



WORLD RANK: **109** | REGIONAL RANK: **23**

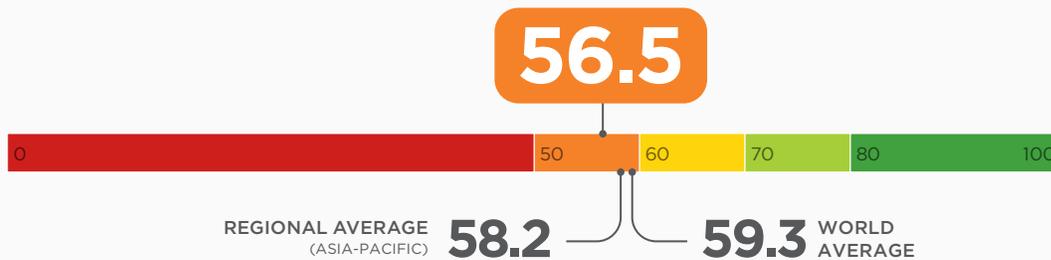
ECONOMIC FREEDOM STATUS: **MOSTLY UNFREE**

UZBEKISTAN

Uzbekistan's economic freedom score is 56.5, making its economy the 109th freest in the 2023 *Index*. Its score is 0.8 point higher than last year. Uzbekistan is ranked 23rd out of 39 countries in the Asia-Pacific region, and its overall score is below the world average.

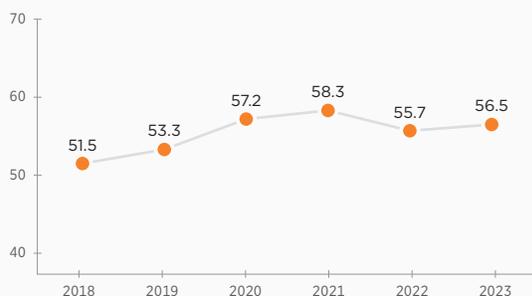
Uzbekistan has been adopting policies that advance its economic freedom, transitioning to greater openness and modernization. There are institutional shortcomings that limit political and other fundamental freedoms, but positive changes have been taking root. After years of economic stagnation, Uzbekistan has proactively pursued critical reforms since 2017 to build a competitive market economy.

ECONOMIC FREEDOM SCORE



HISTORICAL *INDEX* SCORE CHANGE (SINCE 1998): +25.0

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
34.9 million

GDP (PPP):
\$296.7 billion
7.4% growth in 2021
5-year compound annual growth 5.0%
\$8,585 per capita

UNEMPLOYMENT:
5.3%

INFLATION (CPI):
10.8%

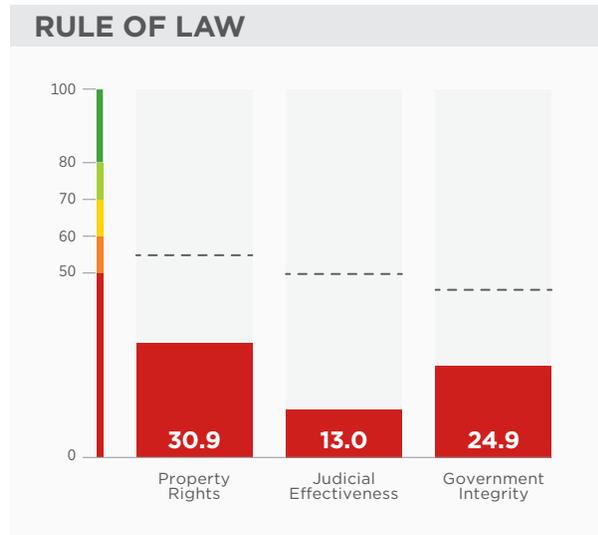
FDI INFLOW:
\$2.0 billion

PUBLIC DEBT:
35.8% of GDP

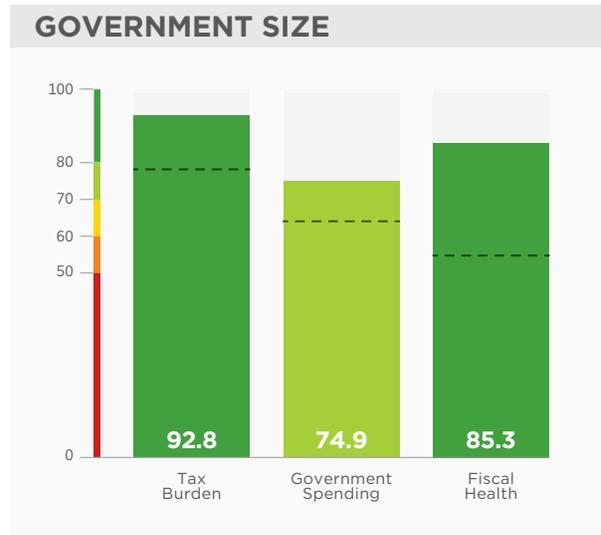
2021 data unless otherwise noted. Data compiled as of September 2022

BACKGROUND: Measured by population, Uzbekistan is Central Asia's largest nation. Islam Karimov ruled from the late 1980s until his death in 2016. President Shavkat Mirziyoyev was reelected in October 2021 and has tried to improve relations with neighboring countries and attract greater foreign investment. Approximately 9 percent of the land is cultivated in irrigated river valleys. More than 50 percent of the population lives in urbanized areas. Uzbekistan is the world's fifth-largest exporter and seventh-largest producer of cotton, but unsound cultivation has degraded the land and depleted water supplies. The economy also relies on exports of natural gas and gold.

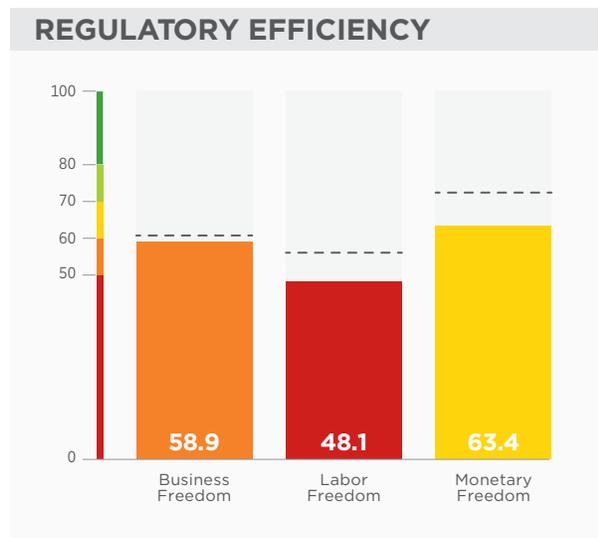
12 ECONOMIC FREEDOMS | UZBEKISTAN



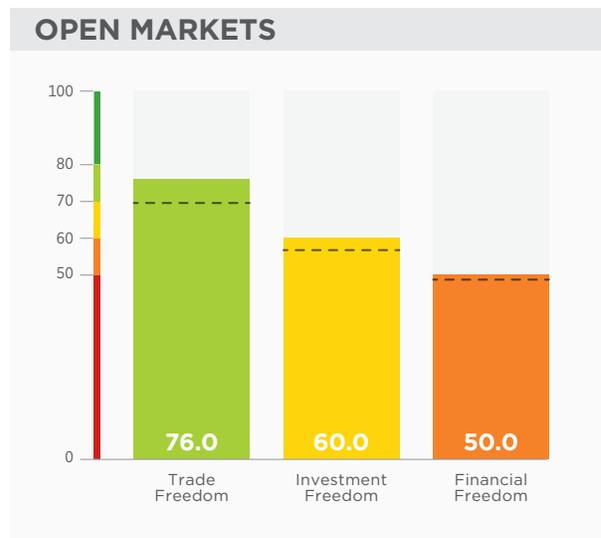
The overall rule of law is weak in Uzbekistan. The country's property rights score is below the world average; its judicial effectiveness score is below the world average; and its government integrity score is below the world average.



The top individual and corporate tax rates are, respectively, 12 percent and 15 percent. The tax burden equals 18.7 percent of GDP. Three-year government spending and budget balance averages are, respectively, 28.9 percent and -2.8 percent of GDP. Public debt equals 35.8 percent of GDP.



Despite some progress, the overall regulatory system lacks transparency and clarity. The business start-up process has been streamlined. A modern labor market continues to evolve, but informal-sector employment remains substantial. Despite inflationary pressures, monetary stability has been relatively well maintained.



The trade-weighted average tariff rate is 4.5 percent, and nontariff barriers further increase the cost of trade. Reform measures to enhance the overall investment framework have been implemented. The financial sector has undergone modernization, but state-owned banks remain dominant.