

PREFACE

In December 2021, many people around the world celebrated the 30th anniversary of the collapse of the Soviet Union. The unraveling of the “Evil Empire” and the accompanying liberation of Eastern Europe represented a great triumph for freedom and economic advancement.

People who once lived in fear and poverty experienced a rebirth of productivity and economic modernization. Countries that once lagged badly emerged from the repression of Communism and socialism to join as equals in freedom those who in the past they could view only dimly through an iron curtain.

The lesson was clear: The human spirit is the real wellspring of economic prosperity.

Now, however, as we continue to fight the current COVID-19 government mandates and restrictions, many seem to have lost confidence in freedom.

Since early in 2020, the global economy has dealt with one of the greatest political, social, and economic upheavals the world has faced. The economic livelihoods of millions of people have been deeply disrupted not only by the health impacts of the pandemic, but also by governments’ responses to it in the form of lockdowns, travel bans, and restrictions on commerce and trade. Even countries only modestly affected by the disease itself have suffered severely from the contraction of global economic activity.

Especially for Americans like me who have benefitted from the legacy of a society justly called the “land of the free,” this year’s *Index of Economic Freedom* paints a disturbing picture. The startling decline of America’s economic freedom is serious cause for alarm. Policymakers in Washington, DC, and around the globe

must understand that simply spending their way back to prosperity always has failed and will continue to fail.

The ultimate cost of the pandemic remains unknown and difficult to predict. From an economic policy point of view, nonetheless, the imperative now is for governments to avoid compounding the problem with ill-advised actions that upend markets, destroy incentives to work and innovate, or otherwise diminish the prospects for rapid recovery and growth. In the long run, the proven way to revitalize the economic life of societies in the most broad-based, meaningful way is by restoring what we know has worked best: economic freedom undergirded by strong and virtuous local communities, not greater government control and management.

For those who love freedom and prosperity, now is not the time to waver. Perhaps the most critical lesson of the recent years is that the proven superiority and value of liberty must be steadfastly reiterated and passed on to succeeding generations. As Ed Feulner, founder and former president of The Heritage Foundation, has often observed, “there are no permanent defeats or permanent victories, just permanent battles.”

Indeed, the struggle for freedom is one that must be renewed by every generation. If we are to have lasting prosperity and flourishing civil societies, we must look beyond just the next political cycle and figure out what we stand for, what our policy priorities are going to be, and how we will communicate them.

The annual *Index of Economic Freedom*, The Heritage Foundation’s flagship publication, is the framework for that discussion.

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 must win the battle of ideas.

History shows us that freedom and prosperity go hand in hand as the human spirit thrives on virtuous liberty. The proven path to preserving and enhancing opportunity, prosperity, and individual well-being is the path of freedom. It is that path’s course that we once again chart in this *2022 Index of Economic Freedom*.

Kevin D. Roberts, PhD
President
The Heritage Foundation
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