

The Importance of Choice: Catfish Man of the Woods Theory of Development

Prepared for Poverty, Agency, and Development Conference

Social Philosophy & Policy, forthcoming

February 2023

Claudia Williamson Kramer
Probasco Distinguished Chair of Free Enterprise
Professor of Economics
University of Tennessee at Chattanooga
615 McCallie Ave
Chattanooga, TN 37401
claudia-williamson@utc.edu
724-255-8627

Abstract

The importance of economic freedom for economic development can no longer be denied. What is often denied, however, is respect for individuals' rights and personal choices. The role of individual choice is often dismissed or set aside by the development community. In this paper, I argue that inherent to economic freedom's economic success is the promotion and acceptance of individual choice. Development theory should include recognition of and respect for personal choices—a theory I call Catfish Man of the Woods theory of development.

Keywords: Development, Economic Freedom, Self-determination, Personal Choice, Autonomy, Agency

1. Introduction

Development theory should get back to its roots by incorporating ideas espoused by classical liberal thinkers. Development arguments found in Adam Smith, Mises, Hayek, Bauer, and Easterly emphasize personal liberty, including personal autonomy and choice. Throughout mainline academic works, those following in the tradition of Adam Smith, personal autonomy is a core proposition.¹ I am not arguing that conventional development theory and mainstream economists do not believe in personal liberty. My position is more nuanced in that current development policymakers do not fully carry through with its implications.

To contrast current development theory with one that puts personal choice front and center, consider Catfish Man of the Woods theory of development.² Clarence ‘Catfish’ Gray was a fifth-generation herb doctor who lived in Mason County, West Virginia selling wildflowers and herbs and offering medicinal advice. After a workplace accident, Catfish turned to herb doctoring in the 1950s. By the 1970s, his medical advice was often covered by newspapers and television shows. Customers also consulted Catfish on other topics such as diet, religion, lifestyle, and astrology.³ In addition, he was featured in the 1974 Appalshop documentary, *Catfish: Man of the Woods*. As covered in the documentary, in his daily life, Catfish would read letters from people all around the world seeking health advice, gather herbs and roots from the woods around his house, receive visitors, and relax by skinny-dipping in a nearby stream.⁴

Most individuals today would observe Catfish’s life and conclude that he lived in poverty. He lived off the land, had no running water, little or no electricity, no phone, no indoor plumbing, no central heat, no air conditioning, and no formal education. He was barely understandable and did not have all his teeth. Catfish did not have or take advantage of Western healthcare or educational systems.⁵ By many development standards Catfish was a candidate for “development.”

Most individuals would also conclude that Catfish was happy. Catfish is well remembered by friends and customers for his honesty, cheerfulness, and love of plants and people.⁶ Catfish illustrates the tension between current development thinking and a classical liberal development approach. The proposition that personal freedom and autonomy are to be valued runs throughout classical liberal theory and its policy implications, whereas personal liberty is often overlooked in favor of expediency or political concern in current development policy.

In this paper, I discuss the role of individual choice and self-determination in the development process and how economic systems organized around principles of economic freedom facilitate personal autonomy. Individual determination depends on the perception of how effort translates into success. Individual drive depends on the level of autonomy individuals believe they have over their life choices.

The purpose of this paper is twofold. First, I show self-determination is an important belief in the development process and that economic freedom leads to an individual feeling a stronger sense of control over his or her life. My conjecture is that economic freedom promotes self-determination and feelings of autonomy because personal choice is a foundational principle underpinning free societies. Thus, autonomy plays an important role in the development process, partially explaining why economically free countries outperform centrally planned ones.

Second, I argue that current development theory needs to be revised to include respect for rights of the poor, which includes personal choice and self-determination. All individuals, including ones living in poorer countries, should be allowed to decide their own life goals, including economic and material desires. Because knowledge is decentralized, as Hayek discusses in the context of the price system, individuals are in a better position to decide the best means to achieve their goals. Some might argue that individuals know what is best for themselves. The

deeper argument though, concerns whether there is something morally better about individuals making their own decisions regardless of whether anyone knows that doing so is best for them. Regardless, Hayek's contribution was an insight that individual choice guided by knowledge of prices allows for use of personal, decentralized knowledge, which is essential for development.

My conjecture accords with that of Rahman, in this volume.⁷ He contends that a person can be functionally poor if his or her agency is impeded; thus, poverty impedes the exercise of agency. Agency is a central theme in this paper as well as Rahman's. Whereas I focus on the role of economic freedom in facilitating agency and choice, Rahman emphasizes how agency is central to simultaneously understanding both poverty and the development process. Instead of viewing development as a technocratic exercise, I call for a revised theory that focuses on personal choice—the Catfish Man of the Woods theory of development.⁸

2. The Development Consequences of Economic Freedom

As of 2017, 9.3 percent of the world's population, 750 million individuals, live in extreme poverty—defined as surviving on less than \$1.90 per day (2011 purchasing power parity adjusted international dollar).⁹ This may appear as a shocking statistic, but extreme poverty is at an all-time historic low. Extreme poverty rates have trended downward since 1981 when more than 42% of the world survived on less than \$1.90 per day (2011 purchasing power parity adjusted international dollar).¹⁰

Steadily, over the last 40 years, extreme poverty rates have declined by over 78 percent. Simultaneously another trend has occurred—economic freedom has risen around the world. Economic freedom is measured by the Fraser Institute's Economic Freedom of the World index.¹¹ The economic freedom index assigns points to countries based on five equally weighted categories

related to government's size and control over the economy. The five categories are size of government, legal structure and property rights, access to sound money, international trade, and regulation of credit, business, and labor.¹²

Together these categories create a composite measure of economic organization that ranges from zero (completely unfree) to ten (completely free). It is worth noting that this index is not measuring ideal market conditions derived from theoretical constructs such as the perfectly competitive model with complete economic efficiency. Instead, economic freedom captures the ability to freely engage in economic exchange within a country and across borders without government overreach. Essentially, the economic freedom index quantifies the type of economic system within countries and over time based on hard data and observables – a task previously thought impossible to accomplish.

From 1980 to 2018, the world's economic organization has moved toward economic freedom and away from central planning, relying more on markets and less on government control over the economy. Economic freedom has grown by over 30% worldwide. This growth is remarkable in its consistency and magnitude. Moreover, according to recent academic literature, economic freedom is robustly associated with 'good' economic outcomes, such as faster growth, better living standards, superior firm performance, higher investment rates, higher productivity, more happiness, and greater levels of income per capita.¹³ This is not my biased assessment of the empirical literature. This is a conclusion drawn from Hall and Lawson (2014)¹⁴ who provide a meta summary of the economic freedom literature to date. They conclude:

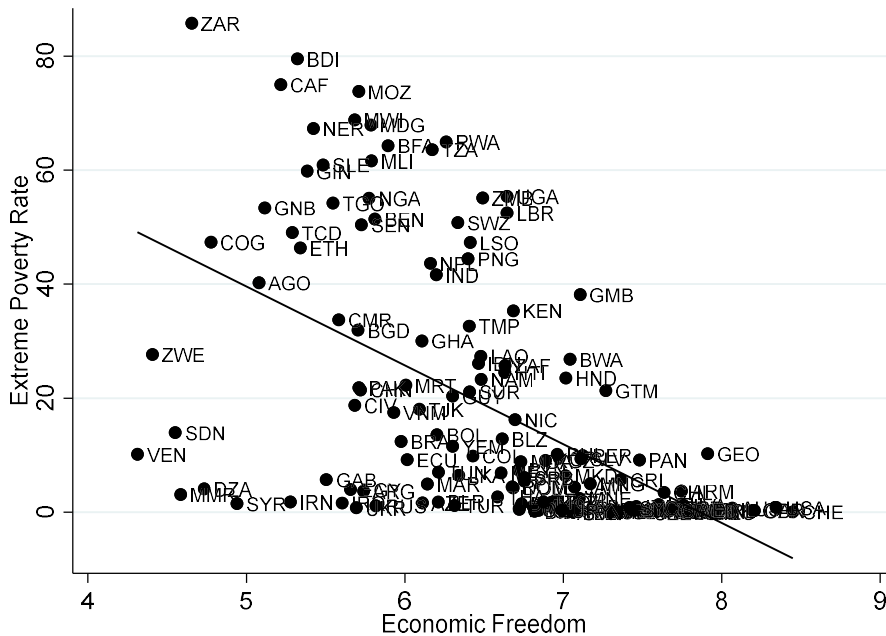
Of 402 articles citing the EFW index, 198 used the index as an independent variable in an empirical study. Over two-thirds of these studies found economic freedom to correspond to a "good" outcome such as faster growth, better living standards, more

happiness, etc...The balance of evidence is overwhelming that economic freedom corresponds with a wide variety of positive outcomes with almost no negative tradeoffs (p. 1).

This includes reductions in extreme poverty. Figure 1 examines the association between extreme poverty rates and economic freedom in the cross section (averaged from 1980-2018). As shown, more economic freedom translates to less extreme poverty. Countries that have higher levels of economic freedom also have proportionally fewer individuals living on less than \$1.90 a day. While this examination of the data is cursory and not causal, it does highlight an important correlation between economic freedom and poverty rates across countries.

Figure 1: Economic Freedom and Extreme Poverty Rates across Countries

Notes: Extreme poverty is share of population living on less than \$1.90 per day (2011 international prices). Data are collected from World Development Indicators (2020) and averaged from 1981-2017. The economic freedom index is collected from Gwartney et al. (2020). The index creates a composite measure of economic organization, ranging from zero (completely unfree) to ten (completely free). The index is comprised of five categories are: 1) Size of government, 2) Legal structure and security of property rights, 3) Access to sound money, 4) Freedom to trade internationally, 5) Credit, labor, and business regulation. Data are averaged from 1980-2018.



Overall, economic freedom is associated with not only the ‘hard’ development measures, such as income and growth, but also with ‘softer’ measures, such as human rights, life expectancy,

infant mortality, and poverty rates. This indicates that economic freedom not only helps those at the top of the income distribution, but also those least well off in society.

If one is concerned with figuring out how to lift individuals living on less than \$1.90 per day out of extreme poverty, or how to promote human rights, or decrease infant mortality, then one should also be interested in understanding the effects of economic freedom. The development consequences of organizing an economy based on the tenets of economic freedom should be taken seriously and create a call from the development community to understand if these correlations are indeed causal.

It may be tempting to dismiss the above conclusion that economic freedom strongly supports economic progress as an ideological exercise. I encourage the reader not to do so, in large part because of the sound theoretical arguments in favor of the empirical evidence. Why is economic freedom correlated with increases in income, life expectancy, and human and political rights? Does this make intuitive economic sense? It does indeed. Over 200 years ago, Adam Smith articulated that “[l]ittle else is requisite to carry a state to the highest degree of opulence from the lowest barbarism, but peace, easy taxes, and a tolerable administration of justice; all the rest being brought about by the natural course of thing.”¹⁵ Since then, many social scientists have followed in the footsteps of Smith arguing that economic freedom is *the* foundation for wealth creation.¹⁶

3. Importance of Choice, Individual Self-Determination, and Economic Freedom

3.1 Individual Self-Determination

Individuals make choices. A subset of the economics literature recognizes that individuals choose within a context.¹⁷ Highly motivated individuals require fewer rules to be persuaded to work hard to improve their welfare, however welfare is defined. But a ‘lazy’ individual may

require nudges or a different set of formal rules to be motivated. This implies that self-determination cannot be fully understood without understanding the context behind choices.¹⁸

How hard individuals choose to work depends on the return. If it is more profitable to seek opportunities in the marketplace, then individuals will do so, promoting economic advancement. Conversely, if individuals view success because of external events, random luck, or chance, they are more likely to have a passive attitude towards economic production. For example, Banfield (1958) contrasts a rural village in Southern Italy with rural communities in the U.S. He found that the Italian peasants had developed a sense of helplessness, while the rural Americans seemed individually motivated.¹⁹

The more one views economic success as being determined by one's own will, the more likely one will engage in productive, future oriented activities. These activities include working hard, investing in human capital and undertaking entrepreneurial actions. However, if individuals view the likelihood of succeeding as a product of luck or political connections, they will tend to not engage in productive economic and social activities. Instead, they may choose to channel their activities toward unproductive activities such as rent seeking. This attitude towards economic activity will surely impact economic development in a country.

This sentiment is echoed by Boettke and Coyne (2003) who argue entrepreneurship is not the cause of economic development. Instead, the type of entrepreneurship is a consequence of development.²⁰ They take historical case studies to show that development is caused by the adoption of certain institutions, which in turn channels and encourages the entrepreneurial aspect of human action in a direction that spurs economic growth. When development is absent, it is due to the absence of institutions that encourage entrepreneurship.

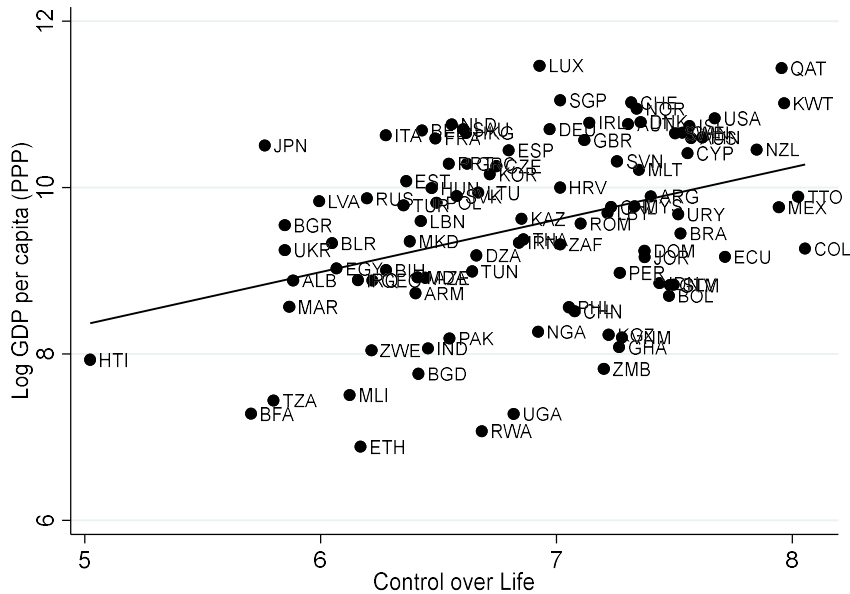
A direct application of this argument can be found in Baumol (1990).²¹ He hypothesizes that individuals channel their effort in different directions depending on the type of existing legal, economic, and political institutions. This institutional environment determines the relative payoff to investing in either market, wealth-creating activities or investing entrepreneurial energies into wealth redistribution through unproductive political and legal activities. The incentives provided by the prevailing institutions will determine how individuals engage in entrepreneurship and whether these activities will support high rates of economic growth. Baumol's theory is empirically supported by Sobel (2008).²²

To demonstrate the importance of personal choice and self-determination, Figure 2 empirically illustrates that feeling in control of one's life leads to economic prosperity. To measure feelings of control over one's life, cross-country data are collected from the Integrated Values Surveys (IVS), which is the joint time-series data from both the European Values Study (EVS) and the World Values Survey (WVS), spanning from 1981 to 2021.²³ The surveys ask respondents to use a scale from 1 (none at all) to 10 (a great deal) to indicate how much freedom of choice and control you feel you have over the way your life turns out. Data are averaged across years by country.

Figure 2 shows a positive correlation between a greater sense of control and income per capita across countries, suggesting that control over life incentivizes individuals to engage in productive economic exchange.²⁴ This basic scatterplot, while not illustrating a causal association, demonstrates correlations previously undocumented between autonomy and per capita income across countries.

Figure 2: Control over Life and Income per capita

Notes: Control over Life is measured from the question: On a scale from 1 to 10, indicate how much freedom of choice and control you feel you have over the way your life turns out. Date is collected from Integrated Values Survey and averaged from 1981-2020. Logarithm of GDP per capita (PPP adjusted, constant international \$) is collected from WDI (2020) and averaged from 1981 to 2020.



If self-determination and autonomy are important, what governs their development? Here is a hypothesis: Individual self-determination is influenced by whether individuals reap the benefits or consequences of their actions. This in large part will depend on the institutional environment in which the individual exists, specifically the level of economic freedom will influence an individual's belief that he or she controls the outcome of life.

3.2 Economic Freedom and Self-determination

According to the Fraser Institute's website, the group that published the economic freedom index, "the cornerstones of economic freedom are (1) personal choice, (2) voluntary exchange coordinated by markets, (3) freedom to enter and compete in markets, and (4) protection of persons and their property from aggression by others. Individuals have economic freedom when property they acquire without the use of force, fraud, or theft is protected from physical invasions by others and they are free to use, exchange, or give their property as long as their actions do not violate the

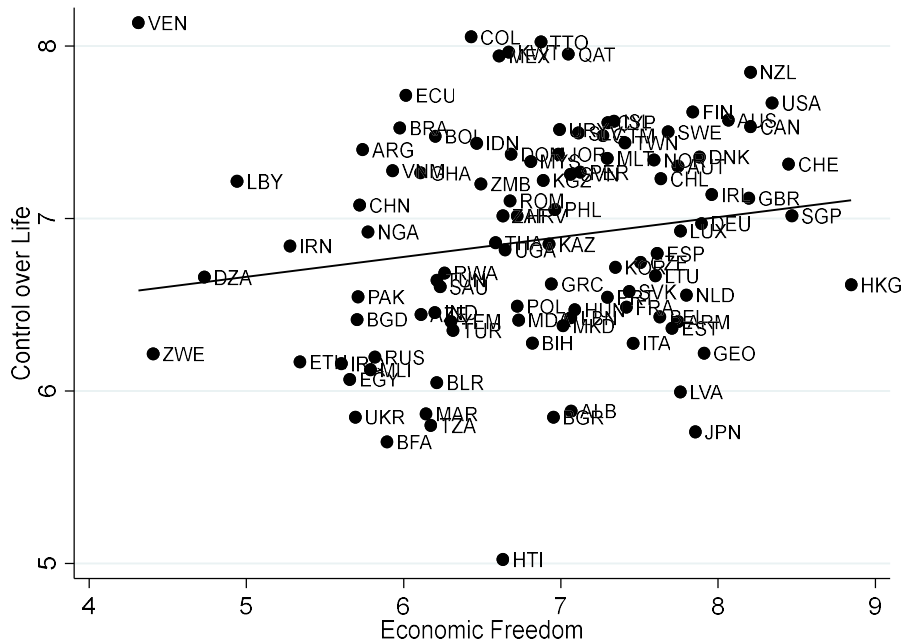
identical rights of others. Individuals are free to choose, trade, and cooperate with others, and compete as they see fit.”²⁵

In economically free countries, individuals are free to choose how they live their lives, how they use or do not use their property, participate in certain markets while refraining from participating in other markets. Economic freedom is not about unfettered markets or exploitation of the least well off in society. Economic freedom is about personal choice and self-determination. Laissez-faire translates to ‘leave alone’, promoting respect for personal decision-making and allowing others to decide how to live their lives. Thus, economically free countries promote a belief of control over one’s life, establishing a stronger sense of autonomy.

Figure 3 presents evidence, although not causal, that economic freedom is linked to a belief in control over one’s life. The results in the figure suggest that living in a country where markets are free also leads to individuals believing they have greater control over what happens in their life. Having the *option* to engage in market transactions increases a sense of empowerment and autonomy. Combined with prior evidence, these collective findings suggest that not only are there positive economic returns from economic freedom but also positive personal benefits, even if the latter are harder to define, measure, and show empirically. The positive personal benefits may indeed be understated as conventional development indicators do not fully capture personal benefits to free and open markets.

Figure 3: Economic Freedom and Control over Life

Notes: The economic freedom index is collected from Gwartney et al. (2020). The index creates a composite measure of economic organization, ranging from zero (completely unfree) to ten (completely free). The index is, again, comprised of five categories: 1) Size of government, 2) Legal structure and security of property rights, 3) Access to sound money, 4) Freedom to trade internationally, 5) Credit, labor, and business regulation. Control over Life is measured from the question: On a scale from 1 to 10, indicate how much freedom of choice and control you feel you have over the way your life turns out. Data are collected from Integrated Values Survey and averaged from 1981-2020.



Hayek argues that one of the most important components in civil society is participation in markets. Hume and Smith agreed that commercial activity contributes to social cooperation. My argument is an extension of Hume, Smith, and Hayek where one does not necessarily have to participate in a market economy to gain economic and non-economic benefits, specifically to feel as if one's destiny in life is not determined by chance, luck or government decree, but from one's own decisions and choices. An individual simply needs to live in a society where they are free to participate in markets if he or she so desires. This fosters a sense of autonomy that encourages pursuit of one's goals and desires, whatever they might be.

McCloskey (2006) contends that markets and exchange nourish and cultivate individual character, virtues, and ethics for the better. Critiques of economic freedom sometimes assume that

markets alienate us from one another and destroy the communal spirit. McCloskey argues the exact opposite. Specifically, the values created from an exchange economy not only serve as a vehicle for material progress but also as a medium for human flourishing. She explicitly argues that “participation in capitalist bourgeois virtues has civilized the world” (26). She notes that markets are frequently an “occasion for virtue, an expression of solidarity across gender, social class and ethnicity” (4). In short, markets are good for the soul.²⁶

By providing alternatives, the market increases the choice set facing individuals, giving them increased control over their lives and empowering the sense of self. Thus, trade serves as an avenue to increase self-autonomy and “locus of control”. Cowen (2002) captures the essence of this view when he notes that individuals engaged in exchange “...expect those transactions to make them better off, to enrich their cultural lives, and to increase their menu of choices” (12).²⁷

In addition to increases in material wealth, access to markets and economic exchange provides individuals with more control over their lives. This is an underappreciated benefit of economic freedom. Trade-offs abound in every economic structure, but economic freedom is the system best suited to allow individuals freedom to choose and create a sense of self-determination.

4. Catfish Man of the Woods Theory of Development

Development theory needs to be revised to include recognition of and respect for personal choice—a revised development theory I call Catfish Man of the Woods theory of development. To promote personal choice, this revised theory calls for liberalizing markets. Inherent to economic freedom’s economic success is the promotion and acceptance of individual choice. Greater economic freedom leads to individuals feeling a stronger sense of control over his or her life because personal choice is a foundational principle underpinning free societies. An individual can

choose to engage with markets or not. It is the presence of markets, however, that allows for a myriad of options and the *potential* to engage in a variety of activities. Economic freedom not only promotes productive economic exchange, but it also enhances a greater sense of self and empowers individuals to believe they can achieve their goals, whatever those goals might be. By increasing an individual's belief that he or she controls the outcome of their life, economic progress will rise but so will overall life satisfaction.

The difference between Catfish and most of the millions living in extreme poverty today is that he had the option to choose that life. For others, that decision is made for them. A major benefit of free markets is that it promotes autonomy to choose the life you want to live. This important personal benefit does not show up in traditional development statistics, including several that I've used in my analysis. Just like Catfish would be viewed as living in poverty, in abstraction from the fact that he could and did choose the lifestyle that made him happy, many individuals may be classified as poor by the development community that does not treat autonomy and choice as part of human development. The benefits of markets therefore tend to be *understated* and social progress is overlooked when the ability to choose is absent from development analysis.

Development policy suffers from what William Easterly defines as a technical illusion. As explained by Easterly (2006, 2014), the conventional approach to development is based on a technical illusion, the belief that poverty is merely a social engineering problem that can be solved by applying technical expert solutions. Technical solutions, while technically 'correct,' lack required local knowledge to make scientific solutions effective in practice.²⁸ Easterly believes that when individuals have economic and political freedoms, they discover their own solutions. Thus, poverty is not a technical problem. Poverty is a (lack of) freedom problem. Why not take seriously

the research demonstrating the full range of development benefits when countries become more economically free?

The development community should not act like social engineers where individuals living in poor countries can be nudged to develop in pre-approved ways. Instead, development researchers, practitioners, and policymakers should remember life is more than pre-determined development benchmarks. These benchmarks may be useful as an initial starting point to design development policy. However, all individuals working to understand and promote development need to remember that, just like Catfish, people have a multitude of desires, preferences, and goals that may or may not align perfectly with what outsiders in the Western world consider development. Central planners do not know best. If we allow individuals the right to decide what they want in life and how best to achieve it, economic prosperity will follow. Lives must be lived by each individual, not by planners or policymakers. If we truly care about those individuals living in poverty, then we must find ways to give them more choice and autonomy over their lives.

¹ Boettke, Peter J. "Living economics." *Oakland, CA: Independent Institute*, 2012.

² Catfish Man of the Woods theory of development is first discussed in Williamson, Claudia R. "Are We Austrian Economists?." *The Review of Austrian Economics* 33, no. 4 (2020): 407-413. The current paper expands upon the initial premise of this newly developed theoretical argument.

³ <https://www.wvpublic.org/radio/2020-03-13/march-13-2002-herbalist-clarence-catfish-gray-dies>

⁴ <https://appalshop.org/shop/catfish-man-of-the-woods>

⁵ Interestingly, Catfish's discoveries and techniques are used extensively in colleges of medicine and nursing and among health care providers to explore alternative methods of healing and cultural assumptions about medicine and health care.

⁶ <https://www.wvpublic.org/radio/2020-03-13/march-13-2002-herbalist-clarence-catfish-gray-dies>

⁷ Rahman, Tauhidur. "Poverty, Agency, and Development." *Social Philosophy & Policy*. (2023).

⁸ Catfish Man of the Woods theory of development is first discussed in Williamson, Claudia R. "Are We Austrian Economists?." *The Review of Austrian Economics* 33, no. 4 (2020): 407-413.

⁹ Data are collected from World Development Indicators (2020).

¹⁰ 1981 is the year data are first available.

¹¹ Economic freedom data are collected from Gwartney, James, Robert Lawson, Joshua Hall, and Ryan Murphy. 2020. "Economic Freedom Dataset, published in Economic Freedom of the World: 2020 Annual Report." Fraser Institute.

¹² The five categories are: 1) Size of government, which measures the share of government's expenditures, level of taxes, and the degree of state ownership in an economy. 2) Legal structure

and security of property rights, which measures the quality and effectiveness of a country's legal system, such as how independent its judiciary is, the impartiality of courts, military interference with the legal system, and how well government protects private property rights. 3) Access to sound money, which measures the extent of inflation, and freedom to own foreign currency domestically and abroad. 4) Freedom to trade internationally, which measures the extent of tariff and non-tariff trade barriers, international capital market controls, exchange rate regulation or other regulation on the ability to trade internationally. 5) Credit, labor, and business regulation, which covers government control of credit markets, minimum wages, price controls, time to start a new business, the number of licenses, permits and other bureaucratic approvals involved with starting and operating a business, and restrictions on hiring and firing workers.

¹³ For example, see Shleifer, Andrei. "The Age of Milton Friedman." *Journal of Economic Literature* 47, no. 1 (2009): 123-35; Hall, Joshua C., and Robert A. Lawson. "Economic freedom of the world: An accounting of the literature." *Contemporary Economic Policy* 32, no. 1 (2014): 1-19; Leeson, Peter T. "Two Cheers for Capitalism?." *Society* 47, no. 3 (2010): 227-233. Williamson, Claudia R., and Rachel Mathers. "Economic Freedom, Culture and Growth." *Public Choice* 148(3-4) (2011): 313-335; Williamson, Claudia R., and Rachel Mathers. "Cultural Context: The Productivity of Capitalism." *Kyklos*, 64(2) (2011): 231-252.

¹⁴ Hall, Joshua C., and Robert A. Lawson. "Economic freedom of the world: An accounting of the literature." *Contemporary Economic Policy* 32, no. 1 (2014): 1-19

¹⁵ Smith, Adam. "An inquiry into the nature and causes of the wealth of nations: Volume One." London: printed for W. Strahan; and T. Cadell, 1776, p.I.56

¹⁶ For more on the theoretical arguments linking free markets and wealth creation, see von Mises, Ludwig. "Economic Calculation in the Socialist Commonwealth." Mises Institute. (1920); von

Mises, Ludwig. 1949. *Human action: A treatise on economics*. New Haven: Yale University Press; Hayek, Friedrich August. "The use of knowledge in society." *The American economic review* 35, no. 4 (1945): 519-530; Hayek, Friedrich August. *The Constitution of Liberty*. Chicago: The University of Chicago Press. 1960; Milgrom, Paul R., Douglass C. North, and Barry R. Weingast. "The role of institutions in the revival of trade: The law merchant, private judges, and the champagne fairs." *Economics & Politics* 2, no. 1 (1990): 1-23; Acemoglu, Daron, Simon Johnson, and James A. Robinson. "The colonial origins of comparative development: An empirical investigation." *American economic review* 91, no. 5 (2001): 1369-1401; Acemoglu, Daron, Simon Johnson, and James A. Robinson. "Reversal of fortune: Geography and institutions in the making of the modern world income distribution." *The Quarterly journal of economics* 117, no. 4 (2002): 1231-1294. Kerekes, Carrie B., and Claudia R. Williamson. "Unveiling de Soto's mystery: property rights, capital formation, and development." *Journal of Institutional Economics* 4, no. 3 (2008): 299-325.

¹⁷ For a review of this literature, see, Williamson, Claudia R. "Dignity and development." *The Journal of Socio-Economics* 41, no. 6 (2012): 763-771.

¹⁸ Williamson, Claudia R. "Informal Institutions Rule: Institutional Arrangements and Economic Performance." *Public Choice*, 139(3) (2009): 371-387.

¹⁹ Banfield, Edward C. 1958. *The Moral Basis of a Backwards Society*. Glencoe, IL: The Free Press.

²⁰ Boettke, Peter and Christopher J. Coyne. "Entrepreneurship and Development: Cause or Consequence?" *Advances in Austrian Economics*, vol. 6 (2003): 67-88.

²¹ Baumol, William J. "Productive, unproductive and destructive." *Journal of Political Economy* 98, no. 5 (1990): 893-921.

²² Sobel, Russell S. "Testing Baumol: Institutional quality and the productivity of entrepreneurship." *Journal of Business Venturing* 23, no. 6 (2008): 641-655.

²³ Haerper, C., Inglehart, R., Moreno, A., Welzel, C., Kizilova, K., Diez-Medrano J., M. Lagos, P. Norris, E. Ponarin & B. Puranen et al. (eds.). 2021. *World Values Survey Time-Series (1981-2020) Cross-National Data-Set*. Madrid, Spain & Vienna, Austria: JD Systems Institute & WVSA Secretariat. Data File Version 2.0.0.

²⁴ Logarithm of GDP per capita (PPP adjusted, constant international \$) is collected from WDI (2020) and averaged from 1981 to 2020.

²⁵ <https://www.fraserinstitute.org/economic-freedom/economic-freedom-basics>

²⁶ McCloskey, Deirdre N. *The bourgeois virtues: Ethics for an age of commerce*. University of Chicago Press, 2006; Williamson, Claudia R. "Praise for Property." *Journal of Private Enterprise*, 32(4) (2017): 83-94.

²⁷ Cowen, Tyler. *Creative Destruction: How Globalization is Changing the World's Culture*. New Jersey: Princeton University Press, 2002.

²⁸ Easterly, William. *The White Man's Burden: Why the West's Efforts to Aid the Rest Have Done*. 2006. Easterly, William. *The tyranny of experts: Economists, dictators, and the forgotten rights of the poor*. Basic Books, 2014.