

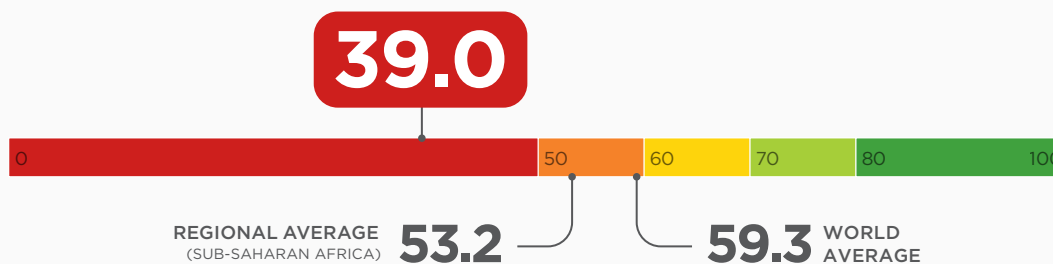


# ZIMBABWE

Zimbabwe's economic freedom score is 39.0, making its economy the 172nd freest in the 2023 *Index*. Its score has increased from last year. Zimbabwe is ranked 46th out of 47 countries in the Sub-Saharan Africa region and is one of the least free economies ranked in the 2023 *Index*.

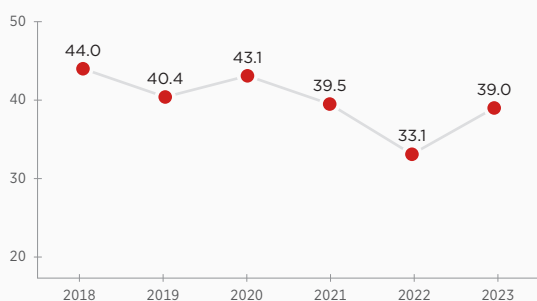
The Zimbabwean economy is characterized by instability and policy volatility, which are hallmarks of excessive government interference and mismanagement. The fragile economic infrastructure has crumbled after years of neglect. The impact of years of hyperinflation continues to impede entrepreneurial activity. A corrupt and inefficient judicial system seriously increases entrepreneurial risk.

## ECONOMIC FREEDOM SCORE



HISTORICAL *INDEX* SCORE CHANGE (SINCE 1995): -9.5

## RECENT FREEDOM TREND



## QUICK FACTS

**POPULATION:**  
15.1 million

**GDP (PPP):**  
\$36.3 billion  
6.3% growth in 2021  
5-year compound annual growth 0.9%  
\$2,343 per capita

**UNEMPLOYMENT:**  
16.9%

**INFLATION (CPI):**  
98.5%

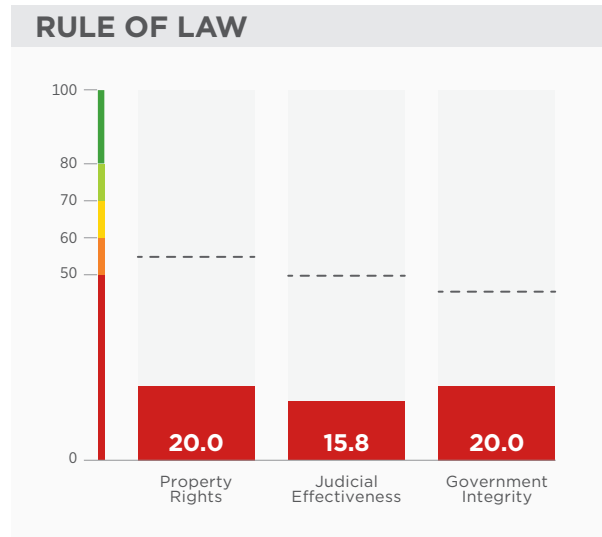
**FDI INFLOW:**  
\$166.0 million

**PUBLIC DEBT:**  
66.9% of GDP

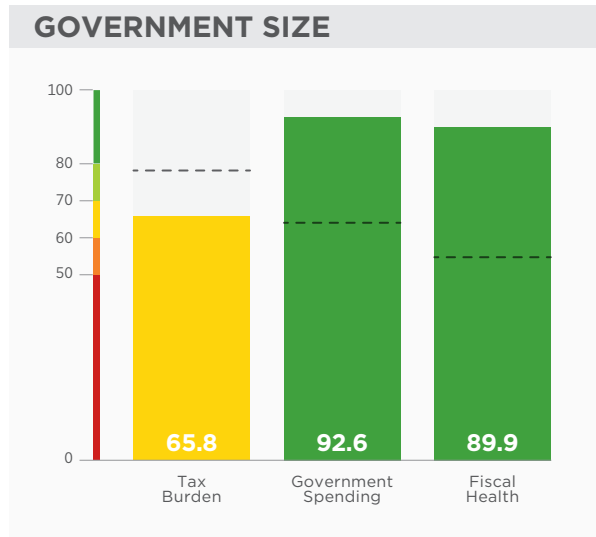
2021 data unless otherwise noted. Data compiled as of September 2022

**BACKGROUND:** The former British colony of Rhodesia became the fully independent Zimbabwe in 1980. President Robert Mugabe of the Zimbabwe African National Union–Patriotic Front was forced out in a 2017 coup and replaced by former Vice President Emmerson Mnangagwa. Following Mnangagwa's victory in a 2018 election marred by vote rigging and voter intimidation, security services cracked down on the opposition. The government frequently responds to protests against economic mismanagement and violations of human rights with violence and arbitrary detention. The economy depends on mining and agriculture, but political instability and a protracted economic crisis have undermined Zimbabwe's economic potential.

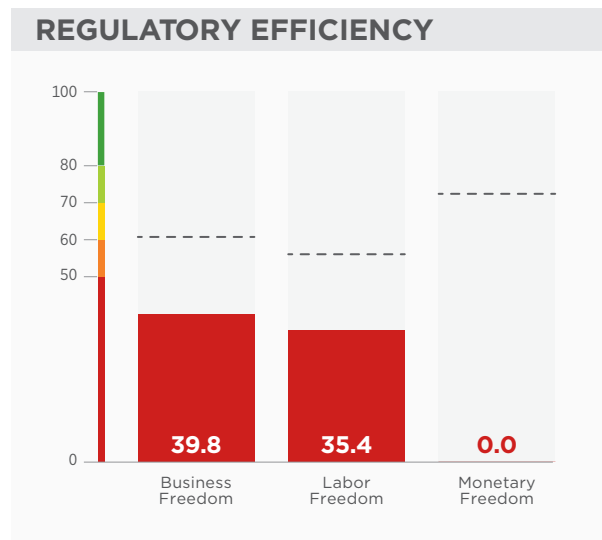
## 12 ECONOMIC FREEDOMS | ZIMBABWE



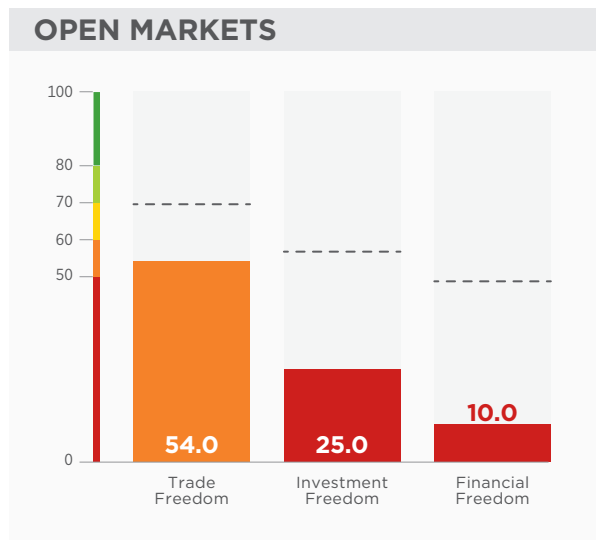
The overall rule of law is weak in Zimbabwe. The country's property rights score is below the world average; its judicial effectiveness score is below the world average; and its government integrity score is below the world average.



The top individual and corporate tax rates are, respectively, 51.5 percent and 24 percent. The tax burden equals 13.8 percent of GDP. Three-year government spending and budget balance averages are, respectively, 15.7 percent and -0.9 percent of GDP. Public debt equals 66.9 percent of GDP.



The overall regulatory environment is opaque. Licensing requirements remain costly and burdensome. The labor market is nonfunctional for all intents and purposes, but informal markets provide some jobs. The previous hyperinflation has caused monetary stability to be fragile.



The trade-weighted average tariff rate is 13 percent, and pervasive nontariff barriers further limit trade freedom. Heavy government interference cripples investment opportunities. The financial sector remains underdeveloped because of extensive state involvement and ongoing political instability.

