

Opinion Essay

Can we afford economic freedom?

A Critical Review

What is economic freedom?

According to the Heritage Foundation, economic freedom is defined as a basic right of every person to take control of own labour and property. Furthermore, it is said that in a society without any economic boundaries, every person can exercise work, production and consumption freely, and also use it in any way as they deem to be suitable for them. In this case, the choice of use would be guaranteed by the relevant government, as well as it would not be restricted in any way.

Can this planet support economic freedom?

Most interesting in this discussion is the question if Planet Earth is actually capable of providing sufficient resources which will in turn allow for the execution of economic freedom. According to the United Nations, modest projections show, that, with ongoing population growth, consumption and climate development, by the year 2030, two planets with the capacity of Planet Earth, or so to say the capacity of two Planet Earths would be needed to supply the population with natural resources according to consumption, and to furthermore eliminate CO₂ production. On longer term, it is said that the global population should be around 9 billion people by the year 2050, which again would mean, that, given on-going and unchanged consumption, the capacity of 2.8 Planet Earth will be required. This, however, does not include diminishing resources, but looks at steady availability thereof.

Now looking at the current situation, according to numerous resources that are publicly available (at least outside of China), it seems to be apparent that there is a clear consensus about the current status and future availability of planet-based resources. As a matter of fact, many stakeholders of Planet Earth alert to a nearing possibility of diminishing or even vanishing natural resources, this circumstance appears to be based on uncontrolled use of natural resources as well as on over consumption, and a waste of these resources based on over production which results from the economic theory

that following mass-production, the cost per unit is pushed to a minimum, resulting in maximizing profit which in return does indeed cover the loss of unsold, or rather wasted units, and nevertheless yields a significant profit overall.

Areas of specific concern in today society should be as follows:

The economic freedom and its effects would have to be observed and analysed, yet also measured, relating to market development. Here there is not only the economic effect which matters, yet also environmental and societal effect come in to play. One modern phenomenon that can be observed is the appearance of so-call street vendors. These street vendors are generally operating outside the legal framework with no control of origin of supply, hygiene, processing standards, and safety of production. Furthermore, they generally do not pay tax. The relationship between economic freedom and natural resources, as described in the paragraph above, will evidently be the most valuable indicator that must be used in order to assess the use and status of availability accordingly. In terms of population, directed and specific educational programmes would have to be used to educate current and future generations based on modern research findings. Seen in relation to the previous indicators, this could serve as a feedback loop in order to understand the development of consumption and availability of resources.

Another aspect is an objective benchmarking of the idea of economic freedom towards the currently developing and deepening activities based on the combined efforts under sustainable development, as, for example, reflected in the United Nations Sustainable Development Goals.

Since it can probably be considered as given, that the natural resources of Planet Earth are unlikely to be infinite, the activities meant to preserve natural resources under sustainable development programmes appears to be currently a better choice than to release every natural resource, including human resources, into public domain for free, unlimited and uncontrolled use by just any one.

According to public opinion, it may well be said that economic freedom may work for now, probably for the earth-life-time of an individual on Planet Earth, but on long-term, relating to future generations, it probably will rather destroy Planet Earth and thereby remove the base of existence of too many beings that are.

Reference & Further Reading

as available on 05 May 2023

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