

GUEST OPINION

During a round-the-world trip, **Rainer Zitelmann** conducted an extensive survey of global attitudes to capitalism and the market economy. Over the coming weeks, he'll share his insights in the pages of *CityAM*

MANY people dream of travelling the world. Well, from April 2022 to December 2023, I went on a round-the-world trip that took me to Asia, the United States and Latin America, as well as to 18 European countries.

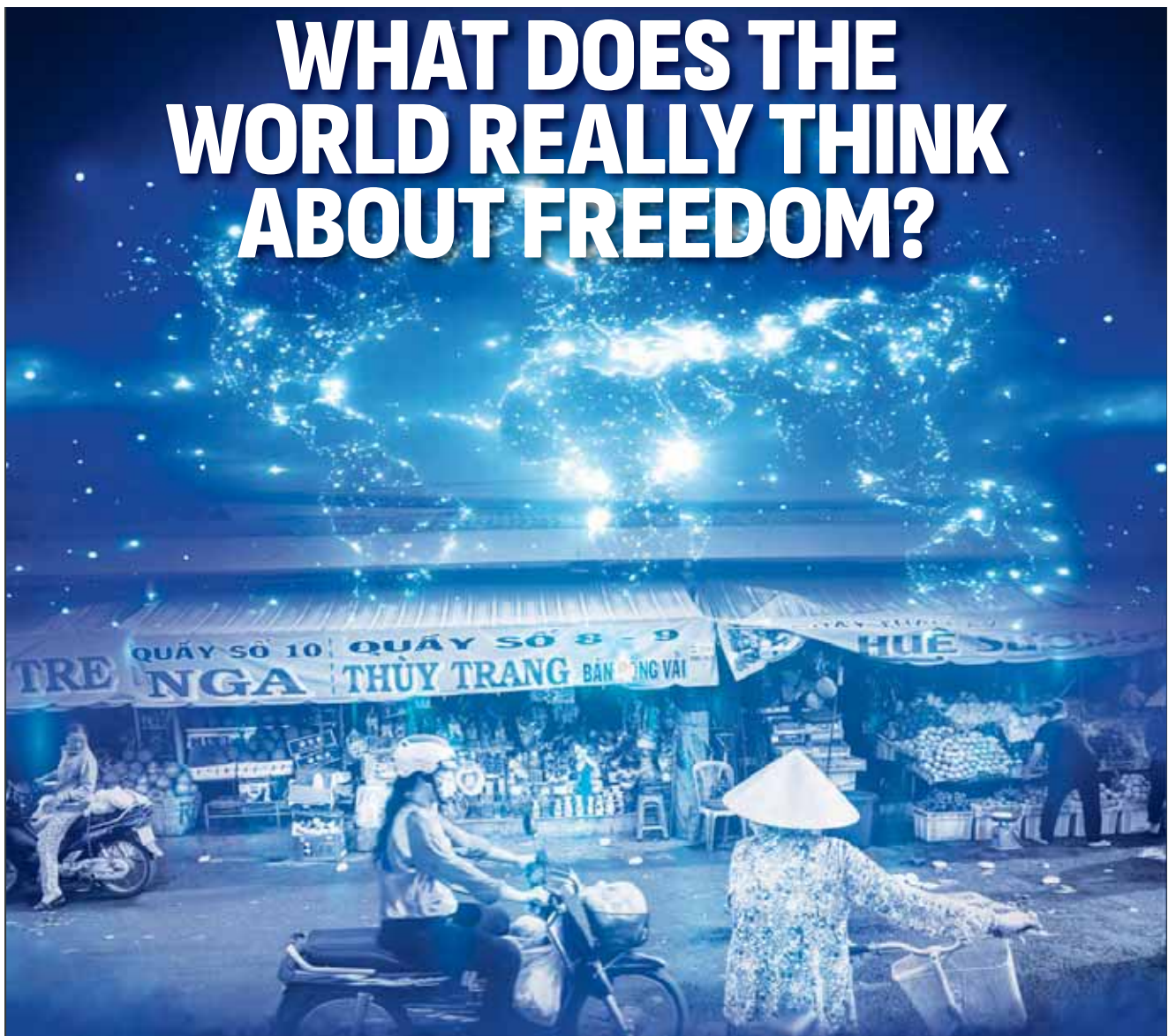
On my round-the-world trip, I visited many countries several times during this year and a half: on numerous trips to the United States, I took in New York, Washington, DC, Boston, Miami, Las Vegas, West Palm Beach and Memphis. I also traveled to Chile, Argentina, Paraguay, Poland, Albania and Georgia several times.

I visited these 30 nations in 2022 and 2023 to learn more about the state of economic freedom in each country. Political freedom and economic freedom are both equally important, but the focus for me was on economic freedom because I believe that economic freedom is the most important prerequisite in any country in the fight against poverty. This is evident when you compare Nepal and Vietnam, for example. Nepal is ruled by a Maoist, while Vietnam identifies as socialist. Yet these two Asian countries could not be more different: since the launch of free-market reforms in the late 1980s, an entrepreneurial spirit has flourished all over Vietnam, making it one of the most globalised nations in the world. In contrast, Nepal remains isolated. Vietnam welcomes investors from around the globe, whereas Nepal attempts to keep them out.

Yes, Nepal has made progress in combating poverty, but it still remains one of the world's poorest nations. In contrast, Vietnam has seen a significant reduction in the rate of people living in poverty, which has dropped from nearly 80 per cent in 1994 to just three per cent today. During my visits to Vietnam, the most recent of which was in December 2024, I noticed in numerous conversations that no one is put off by terms such as "profit," "entrepreneurship," "free trade" or "foreign investor". Quite the opposite – Vietnamese society embraces these ideas. Attitudes toward Americans are particularly positive, despite the war. The situation in Nepal is very different. Because profit-seeking is frowned upon, there is even a law that prohibits the sale of goods for more than 20 per cent above cost price.

I spoke to entrepreneurs, economists, politicians and ordinary people in each of the countries I visited. And before I traveled, I took the time to learn about their history and commissioned opinion polls to gauge public perceptions of the market economy and capitalism. In most countries, these polls were conducted by the London-based institute, Ipsos Mori. All in all, it was the most extensive study ever conducted on attitudes toward the market economy and capitalism and gave me an initial impression of public opinion in each country.

WHAT DOES THE WORLD REALLY THINK ABOUT FREEDOM?



Both personal conversations and observations on the one hand, and empirical research on the other, are important: I was often able to understand the results of the surveys better once I had travelled to a country and talked to the people there. Conversely, I was able to better classify my impressions from the conversations when I used the data collected in the surveys.

SIX KEY QUESTIONS ABOUT CAPITALISM

We conducted the survey in a total of 35 countries and started by asking six questions to find out what characteristics people would expect to see in a "good" economic system. We consciously avoided using the word "capitalism," because it has a bad connotation for many people. Nevertheless, even when the word capitalism is omitted, people in most countries are skeptical about the market economy and support massive state intervention.

Poland boasts the greatest proportion of market economy supporters. No wonder: Poland was once one of the poorest countries in Europe, but the capitalist reforms from 1990 onwards have led to a remarkable improvement in the standard of living. As a result, Poland has emerged as one of the fastest-growing countries in the world over the last few decades. I must have visited the country ten times in the last two years and have always been impressed by the industriousness and

entrepreneurial spirit exhibited by the Polish people.

When you ask people what they think about the market economy, the population of Poland is the most positive, followed by the United States and the Czech Republic, another free market success story. The strength of approval for the market economy in South Korea should also come as no surprise to anyone who knows the country: In the 1960s, South Korea was on a par with the poorest countries in Africa, yet today it is one of the most economically successful countries in the world and the standard of living has risen immensely. If you have ever visited a shopping center in South Korea, you will know that most of the malls in Europe pale in comparison.

When the survey was published, some people were surprised by the high levels of support for the market economy in Argentina – in only five of the surveyed countries was support for the market economy higher, whereas in 29 countries it was lower. Some critics questioned the validity of the results: "Argentina is a Peronist country, everyone knows that," they said. Well, our data indicated a shift in public sentiment within the country, a shift that was later manifested in the election of the anarcho-capitalist Javier Milei as president.

I visited Argentina in 2022, 2023 and 2024 and observed the Milei movement from its beginnings. I think I was one of the first to say in 2022 that I thought a Milei victory was possible,

because I realised from the poll and my conversations that the mood had changed up and down the country.

Conversely, our survey showed that people in Chile, widely regarded as a model capitalist country, are skeptical about the market economy and capitalism. Another mistake? No, a few months after our survey, Chilean voters elected a socialist as president. Our survey often makes it possible to predict future trends, as we have also seen in other countries, such as Switzerland, one of the most capitalist countries in the world, but where anti-capitalist sentiment is also becoming increasingly widespread, as our survey showed.

In the 35 surveyed countries, we also asked a catalogue of other questions that did use the word "capitalism". Strikingly, only six countries qualify as predominantly pro-capitalist: Poland, the USA, South Korea, Japan, Nigeria, and the Czech Republic. Additionally, we also register strong approval for capitalism in Vietnam and Argentina. It is worth noting that also in Nigeria people hold a very favorable view of capitalism. While many Western Europeans believe that capitalism leads to hunger and poverty, our survey revealed that the majority of Nigerians view capitalism as a beacon of hope, offering the promise

of a standard of living like in Europe or the USA.

Vietnam is another country in which the word "capitalism" has a distinctly positive connotation for many people. I also commissioned a second survey, this time on perceptions of rich people, which was conducted in a total of 13 countries.

Incidentally, all of these surveys cost a combined £660,000, which I financed out of my own pocket. The results of this second survey revealed that in countries like France and Germany, where social envy is prevalent, the wealthy are often viewed as scapegoats. Conversely, in nations such as Vietnam, Poland, and South Korea, rich people are regarded as role models.

Economists frequently underestimate the importance of such "soft" factors, but of course in countries like Poland and Vietnam, where entrepreneurship and wealth are admired, conditions are far more conducive to an economic upswing than in a country like Germany, where I live, in which capitalism and entrepreneurship are met with skepticism. In the upcoming installments of this series, I will report in more detail on my impressions in some of the countries I visited.

Excerpt from The Origins of Poverty and Wealth: My world tour and insights from the global libertarian movement

