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Luigi Einaudi



NEWS RELEASE

Global economic freedom up slightly—Italy ranks 46 among 162 jurisdictions

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Turin, Italy — Italy ranks 46 out of 162 countries and territories included in the *Economic Freedom of the World: 2019 Annual Report*, released today by the **Centro Einaudi** in conjunction with Canada's **Fraser Institute**.

Last year, Italy ranked 54 out of 162.

Italy, with a global score of 7.41 (7.27 last year), scores in key components of economic freedom (from 1 to 10 where a higher value indicates a higher level of economic freedom):

- Size of government: changed to 6.12 from 5.45 in the last year's report
- Legal system and property rights: changed to 5.78 from 5.71
- Access to sound money: changed to 9.40 from 9.44
- Freedom to trade internationally: changed to 8.24 from 8.25
- Regulation of credit, labor and business: changed to 7.54 from 7.49

Hong Kong and Singapore again top the index, continue their streak as 1st and 2nd respectively. New Zealand, Switzerland, United States, Ireland, United Kingdom, Canada, Australia, and Mauritius round out **the top 10**.

Hong Kong's rank may surprise some, though the index is based on data from 2017. "Intrusion on the rule of law by the Beijing government has negatively affected economic freedom in Hong Kong. While it remains first overall, Hong Kong has been declining since 2009 in the rule of law, the foundation of economic freedom. The current situation is even more cause for concern about whether future residents of Hong Kong will continue to enjoy the highest level of economically freedom on the planet," McMahon said.

The 2019 report was prepared by James Gwartney, Florida State University; Robert A. Lawson and Ryan Murphy of Southern Methodist University; and Joshua Hall, West Virginia University.

The Fraser Institute produces the annual Economic Freedom of the World report in cooperation with the Economic Freedom Network, a group of independent research and educational institutes in nearly 100 countries and territories. It's the world's premier measurement of economic freedom, measuring and ranking countries in five areas: size of government, legal structure and security of property rights, access to sound money, freedom to trade internationally and regulation of credit, labour and business.

It's based on data from 2017 (the most recent year of available comparable data) and measures the economic freedom (levels of personal choice, ability to enter markets, security of privately owned property, rule of law, etc.) by analysing the policies and institutions of 162 countries and territories.

The 10 lowest-rated countries are: Iraq, Republic of Congo, Egypt, Syria, Democratic Republic of Congo, Angola, Algeria, Sudan, Libya, and lastly Venezuela. Some despotic countries such as North Korea and Cuba can't be ranked due to lack of data.

The rankings of some **other major countries** are Japan (17th), Germany (20th), Italy (46th), France (50th), Mexico (76th), India (79th), Russia (85th), China (113th), and Brazil (120th).



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According to research in top peer-reviewed academic journals, people living in countries with high levels of economic freedom enjoy greater prosperity, more political and civil liberties, and longer lives.

For example, in the top quartile (25 per cent) of economic freedom had an average per-capita GDP of \$36,770 in 2017, compared to \$6,140 for bottom quartile nations (PPP constant 2017 US\$). And poverty is much reduced. In the top quartile, 1.8 percent of the population experience extreme poverty (US\$1.90 a day) compared to 27.2 percent in the lowest quintile.

Life expectancy is 79.5 years in the top quartile of countries compared to 64.4 years in the bottom quartile.

“Where people are free to pursue their own opportunities and make their own choices, they lead more prosperous, happier and healthier lives,” said Fred McMahon, Dr. Michael A. Walker Research Chair in Economic Freedom with the Fraser Institute.

See the full report at www.fraserinstitute.org/economic-freedom.

About the Economic Freedom Index

Economic Freedom of the World measures the degree to which the policies and institutions of countries support economic freedom. This year's publication ranks 162 countries and territories. The report also updates data in earlier reports in instances where data has been revised.

For more information on the Economic Freedom Network, datasets, and previous *Economic Freedom of the World* reports, visit www.fraserinstitute.org. And you can 'Like' the Economic Freedom Network on Facebook at www.facebook.com/EconomicFreedomNetwork.

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The **Centro Einaudi** is a non-profit research institute based in Turin and founded in 1963. Its mission is to conduct independent research and to provide innovative recommendations for local and national policy makers. The Centro's research areas are political economy, social politics and welfare, liberal theory, politics and comparative public policy, Italian policies and reforms, regional development, bioethics.

The Centro trains young scholars and researchers, organizes seminars, conferences and lectures; publishes books, monographs, a quarterly journal and other on-line periodicals. Visit www.centroeinaudi.it

The **Fraser Institute** is an independent Canadian public policy research and educational organization, founded in 1974. The Institute is headquartered in Vancouver, with offices also located in Calgary, Toronto, and Montreal, and ties to a global network of almost 100 think-tanks through the Economic Freedom Network.

Its mission is to improve the quality of life for Canadians, their families and future generations by studying, measuring and broadly communicating the effects of government policies, entrepreneurship and choice on their well-being. To protect the Institute's independence, it does not accept grants from governments or contracts for research.

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