In this way the values of the likelihoods are representative of the magnitude of their outlier properties and not an actual prediction of the future.

Mali is an interesting country to use as an illustration of this process. In December 2011 a military coup occurred in Mali. One month later armed conflict broke out in Northern Mali as rebel groups took control of the region and demanded secession. The conflict continued until May 2012. The events were captured in the GPI as Mali deteriorated in peace by six percent and dropped nine places between 2012 and 2013.

Examining the data on Mali in 2010 it can be seen that peace levels had been improving from 2008 to 2010. Figure 3.30 shows that levels of peace in Mali were approximately around the average that they had been since 1996. However, Positive Peace in Mali had remained at a medium level of like countries since 1996. Comparing levels of peace in Mali to other medium Positive Peace countries highlights that peace in Mali was generally higher than other like countries. Furthermore, because in 2010 Mali was more peaceful than other like countries there is little reason to expect it to improve its levels of peace based on historical trends. This is not to say that improvement was impossible, just unlikely. Conversely, given the relative positions of other like countries there was more evidence to suggest that Mali would deteriorate.

FIGURE 3.30 PEACE IN MALI COMPARED TO OTHER MEDIUM POSITIVE PEACE COUNTRIES

In 2010 Mali was performing close to the country's average peace levels since 1996. However in 2010 Mali was also outperforming many other like country's average levels of positive peace since 1996.

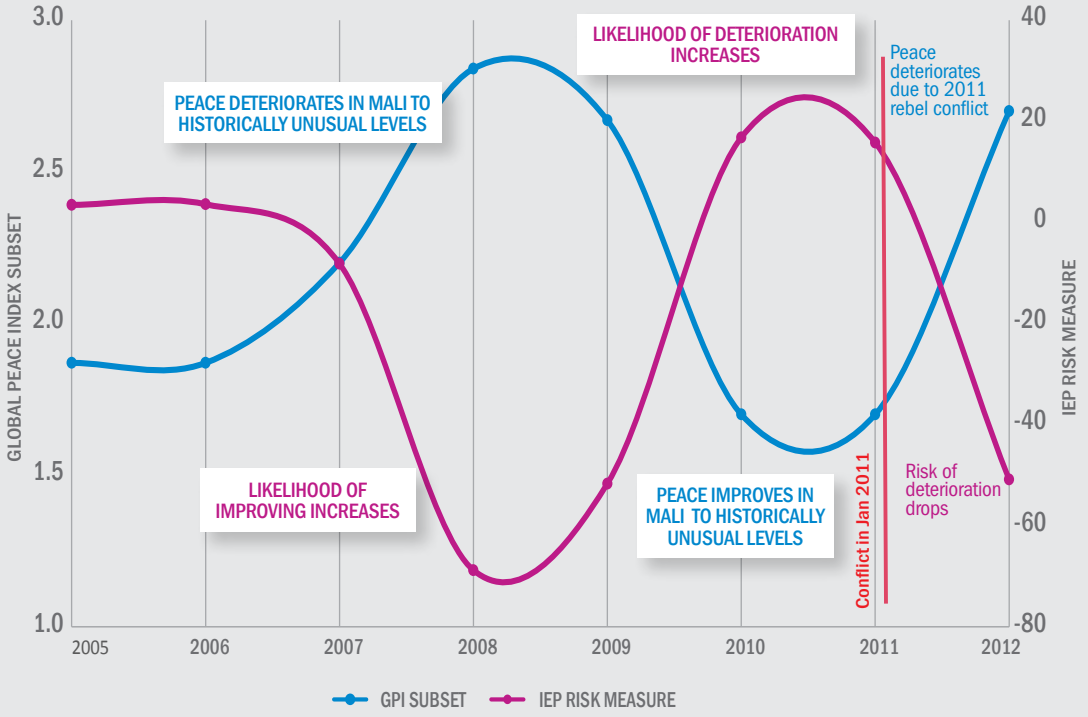


SOURCE: IEP

Between 2006 and 2008 peace in Mali began to deteriorate. The closer peace moves towards the average of the like countries, the less likely it is to deteriorate further. As peace improves between 2008 and 2010, risk increases because once again peace in Mali is above the 'like country average'. A similar trend can be seen between 2011 and 2012 when the rebel insurgency occurred.

FIGURE 3.31 MALI RISK OVER TIME

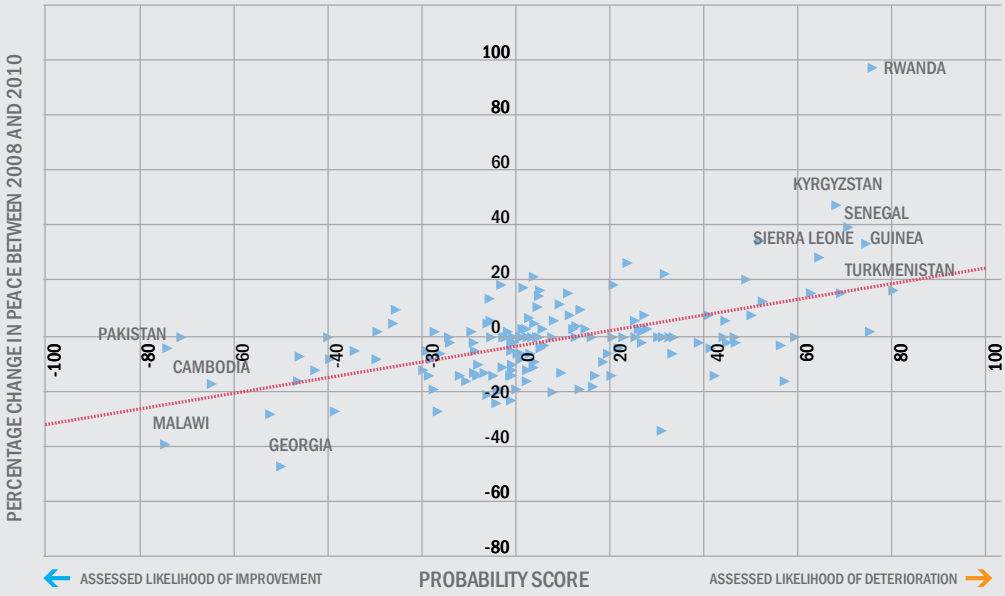
As peace increased, the risk measure also increased due to the historical evidence that Mali's institutional capacity and societal capacities may not be able to support such levels.



SOURCE: IEP

FIGURE 3.32 IEP BALANCE OF PROBABILITIES IN THE LIKE COUNTRY MODEL VS ACTUAL CHANGES IN PEACE BETWEEN 2008 AND 2010

Using data from 1996–2008, the calculated likelihood of changes in levels of peace when comparing like countries based on their historical Positive Peace correlate with observed changes in peace between 2008-2010. Similar trends have been observed using historical data to assess risk for the periods 2006-2008, 2007-2009 and 2009-2011.



SOURCE: IEP Risk Calculations based on 2008 data

The Mali case study highlights an important assumption that is made in the model: levels of peace and structural indicators are attractors for each other. *In other words, levels of violence and levels of Positive Peace are mean reverting.* This is a large assumption that requires exploration.

To test this assumption, the like country risk model has been calculated historically each year since 2006 and the results are then compared to actual changes in peace in the following two years.[24] This is considered suboptimal as forecasting would be more reliable if three or five-year forecasts were used. However two-year periods were chosen as it allowed for five forecasts to be checked rather than three or two.

The risk results are evaluated using a balance of probabilities as described in Box 3.8. *IEP finds that between 2006 and 2009, the risk balance of probabilities results from the Like Country modelling correlate with actual changes in levels of peace.*[25]

Figure 3.32 shows a scatterplot for the risk model results in 2008 against the actual percentage change in peace between 2008 and 2010. Similar trends occur for the periods 2006-2008, 2007-2009 and 2009-2011. This provides an evidence base to the assumption that there is an average level of negative peace that is sustainable by a certain level of Positive Peace.

METHODOLOGY CONSIDERATIONS WITH THE 'LIKE COUNTRY' RISK MODEL

One of the major limitations is the small number of indicators that have been used to produce the historical dataset. As time passes, a more robust set of data will be built. This will then help to improve the accuracy and to allow for a more nuanced understanding of the results.

Additionally, for some of the smaller less-developed countries, data accuracy for some measures can be an issue. This can be somewhat offset by the use of composite measures and imputation techniques but some additional qualitative analysis is also required on the selected countries.

As has been shown, structural indicators may offer insight into the potential for a country to improve or deteriorate in peace. However, the current methodology is largely concerned with outliers. Because of this the following considerations should be noted and are areas of possible future research.

TABLE 3.15 POTENTIAL CHALLENGES WITH THE 'LIKE COUNTRY' RISK MODEL APPROACH

IEP is continuing research to build more comprehensive models to address considerations uncovered in the work so far.

IEP RISK MODEL ATTRIBUTE	CON	PRO
The countries identified as most "at risk" will be the countries that are performing the best when compared to like countries.	If the model is used to prioritise policy focus, this attribute will mean the countries that are performing the poorest in a set of countries will be ignored.	The countries that are performing the best given a certain level of institutional strength may in fact be the ones with the most to lose. Therefore outside attention may well be required to ensure that they maintain their current levels of peace.
Countries with equal likelihoods of improvement and deteriorations are ignored due to the likelihoods of cancelling each other out.	Some countries with non-trivial likelihoods of changes may be overlooked.	The model highlights countries with clear historical evidence of a change in peace. Other countries are identified as requiring further analysis.
The model may identify countries as being at risk when they are actually just improving or resilient for reasons other than those explored in the PPI.	The model may result in counter intuitive results. These results can be adjusted by determining the momentum of Positive Peace; if improving then risk is mitigated.	The Bayesian approach allows for continual updating and learning from the system. The longer a country stays at one level of peace, the more the model recognises it and assigns less likelihood to it moving.

METHODOLOGY OF ESTIMATING FINANCIAL IMPACT OF CHANGE IN PEACE

COSTING VIOLENCE

In order to determine the potential size of the 'unrealized risk' of movements in the GPI, estimates of the economic impact of violence were calculated. Specifically, the economic impact of containing and dealing with the consequences of violence was multiplied by the probability of the risk to examine relative financial risk. By doing this, projected movements in the GPI and their likelihood were then able to be combined to develop estimates of the economic value of this unrealised risk. An illustration of the relationship between the cost of violence containment and peace is provided in Figure 3.3:

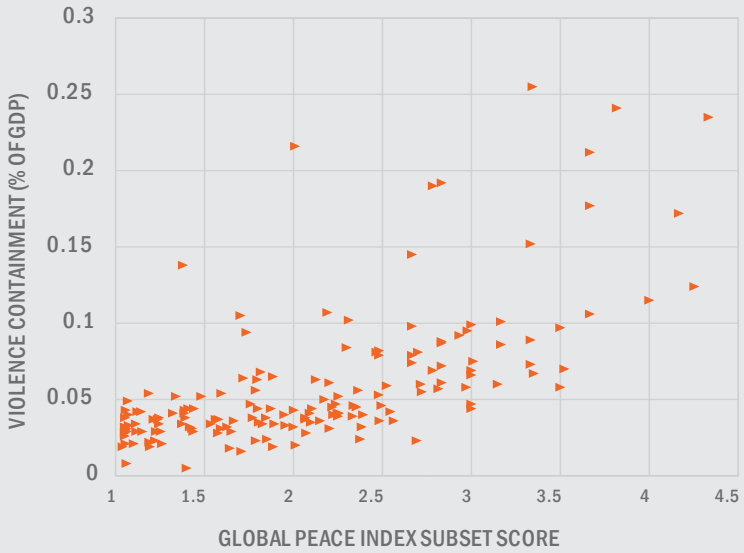
On average there is a clear relationship between the estimated costs of violence containment and a country's GPI subset score. That is, the proportion of a country's GDP consumed by violence containment costs tends to increase, at an increasing rate, as a country's GPI Subset score deteriorated. From this it is therefore possible to project how a given change in peace will impact a country's violence containment costs.

IEP's estimates of the economic impact of violence containment are based on the concept of 'violence containment' spending. IEP defines violence containment spending as economic activity that is related to the consequences or prevention of violence where the violence is directed against people or property.

To calculate the economic impact of violence

FIGURE 3.33 THE COST OF VIOLENCE CONTAINMENT AND GPI SUBSET (R=0.65)

The relationship between the economic impact of violence containment and the GPI Subset was used to estimate the size of the unrealised risk.



SOURCE: insert

containment spending, IEP uses ten indicators from the GPI and three additional key areas of expenditure to place an economic value on 13 different dimensions. This process has been developed to enable relative comparisons between countries at different levels of economic development.

Types of violence that were included as part of the analysis include:

- The number of deaths from internal conflict
- The number of deaths from external conflict
- The level of violent crime
- The level of expenditure on the military
- The number of refugees, stateless and internally displaced persons
- The number of homicides
- The number of internal security officers and police
- The extent of the jailed population
- Private security forces
- The costs of terrorism
- The economic cost of conflict to the economy
- The costs associated with fear from violence
- The cost of funding UN peacekeeping missions.

Because the GPI comprises a range of both quantitative and qualitative measures that are scaled and weighted as part of creating the Index, the analysis was based on the original underlying data, or 'raw scores'. That is, the data underlying the Index, such as the number of homicides that have occurred in a country, was used. Individual raw scores were then multiplied by the 'unit cost' of a particular type of violence to provide a total cost for each type of violence. For instance, the total cost of homicide was estimated by multiplying the number of homicides by estimates of the cost of a homicide.

In both the US and the UK, a number of robust analyses have been conducted on the cost of various types of violence and have been used as the basis for establishing the cost of violence. Where unit costs were unavailable, estimates from the literature were 'scaled' in order to provide a reasonable approximation of the domestic costs per occurrence of violence for each category. Scaling was typically conducted by using average incomes, adjusted for purchasing power.

The final value therefore provides an indication of the annual cost of violence to a country. This was then combined with the GPI to determine to what extent movements in the GPI translated into movements in the cost of violence. For full details on the methodology used to estimate the economic impact of violence containment, refer to IEP's paper *The Economic Cost of Violence Containment*.

ENDNOTES

1. Based on observations of the trends of the GPI Subset measure, a deterioration of 0.1 or above in absolute score is deemed notable based on deteriorations of this magnitude being above the 70th percentile of all recorded changes.
2. Notional approximations of the number of people who could potentially fall into poverty were based on estimates of how far, on average, the poor were from extreme poverty, where extreme poverty was defined as having an income of less than $1.25 per day. To do this, data from the World Bank on the 'poverty gap' was used to estimate the average income of the poor, as defined as those earning less than $5 a day. The poor's average level of income above extreme poverty was then combined with the projected increase in violence containment costs to determine how many people could potentially fall into extreme poverty were the projected rise in violence to occur. Although IEP has attempted to undertake this analysis using relatively conservative assumptions, these estimates are meant as hypothetical approximations of the potential human costs of risks being realized; as such the actual impact could potentially be much greater.
3. A large deterioration is defined as an increase in GPI of greater than 0.5. To put this in context, a large deterioration of 0.5 in GPI score is essentially equivalent to the onset of a civil war or very major internal conflict.
4. This experiment was repeated over five, two-year time frames from 2006–2012. Results also show averages over the five experiments. All modelling was done on data dated previous to the time frame in question.
5. Countries are identified as 'At Risk' if they are in the 30 countries with the highest risk scores when ranked by both the Positive Peace Deficit and the Like Country Risk Models.
6. World Bank. (2011). World Development Report 2011: Conflict, Security, and Development. Washington DC, US: World Bank p. 86.
7. Kitsantonis N. (2011). Violent Crime Soars in Athens, June 14 2011. New York, USA: New York Times.
8. Keeping all 156 countries in both indices shows the correlation at a still significant r=0.33.
9. Mitchell T., & Harris K. (2012). Resilience: A risk management approach. London, UK: Overseas Development Institute p. 7.

10. Organisation for Economic Co-operation and Development (OECD). (2011). Managing Risks in Fragile and Transitional Contexts: The Price of Success. Paris, France: OECD. Retrieved from www.oecd.org/dac/incaf/48634348.pdf.

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16. See Rockström J., et al. (2009). Planetary boundaries: exploring the safe operating space for humanity. Ecology and Society 14(2) p. 32.

17. Food and Agriculture Organization (FAO) of the United Nations. (2010). Measuring Resilience: A concept note on the Resilience Tool. Retrieved from http://www.fao.org/docrep/013/al920e/al920e00.pdf.

18. World Bank. (2011). Country Policy and Institutional Assessment (CPIA). Washington DC, US: World Bank. Retrieved from http://www.worldbank.org/ida/papers/CPIAcriteria2011final.pdf.

19. Fragility is defined by the Center for Systemic Peace as follows: 'A country's fragility is closely associated with its state capacity to manage conflict; make and implement public policy; and deliver essential services and its systemic resilience in maintaining system coherence, cohesion, and quality of life; responding effectively to challenges and crises, and sustaining progressive development' at Center for Systemic Peace. (2012). State Fragility Index. Retrieved from http://www.systemicpeace.org/inscr/SFImatrix2012c.pdf p. 7.

20. Alfaro L., Chanda A., Kalemli-Ozcan S., & Sayek., S. (2010). Does foreign direct investment promote growth? Exploring the role of financial markets on linkages. Journal of Development Economics, 91(2) pp. 242-256. See also Borensztein E., De Gregorio J., & Lee J. (1998). How Does Foreign Direct Investment Affect Economic Growth? Journal of International Economics, 45(1) pp. 115-135.

21. OECD. (2012). Fragile States 2013: Resource Flows and Trends in a Shifting World. Paris, France: OECD.

22. Yogo U., & Mallaye D. (2011). Remittances, Foreign Direct Investment and Aid in Fragile States: Are They Complements or Substitutes? Retrieved from http://ssrn.com/abstract=1795253.

23. To experiment with the like country methodology, subset versions of both the PPI and GPI have been constructed to allow the time series to cover from 1996-2012. These are referred to as the Positive Peace Index Subset (PPI-S) and the Global Peace Index Subset (GPI-S). The box on page 77 describes the methodology.

24. The model was run from 2006 and 2009 to allow for comparison for at least two years of actual historical observations. Risk models for 2010 were not included because some of the GPI-S and PPI-S indicators do not extend to 2012.

25. Correlates over r >0.4.

ANNEX A: GPI INDICATOR SOURCES, DEFINITIONS AND SCORING CRITERIA

The information below details the sources, definitions, and scoring criteria of the 22 indicators that form the Global Peace Index. All scores for each indicator are "banded" or normalised either on a scale of 1-5, whereby qualitative indicators are banded into five groupings and quantitative ones are either banded into ten groupings or rounded to the first decimal point. The Economist Intelligence Unit (EIU) has provided imputed estimates in the rare event there are gaps in the quantitative data.

INTERNAL PEACE INDICATORS

LEVEL OF PERCEIVED CRIMINALITY IN SOCIETY

Indicator type	Qualitative
Indicator weight	3
Indicator Weight (% of total Index)	4%
Data Source	EIU
Measurement period	March 16 2013 to March 15 2014

Definition: Assessment of the level of perceived criminality in society, ranked from 1-5 (very low to very high) by the EIU's Country Analysis team. Country analysts assess this indicator on an annual basis, for the period March to March.

Scoring Criteria:

1 = Very low: the majority of other citizens can be trusted; very low levels of domestic security.

2 = Low: an overall positive climate of trust with other citizens.

3 = Moderate: reasonable degree of trust in other citizens.

4 = High: high levels of distrust in other citizens; high levels of domestic security.

5 = Very high: very high levels of distrust in other citizens - people are extremely cautious in their dealings with others; large number of gated communities, high prevalence of security guards.

NUMBER OF INTERNAL SECURITY OFFICERS AND POLICE PER 100,000 PEOPLE

Indicator type	Quantitative
Indicator weight	3
Indicator Weight (% of total Index)	4%
Data Source	UNODC, 2012 United Nations Survey of Crime Trends and Operations of Criminal Justice Systems
Measurement period	2011

Alternative Source: EIU. Where data is not provided, the EIU's analysts have filled them based on likely scores from the set bands of the actual data.

Definition: This indicator is sourced from the United Nations Survey of Crime Trends and Operations of Criminal Justice Systems (UN-CTS), and refers to the civil police force. Police means personnel in public agencies whose principal functions are the prevention, detection and investigation of crime and the apprehension of alleged offenders. It is distinct from national guards or local militia.

Scoring Bands

1/5	2/5	3/5	4/5	5/5
0 - 199.8	199.9 - 399.8	399.9 - 599.8	599.9 - 799.8	> 799.9

NUMBER OF HOMICIDES PER 100,000 PEOPLE

Indicator Type	Quantitative
Indicator Weight	4
Indicator Weight (% of total Index)	5.3%
Data Source	UNODC, 2012 United Nations Survey of Crime Trends and Operations of Criminal Justice Systems
Measurement period	2011

Alternative Source: EIU. Where data is not provided, the EIU's analysts have filled them based on likely scores from the set bands of the actual data.

Definition: This indicator comes from the United Nations Survey of Crime Trends and Operations of Criminal Justice Systems (UN-CTS) . Intentional homicide refers to death deliberately inflicted on a person by another person, including infanticide. The figures refer to the total number of penal code offences or their equivalent, but

exclude minor road traffic and other petty offences, brought to the attention of the police or other law enforcement agencies and recorded by one of those agencies.

Scoring Bands

1/5	2/5	3/5	4/5	5/5
0 – 1.99	2 – 5.99	6 – 9.99	10 – 19.99	> 20

Additional Notes: For Haiti, the score has been smoothed following an update of UNODC data.

NUMBER OF JAILED POPULATION PER 100,000 PEOPLE

Indicator Type	Quantitative
Indicator Weight	3
Indicator Weight (% of total Index)	4.0%
Data Source	International Centre for Prison Studies, University of Essex, World Prison Brief
Measurement period	2004-13, depending upon data availability

Definition: Figures are from the International Centre for Prison Studies, and are compiled from a variety of sources. In almost all cases the original source is the national prison administration of the country concerned, or else the Ministry responsible for the prison administration. Prison population rates per 100,000 people are based on estimates of the national population. In order to compare prison population rates, and to estimate the number of persons held in prison in the countries for which information is not available, median rates have been used by the International Centre for Prison Studies to minimise the effect of countries with rates that are untypically high or low. Indeed, comparability can be compromised by different practice in different countries, for example with regard to pre-trial detainees and juveniles, but also psychiatrically ill offenders and offenders being detained for treatment for alcoholism and drug addiction.

Scoring Bands

1/5	1.5/5	2/5	2.5/5	3/5
0 - 109.74	109.75 - 199.4	199.5 -289.24	289.25 - 378.9	379.0 - 468.74

3.5/5	4/5	4.5/5	5/5
468.75 - 558.4	558.5 - 648.24	648.25 - 737.9	> 738

Additional Notes: The data provided by World Prison Briefs are not annual averages but indicate the number of jailed population per 100,000 inhabitants in a particular month during the year. The year and month may differ from country to country.

EASE OF ACCESS TO SMALL ARMS AND LIGHT WEAPONS

Indicator Type	Qualitative
Indicator Weight	3
Indicator Weight (% of total Index)	4.0%
Data Source	EIU
Measurement period	March 16 2013 to March 15 2014

Definition: Assessment of the accessibility of small arms and light weapons (SALW), ranked from 1-5 (very limited access to very easy access) by the EIU's Country Analysis team. Country analysts are asked to assess this indicator on an annual basis, for the period from March to March.

Scoring Criteria:

1 = Very limited access: the country has developed policy instruments and best practices, such as firearm licences, strengthening of export controls, codes of conduct, firearms or ammunition marking.

2 = Limited access: the regulation implies that it is difficult, time-consuming and costly to obtain firearms; domestic firearms regulation also reduces the ease with which legal arms are diverted to illicit markets.

3 = Moderate access: there are regulations and commitment to ensure controls on civilian possession of firearms, although inadequate controls are not sufficient to stem the flow of illegal weapons.

4 = Easy access: there are basic regulations, but they are not effectively enforced; obtaining firearms is straightforward.

5 = Very easy access: there is no regulation of civilian possession, ownership, storage, carriage and use of firearms.

LEVEL OF ORGANISED CONFLICT (INTERNAL)

Indicator Type	Qualitative
Indicator Weight	5
Indicator Weight (% of total Index)	6.7%
Data Source	EIU
Measurement period	March 16 2013 to March 15 2014

Definition: Assessment of the intensity of conflicts within the country, ranked from 1-5 (no conflict to severe crisis) by the EIU's Country Analysis team. Country analysts are asked to assess this indicator on an annual basis, for the period March to March.

Scoring Criteria:

1 = No conflict.

2 = Latent conflict: positional differences over definable values of national importance.

3 = Manifest conflict: explicit threats of violence; imposition of economic sanctions by other countries.

4 = Crisis: a tense situation across most of the country; at least one group uses violent force in sporadic incidents.

5 = Severe crisis: civil war; violent force is used with a certain continuity in anorganised and systematic way throughout the country.

LIKELIHOOD OF VIOLENT DEMONSTRATIONS

Indicator Type	Qualitative
Indicator Weight	3
Indicator Weight (% of total Index)	4.0%
Data Source	EIU
Measurement period	March 16 2013 to March 15 2014

Definition: Assessment of the likelihood of violent demonstration ranked from 1-5 (very low to very high) by the EIU's Country Analysis team, based on the question: "Are violent demonstrations or violent civil/labour unrest likely to pose a threat to property or the conduct of business over the next two years?". Country analysts assess this question on a quarterly basis. The score provided for March 2012 - March 2013 is the average of the scores given for each quarter.

Scoring Criteria

"Are violent demonstrations or violent civil/labour unrest likely to pose a threat to property or the conduct of business over the next two years?"

1/5 Strongly no
2/5 No
3/5 Somewhat of a problem
4/5 Yes
5/5 Strongly yes

LEVEL OF VIOLENT CRIME

Indicator Type	Qualitative
Indicator Weight	4
Indicator Weight (% of total Index)	5.3%
Data Source	EIU
Measurement period	March 16 2013 to March 15 2014

Definition: Assessment of the likelihood of violent crime ranked from 1 to 5 (very low to very high) by the EIU's Country Analysis team based on the question "Is violent crime likely to pose a significant problem for government and/or business over the next two years?". Country analysts assess this question on a quarterly basis. The score provided for March 2013 - March 2014 is the average of the scores given for each quarter.

Scoring Criteria

"Is violent crime likely to pose a significant problem for government and/or business over the next two years?"

1/5 Strongly no
2/5 No
3/5 Somewhat of a problem
4/5 Yes
5/5 Strongly yes

POLITICAL INSTABILITY

Indicator Type	Qualitative
Indicator Weight	4
Indicator Weight (% of total Index)	5.3%
Data Source	EIU
Measurement period	March 16 2013 to March 15 2014

Definition: Assessment of political instability ranked from 0 to 100 (very low to very high instability) by the EIU's Country Analysis team, based on five questions. This indicator aggregates five other questions on social unrest, orderly transfers, opposition stance, excessive executive authority, and an international tension sub-index. Country analysts assess this question on a quarterly basis. The score provided for March 2013 - March 2014 is the average of the scores given for each quarter.

Specific Questions:

- What is the risk of significant social unrest during the next two years?
- How clear, established, and accepted are constitutional mechanisms for the orderly transfer of power from one government to another?
- How likely is it that an opposition party or group will come to power and cause a significant deterioration in business operating conditions?
- Is excessive power concentrated or likely to be concentrated, in the executive so that executive authority lacks accountability and possesses excessive discretion?
- Is there a risk that international disputes/tensions will negatively affect the economy and/or polity?

Scoring Bands

1/5	2/5	3/5	4/5	5/5
0 - 20.4	20.5 - 40.4	40.5 - 60.4	60.5 - 80.4	80.5 - 100

POLITICAL TERROR SCALE

Indicator Type	Qualitative
Indicator Weight	4
Indicator Weight (% of total Index)	5.3%
Data Source	Gibney, M., Cornett, L., & Wood, R., (2011) Political Terror Scale 1976-2012
Measurement period	2012

Definition: The Political Terror Scale (PTS) measures levels of political violence and terror that a country experiences in a given year based on a 5-level "terror scale" originally developed by Freedom House. The data used in compiling this index comes from two different sources: the yearly country reports of Amnesty International and the US Department of State's Country Reports on Human Rights Practices. The average of the two scores is taken.

Scoring Criteria:

1 = Countries under a secure rule of law, people are not imprisoned

for their view, and torture is rare or exceptional. Political murders are extremely rare.

2 = There is a limited amount of imprisonment for nonviolent political activity. However, few persons are affected, torture and beatings are exceptional. Political murder is rare.

3 = There is extensive political imprisonment, or a recent history of such imprisonment. Execution or other political murders and brutality may be common. Unlimited detention, with or without a trial, for political views is accepted.

4 = Civil and political rights violations have expanded to large numbers of the population. Murders, disappearances, and torture are a common part of life. In spite of its generality, on this level terror affects those who interest themselves in politics or ideas.

5 = Terror has expanded to the whole population. The leaders of these societies place no limits on the means or thoroughness with which they pursue personal or ideological goals.

VOLUME OF TRANSFERS OF MAJOR CONVENTIONAL WEAPONS, AS RECIPIENT (IMPORTS) PER 100,000 PEOPLE

Indicator Type	Quantitative
Indicator Weight	2
Indicator Weight (% of total Index)	2.7%
Data Source	SIPRI Arms Transfers Database; Economist Intelligence Unit
Measurement period	2008-2012

Definition: Measures the total volume of major conventional weapons imported by a country between 2008 and 2012, divided by the average population in this time period at the 100,000 people level (population data supplied by the EIU). The SIPRI Arms Transfers Database covers all international sales and gifts of major conventional weapons and the technology necessary for their production. The transfer equipment or technology is from one country, rebel force or international organisation to another country, rebel force or international organisation. Major conventional weapons include: aircraft, armoured vehicles, artillery, radar systems, missiles, ships, engines.

Scoring Bands

1/5	1.5/5	2/5	2.5/5	3/5
0 - 7.596	7.597 - 15.192	15.193 - 22.788	22.789 - 30.384	30.385 - 37.980

3.5/5	4/5	4.5/5	5/5
37.981 - 45.576	45.577 - 53.172	53.173 - 60.768	> 60.769

TERRORIST ACTIVITY

Indicator Type	Quantitative
Indicator Weight	2
Indicator Weight (% of total Index)	2.7%
Data Source	IEP, Global Terrorism Index, GTI
Measurement period	1 Jan 2004 to 31 Dec 2013

Definition: Terrorist incidents are defined as "intentional acts of violence or threat of violence by a non-state actor". This means an incident has to meet three criteria in order for it to be counted as a terrorist act:

a) The incident must be intentional – the result of a conscious calculation on the part of a perpetrator.

b) The incident must entail some level of violence or threat of violence – including property violence, as well as violence against people.

c) The perpetrators of the incidents must be sub-national actors. This database does not include acts of state terrorism.

For all incidents listed, at least two of the following three criteria must be present:

1. The act must be aimed at attaining a political, economic, religious, or social goal.

2. There must be evidence of an intention to coerce, intimidate, or convey some other message to a larger audience (or audiences) than the immediate victims.

3. The action must be outside the context of legitimate warfare activities.

Methodology: Using the comprehensive event database, the Global Terrorism Database (GTD), the TERR indicator based on the GTI combines four variables to develop a composite score; the number of terrorist incidents in a given year, total number of fatalities in a given year, total number of injuries caused in a given year and the approximate level of property damage in a given year. The composite score captures the direct effects of terrorist related violence, in terms of its physical effect, but also attempts to reflect the residual effects of terrorism in terms of emotional wounds and fear by attributing a weighted average to the damage inflicted in previous years. At of the date of publication, the GTD only logs events up to 31 Dec 2012. To estimate terrorist activity since that date IEP has researched terrorist events occurring between 1 January 2013 and 31 Dec 2013. This information is not as comprehensive as the GTD and so statistical methods are required to compare terrorist activity between 2012 and 2013. From this comparison an estimate score for 2013 has been calculated for each country. This estimate is re-evaluated annually as better information is made available.

Scoring Bands

1/5	1.5/5	2/5	2.5/5	3/5
0 - 3.39	3.37 - 11.36	11.36 - 38.30	38.30 - 129.1	129.11 - 435.21

3.5/5	4/5	4.5/5	5/5
435.21 - 1,467.03	1,467.03 - 4,945.15	4,945.15 - 16,669.41	>16,669.41

NUMBER OF DEATHS FROM ORGANISED CONFLICT (INTERNAL)

Indicator Type	Quantitative
Indicator Weight	5
Indicator Weight (% of total Index)	6.7%
Data Source	International Institute for Strategic Studies (IISS), Armed Conflict Database (ACD)
Measurement period	2012-2013

Alternative Source: EIU. When no data was provided by the IISS ACD, then EIU analysts have scored the figures available for 2012 and 2013 according to the set bands of the actual data.

Definition: This indicator uses the UCDP's definition of conflict. UCDP defines conflict as: "a contested incompatibility that concerns government and/or territory where the use of armed force between two parties, of which at least one is the government of a state, results in at least 25 battle-related deaths in a year". Statistics are compiled from the most recent edition of the IISS ACD, which has the following definition of armed conflict-related fatalities: 'Fatality statistics relate to military and civilian lives lost as a direct result of an armed conflict'.

The figures relate to the country which is the main area of conflict. For some conflicts no reliable statistics are available. Estimates of war fatalities vary according to source, sometimes by a wide margin. In compiling data on fatalities, the IISS has used its best estimates and takes full responsibility for these figures. Some overall fatality figures have been revised in light of new information. Changes in fatality figures may therefore occur as a result of such revisions as well as because of increased fatalities. Fatality figures for terrorism may include deaths inflicted by the government forces in counter-terrorism operations.

Scoring Bands

1/5	2/5	3/5	4/5	5/5
0 – 23 deaths	24 - 998 deaths	999 - 4,998 deaths	4,999 - 9,998 deaths	> 9,999 deaths

EXTERNAL PEACE INDICATORS

MILITARY EXPENDITURE AS A PERCENTAGE OF GDP

Indicator Type	Quantitative
Indicator Weight	2
Indicator Weight (% of total Index)	2.6%
Data Source	International Institute for Strategic Studies, The Military Balance 2014
Measurement period	2012-2013

Alternative Source: When no data was provided, several alternative sources were used: National Public Expenditure Accounts, SIPRI information and the Military Balance 2012. Alternative data are from 2007 to 2013, depending upon data availability.

Definition: Cash outlays of central or federal government to meet the costs of national armed forces—including strategic, land, naval, air, command, administration and support forces as well as paramilitary forces, customs forces and border guards if these are trained and equipped as a military force. Published EIU data on nominal GDP (or the World Bank when unavailable) was used to arrive at the value of military expenditure as a percentage of GDP.

Scoring Criteria: This indicator is scored using a min-max normalisation. Applying this method, a country's score is based on the distance of its military expenditure as a share of GDP from the benchmarks of 0% (for a score of 1) and 12.97% or above (for a score of 5). The bands while linear approximately conform as follows:

1 /5	**Between 0-3.11 %**
2/5	**Between 3.12-6.39 %**
3/5	**Between 6.4-9.67 %**
4/5	**Between 9.68-12.96 %**
5/5	**>12.97 %**

NUMBER OF ARMED SERVICES PERSONNEL PER 100,000 PEOPLE

Indicator Type	Quantitative
Indicator Weight	2
Indicator Weight (% of total Index)	2.6%
Data Source	International Institute for Strategic Studies, The Military Balance 2014
Measurement period	2013

Alternative Source: World Bank population data used if unavailable from the EIU.

Definition: Active armed services personnel comprise all servicemen and women on full-time duty in the army, navy, air force and joint forces (including conscripts and long-term assignments from the reserves). Population data provided by the EIU.

Scoring Bands

1/5	1.5/5	2/5	2.5/5	3/5
0 - 660.94	660.95 - 1,311.90	1,311.91 - 1,962.85	1,962.86 - 2,613.81	2,613.82 - 3,264.76

3.5/5	4/5	4.5/5	5/5
3,264.77 - 3,915.72	3,915.73 - 4,566.67	4,566.68 - 5,217.63	>5,217.64

Additional Notes: The Israeli reservist force is used to calculate Israel's number of armed services personnel.

FINANCIAL CONTRIBUTION TO UN PEACEKEEPING MISSIONS

Indicator Type	Quantitative
Indicator Weight	2
Indicator Weight (% of total Index)	2.6%
Data Source	IEP; United Nations Committee on Contributions
Measurement period	2008 - 2010

Methodology: The UNFU indicator measures whether UN member countries meet their UN peacekeeping funding commitments. Although countries may fund other programs in development or peacebuilding, the records on peacekeeping are easy to obtain and understand, and provide an instructive measure of a country's commitment to peace. The indicator calculates the percentage of countries' "outstanding payments versus their annual assessment to the budget of the current peacekeeping missions" over an average of three years. This ratio is derived from data provided by the United Nations Committee on Contributions Status reports. The indicator is compiled as follows:

1) The status of contributions by UN Member States is obtained.
2) For the relevant peacekeeping missions, the assessments (for that year only) and the collections (for that year only) are recorded. From this, the outstanding amount is calculated for that year.
3) The ratio of outstanding payments to assessments is calculated. By doing so a score between 0 and 1 is obtained. Zero indicates no money is owed; a country has met their funding commitments. A score 1 indicates that a country has not paid any of their assessed contributions. Given that the scores already fall between 0 and 1, they are easily banded into a score between 1 and 5. The final banded score is a weighted sum of the current year and the previous two years. The weightings are 0.5 for the current year, 0.3 for the previous year and 0.2 for two years prior. Hence it is a three year weighted average.
4) Outstanding payments from previous years and credits are not included. The scoring is linear to one decimal place.

Scoring Criteria

1/5	**0 - 25% of stated contributions owed**
2/5	**26 -50% of stated contributions owed**
3/5	**51 - 75% of stated contributions owed**
4/5	**75-99% of stated contributions owed**
5/5	**100% of stated contributions owed (no contributions made in past three years)**

Additional Notes: All United Nations Member States share the costs of United Nations peacekeeping operations. The General Assembly apportions these expenses based on a special scale of assessments applicable to peacekeeping. This scale takes into account the relative economic wealth of member states, with the permanent members of the Security Council required to pay a larger share because of their special responsibility for the maintenance of international peace and security. Due to delays in the release of new data, the 2013 indicator scores take into account a 2008, 2009, and 2010 weighted average.

NUCLEAR AND HEAVY WEAPONS CAPABILITIES

Indicator Type	Quantitative
Indicator Weight	3
Indicator Weight (% of total Index)	3.9%
Data Source	IEP; SIPRI; IISS The Military Balance; United Nations Register of Conventional Arms
Measurement period	2012

Methodology: This indicator is based on a categorised system for rating the destructive capability of a country's stock of heavy weapons. Holdings are those of government forces and do not include holdings of armed opposition groups. Heavy weapons numbers were determined using a combination of the International Institute for Strategic Studies, The Military Balance and the United Nations Register of Conventional Arms.

There are five categories of weapons, each of which receive a certain number of weighted points. The five weapons categories are weighted as follows:

1. Armoured vehicle and artillery pieces = 1 point
2. Tank = 5 points
3. Combat aircraft and combat helicopter = 20 points
4. Warship = 100 points
5. Aircraft carrier and nuclear submarine = 1000 points

Countries with nuclear capabilities automatically receive the maximum score of five. Other scores are expressed to the second decimal point, adopting a min-max normalisation that sets the max at two standard deviations above the average raw score. Nuclear weapon equipped states are determined by the SIPRI World Nuclear Forces chapter in the SIPRI Yearbook, as follows:

Scoring Bands

1/5	2/5	3/5	4/5	5/5
Nil - 18,184	18,185 - 36,368	36,369 - 54,553	54,553 - 72,737	States with nuclear capability receive a 5, or states with heavy weapons capability of 72,738 or in the top 2% of heavy weapons receive a 5.

Additional Notes: This indicator methodology was changed in 2013 to remove the population denominator and include nuclear weapon equipped states.

VOLUME OF TRANSFERS OF MAJOR CONVENTIONAL WEAPONS AS SUPPLIER (EXPORTS) PER 100,000 PEOPLE

Indicator Type	Quantitative
Indicator Weight	3
Indicator Weight (% of total Index)	3.9%
Data Source	SIPRI, Arms Transfers Database
Measurement period	2008-2012

Definition: Measures the total volume of major conventional weapons exported by a country between 2008 and 2012 divided by the average population during this time period (population data supplied by the EIU). The SIPRI Arms Transfers Database covers all international sales and gifts of major conventional weapons and the technology necessary for the production of them. The transfer equipment or technology is from one country, rebel force or international organisation to another country, rebel force or international organisation. Major conventional weapons include: aircraft, armoured vehicles, artillery, radar systems, missiles, ships and engines.

Scoring Bands

1/5	1.5/5	2/5	2.5/5	3/5
0 - 2.972	2.973 - 5.944	5.945 - 8.917	8.918 - 11.890	11.891 - 14.863

3.5/5	4/5	4.5/5	5/5
14.864 - 17.835	17.836 - 20.808	20.809 - 23.781	> 23.782

NUMBER OF REFUGEES AND DISPLACED PEOPLE AS A PERCENTAGE OF THE POPULATION

Indicator Type	Quantitative
Indicator Weight	4
Indicator Weight (% of total Index)	5.2%
Data Source	UNHCR Global Trends 2013; International Displacement Monitoring Centre (IDMC), 2014
Measurement period	2013

Definition: Refugee population by country or territory of origin, plus the number of a country's internally displaced people (IDPs) as a percentage of the country's total population.

Scoring Bands

1/5	1.5/5	2/5	2.5/5	3/5
0 - 1.50	1.51 - 3.02	3.03 - 4.54	4.55 - 6.06	6.07 - 7.58

3.5/5	4/5	4.5/5	5/5
7.59 - 9.10	9.11 - 10.62	10.63 - 12.14	> 12.15

RELATIONS WITH NEIGHBOURING COUNTRIES

Indicator Type	Qualitative
Indicator Weight	5
Indicator Weight (% of total Index)	6.5%
Data Source	EIU
Measurement period	16 March 2013 to 15 March 2014

Definition: Assessment of the intensity of contentiousness of neighbours, ranked from 1-5 (peaceful to very aggressive) by the EIU's Country Analysis team. Country analysts are asked to assess this indicator on an annual basis, for the period March to March.

Scoring Criteria

1 = Peaceful: none of the neighbours has attacked the country since 1950.
2 = Low: the relationship with neighbours is generally good, but aggressiveness is manifest in politicians' speeches or in protectionist measures.
3 = Moderate: there are serious tensions and consequent economic and diplomatic restrictions from other countries.
4 = Aggressive: open conflicts with violence and protests.
5 = Very aggressive: frequent invasions by neighbouring countries.

NUMBER OF EXTERNAL AND INTERNAL CONFLICTS FOUGHT

Indicator Type	Quantitative
Indicator Weight	5
Indicator Weight (% of total Index)	6.5%
Data Source	UCDP, Armed Conflict Dataset
Measurement period	2009-2013

Definition: This indicator measures conflicts, as defined by Uppsala Conflict Data Program (UCDP), which began in 2009 and were extant in 2009-13, irrespective of whether or not they ended during that period. For instance, a country is given a score of one if it has been in conflict for that year or in any of the previous four years. Therefore, the country total is the sum of all conflicts that a country has been in over a five year bracket. UCDP defines conflict as: "a contested incompatibility that concerns government and/or territory where the use of armed force between two parties, of which at least one is the government of a state, results in at least 25 battle-related deaths in a year".

Scoring Bands

1/5	2/5	3/5	4/5	5/5
Zero conflicts	One conflict	Two conflicts	Three conflicts	Four or more conflicts

Additional Notes: Uppsala codes Afghanistan as two contested incompatibilities, IEP has manually consolidated them into one so as to not double count for a country that may be participating in that conflict.

NUMBER OF DEATHS FROM ORGANISED CONFLICT (EXTERNAL)

Indicator Type	Quantitative
Indicator Weight	5
Indicator Weight (% of total Index)	6.5%
Data Source	UCDP, Armed Conflict Dataset
Measurement period	20012-2013

Alternate Source: When no data was provided, several alternative sources have been used: International Institute for Strategic Studies (IISS) Armed Conflict Database; the Iraq Coalition Casualty Count, and the EIU.

Definition: This indicator uses the UCDP's definition of conflict as a "a contested incompatibility that concerns government and/or territory where the use of armed force between two parties, of which at least one is the government of a state, results in at least 25 battle-related deaths in a year".

Scoring Bands

1/5	2/5	3/5	4/5	5/5
0 - 23 deaths	24 - 998 deaths	999 - 4,998 deaths	4,999 - 9,998 deaths	> 9,999 deaths

ANNEX B: VIOLENCE CONTAINMENT COSTS BY COUNTRY

TABLE B1 DIRECT VIOLENCE CONTAINMENT COSTS, TOTAL USD PER COUNTRY, PER PERSON AND PERCENTAGE OF GDP, ALL COUNTRIES IN THE GPI. (USD, 2013 PPP)

VIOLENCE CONTAINMENT RANK	COUNTRY	TOTAL COST IN USD 2013 ($ MILLIONS PPP)	VIOLENCE CONTAINMENT COST PER PERSON (USD 2013 PPP)	% OF GDP
1	North Korea	$10,205	$410	25.5%
2	Syria	$25,960	$1,160	24.1%
3	Afghanistan	$8,305	$280	23.5%
4	Liberia	$625	$150	21.6%
5	South Sudan	$3,120	$290	21.2%
6	Honduras	$7,525	$950	19.2%
7	Zimbabwe	$1,425	$105	19.0%
8	Iraq	$43,970	$1,350	17.7%
9	Somalia	$1,015	$100	17.2%
10	Cote d'Ivoire	$6,660	$335	15.2%
11	El Salvador	$6,885	$1,095	14.5%
12	Oman	$13,055	$3,940	13.8%
13	Sudan	$11,120	$300	12.4%
14	Democratic Republic of the Congo	$3,390	$50	11.5%
15	Libya	$7,870	$1,280	10.7%
16	Central African Republic	$355	$80	10.6%
17	Bahrain	$3,670	$2,785	10.5%
18	United States of America	$1,713,095	$5,455	10.2%
19	Venezuela	$41,135	$1,375	10.1%
20	Jamaica	$2,475	$915	9.9%
21	Lesotho	$420	$205	9.8%
22	Colombia	$50,670	$1,060	9.7%
23	Russia	$242,095	$1,685	9.5%
24	Saudi Arabia	$87,665	$3,100	9.4%
25	Mexico	$172,785	$1,430	9.4%
26	Angola	$12,085	$580	9.2%
27	Republic of the Congo	$1,775	$410	8.8%
28	Guatemala	$7,120	$470	8.7%
29	South Africa	$51,085	$1,000	8.6%
30	Botswana	$2,855	$1,425	8.4%
31	Namibia	$1,455	$645	8.2%
32	Mali	$1,530	$105	8.1%
33	Israel	$22,105	$2,795	8.1%
34	Trinidad and Tobago	$2,140	$1,600	7.9%
35	Mauritania	$645	$170	7.9%
36	Myanmar	$8,280	$155	7.5%
37	Panama	$4,550	$1,195	7.4%
38	Brazil	$176,910	$890	7.3%
39	Malawi	$1,075	$70	7.2%
40	Pakistan	$40,315	$225	7.0%
41	Guinea-Bissau	$140	$85	6.9%
42	Yemen	$4,305	$180	6.9%
43	Lebanon	$4,360	$985	6.8%
44	Eritrea	$300	$50	6.7%
45	Dominican Republic	$6,685	$650	6.6%
46	Egypt	$35,875	$445	6.5%
47	Kenya	$5,205	$120	6.5%
48	Algeria	$18,345	$475	6.4%
49	Haiti	$850	$85	6.3%
50	Timor-Leste	$1,600	$1,320	6.3%
51	Tanzania	$4,820	$100	6.1%
52	Iran	$59,910	$785	6.1%
53	Ecuador	$9,450	$610	6.0%
54	Nigeria	$28,480	$170	6.0%
55	Swaziland	$370	$300	5.9%
56	Rwanda	$955	$85	5.8%
57	Ethiopia	$6,800	$75	5.8%
58	Cameroon	$3,040	$140	5.7%
59	Burkina Faso	$1,475	$90	5.6%
60	Jordan	$2,220	$350	5.6%
61	Chad	$1,540	$125	5.5%
62	Armenia	$1,125	$380	5.4%
63	Singapore	$18,165	$3,420	5.4%
64	Guyana	$350	$440	5.3%
65	Kuwait	$8,060	$2,480	5.2%
66	Gabon	$1,560	$955	5.2%
67	South Korea	$85,890	$1,720	5.2%
68	Burundi	$295	$30	5.1%
69	Benin	$835	$85	5.0%
70	Kyrgyz Republic	$715	$130	5.0%
71	United Kingdom	$116,970	$1,850	4.9%
72	Sri Lanka	$6,370	$315	4.7%
73	Guinea	$595	$50	4.7%

VIOLENCE CONTAINMENT RANK	COUNTRY	TOTAL COST IN USD 2013 ($ MILLIONS PPP)	VIOLENCE CONTAINMENT COST PER PERSON (USD 2013 PPP)	% OF GDP
74	Morocco	$8,440	$260	4.7%
75	Sierra Leone	$420	$70	4.6%
76	Nicaragua	$1,280	$215	4.6%
77	Turkey	$52,520	$710	4.5%
78	Peru	$15,470	$515	4.5%
79	Equatorial Guinea	$870	$1,180	4.4%
80	Greece	$11,720	$1,040	4.4%
81	Montenegro	$325	$525	4.4%
82	Uzbekistan	$4,915	$165	4.4%
83	Mongolia	$740	$265	4.4%
84	Costa Rica	$2,670	$555	4.3%
85	United Arab Emirates	$11,680	$1,270	4.3%
86	Sweden	$16,775	$1,765	4.3%
87	Belgium	$17,585	$1,580	4.2%
88	Ghana	$3,760	$150	4.2%
89	Finland	$8,120	$1,500	4.2%
90	Estonia	$1,240	$925	4.1%
91	Senegal	$1,150	$85	4.1%
92	Cyprus	$885	$785	4.1%
93	Paraguay	$1,870	$280	4.1%
94	Turkmenistan	$2,230	$430	4.0%
95	Togo	$295	$45	4.0%
96	Australia	$39,975	$1,760	4.0%
97	Uganda	$2,165	$60	4.0%
98	Kazakhstan	$9,540	$570	3.9%
99	Niger	$545	$30	3.9%
100	Vietnam	$13,815	$155	3.8%
101	Uruguay	$2,155	$635	3.8%
102	Germany	$123,190	$1,505	3.8%
103	France	$86,770	$1,320	3.8%
104	Cambodia	$1,510	$100	3.8%
105	Bolivia	$2,200	$210	3.8%
106	Portugal	$9,085	$865	3.7%
107	Chile	$12,500	$715	3.7%
108	China	$496,800	$370	3.7%
109	Mauritius	$775	$600	3.7%
110	Taiwan	$33,890	$1,455	3.7%
111	Georgia	$985	$220	3.6%
112	Thailand	$24,270	$365	3.6%
113	India	$177,180	$145	3.6%
114	Azerbaijan	$3,585	$385	3.6%
115	Tajikistan	$655	$80	3.5%
116	Bulgaria	$3,590	$490	3.4%
117	Belarus	$5,100	$540	3.4%
118	Djibouti	$85	$100	3.4%
119	Argentina	$26,040	$635	3.4%
120	Zambia	$860	$60	3.4%
121	Poland	$27,290	$710	3.4%
122	Latvia	$1,305	$645	3.4%
123	Ukraine	$11,265	$245	3.3%
124	Croatia	$2,575	$605	3.3%
125	Gambia	$115	$65	3.2%
126	Czech Republic	$9,105	$865	3.2%
127	Albania	$845	$265	3.2%
128	Cuba	$3,815	$340	3.2%
129	Serbia	$2,535	$350	3.2%
130	Lithuania	$2,100	$705	3.1%
131	Qatar	$6,145	$2,995	3.1%
132	Papua New Guinea	$615	$85	3.1%
133	Macedonia (FYR)	$685	$325	3.1%
134	Netherlands	$21,215	$1,265	3.0%
135	Romania	$8,280	$390	2.9%
136	Italy	$53,215	$875	2.9%
137	Malaysia	$15,295	$525	2.9%
138	Bosnia and Herzegovina	$935	$245	2.9%
139	Slovakia	$3,855	$710	2.9%
140	New Zealand	$3,890	$875	2.9%
141	Ireland	$5,430	$1,185	2.9%
142	Slovenia	$1,590	$775	2.8%
143	Moldova	$355	$100	2.8%
144	Tunisia	$3,000	$280	2.8%
145	Denmark	$5,485	$980	2.6%
146	Nepal	$1,025	$35	2.4%
147	Madagascar	$535	$25	2.4%
148	Spain	$32,550	$705	2.3%
149	Norway	$6,490	$1,295	2.3%
150	Philippines	$10,380	$105	2.3%
151	Japan	$102,790	$805	2.2%
152	Indonesia	$27,600	$110	2.1%
153	Canada	$32,375	$930	2.1%
154	Austria	$7,645	$905	2.1%
155	Hungary	$4,080	$410	2.1%
156	Bangladesh	$6,615	$45	2.0%
157	Switzerland	$7,220	$905	1.9%
158	Mozambique	$540	$20	1.9%
159	Kosovo	$260	$145	1.9%
160	Laos	$370	$55	1.8%
161	Iceland	$105	$320	<1%
162	Bhutan	$30	$35	<1%

ANNEX C: 2014 GLOBAL PEACE INDEX SUB-DOMAIN SCORES

TABLE C1 ONGOING DOMESTIC AND INTERNATIONAL CONFLICT SUB-DOMAIN, MOST PEACEFUL TO LEAST

COUNTRY	SCORE	COUNTRY	SCORE	COUNTRY	SCORE
Uruguay	1.00	Bulgaria	1.40	Kazakhstan	2.00
Botswana	1.00	Croatia	1.40	Bahrain	2.00
Brazil	1.00	Denmark	1.40	Benin	2.00
Chile	1.00	Ireland	1.40	United States	2.00
Mauritius	1.00	Romania	1.40	Kyrgyzstan	2.00
Switzerland	1.00	United Arab Emirates	1.40	Sri Lanka	2.00
Italy	1.20	Slovakia	1.60	Eritrea	2.00
Norway	1.20	Slovenia	1.60	Moldova	2.00
Portugal	1.20	Hungary	1.60	Macedonia (FYR)	2.00
Spain	1.20	Jordan	1.60	Senegal	2.00
Canada	1.20	Montenegro	1.60	Kenya	2.00
Namibia	1.20	Sierra Leone	1.60	Djibouti	2.00
Austria	1.20	United Kingdom	1.60	Uganda	2.20
Belgium	1.20	Ecuador	1.60	Algeria	2.20
Finland	1.20	Estonia	1.60	Niger	2.20
Germany	1.20	Indonesia	1.60	Cote d'Ivoire	2.20
Iceland	1.20	Mongolia	1.60	South Korea	2.20
Lesotho	1.20	Taiwan	1.60	China	2.20
Malaysia	1.20	Venezuela	1.60	Georgia	2.40
New Zealand	1.20	Republic of the Congo	1.60	Israel	2.40
Panama	1.20	Turkmenistan	1.60	Turkey	2.40
Singapore	1.20	Albania	1.60	Colombia	2.40
Trinidad And Tobago	1.20	Bangladesh	1.60	Armenia	2.40
Zambia	1.20	Cyprus	1.60	Iran	2.40
Sweden	1.20	France	1.60	Burundi	2.40
Nicaragua	1.40	Haiti	1.60	Nigeria	2.40
Burkina Faso	1.40	Honduras	1.60	Thailand	2.40
Kuwait	1.40	Latvia	1.60	Libya	2.40
Liberia	1.40	Lithuania	1.60	Rwanda	2.40
Nepal	1.40	Poland	1.60	Egypt	2.40
Argentina	1.40	Serbia	1.60	Tajikistan	2.60
Bhutan	1.40	Czech Republic	1.60	Mali	2.60
Bolivia	1.40	Gambia	1.60	Yemen	2.60
Dominican Republic	1.40	Guatemala	1.60	Chad	2.60
Equatorial Guinea	1.40	Paraguay	1.60	Ethiopia	2.60
Gabon	1.40	Guinea-Bissau	1.80	Azerbaijan	2.60
Ghana	1.40	Mozambique	1.80	Lebanon	2.60
Guinea	1.40	South Africa	1.80	North Korea	2.60
Guyana	1.40	Tunisia	1.80	Philippines	2.60
Jamaica	1.40	Saudi Arabia	1.80	Myanmar	2.80
Japan	1.40	Zimbabwe	1.80	India	3.00
Laos	1.40	Uzbekistan	1.80	Iraq	3.00
Malawi	1.40	Angola	1.80	Afghanistan	3.00
Papua New Guinea	1.40	Belarus	1.80	Somalia	3.00
Tanzania	1.40	Bosnia And Herzegovina	1.80	Central African Republic	3.20
Timor-Leste	1.40	Cuba	1.80	Russia	3.20
Togo	1.40	Greece	1.80	Ukraine	3.20
Vietnam	1.40	Kosovo	1.80	Sudan	3.40
Costa Rica	1.40	Mauritania	1.80	Congo, DRC	3.40
Madagascar	1.40	Morocco	1.80	Pakistan	3.60
Oman	1.40	El Salvador	1.80	Syria	3.60
Qatar	1.40	Peru	1.80	South Sudan	3.80
Swaziland	1.40	Cambodia	1.80		
Netherlands	1.40	Cameroon	1.80		
Australia	1.40	Mexico	1.80		

TABLE C2 MILITARISATION SUB-DOMAIN, MOST PEACEFUL TO LEAST

COUNTRY	SCORE	COUNTRY	SCORE	COUNTRY	SCORE
New Zealand	1.084	Belarus	1.637	Honduras	1.878
Czech Republic	1.086	Tajikistan	1.639	Malawi	1.883
Denmark	1.107	Armenia	1.640	Cambodia	1.887
Hungary	1.182	Georgia	1.644	Algeria	1.895
Iceland	1.199	Spain	1.647	Democratic Republic of the Congo	1.898
Ireland	1.234	Botswana	1.647	Turkmenistan	1.901
Austria	1.247	South Africa	1.650	Bangladesh	1.908
Slovenia	1.253	Djibouti	1.651	Egypt	1.909
Bhutan	1.270	Myanmar	1.651	Turkey	1.922
Mauritius	1.286	Kazakhstan	1.654	China	1.936
Moldova	1.287	Morocco	1.657	Brazil	1.955

Mongolia	1.289	Jordan	1.666	Burundi	1.956
Estonia	1.304	Serbia	1.667	United Arab Emirates	1.975
Portugal	1.330	Colombia	1.672	Ukraine	1.986
Kuwait	1.335	El Salvador	1.680	Mauritania	1.989
Slovakia	1.349	Namibia	1.692	Sri Lanka	2.002
Japan	1.368	Zambia	1.709	Libya	2.004
Thailand	1.374	Benin	1.713	Kenya	2.005
Poland	1.381	Germany	1.718	Sweden	2.010
Canada	1.394	Philippines	1.732	Norway	2.016
Indonesia	1.399	Trinidad And Tobago	1.733	South Sudan	2.018
Belgium	1.402	Togo	1.735	Equatorial Guinea	2.018
Tanzania	1.403	Chile	1.736	Uzbekistan	2.029
Latvia	1.407	Lesotho	1.737	Vietnam	2.035
Cyprus	1.428	Mexico	1.744	Kyrgyzstan	2.053
Eritrea	1.428	Papua New Guinea	1.747	Greece	2.061
Croatia	1.441	South Korea	1.755	Cote d'Ivoire	2.066
Finland	1.446	Guatemala	1.756	Mali	2.066
Argentina	1.463	Dominican Republic	1.757	Venezuela	2.067
Montenegro	1.464	Nicaragua	1.759	Ethiopia	2.075
Cuba	1.468	Uganda	1.761	Lebanon	2.085
Panama	1.472	Italy	1.764	Guinea	2.091
Guyana	1.483	Albania	1.767	Iran	2.110
Lithuania	1.498	Netherlands	1.772	United Kingdom	2.200
Senegal	1.508	Liberia	1.786	Oman	2.218
Malaysia	1.520	Angola	1.790	Saudi Arabia	2.234
Haiti	1.523	Nepal	1.798	Somalia	2.238
Australia	1.526	Switzerland	1.804	Central African Republic	2.271
Kosovo	1.529	Mozambique	1.806	Guinea-Bissau	2.284
Bosnia & Herzegovina	1.551	Azerbaijan	1.816	Iraq	2.287
Taiwan	1.551	Gambia	1.819	Yemen	2.292
Bahrain	1.553	Bolivia	1.824	France	2.329
Uruguay	1.559	Niger	1.831	India	2.376
Ghana	1.579	Republic of the Congo	1.833	Sudan	2.414
Paraguay	1.580	Sierra Leone	1.835	Pakistan	2.449
Ecuador	1.585	Singapore	1.840	Zimbabwe	2.485
Madagascar	1.587	Qatar	1.841	Afghanistan	2.500
Swaziland	1.588	Peru	1.848	United States	2.541
Burkina Faso	1.589	Timor-Leste	1.850	Syria	2.623
Bulgaria	1.601	Macedonia (FYR)	1.855	Russia	3.135
Tunisia	1.612	Laos	1.859	North Korea	3.229
Costa Rica	1.616	Rwanda	1.863	Israel	3.448
Nigeria	1.623	Chad	1.869		
Cameroon	1.624	Gabon	1.873		
Romania	1.631	Jamaica	1.877		

TABLE C3 SOCIETAL SAFETY & SECURITY SUB-DOMAIN, MOST PEACEFUL TO LEAST

COUNTRY	SCORE	COUNTRY	SCORE	COUNTRY	SCORE
Denmark	1.088	Bosnia & Herzegovina	2.147	Iran	2.618
Austria	1.176	Jordan	2.147	Cambodia	2.632
Iceland	1.176	Botswana	2.176	Ethiopia	2.632
Switzerland	1.176	Senegal	2.176	Myanmar	2.632
Sweden	1.206	Macedonia (FYR)	2.191	Turkey	2.632
Japan	1.235	Kosovo	2.206	Philippines	2.691
Finland	1.294	Argentina	2.221	Libya	2.691
Norway	1.294	Greece	2.221	Papua New Guinea	2.691
Slovenia	1.324	Montenegro	2.235	Bahrain	2.706
Canada	1.338	Sierra Leone	2.235	Guyana	2.706
New Zealand	1.338	Cyprus	2.235	Niger	2.706
Australia	1.368	Mozambique	2.235	Dominican Republic	2.750
Czech Republic	1.368	Albania	2.265	Kenya	2.750
Netherlands	1.382	Nicaragua	2.279	Swaziland	2.750
Qatar	1.382	Moldova	2.279	Haiti	2.794
Slovakia	1.426	Namibia	2.294	Yemen	2.794
Belgium	1.441	Tunisia	2.324	Republic of the Congo	2.824
Germany	1.441	Lesotho	2.338	Cameroon	2.838
Ireland	1.441	China	2.338	Trinidad And Tobago	2.838
Bhutan	1.515	India	2.353	Chad	2.853
Taiwan	1.529	Cuba	2.368	Rwanda	2.868
Hungary	1.544	Gabon	2.368	Peru	2.882
Poland	1.559	Georgia	2.382	Thailand	2.882
Portugal	1.632	Benin	2.412	Lebanon	2.882
Singapore	1.647	Ghana	2.412	Brazil	2.897
South Korea	1.647	Algeria	2.426	Mauritania	2.912
Croatia	1.706	Paraguay	2.426	El Salvador	2.912
France	1.706	Sri Lanka	2.426	Jamaica	2.926
Spain	1.750	Bolivia	2.441	Guatemala	2.941
United Kingdom	1.750	Uganda	2.456	Cote d'Ivoire	2.956
Bulgaria	1.824	Tanzania	2.471	Honduras	2.956
Estonia	1.824	Azerbaijan	2.471	Egypt	3.000
Laos	1.882	Malawi	2.471	Russia	3.015
United Arab Emirates	1.882	Timor-Leste	2.471	Guinea	3.029
Romania	1.897	Belarus	2.485	Pakistan	3.059
Chile	1.941	Kazakhstan	2.485	South Africa	3.103
Vietnam	1.956	Madagascar	2.500	Eritrea	3.118
Italy	1.971	Nepal	2.500	Venezuela	3.147
Uruguay	1.971	Uzbekistan	2.515	Mexico	3.206
Latvia	2.015	Turkmenistan	2.529	Guinea-Bissau	3.294
Zambia	2.015	Burundi	2.529	North Korea	3.324

Saudi Arabia	2.029	Israel	2.529	Zimbabwe	3.368
Kuwait	2.044	Ukraine	2.529	Colombia	3.412
United States	2.044	Bangladesh	2.559	Nigeria	3.441
Malaysia	2.059	Gambia	2.559	Democratic Republic of the Congo	3.647
Mauritius	2.059	Liberia	2.559	South Sudan	3.765
Oman	2.074	Mali	2.559	Sudan	3.794
Lithuania	2.088	Panama	2.559	Central African Republic	3.941
Armenia	2.103	Togo	2.559	Afghanistan	4.147
Djibouti	2.118	Angola	2.559	Iraq	4.162
Morocco	2.118	Ecuador	2.574	Somalia	4.176
Serbia	2.118	Kyrgyzstan	2.574	Syria	4.176
Indonesia	2.132	Equatorial Guinea	2.588		
Costa Rica	2.132	Tajikistan	2.603		
Mongolia	2.147	Burkina Faso	2.618		

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