

FIJI

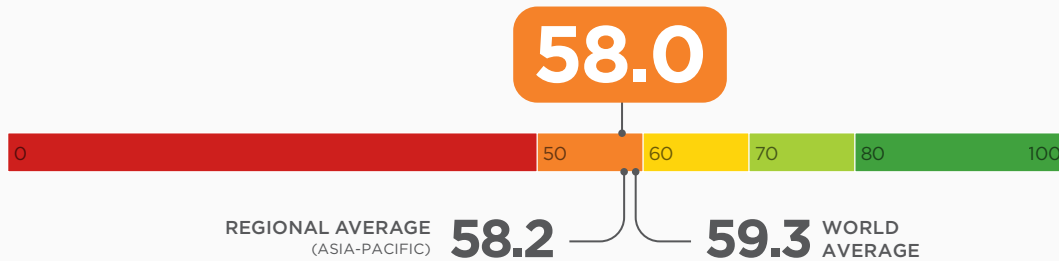
WORLD RANK: **100** | REGIONAL RANK: **21**

ECONOMIC FREEDOM STATUS: **MOSTLY UNFREE**

Fiji's economic freedom score is 58.0, making its economy the 100th freest in the 2023 *Index*. Its score is 1.6 points higher than last year. Fiji is ranked 21st out of 39 countries in the Asia-Pacific region, and its overall score is below the world and regional averages.

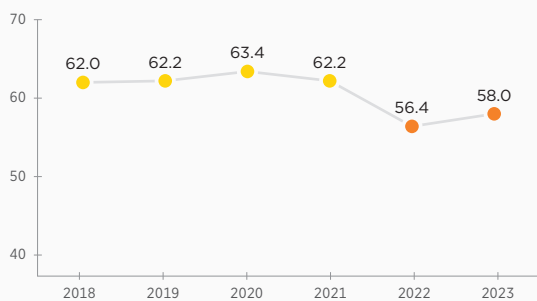
The island economy is one of the “mostly unfree” in the *Index*. The quality of the judicial framework, severely hampered by the lack of judicial independence or any strong political will to eradicate corruption, has deteriorated considerably. Regulatory uncertainty and the lack of effective open-market policies continue to cause economic stagnation.

ECONOMIC FREEDOM SCORE



HISTORICAL *INDEX* SCORE CHANGE (SINCE 1995): +3.3

RECENT FREEDOM TREND



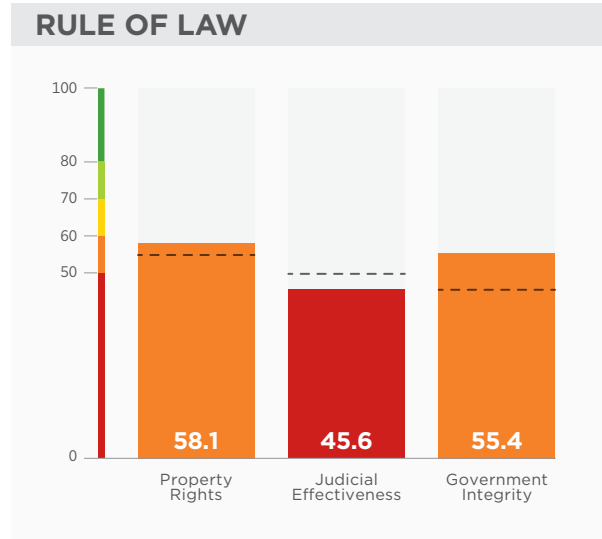
QUICK FACTS

POPULATION: 0.9 million	UNEMPLOYMENT: 4.3%
GDP (PPP): \$10.9 billion -4.0% growth in 2021 5-year compound annual growth -2.1%	INFLATION (CPI): 0.2%
FDI INFLOW: \$401.0 million	PUBLIC DEBT: 83.0% of GDP

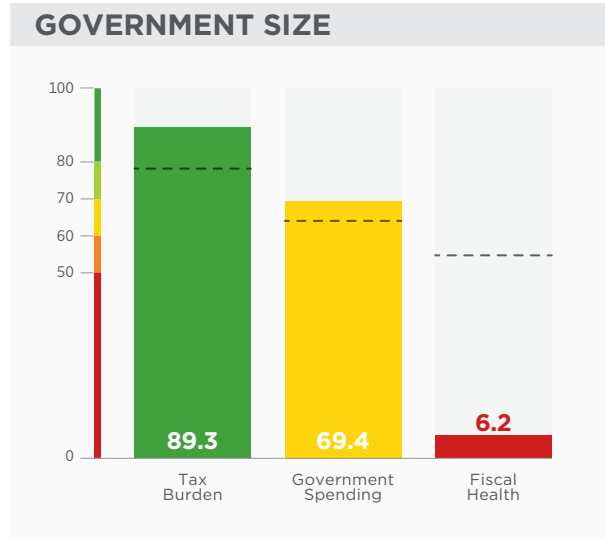
2021 data unless otherwise noted. Data compiled as of September 2022

BACKGROUND: The former British colony of Fiji gained independence in 1970. Military strongman Frank Bainimarama, who has ruled this Pacific Island nation continuously since a coup in 2006, maintained his control of the government in the 2018 general election. The next general election was scheduled to be held in December 2022. There is a long history of ethnic tension between the indigenous, mostly Christian population and a large minority of Hindu and Muslim Indo-Fijians. Fiji's economy relies heavily on tourism, remittances, and the sugar industry. The government's principal priority is infrastructure construction with a particular focus on the energy sector.

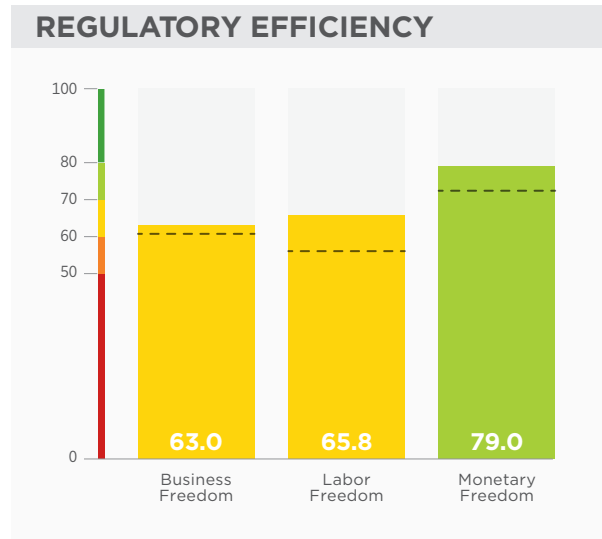
12 ECONOMIC FREEDOMS | FIJI



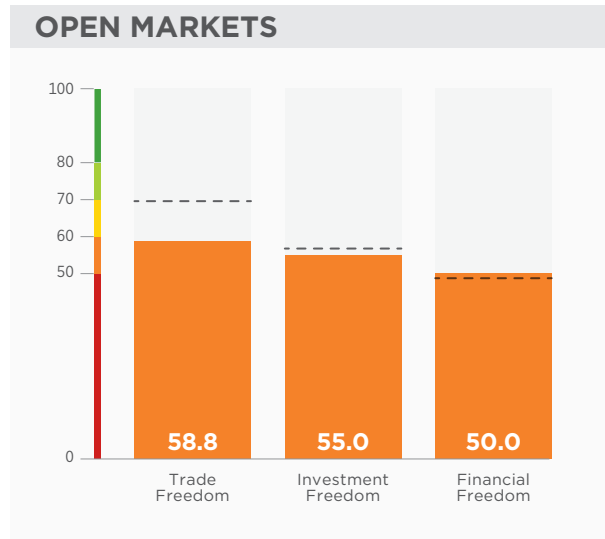
The overall rule of law is relatively well respected in Fiji. The country's property rights score is above the world average; its judicial effectiveness score is below the world average; and its government integrity score is above the world average.



The top individual and corporate tax rates are 20 percent. The tax burden equals 16.6 percent of GDP. Three-year government spending and budget balance averages are, respectively, 32.0 percent and -8.4 percent of GDP. Public debt equals 83.0 percent of GDP.



The overall regulatory framework is not conducive to dynamic economic expansion. Procedures for establishing and running a company are time-consuming and costly. Labor regulations are rigid, and an efficient labor market is not fully developed. Monetary freedom remains constrained by state-imposed price controls.



The trade-weighted average tariff rate is 13.1 percent, and nontariff barriers further restrict trade flows. Foreign investment is screened, and investment in land remains restricted. The government has gradually withdrawn from commercial banking, and foreign participation has gradually been growing.