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Draper Hero Institute Updates Monthly Draper Innovation Index Global Nations Compete to Land in Top Ten of Best Places Globally to Launch a Startup

**Finland Replaces Germany in DII Global Top 10
Switzerland, Denmark, and Sweden Rise in Top 10,
Australia, Norway and Netherlands Fall
Estonia Enters the DII Global Top 20
Lebanon Crashes due to Currency Devaluation
San Marino and Costa Rica See Impressive Gains
China Falls 5 Places to 28th in the DII Balanced Scenario
and Declines 20 Spots in the Regulatory and Tax Scenario
Rankings from 57th to 77th**

San Mateo, California – The Draper Hero Institute (DHI) announces the March 2023 update to the Draper Innovation Index Global (DII Global), which evaluates each nation’s ability to develop, support, and retain entrepreneurs, innovators, start-ups, and investors. This month’s update incorporates recently updated data from the United Nation’s Human Development Report’s Human Development Index, Heritage Foundation’s Economic Freedom Index, Fraser Institute’s Economic Freedom Index, the Economist’s Democracy Index, and Chainalysis’s Geography of Cryptocurrency Report’s Crypto Adoption Index.

| February 2023 Top Ten | | March 2023 Top Ten | | Change |
|-----------------------|----|--------------------|----|--------|
| United States | 1 | United States | 1 | - |
| United Kingdom | 2 | United Kingdom | 2 | - |
| Canada | 3 | Canada | 3 | - |
| Australia | 4 | Switzerland | 4 | ↑ |
| Switzerland | 5 | Denmark | 5 | |
| Norway | 6 | Australia | 6 | ↓ |
| Denmark | 7 | Norway | 7 | ↓ |
| Netherlands | 8 | Sweden | 8 | ↑ |
| Sweden | 9 | Finland | 9 | ↑ |
| Germany | 10 | Netherlands | 10 | ↓ |

“From the beginning, government quality and transparency have been major DII criteria. We are pleased to see Estonia rise in our rankings because of advances in the Democracy and Economic Freedom indices,” said DHI Founder Tim Draper. “Creating a climate that will incubate promising young businesses should be a clear policy goal for every country. Amazon was a startup less than thirty years ago. Google was founded by a handful of Stanford students in the late 90’s. Economies of all sizes need to make sure that they are not pushing the next promising startup away.”

Top Takeaways from the DII Global March 2023 Update:



- **Lebanon** devalued its official exchange rate for the first time in 25 years by 90% against the dollar, resulting in the single largest declines across all DII Global scenarios falling by 38 ranks in the Balanced scenario, 56 ranks in the Emerging Innovation scenario, and 36 ranks in the Government Quality scenario.
- **China's** drop in the DII Global Balanced Scenario from 23rd to 28th was driven by a significant decline in the country's DII Global Regulatory and Tax Rank, falling from 57th to 77th worldwide, driven by falling sharply in Heritage and Fraser Economic Freedom and Democracy Index scores
- **Estonia** broke into the Top 20 of each DII Global scenario: improving from 22nd to 14th in Balanced, 22nd to 15th in Emerging Innovation, and 25th to 16th in Government Quality. This was due to gains in both Heritage and Fraser Economic Freedom Index scores as well as its Democracy Index score
- **Switzerland's** ranking on the Balanced scenario ranking improved. from 5th to 4th. Other moves within the top ten were **Denmark**, which improved from 7th to 5th, and **Australia**, which fell from 4th to 6th. **Norway** fell from 6th to 7th and the **Netherlands** from 8th to 10th, while **Sweden** gained one rank improving from 9th to 8th and **Finland** broke into the Top 10 improving from 11th to 9th.
- **San Marino** saw improvements across all scenarios, gaining 23 ranks in the Balanced scenario, 24 ranks in the Emerging Innovation scenario and 11 ranks in the Regulatory and Tax scenario thanks to a strong Human Development Index score.
- **Costa Rica**, buoyed by improving Heritage Economic Freedom Index and Democracy Index scores, jumped from 85th to 70th in the Balanced scenario, from 91st to 75th in the Emerging Innovation scenario, and from 91st to 63rd in the Government Quality scenario.
- After rising in last month's update, **Ghana** fell by 18 places in the Balanced scenario, 20 places in the Emerging Innovation scenario, and 16 places in Government Quality scenario due to declines in both Heritage and Fraser Economic Freedom Index scores as well as in its Democracy Index score.

"It's important to note the sheer variety of approaches to cryptocurrency regulation around the globe," said Dr. Wallace Walrod, DHI Chief Economic Advisor. "Several countries completely ban cryptocurrency, including China, Egypt, Iraq and Morocco. On the opposite end of the spectrum, some countries have implemented very crypto-friendly policies. Portugal, for instance, has built a reputation as a crypto haven. Other countries do not charge capital gains tax on crypto, such as Singapore, Belarus, and El Salvador. We await and expect further changes to national-level cryptocurrency policy in 2023."

The DII will release monthly updates throughout 2023 to continually reflect the latest developments in global innovation and entrepreneurship available [here](#).

About Draper Hero Institute

Founded by legendary Silicon Valley venture capitalist and entrepreneur Timothy C. Draper, Draper Hero Institute (DHI) provides applicable and modern resources for future entrepreneurs globally and ensures inclusiveness and opportunities for all. As an action-based research institution, DHI focuses its efforts on non-traditional pathways to guide future entrepreneurs in the new economy. Through programs that ignite innovative research; united through connectivity and networking; and mentoring efforts through applied education, DHI provides a portal for creative thinking and ultimately driving change to better prepare future entrepreneurs to take on heroic endeavors.

<https://www.draperhero.org/>

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