



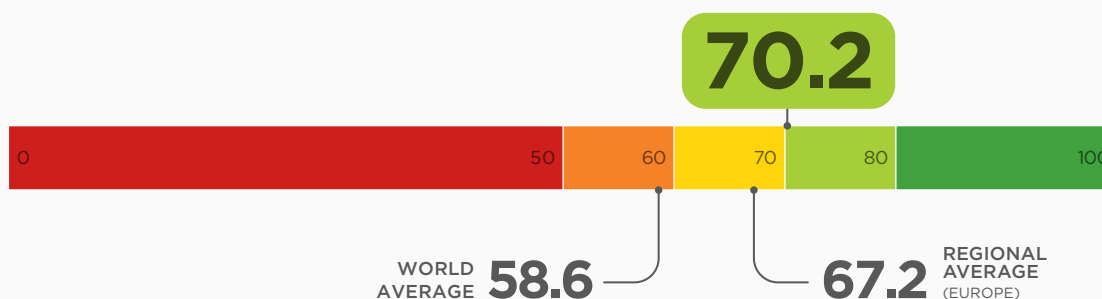
WORLD RANK:	REGIONAL RANK:
24	15
ECONOMIC FREEDOM STATUS: MOSTLY FREE	

CZECH REPUBLIC

The Czech Republic's economic freedom score is 70.2, making its economy the 24th freest in the 2024 *Index of Economic Freedom*. Its rating has decreased by 1.7 points from last year, and the Czech Republic is ranked 15th out of 44 countries in the Europe region. The country's economic freedom score is higher than the world and regional averages. The Czech Republic's economy is considered "mostly free" according to the 2024 *Index*.

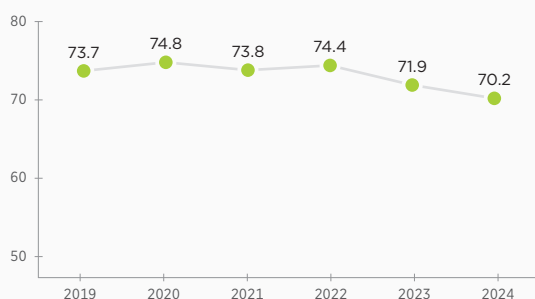
Strongly committed to economic and structural reform, the Czech Republic has developed a modern and flexible economy and performs above world averages in many of the four pillars of economic freedom. Open-market policies have enabled the economy to capitalize on the results of earlier regulatory reforms. The regulatory framework governing businesses is straightforward, and all interested parties can participate in the process of enacting new regulations. The labor market is relatively flexible. Inflation has been relatively high.

ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1995): +2.4

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
10.7 million

GDP (PPP):
\$519.2 billion
2.3% growth in 2022
5-year average growth rate: 1.3%
\$47,955 per capita

UNEMPLOYMENT:
2.9%

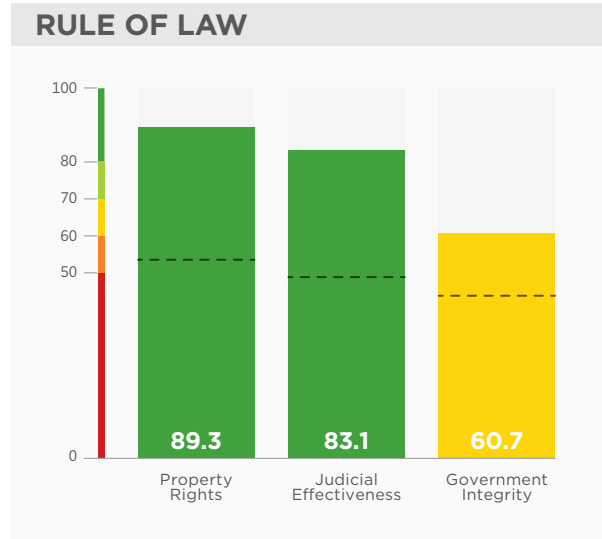
INFLATION (CPI):
15.1%

FDI INFLOW:
\$9.9 billion

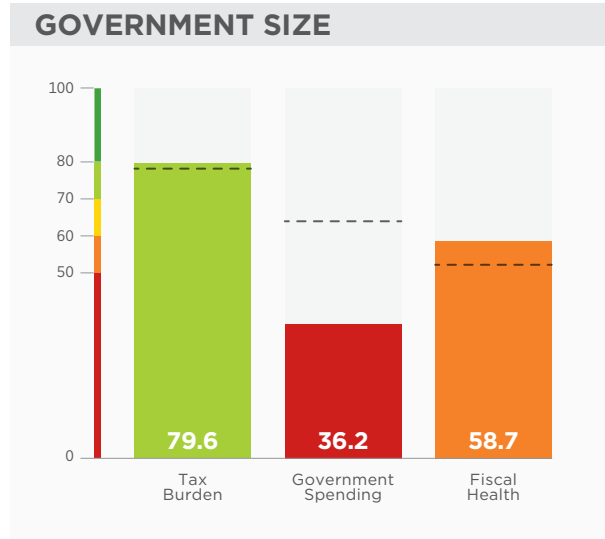
PUBLIC DEBT:
44.2% of GDP

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

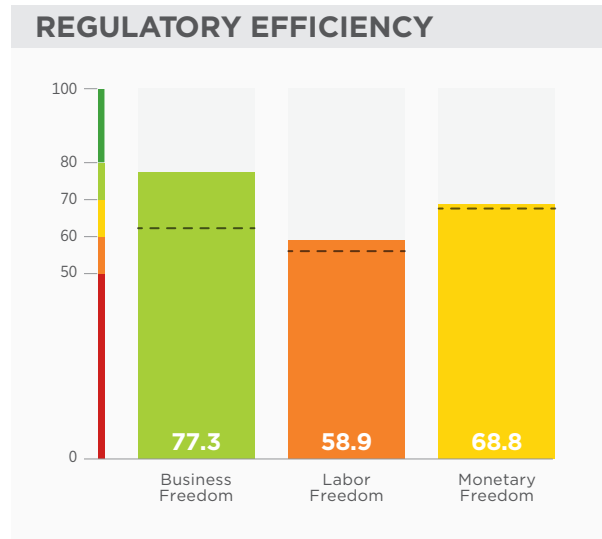
12 ECONOMIC FREEDOMS | CZECH REPUBLIC



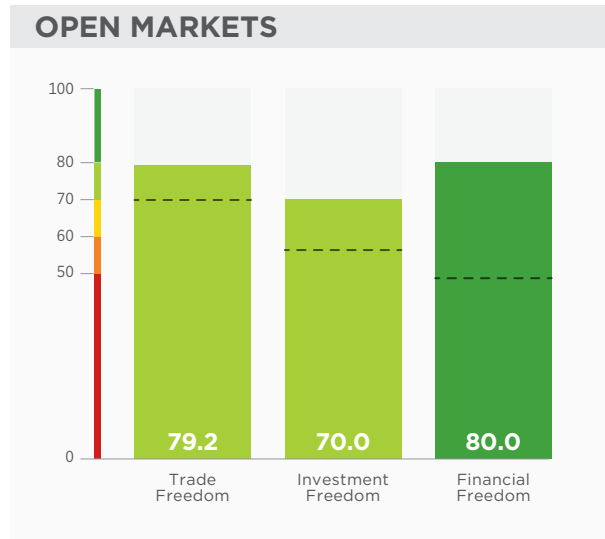
The overall rule of law is well respected in the Czech Republic. The country's property rights score is above the world average; its judicial effectiveness score is above the world average; and its government integrity score is above the world average.



The top individual income tax rate is 23 percent, and the top corporate tax rate is 19 percent. The tax burden equals 33.8 percent of GDP. Three-year government spending and budget balance averages are, respectively, 46.1 percent and -4.8 percent of GDP. Public debt amounts to 44.2 percent of GDP.



The Czech Republic's overall regulatory environment is relatively well institutionalized but lacks efficiency. The country's business freedom score is far 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 (common among EU members) rate is 2.9 percent, and more than 600 EU-mandated nontariff measures are in force along with 116 country-specific nontariff barriers. The government has reduced bureaucratic barriers to investment. The financial sector remains resilient.