



WORLD RANK: **124** REGIONAL RANK: **26**

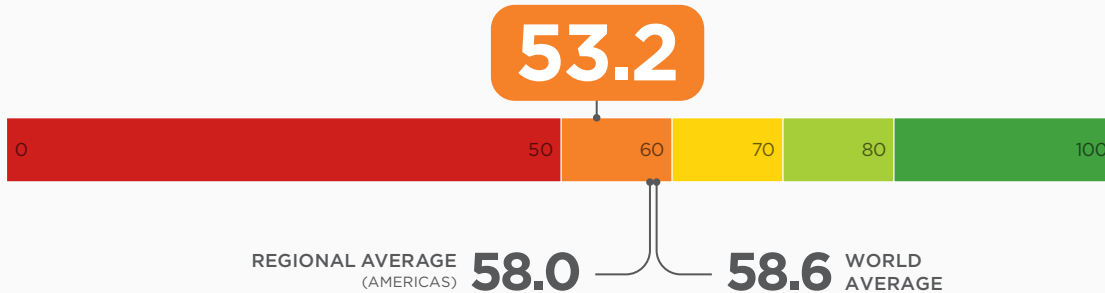
ECONOMIC FREEDOM STATUS: **MOSTLY UNFREE**

# BRAZIL

**B**razil's economic freedom score is 53.2, making its economy the 124th freest in the 2024 *Index of Economic Freedom*. Its rating has decreased by 0.3 point from last year, and Brazil is ranked 26th out of 32 countries in the Americas region. The country's economic freedom score is lower than the world and regional averages. Brazil's economy continues to be considered "mostly unfree" according to the 2024 *Index*.

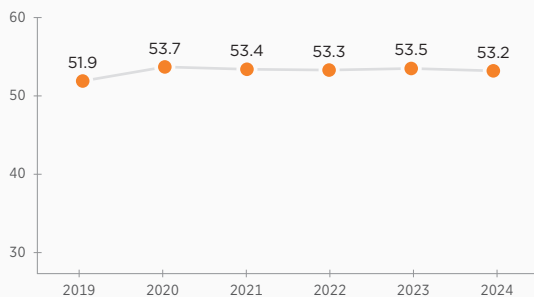
Stronger foundations of economic freedom remain critical to ensuring a greater economic future. Brazil's corruption and property rights scores are relatively low, and its judicial system remains vulnerable to political influence. The state's presence in the economy remains considerable, undercutting development of a more vibrant private sector. Despite some progress, organizing new investment and production remains a cumbersome and bureaucratic process. Launching or closing a business is both costly and time-consuming. Stifling labor regulations continue to undermine employment and productivity growth.

## ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1995): +1.8

## RECENT FREEDOM TREND



## QUICK FACTS

**POPULATION:**  
214.0 million

**GDP (PPP):**  
\$3.8 trillion  
2.9% growth in 2022  
5-year average growth rate: 1.5%  
\$18,897 per capita

**UNEMPLOYMENT:**  
14.4%

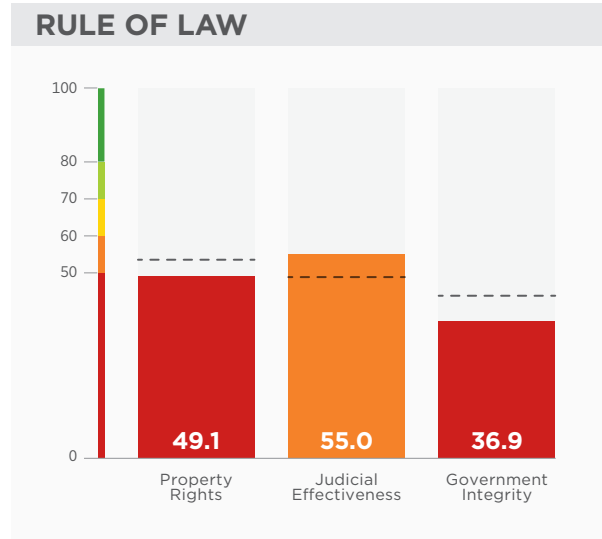
**INFLATION (CPI):**  
9.3%

**FDI INFLOW:**  
\$86.1 billion

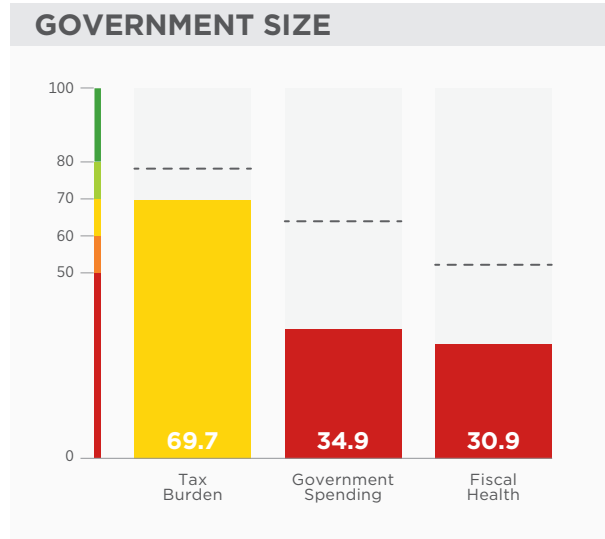
**PUBLIC DEBT:**  
85.3% of GDP

2022 data unless otherwise noted. Data compiled as of October 2023.

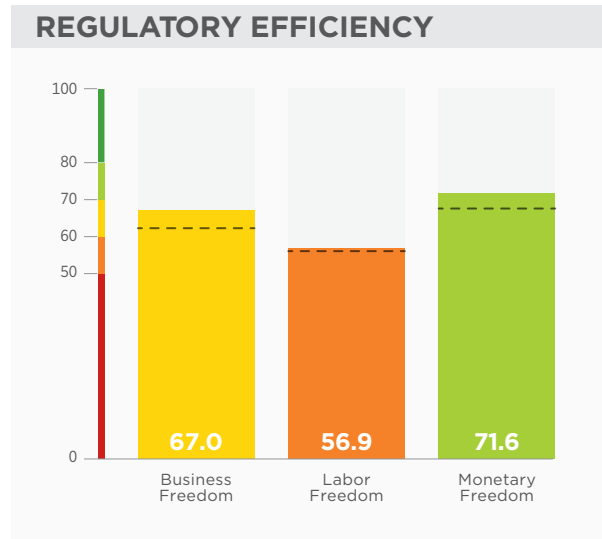
# 12 ECONOMIC FREEDOMS | BRAZIL



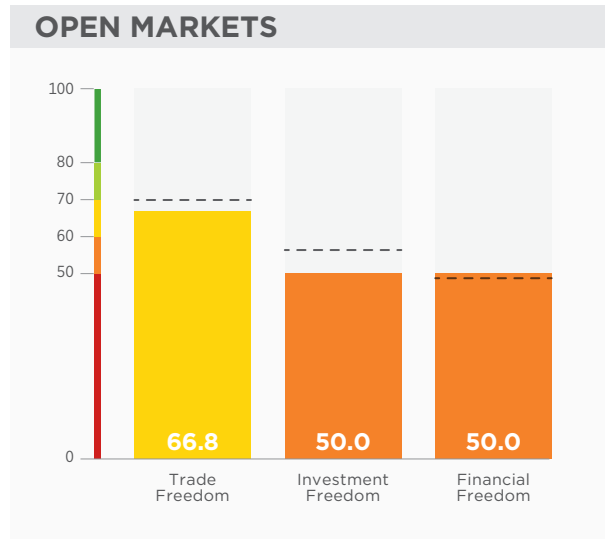
The overall rule of law is weak in Brazil. The country's property rights score is below the world average; its judicial effectiveness score is above the world average; and its government integrity score is below the world average.



The top individual income tax rate is 27.5 percent, and the top corporate tax rate is 34 percent. The tax burden equals 33.5 percent of GDP. Three-year government spending and budget balance averages are, respectively, 46.6 percent and -5.8 percent of GDP. Public debt amounts to 85.3 percent of GDP.



Brazil's overall regulatory environment is relatively well institutionalized but lacks efficiency. The country's business freedom score is above the world average; its labor freedom score is above the world average; and its monetary freedom score is above the world average.



The trade-weighted average tariff rate is 9.1 percent, and more than 600 nontariff measures are in effect. Foreign investment faces bureaucratic hurdles. The financial sector is competitive, but state involvement remains considerable, and public banks account for more than 50 percent of loans to the private sector.