

# 4 | ECONOMY



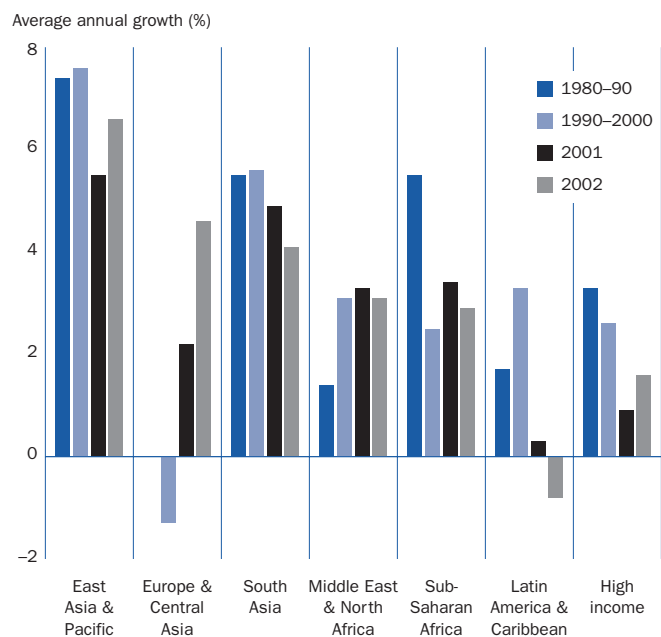
In 2002 the world economy grew by 1.9 percent, a slight increase from 1.3 percent in 2001, but below the 2.7 percent annual average in the 1990s. The world's recorded output—and income—grew by more than \$1.1 trillion. Lower-middle-income economies saw the fastest growth, followed by low-income economies. Upper-middle-income economies, affected by slowing investment and widespread uncertainty in financial markets, experienced negative growth. High-income economies, accounting for 81 percent of the world's gross domestic product (GDP), almost doubled their growth over 2001, from 0.9 percent to 1.6 percent (figure 4a).

Over the past decade economic growth was fastest in East Asia and Pacific (averaging 7.3 percent a year) and South Asia (5.4 percent). Leading this growth were China and India, each accounting for more than 70 percent of its region's output. These two regions even did comparatively well in 2002, with East Asia registering 6.7 percent growth—demonstrating its continuing recovery from the financial crisis in 1998, when annual growth fell to 0.7 percent—and South Asia recording 4.3 percent growth, a slight decline over 2001.

Output declined in the transition economies of Europe and Central Asia in the 1990s, but recovered in the early 2000s, averaging 3.5 percent growth for 2001–02. Several countries of the former Soviet Union, such as Armenia, Azerbaijan, Kazakhstan, Moldova, Tajikistan, and Turkmenistan, have been registering growth rates of more than 7 percent, buoyed by increased exports of natural gas and petroleum products. But in Russia growth declined from 5 percent in 2001 to 4.3 percent in 2002.

#### 4a

Economic growth varies by region



Note: No data are available for Europe and Central Asia for 1980–90.  
Source: World Bank data files.

In Latin America and the Caribbean and the Middle East and North Africa growth was faster in the 1990s than in the 1980s. But in Latin America growth decelerated sharply in 2001 and turned negative in 2002, with Argentina, Uruguay, and Venezuela experiencing large declines in growth and with Mexico growing only 0.9 percent and Brazil only 1.5 percent. However, the heavily indebted poor countries, many in Sub-Saharan Africa, registered 4.1 percent growth in 2002, following 4.7 percent growth in 2001. As a result, Sub-Saharan Africa did better in 2001 and 2002 than in the 1990s, when growth declined sharply.

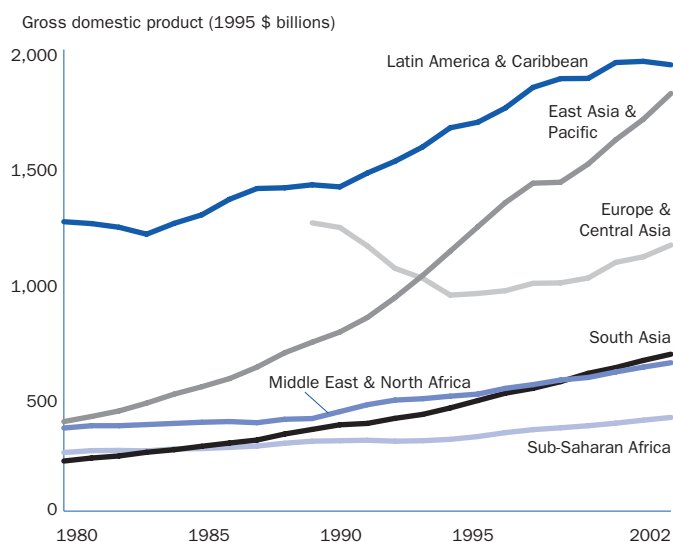
With two decades of high growth, the East Asia and Pacific region has nearly reached the GDP level of the Latin America and Caribbean region (figure 4b). By contrast GDP in the Europe and Central Asia region, almost equal to that of Latin America and the Caribbean in 1990, is now only about half its size after half a decade of negative growth. Steady growth has also moved South Asia ahead of the Middle East and North Africa, but GDP per capita lags far behind in this populous region.

### Patterns of change

Most developing economies are following familiar patterns of growth, with agriculture giving way first to manufacturing and later to services as the main source of income. But some, such as Jordan and Panama, have moved directly from agriculture to service-based economies. For most economies services have been the fastest growing sector. In 1990–2002 the service sector grew by 3.6 percent a year in developing and transition economies and by 3 percent in high-income economies. Among developing regions South Asia had the fastest growth in services in the 1990s, at 7 percent a year, and Europe and Central Asia the slowest, at 0.8 percent (table 4.1).

## 4b

**With two decades of rapid growth, East Asia and Pacific has caught up with Latin America and the Caribbean**



Source: World Bank data files.

In developing economies services generated more than half of GDP in 2002, compared with 71 percent in high-income economies (table 4.2). But in East Asia and Pacific services produced only 38 percent of GDP in 2002, and from 1990 to 2002 growth in manufacturing, at 9.8 percent a year, outpaced growth in services, at 6.4 percent. This trend reflects the rapid growth of manufacturing in China (11.9 percent a year), which also had rapid expansion in services (8.8 percent a year).

### The contribution of trade

After expanding by 6.7 percent a year in 1990–2001, global trade (exports plus imports) grew by only 3.7 percent in 2002. High-income economies, which account for more than 75 percent of global trade, grew by only 2.3 percent in 2002, recovering from a slowdown in 2001. But trade by low-income economies grew by 5.6 percent.

Trade in services has grown rapidly, but trade in merchandise—primary commodities and manufactured goods—continues to dominate. In 2002 merchandise accounted for 81 percent of all exports of goods and commercial services, and manufactured goods for 78 percent of merchandise exports (tables 4.5 and 4.7). Exporters of primary nonfuel commodities saw their trade volumes increase, but a continuing decline in their terms of trade left them with less income (table 4.4). The economies of Sub-Saharan Africa were hit particularly hard.

The structure of trade in services is also changing. Transport services are being replaced in importance by travel services. In the 1990s high-income countries were the main exporters of financial services. Now, many developing countries are emerging as exporters of these new services along with computer, information, and business services. The share of low- and middle-income economies in these new service exports is increasing slowly, rising by 1.1 percentage points between 1990 and 2002 (table 4.7).

Increased globalization has enabled greater labor mobility, and worker remittances have been steadily growing in countries like India, resulting in favorable current account balances and increased reserves. India has the ninth largest reserves, ahead of many high-income countries. Japan has the largest reserves, followed by China. The increase in the price of gold from \$277 in 2001 to \$343 in 2002 resulted in a considerable increase in the reserves of many countries (table 4.15).

### Steady trends in consumption, investment, and saving

Most of the world's output goes to final consumption by households (including individuals) and governments. The share of final consumption in world output has remained fairly constant over time, averaging about 80 percent in 1990–2002 (table 4.9). Growth of per capita household consumption expenditure provides an important indicator of the potential for reducing poverty. In 1990–2002 per capita consumption grew by 5.5 percent a year in East Asia and Pacific but rose by only 0.1 percent in Sub-Saharan Africa. It rose by 1.7 in Europe and Central Asia and by 2.7 percent in South Asia (table 4.10).

Output that is not consumed goes to exports (less imports) and gross capital formation (investment). Investment is financed out of domestic and foreign savings. In 2002 the global savings rate averaged 20 percent of total output. But global averages disguise large differences between countries. Savings rates are consistently lower in Sub-Saharan Africa. And they tend to be volatile in countries dependent on commodity exports. Gross domestic savings in the Middle East and North Africa rose from 23 percent of GDP in 1999 to 30 percent in 2000 and 29 percent in 2002, buoyed by higher oil prices. The highest savings rate was in East Asia and Pacific, where gross domestic savings averaged above 35 percent during most of the past decade and was 37 percent in 2002 (table 4.9).

In 1990–2002 the rate of gross capital formation increased by about 6.9 percent a year in East Asia and Pacific and 6.5 percent in South Asia, but declined by 6.6 percent in Europe and Central Asia. East Asia and Pacific continued to have the highest investment rate in the world, at 32 percent of GDP in 2002. By contrast, investment averaged only 18 percent of GDP in Sub-Saharan Africa (tables 4.9 and 4.10).

### **Fiscal affairs**

Developing countries have had larger overall central government deficits than high-income countries. But with the exception of East Asia and Pacific and Latin America and the Caribbean, deficits have been falling. The South Asia region has the largest deficit among the developing regions. Central governments of developing economies had expenditures averaging 21 percent of GDP in 1999 and revenues (mainly from taxes on goods and services) averaging 17 percent of GDP, leaving a fiscal deficit of about 3 percent of GDP after taking grants into account (table 4.11).

Government expenditures go mostly to the purchase of goods and services (including the wages and salaries of public employees) and to subsidies and current transfers to private and public enterprises and local governments. The rest go to interest payments and capital expenditures. In 2000 subsidies and current transfers accounted for 59 percent of government spending in high-income economies and 51 percent in Europe and Central Asia, but only 14 percent in the Middle East and North Africa (table 4.12).

The sources of government revenue have been changing. Taxes on income, profits, and capital gains generated 23 percent of current revenues in 1990, but their share fell to 18 percent in 2000, whereas taxes on goods and services rose from 27 percent to 34 percent. High-income economies depended more on income taxes (26 percent) than did low- and middle-income economies, which derived 35 percent of their revenue from taxes on goods and services and 9 percent from taxes on trade (table 4.13).

Governments, because of their size, have a large effect on economic performance. High taxes and subsidies can distort economic behavior, and large fiscal deficits make it harder to manage the growth of the money supply and thus increase the likelihood of inflation. As governments have adopted policies

leading to greater fiscal stability, inflation rates and interest rates have tended to decline (table 4.14).

### **External debt increases**

In 2002 the external debt of low- and middle-income economies increased by \$74 billion, or about 3 percent of their total debt stock, reversing the decline in 2001. Middle-income economies accounted for 75 percent of the increase. The increase was \$47 billion in Europe and Central Asia, \$12 billion in South Asia, \$11 billion in the Middle East and North Africa, and \$8 billion in Sub-Saharan Africa. By contrast, debt stocks fell by \$2 billion in East Asia, and \$1 billion in Latin America and the Caribbean (table 4.16). Debt management indicators are shown in table 4.17.

### **Data on the economy**

The indicators in this section measure changes in the size and structure of the global economy and the varying effects of these changes on national economies. They include measures of macroeconomic performance (gross domestic product, consumption, investment, and international trade) and of stability (central government budgets, prices, the money supply, the balance of payments, and external debt). Other important economic indicators appear throughout the book, especially in the *States and markets* section (credit, investment, financial markets, tax policies, exchange rates) and the *Global links* section (trade and tariffs, foreign investment, and aid flows).

Most of the indicators in this section remain the same as last year, with a few exceptions. Tables 4.7 and 4.8 now break out insurance and financial services and computer, information, and communications services. Balance of payments data (table 4.15) are presented in calendar years for all countries except Bhutan and Myanmar, which are still in fiscal years. Thus for countries whose data were previously reported in fiscal years, such as Egypt, India, and Pakistan, this year's data will not be comparable with previous data. The switch from fiscal year to calendar year was made so that data will be consistent among countries and with the calendar year data in tables 4.5 and 4.6.

In table 4.17 the gross national income (GNI) and export values used as denominators for calculating the ratio of the present value of debt are three-year averages instead of single year values. The switch, made to even out fluctuations in GNI and exports, is consistent with the methodology followed in other World Bank publications. Workers' remittances are not included as part of exports. And because the level of public and publicly guaranteed debt is the primary concern of the Heavily Indebted Poor Countries (HIPC) Debt Initiative and of the Millennium Development Goals, public and publicly guaranteed debt service replaces total debt service as a ratio of GNI and as a ratio of exports, and multilateral debt service as a ratio of public and publicly guaranteed debt replaces public and publicly guaranteed debt service as a ratio of central government current revenue. The indicators dropped are still available on the *World Development Indicators* CD-ROM.



## 4.2

### Recent economic performance

	Gross domestic product		Exports of goods and services		Imports of goods and services		GDP deflator		Current account balance		Total reserves <sup>a</sup>	
	annual % growth		annual % growth		annual % growth		% growth		% of GDP		\$ millions	months of import coverage
	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003		
Algeria	4.1	6.8	4.7	6.8	17.8	4.6	1.0	7.3	..	10.9	..	..
Argentina	-10.9	7.0	3.1	3.7	-50.1	39.1	30.6	10.7	9.4	6.1	1,313	0.6
Armenia	12.9	12.0	29.0	40.2	14.2	33.8	2.3	4.0	-6.3	-7.1	550	4.3
Azerbaijan	10.6	9.3	16.6	8.1	49.8	39.2	0.7	5.9	-12.6	-26.9	732	1.8
Bangladesh	4.4	5.3	-2.3	-0.4	-11.2	0.8	3.2	4.4	1.6	0.6	2,454	2.8
Bolivia	2.8	2.4	12.4	14.6	7.7	-7.1	2.7	3.7	-4.4	-0.9	843	4.4
Bosnia and Herzegovina	3.9	3.5	5.3	11.5	-1.9	10.6	2.1	1.1	-38.2	-17.7	1,418	4.1
Botswana	3.1	3.7	-4.8	6.9	3.8	6.9	5.5	5.6	..	9.0	5,853	29.0
Brazil	1.5	-0.2	7.8	14.2	-12.8	-1.9	8.5	10.1	-1.7	0.4	35,869	5.1
Bulgaria	4.8	4.7	6.2	14.3	4.7	21.2	3.9	2.5	-4.4	-7.0	5,774	5.4
Cameroon	4.4	4.2	1.6	3.8	3.4	-2.6	0.7	1.1	..	-3.1	114	0.4
Chile	2.1	4.0	5.6	5.7	0.4	7.1	2.6	3.0	-0.9	-1.4	18,707	9.1
China	8.0	8.2	29.4	22.7	27.5	31.0	-0.3	1.1	2.8	1.1	410,049	10.7
Colombia	1.6	2.5	-4.4	5.4	0.6	3.3	6.1	7.4	-2.0	-2.5	10,586	6.1
Costa Rica	3.0	5.0	5.1	8.5	7.0	4.5	9.1	9.3	-5.6	-5.9	1,300	1.7
Dominican Republic	4.1	-1.3	13.0	8.0	13.9	-7.0	6.4	28.0	-4.0	4.5	665	0.9
Ecuador	3.4	2.5	0.9	1.8	17.2	1.7	11.8	8.8	-5.0	-3.3	1,072	1.4
Egypt, Arab Rep.	3.0	3.1	-10.4	14.0	-10.8	0.2	4.0	3.9	0.7	1.9	..	..
El Salvador	2.1	2.2	5.7	3.4	0.5	5.2	1.3	2.8	-2.7	..	1,607	..
Estonia	6.0	4.5	6.0	3.8	10.2	7.9	4.1	4.4	-12.3	-12.9	1,386	2.4
Ghana	4.5	4.7	-1.7	2.7	-4.4	7.7	22.8	27.6	-0.5	-0.5	811	2.4
Guatemala	2.2	2.4	-3.2	5.2	4.2	2.9	8.0	5.5	-5.1	-4.3	2,667	4.3
Honduras	2.5	1.5	2.1	-2.5	2.1	1.3	6.2	9.8	-4.1	-7.6	1,492	4.5
India	4.3	6.8	9.9	6.9	17.9	14.2	3.0	4.3	0.9	-0.3	78,222	8.8
Indonesia	3.7	4.1	-1.2	4.0	-8.3	2.0	7.2	6.6	4.3	3.9	36,246	7.0
Iran, Islamic Rep.	6.7	6.2	2.5	2.5	16.1	13.1	21.5	23.4	..	-1.5	23,706	7.6
Jamaica	1.1	3.0	-5.3	..	3.6	..	8.0	10.0	-14.2	-11.6	1,037	2.2
Jordan	4.9	3.0	11.6	4.1	0.7	6.6	0.5	0.8	5.0	4.4	3,940	6.5
Kazakhstan	9.8	9.0	22.6	26.7	4.3	42.4	5.8	6.6	-2.8	-1.7	4,852	4.0
Kenya	1.0	1.3	-18.5	5.7	-16.7	8.8	8.7	7.2	..	-1.4	1,564	4.1
Latvia	6.1	7.0	6.3	8.2	4.5	5.1	1.8	3.0	-7.7	-8.3	..	..
Lesotho	4.5	3.9	43.0	0.0	15.0	0.7	9.0	9.8	-15.1	-12.2	417	4.5
Lithuania	6.7	6.3	19.4	23.1	16.1	21.9	0.0	0.0	-5.2	-5.9	..	..



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## 4.b

## Key macroeconomic indicators

	Nominal exchange rate			Real effective exchange rate		Money and quasi money		Gross domestic credit		Real interest rate		Short-term debt <sup>a</sup>
	local currency units			1995 = 100		annual % growth		annual % growth		%		% of exports
	per \$	% change		2002	2003	2002	2003	2002	2003	2002	2003	2002
	2003	2002	2003									
Algeria	72.6	2.4	-8.9	101.7	91.1	..	..	..	..	7.4	8.2	..
Argentina	2.9	232.2	-12.5	..	..	19.7	26.8	97.1	-4.0	16.2	7.6	46.6
Armenia	566.0	4.1	-3.2	95.9	85.8	34.0	13.7	-8.1	-15.0	18.5	13.9	1.6
Azerbaijan	4,923.0	2.5	0.6	..	..	14.6	30.8	84.2	27.1	16.5	16.7	2.9
Bangladesh	58.8	1.6	1.5	..	..	13.3	14.7	12.2	6.7	12.4	5.7	5.3
Bolivia	7.8	9.8	4.5	115.4	97.7	-6.9	6.4	4.9	3.4	17.5	9.7	21.5
Bosnia and Herzegovina	1.5	-16.0	-17.0	..	..	9.4	8.0	27.7	21.3	10.4	7.1	3.2
Botswana	4.4	-21.7	-18.7	..	..	-1.1	..	-55.8	..	9.9	5.9	0.5
Brazil	2.9	52.2	-18.2	..	..	23.0	2.3	21.5	7.3	50.1	44.9	31.2
Bulgaria	1.5	-15.1	-17.8	135.6	143.2	12.2	19.6	27.4	37.3	5.3	1.9	9.6
Cameroon	519.4	-16.0	-17.0	102.1	106.5	15.9	3.7	4.4	2.1	17.2	14.9	..
Chile	599.4	8.6	-15.9	90.7	85.3	-0.3	9.8	6.5	2.5	5.0	0.4	16.0
China	8.3	0.0	0.0	121.4	111.8	19.4	20.4	29.3	19.5	5.6	1.7	12.8
Colombia	2,780.8	24.5	-2.9	90.4	77.2	13.6	10.2	14.2	11.5	9.7	5.9	22.1
Costa Rica	418.5	10.8	10.5	109.4	98.1	20.9	17.3	26.5	19.2	15.8	4.1	20.0
Dominican Republic	37.3	23.6	75.8	112.1	73.0	10.3	72.6	22.6	57.3	18.4	3.9	19.3
Ecuador	1.0	0.0	0.0	113.8	111.7	..	..	..	..	2.9	4.9	30.3
Egypt, Arab Rep.	6.2	0.2	36.7	..	..	12.6	..	13.1	..	9.4	-0.8	17.3
El Salvador	8.8	0.0	0.0	..	..	-3.1	2.0	-1.4	10.5	..	..	16.9
Estonia	12.4	-15.6	-16.9	..	..	11.2	10.9	27.6	28.7	2.5	-1.6	27.9
Ghana	8,753.9	15.3	5.8	81.0	81.6	48.9	..	22.8	..	..	..	22.6
Guatemala	8.0	-2.4	3.0	..	..	11.8	21.3	16.1	7.2	8.2	1.8	16.9
Honduras	17.7	6.3	4.9	..	..	13.7	17.3	7.0	30.3	15.5	5.4	16.3
India	45.6	-0.3	-5.0	..	..	16.8	11.9	16.0	9.8	8.2	1.7	5.2
Indonesia	8,465.0	-14.0	-5.3	..	..	4.5	8.4	5.4	3.3	11.0	3.7	34.1
Iran, Islamic Rep.	8,272.1	354.2	4.0	198.1	187.3	27.5	23.0	29.4	42.5	..	..	6.5
Jamaica	60.5	7.4	19.2	..	..	12.0	12.6	30.0	68.3	9.7	4.3	16.9
Jordan	0.7	0.0	0.0	..	..	8.6	16.2	6.2	4.4	9.7	4.7	8.0
Kazakhstan	144.2	2.9	-6.7	..	..	30.1	43.0	30.2	35.8	..	..	9.9
Kenya	76.1	-1.9	-1.2	..	..	11.7	12.2	9.2	9.3	9.0	..	22.7
Latvia	0.5	-6.9	-8.9	..	..	19.9	20.6	38.3	38.4	6.1	-0.5	101.1
Lesotho	6.6	-28.8	-23.1	60.8	68.6	8.8	1.5	120.5	-67.9	6.7	0.9	0.7
Lithuania	2.8	-17.2	-16.6	..	..	16.9	18.3	22.3	44.1	6.9	0.8	27.5



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## 4.2

### Recent economic performance

	Gross domestic product		Exports of goods and services		Imports of goods and services		GDP deflator		Current account balance		Total reserves <sup>a</sup>	
	annual % growth		annual % growth		annual % growth		% growth		% of GDP		\$ millions	months of import coverage
	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2003	2003
Macedonia, FYR	0.7	3.0	-4.4	9.3	10.7	3.5	3.6	0.4	-8.6	-5.5	861	4.2
Malawi	1.8	5.9	-3.8	-0.6	17.6	-16.6	17.5	6.9	-10.6	-12.5	..	..
Malaysia	4.1	4.6	3.6	5.3	6.2	10.6	3.6	3.0	7.6	8.3	..	..
Mauritius	4.4	4.5	9.4	2.6	5.2	4.1	5.1	5.3	5.7	3.3	1,151	5.1
Mexico	0.9	1.5	1.4	-0.3	1.6	-0.9	4.6	3.5	-2.2	-1.8	52,705	3.1
Moldova	7.2	6.0	14.6	11.8	13.9	13.3	8.1	11.9	-6.4	-8.2	258	1.9
Morocco	3.2	5.5	6.3	0.6	5.6	7.4	0.6	1.5	4.1	0.7	..	..
Nicaragua	1.0	2.3	-3.3	-5.1	-0.5	-7.1	5.3	6.1	-22.2	-17.6	447	2.5
Pakistan	2.8	5.8	10.3	18.8	4.5	20.2	3.1	4.0	6.6	5.9	9,630	7.0
Panama	0.8	2.5	-4.2	2.3	5.3	8.1	1.2	1.2	-1.3	-3.8	1,269	2.9
Paraguay	-2.3	1.5	-9.3	5.1	-15.0	6.3	14.6	8.8	5.3	0.3	859	3.1
Peru	4.9	4.0	6.8	9.7	2.4	8.8	0.6	3.1	-2.1	-2.1	11,026	10.1
Philippines	4.4	4.2	3.6	3.5	4.7	6.2	4.9	3.3	5.4	2.6	16,115	3.9
Poland	1.0	3.5	3.1	13.6	-5.3	8.3	1.7	1.0	-2.6	-0.1	31,747	6.4
Romania	4.3	4.8	16.9	8.2	12.1	6.4	24.2	16.0	-3.3	-4.9	7,794	4.3
Russian Federation	4.3	6.5	10.2	3.7	19.1	2.7	15.2	14.0	8.6	9.9	74,098	8.9
Senegal	1.1	6.3	1.7	1.5	1.9	-0.1	2.7	0.8	-9.5	-6.6	555	2.9
Serbia and Montenegro	4.0	3.0	12.3	27.7	26.3	22.9	25.5	16.5	-8.8	-8.3	3,325	4.5
Slovak Republic	4.4	3.9	5.9	8.5	5.3	7.1	3.9	5.0	..	-5.6	12,126	7.0
South Africa	3.0	3.0	-1.4	-0.9	3.1	-0.7	8.5	4.1	0.3	0.5	7,495	2.4
Sri Lanka	4.0	5.5	5.6	5.5	11.2	7.9	8.3	5.1	-1.6	-2.2	2,200	3.2
Swaziland	1.6	2.2	1.6	-6.0	1.6	-4.0	13.5	9.0	-3.8	-6.3	272	1.8
Syrian Arab Republic	2.7	0.9	2.1	-17.8	-2.4	5.4	4.4	1.5	..	0.1	4,450	6.8
Thailand	5.3	6.4	10.9	6.8	11.3	6.9	0.8	1.4	6.0	9.6	42,100	6.8
Trinidad and Tobago	2.7	4.0	-9.6	10.2	2.5	6.9	0.8	2.7	..	5.9	3,401	8.2
Tunisia	1.7	6.0	-2.1	4.0	-2.4	3.0	2.3	2.3	-3.5	-3.5	..	..
Turkey	7.8	4.8	4.8	4.2	20.0	11.6	43.8	25.2	-0.8	-3.2	36,832	5.8
Ukraine	4.8	7.5	9.1	5.0	3.7	10.4	3.2	5.1	7.7	6.5	6,874	3.4
Uruguay	-10.8	-1.0	-10.9	10.0	-28.3	-3.0	18.8	22.9	2.2	2.7	1,486	5.8
Uzbekistan	4.2	1.0	-8.8	2.8	-12.6	-1.7	45.5	30.0	3.0	6.7	1,743	6.9
Venezuela, RB	-8.9	-12.0	-7.8	-10.9	-26.7	-37.5	31.6	30.0	8.0	8.6	15,844	12.2
Zambia	3.3	4.2	11.4	11.1	3.5	4.1	19.9	20.1	..	-14.8	245	1.5
Zimbabwe	-5.6	-13.6	-0.8	-10.0	-4.8	-5.0	107.5	..	..	0.6	..	..

Note: Data for 2003 are the latest preliminary estimates and may differ from those in earlier World Bank publications.

a. International reserves including gold valued at London gold price.

Source: World Bank staff estimates.

## 4.b

## Key macroeconomic indicators

	Nominal exchange rate			Real effective exchange rate		Money and quasi money		Gross domestic credit		Real interest rate		Short-term debt <sup>a</sup>
	local currency units			1995 = 100		annual % growth		annual % growth		%		% of exports
	per \$	% change		2002	2003	2002	2003	2002	2003	2002	2003	2002
	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
Macedonia, FYR	52.2	-15.3	-16.0	72.6	71.6	15.7	11.1	-14.7	12.5	14.3	8.0	5.0
Malawi	108.4	29.5	34.6	115.0	85.4	20.7	30.8	75.8	44.9	28.1	35.8	27.1
Malaysia	3.8	0.0	0.0	91.3	81.7	3.1	8.2	7.5	9.1	2.7	0.0	7.6
Mauritius	26.1	-3.9	-10.6	..	..	12.5	11.2	7.0	9.4	15.1	10.9	29.4
Mexico	11.2	12.8	9.0	..	..	4.6	5.1	18.1	2.1	3.4	0.8	5.3
Moldova	13.2	5.6	-4.4	100.2	97.5	38.6	30.4	25.2	23.6	14.3	0.2	6.2
Morocco	8.7	-12.1	-13.9	103.4	103.4	6.4	8.5	4.3	3.2	12.5	..	10.9
Nicaragua	15.6	6.0	6.0	111.6	95.3	13.3	..	4.7	..	17.0	..	42.8
Pakistan	57.2	-3.8	-2.3	90.0	83.9	16.8	18.4	1.6	11.0	..	..	9.7
Panama	1.0	0.0	0.0	..	..	-0.3	..	-4.5	..	9.7	7.8	4.4
Paraguay	6,115.0	51.7	-13.9	75.6	68.2	3.1	7.5	13.8	-25.9	21.0	25.8	15.6
Peru	3.5	2.0	-1.5	..	..	5.1	-3.7	-3.1	-8.8	14.1	8.7	22.8
Philippines	55.6	3.3	4.7	85.6	74.4	10.4	5.1	5.5	7.6	4.1	1.3	12.2
Poland	3.7	-3.7	-2.6	133.4	115.9	-2.8	4.0	2.6	7.9	10.7	..	14.8
Romania	32,595.0	6.0	-2.7	110.2	133.6	38.2	27.2	39.9	48.5	..	..	2.9
Russian Federation	29.5	5.5	-7.3	109.0	117.7	33.9	39.0	26.5	28.8	0.4	-9.9	12.9
Senegal	519.4	-16.0	-17.0	..	..	8.2	..	-5.2	..	..	..	16.8
Serbia and Montenegro	..	..	..	..	..	..	..	..	..	..	..	61.7
Slovak Republic	33.0	-17.4	-17.6	105.8	106.2	4.1	10.0	-7.0	-9.9	6.1	-2.2	24.2
South Africa	6.6	-28.8	-23.1	62.6	84.8	14.5	7.7	7.8	29.3	6.6	5.1	19.8
Sri Lanka	96.7	3.8	0.0	..	..	13.4	..	8.1	..	4.5	..	6.8
Swaziland	6.6	-28.8	-23.1	..	..	13.1	7.8	-206.4	164.7	4.0	-0.9	5.6
Syrian Arab Republic	11.2	0.0	0.0	..	..	18.5	..	0.1	..	4.4	..	66.7
Thailand	39.6	-2.4	-8.3	..	..	1.4	6.6	7.8	2.0	6.1	2.6	13.9
Trinidad and Tobago	6.3	0.2	-0.4	126.6	118.8	5.7	..	11.0	..	11.6	..	18.5
Tunisia	1.2	-9.1	-9.4	96.2	91.9	4.4	7.6	4.6	5.9	..	..	5.6
Turkey	1,396,638.0	13.3	-15.0	..	..	29.1	11.6	28.3	15.4	..	..	25.7
Ukraine	5.3	0.6	0.0	112.4	96.5	42.3	47.4	28.9	39.3	21.4	3.4	2.4
Uruguay	29.3	84.2	7.7	87.9	66.3	28.2	-1.6	71.6	4.0	91.4	..	50.0
Uzbekistan	..	..	..	..	..	..	..	..	..	..	..	11.0
Venezuela, RB	1,596.0	83.7	13.9	132.9	114.0	15.8	54.2	19.6	-3.2	3.8	-31.9	12.7
Zambia	4,770.7	13.2	10.1	115.8	114.3	31.1	16.8	12.1	-6.2	21.1	5.0	9.5
Zimbabwe	826.4	0.0	1,401.7	..	..	191.7	472.6	128.7	485.0	-34.2	49.7	..

Note: Data for 2003 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](http://www.oecd.org/dac/debt).

Source: International Monetary Fund, *International Financial Statistics*; World Bank, Debtor Reporting System.





# 4.1

## Growth of output

	Gross domestic product		Agriculture		Industry				Services	
	average annual % growth		average annual % growth		Total average annual % growth		Manufacturing average annual % growth		average annual % growth	
	1980-90	1990-2002	1980-90	1990-2002	1980-90	1990-2002	1980-90	1990-2002	1980-90	1990-2002
Afghanistan	..	..	..	..	..	..	..	..	..	..
Albania <sup>a</sup>	1.5	5.4	1.9	3.7	2.1	2.5	..	8.7	-0.4	9.2
Algeria <sup>a</sup>	2.7	2.2	4.1	3.6	2.6	2.0	4.1	-1.9	3.0	2.3
Angola	3.6	2.7	0.5	1.4	6.3	5.2	-11.1	1.6	1.4	-1.4
Argentina <sup>a</sup>	-0.7	2.7	0.7	2.9	-1.3	1.8	-0.8	0.9	0.0	3.1
Armenia <sup>a</sup>	..	0.4	..	1.4	..	-4.2	..	-2.0	..	-2.5
Australia <sup>a</sup>	3.4	3.8	3.2	3.8	3.1	2.8	1.9	2.2	3.8	4.3
Austria <sup>a</sup>	2.3	2.2	1.4	4.0	1.8	2.7	2.5	2.8	2.8	1.9
Azerbaijan <sup>a</sup>	..	1.2	..	0.8	..	1.8	..	-14.1	..	1.8
Bangladesh <sup>a</sup>	3.7	4.9	2.1	3.1	6.0	7.1	5.2	6.9	3.8	4.6
Belarus <sup>a</sup>	..	-0.1	..	-3.5	..	-0.7	..	0.4	..	0.5
Belgium <sup>a</sup>	2.1	2.1	2.2	2.6	2.4	2.0	..	2.8	1.8	1.9
Benin	2.5	4.9	5.1	5.7	3.4	4.5	5.1	6.0	0.7	4.4
Bolivia <sup>a</sup>	-0.2	3.6	1.5	2.7	-2.3	3.8	-1.1	3.5	-0.2	3.8
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..
Botswana	11.0	5.1	2.5	-1.2	11.4	4.3	11.4	4.0	14.3	7.2
Brazil <sup>a</sup>	2.7	2.7	2.8	3.4	2.0	2.2	1.6	1.6	3.3	2.8
Bulgaria <sup>a</sup>	3.4	-0.7	-2.1	3.0	5.2	-3.3	..	..	4.7	-3.3
Burkina Faso	3.6	4.0	3.1	3.7	3.8	2.8	2.0	1.6	3.8	4.6
Burundi <sup>a</sup>	4.4	-1.8	3.1	-0.7	4.5	-2.6	5.7	-8.0	5.6	-1.0
Cambodia <sup>a</sup>	..	6.6	..	3.2	..	14.8	..	17.8	..	5.8
Cameroon <sup>a</sup>	3.4	2.4	2.2	5.6	5.9	0.7	5.0	2.7	2.1	0.6
Canada <sup>a</sup>	3.2	3.2	2.3	0.8	2.9	3.0	3.8	4.0	3.2	3.2
Central African Republic <sup>a</sup>	1.4	2.1	1.6	4.0	1.4	1.4	5.0	0.7	1.0	-1.1
Chad <sup>a</sup>	6.1	2.5	2.3	3.8	8.1	4.6	..	..	6.7	1.7
Chile <sup>a</sup>	4.2	5.9	5.9	2.1	3.5	5.4	3.4	3.8	2.9	4.5
China	10.3	9.7	5.9	3.9	11.1	12.6	10.8	11.9	13.5	8.8
Hong Kong, China <sup>a</sup>	6.8	3.8	..	..	..	..	..	..	..	..
Colombia <sup>a</sup>	3.7	2.3	2.9	-1.5	5.0	1.4	3.5	-1.5	3.1	3.7
Congo, Dem. Rep.	1.6	-4.4	2.5	0.3	0.9	-6.8	1.6	..	1.3	-10.5
Congo, Rep.	3.3	1.6	3.4	1.3	5.2	2.9	6.8	-0.7	2.2	0.5
Costa Rica <sup>a</sup>	3.0	4.9	3.1	3.6	2.8	5.5	3.0	5.8	3.3	4.6
Côte d'Ivoire	0.7	2.8	0.3	3.4	4.4	4.2	3.0	3.4	-0.1	2.0
Croatia <sup>a</sup>	..	1.3	..	-1.3	..	-1.0	..	-1.5	..	2.5
Cuba	..	3.9	..	3.5	..	5.0	..	4.7	..	3.2
Czech Republic <sup>a</sup>	..	1.3	..	3.7	..	-0.3	..	..	..	2.1
Denmark <sup>a</sup>	2.0	2.5	2.6	2.8	2.0	2.4	1.3	2.2	1.9	2.5
Dominican Republic	3.1	6.0	-1.0	3.9	3.0	6.7	2.3	4.6	4.2	6.0
Ecuador	2.1	1.9	4.5	-0.4	1.3	2.0	0.1	1.1	1.8	2.5
Egypt, Arab Rep. <sup>a</sup>	5.4	4.5	2.7	3.2	3.3	4.6	..	6.5	7.8	4.6
El Salvador	0.2	4.3	-1.1	0.9	0.2	4.9	-0.1	5.0	0.7	4.8
Eritrea <sup>a</sup>	..	4.3	..	-1.4	..	11.5	..	8.1	..	4.6
Estonia <sup>a</sup>	2.2	1.0	..	-2.5	..	-0.7	..	7.1	..	2.7
Ethiopia <sup>a</sup>	2.3	4.6	0.6	2.2	3.1	4.0	2.7	4.0	4.9	6.9
Finland <sup>a</sup>	3.3	2.9	-0.4	1.5	3.2	4.4	..	6.9	3.6	2.5
France <sup>a</sup>	2.4	1.9	1.3	1.9	1.4	1.5	1.3	2.4	3.0	2.1
Gabon	0.9	2.5	1.2	-0.5	1.5	2.4	1.8	0.6	0.1	3.2
Gambia, The <sup>a</sup>	3.6	3.3	0.9	4.3	4.7	2.9	7.8	1.7	2.7	4.1
Georgia <sup>a</sup>	0.4	-4.3	..	-0.9	..	7.8	..	..	..	15.5
Germany <sup>a</sup>	2.3	1.6	1.6	1.6	1.4	-0.1	..	0.2	3.0	2.6
Ghana	3.0	4.3	1.0	3.5	3.3	3.2	3.9	-1.4	5.7	5.4
Greece <sup>a</sup>	0.9	2.6	-0.1	0.3	1.3	1.9	..	1.9	0.9	3.0
Guatemala	0.8	4.0	1.2	2.7	-0.2	3.9	0.0	2.6	0.9	4.5
Guinea <sup>a</sup>	..	4.3	..	4.6	..	4.8	..	4.4	..	3.3
Guinea-Bissau <sup>a</sup>	4.0	0.7	4.7	3.1	2.2	-2.5	..	-1.8	3.5	-0.0
Haiti <sup>a</sup>	-0.2	-1.0	-0.1	-4.4	-1.7	-2.6	-1.7	-8.1	0.9	0.8

	Gross domestic product		Agriculture		Industry				Services	
	average annual % growth		average annual % growth		Total average annual % growth		Manufacturing average annual % growth		average annual % growth	
	1980-90	1990-2002	1980-90	1990-2002	1980-90	1990-2002	1980-90	1990-2002	1980-90	1990-2002
Honduras <sup>a</sup>	2.7	3.1	2.7	2.1	3.3	3.5	3.7	4.1	2.5	3.9
Hungary <sup>a</sup>	1.3	2.2	1.7	-0.8	0.2	3.9	..	7.6	2.1	2.1
India <sup>a</sup>	5.7	5.8	3.1	2.7	6.9	6.0	7.4	6.6	6.9	7.9
Indonesia	6.1	3.6	3.6	1.9	7.3	4.5	12.8	5.9	6.5	3.4
Iran, Islamic Rep. <sup>a</sup>	1.7	3.8	4.5	4.2	3.3	-2.0	4.5	5.5	-1.0	8.1
Iraq	-6.8	..	..	..	..	..	..	..	..	..
Ireland <sup>a</sup>	3.2	7.8	..	..	..	..	..	..	..	..
Israel	3.5	4.6	..	..	..	..	..	..	..	..
Italy <sup>a</sup>	2.5	1.7	-0.5	1.2	1.8	1.2	2.1	1.4	3.0	1.9
Jamaica	2.0	0.7	0.9	-0.1	2.4	-0.8	2.7	-2.0	1.6	1.7
Japan <sup>a</sup>	4.1	1.3	1.3	-2.9	4.2	-0.0	..	0.7	4.2	2.2
Jordan <sup>a</sup>	2.5	4.7	6.8	-2.4	1.7	4.9	0.5	5.6	2.3	4.8
Kazakhstan <sup>a</sup>	..	-1.6	..	-5.4	..	-5.4	..	5.3	..	-1.4
Kenya <sup>a</sup>	4.2	1.9	3.3	1.2	3.9	1.5	4.9	1.8	4.9	2.9
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	8.9	5.6	3.0	1.8	11.4	6.2	12.1	7.6	8.4	5.6
Kuwait	1.3	2.9	14.7	..	1.0	..	2.3	..	2.1	..
Kyrgyz Republic <sup>a</sup>	..	-2.2	..	2.5	..	-7.6	..	-13.4	..	-3.0
Lao PDR <sup>a</sup>	3.7	6.3	3.5	4.9	6.1	10.9	8.9	12.6	3.3	6.5
Latvia <sup>a</sup>	3.5	-1.0	2.3	-4.0	4.3	-5.1	4.4	-4.6	3.2	3.6
Lebanon <sup>a</sup>	..	4.9	..	1.7	..	-0.8	..	-2.4	..	3.0
Lesotho <sup>a</sup>	4.5	3.5	2.8	2.0	5.3	4.8	9.8	6.0	4.0	3.8
Liberia <sup>a</sup>	-7.0	7.4	..	6.5	..	-11.2	..	..	..	-12.5
Libya <sup>a</sup>	-7.0	..	..	..	..	..	..	..	..	..
Lithuania <sup>a</sup>	..	-0.9	..	-1.0	..	4.2	..	6.7	..	5.5
Macedonia, FYR <sup>a</sup>	..	-0.1	..	-0.2	..	-2.1	..	-4.0	..	1.3
Madagascar <sup>a</sup>	1.1	2.1	2.5	1.9	0.9	2.1	2.1	2.2	0.3	2.4
Malawi <sup>a</sup>	2.5	3.1	2.0	6.8	2.9	0.7	3.6	-1.0	3.3	2.1
Malaysia	5.3	6.2	3.4	0.3	6.8	7.5	9.3	8.8	4.9	6.4
Mali <sup>a</sup>	0.8	4.2	3.3	2.5	4.3	8.2	6.8	-2.2	1.9	3.5
Mauritania <sup>a</sup>	1.8	4.4	1.7	3.7	4.9	2.4	-2.1	-1.0	0.4	5.9
Mauritius <sup>a</sup>	6.0	5.2	2.6	0.4	9.2	5.4	10.4	5.3	5.1	6.3
Mexico <sup>a</sup>	1.1	3.0	0.8	1.6	1.1	3.5	1.5	4.0	1.4	3.0
Moldova <sup>a</sup>	2.8	-7.1	..	-8.1	..	-9.5	..	-1.1	..	0.4
Mongolia	5.4	1.5	1.4	3.2	6.6	0.1	..	..	8.4	0.8
Morocco	4.2	2.6	6.7	0.1	3.0	3.3	4.1	2.8	4.2	2.9
Mozambique <sup>a</sup>	-0.1	6.9	6.6	5.1	-4.5	14.1	..	18.9	9.1	3.4
Myanmar	0.6	7.4	0.5	5.7	0.5	10.5	-0.2	7.9	0.8	7.2
Namibia <sup>a</sup>	1.3	3.7	1.9	2.8	0.0	2.7	3.7	3.3	3.6	4.2
Nepal <sup>a</sup>	4.6	4.7	4.0	2.7	8.8	6.4	9.3	7.5	3.9	5.8
Netherlands <sup>a</sup>	2.4	2.9	3.6	1.7	1.6	1.7	..	2.4	2.6	3.2
New Zealand <sup>a</sup>	1.9	3.2	4.1	3.0	1.0	2.2	..	2.0	2.0	3.6
Nicaragua	-1.9	4.3	-2.2	3.1	-2.3	3.0	-3.2	1.7	-1.5	5.5
Niger	-0.1	2.6	1.7	3.2	-1.7	2.2	-2.7	2.8	-0.7	2.3
Nigeria <sup>a</sup>	1.6	2.4	3.3	3.5	-1.1	0.9	0.7	1.2	3.7	2.8
Norway <sup>a</sup>	3.0	3.6	0.1	1.8	4.0	3.2	0.2	2.3	2.8	3.8
Oman	8.4	4.3	7.9	..	10.3	..	20.6	..	5.9	..
Pakistan <sup>a</sup>	6.3	3.6	4.0	3.8	7.7	3.9	8.1	4.0	6.8	4.3
Panama <sup>a</sup>	0.5	4.2	2.5	2.7	-1.3	4.3	0.4	2.9	0.7	4.4
Papua New Guinea	1.9	3.1	1.8	3.2	1.9	3.7	0.1	3.8	2.0	2.6
Paraguay	2.5	1.8	3.6	2.1	0.3	3.0	4.0	0.8	3.1	1.0
Peru <sup>a</sup>	-0.1	4.1	3.0	5.3	0.1	4.4	-0.2	3.3	-0.4	3.7
Philippines	1.0	3.5	1.0	2.0	-0.9	3.5	0.2	3.1	2.8	4.2
Poland <sup>a</sup>	..	4.3	..	1.1	..	5.8	..	8.3	..	4.4
Portugal <sup>a</sup>	3.2	2.8	1.5	-0.2	3.4	2.9	..	2.3	2.5	2.3
Puerto Rico	4.0	4.3	1.8	..	3.6	..	3.6	..	4.6	..



# 4.1 | Growth of output

	Gross domestic product		Agriculture		Industry				Services	
	average annual % growth		average annual % growth		Total average annual % growth		Manufacturing average annual % growth		average annual % growth	
	1980-90	1990-2002	1980-90	1990-2002	1980-90	1990-2002	1980-90	1990-2002	1980-90	1990-2002
Romania <sup>a</sup>	1.3	-0.2	1.9	-1.4	-1.0	-0.3	..	..	..	1.0
Russian Federation <sup>a</sup>	..	-2.7	..	-1.9	..	-4.5	..	..	..	-0.6
Rwanda	2.2	1.7	0.5	4.3	2.5	-1.0	2.6	-3.7	3.6	0.5
Saudi Arabia	-1.3	2.1	12.5	1.7	-3.8	1.8	6.2	5.4	0.6	2.4
Senegal	3.1	3.9	2.8	1.8	4.3	5.3	4.6	4.6	2.8	4.1
Serbia and Montenegro	..	0.1	..	..	..	..	..	..	..	..
Sierra Leone <sup>a</sup>	0.5	-3.8	3.1	-3.6	1.7	-4.0	..	5.0	-0.9	-2.9
Singapore	6.7	6.7	-5.3	-3.1	5.2	7.3	6.6	6.9	7.6	6.8
Slovak Republic <sup>a</sup>	2.0	2.3	1.6	2.5	2.0	-3.4	..	4.3	0.6	7.7
Slovenia <sup>a</sup>	..	4.1	..	-0.1	..	4.7	..	4.7	..	4.0
Somalia <sup>a</sup>	2.1	..	3.3	..	1.0	..	-1.7	..	0.9	..
South Africa <sup>a</sup>	1.0	2.2	2.9	1.2	0.7	1.3	1.1	1.6	2.4	2.8
Spain <sup>a</sup>	3.1	2.8	3.1	0.7	2.7	2.5	..	3.9	3.3	3.0
Sri Lanka <sup>a</sup>	4.0	4.8	2.2	1.6	4.6	6.1	6.3	7.0	4.7	5.3
Sudan	2.3	5.5	1.8	9.0	1.6	6.1	4.8	2.0	4.5	3.1
Swaziland <sup>a</sup>	6.7	3.2	2.3	1.9	12.0	3.3	15.7	2.6	4.8	3.5
Sweden <sup>a</sup>	2.5	2.3	1.4	-0.7	2.8	4.5	..	8.6	2.4	1.8
Switzerland <sup>a</sup>	2.0	1.0	..	..	..	..	..	..	..	..
Syrian Arab Republic	1.5	4.7	-0.6	4.5	6.6	8.7	..	9.6	1.6	3.3
Tajikistan <sup>a</sup>	2.0	-6.8	-2.8	-4.6	5.5	-11.7	5.6	-10.8	3.4	-0.3
Tanzania <sup>b</sup>	..	3.5	..	3.4	..	4.1	..	3.3	..	3.3
Thailand	7.6	3.7	3.9	1.5	9.8	4.9	9.5	6.1	7.3	3.1
Togo	1.7	2.0	5.6	3.3	1.1	2.8	1.7	4.2	-0.3	0.4
Trinidad and Tobago	-0.8	3.5	-5.9	3.3	-5.5	3.8	-10.1	5.5	6.7	3.3
Tunisia	3.3	4.6	2.8	1.8	3.1	4.7	3.7	5.5	3.5	5.3
Turkey <sup>a</sup>	5.3	3.1	1.2	1.1	7.7	3.1	7.9	3.8	4.5	3.4
Turkmenistan <sup>a</sup>	..	-1.0	..	-3.2	..	-1.6	..	..	..	-3.2
Uganda <sup>a</sup>	2.9	6.9	2.1	3.9	5.0	11.2	3.9	13.0	2.8	7.9
Ukraine <sup>a</sup>	..	-6.6	..	-4.0	..	-7.9	..	-7.2	..	-8.0
United Arab Emirates <sup>a</sup>	-2.1	4.2	9.6	..	-4.2	..	3.1	..	3.6	..
United Kingdom <sup>a</sup>	3.2	2.6	2.4	-1.1	3.3	1.2	..	..	3.1	3.4
United States <sup>a</sup>	3.5	3.3	3.2	3.8	3.0	3.4	..	3.9	3.3	3.7
Uruguay <sup>a</sup>	0.5	2.0	0.1	1.6	-0.2	-0.0	0.4	-1.3	1.0	3.1
Uzbekistan	..	0.8	..	1.3	..	-2.1	..	..	..	1.9
Venezuela, RB	1.1	1.1	3.1	1.3	1.7	1.8	4.4	1.3	0.5	0.5
Vietnam	4.6	7.6	2.8	4.2	4.4	11.4	1.9	11.2	7.1	7.1
West Bank and Gaza <sup>a</sup>	..	-0.8	..	-4.2	..	-6.7	..	-0.5	..	2.4
Yemen, Rep.	..	5.9	..	5.6	..	6.5	..	3.0	..	5.8
Zambia <sup>a</sup>	1.0	1.1	3.6	3.5	1.0	-2.8	4.1	1.5	-0.2	3.0
Zimbabwe <sup>a</sup>	3.6	1.1	3.1	2.9	3.2	-1.1	2.8	-2.0	3.0	2.0
<b>World</b>	<b>3.3 w</b>	<b>2.7 w</b>	<b>2.6 w</b>	<b>1.8 w</b>	<b>3.1 w</b>	<b>2.1 w</b>	<b>.. w</b>	<b>2.9 w</b>	<b>3.5 w</b>	<b>3.1 w</b>
<b>Low income</b>	4.7	4.3	3.0	2.7	5.6	4.7	7.9	5.7	5.4	5.4
<b>Middle income</b>	2.9	3.2	3.5	2.1	2.7	3.4	3.7	5.3	3.1	3.3
Lower middle income	4.0	3.2	3.7	2.2	4.0	3.6	4.4	5.7	4.4	3.3
Upper middle income	0.8	3.0	2.8	1.4	-0.1	2.9	1.9	4.0	1.1	3.3
<b>Low &amp; middle income</b>	3.2	3.4	3.4	2.3	3.1	3.6	4.2	5.3	3.4	3.6
East Asia & Pacific	7.5	7.3	4.6	3.1	8.5	9.7	9.5	9.8	8.6	6.4
Europe & Central Asia	..	-0.5	..	-0.8	..	-2.2	..	..	..	0.8
Latin America & Carib.	1.7	2.9	2.3	2.3	1.4	2.6	1.4	2.0	1.9	3.0
Middle East & N. Africa	1.4	3.2	5.0	2.9	-0.4	1.8	4.9	4.6	1.9	4.2
South Asia	5.5	5.4	3.1	2.9	6.9	5.9	7.3	6.3	6.4	7.0
Sub-Saharan Africa	1.6	2.6	2.3	2.8	1.3	1.9	1.7	1.9	2.4	2.8
<b>High income</b>	3.3	2.5	1.9	1.2	3.1	1.8	..	2.3	3.5	3.0
Europe EMU	2.4	2.0	1.3	1.4	1.7	1.1	..	1.5	2.9	2.4

a. Components are at basic prices. b. Data cover mainland Tanzania only.

**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 (GDP), 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 industries operating in the economy. This year's edition of *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 intermediate 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 processes 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 improvement, and overestimates of inflation. These issues are highly complex, and only a few high-income countries have attempted to introduce any GDP adjustments for these factors.

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 home use, sales in informal markets, barter exchanges, and illicit or deliberately unreported activities. The consistency and completeness of such estimates depend 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 better reflect the current pattern of production or uses of output. 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 constrained by lack of data. 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 average annual 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**

*World Development Indicators* adopted the terminology of the 1993 SNA in 2001. Although most countries continue to compile their national accounts according to the SNA version 3 (referred to as the 1968 SNA), more and more are adopting the 1993 SNA. Some low-income countries still use concepts from the even older 1953 SNA guidelines, including valuations such as factor cost, in describing major economic aggregates. Countries that use the 1993 SNA are identified in *Primary data documentation*.

**Definitions**

- **Gross domestic product (GDP)** at purchaser prices is the sum of gross value added by all resident producers in the economy plus any product taxes (less subsidies) not included in the valuation of output. It is calculated without making deductions for depreciation of fabricated capital 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** covers mining, manufacturing (also reported as a separate subgroup), construction, electricity, water, and gas (ISIC divisions 10–45).
- **Manufacturing** corresponds to industries belonging to ISIC divisions 15–37.
- **Services** correspond to ISIC divisions 50–99. This sector is derived as a residual (from GDP less agriculture and industry) and may not properly reflect the sum of service output, including banking and financial services. For some countries it includes product taxes (minus subsidies) and may also include statistical discrepancies.

**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 data files of the Organisation for Economic Co-operation and Development (for information on the OECD's national accounts series, see its monthly *Main Economic Indicators*). 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 2004* 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		Industry				Services	
	\$ millions		% of GDP		Total % of GDP		Manufacturing % of GDP		% of GDP	
	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002
Afghanistan	..	..	..	52	..	24	..	18	..	24
Albania <sup>a</sup>	2,102	4,835	36	25	48	19	..	10	16	56
Algeria <sup>a</sup>	62,045	55,914	11	10	48	53	11	8	40	37
Angola	10,260	11,248	18	8	41	68	5	4	41	24
Argentina <sup>a</sup>	141,352	102,042	8	11	36	32	27	21	56	57
Armenia <sup>a</sup>	2,257	2,367	17	26	52	37	33	23	31	37
Australia <sup>a</sup>	310,588	409,420	4	4	29	26	14	12	67	71
Austria <sup>a</sup>	161,692	204,066	4	2	34	32	23	22	62	66
Azerbaijan <sup>a</sup>	4,991	6,090	30	16	33	52	19	20	37	32
Bangladesh <sup>a</sup>	30,129	47,563	30	23	21	26	13	16	48	51
Belarus <sup>a</sup>	17,370	14,304	24	11	47	37	39	31	29	52
Belgium <sup>a</sup>	197,174	245,395	2	1	33	27	..	19	65	72
Benin	1,845	2,695	36	36	13	14	8	9	51	50
Bolivia <sup>a</sup>	4,868	7,801	17	15	39	33	18	15	44	52
Bosnia and Herzegovina	..	5,599	..	18	..	37	..	23	..	45
Botswana	3,791	5,273	5	2	57	48	5	4	39	50
Brazil <sup>a</sup>	461,952	452,387	8	6	39	21	25	13	53	73
Bulgaria <sup>a</sup>	20,726	15,486	17	13	49	28	..	17	34	59
Burkina Faso	3,120	3,127	28	32	20	18	15	13	52	50
Burundi <sup>a</sup>	1,132	719	56	49	19	19	13	..	25	31
Cambodia <sup>a</sup>	1,115	4,005	..	36	..	28	..	20	..	36
Cameroon <sup>a</sup>	11,152	9,060	25	43	29	20	15	11	46	38
Canada <sup>a</sup>	574,204	714,327	3	..	32	..	17	..	65	..
Central African Republic <sup>a</sup>	1,488	1,046	48	57	20	22	11	9	33	21
Chad <sup>a</sup>	1,739	2,002	29	38	18	17	14	15	53	45
Chile <sup>a</sup>	30,323	64,153	9	9	41	34	20	16	50	57
China	354,644	1,266,052	27	15	42	51	33	35	31	34
Hong Kong, China <sup>a</sup>	75,433	161,531	0	0	25	13	17	5	74	87
Colombia <sup>a</sup>	40,274	80,925	17	14	38	30	21	16	45	56
Congo, Dem. Rep.	9,348	5,707	30	56	28	19	11	4	42	25
Congo, Rep.	2,799	3,017	13	6	41	63	8	5	46	30
Costa Rica <sup>a</sup>	5,713	16,837	18	8	29	29	22	22	53	62
Côte d'Ivoire	10,796	11,682	32	26	23	20	21	13	44	53
Croatia <sup>a</sup>	18,156	22,436	10	8	34	30	28	21	56	62
Cuba	..	..	..	7	..	46	..	37	..	47
Czech Republic <sup>a</sup>	34,880	69,514	6	4	49	40	..	..	45	57
Denmark <sup>a</sup>	133,361	172,928	4	3	27	27	18	17	69	71
Dominican Republic	7,074	21,651	13	12	31	33	18	16	55	55
Ecuador	10,356	24,311	13	9	38	28	19	11	49	63
Egypt, Arab Rep. <sup>a</sup>	43,130	89,854	19	17	29	33	18	19	52	50
El Salvador	4,807	14,284	17	9	27	30	22	23	56	61
Eritrea <sup>a</sup>	477	642	31	12	12	25	8	12	57	63
Estonia <sup>a</sup>	4,649	6,507	17	5	50	30	42	19	34	65
Ethiopia <sup>a</sup>	8,609	6,059	49	40	13	12	8	..	38	48
Finland <sup>a</sup>	137,224	131,508	6	3	35	33	..	26	59	64
France <sup>a</sup>	1,215,893	1,431,278	4	3	30	25	21	18	66	72
Gabon	5,952	4,971	7	8	43	46	6	5	50	46
Gambia, The <sup>a</sup>	317	357	29	26	13	14	7	5	58	60
Georgia <sup>a</sup>	7,738	3,396	32	21	33	23	24	..	35	56
Germany <sup>a</sup>	1,671,312	1,984,095	2	1	39	30	28	23	59	69
Ghana	5,886	6,160	45	34	17	24	10	9	38	42
Greece <sup>a</sup>	84,075	132,824	11	7	28	22	..	12	61	70
Guatemala	7,650	23,277	26	22	20	19	15	13	54	58
Guinea <sup>a</sup>	2,818	3,213	24	24	33	37	5	4	43	39
Guinea-Bissau <sup>a</sup>	244	203	61	62	19	13	8	10	21	25
Haiti <sup>a</sup>	2,864	3,435	..	..	..	..	..	..	..	..

# Structure of output

# 4.2

	Gross domestic product		Agriculture		Industry				Services	
	\$ millions		% of GDP		Total % of GDP		Manufacturing % of GDP		% of GDP	
	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002
Honduras <sup>a</sup>	3,049	6,564	22	13	26	31	16	20	51	56
Hungary <sup>a</sup>	33,056	65,843	15	4	39	31	23	23	46	65
India <sup>a</sup>	316,937	510,177	31	23	28	27	17	16	41	51
Indonesia	114,426	172,911	19	17	39	44	21	25	41	38
Iran, Islamic Rep. <sup>a</sup>	120,404	108,243	24	12	29	39	12	14	48	49
Iraq	48,657	..	..	..	..	..	..	..	..	..
Ireland <sup>a</sup>	47,301	121,449	9	3	35	42	28	33	56	54
Israel	52,490	103,689	..	..	..	..	..	..	..	..
Italy <sup>a</sup>	1,102,437	1,184,273	4	3	34	29	25	21	63	69
Jamaica	4,592	7,871	7	6	40	31	19	14	52	63
Japan <sup>a</sup>	3,053,143	3,993,433	2	1	39	31	27	21	58	68
Jordan <sup>a</sup>	4,020	9,301	8	2	28	26	15	16	64	72
Kazakhstan <sup>a</sup>	26,931	24,637	27	9	45	39	9	16	29	53
Kenya <sup>a</sup>	8,551	12,330	29	16	19	19	12	13	52	65
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	252,622	476,690	9	4	43	41	29	29	48	55
Kuwait	18,428	35,369	1	..	52	..	12	..	47	..
Kyrgyz Republic <sup>a</sup>	2,659	1,603	34	39	36	26	28	11	30	35
Lao PDR <sup>a</sup>	866	1,680	61	51	15	23	10	18	24	26
Latvia <sup>a</sup>	7,279	8,406	22	5	46	25	34	15	32	71
Lebanon <sup>a</sup>	2,838	17,294	..	12	..	21	..	10	..	67
Lesotho <sup>a</sup>	615	714	24	16	33	43	14	20	43	41
Liberia <sup>a</sup>	384	562	..	..	..	..	..	..	..	..
Libya <sup>a</sup>	28,905	19,131	..	..	..	..	..	..	..	..
Lithuania <sup>a</sup>	10,259	13,796	27	7	31	31	21	20	42	62
Macedonia, FYR <sup>a</sup>	4,472	3,791	9	12	46	30	36	19	46	57
Madagascar <sup>a</sup>	3,081	4,400	29	32	13	13	11	11	59	55
Malawi <sup>a</sup>	1,881	1,901	45	37	29	15	19	10	26	49
Malaysia	44,024	94,900	15	9	42	47	24	31	43	44
Mali <sup>a</sup>	2,421	3,364	46	34	16	30	9	3	39	36
Mauritania <sup>a</sup>	1,020	969	30	21	29	29	10	9	42	50
Mauritius <sup>a</sup>	2,383	4,533	13	7	33	31	25	23	54	62
Mexico <sup>a</sup>	262,710	637,203	8	4	28	27	21	19	64	69
Moldova <sup>a</sup>	3,549	1,624	43	24	33	25	..	17	24	51
Mongolia	..	1,119	17	30	30	16	..	5	52	54
Morocco	25,821	36,093	18	16	32	30	18	17	50	54
Mozambique <sup>a</sup>	2,463	3,599	37	23	18	34	10	13	44	43
Myanmar	..	..	57	57	11	10	8	7	32	33
Namibia <sup>a</sup>	2,350	2,904	12	11	38	31	14	11	50	58
Nepal <sup>a</sup>	3,628	5,549	52	41	16	22	6	8	32	38
Netherlands <sup>a</sup>	294,290	417,910	4	3	30	26	19	16	65	71
New Zealand <sup>a</sup>	43,618	58,581	7	..	28	..	19	..	65	..
Nicaragua	1,009	4,003	31	18	21	25	17	14	48	57
Niger	2,481	2,171	35	40	16	17	7	7	49	43
Nigeria <sup>a</sup>	28,472	43,540	33	37	41	29	6	4	26	34
Norway <sup>a</sup>	116,107	190,477	4	2	36	38	13	..	61	60
Oman	10,535	20,309	3	..	58	..	4	..	39	..
Pakistan <sup>a</sup>	40,010	59,071	26	23	25	23	17	16	49	53
Panama <sup>a</sup>	5,313	12,296	9	6	15	14	9	6	76	80
Papua New Guinea	3,221	2,814	29	27	30	42	9	9	41	32
Paraguay	5,265	5,508	28	22	25	29	17	15	47	49
Peru <sup>a</sup>	26,294	56,517	9	8	27	28	18	16	64	64
Philippines	44,331	77,954	22	15	34	33	25	23	44	53
Poland <sup>a</sup>	58,976	189,021	8	3	50	30	..	18	42	66
Portugal <sup>a</sup>	71,466	121,595	9	4	32	30	22	..	60	66
Puerto Rico	30,604	67,897	1	1	42	43	40	40	57	56



# 4.2 | Structure of output

	Gross domestic product		Agriculture		Industry				Services	
	\$ millions		% of GDP		Total % of GDP		Manufacturing % of GDP		% of GDP	
	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002
Romania <sup>a</sup>	38,299	45,749	24	13	50	38	34	17	26	49
Russian Federation <sup>a</sup>	516,814	346,520	17	6	48	34	..	..	35	60
Rwanda	2,584	1,732	33	41	25	21	18	11	43	37
Saudi Arabia	116,778	188,479	6	5	49	51	9	10	45	44
Senegal	5,699	5,037	20	15	19	22	13	14	61	63
Serbia and Montenegro	..	15,681	..	15	..	32	..	..	..	53
Sierra Leone <sup>a</sup>	650	783	32	53	13	32	5	5	55	16
Singapore	36,902	86,969	..	0	..	36	..	28	..	64
Slovak Republic <sup>a</sup>	15,485	23,682	7	4	59	29	..	21	33	67
Slovenia <sup>a</sup>	12,673	21,960	6	3	46	36	35	27	49	61
Somalia <sup>a</sup>	917	..	65	..	..	..	5	..	..	..
South Africa <sup>a</sup>	112,014	104,242	5	4	40	32	24	19	55	64
Spain <sup>a</sup>	509,968	653,075	6	3	35	30	..	18	59	66
Sri Lanka <sup>a</sup>	8,032	16,567	26	20	26	26	15	16	48	54
Sudan	13,167	13,516	..	39	..	18	..	9	..	43
Swaziland <sup>a</sup>	882	1,186	13	16	42	50	35	38	45	35
Sweden <sup>a</sup>	245,941	240,313	4	2	32	28	..	23	64	70
Switzerland <sup>a</sup>	228,415	267,445	..	1	..	27	..	..	..	72
Syrian Arab Republic	12,309	20,783	28	23	24	28	20	25	48	49
Tajikistan <sup>a</sup>	2,629	1,212	33	24	38	24	25	21	29	52
Tanzania <sup>b</sup>	4,259	9,382	46	44	18	16	9	8	36	39
Thailand	85,345	126,905	12	9	37	43	27	34	50	48
Togo	1,628	1,384	34	40	23	22	10	9	44	38
Trinidad and Tobago	5,068	9,628	3	2	46	42	9	7	51	56
Tunisia	12,291	21,024	16	10	30	29	17	19	54	60
Turkey <sup>a</sup>	150,642	183,665	18	13	30	27	20	17	52	60
Turkmenistan <sup>a</sup>	3,232	7,672	32	29	30	51	..	..	38	20
Uganda <sup>a</sup>	4,304	5,803	57	32	11	22	6	10	32	46
Ukraine <sup>a</sup>	81,456	41,477	26	15	45	38	44	23	30	47
United Arab Emirates <sup>a</sup>	34,132	70,960	2	..	64	..	8	..	35	..
United Kingdom <sup>a</sup>	989,564	1,566,283	2	1	35	26	23	17	63	73
United States <sup>a</sup>	5,750,800	10,383,100	2	2	28	23	19	15	70	75
Uruguay <sup>a</sup>	9,286	12,129	9	9	35	27	28	17	56	64
Uzbekistan	13,361	7,932	33	35	33	22	..	9	34	44
Venezuela, RB	48,592	94,340	5	3	50	43	20	6	44	54
Vietnam	6,472	35,086	39	23	23	39	12	21	39	38
West Bank and Gaza <sup>a</sup>	..	3,396	..	6	..	13	..	11	..	80
Yemen, Rep.	4,828	9,984	24	15	27	40	9	5	49	44
Zambia <sup>a</sup>	3,288	3,697	21	22	51	26	36	12	28	52
Zimbabwe <sup>a</sup>	8,784	8,304	16	17	33	24	23	13	50	59
<b>World</b>	<b>21,676,054 t</b>	<b>32,312,146 t</b>	<b>5 w</b>	<b>4 w</b>	<b>34 w</b>	<b>29 w</b>	<b>22 w</b>	<b>19 w</b>	<b>60 w</b>	<b>68 w</b>
<b>Low income</b>	765,007	1,123,865	29	24	30	30	17	17	41	46
<b>Middle income</b>	3,229,351	5,139,306	14	9	39	34	24	21	47	57
Lower middle income	2,326,049	3,426,319	16	10	39	34	26	22	44	56
Upper middle income	905,385	1,708,823	9	6	39	34	21	18	53	60
<b>Low &amp; middle income</b>	3,991,257	6,259,154	16	11	38	33	23	20	46	55
East Asia & Pacific	674,196	1,833,073	24	15	40	47	29	32	37	38
Europe & Central Asia	1,099,616	1,132,845	17	9	44	32	..	..	39	59
Latin America & Carib.	1,098,727	1,668,800	9	7	36	26	23	15	55	67
Middle East & N. Africa	424,126	670,722	15	11	38	41	13	13	47	48
South Asia	404,808	649,079	31	23	27	26	17	16	43	51
Sub-Saharan Africa	298,443	319,288	18	18	34	29	17	15	48	54
<b>High income</b>	17,683,764	26,052,812	3	2	33	27	22	19	64	71
Europe EMU	5,503,913	6,648,492	3	2	34	28	24	21	62	70

a. Components are at basic prices. b. Data cover mainland Tanzania only.



**About the data**

An economy's gross domestic product (GDP) represents the sum of value added by all producers in that economy. Value added is the value of the gross output of producers less the value of intermediate goods and services consumed in production, before taking account of the consumption of fixed capital in the production process. Since 1968 the United Nations 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 producers but excluding sales or value added taxes). Both valuations exclude transport charges that are invoiced separately by 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.

Ideally, industrial output should be measured through regular censuses and surveys of firms. But in most developing countries such surveys are infrequent, so earlier 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 and nondisclosure of income lower 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 measured in the same standard monetary units, the value of output must be converted to a single 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 gross value added by all resident producers in the economy plus any product taxes (less subsidies) not included in the valuation of output. 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** covers mining, manufacturing (also reported as a separate subgroup), construction, electricity, water, and gas (ISIC divisions 10–45).
- **Manufacturing** corresponds to industries belonging to ISIC divisions 15–37.
- **Services** correspond to ISIC divisions 50–99. This sector is derived as a residual (from GDP less agriculture and industry) and may not properly reflect the sum of service output, including banking and financial services. For some countries it includes product taxes (minus subsidies) and may also include statistical discrepancies.

**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 data files of the Organisation for Economic Co-operation and Development (for information on the OECD's national accounts series, see its monthly *Main Economic Indicators*). The complete national accounts time series is available on the *World Development Indicators 2004* 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*.





## 4.3

## Structure of manufacturing

	Manufacturing value added		Food, beverages, and tobacco		Textiles and clothing		Machinery and transport equipment		Chemicals		Other manufacturing <sup>a</sup>	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1990	2000	1990	2000	1990	2000	1990	2000	1990	2000	1990	2000
Afghanistan	..	..	..	..	..	..	..	..	..	..	..	..
Albania	..	376	24	..	33	..	..	..	..	..	44	..
Algeria	6,452	3,897	13	33	17	8	..	..	..	..	70	59
Angola	513	264	..	..	..	..	..	..	..	..	..	..
Argentina	37,868	46,877	20	30	10	7	13	15	12	12	46	36
Armenia	681	418	..	..	..	..	..	..	..	..	..	..
Australia	38,868	42,528	18	..	6	..	20	..	7	..	48	..
Austria	33,386	37,189	15	12	7	3	28	41	7	6	43	38
Azerbaijan	1,092	675	..	..	..	..	..	..	..	..	..	..
Bangladesh	3,839	6,933	24	22	38	33	7	16	17	10	15	19
Belarus	6,630	3,444	..	..	..	..	..	..	..	..	..	..
Belgium	..	39,986	17	19	7	6	..	..	13	16	62	59
Benin	145	198	..	..	..	..	..	..	..	..	..	..
Bolivia	826	1,121	28	31	5	4	1	1	3	3	63	60
Bosnia and Herzegovina	..	480	12	..	15	..	18	..	7	..	49	..
Botswana	181	253	51	..	12	..	..	..	..	..	36	..
Brazil	89,966	80,280	14	..	12	..	27	..	..	..	48	..
Bulgaria	..	1,985	22	20	9	10	19	5	5	..	45	65
Burkina Faso	460	281	..	..	..	..	..	..	..	..	..	..
Burundi	134	60	83	..	9	..	..	..	2	..	7	..
Cambodia	58	583	..	..	..	..	..	..	..	..	..	..
Cameroon	1,581	940	61	47	-13	15	1	1	5	4	46	32
Canada	91,674	117,240	15	13	6	3	26	36	10	8	44	39
Central African Republic	154	81	57	..	6	..	2	..	6	..	28	..
Chad	239	152	..	..	..	..	..	..	..	..	..	..
Chile	5,613	10,663	25	32	7	4	5	5	10	14	52	45
China	116,573	375,455	15	14	15	11	24	30	13	12	34	33
Hong Kong, China	12,639	9,197	8	7	36	20	21	33	2	4	33	37
Colombia	8,034	12,207	31	33	15	9	9	5	14	17	31	35
Congo, Dem. Rep.	1,029	205	..	..	..	..	..	..	..	..	..	..
Congo, Rep.	234	112	..	..	..	..	..	..	..	..	..	..
Costa Rica	1,107	3,677	47	46	8	6	7	6	9	12	30	29
Côte d'Ivoire	2,257	1,591	..	42	..	10	..	3	..	12	..	33
Croatia	4,770	3,219	22	..	15	..	20	..	8	..	36	..
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	..	..	..	..	..	..	..	..	..	..	..
Denmark	20,757	23,156	22	..	4	..	24	..	12	..	39	..
Dominican Republic	1,270	3,325	..	..	..	..	..	..	..	..	..	..
Ecuador	1,988	2,171	22	38	10	6	5	3	8	4	56	50
Egypt, Arab Rep.	7,296	17,969	19	18	15	12	9	12	14	16	43	42
El Salvador	1,044	3,031	36	29	14	28	4	3	24	16	23	24
Eritrea	35	67	..	..	..	..	..	..	..	..	..	..
Estonia	1,632	830	..	..	..	..	..	..	..	..	..	..
Ethiopia	624	..	62	54	21	12	1	7	2	5	14	22
Finland	..	27,771	13	7	4	2	24	24	8	2	52	64
France	228,263	215,860	13	..	6	..	31	..	9	..	41	..
Gabon	332	205	45	..	2	..	1	..	7	..	45	..
Gambia, The	18	18	..	..	..	..	..	..	..	..	..	..
Georgia	1,773	..	..	..	..	..	..	..	..	..	..	..
Germany	456,400	385,839	..	..	..	..	..	..	..	..	..	..
Ghana	575	449	..	..	..	..	..	..	..	..	..	..
Greece	..	11,441	22	28	20	11	12	11	10	11	36	38
Guatemala	1,151	2,542	..	..	..	..	..	..	..	..	..	..
Guinea	126	121	..	..	..	..	..	..	..	..	..	..
Guinea-Bissau	19	21	..	..	..	..	..	..	..	..	..	..
Haiti	..	..	51	46	9	19	..	..	..	..	40	34

# Structure of manufacturing

# 4.3

ECONOMY

	Manufacturing value added		Food, beverages, and tobacco		Textiles and clothing		Machinery and transport equipment		Chemicals		Other manufacturing <sup>a</sup>	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1990	2000	1990	2000	1990	2000	1990	2000	1990	2000	1990	2000
Honduras	443	1,025	45	42	10	22	3	2	5	5	36	29
Hungary	6,613	9,534	14	19	9	8	26	26	12	7	39	40
India	48,808	66,024	12	13	15	12	25	20	14	22	34	33
Indonesia	23,643	37,393	27	19	15	17	12	25	9	11	37	28
Iran, Islamic Rep.	14,503	15,456	12	..	20	..	20	..	8	..	40	..
Iraq	..	..	20	..	16	..	4	..	11	..	49	..
Ireland	11,982	28,130	27	16	4	1	29	31	16	36	24	16
Israel	..	..	14	12	9	9	32	32	9	5	37	42
Italy	247,930	203,247	8	10	13	12	34	26	7	8	37	44
Jamaica	853	1,018	41	48	5	7	..	..	..	..	54	46
Japan	810,232	1,040,351	9	11	5	3	40	39	10	10	37	36
Jordan	520	1,125	28	28	7	6	4	5	15	17	47	45
Kazakhstan	1,941	3,139	..	..	..	..	..	..	..	..	..	..
Kenya	864	1,163	38	48	10	8	10	9	9	8	33	28
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	72,837	144,376	11	8	12	8	32	45	9	9	36	30
Kuwait	2,142	..	4	7	3	4	2	4	3	2	88	83
Kyrgyz Republic	703	105	..	..	..	..	..	..	..	..	..	..
Lao PDR	85	292	..	..	..	..	..	..	..	..	..	..
Latvia	2,524	926	..	39	..	12	..	15	..	6	..	29
Lebanon	..	1,560	..	..	..	..	..	..	..	..	..	..
Lesotho	71	131	..	..	..	..	..	..	..	..	..	..
Liberia	..	..	..	..	..	..	..	..	..	..	..	..
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania	2,113	1,995	..	..	..	..	..	..	..	..	..	..
Macedonia, FYR	1,411	621	20	32	26	18	14	15	9	11	31	24
Madagascar	314	430	..	..	..	..	..	..	..	..	..	..
Malawi	313	197	38	44	10	8	1	5	18	16	33	28
Malaysia	10,665	29,447	13	10	6	4	31	46	11	11	39	30
Mali	200	86	..	..	..	..	..	..	..	..	..	..
Mauritania	94	78	..	..	..	..	..	..	..	..	..	..
Mauritius	491	918	30	31	46	48	2	2	4	5	17	15
Mexico	49,992	107,195	22	25	5	4	24	28	18	15	32	28
Moldova	..	183	..	..	..	..	..	..	..	..	..	..
Mongolia	..	58	33	..	37	..	1	..	1	..	27	..
Morocco	4,753	5,858	22	36	17	16	8	8	12	13	41	27
Mozambique	230	442	..	..	..	..	..	..	..	..	..	..
Myanmar	..	..	..	..	..	..	..	..	..	..	..	..
Namibia	292	342	..	..	..	..	..	..	..	..	..	..
Nepal	209	486	37	35	31	34	1	3	5	6	25	23
Netherlands	51,978	55,742	21	23	3	2	25	25	16	14	35	35
New Zealand	7,574	8,479	28	31	8	..	13	14	7	13	44	43
Nicaragua	170	553	..	..	..	..	..	..	..	..	..	..
Niger	163	122	37	20	29	9	..	..	..	..	34	71
Nigeria	1,562	1,635	15	30	46	11	13	8	4	26	22	25
Norway	13,450	17,076	18	16	2	2	25	29	9	8	46	46
Oman	396	..	..	12	..	5	..	4	..	5	..	74
Pakistan	6,184	8,637	24	23	27	26	9	13	15	16	25	22
Panama	502	713	51	51	8	5	2	..	8	6	31	37
Papua New Guinea	289	286	..	..	..	..	..	..	..	..	..	..
Paraguay	883	1,033	55	..	16	..	..	..	..	..	29	..
Peru	3,926	7,707	23	26	11	10	8	6	9	10	49	49
Philippines	11,008	16,878	39	33	11	9	13	15	12	13	26	29
Poland	..	28,625	21	26	9	6	26	23	7	6	37	38
Portugal	13,631	18,926	15	..	21	..	13	..	6	..	45	..
Puerto Rico	12,126	23,375	16	8	5	3	18	15	44	58	17	15



# 4.3

## Structure of manufacturing

	Manufacturing value added		Food, beverages, and tobacco		Textiles and clothing		Machinery and transport equipment		Chemicals		Other manufacturing <sup>a</sup>	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1990	2000	1990	2000	1990	2000	1990	2000	1990	2000	1990	2000
Romania	9,152	4,768	19	..	18	..	14	..	4	..	45	..
Russian Federation	..	..	..	16	..	2	..	19	..	9	..	54
Rwanda	473	205	..	..	..	..	..	..	..	..	..	..
Saudi Arabia	10,049	18,235	..	..	..	..	..	..	..	..	..	..
Senegal	747	566	60	44	3	5	5	3	9	26	23	21
Serbia and Montenegro	..	..	..	28	..	8	..	13	..	11	..	40
Sierra Leone	31	28	..	..	..	..	..	..	..	..	..	..
Singapore	..	24,407	4	2	3	1	53	62	10	14	29	20
Slovak Republic	..	4,075	..	..	..	..	..	..	..	..	..	..
Slovenia	4,008	4,468	12	11	15	9	16	16	9	11	48	52
Somalia	41	..	..	..	..	..	..	..	..	..	..	..
South Africa	24,043	21,643	14	14	8	7	18	20	9	9	50	50
Spain	..	95,110	18	14	8	7	25	23	10	10	39	47
Sri Lanka	1,077	2,459	51	42	24	26	4	8	4	4	17	19
Sudan	..	1,059	..	..	..	..	..	..	..	..	..	..
Swaziland	250	348	69	..	8	..	1	..	0	..	22	..
Sweden	..	47,689	10	7	2	1	32	39	9	11	47	42
Switzerland	..	..	10	9	4	3	34	27	..	..	53	60
Syrian Arab Republic	2,508	4,579	35	27	29	24	..	..	..	..	36	49
Tajikistan	653	237	..	..	..	..	..	..	..	..	..	..
Tanzania <sup>b</sup>	361	624	51	45	3	0	6	5	11	7	28	43
Thailand	23,217	41,212	24	..	30	..	19	..	2	..	26	..
Togo	162	118	..	..	..	..	..	..	..	..	..	..
Trinidad and Tobago	438	599	30	..	3	..	3	..	19	..	44	..
Tunisia	2,075	3,537	19	18	20	33	5	9	4	9	52	31
Turkey	26,882	26,994	16	13	15	18	16	17	10	11	43	41
Turkmenistan	..	643	..	..	..	..	..	..	..	..	..	..
Uganda	230	527	..	..	..	..	..	..	..	..	..	..
Ukraine	32,977	5,099	..	..	..	..	..	..	..	..	..	..
United Arab Emirates	2,643	..	..	..	..	..	..	..	..	..	..	..
United Kingdom	206,727	232,507	13	..	5	..	32	..	11	..	38	..
United States	1,040,600	1,520,300	12	..	5	..	31	..	12	..	40	..
Uruguay	2,597	3,392	31	37	18	12	9	3	10	8	32	39
Uzbekistan	..	645	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	9,809	15,621	17	22	5	2	5	..	9	..	64	76
Vietnam	793	5,786	..	..	..	..	..	..	..	..	..	..
West Bank and Gaza	..	591	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	449	493	..	..	..	..	..	..	..	..	..	..
Zambia	1,048	329	44	..	11	..	7	..	9	..	29	..
Zimbabwe	1,799	1,003	28	30	19	7	9	29	6	6	38	28
<b>World</b>	<b>4,475,773 t</b>	<b>5,826,313 t</b>										
<b>Low income</b>	112,968	149,818										
<b>Middle income</b>	698,289	1,114,738										
Lower middle income	490,903	806,107										
Upper middle income	170,285	302,007										
<b>Low &amp; middle income</b>	755,166	1,263,141										
East Asia & Pacific	188,907	514,058										
Europe & Central Asia	..	..										
Latin America & Carib.	243,987	307,798										
Middle East & N. Africa	47,699	81,370										
South Asia	61,101	85,928										
Sub-Saharan Africa	42,805	37,493										
<b>High income</b>	3,708,270	4,573,059										
Europe EMU	1,221,575	1,119,610										

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

**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, in part because of differences in exchange rates. Thus estimates of value added in a particular industry calculated by applying the shares to total manufacturing 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 latest revision, ISIC revision 3, was completed in 1989, and many countries have now switched to it. But revision 2 is still widely used for compiling cross-country data. 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 measure 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.

**Definitions**

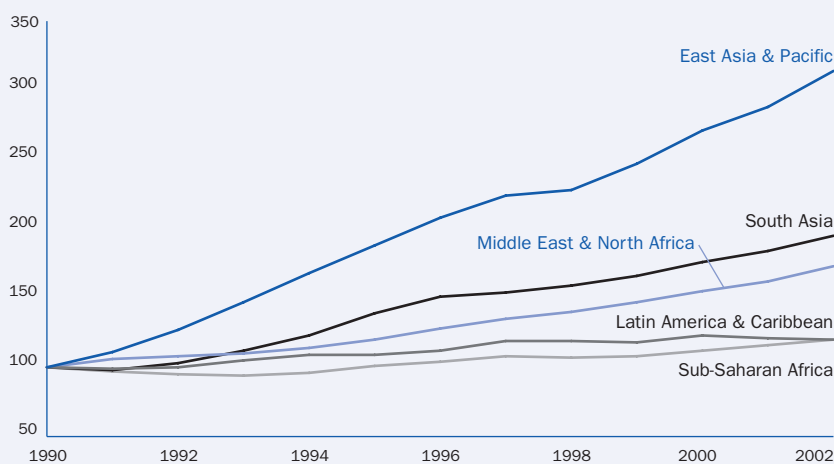
- **Manufacturing value added** is the sum of gross output less the value of intermediate inputs used in production for industries classified in ISIC major division 3.
- **Food, beverages, and tobacco** correspond to ISIC division 31.
- **Textiles and clothing** correspond to ISIC division 32.
- **Machinery and transport equipment** comprise ISIC groups 382–84.
- **Chemicals** correspond to ISIC groups 351 and 352.
- **Other manufacturing** covers 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 2003*. 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).

**4.3a****Manufacturing continues to show strong growth in East Asia**

Value added in manufacturing (1990 = 100)



Manufacturing continues to be the dominant sector in East Asia and Pacific. Growing by an average 10 percent a year in 1990–2002, value added in manufacturing has more than tripled.

Source: World Bank data files.



## 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	1990-2001	1980-90	1990-2001	1980-90	1990-2001	1980-90	1990-2001	1990	2001
Afghanistan	-9.7	-3.9	-1.8	-0.2	-10.5	-4.7	-0.1	-1.1	99	100
Albania <sup>a</sup>	..	..	..	..	..	13.3	..	17.2	..	..
Algeria	3.3	2.3	-8.0	2.0	-4.4	3.0	-2.7	1.2	128	174
Angola	10.0	5.6	-1.8	7.3	16.5	6.6	3.7	8.0	118	109
Argentina	4.9	8.8	-6.8	13.6	2.2	9.2	-6.6	13.4	97	108
Armenia <sup>a</sup>	..	..	..	..	..	-6.8	..	0.5	..	..
Australia <sup>a</sup>	6.3	7.1	6.0	8.7	6.6	4.7	6.4	5.4	117	105
Austria <sup>a</sup>	6.6	..	..	..	10.2	5.3	8.7	3.8	..	..
Azerbaijan <sup>a</sup>	..	..	..	..	..	-6.4	..	4.0	..	..
Bangladesh	8.4	28.2	3.0	23.3	8.0	14.2	3.5	9.6	100	92
Belarus <sup>a</sup>	..	..	..	..	..	13.9	..	14.1	..	..
Belgium <sup>a, b</sup>	4.5	6.2	4.0	5.4	7.8	6.3	6.4	4.5	100	..
Benin	11.9	2.3	-10.0	6.6	18.7	2.4	-4.8	6.9	100	82
Bolivia	3.1	3.2	-1.3	8.1	-1.9	4.4	-0.4	8.4	115	111
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..
Botswana	14.9	9.3	9.3	5.3	18.7	8.5	9.1	1.7	109	130
Brazil	6.2	5.4	0.8	14.7	5.2	5.6	-1.8	10.9	60	91
Bulgaria <sup>a</sup>	..	..	..	..	-12.3	2.2	-14.0	5.6	..	..
Burkina Faso	-0.3	11.4	3.8	1.6	7.8	10.4	4.4	1.5	91	83
Burundi	3.4	10.3	0.9	6.0	2.5	-5.6	2.2	-6.3	79	44
Cambodia	..	..	..	..	..	..	..	..	..	..
Cameroon	8.4	2.3	4.8	5.5	2.4	-0.3	0.1	2.1	90	95
Canada <sup>a</sup>	6.4	8.7	7.4	8.7	6.8	7.8	7.9	7.0	100	103
Central African Republic	-0.0	18.8	4.2	3.2	3.5	3.0	7.8	-0.7	124	54
Chad	8.7	1.5	10.7	3.6	9.4	1.8	12.5	6.2	116	110
Chile	9.1	10.7	-2.9	9.3	8.1	8.6	2.8	8.9	84	69
China <sup>†</sup>	..	13.4	..	8.1	..	12.8	..	10.3	..	81
Hong Kong, China	15.3	7.7	13.8	8.2	16.7	7.3	14.7	7.7	101	102
Colombia	7.9	4.3	-2.1	7.6	7.7	6.7	-0.2	8.5	95	109
Congo, Dem. Rep.	14.8	-10.0	37.8	-6.1	7.7	-6.7	26.7	-0.5	108	125
Congo, Rep.	7.3	5.7	-2.5	1.8	2.1	7.5	-0.7	1.4	122	156
Costa Rica	3.7	12.6	5.2	13.8	4.7	14.8	4.4	12.8	72	95
Côte d'Ivoire	2.6	3.0	-2.1	3.5	1.8	5.0	-1.5	3.6	82	103
Croatia <sup>a</sup>	..	..	..	..	..	1.6	..	7.7	..	..
Cuba	-1.1	-1.0	-0.5	3.1	-0.9	-1.5	1.5	2.3	96	92
Czech Republic <sup>a</sup>	..	..	..	..	..	9.9	..	10.0	..	..
Denmark <sup>a</sup>	4.1	5.2	3.1	6.0	8.4	3.6	6.3	3.8	100	102
Dominican Republic	-0.9	3.3	0.8	12.8	-2.1	3.9	3.3	12.9	97	104
Ecuador	7.1	5.6	-1.9	6.5	-0.5	6.0	-1.3	7.9	141	114
Egypt, Arab Rep.	2.1	2.8	8.0	1.1	-3.3	3.7	12.6	3.8	86	85
El Salvador	-4.6	3.0	4.5	7.5	-4.7	8.9	2.4	10.6	69	80
Eritrea	..	26.0	..	7.1	..	24.4	..	5.8	91	97
Estonia <sup>a</sup>	..	..	..	..	..	17.4	..	18.9	..	..
Ethiopia	-0.4	6.8	3.6	3.1	-1.0	9.2	3.9	7.7	90	79
Finland <sup>a</sup>	2.3	9.3	4.4	4.3	7.4	6.9	6.9	4.4	100	88
France <sup>a</sup>	3.6	6.4	3.7	5.6	7.5	3.8	6.5	3.2	97	96
Gabon	2.6	3.4	-3.5	2.8	-3.9	0.7	1.1	2.4	126	113
Gambia, The	-4.2	-13.2	-6.0	0.1	-0.0	-13.7	2.4	-0.4	100	100
Georgia	..	..	..	..	..	..	..	..	..	..
Germany <sup>a, c</sup>	4.5	5.9	4.9	4.3	9.2	3.7	7.1	3.2	102	95
Ghana	-17.2	10.0	-20.1	9.7	-2.6	10.6	-0.4	9.0	94	101
Greece <sup>a</sup>	5.0	8.9	6.4	8.9	5.8	2.1	6.6	4.2	108	107
Guatemala	-1.1	8.2	0.1	10.2	-2.3	8.9	0.5	11.0	98	83
Guinea	..	4.7	..	-1.9	..	0.8	..	-2.3	135	100
Guinea-Bissau	-2.1	17.1	-0.3	-5.5	4.2	13.3	5.3	-3.2	143	70
Haiti	-0.4	12.2	-4.6	12.7	-1.2	11.8	-2.9	13.7	116	89
<sup>†</sup> Data for Taiwan, China	..	5.3	..	6.8	..	6.6	..	7.2	102	117

# Growth of merchandise trade

# 4.4

ECONOMY

	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	1990-2001	1980-90	1990-2001	1980-90	1990-2001	1980-90	1990-2001	1990	2001
Honduras	4.1	2.5	1.6	12.3	1.6	6.3	0.5	13.2	81	102
Hungary <sup>a</sup>	3.4	10.9	1.3	12.0	1.4	12.8	0.1	13.2	106	96
India	4.2	11.2	4.7	12.6	7.3	9.1	4.2	9.5	79	91
Indonesia	8.1	8.6	..	..	-0.8	7.1	..	..	..	..
Iran, Islamic Rep.	17.1	-0.9	-2.4	-7.5	7.2	1.2	0.2	-6.5	170	225
Iraq	2.3	29.5	-4.5	9.8	-4.0	29.4	-2.2	10.3	132	162
Ireland <sup>a</sup>	9.3	15.1	4.8	11.2	12.8	13.4	7.0	10.4	107	99
Israel <sup>a</sup>	6.9	9.6	5.8	8.2	8.3	10.5	5.9	7.3	97	106
Italy <sup>a</sup>	4.3	5.4	5.3	4.7	8.7	4.2	6.9	3.2	98	102
Jamaica	1.6	4.6	3.0	7.3	1.1	2.2	2.8	6.8	105	87
Japan <sup>a</sup>	5.1	2.3	6.6	5.1	8.9	3.3	5.1	4.3	91	88
Jordan	7.8	5.3	1.1	3.9	6.0	6.7	-1.9	5.2	80	85
Kazakhstan <sup>a</sup>	..	..	..	..	..	12.4	..	5.1	..	..
Kenya	1.7	4.1	2.5	6.6	-1.1	5.6	1.7	5.6	68	88
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	12.3	15.4	11.7	9.3	15.0	9.1	12.0	6.5	96	69
Kuwait	..	20.0	..	..	..	16.3	..	..	..	..
Kyrgyz Republic <sup>a</sup>	..	..	..	..	..	4.9	..	4.7	..	..
Lao PDR <sup>a</sup>	..	..	..	..	11.0	13.2	6.6	10.5	..	..
Latvia <sup>a</sup>	..	7.2	..	..	..	10.7	..	17.4	..	..
Lebanon	-5.6	2.4	-7.5	8.6	-5.6	4.1	-5.5	8.9	105	112
Lesotho	6.3	13.9	3.5	1.6	3.8	12.2	3.4	-0.4	97	100
Liberia	-3.5	7.4	-7.6	9.7	-3.1	4.6	-7.2	8.8	112	89
Libya	0.1	-4.1	-6.6	0.3	-7.3	-2.2	-4.4	1.8	145	200
Lithuania <sup>a</sup>	..	..	..	..	..	9.5	..	13.2	..	..
Macedonia, FYR <sup>a</sup>	..	..	..	..	..	1.8	..	4.4	..	..
Madagascar	-2.2	4.7	-4.4	6.2	-1.0	9.7	-2.4	7.4	102	148
Malawi	2.3	3.0	-0.1	-2.3	2.0	1.1	3.2	-0.9	141	96
Malaysia	14.6	10.7	..	..	8.6	14.0	..	..	..	..
Mali	4.4	11.5	3.0	5.3	6.1	7.5	2.7	3.8	122	95
Mauritania	4.1	2.1	-2.9	4.3	8.2	-2.4	-1.8	0.2	96	96
Mauritius	11.5	2.4	11.8	3.1	14.3	3.1	12.8	3.1	104	113
Mexico	15.4	14.8	0.8	12.3	5.8	15.4	6.3	13.0	109	107
Moldova <sup>a</sup>	..	..	..	..	..	-0.2	..	2.6	..	..
Mongolia	3.1	..	..	..	5.0	-1.7	5.0	0.8	..	..
Morocco	5.6	6.7	3.1	7.2	6.1	6.6	3.6	5.2	95	115
Mozambique	-9.5	18.8	-2.7	3.0	-9.6	12.9	0.1	1.6	115	79
Myanmar	-5.9	16.7	-10.0	13.7	-7.2	16.0	-5.1	21.3	117	65
Namibia <sup>a</sup>	..	2.1	..	4.8	..	0.3	..	3.6	115	98
Nepal <sup>a</sup>	..	..	..	..	8.1	10.8	6.9	8.2	..	..
Netherlands <sup>a</sup>	4.5	6.8	4.5	6.7	4.6	5.2	4.4	5.0	98	99
New Zealand <sup>a</sup>	3.5	4.4	4.3	5.5	6.2	3.5	5.4	4.8	103	106
Nicaragua	-4.8	10.1	-3.5	8.8	-5.8	9.5	-3.1	11.0	119	71
Niger	-5.2	3.7	-5.2	-2.2	-5.4	0.2	-3.5	0.9	136	77
Nigeria	-4.4	2.6	-21.4	2.8	-8.4	3.7	-15.6	3.5	162	157
Norway <sup>a</sup>	4.2	6.3	3.5	7.4	5.3	5.5	6.2	3.5	111	157
Oman	11.0	11.0	..	..	-2.2	14.8	..	..	..	..
Pakistan	7.9	3.0	2.6	1.9	8.0	4.0	2.9	2.5	91	83
Panama	-0.6	6.1	-6.6	6.4	-0.6	9.1	-3.6	7.3	69	100
Papua New Guinea	4.6	2.5	..	..	4.8	5.9	..	..	..	..
Paraguay	12.6	1.2	10.1	2.3	11.5	2.7	4.2	3.6	87	84
Peru	2.7	9.6	-2.0	9.3	-1.5	8.3	1.3	9.2	93	78
Philippines	17.3	21.9	18.3	16.5	3.9	17.1	2.9	10.3	109	118
Poland <sup>a</sup>	4.8	9.8	1.5	17.2	1.4	9.9	-3.2	16.7	86	95
Portugal <sup>a</sup>	11.9	..	..	..	15.1	4.7	10.3	4.7	..	..
Puerto Rico	..	..	..	..	..	..	..	..	..	..



# 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	1990-2001	1980-90	1990-2001	1980-90	1990-2001	1980-90	1990-2001	1990	2001
Romania <sup>a</sup>	..	..	..	..	-4.0	8.7	-3.8	7.4	..	..
Russian Federation <sup>a</sup>	..	..	..	..	..	9.1	..	2.5	..	..
Rwanda	3.3	-4.2	2.3	1.2	-0.3	-1.4	3.3	-0.8	36	72
Saudi Arabia	-6.3	1.6	..	..	-13.3	3.5	..	..	..	..
Senegal	1.2	6.8	0.4	5.5	3.6	3.7	1.4	3.3	109	91
Serbia and Montenegro	..	..	..	..	..	..	..	..	..	..
Sierra Leone	-2.7	-36.3	-3.0	-8.0	-2.4	-24.8	-8.7	-2.7	73	..
Singapore	12.2	10.8	8.5	7.1	9.9	8.6	8.1	6.6	111	92
Slovak Republic <sup>a</sup>	..	..	..	..	..	9.8	..	10.7	..	..
Slovenia <sup>a</sup>	..	..	..	..	..	7.5	..	8.3	..	..
Somalia	-1.5	-0.5	-11.1	2.3	-1.1	-2.4	-9.2	1.7	99	82
South Africa <sup>a, d</sup>	1.6	5.0	-0.9	7.7	0.7	2.3	-1.4	5.0	99	100
Spain <sup>a</sup>	2.7	10.9	10.5	9.2	10.8	7.9	10.6	6.0	96	99
Sri Lanka	4.6	6.9	1.7	10.2	5.4	10.1	2.2	12.3	83	..
Sudan	-3.0	17.1	-7.7	11.2	-2.5	14.0	-6.4	9.9	123	141
Swaziland	7.7	1.2	2.3	3.8	4.6	2.2	-0.5	4.8	100	100
Sweden <sup>a</sup>	4.4	8.4	5.0	6.2	8.0	4.9	6.7	3.7	99	89
Switzerland <sup>a</sup>	3.7	..	..	..	9.5	2.5	8.8	1.9	..	..
Syrian Arab Republic	19.4	1.2	-1.0	8.2	2.4	0.8	-8.5	10.2	131	..
Tajikistan	..	..	..	..	..	..	..	..	..	..
Tanzania	..	6.5	..	-0.8	..	7.1	..	0.7	110	95
Thailand	13.7	9.1	11.3	2.2	13.8	9.6	12.6	4.7	102	78
Togo	-1.2	9.3	0.6	5.7	1.1	7.1	2.0	5.0	134	107
Trinidad and Tobago	-10.9	3.6	-20.4	10.2	-9.4	7.3	-12.3	11.3	117	172
Tunisia	4.9	5.8	1.6	4.8	3.4	5.9	2.7	5.1	103	99
Turkey	19.4	10.8	15.4	9.6	14.1	8.8	9.3	8.8	104	93
Turkmenistan	..	..	..	..	..	..	..	..	..	..
Uganda	-13.5	15.6	-6.7	24.1	-8.3	13.0	3.4	19.0	74	78
Ukraine <sup>a</sup>	..	..	..	..	..	7.0	..	6.3	..	..
United Arab Emirates	8.9	2.1	-1.3	9.2	-0.8	4.0	0.7	11.2	174	213
United Kingdom <sup>a</sup>	4.5	6.2	6.7	6.8	5.9	4.7	8.5	4.9	101	104
United States <sup>a</sup>	3.6	6.2	7.2	8.8	5.7	6.6	8.2	9.1	98	99
Uruguay	4.4	5.3	1.2	8.8	4.5	4.0	-1.3	8.3	100	87
Uzbekistan	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	3.4	5.1	-4.0	5.3	-4.4	5.7	-3.3	5.6	142	132
Vietnam	..	..	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..
Yemen, Rep. <sup>a</sup>	..	..	..	..	..	..	..	..	..	..
Zambia	-0.5	6.2	2.1	4.3	0.9	-1.4	-0.0	1.9	109	56
Zimbabwe	4.1	8.7	3.4	9.6	2.9	2.4	-0.4	3.1	100	104

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).



**About the data**

Data on international trade in goods are available from each country's balance of payments and customs records. 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 data 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) 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. Thus the total supply of goods in an economy is made up of gross output plus imports less exports (currency in circulation, titles of ownership, and securities are excluded, but nonmonetary 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 are difficult. Some developing countries lack the capacity to report timely data; this is a problem especially for countries that are landlocked and those whose territorial boundaries are porous. 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.) Countries that belong to common customs unions may need to collect data through direct inquiry of companies. 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 over-invoicing 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 the 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 measures 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 a country's net barter terms of trade increase, its exports are becoming more valuable or its imports cheaper.

**Definitions**

- **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.
- **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	2002	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002
Afghanistan	235	101	..	..	..	..	..	..	..	..	..	..
Albania	230	330	..	4	..	7	..	1	..	3	..	86
Algeria	12,930	19,130	0	0	0	0	96	97	0	0	3	2
Angola	3,910	7,600	0	..	0	..	93	..	6	..	0	..
Argentina	12,353	25,352	56	46	4	2	8	17	2	4	29	31
Armenia	..	508	..	16	..	2	..	4	..	18	..	61
Australia	39,752	65,034	22	22	10	5	21	22	20	16	24	29
Austria	41,265	78,694	3	6	4	2	1	2	3	3	88	82
Azerbaijan	..	2,168	..	3	..	1	..	89	..	0	..	6
Bangladesh	1,671	6,093	14	7	7	1	1	0	..	0	77	92
Belarus	..	8,100	..	8	..	4	..	20	..	1	..	64
Belgium <sup>a</sup>	117,703	224,185	..	9	..	1	..	4	..	3	..	79
Benin	288	365	15	23	56	71	15	0	0	0	13	6
Bolivia	926	1,310	19	34	8	3	25	27	44	20	5	17
Bosnia and Herzegovina	276	950	..	..	..	..	..	..	..	..	..	..
Botswana	1,784	2,510	..	3	..	0	..	0	..	5	..	91
Brazil	31,414	60,362	28	28	3	4	2	4	14	8	52	54
Bulgaria	5,030	5,745	..	10	..	3	..	9	..	11	..	61
Burkina Faso	152	166	..	22	..	56	..	3	..	0	..	19
Burundi	75	30	..	88	..	1	..	..	..	10	..	1
Cambodia	86	1,500	..	..	..	..	..	..	..	..	..	..
Cameroon	2,002	1,700	20	21	14	20	50	47	7	4	9	7
Canada	127,629	252,394	9	7	9	5	10	13	9	4	59	63
Central African Republic	120	160	..	..	..	..	..	..	..	..	..	..
Chad	188	180	..	..	..	..	..	..	..	..	..	..
Chile	8,372	18,340	24	26	9	10	1	1	55	41	11	18
China <sup>†</sup>	62,091	325,565	13	5	3	1	8	3	2	2	72	90
Hong Kong, China <sup>b</sup>	82,390	201,150	3	2	0	0	0	1	1	2	95	95
Colombia	6,766	12,001	33	19	4	6	37	36	0	1	25	38
Congo, Dem. Rep.	2,326	1,210	..	..	..	..	..	..	..	..	..	..
Congo, Rep.	981	2,215	..	..	..	..	..	..	..	..	..	..
Costa Rica	1,448	5,258	58	31	5	3	1	1	1	1	27	63
Côte d'Ivoire	3,072	4,390	..	59	..	14	..	11	..	0	..	21
Croatia	4,597	4,899	13	11	6	4	9	9	5	3	68	73
Cuba	5,100	1,500	..	59	..	0	..	1	..	29	..	10
Czech Republic	12,170	38,403	..	3	..	2	..	4	..	1	..	89
Denmark	36,870	57,045	27	19	3	3	3	6	1	1	60	66
Dominican Republic	2,170	5,183	21	41	0	..	0	16	0	2	78	34
Ecuador	2,714	5,030	44	43	1	7	52	40	0	0	2	10
Egypt, Arab Rep.	3,477	4,381	10	9	10	0	29	34	9	5	42	35
El Salvador	582	2,992	57	33	1	1	2	5	3	3	38	58
Eritrea	15	14	..	..	..	..	..	..	..	..	..	..
Estonia	..	4,336	..	12	..	8	..	5	..	2	..	72
Ethiopia	298	415	..	69	..	15	..	0	..	1	..	14
Finland	26,571	44,836	2	2	10	6	1	3	4	3	83	85
France	216,588	331,780	16	11	2	1	2	2	3	2	77	81
Gabon	2,204	2,560	..	1	..	12	..	83	..	2	..	2
Gambia, The	31	15	..	81	..	1	..	0	..	0	..	17
Georgia	..	326	..	26	..	2	..	9	..	27	..	35
Germany	421,100	613,093	5	4	1	1	1	1	3	2	89	86
Ghana	897	1,840	51	45	15	10	9	11	17	17	8	16
Greece	8,105	10,353	30	24	3	3	7	11	7	8	54	52
Guatemala	1,163	2,232	67	53	6	4	2	7	0	1	24	35
Guinea	671	750	..	2	..	0	..	1	..	68	..	28
Guinea-Bissau	19	51	..	..	..	..	..	..	..	..	..	..
Haiti	160	280	14	..	1	..	0	..	0	..	85	..
<sup>†</sup> Data for Taiwan, China	67,245	135,065	4	1	2	1	1	1	1	1	93	94

# Structure of merchandise exports

# 4.5

ECONOMY

	Merchandise exports		Food		Agricultural raw materials		Fuels		Ores and metals		Manufactures	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002
Honduras	831	1,270	82	64	4	5	1	0	4	6	9	26
Hungary	10,000	34,337	23	7	3	1	3	1	6	2	63	86
India	17,969	49,251	16	12	4	1	3	5	5	4	71	75
Indonesia	25,675	57,130	11	12	5	4	44	24	4	5	35	54
Iran, Islamic Rep.	19,305	24,440	..	4	..	0	..	86	..	1	..	9
Iraq	12,380	13,520	..	..	..	..	..	..	..	..	..	..
Ireland	23,743	88,224	22	7	2	0	1	0	1	0	70	88
Israel	12,080	29,513	8	4	3	1	1	0	2	1	87	93
Italy	170,304	250,975	6	7	1	1	2	2	1	1	88	88
Jamaica	1,158	1,105	19	23	0	0	1	3	10	10	69	64
Japan	287,581	416,726	1	1	1	1	0	0	1	1	96	93
Jordan	1,064	2,743	11	15	0	0	0	0	38	17	51	68
Kazakhstan	..	9,709	..	5	..	1	..	56	..	18	..	19
Kenya	1,031	2,094	49	32	6	11	13	31	3	2	29	24
Korea, Dem. Rep.	1,857	724	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	65,016	162,470	3	2	1	1	1	4	1	1	94	92
Kuwait	7,042	15,426	1	..	0	..	93	..	0	..	6	..
Kyrgyz Republic	..	486	..	18	..	23	..	20	..	6	..	33
Lao PDR	79	298	..	..	..	..	..	..	..	..	..	..
Latvia	..	2,284	..	10	..	24	..	1	..	6	..	59
Lebanon	494	1,046	..	19	..	6	..	0	..	6	..	69
Lesotho	62	395	..	..	..	..	..	..	..	..	..	..
Liberia	868	220	..	..	..	..	..	..	..	..	..	..
Libya	13,225	10,970	0	..	0	..	94	..	0	..	5	..
Lithuania	..	5,560	..	12	..	4	..	23	..	2	..	58
Macedonia, FYR	1,199	1,112	..	16	..	1	..	4	..	8	..	70
Madagascar	319	785	73	..	4	..	1	..	8	..	14	..
Malawi	417	478	93	87	2	2	0	0	0	0	5	10
Malaysia	29,452	93,265	12	8	14	2	18	9	2	1	54	79
Mali	359	947	36	..	62	..	..	..	0	..	2	..
Mauritania	469	315	..	..	..	..	..	..	..	..	..	..
Mauritius	1,194	1,755	32	26	1	0	1	0	0	0	66	73
Mexico	40,711	160,682	12	5	2	1	38	9	6	1	43	84
Moldova	..	667	..	64	..	3	..	0	..	2	..	31
Mongolia	661	501	..	6	..	15	..	1	..	43	..	36
Morocco	4,265	7,930	26	21	3	1	4	3	15	8	52	66
Mozambique	126	682	..	23	..	4	..	10	..	55	..	8
Myanmar	325	3,015	51	..	36	..	0	..	2	..	10	..
Namibia	1,085	1,096	..	36	..	1	..	1	..	9	..	52
Nepal	204	568	13	10	3	0	..	..	0	0	83	67
Netherlands	131,775	244,304	20	19	4	4	10	1	3	2	59	74
New Zealand	9,394	14,363	47	49	18	13	4	2	6	4	23	28
Nicaragua	330	596	77	72	14	4	0	2	1	3	8	19
Niger	282	303	..	38	..	1	..	0	..	56	..	3
Nigeria	13,596	15,107	1	0	1	0	97	100	0	0	1	0
Norway	34,047	60,971	7	7	2	1	48	61	10	6	33	22
Oman	5,508	11,172	1	6	0	0	92	77	1	1	5	15
Pakistan	5,615	9,913	9	11	10	1	1	2	0	0	79	85
Panama	340	846	75	79	1	1	0	6	1	1	21	12
Papua New Guinea	1,177	1,550	22	15	9	2	0	29	58	51	10	2
Paraguay	959	1,030	52	75	38	14	0	0	0	1	10	15
Peru	3,230	7,688	21	30	3	3	10	8	47	38	18	21
Philippines	8,117	36,265	19	5	2	0	2	1	8	1	38	50
Poland	14,320	41,010	13	8	3	1	11	5	9	4	59	82
Portugal	16,417	25,621	7	7	6	3	3	2	3	2	80	86
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..



# 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	2002	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002
Romania	4,960	13,869	1	3	3	3	18	8	4	4	73	81
Russian Federation	40,000	106,858	..	2	..	4	..	56	..	8	..	22
Rwanda	110	56	..	56	..	5	..	0	..	36	..	3
Saudi Arabia	44,417	73,940	1	1	0	0	92	89	0	0	7	10
Senegal	761	1,055	53	16	3	3	12	23	9	6	23	51
Serbia and Montenegro	2,929	2,275	7	..	..	..	2	..	7	..	79	..
Sierra Leone	138	49	..	..	..	..	..	..	..	..	..	..
Singapore <sup>b</sup>	52,730	125,177	5	2	3	0	18	8	2	1	72	85
Slovak Republic	6,355	14,367	..	4	..	2	..	6	..	3	..	85
Slovenia	6,681	9,471	7	4	2	1	3	1	3	4	86	90
Somalia	150	145	..	..	..	..	..	..	..	..	..	..
South Africa <sup>c</sup>	23,549	29,723	7	11	3	3	6	12	9	11	36	63
Spain	55,642	119,131	15	15	2	1	5	3	2	2	75	78
Sri Lanka	1,912	4,699	34	21	6	2	1	0	2	2	54	74
Sudan	374	1,850	61	18	38	6	..	72	0	0	1	3
Swaziland	556	820	..	15	..	12	..	1	..	0	..	76
Sweden	57,540	81,137	2	3	7	5	3	3	3	3	83	81
Switzerland	63,784	87,876	3	3	1	0	0	0	3	4	94	93
Syrian Arab Republic	4,212	5,540	14	13	4	5	45	72	1	1	36	7
Tajikistan	..	738	..	4	..	13	..	14	..	56	..	13
Tanzania	331	875	..	61	..	13	..	0	..	9	..	17
Thailand	23,068	68,853	29	15	5	3	1	3	1	1	63	74
Togo	268	429	23	23	21	11	0	1	45	17	9	43
Trinidad and Tobago	2,080	4,594	5	5	0	0	67	49	1	0	27	46
Tunisia	3,526	6,799	11	7	1	1	17	9	2	1	69	82
Turkey	12,959	34,561	22	10	3	1	2	2	4	2	68	84
Turkmenistan	..	2,950	..	0	..	10	..	81	..	0	..	7
Uganda	152	442	..	73	..	11	..	7	..	2	..	8
Ukraine	..	17,954	..	13	..	2	..	9	..	8	..	67
United Arab Emirates	23,544	47,275	8	1	1	..	5	92	39	4	46	4
United Kingdom	185,172	279,647	7	5	1	0	8	8	3	2	79	79
United States	393,592	693,860	11	8	4	2	3	2	3	2	74	81
Uruguay	1,693	1,861	40	49	21	13	0	1	0	0	39	37
Uzbekistan	..	3,184	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	17,497	26,890	2	2	0	0	80	82	7	4	10	13
Vietnam	2,404	16,530	..	..	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	692	3,240	75	..	10	..	8	..	7	..	1	..
Zambia	1,309	970	..	10	..	3	..	2	..	72	..	14
Zimbabwe	1,726	1,760	44	26	7	12	1	1	16	22	31	38
<b>World</b>	<b>3,452,501 t</b>	<b>6,454,929 t</b>	<b>10 w</b>	<b>7 w</b>	<b>3 w</b>	<b>2 w</b>	<b>8 w</b>	<b>7 w</b>	<b>4 w</b>	<b>2 w</b>	<b>74 w</b>	<b>78 w</b>
<b>Low income</b>	101,140	211,197	16	16	6	4	23	16	6	5	49	58
<b>Middle income</b>	550,042	1,447,025	17	8	4	2	23	24	6	3	48	60
Lower middle income	317,249	859,842	20	8	4	2	10	21	5	5	59	60
Upper middle income	232,440	587,183	14	9	5	2	39	27	6	2	35	60
<b>Low &amp; middle income</b>	651,141	1,658,222	17	9	5	2	23	23	6	4	48	60
East Asia & Pacific	155,939	606,270	15	7	6	2	14	8	3	2	59	79
Europe & Central Asia <sup>d</sup>	136,412	357,686	..	6	..	3	..	25	..	5	..	57
Latin America & Carib.	143,154	347,667	26	22	4	3	24	17	12	8	34	48
Middle East & N. Africa	125,520	184,863	4	4	1	1	79	75	2	1	15	19
South Asia	27,728	70,831	16	13	5	1	2	4	4	3	71	77
Sub-Saharan Africa	68,415	90,905	..	17	..	6	..	29	..	8	..	35
<b>High income</b>	2,800,647	4,796,707	8	7	3	2	5	4	3	2	79	82
Europe EMU	1,229,213	2,031,196	10	9	2	1	3	2	2	2	81	83

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 2002 refer to South Africa only. Data on export commodity shares refer to the South African Customs Union. d. Data for 2002 include the intratrade of the Baltic states and the Commonwealth of Independent States.

## About the data

Data on merchandise trade come from customs reports of goods movement into or out of 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. In addition, the International Monetary Fund (IMF) 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 free on board (f.o.b.) 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.

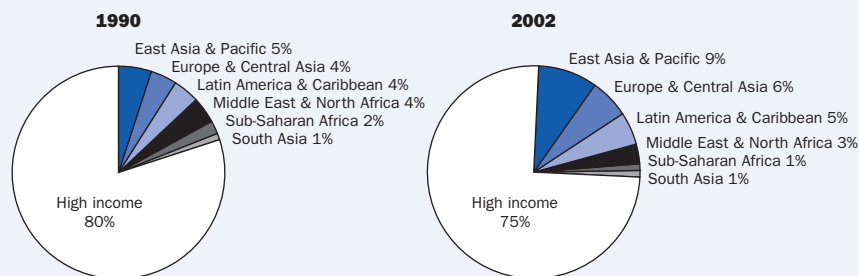
## Definitions

- **Merchandise exports** are the f.o.b. value of goods provided to the rest of the world, valued in U.S. dollars.
- **Food** corresponds to 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** correspond to SITC section 2 (crude materials except fuels) excluding divisions 22, 27 (crude fertilizers and minerals excluding coal, petroleum, and precious stones), and 28 (metaliferous ores and scrap).
- **Fuels** correspond to SITC section 3 (mineral fuels).
- **Ores and metals** correspond to the commodities in SITC divisions 27, 28, and 68 (nonferrous metals).
- **Manufactures** correspond to the commodities in SITC sections 5 (chemicals), 6 (basic manufactures), 7 (machinery and transport equipment), and 8 (miscellaneous manufactured goods), excluding division 68.

## 4.5a

### Some developing country regions are increasing their share of merchandise exports

Merchandise exports



The share of developing economies in world merchandise exports increased by 5 percentage points between 1990 and 2002. East Asia and Pacific was the biggest gainer, capturing an additional 4 percentage points.

Source: International Monetary Fund data files.

## Data sources

The WTO publishes data on world trade in its *Annual Report*. The IMF publishes estimates of total exports of goods in its *International Financial Statistics* and *Direction of Trade Statistics*, as does the United Nations Statistics Division in its *Monthly Bulletin of Statistics*. And 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.



## 4.6

## 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	2002	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002
Afghanistan	936	950	..	..	..	..	..	..	..	..	..	..
Albania	380	1,516	..	20	..	1	..	9	..	2	..	68
Algeria	9,780	10,791	24	28	5	3	1	1	2	1	68	67
Angola	1,578	3,795	..	..	..	..	..	..	..	..	..	..
Argentina	4,076	8,988	4	5	4	2	8	5	6	3	78	84
Armenia	..	991	..	21	..	1	..	18	..	3	..	57
Australia	41,985	72,689	5	5	2	1	6	8	1	1	84	84
Austria	49,146	77,984	5	7	3	3	6	6	4	3	81	81
Azerbaijan	..	1,665	..	14	..	1	..	18	..	2	..	65
Bangladesh	3,618	7,914	19	16	5	7	16	5	3	2	56	69
Belarus	..	8,980	..	11	..	2	..	26	..	4	..	51
Belgium <sup>a</sup>	119,702	210,548	..	9	..	2	..	9	..	3	..	77
Benin	265	653	38	20	4	5	1	17	1	1	56	56
Bolivia	687	1,770	12	13	2	1	1	5	1	1	85	80
Bosnia and Herzegovina	360	3,425	..	..	..	..	..	..	..	..	..	..
Botswana	1,946	1,950	..	14	..	1	..	7	..	2	..	72
Brazil	22,524	49,720	9	7	3	2	27	15	5	3	56	73
Bulgaria	5,100	7,897	8	5	3	1	36	5	4	6	49	65
Burkina Faso	536	577	..	15	..	1	..	25	..	1	..	58
Burundi	231	129	..	13	..	3	..	12	..	2	..	70
Cambodia	164	1,989	..	..	..	..	..	..	..	..	..	..
Cameroon	1,400	1,796	19	18	0	1	2	13	1	1	78	66
Canada	123,244	227,463	6	6	2	1	6	5	3	2	81	84
Central African Republic	154	110	..	..	..	..	..	..	..	..	..	..
Chad	285	780	..	..	..	..	..	..	..	..	..	..
Chile	7,742	17,093	4	8	2	1	16	16	1	1	75	73
China <sup>†</sup>	53,345	295,203	9	3	6	4	2	7	3	5	80	80
Hong Kong, China	84,725	207,168	8	4	2	1	2	2	2	2	85	91
Colombia	5,590	12,738	7	12	4	2	6	2	3	2	77	81
Congo, Dem. Rep.	1,739	980	..	..	..	..	..	..	..	..	..	..
Congo, Rep.	621	850	..	..	..	..	..	..	..	..	..	..
Costa Rica	1,990	7,175	8	8	2	1	10	7	2	1	66	83
Côte d'Ivoire	2,097	3,075	..	23	..	1	..	21	..	2	..	54
Croatia	4,500	10,714	12	9	4	2	10	12	4	2	64	75
Cuba	4,600	4,161	..	18	..	1	..	20	..	1	..	60
Czech Republic	12,880	40,756	..	4	..	2	..	14	..	3	..	77
Denmark	33,333	49,381	12	12	3	3	7	4	2	2	73	77
Dominican Republic	3,006	8,882	..	12	..	2	..	23	..	1	..	62
Ecuador	1,861	6,431	9	9	3	1	2	4	2	1	84	84
Egypt, Arab Rep.	12,412	12,552	32	28	7	4	3	4	2	3	56	51
El Salvador	1,263	5,190	14	18	3	2	15	13	4	1	63	65
Eritrea	278	375	..	..	..	..	..	..	..	..	..	..
Estonia	..	5,863	..	12	..	3	..	7	..	2	..	76
Ethiopia	1,081	1,594	..	11	..	1	..	12	..	1	..	74
Finland	27,001	33,577	5	6	2	3	12	12	4	5	76	73
France	234,436	329,322	10	9	3	2	10	9	4	3	74	78
Gabon	918	1,080	..	18	..	1	..	4	..	1	..	75
Gambia, The	188	225	..	35	..	1	..	12	..	1	..	51
Georgia	..	725	..	19	..	1	..	23	..	1	..	57
Germany	355,686	493,712	10	7	3	2	8	8	4	3	72	71
Ghana	1,205	2,790	11	20	1	2	17	9	0	2	70	68
Greece	19,777	31,273	15	12	3	1	8	15	3	3	70	68
Guatemala	1,649	6,078	10	13	2	1	17	13	2	1	69	71
Guinea	723	620	..	23	..	1	..	19	..	0	..	56
Guinea-Bissau	86	82	..	..	..	..	..	..	..	..	..	..
Haiti	332	1,130	..	..	..	..	..	..	..	..	..	..
<sup>†</sup> Data for Taiwan, China	54,782	112,602	7	4	5	2	11	11	6	5	69	76

# Structure of merchandise imports

# 4.6

ECONOMY

	Merchandise imports		Food		Agricultural raw materials		Fuels		Ores and metals		Manufactures	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002
Honduras	935	2,940	10	16	1	1	16	13	1	1	71	69
Hungary	10,340	37,612	8	3	4	1	14	7	4	2	70	84
India	23,580	56,595	3	6	4	3	27	33	8	5	51	52
Indonesia	21,837	31,288	5	11	5	6	9	21	4	3	77	59
Iran, Islamic Rep.	20,322	22,190	..	11	..	2	..	3	..	2	..	82
Iraq	7,660	12,000	..	..	..	..	..	..	..	..	..	..
Ireland	20,669	51,906	11	7	2	1	6	3	2	1	76	81
Israel	16,793	35,517	8	6	2	1	9	9	3	2	77	82
Italy	181,968	242,957	12	9	6	3	11	9	5	4	64	70
Jamaica	1,928	3,500	15	15	1	1	20	18	1	1	61	63
Japan	235,368	337,194	15	13	7	3	25	19	9	5	44	58
Jordan	2,600	4,962	26	17	2	2	18	15	1	2	51	62
Kazakhstan	..	6,491	..	8	..	1	..	13	..	3	..	75
Kenya	2,223	3,277	9	12	3	2	20	17	2	1	66	67
Korea, Dem. Rep.	2,930	1,718	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	69,844	152,126	6	6	8	3	16	21	7	6	63	64
Kuwait	3,972	8,960	17	..	1	..	1	..	2	..	79	..
Kyrgyz Republic	..	589	..	13	..	2	..	26	..	4	..	55
Lao PDR	185	431	..	..	..	..	..	..	..	..	..	..
Latvia	..	4,053	..	13	..	2	..	9	..	2	..	74
Lebanon	2,529	6,447	..	18	..	2	..	18	..	2	..	60
Lesotho	672	779	..	..	..	..	..	..	..	..	..	..
Liberia	570	675	..	..	..	..	..	..	..	..	..	..
Libya	5,336	5,700	23	..	2	..	0	..	1	..	74	..
Lithuania	..	7,739	..	9	..	3	..	20	..	1	..	64
Macedonia, FYR	1,206	1,921	..	14	..	2	..	14	..	2	..	44
Madagascar	651	1,150	11	..	1	..	17	..	1	..	69	..
Malawi	575	674	9	12	1	2	11	17	1	1	78	69
Malaysia	29,258	79,869	7	5	1	1	5	5	4	3	82	83
Mali	602	928	26	..	1	..	19	..	1	..	53	..
Mauritania	388	440	..	..	..	..	..	..	..	..	..	..
Mauritius	1,618	2,168	12	19	3	2	8	10	1	1	76	67
Mexico	43,548	173,087	15	6	4	1	4	3	3	2	75	87
Moldova	..	1,052	..	13	..	3	..	22	..	1	..	61
Mongolia	924	659	..	18	..	1	..	22	..	1	..	59
Morocco	6,922	11,644	10	14	6	3	17	16	6	2	61	65
Mozambique	878	1,340	..	14	..	1	..	16	..	0	..	47
Myanmar	270	2,324	13	..	1	..	5	..	0	..	81	..
Namibia	1,163	1,450	..	13	..	1	..	10	..	2	..	74
Nepal	672	1,419	15	13	7	4	9	16	2	3	67	49
Netherlands	126,098	219,788	13	12	2	2	10	9	3	3	71	74
New Zealand	9,501	15,077	7	9	1	1	8	9	3	2	81	79
Nicaragua	638	1,795	19	15	1	1	19	13	1	0	59	68
Niger	388	430	..	44	..	1	..	13	..	2	..	40
Nigeria	5,627	7,547	6	20	1	1	0	1	2	2	67	76
Norway	27,231	34,812	6	7	2	2	4	4	6	5	82	81
Oman	2,681	6,005	19	21	1	1	4	2	1	3	69	69
Pakistan	7,411	11,233	17	12	4	5	21	27	4	3	54	53
Panama	1,539	2,982	12	13	1	1	16	17	1	1	70	68
Papua New Guinea	1,193	1,100	18	18	0	1	7	22	1	1	73	58
Paraguay	1,352	1,770	8	12	0	1	14	17	1	1	77	69
Peru	2,634	7,523	24	13	2	2	12	14	1	1	61	70
Philippines	13,042	35,229	10	8	2	1	15	9	3	2	53	56
Poland	11,570	55,113	8	6	3	2	22	9	4	3	63	80
Portugal	25,263	38,451	12	13	4	2	11	10	2	2	71	73
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..



# 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	2002	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002
Romania	7,600	17,857	12	6	4	1	38	11	6	3	39	78
Russian Federation	33,100	60,520	..	23	..	1	..	2	..	2	..	70
Rwanda	288	203	..	16	..	4	..	16	..	2	..	62
Saudi Arabia	24,069	32,310	15	16	1	1	0	0	3	3	81	79
Senegal	1,219	1,560	29	26	2	2	16	15	2	2	51	55
Serbia and Montenegro	4,634	6,320	12	..	5	..	17	..	3	..	63	..
Sierra Leone	149	264	..	..	..	..	..	..	..	..	..	..
Singapore	60,774	116,441	6	4	2	0	16	13	2	2	73	80
Slovak Republic	6,670	16,492	..	5	..	2	..	13	..	3	..	76
Slovenia	6,142	10,937	9	6	4	3	11	7	4	4	67	79
Somalia	95	195	..	..	..	..	..	..	..	..	..	..
South Africa <sup>b</sup>	18,399	29,267	8	5	2	1	1	13	1	2	75	70
Spain	87,715	154,701	11	10	3	2	12	11	4	3	71	74
Sri Lanka	2,688	6,104	19	14	2	1	13	14	1	2	65	68
Sudan	618	1,790	13	19	1	1	20	5	0	1	66	74
Swaziland	663	925	..	20	..	2	..	2	..	1	..	72
Sweden	54,264	66,219	6	8	2	2	9	9	3	3	79	75
Switzerland	69,681	83,672	6	6	2	1	5	4	3	5	84	84
Syrian Arab Republic	2,400	5,220	31	16	2	4	3	3	1	3	62	64
Tajikistan	..	715	..	10	..	1	..	37	..	0	..	51
Tanzania	1,027	1,687	..	15	..	2	..	13	..	1	..	69
Thailand	33,045	64,721	5	5	5	3	9	12	4	3	75	76
Togo	581	650	22	22	1	1	8	15	1	2	67	60
Trinidad and Tobago	1,262	4,040	19	9	1	1	11	23	6	1	62	65
Tunisia	5,513	9,527	11	10	4	3	9	9	4	2	72	75
Turkey	22,302	49,663	8	4	4	4	21	14	5	5	61	68
Turkmenistan	..	2,453	..	12	..	0	..	1	..	1	..	80
Uganda	288	1,710	..	14	..	3	..	16	..	1	..	66
Ukraine	..	16,993	..	6	..	1	..	39	..	3	..	48
United Arab Emirates	11,199	32,180	14	11	1	1	3	1	4	2	77	86
United Kingdom	222,977	345,321	10	8	3	2	6	4	4	2	75	79
United States	516,987	1,202,430	6	5	2	1	13	10	3	2	73	78
Uruguay	1,343	1,964	7	14	4	4	18	15	2	1	69	65
Uzbekistan	..	3,160	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	7,335	11,834	11	13	4	1	3	2	4	2	77	82
Vietnam	2,752	19,000	..	..	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	1,571	2,590	27	..	1	..	40	..	1	..	31	..
Zambia	1,220	1,270	..	14	..	2	..	7	..	2	..	75
Zimbabwe	1,847	1,440	4	11	3	2	16	8	2	2	73	76
<b>World</b>	<b>3,532,918 t</b>	<b>6,590,272 t</b>	<b>9 w</b>	<b>8 w</b>	<b>3 w</b>	<b>2 w</b>	<b>11 w</b>	<b>10 w</b>	<b>4 w</b>	<b>3 w</b>	<b>71 w</b>	<b>75 w</b>
<b>Low income</b>	106,125	197,606	8	11	4	4	17	24	5	3	64	57
<b>Middle income</b>	502,597	1,364,003	10	9	4	2	10	9	3	3	71	75
Lower middle income	323,769	821,000	10	9	4	3	11	10	3	3	69	72
Upper middle income	179,974	543,003	10	7	2	1	8	7	3	2	76	81
<b>Low &amp; middle income</b>	609,669	1,561,609	10	9	4	2	11	11	4	3	70	73
East Asia & Pacific	160,493	535,235	7	6	4	3	6	9	3	4	77	76
Europe & Central Asia <sup>c</sup>	150,809	371,275	..	10	..	2	..	12	..	3	..	72
Latin America & Carib.	119,568	343,449	11	9	3	2	13	9	3	2	69	78
Middle East & N. Africa	104,010	142,093	19	16	3	2	4	5	3	3	70	72
South Asia	39,124	84,787	9	8	4	3	23	30	6	4	54	54
Sub-Saharan Africa	57,515	84,770	..	10	..	2	..	16	..	1	..	66
<b>High income</b>	2,913,452	5,028,663	9	8	3	2	11	10	4	3	71	75
Europe EMU	1,247,461	1,884,219	11	9	3	2	9	9	4	3	72	74

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 2002 refer to South Africa only. Data on import commodity shares refer to the South African Customs Union. c. Data for 2002 include the intratrade of the Baltic states and the Commonwealth of Independent States.



**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 cost, insurance, and freight (c.i.f.) value, corresponding to the landed cost at the point of entry of foreign goods into the country. A few countries, including Australia, Canada, and the United States, collect import data on a free on board (f.o.b.) 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). For further discussion of the WTO's sources and methodology, see *About the data* for table 4.5. The shares of imports by major commodity group were estimated by World Bank staff from the United Nations Statistics Division's Commodity Trade (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).

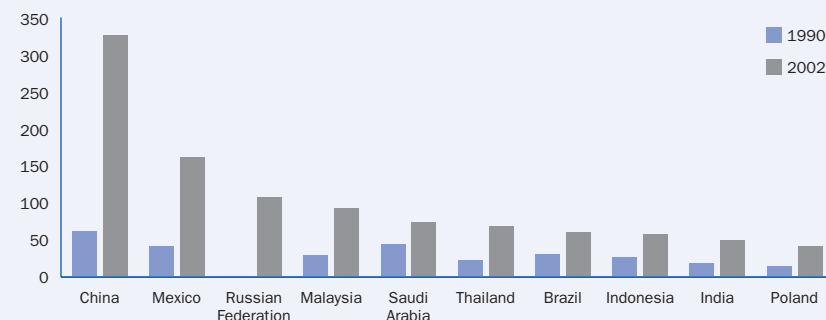
The classification of commodity groups is based on the Standard International Trade Classification (SITC) revision 1. Most countries now report using later revisions of the SITC or the Harmonized System. Concordance tables are used to convert data reported in one system of nomenclature to another. The 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** are the c.i.f. value of goods purchased from the rest of the world valued in U.S. dollars.
- **Food** corresponds to 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** correspond to 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** correspond to SITC section 3 (mineral fuels).
- **Ores and metals** correspond to the commodities in SITC divisions 27, 28, and 68 (nonferrous metals).
- **Manufactures** correspond to the commodities in SITC sections 5 (chemicals), 6 (basic manufactures), 7 (machinery and transport equipment), and 8 (miscellaneous manufactured goods), excluding division 68.

**4.6a****Top 10 developing country exporters in 2002**

Merchandise exports (\$ billions)



China led the developing economies in merchandise exports in 2002, followed by Mexico. The top 10 economies accounted for 63 percent of exports of developing economies and 16 percent of world exports.

Note: No data are available for the Russian Federation for 1990.

Source: World Trade Organization data files.

**Data sources**

The WTO publishes data on world trade in its *Annual Report*. The International Monetary Fund (IMF) publishes estimates of total imports of goods in its *International Financial Statistics* and *Direction of Trade Statistics*, as does the United Nations Statistics Division in its *Monthly Bulletin of Statistics*. And 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		Insurance and financial services		Computer, information, communications, and other commercial services	
	\$ millions		% of total services		% of total services		% of total services		% of total services	
	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002
Afghanistan	..	..	..	..	..	..	..	..	..	..
Albania	32	552	20.0	3.4	11.1	88.2	2.2	2.0	66.7	6.4
Algeria	479	..	41.7	..	13.4	..	5.9	..	39.0	..
Angola	65	203	48.8	6.6	20.6	..	4.6	13.7	26.1	79.7
Argentina	2,264	2,878	51.1	24.3	39.9	53.3	0.0	0.2	9.0	22.1
Armenia	..	176	..	36.5	..	35.9	..	3.8	..	23.8
Australia	9,833	17,443	35.5	23.9	43.2	49.2	4.2	5.1	17.2	21.8
Austria	22,755	34,647	6.4	16.7	59.0	32.1	2.9	6.4	31.7	44.8
Azerbaijan	..	321	..	66.1	..	15.9	..	..	..	18.0
Bangladesh	296	305	12.9	30.4	6.4	18.6	0.1	4.7	80.6	46.3
Belarus	..	1,276	..	55.7	..	15.1	..	0.5	..	28.7
Belgium <sup>a</sup>	26,646	48,970	27.5	20.8	14.0	15.5	18.2	27.8	40.3	35.9
Benin	109	133	33.4	14.7	50.2	63.4	6.9	2.3	9.5	19.6
Bolivia	133	220	35.8	27.3	43.6	37.1	10.0	16.8	10.6	18.8
Bosnia and Herzegovina	..	300	..	10.0	..	37.3	..	13.8	..	38.9
Botswana	183	..	20.4	..	64.1	..	8.2	..	7.3	..
Brazil	3,706	8,844	36.4	18.0	37.3	22.6	3.1	6.7	23.2	52.7
Bulgaria	837	2,553	27.5	30.2	38.2	52.3	3.1	1.1	31.2	16.5
Burkina Faso	34	32	37.1	14.6	34.1	61.6	..	0.4	28.9	23.4
Burundi	7	4	38.7	23.1	51.4	30.6	1.6	28.7	8.3	17.6
Cambodia	50	593	..	15.0	..	76.5	..	..	..	8.4
Cameroon	369	..	42.6	..	14.4	..	9.4	..	33.6	..
Canada	18,350	36,272	23.0	19.0	34.7	29.4	..	8.4	42.3	43.1
Central African Republic	17	..	50.9	..	16.0	..	18.8	..	14.3	..
Chad	23	..	18.4	..	34.1	..	0.2	..	47.3	..
Chile	1,786	3,878	40.0	55.7	29.8	18.9	4.9	2.4	25.3	23.0
China	5,748	39,381	47.1	14.5	30.2	51.8	3.9	0.7	18.7	33.1
Hong Kong, China	..	43,333	..	30.5	..	15.1	..	8.3	..	46.1
Colombia	1,548	1,789	31.3	30.1	26.2	53.8	17.1	2.0	25.5	14.1
Congo, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Congo, Rep.	65	158	53.9	23.6	12.9	16.1	..	2.5	33.1	57.8
Costa Rica	583	1,854	16.3	13.2	48.9	62.6	1.5	1.2	34.8	23.0
Côte d'Ivoire	425	506	62.4	19.0	12.1	10.0	8.3	13.3	17.2	57.7
Croatia	..	5,549	..	10.6	..	68.7	..	1.9	..	18.8
Cuba	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	7,024	..	24.7	..	42.2	..	2.8	..	30.4
Denmark	12,731	27,182	32.5	54.5	26.2	21.6	2.3	..	39.0	23.9
Dominican Republic	1,086	2,966	5.6	2.4	66.8	92.2	0.2	..	27.3	5.4
Ecuador	508	917	47.6	36.9	37.0	48.8	9.3	0.2	6.1	14.1
Egypt, Arab Rep.	4,812	9,127	50.1	30.6	22.9	41.2	1.0	1.2	26.1	26.9
El Salvador	301	749	26.2	41.6	25.2	32.8	7.5	4.2	41.1	21.3
Eritrea	73	54	85.7	18.2	1.0	64.2	..	1.0	13.3	16.6
Estonia	200	1,979	74.7	54.4	13.7	28.0	0.1	1.0	11.5	16.6
Ethiopia	261	450	80.6	55.6	2.1	16.0	0.7	1.6	16.6	26.8
Finland	4,562	6,400	38.4	24.2	25.8	24.7	0.1	0.2	35.6	51.0
France	74,948	85,912	21.7	21.9	27.0	38.1	14.8	2.5	36.4	37.5
Gabon	214	..	33.4	..	1.4	..	5.7	..	59.4	..
Gambia, The	53	..	8.8	..	87.9	..	0.1	..	3.3	..
Georgia	..	354	..	52.0	..	35.5	..	4.9	..	7.6
Germany	51,545	99,622	28.6	25.8	27.8	19.3	1.0	11.8	42.6	43.2
Ghana	79	539	49.2	21.3	5.6	66.5	2.7	1.1	42.6	11.1
Greece	6,514	20,125	4.9	40.0	39.7	49.6	0.1	1.1	55.2	9.3
Guatemala	313	1,048	7.4	8.8	37.6	58.6	1.9	5.3	53.0	27.3
Guinea	91	43	14.2	20.4	32.6	..	0.1	1.7	53.1	77.9
Guinea-Bissau	4	..	5.4	..	..	..	..	..	94.6	..
Haiti	43	..	19.8	..	78.9	..	1.3	..	0.0	..

# Structure of service exports

# 4.7

ECONOMY

	Commercial service exports		Transport		Travel		Insurance and financial services		Computer, information, communications, and other commercial services	
	\$ millions		% of total services		% of total services		% of total services		% of total services	
	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002
Honduras	121	463	35.1	11.7	24.0	62.9	12.9	3.9	28.0	21.4
Hungary	2,677	7,726	1.6	8.9	36.8	42.4	0.2	2.1	61.4	46.7
India	4,610	24,553	20.8	10.3	33.8	12.3	2.7	1.5	42.7	75.9
Indonesia	2,488	6,517	2.8	16.2	86.5	81.1	..	0.0	10.7	2.7
Iran, Islamic Rep.	343	1,357	10.5	49.4	8.2	36.9	6.4	10.7	74.9	2.9
Iraq	..	..	..	..	..	..	..	..	..	..
Ireland	3,286	28,134	31.1	5.7	44.4	11.0	..	22.3	24.5	61.0
Israel	4,546	10,825	30.8	19.6	30.7	19.4	..	0.1	38.8	60.8
Italy	48,579	59,374	21.0	15.4	33.9	45.3	5.5	3.3	39.6	36.1
Jamaica	976	1,888	18.0	19.5	77.0	64.0	1.4	2.0	3.6	14.4
Japan	41,384	64,909	..	37.0	..	5.4	..	4.2	..	53.4
Jordan	1,430	1,473	26.0	19.6	35.7	53.4	..	..	38.3	27.1
Kazakhstan	..	1,432	..	47.6	..	43.4	..	0.8	..	8.2
Kenya	774	791	32.0	54.1	60.2	39.0	0.7	0.5	7.1	6.4
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	9,155	27,080	34.7	48.3	34.5	19.5	0.1	3.3	30.7	28.8
Kuwait	1,054	1,372	87.5	82.3	12.5	8.6	..	7.9	-0.0	1.2
Kyrgyz Republic	..	118	..	31.7	..	30.2	..	3.3	..	34.8
Lao PDR	11	127	74.8	18.0	24.3	82.0	0.9	..	..	..
Latvia	290	1,235	94.9	62.5	2.5	13.1	0.0	5.5	2.6	18.9
Lebanon	..	..	..	..	..	..	..	..	..	..
Lesotho	34	31	14.1	1.3	51.2	64.0	..	-0.0	34.7	34.7
Liberia	..	..	..	..	..	..	..	..	..	..
Libya	83	..	83.8	..	7.7	..	..	..	8.5	..
Lithuania	..	1,451	..	45.1	..	34.8	..	0.7	..	19.4
Macedonia, FYR	..	220	..	36.3	..	17.7	..	2.2	..	43.8
Madagascar	129	158	32.1	26.8	31.3	22.9	0.3	0.7	36.3	49.6
Malawi	37	49	46.1	32.7	42.6	67.3	0.1	..	11.2	0.0
Malaysia	3,769	14,753	31.8	19.3	44.7	48.2	0.1	1.4	23.5	31.0
Mali	71	140	31.0	17.0	54.3	62.9	4.9	2.9	9.8	17.3
Mauritania	14	..	35.3	..	64.7	..	..	..	-0.0	..
Mauritius	478	1,132	32.9	24.1	51.1	54.0	0.1	1.8	15.8	20.0
Mexico	7,222	12,474	12.4	9.2	76.5	71.0	4.6	9.7	6.5	10.1
Moldova	..	201	..	54.4	..	23.2	..	1.9	..	20.6
Mongolia	48	179	41.8	21.8	10.4	72.7	4.6	0.8	43.2	4.7
Morocco	1,871	4,098	9.6	19.0	68.4	64.6	0.8	0.7	21.2	15.7
Mozambique	103	249	61.3	22.4	..	25.6	..	..	38.7	52.1
Myanmar	94	405	10.3	19.8	20.9	31.0	0.5	..	68.3	49.2
Namibia	106	230	..	..	81.0	95.2	5.9	0.6	13.1	4.2
Nepal	166	303	3.6	15.6	65.6	47.5	..	..	30.8	36.9
Netherlands	28,478	54,573	45.4	32.4	14.6	14.1	0.8	2.0	39.2	51.4
New Zealand	2,415	5,041	43.4	23.8	42.7	57.6	-0.3	0.9	14.2	17.7
Nicaragua	34	270	19.2	9.5	35.5	42.0	..	0.9	45.3	47.7
Niger	22	..	5.2	..	59.5	..	13.5	..	21.8	..
Nigeria	965	..	3.9	..	2.5	..	0.3	..	93.3	..
Norway	12,452	19,116	68.7	56.8	12.6	11.4	0.4	4.7	18.3	27.1
Oman	68	349	15.3	45.5	84.7	41.0	..	4.5	-0.0	9.0
Pakistan	1,218	1,536	59.3	54.1	12.0	6.3	1.4	2.3	27.3	37.3
Panama	907	2,254	64.9	55.7	18.9	23.4	3.8	12.6	12.4	8.2
Papua New Guinea	198	285	11.2	7.5	12.0	1.8	0.5	1.8	76.3	88.9
Paraguay	404	506	18.3	13.8	21.1	11.6	..	5.3	60.5	69.3
Peru	714	1,430	43.4	19.9	30.4	56.1	11.2	6.8	15.0	17.2
Philippines	2,897	3,029	8.5	20.8	16.1	57.4	0.5	2.2	74.9	19.5
Poland	3,200	10,030	57.3	32.6	11.2	43.0	4.0	3.5	27.6	20.9
Portugal	5,054	9,720	15.6	18.7	70.4	61.4	0.7	2.3	13.3	17.7
Puerto Rico	..	..	..	..	..	..	..	..	..	..



# 4.7

## Structure of service exports

	Commercial service exports		Transport		Travel		Insurance and financial services		Computer, information, communications, and other commercial services	
	\$ millions		% of total services		% of total services		% of total services		% of total services	
	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002
Romania	610	2,326	50.5	41.4	17.4	14.4	5.6	4.4	26.6	39.7
Russian Federation	..	13,453	..	40.8	..	31.1	..	1.7	..	26.3
Rwanda	31	48	56.1	25.7	32.8	65.3	1.0	..	10.0	9.0
Saudi Arabia	3,031	5,184	..	..	..	..	..	..	..	..
Senegal	356	..	19.1	..	42.7	..	0.5	..	37.6	..
Serbia and Montenegro	..	..	..	..	..	..	..	..	..	..
Sierra Leone	45	..	9.7	..	76.2	..	0.1	..	14.1	..
Singapore	12,719	29,599	17.5	38.6	36.6	14.8	0.7	2.5	45.3	44.0
Slovak Republic	..	2,218	..	44.9	..	19.5	..	2.2	..	33.4
Slovenia	1,219	2,286	22.6	26.2	55.0	47.4	1.2	2.0	21.2	24.4
Somalia	..	..	..	..	..	..	..	..	..	..
South Africa	3,290	4,391	21.6	23.3	55.8	62.1	10.8	5.4	11.9	9.1
Spain	27,649	62,109	17.2	15.1	67.2	54.4	4.3	4.2	11.3	26.4
Sri Lanka	425	1,247	39.7	41.2	30.2	29.1	4.2	3.6	25.9	26.0
Sudan	134	45	14.1	36.7	15.7	50.9	0.5	0.9	69.7	11.5
Swaziland	102	113	24.5	9.4	29.2	23.3	..	..	46.3	67.3
Sweden	13,453	23,508	35.8	22.0	21.7	19.1	9.1	4.3	33.5	54.5
Switzerland	18,233	27,856	16.3	11.6	40.6	28.2	23.3	34.7	19.7	25.5
Syrian Arab Republic	740	1,481	29.7	16.6	43.3	73.1	..	..	27.0	10.3
Tajikistan	..	60	..	75.7	..	2.7	..	1.9	..	19.6
Tanzania	131	609	19.9	10.1	36.4	71.8	0.5	3.9	43.1	14.3
Thailand	6,292	15,232	21.1	21.4	68.7	51.9	0.2	0.6	10.0	26.1
Togo	114	53	26.9	23.1	50.7	20.4	13.7	2.8	8.6	53.6
Trinidad and Tobago	322	563	50.7	36.8	29.4	35.7	..	14.0	19.9	13.6
Tunisia	1,575	2,603	23.0	23.5	64.8	58.5	1.5	2.4	10.7	15.6
Turkey	7,882	14,738	11.7	19.0	40.9	57.5	1.7	1.7	47.4	21.8
Turkmenistan	..	..	..	..	..	..	..	..	..	..
Uganda	..	230	..	16.2	..	76.0	..	1.6	..	6.2
Ukraine	..	4,583	..	73.8	..	17.2	..	0.5	..	8.4
United Arab Emirates	..	..	..	..	..	..	..	..	..	..
United Kingdom	53,830	123,130	25.2	14.5	29.0	17.2	16.4	23.7	29.4	44.6
United States	132,880	272,630	28.1	17.0	37.9	31.3	3.5	6.9	30.5	44.9
Uruguay	460	752	36.9	34.6	51.8	46.7	1.0	10.0	10.3	8.7
Uzbekistan	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	1,121	960	40.9	36.0	44.2	45.7	0.2	0.1	14.7	18.1
Vietnam	..	2,948	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	82	129	27.2	15.7	48.8	29.3	..	..	24.0	55.0
Zambia	94	114	68.9	37.2	13.5	58.3	4.1	4.5	13.4	0.1
Zimbabwe	253	..	44.3	..	25.3	..	1.2	..	29.2	..
<b>World</b>	<b>750,300 s</b>	<b>1,511,226 s</b>	<b>25.0 w</b>	<b>22.4 w</b>	<b>32.9 w</b>	<b>30.5 w</b>	<b>6.6 w</b>	<b>8.3 w</b>	<b>36.3 w</b>	<b>39.2 w</b>
<b>Low income</b>	14,230	40,966	24.6	15.7	38.3	28.2	2.5	1.5	35.1	54.6
<b>Middle income</b>	78,877	225,630	26.9	23.3	42.0	46.9	3.2	2.5	28.5	27.3
Lower middle income	49,966	144,059	27.0	24.0	42.1	47.6	3.6	1.9	28.1	26.6
Upper middle income	28,911	81,571	26.7	22.2	41.8	45.6	2.6	3.7	29.2	28.7
<b>Low &amp; middle income</b>	93,107	266,596	26.6	22.2	41.4	44.2	3.1	2.4	29.5	31.3
East Asia & Pacific	22,049	82,632	26.1	17.1	48.5	54.0	1.3	0.8	24.2	28.1
Europe & Central Asia	15,237	77,656	21.9	31.4	32.8	41.8	1.7	2.1	44.0	24.7
Latin America & Carib.	25,004	46,516	28.7	21.4	50.5	50.2	4.5	6.2	16.5	22.6
Middle East & N. Africa	14,513	22,615	26.7	19.9	30.5	38.7	..	1.2	41.8	40.5
South Asia	6,816	27,994	27.9	14.2	30.1	13.8	2.4	1.7	39.7	70.3
Sub-Saharan Africa	9,487	10,833	28.1	26.3	39.7	48.9	5.8	4.2	26.8	19.5
<b>High income</b>	657,193	1,244,630	24.8	22.5	31.7	27.4	7.1	9.5	37.2	40.9
Europe EMU	300,015	480,820	23.9	21.0	33.2	32.1	7.2	8.6	35.8	38.3

a. Includes Luxembourg.

## 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, have increased in recent years. 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 IMF based on returns from national sources. Data on total trade in goods and services from the IMF's Balance of Payments database are shown in table 4.15.

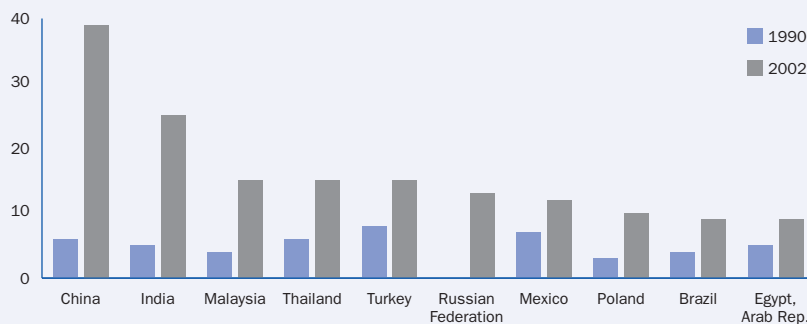
## Definitions

- **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 harbors, railway facilities, 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), including car rental.
- **Insurance and financial services** cover freight insurance on goods exported and other direct insurance such as life insurance, financial intermediation services such as commissions, foreign exchange transactions, and brokerage services; and auxiliary services such as financial market operational and regulatory services.
- **Computer, information, communications, and other commercial services** include such activities as 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.

## 4.7a

## Top 10 developing country exporters of commercial services in 2002

Commercial services exports (\$ billions)



Major exporters of merchandise trade also tend to be major exporters of commercial services. The exceptions are the fuel exporters—Saudi Arabia and Indonesia. These top 10 developing country exporters accounted for 61 percent of commercial services exports of developing economies and 11 percent of world commercial services exports in 2002.

Note: No data are available for the Russian Federation for 1990.  
Source: International Monetary Fund data files.

## Data sources

The data on exports of commercial services are from the IMF. 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		Insurance and financial services		Computer, information, communications, and other commercial services	
	\$ millions		% of total services		% of total services		% of total services		% of total services	
	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002
Afghanistan	..	..	..	..	..	..	..	..	..	..
Albania	29	561	26.3	22.8	..	65.1	2.9	9.0	70.8	3.1
Algeria	1,155	..	58.1	..	12.9	..	9.8	..	19.2	..
Angola	1,288	3,176	38.3	12.4	3.0	2.1	2.6	2.9	56.1	82.6
Argentina	2,876	4,360	32.6	21.8	40.7	53.4	1.7	2.0	26.7	22.9
Armenia	..	217	..	60.0	..	24.9	..	5.2	..	9.9
Australia	13,388	17,740	33.9	33.8	31.5	34.4	4.8	4.5	29.8	27.4
Austria	14,104	34,416	8.4	10.4	54.9	27.5	4.6	6.5	32.1	55.6
Azerbaijan	..	1,283	..	13.5	..	8.2	..	1.0	..	77.2
Bangladesh	554	1,391	71.1	71.2	14.1	14.5	6.6	7.4	8.3	6.8
Belarus	..	892	..	15.3	..	62.6	..	1.7	..	20.5
Belgium <sup>a</sup>	25,924	42,856	23.3	19.5	21.1	24.7	14.7	19.1	40.8	36.7
Benin	113	186	46.9	67.9	12.8	9.3	5.7	10.2	34.6	12.6
Bolivia	291	500	61.7	58.4	20.6	14.8	10.0	18.7	7.6	8.1
Bosnia and Herzegovina	..	228	..	59.4	..	21.3	..	12.5	..	6.7
Botswana	371	..	57.5	..	15.0	..	5.5	..	22.0	..
Brazil	6,733	13,631	44.4	26.6	22.4	17.6	2.7	9.2	30.5	46.6
Bulgaria	600	1,986	40.5	44.1	31.5	31.0	4.5	4.0	23.5	20.9
Burkina Faso	196	135	64.7	65.1	16.6	16.1	5.1	14.7	13.6	4.2
Burundi	59	33	62.6	55.2	29.0	42.1	6.3	1.4	2.2	1.3
Cambodia	64	372	24.5	57.4	..	10.3	..	4.7	75.5	27.7
Cameroon	1,018	..	45.3	..	27.5	..	7.2	..	20.1	..
Canada	27,479	41,932	21.1	21.6	39.8	28.2	..	11.3	39.2	38.9
Central African Republic	166	..	49.7	..	30.6	..	8.9	..	10.7	..
Chad	223	..	45.1	..	31.2	..	4.4	..	19.2	..
Chile	1,982	4,771	47.4	45.0	21.5	16.5	3.3	8.0	27.9	30.5
China	4,113	46,080	78.9	29.5	11.4	33.4	2.3	7.2	7.4	29.8
Hong Kong, China	..	24,800	..	26.6	..	50.1	..	4.8	..	18.5
Colombia	1,683	3,249	34.9	37.0	27.0	33.0	13.7	13.1	24.4	17.0
Congo, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Congo, Rep.	748	917	18.4	13.1	15.2	7.7	1.6	3.9	64.9	75.4
Costa Rica	540	1,188	41.2	38.6	28.8	29.0	6.0	7.4	24.0	24.9
Côte d'Ivoire	1,518	1,341	32.1	39.6	11.1	21.6	4.7	11.1	52.0	27.7
Croatia	..	2,399	..	18.7	..	32.6	..	5.5	..	43.2
Cuba	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	6,372	..	14.0	..	25.1	..	12.4	..	48.5
Denmark	10,106	25,116	38.3	47.4	36.5	27.6	1.6	..	23.6	25.0
Dominican Republic	435	1,241	40.0	60.3	33.1	23.8	4.1	9.1	22.8	6.8
Ecuador	755	1,505	41.6	43.2	23.2	24.2	8.1	5.1	27.2	27.5
Egypt, Arab Rep.	3,327	6,013	44.0	29.6	3.9	21.1	4.6	7.1	47.5	42.2
El Salvador	296	960	45.9	43.4	20.5	19.9	12.0	13.0	21.5	23.7
Eritrea	..	24	..	27.6	..	49.5	..	1.9	..	21.0
Estonia	123	1,404	76.3	54.3	15.4	16.4	0.3	1.1	8.0	28.2
Ethiopia	348	558	76.5	57.2	3.3	8.1	3.4	5.4	16.8	29.3
Finland	7,432	8,130	26.1	30.4	37.2	24.2	1.8	1.2	34.8	44.2
France	59,560	68,171	29.4	26.2	20.7	28.9	19.2	4.5	30.7	40.5
Gabon	984	..	23.2	..	13.9	..	5.3	..	57.6	..
Gambia, The	35	..	65.1	..	23.1	..	9.0	..	2.8	..
Georgia	..	316	..	33.0	..	47.1	..	5.8	..	14.1
Germany	84,336	149,107	20.3	20.4	46.3	35.8	1.0	3.4	32.4	40.4
Ghana	226	546	55.1	48.8	5.9	22.0	11.2	5.4	27.8	23.9
Greece	2,756	10,306	34.0	46.0	39.5	32.0	5.4	4.2	21.0	17.8
Guatemala	363	996	41.0	51.5	27.4	26.8	3.4	11.3	28.2	10.4
Guinea	243	156	57.5	30.1	12.2	19.7	5.5	5.8	24.8	44.4
Guinea-Bissau	17	..	54.5	..	19.8	..	5.6	..	20.0	..
Haiti	71	..	47.9	..	52.1	..	..	..	..	..

# Structure of service imports

# 4.8

ECONOMY

	Commercial service imports		Transport		Travel		Insurance and financial services		Computer, information, communications, and other commercial services	
	\$ millions		% of total services		% of total services		% of total services		% of total services	
	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002
Honduras	213	601	45.4	51.3	17.6	21.7	15.0	..	22.0	26.9
Hungary	2,264	7,093	8.8	14.6	25.9	24.3	1.0	4.4	64.3	56.8
India	5,943	18,464	57.5	13.7	6.6	18.7	5.8	1.7	30.1	65.9
Indonesia	5,898	16,779	47.4	30.7	14.2	19.6	4.0	1.1	34.5	48.6
Iran, Islamic Rep.	3,703	1,577	47.3	72.4	9.2	13.0	10.8	13.5	32.8	1.1
Iraq	..	..	..	..	..	..	..	..	..	..
Ireland	5,145	40,393	24.3	4.4	22.6	9.3	1.9	11.3	51.2	75.0
Israel	4,825	11,269	39.6	37.3	29.7	22.6	4.4	3.4	26.2	36.8
Italy	46,602	61,485	23.7	22.2	22.1	27.5	10.4	3.9	43.8	46.4
Jamaica	667	1,603	47.9	38.3	17.0	16.1	6.7	8.5	28.4	37.1
Japan	84,281	106,612	..	29.6	..	25.0	..	4.6	..	40.9
Jordan	1,118	1,480	52.0	48.3	30.1	28.2	5.2	6.8	12.7	16.7
Kazakhstan	..	3,635	..	19.1	..	20.8	..	2.5	..	57.5
Kenya	598	764	66.2	48.8	6.4	18.7	8.9	10.0	18.5	22.4
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	10,050	35,145	39.8	30.4	27.5	25.8	0.3	1.7	32.4	42.1
Kuwait	2,805	4,880	31.9	35.8	65.5	61.9	1.2	1.5	1.4	0.8
Kyrgyz Republic	..	142	..	38.0	..	6.9	..	15.1	..	40.0
Lao PDR	25	5	73.0	99.0	..	1.0	6.3	..	20.6	..
Latvia	120	698	82.3	33.3	10.9	32.9	4.8	8.7	2.1	25.1
Lebanon	..	..	..	..	..	..	..	..	..	..
Lesotho	48	45	67.9	68.0	24.7	30.7	5.6	1.1	1.7	0.1
Liberia	..	..	..	..	..	..	..	..	..	..
Libya	926	..	41.9	..	45.7	..	4.1	..	8.3	..
Lithuania	..	878	..	33.8	..	37.1	..	4.3	..	24.7
Macedonia, FYR	..	270	..	37.2	..	16.5	..	3.4	..	42.9
Madagascar	172	317	43.5	45.4	23.4	28.6	3.5	1.5	29.5	24.5
Malawi	268	222	81.8	50.1	5.9	35.2	8.7	0.0	3.7	14.7
Malaysia	5,394	16,248	46.9	36.3	26.9	16.1	..	3.3	26.2	44.3
Mali	352	414	57.4	64.0	15.8	8.6	1.9	3.5	24.9	23.9
Mauritania	126	..	76.9	..	18.3	..	3.1	..	1.7	..
Mauritius	407	779	51.6	36.6	23.0	26.2	5.5	4.8	19.9	32.4
Mexico	10,063	17,031	25.0	11.7	54.9	35.6	6.2	39.5	14.0	13.3
Moldova	..	231	..	33.0	..	37.3	..	2.3	..	27.3
Mongolia	155	260	56.2	38.3	0.8	45.8	6.3	2.7	36.8	13.2
Morocco	940	1,903	58.3	45.0	19.9	23.4	6.0	2.4	15.9	29.2
Mozambique	206	607	57.7	26.0	..	18.8	4.3	3.2	38.1	52.0
Myanmar	73	364	35.4	82.1	22.6	7.6	2.5	..	39.5	10.3
Namibia	341	226	46.9	37.1	17.9	24.6	6.8	5.8	28.5	32.5
Nepal	159	205	40.8	34.9	28.5	38.8	3.2	..	27.5	26.3
Netherlands	28,995	56,478	37.7	22.8	25.4	23.0	1.0	4.1	35.9	50.1
New Zealand	3,251	4,682	40.6	35.2	29.5	31.8	2.5	4.0	27.5	29.0
Nicaragua	73	315	70.7	55.1	20.1	22.1	7.9	4.0	1.4	18.8
Niger	209	..	68.3	..	10.4	..	4.3	..	17.1	..
Nigeria	1,901	..	33.6	..	30.3	..	3.1	..	32.9	..
Norway	12,247	16,459	44.6	34.2	30.0	30.8	1.7	4.4	23.6	30.6
Oman	719	1,678	36.6	37.1	6.5	21.9	4.1	7.1	52.8	34.0
Pakistan	1,863	2,093	67.0	66.4	23.1	12.2	1.3	5.7	8.6	15.8
Panama	666	1,204	66.6	51.1	14.8	14.8	10.2	20.6	8.4	13.5
Papua New Guinea	393	662	35.6	26.1	12.8	5.8	4.0	7.3	47.6	60.8
Paraguay	361	294	61.6	59.4	19.8	22.0	11.4	17.4	7.3	1.1
Peru	1,070	2,371	43.5	39.7	27.6	26.0	10.9	10.3	18.0	23.9
Philippines	1,721	4,311	56.9	51.9	6.4	20.2	3.4	7.9	33.2	20.1
Poland	2,847	9,089	52.4	20.0	14.9	35.2	1.0	6.1	31.8	38.6
Portugal	3,772	6,578	48.4	33.1	23.0	34.6	5.1	5.0	23.5	27.3
Puerto Rico	..	..	..	..	..	..	..	..	..	..



# 4.8

## Structure of service imports

	Commercial service imports		Transport		Travel		Insurance and financial services		Computer, information, communications, and other commercial services	
	\$ millions		% of total services		% of total services		% of total services		% of total services	
	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002
Romania	787	2,304	65.5	36.2	13.1	17.2	7.3	7.0	14.1	39.5
Russian Federation	..	23,577	..	12.1	..	50.9	..	2.9	..	34.0
Rwanda	94	124	69.0	71.9	23.7	19.2	0.0	..	7.3	8.9
Saudi Arabia	12,694	7,159	18.1	33.5	..	..	2.2	3.7	79.7	62.7
Senegal	368	..	60.1	..	12.4	..	8.8	..	18.7	..
Serbia and Montenegro	..	..	..	..	..	..	..	..	..	..
Sierra Leone	67	..	29.5	..	32.7	..	4.8	..	33.0	..
Singapore	8,575	27,155	41.0	42.6	21.0	19.2	9.1	4.3	29.0	33.9
Slovak Republic	..	1,779	..	24.4	..	16.6	..	4.9	..	54.1
Slovenia	1,034	1,719	42.5	21.3	27.3	35.7	2.5	2.3	27.8	40.7
Somalia	..	..	..	..	..	..	..	..	..	..
South Africa	3,593	5,221	40.2	45.6	31.5	34.6	11.6	9.7	16.7	10.1
Spain	15,197	37,620	30.8	24.6	28.0	17.7	6.3	6.9	34.9	50.8
Sri Lanka	620	966	64.2	34.2	11.9	27.3	6.8	2.8	17.1	35.7
Sudan	202	784	31.9	87.5	25.4	11.7	4.9	0.1	37.8	0.8
Swaziland	171	134	6.1	15.4	20.6	24.6	..	8.7	73.4	51.2
Sweden	16,959	23,732	23.2	14.8	37.1	30.4	7.9	3.6	31.7	51.1
Switzerland	11,093	16,980	33.7	25.6	53.0	38.9	1.4	4.8	12.0	30.6
Syrian Arab Republic	702	1,468	54.5	47.5	35.5	45.6	4.4	..	5.7	6.9
Tajikistan	..	103	..	79.0	..	1.7	..	6.3	..	13.0
Tanzania	288	647	58.0	27.3	7.9	52.2	6.2	4.8	27.9	15.7
Thailand	6,160	16,573	58.0	43.0	23.3	19.9	5.5	5.9	13.2	31.2
Togo	217	129	56.9	71.8	18.4	3.7	9.1	15.3	15.5	9.2
Trinidad and Tobago	460	339	51.7	34.4	26.6	44.5	9.9	2.4	11.9	18.7
Tunisia	682	1,353	51.4	48.3	26.2	19.2	7.3	7.5	15.0	25.0
Turkey	2,794	6,283	32.2	30.7	18.6	29.9	9.6	15.8	49.2	23.6
Turkmenistan	..	..	..	..	..	..	..	..	..	..
Uganda	195	530	58.3	..	..	..	6.5	..	35.2	..
Ukraine	..	3,143	..	15.5	..	20.9	..	8.1	..	55.5
United Arab Emirates	..	..	..	..	..	..	..	..	..	..
United Kingdom	44,713	101,408	33.2	24.2	41.0	41.4	2.4	6.3	23.4	28.1
United States	97,950	205,580	36.3	28.5	38.9	29.6	4.5	9.2	20.4	32.7
Uruguay	363	619	48.2	41.7	30.7	28.7	1.5	7.0	19.6	22.6
Uzbekistan	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	2,390	3,767	33.5	41.1	42.8	26.0	4.3	7.6	19.4	25.2
Vietnam	..	3,698	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	639	883	27.6	44.2	9.9	8.8	5.4	7.6	57.1	39.4
Zambia	370	328	76.8	67.7	14.6	13.3	5.3	1.7	3.3	17.3
Zimbabwe	460	..	51.8	..	14.4	..	3.4	..	30.4	..
<b>World</b>	<b>779,679 s</b>	<b>1,475,405 s</b>	<b>28.3 w</b>	<b>26.1 w</b>	<b>28.6 w</b>	<b>28.7 w</b>	<b>6.0 w</b>	<b>6.8 w</b>	<b>38.2 w</b>	<b>38.6 w</b>
<b>Low income</b>	28,313	52,561	50.4	28.9	13.9	18.7	4.6	2.4	31.1	49.9
<b>Middle income</b>	92,233	240,279	40.6	29.1	22.5	28.8	5.2	9.0	32.4	33.1
Lower middle income	45,983	154,902	50.4	30.9	19.1	30.6	6.4	7.1	24.5	31.5
Upper middle income	46,250	85,376	30.8	25.9	25.8	25.6	3.8	12.4	40.3	36.0
<b>Low &amp; middle income</b>	<b>120,546</b>	<b>292,840</b>	<b>42.9</b>	<b>29.1</b>	<b>20.5</b>	<b>27.1</b>	<b>5.1</b>	<b>7.9</b>	<b>32.1</b>	<b>35.9</b>
East Asia & Pacific	24,308	104,321	56.0	34.1	18.2	25.5	4.1	5.4	22.6	35.1
Europe & Central Asia	9,321	73,106	36.0	19.5	19.5	35.3	2.1	6.0	43.0	39.2
Latin America & Carib.	32,757	60,676	37.2	29.3	35.9	27.6	6.0	17.7	21.5	25.7
Middle East & N. Africa	26,605	18,791	33.3	36.2	7.9	13.1	4.7	5.4	54.1	45.3
South Asia	9,176	23,023	60.4	23.0	11.3	18.3	4.9	2.5	23.4	56.2
Sub-Saharan Africa	18,379	17,855	44.1	38.0	19.2	21.0	6.3	6.0	30.6	35.0
<b>High income</b>	<b>659,133</b>	<b>1,182,565</b>	<b>25.7</b>	<b>25.4</b>	<b>30.1</b>	<b>29.1</b>	<b>6.1</b>	<b>6.5</b>	<b>39.3</b>	<b>39.3</b>
Europe EMU	293,822	486,299	25.4	20.5	31.5	27.2	8.0	6.4	35.2	45.9

a. Includes Luxembourg.



**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.

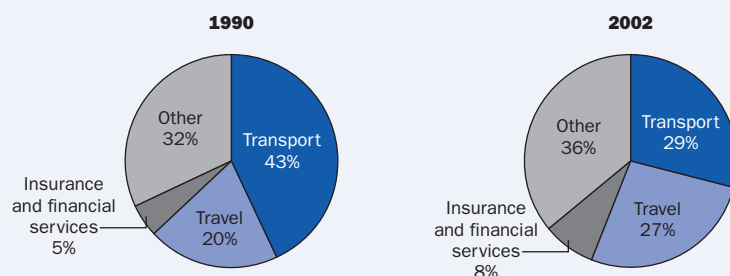
The data on exports of services in table 4.7 and on imports of services in this table, unlike those in editions before 2000, include only commercial services and exclude the category "government services not included elsewhere." The data are compiled by the International Monetary Fund (IMF) based on returns from national sources.

**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 harbors, railway facilities, 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), including car rental.
- **Insurance and financial services** cover freight insurance on goods imported and other direct insurance such as life insurance, financial intermediation services such as commissions, foreign exchange transactions, and brokerage services; and auxiliary services such as financial market operational and regulatory services.
- **Computer, information, communications, and other commercial services** include such activities as 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.

**4.8a****Developing economies are consuming less transport services**

Commercial service imports (% of total)



Between 1990 and 2002 travel, insurance and finance, and other services displaced transport as the most important categories of service imports for developing economies.

Source: International Monetary Fund data files.

**Data sources**

The data on imports of commercial services are from the IMF. 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	2002	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002
Afghanistan	..	108	..	9	..	16	..	57	..	89	..	-16
Albania	61	93	19	8	29	23	15	19	23	43	21	-1
Algeria	57	44	16	15	29	31	23	36	25	26	27	40
Angola	36	61	34	.. <sup>a</sup>	12	32	39	77	21	70	30	39
Argentina	77	61	3	12	14	12	10	28	5	13	20	27
Armenia	46	87	18	10	47	21	35	30	46	47	36	3
Australia	59	60	19	18	22	24	17	20	17	22	22	22
Austria	55	58	19	19	25	22	40	52	38	51	26	23
Azerbaijan	51	60	18	15	27	33	44	44	39	51	31	25
Bangladesh	86	77	4	5	17	23	6	14	14	19	10	18
Belarus	47	61	24	21	27	22	46	70	44	74	29	18
Belgium	55	55	20	21	22	19	71	82	69	78	24	23
Benin	87	81	11	13	14	18	14	14	26	26	2	6
Bolivia	77	75	12	15	13	15	23	22	24	27	11	10
Bosnia and Herzegovina	..	113	..	.. <sup>a</sup>	..	20	..	26	..	59	..	-13
Botswana	33	28	24	33	37	25	55	51	50	37	43	38
Brazil	59	58	19	19	20	20	8	16	7	14	21	22
Bulgaria	60	69	18	18	26	20	33	53	37	60	22	13
Burkina Faso	82	82	13	13	18	18	11	9	24	22	5	5
Burundi	95	92	11	13	15	8	8	7	28	19	-5	-4
Cambodia	91	80	7	6	8	22	6	59	13	67	2	14
Cameroon	67	71	13	12	18	19	20	27	17	28	21	18
Canada	56	56	23	19	21	20	26	44	26	39	21	25
Central African Republic	86	78	15	12	12	15	15	12	28	17	-1	10
Chad	88	86	10	8	16	59	13	12	28	65	2	6
Chile	62	61	10	12	25	23	35	36	31	32	28	27
China	50	43	12	13	35	40	18	29	14	26	38	43
Hong Kong, China	57	58	7	10	28	23	133	151	124	142	36	32
Colombia	66	66	9	21	19	15	21	20	15	21	24	14
Congo, Dem. Rep.	79	92	12	4	9	7	30	18	29	21	9	4
Congo, Rep.	62	32	14	18	16	23	54	81	46	54	24	50
Costa Rica	61	68	18	15	27	22	35	42	41	47	21	17
Côte d'Ivoire	72	60	17	11	7	10	32	48	27	30	11	28
Croatia	74	60	24	22	10	27	78	46	86	55	2	18
Cuba	..	70	..	23	..	10	..	16	..	18	..	7
Czech Republic	49	53	23	21	25	28	45	65	43	67	28	26
Denmark	49	48	26	26	20	20	36	45	31	39	25	26
Dominican Republic	80	76	5	10	25	23	34	26	44	35	15	15
Ecuador	67	69	11	10	21	28	33	24	32	31	22	20
Egypt, Arab Rep.	73	79	11	10	29	17	20	16	33	23	16	10
El Salvador	89	90	10	8	14	16	19	27	31	41	1	2
Eritrea	104	92	22	38	8	26	11	29	45	85	-26	-30
Estonia	62	58	16	20	30	31	60	84	54	94	22	22
Ethiopia	74	78	18	19	12	21	8	16	12	34	7	2
Finland	50	51	22	22	30	20	23	38	24	30	29	28
France	55	55	22	24	23	19	21	27	22	25	22	21
Gabon	50	52	13	.. <sup>a</sup>	22	28	46	59	31	39	37	48
Gambia, The	76	83	14	13	22	21	60	54	72	72	11	4
Georgia	65	81	10	10	31	21	40	27	46	39	25	9
Germany	57	59	20	19	24	18	25	35	25	32	24	22
Ghana	85	83	9	10	14	20	17	43	26	55	5	7
Greece	72	67	15	16	23	23	18	21	28	27	13	17
Guatemala	84	85	7	8	14	19	21	16	25	28	10	7
Guinea	73	82	9	7	18	17	31	24	31	30	18	11
Guinea-Bissau	87	105	10	13	30	15	10	45	37	77	3	-17
Haiti	81	103	8	.. <sup>a</sup>	13	21	18	13	20	36	11	-3

	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	2002	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002
Honduras	66	74	14	14	23	28	36	37	40	53	20	12
Hungary	61	67	11	11	25	24	31	64	29	67	28	22
India	66	65	12	13	24	23	7	15	9	16	23	22
Indonesia	59	71	9	8	31	14	25	35	24	29	32	21
Iran, Islamic Rep.	62	50	11	13	29	35	22	31	24	29	27	37
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	58	47	16	15	21	24	57	98	52	83	26	38
Israel	56	59	30	31	25	18	35	37	45	46	14	9
Italy	58	60	20	19	22	20	20	27	20	26	22	21
Jamaica	65	67	13	20	26	34	48	39	52	60	22	13
Japan	53	56	13	17	33	26	10	10	9	10	34	26
Jordan	74	75	25	23	32	23	62	46	93	67	1	3
Kazakhstan	52	60	18	12	32	27	74	47	75	46	30	28
Kenya	67	71	19	19	20	14	26	27	31	30	14	10
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	53	62	10	11	38	26	29	40	30	39	37	27
Kuwait	57	56	39	26	18	9	45	48	58	40	4	18
Kyrgyz Republic	71	67	25	18	24	19	29	39	50	43	4	15
Lao PDR	..	..	9	..	..	22	11	..	25	..	..	..
Latvia	53	63	9	21	40	27	48	45	49	56	39	17
Lebanon	140	95	25	14	18	18	18	14	100	41	-64	-9
Lesotho	121	82	23	33	49	40	16	51	109	107	-44	-15
Liberia	..	..	..	..	..	..	..	..	..	..	..	..
Libya	48	58	24	17	19	14	40	48	31	36	27	26
Lithuania	57	62	19	21	33	22	52	54	61	60	24	17
Macedonia, FYR	72	77	19	22	19	20	26	38	36	57	9	0
Madagascar	86	84	8	8	17	14	17	16	28	23	6	8
Malawi	72	88	15	18	23	12	24	25	33	43	13	-6
Malaysia	52	44	14	14	32	24	75	114	72	97	34	42
Mali	80	77	14	11	23	20	17	32	34	41	6	12
Mauritania	69	79	26	19	20	31	46	39	61	68	5	2
Mauritius	64	66	13	9	31	22	64	61	71	57	23	26
Mexico	70	70	8	12	23	20	19	27	20	29	22	18
Moldova	77	86	.. <sup>a</sup>	17	25	23	49	54	51	79	23	-3
Mongolia	58	64	32	19	38	31	24	67	53	81	9	16
Morocco	65	62	15	20	25	23	26	32	32	37	19	18
Mozambique	101	59	12	11	16	45	8	24	36	38	-12	30
Myanmar	89	88	.. <sup>a</sup>	.. <sup>a</sup>	13	12	3	..	5	..	11	12
Namibia	51	48	31	28	34	24	52	48	67	49	18	23
Nepal	84	78	9	10	18	25	11	16	22	29	7	12
Netherlands	50	50	23	24	24	20	54	62	51	56	27	26
New Zealand	61	60	19	19	20	20	27	33	27	32	20	22
Nicaragua	59	78	43	16	19	32	25	23	46	49	-2	6
Niger	84	84	15	12	8	13	15	16	22	25	1	4
Nigeria	56	55	15	27	15	23	43	38	29	44	29	17
Norway	49	67	21	.. <sup>a</sup>	23	19	40	41	34	27	30	33
Oman	27	43	38	23	13	13	53	57	31	35	35	34
Pakistan	74	74	15	11	19	15	16	19	23	19	11	14
Panama	60	63	18	13	17	25	38	28	34	29	21	24
Papua New Guinea	59	..	25	..	24	..	41	..	49	..	16	..
Paraguay	77	84	6	8	23	20	33	31	39	43	17	8
Peru	74	72	8	10	16	18	16	16	14	17	18	18
Philippines	72	69	10	12	24	19	28	49	33	49	18	19
Poland	48	65	19	19	26	19	29	28	22	31	33	16
Portugal	63	61	16	21	28	28	33	31	39	41	21	18
Puerto Rico	65	..	14	..	17	..	77	81	101	100	21	..



# 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	2002	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002
Romania	66	76	13	7	30	23	17	35	26	41	21	17
Russian Federation	49	51	21	17	30	21	18	35	18	24	30	32
Rwanda	84	87	10	12	15	19	6	8	14	25	6	1
Saudi Arabia	47	37	29	26	15	20	41	41	32	23	24	37
Senegal	76	76	15	14	14	20	25	31	30	41	9	10
Serbia and Montenegro	..	89	..	18	..	16	..	21	..	44	..	-7
Sierra Leone	83	93	8	21	10	9	22	18	24	40	9	-14
Singapore	47	42	10	13	36	21	..	..	..	..	43	45
Slovak Republic	54	55	22	21	33	31	27	73	36	80	24	24
Slovenia	55	55	19	21	17	23	84	58	74	56	26	25
Somalia	112	..	.. <sup>a</sup>	..	16	..	10	..	38	..	-12	..
South Africa	57	62	20	19	17	16	24	34	19	31	23	19
Spain	60	58	17	18	27	26	16	28	20	30	23	24
Sri Lanka	76	77	10	9	23	21	29	36	38	43	14	14
Sudan	..	79	..	.. <sup>a</sup>	..	20	..	15	..	13	..	21
Swaziland	62	74	18	17	19	18	75	91	74	100	20	9
Sweden	47	49	29	28	24	17	29	43	28	37	25	23
Switzerland	57	76	14	.. <sup>a</sup>	28	17	36	44	36	38	29	24
Syrian Arab Republic	69	59	14	11	17	22	28	37	28	28	17	30
Tajikistan	74	82	9	9	25	23	28	58	35	72	17	10
Tanzania <sup>b</sup>	81	77	18	13	26	17	13	17	37	24	1	10
Thailand	57	58	9	11	41	24	34	65	42	57	34	31
Togo	71	86	14	10	27	22	33	33	45	50	15	5
Trinidad and Tobago	59	69	12	10	13	16	45	47	29	43	29	20
Tunisia	58	63	16	16	32	25	44	45	51	49	25	21
Turkey	69	71	11	13	24	16	13	30	18	30	20	16
Turkmenistan	49	49	23	15	40	37	..	47	..	47	28	36
Uganda	92	78	8	16	13	22	7	12	19	27	1	6
Ukraine	57	56	17	20	27	19	28	56	29	52	26	24
United Arab Emirates	39	..	16	..	20	..	65	..	40	..	45	..
United Kingdom	63	66	20	20	20	16	24	26	27	28	18	14
United States	67	70	17	16	18	18	10	10	11	14	16	14
Uruguay	70	73	12	13	12	12	24	22	18	20	18	14
Uzbekistan	61	58	25	19	32	20	29	38	48	34	13	24
Venezuela, RB	62	65	8	6	10	17	39	29	20	17	29	29
Vietnam	84	66	12	6	13	32	36	56	45	60	3	28
West Bank and Gaza	..	79	..	52	..	4	..	12	..	47	..	-31
Yemen, Rep.	74	70	17	14	15	17	14	38	20	39	9	16
Zambia	64	84	19	12	17	17	36	29	37	42	17	4
Zimbabwe	63	72	19	17	17	8	23	24	23	22	17	11
<b>World</b>	<b>59 w</b>	<b>63 w</b>	<b>17 w</b>	<b>17 w</b>	<b>24 w</b>	<b>20 w</b>	<b>19 w</b>	<b>24 w</b>	<b>19 w</b>	<b>23 w</b>	<b>24 w</b>	<b>20 w</b>
<b>Low income</b>	67	69	12	12	23	20	17	25	19	25	21	19
<b>Middle income</b>	59	58	15	16	25	23	20	32	19	28	26	27
Lower middle income	58	57	15	16	27	25	17	29	17	26	27	28
Upper middle income	63	61	12	15	21	19	28	39	25	33	24	25
<b>Low &amp; middle income</b>	61	59	14	15	25	23	20	31	19	28	25	26
East Asia & Pacific	54	51	11	12	34	32	25	41	24	37	34	37
Europe & Central Asia	55	61	18	16	28	21	23	40	24	38	26	23
Latin America & Carib.	65	63	13	16	19	19	14	21	12	19	21	22
Middle East & N. Africa	59	53	20	18	23	23	31	34	33	29	21	29
South Asia	69	68	12	12	23	22	9	17	12	18	20	20
Sub-Saharan Africa	63	66	18	18	17	18	27	33	26	34	19	17
<b>High income</b>	59	64	17	18	24	19	19	22	19	22	24	19
Europe EMU	56	57	20	20	24	20	27	36	27	33	23	22

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.

**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, changes in inventories, and net acquisitions of valuables), and net exports (exports minus imports) of goods and services. Such expenditures are recorded in purchaser prices and 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 the 1968 System of National Accounts, or SNA) 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, many of the estimates are based on household surveys, which tend to be one-year studies with limited coverage. Thus the estimates quickly become outdated and must be supplemented by estimates using price- and quantity-based statistical procedures. Complicating the issue, in many developing countries the distinction between cash outlays for personal business and those for household use may be blurred. *World Development Indicators* includes in household consumption the expenditures of nonprofit institutions serving households.

General government final consumption expenditure (general government consumption in the 1968 SNA) 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 the 1968 SNA) consists of outlays on additions to the economy's fixed assets plus net changes in the level of inventories. It is generally obtained from reports by industry of acquisition and distinguishes only the broad categories of capital formation. The 1993 SNA recognizes a third category of capital formation: net acquisitions 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, and intangibles such as computer software and mineral exploration outlays. 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 production, trade, and construction activities. 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 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 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 correspond to 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 the fundamental identity: exports minus imports equal domestic savings minus capital formation. Domestic savings differ from savings as defined in the national accounts; the SNA concept of savings represents the difference between disposable income and consumption. For further discussion of the problems in compiling 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. *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 potentially have wider public use and are part of government capital formation. • **Gross capital formation** consists of outlays on additions to the fixed assets of the economy, net changes in the level of inventories, and net acquisitions of valuables. 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." • **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 (factor services in the 1968 SNA) 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 Organisation for Economic Co-operation and Development data files (see the OECD's *National Accounts of OECD Countries, Detailed Tables 1970–2001*, 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*.



	Household final consumption expenditure						General government final consumption expenditure		Gross capital formation	
	\$ millions		average annual % growth		Per capita average annual % growth		average annual % growth		average annual % growth	
	1990	2002	1980-90	1990-2002	1980-90	1990-2002	1980-90	1990-2002	1980-90	1990-2002
Afghanistan	..	..	..	..	..	..	..	..	..	..
Albania	1,271	4,496	..	4.2	..	4.8	..	1.6	-0.3	20.5
Algeria	35,265	24,745	1.5	0.9	-1.4	-0.9	0.7	3.4	-1.8	0.3
Angola	3,674	..	-3.6	..	..	..	8.4	..	-5.6	..
Argentina	109,038	62,158	..	0.5	..	-0.7	..	1.3	-5.2	2.5
Armenia	1,097	2,121	..	1.1	..	2.5	..	-1.0	..	-6.2
Australia	182,448	247,950	2.9	3.7	1.4	2.5	3.5	3.0	3.7	6.4
Austria	89,789	117,605	2.4	2.3	2.2	2.0	1.4	1.6	2.4	2.0
Azerbaijan	3,186	3,587	..	11.3	..	10.3	..	7.0	..	8.0
Bangladesh	24,988	36,548	3.0	2.8	0.4	1.0	2.9	4.9	6.9	9.0
Belarus	8,223	8,781	..	0.9	..	1.2	..	-1.0	..	-6.3
Belgium	109,154	135,445	2.0	1.9	1.9	1.6	1.1	1.6	2.9	1.9
Benin	1,602	2,183	1.9	3.4	-1.2	0.7	0.5	5.8	-5.3	12.8
Bolivia	3,741	5,835	1.2	3.4	-0.9	0.9	-3.8	3.4	0.8	5.1
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..
Botswana	1,260	1,537	6.3	4.1	2.7	1.5	14.9	7.6	7.6	2.6
Brazil <sup>a</sup>	273,952	263,710	1.2	4.7	-0.7	3.2	7.3	0.2	3.3	0.6
Bulgaria	12,401	10,742	3.1	-1.0	3.2	-0.3	5.1	-5.8	..	..
Burkina Faso	2,284	2,556	2.6	3.9	0.1	1.4	6.2	-0.5	8.6	7.9
Burundi	1,070	655	3.4	-1.7	0.5	-3.7	3.2	-1.6	6.9	1.2
Cambodia <sup>a</sup>	1,016	3,287	..	4.7	..	2.2	..	7.7	..	12.2
Cameroon	7,423	6,394	3.5	3.5	0.6	0.9	6.8	2.8	-2.6	2.3
Canada	322,564	391,155	3.2	2.7	2.0	1.7	2.4	0.5	5.0	4.6
Central African Republic <sup>a</sup>	1,274	815	1.5	..	..	..	-1.7	..	10.0	..
Chad <sup>a</sup>	1,538	1,719	2.9	2.0	0.2	-1.1	17.0	-0.8	22.0	18.0
Chile	18,759	39,211	2.0	6.2	0.3	4.7	0.4	3.6	6.4	6.2
China	174,249	586,381	8.8	8.7	7.2	7.6	9.8	9.0	10.8	10.7
Hong Kong, China	42,723	93,401	6.6	3.5	5.2	1.8	5.3	3.3	3.9	4.3
Colombia	26,357	53,046	2.6	1.8	0.5	-0.1	4.2	8.9	1.4	0.8
Congo, Dem. Rep. <sup>a</sup>	7,398	5,269	3.4	-2.9	0.4	-5.4	0.0	-15.9	-5.1	0.3
Congo, Rep. <sup>a</sup>	1,746	955	2.3	1.7	-0.9	-1.5	4.3	-2.6	-11.6	2.3
Costa Rica <sup>a</sup>	3,502	11,521	3.6	4.4	0.6	2.2	1.1	2.0	4.6	5.5
Côte d'Ivoire	7,766	7,048	1.5	3.1	-2.1	0.2	-0.1	0.8	-10.4	4.5
Croatia	13,527	13,483	..	3.0	..	3.5	..	0.1	..	5.7
Cuba	..	..	..	..	..	..	..	..	..	..
Czech Republic	17,195	36,165	..	2.7	..	2.8	..	-1.0	..	4.8
Denmark	65,430	82,827	1.4	1.8	1.4	1.4	0.9	2.2	4.7	5.2
Dominican Republic <sup>a</sup>	5,633	16,408	3.9	5.6	1.7	3.8	-3.2	13.6	4.5	6.2
Ecuador <sup>a</sup>	6,988	16,837	1.1	2.2	-1.5	0.3	-0.7	-1.0	-1.3	1.3
Egypt, Arab Rep.	30,933	71,236	4.6	4.3	2.0	2.3	3.1	2.5	0.0	5.5
El Salvador	4,273	12,847	0.8	4.8	-0.2	2.8	0.1	2.4	2.2	6.0
Eritrea	496	592	..	-0.3	..	-2.9	..	14.2	..	10.7
Estonia	2,539	3,727	..	1.2	..	2.5	..	4.4	..	1.8
Ethiopia	6,382	4,756	0.7	5.6	-2.4	3.2	4.0	9.5	4.9	5.8
Finland	68,341	66,204	3.9	2.1	3.4	1.8	3.2	1.1	3.3	1.8
France	672,960	784,209	2.2	1.6	1.7	1.2	2.6	1.9	3.3	2.0
Gabon <sup>a</sup>	2,961	3,040	1.5	2.1	-1.6	-0.6	-0.6	4.0	-5.7	3.2
Gambia, The	240	296	-2.4	5.3	-5.9	1.8	1.7	0.5	0.0	2.6
Georgia	5,231	2,799	..	4.6	..	5.0	..	4.3	..	-8.3
Germany	950,047	1,168,773	2.3	1.6	2.2	1.3	1.5	1.5	1.8	0.4
Ghana	5,016	5,093	2.8	1.3	-0.6	-1.1	2.4	4.7	3.3	1.1
Greece	60,164	89,446	2.0	2.4	1.5	2.0	1.1	1.6	-0.7	4.5
Guatemala <sup>a</sup>	6,398	19,794	1.1	4.1	-1.4	1.4	2.6	5.3	-1.8	6.3
Guinea	2,068	2,625	..	3.6	..	1.1	..	4.3	..	2.3
Guinea-Bissau	212	213	0.8	1.5	-1.9	-1.4	7.2	2.1	12.9	-12.3
Haiti	2,332	3,334	0.9	..	..	..	-4.4	..	-0.6	8.7

# Growth of consumption and investment

	Household final consumption expenditure						General government final consumption expenditure		Gross capital formation	
	\$ millions		average annual % growth		Per capita average annual % growth		average annual % growth		average annual % growth	
	1990	2002	1980-90	1990-2002	1980-90	1990-2002	1980-90	1990-2002	1980-90	1990-2002
Honduras <sup>a</sup>	2,026	4,858	2.7	3.1	-0.5	0.3	3.3	3.7	2.9	5.2
Hungary	20,290	42,860	1.3	0.9	1.7	1.1	1.9	1.5	-0.9	7.6
India	215,762	328,706	4.2	4.9	2.0	3.1	7.3	6.4	6.2	6.9
Indonesia	65,010	122,193	5.3	5.8	3.4	4.3	4.6	0.9	7.7	-2.1
Iran, Islamic Rep.	74,476	54,403	2.8	3.3	-0.6	1.7	-5.0	4.3	-2.5	4.6
Iraq	..	..	..	..	..	..	..	..	..	..
Ireland	27,957	47,973	2.2	5.7	1.9	4.8	-0.3	4.6	-0.4	9.8
Israel	32,112	61,552	..	4.2	..	1.7	..	3.0	..	-1.5
Italy	634,194	713,186	2.9	1.7	2.8	1.5	2.9	0.4	2.1	1.8
Jamaica	2,980	5,859	..	..	..	..	..	..	..	..
Japan	1,618,040	2,282,911	3.6	1.5	3.0	1.2	3.6	3.0	5.5	-0.1
Jordan	2,978	7,622	1.9	5.2	-1.9	1.4	1.9	4.1	-1.9	0.3
Kazakhstan <sup>a</sup>	12,856	14,392	..	-5.5	..	-4.6	..	-4.5	..	-11.8
Kenya	5,320	8,819	4.7	2.2	1.2	-0.3	2.6	7.5	0.4	2.9
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	132,113	286,818	7.9	4.9	6.7	4.0	5.2	2.6	12.0	1.3
Kuwait	10,459	19,720	-1.4	..	..	..	2.2	..	-4.5	..
Kyrgyz Republic	1,896	1,083	..	-4.7	..	-5.6	..	-6.5	..	-2.2
Lao PDR	..	..	..	..	..	..	..	..	..	..
Latvia	3,365	5,274	2.3	-1.6	1.8	-0.4	5.0	1.8	3.4	-6.5
Lebanon	3,961	16,921	..	2.4	..	0.7	..	5.7	..	4.1
Lesotho	746	585	1.3	-0.4	-0.8	-1.5	3.6	6.7	5.0	1.0
Liberia	..	..	..	..	..	..	..	..	..	..
Libya	13,999	10,970	..	..	..	..	..	..	..	..
Lithuania <sup>a</sup>	5,826	8,577	..	4.9	..	5.6	..	1.6	..	9.3
Macedonia, FYR	3,021	2,924	..	2.1	..	1.4	..	1.5	..	1.5
Madagascar	2,663	3,703	-0.7	2.3	-3.4	-0.6	0.5	0.6	4.9	4.0
Malawi	1,345	1,665	1.5	4.9	-1.7	2.9	6.3	-1.5	-2.8	-13.7
Malaysia	22,806	41,971	3.3	4.9	0.4	2.4	2.7	5.6	3.1	3.5
Mali	1,943	2,230	0.6	3.2	-1.9	0.7	7.9	5.5	3.6	3.5
Mauritania	705	762	1.4	3.9	-0.9	1.1	-3.8	2.0	6.9	9.1
Mauritius	1,519	2,983	6.2	4.8	5.3	3.6	3.3	4.8	10.3	4.0
Mexico	182,791	445,791	1.1	2.8	-1.0	1.1	2.4	1.6	-3.3	4.6
Moldova <sup>a</sup>	1,780	1,403	..	8.6	..	8.9	..	-9.2	..	-12.0
Mongolia <sup>a</sup>	..	744	..	..	..	..	..	..	..	..
Morocco	16,833	23,952	4.3	2.7	2.0	0.9	2.1	3.6	1.2	3.9
Mozambique <sup>a</sup>	2,481	2,124	-1.6	1.5	-3.1	-0.7	-1.1	6.2	3.8	14.0
Myanmar	..	..	0.6	3.9	..	..	..	..	-4.1	15.3
Namibia	1,204	1,377	1.3	5.1	-1.9	2.2	3.7	3.0	-3.2	6.5
Nepal	3,060	4,336	..	..	..	..	..	..	..	..
Netherlands	145,871	209,068	1.7	2.8	1.1	2.2	2.2	2.1	3.3	2.8
New Zealand	26,632	34,955	2.1	3.1	1.2	2.0	1.6	2.6	3.0	5.1
Nicaragua <sup>a</sup>	592	3,123	-3.6	6.1	-6.2	3.2	3.4	-2.6	-4.8	12.6
Niger	2,079	1,814	0.0	1.8	-3.1	-1.7	4.4	0.8	-7.1	4.0
Nigeria	15,816	24,135	-2.6	0.2	-5.5	-2.7	-3.5	-1.8	-8.5	5.4
Norway	57,047	73,067	2.2	3.5	1.9	2.9	2.4	2.7	0.9	4.5
Oman	2,810	8,752	..	..	..	..	..	..	25.5	..
Pakistan	29,512	43,936	4.3	4.4	1.6	1.8	10.3	0.8	5.8	1.4
Panama <sup>a</sup>	3,022	5,673	2.1	4.1	-0.0	2.4	1.2	2.6	-8.9	8.0
Papua New Guinea	1,902	..	0.4	5.2	-2.1	2.6	-0.1	2.2	-0.9	1.3
Paraguay	4,063	4,649	2.4	3.2	-0.5	0.8	1.5	4.0	-0.8	-1.6
Peru <sup>a</sup>	19,376	40,717	0.7	3.6	-1.5	1.7	-0.9	4.6	-3.8	4.9
Philippines	31,566	53,307	2.6	3.7	0.2	1.4	0.6	3.3	-2.1	3.7
Poland <sup>a</sup>	28,281	123,535	..	4.8	..	4.7	..	3.1	..	8.5
Portugal	44,679	67,078	2.6	2.8	2.4	2.5	5.0	2.9	3.0	5.4
Puerto Rico	19,827	..	3.5	..	..	..	5.1	..	6.9	..





# 4.10

## Growth of consumption and investment

	Household final consumption expenditure						General government final consumption expenditure		Gross capital formation	
	\$ millions		average annual % growth		Per capita average annual % growth		average annual % growth		average annual % growth	
	1990	2002	1980-90	1990-2002	1980-90	1990-2002	1980-90	1990-2002	1980-90	1990-2002
Romania <sup>a</sup>	25,232	34,785	..	1.9	..	2.2	..	0.7	..	-2.7
Russian Federation	252,561	177,362	..	0.3	..	0.5	..	-1.5	..	-13.6
Rwanda <sup>a</sup>	2,162	1,503	1.2	2.2	-1.8	0.8	5.2	0.7	4.3	2.7
Saudi Arabia	54,508	69,666	..	..	..	..	..	..	..	..
Senegal	4,353	3,820	2.1	2.9	-0.8	0.2	3.3	4.1	5.2	8.0
Serbia and Montenegro	..	13,915	..	..	..	..	..	..	..	..
Sierra Leone	546	728	-2.7	-5.2	-4.7	-7.3	-4.7	3.2	44.9	2.7
Singapore	17,019	37,360	5.8	5.5	3.9	2.6	6.6	9.3	3.1	4.5
Slovak Republic	8,350	13,133	3.8	1.8	3.5	1.6	4.8	1.4	0.0	5.8
Slovenia	6,917	11,697	..	3.5	..	3.5	..	3.9	..	9.3
Somalia	..	..	1.3	..	..	..	7.0	..	-2.6	..
South Africa	64,251	64,741	2.4	2.7	-0.2	0.5	3.5	0.7	-5.3	3.1
Spain	306,953	378,319	2.6	2.5	2.3	2.0	4.9	3.0	5.9	3.4
Sri Lanka <sup>a</sup>	6,143	12,736	4.0	4.7	2.9	3.4	7.3	10.9	0.6	5.3
Sudan	..	8,339	0.0	..	..	..	-0.5	..	-1.8	10.8
Swaziland <sup>a</sup>	547	883	5.3	3.5	2.1	0.4	1.4	3.4	-0.4	1.5
Sweden	116,475	116,993	2.2	1.6	1.9	1.3	1.6	0.5	4.7	2.0
Switzerland	130,900	149,886	1.6	1.1	1.1	0.5	3.1	1.0	3.9	1.0
Syrian Arab Republic	8,458	12,289	3.6	2.0	0.2	-0.8	-3.6	0.3	-5.3	2.1
Tajikistan	1,940	932	..	0.9	..	-0.3	4.1	-11.2	-4.3	-10.1
Tanzania <sup>b</sup>	3,526	7,365	..	3.5	..	0.7	..	1.2	..	-0.3
Thailand	48,270	71,743	5.9	3.3	4.1	2.5	4.2	4.5	9.5	-4.1
Togo	1,158	1,184	4.7	3.6	1.3	0.8	-1.2	-2.1	2.7	1.3
Trinidad and Tobago	2,975	6,424	-1.3	2.0	-2.5	1.5	-1.7	1.3	-6.3	8.4
Tunisia	7,152	13,152	2.9	4.5	0.3	2.9	3.8	4.2	-1.8	3.7
Turkey	103,324	130,631	..	3.1	..	1.2	..	4.4	..	1.4
Turkmenistan	1,616	2,918	..	..	..	..	..	..	..	4.3
Uganda	4,002	4,528	2.6	6.0	-0.6	3.0	2.0	7.1	8.0	8.1
Ukraine	46,497	23,251	..	-4.7	..	-4.1	..	-3.1	..	-13.9
United Arab Emirates	12,726	..	4.6	..	..	..	-3.9	..	-8.7	..
United Kingdom	619,782	1,034,301	4.0	3.3	3.8	3.1	0.8	1.4	6.4	3.7
United States	3,831,500	7,303,700	3.8	3.5	2.9	2.3	3.3	1.3	4.0	6.2
Uruguay <sup>a</sup>	6,525	8,836	0.7	3.2	0.1	2.5	1.8	1.5	-6.6	2.3
Uzbekistan	8,204	4,569	..	..	..	..	..	..	..	0.1
Venezuela, RB	30,170	60,977	1.3	0.4	-1.2	-1.7	2.0	0.4	-5.3	2.3
Vietnam	5,485	22,780	..	5.0	..	3.6	..	3.4	..	17.2
West Bank and Gaza	..	2,756	..	-1.0	..	-5.1	..	13.6	..	-22.7
Yemen, Rep.	3,561	6,882	..	3.6	..	0.3	..	2.2	..	7.5
Zambia	2,078	3,110	1.8	-2.3	-1.3	-4.5	-3.4	-6.5	-4.3	6.4
Zimbabwe	5,543	6,020	3.7	0.4	-0.0	-1.5	4.7	-2.9	3.6	-6.2
<b>World</b>	<b>12,863,243 t</b>	<b>20,040,617 t</b>	<b>3.3 w</b>	<b>2.8 w</b>	<b>1.5 w</b>	<b>1.4 w</b>	<b>3.0 w</b>	<b>1.9 w</b>	<b>3.9 w</b>	<b>2.5 w</b>
<b>Low income</b>	513,634	757,325	3.4	4.4	1.0	2.4	5.2	3.8	4.7	4.2
<b>Middle income</b>	1,879,875	2,964,278	2.4	3.5	0.8	2.3	..	2.1	1.6	1.3
Lower middle income	1,323,786	1,913,292	3.3	3.8	1.6	2.7	5.5	2.2	3.4	0.3
Upper middle income	558,438	1,046,796	..	2.6	..	1.3	..	2.0	-2.5	4.5
<b>Low &amp; middle income</b>	2,389,174	3,715,003	2.9	3.7	0.9	2.1	5.3	2.3	2.1	1.7
East Asia & Pacific	361,814	932,055	6.4	6.7	4.7	5.5	6.3	6.8	8.4	6.9
Europe & Central Asia	604,731	689,168	..	1.2	..	1.1	..	-0.3	..	-6.6
Latin America & Carib.	722,234	1,098,409	1.3	3.4	-0.7	1.7	5.6	1.1	-0.3	2.6
Middle East & N. Africa	238,847	361,722	..	..	..	..	..	..	..	..
South Asia	283,645	432,695	4.1	4.6	1.8	2.7	7.6	5.8	6.0	6.5
Sub-Saharan Africa	186,935	203,372	1.5	2.6	-1.3	0.1	2.7	1.4	-3.8	3.4
<b>High income</b>	10,474,011	16,329,652	3.3	2.6	2.7	1.9	2.8	1.8	4.2	2.7
Europe EMU	3,115,871	3,795,770	2.4	1.9	2.1	1.5	2.3	1.7	2.6	1.8

a. Household final consumption expenditure includes statistical discrepancy. b. Data cover mainland Tanzania only.



**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.) Several 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 the 1968 System of National Accounts), 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.)

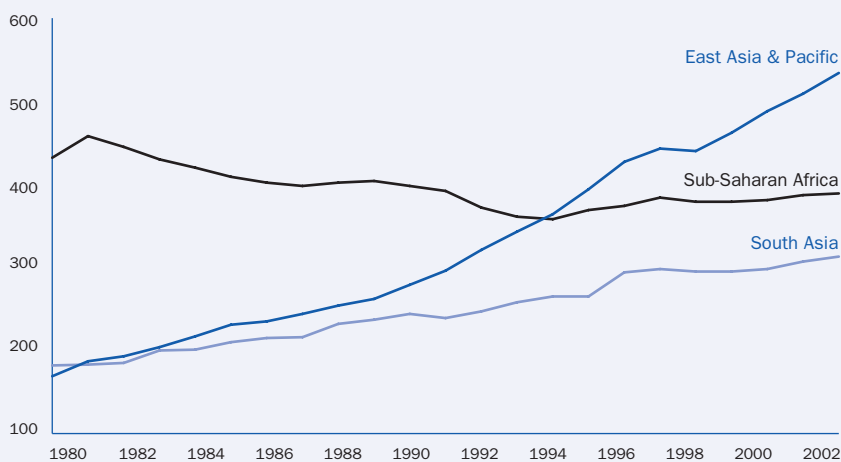
To obtain government consumption in constant prices, countries may deflate current values by applying a wage (price) index or extrapolate from the change in government employment. Neither technique captures improvements in productivity or changes in the quality of government services. Deflators for household consumption are usually calculated on the basis of the consumer price index. Many countries estimate household consumption as a residual that includes statistical discrepancies associated with the estimation of other expenditure items, including changes in inventories; thus these estimates lack detailed breakdowns of household consumption 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. *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 potentially have wider public use and are part of government capital formation. • **Gross capital formation** consists of outlays on additions to the fixed assets of the economy, net changes in the level of inventories, and net acquisitions of valuables. 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.”

**4.10a****Per capita consumption has risen in Asia, fallen in Africa**

Per capita household consumption (1995 \$)



Starting from slightly lower per capita household consumption in 1980 than South Asia, East Asia and Pacific has raised consumption dramatically and lowered poverty. In Sub-Saharan Africa, by contrast, which had per capita household consumption of well more than twice that in East and South Asia in 1980, per capita household consumption has fallen below that of East Asia and Pacific.

Source: World Bank data files.

**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 data files of the Organisation for Economic Co-operation and Development (see the OECD's *National Accounts of OECD Countries, Detailed Tables, 1970–2001*, 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*.



	Current revenue <sup>a</sup>		Total expenditure		Overall budget balance (including grants)		Financing from abroad		Domestic financing		Debt and interest payments	
	% of GDP		% of GDP		% of GDP		% of GDP		% of GDP		Total debt	Interest % of current revenue
	1990	2001	1990	2001	1990	2001	1990	2001	1990	2001	2001	2001
Afghanistan	..	..	..	..	..	..	..	..	..	..	..	..
Albania	..	..	..	..	..	..	..	..	..	..	..	..
Algeria	..	35.5	..	31.2	..	4.0	..	-2.6	..	-1.4	50.4	9.8
Angola	..	..	..	..	..	..	..	..	..	..	..	..
Argentina	10.4	13.8	10.6	17.1	-0.4	-3.3	0.2	4.2	0.2	-0.9	..	27.5
Armenia	..	..	..	..	..	..	..	..	..	..	..	..
Australia	24.9	23.9	23.2	23.5	2.0	1.4	0.2	-0.5	-2.2	-0.9	15.4	5.3
Austria	34.0	37.2	37.6	40.3	-4.4	..	0.5	..	3.9	..	62.3	8.9
Azerbaijan	..	17.6	..	22.6	..	-2.5	..	..	..	..	..	2.5
Bangladesh	..	9.3	..	12.7	..	-2.8	..	0.1	..	2.7	40.1	15.7
Belarus	30.9	28.5	37.3	29.6	-4.8	-1.4	2.7	-0.1	2.4	1.5	11.4	2.5
Belgium	42.7	..	47.9	..	-5.5	..	-0.3	..	5.8	..	..	..
Benin	..	..	..	..	..	..	..	..	..	..	..	..
Bolivia	13.7	17.1	16.4	26.6	-1.7	-6.7	0.7	2.0	1.0	4.7	69.3	12.2
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..	..	..
Botswana	50.8	..	33.6	..	11.2	..	0.0	..	-11.3	..	..	..
Brazil	22.8	..	34.9	..	-5.8	..	..	..	..	..	..	..
Bulgaria	47.1	33.0	55.1	34.4	-8.3	1.9	-0.8	-0.2	9.1	-1.7	..	11.2
Burkina Faso	9.7	..	13.3	..	-1.2	..	..	..	..	..	..	..
Burundi	18.2	17.9	28.7	26.1	-3.3	-4.7	4.9	3.3	-1.6	1.5	183.9	13.2
Cambodia	..	..	..	..	..	..	..	..	..	..	..	..
Cameroon	15.4	15.7	21.2	15.5	-5.9	0.1	5.2	0.2	1.2	-0.3	102.3	19.2
Canada	21.5	21.1	26.1	19.8	-4.8	1.3	0.2	0.6	4.6	-1.9	58.5	12.4
Central African Republic	..	..	..	..	..	..	..	..	..	..	..	..
Chad	6.7	..	21.8	..	-4.7	..	5.0	..	-0.3	..	..	..
Chile	20.6	22.8	20.4	23.1	0.8	-0.3	..	0.7	..	-0.4	15.6	2.1
China	6.3	7.2	10.1	10.9	-1.9	-2.9	0.8	-0.1	1.1	3.0	12.7	..
Hong Kong, China	..	..	..	..	..	..	..	..	..	..	..	..
Colombia	12.6	12.4	11.6	18.8	3.9	-7.0	..	2.1	..	4.9	29.3	26.8
Congo, Dem. Rep.	10.1	0.0	18.8	0.1	-6.5	-0.0	0.0	0.0	6.5	0.0	..	..
Congo, Rep.	22.5	31.2	35.6	25.7	-14.1	5.8	..	2.0	..	-3.1	160.6	19.3
Costa Rica	23.0	22.2	25.6	23.6	-3.1	-1.2	0.3	1.4	2.8	-0.2	38.4	17.9
Côte d'Ivoire	22.0	17.0	24.5	16.5	-2.9	0.9	4.0	0.2	0.4	-1.1	102.5	19.5
Croatia	33.0	40.2	37.6	45.3	-4.6	-2.5	0.0	1.4	4.7	1.1	..	5.0
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	33.5	..	38.2	..	-1.9	..	-0.2	..	2.1	16.7	2.7
Denmark	37.8	36.6	39.0	35.4	-0.7	1.6	..	..	..	..	..	10.8
Dominican Republic	12.0	16.9	11.7	16.0	0.6	1.0	-0.0	-1.0	-0.6	-0.0	20.7	4.5
Ecuador	18.7	..	15.0	..	3.8	..	..	..	..	..	..	..
Egypt, Arab Rep.	23.0	..	27.8	..	-5.7	..	-0.7	..	6.4	..	..	..
El Salvador	..	2.0	..	2.5	..	-0.3	..	0.4	..	-0.1	3.6	8.0
Eritrea	..	..	..	..	..	..	..	..	..	..	..	..
Estonia	26.2	29.9	23.7	29.9	0.4	2.5	0.0	-0.3	-0.4	-2.2	2.6	0.6
Ethiopia	17.3	19.0	27.1	26.6	-9.8	-5.0	2.8	2.8	7.0	2.2	101.4	10.8
Finland	30.5	..	30.2	..	0.2	..	0.7	..	-0.8	..	..	..
France	39.7	..	41.8	..	-2.1	..	1.1	..	1.0	..	..	..
Gabon	20.6	..	20.2	..	3.2	..	2.7	..	-5.8	..	..	..
Gambia, The	19.4	..	23.6	..	-0.8	..	..	..	..	..	..	..
Georgia	..	10.4	..	10.9	..	0.1	..	-0.2	..	0.0	67.0	16.6
Germany	25.9	..	26.5	..	-1.5	..	0.5	0.6	1.0	-0.1	20.0	..
Ghana	12.5	..	13.2	..	0.2	..	1.3	..	-1.5	..	..	..
Greece	27.8	..	52.2	..	-22.9	..	1.6	..	21.3	..	..	..
Guatemala	..	..	..	..	..	..	..	..	..	..	..	..
Guinea	16.0	11.7	22.9	21.0	-3.3	-2.4	4.1	2.3	-0.8	0.2	..	37.1
Guinea-Bissau	..	..	..	..	..	..	..	..	..	..	..	..
Haiti	..	7.9	..	10.5	..	-2.3	..	-0.2	..	2.5	..	6.1

# Central government finances

**4.11** ECONOMY

	Current revenue <sup>a</sup>		Total expenditure		Overall budget balance (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	2001	1990	2001	1990	2001	1990	2001	1990	2001	2001	2001
Honduras	..	..	..	..	..	..	..	..	..	..	..	..
Hungary	52.9	37.1	52.1	41.5	0.8	-3.8	-0.5	3.3	-0.3	0.5	53.1	12.9
India	12.6	13.0	16.3	17.3	-7.6	-4.7	0.6	0.1	7.1	4.6	57.7	37.1
Indonesia	18.8	21.2	18.4	24.8	0.4	-1.2	0.7	0.5	-1.1	0.7	45.2	21.6
Iran, Islamic Rep.	18.1	21.0	19.9	21.9	-1.8	-0.6	-0.0	0.1	1.8	0.5	..	0.7
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	33.6	..	37.7	..	-2.4	..	..	..	..	..	..	..
Israel	39.4	41.2	50.7	47.3	-5.3	-3.6	0.8	-0.1	4.6	3.7	99.1	12.9
Italy	38.2	41.3	47.4	41.9	-10.2	-1.6	..	..	..	..	..	15.5
Jamaica	26.6	33.9	24.3	38.8	3.6	-2.7	..	..	..	..	142.5	43.5
Japan	14.0	..	15.3	..	-1.5	..	..	..	..	..	..	..
Jordan	26.1	25.1	35.8	32.4	-3.5	-2.5	3.0	0.2	0.5	2.3	91.9	13.3
Kazakhstan	..	11.4	..	14.6	..	-0.4	..	0.3	..	0.1	17.7	10.0
Kenya	22.4	..	27.5	..	-3.8	..	1.3	..	4.5	..	..	..
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	17.5	..	16.2	..	-0.7	..	-0.2	..	0.9	..	..	..
Kuwait	58.7	34.5	55.3	44.2	..	-9.7	..	..	..	..	..	4.0
Kyrgyz Republic	..	16.1	..	17.7	..	0.4	..	..	..	..	99.3	8.8
Lao PDR	..	..	..	..	..	..	..	..	..	..	..	..
Latvia	..	25.8	..	29.1	..	-1.4	..	2.2	..	-0.8	14.8	3.9
Lebanon	..	19.5	..	35.7	..	-16.2	..	8.1	..	8.1	135.2	74.4
Lesotho	39.4	..	51.7	..	-1.1	..	8.0	..	-6.9	..	..	..
Liberia	..	..	..	..	..	..	..	..	..	..	..	..
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania	31.9	24.7	28.9	26.6	1.4	-0.4	..	1.0	..	-0.6	23.2	6.3
Macedonia, FYR	..	..	..	..	..	..	..	..	..	..	..	..
Madagascar	11.6	11.7	16.0	17.1	-1.1	-2.4	2.1	1.7	-1.2	0.5	..	12.1
Malawi	19.8	..	25.4	..	-1.6	..	..	..	..	..	..	..
Malaysia	26.4	..	29.3	..	-2.0	..	-0.7	..	2.8	..	..	..
Mali	..	..	..	..	..	..	..	..	..	..	..	..
Mauritania	..	..	..	..	..	..	..	..	..	..	..	..
Mauritius	24.3	20.3	24.3	24.5	-0.4	0.9	-0.5	-2.9	0.9	1.9	32.5	13.6
Mexico	15.3	14.8	17.9	15.9	-2.5	-1.3	0.3	-0.9	2.3	2.1	23.2	14.0
Moldova	..	21.3	..	22.8	..	1.1	..	-2.7	..	1.6	60.9	19.7
Mongolia	19.6	30.7	23.1	30.7	-6.4	-4.0	7.5	6.3	-1.1	-2.3	83.5	4.6
Morocco	26.4	29.6	28.8	32.5	-2.2	-2.5	3.9	-1.5	-1.6	4.0	72.8	16.5
Mozambique	..	..	..	..	..	..	..	..	..	..	..	..
Myanmar	10.5	5.3	16.0	8.7	-5.1	-3.4	0.0	-0.0	5.1	3.4	..	..
Namibia	31.3	32.4	33.3	35.9	-1.2	-3.5	..	..	..	..	..	7.0
Nepal	8.4	11.2	17.2	18.0	-6.8	-4.5	5.4	1.8	1.4	2.7	63.8	10.2
Netherlands	45.3	..	49.8	..	-4.3	..	-0.3	..	4.6	..	..	..
New Zealand	42.1	29.7	43.4	29.1	4.0	0.3	..	..	..	..	30.4	6.9
Nicaragua	33.5	18.0	72.0	27.3	-35.6	-6.3	12.7	3.3	22.9	0.5	..	13.4
Niger	..	..	..	..	..	..	..	..	..	..	..	..
Nigeria	..	..	..	..	..	..	..	..	..	..	..	..
Norway	42.2	40.1	41.1	35.4	0.5	-3.8	-0.6	3.7	0.0	0.1	19.9	3.8
Oman	38.9	27.0	39.5	29.9	-0.8	-4.2	-3.9	3.1	4.7	1.1	19.9	4.6
Pakistan	19.1	15.6	22.4	21.6	-5.4	-4.7	2.3	2.2	3.1	2.5	90.0	58.4
Panama	25.6	22.5	23.7	23.5	3.0	0.3	-3.4	1.4	0.4	-1.7	..	20.7
Papua New Guinea	25.2	23.0	34.7	31.4	-3.5	-2.8	0.4	1.7	3.0	1.0	63.9	19.0
Paraguay	12.3	17.2	9.4	18.5	2.9	-0.8	-0.9	..	-2.1	..	..	7.5
Peru	12.5	15.8	20.6	18.5	-8.1	-1.8	5.4	1.1	2.7	0.8	44.3	13.6
Philippines	16.2	15.3	19.6	19.2	-3.5	-4.0	0.4	0.6	3.1	3.4	64.9	31.2
Poland	..	29.6	..	35.1	..	-4.3	..	-1.5	..	5.7	38.8	9.5
Portugal	31.3	..	37.6	..	-4.4	..	-1.3	..	5.7	..	..	..
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..



# 4.11

## Central government finances

	Current revenue <sup>a</sup>		Total expenditure		Overall budget balance (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	2001	1990	2001	1990	2001	1990	2001	1990	2001	2001	2001
Romania	34.4	26.7	33.8	30.4	0.9	-3.0	0.0	0.8	-0.9	2.2	..	11.5
Russian Federation	..	26.8	..	24.4	..	3.4	..	-2.6	..	-0.9	48.8	9.5
Rwanda	10.8	..	18.9	..	-5.3	..	2.5	..	2.8	..	..	..
Saudi Arabia	..	..	..	..	..	..	..	..	..	..	..	..
Senegal	..	17.8	..	21.8	..	-2.0	..	1.6	..	0.4	72.8	5.0
Serbia and Montenegro	..	..	..	..	..	..	..	..	..	..	..	..
Sierra Leone	5.6	7.1	8.3	20.9	-2.5	-8.5	0.5	1.1	2.0	7.4	247.4	81.8
Singapore	26.7	24.9	21.3	22.2	10.8	5.2	-0.1	0.0	-10.6	-5.2	99.4	1.3
Slovak Republic	..	33.3	..	39.1	..	-3.2	..	0.8	..	2.4	42.2	9.3
Slovenia	39.8	37.4	38.6	38.9	0.3	-1.0	0.1	0.4	-0.4	0.6	26.4	4.1
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	26.3	27.7	30.1	28.8	-4.1	-1.0	-0.0	3.4	4.1	-2.4	46.8	17.5
Spain	29.3	..	32.6	..	-3.1	..	0.7	..	2.4	..	..	..
Sri Lanka	21.0	16.4	28.4	26.1	-7.8	-9.8	3.6	1.0	4.2	8.8	103.1	40.8
Sudan	..	8.0	..	8.5	..	-0.9	..	0.1	..	0.8	8.7	9.4
Swaziland	32.7	28.1	25.5	30.1	0.0	-0.9	-0.2	-0.6	0.2	1.5	28.7	2.0
Sweden	41.3	38.0	38.1	37.9	0.9	0.1	-0.3	-5.3	-0.7	5.2	..	11.4
Switzerland	20.8	25.3	23.3	26.6	-0.9	2.9	0.0	0.0	0.9	-2.9	26.7	3.6
Syrian Arab Republic	21.9	23.9	21.8	23.2	0.3	0.7	..	2.1	..	-2.8	..	..
Tajikistan	..	11.5	..	11.6	..	0.1	..	0.2	..	-0.2	81.4	4.8
Tanzania	..	..	..	..	..	..	..	..	..	..	..	..
Thailand	18.5	17.5	14.1	19.7	4.6	-2.8	-1.5	0.4	-3.1	2.4	29.8	7.1
Togo	..	..	..	..	..	..	..	..	..	..	..	..
Trinidad and Tobago	..	..	..	..	..	..	..	..	..	..	..	..
Tunisia	30.7	28.6	34.6	32.0	-5.4	-2.6	1.8	0.7	3.6	1.8	62.6	11.4
Turkey	13.7	29.1	17.4	49.5	-3.0	-19.6	-0.0	-1.9	3.0	21.5	99.9	85.1
Turkmenistan	..	..	..	..	..	..	..	..	..	..	..	..
Uganda	..	10.9	..	21.4	..	-2.2	..	3.3	..	-1.2	39.6	10.7
Ukraine	..	26.6	..	28.9	..	-0.9	..	0.2	..	0.7	36.5	7.2
United Arab Emirates	1.6	3.4	11.5	9.9	0.4	0.0	0.0	0.0	-0.4	-0.0	..	..
United Kingdom	36.0	36.0	37.5	35.9	0.6	0.0	0.2	-0.4	-0.8	0.3	..	7.7
United States	18.9	20.8	22.7	19.5	-3.8	1.3	0.2	-0.5	3.6	-0.8	32.6	10.8
Uruguay	23.8	25.1	23.3	31.2	0.3	-4.6	1.4	3.0	-1.7	1.6	..	9.7
Uzbekistan	..	..	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	23.7	21.2	20.7	25.1	0.0	-4.3	1.0	0.3	-1.0	4.0	..	13.4
Vietnam	..	20.1	..	24.3	..	-2.9	..	1.0	..	1.9	..	4.3
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	18.9	23.9	27.8	26.7	-8.8	-3.5	3.2	1.3	5.6	2.2	..	9.8
Zambia	..	..	..	..	..	..	..	..	..	..	..	..
Zimbabwe	24.1	..	27.3	..	-5.3	..	0.9	..	4.4	..	..	..
<b>World</b>	<b>22.3 w</b>	<b>.. w</b>	<b>25.3 w</b>	<b>.. w</b>	<b>-2.8 w</b>	<b>.. w</b>	<b>0.2 m</b>	<b>1.1 m</b>	<b>0.9 m</b>	<b>0.8 m</b>	<b>.. m</b>	<b>11.3 m</b>
<b>Low income</b>	14.4	16.0	17.1	20.1	-4.8	-3.3	..	..	..	..	..	..
<b>Middle income</b>	16.8	17.7	21.4	21.3	-2.7	-3.2	..	0.1	0.5	1.0	34.7	9.8
Lower middle income	16.9	..	23.0	..	-3.2	..	..	0.4	1.1	1.2	53.9	11.4
Upper middle income	16.3	20.0	17.1	22.3	-1.1	-1.6	..	1.0	0.2	1.1	23.4	9.3
<b>Low &amp; middle income</b>	16.4	17.1	20.7	20.6	-3.0	-3.3	0.3	1.3	0.7	0.9	..	11.8
East Asia & Pacific	11.7	10.8	13.8	15.0	-0.9	-3.7	0.4	1.4	2.8	1.4	52.3	13.9
Europe & Central Asia	..	28.3	..	33.0	..	-3.4	..	..	..	0.6	40.5	9.3
Latin America & Carib.	18.6	..	25.3	..	-3.5	..	0.2	..	0.1	0.5	..	13.4
Middle East & N. Africa	..	..	..	..	..	..	0.9	1.3	2.7	1.7	..	12.2
South Asia	12.9	13.5	16.4	18.3	-7.3	-4.9	2.3	1.4	3.1	3.7	63.8	38.9
Sub-Saharan Africa	21.9	23.6	25.3	25.9	-3.5	-1.6	0.9	..	..	..	..	..
<b>High income</b>	23.5	..	26.2	..	-2.8	..	0.2	..	1.0	..	..	7.5
Europe EMU	33.6	..	37.2	..	-4.0	..	0.5	..	3.1	..	..	..

a. Excluding grants.

## 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 non-financial public enterprises and public financial institutions (such as the central bank).

A second edition of the *Manual on Government Finance Statistics*, harmonized with the 1993 System of National Accounts, was released in 2001. The new manual recommends an accrual accounting method instead of the earlier cash-based method. However, most countries still follow the previous manual.

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 sub-national 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 national 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 not comparable across countries.

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.

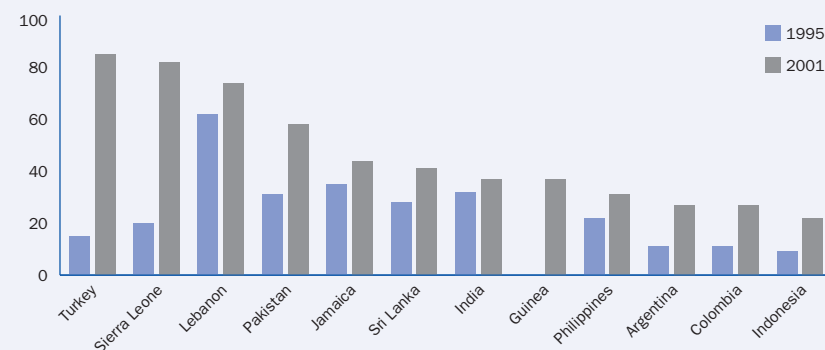
## Definitions

- **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 balance** 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.

## 4.11a

### Some developing economies spend a large part of their current revenue on interest payments

Central government interest payments as share of current revenue (%)



Note: 2001 data refer to the most recent year for which data are available in 1998–2001. No data are available for Guinea for 1995.

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

## Data sources

The data on central government finances are from the IMF's *Government Finance Statistics Yearbook, 2003* 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 <sup>a</sup>		Interest payments		Subsidies and other current transfers		Capital expenditure	
	% of total expenditure		% of total expenditure		% of total expenditure		% of total expenditure		% of total expenditure	
	1990	2001	1990	2001	1990	2001	1990	2001	1990	2001
Afghanistan	..	..	..	..	..	..	..	..	..	..
Albania	..	..	..	..	..	..	..	..	..	..
Algeria	..	28	..	20	..	11	..	34	..	27
Angola	..	..	..	..	..	..	..	..	..	..
Argentina	30	18	23	14	8	22	57	54	5	5
Armenia	..	..	..	..	..	..	..	..	..	..
Australia	27	..	2	..	8	5	56	..	9	..
Austria	25	25	10	10	9	8	57	61	9	5
Azerbaijan	..	31	..	11	..	2	..	50	..	17
Bangladesh	..	27	..	18	..	11	..	25	..	23
Belarus	37	24	2	11	2	2	46	61	16	13
Belgium	19	..	14	..	21	..	56	..	5	..
Benin	..	..	..	..	..	..	..	..	..	..
Bolivia	63	41	36	24	6	8	16	37	15	14
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..
Botswana	51	..	23	..	2	..	25	..	21	..
Brazil	16	..	9	..	78	..	39	..	2	..
Bulgaria	35	28	3	8	10	11	52	51	3	11
Burkina Faso	60	..	51	..	6	..	11	..	23	..
Burundi	34	50	22	30	5	9	10	11	51	23
Cambodia	..	..	..	..	..	..	..	..	..	..
Cameroon	51	52	39	32	5	19	13	15	26	14
Canada	21	19	9	9	20	13	57	66	2	2
Central African Republic	..	..	..	..	..	..	..	..	..	..
Chad	41	..	28	..	2	..	3	..	56	..
Chile	28	27	18	19	10	2	51	56	11	15
China	..	..	..	..	..	..	..	..	..	..
Hong Kong, China	..	..	..	..	..	..	..	..	..	..
Colombia	26	19	18	14	10	18	42	41	22	22
Congo, Dem. Rep.	73	47	23	17	7	0	4	35	16	18
Congo, Rep.	56	32	49	20	22	23	20	8	2	37
Costa Rica	57	48	43	37	12	17	20	27	11	8
Côte d'Ivoire	..	56	..	35	..	20	..	12	..	11
Croatia	54	44	22	24	0	4	42	46	3	6
Cuba	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	14	..	7	..	2	..	75	..	9
Denmark	20	22	12	13	15	11	61	64	3	3
Dominican Republic	39	53	29	41	4	5	13	16	44	22
Ecuador	42	..	38	..	23	..	16	..	18	..
Egypt, Arab Rep.	42	..	23	..	14	..	26	..	17	..
El Salvador	..	62	..	37	..	6	..	15	..	22
Eritrea	..	..	..	..	..	..	..	..	..	..
Estonia	25	40	8	9	0	1	73	54	8	6
Ethiopia	77	52	40	18	5	8	9	31	16	19
Finland	20	..	10	..	3	..	70	..	7	..
France	26	..	17	..	5	..	63	..	6	..
Gabon	63	..	37	..	0	..	6	..	32	..
Gambia, The	41	..	21	..	16	..	9	..	34	..
Georgia	..	36	..	11	..	16	..	48	..	1
Germany	32	..	8	..	5	..	58	..	5	..
Ghana	50	..	32	..	11	..	20	..	19	..
Greece	31	..	21	..	20	..	41	..	8	..
Guatemala	..	..	..	..	..	..	..	..	..	..
Guinea	37	29	18	19	7	21	4	8	53	36
Guinea-Bissau	..	..	..	..	..	..	..	..	..	..
Haiti	..	65	..	42	..	5	..	8	..	22

# Central government expenditures

	Goods and services		Wages and salaries <sup>a</sup>		Interest payments		Subsidies and other current transfers		Capital expenditure	
	% of total expenditure		% of total expenditure		% of total expenditure		% of total expenditure		% of total expenditure	
	1990	2001	1990	2001	1990	2001	1990	2001	1990	2001
Honduras	..	..	..	..	..	..	..	..	..	..
Hungary	27	18	6	9	6	12	64	57	4	13
India	24	22	11	9	22	28	43	41	11	9
Indonesia	23	18	16	8	13	19	21	39	43	24
Iran, Islamic Rep.	53	68	40	52	0	1	22	10	25	21
Iraq	..	..	..	..	..	..	..	..	..	..
Ireland	19	..	14	..	21	..	54	..	7	..
Israel	38	34	14	15	18	11	37	50	6	6
Italy	17	20	13	16	21	15	54	59	8	6
Jamaica	47	51	21	32	29	38	1	0	23	11
Japan	14	..	..	..	19	..	54	..	13	..
Jordan	55	64	44	45	18	10	11	8	16	18
Kazakhstan	..	38	..	8	..	8	..	42	..	12
Kenya	51	..	31	..	19	..	10	..	20	..
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	35	..	13	..	4	..	46	..	15	..
Kuwait	62	58	31	35	0	3	20	26	18	13
Kyrgyz Republic	..	66	..	29	..	8	..	15	..	11
Lao PDR	..	..	..	..	..	..	..	..	..	..
Latvia	..	25	..	12	..	3	..	65	..	6
Lebanon	..	30	..	23	..	41	..	12	..	17
Lesotho	40	..	22	..	11	..	5	..	45	..
Liberia	..	..	..	..	..	..	..	..	..	..
Libya	..	..	..	..	..	..	..	..	..	..
Lithuania	12	46	6	16	..	6	67	39	20	9
Macedonia, FYR	..	..	..	..	..	..	..	..	..	..
Madagascar	37	36	25	23	9	8	9	6	43	38
Malawi	54	..	23	..	14	..	8	..	24	..
Malaysia	41	..	26	..	20	..	16	..	24	..
Mali	..	..	..	..	..	..	..	..	..	..
Mauritania	..	..	..	..	..	..	..	..	..	..
Mauritius	47	44	37	32	15	11	22	28	17	17
Mexico	25	24	18	17	45	13	17	52	14	10
Moldova	..	25	..	12	..	18	..	54	..	3
Mongolia	30	35	7	10	1	5	56	46	13	14
Morocco	48	46	35	36	16	15	8	16	28	22
Mozambique	..	..	..	..	..	..	..	..	..	..
Myanmar	..	..	..	..	..	..	..	..	29	39
Namibia	73	63	46	44	1	6	10	17	15	14
Nepal	..	..	..	..	..	6	..	..	..	..
Netherlands	15	..	9	..	9	..	70	..	6	..
New Zealand	19	53	12	..	15	7	64	37	2	3
Nicaragua	43	33	23	16	0	9	14	24	4	34
Niger	..	..	..	..	..	..	..	..	..	..
Nigeria	..	..	..	..	..	..	..	..	..	..
Norway	19	21	8	8	6	4	69	70	5	5
Oman	76	77	22	27	6	4	7	6	11	13
Pakistan	44	23	..	4	25	42	20	27	12	7
Panama	64	47	49	34	8	20	26	24	2	9
Papua New Guinea	61	56	34	29	11	14	18	24	11	6
Paraguay	54	52	36	46	10	7	19	25	17	16
Peru	30	41	17	19	37	12	25	36	8	12
Philippines	44	49	29	28	34	25	7	18	16	8
Poland	..	16	..	8	..	8	..	72	..	4
Portugal	38	..	27	..	18	..	33	..	12	..
Puerto Rico	..	..	..	..	..	..	..	..	..	..





# 4.12

## Central government expenditures

	Goods and services		Wages and salaries <sup>a</sup>		Interest payments		Subsidies and other current transfers		Capital expenditure	
	% of total expenditure		% of total expenditure		% of total expenditure		% of total expenditure		% of total expenditure	
	1990	2001	1990	2001	1990	2001	1990	2001	1990	2001
Romania	26	33	12	12	0	10	57	45	17	12
Russian Federation	..	37	..	11	..	10	..	44	..	9
Rwanda	53	..	29	..	5	..	16	..	33	..
Saudi Arabia	..	..	..	..	..	..	..	..	..	..
Senegal	..	42	..	24	..	4	..	24	..	29
Serbia and Montenegro	..	..	..	..	..	..	..	..	..	..
Sierra Leone	77	60	35	46	18	28	1	6	8	11
Singapore	51	50	27	24	14	1	12	22	24	26
Slovak Republic	..	25	..	14	..	8	..	55	..	12
Slovenia	40	41	20	23	1	4	52	49	7	7
Somalia	..	..	..	..	..	..	..	..	..	..
South Africa	53	28	23	13	14	17	23	50	10	5
Spain	19	..	13	..	9	..	63	..	9	..
Sri Lanka	33	38	17	21	23	26	23	18	21	18
Sudan	..	74	..	34	..	9	..	7	..	10
Swaziland	62	57	42	32	3	2	11	22	24	19
Sweden	15	18	6	6	11	11	72	69	2	2
Switzerland	31	28	5	4	3	3	61	64	5	5
Syrian Arab Republic	..	..	..	..	..	..	..	..	27	36
Tajikistan	..	44	..	13	..	5	..	35	..	17
Tanzania	..	..	..	..	..	..	..	..	..	..
Thailand	60	55	35	30	13	6	9	17	18	22
Togo	..	..	..	..	..	..	..	..	..	..
Trinidad and Tobago	..	..	..	..	..	..	..	..	..	..
Tunisia	34	41	28	34	10	10	35	25	22	23
Turkey	52	24	38	18	18	50	16	20	13	7
Turkmenistan	..	..	..	..	..	..	..	..	..	..
Uganda	..	30	..	9	..	5	..	17	..	47
Ukraine	..	30	..	13	..	7	..	57	..	6
United Arab Emirates	88	78	33	35	0	0	10	18	1	4
United Kingdom	30	29	13	6	9	8	52	59	10	4
United States	28	21	10	8	15	11	49	63	8	5
Uruguay	35	26	20	15	8	8	50	62	7	4
Uzbekistan	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	31	26	23	19	16	11	37	42	16	21
Vietnam	..	..	..	..	..	4	..	..	..	34
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	64	54	55	39	8	9	6	18	33	17
Zambia	..	..	..	..	..	..	..	..	..	..
Zimbabwe	56	..	37	..	16	..	18	..	10	..
<b>World</b>	<b>39 m</b>	<b>37 m</b>	<b>23 m</b>	<b>18 m</b>	<b>10 m</b>	<b>9 m</b>	<b>23 m</b>	<b>31 m</b>	<b>13 m</b>	<b>13 m</b>
<b>Low income</b>	..	..	..	..	..	..	..	..	..	..
<b>Middle income</b>	42	37	25	18	11	8	23	42	16	12
Lower middle income	43	41	29	24	13	10	21	23	17	15
Upper middle income	38	26	23	15	9	8	26	54	11	9
<b>Low &amp; middle income</b>	..	39	..	21	..	9	..	26	..	16
East Asia & Pacific	42	..	27	..	10	11	16	..	21	24
Europe & Central Asia	..	30	..	12	..	8	..	51	..	9
Latin America & Carib.	35	41	23	19	10	9	25	36	11	14
Middle East & N. Africa	53	50	35	35	10	11	11	14	23	19
South Asia	33	23	..	9	23	27	23	27	12	9
Sub-Saharan Africa	..	..	..	..	..	..	..	..	..	..
<b>High income</b>	25	29	13	..	11	7	56	59	7	5
Europe EMU	20	..	13	..	9	..	57	..	7	..

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

a. Part of goods and services.

## 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 (health, defense, education) or by economic type (interest payments, wages and salaries, 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, usually the central government's responsibility, are shown in table 5.8. For more information on education expenditures, see table 2.10; for more on health expenditures, see table 2.14.

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 adjustments to total expenditures financed

by grants in kind and other cash adjustments (which may be positive or negative) are not shown separately. For further discussion of government finance statistics, see *About the data* for tables 4.11 and 4.13.

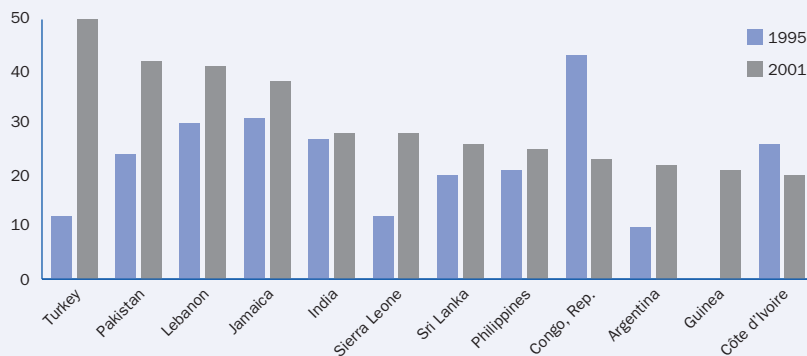
## Definitions

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

## 4.12a

### Interest payments are a large part of government expenditure for some developing economies

Central government interest payments as share of total expenditure (%)



Note: Data for 2001 refer to the most recent year for which data are available in 1999–2001. No data are available for Guinea for 1995.

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

## Data sources

The data on central government expenditures are from the IMF's *Government Finance Statistics Yearbook, 2003* 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	2001	1990	2001	1990	2001	1990	2001	1990	2001	1990	2001
Afghanistan	..	..	..	..	..	..	..	..	..	..	..	..
Albania	..	..	..	..	..	..	..	..	..	..	..	..
Algeria	..	70	..	0	..	8	..	11	..	1	..	10
Angola	..	..	..	..	..	..	..	..	..	..	..	..
Argentina	2	18	44	23	20	36	14	4	10	9	10	9
Armenia	..	..	..	..	..	..	..	..	..	..	..	..
Australia	65	..	0	..	21	..	4	..	2	..	8	8
Austria	19	25	37	40	25	25	1	0	9	4	9	6
Azerbaijan	..	22	..	22	..	40	..	9	..	2	..	5
Bangladesh	..	11	..	0	..	40	..	23	..	1	..	25
Belarus	12	10	32	38	40	36	5	6	9	3	2	7
Belgium	35	..	35	..	24	..	0	..	3	..	3	..
Benin	..	..	..	..	..	..	..	..	..	..	..	..
Bolivia	5	7	9	11	31	48	7	5	11	9	38	19
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..	..	..
Botswana	39	..	0	..	2	..	13	..	0	..	46	..
Brazil	20	..	31	..	24	..	2	..	6	..	16	..
Bulgaria	30	13	23	24	18	37	2	2	1	1	27	24
Burkina Faso	23	..	0	..	30	..	33	..	7	..	8	..
Burundi	21	21	6	7	37	44	24	20	1	1	10	6
Cambodia	..	..	..	..	..	..	..	..	..	..	..	..
Cameroon	18	21	6	0	21	26	14	28	4	4	28	20
Canada	51	52	16	21	17	17	3	1	0	0	13	9
Central African Republic	..	..	..	..	..	..	..	..	..	..	..	..
Chad	19	..	0	..	39	..	24	..	10	..	8	..
Chile	12	20	8	7	43	46	12	5	3	4	21	18
China	31	6	0	0	18	75	14	10	0	4	37	6
Hong Kong, China	..	..	..	..	..	..	..	..	..	..	..	..
Colombia	29	34	0	0	30	39	20	7	1	5	19	14
Congo, Dem. Rep.	27	15	1	0	18	22	46	32	1	23	7	8
Congo, Rep.	26	5	0	0	16	20	21	8	2	1	35	66
Costa Rica	10	14	29	32	27	40	23	5	1	0	14	10
Côte d'Ivoire	16	20	7	9	27	21	29	42	11	5	9	4
Croatia	17	8	52	33	24	46	3	6	0	1	3	5
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	20	..	44	..	29	..	1	..	1	..	4
Denmark	37	35	4	4	41	45	0	0	3	4	15	12
Dominican Republic	21	18	4	4	23	25	40	43	1	2	10	8
Ecuador	62	..	0	..	22	..	13	..	1	..	2	..
Egypt, Arab Rep.	19	..	15	..	14	..	14	..	11	..	27	..
El Salvador	..	15	..	14	..	36	..	6	..	11	..	18
Eritrea	..	..	..	..	..	..	..	..	..	..	..	..
Estonia	27	13	28	36	41	42	1	0	1	0	2	9
Ethiopia	29	22	0	0	25	17	15	26	2	3	30	32
Finland	31	..	9	..	47	..	1	..	3	..	9	..
France	17	..	44	..	28	..	0	..	3	..	7	..
Gabon	24	..	1	..	23	..	18	..	2	..	32	..
Gambia, The	13	..	0	..	37	..	43	..	1	..	6	..
Georgia	..	4	..	20	..	62	..	6	..	0	..	9
Germany	16	..	53	..	24	..	0	..	0	..	6	..
Ghana	23	..	0	..	30	..	39	..	0	..	8	..
Greece	22	..	29	..	43	..	0	..	8	..	8	..
Guatemala	..	..	..	..	..	..	..	..	..	..	..	..
Guinea	9	10	0	1	15	5	47	77	0	4	28	4
Guinea-Bissau	..	..	..	..	..	..	..	..	..	..	..	..
Haiti	..	..	..	..	..	..	..	..	..	..	..	..

# Central government revenues

# 4.13

ECONOMY

	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	2001	1990	2001	1990	2001	1990	2001	1990	2001	1990	2001
Honduras	..	..	..	..	..	..	..	..	..	..	..	..
Hungary	18	21	29	31	31	34	6	2	0	2	16	10
India	15	29	0	0	36	29	29	18	0	0	20	24
Indonesia	62	31	0	2	24	25	6	3	3	3	5	36
Iran, Islamic Rep.	10	17	8	9	4	6	13	7	4	1	60	60
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	37	..	15	..	38	..	0	..	3	..	7	..
Israel	36	40	9	15	33	29	2	1	4	3	14	12
Italy	37	36	29	30	29	24	0	0	2	3	3	7
Jamaica	36	30	0	0	30	33	12	7	9	7	13	23
Japan	69	..	0	..	17	..	1	..	7	..	5	..
Jordan	16	12	0	0	21	36	27	17	7	10	29	24
Kazakhstan	..	24	..	0	..	53	..	7	..	0	..	16
Kenya	30	..	0	..	43	..	16	..	1	..	10	..
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	34	..	5	..	35	..	12	..	5	..	9	..
Kuwait	1	1	0	6	0	0	2	3	0	0	97	90
Kyrgyz Republic	..	17	..	0	..	58	..	3	..	0	..	23
Lao PDR	..	..	..	..	..	..	..	..	..	..	..	..
Latvia	..	14	..	35	..	42	..	1	..	0	..	7
Lebanon	..	11	..	0	..	20	..	28	..	13	..	28
Lesotho	11	..	0	..	21	..	57	..	0	..	11	..
Liberia	..	..	..	..	..	..	..	..	..	..	..	..
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania	20	11	28	31	40	48	1	1	3	0	8	9
Macedonia, FYR	..	..	..	..	..	..	..	..	..	..	..	..
Madagascar	13	15	0	0	19	28	48	52	2	2	18	3
Malawi	37	..	0	..	33	..	16	..	1	..	13	..
Malaysia	31	..	1	..	20	..	18	..	3	..	28	..
Mali	..	..	..	..	..	..	..	..	..	..	..	..
Mauritania	..	..	..	..	..	..	..	..	..	..	..	..
Mauritius	14	12	4	5	21	37	46	25	6	6	9	15
Mexico	31	34	13	10	56	62	6	4	2	1	11	10
Moldova	..	3	..	32	..	49	..	6	..	0	..	10
Mongolia	24	8	14	17	31	41	17	8	0	1	15	25
Morocco	24	24	4	5	38	36	18	16	4	3	13	16
Mozambique	..	..	..	..	..	..	..	..	..	..	..	..
Myanmar	18	20	0	0	28	33	14	4	0	0	41	44
Namibia	34	32	0	0	25	21	27	37	1	1	13	8
Nepal	11	18	0	0	36	36	31	27	5	3	17	16
Netherlands	31	..	35	..	22	..	0	..	3	..	9	..
New Zealand	53	64	0	0	27	27	2	2	3	1	15	6
Nicaragua	17	13	9	19	35	52	19	8	8	..	13	8
Niger	..	..	..	..	..	..	..	..	..	..	..	..
Nigeria	..	..	..	..	..	..	..	..	..	..	..	..
Norway	16	20	24	23	34	36	1	0	1	1	24	20
Oman	23	21	0	0	1	1	2	3	1	2	73	73
Pakistan	9	23	0	0	30	38	31	12	0	6	30	21
Panama	17	18	20	19	17	..	12	..	3	4	31	37
Papua New Guinea	37	54	0	0	14	11	25	27	3	4	20	5
Paraguay	9	9	0	0	21	37	20	10	24	2	25	41
Peru	5	22	7	8	50	52	17	9	19	5	7	14
Philippines	28	40	0	0	31	26	25	17	3	4	13	13
Poland	..	17	..	31	..	37	..	2	..	1	..	12
Portugal	23	..	25	..	34	..	2	..	4	..	12	..
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..



# 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	2001	1990	2001	1990	2001	1990	2001	1990	2001	1990	2001
Romania	19	10	23	41	33	30	1	3	15	1	10	14
Russian Federation	..	9	..	26	..	35	..	14	..	0	..	16
Rwanda	18	..	7	..	34	..	26	..	4	..	12	..
Saudi Arabia	..	..	..	..	..	..	..	..	..	..	..	..
Senegal	..	22	..	0	..	33	..	37	..	4	..	4
Serbia and Montenegro	..	..	..	..	..	..	..	..	..	..	..	..
Sierra Leone	31	26	0	0	23	22	40	49	0	0	5	4
Singapore	26	33	0	0	16	19	2	2	14	9	43	38
Slovak Republic	..	17	..	38	..	31	..	1	..	1	..	11
Slovenia	12	14	47	35	27	37	8	2	0	5	5	6
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	51	54	2	2	34	33	4	3	2	3	8	5
Spain	32	..	38	..	22	..	2	..	0	..	5	..
Sri Lanka	11	15	0	0	46	59	29	11	5	4	10	12
Sudan	..	15	..	0	..	35	..	29	..	1	..	20
Swaziland	30	25	0	0	11	14	47	52	2	4	10	5
Sweden	18	14	31	33	29	27	1	0	9	15	13	11
Switzerland	15	16	51	47	23	25	1	1	3	4	7	7
Syrian Arab Republic	31	38	0	0	31	19	7	10	7	6	24	27
Tajikistan	..	3	..	18	..	53	..	16	..	1	..	9
Tanzania	..	..	..	..	..	..	..	..	..	..	..	..
Thailand	24	28	0	3	41	40	22	10	4	0	8	18
Togo	..	..	..	..	..	..	..	..	..	..	..	..
Trinidad and Tobago	..	..	..	..	..	..	..	..	..	..	..	..
Tunisia	13	20	13	17	19	38	28	11	5	4	22	9
Turkey	43	35	0	0	32	40	6	1	3	7	15	17
Turkmenistan	..	..	..	..	..	..	..	..	..	..	..	..
Uganda	..	20	..	0	..	29	..	50	..	1	..	1
Ukraine	..	12	..	36	..	29	..	4	..	0	..	18
United Arab Emirates	0	0	2	1	36	51	0	0	0	0	62	48
United Kingdom	39	40	17	17	28	31	0	0	7	7	9	5
United States	52	55	35	33	3	3	2	1	1	1	8	6
Uruguay	7	15	27	23	36	39	10	3	12	8	5	7
Uzbekistan	..	..	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	64	20	4	3	3	25	7	7	0	3	22	42
Vietnam	..	27	..	0	..	34	..	18	..	5	..	16
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	26	18	0	0	10	9	17	10	5	2	43	61
Zambia	..	..	..	..	..	..	..	..	..	..	..	..
Zimbabwe	45	..	0	..	26	..	17	..	1	..	10	..
<b>World</b>	<b>23 m</b>	<b>18 m</b>	<b>4 m</b>	<b>5 m</b>	<b>27 m</b>	<b>34 m</b>	<b>13 m</b>	<b>7 m</b>	<b>3 m</b>	<b>2 m</b>	<b>13 m</b>	<b>12 m</b>
<b>Low income</b>	..	..	..	..	..	..	..	..	..	..	..	..
<b>Middle income</b>	21	15	4	14	25	37	14	5	3	2	16	14
Lower middle income	23	20	1	3	28	36	15	9	4	3	16	14
Upper middle income	17	17	10	31	21	37	12	3	2	1	18	10
<b>Low &amp; middle income</b>	19	17	0	2	28	35	17	9	3	2	13	12
East Asia & Pacific	31	25	0	0	24	32	18	9	3	2	20	11
Europe & Central Asia	..	13	..	31	..	40	..	3	..	1	..	10
Latin America & Carib.	17	15	9	11	27	39	13	6	3	3	14	18
Middle East & N. Africa	21	19	2	0	17	19	15	14	5	3	28	28
South Asia	11	21	0	0	36	37	30	15	3	3	18	18
Sub-Saharan Africa	..	..	..	..	..	..	..	..	..	..	..	..
<b>High income</b>	32	26	17	19	28	27	1	1	3	3	9	9
Europe EMU	31	..	35	..	28	..	0	..	3	..	7	..

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

## About the data

The International Monetary Fund (IMF) classifies government transactions as receipts or payments and according to whether they are repayable or non-repayable. 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, non-compulsory 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 cases 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 except with respect to the capacity to fix tax rates.

Social security taxes do not reflect compulsory payments made by employers to provident funds or other agencies with a like 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 5.6. For further discussion of government revenues and expenditures, see *About the data* for tables 4.11 and 4.12.

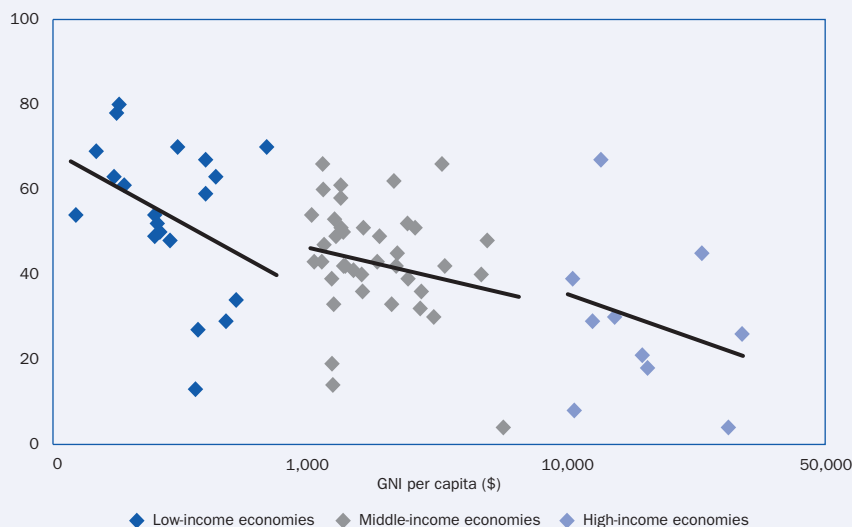
## Definitions

- **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 or not, 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.

## 4.13a

### Poor countries rely more on indirect taxes

Indirect taxes as share of current revenue, 2000–01 (%)



Low-income countries tend to rely on indirect taxes on international trade and on goods and services, while high-income countries prefer to tax income, property, and social security contributions. But in all groups there are exceptions.

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

## Data sources

The data on central government revenues are from the IMF's *Government Finance Statistics Yearbook, 2003* 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	
	M2 annual % growth		annual growth as % of M2		annual growth as % of M2		average annual % growth		average annual % growth		average annual % growth	
	1990	2002	1990	2002	1990	2002	1980-90	1990-2002	1980-90	1990-2002	1980-90	1990-2002
Afghanistan	..	..	..	..	..	..	..	..	..	..	..	..
Albania	..	5.9	..	2.9	..	2.4	-0.4	28.6	..	21.6	..	31.2
Algeria	11.4	24.8	12.2	2.6	3.2	-5.6	8.3	15.7	9.1	14.0	9.7	14.7
Angola	..	158.6	..	37.8	..	28.8	5.9	584.3	..	562.9	..	223.1
Argentina	1,113.3	19.7	1,444.7	-9.5	1,573.2	143.2	391.1	4.5	390.6	7.2	486.5	6.5
Armenia	..	34.0	..	1.0	..	-6.0	..	142.2	..	44.7	..	81.5
Australia	12.8	13.2	15.3	10.8	-2.2	1.0	7.2	1.8	7.9	2.3	7.4	2.9
Austria <sup>a</sup>	..	..	..	..	..	..	3.3	1.8	3.2	2.1	2.7	1.5
Azerbaijan	..	14.6	..	9.7	..	24.6	..	78.6	..	109.1	..	109.8
Bangladesh	10.4	13.3	9.2	12.0	-0.2	0.8	9.8	3.8	..	5.1	10.8	4.8
Belarus	..	53.5	..	35.7	..	28.8	..	283.6	..	258.0	2.4	141.1
Belgium <sup>a</sup>	..	..	..	..	..	..	4.1	1.9	4.2	1.9	4.0	1.2
Benin	28.6	-7.0	-1.3	5.5	12.4	0.1	1.7	7.5	..	7.2	-3.5	10.5
Bolivia	52.8	-6.9	40.8	-1.6	18.0	8.1	326.9	7.5	322.5	7.5	321.8	6.8
Bosnia and Herzegovina	..	9.4	..	18.6	..	-0.6	..	3.4	..	..	..	..
Botswana	-14.0	-1.1	12.6	12.9	-51.9	117.2	13.6	9.0	10.0	9.8	10.1	9.6
Brazil	1,289.2	23.0	1,566.4	11.8	3,093.6	29.9	284.0	139.8	285.6	134.1	314.0	-15.7
Bulgaria	53.8	12.2	1.9	14.7	83.1	-1.7	1.8	83.8	6.3	94.0	1.8	89.9
Burkina Faso	-0.5	0.6	3.6	11.7	-1.5	-12.1	3.3	4.8	3.4	4.9	0.7	5.0
Burundi	9.6	29.5	15.4	29.0	-6.9	7.9	4.4	12.8	7.1	15.3	6.1	..
Cambodia	..	31.1	..	5.6	..	-2.2	..	3.7	..	4.7	..	4.8
Cameroon	-1.7	15.9	0.9	6.1	-3.0	-2.4	5.6	4.5	8.7	5.5	..	4.1
Canada	7.8	5.6	9.2	5.9	0.6	1.6	4.6	1.5	5.3	1.8	4.6	1.7
Central African Republic	-3.7	-4.3	-1.6	6.2	2.3	2.6	7.9	4.1	3.2	4.6	2.0	5.5
Chad	-2.4	26.6	1.3	8.9	-17.3	-3.7	1.4	7.1	0.6	7.7	-5.3	-0.7
Chile	24.2	-0.3	21.7	14.8	16.3	0.2	20.7	7.1	20.6	7.7	20.7	6.8
China	28.9	19.4	26.5	13.4	1.5	1.4	5.7	5.5	..	6.7	8.8	11.3
Hong Kong, China	8.5	0.5	7.9	-2.6	-1.0	3.3	7.8	2.5	..	4.1	6.3	3.5
Colombia	33.0	13.6	107.1	8.2	23.9	8.1	24.7	19.0	22.7	18.0	24.6	16.4
Congo, Dem. Rep.	195.4	40.0	18.0	3.8	429.7	-36.2	62.9	731.4	57.1	691.7	..	..
Congo, Rep.	18.5	13.1	5.1	-15.7	-12.6	3.0	0.5	8.5	0.9	7.9	4.3	8.1
Costa Rica	27.5	20.9	7.3	16.6	8.2	6.8	23.6	15.6	23.0	14.6	16.0	4.5
Côte d'Ivoire	-2.6	30.0	-3.9	-0.3	-3.0	1.3	2.8	7.8	5.4	6.3	..	..
Croatia	..	9.6	..	19.9	..	3.1	..	61.3	304.1	61.3	124.6	58.7
Cuba	..	..	..	..	..	..	..	1.1	..	..	..	..
Czech Republic	..	6.9	..	-12.3	..	11.6	..	9.9	..	6.7	..	0.8
Denmark	6.5	4.2	3.0	13.9	-3.1	1.6	5.8	2.0	5.6	2.1	4.8	2.1
Dominican Republic	42.5	10.3	19.1	15.9	1.1	3.6	21.6	8.9	22.4	8.3	25.4	7.8
Ecuador	48.9	21.4	17.2	26.0	-27.4	-20.3	-5.4	3.8	35.8	38.6	40.7	37.8
Egypt, Arab Rep.	28.7	12.6	6.3	3.4	25.3	11.5	13.7	7.4	17.4	7.5	22.0	6.5
El Salvador	-17.5	-3.1	-24.2	3.0	10.2	-4.5	16.3	6.3	19.6	7.2	21.5	7.9
Eritrea	..	20.3	..	3.8	..	17.8	..	9.6	..	..	..	..
Estonia	76.5	11.2	27.6	12.7	-6.8	1.2	2.3	40.3	..	16.7	..	-20.1
Ethiopia	18.5	13.3	0.3	-0.6	21.7	1.3	3.5	5.6	4.0	4.0	3.8	-3.6
Finland <sup>a</sup>	..	..	..	..	..	..	6.7	2.0	6.2	1.6	5.8	-0.3
France <sup>a</sup>	..	..	..	..	..	..	5.8	1.5	5.8	1.6	5.7	1.5
Gabon	3.3	5.7	0.7	7.2	-20.6	-9.6	1.8	5.3	5.1	4.6	4.9	4.3
Gambia, The	8.4	35.3	7.8	13.9	-35.4	0.2	17.9	4.6	20.0	4.0	20.3	3.7
Georgia	..	17.9	..	14.4	..	2.7	1.9	225.2	..	17.7	..	15.9
Germany <sup>a</sup>	..	..	..	..	..	..	2.7	1.7	2.2 <sup>b</sup>	2.1	..	0.5
Ghana	13.3	48.9	4.9	13.6	9.9	10.6	42.1	26.4	39.1	27.4	33.1	25.0
Greece <sup>a</sup>	..	..	..	..	..	..	19.3	8.0	18.7	7.7	18.0	6.7
Guatemala	25.8	11.8	15.0	4.7	0.5	3.8	14.6	9.6	14.0	9.4	22.1	9.2
Guinea	-17.4	19.7	13.1	2.7	2.9	36.0	..	5.0	..	..	..	9.2
Guinea-Bissau	574.6	22.8	90.5	-0.3	460.7	4.5	57.4	25.6	..	27.3	..	..
Haiti	2.5	22.8	-0.6	11.8	0.4	11.7	7.3	20.1	5.2	19.8	4.1	..



# 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	
	M2 annual % growth		annual growth as % of M2		annual growth as % of M2		average annual % growth		average annual % growth		average annual % growth	
	1990	2002	1990	2002	1990	2002	1980-90	1990-2002	1980-90	1990-2002	1980-90	1990-2002
Honduras	21.4	13.7	13.0	4.9	-10.5	-0.5	5.7	17.1	6.3	17.2	5.2	16.7
Hungary	29.2	14.9	23.0	13.8	69.7	9.3	8.9	17.4	9.6	18.1	9.5	17.4
India	15.1	16.8	5.9	10.7	10.5	4.9	8.2	7.2	8.6	8.3	8.8	7.9
Indonesia	44.6	4.5	66.9	6.3	-6.7	-0.8	8.5	15.6	8.3	14.1	8.7	16.7
Iran, Islamic Rep.	18.0	27.5	14.7	19.2	5.8	7.8	14.4	25.0	18.2	23.6	16.2	24.3
Iraq	..	..	..	..	..	..	10.3	..	..	..	..	..
Ireland <sup>a</sup>	..	..	..	..	..	..	6.6	3.8	6.8	2.6	6.0	2.9
Israel	19.4	6.9	18.5	8.6	4.9	-3.2	101.1	8.9	101.7	8.3	102.4	7.4
Italy <sup>a</sup>	..	..	..	..	..	..	10.0	3.5	9.1	3.4	8.2	2.8
Jamaica	21.5	12.0	12.5	8.5	-16.0	5.6	19.9	19.7	15.1	19.7	16.1	18.6
Japan	8.2	3.4	9.7	-4.4	1.5	1.7	1.8	-0.3	1.7	0.5	1.5	0.3
Jordan	8.3	8.6	4.7	1.7	1.0	3.1	4.3	2.7	5.7	3.1	4.7	3.4
Kazakhstan	..	30.1	..	33.0	..	-14.6	..	141.0	..	45.6	..	106.1
Kenya	20.1	11.7	8.0	1.6	21.5	5.0	9.1	12.8	11.2	13.3	10.0	12.3
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	17.2	11.0	36.1	22.4	-1.2	-1.1	6.5	4.2	4.9	4.7	5.0	4.9
Kuwait	-100.0	4.8	-89.7	9.0	-23.0	1.5	-2.8	2.6	2.9	1.9	1.6	1.5
Kyrgyz Republic	..	33.9	..	3.9	..	12.6	..	82.5	..	18.7	..	45.9
Lao PDR	7.8	37.6	3.6	-0.0	7.0	-5.6	37.6	28.8	..	30.0	..	..
Latvia	..	19.9	..	25.7	..	5.7	-0.0	36.1	..	21.7	..	18.2
Lebanon	55.1	7.3	27.6	1.5	18.5	-1.0	..	13.4	..	..	..	19.8
Lesotho	8.4	8.8	6.8	6.8	-14.9	15.2	12.1	9.6	13.6	8.9	13.5	9.8
Liberia	-100.0	2.0	-39.8	7.7	-271.0	535.8	2.9	53.8	..	..	..	..
Libya	19.0	1.1	2.0	-0.3	15.0	10.2	1.2	..	7.5	6.3	..	..
Lithuania	..	16.9	..	13.3	..	-1.2	..	53.1	..	22.7	2.7	39.5
Macedonia, FYR	..	15.7	..	3.2	..	-14.3	..	56.4	..	6.5	..	..
Madagascar	4.5	8.0	23.8	0.3	-14.8	9.8	17.1	17.0	16.6	16.8	15.7	19.1
Malawi	11.1	20.7	15.5	3.7	-12.9	42.2	15.1	32.2	16.9	32.6	16.4	33.2
Malaysia	10.6	3.1	20.8	5.8	-1.2	3.2	1.7	3.5	2.6	3.3	2.2	4.6
Mali	-4.9	27.9	0.1	14.1	-13.4	-2.8	4.5	6.7	..	4.6	2.7	4.8
Mauritania	11.5	8.9	20.2	35.2	1.5	-95.2	8.4	5.6	7.1	5.7	..	6.3
Mauritius	21.2	12.5	10.8	5.8	0.8	1.2	9.4	6.0	6.9	6.6	7.8	7.5
Mexico	81.9	4.6	48.5	5.8	13.6	9.6	71.5	17.3	73.8	17.7	73.1	17.3
Moldova	358.0	38.6	53.3	21.9	469.1	6.9	..	89.4	..	18.5	..	110.5
Mongolia	31.6	42.0	40.2	28.0	38.5	-7.2	-1.6	45.4	..	39.0	..	..
Morocco	21.5	6.4	44.2	2.3	-4.9	1.1	7.1	2.5	7.0	3.3	6.7	3.1
Mozambique	37.2	21.6	22.0	-0.5	-5.1	7.0	38.3	26.8	..	26.6	..	..
Myanmar	37.7	34.6	12.8	16.7	24.2	18.8	12.2	24.6	11.5	25.4	11.9	27.5
Namibia	30.3	6.9	15.4	20.4	-4.2	-5.4	13.7	10.3	12.6	9.5	13.9	8.8
Nepal	18.5	3.8	5.7	10.7	7.3	8.1	11.1	7.2	10.2	7.2	10.5	8.4
Netherlands <sup>a</sup>	..	..	..	..	..	..	1.5	2.3	2.0	2.5	1.3	1.3
New Zealand	12.5	7.7	4.2	9.8	-1.7	1.0	10.5	1.7	11.0	1.9	9.8	1.7
Nicaragua	7,677.8	13.3	4,932.9	9.8	12,679.2	2.0	422.3	30.7	535.7	24.6	69.2	22.6
Niger	-4.1	-0.5	-5.1	7.2	1.4	3.5	1.9	5.5	0.7	5.4	-1.5	6.3
Nigeria	32.7	21.6	7.8	8.5	27.1	28.8	16.7	25.0	18.9	27.8	22.5	25.9
Norway	5.6	7.6	5.0	8.8	-0.6	4.4	5.4	3.2	7.4	2.2	7.8	1.8
Oman	10.0	5.2	9.6	0.4	-10.9	-3.6	-3.6	2.0	..	-0.1	0.9	0.1
Pakistan	11.6	16.8	5.9	2.5	7.7	-1.0	6.7	9.1	6.3	8.6	6.6	8.8
Panama	36.6	-0.3	0.8	-8.7	-25.7	3.1	1.9	3.2	1.4	1.1	1.5	0.7
Papua New Guinea	4.3	4.0	-0.9	-3.1	8.8	18.1	5.3	7.4	5.6	10.0	4.6	9.6
Paraguay	54.4	3.1	32.0	0.2	-9.2	9.8	24.4	11.3	21.9	12.0	24.9	10.5
Peru	6,384.9	5.1	2,123.7	-0.4	2,129.5	-2.2	220.2	20.4	246.1	20.9	221.8	18.7
Philippines	22.4	10.4	15.6	0.5	3.4	4.7	14.9	8.0	13.4	7.7	14.1	6.7
Poland	160.1	-2.8	158.7	2.7	-20.6	-0.7	..	19.8	50.9	21.0	52.4	17.9
Portugal <sup>a</sup>	..	..	..	..	..	..	17.9	4.9	17.1	4.1	16.7	3.4
Puerto Rico	..	..	..	..	..	..	3.5	3.1	..	..	2.7	9.8



# 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	
	M2 annual % growth		annual growth as % of M2		annual growth as % of M2		average annual % growth		average annual % growth		average annual % growth	
	1990	2002	1990	2002	1990	2002	1980-90	1990-2002	1980-90	1990-2002	1980-90	1990-2002
Romania	26.4	38.2	..	13.3	0.0	1.1	1.5	84.3	..	85.5	4.3	69.1
Russian Federation	..	33.9	..	20.9	..	7.2	..	121.1	..	75.2	..	122.1
Rwanda	5.6	12.6	-10.0	6.3	26.8	-8.8	4.0	11.7	3.9	13.4	6.4	12.7
Saudi Arabia	4.6	15.2	-4.5	5.7	4.2	0.2	-3.8	1.7	-0.8	0.7	-0.2	0.7
Senegal	-4.8	8.2	-8.4	3.5	-5.3	-8.3	6.5	4.0	6.2	4.6	5.3	5.1
Serbia and Montenegro	..	..	..	..	..	..	..	57.1	..	..	..	4.1
Sierra Leone	74.0	29.6	4.9	7.5	228.7	-1.8	60.3	26.7	72.4	24.5	..	..
Singapore	20.0	-0.3	13.7	-8.8	-4.9	-4.0	2.0	0.7	1.6	1.5	1.0	1.5
Slovak Republic	..	4.1	..	8.2	..	-14.1	1.8	9.7	..	8.3	1.6	14.7
Slovenia	123.0	12.3	96.1	9.1	-10.4	-3.7	..	10.2	..	10.8	129.5	21.3
Somalia	..	..	..	..	..	..	49.7	..	..	..	..	..
South Africa	11.4	14.5	13.7	6.7	1.8	4.1	15.5	9.1	14.8	8.2	15.2	9.4
Spain <sup>a</sup>	..	..	..	..	..	..	9.3	3.8	9.0	3.6	9.3	3.1
Sri Lanka	19.9	13.4	16.2	10.3	4.4	-1.2	11.0	9.1	10.9	9.8	11.0	10.3
Sudan	48.8	30.3	12.6	17.9	29.4	6.4	38.4	51.9	37.6	66.8	..	..
Swaziland	0.6	13.1	20.5	16.7	-13.1	42.1	10.7	12.1	14.6	9.2	13.3	11.9
Sweden	0.8	1.9	13.4	12.4	-12.1	2.1	7.3	1.9	7.0	1.8	8.2	-0.0
Switzerland	0.8	5.7	11.7	0.4	1.0	0.2	3.4	1.1	2.9	1.4	3.1	0.8
Syrian Arab Republic	26.1	18.5	3.4	0.7	11.4	-0.7	15.3	6.9	23.2	4.9	25.0	3.8
Tajikistan	..	40.5	..	26.1	..	17.8	2.5	175.2	..	..	..	477.3
Tanzania	41.9	25.1	22.6	10.2	80.6	-4.0	..	18.6	31.0	17.8	32.0	20.1
Thailand	26.7	1.4	30.0	11.9	-4.0	-0.1	3.9	3.6	3.5	4.3	2.7	4.9
Togo	9.5	-2.2	1.8	-4.0	6.9	-6.4	4.8	6.3	2.5	7.2	1.1	1.7
Trinidad and Tobago	6.2	5.7	2.7	2.9	-1.9	2.5	2.4	5.9	10.7	5.4	14.6	12.7
Tunisia	7.6	4.4	5.9	5.4	1.8	-0.0	7.4	4.1	7.4	4.0	8.3	4.2
Turkey	53.2	29.1	42.9	3.3	0.4	29.3	45.3	71.8	44.9	75.5	18.3	31.8
Turkmenistan	..	83.3	..	10.8	..	59.0	..	266.6	..	..	..	..
Uganda	60.2	25.0	0.0	5.5	-0.9	28.1	113.8	9.5	102.5	8.5	..	8.5
Ukraine	..	42.3	..	29.2	..	1.5	..	183.4	..	102.6	2.0	99.5
United Arab Emirates	-8.2	11.0	1.3	9.6	-4.8	-1.6	0.8	2.8	..	..	..	..
United Kingdom	10.5	5.1	13.1	10.1	1.0	1.1	5.8	2.8	5.8	2.7	4.5	1.7
United States	4.9	4.3	1.1	5.7	0.6	2.1	3.8	2.0	4.2	2.6	3.9	2.4
Uruguay	118.5	28.2	56.2	27.1	25.8	41.5	62.7	25.5	61.1	27.5	62.0	25.1
Uzbekistan	..	..	..	..	..	..	..	184.2	..	..	..	..
Venezuela, RB	64.9	15.8	17.6	0.6	45.3	14.5	19.3	40.8	20.9	43.2	35.1	39.5
Vietnam	..	13.3	..	16.7	..	2.7	222.2	12.5	..	2.9	..	..
West Bank and Gaza	..	..	..	..	..	..	..	8.8	..	..	..	..
Yemen, Rep.	11.3	17.5	1.4	2.4	10.2	-12.4	..	19.8	..	32.6	..	..
Zambia	47.9	31.1	22.8	2.3	195.2	27.0	42.2	44.7	48.5	42.8	48.7	..
Zimbabwe	15.1	191.7	13.5	106.2	5.0	45.4	11.6	32.3	13.8	36.1	15.1	40.1

**Note:** The inconsistencies in the growth rates of the GDP deflator and consumer and food price indexes are mainly due to uneven coverage of the time period.

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.

**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 extended 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, the basket of goods chosen, and the geographic (urban or rural) and income group coverage of consumer price surveys can all vary widely across countries. 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 useful for measuring consumer price inflation within a country, consumer price indexes are of less value in making comparisons across countries. Food price indexes, like consumer price indexes, 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, often called M2, 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 may 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, financial, and consumer price index data 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). Also see the IMF's *Monetary and Financial Statistics Manual* (2000) for guidelines for the presentation of monetary and financial statistics.



## Balance of payments current account

	Goods and services				Net income		Net current transfers		Current account balance		Total reserves <sup>a</sup>	
	\$ millions				\$ millions		\$ millions		\$ millions		\$ millions	
	Exports		Imports		1990	2002	1990	2002	1990	2002	1990	2002
Afghanistan	..	..	..	..	..	..	..	..	..	..	638	..
Albania	354	915	485	2,076	-2	128	15	625	-118	-408	..	866
Algeria	13,462	..	10,106	..	-2,268	..	333	..	1,420	..	2,703	25,151
Angola	3,992	8,573	3,385	7,796	-765	-1,531	-77	91	-236	-1,431	..	376
Argentina	14,800	28,654	6,846	13,011	-4,400	-6,465	998	413	4,552	9,592	6,222	10,492
Armenia	..	698	..	1,107	..	88	..	173	..	-148	1	440
Australia	49,843	82,975	53,056	88,635	-13,176	-11,541	439	-64	-15,950	-17,264	19,319	21,567
Austria	63,694	108,865	61,580	104,594	-942	-2,082	-6	-1,615	1,166	575	17,228	13,182
Azerbaijan	..	2,667	..	3,121	..	-385	..	70	..	-768	0	722
Bangladesh	2,064	6,972	3,960	9,192	-116	-281	1,613	3,242	-398	742	660	1,722
Belarus	..	9,264	..	9,787	..	-29	..	174	..	-378	..	619
Belgium <sup>b</sup>	138,605	213,811	135,098	203,106	2,316	2,907	-2,197	-4,220	3,627	9,392	23,789 <sup>c</sup>	14,698 <sup>c</sup>
Benin	364	555	454	790	-25	-17	97	126	-18	-126	69	616
Bolivia	977	1,534	1,086	2,049	-249	-201	159	369	-199	-347	511	893
Bosnia and Herzegovina	..	1,417	..	4,751	..	256	..	939	..	-2,139	..	1,321
Botswana	2,005	2,651	1,987	2,229	-106	-279	69	-47,313	-19	-47,169	3,331	5,474
Brazil	35,170	69,967	28,184	61,863	-11,608	-18,191	799	2,390	-3,823	-7,696	9,200	37,835
Bulgaria	6,950	8,286	8,027	9,287	-758	-228	125	549	-1,710	-679	670	4,846
Burkina Faso	349	273	758	687	0	-26	332	116	-77	-324	305	313
Burundi	89	39	318	147	-15	-12	174	118	-69	-3	112	59
Cambodia	314	2,350	507	2,693	-21	-168	120	447	-93	-64	..	913
Cameroon	2,508	..	2,475	..	-558	..	-26	..	-551	..	37	640
Canada	149,538	301,274	149,118	269,721	-19,388	-17,514	-796	871	-19,764	14,909	23,530	37,189
Central African Republic	220	..	410	..	-22	..	123	..	-89	..	123	127
Chad	271	..	488	..	-21	..	192	..	-46	..	132	223
Chile	10,221	22,300	9,166	20,744	-1,737	-2,536	198	426	-485	-553	6,784	15,344
China <sup>†</sup>	57,374	365,395	46,706	328,012	1,055	-14,946	274	12,984	11,997	35,422	34,476	297,739
Hong Kong, China	..	243,633	..	230,153	..	2,806	..	-1,896	..	14,390	24,656	111,919
Colombia	8,679	14,160	6,858	15,392	-2,305	-2,812	1,026	2,406	542	-1,639	4,869	10,844
Congo, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	261	..
Congo, Rep.	1,488	2,454	1,282	1,618	-460	-860	3	-10	-251	-34	10	35
Costa Rica	1,963	7,141	2,346	7,724	-233	-532	192	169	-424	-946	525	1,497
Côte d'Ivoire	3,503	5,747	3,445	3,869	-1,091	-629	-181	-482	-1,214	767	21	1,863
Croatia	..	10,545	..	12,709	..	-518	..	1,076	..	-1,606	167	5,885
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	45,562	..	47,159	..	-3,800	..	912	..	-4,485	..	23,707
Denmark	48,902	82,768	41,415	72,394	-5,708	-2,771	-408	-2,612	1,372	4,991	11,226	27,719
Dominican Republic	1,832	8,238	2,233	10,166	-249	-1,135	371	2,188	-280	-875	69	475
Ecuador	3,262	6,173	2,519	7,742	-1,210	-1,306	107	1,654	-360	-1,222	1,009	1,004
Egypt, Arab Rep.	9,895	16,438	14,091	19,508	-1,022	-267	7,545	3,960	2,327	622	3,620	14,076
El Salvador	973	3,799	1,624	5,898	-132	-287	631	2,003	-152	-384	595	1,784
Eritrea	..	187	..	552	..	-6	450	286	188	-85	..	30
Estonia	664	5,504	711	6,119	-13	-331	97	144	36	-802	198	1,003
Ethiopia	597	1,066	1,271	2,038	-69	-23	449	845	-294	-150	55	966
Finland	31,180	51,347	33,456	39,952	-3,735	-542	-952	-648	-6,962	10,205	10,415	9,825
France	285,389	392,362	283,238	365,576	-3,896	12,823	-8,199	-13,865	-9,944	25,744	68,291	61,697
Gabon	2,730	3,399	1,812	2,022	-617	-718	-134	-75	168	584	279	144
Gambia, The	168	..	192	..	-11	..	59	..	23	..	55	107
Georgia	..	975	..	1,398	..	19	..	174	..	-230	..	198
Germany	474,654	721,017	428,619	643,327	20,593	-5,997	-21,954	-25,108	44,674	46,586	104,547	89,143
Ghana	983	2,570	1,506	3,325	-111	-176	411	900	-223	-31	309	636
Greece	13,018	30,091	19,564	41,997	-1,709	-1,957	4,718	3,458	-3,537	-10,405	4,721	9,432
Guatemala	1,568	3,769	1,812	6,622	-196	-298	227	1,958	-213	-1,193	362	2,373
Guinea	829	976	953	999	-149	-69	70	46	-203	-46	80	171
Guinea-Bissau	26	..	88	..	-22	..	39	..	-45	..	18	103
Haiti	318	..	515	..	-18	..	193	..	-22	..	10	82
<sup>†</sup> Data for Taiwan, China	74,172	151,058	67,015	130,241	4,362	7,353	-596	-2,492	10,923	25,678	77,653	166,304

# Balance of payments current account

# 4.15

ECONOMY

	Goods and services				Net income		Net current transfers		Current account balance		Total reserves <sup>a</sup>	
	\$ millions				\$ millions		\$ millions		\$ millions		\$ millions	
	Exports		Imports		1990	2002	1990	2002	1990	2002	1990	2002
Honduras	1,032	2,451	1,127	3,420	-237	-159	280	862	-51	-266	47	1,531
Hungary	12,035	42,599	11,017	44,104	-1,427	-1,586	787	447	379	-2,644	1,185	10,383
India	22,911	77,602	29,527	83,850	-3,257	-3,886	2,837	14,790	-7,036	4,656	5,637	71,608
Indonesia	29,295	65,826	27,511	52,706	-5,190	-7,048	418	1,751	-2,988	7,823	8,657	32,032
Iran, Islamic Rep.	19,741	35,554	22,292	31,228	378	-217	2,500	457	327	12,645	..	..
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	26,786	114,169	24,576	91,385	-4,955	-24,514	2,384	805	-361	-925	5,362	5,475
Israel	17,312	38,505	20,228	42,682	-1,981	-3,599	5,060	6,549	163	-1,226	6,598	24,083
Italy	219,971	313,931	218,573	300,688	-14,712	-14,550	-3,164	-5,434	-16,479	-6,741	88,595	55,622
Jamaica	2,217	3,229	2,390	4,828	-430	-606	291	1,086	-312	-1,119	168	1,645
Japan	323,692	461,293	297,306	409,691	22,492	65,769	-4,800	-4,923	44,078	112,447	87,828	469,618
Jordan	2,511	4,283	3,569	6,186	-214	111	1,045	2,260	-227	468	1,139	4,116
Kazakhstan	..	11,615	..	11,394	..	-1,031	..	113	..	-696	..	3,136
Kenya	2,228	3,295	2,705	3,670	-418	-122	368	580	-527	84	236	1,068
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	73,295	190,696	76,360	183,977	-87	451	1,150	-1,078	-2,003	6,092	14,916	121,498
Kuwait	8,268	17,015	7,169	14,037	7,738	3,360	-4,951	-2,145	3,886	4,192	2,929	10,078
Kyrgyz Republic	..	636	..	697	..	-60	..	86	..	-35	..	317
Lao PDR	102	477	212	560	-1	-34	56	..	-55	-82	8	216
Latvia	1,090	3,828	997	4,728	2	-7	96	260	191	-647	..	1,327
Lebanon	511	2,399	2,836	7,065	622	817	1,818	1,000	115	-2,848	4,210	10,405
Lesotho	100	390	754	792	433	161	286	121	65	-119	72	406
Liberia	..	163	..	173	..	-85	..	43	..	-52	0	3
Libya	11,468	..	8,960	..	174	..	-481	..	2,201	..	7,225	15,892
Lithuania	..	7,492	..	8,258	..	-183	..	229	..	-721	107	2,420
Macedonia, FYR	..	1,364	..	2,156	..	-31	..	498	..	-325	..	790
Madagascar	471	710	809	1,001	-161	-75	234	96	-265	-270	92	363
Malawi	443	472	549	795	-80	-38	99	161	-86	-201	142	170
Malaysia	32,665	108,261	31,765	91,696	-1,872	-6,595	102	-2,780	-870	7,190	10,659	34,623
Mali	420	1,157	830	1,211	-37	-241	225	136	-221	-310	198	594
Mauritania	471	..	520	..	-46	..	86	..	-10	..	59	400
Mauritius	1,722	2,965	1,916	2,805	-23	10	97	89	-119	259	761	1,249
Mexico	48,805	173,503	51,915	186,339	-8,316	-11,436	3,975	10,268	-7,451	-14,004	10,217	50,671
Moldova	..	871	..	1,283	..	165	..	155	..	-92	0	269
Mongolia	493	708	1,096	946	-44	-5	7	138	-640	-105	23	398
Morocco	6,239	12,199	7,783	13,314	-988	-738	2,336	3,330	-196	1,477	2,338	10,375
Mozambique	229	1,153	996	1,782	-97	-113	448	217	-415	-657	233	841
Myanmar <sup>d</sup>	319	2,741	603	2,968	-192	-367	39	286	-436	-309	410	549
Namibia	1,220	1,309	1,584	1,485	37	28	354	278	28	130	50	323
Nepal	422	884	834	1,446	14	-4	109	390	-289	-165	354	1,070
Netherlands	159,304	262,898	147,652	244,133	-620	-2,441	-2,943	-6,208	8,089	10,116	34,401	18,948
New Zealand	11,683	19,625	11,699	18,770	-1,576	-3,181	138	57	-1,453	-2,269	4,129	3,739
Nicaragua	392	909	682	1,970	-217	-203	202	377	-305	-888	166	453
Niger	533	..	728	..	-54	..	14	..	-236	..	226	134
Nigeria	14,550	17,151	6,909	15,526	-2,738	-2,090	85	1,466	4,988	1,001	4,129	7,567
Norway	47,078	79,358	38,910	52,290	-2,700	465	-1,476	-2,385	3,992	25,148	15,788	21,088
Oman	5,577	11,423	3,342	6,988	-254	-588	-874	..	1,106	2,315	1,784	3,174
Pakistan	6,835	12,261	10,205	12,645	-1,084	-2,190	2,794	6,445	-1,661	3,871	1,046	8,796
Panama	4,438	7,574	4,193	7,724	-255	-217	219	213	209	-154	344	1,183
Papua New Guinea	1,381	2,098	1,509	1,594	-103	-230	156	13	-76	286	427	343
Paraguay	2,514	2,859	2,169	2,715	2	34	43	116	390	294	675	641
Peru	4,120	9,192	4,087	9,932	-1,733	-1,509	281	1,043	-1,419	-1,206	1,891	9,721
Philippines	11,430	37,439	13,967	38,295	-872	4,550	714	503	-2,695	4,197	2,036	16,136
Poland	19,037	56,777	15,095	63,177	-3,386	-1,887	2,511	3,280	3,067	-5,007	4,674	29,784
Portugal	21,554	36,864	27,146	45,857	-96	-3,135	5,507	3,315	-181	-8,813	20,579	17,701
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..



	Goods and services				Net income		Net current transfers		Current account balance		Total reserves <sup>a</sup>	
	\$ millions				\$ millions		\$ millions		\$ millions		\$ millions	
	Exports		Imports		1990	2002	1990	2002	1990	2002	1990	2002
Romania	6,380	16,223	9,901	18,825	161	-459	106	1,536	-3,254	-1,525	1,374	8,372
Russian Federation	..	121,214	..	85,188	..	-6,117	..	-5	..	29,905	..	48,326
Rwanda	143	132	354	435	-16	-19	143	195	-85	-126	44	244
Saudi Arabia	47,445	76,862	43,939	49,287	7,979	96	-15,637	-15,975	-4,152	11,696	13,437	22,186
Senegal	1,453	1,549	1,840	2,066	-129	-168	153	207	-363	-478	22	637
Serbia and Montenegro	..	3,241	..	6,857	..	-111	..	2,343	..	-1,384	..	..
Sierra Leone	210	..	215	..	-71	..	7	..	-69	..	5	85
Singapore	67,489	158,075	64,953	137,122	1,006	-1,145	-421	-1,104	3,122	18,704	27,748	82,021
Slovak Republic	..	17,174	..	18,843	..	-459	..	120	..	-694	..	9,196
Slovenia	7,900	12,764	6,930	12,452	-38	-71	46	134	978	375	112	7,063
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	27,742	35,571	21,016	32,034	-4,271	-2,691	-321	-556	2,134	290	2,583	7,817
Spain	83,595	188,552	100,870	196,780	-3,533	-9,890	2,799	2,176	-18,009	-15,942	57,238	40,303
Sri Lanka	2,293	5,967	2,965	7,103	-167	-251	541	1,123	-298	-264	447	1,652
Sudan	499	1,996	877	2,971	-136	-617	141	666	-372	-926	11	441
Swaziland	658	1,072	768	1,177	59	48	102	10	51	-46	216	276
Sweden	70,560	105,298	70,490	89,903	-4,473	-1,907	-1,936	-2,864	-6,339	10,624	20,324	19,171
Switzerland	96,927	129,854	96,388	111,148	8,746	11,485	-2,329	-4,179	6,955	26,011	61,284	61,276
Syrian Arab Republic	5,030	8,228	2,955	6,341	-401	-925	88	485	1,762	1,062	..	..
Tajikistan	185	708	238	868	0	-58	..	184	-53	-34	..	90
Tanzania	538	1,568	1,474	2,224	-185	-16	562	420	-559	-251	193	1,529
Thailand	29,229	82,114	35,870	73,741	-853	-1,340	213	618	-7,281	7,650	14,258	38,903
Togo	663	457	847	683	-32	-33	132	77	-84	-169	358	205
Trinidad and Tobago	2,289	4,521	1,427	4,183	-397	-510	-6	33	459	416	513	2,049
Tunisia	5,203	9,538	6,039	10,431	-455	-984	828	1,131	-463	-746	867	2,365
Turkey	21,042	54,617	25,652	55,046	-2,508	-4,549	4,493	3,496	-2,625	-1,482	7,626	28,348
Turkmenistan	1,238	3,138	857	2,703	0	-111	66	68	447	-74	..	..
Uganda	178	720	686	1,643	-48	-136	293	707	-263	-353	44	934
Ukraine	..	23,351	..	21,494	..	-604	..	1,921	..	3,174	469	4,414
United Arab Emirates	..	..	..	..	..	..	..	..	..	..	4,891	15,355
United Kingdom	239,226	404,794	264,090	436,634	-5,154	31,255	-8,794	-13,828	-38,811	-14,414	43,146	42,819
United States	535,260	974,107	616,120	1,392,145	28,560	-3,968	-26,660	-58,852	-78,960	-480,859	173,094	157,763
Uruguay	2,158	2,708	1,659	2,525	-321	10	8	69	186	262	1,446	772
Uzbekistan	..	2,985	..	2,721	..	-145	..	120	..	239	..	..
Venezuela, RB	18,806	27,716	9,451	17,474	-774	-2,654	-302	-165	8,279	7,423	12,733	12,107
Vietnam	..	19,654	..	21,458	..	-721	..	1,921	..	-604	..	4,121
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	1,490	3,787	2,170	3,867	-372	-766	1,790	1,384	739	538	441	4,428
Zambia	1,360	1,080	1,897	1,585	-437	-108	380	32	-594	-553	201	535
Zimbabwe	2,012	..	2,001	..	-263	..	112	..	-140	..	295	132
<b>World</b>	<b>4,301,369 t</b>	<b>7,985,963 t</b>	<b>4,330,919 t</b>	<b>7,986,659 t</b>								
<b>Low income</b>	118,587	273,925	135,542	279,942								
<b>Middle income</b>	632,588	1,702,940	593,980	1,591,324								
Lower middle income	356,798	1,017,575	356,720	952,348								
Upper middle income	272,381	683,839	236,047	636,247								
<b>Low &amp; middle income</b>	752,042	1,976,803	730,892	1,871,332								
East Asia & Pacific	166,647	691,152	165,402	620,489								
Europe & Central Asia	..	452,206	..	443,440								
Latin America & Carib.	168,326	403,563	145,500	399,939								
Middle East & N. Africa	127,663	210,917	134,989	178,855								
South Asia	34,818	104,364	47,813	115,016								
Sub-Saharan Africa	79,306	111,723	72,835	110,384								
<b>High income</b>	3,542,141	6,007,813	3,583,425	6,113,233								
Europe EMU	1,517,749	2,447,680	1,480,370	2,284,894								

a. International reserves Including gold valued at London gold price. b. Includes Luxembourg. c. Excludes Luxembourg. d. Data are in fiscal years.



**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. The 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 an economy; 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 in the table 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 to the fifth edition (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 for which the IMF does not collect balance of payments statistics. In addition, World Bank staff make estimates of missing data for up to three years prior to the current year.

**Definitions**

• **Exports and imports of goods and services** comprise all transactions between residents of an economy 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 for 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. • **Total 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 (\$385.00 an ounce in 1990, and \$342.75 an ounce in 2002).

**4.15a****Worker remittances are an important source of income for many developing economies**

Workers' remittances, 2002

Country	\$ billions	% of merchandise trade	Country	\$ billions	% of merchandise trade
Mexico	10	6	Jordan	2	70
India	8	17	Brazil	2	3
Spain	4	3	China	2	1
Pakistan	4	36	Guatemala	2	71
Portugal	3	13	Ecuador	1	28
Egypt, Arab Rep.	3	66	Yemen, Rep.	1	40
Morocco	3	36	Sri Lanka	1	27
Bangladesh	3	47	Indonesia	1	2
Colombia	2	20	Greece	1	11
Serbia and Montenegro	2	92	Jamaica	1	102
Dominican Republic	2	37	Poland	1	3
Turkey	2	6	Tunisia	1	16
El Salvador	2	65	<b>World total</b>	<b>76</b>	

Remittances accounted for \$76 billion in 2002, and 25 countries received more than \$1 billion in remittances.

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

**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.





# 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		\$ millions				\$ millions		\$ millions	
	1990	2002	1990	2002	Total		IBRD loans and IDA credits		1990	2002	1990	2002
					1990	2002	1990	2002				
Afghanistan	..	..	..	..	..	..	..	..	..	..	..	..
Albania	..	1,312	..	1,200	..	1,187	..	476	..	13	..	81
Algeria	28,149	22,800	26,688	21,362	26,688	21,255	1,208	1,203	0	107	670	1,330
Angola	8,594	10,134	7,605	8,883	7,605	8,883	0	265	0	0	0	0
Argentina	62,233	132,314	48,676	103,140	46,876	74,661	2,609	8,513	1,800	28,479	3,083	14,340
Armenia	..	1,149	..	941	..	920	..	538	..	21	..	195
Australia	..	..	..	..	..	..	..	..	..	..	..	..
Austria	..	..	..	..	..	..	..	..	..	..	..	..
Azerbaijan	..	1,398	..	1,037	..	964	..	314	..	73	..	279
Bangladesh	12,439	17,037	11,657	16,445	11,657	16,445	4,159	7,076	0	0	626	71
Belarus	..	908	..	711	..	710	..	89	..	1	..	56
Belgium	..	..	..	..	..	..	..	..	..	..	..	..
Benin	1,292	1,843	1,218	1,690	1,218	1,690	326	654	0	0	18	73
Bolivia	4,275	4,867	3,864	4,302	3,687	3,378	587	1,320	177	923	257	195
Bosnia and Herzegovina	..	2,515	..	2,303	..	2,282	..	1,115	..	21	..	139
Botswana	553	480	547	464	547	464	169	16	0	0	0	0
Brazil	119,964	227,932	94,427	183,710	87,756	96,565	8,427	8,585	6,671	87,145	1,821	20,827
Bulgaria	..	10,462	..	8,585	..	7,474	..	958	..	1,111	..	1,049
Burkina Faso	834	1,580	750	1,399	750	1,399	282	745	0	0	0	127
Burundi	907	1,204	851	1,095	851	1,095	398	648	0	0	43	13
Cambodia	1,845	2,907	1,683	2,594	1,683	2,594	0	306	0	0	27	96
Cameroon	6,657	8,502	5,577	7,417	5,347	7,240	871	988	230	177	121	307
Canada	..	..	..	..	..	..	..	..	..	..	..	..
Central African Republic	698	1,066	624	980	624	980	265	399	0	0	37	33
Chad	524	1,281	464	1,148	464	1,148	186	632	0	0	31	107
Chile	19,226	41,945	14,687	38,188	10,425	6,792	1,874	562	4,263	31,396	1,156	0
China	55,301	168,255	45,515	120,370	45,515	88,531	5,881	20,677	0	31,839	469	0
Hong Kong, China	..	..	..	..	..	..	..	..	..	..	..	..
Colombia	17,222	33,853	15,784	30,052	14,671	21,177	3,874	2,355	1,113	8,876	0	0
Congo, Dem. Rep.	10,259	8,726	8,994	7,391	8,994	7,391	1,161	1,504	0	0	521	571
Congo, Rep.	4,947	5,152	4,200	3,974	4,200	3,974	239	207	0	0	11	33
Costa Rica	3,756	4,834	3,367	3,335	3,063	3,139	412	93	304	196	11	0
Côte d'Ivoire	17,251	11,816	13,223	10,369	10,665	9,110	1,920	2,068	2,558	1,259	431	491
Croatia	..	15,347	..	14,984	..	7,679	..	588	..	7,305	..	0
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	26,419	..	15,661	..	6,903	..	185	..	8,757	..	0
Denmark	..	..	..	..	..	..	..	..	..	..	..	..
Dominican Republic	4,372	6,256	3,518	4,206	3,419	4,035	258	363	99	171	72	27
Ecuador	12,107	16,452	10,029	13,828	9,865	11,243	848	847	164	2,586	265	308
Egypt, Arab Rep.	33,017	30,750	28,438	27,282	27,438	26,624	2,401	1,859	1,000	658	125	0
El Salvador	2,149	5,828	1,938	4,837	1,913	4,712	164	385	26	126	0	0
Eritrea	..	528	..	496	..	496	..	219	..	0	..	0
Estonia	..	4,741	..	3,151	..	482	..	39	..	2,669	..	0
Ethiopia	8,630	6,523	8,479	6,313	8,479	6,313	851	2,756	0	0	6	143
Finland	..	..	..	..	..	..	..	..	..	..	..	..
France	..	..	..	..	..	..	..	..	..	..	..	..
Gabon	3,983	3,533	3,150	3,231	3,150	3,231	69	50	0	0	140	67
Gambia, The	369	573	308	504	308	504	102	195	0	0	45	32
Georgia	..	1,838	..	1,495	..	1,444	..	491	..	51	..	310
Germany	..	..	..	..	..	..	..	..	..	..	..	..
Ghana	3,837	7,338	2,772	6,382	2,740	6,129	1,423	3,476	33	253	745	363
Greece	..	..	..	..	..	..	..	..	..	..	..	..
Guatemala	3,080	4,676	2,605	3,744	2,478	3,641	293	400	127	102	67	0
Guinea	2,476	3,401	2,253	2,972	2,253	2,972	420	1,096	0	0	52	139
Guinea-Bissau	692	699	630	662	630	662	146	237	0	0	5	23
Haiti	910	1,248	772	1,063	772	1,063	324	501	0	0	38	31

	Total external debt		Long-term debt		Public and publicly guaranteed debt				Private nonguaranteed debt		Use of IMF credit	
	\$ millions		\$ millions		\$ millions				\$ millions		\$ millions	
	1990	2002	1990	2002	Total		IBRD loans and IDA credits		1990	2002	1990	2002
					1990	2002	1990	2002				
Honduras	3,718	5,395	3,487	4,675	3,420	4,212	635	1,119	66	463	32	197
Hungary	21,202	34,958	17,931	29,289	17,931	13,551	1,512	517	0	15,738	330	0
India	83,628	104,429	72,462	99,860	70,974	88,271	20,996	26,093	1,488	11,589	2,623	0
Indonesia	69,872	132,208	58,242	100,037	47,982	70,011	10,385	11,523	10,261	30,026	494	8,862
Iran, Islamic Rep.	9,020	9,154	1,797	6,797	1,797	6,578	86	400	0	219	0	0
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	..	..	..	..	..	..	..	..	..	..	..	..
Israel	..	..	..	..	..	..	..	..	..	..	..	..
Italy	..	..	..	..	..	..	..	..	..	..	..	..
Jamaica	4,748	5,477	4,045	4,678	4,011	4,593	672	495	34	86	357	24
Japan	..	..	..	..	..	..	..	..	..	..	..	..
Jordan	8,333	8,094	7,202	7,076	7,202	7,076	593	1,072	0	0	94	483
Kazakhstan	..	17,538	..	16,355	..	3,209	..	1,178	..	13,146	..	0
Kenya	7,058	6,031	5,641	5,188	4,761	5,139	2,056	2,460	880	49	482	88
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Kuwait	..	..	..	..	..	..	..	..	..	..	..	..
Kyrgyz Republic	..	1,797	..	1,593	..	1,394	..	454	..	199	..	185
Lao PDR	1,768	2,664	1,758	2,620	1,758	2,620	131	474	0	0	8	43
Latvia	..	6,690	..	2,512	..	1,124	..	263	..	1,388	..	16
Lebanon	1,779	17,077	358	14,530	358	13,829	34	313	0	701	0	0
Lesotho	396	637	378	611	378	611	112	255	0	0	15	22
Liberia	1,849	2,324	1,116	1,065	1,116	1,065	248	240	0	0	322	304
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania	..	6,199	..	3,955	..	2,486	..	279	..	1,469	..	121
Macedonia, FYR	..	1,619	..	1,476	..	1,262	..	432	..	214	..	67
Madagascar	3,704	4,518	3,335	4,137	3,335	4,137	797	1,652	0	0	144	150
Malawi	1,558	2,912	1,385	2,688	1,382	2,688	854	1,773	3	0	115	95
Malaysia	15,328	48,557	13,422	40,188	11,592	26,200	1,102	719	1,830	13,988	0	0
Mali	2,468	2,803	2,337	2,487	2,337	2,487	498	1,134	0	0	69	166
Mauritania	2,113	2,309	1,806	1,984	1,806	1,984	264	547	0	0	70	113
Mauritius	984	1,803	910	911	762	832	195	107	148	79	22	0
Mexico	104,442	141,264	81,809	131,364	75,974	76,327	11,030	10,797	5,835	55,038	6,551	0
Moldova	..	1,349	..	1,126	..	846	..	331	..	280	..	152
Mongolia	..	1,037	..	950	..	950	..	181	..	0	..	43
Morocco	25,017	18,601	23,860	16,913	23,660	15,001	3,138	2,573	200	1,912	750	0
Mozambique	4,650	4,609	4,231	4,039	4,211	2,526	268	985	19	1,513	74	200
Myanmar	4,695	6,556	4,466	5,391	4,466	5,391	716	729	0	0	0	0
Namibia	..	..	..	..	..	..	..	..	..	..	..	..
Nepal	1,640	2,953	1,572	2,913	1,572	2,913	668	1,210	0	0	44	4
Netherlands	..	..	..	..	..	..	..	..	..	..	..	..
New Zealand	..	..	..	..	..	..	..	..	..	..	..	..
Nicaragua	10,745	6,485	8,313	5,756	8,313	5,576	299	811	0	181	0	174
Niger	1,726	1,797	1,487	1,658	1,226	1,604	461	867	261	54	85	106
Nigeria	33,439	30,476	31,935	28,206	31,545	28,057	3,321	1,951	391	149	0	0
Norway	..	..	..	..	..	..	..	..	..	..	..	..
Oman	2,736	4,639	2,400	3,451	2,400	1,979	52	0	0	1,471	0	0
Pakistan	20,663	33,672	16,643	30,100	16,506	28,102	3,922	8,143	138	1,998	836	2,032
Panama	6,506	8,298	3,855	7,877	3,855	6,408	462	287	0	1,469	272	50
Papua New Guinea	2,594	2,485	2,461	2,305	1,523	1,488	349	358	938	818	61	116
Paraguay	2,105	2,967	1,732	2,481	1,713	2,064	320	241	19	417	0	0
Peru	20,064	28,167	13,959	25,596	13,629	20,477	1,188	2,609	330	5,118	755	237
Philippines	30,580	61,121	25,241	53,877	24,040	39,575	4,044	3,533	1,201	14,303	912	1,686
Poland	49,364	69,521	39,261	60,637	39,261	29,374	55	2,385	0	31,263	509	0
Portugal	..	..	..	..	..	..	..	..	..	..	..	..
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..



# 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		\$ millions				\$ millions		\$ millions	
	1990	2002	1990	2002	Total		IBRD loans and IDA credits		1990	2002	1990	2002
					1990	2002	1990	2002				
Romania	1,140	14,683	230	13,780	223	8,112	0	2,173	7	5,668	0	428
Russian Federation	..	147,541	..	124,738	..	96,223	..	6,599	..	28,514	..	6,481
Rwanda	712	1,435	664	1,305	664	1,305	340	826	0	0	0	85
Saudi Arabia	..	..	..	..	..	..	..	..	..	..	..	..
Senegal	3,736	3,918	3,000	3,372	2,940	3,339	835	1,578	60	33	314	253
Serbia and Montenegro <sup>a</sup>	..	12,688	..	8,793	..	8,514	..	2,419	..	280	..	567
Sierra Leone	1,196	1,448	940	1,262	940	1,262	92	479	0	0	108	169
Singapore	..	..	..	..	..	..	..	..	..	..	..	..
Slovak Republic	..	13,013	..	8,776	..	4,295	..	204	..	4,481	..	0
Slovenia	..	..	..	..	..	..	..	..	..	..	..	..
Somalia	2,370	2,688	1,926	1,860	1,926	1,860	419	405	0	0	159	152
South Africa	..	25,041	..	17,640	..	9,427	0	13	..	8,213	0	0
Spain	..	..	..	..	..	..	..	..	..	..	..	..
Sri Lanka	5,863	9,611	5,049	8,805	4,947	8,455	946	1,738	102	351	410	310
Sudan	14,762	16,389	9,651	9,539	9,155	9,043	1,048	1,192	496	496	956	573
Swaziland	243	342	238	274	238	274	44	13	0	0	0	0
Sweden	..	..	..	..	..	..	..	..	..	..	..	..
Switzerland	..	..	..	..	..	..	..	..	..	..	..	..
Syrian Arab Republic	17,259	21,504	15,108	15,849	15,108	15,849	523	38	0	0	0	0
Tajikistan	..	1,153	..	999	..	912	..	195	..	87	..	94
Tanzania	6,459	7,244	5,799	6,201	5,787	6,182	1,493	2,874	12	20	140	400
Thailand	28,095	59,212	19,771	46,902	12,460	22,628	2,530	2,428	7,311	24,274	1	391
Togo	1,281	1,581	1,081	1,338	1,081	1,338	398	632	0	0	87	52
Trinidad and Tobago	2,512	2,672	2,055	1,807	1,782	1,697	41	87	273	110	329	0
Tunisia	7,690	12,625	6,880	12,027	6,662	10,641	1,406	1,498	218	1,386	176	0
Turkey	49,424	131,556	39,924	94,278	38,870	61,823	6,429	5,456	1,054	32,455	0	22,086
Turkmenistan	..	..	..	..	..	..	..	31	..	..	..	0
Uganda	2,583	4,100	2,160	3,690	2,160	3,690	969	2,576	0	0	282	257
Ukraine	..	13,555	..	11,100	..	8,348	..	2,233	..	2,752	..	1,876
United Arab Emirates	..	..	..	..	..	..	..	..	..	..	..	..
United Kingdom	..	..	..	..	..	..	..	..	..	..	..	..
United States	..	..	..	..	..	..	..	..	..	..	..	..
Uruguay	4,415	10,736	3,114	7,343	3,045	6,851	359	703	69	493	101	1,793
Uzbekistan	..	4,568	..	4,175	..	3,901	..	275	..	274	..	62
Venezuela, RB	33,171	32,563	28,159	28,843	24,509	23,264	974	670	3,650	5,578	3,012	0
Vietnam	23,270	13,349	21,378	12,181	21,378	12,181	59	1,715	0	0	112	381
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	6,352	5,290	5,160	4,563	5,160	4,563	602	1,384	0	0	0	386
Zambia	6,916	5,969	4,554	4,846	4,552	4,737	813	2,155	2	108	949	1,015
Zimbabwe	3,247	4,066	2,649	3,269	2,464	3,123	449	871	185	146	7	280
<b>World</b>	<b>.. S</b>	<b>.. S</b>	<b>.. S</b>	<b>.. S</b>	<b>.. S</b>	<b>.. S</b>	<b>.. S</b>	<b>.. S</b>	<b>.. S</b>	<b>.. S</b>	<b>.. S</b>	<b>.. S</b>
<b>Low income</b>	411,419	523,464	351,318	448,932	333,366	399,076	67,061	104,388	17,953	49,857	11,317	20,258
<b>Middle income<sup>b</sup></b>	940,479	1,817,163	749,931	1,469,476	707,793	983,880	70,222	107,517	42,138	485,596	23,334	75,550
Lower middle income	583,682	1,149,118	477,625	925,294	453,753	651,767	49,234	80,019	23,872	273,527	7,811	59,160
Upper middle income <sup>b</sup>	356,797	668,045	272,306	544,182	254,040	332,112	20,988	27,498	18,266	212,069	15,523	16,390
<b>Low &amp; middle income<sup>b</sup></b>	1,351,898	2,340,627	1,101,250	1,918,408	1,041,159	1,382,955	137,283	211,905	60,091	535,453	34,651	95,809
East Asia & Pacific	234,092	499,133	194,633	388,064	172,998	272,783	25,306	42,764	21,635	115,281	2,085	11,618
Europe & Central Asia	217,224	545,842	176,378	434,625	171,457	276,350	10,429	30,214	4,921	158,275	1,305	34,245
Latin America & Carib.	444,227	727,944	352,476	613,916	327,447	384,961	35,841	42,072	25,029	228,956	18,297	38,302
Middle East & N. Africa	155,134	189,010	120,603	148,851	119,101	142,396	10,074	10,417	1,502	6,455	1,815	2,219
South Asia	124,395	168,349	107,527	158,723	105,799	144,785	30,717	44,349	1,727	13,938	4,537	2,416
Sub-Saharan Africa	176,826	210,350	149,632	174,229	144,355	161,681	24,916	42,089	5,276	12,548	6,612	7,009
<b>High income</b>												
Europe EMU												

a. Data for 1990 refer to the former Socialist Federal Republic of Yugoslavia. Data for 2002 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 developing countries are gathered by the World Bank through its Debtor Reporting System. World Bank staff calculate the indebtedness of these countries using loan-by-loan reports submitted by them 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 by World Bank and International Monetary Fund (IMF) staff. In addition, the table includes data on private nonguaranteed debt for 80 countries either reported to the World Bank or estimated by its staff.

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-of-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-of-period exchange rates. Debt repayable in multiple currencies, goods, or services and debt with a provision for maintenance of the 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 end-of-period 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 liabilities into long-term public debt also contribute to the differences.

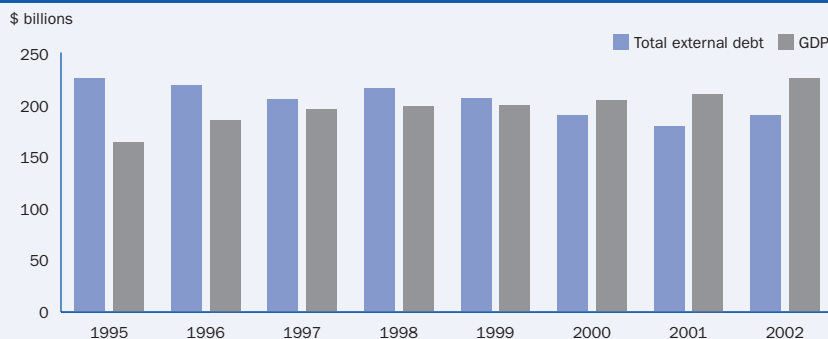
Variations in reporting rescheduled debt also affect cross-country comparability. For example, rescheduling under the auspices of the Paris Club of official creditors may be subject to lags between the completion of the general rescheduling agreement and the completion of the specific, bilateral agreements 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.

## 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 the long-term external obligations of public debtors, including the national government and political subdivisions (or an agency of either) and autonomous public bodies, and the 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. The International Bank for Reconstruction and Development (IBRD) lends at market rates. The International Development Association (IDA) provides credits at concessional rates.
- **Private nonguaranteed external debt** consists of the 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.

## 4.16a

Since 2000, GDP has been larger than external debt for the heavily indebted poor countries



Source: World Bank data files.

## 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.



	Indebtedness classification <sup>a</sup>	Present value of debt		Public and publicly guaranteed debt service				Multilateral debt service		Short-term debt	
		% of GNI	% of exports of goods, services, and income	% of GNI	% of exports of goods, services, and income	% of public and publicly guaranteed	% of total debt				
								1990	2002	1990	2002
2002	2002	2002	1990	2002	1990	2002	1990	2002	1990	2002	
Afghanistan	..	..	..	..	..	..	..	..	..	..	..
Albania	L	20	91	..	0.7	..	3.4	..	37.5	..	2.4
Algeria	L	42	..	14.3	7.0	63.3	..	5.0	25.2	2.8	0.5
Angola	S	118	125	3.4	8.7	7.1	9.8	2.2	1.0	11.5	12.4
Argentina	S	66	393	3.6	4.3	28.9	12.8	16.2	80.1	16.8	11.2
Armenia	L	34	111	..	2.1	..	6.3	..	54.6	..	1.2
Australia	..	..	..	..	..	..	..	..	..	..	..
Austria	..	..	..	..	..	..	..	..	..	..	..
Azerbaijan	L	21	46	..	1.6	..	3.4	..	18.0	..	5.9
Bangladesh	L	22	155	1.6	1.3	23.3	8.9	22.8	48.7	1.3	3.1
Belarus	L	7	10	..	1.1	..	1.7	..	31.6	..	15.6
Belgium	..	..	..	..	..	..	..	..	..	..	..
Benin	M	36 <sup>b</sup>	155 <sup>b</sup>	1.8	1.9	8.6	8.5	95.7	60.0	4.3	4.4
Bolivia	L	23 <sup>b</sup>	111 <sup>b</sup>	5.9	2.8	27.6	13.1	67.6	89.7	3.6	7.6
Bosnia and Herzegovina	L	34	98	..	2.0	..	6.6	..	57.2	..	2.9
Botswana	L	8	13	2.9	1.2	4.3	2.0	61.3	69.5	1.0	3.3
Brazil	S	48	342	1.3	5.0	15.7	29.4	43.5	15.5	19.8	10.3
Bulgaria	M	79	136	..	3.8	..	6.8	..	26.6	..	7.9
Burkina Faso	M	16 <sup>b</sup>	171 <sup>b</sup>	0.9	1.4	7.7	14.8	73.0	85.5	10.1	3.4
Burundi	S	110	1,553	3.6	2.6	40.7	47.1	51.1	87.6	1.5	8.0
Cambodia	M	68	114	2.6	0.2	..	0.3	..	60.3	7.3	7.4
Cameroon	M	58 <sup>b</sup>	.. <sup>b</sup>	3.0	3.2	12.6	..	43.5	46.3	14.4	9.2
Canada	..	..	..	..	..	..	..	..	..	..	..
Central African Republic	S	78	..	1.1	0.0	7.5	..	50.0	100.0	5.4	4.9
Chad	S	37 <sup>b</sup>	.. <sup>b</sup>	0.4	1.2	2.4	..	72.3	77.0	5.7	2.0
Chile	M	63	173	5.6	2.4	15.1	6.3	35.7	31.3	17.6	9.0
China	L	14	50	1.6	1.0	9.7	3.5	7.6	32.8	16.8	28.5
Hong Kong, China	..	..	..	..	..	..	..	..	..	..	..
Colombia	M	46	229	8.2	6.4	34.5	33.4	32.2	26.0	8.4	11.2
Congo, Dem. Rep.	S	171	..	1.6	7.5	..	..	49.6	100.0	7.2	8.8
Congo, Rep.	S	228	200	20.4	0.5	31.6	0.5	12.7	100.0	14.9	22.2
Costa Rica	L	33	69	7.9	3.7	20.7	8.2	36.1	53.2	10.0	31.0
Côte d'Ivoire	S	91	188	5.7	4.5	14.7	8.6	77.5	73.6	20.8	8.1
Croatia	M	76	150	..	7	..	14	..	6	..	2.4
Cuba	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	L	46	62	..	2.2	..	3.0	..	10.7	..	40.7
Denmark	..	..	..	..	..	..	..	..	..	..	..
Dominican Republic	L	..	68	2.1	2.8	7.2	6.6	50.3	24.1	17.9	32.3
Ecuador	S	95	300	9.6	5.7	26.6	20.9	34.8	40.5	15.0	14.1
Egypt, Arab Rep.	L	28	150	5.9	2.0	23.2	10.6	18.7	25.5	13.5	11.3
El Salvador	L	46	162	3.7	2.7	17.7	9.5	60.2	54.5	9.8	17.0
Eritrea	M	40	200	..	1.2	..	4.5	..	58.6	..	5.9
Estonia	S	86	89	..	1.6	..	1.7	..	54.1	..	33.5
Ethiopia	S	66 <sup>b,c</sup>	386 <sup>b,c</sup>	2.3	1.6	33.1	8.9	14.5	79.0	1.7	1.0
Finland	..	..	..	..	..	..	..	..	..	..	..
France	..	..	..	..	..	..	..	..	..	..	..
Gabon	S	87	107	1.9	9.2	3.8	11.0	32.6	11.3	17.4	6.7
Gambia, The	M	77 <sup>b</sup>	.. <sup>b</sup>	10.4	5.3	17.9	..	25.4	51.9	4.3	6.5
Georgia	M	42	144	..	2.0	..	6.2	..	24.4	..	1.8
Germany	..	..	..	..	..	..	..	..	..	..	..
Ghana	M	73 <sup>b</sup>	157 <sup>b</sup>	3.3	2.8	19.3	6.6	30.7	47.9	8.3	8.1
Greece	..	..	..	..	..	..	..	..	..	..	..
Guatemala	L	21	110	2.2	1.5	10.4	9.0	36.8	61.3	13.3	19.9
Guinea	M	47 <sup>b</sup>	166 <sup>b</sup>	5.6	3.9	17.7	12.4	22.1	57.0	6.9	8.5
Guinea-Bissau	S	235 <sup>b</sup>	..	2.4	6.1	21.8	..	70.2	46.5	8.2	2.0
Haiti	L	23	..	0.5	0.4	4.4	..	69.2	41.4	11.1	12.3

# External debt management

# 4.17

ECONOMY

	Indebtedness classification <sup>a</sup>	Present value of debt		Public and publicly guaranteed debt service				Multilateral debt service		Short-term debt	
		2002	% of exports of goods, services, and income	% of GNI		% of exports of goods, services, and income		% of public and publicly guaranteed		% of total debt	
				2002	2002	1990	2002	1990	2002	1990	2002
Honduras	M	49	121	10.8	2.6	29.1	6.5	90.7	76.1	5.4	9.7
Hungary	M	62	82	11.9	3.4	30.4	4.9	8.0	9.2	13.9	16.2
India	L	17	115	..	..	..	..	..	..	10.2	4.4
Indonesia	S	89	191	6.8	4.0	24.9	9.8	22.5	42.1	15.9	17.6
Iran, Islamic Rep.	L	7	25	0.2	1.2	1.3	3.6	30.4	8.1	80.1	25.7
Iraq	..	..	..	..	..	..	..	..	..	..	..
Ireland	..	..	..	..	..	..	..	..	..	..	..
Israel	..	..	..	..	..	..	..	..	..	..	..
Italy	..	..	..	..	..	..	..	..	..	..	..
Jamaica	S	82	163	11.6	10.9	20.7	22.9	38.6	22.1	7.3	14.2
Japan	..	..	..	..	..	..	..	..	..	..	..
Jordan	S	84	165	14.5	5.2	21.4	10.1	26.8	47.7	12.4	6.6
Kazakhstan	M	80	151	..	3.7	..	7.4	..	18.2	..	6.7
Kenya	M	40	147	6.3	2.8	22.7	10.4	44.7	31.8	13.2	12.5
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	..	..	..	..	..	..	..	..	..	..	..
Kuwait	..	..	..	..	..	..	..	..	..	..	..
Kyrgyz Republic	S	93	221	..	2.9	..	7.0	..	39.9	..	1.0
Lao PDR	S	87	..	1.0	2.2	8.0	..	53.6	62.8	0.1	0.0
Latvia	S	85	176	..	1.2	..	2.4	..	70.9	..	62.2
Lebanon	S	102	557	1.1	9.5	3.2	51.8	27.8	5.4	79.9	14.9
Lesotho	L	45	78	2	7	4	11	45	68	1	0.6
Liberia	S	559	1,686	..	..	..	..	100.0	..	22.2	41.1
Libya	..	..	..	..	..	3.8	..	..	..	..	..
Lithuania	M	50	95	..	4.2	..	7.4	..	18.7	..	34.2
Macedonia, FYR	L	37	87	..	3.9	..	10.5	..	38.5	..	4.7
Madagascar	L	33 <sup>b</sup>	129 <sup>b</sup>	5.2	1.5	31.9	9.1	23.7	61.0	6.1	5.1
Malawi	M	51 <sup>b</sup>	183 <sup>b</sup>	5.5	1.5	22.4	5.7	38.2	100.0	3.7	4.5
Malaysia	M	57	44	8.7	6.4	10.6	5.1	9.9	4.4	12.4	17.2
Mali	M	47 <sup>b</sup>	134 <sup>b</sup>	1.8	2.4	9.7	5.8	54.3	64.0	2.5	5.4
Mauritania	M	66 <sup>b</sup>	.. <sup>b</sup>	10.9	5.8	24.8	..	73.8	69.8	11.2	9.2
Mauritius	L	39	60	3.4	4.2	4.5	6.3	51.6	21.8	5.3	49.5
Mexico	L	26	86	3.1	3.0	15.1	10.7	26.0	15.0	15.4	7.0
Moldova	M	79	126	..	6.1	..	9.4	..	40.1	..	5.3
Mongolia	M	69	107	..	3.9	..	6.1	..	13.4	..	4.3
Morocco	M	51	147	5.9	8.5	23.1	23.9	39.8	37.4	1.6	9.1
Mozambique	L	27 <sup>b</sup>	88 <sup>b</sup>	2.2	1.1	17.2	2.9	30.6	61.9	7.4	8.0
Myanmar	S	..	..	..	..	17.7	..	43.6	0.7	4.9	17.8
Namibia	..	..	..	..	..	0.1	..	..	..	..	..
Nepal	M	31	147	1.5	1.7	12.1	9.8	36.8	72.7	1.5	1.2
Netherlands	..	..	..	..	..	..	..	..	..	..	..
New Zealand	..	..	..	..	..	..	..	..	..	..	..
Nicaragua	S	77	301	..	2.6	2.4	10.7	21.1	26.0	22.6	8.5
Niger	M	26 <sup>b</sup>	.. <sup>b</sup>	0.7	0.7	3.1	..	71.3	89.9	8.9	1.8
Nigeria	S	80	152	12.8	3.6	22.3	8.2	15.5	31.3	4.5	7.4
Norway	..	..	..	..	..	..	..	..	..	..	..
Oman	L	23	..	6.9	4.4	12.0	..	5.1	7.6	12.3	25.6
Pakistan	M	45	238	3.5	3.5	19.8	16.8	40.3	56.4	15.4	4.6
Panama	S	84	107	2.8	11.5	2.5	16.4	90.7	9.5	36.6	4.5
Papua New Guinea	S	82	..	8.7	5.2	18.2	..	23.0	53.6	2.8	2.6
Paraguay	L	42	96	5.6	3.4	11.5	6.2	35.9	68.1	17.7	16.4
Peru	S	56	319	0.7	5.5	4.1	31.7	28.8	24.1	26.7	8.3
Philippines	M	77	135	6.6	6.7	22.2	12.3	28.7	16.1	14.5	9.1
Poland	L	38	124	1.5	2.0	4.3	6.3	9.2	8.4	19.4	12.8
Portugal	..	..	..	..	..	..	..	..	..	..	..
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..



# 4.17

## External debt management

	Indebtedness classification <sup>a</sup>	Present value of debt		Public and publicly guaranteed debt service				Multilateral debt service		Short-term debt	
		% of GNI	% of exports of goods, services, and income	% of GNI		% of exports of goods, services, and income		% of public and publicly guaranteed		% of total debt	
				1990	2002	1990	2002	1990	2002	1990	2002
Romania	L	37	106	..	4.0	..	11.0	..	27.1	79.8	3.2
Russian Federation	M	50	122	..	2.6	..	7.1	..	8.9	..	11.1
Rwanda	S	40 <sup>b</sup>	453 <sup>b</sup>	0.6	1.1	10.2	13.2	60.7	61.8	6.6	3.2
Saudi Arabia	..	..	..	..	..	1.2	..	..	..	..	..
Senegal	M	53 <sup>b</sup>	165 <sup>b</sup>	3.8	3.6	13.8	11.4	39.8	42.9	11.3	7.5
Serbia and Montenegro	S	102	421	..	0.7	..	3.1	..	86.0	..	26.2
Sierra Leone	S	103 <sup>b</sup>	.. <sup>b</sup>	2.8	2.8	7.8	..	26.1	43.5	12.4	1.1
Singapore	..	..	..	..	..	..	..	..	..	..	..
Slovak Republic	M	62	82	..	3.8	..	5.0	..	10.4	..	32.6
Slovenia	..	..	..	..	..	..	..	..	..	..	..
Somalia	S	..	..	0.8	..	..	..	100.0	..	12.0	25.1
South Africa	L	22	66	..	1.6	..	4.2	..	0.4	..	29.6
Spain	..	..	..	..	..	..	..	..	..	..	..
Sri Lanka	M	48	122	3.6	3.2	11.9	8.7	13.8	18.7	6.9	5.2
Sudan	S	136	851	0.1	0.0	4.5	0.0	100.0	100.0	28.1	38.3
Swaziland	L	25	26	4.8	1.5	5.6	1.6	73.0	75.7	1.9	19.9
Sweden	..	..	..	..	..	..	..	..	..	..	..
Switzerland	..	..	..	..	..	..	..	..	..	..	..
Syrian Arab Republic	S	114	270	9.3	0.8	20.3	1.9	3.5	55.9	12.5	26.3
Tajikistan	S	88	124	..	1.5	..	2.5	..	62.5	..	5.2
Tanzania	L	19 <sup>b,d</sup>	117 <sup>b,d</sup>	3.4	1.4	25.1	7.8	52.7	39.6	8.0	8.9
Thailand	M	49	69	3.9	6.1	10.4	8.9	22.1	33.7	29.6	20.1
Togo	S	92	251	3.8	0.1	8.6	0.2	40.8	100.0	8.8	12.1
Trinidad and Tobago	L	35	61	7.3	2.4	14.6	4.7	4.7	44.5	5.1	32.4
Tunisia	M	65	135	10.3	6.8	23.0	14.1	26.0	49.4	8.2	4.7
Turkey	S	77	246	4.3	5.6	29.6	17.7	23.3	10.0	19.2	11.5
Turkmenistan	M	..	..	..	..	..	..	..	..	..	..
Uganda	L	22 <sup>b</sup>	175 <sup>b</sup>	2.0	1.0	47.1	7.6	37.4	83.1	5.4	3.7
Ukraine	L	35	59	..	2.8	..	4.9	..	29.8	..	4.3
United Arab Emirates	..	..	..	..	..	..	..	..	..	..	..
United Kingdom	..	..	..	..	..	..	..	..	..	..	..
United States	..	..	..	..	..	..	..	..	..	..	..
Uruguay	S	65	279	7.9	8.9	29.4	33.7	16.2	26.2	27.2	14.9
Uzbekistan	M	57	136	..	7.8	..	20.2	..	11.6	..	7.2
Venezuela, RB	..	33	112	8.8	6.6	19.4	20.5	1.6	10.2	6.0	11.4
Vietnam	L	35	61	2.4	3.1	..	5.5	3.4	2.6	7.7	5.9
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	L	40	90	2.3	1.5	7.1	3.5	51.0	60.0	18.8	6.5
Zambia	S	127	406	5.7	6.4	12.7	19.9	41.6	26.9	20.4	1.8
Zimbabwe	M	..	..	4.3	..	18.2	..	24.0	16.9	18.2	12.7
<b>World</b>				<b>.. W</b>	<b>.. W</b>	<b>.. W</b>	<b>.. W</b>	<b>.. W</b>	<b>..</b>	<b>.. W</b>	<b>.. W</b>
<b>Low income</b>				3.5	2.8	21.4	10.9	25.4	44.3	11.9	10.4
<b>Middle income</b>				3.4	3.2	14.6	8.9	19.2	20.8	17.8	15.0
Lower middle income				3.1	3.0	17.3	9.1	21.2	22.3	16.8	14.3
Upper middle income				3.9	3.7	11.8	8.6	15.8	18.1	19.3	16.1
<b>Low &amp; middle income</b>				3.4	3.1	15.9	9.2	20.6	24.7	16.0	13.9
East Asia & Pacific				3.6	2.3	13.7	5.5	17.5	27.4	16.0	19.9
Europe & Central Asia				..	3.2	18.3	7.6	17.1	12.7	18.2	14.1
Latin America & Carib.				3.0	4.2	17.7	16.1	26.6	22.4	16.5	10.4
Middle East & N. Africa				4.2	..	13.3	..	10.8	26.5	21.1	20.1
South Asia				2.1	2.4	23.1	14.5	25.0	49.2	9.9	4.3
Sub-Saharan Africa				..	2.6	..	6.5	30.0	32.7	11.6	13.8
<b>High income</b>											
Europe EMU											

a. S = severely indebted, M = moderately indebted, L = less indebted. b. Data are from debt sustainability analyses undertaken as part of the Debt Initiative for Heavily Indebted Poor Countries (HIPCs). Present value estimates for these countries are for public and publicly guaranteed debt only. c. As of December 31, 2002, Ethiopia had yet to reach the completion point under the HIPC Debt Initiative. d. Data refer to mainland Tanzania only.



## 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 (GNI) and exports of goods and services. The table shows the present value of total debt service both as a percentage of GNI in 2002 and as a percentage of exports in 2002. The ratios compare total debt service obligations with the size of the economy and its ability to obtain foreign exchange through exports. 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 February 1, 2004. Exports refer to exports of goods, services, and income. Workers' remittances are not included here, though they are included with income receipts in other World Bank publications such as *Global Development Finance*.

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 a special drawing rights (SDR) 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. 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 HIPC Debt Initiative. Indebted countries may also apply to the Paris and London Clubs for renegotiation of obligations to public and private creditors. In 2002, 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 either group were classified as less indebted.

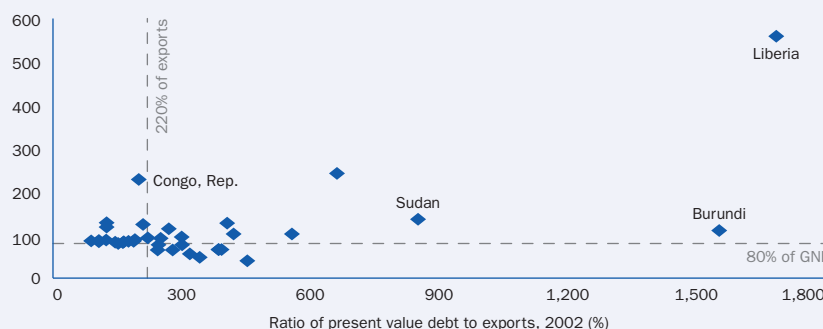
## Definitions

- **Indebtedness classification** refers to assessment 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.
- **Public and publicly guaranteed debt service** is the sum of principal repayments and interest actually paid in foreign currency, goods, or services on long-term obligations of public debtors and long-term private obligations guaranteed by a public entity.
- **Multilateral debt service** is the repayment of principal and interest to the World Bank, regional development banks, and other multilateral and inter-governmental agencies.
- **Short-term debt** includes all debt having an original maturity of one year or less and interest in arrears on long-term debt.

## 4.17a

**When the present value of a country's external debt exceeds 220 percent of exports or 80 percent of GNI the World Bank classifies it as severely indebted**

Ratio of present value debt to GNI, 2002 (%)



Source: World Bank data files.

## 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 and the IMF's Balance of Payments database. 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.