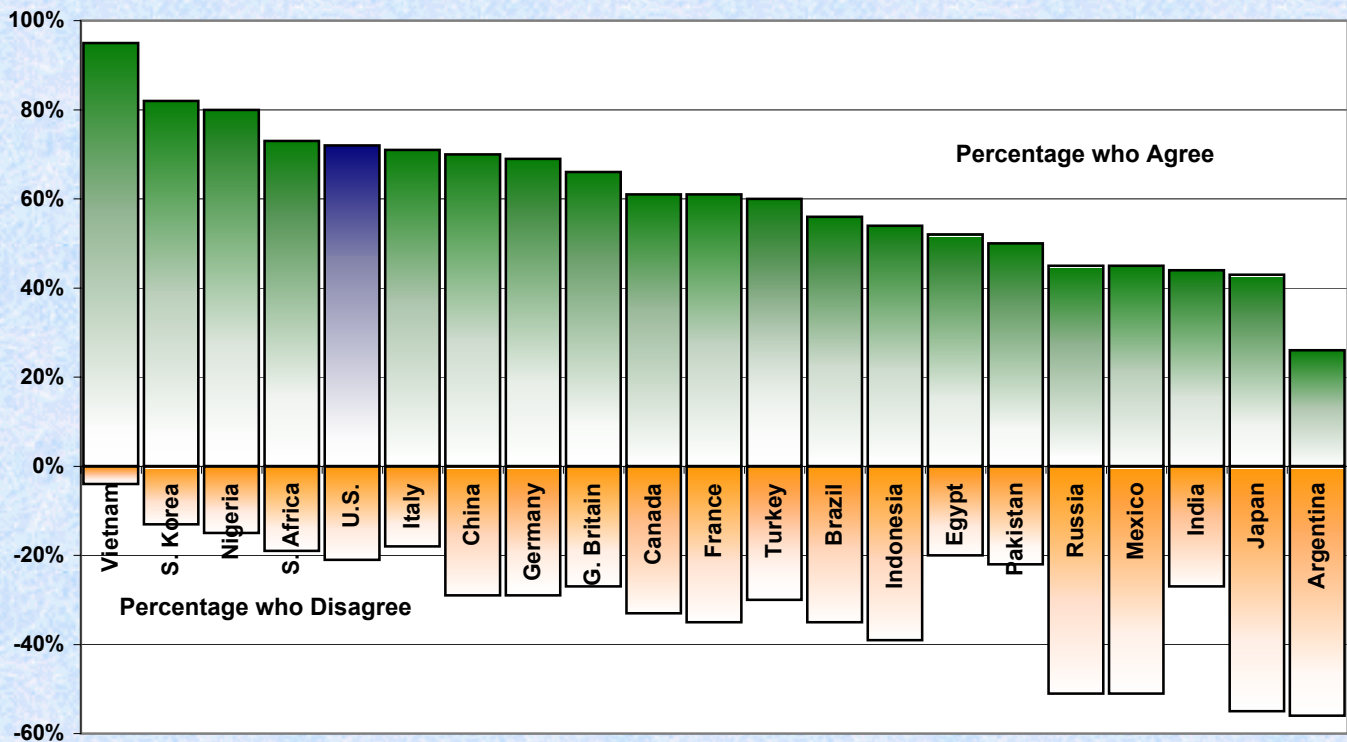


Statement: "People are Better Off in a Free Market Economy"



Global Economic Attitudes

"A little government and a little luck are necessary in life, but only a fool trusts either of them."

P. J. O'Rourke

Last year, the Pew Research Center for the People and the Press surveyed thousands of people in 44 countries to explore their views on social and economic issues. After sifting their findings, the researchers observed that free-market economies and the individual freedoms that underlie them are highly favored around the world.

In 33 of the 44 countries surveyed, the majority of respondents believe that people are "better off in a free-market economy" (see chart above). In the U.S. 72% of those surveyed agreed, while 21% disagreed. Interestingly, in China 70% of those surveyed agreed, while only 29% disagreed. And there were several countries where a greater proportion than the U.S. agreed. In Vietnam, South Korea, Nigeria and South Africa the proportion of those that agreed ranged from 73% to 95%. Alternatively, in Russia, Mexico, Japan, and Argentina support for free markets is weaker, as a greater percentage disagreed than agreed with the statement. Economic hardships in Russia and Argentina, and a decade of struggle in Japan might explain these results, but the results from Mexico are somewhat surprising. Perhaps economic growth in Mexico hasn't yet reached enough of its citizens, but the same can be said for many other countries surveyed.

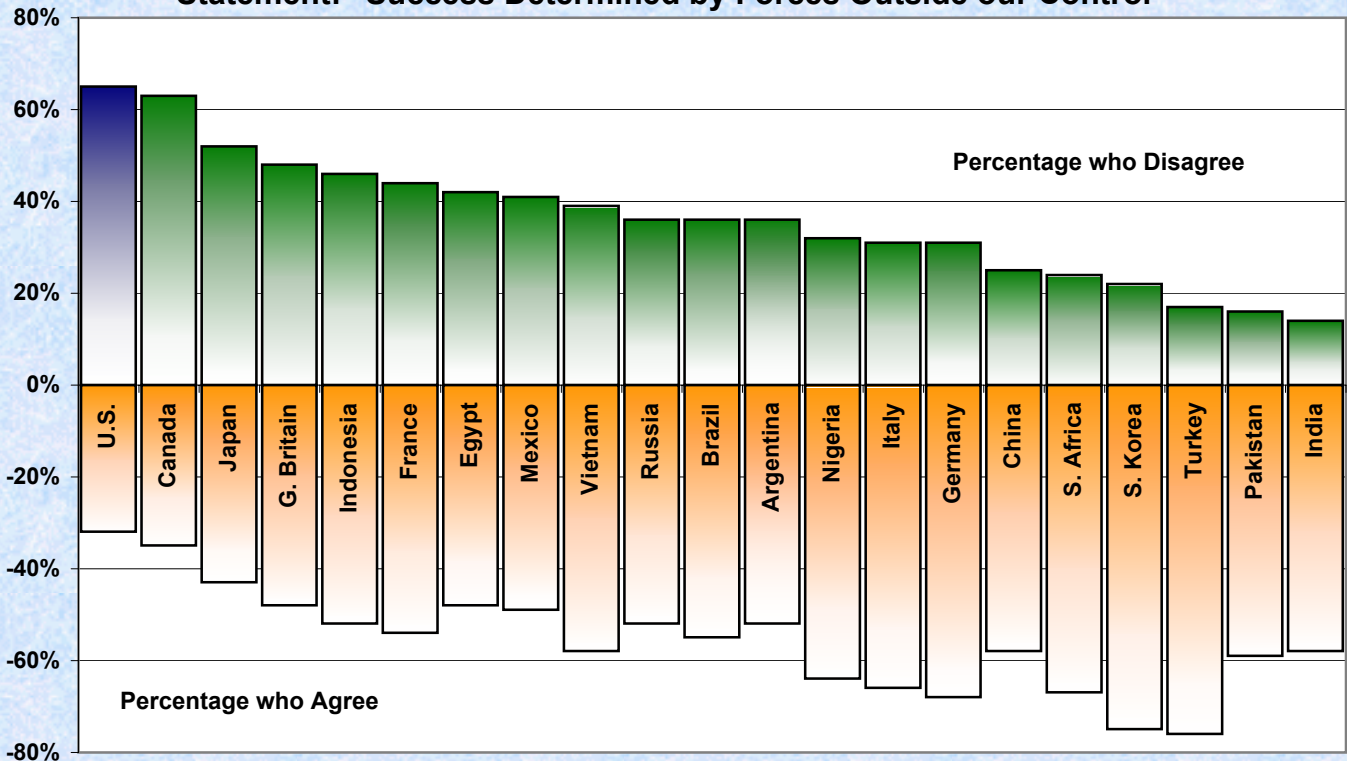
Even though the majority of people surveyed around the world express broad support in principle for free markets, the study found that there is far more resistance to implementing such specific policies as closing large, inefficient factories should it entail substantial personal costs. The highest opposition came from India, where 78% oppose closing inefficient factories. We find this interesting because the very country that many Americans worry about exporting jobs to is also worried about losing their own jobs to others. Thus is the nature of globalization.

"The price of greatness is responsibility."

Sir Winston Churchill

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Statement: "Success Determined by Forces Outside our Control"



"We must believe in luck. For how else can we explain the success of those we don't like?"

Jean Cocteau

The Pew study also found that North Americans and Japanese feel a much greater sense of personal empowerment than do people in the rest of the world (see chart above). Significant majorities in the U.S. (65%), Canada (63%) and Japan (52%) reject the idea that "success in life is pretty much determined by forces outside our control." The study found that most people throughout the rest of the world feel that success for the most part lies beyond their personal control. In the U.S. the percentage who believe that success is determined by forces outside their control fell since 1988, from 41% to 32%. Alternatively, in Germany a growing number feel that success is outside their control, now at 68% up from 59% in 1991.

There is more international agreement on the idea that individuals - not society - are to blame for failure. Not surprisingly, Americans are among the most likely to share this view. By more than six-to-one, Americans say that people who do not succeed do so because of their failures, not society's. This view is shared across a wide range of countries. Opinion in Indonesia is even more on the side of individual accountability than in the U.S. Fully 87% of Indonesians hold individuals responsible for their failures, compared with 11% who blame society. Similarly, strong majorities in the Czech Republic (82%), Uzbekistan (79%), Honduras (77%), Mexico (76%), and Great Britain (75%) believe that failure can be blamed on individual shortcomings.

The Pew study also found that people have "complex and somewhat contradictory feelings about their own governments." There is a widespread sense that government is inefficient, and majorities in many countries - including Western Europe and the U.S. - feel that government is too controlling. At the same time, people generally view their governments as being run for the benefit of all the people. In the U.S. 63% said that the government is inefficient, 60% felt that it was overly controlling, but 65% agree with the statement that the government "is run for the benefit of all the people." Just 34% of American's disagree with the latter statement. In China, on the other hand, the Pew researchers were not permitted to ask these questions. Even though we don't know what the answers might be, we can only imagine how Chinese citizens feel about government control!

"The more freedom we enjoy, the greater the responsibility we bear, toward others as well as ourselves."

Oscar Arias Sanchez