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NEWS RELEASE

Global economic freedom up slightly—Italy ranks 51 among 162 jurisdictions

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Turin, Italy — Italy ranks 51 out of 162 countries and territories included in the *Economic Freedom of the World: 2020 Annual Report*, released today by the **Centro Einaudi** in conjunction with Canada's **Fraser Institute**.

Last year, Italy ranked 46 out of 162, a better ranking but with a lower global score.

Italy, with a global score of 7.51 (7.41 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 5.54 from 6.12 in the last year's report
- Legal system and property rights: changed to 6.35 from 5.78
- Access to sound money: changed to 9.35 from 9.40
- Freedom to trade internationally: changed to 8.59 from 8.24
- Regulation of credit, labor and business: changed to 7.75 from 7.54

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

The report, based on 2018 data (the most recent comparable data), warns that recent events in Hong Kong will likely cause its score to fall as data become available for 2019 and 2020.

"Intrusion on the rule of law, the foundation of economic freedom, by the Chinese Communist Party is negatively affecting economic freedom in Hong Kong," said Fred McMahon, Dr. Michael A. Walker Research Chair in Economic Freedom with the Fraser Institute.

The report was prepared by James Gwartney, Florida State University; Robert Lawson and Ryan Murphy of Southern Methodist University; and Joshua Hall, West Virginia University. It 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: African Republic, Democratic Republic of Congo, Zimbabwe, Republic of Congo, Algeria, Iran, Angola, Libya, Sudan and Venezuela. Despotic countries such as North Korea and Cuba can't be ranked due to lack of data.

Other notable rankings include Japan (20th), Germany (21st), Italy (51st), France (58th), Mexico (68th), Russia (89th), India (105th), Brazil (105th) and China (124th).

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 \$44,198 in 2018 compared to \$5,754 for countries in the bottom quartile.



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Moreover, in the top quartile, the average income of the poorest 10 per cent was \$12,293 compared to \$1,558 in the bottom quartile. Interestingly, the average income of the poorest 10 per cent in the most economically free countries is more than twice the average per-capita income in the least free countries.

“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.

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

About the Economic Freedom Index

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Economic Freedom of the World measures how 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 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/economic-freedom. And you can “Like” the Economic Freedom Network on Facebook at www.facebook.com/EconomicFreedomNetwork

Contacts

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

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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