

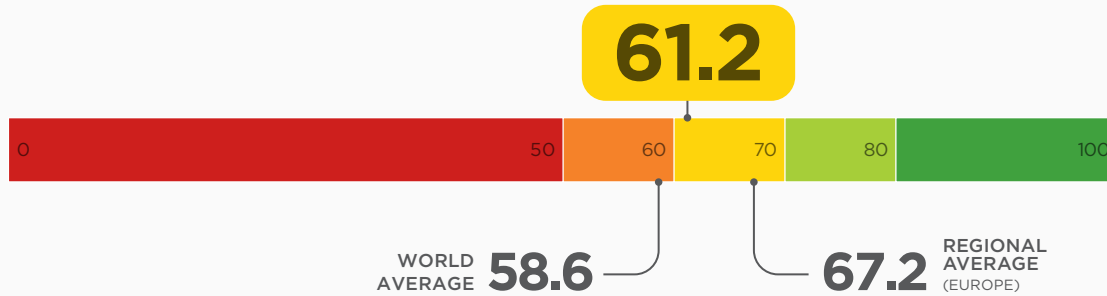
WORLD RANK:	REGIONAL RANK:
72	36
ECONOMIC FREEDOM STATUS:	
MODERATELY FREE	

HUNGARY

Hungary's economic freedom score is 61.2, making its economy the 72nd freest in the 2024 *Index of Economic Freedom*. Its rating has decreased by 2.9 points from last year, and Hungary is ranked 36th out of 44 countries in the Europe region. The country's economic freedom score is higher than the world average and lower than the regional average. Hungary's economy is considered "moderately free" according to the 2024 *Index*.

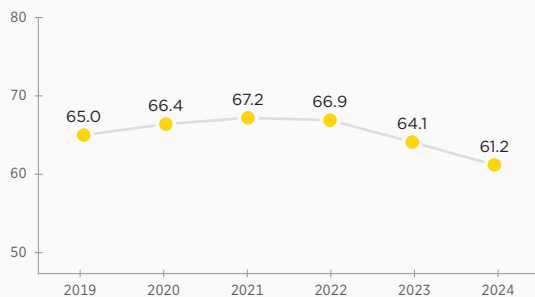
The Hungarian economy has implemented critical reforms in many areas and has a vibrant private sector. Overall regulatory efficiency is further enhanced by open-market policies. A relatively sound judicial framework that sustains the rule of law and the protection of property rights has contributed to economic stability and long-term development. However, fiscal consolidation and better management of public finance are needed to curb a growing debt burden. The most recent available inflation rate is more than 10 percent.

ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1995): +6.0

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
9.7 million

GDP (PPP):
\$408.1 billion
4.6% growth in 2022
5-year average growth rate: 3.5%
\$42,121 per capita

UNEMPLOYMENT:
4.1%

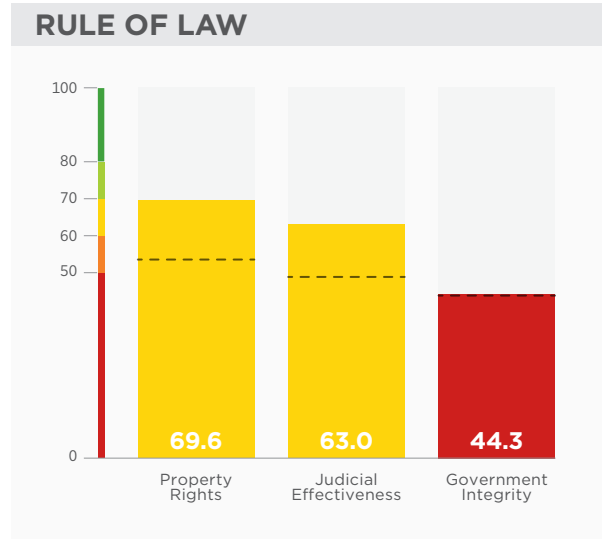
INFLATION (CPI):
14.5%

FDI INFLOW:
\$8.6 billion

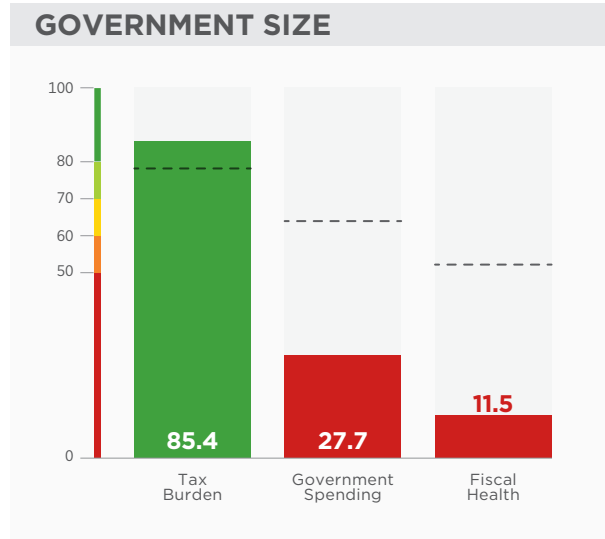
PUBLIC DEBT:
73.3% of GDP

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

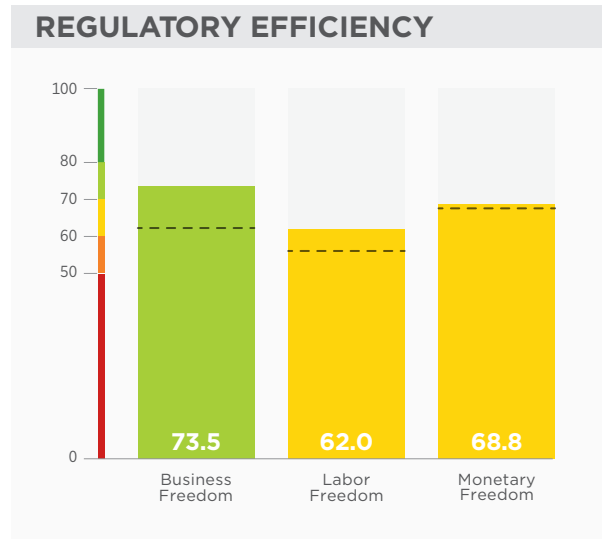
12 ECONOMIC FREEDOMS | HUNGARY



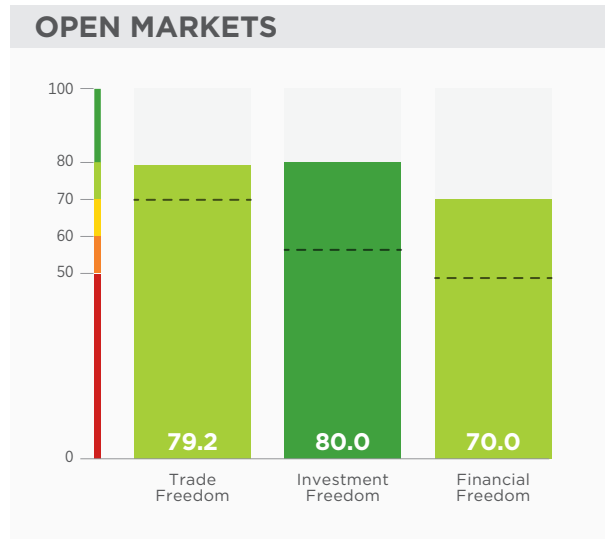
The overall rule of law is relatively well respected in Hungary. The country's property rights score is above the world average; its judicial effectiveness score is above the world average; and its government integrity score is above the world average.



The top individual income tax rate is 15 percent, and the top corporate tax rate is 9 percent. The tax burden equals 34.0 percent of GDP. Three-year government spending and budget balance averages are, respectively, 49.1 percent and -7.0 percent of GDP. Public debt amounts to 73.3 percent of GDP.



Hungary'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 (common among EU members) is 2.9 percent, and more than 600 EU-mandated nontariff measures are in force. The investment framework is efficient but not sufficiently transparent. The government has largely withdrawn from banking, and the financial sector offers a range of services.