

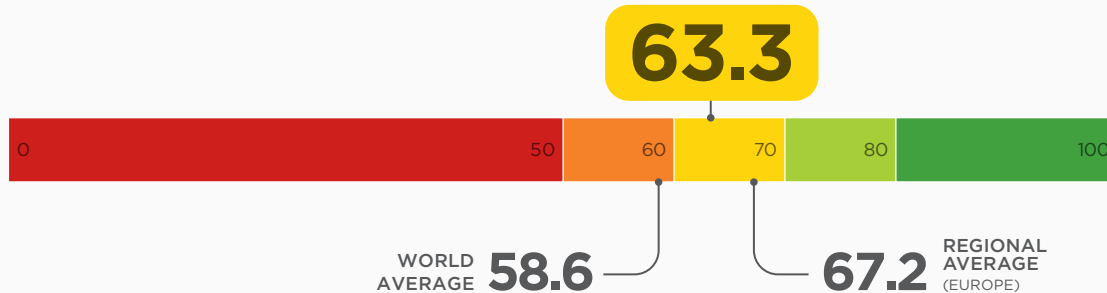
WORLD RANK:	REGIONAL RANK:
<b>55</b>	<b>30</b>
ECONOMIC FREEDOM STATUS:	
<b>MODERATELY FREE</b>	

# SPAIN

Spain's economic freedom score is 63.3, making its economy the 55th freest in the 2024 *Index of Economic Freedom*. Its rating has decreased by 1.7 points from last year, and Spain is ranked 30th 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. Spain's economy is considered "moderately free" according to the 2024 *Index*.

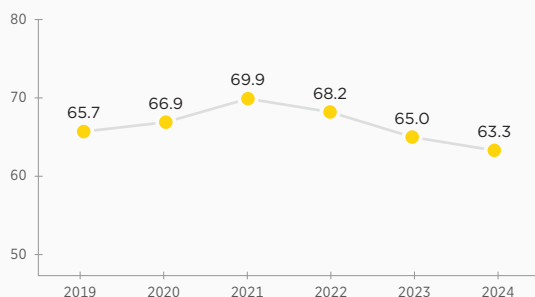
Spain's progress toward greater economic freedom has been uneven. Regulatory efficiency and the rule of law are relatively well maintained, but long-term gains have been modest. Fiscal freedom, government spending, and financial freedom challenges are significant. Fiscal deficits and high public debt reflect a need to reform financial management. Regulations are transparent. Business start-up procedures have been streamlined, and there are now fewer licensing requirements. Despite some progress, labor regulations remain restrictive and burdensome. Inflationary pressure remains a concern.

## ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1995): +0.5

## RECENT FREEDOM TREND



## QUICK FACTS

**POPULATION:**  
47.3 million

**GDP (PPP):**  
\$2.3 trillion  
5.8% growth in 2022  
5-year average growth rate: 1.1%  
\$47,711 per capita

**UNEMPLOYMENT:**  
14.7%

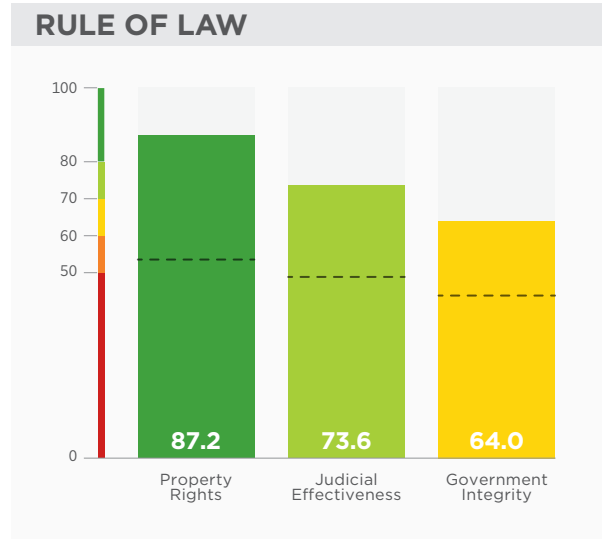
**INFLATION (CPI):**  
8.3%

**FDI INFLOW:**  
\$34.8 billion

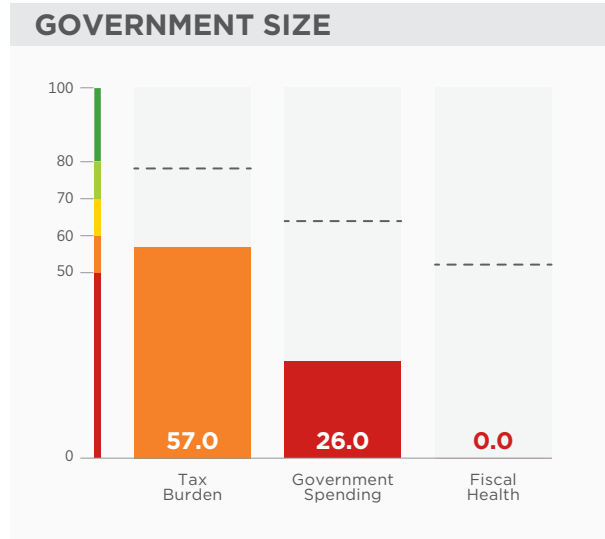
**PUBLIC DEBT:**  
111.6% of GDP

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

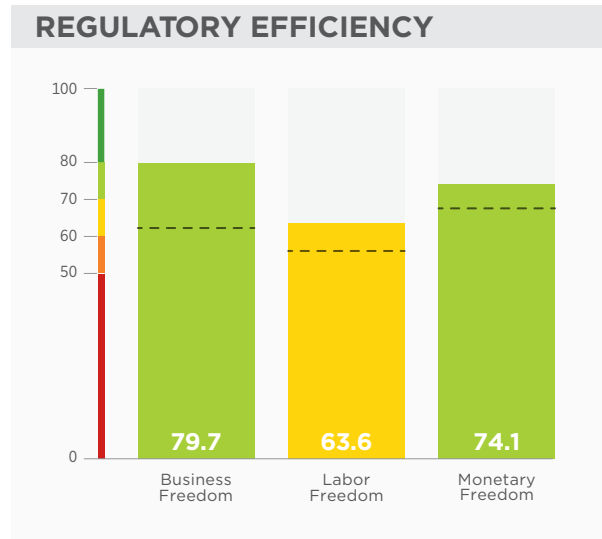
# 12 ECONOMIC FREEDOMS | SPAIN



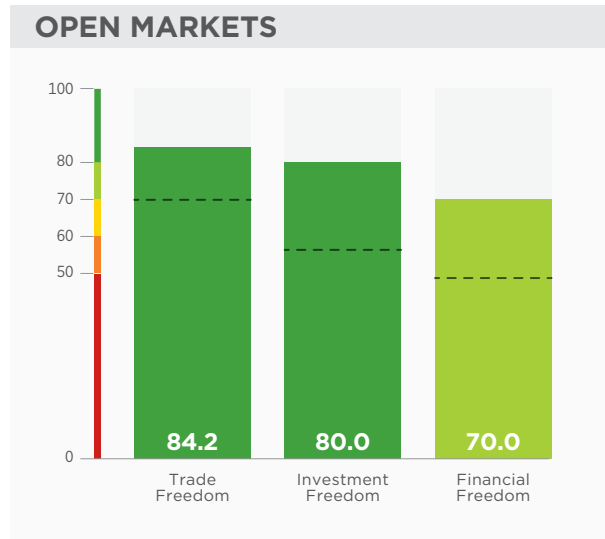
The overall rule of law is relatively well respected in Spain. The country's property rights score is above the world average; its judicial effectiveness score is above the world average; and its government integrity score is above the world average.



The top individual income tax rate is 47 percent, and the top corporate tax rate is 25 percent. The tax burden equals 38.4 percent of GDP. Three-year government spending and budget balance averages are, respectively, 49.7 percent and -7.2 percent of GDP. Public debt amounts to 111.6 percent of GDP.



Spain's overall regulatory environment is relatively well institutionalized and efficient. 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. Many sectors are open to foreign investment. The banking sector has been relatively stable.