

VISUAL 16.1

WHAT ARE POLITICAL FREEDOMS?

Citizens in politically free nations should be able to do the following:

- Participate freely in the political process.
- Vote freely in legitimate elections.
- Elect representatives who will be accountable to them.
- Exercise freedom of expression and belief.
- Assemble and associate freely.
- Have access to an established, equitable system of rule of law.
- Have social and economic freedoms including equal access to economic opportunities and the right to hold private property.

Source: www.freedomhouse.org.

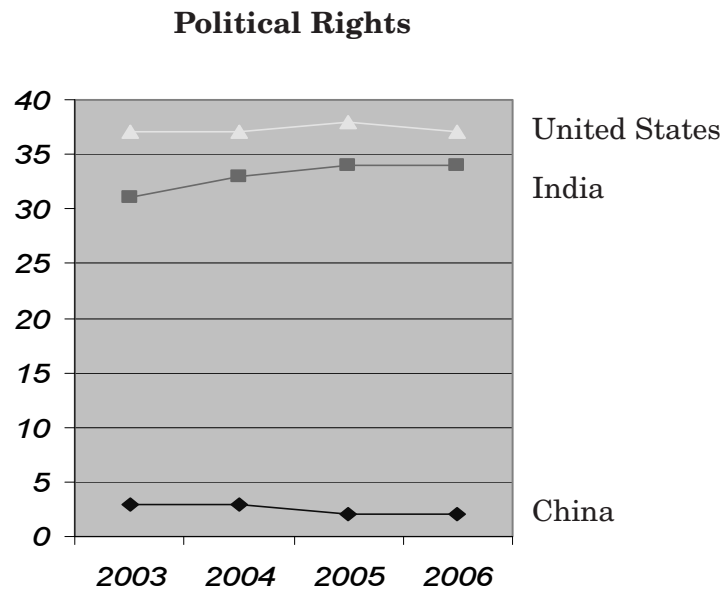
VISUAL 16.2

GLOBAL TRENDS IN POLITICAL FREEDOM

Year	Free Countries	Partly Free Countries	Not Free Countries
1976	42 (26 percent)	49 (31 percent)	68 (43 percent)
1986	57 (34 percent)	57 (34 percent)	53 (32 percent)
1996	79 (41 percent)	59 (31 percent)	53 (28 percent)
2006	90 (47 percent)	58 (30 percent)	45 (23 percent)

Source: www.freedomhouse.org.

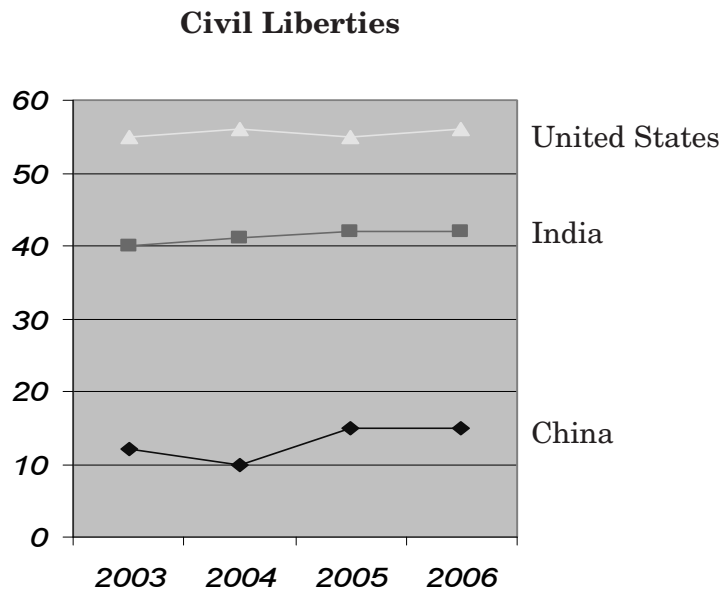
VISUAL 16.3

AGGREGATE SCORES FOR POLITICAL FREEDOM IN CHINA, INDIA, AND THE UNITED STATES: POLITICAL RIGHTS AND CIVIL LIBERTIES

Source: www.freedomhouse.org.

VISUAL 16.3, CONTINUED

AGGREGATE SCORES FOR POLITICAL FREEDOM IN CHINA, INDIA, AND THE UNITED STATES: POLITICAL RIGHTS AND CIVIL LIBERTIES



Source: www.freedomhouse.org.

VISUAL 16.4

EXAMPLES OF ECONOMIC FREEDOM

Types of Economic Freedom	Examples of Economic Freedom	Examples of Restrictions on Economic Freedom	New Examples of Economic Freedom and/or Restrictions
Freedom for individuals to own property, use property as they wish, and keep any benefits that accrue from property ownership	Buy a house, farm, or business of your choice. Benefit (or not) from increased value or profits associated with ownership	Property taxes, zoning restrictions	
Freedom to make voluntary exchanges	Owners of clothing stores may purchase clothing made in other nations and offer it for sale	Tariffs, import quotas, price controls	
Freedom for individuals to use their income as they wish	Buy a car of your choice	Certain goods and services may not be legally purchased.	
Freedom for individuals to choose their jobs	Choose your own major in college; apply for any job you are interested in, anywhere	Occupational licensing, job-market discrimination	

VISUAL 16.5

COMPARING MEASURES OF ECONOMIC FREEDOM

1. Economic Freedom of the World

(Produced annually by the Fraser Institute: see www.fraserinstitute.org.)

- Size of Government: Expenditures, Taxes, and Enterprises
- Legal Structure and Security of Property Rights
- Access to Sound Money
- Freedom to Trade Internationally
- Regulation of Credit, Labor, and Business

2. Index of Economic Freedom

(Produced annually by the Heritage Foundation and the *Wall Street Journal*: see www.heritage.org.)

- Business Freedom
- Trade Freedom
- Monetary Freedom
- Freedom from Government
- Fiscal Freedom
- Property Rights
- Investment Freedom
- Financial Freedom
- Freedom from Corruption
- Labor Freedom

VISUAL 16.6

ECONOMIC FREEDOM AND PER CAPITA INCOME

2006 Index of Economic Freedom

Sources: World Bank, *World Development Indicators Online*, available by subscription at www.worldbank.org/data; Central Intelligence Agency, *The World Factbook 2005*, available at www.old.cia.gov/cia/publications/factbook/index.html, for the following countries: Bahamas, Bahrain, Barbados, Burma, Cuba, Equatorial Guinea, Iraq, Kuwait, North Korea, Libya, Qatar, Surinam, Taiwan, United Arab Emirates, Zimbabwe; Marc A. Miles, Kim R. Holmes, and Mary Anastasia O'Grady, *2006 Index of Economic Freedom* (Washington, D.C.: The Heritage Foundation and Dow Jones & Company, Inc., 2006), at www.heritage.org/index.

VISUAL 16.7

PREDICTING LEVELS OF ECONOMIC FREEDOM AND PER CAPITA GDP

Economy A

Hong Kong

Free

Per capita GDP = \$37,300 (2006 estimate)

Economy B

China

Mostly Unfree

Per capita GDP = \$7,700 (2006 estimate)

Economy C

India

Mostly Unfree

Per capita GDP = \$3,800 (2006 estimate)

Economy D

United States

Free

Per capita GDP = \$43,500 (2006 estimate)

VISUAL 16.8

ECONOMIC FREEDOM IN CHINA, HONG KONG, INDIA, AND THE UNITED STATES

Economic Freedom of the World Index

Hong Kong
United States

India
China

Source: Fraser Institute, Economic Freedom of the World.