## Empathy Map 2 An index of economic freedom measures jurisdictions against each To explain the other in terms of variation in the parameters such as trade freedom, tax burden, rate of judicial effectiveness, and development more. across different countries An index of economic freedom is a composite measure of the quality of A major motivation Political-Economic of these studies was institutions across to remedy apparent Indexes of economic freedom failures by major different jurisdictions aroses in the discipline of Advancement of contemporary theories of economic economics as part of new international institutional Economics, trade of country is development specifically from the study of relationship between an index of its political-economic institutions economic and economic development. prosperity Scores and ranks in an In the late of 20th index are based on the century some new criteria that the creaters Institutional of index judge as being economists sought relevent, which vary to quantify the from one index to concept of Thinks Says economic freedom. another. Does Feels They are also more For much of human likely to invest in history, most individuals health and human have lacked economic capital, generating freedom and long term economic gains. opportunity, condemning them to Although there is a poverty and corelative relationship deprivation. between political freedom and economic Where growth, establishing causation is less governments exercise certain. sovereign control of economic policies. An annual index published and created One study found by the Heritage that countries that Foundation and The transitioned to a Wall Street Journal to democratic measure the economic government. freedom of nations around the world.