

## U.S. Not Even In Top 15 Of World's Freest Economies

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Economic Policy: We sing of America as the land of the free, but it's no longer the home of a free economy. We now rank 17th in economic freedom — a shameful situation.

The U.S. should have the freest economy in the world and constantly be encouraging others to catch up.

But that's not the case. In 2013, the United Arab Emirates, Mauritius and Bahrain are judged to have freer economies. "The Economic Freedom of the World: 2013 Annual Report," a joint effort of the Cato and Fraser institutes, even judges Chile, Jordan and Estonia to have freer economies.

It hasn't always been this way.

As Cato scholar Ian Vasquez noted on the Cato-At-Liberty blog, America "has seen more than a decade of decline, having been ranked second in the index in 2000, eighth in 2005 and 17th in the current report."

How can this be? Why the steep downward slide? The answer starts and ends with a government that can't say "no" to its urge to expand its role forever.

Consequently, America's ranking has fallen in all areas that the report measures. In size of government, it is ranked 59th out of 152 countries. Our legal system and security of property rights ranks 30th, while our freedom to trade internationally is 43rd.

Worse, the U.S. is a true regulatory state, ranking 121st in credit market regulation and 33rd in business regulations.

The trouble with less-free economies is their universal poor performance. The freer a country's economy, the more prosperous its people. The less free, the more miserable.

Venezuela, Myanmar, Republic of Congo, Zimbabwe and Chad are the bottom five (least-free) nations, and it's no accident that all are wretched places to live.

The life satisfaction that is closely tied to an economy's openness and the benefits it confers is not widely found in these places. As the report says, "economic freedom ... makes people richer, but it also makes them happier."

Despite the clear advantages produced by a free economy, the U.S. is moving away in the wrong direction. It is a shift that will have severe consequences.

"Unless policies undermining economic freedom are reversed," say the report's authors, James Gwartney, Robert Lawson and Josh Hall, "the future annual growth of the U.S. economy will be half its historic average of 3%."

Reversal is the key, but it won't happen with the status quo in Washington. We have a White House and its Democratic allies in Congress that want greater government control over the economy.

For them, it's the America of hope and change. For the rest of us, it's an unnecessary decline into a second-rate existence.