

DEVELOPMENT THROUGH FREEDOM: A VISION OF INDIVIDUAL AND ECONOMIC FREEDOM AS PROMOTERS OF DEVELOPMENT

DESENVOLVIMENTO PELA LIBERDADE:
UMA VISÃO DA LIBERDADE INDIVIDUAL E ECONÔMICA
COMO PROMOTORAS DO DESENVOLVIMENTO

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ABSTRACT

This paper discusses freedom as a direct instrument for achieving economic development. It presents an analysis of the concept of development, as well as its related concepts. It focuses specifically on the correlation of the emancipation of the individual in the face of the generation of wealth with personal economic freedom. Given the current Brazilian and world scenario, it aims to discuss characteristics that contribute to the elucidation of the economic context, given the comparison between countries with different degrees of individual freedom. That is, it analyzes the individual's freedom and economic development, and accumulation of wealth. The main method used is the inductive one to reach a general conclusion based on the specific analysis of each country analyzed. In addition, it uses bibliographic review and data analysis. As a result, there is a high and high degree between the level of economic development of a nation and the level of citizen freedom.

Keywords: Development. Individualism. Economic Freedom. Fundamental Law.

RESUMO

O presente trabalho discorre sobre a liberdade como instrumento direto de alcance do desenvolvimento econômico. Apresenta análise sobre o conceito de desenvolvimento, bem como, seus conceitos correlatos. Se detém especificamente acerca da correlação da emancipação do indivíduo frente a geração de riquezas tida com a liberdade econômica individual. Ante o cenário brasileiro e mundial atual, objetiva discutir características que contribuam para a elucidação do contexto econômico como um todo, tendo em vista a comparação entre países com graus diversos de liberdade individual. Ou seja, faz uma análise entre liberdade do indivíduo e o desenvolvimento econômico e acúmulo de riquezas. O principal método empregado é o indutivo, em especial, para se alcançar uma conclusão geral com base na análise específica de cada país analisado. Além disso, utiliza-se da revisão bibliográfica e análise de dados. Como resultado verifica-se que existe uma correlação e alto grau entre o nível de desenvolvimento econômico de uma nação e o nível de liberdade do cidadão.

Palavras-chave: Desenvolvimento. Individualismo. Liberdade Econômica. Direito Fundamental.

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1. INTRODUCTION

This study aims to contribute to the theoretical debate on the elements that foster national and regional development, especially the fundamental right of freedom, through a dialectical interpretation that links the expansion of freedom to a perspective of greater development.

In particular, the correlation between the increase in individual economic freedom and the consequent turnover of the market generated by the private initiative in which the free exercise of competition was provided will be taken into account.

To offer elements that can support the object of this study, this article used bibliographic research, legal texts, and analysis of data pertinent to the subject, in addition to the case study related to the ranking of the countries of the globe elaborated considering freedom as a development factor, the conclusions obtained from the research were presented through inductive reasoning.

Thus, the concept of development and related issues is discussed. Next, the present study discusses freedom as a fundamental right of the individual and, more specifically, economic freedom, starting from the hypothesis of their need for private initiative to act in the market and assist in the development of that region.

Subsequently, the statistics that corroborate the present hypothesis, that freedom promotes development, use data and indexes that are consistent with the proposition of this study.

Next, it discusses how human freedoms and, in particular, individual economic freedom, support the development and influence the reduction of public measures, providing a denationalization, as well as the promotion of private institutions, private initiative.

2. DEVELOPMENT AND ITS RELATED CONCEPTS

The concept of development is closely linked to a gradual process from a lower, simpler state or condition to a higher, more complex, improved level. Usually, the idea of development has a significant space in the field of economic and social sciences, especially the senses of human development and economic development.

Human development, according to the lesson of Welzel et al. (2003) finds its very ancient roots in Philosophy and Economic Theory, being the subject of studies by thinkers such as Aristotle, Adam Smith, and Karl Marx. The relevance of this theory reached its peak in the 1980s, with the new perspective of human capabilities, elaborated by Amartya Sen, yielding him years later, in 1998, the Nobel Prize in Economics (ANAND; SEN, 2000).

According to reports made available by the United Nations Development Program (UNDP, 2009), the concepts of equity, sustainability, productivity, empowerment, cooperation, and security are the basic pillars of the ideal of human development, concepts understood by the United Nations body as (pp. IV-X – “Overview”):

- Equity: the idea of equality and justice for each individual, between men and women, in all aspects of the human context;

- Sustainability: the notion that everyone has the right to obtain means of subsistence by which they can guarantee decent living conditions and access to a better distribution of the wealth produced;
- Productivity: full participation in the process of generating wealth, implying the development of public policies and social programs more efficient towards this objective;
- Empowerment: the freedom of each individual to direct their lives in the way that suits them best, with full autonomy;
- Cooperation: participation and belonging to communities and groups as a means of mutual development and cultural enrichment;
- Safety: offering development opportunities freely and safely, ensuring that individuals will not be suppressed later.

Among the several forms of human development measurement, the Human Development Index (HDI), elaborated by the United Nations Development Program, the United Nations body for the promotion of human development and the eradication of poverty, emerges as the most well-known.

This is a statistical index composed of three indicators: life expectancy, average education, and per capita income, used to classify countries into four levels of development, for which values between 0 and 1 are assigned, and the closer to 1 the value assigned, the higher the level of development of that country (UNDP, 2009), it was developed by economists Mahbub ul Haq, Gustav Ranis and Meghnad Desai in the 1990s and has since been adopted and perfected by the United Nations (STANTON, 2007).

It is related to the concept of human development, the notion of economic development, here understood as the process by which a nation progresses and develops in its economic, political, and well-being aspects of its population, although several other understandings about this theory of development have been elaborated, especially after World War II (MANSEL; WEHN, 1998),

In the field of economic sciences, the theory of economic development emerges as an unfolding of the study of economics itself but is directed to observe and analyze the wealth produced by a nation, that is, its Gross Domestic Product (GDP), and how economic growth and expansion affect aspects such as life expectancy, nutrition, education, among other socio-economic indicators, generating theoretical interpretations about how countries thrive (SEN, 1983).

It is understood, through this theory, that the development of a nation is generally the result of economic growth through higher productivity (KUZNETS, 1966), functional political systems that are aligned with the expectations of its citizens (SHEPSLE; BONCHEK, 2010), the extension and guarantee of rights to all social groups (BAYLY, 2008), and the functioning of institutions and organizations that can provide public services with greater efficiency and quality (BRÄUTIGAM, 2002).

In a sense, such processes describe the administrative capacity and efficiency of a State, through economic development policies aimed at an attempt to solve problems related to such issues (PRITCHET et al, 2013).

Among the theories of economic and social development, in Brazilian political and economic history, the developmental theory has reached a level of relevance.

Developmentalism means the notion that the best path for the development of underdeveloped countries is through strong state intervention to foster a varied internal market and the imposition of a high tax burden on imports, to protect the internal economy (SMITH, 1985).

Also according to Smith (1985), developmentalism reached its peak between the post-War and the 1960s, having been adopted as an economic policy by many countries in Latin America, Africa, and Asia, falling into decline in the following decade, in the face of the failures and economic crises generated by such policies, although it has been revived by some countries, like Brazil, under Dilma Rousseff (2011-2016), after the global financial crisis in 2008.

If for developmental authors the State is fundamental, for others the failure of developmentalism is mainly due to the denial of autonomy and freedom to the market, for creating an internal economy highly directed by the State, sometimes associated with ideological discourse and nationalist ideas, sometimes resulting in major economic crises (EASTERLY, 2007).

As initially stated, the idea of development is somehow related to the concepts of progress and evolution.

When applied to the human context, the notion of progress means a historical and continuous movement of a society to an ever higher and ideal level, through advances in technology, science, and society, which result in an improvement in human conditions, strongly linked to the concept of modernization (APPLEBY et al., 1995).

For sociologist Nisbet (1980, p. 4), *"in the last three thousand years, no idea has had greater importance for Western Civilization than the idea of Progress"*, also pointing out that the valorization of the past, the nobility of Western Civilization, the value of economic and technological growth, the faith in reason and the academic and scientific knowledge obtained by it, and what he calls the intrinsic importance of life consists of five "crucial" premises for this idea, at least for the Western world.

The concept of evolution has also been applied to theories of human development, generating what is sometimes referred to as social evolutionism and evolutionary economy.

Social evolutionism is understood as the set of ideas and theories that encompass aspects of biology, anthropology, and economics to assert that societies gradually move, from their origin, from a primitive condition to civilization (CERQUEIRA, 2000, p. 13).

Evolutionary economics, in turn, is a branch of economic science inspired by the evolutionary theories of Biology, applying concepts of this science, such as interdependence, competition, growth, structural changes, and restriction of resources for the construction of its thought (HODGSON, 1993).

The evolutionary economy directs its efforts to study the economy as a flow of interdependent processes, whose internal interactions generate changes and improvements, such as a living organism, observing the implications and consequences of these changes (WITT, 2008).

It is denoted, as soon as the concept of development, and the related meanings, play a central role in the study and observation of human societies, especially in politics and the economy, being an indispensable element for the understanding of this study. Discussing the importance and concept of Development is departed for the analysis of Freedom.

3. FREEDOM

Preliminarily, to elucidate the theme of this article, it is necessary to briefly discuss the concept of freedom, also called subjective public right, present in the performance of both the State and the citizen.

The idea of freedom comes from the beginning, in Ancient Rome, freedom was almost synonymous with humanity, once, one who was not free was considered a slave, making up a mere object in society, as was the importance of this institute. That is, the ability to be free granted the individual the “*libertatis status*”. In this sense, Jellinek has:

Al membro dello Stato appartiene perciò uno status, nel qual egli è signore assoluto, a sfera libera dallo Stato, una sfera che esclude l' *imperium*. Questa è la sfera della libertà individuale, dello *status libertatis*, dello status *libertatis*, nella quale gli scopi strettamente individuali sono adempiuti mediante la libera attività dell'individuo. ³ (JELLINEK, 1912, p. 97)

It can be inserted, therefore, that the concept of free man had in Ancient Rome has changed over the years, however, the essence remains the same. Freedom represents the individual's ability to act according to his or her will and right, whereas the State cannot (and should not) interfere in this individual sphere.

The power to be free prevents the State from acting deliberately according to its designs, that is, in that, despite being able to establish parameters of behavior, its activity cannot be obscured by individual freedom.

The Brazilian Federal Constitution, right in the preamble, has:

We, representatives of the Brazilian people, gathered in a National Constituent Assembly to establish a Democratic State, aimed at ensuring the exercise of social and individual rights, freedom, security, well-being, development, equality, and justice as supreme values of a fraternal, pluralistic and unprejudiced society, founded on social and committed harmony, in the internal and international order, with the peaceful settlement of the controversies, we promulgated, under the protection of God, the following Constitution of the Federative Republic of Brazil (BRASIL, 1988).

Also, in title II, “Of Fundamental Rights and Guarantees”, chapter I “Of Individual and Collective Rights and Duties”, Article 5 of the aforementioned Constitution, we have that “*all are equal before the law, without distinction of any nature, guaranteeing to Brazilians and foreigners residing in the country the inviolability of the right to life, freedom, equality, security, and property*”.

The Brazilian Magna Carta established, early in its prepositions, freedom as a fundamental right. In the same text of the law, there are numerous mentions of the expression “freedom”, demonstrating the application of such an institute in the most varied facets of human life.

Thus, considering the wife, it is now about Economic Freedom, a strand directly related to the development of a nation/region.

³ The member of the State is therefore responsible for status, in which he is absolute lord, a free sphere of the State, a sphere that excludes the *Imperium*. This is the sphere of individual freedom, negative status, *status libertatis*, in which individual scopes are fulfilled through the free activity of this individual.

3.1 ECONOMIC FREEDOM

The idea of economic freedom has been greatly developed with the new wave of the international economic order that has once again brought to light liberal ideals, updated to the political context, called “neoliberal politics”. This can be understood as a socioeconomic doctrinal current that values the defense of individual freedoms to the detriment of any (or little) state intervention.

Regarding the neoliberal ideology, Ferrer states that⁴:

The neoliberal ideology is the political expression of the process of globalization. Since the 1970s, an ideological movement has been gaining space worldwide, neoliberalism. This model of political and economic orientation, which constitutes the political expression of globalization, is characterized by an opposition to the interventionist State and social welfare. Initially implemented by Margaret Thatcher's government (1979) and later by Ronald Reagan (1981), the neoliberal project of government acquired a worldwide scope, becoming an integral part of the process of globalization of capital. (FERRER, 2001, p. 19)

Still, in the words of Octaviano Ianni (1997, p. 139):

Neoliberalism is quite an expression of the political economy of a global society. It was forged in the fight against statesmanship, planning, protectionism, socialism, in defense of the market economy, of economic freedom conceived as the foundation of political freedom, a condition of collective and individual prosperity. (IANNI, 1997, p. 139)

Thus, with neoliberalism, Economic Freedom is treated as a subjective right of the individual who, by acting according to their principles, would contribute to their productivity, generating, consequently, greater collective economic development.

Thus, in Sousa's words about Economic Liberalism, it is said that:

Economic Liberalism can be understood as a system of expansion of freedoms to the extent that it determines free enterprise as an essential principle for the survival of the market; it is from the free initiative, free exchange, division of labor, and individual efforts that economic growth and collective well-being are promoted. It is the individual interest and the freedom to exercise this interest that generates social well-being since there is a maximization of the efficiency of each individual. (SOUSA, 2007, p. 36)

Economic freedom determines the discretion that each individual has to work, invest in himself or an enterprise, accumulate capital, and develop his business, resulting in the turnover of the economic market that benefits the collective.

In a way, economic freedom allows the person to carry out his activity without external intervention (of the State, of too much bureaucracy and cast regulations, the high tax burden, or a hindered legal system that drags decision-making in a certain technical contour), based on the dictates exclusively of the market, causing, in the end, all users of the economy of that place to benefit from having access to a quality product or service, purchased at a reasonable price.

It is important to note that, in times of crisis and economic recession, liberal ideas gain greater expression and favorable positions in academia and society in general.

4 Expressare widely criticised, in particular, for not having a neoliberal school.

Suppliers and consumers make use of the economic freedom that fosters the market for both. Regarding consumption, there will be more companies providing such a product (free competition) which, consequently, increases the attractiveness, since the supplier needs to captivate its customer. On the other hand, for the supplier, the freedom economy provides greater access to the singularities that make it grow, allowing it to compete freely with other businesses, ensuring profit.

4. THE CORRELATION OF FREEDOM WITH FULL DEVELOPMENT

The Heritage Foundation is an American organization that has as its mission: “formulate and promote conservative public policies based on the principles of free enterprise, limited government, individual freedom, traditional American values, and a strong national defense”.⁵ That is, this foundation has the scope, basically, of elaboration and explanation of market policies capable of fostering the economy considering the limitation of state power and the increase of individual freedom.

To this end, the *Heritage Foundation* has established research with the creation of an index that correlates freedom to develop.

The Economic Freedom Index, proposed by *the Heritage Foundation*, is based on the observation of four indexes that, when analyzed together, can define the degree of freedom of the economy of a local (country, state) and its development index. The indexes mentioned comprise a) how the law is structured in that locality; b) the balance between the accumulation of wealth and the tax burden; c) the degree of state intervention; and, finally, (d) the external opening limit for trade.

According to Uliano (2019), the criteria established by the *Heritage Foundation* can be defined as:

- a) Rule of Law (Rule of Law): in which it examines respect for property rights; (a) judicial efficiency by ensuring compliance with rights and contracts; and the Integrity of Government (compliance with the Constitution and laws and absence of corruption);
- b) Government weight: tax burden; the proportion of the national wealth consumed by the State; and fiscal balance;
- c) Degree of State Interventionism: freedom to undertake, investigating the difficulty to open, operate and close a company (from the number of bureaucratic procedures required, average amount of waiting days, and cost, whether to open, license the operation or close an enterprise); level of state intervention in employment contracts, reducing their freedom; and monetary freedom, i.e., absence of inflation and coercive control over prices;

5 *The Heritage Foundation's mission is to formulate and promote conservative public policies based on the principles of free enterprise, limited government, individual freedom, traditional American values, and a strong national defense. Available in: <https://www.heritage.org/about-heritage/mission>. Accessed June 25, 201.*

d) Trade opening: Freedom of Foreign Trade (absence of tariff and non-tariff barriers to import and export); Freedom of Investment (no legal ties to move the capital from one sector to another and across borders); and Financial Freedom (independence of the banking sector from the State).

Thus, the result obtained by this methodology is analyzed. The city of Hong Kong (special administrative region of the People's Republic of China) occupies the first place (in Asia and general) among the freest and consequently economically developed countries. Such is its supremacy of the city that it has maintained the same position for two years, which the *Heritage Foundation* highlights:

Hong Kong became a Special Administrative Region of the People's Republic of China in 1997. Carrie Lam began a five-year term as chief executive in 2017. Under the "one country, two systems" agreement, China granted Hong Kong a high degree of autonomy in all matters except foreign and defense policy for 50 years. This policy has been strained by PRC political interference in recent years, and the Hong Kong government's decision in 2018 to ban a pro-independence party led to protests and raised concerns about prospects for freedom of speech and association in the SAR. Despite the political unrest, Hong Kong's open and market-driven economy continues to flourish, increasingly integrated with the mainland through trade, tourism, and financial links.⁶

That is, considering the above exposure, it turns out that at the time that Hong Kong acquired greater freedom (characterized by the autonomy of the government) the city flourished economically, guaranteeing its first place in the ranking.

Among the countries that hold the best rankings, concerning the degree of greater freedom and economic prosperity, in which the ranking grades range from 80 to 100 (100 being a free and developed state), six countries occupied the top in 2018, falling into the category "free", which are:

Table 1: Economic Freedom Index 2018 - "*Heritage Foundation*"

Rank	Country	Punctuation	Change
1	Hong Kong	90,2	0,0
2	Singapore	89,4	+0,6
3	New Zealand	84,2	+0,2
4	Switzerland	81,9	+0,2
5	Australia	80,9	0,0
6	Ireland	80,5	+0,1

Source: Own elaboration from <<https://www.heritage.org/index/ranking>>

6 Hong Kong became a Special Administrative Region of the People's Republic of China in 1997. Carrie Lam began a five-year term as executive director in 2017. Under agreement "One Country Two systems", China has granted Hong Kong a high degree of autonomy in all matters except foreign and defense policy for 50 years. This policy has been undermined by political interference from the PRC in recent years, and the Hong Kong government's decision in 2018 to ban a pro-independence party has led to protests and raised concerns about the future prospects of freedom of expression and association in the SAR. Despite the political upheave, the open and market-facing economy of Hong Kong continues to flourish, increasingly integrated with the mainland through trade, tourism and financial connections. Available in: <https://www.heritage.org/index/country/hong-kong>. Accessed June 26, 2019 at 8:13 am.

In 2019, the ranking changed, and the economic freedom operated in four other countries made possible it is framing in the list of regions with greater economic freedom and, consequently, greater development, being:

Table 2: Economic Freedom Index 2019 - "Heritage Foundation"

Rank	Country	Punctuation	Change
1	Hong Kong	90,2	0,0
2	Singapore	89,4	+0,0
3	New Zealand	84,4	+0,2
4	Switzerland	81,9	+0,0
5	Australia	80,9	0,0
6	Ireland	80,5	+0,1
7	United Kingdom	89,4	--
8	Canada	84,4	--
9	Emirates Arabic	81,9	--
10	Taiwan	80,9	--

Source: Own elaboration from <<https://aleconomico.org.br/ranking-de-liberdade-economica-2019>>

On the other hand, some countries continuously occupy the last place, with variable scores from 49.9 to 40, characterized as "repressed", they are:

Table 3: Economic Freedom Index 2019 - worst countries - "Heritage Foundation"

Rank	Country	Punctuation	Change
170	Ecuador	46,9	-1,6
171	Algeria	44,2	-3,9
172	East Timor	44,2	-3,9
173	Bolivia	42,3	-1,8
174	Equatorial Guinea	41,0	-1,0
175	Zimbabwe	40,4	-3,6
176	Republic of the Congo	39,7	-0,8
177	Eritrea	38,9	-2,8
178	Cuba	27,8	-4,1
179	Venezuela	25,9	0,7
180	North Korea	5,9	+0,1

Source: Own elaboration from <<https://www.heritage.org/index/ranking>>

It is verified that the countries listed above, which occupy the last positions in the economic freedom ranking are still economically poorly developed countries, with low quality of life and per capita income. From this angle, it is also highlighted that countries listed as Venezuela,

North Korea, Cuba, and Bolivia are still internationally known for their totalitarian and centralized governments.

That is, economic freedom is connected by governments that have high control of society making it impossible for these regions to develop fully (many of them with wealthy natural resources that would contribute to internal growth and external negotiations).

The other countries of the globe are classified as Mostly Free (79.9 to 70), Moderately Free (69.9 to 60), Mostly Unfree (59.9 to 50), and, finally, Not Ranked. Brazil is currently categorized as “Mostly Unfree”, with a score of 51.9. The foundation of Brazil has:

Brazil’s economic freedom score is 51.9, making its economy the 150th freest in the 2019 Index. Its overall score has increased by 0.5 points, with improvements in labor freedom and government spending outpacing declines in judicial effectiveness and government integrity. Brazil is ranked 27th among 32 countries in the Americas region, and its overall score is below the regional and world averages.⁷

It can be inserted, therefore, that Brazil does not occupy a good position in the world ranking, being surpassed by 149 countries. The centralized Brazilian government, with excessive tax and bureaucratic burden, undermines the economic freedom of the private sector, resulting in the almost shutdown (i.e., derisory growth) of the economy.

According to this analysis, Brazil should make room for private initiatives (Brazilian companies and entrepreneurs) to act in a way that will chance opportunities, leading to full economic development, based on freedom of choice. Although this work discusses it, neither concerning the text nor in the possible results to be achieved, the Law of Economic Freedom, recently approved, has as defense declared by the Executive Branch precisely the above.

Foreign investments should be encouraged (and not hindered) since they represent the obvious injection of capital in the country, especially direct investments, those that are applied directly in the productive activity. In the same vein, spending on government needs to be decreased. Finally, debureaucratization and lower interest rates will allow the country to grow at full capacity.

Interest rates have already been reduced to the lowest levels the country has had, but fiscal policy, legal uncertainty, and bureaucracy are still elements that hinder foreign investment.

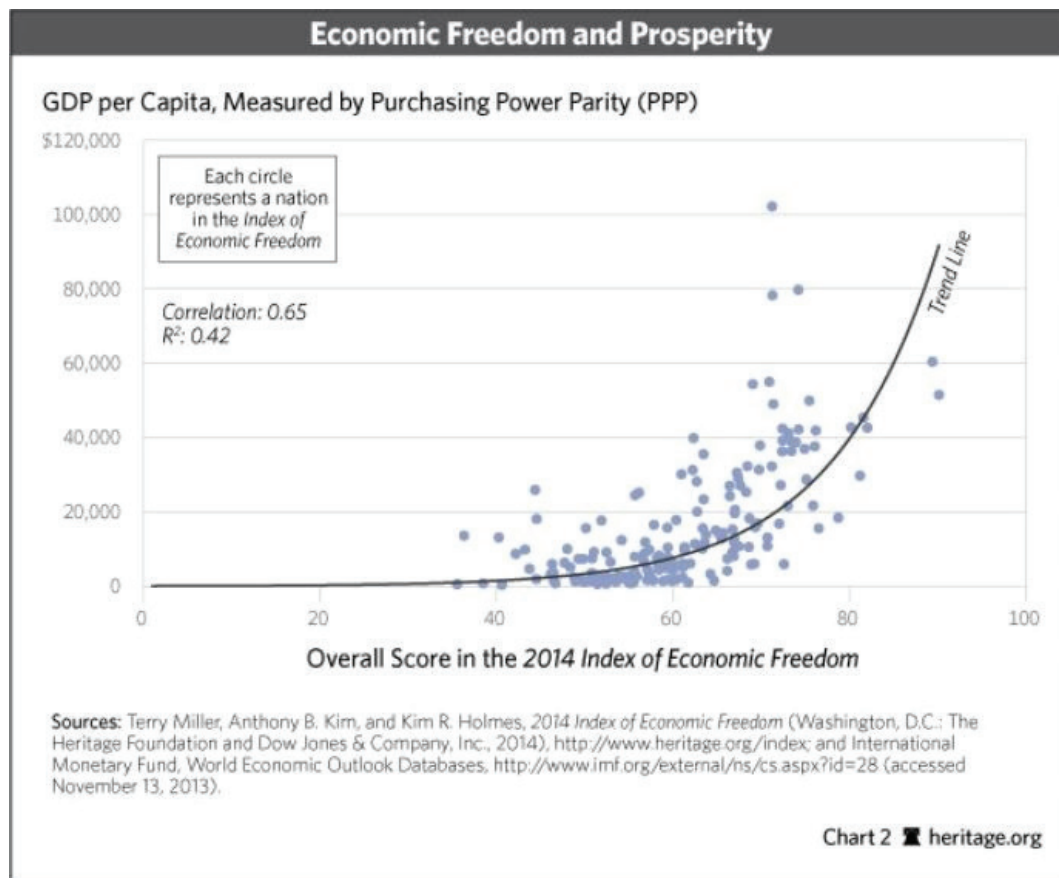
As stated above, Brazil has a score of 51.9, an index lower than the global average, and the average of the Americas was 59.6 and the average overall score was 60.8 (Economic Freedom Ranking, 2019).

To corroborate the one already presented, the correlation between economic freedom and GDP per capita is presented.⁸

7 Brazil’s economic freedom score is 51.9, making its economy the 150th most free in the 2019 Index. His overall score increased by 0.5 points, with improvements in freedom of labor and government spending outscoring the falls in judicial effectiveness and government integrity. Brazil ranks 27th out of 32 countries in the Americas region, and its overall score is below regional and global averages. Available in: <https://www.heritage.org/index/country/brazil>. Accessed June 26, 2019, at 7:59 am.

8 The data presented uses the concept of GDP - *Gross Domestic Product per capita*, corresponding to GDP per capita.

Figure 1: Economic Freedom and GDP per capita



Source: National Investor, 2019.

Considering the graph presented, it appears that there is a clear coalition between the high rate of economic freedom and the growth of GDP (Gross Domestic Product), which is about economic growth. Indeed, the increase in the GDP index shows that the economy of that region is expanding, promoting the accumulation of wealth.

Thus, it is subdued that regions with greater economic freedom will automatically have more income to invest in the country and the quality of life of its inhabitants, ensuring greater economic flow capable of corroborating the expansion of local development. Gdp growth is still needed to improve living conditions for the entire population.

Presented the indexes, graphs, and statements that correlate economic freedom with development, it is now talked about this relationship.

5. DEVELOPMENT FOR FREEDOM

Freedom, as outlined above, is one of the fundamental rights of the human being (since the beginning) because freedom unleashes the existence of other rights.

The postulates of physiocracy, in complying with liberal determinations, became the first economic school to disseminate economic freedom, in this step, taken as freedom of enterprise, competition, and free enterprise.

Sousa (2007, p. 33) talks about Physiocracy and its pioneering work in addressing freedom and individualism as drivers of development, in its words:

The physiocrats, French citizens led by François Quesnay, instilled studies on the economic life of the time (between 1756 and 1778). The criticism embodied in his thinking (and the Fisiocracia) was sustained mainly due to the heavy tax burden that was launched against the peasant class and the regulations that prevented the flow and circulation of agricultural products, both for export and internally (therefore restricting the freedom of enterprise and the market). (...) While suggesting a liberal state position, the physiocrats centralized the idea of economic opulence in agricultural production, because they believed that only agriculture produced enough goods to expand wealth. (...) For the physiocrats, the “excess over subsistence” should be commercialized because as long as everyone produced only what was necessary to survive, there would be homogeneous poverty; therefore, those who had superfluous products should be exchanged, and it is this excess agricultural production that drives trade and government stability.

The physiocrat ideal demonstrated that as long as individuals continued to act according to the standards previously established by the State and society, there would be no development. Thus, he began to discuss the correlation between development and freedom, or rather, to observe that the progressive increase in individual freedom (which gives rise to choices) generates development. Years later, this correlation was also noted by the Brazilian legislature, which, according to Santiago:

In the hope of achieving and guaranteeing economic development, the 1988 Constituent Group inserted, in item IV, art. 1, and the caput, of art. 170, the free initiative, at the same time the foundation of the Republic and the basic principle of the economic and financial order, both in its economic aspect, as well as in the freedom of development of companies. (SANTIAGO, 2017, p. 102)

It is understood that the expansion of freedom shall favor the achievement of individual goals and society because it shall allow the human being to choose according to his deliberation, without conceiving paths previously outlined by an institute, such as the State.

The absence of freedom causes individuals to have their actions predetermined, that is, entrepreneurs cannot innovate and end up presenting the same quality of service, thus, with the low supply (or wide offer of similar services), competition is not generated, the market is not encouraged and, consequently, there is little (or no) economic development.

Depriving freedom is limiting the individual, preventing the cause of development. Sen (2000, p. 21/23) developed the thesis that the promotion of individual freedom is a major factor in the development, so, in his words, “to be generically against the markets would be almost as stowed as being generically against the conversation between people”.

Still, in Sen’s words, it is noteworthy that:

Under a dictatorial regime, people don’t have to think – they don’t have to choose – they don’t have to make decisions or give their consent. All you have to do is obey. [...] In contrast, democracy cannot survive without civic virtue.

The political challenge for people around the world today is not just to replace authoritarian regimes with democratic ones. It is also to make democracy work for ordinary people. (SEM, 2000, p. 183)

It is understood here that economic freedom will bring economic growth. Ferrer (2001, p. 24) presents the liberal view that denationalization, with consequent greater freedom to the individual, positively influences the economic and right scenario, ensuring a more accelerated development:

Thus, one of the main components of the neoliberal ideology is the denationalization of the economy, because, without the regulation of state power, the market maintains the natural order of the system. This determination of deregulation is not only manifested at the economic level but also in the world of work with the flexibilization of labor relations, which means opposition to state protectionism in labor issues. According to the neoliberal ideal, the free negotiation between employers and employees would bring benefits not only to workers, because they would have greater freedom of choice, but mainly to the process of reproduction and accumulation of capital, which would have greater freedom in contractual relations. According to the postulates of the neoliberal program, the solution would be the minimization of the State, that is, to reduce its intervention in the market, so that it can self-regulate, as well as the reduction of public spending on the social sector, transferring this responsibility to the private sector. Such measures, together with fiscal reforms and monetary stabilization, would bring the necessary conditions for effective economic growth.

Thus, in liberal thinking, the state's action should not be focused on the regulation of private activity, restricting it and, consequently, carving out the economic growth of the place. But yes, state activity should give rise to the development of public policies that directly influence the construction and increase of personal freedoms.

In other words, the public policies developed by the State, in addition to generating an impact on the personal income of the individual, should also promote personal freedom, through social services that empower the human being to enter and contribute to the market.

Having said that, it is perceived that the state's action should not be braked, on the other hand, it must be focused, concomitantly, on the policies of growth and expansion of individual capacities (PINHEIRO, 2012, p. 35).

Furthermore, about freedom, it is worthwhile how much this right influences the resourcefulness of entrepreneurship and the search for innovation. A more open society, based on the absence of strong state intervention, as well as promoting individual freedoms, promotes technological (and, consequently) economic progress. The search for innovations has always been the object of human will (we mention, for example, the invention of the wheel, the electric motor, the lamp, the computer), since, from the beginning, man develops new techniques and instruments to facilitate his own life.

In a way, the burden of technological innovation should not be directed to the State, but, according to the company, delivered to individuals practicing private initiatives to develop themselves and their companies. Two years ago, it was estimated that 700 (seven hundred) scientific and technological research laboratories would be owned and responsible for the State, which insists on providing services that the private sector would be fully able to offer (CEDRO Technologies, 2017).

The privatization of the aforementioned services (scientific and technological research) would abolish the subsidies offered by the State to large industries (such as oil and aerospace). Thus, without state restrictions (such as limited budget, time-consuming and bureaucratic purchasing process, civil service rules) companies could give their creativity, reaching the technology market and operating according to the rules of competitiveness of the market.

Hong Kong and New Zealand are examples of economic freedom. Mctigue (2018) presents data from New Zealand to show how the absence of economic freedom was harmful to the country in the 1980s.

The countries of the globe must seek not only the best market conditions for their society but also the insertion within the world competitiveness.

6. FINAL CONSIDERATIONS

Given the above, it is inferable that, regardless of theories and classifications about freedom, this, when allowed and encouraged to individuals of a society, promotes collective development. In general terms, freedom connects and encourages individual action that reaches the collective level.

In this way, the mitigation of freedom is harmful to an individual (who will have his right dismantled) and to society, which will not reap the benefits of economic development and quality of life provided by free competition and initiatives that are given thanks to freedom of operation.

The individual must be free to operate according to his benefit and that of his company, the exercise of state activity, in these cases, should be minimal, with almost no interference of the State in individual activities (such as, for example, low regulation, debureaucratization, reduction of the tax burden, adoption of public training measures).

In any case, it is highlighted that denationalization does not impose (or culminates) in the elimination of the State, but rather in the minimum regulation of private activities, allowing free competition and the performance of private initiative as a driver of economic development.

It was found that there is a high rate of correlation between freedom and development, since according to graphs, studies, and rankings, the promotion of individual and economic freedom provides greater development for the free region, on the other hand, those who have their freedom stagnated stagnate in economic growth and have a decline in economic and social indices.

It is also emphasized that different from what is usually believed, the overlap of private interests, today, favors collective well-being because entrepreneurs when poring on their growth end up, consequently, improving market conditions by promoting greater quality of service and products, which contribute to the well-being of society.

It can be seen, therefore, from all the above that freedom is driving the promotion of new technologies, entrepreneurship, insertion in the world market, updating business and means, accumulating wealth, reducing poverty, generating jobs, culminating in the full development of a nation.

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