

# PREFACE

The *Index of Economic Freedom* is an annual data-driven research project that I have always regarded as one of the “crown jewels” of The Heritage Foundation. Since we began to measure and document countries’ economic freedom more than two decades ago, 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 by so doing have set themselves on a path toward long-term development and prosperity.

Looking back on my involvement with the *Index*, I feel profoundly blessed to have played a role in the global fight for greater economic freedom. It is particularly gratifying to note the continued impact of the *Index* in this, its 24th year. Economic freedom continues to rise in a majority of the world’s countries, and the *Index* has recorded its highest-ever world average score this year.

As countries compete to improve their scores and move up in the rankings, the real winners, of course, are the citizens of the world. Improvements in economic policy that enhance economic freedom have enabled hundreds of millions to escape poverty and countless others to enjoy levels of prosperity never before seen. Though we sometimes lose sight of it amid the daily grind of politics and the massive overflow of information and misinformation, the world in which we live is profoundly better in myriad ways than the world our parents inhabited. We enjoy better health, better nutrition, and better housing. We live in a cleaner environment and have more options than ever for fulfilling work.

If we have not, in this diverse world, quite achieved the American promise of *e pluribus unum* (out of many, one), the globalized world economy has nonetheless largely united around the principles of free-market capitalism, whose proven record of promoting growth and prosperity has won over all but the most committed socialists and Communists.

The enhanced trade among nations that has accompanied the growth in economic freedom has also proven to be a powerful force for peace. As President Ronald Reagan said in 1983:

The winds and waters of commerce carry opportunities that help nations grow and bring citizens of the world closer together. Put simply, increased trade spells more jobs, higher earnings, better products, less inflation, and cooperation over confrontation. The freer the flow of world trade, the stronger the tides for economic progress and peace among nations.

As the 2018 *Index* shows, those tides are rising, but there is much to be done. The *Index*’s role in setting standards for high-quality economic policy and measuring country performance in meeting those standards is as necessary now as ever. As we begin our 25th year of evaluating progress toward economic freedom around the world, we will strive, as always, to provide the best, most accurate, and most relevant information to help countries choose wisely those policies that can enhance freedom and prosperity for all.

On a special note, I would like to convey that we at The Heritage Foundation lost a great friend and colleague in 2017 with the passing of Richard Odermatt. As the head of editing for the

Foundation, Richard played a key role in establishing and maintaining the *Index of Economic Freedom* as a cross-country policy guidebook of high quality and style. We will miss him deeply and pledge to ensure that we live up to his high standards as we move onward and upward.

On a happier note, we are pleased this year to welcome Kay Coles James as my successor and the new President of The Heritage Foundation. I am sure the *Index* will benefit from her wisdom and guidance in the years ahead.

Over the past 24 years, the *Index of Economic Freedom* has become Heritage's most-read, flagship publication, with millions of readers each year. We hope you will read this edition and note the progress toward freedom that we measure.

Edwin J. Feulner, Founder  
The Heritage Foundation  
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