

**Daniel Hinšt** **METODOLOGIJA MJERENJA  
EKONOMSKE SLOBODE I  
OKVIR ZA JAVNE POLITIKE**

**THE METHODOLOGY OF  
MEASURING THE ECONOMIC  
FREEDOM AND POLICY  
FRAMEWORK**

**SAŽETAK:** Razina ekonomske slobode svake se godine mjeri putem jedinstvene svjetske metodologije. Na taj je način kanadski Fraser Institute razvio sustavni pristup javnim politikama koje utječu na opseg javne potrošnje i državne imovine, visinu glavnih poreza, inflaciju, slobodnu trgovinu, na regulaciju poslovanja, tržišta rada i kredita te ostala mjerena područja. Takav *policy* okvir može biti koristan za dizajniranje strukturnih prilagodbi kojima se poduzetnike može osloboditi od prekomjernog utjecaja i troška države. Također, smanjivanjem i ograničavanjem uloge države ekonomske slobode doprinose poboljšanju institucionalnog okvira za slobodno tržište. U konačnici, ekonomske slobode usko su vezane uz geopolitiku.

**KLJUČNE RIJEČI:** ekonomske slobode, Hrvatska, Fraser Institute, metodologija, javne politike, institucionalni okvir, slobodno tržište, geopolitika

**ABSTRACT:** The level of economic freedom is measured each year through a unique world methodology. This way, Canadian Fraser Institute has developed a systematic approach to public policies which affect the scope of public expenditure and state assets, level of major taxes, inflation, free trade, business regulation, labor and credit market and other measured areas. Such policy framework can be useful for designing structural adjustments by which enterprises could be freed from excessive involvement and cost of government. Moreover, by reducing and limiting the role of government economic freedom contributes the institutional framework for free market. Finally, economic freedom is closely related to geopolitics.

**KEY WORDS:** economic freedom, Croatia, Fraser Institute, methodology, public policy, institutional framework, free market, geopolitics

## FRASEROVO IZVJEŠĆE I METODOLOŠKI OKVIR

Kanadski Fraser Institute<sup>1</sup> svake godine objavljuje izvješća o ekonomskoj slobodi.<sup>2</sup> Izvješća pripremaju James Gwartney s Florida State University, Robert A. Lawson i Ryan Murphy sa Southern Methodist University i Joshua Hall s West Virginia University. Izvješća se izrađuju u suradnji s Mrežom za ekonomsku slobodu (Economic Freedom Network).

Prema Fraser Institutu, ekonomska sloboda polazi od ideje prava na vlasništvo i prava pojedinaca na odabir kako će koristiti svoje vrijeme i talente. Ključevi ekonomske slobode su osobni odabir, dobrovoljna razmjena, otvorena tržišta i jasno definirana vlasnička prava. Zato Fraserovo izvješće opisuje kako institucije i javne politike pojedinih država utječu na ekonomske slobode.

Metodologija mjeri prosjek u 5 glavnih područja javnih politika koje se odnose na: 1. opseg države i poreze, 2. pravni sustav i vlasnička prava, 3. monetarnu stabilnost, 4. slobodnu trgovinu te 5. regulatorni okvir za poslovanje, tržište rada i bankarski sustav. Navedenih 5 područja sadrži 24 komponente, odnosno 42 pojedinačne varijable.

Rezultat svake potkomponente mjeri se od 0 do 10. Rezultat se može gledati i kao postotna razina ekonomske slobode (0-100, gdje je 10 jednako 100). Slijedom navedenoga, rezultati pojedinih zemalja u ovom članku navode se u postocima. Veća brojka znači višu razinu ekonomske slobode. Podaci se efektivno odnose na stanje dvije godine prije izvješća, što je bitno uzeti u obzir kao rezervu prilikom ocjene stanja u određenom trenutku.

U nastavku je pregled Fraserove strukture metodologije po područjima javnih politika, odnosno komponentama indeksa, relevantnim pokazateljima i izvorima podataka.

## FRASER'S REPORT AND METHODOLOGICAL FRAMEWORK

Each year Canadian Fraser Institute<sup>1</sup> publishes annual reports on economic freedom.<sup>2</sup> The reports are prepared by James Gwartney from Florida State University, Robert A. Lawson and Ryan Murphy from Southern Methodist University and Joshua Hall from West Virginia University. Reports are produced in cooperation with the Economic Freedom Network.

According to Fraser Institute, economic freedom starts from an idea of property rights and individual rights to choose how they will use their time and talents. Therefore, keys of economic freedom are personal choice, voluntary exchange, open markets and clearly defined property rights. For that reason, Fraser's report describes how institutions and public policies of particular countries affect the economic freedom.

The methodology measures an average of 5 major policy areas which are related to 1. size of government and taxes, 2. legal system and property rights, 3. monetary stability, 4. free trade and 5. regulatory framework for business, labor market and banking sector. Specified 5 areas contain 24 components and 42 particular variables.

A result of each sub-component is measured from 0 to 10. The result can also be seen as a percentage level of economic freedom (0-100, where 10 equals 100). Following the above, results of particular countries in this article are stated a percentage. The higher the number means higher level of economic freedom. The data are effectively related to conditions two year before the report, which is important to take into account as a reserve when assessing the situation at a particular point of time.

Below is an overview of Fraser's methodology structure by policy areas, i.e. index components, relevant indicators and data sources.

## 1. Opseg države

### A. Udio javne potrošnje (opće države) u ukupnoj potrošnji

- World Bank, World Development Indicators; International Monetary Fund, International Financial Statistics; United Nations National Accounts

### B. Udio transfera i subvencija opće države u BDP-u

- International Monetary Fund, Government Finance Statistics Yearbook; World Bank, World Development Indicators; International Monetary Fund, International Financial Statistics; United Nations National Accounts

### C. Udio investicija javnog sektora (uključujući javna poduzeća) u ukupnim investicijama

- International Monetary Fund, Investment and Capital Stock Dataset; World Bank, World Development Indicators; Organisation for Economic Co-operation and Development, OECD Data

### D. Najviša granična porezna stopa

- PricewaterhouseCoopers, Worldwide Tax Summaries Online; PricewaterhouseCoopers, Individual Taxes: A Worldwide Summary (various issues); Ernst & Young, Worldwide Personal Tax and Immigration Guide (various issues); Deloitte International Tax Source, Guide to Fiscal Information: Key Economies in Africa (various issues)

#### (i) Najviša granična stopa poreza na dobit

#### (ii) Najviša granična stopa poreza na dohodak i socijalnih doprinosa

### E. Opseg državne imovine te kontrola nad poljoprivrednim, industrijskim i uslužnim sektorima

- V-Dem Institute, Varieties of Democracy

## 1. Size of Government

### A. Share of general government consumption in total consumption

- World Bank, World Development Indicators; International Monetary Fund, International Financial Statistics; United Nations National Accounts

### B. Share of general government transfers and subsidies in GDP

- International Monetary Fund, Government Finance Statistics Yearbook; World Bank, World Development Indicators; International Monetary Fund, International Financial Statistics; United Nations National Accounts

### C. Share of public investments (including state owned companies) in total investments

- International Monetary Fund, Investment and Capital Stock Dataset; World Bank, World Development Indicators; Organisation for Economic Co-operation and Development, OECD Data

### D. Top marginal tax rate

- PricewaterhouseCoopers, Worldwide Tax Summaries Online; PricewaterhouseCoopers, Individual Taxes: A Worldwide Summary (various issues); Ernst & Young, Worldwide Personal Tax and Immigration Guide (various issues); Deloitte International Tax Source, Guide to Fiscal Information: Key Economies in Africa (various issues)

#### (i) Top marginal (corporate) income tax rate

#### (ii) Top marginal (personal) income tax rate and payroll tax rate (social security contributions)

### E. Scope of state owned assets and control under agricultural, manufacturing and services sectors

- V-Dem Institute, Varieties of Democracy

## 2. Pravni sustav i vlasnička prava

- A. **Neovisnost pravosuđa** (od političkih utjecaja parlamentaraca, građana i poduzeća)  
 - World Economic Forum, Global Competitiveness Report; V-Dem Institute, Varieties of Democracy; Drew Linzer and Jeffrey Staton (2015), A Global Measure of Judicial Independence: 1948–2012, Journal of Law and Courts 3, 2: 223–256
- B. **Nepriistranost sudova** (da poduzetnici mogu pravedno rješavati pravne sporove i preispitivati zakonitost državnih postupanja i regulacija)  
 - World Economic Forum, Global Competitiveness Report; World Bank, Worldwide Governance Indicators; V-Dem Institute, Varieties of Democracy
- C. **Zaštita vlasničkih prava** (uključujući financijske imovine)  
 - World Economic Forum, Global Competitiveness Report; V-Dem Institute, Varieties of Democracy
- D. **Utjecaj vojske na vladavinu prava i politiku**  
 - PRS Group, International Country Risk Guide
- E. **Integritet pravnog sustava** (snaga i nepriistranost pravnog sustava, zakon i red)  
 - PRS Group, International Country Risk Guide; V-Dem Institute, Varieties of Democracy
- F. **Pravna provedba ugovora** (vrijeme i novac potrebni za naplatu dugova)  
 - World Bank, Doing Business; Business Environment Risk Intelligence, Historical Ratings Research Package
- G. **Regulatorni troškovi prodaje vlasništva** nad nekretninom (u smislu vremena i novca potrebnog za prijenos vlasništva nad zemljištem i skladištem)  
 - World Bank, Doing Business
- H. **Pouzdanost policije** (zakon i red)  
 - World Economic Forum, Global Competitiveness Report

## 2. Legal System and Property Rights

- A. **Judicial independence** (from political interference of representatives, citizens and businesses)  
 - World Economic Forum, Global Competitiveness Report; V-Dem Institute, Varieties of Democracy; Drew Linzer and Jeffrey Staton (2015), A Global Measure of Judicial Independence: 1948–2012, Journal of Law and Courts 3, 2: 223–256
- B. **Impartial courts** (so that enterprises can fairly resolve legal disputes and challenge a legality of government procedures and regulations)  
 - World Economic Forum, Global Competitiveness Report; World Bank, Worldwide Governance Indicators; V-Dem Institute, Varieties of Democracy
- C. **Protection of property rights** (including financial assets)  
 - World Economic Forum, Global Competitiveness Report; V-Dem Institute, Varieties of Democracy
- D. **Military interference in rule of law and politics**  
 - PRS Group, International Country Risk Guide
- E. **Integrity of the legal system** (power and impartiality the legal system, law and order)  
 - PRS Group, International Country Risk Guide; V-Dem Institute, Varieties of Democracy
- F. **Legal enforcement of contracts** (time and money needed for debt payment)  
 - World Bank, Doing Business; Business Environment Risk Intelligence, Historical Ratings Research Package
- G. **Regulatory cost of the sale** of real property (time and money needed for transfer of ownership of land and storage)  
 - World Bank, Doing Business
- H. **Reliability of police** (law and order)  
 - World Economic Forum, Global Competitiveness Report

### 3. Stabilan novac

- A. **Rast novčane mase** (prosječni godišnji rast ponude novca u posljednjih pet godina, u odnosu na prosječni godišnji rast realnog BDP-a u posljednjih deset godina)  
- World Bank, World Development Indicators; International Monetary Fund, International Financial Statistics; United Nations National Accounts
- B. **Standardno odstupanje inflacije** (promjena godišnje stope inflacije u posljednjih pet godina)  
- World Bank, World Development Indicators; International Monetary Fund, International Financial Statistics
- C. **Stopa inflacije** u posljednjoj godini  
- World Bank, World Development Indicators; International Monetary Fund, International Financial Statistics
- D. **Slobodna posjedovanja bankovnih računa** u zemlji i inozemstvu  
- International Monetary Fund, Annual Report on Exchange Arrangements and Exchange Restrictions

### 4. Sloboda međunarodne trgovine

- A. **Carine**
- (i) **Prihodi od trgovinskih poreza (carina)** u odnosu na ukupnu trgovinu  
- International Monetary Fund, Government Finance Statistics Yearbook; International Monetary Fund, International Financial Statistics
- (ii) **Srednja carinska stopa** (0-50% kod gotovo svih zemalja)  
- World Trade Organization, World Tariff Profiles
- (iii) **Standardno odstupanje carinskih stopi** (0-25% kod gotovo svih zemalja)  
- World Trade Organization, World Tariff Profiles

### 3. Sound Money

- A. **Money growth** (average annual growth of money supply in recent five years, in comparison with average annual growth of real GDP in recent ten years)  
- World Bank, World Development Indicators; International Monetary Fund, International Financial Statistics; United Nations National Accounts
- B. **Standard deviation of inflation** (change of annual inflation rate in recent five years)  
- World Bank, World Development Indicators; International Monetary Fund, International Financial Statistics
- C. **Inflation**: most recent year  
- World Bank, World Development Indicators; International Monetary Fund, International Financial Statistics
- D. **Freedom to own foreign currency bank accounts** in land and abroad  
- International Monetary Fund, Annual Report on Exchange Arrangements and Exchange Restrictions

### 4. Freedom to Trade Internationally

- A. **Tariffs**
- (i) **Revenue from trade taxes** (% of trade sector)  
- International Monetary Fund, Government Finance Statistics Yearbook; International Monetary Fund, International Financial Statistics
- (ii) **Mean tariff rate** (0-50% among almost all countries)  
- World Trade Organization, World Tariff Profiles
- (iii) **Standard deviation of tariff rates** (0-25% among almost all countries)  
- World Trade Organization, World Tariff Profiles

## B. Regulatorne prepreke trgovini

- (i) **Necarinske prepreke slobodnoj trgovini** (prilikom uvoza strane robe na domaće tržište)
  - World Economic Forum, Global Competitiveness Report
- (ii) **Troškovi prilagodbe kod uvoza i izvoza** (vrijeme i procedure potrebni za uvoz kontejnera)
  - World Bank, Doing Business

## C. Tečaj na crnom tržištu (postotna razlika službenog i neslužbenog tečaja određene valute)

- MRI Bankers' Guide to Foreign Currency

## D. Kontrola slobode kretanja kapitala i radnika

- (i) **Financijska otvorenost** (prekogranična ograničenja financijskih transakcija)
  - Menzie Chinn and Hiro Ito (2006), What Matters for Financial Development? Capital Controls, Institutions, and Interactions, Journal of Development Economics 81; Menzi Chinn and Hiro Ito (2008), A New Measure of Financial Openness, Journal of Comparative Policy Analysis 10
- (ii) **Kontrole međunarodnog kapitala** (13 vrsta kontrola)
  - International Monetary Fund, Annual Report on Exchange Arrangements and Exchange Restrictions.
- (iii) **Sloboda stranaca da posjećuju zemlju** (postotak zemalja za čije građane, turiste i poslovne ljude određena država traži vizu)
  - Robert Lawson and Jayme Lemke (2012), Travel Visas, Public Choice

## 5. Regulacija

### A. Regulacije kreditnog tržišta

- (i) **Vlasništvo banaka** (postotak depozita u privatnim bankama korišten za rejting intervale)
  - Anginer, D., A. Can Bertay, R. Cull, A. Demirgüç-Kunt, and D. S. Mare (2019), Bank Regulation and Supervision Ten Years after the Global Financial Crisis, Policy Research

## B. Regulatory trade barriers

- (i) **Non-tariff trade barriers** (when importing foreign goods on domestic market)
  - World Economic Forum, Global Competitiveness Report
- (ii) **Compliance costs of importing and exporting** (time and procedures needed for importing containers)
  - World Bank, Doing Business

## C. Black-market exchange rate (percentage difference between the official and unofficial exchange rates of a particular currency)

- MRI Bankers' Guide to Foreign Currency

## D. Controls of the movement of capital and people

- (i) **Financial openness** (cross-border restrictions on financial transactions)
  - Menzie Chinn and Hiro Ito (2006), What Matters for Financial Development? Capital Controls, Institutions, and Interactions, Journal of Development Economics 81; Menzi Chinn and Hiro Ito (2008), A New Measure of Financial Openness, Journal of Comparative Policy Analysis 10
- (ii) **Capital controls** (13 sorts of controls)
  - International Monetary Fund, Annual Report on Exchange Arrangements and Exchange Restrictions.
- (iii) **Freedom of foreigners to visit** (percentage of countries for whose citizens, tourists and business people a country applies for a visa)
  - Robert Lawson and Jayme Lemke (2012), Travel Visas, Public Choice

## 5. Regulation

### A. Credit market regulations

- (i) **Ownership of banks** (percentage of deposits in private banks used for rating intervals)
  - Anginer, D., A. Can Bertay, R. Cull, A. Demirgüç-Kunt, and D. S. Mare (2019), Bank Regulation and Supervision Ten Years after

Working Paper, World Bank, forthcoming; World Bank, Bank Regulation and Supervision Survey; James R. Barth, Gerard Caprio, and Ross Levine (2006), Rethinking Bank Regulation: Till Angels Govern, Cambridge University Press

- (ii) **Kreditiranje privatnog sektora** (udio kreditiranja javnog sektora u odnosu na kredite privatnom sektoru)
  - World Bank, World Development Indicators; World Economic Forum, Global Competitiveness Report; International Monetary Fund, International Financial Statistics
- (iii) **Kontrole kamatnih stopa i negativne realne kamatne stope** (definiranje visine kamata kroz tržišni mehanizam i kroz stabilnu monetarnu politiku)
  - World Bank, World Development Indicators; International Monetary Fund, International Financial Statistics; CIA, The World Factbook

#### B. Regulacije tržišta rada

- (i) **Reguliranje zapošljavanja i minimalne plaće** (mogućnost sklapanja ugovora na određeno za trajne zadatke, trajanje ugovora na određeno, udio minimalne plaće osobe zaposlene prvi put u prosječnoj dodanoj vrijednosti po radniku)
  - World Bank, Doing Business
- (ii) **Lakoća zapošljavanja i otpuštanja radnika**
  - World Economic Forum, Global Competitiveness Report
- (iii) **Centraliziranost kolektivnog pregovaranja** (mjera u kojoj se plaće radnika definiraju kolektivnim ugovorima u odnosu na pojedinačne ugovore)
  - World Economic Forum, Global Competitiveness Report
- (iv) **Reguliranje radnog vremena** (ograničenja na rad tijekom noći i blagdana, broj radnih dana tjedno i prekovremeni rad, trajanje prosječnog plaćenog godišnjeg odmora)
  - World Bank, Doing Business

the Global Financial Crisis, Policy Research Working Paper, World Bank, forthcoming; World Bank, Bank Regulation and Supervision Survey; James R. Barth, Gerard Caprio, and Ross Levine (2006), Rethinking Bank Regulation: Till Angels Govern, Cambridge University Press

- (ii) **Private sector credit** (share of public sector lending in relation to private sector lending)
  - World Bank, World Development Indicators; World Economic Forum, Global Competitiveness Report; International Monetary Fund, International Financial Statistics
- (iii) **Interest rate controls /negative real interest rates** (defining the level of interest rates through the market mechanism and through a stable monetary policy)
  - World Bank, World Development Indicators; International Monetary Fund, International Financial Statistics; CIA, The World Factbook

#### B. Labor market regulations

- (i) **Hiring regulations and minimum wage** (possibility of defining a fixed-term contract for permanent tasks, duration of a fixed-term contract, share of the minimum wage of a person employed for the first time in the average value added per worker)
  - World Bank, Doing Business
- (ii) **Hiring and firing regulations**
  - World Economic Forum, Global Competitiveness Report
- (iii) **Centralized collective bargaining** (extent to which workers' wages are defined by collective agreements in relation to individual contracts)
  - World Economic Forum, Global Competitiveness Report
- (iv) **Hours regulation** (restrictions on night and holiday work, number of working days per week and overtime work, duration of average paid annual leave)
  - World Bank, Doing Business

- (v) **Obvezni troškovi otpuštanja radnika**  
 (obveza prethodnog obavješćivanja o otkazu i isplate otpremnine te kazne kod otkazivanja ugovora)  
 - World Bank, Doing Business

- (vi) **Obvezni vojni rok**  
 (postojanje i trajanje obveznog vojnog roka)  
 - International Institute for Strategic Studies, The Military Balance; War Resisters International, World Survey of Conscription and Conscientious Objection to Military Service; dodatni internetski izvori, ako je potrebno

### C. Regulacije poslovanja

- (i) **Administrativni zahtjevi** (ispunjavanje uvjeta za dobivanje dozvola i obavljanje poslovanja te obvezna izvješćivanja)  
 - World Economic Forum, Global Competitiveness Report

- (ii) **Birokratski troškovi**  
 (“Regulatory Burden Risk Rating“)  
 - IHS Markit

- (iii) **Pokretanje poslovanja**  
 (broj dana i administrativnih troškova za osnivanje društva s ograničenom odgovornošću, uključujući obveze uplate temeljnog kapitala i ostale procedure)  
 - World Bank, Doing Business

- (iv) **Nepriistranost javne uprave**  
 - V-Dem Institute, Varieties of Democracy

- (v) **Ograničenja dozvola** (broj dana i troškovi dobivanja dozvole za izgradnju skladišta)  
 - World Bank, Doing Business

- (vi) **Troškovi plaćanja poreza** (broj dana koji je godišnje nužan za pripremu i ispunjavanje obrazaca kojima se vrši plaćanje poreza na dobit, dohodak, doprinosa i PDV-a)  
 - World Bank, Doing Business

- (v) **Mandated cost of workers dismissal**  
 (the obligation to give prior notice of termination and payment of severance pay and the penalty for termination of the contract)  
 - World Bank, Doing Business

- (vi) **Conscription** (existence and duration of compulsory military service)  
 - International Institute for Strategic Studies, The Military Balance; War Resisters International, World Survey of Conscription and Conscientious Objection to Military Service; additional internet resources, if needed

### C. Business regulations

- (i) **Administrative requirements** (fulfilling the conditions for obtaining permits and conducting business and mandatory reporting obligations)  
 - World Economic Forum, Global Competitiveness Report

- (ii) **Bureaucracy costs**  
 (“Regulatory Burden Risk Rating“)  
 - IHS Markit

- (iii) **Starting business**  
 (number of days and administrative costs for the establishment of a limited liability company, including share capital payment obligations and other procedures)  
 - World Bank, Doing Business

- (iv) **Impartial public administration**  
 - V-Dem Institute, Varieties of Democracy

- (v) **Licensing restrictions** (number of days and costs of obtaining a permit to build a warehouse)  
 - World Bank, Doing Business

- (vi) **Cost of tax appliance** (number of days necessary per year for the preparation and completion of forms for the payment of income tax, income, contributions and VAT)  
 - World Bank, Doing Business



## POZICIJA HRVATSKE NA LJESTVICI EKONOMSKE SLOBODE

Hrvatski *think tank* Centar za javne politike i ekonomske analize (CEA) partner je Fraser Institutu i redovito analizira navedena izvješća<sup>3</sup>. Prema izvješću od 10. rujna 2020. godine, Economic Freedom of the World: 2020 Annual Report Hrvatska je bila na 61. mjestu u svijetu u blago poboljšanim rezultatom od 74%.

Kada se gleda rezultat Hrvatske po glavnim područjima, najveći su strukturni izazovi fiskalna politika i pravosuđe. S druge strane, Hrvatska stoji relativno visoko odnosno iznad svojeg prosjeka stoji u područjima monetarne, trgovinske i regulatorne politike (Tablica 1).

Top 10 zemalja su Hong Kong, Singapur, Novi Zeland, Švicarska, Australija, Sjedinjene Američke Države, Mauricijus, Gruzija, Kanada i Irska. Među top 25 su još primjerice Danska, Litva, Ujedinjeno Kraljevstvo, Estonija, Latvija, Njemačka, Rumunjska, Nizozemska i Češka, dok top 45 zatvaraju Slovačka i Norveška. S druge strane, zadnjih 10 pozicija pokrivaju Venezuela, Sudan, Libija, Angola, Iran, Alžir, Republika

## CROATIAN POSITION ON THE ECONOMIC FREEDOM RANKING

Croatian think tank Centre for Policy and Economic Analysis (CEA) is a partner to the Fraser Institute and regularly analyses mentioned reports<sup>3</sup>. According to report from 10 September 2020 Economic Freedom of the World: 2020 Annual Report Croatia was on the 61<sup>st</sup> place in the world with slightly increased score of 74%.

When looking at the result of Croatia according to main areas, the largest structural challenges are fiscal policy and judiciary. On the other hand, Croatia stands relatively high or above its average in the areas of monetary, trade and regulatory policies (Table 1).

Top 10 countries are Hong Kong, Singapore, New Zealand, Switzerland, Australia, United States, Mauritius, Georgia, Canada and Ireland. Among Top 25 are for example Denmark, Lithuania, United Kingdom, Estonia, Latvia, Germany, Romania, Netherlands and Czech Republic, while Slovakia and Norway close the Top 45. On the other hand, the last 10 positions are covered by Venezuela, Sudan, Libya, Angola, Iran, Algeria,

**TABLICA 1. EKONOMSKE SLOBODE HRVATSKE PO GLAVNIM PODRUČJIMA I JAVNIM POLITIKAMA**  
**TABLE 1. ECONOMIC FREEDOM OF CROATIA ACCORDING TO MAIN AREAS AND PUBLIC POLICIES**

GLAVNA PODRUČJA MAIN AREAS	JAVNE POLITIKE PUBLIC POLICIES	RAZINA (%) LEVEL (%)
Opseg države / Size of Government	Fiskalna politika / Fiscal policy	58
Pravni sustav i vlasnička prava / Legal System and Property Rights	Pravosudna politika / Judicial policy	60
Regulacija / Regulation	Regulatorna politika / Regulatory policy	75
Sloboda međunarodne trgovine / Freedom to Trade Internationally	Trgovinska politika / Trade policy	82
Stabilan novac / Sound Money	Monetarna politika / Monetary policy	94
Ukupno / Total	Prosjek javnih politika / Policy average	74

Izvor: Fraser Institute (2020.) / Source: Fraser Institute (2020)

Kongo, Zimbabve, Demokratska Republika Kongo i Srednjoafrička Republika.

U odnosu na EU27 države, Hrvatska je na 24. mjestu. Time se nalazi ispred Slovenije, Poljske i Grčke, gotovo na istoj razini kao Mađarska i Francuska, a blizu Italije. S druge strane, Hrvatska se i dalje nalazi znatno dalje od Češke i baltičkih zemalja (Grafikon 1).

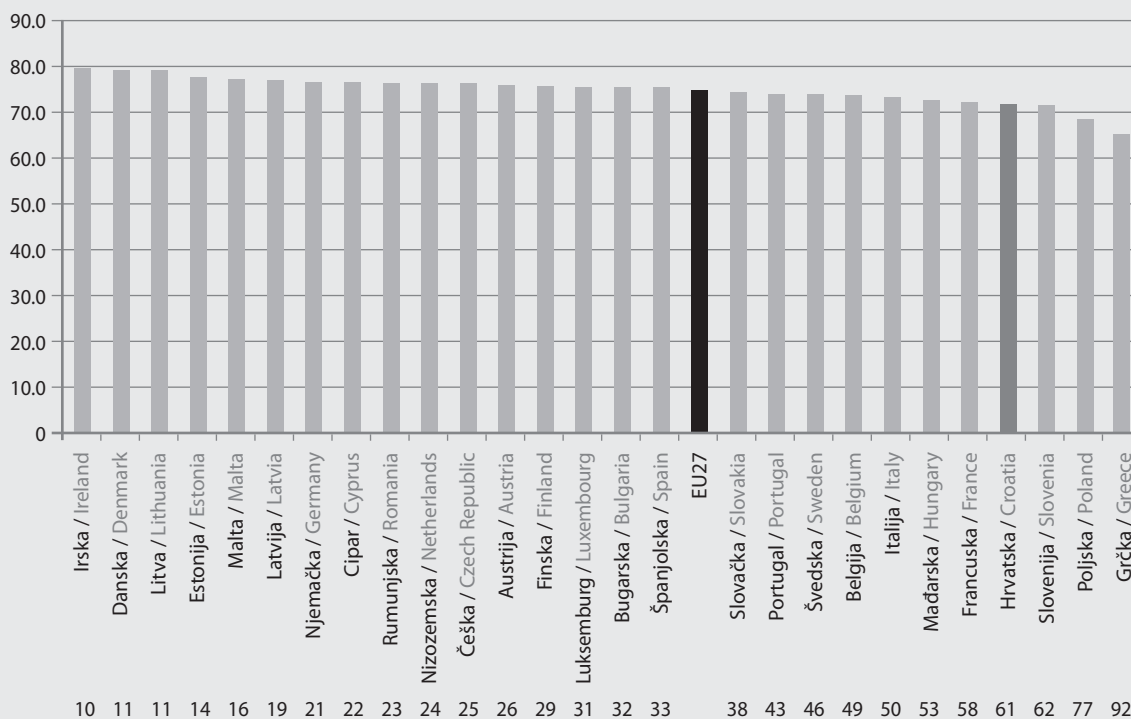
Temeljem umjerenijih pomaka, Hrvatska je u posljednjih dvadesetak godina povećala ekonomsku slobodu sa 62 na 74%, a u posljednjih desetak godina poboljšala je *ranking* sa 83. na 61. mjesto.

Republic of Congo, Zimbabwe, Democratic Republic of Congo and Central African Republic.

In relation to EU27 states, Croatia is on the 24<sup>th</sup> place. This puts Croatia ahead of Slovenia, Poland and Greece, at almost the same level as Hungary and France, and close to Italy. On the other hand, Croatia is significantly far beyond the Czech Republic and the Baltic states (Graph 1).

Based on moderate improvements, Croatia has in the previous twenty years increased the economic freedom from 62% to 74%, while it has improved its ranking in the previous ten years from 83<sup>rd</sup> to 61<sup>st</sup> place.

**GRAFIKON 1. EKONOMSKE SLOBODE U EU27, RAZINA I RANKING U SVIJETU**  
**GRAPH 1. ECONOMIC FREEDOM IN EU27, LEVEL AND RANKING IN THE WORLD**



Izvor: Fraser Institute (2020.), autorov izračun / Source: Fraser Institute (2020), author's calculation

Kada se uspoređuju efektivni podaci za 2010. i 2018. godinu, mogu se vidjeti sljedeća poboljšanja Hrvatske.

Zbog niske inflacije Hrvatska nastavlja dokazivati stabilnu monetarnu politiku.

U području fiskalne politike Hrvatska je blago poboljšala rezultat transfera i subvencija, što može biti posljedica pravila EU o državnim potporama. Blago je poboljšana rezultat u području državne imovine, zbog manjih smanjenja opsega državnih poduzeća. Nije bilo značajnijih promjena glede udjela javne potrošnje u BDP-u. S obzirom na dvogodišnji odmak podataka u izvješću, naknadno će biti zabilježeno smanjenje stope poreza na dohodak na 30%, što je okvirno na razini Latvije<sup>4</sup>. U vidu dodatnih rasterećenja, metodologija u praksi “nagrađuje” jedinstvenu stopu poreza na dohodak (tzv. *flat tax*), kakvu imaju primjerice Češka, Estonija, Mađarska i Rumunjska<sup>5</sup>. Metodologija ne uzima u obzir ostala porezna rasterećenja dohotka, s obzirom na to da gleda samo najvišu graničnu poreznu stopu, a ne i efektivne stope (uslijed neoporezivog dohotka). Isto je tako i kod poreza na dobit, gdje se gleda samo graničnu stopa od 18%, premda je stopa od 10% primjenjiva na 93% poduzetnika. Također, valja primijetiti kako metodologija ne gleda na PDV već samo na porezno opterećenje prihoda i rada, gdje su doprinosi bitna kategorija.

U području trgovinske politike došlo je do smanjenja regulatornih prepreka trgovini (povećanje sa 66% na 84%), uslijed smanjenja nekarinskih prepreka (povećanje s 56% na 67%) i sniženja troškova usklađivanja (povećanje sa 75% na 100%).

Vezano uz regulatornu politiku, poboljšani su propisi o kreditnom tržištu (povećanje s 90% na 93%), posebice u pogledu kredita privatnom sektoru (povećanje sa 79% na 100%) i tržišnog određivanja kamata (s 90% na 100%). To pokazuje tržišnu orijentaciju hrvatskog bankarskog sektora, kao i kontinuitet stabilne monetarne politike. Također, omogućena je sloboda posjedovanja bankovnih računa u zemlji i inozemstvu (100%).

When comparing effective data from 2010 and 2018, the following Croatia’s improvement can be seen.

Due to low inflation, Croatia continues to prove its stable monetary policy.

In the area of fiscal policy, Croatia has slightly improved its result concerning transfers and subsidies, which might be a consequence of the EU state aid rules. The result of state assets has been improved due to decreased scope of state owned enterprises. There have not been significant changes concerning the share of government expenditure in GDP. Due to the two-year data lag in the report, personal income tax cut to 30% will be reported subsequently, which is roughly at the level of Latvia<sup>4</sup>. Concerning additional reliefs, the methodology favors the single income tax rate (flat tax), such as the one in the Czech Republic, Estonia, Hungary and Romania<sup>5</sup>. The methodology does not take into account other tax cuts since it reports on marginal tax rates only, and not on effective rates (due to nontaxable income). The same is true concerning the corporate income tax where the report considers only the 18% marginal rate, although a rate of 10% is applicable to 93% of companies. Moreover, it is important to note that the methodology does not consider the VAT, but only the tax burden on income and labor, where social security contributions represent a large category.

In the area of trade policy regulatory barriers have been decreased (increase from 66% to 84%), due to decreased non-tariff barriers (increase from 56% to 67%) and decreased compliance costs (increased from 75 to 100%).

Concerning the regulatory policy, regulatory framework for credit market has been improved (increase from 90% to 93%), especially with regards to private sector credits (increase from 79% na 100%) and i market determination of interest rates (increase from 90% na 100%). This shows market orientation of Croatian banking sector, as well as the continuity of the stable monetary policy. Moreover, freedom to own foreign currency bank account in a land and abroad has been enabled

U pogledu regulacije poslovanja, umjereno je snižen rizik regulatornog opterećenja (gdje se Hrvatska bitno ne razlikuje od većine usporedivih EU država, osim od primjerice Estonije i Litve). Nadalje, smanjena su ograničenja kod (građevinskih) dozvola (povećanje skora s 47 na 85%, što je okvirno razina Češke, Poljske, Mađarske, Latvije i Rumunjske, ali ne i Estonije) i ograničenja prodaje nekretnina (povećanje sa 64 na 84%). Vezano uz pokretanje poslovanja, rezultat od 93% (kao primjerice u Češkoj i Slovačkoj) još nije zabilježio novi integrirani sustav elektroničkog pokretanja poslovanja<sup>6</sup>. U navedenim područjima, vezanima uz poslovne regulacije, metodologija ekonomske slobode referira se na Doing Business metodologiju Svjetske banke<sup>7</sup> (prema kojoj je Hrvatska 51. u svijetu (103. prije desetak godina) i 19. među EU-27 (ispred Mađarske, Cipra, Rumunjske, Italije, Bugarske, Luksemburga, Grčke i Malte). Sukladno navedenoj metodologiji, koja preciznije mjeri ekonomsku slobodu poslovanja, Hrvatska je pojednostavila proceduru priključenja na električnu energiju, olakšala proceduru i snizila trošak pokretanja poslovanja i registracije vlasništva, snizila trošak građevinske dozvole i poboljšala zaštitu manjinskih dioničara. S druge strane, glavne prepreke ostaju dugotrajni i skupi stečajni postupak (na trgovačkom sudu u Zagrebu), građevinska dozvola (administrativna procedura u Gradu Zagrebu) i parafiskalna davanja Hrvatskoj gospodarskoj komori i Hrvatskoj turističkoj zajednici (koja se računaju kao porezna plaćanja).

Hrvatska je u prednosti što nema obvezni vojni rok, crno tržište valuta, troškove međunarodne trgovine, državnu kontrolu bankarskih kamata ili ograničenja posjedovanja bankovnih računa u inozemstvu.

S druge strane, područja u kojima Hrvatska ima nižu razinu ekonomske slobode vezana su uz visoku javnu potrošnju, opseg državne imovine, porezno opterećenje rada, regulaciju tržišta rada te pravosuđe.

(100%). Concerning the business regulations, regulatory burden risk has been moderately decreased (where Croatia is not significantly different position in relation to many comparable EU Member States, except Estonia i Lithuania). Furthermore, (construction) licensing restrictions have been decreased (score increased from 47% to 85%, which is roughly at the same level with Czech Republic, Poland, Hungary, Latvia and Romania, but not Estonia) and restrictions on real property sale (increase from 64% to 84%). With regards to starting business, the 93% result (as for example in the Czech Republic and the Slovakia), has not yet reported the new online one-stop-shop system<sup>6</sup>. In these areas, related to business regulations, the methodology refers to the World Bank's Doing Business methodology<sup>7</sup> (according to which Croatia is 51<sup>st</sup> in the world (103<sup>rd</sup> ten years ago) and 19<sup>th</sup> among the EU27 (ahead of Hungary, Cyprus, Romania, Italy, Bulgaria, Luxembourg, Greece and Malta). In line with the this methodology, which measures the economic freedom of doing business more precisely, Croatia has simplified the procedure for getting electricity, simplified and decreased the cost of starting business and registering property, decreased the cost of construction permit and improved minority shareholders' protection. On the other hand, key barriers remain the time consuming and expensive bankruptcy procedure (at the Commercial court in the City of Zagreb), construction permit (administrative procedure in the City of Zagreb) and parafiscal charges to Croatian Chamber of Economy and Croatian National Tourist Board (calculated as tax payments).

Croatia is in an advantage since it does not have a mandatory military conscription, black-market exchange, costs of international trade, state control of banking interest rates or restrictions on owning a foreign currency bank account.

On the other hand, areas where Croatia has lower level of economic freedom are related to high public expenditures, scope of state assets, tax wedge, labor market regulation and judiciary.

## JAVNE POLITIKE RELEVANTNE ZA POVEĆANJE EKONOMSKE SLOBODE HRVATSKE

Kada se precizno analizira metodološki okvir, može se definirati i set od 10 odgovarajućih javnih politika za povećanje ekonomske slobode u Hrvatskoj. Na taj način bi se utjecalo na strukturne prilagodbe relevantnih pokazatelja koje metodologija uzima u obzir.

1. Udio javne potrošnje u BDP-u prema podacima Eurostata (2019.) niži je u usporedivim zemljama (Slovenija i Poljska 42%, Slovačka 41%, Estonija 40%, Latvija 39%, Rumunjska 35%, Litva 34%), u odnosu na hrvatskih 47%.
2. Udio subvencija u BDP-u treba se usporediti s gore navedenim zemljama, a pogotovo u pogledu državnih poduzeća i poljoprivrede.
3. Premda svaka država ima poduzeća u kojima ima većinske ili manjinske udjele, postoji pitanje ukupnog broja državnih poduzeća.
4. Udio javnih investicija u odnosu na ukupne investicije (u odnosu na investicije privatnog sektora).
5. Metodologija “nagrađuje” *flat tax* sustave s nižom jedinstvenom stopom poreza na dohodak kao dobit.
6. Unatoč određenim prilagodbama Zakona o radu (2014.), postoji pitanje opravdane razine reguliranosti tržišta rada, a metodologija “nagrađuje” veću razinu fleksibilnosti (kao i model fleksigurnosti).
7. Unatoč prilagodbama i proceduralnim pojednostavljenjima Zakona o gradnji (2019.)<sup>8</sup>, metodologija se oslanja na Doing Business izvješće Svjetske banke, koje gleda proceduru dobivanja građevinske dozvole u glavnom gradu (Grad Zagreb).
8. Metodologija “nagrađuje” stabilnu monetarnu politiku s niskom inflacijom, što govori o važnosti kontinuiteta neovisnosti Hrvatske narodne banke (HNB).
9. S obzirom na to da metodologija ne uključuje egzaktno podatke o funkcioniranju i (ne)ovisnosti pravosuđa, važan je faktor povjerenja poslovnih

## PUBLIC POLICIES RELEVANT FOR INCREASING CROATIA'S ECONOMIC FREEDOM

When the methodological framework is precisely analyzed, a set of 10 appropriate public policies for increasing economic freedom in Croatia can be defined. In this way, the structural adjustments of the relevant indicators that the methodology takes into account would be affected.

1. Share of public expenditures in GDP according to Eurostat (2019) data is lower in comparable countries (Slovenia and Poland 42%, Slovakia 41%, Estonia 40%, Latvia 39%, Romania 35%, Lithuania 34%) compared to Croatian 47%.
2. Share of subsidies in GDP should be compared with the above countries, especially with regard to state owned enterprises and agriculture.
3. Although each state has companies in which it has a majority or minority shares, there is a question of the total number of state-owned enterprises.
4. Share of public investments in total investments (in relation to private sector investments).
5. The methodology “rewards” flat tax systems with a lower single income tax rate on personal and corporate income.
6. Despite certain adjustments to the Labor Law (2014), there is a question of a justified level of labor market regulation, and the methodology “rewards” a higher level of flexibility (as well as the flexicurity model).
7. Despite the adjustments or procedural simplifications of the Construction Act (2019)<sup>8</sup>, the methodology relies on the World Bank’s Doing Business report, which looks at the procedure for obtaining a building permit in the capital (City of Zagreb).
8. The methodology “rewards” a stable monetary policy with low inflation, which speaks of the importance of the continuity of independence of the Croatian National Bank (CNB).
9. Since the methodology does not include exact data on the functioning and (in)dependence of the judiciary, an important factor is the trust of

subjekata u pravni sustav i zaštitu vlasničkih prava, što ovisi i o konkretnim situacijama.

10. Važna je uloga policije u zaštiti imovine od kriminala i terorizma, što zahtijeva i stabilnost proračunskih sredstava za provedbu zakona i reda.

## GEOPOLITIKA EKONOMSKE SLOBODE

Visoka je korelacija između političke i ekonomske slobode. Drugim riječima, ekonomske slobode ovise o političko-institucionalnim i geopolitičkim odnosima. Pritom se može se uzeti u obzir nekoliko činjenica.

1. Na Bliskom Istoku postoji mnogo autoritarnih političkih sustava, što izravno utječe na vrlo niske razine ekonomske slobode (Iran 158., Sirija 151., Jemen 149., Irak 146. i Saudijska Arabija 115.). S druge strane, države s relativno višim političkim slobodama u toj regiji imaju i relativno više razine ekonomske slobode (Izrael 39., Bahrein 70., Ujedinjeni Arapski Emirati 74. i Kuvajt 101.).
2. Politički zatvorene zemlje koje prakticiraju snažne socijalističke i autoritarne politike su među deset posljednjih po najnižim razinama ekonomske slobode (npr. Venezuela 162., Libija 160. i Zimbabve 155.).
3. Kapitalistička Južna Koreja je 36. u svijetu jer je bila pod vodstvom SAD-a vojno oslobođena od komunizma (koji je ostao u Sjevernoj Koreji).
4. Hong Kong je 1. svijetu (i mjeri u izvješću) jer uživa određenu razinu političke autonomije u odnosu na 124. Kinu (koja je i dalje službeno komunistička država).
5. Tajvan je 16. u svijetu (i mjeri u izvješću) jer uživa neovisnost od 124. Kine (premda to Kina ne priznaje, dok SAD podupire).
6. Dio bivših sovjetskih republika brzo se nakon pada komunizma odvojio od zone ruskog utjecaja. Zato je Gruzija 8., Litva 11., Estonija 14., a Latvija 19. S druge strane, Rusija je 89., a Bjelorusija 114. (posljednja europska diktatura i usko povezana s Rusijom).

businesses in the legal system and the protection of property rights, which also depends on specific situations.

10. The role of the police in protecting property from crime and terrorism is important, which also requires the stability of the budget for law and order.

## GEOPOLITICS OF ECONOMIC FREEDOM

There is a high correlation between political and economic freedom. In other words, economic freedom depend on political-institutional and geopolitical relations. Several facts can be taken into account.

1. There are many authoritarian political systems in the Middle East, which directly affect very low levels of economic freedom (Iran 158, Syria 151, Yemen 149, Iraq 146, and Saudi Arabia 115). On the other hand, countries with relatively higher political freedoms in this region also have relatively higher levels of economic freedom (Israel 39<sup>th</sup>, Bahrain 70<sup>th</sup>, United Arab Emirates 74<sup>th</sup>, and Kuwait 101<sup>st</sup>).
2. Politically closed countries that practice strong socialist and authoritarian policies are among the last ten in terms of the lowest levels of economic freedom (e.g. Venezuela 162, Libya 160, and Zimbabwe 155).
3. Capitalist South Korea is 36<sup>th</sup> in the world because it was militarily liberated from communism (which remained in North Korea) under US leadership.
4. Hong Kong is 1<sup>st</sup> in the world (and measured in the report) because it enjoys a certain level of political autonomy compared to 124<sup>th</sup> China (which is still officially a communist state).
5. Taiwan is 16<sup>th</sup> in the world (and measured in the report) because it enjoys independence from 124<sup>th</sup> China (although China does not recognize this, while the US militarily supports it).
6. Part of the former Soviet republics soon after the fall of communism separated from the zone of Russian influence. That is why Georgia is

7. Ekonomski najslobodnije države uvelike su razvijene liberalne demokracije i države s različitim političko-ekonomskim modelima (anglosaksonski, nordijski, kontinentalni). Primjerice, EU države čine 17 od top 40 zemalja s najvišom ekonomskom slobodom, odnosno u toj skupini nalazi se nešto više od 60% država članica Europske unije. Isto, tako, 18 od top 40 zemalja su članice NATO saveza, što je 60% od ukupnog broja članica tog saveza. Stoviše, u top 40 mogu se pridodati i ne-članice NATO-a koje su politički, ekonomski i prema društvenim vrijednostima usko vezane uz NATO. Te zemlje sve zajedno čine zapadni politički okvir (Švicarska, Finska, Švedska, Gruzija, Irska, Australija, Novi Zeland, Singapur, Japan, Južna Koreja, Kostarika, Jordan i Izrael). Time se dolazi do činjenice da barem 75% top 40 skupine čine države koje su geopolitički vezane uz zapadne sustave političkih, ekonomskih i društvenih vrijednosti, u odnosu na već navedene autoritarne države, koje pokazuju značajan manjak političke i ekonomske slobode.

Vezano uz odmak od zone ruskog utjecaja, razlika je vidljiva između četiri bivše sovjetske republike koje su postale neovisne i slobodne (Grafikon 2).

Hrvatska se prema Fraserovoj geografskoj karti nalazi u drugoj četvrtini zemalja po razini ekonomske slobode. Toj skupini pripadaju zemlje koje nisu u kritičnoj kategoriji (kao npr. treća kategorija, u kojoj su Bosna i Hercegovina, Bjelorusija i Rusija), ali imaju određena strukturna ograničenja u odnosu na ekonomsku slobodu (npr. Francuska, Italija, Mađarska, Slovenija i Poljska). S druge strane, u prvoj skupini su primjerice Sjeverna Amerika, Ujedinjeno Kraljevstvo, Irska, Danska, Finska, Njemačka, Nizozemska, Švicarska, Austrija, Češka, Slovačka, baltičke zemlje i Rumunjska. Drugim riječima, ekonomske slobode su najviše u anglosaksonskim zemljama i u mnogim EU državama (nordijske i kontinentalne zemlje) (Slika 1).

Ekonomske slobode u 21. stoljeću bilježe rast (Grafikon 3).

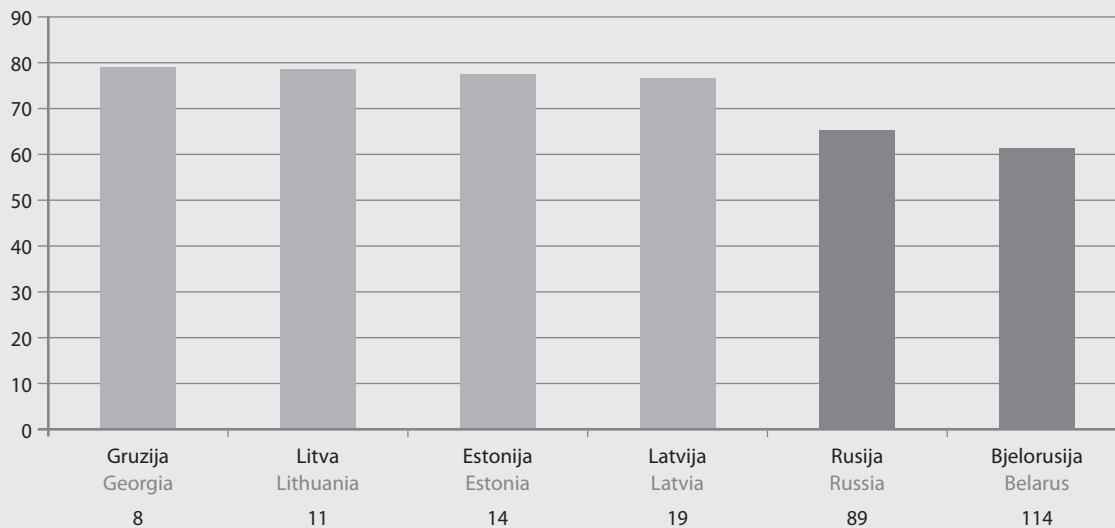
8<sup>th</sup>, Lithuania 11<sup>th</sup>, Estonia 14<sup>th</sup> and Latvia 19<sup>th</sup>. On the other hand, Russia is 89<sup>th</sup>, and Belarus is 114<sup>th</sup> (the last European dictatorship and closely associated with Russia).

7. The most economically free countries are highly developed liberal democracies and countries with different political and economic models (Anglo-Saxon, Nordic and Continental). For example, EU countries make up 17 of the top 40 countries with the highest economic freedom, i.e. slightly more than 60% of the EU Member States are in this group. In addition, 18 of the top 40 countries are NATO members, which is 60% of the total number of members of that alliance. Moreover, non-NATO members that are politically, economically and socially closely related to NATO could be added within the top 40. These are countries all together create the Western political framework (Switzerland, Finland, Sweden, Georgia, Ireland, Australia, New Zealand, Singapore, Japan, South Korea, Costa Rica, Jordan and Israel). This leads to the fact that at least 75% of the top 40 group of countries are geopolitically tied to Western systems of political, economic and social values, compared to the already mentioned authoritarian states that show a significant lack of political and economic freedom.

Regarding the immediate zone of Russian influence, the difference is visible between the four former Soviet republics that became independent and free (Graph 2).

According to Fraser's geographical map, Croatia is in the second quarter of countries in terms of the level of economic freedom. This group includes countries that are not a critical category (such as the third category, which includes Bosnia and Herzegovina, Belarus and Russia), but have certain structural restrictions on economic freedoms (as for example France, Italy, Hungary, Slovenia and Poland). On the other hand, the first group includes, for example, North America, the United Kingdom, Ireland, Denmark, Finland, Germany, the Netherlands, Switzerland, Austria, the Czech Republic, Slovakia, the Baltic States and Romania.

**GRAFIKON 2. EKONOMSKE SLOBODE GRUZIJE I BALTIČKIH ZEMALJA U ODNOSU NA RUSIJU I BJELORUSIJU**  
**GRAPH 2. ECONOMIC FREEDOM OF GEORGIA AND THE BALTIC STATES IN RELATION TO RUSSIA AND BELARUS**



Izvor: Fraser Institute (2020.), autorov izračun / Source: Fraser Institute (2020), author's calculation

**GRAFIKON 3. NAPREDAK EKONOMSKE SLOBODE U 21. STOLJEĆU**  
**GRAPH 3. ADVANCE OF ECONOMIC FREEDOM IN THE 21<sup>ST</sup> CENTURY**



Izvor: Fraser Institute (2020.) / Source: Fraser Institute (2020)

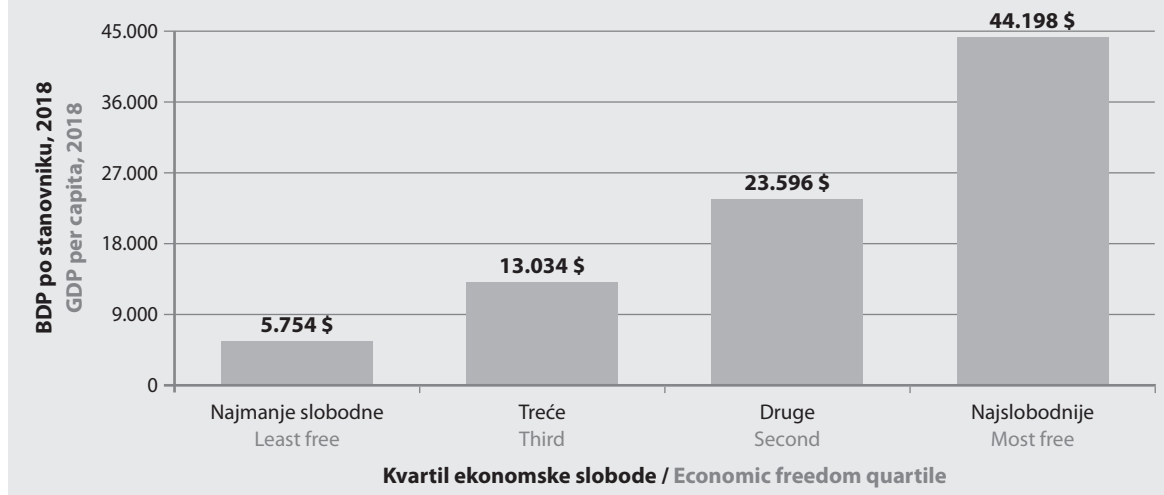


SLIKA 1. KARTA EKONOMSKE SLOBODE / SLIKA 1. ECONOMIC FREEDOM MAP



Izvor: Fraser Institute (2020.) / Source: Fraser Institute (2020)

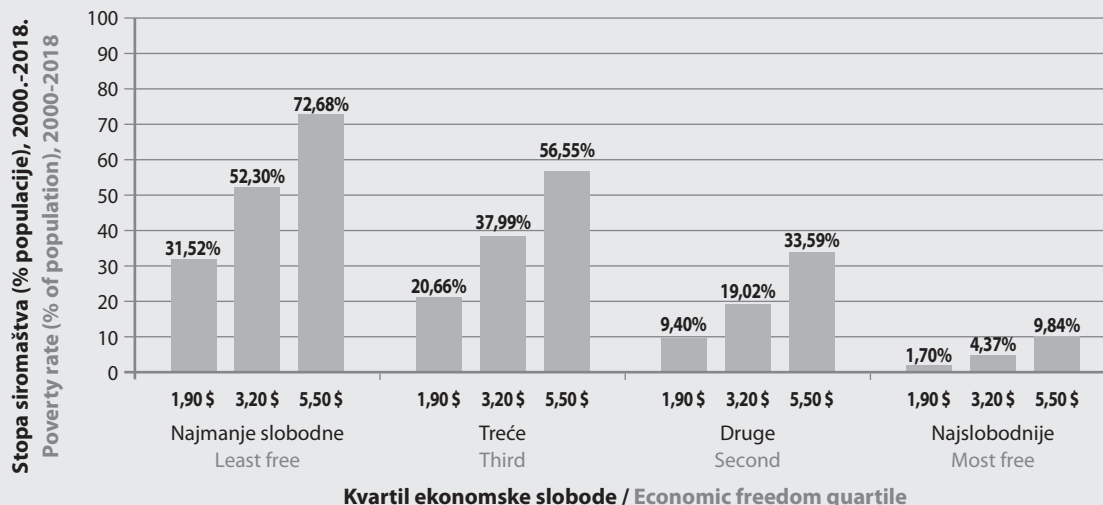
GRAFIKON 4. EKONOMSKE SLOBODE I DOHODAK PO STANOVNIKU  
GRAPH 4. ECONOMIC FREEDOM AND INCOME PER CAPITA



Izvor: Fraser Institute (2020.) / Source: Fraser Institute (2020)

**GRAFIKON 5. EKONOMSKE SLOBODE I STOPA SIROMAŠTVA**

**GRAPH 5. ECONOMIC FREEDOM AND POVERTY RATE**



Izvor: Fraser Institute (2020.) / Source: Fraser Institute (2020)

Ekonomske slobode su u pozitivnoj korelaciji s ekonomskim standardom i smanjivanjem siromaštva (Grafikoni 4 i 5).

Osim navedenih podataka, Fraser Institute u zaključku izvješća ističe kako ekonomske slobode donose mnoge materijalne koristi, a pritom slobodne institucije isto utječu na nematerijalne odnosno kulturne ishode. Stoga “u ekonomski slobodnijim zemljama sa snažnom vladavinom prava, ljudi teže biti povjerljiviji i tolerantniji”. Dakle, kada se pogleda ljestvica zemalja, mogu se vidjeti mnogobrojne korelacije između ekonomske i političke slobode, vladavine prava te vrijednosti socijalnog povjerenja i tolerancije.

In other words, economic freedoms are greatest in Anglo-Saxon countries and in many EU countries (Nordic and Continental countries) (Picture 1).

Economic freedoms in the 21<sup>st</sup> century are recording growth (Graph 3).

Economic freedoms are in a positive correlation with the economic standard and poverty reduction (Graphs 4 and 5).

In addition to the above data, in the conclusion of the report the Fraser Institute points out that economic freedom brings many material benefits, while free institutions also affect intangible and cultural outcomes. Therefore, “in economically freer countries with a strong rule of law, people tend to be more trusting and tolerant”. Thus, when looking at the scale of countries, one can see the many correlations between economic and political freedom, rule of law, and values of social trust and tolerance.

## ZAKLJUČNO

Ekonomске slobode mogu se mjeriti temeljem niza pokazatelja. Čini se kako je taj segment najrelevantniji za ekonomiste. Ipak, kada se metodologija i podaci dublje analiziraju i pretvore o konkretne informacije o institucionalnim problemima koje je potrebno rješavati donošenjem odgovarajućih odluka, onda ova tema postaje izrazito relevantna za politologe. Pogotovo kada se radi o politolozima koji su specijalizirani za javne politike, javni menadžment i geopolitiku. Uostalom, ova metodologija mjeri razinu poštivanja načela političke i individualne slobode (koju zagovara i sam Fraser Institute), što je ključno za politološku i geopolitičku analizu, kao i za međunarodne odnose. Postoji i uloga pravnih stručnjaka kod prilagodbi koje bi pridonijele boljim propisima i vladavini prava. U konačnici, potrebno je uključiti i sociologe, s obzirom na to da mentalitet i sustav vrijednosti utječu na rezultate pojedine zemlje. Zato je važan multidisciplinarni pristup ovoj temi, kako bismo mogli objektivno detektirati probleme koje institucije i kreatori javnih politika trebaju rješavati. Dakle, rezultati su jedna strana, a pozadina je druga i sadrži mnoštvo detalja.

Ekonomске slobode važna su karika u sustizanju razvijenih zemalja, što podaci jasno pokazuju. Pritom nije nužno potrebno težiti ulasku među deset najboljih, ali je važno težiti dovoljno visokoj i konkurentnoj poziciji iza koje stoje rezultati u provedbi dovoljno snažnih strukturnih reformi.

Populističke dezinformacije o pitanju ekonomskih sloboda, u smislu nepreciznih zaključaka, obično se stvaraju iz dvije ideološke krajnosti (crno-bijelo gledanje). Prva krajnost proizlazi od isključivog favoriziranja tržišta kao jedinog rješenja, što vodi prema pojednostavljenom i generalnom zaključku da je (gotovo) bilo kakva uloga države prepreka ekonomskoj slobodi. Druga krajnost proizlazi iz predrasuda prema ključnoj ulozi tržišta. Stoga se (gotovo svako) smanjivanje uloge države doživljava kao proces razgradnje države, a jačanje privatnog sektora navodno se suprotstavlja javnom interesu.

## CONCLUSIONS

Economic freedom can be measured based on many indicators. This segment seems to be mostly relevant for economists. However, when the methodology and data are more deeply analyzed and transformed into concrete information on institutional problems that need to be solved by making appropriate decisions, then this topic becomes extremely relevant for political scientists. Especially when it comes to political scientists specialized in public policy, public management and geopolitics. After all, this methodology measures the level of respect for the principles of political and individual freedom (advocated by the Fraser Institute itself), which is crucial for political science and geopolitical analysis, as well as for international relations. There is also the role of legal experts in adjustments that would contribute to better regulation and the rule of law. Ultimately, sociologists need to be involved as the mentality and the value system influence a country's performance. That is why a multidisciplinary approach to this topic is important, so that we could objectively detect the problems that institutions and policy makers need to solve. Therefore, the results are one side, and the background is the other and contains many details.

Economic freedom is an important link in catching up with developed countries, as the data clearly show. It is not necessary to strive to be among the top 10, but it is important to strive for a sufficiently high and competitive position behind the results in the implementation of sufficiently strong structural reforms.

Populist misinformation on the issue of economic freedom, in terms of imprecise conclusions, is usually created by two ideological extremes (black and white view). The first extreme derives from the exclusive favoring of the market as the only solution, which leads to the simplified and general conclusion that (almost) any role of the government is an obstacle to economic freedom. The other extreme derives from prejudice towards the key role of the market. Therefore, (almost every) reduction of the role of the

Unatoč popularnosti obaju populizama, koji se svodi na pojednostavljene dileme u odnosima države i tržišta (crno-bijelo gledanje), metodologija ukazuje na važnost mjerenja i konkretnih strukturnih prilagodbi u javnom menadžmentu, odnosno upravljanju državnim institucijama. Na taj se način mjeri razina (mogućeg) smanjenja i ograničavanja prekomjerne političke moći državnih institucija nad gospodarstvom. Istovremeno, uloga države ostaje bitna upravo u stvaraju odgovarajućeg institucionalnog okvira za slobodno tržište. U tom smislu, nema crno-bijele dileme, već je ključno redefiniranje odnosa između države i tržišta, što se može postići kroz ograničenu ulogu države.

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<sup>3</sup> Centar za javne politike i ekonomske analize (2020): Ekonomske slobode – Hrvatska ispred Slovenije i Poljske, ali daleko od Češke i Baltika. <https://www.cea-policy.hr/ekonomske-slobode-hrvatska-ispred-slovenije-i-poljske-ali-daleko-od-ceske-i-baltika/>

<sup>4</sup> Ministarstvo financija Republike Latvije (2020): Porezni sustav u Latviji. <https://www.fm.gov.lv/en/tax-system-latvia>

<sup>5</sup> S krajem 2020. godine, Litva, Latvija i Slovačka nisu imale jedinstvenu stopu poreza na dohodak, kao što je to bio slučaj u ranijim razdobljima.

<sup>6</sup> Jedinstvena kontaktna točka za usluge: Registriranje i pokretanje poslovanja. <http://psc.hr/poslovni-nastan/>

<sup>7</sup> Svjetska banka (2019): Doing Business. 2020 <https://www.doingbusiness.org/en/reports/global-reports/doing-business-2020>

<sup>8</sup> <https://mgipu.gov.hr/vijesti/poduzetnici-i-gradjani-brze-do-dozvola-za-gradnju/9090>

government is perceived as a process of disintegration of the state, and the strengthening of the private sector is allegedly opposed to the public interest.

Despite the popularity of both populisms, which boils down to simplified dilemmas in relations between government and market (black and white view), the methodology indicates the importance of measurement and concrete structural adjustments in public management and institutional governance. In this way, the level of (possible) reduction and limitation of excessive political power of government institutions over the economy is measured. At the same time, the role of government remains important in creating an appropriate institutional framework for the free market. In that sense, there is no black-and-white dilemma, but the key is to redefine the relationship between government and market, which can be achieved by limited government.

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<sup>4</sup> Ministry of Finance of the Republic of Latvia (2020): Tax system in Latvia. <https://www.fm.gov.lv/en/tax-system-latvia>

<sup>5</sup> With the end of 2020, Lithuania, Latvia and Slovakia did not have a personal income flat tax rate, as it was the case in previous periods.

<sup>6</sup> Jedinstvena kontaktna točka za usluge: Registriranje i pokretanje poslovanja. <http://psc.hr/poslovni-nastan/>

<sup>7</sup> Svjetska banka (2019): Doing Business. 2020 <https://www.doingbusiness.org/en/reports/global-reports/doing-business-2020>

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