



# HONDURAS

WORLD RANK:

89

REGIONAL RANK:

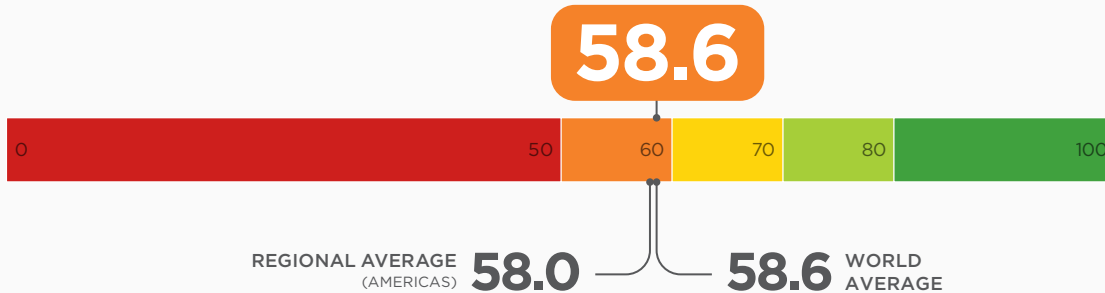
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ECONOMIC FREEDOM STATUS:  
**MOSTLY UNFREE**

Honduras's economic freedom score is 58.6, making its economy the 89th freest in the 2024 *Index of Economic Freedom*. Its rating is essentially unchanged from last year, and Honduras is ranked 20th out of 32 countries in the Americas region. The country's economic freedom score is the same as the world average and above the regional average. Honduras's economy is considered "mostly unfree" according to the 2024 *Index*.

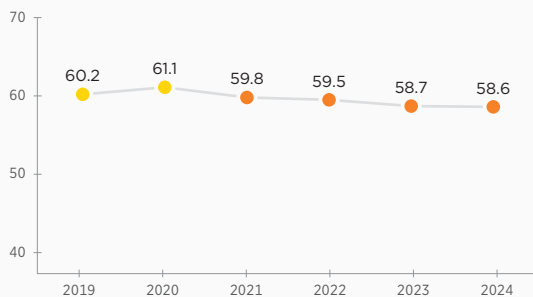
Broader implementation of deeper institutional reforms remains critical to spurring more dynamic growth and sustainable development throughout the Honduran economy. Systemic weaknesses persist in the protection of property rights and enforcement of anticorruption measures. The judicial system is vulnerable to political influence. The regulatory environment continues to evolve, but the pace of reform is sluggish. Labor regulations are burdensome and outmoded. Much of the labor force is employed in the informal sector. The most recent available inflation rate is 9.1 percent.

## ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1995): +1.6

## RECENT FREEDOM TREND



## QUICK FACTS

**POPULATION:**  
10.1 million

**GDP (PPP):**  
\$70.3 billion  
4.0% growth in 2022  
5-year average growth rate: 2.8%  
\$6,832 per capita

**UNEMPLOYMENT:**  
8.5%

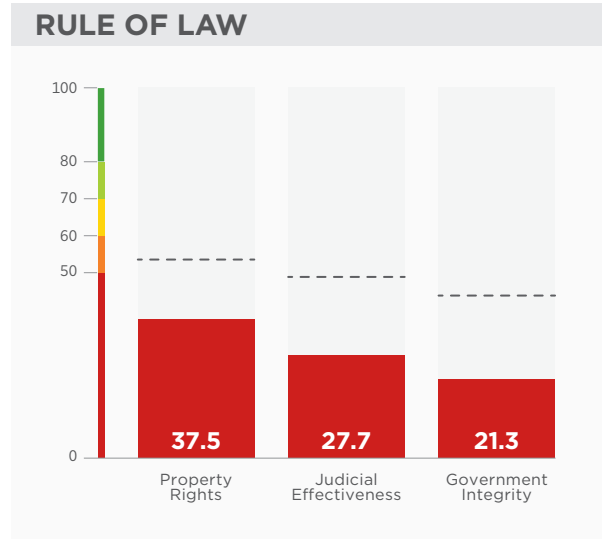
**INFLATION (CPI):**  
9.1%

**FDI INFLOW:**  
\$823.0 million

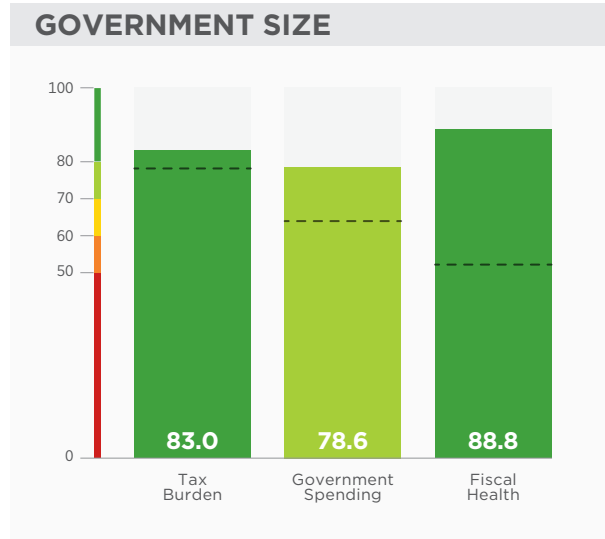
**PUBLIC DEBT:**  
49.1% of GDP

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

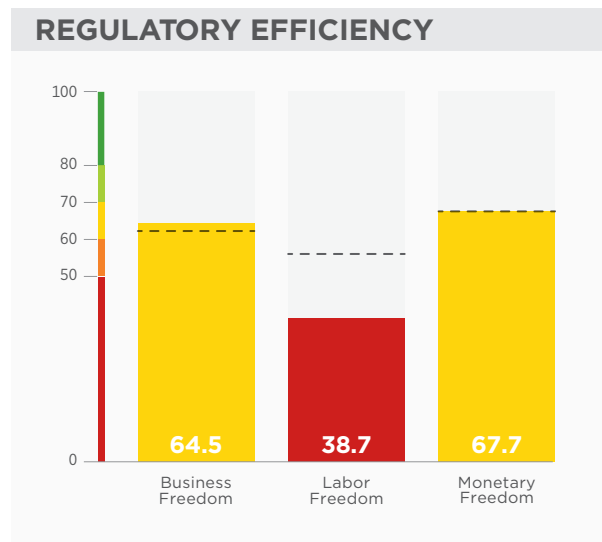
# 12 ECONOMIC FREEDOMS | HONDURAS



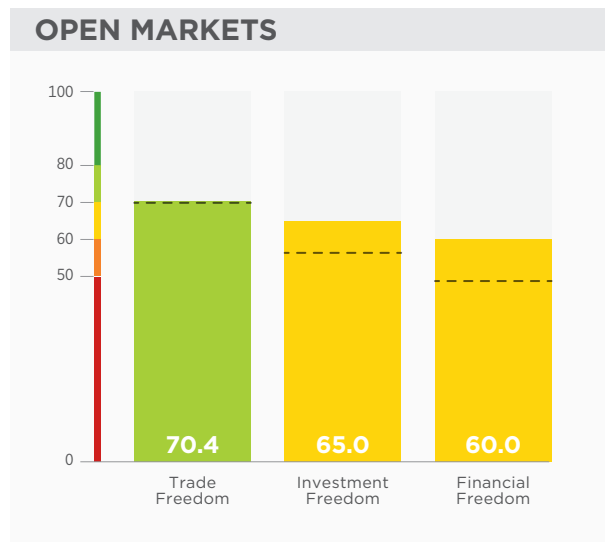
The overall rule of law is weak in Honduras. The country's property rights score is below the world average; its judicial effectiveness score is below the world average; and its government integrity score is below the world average.



The top individual income tax rate is 25 percent, and the top corporate tax rate is 25 percent. The tax burden equals 21.2 percent of GDP. Three-year government spending and budget balance averages are, respectively, 26.7 percent and -2.0 percent of GDP. Public debt amounts to 49.1 percent of GDP.



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



The trade-weighted average tariff rate is 7.3 percent, and regulatory systems may act as barriers to foreign investment. The financial sector remains relatively stable and continues to expand. Approximately 50 percent of adults have access to an account with a formal banking institution.