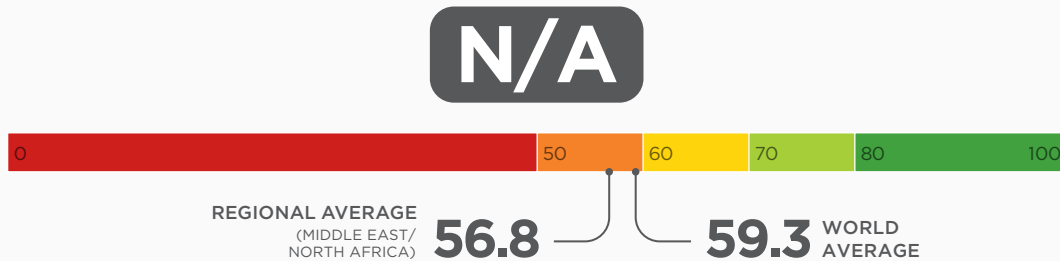


# LIBYA

Libya is not ranked in the 2023 *Index of Economic Freedom* because of the lack of reliable data. Official government reporting of economic data is insufficient, and data reported by many of the international organizations on which *Index* grading depends are incomplete.

Aggravated by systemic corruption and the weak rule of law, substantial structural rigidities further marginalize the private sector and hurt productivity growth, employment, and attempted modernization. The economic infrastructure was significantly degraded during the civil war, and economic uncertainty remains very high as Libya struggles to restore the rule of law and establish a new system of governance.

## ECONOMIC FREEDOM SCORE



HISTORICAL *INDEX* SCORE CHANGE (SINCE 1996): N/A

## RECENT FREEDOM TREND



## QUICK FACTS

**POPULATION:**  
7.0 million

**GDP (PPP):**  
\$113.0 billion  
177.3% growth in 2021  
5-year compound  
annual growth 42.5%  
\$16,848 per capita

**UNEMPLOYMENT:**  
n/a

**INFLATION (CPI):**  
3.7%

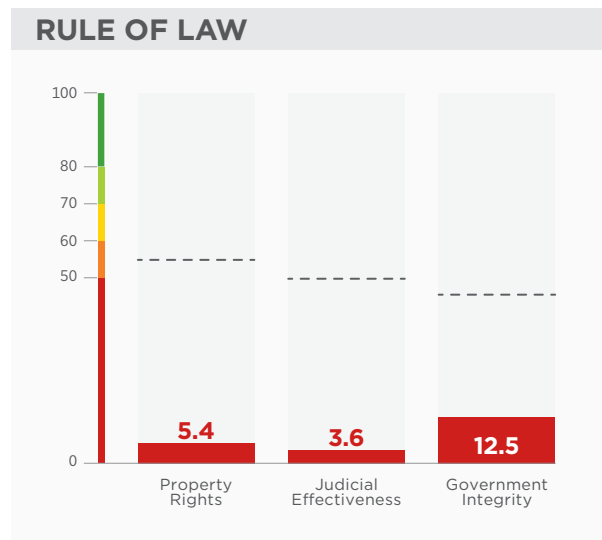
**FDI INFLOW:**  
n/a

**PUBLIC DEBT:**  
n/a

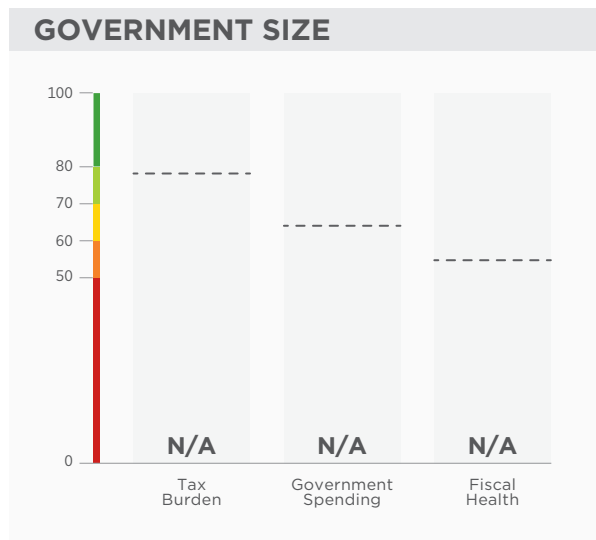
2021 data unless otherwise noted. Data compiled as of September 2022

**BACKGROUND:** Muammar Qadhafi seized power in 1969 and ruled until he was overthrown in 2011. A U.N.-brokered Government of National Unity was established in 2016, but civil war, foreign intervention, and the 2019 offensive of Commander Khalifa Haftar disrupted unification. Abdelhamid Dbeibah became interim prime minister in February 2021, tasked with implementing a U.N.-brokered political road map that included elections in December. The elections never took place, Tobruk-based Dbeibah refused to step down, and the Tripoli-based Government of National Unity made Fathy Bashaghda prime minister. Oil and natural gas dominate the economy and provide almost all of Libya's export revenues.

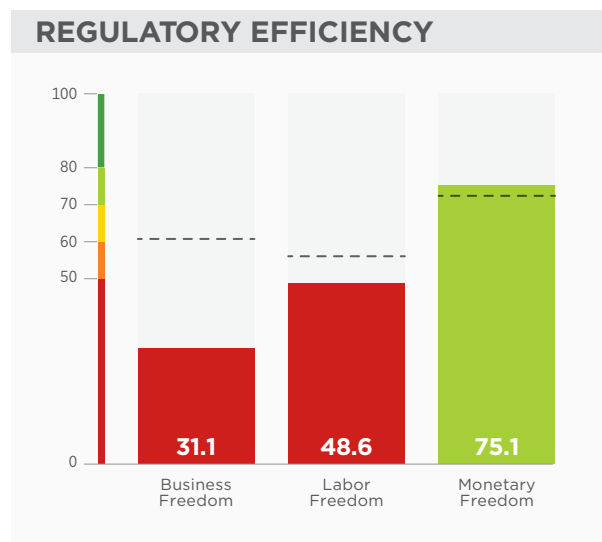
## 12 ECONOMIC FREEDOMS | LIBYA



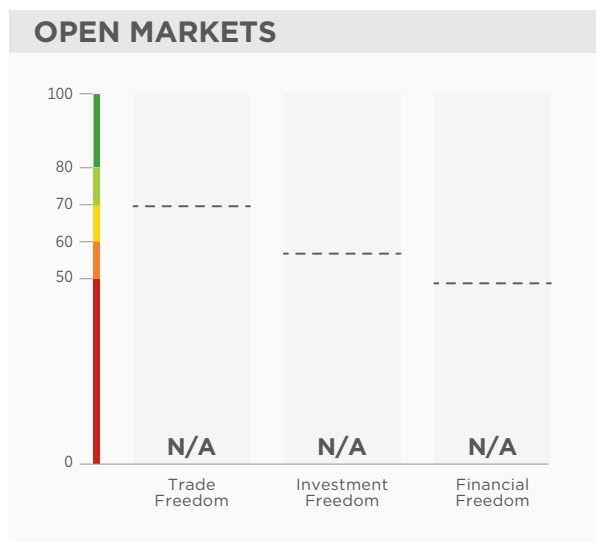
The overall rule of law is weak in Libya. The country's property rights score is below the world average; its judicial effectiveness score is below the world average; and its government integrity score is below the world average.



Taxation has not been enforced effectively for years because of political and economic instability. The government, overly dependent on the oil sector, has undertaken very sluggish and limited reforms to diversify the economy, much of which remains tightly controlled by the state.



State meddling in business decisions is extensive, and the application of existing regulations is inconsistent and nontransparent. The state-controlled labor market functions poorly, and the informal sector is large. Unemployment and underemployment are chronically high. Monetary stability has been fragile.



Political instability, exacerbated by security threats, is a significant impediment to foreign trade and investment. The financial infrastructure has been significantly degraded by unstable political and economic conditions. Limited access to financing severely impedes any meaningful private business development.