

WORLD RANK:

122

REGIONAL RANK:

25

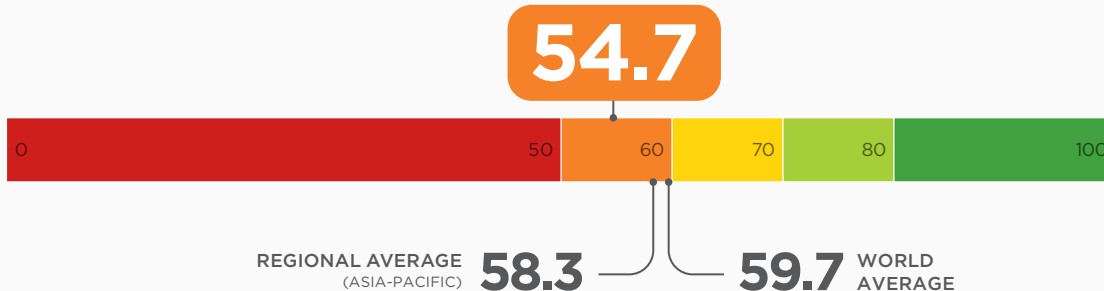
ECONOMIC FREEDOM STATUS:  
MOSTLY UNFREE

# BANGLADESH

**B**angladesh's economic freedom score is 54.7, making its economy the 122nd freest in the 2025 *Index of Economic Freedom*. Its rating has increased by 0.3 point from last year, and Bangladesh is ranked 25th out of 39 countries in the Asia-Pacific region. The country's economic freedom score is lower than the world and regional averages. Bangladesh's economy is considered "mostly unfree" according to the 2025 *Index*.

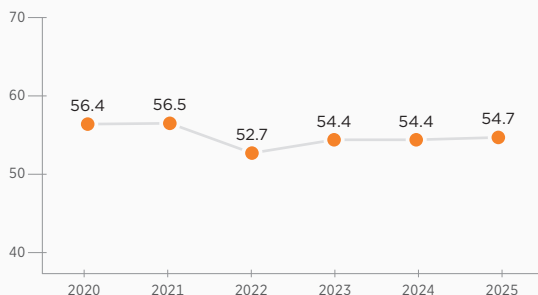
The foundations of economic freedom remain fragile. Corruption and judicial inefficiency undermine the rule of law, and structural problems and weak governance constrain development. Policies needed to sustain open markets are undercut by government interference in the economy. The many obstacles to business include poor infrastructure, unreliable electricity, inaccessible financing, and a bloated bureaucracy. Labor laws are not enforced well. Inflation and rising fuel prices have sparked popular discontent. The underdeveloped financial sector impedes investment and the growth of a more dynamic private sector.

## ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1995): +13.8

## RECENT FREEDOM TREND



## QUICK FACTS

**POPULATION:**  
170.3 million

**GDP (PPP):**  
\$1.6 trillion  
5.8% growth in 2023  
3-year average growth rate: 6.6%  
\$9,212 per capita

**UNEMPLOYMENT:**  
5.1%

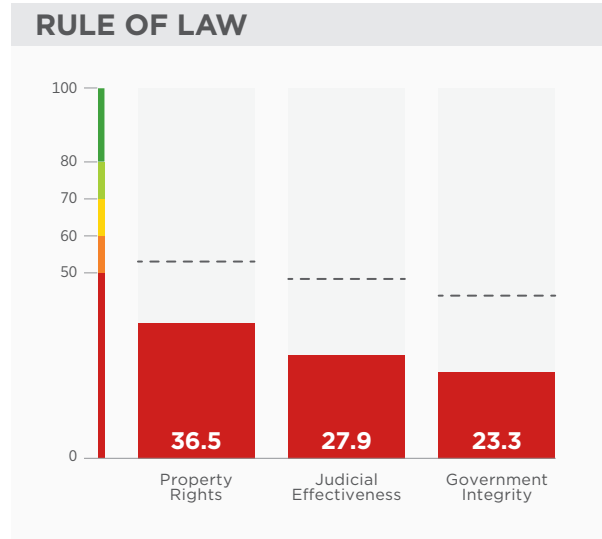
**INFLATION (CPI):**  
9.0%

**FDI INFLOW:**  
\$3.5 billion

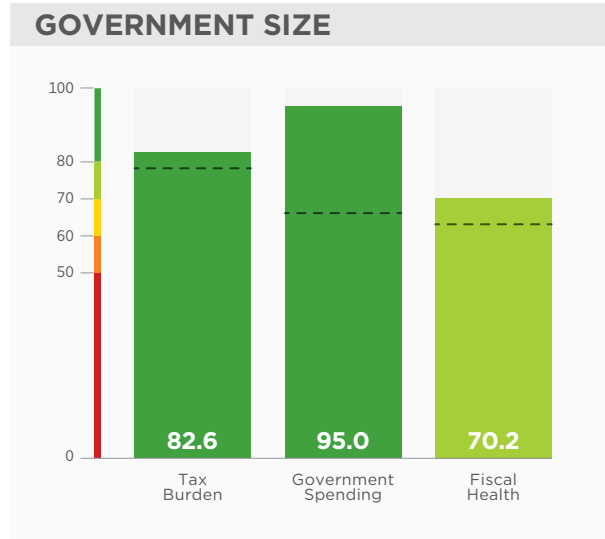
**PUBLIC DEBT:**  
39.3% of GDP

2023 data unless otherwise noted. Data compiled as of November 2024.

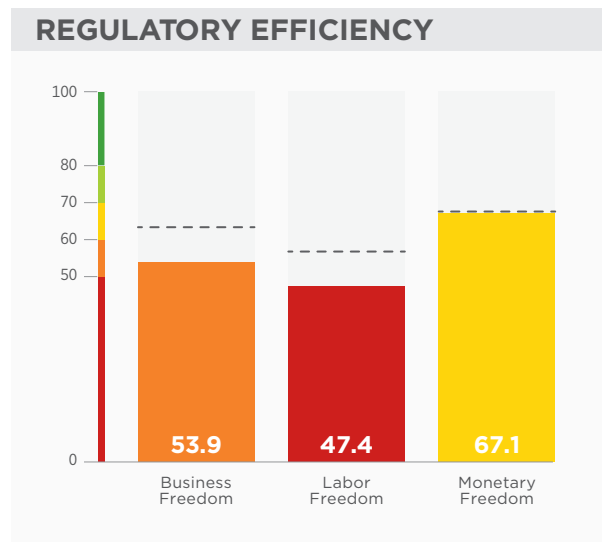
# 12 ECONOMIC FREEDOMS | BANGLADESH



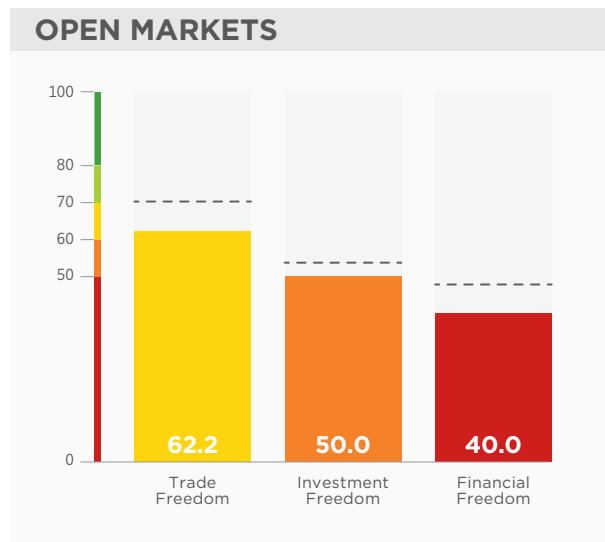
The overall rule of law is weak in Bangladesh. The country's property rights score is below the world average; its judicial effectiveness score is below the world average; and its government integrity score is below the world average.



The top individual income tax rate is 25 percent, and the top corporate tax rate is 32.5 percent. The tax burden equals 8.0 percent of GDP. Three-year government spending and budget balance averages are, respectively, 12.9 percent and -4.1 percent of GDP. Public debt amounts to 39.3 percent of GDP.



Bangladesh'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.



The trade-weighted average tariff rate is 11.4 percent, and layers of nontariff barriers continue to impede dynamic flows of trade and investment. The financial sector is dominated by banks, and state interference is considerable.