Suriname’s economic freedom score is 49.5, making its economy the 163rd freest in the 2020 Index. Its overall score has increased by 1.4 points due to a higher monetary freedom score. Suriname is ranked 29th among 32 countries in the Americas region, and its overall score is well below the regional and world averages.

The economy of Suriname is rated repressed again in 2020 for the fourth year in a row. GDP growth during that time has been weak.

In the run-up to the general election in 2020, the government is unlikely to make progress in addressing pressing economic concerns, such as export diversification (90 percent of export revenue comes from mining); fiscal consolidation; and modifications in the regulatory environment to boost private investment. Achievement of any of those policy goals would contribute to greater economic freedom in Suriname. Unfortunately, fiscal deficits are large, and public debt is expected to rise in coming years unless strong fiscal consolidation is implemented.

**ECONOMIC FREEDOM SCORE**

49.5 ▲ UP 1.4 POINTS

REGIONAL AVERAGE (AMERICAS REGION) 60.0

WORLD AVERAGE 61.6

HISTORICAL INDEX SCORE CHANGE (SINCE 1996): +12.8

**RECENT FREEDOM TREND**

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

**QUICK FACTS**

**POPULATION:** 0.6 million

**GDP (PPP):** $8.9 billion

2.0% growth in 2018

5-year compound annual growth −1.0%

$15,105 per capita

**UNEMPLOYMENT:** 7.6%

**INFLATION (CPI):** 6.9%

**FDI INFLOW:** $190.2 million

**PUBLIC DEBT:** 69.6% of GDP

**BACKGROUND:** Desire “Dési” Bouterse of the National Democratic Party, a convicted cocaine trafficker, was elected to a second consecutive five-year term as president in 2015, and his popularity is such that he might be able to win another term in 2020. Bouterse seized power in a 1980 military coup and ruled until 1987. He was given legislative amnesty for the 1982 murders of 15 politically prominent young men who criticized his military dictatorship. Suriname’s economy relies primarily on the extraction of natural resources. There is some tourism potential, but tourist infrastructure is extremely limited. The former Dutch colony remains one of South America’s poorest and least-developed countries.
The percentage of land in Suriname that lacks a clear land title is unknown. The government makes no effort to identify property owners and register land titles. There is no publicly accessible land title office. The courts are financially dependent on executive agencies, and executive influence on the understaffed judiciary remains a concern. Government corruption is pervasive, and there is virtually no enforcement of anticorruption statutes.

The top personal income tax rate is 38 percent, and the top corporate tax rate is 36 percent. Other taxes include property and excise taxes. The overall tax burden equals 14.6 percent of total domestic income. Government spending has amounted to 29 percent of the country’s output (GDP) over the past three years, and budget deficits have averaged 7.8 percent of GDP. Public debt is equivalent to 69.6 percent of GDP.

Burdensome and inefficient regulations constrain businesses, as do weak fiscal governance, the few legal protections for investors, and the high cost of doing business. The labor market is inflexible. The education system leaves many workers ill-prepared for jobs in the modern world. The government further reduced electricity tariff subsidies in urban areas in 2019 but continues to fully subsidize electricity in the interior of the country.

The total value of exports and imports of goods and services equals 226.1 percent of GDP. The average applied tariff rate is 7.6 percent, and pervasive nontariff barriers further limit the freedom to trade. The onerous and nontransparent investment regime still deters much-needed long-term foreign investment. The financial sector is underdeveloped, and credit decisions are subject to state influence.