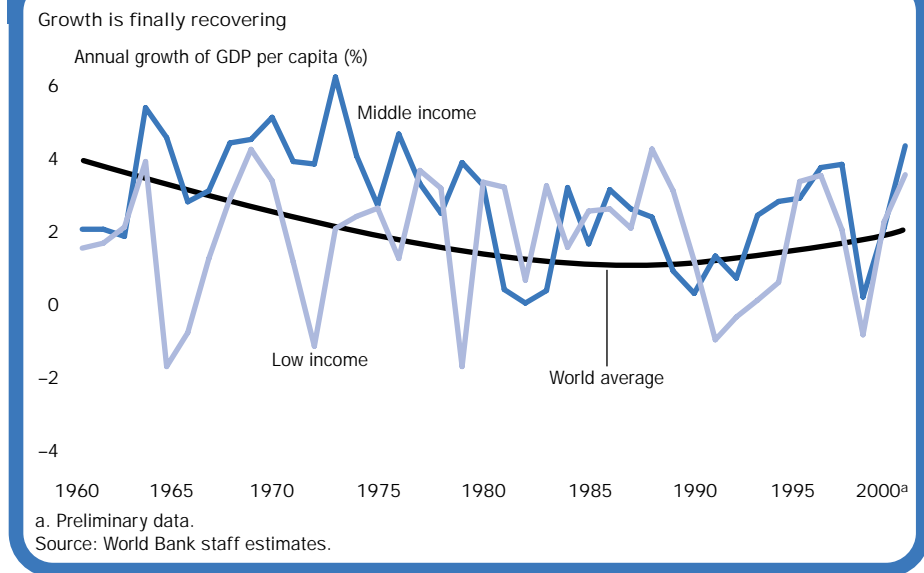


ECONOMY

End of a long decline?

Year-to-year growth in GDP per capita shows high volatility, especially for low-income economies. The world average, which includes the high-income economies, shows that until recently the trend had been steadily downward. Beginning in the early 1990s growth in developing economies accelerated, except for an interruption caused by the financial crisis of 1997–98.



New opportunities for growth

Economic growth does not follow a smooth path, but for most of the second half of the 20th century growth was slowing—in both high-income and developing economies. Why the slowdown? Growth opportunities from postwar reconstruction ran out. The costs of transition from colonial to independent and, in many cases, socialized economies mounted. Old technologies yielded fewer productivity gains. The energy crises of the 1970s interrupted growth in oil consuming countries. The growth slowdown contributed to increasing debt in developing economies, which, combined with poor macroeconomic management, left many with poorer prospects and fewer opportunities for investment.

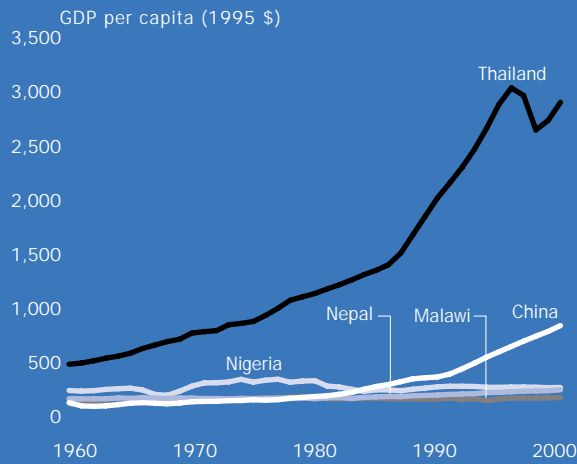
Now, at the beginning of the 21st century, there are signs of a resumption of faster growth. Will it continue? Favorable signs include market reforms, a wave of productivity growth based on information and communications technology, and a new recognition in many countries of the need to create an environment that encourages investment and growth. Continuing growth in high-income economies can help to stimulate growth in developing countries. But even well-managed economies may suffer setbacks. Changes in a country's terms of trade or in the demand for its exports can have a profound and unexpected effect on growth. So can natural disasters and man-made environmental change. Overcoming adversity requires good policies and good governance, creating an atmosphere for growth to continue.

Accelerating growth

Increasing growth can have a profound effect on the welfare of people in the space of one generation.

Even a small improvement can make a difference. Increasing annual growth from 1.75 percent to 3.5 percent reduces the time needed to double output from 40 years to 20. China, growing 6 percent a year over the past 40 years, has increased its GDP per capita more than sevenfold.

Even small improvements can make a big difference



Per capita output in Malawi and Nepal was similar to China's in the 1960s. But over the past 40 years these two economies have grown only 1 percent a year, adding only 50 percent to their per capita output. At their current rate of growth it will take another 30 years or more to double their 1960 GDP per capita.

Both Thailand and Nigeria started the period ahead of China. But while Thailand grew at an average annual rate of 5 percent, Nigeria grew at only 0.2 percent. China's GDP per capita is now more than three times Nigeria's.

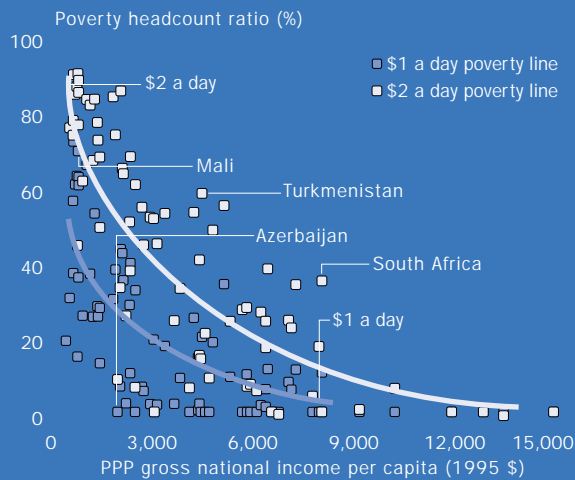
The importance of growth

Income and poverty

Measures of per capita income are more than a way of keeping score. Poverty rates fall as income rises. But poverty rates differ dramatically among countries with the same level of gross national income (GNI) per capita.

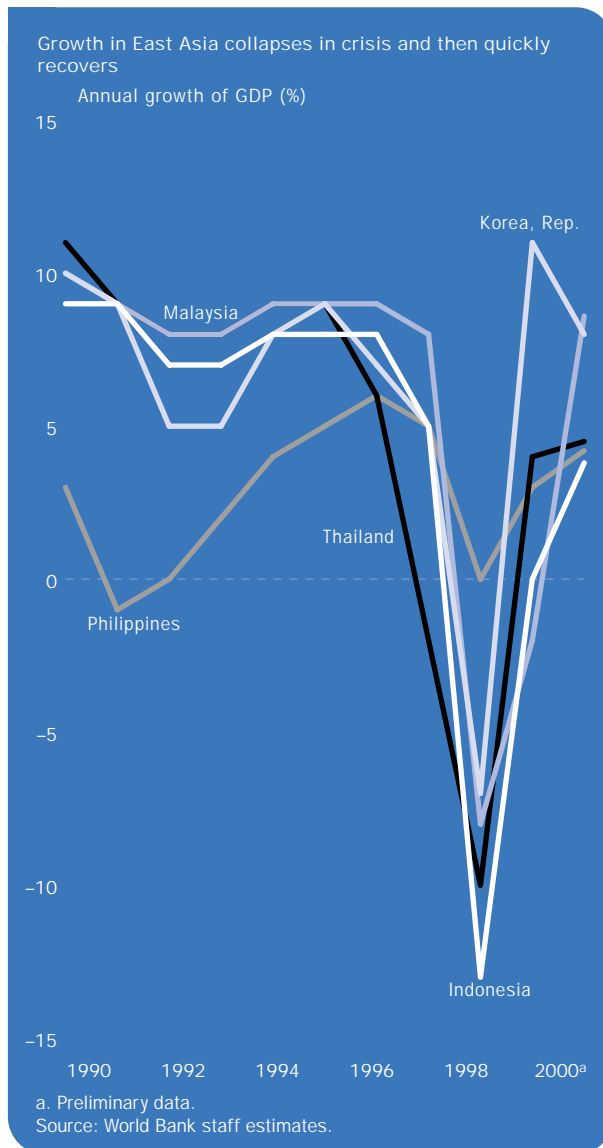
Growth in the average does not guarantee growth for all. Whether growth helps to reduce poverty depends on how the growth is distributed. A continuing challenge in development is how to ensure that poor people are not left behind.

Higher incomes mean less poverty



Countries with higher average incomes—as measured by GNI per capita—have lower poverty rates. But the dispersion of poverty rates at the same average income level tells us that greater equity in the distribution of the benefits of growth is necessary—and possible.

Crisis and recovery



For many countries spurts of growth have been followed by steep declines. Bad luck or bad policies? Perhaps both. Trade shocks, natural disasters, and “contagious” changes in investors’ expectations can all knock a country off its growth path. In East Asia years of spectacular growth may have bred complacency toward shaky financial

institutions, speculative bubbles in real estate, and, in some places, endemic corruption. When Thailand overplayed its hand in the currency markets, a rapid loss of confidence spread to neighboring countries and then around the world.

The financial crisis that began in Asia in 1997 was particularly

alarming because it struck hardest at some of the largest and fastest growing developing countries, threatening to reverse years of economic and social progress. Brazil, Russia, and Mexico were among the countries outside Asia affected by the spreading crisis. As currencies came under pressure and investors withdrew, growth rates

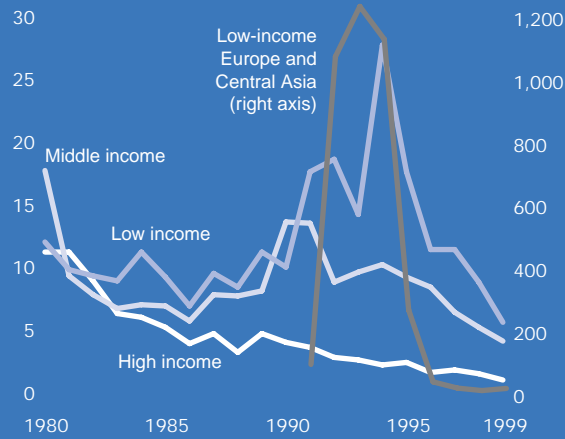
fell, but recovery began in the following year. Mexico, which had a severe financial crisis in 1995, was the least affected. The hardest hit countries in Asia were beginning to show signs of recovery by 1999. Preliminary estimates for 2000 show that all have returned to positive growth.

Lower inflation

Inflation rates and the variability of inflation rates have declined everywhere, though interrupted by an outburst of high inflation in the transition economies of Europe and Central Asia.

Over the past decade many countries that had experienced years of high and volatile inflation adopted policies leading to greater macroeconomic stability.

Inflation, except for a big outburst in Europe and Central Asia, is succumbing to better policies
Annual inflation (median GDP deflator, %)



Source: World Bank staff estimates.

Of the 12 countries with the highest average inflation in the 1980s, 10 (including Argentina and Brazil) reduced inflation to less than 20 percent a year by the end of the 1990s. The exceptions were two war-torn countries: the Democratic Republic of the Congo and Sierra Leone. The same 10 countries have experienced a resurgence of economic growth.

But inflation remains a threat. Five countries had average price increases of more than 100 percent a year between 1995 and 1999: Angola, Belarus, Bulgaria, the Democratic Republic of the Congo, and Turkmenistan.

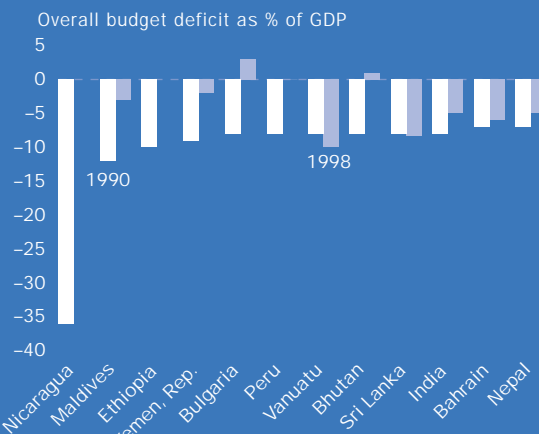
Better policies

Fiscal stability

One thing countries can do to stabilize their economies is to bring public spending in line with resources. Small deficits are sustainable in a growing economy, but large deficits increase the likelihood of inflation, make markets less stable, and tend to crowd out private economic activity.

The figure shows the 12 developing countries with the largest budget deficits in 1990. Most had succeeded in shrinking their deficits by 1998.

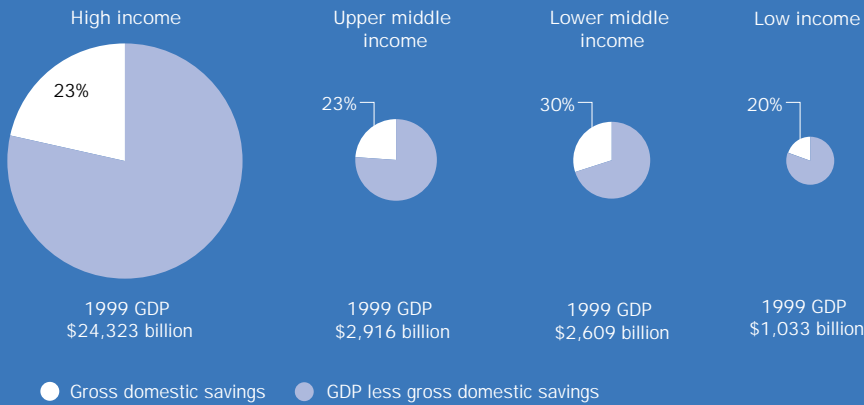
Shrinking deficits



Note: A negative value indicates a deficit, a positive value a surplus. No 1998 data available for Ethiopia and Nicaragua. Source: World Bank staff estimates.

In 1990, 22 low- and middle-income economies (31 percent of those reporting data) had deficits exceeding 5 percent of GDP. In 1998 only 16 (25 percent) did. High-income countries have also become more deficit-conscious. In 1990 Belgium, Greece, and Italy were all running large deficits. Under pressure from the European Monetary Union, they brought their deficits below 5 percent of GDP by 1998. Still, fiscal discipline is hard to maintain. In 1998 the Republic of Congo, Lebanon, and Mongolia all ran deficits above 10 percent of GDP.

Even high savings rates generate only small sums in the poorest countries



Source: World Bank staff estimates.

A large piece of a small pie

Many developing countries have maintained high savings rates. Throughout the 1990s the median savings rate in China was 42 percent of GDP, in Gabon almost 40 percent, and in Bhutan 38 percent. On average, the lower-middle-income economies were the best savers, putting aside almost 30 percent of their combined GDP. But even high savings rates can raise only small sums in desperately poor economies. The high-income economies are by far the largest suppliers of savings.

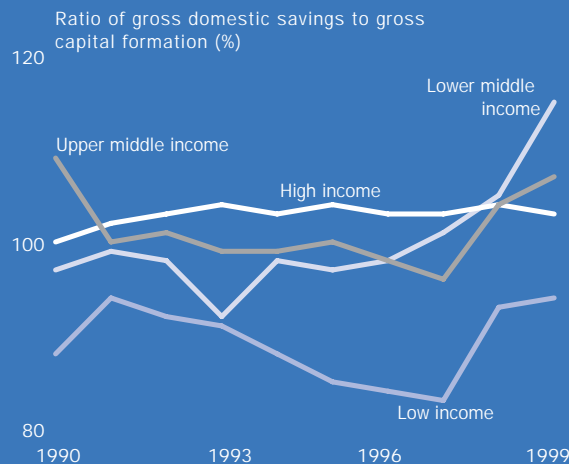
Savings and investment

The savings-investment gap

Savings provide the funds for investment. When an economy cannot save enough from its own income to finance investment, it must seek other sources of funds: foreign investors, bank loans, private transfers, and development assistance.

Through much of the 1990s the high-income countries had a large surplus of savings over investment—funds available for use in developing countries. Meanwhile, the middle-income economies began to grow—and by the end of the decade they too were generating a surplus of savings.

More savings than investment—or less?



Source: World Bank staff estimates.

For the poorest countries the challenge was to make themselves attractive to foreign investors or to appeal to donors for a share of the shrinking pool of development assistance.

The data in the figure reflect actual investment (including changes in inventories) and understate the need for new investment in poor countries. Many projects with great potential benefits are never begun because investors are reluctant to provide funds in an investment climate that appears uncertain because of bad policies, poor governance, or civil disorder. Such risks lead to underinvestment.

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	
	annual % growth		annual % growth		annual % growth		% growth		% of GDP		\$ millions 2000	months of import coverage 2000
	1999	2000	1999	2000	1999	2000	1999	2000	1999	2000		
Algeria	3.3	3.5	6.2	6.3	1.8	3.5	10.9	20.0	..	16.2	..	..
Argentina	-3.2	0.0	-1.2	14.4	-10.9	-1.0	-2.0	-0.9	-4.3	-3.5	28,969	7.5
Armenia	3.3	4.5	17.5	18.7	0.1	3.9	0.1	-0.7	-16.6	-16.1	344	3.8
Azerbaijan	7.4	8.1	67.1	7.9	-17.3	6.2	-5.1	12.8	-27.6	-2.8	..	..
Bangladesh	4.9	5.5	6.0	9.7	5.0	4.3	4.6	3.8	-0.9	0.0	1,621	2.1
Bolivia	0.6	2.5	-9.7	9.8	-15.7	9.0	2.8	5.4	-6.7	-6.3	1,114	5.5
Brazil	0.8	4.0	12.0	20.1	-14.8	34.9	5.9	8.7	-3.3	-4.5	45,680	6.1
Bulgaria	2.4	4.5	-5.2	6.6	5.1	4.4	3.1	9.9	-5.5	-4.2	3,395	5.0
Cameroon	4.4	4.2	12.9	-5.4	3.1	10.6	-1.2	1.2	-4.3	-1.4	11	0.0
Chile	-1.1	5.5	6.9	12.0	-14.3	15.0	3.6	3.8	-0.1	-2.4	15,497	7.4
China	7.1	8.0	8.3	24.2	19.2	31.2	-2.3	1.0	1.6	1.1	166,216	7.4
Colombia	-4.3	3.0	4.7	7.3	-13.5	17.0	12.5	10.0	-0.1	-2.3	9,458	6.2
Congo, Rep.	-3.0	3.8	19.0	20.0	14.5	37.5	22.4	35.1	..	-6.6	..	..
Costa Rica	8.0	1.4	21.0	-0.4	3.1	1.3	12.6	12.0	-4.3	-5.2	1,143	1.6
Côte d'Ivoire	2.8	2.2	2.4	0.6	3.9	6.8	1.3	1.9	0.3	-5.0	..	..
Croatia	-0.3	3.5	-0.2	7.8	-3.9	-0.7	4.0	6.1	-7.5	-4.4	3,278	3.7
Dominican Republic	8.3	8.4	7.8	15.6	6.5	15.8	6.4	8.0	-2.5	-6.0	407	0.5
Ecuador	-7.3	2.0	-0.4	-4.8	-39.0	8.2	62.0	95.0	5.0	5.7	2,532	4.8
Egypt, Arab Rep.	6.0	6.5	9.2	14.1	12.8	9.4	1.7	4.0	-1.9	-1.0	..	..
El Salvador	3.4	2.5	14.9	17.2	5.8	12.5	0.5	3.5	-1.9	-2.1	1,904	4.2
Estonia	-1.1	5.0	-2.4	3.4	-6.4	10.4	3.9	6.5	-5.6	-6.5	851	2.2
Ghana	4.4	3.7	12.8	5.7	12.0	-15.9	14.0	19.5	-9.9	-8.5	..	..
Guatemala	3.6	3.0	3.6	12.8	0.7	6.1	5.2	6.0	-5.6	-4.7	1,659	3.5
Honduras	-1.9	5.0	-9.4	14.6	6.7	8.0	11.1	9.3	-3.9	-10.5	1,246	4.2
India	6.5	6.7	1.7	7.0	-3.6	7.7	3.3	7.0	-0.8	-1.5	37,811	5.5
Indonesia	0.3	3.8	-31.6	10.0	-40.7	9.1	12.8	6.4	4.1	4.8	41,350	7.6
Iran, Islamic Rep.	2.5	5.2	5.6	13.0	-7.1	16.0	23.7	18.0	..	-1.6	9,088	..
Jamaica	-0.4	1.5	0.2	4.4	-2.4	4.3	7.9	11.6	-3.7	-4.8	1,082	2.7
Jordan	3.1	3.2	1.1	3.5	0.3	2.3	-1.6	4.6	4.8	2.8	3,449	7.2
Kazakhstan	1.7	8.0	18.7	16.6	-1.5	11.9	8.2	13.7	-1.1	6.2	2,707	3.5
Kenya	1.3	-0.2	-5.2	-1.2	-6.5	10.8	6.8	7.4	0.1	-9.0	734	2.0
Latvia	0.1	5.0	-5.8	14.0	-6.2	10.5	2.0	3.0	-10.3	-7.1	..	..
Lithuania	-4.2	2.3	-18.3	16.4	-14.0	-1.8	3.3	2.3	-11.2	-6.2
Macedonia, FYR	2.7	6.0	2.5	17.4	-2.8	20.3	-0.3	3.2	-3.2	-6.5	677	3.5



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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		annual % growth		annual % growth		%		% of exports
	2000	1999	2000	1999	2000	1999	2000	1999	2000	1999	2000	1999
Algeria	79.1	14.8	14.3	110.2	106.9	13.7	..	25.2	..	0.1	..	1.4
Argentina	1.0	0.0	0.0	..	..	4.1	0.0	3.2	-1.5	13.3	10.0	93.0
Armenia	552.2	0.3	5.4	115.3	101.6	14.0	35.6	3.7	4.2	38.8	..	10.0
Azerbaijan	4,558.0	12.5	4.5	..	..	21.5	..	-9.3	..	..	..	2.2
Bangladesh	54.0	5.2	5.9	..	..	15.5	18.9	15.4	14.7	9.1	10.0	3.3
Bolivia	6.4	6.1	6.7	118.4	119.5	5.7	-3.2	5.5	0.1	31.7	28.6	91.1
Brazil	2.0	48.0	9.3	..	..	7.4	-1.1	2.3	4.4	..	..	48.5
Bulgaria	2.1	16.2	8.0	118.7	117.2	11.9	32.5	0.2	6.5	9.4	6.8	6.2
Cameroon	705.0	16.1	8.0	109.7	90.8	13.3	15.7	8.9	-2.8	23.5	19.5	56.6
Chile	572.7	11.9	8.0	105.4	104.3	14.8	6.0	8.8	11.8	8.8	11.5	26.8
China	8.3	0.0	0.0	106.9	110.2	14.7	14.0	12.1	10.2	8.4	..	7.7
Colombia	2,187.0	24.3	16.7	102.7	98.9	13.8	16.9	8.1	10.9	15.9	..	25.7
Congo, Rep.	705.0	16.1	8.0	..	..	19.9	17.2	9.2	-10.5	-0.3	31.8	59.5
Costa Rica	318.0	9.9	6.7	103.5	109.6	21.7	17.3	1.1	13.1	11.6	..	9.2
Côte d'Ivoire	705.0	16.1	8.0	103.5	94.8	-1.7	..	-1.2	..	..	..	22.7
Croatia	8.2	22.4	6.6	97.1	101.3	-1.8	27.4	-1.5	2.0	10.5	..	7.8
Dominican Republic	16.7	1.6	4.0	105.6	114.1	23.7	-28.3	28.1	..	17.5	24.2	10.8
Ecuador	25,000.0	196.6	23.5	80.3	89.3	99.2	..	144.7	..	1.3	..	19.5
Egypt, Arab Rep.	3.7	0.5	8.4	..	..	5.7	11.4	12.5	9.9	11.0	8.9	22.3
El Salvador	8.8	0.0	0.0	..	..	9.1	..	11.7	..	14.9	..	22.8
Estonia	16.8	16.0	8.1	..	..	24.7	25.9	10.2	28.1	4.6	3.5	30.5
Ghana	7,142.9	48.3	107.1	125.7	77.9	16.2	22.6	54.5	46.0	..	..	27.0
Guatemala	7.7	14.2	-1.1	..	..	12.5	51.6	17.8	30.3	13.6	..	34.0
Honduras	15.1	5.0	4.4	..	..	24.7	33.8	6.1	34.3	17.1	..	16.8
India	46.8	2.4	7.5	..	..	17.2	10.7	17.9	10.3	9.0	5.1	6.0
Indonesia	9,595.0	-11.7	35.4	..	..	12.5	..	21.4	..	13.2	..	34.1
Iran, Islamic Rep.	2,262.9	0.1	29.1	245.4	328.0	21.5	20.5	23.4	14.4	..	..	17.8
Jamaica	44.6	11.4	11.3	..	..	12.2	9.4	18.1	7.1	17.7	15.2	18.1
Jordan	0.7	0.0	0.0	..	..	15.5	6.0	3.0	0.8	..	..	16.0
Kazakhstan	144.5	64.9	4.6	..	..	84.4	78.1	40.6	63.6	..	..	6.7
Kenya	78.0	17.8	7.0	..	..	6.0	5.7	9.6	3.4	14.6	15.2	30.8
Latvia	0.6	2.5	5.1	..	..	8.3	30.7	14.8	43.7	12.0	..	36.1
Lithuania	4.0	0.0	0.0	..	..	7.7	16.4	19.1	-1.2	9.5	..	12.6
Macedonia, FYR	70.2	16.4	22.5	73.8	74.4	32.0	..	12.1	..	20.8	..	4.4



continues on page 193

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	
	annual % growth		annual % growth		annual % growth		% growth		% of GDP		\$ millions 2000	months of import coverage 2000
	1999	2000	1999	2000	1999	2000	1999	2000	1999	2000		
Malawi	4.0	3.2	-18.6	-4.8	8.1	-8.6	42.2	28.8	..	-15.3	..	..
Malaysia	5.8	8.6	13.4	19.8	10.8	26.5	-0.2	2.5	15.9	3.0	34,975	3.8
Mauritius	3.4	7.7	1.4	7.2	4.6	3.4	5.8	6.2	-1.2	-0.7	867	3.3
Mexico	3.5	7.2	13.9	16.2	12.8	20.4	16.2	9.5	-2.9	-3.2	33,595	1.9
Moldova	-4.4	0.0	-24.5	13.9	-39.5	13.8	39.9	31.3	-2.0	-8.5	206	2.4
Morocco	-0.7	0.9	6.7	-1.3	5.3	-3.8	0.9	2.5	-0.5	-2.5	..	..
Nicaragua	7.0	5.5	6.7	23.3	19.8	2.5	11.2	10.9	-25.9	-28.6	567	3.1
Nigeria	1.0	3.4	-12.2	2.6	18.6	13.0	12.9	9.5	1.4	0.6	..	..
Pakistan	4.0	6.3	-2.4	14.2	-6.2	1.0	4.7	2.7	-3.8	-1.7	2,805	2.4
Panama	3.0	2.3	6.9	5.8	5.3	-0.8	-0.7	1.5	-13.9	-10.4	938	1.8
Papua New Guinea	3.2	5.4	3.7	2.4	4.2	10.0	12.2	5.6	3.3	-4.4	361	1.6
Paraguay	-0.8	1.0	-16.9	-1.3	-26.7	-4.5	3.9	11.0	-3.0	-1.5	797	2.7
Peru	1.4	4.0	5.4	9.5	-17.1	10.0	3.8	4.4	-3.5	-2.8	8,976	9.1
Philippines	3.2	4.2	3.6	6.6	-2.8	0.2	8.2	4.2	10.3	4.7	16,302	3.9
Poland	4.1	4.5	-2.6	6.2	1.0	-1.3	6.8	9.0	-8.0	-7.1	31,142	7.0
Romania	-3.2	2.2	8.9	..	-4.8	..	46.4	..	-3.8	..	..	..
Russian Federation	3.2	6.5	-0.6	-0.8	-27.1	16.3	63.4	34.5	5.2	19.2	25,960	4.5
Slovak Republic	1.9	1.8	3.6	18.5	-6.1	10.1	6.6	6.9	-5.9	-2.8	5,136	3.9
South Africa	1.2	2.2	0.0	4.7	-7.0	8.6	6.9	6.0	-0.4	-0.7	11,319	3.7
Sri Lanka	4.3	6.0	4.0	8.9	7.0	12.0	4.6	3.6	-3.1	-5.3	1,041	1.5
Sudan	5.2	7.9	..	..	..	..	16.0	12.0	-16.0	..	240	0.8
Swaziland	2.0	3.0	3.3	5.9	-0.1	0.9	9.5	8.0	1.4	-3.3	397	2.6
Syrian Arab Republic	5.3	5.5	4.7	3.9	5.3	5.5	5.7	5.2	1.0	-1.7	..	..
Thailand	4.2	4.5	8.9	19.9	20.2	19.6	-2.6	1.0	10.0	9.0	36,343	5.4
Trinidad and Tobago	6.8	5.6	-5.9	9.3	-7.5	9.4	5.2	3.4	..	7.4	1,365	3.9
Tunisia	6.2	5.0	5.3	5.7	7.9	6.6	3.5	3.2	-2.1	-3.2	..	..
Turkey	-5.1	7.2	-7.0	10.9	-3.7	30.6	56.2	56.3	-0.7	-5.1	37,205	6.6
Uganda	7.4	5.1	33.0	-10.8	2.8	-0.1	4.4	3.5	-11.6	-12.9	824	5.1
Ukraine	-0.4	5.5	-7.9	15.7	-19.1	13.0	24.4	25.0	4.3	5.1	1,551	1.0
Uruguay	-3.2	0.5	-8.6	6.0	-4.3	5.5	4.8	5.0	-2.9	-2.9	2,745	6.6
Uzbekistan	4.4	3.0	-1.9	-6.6	-12.2	-13.4	38.5	44.5	-0.1	1.2	1,100	4.4
Venezuela, RB	-7.2	2.5	-11.1	1.8	-21.0	27.0	27.6	13.4	3.6	10.8	21,263	10.4
Zambia	2.4	4.0	4.9	5.6	1.6	9.4	21.7	25.9	..	-16.3	..	..
Zimbabwe	0.1	-5.5	5.3	-16.1	2.3	-20.5	48.1	59.9	..	-2.0	..	..

Note: Data for 2000 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 \$ 2000	% change		1995 = 100		annual % growth		annual % growth		%		% of exports 1999
		1999	2000	1999	2000	1999	2000	1999	2000	1999	2000	
Malawi	80.1	5.8	72.4	111.7	114.4	26.5	46.4	75.3	36.0	8.0	40.5	11.2
Malaysia	3.8	0.0	0.0	83.3	88.0	16.9	11.9	0.3	8.5	7.5	5.2	7.7
Mauritius	27.9	2.8	9.5	..	..	15.2	11.4	9.0	6.2	15.0	14.5	21.3
Mexico	9.6	-3.6	0.6	..	..	11.8	-1.5	0.9	2.3	8.4	12.6	15.1
Moldova	12.4	39.3	6.8	100.1	114.8	42.9	41.7	18.1	14.4	-3.1	..	4.6
Morocco	10.6	9.0	5.3	106.1	112.2	10.2	..	2.6	..	12.5	..	1.4
Nicaragua	13.1	10.0	6.0	104.4	116.8	18.8	..	15.9	..	9.8	..	79.4
Nigeria	..	347.5	..	78.9	92.9	31.7	..	179.6	..	6.5	..	43.4
Pakistan	58.0	12.9	12.1	92.4	93.7	4.3	11.3	4.5	12.6	..	..	19.0
Panama	1.0	0.0	0.0	..	..	8.5	..	19.0	..	10.8	..	8.8
Papua New Guinea	..	28.6	..	84.2	113.7	9.2	..	1.8	..	5.9	..	11.4
Paraguay	3,526.9	17.2	5.9	97.7	101.9	11.7	9.4	1.9	20.2	25.4	..	21.4
Peru	3.5	11.1	0.5	..	..	14.5	-0.6	19.7	1.8	25.9	1.0	70.6
Philippines	50.0	3.2	24.0	96.4	83.2	16.3	16.9	2.3	12.0	3.3	7.0	12.2
Poland	4.1	18.4	-0.1	112.3	123.3	19.4	14.4	20.5	7.9	9.5	15.4	14.5
Romania	25,926.0	66.7	42.0	97.8	108.7	44.9	37.4	20.1	3.3	..	..	9.4
Russian Federation	28.2	30.8	4.3	80.9	102.4	56.7	60.2	34.1	12.0	-14.5	3.9	18.4
Slovak Republic	49.8	14.5	17.0	100.0	107.6	11.6	..	1.4	..	13.6	..	12.7
South Africa	7.6	5.0	23.0	84.6	79.4	10.9	7.5	9.0	14.8	10.4	8.0	39.7
Sri Lanka	82.6	5.7	14.4	..	..	12.4	..	18.5	..	2.3	..	13.9
Sudan	257.4	8.4	-0.1	..	..	23.5	..	22.8	..	..	..	689.2
Swaziland	7.6	5.0	23.0	..	..	15.6	-9.5	6.6	44.6	5.0	8.6	4.5
Syrian Arab Republic	11.2	0.0	0.0	..	..	13.4	..	-4.5	..	..	..	107.1
Thailand	42.3	2.1	12.8	..	..	5.4	3.6	-4.2	-8.3	11.9	4.7	31.4
Trinidad and Tobago	6.3	-4.5	0.0	110.2	119.7	4.2	..	1.6	..	11.3	..	24.1
Tunisia	..	13.8	..	101.5	103.5	18.9	16.5	13.6	19.1	..	..	15.9
Turkey	683,746.0	72.2	32.8	..	..	98.3	54.2	82.5	61.6	..	..	44.6
Uganda	1,766.7	10.5	17.3	90.1	92.1	13.6	13.8	15.3	108.8	16.5	16.8	18.2
Ukraine	5.4	52.2	4.2	126.6	118.9	41.3	39.2	30.5	18.5	24.5	20.3	1.8
Uruguay	12.5	7.4	7.7	112.5	116.1	13.1	8.0	12.8	7.6	46.2	39.3	42.4
Uzbekistan	..	..	..	..	..	..	..	..	..	..	..	22.6
Venezuela, RB	699.8	14.8	7.9	152.3	169.2	20.9	36.6	7.2	7.0	3.5	..	9.4
Zambia	4,002.6	14.5	59.1	111.9	106.3	27.7	48.5	13.3	36.8	15.4	25.9	11.8
Zimbabwe	55.1	2.1	44.4	..	..	35.9	..	6.8	..	4.9	48.1	29.1

Note: Data for 2000 are preliminary and may not cover the entire year.

a. More recent data on short-term debt are available on a Web site 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*; and World Bank, Debtor Reporting System.



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	1990-99	1980-90	1990-99	1980-90	1990-99	1980-90	1990-99	1980-90	1990-99
Albania	1.5	3.2	1.9	6.4	2.1	-2.1	..	-8.4	-0.4	5.3
Algeria	2.7	1.6	4.6	3.0	2.3	1.0	3.3	-5.7	3.6	2.7
Angola	3.4	0.4	0.5	-3.0	6.4	2.7	-11.1	-1.4	1.3	-2.4
Argentina	-0.7	4.9	0.7	3.8	-1.3	4.6	-0.8	3.5	0.0	5.0
Armenia	..	-3.2	..	0.2	..	-7.0	..	-8.0	..	-4.2
Australia	3.5	4.1	3.4	3.0	2.9	3.0	1.9	2.0	3.7	4.4
Austria	2.2	1.9	1.1	0.4	1.9	1.9	2.7	1.5	2.5	2.0
Azerbaijan	..	-9.6	..	2.3	..	3.9	..	..	..	3.1
Bangladesh	4.3	4.7	2.7	2.5	4.9	7.4	3.0	7.5	4.4	4.4
Belarus	..	-3.0	..	-5.4	..	-3.8	..	-2.6	..	-1.3
Belgium	2.0	1.7	2.0	1.2	2.2	1.5	2.7	1.4	1.8	1.8
Benin	2.5	4.7	5.1	5.3	3.4	3.8	5.1	5.6	0.7	4.4
Bolivia	-0.2	4.2	..	3.2	..	4.5	..	4.5	..	4.5
Bosnia and Herzegovina	..	35.2	..	14.8	..	35.2	..	31.3	..	46.6
Botswana	10.3	4.3	3.3	0.3	10.2	2.8	8.7	3.9	11.7	6.3
Brazil	2.7	3.0	2.8	3.3	2.0	2.7	1.6	2.1	3.3	3.0
Bulgaria	3.4	-2.7	-2.1	0.3	5.2	-4.7	..	..	4.5	-1.8
Burkina Faso	3.6	3.8	3.1	3.3	3.8	4.0	2.0	4.2	4.6	3.6
Burundi	4.4	-2.9	3.1	-2.0	4.5	-6.7	5.7	-8.0	5.6	-2.5
Cambodia	..	4.8	..	2.1	..	9.6	..	8.2	..	6.9
Cameroon	3.4	1.3	2.2	5.3	5.9	-2.0	5.0	0.1	2.1	0.1
Canada	3.3	2.7	2.0	1.0	2.8	2.6	3.3	3.8	3.4	2.5
Central African Republic	1.4	1.8	1.6	3.7	1.4	0.4	5.0	-0.4	1.0	-0.7
Chad	6.1	2.1	2.3	4.8	8.1	1.0	..	..	6.7	1.2
Chile	4.2	7.2	5.9	1.1	3.5	6.2	3.4	5.0	2.9	7.6
China	10.1	10.7	5.9	4.3	11.1	14.4	10.4	13.9	13.5	9.2
Hong Kong, China	6.9	3.9	..	..	..	..	..	..	..	..
Colombia	3.6	3.3	2.9	-2.0	5.0	1.4	3.5	-2.9	3.1	5.2
Congo, Dem. Rep.	1.6	-5.1	2.5	2.9	0.9	-11.7	1.6	-13.4	1.3	-15.2
Congo, Rep.	3.3	-0.5	3.4	1.7	5.2	-0.2	6.8	-1.9	2.1	-1.4
Costa Rica	3.0	5.1	3.1	4.3	2.8	6.0	3.0	6.4	3.1	4.7
Côte d'Ivoire	0.7	3.7	0.3	3.1	4.4	6.4	3.0	5.1	-0.3	2.8
Croatia	..	0.2	..	-2.5	..	-3.6	..	-4.9	..	1.9
Cuba	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	0.8	..	2.7	..	-0.1	..	..	..	1.0
Denmark	2.0	2.4	2.6	3.2	2.0	1.6	1.6	1.2	1.9	2.6
Dominican Republic	3.1	5.8	0.4	3.6	3.6	6.9	2.9	4.8	3.5	5.7
Ecuador	2.0	2.2	4.4	2.3	1.2	3.0	0.0	2.4	1.7	1.6
Egypt, Arab Rep.	5.4	4.4	2.7	3.1	5.2	3.9	..	6.0	6.6	4.8
El Salvador	0.2	5.0	-1.1	1.1	0.1	5.4	-0.2	5.3	0.7	5.8
Eritrea	..	5.0	..	..	..	..	..	..	..	..
Estonia	2.2	-1.3	..	-3.7	..	-4.2	..	..	..	1.1
Ethiopia	1.1	4.6	0.2	2.3	0.4	5.7	-0.9	5.8	3.1	6.8
Finland	3.3	2.4	-0.4	1.1	3.3	4.2	3.4	5.8	3.6	1.8
France	2.4	1.5	1.3	1.9	1.4	0.9	..	..	3.0	1.5
Gabon	0.9	3.2	1.2	-1.9	1.5	2.6	1.8	0.6	0.1	4.5
Gambia, The	3.6	2.8	0.9	2.0	4.7	0.7	7.8	0.8	2.7	4.1
Georgia	..	..	..	..	..	..	..	..	..	..
Germany ^a	2.2	1.3	1.7	2.2	1.2	0.3	..	-0.3	2.9	1.9
Ghana	3.0	4.3	1.0	3.4	3.3	2.4	3.9	-4.5	5.7	5.8
Greece	1.8	2.2	-0.1	0.4	1.3	1.1	0.5	0.5	2.7	2.4
Guatemala	0.8	4.2	1.2	2.8	-0.2	4.4	0.0	2.8	0.9	4.7
Guinea	..	4.2	..	4.5	..	4.5	..	3.7	..	3.3
Guinea-Bissau	4.0	0.3	4.7	3.4	2.2	2.3	..	4.1	3.5	-7.3
Haiti	0.0	-1.3	-0.1	-3.8	-1.7	0.7	-1.7	-7.3	0.9	-0.2
Honduras	2.7	3.3	2.7	2.3	3.3	3.6	3.7	3.9	2.5	3.8



Growth of output 4.1

	Gross domestic product		Agriculture		Industry		Manufacturing		Services	
	average annual % growth		average annual % growth		average annual % growth		average annual % growth		average annual % growth	
	1980-90	1990-99	1980-90	1990-99	1980-90	1990-99	1980-90	1990-99	1980-90	1990-99
Hungary	1.3	1.0	1.7	-3.7	0.2	2.3	..	7.2	2.1	0.8
India	5.8	6.0	3.1	3.4	6.9	6.7	7.4	7.5	7.0	7.8
Indonesia	6.1	4.7	3.4	2.3	6.9	6.5	12.6	7.6	7.0	4.0
Iran, Islamic Rep.	1.7	3.6	4.5	4.2	3.3	2.8	4.5	4.8	-1.0	4.7
Iraq	-6.8	..	..	..	..	..	..	..	..	..
Ireland	3.2	6.9	..	..	..	..	..	..	..	..
Israel	3.5	5.2	..	..	..	..	..	..	..	..
Italy	2.4	1.4	0.5	1.7	1.7	1.1	2.3	1.5	2.9	1.5
Jamaica	2.0	0.3	0.6	2.2	2.4	-0.5	2.7	-1.9	1.8	0.6
Japan	4.0	1.3	1.3	-1.6	4.2	0.8	4.8	1.2	4.0	2.2
Jordan	2.5	5.3	6.8	-1.9	1.7	5.6	0.5	5.9	2.2	5.1
Kazakhstan	..	-5.9	..	-13.4	..	-10.1	..	..	..	2.2
Kenya	4.2	2.2	3.3	1.4	3.9	1.9	4.9	2.4	4.9	3.5
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	9.4	5.7	2.8	2.1	12.0	6.2	13.0	7.1	8.9	5.8
Kuwait	1.3	..	14.7	..	1.0	..	2.3	..	2.1	..
Kyrgyz Republic	..	-5.4	..	0.8	..	-12.3	..	-3.7	..	-7.4
Lao PDR	3.7	6.6	3.5	4.6	6.1	11.8	8.9	12.6	3.3	6.5
Latvia	3.7	-4.8	2.8	-8.2	4.6	-10.5	4.6	-9.8	3.4	1.9
Lebanon	..	7.7	..	..	..	..	..	..	..	..
Lesotho	4.6	4.4	2.8	2.0	5.5	6.3	8.5	7.9	4.0	5.2
Libya	-5.7	..	..	..	..	..	..	..	..	..
Lithuania	..	-4.0	..	-1.1	..	-8.1	..	-10.3	..	-0.1
Macedonia, FYR	..	-0.8	..	-0.4	..	-4.7	..	..	..	0.1
Madagascar	1.1	1.7	2.5	1.5	0.9	1.9	2.1	0.6	0.3	1.9
Malawi	2.5	3.6	2.0	7.5	2.9	1.2	3.6	-2.7	3.3	3.5
Malaysia	5.3	7.3	3.4	0.2	6.8	8.8	9.3	9.7	4.9	8.0
Mali	0.8	3.6	3.3	2.8	4.3	6.5	6.8	3.2	1.9	2.7
Mauritania	1.8	4.2	1.7	5.0	4.9	2.6	-2.1	-0.9	0.4	4.7
Mauritius	6.2	5.1	2.9	-0.7	10.3	5.4	11.1	5.4	5.5	6.3
Mexico	1.1	2.7	0.8	1.6	1.1	3.5	1.5	4.0	1.4	2.5
Moldova	..	-11.0	..	-16.0	..	-15.9	..	..	..	1.8
Mongolia	5.4	0.7	1.4	3.1	6.6	-1.0	..	..	5.9	1.3
Morocco	4.2	2.3	6.7	-0.4	3.0	3.1	4.1	2.6	4.2	2.6
Mozambique	-0.1	6.2	6.6	5.5	-4.5	12.6	..	17.6	9.1	2.7
Myanmar	0.6	6.3	0.5	4.9	0.5	10.1	-0.2	6.7	0.8	6.6
Namibia	1.3	3.4	1.9	3.8	-0.6	2.5	3.7	4.3	2.3	3.4
Nepal	4.6	4.9	4.0	2.4	8.7	7.2	9.3	9.5	3.9	6.3
Netherlands	2.3	2.7	3.4	2.1	1.6	1.7	2.3	2.2	2.6	3.1
New Zealand	1.7	3.1	3.8	2.7	1.1	2.4	..	..	2.9	3.7
Nicaragua	-1.9	3.2	-2.2	5.3	-2.3	3.9	-3.2	1.6	-1.5	1.5
Niger	-0.1	2.4	1.7	3.6	-1.7	1.8	-2.7	2.3	-0.7	1.6
Nigeria	1.6	2.4	3.3	2.9	-1.1	1.7	0.7	2.0	3.7	2.8
Norway	2.8	3.8	0.1	2.6	4.0	4.2	..	..	2.3	3.6
Oman	8.4	5.9	7.9	..	10.3	..	20.6	..	5.9	..
Pakistan	6.3	3.8	4.3	4.4	7.3	4.0	7.7	3.7	6.8	4.4
Panama	0.5	4.2	2.5	2.1	-1.3	5.9	0.4	3.5	0.7	4.1
Papua New Guinea	1.9	4.7	1.8	4.4	1.9	6.7	0.1	6.3	2.0	3.3
Paraguay	2.5	2.4	3.6	2.8	0.3	3.0	4.0	0.5	3.1	1.9
Peru	-0.1	5.0	3.0	5.6	0.1	6.2	-0.2	4.2	-0.4	4.2
Philippines	1.0	3.2	1.0	1.4	-0.9	3.2	0.2	2.9	2.8	4.0
Poland	..	4.5	..	-0.1	..	3.8	..	..	..	4.1
Portugal	3.1	2.5	..	0.4	..	2.7	..	..	..	2.4
Puerto Rico	4.0	3.1	1.8	..	3.6	..	1.5	..	4.6	..
Romania	0.5	-0.8	..	0.1	..	-0.8	..	..	..	-0.8
Russian Federation	..	-6.1	..	-7.9	..	-9.6	..	..	..	-2.2



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	1990-99	1980-90	1990-99	1980-90	1990-99	1980-90	1990-99	1980-90	1990-99
Rwanda	2.2	-1.5	0.5	-3.9	2.5	2.0	2.6	6.1	5.5	-1.2
Saudi Arabia	0.0	1.6	13.4	0.7	-2.3	1.5	7.5	2.7	1.3	2.2
Senegal	3.1	3.3	2.8	1.4	4.3	4.4	4.6	3.7	2.8	3.6
Sierra Leone	1.2	-4.7	3.1	1.0	1.7	-4.6	..	5.0	-2.7	-10.8
Singapore	6.7	8.0	-6.2	0.4	5.3	7.9	6.6	6.7	7.6	8.0
Slovak Republic	2.0	1.8	1.6	0.7	2.0	-3.5	..	..	0.8	6.8
Slovenia	..	2.4	..	0.2	..	2.5	..	3.8	..	3.8
South Africa	1.0	1.9	2.9	1.0	0.7	0.9	1.1	1.1	2.4	2.4
Spain	3.0	2.2	..	..	..	..	..	..	..	..
Sri Lanka	4.0	5.3	2.2	1.8	4.6	7.0	6.3	8.2	4.7	6.1
Sudan	0.4	8.2	-0.6	14.3	2.5	5.6	3.4	2.8	1.7	3.3
Sweden	2.3	1.6	1.5	0.0	2.8	3.0	..	..	2.6	1.2
Switzerland	2.0	0.6	..	..	..	..	..	..	..	..
Syrian Arab Republic	1.5	5.7	-0.6	..	6.6	..	..	..	0.1	..
Tajikistan	..	..	..	..	..	..	..	..	..	..
Tanzania ^b	..	2.8	..	3.2	..	2.5	..	2.3	..	2.4
Thailand	7.6	4.7	3.9	2.5	9.8	5.7	9.5	6.7	7.3	4.4
Togo	1.7	2.4	5.6	4.5	1.1	2.5	1.7	2.4	-0.3	0.6
Trinidad and Tobago	-0.8	2.7	3.9	1.8	-5.5	2.8	-10.1	4.0	-2.4	2.6
Tunisia	3.3	4.6	2.8	2.1	3.1	4.5	3.7	5.4	3.5	5.3
Turkey	5.4	3.8	1.3	1.4	7.8	4.3	7.9	5.1	4.4	3.9
Turkmenistan	..	-6.8	..	-8.2	..	-5.5	..	..	..	-6.9
Uganda	2.9	7.2	2.1	3.7	5.0	12.7	3.7	14.2	2.8	8.1
Ukraine	..	-10.7	..	-6.3	..	-13.5	..	-13.4	..	-3.1
United Arab Emirates	-2.1	2.9	9.6	..	-4.2	..	3.1	..	3.6	..
United Kingdom	3.2	2.5	2.1	-0.2	3.1	1.3	..	..	3.1	3.1
United States	3.6	3.3	..	..	..	..	..	..	..	..
Uruguay	0.5	3.8	0.1	3.7	-0.2	1.3	0.4	0.1	1.0	5.0
Uzbekistan	..	-1.2	..	-0.4	..	-4.0	..	..	..	-0.4
Venezuela, RB	1.1	1.7	3.1	1.5	1.7	3.3	4.4	1.3	0.5	0.2
Vietnam	4.6	8.1	4.3	4.9	..	12.5	..	..	..	8.1
West Bank and Gaza	..	3.7	..	-3.8	..	1.2	..	4.0	..	3.8
Yemen, Rep.	..	3.2	..	5.0	..	7.9	..	4.5	..	-1.6
Yugoslavia, FR (Serb./Mont.)	..	..	..	..	..	..	..	..	..	..
Zambia	1.0	0.2	3.6	9.4	1.0	-3.9	4.0	0.7	0.5	0.3
Zimbabwe	3.6	2.8	3.1	4.6	3.2	0.7	2.8	0.7	3.1	3.5
World	3.4 w	2.5 w	2.7 w	1.7 w	.. w	2.3 w	.. w	.. w	.. w	.. w
Low income	4.7	3.2	3.0	2.5	5.4	2.8	7.7	2.7	5.6	4.7
Middle income	3.3	3.5	3.6	2.0	3.7	4.3	4.6	6.3	3.6	3.7
Lower middle income	4.2	3.4	4.0	2.0	6.2	5.1	6.7	9.0	5.3	3.6
Upper middle income	2.6	3.6	2.9	2.0	2.4	3.6	3.4	4.1	2.9	3.8
Low & middle income	3.5	3.5	3.4	2.2	3.9	4.0	4.9	5.8	3.9	3.8
East Asia & Pacific	8.0	7.5	4.4	3.3	9.5	9.8	10.4	10.2	8.8	6.5
Europe & Central Asia	..	-2.3	..	-2.9	..	-3.2	..	..	..	0.8
Latin America & Carib.	1.7	3.4	2.3	2.3	1.4	3.4	1.3	2.6	1.8	3.5
Middle East & N. Africa	2.0	3.0	5.6	2.6	0.4	2.1	..	2.8	2.2	3.4
South Asia	5.6	5.6	3.2	3.4	6.8	6.5	7.1	7.0	6.5	6.9
Sub-Saharan Africa	1.7	2.2	2.3	2.7	1.2	1.5	1.7	1.6	2.4	2.4
High income	3.4	2.3	..	..	..	1.4	..	..	..	..
Europe EMU	..	1.8	..	2.2	..	1.2	..	0.8	..	1.9

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



Growth of output 4.1

About the data

An economy's growth is measured by the change in the volume of its output or in the real incomes of persons resident in the economy. The 1993 United Nations System of National Accounts (1993 SNA) offers three plausible indicators from which to calculate growth: the volume of gross domestic product, real gross domestic income, and real gross national income. The volume of GDP is the sum of value added, measured at constant prices, by households, government, and the enterprises operating in the economy. This year's edition of the *World Development Indicators* continues to follow the practice of past editions, measuring the growth of the economy by the change in GDP measured at constant prices.

Each industry's contribution to the growth in the economy's output is measured by the growth in value added by the industry. In principle, value added in constant prices can be estimated by measuring the quantity of goods and services 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 1993 SNA and its predecessors, requires detailed information on the structure of prices of inputs and outputs.

In many industries, however, value added is extrapolated from the base year using single volume indexes of outputs or, more rarely, inputs. Particularly in the service industries, including most of government, value added in constant prices is often imputed from labor inputs, such as real wages or the number of employees. In the absence of well-defined measures of output, measuring the growth of services remains difficult.

Moreover, technical progress can lead to improvements in production and in the quality of goods and services that if not properly accounted for can distort measures of value added and thus of growth. When inputs are used to estimate output, as is the case for nonmarket services, unmeasured technical progress leads to underestimates of the volume of output. Similarly, unmeasured changes in the quality of goods and services produced lead to underestimates of the value of output and value added. The result can be underestimates of growth and productivity change, and overestimates of inflation.

Informal economic activities pose a particular measurement 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 home use, barter exchanges, and illicit or deliberately unreported activity. How consistent and complete such estimates will be depends on the skill and methods of the compiling statisticians and the resources available to them.

Rebasing national accounts

When countries rebase their national accounts, they update the weights assigned to various components to reflect better the current pattern of production (or consumption). The new base year should represent normal operation of the economy—that is, it should be a year without major shocks or distortions—but the choice of base year is often arbitrary. 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.

To obtain comparable series of constant price data, the World Bank rescales GDP and value added by industrial origin to a common reference year, currently 1995. This process gives rise to a discrepancy between the rescaled GDP and the sum of the rescaled components. Because allocating the discrepancy would give rise to distortions in the growth rates, the discrepancy is left unallocated. As a result, the weighted average of the growth rates of the components generally will not equal the GDP growth rate.

Growth rates of GDP and its components are calculated using constant price data in the local currency. Regional and income group growth rates are calculated after converting local currencies to constant price U.S. dollars using an exchange rate in the common reference year. 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*.

Changes in the System of National Accounts

For the first time, this year's edition of the *World Development Indicators* uses terminology in line with the 1993 SNA. Most countries continue to compile their national accounts according to the System of National Accounts version 3, referred to as the 1968 SNA, but more and more are adopting the 1993 SNA. Countries that use the 1993 SNA are identified in *Primary data documentation*. A few low-income countries still use concepts from older SNA guidelines, including valuations such as factor cost, in describing major economic aggregates.

Definitions

- **Gross domestic product (GDP)** at purchaser prices is the sum of the gross value added by all resident producers in the economy plus any product 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 an industry after adding up all outputs and subtracting intermediate inputs. The industrial origin of value added is determined by the International Standard Industrial Classification (ISIC) revision 3.
- **Agriculture** corresponds to ISIC divisions 1–5 and includes forestry and fishing.
- **Industry** comprises mining, manufacturing (also reported as a separate subgroup), construction, electricity, water, and gas (ISIC divisions 10–45).
- **Manufacturing** refers to industries belonging to divisions 15–37.
- **Services** correspond to ISIC divisions 50–99.

Data sources

The national accounts data for most developing countries are collected from national statistical organizations and central banks by visiting and resident World Bank missions. The data for high-income economies come from Organisation for Economic Co-operation and Development (OECD) data files; for information on the OECD's national accounts series see its *Main Economic Indicators* (monthly). 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 2001* CD-ROM. The United Nations Statistics Division publishes detailed national accounts for United Nations member countries in *National Accounts Statistics: Main Aggregates and Detailed Tables* and publishes updates in the *Monthly Bulletin of Statistics*.



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	
	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999
Albania	2,102	3,676	36	53	48	26	42	12	16	21
Algeria	61,902	47,872	14	11	45	51	12	10	41	38
Angola	10,260	8,545	18	7	41	77	5	4	41	16
Argentina	141,352	283,166	8	5	36	28	27	18	56	67
Armenia	4,124	1,845	17	29	52	33	33	23	31	39
Australia	310,041	404,033	3	3	26	25	13	13	70	72
Austria	162,288	208,173	5	2	31	29	21	19	64	69
Azerbaijan	9,837	4,004	..	23	..	35	..	5	..	41
Bangladesh	30,129	45,961	29	25	21	24	13	15	50	50
Belarus	34,911	26,815	24	13	47	42	39	35	29	45
Belgium	197,787	248,404	2	1	28	25	21	18	69	73
Benin	1,845	2,369	36	38	13	14	8	8	51	48
Bolivia	4,868	8,323	26	18	20	18	17	15	54	64
Bosnia and Herzegovina	..	4,387	..	15	..	27	..	21	..	58
Botswana	3,766	5,996	5	4	56	45	5	5	39	51
Brazil	464,989	751,505	8	9	39	31	25	23	53	61
Bulgaria	20,726	12,403	18	15	51	23	..	15	31	62
Burkina Faso	2,765	2,580	32	31	22	28	16	22	45	40
Burundi	1,132	714	56	52	19	17	13	9	25	30
Cambodia	1,115	3,117	56	51	11	15	5	6	33	35
Cameroon	11,152	9,187	25	44	29	19	15	10	46	38
Canada	572,673	634,898	2	..	29	..	16	..	69	..
Central African Republic	1,488	1,053	48	55	20	20	11	9	33	25
Chad	1,739	1,530	29	36	18	15	14	12	53	49
Chile	30,323	67,469	9	8	41	34	20	16	50	57
China	354,644	989,465	27	18	42	49	33	38	31	33
Hong Kong, China	74,784	158,943	0	0	25	15	18	6	74	85
Colombia	40,274	86,605	17	13	38	26	21	14	45	61
Congo, Dem. Rep.	9,348	5,584	30	58	28	17	11	..	42	25
Congo, Rep.	2,799	2,217	13	10	41	49	8	7	46	41
Costa Rica	7,188	15,148	18	11	29	37	22	30	53	53
Côte d'Ivoire	10,796	11,206	32	26	23	26	21	21	44	48
Croatia	18,156	20,426	10	9	34	32	28	20	56	59
Cuba	..	..	..	..	..	..	..	..	..	..
Czech Republic	34,880	53,111	8	4	49	43	..	..	43	53
Denmark	133,361	174,280	4	2	23	21	16	14	73	76
Dominican Republic	7,074	17,398	13	11	31	34	18	17	55	54
Ecuador	10,686	18,991	13	12	38	37	19	21	49	50
Egypt, Arab Rep.	43,130	89,148	19	17	29	32	18	20	52	51
El Salvador	4,807	12,467	17	10	26	29	22	23	57	60
Eritrea	437	645	29	17	19	29	13	15	52	54
Estonia	6,760	5,233	17	6	50	26	42	15	34	69
Ethiopia	6,842	6,439	49	52	13	11	8	7	38	37
Finland	136,794	129,661	6	3	29	28	20	21	65	68
France	1,215,893	1,432,323	3	3	27	23	..	..	70	74
Gabon	5,952	4,352	7	8	43	41	6	5	50	51
Gambia, The	317	393	29	31	13	13	7	6	58	56
Georgia	..	2,737	..	36	..	13	..	8	..	51
Germany	1,770,368	2,111,940	1	1	33	28	26	21	64	71
Ghana	5,886	7,774	45	36	17	25	10	9	38	39
Greece	84,925	125,088	10	7	26	20	15	11	65	72
Guatemala	7,650	18,215	26	23	20	20	15	13	54	57
Guinea	2,818	3,482	24	24	33	37	5	4	43	39
Guinea-Bissau	244	218	61	62	19	12	8	10	21	26
Haiti	2,981	4,302	33	29	22	22	16	7	45	48
Honduras	3,049	5,387	22	16	26	32	16	20	51	52



Structure of output | 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	
	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999
Hungary	33,056	48,436	15	6	39	34	23	25	46	61
India	316,211	447,292	31	28	28	26	17	16	41	46
Indonesia	114,427	142,511	19	19	39	43	21	25	41	37
Iran, Islamic Rep.	120,404	110,791	24	21	29	31	12	17	48	48
Iraq	48,657	..	..	..	..	..	..	..	..	..
Ireland	47,301	93,410	8	5	32	34	..	..	60	62
Israel	52,490	100,840	..	..	..	..	..	..	..	..
Italy	1,102,435	1,170,971	3	3	31	26	22	19	66	71
Jamaica	4,239	6,889	6	7	43	32	20	14	50	61
Japan	2,970,043	4,346,922	3	2	41	36	28	24	56	62
Jordan	4,020	8,073	8	2	28	26	15	16	64	72
Kazakhstan	40,304	15,842	27	11	45	32	9	..	29	57
Kenya	8,533	10,638	29	23	19	16	12	11	52	61
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	252,622	406,940	9	5	43	44	29	32	48	51
Kuwait	18,428	29,572	1	..	52	..	12	..	47	..
Kyrgyz Republic	..	1,251	34	38	36	27	28	12	30	36
Lao PDR	865	1,432	61	53	15	22	10	17	24	25
Latvia	12,490	6,260	22	4	46	28	34	15	32	68
Lebanon	2,838	17,229	..	12	..	27	..	17	..	61
Lesotho	622	874	23	18	34	38	..	..	43	44
Libya	..	..	..	..	..	..	..	..	..	..
Lithuania	13,254	10,634	27	9	31	32	21	18	42	59
Macedonia, FYR	..	3,452	8	12	47	35	..	..	45	53
Madagascar	3,081	3,721	32	30	14	14	12	17	53	56
Malawi	1,803	1,810	45	38	29	18	19	14	26	45
Malaysia	44,024	79,039	15	11	42	46	24	32	43	43
Mali	2,421	2,670	46	47	16	17	9	4	39	37
Mauritania	1,020	958	30	25	29	29	10	10	42	46
Mauritius	2,642	4,244	12	6	32	33	24	25	56	61
Mexico	262,710	483,737	8	5	28	28	21	21	64	67
Moldova	10,583	1,160	43	25	33	22	..	15	24	53
Mongolia	..	916	15	32	41	30	..	..	44	39
Morocco	25,821	34,998	18	15	32	33	18	17	50	53
Mozambique	2,512	3,979	37	33	18	25	10	13	44	42
Myanmar	..	..	57	60	11	9	8	7	32	31
Namibia	2,340	3,075	12	13	38	33	14	15	50	55
Nepal	3,628	4,995	52	42	16	21	6	9	32	37
Netherlands	295,961	393,692	4	3	28	24	18	16	68	74
New Zealand	43,103	54,651	7	..	26	..	18	..	67	..
Nicaragua	1,009	2,268	31	32	21	23	17	14	48	46
Niger	2,481	2,018	35	41	16	17	7	6	49	42
Nigeria	28,472	35,045	33	39	41	33	6	5	26	28
Norway	115,453	152,943	3	2	31	31	..	..	66	67
Oman	10,535	14,962	3	..	58	..	4	..	39	..
Pakistan	40,010	58,154	26	27	25	23	17	16	49	49
Panama	5,313	9,557	9	7	15	17	9	8	76	76
Papua New Guinea	3,221	3,586	29	30	30	46	9	8	41	24
Paraguay	5,265	7,741	28	29	25	26	17	14	47	45
Peru	26,294	51,933	7	7	38	38	27	24	55	55
Philippines	44,331	76,559	22	18	34	30	25	21	44	52
Poland	61,197	155,166	8	3	48	31	..	18	44	65
Portugal	70,936	113,716	8	4	29	27	..	..	64	69
Puerto Rico	30,604	47,624	1	..	42	..	40	..	57	..
Romania	38,299	34,027	20	16	50	31	..	22	30	53
Russian Federation	579,068	401,442	17	7	48	38	..	..	35	56



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	
	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999
Rwanda	2,584	1,956	33	46	25	20	19	12	42	34
Saudi Arabia	104,670	139,383	6	7	50	48	8	10	43	45
Senegal	5,698	4,752	20	18	19	26	13	17	61	56
Sierra Leone	897	669	47	43	20	27	4	4	33	31
Singapore	36,638	84,945	0	0	35	36	27	26	65	64
Slovak Republic	15,485	19,712	7	4	59	32	..	22	33	64
Slovenia	12,673	20,011	6	4	46	38	35	28	49	58
South Africa	111,997	131,127	5	4	40	32	24	19	55	64
Spain	513,665	595,927	..	4	..	28	..	..	..	69
Sri Lanka	8,032	15,958	26	21	26	27	15	16	48	52
Sudan	13,167	9,718	..	40	..	18	..	9	..	42
Sweden	237,928	238,682	3	..	28	..	..	..	69	..
Switzerland	228,415	258,550	..	..	..	..	..	..	..	..
Syrian Arab Republic	12,309	19,380	29	..	24	..	..	..	48	..
Tajikistan	..	1,870	..	19	..	25	..	21	..	57
Tanzania ^a	4,259	8,760	46	45	18	15	9	7	36	40
Thailand	85,345	124,369	12	10	37	40	27	32	50	50
Togo	1,628	1,405	34	41	23	21	10	9	44	38
Trinidad and Tobago	5,068	6,869	3	2	47	40	9	8	52	58
Tunisia	12,291	20,944	16	13	30	28	17	18	54	59
Turkey	150,721	185,691	18	16	30	24	20	15	52	60
Turkmenistan	..	3,204	32	27	30	45	..	34	38	28
Uganda	4,304	6,411	57	44	11	18	6	9	32	38
Ukraine	91,327	38,653	26	13	45	38	36	33	30	49
United Arab Emirates	34,132	47,234	2	..	64	..	8	..	35	..
United Kingdom	987,641	1,441,787	2	1	31	25	..	..	67	74
United States	5,750,800	9,152,098	..	..	..	..	..	..	..	..
Uruguay	9,287	20,805	9	6	35	27	28	17	56	67
Uzbekistan	23,673	17,705	33	33	33	24	..	11	34	43
Venezuela, RB	48,593	102,222	5	5	50	36	20	14	44	59
Vietnam	6,472	28,682	37	25	23	34	19	18	40	40
West Bank and Gaza	..	4,222	..	9	..	29	..	16	..	62
Yemen, Rep.	4,660	6,825	25	17	28	40	10	11	47	42
Yugoslavia, FR (Serb./Mont.)	..	..	..	..	..	..	..	..	..	..
Zambia	3,288	3,150	21	25	49	24	14	12	30	51
Zimbabwe	8,784	5,608	16	20	33	25	23	17	50	55
World	21,728,147 t	30,876,254 t	6 w	5 w	34 w	37 w	.. w	.. w	59 w	63 w
Low income	878,364	1,033,244	29	26	31	30	18	19	40	44
Middle income	3,520,734	5,518,746	13	10	39	36	25	25	47	54
Lower middle income	1,808,310	2,608,902	21	14	39	39	26	28	40	46
Upper middle income	1,728,727	2,915,898	8	6	40	33	24	23	52	60
Low & middle income	4,393,226	6,551,527	16	12	38	35	24	24	46	53
East Asia & Pacific	927,038	1,894,945	20	14	40	45	29	33	40	41
Europe & Central Asia	1,244,658	1,097,780	17	10	44	33	..	..	40	56
Latin America & Carib.	1,136,103	2,052,720	9	8	36	30	24	21	55	62
Middle East & N. Africa	402,940	613,765	15	14	38	38	12	14	47	48
South Asia	404,001	581,186	31	27	27	26	17	16	43	47
Sub-Saharan Africa	297,444	324,097	18	15	34	29	17	16	48	56
High income	17,320,028	24,323,287	..	..	..	..	..	..	..	..
Europe EMU	5,656,919	6,535,484	3	2	30	27	..	..	67	71

a. Data cover mainland Tanzania only.



Structure of output | 4.2

About the data

A country's gross domestic product (GDP) represents the sum of value added by all producers in that country. Value added is the value of the gross output of producers less the value of intermediate goods and services consumed in production, excluding the consumption of fixed capital in the production process. Since 1968 the System of National Accounts has called for estimates of value added to be valued at either basic prices (excluding net taxes on products) or producer prices (including net taxes on products paid by the producers, but excluding sales or value added taxes). Both valuations exclude transport charges that are invoiced separately by the producers. Some countries, however, report such data at purchaser prices—the prices at which final sales are made (including transport charges)—which may affect estimates of the distribution of output. Total GDP as shown in the table and elsewhere in this book is measured at purchaser prices. Value added by industry is normally measured at basic prices. When value added is measured at producer prices, this is noted in *Primary data documentation*.

While GDP estimates based on the production approach are generally more reliable than estimates compiled from the income or expenditure side, 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 limitations in the resources, time, training, and budgets required to produce reliable and comprehensive series of national accounts statistics.

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.

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 from the true values over time and across crops for reasons other than climatic conditions or farming techniques. Similarly, agricultural inputs that 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 *About the data* for table 3.3.

Industrial output ideally should be measured through regular censuses and surveys of firms. But in most developing countries such surveys are infrequent, so survey results must be extrapolated using an appropriate indicator. The choice of 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 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 System of National Accounts, 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 activities need to be collected using techniques other than conventional surveys of firms.

In industries 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 industry the many self-employed workers and one-person businesses are sometimes difficult to locate, and they 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 transactions in foreign currencies and traded products.

Definitions

- **Gross domestic product (GDP)** at purchaser prices is the sum of the gross value added by all resident producers in the economy plus any product 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 an industry after adding up all outputs and subtracting intermediate inputs. The industrial origin of value added is determined by the International Standard Industrial Classification (ISIC) revision 3.
- **Value added** is the net output of an industry after adding up all outputs and subtracting intermediate inputs. The industrial origin of value added is determined by the International Standard Industrial Classification (ISIC) revision 3.
- **Agriculture** corresponds to ISIC divisions 1–5 and includes forestry and fishing.
- **Industry** comprises mining, manufacturing (also reported as a separate subgroup), construction, electricity, water, and gas (ISIC divisions 10–45).
- **Manufacturing** refers to industries belonging to divisions 15–37.
- **Services** correspond to ISIC divisions 50–99.

Data sources

The national accounts indicators for most developing countries are collected from national statistical organizations and central banks by visiting and resident World Bank missions. The data for high-income economies come from Organisation for Economic Co-operation and Development (OECD) data files; see the OECD's *Main Economic Indicators* (monthly). The United Nations Statistics Division publishes detailed national accounts for United Nations member countries in *National Accounts Statistics: Main Aggregates and Detailed Tables* and publishes updates in the *Monthly Bulletin of Statistics*.



4.3 Structure of manufacturing

	Value added in manufacturing		Food, beverages, and tobacco		Textiles and clothing		Machinery and transport equipment		Chemicals		Other manufacturing ^a	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1990	1998	1990	1998	1990	1998	1990	1998	1990	1998	1990	1998
Albania	878	365	24	..	33	..	..	..	..	..	44	..
Algeria	6,151	4,597	13	34	17	8	..	..	..	..	70	58
Angola	513	407	..	..	..	..	..	..	..	..	..	..
Argentina	37,868	53,322	20	..	10	..	13	..	12	..	46	..
Armenia	1,243	377	..	..	..	..	..	..	..	..	..	..
Australia	39,600	46,658	18	..	6	..	20	..	7	..	48	..
Austria	34,289	39,783	15	15	7	4	28	31	7	8	43	42
Azerbaijan	..	404	..	..	..	..	..	..	..	..	..	..
Bangladesh	3,839	6,887	24	..	38	..	7	..	17	..	15	..
Belarus	13,325	7,820	..	..	..	..	..	..	..	..	..	..
Belgium	41,171	45,826	17	19	7	6	..	..	13	16	62	59
Benin	145	190	..	..	..	..	..	..	..	..	..	..
Bolivia	826	1,259	28	34	5	5	1	1	3	5	63	55
Bosnia and Herzegovina	..	884	12	..	15	..	18	..	7	..	49	..
Botswana	184	236	51	..	12	..	..	..	..	..	36	..
Brazil	90,052	151,198	..	..	..	..	..	..	..	..	..	..
Bulgaria	..	2,082	22	20	9	10	19	5	5	..	45	65
Burkina Faso	423	522	..	..	..	..	..	..	..	..	..	..
Burundi	134	62	..	..	..	..	..	..	..	..	..	..
Cambodia	58	178	..	..	..	..	..	..	..	..	..	..
Cameroon	1,581	905	44	33	8	13	1	1	5	6	41	47
Canada	88,928	101,004	15	14	6	5	26	32	10	9	44	40
Central African Republic	154	91	57	..	6	..	2	..	6	..	28	..
Chad	239	170	..	..	..	..	..	..	..	..	..	..
Chile	5,613	11,773	25	29	7	4	5	5	10	11	52	50
China	117,151	355,272	15	17	15	12	24	30	13	15	34	26
Hong Kong, China	12,626	9,435	8	12	36	27	21	27	2	2	33	33
Colombia	8,034	13,612	..	..	..	..	..	..	..	..	..	..
Congo, Dem. Rep.	1,029	..	..	..	..	..	..	..	..	..	..	..
Congo, Rep.	234	147	..	..	..	..	..	..	..	..	..	..
Costa Rica	1,393	2,976	47	46	8	6	7	9	9	13	30	26
Côte d'Ivoire	2,257	2,281	..	42	..	10	..	3	..	12	..	33
Croatia	4,770	3,476	22	..	15	..	20	..	8	..	36	..
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	..	..	..	..	..	..	..	..	..	..	..
Denmark	20,757	25,319	22	20	4	3	24	25	12	15	39	37
Dominican Republic	1,270	2,741	..	..	..	..	..	..	..	..	..	..
Ecuador	2,068	4,315	..	..	..	..	..	..	..	..	..	..
Egypt, Arab Rep.	7,296	14,403	..	..	..	..	..	..	..	..	..	..
El Salvador	1,044	2,566	36	35	14	29	4	5	24	7	23	24
Eritrea	49	87	..	..	..	..	..	..	..	..	..	..
Estonia	2,679	765	..	..	..	..	..	..	..	..	..	..
Ethiopia	497	426	62	52	21	18	1	2	2	4	14	23
Finland	27,533	28,637	13	..	4	..	24	..	8	..	52	..
France	..	..	13	14	6	5	31	30	9	9	41	42
Gabon	332	227	..	..	..	..	..	..	..	..	..	..
Gambia, The	18	21	..	..	..	..	..	..	..	..	..	..
Georgia	..	244	..	..	..	..	..	..	..	..	..	..
Germany	456,313	461,905	..	..	..	..	..	..	..	..	..	..
Ghana	575	672	..	36	..	5	..	2	..	10	..	48
Greece	12,523	12,810	22	26	20	12	12	14	10	13	36	35
Guatemala	1,151	2,619	..	..	..	..	..	..	..	..	..	..
Guinea	126	151	..	..	..	..	..	..	..	..	..	..
Guinea-Bissau	19	19	..	..	..	..	..	..	..	..	..	..
Haiti	469	275	51	46	9	19	..	..	..	..	40	34
Honduras	443	836	..	..	..	..	..	..	..	..	..	..



Structure of manufacturing 4.3

	Value added in manufacturing		Food, beverages, and tobacco		Textiles and clothing		Machinery and transport equipment		Chemicals		Other manufacturing ^a	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1990	1998	1990	1998	1990	1998	1990	1998	1990	1998	1990	1998
Hungary	6,613	9,958	14	19	9	8	26	25	12	7	39	41
India	48,793	59,654	12	10	15	10	25	25	14	21	34	33
Indonesia	23,643	23,774	27	16	15	18	12	20	9	9	37	36
Iran, Islamic Rep.	14,503	19,684	..	..	..	..	..	..	..	..	..	..
Iraq	..	..	20	..	16	..	4	..	11	..	49	..
Ireland	..	..	27	20	4	2	29	34	16	25	24	18
Israel	..	..	14	12	9	9	32	32	9	5	37	42
Italy	247,930	235,087	8	..	13	..	34	..	7	..	37	..
Jamaica	827	965	41	48	5	7	..	..	..	..	54	46
Japan	837,191	895,426	9	10	5	4	40	39	10	10	37	36
Jordan	520	1,025	28	28	7	6	4	5	15	17	47	45
Kazakhstan	2,136	..	..	..	..	..	..	..	..	..	..	..
Kenya	862	1,026	38	48	10	7	10	10	9	8	33	27
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	72,837	97,866	11	9	12	9	32	41	9	10	36	32
Kuwait	2,142	2,913	4	5	3	4	2	3	3	4	88	84
Kyrgyz Republic	..	131	..	..	..	..	..	..	..	..	..	..
Lao PDR	85	209	..	..	..	..	..	..	..	..	..	..
Latvia	4,150	939	..	39	..	12	..	15	..	6	..	29
Lebanon	..	2,615	..	..	..	..	..	..	..	..	..	..
Lesotho	..	..	..	..	..	..	..	..	..	..	..	..
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania	2,730	1,784	..	..	..	..	..	..	..	..	..	..
Macedonia, FYR	..	..	20	32	26	18	14	15	9	11	31	24
Madagascar	337	365	..	..	..	..	..	..	..	..	..	..
Malawi	313	217	38	..	10	..	1	..	18	..	33	..
Malaysia	10,665	20,774	13	9	6	4	31	42	11	8	39	36
Mali	200	101	..	..	..	..	..	..	..	..	..	..
Mauritania	94	84	..	..	..	..	..	..	..	..	..	..
Mauritius	524	857	30	29	46	47	2	2	4	4	17	17
Mexico	49,992	80,990	22	21	5	3	24	30	18	18	32	29
Moldova	..	241	..	..	..	..	..	..	..	..	..	..
Mongolia	..	..	33	23	37	63	1	0	1	1	27	12
Morocco	4,753	6,088	22	35	17	18	8	8	12	16	41	23
Mozambique	235	374	..	..	..	..	..	..	..	..	..	..
Myanmar	..	..	..	..	..	..	..	..	..	..	..	..
Namibia	292	437	..	..	..	..	..	..	..	..	..	..
Nepal	209	435	37	35	31	34	1	3	5	6	25	23
Netherlands	52,805	60,905	21	25	3	2	25	25	16	14	35	34
New Zealand	7,665	10,881	28	31	8	..	13	14	7	13	44	43
Nicaragua	170	322	..	..	..	..	..	..	..	..	..	..
Niger	163	128	..	..	..	..	..	..	..	..	..	..
Nigeria	1,562	1,665	15	..	46	..	13	..	4	..	22	..
Norway	..	..	18	..	2	..	25	..	9	..	46	..
Oman	396	..	..	18	..	10	..	6	..	6	..	61
Pakistan	6,184	9,137	24	..	27	..	9	..	15	..	25	..
Panama	502	754	51	54	8	7	2	..	8	7	31	32
Papua New Guinea	289	351	..	..	..	..	..	..	..	..	..	..
Paraguay	883	1,332	55	..	16	..	..	..	..	..	29	..
Peru	7,090	13,178	23	..	11	..	8	..	9	..	49	..
Philippines	11,008	14,254	39	33	11	9	13	15	12	13	26	29
Poland	..	29,811	21	29	9	7	26	23	7	7	37	35
Portugal	..	..	15	14	21	17	13	15	6	5	45	49
Puerto Rico	12,126	..	16	13	5	4	18	15	44	54	17	13
Romania	..	10,494	19	..	18	..	14	..	4	..	45	..
Russian Federation	..	..	..	20	..	3	..	22	..	8	..	47



4.3 Structure of manufacturing

	Value added in manufacturing		Food, beverages, and tobacco		Textiles and clothing		Machinery and transport equipment		Chemicals		Other manufacturing ^a	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1990	1998	1990	1998	1990	1998	1990	1998	1990	1998	1990	1998
Rwanda	473	245	..	..	..	..	..	..	..	..	..	..
Saudi Arabia	7,962	12,550	..	..	..	..	..	..	..	..	..	..
Senegal	747	739	60	44	3	5	5	3	9	26	23	21
Sierra Leone	31	26	..	..	..	..	..	..	..	..	..	..
Singapore	9,968	19,092	4	3	3	1	53	60	10	10	29	25
Slovak Republic	..	4,732	..	..	..	..	..	..	..	..	..	..
Slovenia	4,008	4,711	..	12	..	11	..	15	..	12	..	50
South Africa	24,040	23,255	14	17	8	7	18	19	9	10	50	48
Spain	..	..	..	16	..	7	..	25	..	10	..	43
Sri Lanka	1,077	2,285	..	..	..	..	..	..	..	..	..	..
Sudan	..	868	..	..	..	..	..	..	..	..	..	..
Sweden	..	..	10	8	2	1	32	39	9	10	47	42
Switzerland	..	..	10	9	4	3	34	27	..	..	53	60
Syrian Arab Republic	..	..	..	..	..	..	..	..	..	..	..	..
Tajikistan	..	321	..	..	..	..	..	..	..	..	..	..
Tanzania ^b	361	573	51	..	3	..	6	..	11	..	28	..
Thailand	23,217	34,360	24	..	30	..	19	..	2	..	26	..
Togo	162	133	..	..	..	..	..	..	..	..	..	..
Trinidad and Tobago	438	508	30	24	3	1	3	2	19	38	44	34
Tunisia	2,075	3,644	19	21	20	26	5	6	4	8	52	39
Turkey	26,896	27,957	16	12	15	18	16	18	10	10	43	42
Turkmenistan	..	774	..	..	..	..	..	..	..	..	..	..
Uganda	230	547	..	..	..	..	..	..	..	..	..	..
Ukraine	31,489	10,880	..	..	..	..	..	..	..	..	..	..
United Arab Emirates	2,643	..	..	..	..	..	..	..	..	..	..	..
United Kingdom	..	..	13	12	5	5	32	32	11	11	38	40
United States	..	..	12	11	5	4	31	39	12	11	40	35
Uruguay	2,597	4,181	..	..	..	..	..	..	..	..	..	..
Uzbekistan	..	1,719	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	9,809	13,657	17	28	5	5	5	10	9	12	64	45
Vietnam	1,219	..	..	..	..	..	..	..	..	..	..	..
West Bank and Gaza	..	595	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	449	773	..	..	..	..	..	..	..	..	..	..
Yugoslavia, FR (Serb./Mont.)	..	..	21	29	14	9	22	16	7	11	35	34
Zambia	408	372	44	..	11	..	7	..	9	..	29	..
Zimbabwe	1,799	1,004	28	34	19	15	9	7	6	5	38	38
World	.. w	.. w										
Low income	149,047	141,155										
Middle income	695,467	1,253,770										
Lower middle income	333,543	709,366										
Upper middle income	406,057	552,503										
Low & middle income	850,114	1,392,307										
East Asia & Pacific	263,090	557,376										
Europe & Central Asia	..	..								
Latin America & Carib.	256,552	384,079										
Middle East & N. Africa	..	77,513										
South Asia	61,070	79,682										
Sub-Saharan Africa	42,341	40,633										
High income	..	..								
Europe EMU	1,213,523	1,239,919										

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



Structure of manufacturing 4.3

About the data

The data on the distribution of manufacturing value added by industry are provided by the United Nations Industrial Development Organization (UNIDO). UNIDO obtains data on manufacturing value added from a variety of national and international sources, including the United Nations Statistics Division, 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, producer, or purchaser prices) to estimate value added. (See also *About the data* for table 4.2.)

The data on manufacturing value added in U.S. dollars are from the World Bank's national accounts files. 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.

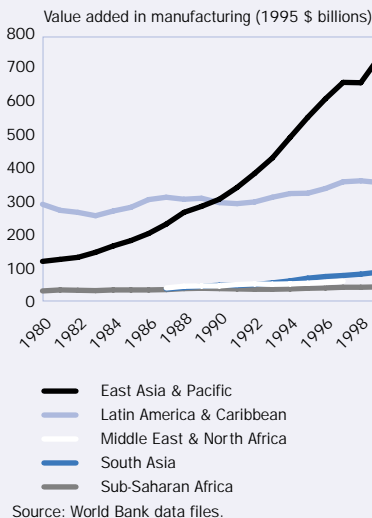
The classification of manufacturing industries in the table accords with the United Nations International Standard Industrial Classification (ISIC) revision 2. First published in 1948, the ISIC has its roots in the work of the League of Nations Committee of Statistical Experts. The committee's efforts, interrupted by the second world war, were taken up by the United Nations Statistical Commission, which at its first session appointed a committee on industrial classification. The ISIC has been revised at approximately 20-year intervals. The last revision, ISIC revision 3, was completed in 1989. Revision 2 is still widely used for compiling cross-country data, however, and concordances matching ISIC categories to national systems of classification and to related systems such as the Standard International Trade Classification (SITC) are readily available.

In establishing a classification system, compilers must define both the types of activities to be described and the organizational units whose activities are to be reported. There are many possibilities, and the choices made affect how the resulting statistics can be interpreted and how useful they are in analyzing economic behavior. The ISIC emphasizes commonalities in the production process and is explicitly not intended to mea-

sure outputs (for which there is a newly developed Central Product Classification). Nevertheless, the ISIC views an activity as defined by "a process resulting in a homogeneous set of products" (United Nations 1990 [ISIC, series M, no. 4, rev. 3], p. 9). Firms typically use a multitude of processes to produce a final product. For example, an automobile manufacturer engages in forging, welding, and painting as well as advertising, accounting, and many other service activities. In some cases the processes may be carried out by different technical units within the larger enterprise, but collecting data at such a detailed level is not practical. Nor would it be useful to record production data at the very highest level of a large, multiplant, multiproduct firm. The ISIC has therefore adopted as the definition of an establishment "an enterprise or part of an enterprise which independently engages in one, or predominantly one, kind of economic activity at or from one location . . . for which data are available . . ." (United Nations 1990, p. 25). By design, this definition matches the reporting unit required for the production accounts of the United Nations System of National Accounts.

Figure 4.3

Manufacturing growth resumed in East Asia in 1999



Latin America saw a slowdown in manufacturing, however, while South Asia continued to make modest gains.

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 in the table as not available, they are included in other manufacturing.

Data sources

The 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 2000*. The ISIC system is described in the United Nations' *International Standard Industrial Classification of All Economic Activities, Third Revision* (1990). The discussion of the ISIC draws on Jacob Ryten's paper "Fifty Years of ISIC: Historical Origins and Future Perspectives" (1998).



4.4 Growth of merchandise trade

	Export volume		Import volume		Export value		Import value		Net barter terms of trade	
	average annual % growth		average annual % growth		average annual % growth		average annual % growth		1995 = 100	
	1980-90	1990-98	1980-90	1990-98	1980-90	1990-98	1980-90	1990-98	1990	1998
Albania ^a	..	..	..	..	..	13.8	..	20.6	..	..
Algeria	4.1	1.2	-4.8	1.5	-4.0	-0.7	-2.9	1.0	126	117
Angola	6.0	4.5	-0.3	-1.0	6.4	1.2	1.0	-0.3	145	70
Argentina	5.0	10.3	-6.9	23.0	2.1	12.8	-6.5	24.6	94	104
Armenia ^a	..	..	..	..	..	-15.1	..	-3.4	..	..
Australia ^a	6.3	7.7	6.0	9.0	6.6	6.0	6.4	7.3	117	100
Austria ^a	6.6	..	5.7	..	10.2	6.3	8.7	4.8	..	..
Azerbaijan ^a	..	..	..	..	..	-11.3	..	3.2	..	..
Bangladesh	7.6	13.3	1.8	10.0	7.6	12.3	3.7	11.1	115	103
Belarus ^a	..	..	..	..	..	21.7	..	23.7	..	..
Belgium ^{a,b}	4.5	6.2	4.0	5.4	7.8	6.3	6.4	4.5	100	99
Benin	4.9	24.8	-10.3	10.6	10.9	28.2	-4.9	13.0	100	95
Bolivia	3.1	2.7	-1.2	10.9	-1.9	5.1	-0.3	12.7	115	110
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..
Botswana	13.2	5.5	11.3	1.0	17.9	4.4	9.4	2.0	110	91
Brazil	6.3	4.4	0.7	22.7	5.1	7.4	-1.9	17.5	60	105
Bulgaria ^a	..	..	..	..	-12.3	4.3	-14.0	5.9	100	..
Burkina Faso	-0.3	14.3	3.2	3.0	7.9	15.7	3.8	4.0	91	91
Burundi	3.5	3.2	1.0	-0.2	2.5	-2.3	2.2	-7.4	75	74
Cambodia	..	..	..	..	..	..	..	..	..	..
Cameroon	8.3	-1.3	4.8	3.8	2.4	0.2	0.1	2.8	88	102
Canada ^a	6.4	9.0	7.4	8.7	6.8	8.2	7.9	7.4	100	96
Central African Republic	-0.2	30.0	4.9	7.2	3.3	13.2	8.6	2.7	124	64
Chad	8.7	5.0	10.9	-2.7	9.4	5.2	12.7	-0.3	116	103
Chile	7.2	9.9	3.4	13.9	8.1	9.7	2.7	13.7	83	75
China [†]	13.9	10.7	15.8	9.4	12.9	15.8	13.6	13.5	101	109
Hong Kong, China	10.8	10.0	9.3	11.3	16.8	10.5	15.0	11.8	101	103
Colombia	7.9	5.2	-2.1	16.0	7.7	7.8	0.0	16.4	95	105
Congo, Dem. Rep.	3.8	-9.3	4.4	-12.7	3.3	-6.8	3.6	-6.5	108	83
Congo, Rep.	5.5	9.7	-2.1	10.6	0.4	6.9	-0.5	10.8	121	82
Costa Rica	3.7	13.7	5.2	16.5	4.6	18.7	4.5	16.0	72	104
Côte d'Ivoire	2.6	4.7	-2.0	5.7	1.7	6.3	-1.4	5.7	82	97
Croatia ^a	..	..	..	..	..	2.2	..	10.7	..	..
Cuba	-1.1	-10.5	-0.3	-0.7	-0.9	-9.7	1.7	-1.2	96	102
Czech Republic ^a	..	..	..	..	..	12.2	..	14.7	..	..
Denmark ^a	4.1	5.3	3.1	6.4	8.4	4.7	6.3	5.4	100	99
Dominican Republic	-0.9	1.8	0.8	13.0	-2.1	4.0	3.3	14.4	94	105
Ecuador	7.5	8.7	-1.8	10.9	-0.4	8.6	-1.3	14.3	141	100
Egypt, Arab Rep.	1.8	1.9	-2.7	6.7	-3.7	2.9	1.4	8.8	86	84
El Salvador	-4.6	2.8	4.6	10.5	-4.6	12.4	2.4	12.7	69	105
Eritrea	..	..	..	..	..	..	..	..	..	..
Estonia ^a	..	..	..	..	..	30.5	..	38.4	..	..
Ethiopia	0.0	8.8	3.5	1.2	-0.8	15.2	4.3	9.8	90	89
Finland ^a	2.3	9.3	4.4	4.3	7.4	8.7	6.9	4.7	102	97
France ^a	3.6	5.8	3.7	4.9	7.5	4.4	6.5	2.7	94	100
Gabon	2.5	5.5	-3.5	2.7	-3.9	4.4	1.1	4.0	135	97
Gambia, The	-1.8	-14.0	-5.3	-2.0	1.2	-12.5	2.8	0.0	102	101
Georgia	..	..	..	..	..	..	..	..	..	..
Germany ^{a,c}	4.5	5.6	4.9	3.8	9.2	4.4	7.1	3.7	102	99
Ghana	-14.7	12.9	-17.5	8.2	0.3	11.8	2.8	8.0	100	98
Greece ^a	5.0	8.9	6.4	8.9	5.8	4.3	6.6	1.7	92	90
Guatemala	-0.5	7.0	2.9	10.8	-2.2	11.6	0.6	12.4	75	96
Guinea	..	7.4	..	-0.7	3.5	5.5	9.9	1.1	143	89
Guinea-Bissau	-2.3	15.7	-1.8	-0.5	3.9	13.3	3.6	2.3	143	87
Haiti	-0.3	0.9	-4.6	13.3	-1.1	0.2	-2.9	12.9	116	105
Honduras	4.0	3.5	1.6	12.2	1.6	10.1	0.6	14.1	81	118
† Data for Taiwan, China	16.6	3.1	17.6	5.3	14.8	7.5	12.3	9.3	101	108



Growth of merchandise trade 4.4

	Export volume		Import volume		Export value		Import value		Net barter terms of trade	
	average annual % growth		average annual % growth		average annual % growth		average annual % growth		1995 = 100	
	1980-90	1990-98	1980-90	1990-98	1980-90	1990-98	1980-90	1990-98	1990	1998
Hungary ^a	3.4	6.0	1.3	8.7	1.4	10.5	0.1	12.4	100	..
India	-3.4	2.7	-2.8	5.4	7.3	10.4	4.3	10.3	79	104
Indonesia	8.7	9.0	1.9	6.8	-0.3	9.4	2.7	6.2	102	95
Iran, Islamic Rep.	10.5	-1.7	-2.9	-10.5	1.2	-2.3	-0.4	-8.0	170	110
Iraq	1.7	10.7	-12.0	-1.2	-4.5	7.2	-9.9	-0.2	121	76
Ireland ^a	9.3	14.2	4.8	10.6	12.8	14.0	7.0	11.1	107	102
Israel ^a	6.9	9.6	5.8	9.3	8.3	11.2	5.9	9.5	97	107
Italy ^a	4.3	6.3	5.3	3.8	8.7	6.1	6.9	2.8	98	109
Jamaica	1.1	5.1	3.1	10.2	0.7	3.6	2.9	9.8	105	100
Japan ^a	5.1	1.9	6.6	5.3	8.9	4.5	5.1	5.0	73	97
Jordan	1.8	4.0	-4.4	4.9	6.1	8.2	-1.9	6.2	85	108
Kazakhstan ^a	..	..	..	..	..	14.5	..	3.6	..	..
Kenya	1.7	6.0	2.0	11.4	-1.0	10.0	1.5	8.8	68	106
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	11.5	9.1	10.9	4.9	15.0	10.9	11.9	7.9	98	83
Kuwait	-2.0	19.2	-6.3	9.4	-7.6	19.7	-4.1	8.9	95	77
Kyrgyz Republic ^a	..	..	..	..	..	12.1	..	15.7	..	..
Lao PDR ^a	..	..	..	..	11.0	22.5	6.6	19.8	..	..
Latvia ^a	..	6.2	..	..	..	15.1	..	29.5	..	..
Lebanon	-3.6	3.9	-7.4	13.4	-3.6	6.6	-5.4	14.7	105	117
Lesotho	4.1	10.9	0.4	1.4	3.3	16.6	1.8	3.5	84	101
Libya	0.4	-5.3	-6.2	-2.0	-7.0	-5.2	-4.0	0.9	145	101
Lithuania ^a	..	..	..	..	..	15.9	..	23.9	..	..
Macedonia, FYR ^a	..	..	..	..	..	2.0	..	4.9	..	..
Madagascar	-3.1	-8.5	-4.7	-2.2	-1.0	-2.5	-2.8	0.3	99	125
Malawi	2.4	4.8	-0.2	1.5	2.0	3.5	3.2	0.7	116	109
Malaysia	14.6	15.5	6.0	13.2	8.6	14.1	7.7	12.3	102	99
Mali	4.4	10.9	3.1	6.8	6.0	7.3	2.9	5.7	122	99
Mauritania	3.8	6.6	-0.6	8.9	7.9	3.6	0.5	6.5	96	99
Mauritius	10.5	4.5	11.1	3.2	14.4	5.1	12.8	4.8	108	101
Mexico	17.6	15.3	3.0	11.3	8.2	16.1	8.6	13.5	113	99
Moldova ^a	..	..	..	..	..	9.1	..	11.8	..	..
Mongolia	3.1	..	0.9	..	5.0	-2.3	5.0	-2.2	..	..
Morocco	4.5	10.2	4.1	6.4	6.1	8.8	3.6	5.7	101	103
Mozambique	-9.6	10.8	-2.8	-4.2	-9.6	6.1	0.1	-1.4	161	104
Myanmar	-4.1	8.2	-6.5	22.9	-7.9	14.2	-4.5	27.5	94	99
Namibia ^a	..	..	..	..	..	4.6	..	0.9	..	..
Nepal ^a	..	..	..	..	8.1	8.2	6.9	11.5	..	..
Netherlands ^a	4.5	6.9	4.5	6.3	4.6	6.6	4.4	6.1	98	99
New Zealand ^a	3.5	5.0	4.3	6.0	6.2	5.4	5.4	7.0	103	98
Nicaragua	-4.8	13.1	-3.5	10.3	-5.8	14.1	-3.1	11.2	119	102
Niger	-5.2	2.8	-5.2	5.4	-5.4	-0.3	-3.5	0.7	90	100
Nigeria	-4.4	5.5	-21.4	7.1	-8.5	2.1	-15.6	7.6	162	87
Norway ^a	4.1	7.6	3.4	7.8	5.3	4.5	6.2	5.3	112	98
Oman	6.7	4.6	-1.7	5.0	2.9	3.4	0.7	8.3	158	97
Pakistan	-0.3	-3.7	-5.3	-3.0	8.1	6.6	3.0	4.5	91	114
Panama	-0.5	6.2	-6.7	9.4	-0.5	10.5	-3.6	9.2	69	109
Papua New Guinea	1.3	-5.3	..	..	4.9	6.8	1.3	1.2	..	..
Paraguay	12.8	0.0	10.4	16.3	11.6	4.6	4.2	16.2	87	113
Peru	2.7	8.6	-2.0	13.5	-1.5	10.5	1.3	14.5	93	90
Philippines	-7.5	18.6	-7.8	17.1	3.9	20.3	2.9	17.6	90	103
Poland ^a	4.8	8.4	1.5	20.4	1.4	10.7	-3.2	22.1	91	99
Portugal ^a	11.9	..	15.1	..	15.1	6.4	10.3	5.1	100	..
Puerto Rico	..	..	..	..	..	..	..	..	..	..
Romania ^a	..	..	..	..	-4.0	9.1	-3.8	7.6	..	..
Russian Federation ^a	..	..	..	..	..	12.8	..	12.9	..	..



4.4 Growth of merchandise trade

	Export volume		Import volume		Export value		Import value		Net barter terms of trade	
	average annual % growth		average annual % growth		average annual % growth		average annual % growth		1995 = 100	
	1980-90	1990-98	1980-90	1990-98	1980-90	1990-98	1980-90	1990-98	1990	1998
Rwanda	4.7	-11.2	2.3	0.7	1.1	-4.9	3.3	-1.1	50	134
Saudi Arabia	-6.3	4.3	-8.4	-2.0	-13.4	1.9	-6.1	0.8	168	88
Senegal	1.2	5.5	0.4	3.0	3.5	5.0	1.4	3.2	116	108
Sierra Leone	0.0	-32.4	-5.8	-8.2	-2.4	-30.3	-8.7	-4.6	120	99
Singapore	13.5	16.2	9.9	12.9	9.9	12.8	8.0	11.1	111	100
Slovak Republic ^a	..	..	..	..	..	12.2	..	15.9	..	..
Slovenia ^a	..	..	..	..	..	10.9	..	11.8	..	..
South Africa ^{a,d}	3.3	7.4	-0.8	7.9	0.7	3.2	-1.3	8.3	98	100
Spain ^a	3.0	12.1	8.4	6.0	10.8	10.0	10.6	5.6	96	103
Sri Lanka	-4.0	1.5	-6.2	3.9	5.5	12.9	2.7	11.1	83	122
Sudan	-3.0	14.3	-7.7	14.7	-2.5	9.6	-6.4	13.8	123	93
Sweden ^a	4.4	1.2	5.0	1.7	8.0	7.0	6.7	4.7	97	99
Switzerland ^a	3.7	..	4.3	..	9.5	3.2	8.8	1.9	..	..
Syrian Arab Republic	6.6	0.4	-11.7	5.9	2.4	-0.8	-8.5	7.0	131	90
Tajikistan	..	..	..	..	..	..	..	..	..	..
Tanzania	-2.5	6.6	-3.6	-2.0	-4.1	10.2	-2.1	2.2	105	91
Thailand	11.2	5.1	8.8	-1.0	14.0	12.5	12.7	7.1	103	93
Togo	-1.1	9.6	0.6	6.1	1.2	9.1	2.0	6.3	127	125
Trinidad and Tobago	-11.5	2.7	-20.2	10.2	-9.9	4.8	-12.0	11.7	117	105
Tunisia	5.0	4.8	1.7	3.4	3.5	7.2	2.7	6.0	103	101
Turkey	..	10.3	..	11.1	14.0	10.5	9.3	12.1	104	102
Turkmenistan	..	..	..	..	..	..	..	..	..	..
Uganda	-5.9	19.5	-9.6	31.7	-4.5	21.6	0.6	30.5	74	78
Ukraine ^a	..	..	..	..	..	10.9	..	14.9	..	..
United Arab Emirates	8.5	9.9	-1.3	9.4	-1.2	7.5	0.7	12.7	174	98
United Kingdom ^a	4.5	6.4	6.7	5.5	5.9	6.4	8.5	5.6	101	103
United States ^a	3.6	6.8	7.2	8.5	5.7	7.9	8.2	9.0	98	104
Uruguay	4.4	7.4	1.2	13.7	4.5	7.8	-1.2	13.9	100	103
Uzbekistan	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	3.1	6.1	-3.8	3.8	-4.6	3.7	-3.2	5.5	142	83
Vietnam	..	..	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..
Yemen, Rep. ^a	..	..	..	..	..	23.7	..	-2.4	..	..
Yugoslavia, FR (Serb./Mont.)	..	..	..	..	..	..	..	..	..	..
Zambia	-0.2	3.2	-1.5	-2.4	1.4	0.3	-3.5	-1.9	131	84
Zimbabwe	3.6	8.4	4.3	10.0	2.5	5.2	0.3	6.2	100	105

a. Data are from the International Monetary Fund's International Financial Statistics database. b. Includes Luxembourg. c. Data prior to 1990 refer to the Federal Republic of Germany before unification. d. Data refer to the South African Customs Union (Botswana, Lesotho, Namibia, South Africa, and Swaziland).



Growth of merchandise trade 4.4

About the data

Data on international trade in goods are recorded in each country's balance of payments and by customs services. While the balance of payments focuses on the financial transactions that accompany trade, customs data record the direction of trade and the physical quantities and value of goods entering or leaving the customs area. Customs data may differ from those recorded in the balance of payments because of differences in valuation and the time of recording. The 1993 System of National Accounts and the fifth edition of the International Monetary Fund's (IMF) *Balance of Payments Manual* (1993) have attempted to reconcile the definitions and reporting standards for international trade statistics, but differences in sources, timing, and national practices limit comparability. Real growth rates derived from trade volume indexes and terms of trade based on unit price indexes may therefore differ from those derived from national accounts aggregates.

Trade in goods, or merchandise trade, includes all goods that add to or subtract from an economy's material resources. Currency in circulation, titles of ownership, and securities are excluded, but monetary gold is included. Trade data are collected on the basis of a country's customs area, which in most cases is the same as its geographic area. Goods provided as part of foreign aid are included, but goods destined for extraterritorial agencies (such as embassies) are not.

Collecting and tabulating trade statistics is difficult. Some developing countries lack the capacity to report timely data. As a result, it is necessary to estimate their trade from the data reported by their partners. (For further discussion of the use of partner country reports see *About the data* for table 6.2.) In some cases economic or political concerns may lead national authorities to suppress or misrepresent data on certain trade flows, such as oil, military equipment, or the exports of a dominant producer. In other cases reported trade data may be distorted by deliberate under- or overinvoicing to effect capital transfers or avoid taxes. And in some regions smuggling and black market trading result in unreported trade flows.

By international agreement customs data are reported to the United Nations Statistics Division, which maintains the Commodity Trade (COMTRADE) database. The United Nations Conference on Trade and Development (UNCTAD) compiles a variety of international trade statistics, including price and volume indexes, based on the COMTRADE data. The IMF and the World Trade Organization also compile data on trade prices and volumes. The growth rates and terms of

trade for low- and middle-income economies shown in this table were calculated from index numbers compiled by UNCTAD. Volume measures for high-income economies were derived by deflating the value of trade using deflators from the IMF's *International Financial Statistics*. In some cases price and volume indexes from different sources may vary significantly as a result of differences in estimation procedures. All indexes are rescaled to a 1995 base year. Terms of trade were computed from the same indicators.

The terms of trade measure the relative prices of a country's exports and imports. There are a number of ways to calculate terms of trade. The most common is the net barter, or commodity, terms of trade, constructed as the ratio of the export price index to the import price index. When the net barter terms of trade increase, a country's exports are becoming more valuable or its imports cheaper.

Definitions

- **Growth rates of export and import volumes** are average annual growth rates calculated for low- and middle-income economies from UNCTAD's quantum index series and for high-income economies from export and import data deflated by the IMF's trade price deflators.
- **Growth rates of export and import values** are average annual growth rates calculated from UNCTAD's value indexes or from current values of merchandise exports and imports.
- **Net barter terms of trade** are calculated as the ratio of the export price index to the corresponding import price index measured relative to the base year 1995.

Data sources

The main source of trade data for developing countries is UNCTAD's annual *Handbook of International Trade and Development Statistics*. The IMF's *International Financial Statistics* includes data on the export and import values and deflators for high-income and selected developing economies.



4.5 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	
	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999
Albania	230	270	..	10	..	9	..	1	..	13	..	68
Algeria	12,930	11,900	0	0	0	0	96	96	0	0	3	3
Angola	3,910	3,950	0	..	0	..	93	..	6	..	0	..
Argentina	12,353	23,333	56	50	4	2	8	12	2	4	29	32
Armenia	..	235	..	8	..	4	..	9	..	13	..	63
Australia	39,752	56,080	20	24	10	6	18	19	16	17	16	29
Austria	41,265	63,467	3	5	4	3	1	1	3	3	88	83
Azerbaijan	..	930	..	8	..	9	..	69	..	1	..	13
Bangladesh	1,556	5,180	14	7	7	2	1	0	..	0	77	91
Belarus	..	5,920	..	7	..	3	..	9	..	1	..	75
Belgium ^a	117,703	178,811	9	10	2	1	3	2	4	3	77	78
Benin	288	389	..	15	..	80	..	1	..	0	..	3
Bolivia	926	1,045	19	26	8	4	25	6	44	23	5	41
Bosnia and Herzegovina	..	650	..	..	..	..	..	..	..	..	..	..
Botswana	1,784	2,500	..	..	..	..	..	..	..	..	..	..
Brazil	31,414	48,011	28	29	3	5	2	1	14	10	52	54
Bulgaria	5,030	4,060	..	14	..	0	..	8	..	11	..	61
Burkina Faso	152	254	..	..	..	..	..	..	..	..	..	..
Burundi	75	55	..	..	..	..	..	..	..	..	..	..
Cambodia	86	320	..	..	..	..	..	..	..	..	..	..
Cameroon	2,002	1,430	20	..	14	..	50	..	7	..	9	..
Canada	127,629	238,446	9	7	9	7	10	9	9	4	59	67
Central African Republic	120	195	..	..	..	..	..	..	..	..	..	..
Chad	188	305	..	..	..	..	..	..	..	..	..	..
Chile	8,372	15,616	24	29	9	9	1	0	55	43	11	17
China [†]	62,091	195,150	13	6	3	1	8	2	2	2	72	88
Hong Kong, China ^b	82,390	174,408	3	2	0	0	0	0	1	2	95	95
Colombia	6,766	11,576	33	24	4	5	37	40	0	1	25	31
Congo, Dem. Rep.	999	600	..	..	..	..	..	..	..	..	..	..
Congo, Rep.	981	1,650	..	..	..	..	..	..	..	..	..	..
Costa Rica	1,448	6,577	58	29	5	2	1	0	1	1	27	68
Côte d'Ivoire	3,072	4,077	..	..	..	..	..	..	..	..	..	..
Croatia	..	4,268	..	10	..	5	..	8	..	2	..	76
Cuba	5,100	1,630	..	..	..	..	..	..	..	..	..	..
Czech Republic	12,170	26,855	..	4	..	3	..	3	..	2	..	88
Denmark	36,870	49,043	27	21	3	3	3	4	1	1	60	66
Dominican Republic	2,170	5,200	21	..	0	..	0	..	0	..	78	..
Ecuador	2,714	4,451	44	53	1	5	52	33	0	0	2	9
Egypt, Arab Rep.	2,585	3,559	10	9	10	8	29	37	9	4	42	37
El Salvador	582	1,164	57	42	1	1	2	5	3	3	38	50
Eritrea	..	..	..	..	..	..	..	..	..	..	..	..
Estonia	..	2,940	..	11	..	11	..	4	..	5	..	69
Ethiopia	..	420	..	..	..	..	..	..	..	..	..	..
Finland	26,571	41,677	2	2	10	7	1	2	4	3	83	85
France	216,588	300,362	16	12	2	1	2	2	3	2	77	81
Gabon	2,204	2,600	..	..	..	..	..	..	..	..	..	..
Gambia, The	40	27	..	90	..	4	..	0	..	0	..	5
Georgia	..	240	..	..	..	..	..	..	..	..	..	..
Germany	421,100	541,514	5	4	1	1	1	1	3	2	89	84
Ghana	897	1,820	51	55	15	11	9	5	17	8	8	20
Greece	8,105	11,130	30	28	3	4	7	10	7	7	54	50
Guatemala	1,163	2,398	67	58	6	4	2	4	0	1	24	34
Guinea	671	880	..	8	..	1	..	0	..	71	..	20
Guinea-Bissau	19	49	..	..	..	..	..	..	..	..	..	..
Haiti	160	196	14	15	1	0	0	..	0	0	85	84
Honduras	831	1,249	82	62	4	5	1	0	4	1	9	32
† Data for Taiwan, China	67,142	121,637	4	1	2	1	1	1	1	1	93	95



Structure of merchandise exports 4.5

	Merchandise exports		Food		Agricultural raw materials		Fuels		Ores and metals		Manufactures	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999
Hungary	10,000	25,015	23	9	3	1	3	2	6	2	63	85
India	17,975	36,560	16	17	4	2	3	0	5	2	71	76
Indonesia	25,675	48,665	11	12	5	4	44	23	4	5	35	54
Iran, Islamic Rep.	16,870	16,200	..	..	..	..	..	..	..	..	..	..
Iraq	12,380	9,700	..	..	..	..	..	..	..	..	..	..
Ireland	23,743	70,387	22	9	2	1	1	0	1	0	70	85
Israel	12,080	25,794	8	3	3	2	1	1	2	1	87	93
Italy	170,304	230,613	6	7	1	1	2	1	1	1	88	89
Jamaica	1,135	1,131	19	24	0	0	1	0	10	6	69	70
Japan	287,581	419,363	1	1	1	0	0	0	1	1	96	94
Jordan	1,064	1,782	11	17	0	0	0	0	38	27	51	56
Kazakhstan	..	5,590	..	8	..	2	..	42	..	22	..	25
Kenya	1,031	1,850	49	58	6	8	13	8	3	3	29	23
Korea, Dem. Rep.	1,857	560	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	65,016	144,745	3	2	1	1	1	4	1	1	94	91
Kuwait	7,042	12,181	1	0	0	0	93	79	0	0	6	20
Kyrgyz Republic	..	455	..	16	..	6	..	12	..	6	..	20
Lao PDR	78	311	..	..	..	..	..	..	..	..	..	..
Latvia	..	1,725	..	6	..	30	..	3	..	4	..	57
Lebanon	494	677	..	..	..	..	..	..	..	..	..	..
Lesotho	59	200	..	..	..	..	..	..	..	..	..	..
Libya	13,877	9,090	0	0	0	0	94	95	0	0	5	5
Lithuania	..	3,005	..	11	..	3	..	15	..	2	..	67
Macedonia, FYR	..	1,200	..	16	..	2	..	1	..	9	..	72
Madagascar	319	243	73	36	4	6	1	2	8	4	14	50
Malawi	417	390	93	..	2	..	0	..	0	..	5	..
Malaysia	29,416	84,455	12	8	14	3	18	7	2	1	54	80
Mali	359	536	36	5	62	94	..	0	0	0	2	7
Mauritania	469	455	..	..	..	..	..	..	..	..	..	..
Mauritius	1,194	1,546	32	24	1	0	1	0	0	0	66	75
Mexico	40,711	136,703	12	5	2	1	38	7	6	1	43	85
Moldova	..	470	..	68	..	2	..	0	..	3	..	27
Mongolia	660	336	..	..	..	..	..	..	..	..	..	..
Morocco	4,265	7,350	26	31	3	3	4	2	15	15	52	49
Mozambique	126	250	..	..	..	..	..	..	..	..	..	..
Myanmar	325	1,125	51	..	36	..	0	..	2	..	10	..
Namibia	1,085	1,650	..	..	..	..	..	..	..	..	..	..
Nepal	210	590	13	6	3	0	..	..	0	0	83	90
Netherlands	131,775	200,357	20	17	4	4	10	7	3	2	59	70
New Zealand	9,488	12,452	47	46	18	13	4	2	6	5	23	33
Nicaragua	330	544	77	88	14	2	0	1	1	0	8	9
Niger	282	276	..	29	..	1	..	0	..	67	..	2
Nigeria	13,670	11,300	1	0	1	0	97	99	0	0	1	1
Norway	34,047	44,884	7	9	2	1	48	50	10	7	33	27
Oman	5,508	7,231	1	4	0	0	92	77	1	1	5	17
Pakistan	5,589	8,884	9	13	10	1	1	1	0	0	79	84
Panama	340	822	75	72	1	1	0	9	1	2	21	17
Papua New Guinea	1,144	1,877	22	48	9	8	0	0	58	35	10	9
Paraguay	959	741	52	70	38	14	0	0	0	0	10	15
Peru	3,230	6,114	21	30	3	3	10	5	47	40	18	21
Philippines	8,068	36,650	19	5	2	1	2	1	8	1	38	41
Poland	14,320	27,405	13	9	3	2	11	5	9	5	59	77
Portugal	16,417	23,901	7	7	6	3	3	2	3	1	80	87
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..
Romania	4,960	8,505	1	6	3	5	18	5	4	5	73	78
Russian Federation	..	74,300	..	1	..	4	..	41	..	11	..	25



4.5 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	
	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999
Rwanda	110	70	..	..	..	..	..	..	..	..	..	..
Saudi Arabia	44,417	50,500	1	1	0	0	92	85	0	1	7	13
Senegal	761	1,010	53	13	3	3	12	17	9	10	23	57
Sierra Leone	138	7	..	..	..	..	..	..	..	..	..	..
Singapore ^b	52,752	114,689	5	3	3	1	18	8	2	1	72	86
Slovak Republic	..	10,245	..	3	..	2	..	5	..	3	..	82
Slovenia	..	8,604	..	4	..	2	..	1	..	4	..	90
South Africa ^c	23,549	26,707	8	10	4	3	7	10	11	21	22	55
Spain	55,642	110,100	15	15	2	1	5	2	2	2	75	78
Sri Lanka	1,983	4,599	34	21	6	2	1	0	2	0	54	75
Sudan	374	755	61	67	38	27	..	0	0	0	1	3
Sweden	57,540	84,878	2	3	7	4	3	2	3	2	83	83
Switzerland	63,784	80,365	3	3	1	1	0	0	3	4	94	92
Syrian Arab Republic	4,212	3,464	14	15	5	5	45	68	1	1	36	7
Tajikistan	..	690	..	..	..	..	..	..	..	..	..	..
Tanzania	415	575	..	70	..	13	..	0	..	1	..	16
Thailand	23,070	58,392	29	17	5	3	1	2	1	1	63	74
Togo	268	220	23	21	21	34	0	0	45	27	9	18
Trinidad and Tobago	2,080	2,240	5	8	0	0	67	54	1	0	27	37
Tunisia	3,526	5,910	11	11	1	1	17	7	2	1	69	80
Turkey	12,959	26,028	22	15	3	1	2	1	4	2	68	78
Turkmenistan	..	1,600	..	..	..	..	..	..	..	..	..	..
Uganda	147	517	..	78	..	18	..	0	..	1	..	3
Ukraine	..	11,580	..	..	..	..	..	..	..	..	..	..
United Arab Emirates	20,730	29,500	8	..	1	..	5	..	39	..	46	..
United Kingdom	185,172	268,998	7	6	1	0	8	6	3	2	79	83
United States	393,592	695,215	11	8	4	2	3	2	3	2	74	83
Uruguay	1,693	2,232	40	51	21	9	0	1	0	0	39	38
Uzbekistan	..	2,000	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	17,497	19,852	2	3	0	0	80	81	7	4	10	12
Vietnam	2,404	11,523	..	..	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	692	2,300	75	5	10	1	8	93	7	0	1	1
Yugoslavia, FR (Serb./Mont.)	..	1,515	..	..	..	..	..	..	..	..	..	..
Zambia	1,309	680	..	..	..	..	..	..	..	..	..	..
Zimbabwe	1,726	2,110	44	51	7	10	1	2	16	11	31	27
World	3,345,931 t	5,442,226 t	10 w	8 w	3 w	2 w	8 w	5 w	4 w	3 w	74 w	79 w
Low income	108,352	174,118	15	15	4	3	28	20	4	3	48	52
Middle income	623,420	1,219,963	15	10	4	2	19	12	5	4	54	68
Lower middle income	267,420	537,227	19	9	4	2	11	15	4	5	59	62
Upper middle income	353,899	682,729	12	10	4	2	24	10	6	4	51	73
Low & middle income	731,493	1,394,132	15	10	4	2	20	14	5	4	54	66
East Asia & Pacific	220,817	585,640	12	7	5	2	10	5	2	2	68	81
Europe & Central Asia ^d	..	247,686	..	6	..	3	..	20	..	7	..	56
Latin America & Carib.	143,367	294,456	26	24	4	3	24	17	12	6	34	51
Middle East & N. Africa	127,739	135,767	3	4	1	1	78	73	3	1	17	21
South Asia	27,675	56,164	16	16	5	2	2	0	4	2	71	79
Sub-Saharan Africa	66,687	74,350	13	15	3	4	28	29	7	14	20	39
High income	2,610,188	4,048,257	8	7	3	2	5	3	3	2	79	82
Europe EMU	1,104,079	1,583,193	10	9	2	1	3	2	2	2	81	82

Note: Components may not sum to 100 percent because of unclassified trade.

a. Includes Luxembourg. b. Includes re-exports. c. Data on total merchandise exports for 1990 refer to the South African Customs Union (Botswana, Lesotho, Namibia, South Africa, and Swaziland); those for 1999 refer to South Africa only. Data on export commodity shares refer to the South African Customs Union. d. Data for 1999 include the intratrade of the Baltic states and the Commonwealth of Independent States.



Structure of merchandise exports 4.5

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. Moreover, 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 Commodity Trade (COMTRADE) database maintained by the United Nations Statistics Division. 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 report trade data in U.S. dollars. When countries report in local currency, the United Nations Statistics 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 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 re-exports. Because of differences in reporting practices, data on exports may not be fully comparable across economies.

The data on total exports of goods (merchandise) in this table come from the World Trade Organization (WTO). The WTO uses two main sources, national statistical offices and the IMF's *International Financial Statistics*. It supplements these with the COMTRADE database and publications or databases of regional organizations, specialized agencies, and economic groups (such as the Commonwealth of Independent States, the Economic Commission for Latin America and the Caribbean, Eurostat, the Food and Agriculture Organization, the Organisation for Economic Co-operation and Development, and the Organization of Petroleum Exporting Countries). It also consults private sources, such as country reports of the Economist Intelligence Unit and press clippings. In recent years country Web sites and direct contacts through email have helped to improve the collection of up-to-date statistics for many countries, reducing the

proportion of estimated figures. The WTO database now covers most of the major traders in Africa, Asia, and Latin America, which together with the high-income countries account for nearly 90 percent of total world trade. There has also been a remarkable improvement in the availability of recent, reliable, and standardized figures for countries in Europe and Central Asia.

The shares of exports by major commodity group were estimated by World Bank staff from the COMTRADE database. The values of total exports reported here have not been fully reconciled with the estimates of exports of goods and services from the national accounts (shown in table 4.9) or those from the balance of payments (table 4.15).

The classification of commodity groups is based on the Standard International Trade Classification (SITC) revision 1. Most countries now report using later revisions of the SITC or the Harmonized System. Concordance tables are used to convert data reported in one system of nomenclature to another. The conversion process may introduce some errors of classification, but conversions from later to early systems are generally reliable. Shares may not sum to 100 percent because of unclassified trade.

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.

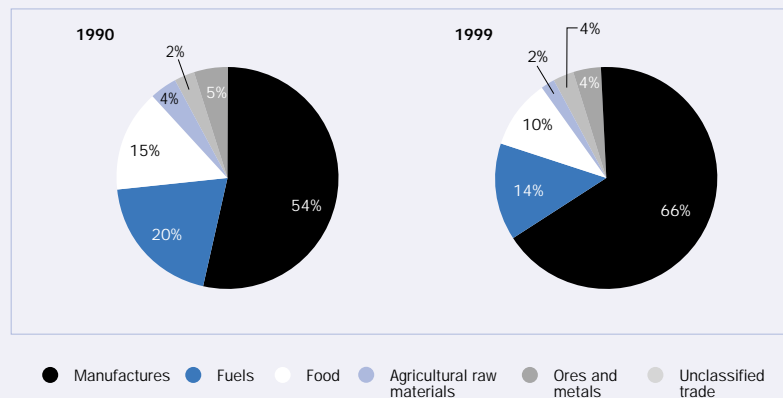
Data sources

The WTO publishes data on world trade in its *Annual Report*. 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 Statistics Division's *Monthly Bulletin of Statistics*. The United Nations Conference on Trade and Development (UNCTAD) publishes data on the structure of exports and imports in its *Handbook of International Trade and Development Statistics*. Tariff line records of exports and imports are compiled in the United Nations Statistics Division's COMTRADE database.

Figure 4.5

Manufactured exports are increasingly important for developing countries

% of merchandise exports



Source: World Trade Organization data.

In the past decade developing countries' manufactured exports increased from 54 percent to 66 percent of their merchandise exports.



4.6 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	
	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999
Albania	380	1,230	..	27	..	1	..	4	..	1	..	67
Algeria	9,712	9,800	24	27	5	3	1	2	2	1	68	67
Angola	1,578	2,330	..	..	..	..	..	..	..	..	..	..
Argentina	4,076	25,466	4	5	4	2	8	3	6	2	78	89
Armenia	..	800	..	26	..	1	..	22	..	1	..	50
Australia	42,032	69,113	5	5	2	1	5	6	1	1	80	86
Austria	49,146	68,763	5	6	3	3	6	4	4	3	81	84
Azerbaijan	..	1,035	..	16	..	2	..	6	..	1	..	75
Bangladesh	3,432	7,740	19	15	5	5	16	7	..	..	56	69
Belarus	..	6,665	..	12	..	3	..	23	..	4	..	56
Belgium ^a	119,702	166,798	10	10	2	2	8	5	6	4	68	78
Benin	265	643	..	25	..	5	..	21	..	1	..	49
Bolivia	687	1,755	12	8	2	1	1	5	1	1	85	86
Bosnia and Herzegovina	..	2,500	..	..	..	..	..	..	..	..	..	..
Botswana	1,946	2,300	..	..	..	..	..	..	..	..	..	..
Brazil	22,524	51,747	9	8	3	2	27	11	5	3	56	76
Bulgaria	5,100	5,475	8	9	3	3	36	30	4	6	49	50
Burkina Faso	536	670	..	..	..	..	..	..	..	..	..	..
Burundi	231	118	..	..	..	..	..	..	..	..	..	..
Cambodia	164	680	..	..	..	..	..	..	..	..	..	..
Cameroon	1,400	1,500	19	..	0	..	2	..	1	..	78	..
Canada	123,244	220,183	6	5	2	1	6	3	3	2	81	86
Central African Republic	154	300	..	..	..	..	..	..	..	..	..	..
Chad	285	320	..	..	..	..	..	..	..	..	..	..
Chile	7,678	15,137	4	7	2	1	16	9	1	1	75	81
China [†]	53,345	165,788	9	4	6	4	2	5	3	5	80	80
Hong Kong, China	84,725	180,716	8	5	2	1	2	2	2	2	85	90
Colombia	5,590	10,659	7	13	4	2	6	3	3	2	77	79
Congo, Dem. Rep.	887	370	..	..	..	..	..	..	..	..	..	..
Congo, Rep.	621	520	..	..	..	..	..	..	..	..	..	..
Costa Rica	1,990	6,320	8	7	2	1	10	5	2	2	66	69
Côte d'Ivoire	2,097	3,270	..	..	..	..	..	..	..	..	..	..
Croatia	..	7,774	..	8	..	1	..	11	..	2	..	73
Cuba	4,600	3,990	..	..	..	..	..	..	..	..	..	..
Czech Republic	12,880	28,825	..	6	..	2	..	7	..	3	..	82
Denmark	33,333	44,319	12	12	3	3	7	3	2	2	73	77
Dominican Republic	3,006	8,200	..	..	..	..	..	..	..	..	..	..
Ecuador	1,861	3,017	9	11	3	3	2	7	3	1	84	76
Egypt, Arab Rep.	9,216	16,022	32	23	7	4	3	6	2	3	56	59
El Salvador	1,263	3,130	14	19	3	2	16	11	4	1	63	66
Eritrea	..	..	..	..	..	..	..	..	..	..	..	..
Estonia	..	4,115	..	13	..	3	..	7	..	3	..	74
Ethiopia	1,081	1,740	..	..	..	..	..	..	..	..	..	..
Finland	27,001	31,507	5	6	2	3	12	9	4	5	76	75
France	234,436	290,098	10	9	3	2	10	7	4	3	74	80
Gabon	918	1,200	..	..	..	..	..	..	..	..	..	..
Gambia, The	199	192	..	44	..	2	..	6	..	1	..	46
Georgia	..	600	..	..	..	..	..	..	..	..	..	..
Germany	355,686	472,456	10	8	3	2	8	6	4	3	72	70
Ghana	1,205	3,505	11	12	1	3	17	18	0	1	70	66
Greece	19,777	30,215	15	13	3	2	8	6	3	2	70	76
Guatemala	1,649	4,382	10	13	2	1	17	10	2	1	69	75
Guinea	723	1,100	..	24	..	1	..	10	..	1	..	64
Guinea-Bissau	68	95	..	..	..	..	..	..	..	..	..	..
Haiti	332	1,025	..	..	..	..	..	..	..	..	..	..
Honduras	935	2,728	10	17	1	1	16	9	1	1	71	72
† Data for Taiwan, China	54,831	110,698	7	5	5	2	11	8	6	5	69	79



Structure of merchandise imports 4.6

	Merchandise imports		Food		Agricultural raw materials		Fuels		Ores and metals		Manufactures	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999
Hungary	10,340	28,010	8	3	4	1	14	6	4	2	70	86
India	23,642	44,589	3	9	4	3	27	20	8	6	51	54
Indonesia	21,837	24,004	5	11	5	7	9	10	4	3	77	69
Iran, Islamic Rep.	15,716	13,200	..	..	..	..	..	..	..	..	..	..
Iraq	7,660	6,800	..	..	..	..	..	..	..	..	..	..
Ireland	20,669	46,396	11	7	2	1	6	3	2	1	76	81
Israel	16,793	33,160	8	6	2	1	9	7	3	2	77	83
Italy	181,968	216,938	12	10	6	4	11	7	5	4	64	73
Jamaica	1,859	2,587	15	17	1	2	20	13	1	1	61	65
Japan	235,368	311,262	15	15	7	4	25	16	9	6	44	58
Jordan	2,600	3,728	26	23	2	2	18	9	1	2	51	63
Kazakhstan	..	3,685	..	10	..	1	..	9	..	3	..	77
Kenya	2,125	2,850	9	12	3	3	20	16	2	1	66	68
Korea, Dem. Rep.	2,930	880	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	69,844	119,750	6	6	8	4	16	19	7	7	63	64
Kuwait	3,972	7,617	17	17	1	1	1	1	2	2	79	79
Kyrgyz Republic	..	600	..	14	..	1	..	20	..	2	..	64
Lao PDR	201	525	..	..	..	..	..	..	..	..	..	..
Latvia	..	2,945	..	12	..	2	..	11	..	2	..	73
Lebanon	2,529	6,207	..	..	..	..	..	..	..	..	..	..
Lesotho	672	910	..	..	..	..	..	..	..	..	..	..
Libya	5,336	5,850	23	23	2	1	0	0	1	1	74	75
Lithuania	..	4,835	..	12	..	6	..	14	..	2	..	65
Macedonia, FYR	..	1,913	..	16	..	3	..	9	..	3	..	47
Madagascar	571	574	11	14	1	1	17	24	1	0	69	60
Malawi	581	660	9	20	1	1	11	10	1	1	78	68
Malaysia	29,258	64,966	7	6	1	1	5	3	4	3	82	85
Mali	619	751	26	19	1	1	19	21	1	1	53	58
Mauritania	387	330	..	..	..	..	..	..	..	..	..	..
Mauritius	1,618	2,138	12	14	3	2	8	7	1	1	76	76
Mexico	43,548	148,741	15	5	4	1	4	2	3	2	75	86
Moldova	..	570	..	6	..	2	..	37	..	1	..	53
Mongolia	924	426	..	..	..	..	..	..	..	..	..	..
Morocco	6,800	10,610	10	17	6	6	17	17	6	4	61	58
Mozambique	878	1,040	..	..	..	..	..	..	..	..	..	..
Myanmar	270	2,300	13	..	1	..	5	..	0	..	81	..
Namibia	1,163	1,700	..	..	..	..	..	..	..	..	..	..
Nepal	686	1,390	15	12	7	7	9	24	2	3	67	42
Netherlands	126,098	187,632	13	11	2	2	10	7	3	3	71	77
New Zealand	9,501	14,301	7	8	1	1	8	6	3	2	81	83
Nicaragua	638	1,846	19	19	1	1	19	8	1	1	59	71
Niger	388	396	..	39	..	4	..	15	..	2	..	41
Nigeria	5,627	10,370	6	27	1	1	0	2	2	3	67	67
Norway	27,231	34,041	6	7	2	2	4	3	6	5	82	82
Oman	2,681	4,674	19	23	1	1	4	1	1	2	69	70
Pakistan	7,546	10,782	17	17	4	6	21	21	4	2	54	53
Panama	1,539	3,516	12	12	1	0	16	12	1	1	70	75
Papua New Guinea	1,193	1,188	18	19	0	1	7	3	1	1	73	76
Paraguay	1,352	2,275	8	17	0	0	14	12	1	1	77	70
Peru	3,470	8,060	24	15	2	2	12	10	1	1	61	73
Philippines	13,041	32,546	10	8	2	2	15	8	3	3	53	60
Poland	11,570	45,910	8	7	3	2	22	7	4	3	63	80
Portugal	25,263	38,589	12	12	4	3	11	7	2	2	71	76
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..
Romania	7,600	10,390	12	7	4	1	38	10	6	3	39	77
Russian Federation	42,970	41,100	..	19	..	1	..	2	..	2	..	42



4.6 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	
	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999
Rwanda	288	270	..	..	..	..	..	..	..	..	..	..
Saudi Arabia	24,069	28,032	15	16	1	1	0	0	3	3	81	78
Senegal	1,219	1,530	29	29	2	2	16	10	2	2	51	57
Sierra Leone	149	81	..	..	..	..	..	..	..	..	..	..
Singapore	60,899	111,060	6	4	2	0	16	9	2	2	73	83
Slovak Republic	6,670	11,245	..	6	..	2	..	9	..	3	..	74
Slovenia	..	9,952	..	6	..	3	..	6	..	4	..	80
South Africa ^b	18,399	26,696	5	5	2	1	1	10	2	2	77	73
Spain	87,715	144,750	11	10	3	2	12	7	4	3	71	77
Sri Lanka	2,685	5,893	19	15	2	1	13	6	2	1	65	77
Sudan	618	1,412	13	15	1	1	20	10	0	1	66	72
Sweden	54,264	68,455	6	7	2	2	9	6	3	3	79	77
Switzerland	69,681	79,921	6	6	2	1	5	3	3	4	84	85
Syrian Arab Republic	2,400	3,832	31	22	2	3	3	3	1	1	62	59
Tajikistan	..	665	..	..	..	..	..	..	..	..	..	..
Tanzania	1,027	1,781	..	16	..	2	..	8	..	1	..	72
Thailand	33,379	50,305	5	5	5	3	9	10	4	3	75	78
Togo	581	620	22	17	1	1	8	40	1	2	67	40
Trinidad and Tobago	1,262	2,470	19	11	1	1	11	21	6	1	62	64
Tunisia	5,542	8,476	11	8	4	3	9	7	4	2	72	80
Turkey	22,302	40,404	8	5	4	3	21	11	5	4	61	73
Turkmenistan	..	1,080	..	9	..	1	..	7	..	2	..	81
Uganda	213	1,341	..	14	..	2	..	12	..	2	..	69
Ukraine	..	11,845	..	..	..	..	..	..	..	..	..	..
United Arab Emirates	11,199	28,870	14	..	1	..	3	..	4	..	77	..
United Kingdom	222,977	320,251	10	9	3	2	6	3	4	3	75	83
United States	516,987	1,059,126	6	5	2	2	13	8	3	2	73	80
Uruguay	1,343	3,357	7	11	4	3	18	11	2	1	69	74
Uzbekistan	..	2,250	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	7,335	14,789	11	13	4	2	3	2	4	2	77	81
Vietnam	2,752	11,600	..	..	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	1,571	2,380	27	35	1	2	40	6	1	1	31	55
Yugoslavia, FR (Serb./Mont.)	..	3,215	..	..	..	..	..	..	..	..	..	..
Zambia	1,220	720	..	..	..	..	..	..	..	..	..	..
Zimbabwe	1,847	2,830	4	9	3	2	16	12	2	3	73	75
World	3,419,027 t	5,617,403 t	9 w	8 w	3 w	2 w	11 w	7 w	4 w	3 w	71 w	76 w
Low income	113,973	176,435	7	14	3	4	17	13	..	..	64	63
Middle income	573,092	1,178,715	9	8	4	3	11	8	4	4	70	73
Lower middle income	280,285	516,326	10	9	5	3	9	7	3	3	70	70
Upper middle income	294,734	662,343	8	6	4	2	12	10	4	4	70	76
Low & middle income	685,604	1,355,237	9	8	4	3	11	9	4	3	70	73
East Asia & Pacific	230,492	477,062	7	5	5	3	9	10	4	5	73	74
Europe & Central Asia ^c	162,413	269,386	..	10	..	2	..	7	..	3	..	67
Latin America & Carib.	121,185	329,087	11	9	3	2	13	7	3	2	69	80
Middle East & N. Africa	101,723	126,197	19	..	3	..	6	..	3	..	69	..
South Asia	39,173	71,402	9	12	4	4	23	18	6	5	54	56
Sub-Saharan Africa	56,115	81,936	..	11	..	2	..	10	..	2	..	71
High income	2,722,931	4,262,008	9	8	3	2	11	7	4	3	72	77
Europe EMU	1,114,349	1,504,975	10	9	3	2	9	6	4	3	72	75

Note: Components may not sum to 100 percent because of unclassified trade.

a. Includes Luxembourg. b. Data on total merchandise imports for 1990 refer to the South African Customs Union (Botswana, Lesotho, Namibia, South Africa, and Swaziland); those for 1999 refer to South Africa only. Data on import commodity shares refer to the South African Customs Union. c. Data for 1999 include the intratrade of the Baltic states and the Commonwealth of Independent States.



Structure of merchandise imports 4.6

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 4.5.

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 Statistics 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 are excluded.

The data on total imports of goods (merchandise) in this table come from the World Trade Organization (WTO). The WTO uses two main sources, national statistical offices and the International Monetary Fund's (IMF) *International Financial Statistics*. It supplements these with the Commodity Trade (COMTRADE) database maintained by the United Nations Statistics Division and publications or databases of regional organizations, specialized agencies, and economic groups (such as the Commonwealth of Independent States, the Economic Commission for Latin America and the Caribbean, Eurostat, the Food and Agriculture Organization, the Organisation for Economic Co-operation and Development, and the Organization of Petroleum Exporting Countries). It also consults private sources, such as country reports of the Economist Intelligence Unit and press clippings. In recent years country Web sites and direct contacts through email have helped to improve the collection of up-to-date statistics for many countries, reducing the proportion of estimated figures. The WTO database now covers most of the major traders in

Africa, Asia, and Latin America, which together with the high-income countries account for nearly 90 percent of total world trade. There has also been a remarkable improvement in the availability of recent, reliable, and standardized figures for countries in Europe and Central Asia.

The shares of imports by major commodity group were estimated by World Bank staff from the COMTRADE database. The values of total imports reported here have not been fully reconciled with the estimates of imports of goods and services from the national accounts (shown in table 4.9) or those from the balance of payments (table 4.15).

The classification of commodity groups is based on the Standard International Trade Classification (SITC) revision 1. Most countries now report using later revisions of the SITC or the Harmonized System. Concordance tables are used to convert data reported in one system of nomenclature to another. The conversion process may introduce some errors of classification, but conversions from later to early systems are generally reliable. Shares may not sum to 100 percent because of unclassified trade.

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 (non-ferrous 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 WTO publishes data on world trade in its *Annual Report*. 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 Statistics Division's *Monthly Bulletin of Statistics*. The United Nations Conference on Trade and Development (UNCTAD) publishes data on the structure of exports and imports in its *Handbook of International Trade and Development Statistics*. Tariff line records of exports and imports are compiled in the United Nations Statistics Division's COMTRADE database.



4.7 Structure of service exports

	Commercial service exports		Transport		Travel		Other	
	\$ millions		% of total		% of total		% of total	
	1990	1999	1990	1999	1990	1999	1990	1999
Albania	32	253	18.8	6.3	12.5	83.4	68.8	10.7
Algeria	479	..	41.5	..	13.4	..	44.9	..
Angola	65	116	49.2	36.2	20.0	0.9	30.8	62.9
Argentina	2,264	4,288	51.1	22.9	39.9	67.6	9.1	9.5
Armenia	..	132	..	40.2	..	25.8	..	34.1
Australia	9,833	17,201	35.5	25.7	43.2	47.5	21.4	26.8
Austria	22,755	30,510	6.4	14.1	59.0	36.2	34.6	49.6
Azerbaijan	..	320	..	40.3	..	39.1	..	20.6
Bangladesh	296	266	12.8	35.3	6.4	18.8	80.4	45.9
Belarus	..	870	..	56.9	..	2.5	..	40.6
Belgium ^a	24,690	39,036	29.7	25.3	15.1	18.6	55.2	56.1
Benin	109	102	33.9	24.5	50.5	54.9	16.5	20.6
Bolivia	133	243	36.1	21.8	43.6	35.8	20.3	42.8
Bosnia and Herzegovina	..	..	..	..	..	..	..	..
Botswana	183	241	20.2	18.3	63.9	72.6	15.3	9.1
Brazil	3,706	6,763	36.4	24.9	37.3	19.9	26.3	55.2
Bulgaria	837	1,756	27.5	29.6	38.2	53.0	34.3	17.4
Burkina Faso	34	..	..	..	..	..	29.4	..
Burundi	7	3	42.9	66.7	42.9	33.3	14.3	33.3
Cambodia	50	118	..	39.8	100.0	45.8	0.0	14.4
Cameroon	369	..	42.5	..	14.4	..	43.1	..
Canada	18,350	34,161	23.0	18.5	34.7	29.8	42.3	51.7
Central African Republic	17	..	52.9	..	17.6	..	35.3	..
Chad	23	..	..	..	34.8	..	47.8	..
Chile	1,786	3,701	40.0	41.3	29.7	28.4	30.2	30.3
China [†]	5,748	23,695	47.1	10.2	30.2	59.5	22.7	30.3
Hong Kong, China	18,128	34,853	38.6	32.7	29.4	19.6	32.1	47.7
Colombia	1,548	1,840	31.3	28.3	26.2	50.4	42.5	21.3
Congo, Dem. Rep.	127	..	..	..	5.5	..	74.8	..
Congo, Rep.	65	45	53.8	57.8	12.3	6.7	33.8	37.8
Costa Rica	583	1,315	16.3	15.1	48.9	68.6	34.8	16.4
Côte d'Ivoire	425	454	62.4	26.4	12.0	23.1	25.4	50.4
Croatia	..	3,708	..	12.5	..	67.5	..	20.1
Cuba	743	2,350	..	..	74.0	77.3	26.1	22.7
Czech Republic	..	6,807	..	22.7	..	44.6	..	32.7
Denmark	12,731	15,823	32.5	43.4	26.2	22.6	41.3	33.9
Dominican Republic	1,086	2,829	5.6	2.5	66.9	89.2	27.5	8.3
Ecuador	508	763	47.6	37.6	37.0	45.0	15.4	17.4
Egypt, Arab Rep.	4,813	9,276	50.1	28.7	22.9	42.1	27.1	29.3
El Salvador	301	328	26.2	13.7	25.2	27.7	48.5	58.5
Eritrea	..	..	..	..	..	..	..	..
Estonia	200	1,486	75.0	47.0	13.5	36.9	11.5	16.0
Ethiopia	261	348	80.5	51.7	1.9	10.6	17.2	37.4
Finland	4,562	6,574	38.4	30.2	25.8	23.1	35.7	46.7
France	66,274	82,577	24.5	24.2	30.6	38.0	44.9	37.8
Gabon	214	..	33.2	..	1.4	..	65.0	..
Gambia, The	55	94	9.1	9.6	87.3	77.7	3.6	12.8
Georgia	..	278	..	24.8	..	67.6	..	7.6
Germany	51,605	79,305	28.6	25.2	27.9	21.1	43.5	53.7
Ghana	79	162	49.4	56.2	5.1	11.7	45.6	32.7
Greece	6,514	10,068	4.9	1.9	39.7	40.9	55.4	57.2
Guatemala	313	653	7.3	12.7	37.7	54.5	55.0	32.8
Guinea	91	36	14.3	52.8	33.0	5.6	53.8	41.7
Guinea-Bissau	4	6	..	..	0.0	50.0	75.0	33.3
Haiti	43	178	18.6	2.2	79.1	63.5	2.3	34.3
Honduras	121	416	34.7	13.7	24.0	43.5	40.5	42.8
† Data for Taiwan, China	6,937	14,518	33.5	24.8	25.1	24.5	41.4	50.7



Structure of service exports 4.7

	Commercial service exports		Transport		Travel		Other	
	\$ millions		% of total		% of total		% of total	
	1990	1999	1990	1999	1990	1999	1990	1999
Hungary	2,677	5,608	1.6	10.2	36.8	60.6	61.6	29.3
India	4,609	13,940	20.8	13.5	33.8	21.6	45.4	64.9
Indonesia	2,488	4,624	2.8	..	86.5	98.2	10.7	1.8
Iran, Islamic Rep.	343	902	10.5	46.5	8.2	1.3	81.3	52.2
Iraq	..	..	..	..	..	..	..	..
Ireland	3,286	13,985	31.0	9.8	44.4	18.3	24.5	71.9
Israel	4,546	10,309	30.8	21.9	30.7	28.8	38.5	49.4
Italy	48,579	61,177	21.0	16.0	33.9	44.7	45.2	39.3
Jamaica	976	1,795	18.0	14.8	76.9	69.8	4.9	15.4
Japan	41,384	60,313	42.9	38.0	8.7	5.7	48.4	56.3
Jordan	1,430	1,770	25.9	16.8	35.7	49.5	38.3	33.7
Kazakhstan	..	933	..	45.1	..	38.9	..	16.0
Kenya	774	632	32.0	45.9	60.1	47.6	7.8	6.6
Korea, Dem. Rep.	..	..	..	..	..	..	..	..
Korea, Rep.	9,155	24,822	34.7	45.2	34.5	22.8	30.7	32.0
Kuwait	1,054	1,416	87.5	76.8	12.5	17.2	0.0	6.0
Kyrgyz Republic	..	58	..	32.8	..	13.8	..	53.4
Lao PDR	11	116	72.7	16.4	27.3	81.9	0.0	1.7
Latvia	290	1,026	94.8	69.5	2.4	11.5	2.4	19.0
Lebanon	..	..	..	..	..	..	..	..
Lesotho	34	46	14.7	2.2	50.0	52.2	35.3	45.7
Libya	83	37	84.3	67.6	7.2	24.3	8.4	8.1
Lithuania	..	1,083	..	36.8	..	50.8	..	12.4
Macedonia, FYR	..	130	..	46.9	..	11.5	..	41.5
Madagascar	129	264	31.8	23.1	31.0	34.8	36.4	42.4
Malawi	37	..	45.9	..	43.2	..	10.8	..
Malaysia	3,769	11,986	31.8	23.5	44.7	29.3	23.6	47.2
Mali	71	62	31.0	37.1	53.5	41.9	14.1	21.0
Mauritania	14	24	35.7	4.2	64.3	83.3	0.0	16.7
Mauritius	478	1,065	32.8	23.2	51.0	51.0	15.9	25.8
Mexico	7,222	11,829	12.4	11.6	76.5	64.1	11.1	24.3
Moldova	..	105	..	43.8	..	36.2	..	20.0
Mongolia	48	73	41.7	39.7	10.4	49.3	47.9	12.3
Morocco	1,871	2,818	9.6	16.9	68.4	69.5	22.0	13.6
Mozambique	103	286	..	..	..	..	38.8	79.7
Myanmar	93	529	10.8	6.2	21.5	32.1	68.8	61.6
Namibia	106	315	..	..	81.1	91.4	18.9	8.6
Nepal	166	454	3.6	12.3	65.7	38.1	30.7	49.6
Netherlands	29,621	54,232	43.7	37.6	14.0	12.9	42.3	49.5
New Zealand	2,415	4,246	43.4	30.8	42.7	51.7	13.9	17.5
Nicaragua	34	255	20.6	11.0	35.3	49.0	47.1	40.0
Niger	22	..	..	..	59.1	..	36.4	..
Nigeria	965	980	3.8	12.0	2.6	5.5	93.6	82.4
Norway	12,452	15,406	68.7	62.0	12.6	14.9	18.7	23.1
Oman	68	18	14.7	..	85.3	..	0.0	0.0
Pakistan	1,218	1,446	59.3	57.1	12.1	7.1	28.7	35.8
Panama	907	1,589	64.8	56.5	19.0	24.4	16.2	19.2
Papua New Guinea	198	248	11.1	4.4	12.1	2.4	76.8	93.1
Paraguay	404	412	18.3	12.6	21.0	19.7	60.4	67.7
Peru	715	1,608	43.4	16.0	30.3	62.4	26.3	21.6
Philippines	2,897	4,778	8.5	12.0	16.1	53.4	75.4	34.5
Poland	3,200	9,961	57.3	21.4	11.2	43.4	31.5	35.2
Portugal	5,054	8,280	15.7	17.5	70.4	61.7	14.0	20.8
Puerto Rico	..	..	..	..	..	..	..	..
Romania	610	1,342	50.5	39.9	17.4	18.8	32.1	41.3
Russian Federation	..	9,087	..	33.3	..	41.1	..	25.6



4.7 Structure of service exports

	Commercial service exports		Transport		Travel		Other	
	\$ millions		% of total		% of total		% of total	
	1990	1999	1990	1999	1990	1999	1990	1999
Rwanda	31	31	58.1	29.0	32.3	67.3	9.7	9.7
Saudi Arabia	3,031	5,156	..	..	..	..	..	..
Senegal	356	329	19.1	16.1	42.7	49.2	38.2	34.7
Sierra Leone	45	..	8.9	..	75.6	..	13.3	..
Singapore	12,719	23,612	17.5	19.4	36.6	22.0	45.9	58.6
Slovak Republic	..	2,058	..	32.3	..	24.8	..	42.9
Slovenia	..	1,947	..	26.6	..	51.6	..	21.8
South Africa	3,442	4,780	33.7	22.4	53.3	52.8	13.0	24.7
Spain	27,649	53,001	17.2	14.2	67.2	61.1	15.6	24.7
Sri Lanka	425	888	39.8	45.0	30.1	25.9	30.1	29.1
Sudan	134	82	14.2	3.7	15.7	2.4	70.1	92.7
Sweden	13,453	18,408	35.8	24.8	21.7	22.8	42.6	52.4
Switzerland	18,232	26,319	11.8	11.8	40.6	29.1	47.5	59.2
Syrian Arab Republic	740	1,551	29.7	14.2	43.2	76.7	27.0	9.0
Tajikistan	..	..	..	..	..	..	..	..
Tanzania	131	636	19.8	11.3	36.6	74.8	43.5	13.8
Thailand	6,292	14,142	21.1	17.9	68.7	50.3	10.2	31.9
Togo	114	65	27.2	16.9	50.9	16.9	21.9	66.2
Trinidad and Tobago	322	574	50.6	35.2	29.5	35.0	19.9	29.8
Tunisia	1,575	2,763	23.0	21.7	64.8	66.1	12.2	12.2
Turkey	7,882	16,031	11.7	11.9	40.9	32.5	47.4	55.6
Turkmenistan	..	269	..	..	..	12.3	..	37.9
Uganda	21	165	..	13.3	..	81.8	100.0	4.8
Ukraine	..	3,771	..	81.5	..	8.7	..	9.8
United Arab Emirates	..	..	..	..	..	..	..	..
United Kingdom	53,172	101,517	25.5	18.5	29.3	22.8	45.2	58.7
United States	132,184	253,358	28.2	19.1	37.6	34.4	34.1	46.5
Uruguay	460	1,269	37.0	18.1	51.7	51.5	11.3	30.4
Uzbekistan	..	..	..	..	..	..	..	..
Venezuela, RB	1,121	1,297	40.9	21.4	44.2	74.1	14.9	4.5
Vietnam	182	2,609	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..
Yemen, Rep.	82	166	26.8	21.7	48.8	38.6	24.4	39.8
Yugoslavia, FR (Serb./Mont.)	..	..	..	..	..	..	..	..
Zambia	94	..	69.1	..	13.8	..	18.1	..
Zimbabwe	253	646	44.3	23.1	25.3	49.1	30.4	27.9
World	766,353 s	1,271,417 s	28.0 w	23.4 w	34.7 w	32.2 w	37.3 w	44.4 w
Low income	14,336	26,674	25.2	22.4	38.0	35.0	36.8	42.7
Middle income	96,783	210,882	29.0	23.1	43.3	44.8	27.7	32.1
Lower middle income	50,219	101,958	26.9	18.4	41.9	49.6	31.2	31.9
Upper middle income	46,564	108,924	31.5	27.7	44.8	40.1	23.6	32.3
Low & middle income	111,119	237,556	28.5	23.0	42.6	43.7	28.9	33.3
East Asia & Pacific	31,386	84,486	28.7	23.3	44.3	44.5	27.0	32.3
Europe & Central Asia	21,612	65,147	25.0	25.8	35.8	40.0	39.3	34.2
Latin America & Carib.	25,942	40,581	27.7	20.7	52.0	51.5	20.3	27.8
Middle East & N. Africa	15,595	23,831	33.8	24.8	40.3	51.7	26.0	23.6
South Asia	6,815	14,660	27.9	13.8	30.1	22.1	42.0	64.1
Sub-Saharan Africa	9,769	8,851	32.1	22.6	38.6	45.7	29.3	31.7
High income	655,234	1,033,861	27.9	23.4	33.3	29.5	38.8	47.1
Europe EMU	284,075	389,641	24.6	23.4	36.0	32.8	39.3	43.8

Note: Shares may not sum to 100 percent because of rounding.
a. Includes Luxembourg.



Structure of service exports 4.7

About the data

Balance of payments statistics, the main source of information on international trade in services, have many weaknesses. Some large economies—such as the former Soviet Union—did not report data on trade in services until recently. Disaggregation of important components may be limited, and it 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) has implemented the new classification of trade in services introduced in the fifth edition of its *Balance of Payments Manual* (1993).

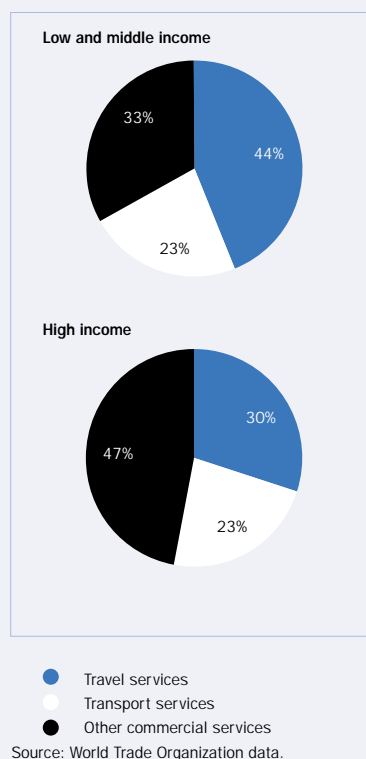
Still, difficulties in capturing all the dimensions of international trade in services mean that the record is likely to remain incomplete. Cross-border intrafirm service transactions, which are usually not captured in the balance of payments, are increasing rapidly as foreign direct investment expands 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 service 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.

The data on exports of services in this table and on imports of services in table 4.8, unlike those in editions before 2000, include only commercial services and exclude the category "government services not included elsewhere." The data are compiled by the World Trade Organization (WTO) from balance of payments statistics provided by the IMF and from national statistics. Estimates of missing data provided by the WTO are used to compute regional and income group aggregates but are not shown in the tables. Data on total trade in goods and services from the IMF's Balance of Payments database are shown in table 4.15.

Figure 4.7

Travel services are the most important service export from developing countries

% of commercial service exports, 1999



Definitions

- **Commercial service exports** are total service exports minus exports of government services not included elsewhere. International transactions in services are defined by the IMF's *Balance of Payments Manual* (1993) as the economic output of intangible commodities that may be produced, transferred, and consumed at the same time. Definitions may 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 nonresident 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. Travel services include the goods and services consumed by travelers, such as meals, lodging, and transport (within the economy visited).
- **Other commercial services** include such activities as insurance and financial services, 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; and personal, cultural, and recreational services.

Data sources

The data on exports of commercial services come from the WTO. Selected data appear in the WTO's *Annual Report*. The IMF publishes balance of payments data in its *International Financial Statistics* and *Balance of Payments Statistics Yearbook*.



4.8 Structure of service imports

	Commercial service imports		Transport		Travel		Other	
	\$ millions		% of total		% of total		% of total	
	1990	1999	1990	1999	1990	1999	1990	1999
Albania	29	152	27.6	59.2	1.7	7.9	72.4	32.9
Algeria	1,155	..	58.1	..	12.9	..	29.0	..
Angola	1,288	1,789	38.3	17.9	3.0	4.2	58.8	77.9
Argentina	2,876	8,184	32.6	28.7	40.7	50.8	26.7	20.5
Armenia	..	171	..	62.0	..	15.8	..	22.8
Australia	13,388	17,874	33.9	33.8	31.5	33.6	34.7	32.6
Austria	14,104	28,274	8.4	10.2	54.9	32.2	36.7	57.6
Azerbaijan	..	692	..	28.0	..	24.6	..	47.4
Bangladesh	554	1,305	71.1	70.7	14.1	16.2	15.0	13.2
Belarus	..	431	..	30.9	..	28.8	..	40.4
Belgium ^a	24,298	36,584	24.9	19.8	22.5	28.7	52.6	51.6
Benin	113	170	46.9	65.9	13.3	9.4	40.7	24.7
Bolivia	291	435	61.5	60.7	20.6	17.2	17.5	22.3
Bosnia and Herzegovina	..	..	..	..	..	..	..	..
Botswana	371	517	57.4	42.2	15.1	24.4	27.5	33.5
Brazil	6,733	11,924	44.4	37.4	22.4	24.1	33.2	38.5
Bulgaria	600	1,465	40.5	44.0	31.5	35.8	28.0	20.3
Burkina Faso	196	..	64.8	..	16.3	..	18.9	..
Burundi	59	33	62.7	60.6	28.8	30.3	8.5	9.1
Cambodia	64	190	25.0	57.4	..	4.2	75.0	38.4
Cameroon	1,018	..	45.3	..	27.4	..	27.3	..
Canada	27,479	38,469	21.1	21.1	39.8	29.5	39.2	49.4
Central African Republic	166	..	50.0	..	30.7	..	19.9	..
Chad	223	..	45.3	..	31.4	..	23.8	..
Chile	1,983	3,959	47.4	51.3	21.5	24.2	31.1	24.4
China [†]	4,113	30,666	78.9	25.8	11.4	35.4	9.7	38.8
Hong Kong, China	11,018	24,456	30.0	24.9	43.2	53.9	26.7	21.3
Colombia	1,683	3,221	34.9	34.8	27.0	33.4	38.1	31.8
Congo, Dem. Rep.	689	..	44.3	..	2.3	..	53.4	..
Congo, Rep.	748	553	18.4	43.0	15.1	9.2	66.4	47.7
Costa Rica	540	1,168	41.3	42.6	28.9	35.0	30.0	22.3
Côte d'Ivoire	1,518	1,307	32.1	42.2	11.1	17.9	56.8	39.9
Croatia	..	2,029	..	18.9	..	35.1	..	46.0
Cuba	375	536	..	..	..	..	..	..
Czech Republic	..	5,624	..	14.2	..	26.2	..	59.6
Denmark	10,106	15,201	38.3	42.4	36.5	32.1	25.2	25.5
Dominican Republic	435	1,351	40.0	59.2	33.1	20.0	26.9	20.8
Ecuador	755	1,264	41.6	32.4	23.2	21.4	35.2	46.2
Egypt, Arab Rep.	3,327	5,959	44.0	35.7	3.9	18.1	52.1	46.2
El Salvador	296	630	45.9	47.8	20.6	17.3	33.4	34.9
Eritrea	..	..	..	..	..	..	..	..
Estonia	123	829	76.4	44.6	15.4	25.9	8.1	29.4
Ethiopia	348	405	76.4	56.0	3.2	11.4	20.1	32.6
Finland	7,432	7,556	26.1	26.4	37.2	26.9	36.6	46.7
France	50,455	63,118	34.7	31.1	24.4	29.5	40.8	39.5
Gabon	984	..	23.3	..	13.9	..	62.9	..
Gambia, The	36	58	63.9	55.2	22.2	27.6	11.1	17.2
Georgia	..	335	..	23.9	..	67.5	..	8.7
Germany	79,214	132,816	21.6	18.4	42.8	36.4	35.6	45.2
Ghana	226	433	54.9	61.9	5.8	5.5	38.9	32.6
Greece	2,756	4,976	34.0	29.1	39.5	31.6	26.5	39.3
Guatemala	363	760	41.0	47.9	27.5	24.1	31.7	28.0
Guinea	243	236	57.2	42.4	12.3	10.2	30.5	47.5
Guinea-Bissau	17	24	52.9	66.7	17.6	4.2	23.5	29.2
Haiti	71	370	47.9	88.1	52.1	10.0	0.0	2.2
Honduras	213	427	45.5	63.5	17.8	14.1	37.1	22.7
† Data for Taiwan, China	13,923	23,475	27.0	24.8	35.8	31.5	37.2	43.7



Structure of service imports 4.8

	Commercial service imports		Transport		Travel		Other	
	\$ millions		% of total		% of total		% of total	
	1990	1999	1990	1999	1990	1999	1990	1999
Hungary	2,264	4,188	8.8	10.7	25.8	28.5	65.3	60.8
India	5,943	17,185	57.5	40.6	6.6	11.7	35.9	47.7
Indonesia	5,898	11,303	47.4	27.0	14.2	20.4	38.4	52.6
Iran, Islamic Rep.	3,703	2,392	47.3	54.5	9.2	6.4	43.5	39.1
Iraq	..	..	..	..	..	..	..	..
Ireland	5,145	26,069	24.3	9.1	22.6	9.4	53.1	81.4
Israel	4,825	10,812	39.6	39.5	29.7	24.1	30.7	36.4
Italy	46,602	58,376	23.7	21.7	22.1	28.0	54.2	50.4
Jamaica	667	1,264	47.8	42.6	17.1	16.4	35.1	40.9
Japan	84,281	114,173	31.6	26.8	29.6	28.7	38.8	44.5
Jordan	1,118	1,584	52.1	35.8	30.1	28.7	17.9	35.5
Kazakhstan	..	1,104	..	36.2	..	35.7	..	28.2
Kenya	598	583	66.2	49.6	6.4	22.0	27.4	28.5
Korea, Dem. Rep.	..	..	..	..	..	..	..	..
Korea, Rep.	10,050	26,106	39.8	38.5	27.5	11.3	32.7	50.1
Kuwait	2,805	4,093	31.9	36.3	65.5	61.3	2.6	2.4
Kyrgyz Republic	..	177	..	52.5	..	1.7	..	45.8
Lao PDR	25	92	72.0	41.3	12.8	25.0	28.0	33.7
Latvia	120	628	82.5	30.4	10.8	42.7	6.7	26.9
Lebanon	..	..	..	..	..	..	..	..
Lesotho	48	50	68.8	74.0	25.0	26.0	8.3	2.0
Libya	926	915	41.9	50.2	45.8	36.5	12.4	13.3
Lithuania	..	747	..	28.5	..	45.6	..	25.8
Macedonia, FYR	..	297	..	48.5	..	10.4	..	41.1
Madagascar	172	326	43.6	43.6	23.3	36.5	33.1	20.2
Malawi	268	..	82.1	..	6.0	..	12.3	..
Malaysia	5,394	14,322	46.9	32.3	26.9	13.7	26.2	54.1
Mali	352	324	57.4	69.1	15.6	13.0	26.7	17.9
Mauritania	126	130	77.0	36.9	18.3	32.3	4.8	30.0
Mauritius	407	651	51.6	34.9	23.1	28.7	25.3	36.4
Mexico	10,063	13,796	25.0	41.6	54.9	32.9	20.2	25.5
Moldova	..	156	..	32.7	..	37.2	..	30.1
Mongolia	155	140	56.1	61.4	0.6	29.3	43.2	9.3
Morocco	940	1,541	58.3	40.6	19.9	29.8	21.9	29.7
Mozambique	206	396	57.8	27.0	0.0	..	42.2	73.0
Myanmar	72	429	36.1	32.9	22.2	6.3	41.7	61.1
Namibia	341	449	46.9	33.4	17.9	19.6	35.2	47.0
Nepal	159	202	40.9	36.6	28.3	35.1	30.8	28.2
Netherlands	28,995	47,465	37.7	30.1	25.4	23.6	36.9	46.2
New Zealand	3,251	4,496	40.6	32.9	29.5	33.2	30.0	33.8
Nicaragua	73	319	71.2	45.8	20.5	24.5	9.6	29.8
Niger	209	..	67.9	..	10.5	..	21.5	..
Nigeria	1,901	3,311	33.6	19.8	30.3	18.7	36.1	61.4
Norway	12,247	17,683	44.6	37.0	30.0	29.5	25.3	33.5
Oman	719	1,303	36.6	42.1	6.5	3.6	56.9	54.3
Pakistan	1,863	2,424	67.0	71.6	23.1	14.6	9.9	13.8
Panama	666	1,057	66.7	59.5	14.9	17.4	18.6	23.1
Papua New Guinea	393	728	35.6	24.9	12.7	7.3	51.7	67.9
Paraguay	361	464	61.5	59.3	19.7	27.2	18.6	13.6
Peru	1,071	2,050	43.4	39.1	27.6	23.9	28.9	37.0
Philippines	1,721	7,492	56.9	25.9	6.4	17.5	36.6	56.6
Poland	2,847	7,622	52.4	22.2	14.9	10.8	32.8	67.0
Portugal	3,772	6,519	48.5	31.3	23.0	34.7	28.6	34.0
Puerto Rico	..	..	..	..	..	..	..	..
Romania	787	1,753	65.6	32.6	13.1	22.5	21.3	44.9
Russian Federation	..	12,427	..	14.5	..	55.0	..	30.5



4.8 Structure of service imports

	Commercial service imports		Transport		Travel		Other	
	\$ millions		% of total		% of total		% of total	
	1990	1999	1990	1999	1990	1999	1990	1999
Rwanda	96	115	68.8	60.9	24.0	14.8	7.3	25.2
Saudi Arabia	12,694	9,452	..	..	..	..	..	..
Senegal	368	389	60.1	60.9	12.5	13.6	27.4	25.7
Sierra Leone	67	..	29.9	..	32.8	..	37.3	..
Singapore	8,575	18,768	41.0	33.5	21.0	24.7	38.0	41.8
Slovak Republic	..	1,797	..	21.4	..	18.9	..	59.7
Slovenia	..	1,569	..	24.0	..	37.8	..	38.2
South Africa	4,096	5,207	49.3	43.8	27.6	34.7	23.1	21.5
Spain	15,197	29,998	30.8	25.8	28.0	18.4	41.2	55.8
Sri Lanka	620	1,325	64.2	59.8	11.9	15.2	23.9	24.9
Sudan	202	270	31.7	81.9	25.2	13.0	42.6	5.2
Sweden	16,959	23,006	23.2	17.4	37.1	35.3	39.7	47.3
Switzerland	11,086	16,106	24.1	21.9	53.0	44.7	22.9	33.4
Syrian Arab Republic	702	1,297	54.4	48.7	35.5	44.7	10.1	6.6
Tajikistan	..	..	..	..	..	..	..	..
Tanzania	288	773	58.0	23.7	8.0	55.8	34.0	20.6
Thailand	6,160	13,970	58.1	38.3	23.2	21.3	18.7	40.4
Togo	217	149	56.7	71.8	18.4	2.0	24.4	26.2
Trinidad and Tobago	460	235	51.7	52.8	26.5	28.5	21.7	18.7
Tunisia	682	1,106	51.5	52.0	26.2	21.6	22.4	26.4
Turkey	2,794	8,376	32.2	27.5	18.6	17.6	49.2	55.0
Turkmenistan	..	669	..	22.9	..	18.7	..	58.3
Uganda	195	693	58.5	34.9	..	19.8	41.5	45.3
Ukraine	..	2,292	..	15.6	..	15.9	..	68.5
United Arab Emirates	..	..	..	..	..	..	..	..
United Kingdom	44,608	81,376	33.2	28.9	41.1	44.7	25.6	26.4
United States	97,940	180,415	36.2	30.9	38.9	34.3	24.9	34.7
Uruguay	363	850	48.2	41.5	30.6	32.9	21.2	25.6
Uzbekistan	..	..	..	..	..	..	..	..
Venezuela, RB	2,390	4,824	33.5	30.9	42.8	50.8	23.7	18.3
Vietnam	126	3,156	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..
Yemen, Rep.	493	510	45.2	55.7	13.0	16.3	42.0	28.0
Yugoslavia, FR (Serb./Mont.)	..	..	..	..	..	..	..	..
Zambia	370	..	76.8	..	14.6	..	8.6	..
Zimbabwe	460	754	51.7	54.1	14.3	18.4	33.7	27.5
World	791,441 s	1,259,694 s	32.5 w	27.7 w	32.1 w	31.0 w	35.4 w	41.3 w
Low income	28,554	41,532	50.6	34.2	14.0	16.2	35.3	49.6
Middle income	119,543	220,835	40.3	32.3	22.4	26.3	37.2	41.4
Lower middle income	51,693	101,734	42.0	30.1	12.6	30.1	45.3	39.8
Upper middle income	67,850	119,101	38.7	34.3	31.6	22.8	29.6	42.9
Low & middle income	148,097	262,367	42.6	32.6	20.6	24.6	36.8	42.8
East Asia & Pacific	34,483	104,917	51.2	31.7	20.9	21.4	27.8	46.8
Europe & Central Asia	24,333	51,360	24.8	21.0	8.6	30.1	66.6	48.9
Latin America & Carib.	33,099	51,955	37.3	40.1	35.7	30.7	27.0	29.2
Middle East & N. Africa	27,432	21,146	48.5	40.0	15.8	22.2	35.7	37.8
South Asia	9,176	18,692	60.7	42.7	11.2	12.3	28.2	45.1
Sub-Saharan Africa	19,574	14,297	45.8	33.9	18.0	25.1	36.1	41.0
High income	643,344	997,327	30.3	26.4	34.7	32.8	35.1	40.9
Europe EMU	275,214	400,191	26.9	22.1	32.2	29.1	40.9	48.8

Note: Shares may not sum to 100 percent because of rounding.
a. Includes Luxembourg.



Structure of service imports 4.8

About the data

Trade in services differs from trade in goods because services are produced and consumed at the same time. Thus services to a traveler may be consumed in the producing country (for example, use of a hotel room) but are classified as imports of the traveler's country. In other cases services may be supplied from a remote location; for example, insurance services may be supplied from one location and consumed in another. For further discussion of the problems of measuring trade in services see *About the data* for table 4.7.

The data on exports of services in table 4.7 and on imports of services in this table, unlike those in editions before 2000, include only commercial services and exclude the category "government services not included elsewhere." The data are compiled by the World Trade Organization (WTO) from balance of payments statistics provided by the International Monetary Fund (IMF) and from national statistics. Estimates of missing data provided by the WTO are used to compute regional and income group aggregates but are not shown in the tables.

Definitions

- **Commercial service imports** are total service imports minus imports of government services not included elsewhere. International transactions in services are defined by the IMF's *Balance of Payments Manual* (1993) as the economic output of intangible commodities that may be produced, transferred, and consumed at the same time. Definitions may 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 nonresident 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. Travel services include the goods and services consumed by travelers, such as meals, lodging, and transport (within the economy visited).
- **Other commercial services** include such activities as insurance and financial services, 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; and personal, cultural, and recreational services.

Data sources

The data on imports of commercial services come from the WTO. Selected data appear in the WTO's *Annual Report*. The IMF publishes balance of payments data in its *International Financial Statistics and Balance of Payments Statistics Yearbook*.



4.9 Structure of demand

	Household final consumption expenditure		General government final consumption expenditure		Gross capital formation		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	
	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999
Albania	61	90	19	11	29	17	15	11	23	30	21	-2
Algeria	56	51	16	17	29	27	23	28	25	23	27	32
Angola	36	36	34	32	12	24	39	57	21	48	30	32
Argentina	77	70	3	13	14	19	10	10	5	11	20	17
Armenia	46	99	18	11	47	19	35	21	46	50	36	-9
Australia	59	60	19	18	22	25	17	19	17	21	22	22
Austria	54	56	19	20	24	24	40	45	39	46	27	24
Azerbaijan	..	66	..	12	..	40	..	34	..	51	..	23
Bangladesh	86	79	4	5	17	22	6	13	14	19	10	17
Belarus	45	59	26	20	27	24	46	62	44	65	29	21
Belgium	54	54	21	21	23	21	71	76	70	72	25	25
Benin	87	84	11	10	14	18	14	17	26	28	2	6
Bolivia	77	76	12	15	13	19	23	17	24	27	11	9
Bosnia and Herzegovina	..	100	..	..^a	..	35	..	27	..	62	..	0
Botswana	39	58	24	28	32	20	55	28	50	33	37	14
Brazil	59	62	19	19	20	20	8	11	7	12	21	19
Bulgaria	60	73	18	16	26	19	33	44	37	52	22	11
Burkina Faso	77	77	15	14	21	28	13	11	26	29	8	10
Burundi	95	84	11	16	15	9	8	9	28	18	-5	0
Cambodia	91	86	7	9	8	15	6	34	13	44	2	5
Cameroon	67	71	13	10	18	19	20	24	17	25	21	19
Canada	57	58	23	19	21	20	26	44	26	41	21	23
Central African Republic	86	81	15	12	12	14	15	17	28	24	-1	7
Chad	89	95	10	8	16	10	13	17	29	30	0	-3
Chile	62	65	10	12	25	21	35	29	31	27	28	23
China	50	47	12	13	35	37	18	22	14	19	38	40
Hong Kong, China	57	60	7	10	27	25	134	133	126	128	36	31
Colombia	66	68	9	21	19	13	21	18	15	19	24	11
Congo, Dem. Rep.	79	83	12	8	9	8	30	24	29	22	9	9
Congo, Rep.	62	60	14	11	16	22	54	78	46	70	24	30
Costa Rica	61	63	18	13	27	17	35	54	41	47	21	24
Côte d'Ivoire	72	66	17	11	7	16	32	44	27	38	11	23
Croatia	74	57	24	27	10	23	78	41	86	48	2	16
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	49	53	23	20	25	28	45	64	43	65	28	27
Denmark	49	50	26	26	20	20	36	37	31	33	25	24
Dominican Republic	80	75	5	8	25	25	34	30	44	39	15	17
Ecuador	69	65	9	10	17	13	33	37	27	26	23	24
Egypt, Arab Rep.	73	76	11	10	29	23	20	16	33	24	16	14
El Salvador	89	86	10	10	14	16	19	25	31	37	1	4
Eritrea	98	71	33	51	5	47	20	10	57	79	-31	-21
Estonia	62	58	16	24	30	25	60	77	54	83	22	19
Ethiopia	74	81	19	16	12	18	8	14	12	29	7	3
Finland	51	51	22	21	29	20	23	37	24	29	27	28
France	55	55	22	24	23	19	21	26	22	24	22	22
Gabon	50	49	13	17	22	28	46	45	31	38	37	35
Gambia, The	76	84	14	14	22	18	60	51	72	67	11	2
Georgia	..	90	..	12	..	17	..	27	..	46	..	-2
Germany	57	58	19	19	24	22	26	29	26	28	24	23
Ghana	85	83	9	11	14	23	17	34	26	50	5	6
Greece	71	69	16	15	23	23	19	19	28	25	13	16
Guatemala	84	85	7	6	14	17	21	19	25	27	10	9
Guinea	70	77	12	7	18	17	31	21	31	23	18	15
Guinea-Bissau	87	91	10	11	30	16	10	26	37	44	3	-2
Haiti	93	98	8	6	12	11	16	12	29	28	-1	-4
Honduras	66	69	14	11	23	33	36	43	40	57	20	19



Structure of demand 4.9

	Household final consumption expenditure		General government final consumption expenditure		Gross capital formation		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	
	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999
Hungary	61	63	11	10	25	29	31	53	29	55	28	26
India	66	68	12	12	25	23	7	12	10	15	23	20
Indonesia	59	62	9	6	31	24	25	35	24	27	32	32
Iran, Islamic Rep.	62	64	11	14	29	18	22	21	24	16	27	23
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	58	49	16	14	21	23	57	88	52	74	26	37
Israel	56	60	30	29	25	21	35	36	45	45	14	11
Italy	58	60	20	18	22	20	20	26	20	24	22	22
Jamaica	62	65	14	18	28	26	52	49	56	59	24	17
Japan	58	61	9	10	32	26	11	10	10	9	33	28
Jordan	74	73	25	25	32	21	62	44	93	62	1	3
Kazakhstan	52	72	18	6	32	18	74	45	75	40	30	23
Kenya	67	76	19	17	20	14	26	24	31	31	14	7
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	53	56	10	10	38	27	29	42	30	35	37	34
Kuwait	57	50	39	27	18	12	45	47	58	37	4	22
Kyrgyz Republic	71	78	25	19	24	18	29	42	50	57	4	3
Lao PDR	..	81	..	5	..	25	..	37	..	49	..	13
Latvia	53	66	9	19	40	26	48	47	49	58	39	15
Lebanon	140	98	25	15	18	28	18	11	100	51	-64	-13
Lesotho	137	115	14	20	53	47	17	27	121	109	-51	-35
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania	57	65	19	22	33	23	52	40	61	50	24	13
Macedonia, FYR	72	74	19	19	19	21	26	41	36	56	9	7
Madagascar	86	87	8	8	17	13	17	25	27	33	6	5
Malawi	75	88	16	12	20	15	25	27	35	43	10	-1
Malaysia	52	42	14	11	32	22	75	122	72	97	34	47
Mali	80	77	14	13	23	21	17	25	34	36	6	10
Mauritania	69	78	26	15	20	18	46	39	61	49	5	7
Mauritius	65	66	12	11	31	28	65	64	72	69	24	23
Mexico	70	68	8	10	23	23	19	31	20	32	22	22
Moldova	58	74	15	19	29	22	32	50	34	65	27	7
Mongolia	57	63	30	18	34	26	21	50	42	55	13	21
Morocco	65	61	15	19	25	24	26	30	32	34	19	20
Mozambique	101	82	12	11	16	33	8	12	36	38	-12	7
Myanmar	89	90	.. ^a	.. ^a	13	11	3	0	5	1	11	10
Namibia	51	64	31	26	34	20	52	53	68	64	18	9
Nepal	83	77	9	10	18	20	11	23	21	30	8	13
Netherlands	47	50	24	23	24	22	58	61	55	56	28	27
New Zealand	63	65	17	15	19	19	28	31	27	30	20	20
Nicaragua	59	94	43	18	19	43	25	34	46	89	-2	-12
Niger	84	81	15	15	8	10	15	16	22	22	1	4
Nigeria	56	67	15	15	15	24	43	37	29	42	29	18
Norway	49	48	21	21	23	24	41	39	34	33	30	30
Oman	27	..	38	..	13	..	53	..	31	..	35	..
Pakistan	74	78	15	12	19	15	16	15	23	20	11	10
Panama	60	60	18	16	17	33	38	33	34	41	21	24
Papua New Guinea	59	66	25	13	24	18	41	45	49	42	16	21
Paraguay	77	82	6	9	23	23	33	23	39	37	17	9
Peru	74	69	8	11	16	22	16	15	14	17	18	20
Philippines	72	67	10	13	24	19	28	51	33	50	18	20
Poland	50	65	19	15	25	26	28	26	21	32	32	20
Portugal	63	64	16	19	27	25	33	31	40	40	20	16
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..
Romania	66	70	13	15	30	20	17	30	26	34	21	16
Russian Federation	49	53	21	14	30	15	18	46	18	28	30	33



4.9 Structure of demand

	Household final consumption expenditure		General government final consumption expenditure		Gross capital formation		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	
	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999
Rwanda	84	89	10	13	15	14	6	6	14	21	6	-1
Saudi Arabia	40	39	31	30	20	19	46	40	36	28	30	31
Senegal	76	76	15	11	14	19	25	33	30	39	9	13
Sierra Leone	82	95	10	11	9	0	24	14	25	20	8	-6
Singapore	46	39	10	10	37	33	202	..	195	..	44	52
Slovak Republic	54	54	22	19	33	32	27	62	36	67	24	27
Slovenia	55	55	19	21	17	28	84	53	74	57	26	24
South Africa	63	63	20	19	12	16	24	25	19	23	18	18
Spain	..	59	..	17	..	24	..	28	..	28	..	23
Sri Lanka	76	71	10	9	22	27	30	35	38	43	14	20
Sudan	..	..	..	..	..	..	..	..	..	..	..	..
Sweden	48	51	28	27	24	17	30	44	29	38	24	22
Switzerland	57	61	14	14	28	21	36	40	36	36	29	25
Syrian Arab Republic	70	70	14	11	15	29	28	29	27	40	16	18
Tajikistan	..	77	..	10	..	9	..	68	..	63	..	13
Tanzania ^b	81	86	18	12	26	17	13	13	37	28	1	2
Thailand	57	56	9	11	41	21	34	57	42	45	34	33
Togo	71	85	14	11	27	13	33	30	45	40	15	4
Trinidad and Tobago	59	62	12	11	13	21	45	50	29	44	29	27
Tunisia	58	60	16	16	32	27	44	42	51	44	25	24
Turkey	69	65	11	15	24	23	13	23	18	27	20	20
Turkmenistan	49	62	23	12	40	46	..	42	..	62	28	26
Uganda	92	85	8	10	13	16	7	11	19	23	1	5
Ukraine	57	57	17	22	27	20	28	53	29	52	26	21
United Arab Emirates	39	..	16	..	20	..	65	..	40	..	45	..
United Kingdom	63	66	20	18	20	18	24	26	27	27	18	16
United States	67	67	17	14	18	20	10	11	11	13	16	18
Uruguay	70	73	12	14	12	15	24	18	18	20	18	14
Uzbekistan	61	75	25	10	32	15	29	19	48	19	13	16
Venezuela, RB	62	70	8	8	10	16	39	22	20	15	29	22
Vietnam	86	70	8	7	13	25	26	44	33	52	6	23
West Bank and Gaza	..	93	..	26	..	39	..	17	..	75	..	-19
Yemen, Rep.	77	71	19	17	15	19	16	39	27	45	4	12
Yugoslavia, FR (Serb./Mont.)	..	..	..	..	..	..	..	..	..	..	..	..
Zambia	64	92	19	10	17	17	36	22	37	41	17	-1
Zimbabwe	63	74	19	15	17	11	23	45	23	46	17	11
World	60 w	62 w	16 w	15 w	24 w	23 w	19 w	27 w	19 w	25 w	24 w	25 w
Low income	66	68	12	11	24	22	17	24	20	26	21	20
Middle income	59	59	14	15	26	24	21	29	20	26	27	26
Lower middle income	57	57	13	14	30	26	21	31	22	28	30	30
Upper middle income	60	61	15	15	23	22	21	27	19	25	25	23
Low & middle income	60	61	14	14	26	23	21	28	20	26	26	25
East Asia & Pacific	54	53	11	11	35	30	26	38	26	32	35	36
Europe & Central Asia	55	60	18	16	28	21	23	40	24	37	26	25
Latin America & Carib.	65	66	13	15	19	20	14	17	12	18	21	19
Middle East & N. Africa	57	56	20	20	24	22	34	30	35	27	23	24
South Asia	69	70	12	11	24	22	9	13	13	17	20	18
Sub-Saharan Africa	66	68	18	17	15	18	27	29	26	31	16	15
High income	60	62	16	16	23	22	19	22	19	21	23	23
Europe EMU	56	57	20	20	23	21	28	33	28	31	24	23

a. Data on general government final consumption expenditure are not available separately; they are included in household final consumption expenditure. b. Data cover mainland Tanzania only.



Structure of demand 4.9

About the data

Gross domestic product (GDP) from the expenditure side is made up of household final consumption expenditure, general government final consumption expenditure, gross capital formation (private and public investment in fixed assets and changes in inventories), and net exports (exports minus imports) of goods and services. Such expenditures are recorded in purchaser prices and so include net taxes on products.

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 but instead derive some of the main aggregates indirectly using GDP (based on the production approach) as the control total.

Household final consumption expenditure (private consumption in previous editions) is often estimated as a residual, by subtracting from GDP all other known expenditures. The resulting aggregate may incorporate fairly large discrepancies. When household consumption is calculated separately, the household surveys on which many 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. The *World Development Indicators* includes in household consumption the expenditures of nonprofit institutions serving households.

General government final consumption expenditure (general government consumption in previous editions) includes expenditures on goods and services for individual consumption as well as those on services for collective consumption. Defense expenditures, including those on capital outlays—with certain exceptions—are treated as current spending.

Gross capital formation (gross domestic investment in previous editions) consists of outlays on additions to the economy's fixed assets plus net changes in the level of inventories. The 1993 United Nations System of National Accounts (1993 SNA) recognizes a third category of capital formation: net acquisition of valuables. Included in gross capital formation under the 1993 SNA guidelines are capital outlays on defense establishments that may be used by the general public, such as schools, airfields, and hospitals. These expenses were treated as consumption in the earlier version of the SNA. Data on capital formation 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 data on fixed capital formation by government depends on the quality of government accounting systems (which tend to be weak in developing countries), measures of fixed capital formation by households and corporations—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 household final consumption expenditure. According to national accounts conventions, adjustments should be made for appreciation of the value of inventory holdings due to price changes, but this is not always done. In highly inflationary economies this element can be substantial.

Data on exports and imports are compiled from customs reports and balance of payments data. 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 definitions of valuation and timing used in 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 usually 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.

Domestic savings, a concept used by the World Bank, represent the difference between GDP and total consumption. Domestic savings also satisfy this fundamental identity: exports minus imports equal domestic savings minus capital formation. Domestic savings differ from savings as defined in the national accounts; this SNA concept represents the difference between disposable income and consumption.

For further discussion of the problems in 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

- **Household final consumption expenditure** is the market value of all goods and services, including durable products (such as cars, washing machines, and home computers), purchased by households. It excludes purchases of dwellings but includes imputed rent for owner-occupied dwellings. It also includes payments and fees to governments to obtain permits and licenses. Here, household consumption expenditure includes the expenditures of nonprofit institutions serving households, even when reported separately by the country. In practice, household consumption expenditure may include any statistical discrepancy in the use of resources relative to the supply of resources.
- **General government final consumption expenditure** includes all government current expenditures for purchases of goods and services (including compensation of employees). It also includes most expenditures on national defense and security, but excludes government military expenditures that are part of government capital formation.
- **Gross capital formation** 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 schools, offices, hospitals, private residential dwellings, and commercial and industrial buildings. Inventories are stocks of goods held by firms to meet temporary or unexpected fluctuations in production or sales, and "work in progress." According to the 1993 SNA, net acquisitions of valuables are also considered capital formation.
- **Exports and imports of goods and services** represent the value of all goods and other market services provided to or received from the rest of the world. They include the value of merchandise, freight, insurance, transport, travel, royalties, license fees, and other services, such as communication, construction, financial, information, business, personal, and government services. They exclude labor and property income (formerly called factor services) as well as transfer payments.
- **Gross domestic savings** are calculated as GDP less total consumption.

Data sources

The national accounts indicators for most developing countries are collected from national statistical organizations and central banks by visiting and resident World Bank missions. The data for high-income economies come from OECD data files (see the OECD's *National Accounts, 1988–1998*, volumes 1 and 2). The United Nations Statistics Division publishes detailed national accounts for United Nations member countries in *National Accounts Statistics: Main Aggregates and Detailed Tables* and updates in the *Monthly Bulletin of Statistics*.



4.10 Growth of consumption and investment

	Household final consumption expenditure				Household final consumption expenditure per capita		General government final consumption expenditure		Gross capital formation	
	\$ millions		average annual % growth		average annual % growth		average annual % growth		average annual % growth	
	1990	1999	1980-90	1990-99	1980-90	1990-99	1980-90	1990-99	1980-90	1990-99
Albania	1,271	3,320	..	4.4	..	4.0	..	-1.9	-0.3	23.7
Algeria	34,865	24,559	1.9	1.0	-1.1	-1.0	4.7	3.6	-2.3	-0.8
Angola	3,674	2,296	-0.1	-3.8	..	..	6.7	-2.0	-5.1	10.8
Argentina	109,038	198,055	..	3.3	..	2.0	..	1.3	-5.2	9.4
Armenia	2,005	1,761	..	-5.6	..	-6.3	..	-2.9	..	-1.8
Australia	181,286	221,538	3.1	3.6	1.5	2.4	3.6	2.5	3.6	6.6
Austria	90,609	117,288	2.4	2.0	2.2	1.5	1.4	1.4	2.2	2.6
Azerbaijan	..	2,623	..	-0.7	..	-1.7	..	4.9	..	..
Bangladesh	24,988	35,601	4.7	2.7	2.2	1.1	5.0	4.9	1.4	9.1
Belarus	15,537	15,640	..	-2.2	..	-2.0	..	-3.1	..	-9.0
Belgium	107,952	133,147	1.7	1.4	1.6	1.1	0.5	1.3	3.2	1.6
Benin	1,602	1,979	1.9	4.2	-1.3	1.3	0.5	3.6	-5.3	5.0
Bolivia	3,741	6,344	1.2	3.6	-0.9	1.2	-3.8	3.6	1.0	9.5
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..
Botswana	1,473	3,489	5.9	5.4	2.4	2.8	13.6	5.2	13.8	-1.3
Brazil	275,761	464,530	1.6	4.3	-0.4	2.9	7.3	-1.5	0.2	3.2
Bulgaria	11,566	9,277	4.4	-1.5	4.4	-0.9	6.7	-11.0	2.4	0.2
Burkina Faso	2,141	1,978	2.6	3.4	0.1	1.0	6.2	2.6	8.6	5.9
Burundi	1,070	603	3.4	-1.8	0.5	-4.0	3.2	-1.6	6.9	-1.8
Cambodia	1,016	2,463	..	..	..	..	..	..	..	..
Cameroon	7,432	6,525	3.5	2.3	0.6	-0.4	6.8	-0.3	-2.6	0.0
Canada	323,850	366,938	3.3	2.5	2.1	1.5	2.5	-0.1	5.2	4.7
Central African Republic	1,274	855	1.5	..	..	..	-1.7	..	10.0	..
Chad	1,482	1,454	5.3	0.7	..	..	14.5	-2.5	..	4.9
Chile	18,759	43,992	2.0	7.3	0.3	5.7	0.4	4.4	6.4	11.1
China	174,249	475,926	8.8	8.8	7.2	7.7	9.8	9.4	10.8	12.4
Hong Kong, China	42,422	94,703	6.7	4.2	5.3	2.1	5.0	4.1	4.0	6.3
Colombia	26,357	58,812	2.6	3.0	0.5	1.0	4.2	9.7	1.4	5.2
Congo, Dem. Rep.	7,398	4,784	3.4	-6.6	0.0	-9.6	0.0	-16.1	-5.1	-2.6
Congo, Rep.	1,746	1,320	3.3	-0.5	0.4	-3.3	2.5	-6.5	-12.6	4.7
Costa Rica	4,406	9,613	2.9	5.0	0.1	2.9	1.1	1.8	5.3	4.9
Côte d'Ivoire	7,766	7,394	1.5	1.5	-2.0	-1.3	-0.1	1.9	-10.4	16.2
Croatia	13,527	11,715	..	..	..	..	..	..	..	..
Cuba	..	..	..	..	..	..	..	..	..	..
Czech Republic	17,195	28,349	..	2.5	..	2.6	..	-1.1	..	5.1
Denmark	65,430	87,937	1.4	2.7	1.4	2.2	0.9	2.4	4.7	4.4
Dominican Republic	5,633	13,070	1.6	5.0	-0.6	3.1	1.9	15.1	3.5	5.0
Ecuador	7,323	12,414	1.9	1.6	-0.7	-0.5	-1.4	-1.4	-3.8	-0.1
Egypt, Arab Rep.	30,933	66,131	4.6	4.1	2.0	2.1	3.1	2.5	0.0	6.4
El Salvador	4,273	10,704	0.8	5.5	-0.2	3.4	0.1	3.1	2.2	7.6
Eritrea	430	457	..	..	..	..	..	..	..	..
Estonia	4,074	3,028	..	-0.4	..	0.7	..	4.8	..	-2.3
Ethiopia	5,081	5,208	0.2	3.3	-2.8	1.1	4.5	5.5	2.1	12.1
Finland	68,939	65,275	3.9	1.7	3.4	1.3	3.2	0.8	3.4	0.7
France	672,960	784,791	2.2	1.1	1.7	0.7	2.6	1.9	3.3	0.4
Gabon	2,961	2,115	1.5	0.6	-1.8	-1.9	-0.6	6.2	-5.7	4.2
Gambia, The	240	330	-2.9	3.3	-6.3	-0.1	1.7	-4.0	0.0	5.8
Georgia	..	2,458	..	..	..	..	..	..	..	..
Germany	1,003,506	1,219,501	..	1.3	..	1.0	..	1.2	..	1.1
Ghana	5,016	6,446	2.8	4.0	-0.6	1.3	2.4	4.0	3.3	3.7
Greece	60,704	86,666	2.4	1.8	1.9	1.4	2.7	1.6	-0.8	5.5
Guatemala	6,398	15,423	1.2	4.3	-1.3	1.6	2.6	4.7	-1.8	6.0
Guinea	1,982	2,897	..	3.5	..	0.9	..	2.2	..	2.4
Guinea-Bissau	212	199	0.8	3.1	-1.3	0.8	7.2	0.9	12.9	-13.0
Haiti	2,785	4,210	0.9	-0.9	-1.0	-3.0	-4.4	-1.7	-0.6	2.2
Honduras	2,026	3,741	2.7	3.1	-0.5	0.2	3.3	0.5	2.9	7.5



Growth of consumption and investment 4.10

	Household final consumption expenditure				Household final consumption expenditure per capita		General government final consumption expenditure		Gross capital formation	
	\$ millions		average annual % growth		average annual % growth		average annual % growth		average annual % growth	
	1990	1999	1980-90	1990-99	1980-90	1990-99	1980-90	1990-99	1980-90	1990-99
Hungary	20,290	30,642	1.3	-0.8	1.7	-0.5	1.9	1.0	-0.9	9.4
India	214,302	304,210	4.6	4.9	2.5	3.0	7.7	6.4	6.5	6.5
Indonesia	67,388	88,166	5.6	6.2	3.7	4.4	4.6	0.2	6.7	3.7
Iran, Islamic Rep.	74,476	70,406	2.8	2.9	-0.6	1.2	-5.0	6.2	-2.5	2.3
Iraq	..	..	..	..	..	..	..	..	..	..
Ireland	27,957	45,806	2.2	5.1	1.9	4.3	-0.3	3.6	..	8.9
Israel	32,112	60,054	5.4	6.5	3.6	3.6	0.5	3.1	2.2	5.7
Italy	634,194	697,264	2.9	1.2	2.8	1.0	2.9	0.0	2.1	0.9
Jamaica	2,637	4,493	4.5	-0.9	3.3	-1.8	6.2	2.8	-0.1	4.7
Japan	1,721,698	2,328,143	3.7	1.7	3.2	1.4	2.4	2.2	5.3	0.5
Jordan	2,978	5,880	2.3	5.4	-1.5	1.2	2.3	6.5	-1.5	2.0
Kazakhstan	..	11,179	..	..	..	..	..	-2.3	..	-11.9
Kenya	5,309	7,619	4.6	2.3	1.0	-0.1	2.6	9.8	0.4	3.7
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	132,113	226,822	8.0	5.1	6.8	4.0	5.2	3.2	11.9	1.6
Kuwait	10,459	14,878	-1.4	..	..	..	2.2	..	-4.5	..
Kyrgyz Republic	..	971	..	-7.5	..	-8.4	..	-10.5	..	-5.8
Lao PDR	..	882	..	..	..	..	..	..	..	..
Latvia	6,578	4,103	..	..	..	..	5.0	8.4	3.4	-2.9
Lebanon	3,961	16,930	..	7.2	..	5.3	..	7.4	..	18.4
Lesotho	855	1,007	3.6	3.4	1.1	1.1	3.2	6.6	5.3	2.3
Libya	..	..	..	..	..	..	..	..	..	..
Lithuania	7,527	6,905	..	..	..	..	..	..	..	..
Macedonia, FYR	..	2,549	..	1.6	..	0.9	..	-0.3	..	2.2
Madagascar	2,649	3,275	-0.6	2.0	-3.3	-0.9	0.5	0.8	4.9	1.1
Malawi	1,345	1,597	1.5	5.8	-1.7	3.0	6.3	-4.8	-2.8	-8.9
Malaysia	22,806	32,832	3.3	5.4	0.4	2.8	2.7	5.2	3.1	6.2
Mali	1,933	1,987	1.0	2.6	-1.5	0.1	7.9	3.8	3.6	-1.4
Mauritania	705	744	1.4	3.7	-1.2	0.9	-3.8	-1.3	6.9	7.8
Mauritius	1,707	2,802	6.7	4.5	5.8	3.3	3.3	3.8	9.0	2.6
Mexico	182,791	329,144	1.1	1.9	-1.0	0.2	2.4	1.5	-3.3	3.8
Moldova	2,328	855	..	7.1	..	7.3	..	-2.7	..	-17.6
Mongolia	..	578	..	..	..	..	..	..	..	..
Morocco	16,833	21,206	4.3	2.8	2.0	1.0	2.1	3.2	1.2	1.8
Mozambique	2,530	3,273	-3.2	5.0	-4.6	2.6	-2.1	-6.2	3.8	10.7
Myanmar	..	..	0.6	3.9	..	..	..	..	-4.1	14.7
Namibia	1,188	1,981	1.3	2.8	-1.4	0.2	3.7	2.6	-2.9	2.5
Nepal	3,028	3,851	4.5	4.0	1.8	1.5	7.2	6.0	6.0	7.2
Netherlands	142,467	197,322	1.7	2.7	1.2	2.1	2.1	1.4	3.1	2.2
New Zealand	27,300	34,403	2.0	3.0	1.1	1.8	1.5	2.0	0.8	7.1
Nicaragua	592	2,127	-3.6	5.1	-6.2	2.2	3.4	-2.9	-4.8	11.9
Niger	2,079	1,641	0.0	2.3	-3.2	-1.1	4.4	0.8	-7.1	3.9
Nigeria	15,816	23,379	-2.6	1.7	-5.5	-1.1	-3.5	0.9	-8.5	4.0
Norway	57,047	74,153	2.2	3.3	1.9	2.8	2.3	2.4	0.7	5.5
Oman	2,810	..	..	..	..	..	..	..	25.5	..
Pakistan	28,561	44,577	4.5	5.1	1.8	2.5	10.3	0.7	5.8	1.8
Panama	3,022	5,449	4.2	4.9	2.1	3.1	1.2	2.3	-8.9	12.3
Papua New Guinea	1,902	2,358	0.4	4.9	-1.7	2.5	-0.1	2.2	-0.9	1.3
Paraguay	4,063	6,336	2.4	4.0	-0.7	1.3	1.5	6.2	-0.8	0.7
Peru	19,376	36,059	1.4	4.2	-0.8	2.4	-0.9	5.4	-3.8	9.6
Philippines	31,566	55,313	2.6	3.7	0.4	1.4	0.6	3.6	-2.1	3.6
Poland	28,281	100,282	..	5.2	..	5.1	..	3.5	..	10.6
Portugal	44,562	71,340	2.5	2.9	2.4	2.8	5.0	2.1	..	4.1
Puerto Rico	19,827	..	3.5	..	..	..	5.1	..	6.9	..
Romania	25,232	23,693	..	0.4	..	0.8	..	1.3	..	-6.4
Russian Federation	282,978	211,044	..	1.5	..	1.7	..	-0.9	..	-20.7



4.10 Growth of consumption and investment

	Household final consumption expenditure				Household final consumption expenditure per capita		General government final consumption expenditure		Gross capital formation	
	\$ millions		average annual % growth		average annual % growth		average annual % growth		average annual % growth	
	1990	1999	1980-90	1990-99	1980-90	1990-99	1980-90	1990-99	1980-90	1990-99
Rwanda	2,162	1,734	1.4	1.1	-1.6	-0.4	5.2	-4.2	4.3	2.1
Saudi Arabia	41,621	54,115	..	..	..	..	..	..	..	..
Senegal	4,353	3,634	2.1	3.3	-0.8	0.6	3.3	-0.4	5.2	4.5
Sierra Leone	734	633	0.1	-2.3	..	..	0.0	-4.5	-1.1	-9.7
Singapore	16,972	34,336	5.8	5.9	4.1	3.9	6.6	8.3	3.1	8.5
Slovak Republic	8,350	10,647	3.8	0.3	3.5	0.1	4.8	1.4	0.3	8.2
Slovenia	6,917	11,094	..	3.9	..	4.0	..	3.1	..	10.8
South Africa	70,283	82,058	2.4	2.6	-0.2	0.6	3.5	0.7	-5.3	3.0
Spain	308,673	354,308	2.5	1.8	2.2	1.6	5.4	2.0	5.7	1.7
Sri Lanka	6,098	11,356	3.8	6.0	2.4	4.7	7.3	7.4	0.6	6.3
Sudan	..	..	0.0	..	..	..	-0.5	..	-1.8	..
Sweden	116,747	120,642	1.8	0.7	1.5	0.3	1.5	0.3	4.4	0.6
Switzerland	130,900	160,623	1.6	0.7	1.1	0.0	3.1	0.7	3.9	0.3
Syrian Arab Republic	8,607	9,815	3.6	2.3	0.2	-0.6	-3.6	5.4	-5.3	7.9
Tajikistan	..	1,433	..	..	..	..	..	..	..	..
Tanzania ^a	3,526	7,395	..	2.8	..	-0.1	..	-8.6	..	-2.8
Thailand	48,270	68,814	5.9	4.2	4.1	3.3	4.2	5.2	9.5	-2.9
Togo	1,158	1,201	4.7	4.3	1.6	1.3	-1.2	-1.0	2.7	-2.0
Trinidad and Tobago	2,975	4,267	-1.3	-1.6	-2.5	-2.3	-1.7	1.3	-10.1	18.2
Tunisia	7,152	12,578	2.9	4.1	0.3	2.5	3.8	4.0	-1.8	3.3
Turkey	103,378	125,395	..	3.7	..	2.2	..	4.0	..	4.2
Turkmenistan	..	..	..	..	..	..	..	..	..	..
Uganda	4,002	5,463	2.6	6.5	0.0	3.3	2.0	8.0	8.0	9.0
Ukraine	52,131	22,182	..	-8.0	..	-7.6	..	-4.7	..	-22.4
United Arab Emirates	12,726	..	4.6	..	..	..	-3.9	..	-8.7	..
United Kingdom	617,733	949,599	4.0	2.6	3.8	2.3	0.8	0.9	6.4	4.0
United States	3,842,000	5,836,800	3.8	3.2	2.9	1.9	2.8	0.5	4.4	6.7
Uruguay	6,525	15,096	0.7	5.6	0.1	4.8	1.8	2.6	-6.6	8.0
Uzbekistan	13,321	13,196	..	..	..	..	..	..	..	..
Venezuela, RB	30,171	71,750	1.3	0.4	-1.2	-1.8	2.0	-0.8	-5.3	3.5
Vietnam	5,597	19,690	..	9.1	..	7.2	..	10.9	..	22.4
West Bank and Gaza	..	4,155	..	3.3	..	-0.6	..	13.2	..	5.0
Yemen, Rep.	3,582	4,869	..	0.6	..	-2.8	..	-1.3	..	7.7
Yugoslavia, FR (Serb./Mont.)	..	..	..	..	..	..	..	..	..	..
Zambia	2,078	2,763	1.8	-3.5	-1.3	-6.0	-3.4	-6.9	-4.3	4.5
Zimbabwe	5,543	4,153	3.7	1.1	0.3	-1.1	4.7	-4.0	3.5	-1.6
World	13,027,651 t	18,183,811 t	3.4 w	2.6 w	1.7 w	1.2 w	2.9 w	1.4 w	4.0 w	2.7 w
Low income	570,956	714,434	3.8	3.7	1.4	1.6	5.6	2.5	4.3	1.3
Middle income	2,008,046	3,267,270	3.3	4.1	1.6	2.8	5.0	2.2	1.9	1.9
Lower middle income	993,993	1,484,153	..	4.6	..	3.4	3.9	4.9	4.4	0.0
Upper middle income	1,024,681	1,785,270	2.5	3.7	0.7	2.2	5.5	0.4	0.4	4.4
Low & middle income	2,572,276	3,979,084	3.4	4.0	1.4	2.4	5.1	2.2	2.2	1.8
East Asia & Pacific	496,295	994,893	6.9	6.5	5.2	5.1	5.9	6.0	9.3	6.8
Europe & Central Asia	657,914	659,861	..	2.2	..	2.0	..	0.3	..	-10.0
Latin America & Carib.	739,621	1,349,097	1.5	3.4	-0.5	1.8	5.6	0.1	-1.5	4.8
Middle East & N. Africa	221,775	355,041	..	..	..	..	..	..	..	..
South Asia	281,154	405,563	4.6	4.7	2.4	2.8	8.0	5.6	5.8	6.2
Sub-Saharan Africa	192,251	218,866	1.6	2.5	-1.3	-0.2	2.7	0.8	-3.9	3.1
High income	10,444,693	14,384,915	3.4	2.3	2.8	1.6	2.5	1.2	4.5	2.9
Europe EMU	3,200,493	3,704,215	..	1.5	..	1.2	..	1.3	..	1.7

a. Data cover mainland Tanzania only.



Growth of consumption and investment 4.10

About the data

Measures of growth in consumption and capital formation 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 4.9. The second arises in deflating current price data to measure volume growth, where results depend on the relevance and reliability of the price indexes and weights 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 change in quality difficult. (An example is computers—prices have fallen as quality has improved.) Many countries estimate capital formation 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 capital formation expenditures on the demand side.

The data in the table on household final consumption expenditure (private consumption in previ-

ous editions) 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*. (For a discussion of alternative conversion factors see *Statistical methods*.) Growth rates of household final consumption expenditure, household final consumption expenditure per capita, general government final consumption expenditure, and gross capital formation are estimated using constant price data. (Consumption and capital formation as shares of GDP are shown in table 4.9.)

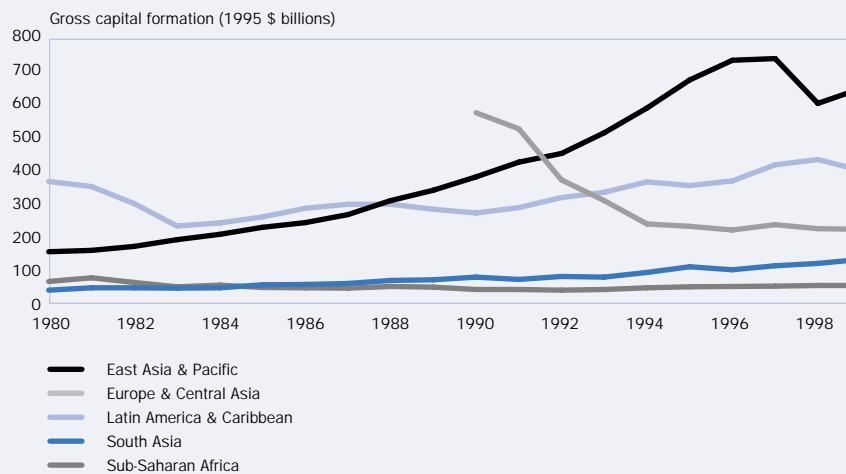
To obtain government consumption in constant prices, countries may deflate current values by applying a wage (price) index or extrapolate from the change in government employment. Neither technique captures improvements in productivity or changes in the quality of government services. Deflators for household consumption are usually calculated on the basis of the consumer price index. Many countries estimate household consumption as a residual that includes statistical discrepancies accumulated from other domestic sources; thus these estimates lack detailed breakdowns of expenditures.

Definitions

- **Household final consumption expenditure** is the market value of all goods and services, including durable products (such as cars, washing machines, and home computers), purchased by households. It excludes purchases of dwellings but includes imputed rent for owner-occupied dwellings. It also includes payments and fees to governments to obtain permits and licenses. The *World Development Indicators* includes in household consumption expenditure the expenditures of nonprofit institutions serving households, even when reported separately by the country. In practice, household consumption expenditure may include any statistical discrepancy in the use of resources relative to the supply of resources.
- **General government final consumption expenditure** includes all government current expenditures for purchases of goods and services (including compensation of employees). It also includes most expenditures on national defense and security, but excludes government military expenditures that are part of government capital formation.
- **Gross capital formation** 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 schools, offices, hospitals, private residential dwellings, and commercial and industrial buildings. Inventories are stocks of goods held by firms to meet temporary or unexpected fluctuations in production or sales, and “work in progress.” According to the 1993 SNA, net acquisitions of valuables are also considered capital formation.

Figure 4.10

Rising investment in Asia



Source: World Bank data files.

In 1999 gross capital formation in East Asia recovered from the financial crisis and continued to increase in South Asia.

Data sources

The national accounts indicators for most developing countries are collected from national statistical organizations and central banks by visiting and resident World Bank missions. Data for high-income economies come from Organisation for Economic Co-operation and Development (OECD) data files (see the OECD's *National Accounts, 1988–1998*, volumes 1 and 2). The United Nations Statistics Division publishes detailed national accounts for United Nations member countries in *National Accounts Statistics: Main Aggregates and Detailed Tables* and publishes updates in the *Monthly Bulletin of Statistics*.



4.11 Central government finances

	Current revenue ^a		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
	1990	1998	1990	1998	1990	1998	1990	1998	1990	1998	1998	1998
Albania	..	19.3	..	29.8	..	-8.5	..	2.5	..	6.0	46.4	40.3
Algeria	..	27.8	..	31.5	..	-3.6	..	3.9	..	-6.9	67.3	14.3
Angola	..	..	..	..	..	..	..	..	..	..	..	..
Argentina	10.4	13.8	10.6	15.4	-0.4	-1.5	0.2	3.0	0.2	-1.5	..	16.2
Armenia	..	..	..	..	..	..	..	..	..	..	..	..
Australia	24.9	23.6	23.3	23.7	2.0	2.8	0.2	-0.9	-2.2	-1.9	16.8	6.1
Austria	33.9	37.5	37.5	40.5	-4.4	..	0.5	..	3.9	..	60.2	9.3
Azerbaijan	..	19.0	..	24.7	..	-3.9	..	..	..	..	..	2.0
Bangladesh	..	..	..	..	..	..	..	..	..	..	..	..
Belarus	31.2	30.9	37.6	32.2	-5.1	-0.9	2.7	-0.3	2.4	1.2	21.4	2.5
Belgium	42.6	43.7	47.7	45.7	-5.5	-1.8	-0.3	-0.9	5.8	2.7	114.6	16.7
Benin	..	..	..	..	..	..	..	..	..	..	..	..
Bolivia	13.7	17.5	16.4	22.0	-1.7	-2.3	0.7	1.9	1.0	0.5	46.9	9.4
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..	..	..
Botswana	51.1	44.3	33.8	35.3	11.3	8.4	0.0	0.5	-11.4	-8.9	11.0	1.3
Brazil	22.8	23.9	34.9	24.6	-5.8	-7.3	..	..	..	..	..	14.4
Bulgaria	47.1	33.9	55.1	33.5	-8.3	2.8	-0.8	-0.7	9.1	-2.1	..	13.0
Burkina Faso	11.0	..	15.0	..	-1.3	..	..	..	..	..	..	..
Burundi	18.2	16.9	28.7	24.9	-3.3	-4.6	4.9	4.1	-1.6	0.5	154.0	10.3
Cambodia	..	..	..	..	..	..	..	..	..	..	..	..
Cameroon	15.4	16.5	21.2	14.8	-5.9	1.6	5.2	-1.2	1.2	-0.4	107.9	19.5
Canada	21.6	21.8	26.2	21.5	-4.8	0.4	0.2	-0.5	4.6	0.0	75.1	16.7
Central African Republic	..	..	..	..	..	..	..	..	..	..	..	..
Chad	6.7	..	21.8	..	-4.7	..	5.0	..	-0.3	..	..	..
Chile	20.6	23.0	20.4	22.6	0.8	0.4	..	-0.2	..	-0.2	13.9	3.0
China	6.3	6.3	10.1	9.3	-1.9	-2.2	0.8	0.1	1.1	2.2	..	..
Hong Kong, China	..	..	..	..	..	..	..	..	..	..	..	..
Colombia	12.6	11.7	11.6	16.6	3.9	-5.1	..	1.9	..	3.2	22.0	24.7
Congo, Dem. Rep.	10.1	5.3	18.8	10.4	-6.5	-0.8	0.0	0.0	6.5	0.8	160.4	0.2
Congo, Rep.	22.5	25.1	35.6	46.2	-14.1	-20.8	..	..	..	..	282.4	58.3
Costa Rica	18.3	20.7	20.4	21.9	-2.5	-1.2	0.2	..	2.3	..	..	15.7
Côte d'Ivoire	22.0	20.9	24.5	23.5	-2.9	-1.3	4.0	0.7	0.4	0.5	115.0	20.6
Croatia	33.0	45.4	37.6	45.6	-4.6	0.6	0.0	0.1	4.7	-0.7	..	3.2
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	33.1	..	35.5	..	-1.6	..	-0.8	..	2.4	11.7	3.2
Denmark	37.8	38.5	39.0	37.3	-0.7	1.7	..	..	..	..	64.0	12.2
Dominican Republic	12.0	16.7	11.7	16.3	0.6	0.6	0.0	-0.6	-0.6	0.0	22.9	3.2
Ecuador	18.2	..	14.5	..	3.7	..	..	..	..	..	..	..
Egypt, Arab Rep.	23.0	26.3	27.8	30.6	-5.7	-2.0	-0.7	-0.6	6.4	2.6	..	23.0
El Salvador	..	15.0	..	15.1	..	-1.4	..	1.0	..	0.4	25.7	8.1
Eritrea	..	..	..	..	..	..	..	..	..	..	..	..
Estonia	26.2	31.7	23.7	32.9	0.4	-0.1	0.0	-0.7	-0.4	0.7	4.3	1.0
Ethiopia	17.4	..	27.2	..	-9.8	..	2.8	..	7.0	..	..	..
Finland	30.6	31.9	30.3	33.4	0.2	-0.3	0.7	-1.1	-0.8	1.4	61.0	14.3
France	39.7	41.4	41.8	46.2	-2.1	-3.5	1.1	0.2	1.0	5.0	..	7.4
Gabon	20.6	..	20.2	..	3.2	..	2.7	..	-5.8	..	..	..
Gambia, The	19.4	..	23.6	..	-0.8	..	..	..	..	..	..	..
Georgia	..	11.2	..	15.7	..	-3.6	..	0.6	..	3.0	59.0	23.5
Germany	27.5	31.3	29.3	32.6	-2.1	-0.9	1.5	2.1	0.6	-1.2	38.6	7.3
Ghana	12.5	..	13.2	..	0.2	..	1.3	..	-1.5	..	..	..
Greece	27.5	23.5	51.7	30.8	-22.7	-4.4	1.5	2.4	21.1	2.0	113.1	38.4
Guatemala	..	..	..	..	..	..	..	..	..	..	..	..
Guinea	16.0	10.3	22.9	16.9	-3.3	-4.1	4.1	4.2	-0.8	-0.1	..	30.8
Guinea-Bissau	..	..	..	..	..	..	..	..	..	..	..	..
Haiti	..	..	..	..	..	..	..	..	..	..	..	..
Honduras	..	..	..	..	..	..	..	..	..	..	..	..



Central government finances 4.11

	Current revenue ^a		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 1998	Interest % of current revenue 1998
	1990	1998	1990	1998	1990	1998	1990	1998	1990	1998		
Hungary	52.9	36.2	52.1	44.1	0.8	-6.2	-0.5	0.4	-0.3	5.8	61.5	21.3
India	12.6	11.5	16.3	14.9	-7.7	-4.8	0.6	0.1	7.1	4.8	49.7	35.7
Indonesia	18.8	16.0	18.4	17.6	0.4	-2.7	0.7	5.0	-1.1	-2.3	53.3	19.7
Iran, Islamic Rep.	18.1	18.7	19.9	24.5	-1.8	-5.7	0.0	0.0	1.8	5.7	..	0.8
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	33.6	31.9	37.7	33.0	-2.4	0.7	..	..	..	..	..	13.3
Israel	39.4	41.8	50.7	47.8	-5.3	-1.4	0.8	1.3	4.6	0.1	113.0	14.3
Italy	38.2	40.6	47.4	43.8	-10.2	-3.1	0.0	..	9.9	..	..	18.1
Jamaica	..	..	..	..	..	..	..	..	..	..	..	..
Japan	14.4	..	15.7	..	-1.6	..	0.0	..	-1.7	..	..	..
Jordan	26.1	25.2	35.8	33.2	-3.5	-5.8	3.0	2.4	0.5	3.4	100.5	13.3
Kazakhstan	..	11.3	..	18.5	..	-4.2	..	3.0	..	1.2	16.9	7.1
Kenya	22.4	27.2	27.5	29.1	-3.8	-0.9	1.3	-0.2	4.5	1.1	..	28.0
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	17.5	20.0	16.2	17.4	-0.7	-1.3	-0.2	1.5	0.9	-0.3	10.4	2.5
Kuwait	58.7	44.8	55.3	50.6	..	-5.7	..	..	..	..	..	3.9
Kyrgyz Republic	..	17.6	..	22.0	..	-3.0	..	1.1	..	4.3	..	..
Lao PDR	..	..	..	..	..	..	..	..	..	..	..	..
Latvia	..	33.5	..	34.7	..	0.2	..	0.4	..	-0.5	10.4	2.2
Lebanon	..	17.0	..	32.1	..	-15.1	..	9.4	..	5.6	107.1	75.3
Lesotho	39.0	44.6	51.2	50.3	-1.0	-3.7	7.9	0.7	-6.9	3.0	68.7	4.9
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania	31.9	26.7	28.9	30.3	1.4	-0.4	..	1.8	..	-1.3	15.6	4.2
Macedonia, FYR	..	..	..	..	..	..	..	..	..	..	..	..
Madagascar	11.6	8.7	16.0	17.3	-0.9	-1.3	2.1	1.4	-1.2	-0.1	..	54.1
Malawi	20.7	..	26.5	..	-1.7	..	..	..	..	..	..	..
Malaysia	26.4	23.1	29.3	19.7	-2.0	2.9	-0.7	-0.1	2.8	-1.2	..	10.2
Mali	..	..	..	..	..	..	..	..	..	..	..	..
Mauritania	..	..	..	..	..	..	..	..	..	..	..	..
Mauritius	22.6	20.8	22.6	21.9	-0.4	0.9	-0.4	-1.0	0.8	0.1	34.4	13.3
Mexico	15.3	13.0	17.9	14.7	-2.5	-1.4	0.3	0.5	2.3	0.9	27.8	16.5
Moldova	..	30.2	..	35.9	..	-3.2	..	-3.3	..	6.5	82.8	15.5
Mongolia	18.3	19.5	21.5	23.0	-6.0	-10.8	7.0	7.8	-1.0	3.0	78.9	6.5
Morocco	26.4	..	28.8	..	-2.2	..	3.9	..	-1.6	..	..	..
Mozambique	..	..	..	..	..	..	..	..	..	..	..	..
Myanmar	10.5	7.2	16.0	7.7	-5.1	-0.4	0.0	0.1	5.1	0.4	..	..
Namibia	31.4	..	33.5	..	-1.2	..	1.8	..	-0.6	..	..	..
Nepal	8.4	10.4	17.2	17.3	-6.8	-4.6	5.4	2.8	1.4	1.9	66.4	12.0
Netherlands	45.0	44.1	49.5	45.9	-4.3	-1.6	-0.3	1.9	4.6	-1.9	55.6	9.5
New Zealand	42.6	34.1	44.0	33.4	4.0	0.5	..	..	..	..	38.7	7.1
Nicaragua	33.5	..	72.0	..	-35.6	..	12.7	..	22.9	..	..	..
Niger	..	..	..	..	..	..	..	..	..	..	..	..
Nigeria	..	..	..	..	..	..	..	..	..	..	..	..
Norway	42.4	41.8	41.3	37.2	0.5	-1.6	-0.6	-0.6	0.0	2.2	19.9	4.1
Oman	38.9	24.6	39.5	31.6	-0.8	-6.6	-3.9	6.4	4.7	0.2	27.1	7.2
Pakistan	19.1	16.2	22.4	21.8	-5.4	-6.4	2.3	1.6	3.1	4.8	79.1	42.2
Panama	25.6	24.9	23.7	27.9	3.0	-0.7	-3.4	3.9	0.4	-3.2	..	17.2
Papua New Guinea	25.2	24.2	34.7	27.1	-3.5	-1.7	0.4	-1.5	3.0	3.2	65.8	17.1
Paraguay	12.3	..	9.4	..	2.9	..	-0.9	..	-2.1	..	..	..
Peru	12.5	17.6	20.6	18.0	-8.1	-0.1	5.4	0.3	2.7	-0.2	..	10.6
Philippines	16.2	17.2	19.6	19.1	-3.5	-1.9	0.4	0.5	3.1	1.4	66.2	21.7
Poland	..	35.4	..	37.5	..	-1.0	..	0.2	..	0.8	42.9	9.1
Portugal	31.6	34.7	37.9	39.0	-4.4	-1.2	-1.3	-2.1	5.8	3.4	0.8	8.4
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..
Romania	34.4	26.5	33.8	31.9	0.9	-3.9	0.0	0.9	-0.9	3.0	..	13.9
Russian Federation	..	18.6	..	25.5	..	-5.3	..	3.2	..	2.1	140.4	29.7



4.11 Central government finances

	Current revenue ^a		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
	1990	1998	1990	1998	1990	1998	1990	1998	1990	1998	1998	1998
Rwanda	10.8	..	18.9	..	-5.3	..	2.5	..	2.8	..	..	..
Saudi Arabia	..	..	..	..	..	..	..	..	..	..	..	..
Senegal	..	..	..	..	..	..	..	..	..	..	..	..
Sierra Leone	4.0	10.2	6.0	17.2	-1.8	-5.8	0.4	4.9	1.4	0.9	116.2	21.0
Singapore	26.9	24.9	21.4	19.8	10.8	3.4	-0.1	0.0	-10.7	-3.4	85.5	2.9
Slovak Republic	..	34.6	..	39.1	..	-4.2	..	4.6	..	-0.5	29.2	7.9
Slovenia	39.8	39.1	38.6	40.1	0.3	-0.8	0.1	0.3	-0.4	0.4	23.9	3.2
South Africa	26.3	27.3	30.1	30.4	-4.1	-2.6	-0.1	0.0	4.1	2.6	51.0	21.3
Spain	29.1	28.8	32.4	32.9	-3.1	-2.9	0.7	1.7	2.4	1.2	55.6	14.1
Sri Lanka	21.0	17.2	28.4	24.9	-7.8	-8.0	3.6	1.0	4.2	7.0	89.2	31.4
Sudan	..	..	..	..	..	..	..	..	..	..	..	..
Sweden	42.6	38.2	39.4	41.6	1.0	-0.5	-0.3	0.7	-0.7	-0.2	..	15.7
Switzerland	20.8	24.8	23.3	28.3	-0.9	0.5	0.0	0.0	0.9	-0.5	28.8	3.7
Syrian Arab Republic	21.9	21.7	21.8	22.4	0.3	-0.7	..	1.6	..	-0.9	..	..
Tajikistan	..	9.3	..	12.7	..	-2.5	..	2.3	..	0.3	99.0	14.8
Tanzania	..	..	..	..	..	..	..	..	..	..	..	..
Thailand	18.5	16.2	14.1	22.7	4.6	-7.7	-1.5	1.3	-3.1	6.4	10.8	1.2
Togo	..	..	..	..	..	..	..	..	..	..	..	..
Trinidad and Tobago	..	..	..	..	..	..	..	..	..	..	..	..
Tunisia	30.7	29.3	34.6	31.7	-5.4	-0.4	1.8	0.0	3.6	0.4	59.6	11.6
Turkey	13.7	23.7	17.4	32.1	-3.0	-8.4	0.0	-1.5	3.0	9.9	41.4	49.9
Turkmenistan	..	..	..	..	..	..	..	..	..	..	..	..
Uganda	..	..	..	..	..	..	..	..	..	..	..	..
Ukraine	..	..	..	..	..	..	..	..	..	..	..	..
United Arab Emirates	1.6	3.4	11.5	11.1	0.4	-0.3	0.0	0.0	-0.4	0.3	..	0.0
United Kingdom	36.1	37.2	37.5	36.9	0.6	0.6	0.2	-0.2	-0.8	-0.3	49.8	8.8
United States	18.9	20.7	22.7	19.9	-3.8	0.8	0.2	-0.1	3.6	-0.7	42.8	14.1
Uruguay	23.8	29.9	23.3	30.9	0.3	-0.8	1.4	..	-1.7	..	..	4.9
Uzbekistan	..	..	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	23.7	17.2	20.7	20.7	0.0	-3.7	1.0	0.2	-1.0	3.5	..	13.8
Vietnam	..	18.2	..	20.1	..	-1.1	..	0.9	..	0.2	..	3.0
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	19.6	35.0	28.8	36.2	-9.1	-2.2	3.3	3.1	5.9	-0.9	..	9.7
Yugoslavia, FR (Serb./Mont.)	..	..	..	..	..	..	..	..	..	..	..	..
Zambia	..	..	..	..	..	..	..	..	..	..	..	..
Zimbabwe	24.1	29.1	27.3	35.3	-5.3	-4.9	0.9	-0.1	4.4	5.0	57.5	24.2
World	22.5 w	26.4 w	25.8 w	27.9 w	-3.0 w	-1.5 w	0.6 m	.. m	1.1 m	.. m	.. m	11.8 m
Low income	15.5	13.9	18.3	17.0	-4.8	-4.0	..	..	..	..	..	..
Middle income	17.4	19.1	21.5	20.5	-2.5	-3.0	0.3	0.4	0.4	0.9	..	11.6
Lower middle income	12.7	14.2	15.3	18.8	-1.5	-4.0	0.5	0.7	1.6	1.3	..	11.6
Upper middle income	20.4	22.2	25.5	22.8	-3.1	-3.5	-0.1	0.2	0.6	0.7	26.5	11.2
Low & middle income	17.1	18.6	21.1	20.1	-2.8	-3.1	..	..	..	..	..	..
East Asia & Pacific	13.2	10.1	14.4	13.2	-0.8	-3.0	0.2	0.7	2.0	1.8	..	9.9
Europe & Central Asia	..	25.0	..	30.8	..	-4.7	..	0.4	..	1.2	41.4	8.5
Latin America & Carib.	18.8	20.1	25.5	21.0	-3.5	-4.2	..	..	..	..	..	12.2
Middle East & N. Africa	..	..	..	..	..	..	1.8	2.4	3.6	0.4	..	11.6
South Asia	13.8	12.4	17.6	16.3	-7.3	-5.1	3.0	1.3	3.6	4.8	72.7	33.5
Sub-Saharan Africa	24.0	..	27.7	..	-3.5	..	..	..	..	..	..	..
High income	23.9	28.7	27.0	30.2	-3.0	-1.1	0.2	0.0	2.4	0.0	49.2	8.6
Europe EMU	34.7	37.1	38.6	40.0	-3.7	-2.3	0.5	-0.9	3.9	1.4	57.9	11.8

a. Excluding grants.



Central government finances 4.11

About the data

Tables 4.11–4.13 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). The definition of government generally excludes nonfinancial 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.

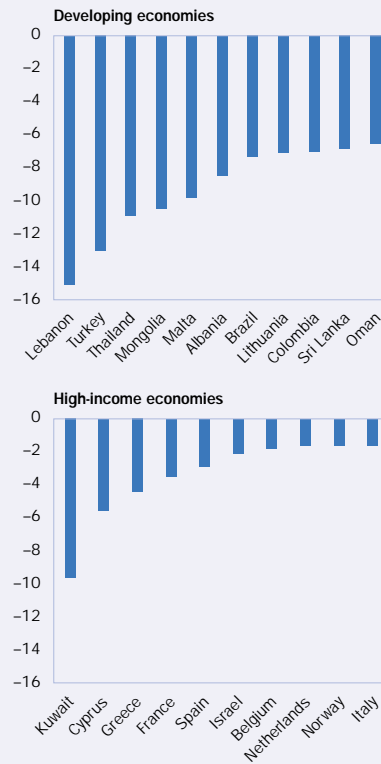
Data on government revenues and expenditures are collected by the IMF through questionnaires distributed to member governments and by the Organisation for Economic Co-operation and Development. Despite the IMF's efforts to systematize and standardize the collection of public finance data, statistics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

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 *About the data* for tables 4.12 and 4.13.

Figure 4.11

Developing economies tend to run larger fiscal deficits

Largest overall budget deficits as % of GDP, 1997–99



Note: Data refer to the most recent year available in 1997–99.

Source: International Monetary Fund, Government Finance Statistics data files.

Definitions

- **Current revenue** includes all revenue from taxes and current nontax revenues (other than grants) such as fines, fees, recoveries, and income from property or sales.
- **Total expenditure** includes nonrepayable current and capital expenditures. 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. The data include 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. They exclude government guarantees of the debt of others.
- **Debt** is the entire stock of direct government fixed term contractual obligations to others outstanding on 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 payments** include interest payments on government debt—including long-term bonds, long-term loans, and other debt instruments—to both domestic and foreign residents.

Data sources

The data on central government finances are from the IMF's *Government Finance Statistics Yearbook, 2000* and IMF data files. Each country's accounts are reported using the system of common definitions and classifications in the IMF's *Manual on Government Finance Statistics* (1986). See these sources for complete and authoritative explanations of concepts, definitions, and data sources.



4.12 Central government expenditures

	Goods and services		Wages and salaries ^a		Interest payments		Subsidies and other current transfers		Capital expenditure	
	% of total expenditure		% of total expenditure		% of total expenditure		% of total expenditure		% of total expenditure	
	1990	1998	1990	1998	1990	1998	1990	1998	1990	1998
Albania	..	17	..	9	..	26	..	42	..	16
Algeria	..	36	..	25	..	13	..	27	..	24
Angola	..	..	..	..	..	..	..	..	..	..
Argentina	30	20	23	15	8	14	57	58	5	8
Armenia	..	..	..	..	..	..	..	..	..	..
Australia	27	27	2	3	8	6	56	61	9	5
Austria	25	25	10	10	9	9	57	61	9	6
Azerbaijan	..	33	..	10	..	2	..	45	..	21
Bangladesh	..	..	..	..	..	..	..	..	..	..
Belarus	37	25	2	9	2	2	46	58	16	15
Belgium	19	19	14	13	21	16	56	60	5	5
Benin	..	..	..	..	..	..	..	..	..	..
Bolivia	63	39	36	24	6	8	16	38	15	16
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..
Botswana	51	48	23	25	2	2	25	31	21	19
Brazil	16	20	9	10	78	14	39	64	2	3
Bulgaria	35	32	3	8	10	13	52	46	3	9
Burkina Faso	60	..	51	..	6	..	11	..	23	..
Burundi	34	50	22	28	5	7	10	12	51	24
Cambodia	..	..	..	..	..	..	..	..	..	..
Cameroon	51	52	39	33	5	22	13	13	26	13
Canada	21	17	11	10	20	17	57	65	2	2
Central African Republic	..	..	..	..	..	..	..	..	..	..
Chad	41	..	28	..	2	..	3	..	56	..
Chile	28	29	18	20	10	3	51	52	11	17
China	..	..	..	..	..	..	..	..	..	..
Hong Kong, China	..	..	..	..	..	..	..	..	..	..
Colombia	26	21	18	15	10	17	42	42	22	20
Congo, Dem. Rep.	73	94	23	54	7	0	4	1	16	5
Congo, Rep.	56	53	49	19	22	32	20	6	2	10
Costa Rica	57	48	43	36	12	15	20	27	11	10
Côte d'Ivoire	69	43	38	25	1	18	30	9	0	29
Croatia	54	48	22	24	0	3	42	38	3	10
Cuba	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	14	..	8	..	3	..	74	..	9
Denmark	20	21	12	12	15	13	61	64	3	3
Dominican Republic	39	50	29	38	4	3	13	20	44	24
Ecuador	42	..	38	..	23	..	16	..	18	..
Egypt, Arab Rep.	42	41	23	20	14	20	26	15	17	24
El Salvador	..	71	..	42	..	8	..	8	..	23
Eritrea	..	..	..	..	..	..	..	..	..	..
Estonia	25	43	8	11	0	1	73	47	8	9
Ethiopia	77	..	40	..	5	..	9	..	16	..
Finland	20	18	10	7	3	14	70	63	7	5
France	26	24	17	16	5	7	63	65	6	4
Gabon	63	..	37	..	0	..	6	..	32	..
Gambia, The	41	..	21	..	16	..	9	..	34	..
Georgia	..	42	..	9	..	17	..	36	..	5
Germany	32	31	8	8	5	7	58	57	5	4
Ghana	50	..	32	..	11	..	20	..	19	..
Greece	31	34	21	28	20	29	41	20	8	17
Guatemala	..	..	..	..	..	..	..	..	..	..
Guinea	37	34	18	23	7	19	4	6	53	33
Guinea-Bissau	..	..	..	..	..	..	..	..	..	..
Haiti	..	..	..	..	..	..	..	..	..	..
Honduras	..	..	..	..	..	..	..	..	..	..



Central government expenditures 4.12

	Goods and services		Wages and salaries ^a		Interest payments		Subsidies and other current transfers		Capital expenditure	
	% of total expenditure		% of total expenditure		% of total expenditure		% of total expenditure		% of total expenditure	
	1990	1998	1990	1998	1990	1998	1990	1998	1990	1998
Hungary	27	16	6	8	6	18	64	51	4	9
India	24	24	11	12	22	27	43	38	11	11
Indonesia	23	19	16	9	13	18	21	28	43	34
Iran, Islamic Rep.	53	65	40	51	0	1	22	12	25	22
Iraq	..	..	..	..	..	..	..	..	..	..
Ireland	19	18	14	13	21	13	54	61	7	9
Israel	38	33	14	15	18	12	37	48	6	6
Italy	17	19	13	16	21	17	54	58	8	5
Jamaica	..	..	..	..	..	..	..	..	..	..
Japan	14	..	..	..	19	..	54	..	13	..
Jordan	55	62	44	44	18	10	11	9	16	19
Kazakhstan	..	28	..	13	..	4	..	58	..	9
Kenya	51	45	31	28	19	26	10	18	20	12
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	35	27	13	13	4	3	46	49	15	22
Kuwait	62	60	31	33	0	3	20	23	18	13
Kyrgyz Republic	..	..	..	..	..	..	..	..	..	..
Lao PDR	..	..	..	..	..	..	..	..	..	..
Latvia	..	30	..	12	..	2	..	60	..	7
Lebanon	..	30	..	21	..	40	..	11	..	18
Lesotho	40	76	22	35	11	4	5	0	45	19
Libya	..	..	..	..	..	..	..	..	..	..
Lithuania	12	49	6	15	..	4	67	37	20	10
Macedonia, FYR	..	..	..	..	..	..	..	..	..	..
Madagascar	37	25	25	18	9	27	9	8	43	39
Malawi	54	..	23	..	14	..	8	..	24	..
Malaysia	41	42	26	26	20	12	16	24	24	23
Mali	..	..	..	..	..	..	..	..	..	..
Mauritania	..	..	..	..	..	..	..	..	..	..
Mauritius	47	46	37	35	15	13	22	29	17	12
Mexico	25	24	18	17	45	15	17	49	14	12
Moldova	..	15	..	6	..	13	..	61	..	11
Mongolia	30	34	7	10	1	6	56	47	13	14
Morocco	48	..	35	..	16	..	8	..	28	..
Mozambique	..	..	..	..	..	..	..	..	..	..
Myanmar	..	..	..	..	..	..	..	..	29	49
Namibia	73	..	..	..	1	..	10	..	15	..
Nepal	..	..	..	..	..	7	..	..	..	..
Netherlands	15	15	9	9	9	9	70	72	6	3
New Zealand	19	51	12	..	15	7	64	39	2	3
Nicaragua	43	..	23	..	0	..	14	..	4	..
Niger	..	..	..	..	..	..	..	..	..	..
Nigeria	..	..	..	..	..	..	..	..	..	..
Norway	19	21	8	8	6	5	69	70	5	5
Oman	76	76	22	28	6	6	7	5	11	14
Pakistan	44	48	..	..	25	31	20	9	12	12
Panama	64	49	49	35	8	15	26	25	2	11
Papua New Guinea	61	56	34	27	11	15	18	22	11	7
Paraguay	54	..	36	..	10	..	19	..	17	..
Peru	30	42	17	20	37	10	25	32	8	16
Philippines	44	57	29	34	34	20	7	15	16	9
Poland	..	25	..	12	..	9	..	61	..	5
Portugal	38	41	27	32	18	7	33	38	12	13
Puerto Rico	..	..	..	..	..	..	..	..	..	..
Romania	26	29	12	13	0	12	57	50	17	9
Russian Federation	..	28	..	11	..	22	..	47	..	4



4.12 Central government expenditures

	Goods and services		Wages and salaries ^a		Interest payments		Subsidies and other current transfers		Capital expenditure	
	% of total expenditure		% of total expenditure		% of total expenditure		% of total expenditure		% of total expenditure	
	1990	1998	1990	1998	1990	1998	1990	1998	1990	1998
Rwanda	53	..	29	..	5	..	16	..	33	..
Saudi Arabia	..	..	..	..	..	..	..	..	..	..
Senegal	..	..	..	..	..	..	..	..	..	..
Sierra Leone	77	39	35	20	18	13	1	24	8	24
Singapore	51	52	27	25	14	4	12	7	24	37
Slovak Republic	..	24	..	13	..	7	..	57	..	13
Slovenia	40	39	20	22	7	3	52	50	7	8
South Africa	53	27	23	17	14	19	23	49	10	5
Spain	19	16	13	11	9	12	63	68	9	4
Sri Lanka	33	39	17	21	23	22	23	19	21	21
Sudan	..	..	..	..	..	..	..	..	..	..
Sweden	15	17	6	6	11	14	72	67	2	2
Switzerland	37	30	5	5	3	3	67	63	5	4
Syrian Arab Republic	..	..	..	..	..	..	..	..	27	38
Tajikistan	..	49	..	6	..	11	..	30	..	11
Tanzania	..	..	..	..	..	..	..	..	..	..
Thailand	60	44	35	27	13	1	9	6	18	49
Togo	..	..	..	..	..	..	..	..	..	..
Trinidad and Tobago	..	..	..	..	..	..	..	..	..	..
Tunisia	34	41	28	35	10	11	35	28	22	20
Turkey	52	32	38	24	18	37	16	24	13	7
Turkmenistan	..	..	..	..	..	..	..	..	..	..
Uganda	..	..	..	..	..	..	..	..	..	..
Ukraine	..	..	..	..	..	..	..	..	..	..
United Arab Emirates	88	81	33	35	0	0	10	14	1	5
United Kingdom	30	29	13	6	9	9	52	58	10	4
United States	27	21	10	8	15	15	50	60	8	4
Uruguay	35	32	20	15	8	5	50	59	7	5
Uzbekistan	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	31	24	23	16	16	12	37	45	16	20
Vietnam	..	..	..	..	..	3	..	..	..	29
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	64	46	55	32	8	9	6	26	33	18
Yugoslavia, FR (Serb./Mont.)	..	..	..	..	..	..	..	..	..	..
Zambia	..	..	..	..	..	..	..	..	..	..
Zimbabwe	56	48	37	36	16	20	18	26	10	6
World	39 m	32 m	23 m	17 m	10 m	10 m	23 m	43 m	13 m	10 m
Low income	..	..	..	..	..	..	..	..	..	..
Middle income	42	32	23	20	10	10	23	38	16	12
Lower middle income	46	39	29	24	12	10	18	28	17	16
Upper middle income	35	28	22	16	9	10	32	49	11	11
Low & middle income	..	..	..	..	..	..	..	..	..	..
East Asia & Pacific	41	45	27	24	10	10	19	24	18	25
Europe & Central Asia	..	29	..	10	..	8	..	47	..	9
Latin America & Carib.	35	35	23	20	10	11	25	40	11	16
Middle East & N. Africa	53	46	35	32	10	10	11	12	23	20
South Asia	33	39	..	..	23	25	23	19	12	12
Sub-Saharan Africa	53	..	..	..	7	..	10	..	20	..
High income	23	29	13	12	13	8	56	58	7	5
Europe EMU	20	22	13	12	9	11	57	59	7	5

Note: Components include expenditures financed by grants in kind and other cash adjustments to total expenditure.

a. Part of goods and services.



Central government expenditures 4.12

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 Yearbook* is a more limited measure of general government consumption than that shown in the national accounts (see table 4.10) 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 capital formation 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 incomplete, 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 2.11; for more on health expenditures see table 2.15.

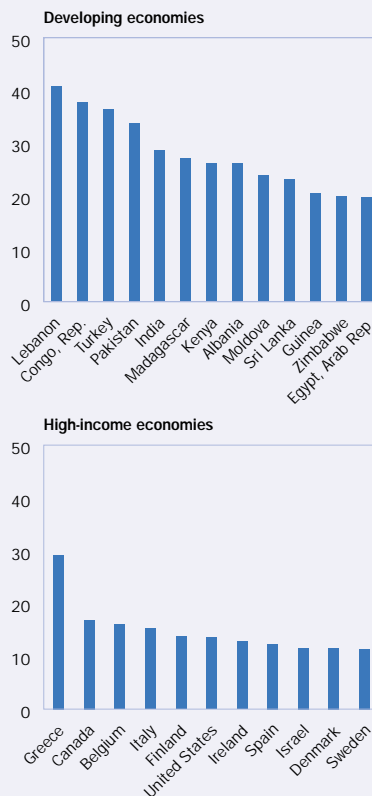
The classification of expenditures by economic type can also be problematic. For example, the distinction between current and capital expenditure may be arbitrary, and subsidies to state-owned enterprises or banks may be disguised as capital financing. Subsidies may also be hidden in special contractual pricing for goods and services.

Expenditure shares may not sum to 100 percent because expenditures financed by grants in kind and other cash adjustments (which may be positive or negative) are not shown.

For further discussion of government finance statistics see *About the data* for tables 4.11 and 4.13.

Figure 4.12

Public interest payments are a big burden on developing economies
Highest central government interest payments as % of total expenditure



Note: For developing economies data refer to the most recent year available in 1996–99, and for high-income economies, in 1997–99.

Source: International Monetary Fund, Government Finance Statistics data files.

High public interest payments continue to strain the national budgets of developing countries. For about 13 developing economies interest payments are equal to 20 percent or more of their central government's total expenditure.

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 unrequited, 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

The data on central government expenditures are from the IMF's *Government Finance Statistics Yearbook, 2000* and IMF data files. Each country's accounts are reported using the system of common definitions and classifications 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 revenues

	Taxes on income, profits, 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	
	1990	1998	1990	1998	1990	1998	1990	1998	1990	1998	1990	1998
Albania	..	7	..	14	..	40	..	15	..	1	..	23
Algeria	..	60	..	0	..	13	..	16	..	1	..	9
Angola	..	..	..	..	..	..	..	..	..	..	..	..
Argentina	2	16	44	26	20	42	14	7	10	1	10	8
Armenia	..	..	..	..	..	..	..	..	..	..	..	..
Australia	65	68	0	0	21	21	4	3	2	2	8	6
Austria	19	26	37	40	25	25	1	0	9	4	9	6
Azerbaijan	..	21	..	24	..	38	..	9	..	3	..	6
Bangladesh	..	..	..	..	..	..	..	..	..	..	..	..
Belarus	12	10	32	34	40	38	5	7	9	3	2	7
Belgium	35	37	35	33	24	25	0	0	3	3	3	2
Benin	..	..	..	..	..	..	..	..	..	..	..	..
Bolivia	5	8	9	9	31	50	7	7	11	13	38	14
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..	..	..
Botswana	39	17	0	0	2	4	13	12	0	0	46	67
Brazil	20	17	31	36	24	23	2	2	6	5	16	17
Bulgaria	30	15	23	23	18	35	2	6	1	1	27	20
Burkina Faso	23	..	0	..	30	..	33	..	7	..	8	..
Burundi	21	20	6	6	37	38	24	28	1	0	10	7
Cambodia	..	..	..	..	..	..	..	..	..	..	..	..
Cameroon	18	19	6	0	21	21	14	30	4	4	28	25
Canada	51	54	16	19	17	17	3	1	0	0	13	9
Central African Republic	..	..	..	..	..	..	..	..	..	..	..	..
Chad	19	..	0	..	39	..	24	..	10	..	8	..
Chile	12	19	8	6	43	46	12	8	3	4	21	16
China	31	7	0	0	18	79	14	6	0	4	37	4
Hong Kong, China	..	..	..	..	..	..	..	..	..	..	..	..
Colombia	29	37	0	0	30	42	20	10	1	0	19	11
Congo, Dem. Rep.	27	25	1	0	18	18	46	28	1	9	7	20
Congo, Rep.	..	..	0	0	16	30	21	12	2	0	35	58
Costa Rica	10	12	29	28	27	40	23	8	1	0	14	11
Côte d'Ivoire	16	21	7	6	27	17	29	51	11	3	9	3
Croatia	17	12	52	31	24	45	3	7	0	1	3	5
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	15	..	45	..	33	..	2	..	1	..	3
Denmark	37	36	4	4	41	42	0	0	3	4	15	13
Dominican Republic	21	17	4	4	23	35	40	37	1	1	10	6
Ecuador	62	..	0	..	22	..	13	..	1	..	2	..
Egypt, Arab Rep.	19	22	15	0	14	17	14	13	11	12	27	37
El Salvador	..	19	..	12	..	40	..	8	..	1	..	19
Eritrea	..	..	..	..	..	..	..	..	..	..	..	..
Estonia	27	20	28	34	41	40	1	0	1	0	2	6
Ethiopia	29	..	0	..	25	..	15	..	2	..	30	..
Finland	31	29	9	10	47	44	1	0	3	2	9	13
France	17	20	44	42	28	29	0	0	3	4	7	6
Gabon	24	..	1	..	23	..	18	..	2	..	32	..
Gambia, The	13	..	0	..	37	..	43	..	1	..	6	..
Georgia	..	11	..	20	..	45	..	11	..	0	..	13
Germany	16	15	53	48	24	20	0	0	0	0	6	16
Ghana	23	..	0	..	30	..	39	..	0	..	8	..
Greece	22	39	29	2	43	55	0	0	8	8	8	7
Guatemala	..	..	..	..	..	..	..	..	..	..	..	..
Guinea	9	10	0	1	15	6	47	77	0	3	28	3
Guinea-Bissau	..	..	..	..	..	..	..	..	..	..	..	..
Haiti	..	..	..	..	..	..	..	..	..	..	..	..
Honduras	..	..	..	..	..	..	..	..	..	..	..	..



Central government revenues 4.13

	Taxes on income, profits, 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	
	1990	1998	1990	1998	1990	1998	1990	1998	1990	1998	1990	1998
Hungary	18	19	29	29	31	34	6	4	0	2	16	12
India	15	24	0	0	36	28	29	21	0	0	20	27
Indonesia	62	61	0	3	24	24	6	4	3	0	5	6
Iran, Islamic Rep.	10	20	8	11	4	11	13	18	4	1	60	39
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	37	42	15	13	38	37	0	0	3	4	7	4
Israel	36	36	9	14	33	31	2	1	4	4	14	15
Italy	37	33	29	31	29	26	0	0	2	3	3	6
Jamaica	..	..	..	..	..	..	..	..	..	..	..	..
Japan	69	..	0	..	17	..	1	..	7	..	5	..
Jordan	16	10	0	0	21	31	27	23	7	8	29	28
Kazakhstan	..	12	..	32	..	44	..	5	..	4	..	3
Kenya	30	34	0	0	43	37	16	15	1	7	10	14
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	34	27	5	9	35	34	12	6	5	10	9	14
Kuwait	1	1	0	0	0	0	2	2	0	0	97	97
Kyrgyz Republic	..	15	..	0	..	55	..	6	..	5	..	19
Lao PDR	..	..	..	..	..	..	..	..	..	..	..	..
Latvia	..	13	..	32	..	41	..	2	..	0	..	12
Lebanon	..	9	..	0	..	8	..	44	..	13	..	26
Lesotho	11	18	0	0	21	12	57	48	0	0	11	22
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania	20	14	28	30	40	49	1	2	3	0	8	5
Macedonia, FYR	..	..	..	..	..	..	..	..	..	..	..	..
Madagascar	13	18	0	0	19	24	48	53	2	2	18	2
Malawi	37	..	0	..	33	..	16	..	1	..	13	..
Malaysia	31	36	1	1	20	26	18	13	3	5	28	18
Mali	..	..	..	..	..	..	..	..	..	..	..	..
Mauritania	..	..	..	..	..	..	..	..	..	..	..	..
Mauritius	14	12	4	5	21	31	46	30	6	6	9	16
Mexico	31	36	13	12	56	59	6	4	2	2	11	10
Moldova	..	4	..	28	..	52	..	4	..	0	..	12
Mongolia	24	11	14	23	31	33	17	1	0	1	15	31
Morocco	24	..	4	..	38	..	18	..	4	..	13	..
Mozambique	..	..	..	..	..	..	..	..	..	..	..	..
Myanmar	18	18	0	0	28	27	14	5	0	0	41	51
Namibia	34	..	0	..	25	..	27	..	1	..	13	..
Nepal	11	15	0	0	36	37	31	27	5	5	17	17
Netherlands	31	25	35	41	22	23	0	0	3	5	9	7
New Zealand	53	62	0	0	27	28	2	2	3	2	15	6
Nicaragua	17	..	9	..	35	..	19	..	8	..	13	..
Niger	..	..	..	..	..	..	..	..	..	..	..	..
Nigeria	..	..	..	..	..	..	..	..	..	..	..	..
Norway	16	21	24	23	34	38	1	1	1	1	24	17
Oman	23	17	0	0	1	2	2	4	1	3	73	74
Pakistan	9	23	0	0	30	27	31	17	0	13	30	21
Panama	17	17	20	19	17	..	12	..	3	4	31	31
Papua New Guinea	37	56	0	0	14	10	25	30	3	2	20	1
Paraguay	9	..	0	..	21	..	20	..	24	..	25	..
Peru	5	21	7	8	50	49	17	10	19	4	7	15
Philippines	28	40	0	0	31	28	25	17	3	6	13	10
Poland	..	25	..	30	..	33	..	3	..	1	..	8
Portugal	23	27	25	25	34	36	2	0	4	2	12	10
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..
Romania	19	30	23	27	33	27	1	6	15	2	10	8
Russian Federation	..	7	..	39	..	39	..	7	..	1	..	6



4.13 Central government revenues

	Taxes on income, profits, 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	
	1990	1998	1990	1998	1990	1998	1990	1998	1990	1998	1990	1998
Rwanda	18	..	7	..	34	..	26	..	4	..	12	..
Saudi Arabia	..	..	..	..	..	..	..	..	..	..	..	..
Senegal	..	..	..	..	..	..	..	..	..	..	..	..
Sierra Leone	31	17	0	0	23	33	40	46	0	0	5	3
Singapore	26	28	0	0	16	17	2	1	14	13	43	42
Slovak Republic	..	24	..	33	..	31	..	5	..	0	..	7
Slovenia	12	15	47	36	27	37	8	4	0	4	5	5
South Africa	51	53	2	2	34	33	4	3	2	2	8	7
Spain	32	30	38	39	22	25	2	0	0	0	5	6
Sri Lanka	11	12	0	0	46	52	29	16	5	4	10	16
Sudan	..	..	..	..	..	..	..	..	..	..	..	..
Sweden	18	14	31	34	29	28	1	0	9	12	13	11
Switzerland	15	15	51	51	23	23	7	1	3	3	7	7
Syrian Arab Republic	31	34	0	0	31	17	7	12	7	6	24	31
Tajikistan	..	6	..	14	..	64	..	12	..	0	..	3
Tanzania	..	..	..	..	..	..	..	..	..	..	..	..
Thailand	24	29	0	1	41	49	22	9	4	1	8	12
Togo	..	..	..	..	..	..	..	..	..	..	..	..
Trinidad and Tobago	..	..	..	..	..	..	..	..	..	..	..	..
Tunisia	13	19	13	17	19	35	28	14	5	4	22	11
Turkey	43	40	0	0	32	37	6	2	3	7	15	15
Turkmenistan	..	..	..	..	..	..	..	..	..	..	..	..
Uganda	..	..	..	..	..	..	..	..	..	..	..	..
Ukraine	..	..	..	..	..	..	..	..	..	..	..	..
United Arab Emirates	0	0	2	2	36	51	0	0	0	0	62	47
United Kingdom	39	39	17	17	28	31	0	0	7	7	9	5
United States	52	57	35	32	3	3	2	1	1	1	8	6
Uruguay	7	13	27	29	36	40	10	4	12	12	5	7
Uzbekistan	..	..	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	64	18	4	4	3	31	7	11	0	3	22	33
Vietnam	..	20	..	0	..	33	..	25	..	9	..	13
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	26	18	0	0	10	7	17	10	5	2	43	63
Yugoslavia, FR (Serb./Mont.)	..	..	..	..	..	..	..	..	..	..	..	..
Zambia	..	..	..	..	..	..	..	..	..	..	..	..
Zimbabwe	45	43	0	0	26	24	17	20	1	2	10	10
World	23 m	19 m	4 m	10 m	27 m	34 m	13 m	6 m	3 m	2 m	13 m	12 m
Low income	..	..	..	..	..	..	..	..	..	..	..	..
Middle income	22	17	4	12	25	38	14	7	3	2	16	11
Lower middle income	23	15	0	9	26	40	19	9	4	1	17	12
Upper middle income	22	17	7	22	23	33	11	4	3	2	16	9
Low & middle income	21	..	7	..	26	..	17	..	3	..	15	13
East Asia & Pacific	31	20	0	0	26	33	16	6	3	1	17	12
Europe & Central Asia	..	14	..	30	..	40	..	5	..	1	..	7
Latin America & Carib.	17	17	9	10	27	..	13	..	3	2	14	12
Middle East & N. Africa	21	19	2	0	17	12	15	15	5	4	28	30
South Asia	11	19	0	0	36	32	30	19	3	4	18	19
Sub-Saharan Africa	23	..	0	..	25	..	27	..	1	..	10	..
High income	32	28	20	20	27	28	1	0	3	3	9	8
Europe EMU	31	28	35	32	27	26	0	0	3	3	7	8

Note: Components may not sum to 100 percent as a result of adjustments to tax revenue.



Central government revenues 4.13

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 from 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 typically result in a higher deficit. Transactions within a 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, extrabudgetary agencies.

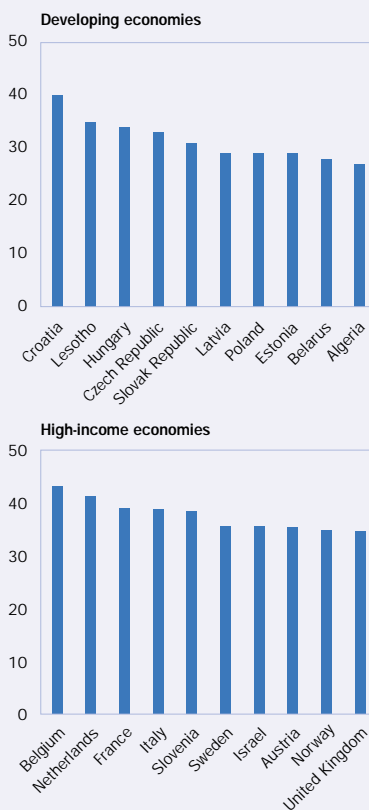
The IMF's *Manual on Government Finance Statistics* (1986) describes taxes as compulsory, unrequited payments made to governments by individuals, businesses, or institutions. Taxes traditionally have been classified as either direct (those levied directly on the income or profits of individuals and corporations) 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.

Social security taxes do not reflect compulsory payments made by employers to provident funds or other agencies with a similar purpose. Similarly, expenditures from such funds are not reflected in government expenditure (see table 4.12). The revenue shares shown in this table may not sum to 100 percent because adjustments to tax revenues are not shown.

For further discussion of taxes and tax policies see *About the data* for table 5.5. For further discussion of government revenues and expenditures see *About the data* for tables 4.11 and 4.12.

Figure 4.13

Some developing economies tax as much as high-income economies
Highest tax revenue as % of GDP



Note: For developing economies data refer to the most recent year available in 1998–99, and for high-income economies, in 1997–99.

Source: World Bank staff estimates.

Definitions

- **Taxes on income, profits, 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. It does not include 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.

Data sources

The data on central government revenues are from the IMF's *Government Finance Statistics Yearbook, 2000* and IMF data files. Each country's accounts are reported using the system of common definitions and classifications in the IMF's *Manual on Government Finance Statistics* (1986). The IMF receives additional information from the Organisation for Economic Co-operation and Development on the tax revenues of some of its members. See the IMF sources for complete and authoritative explanations of concepts, definitions, and data sources.



4.14 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	1999	1990	1999	1990	1999	1980-90	1990-99	1980-90	1990-99	1980-90	1990-99
Albania	..	22.3	..	1.4	..	6.1	-0.4	44.7	..	32.1	..	35.7
Algeria	11.4	13.7	12.2	3.5	3.2	21.3	8.1	19.1	9.1	19.5	6.9	20.8
Angola	..	526.0	..	56.3	..	70.3	5.9	813.7	..	787.0	..	..
Argentina	1,113.3	4.1	1,444.7	-2.4	1,573.2	9.6	391.1	6.2	390.6	10.6	279.2	9.9
Armenia	..	14.0	..	8.8	..	-4.8	..	269.2	..	97.8	..	..
Australia	12.8	11.7	15.3	14.3	-2.2	-1.7	7.2	1.3	7.9	2.0	7.3	2.5
Austria ^a	..	..	..	..	..	..	3.3	2.2	3.2	2.4	2.6	1.7
Azerbaijan	..	21.5	..	1.6	..	-12.8	..	250.0	..	224.9	1.5	257.5
Bangladesh	10.4	15.5	9.2	8.7	-0.2	6.7	9.5	4.1	..	5.5	10.4	4.3
Belarus	..	132.7	..	77.5	..	85.3	..	393.5	..	383.7	2.4	420.6
Belgium ^a	..	..	..	..	..	..	4.4	2.2	4.2	2.0	4.0	1.0
Benin	28.6	34.8	-1.3	21.8	12.4	-19.9	1.7	9.4	..	9.9	..	8.2
Bolivia	52.8	5.7	40.8	5.4	18.0	0.6	327.2	9.1	322.5	9.3	322.0	9.4
Bosnia and Herzegovina	..	..	..	..	..	..	..	-1.0	..	..	..	..
Botswana	-14.0	26.3	12.6	18.5	-52.4	-15.9	13.6	10.0	10.0	10.7	10.7	11.4
Brazil	1,289.2	7.4	1,566.4	4.8	3,093.6	-4.5	284.0	263.9	285.6	253.5	238.2	247.8
Bulgaria	53.8	11.9	1.9	9.5	84.5	-9.5	1.8	112.0	6.3	129.3	..	137.0
Burkina Faso	-0.5	2.6	3.6	1.5	-1.5	1.5	3.3	6.0	1.0	6.1	-0.5	5.4
Burundi	9.6	47.3	15.4	24.6	-6.9	23.7	4.4	11.8	7.1	15.8	6.1	6.7
Cambodia	..	17.3	..	8.8	..	-5.8	..	28.7	..	7.1	..	..
Cameroon	-1.7	13.3	0.9	7.1	-3.0	4.7	5.6	5.5	8.7	7.3	3.9	3.6
Canada	7.8	5.0	9.2	4.7	0.6	-0.2	4.5	1.4	5.3	1.7	4.6	1.5
Central African Republic	-3.7	11.1	-1.6	-0.2	2.3	9.0	7.9	4.9	3.2	6.7	2.0	7.8
Chad	-2.4	-2.6	1.3	-0.1	-17.3	6.5	1.4	7.6	0.6	8.7	..	9.2
Chile	23.5	14.8	21.4	12.5	16.4	0.5	20.7	8.0	20.6	9.7	20.8	9.2
China	28.9	14.7	26.5	9.8	1.5	1.1	5.9	8.2	..	9.9	8.8	..
Hong Kong, China	8.5	8.3	7.9	-8.6	-1.0	2.4	7.7	5.2	..	6.8	6.8	5.5
Colombia	33.0	13.8	8.7	-4.9	-5.1	4.5	24.8	22.7	22.7	21.7	24.5	19.3
Congo, Dem. Rep.	195.4	..	18.0	..	429.7	..	62.9	1,423.1	57.1	2,089.0	..	..
Congo, Rep.	18.5	19.9	5.1	26.1	-12.6	-12.9	0.5	8.6	0.9	10.0	4.1	10.2
Costa Rica	27.5	21.7	7.3	11.3	8.2	-10.5	23.6	16.7	23.0	16.2	23.0	14.4
Côte d'Ivoire	-2.6	-1.7	-3.9	-5.1	-3.0	3.8	2.8	8.2	5.4	7.8	6.0	..
Croatia	..	-1.8	..	-6.4	..	5.1	..	104.9	304.1	105.4	246.3	103.0
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	2.6	..	-3.8	..	0.8	..	12.4	..	8.5	..	..
Denmark	6.5	-0.9	3.0	2.3	-3.1	-1.0	5.8	2.0	5.5	2.0	4.8	1.9
Dominican Republic	42.5	23.7	19.1	19.4	0.7	4.3	21.6	9.9	22.4	9.0	25.2	17.7
Ecuador	101.6	99.2	46.7	117.7	-22.4	61.3	36.4	33.8	35.8	34.5	43.0	33.7
Egypt, Arab Rep.	28.7	5.7	6.3	11.8	25.3	2.2	13.7	8.8	17.4	9.6	19.0	8.3
El Salvador	32.4	9.1	8.8	9.2	9.6	0.7	16.3	8.1	19.6	9.4	21.4	11.1
Eritrea	..	..	..	..	..	..	..	9.4	..	..	..	..
Estonia	71.1	24.7	27.6	6.2	-11.3	4.7	2.3	62.7	..	25.3	..	58.5
Ethiopia	18.5	6.8	-1.0	9.9	23.0	18.1	4.6	7.6	4.0	6.0	3.7	12.4
Finland ^a	..	..	..	..	..	..	6.7	2.0	6.2	1.5	5.8	-0.8
France ^a	..	..	..	..	..	..	5.8	1.6	5.8	1.7	5.7	1.1
Gabon	3.3	-3.0	0.7	0.2	-20.6	-6.7	1.8	5.8	5.1	5.7	2.8	5.1
Gambia, The	8.4	12.1	7.8	7.8	-35.4	3.8	17.9	3.7	20.0	4.3	20.4	4.9
Georgia	..	21.1	..	30.9	..	54.6	..	..	..	1.0	..	5.4
Germany ^{a,b}	..	..	..	..	..	..	..	1.9	2.2	2.4	..	1.5
Ghana	13.3	16.2	4.9	25.0	-0.8	53.5	42.1	27.4	39.1	29.2	33.1	28.5
Greece	14.3	16.7	4.6	19.7	16.3	11.6	18.0	9.5	18.7	9.8	18.0	9.2
Guatemala	25.8	12.5	15.0	10.7	0.5	2.2	14.6	10.9	14.0	10.7	14.6	10.6
Guinea	-17.4	-77.5	13.1	-6.1	2.9	1.1	..	5.6	..	..	..	9.1
Guinea-Bissau	574.6	21.5	90.5	-8.0	460.7	25.3	57.4	37.6	..	37.6	..	..
Haiti	2.5	23.0	-0.6	5.2	0.4	10.1	7.3	22.2	5.2	23.2	4.1	19.2
Honduras	21.4	24.7	13.0	17.1	-10.5	-14.6	5.7	19.7	6.3	19.5	5.1	20.4



Monetary indicators and prices 4.14

	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	1999	1990	1999	1990	1999	1980-90	1990-99	1980-90	1990-99	1980-90	1990-99
Hungary	29.2	15.5	22.8	11.5	69.9	-19.2	8.9	20.6	9.6	21.5	9.5	21.0
India	15.1	17.2	5.9	9.9	10.5	6.8	8.0	8.5	8.6	9.5	8.4	9.8
Indonesia	44.6	12.5	66.9	-49.8	-6.7	74.7	8.6	14.7	8.3	13.1	8.6	9.6
Iran, Islamic Rep.	18.0	21.5	14.7	15.5	5.8	9.5	14.4	27.0	18.2	27.1	16.3	28.7
Iraq	..	..	..	..	..	..	10.3	..	..	..	14.3	..
Ireland ^a	..	..	..	..	..	..	6.6	3.4	6.8	2.1	10.5	2.3
Israel	19.4	15.5	18.5	12.5	4.9	1.6	101.1	10.7	101.7	10.5	102.4	9.1
Italy ^a	..	..	..	..	..	..	10.0	4.0	9.1	3.9	8.2	3.3
Jamaica	21.5	12.2	12.5	8.4	-16.0	7.2	18.6	27.6	15.1	26.1	16.2	32.9
Japan	8.2	3.4	9.7	-2.1	1.5	6.0	1.7	0.1	1.7	0.9	1.6	0.7
Jordan	8.3	15.5	4.7	4.6	1.0	-1.0	4.3	3.5	5.7	3.9	4.7	4.3
Kazakhstan	..	84.4	..	44.0	..	-2.3	..	255.9	..	87.2	..	..
Kenya	20.1	6.0	8.0	6.4	21.5	-2.4	9.1	14.9	11.1	16.7	..	19.4
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	17.2	27.4	36.1	24.4	-1.2	-0.9	6.1	5.8	4.9	5.3	5.0	5.6
Kuwait	0.7	1.6	3.3	2.8	-3.1	-1.8	-2.8	..	2.9	2.0	1.2	2.7
Kyrgyz Republic	..	33.7	..	13.3	..	-6.4	..	129.7	..	..	..	..
Lao PDR	7.8	78.4	3.6	39.2	7.0	0.2	37.6	22.9	..	24.1	..	..
Latvia	..	8.3	..	8.2	..	2.8	-0.2	57.9	..	34.6	..	..
Lebanon	55.1	11.7	27.6	5.6	18.5	5.2	..	24.0	..	..	..	..
Lesotho	8.4	-5.1	6.8	1.5	-17.4	54.2	12.1	9.6	13.6	10.5	13.2	13.0
Libya	19.0	7.4	2.0	10.1	15.0	-9.0	0.2	..	..	..	..	..
Lithuania	..	7.7	..	8.1	..	5.1	..	90.7	..	40.2	..	..
Macedonia, FYR	..	32.0	..	31.8	..	-16.3	..	94.2	..	91.4	242.1	89.1
Madagascar	4.5	19.2	23.8	3.2	-14.8	5.2	17.1	20.6	16.6	19.8	15.7	20.1
Malawi	11.1	26.5	15.8	1.9	-12.8	24.7	14.6	34.3	16.9	33.8	16.3	37.4
Malaysia	10.6	16.9	20.8	5.5	-1.2	0.3	1.7	3.9	2.6	4.0	1.3	5.1
Mali	-4.9	1.0	0.1	10.2	-13.4	1.1	4.5	8.1	..	5.8	..	..
Mauritania	11.5	2.1	20.2	26.5	1.5	-40.3	8.4	6.0	7.1	6.3	..	..
Mauritius	21.2	15.2	10.8	7.8	0.8	-0.6	9.5	6.3	6.9	7.0	7.4	7.1
Mexico	81.9	11.8	48.5	-0.5	13.6	-2.1	71.5	19.5	73.8	19.9	73.1	19.9
Moldova	358.0	42.9	53.3	10.7	469.1	18.2	..	142.1	..	16.0	..	..
Mongolia	31.6	31.6	40.2	-3.5	38.5	-2.3	-1.6	66.6	..	53.7	..	..
Morocco	21.5	10.2	12.4	6.2	-4.9	-4.0	7.1	3.2	7.0	4.2	6.7	5.5
Mozambique	37.2	31.8	22.0	21.2	-5.1	2.2	38.3	36.4	..	34.9	..	..
Myanmar	37.7	29.7	12.8	7.6	24.2	22.9	12.2	26.7	11.5	27.1	11.9	28.4
Namibia	30.3	18.4	15.4	4.3	-4.2	4.7	13.7	9.8	12.6	9.9	14.9	9.8
Nepal	18.5	21.6	5.7	9.3	7.3	3.4	11.1	8.6	10.2	9.0	10.1	9.6
Netherlands ^a	..	..	..	..	..	..	1.6	1.9	2.0	2.4	1.2	1.5
New Zealand	12.5	5.0	4.2	10.7	-1.7	1.2	10.8	1.4	11.0	1.9	9.9	1.2
Nicaragua	7,677.8	18.8	4,932.9	23.6	12,679.2	15.7	422.3	38.6	535.7	35.1	..	..
Niger	-4.1	15.4	-5.1	-2.1	1.4	6.5	1.9	6.4	0.7	6.6	-1.5	..
Nigeria	32.7	31.7	7.8	21.7	27.1	55.0	16.7	31.6	21.5	36.2	21.6	37.6
Norway	5.6	1.7	5.0	7.3	-0.6	-14.7	5.6	2.1	7.4	2.1	7.8	1.8
Oman	10.0	6.4	9.6	10.4	-10.9	-10.5	-3.6	-2.9	..	0.2	..	0.4
Pakistan	11.6	4.3	5.9	6.7	7.7	-1.9	6.7	10.6	6.3	10.3	6.6	10.8
Panama	36.6	8.5	0.8	23.3	-25.7	-0.7	1.9	2.1	1.4	1.1	1.9	1.0
Papua New Guinea	4.3	9.2	-0.9	-0.8	9.9	2.7	5.3	7.1	5.6	8.7	4.6	6.8
Paraguay	52.5	11.7	33.1	7.6	-9.5	-6.2	24.4	13.4	21.9	13.8	24.9	13.5
Peru	6,384.9	14.5	2,123.7	6.4	2,129.5	9.0	220.2	31.0	246.1	31.6	..	29.2
Philippines	22.5	16.8	15.7	-1.8	3.4	3.8	14.9	8.6	13.4	8.5	14.1	7.9
Poland	160.1	19.4	20.8	16.9	75.6	1.8	..	25.0	50.9	27.8	52.4	24.2
Portugal ^a	..	..	..	..	..	..	18.0	5.6	17.1	4.8	16.9	3.7
Puerto Rico	..	..	..	..	..	..	3.5	3.7	..	..	2.8	8.4
Romania	26.4	44.9	..	0.9	0.0	16.3	2.5	105.6	..	108.9	1.8	104.9
Russian Federation	..	56.7	..	27.9	..	31.3	..	190.4	..	116.1	..	..



4.14 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	1999	1990	1999	1990	1999	1980-90	1990-99	1980-90	1990-99	1980-90	1990-99
Rwanda	5.6	7.9	-10.0	6.4	26.8	5.1	4.0	16.3	3.9	18.0	6.6	..
Saudi Arabia	4.6	6.8	-4.5	0.5	4.2	-17.7	-4.9	1.2	-0.8	1.2	-0.4	1.2
Senegal	-4.8	13.1	-8.4	7.3	-5.3	1.1	6.5	5.0	6.2	6.0	5.3	8.3
Sierra Leone	74.0	37.8	4.9	-2.6	228.7	50.2	62.8	31.1	72.4	31.4	71.0	..
Singapore	20.0	8.5	13.7	-2.9	-4.9	1.9	1.9	1.6	1.6	1.8	0.9	1.9
Slovak Republic	..	11.6	..	-5.5	..	7.0	1.8	11.4	..	13.0	1.6	9.0
Slovenia	123.0	15.1	96.1	16.7	-10.4	1.0	..	23.3	..	28.0	252.3	30.3
South Africa	11.4	10.9	13.7	12.0	1.8	-0.5	15.5	10.2	14.8	9.1	15.1	11.3
Spain ^a	..	..	..	..	..	..	9.3	4.1	9.0	3.9	9.3	3.1
Sri Lanka	21.1	12.4	16.2	9.9	6.8	7.8	11.0	9.4	10.9	10.3	10.9	10.9
Sudan	48.8	23.5	12.6	-0.4	29.4	16.6	41.0	66.6	37.6	81.1	38.0	..
Sweden	..	..	..	..	..	..	7.4	2.2	7.0	2.1	8.2	-0.6
Switzerland	0.8	13.3	11.7	7.2	1.0	0.0	3.4	1.4	2.9	1.7	3.1	0.4
Syrian Arab Republic	26.1	13.4	3.4	0.7	11.4	-3.5	15.3	8.7	23.2	7.8	24.5	6.4
Tajikistan	..	..	..	..	..	..	..	..	..	..	..	..
Tanzania	41.9	18.6	22.6	6.1	80.6	8.9	..	23.1	31.0	22.6	30.2	24.2
Thailand	26.7	5.4	30.0	-6.0	-4.0	1.7	3.9	4.6	3.5	5.1	2.7	6.4
Togo	9.5	8.4	1.8	-7.9	6.9	0.0	4.8	7.6	2.5	9.3	1.2	..
Trinidad and Tobago	6.2	4.2	2.7	5.2	-1.9	-3.8	2.4	5.8	10.7	5.9	14.6	13.3
Tunisia	7.6	18.9	5.9	10.2	1.8	5.0	7.4	4.6	7.4	4.6	8.3	4.6
Turkey	53.2	98.3	42.9	24.8	2.2	54.8	45.2	78.3	44.9	81.5	..	83.4
Turkmenistan	..	22.6	..	0.3	..	82.3	..	516.9	..	..	..	..
Uganda	60.2	13.6	..	8.4	-0.9	-0.5	113.8	13.8	102.5	11.6	..	13.4
Ukraine	..	41.3	..	20.7	..	29.4	..	339.1	..	413.4	..	..
United Arab Emirates	-8.2	11.5	1.3	8.0	-4.8	1.8	0.8	2.4	..	..	..	..
United Kingdom	..	..	..	..	..	..	5.7	3.0	5.8	2.9	4.6	2.0
United States	4.9	8.2	1.1	10.2	0.6	0.6	3.8	2.1	4.2	2.7	3.8	3.8
Uruguay	118.5	13.1	56.2	10.5	25.8	4.0	62.7	35.2	61.1	38.2	62.0	34.7
Uzbekistan	..	..	..	..	..	..	..	293.0	..	..	..	..
Venezuela, RB	71.2	20.9	17.0	6.4	43.7	-1.7	19.3	47.5	20.9	51.8	29.7	50.1
Vietnam	..	48.8	..	59.2	..	-47.4	210.8	16.8	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	9.1	..	..	..	..
Yemen, Rep.	11.3	13.8	1.4	5.0	10.2	-14.2	..	26.1	..	32.6	..	..
Yugoslavia, FR (Serb./Mont.)	..	..	..	..	..	..	..	..	..	..	..	..
Zambia	47.9	27.7	22.8	11.9	195.2	36.3	42.2	57.4	72.5	80.8	42.8	73.0
Zimbabwe	15.1	35.9	13.5	14.0	5.0	-4.3	11.6	23.6	13.8	25.4	14.6	32.5

a. As members of the European Monetary Union, these countries share a single currency, the euro. b. Data prior to 1990 refer to the Federal Republic of Germany before unification.



Monetary indicators and prices 4.14

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 includes credit to the private sector and general government, 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; liabilities to the public and private sectors in the form of deposits with the banking system are netted out. Net domestic credit also includes credit to banking and nonbank financial institutions.

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, valuation, and timing and to 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 devaluation during the reporting period. The valuation of financial

derivatives and the net liabilities of the banking system 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 nonbank financial intermediaries.

Controlling inflation is one of the primary goals of monetary policy and is intimately linked to the growth in money supply. Inflation is measured by the rate of increase in a price index, but actual price change can also be negative. Which index is used depends on which set of prices in the economy is being examined. The GDP deflator reflects changes in prices for total gross domestic product. The most general measure of the overall price level, it takes into account changes in government consumption, capital formation (including inventory appreciation), international trade, and the main component, household final consumption expenditure. The GDP deflator is usually derived implicitly as the ratio of current to constant price GDP, resulting in a Paasche index. It is defective as a general measure of inflation for use in policy because of the long lags in deriving estimates and because it is often only an annual measure.

Consumer price indexes are more current and produced more frequently. They are also constructed explicitly, based on surveys of the cost of a defined basket of consumer goods and services. Nevertheless, consumer price indexes 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, as can the basket of goods chosen. In addition, 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. Although a useful indicator for measuring consumer price inflation within a country, consumer price indexes are of less value in making comparisons across countries. Like consumer price indexes, food price indexes too should be interpreted with caution because of the high variability across countries in the items covered.

The least-squares method is used to calculate the growth rates of the GDP implicit deflator, consumer price index, and food price index.

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 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 the government budget deficit, loans to state enterprises, advances against future credit authorizations, and purchases of treasury bills and bonds, net of deposits by the public sector. 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.
- **Consumer price index** reflects changes in the cost to the average consumer of acquiring a basket of goods and services that may be fixed or change at specified intervals, such as yearly. The Laspeyres formula is generally used.
- **Food price index** is a subindex of the consumer price index.

Data sources

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



4.15 Balance of payments current account

	Goods and services				Net income		Net current transfers		Current account balance		Gross international reserves	
	Exports \$ millions		Imports \$ millions		\$ millions		\$ millions		\$ millions		\$ millions	
	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999
Albania	354	544	485	1,101	-2	75	15	326	-118	-155	..	404
Algeria	13,462	12,943	10,106	9,602	-2,268	-2,668	333	..	1,420	..	2,703	6,146
Angola	3,992	5,370	3,385	6,947	-765	-491	-77	1,820	-236	-249	..	496
Argentina	14,800	27,747	6,846	32,589	-4,400	-7,739	998	268	4,552	-12,312	6,222	26,350
Armenia	..	383	..	919	..	55	..	174	..	-307	1	331
Australia	49,843	73,353	53,056	84,220	-13,176	-12,272	358	-36	-16,031	-23,175	19,319	21,956
Austria	63,694	94,920	61,580	95,901	-942	-2,723	-6	-2,043	1,166	-5,747	17,228	18,923
Azerbaijan	392	1,282	348	1,919	0	-526	106	56	150	-1,106	0	673
Bangladesh	1,903	6,031	4,156	8,527	-122	-135	802	2,237	-1,573	-394	660	1,634
Belarus	3,661	6,683	3,557	6,984	-1	-65	79	108	182	-257	..	294
Belgium ^a	138,605	194,213	135,098	183,454	2,316	5,486	-2,197	-4,560	3,627	11,685	23,789	13,346
Benin	364	537	454	792	-25	-14	97	111	-18	-157	69	403
Bolivia	977	1,311	1,086	1,989	-249	-201	159	324	-199	-556	511	1,190
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..	..	..
Botswana	2,005	3,044	1,987	2,512	-106	-266	69	252	-19	517	3,331	6,299
Brazil	35,170	55,746	28,184	63,648	-11,608	-18,859	799	1,688	-3,823	-25,073	9,200	35,717
Bulgaria	6,950	5,793	8,027	6,558	-758	-219	125	300	-1,710	-685	670	3,383
Burkina Faso	349	320	758	741	0	-35	332	143	-77	-312	305	298
Burundi	89	61	318	130	-15	-9	174	51	-69	-27	112	53
Cambodia	314	1,131	507	1,407	-21	-25	120	235	-93	-66	..	393
Cameroon	2,251	2,244	1,931	2,289	-478	-468	-39	117	-196	-396	37	4
Canada	149,538	277,674	149,118	258,985	-19,388	-21,640	-796	677	-19,764	-2,273	23,530	28,650
Central African Republic	220	156	410	244	-22	-20	123	66	-89	-42	123	136
Chad	271	311	488	494	-21	-15	192	36	-46	-161	132	95
Chile	10,221	19,406	9,166	18,058	-1,737	-1,880	198	452	-485	-80	6,784	14,761
China [†]	57,374	218,494	46,706	189,797	1,055	-17,974	274	4,944	11,997	15,667	34,476	161,414
Hong Kong, China	100,413	211,825	94,084	203,330	0	3,516	..	-1,470	6,329	10,541	24,656	96,255
Colombia	8,679	13,865	6,858	13,351	-2,305	-1,421	1,026	846	542	-61	4,869	8,198
Congo, Dem. Rep.	2,557	1,446	2,497	1,385	-770	-752	-27	33	-738	-658	261	..
Congo, Rep.	1,488	1,792	1,282	1,916	-460	-92	3	-20	-251	-252	10	39
Costa Rica	1,963	8,193	2,346	7,182	-233	-1,763	192	102	-424	-649	525	1,461
Côte d'Ivoire	3,503	5,346	3,445	4,137	-1,091	-692	-181	-479	-1,214	38	21	643
Croatia	..	8,118	..	9,791	..	-350	..	500	..	-1,522	167	3,025
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	2	33,188	..	33,989	..	-739	..	509	..	-1,032	..	12,936
Denmark	48,902	65,687	41,415	58,080	-5,708	-2,904	-408	-2,123	1,372	2,580	11,226	22,908
Dominican Republic	1,832	7,987	2,233	9,289	-249	-975	371	1,848	-280	-429	69	695
Ecuador	3,262	5,263	2,519	4,090	-1,210	-1,319	107	1,101	-360	955	1,009	1,763
Egypt, Arab Rep.	9,151	13,537	13,710	21,109	-912	995	4,836	4,869	-634	-1,708	3,620	15,190
El Salvador	973	3,135	1,624	4,651	-132	-283	631	1,557	-152	-242	595	2,140
Eritrea	88	66	278	597	0	6	171	244	-19	-282	..	..
Estonia	664	3,943	711	4,248	-13	-102	97	112	36	-295	198	856
Ethiopia	672	914	1,069	1,873	-67	-52	220	302	-244	-709	55	467
Finland	31,180	48,507	33,456	37,850	-3,735	-2,482	-952	-1,033	-6,962	7,141	10,415	8,665
France	285,389	382,008	283,238	343,498	-3,896	11,045	-8,199	-12,976	-9,944	36,579	68,291	67,925
Gabon	2,730	2,775	1,812	1,936	-617	-609	-134	-764	168	-256	279	18
Gambia, The	168	246	192	312	-11	-6	59	25	23	-46	55	111
Georgia	..	739	..	1,260	..	119	..	182	..	-220	..	133
Germany	474,713	626,025	423,497	605,298	20,832	-12,708	-23,745	-27,332	48,303	-19,313	104,547	93,407
Ghana	983	2,584	1,506	3,839	-111	-132	411	620	-223	-766	309	535
Greece	13,018	14,863	19,564	25,601	-1,709	-1,632	4,718	7,510	-3,537	-4,860	4,721	19,352
Guatemala	1,568	3,480	1,812	5,016	-196	-205	227	715	-213	-1,026	362	1,252
Guinea	829	791	953	926	-149	-82	70	78	-203	-138	80	200
Guinea-Bissau	26	56	88	80	-22	-14	39	40	-45	-6	18	35
Haiti	318	580	515	1,261	-18	-22	193	223	-22	-38	10	83
Honduras	1,032	2,280	1,127	3,056	-237	-126	280	690	-51	-211	47	1,264
† Data for Taiwan, China	74,175	135,774	67,015	130,396	4,361	2,671	-601	-2,188	10,920	5,861	77,653	110,139



Balance of payments current account 4.15

	Goods and services				Net income		Net current transfers		Current account balance		Gross international reserves	
	Exports \$ millions		Imports \$ millions		\$ millions		\$ millions		\$ millions		\$ millions	
	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999
Hungary	12,035	27,496	11,017	28,302	-1,427	-1,642	787	347	379	-2,101	1,185	10,983
India	23,028	54,047	31,485	67,250	-1,757	-3,133	2,069	12,638	-8,145	-3,699	5,637	36,005
Indonesia	29,295	55,821	27,511	42,151	-5,190	-9,799	418	1,914	-2,988	5,785	8,657	27,345
Iran, Islamic Rep.	19,741	20,208	22,292	15,593	378	-282	2,500	497	327	-1,897	..	..
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	26,786	81,672	24,576	68,887	-4,955	-13,476	2,384	1,285	-361	595	5,362	5,333
Israel	17,312	35,891	20,228	40,816	-1,975	-3,281	5,060	6,324	170	-1,881	6,598	22,605
Italy	219,971	292,293	218,573	269,117	-14,712	-11,492	-3,164	-5,379	-16,479	6,304	88,595	45,301
Jamaica	2,217	3,356	2,390	3,928	-430	-333	291	649	-312	-256	168	555
Japan	323,692	464,692	297,306	395,527	22,492	49,839	-4,800	-12,139	44,078	106,865	87,828	293,948
Jordan	2,511	3,520	3,754	4,979	-215	-155	1,046	2,004	-411	390	1,139	2,770
Kazakhstan	5,758	6,921	5,862	6,749	-175	-500	168	157	-111	-171	..	2,001
Kenya	2,228	2,653	2,705	3,153	-418	-163	368	674	-527	11	236	792
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	73,295	171,692	76,360	143,972	-87	-5,159	1,149	1,916	-2,003	24,476	14,916	74,114
Kuwait	8,268	13,964	7,169	12,079	7,738	5,180	-4,951	-2,004	3,886	5,062	2,929	5,561
Kyrgyz Republic	..	528	..	705	..	-75	..	68	..	-185	..	254
Lao PDR	102	468	212	580	-1	-39	56	240	-55	90	8	135
Latvia	1,090	2,913	997	3,605	2	-48	96	93	191	-647	..	913
Lebanon	511	1,817	2,836	8,717	622	323	1,818	2,689	115	-3,888	4,210	10,452
Lesotho	100	216	754	829	433	244	286	148	65	-221	72	500
Libya	11,469	7,335	8,960	5,291	174	311	-481	-219	2,201	2,136	7,225	8,622
Lithuania	..	4,238	..	5,337	..	-258	..	163	..	-1,194	107	1,249
Macedonia, FYR	..	1,441	..	1,926	..	-44	..	420	..	-109	..	460
Madagascar	471	940	809	1,238	-161	-45	234	88	-265	-289	92	227
Malawi	443	592	549	998	-80	-83	99	..	-86	..	142	254
Malaysia	32,665	95,971	31,765	76,140	-1,872	-5,497	102	-1,728	-870	12,606	10,659	30,931
Mali	420	647	830	936	-37	-42	225	126	-221	-178	198	355
Mauritania	471	364	520	413	-46	-26	86	215	-10	140	59	228
Mauritius	1,722	2,660	1,916	2,797	-23	-19	97	104	-119	-52	761	749
Mexico	48,805	148,125	51,915	156,268	-8,316	-12,337	3,975	6,314	-7,451	-14,166	10,217	31,828
Moldova	..	580	..	752	..	39	..	110	..	-23	0	186
Mongolia	493	530	1,096	656	-44	0	7	74	-640	-52	23	137
Morocco	6,239	10,624	7,783	11,960	-988	-986	2,336	2,154	-196	-167	2,338	5,894
Mozambique	229	586	996	1,638	-97	-144	448	313	-415	-429	232	669
Myanmar	641	1,182	1,182	1,798	-61	-18	77	402	-526	-232	410	333
Namibia	1,220	1,601	1,584	1,930	37	62	354	398	28	130	50	305
Nepal	379	1,150	761	1,496	71	25	60	153	-251	-168	354	887
Netherlands	159,304	248,744	147,652	226,669	-620	1,378	-2,943	-6,178	8,089	17,275	34,401	19,262
New Zealand	11,683	16,926	11,699	17,596	-1,576	-3,912	138	242	-1,453	-4,341	4,129	4,455
Nicaragua	392	839	682	2,011	-217	-200	202	785	-305	-587	166	514
Niger	533	288	728	424	-54	-24	14	-14	-236	-174	226	42
Nigeria	14,550	13,855	6,909	12,063	-2,738	-2,578	85	1,292	4,988	506	4,129	6,485
Norway	47,078	54,768	38,911	54,440	-2,700	-898	-1,476	-1,591	3,992	-2,161	15,788	20,744
Oman	5,577	7,236	3,342	5,361	-254	-666	-874	-1,402	1,106	-192	1,784	2,852
Pakistan	6,217	8,838	9,351	11,688	-966	-1,808	2,748	2,471	-1,352	-2,187	1,046	2,117
Panama	4,438	6,888	4,193	7,700	-255	-684	219	164	209	-1,333	344	823
Papua New Guinea	1,381	2,175	1,509	1,800	-103	-273	156	17	-76	120	427	223
Paraguay	2,514	3,261	2,169	3,544	2	1	43	47	390	-235	675	988
Peru	4,120	7,636	4,087	8,853	-1,733	-1,548	281	943	-1,419	-1,822	1,891	9,050
Philippines	11,430	39,012	13,967	36,767	-872	5,171	714	494	-2,695	7,910	2,036	15,029
Poland	19,037	38,522	15,095	52,213	-3,386	-1,010	2,511	2,214	3,067	-12,487	4,674	25,494
Portugal	21,554	34,046	27,146	46,612	-96	-1,540	5,507	3,937	-181	-10,169	20,579	14,510
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..
Romania	6,380	9,868	9,901	11,380	161	-411	106	626	-3,254	-1,297	1,374	3,651
Russian Federation	53,883	84,889	48,915	52,571	-4,500	-11,900	..	542	468	20,960	..	12,325



4.15 Balance of payments current account

	Goods and services				Net income		Net current transfers		Current account balance		Gross international reserves	
	Exports \$ millions		Imports \$ millions		\$ millions		\$ millions		\$ millions		\$ millions	
	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999
Rwanda	145	98	359	297	-17	-11	145	207	-86	-2	44	174
Saudi Arabia	47,445	56,136	43,939	44,574	7,979	2,925	-15,637	-14,076	-4,152	412	13,437	18,331
Senegal	1,453	1,316	1,840	1,626	-129	-70	153	75	-363	-304	22	411
Sierra Leone	210	73	215	151	-71	-15	7	..	-69	..	5	39
Singapore	67,489	139,333	64,953	123,216	1,006	6,300	-421	-1,163	3,122	21,254	27,748	76,843
Slovak Republic	..	12,101	..	13,154	..	-299	..	198	..	-1,155	..	3,745
Slovenia	7,900	10,522	6,930	11,403	-38	-25	46	123	978	-782	112	3,168
South Africa	27,119	33,320	21,017	30,005	-4,096	-2,852	60	-926	2,065	-464	2,583	7,497
Spain	83,595	164,355	100,870	170,640	-3,533	-9,508	2,799	3,172	-18,009	-12,621	57,238	37,999
Sri Lanka	2,293	5,566	2,965	6,717	-167	-253	541	911	-298	-493	447	1,654
Sudan	532	832	1,453	1,551	-784	-1,292	407	457	-1,299	-1,555	11	189
Sweden	70,560	107,472	70,490	94,471	-4,473	-3,420	-1,936	-3,599	-6,339	5,982	20,324	16,749
Switzerland	96,928	118,985	96,388	106,867	8,746	21,151	-2,329	-4,150	6,957	29,119	61,284	60,492
Syrian Arab Republic	5,030	5,457	2,955	5,202	-401	-543	88	489	1,762	201	..	..
Tajikistan	185	741	238	688	0	-16	..	31	-53	67	..	56
Tanzania	538	1,190	1,474	2,241	-185	-76	562	534	-559	-593	193	775
Thailand	29,229	71,410	35,870	56,345	-853	-2,991	213	353	-7,281	12,428	14,258	34,781
Togo	663	476	847	688	-32	-27	132	90	-84	-140	358	126
Trinidad and Tobago	2,289	3,394	1,427	3,006	-397	-409	-6	22	459	-644	513	962
Tunisia	5,203	8,793	6,039	9,249	-455	-889	828	902	-463	-443	867	2,325
Turkey	21,042	45,724	25,652	48,726	-2,508	-3,537	4,493	5,175	-2,625	-1,364	7,626	24,427
Turkmenistan	1,238	1,376	857	2,046	0	-6	66	105	447	-571	..	1,513
Uganda	246	726	676	1,834	-77	-14	78	375	-429	-746	44	763
Ukraine	..	17,058	..	15,237	..	-869	..	706	..	1,658	469	1,094
United Arab Emirates	..	..	..	..	..	..	..	..	..	..	4,891	10,790
United Kingdom	238,568	373,777	263,985	397,874	-818	14,814	-7,624	-6,697	-33,859	-15,981	43,146	41,834
United States	537,143	956,244	615,990	1,221,218	28,552	-18,483	-26,653	-48,024	-76,948	-331,481	173,094	136,450
Uruguay	2,158	3,586	1,659	4,069	-321	-192	8	70	186	-605	1,446	2,604
Uzbekistan	..	3,170	..	3,059	..	-174	..	49	..	-14	..	..
Venezuela, RB	18,806	22,122	9,451	16,985	-774	-1,518	-302	70	8,279	3,689	12,733	15,110
Vietnam	1,913	14,229	1,901	14,354	-412	-890	49	951	-351	-64	429	2,002
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	1,490	2,615	2,170	3,018	-454	-721	1,872	1,256	739	-228	441	1,486
Yugoslavia, FR (Serb./Mont.)	..	..	..	..	..	..	..	..	..	..	..	..
Zambia	1,360	904	1,897	1,036	-437	-418	380	..	-594	..	201	45
Zimbabwe	2,012	2,525	2,001	2,315	-263	-357	112	..	-140	..	295	480
World	4,252,962	t 7,004,744	t 4,257,720	t 6,999,639	t	t	t	t	t	t	t	t
Low income	131,098	225,966	148,122	246,302								
Middle income	700,877	1,456,089	666,531	1,375,775								
Lower middle income	290,650	651,755	302,997	597,718								
Upper middle income	409,318	804,287	365,839	777,390								
Low & middle income	830,849	1,682,063	813,885	1,622,056								
East Asia & Pacific	239,776	675,446	240,892	569,915								
Europe & Central Asia	188,457	322,305	186,906	321,322								
Latin America & Carib.	169,993	352,429	147,151	378,818								
Middle East & N. Africa	134,094	158,908	134,829	152,767								
South Asia	34,113	76,267	49,041	96,465								
Sub-Saharan Africa	80,657	96,584	74,680	102,676								
High income	3,418,188	5,321,940	3,429,968	5,378,612								
Europe EMU	1,518,518	2,188,671	1,476,235	2,078,619								

a. Includes Luxembourg.



Balance of payments current account 4.15

About the data

The balance of payments records an economy's transactions with the rest of the world. Balance of payments accounts are divided into two groups: the current account, which records transactions in goods, services, income, and current transfers; and the capital and financial account, which records capital transfers, acquisition or disposal of nonproduced, nonfinancial assets, and transactions in financial assets and liabilities. This table presents data from the current account with the addition of gross international reserves.

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.

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. For further discussion of issues relating to the recording of data on trade in goods and services see *About the data* for tables 4.4–4.8.

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 such systems to conform with the fifth edi-

tion (see *Primary data documentation*). Values are in U.S. dollars converted at market exchange rates.

The data in this table come from the IMF's Balance of Payments and International Financial Statistics databases, supplemented by estimates by World Bank staff for countries whose national accounts are recorded in fiscal years (see *Primary data documentation*) and countries for which the IMF does not collect balance of payments statistics. In addition, World Bank staff make estimates of missing data for the most recent year.

Definitions

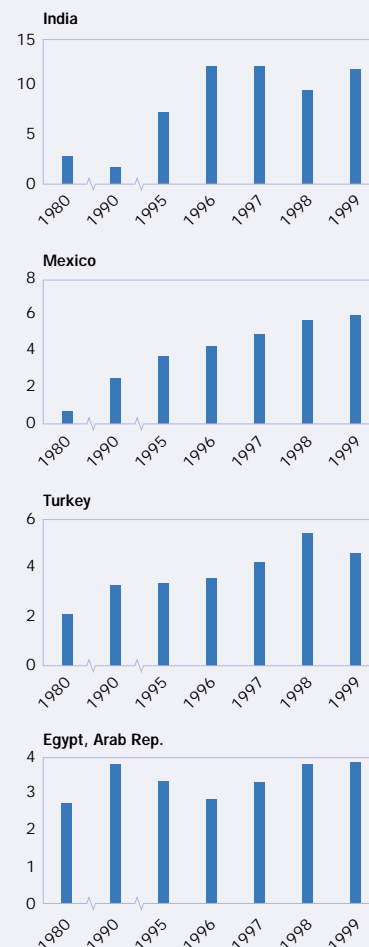
- **Exports and imports of goods and services** comprise all transactions between residents of a country and the rest of the world involving a change in ownership of general merchandise, goods sent for processing and repairs, nonmonetary gold, and services.
- **Net income** refers to receipts and payments of employee compensation to nonresident workers, and investment income (receipts and payments on direct investment, portfolio investment, and 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, net income, and net 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 (31 December) London prices (\$385 an ounce in 1990 and \$290.25 an ounce in 1999).

Data sources

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 balance of payments data are published in the IMF's *Balance of Payments Statistics Yearbook* and *International Financial Statistics*. 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 IMF's International Financial Statistics and Balance of Payments databases are available on CD-ROM.

Figure 4.15

The top recipients of workers' remittances \$ billions



Source: International Monetary Fund, Balance of Payments data files.

Workers' remittances to India and Mexico have increased dramatically over the past 20 years.



4.16 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	
	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999
Albania	349	975	36	865	36	849	0	296	0	16	0	81
Algeria	27,877	28,015	26,416	25,913	26,416	25,913	1,208	1,540	0	0	670	1,906
Angola	8,594	10,871	7,605	9,248	7,605	9,248	0	214	0	0	0	0
Argentina	62,232	147,880	48,676	111,887	46,876	84,568	2,609	8,314	1,800	27,320	3,083	4,478
Armenia	..	932	..	682	..	682	..	361	..	0	..	201
Australia	..	..	..	..	..	..	..	..	..	..	..	..
Austria	..	..	..	..	..	..	..	..	..	..	..	..
Azerbaijan	..	1,036	..	600	..	493	..	199	..	107	..	407
Bangladesh	12,768	17,534	11,987	16,962	11,987	16,962	4,159	6,459	0	0	626	318
Belarus	..	1,136	..	864	..	851	..	122	..	13	..	178
Belgium	..	..	..	..	..	..	..	..	..	..	..	..
Benin	1,292	1,686	1,218	1,472	1,218	1,472	326	574	0	0	18	92
Bolivia	4,275	6,157	3,864	4,508	3,687	3,864	587	1,110	177	643	257	247
Bosnia and Herzegovina	..	1,962	..	1,828	..	1,826	..	951	..	3	..	94
Botswana	561	462	556	442	556	442	169	34	0	0	0	0
Brazil	119,877	244,673	94,340	206,326	87,669	95,233	8,427	6,822	6,671	111,093	1,821	8,827
Bulgaria	10,865	9,872	9,809	8,246	9,809	7,602	0	829	0	644	0	1,250
Burkina Faso	834	1,518	750	1,295	750	1,295	282	753	0	0	0	121
Burundi	907	1,131	851	1,050	851	1,050	398	599	0	0	43	12
Cambodia	1,854	2,262	1,688	2,136	1,688	2,136	0	180	0	0	27	73
Cameroon	6,676	9,443	5,595	7,969	5,365	7,614	889	1,025	230	355	121	196
Canada	..	..	..	..	..	..	..	..	..	..	..	..
Central African Republic	698	913	624	830	624	830	265	403	0	0	37	24
Chad	524	1,142	464	1,045	464	1,045	186	527	0	0	31	69
Chile	19,226	37,762	14,687	32,269	10,425	5,655	1,874	885	4,263	26,614	1,156	0
China	55,301	154,223	45,515	136,541	45,515	108,163	5,881	19,308	0	28,378	469	0
Hong Kong, China	..	..	..	..	..	..	..	..	..	..	..	..
Colombia	17,222	34,538	15,784	30,572	14,671	19,434	3,874	1,968	1,113	11,139	0	0
Congo, Dem. Rep.	10,274	11,906	9,010	8,188	9,010	8,188	1,161	1,318	0	0	521	412
Congo, Rep.	4,947	5,031	4,200	3,932	4,200	3,932	239	232	0	0	11	29
Costa Rica	3,756	4,182	3,367	3,402	3,063	3,186	412	151	304	216	11	0
Côte d'Ivoire	17,251	13,170	13,223	11,295	10,665	9,699	1,920	2,068	2,558	1,596	431	620
Croatia	..	9,443	..	8,555	..	5,443	..	387	..	3,112	..	197
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	6,383	22,582	3,983	15,317	3,983	13,440	0	324	0	1,878	0	0
Denmark	..	..	..	..	..	..	..	..	..	..	..	..
Dominican Republic	4,372	4,771	3,518	3,665	3,420	3,665	258	290	99	0	72	55
Ecuador	12,108	14,506	10,029	13,259	9,866	12,756	848	883	164	503	265	0
Egypt, Arab Rep.	32,949	30,404	28,372	26,110	27,372	25,998	2,401	2,034	1,000	112	125	0
El Salvador	2,149	4,014	1,938	2,961	1,913	2,649	164	310	26	312	0	0
Eritrea	..	254	..	254	..	254	..	56	..	0	..	0
Estonia	..	2,879	..	1,612	..	206	..	88	..	1,407	..	25
Ethiopia	8,630	5,551	8,479	5,360	8,479	5,360	851	1,739	0	0	6	95
Finland	..	..	..	..	..	..	..	..	..	..	..	..
France	..	..	..	..	..	..	..	..	..	..	..	..
Gabon	3,983	3,978	3,150	3,290	3,150	3,290	69	68	0	0	140	86
Gambia, The	369	459	308	425	308	425	102	173	0	0	45	11
Georgia	..	1,652	..	1,325	..	1,308	..	346	..	17	..	320
Germany	..	..	..	..	..	..	..	..	..	..	..	..
Ghana	3,881	6,928	2,816	5,907	2,783	5,647	1,423	3,117	33	260	745	310
Greece	..	..	..	..	..	..	..	..	..	..	..	..
Guatemala	3,080	4,660	2,605	3,290	2,478	3,129	293	258	127	162	67	0
Guinea	2,476	3,518	2,253	3,057	2,253	3,057	420	1,014	0	0	52	127
Guinea-Bissau	692	931	630	832	630	832	146	228	0	0	5	17
Haiti	935	1,190	797	1,049	797	1,049	324	504	0	0	38	45
Honduras	3,718	5,333	3,487	4,670	3,420	4,231	635	1,027	66	439	32	210



External debt 4.16

	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	
	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999
Hungary	21,202	29,042	17,931	25,499	17,931	16,064	1,512	654	0	9,436	330	0
India	83,717	94,393	72,550	90,324	71,062	82,380	20,996	26,746	1,488	7,944	2,623	26
Indonesia	69,872	150,096	58,242	119,819	47,982	72,554	10,385	12,106	10,261	47,265	494	10,248
Iran, Islamic Rep.	9,020	10,357	1,797	6,739	1,797	6,183	86	437	0	556	0	0
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	..	..	..	..	..	..	..	..	..	..	..	..
Israel	..	..	..	..	..	..	..	..	..	..	..	..
Italy	..	..	..	..	..	..	..	..	..	..	..	..
Jamaica	4,674	3,913	3,970	3,071	3,937	2,905	672	393	34	166	357	83
Japan	..	..	..	..	..	..	..	..	..	..	..	..
Jordan	8,177	8,947	7,043	7,574	7,043	7,546	593	895	0	28	94	498
Kazakhstan	..	6,182	..	5,248	..	3,413	..	1,082	..	1,835	..	460
Kenya	7,058	6,562	5,642	5,604	4,762	5,385	2,056	2,311	880	220	482	132
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	34,968	129,784	24,168	88,916	18,768	57,231	3,337	8,358	5,400	31,685	0	6,125
Kuwait	..	..	..	..	..	..	..	..	..	..	..	..
Kyrgyz Republic	..	1,699	..	1,449	..	1,130	..	342	..	319	..	190
Lao PDR	1,768	2,527	1,758	2,471	1,758	2,471	131	405	0	0	8	53
Latvia	..	2,657	..	1,499	..	865	..	200	..	634	..	47
Lebanon	1,779	8,441	358	6,239	358	5,568	34	234	0	671	0	0
Lesotho	396	686	378	662	378	662	112	241	0	0	15	17
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania	..	3,584	..	2,806	..	1,892	..	200	..	915	..	230
Macedonia, FYR	..	1,433	..	1,264	..	1,135	..	333	..	129	..	102
Madagascar	3,704	4,409	3,335	4,023	3,335	4,023	797	1,361	0	0	144	63
Malawi	1,558	2,751	1,385	2,596	1,382	2,596	854	1,603	3	0	115	88
Malaysia	15,328	45,939	13,422	38,390	11,592	18,929	1,102	900	1,830	19,460	0	0
Mali	2,467	3,183	2,336	2,798	2,336	2,798	498	1,035	0	0	69	193
Mauritania	2,096	2,528	1,789	2,138	1,789	2,138	264	417	0	0	70	107
Mauritius	984	2,464	910	1,891	762	1,155	195	122	148	736	22	0
Mexico	104,442	166,960	81,809	138,424	75,974	87,531	11,030	11,027	5,835	50,893	6,551	4,473
Moldova	..	943	..	736	..	722	..	276	..	14	..	175
Mongolia	..	891	..	816	..	816	0	130	..	0	0	51
Morocco	24,458	19,060	23,301	18,877	23,101	17,284	3,138	3,221	200	1,593	750	0
Mozambique	4,650	6,959	4,231	6,372	4,211	4,625	268	702	19	1,747	74	200
Myanmar	4,695	5,999	4,466	5,333	4,466	5,333	716	722	0	0	0	0
Namibia	..	..	..	..	..	..	..	..	..	..	..	..
Nepal	1,640	2,970	1,572	2,910	1,572	2,910	668	1,147	0	0	44	18
Netherlands	..	..	..	..	..	..	..	..	..	..	..	..
New Zealand	..	..	..	..	..	..	..	..	..	..	..	..
Nicaragua	10,707	6,986	8,281	5,905	8,281	5,799	299	607	0	106	0	155
Niger	1,726	1,621	1,487	1,473	1,226	1,424	461	694	261	49	85	68
Nigeria	33,439	29,358	31,935	22,673	31,545	22,423	3,321	2,613	391	250	0	0
Norway	..	..	..	..	..	..	..	..	..	..	..	..
Oman	2,736	3,603	2,400	1,768	2,400	1,768	52	6	0	0	0	0
Pakistan	20,663	34,423	16,643	30,816	16,506	28,594	3,922	7,220	138	2,221	836	1,704
Panama	6,678	7,313	3,988	6,415	3,988	5,783	462	288	0	632	272	149
Papua New Guinea	2,594	2,847	2,461	2,576	1,523	1,517	349	337	938	1,059	61	22
Paraguay	2,105	2,514	1,732	1,762	1,713	1,672	320	212	19	91	0	0
Peru	20,064	32,284	13,959	25,194	13,629	20,709	1,188	2,417	330	4,485	755	735
Philippines	30,580	52,022	25,241	44,454	24,040	33,568	4,044	4,246	1,201	10,886	912	1,822
Poland	49,366	54,268	39,263	48,325	39,263	33,151	55	2,185	0	15,174	509	0
Portugal	..	..	..	..	..	..	..	..	..	..	..	..
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..
Romania	1,140	9,367	230	7,968	223	5,985	0	1,662	7	1,984	0	458
Russian Federation	59,340	173,940	47,540	142,958	47,540	120,375	0	6,707	0	22,583	0	15,238



4.16 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	
	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999
Rwanda	712	1,292	664	1,162	664	1,162	340	692	0	0	0	76
Saudi Arabia	..	..	..	..	..	..	..	..	..	..	..	..
Senegal	3,736	3,705	3,000	3,125	2,940	3,111	835	1,314	60	14	314	272
Sierra Leone	1,151	1,249	604	938	604	938	92	300	0	0	108	195
Singapore	..	..	..	..	..	..	..	..	..	..	..	..
Slovak Republic	2,008	9,150	1,505	7,440	1,505	4,457	0	219	0	2,983	0	133
Slovenia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	..	24,158	..	10,378	..	9,148	0	1	..	1,230	0	0
Spain	..	..	..	..	..	..	..	..	..	..	..	..
Sri Lanka	5,863	9,472	5,048	8,268	4,947	8,182	946	1,671	102	86	410	258
Sudan	14,762	16,132	9,651	9,348	9,155	8,852	1,048	1,211	496	496	956	715
Sweden	..	..	..	..	..	..	..	..	..	..	..	..
Switzerland	..	..	..	..	..	..	..	..	..	..	..	..
Syrian Arab Republic	17,053	22,369	14,902	16,142	14,902	16,142	523	73	0	0	0	0
Tajikistan	..	889	..	697	..	595	..	126	..	102	..	101
Tanzania	6,451	7,967	5,793	6,628	5,781	6,595	1,493	2,610	12	32	140	312
Thailand	28,165	96,335	19,842	69,486	12,531	31,011	2,530	2,816	7,311	38,475	1	3,431
Togo	1,275	1,500	1,075	1,262	1,075	1,262	398	622	0	0	87	83
Trinidad and Tobago	2,512	2,462	2,055	1,629	1,782	1,485	41	85	273	144	329	0
Tunisia	7,690	11,872	6,880	10,259	6,662	9,487	1,406	1,364	218	772	176	76
Turkey	49,424	101,796	39,924	77,433	38,870	50,095	6,429	3,009	1,054	27,338	0	890
Turkmenistan	..	2,015	..	1,692	..	1,678	..	9	..	14	..	0
Uganda	2,583	4,077	2,161	3,564	2,161	3,564	969	2,043	0	0	282	372
Ukraine	..	14,136	..	11,015	..	10,027	..	1,954	..	988	..	2,806
United Arab Emirates	..	..	..	..	..	..	..	..	..	..	..	..
United Kingdom	..	..	..	..	..	..	..	..	..	..	..	..
United States	..	..	..	..	..	..	..	..	..	..	..	..
Uruguay	4,415	7,447	3,114	5,496	3,045	5,108	359	476	69	389	101	157
Uzbekistan	..	4,163	..	3,245	..	2,920	..	203	..	325	..	202
Venezuela, RB	33,170	35,852	28,159	32,842	24,509	25,216	974	1,130	3,650	7,627	3,012	741
Vietnam	23,270	23,260	21,378	20,529	21,378	20,529	59	989	0	0	112	355
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	6,352	4,610	5,160	3,729	5,160	3,729	602	1,216	0	0	0	409
Yugoslavia, FR (Serb./Mont.) ^a	17,792	12,949	16,802	10,175	12,942	7,416	2,433	468	3,860	2,759	467	76
Zambia	6,916	5,853	4,554	4,571	4,552	4,498	813	1,736	2	73	949	1,171
Zimbabwe	3,247	4,566	2,649	3,451	2,464	3,211	449	925	185	240	7	369
World	.. S	.. S	.. S	.. S	.. S	.. S	.. S	.. S	.. S	.. S	.. S	.. S
Low income	418,954	572,468	357,695	485,071	340,680	420,284	66,693	99,552	17,015	64,787	11,251	24,887
Middle income^b	1,040,914	2,000,146	822,425	1,601,283	773,927	1,129,627	73,982	106,080	48,498	471,656	23,401	54,001
Lower middle income	525,037	978,009	430,190	787,459	411,736	627,249	41,634	63,424	18,454	160,210	6,074	28,609
Upper middle income ^b	515,877	1,022,137	392,236	813,825	362,191	502,378	32,348	42,656	30,044	311,446	17,327	25,392
Low & middle income^b	1,459,868	2,572,614	1,180,120	2,086,354	1,114,607	1,549,912	140,675	205,632	65,513	536,443	34,652	78,887
East Asia & Pacific	274,028	674,846	222,768	539,148	195,732	361,881	28,644	50,628	27,035	177,267	2,085	22,180
Europe & Central Asia	219,826	486,066	177,663	390,845	172,742	296,118	10,429	23,531	4,921	94,727	1,305	23,862
Latin America & Carib.	475,443	813,828	379,716	672,956	354,665	429,982	35,877	39,467	25,051	242,974	18,298	20,498
Middle East & N. Africa	183,798	216,763	137,615	163,240	136,113	159,314	10,074	11,068	1,502	3,926	1,815	2,901
South Asia	129,899	164,753	112,990	155,211	111,263	144,959	30,716	43,312	1,727	10,251	4,537	2,323
Sub-Saharan Africa	176,874	216,359	149,368	164,954	144,092	157,658	24,935	37,626	5,276	7,297	6,612	7,124
High income												
Europe EMU												

a. Data for 1990 refer to the former Socialist Federal Republic of Yugoslavia. Data for 1999 are estimates and reflect borrowings by the former Socialist Federal Republic of Yugoslavia that are not yet allocated to the successor republics. b. 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 collected from creditors through the reporting systems of the Bank for International Settlements and the Organisation for Economic Co-operation and Development. These data are supplemented by information on loans and credits from major multilateral banks, loan statements from official lending agencies in major creditor countries, and estimates from World Bank and International Monetary Fund (IMF) staff. In addition, data on private nonguaranteed debt for 76 countries either reported to the World Bank or estimated by Bank staff are included.

The coverage, quality, and timeliness of debt data vary across countries. Coverage varies for both debt instruments and borrowers. With the 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 capacity to monitor debt, especially private nonguaranteed debt. Even data on public and publicly guaranteed debt are affected by coverage and accuracy in reporting—again because of monitoring capacity and sometimes because of unwillingness to provide information. A key part often underreported is military debt.

Because debt data are normally reported in the currency of repayment, they have to be converted into U.S. dollars to produce summary tables. Stock figures (amount of debt outstanding) are converted using end-period exchange rates, as published in the IMF's *International Financial Statistics* (line ae). Flow figures are converted at annual average exchange rates (line rf). Projected debt service is converted using end-period exchange rates. Debt repayable in multiple currencies, goods, or services and debt with a provision for maintenance of value of the currency of repayment are shown at book value.

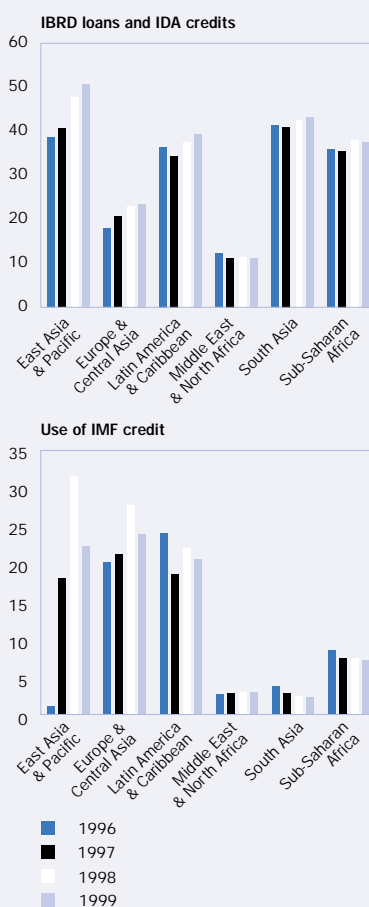
Because flow data are converted at annual average exchange rates and stock data at year-end exchange rates, year-to-year changes in debt outstanding and disbursed are sometimes not equal to net flows (disbursements less principal repayments); similarly, changes in debt outstanding including undisbursed debt differ from commitments less repayments. Discrepancies are particularly significant when exchange rates have moved sharply during the year. Cancellations and reschedulings of other lia-

bilities into long-term public debt also contribute to the differences.

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. Other areas of inconsistency include country treatment of arrears and of nonresident national deposits denominated in foreign currency.

Figure 4.16

Liabilities to the World Bank increased in most regions in 1999
Debt outstanding and disbursed (\$ billions)



Source: World Bank data files.

The World Bank's liabilities in Sub-Saharan Africa declined slightly in 1999 (by 1 percent). The International Monetary Fund's liabilities remained concentrated in three regions.

Definitions

- **Total external debt** is debt owed to nonresidents repayable in foreign currency, goods, or services. It 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 and 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

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 on its *Global Development Finance* CD-ROM.



4.17 External debt management

	Indebtedness classification ^a	Present value of debt		Total debt service				Public and publicly guaranteed debt service		Short-term debt	
		% of GNI	% of exports of goods and services	% of GNI	% of exports of goods and services	% of central government current revenue	% of total debt				
								1999	1999	1990	1999
Albania	L	18	67	0.1	1.0	0.9	3.7	..	..	89.8	3.0
Algeria	M	63	206	14.7	11.7	63.4	37.8	..	34.2	2.8	0.7
Angola	S	286	156	4.0	38.6	8.1	21.1	..	..	11.5	14.9
Argentina	S	56	456	4.6	9.3	37.0	75.9	32.5	..	16.8	21.3
Armenia	M	..	135	..	..	..	11.9	..	..	..	5.3
Australia	..	..	..	..	..	..	..	..	..	..	..
Austria	..	..	..	..	..	..	..	..	..	..	..
Azerbaijan	L	22	57	..	2.5	..	6.5	..	6.2	..	2.8
Bangladesh	M	23	140	2.5	1.7	28.4	10.1	..	..	1.2	1.5
Belarus	L	4	16	..	0.8	..	3.2	..	..	..	8.2
Belgium	..	..	..	..	..	..	..	..	..	..	..
Benin	S	40 ^b	148 ^b	2.1	2.9	8.2	10.9	..	..	4.3	7.2
Bolivia	S	37 ^b	193 ^b	8.3	6.1	38.6	32.0	41.3	17.3	3.6	22.8
Bosnia and Herzegovina	S	35	..	..	8.9	..	..	..	..	..	2.0
Botswana	L	7	11	2.9	1.5	4.4	2.4	5.5	..	1.0	4.3
Brazil	S	33	399	1.8	9.2	22.2	110.9	3.9	..	19.8	12.1
Bulgaria	S	77	157	7.2	9.3	19.4	19.1	12.9	14.5	9.7	3.8
Burkina Faso	M	25 ^b	158 ^b	1.2	2.5	6.8	15.7	9.1	..	10.1	6.8
Burundi	S	96	1,072	3.8	4.1	43.4	45.6	..	15.7	1.5	6.2
Cambodia	M	61	161	2.7	1.1	..	2.9	..	..	7.5	2.3
Cameroon	S	76	292	4.9	6.3	22.5	24.3	16.8	24.6	14.4	13.5
Canada	..	..	..	..	..	..	..	..	..	..	..
Central African Republic	S	54	365	2.0	1.8	13.2	12.1	..	..	5.4	6.5
Chad	M	43	208	0.7	2.1	4.4	10.3	5.6	..	5.7	2.5
Chile	M	53	175	9.7	7.7	25.9	25.4	25.6	5.1	17.6	14.5
China	L	14	59	2.0	2.1	11.7	9.0	23.9	..	16.8	11.5
Hong Kong, China	..	..	..	..	..	..	..	..	..	..	..
Colombia	M	40	218	10.2	7.9	40.9	42.9	61.2	44.7	8.4	11.5
Congo, Dem. Rep.	S	..	..	4.1	..	13.5	..	0.0	..	7.2	27.8
Congo, Rep.	S	287	265	22.9	1.5	35.3	1.4	..	0.0	14.9	21.3
Costa Rica	L	30	48	7.2	4.0	23.9	6.4	32.8	15.1	10.0	18.7
Côte d'Ivoire	S	117 ^b	220 ^b	13.7	13.9	35.4	26.2	22.1	42.3	20.8	9.5
Croatia	L	47	106	..	8.5	..	19.4	..	7.7	..	7.3
Cuba	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	L	43	64	..	6.9	..	10.3	..	13.7	37.6	32.2
Denmark	..	..	..	..	..	..	..	..	..	..	..
Dominican Republic	L	28	47	3.4	2.3	10.4	3.9	16.1	..	17.9	22.0
Ecuador	M	76	211	11.1	9.2	32.5	25.7	45.1	..	15.0	8.6
Egypt, Arab Rep.	L	27	127	7.3	1.9	22.3	9.0	16.3	..	13.5	14.1
El Salvador	L	31	81	4.4	2.9	15.3	7.6	..	13.6	9.8	26.2
Eritrea	L	19	71	..	0.5	..	1.9	..	..	..	0.1
Estonia	M	54	68	..	10.5	..	13.2	..	3.8	..	43.1
Ethiopia	S	55	374	3.5	2.5	34.9	16.8	13.4	..	1.7	1.7
Finland	..	..	..	..	..	..	..	..	..	..	..
France	..	..	..	..	..	..	..	..	..	..	..
Gabon	S	108	148	3.3	14.1	6.4	19.3	7.6	..	17.4	15.1
Gambia, The	M	67	103	12.9	5.5	22.2	8.5	49.1	..	4.3	4.8
Georgia	M	45	136	..	3.8	..	11.4	..	23.9	..	0.4
Germany	..	..	..	..	..	..	..	..	..	..	..
Ghana	M	66 ^b	190 ^b	6.4	6.9	36.9	19.9	26.2	..	8.2	10.3
Greece	..	..	..	..	..	..	..	..	..	..	..
Guatemala	L	24	109	2.9	2.3	12.6	10.3	..	..	13.3	29.4
Guinea	S	67	294	6.3	3.7	20.0	16.1	33.0	27.5	6.9	9.5
Guinea-Bissau	S	347	1,222	3.6	4.7	31.0	16.4	..	..	8.2	8.8
Haiti	M	17	124	1.1	1.4	10.1	10.0	..	..	10.8	8.1
Honduras	M	63	122	13.7	7.0	35.3	13.5	..	..	5.4	8.5



External debt management 4.17

	Indebtedness classification ^a	Present value of debt		Total debt service				Public and publicly guaranteed debt service		Short-term debt	
		% of GNI	% of exports of goods and services	% of GNI	% of exports of goods and services	% of central government current revenue		% of total debt			
						1990	1999	1990	1999	1990	1999
Hungary	M	60	99	13.4	16.1	34.3	26.6	21.4	17.7	13.9	12.2
India	L	16	104	2.6	2.3	32.7	15.0	14.5	14.2	10.2	4.3
Indonesia	S	113	255	9.1	13.5	33.3	30.3	34.4	35.3	15.9	13.3
Iran, Islamic Rep.	L	8	42	0.5	4.2	3.2	22.6	0.3	5.1	80.1	34.9
Iraq	..	..	..	..	..	..	..	..	..	..	..
Ireland	..	..	..	..	..	..	..	..	..	..	..
Israel	..	..	..	..	..	..	..	..	..	..	..
Italy	..	..	..	..	..	..	..	..	..	..	..
Jamaica	M	59	92	17.4	11.2	26.9	17.4	..	..	7.4	19.4
Japan	..	..	..	..	..	..	..	..	..	..	..
Jordan	S	104	150	16.4	8.2	20.3	11.8	52.1	25.9	12.7	9.8
Kazakhstan	L	41	89	..	8.9	..	19.4	..	36.2	..	7.7
Kenya	M	49	193	9.8	6.8	35.4	26.7	26.6	..	13.2	12.6
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	L	31	71	3.3	10.7	10.8	24.6	10.5	..	30.9	26.8
Kuwait	..	..	..	..	..	..	..	..	..	..	..
Kyrgyz Republic	S	104	228	..	10.0	..	21.8	..	10.0	..	3.5
Lao PDR	S	100	290	1.1	2.6	8.7	7.7	..	..	0.1	0.1
Latvia	L	39	79	..	7.4	..	15.0	..	2.0	..	41.8
Lebanon	M	52	..	2.9	6.1	3.3	..	..	20.2	79.9	26.1
Lesotho	L	45	92	2.3	4.6	4.2	9.4	9.4	..	0.7	1.1
Libya	..	..	..	..	..	..	..	..	..	..	..
Lithuania	L	34	80	..	2.7	..	6.3	..	6.0	..	15.3
Macedonia, FYR	L	37	83	..	13.4	..	29.9	..	..	..	4.7
Madagascar	S	80	304	7.6	4.5	45.5	17.1	42.9	..	6.1	7.3
Malawi	S	84 ^b	246 ^b	7.5	3.9	29.3	11.4	27.2	..	3.7	2.5
Malaysia	M	64	48	10.3	6.4	12.6	4.8	31.4	..	12.4	16.4
Mali	S	56 ^b	193 ^b	2.8	4.1	12.3	14.3	..	..	2.5	6.0
Mauritania	S	169	422	13.6	11.4	29.9	28.4	..	..	11.3	11.2
Mauritius	M	61	95	5.9	6.3	8.8	9.7	13.5	17.5	5.3	23.3
Mexico	L	37	108	4.5	8.5	20.7	25.1	19.5	..	15.4	14.4
Moldova	M	74	126	..	14.6	..	24.9	..	33.6	..	3.4
Mongolia	M	59	93	..	3.0	..	4.8	..	10.3	..	2.6
Morocco	M	51	135	7.2	9.1	21.5	24.4	21.3	..	1.7	1.0
Mozambique	M	28 ^b	167 ^b	3.3	3.3	26.2	20.0	..	..	7.4	5.6
Myanmar	S	..	369	..	..	9.0	7.9	2.2	..	4.9	11.1
Namibia	..	..	..	..	..	..	..	..	..	..	..
Nepal	L	32	122	1.9	2.1	13.4	7.9	18.2	19.4	1.5	1.4
Netherlands	..	..	..	..	..	..	..	..	..	..	..
New Zealand	..	..	..	..	..	..	..	..	..	..	..
Nicaragua	S	271 ^b	475 ^b	1.6	9.1	3.9	16.1	2.6	..	22.7	13.3
Niger	S	55 ^b	362 ^b	4.1	2.5	17.4	16.8	..	..	8.9	4.9
Nigeria	S	91	185	13.0	2.9	22.6	6.0	..	..	4.5	22.8
Norway	..	..	..	..	..	..	..	..	..	..	..
Oman	L	..	48	7.8	..	12.3	9.7	17.4	19.5	12.3	50.9
Pakistan	S	43	252	4.6	5.2	23.0	30.5	18.1	17.8	15.4	5.5
Panama	S	77	81	6.9	8.4	6.2	8.8	10.4	..	36.2	10.2
Papua New Guinea	S	77	120	17.9	6.2	37.2	9.6	33.2	23.5	2.8	8.8
Paraguay	L	31	68	6.0	3.0	12.2	6.6	46.8	..	17.7	29.9
Peru	S	63	354	1.9	5.8	10.8	32.7	4.9	22.9	26.7	19.7
Philippines	M	65	110	8.1	8.4	27.0	14.3	39.5	41.7	14.5	11.0
Poland	L	33	125	1.7	5.4	4.9	20.4	..	4.3	19.4	11.0
Portugal	..	..	..	..	..	..	..	..	..	..	..
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..
Romania	L	27	90	0.0	9.3	0.3	31.3	0.0	..	79.8	10.0
Russian Federation	M	35	153	2.0	3.1	..	13.5	..	10.7	19.9	9.1



4.17 External debt management

	Indebtedness classification ^a	Present value of debt		Total debt service				Public and publicly guaranteed debt service		Short-term debt	
		% of GNI	% of exports of goods and services	% of GNI	% of exports of goods and services	% of central government current revenue		% of total debt			
						1990	1999	1990	1999	1990	1999
Rwanda	S	36	655	0.8	1.6	14.0	29.6	5.4	..	6.6	4.2
Saudi Arabia	..	..	..	..	..	..	..	..	..	..	..
Senegal	M	53	169	5.9	5.0	20.0	16.1	..	..	11.3	8.3
Sierra Leone	S	136	1,234	2.7	3.3	10.1	29.9	30.6	..	38.1	9.3
Singapore	..	..	..	..	..	..	..	..	..	..	..
Slovak Republic	L	44	69	2.1	8.8	..	13.9	..	8.8	25.0	17.2
Slovenia	..	..	..	..	..	..	..	..	..	..	..
South Africa	L	19	70	..	3.8	..	13.9	..	8.5	..	57.0
Spain	..	..	..	..	..	..	..	..	..	..	..
Sri Lanka	L	45	104	4.8	3.4	13.7	7.9	16.7	14.4	6.9	10.0
Sudan	S	172	1,717	0.4	0.6	7.5	6.5	..	..	28.1	37.6
Sweden	..	..	..	..	..	..	..	..	..	..	..
Switzerland	..	..	..	..	..	..	..	..	..	..	..
Syrian Arab Republic	S	146	377	11.0	2.5	23.2	6.4	22.7	..	12.6	27.8
Tajikistan	L	37	92	..	2.6	..	6.5	..	..	..	10.2
Tanzania ^c	S	53	370	4.4	2.2	32.9	15.6	..	..	8.0	12.9
Thailand	M	78	127	6.3	13.6	16.9	22.0	20.7	21.7	29.5	24.3
Togo	M	82	216	5.4	2.9	11.9	7.7	..	..	8.9	10.3
Trinidad and Tobago	L	39	72	9.7	7.0	19.3	13.1	..	..	5.1	33.8
Tunisia	M	59	122	12.0	7.6	24.5	15.9	32.2	22.4	8.2	13.0
Turkey	M	52	185	4.9	7.4	29.4	26.2	30.9	18.1	19.2	23.1
Turkmenistan	M	54	116	..	14.5	..	31.1	..	..	..	16.0
Uganda	S	27 ^b	225 ^b	3.4	2.9	58.9	23.7	..	..	5.4	3.5
Ukraine	L	34	75	..	7.5	..	16.3	..	..	..	2.2
United Arab Emirates	..	..	..	..	..	..	..	..	..	..	..
United Kingdom	..	..	..	..	..	..	..	..	..	..	..
United States	..	..	..	..	..	..	..	..	..	..	..
Uruguay	M	37	177	11.0	5.2	40.8	25.0	32.0	15.5	27.2	24.1
Uzbekistan	L	24	131	..	3.2	..	17.6	..	..	..	17.2
Venezuela, RB	M	38	156	10.6	5.6	23.2	23.2	36.2	23.3	6.0	6.3
Vietnam	M	76	151	..	4.9	8.9	9.8	..	27.7	7.7	10.2
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	M	58	91	3.8	2.5	5.6	4.0	..	5.6	18.8	10.2
Yugoslavia, FR (Serb/Mont.)	..	..	..	..	..	..	..	..	..	..	..
Zambia	S	172	548	6.7	14.6	14.9	46.6	..	..	20.4	1.9
Zimbabwe	M	78	159	5.5	12.3	23.1	25.3	17.4	..	18.2	16.3
World				.. W	.. W	.. W	.. W			.. W	.. W
Low income				4.8	4.9	22.9	18.8			11.9	10.9
Middle income				3.9	6.5	17.2 ^d	21.8 ^d			18.7 ^d	17.2 ^d
Lower middle income				3.9	4.5	21.2	15.7			16.9	16.6
Upper middle income				3.8	8.3	13.9 ^d	27.3 ^d			20.6 ^d	17.9 ^d
Low & middle income				4.0	6.2	18.1 ^d	21.4 ^d			16.8 ^d	15.8 ^d
East Asia & Pacific				4.4	6.1	15.7	15.8			17.9	16.8
Europe & Central Asia				2.9	5.8	..	18.0			18.6	14.7
Latin America & Carib.				4.2	8.4	24.4	41.6			16.3	14.8
Middle East & N. Africa				5.1	4.6	14.9	13.7			24.1	23.4
South Asia				2.9	2.6	28.9	15.7			9.5	4.4
Sub-Saharan Africa				..	4.8	12.9	13.9			11.8	20.5
High income											
Europe EMU											

a. S = severely indebted, M = moderately indebted, L = less indebted. b. Data are from debt sustainability analyses undertaken as part of the Heavily Indebted Poor Countries (HIPC) Initiative. Present value estimates for these countries are for public and publicly guaranteed debt only, and export figures exclude workers' remittances. c. Data refer to mainland Tanzania only. d. Includes data for Gibraltar not included in other tables.



External debt management 4.17

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 gross national income, or GNI (gross national product, or GNP, in previous editions), and exports of goods and services. This table shows the present value of total debt service both as a percentage of GNI in 1999 and as a percentage of exports in 1999. The ratios compare total debt service obligations with the size of the economy and its ability to obtain foreign exchange through exports. Because workers' remittances are an important source of foreign exchange for many countries, they are included in the value of exports used to calculate debt indicators. Public and publicly guaranteed debt service is compared with the size of the central government budget. The ratios shown here may differ from those published elsewhere because estimates of exports and GNI have been revised to incorporate data available as of 1 February 2001.

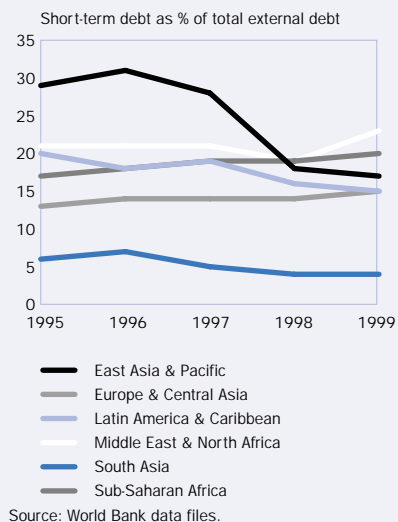
The present value of external debt is calculated by discounting the debt service (interest plus amortization) due on long-term external debt over the life of existing loans. Short-term debt is included at its face value. The data on debt are in U.S. dollars converted at official exchange rates (see *About the data* for table 4.16). The discount rate applied to long-term debt is determined by the currency of repayment of the loan and is based on reference rates for commercial interest established by the Organisation for Economic Co-operation and Development. 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 GNI exceeds 40 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.

The World Bank classifies countries by their level of indebtedness for the purpose of developing debt management strategies. The most severely indebted countries may be eligible for debt relief under special programs such as the Heavily Indebted Poor Countries (HIPC) Initiative. Indebted countries may also apply to the Paris and London Clubs for renegotiation of obligations to public and private creditors. In 1999 countries with a present value of debt service greater than 220 percent of exports or 80 percent of GNI were classified as severely indebted; countries that were not severely indebted but whose present value of debt service exceeded 132 percent of exports or 48 percent of GNI were classified as moderately indebted; and countries that did not fall into the above two groups were classified as less indebted.

Figure 4.17

Debt is becoming increasingly short term in some regions



The share of short-term debt has declined significantly in East Asia and Pacific. But it has been increasing in Europe and Central Asia, the Middle East and North Africa, and Sub-Saharan Africa.

Definitions

- **Indebtedness** is assessed on a three-point scale: severely indebted (S), moderately indebted (M), and less indebted (L).
- **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.

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. The data on GNI 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 on its *Global Development Finance* CD-ROM.