



# Azerbaijan vs. EU Economies: Global Competitiveness Perspective

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- WEF defines competitiveness as “the set of institutions, policies, and factors that determine the level of productivity of a country”.
- Thus more-competitive economies can produce higher levels of income for their citizens and higher rates of return of investments.

- WEF introduces 12 pillars of competitiveness in three groups around which the global competitiveness index (GCI) is measured

# Basic requirements

- Institutions
- Infrastructure
- Macroeconomic stability
- Health and primary education

# Efficiency enhancers

- Higher education and training
- Goods markets efficiency
- Labor market efficiency
- Financial market sophistication
- Technological readiness
- Market size

# Innovation and sophistication factors

- Business sophistication
- Innovation

# The Global Competitiveness Index 2009-2010

Country	Rank/133	Basic requirements	Efficiency enhancers	Innovation & sophistication
Azerbaijan	51	50	71	56
Austria	17	13	19	11
Estonia	35	34	27	42
Latvia	68	60	51	86
Lithuania	53	47	47	53

# Property rights

Country	Rank/133
Azerbaijan	80
Austria	6
Estonia	27
Latvia	52
Lithuania	61



# Burden of government regulation

Country	Rank/133
Azerbaijan	32
Austria	14
Estonia	8
Latvia	89
Lithuania	96

# Ethical behavior of firms

Country	Rank/133
Azerbaijan	56
Austria	13
Estonia	32
Latvia	79
Lithuania	60

# Quality of overall infrastructure

Country	Rank/133
Azerbaijan	51
Austria	4
Estonia	34
Latvia	60
Lithuania	39

# Quality of management schools

Country	Rank/133
Azerbaijan	117
Austria	24
Estonia	35
Latvia	50
Lithuania	60

# Local availability of research and training services

Country	Rank/133
Azerbaijan	60
Austria	12
Estonia	24
Latvia	66
Lithuania	51

# Intensity of local competition

Country	Rank/133
Azerbaijan	105
Austria	3
Estonia	26
Latvia	79
Lithuania	73

# Extent of market dominance

Country	Rank/133
Azerbaijan	89
Austria	4
Estonia	43
Latvia	57
Lithuania	81

# Effectiveness of anti-monopoly policy

Country	Rank/133
Azerbaijan	116
Austria	12
Estonia	35
Latvia	63
Lithuania	98



# Time required to start business

Country	Rank/133
Azerbaijan	44
Austria	78
Estonia	15
Latvia	44
Lithuania	70

# Extent and effect of taxation

Country	Rank/133
Azerbaijan	38
Austria	67
Estonia	15
Latvia	80
Lithuania	83

# Burden of customs procedures

Country	Rank/133
Azerbaijan	72
Austria	13
Estonia	10
Latvia	57
Lithuania	26

# Degree of customer orientation

Country	Rank/133
Azerbaijan	70
Austria	2
Estonia	34
Latvia	74
Lithuania	24

# Hiring and firing practices

Country	Rank/133
Azerbaijan	11
Austria	100
Estonia	86
Latvia	52
Lithuania	81

# Financing through local equity market

Country	Rank/133
Azerbaijan	90
Austria	41
Estonia	62
Latvia	95
Lithuania	73

# Ease of access to loans

Country	Rank/133
Azerbaijan	77
Austria	39
Estonia	36
Latvia	100
Lithuania	73

# Firm-level technology absorption

Country	Rank/133
Azerbaijan	55
Austria	10
Estonia	29
Latvia	88
Lithuania	64



# Local supplier quantity

Country	Rank/133
Azerbaijan	84
Austria	6
Estonia	82
Latvia	109
Lithuania	52

# Local supplier quality

Country	Rank/133
Azerbaijan	86
Austria	1
Estonia	25
Latvia	66
Lithuania	44

# Production process sophistication

Country	Rank/133
Azerbaijan	47
Austria	9
Estonia	38
Latvia	69
Lithuania	59

# Extent of marketing

Country	Rank/133
Azerbaijan	81
Austria	9
Estonia	51
Latvia	63
Lithuania	59

# Capacity for innovation

Country	Rank/133
Azerbaijan	29
Austria	11
Estonia	37
Latvia	68
Lithuania	53

# Company spending on R&D

Country	Rank/133
Azerbaijan	65
Austria	17
Estonia	44
Latvia	95
Lithuania	52