

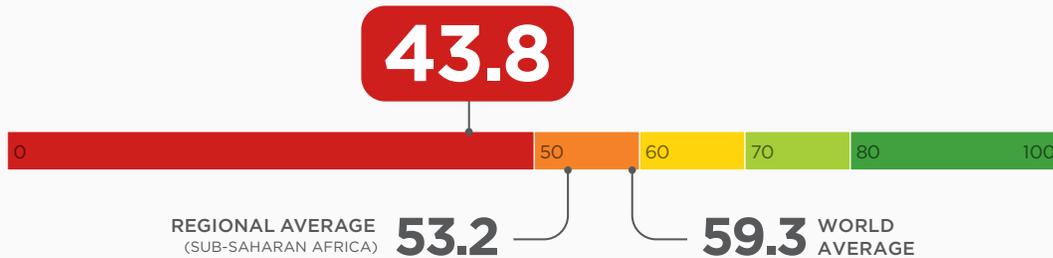
# CENTRAL AFRICAN REPUBLIC

WORLD RANK: **166** | REGIONAL RANK: **43**  
 ECONOMIC FREEDOM STATUS: **REPRESSED**

The Central African Republic's economic freedom score is 43.8, making its economy the 166th freest in the 2023 *Index*. Its score is 1.9 points lower than last year. The CAR is ranked 43rd out of 47 countries in the Sub-Saharan Africa region, and its overall score is lower than the world and regional averages.

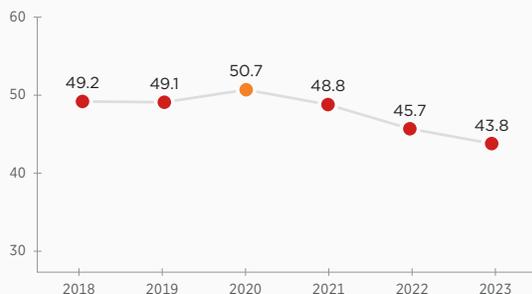
The Central African Republic performs poorly in many of the four pillars of economic freedom and needs to build stronger momentum for reform. The foundations of economic freedom remain fragile because of pervasive corruption and a deficient judicial system that undermine equity and erode governmental effectiveness.

## ECONOMIC FREEDOM SCORE



HISTORICAL *INDEX* SCORE CHANGE (SINCE 2002): -16.0

## RECENT FREEDOM TREND



## QUICK FACTS

**POPULATION:**  
4.9 million

**GDP (PPP):**  
\$5.0 billion  
1.0% growth in 2021  
5-year compound annual growth 2.7%  
\$1,021 per capita

**UNEMPLOYMENT:**  
n/a

**INFLATION (CPI):**  
4.3%

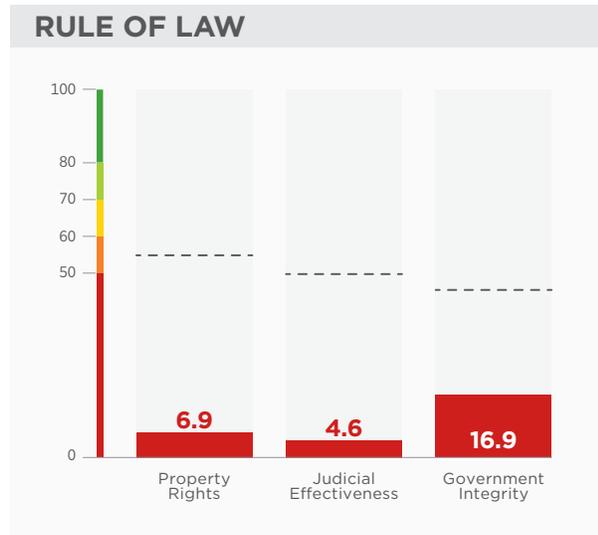
**FDI INFLOW:**  
\$30.2 million

**PUBLIC DEBT:**  
47.6% of GDP

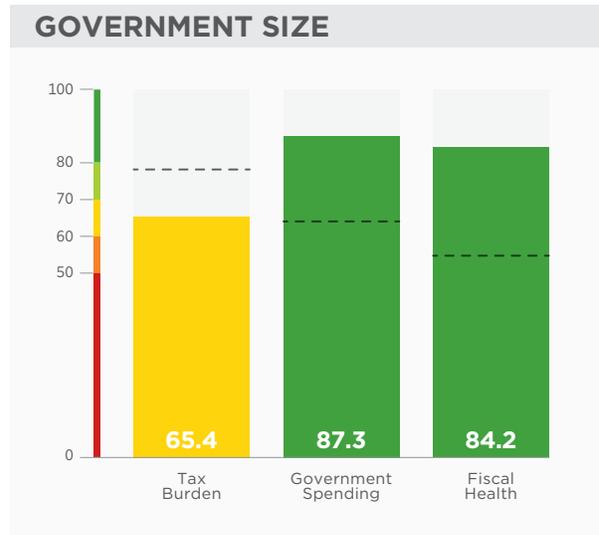
2021 data unless otherwise noted. Data compiled as of September 2022

**BACKGROUND:** A former French colony, the Central African Republic became independent in 1960. A democracy established in 1993 after more than 30 years of frequently brutal military regimes ended in 2003 with a military coup led by François Bozizé, who was later elected president. In 2013, Séléka, a rebel coalition led by Michel Djotodia, overthrew Bozizé, triggering sectarian violence. Djotodia stepped down in 2014. Former Prime Minister Faustin-Archange Touadéra was elected president in 2016 and reelected in December 2020. Russian Wagner Group mercenaries are influential in the country and have committed atrocities. The CAR has abundant timber, gold, diamonds, and uranium.

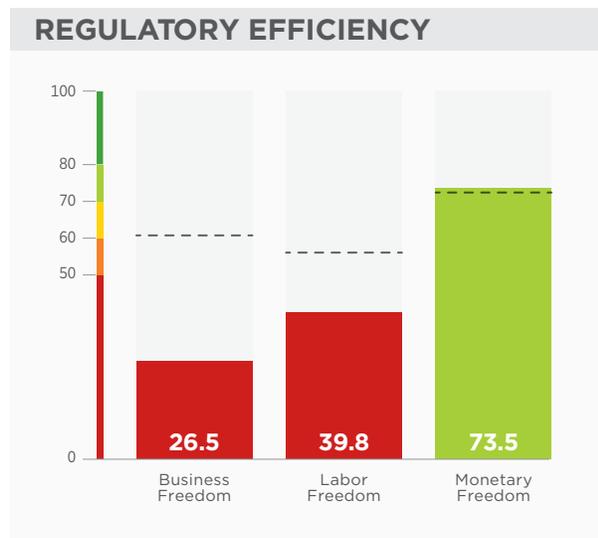
## 12 ECONOMIC FREEDOMS | CENTRAL AFRICAN REPUBLIC



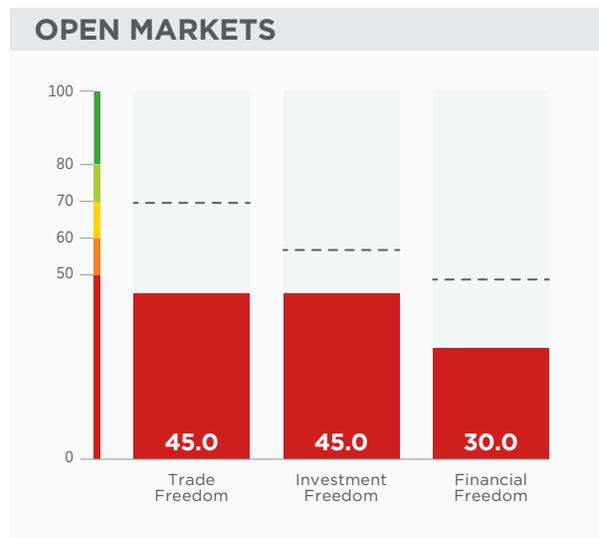
The overall rule of law is weak in the Central African Republic. The country's property rights score is below the world average; its judicial effectiveness score is below the world average; and its government integrity score is below the world average.



The top individual and corporate tax rates are, respectively, 50 percent and 30 percent. The tax burden equals 7.8 percent of GDP. Three-year government spending and budget balance averages are, respectively, 20.6 percent and -2.7 percent of GDP. Public debt equals 47.6 percent of GDP.



The process for establishing a business has become less time-consuming, but the opacity of other regulatory requirements increases the cost of conducting business. The underdeveloped labor market continues to discourage employment growth. The most recent available inflation rate is 4.3 percent.



The trade-weighted average tariff rate is 17.5 percent. Persistent nontariff barriers and impediments to investment are made worse by political instability. The financial system is underdeveloped. Fewer than 20 percent of adult Central Africans have access to an account with a formal banking institution.