

Globalization Index 2020: Globalization Risks and Benefits

The KOF Globalization Index is one of the leading indices which measure the economic, social and political dimensions of globalization for 196 economies across the globe. The index scales economies from 0 (least) to 100 (most).

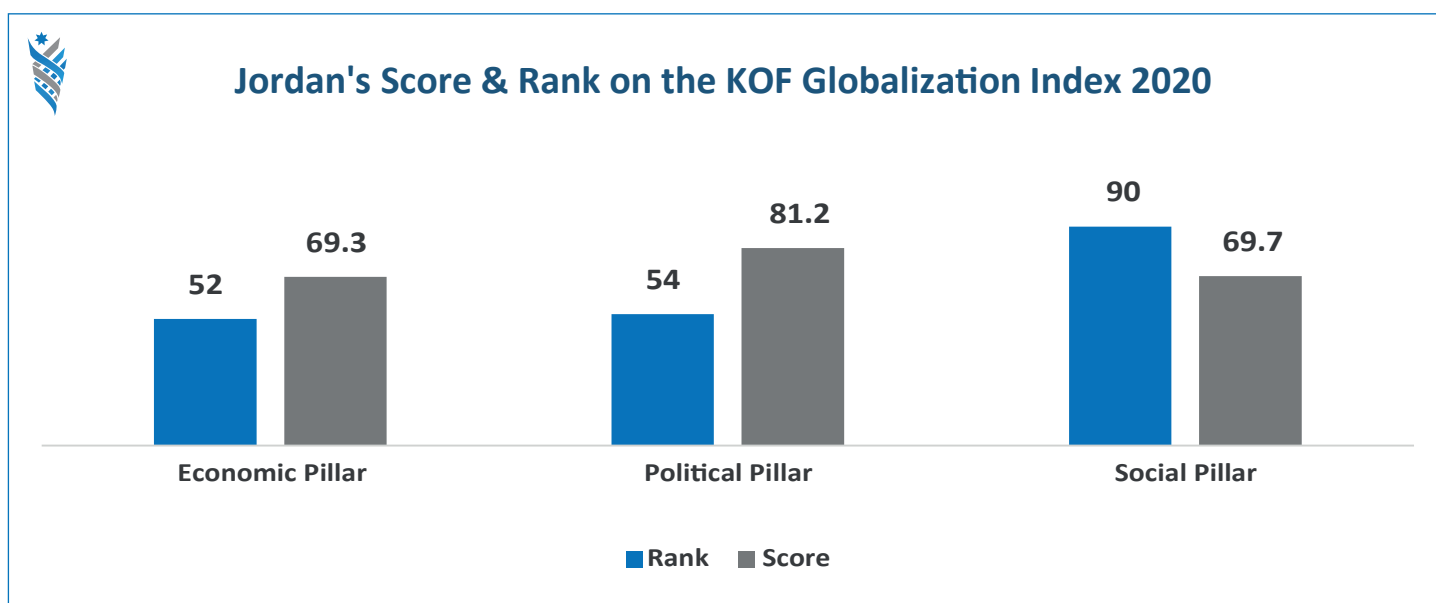
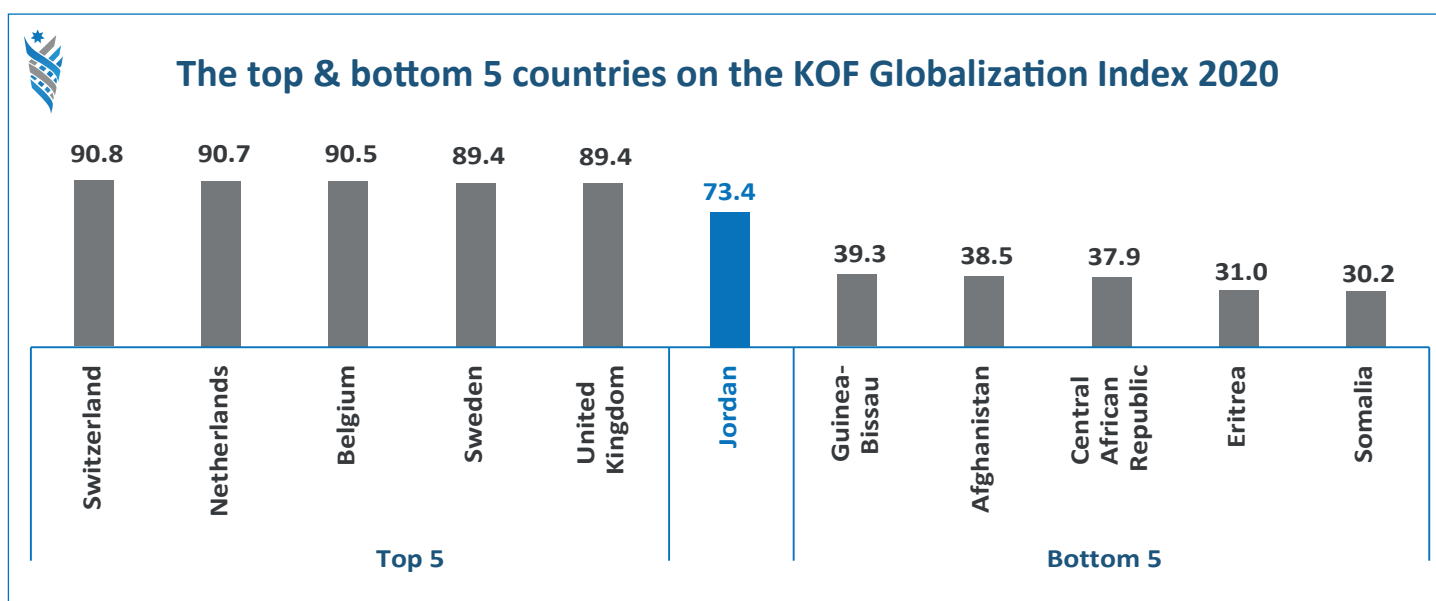
With a score of 73.4, Jordan came in third regionally, and 45th place worldwide. The UAE ranked first among Arab countries, and 42nd worldwide. Qatar ranked third regionally, and 43rd worldwide. In contrast, Switzerland, the Netherlands and Belgium scored the highest points (90.8, 90.7, and 90.5 respectively).

KOF Index Pillars:

Economic Pillar: This pillar measures different macroeconomics variables (trade partner diversity, Foreign Direct Investment (FDI), financial securities investments, international debt and trade agreements). In this pillar, Jordan scored 69.3.

Social Pillar: This pillar measures different social variables (international voice traffic, international tourism, foreigners to total population, internet and telephone subscriptions, press freedom, International students and migration). Jordan scored 69.7 in this pillar.

Political Pillar: This pillar measures different political variables such as (embassies, international organizations memberships, and UN peacekeeping missions). Jordan scored 81.2 in this Pillar



IN A NUTSHELL

Jordan is one of the most open to the outside world. This fact makes the economy vulnerable to the economic cycles in other countries, and to shocks that emanate from other countries as well. These can negatively impact the Jordanian economy, and its domestic market dynamics. Policy-Makers should develop policies that would enhance the Jordanian economy's resilience. In addition, any tradeoff between the benefits and risks of globalization policies should be assessed objectively to enhance the international trade and direct investment flows.