

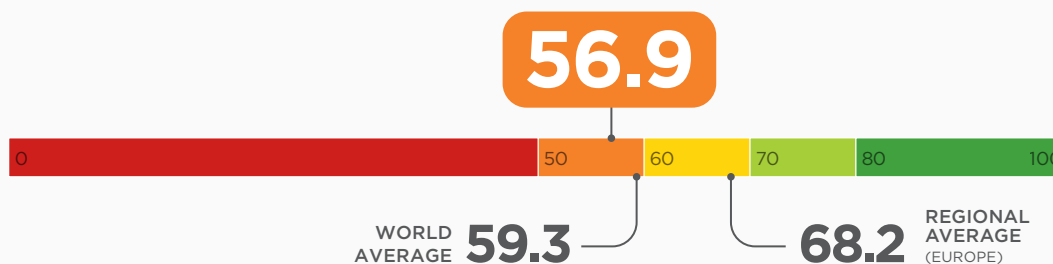
GREECE

WORLD RANK: **107** REGIONAL RANK: **42**
 ECONOMIC FREEDOM STATUS: **MOSTLY UNFREE**

Greece's economic freedom score is 56.9, making its economy the 107th freest in the 2023 *Index*. Its score is 4.6 points lower than last year. Greece is ranked 42nd out of 44 countries in the Europe region, and its overall score is below the world and regional averages.

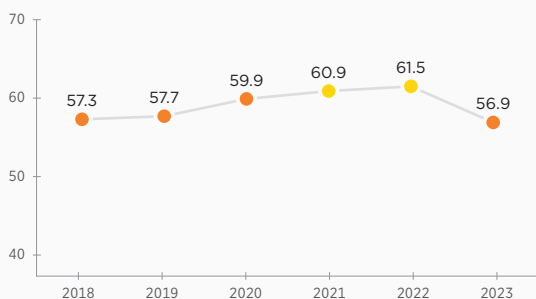
Bold adjustments are needed in such areas as government spending and labor freedom. The fiscal deficit remains unsustainable with public debt close to 200 percent of GDP. The lack of competitiveness and fading business confidence are serious impediments to economic revival. The rigid labor market discourages productivity gains and dynamic entrepreneurial activity.

ECONOMIC FREEDOM SCORE



HISTORICAL *INDEX* SCORE CHANGE (SINCE 1995): -4.3

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
10.7 million

GDP (PPP):
\$344.2 billion
8.3% growth in 2021
5-year compound annual growth 0.8%
\$32,218 per capita

UNEMPLOYMENT:
16.3%

INFLATION (CPI):
0.6%

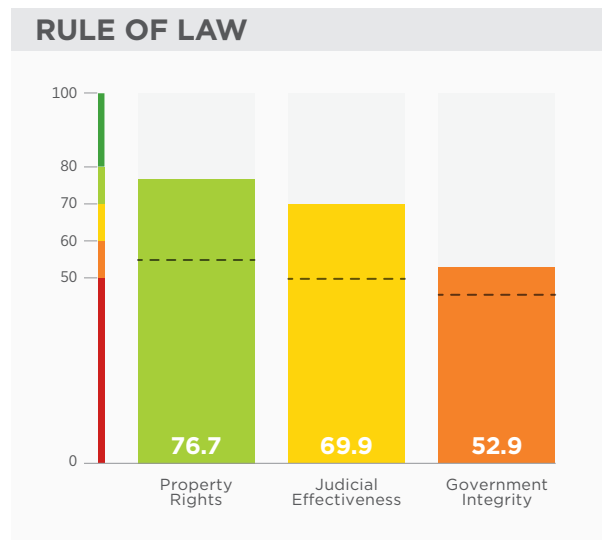
FDI INFLOW:
\$5.7 billion

PUBLIC DEBT:
199.4% of GDP

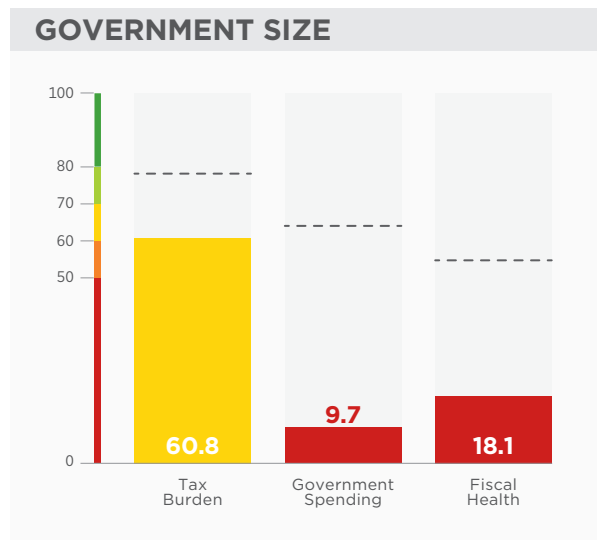
2021 data unless otherwise noted. Data compiled as of September 2022

BACKGROUND: Greece joined NATO in 1952, the European Union in 1981, and the eurozone in 2002. The center-right New Democracy Party's Kyriakos Mitsotakis has been prime minister since 2019. The government adopted labor reforms in 2021 and has strengthened defense ties with the U.S. In 2018, Greece exited from an eight-year bailout program conditioned on economic reforms and deeply unpopular austerity measures. Tourism and shipping are Greece's most important industries. Unemployment and public debt remain high. Significant Chinese investment includes a controlling stake in the port of Piraeus. Overlapping claims to Mediterranean hydrocarbon resources remain a source of contention with Türkiye.

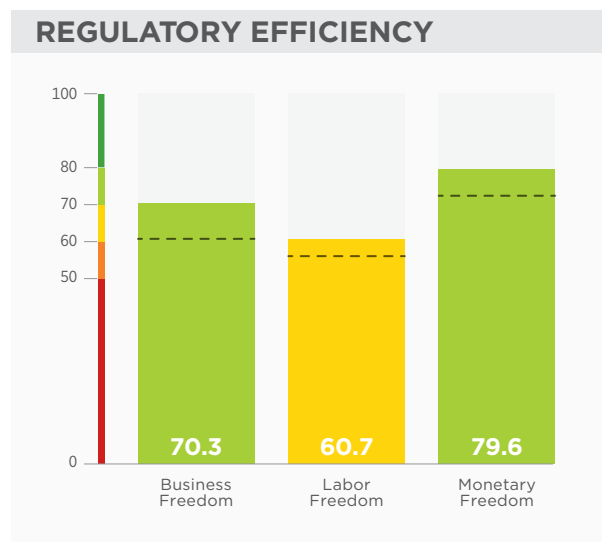
12 ECONOMIC FREEDOMS | GREECE



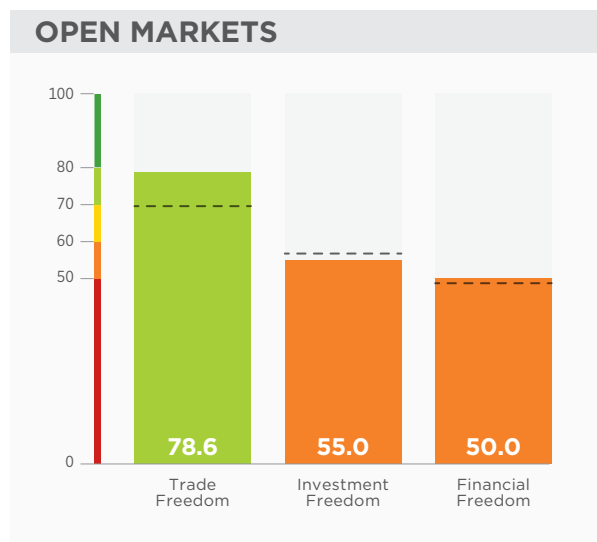
The overall rule of law is relatively well respected in Greece. The country's property rights score is above the world average; its judicial effectiveness score is above the world average; and its government integrity score is above the world average.



The top individual and corporate tax rates are, respectively, 44 percent and 22 percent. The tax burden equals 38.8 percent of GDP. Three-year government spending and budget balance averages are, respectively, 54.9 percent and -6.2 percent of GDP. Public debt equals 199.4 percent of GDP.



The overall regulatory framework is hampered by government bureaucracy, and efforts to enhance the business environment have been sporadic at best. Labor regulations are restrictive, and the non-salary cost of employing a worker is high. The most recent available inflation rate is 0.6 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 generally treated equally, but investment faces bureaucratic barriers. The banking sector remains burdened by nonperforming loans.