



WORLD RANK: **117** | REGIONAL RANK: **25**

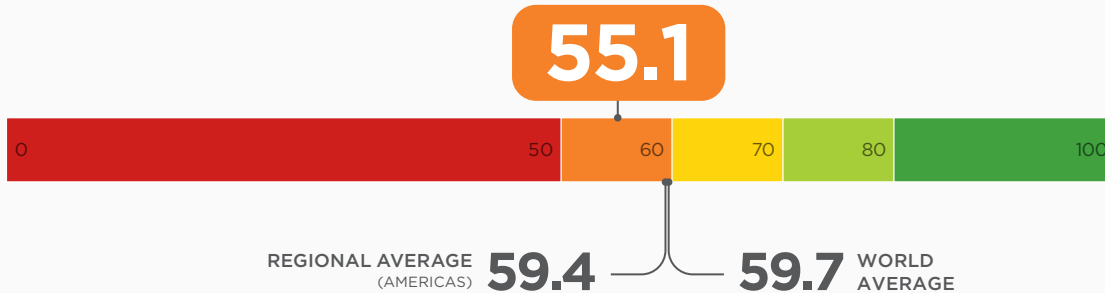
ECONOMIC FREEDOM STATUS: **MOSTLY UNFREE**

# BRAZIL

**B**razil's economic freedom score is 55.1, making its economy the 117th freest in the 2025 *Index of Economic Freedom*. Its rating has increased by 1.9 points from last year, and Brazil is ranked 25th out of 32 countries in the Americas region. The country's economic freedom score is lower than the world and regional averages. Brazil's economy is considered "mostly unfree" according to the 2025 *Index*.

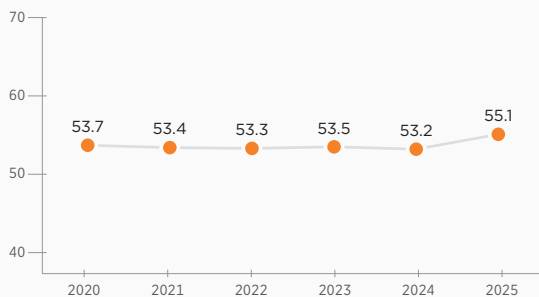
Stronger foundations of economic freedom remain critical to ensuring an improved economic future. Brazil's corruption and property rights scores are relatively low, and its judicial system remains vulnerable to political influence. The state's presence in the economy continues to undercut development of a more vibrant private sector. Despite some progress, the process for organizing new investment and production remains cumbersome and bureaucratic. It is costly and time-consuming to launch or close a business. Stifling labor regulations continue to undermine employment and productivity growth.

## ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1995): +3.7

## RECENT FREEDOM TREND



## QUICK FACTS

**POPULATION:**  
211.7 million

**GDP (PPP):**  
\$4.5 trillion  
2.9% growth in 2023  
3-year average growth rate: 3.6%  
\$21,052 per capita

**UNEMPLOYMENT:**  
8.0%

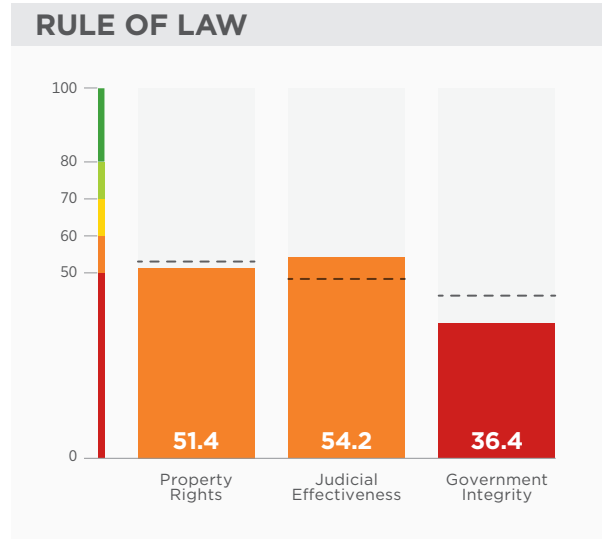
**INFLATION (CPI):**  
4.6%

**FDI INFLOW:**  
\$86.1 billion

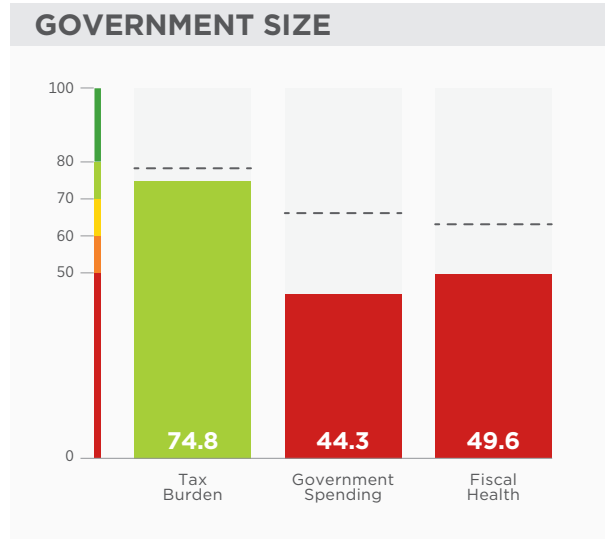
**PUBLIC DEBT:**  
84.7% of GDP

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

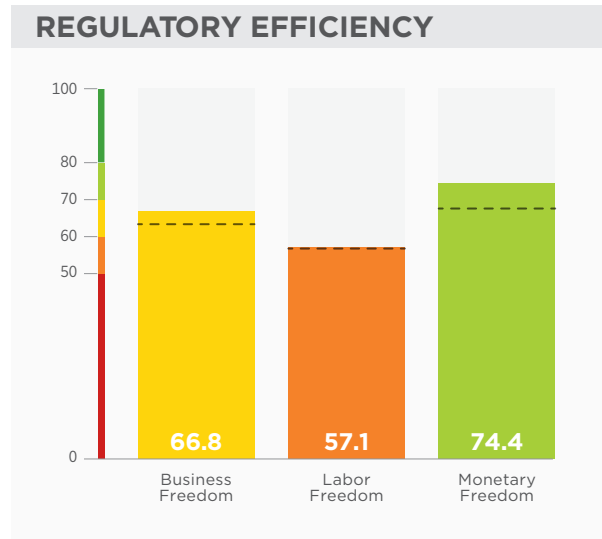
# 12 ECONOMIC FREEDOMS | BRAZIL



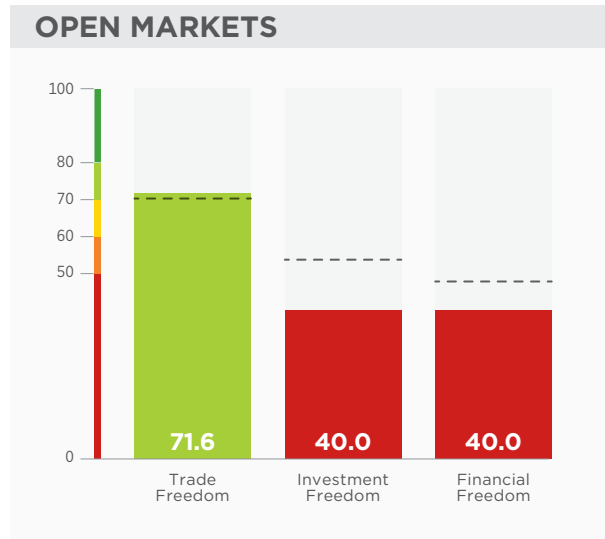
The overall rule of law is weak in Brazil. The country's property rights score is below the world average; its judicial effectiveness score is above the world average; and its government integrity score is below the world average.



The top individual income tax rate is 27.5 percent, and the top corporate tax rate is 34 percent. The tax burden equals 24.7 percent of GDP. Three-year government spending and budget balance averages are, respectively, 43.1 percent and -4.7 percent of GDP. Public debt amounts to 84.7 percent of GDP.



Brazil'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 is 6.7 percent, and more than 600 nontariff measures are in effect. Foreign investment faces bureaucratic hurdles. The financial sector is competitive, but state involvement remains considerable, and public banks account for more than 50 percent of loans to the private sector.