



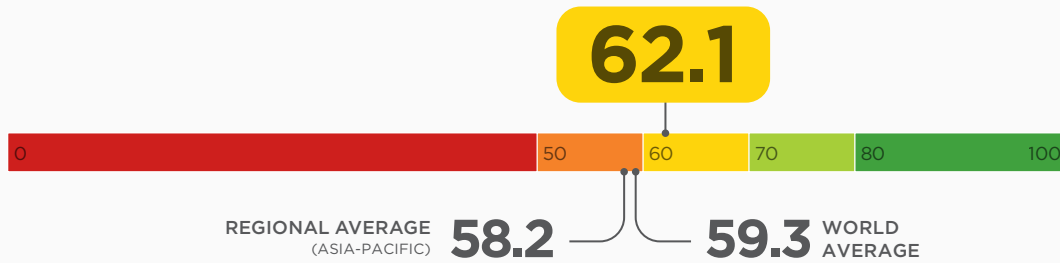
KAZAKHSTAN

WORLD RANK: 71	REGIONAL RANK: 13
ECONOMIC FREEDOM STATUS: MODERATELY FREE	

Kazakhstan's economic freedom score is 62.1, making its economy the 71st freest in the 2023 *Index*. Its score is 2.3 points lower than last year. Kazakhstan ranks 13th out of 39 countries in the Asia-Pacific region, and its overall score is above the world and regional averages.

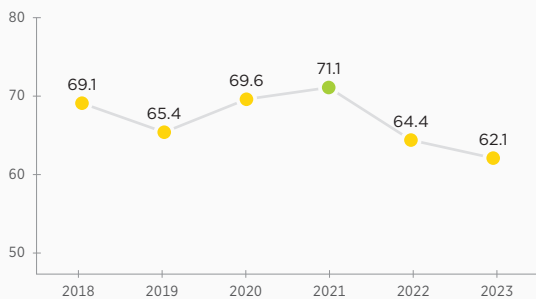
Substantial oil revenues enable a high degree of fiscal freedom. As growth progresses, stronger foundations of economic freedom are even more critical to the country's long-term economic prospects and overall competitiveness. Despite progress over the past decade, institutional shortcomings such as a weak judicial system and widespread corruption discourage diversification and modernization.

ECONOMIC FREEDOM SCORE



HISTORICAL *INDEX* SCORE CHANGE (SINCE 1998): +20.4

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
19.0 million

GDP (PPP):
\$542.9 billion
4.0% growth in 2021
5-year compound annual growth 2.8%
\$28,387 per capita

UNEMPLOYMENT:
4.9%

INFLATION (CPI):
8.0%

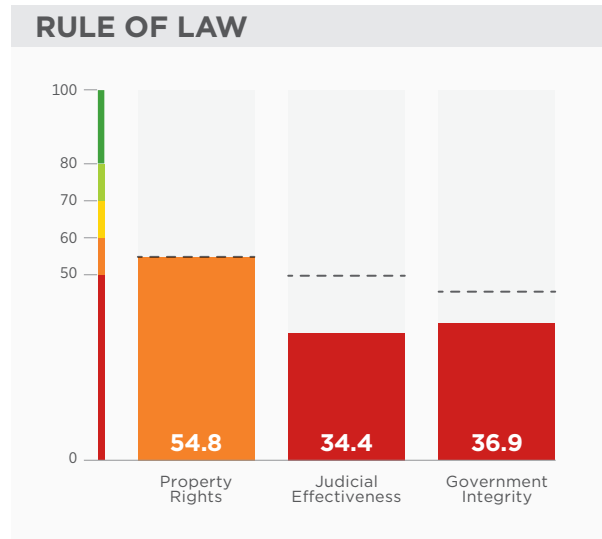
FDI INFLOW:
\$3.2 billion

PUBLIC DEBT:
25.1% of GDP

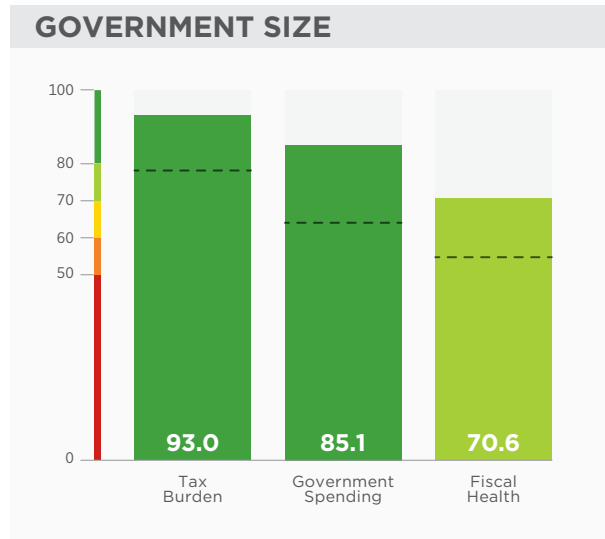
2021 data unless otherwise noted. Data compiled as of September 2022

BACKGROUND: A vast semiarid steppe, Kazakhstan is geographically the largest nation in Central Asia. President Nursultan Nazarbayev, whose rule lasted nearly 30 years, resigned early in 2019; Kassym-Jomart Tokayev won the snap presidential election in June. Kazakhstan has been changing from the Cyrillic alphabet to the Latin alphabet. Oil production is booming, primarily because of a nearly \$37 billion expansion of the Tengiz oil field. Kazakhstan's vast hydrocarbon and mineral reserves, especially in the Caspian Basin, form the backbone of its economy. Kazakhstan is the world's largest producer of uranium and has a large agricultural sector that features livestock and grain.

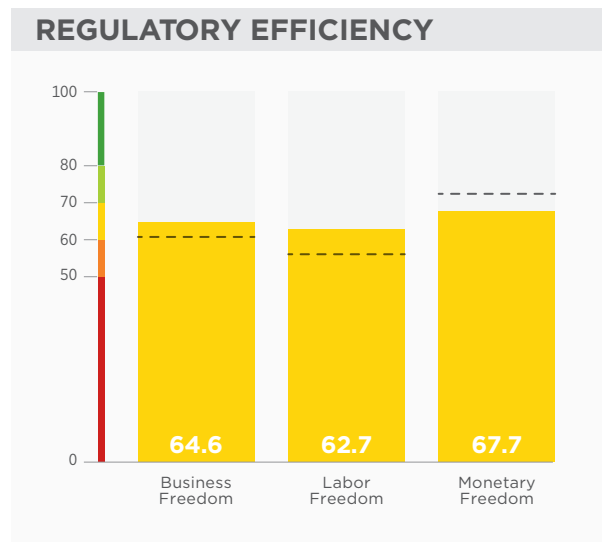
12 ECONOMIC FREEDOMS | KAZAKHSTAN



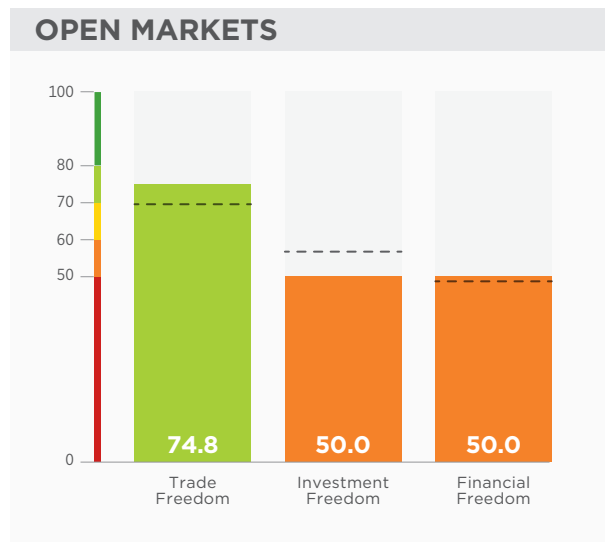
The overall rule of law is weak in Kazakhstan. The country's property rights score is above the world average; its judicial effectiveness score is below the world average; and its government integrity score is below the world average.



The top individual and corporate tax rates are, respectively, 10 percent and 20 percent. The tax burden equals 14.1 percent of GDP. Three-year government spending and budget balance averages are, respectively, 22.3 percent and -4.2 percent of GDP. Public debt equals 25.1 percent of GDP.



The regulatory framework has undergone reform. The procedures for establishing a business have been streamlined, although they remain costly. Labor regulations are relatively flexible, but enforcement of the labor code remains inefficient. The most recent available inflation rate is 8.0 percent.



The trade-weighted average tariff rate is 5.1 percent, and layers of nontariff measures are in force. Foreign investment in some sectors is restricted, and state-owned enterprises distort the economy. The financial sector is relatively stable but subject to state influence.