

# NEWS RELEASE

## Texas and South Dakota most economically free states, Maine the least free

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For Immediate Release

**TORONTO**—Texas and South Dakota have tied for the highest level of economic freedom among all U.S. states, finds a new [report](#) released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“In Texas and South Dakota, high levels of economic freedom help create prosperity and economic growth for working families,” said Dean Stansel, economics professor at Florida Gulf Coast University and co-author of this year’s [Economic Freedom of North America report](#).

The report ranks jurisdictions based on their levels of economic freedom (measured by size of government, taxation and labor market restrictions) using data from 2012, the most recent year of available data.

The report’s American-only ranking system spotlights state and local government policy, comparing U.S. states to U.S. states.

Following Texas and South Dakota, the top ranked U.S. states are North Dakota, Virginia, New Hampshire, Louisiana, Nebraska, Delaware and Tennessee.

Maine is the least free state, followed by Vermont, Mississippi, New York, Rhode Island, West Virginia, New Jersey and California.

The report also has an all-government ranking system, which includes the 50 U.S. states, 32 Mexican states and 10 Canadian provinces. Overall, Canadian provinces Alberta and Saskatchewan rank first and second, with Texas tied for third alongside Canadian provinces Newfoundland and Labrador, and British Columbia.

“The freest economies operate with minimal government interference, relying on personal choice and markets to decide what’s produced, how it’s produced and how much is produced. As government imposes restrictions on these choices, there’s less economic freedom,” Stansel said.

In the most-free states, the average per-capita GDP in 2012 was roughly \$55,000 compared to roughly \$48,000 for the least-free states.

“The link between economic freedom and prosperity is clear—states that support low taxation, limited government and flexible labor markets see greater economic growth while states with lower levels of economic freedom see lower living standards and less economic opportunity,” said Fred McMahon, study co-author and Dr. Michael A. Walker Research Chair in Economic Freedom at the Fraser Institute.

The [Economic Freedom of North America](#) report is an offshoot of the Fraser Institute’s [Economic Freedom of the World](#) index, the result of more than a quarter century of work by more than 60 scholars including three Nobel laureates. See the complete study at [www.freetheworld.com](http://www.freetheworld.com)

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