



NEWS RELEASE

Kuwait and Oman rated best for economic freedom among Arab nations

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For Immediate Release

DEAD SEA, JORDAN—Kuwait and Oman are the most economically free Arab nations, according to the *Economic Freedom of the Arab World 2007 Annual Report*, released November 22 by independent research organizations The Fraser Institute of Canada and the International Research Foundation of Oman.

The two nations each scored 7.8 on the overall economic freedom index. They were followed closely by Jordan, Lebanon, and the United Arab Emirates which each scored 7.7. Since the scores were so close, all five were awarded “Top Achievement in Economic Freedom” awards at the Economic Freedom of the Arab World Awards Ceremony at the Dead Sea, Jordan.

Nations are ranked in five economic freedom areas: size of government; commercial and economic law and security of property rights; access to sound money; freedom to trade internationally, and the regulation of credit, labour, and business.

“These measures are part of a fundamental base needed to build a prosperous nation. Research has shown that the drive and ingenuity of individuals and families, when unleashed through economic freedom, is the route to prosperity,” said Fred McMahon, The Fraser Institute’s Director of Trade and Globalization Studies.

Since 2005, the International Research Foundation (IRF) from Oman and The Fraser Institute have compiled an Economic Freedom of the Arab World report based on the same five areas as Economic Freedom of the World report. The report measures at least some areas of economic freedom in 22 nations: Algeria, Bahrain, Comoros, Djibouti, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Oman, Qatar, Saudi Arabia, Somalia, Sudan, Syrian Arab Republic, Tunisia, United Arab Emirates, West Bank and Gaza, and Yemen.

However, data limitations allowed calculation of the overall level of economic freedom only for Algeria, Egypt, Jordan, Kuwait, Lebanon, Morocco, Oman, Saudi Arabia, Syria, Tunisia, UAE, and Yemen. The rankings are entirely based on third party data. The full data sets are available at www.freetheworld.com

The top performer in each of the sub-categories was:

1) Lean Government: Lebanon

This category examines various measures to determine whether the government sector is inappropriately large, crowding out personal choice with government decisions.

(more)

2) Commercial and Economic Law and Security of Property Rights: Saudi Arabia

This area examines whether laws affecting economic and commercial matters are fairly and transparently applied in a timely manner, and whether property rights and contracting are protected by the rule of law.

3) Access to Sound Money: Lebanon

This measures the extent to which a nation's currency is sound and holds its value over time.

4) Freedom to Trade: Qatar

This measures the extent to which businesses and individuals can freely trade with businesses and individuals in other nations.

5) Ease of Doing Business: Kuwait

This measures the extent to which the regulatory burden hinders the formation or advancement of businesses, the free movement of labour, and ability to obtain or advance credit.

"In a free economy, entrepreneurship can prosper, unleashing the creativity and ingenuity of people which leads to prosperity and higher standards of living," McMahon said

The **Economic Freedom of the Arab World** series is based on the Fraser Institute's **Economic Freedom of the World Annual Report**, found at www.freetheworld.com and co-published with the global Economic Freedom Network, a group of independent research and educational institutes in more than 70 nations.

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