

**The cornerstones of economic freedom:**

- **personal choice**
- **voluntary exchange**
- **freedom to enter markets and compete in markets**
- **protection of persons and their property from aggression of others**

**The index measures the degree of economic freedom in five major areas, comprised of 42 distinct variables.** The index is on a 0 to 10 scale, where a higher EFW score indicates more economic freedom.

**The five broad areas of the index are:**

- 1. Size of government**  
(government spending and taxes)
- 2. Legal System & Security of Property Rights**
- 3. Sound Money**
- 4. Freedom to Trade Internationally**
- 5. Regulation**  
(regulations of credit markets, labour markets, and businesses)