



10 Countries Are Economically Freer Than U.S.

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A new study by the **Cato Institute** finds that 10 countries have more economic freedom than the United States: Hong Kong, Singapore, New Zealand, Switzerland, Ireland, the United Kingdom, Mauritius, Georgia, Australia, and Estonia. Canada is tied with the U.S. for number 11 on the Cato list.^{[1][2]}

In 1980, the U.S. ranked number 2 on Cato's Global Economic Index. The nation slipped to number 3 in 1990, number 4 in 2000, and number 6 in 2005. The downward spiral continued as the U.S. ranked 11th in 2010 and 13th in 2014. It remains to be seen whether the current modest improvement is a temporary blip or the first step in a growing trend toward increased economic freedom.

According to Cato, "Economic freedom is based on the concept of self-ownership. Because of this self-ownership, individuals have a right to choose — to decide how to use their time and talents to shape their lives. On the other hand, they do not have a right to the time, talents, and resources of others. Thus, they have no right to take things from others or demand that others provide things for them."

To measure this freedom, Cato evaluates a number of features including the size of government, legal system and property rights, sound money, freedom to trade internationally, and regulation of credit, labor, and business.

The institute adds that "the cornerstones of economic freedom are personal choice, voluntary exchange, open markets, and clearly defined and enforced property rights."

Footnotes:

1. **Cato Institute, "Economic Freedom of the World: 2017 Annual Report," accessed October 24, 2017**
2. **Cato Institute, Economic Freedom of the World: 2017 Annual Report, "Chapter 1, Economic Freedom of the World in 2015," accessed October 24, 2017**