



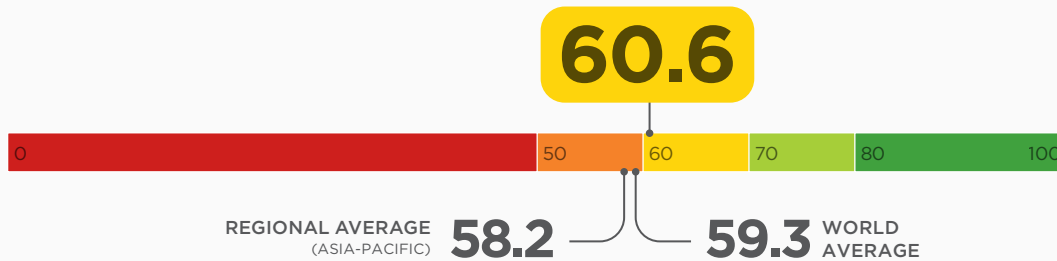
THAILAND

WORLD RANK: 80	REGIONAL RANK: 16
ECONOMIC FREEDOM STATUS: MODERATELY FREE	

Thailand's economic freedom score is 60.6, making its economy the 80th freest in the 2023 *Index*. Its score is 2.6 points lower than last year. Thailand is ranked 16th out of 39 countries in the Asia-Pacific region, and its overall score is higher than the world and regional averages.

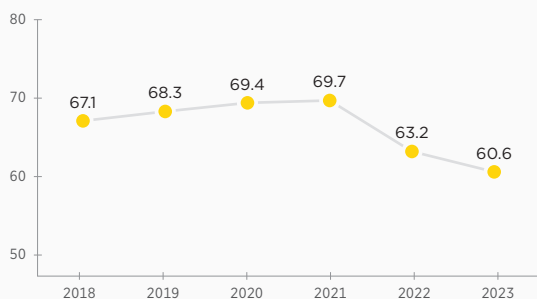
Economic fundamentals remain relatively solid. Principal challenges include the need to strengthen investor confidence and advance institutional reform. A major concern is political instability, which continues to undermine Thailand's investment climate and economic potential. The judicial system is inefficient and vulnerable to political interference, and corruption remains a problem.

ECONOMIC FREEDOM SCORE



HISTORICAL *INDEX* SCORE CHANGE (SINCE 1995): -10.7

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
70.0 million

GDP (PPP):
\$1.3 trillion
1.6% growth in 2021
5-year compound annual growth 1.2%
\$19,210 per capita

UNEMPLOYMENT:
1.1%

INFLATION (CPI):
1.2%

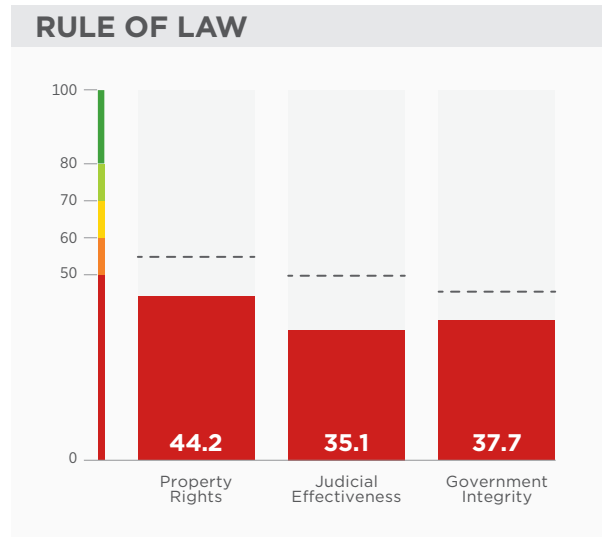
FDI INFLOW:
\$11.4 billion

PUBLIC DEBT:
58.4% of GDP

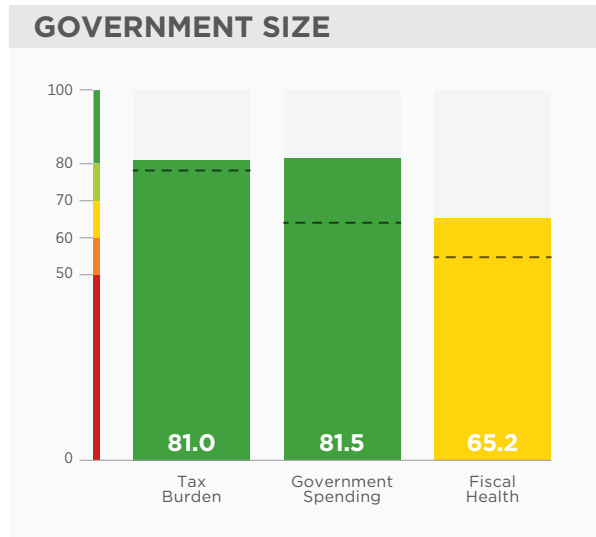
2021 data unless otherwise noted. Data compiled as of September 2022

BACKGROUND: Thailand has experienced 19 military coups since becoming a constitutional monarchy in 1932. In 2019, national legislative elections solidified the pro-junta Phalang Pracharat party's power. In 2022, the supreme court suspended Prayut Chan-ocha from the premiership while it considered claims that he was exceeding the constitution's term limit clause. Prawit Wongsuwan, another royalist military officer, is acting prime minister. After King Bhumibol Adulyadej died, his son, King Maha Vijiralongkorn, was crowned in 2019. Thailand's free-market economy benefits from relatively well-developed infrastructure. Exports of electronics, agricultural commodities, automobiles and parts, processed foods, and other goods account for approximately two-thirds of GDP.

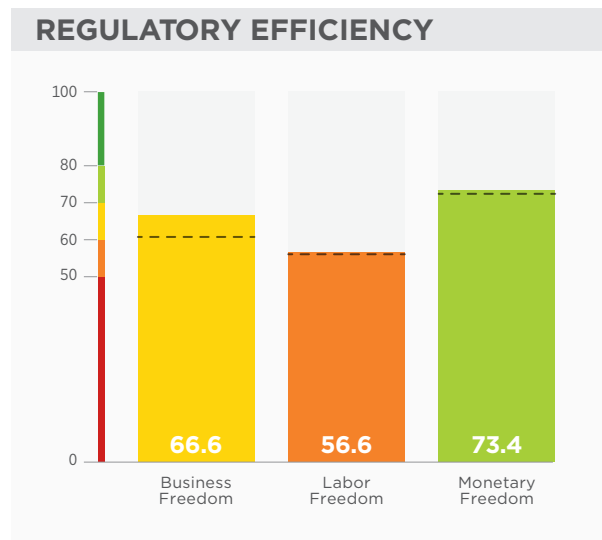
12 ECONOMIC FREEDOMS | THAILAND



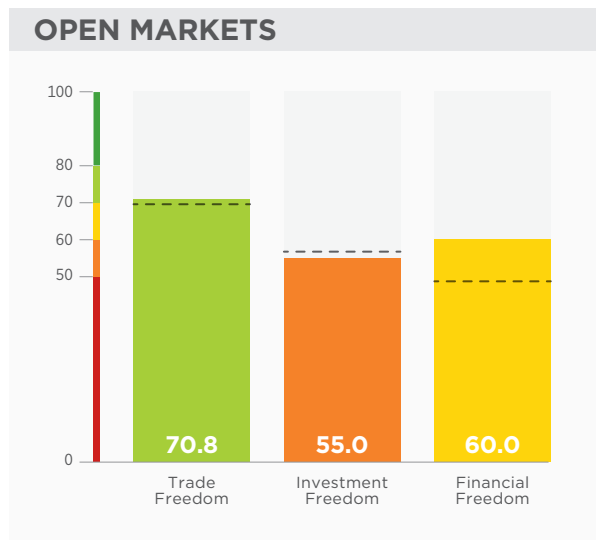
The overall rule of law is weak in Thailand. The country's property rights score is below the world average; its judicial effectiveness score is below the world average; and its government integrity score is below the world average.



The top individual and corporate tax rates are, respectively, 35 percent and 20 percent. The tax burden equals 16.5 percent of GDP. Three-year government spending and budget balance averages are, respectively, 24.8 percent and -4.2 percent of GDP. Public debt equals 58.4 percent of GDP.



With no minimum capital requirement, the process for starting a business has been streamlined. Labor regulations are relatively flexible, but informal labor activity remains substantial. Monetary stability has been maintained despite inflationary pressure. The government influences prices through subsidies and other measures.



The trade-weighted average tariff rate is 7.1 percent, but onerous nontariff barriers add to the cost of trade. Although foreign direct investment is officially welcome, the overall investment frameworks lacks efficiency and transparency. The financial system is relatively well developed and dynamic.