



Centro
di Ricerca e
Documentazione
Luigi Einaudi

NEWS RELEASE

Italy ranks 44 among 165 jurisdictions in Economic Freedom

Sept. 8, 2022
For immediate release

Turin, Italy. Italy ranks 44 out of 165 countries and territories included in the *Economic Freedom of the World: 2022 Annual Report*, released today by Centro Einaudi in conjunction with Canada's Fraser Institute.

Last year, Italy ranked 47 of 165 a better ranking but with a lower global score.

Italy, with a global score of 7.40 (7.61 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 5.30 from 5.72 in the last year's report
- Legal system and property rights: changed to 6.51 from 6.47
- Access to sound money: changed to 9.18 from 9.41
- Freedom to trade internationally: changed to 8.34 from 8.69
- Regulation of credit, labour and business: changed to 7.66 from 7.78

"When jurisdictions increase taxes and regulations, the people become less economically free, which means slower economic growth and less investment," said Fred McMahon, Dr. Michael A. Walker Research Chair in Economic Freedom with the Fraser Institute.

Hong Kong and Singapore again top the index, continuing their streak as 1st and 2nd respectively, while Switzerland, New Zealand, Denmark, Australia, the United States, Estonia, Mauritius and Ireland round out the top 10.

"The most recent comprehensive data are from 2020," McMahon said. "Hong Kong is already showing a decline in freedom in 2020 and we expect the decline to continue going forward."

The report, launched in 1996, measures economic freedom—the ability of individuals to make their own economic decisions—by analyzing several indicators including regulation, size of government, property rights, government spending and taxation. The year's report, based on 2020 data (the most recent available), also captures the effect of COVID-related restrictions.

The 10 lowest-rated countries are Democratic Republic of Congo, Algeria, Republic of Congo, Iran, Libya, Argentina, Syrian Arab Republic, Zimbabwe, Sudan and Venezuela. (Despotic countries such as North Korea and Cuba can't be ranked due to lack of data.)

The rankings of other major countries include Japan (12th), Canada (14th), Germany (24th), Italy (43rd), France (54th), Mexico (65th), India (90th), Russia (94th), Brazil (114th) and China (116th).

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, countries in the top quartile of economic freedom had an average per-capita GDP of US\$48,251 in 2020 compared to US\$6,542 for bottom quartile countries.

And poverty rates are lower. In the top quartile, 2.02 per cent of the population experienced extreme poverty (US\$1.90 a day) compared to 31.45 per cent in the lowest quartile.

Finally, life expectancy is 80.4 years in the top quartile of countries compared to 66.0 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,” McMahon said.

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. This year’s report was prepared by James Gwartney, Florida State University; Robert Lawson and Ryan Murphy of Southern Methodist University; and Joshua Hall, West Virginia University.

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

About the Economic Freedom Index

Economic Freedom of the World measures how policies and institutions of countries support economic freedom. This year’s publication ranks 165 countries and territories. The report also updates data in earlier reports 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.

-30-

CONTACTS:

For Italy, **Centro di Ricerca e Documentazione ‘Luigi Einaudi’**. Please write to: segreteria@centroeinaudi.it



For more information on the Economic Freedom Network, datasets, and previous Economic Freedom of the World reports, go to www.fraserinstitute.org/economic-freedom.

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