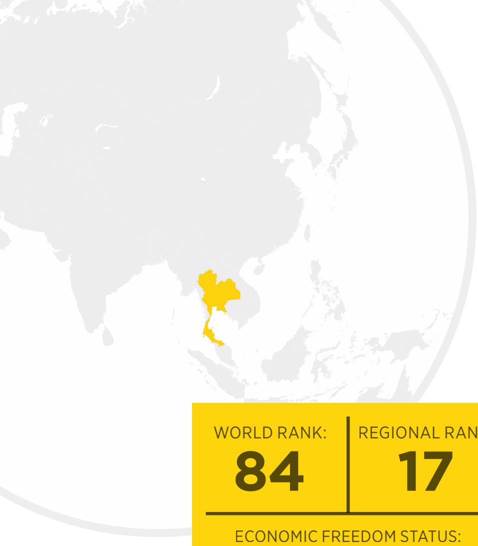


WORLD RANK: **84** | REGIONAL RANK: **17**

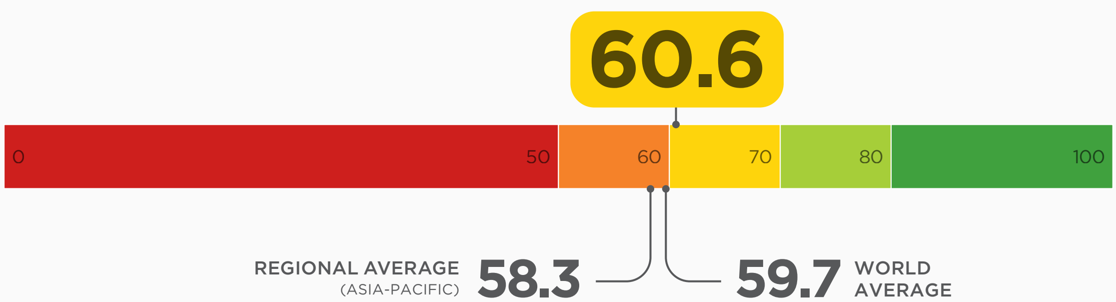
ECONOMIC FREEDOM STATUS:
MODERATELY FREE

THAILAND

Thailand's economic freedom score is 60.6, making its economy the 84th freest in the 2025 *Index of Economic Freedom*. Its rating has increased by 1.6 points from last year, and Thailand is ranked 17th out of 39 countries in the Asia-Pacific region. The country's economic freedom score is higher than the world and regional averages. Thailand's economy is considered "moderately free" according to the 2025 *Index*.

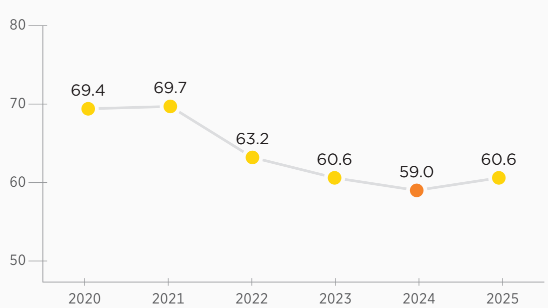
Thailand's economic fundamentals remain relatively solid, but economic freedom still faces challenges that include the need to advance institutional reform. A major concern is persistent political instability, which undermines the country's investment climate and economic potential. The judicial system remains inefficient and vulnerable to political interference, and corruption persists. With no minimum capital requirement, the business start-up process has been made easier. Labor regulations are relatively flexible, but informal labor activity remains substantial. Monetary stability has been maintained despite inflationary pressure.

ECONOMIC FREEDOM SCORE



HISTORICAL *INDEX* SCORE CHANGE (SINCE 1995): –10.7

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
70.2 million

GDP (PPP):
$1.7 trillion
1.9% growth in 2023
3-year average growth rate: 2.0%
$23,981 per capita

UNEMPLOYMENT:
0.9%

INFLATION (CPI):
1.2%

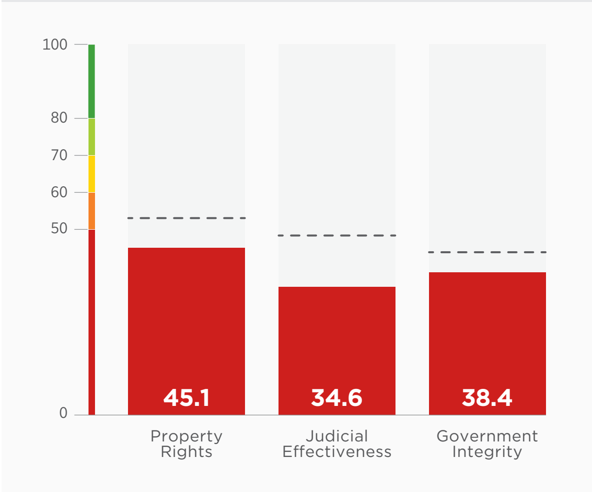
FDI INFLOW:
$10.0 billion

PUBLIC DEBT:
62.4% of GDP

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

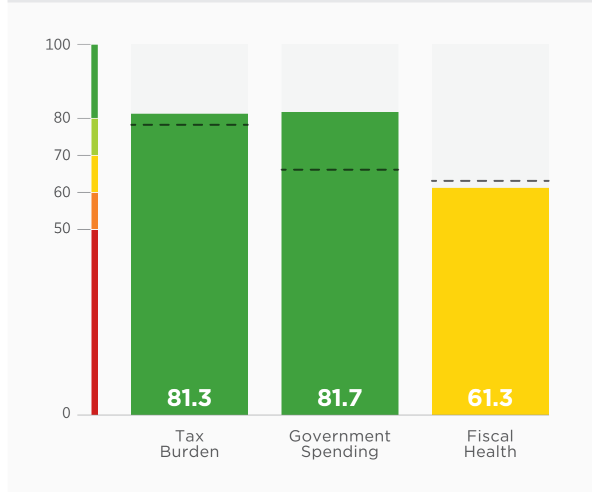
12 ECONOMIC FREEDOMS | THAILAND

RULE OF LAW



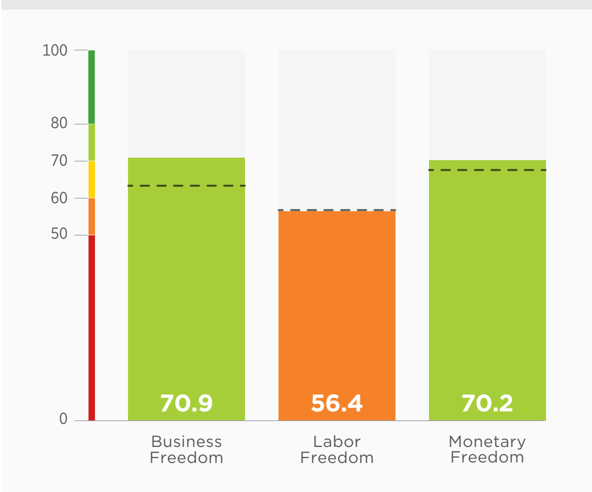
The overall rule of law is weak in Thailand. The country's property rights score is below the world average; its judicial effectiveness score is below the world average; and its government integrity score is above the world average.

GOVERNMENT SIZE



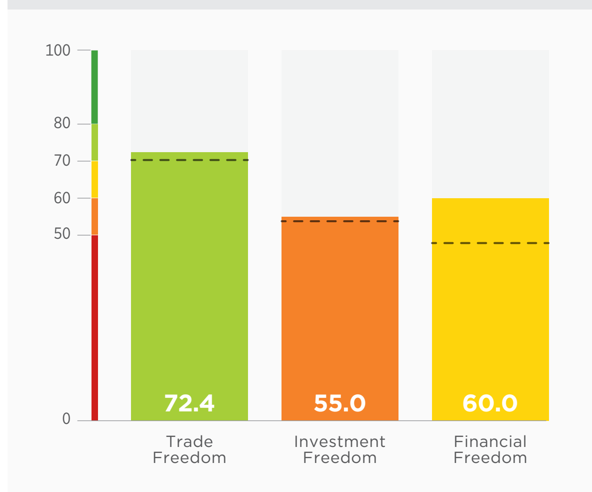
The top individual income tax rate is 35 percent, and the top corporate tax rate is 20 percent. The tax burden equals 15.8 percent of GDP. Three-year government spending and budget balance averages are, respectively, 24.7 percent and –4.4 percent of GDP. Public debt amounts to 62.4 percent of GDP.

REGULATORY EFFICIENCY



Thailand'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 below the world average.

OPEN MARKETS



The trade-weighted average tariff rate is 6.3 percent, and onerous nontariff barriers add to the cost of trade. Although foreign direct investment is officially welcome, the overall investment framework lacks efficiency and transparency. The financial system is relatively well developed and dynamic.