2012 KOF Index of Globalization

	Indices and Variables	Weights
A.	**Economic Globalization**	**[36%]**
	i) Actual Flows	(50%)
	Trade (percent of GDP)	(21%)
	Foreign Direct Investment, stocks (percent of GDP)	(28%)
	Portfolio Investment (percent of GDP)	(24%)
	Income Payments to Foreign Nationals (percent of GDP)	(27%)
	ii) Restrictions	(50%)
	Hidden Import Barriers	(24%)
	Mean Tariff Rate	(27%)
	Taxes on International Trade (percent of current revenue)	(26%)
	Capital Account Restrictions	(23%)
B.	**Social Globalization**	**[37%]**
	i) Data on Personal Contact	(34%)
	Telephone Traffic	(25%)
	Transfers (percent of GDP)	(4%)
	International Tourism	(26%)
	Foreign Population (percent of total population)	(21%)
	International letters (per capita)	(25%)
	ii) Data on Information Flows	(35%)
	Internet Users (per 1000 people)	(33%)
	Television (per 1000 people)	(36%)
	Trade in Newspapers (percent of GDP)	(32%)
	iii) Data on Cultural Proximity	(31%)
	Number of McDonald's Restaurants (per capita)	(44%)
	Number of Ikea (per capita)	(45%)
	Trade in books (percent of GDP)	(11%)
C.	**Political Globalization**	**[26%]**
	Embassies in Country	(25%)
	Membership in International Organizations	(28%)
	Participation in U.N. Security Council Missions	(22%)
	International Treaties	(25%)

Source:

Dreher, Axel, 2006, Does Globalization Affect Growth?
Empirical Evidence from a new Index, *Applied Economics* 38, 10: 1091-1110.

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