

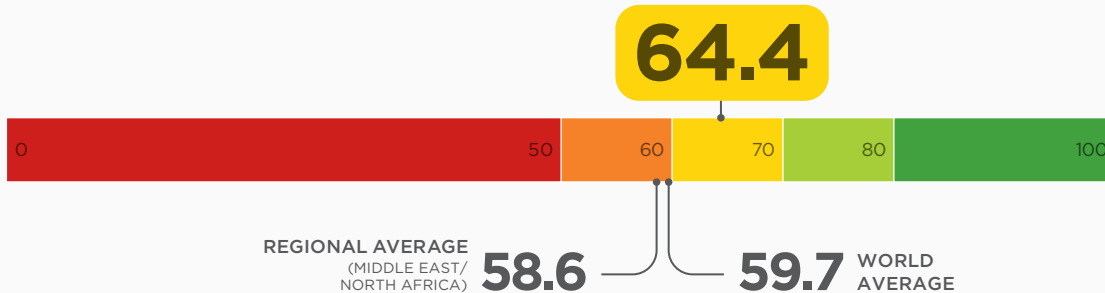
WORLD RANK:	REGIONAL RANK:
62	6
ECONOMIC FREEDOM STATUS: MODERATELY FREE	

SAUDI ARABIA

Saudi Arabia's economic freedom score is 64.4, making its economy the 62nd freest in the 2025 *Index of Economic Freedom*. Its rating has increased by 2.5 points from last year, and Saudi Arabia is ranked 6th out of 14 countries in the Middle East / North Africa region. The country's economic freedom score is higher than the world and regional averages. Saudi Arabia's economy is considered "moderately free" according to the 2025 *Index*.

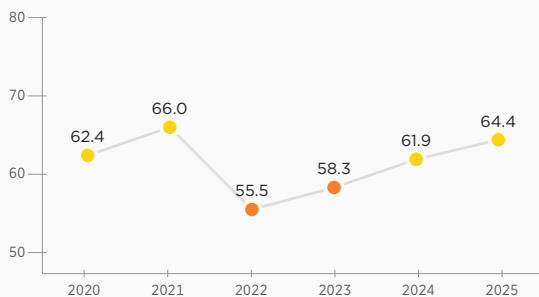
Economic freedom in Saudi Arabia remains modest and evolving. Efforts to deal with corruption and enhance regulatory efficiency have progressed. The judicial system remains susceptible to political influence. Bureaucracy and a lack of transparency still limit investment freedom. Forming a business has become less time-consuming, and licensing requirements have been eased. Government subsidies and state-owned enterprises influence prices. Gradual transformation of the financial sector has included the easing of some restrictions on foreign investment in financial services.

ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1996): -3.9

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
32.8 million

GDP (PPP):
\$2.0 trillion
-0.8% growth in 2023
3-year average growth rate: 3.9%
\$61,933 per capita

UNEMPLOYMENT:
4.9%

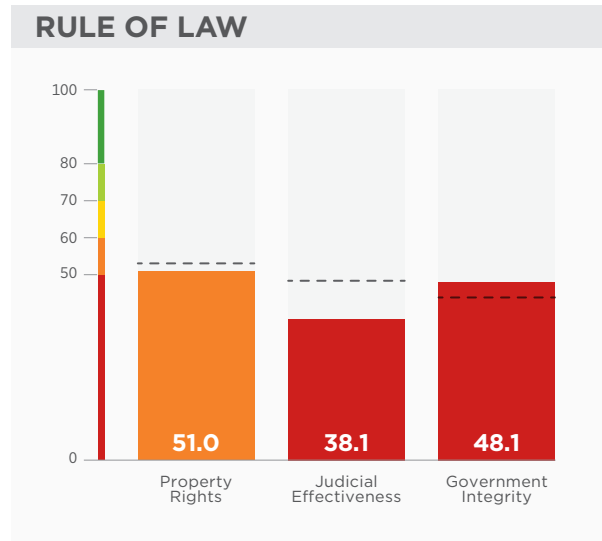
INFLATION (CPI):
2.3%

FDI INFLOW:
\$7.9 billion

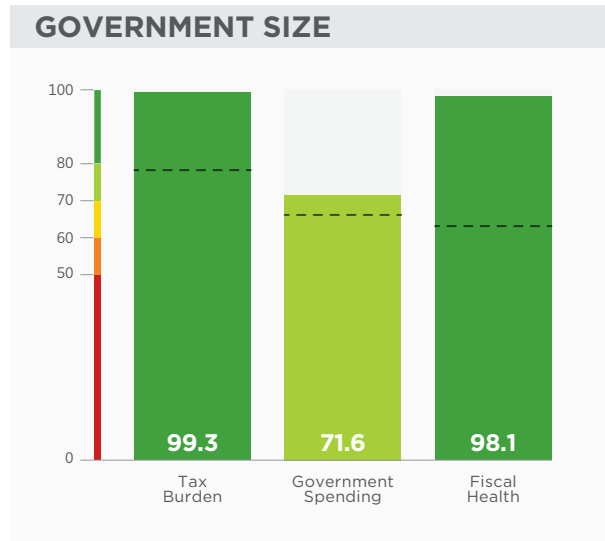
PUBLIC DEBT:
26.2% of GDP

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

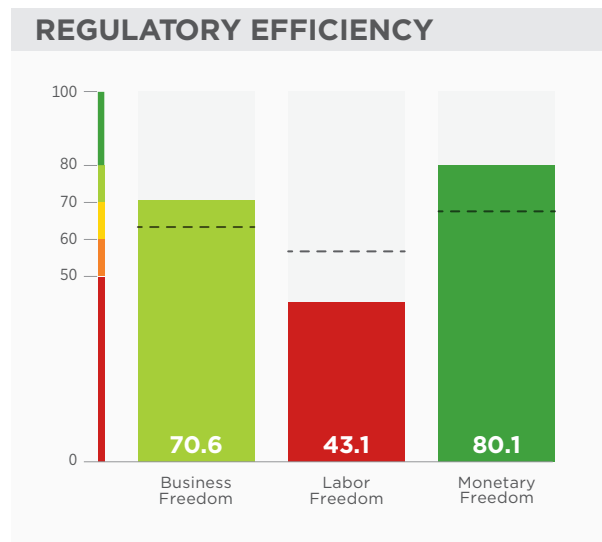
12 ECONOMIC FREEDOMS | SAUDI ARABIA



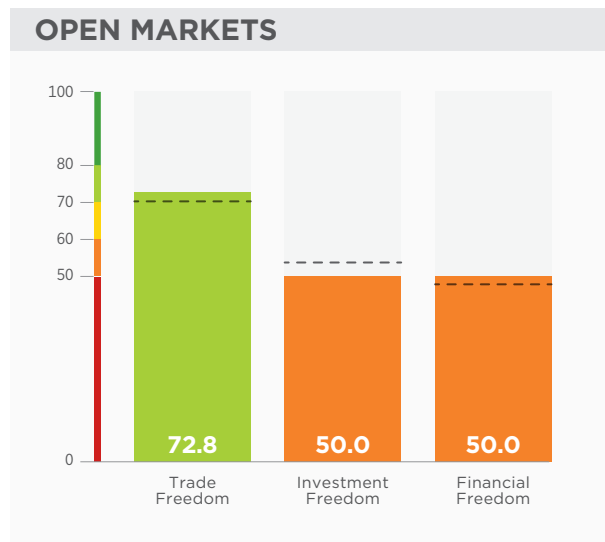
The overall rule of law is weak in Saudi Arabia. The country's property rights score is below the world average; its judicial effectiveness score is below the world average; and its government integrity score is above the world average.



The top individual income tax rate is 2.5 percent, and the top corporate tax rate is 2.5 percent. The tax burden equals 7.9 percent of GDP. Three-year government spending and budget balance averages are, respectively, 30.7 percent and -0.6 percent of GDP. Public debt amounts to 26.2 percent of GDP.



Saudi Arabia'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 below the world average; and its monetary freedom score is well above the world average.



The trade-weighted average tariff rate is 6.1 percent, and more than 100 nontariff measures are in force. Regulatory reforms allow foreign investors to own controlling stakes, but the overall investment regime remains restrictive with controls in some sectors. The financial sector is open and offers a range of options.