



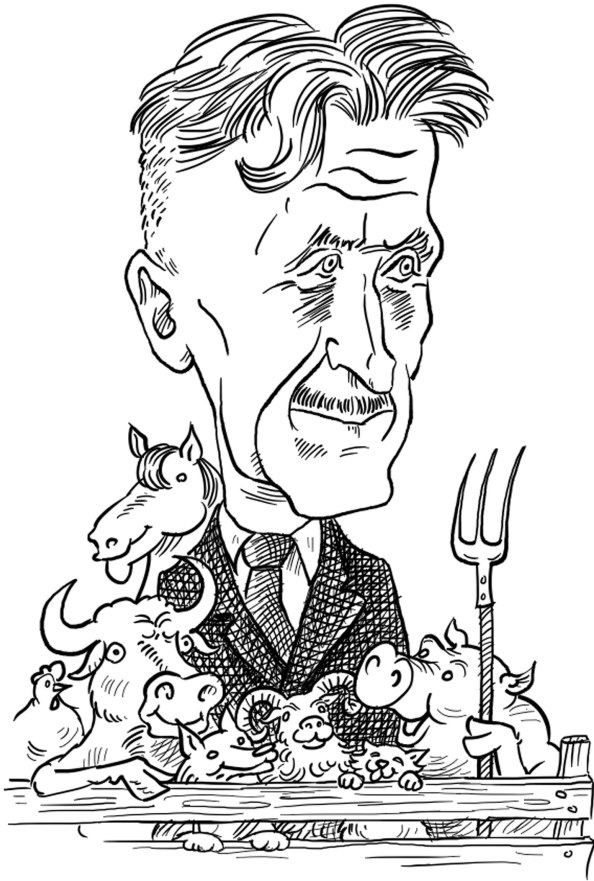
UNIVERSITY OF ICELAND

# The Internet: An Opportunity for Liberty, Not a Threat

Professor Hannes H. Gissurarson

Porto Alegre 25 May 2014

# Orwell's Pessimism



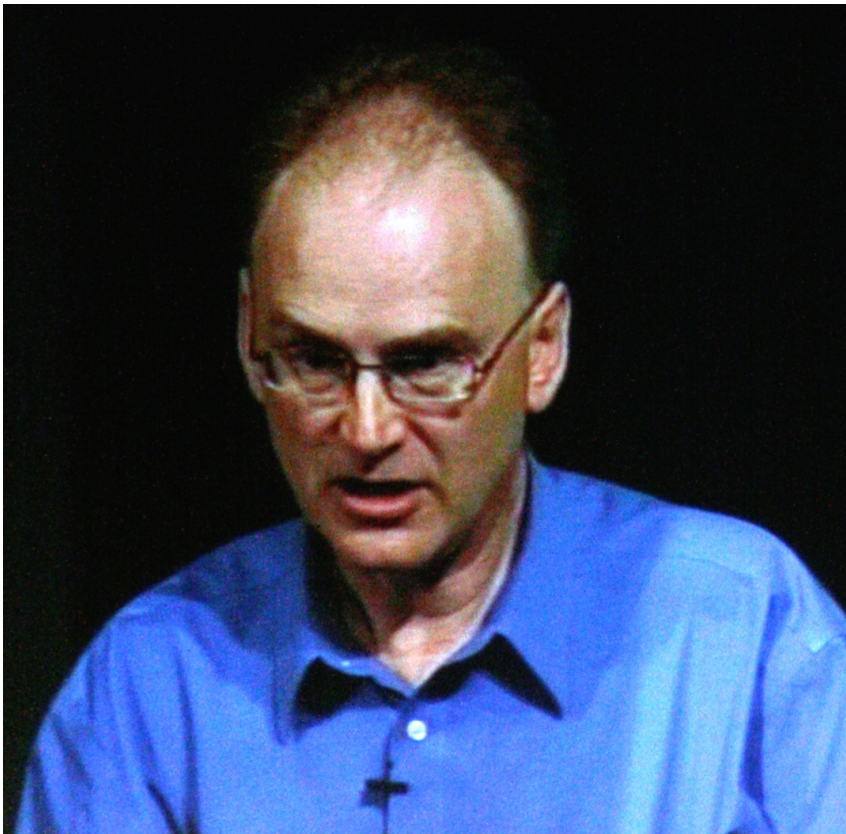
- Big Brother watching?
- But technology not only for social control, but also, more importantly, for individual contacts
- Social media bypasses the controllers
- Here, I will concentrate on Internet resources for supporters of liberty

# Many Internet Resources

- Cato Institute
- Atlas Network
- Heritage Foundation
- AEI
- Hoover Institution
- Institute for Humane Studies
- Liberty Fund e-books
- Angus Maddison's page
- Fed. Res. Bank St. Louis
- Eurostat
- OECD
- World Bank
- IMF
- Economic Freedom Index
- Blogs, articles: Posner, Ferguson, Ridley

# Interesting Modern Thinkers

**English zoologist Matt Ridley**



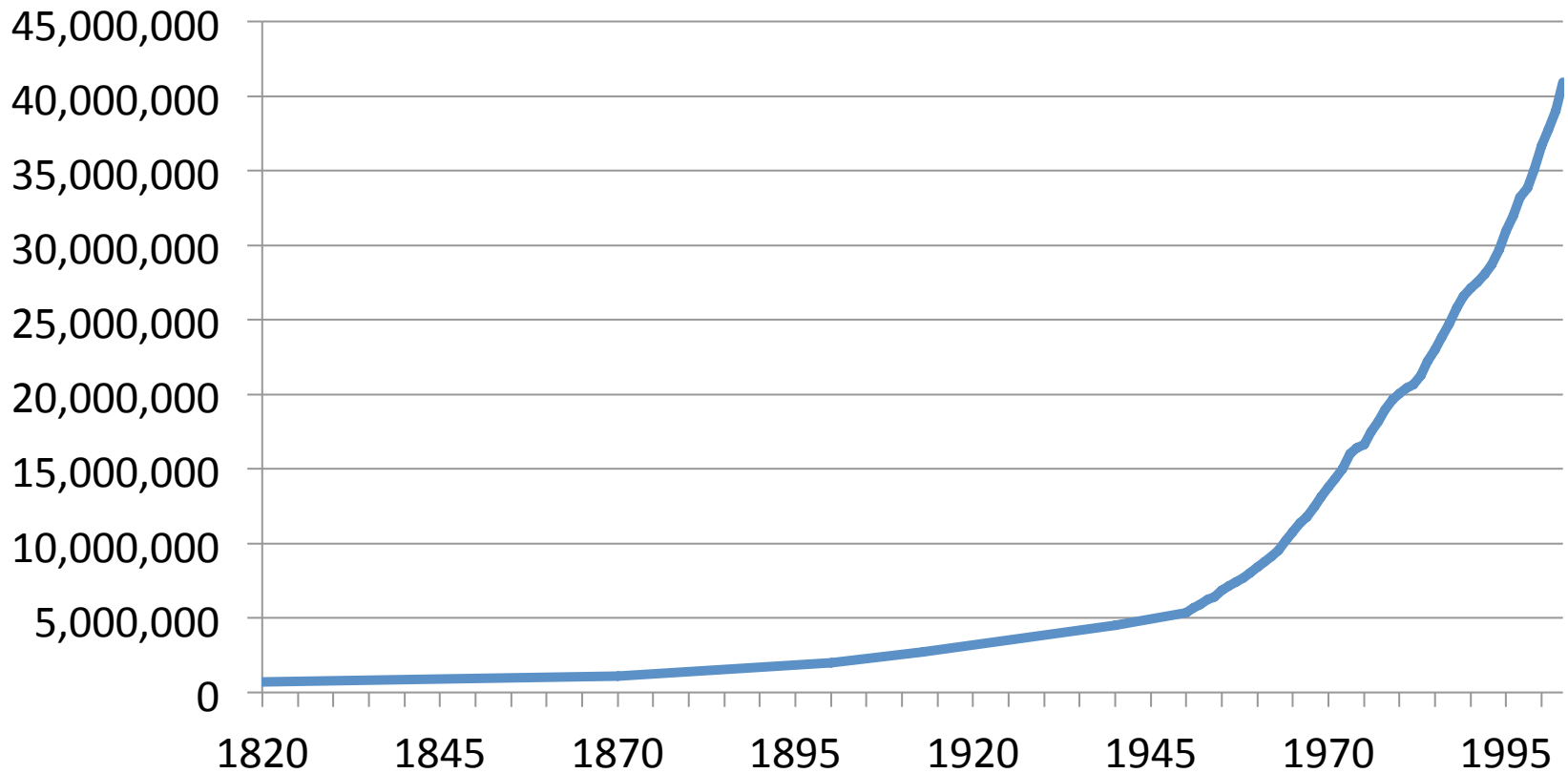
**Scottish historian Niall Ferguson**





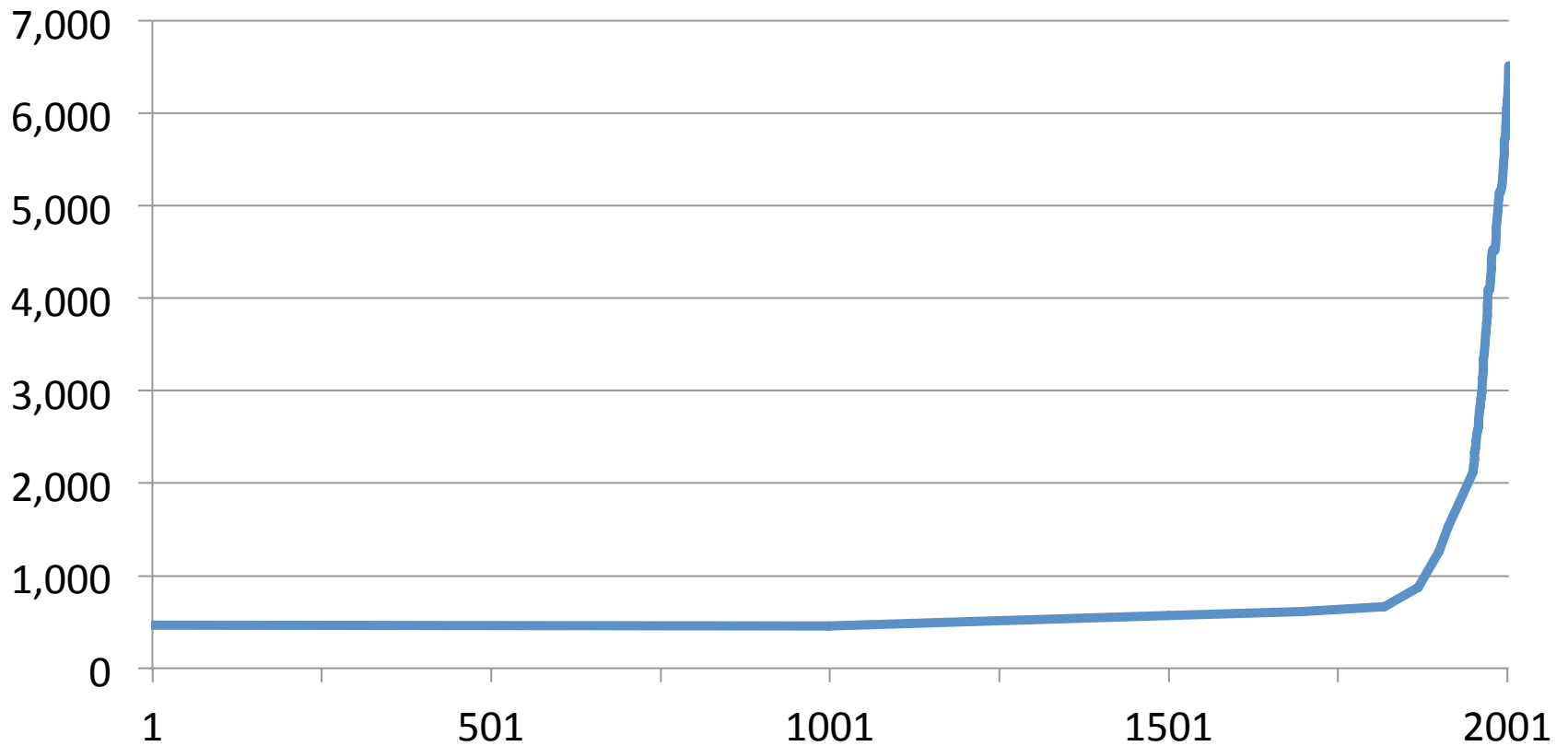
# Increase in Production 1820–2003

## World GDP in \$1990



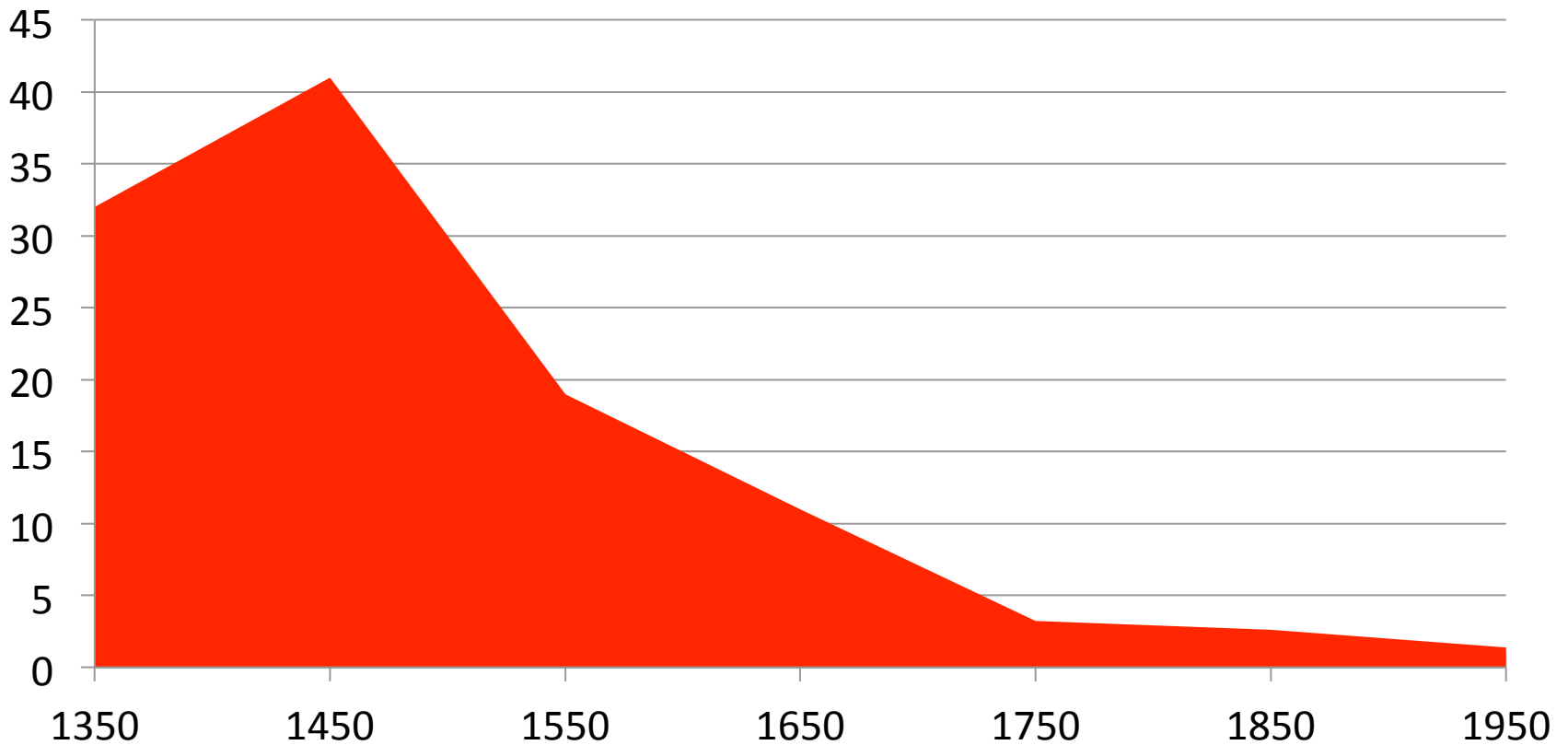
# GDP per capita, 1–2003

**World Average GDP per capita in \$1990**



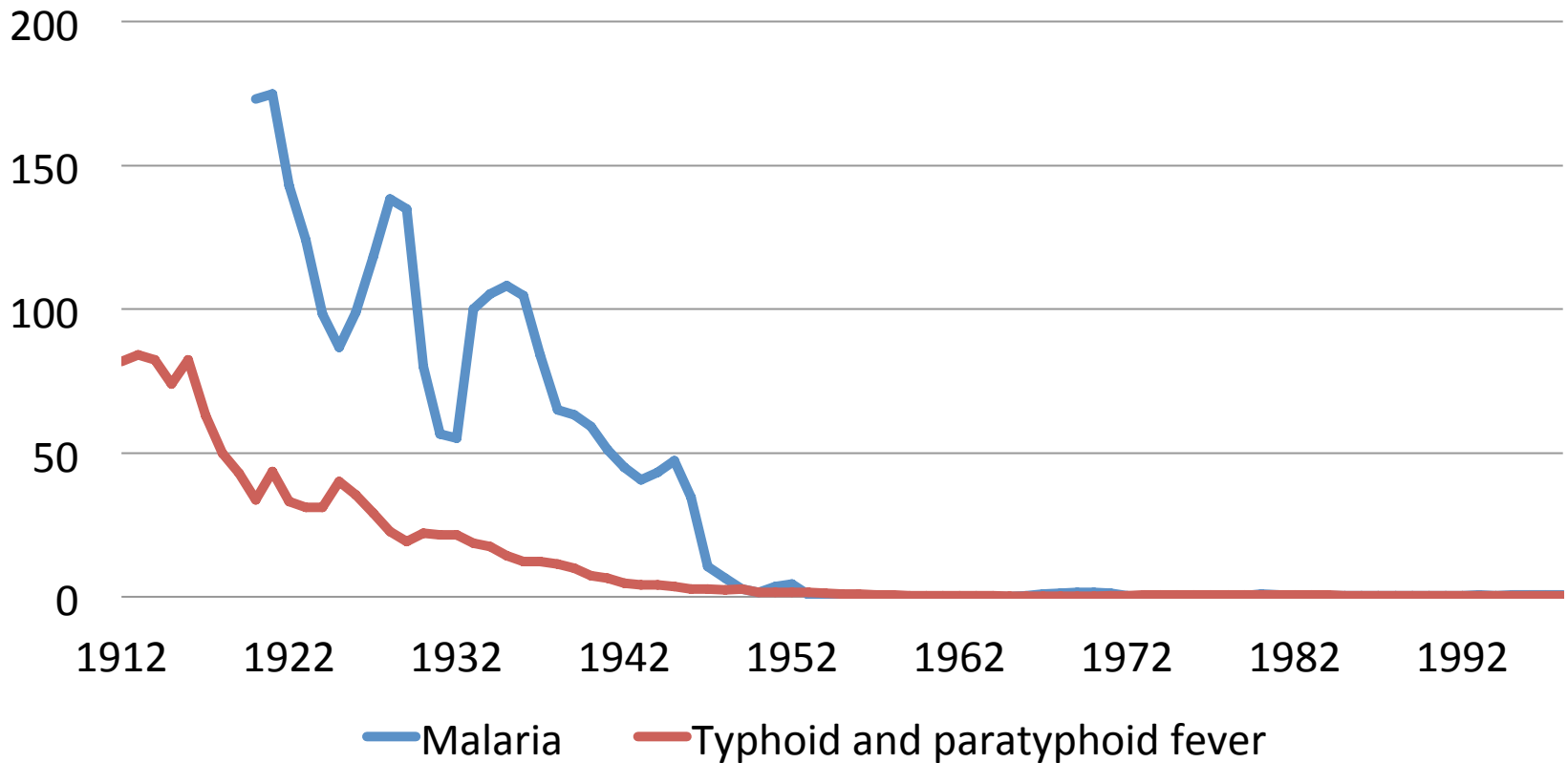
# Much Less Violence than in Past

**Homicide Rate in Europe per 100,000**



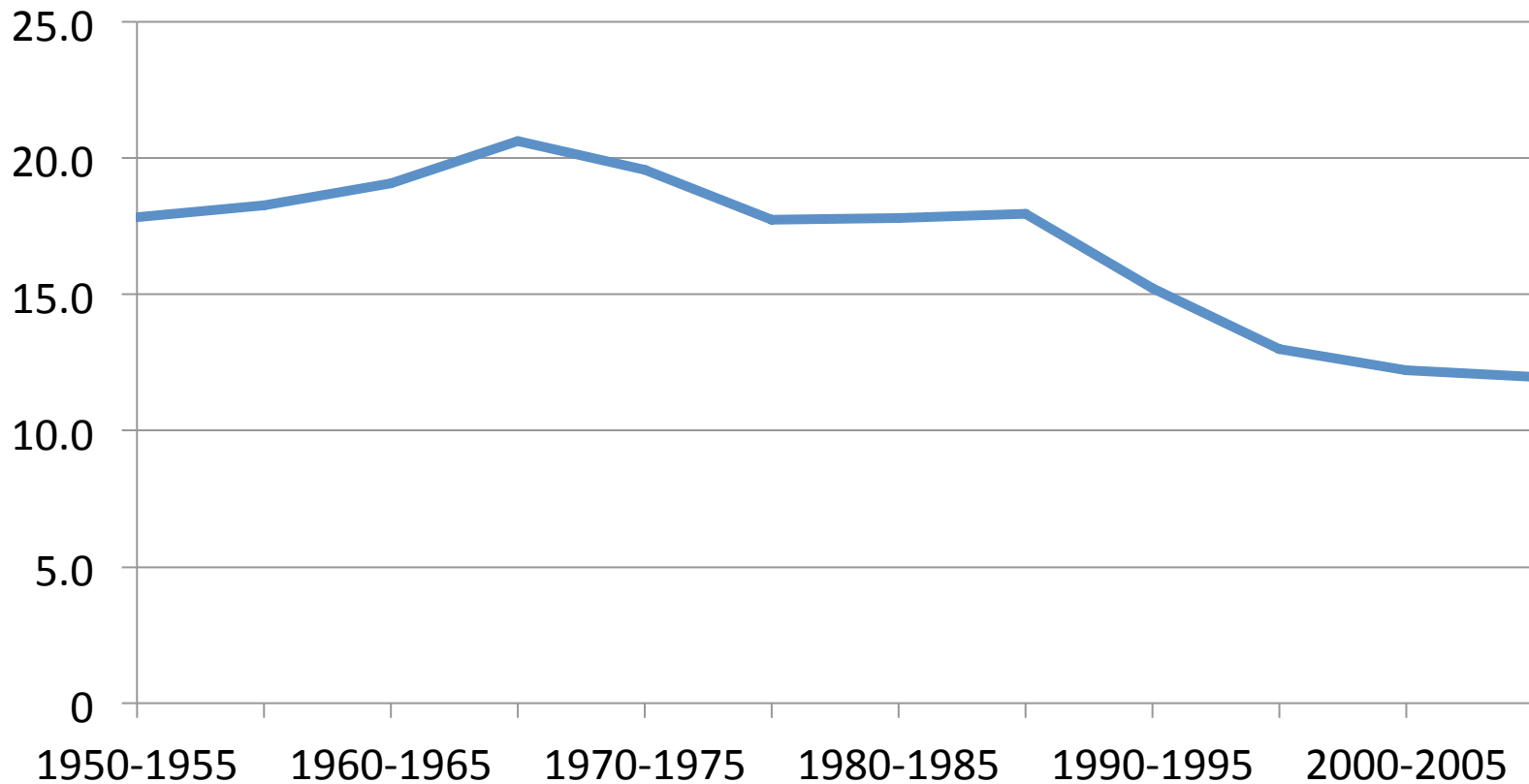
# Clean Water: Saving Lives

**US Deaths per Million, Water-related Diseases 1912–98**



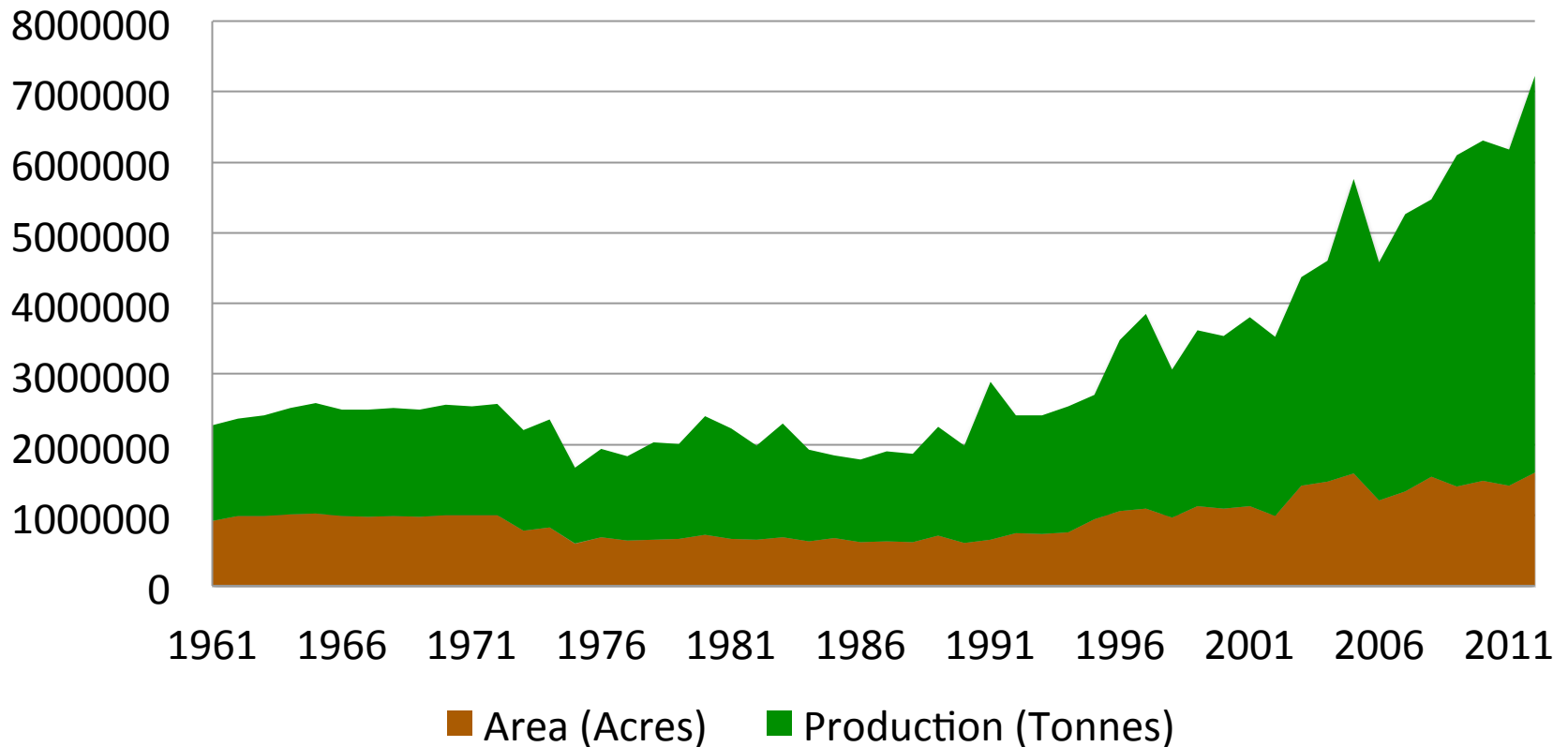
# Escaping the Malthus Trap

**Rate of Natural Increase of Population per 1,000**



# The Green Revolution

## World Production of Cereals



# Benefits of Freedom

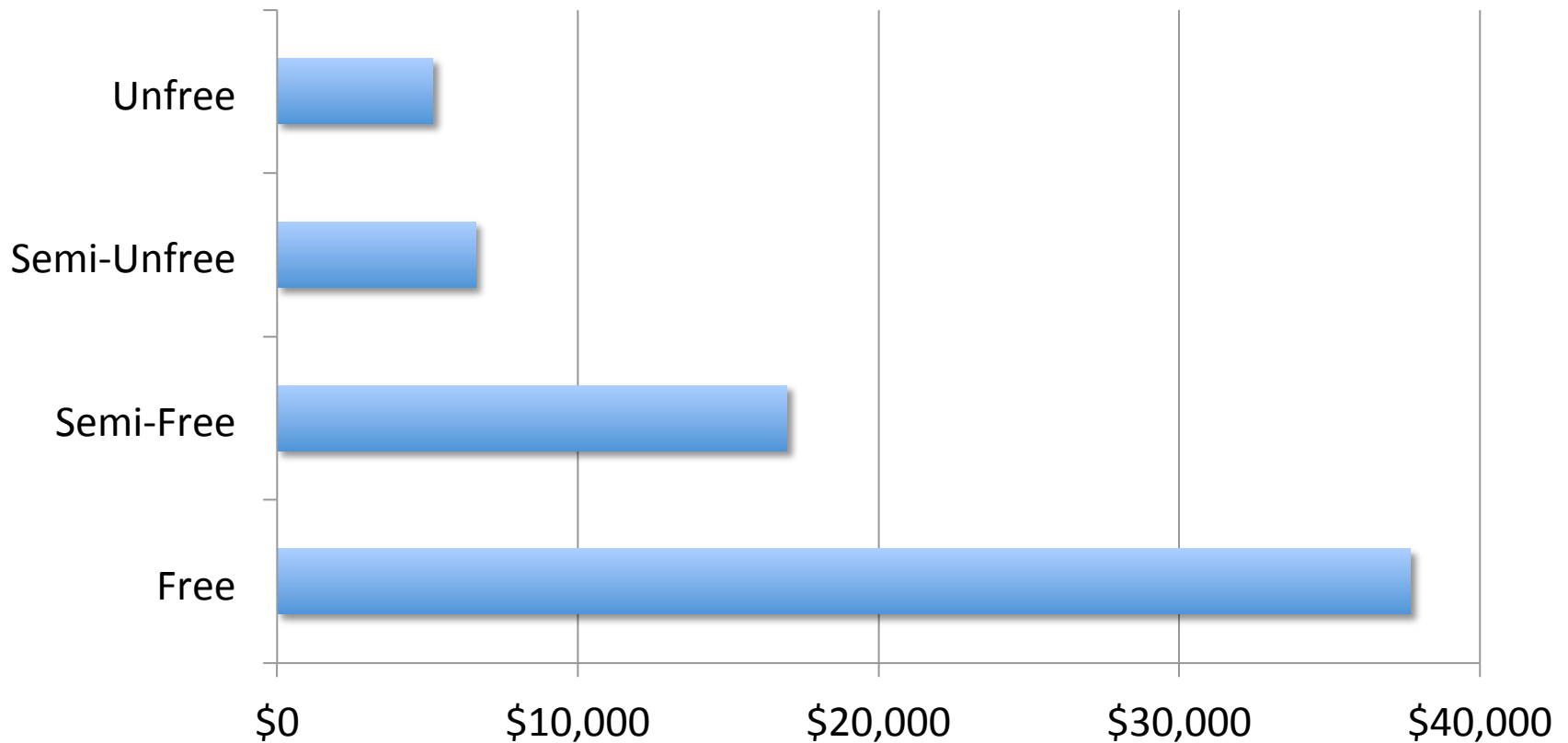


- Friedman to me: “I cherish freedom for its own sake, but in arguments against its opponents it helps how many material benefits freedom creates”
- Index of economic freedom, powerful demonstration



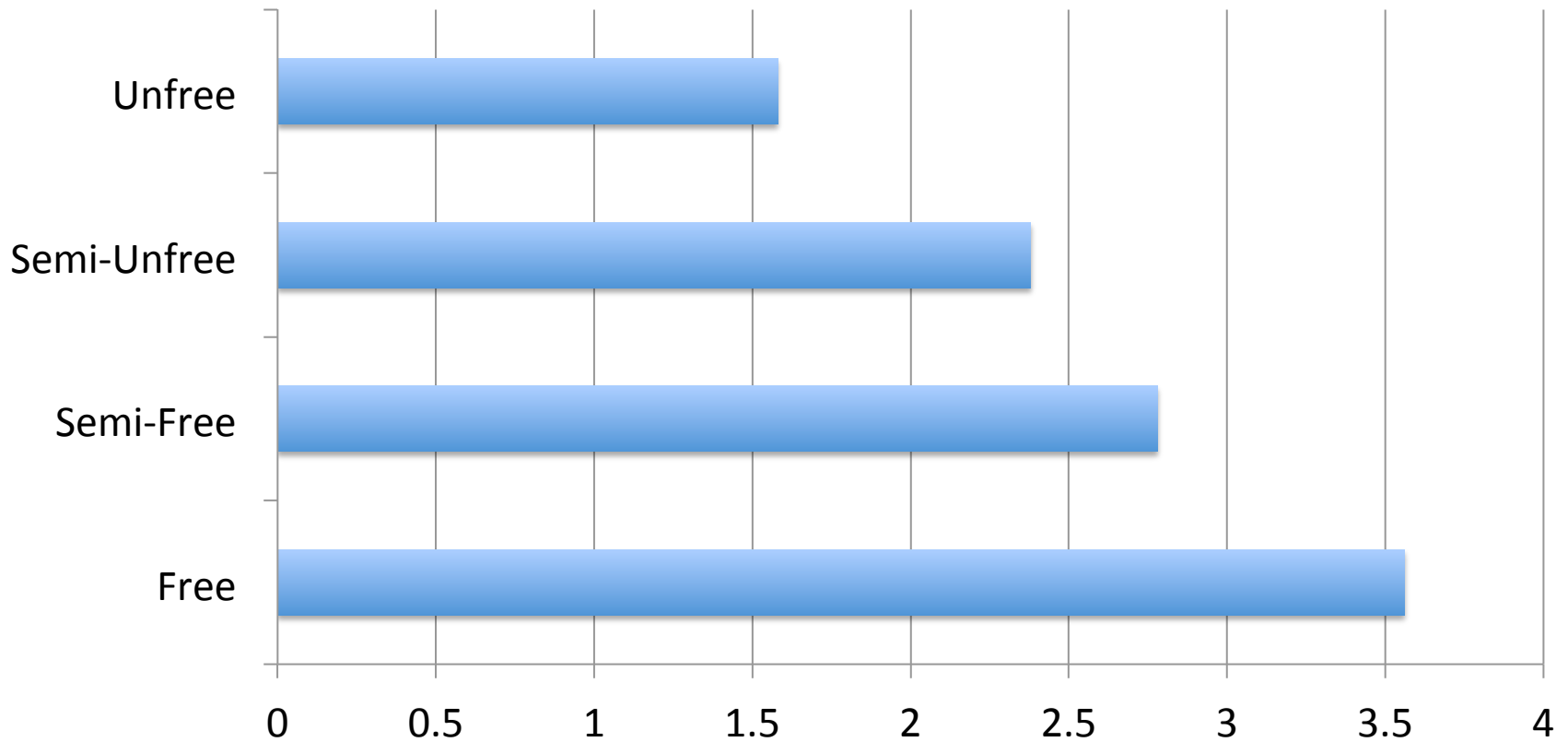
# Freedom and Living Standards

**Average GDP/capita 2010**



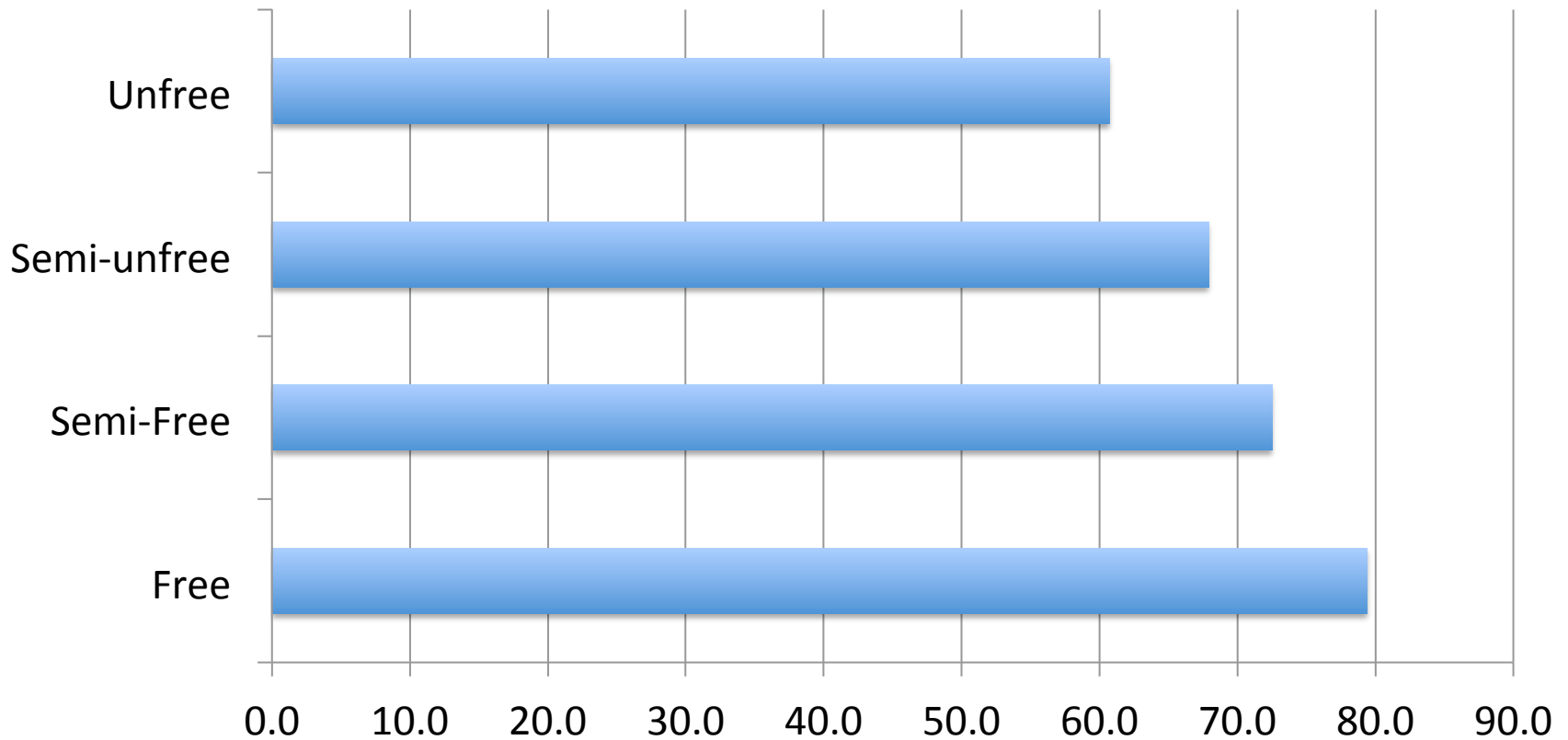
# Freedom and Economic Growth

**Economic Growth 1990–2010**



# Freedom and Life Expectancy

**Life Expectancy at Birth 2010**



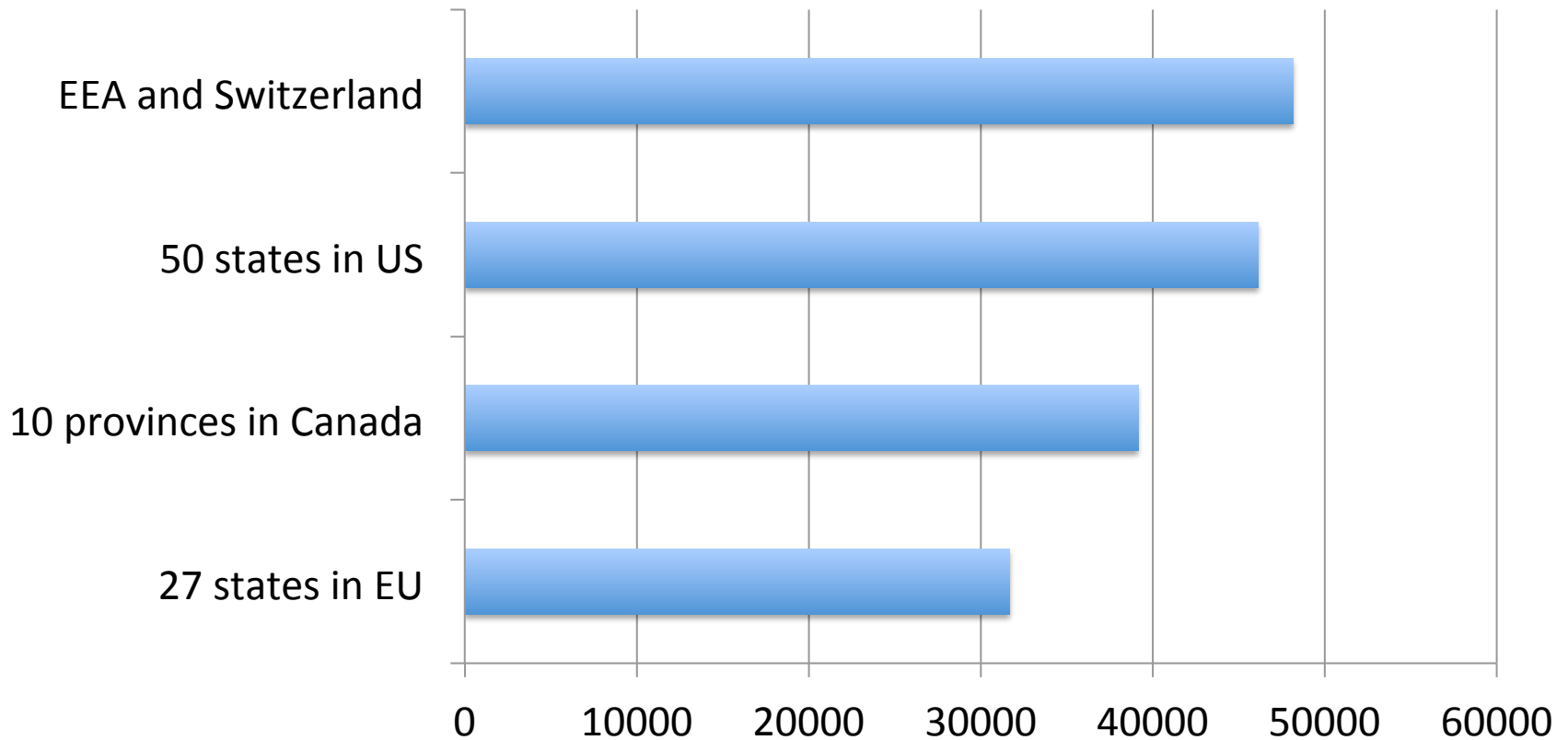
# Living Standards in the US

- Frequently asserted that living standards in the US worse than in many European, especially Nordic countries
- But let us compare individual states in the US and in Europe, with evidence available on Internet

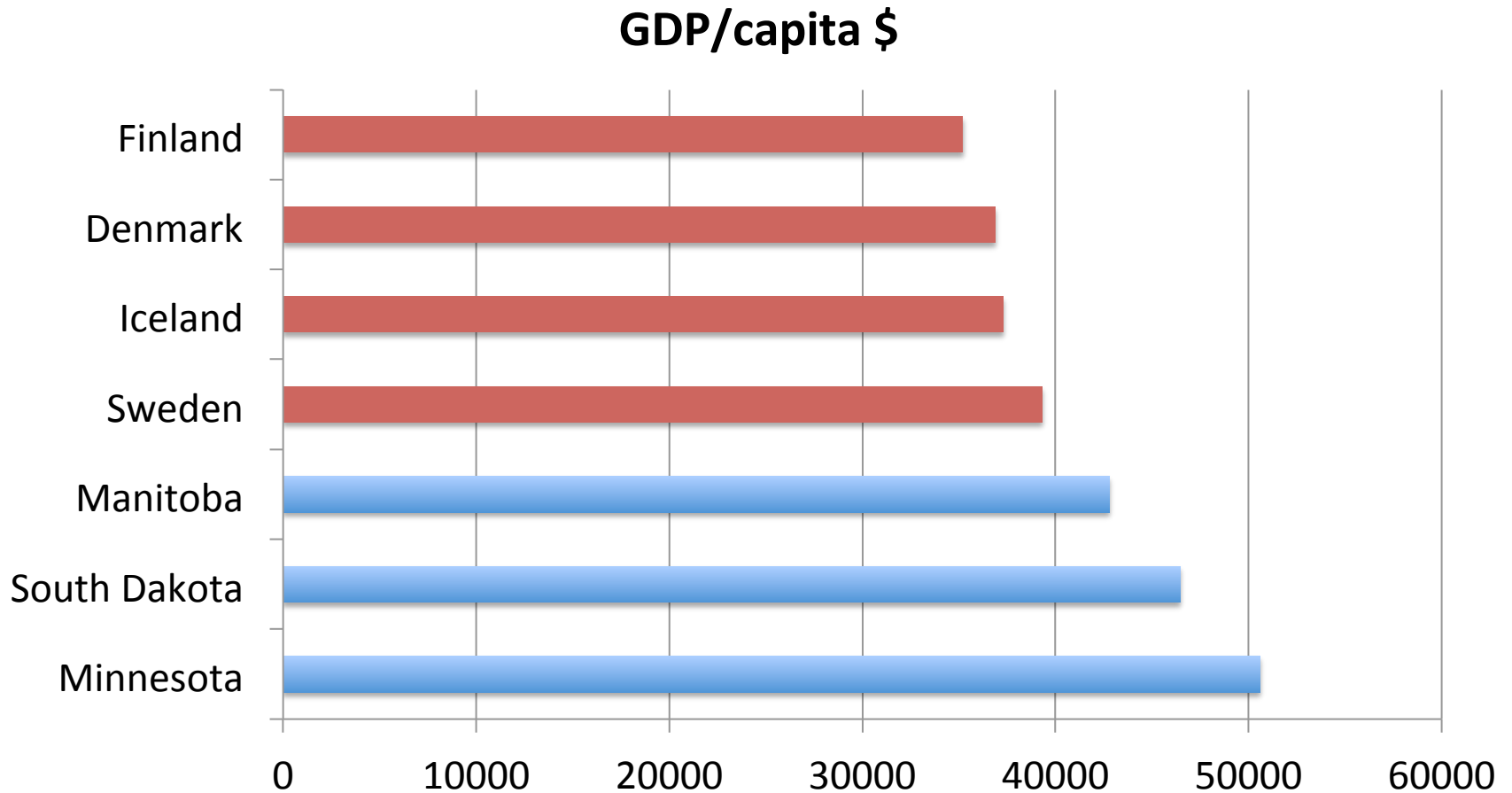


# Living Standards in Four Clusters

**Average GDP/capita 2011**

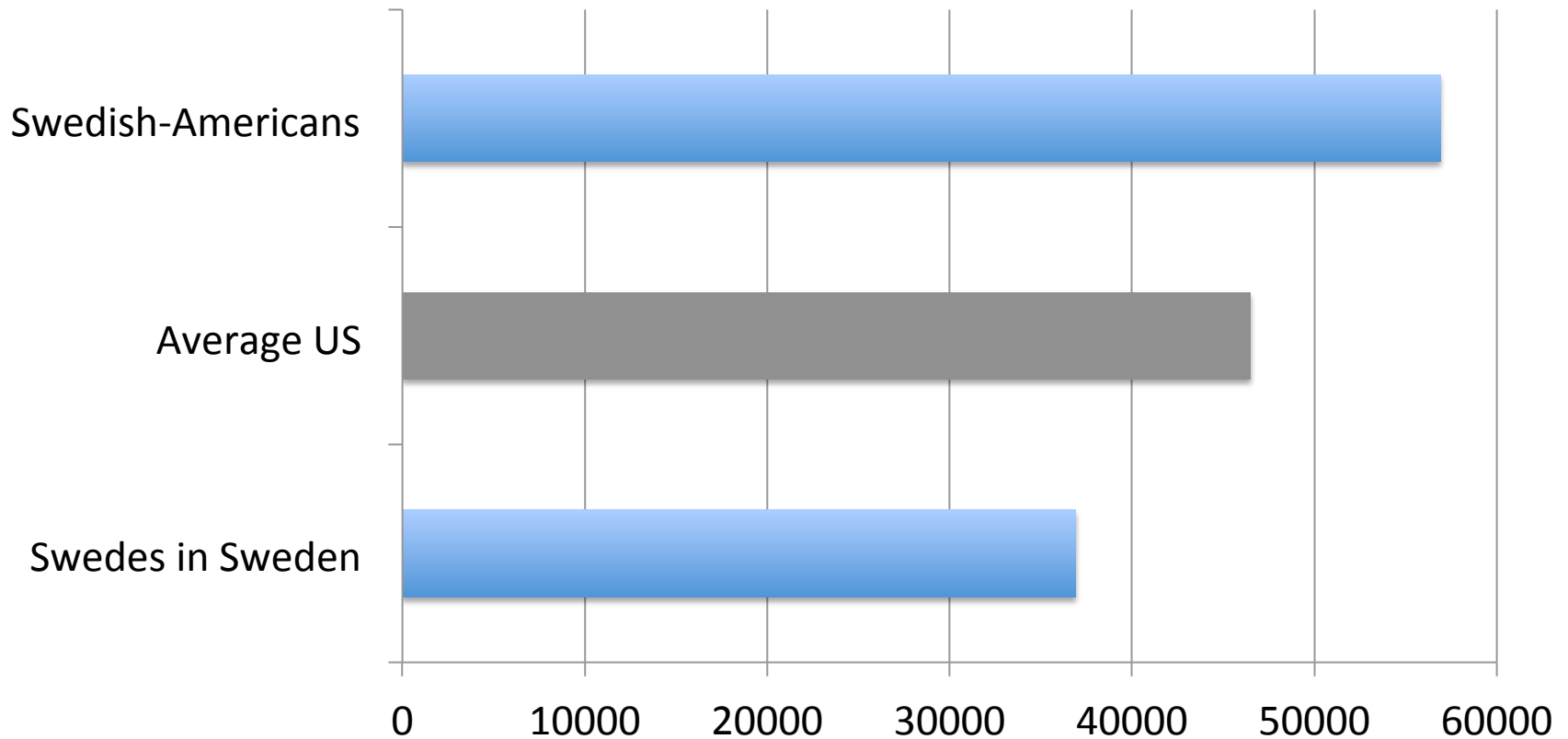


# Seven Nordic economies 2010



# Swedes in Different Economies

**GDP/capita 2008 \$**



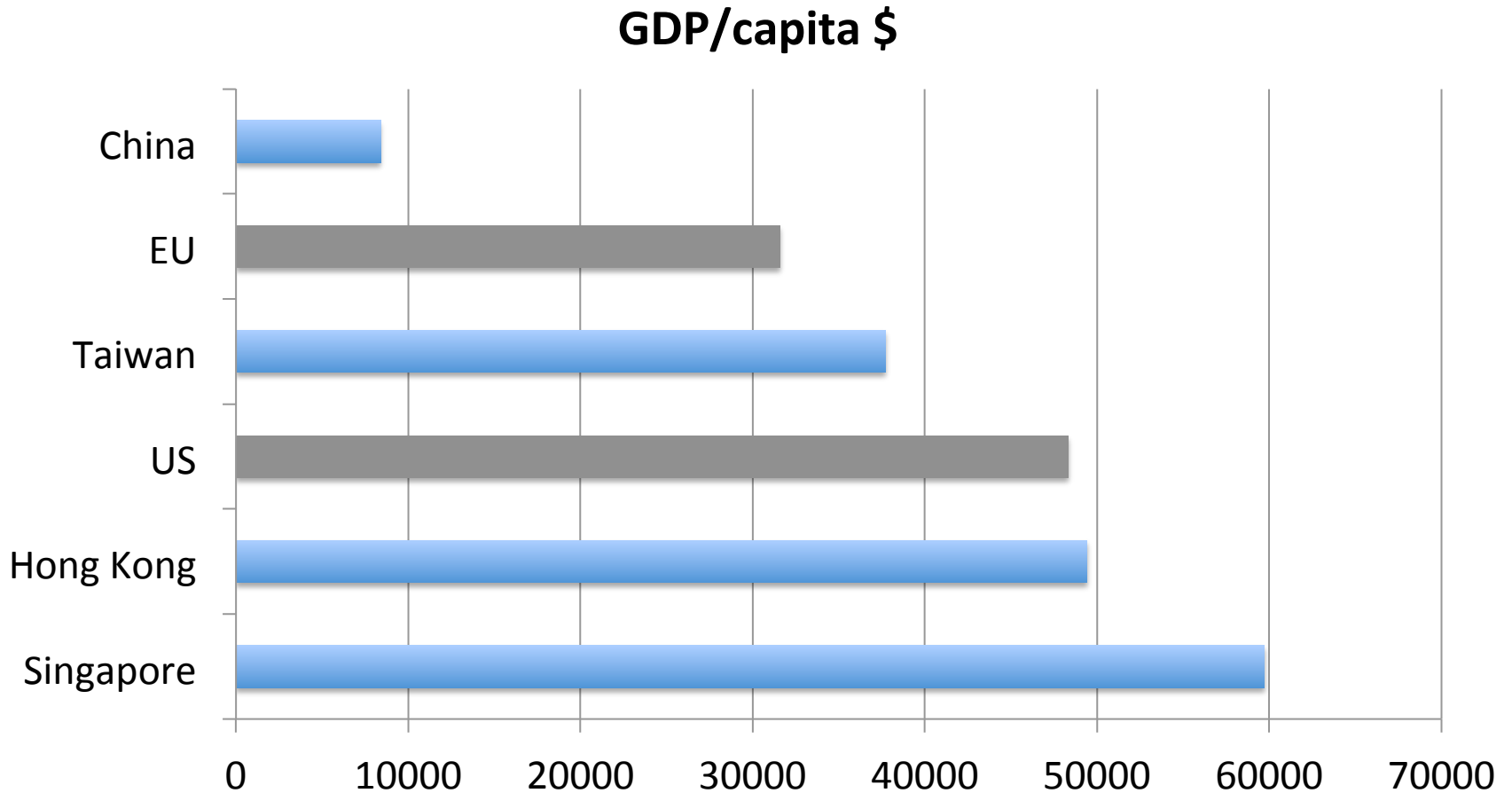


# Similar Countries, Different Paths

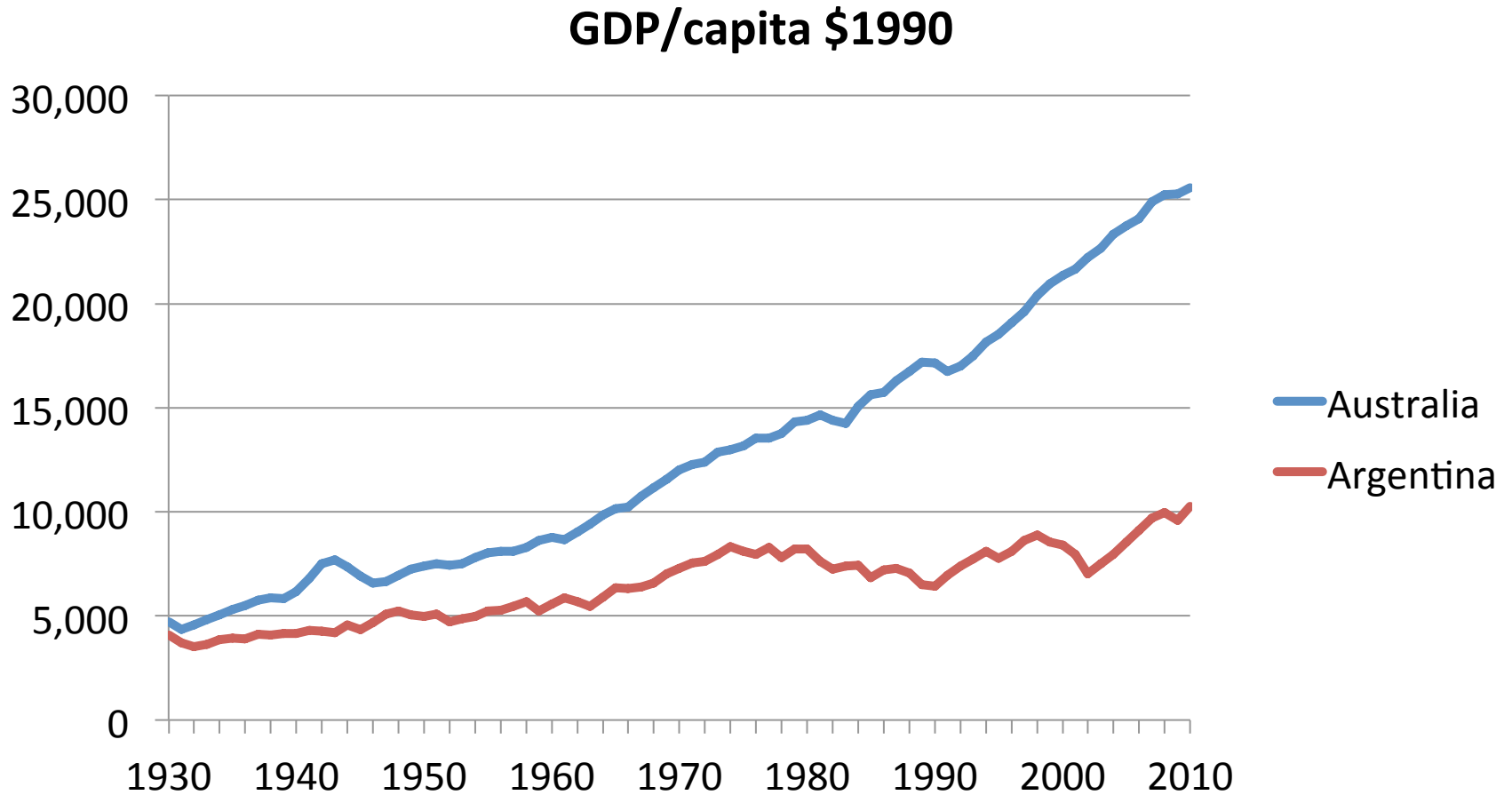
- Four Chinese economies: mainland China, Hong Kong, Taiwan, Singapore
- Australia and Argentina, similar natural resources, European
- Singapore and Jamaica, small tropical islands under British rule
- Chile and Ecuador, Latin American neighbours



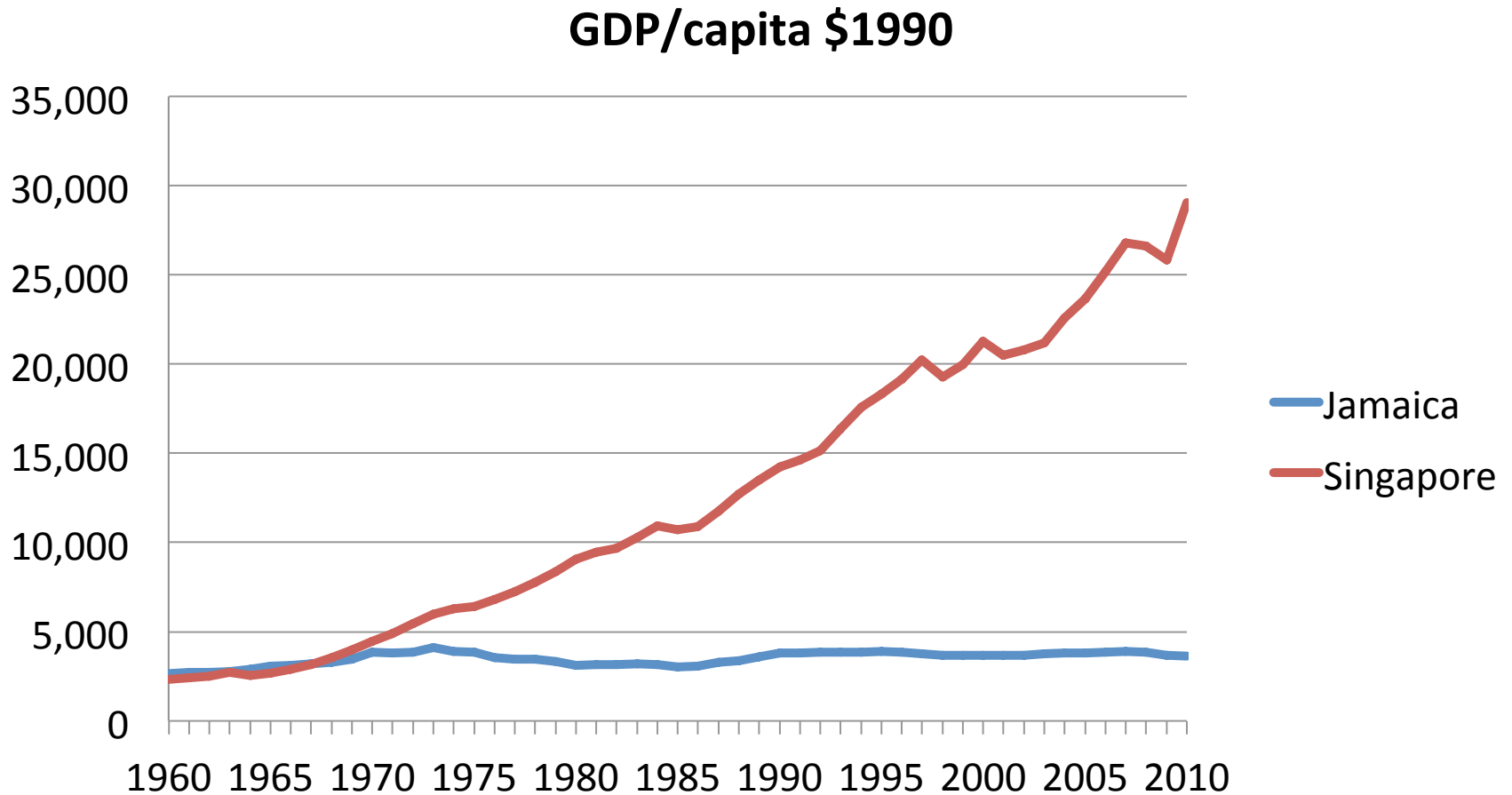
# Four Chinese Economies 2011



# Parting Ways: Australia and Argentina

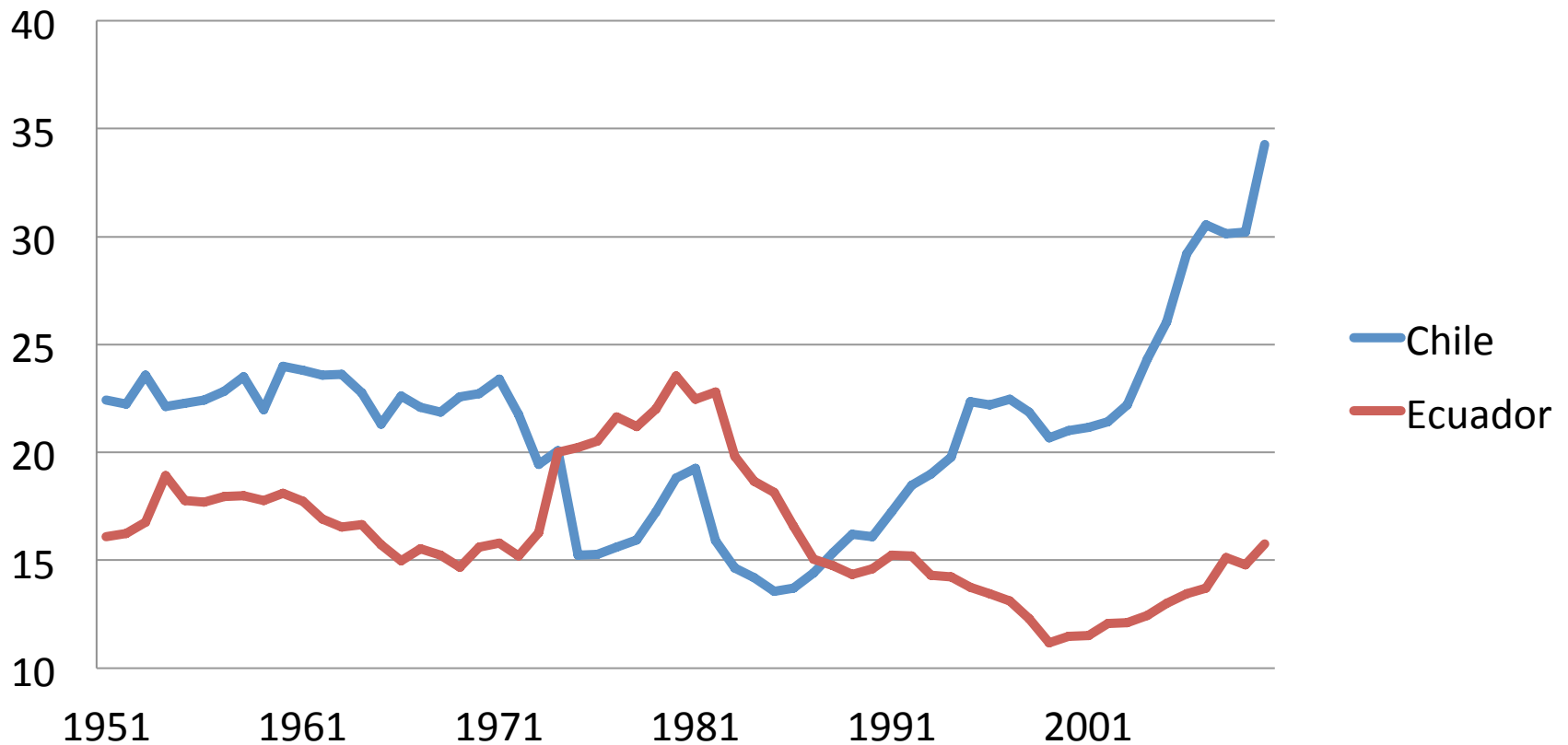


# Parting Ways: Jamaica and Singapore



# Chile and Ecuador Relative to US

GDP/capita relative to US GDP/capita

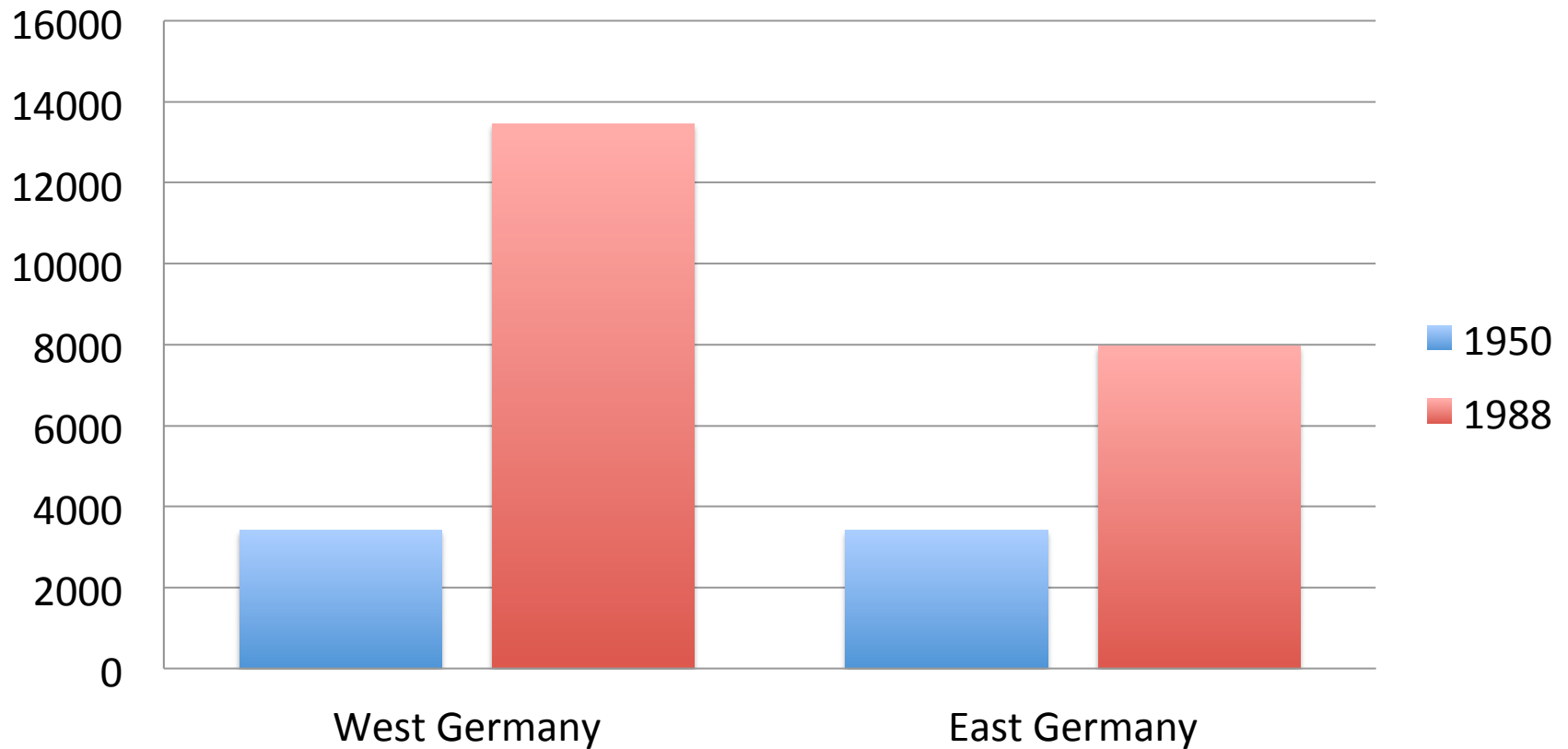


# Same Country, Different Paths



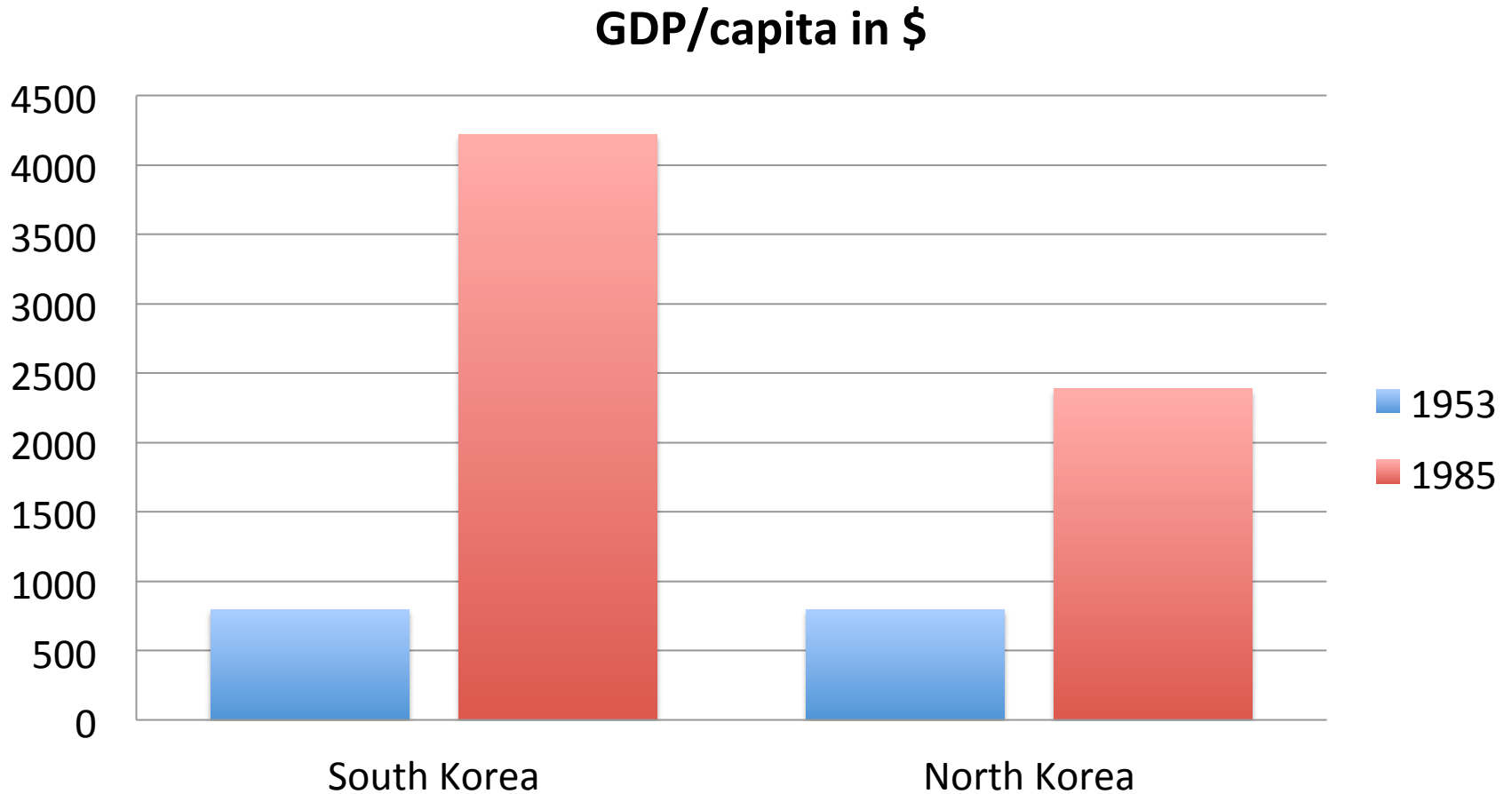
# East and West Germany

GDP/capita in \$



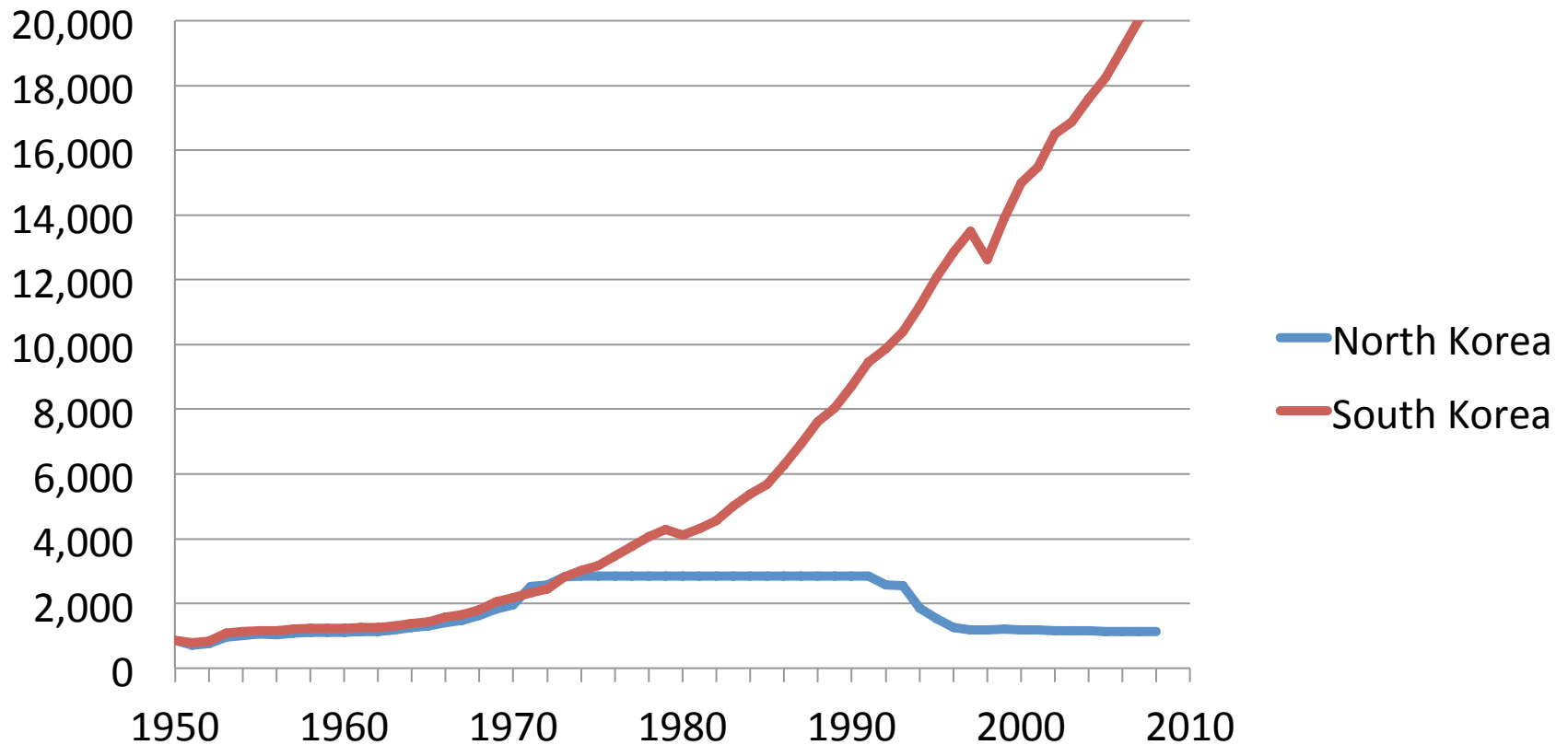


# North and South Korea (1)



# North and South Korea (2)

**GDP/capita \$1990**

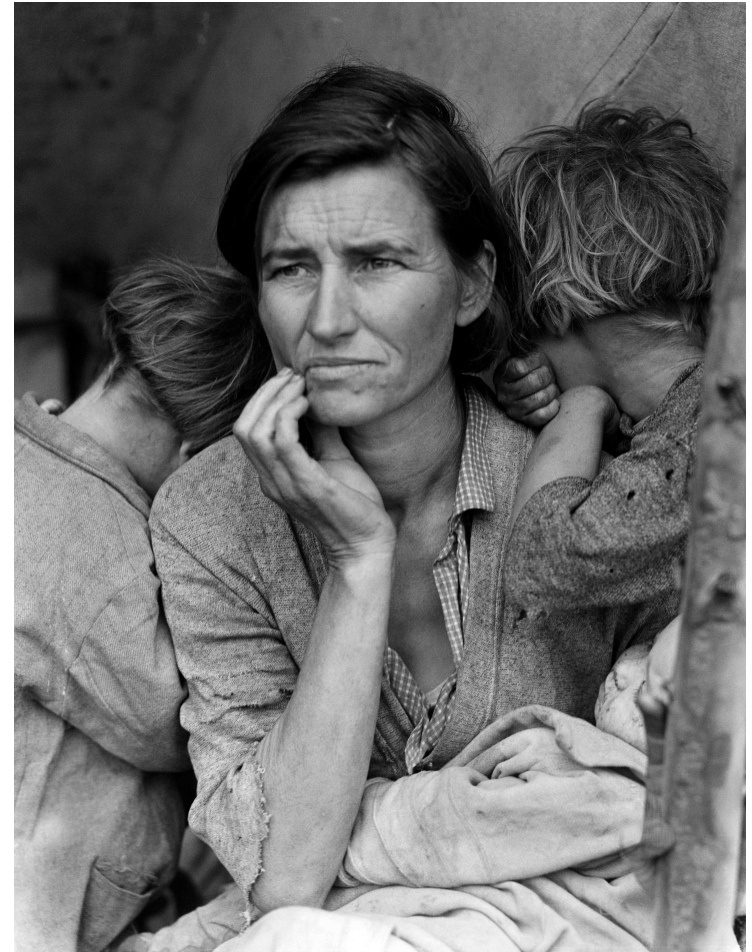


# A Telling View from Space

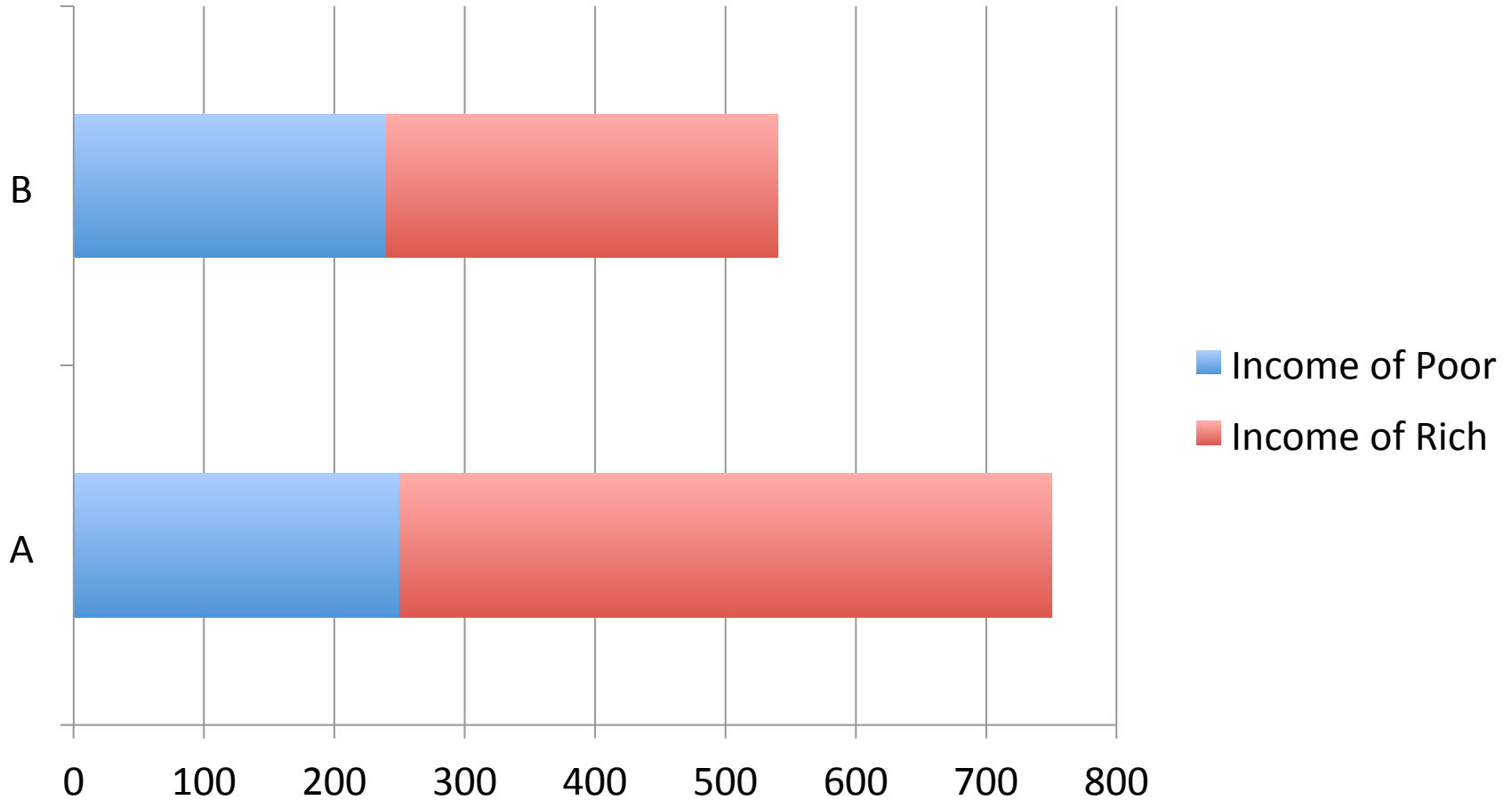


# Rawls, and the Poor

- John Rawls old prophet of the Left
- Main proposition: Income distribution just if poor are as well off as they can be: maximum of minimum (maximin)
- Index of economic freedom with data from long time and many places



# Which Country Better, A or B?

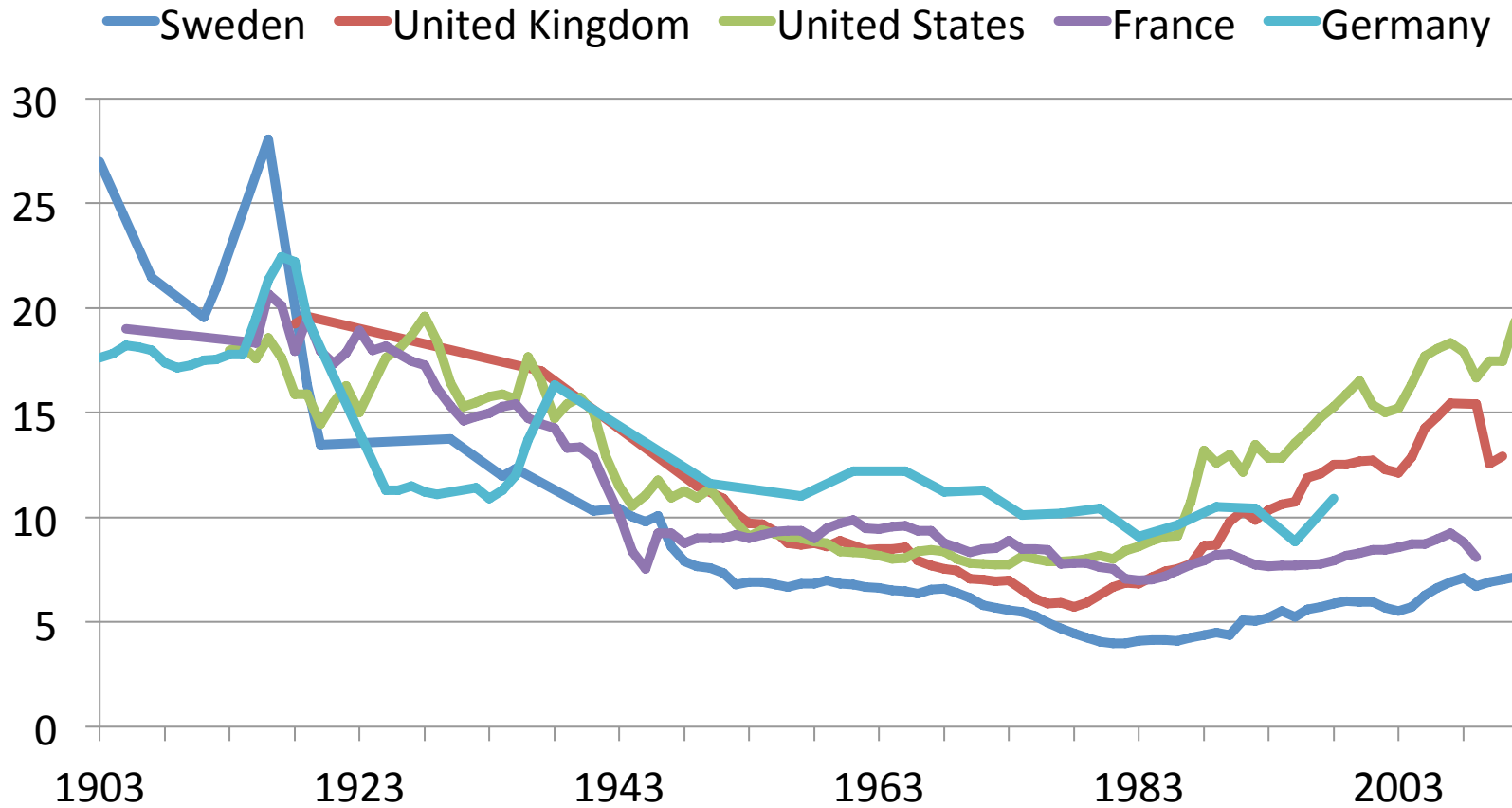


# Piketty, and the Rich

- Thomas Piketty new prophet of the Left
- Main proposition: poor do not gain from capitalism; all appropriated by rich; expropriation by taxation
- Top Incomes Data Base
- Useful, if inadequate information

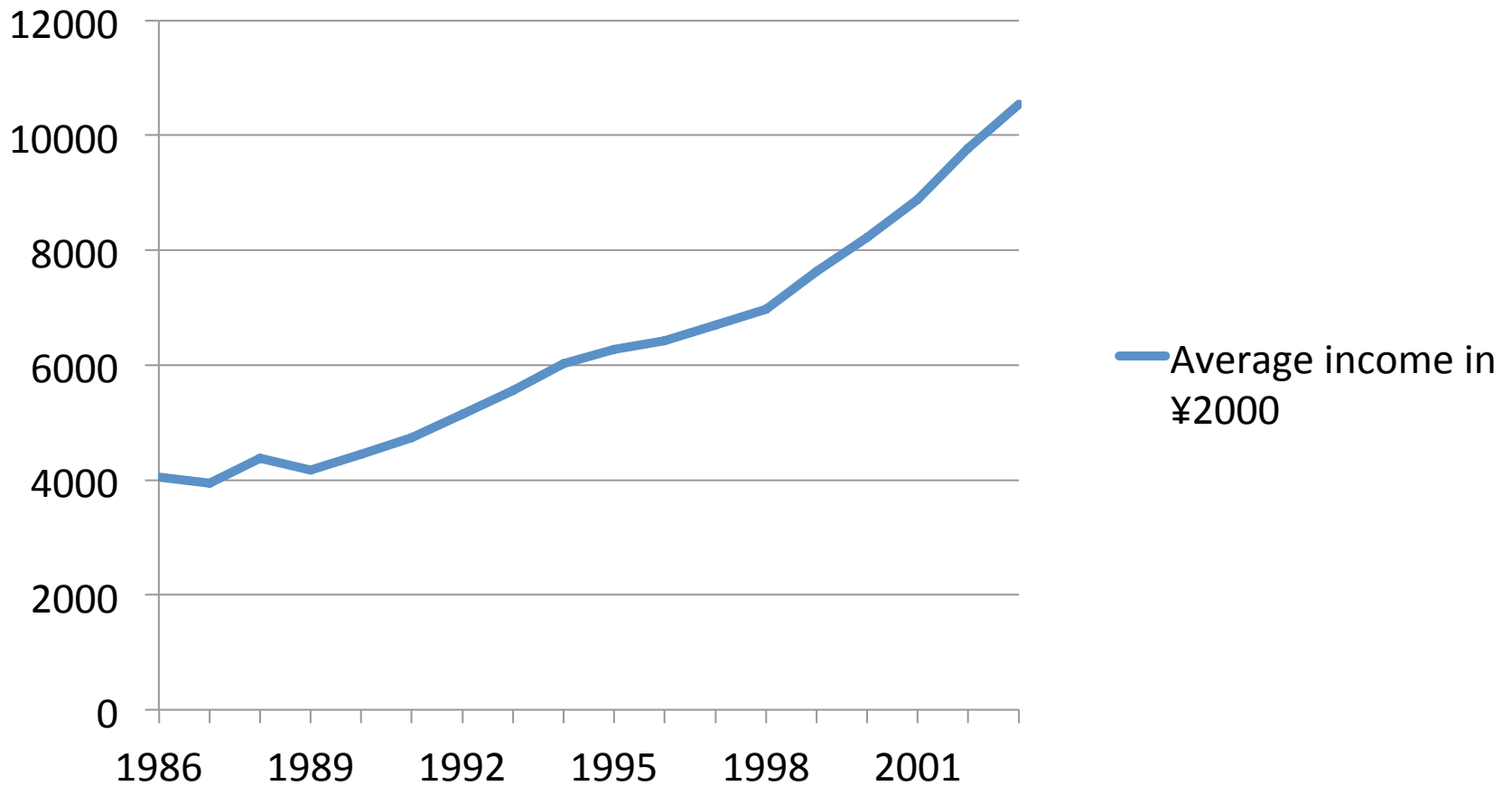


# Income Share of 1% Top





# Income Share of 90% Bottom, China

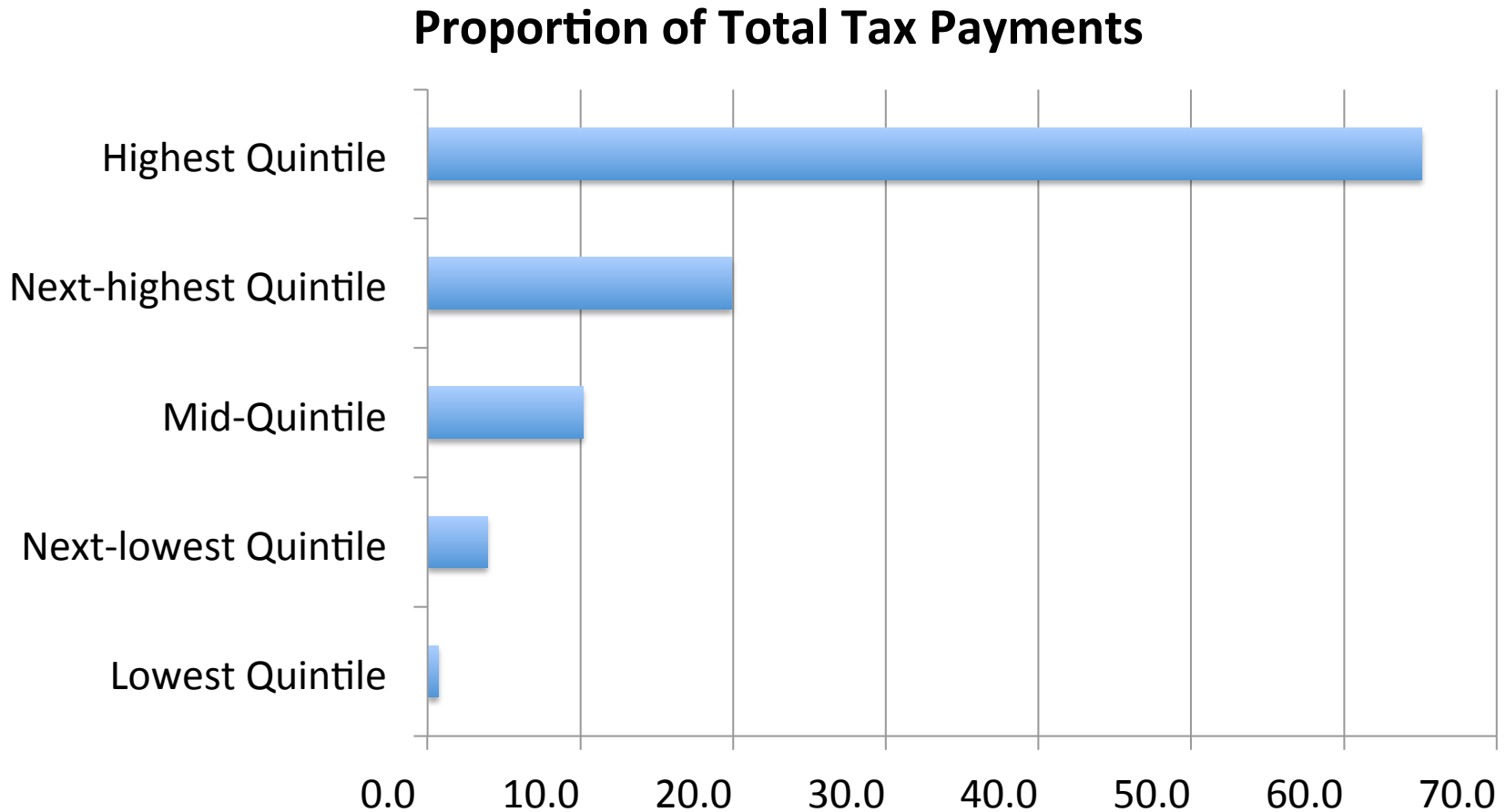


# Benefits from the Rich

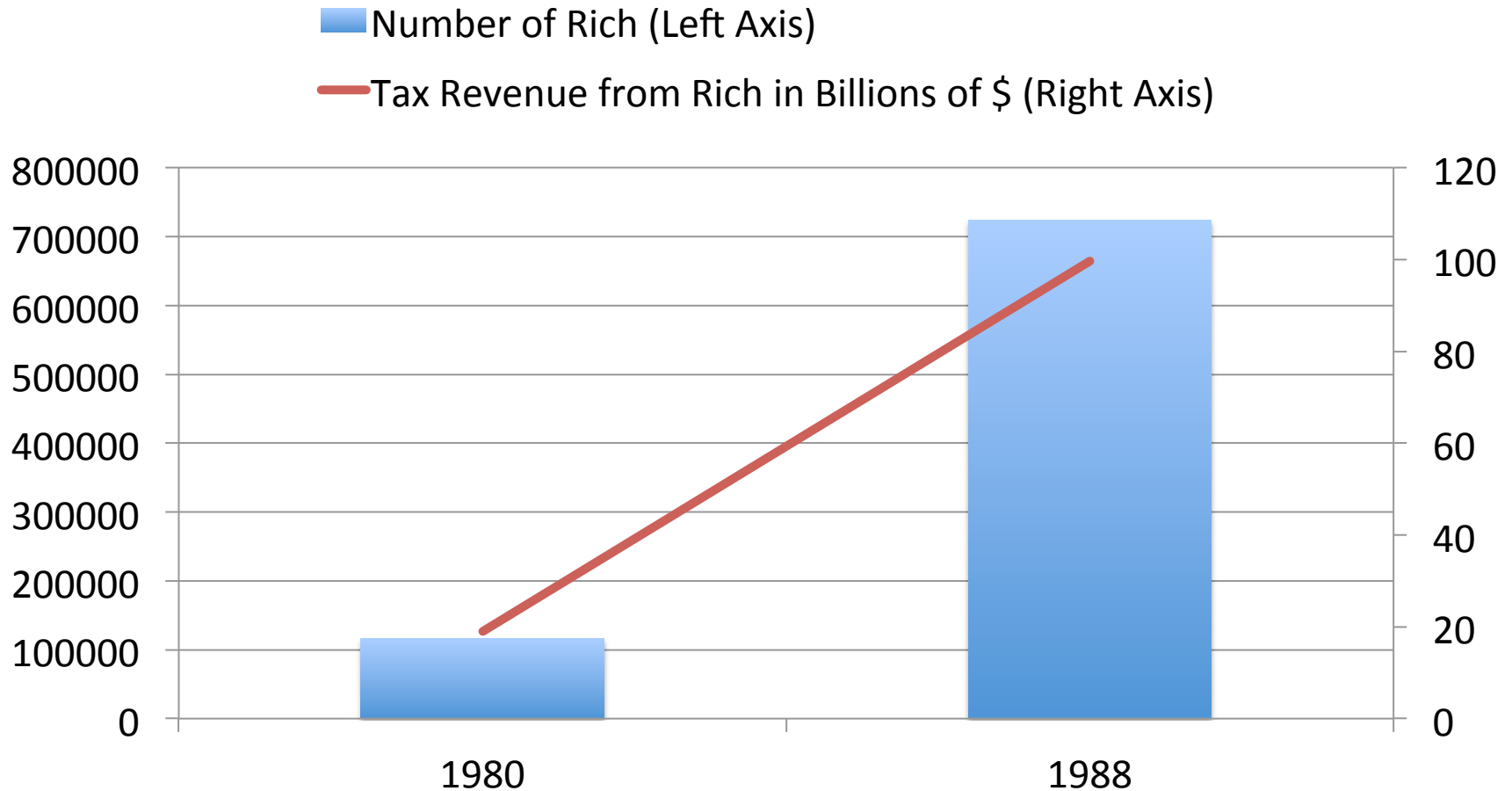
- The rich contribute most of tax revenue
- What happens if they emigrate (as they sometimes do)?
- What happens if they choose to disappear:  
Theme of Rand's *Atlas Shrugged*



# Distribution of Tax Burden, US 2000

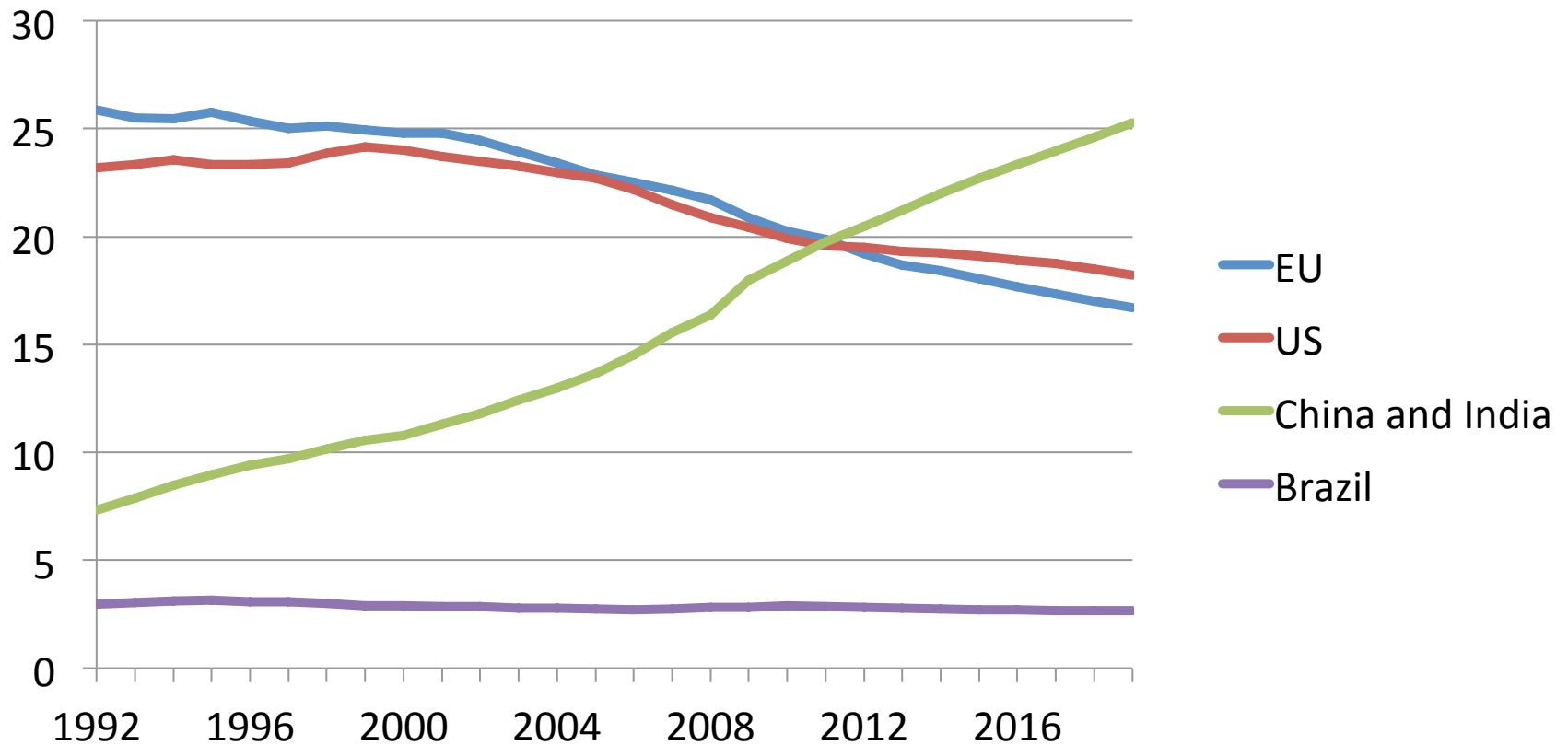


# More Rich People, Higher Revenue



# The Need for Freedom

**Proportion of Gross International Product**



# The Challenge for Brazil

**Share in Gross International Product**

