

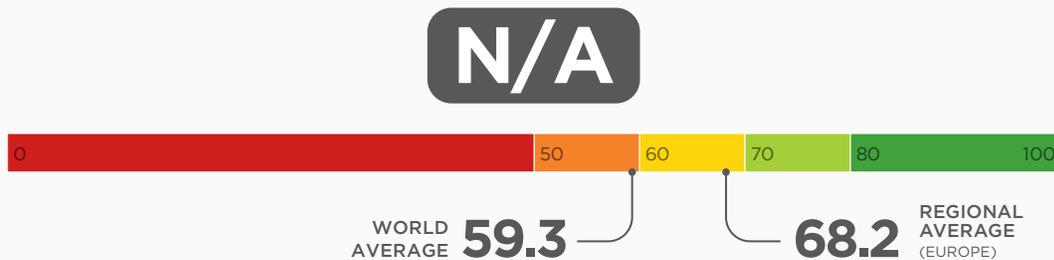


LIECHTENSTEIN

Liechtenstein is not graded in the 2023 *Index of Economic Freedom*. The country is closely interlocked with Switzerland and shares the Swiss franc. Flexibility and openness to global commerce have been the cornerstone of Liechtenstein's modern and efficient economy.

The country's vigorous defense of property rights and minimum tolerance for corruption strongly sustain the foundations of economic freedom and competitiveness. Liechtenstein's stable macroeconomic and regulatory environments help to make it an attractive place in which to conduct business. Moderate tax rates and a well-maintained monetary framework promote vibrant entrepreneurial activity.

ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 2009): N/A

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
0.0 million

GDP (PPP):
n/a
n/a growth in 2021
5-year compound annual growth n/a
n/a per capita

UNEMPLOYMENT:
n/a

INFLATION (CPI):
n/a

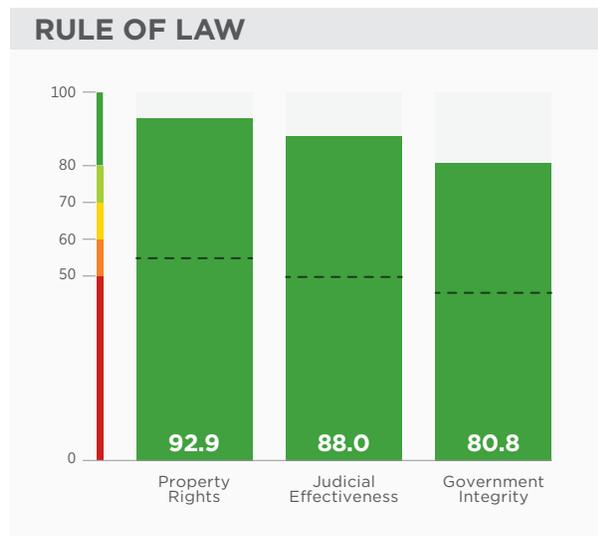
FDI INFLOW:
n/a

PUBLIC DEBT:
n/a

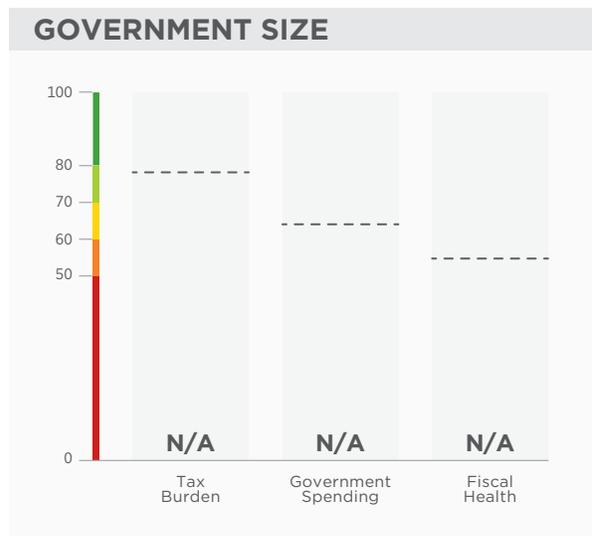
2021 data unless otherwise noted. Data compiled as of September 2022

BACKGROUND: Liechtenstein is a member of the European Free Trade Association, Schengen Area, and European Economic Area. Prince Hans-Adam II is head of state, but his son, Prince Alois, as regent can dismiss the government and veto bills. Prime Minister Daniel Risch's governing coalition includes his center-right Patriotic Union and the center-right Progressive Citizens' Party. Strict bank secrecy has helped financial institutions to attract funds as well as interest from block chain and cryptocurrency businesses. Liechtenstein has signed agreements with the European Union on the automatic exchange of financial account information and Switzerland on the exchange of tax information.

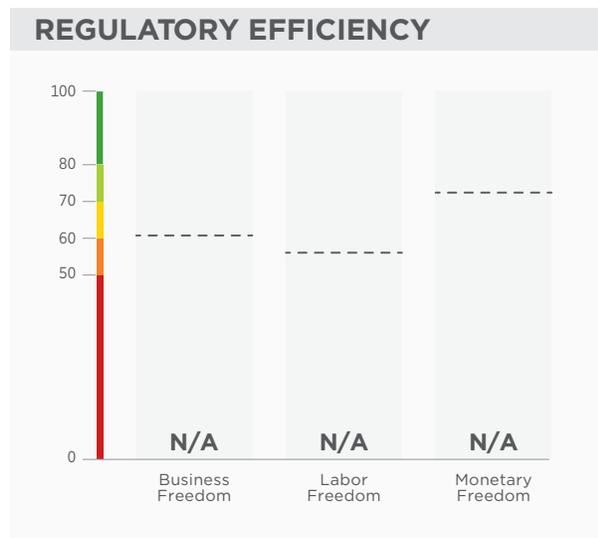
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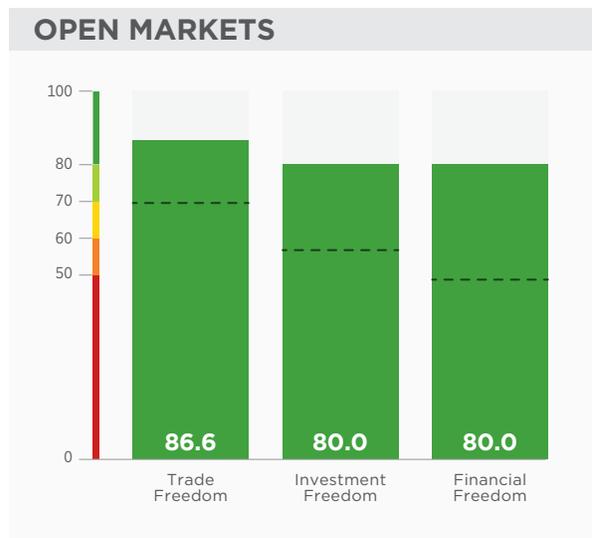
The overall rule of law is well respected in Liechtenstein. The country's property rights score is above the world average; its judicial effectiveness score is above the world average; and its government integrity score is above the world average.



Liechtenstein has a competitive tax system and imposes relatively low taxes. The corporate tax rate is 12.5 percent, and the capital gains, inheritance, and gift taxes have been abolished. Although the fiscal system lacks some transparency, fiscal management has been relatively sound.



The overall freedom to conduct a business is well protected under an efficient and transparent regulatory environment. Administrative procedures are straightforward and applied consistently. The labor market is stable, and unemployment has traditionally been very low. Monetary stability is well maintained.



Minimal barriers to trade and investment foster vibrant economic activity. Nontariff barriers are relatively minimal. Foreign and domestic investors are generally treated equally. The banking sector benefits from the country's high degree of political stability and its sound and transparent judicial system.