

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 expenditure % of GDP		Composite ICRG risk rating June 1998	Institutional Investor credit rating ^a March 1998	Highest marginal tax rate		
	1985	1996	1985-90	1990-95	1985	1995			Individual		Corporate % 1997
									%	On income over (dollars) 1997	
Albania	..	<i>48</i>	..	..	<i>5.3</i>	1.1	53.3	11.1	..	..	..
Algeria	..	..	..	..	2.5	3.2	59.3	25.1	..	..	..
Angola	..	..	..	..	19.9	3.0	45.3	12.5	..	..	..
Argentina	59	<i>60</i>	2.7	1.3	3.8	1.7	74.3	41.6	33	120,000	33
Armenia	..	..	..	..	..	0.9	..	..	..	..	..
Australia	63	<i>68</i>	..	..	2.7	2.5	79.3	73.7	47	39,582	36
Austria	58	<i>59</i>	..	..	1.3	0.9	85.8	87.4	50	63,903	34
Azerbaijan	..	..	..	..	..	2.8	..	..	40	1,757	32
Bangladesh	..	..	<i>3.1</i>	<i>3.4</i>	1.7	1.7	66.5	27.2	..	..	..
Belarus	..	..	..	..	..	0.8	61.8	12.9	..	..	..
Belgium	56	<i>59</i>	2.8	..	3.1	1.7	81.8	82.0	55	75,507	39
Benin	..	..	..	..	2.2	1.2	..	17.3	..	..	..
Bolivia	<i>27</i>	<i>34</i>	13.9	<i>13.8</i>	3.3	2.3	70.0	26.5	13	..	25
Brazil	42	<i>44</i>	7.6	8.0	0.8	1.7	67.8	38.7	25	20,789	15
Bulgaria	..	<i>36</i>	..	..	14.1	2.8	65.3	22.9	40	2,630	36
Burkina Faso	9	..	..	..	1.9	2.9	60.5	20.1	..	..	..
Burundi	..	12	7.3	..	3.0	4.4	..	..	..	..	..
Cambodia	..	..	..	..	..	3.1	..	..	..	..	..
Cameroon	14	<i>13</i>	18.0	..	1.9	1.9	61.3	18.5	60	14,313	39
Canada	60	..	..	..	2.2	1.7	83.3	83.1	29	43,178	38
Central African Republic	..	..	<i>4.1</i>	..	1.8	..	..	..	..	..	..
Chad	<i>2</i>	..	..	..	<i>2.0</i>	3.1	..	..	..	..	..
Chile	51	52	14.4	<i>8.1</i>	4.0	3.8	79.5	63.2	45	6,588	15
China	..	..	..	..	4.9	2.3	74.0	57.6	45	12,051	30
Hong Kong, China	..	..	..	..	..	..	78.3	..	..	..	17
Colombia	48	..	<i>7.0</i>	..	1.6	2.6	55.3	46.9	35	49,934	35
Congo, Dem. Rep.	..	<i>2</i>	..	..	<i>1.2</i>	0.3	45.8	..	..	..	..
Congo, Rep.	..	..	15.1	..	4.0	2.9	45.8	..	..	..	45
Costa Rica	33	23	8.1	..	0.7	0.6	76.5	35.8	25	24,559	30
Côte d'Ivoire	..	..	..	..	..	..	..	..	10	4,489	35
Croatia	..	34	..	..	..	10.5	..	36.0	35	4,675	..
Czech Republic	..	71	..	..	..	2.3	78.0	..	40	27,660	39
Denmark	57	<i>64</i>	..	..	2.3	1.8	87.5	83.4	60	..	34
Dominican Republic	17	<i>12</i>	..	..	1.2	1.4	73.3	..	..	..	..
Ecuador	..	<i>9</i>	10.2	..	2.8	3.7	61.8	26.7	25	61,861	20
Egypt, Arab Rep.	31	<i>24</i>	..	..	12.8	5.7	70.8	..	32	14,749	40
El Salvador	11	22	1.8	..	5.7	1.1	76.3	29.0	30	22,857	25
Estonia	..	46	..	..	..	1.1	..	38.9	26	..	26
Ethiopia	7	..	..	..	6.7	2.2	64.5	17.5	..	..	..
Finland	67	<i>67</i>	..	..	1.7	2.0	88.0	77.9	38	65,352	28
France	63	<i>64</i>	<i>11.2</i>	..	4.0	3.1	80.5	89.3	..	..	33
Gabon	7	..	..	..	2.8	2.6	69.3	24.7	55	..	40
Georgia	..	..	..	..	..	2.4	..	10.6	..	..	..
Germany	55	<i>57</i>	..	..	..	..	83.8	92.3	53	77,406	30
Ghana	10	..	8.5	..	1.0	1.4	63.0	31.4	35	9,173	35
Greece	35	<i>20</i>	11.5	..	7.0	5.5	77.3	53.7	45	68,820	40
Guatemala	14	<i>12</i>	1.9	..	1.6	1.3	72.0	27.0	30	30,002	30
Guinea	..	..	..	..	..	1.5	61.5	16.4	..	..	..
Guinea-Bissau	<i>5</i>	..	..	..	<i>2.9</i>	2.8	44.0	..	..	..	..
Haiti	..	..	..	..	1.5	2.9	52.5	12.7	..	..	..
Honduras	..	..	5.5	..	3.5	1.4	65.8	19.8	40	196,382	15
Hungary	69	..	..	..	7.2	1.5	77.0	52.2	42	6,614	18
India	44	38	13.4	13.4	3.5	2.4	63.8	46.5	40	3,359	40
Indonesia	24	21	14.5	..	2.4	1.8	41.5	49.9	30	20,982	30
Ireland	57	<i>60</i>	..	..	1.7	1.3	86.8	78.0	48	15,732	36
Israel	33	45	..	..	20.3	9.6	69.5	52.5	50	57,730	36
Italy	<i>57</i>	56	..	..	2.2	1.8	83.3	76.6	51	196,005	37
Jamaica	1	..	..	..	0.9	0.8	74.8	30.1	25	1,449	33
Japan	52	..	..	..	1.0	1.0	79.5	90.8	50	258,398	38
Jordan	14	<i>10</i>	..	..	15.5	7.7	73.8	35.5	..	..	..
Kazakhstan	..	..	..	..	..	0.9	..	..	40	..	30
Kenya	18	<i>5</i>	11.6	..	2.3	2.3	60.5	26.7	35	374	35
Korea, Rep.	38	48	10.3	..	5.0	3.4	67.8	..	40	94,764	28
Kyrgyz Republic	..	..	..	..	..	0.7	..	..	..	..	..
Lao PDR	..	..	..	..	<i>7.4</i>	4.2	..	..	..	..	..
Latvia	..	55	..	..	..	0.9	..	34.0	25	..	25
Lebanon	..	<i>21</i>	..	..	..	3.7	55.8	32.5	..	..	..
Lesotho	<i>5</i>	..	..	..	5.3	1.9	..	..	..	..	..
Lithuania	..	46	..	..	..	0.5	..	..	33	..	29
Macedonia, FYR	..	..	..	..	..	3.3	..	..	..	..	..
Madagascar	..	8	..	..	1.9	0.9	64.5	..	..	..	..
Malawi	7	..	4.3	..	2.0	1.6	64.3	20.1	38	2,763	38
Malaysia	13	24	..	..	3.8	3.0	70.0	64.5	30	58,893	30
Mali	8	..	..	..	<i>2.9</i>	1.8	64.8	16.7	..	..	..
Mauritania	..	..	..	..	6.9	3.2	..	..	..	..	..

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

STATES AND MARKETS

Economy	Subsidies and other current transfers % of total expenditure		Value added by state-owned enterprises % of GDP		Military expenditure % of GDP		Composite ICRG risk rating June 1998	Institutional Investor credit rating ^a March 1998	Highest marginal tax rate		
	1985	1996	1985-90	1990-95	1985	1995			Individual		Corporate % 1997
									% 1997	On income over (dollars) 1997	
Mauritius	24	25	1.9	..	0.2	0.4	..	51.8	30	2,764	35
Mexico	21	43	6.7	4.9	0.7	1.0	68.5	45.2	35	21,173	34
Moldova	..	..	..	..	..	2.1	..	..	..	..	..
Mongolia	..	42	..	..	8.3	2.4	67.3	..	..	..	..
Morocco	15	12	16.8	..	6.0	4.3	71.5	41.5	44	6,814	35
Mozambique	..	..	..	..	9.9	5.4	57.5	16.1	..	..	..
Namibia	29	..	..	..	..	2.1	78.8	..	35	17,152	35
Nepal	..	..	..	..	1.1	0.9	..	25.5	..	..	..
Netherlands	69	71	..	..	3.0	2.1	87.0	90.5	60	55,730	36
New Zealand	51	37	..	..	2.0	1.3	79.3	73.4	33	21,848	33
Nicaragua	11	25	..	..	17.4	2.2	53.8	13.5	30	20,202	30
Niger	..	..	5.1	..	0.8	1.2	54.5	..	..	..	..
Nigeria	9	..	..	..	1.5	0.8	58.3	15.2	25	754	30
Norway	68	69	..	..	3.1	2.7	93.3	87.3	..	..	28
Oman	6	6	..	..	24.4	16.7	76.0	53.2	0	..	50
Pakistan	15	15	..	..	6.2	6.1	55.5	27.5	35	7,485	46
Panama	17	27	8.2	..	2.0	1.4	73.3	34.9	30	200,000	30
Papua New Guinea	16	32	..	..	1.5	1.4	68.5	33.2	35	14,900	25
Paraguay	23	..	4.8	4.5	1.1	1.4	68.5	32.8	0	..	30
Peru	11	33	6.4	5.7	6.7	1.7	65.8	33.5	30	49,923	30
Philippines	7	17	2.3	2.2	1.4	1.5	67.0	43.3	35	19,016	35
Poland	75	61	..	..	10.2	2.3	82.0	51.9	44	14,542	40
Portugal	45	37	15.1	..	2.9	2.6	84.5	72.7	40	39,247	40
Romania	27	51	..	..	6.9	2.5	62.0	34.5	60	3,600	38
Russian Federation	..	50	..	..	..	11.4	63.8	..	35	8,587	35
Rwanda	..	..	..	..	1.7	5.2	..	..	..	..	..
Saudi Arabia	..	..	..	..	22.7	13.5	73.5	55.4	0	..	45
Senegal	..	..	6.9	..	2.8	1.6	64.5	21.6	50	24,141	..
Sierra Leone	5	31	..	..	0.8	6.1	36.3	5.7	..	..	..
Singapore	10	12	..	..	5.9	4.7	90.0	82.9	28	285,836	26
Slovak Republic	..	..	..	..	..	3.0	76.8	..	42	33,861	..
Slovenia	..	..	..	..	..	1.5	..	55.5	..	..	..
South Africa	31	46	14.9	..	3.8	2.2	72.0	46.5	45	21,440	35
Spain	55	66	..	..	2.4	1.6	79.0	77.3	56	79,896	35
Sri Lanka	16	22	..	..	2.9	4.6	62.8	33.6	35	5,293	35
Sweden	64	71	..	..	3.0	2.8	83.8	77.1	30	30,326	28
Switzerland	..	63	..	..	2.4	1.6	88.3	92.6	13	460,382	46
Syrian Arab Republic	..	..	..	..	21.8	7.2	69.0	..	..	..	..
Tajikistan	..	..	..	..	..	3.7	..	..	..	..	..
Tanzania	22	..	12.9	..	3.8	1.8	60.3	19.3	35	14,075	35
Thailand	8	7	..	..	4.2	2.5	62.3	52.3	37	158,479	30
Togo	11	..	..	..	2.6	2.3	60.8	17.4	..	..	..
Trinidad and Tobago	..	21	9.1	..	..	1.7	78.3	..	35	8,103	35
Tunisia	29	29	..	..	3.6	2.0	73.5	48.0	..	..	..
Turkey	41	47	6.5	5.1	4.6	4.0	49.0	37.8	55	14,877	25
Turkmenistan	..	..	..	..	..	1.7	..	..	..	..	..
Uganda	..	..	..	..	2.0	2.3	63.8	21.2	30	4,800	30
Ukraine	..	..	..	..	..	2.9	67.0	20.5	..	..	..
United Arab Emirates	8	9	..	..	6.7	4.8	78.5	61.4	..	..	..
United Kingdom	55	56	3.4	..	5.1	3.0	83.0	..	40	44,692	33
United States	49	59	1.1	..	6.1	3.8	81.8	92.6	40	271,050	35
Uruguay	43	61	5.0	..	2.9	2.4	73.0	44.6	0	..	30
Uzbekistan	..	..	..	..	..	3.8	..	..	..	..	..
Venezuela	31	43	22.3	..	2.1	1.1	67.3	36.1	34	..	34
Vietnam	..	..	..	..	19.4	2.6	63.5	32.7	50	6,278	25
Yemen, Rep.	..	7	..	..	..	..	66.5	..	..	..	..
Zambia	..	15	32.2	..	..	2.8	61.8	17.5	30	1,376	35
Zimbabwe	37	..	10.8	11.3	5.7	4.0	57.0	33.6	40	5,597	38
World	28 m	.. m			5.2 w	2.8 w	68.5 m	35.8 m			
Low income	..	..					60.8	..			
Middle income	23	28					70.0	37.0			
Lower middle income	19	23					68.5	33.6			
Upper middle income	36	42					73.3	45.9			
Low & middle income	..	..					65.1	32.0			
East Asia & Pacific	..	18					67.2	49.9			
Europe & Central Asia	..	..					..	..
Latin America & Carib.	..	26					70.0	33.5			
Middle East & N. Africa	..	13					71.2	41.5			
South Asia	..	26					63.3	27.5			
Sub-Saharan Africa					61.1	18.9			
High income	55	59					83.2	82.0			

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