



MALDIVES

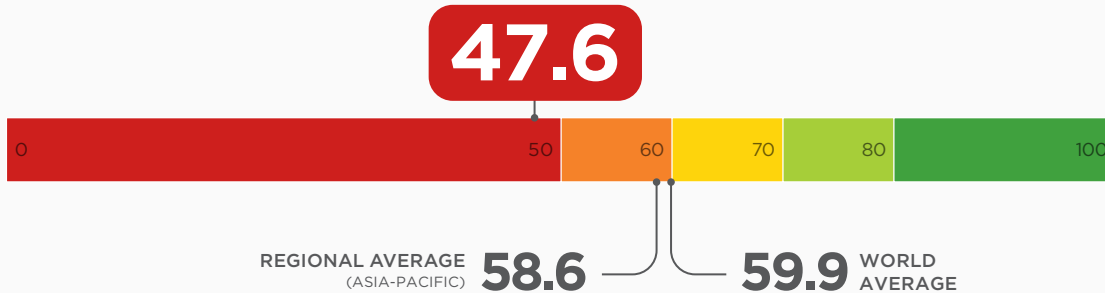
WORLD RANK: **158** | REGIONAL RANK: **36**

ECONOMIC FREEDOM STATUS: **REPPRESSED**

Maldives' economic freedom score is 47.6, making its economy the 158th freest in the 2026 *Index of Economic Freedom*. Its rating has decreased by 0.7 point from last year, and Maldives is ranked 36th out of 39 countries in the Asia-Pacific region. The country's economic freedom score is lower than the global and regional averages. Maldives' economy is considered "repressed" according to the 2026 *Index*.

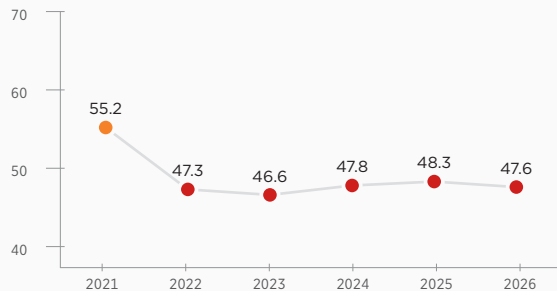
Reform to enhance prospects for long-term sustainable development remains vital. Impediments to sustained private-sector growth and diversification are still considerable, largely because of such institutional deficiencies as corruption and weak protection of property rights. State-owned enterprises continue to play a large role in the economy. The regulatory framework remains relatively underdeveloped. Enforcement of labor regulations is ineffective, and the public sector employs much of the labor force. Lack of competition in the market has affected price levels, but monetary stability has been maintained.

ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 2009): -3.7

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
0.4 million

GDP (PPP):
\$13.8 billion
4.8% growth in 2025
3-year average growth rate: 4.3%
\$36,066 per capita

UNEMPLOYMENT:
4.7%

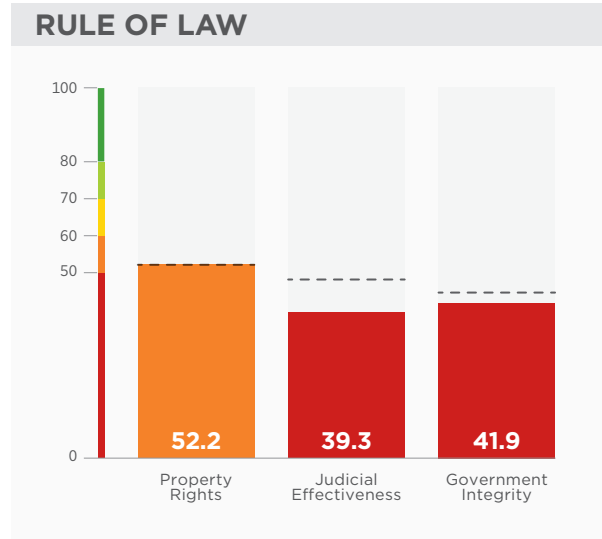
INFLATION (CPI):
1.4%

TRADE AS % OF GDP: 150.0%

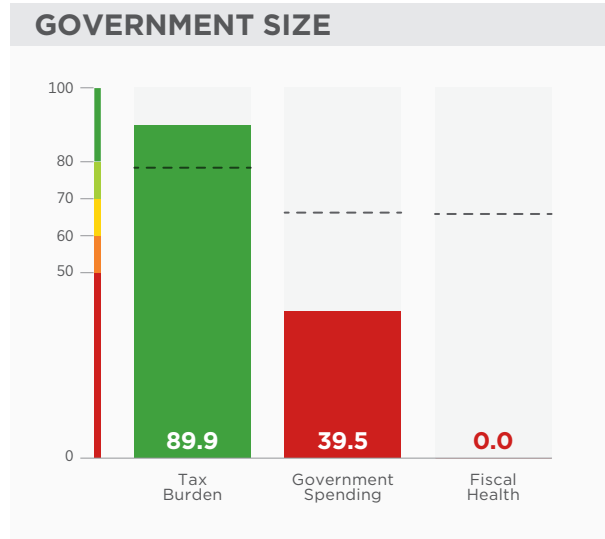
PUBLIC DEBT:
133.3% of GDP

2025 data unless otherwise noted. Data compiled as of January 2026.

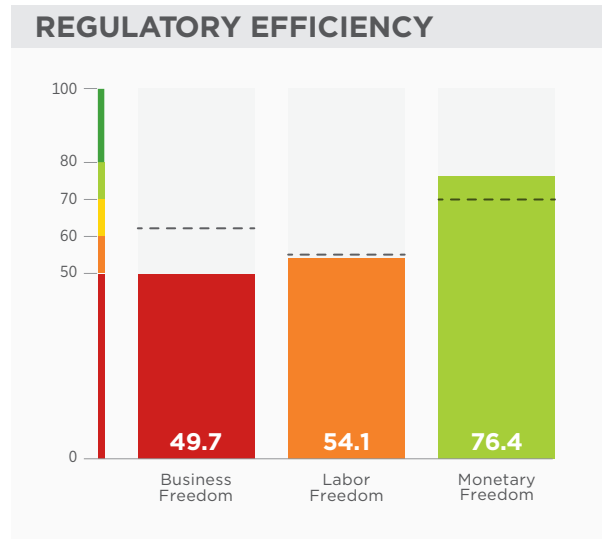
12 ECONOMIC FREEDOMS | MALDIVES



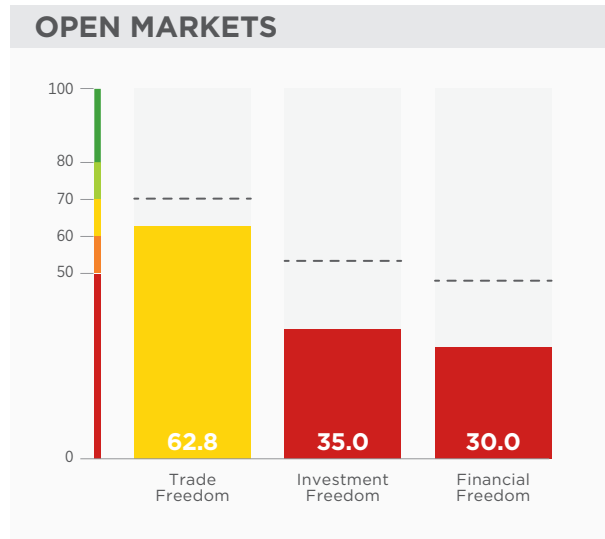
The overall rule of law is weak in Maldives. The country's property rights score is below the world average; its judicial effectiveness score is below the world average; and its government integrity score is below the world average.



The top individual income tax rate is 15 percent, and the top corporate tax rate is 15 percent. The tax burden equals 23.6 percent of GDP. Three-year government spending and budget balance averages are, respectively, 44.9 percent and -12.7 percent of GDP. Public debt amounts to 133.3 percent of GDP.



Maldives' overall regulatory environment is relatively well institutionalized but lacks efficiency. 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 well above the world average.



The trade-weighted average tariff rate is 11.1 percent, and nontariff barriers are in force. Foreign participation and ownership remain limited and restricted in some sectors. The financial sector is shallow and dominated by banking. Costly credit and limited access to financial services discourage vibrant private-sector development.