



RUSSIA

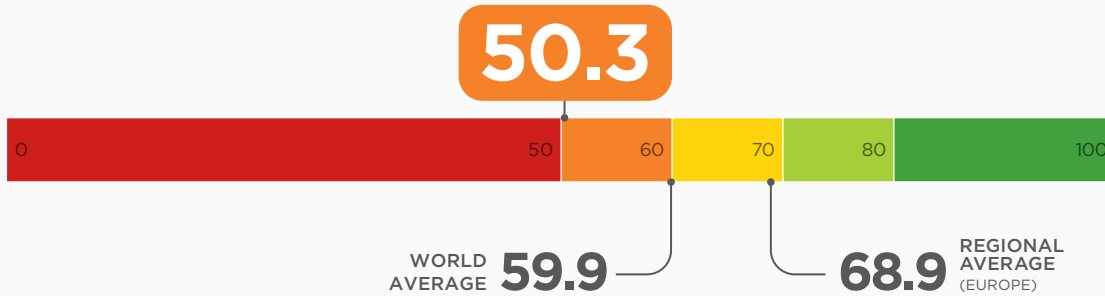
WORLD RANK: **145** | REGIONAL RANK: **43**

ECONOMIC FREEDOM STATUS: **MOSTLY UNFREE**

Russia's economic freedom score is 50.3, making its economy the 145th freest in the 2026 *Index of Economic Freedom*. Its rating has decreased by 1.3 points from last year, and Russia is ranked 43rd out of 44 countries in the Europe region. The country's economic freedom score is lower than the global and regional averages. Russia's economy is considered "mostly unfree" according to the 2026 *Index*.

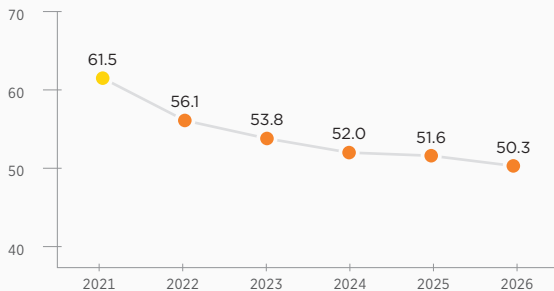
Russia's economy is in a state of stagnation because of its war in Ukraine, persistent labor shortages, high borrowing costs, and institutional shortcomings. Pervasive corruption and limited respect for property rights undermine the rule of law, causing increased uncertainty and risk for investors. Extensive state interference in the economy discourages private-sector dynamism. The business environment remains repressive, and regulations remain burdensome and inconsistently enforced. The outmoded labor code continues to limit employment and productivity growth. The state's influence on prices is extensive, and overall monetary stability has been fragile.

ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1995): -0.8

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
146.3 million

GDP (PPP):
\$6.9 trillion
0.6% growth in 2025
3-year average growth rate: 3.0%
\$49,049 per capita

UNEMPLOYMENT:
2.6%

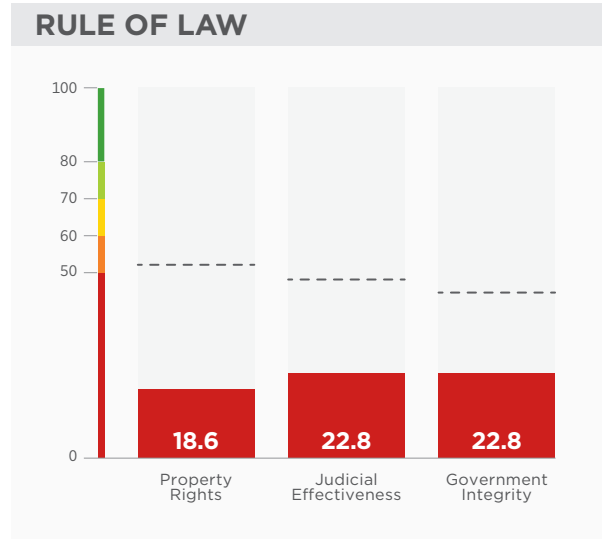
INFLATION (CPI):
8.4%

TRADE AS % OF GDP: 39.5%

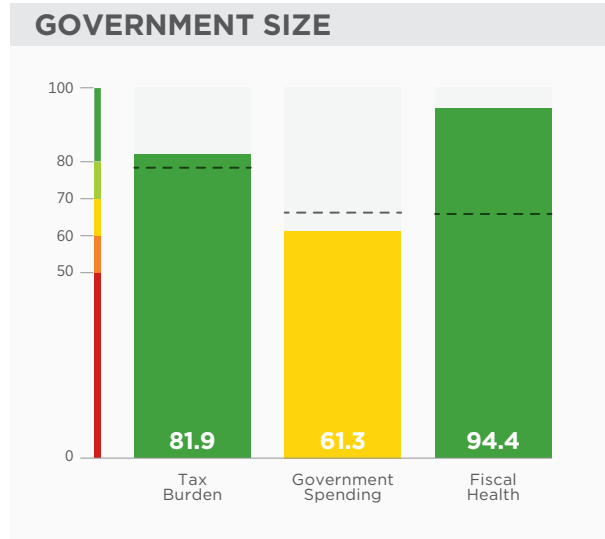
PUBLIC DEBT:
20.3% of GDP

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

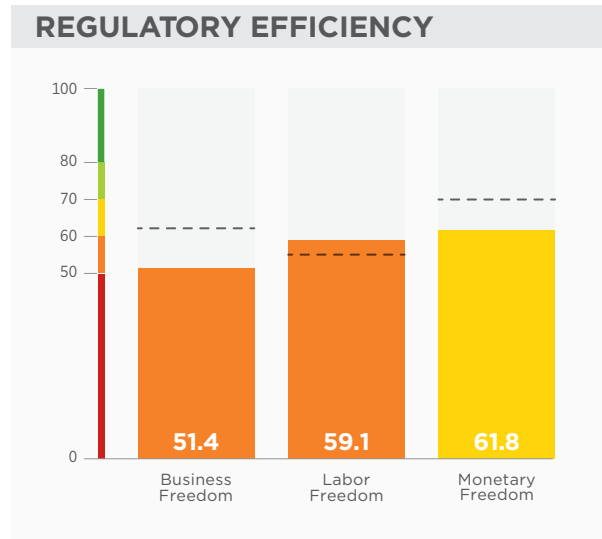
12 ECONOMIC FREEDOMS | RUSSIA



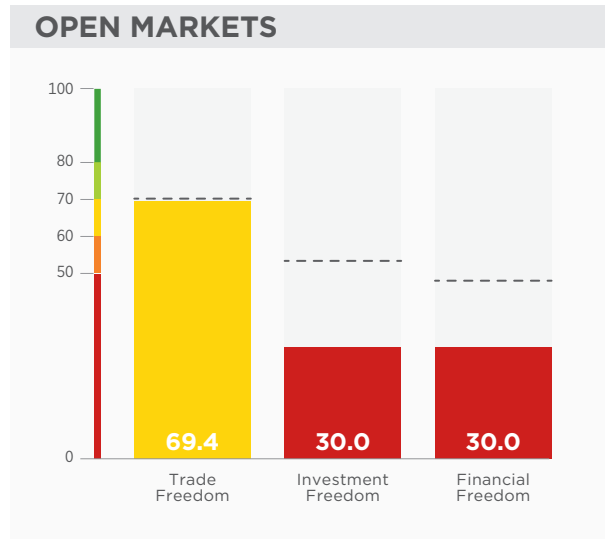
The overall rule of law is weak in Russia. The country's property rights score is below the world average; its judicial effectiveness score is below the world average; and its government integrity score is below the world average.



The top individual income tax rate is 13 percent, and the top corporate tax rate is 20 percent. The tax burden equals 35.2 percent of GDP. Three-year government spending and budget balance averages are, respectively, 35.9 percent and -1.7 percent of GDP. Public debt amounts to 20.3 percent of GDP.



Russia's overall regulatory environment is poorly institutionalized and inefficient. The country's business freedom score is below the world average; its labor freedom score is above the world average; and its monetary freedom score is below the world average.



The trade-weighted average tariff rate is 5.3 percent. Structural and institutional constraints caused by state interference in the marketplace undercut private trade and investment. Foreign investment is screened, and the financial sector is subject to government influence.