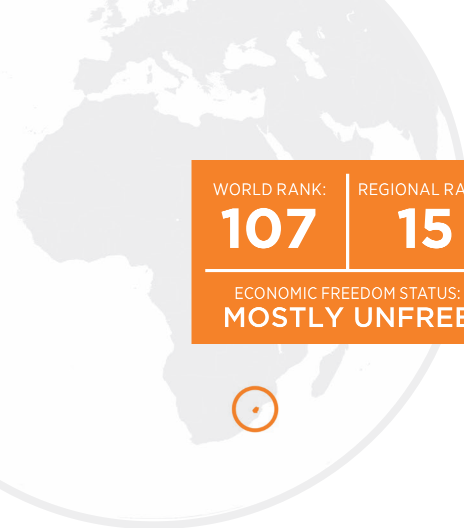


WORLD RANK: 107

REGIONAL RANK: 15

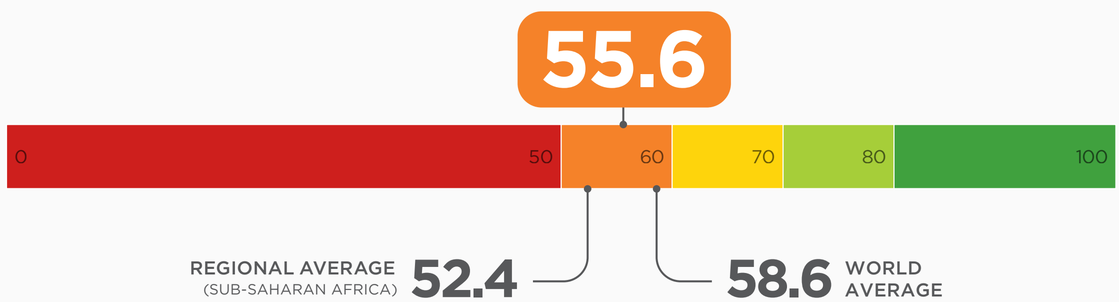
ECONOMIC FREEDOM STATUS: **MOSTLY UNFREE**

ESWATINI

Eswatini's economic freedom score is 55.6, making its economy the 107th freest in the 2024 *Index of Economic Freedom*. Its rating has increased by 0.7 point from last year, and Eswatini is ranked 15th out of 47 countries in the Sub-Saharan Africa region. The country's economic freedom score is lower than the world average and higher than the regional average. Eswatini's economy is considered "mostly unfree" according to the 2024 *Index*.

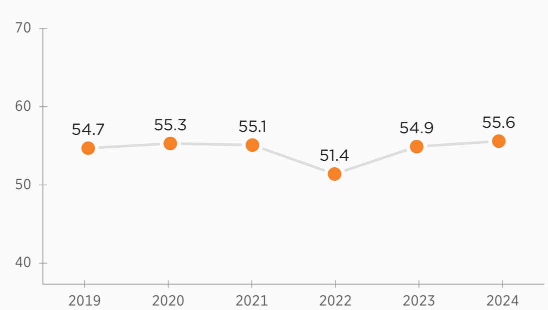
Eswatini's progress toward greater economic freedom has been uneven. Annual growth has averaged 3.0 percent over the past five years. The economic base is fairly diversified, but inefficient regulatory and legal frameworks undermine the development of private investment and production. The inefficient regulatory environment includes many requirements that increase the cost of entrepreneurial activity. In the absence of a fully developed formal labor market, informal labor activity remains substantial. The most recent available inflation rate is 4.8 percent.

ECONOMIC FREEDOM SCORE



HISTORICAL *INDEX* SCORE CHANGE (SINCE 1995): –7.7

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
1.2 million

GDP (PPP):
$12.9 billion
3.6% growth in 2022
5-year average growth rate: 3.0%
$11,217 per capita

UNEMPLOYMENT:
25.8%

INFLATION (CPI):
4.8%

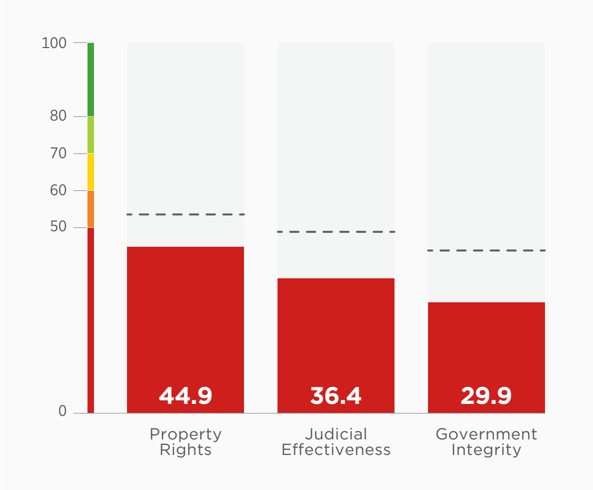
FDI INFLOW:
$21.0 million

PUBLIC DEBT:
42.0% of GDP

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

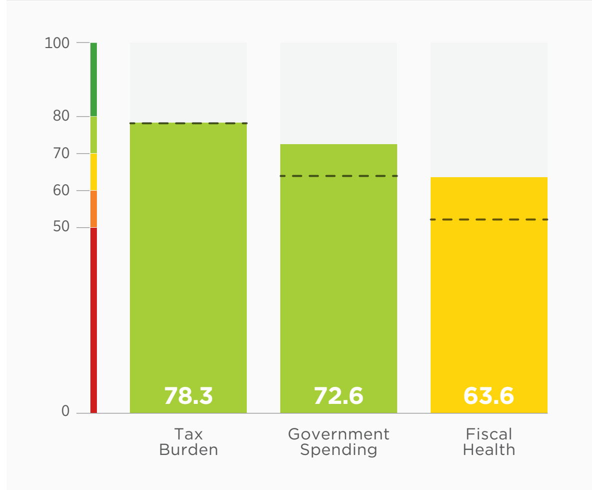
12 ECONOMIC FREEDOMS | ESWATINI

RULE OF LAW



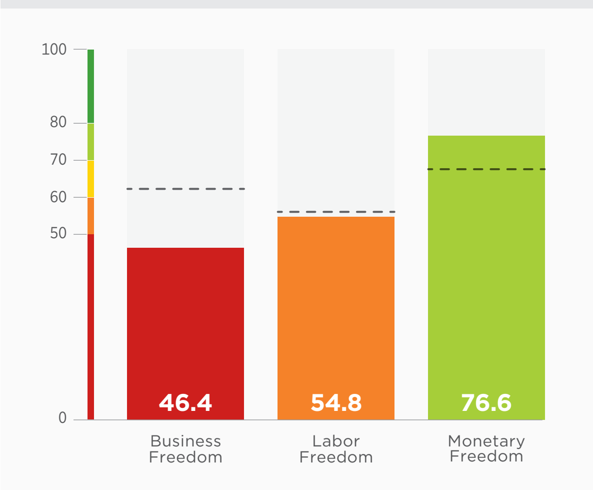
The overall rule of law is weak in Eswatini. The country's property rights score is below the world average; its judicial effectiveness score is below the world average; and its government integrity score is below the world average.

GOVERNMENT SIZE



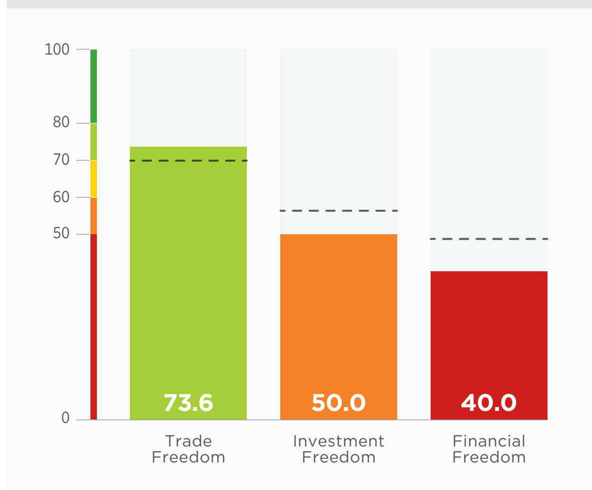
The top individual income tax rate is 33 percent, and the top corporate tax rate is 27.5 percent. The tax burden equals 18.0 percent of GDP. Three-year government spending and budget balance averages are, respectively, 30.2 percent and –4.5 percent of GDP. Public debt amounts to 42.0 percent of GDP.

REGULATORY EFFICIENCY



Eswatini's overall regulatory environment is poorly institutionalized and inefficient. The country's business freedom score is far below the world average; its labor freedom score is below the world average; and its monetary freedom score is above the world average.

OPEN MARKETS



The trade-weighted average tariff rate is 8.2 percent, and nontariff barriers deter the development of more dynamic trade activity. Foreign investment is screened, and state-owned enterprises distort the economy. The financial sector remains subject to government influence.