

JORDAN

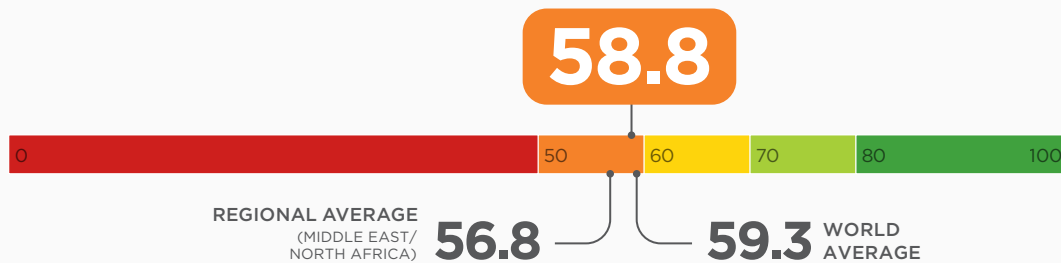


WORLD RANK:	REGIONAL RANK:
93	5
ECONOMIC FREEDOM STATUS:	
MOSTLY UNFREE	

Jordan's economic freedom score is 58.8, making its economy the 93rd freest in the 2023 *Index*. Its score is 1.3 points lower than last year. Jordan is ranked 5th out of 14 countries in the Middle East/North Africa region, and its overall score is below the world average.

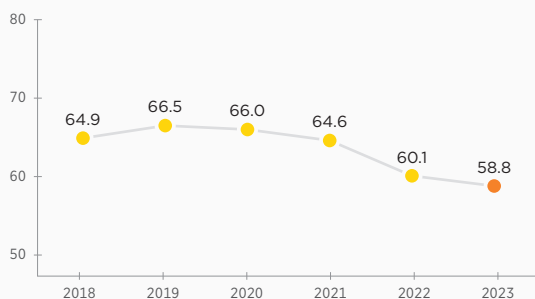
More vibrant economic growth is constrained by structural weaknesses that weaken economic freedom. The rule of law is not strongly supported by the judicial system. Despite the challenging global economic situation, however, progress in upgrading Jordan's economic infrastructure has been facilitated by the country's openness to international trade and investment.

ECONOMIC FREEDOM SCORE



HISTORICAL *INDEX* SCORE CHANGE (SINCE 1995): -3.9

RECENT FREEDOM TREND



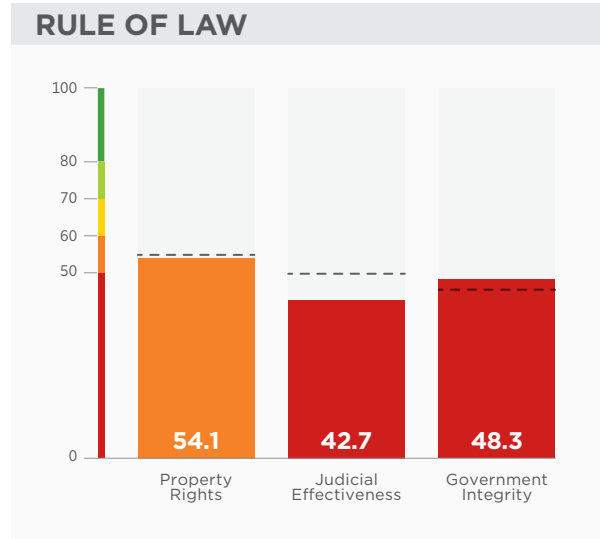
QUICK FACTS

POPULATION: 10.3 million	UNEMPLOYMENT: 19.2%
GDP (PPP): \$112.3 billion 2.0% growth in 2021 5-year compound annual growth 1.3%	INFLATION (CPI): 1.3%
FDI INFLOW: \$621.8 million	PUBLIC DEBT: 91.9% of GDP

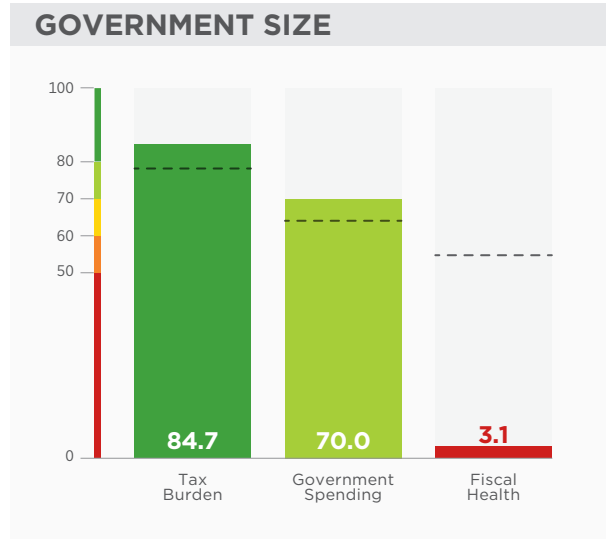
2021 data unless otherwise noted. Data compiled as of September 2022

BACKGROUND: Independent since 1946, Jordan is a constitutional monarchy with relatively few natural resources. King Abdullah II assumed the throne in 1999. The small economy is supported by foreign loans, international aid, and remittances from expatriate workers. In 2000, Jordan joined the World Trade Organization and signed a free-trade agreement with the United States. In October 2020, the king appointed Bisher al-Khasawneh to be prime minister with a focus on economic reform that includes a realistic budget. The conflicts in Iraq and Syria have disrupted Jordan's economy and regional trade, and more than 1.3 million refugees have strained its limited resources.

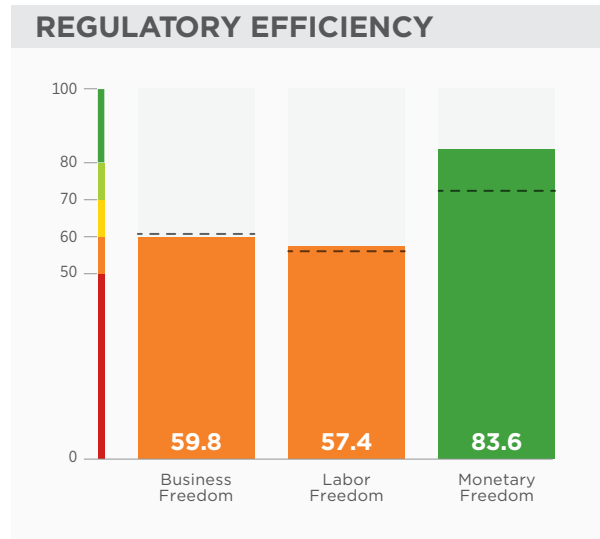
12 ECONOMIC FREEDOMS | JORDAN



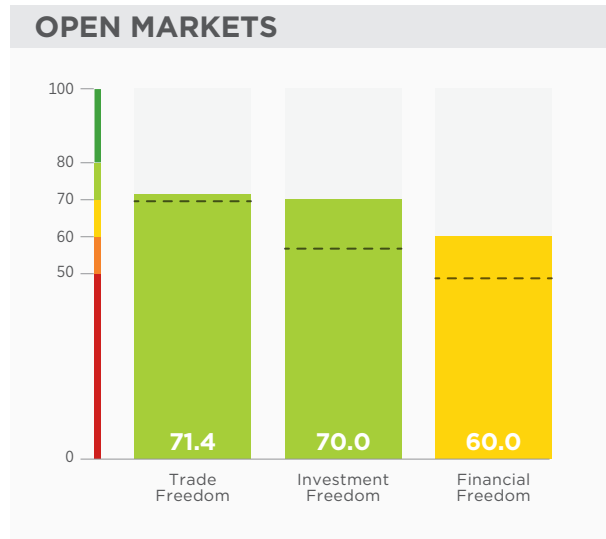
The overall rule of law is weak in Jordan. The country's property rights score is above the world average; its judicial effectiveness score is below the world average; and its government integrity score is above the world average.



The top individual and corporate tax rates are, respectively, 30 percent and 20 percent. The tax burden equals 15.3 percent of GDP. Three-year government spending and budget balance averages are, respectively, 31.6 percent and -7.5 percent of GDP. Public debt equals 91.9 percent of GDP.



Recent reforms have made business formation and operation more efficient and dynamic. Progress toward reforming bloated public-sector employment has been slow, and the labor market is characterized by significant rigidity. Most price controls have been eliminated, but the government sets prices for some services.



The trade-weighted average tariff rate is 9.3 percent, and nontariff barriers continue to add to the cost of trade. In general, foreign and local investors are treated equally under the law. Banking regulations generally conform to international standards.