

# 2012 Index of Economic Freedom

Promoting Economic Opportunity and Prosperity



In partnership with  
THE WALL STREET JOURNAL.

Terry Miller  
Kim R. Holmes  
Edwin J. Feulner

## *Vietnam's Performance in the 2012 Index*

*James M. Roberts*  
*Research Fellow*  
*The Heritage Foundation*

*Ho Chi Minh City, Vietnam*  
*September 20-21, 2012*

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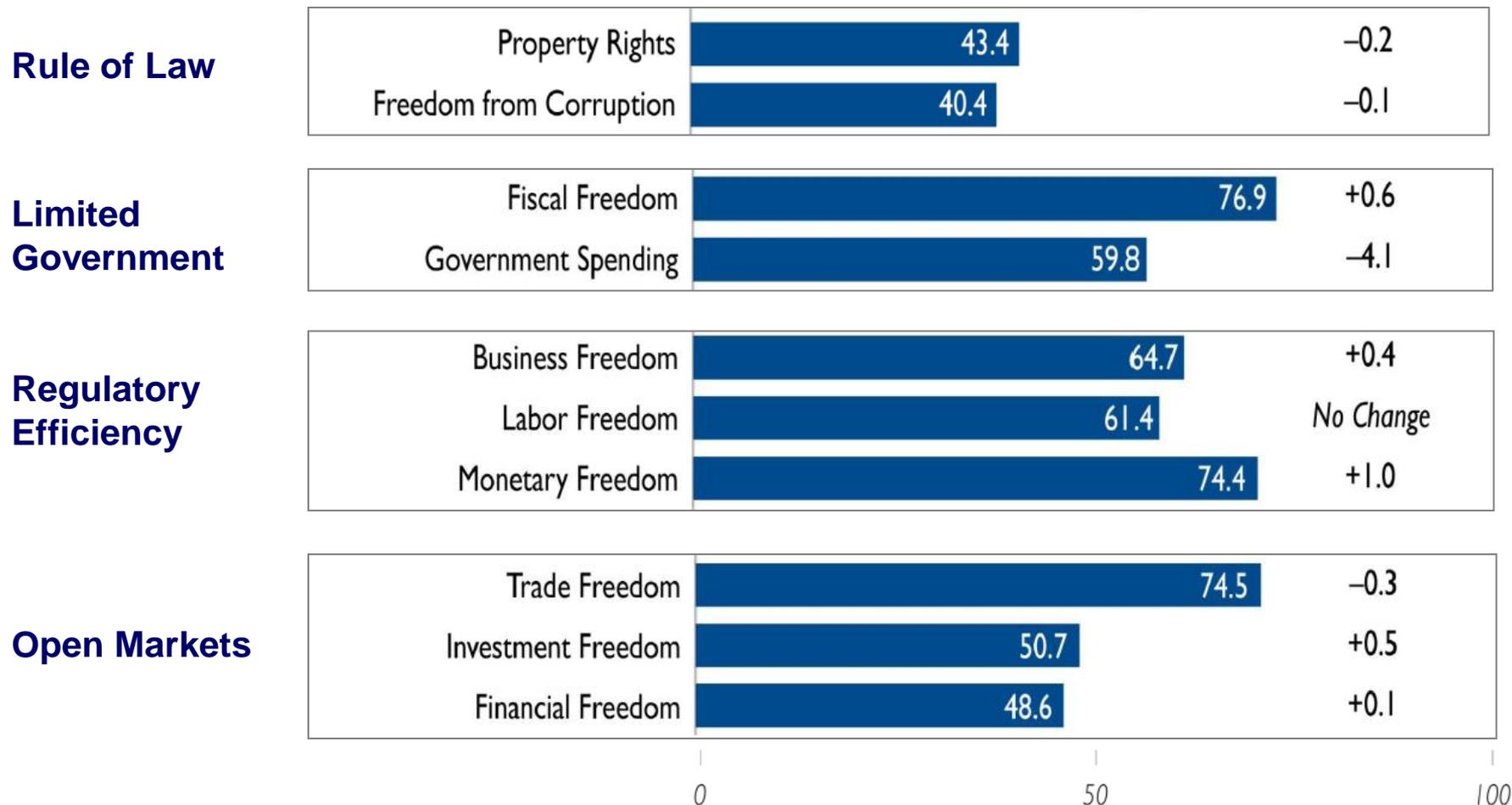
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*“Fundamentally, there are only two ways of coordinating the economic activities of millions. One is central direction involving the use of coercion—the technique of...the modern totalitarian state. The other is voluntary cooperation of individuals—the technique of the marketplace.”*

*--Milton Friedman, Capitalism and Freedom*

## Ten Economic Freedoms: World Averages



## Global Average Economic Freedom



## Growing Attention to Public Debt Burden

### Quick Facts – Greece

**Population:** 11.2 million

**GDP (PPP):** \$318.1 billion

-4.5% growth in 2010

5-year compound annual growth 0.7%

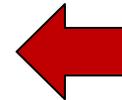
\$28,434 per capita

**Unemployment:** 12.5%

**Inflation (CPI):** 4.7%

**FDI Inflow:** \$2.1 billion

**Public Debt:** 142.8% of GDP

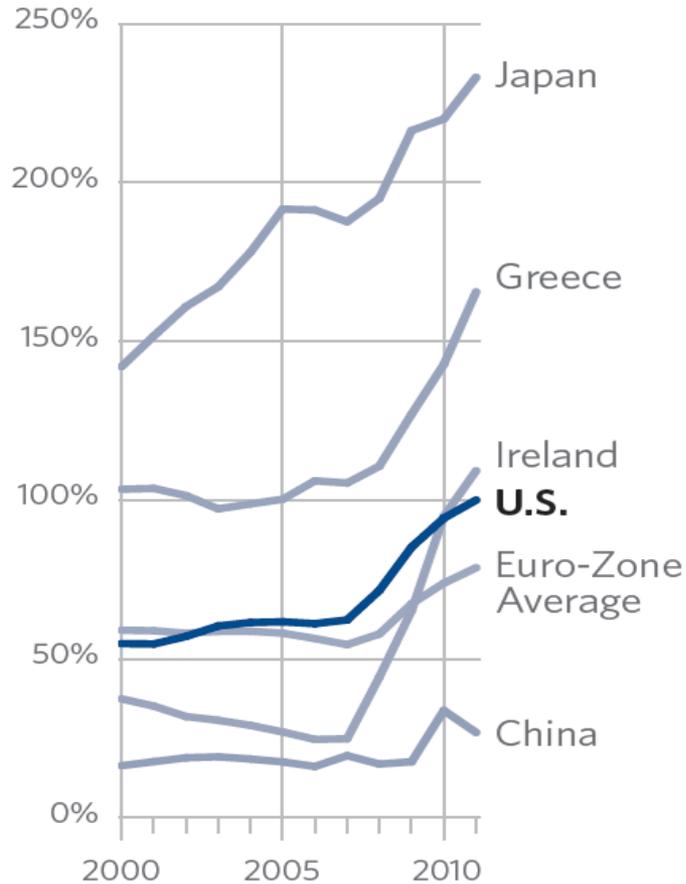


*2010 data unless otherwise noted.*

*Data compiled as of September 2011.*

## Rising Debt Levels

Public Debt as a Percentage of GDP



From the 2012 *Index of Economic Freedom*.

Chart 9  heritage.org

## ***Which Countries Enjoy the Most Economic Freedom?***

### 2012 Index

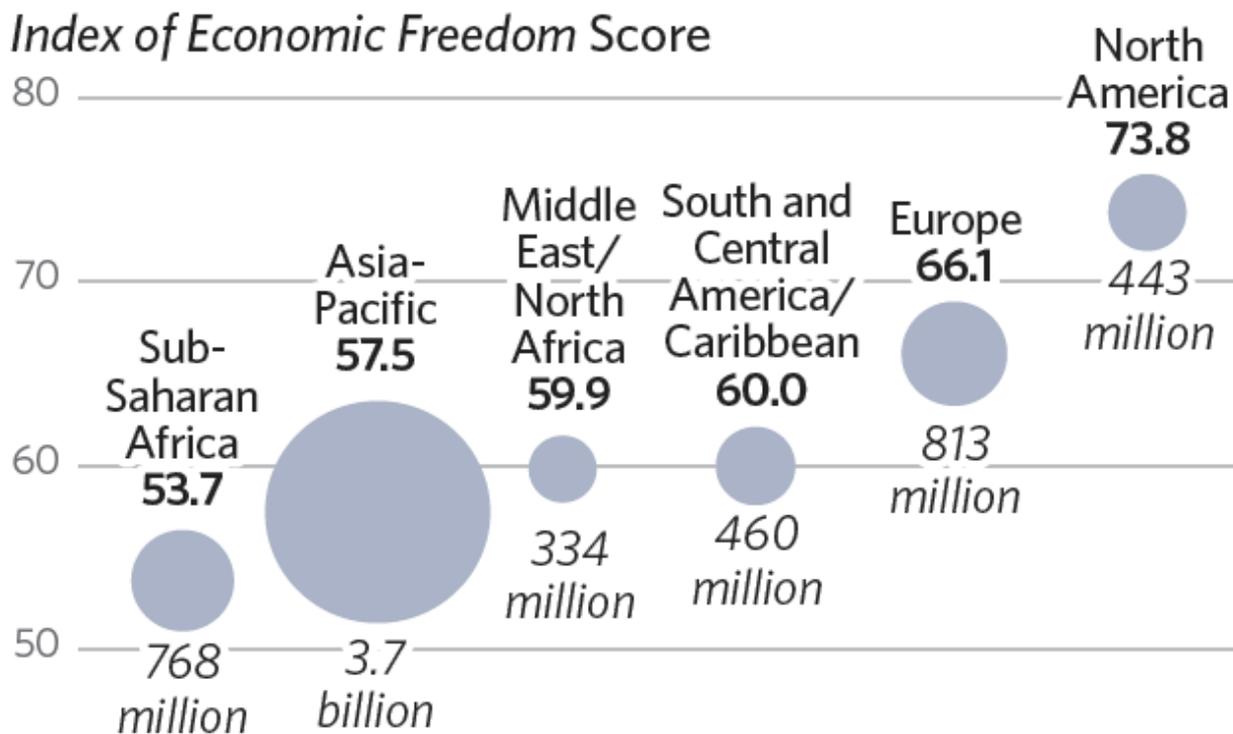
1. Hong Kong
2. Singapore
3. Australia
4. New Zealand
5. Switzerland
6. Canada
7. [Chile](#)
8. [Mauritius](#)
9. Ireland
10. United States

### 2011 Index

1. Hong Kong
2. Singapore
3. Australia
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6. Canada
7. Ireland
8. [Denmark](#)
9. United States
10. [Bahrain](#)

Least Free: North Korea, Zimbabwe, Cuba, Libya

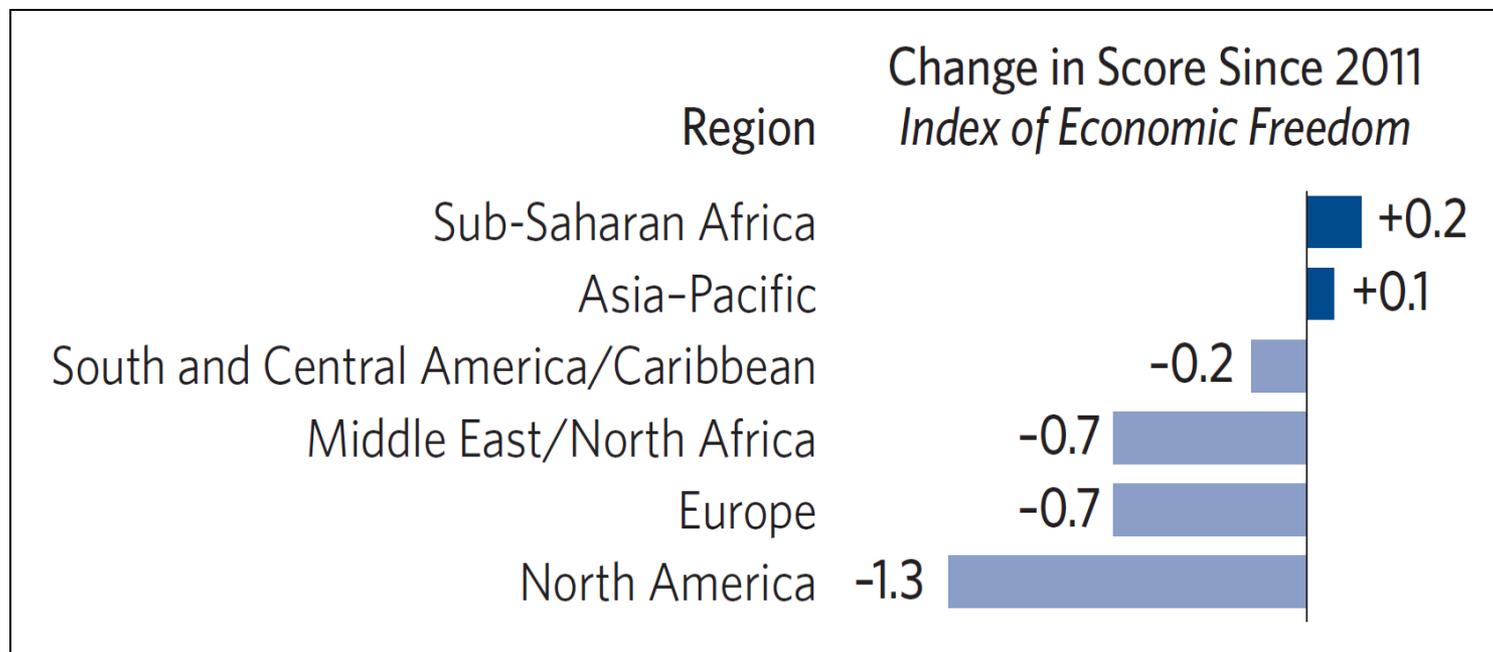
## Economic Freedom by Region, Population



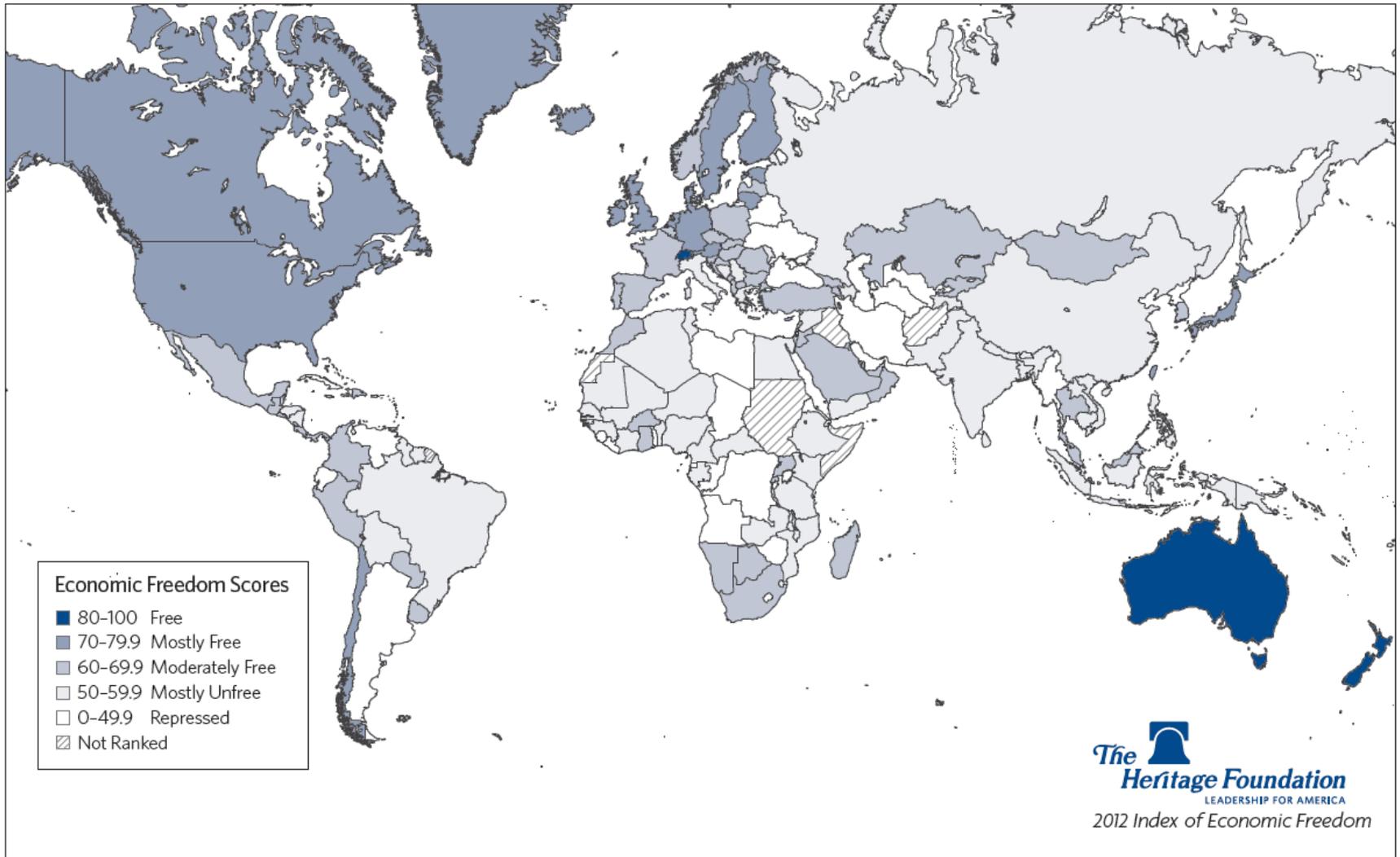
From the 2012 *Index of Economic Freedom*.

Chart 6  heritage.org

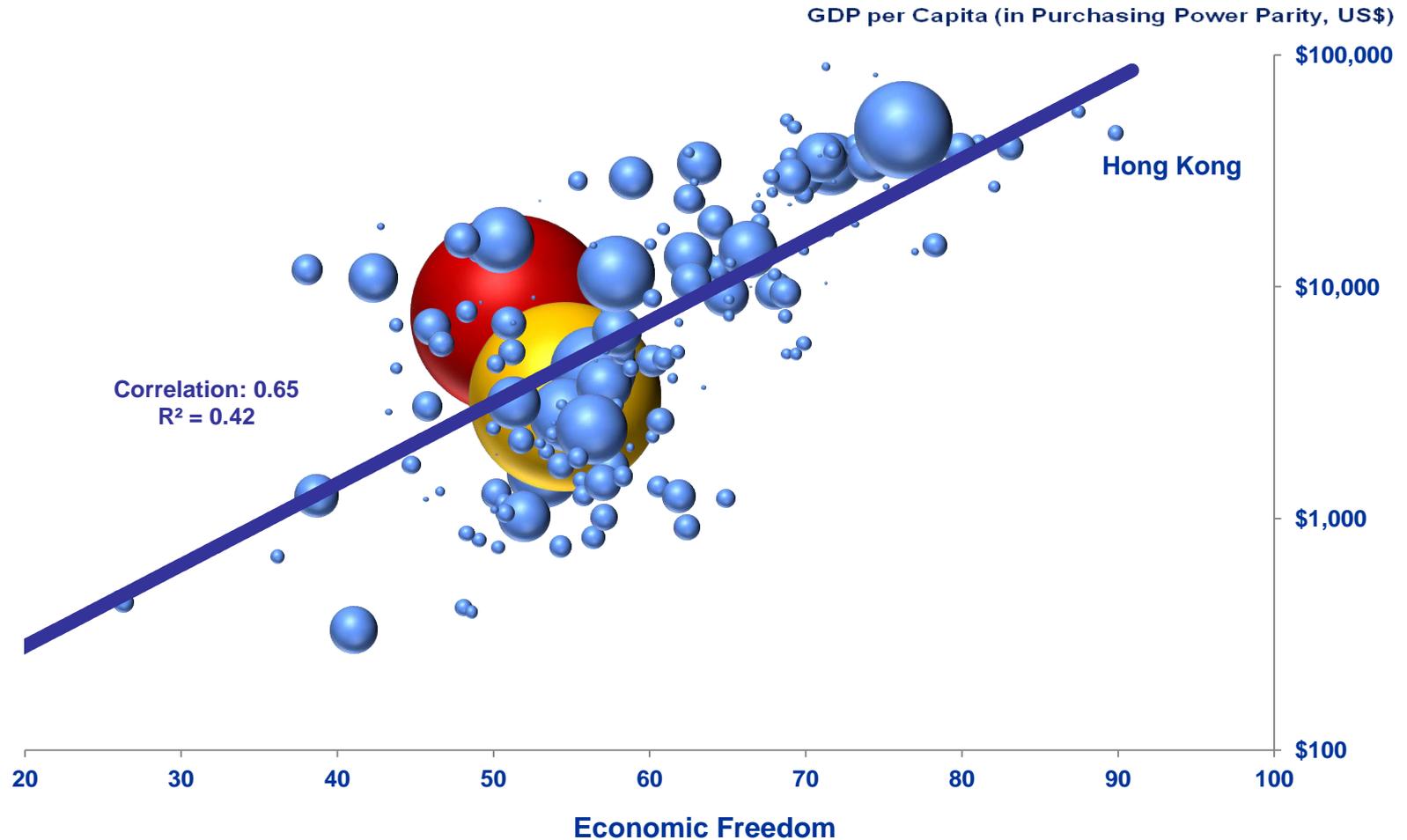
## One-Year Freedom Score Change



# DISTRIBUTION OF ECONOMIC FREEDOM

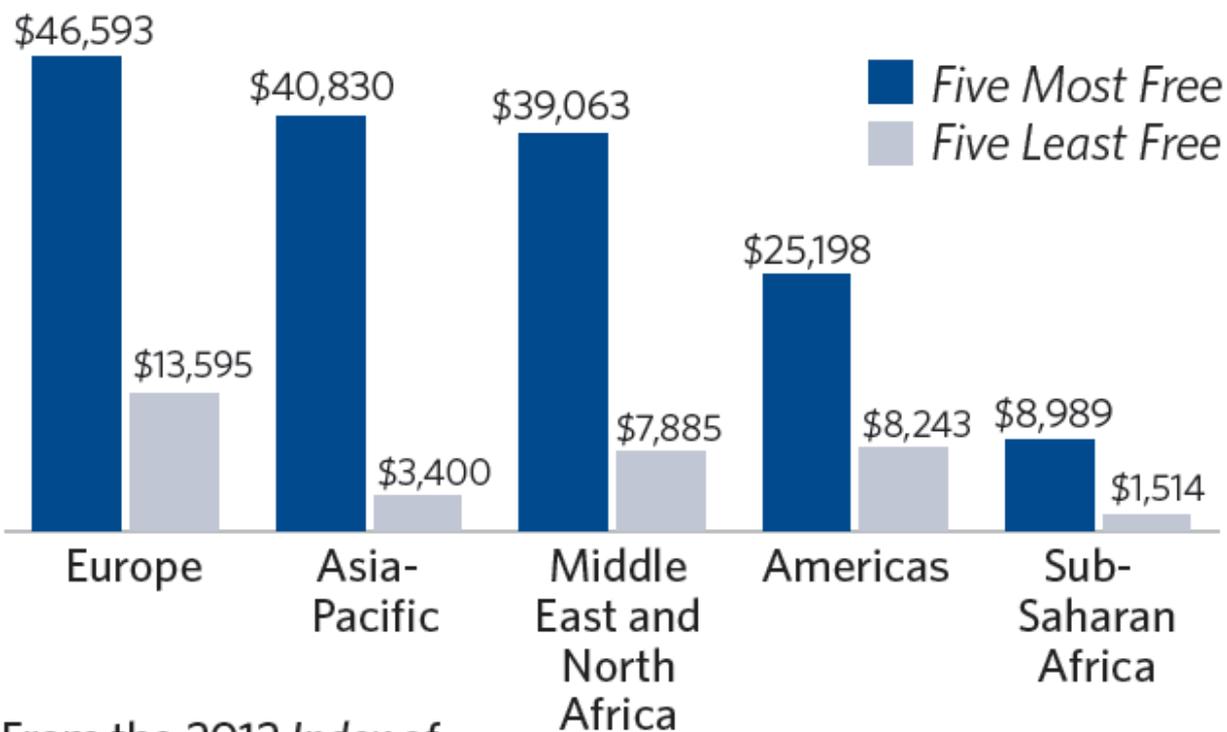


# Economic Freedom is Key to Prosperity



## Per Capita Income by Region

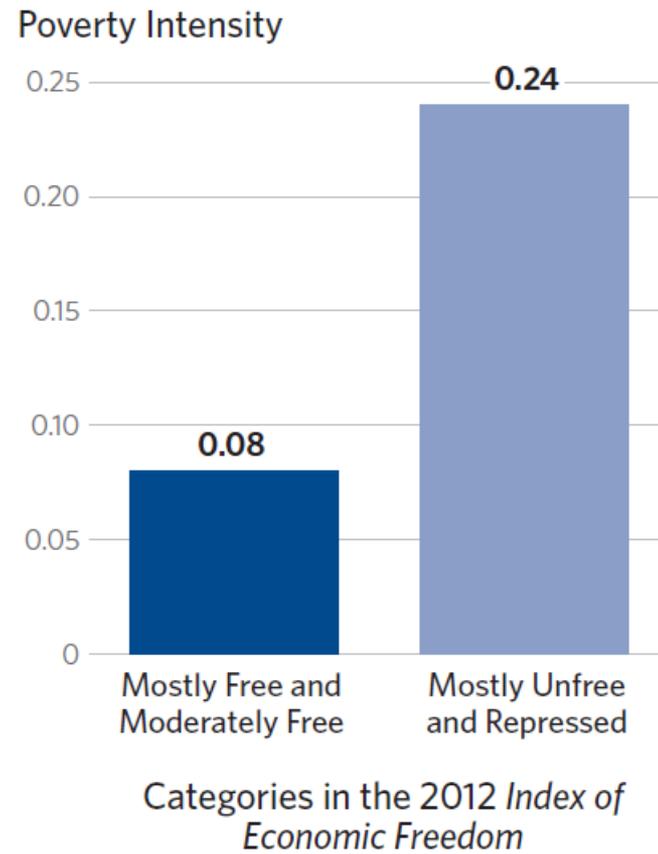
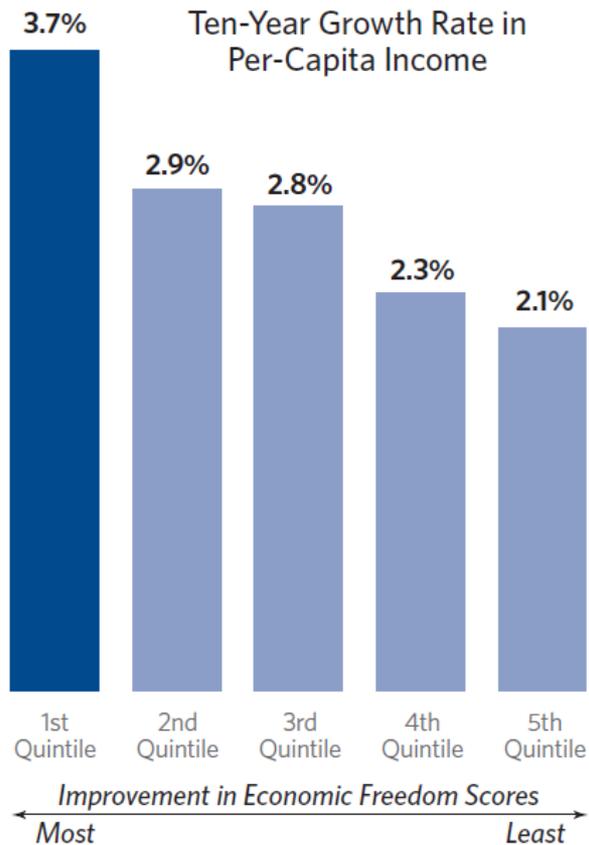
GDP per Capita (Purchasing Power Parity)



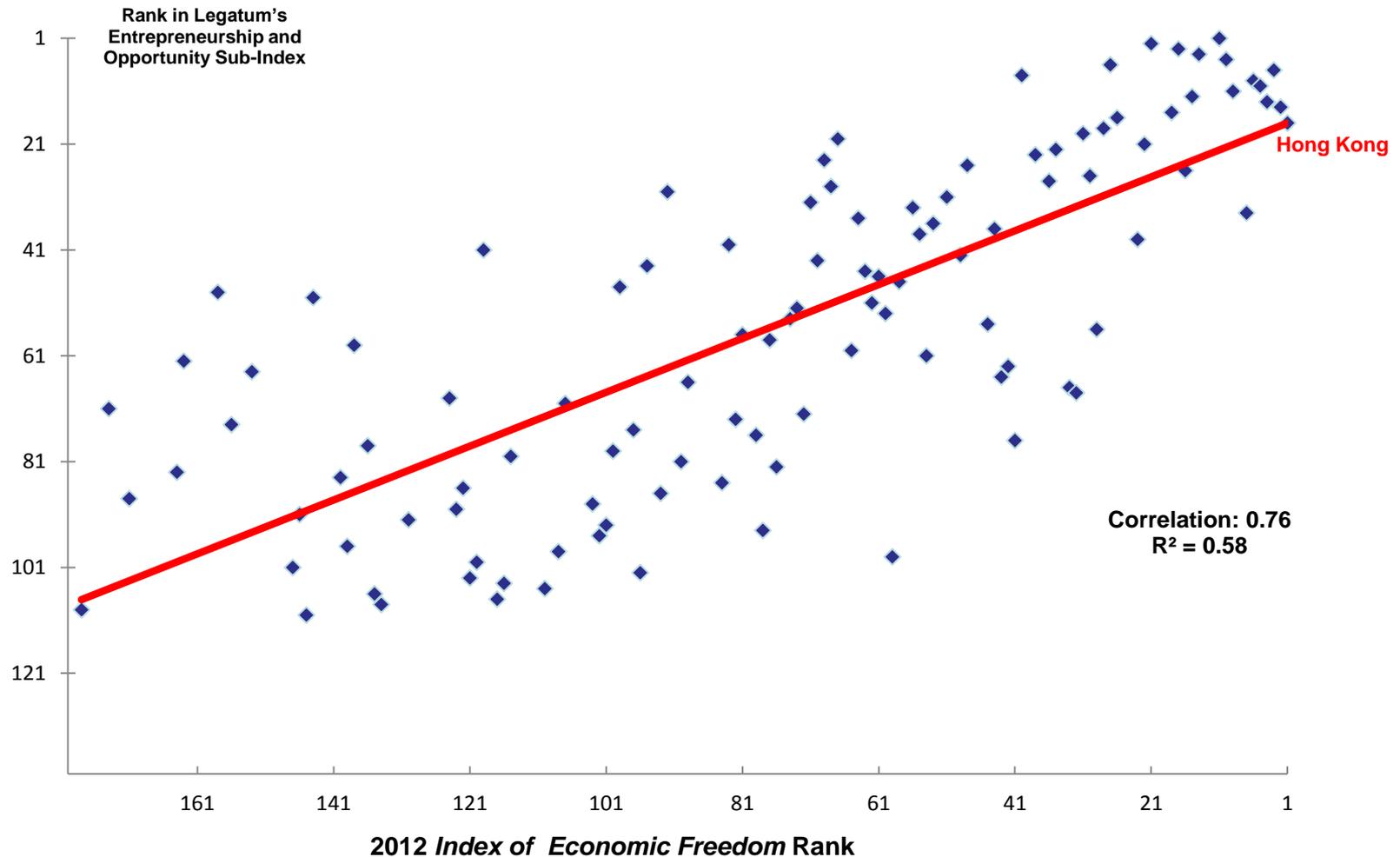
From the 2012 *Index of Economic Freedom*.

Chart 7  heritage.org

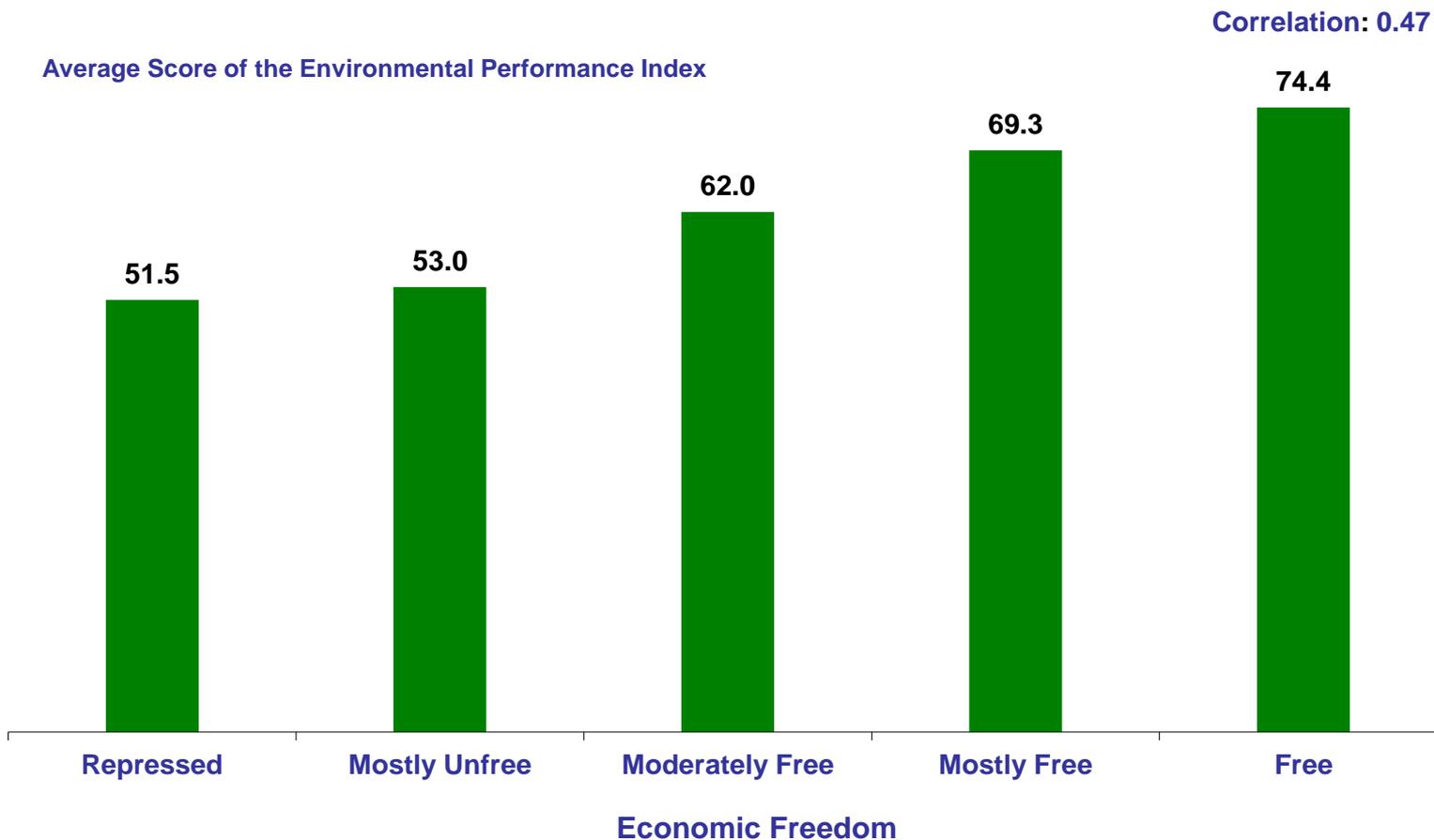
# Economic Freedom Promotes Growth and Reduces Poverty



# Economic Freedom Increases Entrepreneurship and Job Opportunities

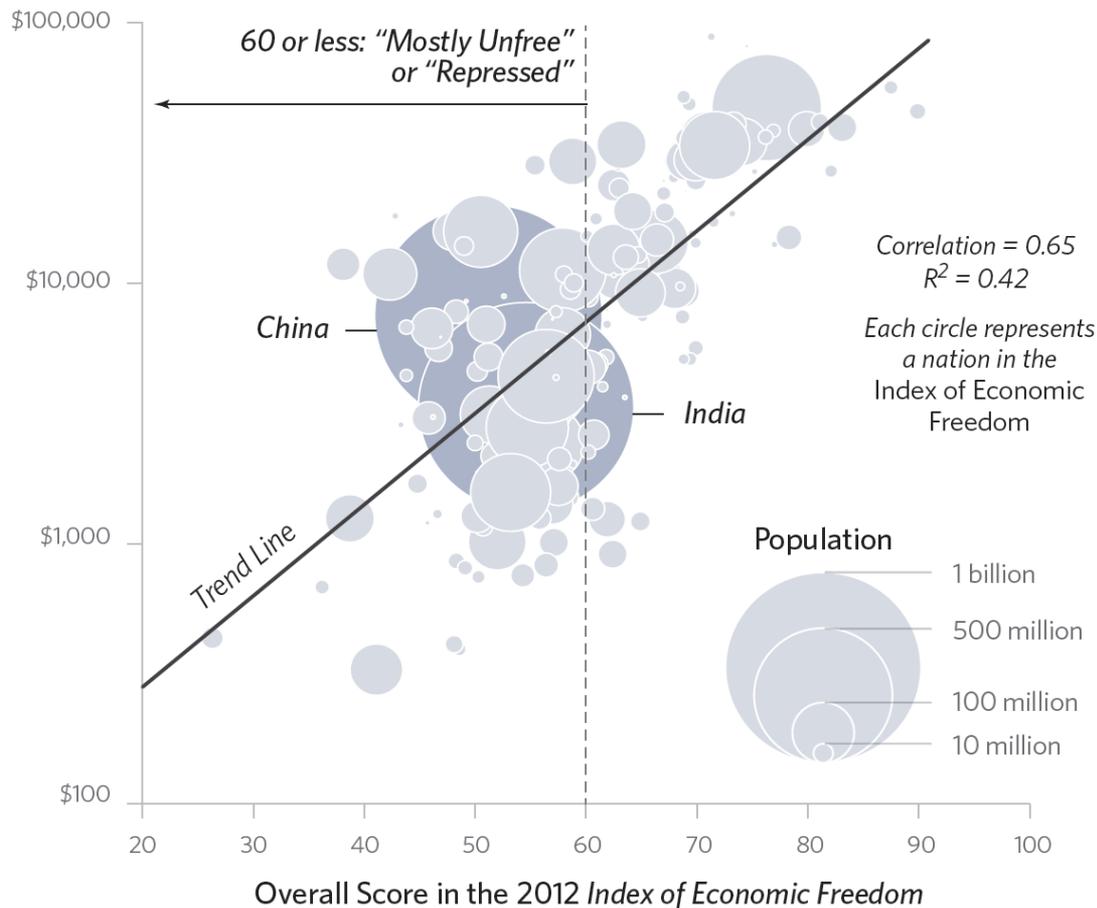


## Economic Freedom Promotes a Clean Environment



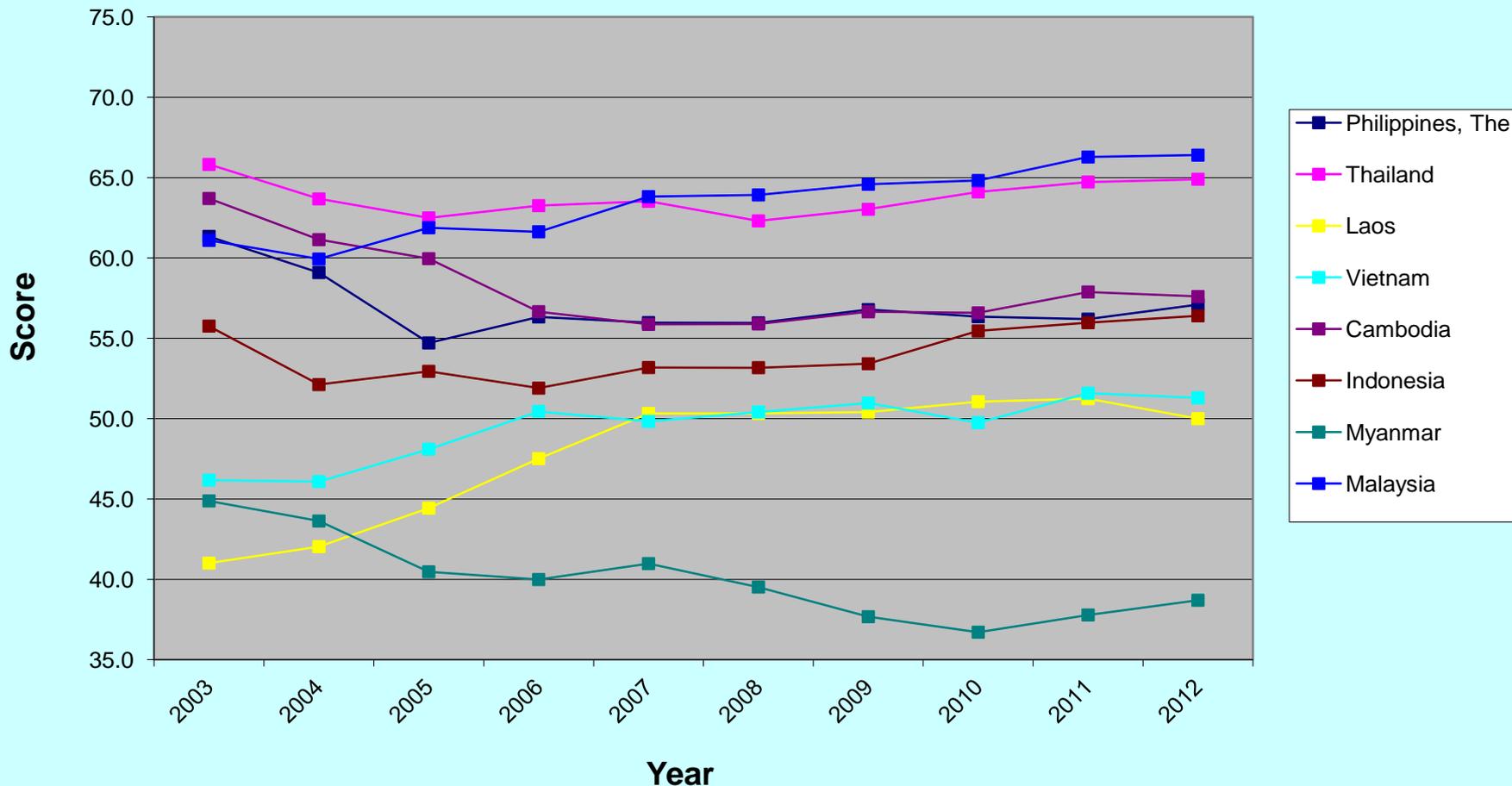
## Large Numbers of People Are Denied Economic Freedom

GDP per Capita (Purchasing Power Parity)



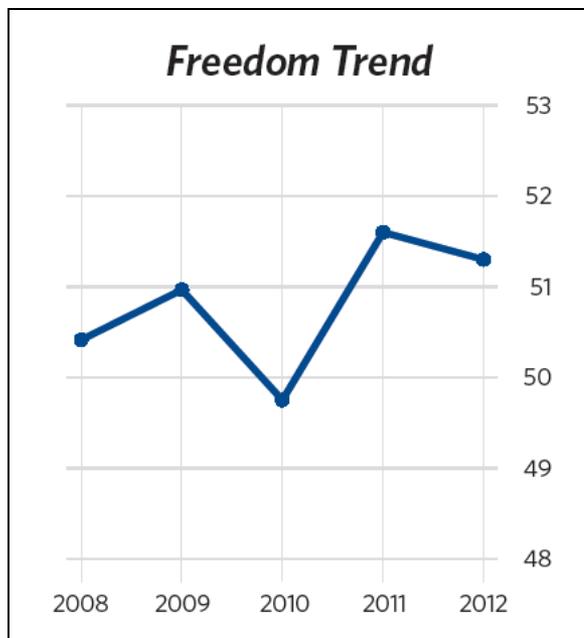
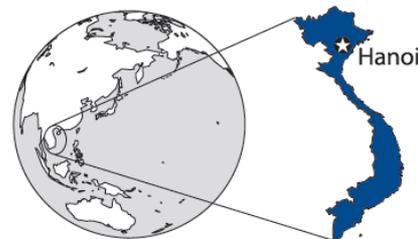
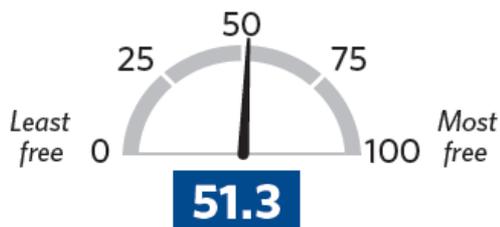
## Economic Freedom Over the Last Ten Years

2003-2012 Index of Economic Freedom Scores

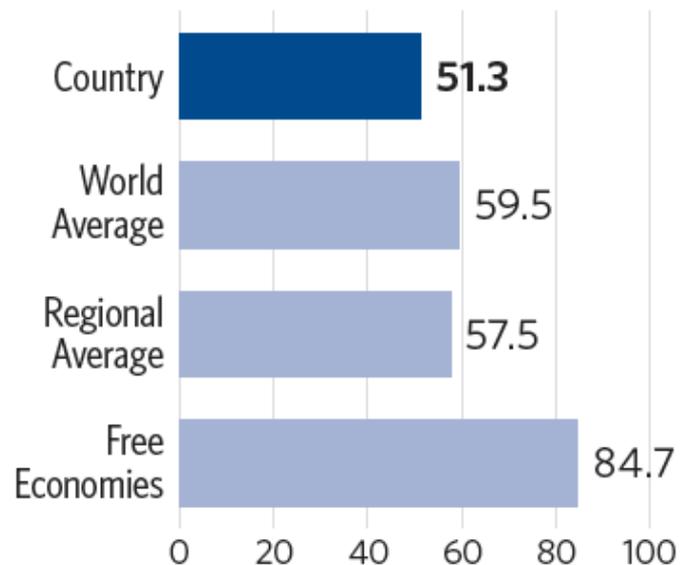


## Economic Freedom in Vietnam

### Economic Freedom Score

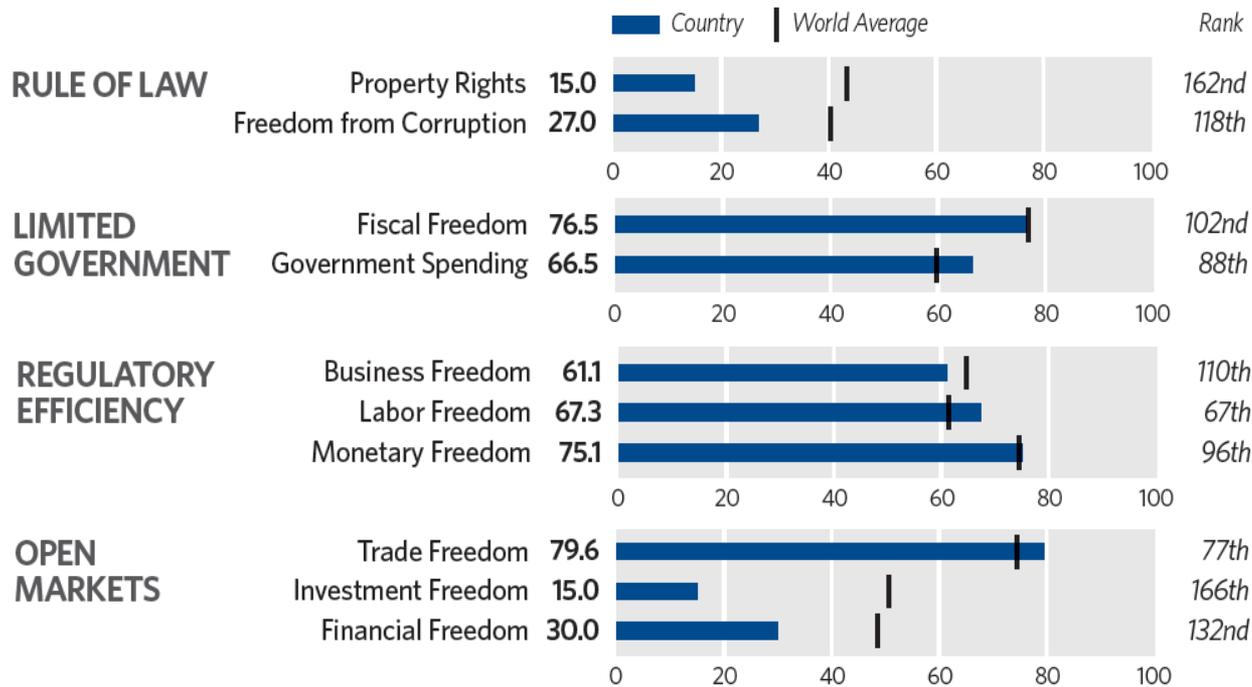


### Country Comparisons



# VIETNAM

## THE TEN ECONOMIC FREEDOMS



### Score Changes

RULE OF LAW		LIMITED GOVERNMENT		REGULATORY EFFICIENCY		OPEN MARKETS	
Property Rights	0	Fiscal Freedom	+0.6	Business Freedom	-0.5	Trade Freedom	+10.7
Freedom from Corruption	0	Government Spending	-8.6	Labor Freedom	-0.9	Investment Freedom	0
				Monetary Freedom	-4.0	Financial Freedom	0



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*Thank You!*