

# MEXICO

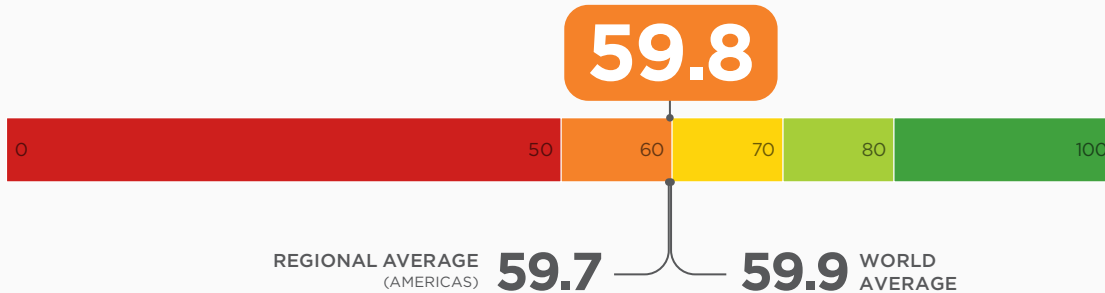
WORLD RANK: **92** | REGIONAL RANK: **19**

ECONOMIC FREEDOM STATUS: **MOSTLY UNFREE**

Mexico's economic freedom score is 59.8, making its economy the 92nd freest in the 2026 *Index of Economic Freedom*. Its rating has decreased by 1.5 points from last year, and Mexico is ranked 19th out of 32 countries in the Americas region. The country's economic freedom score is lower than the global average and higher than the regional average. Mexico's economy is considered "mostly unfree" according to the 2026 *Index*.

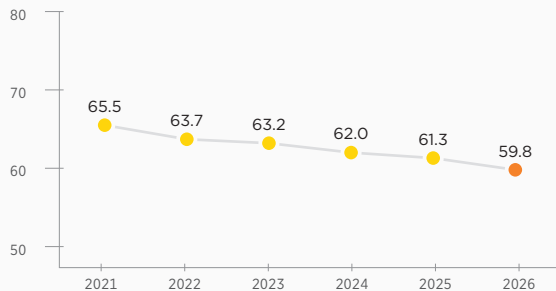
The government has an extensive reform agenda, but progress has been marginal, and the pace of reform has slowed compared to the pace in other emerging economies. Uncertain enforcement of contracts, precarious security, and informality undermine business freedom. Violence and persistent instability have undercut the rule of law and Mexico's overall economic competitiveness. Other institutional weaknesses include rampant corruption and poor protection of property rights. Labor market reforms have largely stalled, and the informal sector accounts for a large portion of economic activity.

## ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1995): -3.3

## RECENT FREEDOM TREND



## QUICK FACTS

**POPULATION:**  
131.1 million

**GDP (PPP):**  
\$3.3 trillion  
1.0% growth in 2025  
3-year average growth rate: 1.9%  
\$25,770 per capita

**UNEMPLOYMENT:**  
2.8%

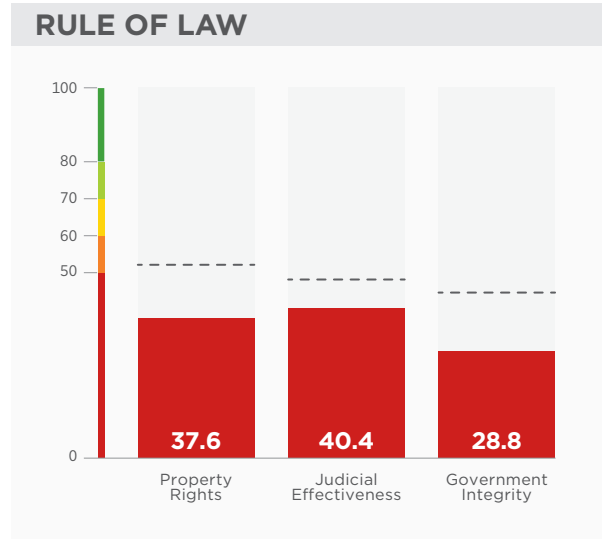
**INFLATION (CPI):**  
4.7%

**TRADE AS % OF GDP:** 74.7%

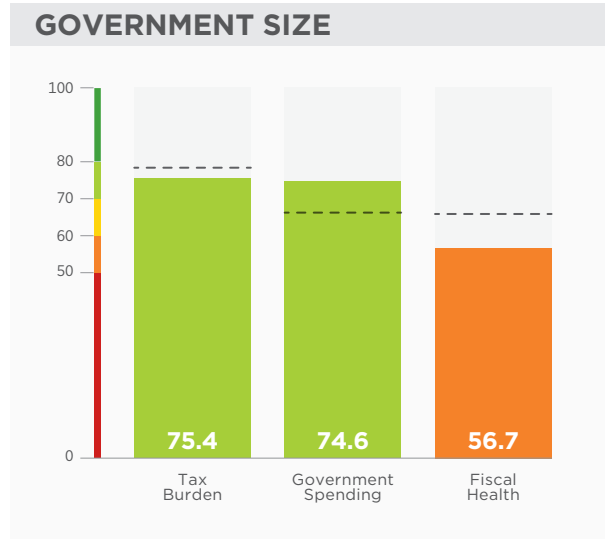
**PUBLIC DEBT:**  
58.3% of GDP

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

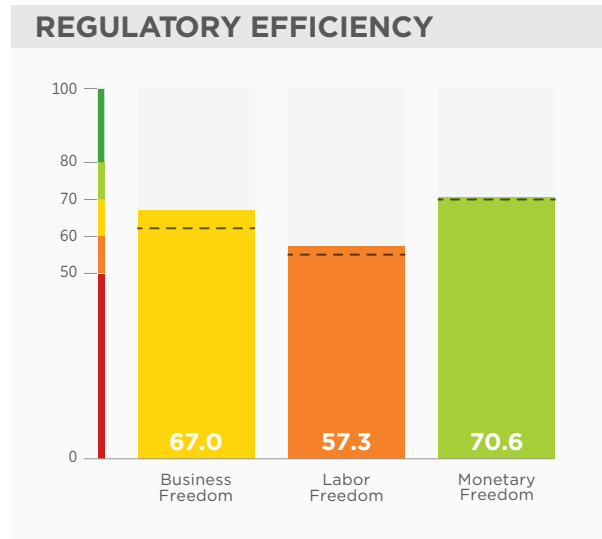
# 12 ECONOMIC FREEDOMS | MEXICO



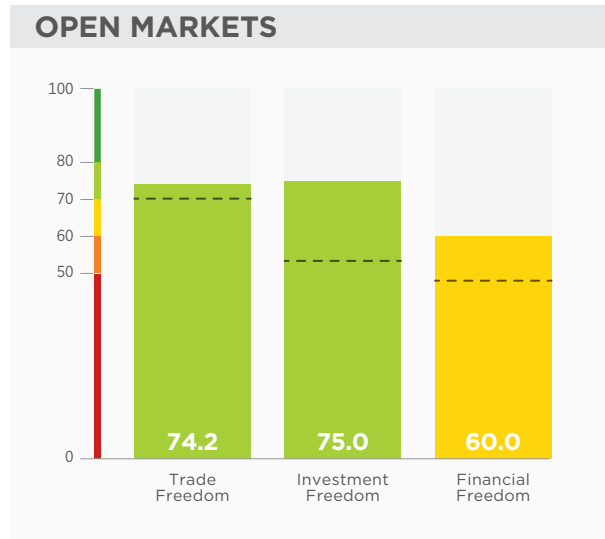
The overall rule of law is weak in Mexico. The country's property rights score is below the world average; its judicial effectiveness score is below the world average; and its government integrity score is below the world average.



The top individual income tax rate is 35 percent, and the top corporate tax rate is 30 percent. The tax burden equals 18.3 percent of GDP. Three-year government spending and budget balance averages are, respectively, 29.1 percent and -4.8 percent of GDP. Public debt amounts to 58.3 percent of GDP.



Mexico'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 5.4 percent, and more than 200 nontariff measures are in force. Foreign direct investment in most of the economy is permitted, but certain key sectors are still reserved for the state. Much of the well-capitalized banking sector is foreign-owned.