

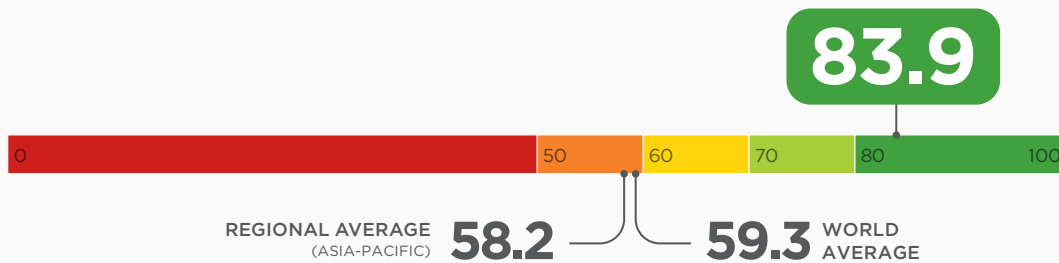


# SINGAPORE

Singapore's economic freedom score is 83.9, making its economy the world's freest in the 2023 *Index*. Its score is about the same as last year. Singapore is ranked 1st out of 39 countries in the Asia-Pacific region, and its overall score remains significantly higher than the world and regional averages.

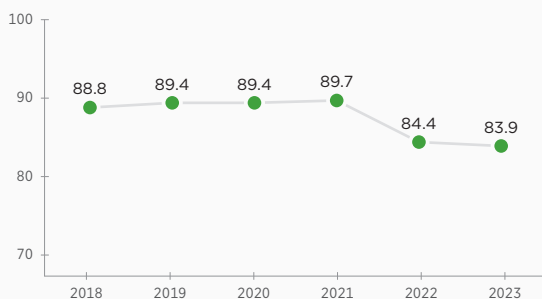
The foundations of Singapore's economic freedom are sustained by strong protection of property rights and effective enforcement of anticorruption laws. Tax rates are competitive, and the regulatory environment is transparent. Openness to global commerce boosts productivity while facilitating the emergence of a more dynamic and competitive financial sector.

## ECONOMIC FREEDOM SCORE



HISTORICAL *INDEX* SCORE CHANGE (SINCE 1995): -2.4

## RECENT FREEDOM TREND



## QUICK FACTS

**POPULATION:**  
5.5 million

**GDP (PPP):**  
\$635.3 billion  
7.6% growth in 2021  
5-year compound  
annual growth 2.6%

**UNEMPLOYMENT:**  
4.1%

**INFLATION (CPI):**  
2.3%

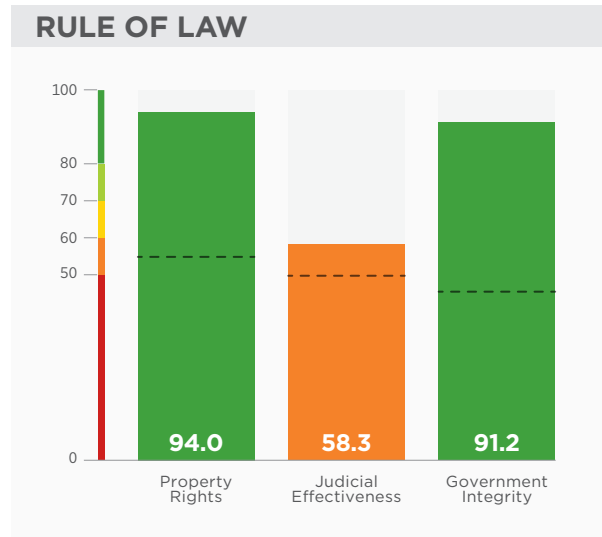
**FDI INFLOW:**  
\$99.1 billion

**PUBLIC DEBT:**  
159.9% of GDP

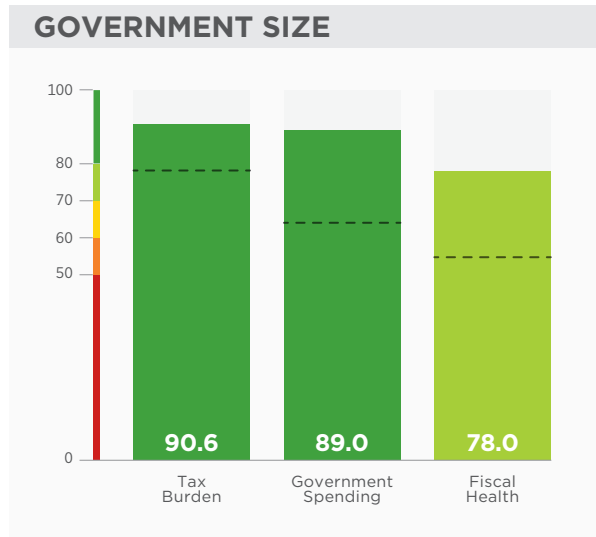
2021 data unless otherwise noted. Data compiled as of September 2022

**BACKGROUND:** With a business-friendly regulatory environment and a very low unemployment rate, Singapore is one of the world's most prosperous nations. Despite an active parliamentary opposition, it has been ruled by the People's Action Party (PAP) for many decades. Lee Hsien Loong has been prime minister since 2004 and has suggested a near-term leadership transition. Although certain civil liberties remain restricted, the PAP champions economic liberalization and international trade. Services dominate the economy, but Singapore is also a major manufacturer of electronics and chemicals and operates one of the world's largest ports. Principal exports include integrated circuits, refined petroleum, and computers.

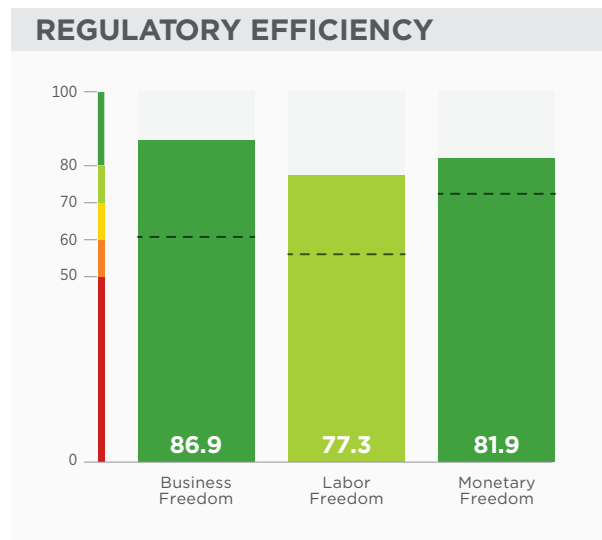
## 12 ECONOMIC FREEDOMS | SINGAPORE



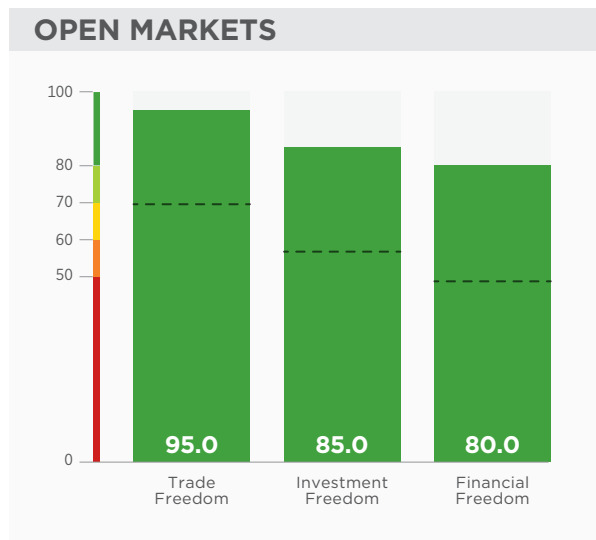
The overall rule of law is well respected in Singapore. The country's property rights score is above the world average; its judicial effectiveness score is above the world average; and its government integrity score is above the world average.



The top individual and corporate tax rates are, respectively, 22 percent and 17 percent. The tax burden equals 12.8 percent of GDP. Three-year government spending and budget balance averages are, respectively, 19.1 percent and -1.1 percent of GDP. Public debt equals 159.9 percent of GDP.



The process for starting a business is straightforward, and required procedures are streamlined. There is no statutory minimum wage, but the National Wage Council guides wage adjustments. Inflation is under control despite the challenging external environment. Government regulation and state-linked enterprises influence prices.



The trade regime is open and competitive, and no tariffs are imposed on imports. The law treats foreign and domestic businesses equally, and nearly all sectors of the economy are open to 100 percent foreign ownership. The financial sector is highly competitive and resilient.