

VISUAL 2.1

QUOTATIONS ON POLITICAL AND ECONOMIC FREEDOM

Quotation 1:

I know of no example in time or place of a society that has been marked by a large measure of political freedom and that has not also used something comparable to a free market to organize the bulk of economic activity.

Milton Friedman, Nobel Prize-winning economist, *Capitalism and Freedom* (University of Chicago Press, 1962).

Quotation 2:

It is a historical fact that modern democratic institutions...have existed only in countries with predominantly privately-owned, market oriented economies, or capitalism, if you prefer the name.

Robert Dahl, *After the Revolution: Authority in a Good Society* (Yale University Press, 1990).

Quotation 3:

The more well-to-do a nation, the greater the chances that it will sustain democracy.

Seymour Lipset, *Political Man: The Social Basis of Politics* (The Johns Hopkins University Press, 1981).

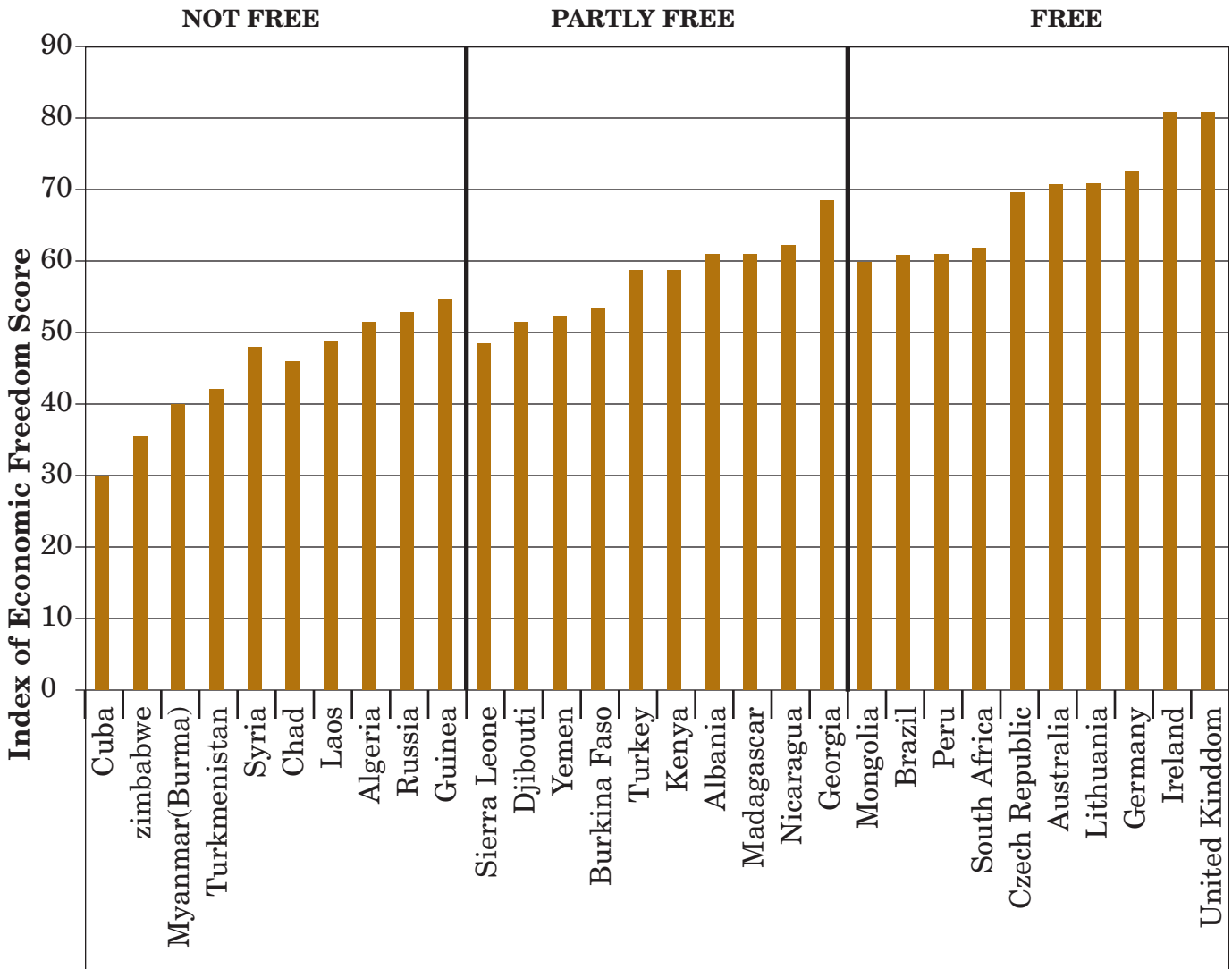
VISUAL 2.2

**POLITICAL AND ECONOMIC FREEDOM IN 30 RANDOMLY
SELECTED COUNTRIES**

Country	Index of Economic Freedom (IEF) Rating	Freedom House Status
Cuba	29.7	Not Free
Zimbabwe	35.8	Not Free
Myanmar (Burma)	40.1	Not Free
Turkmenistan	42.5	Not Free
Syria	48.2	Not Free
Chad	46.4	Not Free
Laos	49.1	Not Free
Algeria	52.2	Not Free
Russia	54.0	Not Free
Guinea	55.1	Not Free
Sierra Leone	48.4	Partly Free
Djibouti	52.6	Partly Free
Yemen	53.8	Partly Free
Burkina Faso	55.0	Partly Free
Turkey	59.3	Partly Free
Kenya	59.4	Partly Free
Albania	61.4	Partly Free
Madagascar	61.4	Partly Free
Nicaragua	62.7	Partly Free
Georgia	68.7	Partly Free
Mongolia	60.1	Free
Brazil	60.9	Free
Peru	62.1	Free
South Africa	64.1	Free
Czech Republic	69.7	Free
Australia	71.3	Free
Lithuania	72.0	Free
Germany	73.5	Free
Ireland	81.3	Free
United Kingdom	81.6	Free

VISUAL 2.3

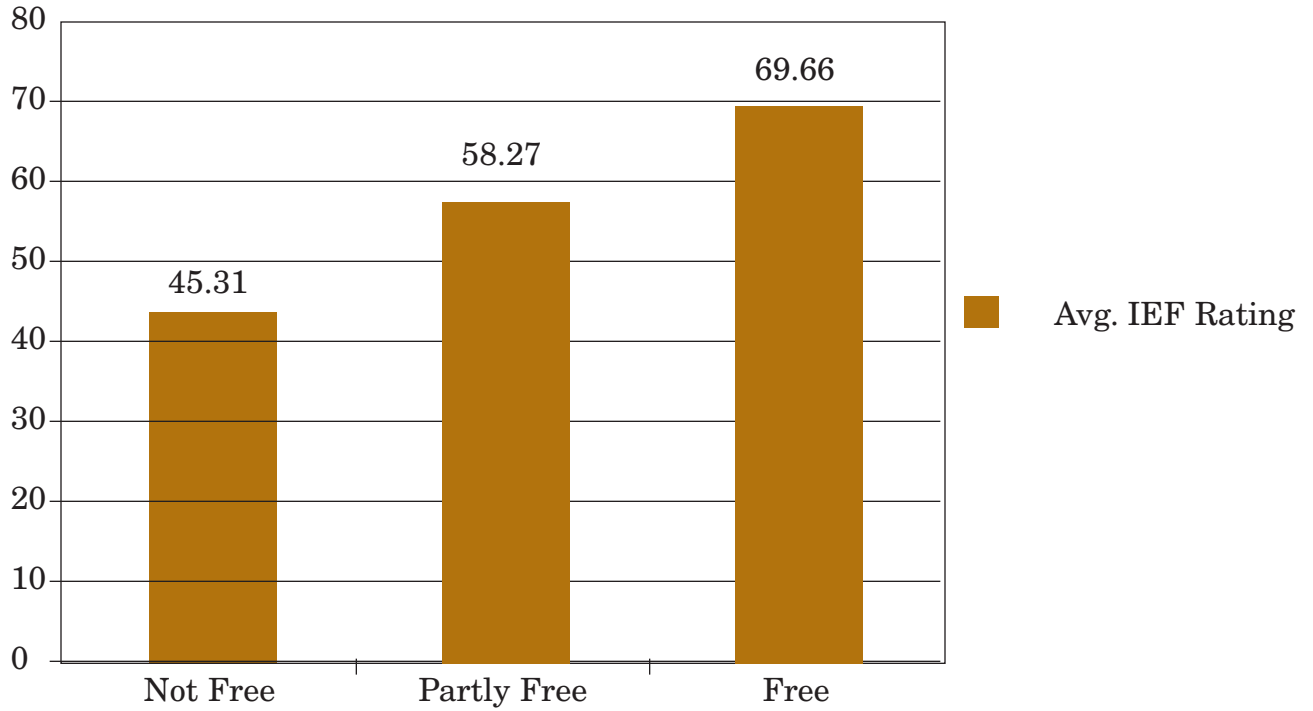
IEF RATING BY FREEDOM HOUSE CATEGORY



VISUAL 2.4

COMPLETED AVERAGE IEF RATING BY FREEDOM HOUSE CATEGORY FOR 30 RANDOMLY SELECTED COUNTRIES

AVERAGE INDEX OF ECONOMIC FREEDOM (IEF) RATING BY FREEDOM HOUSE CATEGORY FOR 30 SELECTED COUNTRIES



VISUAL 2.5

TESTING THE RELATIONSHIP BETWEEN ECONOMIC AND POLITICAL FREEDOM

Country	Freedom House Category	Predicted IEF Rating	Actual IEF Rating
Iran	NOT FREE		43.1
South Korea	FREE		68.6
United States	FREE		82.0

Country	IEF Rating	Predicted Freedom House Category	Actual Freedom House Category
Norway	70.1		FREE
Estonia	78.1		FREE
Haiti	52.2		NOT FREE