



## 4.1 Growth of output

	Gross domestic product		Agriculture		Industry		Manufacturing		Services	
	average annual % growth		average annual % growth		average annual % growth		average annual % growth		average annual % growth	
	1980-90	1990-96	1980-90	1990-96	1980-90	1990-96	1980-90	1990-96	1980-90	1990-96
Albania	1.5	1.5	1.9	8.2	2.1	-11.0	..	..	-0.4	7.2
Algeria	2.8	0.6	4.6	3.0	2.3	-0.4	3.3	-8.9	2.9	0.8
Angola	3.7	-0.9	0.5	-9.5	6.4	4.3	-11.1	5.3	2.2	-4.7
Argentina	-0.3	4.9	0.9	0.6	-0.9	5.0	-0.5	..	0.0	5.5
Armenia	3.3	-21.2	-3.9	-0.6	5.1	-28.7	..	..	4.6	-19.7
Australia	3.4	3.7	3.3	-1.2	2.9	2.2	2.0	1.8	3.7	4.6
Austria	2.2	1.6	1.1	-1.1	1.9	1.3	2.7	0.7	2.4	2.0
Azerbaijan	..	-17.7	..	-6.0	..	-10.8	..	..	..	-11.1
Bangladesh	4.3	4.3	2.7	1.2	4.9	7.2	2.8	7.3	5.7	5.7
Belarus	..	-8.3	..	-9.8	..	-10.0	..	..	..	-5.6
Belgium	1.9	1.2	2.0	3.3	..	..	2.8	0.3	..	..
Benin	3.3	4.4	5.1	5.1	1.3	4.2	..	..	2.6	3.8
Bolivia	0.0	3.8	2.0	..	-2.9	..	-1.6	..	-0.1	..
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..
Botswana	10.3	4.1	2.2	-1.2	11.1	1.8	8.8	2.6	11	7.1
Brazil	2.7	2.9	2.8	3.7	2.0	2.1	1.6	2.2	3.5	3.7
Bulgaria	4.0	-3.5	-2.1	-3.3	5.2	-4.9	..	..	4.8	-0.6
Burkina Faso	3.7	2.8	3.1	3.8	3.7	1.4	2.0	9.8	4.7	2.1
Burundi	4.4	-3.8	3.1	-3.4	4.5	-8.3	5.7	-17.3	5.4	-2.7
Cambodia	..	6.5	..	2.1	..	11.3	..	7.8	..	8.4
Cameroon	3.3	-1.0	2.1	2.6	5.9	-5.2	11.8	-2.1	2.6	-0.9
Canada	3.4	1.9	1.5	0.7	2.9	1.8	3.2	2.7	3.6	1.8
Central African Republic	1.7	0.7	2.3	2.6	1.8	-1.9	4.9	-5.5	0.6	-0.4
Chad	6.1	1.5	2.3	5.2	8.1	-2.5	4.4	-2.6	7.7	0.4
Chile	4.1	7.2	5.6	5.5	3.7	6.2	3.4	6.3	4.2	8.2
China	10.2	12.3	5.9	4.4	11.1	17.3	10.7	17.2	13.6	9.6
Hong Kong, China	6.9	5.5	..	..	..	..	..	..	..	..
Colombia	3.7	4.5	2.9	1.2	5.0	2.9	3.5	1.4	3.1	6.8
Congo, Dem. Rep.	1.6	-6.6	2.5	3.0	0.9	-15.9	1.6	-13.4	1.2	-17.4
Congo, Rep.	3.6	0.1	3.4	0.7	5.2	2.0	6.9	-1.9	2.5	-1.8
Costa Rica	3.0	4.3	3.1	3.2	2.8	4.0	3.0	4.3	3.1	4.8
Côte d'Ivoire	0.8	2.4	0.3	2.3	4.4	3.4	3.0	1.6	-0.2	2.0
Croatia	..	-1.0	..	-4.4	..	-8.2	..	..	..	-3.9
Cuba	..	..	..	..	..	..	..	..	..	..
Czech Republic	1.7	-1.0	..	-8.2	..	-5.2	..	..	..	-3.6
Denmark	2.4	2.2	3.1	1.7	2.9	1.9	1.4	1.3	2.2	2.0
Dominican Republic	3.0	4.7	0.4	3.3	3.6	5.2	2.9	3.8	3.5	4.8
Ecuador	2.0	3.2	4.4	2.6	1.2	4.4	0.0	3.2	1.8	2.6
Egypt, Arab Rep.	5.3	3.7	2.7	2.8	5.2	3.9	..	4.3	6.6	3.4
El Salvador	0.2	5.8	-1.1	1.2	0.1	5.3	-0.2	5.3	0.7	7.5
Eritrea	..	..	..	..	..	..	..	..	..	..
Estonia	2.1	-6.5	..	-6.5	..	-11.6	..	..	..	-1.7
Ethiopia <sup>a</sup>	2.3	3.9	1.4	2.3	1.8	3.0	2.0	3.3	3.1	6.7
Finland	3.3	0.3	-0.2	0.9	3.3	1.0	3.4	4.3	3.7	-1.6
France	2.4	1.1	2.0	0.1	1.1	-0.3	0.8	0.0	3.0	1.6
Gabon	-0.5	2.3	1.4	-2.7	0.6	2.7	-3.8	0.2	-1.8	2.8
Gambia, The	3.0	2.6	0.7	1.1	5.4	1.4	6.7	1.6	4.0	3.5
Georgia	..	-26.1	..	..	..	..	..	..	..	..
Germany <sup>b</sup>	2.2	..	1.7	..	1.2	..	..	..	2.9	..
Ghana	3.0	4.4	1.0	2.6	3.3	4.3	3.9	2.6	6.4	6.4
Greece	1.8	1.6	-0.1	3.1	1.3	-0.8	0.5	-1.7	2.3	1.6
Guatemala	0.8	4.2	2.3	2.8	2.1	4.0	..	..	2.1	4.8
Guinea	..	3.9	..	4.4	..	2.7	..	..	..	4.4
Guinea-Bissau	4.0	3.5	4.7	4.8	2.2	2.2	..	..	3.7	2.0
Haiti	-0.2	-5.0	..	-0.8	..	-13.7	..	..	..	-5.2
Honduras	2.7	3.5	2.7	3.1	3.3	4.0	3.7	3.7	2.5	3.7



	Gross domestic product		Agriculture		Industry		Manufacturing		Services	
	average annual % growth		average annual % growth		average annual % growth		average annual % growth		average annual % growth	
	1980-90	1990-96	1980-90	1990-96	1980-90	1990-96	1980-90	1990-96	1980-90	1990-96
Hungary	1.6	-0.4	0.6	-5.0	-2.6	1.1	..	..	3.6	-3.2
India	5.8	5.8	3.1	3.1	7.1	6.8	7.4	7.5	6.7	7.0
Indonesia	6.1	7.7	3.4	2.8	6.9	10.2	12.6	11.1	7.0	7.4
Iran, Islamic Rep.	1.5	4.2	4.5	4.8	3.3	3.8	4.5	4.6	-0.3	4.2
Iraq	-6.8	..	..	..	..	..	..	..	..	..
Ireland	3.2	6.1	..	..	..	..	..	..	..	..
Israel	3.5	6.4	..	..	..	..	..	..	..	..
Italy	2.4	1.0	0.1	1.4	..	..	2.9	1.0	..	..
Jamaica	2.0	0.8	0.6	6.7	2.4	-0.2	2.7	-1.4	1.9	0.8
Japan	4.0	1.4	1.3	-2.0	4.2	0.2	4.8	0.0	3.9	2.0
Jordan	2.6	7.6	6.8	-3.7	1.7	10.9	0.5	10.8	2.1	6.3
Kazakhstan	..	-10.5	..	-15.3	..	-15.7	..	..	..	4.1
Kenya	4.2	1.9	3.3	0.6	3.9	1.8	4.9	2.5	4.9	3.5
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	9.4	7.3	2.8	1.8	13.1	7.5	13.2	7.9	8.2	8.0
Kuwait	0.9	12.2	14.7	..	1.0	..	2.3	..	0.9	..
Kyrgyz Republic	..	-12.3	..	-4.6	..	-21.7	..	..	..	-13.4
Lao PDR	3.7	6.7	3.5	4.4	6.1	12.1	8.9	12.9	3.3	8.0
Latvia	3.4	-10.7	2.3	-13	4.3	-20.2	4.4	-20.1	3.1	-1.2
Lebanon	78.2	9.3	..	..	..	..	..	..	..	..
Lesotho	4.3	6.7	2.0	-0.8	7.1	12.5	13.6	9.4	5.1	5.9
Libya	-5.7	..	..	..	..	..	..	..	..	..
Lithuania	..	-6.0	..	8.7	..	-10.4	..	..	..	-4.6
Macedonia, FYR	..	-9.1	..	..	..	..	..	..	..	..
Madagascar	1.1	0.4	2.5	1.8	0.9	0.5	1.9	3.5	0.3	0.4
Malawi	2.3	2.6	2.0	5.1	2.9	1.1	3.6	0.7	3.5	-2.5
Malaysia	5.2	8.7	3.8	1.9	7.2	11.2	8.9	13.2	4.2	8.5
Mali	2.9	2.8	3.3	3.3	4.3	5.6	6.8	4.9	2.1	1.5
Mauritania	1.7	4.1	1.7	4.7	4.9	4.1	-2.1	2.1	0.3	3.8
Mauritius	6.2	5.0	2.9	0.2	10.3	5.7	11.1	5.7	5.4	6.3
Mexico	1.1	1.8	0.8	1.2	1.1	1.8	1.5	2.0	1.2	1.9
Moldova	..	-16.7	..	-14.7	..	-23.7	..	..	..	-12.3
Mongolia	..	..	..	..	..	..	..	..	..	..
Morocco	4.2	2.1	6.7	-0.7	3.0	2.1	4.1	2.5	4.2	2.9
Mozambique	1.7	7.1	5.5	4.2	-5.2	1.4	..	..	13.6	11.9
Myanmar	0.6	6.8	0.5	6.2	0.5	10.7	-0.2	8.5	0.7	6.4
Namibia	1.2	4.1	1.2	4.6	-0.1	2.9	7.8	3.8	0.1	4.2
Nepal	4.6	5.1	4.0	1.9	6.0	8.5	3.7	12.0	4.8	6.9
Netherlands	2.3	2.2	3.4	3.7	1.6	1.2	2.3	1.7	2.6	2.3
New Zealand	1.7	3.3	3.9	0.9	1.1	3.8	0.4	4.4	1.8	3.4
Nicaragua	-2.0	2.1	-2.2	4.4	-1.7	2.1	-3.1	0.6	-2.0	0.4
Niger	-1.1	1.0	1.8	2.8	-1.7	0.2	..	1.2	-2.9	-0.2
Nigeria	1.8	2.6	3.3	2.4	-1.1	0.5	0.7	-1.5	4.4	4.8
Norway	2.8	3.9	-0.2	4.4	3.3	5.2	0.1	2.2	2.7	2.8
Oman	8.3	6.0	7.9	..	10.3	..	20.6	..	6.0	..
Pakistan	6.3	4.6	4.3	3.8	7.3	5.5	7.7	5.5	6.8	5.0
Panama	0.5	4.8	2.5	2.2	-1.3	7.9	0.4	5.1	0.6	4.5
Papua New Guinea	1.9	7.6	1.8	4.8	1.9	13.6	0.1	5.2	2.0	4.0
Paraguay	2.5	3.1	3.6	2.7	-0.3	2.2	2.1	1.2	3.4	3.7
Peru	-0.3	6.0	..	5.6	..	6.5	..	..	..	5.8
Philippines	1.0	2.9	1.0	1.7	-0.9	3.1	0.2	2.6	2.8	3.3
Poland	1.9	3.2	-0.1	-1.6	-0.9	4.7	..	..	5.1	3.0
Portugal	2.9	1.4	..	-1.8	..	..	..	-0.3	..	..
Puerto Rico	4.1	3.0	1.8	..	3.6	..	1.5	..	4.6	..
Romania	0.5	0.0	..	-0.4	..	-2.1	..	..	..	-2.8
Russian Federation	2.8	-9.0	..	-8.2	..	-11.0	..	..	..	-8.4



	Gross domestic product		Agriculture		Industry		Manufacturing		Services	
	average annual % growth		average annual % growth		average annual % growth		average annual % growth		average annual % growth	
	1980-90	1990-96	1980-90	1990-96	1980-90	1990-96	1980-90	1990-96	1980-90	1990-96
Rwanda	2.5	-9.7	0.5	-8.4	2.5	-14.9	2.6	-10.5	5.5	-9.0
Saudi Arabia	-1.2	1.7	13.4	..	-2.3	..	7.5	..	-1.2	..
Senegal	3.1	1.8	3.3	2.3	4.1	3.1	4.6	3.5	2.8	1.3
Sierra Leone	0.6	-3.3	3.1	-1.5	1.7	-6.4	..	..	-2.8	-3.9
Singapore	6.6	8.7	-6.2	1.8	5.4	9.1	6.6	7.9	7.6	8.5
Slovak Republic	2.0	-1.0	1.6	1.9	2.0	-7.2	..	..	0.8	6.4
Slovenia	..	4.3	..	-0.2	..	0.1	..	..	..	3.6
South Africa	1.2	1.2	2.9	1.4	0.0	0.5	-0.1	0.8	2.3	1.6
Spain	3.2	1.3	..	-4.8	..	-1.1	..	-0.7	..	1.7
Sri Lanka	4.2	4.8	2.2	1.7	4.6	6.6	6.3	8.8	4.7	6.1
Sudan	0.6	6.8	0.0	..	2.8	..	3.7	..	0.4	..
Sweden	2.3	0.6	1.5	-1.9	2.8	-0.7	2.6	0.8	2.1	-0.6
Switzerland	2.2	-0.1	..	..	..	..	..	..	..	..
Syrian Arab Republic	1.5	7.4	-0.6	..	6.6	..	..	..	0.4	..
Tajikistan	..	-16.4	..	..	..	..	..	..	..	..
Tanzania <sup>c</sup>	..	..	..	..	..	..	..	..	..	..
Thailand <sup>d</sup>	7.6	8.3	4.0	3.6	9.9	10.3	9.5	10.7	7.3	7.9
Togo	1.8	-0.6	5.6	0.1	1.1	0.6	1.7	-0.1	-0.3	-2.0
Trinidad and Tobago	-2.5	1.2	-5.8	1.3	-5.5	0.8	-10.1	1.1	-3.3	0.8
Tunisia	3.3	4.1	2.8	-0.1	3.1	4.3	3.7	5.2	3.6	5.2
Turkey	5.3	3.6	1.3	1.2	7.8	4.6	7.9	5.3	5.5	3.7
Turkmenistan	..	-9.6	..	..	..	..	..	..	..	..
Uganda	3.1	7.2	2.3	4.0	6.0	12.2	4.0	13.4	3.0	8.6
Ukraine	..	-13.6	..	-26.1	..	-20.0	..	..	..	-6.0
United Arab Emirates	-2.0	..	9.6	9.3	-4.2	-1.8	3.1	1.3	2.0	..
United Kingdom	3.2	1.6	..	..	..	..	..	..	..	..
United States	2.9	2.4	4.0	3.6	2.8	1.2	3.1	1.6	2.9	1.6
Uruguay	0.4	3.7	0.1	4.4	-0.2	0.4	0.4	-1.0	0.9	5.6
Uzbekistan	..	-3.5	..	-1.8	..	-6.0	..	-5.6	..	-2.3
Venezuela	1.1	1.9	3.0	1.1	1.6	3.1	4.3	1.5	0.5	1.0
Vietnam	4.6	8.5	4.3	5.2	..	13.3	..	..	..	8.5
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	..	2.8	..	2.9	..	2.9	..	..	..	2.7
Yugoslavia, FR (Serb./Mont.)	..	..	..	..	..	..	..	..	..	..
Zambia	0.8	-1.1	3.6	0.5	1.0	-3.2	4.0	-1.9	0.1	0.5
Zimbabwe	3.0	1.3	2.4	4.5	3.0	-2.1	2.9	-3.7	2.5	2.5
<b>World</b>	<b>3.1w</b>	<b>2.2w</b>	<b>2.8w</b>	<b>1.7w</b>	<b>3.3w</b>	<b>1.6w</b>	<b>3.6w</b>	<b>1.4w</b>	<b>3.3w</b>	<b>2.3w</b>
<b>Low income</b>	6.1	7.6	3.7	3.5	8.0	12.2	8.7	13.2	7.1	6.8
Excl. China & India	3.2	3.1	3.1	2.9	..	..	..	..	3.4	..
<b>Middle income</b>	2.1	0.8	..	..	..	..	..	..	2.5	3.8
Lower middle income	2.7	-0.7	..	..	..	..	..	..	..	..
Upper middle income	1.4	2.9	2.5	1.7	0.7	2.9	1.3	3.4	2.0	3.7
<b>Low &amp; middle income</b>	3.1	2.9	3.2	2.8	4.3	..	4.5	..	3.5	4.6
East Asia & Pacific	7.7	10.2	4.8	4.0	8.9	14.5	9.7	15.0	8.9	8.3
Europe & Central Asia	2.9	-5.4	..	..	..	..	..	..	..	..
Latin America & Carib.	1.8	3.2	2.0	2.5	1.4	2.8	1.2	2.6	1.9	3.8
Middle East & N. Africa	0.4	2.6	4.6	3.2	1.3	..	..	2.7	1.2	..
South Asia	5.7	5.6	3.2	3.0	6.9	6.7	7.2	7.4	6.6	6.7
Sub-Saharan Africa	1.7	2.0	1.8	2.1	1.1	0.9	1.3	0.8	2.2	2.0
<b>High income</b>	3.2	2.0	2.2	0.8	3.2	0.7	3.5	0.4	3.3	1.9

a. Data prior to 1992 include Eritrea. b. Data prior to 1990 refer to the Federal Republic of Germany before unification. c. Data cover mainland Tanzania only



## About the data

Growth rates are calculated using constant price data in the local currency. Regional and income group growth rates are calculated after converting local currencies to U.S. dollars using the average official exchange rate reported by the International Monetary Fund for the year shown or, occasionally, an alternative conversion factor determined by the World Bank's Development Data Group. The growth rates in the table are annual average compound growth rates. Methods of computing growth rates and the alternative conversion factor are described in *Statistical methods*.

### Measuring growth

An economy's growth is measured by the increase in value added produced by the individuals and enterprises operating in that economy. Thus measuring real growth requires estimates of GDP and its components valued in constant prices from one period to the next. In principle, real value added can be estimated by measuring the quantity of goods produced in a period, valuing them at an agreed set of base year prices, and subtracting the cost of inputs, also in constant prices. This double deflation method, recommended by the United Nations (UN) System of National Accounts, requires detailed information on the structure of prices of inputs and outputs. In some sectors, however, value added is extrapolated from the base year using volume indexes of inputs and outputs. In other sectors, particularly services, real output is imputed from labor inputs, such as real wages or the number of employees. The real output of governments and other unpriced services are calculated in the same way. In the absence of well-defined measures of output, measuring the real growth of services remains problematic.

Technical progress can lead to improvements in production and the quality of goods. If not properly accounted for, either effect can distort measures of value added and thus of growth. When inputs are used to estimate output, as in services, unmeasured technical progress leads to underestimates of the quantity and real value of output. Unmeasured changes in the quality of goods produced also lead to underestimates of real value. The result can be underestimates of real growth and productivity change and overestimates of inflation.

Nonmarket services pose a particular problem, especially in developing countries, where much economic activity may go unrecorded. Obtaining a complete picture of the economy requires estimating household outputs produced for local sale and for

home use, barter exchanges, and illicit or deliberately unreported activity. How consistent and complete such estimates will be depends on the skill of the compiling statisticians and the resources available to them.

### Rebasing national accounts

Countries occasionally rebase their national accounts by collecting a complete set of observations on the value and volume of production in a new base year. Using these data, they update price indexes to reflect the relative importance of inputs and outputs in total output, and generate volume indexes to reflect relative price levels. The new base year should represent normal operation of the economy—that is, a year without major shocks or distortions. But the choice of base year and the timing of economic surveys are also determined by administrative convenience, resource availability, and international agreement. Some developing countries have not rebased their national accounts for many years. Using an old base year can be misleading because implicit price and volume weights become progressively less relevant and useful.

The World Bank collects constant price national accounts series in national currencies and the country's original base year. To obtain comparable series of constant price data, GDP and its main sectoral components by industrial origin (agriculture, industry, and services) are rescaled to a common reference year, currently 1987. This process gives rise to a discrepancy between the rescaled GDP and the sum of the rescaled components. This discrepancy is allocated to the estimate of services value added on the output side and to private consumption expenditure on the expenditure side.

### Changes in the System of National Accounts

Most countries use the definitions of the UN System of National Accounts (SNA), series F, no. 2, version 3, referred to as the 1968 SNA. Version 4 of the SNA was completed in 1993. Until new economic surveys can be implemented, most countries will continue to follow the 1968 SNA. A few low-income countries still use concepts from older SNA guidelines, including valuations such as factor cost and market prices, in describing major economic aggregates.

## Definitions

- **Gross domestic product** at purchasers' prices is the sum of the gross value added by all resident and nonresident producers in the economy plus any taxes and minus any subsidies not included in the value of the products. It is calculated without making deductions for depreciation of fabricated assets or for depletion and degradation of natural resources. Value added is the net output of a sector after adding up all outputs and subtracting intermediate inputs. The industrial origin of value added is determined by the International Standard Industrial Classification (ISIC), rev. 2.
- **Agriculture** corresponds to ISIC divisions 1–5 and includes forestry and fishing.
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- **Manufacturing** refers to industries belonging to divisions 15–37.
- **Services** correspond to ISIC divisions 50–99.

### Data sources

National accounts data for developing countries are collected from national statistical organizations and central banks by visiting and resident World Bank missions. Data for industrial countries come from OECD data files. The World Bank rescales constant price data to a common reference year. The complete national accounts time series is available on the *World Development Indicators* CD-ROM. For information on the OECD national accounts series see OECD, *National Accounts, 1960–1995*, volumes 1 and 2.



## 4.2 Structure of output

	Gross domestic product		Agriculture value added		Industry value added		Manufacturing value added		Services value added	
	\$ millions		% of GDP		% of GDP		% of GDP		% of GDP	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Albania	..	2,689	34	55	45	21	..	..	21	23
Algeria	42,345	45,699	10	13	54	48	9	8	36	38
Angola	..	6,721	..	7	..	69	..	7	..	24
Argentina	76,962	294,687	6	6	41	31	29	20	52	63
Armenia	..	1,454	18	44	58	35	..	25	25	20
Australia	160,109	392,507	5	4	36	28	19	15	58	68
Austria	78,539	226,100	4	2	36	31	25	20	60	68
Azerbaijan	..	3,650	..	23	..	19	..	18	..	58
Bangladesh	12,950	31,824	50	30	16	18	11	10	34	52
Belarus	..	19,346	..	16	..	41	..	35	..	43
Belgium	118,915	264,400	2	1	..	..	22	19	..	..
Benin	1,405	2,210	35	38	12	14	8	8	52	49
Bolivia	3,074	6,131	18	..	35	..	15	..	47	..
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..
Botswana	1,035	4,936	11	4	45	46	4	5	43	50
Brazil	235,025	748,916	11	14	44	36	33	23	45	50
Bulgaria	20,040	9,484	14	10	54	33	..	..	32	57
Burkina Faso	1,709	2,538	33	35	22	25	16	19	45	40
Burundi	920	1,137	62	57	13	17	7	17	25	26
Cambodia	..	3,125	..	51	..	15	..	5	..	35
Cameroon	6,741	9,252	29	40	23	22	9	10	48	39
Canada	263,193	579,300	..	..	..	..	..	..	..	..
Central African Republic	797	1,062	40	56	20	18	7	7	40	26
Chad	727	1,172	54	46	12	16	..	15	34	38
Chile	27,572	74,292	7	..	37	..	21	..	55	..
China	201,688	815,412	30	21	49	48	41	38	21	31
Hong Kong, China	28,495	154,767	1	0	32	16	24	9	67	84
Colombia	33,397	85,202	19	16	32	20	23	16	49	64
Congo, Dem. Rep.	14,922	6,904	25	64	33	13	14	5	42	23
Congo, Rep.	1,706	2,388	12	10	47	34	7	6	42	56
Costa Rica	4,815	9,015	18	16	27	24	19	18	55	60
Côte d'Ivoire	10,175	10,688	29	28	20	21	11	13	51	51
Croatia	..	19,081	..	12	..	25	..	20	..	62
Cuba	..	..	..	..	..	..	..	..	..	..
Czech Republic	29,123	54,890	7	6	63	39	..	..	30	55
Denmark	66,322	174,247	..	..	..	..	..	..	..	..
Dominican Republic	6,631	13,169	20	13	28	32	15	17	52	55
Ecuador	1,733	19,040	12	12	38	37	18	21	50	51
Egypt, Arab Rep.	22,913	67,691	18	17	37	32	12	24	45	51
El Salvador	3,574	10,469	38	13	22	27	16	21	40	60
Eritrea	..	..	..	10	..	27	..	15	..	63
Estonia	..	4,353	..	7	..	28	..	16	..	65
Ethiopia <sup>a</sup>	5,179	5,993	56	55	12	10	8	..	32	36
Finland	51,306	123,966	..	..	..	..	..	..	..	..
France	664,595	1,540,100	4	2	34	26	24	19	62	71
Gabon	4,279	5,704	7	7	60	52	5	6	33	41
Gambia, The	233	363	30	28	16	15	7	7	53	58
Georgia	..	4,308	24	35	36	35	28	20	40	29
Germany	..	2,353,200	..	1	..	..	..	24	..	..
Ghana	4,445	6,344	58	44	12	17	8	9	30	39
Greece	48,613	122,946	..	..	..	..	..	..	..	..
Guatemala	7,879	15,817	..	24	..	20	..	14	..	56
Guinea	..	3,934	..	26	..	36	..	5	..	39
Guinea-Bissau	105	271	44	54	20	11	..	0	36	35
Haiti	1,462	2,617	..	42	..	13	..	9	..	45
Honduras	2,566	4,011	24	22	24	31	15	18	52	47



4.2

Country	Gross domestic product		Agriculture value added		Industry value added		Manufacturing value added		Services value added	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Hungary	22,163	44,845	7	7	32	32	24	24	61	61
India	172,321	356,027	28	28	29	29	20	20	43	43
Indonesia	78,013	225,828	24	25	43	34	18	14	41	41
Iran, Islamic Rep.	92,664	47,562	18	25	32	34	9	14	40	40
Iraq	20,080	47,562	..	..	..	..	..	..	..	..
Ireland	22,579	69,600	..	..	..	..	..	..	..	..
Israel	449,913	1,207,700	6	3	..	..	28	21	..	..
Italy	2,679	4,426	8	8	38	36	17	17	55	55
Jamaica	1,059,254	4,599,700	4	2	42	38	29	25	60	60
Japan	7,343	3,962	8	5	28	30	13	16	64	64
Jordan	20,761	2,0761	..	13	..	30	6	..	57	57
Kenya	7,265	9,222	33	29	21	16	13	10	55	55
Korea, Dem. Rep.	63,661	484,777	15	6	40	43	..	..	..	..
Korea, Rep.	28,639	26,650	0	0	53	6	26	25	51	46
Kuwait	1,754	1,857	..	52	19	..	8	..	29	29
Kyrgyz Republic	1,754	1,857	..	52	19	..	8	..	28	28
Lao PDR	1,857	1,857	..	52	19	..	8	..	28	28
Latvia	5,024	5,024	12	9	33	46	22	22	58	58
Lebanon	12,997	12,997	..	12	27	..	17	17	61	61
Lesotho	369	889	24	11	29	43	7	17	47	47
Libya	35,545	35,545	2	..	76	2	..	..	..	..
Lithuania	1,779	1,779	..	13	..	32	20	..	55	55
Macedonia, FYR	1,970	1,970	..	..	..	..	..	..	..	..
Madagascar	4,042	4,150	30	35	13	..	12	..	52	52
Malawi	2,204	2,204	44	40	21	14	..	..	39	39
Malaysia	24,488	99,213	22	13	38	46	34	40	41	41
Malta	1,686	2,660	48	48	17	7	7	38	35	35
Mauritania	709	1,094	30	25	26	..	12	44	44	44
Mauritius	4,292	4,292	12	10	32	15	23	62	58	58
Mexico	194,776	334,792	8	5	26	22	20	59	68	68
Moldova	1,805	1,805	..	50	23	..	8	..	27	27
Mongolia	972	31	15	31	33	35	..	..	34	34
Morocco	18,821	36,820	18	20	31	31	17	17	49	49
Mozambique	1,714	37	37	37	24	..	..	..	39	39
Nicaragua	..	..	47	60	13	10	7	..	30	30
Nigeria	31,995	64,202	21	43	41	25	8	8	31	31
Norway	63,419	157,802	4	2	30	15	12	12	68	68
Oman	5,982	12,102	3	..	69	1	..	..	..	..
Pakistan	23,690	64,846	30	26	25	25	17	46	50	50
Paraguay	4,579	9,673	29	24	27	22	16	16	54	54
Peru	..	..	..	..	..	..	..	..	..	..
Philippines	32,500	83,840	25	21	39	32	26	23	47	47
Poland	57,068	134,477	6	..	..	34	..	22	59	59
Portugal	28,729	104,000	..	..	..	..	..	..	..	..
Puerto Rico	14,436	14,436	3	..	..	..	..	..	..	..
Romania	35,508	35,508	..	21	..	40	..	..	39	39



## 4.2

	Gross domestic product		Agriculture value added		Industry value added		Manufacturing value added		Services value added	
	\$ millions		% of GDP		% of GDP		% of GDP		% of GDP	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Rwanda	1,163	1,330	50	40	23	14	17	14	27	45
Saudi Arabia	156,487	126,266	1	..	81	..	5	..	18	..
Senegal	3,016	5,155	16	18	21	17	13	11	63	65
Sierra Leone	1,199	940	33	44	21	24	5	6	47	32
Singapore	11,718	94,063	1	0	38	36	29	26	61	64
Slovak Republic	..	18,963	..	5	..	31	..	..	..	64
Slovenia	..	18,558	..	5	..	38	..	28	..	57
South Africa	78,744	126,301	7	5	50	39	23	24	43	57
Spain	211,542	581,600	..	3	..	..	..	..	..	..
Sri Lanka	4,024	13,912	28	22	30	25	18	16	43	52
Sudan	6,760	..	34	..	14	..	7	..	52	..
Sweden	125,557	250,240	..	..	..	..	..	..	..	..
Switzerland	102,719	293,400	..	..	..	..	..	..	..	..
Syrian Arab Republic	13,062	17,587	20	..	23	..	..	..	56	..
Tajikistan	..	2,033	..	..	..	..	..	..	..	..
Tanzania <sup>b</sup>	..	5,838	..	48	..	21	..	7	..	31
Thailand	32,354	185,048	23	11	29	40	22	29	48	50
Togo	1,136	1,420	27	35	25	23	8	11	48	42
Trinidad and Tobago	6,236	5,464	2	2	60	45	9	9	38	53
Tunisia	8,742	19,516	14	14	31	28	12	18	55	58
Turkey	68,790	181,464	26	17	22	28	14	18	51	55
Turkmenistan	..	4,310	..	..	..	..	..	..	..	..
Uganda	1,245	6,115	72	46	4	16	4	8	23	39
Ukraine	..	44,007	..	13	..	39	..	..	..	48
United Arab Emirates	29,625	39,107	1	..	77	..	4	..	22	..
United Kingdom	537,382	1,145,801	..	..	..	..	..	..	..	..
United States	2,709,000	7,341,900	3	..	33	..	22	..	64	..
Uruguay	10,132	18,180	14	9	34	26	26	18	53	65
Uzbekistan	..	25,198	..	26	..	27	..	8	..	47
Venezuela	69,377	67,311	5	4	46	47	16	18	49	49
Vietnam	..	23,340	..	27	..	31	..	..	..	42
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	..	6,016	..	18	..	49	..	11	..	34
Yugoslavia, FR (Serb./Mont.)	..	..	..	..	..	..	..	..	..	..
Zambia	3,884	3,388	14	18	41	41	18	29	44	42
Zimbabwe	5,355	7,550	14	14	36	28	25	19	50	59
<b>World</b>	<b>10,704,631 t</b>	<b>28,583,721 t</b>	<b>7 w</b>	<b>.. w</b>	<b>38 w</b>	<b>.. w</b>	<b>24 w</b>	<b>.. w</b>	<b>55 w</b>	<b>.. w</b>
<b>Low income</b>	<b>702,232</b>	<b>1,535,031</b>	<b>33</b>	<b>27</b>	<b>35</b>	<b>35</b>	<b>26</b>	<b>25</b>	<b>32</b>	<b>37</b>
Excl. China & India	375,820	349,196	32	34	26	24	12	12	42	42
<b>Middle income</b>	<b>2,373,585</b>	<b>4,374,039</b>	<b>12</b>	<b>11</b>	<b>45</b>	<b>36</b>	<b>..</b>	<b>..</b>	<b>43</b>	<b>53</b>
Lower middle income	..	2,090,188	15	12	43	37	..	..	42	51
Upper middle income	1,021,067	2,258,327	8	9	48	34	24	23	44	57
<b>Low &amp; middle income</b>	<b>3,061,860</b>	<b>5,924,712</b>	<b>18</b>	<b>15</b>	<b>42</b>	<b>34</b>	<b>22</b>	<b>22</b>	<b>40</b>	<b>51</b>
East Asia & Pacific	465,223	1,553,518	28	20	44	44	32	33	28	36
Europe & Central Asia	..	1,118,817	..	11	..	36	..	..	..	53
Latin America & Carib.	758,650	1,875,727	10	10	40	33	27	21	50	57
Middle East & N. Africa	459,114	..	12	..	48	..	9	..	40	..
South Asia	219,283	480,044	38	28	25	28	17	19	37	44
Sub-Saharan Africa	264,750	305,131	22	24	35	30	14	15	43	46
<b>High income</b>	<b>7,810,607</b>	<b>22,756,455</b>	<b>3</b>	<b>..</b>	<b>36</b>	<b>..</b>	<b>24</b>	<b>..</b>	<b>61</b>	<b>..</b>

a. Data prior to 1992 include Eritrea. b. Data cover mainland Tanzania only.



**About the data**

Output by industrial origin is the sum of the value of gross output of producers less the value of intermediate goods and services consumed in production. This concept is known as value added. A country's gross domestic product (GDP) represents the sum of value added by all producers in that country. Since 1968 the United Nations (UN) System of National Accounts (SNA) has called for estimates of GDP by industrial origin to be valued at either basic prices (excluding all indirect taxes on factors of production) or producer prices (including taxes on factors of production, but excluding indirect taxes on final output). Some countries, however, report such data at purchasers' prices—the prices at which final sales are made—which may affect estimates of the distribution of output. Total GDP as shown in the table and elsewhere in this book is measured at purchasers' prices. GDP components are measured at basic prices. When components are valued at purchasers' prices, this is noted in *Primary data documentation*.

While GDP by industrial origin is generally more reliable than estimates compiled from income or expenditure accounts, different countries use different definitions, methods, and reporting standards. World Bank staff review the quality of national accounts data and sometimes make adjustments to increase consistency with international guidelines. Nevertheless, significant discrepancies remain between international standards and actual practice. Many statistical offices, especially those in developing countries, face severe limits on the resources, time, training, and budgets required to produce reliable and comprehensive series of national accounts.

**Data problems in measuring output**

Among the difficulties faced by compilers of national accounts is the extent of unreported economic activity in the informal or secondary economy. In developing countries a large share of agricultural output is either not exchanged (because it is consumed within the household) or not exchanged for money. Financial transactions also may go unrecorded.

Agricultural production often must be estimated indirectly, using a combination of methods involving estimates of inputs, yields, and area under cultivation. This approach sometimes leads to crude approximations that can differ over time and across crops for reasons other than climatic conditions or farming techniques. Similarly, agricultural inputs, which cannot easily be allocated to specific outputs, are frequently "netted out" using equally crude and ad hoc approximations.

For further discussion of the measurement of agricultural production see the notes to table 3.3.

The output of industry ideally should be measured through regular censuses and surveys of firms. But in most developing countries such surveys are infrequent and quickly go out of date, so many results must be extrapolated. The sampling unit, which may be the enterprise (where responses may be based on financial records) or the establishment (where production units may be recorded separately), also affects the quality of the data. Moreover, much industrial production is organized not in firms but in unincorporated or owner-operated ventures that are not captured by surveys aimed at the formal sector. Even in large industries, where regular surveys are more likely, evasion of excise and other taxes lowers the estimates of value added. Such problems become more acute as countries move from state control of industry to private enterprise, because new firms enter business and growing numbers of established firms fail to report. In accordance with the SNA, output should include all such unreported activity as well as the value of illegal activities and other unrecorded, informal, or small-scale operations. Data on these areas need to be collected using techniques other than conventional surveys.

In sectors dominated by large organizations and enterprises, such as public utilities, data on output, employment, and wages are usually readily available and reasonably reliable. But in the service sector the many self-employed workers and one-person businesses are sometimes difficult to locate, and their owners have little incentive to respond to surveys, let alone report their full earnings. Compounding these problems are the many forms of economic activity that go unrecorded, including the work that women and children do for little or no pay. For further discussion of the problems of using national accounts data see Srinivasan (1994) and Heston (1994).

**Dollar conversion**

To produce national accounts aggregates that are internationally comparable, the value of output must be converted to a common currency. The World Bank conventionally uses the U.S. dollar and applies the average official exchange rate reported by the International Monetary Fund for the year shown. An alternative conversion factor is applied if the official exchange rate is judged to diverge by an exceptionally large margin from the rate effectively applied to domestic transactions in foreign currencies and traded products. Shares of output by industrial origin are calculated from data in local currencies and current prices.

**Definitions**

- **Gross domestic product at purchasers' prices** is the sum of the gross value added by all resident and nonresident producers in the economy plus any taxes and minus any subsidies not included in the value of the products. It is calculated without making deductions for depreciation of fabricated assets or for depletion and degradation of natural resources.
- **Value added** is the net output of a sector after adding up all outputs and subtracting intermediate inputs. The industrial origin of value added is determined by the International Standard Industrial Classification (ISIC), rev. 2.
- **Agriculture** corresponds to ISIC divisions 1–5 and includes forestry and fishing.
- **Industry** comprises value added in mining, manufacturing (also reported as a separate subgroup), construction, electricity, water, and gas.
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**Data sources**

National accounts data for developing countries are collected from national statistical organizations and central banks by visiting and resident World Bank missions. Data for industrial countries come from OECD data files (see OECD, *National Accounts, 1960–1995*, volumes 1 and 2). The complete national accounts time series is available on the *World Development Indicators* CD-ROM.

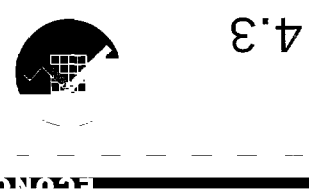




## 4.3 Structure of manufacturing

	Value added in manufacturing		Food, beverages, and tobacco		Textiles and clothing		Machinery and transport equipment		Chemicals		Other manufacturing <sup>a</sup>	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1980	1995	1980	1995	1980	1995	1980	1995	1980	1995	1980	1995
Albania	..	..	..	..	..	..	..	..	..	..	..	..
Algeria	3,257	3,154	27	13	18	14	10	15	3	5	43	54
Angola	..	383	..	..	..	..	..	..	..	..	..	..
Argentina	22,685	56,500	19	..	13	..	19	..	9	..	41	..
Armenia	..	350	..	..	..	..	..	..	..	..	..	..
Australia	30,722	51,706	17	..	7	..	21	..	7	..	46	..
Austria	19,263	46,451	16	15	10	5	25	29	7	8	42	42
Azerbaijan	..	725	..	..	..	..	..	..	..	..	..	..
Bangladesh	1,422	2,804	24	..	43	..	4	..	16	..	14	..
Belarus	..	6,152	..	..	..	..	..	..	..	..	..	..
Belgium	25,773	51,744	17	18	8	7	24	..	11	15	40	53
Benin	112	174	59	..	14	..	..	..	6	..	21	..
Bolivia	449	..	28	34	11	5	4	1	3	3	54	57
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..	..	..
Botswana	43	217	..	46	..	16	..	..	..	..	..	38
Brazil	71,098	140,179	14	..	11	..	25	..	11	..	40	..
Bulgaria	..	..	..	19	..	10	..	12	..	5	..	54
Burkina Faso	261	438	59	..	19	..	3	..	1	..	17	..
Burundi	63	212	..	..	..	..	..	..	..	..	..	..
Cambodia	..	149	..	..	..	..	..	..	..	..	..	..
Cameroon	593	794	56	31	9	8	4	1	3	3	29	56
Canada	47,077	..	14	14	7	5	23	30	8	9	48	42
Central African Republic	54	93	49	..	22	..	8	..	11	..	10	..
Chad	..	165	..	..	..	..	..	..	..	..	..	..
Chile	5,911	..	27	29	9	6	6	5	8	12	51	47
China	81,836	262,657	10	14	18	14	22	25	11	10	38	38
Hong Kong, China	6,392	11,598	5	10	42	32	18	23	2	2	34	33
Colombia	7,762	15,233	..	..	..	..	..	..	..	..	..	..
Congo, Dem. Rep.	2,144	337	..	..	..	..	..	..	..	..	..	..
Congo, Rep.	128	139	35	..	16	..	5	..	..	..	44	..
Costa Rica	895	1,725	46	46	10	7	8	9	7	12	28	26
Côte d'Ivoire	1,096	1,272	35	..	15	..	10	..	..	..	40	..
Croatia	..	2,847	..	..	..	..	..	..	..	..	..	..
Cuba	..	..	55	..	7	..	1	..	..	..	37	..
Czech Republic	..	..	..	..	..	..	..	..	..	..	..	..
Denmark	11,411	29,628	24	..	5	..	25	..	10	..	37	..
Dominican Republic	1,015	2,118	66	..	6	..	1	..	6	..	21	..
Ecuador	2,072	3,783	..	..	..	..	..	..	..	..	..	..
Egypt, Arab Rep.	2,678	13,740	19	..	30	..	11	..	9	..	31	..
El Salvador	589	2,002	37	29	22	18	4	6	11	16	27	32
Eritrea	..	..	..	..	..	..	..	..	..	..	..	..
Estonia	..	617	..	..	..	..	..	..	..	..	..	..
Ethiopia	381 <sup>b</sup>	374	..	..	..	..	..	..	..	..	..	..
Finland	13,019	29,441	..	11	..	3	..	26	..	8	..	53
France	160,811	296,107	13	14	8	5	30	30	8	9	41	42
Gabon	195	297	24	..	4	..	9	..	4	..	58	..
Gambia, The	15	23	35	..	2	..	..	..	3	..	60	..
Georgia	..	854	..	..	..	..	..	..	..	..	..	..
Germany	..	581,335	..	..	..	..	..	..	..	..	..	..
Ghana	347	594	37	36	11	5	2	2	5	10	46	47
Greece	6,968	9,891	18	28	23	14	14	12	8	11	37	35
Guatemala	..	..	39	..	10	..	5	..	17	..	28	..
Guinea	..	76	..	..	..	..	..	..	..	..	..	..
Guinea-Bissau	..	..	..	..	..	..	..	..	..	..	..	..
Haiti	..	156	..	..	..	..	..	..	..	..	..	..
Honduras	344	614	51	51	9	16	2	2	5	4	34	27

	Value added in manufacturing \$ millions			Food, beverages, and tobacco			Textiles and clothing			Machinery and transport equipment			Chemicals			Other manufacturing		
	1980	1995	% of total	1980	1995	% of total	1980	1995	% of total	1980	1995	% of total	1980	1995	% of total	1980	1995	% of total
Hungary	8,841	21	11	11	7	11	11	28	28	17	34	11	11	8	38	40	32	40
India	27,422	11	9	11	13	25	25	25	25	32	14	14	19	5	30	32	34	34
Indonesia	10,133	32	32	32	19	13	13	13	15	11	11	11	9	30	34	34	34	34
Iran, Islamic Rep.	8,567	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Iraq	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	..	29	25	25	8	2	2	17	34	14	20	20	20	32	18	42	42	18
Israel	..	..	12	12	9	12	12	26	32	8	8	5	5	42	42	42	42	42
Italy	126,012	10	9	10	13	29	29	33	33	11	11	11	7	39	37	37	37	37
Jamaica	446	47	6	6	7	6	4	39	39	9	9	9	9	37	37	37	37	37
Japan	309,747	9	9	9	7	29	29	7	7	14	62	14	14	62	44	44	44	44
Jordan	447	23	23	23	7	7	7	6	6	7	7	7	7	44	44	44	44	44
Kazakhstan	1,196	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Kenya	796	34	44	12	9	15	15	10	10	9	9	9	9	29	29	29	29	29
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	18,260	17	9	19	10	17	17	38	38	10	10	10	8	36	35	35	35	35
Kuwait	1,581	7	7	5	7	7	7	4	4	7	7	7	7	76	76	76	76	76
Kyrgyz Republic	124	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Laos PDR	244	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Latvia	953	39	39	..	11	..	..	..	..	..	..	..	..	26	26	26	26	26
Lebanon	1,788	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Lesotho	21	73	73	7	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Libya	682	31	31	10	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania	1,879	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Macedonia, FYR	..	24	..	..	22	..	..	..	..	..	..	..	..	29	29	29	29	29
Madagascar	372	34	..	45	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Malawi	152	58	..	12	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Malaysia	5,054	24	8	7	5	20	20	40	40	5	5	5	9	38	38	38	38	38
Mali	106	29	..	51	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Mauritania	109	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Mauritius	819	36	36	30	46	6	6	1	1	6	6	6	4	23	18	18	18	18
Mexico	43,089	29	29	..	3	..	..	..	..	..	..	..	..	..	..	..	..	..
Moldova	153	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Mongolia	..	25	..	..	35	..	..	..	..	..	..	..	..	..	..	..	..	..
Morocco	3,167	25	..	..	19	..	..	..	..	..	..	..	..	..	..	..	..	..
Mozambique	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Myanmar	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Nambija	90	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Nepal	78	35	..	..	34	..	..	..	..	..	..	..	..	..	..	..	..	..
Netherlands	30,866	23	24	4	3	27	27	24	24	14	14	14	14	35	35	35	35	35
New Zealand	4,950	26	..	11	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Nicaragua	549	53	..	8	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Niger	94	30	..	25	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Nigeria	121	30	..	15	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Norway	9,196	15	23	4	2	27	27	26	26	7	7	7	8	48	41	41	41	41
Oman	39	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Pakistan	3,389	32	..	22	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Panama	408	49	50	10	7	2	2	1	1	6	6	6	8	34	33	33	33	33
Papua New Guinea	242	40	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Paraguay	733	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Peru	4,176	25	..	13	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Philippines	8,354	30	30	13	9	12	12	17	17	14	14	14	17	26	26	26	26	26
Poland	25,751	12	12	17	8	32	32	19	19	8	8	8	7	31	35	35	35	35
Portugal	19,607	13	13	22	21	16	16	13	13	7	7	7	5	42	46	46	46	46
Romania	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Russian Federation	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..



4.3



# 4.3

	Value added in manufacturing		Food, beverages, and tobacco		Textiles and clothing		Machinery and transport equipment		Chemicals		Other manufacturing <sup>a</sup>	
	S millions		% of total		% of total		% of total		% of total		% of total	
	1980	1995	1980	1995	1980	1995	1980	1995	1980	1995	1980	1995
Rwanda	178	179	..	..	..	..	..	..	..	..	..	..
Saudi Arabia	7,740	..	..	..	..	..	..	..	..	..	..	..
Senegal	389	574	50	48	19	5	4	3	8	23	20	21
Sierra Leone	54	51	51	69	5	1	..	..	..	..	44	30
Singapore	3,415	22,428	5	4	5	1	44	59	5	8	41	28
Slovak Republic	..	..	..	13	..	10	..	20	..	10	..	47
Slovenia	..	4,589	..	15	..	11	..	18	..	13	..	43
South Africa	16,607	28,839	12	15	9	8	21	20	9	9	48	48
Spain	..	97,182	16	18	12	7	23	27	9	11	41	38
Sri Lanka	668	1,836	..	..	..	..	..	..	..	..	..	..
Sudan	424	..	..	..	..	..	..	..	..	..	..	..
Sweden	26,293	38,821	10	9	3	1	33	34	7	11	47	44
Switzerland	..	..	..	10	..	4	..	29	..	..	..	57
Syrian Arab Republic	..	..	..	..	..	..	..	..	..	..	..	..
Tajikistan	..	..	..	..	..	..	..	..	..	..	..	..
Tanzania <sup>b</sup>	..	334	23	..	33	..	8	..	6	..	30	..
Thailand	6,960	47,963	55	..	8	..	9	..	7	..	21	..
Togo	89	139	47	..	13	..	..	..	8	..	32	..
Trinidad and Tobago	557	441	22	33	4	2	9	3	4	24	61	38
Tunisia	1,030	3,390	18	20	19	24	7	6	15	6	42	45
Turkey	9,333	32,158	18	19	15	15	14	16	10	10	42	39
Turkmenistan	..	..	..	..	..	..	..	..	..	..	..	..
Uganda	53	359	..	..	..	..	..	..	..	..	..	..
Ukraine	..	..	..	..	..	..	..	..	..	..	..	..
United Arab Emirates	1,130	2,967	12	..	2	..	2	..	7	..	77	..
United Kingdom	125,830	185,594	13	14	6	5	33	31	10	13	38	37
United States	593,000	1,126,200	11	12	6	5	34	33	10	12	40	38
Uruguay	2,626	3,143	28	..	17	..	10	..	7	..	38	..
Uzbekistan	..	1,782	..	..	..	..	..	..	..	..	..	..
Venezuela	11,112	13,200	19	22	7	2	9	10	8	11	57	54
Vietnam	..	2,760	..	..	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	..	697	..	..	..	..	..	..	..	..	..	..
Yugoslavia, FR (Serb./Mont.)	..	..	..	..	..	..	..	..	..	..	..	..
Zambia	718	891	44	44	13	10	9	5	9	16	25	25
Zimbabwe	1,248	1,260	23	38	17	13	8	11	9	3	42	36
<b>World</b>	<b>2,447,474 t</b>	<b>4,983,629 t</b>	..	..	..	..	..	..	..	..	..	..
<b>Low income</b>	146,716	372,808	..	..	..	..	..	..	..	..	..	..
Excl. China & India	..	37,451	..	..	..	..	..	..	..	..	..	..
<b>Middle income</b>	..	..	..	..	..	..	..	..	..	..	..	..
Lower middle income	..	..	..	..	..	..	..	..	..	..	..	..
Upper middle income	204,869	393,534	..	..	..	..	..	..	..	..	..	..
<b>Low &amp; middle income</b>	578,773	1,317,597	..	..	..	..	..	..	..	..	..	..
East Asia & Pacific	124,514	427,789	..	..	..	..	..	..	..	..	..	..
Europe & Central Asia	..	..	..	..	..	..	..	..	..	..	..	..
Latin America & Carib.	186,150	345,442	..	..	..	..	..	..	..	..	..	..
Middle East & N. Africa	32,562	..	..	..	..	..	..	..	..	..	..	..
South Asia	33,695	73,885	..	..	..	..	..	..	..	..	..	..
Sub-Saharan Africa	33,918	44,575	..	..	..	..	..	..	..	..	..	..
<b>High income</b>	1,891,432	4,003,267	..	..	..	..	..	..	..	..	..	..

a. Includes unallocated data. b. Includes Entrea. c. Data cover mainland Tanzania only.



#### About the data

Data on the distribution of manufacturing value added by industry are provided by the United Nations Industrial Development Organization (UNIDO). The classification of manufacturing industries is in accordance with the United Nations International Standard Industrial Classification (ISIC), rev. 2. Manufacturing comprises all of ISIC major division 3.

UNIDO obtains data on manufacturing value added from a variety of national and international sources, including the Statistical Division of the United Nations Secretariat, the World Bank, the Organisation for Economic Co-operation and Development, and the International Monetary Fund. To improve comparability over time and across countries, UNIDO supplements these data with information from industrial censuses, statistics supplied by national and international organizations, unpublished data that it collects in the field, and

estimates by the UNIDO Secretariat. Nevertheless, coverage may be less than complete, particularly for the informal sector. To the extent that direct information on inputs and outputs is not available, estimates may be used that may result in errors in industry totals. Moreover, countries use different reference periods (calendar or fiscal year) and valuation methods (basic, producers', or purchasers' prices) to estimate value added. (See also the notes to table 4.2).

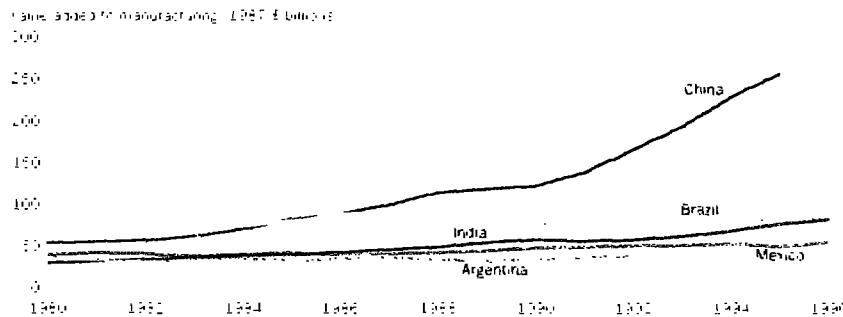
Data on manufacturing value added in U.S. dollars are from the World Bank's national accounts files (see *About the data* for table 4.2). These figures may differ from those used by UNIDO to calculate the shares of value added by industry. Thus estimates of value added in a particular industry group calculated by applying the shares to total value added will not match those from UNIDO sources.

#### Definitions

- **Value added in manufacturing** is the sum of gross output less the value of intermediate inputs used in production for industries classified in ISIC major division 3.
- **Food, beverages, and tobacco** comprise ISIC division 31.
- **Textiles and clothing** comprise ISIC division 32.
- **Machinery and transport equipment** comprise ISIC groups 382–84.
- **Chemicals** comprise ISIC groups 351 and 352.
- **Other manufacturing** includes wood and related products (ISIC division 33), paper and related products (ISIC division 34), petroleum and related products (ISIC groups 353–56), basic metals and mineral products (ISIC divisions 36 and 37), fabricated metal products and professional goods (ISIC groups 381 and 385), and other industries (ISIC group 390). When data for textiles and clothing, machinery and transport equipment, or chemicals are shown as not available, they are included in other manufacturing.

Figure 4.3a

#### Manufacturing takes off in China



Source: World Bank, 1998 *World Development Indicators*.

China's growth as a manufacturing power has paralleled its rise as an exporter of manufactured goods. In contrast, Brazil, which began the 1980s as a leading manufacturer among developing countries, has fallen far behind and is being overtaken by India.

#### Data sources

Data on value added in manufacturing in U.S. dollars are from the World Bank's national accounts files. The data used to calculate shares of value added by industry are provided to the World Bank in electronic files by UNIDO. The most recent published source is UNIDO's *International Yearbook of Industrial Statistics 1997*.



## 4.4 Structure of merchandise exports

	Merchandise exports		Food		Agricultural raw materials		Fuels		Ores and metals		Manufactures	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Albania	..	296 <sup>a</sup>	..	..	..	..	..	..	..	..	..	..
Algeria	15,624	12,609 <sup>a</sup>	1	1	0	0	98	95	0	1	0	4
Angola	1,902	4,472 <sup>a</sup>	9	..	0	..	78	..	0	..	13	..
Argentina	8,019	23,810	65	52	6	4	3	13	2	1	23	30
Armenia	..	290 <sup>a</sup>	..	..	..	..	..	..	..	..	..	..
Australia	21,279	53,252	34	25	11	7	11	19	17	16	22	30
Austria	17,478	57,822	4	4	8	3	2	1	4	3	83	88
Azerbaijan	..	618 <sup>a</sup>	..	..	..	..	..	..	..	..	..	..
Bangladesh	740	3,297 <sup>a</sup>	12	..	19	..	0	..	0	..	68	..
Belarus	..	5,122 <sup>a</sup>	..	..	..	..	..	..	..	..	..	..
Belgium <sup>b</sup>	63,967	168,010	9	10	2	1	8	3	7	3	69	77
Benin	49	255 <sup>a</sup>	62	..	25	..	4	..	1	..	3	..
Bolivia	1,036	1,087	8	29	3	10	24	13	62	32	3	16
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..	..	..
Botswana	..	..	..	..	..	..	..	..	..	..	..	..
Brazil	20,132	47,164	46	30	4	4	2	1	9	10	37	54
Bulgaria	10,372	4,543 <sup>a</sup>	..	..	..	..	..	..	..	..	..	..
Burkina Faso	90	216 <sup>a</sup>	41	..	48	..	0	..	0	..	11	..
Burundi	129	37 <sup>a</sup>	70	..	6	..	..	..	6	..	4	..
Cambodia	15	300 <sup>a</sup>	2	..	7	..	0	..	27	..	64	..
Cameroon	1,321	1,758	48	24	16	25	31	36	2	6	4	8
Canada	63,105	199,071	12	8	11	8	14	10	14	6	48	63
Central African Republic	111	115	31	1	43	24	0	0	26	0	26	43
Chad	72	125 <sup>a</sup>	4	..	81	..	0	..	0	..	15	..
Chile	4,584	14,979	15	28	10	9	1	0	64	46	9	15
China <sup>†</sup>	18,136 <sup>a</sup>	151,047	..	8	..	2	..	4	..	2	..	84
Hong Kong, China <sup>a</sup>	19,703	180,744	3	3	2	1	0	1	2	2	91	92
Colombia	3,945	10,976	72	26	5	5	3	34	0	1	20	34
Congo, Dem. Rep.	2,507	1,465 <sup>a</sup>	11	..	3	..	8	..	47	..	6	..
Congo, Rep.	955	1,833 <sup>a</sup>	1	1	2	12	90	83	0	1	7	2
Costa Rica	1,032	2,882	64	63	1	6	1	1	0	1	28	24
Côte d'Ivoire	2,979	4,996 <sup>a</sup>	64	..	28	..	2	..	0	..	5	..
Croatia	..	4,512	..	11	..	5	..	9	..	2	..	72
Cuba	5,541	1,834 <sup>a</sup>	89	..	0	..	3	..	5	..	0	..
Czech Republic	..	21,882	..	5	..	3	..	4	..	3	..	84
Denmark	16,407	48,868	33	23	5	3	3	4	2	1	55	59
Dominican Republic	704	3,893 <sup>a</sup>	73	20	0	0	0	0	3	0	24	77
Ecuador	2,481	4,762	33	51	1	3	63	36	0	0	3	9
Egypt, Arab Rep.	3,046	3,534	7	10	16	4	64	48	2	6	11	32
El Salvador	720	1,023	47	52	12	1	3	3	3	2	35	41
Eritrea	..	..	..	..	..	..	..	..	..	..	..	..
Estonia	..	2,074	..	15	..	8	..	6	..	2	..	68
Ethiopia <sup>d</sup>	424	494 <sup>a</sup>	74	..	18	..	7	..	0	..	0	..
Finland	14,140	40,520	3	3	19	7	4	3	4	3	70	83
France	110,865	283,318	16	14	2	1	4	3	4	2	73	79
Gabon	2,189	3,146	1	0	7	13	88	83	12	2	5	2
Gambia, The	36	22 <sup>a</sup>	99	..	0	..	..	..	3	..	7	..
Georgia	..	261 <sup>a</sup>	..	..	..	..	..	..	..	..	..	..
Germany <sup>e</sup>	191,647	511,728	5	5	1	1	4	1	3	2	85	87
Ghana	942	1,684 <sup>a</sup>	78	..	4	..	0	..	17	..	1	..
Greece	5,142	9,558 <sup>a</sup>	26	30	2	4	16	7	9	7	47	50
Guatemala	1,486	2,031	53	61	16	5	1	3	5	1	24	31
Guinea	374	774 <sup>a</sup>	4	..	0	..	0	..	95	..	1	..
Guinea-Bissau	11	56 <sup>a</sup>	85	..	2	..	0	..	0	..	8	..
Haiti	376	180 <sup>a</sup>	31	..	1	..	0	..	4	..	63	..
Honduras	813	845	75	65	5	3	0	0	6	2	12	31
† Data for Taiwan, China	19,837	115,646	..	..	..	..	..	..	..	..	..	..



	Merchandise exports		Food		Agricultural raw materials		Fuels		Ores and metals		Manufactures	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Hungary	8,677	13,138	22	19	3	2	5	3	4	4	65	68
India	7,511	32,325 <sup>a</sup>	28	19	5	1	0	2	7	3	59	74
Indonesia	21,909	49,727	8	11	14	6	72	26	4	6	2	51
Iran, Islamic Rep.	13,804	22,102 <sup>a</sup>	1	..	1	..	93	..	0	..	5	..
Iraq	28,321	502 <sup>a</sup>	0	..	0	..	99	..	0	..	0	..
Ireland	8,473	45,565	37	16	2	1	1	0	3	1	54	82
Israel	5,540	20,504	12	5	4	2	0	1	2	1	82	91
Italy	77,640	250,718	7	7	1	1	6	1	2	1	84	89
Jamaica	942	1,347	14	24	0	0	2	0	21	6	63	69
Japan	129,542	410,481	1	0	1	1	0	1	2	1	95	95
Jordan	402	1,466 <sup>a</sup>	25	25	1	2	0	0	40	24	34	49
Kazakhstan	..	6,230 <sup>a</sup>	..	..	..	..	..	..	..	..	..	..
Kenya	1,313	2,203 <sup>a</sup>	44	..	8	..	33	..	2	..	12	..
Korea, Dem. Rep.	..	1,007 <sup>a</sup>	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	17,446	124,404	7	2	1	1	0	3	1	1	90	92
Kuwait	20,435	13,420 <sup>a</sup>	1	0	0	0	89	95	0	0	10	5
Kyrgyz Republic	..	507	..	28	..	11	..	15	..	6	..	38
Lao PDR	9	334 <sup>a</sup>	13	..	41	..	..	..	4	..	34	..
Latvia	..	1,443	..	15	..	19	..	2	..	1	..	61
Lebanon	930	1,153 <sup>a</sup>	28	..	2	..	0	..	9	..	58	..
Lesotho	..	..	..	..	..	..	..	..	..	..	..	..
Libya	21,910	10,126 <sup>a</sup>	..	..	..	..	100	..	..	..	0	..
Lithuania	..	3,356	..	17	..	6	..	15	..	2	..	60
Macedonia, FYR	..	1,119 <sup>a</sup>	..	..	..	..	..	..	..	..	..	..
Madagascar	387	616 <sup>a</sup>	80	69	4	6	6	1	4	7	6	14
Malawi	269	501 <sup>a</sup>	91	90	2	2	0	0	0	0	6	7
Malaysia	12,939	78,151	15	9	31	5	25	8	10	1	19	76
Mali	235	288 <sup>a</sup>	30	..	69	..	0	..	0	..	1	..
Mauritania	255	574 <sup>a</sup>	16	..	1	..	0	..	83	..	0	..
Mauritius	420	1,699	72	31	0	1	0	0	0	0	27	68
Mexico	15,442	95,199	12	6	2	1	67	12	6	2	12	78
Moldova	..	1,104 <sup>a</sup>	..	72	..	2	..	1	..	3	..	23
Mongolia	..	1,104 <sup>a</sup>	..	72	..	2	..	1	..	3	..	23
Morocco	2,403	4,742	28	33	3	3	5	2	41	13	24	50
Mozambique	511	226	68	69	7	9	2	1	5	4	18	17
Myanmar	460	1,187 <sup>a</sup>	40	..	33	..	9	..	10	..	7	..
Namibia	..	..	..	..	..	..	..	..	..	..	..	..
Nepal	94	358 <sup>a</sup>	21	1	48	0	..	..	0	0	30	99
Netherlands	73,871	177,228	20	19	3	4	22	8	4	2	50	63
New Zealand	5,262	13,789	48	47	26	17	1	2	4	4	20	29
Nicaragua	414	653	75	60	8	5	2	1	1	1	14	34
Niger	580	79 <sup>a</sup>	11	..	1	..	1	..	85	..	2	..
Nigeria	25,057	15,610 <sup>a</sup>	2	..	0	..	97	..	0	..	0	..
Norway	18,481	48,922	7	8	3	1	48	55	10	7	32	23
Oman	3,748	6,395 <sup>a</sup>	1	5	0	0	96	79	0	2	3	14
Pakistan	2,588	9,266	24	9	20	6	7	1	0	0	48	84
Panama	353	558	67	73	0	0	23	5	1	2	9	20
Papua New Guinea	1,133 <sup>a</sup>	2,554 <sup>a</sup>	33	..	7	..	0	..	50	..	3	..
Paraguay	310	1,043	38	58	50	24	0	1	0	0	12	17
Peru	3,266	5,226	16	32	4	3	21	7	43	42	17	16
Philippines	5,751	20,328	36	10	6	1	1	2	21	3	21	84
Poland	16,997	24,387	6	11	3	2	13	7	7	6	61	74
Portugal	4,629	23,184	12	7	9	3	6	2	2	1	70	86
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..
Romania	12,230	8,084	..	9	..	3	..	7	..	3	..	77
Russian Federation	..	81,438 <sup>a</sup>	..	..	..	..	..	..	..	..	..	..



4.4

	Merchandise exports		Food		Agricultural raw materials		Fuels		Ores and metals		Manufactures	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Rwanda	138	168	82	7	0	0	0	0	10	0	0	0
Saudi Arabia	109,113	58,177	43	16	0	9	15	15	20	0	1	50
Sénégal	477	655	43	16	3	3	19	15	11	15	1	50
Sierra Leone	302	214	24	1	1	0	0	0	34	0	40	40
Singapore	19,375	124,794	8	4	10	1	25	8	2	2	47	84
Slovak Republic	8,824	8,824	4	4	3	3	5	5	4	4	68	68
Slovenia	8,309	8,309	4	4	1	1	1	1	3	3	90	90
South Africa	25,539	18,132	9	14	2	4	4	7	10	18	49	18
Spain	20,827	101,417	18	16	2	2	2	2	5	5	72	78
Sri Lanka	1,043	4,097	47	21	18	4	15	0	1	1	19	73
Sudan	584	468	47	51	51	1	1	1	1	1	1	1
Sweden	30,788	82,704	2	2	10	5	4	2	5	3	78	80
Switzerland	29,471	80,756	3	3	1	1	0	0	5	2	90	94
Syrian Arab Republic	2,108	3,980	4	9	..	79	..	..	1	..	7	..
Tajikistan	770	770	..	..	..	..	..	..	..	..	..	..
Tanzania	528	828	58	18	..	..	5	5	5	5	14	..
Thailand	6,369	55,789	47	19	11	5	0	1	14	1	25	73
Togo	335	363	21	2	2	26	40	40	..	..	11	..
Trinidad and Tobago	4,077	2,456	2	8	0	0	53	53	0	0	5	39
Tunisia	2,234	5,517	7	7	1	1	11	11	4	4	36	80
Turkey	2,910	23,045	51	20	14	2	1	1	2	2	27	74
Turkmenistan	1,693	568	96	2	..	..	..	..	1	..	1	..
Ukraine	16,040	16,040	..	..	..	..	..	..	..	..	..	..
United Arab Emirates	28,096	28,096	7	7	1	13	7	7	..	..	..	..
United Kingdom	114,422	259,039	7	7	1	1	7	7	5	5	71	82
United States	212,887	575,477	18	11	5	3	2	2	5	5	66	78
Uruguay	1,059	2,391	39	47	22	15	0	1	1	1	38	36
Uzbekistan	2,671	2,671	..	..	..	..	..	..	..	..	..	..
Venezuela	19,293	22,633	0	2	0	94	82	82	4	4	2	12
Vietnam	123	7,016	30	23	..	32	..	..	1	..	14	..
West Bank and Gaza	23	4,538	45	4	1	0	95	0	0	0	47	1
Yemen, Rep.	1	1	1	1	..	..	..	..	..	..	..	..
Zambia	1,330	1,020	1	0	0	0	0	0	82	..	16	..
Zimbabwe	433	2,094	40	51	3	8	3	2	17	10	36	30
<b>World</b>	<b>1,875,309</b>	<b>5,398,224</b>	<b>12 w</b>	<b>9 w</b>	<b>4 w</b>	<b>2 w</b>	<b>12 w</b>	<b>5 w</b>	<b>5 w</b>	<b>3 w</b>	<b>65 w</b>	<b>78 w</b>
<b>Low income</b>	<b>302,497</b>	<b>14</b>	<b>14</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>4</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>77</b>	<b>77</b>
<b>Excl. China &amp; India</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>
<b>Middle income</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>
<b>Lower middle income</b>	<b>193,240</b>	<b>19</b>	<b>19</b>	<b>6</b>	<b>4</b>	<b>37</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>7</b>	<b>24</b>	<b>60</b>
<b>Upper middle income</b>	<b>446,282</b>	<b>18</b>	<b>18</b>	<b>6</b>	<b>4</b>	<b>37</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>7</b>	<b>24</b>	<b>60</b>
<b>Low &amp; middle income</b>	<b>639,522</b>	<b>37</b>	<b>37</b>	<b>12</b>	<b>8</b>	<b>74</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>14</b>	<b>48</b>	<b>120</b>
<b>East Asia &amp; Pacific</b>	<b>371,815</b>	<b>9</b>	<b>9</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>9</b>	<b>9</b>	<b>..</b>	<b>3</b>	<b>..</b>	<b>75</b>
<b>Europe &amp; Central Asia</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>
<b>Latin America &amp; Carib.</b>	<b>102,403</b>	<b>261,905</b>	<b>36</b>	<b>24</b>	<b>4</b>	<b>3</b>	<b>32</b>	<b>18</b>	<b>10</b>	<b>8</b>	<b>19</b>	<b>45</b>
<b>Middle East &amp; N. Africa</b>	<b>12,464</b>	<b>50,819</b>	<b>28</b>	<b>17</b>	<b>11</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>5</b>	<b>2</b>	<b>53</b>	<b>76</b>
<b>South Asia</b>	<b>12,464</b>	<b>50,819</b>	<b>28</b>	<b>17</b>	<b>11</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>5</b>	<b>2</b>	<b>53</b>	<b>76</b>
<b>Sub-Saharan Africa</b>	<b>1,333,696</b>	<b>4,048,665</b>	<b>10</b>	<b>8</b>	<b>4</b>	<b>2</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>2</b>	<b>73</b>	<b>81</b>
<b>High income</b>	<b>1,333,696</b>	<b>4,048,665</b>	<b>10</b>	<b>8</b>	<b>4</b>	<b>2</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>2</b>	<b>73</b>	<b>81</b>

a. Data are from IMF, *Direction of Trade Statistics*. b. Includes Luxembourg. c. Includes reexports. d. Data prior to 1992 include Eritrea. e. Data prior to 1990 refer to the Federal Republic of Germany before unification. f. Data are for the South African Customs Union, which includes Botswana, Lesotho, Namibia, and South Africa.



### About the data

Data on merchandise trade come from customs reports of goods entering an economy or from reports of the financial transactions related to merchandise trade recorded in the balance of payments. Because of differences in timing and definitions, estimates of trade flows from customs reports are likely to differ from those based on the balance of payments. Furthermore, several international agencies process trade data, each making estimates to correct for unreported or misreported data, and this leads to other differences in the available data.

The most detailed source of data on international trade in goods is the COMTRADE database maintained by the United Nations Statistical Division (UNSD). The International Monetary Fund (IMF) also collects customs-based data on exports and imports of goods.

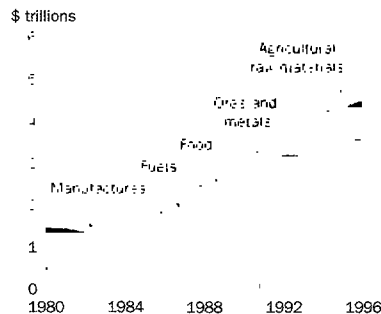
The value of exports is recorded as the cost of the goods delivered to the frontier of the exporting country for shipment—the f.o.b. (free on board) value. Many countries collect and report trade data in U.S. dollars. When countries report in local currency, the UNSD applies the average official exchange rate for the period shown.

Countries may report trade according to the general or special system of trade (see *Primary data documentation*). Under the general system exports comprise outward-moving goods that are (a) goods wholly or partly produced in the country; (b) foreign goods, neither transformed nor declared for domestic consumption in the country, that move outward from customs storage; and (c) goods previously included as imports for domestic consumption but subsequently exported without transformation. Under the special system exports comprise categories a and c. In some compilations categories b and c are classified as reexports. Because of differences in reporting practices, data on exports may not be fully comparable across economies.

Total exports and the shares of exports by major commodity groups were estimated by World Bank staff from the COMTRADE database. Where necessary, data on total exports were supplemented from the IMF's *Direction of Trade Statistics*. The classification of commodity groups is based on the Standard International Trade Classification (SITC), revision 1. Shares may not sum to 100 percent because of unclassified trade. See table 6.2 for data on the growth of merchandise exports.

Figure 4.4a

### Manufactured exports dominate trade in goods



Source: World Bank staff estimates.

The value of merchandise exports has more than doubled since 1980, while manufactured exports have more than tripled. Traditional exports of primary commodities remain important for many developing countries, but world trade is increasingly dominated by manufactured goods.

### Definitions

- **Merchandise exports** show the f.o.b. value of goods provided to the rest of the world valued in U.S. dollars.
- **Food** comprises the commodities in SITC sections 0 (food and live animals), 1 (beverages and tobacco), and 4 (animal and vegetable oils and fats) and SITC division 22 (oil seeds, oil nuts, and oil kernels).
- **Agricultural raw materials** comprise SITC section 2 (crude materials except fuels) excluding divisions 22, 27 (crude fertilizers and minerals excluding coal, petroleum, and precious stones), and 28 (metalliferous ores and scrap).
- **Fuels** comprise SITC section 3 (mineral fuels).
- **Ores and metals** comprise the commodities in SITC divisions 27, 28, and 68 (nonferrous metals).
- **Manufactures** comprise the commodities in SITC sections 5 (chemicals), 6 (basic manufactures), 7 (machinery and transport equipment), and 8 (miscellaneous manufactured goods), excluding division 68.

### Data sources



The United Nations Conference on Trade and Development publishes data on the structure of exports and imports in its *Handbook of International Trade and Development Statistics*. Estimates of total exports of goods are also published in the IMF's *International Financial Statistics* and *Direction of Trade Statistics* and in the United Nations *Monthly Bulletin of Statistics*.





## 4.5 Structure of merchandise imports

	Merchandise imports		Food		Agricultural raw materials		Fuels		Ores and metals		Manufactures	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Albania	..	1,283 <sup>a</sup>	..	..	..	..	..	..	..	..	..	..
Algeria	10,524	8,372 <sup>a</sup>	21	29	3	3	2	1	2	2	72	65
Angola	873	2,039 <sup>a</sup>	18	..	1	..	7	..	1	..	73	..
Argentina	10,539	23,762	6	5	4	2	10	4	3	2	77	87
Armenia	..	862 <sup>a</sup>	..	..	..	..	..	..	..	..	..	..
Australia	19,870	60,897	5	5	3	1	14	6	2	1	75	86
Austria	24,415	67,142	6	6	4	2	15	5	5	3	69	82
Azerbaijan	..	1,255 <sup>a</sup>	..	..	..	..	..	..	..	..	..	..
Bangladesh	1,980	6,898 <sup>a</sup>	24	..	6	..	9	..	3	..	58	..
Belarus	..	6,778 <sup>a</sup>	..	..	..	..	..	..	..	..	..	..
Belgium <sup>b</sup>	71,192	157,860	11	11	3	2	17	7	8	4	58	73
Benin	302	869 <sup>a</sup>	26	..	1	..	8	..	1	..	62	..
Bolivia	655	1,601	19	11	1	1	1	3	2	2	78	83
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..	..	..
Botswana	..	..	..	..	..	..	..	..	..	..	..	..
Brazil	24,949	53,736	10	11	1	3	43	12	5	3	41	71
Bulgaria	9,650	4,313 <sup>a</sup>	..	..	..	..	..	..	..	..	..	..
Burkina Faso	358	783 <sup>a</sup>	20	..	2	..	13	..	1	..	64	..
Burundi	106	125 <sup>a</sup>	13	..	2	..	19	..	2	..	61	..
Cambodia	108	1,647 <sup>a</sup>	51	..	3	..	2	..	0	..	26	..
Cameroon	1,538	1,204	9	14	0	2	12	16	1	1	78	67
Canada	57,707	170,265	7	6	2	1	12	4	5	3	72	82
Central African Republic	80	180	21	12	1	14	2	8	2	1	75	61
Chad	37	217 <sup>a</sup>	23	24	2	1	2	18	1	1	72	56
Chile	5,123	16,810	15	7	2	1	18	11	2	1	60	78
China <sup>c</sup>	19,501 <sup>a</sup>	138,833 <sup>a</sup>	..	6	..	5	..	5	..	4	..	79
Hong Kong, China	22,027	198,543	12	6	4	2	6	2	2	2	75	88
Colombia	4,663	13,863	12	9	3	3	12	3	3	3	69	78
Congo, Dem. Rep.	1,117	1,331 <sup>a</sup>	9	..	2	..	12	..	1	..	75	..
Congo, Rep.	418	1,590 <sup>a</sup>	19	26	1	1	14	1	2	1	65	71
Costa Rica	1,596	3,871	9	12	2	1	15	9	2	2	68	77
Côte d'Ivoire	2,552	2,909 <sup>a</sup>	13	..	0	..	16	..	2	..	68	..
Croatia	..	7,788 <sup>a</sup>	..	11	..	2	..	11	..	3	..	69
Cuba	1,656	3,004 <sup>a</sup>	32	..	1	..	11	..	2	..	53	..
Czech Republic	..	27,709 <sup>a</sup>	..	7	..	2	..	9	..	3	..	79
Denmark	19,315	43,093	11	12	5	3	22	4	3	2	57	71
Dominican Republic	1,426	6,300 <sup>a</sup>	17	..	2	..	25	..	2	..	54	..
Ecuador	2,215	3,733	8	10	2	3	1	4	2	2	87	81
Egypt, Arab Rep.	4,860	13,020	32	29	6	6	1	1	1	3	59	60
El Salvador	976	2,670	18	17	2	3	18	12	2	1	61	66
Eritrea	..	..	..	..	..	..	..	..	..	..	..	..
Estonia	..	3,196 <sup>a</sup>	..	15	..	3	..	9	..	1	..	72
Ethiopia <sup>e</sup>	721	1,492 <sup>a</sup>	8	..	3	..	25	..	1	..	64	..
Finland	15,632	30,853	7	7	3	3	29	11	5	5	56	73
France	134,328	274,088	10	10	4	2	27	8	5	3	54	76
Gabon	674	898 <sup>a</sup>	19	19	0	1	1	4	1	1	78	75
Gambia, The	169	272 <sup>a</sup>	26	..	1	..	9	..	0	..	61	..
Georgia	..	884 <sup>a</sup>	..	..	..	..	..	..	..	..	..	..
Germany <sup>d</sup>	185,922	443,043	12	10	4	2	23	8	6	3	52	71
Ghana	1,129	3,219 <sup>a</sup>	10	..	1	..	27	..	2	..	59	..
Greece	10,531	26,881 <sup>a</sup>	9	16	5	2	23	7	2	3	60	71
Guatemala	1,559	3,146	8	14	2	1	24	15	1	1	65	68
Guinea	299	810 <sup>a</sup>	12	..	1	..	19	..	4	..	62	..
Guinea-Bissau	55	107 <sup>a</sup>	20	..	0	..	6	..	2	..	69	..
Haiti	536	865 <sup>a</sup>	22	..	1	..	13	..	1	..	62	..
Honduras	1,009	1,922	10	15	1	1	16	14	1	1	72	69
† Data for Taiwan, China	19,791	101,338	..	..	..	..	..	..	..	..	..	..



	Merchandise imports		Food		Agricultural raw materials		Fuels		Ores and metals		Manufactures	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Hungary	9,212	16,207	8	5	7	3	16	14	6	4	62	73
India	13,819	36,055 <sup>a</sup>	9	4	2	4	45	24	6	7	39	54
Indonesia	10,834	42,925	13	11	4	5	16	9	2	4	65	71
Iran, Islamic Rep.	9,330	13,926 <sup>a</sup>	21	..	4	..	1	..	2	..	72	..
Iraq	11,534	492 <sup>a</sup>	13	..	2	..	0	..	1	..	83	..
Ireland	11,133	35,750	12	8	3	1	15	4	2	2	66	77
Israel	8,023	29,796	11	7	3	1	26	6	4	2	57	82
Italy	98,119	202,908	13	12	7	5	28	9	6	4	45	68
Jamaica	1,178	2,916	20	15	1	2	38	15	2	1	39	65
Japan	139,892	347,496	12	16	9	5	50	17	10	6	19	55
Jordan	2,394	4,293 <sup>a</sup>	18	21	2	2	17	13	1	3	61	61
Kazakhstan	..	4,261 <sup>a</sup>	..	..	..	..	..	..	..	..	..	..
Korea, Dem. Rep.	..	2,201 <sup>a</sup>	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	22,228	144,724	10	6	11	5	30	17	6	5	43	67
Kuwait	6,554	8,113 <sup>a</sup>	15	16	1	1	1	1	1	2	81	81
Kyrgyz Republic	..	838 <sup>a</sup>	..	21	..	1	..	29	..	1	..	48
Lao PDR	85	642 <sup>a</sup>	21	..	0	..	19	..	1	..	56	..
Latvia	..	2,319 <sup>a</sup>	..	13	..	2	..	22	..	1	..	62
Lebanon	3,132	7,560 <sup>a</sup>	16	..	2	..	15	..	4	..	63	..
Lesotho	..	..	..	..	..	..	..	..	..	..	..	..
Libya	6,776	5,191 <sup>a</sup>	19	..	1	..	1	..	1	..	78	..
Lithuania	..	4,559 <sup>a</sup>	..	13	..	3	..	18	..	3	..	61
Macedonia, FYR	..	1,941 <sup>a</sup>	..	..	..	..	..	..	..	..	..	..
Madagascar	676	671 <sup>a</sup>	9	16	3	2	15	14	1	1	73	65
Malawi	440	687 <sup>a</sup>	8	14	1	1	15	11	1	1	75	73
Malaysia	10,735	76,082	12	5	2	1	15	3	4	3	67	85
Mali	491	1,159 <sup>a</sup>	19	..	0	..	35	..	0	..	45	..
Mauritania	287	616 <sup>a</sup>	30	..	1	..	14	..	0	..	52	..
Mauritius	619	2,255	26	16	4	3	14	8	1	1	54	71
Mexico	19,591	97,630 <sup>a</sup>	16	6	3	2	2	2	4	2	75	80
Moldova	..	1,522 <sup>a</sup>	..	8	..	3	..	46	..	2	..	42
Mongolia	..	451 <sup>a</sup>	..	14	..	1	..	19	..	1	..	65
Morocco	4,182	8,254	20	19	6	5	24	16	4	4	47	57
Mozambique	550	783 <sup>a</sup>	14	22	3	2	9	11	3	1	70	62
Myanmar	577	2,524 <sup>a</sup>	6	..	1	..	3	..	2	..	87	..
Namibia	..	..	..	..	..	..	..	..	..	..	..	..
Nepal	226	664 <sup>a</sup>	4	15	1	5	18	20	1	5	73	47
Netherlands	76,889	160,700	15	14	3	2	24	9	4	3	53	72
New Zealand	5,515	14,716	6	8	2	1	22	6	4	2	65	83
Nicaragua	882	1,076	15	19	1	1	20	9	1	1	63	71
Niger	608	567 <sup>a</sup>	14	..	0	..	26	..	3	..	55	..
Nigeria	13,408	6,433 <sup>a</sup>	15	..	0	..	7	..	2	..	76	..
Norway	16,952	34,290	8	7	3	2	17	5	5	5	67	80
Oman	1,732	4,610 <sup>a</sup>	15	20	1	1	11	2	0	2	66	70
Pakistan	5,350	11,812	13	15	3	4	27	21	3	3	54	57
Panama	1,447	2,778	10	11	1	1	31	16	1	1	58	71
Papua New Guinea	958	1,866 <sup>a</sup>	21	..	0	..	15	..	1	..	61	..
Paraguay	615	3,107	11	21	1	0	28	8	1	3	60	67
Peru	2,573	7,947	20	17	3	1	2	10	2	1	73	71
Philippines	8,295	34,663	8	8	2	2	28	9	3	3	48	78
Poland	19,089	37,092	14	10	5	3	18	9	6	3	51	75
Portugal	9,293	33,979	14	13	7	3	24	8	4	2	52	74
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..
Romania	13,201	11,435	..	7	..	2	..	21	..	4	..	65
Russian Federation	..	43,318 <sup>a</sup>	..	..	..	..	..	..	..	..	..	..



# 4.5

	Merchandise imports		Food		Agricultural raw materials		Fuels		Ores and metals		Manufactures	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Rwanda	155	385 <sup>a</sup>	10	..	3	..	13	..	0	..	72	..
Saudi Arabia	29,957	27,764 <sup>b</sup>	14	13	1	1	1	0	1	4	82	79
Senegal	1,038	1,672 <sup>a</sup>	25	32	1	2	25	10	0	2	48	53
Sierra Leone	268	334 <sup>a</sup>	24	..	1	..	2	..	1	..	71	..
Singapore	24,003	131,083	8	4	6	1	29	9	2	2	54	83
Slovak Republic	..	10,924 <sup>b</sup>	..	7	..	2	..	12	..	4	..	61
Slovenia	..	9,412 <sup>a</sup>	..	8	..	3	..	8	..	4	..	77
South Africa <sup>c</sup>	18,551	26,861	3	6	3	2	0	1	2	1	62	72
Spain	33,901	122,842	13	12	5	3	39	9	6	3	38	72
Sri Lanka	2,035	5,028 <sup>a</sup>	20	16	1	2	24	6	2	1	52	75
Sudan	1,499	1,439 <sup>b</sup>	26	..	1	..	13	..	1	..	60	..
Sweden	33,426	63,970	7	7	2	2	24	7	5	3	62	79
Switzerland	36,148	79,192	8	7	3	2	11	4	7	3	71	85
Syrian Arab Republic	4,124	6,399 <sup>a</sup>	14	..	3	..	26	..	2	..	55	..
Tajikistan	..	668 <sup>a</sup>	..	..	..	..	..	..	..	..	..	..
Tanzania	1,211	1,642 <sup>a</sup>	13	..	1	..	21	..	2	..	63	..
Thailand	9,450	73,289 <sup>b</sup>	5	4	3	4	30	7	4	3	51	81
Togo	550	1,032 <sup>a</sup>	17	..	1	..	23	..	0	..	59	..
Trinidad and Tobago	3,178	2,204	11	14	2	1	38	19	1	4	49	62
Tunisia	3,509	7,681	14	10	4	3	21	8	4	3	58	75
Turkey	7,573	42,733	4	7	2	5	48	14	3	5	43	69
Turkmenistan	..	1,313 <sup>a</sup>	..	..	..	..	..	..	..	..	..	..
Uganda	417	725 <sup>a</sup>	11	..	1	..	23	..	0	..	65	..
Ukraine	..	24,042 <sup>a</sup>	..	..	..	..	..	..	..	..	..	..
United Arab Emirates	8,098	30,374 <sup>a</sup>	11	..	1	..	11	..	2	..	74	..
United Kingdom	117,632	283,682	13	10	4	2	13	4	7	3	61	80
United States	250,280	814,888	8	5	3	2	33	9	5	2	50	78
Uruguay	1,652	3,322	8	11	4	3	29	11	3	1	56	74
Uzbekistan	..	4,761 <sup>a</sup>	..	..	..	..	..	..	..	..	..	..
Venezuela	10,669	8,902	14	16	3	3	2	1	2	3	79	77
Vietnam	618	13,910 <sup>b</sup>	37	..	2	..	5	..	0	..	55	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	1,853	3,443 <sup>a</sup>	28	29	0	2	7	8	1	1	63	59
Yugoslavia, FR (Serb./Mont.)	15,064	4,101	8	14	7	4	24	14	5	7	57	60
Zambia	1,100	1,106 <sup>a</sup>	5	..	1	..	22	..	1	..	71	..
Zimbabwe	193	2,808	6	10	2	2	12	10	1	1	73	73
<b>World</b>	<b>2,004,907 t</b>	<b>5,555,200 t</b>	<b>11 w</b>	<b>9 w</b>	<b>4 w</b>	<b>3 w</b>	<b>25 w</b>	<b>8 w</b>	<b>5 w</b>	<b>3 w</b>	<b>54 w</b>	<b>75 w</b>
<b>Low income</b>	..	294,697	..	9	..	5	..	11	..	4	..	69
Excl. China & India	..	..	..	..	..	..	..	..	..	..	..	..
<b>Middle income</b>	..	..	..	..	..	..	..	..	..	..	..	..
Lower middle income	..	..	..	..	..	..	..	..	..	..	..	..
Upper middle income	174,248	457,717	12	8	3	2	14	7	3	3	64	77
<b>Low &amp; middle income</b>	..	..	..	..	..	..	..	..	..	..	..	..
East Asia & Pacific	..	395,405	..	7	..	4	..	6	..	4	..	78
Europe & Central Asia	..	..	..	..	..	..	..	..	..	..	..	..
Latin America & Carib.	110,273	315,627	13	10	2	2	18	7	3	2	63	76
Middle East & N. Africa	100,712	..	18	..	3	..	7	..	2	..	70	..
South Asia	..	62,294	..	8	..	4	..	22	..	6	..	55
Sub-Saharan Africa	..	..	..	..	..	..	..	..	..	..	..	..
<b>High income</b>	<b>1,488,876</b>	<b>4,145,913</b>	<b>11</b>	<b>9</b>	<b>4</b>	<b>2</b>	<b>26</b>	<b>8</b>	<b>5</b>	<b>3</b>	<b>52</b>	<b>75</b>

a. Data are from IMF, *Direction of Trade Statistics*. b. Includes Luxembourg. c. Data prior to 1992 include Entrea. d. Data prior to 1990 refer to the Federal Republic of Germany before unification. e. Data are for the South African Customs Union, which includes Botswana, Lesotho, Namibia, and South Africa.



### About the data

Data on imports of goods are derived from the same sources as data on exports. In principle, world exports and imports should be identical. Similarly, exports from an economy should equal the sum of imports by the rest of the world from that economy. But differences in timing and definitions result in discrepancies in reported values at all levels. For further discussion of indicators of merchandise trade see *About the data* for tables 4.4 and 6.2.

The value of imports is generally recorded as the cost of the goods when purchased by the importer plus the cost of transport and insurance to the frontier of the importing country—the c.i.f. (cost, insurance, and freight) value. A few countries, including Australia, Canada, and the United States, collect import data on an f.o.b. (free on board) basis and adjust them for freight and insurance costs. Many countries collect and report trade data in U.S. dollars. When countries report in local currency, the United Nations Statistical Division applies the average official exchange rate for the period shown.

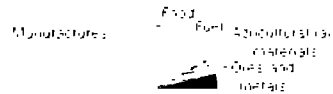
Countries may report trade according to the general or special system of trade (see *Primary data documentation*). Under the general system imports include goods imported for domestic consumption and imports into bonded warehouses and free trade zones. Under the special system imports comprise goods imported for domestic consumption (including transformation and repair) and withdrawals for domestic consumption from bonded warehouses and free trade zones. Goods transported through a country en route to another country are excluded.

Total imports and the share of imports by major commodity groups were estimated by World Bank staff from the COMTRADE database. Where necessary, data on total imports were supplemented from the IMF's *Direction of Trade Statistics*. The classification of commodity groups is based on the Standard International Trade Classification (SITC), revision 1. Shares may not sum to 100 percent because of unclassified trade. See table 6.2 for data on the growth of merchandise imports.

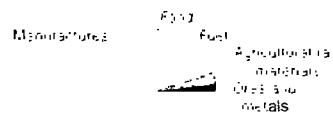
Figure 4.5a

### Regional imports follow similar patterns

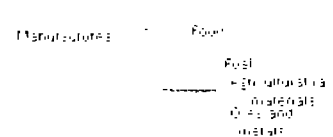
#### East Asia and the Pacific, 1996



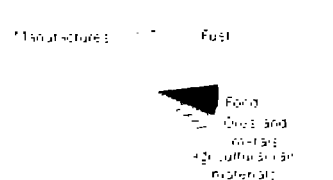
#### Latin America and the Caribbean, 1995



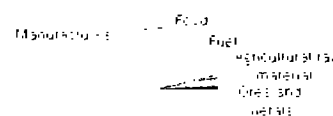
#### Middle East and North Africa, 1992



#### South Asia, 1995



#### High income economies, 1996



Source: World Bank staff estimates.

Because manufactured goods dominate world trade, the structure of regional imports and exports tend to look rather similar. A few exceptional cases include the large portion of fuel and the relatively smaller share of manufactured imports in South Asia and the larger share of food imports in the Middle East and North Africa.

### Definitions

- **Merchandise imports** show the c.i.f. value of goods purchased from the rest of the world valued in U.S. dollars.
- **Food** comprises the commodities in SITC sections 0 (food and live animals), 1 (beverages and tobacco), and 4 (animal and vegetable oils and fats) and SITC division 22 (oil seeds, oil nuts, and oil kernels).
- **Agricultural raw materials** comprise SITC section 2 (crude materials except fuels) excluding divisions 22, 27 (crude fertilizers and minerals excluding coal, petroleum, and precious stones), and 28 (metalliferous ores and scrap).
- **Fuels** comprise SITC section 3 (mineral fuels).
- **Ores and metals** comprise the commodities in SITC divisions 27, 28, and 68 (nonferrous metals).
- **Manufactures** comprise the commodities in SITC sections 5 (chemicals), 6 (basic manufactures), 7 (machinery and transport equipment), and 8 (miscellaneous manufactured goods), excluding division 68 (nonferrous metals).

### Data sources



The United Nations Conference on Trade and Development publishes data on the structure of exports and imports in its *Handbook of International Trade and Development Statistics*.

Estimates of total imports of goods are also published in the IMF's *International Financial Statistics* and *Direction of Trade Statistics* and in the United Nations *Monthly Bulletin of Statistics*.



## 4.6 Structure of service exports

	Service exports		Transport		Travel		Communications, computer, information, and other services		Insurance and financial services	
	\$ millions		% of total		% of total		% of total		% of total	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Albania	11	129	42.1	23.4	6.4	59.4	46.8	13.5	4.7	3.6
Algeria	476	..	41.0	..	24.1	..	29.5	..	5.4	..
Angola	..	150	..	21.4	..	0.0	..	68.5	..	10.1
Argentina	1,876	3,221	42.9	..	18.3	..	38.4	..	0.3	..
Armenia	..	78	..	49.9	..	4.9	..	45.2	..	..
Australia	3,860	18,424	49.3	28.1	29.5	49.3	19.9	17.8	1.3	4.8
Austria	9,423	24,315	7.3	11.5	68.9	52.0	21.3	23.6	2.6	12.9
Azerbaijan	..	186	..	..	..	..	..	..	..	..
Bangladesh	163	626	18.5	10.1	7.5	3.6	74.0	86.3	0.0	0.0
Belarus	..	613	..	..	..	..	..	..	..	..
Belgium <sup>a</sup>	12,925	36,325	32.7	26.1	14.1	17.7	48.6	41.8	4.7	14.4
Benin	62	104	56.8	56.8	14.1	22.5	26.8	20.6	2.3	..
Bolivia	88	207	33.5	40.2	41.0	29.3	16.6	21.7	8.9	8.8
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..
Botswana	101	260	41.7	14.7	22.2	62.2	32.0	16.0	4.1	7.1
Brazil	1,737	6,135	46.8	42.4	7.3	15.8	38.1	25.3	7.9	16.5
Bulgaria	1,211	1,357	36.3	31.7	28.7	28.6	31.0	39.6	4.0	..
Burkina Faso	49	56	17.3	11.8	10.2	32.6	72.5	55.6	..	..
Burundi	..	17	..	12.0	..	8.4	..	78.5	..	1.0
Cambodia	..	163	..	30.5	..	50.2	..	19.3	..	..
Cameroon	374	438	48.4	38.5	15.5	11.8	30.9	44.0	5.2	5.7
Canada	7,441	28,512	34.1	20.3	34.2	31.1	31.7	48.6	..	..
Central African Republic	54	33	6.5	0.0	5.1	0.0	86.1	100.0	2.4	..
Chad	0	55	0.0	1.9	100.0	21.3	..	76.1	0.0	0.7
Chile	1,263	3,356	32.2	39.7	13.9	27.6	51.9	29.0	2.1	3.8
China	2,512	20,601	52.3	14.9	28.0	49.5	11.7	35.0	8.0	0.6
Hong Kong, China	..	..	..	..	..	..	..	..	..	..
Colombia	1,342	3,867	31.1	36.6	35.6	23.5	27.6	26.1	5.6	13.9
Congo, Dem. Rep.	57	..	40.4	..	15.8	..	42.1	..	1.8	..
Congo, Rep.	111	96	46.0	46.7	6.7	6.1	42.7	47.3	4.6	..
Costa Rica	194	1,310	24.9	13.7	43.7	51.2	30.7	35.1	0.7	..
Côte d'Ivoire	564	734	50.0	27.3	14.4	10.3	25.7	58.1	9.9	4.3
Croatia	..	3,496	..	19.5	..	62.5	..	18.0	..	..
Cuba	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	8,181	..	16.3	..	49.9	..	31.6	..	2.2
Denmark	5,853	15,699	44.4	45.6	21.1	21.8	31.8	32.6	2.7	..
Dominican Republic	309	2,132	7.8	1.7	55.8	86.4	35.9	11.9	0.5	..
Ecuador	367	858	35.1	40.0	35.6	32.8	13.3	17.1	16.0	10.1
Egypt, Arab Rep.	2,393	10,636	52.4	29.0	24.8	34.6	22.4	35.4	0.4	1.0
El Salvador	139	388	18.3	24.9	9.6	22.0	50.5	46.3	21.6	6.9
Eritrea	..	105	..	..	..	..	..	..	..	..
Estonia	..	1,108	..	39.8	..	43.7	..	15.4	..	1.1
Ethiopia <sup>b</sup>	110	373	53.2	55.5	5.7	9.4	40.9	33.4	0.2	1.7
Finland	2,733	7,276	35.1	29.3	25.0	21.2	37.0	50.0	2.9	-0.5
France	43,506	88,891	24.2	22.8	19.0	31.9	53.4	36.2	3.4	9.1
Gabon	325	273	21.5	35.2	5.2	2.6	67.7	56.2	5.6	6.0
Gambia, The	18	101	0.0	15.5	100.0	52.4	0.0	31.9	0.0	0.2
Georgia	..	122	..	..	..	..	..	..	..	..
Germany <sup>c</sup>	33,062	84,639	26.6	23.3	15.1	20.8	57.4	48.9	0.8	7.0
Ghana	107	157	33.6	53.1	0.4	8.1	64.9	36.0	1.2	2.9
Greece	3,947	9,348	23.6	4.0	43.9	39.8	32.4	55.9	0.1	0.3
Guatemala	211	559	18.9	11.2	29.2	38.7	46.5	44.1	5.4	6.1
Guinea	..	124	..	12.2	..	5.2	..	80.2	..	2.3
Guinea-Bissau	6	..	8.9	..	12.5	..	78.6	..	..	..
Haiti	90	109	5.9	5.5	85.0	87.6	7.8	6.9	1.2	0.5
Honduras	82	258	36.9	21.9	30.1	31.1	18.5	45.3	14.5	1.7



	Service exports		Transport		Travel		Communications, computer, information, and other services		Insurance and financial services	
	\$ millions		% of total		% of total		% of total		% of total	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Hungary	633	5,004	5.4	8.3	63.5	44.9	30.5	42.2	0.6	4.6
India	2,949	10,087	15.0	27.9	52.2	38.1	31.5	31.5	1.2	2.5
Indonesia	449	5,681	15.1	0.0	50.8	95.9	34.1	4.1	..	..
Iran, Islamic Rep.	731	593	4.5	23.3	4.0	11.3	91.5	57.5	..	7.9
Iraq	..	..	..	..	..	..	..	..	..	..
Ireland	1,381	5,563	36.6	20.4	42.0	44.4	21.4	35.2	..	..
Israel	2,722	8,004	38.1	24.3	36.0	36.3	24.9	39.3	1.0	0.2
Italy	19,192	69,910	23.9	21.6	46.7	42.9	22.9	28.1	6.5	7.3
Jamaica	401	1,388	28.0	18.1	61.2	73.6	6.7	7.4	4.2	0.9
Japan	20,240	67,724	62.9	31.9	3.2	6.0	32.4	55.4	1.6	4.9
Jordan	750	1,846	27.0	20.4	51.9	40.3	21.1	39.3	..	..
Kazakhstan	..	674	..	..	..	..	..	..	..	..
Kenya	577	956	38.0	33.5	41.4	46.9	19.8	18.6	0.8	1.0
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	4,710	26,806	33.5	36.8	7.8	18.2	53.1	41.8	5.6	3.2
Kuwait	1,225	1,613	57.7	73.3	30.8	8.9	11.5	17.8	..	..
Kyrgyz Republic	..	22	..	..	..	..	..	..	..	..
Lao PDR	..	97	..	15.5	..	52.8	..	31.2	..	0.4
Latvia	..	1,126	..	62.8	..	19.1	..	6.8	..	11.4
Lebanon	..	630	..	..	..	..	..	..	..	..
Lesotho	32	38	2.0	8.2	37.8	46.0	60.2	45.8	..	..
Libya	164	..	64.5	..	6.2	..	29.4	..	..	..
Lithuania	..	798	..	44.9	..	39.6	..	14.4	..	1.1
Macedonia, FYR	..	185	..	..	..	..	..	..	..	..
Madagascar	79	293	49.4	27.1	6.3	22.1	44.0	49.2	0.4	1.6
Malawi	32	22	49.8	58.5	29.5	20.6	19.8	20.6	0.9	0.3
Malaysia	1,135	11,269	41.6	21.3	28.0	35.2	29.8	43.4	0.6	0.1
Mali	58	67	30.9	38.2	25.8	27.0	42.2	34.0	1.0	0.9
Mauritania	56	28	26.3	6.3	11.9	40.1	61.8	53.6	0.0	..
Mauritius	140	908	38.4	22.9	30.2	55.5	31.2	21.6	0.2	0.0
Mexico	4,591	10,901	9.7	..	69.7	..	10.4	..	10.2	..
Moldova	..	104	..	49.3	..	31.6	..	14.5	..	2.8
Mongolia	37	57	26.5	26.2	8.6	36.0	64.9	33.5	..	4.4
Morocco	783	2,360	20.3	18.1	57.9	56.7	20.7	23.4	1.1	1.8
Mozambique	118	242	78.5	24.8	0.0	..	21.5	75.2	..	..
Myanmar	60	309	34.5	..	19.7	..	43.6	..	2.3	..
Namibia	..	242	..	..	..	86.0	..	12.6	..	1.4
Nepal	127	643	5.9	10.0	40.8	21.2	53.3	68.8	..	..
Netherlands	17,150	49,185	51.5	41.0	13.1	13.3	34.3	44.2	1.2	1.4
New Zealand	1,009	4,708	58.2	33.9	21.1	51.7	19.6	14.6	1.1	-0.1
Nicaragua	44	132	36.0	13.0	48.6	44.2	14.9	40.8	0.5	2.0
Niger	41	33	33.5	1.2	15.2	21.3	50.9	77.5	0.4	0.0
Nigeria	1,127	640	80.9	10.5	6.0	4.8	6.5	84.4	6.6	0.3
Norway	8,615	13,918	74.5	56.9	8.8	16.7	16.3	19.0	0.4	7.4
Oman	9	13	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0
Pakistan	617	1,665	41.3	44.7	22.8	5.9	34.1	48.7	1.8	0.8
Panama	902	1,537	47.0	51.7	19.0	22.3	25.8	20.5	8.2	5.5
Papua New Guinea	43	436	33.8	7.7	28.3	3.1	36.9	86.0	1.0	3.1
Paraguay	118	1,229	2.0	2.9	55.3	56.5	42.6	40.5	0.2	..
Peru	715	1,371	30.9	24.9	40.9	46.1	24.9	21.4	3.2	7.6
Philippines	1,447	9,348	14.2	2.9	22.1	12.2	63.6	84.3	..	0.7
Poland	2,018	9,833	59.2	28.0	11.9	32.1	24.1	32.4	4.8	7.5
Portugal	2,006	8,141	23.5	17.9	57.3	57.7	18.1	19.5	1.2	4.9
Puerto Rico	..	..	..	..	..	..	..	..	..	..
Romania	1,063	1,563	37.6	36.6	30.5	33.8	27.8	24.8	4.2	4.7
Russian Federation	..	12,217	..	25.6	..	56.3	..	16.1	..	0.7



# 4.6

	Service exports		Transport		Travel		Communications, computer, information, and other services		Insurance and financial services	
	\$ millions		% of total		% of total		% of total		% of total	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Rwanda	32	21	42.3	33.1	10.8	16.3	46.3	50.7	0.6	..
Saudi Arabia	5,191	3,518	15.3	0.0	25.9	0.0	58.8	100.0	..	..
Senegal	337	556	19.1	10.1	29.3	30.2	51.3	59.3	0.3	0.4
Sierra Leone	49	100	31.4	12.3	25.5	69.0	43.1	18.5	..	0.2
Singapore	4,856	30,040	26.9	17.3	29.5	26.6	42.5	54.5	1.1	1.6
Slovak Republic	..	2,066	..	31.1	..	32.6	..	30.9	..	5.4
Slovenia	..	2,127	..	22.6	..	57.8	..	19.1	..	0.5
South Africa	2,929	4,253	41.8	27.0	47.1	52.3	2.5	11.0	8.6	9.6
Spain	11,593	44,364	25.9	15.2	60.0	62.3	11.6	18.8	2.4	3.6
Sri Lanka	231	765	18.8	44.3	42.9	21.7	37.4	30.4	1.0	3.6
Sudan	216	115	9.2	1.6	17.9	16.6	72.4	81.9	0.5	0.0
Sweden	7,489	16,930	40.5	30.2	12.9	21.8	44.0	45.7	2.6	2.4
Switzerland	6,888	26,225	18.8	9.4	46.0	34.2	30.5	26.9	4.7	29.5
Syrian Arab Republic	365	1,833	17.2	13.4	42.9	65.8	39.9	20.8	..	..
Tajikistan	..	2	..	..	..	..	..	..	..	..
Tanzania	165	667	39.5	11.5	12.6	77.8	46.4	7.7	1.5	0.4
Thailand	1,490	17,008	20.1	15.4	58.2	53.4	21.2	29.0	0.5	0.7
Togo	74	73	38.3	14.2	35.2	32.6	25.0	52.7	1.4	0.5
Trinidad and Tobago	411	343	27.7	56.6	37.3	22.6	35.0	12.0	..	8.9
Tunisia	1,067	2,632	19.4	24.4	64.1	60.3	14.8	13.4	1.6	1.9
Turkey	711	13,051	37.4	13.5	45.9	43.3	16.3	40.9	0.4	2.3
Turkmenistan	..	..	..	..	..	..	..	..	..	..
Uganda	10	135	0.0	13.7	40.4	81.1	59.6	5.2	..	..
Ukraine	..	4,799	..	75.6	..	6.7	..	15.0	..	2.7
United Arab Emirates	..	..	..	..	..	..	..	..	..	..
United Kingdom	36,452	79,389	38.9	22.6	19.0	25.2	42.1	41.0	..	11.2
United States	47,550	234,687	29.9	20.4	22.3	34.2	44.6	41.1	3.2	4.3
Uruguay	468	1,359	18.6	29.5	63.7	47.5	14.8	21.7	2.9	1.2
Uzbekistan	..	380	..	..	..	..	..	..	..	..
Venezuela	693	1,565	41.1	30.4	35.1	56.5	9.5	13.0	14.4	0.1
Vietnam	..	2,364	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	..	191	..	17.3	..	27.8	..	54.9	..	..
Yugoslavia, FR (Serb./Mont.)	..	..	..	..	..	..	..	..	..	..
Zambia	152	..	56.8	..	13.9	..	25.3	..	4.1	..
Zimbabwe	169	383	56.9	24.3	14.6	46.7	26.1	28.7	2.4	0.3
<b>World</b>	<b>413,965 t</b>	<b>1,355,168 t</b>	..	..	..	..	..	..	..	..
<b>Low income</b>	<b>11,623</b>	<b>46,899</b>	..	..	..	..	..	..	..	..
Excl. China & India	7,064	15,956	..	..	..	..	..	..	..	..
<b>Middle income</b>	<b>68,474</b>	<b>242,524</b>	..	..	..	..	..	..	..	..
Lower middle income	..	..	..	..	..	..	..	..	..	..
Upper middle income	24,317	67,872	..	..	..	..	..	..	..	..
<b>Low &amp; middle income</b>	<b>79,442</b>	<b>287,903</b>	..	..	..	..	..	..	..	..
East Asia & Pacific	8,864	64,989	..	..	..	..	..	..	..	..
Europe & Central Asia	..	..	..	..	..	..	..	..	..	..
Latin America & Carib.	17,799	48,369	..	..	..	..	..	..	..	..
Middle East & N. Africa	13,985	30,113	..	..	..	..	..	..	..	..
South Asia	4,180	14,128	..	..	..	..	..	..	..	..
Sub-Saharan Africa	9,009	13,997	..	..	..	..	..	..	..	..
<b>High income</b>	<b>336,480</b>	<b>1,066,134</b>	..	..	..	..	..	..	..	..

a. Includes Luxembourg. b. Data prior to 1992 include Entrea. c. Data prior to 1990 refer to the Federal Republic of Germany before unification.



### About the data

Balance of payments statistics, the main source of information for international trade in services, have many weaknesses. Until recently some large economies—such as the former Soviet Union—did not report data on trade in services. *Disaggregation of important components may be limited and varies significantly across countries.* There are inconsistencies in the methods used to report items. And the recording of major flows as net items is common (for example, insurance transactions are often recorded as premiums less claims). These factors contribute to a downward bias in the value of the service trade reported in the balance of payments.

Efforts are being made to improve the coverage, quality, and consistency of these data. Eurostat and the Organisation for Economic Co-operation and Development, for example, are working together to improve the collection of statistics on trade in services in member countries. In addition, the International Monetary Fund (IMF) is implementing the

new classification of trade in services introduced in the fifth edition of its *Balance of Payments Manual* (1993).

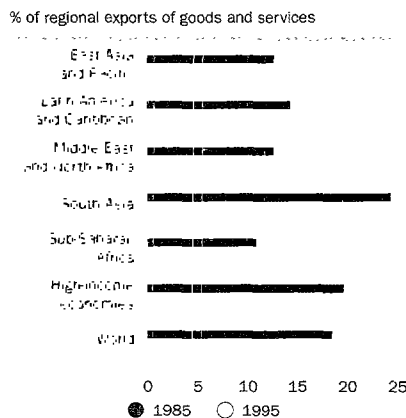
Still, difficulties in capturing all the dimensions of international trade in services mean that the record is likely to remain incomplete. Cross-border intrafirm service transactions, which are usually not captured in the balance of payments, are increasing rapidly as foreign direct investment expands and electronic networks become pervasive. One example of such transactions is transnational corporations' use of mainframe computers around the clock for data processing, exploiting time zone differences between their home country and the host countries of their affiliates. Another important dimension of services trade not captured by conventional balance of payments statistics is establishment trade—sales in the host country by foreign affiliates. By contrast, cross-border intrafirm transactions in merchandise may be reported as exports or imports in the balance of payments.

### Definitions

- **Service exports** refer to economic output of intangible commodities that may be produced, transferred, and consumed at the same time. International transactions in services are defined by the IMF's *Balance of Payments Manual* (1993), but definitions may nevertheless vary among reporting economies.
- **Transport** covers all transport services (sea, air, land, internal waterway, space, and pipeline) performed by residents of one economy for those of another and involving the carriage of passengers, movement of goods (freight), rental of carriers with crew, and related support and auxiliary services. Excluded are freight insurance, which is included in insurance services; goods procured in ports by non-resident carriers and repairs of transport equipment, which are included in goods; repairs of railway facilities, harbors, and airfield facilities, which are included in construction services; and rental of carriers without crew, which is included in other services.
- **Travel** covers goods and services acquired from an economy by travelers in that economy for their own use during visits of less than one year for business or personal purposes.
- **Communications, computer, information, and other services** cover international telecommunications and postal and courier services; computer data; news-related service transactions between residents and nonresidents; construction services; royalties and license fees; miscellaneous business, professional, and technical services; personal, cultural, and recreational services; and government services not included elsewhere.
- **Insurance and financial services** cover various types of insurance provided to nonresidents by resident insurance enterprises and vice versa, and financial intermediary and auxiliary services (except those of insurance enterprises and pension funds) exchanged between residents and nonresidents.

Figure 4.6a

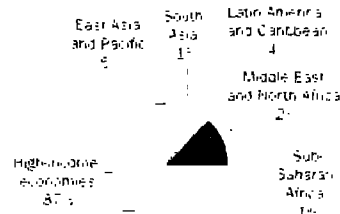
### Service exports are increasing



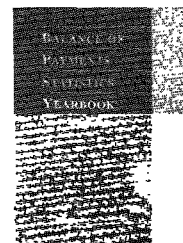
Source: International Monetary Fund, balance of payments data files.

The importance of service exports has increased in every region except South Asia, which already had the largest share of services in its export trade. East Asia and the Pacific was the fastest-growing service exporter during 1985–95, but service exports remain overwhelmingly a business of high-income countries.

% of global service exports, 1996



### Data sources



Data on exports and imports of services come from the IMF's balance of payments data files. The IMF publishes balance of payments data in its *International Financial Statistics and Balance of Payments Statistics Yearbook*.





## 4.7 Structure of service imports

	Service imports		Transport		Travel		Communications, computer, information, and other services		Insurance and financial services	
	\$ millions		% of total		% of total		% of total		% of total	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Albania	18	189	43.7	43.3	0.0	6.2	51.4	34.5	4.9	15.9
Algeria	2,697	..	39.9	..	12.4	..	40.9	..	6.8	..
Angola	..	1,563	..	20.1	..	5.6	..	72.0	..	2.3
Argentina	3,788	5,716	33.6	..	47.3	..	19.1	..	..	..
Armenia	..	129	..	71.7	..	17.0	..	3.6	..	7.7
Australia	6,532	18,495	47.4	36.4	28.1	31.3	23.2	27.0	1.3	5.3
Austria	6,204	22,455	12.7	8.6	50.6	48.9	32.4	26.7	4.2	15.8
Azerbaijan	..	399	..	..	..	..	..	..	..	..
Bangladesh	173	733	64.3	65.5	3.3	11.7	26.4	16.3	6.0	6.4
Belarus	..	183	..	..	..	..	..	..	..	..
Belgium <sup>a</sup>	12,827	33,811	29.7	22.3	25.7	28.3	39.4	38.4	5.2	11.0
Benin	109	111	56.9	65.8	7.1	5.3	25.9	23.0	10.1	5.8
Bolivia	259	377	53.3	61.7	21.3	13.4	16.2	15.8	9.1	9.1
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..
Botswana	216	444	42.4	42.2	26.0	32.7	27.8	17.1	3.7	8.0
Brazil	4,871	13,630	56.5	42.6	7.5	24.9	35.0	23.3	1.0	9.2
Bulgaria	549	1,234	51.3	38.5	8.6	16.1	34.4	45.4	5.7	..
Burkina Faso	209	138	58.0	46.9	15.3	16.4	21.9	32.6	4.8	4.0
Burundi	..	102	..	30.0	..	24.9	..	41.2	..	3.9
Cambodia	..	222	..	44.9	..	6.5	..	44.6	..	4.0
Cameroon	377	657	39.0	34.4	11.5	21.1	44.1	37.5	5.4	7.0
Canada	10,805	35,772	29.5	22.6	30.5	31.0	40.0	46.4	..	..
Central African Republic	142	114	47.3	43.7	24.5	38.0	23.5	10.4	4.7	7.9
Chad	24	199	6.4	48.1	57.5	13.0	35.4	37.6	0.7	1.3
Chile	1,583	3,587	52.4	52.9	12.6	22.4	32.3	26.8	2.7	-2.0
China	2,024	22,585	61.6	45.7	3.3	19.8	30.7	33.5	4.4	1.0
Hong Kong, China	..	..	..	..	..	..	..	..	..	..
Colombia	1,170	4,094	45.3	28.2	20.5	22.1	24.0	32.7	10.2	16.9
Congo, Dem. Rep.	608	..	41.9	..	8.1	..	46.1	..	3.9	..
Congo, Rep.	480	708	27.0	33.3	6.1	7.5	63.5	57.1	3.5	2.1
Costa Rica	286	947	58.2	40.1	21.1	34.6	13.9	18.7	6.7	6.6
Côte d'Ivoire	1,531	1,502	38.6	40.1	15.8	16.5	37.7	41.6	7.9	1.8
Croatia	..	3,185	..	42.4	..	32.4	..	25.2	..	..
Cuba	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	6,264	..	11.2	..	47.3	..	37.1	..	4.5
Denmark	4,663	14,819	47.7	44.7	27.4	27.9	22.9	27.4	2.0	..
Dominican Republic	399	962	39.6	56.8	41.6	21.1	14.7	9.9	4.1	12.2
Ecuador	704	975	36.0	43.0	32.4	22.5	19.1	19.5	12.4	15.1
Egypt, Arab Rep.	2,343	6,253	40.3	32.6	7.2	25.9	49.1	37.7	3.4	3.8
El Salvador	273	490	29.3	52.7	38.8	14.8	20.7	21.5	11.2	11.0
Eritrea	..	..	..	..	..	..	..	..	..	..
Estonia	..	608	..	45.0	..	16.6	..	34.1	..	4.3
Ethiopia <sup>b</sup>	90	234	72.2	60.9	2.2	8.2	25.6	25.1	..	5.8
Finland	2,555	8,773	39.4	23.1	23.1	25.3	35.1	49.6	2.4	1.9
France	32,148	72,087	28.4	28.6	18.7	24.3	48.1	35.8	4.8	11.3
Gabon	789	949	22.0	29.6	12.2	18.3	60.1	48.3	5.7	3.8
Gambia, The	42	77	55.8	40.3	3.5	20.6	33.2	35.1	7.4	3.9
Georgia	..	105	..	..	..	..	..	..	..	..
Germany <sup>c</sup>	42,378	128,060	25.1	19.3	41.2	39.7	33.2	38.5	0.6	2.6
Ghana	270	456	39.7	47.0	12.1	4.9	45.8	41.1	2.3	7.0
Greece	1,428	4,238	41.5	29.8	21.6	28.6	31.1	36.9	5.8	4.7
Guatemala	487	660	37.0	43.5	33.6	20.5	26.0	28.4	3.3	7.6
Guinea	..	422	..	34.7	..	6.3	..	52.6	..	6.3
Guinea-Bissau	14	21	47.9	52.6	11.0	..	36.0	41.5	5.0	5.8
Haiti	162	283	49.3	66.8	25.1	13.1	23.0	20.1	2.7	..
Honduras	174	334	53.3	58.9	17.8	17.1	16.6	21.6	12.3	2.4



	Service imports		Transport		Travel		Communications, computer, information, and other services		Insurance and financial services	
	\$ millions		% of total		% of total		% of total		% of total	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Hungary	524	3,506	60.3	9.0	26.9	27.3	6.1	56.9	6.7	6.7
India	1,516	8,287	60.0	55.5	3.8	9.7	31.0	29.3	5.3	5.4
Indonesia	4,998	13,475	40.1	35.2	11.9	16.1	44.2	45.4	3.8	3.2
Iran, Islamic Rep.	5,223	2,339	43.6	40.3	32.5	10.3	17.4	40.1	6.4	9.3
Iraq	..	..	..	..	..	..	..	..	..	..
Ireland	1,593	13,260	43.9	14.3	36.6	16.4	16.1	68.1	3.4	1.3
Israel	2,310	10,080	44.1	33.6	35.6	36.3	18.5	28.0	1.8	2.1
Italy	16,249	67,445	43.8	35.0	11.8	23.4	31.3	33.1	13.1	8.5
Jamaica	370	1,034	55.4	47.6	8.9	14.3	23.8	28.7	11.8	9.4
Japan	32,360	129,962	52.2	25.9	14.2	28.5	31.3	40.0	2.3	3.8
Jordan	819	1,603	32.8	45.0	33.1	23.9	28.1	25.2	6.0	6.0
Kazakhstan	..	928	..	..	..	..	..	..	..	..
Kenya	502	860	66.2	53.8	4.6	19.4	18.0	21.0	11.2	5.8
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	4,089	32,154	55.8	35.9	8.6	23.3	30.0	38.0	5.6	2.8
Kuwait	3,067	5,107	38.8	33.4	43.7	48.8	16.9	16.5	0.6	1.3
Kyrgyz Republic	..	49	..	..	..	..	..	..	..	..
Lao PDR	..	119	..	34.5	..	24.9	..	39.8	..	0.8
Latvia	..	742	..	23.4	..	50.3	..	19.4	..	7.0
Lebanon	..	604	..	..	..	..	..	..	..	..
Lesotho	50	64	31.6	50.8	15.8	10.6	49.7	33.6	2.8	5.0
Libya	2,303	..	51.4	..	20.4	..	23.2	..	5.0	..
Lithuania	..	677	..	44.2	..	39.3	..	15.6	..	0.9
Macedonia, FYR	..	379	..	..	..	..	..	..	..	..
Madagascar	311	373	57.3	46.7	9.9	19.3	28.0	33.2	4.8	0.8
Malawi	179	234	81.7	83.0	5.6	6.5	5.3	2.0	7.4	8.5
Malaysia	2,957	14,442	44.3	38.2	24.5	16.0	31.2	45.7	..	..
Mali	212	324	65.8	51.1	9.6	16.7	18.3	26.7	6.2	5.6
Mauritania	128	217	59.1	55.7	13.6	10.5	24.2	32.4	3.1	1.3
Mauritius	174	680	64.7	41.1	12.9	26.3	15.2	28.5	7.2	4.1
Mexico	6,514	10,819	28.2	38.6	47.0	31.3	16.3	19.0	8.5	8.9
Moldova	..	182	..	49.7	..	21.0	..	25.0	..	3.9
Mongolia	31	95	48.4	63.7	0.3	20.4	51.3	15.8	..	..
Morocco	1,436	1,984	34.4	36.5	6.8	15.1	55.5	42.4	3.3	5.9
Mozambique	124	350	79.0	32.7	0.0	..	14.5	65.1	6.5	2.2
Myanmar	85	122	56.8	..	4.6	..	31.7	..	6.9	..
Namibia	..	494	..	38.2	..	15.1	..	39.9	..	6.8
Nepal	81	261	30.1	22.9	29.2	51.4	38.2	25.7	2.5	..
Netherlands	18,148	45,736	43.9	30.2	26.6	25.2	27.1	41.7	2.4	2.9
New Zealand	1,843	5,037	39.4	41.2	28.3	29.4	31.8	25.9	0.6	3.5
Nicaragua	104	246	50.7	36.9	29.9	24.4	14.2	35.1	5.2	3.7
Niger	279	152	43.0	58.9	6.6	8.8	43.7	30.3	6.7	2.0
Nigeria	5,285	4,215	33.7	9.4	18.7	27.0	44.8	62.6	2.8	1.0
Norway	6,996	13,465	52.2	38.5	21.1	28.5	23.3	22.9	3.4	10.1
Oman	518	1,037	34.1	42.8	6.2	4.5	55.9	47.9	3.8	4.8
Pakistan	853	3,159	64.5	55.4	9.6	15.2	22.8	25.8	3.0	3.6
Panama	588	1,012	65.4	66.7	9.5	13.4	14.9	11.5	10.2	8.3
Papua New Guinea	302	747	60.4	24.1	5.9	9.6	28.9	58.3	4.8	7.9
Paraguay	260	960	58.0	53.8	21.0	23.6	13.2	12.5	7.9	10.1
Peru	880	2,050	55.4	41.2	12.2	17.1	25.2	30.9	7.2	10.7
Philippines	1,439	6,926	52.1	29.6	7.4	6.1	39.8	62.7	0.8	1.6
Poland	2,023	6,429	59.9	26.3	12.9	9.1	25.3	50.2	2.0	14.4
Portugal	1,525	6,943	48.8	25.1	19.1	33.9	27.2	33.8	4.9	7.2
Puerto Rico	..	..	..	..	..	..	..	..	..	..
Romania	1,045	1,948	76.8	35.5	7.0	34.1	7.7	25.8	8.5	4.5
Russian Federation	..	18,595	..	13.4	..	57.7	..	28.2	..	0.5



# 4.7

	Service imports		Transport		Travel		Communications, computer, information, and other services		Insurance and financial services	
	\$ millions		% of total		% of total		% of total		% of total	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Rwanda	123	150	63.5	30.0	9.3	8.3	27.3	61.7	..	..
Saudi Arabia	30,231	22,049	17.1	9.8	8.1	0.0	73.3	89.1	1.5	1.1
Senegal	340	578	46.9	39.9	17.6	12.4	29.0	42.8	6.5	4.9
Sierra Leone	85	108	54.8	14.5	9.8	57.5	23.4	24.8	11.9	3.2
Singapore	2,912	18,730	38.3	33.8	11.4	32.5	46.1	28.3	4.3	5.3
Slovak Republic	..	2,027	..	19.4	..	23.8	..	47.8	..	9.0
Slovenia	..	1,423	..	28.4	..	38.1	..	31.9	..	1.5
South Africa	3,805	5,689	48.4	46.7	20.3	27.5	20.0	17.0	11.3	8.8
Spain	5,732	24,352	38.6	28.4	21.5	20.2	34.6	44.4	5.4	7.1
Sri Lanka	351	1,202	60.4	57.3	9.5	14.6	23.5	22.1	6.5	6.0
Sudan	258	193	34.3	64.0	16.8	13.8	44.5	21.7	4.5	0.3
Sweden	7,018	18,755	35.9	26.2	31.6	33.3	28.1	39.1	4.4	1.4
Switzerland	4,885	15,387	30.4	24.9	48.8	49.0	19.3	25.1	1.6	1.0
Syrian Arab Republic	521	1,555	26.6	51.3	33.9	33.0	37.3	15.7	2.2	..
Tajikistan	..	..	..	..	..	..	..	..	..	..
Tanzania	132	1,018	62.1	23.1	6.7	43.2	25.6	30.1	5.5	3.4
Thailand	1,644	19,585	64.4	40.1	14.8	21.9	14.8	31.7	5.9	4.9
Togo	167	78	62.7	48.4	14.1	29.7	16.7	11.5	6.6	10.4
Trinidad and Tobago	645	242	45.7	38.9	21.6	28.7	23.5	25.1	9.2	7.3
Tunisia	600	1,259	51.1	40.1	17.7	19.9	25.5	33.6	5.7	6.4
Turkey	569	6,396	50.5	26.7	18.3	19.8	27.1	46.9	4.2	6.6
Turkmenistan	..	..	..	..	..	..	..	..	..	..
Uganda	123	383	58.2	34.7	14.6	20.4	22.8	41.0	4.4	3.9
Ukraine	..	1,625	..	34.0	..	15.7	..	42.9	..	7.3
United Arab Emirates	..	..	..	..	..	..	..	..	..	..
United Kingdom	27,933	68,153	47.5	28.0	22.9	38.2	29.6	32.7	..	1.2
United States	40,970	152,774	37.5	29.0	25.4	32.7	35.0	33.4	2.1	5.0
Uruguay	476	820	31.8	43.7	42.6	27.2	18.1	27.7	7.5	1.5
Uzbekistan	..	463	..	..	..	..	..	..	..	..
Venezuela	4,253	4,900	31.7	25.0	47.0	46.4	16.5	25.8	4.8	2.8
Vietnam	..	2,390	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	..	757	..	45.4	..	12.8	..	41.8	..	..
Yugoslavia, FR (Serb./Mont.)	..	..	..	..	..	..	..	..	..	..
Zambia	651	..	53.5	..	8.5	..	33.9	..	4.0	..
Zimbabwe	395	712	43.3	50.7	40.3	16.9	13.9	29.8	2.6	2.6
<b>World</b>	<b>456,685 t</b>	<b>1,340,766 t</b>	..	..	..	..	..	..	..	..
<b>Low income</b>	<b>22,029</b>	<b>64,428</b>	..	..	..	..	..	..	..	..
Excl. China & India	19,929	31,200	..	..	..	..	..	..	..	..
<b>Middle income</b>	<b>161,500</b>	<b>279,679</b>	..	..	..	..	..	..	..	..
Lower middle income	..	..	..	..	..	..	..	..	..	..
Upper middle income	62,647	100,655	..	..	..	..	..	..	..	..
<b>Low &amp; middle income</b>	<b>157,286</b>	<b>336,906</b>	..	..	..	..	..	..	..	..
East Asia & Pacific	14,719	86,060	..	..	..	..	..	..	..	..
Europe & Central Asia	..	..	..	..	..	..	..	..	..	..
Latin America & Carib.	32,387	58,696	..	..	..	..	..	..	..	..
Middle East & N. Africa	55,014	48,471	..	..	..	..	..	..	..	..
South Asia	3,186	14,000	..	..	..	..	..	..	..	..
Sub-Saharan Africa	20,546	28,046	..	..	..	..	..	..	..	..
<b>High income</b>	<b>313,872</b>	<b>1,019,680</b>	..	..	..	..	..	..	..	..

a. Includes Luxembourg. b. Data prior to 1992 include Eritrea. c. Data prior to 1990 refer to the Federal Republic of Germany before unification.



### About the data

Although the data have many deficiencies, it is clear that trade in services has grown faster than trade in merchandise over the past 15 years. During 1980–95 service trade grew an average 8 percent a year, compared with 6 percent for merchandise trade (in nominal terms). This rapid growth boosted commercial services' share in global trade from 16 percent in 1980 to 18 percent in 1995. The most dynamic trade is in private services

such as financial, brokerage, and leasing services. Growing by an average 9.5 percent a year, trade in these services rose from 37 percent of commercial services trade in 1980 to 45 percent in 1993. Tourism is another rapidly growing sector (see table 6.15).

Data on service imports are taken from balance of payments statistics. For more information on trade in services see *About the data* for table 4.7.

### Definitions

• **Services imports** refer to economic output of intangible commodities that may be produced, transferred, and consumed at the same time. International transactions in services are defined by the International Monetary Fund's (IMF) *Balance of Payments Manual* (1993), but definitions may nevertheless vary among reporting economies. • **Transport** covers all transport services (sea, air, land, internal waterway, space, and pipeline) performed by residents of one economy for those of another and involving the carriage of passengers, movement of goods (freight), rental of carriers with crew, and related support and auxiliary services. Excluded are freight insurance, which is included in insurance services; goods procured in ports by non-resident carriers and repairs of transport equipment, which are included in goods; repairs of railway facilities, harbors, and airfield facilities, which are included in construction services; and rental of carriers without crew, which is included in other services. • **Travel** covers goods and services acquired from an economy by travelers in that economy for their own use during visits of less than one year for business or personal purposes. • **Communications, computer, information, and other services** cover international telecommunications and postal and courier services; computer data; news-related service transactions between residents and nonresidents; construction services; royalties and license fees; miscellaneous business, professional, and technical services; personal, cultural, and recreational services; and government services not included elsewhere. • **Insurance and financial services** cover various types of insurance provided to nonresidents by resident insurance enterprises and vice versa, and financial intermediary and auxiliary services (except those of insurance enterprises and pension funds) exchanged between residents and nonresidents.

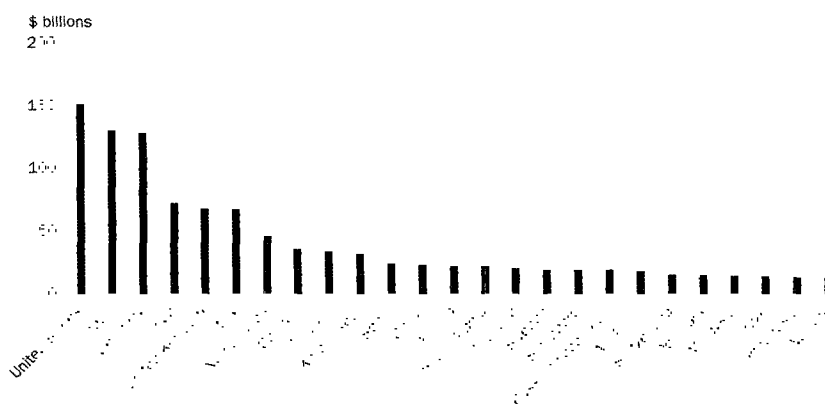
### Data sources



Data on exports and imports of services come from the IMF's balance of payments data files. The IMF publishes balance of payments data in its *International Financial Statistics and Balance of Payments Statistics Yearbook*.

Figure 4.7a

### The top 25 service importers in 1996



Source: International Monetary Fund, balance of payments data files.

The same countries that are the largest exporters of services also tend to be the largest importers. As trade in services continues to grow, more developing countries will begin to enter the ranks of major traders.



## 4.8 Structure of demand

	Private consumption		General government consumption		Gross domestic investment		Exports of goods and services		Imports of goods and services		Gross domestic savings	
	% of GDP		% of GDP		% of GDP		% of GDP		% of GDP		% of GDP	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Albania	56	94	9	13	35	21	..	13	..	40	..	-7
Algeria	43	52	14	14	39	27	34	32	30	25	43	34
Angola	..	19	..	33	..	11	..	77	..	40	..	48
Argentina	76	82	.. <sup>a</sup>	.. <sup>a</sup>	25	19	5	9	6	9	24	18
Armenia	47	115	16	13	29	10	..	24	..	62	37	-28
Australia	59	61	18	18	25	21	16	21	18	21	24	21
Austria	55	56	18	20	29	25	36	39	38	39	27	24
Azerbaijan	..	87	..	9	..	24	..	21	..	42	..	4
Bangladesh	92	79	6	14	15	17	6	14	18	24	2	7
Belarus	..	59	..	23	..	25	..	44	..	52	..	17
Belgium	63	62	18	15	22	18	62	73	65	68	19	23
Benin	96	80	9	11	15	17	23	25	43	33	-5	9
Bolivia	67	79	14	13	15	15	21	20	17	27	19	8
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..	..	..
Botswana	47	28	18	29	35	24	50	51	49	33	36	43
Brazil	70	66	9	16	23	19	9	7	11	8	21	18
Bulgaria	55	71	6	12	34	14	36	65	31	62	39	17
Burkina Faso	95	79	10	13	17	25	10	12	33	29	-6	8
Burundi	91	91	9	10	14	9	9	4	23	14	-1	-1
Cambodia	..	87	..	8	..	21	..	27	..	43	..	5
Cameroon	70	71	10	8	21	16	27	19	27	13	20	21
Canada	55	60	19	20	24	18	28	38	27	35	25	21
Central African Republic	94	89	15	8	7	6	25	19	41	22	-9	3
Chad	99	85	8	13	4	19	24	28	41	44	-6	3
Chile	71	65	12	9	21	28	23	27	27	29	17	26
China	51	45	15	11	35	42	6	21	7	19	35	44
HONG KONG CHINA	..	..	..	..	..	..	..	..	..	143	34	31
Colombia	70	72	10	10	19	21	16	17	16	20	20	17
Congo, Dem. Rep.	82	88	8	4	10	6	16	35	16	33	10	8
Congo, Rep.	47	59	18	11	36	61	60	67	60	97	36	30
Costa Rica	66	60	18	17	27	23	26	45	37	46	16	22
Côte d'Ivoire	63	68	17	12	27	14	35	45	41	38	20	20
Croatia	..	66	..	30	..	15	..	42	..	53	..	3
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	51	..	22	..	35	..	55	..	62	..	27
Denmark	56	54	27	25	19	17	33	34	34	30	17	21
Dominican Republic	77	75	8	6	25	24	19	29	29	34	15	19
Ecuador	60	66	15	12	26	17	25	31	25	26	26	22
Egypt, Arab Rep.	69	78	16	10	28	17	31	21	43	25	15	12
El Salvador	72	87	14	9	13	16	34	21	33	33	14	3
Eritrea	..	127	..	.. <sup>a</sup>	..	26	..	32	..	85	..	-27
Estonia	..	61	..	25	..	27	..	73	..	86	..	14
Ethiopia <sup>b</sup>	83	82	14	12	9	21	11	13	17	27	3	7
Finland	54	53	18	22	29	16	33	38	34	30	28	25
France	59	60	18	19	24	18	22	23	23	21	23	21
Gabon	26	46	13	11	28	20	65	60	32	37	61	43
Gambia, The	79	77	20	18	26	21	47	58	72	74	1	5
Georgia	56	100	13	7	29	4	..	17	..	28	31	-7
Germany	..	57	..	20	..	23	..	24	..	23	..	23
Ghana	84	79	11	12	6	19	8	27	9	38	5	8
Greece	71	81	12	14	24	14	16	16	22	27	18	5
Guatemala	79	87	8	5	16	13	22	18	25	23	13	8
Guinea	..	82	..	8	..	13	..	19	..	22	..	10
Guinea-Bissau	77	93	29	7	30	22	8	10	44	32	-6	1
Haiti	82	101	10	9	17	2	22	7	31	28	8	-7
Honduras	70	63	13	9	25	32	36	48	44	52	17	27



	Private consumption		General government consumption		Gross domestic investment		Exports of goods and services		Imports of goods and services		Gross domestic savings	
	% of GDP		% of GDP		% of GDP		% of GDP		% of GDP		% of GDP	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Hungary	61	64	10	10	31	27	39	39	41	40	29	26
India	73	66	10	10	21	27	7	12	10	15	17	24
Indonesia	51	59	11	8	24	32	34	26	20	25	38	33
Iran, Islamic Rep.	53	53	21	13	30	29	13	21	16	16	26	34
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	..	55	19	15	..	15	48	75	61	59	..	30
Israel	50	58	39	29	22	24	40	29	51	40	11	13
Italy	61	61	15	16	27	18	22	28	25	23	24	22
Jamaica	64	71	20	16	16	27	51	55	51	68	16	14
Japan	59	60	10	10	32	29	14	9	15	8	31	30
Jordan	79	66	29	23	37	35	40	50	84	75	-8	11
Kazakhstan	..	68	..	12	..	23	..	31	..	34	..	20
Kenya	62	69	20	15	29	20	28	33	39	37	18	17
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	64	55	12	11	32	38	34	32	41	36	25	34
Kuwait	31	49	11	33	14	12	78	55	34	49	58	18
Kyrgyz Republic	..	87	..	17	..	19	..	31	..	55	..	-4
Lao PDR	..	..	..	..	..	31	..	23	..	42	..	12
Latvia	59	70	8	20	26	19	..	46	..	55	33	10
Lebanon	..	102	..	15	..	30	..	11	..	58	..	-17
Lesotho	133	68	26	20	43	104	20	22	122	114	-59	12
Libya	21	..	22	..	22	..	66	..	31	..	57	..
Lithuania	..	70	..	18	..	21	..	52	..	62	..	11
Macedonia, FYR	..	82	..	14	..	15	..	37	..	49	..	4
Madagascar	89	90	12	6	15	10	13	18	30	24	-1	4
Malawi	70	72	19	17	25	17	25	21	39	27	11	11
Malaysia	51	47	17	11	30	41	58	92	55	91	33	42
Mali	92	78	10	11	16	27	16	21	34	36	-2	12
Mauritania	68	72	25	14	36	22	37	54	67	62	7	14
Mauritius	75	68	14	10	21	26	51	61	61	65	10	22
Mexico	65	66	10	10	27	21	11	22	13	20	25	23
Moldova	..	66	..	20	..	28	..	52	..	66	..	14
Mongolia	44	64	29	16	63	22	21	44	57	46	27	20
Morocco	68	68	18	16	24	21	17	25	28	30	14	16
Mozambique	103	68	21	12	0	48	21	28	45	56	-24	20
Myanmar	82	89	.. <sup>a</sup>	.. <sup>a</sup>	21	11	9	1	13	2	18	11
Namibia	44	59	17	30	29	20	76	49	67	58	39	11
Nepal	82	82	7	10	18	23	12	23	19	37	11	9
Netherlands	61	60	17	14	22	19	51	53	52	47	22	26
New Zealand	62	63	18	14	21	22	30	30	32	29	20	23
Nicaragua	83	84	20	13	17	28	24	41	43	66	-2	3
Niger	67	85	10	11	37	10	24	16	38	22	23	4
Nigeria	56	64	12	11	21	19	29	17	19	11	31	24
Norway	50	..	19	21	25	..	43	41	37	31	31	..
Oman	28	42	25	31	22	17	63	49	38	40	47	27
Pakistan	83	73	10	12	18	19	12	17	24	21	7	14
Panama	45	53	18	15	28	29	98	94	89	91	38	32
Papua New Guinea	61	36	24	24	25	27	43	57	53	44	15	40
Paraguay	76	73	6	10	32	23	15	21	29	26	18	17
Peru	57	73	11	8	29	24	22	12	19	16	32	19
Philippines	67	74	9	12	29	24	24	42	28	52	24	14
Poland	67	64	9	18	26	20	28	23	31	26	23	18
Portugal	67	65	13	18	33 <sup>c</sup>	25 <sup>c</sup>	25	33	38	41	20	17
Puerto Rico	75	..	16	..	17	..	65	..	73	..	10	..
Romania	60	70	5	11	40	25	35	27	40	33	35	19
Russian Federation	62	63	15	11	22	22	..	23	..	19	22	25



	Private consumption		General government consumption		Gross domestic investment		Exports of goods and services		Imports of goods and services		Gross domestic savings	
	% of GDP		% of GDP		% of GDP		% of GDP		% of GDP		% of GDP	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Rwanda	83	92	12	10	16	14	14	6	26	22	4	-3
Saudi Arabia	22	42	16	26	22	20	71	42	30	30	62	32
Senegal	78	78	22	10	15	17	28	31	44	36	0	11
Sierra Leone	79	99	21	11	17	9	28	12	45	31	0	-10
Singapore	53	41	10	9	46	35	215	187	224	169	38	50
Slovak Republic	..	49	..	24	..	38	..	57	..	69	..	27
Slovenia	..	57	..	20	..	23	..	55	..	56	..	22
South Africa	50	61	13	21	28	18	36	26	28	26	36	18
Spain	66	62	13	17	23	21	16	24	18	23	21	21
Sri Lanka	80	73	9	10	34	25	32	35	55	44	11	17
Sudan	81	..	16	..	15	..	12	..	24	..	3	..
Sweden	51	52	29	26	21	15	29	40	31	33	19	22
Switzerland	63	..	14	15	27 <sup>c</sup>	..	36	36	40	32	23	..
Syrian Arab Republic	67	..	23	..	28	..	18	..	35	..	10	..
Tajikistan	..	71	..	11	..	17	..	114	..	114	..	18
Tanzania <sup>d</sup>	..	83	..	13	..	18	..	22	..	36	..	3
Thailand	65	55	12	10	29	41	24	39	30	44	23	35
Togo	54	80	22	13	28	14	51	31	56	38	23	6
Trinidad and Tobago	46	63	12	12	31	15	50	53	39	42	42	26
Tunisia	62	61	14	16	29	24	40	42	46	44	24	3
Turkey	77	71	12	12	18	24	5	22	12	27	11	18
Turkmenistan	..	..	..	..	..	..	..	..	..	..	..	..
Uganda	89	84	11	10	6	16	19	12	26	22	0	6
Ukraine	..	58	..	22	..	23	..	46	..	48	..	20
United Arab Emirates	17	54	11	18	28	27	78	70	34	69	72	27
United Kingdom	59	64	22	21	17	16 <sup>c</sup>	27	28	25	29	19	15
United States	64	68	17	16	20	18	10	11	11	13	19	16
Uruguay	76	76	12	13	17	12	15	18	21	20	12	11
Uzbekistan	..	66	..	25	..	16	..	31	..	38	..	9
Venezuela	55	66	12	5	26	17	29	37	22	24	33	30
Vietnam	..	86	..	.. <sup>a</sup>	..	28	..	42	..	55	..	14
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	..	70	..	15	..	25	..	40	..	50	..	16
Yugoslavia, FR (Serb./Mont.)	..	..	..	..	..	..	..	..	..	..	..	..
Zambia	55	74	26	18	23	15	41	38	45	45	19	8
Zimbabwe	46	63	27	19	23	18	30	41	26	41	27	18
<b>World</b>	<b>61 w</b>	<b>63 w</b>	<b>15 w</b>	<b>16 w</b>	<b>24 w</b>	<b>22 w</b>	<b>19 w</b>	<b>21 w</b>	<b>20 w</b>	<b>21 w</b>	<b>24 w</b>	<b>22 w</b>
<b>Low income</b>	64	59	13	11	27	31	10	20	13	23	24	29
Excl. China & India	74	73	13	13	20	20	21	26	28	31	13	14
<b>Middle income</b>	59	64	13	14	26	23	25	27	23	28	27	22
Lower middle income	60	65	14	13	26	23	..	30	..	30	25	23
Upper middle income	58	63	12	15	25	22	26	22	22	23	30	21
<b>Low &amp; middle income</b>	61	63	13	13	26	25	20	25	20	27	26	24
East Asia & Pacific	53	50	14	11	32	39	16	29	15	29	33	38
Europe & Central Asia	64	64	13	15	25	23	..	31	..	33	23	21
Latin America & Carib.	67	67	10	12	24	20	16	17	17	16	23	20
Middle East & North Africa	46	57	..	17	..	16	..	..	..	..	..	..
South Asia	75	68	9	11	21	25	8	13	13	17	15	22
Sub-Saharan Africa	62	67	14	15	23	18	30	28	29	28	23	18
<b>High income</b>	61	63	16	16	24	21	19	20	20	20	23	21

a. General government consumption figures are not available separately; they are included in private consumption b. Data prior to 1992 include Entrea. c. Includes statistical discrepancy. d. Data cover mainland Tanzania only.



### About the data

Because policymakers have tended to focus on fostering the growth of output, and because data on production are easier to collect than data on spending, many countries generate their primary estimate of GDP using the production approach. Moreover, many countries do not estimate all the separate components of national expenditures or, if they do, derive some of the main aggregates indirectly using GDP (output) as the control total.

Expenditures from GDP include private consumption, general government consumption, gross domestic fixed capital formation (private and public investment), changes in inventories, and exports (minus imports) of goods and services. Such expenditures are generally recorded in purchasers' prices and so include net indirect taxes.

Private consumption is often estimated as a residual, by subtracting from GDP all other known expenditures. The resulting aggregate may incorporate fairly large discrepancies. When private consumption is calculated separately, the household surveys on which a large component of the estimates are based tend to be one-year studies with limited coverage. Thus the estimates quickly become outdated and must be supplemented by price- and quantity-based statistical estimating procedures. Complicating the issue, in many developing countries the distinction between cash outlays for personal business and those for household use may be blurred. General government consumption usually includes expenditures on national defense and security, some of which are now considered to be part of investment.

Gross domestic investment consists of outlays on additions to the economy's fixed assets plus net changes in the level of inventories. Under the revised (1993) guidelines for the United Nations System of National Accounts (SNA), gross domestic investment also includes capital outlays on defense establishments that may be used by the general public, such as schools and hospitals, and on certain types of private housing for family use. All other defense expenditures are treated as current spending. Investment data may be estimated from direct surveys of enterprises and administrative records or based on the commodity flow method using data from trade and construction activities. While the quality of public fixed investment data depends on the quality of government accounting systems (which tend to be weak in developing countries), measures of private fixed investment—particularly capital outlays by small, unincorporated enterprises—are usually very unreliable.

Estimates of changes in inventories are rarely complete but usually include the most important activities or commodities. In some countries these estimates are derived as a composite residual along with aggregate private consumption. According to national accounts conventions, adjustments should be made for appreciation of the value

of inventories due to price changes, but this is not always done. In highly inflationary economies this element can be substantial.

Exports and imports are compiled from customs returns and from balance of payments data obtained from central banks. Although the data on exports and imports from the payments side provide reasonably reliable records of cross-border transactions, they may not adhere strictly to the appropriate valuation and timing definitions of the balance of payments or, more important, correspond with the change-of-ownership criterion. This issue has assumed greater significance with the increasing globalization of international business. Neither customs nor balance of payments data capture the illegal transactions that occur in many countries. Goods carried by travelers across borders in legal but unreported shuttle trade may further distort trade statistics.

For further discussion of the problems of building and maintaining national accounts see Srinivasan (1994), Heston (1994), and Ruggles (1994). For a classic analysis of the reliability of foreign trade and national income statistics see Morgenstern (1963).

### Definitions

• **Private consumption** is the market value of all goods and services, including durable products (such as cars, washing machines, and home computers) purchased or received as income in kind by households and nonprofit institutions. It excludes purchases of dwellings but includes imputed rent for owner-occupied dwellings. In practice it may include any statistical discrepancy in the use of resources relative to the supply of resources. • **General government consumption** includes all current spending for purchases of goods and services (including wages and salaries) by all levels of government, excluding most government enterprises. It also includes most expenditures on national defense and security. • **Gross domestic investment** consists of outlays on additions to the fixed assets of the economy plus net changes in the level of inventories. Fixed assets include land improvements (fences, ditches, drains, and so on); plant, machinery, and equipment purchases; and the construction of roads, railways, and the like, including commercial and industrial buildings, offices, schools, hospitals, and private residential dwellings. Inventories are stocks of goods held by firms to meet temporary or unexpected fluctuations in production or sales. • **Exports and imports of goods and services** represent the value of all goods and other market services provided to the world. Included is the value of merchandise, freight, insurance, travel, and other nonfactor services. Factor and property income (formerly called factor services), such as investment income, interest, and labor income, is excluded. Transfer payments are excluded from the calculation of GDP. • **Gross domestic savings** are calculated as the difference between GDP and total consumption.

### Data sources

National accounts data for developing countries are collected from national statistical organizations and central banks by visiting and resident World Bank missions. Data for industrial countries come from Organisation for Economic Co-operation and Development (OECD) data files. For information on the OECD national accounts series see OECD, *National Accounts, 1960–1995*, volumes 1 and 2. The complete national accounts time series is available on the *World Development Indicators* CD-ROM.





## 4.9 Growth of consumption and investment

	Private consumption				Private consumption per capita		General government consumption		Gross domestic investment	
	\$ millions		average annual % growth		average annual % growth		average annual % growth		average annual % growth	
	1980	1996	1980-90	1990-96	1980-90	1990-96	1980-90	1990-96	1980-90	1990-96
Albania		2,532	..	..	..	..	..	..	-0.3	41.8
Algeria	18,293	24,081	1.9	0.8	-1.1	-1.5	4.7	4.2	-2.3	-4.8
Angola	..	1,269	0.3	-3.8	-2.5	-6.7	2.7	-3.9	-6.8	1.8
Argentina	..	..	..	..	..	..	..	..	-4.7	12.7
Armenia	..	1,692	3.5	-17.6	2.2	-18.6	5.9	-8.9	6.2	-17.7
Australia	94,360	224,020	3.0	3.5	1.5	2.3	3.6	2.6	2.7	5.2
Austria	43,264	129,065	2.4	2.0	2.2	1.3	1.4	2.0	2.2	2.3
Azerbaijan	..	3,187	..	8.2	..	..	..	..	..	-5.3
Bangladesh	11,857	25,178	4.1	0.8	1.5	-0.8	.. <sup>a</sup>	.. <sup>a</sup>	1.4	13.6
Belarus	..	11,462	..	-7.8	..	-7.9	..	-7.2	..	-17.1
Belgium	75,166	167,800	1.7	1.2	1.6	0.8	0.4	1.2	3.1	-0.7
Benin	1,356	1,775	2.3	..	-0.8	..	2.4	..	-4.0	6.6
Bolivia	2,064	4,353	0.6	3.1	-1.4	0.7	-3.1	5.8	-9.9	4.2
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..
Botswana	483	1,402	..	-3.3	9.8	-5.7	13.4	9.7	..	-1.7
Brazil	163,832	492,282	1.6	4.4	-0.4	2.9	7.3	-0.8	0.2	3.7
Bulgaria	11,089	6,777	2.5	0.1	2.6	0.8	9.1	-10.4	2.4	-15.4
Burkina Faso	1,631	2,014	2.6	2.7	0.0	-0.1	6.2	2.2	8.6	1.1
Burundi	840	1,033	3.7	-2.9	0.8	-5.4	6.4	-1.5	4.5	-4.7
Cambodia	..	2,720	..	..	..	..	..	..	..	..
Cameroon	4,710	6,570	3.9	-2.8	1.1	-5.6	5.3	-7.6	-2.7	-2.5
Canada	145,745	334,215	3.5	1.5	2.3	0.3	2.4	-0.1	5.2	1.8
Central African Republic	747	945	0.4	0.1	-2.0	-2.1	-2.0	-5.6	9.9	-12.8
Chad	579	991	3.7	0.2	1.2	-2.3	12.4	-7.2	25.1	-1.3
Chile	19,489	50,559	1.9	8.8	0.3	7.1	0.4	3.3	6.1	11.5
China	103,442	366,169	9.7	10.9	8.1	9.6	7.8	12.3	11.0	15.5
Hong Kong, China	17,013	93,004	6.7	5.9	5.3	4.2	5.0	5.8	4.0	11.3
Colombia	23,456	58,348	2.6	4.6	0.7	2.7	4.2	8.3	0.5	20.8
Congo, Dem. Rep.	12,167	6,049	3.4	-7.0	0.0	-9.9	0.0	-19.6	-5.1	-5.0
Congo, Rep.	797	1,403	2.7	5.5	-0.5	2.5	4.0	-9.9	-11.9	-3.2
Costa Rica	3,156	5,430	2.9	3.6	0.0	1.4	1.1	2.3	5.3	2.4
Côte d'Ivoire	6,388	7,232	1.6	0.4	-2.2	-2.6	-0.1	0.9	-9.8	13.6
Croatia	..	12,647	..	..	..	..	..	..	..	..
Cuba	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	27,821	..	1.4	..	1.4	..	-2.6	2.3	0.9
Denmark	37,050	93,823	1.8	3.0	1.8	2.6	1.1	1.5	4.0	2.4
Dominican Republic	5,109	9,847	1.9	4.5	-0.3	2.5	10.1	-3.2	5.2	8.9
Ecuador	6,995	12,640	1.9	2.8	-0.7	0.5	-1.4	-0.9	-3.8	3.2
Egypt, Arab Rep.	15,848	51,192	4.1	4.2	1.5	2.1	2.7	1.9	0.0	0.4
El Salvador	2,567	9,160	0.8	7.2	-0.2	4.7	0.1	2.0	2.2	11.8
Eritrea	..	..	..	..	..	..	..	..	..	..
Estonia	..	2,637	..	-3.5	..	-2.3	..	4.5	..	-10.1
Ethiopia <sup>a</sup>	4,282	4,893	0.7	3.5	-2.5	1.6	4.4	-3.9	4.4	22.2
Finland	27,761	67,324	3.8	-0.5	3.4	-0.9	3.4	-0.9	3.0	-5.4
France	391,263	925,063	2.6	1.3	2.1	0.8	2.2	2.2	2.8	-2.1
Gabon	1,119	2,626	-0.7	-2.4	-3.9	-4.9	0.2	2.0	-7.1	0.1
Gambia, The	185	277	3.6	7.6	-0.1	3.4	2.5	-10.0	0.8	3.0
Georgia	..	4,302	..	..	..	..	..	..	..	..
Germany	..	1,377,876	..	..	..	..	..	..	..	..
Ghana	3,730	5,043	2.8	3.5	-0.6	0.7	2.4	7.3	3.3	3.0
Greece	32,706	85,184	2.4	1.4	1.9	0.8	2.7	1.2	-0.9	1.0
Guatemala	6,217	13,731	1.1	4.5	-1.7	1.5	2.7	3.9	-1.8	4.0
Guinea	..	3,222	..	4.4	..	1.7	..	1.0	..	-0.5
Guinea-Bissau	81	252	-0.8	7.1	-2.6	4.9	5.6	-1.1	..	-6.6
Haiti	1,197	1,684	0.9	-0.6	-1.0	-2.6	-4.4	-2.8	-0.6	-10.1
Honduras	1,806	2,534	2.7	3.3	-0.7	0.3	3.3	-2.3	2.9	9.2



	Private consumption				Private consumption per capita		General government consumption		Gross domestic investment	
	\$ millions		average annual % growth		average annual % growth		average annual % growth		average annual % growth	
	1980	1996	1980-90	1990-96	1980-90	1990-96	1980-90	1990-96	1980-90	1990-96
Hungary	13,562	28,772	0.8	0.2	1.2	0.5	2.5	-6.3	-0.4	8.1
India	125,809	233,232	4.6	4.7	2.5	2.8	7.7	4.0	6.5	8.8
Indonesia	40,821	131,695	5.6	7.3	3.7	5.5	4.6	2.7	6.7	9.9
Iran, Islamic Rep.	48,854	..	2.8	2.2	-0.4	-0.4	-5.0	8.6	-2.5	-0.8
Iraq	..	..	..	..	..	..	..	..	..	..
Ireland	13,585	35,360	2.4	3.8	2.1	3.4	-0.3	2.5	..	-2.4
Israel	11,397	53,387	5.3	7.7	3.5	4.2	0.5	2.5	2.2	11.5
Italy	273,819	667,582	3.0	0.3	2.9	0.1	2.5	0.3	1.9	-2.2
Jamaica	1,710	3,128	4.5	5.6	3.3	4.6	6.3	-2.3	-0.1	4.9
Japan	623,286	3,080,624	3.7	2.0	3.2	1.7	2.4	2.5	5.3	0.2
Jordan	3,123	4,842	2.2	6.2	-1.5	1.2	2.3	7.3	-1.5	11.9
Kazakhstan	..	13,241	..	-5.0	..	..	..	-10.5	..	-13.3
Kenya	4,506	6,348	4.7	3.1	1.1	0.4	2.6	12.1	0.8	1.1
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	40,534	267,434	8.1	7.2	6.9	6.1	5.5	4.7	11.9	7.8
Kuwait	8,836	13,045	-1.4	..	-5.5	..	2.2	..	-4.5	..
Kyrgyz Republic	..	1,522	..	-1.5	..	..	..	-11.7	..	-7.8
Lao PDR	..	..	..	..	..	..	..	..	..	..
Latvia	..	3,358	..	-12.9	..	-11.8	5.0	2.3	3.4	-32.0
Lebanon	..	13,263	..	..	..	..	..	..	..	..
Lesotho	492	604	1.9	-3.0	-0.7	-5.0	2.9	8.4	6.3	10.7
Libya	7,171	..	..	..	..	..	..	..	..	..
Lithuania	..	5,461	..	0.0	..	-0.0	..	0.0	..	0.0
Macedonia, FYR	..	1,620	..	-5.4	..	-6.0	..	-1.8	..	-24.3
Madagascar	3,611	3,719	-0.6	0.7	-3.5	-2.0	0.5	-2.1	4.9	-3.0
Malawi	866	1,576	1.7	1.8	-1.6	-1.0	6.3	-1.4	-2.8	-5.3
Malaysia	12,378	46,507	3.7	7.3	1.0	4.8	2.7	7.7	2.6	15.6
Mali	1,547	2,064	1.9	1.1	-0.6	-1.7	7.3	-2.0	7.1	6.3
Mauritania	481	790	3.0	1.1	0.4	-1.4	-6.9	8.8	-4.1	4.0
Mauritius	854	2,930	6.7	4.9	5.8	3.7	3.3	4.4	9.0	0.1
Mexico	126,745	222,549	1.0	0.3	-1.3	-1.5	2.0	9.8	-3.3	0.1
Moldova	..	1,190	..	-14.9	..	-14.8	..	-13.8	..	-21.3
Mongolia	..	621	..	..	..	..	..	..	..	..
Morocco	12,788	24,966	3.7	2.8	1.5	0.8	5.5	1.0	2.5	-0.1
Mozambique	2,081	1,168	0.3	1.8	-1.2	-2.6	-2.1	-0.2	2.7	4.0
Myanmar	..	..	0.6	5.2	..	..	-4.1	13.1	-2.7	12.5
Namibia	950	1,902	1.3	4.2	-1.5	1.5	3.7	2.7	-3.9	3.8
Nepal	1,600	3,643	6.9	9.0	4.2	6.1	4.7	6.1	1.8	5.2
Netherlands	104,571	236,978	1.7	2.1	1.2	1.4	2.1	1.1	3.1	-0.5
New Zealand	13,801	36,867	2.1	3.0	1.3	1.6	1.4	0.4	0.2	8.1
Nicaragua	1,770	1,661	-3.4	3.2	-6.2	0.1	3.0	-8.3	-4.7	11.2
Niger	1,704	1,688	-3.2	..	-6.3	..	9.8	..	-2.2	..
Nigeria	36,258	20,557	-2.6	3.2	-5.5	0.2	-3.5	-3.5	-8.5	0.1
Norway	29,694	75,083	2.2	2.6	1.9	2.0	2.3	2.8	0.6	..
Oman	1,657	4,732	..	..	..	..	..	..	..	..
Pakistan	19,688	47,628	4.7	6.1	1.6	3.1	10.3	1.3	5.9	4.2
Panama	1,709	4,201	4.2	2.8	2.1	1.0	1.2	1.1	-8.9	15.0
Papua New Guinea	1,568	1,876	0.4	7.1	-1.7	4.7	-0.1	-1.3	-0.9	3.7
Paraguay	3,467	7,045	2.4	6.1	-0.6	3.3	1.5	9.2	-0.8	3.1
Peru	12,006	44,236	1.0	4.8	-1.2	2.7	-1.4	4.9	-4.5	13.6
Philippines	20,910	66,998	2.6	4.2	0.0	1.8	0.6	3.7	-2.1	4.7
Poland	38,182	86,502	1.1	4.9	0.4	4.6	1.2	4.6	0.9	6.1
Portugal	19,166	65,262	2.3	2.2	2.2	2.1	4.9	2.3	..	0.5
Puerto Rico	10,756	..	3.5	2.3	2.5	1.5	5.1	0.2	6.9	3.7
Romania	..	24,917	..	1.0	..	1.4	..	0.8	..	-7.5
Russian Federation	..	279,314	..	5.6	..	5.7	..	-13.8	..	-13.2



	Private consumption				Private consumption per capita		General government consumption		Gross domestic investment	
	\$ millions		average annual % growth		average annual % growth		average annual % growth		average annual % growth	
	1980	1996	1980-90	1990-96	1980-90	1990-96	1980-90	1990-96	1980-90	1990-96
Rwanda	969	1,227	1.4	-6.2	-1.6	-4.6	5.2	-12.9	4.3	-2.4
Saudi Arabia	34,538	52,897	..	..	..	..	..	..	..	..
Senegal	2,365	4,031	2.5	1.3	-0.3	-1.3	3.0	-4.3	3.6	4.8
Sierra Leone	951	928	0.1	1.2	-2.0	-1.3	0.0	1.6	-6.7	-12.8
Singapore	6,030	38,252	5.8	7.2	4.1	5.1	6.6	7.4	3.1	9.0
Slovak Republic	..	9,333	3.8	-3.7	3.5	-3.9	4.8	-0.7	1.1	-1.0
Slovenia	..	10,626	..	5.4	..	5.5	..	2.0	..	7.8
South Africa	39,543	76,867	2.3	1.6	0.1	-0.1	3.5	2.6	-4.7	5.4
Spain	139,348	346,651	2.7	0.9	2.4	0.7	5.3	2.0	5.7	-1.5
Sri Lanka	3,230	10,302	3.8	6.0	2.4	4.7	7.3	5.3	0.6	6.4
Sudan	5,447	..	0.2	..	-2.3	..	-0.3	..	-1.1	..
Sweden	64,624	132,017	1.8	-0.1	1.5	-0.7	1.5	-0.2	..	..
Switzerland	65,117	183,474	1.7	0.4	1.2	-0.4	3.0	0.9	..	..
Syrian Arab Republic	8,690	..	3.4	..	0.1	..	-2.9	..	-7.0	..
Tajikistan	..	1,300	..	..	..	..	..	..	..	..
Tanzania <sup>a</sup>	..	4,870	..	2.7	..	-0.3	..	-4.1	..	-21.0
Thailand	21,175	100,112	5.9	7.9	4.1	6.6	4.2	4.3	9.4	10.3
Togo	619	1,142	2.8	1.1	-0.3	-1.9	-1.7	-3.2	5.9	-11.5
Trinidad and Tobago	2,860	3,418	-1.3	-0.3	-2.6	-1.1	-1.7	0.4	-10.1	10.1
Tunisia	5,380	11,931	2.9	3.7	0.3	1.8	3.8	3.9	-1.8	1.7
Turkey	42,067	122,590	-4.1	3.4	-6.3	1.5	2.7	3.0	4.9	4.0
Turkmenistan	..	..	..	..	..	..	..	..	..	..
Uganda	1,935	5,089	2.9	6.9	0.2	3.6	1.8	7.2	9.6	10.6
Ukraine	..	25,524	..	..	..	..	..	..	..	..
United Arab Emirates	5,116	19,423	4.6	..	-0.5	..	-3.9	..	-8.7	..
United Kingdom	320,290	701,563	4.1	1.5	3.8	1.1	1.1	1.0	6.4	..
United States	1,720,600	4,780,301	3.4	2.5	2.5	1.5	2.8	-0.3	..	..
Uruguay	7,681	14,597	0.5	10.0	-0.1	9.4	1.8	1.2	-7.8	6.0
Uzbekistan	..	16,698	..	..	..	..	..	-4.1	..	-7.6
Venezuela	38,066	44,308	1.3	1.4	-1.4	-0.8	2.0	-1.2	-5.3	2.8
Vietnam	..	15,537	..	8.1	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	..	4,209	..	-2.8	..	-6.8	..	-1.6	..	13.2
Yugoslavia, FR (Serb./Mont.)	..	..	..	..	..	..	..	..	..	..
Zambia	2,145	2,907	3.5	-4.5	0.4	-7.1	-3.4	-15.0	-4.4	2.5
Zimbabwe	2,488	4,757	3.2	2.5	-0.2	0.1	3.2	-1.9	2.7	-3.4
<b>World</b>	<b>6,359,077 t</b>	<b>17,480,772 t</b>	<b>3.1 w</b>	<b>2.5 w</b>	<b>1.4 w</b>	<b>1.0 w</b>	<b>2.7 w</b>	<b>1.2 w</b>	<b>.. w</b>	<b>.. w</b>
<b>Low income</b>	413,442	873,223	4.9	5.9	2.8	4.1	5.9	5.8	6.7	11.2
Excl. China & India	197,866	271,927	1.9	2.1	-0.8	-0.4	3.6	..	-1.1	3.7
<b>Middle income</b>	..	2,766,558	..	..	..	..	..	..	..	..
Lower middle income	..	1,410,874	..	..	..	..	..	..	..	..
Upper middle income	572,571	1,356,709	1.6	3.5	-0.3	2.0	4.3	2.9	-1.3	5.8
<b>Low &amp; middle income</b>	1,186,013	2,730,332	3.1	2.5	1.4	1.0	2.7	1.2	..	..
East Asia & Pacific	222,019	793,405	7.1	8.9	5.4	7.5	5.8	9.5	8.6	13.3
Europe & Central Asia	..	759,734	..	..	..	..	..	..	..	..
Latin America & Carib.	504,693	1,178,615	1.5	3.9	-0.5	2.1	4.3	2.7	-1.6	5.9
Middle East & N. Africa	178,805	..	..	..	..	..	..	..	..	..
South Asia	165,188	325,891	4.6	4.7	2.3	2.7	8.0	3.7	6.1	8.5
Sub-Saharan Africa	158,841	203,785	1.4	1.6	-1.6	-1.0	2.0	0.3	-3.7	3.1
<b>High income</b>	4,173,064	14,747,040	1.4	1.1	1.1	1.1	1.1	1.1	1.1	1.1

a. General government consumption figures are not available separately; they are included in private consumption. b. Data prior to 1992 include Eritrea. c. Data cover mainland Tanzania only.



### About the data

Measures of consumption and investment growth are subject to two kinds of inaccuracy. The first stems from the difficulty of measuring expenditures at current price levels, as described in *About the data* for table 4.8. The second arises in deflating current price data to measure growth in real terms, where results depend on the relevance and reliability of the price indexes used. *Measuring price changes is more difficult* for investment goods than for consumption goods because of the one-time nature of many investments and because the rate of technological progress in capital goods makes capturing quality change difficult. (A classic example is computers—prices have fallen as quality has improved.) Many countries estimate investment from the supply side, identifying capital goods entering an economy directly from detailed production and international trade statistics. This means that the price indexes used in deflating production and international trade, reflecting delivered or offered prices, will determine the deflator for investment expenditures on the demand side.

The data in the table on private consumption in current U.S. dollars are converted from national currencies using official exchange rates or an alternative conversion factor as noted in *Primary data documentation*. (Alternative conversion factors are discussed in *Statistical methods*.) These exchange rates and

conversion factors differ from the purchasing power parity conversion factors used to calculate private consumption per capita in table 4.10, which provide better estimates of comparative domestic purchasing power. Growth rates of private consumption per capita, general government consumption, and gross domestic investment are estimated using constant price data. *Consumption and investment as shares of current GDP* are shown in table 4.8.

To obtain government consumption in constant prices, countries may adjust current values by applying deflators that use a weighted index of government wages and salaries, or simply take a government employment index as a measure of output. Neither technique captures improvements in productivity or changes in the quality of government services. Deflators for private consumption are usually calculated from consumer price series. Many countries estimate private consumption as a residual that includes statistical discrepancies accumulated from other domestic sources; thus these estimates lack detailed breakdowns of expenditures.

Because the methods used to deflate consumption and investment can vary widely among countries, comparisons between countries in a given year, perhaps even more than those over time, should be treated with caution.

### Definitions

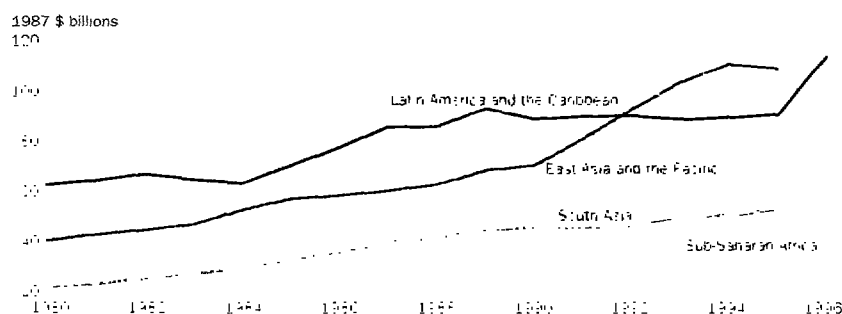
- **Private consumption** is the market value of all goods and services, including durable products (such as cars, washing machines, and home computers) purchased or received as income in kind by households and nonprofit institutions. It excludes purchases of dwellings but includes imputed rent for owner-occupied dwellings. In practice it may include any statistical discrepancy in the use of resources relative to the supply of resources.
- **Private consumption per capita** is calculated using World Bank population estimates.
- **General government consumption** includes all current expenditures for purchases of goods and services (including wages and salaries) by all levels of government, excluding most government enterprises. It also includes most expenditures on national defense and security.
- **Gross domestic investment** consists of outlays on additions to the fixed assets of the economy plus net changes in the level of inventories. Fixed assets cover land improvements (fences, ditches, drains, and so on); plant, machinery, and equipment purchases; and the construction of roads, railways, and the like, including commercial and industrial buildings, offices, schools, hospitals, and private residential dwellings. Inventories are stocks of goods held by firms to meet temporary or unexpected fluctuations in production or sales.

### Data sources

National accounts data for developing countries are collected from national statistical organizations and central banks by visiting and resident World Bank missions. Data for industrial countries come from Organisation for Economic Co-operation and Development (OECD) data files. For information on the OECD national accounts series see OECD, *National Accounts, 1960–1995*, volumes 1 and 2.

Figure 4.9a

### Government consumption has risen steadily in most regions



Source: World Bank staff estimates.

After rising dramatically since 1980, government consumption in East Asia and the Pacific began tapering off in 1995. Latin America and the Caribbean, by contrast, registered a substantial increase in 1995. Sub-Saharan Africa's government consumption has not increased much since 1980.



## 4.10 Structure of consumption in PPP terms

	Private consumption per capita	Household consumption							
		All food	Bread and cereals	Clothing and footwear	Fuel and power	Health care	Education	Transport and communications	Other consumption
		% 1996	% 1996	% 1996	% 1996	% 1996	% 1996	% 1996	% 1996
Antigua and Barbuda	4,616	33	9	3	2	12	17	6	27
Australia	14,177	14	2	4	3	12	9	13	46
Austria	14,293	13	2	7	4	13	11	13	41
Bahamas	7,784	31	5	4	2	10	11	6	36
Bangladesh	722	41	21	4	9	7	23	3	14
Belarus	2,851	16	0	6	4	15	21	3	35
Belgium	15,107	15	2	6	3	14	11	11	40
Belize	2,789	28	4	10	2	5	10	11	34
Benin	1,074	45	13	8	3	3	8	14	17
Botswana	3,067	25	9	4	1	7	22	21	19
Bulgaria	3,462	15	0	5	5	9	24	6	36
Cameroon	1,270	38	7	14	2	6	9	8	24
Canada	15,176	9	2	5	4	11	9	11	51
Congo, Rep.	865	36	5	3	1	10	15	18	17
Côte d'Ivoire	1,302	35	8	9	..	8	26	11	11
Croatia	3,279	17	1	3	4	12	13	10	41
Czech Republic	8,163	15	1	4	6	10	15	5	46
Denmark	15,295	10	1	4	3	9	13	9	52
Dominica	2,777	32	5	6	2	9	16	11	23
Egypt, Arab Rep.	1,822	44	11	7	3	8	8	5	26
Fiji	2,814	30	5	4	2	5	12	7	40
Finland	12,402	11	2	3	5	12	11	10	49
France	15,260	12	2	4	3	21	8	12	40
Gabon	2,370	37	7	3	2	8	8	20	23
Germany	15,186	11	2	6	3	15	6	12	47
Greece	9,486	28	2	5	2	7	6	15	37
Grenada	2,955	26	8	4	1	24	14	4	26
Guinea	1,399	32	6	19	2	14	9	9	15
Hong Kong, China	16,435	10	1	18	2	11	4	10	45
Hungary	5,187	14	0	4	5	10	17	6	43
Iceland	15,656	13	2	5	5	13	10	10	44
Indonesia	1,766	45	19	3	3	7	4	15	22
Iran, Islamic Rep.	3,819	23	6	7	12	13	11	11	23
Ireland	10,943	14	3	6	3	11	13	8	45
Italy	14,301	14	2	7	3	14	7	9	46
Jamaica	2,125	26	7	8	1	9	8	24	24
Japan	14,929	11	3	5	2	17	8	9	47
Kenya	849	38	11	8	2	5	22	10	16
Korea, Rep.	6,418	21	4	3	5	13	16	17	24
Luxembourg	22,369	10	2	4	6	9	8	17	46
Malawi	598	45	17	18	2	8	9	8	10
Mali	646	48	13	13	..	2	7	14	15
Mauritius	6,371	24	4	8	3	10	5	19	30
Moldova	866	28	1	5	7	11	25	3	20
Morocco	2,441	45	11	9	2	5	10	10	18
Nepal	804	37	24	8	5	15	20	2	13
Netherlands	14,228	11	2	6	3	16	8	9	47
New Zealand	11,716	12	2	4	3	11	9	13	47
Nigeria	700	48	15	8	6	3	4	5	27
Norway	14,109	13	2	5	10	14	11	8	38
Pakistan	1,078	40	10	6	5	12	7	4	27
Philippines	2,735	33	9	3	1	3	3	4	52
Poland	4,689	20	1	3	5	12	19	6	34
Portugal	9,390	20	4	6	2	7	16	11	39
Romania	3,384	24	1	7	5	6	15	4	39
Russian Federation	2,752	18	1	7	11	13	22	7	22



	Private consumption per capita	Household consumption							
	PPP	All food %	Bread and cereals %	Clothing and footwear %	Fuel and power %	Health care %	Education %	Transport and communications %	Other consumption %
	1996	1996	1996	1996	1996	1996	1996	1996	1996
Senegal	1,499	52	11	14	2	2	11	6	13
Sierra Leone	332	48	13	12	3	13	14	8	2
Singapore	15,043	14	2	7	3	11	7	18	42
Slovak Republic	5,594	17	1	5	7	15	20	4	32
Slovenia	8,864	13	0	4	4	11	12	11	45
Spain	10,395	17	2	7	2	11	8	12	43
Sri Lanka	1,304	38	11	0	4	8	7	28	14
St. Kitts and Nevis	4,171	30	8	4	4	24	9	5	24
St. Lucia	3,339	39	5	5	3	13	7	6	26
St. Vincent and Grenadines	2,903	24	7	4	2	28	14	5	23
Swaziland	2,321	27	6	6	4	10	17	18	19
Sweden	13,411	10	2	5	5	11	9	11	50
Switzerland	16,577	12	2	6	4	13	8	11	45
Thailand	3,265	23	7	8	3	22	10	17	17
Trinidad and Tobago	4,593	20	3	11	4	9	7	15	35
Tunisia	3,322	35	7	6	2	6	7	15	29
Turkey	4,100	23	6	7	4	5	9	7	44
Ukraine	1,470	21	1	5	14	13	26	4	17
United Kingdom	14,929	11	2	6	3	10	8	11	52
United States	20,890	8	1	6	3	12	7	14	49
Vietnam	1,140	40	17	5	4	17	10	..	20
Zambia	591	47	7	8	1	3	12	10	19
Zimbabwe	1,544	28	7	11	2	9	23	14	12

**About the data**

Cross-country comparisons of consumption expenditures must be made in a common currency. But when expenditures in different countries are converted to a single currency using official exchange rates, the comparisons do not account for the sometimes substantial differences in relative prices. Thus the results tend to undervalue real consumption in economies with relatively low prices and to overvalue consumption in countries with high prices. Differences in the structure of prices also distort the apparent structure of consumption—for example, services (such as health care or education) tend to be relatively cheaper than goods in low- and middle-income economies. Thus when domestic prices are used to calculate consumption patterns, services appear to be undervalued. The problem of making consistent comparisons of real consumption across countries has led to the use of purchasing power parities (PPPs) to convert reported values to a common unit of account.

PPPs measure the relative purchasing power of different currencies over equivalent goods and services. They are international price indexes that allow comparisons of the real value of consumption expenditures between countries in the same way that consumer price indexes allow comparisons of real values over time within countries. To calculate PPPs, data on prices and spending patterns are collected through surveys in each country. Then prices within a region, such as Africa, or a group, such as the Organisation for Economic Co-operation and Development (OECD), are compared. Finally, regions are linked by comparing regional prices, to create a globally consistent set of comparisons. The resulting PPP indexes measure the purchasing power of national currencies in “international dollars” that have the same purchasing power over GDP as the U.S. dollar has in the United States.

Because the goods and services that make up consumption are valued at uniform prices, PPP-based expenditure shares also provide a consistent view of differences in the real structure of consumption between countries. In other words, the shares shown in the table reflect the relative quantities of goods and services consumed rather than their nominal cost. Table 4.11 provides the corresponding data on the structure of prices within countries.

Private consumption refers to private (that is, household) and nonprofit (nongovernmental) consumption as defined in the United Nations (UN) System of National Accounts (SNA). Estimates of private consumption of education and health services

include government as well as private outlays. The International Comparison Programme’s (ICP) concept of enhanced consumption, or total consumption of the population, focuses on who consumes goods and services rather than on who pays for them. That is, it emphasizes consumption rather than expenditure. This approach, adopted in the 1993 SNA, improves international comparability because aggregate measures based on consumption are less sensitive to differences in national practices in financing health and education services.

Because national statistical offices tend to concentrate on the production side of national accounts, data on the detailed structure of consumption in low- and middle-income economies are generally weak. Consumption estimates are typically obtained through household budget surveys or other, similar surveys. These surveys are carried out irregularly and may be targeted at specific income groups or geographic areas. In some countries surveys are limited to urban areas or even to capital cities and so do not reflect national spending patterns. Urban surveys tend to show lower-than-average shares for food and higher-than-average shares for gross rent, fuel and power, transport and communications, and other consumption. Controlled food prices and incomplete accounting of subsistence activities may also contribute to low measured shares of food consumption.

The ICP collects price data from different outlets on several hundred consumption items that are carefully reviewed to ensure comparability. ICP surveys are conducted about every five years, but because not all countries have participated in all surveys, regression methods are used to extrapolate results from earlier surveys and to provide a complete set of estimates in a given year. See Ahmad (1994) for an extensive discussion of the ICP and its methods.

Although PPPs are more useful than official exchange rates in comparing consumption patterns, caution should be used in interpreting PPP results. PPP estimates are based on price comparisons of comparable items, but not all items can be matched perfectly in quality across countries and over time. Services are particularly difficult to compare, in part because of differences in productivity. Many services, such as government services, are not sold on the open market in all countries, so they are compared using input prices (mostly wages). Because this approach ignores productivity differences, it may inflate estimates of real quantities in lower-income countries.

- **Private consumption** includes the consumption expenditures of individuals, households, and nongovernmental organizations. In the ICP goods and services accruing to households are included in private consumption whether they are financed by individuals, governments, or nonprofit institutions. Thus private consumption as defined by the ICP includes government expenditures on education, health, social security, and welfare services.
- **Household consumption** shows the percentage shares of selected components of consumption computed from details of GDP converted using PPPs.
- **All food** includes all food purchased for household consumption.
- **Bread and cereals** comprise the main staple products—rice, flour, bread, all other cereals, and cereal preparations.
- **Clothing and footwear** include purchases of new and used clothing and footwear and repair services.
- **Fuel and power** exclude energy used for transport (rarely reported to be more than 1 percent of total consumption in low- and middle-income economies).
- **Health care** and **education** include government as well as private expenditures.
- **Transport and communications** cover all personal costs of transport, telephones, and the like.
- **Other consumption** covers gross rent (including repair and maintenance charges); beverages and tobacco; nondurable household goods, household services, recreational services, services (including meals) supplied by hotels and restaurants, and purchases of carryout food; and consumer durables, such as household appliances, furniture, floor coverings, recreational equipment, and watches and jewelry.

**Data sources**

PPP data come from the ICP, which is coordinated by the regional economic commissions of the United Nations and other international organizations. The World Bank collects detailed ICP benchmark data from regional sources, establishes global consistency across the regional data sets, and computes regression-based estimates for nonbenchmark countries. For detailed information on the regional sources and compilation of benchmark data see the World Bank’s *Purchasing Power of Currencies: Comparing National Incomes Using ICP Data* (1993b).

# Relative prices in PPP terms 4.11



	International price level	Relative price level (price level of GDP = 100)									
	ratio of PPP rate to \$ exchange rate 1993	Private consumption									
		Private consumption 1993	All food 1993	Bread and cereals 1993	Clothing and footwear 1993	Fuel and power 1993	Health care 1993	Education 1993	Transport and communications 1993	Government consumption 1993	Gross fixed capital formation 1993
Antigua and Barbuda	86	106	105	107	178	187	116	43	154	63	112
Australia	92	100	77	97	113	75	88	83	102	93	105
Austria	119	100	102	97	108	101	92	82	115	90	102
Bahamas	110	100	90	93	103	112	111	94	166	112	93
Bangladesh	24	101	154	153	122	61	37	17	66	52	201
Belarus	..	101	149	151	135	13	67	36	114	78	119
Belgium	108	101	95	89	125	114	72	80	110	90	102
Belize	71	95	90	80	75	167	80	71	118	79	128
Botswana	37	125	103	113	157	256	105	98	65	113	108
Bulgaria	33	85	128	136	103	62	58	21	149	70	133
Cameroon	50	93	87	98	102	173	88	60	97	123	141
Canada	98	103	96	93	101	77	110	104	109	115	85
Congo, Rep.	64	98	115	105	109	288	58	55	67	78	193
Côte d'Ivoire	52	98	101	112	97	..	89	60	78	116	151
Croatia	..	83	116	106	118	65	85	38	119	68	183
Czech Republic	39	85	106	63	123	74	61	41	157	73	174
Denmark	136	105	108	107	104	130	111	85	123	90	87
Dominica	81	101	112	125	98	179	58	60	147	62	147
Egypt, Arab Rep.	35	90	88	97	124	80	54	49	92	92	106
Fiji	54	90	100	112	124	146	89	66	140	59	170
Finland	107	108	121	138	112	79	99	79	126	82	85
France	116	101	102	95	124	124	71	94	116	101	97
Gabon	80	126	147	95	131	284	90	119	79	152	91
Germany	127	99	90	91	107	106	84	96	110	104	103
Greece	80	105	104	126	161	149	80	68	98	74	98
Grenada	76	96	120	110	109	191	47	53	189	65	142
Guinea	33	97	106	118	75	173	37	68	94	80	127
Hong Kong, China	95	91	76	78	73	57	59	145	80	136	106
Hungary	69	66	74	78	87	50	50	29	122	84	114
Iceland	123	103	120	109	136	42	89	68	115	87	94
Indonesia	30	93	93	82	99	98	38	31	89	34	163
Iran, Islamic Rep.	24	79	105	115	113	17	35	47	38	68	182
Ireland	97	100	101	90	106	110	100	61	146	85	104
Italy	97	99	105	100	125	122	82	102	108	105	101
Jamaica	55	101	119	100	118	181	57	64	85	69	111
Japan	161	99	130	135	113	111	61	83	90	86	104
Kenya	21	90	91	123	85	140	45	41	71	72	196
Korea, Rep.	70	112	137	173	157	66	61	72	53	95	87
Luxembourg	115	95	93	84	128	86	80	109	97	119	109
Malawi	34	87	98	109	54	148	31	50	73	79	279
Mali	38	90	92	131	86	..	59	31	90	63	179
Mauritius	39	93	81	65	72	111	59	87	67	108	134
Moldova	32	87	131	127	102	60	62	41	122	88	137
Morocco	37	93	83	77	68	282	81	81	77	106	182
Nepal	22	93	129	129	116	94	25	30	61	61	..
Netherlands	115	97	92	79	101	100	71	86	119	92	112
New Zealand	82	98	91	93	102	65	96	74	100	78	119
Nigeria	36	101	150	171	58	56	46	40	47	61	115
Norway	126	106	117	114	108	50	97	87	139	98	88
Pakistan	28	101	115	103	133	113	35	60	108	42	167
Philippines	35	82	105	124	122	277	30	29	114	58	183
Poland	..	83	90	84	120	82	46	31	140	73	123
Portugal	..	107	125	102	162	175	117	54	140	55	115
Romania	33	82	132	74	106	59	59	22	116	78	132
Russian Federation	25	84	122	61	154	2	36	30	75	79	145

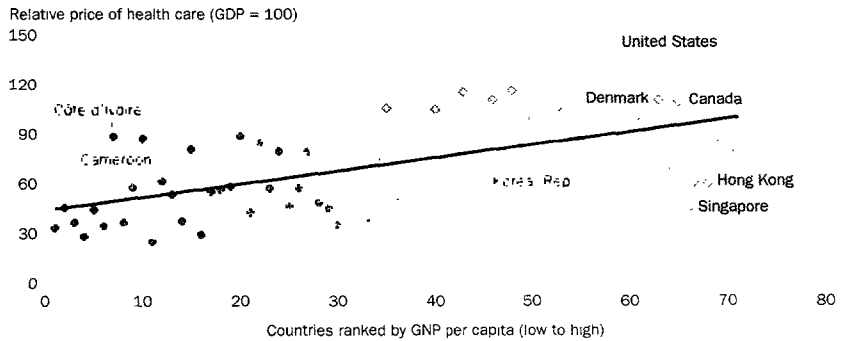




	International price level	Relative price level (price level of GDP = 100)										
	ratio of PPP rate to \$ exchange rate	Private consumption										Gross fixed capital formation
		1993	Private consumption	All food	Bread and cereals	Clothing and footwear	Fuel and power	Health care	Education	Transport and communications	Government consumption	
Senegal	48	90	87	119	74	227	75	45	79	81	237	
Sierra Leone	29	115	141	192	107	185	34	39	76	37	147	
Singapore	85	95	67	72	88	46	46	86	100	88	107	
Slovak Republic	40	80	87	55	111	68	53	33	123	74	124	
Slovenia	76	93	108	104	146	71	70	55	110	76	109	
Spain	92	102	100	112	120	111	83	76	125	85	102	
Sri Lanka	34	86	123	109	113	58	26	33	53	31	170	
St. Kitts and Nevis	80	95	105	118	108	121	47	81	145	69	129	
St. Lucia	83	101	111	140	107	157	49	61	114	77	111	
St. Vincent and Grenadines	69	97	132	125	113	236	43	55	146	56	173	
Swaziland	35	92	84	100	138	187	53	66	54	91	..	
Sweden	126	103	103	103	86	86	103	86	110	93	93	
Switzerland	144	106	108	96	102	70	89	102	106	115	85	
Thailand	43	122	106	79	158	74	40	71	103	68	93	
Trinidad and Tobago	59	98	89	98	87	38	106	98	108	87	129	
Tunisia	39	92	81	62	142	105	80	109	79	124	159	
Turkey	55	106	123	100	140	141	75	53	116	62	106	
Ukraine	..	86	145	65	187	21	56	29	64	60	134	
United Kingdom	96	102	86	73	83	115	89	89	126	90	98	
United States	100	100	88	82	84	90	145	125	89	113	94	
Vietnam	..	98	125	116	90	114	30	59	..	39	266	
Zambia	43	113	126	185	98	282	29	46	89	34	213	
Zimbabwe	26	105	81	97	91	221	51	77	62	89	..	

Figure 4.11a

Health care services are relatively expensive in high-income economies . . .



Source: World Bank staff estimates.

Price levels measured using purchasing power parities demonstrate the systematic differences in the relative prices of services and capital goods in developed and developing countries.



### About the data

The International Comparison Programme (ICP) collects data on prices paid for a large set of comparable items in more than 100 countries. Purchasing power parities (PPPs) computed from these data allow comparisons of prices and real GNP expenditures across countries. PPPs are used in table 1.1 to measure GNP at internationally comparable prices and in table 4.10 to evaluate the structure of consumption. This table presents information on the relative prices of components of GDP based on the most recent ICP data.

A country's international price level is the ratio of its PPP rate to its official exchange rate for U.S. dollars. PPPs can be thought of as the exchange rate of dollars for goods in the local economy, while the U.S. dollar exchange rate measures the relative cost of domestic currency in dollars. Thus the international price level is an index measuring the cost of goods in one country relative to a numeraire country, in this case the United States. An international price level above 100 means that the general price level in the country is higher than that in the United States. For example, Japan's international price level of 161 implies that the price of goods and services in Japan is 61 percent higher than the price of comparable goods and services in the United States. By con-

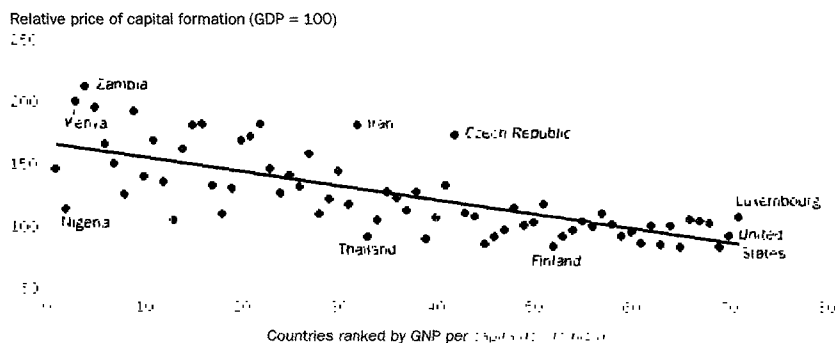
trast, Kenya's price level of 21 means that a bundle of goods and services purchased for \$100 in the United States costs only \$21 in Kenya.

The relative prices of components of GDP shown in the table are calculated from their international prices measured relative to each country's price level of GDP. A figure above 100 indicates that the price of that component is higher than the average price level of GDP. This is not the same as saying that the component is more expensive in that country than in the United States. It indicates only that the price for that component is higher than the general price level prevailing in the country.

Relative prices for consumption items tend to be close to the overall price level of GDP. This is to be expected because consumption accounts for a large share of GDP. The data also indicate that the relative price of investment goods in developing countries tends to be higher than for other components of GDP. For example, Indonesia's relative price level of 163 indicates that the price level of investment goods is 63 percent higher than the overall price level. This reflects the fact that a large share of physical capital must be imported from high-income economies with higher price levels.

Figure 4.11b

### ... but capital investment is far more expensive in low- and middle-income economies



Source: World Bank staff estimates.

Price levels measured using purchasing power parities demonstrate the systematic differences in the relative prices of services and capital goods in developed and developing countries.

### Definitions

- **International price level** is the ratio of a country's PPP rate to its official exchange rate for U.S. dollars.
- **Private consumption** includes the consumption expenditures of individuals, households, and non-governmental organizations.
- **All food** includes all food purchased for household consumption.
- **Bread and cereals** comprise the main staple products—rice, flour, bread, all other cereals, and cereal preparations.
- **Clothing and footwear** include purchases of new and used clothing and footwear and repair services.
- **Fuel and power** exclude energy used for transport (rarely reported to be more than 1 percent of total consumption in low- and middle-income economies).
- **Health care and education** include government as well as private expenditures.
- **Transport and communications** cover all personal costs of transport, telephones, and the like.
- **Government consumption** includes spending on goods and services for collective consumption less spending on recreational and other related cultural services, education, health, and housing. Expenditure on government final consumption consists of compensation of employees, consumption of intermediate goods and services, and consumption of fixed capital and indirect taxes paid less proceeds from sales of goods and services to other sectors (such as fees charged by municipalities and other government agencies, school fees, fees for medical and hospital treatment and drug sales, and sales of maps and charts).
- **Gross fixed capital formation** comprises expenditures on construction, producer durables, and changes in stocks. Construction includes residential and nonresidential buildings and roads, bridges, and other civil engineering activities. Producer durables include machinery and non-electrical equipment, electrical machinery and appliances, and transport equipment. Changes in stocks cover increases in the value of materials and supplies, works in progress, and livestock (including breeding stock and dairy cattle).

### Data sources

PPP data come from the ICP, which is coordinated by the regional economic commissions of the United Nations. The World Bank collects detailed ICP benchmark data from regional sources, establishes global consistency across the regional data sets, and computes regression-based estimates for nonbenchmark countries.



## 4.12 Central government finances

	Current revenue <sup>a</sup>		Total expenditure		Overall budget deficit (including grants)		Financing from abroad		Domestic financing		Debt and interest payments	
	% of GDP		% of GDP		% of GDP		% of GDP		% of GDP		Total debt	Interest
	1980	1995	1980	1995	1980	1995	1980	1995	1980	1995	1995	1995
Albania	..	21.2	..	31.0	..	-9.0	..	1.9	..	7.1	35.3	11.1
Algeria	..	..	..	..	..	..	..	..	..	..	..	..
Angola	..	..	..	..	..	..	..	..	..	..	..	..
Argentina	15.6	12.9	18.2	14.5	-2.6	-1.1	0.0	1.3	2.6	-0.3	..	11.3
Armenia	..	..	..	..	..	..	..	..	..	..	..	..
Australia	21.7	24.5	22.7	27.4	-1.5	-2.5	0.2	0.7	1.3	1.8	22.7	7.0
Austria	33.9	36.2	36.6	42.2	-3.3	-5.2	0.8	1.8	2.5	3.4	58.4	10.9
Azerbaijan	..	..	..	..	..	..	..	..	..	..	..	..
Bangladesh	11.3	..	10.0	..	2.5	..	2.5	..	0.7	..	..	..
Belarus	..	..	..	..	..	..	..	..	..	..	..	..
Belgium	43.4	44.6	50.6	49.4	-8.1	-3.9	2.4	-3.3	5.7	7.2	127.9	19.4
Benin	..	..	..	..	..	..	..	..	..	..	..	..
Bolivia	..	17.5	..	23.1	..	-2.5	..	5.4	..	-2.8	62.9	14.1
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..	..	..
Botswana	31.8	42.8	31.8	38.0	-0.2	2.8	1.3	-0.4	-1.2	-2.4	11.5	1.7
Brazil	22.6	25.6	20.2	37.4	-2.4	-9.4	0.0	..	2.4	..	..	75.6
Bulgaria	..	36.0	..	41.6	..	-5.3	..	-0.8	..	6.1	..	41.2
Burkina Faso	11.8	..	12.2	..	0.2	..	0.4	..	0.0	..	..	..
Burundi	13.9	15.7	21.5	24.9	-3.9	-3.7	2.0	1.7	1.9	2.0	105.0	7.7
Cambodia	..	..	..	..	..	..	..	..	..	..	..	..
Cameroon	16.4	13.0	15.7	12.7	0.5	0.2	0.7	0.3	-1.2	-0.3	139.6	23.0
Canada	18.7	20.8	21.3	24.6	-3.5	-3.7	0.6	..	2.9	..	..	21.3
Central African Republic	16.5	..	22.0	..	-3.5	..	2.1	..	1.5	..	..	..
Chad	..	..	..	..	..	..	..	..	..	..	..	..
Chile	32.0	21.5	28.0	19.2	5.4	2.5	-0.8	..	-4.7	..	19.0	3.4
China	..	5.7	..	8.3	..	-1.8	..	0.0	..	1.7	..	..
Hong Kong, China	..	..	..	..	..	..	..	..	..	..	..	..
Colombia	12.0	16.3	13.4	14.4	-1.8	-0.5	..	..	..	..	..	10.5
Congo, Dem. Rep.	9.4	4.9	12.4	7.6	-0.8	0.0	0.3	0.0	0.5	0.0	214.1	1.0
Congo, Rep.	35.3	..	49.4	..	-5.2	..	3.8	..	1.4	..	..	..
Costa Rica	17.8	26.3	25.0	29.1	-7.4	-2.9	1.1	-1.1	6.3	4.0	..	21.4
Côte d'Ivoire	22.9	..	31.7	..	-10.8	..	6.5	..	4.4	..	..	..
Croatia	..	44.9	..	46.5	..	-0.9	..	0.8	..	0.1	32.5	3.3
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	38.8	..	39.9	..	0.4	..	-0.5	..	0.1	15.5	3.2
Denmark	35.5	40.6	39.4	43.4	-2.7	-2.0	..	..	..	..	..	14.2
Dominican Republic	14.2	16.2	16.9	15.6	-2.6	0.8	1.4	-1.0	1.2	0.3	..	5.8
Ecuador	12.8	15.7	14.2	15.7	-1.4	0.0	0.5	..	0.9	..	..	21.8
Egypt, Arab Rep.	45.5	36.9	45.6	37.4	-6.3	0.3	2.1	-1.2	4.2	0.8	..	25.8
El Salvador	11.4	12.6	17.1	13.7	-5.7	-0.1	0.3	-0.5	5.5	0.6	27.7	11.3
Eritrea	..	..	..	..	..	..	..	..	..	..	..	..
Estonia	..	34.2	..	35.2	..	0.0	..	0.3	..	-0.4	..	0.6
Ethiopia <sup>b</sup>	16.3	11.8	19.5	18.1	-3.1	-5.9	1.2	2.7	1.9	3.2	..	16.8
Finland	27.2	32.7	28.1	42.7	-2.2	-9.8	0.8	0.0	1.4	9.9	66.1	14.5
France	39.6	40.5	39.5	46.4	-0.1	-6.5	0.0	0.7	0.1	5.8	..	7.9
Gabon	35.5	..	36.5	..	6.1	..	0.0	..	-6.1	..	..	..
Gambia, The	23.4	24.5	32.1	21.5	-4.5	3.7	1.2	3.0	3.3	-6.8	..	..
Georgia	..	..	..	..	..	..	..	..	..	..	..	..
Germany	..	32.1	..	33.9	..	-1.8	..	1.6	..	0.2	37.3	7.8
Ghana	6.9	17.9	10.9	22.1	-4.2	-2.6	0.7	1.4	3.5	1.2	..	20.5
Greece	25.3	21.9	29.3	33.6	-4.1	-9.6	1.6	1.1	2.6	8.5	116.9	57.8
Guatemala	9.4	8.5	12.1	8.9	-3.4	-0.7	1.4	..	3.0	..	..	11.1
Guinea	..	..	..	..	..	..	..	..	..	..	..	..
Guinea-Bissau	..	..	..	..	..	..	..	..	..	..	..	..
Haiti	10.6	..	17.4	..	-4.7	..	..	..	..	..	..	..
Honduras	14.6	..	..	..	..	..	..	..	..	..	..	..



	Current revenue <sup>a</sup>		Total expenditure		Overall budget deficit (including grants)		Financing from abroad		Domestic financing		Debt and interest payments	
	% of GDP		% of GDP		% of GDP		% of GDP		% of GDP		Total debt % of GDP	Interest % of current revenue
	1980	1995	1980	1995	1980	1995	1980	1995	1980	1995	1995	1995
Hungary	53.4	..	56.2	..	-2.8	..	2.1	..	0.7	..	..	..
India	11.7	13.3	13.3	16.4	-6.5	-6.0	0.5	0.2	6.0	5.8	52.2	33.6
Indonesia	21.3	17.8	22.1	14.7	-2.3	2.2	2.1	-0.4	0.2	-1.9	30.9	8.9
Iran, Islamic Rep.	21.6	24.5	35.7	23.2	-13.8	1.4	-0.6	0.0	14.4	-1.4	..	0.0
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	34.7	36.7	45.1	40.3	-12.5	-2.0	..	..	..	..	..	15.3
Israel	50.4	38.5	70.2	44.7	-15.6	-4.7	7.9	0.2	7.8	4.6	113.9	15.9
Italy	31.4	41.2	41.2	43.8	-10.8	-7.8	0.2	..	10.8	..	..	27.7
Jamaica	29.0	..	41.5	..	-15.5	..	..	..	..	..	..	..
Japan	11.6	20.9	18.4	23.7	-7.0	-1.5	..	..	..	1.5	44.7	..
Jordan	17.9	28.6	41.3	31.6	-9.3	1.1	5.7	1.5	3.6	-2.6	90.2	10.0
Kazakhstan	..	..	..	..	..	..	..	..	..	..	..	..
Kenya	21.9	23.6	25.3	29.8	-4.5	-3.4	2.4	..	2.1	..	..	31.7
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	17.4	20.1	17.0	17.7	-2.2	0.3	0.8	-0.1	1.4	-0.2	9.0	3.0
Kuwait	89.3	..	27.7	51.4	58.7	..	..	..	..	..	..	..
Kyrgyz Republic	..	..	..	..	..	..	..	..	..	..	..	..
Lao PDR	..	..	..	..	..	..	..	..	..	..	..	..
Latvia	..	28.3	..	32.2	..	-4.2	..	1.7	..	2.5	16.0	3.6
Lebanon	..	16.8	..	32.5	..	-15.7	..	2.1	..	14.0	77.9	59.8
Lesotho	34.2	55.0	..	50.7	..	6.4	..	6.6	4.8	-12.9	..	..
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania	..	23.7	..	25.5	..	-5.3	..	4.1	..	1.2	..	1.8
Macedonia, FYR	..	..	..	..	..	..	..	..	..	..	..	..
Madagascar	13.2	8.4	..	17.2	..	-1.6	..	1.8	..	-0.3	118.4	59.9
Malawi	19.1	..	34.6	..	-15.9	..	8.3	..	7.7	..	..	..
Malaysia	26.3	25.4	28.5	22.9	-6.0	2.3	0.6	-0.8	5.4	-1.4	42.8	12.1
Mali	10.5	..	20.6	..	-4.5	..	4.1	..	0.4	..	..	..
Mauritania	..	..	..	..	..	..	..	..	..	..	..	..
Mauritius	20.8	21.0	27.2	22.6	-10.3	-1.2	2.5	-1.2	7.8	2.4	33.7	11.5
Mexico	15.1	15.3	15.7	15.9	-3.0	-0.5	-0.4	5.4	3.4	-4.9	40.9	18.5
Moldova	..	..	..	..	..	..	..	..	..	..	..	..
Mongolia	..	24.3	..	21.5	..	-3.5	..	8.7	..	0.4	..	1.7
Morocco	23.3	..	33.1	..	-9.7	..	5.3	..	4.4	..	..	..
Mozambique	..	..	..	..	..	..	..	..	..	..	..	..
Myanmar	16.0	6.3	15.8	10.6	1.2	-4.1	1.2	0.0	-2.4	4.1	..	..
Namibia	..	33.4	..	38.5	..	-4.5	..	0.1	..	4.4	..	2.4
Nepal	7.8	10.7	14.3	17.5	-3.0	-4.6	1.9	4.1	1.2	0.5	66.2	..
Netherlands	49.4	46.0	52.9	50.8	-4.6	-4.9	0.0	3.2	4.6	1.7	63.0	10.4
New Zealand	34.2	35.8	38.3	32.9	-6.7	0.4	3.6	..	3.1	..	59.1	11.8
Nicaragua	23.3	25.4	30.4	33.2	-6.8	-0.6	3.6	0.2	3.2	0.5	..	15.8
Niger	14.4	..	18.4	..	-4.7	..	4.0	..	0.7	..	..	..
Nigeria	..	..	..	..	..	..	..	..	..	..	..	..
Norway	37.2	41.3	34.4	39.0	-1.7	1.6	-0.7	0.4	2.4	-2.0	28.1	5.5
Oman	38.2	31.7	38.5	42.4	0.4	-10.1	-3.6	9.1	3.1	1.0	31.3	7.8
Pakistan	16.2	19.4	17.5	23.2	-5.7	-4.8	2.3	2.4	3.4	2.4	..	28.8
Panama	25.3	26.1	30.5	24.7	-5.2	2.9	5.4	0.3	-0.2	-3.2	..	6.9
Papua New Guinea	23.0	22.0	34.4	29.4	-1.9	-4.1	2.5	-0.2	-0.5	4.3	43.0	12.2
Paraguay	10.7	14.1	9.9	13.0	0.3	1.2	2.2	-0.8	-2.5	-0.4	12.8	5.6
Peru	17.1	15.2	19.5	17.2	-2.4	-1.3	0.6	2.2	1.8	-0.8	45.9	19.9
Philippines	14.0	17.7	13.4	17.9	-1.4	0.6	0.9	-0.7	0.5	0.1	61.1	21.5
Poland	..	40.7	..	43.0	..	-2.0	..	0.3	..	1.7	57.9	11.8
Portugal	26.0	35.5	33.1	44.1	-8.4	-5.5	1.9	3.8	6.5	1.6	..	14.7
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..
Romania	45.3	29.9	44.8	32.0	0.5	-2.5	..	0.0	..	2.5	..	4.4
Russian Federation	..	18.5	..	24.0	..	-4.4	..	1.5	..	2.9	..	17.0



# 4.12

	Current revenue <sup>a</sup>		Total expenditure		Overall budget deficit (including grants)		Financing from abroad		Domestic financing		Debt and interest payments	
	% of GDP		% of GDP		% of GDP		% of GDP		% of GDP		Total debt % of GDP	Interest % of current revenue
	1980	1995	1980	1995	1980	1995	1980	1995	1980	1995	1995	1995
Rwanda	12.8	..	14.3	25.8	-1.7	-7.4	2.6	..	-0.9	..	..	..
Saudi Arabia	..	..	..	..	..	..	..	..	..	..	..	..
Senegal	24.1	..	23.1	..	0.9	..	-2.7	..	1.8	..	..	..
Sierra Leone	15.1	9.4	26.5	16.4	-11.8	-6.1	3.5	5.7	8.3	0.4	114.1	20.4
Singapore	25.4	25.9	20.0	15.9	2.1	14.3	-0.2	0.0	-2.0	-14.3	74.8	3.9
Slovak Republic	..	..	..	..	..	..	..	..	..	..	..	..
Slovenia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	23.5	27.6	22.1	33.7	-2.3	-5.9	-0.2	0.4	2.5	5.6	57.4	22.3
Spain	24.2	31.2	26.7	38.2	-4.2	-7.2	0.0	-4.3	4.2	11.5	52.8	14.8
Sri Lanka	20.2	20.4	41.4	29.3	-18.3	-8.3	4.5	3.2	13.8	5.1	94.6	28.1
Sudan	13.8	..	19.6	..	-3.3	..	2.8	..	0.5	..	..	..
Sweden	35.0	38.4	39.3	49.5	-8.1	-11.1	3.2	-1.3	4.9	12.4	71.1	16.6
Switzerland	19.5	23.2	20.1	26.6	-0.2	-1.0	..	0.0	..	1.0	22.5	4.0
Syrian Arab Republic	26.8	22.6	48.2	24.5	-9.7	-1.7	-0.2	..	9.8	..	..	..
Tajikistan	..	..	..	..	..	..	..	..	..	..	..	..
Tanzania	..	..	..	..	..	..	..	..	..	..	..	..
Thailand	14.3	18.6	18.8	15.8	-4.9	2.9	1.1	0.2	3.7	-3.1	4.6	1.8
Togo	30.3	..	30.8	..	-2.0	..	1.6	..	0.4	..	..	..
Trinidad and Tobago	43.2	28.2	30.9	29.2	7.4	0.2	..	2.7	..	-2.9	53.5	18.3
Tunisia	31.3	30.1	31.6	32.8	-2.8	-3.2	2.3	2.9	0.5	0.3	57.7	12.4
Turkey	18.1	17.9	21.3	22.2	-3.1	-4.1	0.4	-1.0	2.6	5.1	41.4	15.2
Turkmenistan	..	..	..	..	..	..	..	..	..	..	..	..
Uganda	3.2	..	6.2	..	-3.1	..	0.0	..	3.1	..	..	..
Ukraine	..	..	..	..	..	..	..	..	..	..	..	..
United Arab Emirates	0.2	2.5	12.1	11.8	2.1	0.2	0.0	0.0	-2.1	-0.2	..	..
United Kingdom	35.2	36.4	38.3	42.0	-4.6	-5.3	0.3	..	4.3	..	..	10.2
United States	20.2	20.5	22.0	22.7	-2.8	-2.2	0.0	2.7	2.8	-0.5	51.3	16.1
Uruguay	22.3	30.1	21.8	31.5	0.0	-1.3	0.9	1.1	-0.9	1.7	26.3	5.9
Uzbekistan	..	..	..	..	..	..	..	..	..	..	..	..
Venezuela	22.3	16.6	18.7	18.8	0.0	-3.7	1.8	0.1	-1.9	3.5	..	29.0
Vietnam	..	..	..	..	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	..	19.9	..	24.7	..	-5.5	..	-0.2	..	5.8	..	17.1
Yugoslavia, FR (Serb./Mont.)	..	..	..	..	..	..	..	..	..	..	..	..
Zambia	25.0	21.2	37.1	25.0	-18.5	-7.2	8.8	4.2	9.7	3.0	161.8	8.7
Zimbabwe	24.1	27.4	34.8	34.1	-10.9	-10.7	2.3	7.2	8.6	3.5	69.5	23.4
<b>World</b>	<b>22.6 w</b>	<b>25.9 w</b>	<b>25.7 w</b>	<b>29.1 w</b>	<b>-4.1 w</b>	<b>-3.3 w</b>	<b>1.3 m</b>	<b>.. m</b>	<b>2.6 m</b>	<b>.. m</b>	<b>.. m</b>	<b>13.6 m</b>
<b>Low income</b>	..	9.9	..	12.9	..	..	..	..	..	..	..	..
Excl. China & India	..	..	..	..	..	..	..	..	..	..	..	..
<b>Middle income</b>	..	..	..	..	..	..	..	-0.1	..	0.4	..	11.3
Lower middle income	..	20.0	..	22.6	..	-4.9	..	..	..	..	..	11.1
Upper middle income	21.1	23.3	20.3	29.0	-2.2	-6.6	0.9	0.6	2.4	0.1	37.3	11.4
<b>Low &amp; middle income</b>	..	18.9	..	21.9	..	..	..	..	..	..	..	..
East Asia & Pacific	..	10.7	..	11.5	..	..	1.2	-0.2	0.3	-0.7	..	11.5
Europe & Central Asia	..	25.5	..	30.9	..	-7.7	..	..	..	..	..	..
Latin America & Carib.	19.3	19.8	18.8	24.5	-2.0	-5.8	1.0	-0.4	1.5	0.0	..	12.7
Middle East & N. Africa	..	..	..	..	..	..	2.6	0.4	3.1	0.8	..	11.2
South Asia	12.4	14.2	14.2	17.6	..	-6.2	2.1	2.8	4.7	3.7	66.2	28.8
Sub-Saharan Africa	20.0	..	22.2	..	..	..	2.4	..	1.9	..	..	..
<b>High income</b>	23.1	28.0	26.3	31.3	-4.1	-3.4	0.4	0.5	2.9	1.8	60.7	11.4

a. Excluding grants. b. Data prior to 1992 include Eritrea.



### About the data

Tables 4.12–4.14 present an overview of the size and role of central governments relative to national economies. The International Monetary Fund's (IMF) *Manual on Government Finance Statistics* describes the government as the sector of the economy responsible for "implementation of public policy through the provision of primarily nonmarket services and the transfer of income, supported mainly by compulsory levies on other sectors" (1986, p. 3).

Data on government revenues and expenditures are collected by the IMF through questionnaires distributed to member governments and by the Organisation for Economic Co-operation and Development (OECD). Despite the IMF's efforts to systematize and standardize the collection of public finance data, statistics on public finance are often incomplete, untimely, and noncomparable.

In general, the definition of government excludes non-financial public enterprises and public financial institutions (such as the central bank). Units of government meeting this definition exist at many levels, from local administrative units to the highest level of national government. Inadequate statistical coverage precludes the presentation of subnational data, however, making cross-country comparisons potentially misleading.

*Central government* can refer to one of two accounting concepts: consolidated or budgetary. For most countries central government finance data have been consolidated into one account, but for others only budgetary central government accounts are available. Countries reporting budgetary data are noted in *Primary data documentation*. Because budgetary accounts do not necessarily include all central government units, the picture they provide of central government activities is usually incomplete. A key issue is the failure to include the quasi-fiscal operations of the central bank. Central bank losses arising from monetary operations and subsidized financing can result in sizable quasi-fiscal deficits. Such deficits may also result from the operations of other financial intermediaries, such as public development finance institutions. Also missing from the data are governments' contingent liabilities for unfunded pension and insurance plans.

Government finance statistics are reported in local currency. The indicators here are shown as percentages of GDP. Many countries report government finance data according to fiscal years; see *Primary data documentation* for the timing of these years. For further discussion of government finance statistics see the notes to tables 4.13 and 4.14.

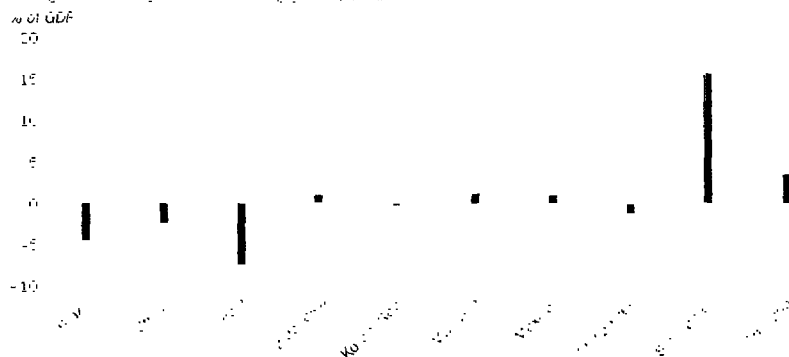
### Definitions

- **Current revenue** includes all revenue from taxes and nonrepayable receipts (other than grants) from the sale of land, intangible assets, government stocks, or fixed capital assets, or from capital transfers from non-governmental sources. It also includes fines, fees, recoveries, inheritance taxes, and nonrecurrent levies on capital.
- **Total expenditure** includes nonrepayable current and capital expenditure. It does not include government lending or repayments to the government or government acquisition of equity for public policy purposes.
- **Overall budget deficit** is current and capital revenue and official grants received, less total expenditure and lending minus repayments.
- **Financing from abroad** (obtained from nonresidents) and **domestic financing** (obtained from residents) refer to the means by which a government provides financial resources to cover a budget deficit or allocates financial resources arising from a budget surplus. It includes all government liabilities—other than those for currency issues or demand, time, or savings deposits with government—or claims on others held by government and changes in government holdings of cash and deposits. Government guarantees of the debt of others are excluded.
- **Debt** is the entire stock of direct, government, fixed term contractual obligations to others outstanding at a particular date. It includes domestic debt (such as debt held by monetary authorities, deposit money banks, nonfinancial public enterprises, and households) and foreign debt (such as debt to international development institutions and foreign governments). It is the gross amount of government liabilities not reduced by the amount of government claims against others. Because debt is a stock rather than a flow, it is measured as of a given date, usually the last day of the fiscal year.
- **Interest** includes interest payments on government debt—including long-term bonds, long-term loans, and other debt instruments—to both domestic and foreign residents.

Figure 4.12a

### Prudent fiscal management is not a guarantee against financial crisis

Percentage of annual budget deficit (or surplus) as a share of GDP, 1991–96



a. 1991–93. b. 1991–95.

Source: IMF, *Government Finance Statistics*.

The five Asian countries that experienced financial crisis in 1997—Indonesia, the Republic of Korea, Malaysia, the Philippines, and Thailand—ran small fiscal surpluses or modest deficits in the preceding period. The problems in Asia did not arise from fiscal management but from excessive short-term borrowing by the private sector that helped to fuel an investment bubble. Brazil, China, India, Mexico, and Singapore are shown for reference.

### Data sources



Data on central government finances are from the IMF's *Government Finance Statistics Yearbook* (1996) and IMF data files. Each country's accounts are reported using the system of common definitions and classifications found in the IMF's *Manual on Government Finance Statistics* (1986). See these sources for complete and authoritative explanations of concepts, definitions, and data sources.



## 4.13 Central government expenditures

	Goods and services		Wages and salaries <sup>a</sup>		Interest payments		Subsidies and other current transfers		Capital expenditure	
	% of total expenditure		% of total expenditure		% of total expenditure		% of total expenditure		% of total expenditure	
	1980	1995	1980	1995	1980	1995	1980	1995	1980	1995
Albania	..	26	..	12	..	8	..	48	..	18
Algeria	..	..	..	..	..	..	..	..	..	..
Angola	..	..	..	..	..	..	..	..	..	..
Argentina	57	22	..	17	0	10	43	60	..	7
Armenia	..	..	..	..	..	..	..	..	..	..
Australia	22	23	..	..	7	6	65	67	7	4
Austria	26	25	11	9	5	9	60	59	9	7
Azerbaijan	..	..	..	..	..	..	..	..	..	..
Bangladesh	..	..	..	..	..	..	..	..	..	..
Belarus	..	..	..	..	..	..	..	..	..	..
Belgium	23	19	16	15	10	17	59	59	8	5
Benin	..	..	..	..	..	..	..	..	..	..
Bolivia	..	57	..	34	..	11	..	13	..	19
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..
Botswana	47	52	29	26	2	2	19	29	32	16
Brazil	20	13	16	7	8	52	64	40	8	2
Bulgaria	..	24	..	6	..	36	..	37	..	4
Burkina Faso	67	..	..	..	3	..	13	..	19	..
Burundi	39	39	25	22	2	5	7	12	46	42
Cambodia	..	..	..	..	..	..	..	..	..	..
Cameroon	55	53	32	37	1	23	11	13	33	8
Canada	22	..	10	..	12	18	65	..	1	..
Central African Republic	67	..	54	..	1	..	16	..	6	..
Chad	..	..	..	..	..	..	..	..	..	..
Chile	41	29	29	19	3	4	46	52	10	16
China	..	..	..	..	..	..	..	..	..	..
Hong Kong, China	..	..	..	..	..	..	..	..	..	..
Colombia	36	29	23	19	4	11	38	43	31	18
Congo, Dem. Rep.	65	94	42	58	8	1	8	2	20	3
Congo, Rep.	..	..	..	..	..	..	..	..	45	..
Costa Rica	53	48	44	36	9	19	24	25	21	8
Côte d'Ivoire	..	..	..	..	..	..	..	..	28	..
Croatia	..	59	..	25	..	3	..	30	..	8
Cuba	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	15	..	8	..	3	..	69	..	12
Denmark	22	19	13	11	7	13	65	64	7	4
Dominican Republic	50	38	39	27	6	6	12	12	31	42
Ecuador	28	47	26	42	9	22	34	9	16	21
Egypt, Arab Rep.	38	31	19	17	6	25	36	24	20	19
El Salvador	50	48	40	38	3	10	16	25	16	12
Eritrea	..	..	..	..	..	..	..	..	..	..
Estonia	..	50	..	..	..	1	..	43	..	7
Ethiopia <sup>b</sup>	85	63	37	39	3	11	4	12	15	19
Finland	22	17	11	7	2	11	66	67	11	5
France	30	24	20	16	2	7	62	64	5	5
Gabon	..	..	..	..	..	..	..	..	..	..
Gambia, The	46	..	23	..	1	..	4	..	48	23
Georgia	..	..	..	..	..	..	..	..	..	..
Germany <sup>c</sup>	34	31	9	8	3	7	55	57	7	5
Ghana	48	45	27	28	16	17	26	23	10	15
Greece	45	29	29	23	8	38	35	20	16	13
Guatemala	50	52	35	35	5	11	6	12	42	26
Guinea	..	..	..	..	..	..	..	..	..	..
Guinea-Bissau	..	..	..	..	..	..	..	..	..	..
Haiti	82	..	..	..	2	..	5	..	20	..
Honduras	..	..	..	..	..	..	..	..	..	..



4.13

	Goods and services		Wages and salaries <sup>a</sup>		Interest payments		Subsidies and other current transfers		Capital expenditure	
	1980	1995	1980	1995	1980	1995	1980	1995	1980	1995
Hungary	20	20	7	7	3	64	13	13	13	13
India	29	23	14	23	9	47	38	12	11	11
Indonesia	25	27	15	13	4	11	24	16	47	46
Iran, Islamic Rep.	57	52	45	36	1	0	19	15	22	33
Iraq	19	18	13	13	14	14	57	10	9	9
Ireland	19	18	13	13	14	14	57	10	9	9
Israel	50	33	12	15	11	14	35	4	4	9
Italy	18	15	13	11	11	24	57	5	5	5
Jamaica	13	62	13	46	3	54	19	19	19	19
Japan	43	43	46	3	9	17	10	29	19	19
Jordan	43	62	46	3	9	17	10	29	19	19
Kazakhstan	57	57	27	32	7	25	13	5	23	19
Kenya	57	57	27	32	7	25	13	5	23	19
Korea, Dem. Rep.	45	28	16	14	7	3	34	49	14	20
Korea, Rep.	45	28	16	14	7	3	34	49	14	20
Kuwait	45	59	22	27	0	4	23	22	32	14
Kyrgyz Republic	39	20	20	3	3	54	19	19	19	19
Lao PDR	39	20	20	3	3	54	19	19	19	19
Latvia	39	20	20	3	3	54	19	19	19	19
Lebanon	29	29	23	31	31	22	22	22	30	18
Lesotho	29	29	23	31	31	22	22	22	30	18
Libya	42	16	16	2	2	47	10	10	10	10
Lithuania	42	16	16	2	2	47	10	10	10	10
Macedonia, FYR	28	18	18	29	29	7	7	7	35	35
Madagascar	37	15	28	26	9	6	48	8	23	23
Malawi	37	15	28	26	9	6	48	8	23	23
Malaysia	38	44	44	26	13	19	21	35	9	9
Mali	46	33	33	1	1	11	11	9	23	23
Mauritania	46	33	33	1	1	11	11	9	23	23
Mauritius	42	49	32	38	14	28	24	17	17	17
Mexico	32	26	25	18	11	32	43	32	12	12
Moldova	32	26	25	18	11	32	43	32	12	12
Mongolia	34	10	10	2	2	40	31	23	23	23
Morocco	47	33	33	7	7	15	31	31	23	23
Mozambique	74	74	74	74	74	74	74	74	74	74
Nepal	16	15	11	9	9	72	71	9	5	5
Netherlands	29	48	21	10	10	55	37	6	2	2
New Zealand	29	48	21	10	10	55	37	6	2	2
Niger	30	60	17	19	8	12	25	19	33	33
Nigeria	30	60	17	19	8	12	25	19	33	33
Norway	20	20	9	8	7	67	69	6	5	5
Oman	71	74	13	24	3	5	5	21	15	15
Pakistan	47	43	12	24	6	23	15	17	18	18
Panama	50	54	33	40	7	14	27	18	11	11
Papua New Guinea	58	48	37	28	5	23	32	15	17	17
Paraguay	61	56	34	46	6	12	23	24	15	15
Peru	45	34	16	16	18	14	31	23	17	17
Philippines	61	46	27	32	7	7	18	26	15	15
Poland	26	26	14	14	11	59	37	13	3	3
Portugal	34	39	24	29	8	12	45	13	12	12
Puerto Rico	11	34	2	16	0	4	49	33	13	13
Romania	11	34	2	16	0	4	49	33	13	13
Russian Federation	40	40	40	40	40	40	40	40	40	40





# 4.13

	Goods and services		Wages and salaries <sup>a</sup>		Interest payments		Subsidies and other current transfers		Capital expenditure	
	% of total expenditure		% of total expenditure		% of total expenditure		% of total expenditure		% of total expenditure	
	1980	1995	1980	1995	1980	1995	1980	1995	1980	1995
Rwanda	58	..	30	..	2	..	5	..	35	..
Saudi Arabia	..	..	..	..	..	..	..	..	..	..
Senegal	72	..	45	..	6	..	18	..	8	..
Sierra Leone	..	37	..	21	..	12	..	28	20	24
Singapore	58	59	29	30	15	6	6	11	22	23
Slovak Republic	..	..	..	..	..	..	..	..	..	..
Slovenia	..	..	..	..	..	..	..	..	..	..
South Africa	47	27	20	26	8	18	31	46	14	9
Spain	40	16	32	11	1	12	48	66	11	5
Sri Lanka	31	39	13	18	8	20	20	21	40	21
Sudan	46	..	12	..	6	..	28	..	23	..
Sweden	17	15	8	5	7	13	71	70	5	3
Switzerland	27	30	6	5	3	3	63	63	7	4
Syrian Arab Republic	..	..	..	..	..	..	..	..	37	38
Tajikistan	..	..	..	..	..	..	..	..	..	..
Tanzania	52	..	19	..	7	..	4	..	40	..
Thailand	55	57	21	32	8	2	14	7	23	33
Togo	52	..	28	..	9	..	12	..	27	..
Trinidad and Tobago	34	51	28	33	3	18	24	21	39	10
Tunisia	42	38	29	32	5	11	24	31	30	20
Turkey	47	37	32	27	3	12	23	42	28	8
Turkmenistan	..	..	..	..	..	..	..	..	..	..
Uganda	..	..	..	..	..	..	..	..	13	..
Ukraine	..	..	..	..	..	..	..	..	..	..
United Arab Emirates	80	87	..	35	..	..	12	9	8	5
United Kingdom	32	30	14	9	11	9	53	56	5	5
United States	29	23	11	9	10	15	54	59	6	3
Uruguay	47	27	30	15	2	6	43	60	8	6
Uzbekistan	..	..	..	..	..	..	..	..	..	..
Venezuela	50	27	41	21	8	26	22	32	22	16
Vietnam	..	..	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	..	67	..	58	..	14	..	7	..	11
Yugoslavia, FR (Serb./Mont.)	..	..	..	..	..	..	..	..	..	..
Zambia	55	48	27	24	9	8	25	19	11	34
Zimbabwe	56	49	31	29	7	19	32	20	5	13
<b>World</b>	<b>45 m</b>	<b>35 m</b>	<b>.. m</b>	<b>.. m</b>	<b>7 m</b>	<b>11 m</b>	<b>24 m</b>	<b>28 m</b>	<b>18 m</b>	<b>12 m</b>
<b>Low income</b>	..	..	..	..	..	..	..	..	..	..
Excl. China & India	..	..	..	..	..	..	..	..	..	..
<b>Middle income</b>	..	41	..	27	..	11	..	26	..	17
Lower middle income	..	41	..	27	..	11	..	26	..	17
Upper middle income	..	..	..	..	..	..	..	..	..	..
<b>Low &amp; middle income</b>	..	..	..	..	..	..	..	..	..	..
East Asia & Pacific	..	45	..	27	..	11	..	18	25	28
Europe & Central Asia	..	..	..	..	..	..	..	..	..	..
Latin America & Carib.	50	36	31	24	6	11	24	26	20	14
Middle East & N. Africa	..	55	..	32	..	11	..	13	32	19
South Asia	31	39	..	..	12	24	23	21	17	18
Sub-Saharan Africa	..	..	..	..	..	..	..	..	20	..
<b>High income</b>	28	25	13	11	7	9	56	59	7	5

**Note:** Includes expenditures financed by grants in kind and other cash adjustments.

a. Part of goods and services. b. Data prior to 1992 include Eritrea. c. Data prior to 1990 refer to the Federal Republic of Germany before unification.



### About the data

Government expenditures include all nonrepayable payments, whether current or capital, required or unrequired. Total central government expenditure as presented in the International Monetary Fund's (IMF) *Government Finance Statistics* is a more limited measure of general government consumption than that shown in the national accounts (see table 4.9) because it excludes consumption expenditures by state and local governments. At the same time, the IMF's concept of central government expenditure is broader than the national accounts definition because it includes government gross domestic investment and transfer payments.

Expenditures can be measured either by function (education, health, defense) or by economic type (wages and salaries, interest payments, purchases of goods and services). Functional data are often incom-

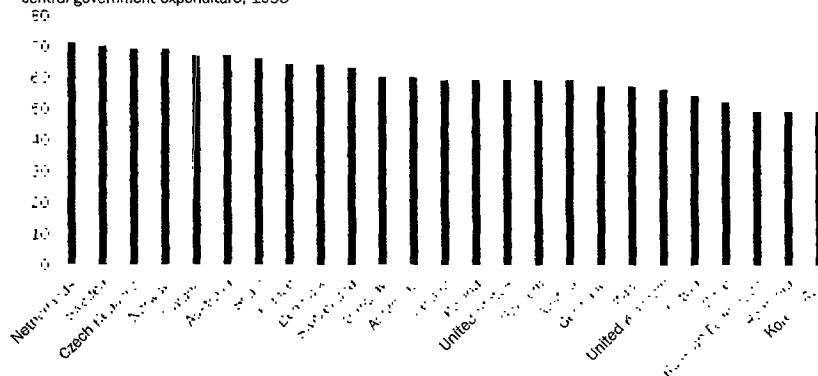
plete, and coverage varies by country because functional responsibilities stretch across levels of government for which no data are available. Defense expenditures, which are usually the central government's responsibility, are shown in table 5.7. For more information on education expenditures see table 2.9; for more information on health expenditures see table 2.13.

The classification of expenditures by economic type can also be problematic. For example, the distinction between current and capital expenditure may be arbitrary, and subsidies to state-owned enterprises or banks may be disguised as capital financing subsidies may also be hidden in special contractual pricing for goods and services. For further discussion of government finance statistics see the notes to tables 4.12 and 4.14.

Figure 4.13a

### A large portion of government spending goes to transfers and subsidies

Subsidies and transfers as % of central government expenditure, 1995



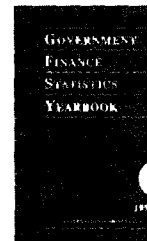
Source: International Monetary Fund, *Government Finance Statistics* data file.

In high-income economies a large part of the central government's budget goes to subsidies and transfer payments. Subsidies and transfers are also quite high in some middle-income economies (Uruguay, Argentina, Chile) and transition economies (the Czech Republic, Poland, Latvia, Russia, Romania).

### Definitions

- **Total expenditure** of the central government includes both current and capital (development) expenditures and excludes lending minus repayments.
- **Goods and services** include all government payments in exchange for goods and services, whether in the form of wages and salaries to employees or other purchases of goods and services. • **Wages and salaries** consist of all payments in cash, but not in kind, to employees in return for services rendered, before deduction of withholding taxes and employee contributions to social security and pension funds.
- **Interest payments** are payments made to domestic sectors and to nonresidents for the use of borrowed money. (Repayment of principal is shown as a financing item, and commission charges are shown as purchases of services.) Interest payments do not include payments by government as guarantor or surety of interest on the defaulted debts of others, which are classified as government lending. • **Subsidies and other current transfers** include all unrequired, nonrepayable transfers on current account to private and public enterprises, and the cost to the public of covering the cash operating deficits on sales to the public by departmental enterprises. • **Capital expenditure** is spending to acquire fixed capital assets, land, intangible assets, government stocks, and nonmilitary, nonfinancial assets. Also included are capital grants.

### Data sources



Data on central government expenditures are from the IMF's *Government Finance Statistics Yearbook* (1996) and IMF data files. Each country's accounts are reported using the system of common definitions and classifications found in the IMF's *Manual on Government Finance Statistics* (1986). See these sources for complete and authoritative explanations of concepts, definitions, and data sources.



## 4.14 Central government revenues

	Taxes on income, profit, and capital gains		Social security taxes		Taxes on goods and services		Taxes on international trade		Other taxes		Nontax revenue	
	% of total current revenue		% of total current revenue		% of total current revenue		% of total current revenue		% of total current revenue		% of total current revenue	
	1980	1995	1980	1995	1980	1995	1980	1995	1980	1995	1980	1995
Albania	..	8	..	15	..	40	..	14	..	1	..	21
Algeria	..	..	..	..	..	..	..	..	..	..	..	..
Angola	..	..	..	..	..	..	..	..	..	..	..	..
Argentina	0	10	17	35	17	36	0	5	33	5	33	8
Armenia	..	..	..	..	..	..	..	..	..	..	..	..
Australia	61	64	0	0	23	21	5	3	0	2	10	10
Austria	21	21	35	40	26	23	2	0	9	7	8	9
Azerbaijan	..	..	..	..	..	..	..	..	..	..	..	..
Bangladesh	10	..	0	..	25	..	29	..	4	..	32	..
Belarus	..	..	..	..	..	..	..	..	..	..	..	..
Belgium	39	35	31	34	24	25	0	0	2	3	4	3
Benin	..	..	..	..	..	..	..	..	..	..	..	..
Bolivia	..	3	..	7	..	40	..	7	..	11	..	33
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..	..	..
Botswana	33	21	0	0	1	4	39	15	0	0	27	59
Brazil	11	15	25	31	32	19	7	2	4	5	21	28
Bulgaria	..	17	..	21	..	28	..	8	..	3	..	22
Burkina Faso	18	..	8	..	16	..	44	..	4	..	11	..
Burundi	19	19	1	7	25	41	40	26	8	1	6	7
Cambodia	..	..	..	..	..	..	..	..	..	..	..	..
Cameroon	22	17	8	0	18	25	38	28	5	3	8	27
Canada	53	48	10	19	17	19	7	2	0	0	14	11
Central African Republic	16	..	6	..	21	..	40	..	8	..	9	..
Chad	..	..	..	..	..	..	..	..	..	..	..	..
Chile	18	17	17	6	36	45	4	9	6	5	20	17
China	..	11	..	0	..	72	..	9	..	0	..	8
Hong Kong, China	..	..	..	..	..	..	..	..	..	..	..	..
Colombia	25	34	11	0	23	41	21	9	7	0	14	17
Congo, Dem. Rep.	30	33	2	0	12	19	38	33	5	8	12	8
Congo, Rep.	49	..	4	..	8	..	13	..	3	..	24	..
Costa Rica	14	11	29	26	30	33	19	15	2	1	6	14
Côte d'Ivoire	13	..	6	..	25	..	43	..	6	..	8	..
Croatia	..	11	..	33	..	42	..	9	..	1	..	4
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	15	..	40	..	32	..	4	..	1	..	8
Denmark	36	39	2	4	47	41	0	0	3	3	12	13
Dominican Republic	19	16	4	4	22	34	31	37	2	1	22	9
Ecuador	45	50	0	0	17	26	31	11	3	1	4	12
Egypt, Arab Rep.	19	19	9	10	9	13	20	10	7	10	37	39
El Salvador	23	27	0	0	30	51	37	17	8	1	4	5
Eritrea	..	..	..	..	..	..	..	..	..	..	..	..
Estonia	..	20	..	31	..	39	..	0	..	2	..	7
Ethiopia <sup>a</sup>	21	22	0	0	25	23	34	23	4	3	16	29
Finland	29	28	10	14	49	41	2	0	3	2	8	15
France	18	18	41	44	31	28	0	0	3	4	7	6
Gabon	40	..	0	..	5	..	20	..	2	..	34	..
Gambia, The	15	14	0	0	3	32	65	42	2	5	15	6
Georgia	..	..	..	..	..	..	..	..	..	..	..	..
Germany <sup>b</sup>	19	16	54	48	23	23	0	0	0	7	4	6
Ghana	20	17	0	0	28	34	44	27	0	0	7	23
Greece	17	33	26	2	32	59	5	0	10	-5	11	11
Guatemala	13	19	0	0	31	46	36	23	12	3	8	9
Guinea	..	..	..	..	..	..	..	..	..	..	..	..
Guinea-Bissau	..	..	..	..	..	..	..	..	..	..	..	..
Haiti	14	..	0	..	15	..	48	..	9	..	15	..
Honduras	31	..	0	..	24	..	37	..	2	..	7	..

4.14



	Taxes on income, profit, and capital gains		Social security taxes		Taxes on goods and services		Taxes on international trade		Other taxes		Nontax revenue	
	% of total current revenue		% of total current revenue		% of total current revenue		% of total current revenue		% of total current revenue		% of total current revenue	
	1980	1995	1980	1995	1980	1995	1980	1995	1980	1995	1980	1995
Hungary	19	..	15	..	38	..	7	..	5	..	16	..
India	18	22	0	0	42	29	22	24	1	0	17	25
Indonesia	78	46	0	6	9	33	7	4	1	1	5	9
Iran, Islamic Rep.	4	9	7	6	4	5	12	3	5	3	68	73
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	34	40	13	14	30	32	9	5	2	4	11	5
Israel	41	39	10	10	25	34	4	0	8	4	14	13
Italy	30	33	35	31	25	26	0	0	4	3	8	7
Jamaica	34	..	4	..	49	..	3	..	6	..	4	..
Japan	71	36	0	27	21	15	2	1	3	6	5	16
Jordan	13	11	0	0	7	26	48	25	10	10	22	27
Kazakhstan	..	..	..	..	..	..	..	..	..	..	..	..
Kenya	29	28	0	0	39	46	19	16	1	1	13	10
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	22	31	1	8	46	32	15	7	3	10	12	12
Kuwait	2	..	0	..	0	..	1	..	0	..	97	..
Kyrgyz Republic	..	..	..	..	..	..	..	..	..	..	..	..
Lao PDR	..	..	..	..	..	..	..	..	..	..	..	..
Latvia	..	7	..	35	..	41	..	3	..	0	..	13
Lebanon	..	6	..	0	..	5	..	44	..	14	..	31
Lesotho	13	13	0	0	10	15	61	59	2	0	14	13
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania	..	13	..	30	..	50	..	3	..	0	..	4
Macedonia, FYR	..	..	..	..	..	..	..	..	..	..	..	..
Madagascar	17	15	11	0	39	26	28	55	3	2	2	2
Malawi	34	..	0	..	31	..	22	..	0	..	13	..
Malaysia	38	37	0	1	17	26	33	12	2	5	11	19
Mali	18	..	4	..	37	..	18	..	15	..	8	..
Mauritania	..	..	..	..	..	..	..	..	..	..	..	..
Mauritius	15	13	0	6	17	24	52	35	4	6	12	16
Mexico	34	27	12	14	50	54	7	4	-11	-15	7	16
Moldova	..	..	..	..	..	..	..	..	..	..	..	..
Mongolia	..	33	..	15	..	19	..	9	..	0	..	24
Morocco	19	..	5	..	35	..	21	..	7	..	12	..
Mozambique	..	..	..	..	..	..	..	..	..	..	..	..
Myanmar	3	20	0	0	42	26	15	12	0	0	40	41
Namibia	..	29	..	0	..	29	..	31	..	1	..	11
Nepal	6	12	0	0	37	40	33	30	8	4	16	15
Netherlands	30	25	36	42	21	23	0	0	3	4	11	7
New Zealand	67	59	0	0	18	25	3	2	1	1	10	12
Nicaragua	8	11	9	13	37	43	25	21	8	6	0	6
Niger	14	..	1	..	14	..	10	..	1	..	15	..
Nigeria	..	..	..	..	..	..	..	..	..	..	..	..
Norway	27	18	22	22	39	38	1	1	1	1	9	21
Oman	26	21	0	0	0	1	1	3	0	2	72	73
Pakistan	14	16	0	0	34	37	34	25	0	1	18	21
Panama	21	20	21	16	17	17	10	11	4	3	27	34
Papua New Guinea	60	50	0	0	12	10	16	24	1	2	10	14
Paraguay	15	10	13	0	18	36	25	12	19	6	9	35
Peru	26	17	0	9	37	49	27	10	2	3	8	11
Philippines	21	33	0	0	42	26	24	29	2	4	11	8
Poland	..	28	..	25	..	28	..	8	..	1	..	10
Portugal	19	25	26	25	34	37	5	0	9	3	7	10
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..
Romania	0	30	13	29	0	23	0	4	9	2	78	12
Russian Federation	..	15	..	32	..	36	..	9	..	..	..	6



4.14

	Taxes on income, profit, and capital gains		Social security taxes		Taxes on goods and services		Taxes on international trade		Other taxes		Nontax revenue	
	% of total		% of total		% of total		% of total		% of total		% of total	
	1980	1995	1980	1995	1980	1995	1980	1995	1980	1995	1980	1995
Rwanda	18	4	19	4	19	4	42	2	2	..	14	..
Saudi Arabia	..	..	..	..	..	..	..	..	..	..	..	..
Senegal	18	4	26	4	26	4	34	11	11	..	6	..
Sierra Leone	22	0	16	0	16	0	50	42	2	0	10	..
Singapore	32	0	16	0	16	0	1	1	14	15	31	37
Slovak Republic	..	..	..	..	..	..	..	..	..	..	..	..
Slovenia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	56	1	24	2	36	3	3	2	3	3	13	6
Spain	23	48	13	40	23	4	4	0	4	0	8	7
Sri Lanka	16	0	27	0	53	18	50	18	2	4	5	13
Sudan	14	0	26	0	43	4	43	1	1	..	16	..
Sweden	18	33	29	37	31	18	1	1	4	7	14	12
Switzerland	14	48	19	54	18	9	9	6	2	2	7	7
Syrian Arab Republic	10	0	5	0	37	14	13	13	10	8	61	19
Tajikistan	..	..	..	..	..	..	..	..	..	..	..	..
Tanzania	32	0	41	0	17	17	..	..	..	..	..	..
Thailand	18	0	46	1	39	16	26	16	2	3	8	9
Togo	34	6	15	6	32	3	32	2	-2	..	14	14
Trinidad and Tobago	72	1	26	2	7	6	7	6	1	1	16	14
Tunisia	15	9	20	15	25	28	25	28	4	4	22	17
Turkey	49	0	40	0	6	4	6	4	5	3	21	22
Turkmenistan	..	..	..	..	..	..	..	..	..	..	..	..
Uganda	11	0	41	0	..	44	..	..	0	..	3	..
Ukraine	0	0	0	0	0	0	0	0	0	0	0	..
United Arab Emirates	0	2	0	2	23	0	0	0	0	0	100	75
United Kingdom	38	16	28	17	33	0	0	0	6	7	13	8
United States	57	28	4	33	4	1	1	1	1	1	8	9
Uruguay	11	23	32	31	14	4	14	4	3	16	6	8
Uzbekistan	..	..	..	..	..	..	..	..	..	..	..	..
Venezuela	67	5	33	4	7	9	7	9	2	0	15	19
Vietnam	..	..	..	..	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Yugoslavia, FR (Serb./Mont.)	38	0	48	0	8	12	12	12	3	0	7	7
Zambia	38	0	43	0	8	8	8	12	3	0	20	..
Zimbabwe	46	0	20	0	4	19	4	19	1	1	11	11
World	21 m	22 m	25 m	3 m	5 m	8 m	15 m	3 m	3 m	3 m	11 m	11 m
Low income	19	0	26	0	..	34	..	..	3	3	11	..
Excl. China & India	19	0	26	0	..	34	..	..	3	3	11	..
Middle income	19	4	26	6	34	15	15	9	5	3	16	14
Lower middle income	19	4	20	6	36	21	21	13	6	3	14	15
Upper middle income	..	..	..	..	..	..	..	..	..	..	..	..
Low & middle income	19	0	25	..	25	25	25	..	3	3	12	..
East Asia & Pacific	29	33	29	1	26	12	20	12	1	1	10	9
Europe & Central Asia	20	7	40	8	27	9	20	9	6	3	9	13
Latin America & Carib.	17	17	27	7	27	9	20	9	6	3	9	13
Middle East & N. Africa	15	16	8	6	10	19	20	19	6	4	37	31
South Asia	14	0	34	0	39	25	33	25	2	2	17	18
Sub-Saharan Africa	22	1	25	0	25	34	34	25	3	3	10	10
High income	29	28	24	22	28	28	28	0	0	0	10	10

Note: Includes adjustments to tax revenue.

a. Data prior to 1992 include Eritrea. b. Data prior to 1990 refer to the Federal Republic of Germany before unification.



### About the data

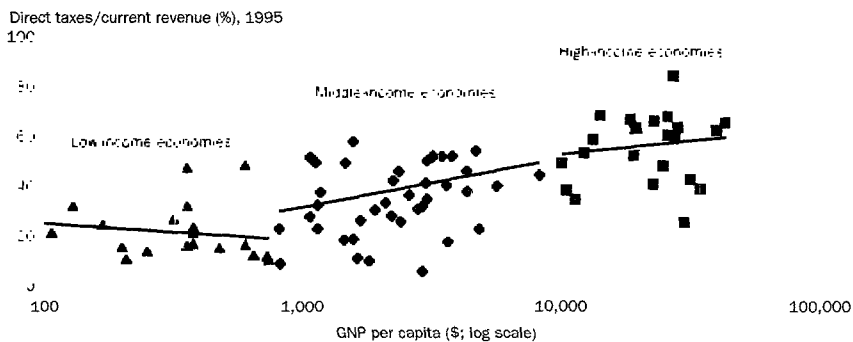
The International Monetary Fund (IMF) classifies government transactions as receipts or payments and according to whether they are repayable or nonrepayable. If nonrepayable, they are classified as capital (meant to be used in production for more than a year) or current, and as required (involving payment in return for a benefit or service) or unrequited. Revenues include all nonrepayable receipts (other than grants), the most important of which are taxes. Grants are unrequited, nonrepayable, noncompulsory receipts from other governments or international organizations. Transactions are generally recorded on a cash rather than an accrual basis. Measuring the accumulation of arrears on revenues or payments on an accrual basis would normally result in a higher deficit. Transactions within the same level of government are not included, but transactions between levels are included. In some

instances the government budget may include transfers used to finance the deficits of autonomous, extra-budgetary agencies.

The IMF's *Manual on Government Finance Statistics* (1986) describes taxes as compulsory, unrequited payments made to governments by individuals, businesses, or institutions. Taxes traditionally have been classified as either direct (those levied directly on the income or profits of individuals and corporations) or indirect (sales and excise taxes and duties) levied on goods and services. This distinction may be a useful simplification, but it has no particular analytical significance. For further discussion of taxes and tax policies see the notes to table 5.5. For further discussion of government revenues and expenditures see the notes to tables 4.12 and 4.13.

Figure 4.14a

### Direct taxes account for a larger share of government revenue in high-income economies



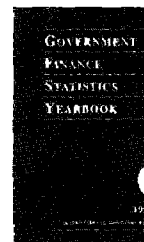
Source: International Monetary Fund, government finance statistics data files.

Governments of low-income economies typically raise a large share of their revenues through indirect taxes, such as tariffs and sales taxes. High-income economies usually rely more on direct taxes on income, wages, and profits—taxes that require a more sophisticated administrative apparatus but yield higher revenues. The figure shows the share of current revenues raised through direct taxes, including social security taxes, plotted against GNP per capita. Although the clustering of points and the fitted curves confirm the general observation, there are many exceptions in each group.

### Definitions

- **Taxes on income, profit, and capital gains** are levied on the actual or presumptive net income of individuals, on the profits of enterprises, and on capital gains, whether realized on land, securities, or other assets. Intragovernmental payments are eliminated in consolidation.
- **Social security taxes** include employer and employee social security contributions and those of self-employed and unemployed people.
- **Taxes on goods and services** include general sales and turnover or value added taxes, selective excises on goods, selective taxes on services, taxes on the use of goods or property, and profits of fiscal monopolies.
- **Taxes on international trade** include import duties, export duties, profits of export or import monopolies, exchange profits, and exchange taxes.
- **Other taxes** include employer payroll or labor taxes, taxes on property, and taxes not allocable to other categories. They may include negative values that are adjustments (for example, for taxes collected on behalf of state and local governments and not allocable to individual tax categories).
- **Nontax revenue** includes required, nonrepayable receipts for public purposes, such as fines, administrative fees, or entrepreneurial income from government ownership of property, and voluntary, unrequited, nonrepayable receipts other than from government sources. Proceeds of grants and borrowing, funds arising from the repayment of previous lending by governments, incurrence of liabilities, and proceeds from the sale of capital assets are not included.

### Data sources



Data on central government revenues are from the IMF's *Government Finance Statistics Yearbook* (1996) and IMF data files. Each country's accounts are reported using the system of common definitions and classifications found in the

IMF's *Manual on Government Finance Statistics* (1986). The IMF receives additional information from the Organisation for Economic Co-operation and Development (OECD) on the tax revenues of some of its members. See the IMF sources for complete and authoritative explanations of concepts, definitions, and data sources.



## 4.15 Monetary indicators and prices

	Money and quasi money		Claims on private sector		Claims on governments and other public entities		GDP implicit deflator		Consumer price index		Food price index	
	annual % growth of M2		annual growth as % of M2		annual growth as % of M2		average annual % growth		average annual % growth		average annual % growth	
	1990	1996	1990	1996	1990	1996	1980-90	1990-96	1980-90	1990-96	1980-90	1990-96
Albania	..	43.8	..	2.4	..	35.4	-0.4	67.9	..	..	..	50.9
Algeria	11.4	-59.6	12.2	4.3	3.2	2.5	8.0	25.4	9.1	27.0	6.8	28.6
Angola	..	..	..	..	..	..	5.9	1,103.2	..	..	..	1,401.0
Argentina	1,113.3	18.7	1,444.7	6.3	1,573.2	2.5	389.1	15.8	390.6	20.1	206.9	19.5
Armenia	..	32.8	..	-1.9	..	33.8	0.3	896.6	..	..	..	..
Australia	12.8	10.6	15.3	10.9	-2.2	3.3	7.3	1.1	7.9	2.4	7.4	2.2
Austria	9.7	2.6	12.1	6.8	1.6	-0.4	3.3	3.0	3.2	3.1	2.6	2.2
Azerbaijan	..	17.1	..	2.5	..	31.1	..	589.9	..	..	1.5	585.5
Bangladesh	10.2	10.8	9.2	5.0	-0.2	4.4	9.5	4.9	10.5	3.6	10.4	4.0
Belarus	..	52.4	..	27.5	..	30.2	..	714.9	..	..	2.4	784.4
Belgium	4.1	6.8	3.5	5.1	4.8	1.1	4.4	2.8	4.2	2.4	4.0	0.6
Benin	28.6	13.0	-1.3	8.9	12.4	-6.6	0.9	10.8	..	..	..	..
Bolivia	52.8	24.2	40.7	15.3	17.5	-2.2	317.4	10.5	322.6	11.1	322.0	11.9
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..	..	..
Botswana	-14.0	30.4	12.6	2.1	-52.4	-25.3	13.1	9.7	10.0	12.4	10.7	12.9
Brazil	1,289.2	6.8	1,566.4	3.7	2,704.2	9.2	284.5	675.4	371.1	643.9	238.2	646.5
Bulgaria	50.4	117.8	1.8	76.4	88.9	238.1	1.2	80.3	..	..	..	114.7
Burkina Faso	-0.5	5.2	3.6	3.8	-1.5	3.2	3.1	7.1	3.4	7.0	-0.5	5.4
Burundi	10.4	33.3	16.3	6.5	-5.3	11.1	4.4	14.3	7.1	12.6	6.1	6.7
Cambodia	..	40.4	..	21.7	..	-3.1	..	44.7	..	..	..	..
Cameroon	-1.7	-10.1	0.9	2.2	-3.0	-6.7	5.6	6.4	8.7	8.9	3.9	..
Canada	7.8	5.0	9.2	11.9	0.5	-1.5	4.4	1.3	5.3	1.8	4.6	1.4
Central African Republic	-3.7	4.9	-1.6	0.1	2.3	-2.2	7.3	6.6	3.2	7.4	2.0	7.8
Chad	-2.4	27.9	-1.3	2.3	-17.3	18.9	1.3	8.6	0.6	8.7	..	5.3
Chile	23.5	19.6	21.4	26.5	16.4	-1.7	20.9	13.6	20.6	12.5	20.8	12.4
China	28.9	25.3	26.5	20.7	1.5	0.8	5.8	12.0	..	13.5	8.8	..
Hong Kong, China	8.5	12.5	7.9	14.1	-1.0	1.2	7.7	7.0	..	..	6.8	8.1
Colombia	32.7	24.4	8.7	21.2	-7.5	0.9	24.7	23.0	22.7	23.9	24.5	21.3
Congo, Dem. Rep.	195.4	147.9	18.0	92.8	429.7	21.2	62.9	2,746.5	57.1	2,824.8	..	..
Congo, Rep.	18.5	15.7	5.1	7.8	-12.6	1.7	0.3	8.3	6.1	15.3	4.1	10.2
Costa Rica	27.5	47.6	7.3	19.6	8.2	32.0	23.5	18.4	23.0	17.8	23.0	16.3
Côte d'Ivoire	-2.6	3.9	-3.9	1.6	-3.0	2.1	2.6	9.8	5.4	9.4	6.0	..
Croatia	..	49.4	..	3.8	..	-1.9	..	..	304.1	232.3	246.3	228.9
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	6.4	..	7.2	..	-1.5	1.5	17.7	..	..	..	11.2
Denmark	6.5	8.1	3.0	3.9	-3.1	-1.6	5.5	1.8	5.5	1.9	4.8	1.6
Dominican Republic	39.1	21.2	20.8	17.2	0.8	6.0	21.6	12.3	22.4	10.9	22.5	..
Ecuador	101.6	43.7	46.7	27.4	-22.4	-1.8	36.4	35.0	35.8	36.6	43.0	34.8
Egypt, Arab Rep.	28.7	10.8	6.3	10.5	25.3	2.5	13.7	11.3	17.4	12.4	19.0	9.5
El Salvador	32.4	15.5	8.8	14.8	9.6	-0.1	16.4	10.8	19.6	12.6	21.4	15.5
Eritrea	..	..	..	..	..	..	..	..	..	..	..	..
Estonia	71.1	36.4	27.6	33.0	-13.5	3.7	2.4	116.7	..	..	..	116.2
Ethiopia <sup>a</sup>	18.5	9.4	-1.0	19.9	21.7	-3.4	3.4	9.7	4.0	8.9	3.7	12.4
Finland	5.0	-2.9	17.1	-1.0	-0.1	-2.3	6.8	1.8	6.2	1.8	5.8	-1.1
France	3.3	4.0	15.7	-1.3	0.3	6.3	6.0	2.0	5.8	2.1	5.7	1.0
Gabon	3.3	17.2	0.7	-1.2	-20.6	-2.9	3.7	9.8	5.1	6.6	2.8	5.1
Gambia, The	8.4	5.8	7.8	0.1	-35.4	2.6	16.7	5.4	20.0	5.7	20.4	5.6
Georgia	..	..	..	..	..	..	1.9	2,279.3	..	..	..	..
Germany <sup>b</sup>	18.6	7.5	26.6	11.9	2.0	3.8	..	2.9	2.2	3.3	..	2.2
Ghana	13.3	32.6	4.9	21.2	-0.8	8.4	42.0	26.9	39.1	29.8	33.1	27.5
Greece	14.3	13.3	4.6	8.0	16.3	1.6	18.0	12.2	18.7	12.8	18.0	12.4
Guatemala	25.8	13.8	15.0	7.3	0.5	2.0	14.6	13.0	14.0	12.7	14.6	13.2
Guinea	23.3	3.6	13.1	2.0	7.3	10.4	..	8.8	..	..	..	9.1
Guinea-Bissau	65.3	48.4	57.4	8.8	109.9	11.9	56.9	47.8	..	44.5	..	..
Haiti	2.5	0.6	-0.6	6.1	0.4	1.5	7.5	25.0	5.2	26.8	4.1	19.2
Honduras	21.4	41.2	13.0	30.6	-10.9	-8.5	5.7	20.0	6.3	19.6	5.1	19.1



	Money and quasi money		Claims on private sector		Claims on governments and other public entities		GDP implicit deflator		Consumer price index		Food price index	
	annual % growth of M2		annual growth as % of M2		annual growth as % of M2		average annual % growth		average annual % growth		average annual % growth	
	1990	1996	1990	1996	1990	1996	1980-90	1990-96	1980-90	1990-96	1980-90	1990-96
Hungary	29.2	18.4	22.8	5.5	2.0	-7.3	8.6	22.5	9.6	24.1	9.5	24.4
India	15.1	18.7	5.9	10.5	10.5	9.3	8.0	9.2	8.6	9.9	8.4	10.8
Indonesia	44.6	27.2	66.9	23.9	-6.7	-0.4	8.5	8.1	8.3	8.8	8.6	9.5
Iran, Islamic Rep.	18.0	32.5	14.7	11.3	5.8	26.5	14.6	32.3	18.2	29.3	16.3	32.6
Iraq	..	..	..	..	..	..	10.3	..	..	..	14.3	..
Ireland	8.9	13.6	0.6	9.8	1.9	-2.6	6.6	1.9	6.8	2.3	10.5	2.0
Israel	19.4	15.1	18.5	17.0	4.9	2.2	101.5	12.2	101.7	12.1	102.4	9.6
Italy	10.2	2.2	11.8	0.8	1.8	3.7	10.0	4.7	9.1	4.8	8.2	4.3
Jamaica	21.5	10.9	12.5	8.8	-16.0	5.6	18.6	36.1	15.1	36.5	16.2	37.1
Japan	8.2	2.3	9.7	1.2	1.5	0.4	1.7	0.7	1.7	1.1	1.6	0.8
Jordan	8.3	-0.9	4.7	3.4	1.0	-2.8	4.2	4.0	5.7	4.2	4.7	4.1
Kazakhstan	..	..	..	..	..	..	..	604.9	..	..	..	777.8
Kenya	20.1	26.2	8.0	15.1	21.5	2.6	9.0	16.6	11.1	23.5	..	24.5
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	17.2	15.8	36.1	27.5	-1.5	-0.7	5.9	5.8	4.9	5.8	5.0	6.1
Kuwait	0.7	-0.6	3.3	10.0	-3.1	-11.3	-2.4	-2.0	2.9	2.3	1.6	..
Kyrgyz Republic	..	..	..	..	..	..	..	256.0	..	..	..	171.9
Lao PDR	7.8	26.7	3.6	13.9	7.0	-17.9	37.5	11.1	..	..	..	..
Latvia	..	18.6	..	3.4	..	-0.3	0.0	110.6	..	..	..	61.2
Lebanon	55.1	26.4	27.6	11.3	18.5	12.9	1.6	32.8	75.5	36.8	..	..
Lesotho	8.4	18.1	6.8	-6.3	-17.4	-16.9	13.9	8.8	13.6	12.1	13.2	13.0
Libya	20.3	1.8	0.9	-4.5	8.5	-2.5	0.2	..	..	..	..	..
Lithuania	..	-3.0	..	-4.8	..	3.9	..	179.3	..	..	..	154.7
Macedonia, FYR	..	..	..	..	..	..	..	286.4	..	..	242.1	197.0
Madagascar	4.5	16.2	23.8	0.9	-14.8	-2.7	17.0	25.4	16.6	23.9	15.7	24.3
Malawi	11.1	39.6	15.8	3.6	-12.8	6.8	14.9	33.2	16.9	34.2	16.3	39.7
Malaysia	10.6	20.0	20.8	26.3	-1.2	-0.6	1.7	4.4	2.6	4.2	1.3	4.8
Mali	-4.9	24.5	0.1	16.3	-13.4	-16.0	3.6	10.6	..	..	..	1.8
Mauritania	11.5	-5.1	20.2	15.3	1.5	-60.6	8.6	6.2	7.1	7.0	..	..
Mauritius	21.2	7.6	10.8	2.9	0.8	2.2	9.4	6.5	6.9	7.2	7.4	7.5
Mexico	75.8	26.2	64.0	-17.7	12.1	-0.6	71.5	18.5	73.8	18.2	73.1	17.3
Moldova	358.0	14.8	53.3	13.5	447.0	9.6	..	307.7	..	..	..	230.3
Mongolia	31.6	17.2	40.2	13.2	38.5	37.3	-1.8	106.2	..	..	..	..
Morocco	21.5	6.6	12.4	4.7	-4.9	1.2	7.2	4.0	7.0	5.5	6.7	8.4
Mozambique	37.2	19.0	22.0	19.2	-6.8	-25.6	35.9	47.2	..	48.5	24.4	..
Myanmar	37.7	..	12.8	..	23.4	..	12.2	21.9	11.5	25.5	11.9	27.1
Namibia	30.3	29.0	15.4	19.7	-4.7	8.4	13.3	9.6	12.6	11.2	14.9	11.1
Nepal	18.5	12.2	5.7	12.5	7.3	2.2	11.1	10.1	10.2	10.4	10.0	10.5
Netherlands	6.9	5.6	6.7	13.4	0.1	0.6	1.6	1.9	2.0	2.6	1.2	1.6
New Zealand	74.0	17.6	76.6	14.8	0.1	-5.2	10.8	1.8	10.9	2.0	9.9	0.7
Nicaragua	7,677.8	40.6	4,932.9	-8.6	12,679.3	-56.7	422.6	70.9	536.0	63.2	..	..
Niger	-4.1	-6.6	-5.1	1.0	1.4	5.0	3.0	7.4	0.7	7.2	-1.5	..
Nigeria	32.7	20.1	7.8	13.1	26.3	-52.9	16.5	37.6	21.5	48.8	21.6	36.2
Norway	5.6	4.5	5.0	14.2	-0.1	-4.9	5.6	1.7	7.4	2.1	7.8	0.9
Oman	10.0	8.1	9.6	13.7	-10.9	-1.2	-3.6	-2.9	..	..	..	0.2
Pakistan	11.6	20.1	5.9	9.1	7.7	15.4	6.7	11.3	6.3	11.1	6.6	11.9
Panama	36.6	6.1	0.8	10.5	-25.7	5.2	1.9	2.7	1.4	1.1	1.9	1.4
Papua New Guinea	4.3	30.7	1.3	-0.3	7.2	5.7	5.3	6.6	5.6	7.4	4.6	6.8
Paraguay	52.5	18.2	33.1	17.2	-9.5	-5.3	24.4	17.4	21.9	17.0	24.9	18.6
Peru	6,384.9	37.2	2,123.7	37.8	2,127.1	-25.1	231.3	49.1	246.3	54.3	..	50.2
Philippines	22.5	23.2	15.7	36.3	3.4	3.7	14.9	9.0	14.4	9.5	14.1	8.7
Poland	160.1	29.3	20.8	18.6	75.6	9.6	53.7	32.4	50.9	37.5	52.4	32.7
Portugal	9.4	6.1	7.4	10.9	3.2	-1.3	18.1	7.0	17.1	6.4	16.9	4.9
Puerto Rico	..	..	..	..	..	..	..	3.4	2.3	..	2.8	7.1
Romania	26.4	64.1	..	..	133.3	-68.6	2.5	132.7	..	..	1.8	138.3
Russian Federation	..	33.0	..	12.1	..	58.8	2.4	394.0	..	..	..	390.9





	Money and quasi money		Claims on private sector		Claims on governments and other public entities		GDP implicit deflator		Consumer price index		Food price index	
	annual % growth of M2		annual growth as % of M2		annual growth as % of M2		average annual % growth		average annual % growth		average annual % growth	
	1990	1996	1990	1996	1990	1996	1980-90	1990-96	1980-90	1990-96	1980-90	1990-96
Rwanda	5.6	10.9	-10.0	0.5	26.8	-1.6	3.6	19.5	3.9	22.6	6.1	..
Saudi Arabia	4.6	7.7	-4.5	1.0	4.2	-3.2	-3.7	1.1	-0.8	1.8	-0.4	1.7
Senegal	-4.8	11.7	-8.4	11.2	-5.3	-3.7	6.5	8.4	6.2	7.6	5.3	8.3
Sierra Leone	74.0	29.6	4.9	6.2	228.7	32.4	63.7	37.7	72.4	37.5	71.0	..
Singapore	20.0	9.8	13.7	17.1	-4.9	-4.6	2.2	3.4	1.6	2.4	0.9	2.1
Slovak Republic	..	16.2	..	11.6	..	9.5	1.8	14.2	..	..	1.6	18.1
Slovenia	123.6	21.3	96.1	15.2	-10.4	-2.7	..	..	..	..	252.3	50.6
South Africa	11.4	14.3	13.7	20.2	1.8	1.9	14.9	10.6	14.8	10.4	15.1	13.0
Spain	13.6	2.9	8.4	6.5	5.3	1.4	9.3	5.0	9.0	4.9	9.3	3.7
Sri Lanka	21.1	10.5	16.2	7.5	6.8	4.3	10.8	10.4	10.9	10.7	10.9	10.9
Sudan	48.8	65.3	12.6	27.1	29.4	48.4	37.1	86.2	37.6	114.3	38.0	..
Sweden	..	..	..	..	..	..	7.4	2.8	7.0	3.4	8.2	-0.5
Switzerland	0.8	9.6	11.7	-0.8	1.0	0.5	3.7	2.3	2.9	2.6	3.1	0.7
Syrian Arab Republic	26.1	-70.1	3.4	1.5	11.4	3.9	15.3	8.5	23.2	11.3	24.5	8.9
Tajikistan	..	..	..	..	..	..	..	394.3	..	..	..	..
Tanzania	41.9	8.4	22.6	-11.1	80.6	-2.4	..	..	31.0	26.8	30.2	26.0
Thailand	26.7	12.6	30.0	18.1	-4.0	-1.6	3.9	4.8	3.5	4.8	2.7	6.0
Togo	9.5	-6.3	1.8	4.8	6.9	3.8	4.7	9.4	2.5	9.8	1.2	..
Trinidad and Tobago	6.2	5.8	2.7	10.5	-1.9	-6.5	4.1	6.5	10.7	7.0	14.6	14.7
Tunisia	7.6	13.3	5.9	1.3	1.8	-1.3	7.4	5.1	7.4	5.3	8.3	5.0
Turkey	53.2	117.3	42.9	73.4	9.7	35.9	45.3	78.2	44.9	80.2	..	81.4
Turkmenistan	..	449.1	..	666.5	..	-520.5	..	1,074.2	..	..	..	..
Uganda	60.2	17.3	..	13.3	..	0.5	125.6	20.4	102.5	16.9	..	13.4
Ukraine	..	35.4	..	4.7	..	47.1	..	800.5	..	..	2.0	..
United Arab Emirates	-8.2	6.9	1.3	8.8	-4.8	1.7	0.7	..	..	..	..	..
United Kingdom	..	..	..	..	..	..	5.7	3.3	5.8	3.0	4.6	2.6
United States	4.9	6.1	1.1	7.1	0.7	0.7	4.3	2.5	4.2	3.0	3.8	4.0
Uruguay	115.8	33.6	58.5	25.8	28.0	2.3	61.3	49.8	61.1	53.7	62.0	48.7
Uzbekistan	..	..	..	..	..	..	..	546.5	..	..	..	..
Venezuela	71.2	69.1	17.0	33.9	42.8	-20.4	19.3	46.7	20.9	50.6	29.7	48.1
Vietnam	..	24.8	..	14.7	..	6.4	210.8	22.7	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	11.3	8.1	1.4	-0.6	10.2	-10.8	..	27.1	..	..	2.6	..
Yugoslavia, FR (Serb./Mont.)	..	..	..	..	..	..	..	..	..	..	..	..
Zambia	52.3	35.0	21.2	22.7	175.3	52.8	42.4	86.8	72.5	93.3	42.8	98.4
Zimbabwe	15.1	33.3	13.5	19.1	5.0	13.3	12.1	26.4	13.8	26.8	14.6	33.5

a. Data prior to 1992 include Eritrea. b. Data prior to 1990 refer to the Federal Republic of Germany before unification.



**About the data**

Money and the financial accounts that record the supply of money lie at the heart of a country's financial system. There are several commonly used definitions of the money supply. The narrowest, M1, encompasses currency held by the public and demand deposits with banks. M2 includes M1 plus time and savings deposits with banks that require a notice for withdrawal. M3 includes M2 as well as various money market instruments, such as certificates of deposit issued by banks, bank deposits denominated in foreign currency, and deposits with financial institutions other than banks. However defined, money is a liability of the banking system, distinguished from other bank liabilities by the special role it plays as a medium of exchange, a unit of account, and a store of value.

The banking system's assets include its net foreign assets and net domestic credit. Net domestic credit comprises credit to the private sector and credit extended to the nonfinancial public sector in the form of investments in short- and long-term government securities and loans to state enterprises; public and private sector deposits with the banking system are netted out. Domestic credit is the main vehicle through which changes in the money supply are regulated, with central bank lending to the government often playing the most important role. The central bank can regulate lending to the private sector in several ways—for example, by adjusting the cost of the refinancing facilities it provides to banks, by changing market interest rates through open market operations, or by controlling the availability of credit through changes in the reserve requirements imposed on banks and ceilings on the credit provided by banks to the private sector.

Monetary accounts are derived from the balance sheets of financial institutions—the central bank, commercial banks, and nonbank financial intermediaries. Although these balance sheets are usually reliable, they are subject to errors of classification and valuation and differences in accounting practices. For example, whether interest income is recorded on an accrual or a cash basis can make a substantial difference, as can the treatment of nonperforming assets. Valuation errors typically arise with respect to foreign exchange transactions, particularly in countries with flexible exchange rates or in those that have undergone a currency deval-

uation during the reporting period. The valuation of financial derivations can also be difficult.

The quality of commercial bank reporting also may be adversely affected by delays in reports from bank branches, especially in countries where branch accounts are not computerized. Thus the data in the balance sheets of commercial banks may be based on preliminary estimates subject to constant revision. This problem is likely to be even more serious for non-bank financial intermediaries.

Controlling inflation is one of the primary goals of monetary policy. Inflation is measured by the rate of change in a price index. Which index is used depends on which set of prices in the economy is being examined. The GDP deflator, the most general measure of the overall price level, takes into account changes in government costs, inventory appreciation, and investment expenditures. The GDP deflator reflects changes in prices for all the final demand categories, such as government consumption, capital formation, and international trade, as well as the main component, private final consumption. It is usually derived implicitly as the ratio of current to constant price GDP. It may also be calculated explicitly as a Laspeyres price index in which the weights are base period quantities of output.

Consumer price indexes are constructed explicitly, based on surveys of the cost of a defined basket of consumer goods and services. Indexes of consumer prices should be interpreted with caution. The definition of a household and the geographic (urban or rural) and income group coverage of consumer price surveys can vary widely across countries. Moreover, the weights are derived from household expenditure surveys, which for budgetary reasons tend to be conducted infrequently in developing countries, leading to poor comparability over time. Consumer price indexes should be distinguished from retail price indexes, which are used in a few countries. Retail price indexes are based on prices at retail outlets weighted by sales turnover, so the weights may differ by country and over time. In addition, the basket of goods chosen varies by country. Although a useful indicator for measuring consumer price inflation within a country, the consumer price index is of less value in making comparisons across countries. The food price index should be interpreted with similar caution.

**Definitions**

- **Money and quasi money** comprise the sum of currency outside banks, demand deposits other than those of the central government, and the time, savings, and foreign currency deposits of resident sectors other than the central government. This definition of the money supply is frequently called M2; it corresponds to lines 34 and 35 in the International Monetary Fund's (IMF) *International Financial Statistics* (IFS). The change in money supply is measured as the difference in end-of-year totals relative to the level of M2 in the preceding year.
- **Claims on private sector** (IFS line 32d) include gross credit from the financial system to individuals, enterprises, nonfinancial public entities not included under net domestic credit, and financial institutions not included elsewhere.
- **Claims on governments and other public entities** (IFS line 32an + 32b + 32bx + 32c) usually comprise direct credit for specific purposes such as financing of the government budget deficit, loans to state enterprises, advances against future credit authorizations, and purchases of treasury bills and bonds. Public sector deposits with the banking system also include sinking funds for the service of debt and temporary deposits of government revenues.
- **GDP implicit deflator** measures the average annual rate of price change in the economy as a whole for the periods shown. The least-squares method is used to calculate the growth rate of the GDP deflator.
- **Consumer price index** reflects changes in the cost to the average consumer of acquiring a fixed basket of goods and services. The Laspeyres formula is generally used.
- **Food price index** is a subindex of the consumer price index.

**Data sources**



The IMF collects data on the financial systems of its member countries. The data in the table are published in the monthly *International Financial Statistics* and the annual *International Financial Statistics Yearbook*. The World Bank receives data from the IMF in electronic files that may contain more recent revisions than the published sources. GDP data are from the World Bank's national accounts files. The discussion of monetary indicators draws from an IMF publication by Marcello Caiola, *A Manual for Country Economists* (1995).



## 4.16 Balance of payments current account

	Goods and services				Net income		Net current transfers		Current account balance		Gross international reserves	
	Exports		Imports		\$ millions		\$ millions		\$ millions		\$ millions	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Albania	378	373	371	1,111	4	72	6	559	16	-107	..	323
Algeria	14,128	13,960	12,311	..	-1,869	..	301	..	249	..	7,064	6,296
Angola	..	5,201	..	3,017	..	-735	..	245	..	-340	..	..
Argentina	9,897	27,032	13,182	27,905	-1,512	-3,591	23	334	-4,774	-4,130	9,297	19,719
Armenia	..	368	..	888	..	44	..	185	..	-291	..	168
Australia	25,752	78,488	27,053	79,450	-2,733	-15,015	-416	107	-4,450	-15,870	6,366	17,452
Austria	26,650	97,310	29,921	100,172	-528	-552	-66	-788	-3,865	-4,202	17,725	26,833
Azerbaijan	..	757	..	1,443	..	-60	..	80	..	-666	..	211
Bangladesh	885	4,508	2,545	7,614	14	-6	802	1,475	-844	-1,637	331	1,869
Belarus	..	6,017	..	6,922	..	-65	..	62	..	-909	..	469
Belgium <sup>a</sup>	70,498	190,732	74,259	179,072	61	6,944	-1,231	-4,217	-4,931	14,387	27,974	22,610
Benin	226	544	421	477	8	-41	151	149	-36	36	15	266
Bolivia	1,030	1,280	833	1,759	-263	-186	60	287	-6	-378	553	1,302
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..	..	..
Botswana	645	2,610	818	2,023	-33	-32	55	-27	-151	342	344	5,098
Brazil	21,869	53,950	27,826	63,293	-7,018	-11,105	144	3,621	-12,830	-24,300	6,875	59,685
Bulgaria	9,302	6,081	7,994	5,813	-412	-395	58	104	954	-23	..	864
Burkina Faso	210	360	577	483	-3	-29	322	255	-49	15	75	343
Burundi	..	50	..	277	..	-9	..	151	..	-6	105	146
Cambodia	..	806	..	1,294	..	-45	..	235	..	-298	..	266
Cameroon	1,792	2,159	1,829	1,857	-628	-595	102	74	-564	-220	206	3
Canada	74,973	234,311	70,399	211,509	-10,764	-20,311	95	318	-6,095	2,808	15,462	21,562
Central African Republic	201	196	327	244	3	-23	81	63	-43	-25	62	232
Chad	71	308	79	411	-4	-7	24	191	12	-38	12	164
Chile	5,968	18,709	7,052	20,086	-1,000	-2,016	113	472	-1,971	-2,921	4,128	15,520
China <sup>†</sup>	23,637	171,680	18,900	154,127	451	-12,437	486	2,129	5,674	7,243	10,091	111,728
Hong Kong, China	..	..	..	..	..	..	..	..	..	..	..	63,833
Colombia	5,328	14,518	5,454	16,878	-245	-2,925	165	532	-206	-4,754	6,474	9,690
Congo, Dem. Rep.	1,658	2,001	1,905	..	-496	..	150	..	-593	..	380	83
Congo, Rep.	1,021	1,584	1,025	2,133	-162	-455	-1	-30	-167	-1,034	93	91
Costa Rica	1,195	3,980	1,661	3,901	-212	-186	15	154	-664	-143	197	1,001
Côte d'Ivoire	3,577	5,110	4,145	4,017	-553	-915	-706	-381	-1,826	-204	46	622
Croatia	..	8,008	..	10,194	..	-45	..	779	..	-1,452	..	2,440
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	29,874	..	33,834	..	-722	..	384	..	-4,299	..	13,085
Denmark	21,989	64,359	21,727	56,166	-1,977	-4,447	-161	-1,826	-1,875	1,920	4,347	14,754
Dominican Republic	1,271	3,936	1,919	4,609	-277	-596	205	1,158	-720	-110	279	357
Ecuador	2,887	5,748	2,946	4,463	-613	-1,282	30	290	-642	293	1,257	2,011
Egypt, Arab Rep.	6,246	15,245	9,157	18,951	-318	539	2,791	3,666	-438	499	2,480	18,296
El Salvador	1,214	2,202	1,170	3,673	-62	-87	52	1,389	34	-322	382	1,110
Eritrea	..	200	..	567	..	-7	..	244	..	-131	..	..
Estonia	..	3,172	..	3,730	..	2	..	109	..	-447	..	640
Ethiopia <sup>b</sup>	569	783	782	1,646	7	-44	80	446	-126	-461	262	733
Finland	16,802	47,815	17,307	38,277	-783	-3,651	-114	-1,098	-1,403	4,790	2,451	7,507
France	153,197	362,954	155,915	331,050	2,680	-5,095	-4,170	-6,297	-4,208	20,511	75,592	57,020
Gabon	2,409	3,398	1,475	1,848	-426	-770	-124	-198	384	100	115	249
Gambia, The	66	220	179	294	-2	-3	28	30	-87	-48	6	102
Georgia	..	479	..	798	..	-87	..	190	..	-216	..	..
Germany <sup>c</sup>	224,224	604,077	225,599	576,283	914	-4,469	-12,858	-36,397	-13,319	-13,072	104,702	118,323
Ghana	1,210	1,728	1,178	2,393	-83	-140	81	482	30	-324	330	930
Greece	8,122	15,238	11,145	25,633	-273	-2,181	1,087	8,022	-2,209	-4,554	3,607	18,782
Guatemala	1,731	2,796	1,960	3,540	-44	-230	110	523	-163	-452	753	948
Guinea	..	761	..	948	..	-93	..	102	..	-177	..	87
Guinea-Bissau	17	23	75	80	-8	-15	-14	46	-80	-26	..	12
Haiti	306	192	481	782	-14	-10	89	463	-101	-138	27	115
Honduras	942	1,775	1,128	1,852	-152	-226	22	243	-317	-201	159	257
†Data for Taiwan, China	21,495	126,126	22,361	121,082	48	2,814	-95	-2,202	-913	5,656	4,055	93,047



	Goods and services				Net income		Net current transfers		Current account balance		Gross international reserves	
	Exports		Imports		\$ millions		\$ millions		\$ millions		\$ millions	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Hungary	9,671	19,188	9,152	20,342	-1,113	-1,456	63	921	-531	-1,689	..	9,832
India	11,265	43,855	17,378	53,087	356	-4,429	2,860	9,780	-2,897	-3,881	12,010	24,889
Indonesia	23,797	56,130	21,540	53,244	-3,073	-5,778	250	839	-566	-7,023	6,803	19,396
Iran, Islamic Rep.	13,069	18,953	16,111	15,113	606	-478	-2	-4	-2,438	3,358	12,783	..
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	9,610	54,063	12,044	46,566	-902	-8,279	1,204	2,184	-2,132	1,402	3,071	8,338
Israel	8,668	28,421	11,511	38,566	-757	-2,491	2,729	6,338	-871	-6,298	4,055	11,418
Italy	97,298	320,752	110,265	257,467	1,278	-14,967	1,101	-7,280	-10,587	41,040	62,428	70,566
Jamaica	1,363	3,275	1,408	3,640	-212	-320	121	535	-136	-245	105	880
Japan	146,980	468,002	156,970	446,679	770	53,553	-1,530	-8,993	-10,750	65,884	38,919	225,594
Jordan	1,181	3,663	2,417	5,420	36	-282	1,481	1,834	281	-206	1,745	2,055
Kazakhstan	..	6,966	..	7,546	..	-222	..	50	..	-752	..	1,961
Kenya	2,007	3,027	2,846	3,441	-194	-221	157	561	-876	-74	539	776
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	21,924	155,110	25,687	175,763	-2,102	-2,526	592	119	-5,273	-23,060	3,101	34,158
Kuwait	21,857	16,309	9,823	12,769	4,847	4,916	-1,580	-1,683	15,302	6,773	5,425	4,452
Kyrgyz Republic	..	548	..	950	..	-80	..	78	..	-404	..	5,229
Lao PDR	..	457	..	660	..	-6	..	106	..	-106	..	176
Latvia	..	2,628	..	3,171	..	41	..	87	..	-415	..	746
Lebanon	..	1,413	..	7,596	..	290	..	2,550	..	-3,343	7,025	9,337
Lesotho	90	205	475	874	266	330	175	471	56	108	50	461
Libya	22,084	..	12,671	..	-65	..	-1,134	..	8,214	2,550	14,905	..
Lithuania	..	4,211	..	4,986	..	-91	..	144	..	-723	..	841
Macedonia, FYR	..	1,302	..	1,816	..	-84	..	236	..	-288	..	268
Madagascar	516	803	1,075	1,002	-44	-163	47	210	-556	-153	9	241
Malawi	313	469	487	873	-149	-86	63	124	-260	-450	76	230
Malaysia	14,098	91,387	13,526	86,595	-836	-4,236	-2	148	-266	-7,362	5,755	27,892
Mali	263	535	520	746	-17	-36	150	231	-124	-164	26	438
Mauritania	253	550	449	510	-27	-48	90	76	-133	22	146	145
Mauritius	574	2,701	690	2,767	-23	-40	22	123	-117	17	113	919
Mexico	22,622	106,900	27,601	100,288	-6,277	-13,067	834	4,531	-10,420	-1,923	4,175	19,527
Moldova	..	906	..	1,238	..	-27	..	59	..	-300	..	314
Mongolia	475	481	1,272	521	-11	-25	0	77	-808	39	..	161
Morocco	3,233	9,247	5,207	10,980	-562	-1,309	1,130	2,416	-1,407	-627	814	4,054
Mozambique	399	480	844	1,055	22	-140	56	339	-367	-445	..	344
Myanmar	539	1,120	806	1,669	-48	-101	92	478	-222	-173	409	315
Namibia	..	1,591	..	1,868	..	97	..	263	..	84	..	194
Nepal	224	1,003	365	1,653	13	-3	36	84	-93	-569	272	628
Netherlands	90,380	224,733	91,622	201,317	1,535	3,644	-1,148	-6,647	-855	20,414	37,549	39,607
New Zealand	6,403	18,876	6,934	18,712	-538	-4,665	96	553	-973	-3,948	365	5,953
Nicaragua	495	807	907	1,299	-124	-300	124	357	-411	-435	75	203
Niger	617	315	956	457	-33	-47	97	31	-276	-152	132	83
Nigeria	27,071	14,743	20,014	9,836	-1,304	-2,639	-576	824	5,178	3,092	10,640	4,329
Norway	27,264	63,870	23,749	49,500	-1,922	-1,638	-515	-1,488	1,079	11,246	6,746	26,954
Oman	3,757	7,352	2,298	5,423	-257	-536	-260	-1,659	942	-265	704	1,497
Pakistan	2,958	10,317	5,709	15,174	-281	-1,956	2,163	2,605	-869	-4,208	1,568	1,307
Panama	3,422	7,426	3,394	7,530	-397	-108	40	152	-329	-60	117	867
Papua New Guinea	1,029	2,966	1,322	2,260	-179	-465	184	72	-289	313	458	607
Paraguay	701	3,936	1,314	4,951	-4	306	0.3	42	-618	-668	783	882
Peru	4,631	7,268	3,970	9,947	-909	-1,575	147	647	-101	-3,607	2,804	10,990
Philippines	7,235	34,330	9,166	33,317	-420	3,662	447	880	-1,904	-1,980	3,978	11,747
Poland	16,061	37,390	17,842	41,273	-2,357	-1,075	721	1,694	-3,417	-3,264	574	18,019
Portugal	6,674	33,411	10,110	41,515	-605	-1,075	2,065	6,525	-1,064	-2,157	13,563	21,451
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..
Romania	12,087	9,648	13,730	12,503	-777	-309	0	593	-2,420	-2,571	2,511	3,143
Russian Federation	..	102,450	..	86,001	..	-5,213	..	164	..	11,399	..	16,258



	Goods and services				Net income		Net current transfers		Current account balance		Gross international reserves	
	Exports		Imports		\$ millions		\$ millions		\$ millions		\$ millions	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Rwanda	165	86	319	363	2	-13	104	291	-48	1	187	155
Saudi Arabia	106,765	60,221	55,793	47,407	526	3,214	-9,995	-15,813	41,503	215	26,129	8,491
Senegal	807	1,588	1,215	1,821	-98	-168	120	382	-386	-58	25	299
Sierra Leone	275	111	471	296	-22	-56	53	47	-165	-89	31	27
Singapore	24,285	156,052	25,312	142,461	-429	1,702	-106	-1,010	-1,563	14,283	6,567	76,847
Slovak Republic	..	10,889	..	13,134	..	-47	..	201	..	-2,090	..	3,895
Slovenia	..	10,497	..	10,674	..	155	..	62	..	39	..	2,297
South Africa	28,627	33,309	22,073	32,716	-3,285	-2,552	239	-74	3,508	-2,033	7,888	2,341
Spain	32,140	146,404	38,004	141,304	-1,362	-5,928	1,646	2,584	-5,580	1,756	20,474	63,699
Sri Lanka	1,293	4,861	2,197	6,074	-26	-203	274	764	-655	-653	283	1,985
Sudan	810	609	1,597	1,341	-70	-868	293	143	-564.1	-1,457	49	107
Sweden	38,151	101,620	39,878	84,809	-1,380	-8,303	-1,224	-2,616	-4,331	5,892	6,996	20,843
Switzerland	48,595	121,738	51,843	109,064	4,186	11,597	-1,140	-3,801	-201	20,470	64,748	69,183
Syrian Arab Republic	2,477	6,131	4,531	6,071	785	-399	1,520	624	251	285	828	..
Tajikistan	..	772	..	808	..	-68	..	20	..	-84	..	..
Tanzania	673	1,363	1,221	2,183	-14	-124	22	20	-540	-924	20	440
Thailand	7,939	71,416	9,996	83,482	-229	-3,385	210	760	-2,076	-14,690	3,026	38,645
Togo	550	490	691	444	-40	-45	86	30	-95	-57	85	93
Trinidad and Tobago	3,139	2,900	2,434	2,110	-306	-390	-42	-4	357	294	2,813	564
Tunisia	3,262	8,151	3,766	8,582	-259	-965	410	860	-353	-536	700	1,689
Turkey	3,621	45,354	8,082	48,331	-1,118	-2,920	2,171	4,447	-3,408	-1,450	3,298	17,819
Turkmenistan	..	1,691	..	1,532	..	..	..	4	..	43	..	..
Uganda	329	726	441	1,601	-7	-46	-2	421	-121	-500	3	528
Ukraine	..	20,346	..	21,468	..	-572	..	509	..	-1,185	..	1,972
United Arab Emirates	..	..	..	..	..	..	..	..	..	..	2,355	8,350
United Kingdom	146,072	339,301	134,200	347,532	-418	15,027	-4,592	-7,247	6,862	-451	31,755	46,700
United States	271,800	848,664	290,730	956,004	29,580	-897	-8,500	-40,489	2,150	-148,726	171,413	160,660
Uruguay	1,526	3,799	2,144	3,962	-100	-206	9	74	-709	-296	2,401	1,892
Uzbekistan	..	4,161	..	5,175	..	-69	..	8	..	-1,075	..	..
Venezuela	19,968	25,258	15,130	14,837	329	-1,735	-439	138	4,728	8,824	13,360	16,020
Vietnam	..	9,695	..	12,870	..	-505	..	1,045	..	-2,636	..	1,324
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	..	2,409	..	3,044	..	-617	..	1,182	..	-70	..	1,036
Yugoslavia, FR (Serb./Mont.)	..	..	..	..	..	..	..	..	..	..	..	..
Zambia	1,609	1,296	1,765	..	-205	..	-155	..	-516	..	206	163
Zimbabwe	1,610	3,092	1,730	2,515	-61	-294	31	40	-149	-425	419	834

<b>World</b>	<b>2,400,597</b>	<b>6,689,040</b>	<b>2,405,428</b>	<b>6,522,540</b>	..	..	..	..	..	..	..	..
<b>Low income</b>	<b>80,994</b>	<b>308,987</b>	<b>110,030</b>	<b>340,761</b>	..	..	..	..	..	..	..	..
Excl. China & India	68,382	93,703	83,939	130,133	..	..	..	..	..	..	..	..
<b>Middle income</b>	<b>640,017</b>	<b>1,309,634</b>	<b>575,683</b>	<b>1,365,247</b>	..	..	..	..	..	..	..	..
Lower middle income	..	..	..	..	..	..	..	..	..	..	..	..
<b>Low &amp; middle income</b>	<b>633,124</b>	<b>1,623,100</b>	<b>671,734</b>	<b>1,690,263</b>	..	..	..	..	..	..	..	..
East Asia & Pacific	77,284	447,383	85,129	422,216	..	..	..	..	..	..	..	..
Europe & Central Asia	..	..	..	..	..	..	..	..	..	..	..	..
Latin America & Carib.	121,191	320,894	142,086	316,469	..	..	..	..	..	..	..	..
Middle East & N. Africa	205,272	169,488	148,981	160,504	..	..	..	..	..	..	..	..
South Asia	17,450	65,583	29,271	85,500	..	..	..	..	..	..	..	..
Sub-Saharan Africa	89,966	98,101	83,985	100,832	..	..	..	..	..	..	..	..
<b>High income</b>	<b>1,767,473</b>	<b>5,065,940</b>	<b>1,733,698</b>	<b>4,832,277</b>	..	..	..	..	..	..	..	..

a. Includes Luxembourg. b. Data prior to 1992 include Entrea. c. Data prior to 1990 refer to the Federal Republic of Germany before unification.



### About the data

The balance of payments is divided into two groups of accounts. The current account refers to goods and services, income, and current transfers. The capital and financial account refers to capital transfers, the acquisition or disposal of nonproduced, nonfinancial assets, and financial assets and liabilities. This table presents data from the current account with the addition of gross international reserves from the capital and financial account.

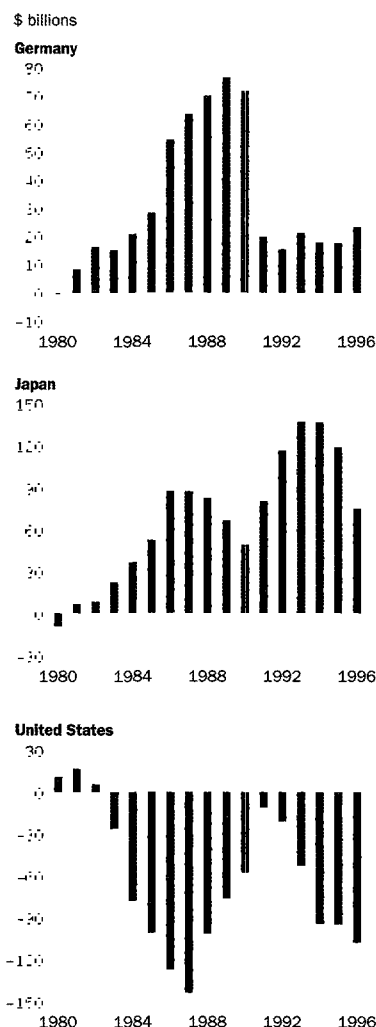
The balance of payments is a double-entry accounting system that shows all flows of goods and services into and out of a country; all transfers that are the counterpart of real resources or financial claims provided to or by the rest of the world without a quid pro quo, such as donations and grants; and all changes in residents' claims on, and liabilities to, nonresidents that arise from economic transactions. All transactions are recorded twice—once as a credit and once as a debit. In principle the net balance should be zero, but in practice the accounts often do not balance. In these cases a balancing item, net errors and omissions, is included in the capital and financial account.

Discrepancies may arise in the balance of payments because there is no single source for balance of payments data and therefore no way to ensure that the data are fully consistent. Sources include customs data, monetary accounts of the banking system, external debt records, information provided by enterprises, surveys to estimate service transactions, and foreign exchange records. Differences in collection methods—such as in timing, definitions of residence and ownership, and the exchange rate used to value transactions—contribute to net errors and omissions. In addition, smuggling and other illegal or quasi-legal transactions may be unrecorded or misrecorded.

The concepts and definitions underlying the data here are based on the fifth edition of the International Monetary Fund's (IMF) *Balance of Payments Manual* (1993). The fifth edition redefined as capital transfers some transactions previously included in the current account, such as debt forgiveness, migrants' capital transfers, and foreign aid to acquire capital goods. Thus the current account balance now reflects more accurately net current transfer receipts in addition to transactions in goods, services (previously nonfactor services), and income (previously factor income). Many countries maintain their data collection systems according to the fourth edition. Where necessary, the IMF converts data reported in earlier systems to conform with the fifth edition (see *Primary data documentation*). Values are in U.S. dollars converted at market exchange rates.

Figure 4.16a

### Current account balances for the three biggest traders



Source: International Monetary Fund, balance of payments data files.

**The United States has run deficits and Japan and Germany have run surpluses for most of the past two decades. Most other countries exhibit greater variability in their current account balances, which respond to changes in demand and the terms of trade.**

### Definitions

- **Exports and imports of goods and services** comprise all transactions between residents of a country and the rest of the world involving a change in ownership of general merchandise, goods sent for processing and repairs, nonmonetary gold, and services.
- **Net income** refers to employee compensation paid to nonresident workers and investment income (receipts and payments on direct investment, portfolio investment, other investments, and receipts on reserve assets). Income derived from the use of intangible assets is recorded under business services.
- **Net current transfers** are recorded in the balance of payments whenever an economy provides or receives goods, services, income, or financial items without a quid pro quo. All transfers not considered to be capital are current.
- **Current account balance** is the sum of net exports of goods and services, income, and current transfers.
- **Gross international reserves** comprise holdings of monetary gold, special drawing rights, reserves of IMF members held by the IMF, and holdings of foreign exchange under the control of monetary authorities. The gold component of these reserves is valued at year-end (December 31) London prices (\$589.50 an ounce in 1980 and \$369.25 an ounce in 1996).

### Data sources

YEARBOOK  
1997

More information about the design and compilation of the balance of payments can be found in the IMF's *Balance of Payments Manual*, fifth edition (1993), *Balance of Payments Textbook* (1996a), and *Balance of Payments*

*Compilation Guide* (1995). The data come from the IMF's balance of payments database, *Balance of Payments Statistics*, and *International Financial Statistics* (IFS). The World Bank exchanges data with the IMF through electronic files that in most cases are more timely and cover a longer period than the published sources. The IFS is also available on CD-ROM.



## 4.17 External debt

	Total external debt		Long-term debt		Public and publicly guaranteed debt				Private nonguaranteed external debt		Use of IMF credit	
	\$ millions		\$ millions		Total \$ millions		IBRD loans and IDA credits \$ millions		\$ millions		\$ millions	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Albania		781		673		673		137		0		54
Algeria	19,365	33,260	17,040	30,808	17,040	30,808	253	1,939	0	0	0	2,031
Angola		10,612		9,400		9,400	0	115		0		0
Argentina	27,157	93,841	16,774	75,348	10,181	62,392	404	5,372	6,593	12,956	0	6,293
Armenia		552		434		434		184		0		117
Australia												
Austria												
Azerbaijan		435		245		245		64		0		175
Bangladesh	4,230	16,083	3,594	15,403	3,594	15,403	981	5,759	0	0	424	517
Belarus		1,071		695		665		121		30		274
Belgium												
Benin	424	1,594	334	1,449	334	1,449	52	520	0	0	16	99
Bolivia	2,702	5,174	2,274	4,523	2,182	4,238	239	904	92	285	126	276
Bosnia and Herzegovina												45
Botswana	147	613	143	607	143	607	66	80	0	0	0	0
Brazil	71,520	179,047	57,981	143,541	41,375	94,587	2,035	5,876	16,605	48,953	0	68
Bulgaria		9,819		8,334		8,138		453		196		586
Burkina Faso	330	1,294	281	1,160	281	1,160	77	636	0	0	15	81
Burundi	166	1,127	118	1,081	118	1,081	37	588	0	0	36	38
Cambodia		2,111		2,023		2,023	0	108		0	0	69
Cameroon	2,588	9,515	2,251	8,184	2,073	8,001	298	1,033	178	183	59	72
Canada												
Central African Republic	195	928	147	844	147	844	29	422	0	0	24	28
Chad	284	997	259	914	259	914	36	433	0	0	14	65
Chile	12,081	27,411	9,399	20,421	4,705	4,890	184	1,103	4,693	15,531	123	0
China	4,504	128,817	4,504	103,410	4,504	102,260	0	15,195	0	1,150	0	0
Hong Kong, China												
Colombia	6,941	28,859	4,604	22,975	4,089	14,814	1,012	2,187	515	8,162	0	0
Congo, Dem. Rep.	4,770	12,826	4,071	9,262	4,071	9,262	246	1,370	0	0	373	433
Congo, Rep.	1,526	5,240	1,257	4,665	1,257	4,665	61	253	0	0	22	38
Costa Rica	2,744	3,454	2,112	3,082	1,700	2,889	183	248	412	193	57	1
Côte d'Ivoire	7,462	19,713	6,339	14,720	4,327	11,367	314	2,323	2,012	3,353	65	503
Croatia		4,634		3,960		3,101		195		859		209
Cuba												
Czech Republic		20,094		14,145		12,017		435		2,128		0
Denmark												
Dominican Republic	2,002	4,310	1,473	3,520	1,220	3,515	83	261	254	5	49	96
Ecuador	5,997	14,491	4,422	12,755	3,300	12,435	146	1,005	1,122	320	0	145
Egypt, Arab Rep.	19,131	31,407	14,693	29,045	14,428	28,918	728	2,165	265	127	411	16
El Salvador	911	2,894	659	2,298	499	2,297	114	302	161	2	32	0
Eritrea		46		46		46		27		0		0
Estonia		405		220		217		62		4		78
Ethiopia <sup>a</sup>	824	10,077	688	9,483	688	9,483	304	1,555	0	0	79	92
Finland												
France												
Gabon	1,514	4,213	1,272	3,874	1,272	3,874	19	92	0	0	15	120
Gambia, The	137	452	97	412	97	412	16	166	0	0	16	18
Georgia		1,356		1,100		1,100		157		0		192
Germany												
Ghana	1,398	6,202	1,162	4,955	1,152	4,684	213	2,574	10	271	105	543
Greece												
Guatemala	1,166	3,785	831	2,887	549	2,766	144	200	282	121	0	0
Guinea	1,133	3,240	1,019	2,981	1,019	2,981	87	863	0	0	35	82
Guinea-Bissau	140	937	133	856	133	856	5	216	0	0	1	8
Haiti	303	897	242	836	242	836	66	442	0	0	46	25
Honduras	1,473	4,453	1,168	3,981	976	3,855	216	774	191	126	33	58



	Total external debt		Long-term debt		Public and publicly guaranteed debt				Private nonguaranteed external debt		Use of IMF credit	
	\$ millions		\$ millions		Total \$ millions		IBRD loans and IDA credits \$ millions		\$ millions		\$ millions	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Hungary	9,764	26,958	6,416	23,428	6,416	18,423	0	1,650	0	5,005	0	171
India	20,581	89,827	18,333	81,788	17,997	74,406	5,969	26,384	336	7,382	977	1,313
Indonesia	20,938	129,033	18,163	96,803	15,021	60,108	1,606	11,874	3,142	36,694	0	0
Iran, Islamic Rep.	4,500	21,183	4,500	16,153	4,500	15,917	622	387	0	236	0	0
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	..	..	..	..	..	..	..	..	..	..	..	..
Israel	..	..	..	..	..	..	..	..	..	..	..	..
Italy	..	..	..	..	..	..	..	..	..	..	..	..
Jamaica	1,913	4,041	1,505	3,306	1,430	3,183	176	515	75	123	309	161
Japan	..	..	..	..	..	..	..	..	..	..	..	..
Jordan	1,971	8,118	1,486	7,182	1,486	7,137	102	844	0	45	0	340
Kazakhstan	..	2,920	..	2,147	..	1,932	..	490	..	215	..	552
Kenya	3,383	6,893	2,489	6,022	2,052	5,647	528	2,375	437	375	254	337
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Kuwait	..	..	..	..	..	..	..	..	..	..	..	..
Kyrgyz Republic	..	789	..	640	..	640	..	197	..	0	..	140
Lao PDR	350	2,263	333	2,186	333	2,186	6	335	0	0	16	67
Latvia	..	472	..	298	..	298	..	75	..	0	..	130
Lebanon	510	3,996	216	2,343	216	1,933	27	132	0	410	0	0
Lesotho	72	654	58	612	58	612	24	216	0	0	6	34
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania	..	1,286	..	856	..	792	..	101	..	64	..	273
Macedonia, FYR	..	1,659	..	1,387	..	863	..	203	..	524	..	68
Madagascar	1,249	4,175	919	3,589	919	3,589	152	1,153	0	0	87	73
Malawi	831	2,312	635	2,092	635	2,092	156	1,388	0	0	80	119
Malaysia	6,611	39,777	5,256	28,709	4,008	15,701	504	907	1,248	13,008	0	0
Mali	727	3,020	664	2,776	664	2,776	121	915	0	0	39	165
Mauritania	843	2,363	717	2,073	717	2,073	38	368	0	0	62	107
Mauritius	467	1,818	318	1,399	294	1,153	55	140	24	246	102	0
Mexico	57,378	157,125	41,215	113,778	33,915	93,438	2,063	12,568	7,300	20,340	0	13,279
Moldova	..	834	..	560	..	560	..	142	..	0	..	248
Mongolia	..	524	..	474	..	474	..	68	..	0	..	44
Morocco	9,247	21,767	8,013	21,165	7,863	20,774	578	3,764	150	392	457	3
Mozambique	..	5,842	..	5,475	..	5,433	0	1,076	..	43	0	181
Myanmar	1,500	5,184	1,390	4,804	1,390	4,804	146	742	..	0	106	0
Namibia	..	..	..	..	..	..	..	..	0	..	..	..
Nepal	205	2,414	156	2,349	156	2,349	76	1,049	0	0	42	39
Netherlands	..	..	..	..	..	..	..	..	..	..	..	..
New Zealand	..	..	..	..	..	..	..	..	..	..	..	..
Nicaragua	2,189	5,929	1,668	5,122	1,668	5,122	135	379	0	0	49	29
Niger	863	1,557	687	1,460	383	1,350	66	609	305	110	16	53
Nigeria	8,921	31,407	5,368	25,731	4,271	25,431	554	3,110	1,097	300	0	0
Norway	..	..	..	..	..	..	..	..	..	..	..	..
Oman	599	3,415	436	2,649	436	2,646	14	19	0	3	0	0
Pakistan	9,931	29,901	8,520	25,690	8,502	23,694	1,151	6,486	18	1,995	674	1,396
Panama	2,975	6,990	2,271	5,211	2,271	5,136	133	199	0	75	23	131
Papua New Guinea	719	2,359	624	2,275	486	1,522	110	375	139	752	31	51
Paraguay	955	2,141	780	1,398	630	1,377	124	172	151	21	0	0
Peru	9,386	29,176	6,828	21,793	6,218	20,415	359	1,633	610	1,378	474	924
Philippines	17,417	41,214	8,817	32,839	6,363	27,937	960	4,859	2,454	4,902	1,044	405
Poland	..	40,895	..	40,819	..	39,217	0	2,175	..	1,602	0	0
Portugal	..	..	..	..	..	..	..	..	..	..	..	..
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..
Romania	9,762	8,291	7,131	6,825	7,131	6,456	807	1,009	0	369	328	651
Russian Federation	..	124,785	..	100,463	..	100,463	0	2,509	..	0	0	12,508





	Total external debt		Long-term debt		Public and publicly guaranteed debt				Private nonguaranteed external debt		Use of IMF credit	
	\$ millions		\$ millions		\$ millions		IBRD loans and IDA credits \$ millions		\$ millions		\$ millions	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Rwanda	190	1,034	150	977	150	977	58	536	0	0	14	24
Saudi Arabia	..	..	..	..	..	..	..	..	..	..	..	..
Senegal	1,473	3,663	1,114	3,142	1,105	3,103	156	1,217	9	39	140	326
Sierra Leone	469	1,167	357	892	357	892	43	260	0	0	59	171
Singapore	..	..	..	..	..	..	..	..	..	..	..	..
Slovak Republic	..	7,704	..	4,437	..	3,891	0	250	..	546	0	319
Slovenia	..	4,031	..	3,972	..	2,038	0	155	..	1,935	0	1
South Africa	..	23,590	..	13,907	..	10,348	0	0	..	3,559	0	884
Spain	..	..	..	..	..	..	..	..	..	..	..	..
Sri Lanka	1,841	7,995	1,231	6,898	1,227	6,818	129	1,556	3	80	391	531
Sudan	5,177	16,972	4,147	9,865	3,822	9,369	236	1,250	325	496	431	893
Sweden	..	..	..	..	..	..	..	..	..	..	..	..
Switzerland	..	..	..	..	..	..	..	..	..	..	..	..
Syrian Arab Republic	3,552	21,420	2,921	16,698	2,921	16,698	257	426	0	0	0	0
Tajikistan	..	707	..	672	..	672	..	30	..	0	..	22
Tanzania	2,452	7,412	1,963	6,149	1,879	6,104	440	2,298	84	45	171	206
Thailand	8,297	90,824	5,646	53,210	3,943	17,039	703	1,707	1,703	36,171	348	0
Togo	1,049	1,463	896	1,285	896	1,285	47	576	0	0	33	90
Trinidad and Tobago	829	2,242	713	1,949	713	1,871	57	79	0	78	0	24
Tunisia	3,526	9,887	3,390	8,877	3,210	8,689	337	1,657	180	188	0	237
Turkey	19,131	79,789	15,575	58,591	15,040	48,172	1,347	4,385	535	10,419	1,054	662
Turkmenistan	..	825	..	538	..	538	..	3	..	0	..	0
Uganda	689	3,674	537	3,151	537	3,151	47	1,849	0	0	89	417
Ukraine	..	9,335	..	6,629	..	6,451	..	859	..	178	..	2,262
United Arab Emirates	..	..	..	..	..	..	..	..	..	..	..	..
United Kingdom	..	..	..	..	..	..	..	..	..	..	..	..
United States	..	..	..	..	..	..	..	..	..	..	..	..
Uruguay	1,660	5,899	1,338	4,232	1,127	4,097	72	446	211	135	0	9
Uzbekistan	..	2,319	..	1,990	..	1,990	..	155	..	0	..	238
Venezuela	29,345	35,344	13,795	30,266	10,614	28,452	133	1,408	3,181	1,814	0	2,196
Vietnam	..	26,764	..	22,344	..	22,344	2	412	..	0	0	539
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	1,684	6,356	1,453	5,622	1,453	5,622	137	893	0	0	48	121
Yugoslavia, FR (Serb./Mont.) <sup>b</sup>	18,486	13,439	15,586	11,239	4,581	8,480	1,359	1,178	11,005	2,759	760	81
Zambia	3,261	7,113	2,227	5,323	2,141	5,307	348	1,510	87	16	447	1,198
Zimbabwe	786	5,005	696	3,766	696	3,338	3	848	0	428	0	437
<b>World</b>	<b>.. S</b>	<b>.. S</b>	<b>.. S</b>	<b>.. S</b>	<b>.. S</b>	<b>.. S</b>	<b>.. S</b>	<b>.. S</b>	<b>.. S</b>	<b>.. S</b>	<b>.. S</b>	<b>.. S</b>
<b>Low income</b>	106,308	537,017	87,607	451,688	82,516	435,296	14,028	97,656	5,091	16,392	5,803	13,097
Excl. China & India	81,223	318,374	64,770	266,490	60,015	258,631	8,060	56,077	4,755	7,860	4,826	11,784
<b>Middle income</b> <sup>c</sup>	497,014	1,558,411	357,693	1,198,409	294,517	961,800	18,179	82,958	63,176	236,609	5,761	47,010
Lower middle income	251,877	881,547	191,656	685,473	165,166	578,201	11,413	50,277	26,491	107,273	5,516	25,626
Upper middle income <sup>c</sup>	245,137	676,863	166,037	512,935	129,351	383,599	6,766	32,682	36,686	129,336	245	21,384
<b>Low &amp; middle income</b>	603,321	2,095,428	445,300	1,650,097	377,032	1,397,096	32,208	180,615	68,268	253,000	11,564	60,107
East Asia & Pacific	64,600	477,219	48,438	356,170	39,688	263,394	4,077	36,704	8,751	92,776	1,551	1,175
Europe & Central Asia <sup>c</sup>	75,503	370,172	56,283	297,042	44,743	270,109	3,513	18,070	11,540	26,933	2,143	20,053
Latin America & Carib.	257,263	656,388	187,253	517,632	144,795	406,990	8,134	36,400	42,458	110,642	1,413	23,892
Middle East & N. Africa	83,793	212,389	61,734	162,197	61,139	158,468	3,053	12,226	595	3,729	916	2,748
South Asia	38,015	152,098	33,053	137,971	32,696	128,513	8,306	41,295	357	9,458	2,508	3,795
Sub-Saharan Africa	84,148	227,163	58,539	179,085	53,973	169,621	5,125	35,921	4,567	9,463	3,033	8,445
<b>High income</b>	..	..	..	..	..	..	..	..	..	..	..	..

a. Data prior to 1992 include Eritrea. b. Data refer to the former Yugoslavia. c. Includes data for Gibraltar not included in other tables.



#### About the data

Data on the external debt of low- and middle-income economies are gathered by the World Bank through its Debtor Reporting System. World Bank staff calculate the indebtedness of developing countries using loan-by-loan reports submitted by these countries on long-term public and publicly guaranteed borrowing, along with information on short-term debt collected by the countries or from creditors through the reporting systems of the Bank for International Settlements and the Organisation for Economic Co-operation and Development (OECD). These data are supplemented by information on loans and credits from major multilateral banks and loan statements from official lending agencies in major creditor countries and by estimates from World Bank country economists and International Monetary Fund (IMF) desk officers. In addition, some countries provide data on private nonguaranteed debt. In 1996, 34 countries reported their private nonguaranteed debt to the World Bank; estimates were made for 28 additional countries known to have significant private debt. For estimates of total financial flows to developing countries see table 6.8.

Despite an ongoing effort to standardize the reporting of external debt (see, for example, International Working Group of External Debt Compilers 1987), the coverage, quality, and timeliness of debt data vary across countries. Coverage varies for both debt instruments and borrowers. With a widening spectrum of debt instruments and investors and the expansion of private nonguaranteed borrowing, comprehensive coverage of long-term external debt becomes more complex. Reporting countries differ in their ability to monitor debt, especially private nonguaranteed debt. Even public and publicly guaranteed debt is affected by coverage and accuracy in reporting—again, because of monitoring capacity and, sometimes, willingness to provide information. A key part that is often underreported is military debt.

Variations in reporting rescheduled debt also affect cross-country comparability. For example, rescheduling under the auspices of the Paris Club of official creditors may be subject to lags between the completion of the general rescheduling agreement and the completion of the specific, bilateral agreements that define the terms of the rescheduled debt. The World Bank estimates the effects of the general agreements and then revises the data when countries report their bilateral agreements. Other areas of inconsistency include country differences in treatment of arrears, reporting of debt owed to the Russian Federation, and treatment of nonresident national deposits denominated in foreign currency.

#### Definitions

- **Total external debt** is debt owed to nonresidents repayable in foreign currency, goods, or services. Total external debt is the sum of public, publicly guaranteed, and private nonguaranteed long-term debt, use of IMF credit, and short-term debt. Short-term debt includes all debt having an original maturity of one year or less and interest in arrears on long-term debt.
- **Long-term debt** is debt that has an original or extended maturity of more than one year. It has three components: public, publicly guaranteed, and private nonguaranteed debt.
- **Public and publicly guaranteed debt** comprises long-term external obligations of public debtors, including the national government, political subdivisions (or an agency of either), and autonomous public bodies, and external obligations of private debtors that are guaranteed for repayment by a public entity.
- **IBRD loans and IDA credits** are extended by the World Bank Group. The International Bank for Reconstruction and Development (IBRD) lends at market rates. Credits from the International Development Association (IDA) are at concessional rates.
- **Private nonguaranteed external debt** comprises long-term external obligations of private debtors that are not guaranteed for repayment by a public entity.
- **Use of IMF credit** denotes repurchase obligations to the IMF for all uses of IMF resources (excluding those resulting from drawings on the reserve tranche). These obligations, shown for the end of the year specified, comprise purchases outstanding under the credit tranches, including enlarged access resources, and all special facilities (the buffer stock, compensatory financing, extended fund, and oil facilities), trust fund loans, and operations under the structural adjustment and enhanced structural adjustment facilities.

#### Data sources

Global  
Development  
Finance



The main sources of external debt information are reports to the World Bank through its Debtor Reporting System from member countries that have received IBRD loans or IDA credits. Additional information has been drawn from the files of the World Bank and the IMF. Summary tables of the external debt of developing countries are published annually in the World Bank's *Global Development Finance* and *Global Development Finance* CD-ROM.



## 4.18 External debt management

	Present value of debt		Total debt service				Publicly and publicly guaranteed debt service		Short-term debt	
	% of GNP	% of exports of goods and services	% of GNP	% of exports of goods and services			% of central government current revenue		% of total debt	
	1996	1996	1980	1996	1980	1996	1980	1996	1980	1996
Albania	32	101	..	1.2	..	3.5	..	..	..	7.0
Algeria	71	228	9.9	9.7	27.4	27.7	..	..	12.0	1.3
Angola	310	219	..	20.1	..	13.3	..	..	0.0	11.4
Argentina	31	323	5.5	4.8	37.3	44.2	6.1	..	38.2	13.0
Armenia	27	114	..	3.0	..	10.7	..	..	..	0.3
Australia	..	..	..	..	..	..	..	..	..	..
Austria	..	..	..	..	..	..	..	..	..	..
Azerbaijan	10	45	..	0.3	..	1.3	..	..	..	3.6
Bangladesh	30	166	2.1	2.2	23.7	11.7	7.9	..	5.0	1.0
Belarus	4	21	..	0.6	..	2.0	..	..	..	9.5
Belgium	..	..	..	..	..	..	..	..	..	..
Benin	57 <sup>a</sup>	215 <sup>a</sup>	1.4	2.0	6.3	6.8	..	..	17.3	2.9
Bolivia	57 <sup>a</sup>	270 <sup>a</sup>	12.6	6.5	35.0	30.9	..	23.9	11.2	7.2
Bosnia and Herzegovina	53	408	..	..	..	..	..	..	..	..
Botswana	11	17	1.6	3.1	2.1	4.9	4.2	..	2.7	1.0
Brazil	26	292	6.5	3.4	63.3	41.1	15.3	..	18.9	19.8
Bulgaria	89	151	0.2	14.1	0.5	20.5	..	29.2	0.0	9.2
Burkina Faso	31 <sup>a</sup>	241 <sup>a</sup>	1.3	1.9	5.9	10.8	8.4	..	10.6	4.1
Burundi	47	538	0.9	2.7	..	54.6	4.8	13.8	7.2	0.7
Cambodia	54	191	..	0.3	..	1.2	..	..	14.3	0.9
Cameroon	106	399	4.6	6.3	15.3	23.6	17.0	..	10.7	13.2
Canada	..	..	..	..	..	..	..	..	..	..
Central African Republic	51	242	1.3	1.2	4.9	6.3	..	..	12.6	6.0
Chad	51	181	0.8	2.7	8.3	9.5	..	..	4.0	1.8
Chile	48	166	10.2	8.7	43.1	32.3	15.6	21.7	21.2	25.5
China	17	76	0.5	2.0	..	8.7	..	..	0.0	19.7
Hong Kong, China	..	..	..	..	..	..	..	..	..	..
Colombia	40	206	2.9	6.6	16.0	34.6	13.2	..	33.7	20.4
Congo, Dem. Rep.	127	693	3.8	0.8	..	2.4	29.2	..	6.8	24.4
Congo, Rep.	260	342	7.1	18.0	10.6	21.3	11.7	..	16.2	10.2
Costa Rica	37	83	7.7	6.5	29.1	14.1	23.9	..	21.0	10.8
Côte d'Ivoire	171 <sup>a</sup>	299 <sup>a</sup>	14.6	13.8	38.7	26.2	37.4	..	14.2	22.8
Croatia	24	56	..	2.4	..	5.5	..	2.9	..	10.0
Cuba	..	..	..	..	..	..	..	..	..	..
Czech Republic	42	70	1.6	4.8	..	8.3	..	10.0	100.0	29.6
Denmark	..	..	..	..	..	..	..	..	..	..
Dominican Republic	33	108	5.9	3.5	25.3	11.4	16.3	..	24.0	16.1
Ecuador	78	246	9.0	7.4	33.9	22.6	37.2	..	26.3	11.0
Egypt, Arab Rep.	35	117	5.8	3.4	13.4	11.6	..	..	21.1	7.5
El Salvador	26	78	2.7	3.0	7.5	9.5	10.3	23.6	24.1	20.6
Eritrea	3	6	..	..	..	0.0	..	..	..	0.0
Estonia	9	14	..	1.0	..	1.3	..	1.4	..	26.4
Ethiopia <sup>b</sup>	149	1,093	..	5.8	7.6	42.2	4.6	..	6.9	5.0
Finland	..	..	..	..	..	..	..	..	..	..
France	..	..	..	..	..	..	..	..	..	..
Gabon	86	123	11.2	7.8	17.7	11.1	26.2	..	15.1	5.2
Gambia, The	64	113	1.9	..	6.3	12.7	1.4	..	17.0	5.0
Georgia	26	209	..	0.3	..	..	..	..	..	4.7
Germany	..	..	..	..	..	..	..	..	..	..
Ghana	56 <sup>a</sup>	208 <sup>a</sup>	3.6	7.6	13.1	26.4	10.0	..	9.4	11.4
Greece	..	..	..	..	..	..	..	..	..	..
Guatemala	23	110	1.8	2.3	7.9	11.0	6.0	..	28.7	23.7
Guinea	61	298	..	3.0	..	14.7	..	..	7.0	5.5
Guinea-Bissau	248	2,312	4.5	4.2	..	48.7	..	..	3.7	7.8
Haiti	20	297	1.8	1.0	6.2	13.8	13.2	..	4.6	4.0
Honduras	92	200	8.5	14.1	21.4	28.8	26.0	..	18.5	9.3



4.18

Country	Present value of debt		Total debt service		Publicly guaranteed debt service		Short-term debt	
	1996	1996	1996	1996	1996	1996	1996	1996
Hungary	62	158	19.3	41.0	34.3	12.5	7.5	12.5
India	22	152	3.6	24.1	21.6	6.2	6.2	7.5
Indonesia	64	236	9.9	36.8	30.3	13.3	13.3	25.0
Iran, Islamic Rep.	15	99	2.4	6.8	8.8	23.7	23.7	23.7
Ireland	..	..	..	..	..	..	..	..
Israel	..	..	..	..	..	..	..	..
Italy	..	..	..	..	..	..	..	..
Jamaica	92	101	15.9	19.0	26.6	14.2	14.2	14.2
Japan	110	148	9.2	11.2	25.7	7.4	7.4	7.4
Jordan	14	48	3.4	9.9	..	7.6	7.6	7.6
Kazakhstan	64	177	6.2	21.0	14.5	18.9	18.9	18.9
Korea, Dem. Rep.	..	..	..	..	..	..	..	..
Korea, Rep.	..	..	..	..	..	..	..	..
Kuwait	..	..	..	..	..	..	..	..
Kyrgyz Republic	37	130	3.1	9.2	..	1.1	1.1	1.1
Lao PDR	45	177	1.6	6.3	..	0.5	0.5	0.5
Latvia	9	20	1.3	2.3	2.0	9.4	9.4	9.4
Lebanon	33	90	2.3	6.4	..	41.4	41.4	41.4
Lesotho	33	69	2.9	1.5	..	1.3	1.3	1.3
Libya	16	35	1.6	2.9	4.2	12.2	12.2	12.2
Lithuania	74	106	2.6	3.9	..	12.3	12.3	12.3
Madagascar	97	426	1.9	20.3	13.8	12.3	12.3	12.3
Malawi	76	294	4.1	27.8	28.9	4.3	4.3	4.3
Malaysia	52	50	8.1	8.2	16.8	27.8	27.8	27.8
Malta	56	261	4.5	17.9	5.3	2.6	2.6	2.6
Mauritania	157	318	11.6	17.3	..	7.8	7.8	7.8
Mauritius	45	73	4.7	9.1	14.7	23.1	23.1	23.1
Mexico	44	154	5.8	44.4	26.9	19.1	19.1	19.1
Moldova	39	92	3.2	6.2	..	3.2	3.2	3.2
Mongolia	36	65	5.0	9.7	15.9	1.3	1.3	1.3
Morocco	61	185	8.9	33.4	27.7	2.7	2.7	2.7
Mozambique	411	1,344	11.3	32.3	..	3.2	3.2	3.2
Myanmar	34	296	..	25.4	11.9	7.3	7.3	7.3
Namibia	26	102	1.9	3.2	7.7	1.1	1.1	1.1
Nepal	..	..	..	..	2.6	..	..	..
Netherlands	..	..	..	..	..	..	..	..
New Zealand	..	..	..	..	..	..	..	..
Nicaragua	322	763	5.7	22.3	24.2	13.1	13.1	13.1
Niger	45	284	5.6	21.7	17.3	2.8	2.8	2.8
Nigeria	114	240	1.9	4.1	16.0	18.1	18.1	18.1
Norway	..	..	..	..	..	..	..	..
Oman	31	48	..	6.4	9.9	22.4	22.4	22.4
Pakistan	39	206	5.1	18.3	27.4	9.4	9.4	9.4
Panama	80	69	14.4	6.2	10.7	23.6	23.6	23.6
Papua New Guinea	37	61	6.0	13.8	12.6	1.4	1.4	1.4
Paraguay	22	47	2.5	18.6	5.5	34.7	34.7	34.7
Peru	43	318	10.9	44.5	35.4	22.1	22.1	22.1
Philippines	51	116	6.1	26.6	13.7	19.3	19.3	19.3
Poland	51	116	6.1	26.6	13.7	19.3	19.3	19.3
Puerto Rico	23	89	3.5	12.6	12.6	9.8	9.8	9.8
Romania	23	89	3.5	12.6	12.6	9.8	9.8	9.8
Russian Federation	25	97	..	6.6	..	9.5	9.5	9.5



# 4.18

	Present value of debt		Total debt service				Public and publicly guaranteed debt service		Short-term debt	
	% of GNP	% of exports of goods and services	% of GNP		% of exports of goods and services		% of central government current revenue		% of total debt	
	1996	1996	1980	1996	1980	1996	1980	1996	1980	1996
Rwanda	47	682	0.7	1.4	4.2	20.3	2.9	..	13.7	3.2
Saudi Arabia	..	..	..	..	..	..	..	..	..	..
Senegal	53	150	8.9	5.4	28.7	15.9	30.1	..	14.9	5.3
Sierra Leone	78	515	5.6	6.4	23.8	52.6	22.7	70.8	11.3	9.0
Singapore	..	..	..	..	..	..	..	..	..	..
Slovak Republic	41	66	..	7.0	..	11.9	..	..	..	38.3
Slovenia	21	36	..	5.1	..	8.7	..	..	..	1.4
South Africa	18	67	..	3.1	..	11.1	..	..	..	37.3
Spain	..	..	..	..	..	..	..	..	..	..
Sri Lanka	41	97	4.5	3.1	12.0	7.3	10.3	13.0	11.9	7.1
Sudan	260	1,964	3.9	..	25.5	5.0	9.3	..	11.6	36.6
Sweden	..	..	..	..	..	..	..	..	..	..
Switzerland	..	..	..	..	..	..	..	..	..	..
Syrian Arab Republic	120	301	2.9	1.5	11.4	3.8	8.6	..	17.8	22.0
Tajikistan	24	69	..	0.0	..	0.1	..	..	..	1.9
Tanzania <sup>c</sup>	114	499	..	4.5	23.5	18.7	8.1	..	13.0	14.3
Thailand	56	131	5.0	4.8	18.9	11.5	9.5	6.3	27.8	41.4
Togo	80	191	4.8	4.0	9.0	10.8	11.0	..	11.5	6.1
Trinidad and Tobago	46	80	3.9	9.5	6.8	15.6	8.4	..	14.0	12.0
Tunisia	53	106	6.4	8.0	14.8	16.5	15.6	23.1	3.9	7.8
Turkey	47	184	2.3	5.9	28.0	21.7	8.5	25.2	13.1	25.7
Turkmenistan	18	39	..	4.1	..	10.6	..	..	..	34.8
Uganda	32 <sup>a</sup>	294 <sup>a</sup>	4.6	2.5	17.3	20.0	6.7	..	9.1	2.9
Ukraine	18	48	..	2.9	..	6.1	..	..	..	4.8
United Arab Emirates	..	..	..	..	..	..	..	..	..	..
United Kingdom	..	..	..	..	..	..	..	..	..	..
United States	..	..	..	..	..	..	..	..	..	..
Uruguay	33	143	3.1	3.7	18.8	15.6	8.8	9.7	19.4	28.1
Uzbekistan	9	56	..	1.2	..	8.1	..	..	..	3.9
Venezuela	51	147	8.7	6.9	27.2	16.8	19.1	22.5	53.0	8.2
Vietnam	123	322	..	1.5	..	3.5	..	..	..	14.5
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	88	160	..	1.6	..	2.4	..	..	10.8	9.7
Yugoslavia, FR (Serb./Mont.) <sup>d</sup>	..	..	5.2	..	..	..	10.9	..	11.6	15.8
Zambia	161	389	11.4	9.8	25.3	24.6	29.6	50.4	18.0	8.3
Zimbabwe	67	154	1.2	9.2	3.8	21.2	3.9	..	11.5	16.0

World	.. W	.. W	.. W	.. W	.. W	.. W	.. W
<b>Low income</b>	1.6	2.9	9.4	13.3	..	12.1	13.5
Excl. China & India	..	..	..	..	..	..	..
<b>Middle income</b>	3.7	5.1	13.5	18.3	..	26.9	20.1
Lower middle income	..	..	..	..	..	..	..
Upper middle income	..	..	..	..	..	..	..
<b>Low &amp; middle income</b>	..	..	..	..	..	..	..
East Asia & Pacific	2.3	4.3	11.5	13.0	..	22.6	25.1
Europe & Central Asia	1.6	3.7	6.8	11.4	..	22.6	14.3
Latin America & Carib.	6.5	6.1	36.3	32.3	..	26.7	17.5
Middle East & N. Africa	2.5	3.2	5.6	11.4	..	25.2	22.3
South Asia	1.3	3.1	11.7	22.0	..	6.5	6.8
Sub-Saharan Africa	3.6	5.0	9.8	14.2	..	26.8	17.4
<b>High income</b>	..	..	..	..	..	..	..

a. Data are from debt sustainability analyses undertaken as part of the Heavily Indebted Poor Countries Debt Initiative. Present value estimates for these countries are for public and publicly guaranteed debt only, and export figures exclude worker remittances. b. Data prior to 1992 include Eritrea. c. Data refer to mainland Tanzania only. d. Data refer to the former Yugoslavia.



**About the data**

The indicators in the table measure the relative burden on developing countries of servicing external debt. The present value of external debt provides a measure of future debt service obligations that can be compared with the current value of such indicators as GNP and exports of goods and services. In this table the present value of total debt service in the most recent year (1996) is presented as a percentage of average GNP in 1994, 1995, and 1996 or the average of exports in the same three-year period. The ratios of total debt service and public and publicly guaranteed debt service compare current obligations with the size of the economy and its ability to obtain foreign exchange through exports. Because worker remittances are an important source of foreign exchange for many countries, they are included in the value of exports used to calculate debt indicators. The ratios shown here may differ from those published elsewhere because estimates of exports and GNP have been revised to incorporate data available as of February 1, 1998.

The present value of external debt is calculated by discounting the debt service (interest plus amortization) due on long-term external debt over the life of existing loans. Short-term debt is included at its face value. Data on debt are in U.S. dollars converted at official exchange rates. The discount rate applied to long-term debt is determined by the currency of repayment of the loan and is based on the Organisation for Economic Co-operation and Development's (OECD) commercial interest reference rates. Loans from the International Bank for Reconstruction and Development (IBRD) and credits from the International Development Association (IDA) are discounted using an SDR (special drawing rights) reference rate, as are obligations to the International Monetary Fund (IMF). When the discount rate is greater than the interest rate of the loan, the present value is less than the nominal sum of future debt service obligations.

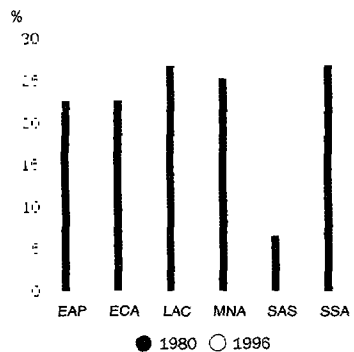
The ratios in the table are used to assess the sustainability of a country's debt service obligations, but there are no absolute rules that determine what values are too high. Empirical analysis of the experience of developing countries and their debt service performance has shown that debt service difficulties become increasingly likely when the ratio of the present value of debt to exports reaches 200 percent and the ratio of debt service to GNP exceeds 20 percent. Still, what constitutes a sustainable debt burden varies from one country to another. Countries with fast-growing economies and exports are likely to be able to sustain higher debt levels.

**Definitions**

- **Present value of debt** is the sum of short-term external debt plus the discounted sum of total debt service payments due on public, publicly guaranteed, and private nonguaranteed long-term external debt over the life of existing loans.
- **Total debt service** is the sum of principal repayments and interest actually paid in foreign currency, goods, or services on long-term debt, interest paid on short-term debt, and repayments (repurchases and charges) to the IMF.
- **Public and publicly guaranteed debt service** is the sum of principal repayments and interest actually paid on long-term obligations of public debtors and long-term private obligations guaranteed by a public entity.
- **Short-term debt** includes all debt having an original maturity of one year or less and interest in arrears on long-term debt.

**Figure 4.18a**

**All regions except Asia have reduced their reliance on short-term debt**



Source: World Bank 1998.

**Data sources**

The main sources of external debt information are reports to the World Bank through its Debtor Reporting System from member countries that have received IBRD loans or IDA credits. Additional information has been drawn from the files of the World Bank and the IMF. Data on GNP and exports of goods and services are from the World Bank's national accounts files. Summary tables of the external debt of developing countries are published annually in the World Bank's *Global Development Finance* and *Global Development Finance* CD-ROM.