

The country where I live is Cabo Verde, an African archipelago that was a former Portuguese colony and which is strategically located, in between 3 continents (Europe, America and Africa), as it is located in central Atlantic Ocean, between 600 to 850 kilometres west of Cap-Vert situated at the westernmost point of continental Africa. We should use this to our advantage, but we don't... why? In my point of view, due to weak policies, corrupt government and because it is a very disorganized country, with some resistance to changes.

Starting with the **Index of Economic Freedom**, as a resident of Cabo Verde for the 3 past years, my immediate analyses is that it is completely wrong in several variables. I don't have any credible source where I can confirm this perception of mine, but I know that this country is very disorganized and the values/information declared in several areas are usually not reliable at all.

I was very surprised that my residency country ranks so high, both globally and regionally in terms of economic freedom. I know it is a country that is more democratic and developed than almost all in the same region, but still, comparing with the global index, it has surprised me: It scored **63.8** and **World rank is nr 77** and its ranked **5th** among 47 countries in the Sub-Saharan Africa region, and report defines the country as **Moderate** in terms of **economic freedom**.

Getting into the variables: In one hand, it is true that it is **quite easy to set up companies and businesses in this country**, but unfortunately it is also a known fact that there is great injustice in the ease given to foreign investment, compared to the conditions given to domestic investment. There are often advantages that foreigners are entitled to, and that nationals do not, as opposed to what is stated on this index report.

Regarding **Property rights**, we still have a long way to go although the index is over 44%, as I've personally find out recently that several lands were bought and nobody registered it, and if we want to find out which institution owns each lands, sometimes they don't know and don't have a map with all the property rights, and that doesn't exist!

I also don't agree when the report stated that due to the **pandemic**, the **economy has contracted by 6.8 percent** for the year. In my opinion, it should have been a much higher percentage.

As of the **"Doing Business 2020 report"**, I agree with the DB Rank for Cabo Verde (137), as well as the score (55), as I mentioned before, because it is easy to open a company, it's quick and the required capital is quite low. Apart from that, all licenses, permits, etc are very bureaucratic and slow here and a lot of people tend to give up on their original plans. The taxes we pay in Cabo Verde are lower than in European countries for instance, but VAT tax is 15% for all types of goods and services, which I don't agree, because there are a lot of important products that should have lower taxes. Also, electricity, water and internet costs are extremely high comparing to the economic level of the majority of the population, and that is for sure a barrier to some businesses to grow.

Getting credit scores 35 out of 100, I believe that is underestimated, but it's important to mention that banks in Cabo Verde charge huge interest rates and I don't agree with the trading across borders score (69.1 out of 100) – it is really hard to export, due to lack of accessible transportation services.

I believe that this report was made based on the capital's island's reality, which is completely different from the other 8 inhabited islands. There is an issue of centralization of services, as usually, when we want to deal with an important issue, we have to go to Praia (the capital), where the central services are located. This implies very high travel costs and usually slows down processes a lot.

I think that to reduce the high level of unemployment and to boost the local economy, it would be essential to:

- Provide real incentives for local business creation;
- To create a system of better organization and more efficient job allocations in public companies, as everything is dependent of the political party in power and that makes the country stagnate a lot;
- Grant incentives for hiring national staff and restrictions on hiring foreign workers. A very simple example, in the touristic Sal island, there are several All Inclusive Resorts, for which they hire artists for the daily entertainment they offer their guests: Cape Verde is a country with such musical variety and quality that I've never seen any like this, and instead of taking advantage of local musicians and helping them to grow financially, they prefer to invest more money in bringing foreign artists, who come to perform shows they could do in any corner of the world, instead of showing tourists the authenticity of the local culture.
- More effective inspection of companies, invoicing system, businesses in general.
- Decrease in customs duties and reinforcement of inter-island and international maritime transport, since what increases the cost of living and the poor development of certain economies and possible exports are the high costs of transportation, as well as the low frequency and seriousness of the currently existing transport system.
- Increasing incentives for local production: to encourage the creation of industries and investments in agriculture, so that we can have more and more self-sustainable islands.
- Government should do better use of the never ending funds they receive from all the countries around the world, to apply on strategic areas, but we never know where does that money goes...

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