ECONOMY

Economic growth alone will not eliminate poverty in the world. But if it is equitable growth that reaches the poor, it can create the opportunities and resources to reduce poverty. Similarly, development assistance, no matter how well intended, cannot guarantee that economies will grow. To be effective, it must be used wisely.

Over the past three decades some countries have made great progress. Botswana, China, and the Republic of Korea, along with other nations of Southeast Asia, have maintained growth in per capita incomes of more than 8 percent a year, with big reductions in poverty. Some of them recently sustained setbacks because of the financial crisis that began in 1997. But all show signs of rebounding under good economic management.

At the other end of the scale are a large group of countries that have seen their prospects worsen. Slow growth and rising populations have lowered their per capita incomes. And the financing offered to them in the hopes of stimulating new growth has become a burden of unmanageable debt. Which are the heavily indebted poor countries? How did they get that way? And what can be done to help them?

Profiling the heavily indebted poor countries

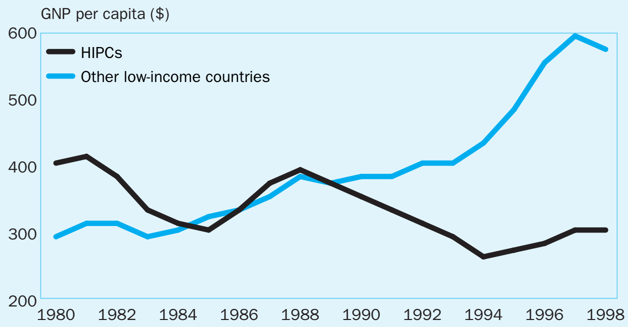
The poor countries classified today as heavily indebted (HIPCs) were richer than other low-income countries in 1980. Their per capita incomes then fell from $400 to $300, a loss of 25 percent. Meanwhile, those of the others doubled—from $290 to $580 (figure 4a).

HIPCs have always had worse social indicators than other developing countries, and this may have slowed their GDP growth. Because their rates of illiteracy, infant mortality, and fertility have been going down, the social gap between them and other low-income countries has widened only slightly since 1980 (figures 4b, 4c, and 4d). But with the income gap widening so dramatically, it is clear that their problems go well beyond inadequate social investments—to poor policies and poor institutions.

Infrastructure is poorer in HIPCs—and, again, the gap with the others has been widening. Their proportion of paved roads fell from 15 percent to 12 percent in 1990–96, while for the others it rose from 30 percent to 42 percent (figure 4e). Both groups had just 3 telephone mainlines per 1,000 people in 1980, but by 1998 the others had 41—the HIPCs only 9 (figure 4f).

Figure 4a

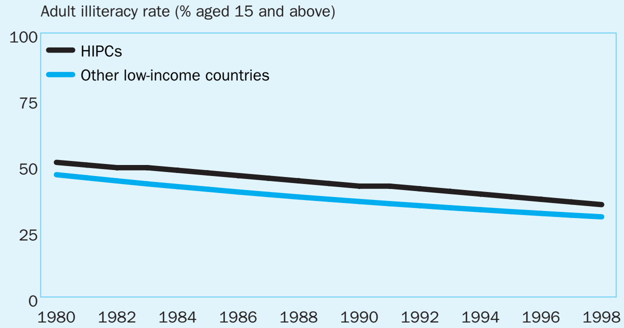
HIPCs have seen their incomes decline—while those of other poor countries have risen



Source: World Development Indicators database and World Bank staff estimates.

Figure 4b

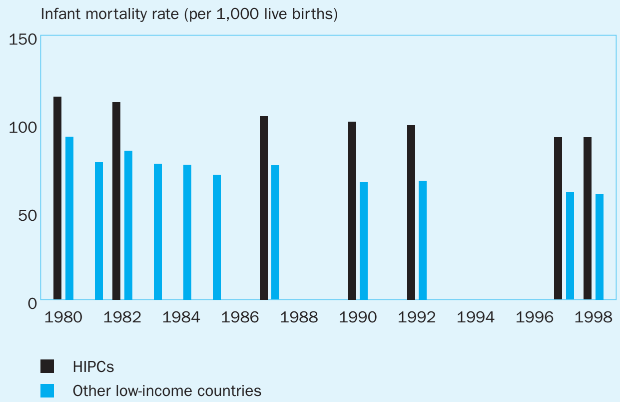
HIPCs have made less progress in reducing illiteracy . . .



Source: World Development Indicators database and World Bank staff estimates.

Figure 4c

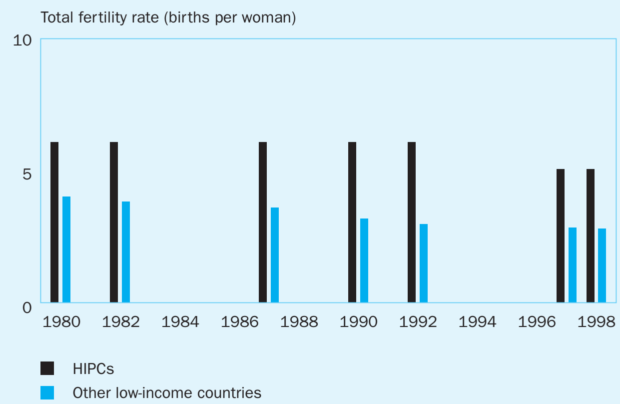
. . . in lowering infant mortality . . .



Source: World Development Indicators database and World Bank staff estimates.

Figure 4d

. . . and in slowing fertility



Source: World Development Indicators database and World Bank staff estimates.

Other low-income countries have diversified into industry and services. The HIPCs—despite attempts at import-substituting industrialization—have not. The share of agriculture in the economy has fallen from 31 percent to 22 percent in other low-income countries, but remained stuck in HIPCs at 33–38 percent (figure 4g).

HIPCs are not closed economies. Their export-to-GDP ratio has consistently been higher than that of other low-income countries (figure 4h). So a high export ratio is not enough to indicate good policies. Structural weaknesses must be addressed for the HIPCs to achieve sustainable growth.

HIPCs obtained much more aid per capita than the others. But since they didn't use the money efficiently, that aid simply translated into higher debt per capita (figures 4i and 4j). Recent studies have overturned the traditional notion that more aid means more investment and thus faster growth (World Bank 1998a). Indeed, there is little correlation between investment and growth—or between aid and growth. It all depends on how well a country uses development funds. Aid helps growth in countries with good policies and institutions, but can lead to unsustainable debt where these are lacking.

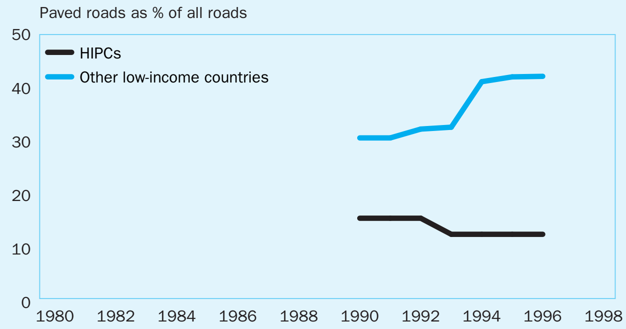
Why do indebted countries take on more debt?

The net present value of HIPC debt has kept rising—despite two decades of debt relief and the replacement of nonconcessional loans with highly concessional loans. Easterly (1999) explores the hypothesis that governments that have a very high discount rate take on excessive debt: they want to spend now with no regard for the future. What fuels such profligacy? Political instability, ethnic conflict, or interest groups seizing what they can while in power.

Easterly's results suggest that such countries, if given debt relief, will accumulate more debt until they go bust again. If loan conditions seek to check the deficits in their budgets or current accounts, bad governments will reduce investments or run down old assets to continue financing unproductive spending. For such

Figure 4e

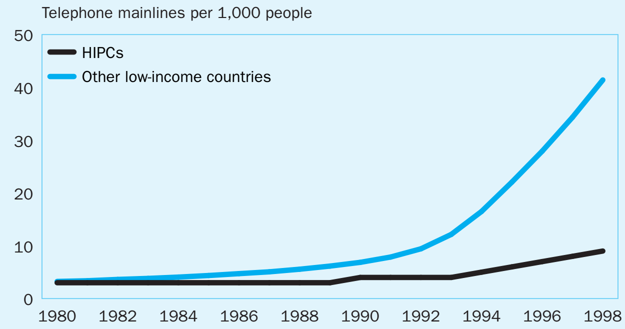
HIPCs are also falling further behind in paving roads . . .



Source: World Development Indicators database and World Bank staff estimates.

Figure 4f

. . . and in extending telephone service



Source: World Development Indicators database and World Bank staff estimates.

countries debt relief leads not to prudence, but to more borrowing—and policies get worse.

Contrary to conventional wisdom, debt relief in such circumstances does not finance fresh human and physical capital or reduce unsustainable debt over time. The route out of this downward spiral is a broad-based commitment to policies and public actions that promote growth and benefit the poor.

The new HIPC Initiative

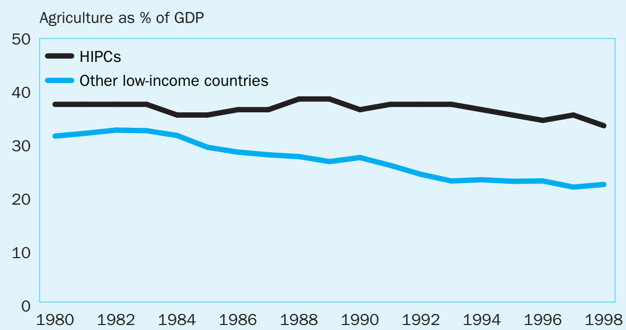
To reduce the debt of countries with good policies, donors launched the Heavily Indebted Poor Countries Initiative in 1996. Sustainable debt was defined originally as a stock of debt with a net present value of 200–250 percent of annual exports. And for extremely open economies, it was defined as a debt-to–government revenue ratio of 280 percent. Following widespread criticism that this did not go far enough, these parameters were lowered in 1999 to a debt-to-export ratio of 150 percent and a debt-to-revenue ratio of 250 percent. That boosted the number of potential beneficiaries from 29 countries to 41 and the net present value of potential debt reduction from $12.5 billion to $27 billion.

The HIPC Initiative represents the first time that the World Bank and International Monetary Fund (IMF) have forgiven debt. (The Bank's writeoff could pass $5 billion.) And relief from other donors goes well beyond the terms of three earlier debt relief packages, known as the Toronto terms, the Trinidad terms, and the Naples terms. The most important new feature of the HIPC Initiative is that it seeks to integrate debt relief with an enhanced poverty reduction framework (box 4a).

The Bank and IMF have consulted extensively with nongovernmental organizations (NGOs) on the enhanced poverty reduction framework. Many of them are concerned that debt service in many HIPCs exceeds spending on health and education. Some suggest that immediate, unconditional debt relief is required

Figure 4g

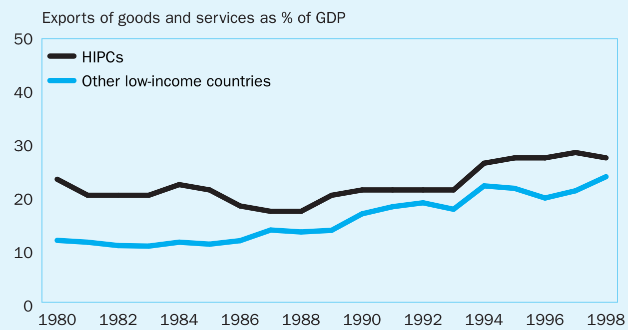
HIPCs have not made the shift from agriculture to industry and services . . .



Source: World Development Indicators database and World Bank staff estimates.

Figure 4h

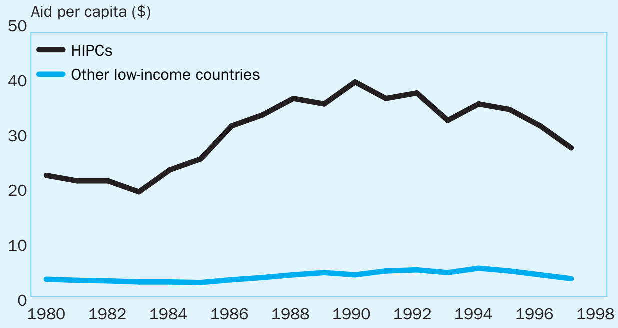
. . . but they have maintained a higher share of exports



Source: World Development Indicators database and World Bank staff estimates.

Figure 4i

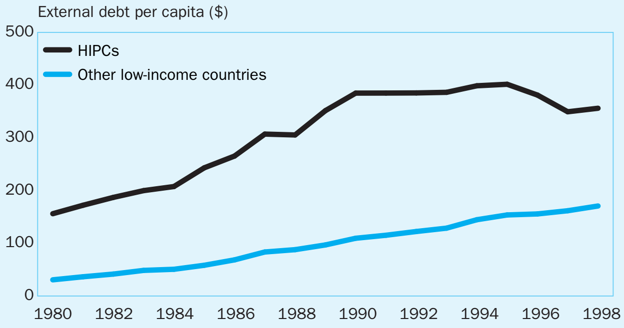
HIPCs' higher aid per capita . . .



Source: World Development Indicators database and World Bank staff estimates.

Figure 4j

. . . has translated into higher debt per capita



Source: World Development Indicators database and World Bank staff estimates.

to meet the need for additional social spending. But this argument is incomplete and sometimes false.

Fresh aid to HIPCs now exceeds their actual debt service, leaving them with net inflows per person among the highest in the world (table 6.10). In 1998 net aid amounted to $117 per person in Nicaragua, $82 in Guinea-Bissau, $68 in Mauritania, and $61 in Mozambique. By contrast, it was only $10 in Bangladesh and $2 in India, which are also poor but manage their economies better and get no debt relief. Mozambique had debt service due of $361 million in 1998, three times its social spending of $120 million. But in practice it paid creditors only $105 million, less than its social spending. And fresh aid inflows, net of debt service, were $450 million.

Relief under the HIPC Initiative is tied to firm evidence of the country's ownership and implementation of a reform program. Qualifying countries reach a decision point after displaying a track record of good policies for three years. At that decision point donors assess the prospects of the country and decide how much debt forgiveness is needed to reduce its debt to sustainable levels. Under the first set of conditions three more years of good policies were then needed to reach the completion point, when the debt is actually written down.

Donors decided in 1999 not to stick rigidly to a three-year requirement, and instead have a floating completion point reached when a country fulfills a set of reform commitments.

So far Bolivia, Burkina Faso, Côte d'Ivoire, Guyana, Mali, Mozambique, and Uganda have qualified for debt relief—of $3.4 billion. Benin and Senegal have been considered ineligible because their debt has been judged sustainable without recourse to extraordinary measures. Preliminary reviews have been completed for Ethiopia, Guinea-Bissau, Mauritania, Nicaragua, and Tanzania.

Box 4a

An enhanced framework for poverty reduction

- Country ownership of the poverty reduction strategy is paramount. Donors can help in designing programs, but the country must be in the driver's seat.
- Each country should be encouraged to produce a poverty reduction strategy paper illuminating the nature and causes of poverty in that country.
- This analysis should then be followed by implementation of country-owned plans to reduce poverty.
- Macroeconomic, structural, and social policies must be consistent with actions to reduce poverty.
- Countries should set medium- and long-term goals for poverty reduction. But setting goals in terms of inputs—say, education spending—is not good enough, because teacher absenteeism and other inefficiencies can make this a poor indicator of progress. Outcomes should be used instead—such as literacy rates or female enrollment.
- The poor must gain more access to social services and infrastructure. Groups that are socially, politically, and economically marginalized must participate more fully in development.
- The participation of civil society groups is essential—and not just in helping to design new schemes. They can also select and monitor indicators of progress, showing whether new spending is having its intended effect. Closer to the ground, they can give a more accurate picture of enrollments, the availability of textbooks, and the attendance of girls and minority groups—vital for spotting flaws and finding remedies.

Prospects—improving

Some trends are positive. Exchange rate overvaluation and the black market premium in HIPCs have fallen. In the past three years with data available, their debt ratios fell and per capita incomes rose. Perhaps the new donor and recipient attitudes enshrined in the HIPC Initiative are producing better results. And the enhanced poverty reduction framework should accelerate these positive trends.

It is encouraging that Sub-Saharan Africa, with the lion's share of HIPCs, also has two of the fastest-growing economies—Botswana and Mauritius. A recent study showed that while Sub-Saharan Africa's overall GDP growth averaged 3.8 percent a year in 1995–97, it was 4.4 percent in countries enjoying social stability, 5.1 percent in those also enjoying macroeconomic stability, and 5.5 percent in those that also had policies encouraging efficient resource allocation (Bhattasali 1998). HIPCs that learn from this will not remain heavily indebted—or poor—for long.

Table 4a Recent economic performance

	Gross domestic product average annual % growth 1998	1999	Exports of goods and services average annual % growth 1998	1999	Imports of goods and services average annual % growth 1998	1999	GDP deflator % growth 1998	1999	Current account balance % of GDP 1998	1999	Gross international reserves $ millions 1999	months of import coverage 1999
Algeria	5.1	3.5	3.5	6.1	5.8	0.7	–4.2	8.7	..	0.8	..	..
Argentina	3.9	–3.5	9.2	–7.7	8.4	–12.5	–2.0	–2.0	–4.9	–4.1	22,109	5.9
Armenia	7.2	5.5	–0.1	–2.0	–4.4	–10.0	11.2	1.1	–20.5	–14.5	297	3.9
Azerbaijan	10.0	–0.9	–7.8	18.2	16.9	–8.6	–8.3	5.5	–34.8	–29.3	–2	0.0
Bangladesh	5.1	4.3	14.3	7.1	0.6	8.7	5.3	7.0	–0.6	–1.9	1,772	2.3
Bolivia	4.7	2.5	2.7	–1.2	10.1	–15.0	7.7	2.7	–7.8	–6.3	1,081	6.0
Brazil	0.2	0.8	0.2	–6.5	8.9	–17.4	3.6	4.3	–4.3	–4.4	36,342	9.0
Bulgaria	3.5	1.5	–15.6	–8.5	–2.8	–3.7	22.2	0.5	–3.1	–5.7	3,251	6.4
Cameroon	5.0	4.4	4.7	6.5	8.3	1.9	1.1	–1.2	–2.7	–4.5	11	0.0
Chile	3.4	–1.0	5.9	5.4	2.1	–3.8	5.1	4.0	–5.3	–2.7	15,013	7.7
China	7.8	7.2	7.3	8.2	3.0	18.4	–1.1	–2.6	3.1	0.8	152,853	8.3
Colombia	0.6	–4.5	8.7	7.4	0.3	–23.6	17.5	11.0	–5.7	–1.5	8,215	6.3
Congo, Rep.	3.5	–1.1	6.9	88.3	–9.0	49.1	–16.9	22.3	..	–1.6	..	..
Costa Rica	6.2	8.0	13.1	23.0	18.3	12.6	12.3	9.1	–4.4	–4.2	963	1.3
Côte d'Ivoire	5.4	5.5	0.9	2.4	4.5	2.4	3.0	2.7	–1.9	–4.2	..	..
Croatia	2.5	–1.5	6.9	–6.8	–4.6	–9.6	9.0	5.6	–7.1	–6.7	2,997	..
Dominican Republic	7.3	7.3	4.4	13.1	17.1	8.9	4.9	5.8	–2.1	–4.3	725	1.1
Ecuador	0.6	–7.3	–2.5	–2.6	3.8	–37.0	25.8	63.0	–11.8	7.0	1,790	3.4
Egypt, Arab Rep.	5.6	5.9	–7.7	30.9	1.1	24.0	3.6	7.5	–3.3	–2.7	..	..
El Salvador	3.2	2.0	1.8	4.9	5.6	8.5	2.6	1.0	–0.7	–2.1	1,969	4.9
Estonia	4.0	–1.0	12.1	1.2	11.1	–0.8	9.4	3.3	–9.2	–7.2	894	2.2
Ghana	4.6	5.5	14.4	3.0	8.3	3.3	17.6	8.6	–4.7	–5.8	..	..
Guatemala	5.1	3.6	6.0	0.2	23.0	2.3	6.8	6.5	–5.5	–5.7	1,161	2.6
Honduras	3.0	–3.0	1.8	–5.0	6.0	14.4	13.6	8.9	–2.9	–13.9	1,023	3.6
Hungary	5.1	4.0	16.0	12.5	22.2	11.1	14.2	7.6	–4.8	–4.1	9,502	3.7
India	6.1	6.1	4.2	8.1	12.0	5.5	8.9	5.5	–1.2	–1.4	35,226	6.0
Indonesia	–13.2	0.1	11.2	–32.5	–5.3	–45.3	73.1	18.3	4.2	3.1	29,887	6.3
Iran, Islamic Rep.	1.7	2.0	–2.5	9.3	2.3	7.2	15.9	9.9	–1.7	–2.0	4,500	..
Jamaica	0.1	0.4	–3.2	0.2	–2.3	–2.4	5.0	4.7	–4.0	–5.3	714	2.0
Jordan	2.2	1.2	4.9	3.3	4.6	6.9	3.7	1.8	0.1	0.8	1,903	3.9
Kazakhstan	–1.9	0.0	10.1	–6.5	–2.5	–16.3	4.9	8.3	–5.5	–1.7	1,790	3.1
Kenya	1.8	1.6	–5.8	4.9	–4.2	1.0	10.6	5.0	–3.1	–3.6	833	2.7
Latvia	3.6	0.3	6.6	–7.0	16.9	–4.0	11.3	3.0	–11.1	–8.2	1,111	3.5
Lithuania	5.1	–3.4	–2.9	–12.8	1.8	–11.5	6.6	0.8	–12.1	–10.2	1,365	2.8

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Table 4b **Key macroeconomic indicators**

	Nominal exchange rate			Real effective exchange rate		Money and quasi money		Gross domestic credit		Real interest rate		Short-term debt[a]
	local currency units per $	% change		1995 = 100		average annual % growth		average annual % growth		%	%	% of exports
	1999	**1998**	**1999**	**1998**	**1999**	**1998**	**1999**	**1998**	**1999**	**1998**	**1999**	**1998**
Algeria	69.3	3.3	14.8	115.1	109.1	18.9	..	9.3	..	..	..	1.5
Argentina	1.0	0.0	0.0	..	..	10.5	5.6	8.7	1.1	12.9	9.4	83.5
Armenia	523.8	5.5	0.3	111.5	112.8	38.2	..	62.4	–100.0	33.5	..	9.5
Azerbaijan	4,361.0	0.1	12.7	..	..	–17.4	7.5	5.2	–12.5	..	..	0.1
Bangladesh	51.0	6.7	5.2	..	..	11.4	15.9	13.0	14.4	8.3	7.5	2.0
Bolivia	6.0	5.2	6.1	114.9	117.8	12.9	7.1	29.4	7.2	29.4	29.5	81.4
Brazil	1.8	8.3	48.0	..	..	10.0	4.3	28.7	8.1	..	..	38.9
Bulgaria	1.9	–5.7	16.2	122.7	124.6	10.1	12.7	–17.7	–2.2	–7.3	6.3	7.8
Cameroon	653.0	–6.1	16.1	103.8	109.9	7.8	16.2	9.3	5.9	20.6	19.6	58.5
Chile	530.1	7.7	11.9	111.1	98.5	9.6	11.8	11.8	9.1	14.3	8.5	38.6
China	8.3	0.0	0.0	112.4	105.2	14.9	..	20.0	..	7.5	..	13.1
Colombia	1,873.8	16.5	24.3	112.5	90.4	20.9	13.9	29.2	8.0	21.0	20.8	41.9
Congo, Rep.	653.0	–6.1	16.1	..	..	–12.8	–1.9	11.4	–6.3	46.8	29.0	66.4
Costa Rica	298.2	11.1	9.9	104.9	102.8	26.3	25.0	35.6	6.4	9.1	14.7	9.6
Côte d'Ivoire	653.0	–6.1	16.1	105.6	105.1	7.1	..	6.1	..	..	..	29.8
Croatia	7.6	–0.9	22.4	105.3	101.1	13.0	–1.8	19.1	0.4	6.2	..	12.5
Dominican Republic	16.0	9.9	1.6	105.4	102.7	16.6	..	17.4	..	19.8	..	9.6
Ecuador	20,243.0	54.1	196.6	107.7	81.5	43.3	..	66.3	..	18.9	25.9	38.3
Egypt, Arab Rep.	3.4	0.0	0.5	..	..	10.8	7.9	19.0	17.4	9.1	7.1	22.3
El Salvador	8.8	0.0	0.0	..	..	10.5	0.5	1.8	1.6	12.1	12.6	20.3
Estonia	15.6	–6.5	16.0	..	..	6.6	24.7	22.7	10.5	6.6	4.5	7.2
Ghana	3,448.3	2.3	48.3	125.2	135.9	26.1	24.6	23.4	52.1	..	..	35.1
Guatemala	7.8	10.9	14.2	..	..	19.4	12.5	10.5	17.8	9.2	13.8	34.5
Honduras	14.5	5.4	5.0	..	..	23.2	24.2	24.3	2.6	15.0	21.0	19.7
Hungary	252.5	7.6	15.3	105.8	110.6	..	..	..	..	..	..	17.8
India	43.5	8.1	2.4	..	..	18.2	10.7	15.7	9.1	4.3	6.1	7.4
Indonesia	7,085.0	72.6	–11.7	..	..	63.5	16.6	53.7	24.9	–23.6	12.6	35.0
Iran, Islamic Rep.	1,752.3	–0.2	0.1	206.1	256.3	20.4	..	31.4	..	..	..	41.9
Jamaica	41.3	2.0	11.4	..	..	7.7	16.0	34.6	..	28.3	..	15.0
Jordan	0.7	0.0	0.0	..	..	6.3	..	14.2	..	..	..	10.8
Kazakhstan	138.2	10.9	64.9	..	..	–14.1	43.8	40.5	40.5	..	..	6.6
Kenya	72.9	–1.2	17.8	..	..	2.3	1.0	9.0	13.0	17.1	..	29.7
Latvia	0.6	–3.6	2.5	..	..	6.8	5.6	33.4	9.7	2.7	..	6.0
Lithuania	4.0	0.0	0.0	..	..	14.5	7.8	12.2	18.4	5.3	..	7.2

continues on page 180

Table 4a **Recent economic performance**

	Gross domestic product		Exports of goods and services		Imports of goods and services		GDP deflator		Current account balance		Gross international reserves	
	average annual % growth		average annual % growth		average annual % growth		% growth		% of GDP		$ millions	months of import coverage
	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999	1999	1999
Macedonia, FYR	3.3	2.5	18.2	2.0	16.7	–8.0	1.0	–1.0	–11.6	–2.8	473	2.9
Malawi	3.1	4.2	3.8	–0.2	–8.0	–2.6	23.2	45.8	..	–16.3	..	..
Malaysia	–7.5	4.9	–0.2	6.3	–19.4	5.0	9.1	2.0	..	13.8	30,506	4.1
Mauritius	5.6	5.3	10.1	3.5	3.6	2.3	5.6	5.1	0.8	1.0	726	3.0
Mexico	4.8	3.4	9.7	11.8	14.2	11.1	14.0	15.9	–4.1	–2.8	31,829	2.3
Moldova	–8.6	–5.0	3.3	–22.4	–10.2	–36.6	8.0	37.3	–20.7	–6.4	249	3.7
Morocco	6.5	0.2	3.3	3.5	20.7	1.1	0.7	1.0	–0.4	–1.4	..	..
Nicaragua	4.0	6.3	–6.4	7.7	7.9	12.9	12.9	13.9	–29.9	–33.9	576	3.6
Nigeria	1.8	0.8	–8.3	..	7.8	..	10.5	..	–10.3	..	..	..
Pakistan	3.3	3.1	3.7	–1.2	–11.3	–8.2	7.8	6.3	–2.7	–2.6	2,228	2.0
Panama	4.1	3.5	–10.8	5.7	8.4	8.7	1.4	1.5	–13.3	–13.7	845	1.6
Papua New Guinea	2.5	3.9	10.4	3.7	13.4	4.2	10.3	14.6	1.3	–1.5	170	0.8
Paraguay	–0.4	–0.8	3.6	–27.3	–4.9	–26.9	13.8	6.9	–3.1	–1.5	1,030	3.6
Peru	0.3	2.3	3.3	19.9	0.1	–13.2	5.5	3.2	–6.0	–3.6	9,480	10.1
Philippines	–0.5	2.9	–10.4	8.4	–11.4	13.6	10.5	7.5	2.0	1.4	15,633	3.9
Poland	4.8	3.8	..	–6.4	..	–7.0	12.0	7.6	–4.4	–6.7	29,085	7.2
Romania	–7.5	–4.5	2.5	–0.4	5.2	–14.9	46.6	60.0	–7.6	–5.4	2,625	2.6
Russian Federation	–4.6	2.0	–0.9	0.8	–14.7	–21.4	11.6	64.3	0.4	9.2	12,500	2.2
Slovak Republic	4.4	1.5	10.8	6.0	10.4	–3.5	5.1	10.0	–10.4	–5.9	2,535	2.2
South Africa	0.5	1.0	2.3	0.3	2.1	3.4	7.9	7.5	–1.5	–0.7	9,857	3.3
Sri Lanka	4.7	4.0	1.0	5.1	11.5	0.5	8.8	8.0	–1.8	–3.9	1,850	..
Sudan	5.0	4.0	..	..	..	..	28.9	..	–19.3	..	..	..
Swaziland	2.0	2.0	3.0	3.3	–26.3	–0.1	8.5	9.5	–0.6	–5.2	379	2.7
Thailand	–9.4	3.3	–0.8	24.5	–23.8	30.8	8.7	2.2	12.8	8.8	30,235	7.3
Trinidad and Tobago	4.1	4.2	4.7	4.7	5.2	5.5	6.7	5.2	–10.1	–12.3	760	2.3
Tunisia	5.0	6.2	3.7	5.1	4.2	6.9	3.5	3.6	–3.4	–3.6	..	..
Turkey	2.8	–4.0	10.5	..	2.2	..	74.2	..	0.9	..	35,192	..
Uganda	5.6	7.8	–14.9	33.0	3.1	0.9	10.7	3.0	–10.4	–11.7	732	4.6
Ukraine	–1.7	–0.5	–13.0	–5.5	–14.0	–20.8	13.2	25.0	–3.0	–1.4	1,237	..
Uruguay	4.5	–2.0	1.6	–4.0	9.0	–12.2	10.7	7.2	–1.9	–2.6	2,357	6.9
Uzbekistan	4.4	2.0	–17.5	–7.6	–24.5	–3.2	33.2	30.0	–0.3	–2.3	865	3.0
Venezuela, RB	–0.7	–7.2	2.6	–11.1	7.9	–21.0	21.2	27.6	–2.7	5.5	15,164	7.8
Zambia	–2.0	1.3	–7.5	–0.8	–8.2	3.8	23.2	25.6	..	–18.2	..	..
Zimbabwe	2.5	1.2	25.2	2.7	10.1	–14.7	29.8	59.4	..	0.7	..	..

Note: Data for 1999 are the latest preliminary estimates and may differ from those in earlier World Bank publications.
Source: World Bank staff estimates.

Table 4b **Key macroeconomic indicators**

	Nominal exchange rate			Real effective exchange rate		Money and quasi money		Gross domestic credit		Real interest rate		Short-term debt[a]
	local currency units per $	% change		1995 = 100		average annual % growth		average annual % growth		%	%	% of exports
	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998
Macedonia, FYR	60.3	–6.5	16.4	72.3	73.5	13.0	..	–33.1	..	19.8	..	10.2
Malawi	46.4	106.7	5.8	111.2	114.8	60.0	..	–3.3	..	11.8	..	5.6
Malaysia	3.8	–2.4	0.0	80.9	81.9	–1.4	..	–2.7	..	1.4	3.7	12.0
Mauritius	25.5	11.3	2.8	..	..	11.2	15.2	21.5	9.2	13.6	15.2	20.7
Mexico	9.5	22.0	–3.6	..	..	19.7	16.6	10.5	3.9	12.9	15.5	19.6
Moldova	11.6	78.6	39.3	106.9	102.5	–8.3	42.9	29.2	17.8	21.1	..	4.6
Morocco	10.1	–4.7	9.0	105.1	106.4	6.0	9.6	8.5	2.0	..	..	1.0
Nicaragua	12.3	12.0	10.0	103.6	102.0	30.5	..	20.0	..	7.7	..	71.8
Nigeria	97.0	0.0	343.2	155.7	75.7	21.2	..	55.7	..	..	..	55.9
Pakistan	51.6	4.4	12.5	98.1	89.8	7.9	6.0	8.3	..	..	..	19.0
Panama	1.0	0.0	0.0	..	..	13.0	..	27.5	..	9.3	..	7.7
Papua New Guinea	2.8	19.7	34.9	92.4	82.4	2.5	..	17.1	..	6.7	..	7.4
Paraguay	3,420.0	16.9	19.4	99.4	93.7	9.0	..	–4.0	..	14.2	22.1	16.1
Peru	3.5	15.8	11.1	..	..	17.3	15.9	33.9	18.5	23.9	25.8	85.4
Philippines	40.3	–2.3	3.2	88.8	93.1	8.5	11.3	–1.8	..	5.7	..	16.5
Poland	4.1	–0.4	18.4	117.7	109.5	25.2	22.9	22.1	23.2	11.1	..	13.3
Romania	16.2	36.5	75.6	..	..	48.9	51.2	71.3	22.4	..	..	11.7
Russian Federation	27.0	246.5	30.8	114.2	82.6	37.5	64.5	68.2	37.0	27.1	–1.2	20.8
Slovak Republic	42.5	6.1	16.4	102.3	104.5	4.9	..	3.1	..	15.3	..	14.7
South Africa	6.2	20.4	5.0	89.4	83.1	13.7	..	17.4	..	12.9	7.9	31.9
Sri Lanka	72.1	10.6	6.4	..	..	9.6	..	12.7	..	–2.6	..	6.3
Sudan	2,568.0	38.1	31.0	..	..	29.9	24.2	24.2	..	..	..	1,015.7
Swaziland	6.2	20.4	5.0	..	..	12.9	21.8	–268.9	33.4	11.5	8.0	2.6
Thailand	37.5	–22.3	2.3	..	..	9.7	5.5	–1.3	–0.3	5.2	6.0	34.0
Trinidad and Tobago	6.3	4.7	–4.9	106.0	108.4	14.5	4.3	3.8	6.1	10.0	10.7	18.9
Tunisia	1.2	–4.1	11.7	100.5	100.9	5.4	19.2	7.9	16.1	..	..	11.2
Turkey	541,400.0	52.9	72.2	..	..	89.7	..	92.4	..	..	..	43.7
Uganda	1,506.0	19.5	13.2	94.6	87.4	21.7	..	32.5	..	9.1	..	20.0
Ukraine	5.2	80.5	52.2	130.3	117.6	22.3	41.7	58.0	28.2	36.5	..	2.7
Uruguay	11.6	7.7	7.4	108.8	111.1	19.3	..	19.2	..	42.6	45.9	41.6
Uzbekistan	..	..	..	..	..	..	..	..	..	..	..	4.5
Venezuela, RB	648.3	11.9	14.8	135.5	151.7	6.5	..	20.5	..	20.7	..	11.2
Zambia	2,632.2	62.5	14.5	114.5	116.4	25.6	25.7	71.1	34.2	7.0	25.6	28.8
Zimbabwe	38.1	100.8	2.1	..	..	11.3	58.3	41.1	8.3	9.5	51.9	29.9

Note: Data for 1999 are preliminary and may not cover the entire year.
a. More recent data on short-term debt are available on a website maintained by the Bank for International Settlements, the International Monetary Fund, the Organisation for Economic Co-operation and Development, and the World Bank: www.oecd.org/dac/debt.
Source: International Monetary Fund, *International Financial Statistics;* World Bank, Debtor Reporting System.