



U.S. is an also-ran in human freedom index

Richard Moore

December 13, 2016

If you live in the U.S. and believe you're in the freest country in the world, you'd better think again.

America is not even close to making the playoffs, if a new report by several libertarian leaning international think tanks are to be believed. According to their new report, the United States ranks only 23rd in human freedom.

And we've been tumbling downward for some time in the Human Freedom Index, which is researched and published by the American-based Cato Institute, the Fraser Institute in Canada, and the Liberales Institut at the Friedrich Naumann Foundation for Freedom in Germany.

In 2008, for instance, the U.S. ranked 16th; in 2015, it came in 19th. The index aims to measure "the state of human freedom in the world based on a broad measure that encompasses personal, civil, and economic freedom."

Overall, the index ranked 159 nations based on multiple measures of personal, civil, and economic freedom.

One of the co-authors of the report, Ian Vasquez, director of the Cato Institute's Center for Global Liberty and Prosperity, says the U.S. slide is concerning.

"Human freedom is a social concept that recognizes the dignity of the individual," Vasquez said in announcing the report's release. "The declining performance of the United States, once considered the bastion of liberty, is worrisome. We should all be concerned with the impact on liberty of the war on terror, the war on drugs, and the decline in the rule of law and economic liberty in the United States."

So, if not the United States, what's the freest country in the world? That would be Hong Kong.

Rounding out the top 10 were, in order, Switzerland, New Zealand, Ireland, Denmark, Australia (6), Canada (6), the United Kingdom (6), Finland, and the Netherlands.

Bottom feeders include Russia (115), Nigeria (140), China (141), Saudi Arabia (144), Zimbabwe

(148), Venezuela (154), and Iran (157). Other notable nations included Germany (13), Chile (29), France (31), Japan (32), Singapore (40), South Africa (74), Brazil (82), and India (87).

The Freedom Index

Among the measures scrutinized in each country were the rule of law; security and safety; ability of movement; freedom of religion; freedom of association; freedom of assembly and civil society; freedom of expression and relationships; size of government; legal system and property rights; access to sound money; freedom to trade internationally; and regulation of credit, labor, and business.

Vasquez says measuring human freedom is more important than ever in a world in which populism, nationalism, and authoritarianism is on the rise. And those measurements, he wrote, are important not merely to appreciate the inherent value of freedom but to better appreciate its central role in human progress.

For example, Vasquez and co-author Tanja Porčnik wrote, countries in the top quartile of freedom enjoy a significantly higher per capita income (\$37,147) than those in other quartiles (\$8,700 in the least-free quartile), and there is a strong correlation between human freedom and democracy, though Hong Kong is an outlier in that regard, they wrote.

"The findings in the HFI suggest that freedom plays an important role in human well-being, and they offer opportunities for further research into the complex ways in which freedom influences, and can be influenced by, political regimes, economic development, and the whole range of indicators of human well-being," Vasquez and Porčnik wrote.

Besides Hong Kong specifically, the authors wrote, the highest levels of freedom are in Western Europe, Northern Europe, and North America (Canada and the United States), while the lowest levels are in the Middle East and North Africa, South Asia, and sub-Saharan Africa.

"Women's freedoms, as measured by seven relevant indicators in the index, are strongest or least repressed in Europe and North America and least protected in the Middle East and North Africa, South Asia, and sub-Saharan Africa," they wrote.

The United States' decline, writes Vasquez on his Cato Institute blog, is due to a combination of factors.

"In terms of economic freedom, for which we have decades of comparable data, the United States has been on a long-term decline since the year 2000," he wrote. "Surely, the war on drugs, the war on terror, the expansion of the regulatory state, the rise of crony capitalism and the erosion of property rights due to the abuse of eminent domain have contributed to the U.S. fall in the rule of law and overall human freedom. The United States can unfortunately no longer claim to be the world's bastion of liberty."

Interestingly, the decline since 2000 has coincided with two presidential administrations that expanded the reach of the federal government, that of George W. Bush and that of Barack Obama.

Beyond economic liberty, Vasquez wrote, all dimensions of freedom matter and reinforce each other.

"As countries become more free and therefore more prosperous, the data suggest that they first have relatively higher levels of economic freedom compared to personal freedoms, and that once they reach a high level of freedom, they have relatively higher levels of personal freedom compared to economic freedom, but all indicators of freedom are high," he wrote. "Put another way, if you want to live in a country with a high level of personal freedom, you better have a relatively high level of economic freedom."

Slightly better

Over at the conservative Heritage Foundation, Heritage and the Wall Street Journal have their own index, a freedom meter called the Index of Economic Freedom, and there the U.S. scores better than in Cato's overall freedom ratings.

But the USA still misses the top 10, coming in at number 11 in the 2016 rankings (2017 rankings are forthcoming), up one notch from 2015. Overall, Heritage and The Journal calculate, the world economy is "moderately free," with four straight years of increases in freedom.

"The world average score of 60.7 is the highest recorded in the 22-year history of the index," Heritage stated. "Thirty-two countries, including Burma, Germany, India, Israel, Lithuania, the Philippines, Poland and Vietnam, achieved their highest-ever index scores. Among the 178 countries ranked, scores improved for 97 countries and declined for 74."

Over the period covered by the 2016 index, scores improved in half of the categories measured by the index editors, most notably in investment freedom, Heritage stated.

Five economies earned the index's designation of "free" (scores of 80 or above), while the next 87, including the U.S., were classified as "mostly free" (70-79.9) or "moderately free" (60-69.9). Yet the number of economically "unfree" economies remains high, Heritage found, with 62 considered "mostly unfree" (50-59.9) and 24 "repressed" (scores below 50).

"Economies rated 'free' or 'mostly free' enjoy incomes that are over twice the average in all other countries and more than four times higher than the average incomes of 'repressed' economies," the editors wrote. "Nations with higher degrees of economic freedom prosper because they capitalize more fully on the ability of the market to generate and reinforce dynamic growth through efficient resource allocation, value creation and innovation."

The U.S. remained the second-place economy in the North America region behind Canada,

though its score dipped slightly because of notable drops in labor freedom, business freedom and fiscal freedom, Heritage found.

The top five countries in economic freedom were Hong Kong, Singapore, New Zealand, Switzerland, and Australia. Canada ranked sixth; Chile, seventh; Ireland, eighth; Estonia, ninth; and the United Kingdom, 10th.

Other rankings of interest include Chile (29), the freest country in Latin America, while Venezuela (154) is the least free in the region, Heritage wrote. India ranked 87; Russia, 115; and China, 141. Turkey ranked 73rd, South Africa 74th, Brazil 82nd and Egypt 144th.