

CHAPTER 4

THE COUNTRIES

The *Index of Economic Freedom* analyzes a variety of factors underpinning economic freedom in countries throughout the world.

The country profiles in the *Index* provide real-world examples of the impact of government policies on the economic well-being of individuals and families. Policies that enhance economic freedom tend to be associated with greater economic and social progress. Countries with high levels of economic freedom have high levels of political stability and higher levels of income. Their citizens typically enjoy greater social mobility and work environments characterized by high levels of innovation and experimentation. Such economies are following not just one path to development, but rather as many as human ingenuity can produce. By contrast, countries in which freedom is curtailed occupy the lower spectrums of economic and social development.

Of the 186 countries included in this edition of the *Index*, 180 are fully scored and ranked. Because of insufficient data, six countries (Iraq, Libya, Liechtenstein, Somalia, Syria, and Yemen) are evaluated and partially graded but not ranked.

For analytical understanding and presentational clarity, the 12 economic freedoms are grouped into four pillars of economic freedom:

- **Rule of law** (property rights, judicial effectiveness, and government integrity);
- **Government size** (tax burden, government spending, and fiscal health);
- **Regulatory efficiency** (business freedom, labor freedom, and monetary freedom); and
- **Market openness** (trade freedom, investment freedom, and financial freedom).

Ranked countries are given a score ranging from 0 to 100 on each of the 12 components of economic freedom, and these scores are then averaged, using equal weights, to compute a country's final economic freedom score.

In addition to the scores, the country pages include a brief overview describing economic strengths and weaknesses and providing economic and political background that may have influenced the country's performance. A statistical profile includes the country's main economic and demographic indicators.

ECONOMIC FREEDOM: REGIONAL VARIATIONS (REGIONAL AVERAGE)

Regional Ranking	The Americas (60.1)	Asia-Pacific (61.0)	Europe (68.8)	Middle East + North Africa (61.5)	Sub-Saharan Africa (54.4)
1	Canada	Hong Kong	Switzerland	United Arab Emirates	Mauritius
2	United States	Singapore	Ireland	Qatar	Botswana
3	Chile	New Zealand	Estonia	Israel	Rwanda
4	Uruguay	Australia	United Kingdom	Bahrain	South Africa
5	Jamaica	Taiwan	Iceland	Jordan	Uganda
6	Colombia	Malaysia	Denmark	Kuwait	Côte d'Ivoire
7	Peru	South Korea	Luxembourg	Morocco	Seychelles
8	Saint Vincent and the Grenadines	Japan	Sweden	Oman	Burkina Faso
9	Saint Lucia	Macau	Georgia	Saudi Arabia	Cabo Verde
10	Panama	Vanuatu	Netherlands	Tunisia	Tanzania
11	Costa Rica	Kazakhstan	Lithuania	Egypt	Namibia
12	Mexico	Thailand	Norway	Lebanon	Nigeria
13	Dominica	Philippines	Czech Republic	Iran	Gabon
14	Guatemala	Azerbaijan	Germany	Algeria	Mali
15	Bahamas	Indonesia	Finland	Iraq	Guinea-Bissau
16	El Salvador	Brunei	Latvia	Libya	Madagascar
17	Paraguay	Tonga	Austria	Syria	Benin
18	Dominican Republic	Kyrgyz Republic	Macedonia	Yemen	Comoros
19	Honduras	Fiji	Romania		Ghana
20	Nicaragua	Bhutan	Armenia		Swaziland
21	Guyana	Samoa	Poland		Senegal
22	Trinidad and Tobago	Cambodia	Malta		Kenya
23	Belize	Tajikistan	Bulgaria		Zambia
24	Barbados	China	Cyprus		Mauritania
25	Haiti	Sri Lanka	Belgium		Lesotho
26	Argentina	Solomon Islands	Hungary		São Tomé and Príncipe
27	Brazil	Mongolia	Kosovo		Ethiopia
28	Ecuador	Papua New Guinea	Turkey		Gambia
29	Suriname	Bangladesh	Slovak Republic		Guinea
30	Bolivia	India	Spain		Congo, Dem. Rep.
31	Cuba	Pakistan	Slovenia		Malawi
32	Venezuela	Nepal	Albania		Cameroon
33		Burma	Montenegro		Sierra Leone
34		Laos	France		Burundi
35		Vietnam	Portugal		Liberia
36		Micronesia	Italy		Niger
37		Uzbekistan	Serbia		Sudan
38		Afghanistan	Bosnia and Herzegovina		Chad
39		Maldives	Croatia		Central African Republic
40		Kiribati	Moldova		Angola
41		Timor-Leste	Russia		Togo
42		Turkmenistan	Belarus		Mozambique
43		North Korea	Greece		Djibouti
44			Ukraine		Zimbabwe
45			Liechtenstein		Equatorial Guinea
46					Eritrea
47					Congo, Rep.
48					Somalia

Economic Freedom Scores

- 80-100 Free
- 70-79.9 Mostly Free
- 60-69.9 Moderately Free
- 50-59.9 Mostly Unfree
- 0-49.9 Repressed
- Not Graded