

# Voice For Liberty in Wichita

Individual liberty, limited government, and free markets in Wichita and Kansas

## Economic freedom improves lives

by Bob Weeks on August 31, 2012

Economic freedom, in countries where it is allowed to thrive, leads to better lives for people as measured in a variety of ways. This is true for everyone, especially for poor people.

This is the [message presented in a short video](#) based on the work of the [Economic Freedom of the World](#) report, which is a project of Canada's [Fraser Institute](#). Last year [Robert Lawson](#), one of the authors of the *Economic Freedom of the World* report, [lectured in Wichita on this topic](#). The current video is made possible by the [Charles G. Koch Charitable Foundation](#).

One of the findings highlighted in the presentation is that while the average income in free countries is much higher than that in the least-free countries, the ratio is even higher for the poorest people in these countries. This is consistent with the findings that economic freedom is good for everyone, and even more so for those with low incomes.

Civil rights, a clean environment, long life expectancy, low levels of corruption, less infant mortality, less child labor, and lower unemployment are all associated with greater levels of economic freedom.

What are the components or properties of economic freedom? The presentation lists these:

- Property rights are protected under an impartial rule of law.
- People are free to trade with others, both within and outside the country.
- There is a sound national currency, so that peoples' money keeps its value.
- Government stays small, relative to the size of the economy.

Over the last ten years, the United States' ranking has fallen relative to other countries, and the presentation says our position is expected to keep falling. The question is asked: "Will our quality of life fall with it?"

Economic freedom is not necessarily the platform of any single political party. It should be noted that for about seven of the past ten years — a period in which our economic freedom has been falling — there was a Republican president, sometimes with a Republican Congress. The size of government rose. In 2005 the Cato Institute [studied the numbers and found that](#) "All presidents presided over net increases in spending overall, though some were bigger spenders than others. As it turns out, George W. Bush is one of the biggest spenders of them all. In fact, he is an even bigger spender than Lyndon B.

Johnson in terms of discretionary spending.” This was before the spending on the prescription drug program had started.

## **Critics of economic freedom**

The defining of what economic freedom means is important. Sometimes you’ll see people write things like “Bernie Madoff was only exercising his personal economic freedom while he ran his investment firm.” Madoff, we now know, was a thief. He stole his clients’ money. That’s contrary to property rights, and therefore contrary to economic freedom.

Or, you’ll see people say if you don’t like government, go to Somalia. That country, one of the poorest in the world — but not the poorest — is used as an example of how bad anarchy is as a form of government. The evidence is, however, that Somalia’s former government was so bad that things improved after the fall of that government. See Peter T. Leeson, [Better Off Stateless: Somalia Before and After Government Collapse and History of Somalia \(1991–2006\)](#).

You’ll also encounter people who argue that some countries are poor because they have no natural resources. But there are many countries with few natural resources that have economic freedom and a high standard of living. Most countries that are poor are that way because they are run by corrupt governments that have no respect for economic freedom, and follow policies that stifle it.

Some will argue that economic freedom means the freedom to pollute the environment. But it is in wealthy countries that the environment is respected. Poor countries, where people are struggling just to find food for each day, don’t have the time or wealth to be concerned about the environment.