

# MAURITANIA

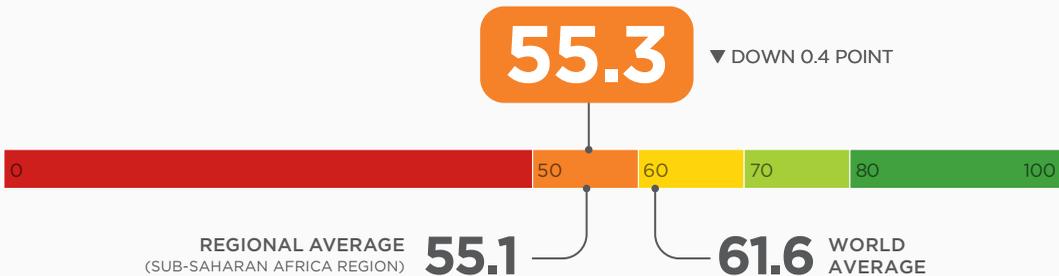
Mauritania's economic freedom score is 55.3, making its economy the 130th freest in the 2020 *Index*. Its overall score has decreased by 0.4 point due to declines in scores for **judicial effectiveness** and **government integrity**. Mauritania is ranked 21st among 47 countries in the Sub-Saharan Africa region, and its overall score is approximately equal to the regional average and well below the world average.

The Mauritanian economy has been mostly unfree for almost two decades. GDP growth has been modest for a developing country.

Future growth, dependent on construction, services, and commodity exports from the mining, oil, and agriculture sectors, would be helped by improved economic freedom. The government should focus especially on better protection of property rights, improvements in the judicial system, and a tougher and more consistent stance against public corruption in all its forms. More democratic and stable rule of law would also increase investment freedom and financial freedom.

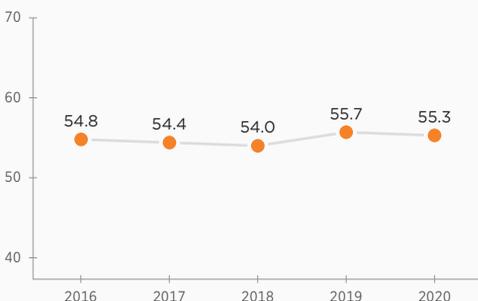
WORLD RANK: **130** | REGIONAL RANK: **21**  
ECONOMIC FREEDOM STATUS: **MOSTLY UNFREE**

## ECONOMIC FREEDOM SCORE



HISTORICAL *INDEX* SCORE CHANGE (SINCE 1996): +9.8

## RECENT FREEDOM TREND



## QUICK FACTS

**POPULATION:**  
4.5 million

**GDP (PPP):**  
\$18.1 billion  
3.0% growth in 2018  
5-year compound annual growth 2.8%  
\$3,990 per capita

**UNEMPLOYMENT:**  
10.3%

**INFLATION (CPI):**  
3.1%

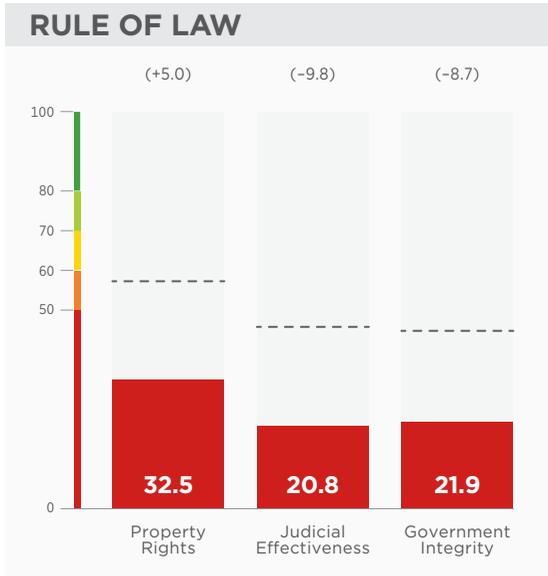
**FDI INFLOW:**  
\$70.8 million

**PUBLIC DEBT:**  
83.9% of GDP

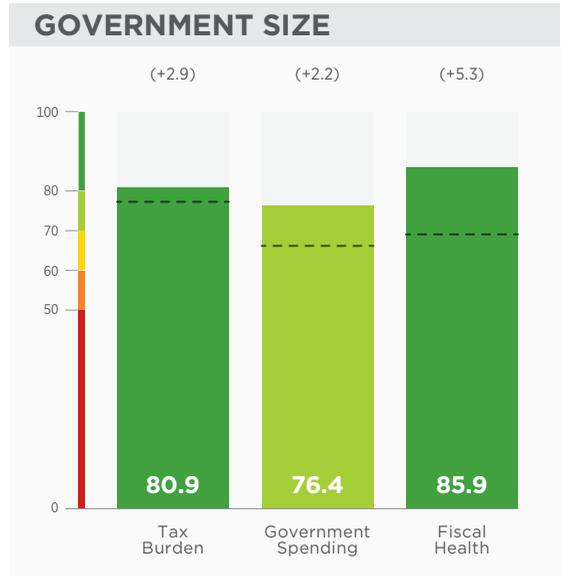
2018 data unless otherwise noted. Data compiled as of September 2019

**BACKGROUND:** The Islamic Republic of Mauritania emerged from French colonial rule in 1960. Since independence, the country has been governed by a series of dictators and authoritarian regimes, each typically ended by a military coup. Mohamed Ghazouani's victory in the June 2019 presidential elections was described by some as the first peaceful transfer of power in the country's history but, because of Ghazouani's military background, criticized by others as "just another coup." Societal tensions run high among Arabic-speaking descendants of slaves, Arabic-speaking "White Moors," and sub-Saharan ethnic groups. In 1981, Mauritania became the last country in the world to outlaw slavery, although the practice persists. Terrorist groups are active in the mostly desert country. Extractive industries (oil and mines), fisheries, and agriculture dominate the economy.

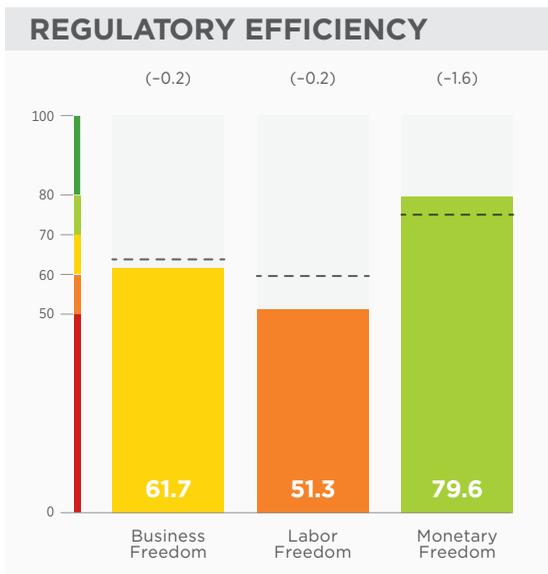
# 12 ECONOMIC FREEDOMS | MAURITANIA



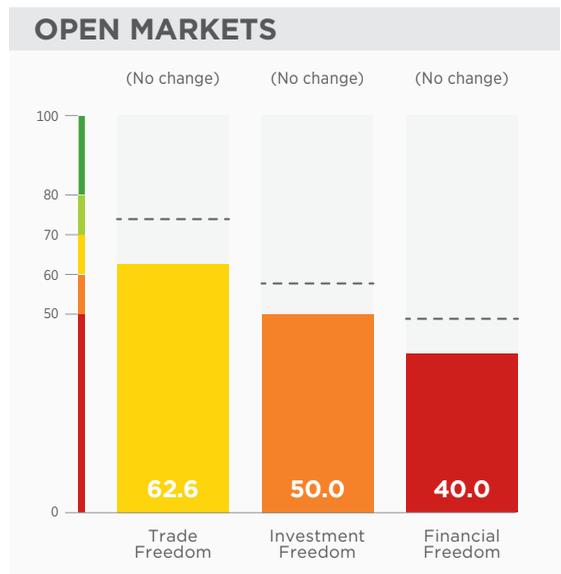
There is a well-developed property registration system for land and real estate in most areas of the country, but courts generally do not protect property rights well. The judicial system is weak, chaotic, and heavily influenced by the government, in part because judges receive nonstandardized training in two separate and distinct legal systems, Sharia law and French law. Public-sector corruption is pervasive.



The top individual income tax rate is 30 percent, and the top corporate tax rate is 25 percent. Other taxes include a value-added tax. The overall tax burden equals 19.7 percent of total domestic income. Government spending has amounted to 28.0 percent of the country's output (GDP) over the past three years, and budget surpluses have averaged 0.3 percent of GDP. Public debt is equivalent to 83.9 percent of GDP.



Some business-creation processes have been improved, but bureaucratic procedures are complex and time-consuming. As of 2019, Mauritania is ineligible for benefits from the U.S. under the African Growth and Opportunity Act because of insufficient progress against forced labor. Effective monetary policy is constrained by a vast informal grey economy, although the government is trying to implement a more disciplined fiscal policy.



The total value of exports and imports of goods and services equals 125.7 percent of GDP. The average applied tariff rate is 8.7 percent, and numerous nontariff barriers further constrain the freedom to trade. Investors continue to be subject to complicated bureaucratic procedures and uncertainty caused by political instability. Given the lack of depth in the financial system, capital markets are virtually nonexistent.