LETTER GRADING GOVERNMENT EFFICIENCY

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Abstract
We mailed letters to non-existent business addresses in 159 countries (10 per country), and measured whether they come back to the return address in the US and how long it takes. About 60% of the letters were returned, taking over 6 months, on average. The results provide new objective indicators of government efficiency across countries, based on a simple and universal service, and allow us to shed light on its determinants. The evidence suggests that both technology and management quality influence government efficiency, just as they do that of the private sector. (JEL: CD24, H11, L32, L87, M11)