

WORLD RANK: **59** | REGIONAL RANK: **6**

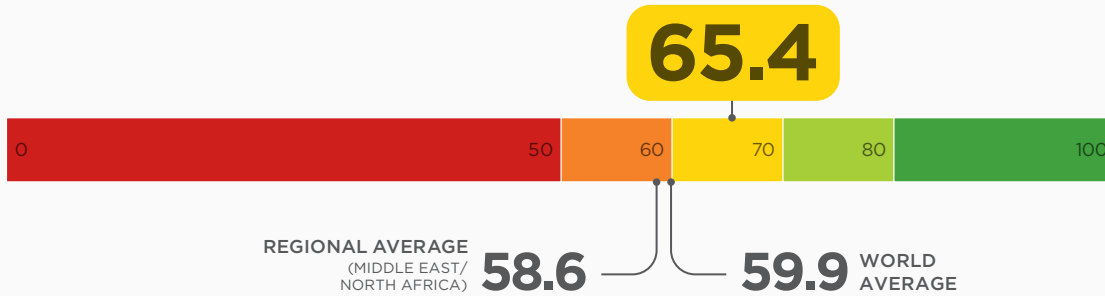
ECONOMIC FREEDOM STATUS: **MODERATELY FREE**

SAUDI ARABIA

Saudi Arabia's economic freedom score is 65.4, making its economy the 59th freest in the 2026 *Index of Economic Freedom*. Its rating has increased by 1.0 point 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 2026 *Index*.

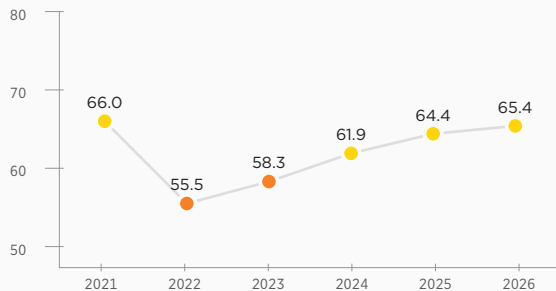
Economic freedom in Saudi Arabia remains modest and evolving. Efforts to deal with corruption and enhance regulatory efficiency have progressed as reform measures to improve the kingdom's attractiveness as an investment destination have been adopted. Forming a business has become less time-consuming, 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. The judicial system remains susceptible to political influence.

ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1996): -2.9

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
32.8 million

GDP (PPP):
\$2.5 trillion
4.0% growth in 2025
3-year average growth rate: 2.2%
\$74,668 per capita

UNEMPLOYMENT:
3.9%

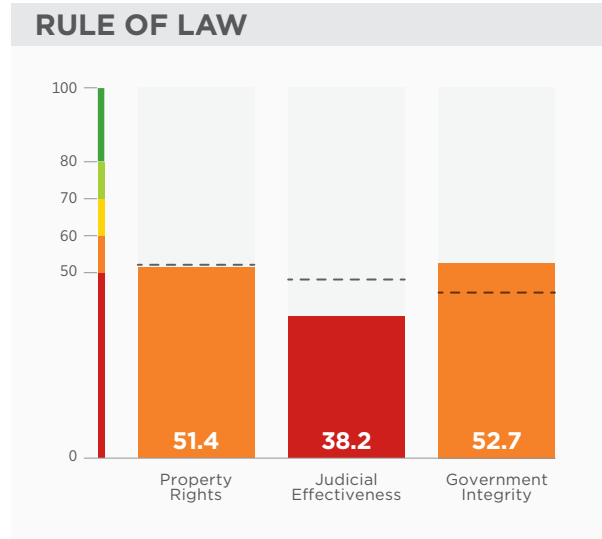
INFLATION (CPI):
1.7%

TRADE AS % OF GDP: 54.8%

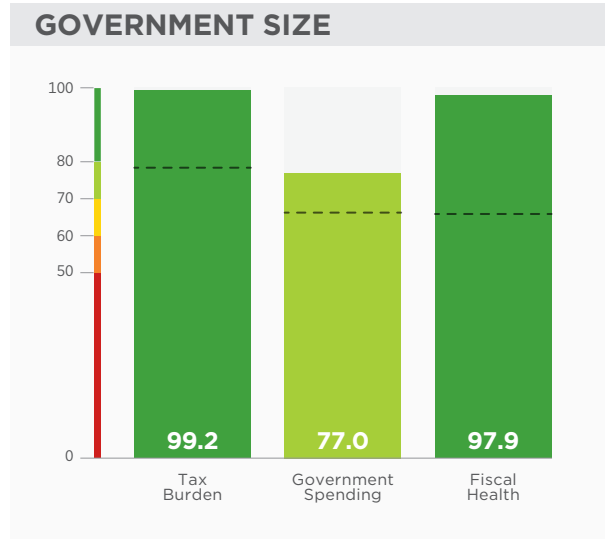
PUBLIC DEBT:
26.2% of GDP

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

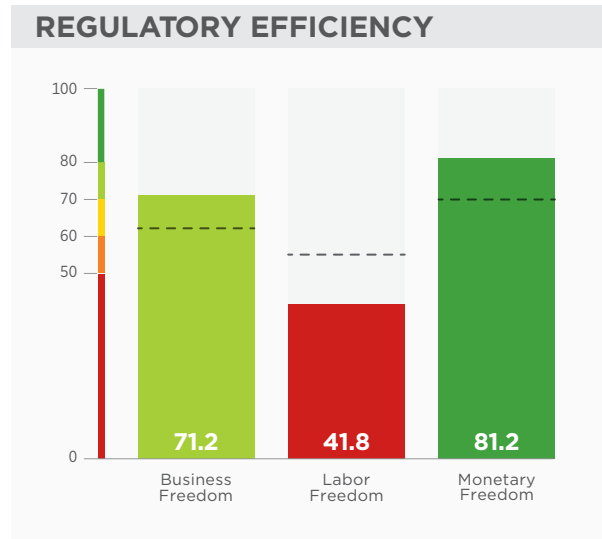
12 ECONOMIC FREEDOMS | SAUDI ARABIA



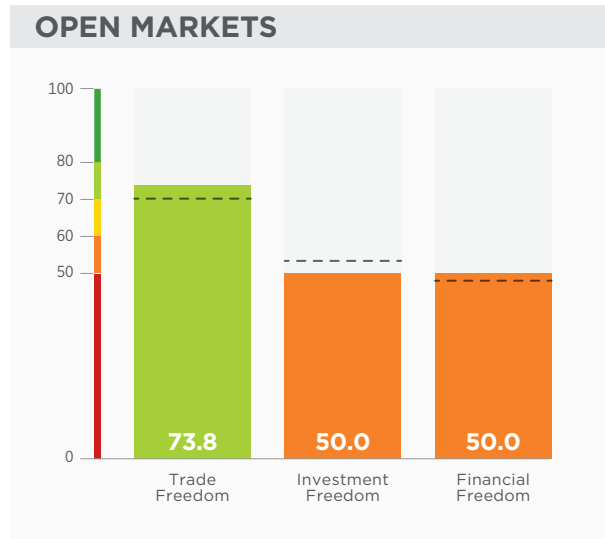
The overall rule of law is relatively weak in Saudi Arabia. The country's property rights score is below the world average; its judicial effectiveness score is below the world average; and its government integrity score is above the world average.



The top individual income tax rate is 2.5 percent, and the top corporate tax rate is 2.5 percent. The tax burden equals 8.2 percent of GDP. Three-year government spending and budget balance averages are, respectively, 27.7 percent and -0.7 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 far 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 5.6 percent, and more than 100 nontariff measures are in force. Regulatory reforms allow foreign investors to own controlling stakes, and the overall investment regime has become more open and flexible. The financial market is open and offers a range of options. Banking is competitive and resilient.