

Table 17. Role of government in the economy

Economy	Subsidies and other current transfers % of total expenditure		Value added by state-owned enterprises % of GDP		Military expenditures % of GNP		Composite ICRG risk rating ^a March 2000	Institutional Investor credit rating ^a March 2000	Highest marginal tax rate ^b		
									Individual		Corporate
	1990	1997	1985-90	1990-97	1992	1997	%	On income over (dollars)	%		
Albania	..	45	..	..	4.7	1.4	62.5	12.6	..	..	..
Algeria	27	26	..	..	1.8	3.9	56.8	27.7	..	..	..
Angola	..	..	..	..	24.2	20.5	45.0	12.6	..	..	..
Argentina	57	58	2.7	1.3	1.9	1.2	71.0	43.0	35	200,000	35
Armenia	..	..	..	..	3.5	3.5	57.5	..	..	..	..
Australia	56	61	..	..	2.5	2.2	83.5	78.3	47	30,579	36
Austria	57	62	..	..	1.0	0.9	82.0	89.4	50	59,590	34
Azerbaijan	28	44	..	..	2.9	1.9	59.3	..	40	3,704	30
Bangladesh	..	..	2.3	2.5	1.3	1.4	62.3	25.5	..	..	..
Belarus	46	54	..	..	1.9	1.7	59.3	12.7	..	..	..
Belgium	56	60	2.8	..	1.8	1.5	80.3	85.6	55	69,993	39
Benin	..	..	..	..	1.3	1.3	..	17.3	..	..	..
Bolivia	16	40	13.4	11.4	2.2	1.9	68.3	31.1	13	..	25
Botswana	25	31	5.6	5.5	4.4	5.1	83.5	57.0	30	17,960	15
Brazil	39	..	7.7	7.4	1.1	1.8	64.8	38.5	28	17,881	15
Bulgaria	52	37	..	..	3.3	3.0	70.8	32.5	40	9,403	27
Burkina Faso	11	..	..	..	2.4	2.8	62.8	19.2	..	..	..
Burundi	10	11	7.3	..	2.7	6.1	..	9.6	..	..	..
Cambodia	..	..	..	..	4.9	4.1	..	..	20	39,915	20
Cameroon	13	13	18.0	8.5	1.6	3.0	60.5	18.0	60	13,321	39
Canada	56	62	..	..	2.0	1.3	85.5	85.1	29	38,604	38
Central African Republic	..	..	4.1	..	2.0	3.9	..	..	..	..	..
Chad	3	..	..	..	4.0	2.7	..	12.4	..	..	..
Chile	51	52	14.4	8.3	2.5	3.9	74.5	62.6	45	6,526	15
China	..	..	..	..	2.8	2.2	72.3	56.6	45	12,079	30
Hong Kong, China	..	..	..	..	..	..	79.3	60.8	17	13,583	16
Colombia	42	40	7.0	..	2.4	3.7	57.0	42.6	35	32,221	35
Congo, Dem. Rep.	4	1	..	..	3.0	5.0	45.3	8.0	..	..	..
Congo, Rep.	20	5	15.1	..	5.7	4.1	50.5	7.1	50	14,210	45
Costa Rica	20	23	8.1	..	1.4	0.6	76.5	42.7	25	14,185	30
Côte d'Ivoire	30	9	..	..	1.5	1.1	55.3	25.2	10	4,263	35
Croatia	42	38	..	..	7.7	6.3	69.8	41.8	35	5,556	..
Czech Republic	64	74	..	..	2.7	1.9	76.3	59.1	40	36,979	35
Denmark	61	64	..	..	2.0	1.7	86.0	86.3	59	..	32
Dominican Republic	13	23	..	..	0.9	1.1	71.8	31.9	25	14,309	25
Ecuador	16	..	10.2	..	3.5	4.0	49.8	19.1	0	..	0
Egypt, Arab Rep.	26	15	..	..	3.7	2.8	70.5	45.4	32	14,706	40
El Salvador	..	..	1.8	..	2.1	0.9	76.0	38.3	..	..	..
Eritrea	..	..	..	..	..	7.8	..	..	..	..	..
Estonia	73	47	..	..	0.5	1.5	74.3	49.4	26	..	26
Ethiopia	9	..	..	..	3.7	1.9	57.5	15.9	..	..	..
Finland	70	67	..	..	2.2	1.7	88.8	85.6	38	61,164	28
France	63	65	11.2	..	3.4	3.0	80.3	91.7	..	..	33
Georgia	..	28	..	..	2.4	1.4	..	11.1	..	..	..
Germany	58	58	..	..	2.1	1.6	83.3	92.9	53	66,690	30
Ghana	20	..	8.5	..	0.8	0.7	57.8	31.0	35	7,102	35
Greece	41	22	11.5	..	4.4	4.6	75.8	62.5	45	56,271	35
Guatemala	..	..	1.9	2.0	1.5	1.4	69.8	31.0	25	26,740	28
Guinea	4	..	..	..	1.4	1.5	59.8	14.4	..	..	..
Haiti	..	..	..	..	1.5	..	56.3	10.1	..	..	..
Honduras	..	..	5.5	..	1.4	1.3	63.0	19.3	..	..	..
Hungary	64	48	..	..	2.1	1.9	74.3	59.2	40	4,566	18
India	43	40	13.4	13.4	2.5	2.8	64.3	45.3	30	3,538	35
Indonesia	21	36	14.5	..	1.4	2.3	50.3	28.3	30	6,623	30
Iran, Islamic Rep.	22	14	..	..	3.0	3.0	66.3	29.2	54	174,171	54
Ireland	55	60	..	..	1.4	1.2	86.0	84.8	46	14,799	32
Israel	37	48	..	..	11.7	9.7	69.8	57.6	50	57,789	36
Italy	54	58	..	..	2.1	2.0	79.5	82.0	46	81,665	37
Jamaica	..	..	..	..	1.0	0.9	68.8	29.5	25	2,712	33
Japan	54	..	..	..	1.0	1.0	82.0	86.9	50	259,291	35
Jordan	11	9	..	..	8.8	9.0	70.8	38.6	..	..	..
Kazakhstan	..	..	..	..	2.9	1.3	64.8	30.2	30	..	30
Kenya	10	18	11.6	..	3.0	2.1	56.8	26.6	33	382	33
Korea, Rep.	46	49	10.3	..	3.7	3.4	80.0	58.8	40	66,236	28
Kuwait	20	20	..	..	77.0	7.5	80.5	59.8	0	..	0
Kyrgyz Republic	..	..	..	..	0.7	1.6	..	17.6	..	..	30
Lao PDR	..	..	..	..	9.8	3.4	..	..	40	1,064	..
Latvia	59	61	..	..	1.6	0.9	72.3	43.4	25	..	25
Lebanon	18	12	..	..	4.0	3.0	58.5	35.0	..	..	..
Lesotho	5	9	..	..	3.6	2.5	..	26.9	..	..	..
Lithuania	67	41	..	..	0.7	0.8	71.3	40.8	33	..	29
Macedonia, FYR	..	..	..	..	2.2	2.5	..	..	..	..	..
Madagascar	9	8	..	..	1.1	1.5	62.5	..	..	..	..
Malawi	8	..	4.3	..	1.1	1.0	61.3	19.5	38	948	38
Malaysia	16	24	..	..	3.2	2.2	75.3	54.9	30	39,474	28

STATES AND MARKETS

Economy	Subsidies and other current transfers % of total expenditure		Value added by state-owned enterprises % of GDP		Military expenditures % of GNP		Composite ICRG risk rating ^a March 2000	Institutional Investor credit rating ^a March 2000	Highest marginal tax rate ^b		
									Individual		Corporate %
	1990	1997	1985-90	1990-97	1992	1997	%	On income over (dollars)	1999	1999		1999
Mali	..	..	..	..	2.3	1.7	66.3	17.2	..	..	..
Mauritania	..	..	..	..	3.5	2.3	..	..	..	..	..
Mexico	17	51	6.7	4.9	0.5	1.1	70.5	49.8	40	200,000	35
Moldova	..	..	..	..	0.5	1.0	53.3	16.0	..	..	..
Mongolia	56	44	..	..	2.6	1.9	64.0	..	..	..	..
Morocco	8	12	16.8	..	4.5	4.3	72.8	45.6	44	6,445	35
Mozambique	..	..	..	..	7.6	2.8	56.3	19.2	20	792	35
Myanmar	..	..	..	..	8.3	7.6	58.8	16.9	30	..	30
Namibia	10	..	..	..	2.2	2.7	78.3	39.7	40	16,129	40
Nepal	..	..	..	..	1.0	0.8	..	26.8	..	..	..
Netherlands	70	72	..	..	2.5	1.9	87.0	92.1	60	56,075	35
New Zealand	64	38	..	..	1.6	1.3	80.3	75.5	33	18,134	33
Nicaragua	14	25	..	..	3.1	1.5	50.3	13.4	30	18,083	30
Niger	..	..	5.1	..	1.3	1.1	62.8	14.6	..	..	..
Nigeria	..	..	..	..	2.6	1.4	53.3	18.3	25	1,395	28
Norway	69	70	..	..	3.1	2.1	89.3	89.5	..	..	..
Pakistan	20	8	..	..	7.4	5.7	54.3	18.8	..	..	..
Panama	26	27	7.6	7.3	1.3	1.4	74.0	42.7	30	200,000	30
Papua New Guinea	18	..	..	..	1.5	1.3	62.5	30.9	47	48,251	25
Paraguay	19	..	4.8	4.6	1.8	1.3	63.8	31.7	0	..	30
Peru	24	36	6.4	5.1	1.8	2.1	66.8	38.8	30	47,985	30
Philippines	7	18	2.3	2.2	1.9	1.5	70.8	46.7	33	12,773	33
Poland	67	62	..	..	2.3	2.3	76.0	58.5	40	15,192	34
Portugal	33	38	15.1	..	2.7	2.4	80.8	79.7	40	36,478	34
Romania	57	50	..	..	3.3	2.4	62.5	27.5	45	4,080	38
Russian Federation	49	..	..	..	8.0	5.8	54.8	19.6	35	6,036	35
Rwanda	16	..	..	..	4.4	4.4	..	..	0	..	..
Saudi Arabia	..	..	..	..	26.8	14.5	73.0	55.1	0	..	45
Senegal	..	..	6.9	..	2.8	1.6	62.5	23.2	50	22,469	35
Sierra Leone	1	24	..	..	3.2	5.9	37.5	7.1	..	..	..
Singapore	12	8	..	..	5.2	5.7	89.0	80.4	28	240,964	26
Slovak Republic	..	..	..	..	2.2	2.1	72.3	42.9	42	29,258	40
Slovenia	..	..	..	..	2.1	1.7	79.8	63.1	..	..	..
South Africa	23	49	14.9	..	3.2	1.8	70.5	45.2	45	20,391	30
Spain	63	66	..	..	1.6	1.5	75.8	80.4	40	77,139	35
Sri Lanka	23	20	..	..	3.8	5.1	60.3	35.4	35	4,405	35
Sweden	72	71	..	..	2.6	2.5	83.8	83.9	..	..	28
Switzerland	67	64	..	..	1.8	1.4	88.3	93.8	..	..	45
Syrian Arab Republic	..	..	..	..	9.7	5.6	71.0	23.2	..	..	..
Tajikistan	..	..	..	..	0.3	1.7	..	12.9	..	..	..
Tanzania	..	..	9.0	..	2.2	1.3	59.0	19.1	35	12,335	30
Thailand	9	7	..	..	2.6	2.3	74.8	48.8	37	108,430	30
Togo	..	..	..	..	2.9	2.0	60.0	17.4	..	..	..
Tunisia	35	29	..	..	2.4	2.0	73.5	49.7	..	..	..
Turkey	16	29	6.5	5.0	3.8	4.0	54.5	39.0	40	159,898	30
Turkmenistan	..	..	..	..	..	4.6	..	17.1	..	..	..
Uganda	..	..	..	..	2.4	4.2	63.0	22.9	30	3,578	30
Ukraine	..	..	..	..	1.9	3.7	58.3	18.1	40	5,953	30
United Kingdom	52	58	3.6	2.8	3.8	2.7	85.3	91.1	40	46,589	31
United States	50	60	..	..	4.8	3.3	80.0	92.9	40	283,150	35
Uruguay	50	62	5.0	..	2.3	1.4	73.3	49.1	..	..	30
Uzbekistan	..	..	..	..	2.7	2.5	..	18.0	45	2,400	33
Venezuela, RB	37	48	22.3	..	2.6	2.2	64.0	34.9	34	78,500	34
Vietnam	..	..	..	..	3.4	2.8	67.3	29.1	..	..	32
Yemen, Rep.	6	35	..	..	9.4	8.1	62.5	..	..	..	..
Zambia	..	..	32.2	..	3.3	1.1	58.8	15.1	30	742	35
Zimbabwe	18	26	8.6	9.2	3.8	3.8	56.0	24.1	50	20,455	35
World	23 m	37 m			3.2 w	2.5 w	68.7 m	32.5 m			
Low income	..	..			2.7	2.9	57.8	17.4			
Middle income	23	40			4.0	2.9	70.5	39.0			
Lower middle income	18	26			4.2	3.2	67.6	31.7			
Upper middle income	32	48			3.8	2.8	73.3	49.3			
Low and middle income	..	..			3.8	2.9	62.9	27.7			
East Asia & Pacific	19	..			2.9	2.5	67.3	38.8			
Europe & Central Asia	..	46			5.2	4.0	63.7	27.5			
Latin America & Caribbean	24	31			1.4	1.8	68.6	36.6			
Middle East & North Africa	11	14			14.4	7.0	70.5	36.8			
South Asia	23	20			3.1	3.1	61.3	26.1			
Sub-Saharan Africa	10	..			3.1	2.3	58.9	18.7			
High income	56	60			3.1	2.4	82.0	84.3			

Note: For data comparability and coverage, see the Technical Notes. Figures in italics are for years other than those specified.

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