



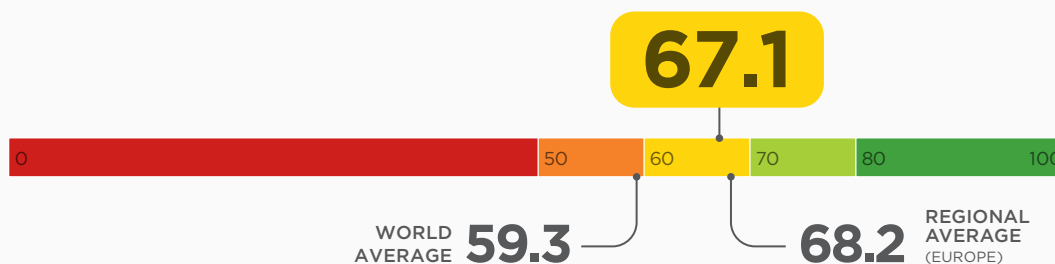
WORLD RANK:	REGIONAL RANK:
<b>43</b>	<b>25</b>
ECONOMIC FREEDOM STATUS:	
<b>MODERATELY FREE</b>	

# BELGIUM

**B**elgium's economic freedom score is 67.1, making its economy the 43rd freest in the 2023 *Index*. Its score is 2.5 points lower than last year. Belgium is ranked 25th freest among the 44 countries in the Europe region, and its overall score is above the global average.

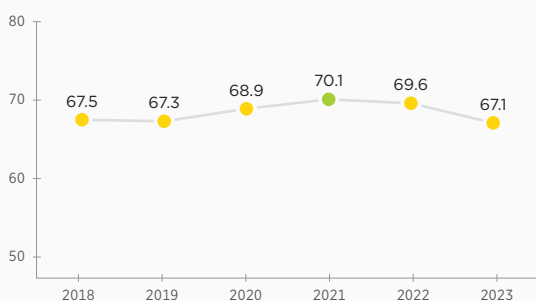
With its strong foundations of economic freedom, Belgium's economy has long benefited from open-market policies that support global trade and investment. However, structural weaknesses hinder international competitiveness, the tax system is burdensome, and the extensive welfare state is costly. Labor market rigidities remain a major barrier to productivity and job growth.

## ECONOMIC FREEDOM SCORE



HISTORICAL *INDEX* SCORE CHANGE (SINCE 1996): +1.1

## RECENT FREEDOM TREND



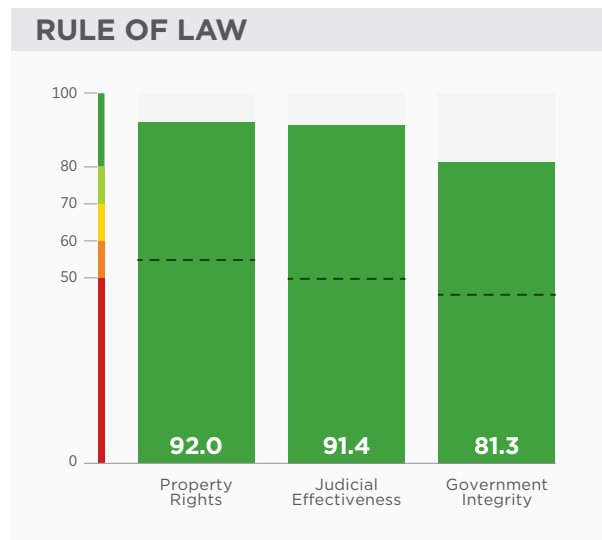
## QUICK FACTS

<b>POPULATION:</b> 11.6 million	<b>UNEMPLOYMENT:</b> 5.6%
<b>GDP (PPP):</b> \$659.7 billion 6.3% growth in 2021 5-year compound annual growth 1.2%	<b>INFLATION (CPI):</b> 3.2%
<b>FDI INFLOW:</b> \$25.6 billion	<b>PUBLIC DEBT:</b> 108.4% of GDP

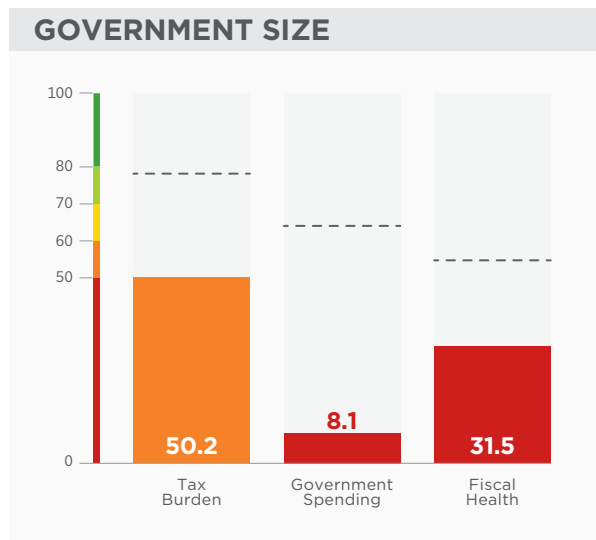
*2021 data unless otherwise noted. Data compiled as of September 2022*

**BACKGROUND:** Belgium is a federal state with three culturally distinct regions: Flanders, Wallonia, and the capital city of Brussels, home to the headquarters of NATO and the European Union. Alexander De Croo of the classically liberal Open Flemish Liberals and Democrats became prime minister in October 2020 leading a seven-party coalition. Neighboring countries have a strong impact on Belgium. Services account for a large portion of GDP in its export-driven economy. Belgium has a dense network of rails and roadways and Europe's second-busiest port, Antwerp. A Chinese retailer's massive new logistics hub has highlighted China's presence in poorer Wallonia.

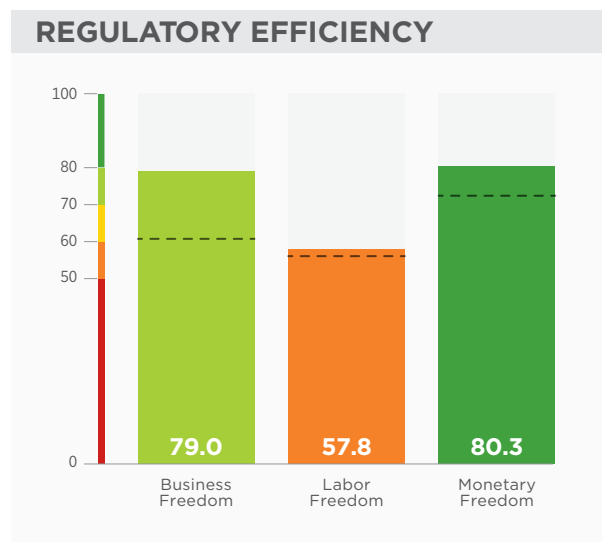
## 12 ECONOMIC FREEDOMS | BELGIUM



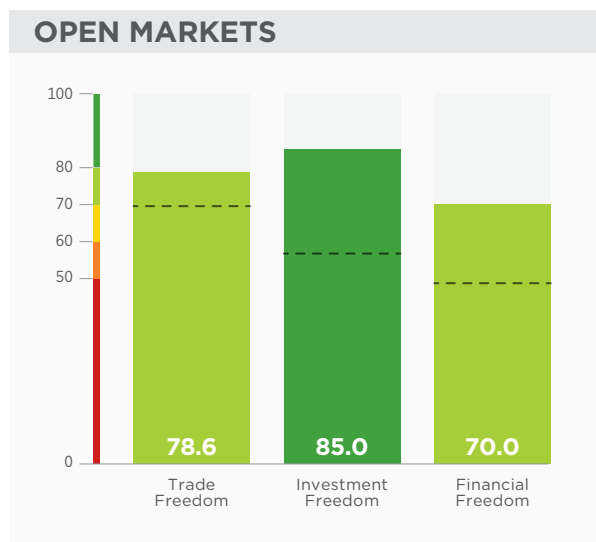
The overall rule of law is widely respected in Belgium. The country's property rights score is above the world average; its judicial effectiveness score is above the world average; and its government integrity score is above the world average.



The top individual and corporate tax rates are, respectively, 50 percent and 25 percent. The tax burden equals 43.1 percent of GDP. Three-year government spending and budget balance averages are, respectively, 55.3 percent and -5.5 percent of GDP. Public debt equals 108.4 percent of GDP.



Business owners are generally well-protected from unfair government interference in their operations. Clear and transparent laws and regulations are well enforced. The minimum wage structure is complicated and protracted. The most recent available inflation rate is 3.2 percent.



The trade-weighted average tariff rate (common among EU members) is 3.2 percent, and more than 600 EU-mandated nontariff measures are in force. Foreign and domestic investors are treated equally. The financial system remains vibrant and generally free from government involvement.