

# Moving Onward

**T**his year marks the 20th anniversary of the *Index of Economic Freedom*, a data-driven research project that I have regarded as one of the “crown jewels” of The Heritage Foundation. Such an occasion gives us pause and allows us to step back and contemplate the progress the world has made toward freedom over the past two decades.

Since we began to measure and document countries’ economic freedom 20 years ago—for many of those years in partnership with *The Wall Street Journal*—the world economy as a whole has become measurably more open and prosperous. Countries once riddled with violence and poverty have embraced the principles of economic freedom and consequently set themselves on a path toward long-term development and prosperity.

The past 20 years, however, have not been without challenges. In 1997, the Asian financial crisis tested the commitment of some of the world’s most promising reformers to the advancement of economic freedom. The

economic slowdown that followed the dot-com bubble in 2000 and the terrorist attacks of September 11, 2001, threw the United States into recession. And the world is still feeling the lingering effects of the recent global financial turmoil. Each of these crises has caused apprehension among policymakers, some of whom have even questioned whether the free-market system is still the best way to organize economic activity.

Fortunately, the world has experienced only temporary setbacks of economic freedom following such challenging times. As the 2014 *Index* documents, the advancement of economic freedom has, by and large, proceeded steadily. In fact, it is heartening to see just how unrelenting has been the march toward greater economic freedom.

The link between freedom and human progress has never been clearer. We know from history that the human spirit thrives on fairness, opportunity, transparency, and liberty. We have been vividly reminded of this truth by the downfall of the Soviet Union, the liberation of Eastern

Europe, the opening of China, and the ongoing “Arab Spring” today. The human spirit is the real engine of economic prosperity and development, and that spirit is at its most creative when it is unleashed from the chains in which it has been bound.

Even so, the fight for freedom is a never-ending struggle. There are those who persist in attacking individual freedom in the name of collectivism, solidarity, and social justice. These false idols of socialism may have emotional appeal for some, but the economic and social results when they become the touchstones of government policy are all too predictable: poverty, deprivation, oppression, and even the gradual erosion of the rule of law.

Economic freedom rests on the empowerment of the individual, nondiscrimination, and open competition. None of these requirements can exist in a society that lacks effective rule of law. The first and most important role of governments is to preserve the peace while simultaneously respecting human rights, dignity, and freedom. This balance enables peaceful resolution of conflict and ensures integrity in government’s interactions with individuals.

As Friedrich A. Hayek, whose insightful guidance I cherished, foresaw decades ago, “The guiding principle in any attempt to create a world

of free men must be this: a policy of freedom for the individual is the only truly progressive policy.” Given what passes for progressivism in our public debates today, it is clear that the battle of ideas must be a battle even for the very meaning of the words with which we debate. How did the word “liberal” lose its identification with liberty? When did “progressive” become a synonym for statist? If we are going to continue to safeguard societies from errors that have brought nothing but misery throughout history, we may have to fight the battle of vocabulary in order to win the battle of ideas.

Perhaps the most critical lesson of the past two decades is that the proven superiority and value of economic liberty must be steadfastly reiterated. The data we collect in the *Index of Economic Freedom* are the foundation for that discussion.

Looking back on my two decades of involvement with the *Index of Economic Freedom*, I feel profoundly blessed to have played a role in the global fight for greater economic freedom. To those who join in that great struggle, I say “Onward!”

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