

Economic Freedom of the World: 2013 Report

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Jerome M. Fullinwider Endowed Centennial Chair in Economic Freedom
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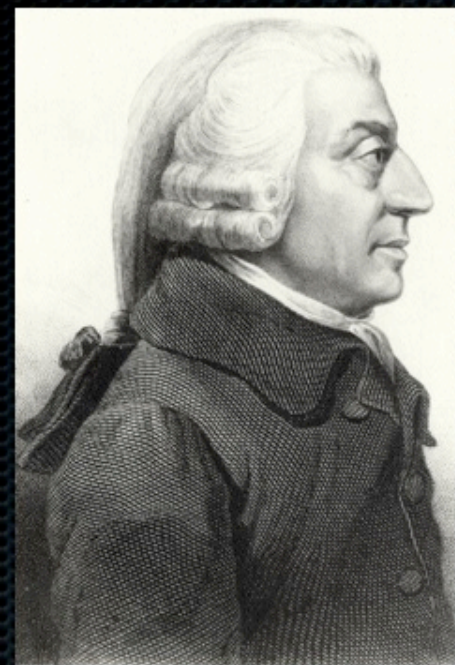


Remembering 1914...

- Keynes on that time before 1914 when a person:

could secure forthwith, if he wished it, cheap and comfortable means of transit to any country or climate without passport or other formality, ..., and would consider himself greatly aggrieved and much surprised at the least interference. But, most important of all, he regarded this state of affairs as normal, certain, and permanent, and any deviation from it as aberrant, scandalous, and avoidable.

The Great Debate: Smith v. Marx



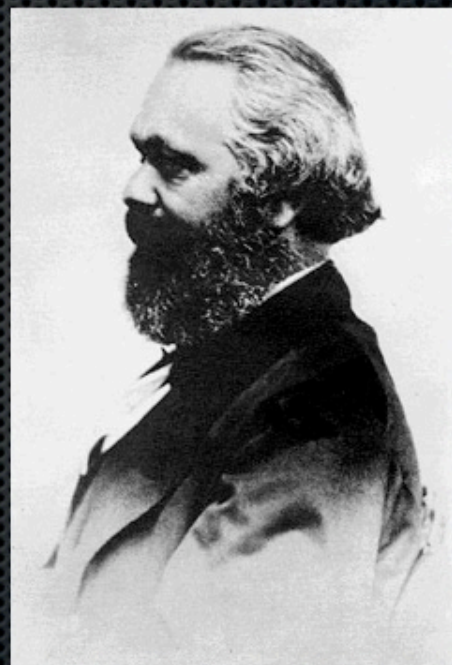
Adam Smith
(1723-1790)

ADVOCATED A
SYSTEM OF
"NATURAL
LIBERTY":

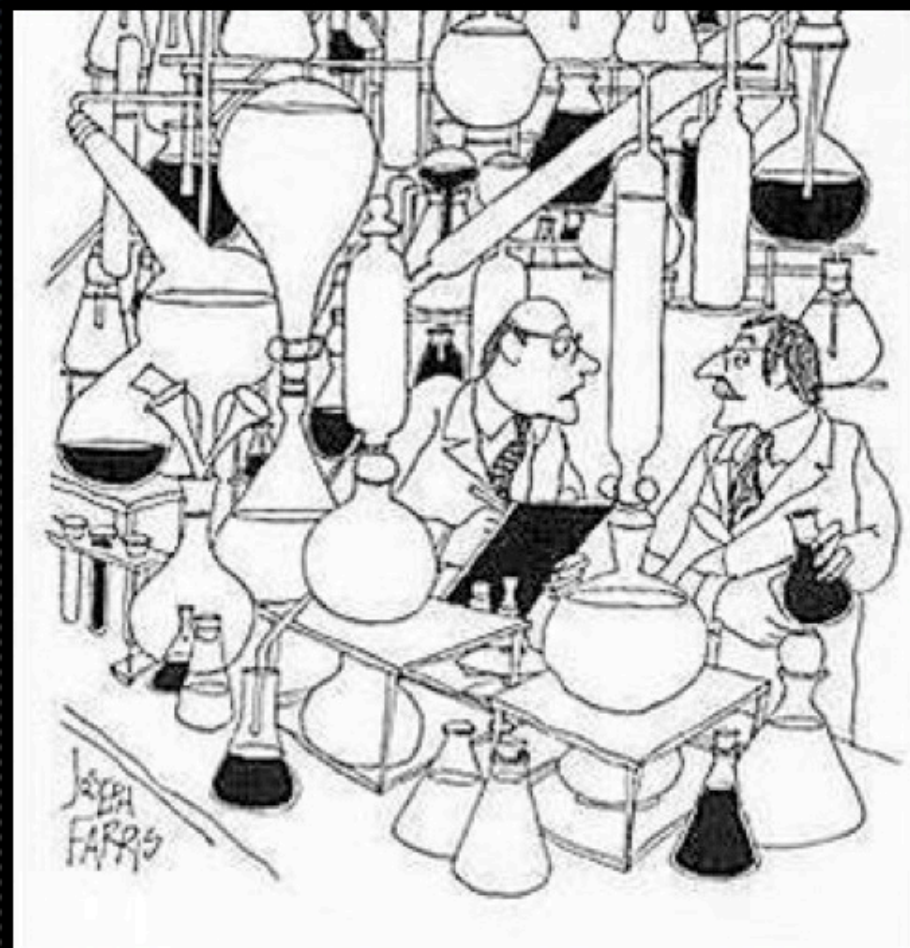
Individual pursuit
of self interest in
markets (not
selfishness), free
trade and limited
government
involvement.

ADVOCATED
SOCIALISM/
COMMUNISM:

Collective/
government
ownership/
control of
resources,
central
planning.



Karl Marx
(1818-1883)



Measuring Economic Freedom

Economic freedom is complex and multidimensional, but it can be measured.

- Personal Choice
- Freedom to trade, domestically and abroad
- Freedom to enter and compete in markets
- Security of Property/ Rule of Law

5 Areas of Economic Freedom of the World (EFW) Index



Size of Government: Expenditures, Taxes, and Enterprises



Legal Structure and Security of Property Rights



Access to Sound Money



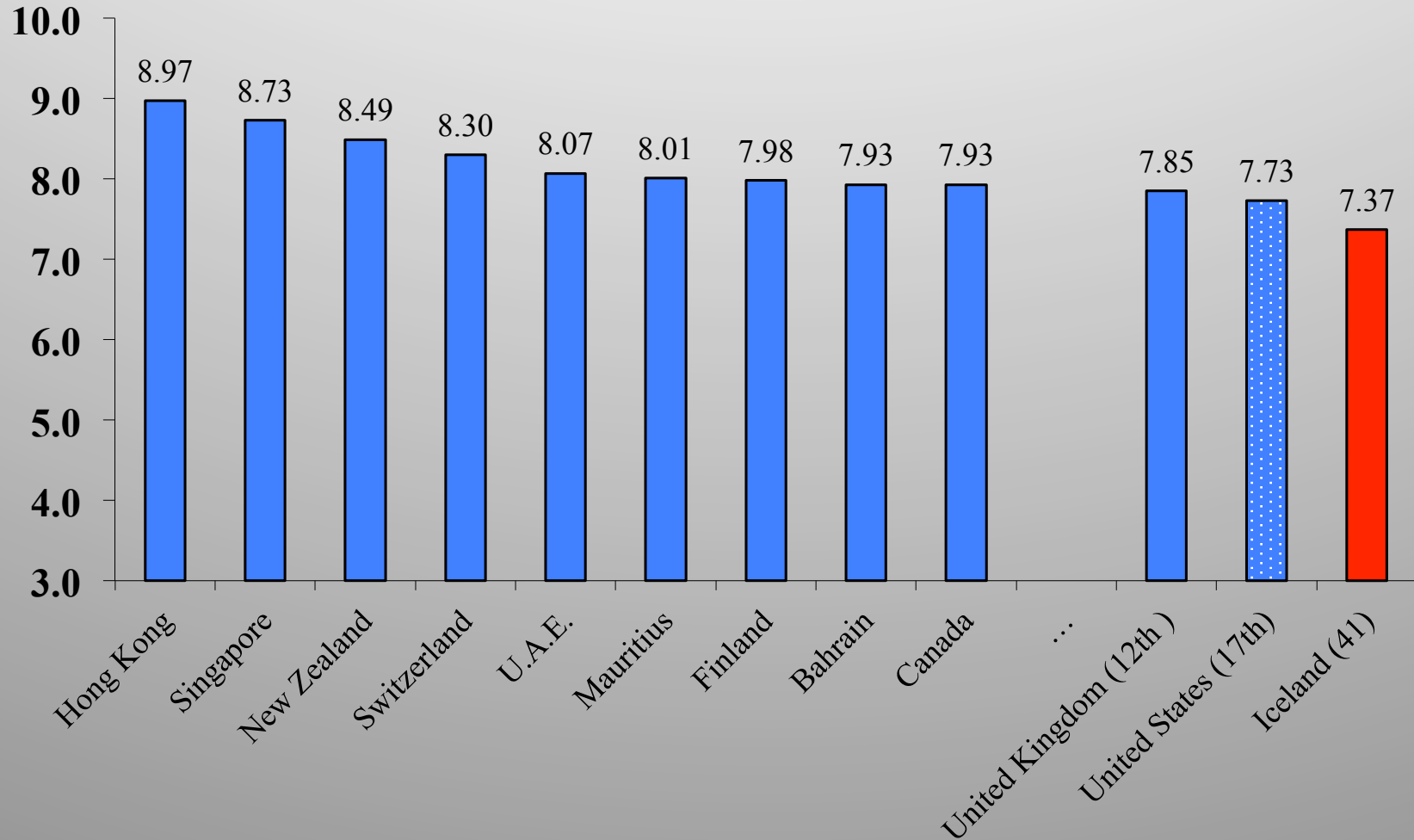
Freedom to Trade Internationally



Regulation of Credit, Labor, and Business

Economic Freedom Ratings, 2011

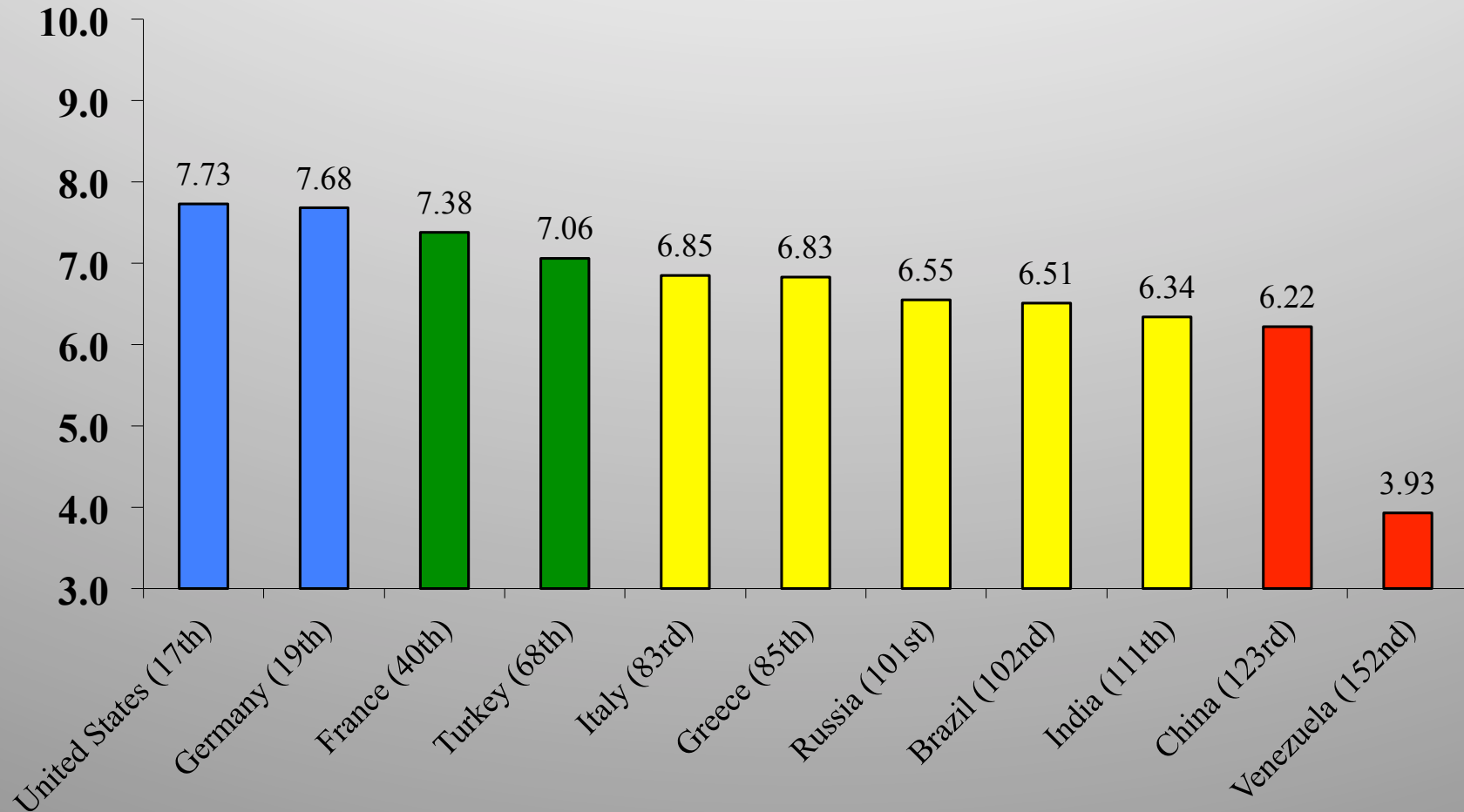
Top Nations plus U.K., U.S., Japan



Source: EFW 2013, Exhibit 1.2.

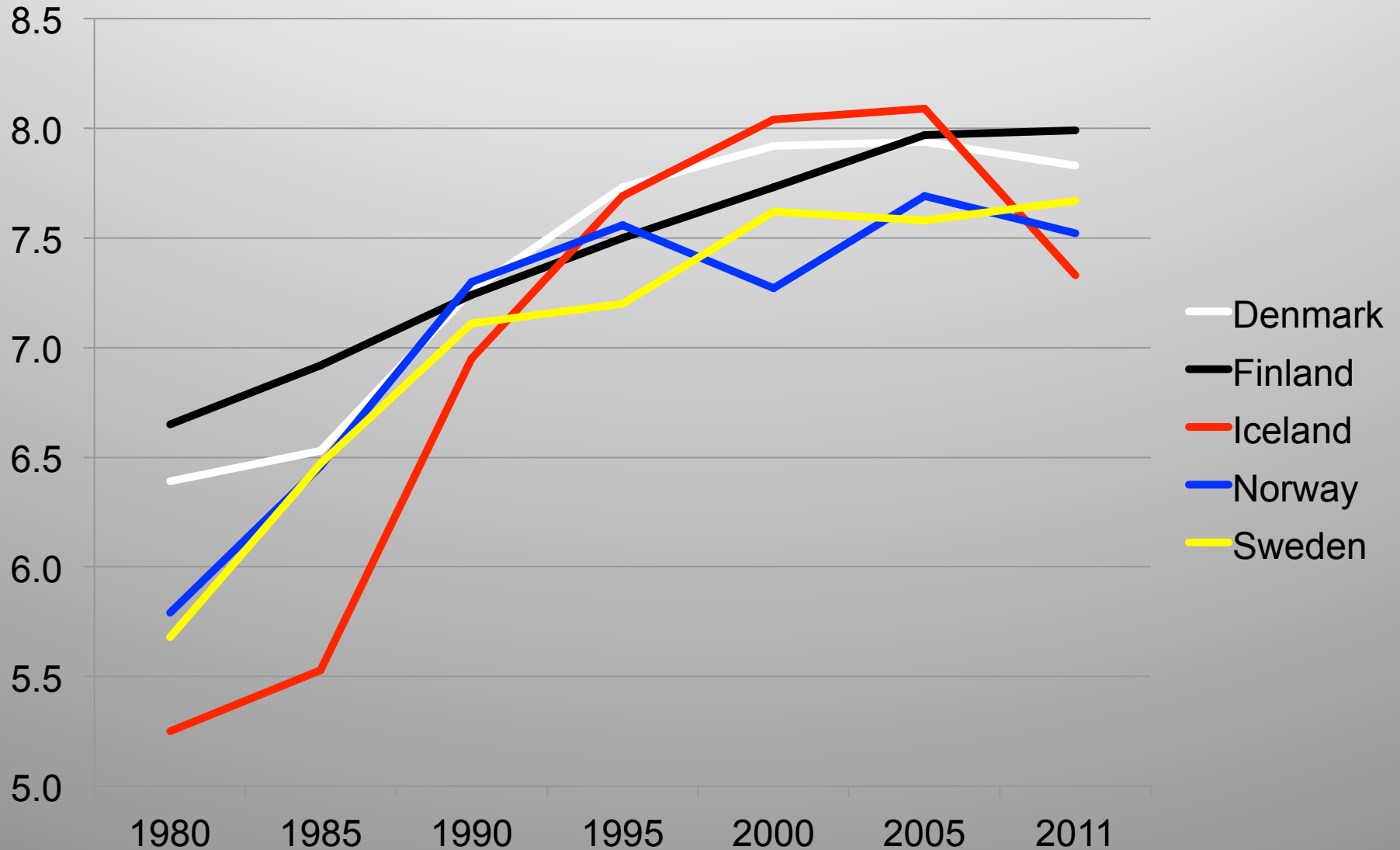
Economic Freedom Ratings, 2011

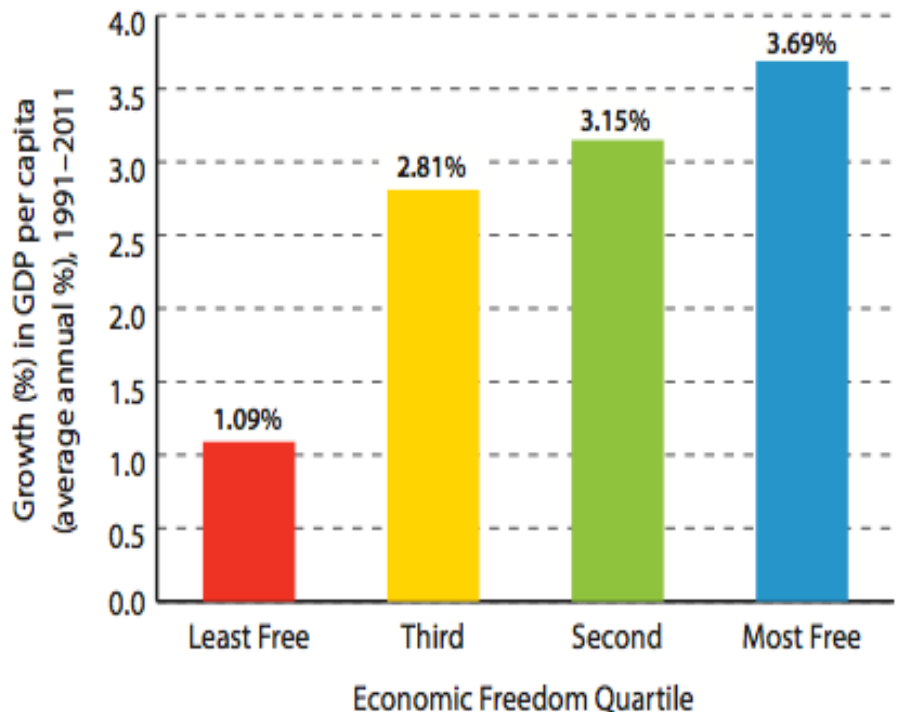
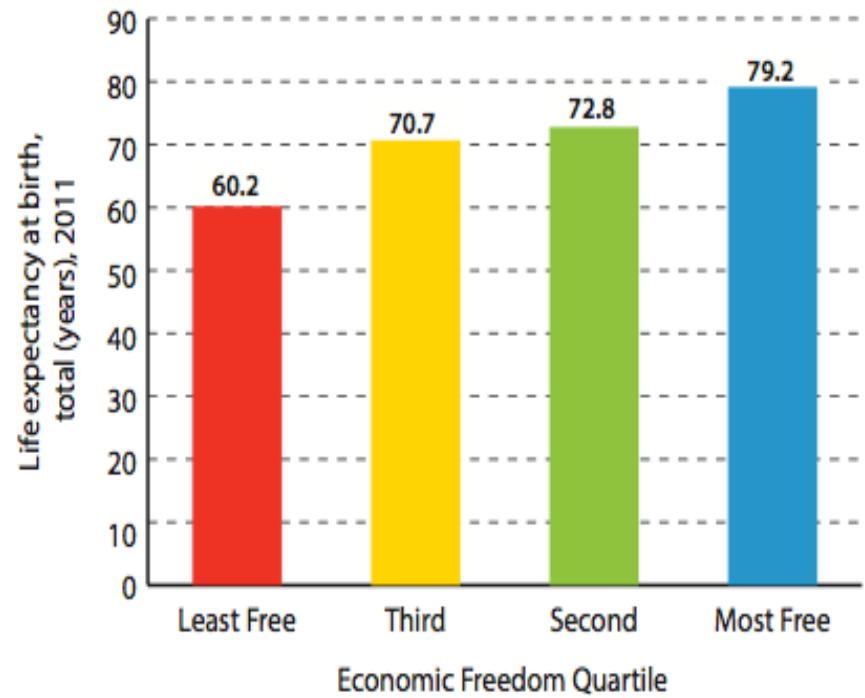
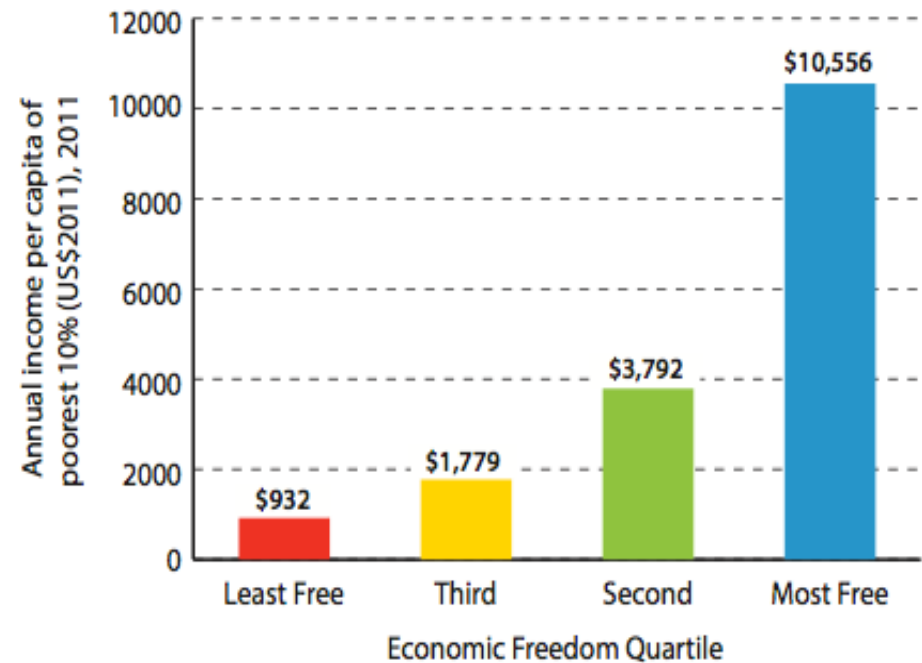
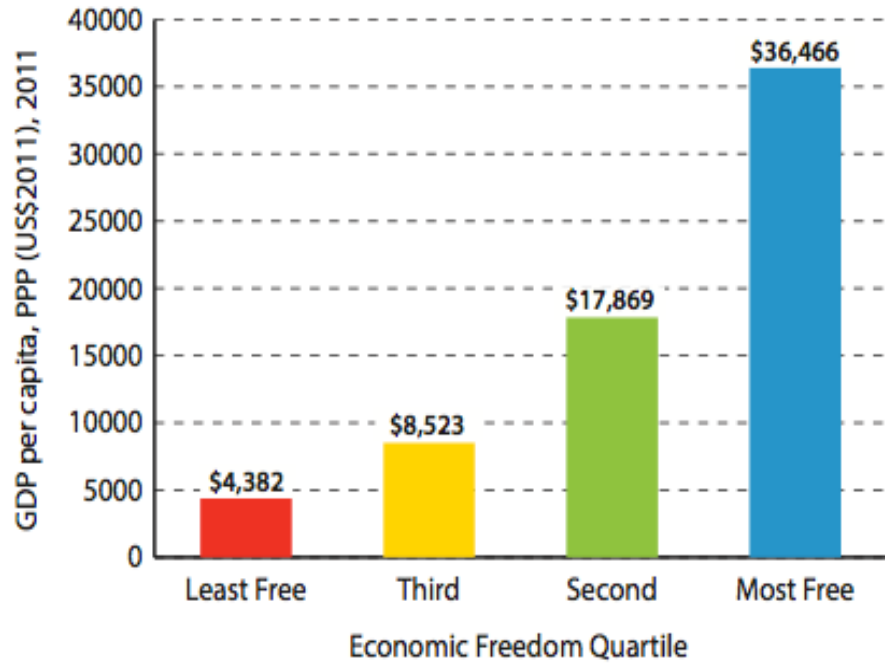
Select Nations

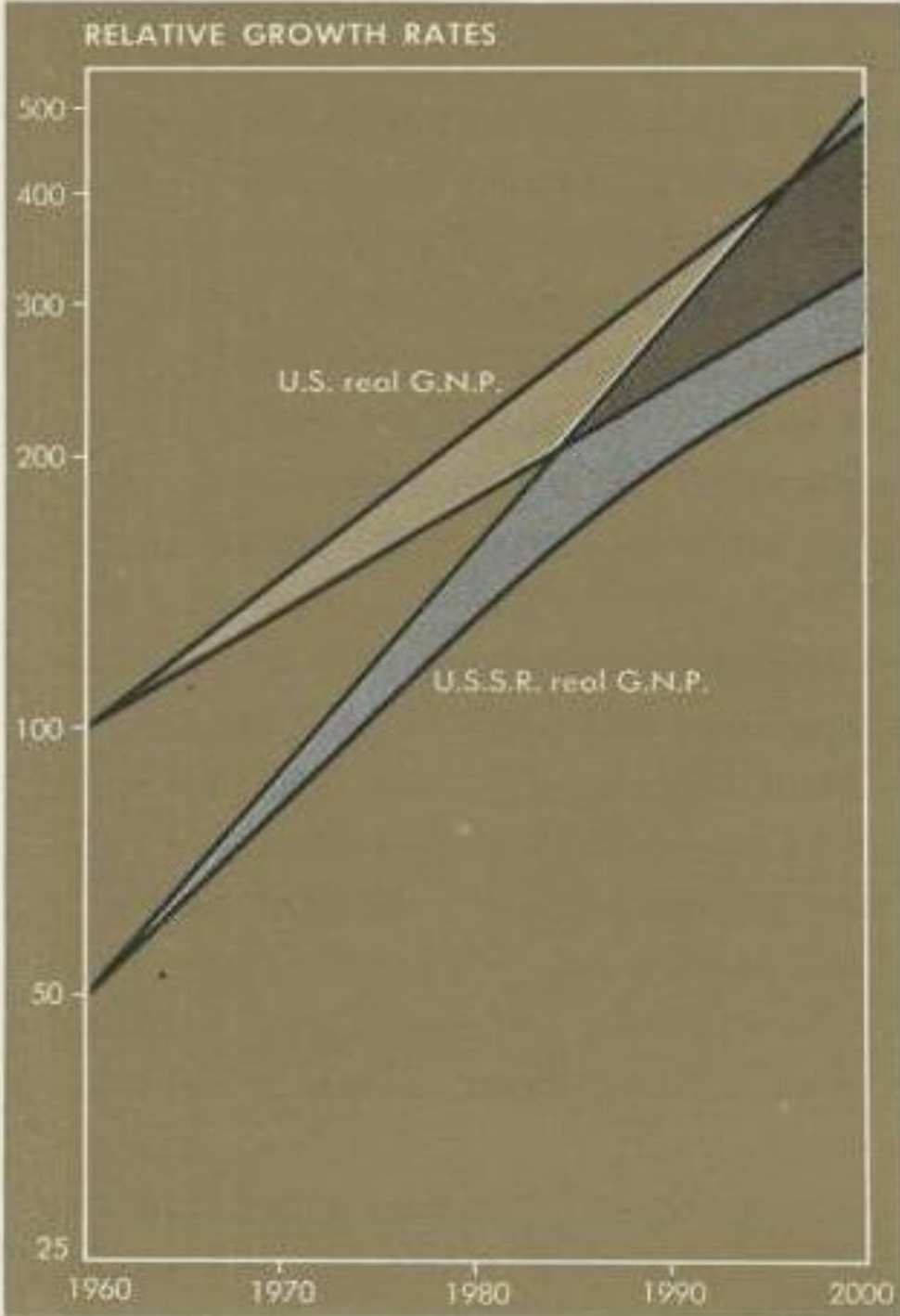


Source: EFW 2013, Exhibit 1.2.

Scandinavian EFW







“What counts is results, and there can be no doubt that the Soviet planning system has been a powerful engine for economic growth. But it has done so in an atmosphere of great human sacrifice...” Samuelson & Nordhaus. 1989.

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As featured in

Changing Lives

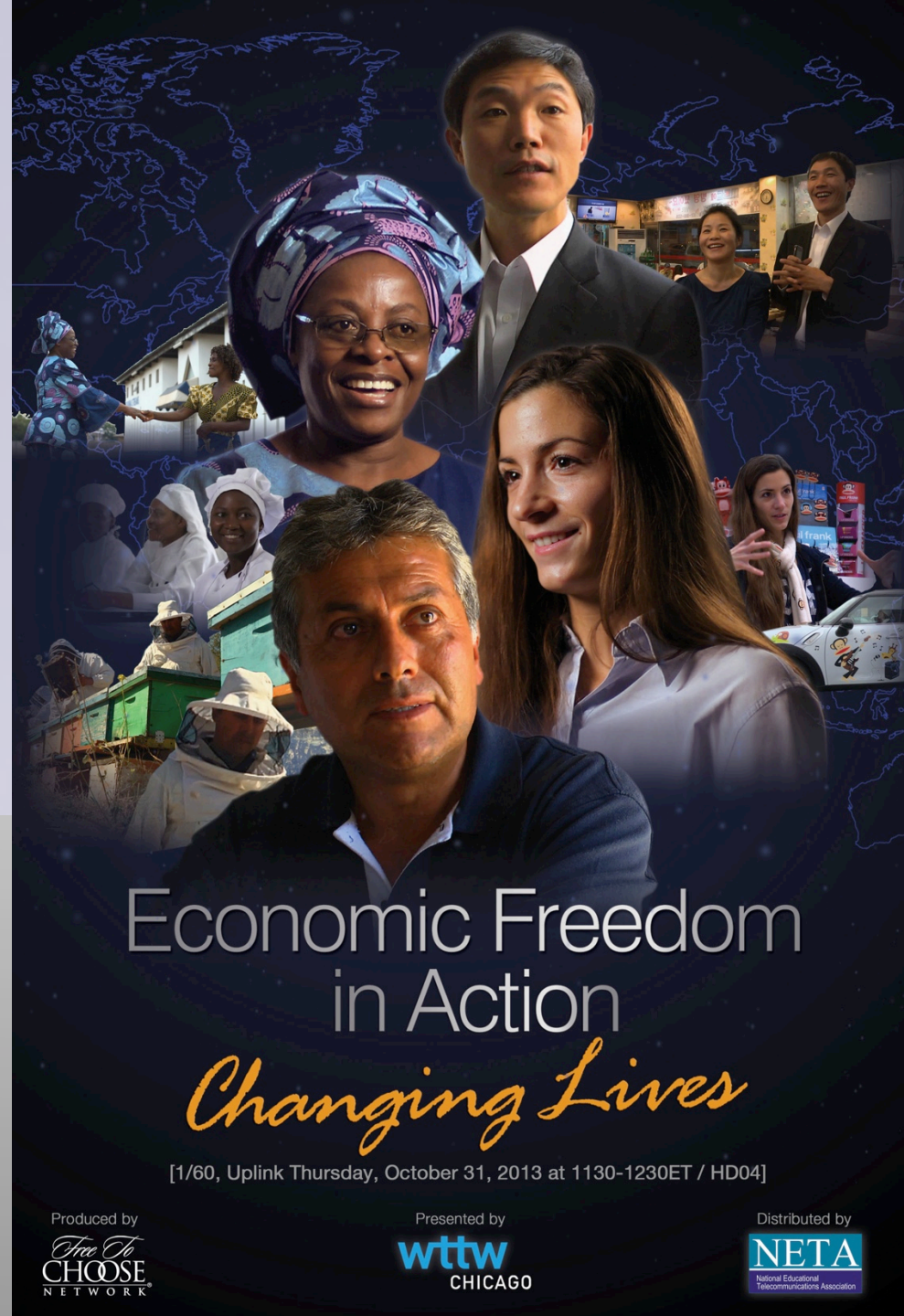
Economic Freedom in Action

a documentary from

Free To Choose Network

to air on public
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Economic Freedom
in Action

Changing Lives

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