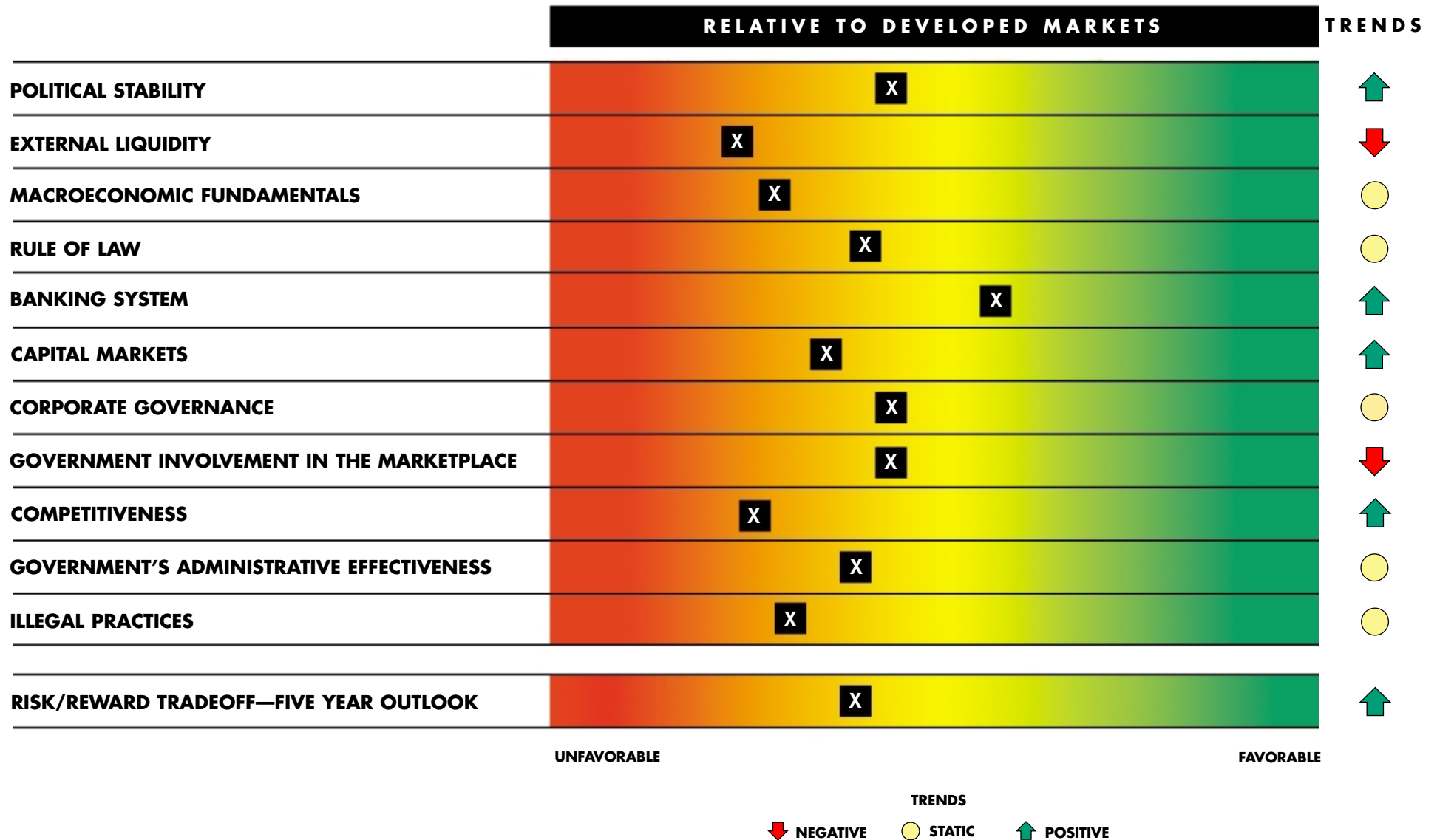


# Sample SUMMARY OF INVESTORS' PERCEPTIONS \*



\* Derived from investors' responses during interviews.

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# Sample INVESTORS' PERCEPTIONS OF POLITICAL STABILITY

RELATIVE TO DEVELOPED MARKETS

TREND

POLITICAL STABILITY



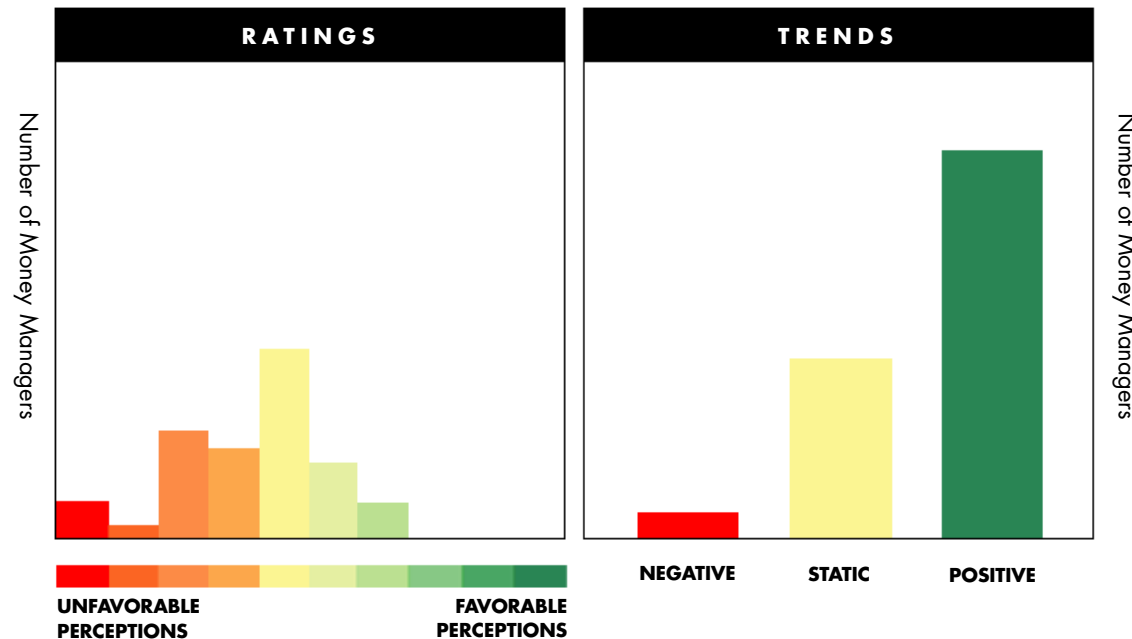
## DEFINITION

Assessing political stability includes consideration of the following elements:

- Orderly change in governments, policies and laws
- Governments supported by the people
- Freedom of speech, press and assembly
- Literacy
- Improving standard of living
- Participation in international treaties and organizations
- Absence of armed conflicts

## INVESTORS' PERCEPTIONS

Distribution of Responses



## INVESTORS' PRIMARY CONCERNS

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- Lack of consensus for passing reform legislation
- Progress toward closing the gap between the rich and the poor
- Inequities in the education system

## DIALOGUE

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The key concerns of investors in the area of political stability are related to the complex political system and the difficulty it creates in moving reform legislation through congress.

In addition, the continuing tension between provincial governments and the federal government is seen as having an adverse effect in the area of tax collection, allocation of the federal budget, and the management of government debt.

Social concerns include the great disparity in the distribution of wealth that in turn creates the potential for future political instability. Inequities in the education system contribute to a low literacy rate, which impacts the quality of labor, and affects this country's ability to generate globally competitive management skills.