



WORLD RANK: **105** | REGIONAL RANK: **22**

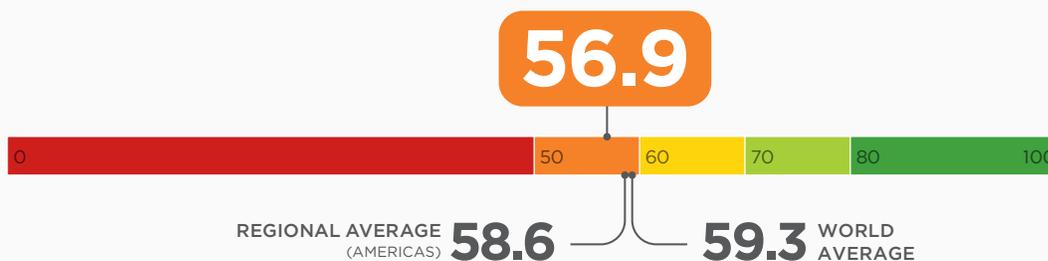
ECONOMIC FREEDOM STATUS: **MOSTLY UNFREE**

# GUYANA

**G**uyana's economic freedom score is 56.9, making its economy the 105th freest in the 2023 *Index*. Its score is 2.6 points lower than last year. Guyana is ranked 22nd out of 32 countries in the Americas region, and its overall score is below the world and regional averages.

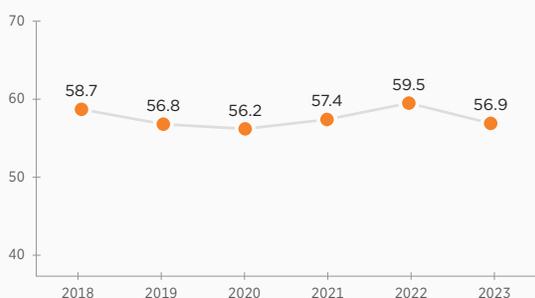
If economic freedom is to be sustained and advanced in Guyana, the foundations of economic freedom must be strengthened. Broad-based long-term economic development remains constrained by structural weaknesses that stem from an inefficient legal framework and widespread corruption. Restrictions on foreign investment and inefficient bureaucracy continue to undermine the entrepreneurial environment.

## ECONOMIC FREEDOM SCORE



HISTORICAL *INDEX* SCORE CHANGE (SINCE 1995): +11.2

### RECENT FREEDOM TREND



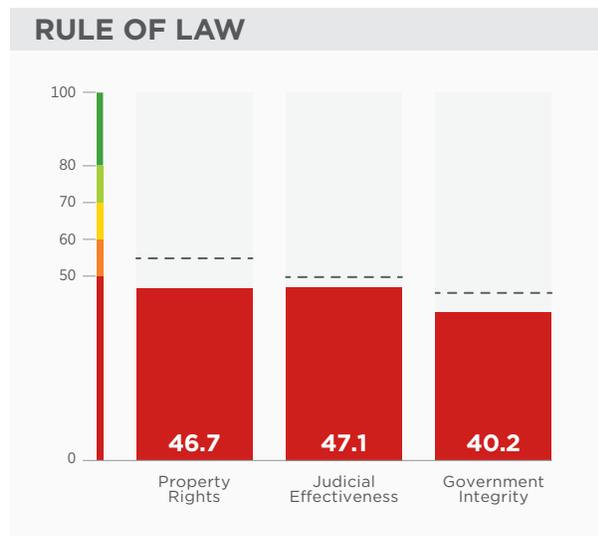
### QUICK FACTS

- POPULATION:** 0.8 million
- UNEMPLOYMENT:** 13.5%
- GDP (PPP):** \$19.4 billion
- INFLATION (CPI):** 5.1%
- 19.9% growth in 2021
- FDI INFLOW:** \$1.2 billion
- 5-year compound annual growth 15.4%
- PUBLIC DEBT:** 42.9% of GDP
- \$24,526 per Capita

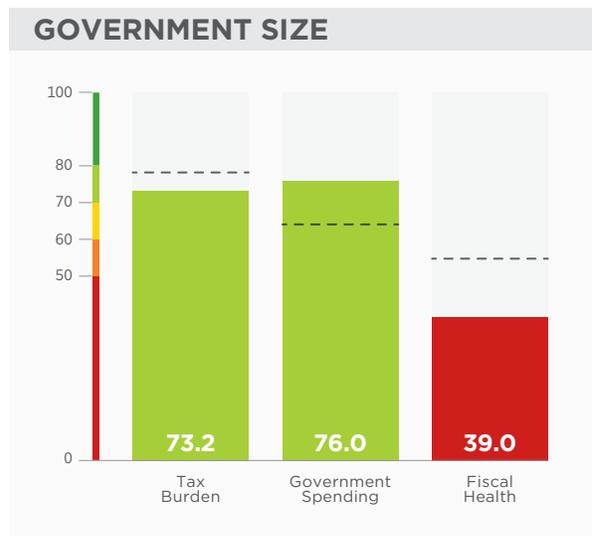
2021 data unless otherwise noted. Data compiled as of September 2022

**BACKGROUND:** Guyana's ethno-cultural divide has led to a history of political turmoil and electoral violence that stretches back to independence from the United Kingdom in 1966. Irfaan Ali of the leftist People's Progressive Party/Civic has been president since 2020. His moderate agenda includes addressing Guyana's nascent oil production and negotiating with foreign oil companies. Petroleum, recently discovered offshore, is expected to transform Guyana's economy and raise GDP substantially. Ali has created a sovereign wealth fund that is subject to parliamentary oversight each fiscal year. Venezuela claims more than two-thirds of Guyana's territory and has pursued annexation unsuccessfully in international courts.

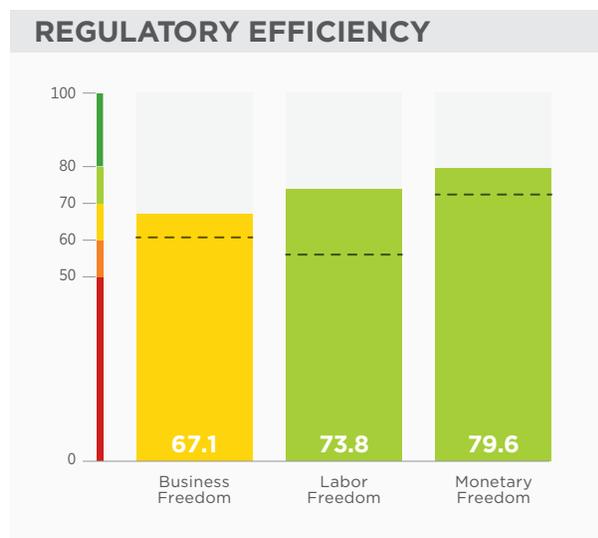
## 12 ECONOMIC FREEDOMS | GUYANA



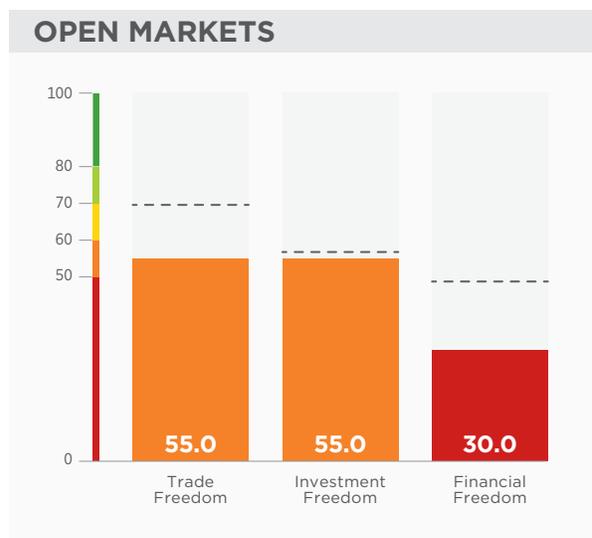
The overall rule of law is weak in Guyana. The country's property rights score is below the world average; its judicial effectiveness score is below the world average; and its government integrity score is below the world average.



The top individual and corporate tax rates are, respectively, 40 percent and 25 percent. The tax burden equals 21.3 percent of GDP. Three-year government spending and budget balance averages are, correspondingly, 28.3 percent and -6.0 percent of GDP. Public debt amounts to 42.9 percent of GDP.



Reform measures have streamlined the procedures for establishing a business, but the overall pace of regulatory reform has lagged behind the pace in other countries. A well-functioning private labor market has not yet emerged. The most recent available inflation rate is 5.1 percent.



The trade-weighted average tariff rate is 12.5 percent, and nontariff measures further increase the cost of trade. Foreign and domestic investors are generally treated equally under the law. The financial sector is underdeveloped, and limited access to financing discourages the long-term growth of entrepreneurial activity.