

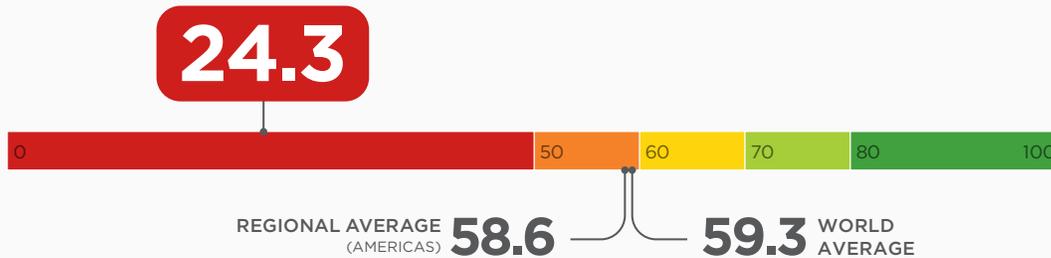
CUBA

WORLD RANK: **175** | REGIONAL RANK: **32**
 ECONOMIC FREEDOM STATUS: **REPRESSED**

Cuba's economic freedom score is 24.3, making its economy one of the world's least free. Its score is 5.2 points lower than last year. Cuba is ranked least free of 32 countries in the Americas region, and its overall score is significantly lower than the world and regional averages.

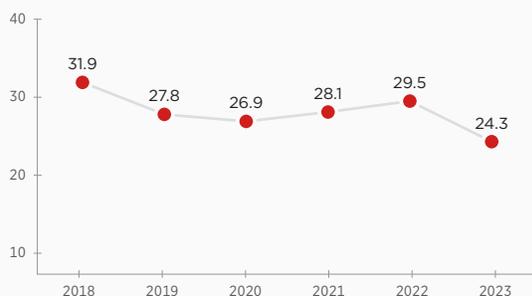
Cuba's inefficient state-run economy performs very poorly with component scores far below world averages in many categories. The foundations of economic freedom are poorly laid and ill-defended. The absence of an independent and fair judiciary weakens the rule of law. The private sector has long been shackled by tight state control.

ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1995): -3.5

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
11.3 million

GDP (PPP):
\$148.4 billion
n/a growth in 2021
5-year compound annual growth n/a
\$13,120 per capita

UNEMPLOYMENT:
1.7%

INFLATION (CPI):
n/a

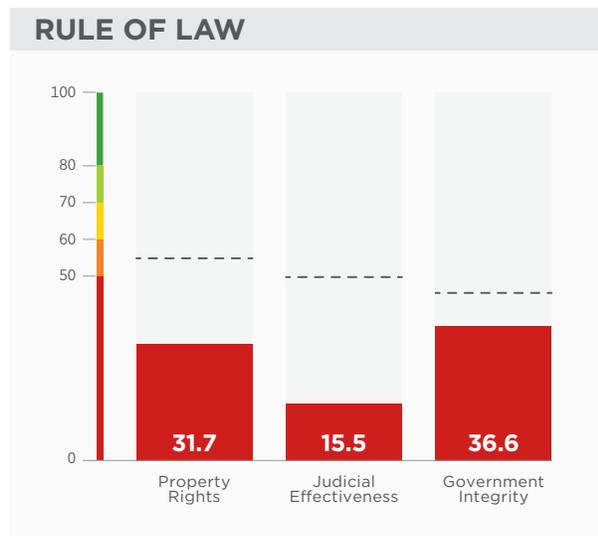
FDI INFLOW:
n/a

PUBLIC DEBT:
147.0%

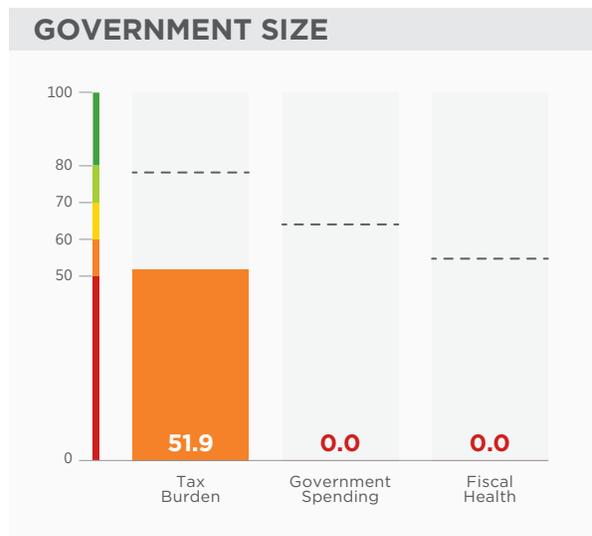
2021 data unless otherwise noted. Data compiled as of September 2022

BACKGROUND: The Western Hemisphere's oldest Communist military dictatorship has ruled Cuba since 1959. Miguel Díaz-Canel became the figurehead ruler in 2018, but the Castro family and its allies remain widely influential. In 2022, Cuba expanded its police state repression to undermine historic July 11, 2021, pro-freedom protests. The regime profits from tourists, a scheme for the forcible export of Cuban health care professionals, and subsidies from other repressive regimes like those of Venezuela, Russia, China, and Iran. It also seizes the salaries of average Cubans to convert into hard currency and uses employment and microbusiness licenses as tools of political control.

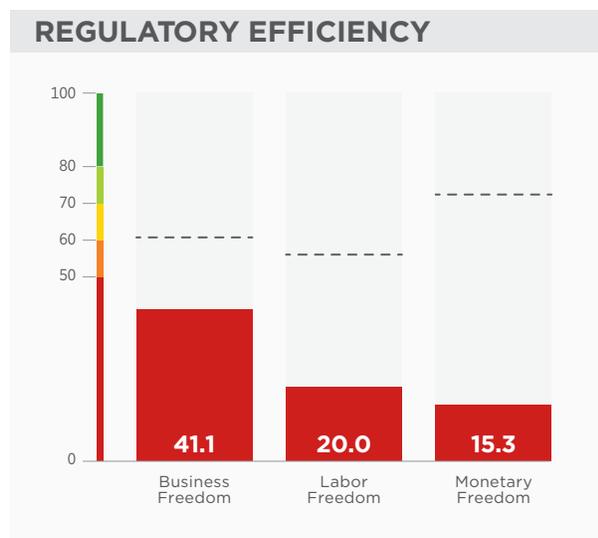
12 ECONOMIC FREEDOMS | CUBA



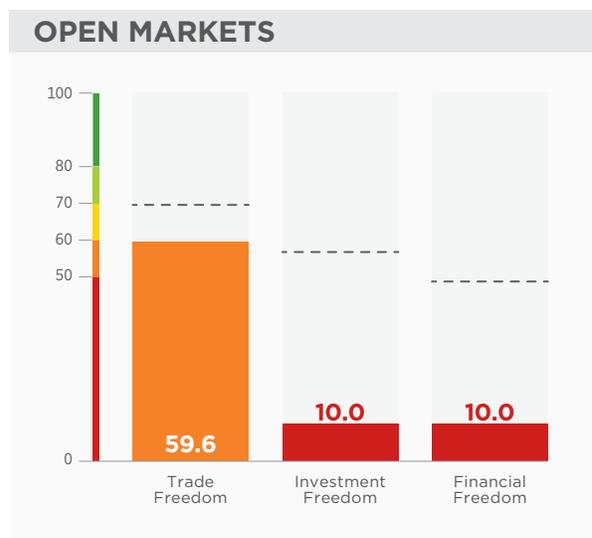
The overall rule of law is weak in Cuba. The country's property rights score is below the world average; its judicial effectiveness score is below the world average; and its government integrity score is below the world average.



The top individual and corporate tax rates are, respectively, 50 percent and 30 percent. The tax burden equals 37.5 percent of GDP. Three-year government spending and budget balance averages are, respectively, 63.7 percent and -12.1 percent of GDP. Public debt equals 147.0 percent of GDP.



Regulatory efficiency remains poor, and private entrepreneurship is limited. The application of regulations is inconsistent and nontransparent. The state-controlled labor market has resulted in a large informal sector. Monetary stability is vulnerable to state interference, and prices are subject to controls.



The trade-weighted average tariff rate is 10.2 percent, and layers of nontariff measures are in force. State-owned enterprises significantly distort the economy. Access to credit for private-sector activity is severely impeded by the shallow financial market. The state remains firmly in control.