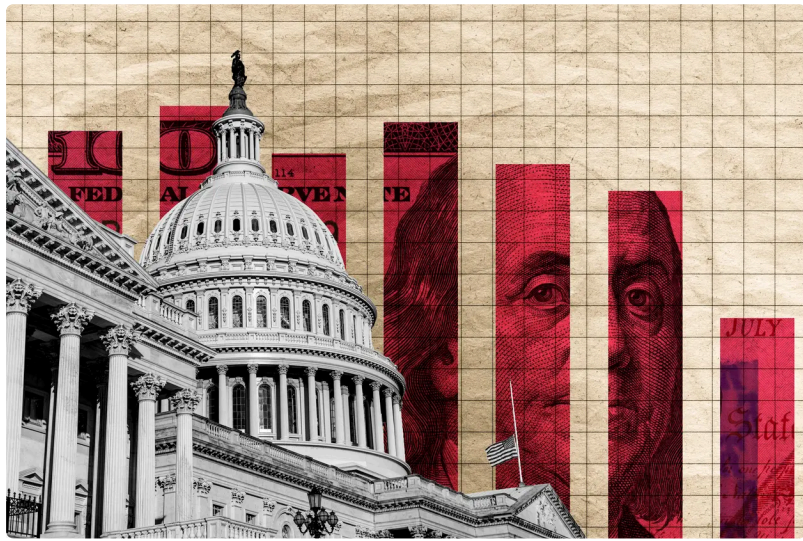




# 1819 NEWS

## Allen Mendenhall: Good news for the U.S. on economic freedom

[Allen Mendenhall](#) | 03.30.26



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A year ago, [I noted](https://1819news.com/news/item/allen-mendenhall-the-united-states-is-slipping-in-global-freedom-rankings) (https://1819news.com/news/item/allen-mendenhall-the-united-states-is-slipping-in-global-freedom-rankings), with some alarm that the United States was losing ground in the Global Economic Freedom rankings, as measured by my employer, The Heritage Foundation, in its annual Index. “Runaway government spending,” I wrote, “remains its Achilles’ heel.” The diagnosis was grim, if not unfamiliar to students of the republic’s fiscal habits.

I am pleased to report that the patient shows signs of recovery.

The [2026 Index](https://economicfreedom.heritage.org/) (https://economicfreedom.heritage.org/) – now in its 32nd edition, covering 184 sovereign nations – assigns each country a composite score derived from 12 discrete economic freedoms, organized into four analytical categories: Rule of Law (property rights, judicial effectiveness, government

integrity); Government Size (tax burden, government spending, fiscal health); Regulatory Efficiency (business freedom, labor freedom, monetary freedom); and Open Markets (trade freedom, investment freedom, financial freedom).

Each freedom is scored on a scale of 0 to 100. The elegance of the methodology lies in its democratic even-handedness: each of the 12 carries equal weight.

The United States scored 72.8, ranking it 22nd among the world's freest economies. More significantly, our score rose over 2.5 points since last year, the most substantial single-year improvement since 2001. The gains were registered in monetary freedom, government spending, fiscal health, and investment freedom.

These are not trivial categories. They are, in fact, the sinews of a functioning market economy.

Singapore tops the Index with a score of 84.4, followed by Switzerland at 83.7, Ireland at 83.3, and Australia at 80.1.

Two other national performances merit attention. Argentina, under the heterodox but bracingly energetic Javier Milei, recorded the Index's single greatest annual improvement (a 3.2-point gain), making Buenos Aires's experiment in economic liberation the year's most-watched story in political economy.

China, by contrast, serves as a cautionary illustration of what state dominance forecloses. Its score of 48.3 places it 154th in the rankings, firmly in the "repressed" category, a designation that carries more explanatory power than its clinical neutrality might suggest. Consider its energy sector: China possesses shale deposits that rival or exceed those of the United States in scale, yet the United States remains the world's largest exporter of liquefied natural gas, while China struggles to develop its own reserves.

Why? In part because thousands of independent companies drove our shale revolution – competing, innovating, and bearing risk – and in so doing demonstrated the productive genius of free enterprise. By contrast, China’s energy sector, dominated by lumbering state-owned giants, cannot replicate what it refuses to permit.

The global picture, while modestly improved, warrants no self-congratulation. The worldwide average economic freedom score of 59.9 represents a recovery from 58.6 in 2024, but the net gain over the 2025 Index is a mere 0.2 points.

The Heritage Foundation’s [interactive tool](https://economicfreedom.heritage.org/pages/all-country-scores) (<https://economicfreedom.heritage.org/pages/all-country-scores>), allows readers to explore and compare national performances in granular detail; the curious are encouraged to consult it.

What the Index ultimately measures is something the American Founders intuited and the subsequent two and a half centuries have confirmed: that freedom, including and especially economic freedom, is not the natural condition of nations. It’s an achievement, fragile and contingent, requiring constant defense against the eternal human temptation to trade liberty for the false security of managed outcomes.

That America is regaining lost ground is welcome news. That the world’s average score has barely budged is a reminder that the argument for freedom is never finally won. It must be made again, in every generation, with fresh evidence and renewed conviction.

The 2026 Index provides both.

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