



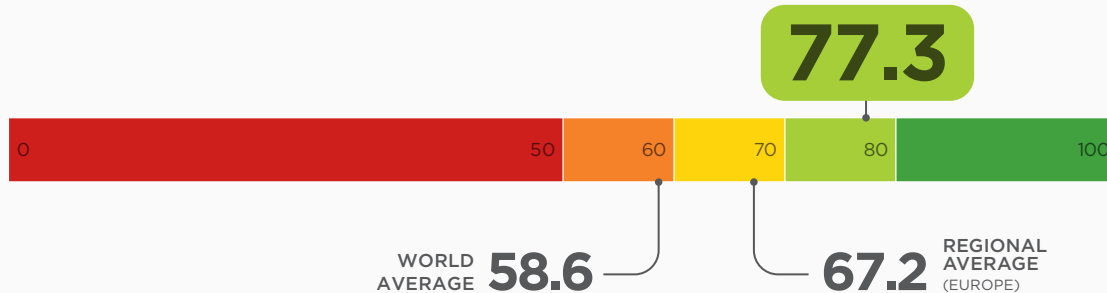
WORLD RANK:	REGIONAL RANK:
<b>11</b>	<b>8</b>
ECONOMIC FREEDOM STATUS: <b>MOSTLY FREE</b>	

# NETHERLANDS

The Netherlands' economic freedom score is 77.3, making its economy the 11th freest in the 2024 *Index of Economic Freedom*. Its rating has decreased by 0.7 point from last year, and the Netherlands is ranked 8th out of 44 countries in the Europe region. The country's economic freedom score is higher than the world and regional averages. The Netherlands' economy is considered "mostly free" according to the 2024 *Index*.

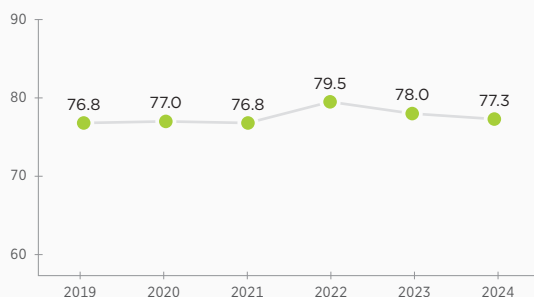
The Dutch economy benefits from a traditional emphasis on the rule of law and an efficient legal framework. The independent and corruption-free judicial system provides strong protection of property rights. Openness to global trade and investment is well established, and the regulatory and entrepreneurial environment remains transparent and efficient. Highly competitive logistics and stable political conditions enhance business freedom. Labor regulations are relatively rigid, and the non-salary cost of employing a worker is high. Monetary stability is maintained despite inflationary pressures.

## ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1996): +7.6

## RECENT FREEDOM TREND



## QUICK FACTS

**POPULATION:**  
17.5 million

**GDP (PPP):**  
\$1.2 trillion  
4.3% growth in 2022  
5-year average growth rate: 2.2%  
\$70,728 per capita

**UNEMPLOYMENT:**  
4.0%

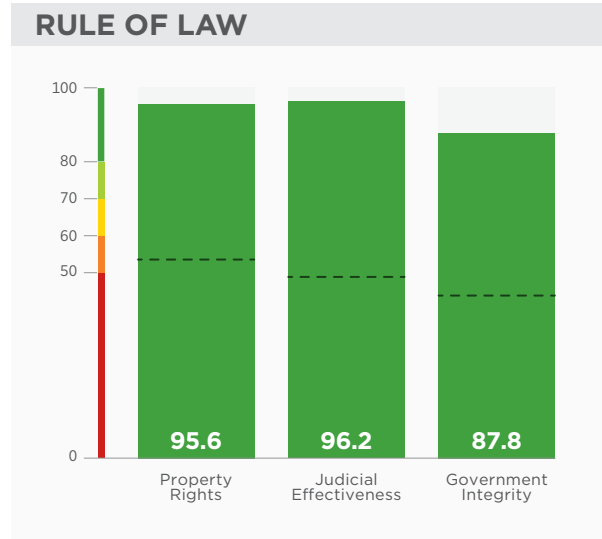
**INFLATION (CPI):**  
11.6%

**FDI INFLOW:**  
-\$67.3 billion

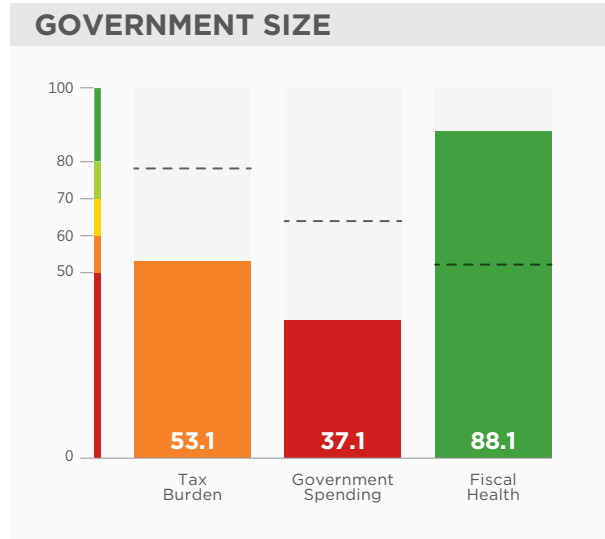
**PUBLIC DEBT:**  
50.1% of GDP

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

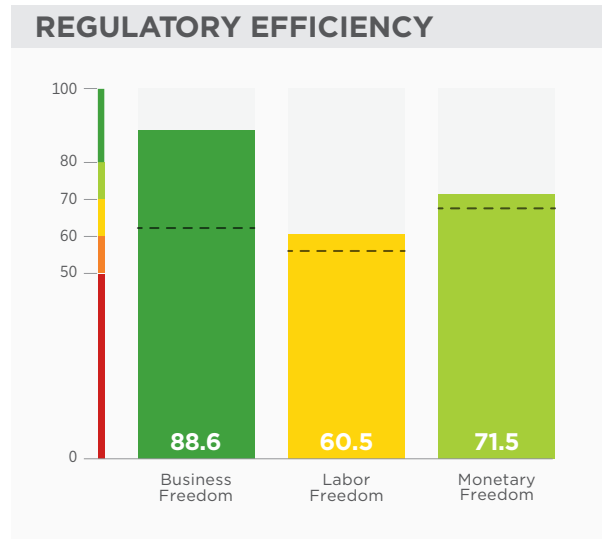
# 12 ECONOMIC FREEDOMS | NETHERLANDS



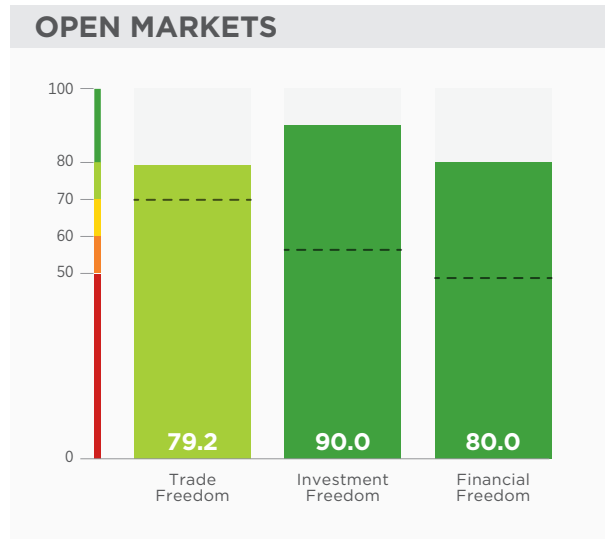
The overall rule of law is very well respected in the Netherlands. The country's property rights score is above the world average; its judicial effectiveness score is above the world average; and its government integrity score is above the world average.



The top individual income tax rate is 49.5 percent, and the top corporate tax rate is 25.8 percent. The tax burden equals 39.7 percent of GDP. Three-year government spending and budget balance averages are, respectively, 45.8 percent and -2.1 percent of GDP. Public debt amounts to 50.1 percent of GDP.



The Netherlands' overall regulatory environment is well institutionalized and relatively efficient. 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 rate (common among EU members) is 2.9 percent, and more than 600 EU-mandated nontariff measures are in force. There is no restrictive screening of foreign investment, and investment in most sectors is not restricted. Sensible banking regulations facilitate entrepreneurial growth.