Steinhauser, Dušan

Article

Cultural impact on economic freedom in OECD member countries

Ekonomický časopis

Provided in Cooperation with:
Slovak Academy of Sciences, Bratislava

Reference: Steinhauser, Dušan (2022). Cultural impact on economic freedom in OECD member countries. In: Ekonomický časopis 70 (1), S. 57 - 75. https://www.sav.sk/journals/uploads/0301151701%2022%20Steinhauser%20+%20SR.pdf. doi:10.31577/ekoncas.2022.01.04.

Cultural Impact on Economic Freedom in OECD Member Countries[1]

*Dušan STEINHAUSER**

Abstract

The new institutional economic theory working with the concept of transaction costs assumes a quality setting of formal and informal institutions for an effectively functioning economic system. In an economic freely environment, we can assume a lower level of transaction costs. The main aim of the presented article is to identify Hofstede's cultural dimensions that have a combined impact with the Human Development Index on economic freedom measured by The Heritage Foundation Index of Economic Freedom in OECD member countries. We used instruments of quantitative analysis, namely correlation and multiple regression analysis. We confirmed a negative impact of power distance and uncertainty avoidance on The Heritage Foundation Index of Economic Freedom. Countries with higher values of the Human Development Index achieve better score in The Index of Economic Freedom. In literature review and discussion we open the question of cancel culture in context of economic freedom for further research and we recommend the application of the concept of economic freedom in accordance with the principle of subsidiarity. However, the importance of economic freedom appears differently for diverse groups of countries.

Keywords: *The Heritage Foundation Index of Economic Freedom, culture, Hofstede, Human Development Index, cancel culture*

JEL Classification: E02, O17, O44

DOI: https://doi.org/10.31577/ekoncas.2022.01.04

* Dušan STEINHAUSER, University of Economics in Bratislava, Faculty of Commerce, Department of International Trade, Dolnozemská cesta 1, 852 35 Bratislava, Slovak Republic; e-mail: dusan.steinhauser@euba.sk

[1] Author is thankful for support to wife Terezka, to Ing. Zuzana Borovská for language check and to anonymous reviewers from Journal for Economic Theory, Economic Policy, Social and Economic Forecasting and Review of Economic Perspectives. This paper is a part of a research project of the Ministry of Education, Family and Sports of the Slovak Republic VEGA (in the period 2020 – 2022) No. 1/0777/20: *Belt and Road initiative – opportunity or threat for the EU and Slovak export competitiveness?*

Introduction

The new institutional economic theory represents an alternative economic approach to the main economic concepts (e.g. Mlčoch, 2005). The subject of economic research is in this case a transaction in the sense of an exchange and not in a classical transformation approach of production (more specifically Wallis and North, 1986). Economic prosperity is affected by transaction costs, and it is inherent that in economic systems with a lower level of transactions costs is an institutional environment more efficient (e.g. Kittová and Steinhauser, 2017). This quality is influenced by the setting of formal and informal institutions, e.g. the quality of laws or culture. One of the most important authors of this economic concept and the whole economic theory is R. H. Coase (1937), who underlined the role of transaction costs for the very existence of companies. O. E. Williamson (1990) further disseminated this theory and described economic reality with its imperfections, that must be mitigated by governance structures. This is mainly due to the possibility of opportunism, imperfect information, and assets specificity. Later, H. De Soto (1989 in Marquez, 1990) in "The Other Path" emphasized the practical application of this concept and the importance of the informal sector (informal housing, trade, and transportation) in economic development. In other words, when formal institutions fail, informal institutions gain importance for the well-living being of the people. H. De Soto demanded true economic freedom in the sense of freedom from bureaucracy. The Other Path became an inspiration for the World Bank Group Doing Business Index (ild.org, 2017). We have several possible indicators that we would use to quantify and estimate the number of transaction costs in the economy. Unfortunately, some indices turned out to have a problem with independence and subjectivity. The problem of subjectivity in expert assessment is well known (e.g. Coduras and Autio, 2013). Even the Doing Business is suspended at the time of our manuscript preparation (WBG, 2021). For our analysis, we used The Heritage Foundation Index of Economic Freedom. However, this indicator also has its limitations like any other composite index. One of the problems is the use of equal weights in the ranking-building (The Heritage Foundation, 2020b). The authors I. Dialga and T. Vallée (2021) propose to use advanced methods of weighting individual index components, namely principal components analysis or the method of the benefit of the doubt. On the other hand, the authors mention the importance of the index in public debates and policies. J. Ott (2018) proposes omitting the Size of Government sub-index from the Index of Economic Freedom, while increasing the degree of correlation with other indicators, e.g., with a level of Happiness. In addition to economic freedom, the value of transaction costs, according to new institutional economic theory, can also be expressed using other indicators and

indices to compile an analysis of institutional environment quality (e.g. Okruhlica, 2013).

Similarly, culture can be quantified through the approaches of different authors. We can mention F. Trompenaars or G. Hofstede (e.g. Knapik and Zorkóciová, 2006). In addition, J. Graafland (2020) applied the World Value Survey and the European Value Survey database. A. Chizema and G. Pogrebna (2019) used language as a measure of individualism, specifically the use of the personal pronoun "I". All approaches have their strengths as well as weaknesses. G. Hofstede (1996) criticized the competitive approach and methodology of F. Trompenaars using correlation and factor analysis, but similarly M. Minkov (2017) tested Hofstede's methodology and emphasized the need to update his database. Certainly, an interesting alternative is the application of the World Values Survey database (WVS, 2021), but we decided to accept the limitations and chose a publicly available and in the scientific literature widely used database by G. Hofstede. This methodology does not require further processing and enables greatly simplifies quantitative analysis and comparison with other studies. For this reason, we will deal with the relationship between cultural informal institutions and economic freedom quantified by The Heritage Index of Economic Freedom.

The current crisis caused by the Covid-19 pandemic also highlights the need to discover sources of competitiveness. This can be defined following M. Porter (1990) and P. Krugman (1994) in the light of productivity (we use labour productivity). We expect that in a better institutional environment, we expect greater economic freedom and thus an environment for establishing healthy competitiveness. In a similar manner, D. Steinhauser (2021) compared the labour productivity of the EU member states and the Asian and Pacific Belt and Road Initiative (BRI) member states in relation to the Human Capital Index, the Global Innovation Index, and The Heritage Index of Economic Freedom. The author showed only a weak direct correlation between labour productivity and economic freedom for the EU countries, but for the BRI countries Kendall's correlation coefficient was higher than 0.6, so there is a moderate strong direct correlation.

In the discussion, we will try to point out a new phenomenon which, also occurs according to measurements in the most economically free countries and which has a cultural expression, which we propose to examine to economic freedom. Specifically, this is the issue of cancel culture. The issue of cancel culture is in current scientific literature relatively new. The evidence represents the number of scientific articles in the Web of Science database (WoS, Clarivate, 2022). As of January 10, 2022, after searching for "cancel culture" with quotes on the WoS, only 37 articles appeared, of which 8 in year 2020 and 29 in year 2021. In addition to updating and comparing the results with other papers with

a similar topic, the present study may contribute to the discussion on cancel culture in the context of economic freedom, culture, and competitiveness. In addition to opening up the discussion question, this study aims to contribute to the literature examining the relationship between culture and economic freedom.

1. Literature Review

L. Guiso et al. (2006, p. 23) defined culture: "*as those customary beliefs and values that ethnic, religious, and social groups transmit fairly unchanged from generation to generation*." The authors mentioned that such a definition of culture may have an impact on economic outcomes. For this reason, we can find a wealth of literature that has used cultural dimensions and economic freedom in various applications. J. Graafland (2020) examined the role of the generalized trust between the UNDP Human Development Index and the Economic Freedom of the World by the Fraser Institute. J. Graafland and N. Noorderhaven (2020) focused on the analysis from a microeconomic perspective, i.e., the impact of long-term orientation on corporate social responsibility. Y. Bayar and O. F. Öztürk (2019) examined the impact of economic freedom by the Fraser Institute and globalization by the KOF Swiss Economic Institute Globalization index on shadow economy in the European Union transition economies, D. Singh and Z. Gal (2020) and W. Lu et al. (2020) dealt with the impact of economic freedom on foreign direct investment in different regions of the world. K. Gehring (2013) confirmed the positive impact of economic freedom on subjective well-being, I. Brkić et al. (2020) and L. Mura et al. (2017) examined economic freedom and economic growth. C. Williamson and R. L. Mathers (2011) also examined the impact of economic freedom and culture on economic growth. They found an interesting fact that, although economic freedom and culture have an influence on economic growth, they may be substitutes for each other: "*One possible explanation for this finding is that when private property rights and contracts are not formally enforced, individuals rely on informal norms, such as trust and respect, to substitute for this function* (Williamson and Mathers, 2011, p. 326)." This statement is in theoretical line with "The Other Path" from H. de Soto (1989 in Marquez, 1990).

J. D. DeBode et al. (2019) published an article on a sample of 52 countries according to the availability of databases, in which they examined the relationship between Hofstede's cultural dimensions and the economic freedom of The Heritage Foundation. We consider this study to be similar to our presented paper, while we differ in the specification of the model and the sample of countries. Nevertheless, the study is key to comparing our results in the discussion. In addition,

the authors added to the variables such determinants as the ratio of Catholics, Protestants, and Muslims, or the legal origin. Thus, among informal institutions and factors that significantly influence culture, we can also include religion. For example, in the Catholic Church, there is a social doctrine, the influence of which is also examined in the economic literature (compare Gómez-Bezares and Gómez-Bezares, 2021). J. D. DeBode et al. (2019, p. 68) state: "*These results suggest that Catholics are the most accepting of a free-market economy with fewer restrictions than Protestants, who, in turn, are more accepting than Muslims. As a result, one would expect the greatest economic freedoms in countries with proportionately more Catholics than any other religious affiliation, followed by Protestants and to a lesser extent, Muslims*." The perception of freedom from the point of view of faith is closely related to this issue: "*Anyone who promises the better world that is guaranteed to last for ever is making a false promise; he is overlooking human freedom. Freedom must constantly be won over for the cause of good. Free assent to the good never exists simply by itself. If there were structures which could irrevocably guarantee a determined – good – state of the world, man's freedom would be denied, and hence they would not be good structures at all* (Benedict XVI., 2007)." The findings of these studies have led us to formulate our conclusions more carefully and per the principle of subsidiarity. This assumption was studied and applied to Lombardy by J. Baroš (2017), which is part of the Catholic social doctrine.

These ideas have led us to think about cancel culture, we provide a brief overview of current creditworthiness studies on this topic. Author E. Ng (2020, p. 623) defined cancel culture as: "*the withdrawal of any kind of support (viewership, social media follows, purchases of products endorsed by the person, etc.) for those who are assessed to have said or done something unacceptable or highly problematic, generally from a social justice perspective especially alert to sexism, heterosexism, homophobia, racism, bullying, and related issues*." The modern phenomenon of cancel culture, J. C. Velasco (2020, p. 6) likened to historical practices of humiliation: "*History has shown that humanity has devised a multitude of creative yet gruesome ways of shaming an individual for alleged social and legal infrastructures e.g. public flogging, wearing a dunce cap, forced public exposure, and public caning*." P. Norris (2021) asks whether this phenomenon exists at all and tries to explain it based on sociological background. The author mentions the thesis Noelle-Neumann's spiral of silence, which talks about the gradual prevalence of majority values in society and the displacement, or even the suppression of competing beliefs. The author also argues that there may be evidence of a cancel culture phenomenon, where scholars do not express their moral beliefs publicly until they conform to the views of the environment. Of course, it

is not possible to defend immoral or illegal statements and speeches or to condemn sound activism. On other hand exists a danger of self-censorship and censorship. Lesson for our situation can be the experience of former Central and Eastern Europe socialist countries, including Slovakia. P. Matejovič (2013) studied the work of the Slovak writer V. Mináč and the influence of censorship on his work. The author states that immediately after the onset of the totalitarian regime, there was no institutionalized censorship, but there was already self-censorship, which also changed the character of the author's work, which ceased to be the result of authentic work. In our opinion, the motivation for self-censorship is a possible fear of being punished by expressing one's own beliefs or striving for conformity.

D. Sailofsky (2021) investigated cancel culture based on 1000 messages on the Twitter network, which were related to one sports controversy. One cultural dimension, which G. Hofstede also examines, provoked negative reactions. This is masculinity, in which extreme and often vulgar manifestations can provoke a "cancel" response: "*The responses to this situation point to questions regarding the proper consequences for inappropriate actions and acceptable masculinities among athletes*" (Sailofsky, 2021, p. 2). It is known that the phenomenon of cancel culture is associated with the left-wing of the political spectrum (e.g. Lewis, 2020), which has its collectivist origins. From these facts, we can conclude that in an environment with a higher level of masculinity and individualism, which we can measure using Hofstede's cultural dimensions, we assume more frequent manifestations of cancel culture. Masculinity and individualism can provoke reactions associated with cancel culture, in addition individualism in society can enable them because, in individualistic societies, people enforce their freedom more. The current pandemic situation caused by Covid-19 has also demonstrated this assumption. The authors C. Chen et al. (2021) dealt with the relationship between compliance with anti-pandemic measures and culture, in particular individualism. Indeed, it has been confirmed that these measures, which the authors called lockdown rules, were less complied within places with a higher degree of individualism. It is also possible to shift cultural characteristics in specific countries from individualism to collectivism. However, cultural change is a long-term process, especially in the field of education (Akanji, 2017). For this reason, it is interesting that we encounter abundant culture in academia (e.g. Berghel, 2021). However, we offer verification of assumption about cancel culture for further research, as this is not in line with the main objective of this study. However, these socio-political issues may also affect economic activity.

Specification of our regression analysis influenced seven formulated hypotheses, which were inspired by the conclusions of D. Mornah and R. J. MacDermott (2018, p. 292): "*Under the Hofstede dimensions, in most cases, societies*

characterized by high Power Distance and Masculinity are more corrupt. Individualism, Long Term Orientation, and Indulgence, in most cases, have a negative effect on corruption. The effect of Uncertainty Avoidance is unclear." We allow our analogy because the Heritage Foundation Index of Economic Freedom (IEF) contains a quantification of corruption too, and at the same time we consider the authors' study to be a quality analysis using modern econometric methods. In the case of Uncertainty Avoidance, we can use our own consideration on the impact on economic freedom. P. Knapik and O. Zorkóciová (2006) state that in societies with a higher value of Uncertainty Avoidance are prepared precise plans, or stricter government regulation. For this reason, we are inclined to believe that such societies are less economically free:

H1: Power Distance will have a negative impact on economic freedom, i.e., the higher value of this dimension will be correlated by lower values of the IEF.
H2: Individualism will have a positive impact on the economic freedom, i.e., the higher value of this dimension will be correlated by the higher value of the IEF.
H3: Masculinity will have a negative impact on economic freedom, i.e., the higher value of this dimension will be correlated by lower values of the IEF.
H4: Uncertainty Avoidance will have a negative impact on economic freedom, i.e., the higher value of this dimension will be correlated by lower values of the IEF.
H5: Long Term Orientation will have a positive impact on the economic freedom, i.e., the higher value of this dimension will be correlated by the higher value of the IEF.
H6: Indulgence will have a positive impact on the economic freedom, i.e., the higher value of this dimension will be correlated by the higher value of the IEF.
H7: Countries with a higher Human Development Index will achieve higher value of the IEF.

2. Methodology

The main aim of the presented article is to identify Hofstede's cultural dimensions that have a combined impact with the Human Development Index on economic freedom measured by The Heritage Foundation IEF in OECD member countries. To achieve our main aim, we applied a quantitative analysis of one dependent (DV), several independent variables (IV), and one control variable (CV), which can be seen in Table 1. All partial components of The Heritage IEF, variables from 10 to 21 were used only in correlation analysis. In the case of correlation analysis, it is not necessary to mark dependent or independent variables, but we assume the impact of culture on the IEF subindices. We included

these variables due to the methodological reservations of I. Dialga and T. Vallée (2021) and J. Ott (2018) on total index calculation. Inspired by the questions in these two studies, we have included a macroeconomic indicator of labour productivity that plays a special role in our analysis. It aims to verify the assumption that the IEF is indeed an adequate measure of the level of transaction costs in the economy and whether it assesses the level of national competitiveness itself. This variable was also analysed only by correlation analysis. The choice of years was influenced by the IEF methodology (The Heritage Foundation, 2020b). The 2020 report evaluates part of the years 2018 and 2019. For this reason, we have selected the control variable Human Development Index (HDI) from 2018.

T a b l e 1

Description of Variables

No.	Variable	Description
1.	IEF_2020	The Heritage Foundation Index of Economic Freedom from 2020 (DV)
2.	LProd_2019	Labour productivity as GDP per person employed (constant 2017 PPP USD)
3.	HDI_2018	UNDP Human Development Index from year 2018 (CV)
4.	PDS	Hofstede's Power Distance (IV)
5.	IND	Hofstede's Individualism (IV)
6.	MAS	Hofstede's Masculinity (IV)
7.	UA	Hofstede's Uncertainty Avoidance (IV)
8.	LTO	Hofstede's Long Term Orientation (IV)
9.	IDG	Hofstede's Indulgence (IV)
10.	PR_2020	Subindex Property Rights from report 2020
11.	JE_2020	Subindex Judicial Effectiveness from report 2020
12.	GI_2020	Subindex Government Integrity from report 2020
13.	TB_2020	Subindex Tax Burden from report 2020
14.	GS_2020	Subindex Gov't Spending from report 2020
15.	FH_2020	Subindex Fiscal Health from report 2020
16.	BF_2020	Subindex Business Freedom from report 2020
17.	LF_2020	Subindex Labor Freedom from report 2020
18.	MF_2020	Subindex Monetary Freedom from report 2020
19.	TF_2020	Subindex Trade Freedom from report 2020
20.	IF_2020	Subindex Investment Freedom from report 2020
21.	FF_2020	Subindex Financial Freedom from report 2020

Note: IV – independent variable; DV – dependent variable; CV – control variable.

Source: Own processing from The Heritage Foundation (2020a), The Hofstede Centre (2019), UNDP (2020), WBG (2022).

We verified the formulated hypotheses in chapter Literature review mainly by correlation and multi-regression linear analysis, the equation of which had the form:

$$IEF_{2020} = b_0 + b_1 \times x_1 \pm b_{n-1} \times x_{n-1} \pm b_n x_n + u$$

where x_1, $x_{n\text{-}1}$, x_n are independent variables, b_0, $b_{1,}$ and $b_{n\text{-}1}$ are parameters and u mean a random error (compare Lukáčik et al., 2011).

In the case of correlation analysis, R. Hanák (2016) recommends compiling the Pearson correlation coefficient only if the variables are normal distributed. Table 2 contains the results of the test of the normally distribution of variables. Numerous p-values of the four tests, which were less than 0.05, determined the choice of Kendall's tau correlation coefficient. We tested the normal distribution of variables in the PAST software (Hammer et al., 2001), as well as descriptive statistics and correlation analysis.

Multiple regression analysis was compiled and tested in software GRETL (Cottrell and Lucchetti, 2021), with input data prepared in Microsoft EXCEL. The results were interpreted in accordance with the econometric literature (Lukáčik et al., 2011). Table 3 contains descriptive statistics of the basic dataset indicators. The explanatory ability of the model was influenced by the missing value of the cultural dimension of Indulgence, specifically Israel. We used the database by The Hofstede Centre (2019), while the original research of cultural dimensions comes from G. Hofstede et al. (2010). We also processed the data of the IEF by The Heritage Foundation (2020a), and the HDI by UNDP (2020).

T a b l e 2

Normality Tests of Variables

	Shapiro-Wilk W	**Anderson-Darling A**	**Lilliefors L**	**Jarque-Bera JB**
	p(normal)	**p(normal)**	**p(normal)**	**p(normal)**
IEF_2020	0.335	0.137	**0.048**	0.563
LProd_2019	**0.000**	**0,000**	**0,028**	**0,000**
HDI_2018	**0.007**	**0.023**	0.092	**0.006**
PDS	0.423	0.311	0.140	0.545
IND	0.067	0.061	0.124	0.320
MAS	0.310	0.365	0.611	0.612
UA	0.184	0.172	0.089	0.431
LTO	0.110	0.133	0.052	0.348
IDG	0.188	0.089	0.187	0.680
PR_2020	**0.004**	**0.003**	**0.017**	0.079
JE_2020	0.059	0.055	**0.027**	0.315
GI_2020	**0.006**	**0.004**	**0.040**	0.180
TB_2020	0.184	0.205	0.112	0.409
GS_2020	0.660	0.588	0.513	0.722
FH_2020	**0.000**	**0.000**	**0.003**	**0.011**
BF_2020	0.861	0.798	0.502	0.683
LF_2020	0.174	0.267	0.309	0.394
MF_2020	**0.016**	0.063	0.097	**0.003**
TF_2020	**0.000**	**0.000**	**0.000**	**0.011**
IF_2020	**0.019**	**0.019**	**0.004**	0.051
FF_2020	**0.005**	**0.000**	**0.000**	0.749

Source: Own processing from The Heritage Foundation (2020a), The Hofstede Centre (2019), UNDP (2020).

Table 3 shows descriptive statistics of variables. We can identify countries with the minimum and maximum values of variables that later served as a database for regression analysis: Austria (11) reached the minimum value of PDS,

and Slovakia (100) achieved the maximum value. The most collectivistic country from OECD members is South Korea (18) and the most individualistic nation is USA (91). Sweden (5) achieved the minimum value in dimension MAS and the maximum value reached again Slovakia (100). Denmark (23) and Greece (100) are two thresholds of UA. Austria (21) is a society with the lowest value of LTO and South Korea (100) with the highest value. The last cultural dimension is IDG with extremes Latvia (13), Mexico (97), and Israel, which is missing its value. In terms of the control variable, Mexico has the lowest HDI score (0.767) and the nation with the highest HDI is Norway (0.954). In the case of the dependent variable, Greece (59.9) and New Zealand (84.1) reached the minimum and maximum IEF. The rest variables were used mainly in the correlation analysis and represent the illustration of the overall situation. These are sub-indices of the IEF and represent the composition of the overall index.

T a b l e 3

Descriptive Statistics

	N	Min	Max	Mean	St. dev	Skew.	Kurt.
IEF_2020	36	59.90	84.10	73.19	5.90	–0.27	–0.63
LProd_2019	36	44 968.96	244 352.80	98 320.31	36 145.02	2.20	7.29
HDI_2018	36	0.77	0.95	0.90	0.04	–1.19	1.64
PDS	36	11.00	100.00	46.36	19.55	0.47	0.26
IND	36	18.00	91.00	60.44	19.53	–0.59	–0.38
MAS	36	5.00	100.00	47.69	25.52	0.02	–0.74
UA	36	23.00	100.00	67.17	20.80	–0.28	–0.86
LTO	36	21.00	100.00	52.97	21.59	0.32	–0.98
IDG	35	13.00	97.00	51.23	20.23	–0.14	–0.59
PR_2020	36	57.00	93.30	79.81	9.98	–0.96	0.16
JE_2020	36	34.70	86.10	65.48	14.28	–0.38	–0.97
GI_2020	36	36.70	96.10	75.03	16.93	–0.69	–0.68
TB_2020	36	42.00	84.90	66.07	11.51	–0.39	–0.73
GS_2020	36	4.50	80.80	46.79	18.71	–0.29	–0.24
FH_2020	36	54.30	99.90	87.29	11.89	–1.25	0.80
BF_2020	36	55.30	94.70	77.06	9.20	–0.28	–0.36
LF_2020	36	44.10	87.90	63.83	12.40	0.37	–0.80
MF_2020	36	66.10	87.00	80.38	4.39	–1.17	2.05
TF_2020	36	78.00	92.20	85.62	2.81	–1.07	1.74
IF_2020	36	55.00	95.00	80.28	7.92	–0.83	1.58
FF_2020	36	50.00	90.00	70.56	10.13	–0.29	–0.13

Source: Own processing from The Heritage Foundation (2020a), The Hofstede Centre (2019), UNDP (2020), WBG (2022).

3. Results and Discussion

Table 4 contains statistically significant correlation coefficients. IEF achieved a medium-strong relationship to PDS, UA (both negative impact), and weak positive linkage to IND and IDG. That means, that with increasing of PDS and UA is expected increasing of IEF. The impact of IND and IDG on IEF will evaluate

only after regression analysis. We found very similar results using the HDI variable. Table 4 does not contain the correlation coefficient of IEF and HDI, but the value of Kendall's tau is 0.46 (medium-strong positive linear relationship). Even in this case, we can assume that with rising of HDI, IEF will increase. It is interesting from the other variables a moderate-strong negative relationship between PDS, UA and PR, JE, GI, and between UA and FF. Also noteworthy is the positive link between IND and FF. With the increase of IND, we expect medium-strong growth of FF. Given the accepted objective of the article, we want to prove the combined impact of independent variables on the dependent variable. For this reason, it is necessary to compile a multiple regression analysis and in conclusion verify our hypotheses.

T a b l e 4

Correlation Analysis (p-val. < 0.05)

Kendall's tau	PDS	IND	MAS	UA	LTO	IDG	LProd_2019
IEF_2020	–0.47	0.30		–0.51		0.33	0.21*
Prod_2019	–0.35	0.31	–0.02	–0.26		0.27	–
HDI_2018	–0.53	0.33		–0.40		0.37	0.56
PR_2020	–0.49	0.33		–0.44		0.38	0.38
JE_2020	–0.51	0.40		–0.45		0.40	0.43
GI_2020	–0.50	0.30		–0.42		0.39	0.41
TB_2020							–0.38
GS_2020							–0.31
FH_2020	–0.24		–0.25	–0.31			
BF_2020	–0.36	0.26	–0.25	–0.38		0.36	0.24
LF_2020	–0.27	0.26		–0.29			
MF_2020							
TF_2020					–0.23	0.33	
IF_2020	–0.38	0.31		–0.38			0.36
FF_2020	–0.37	0.45		–0.47		0.37	0.29

Note: * p-val. > 0.05.

Source: Own processing from The Heritage Foundation (2020a), The Hofstede Centre (2019), UNDP (2020).

The correlations between labour productivity from 2019 and other variables brought interesting results. There is only a weak direct correlation between this variable and the economic freedom of OECD countries. This may support results of I. Dialga and T. Vallée (2021) and J. Ott (2018), which encourage The Heritage to improve the index's methodology. On the other hand, there are countries that show moderate direct dependence between labour productivity and economic freedom. These were selected BRI countries (Steinhauser, 2021). Thus, it is possible that The Heritage IEF has different informative values for developed and developing countries. The reason may also be H. de Soto's theory that in countries with worse formal institutions, the informal ones are gaining in importance. However, it should be noted that the Index of Economic Freedom evaluates both formal, legal institutions, but also informal, cultural ones. Among

the informal we can include corruption rate. As for the individual sub-indices, we have accepted a possible slight time discrepancy here, as the 2020 report is compiled for the period 2019 and partly 2018 (The Heritage Foundation, 2020b). Nevertheless, it is interesting that in countries with higher Judicial Effectiveness (JE) and Government Integrity (GI) values, higher values of labour productivity.

Table 5 shows the results of multiple regression analysis. The count of an asterisk means the statistical significance level by p-value. One asterisk is 90% significance level, two 95% and three asterisk 90% significance level of parameter's estimation. We also tested the possibility of the presence of collinearity (Adkins et al., 2015). All values in model 1 by the Variance Inflation Factors method were below the critical value of 10. On the other hand, the condition index of the Belsley-Kuh-Welsch test reached a value of up to 124.44. For this reason, we also compiled model 2, from which we omitted the control variable HDI. In this case, we succeeded to reduce the condition index to a value close to 30, namely 31.14. However, after the logarithmic transformation (model 3), we were not able to reduce the high value of the condition index even after omitting HDI. On the other hand, we accept favourable values of Variance Inflation Factors (max. VIF value by ln_UA 2.45 < 10). In Table 5 it is also possible to observe the basic diagnostic tools of the econometric model, F-statistics with numbers of independent variables and degrees of freedom in parentheses, White's test of heteroskedasticity, coefficient of determination (R-squared), individual p-values related to Student's statistics (t-statistics). We believe that the model meets the basic econometric assumptions.

T a b l e 5

Multiple Regression Analysis

OLS	Model 1 IEF_2020	p-val.	Model 2 IEF_2020	p-val.	Model 3 IEF_2020 (ln)	p-val.
const	59.44	0.02**	86.13	0.01***	5.18	0.01***
PDS	–0.10	0.08*	–0.13	0.02**	–0.04 (ln)	0.19
IND	–0.05	0.41	–0.03	0.57	–0.03 (ln)	0.39
MAS	0.01	0.69	0.01	0.80	0.01 (ln)	0.38
UA	–0.13	0.02**	–0.14	0.02**	–0,10 (ln)	0.04**
LTO	0.02	0.67	0.04	0.39	–0.02 (ln)	0.51
IDG	0.03	0.60	0.04	0.42	–0.02 (ln)	0.46
HDI_2018	30.25	0.24			0.68 (ln)	0.04**
R-squared	0.62		0.60		0.57	
F-statistics	6.34 (7, 27)		7.04 (6, 28)		5.08 (7, 27)	
White's test (p-val.)	0.91		0.40		0.80	

Source: Own processing from The Heritage Foundation (2020a), The Hofstede Centre (2019), UNDP (2020).

In general, the estimation did not change significantly in comparison with model 1. Constant is statistically significant in both models, PDS with 90% probability in model 1 and 95% probability in model 2, and UA with 95% probability

in both cases. Other variables are estimated insignificant. Based on multiple regression analysis (model 1), we expect with an increase of PDS by 1 point a marginally decrease of IEF by 0.1 points, and with one point growth of UA, we expect a slight decrease of IEF by 0.13. Since these are really small estimations and with regard to hypothesis 7, we compiled the multiple regression analysis in logarithmic form with the results as elasticity (model 3). We found that with an UA increasing by 1% we expect a decrease in IEF by 0.10% (**), but with an increase in HDI by 1% we expect an increase in IEF by 0.68% (**) with the coefficient of determination (R-squared) 0.57. With some limitations, we can then confirm the positive impact of HDI on IEF without further quantification.

In contrast to our study, J. D. DeBode et al. (2019) applied correlation and linear multi-regression analysis to 52 countries, using Hofstede's cultural dimensions as well as the characteristics of world religions and the legal origin and their impact on the 2018 Economic Freedom Index. "*Specifically, countries with more feminine cultures, on average, had greater economic, business and trade freedom*. [...] *long-term-oriented and indulgent societies, respectively, were argued to be positively related to the measures of economic freedom* […] *Instead, short-term-oriented cultures were predictive of greater business freedom, while more restrained cultures were associated with greater business and monetary freedoms. Consistent with expectations, more individualism was predictive of greater monetary freedom* (DeBode et al., 2019, p. 77)." The authors did not prove a statistical effect of power distance and uncertainty avoidance. Interestingly, our regression analysis proved the negative impact of these two Hofstede's cultural dimensions on the Economic Freedom Index of 2020. These two variables also had a predominantly moderately negative effect on the individual subindices of economic freedom.

Hofstede's cultural dimensions are widely exploited in the literature. Even the dimensions themselves have gone through their inner dynamics. M. Minkov (2017) tested Hofstede's model quantified for 56 countries with the World Values Survey database. The author draws attention to a specific sample of Hofstede's initial research (the IBM database), and that a robust cultural dimension appears only to the revised dimension of IND. Based on the analysis, author has reservations about the other dimensions. For example, in the case of LTO, the author refers to previous studies, including his own, and proposes a new dimension called flexibility vs. monumentalism as well as citing previous research on other dimensions, e.g., UA-studies were focused on European countries and the Asian region was not respected. Despite these concerns we draw attention to the targeted OECD sample, a group that represents a relatively heterogeneous dataset. Although among the members we can find Asian, South American, European,

etc. countries. In any case, the results of M. Minkov's study represent a serious limitation in the use of Hofstede's data.

If we look at the internal structure of The Economic Freedom Index, we will find that the state intervention, for example in the form of public spending, reduces the score of the measurement. P. Krugman (2020, p. 213), in response to the Covid-19 crisis, calls for rising of government spending: "*I hereby propose that the next US president and Congress move to permanently spend an additional 2% of GDP on public investment, broadly defined (infrastructure, for sure, but also things like R&D and child development) – and not pay for it.*" Such an approach leads us to the idea that economic freedom itself can be perceived differently and can be greatly influenced by ideology. Personally, we are in favour of rational state spending, and we strictly adhere to the principle of subsidiarity, we agree with the author that state spending itself should be spent on coherent goals, such as research and development, etc. An answer is offered from non-economic spheres, where freedom is good if it is not enforced and any enforced good would become immoral (e.g. Benedict XVI., 2007).

More and more often in the mainstream media, we can encounter the issue of so-called cancel culture. In 2020 was published "A Letter on Justice and Open Debate" (harpers.org, 2020). The letter called on 150 personalities to oppose restrictions on the right to freedom of expression: "The letter denounces "a vogue for public shaming and ostracism" and "a blinding moral certainty" (bbc.com, 2020)." The author does not agree with all statements in the document, but this issue is in connection with the topic of our article. In our opinion, this issue may have an impact on economic freedom in the short term, and this impact remains scientifically poorly covered and especially in the case of abuse of this topic. From the very title of the issue cancel culture, it is evident, that this problem is useful to process withing research of cultural impact on economic freedom.

Our article provided an analysis of the impact of selected determinants on economic freedom. The next step raises the question of how to adjust developments in individual countries in a supportive direction in terms of economic freedom improving. B. Akanji (2017, p. 3) claims, "*a culture change, which can be a slow and difficult process, but not an impossible one*." The author underlines in this context the role of education.

Conclusion

The main aim of the presented article is to identify Hofstede's cultural dimensions that have a combined impact with the Human Development Index on economic freedom measured by The Heritage Foundation Index of Economic

Freedom in OECD member countries. This aim is formulated in a way required by the application of quantitative methods. Using correlation analysis through Kendall's tau, we found a possible negative medium-strong impact of PDS and UA on IEF. The positive impact of IND and IDG on IEF was uncertain. The correlation coefficient between IEF and HDI was positive and medium-strong. Based on multiple regression analysis, we confirmed the negative effect of PDS and UA on IEF, but the estimation was marginal. The effect of HDI on IEF was to our surprise in this specification statistically insignificant. Encouraged by the result of the correlation analysis, we compiled an additional multiple regression analysis in logarithmic form, which confirmed, on the one hand, the marginal effect of UA on IEF, but on the other hand a significant HDI impact on IEF. For this reason, we can confirm hypotheses 1, 4, and 7 (overview in Table 6). We did not collect sufficient evidence for other hypotheses confirmation.

T a b l e 6

Evaluation of the Impact of Independent Variables on Economic Freedom

Hypothesis	Assumption	Kendall's tau	Regression analysis
1 – PDS	Negative	Medium-strong negative	Marginal negative
2 – IND	Positive	Weak positive	Insignificant
3 – MAS	Negative	Insignificant	Insignificant
4 – UA	Negative	Medium-strong negative	Marginal negative
5 – LTO	Positive	Insignificant	Insignificant
6 – IND	Positive	Weak positive	Insignificant
7 – HDI	Positive	Medium-strong positive	Positive

Source: Own processing.

The creation of this article led us to deep considerations about economic freedom already at compiling a literature review. At the same time, we also came across the issue of cancel culture. By analogy, we assume that in countries with a high value of individualism and masculinity, we may encounter manifestations of this phenomenon more often. However, we offer verification of this assumption for further research, and we consider it reasonable to analyse in this context the prevailing political spectrum of the right, or the left, or the prevailing conservatism vs. liberalism. In our opinion, this trend of cancel culture may have a negative potential for economic freedom already in the short term. In this area, we call on deeper analysis, especially in the field of social sciences.

The limitations of our research include, on the one hand, the mentioned different influences of economic freedom on some countries. This fact affects the explanatory ability of the indexes. The additional correlation between The Heritage Index of Economic Freedom and labour productivity (an indicator of national competitiveness) was only weak. We see two possibilities of this result. On the one hand, it is potential to update the index methodology, on the other hand, there are

mostly developing countries that show stronger correlations between economic freedom and labour productivity. D. Steinhauser (2021) studied selected BRI member states. On the other hand, represent a limitation disputable fidelity of Hofstede's cultural dimensions, which some authors request to revise and validate. Of course, economic freedom is one of the factors determining national competitiveness. Among other things, it is important to monitor cost competitiveness, such as labour, energy, and costs of other inputs (e.g. Zábojník et al., 2020). In any case, we recommend to the decision-making sphere to improve the position of countries according to individual sub-indices of economic freedom, which is in line with the new institutional economic theory and the reduction of transaction costs.

References

ADKINS, L. – WATERS, M. – HILL, C. (2015): Collinearity Diagnostics in gretl. [Economics Working Paper Series 1506.] Stillwater, OK: Oklahoma State University, Department of Economics and Legal Studies in Business, pp. 1 – 28. [Cit. 2021-03-15.] Available at: <https://learneconometrics.com/pdf/Collin/collin_gretl.pdf>.

AKANJI, B. (2017): The Relationship between Culture and Corruption in Nigeria – Prospecting Culture Change in Dealing with this 'Big Black Hole'. The Romanian Economic Journal, *20*, No. 63, pp. 3 – 18. Available at: <http://www.rejournal.eu/sites/rejournal.versatech.ro/files/articole/2017-04-02/3436/1babatunde.pdf>; <https://relik.vse.cz/2021/download/pdf/377-Steinhauser-Dusan-paper.pdf>.

BAROŠ, J. (2017): Subsidiarita: od teoretického konceptu k praktické zkušenosti. Studia theologica, *19*, No. 2, pp. 1 – 22. DOI: 10.5507/sth.2017.017.

BAYAR, Y. – ÖZTÜRK, O. F. (2019): Economic Freedom, Globalization, and the Shadow Economy in the European Union Transition Economies: A Panel Cointegration Analysis. Organizations and Markets in Emerging Economies, *10*, No. 2, pp. 378 – 391. DOI: 10.15388/omee.2019.10.19.

BBC.COM (2020): JK Rowling Joins 150 Public Figures Warning over Free Speech. BBC News, 8. July 2020. [Cit. 2020-08-05.] Available at: <https://www.bbc.com/news/world-us-canada-53330105>.

BENEDICT XVI. (2007): Encyclical Letter Spe Salvi of the Supreme Pontiff Benedict XVI. to the Bishops Priests and Deacons Men and Women Religious and All the Lay Faithful on Christian Hope. [Cit. 2020-08-11.] Available at: <http://www.vatican.va/content/benedict-xvi/en/encyclicals/documents/hf_ben-xvi_enc_20071130_spe-salvi.html>.

BERGHEL, H. (2021): A Collapsing Academy, Part II: How Cancel Culture Works on the Academy. Computer, *54,* No. 10, pp. 138 – 144. DOI: 10.1109/MC.2021.3099048.

BRKIĆ, I. – GRADOJEVIĆ, N. – IGNJATIJEVIĆ, S. (2020): The Impact of Economic Freedom on Economic Growth? New European Dynamic Panel Evidence. Journal of Risk and Financial Management, *13*, No. 2, pp. 1 – 13. DOI: 10.3390/jrfm13020026.

CHEN, C. – FREY, C. B. – PRESIDENTE, G. (2021): Culture and Contagion: Individualism and Compliance with COVID-19 Policy. Journal of Economic Behavior & Organization, *190*, pp. 191 – 200. DOI: 10.1016/j.jebo.2021.07.026.

CHIZEMA, A. – POGREBNA, G. (2019): The Impact of Government Integrity and Culture on Corporate Leadership Practices: Evidence from the Field and the Laboratory. The Leadership Quarterly, *30*, No. 5, pp. 1 – 19. DOI: 10.1016/j.leaqua.2019.07.001.

CLARIVATE (2022): Web of Science. [Cit. 2022-1-10.] Available at: <https://www.webofscience.com/wos/woscc/basic-search>.

COASE, R. H. (1937): The Nature of the Firm. Economica, *4*, No. 16, pp. 386 – 405. DOI: 10.1111/j.1468-0335.1937.tb00002.x.

CODURAS, A. – AUTIO, E. (2013): Comparing Subjective and Objective Indicators to Describe the National Entrepreneurial Context: The Global Entrepreneurship Monitor and the Global Competitiveness Index contributions. Investigaciones Regionales – Journal of Regional Research, *26*, No. 1, pp. 47 – 74.

COTTRELL, A. – LUCCHETTI, R. (2021): Gretl User's Guide. 482 p. [Cit. 2020-08-11.] Available at: <http://gretl.sourceforge.net/gretl-help/gretl-guide.pdf>.

DEBODE, J. D. – HAGGARD, D. L. – HAGGARD, K. S. (2019): Economic Freedom and Hofstede's Cultural Dimensions. International Journal of Organization Theory & Behavior, *23*, No. 1, pp. 65 – 84. DOI: 10.1108/IJOTB-11-2018-0124.

DIALGA, I. – VALLÉE, T. (2021): The Index of Economic Freedom: Methodological Matters. Studies in Economics and Finance, *38*, No. 3, pp. 529 – 561. DOI: 10.1108/SEF-07-2015-0181.

GEHRING, K. (2013): Who Benefits from Economic Freedom? Unraveling the Effect of Economic Freedom on Subjective Well-Being. World Development, *50*, pp. 74 – 90. DOI: 10.1016/j.worlddev.2013.05.003.

GÓMEZ-BEZARES, A. M. – GÓMEZ-BEZARES, F. (2021): Catholic Social Thought and Sustainability. Ethical and Economic Alignment. Journal of Risk and Financial Management, *14*, No. 1, pp. 1 – 22. DOI: 10.3390/jrfm14010011.

GRAAFLAND, J. – NOORDERHAVEN, N. (2020): Culture and Institutions: How Economic Freedom and Long-term Orientation Interactively Influence Corporate Social Responsibility. Journal of International Business Studies, *51*, No. 6, pp. 1034 – 1043. DOI: 10.1057/s41267-019-00301-0.

GRAAFLAND, J. (2020): Contingencies in the Relationship between Economic Freedom and Human Development: The Role of Generalized Trust. Journal of Institutional Economics, *16*, No. 3, pp. 271 – 286. DOI: 10.1017/S1744137419000705.

GUISO, L. – SAPIENZA, P. – ZINGALES, L. (2006): Does Culture Affect Economic Outcomes? Journal of Economic Perspectives, *20*, No. 2, pp. 23 – 48. DOI: 10.1257/jep.20.2.23.

HAMMER, Ø. – HARPER, D. – RYAN, P. (2001): Past: Paleontological Statistics Software Package for Education and Data Analysis. Palaeontologia Electronica, *4*, No. 1, p. 9. [Cit. 2020-08-11.] Available at: <https://palaeo-electronica.org/2001_1/past/past.pdf>.

HANÁK, R. (2016): Dátová analýza pre sociálne vedy. Bratislava: Vydavateľstvo EKONÓM. ISBN 978-80-225-4345-3. Available at: <https://statistikapspp.sk/ucebnica/datova-analyza-pre-socialne-vedy/>.

HARPERS.ORG (2020): A Letter on Justice and Open Debate. [Cit. 2020-08-05.] Available at: <https://harpers.org/a-letter-on-justice-and-open-debate/>.

HOFSTEDE, G. – HOFSTEDE, G. J. – MINKOV, M. (2010): Cultures and Organizations: Software of the Mind: Intercultural Cooperation and Its Importance for Survival. 3rd ed. New York: McGraw-Hill. ISBN 978-0-07-166418-9.

HOFSTEDE, G. (1996): Riding the Waves of Commerce: A Test of Trompenaars' "Model" of National Culture Differences. International Journal of Intercultural Relations, *20*, No. 2, pp. 189 – 198. DOI: 10.1016/0147-1767(96)00003-X.

ILD.ORG (2017): De Soto Recognized by the World Bank in the 2017. DOI:ng Business Report. Available at: <https://www.ild.org.pe/ild-in-the-news/174-2015/1176-de-soto-recognized-by-the-world-bank-in-the-2017-doing-business-report>.

KITTOVÁ, Z. – STEINHAUSER, D. (2017): Institutional and Macroeconomic Environment of Corporations. Politická ekonomie, *65*, No. 2, pp. 234 – 248. Available at: <https://doi.org/10.18267/j.pep.1138>.

KNAPIK, P. – ZORKÓCIOVÁ, O. (2006): Vplyv kultúrnych odlišností na obchod a rokovanie v medzinárodnom obchode. Bratislava: Vydavateľstvo EKONÓM.

KRUGMAN, P. (1994): Competitiveness: A Dangerous Obsession. Foreign Affairs, *73*, No. 2, pp. 161 – 177. Available at: <https://doi.org/10.2307/20045917>.

KRUGMAN, P. (2020): The Case for Permanent Stimulus. In: BALDWIN, R. and di WEDER MAURO, B. (eds): Mitigating the COVID Economic Crisis: Act Fast and Do Whatever It Takes. CEPR Press, pp. 213 – 219. Available at: <http://www.itsr.ir/Content/upload/O79CB-COVIDEconomicCrisis.pdf#page=70>.

LEWIS, H. (2020): How Capitalism Drives Cancel Culture. The Atlantic, July. [Cit. 2022-01-11.] Available at: <https://www.theatlantic.com/international/archive/2020/07/cancel-culture-and-problem-woke-capitalism/614086/>.

LU, W. – KASIMOV, I. – KARIMOV, I. – ABDULLAEV, Y. (2020): Foreign Direct Investment, Natural Resources, Economic Freedom, and Sea-Access: Evidence from the Commonwealth of Independent States. Sustainability, *12*, No. 8, pp. 1 – 18. Available at: <https://doi.org/10.3390/su12083135>.

LUKÁČIK, M. – LUKÁČIKOVÁ, A. – SZOMOLÁNYI, K. (2011): Ekonometrické modelovanie v programoch EViews a Gretl. Bratislava: Vydavateľstvo EKONÓM. ISBN 978-80-225-3320-1.

MARQUEZ, A. (1990): The Other Path by Hernando De Soto. Boston College Third World Law Journal, *10*, No. 1, pp. 204 – 213. Available at: <https://lawdigitalcommons.bc.edu/twlj/vol10/iss1/9/>.

MATEJOVIČ, P. (2013): Of the Recent Times (Censorship and Its Consequences for the Literary Situation in the Second Half of the l 950s). Slovenská literatúra, *60*, No. 4, pp. 265 – 303. Available at: <https://www.sav.sk/journals/uploads/02081252--SL-2013-4-Matejovic-265-303.pdf>.

MINKOV, M. (2018): A Revision of Hofstede's Model of National Culture: Old Evidence and New Data from 56 Countries. Cross Cultural & Strategic Management, *25*, No. 2, pp. 231 – 256. Available at: <https://doi.org/10.1108/CCSM-03-2017-0033>.

MLČOCH, L. (2005): Institucionální ekonomie. Praha: Karolinum. ISBN 80-246-1029-9.

MORNAH, D. – MACDERMOTT, R. J. (2018): A Non-Proxied Empirical Investigation of Cultures Effect on Corruption. Business and Society Review, *123*, No. 2, pp. 269 – 301. Available at: <https://doi.org/10.1111/basr.12142>.

MURA, L. – DAŇOVÁ, M. – VAVREK, R. – DUBRAVSKÁ, M. (2017): Economic Freedom – Classification of Its Level and Impact on the Economic Security. Ad Alta – Journal of Interdisciplinary Research, *7*, No. 2, pp. 154 – 157. Available at: <http://www.magnanimitas.cz/ADALTA/0702/papers/A_mura.pdf>.

NG, E. (2020): No Grand Pronouncements Here: Reflections on Cancel Culture and Digital Media Participation. Television & New Media, *21*, No. 6, pp. 621 – 627. DOI: 10.1177/1527476420918828.

NORRIS, P. (2021): Cancel Culture: Myth or Reality? Political Studies, pp. 1 – 30. [Cit. 2022-01-10]. DOI: 10.1177/00323217211037023.

OKRUHLICA, F. (2013): Výška transakčných nákladov ako meradlo kvality podnikateľského prostredia v Slovenskej republike: The Height of Transaction Costs as a Measure of Quality of Business Environment in the Slovak Republic and the Czech Republic. In: MAJTÁN Š. et al. (eds): Aktuálne problémy podnikovej sféry 2013. [Peer-reviewed Proceeding of Scientific Works.] Bratislava: Vydavateľstvo EKONÓM, pp. 434 – 439.

OTT, J. (2018): Measuring Economic Freedom: Better without Size of Government. Social Indicators Research, *135*, No. 2, pp. 479 – 498. [Cit. 2022-01-10.] DOI: 10.1007/s11205-016-1508-x.

PORTER, M. E. (1990): The Competitive Advantage of Nations. Harward Business Review, pp. 73 – 91. Available at: <http://www.economie.ens.fr/IMG/pdf/porter_1990_-_the_competitive_advantage_of_nations.pdf>.

SAILOFSKY, D. (2021): Masculinity, Cancel Culture and Woke Capitalism: Exploring Twitter Response to Brendan Leipsic's Leaked Conversation. International Review for the Sociology of Sport, pp. 1 – 24. DOI: 10.1177/10126902211039768.

SINGH, D. – GAL, Z. (2020): Economic Freedom and its Impact on Foreign Direct Investment: Global Overview. Review of Economic Perspectives, *20*, No. 1, pp. 73 – 90. DOI: 10.2478/revecp-2020-0004.

STEINHAUSER, D. (2021): Labour Productivity as Indicator of National Competitiveness in European Union and in Asian Belt and Road Initiative Countries. In: LANGHAMROVÁ, J. and VRABCOVÁ, J. (eds): RELIK 2021: Conference Proceedings 4 – 5 November 2021. Prague: Prague University of Economics and Business, pp. 652 – 661.

THE HERITAGE FOUNDATION (2020a): 2020 Index of Economic Freedom. [Cit. 2020-01-08.] Available at: <https://www.heritage.org/index/excel/2020/index2020_data.xls>.

THE HERITAGE FOUNDATION (2020b): Methodology. [Cit. 2022-01-11.] Available at: <https://www.heritage.org/index/pdf/2020/book/methodology.pdf>.

THE HOFSTEDE CENTRE (2019): Compare Countries. [Cit. 2019-07-23.] Available at: <https://www.hofstede-insights.com/product/compare-countries/>.

UNDP (2020): Human Development Index. [Cit. 2020-07-27.] Available at: <http://hdr.undp.org/en/indicators/137506#>.

VELASCO, J. C. (2020): You are Cancelled: Virtual Collective Consciousness and the Emergence of Cancel Culture as Ideological Purging. Rupkatha Journal on Interdisciplinary Studies in Humanities, *12*, No. 5, pp. 1 – 7. DOI: 10.21659/rupkatha.v12n5.rioc1s21n2.

WALLIS, J. – NORTH, D. (1986): Measuring the Transaction Sector in the American Economy, 1870 – 1970. In: ENGERMAN, S. and GALLMAN, R. (eds): Long-Term Factors in American Economic Growth. [NBER Book.] University of Chicago Press, pp. 95 – 162. ISBN 0-226-20928-8. [Cit. 2020-08-11.] Available at: <https://www.nber.org/chapters/c9679>.

WBG (2021): World Bank Group to Discontinue. DOI:ng Business Report. [Cit. 2022-01-10.] Available at: <https://www.worldbank.org/en/news/statement/2021/09/16/world-bank-group-to-discontinue-doing-business-report>.

WBG (2022): GDP per Person Employed (Constant 2017 PPP $) – ILOSTAT Database. [Cit. 2022-01-10.] Available at: <https://databank.worldbank.org/source/world-development-indicators#>.

WILLIAMSON, C. R. – MATHERS, R. L. (2011): Economic Freedom, Culture, and Growth. Public Choice, *148*, No. 3 – 4, pp. 313 – 335. DOI: 10.1007/s11127-010-9656-z.

WILLIAMSON, O. E. (1990): Die ökonomischen Institutionen des Kapitalismus: Unternehmen, Märkte, Kooperationen (transl. Monika STREISSLER). Tübingen: Mohr Siebeck. ISBN 978-3-16-345433-0.

WVS (2021): World Values Survey. [Cit. 2022-01-10.] Available at: <https://www.worldvaluessurvey.org/wvs.jsp>.

ZÁBOJNÍK, S. – ČIDEROVÁ, D. – KRAJČÍK, D. (2020): Competitiveness in International Business: Challenges for the EU Economies. Prague: Wolters Kluwer ČR. ISBN 978-80-7676-006-6.