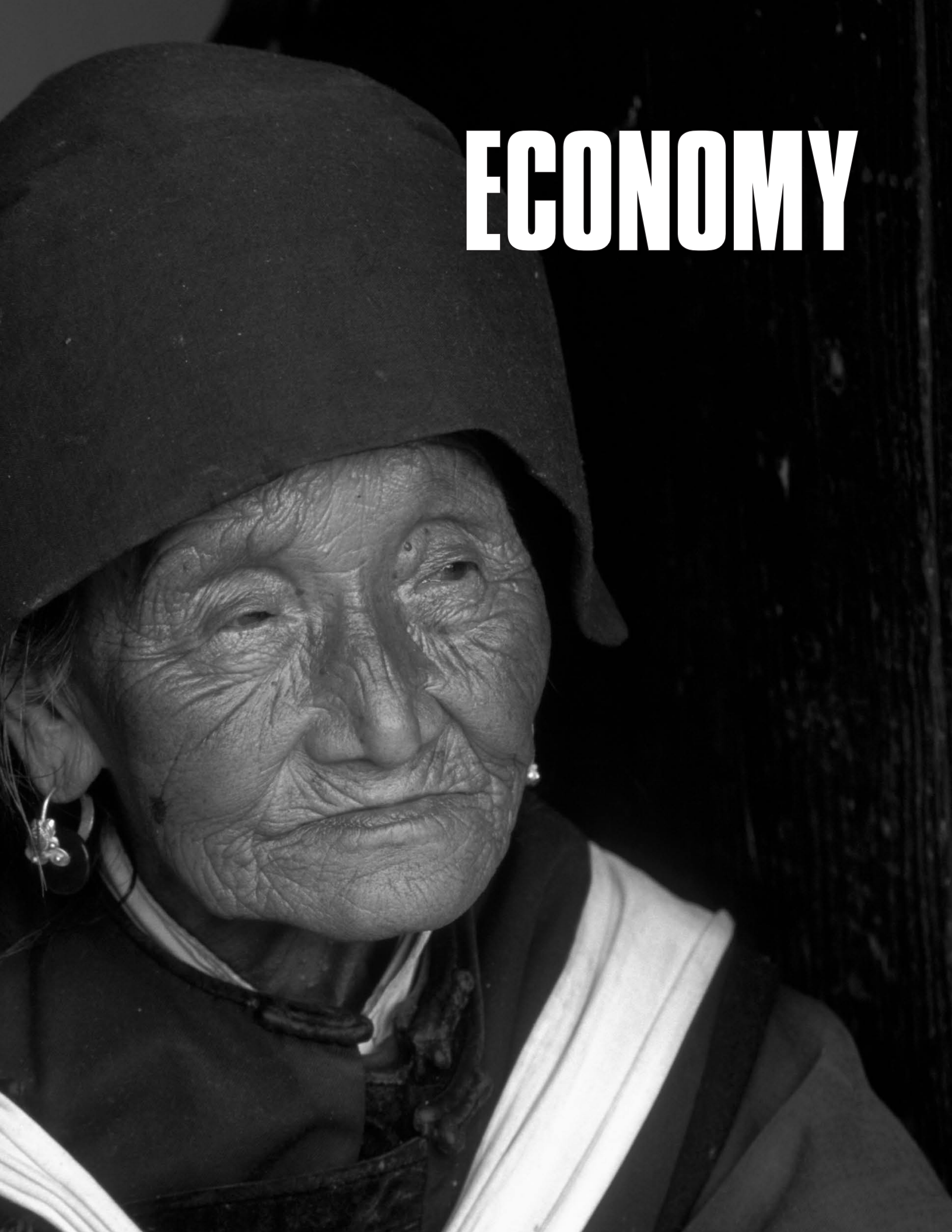


ECONOMY



4

Economic growth is not explicitly targeted in the Millennium Development Goals (MDGs), yet income per capita measures are highly correlated with widely used indicators of poverty, health, and education. As countries become richer, poverty rates generally fall (figure 4a). During 2000–08 low- and middle-income countries averaged economic growth of 6.2 percent a year, and during 1999–2005 the number of people living on less than \$1.25 a day fell by 325 million. Economic growth is clearly necessary for achieving the MDG targets.

The 2008 financial crisis and ensuing global recession have substantially increased the challenge of meeting the MDG targets. In contrast to the record growth in 2000–07, the global economy grew only 1.9 percent in 2008 and declined an estimated 2.2 percent in 2009. Some 64 million more people will be living in extreme poverty by 2010 because of the crisis. The effects on human welfare may be costly and long-lasting.

Relationship between economic growth and development outcomes

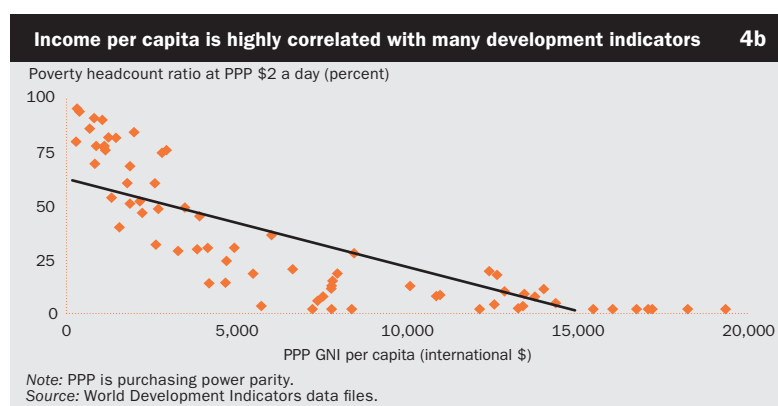
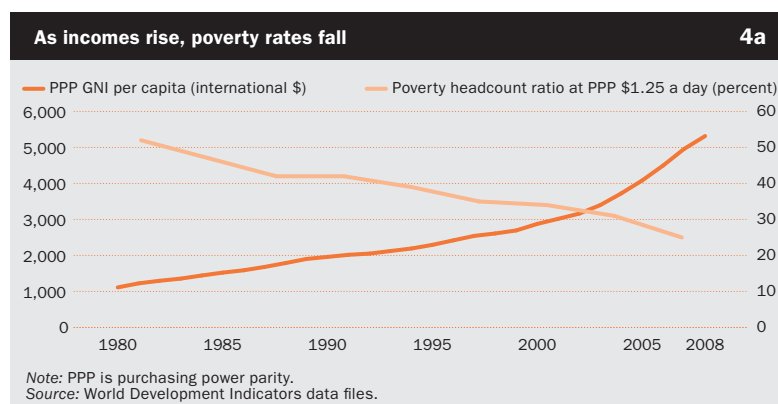
Income per capita is highly correlated with many development indicators, such as secondary school enrollment, access to water and sanitation, births attended by skilled staff, total fertility rate, children immunized against measles, malnutrition prevalence, and infant mortality. The correlation coefficients—measuring the degree of relationship—between gross national income (GNI) per capita and selected nonmonetary measures of welfare are generally high using either the *World Bank Atlas* method for calculating GNI or purchasing power parity–converted GNI (figure 4b). The highest correlation is between GNI per capita and the poverty headcount ratio (\$2 a day).

The global economy in 2009

The 2008 financial crisis led to a global economic recession in 2009, the most severe in 50 years. GDP fell 3.2 percent in high-income economies and grew only 1.2 percent in developing economies (figure 4c). The effects of the crisis were transmitted from high-income economies to developing economies as exports, private capital flows, commodity prices, and workers’ remittances declined.

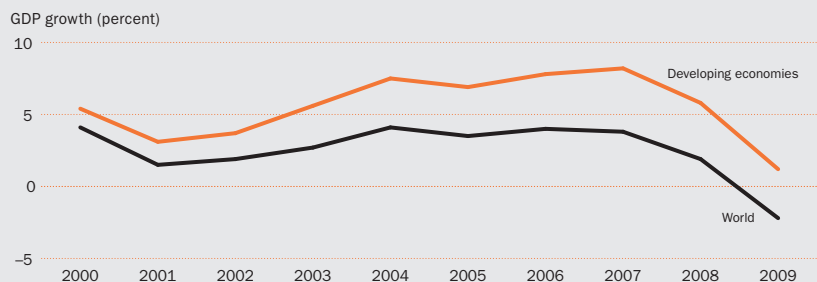
Global trade, whose growth had slowed to 3 percent in 2008, declined an estimated 12 percent in 2009 (figure 4d). Developing economies’ trade shrank an estimated 9 percent in 2009. Private capital flows to developing economies—after peaking at

nearly \$1 trillion in 2007—dropped to \$765 billion in 2008 and are estimated to have been much lower in 2009 (figure 4e). Workers’ remittances were more



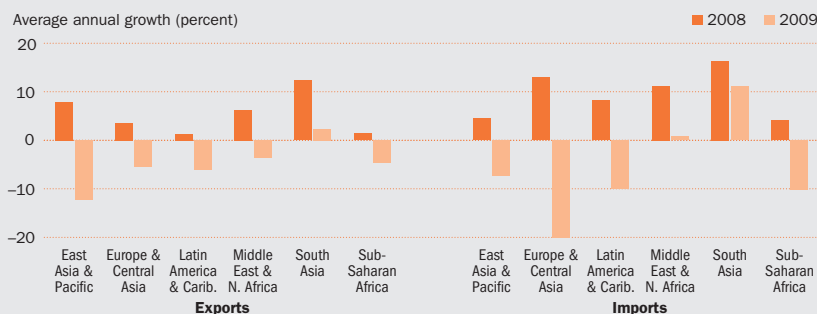


After years of record economic growth the global economy experienced a recession in 2009 4c



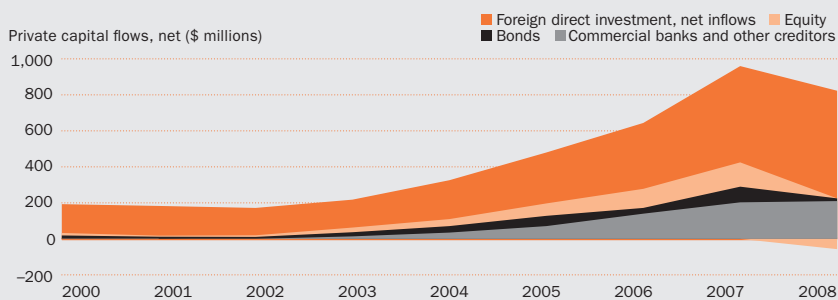
Source: World Bank 2010 and World Development Indicators data files.

Trade contracted in almost every region 4d



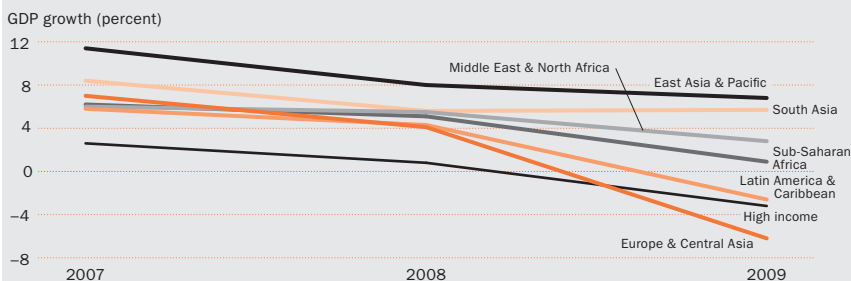
Source: World Development Indicators data files.

Private capital flows began to slow in 2008 4e



Source: World Development Indicators data files.

Some developing country regions maintained growth 4f



Source: World Development Indicators data files.

resilient—falling 6.1 percent to \$317 billion in 2009—but varied by country.

Among developing country regions Europe and Central Asia fared the worst, as GDP fell 6.2 percent (figure 4f). Severe economic adjustments were necessary as private capital flows, which had financed large current account deficits, were cut from \$97 billion in 2007 to \$50 billion in 2008. Latin America and the Caribbean economies contracted 2.6 percent, with Mexico—relying almost solely on the U.S. market for its exports—the worst off. China and India managed to continue growing at nearly the same rate as before the crisis, but other economies in Asia did not do as well. Growth in the Middle East and North Africa dropped to 2.3 percent on lower oil prices and exports to Europe.

Sub-Saharan Africa barely grew, hurt by falling export commodity prices, falling remittances, lower tourism revenues, and declining private capital flows. Home to 30 of the 43 low-income economies, Sub-Saharan Africa has been subject to the most severe consequences of the crisis. Low-income households, at risk of being pushed into poverty, have suffered from deteriorating health and lost education opportunities.

Global imbalances are easing

The structural imbalances in the global economy predating the crisis eased as the current account balances of the largest surplus and deficit economies moderated (figure 4g). The crisis has given impetus to rebalancing the economies of China and the United States. China focused on domestic sources of growth in its 11th five-year plan, and in the United States the 2010 *Economic Report of the President* proposed a transition from consumption-driven growth to an emphasis on investment and exports.

Consumers in high-income economies have reduced spending, and imports have declined faster than exports. In 2008 and 2009 private consumption expenditures declined in the United States.

In China imports outpaced exports, driven by domestic demand as the government increased spending on infrastructure, social programs, and environmental protection. The result: China's current account surplus dropped from its peak of 11.0 percent of GDP in 2007 to 6.6 percent in the first half of 2009. And the U.S. current account deficit was more than halved, from -6.0 percent in 2006 to -2.8 percent in the second quarter of 2009.

New risks have emerged

If household consumption in high-income economies continues to decline, new drivers of global economic growth will be crucial. China and India might become new drivers, but large differences between the scale and structure of their economies and of the U.S. economy will delay their replacing the U.S. role in the global economy. For example, U.S. household consumption was more than \$10 trillion in 2008, four times that of China and India combined. Developing economies have growth potential because they have room for productivity gains from increased investment. High-income economies face overcapacity that could limit recovery, but they are investing in transforming their economies through technological innovations to protect the environment and combat global warming.

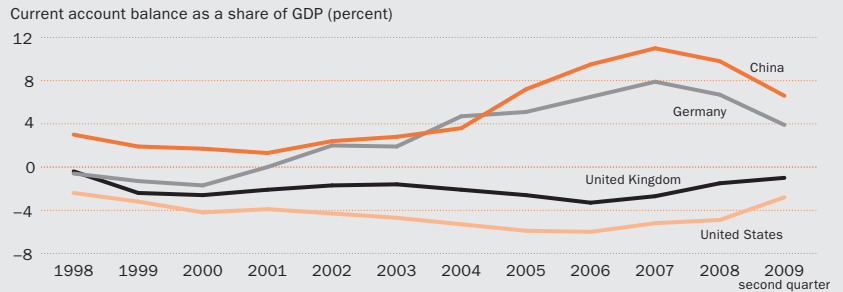
Although the world avoided the most catastrophic potential effects of the crisis, the resulting conditions require careful navigation and eventual resolution. Fiscal deficits and public debt have increased substantially in many high-income economies (figures 4h and 4i). In some cases high deficits and debt levels raised perceptions of sovereign default risk, indicated by the mounting cost of credit default swaps (figure 4j).

Rising public deficits and debt are accompanied by increased uncertainty in measuring risk when debt includes derivatives. Private corporations took on high levels of debt in the run-up to the financial crisis. They believed—as did creditors, rating agencies, and regulators—that complex financial instruments, or derivatives, provided a hedge against default. Derivatives also play a role in public debt. For example, governments can use interest and currency swaps to raise capital in return for increased future payments. But such derivatives are not included in traditional measures of indebtedness.

Governments must maintain reasonable budget balances and debt levels to keep the confidence of taxpayers and creditors. Without fiscal credibility, creditors will refuse to continue lending. To reduce deficits, governments must raise revenues or reduce spending. Economic expansion can boost revenues through higher tax receipts, but if expansion is too slow, governments must resort to the unpopular alternatives of increasing tax rates and cutting spending—as in the United Kingdom and the United States, where buoyant revenues created by structural imbalances cannot be restored by returning to the unsustainable conditions of 2007.

Current account surpluses and deficits both decreased

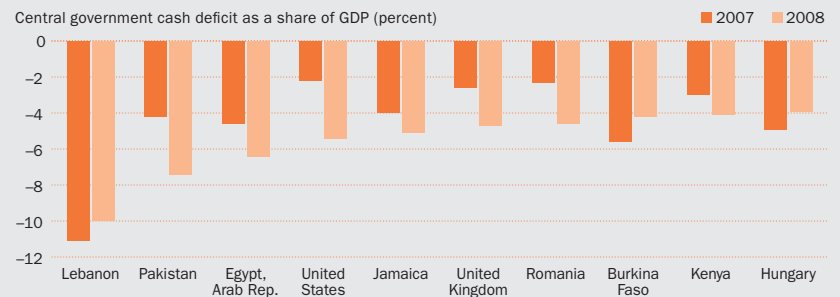
4g



Source: Principal Global Indicators, Haver Analytics, and World Development Indicators data files.

Economies with large government deficits

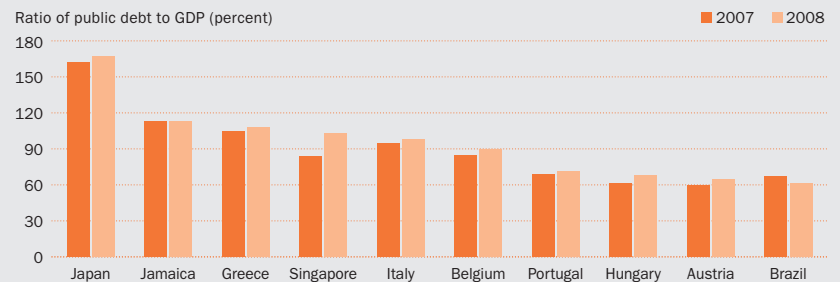
4h



Source: World Development Indicators data files.

Economies with large government debts

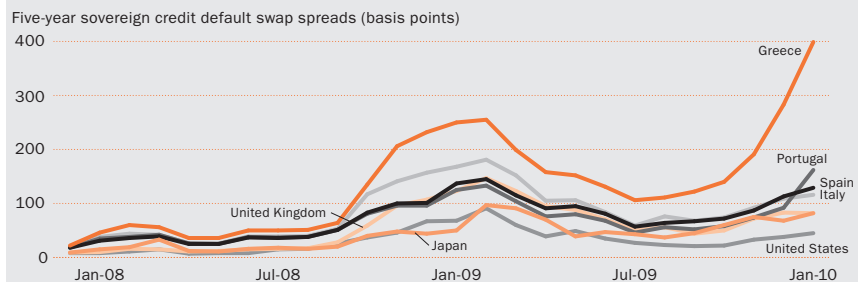
4i



Source: Organisation for Economic Co-operation and Development, Japan Ministry of Finance, and World Development Indicators data files.

Economies with increasing default risk

4j



Source: Thomson Reuters Datastream.



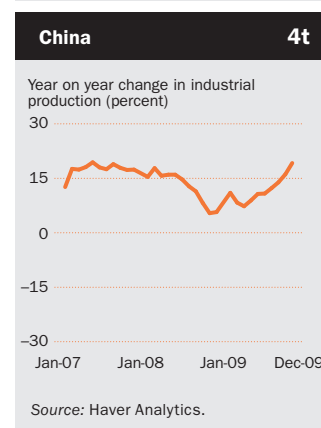
Growth in GDP

Quarterly data for selected major economies in each developing country region show economic contraction in Brazil, the Russian Federation, and South Africa and slowing output in China, Egypt, and India. The contractions and slowdowns bottom out around the first quarter of 2009.



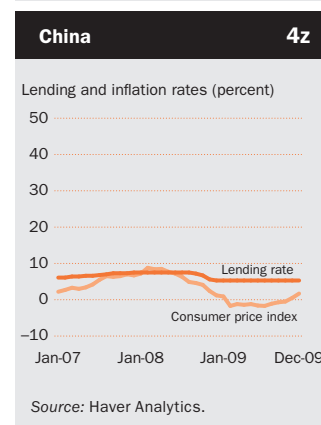
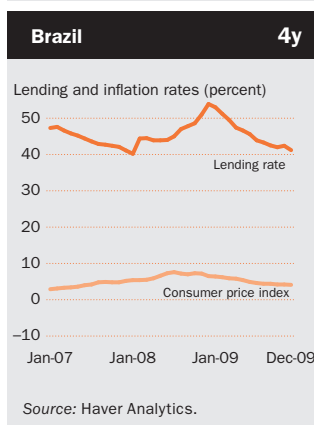
Growth in industrial production

The industrial sector shrank in all the large developing countries shown here except China. The low point at the end of 2008 was followed by improvements throughout 2009.



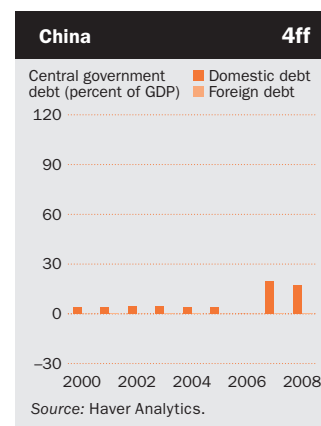
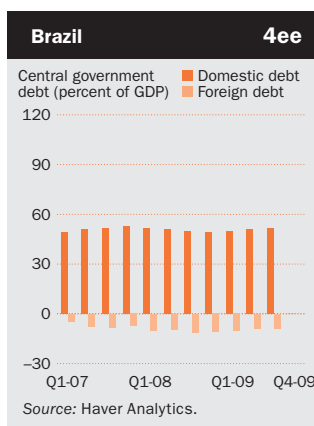
Lending and inflation rates

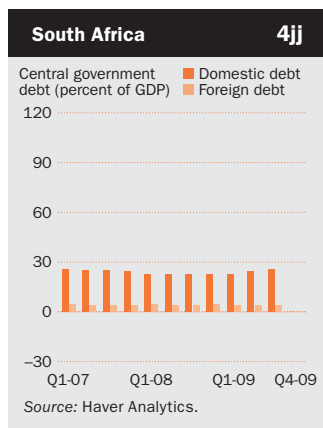
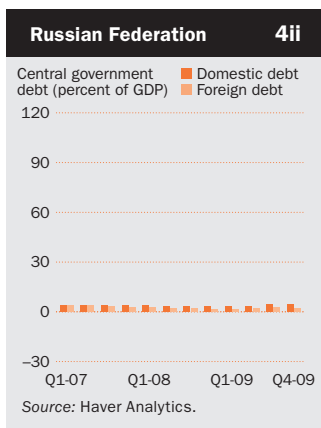
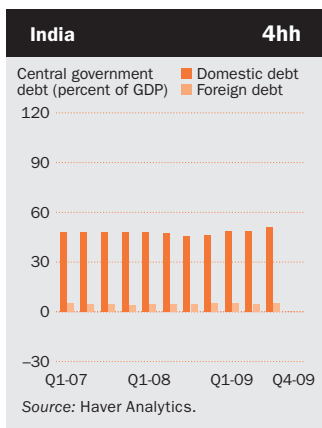
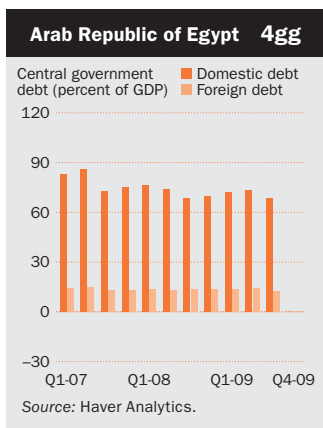
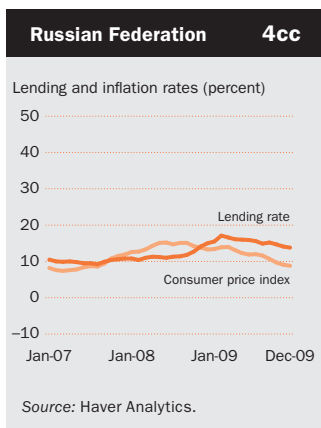
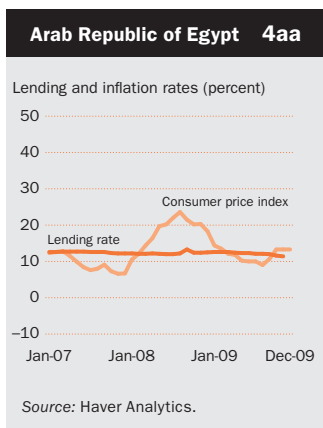
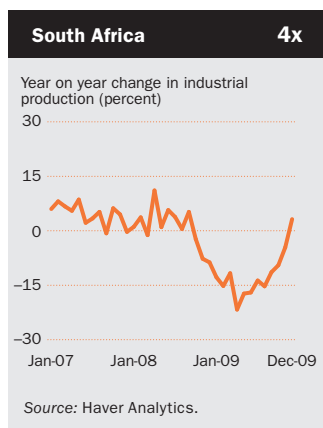
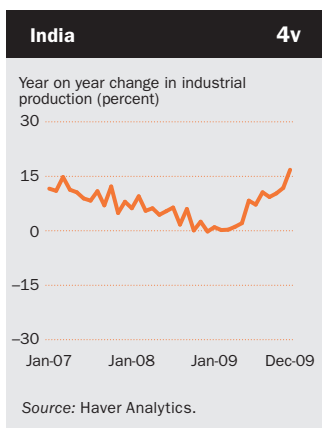
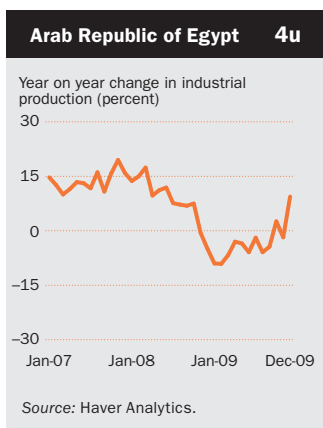
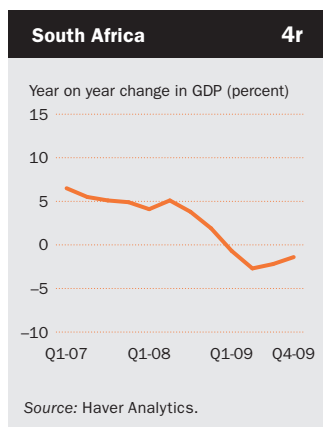
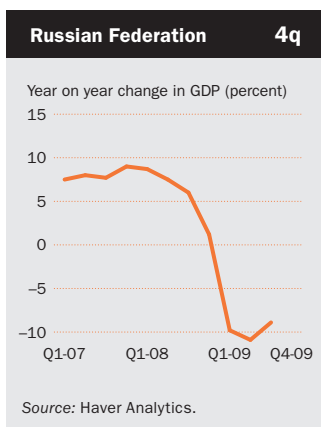
Inflation accelerated in 2008 as food and fuel prices rose but fell in 2009 with the slowdown in output. India was the exception, as food prices remained high because of drought.



Central government debt

These countries have increased public spending without substantially increasing debt levels.

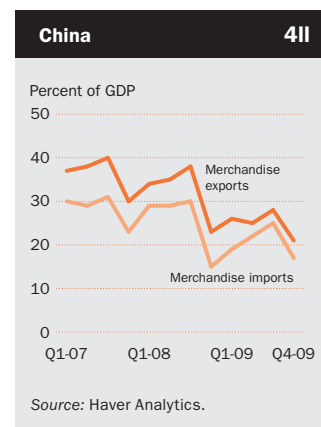
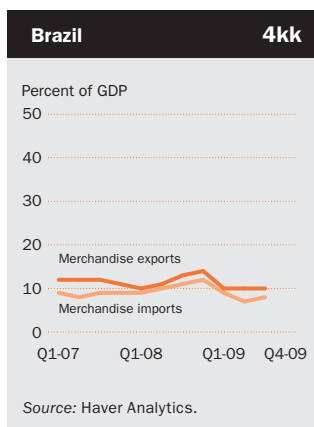






Merchandise trade

China's imports have declined less than exports, resulting in a smaller trade surplus. For most countries trade has declined in absolute terms as well as relative to GDP.



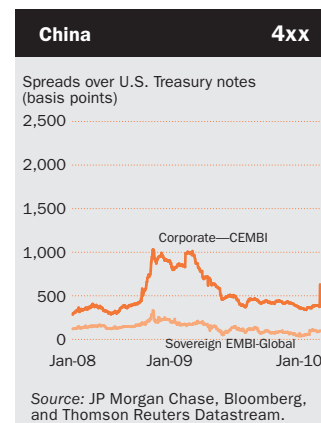
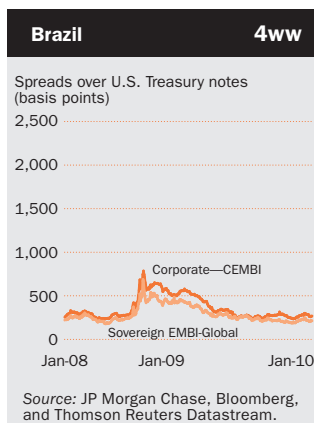
Equity price indexes

Equity prices in large developing countries have rebounded from their lows in late 2008 as investors regained confidence on growing signs of economic recovery.



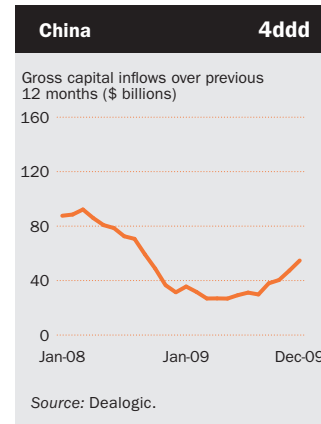
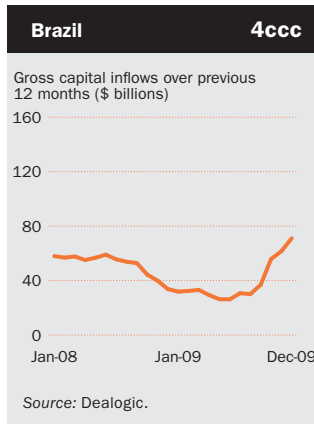
Bond spreads

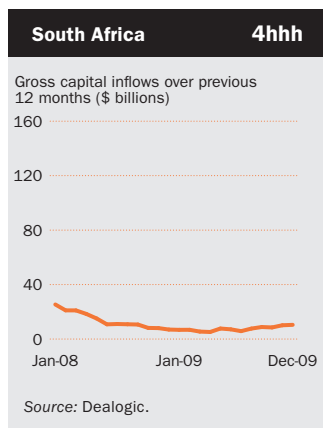
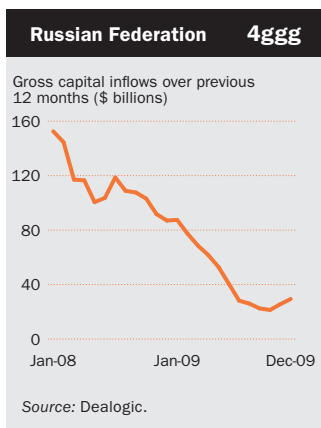
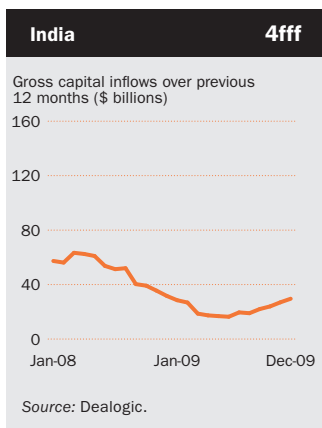
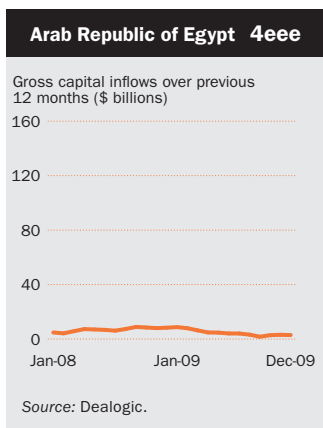
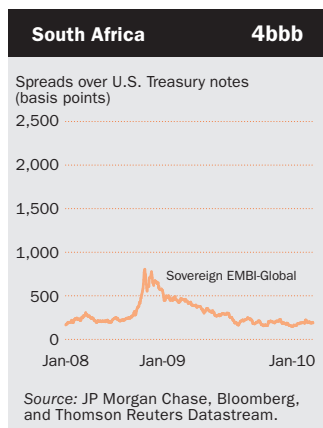
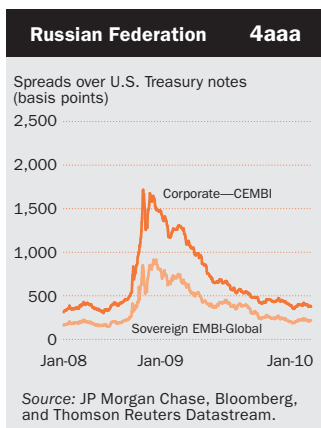
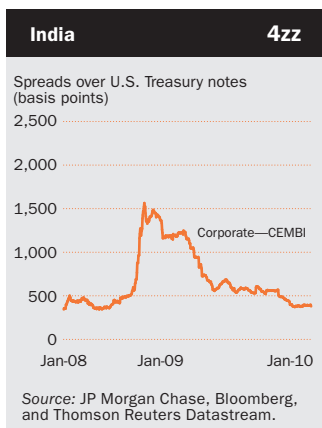
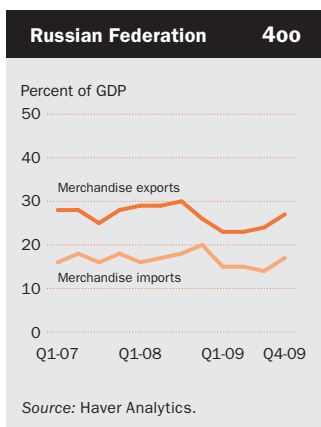
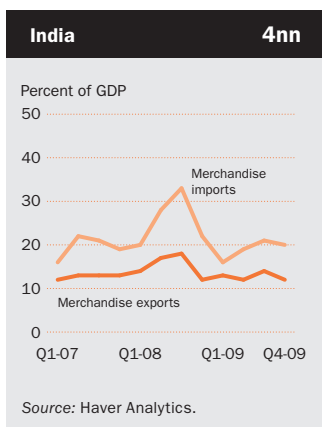
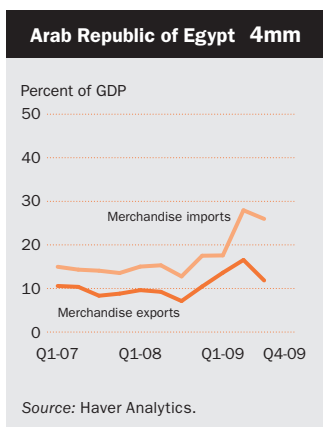
The cost of borrowing for large developing countries has declined after rising in reaction to the financial crisis but remains above precrisis levels.



Financing through international capital markets

Capital flows to large developing countries rebounded somewhat in 2008 but remain below their peak levels of 2007.







4.a

Recent economic performance of selected developing countries

	Gross domestic product		Exports of goods and services		Imports of goods and services		GDP deflator		Current account balance		Gross international reserves	
	average annual % growth		average annual % growth		average annual % growth		average annual % growth		% of GDP		\$ millions	months of import coverage
	2008	2009 ^a	2008	2009 ^a	2008	2009 ^a	2008	2009 ^a	2008	2009 ^a		
Algeria	3.0	2.1	1.6	-3.0	6.6	..	10.8	..	..	..	149,347	34.4
Angola	13.2	0.2	..	..	..	..	23.9	..	7.5	..	13,349	5.6
Argentina ^b	6.8	-1.5	1.2	..	14.1	..	19.1	13.1	2.2	..	46,190	..
Armenia	6.8	-15.6	-13.1	-32.8	7.3	-21.0	8.4	1.5	-11.6	-12.5	2,003	7.6
Azerbaijan	10.8	2.1	10.4	2.8	13.2	-5.3	20.9	-17.8	35.7	22.9	5,364	6.2
Bangladesh	6.2	5.9	7.0	12.2	-2.1	15.2	8.8	6.4	1.3	2.8	10,225	5.2
Belarus	10.0	-1.0	1.7	-6.1	14.6	-8.7	20.5	9.8	-8.6	1.8	4,872	1.2
Bolivia	6.1	0.9	2.2	-5.9	9.4	3.1	10.4	-5.6	12.1	-0.1	7,634	15.6
Bosnia and Herzegovina	5.4	-4.0	4.2	-3.5	-1.9	-4.5	7.8	1.6	-14.9	-9.4	6,269	5.6
Botswana	2.9	-1.8	2.5	0.4	11.8	6.5	17.0	-10.6	3.7	-7.6	12,438	19.5
Brazil	5.1	-0.5	-0.6	11.4	18.5	8.1	5.9	4.2	-1.8	-1.0	237,424	13.4
Bulgaria	6.0	-6.3	2.9	-9.2	4.9	-12.8	11.4	2.7	-25.2	-11.6	17,198	7.1
Cameroon	3.9	4.1	4.7	6.1	5.1	3.4	1.7	-2.6	-2.2	-4.0	4,590	7.2
Chile	3.2	-1.6	3.1	-4.7	12.9	-13.8	0.2	-0.8	-2.0	1.5	25,282	5.6
China	9.0	8.7	-9.6	-12.1	-13.4	-5.7	7.2	0.3	9.8	7.4	2,544,706	21.6
Colombia	2.5	-0.2	7.0	6.6	9.8	9.5	8.3	3.5	-2.8	-2.9	24,760	7.3
Congo, Dem. Rep.	6.2	2.7	-3.9	-32.9	15.7	-17.4	19.4	32.7	..	-21.0	..	..
Costa Rica	2.6	-1.5	-1.8	0.6	4.3	-12.4	12.1	8.9	-9.2	-3.6	4,066	3.6
Côte d'Ivoire	2.2	3.6	-8.1	9.3	-5.4	11.0	8.1	1.3	2.1	1.6	..	..
Croatia	2.4	-5.8	1.7	-4.0	3.6	-5.9	6.4	3.5	-9.0	-7.4	14,895	5.4
Dominican Republic	5.3	0.5	-1.8	-21.8	0.0	-35.9	9.8	3.9	-9.7	-6.1	2,886	2.9
Ecuador	6.5	-1.0	3.3	-3.8	10.2	3.3	12.1	2.7	2.0	-1.5	2,920	2.0
Egypt, Arab Rep.	7.2	4.7	28.8	-12.8	26.3	-17.9	11.8	10.8	-0.9	-2.3	45,757	6.3
El Salvador	2.5	-2.5	6.8	-14.6	4.8	-14.8	5.9	2.8	-7.2	-1.8	2,882	4.1
Gabon	2.3	-1.0	0.3	-4.9	3.1	-2.8	14.7	-19.0	..	2.8	..	..
Ghana	7.3	4.5	2.0	4.4	13.3	1.7	16.9	17.2	-21.3	-6.9	3,050	2.8
Guatemala	4.0	0.6	3.0	-4.2	-3.4	..	8.5	2.4	-4.8	-1.7	4,976	4.8
Honduras	4.0	-2.0	2.6	-6.7	8.8	-7.5	9.8	5.3	-14.8	-9.2	3,004	2.9
India	6.1	6.8	12.8	-15.8	17.9	-17.2	6.2	3.6	-3.1	-2.7	266,166	9.0
Indonesia	6.1	4.5	9.5	-9.7	10.0	-15.0	18.3	8.4	0.0	2.0	63,692	8.7
Jordan	7.9	3.2	-11.3	-8.0	3.3	-14.1	15.7	4.1	-11.3	-10.1	11,132	8.6
Kazakhstan	3.2	1.2	1.0	6.9	8.9	9.1	21.1	-4.0	4.9	-3.1	20,844	6.1
Kenya	1.7	3.0	3.6	1.6	5.3	4.5	13.1	17.0	-6.5	-6.6	3,127	3.0
Latvia	-4.6	-18.4	-1.3	..	-13.6	..	15.2	..	-13.3	..	6,645	..
Lebanon	8.5	6.0	14.8	10.0	28.4	3.8	7.7	4.0	-10.4	-13.9	29,609	14.8
Lesotho	3.9	2.1	-22.0	-17.1	7.5	-5.9	9.6	8.7	15.1	-8.5	1,323	8.0
Lithuania	3.0	-15.0	..	-29.3	..	-15.5	10.3	..	-11.9	..	6,463	..
Macedonia, FYR	5.0	-1.3	-9.2	-12.8	-1.0	-10.6	7.2	1.1	-12.7	-9.4	2,063	3.9

	Gross domestic product		Exports of goods and services		Imports of goods and services		GDP deflator		Current account balance		Gross international reserves	
	average annual % growth		average annual % growth		average annual % growth		average annual % growth		% of GDP		\$ millions	months of import coverage
	2008	2009 ^a	2008	2009 ^a	2008	2009 ^a	2008	2009 ^a	2008	2009 ^a		
Malawi	9.7	6.9	-5.4	-5.4	-4.6	-4.6	8.9	10.0	..	..	..	..
Malaysia	4.6	-1.7	..	-10.1	..	-12.5	10.3	-7.1	17.5	15.3	95,496	6.4
Mauritius	4.5	2.0	2.6	-12.6	2.0	-5.4	7.6	3.7	-10.5	-8.8	2,186	5.0
Mexico	1.8	-6.5	1.0	-15.9	4.1	-21.0	6.5	5.4	-1.5	-0.6	99,604	4.8
Moldova	7.2	-9.0	-11.4	-22.5	-6.1	-36.4	9.7	5.4	-16.3	-21.2	1,480	2.5
Morocco	5.6	5.0	-1.1	-9.4	10.9	-3.2	5.9	2.5	-5.1	-6.0	22,836	7.3
Montenegro	7.7	5.1	7.7	5.1	7.7	5.1	10.4	-5.1	-33.1	-20.3	573	2.9
Nicaragua	3.5	4.0	..	..	..	..	16.8	11.2	-22.9	-22.7	1,573	3.2
Nigeria	6.0	2.9	..	..	..	..	11.0	-2.0	19.0	7.1	102,614	12.1
Pakistan	2.0	3.7	-5.3	9.0	3.6	-9.2	16.3	22.7	-9.4	-5.1	11,434	3.6
Panama	9.2	1.5	9.2	-3.1	9.2	11.9	8.5	5.3	-11.6	-9.4	2,492	1.3
Papua New Guinea	6.6	3.9	..	..	..	..	11.6	-3.3	..	-6.7	2,620	4.9
Paraguay	5.8	-3.8	11.6	-14.9	18.0	-11.5	7.1	3.0	-2.2	-0.6	3,840	6.5
Peru	9.8	1.0	8.2	0.2	19.9	-8.9	2.3	3.0	-3.2	-3.0	32,074	14.3
Philippines	3.8	0.9	-1.9	-14.2	2.4	-5.8	7.5	2.3	2.3	3.4	38,152	5.1
Poland	4.9	1.7	7.2	-10.5	8.2	-13.9	3.0	3.5	-5.1	-2.0	76,105	4.5
Romania	9.4	-8.5	19.4	-11.8	17.5	-24.6	11.6	7.0	-11.9	-5.3	42,353	5.9
Russian Federation	5.6	-7.9	0.2	-4.9	17.7	-26.6	19.2	10.0	6.1	3.8	417,773	19.8
Senegal	3.3	1.5	6.2	-11.2	6.9	-10.5	6.0	2.2	..	..	2,227	3.8
Serbia	1.2	-3.4	11.6	-25.3	11.4	-33.1	12.7	-1.1	-17.7	-27.4	14,792	5.6
Slovak Republic	6.2	-4.7	3.2	..	3.3	..	2.9	0.0	-6.5	-0.9	..	..
South Africa	3.1	-1.8	1.7	-9.2	2.2	..	10.8	8.0	-7.3	-5.3	35,458	4.8
Sri Lanka	6.0	3.5	..	..	..	..	16.3	4.0	-9.3	-1.4	5,578	4.2
Sudan	8.3	9.7	23.0	..	0.3	..	15.8	4.2	-2.3	-7.5	..	..
Swaziland	2.4	0.4	-12.3	2.9	1.4	3.5	10.1	8.0	..	-6.9	660	2.7
Syrian Arab Republic	5.2	5.7	-2.4	5.6	2.5	6.4	20.5	-14.4	..	-1.1	6,512	3.7
Thailand	2.5	-2.3	5.1	-12.7	8.5	-21.8	3.8	2.0	0.0	7.7	135,631	6.4
Tunisia	4.5	3.3	3.5	-1.6	8.3	6.7	5.9	3.5	-4.2	-3.5	11,069	5.5
Turkey	0.9	-6.0	2.3	..	-3.8	..	11.7	6.0	-5.6	-1.8	71,078	6.2
Uganda	9.5	2.1	7.3	9.3	28.1	12.3	6.3	2.5	-5.9	..	2,664	5.5
Ukraine	2.1	-15.0	2.5	-16.0	12.5	-32.8	29.1	13.0	-7.1	-1.7	25,605	3.2
Uruguay	8.9	1.5	10.5	3.8	19.9	1.1	8.8	8.5	-3.8	0.1	8,029	11.2
Uzbekistan	9.0	7.0	15.8	13.6	20.0	13.4	19.9	19.9	..	12.8	2,747	3.1
Venezuela, RB	4.8	-3.5	-2.8	-4.4	3.8	-19.1	31.3	24.0	11.9	3.0	22,339	5.8
Vietnam	6.2	5.3	5.0	-11.6	7.6	-10.9	21.7	5.8	-11.8	-5.1	..	..
Zambia	6.0	4.0	20.7	21.5	15.3	15.6	10.8	7.9	-7.3	..	2,562	2.4

a. Data are preliminary estimates. b. Private analysts estimate that consumer price index inflation was considerably higher for 2007–09 and believe that GDP volume growth has been significantly lower than official reports indicate since the last quarter of 2008.

Source: World Development Indicators data files.



4.1

Growth of output

	Gross domestic product		Agriculture		Industry		Manufacturing		Services	
	average annual % growth		average annual % growth		average annual % growth		average annual % growth		average annual % growth	
	1990–2000	2000–08	1990–2000	2000–08	1990–2000	2000–08	1990–2000	2000–08	1990–2000	2000–08
Afghanistan	..	11.8	..	4.4	..	17.5	..	..	..	15.4
Albania	3.8	5.4	4.3	1.4	-0.5	4.0	..	-0.2	6.9	8.3
Algeria	1.9	4.3	3.6	5.3	1.8	3.5	-2.1	2.4	1.8	5.3
Angola ^a	1.6	13.5	-1.4	13.6	4.4	13.9	-0.3	20.7	-2.2	12.4
Argentina	4.3	5.3 ^b	3.5	3.7	3.8	6.4	2.7	6.0	4.5	4.4
Armenia	-1.9	12.4	0.5	7.3	-7.8	15.1	-4.3	5.7	6.4	13.4
Australia	3.6	3.3	3.1	0.0	2.7	2.6	1.8	1.3	4.2	3.7
Austria	2.4	2.2	-0.1	0.9	2.5	3.1	2.5	3.3	2.5	2.1
Azerbaijan	-6.3	18.1	-1.7	5.4	-2.1	24.2	-15.7	10.8	-2.7	10.6
Bangladesh	4.8	5.8	2.9	3.2	7.3	7.9	7.2	7.9	4.5	6.0
Belarus	-1.6	8.6	-4.0	5.5	-1.8	12.6	-0.7	11.6	-0.4	6.0
Belgium	2.1	2.0	2.7	-2.7	1.8	1.4	3.1	1.1	1.9	2.2
Benin ^a	4.8	3.9	5.8	4.6	4.1	3.8	5.8	2.7	4.2	3.2
Bolivia	4.0	4.1	2.9	3.2	4.1	5.1	3.8	4.3	4.3	3.2
Bosnia and Herzegovina	..	5.4	..	5.2	..	7.4	..	8.3	..	4.6
Botswana	6.0	4.5	-1.2	-1.0	5.8	4.2	4.4	3.5	7.8	5.2
Brazil	2.7	3.6	3.6	4.2	2.4	3.2	2.0	3.1	3.8	3.8
Bulgaria	-1.8	5.8	3.0	-3.8	-5.0	6.1	..	6.7	-5.2	6.4
Burkina Faso	5.5	5.6	5.9	6.2	5.9	7.3	5.9	6.3	3.9	5.5
Burundi	-2.9	2.9	-1.9	-1.5	-4.3	-6.2	-8.7	..	-2.8	10.4
Cambodia	7.0	9.8	3.7	5.6	14.3	13.3	18.6	12.9	7.1	10.2
Cameroon	1.7	3.5	5.4	3.4	-0.9	-0.4	1.4	5.8	0.2	6.2
Canada	3.1	2.5	1.1	2.3	3.2	1.5	..	0.1	..	..
Central African Republic	2.0	0.5	3.8	0.3	0.7	-0.4	-0.2	-0.1	0.2	-2.5
Chad	2.2	11.9	4.9	2.2	0.6	50.7	..	..	0.8	9.1
Chile	6.6	4.4	2.2	5.6	5.6	3.2	4.4	3.8	6.9	4.9
China ^a	10.6	10.4	4.1	4.4	13.7	11.7	12.9	11.6	11.0	10.7
Hong Kong SAR, China	3.6	5.2	..	-3.3	..	-2.6	..	-3.1	..	5.3
Colombia	2.8	4.9	-2.6	3.0	1.5	4.9	-2.5	5.3	4.1	4.8
Congo, Dem. Rep.	-4.9	5.2	1.4	1.5	-8.0	9.5	-8.7	6.3	-13.0	11.5
Congo, Rep. ^a	1.0	3.9	0.7	..	1.7	..	-2.4	..	-0.7	..
Costa Rica	5.3	5.4	4.1	4.0	6.2	5.8	6.8	5.5	4.7	5.7
Côte d'Ivoire ^a	3.2	0.5	3.5	1.3	6.3	-0.7	5.5	-2.3	2.0	0.7
Croatia	0.5	4.5	-2.1	1.7	-2.3	5.1	-3.5	3.7	1.9	4.7
Cuba ^a	4.2	..	..	..	..	..	..	..	..	..
Czech Republic	1.1	4.6	0.0	0.1	0.2	6.6	4.3	8.3	1.2	4.3
Denmark	2.7	1.6	4.6	-3.5	2.5	0.4	2.2	0.4	2.7	1.7
Dominican Republic ^a	6.3	5.4	1.9	2.9	7.1	2.6	7.0	3.0	5.9	7.0
Ecuador	1.9	5.0	-1.7	4.9	2.6	4.9	1.5	5.5	2.4	3.1
Egypt, Arab Rep.	4.4	4.7	3.1	3.3	5.1	5.3	6.3	4.5	4.1	5.2
El Salvador	4.8	2.9	1.2	3.9	5.1	2.3	5.2	2.4	4.0	3.0
Eritrea	5.7	1.3	1.5	9.3	15.0	0.8	10.6	-4.9	5.7	0.1
Estonia	0.5	7.4	..	-2.9	-14.6	8.6	7.7	8.9	..	7.0
Ethiopia	3.8	8.2	2.6	6.8	4.1	9.2	3.9	6.7	5.2	9.5
Finland	2.7	3.0	-1.1	1.2	4.1	4.7	6.4	5.4	2.5	1.8
France	1.9	1.8	2.0	-0.1	1.1	1.0	..	0.8	2.2	2.1
Gabon ^a	2.3	2.2	2.0	1.5	1.6	1.1	3.0	3.3	3.1	3.1
Gambia, The	3.0	5.1	3.3	2.8	1.0	7.4	0.9	4.2	3.7	6.1
Georgia	-7.1	8.1	-11.0	2.3	-8.1	11.3	..	10.8	-0.3	9.7
Germany	1.8	1.2	0.1	0.2	-0.1	1.9	0.2	2.8	2.9	1.2
Ghana ^a	4.3	5.6	3.4	3.5	2.7	7.4	..	..	5.6	6.7
Greece	2.2	4.2	0.5	-4.3	1.0	4.5	..	5.2	2.6	4.8
Guatemala ^a	4.2	3.9	2.8	3.1	4.3	3.0	2.8	2.9	4.7	4.4
Guinea	4.4	3.2	4.3	9.9	4.9	4.0	4.0	3.1	3.6	-4.2
Guinea-Bissau	1.2	0.6	3.9	4.5	-3.1	3.7	-2.0	3.7	-0.6	1.0
Haiti	0.5	0.5	..	-0.6	..	0.9	..	0.6	..	0.8
Honduras	3.2	5.3	2.2	3.8	3.6	4.6	4.0	5.4	3.8	6.4

	Gross domestic product		Agriculture		Industry		Manufacturing		Services	
	average annual % growth		average annual % growth		average annual % growth		average annual % growth		average annual % growth	
	1990–2000	2000–08	1990–2000	2000–08	1990–2000	2000–08	1990–2000	2000–08	1990–2000	2000–08
Hungary	1.5	3.6	-2.4	5.3	3.6	3.5	8.0	5.0	1.3	3.4
India	5.9	7.9	3.2	3.2	6.1	8.4	6.7	7.8	7.7	9.5
Indonesia ^a	4.2	5.2	2.0	3.3	5.2	4.2	6.7	4.9	4.0	7.1
Iran, Islamic Rep.	3.1	5.9	3.2	5.9	2.6	6.9	5.1	9.9	3.8	5.3
Iraq	..	-11.4	..	..	..	..	..	..	..	..
Ireland	7.4	5.0	1.1	-3.4	12.7	5.2	..	..	7.9	6.0
Israel ^a	5.5	3.5	..	..	..	..	..	..	..	..
Italy	1.5	1.0	2.1	0.0	1.0	0.4	1.6	-0.4	1.6	1.3
Jamaica	1.6	1.8	-0.6	-1.1	-0.8	1.4	-1.8	-1.3	3.8	2.2
Japan	1.1	1.6	-1.3	-1.1	-0.3	1.9	..	1.9	2.0	1.6
Jordan	5.0	7.2	-3.0	8.5	5.2	8.8	5.6	10.1	5.0	6.4
Kazakhstan	-4.1	9.5	-8.0	5.3	0.6	10.6	2.7	8.2	0.3	10.6
Kenya	2.2	4.5	1.9	2.7	1.2	4.9	1.3	4.4	3.2	4.4
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	5.8	4.5	1.6	1.7	6.0	5.9	7.3	6.9	5.6	3.9
Kosovo	..	..	..	..	..	..	..	..	..	..
Kuwait ^a	4.9	8.4	1.0	..	0.3	..	-0.1	..	3.5	..
Kyrgyz Republic	-4.1	4.4	1.5	1.8	-10.3	0.8	-7.5	-1.2	-5.2	7.9
Lao PDR	6.4	6.9	4.8	3.3	11.1	11.9	11.7	-1.9	6.6	7.6
Latvia	-1.5	8.2	-5.2	2.7	-8.3	7.6	-7.3	5.2	2.7	8.7
Lebanon	5.3	4.0	2.9	0.7	-0.2	3.6	1.9	2.5	1.5	3.6
Lesotho	3.8	3.9	0.9	-3.6	4.0	5.8	7.7	9.5	5.0	3.0
Liberia	4.1	-1.1	..	..	..	..	..	..	..	..
Libya	..	5.6	..	..	..	..	..	..	..	..
Lithuania	-2.7	7.7	-3.3	1.7	3.3	0.3	7.0	10.0	5.8	6.0
Macedonia, FYR	-0.8	3.2	0.2	1.7	-2.3	2.9	-5.3	2.3	0.5	3.4
Madagascar	2.0	3.8	1.8	2.0	2.4	3.5	2.0	4.3	2.3	4.4
Malawi	3.7	4.2	8.6	1.1	2.0	5.1	0.5	3.6	1.6	4.3
Malaysia ^a	7.0	5.5	0.3	3.8	8.6	4.6	9.5	5.8	7.3	6.6
Mali	4.1	5.2	2.6	4.8	6.4	4.5	-1.4	5.1	3.0	6.5
Mauritania	2.9	5.1	-0.2	0.6	3.4	4.2	5.8	-1.4	4.9	6.9
Mauritius	5.2	3.7	0.0	-1.2	5.4	1.4	5.3	0.2	6.3	5.9
Mexico	3.1	2.7	1.5	2.1	3.8	1.8	4.3	1.8	2.9	3.1
Moldova	-9.6	6.3	-11.2	-1.6	-13.6	0.6	-7.1	4.1	0.7	11.3
Mongolia	1.0	7.8	2.5	5.6	-2.5	7.4	-9.7	8.2	0.7	8.8
Morocco	2.4	5.0	-0.4	4.9	3.2	4.4	2.6	3.2	3.1	5.2
Mozambique	6.1	8.0	5.2	7.8	12.3	10.1	10.2	9.4	5.0	7.2
Myanmar ^a	7.0	..	5.7	..	..	..	7.9	..	7.2	..
Namibia	4.0	5.6	3.8	1.3	2.4	7.4	7.4	5.4	4.2	5.4
Nepal	4.9	3.5	2.5	3.2	7.1	2.8	8.9	1.0	6.2	3.8
Netherlands	3.2	1.9	1.8	1.0	1.7	1.1	2.6	1.4	3.6	2.3
New Zealand	3.3	3.1	2.9	2.0	2.5	2.7	2.2	2.6	..	..
Nicaragua	3.7	3.5	4.7	3.0	5.5	4.4	5.3	5.5	5.0	3.5
Niger ^a	2.4	4.4	3.0	..	2.0	..	2.6	..	1.9	..
Nigeria	2.5	6.6	..	7.0	..	3.8	..	..	..	14.4
Norway	3.9	2.4	2.6	3.4	3.8	0.1	1.5	3.3	3.8	3.2
Oman ^a	4.5	4.0	5.0	2.2	3.9	-0.5	6.0	9.3	5.0	5.9
Pakistan	3.8	5.4	4.4	3.4	4.1	7.6	3.8	9.6	4.4	6.2
Panama	4.7	6.6	3.1	4.1	6.0	5.2	2.7	1.2	4.5	7.1
Papua New Guinea	3.8	2.9	4.5	1.9	5.4	3.8	4.6	3.7	-0.6	3.5
Paraguay ^a	2.2	3.7	3.3	5.8	0.6	1.8	1.4	1.3	2.5	3.4
Peru	4.7	6.0	5.5	4.0	5.4	6.8	3.8	6.7	4.0	5.9
Philippines ^a	3.3	5.1	1.7	3.8	3.5	4.2	3.0	4.4	4.0	6.4
Poland	4.7	4.4	0.5	1.3	7.1	5.7	9.9	8.5	5.1	3.7
Portugal	2.8	0.9	-0.4	-0.2	3.2	-0.3	2.6	-0.2	2.4	1.7
Puerto Rico ^a	4.2	..	..	..	..	..	..	..	..	..
Qatar	..	9.0	..	..	..	..	..	..	..	..



4.1 | Growth of output

	Gross domestic product		Agriculture		Industry		Manufacturing		Services	
	average annual % growth		average annual % growth		average annual % growth		average annual % growth		average annual % growth	
	1990–2000	2000–08	1990–2000	2000–08	1990–2000	2000–08	1990–2000	2000–08	1990–2000	2000–08
Romania	-0.6	6.4	-1.9	7.5	-1.2	6.2	..	5.7	0.9	5.0
Russian Federation	-4.7	6.7	-4.9	4.0	-7.1	5.6	..	..	-1.7	7.4
Rwanda ^a	-0.2	6.7	2.5	3.5	-3.8	8.7	-5.8	5.4	-0.9	8.9
Saudi Arabia ^a	2.1	4.1	1.6	1.5	2.2	4.4	5.6	6.0	2.2	4.2
Senegal	3.0	4.5	2.4	1.3	3.8	3.5	3.1	1.4	3.0	6.5
Serbia	-4.7	5.4	..	..	..	..	..	..	..	..
Sierra Leone	-5.0	10.3	-13.0	..	-4.5	..	6.1	..	-2.9	..
Singapore	7.6	5.8	-2.4	2.3	7.8	5.4	7.0	6.5	7.8	6.2
Slovak Republic	2.2	6.3	0.4	0.6	3.8	7.7	9.3	10.7	5.3	5.6
Slovenia	2.7	4.4	0.4	-1.8	1.6	5.3	1.8	5.3	3.3	4.2
Somalia	..	..	..	..	..	..	..	..	..	..
South Africa	2.1	4.3	1.0	1.7	1.1	3.3	1.6	3.2	2.7	4.9
Spain	2.7	3.3	3.1	-1.3	2.3	2.3	5.2	1.2	2.7	3.8
Sri Lanka ^a	5.3	5.5	1.8	2.4	6.9	5.4	8.1	4.3	5.7	6.4
Sudan	5.5	7.4	7.4	2.1	8.5	10.6	7.5	3.8	1.9	10.5
Swaziland	3.4	2.6	0.9	1.3	3.2	1.7	2.8	1.8	3.9	4.1
Sweden	2.1	2.8	-0.8	3.9	4.3	3.9	8.7	5.4	1.8	2.4
Switzerland	1.0	1.9	-0.9	-0.8	0.3	2.1	..	2.1	1.2	1.7
Syrian Arab Republic	5.1	4.4	6.0	3.6	9.2	2.7	..	15.5	1.5	7.9
Tajikistan	-10.4	8.6	-6.8	8.3	-11.4	8.8	-12.6	9.0	-10.8	8.3
Tanzania ^c	2.9	6.8	3.2	4.9	3.1	9.6	2.7	8.0	2.7	6.2
Thailand ^a	4.2	5.2	1.0	2.5	5.7	6.3	6.9	6.6	3.7	4.5
Timor-Leste ^a	..	1.9	..	..	..	..	..	..	..	..
Togo ^a	3.5	2.4	4.0	2.8	1.8	8.1	1.8	7.5	3.9	-0.7
Trinidad and Tobago	3.2	8.4	2.7	-9.2	3.2	11.4	4.9	10.4	3.2	6.2
Tunisia ^a	4.7	4.9	2.3	2.7	2.3	2.7	4.6	3.5	5.5	3.4
Turkey	3.9	5.7	1.3	1.4	4.7	6.5	4.7	6.3	4.0	5.9
Turkmenistan	-4.9	14.5	4.9	-13.3	-2.7	27.3	..	..	-4.7	17.1
Uganda	7.1	7.5	3.7	1.8	12.1	10.2	14.1	6.7	8.2	10.0
Ukraine	-9.3	7.2	-5.6	3.1	-12.6	6.6	-11.2	10.5	-8.1	7.0
United Arab Emirates	4.8	7.8	13.2	3.6	3.0	6.0	11.9	8.1	7.2	9.6
United Kingdom	2.8	2.5	-0.2	1.1	1.5	0.2	1.3	-0.4	3.4	3.2
United States	3.5	2.4	3.7	2.8	3.7	1.2	..	2.5	3.4	2.9
Uruguay	3.4	3.8	2.8	4.4	1.1	4.4	-0.1	6.3	1.3	2.9
Uzbekistan	-0.2	6.6	0.5	6.6	-3.4	4.6	0.7	2.1	0.4	7.8
Venezuela, RB	1.6	5.2	1.2	3.9	1.2	3.2	4.5	3.4	-0.1	6.5
Vietnam ^a	7.9	7.7	4.3	3.9	11.9	10.0	11.2	11.9	7.5	7.5
West Bank and Gaza	7.3	-0.9	..	..	..	..	..	..	..	..
Yemen, Rep. ^a	6.0	3.9	5.6	..	8.2	..	5.7	..	5.0	..
Zambia	0.5	5.3	4.2	1.3	-4.2	9.0	0.8	5.3	2.5	7.3
Zimbabwe	2.1	-5.7	4.3	-8.5	0.4	-10.0	0.4	-12.0	2.9	-10.0
World	2.9 w	3.2 w	2.0 w	2.5 w	2.4 w	3.0 w	.. w	3.2 w	3.1 w	3.2 w
Low income	3.5	5.8	2.9	3.8	4.6	7.5	5.0	7.6	3.4	6.3
Middle income	3.9	6.4	2.4	3.6	4.7	7.3	6.3	7.7	4.3	6.4
Lower middle income	6.3	8.3	3.1	3.8	8.4	9.5	9.0	9.8	6.7	8.8
Upper middle income	2.3	4.6	0.8	3.2	1.7	4.3	3.5	4.4	3.1	4.7
Low & middle income	3.9	6.4	2.5	3.7	4.7	7.3	6.3	7.7	4.3	6.4
East Asia & Pacific	8.5	9.1	3.5	4.1	11.0	10.2	10.9	10.3	8.5	9.4
Europe & Central Asia	-0.8	6.2	-1.7	3.0	-2.6	6.7	..	..	0.9	6.2
Latin America & Carib.	3.2	3.9	2.1	3.6	3.1	3.5	2.9	3.4	3.5	4.0
Middle East & N. Africa	3.8	4.8	2.9	4.2	4.2	3.6	4.3	5.4	3.3	5.6
South Asia	5.5	7.3	3.3	3.2	6.0	8.1	6.4	7.9	6.9	8.7
Sub-Saharan Africa	2.5	5.2	3.2	3.2	2.0	5.1	2.2	3.3	2.5	5.3
High income	2.7	2.3	1.3	0.7	1.9	1.7	..	2.1	2.9	2.6
Euro area	2.1	1.8	1.6	-0.6	1.1	1.6	2.2	1.1	2.5	2.0

a. Components are at producer prices. b. Private analysts estimate that consumer price index inflation was considerably higher for 2007–09 and believe that GDP volume growth has been significantly lower than official reports indicate since the last quarter of 2008. c. Covers 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 its residents. The 1993 United Nations System of National Accounts (1993 SNA) offers three plausible indicators for calculating 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 industries operating in the economy.

Each industry's contribution to growth in the economy's output is measured by growth in the industry's value added. 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, less commonly, inputs. Particularly in the services industries, including most of government, value added in constant prices is often imputed from labor inputs, such as real wages or 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 for nonmarket services, unmeasured technical progress leads to underestimates of the volume of output. Similarly, unmeasured improvements in quality 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.

Informal economic activities pose a particular measurement problem, especially in developing countries, where much economic activity is unrecorded. 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.

Rebasing national accounts

When countries rebase their national accounts, they update the weights assigned to various components to better reflect current patterns of production or uses of output. The new base year should represent normal operation of the economy—it should be a year without major shocks or distortions. 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. This year's *World Development Indicators* continues to use 2000 as the reference year. Because rescaling changes the implicit weights used in forming regional and income group aggregates, aggregate growth rates in this year's edition are not comparable with those from earlier editions with different base years.

Rescaling may result in a discrepancy between the rescaled GDP and the sum of the rescaled components. Because allocating the discrepancy would cause 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.

Computing growth rates

Growth rates of GDP and its components are calculated using the least squares method and constant price data in the local currency. Constant price U.S. dollar series are used to calculate regional and income group growth rates. Local currency series are converted to constant 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 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 many 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 deducting 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** is the sum of gross output less the value of intermediate input used in production for industries classified in ISIC divisions 1–5 and includes forestry and fishing.
- **Industry** is the sum of gross output less the value of intermediate input used in production for industries classified in ISIC divisions 10–45, which cover mining, manufacturing (also reported separately), construction, electricity, water, and gas.
- **Manufacturing** is the sum of gross output less the value of intermediate input used in production for industries classified in 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 services output, including banking and financial services. For some countries it includes product taxes (minus subsidies) and may also include statistical discrepancies.

Data sources

Data on national accounts 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 are from Organisation for Economic Co-operation and Development (OECD) data files. 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 2010* CD-ROM. The United Nations Statistics Division publishes detailed national accounts for UN 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		Manufacturing		Services	
	\$ millions		% of GDP		% of GDP		% of GDP		% of GDP	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Afghanistan	..	10,624	..	32	..	26	..	16	..	42
Albania	2,424	12,295	56	21	22	20	14	20	22	60
Algeria	41,764	166,545	10	7	50	62	11	5	39	31
Angola ^a	5,040	84,945	7	7	66	68	4	5	26	26
Argentina	258,032	328,465	6	10	28	32	18	21	66	58
Armenia	1,468	11,917	42	18	32	45	25	15	26	37
Australia	361,306	1,015,217	3	3	29	29	15	10	68	68
Austria	238,314	413,503	3	2	31	31	20	20	67	67
Azerbaijan	3,052	46,135	27	6	34	70	13	4	39	24
Bangladesh	37,940	79,554	26	19	25	29	15	18	49	52
Belarus	13,973	60,313	17	10	37	44	31	33	46	46
Belgium	284,321	504,206	2	1	28	23	20	16	70	76
Benin ^a	2,009	6,680	34	..	15	..	9	..	51	..
Bolivia	6,715	16,674	17	13	33	38	19	14	50	48
Bosnia and Herzegovina	1,867	18,512	..	..	..	..	..	..	..	..
Botswana	4,774	13,414	4	2	51	53	5	4	45	45
Brazil	768,951	1,575,151	6	7	28	28	19	16	67	65
Bulgaria	13,107	49,900	14	7	35	31	24	15	50	62
Burkina Faso	2,380	7,948	35	33	21	22	15	14	43	44
Burundi	1,000	1,163	48	..	19	..	9	..	33	..
Cambodia	3,441	10,354	50	35	15	24	10	16	36	41
Cameroon	8,733	23,396	24	19	31	31	22	17	45	50
Canada	590,517	1,501,329	3	..	31	..	18	..	66	..
Central African Republic	1,122	1,988	46	53	21	14	10	8	33	33
Chad	1,446	8,400	36	14	14	49	11	7	51	38
Chile	71,349	169,458	9	4	35	44	18	13	55	52
China ^a	728,007	4,326,996	20	11	47	49	34	34	33	40
Hong Kong SAR, China	144,230	215,355	0	0	15	8	8	3	85	92
Colombia	92,503	243,765	15	9	32	36	16	16	53	55
Congo, Dem. Rep.	5,643	11,668	57	40	17	28	9	6	26	32
Congo, Rep. ^a	2,116	10,723	10	4	45	75	8	4	45	21
Costa Rica	11,722	29,664	14	7	30	29	22	21	57	64
Côte d'Ivoire ^a	11,000	23,414	25	25	21	26	15	18	55	49
Croatia	22,122	69,332	10	6	31	28	22	17	59	65
Cuba ^a	..	..	6	..	45	..	38	..	49	..
Czech Republic	55,257	215,500	5	3	38	38	24	25	57	60
Denmark	181,984	341,255	3	1	25	26	17	15	71	73
Dominican Republic ^a	16,358	45,541	10	7	36	33	26	24	54	60
Ecuador	20,206	54,686	..	7	..	41	..	10	..	53
Egypt, Arab Rep.	60,159	162,283	17	13	32	38	17	16	51	49
El Salvador	9,500	22,115	14	13	30	28	23	22	56	58
Eritrea	578	1,654	21	24	17	19	9	5	62	56
Estonia	4,353	23,401	6	3	33	29	21	17	61	68
Ethiopia	7,606	25,585	57	44	10	13	5	5	33	42
Finland	130,599	272,700	4	3	33	32	25	24	63	65
France	1,569,983	2,856,556	3	2	25	20	..	12	72	78
Gabon ^a	4,959	14,535	8	4	52	64	5	3	40	32
Gambia, The	382	811	30	29	13	15	6	5	57	56
Georgia	2,694	12,791	52	10	16	21	17	12	32	69
Germany	2,522,792	3,649,494	1	1	32	30	23	24	67	69
Ghana ^a	6,457	16,653	39	33	24	25	9	6	37	41
Greece	131,718	355,876	9	3	21	20	..	10	70	77
Guatemala ^a	14,657	38,983	24	12	20	30	14	20	56	58
Guinea	3,694	3,799	19	25	29	46	4	4	52	29
Guinea-Bissau	254	430	55	55	12	13	8	10	33	32
Haiti	2,696	7,205	..	..	..	..	..	..	..	..
Honduras	3,911	13,343	22	14	31	31	18	22	48	55

Structure of output

4.2

ECONOMY

	Gross domestic product		Agriculture		Industry		Manufacturing		Services	
	\$ millions		% of GDP		% of GDP		% of GDP		% of GDP	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Hungary	44,656	154,668	7	4	32	29	24	22	61	66
India	356,299	1,159,171	26	17	28	29	18	16	46	54
Indonesia ^a	202,132	510,730	17	14	42	48	24	28	41	37
Iran, Islamic Rep.	90,829	286,058	18	10	34	44	12	11	47	45
Iraq	10,114	..	9	..	75	..	1	..	16	..
Ireland	67,036	267,576	7	2	38	34	30	22	55	64
Israel ^a	96,065	202,101	..	..	..	..	..	..	..	..
Italy	1,126,041	2,303,079	3	2	30	27	22	18	66	71
Jamaica	5,813	14,614	9	5	37	25	16	9	54	69
Japan	5,247,610	4,910,840	2	1	34	29	23	21	64	69
Jordan	6,727	21,238	4	3	29	34	15	20	67	63
Kazakhstan	20,374	133,442	13	6	31	43	15	13	56	51
Kenya	9,046	30,355	31	27	16	19	10	12	53	54
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	517,118	929,121	6	3	42	37	28	28	52	60
Kosovo	..	5,448	..	12	..	20	..	16	..	68
Kuwait ^a	27,192	148,024	0	..	55	..	4	..	45	..
Kyrgyz Republic	1,661	5,059	44	30	20	20	9	13	37	51
Lao PDR	1,764	5,543	56	35	19	28	14	9	25	37
Latvia	5,236	33,784	9	3	30	23	21	11	61	74
Lebanon	11,719	29,264	8	5	25	21	14	10	68	73
Lesotho	890	1,622	17	7	39	35	16	16	44	58
Liberia	135	843	82	61	5	17	3	13	13	22
Libya	25,541	93,168	..	2	..	78	..	4	..	20
Lithuania	7,621	47,341	11	4	33	33	20	19	56	63
Macedonia, FYR	4,449	9,521	13	11	30	34	23	22	57	55
Madagascar	3,160	9,463	27	25	9	17	8	15	64	57
Malawi	1,397	4,269	30	34	20	21	16	14	50	45
Malaysia ^a	88,832	221,773	13	10	41	48	26	28	46	42
Mali	2,466	8,740	50	37	19	24	8	3	32	39
Mauritania	1,415	2,858	37	13	25	47	8	..	37	41
Mauritius	4,040	9,320	10	4	32	29	23	20	58	67
Mexico	286,698	1,088,128	6	4	28	37	21	19	66	59
Moldova	1,753	6,047	33	11	32	15	26	14	35	74
Mongolia	1,227	5,258	41	21	29	40	12	4	30	39
Morocco	32,986	88,883	15	15	34	30	19	14	51	55
Mozambique	2,247	9,846	35	29	15	24	8	14	51	47
Myanmar ^a	..	..	60	..	10	..	7	..	30	..
Namibia	3,503	8,837	12	9	28	37	13	14	60	53
Nepal	4,401	12,615	42	34	23	17	10	7	35	50
Netherlands	418,969	871,004	3	2	27	25	17	14	69	73
New Zealand	62,049	129,940	7	..	27	..	19	..	66	..
Nicaragua	3,191	6,592	23	19	27	30	19	19	49	51
Niger ^a	1,881	5,354	40	..	17	..	6	..	43	..
Nigeria	28,109	207,118	..	33	..	41	..	3	..	27
Norway	148,920	451,830	3	1	34	46	13	9	63	53
Oman ^a	13,803	41,638	3	..	46	..	5	..	51	..
Pakistan	60,636	164,539	26	20	24	27	16	20	50	53
Panama	7,906	23,088	8	6	18	17	9	7	74	76
Papua New Guinea	4,636	8,239	35	34	34	48	8	6	31	18
Paraguay ^a	8,066	15,977	21	20	23	18	16	13	56	61
Peru	53,674	129,109	9	7	31	36	17	16	60	57
Philippines ^a	74,120	166,909	22	15	32	32	23	22	46	53
Poland	139,062	527,866	8	5	35	31	21	17	57	65
Portugal	112,960	243,497	6	2	28	24	18	14	66	74
Puerto Rico ^a	42,647	..	1	..	44	..	42	..	55	..
Qatar	8,138	71,041	..	..	..	..	..	..	..	..



4.2

Structure of output

	Gross domestic product		Agriculture		Industry		Manufacturing		Services	
	\$ millions		% of GDP		% of GDP		% of GDP		% of GDP	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Romania	35,477	200,071	21	7	43	25	29	21	36	68
Russian Federation	395,528	1,679,484	7	5	37	37	..	18	56	58
Rwanda ^a	1,293	4,457	44	37	16	14	10	4	40	48
Saudi Arabia ^a	142,458	468,800	6	2	49	70	10	8	45	27
Senegal	4,879	13,273	21	16	24	22	17	13	55	63
Serbia	19,681	50,061	..	..	..	..	..	..	..	..
Sierra Leone	871	1,954	43	50	39	23	9	..	18	26
Singapore	84,291	181,948	0	0	35	28	27	21	65	72
Slovak Republic	19,579	94,957	6	4	38	41	27	22	56	55
Slovenia	20,814	54,613	4	2	35	34	26	23	60	63
Somalia	..	..	..	..	..	..	..	..	..	..
South Africa	151,113	276,445	4	3	35	34	21	19	61	63
Spain	596,751	1,604,235	5	3	29	29	18	15	66	68
Sri Lanka ^a	13,030	40,565	23	13	27	29	16	18	50	57
Sudan	13,830	55,927	39	26	11	34	5	6	51	40
Swaziland	1,699	2,837	12	7	45	49	39	44	43	43
Sweden	253,705	478,961	3	2	31	28	23	20	67	70
Switzerland	315,940	491,950	2	1	30	28	20	20	68	71
Syrian Arab Republic	11,397	55,204	32	20	20	35	15	13	48	45
Tajikistan	1,232	5,134	38	18	39	23	28	16	22	59
Tanzania ^b	5,255	20,490	47	45	14	17	7	7	38	37
Thailand ^a	168,019	272,429	10	12	41	44	30	35	50	44
Timor-Leste ^a	..	498	..	..	..	..	..	..	..	..
Togo ^a	1,309	2,898	38	..	22	..	10	..	40	..
Trinidad and Tobago	5,329	24,145	2	0	47	62	9	5	51	37
Tunisia ^a	18,031	40,309	11	10	29	33	19	18	59	58
Turkey	169,708	734,853	16	9	33	28	23	18	50	64
Turkmenistan	2,482	15,327	17	12	63	54	40	50	20	34
Uganda	5,756	14,326	49	23	14	26	7	8	36	52
Ukraine	48,214	180,355	15	8	43	37	35	23	42	55
United Arab Emirates	42,807	198,693	3	2	52	61	10	12	45	38
United Kingdom	1,157,119	2,674,057	2	1	31	24	21	..	67	76
United States	7,342,300	14,591,381	2	1	26	22	19	14	72	77
Uruguay	19,298	32,186	9	11	29	27	20	18	62	63
Uzbekistan	13,350	27,934	32	21	28	31	12	12	40	48
Venezuela, RB	74,889	314,150	6	..	41	..	15	..	53	..
Vietnam ^a	20,736	90,645	27	22	29	40	15	21	44	38
West Bank and Gaza	3,220	..	..	..	..	..	..	..	..	..
Yemen, Rep. ^a	4,236	26,576	20	..	32	..	14	..	48	..
Zambia	3,478	14,314	18	21	36	46	11	12	46	33
Zimbabwe	7,111	..	15	..	29	..	22	..	56	..
World	29,604,170 t	60,521,123 t	4 w	3 w	31 w	28 w	20 w	18 w	65 w	69 w
Low income	195,611	564,572	35	25	22	28	12	14	43	47
Middle income	4,894,312	16,722,126	14	9	35	37	23	22	51	53
Lower middle income	2,044,366	8,277,781	21	13	39	41	26	27	41	46
Upper middle income	2,851,464	8,442,445	8	6	32	34	20	17	60	60
Low & middle income	5,091,618	17,299,923	15	10	34	37	22	21	51	53
East Asia & Pacific	1,312,702	5,695,585	19	12	44	47	31	33	36	41
Europe & Central Asia	904,254	3,872,528	13	7	36	32	22	18	52	61
Latin America & Carib.	1,755,662	4,216,075	7	7	29	33	19	18	64	61
Middle East & N. Africa	315,651	1,074,015	16	11	34	43	15	12	50	46
South Asia	476,175	1,469,613	26	18	27	28	17	16	46	53
Sub-Saharan Africa	327,684	978,062	18	12	29	33	16	15	53	55
High income	24,508,224	43,273,506	2	1	30	26	20	17	68	73
Euro area	7,274,360	13,566,882	3	2	29	27	22	18	68	72

a. Components are at producer prices. b. Covers mainland Tanzania only.

About the data

An economy's gross domestic product (GDP) represents the sum of value added by all its producers. Value added is the value of the gross output of producers less the value of intermediate goods and services consumed in production, before accounting for consumption of fixed capital in production. The United Nations System of National Accounts calls for 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. Total GDP shown in the table and elsewhere in this volume 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* and footnoted in the table.

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 improve 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 climate 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 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 services 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 to 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 deducting 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** is the sum of gross output less the value of intermediate input used in production for industries classified in ISIC divisions 1–5 and includes forestry and fishing. • **Industry** is the sum of gross output less the value of intermediate input used in production for industries classified in ISIC divisions 10–45, which cover mining, manufacturing (also reported separately), construction, electricity, water, and gas. • **Manufacturing** is the sum of gross output less the value of intermediate input used in production for industries classified in 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 services output, including banking and financial services. For some countries it includes product taxes (minus subsidies) and may also include statistical discrepancies.

Data sources

Data on national accounts 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 are from Organisation for Economic Co-operation and Development (OECD) data files. The complete national accounts time series is available on the *World Development Indicators 2010 CD-ROM*. The United Nations Statistics Division publishes detailed national accounts for UN 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 ^a	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1995	2008	1995	2005	1995	2005	1995	2005	1995	2005	1995	2005
Afghanistan	..	1,663	..	..	..	..	..	..	..	..	..	..
Albania	405	2,047	..	17	..	22	..	3	..	17	..	41
Algeria	4,366	7,471	..	..	..	..	..	..	..	..	..	..
Angola	202	4,040	..	..	..	..	..	..	..	..	..	..
Argentina	44,502	63,983	29	..	7	..	13	..	4	..	46	..
Armenia	356	1,558	..	..	..	..	..	..	..	..	..	..
Australia	50,044	97,613	..	17	..	1	..	5	..	7	..	69
Austria	42,134	67,615	10	9	5	3	27	31	2	6	56	51
Azerbaijan	352	1,922	..	15	..	1	..	13	..	4	..	67
Bangladesh	5,586	13,672	28	..	44	..	4	..	11	..	13	..
Belarus	3,909	16,966	..	..	..	..	..	..	..	..	..	..
Belgium	51,721	66,902	13	13	6	4	23	21	8	22	50	41
Benin	174	..	..	..	..	..	..	..	..	..	..	..
Bolivia	1,123	1,862	31	..	4	..	1	..	4	..	60	..
Bosnia and Herzegovina	213	2,130	..	..	..	..	..	..	..	..	..	..
Botswana	242	458	25	22	8	5	15	..	5	..	66	73
Brazil	124,976	212,923	21	19	8	6	23	21	13	11	35	43
Bulgaria	2,015	6,199	23	16	12	13	20	18	15	7	30	45
Burkina Faso	336	775	..	..	..	..	..	..	..	..	..	..
Burundi	83	..	..	..	..	..	..	..	..	..	..	..
Cambodia	315	1,589	20	..	22	..	0	..	0	..	57	..
Cameroon	1,758	3,328	..	..	..	..	..	..	..	..	..	..
Canada	100,393	..	14	..	4	..	23	..	10	..	49	..
Central African Republic	108	106	..	..	..	..	..	..	..	..	..	..
Chad	159	383	..	..	..	..	..	..	..	..	..	..
Chile	10,594	21,660	..	14	..	2	..	2	..	14	..	68
China	245,002	1,487,812	4	4	2	2	2	3	..	..	93	93
Hong Kong SAR, China	10,524	5,040	..	..	..	..	..	..	..	..	..	..
Colombia	13,506	35,885	..	27	..	9	..	7	..	13	..	44
Congo, Dem. Rep.	510	630	..	..	..	..	..	..	..	..	..	..
Congo, Rep.	172	411	..	..	..	..	..	..	..	..	..	..
Costa Rica	2,339	5,505	..	..	..	..	..	..	..	..	..	..
Côte d'Ivoire	1,655	4,219	..	..	..	..	..	..	..	..	..	..
Croatia	4,121	10,137	..	..	..	..	..	..	..	..	..	..
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	12,124	47,842	12	9	7	3	23	37	4	3	54	48
Denmark	26,925	39,213	20	14	2	2	23	17	1	2	53	65
Dominican Republic	3,824	9,785	..	..	..	..	..	..	..	..	..	..
Ecuador	2,830	5,004	26	30	6	4	4	3	7	5	56	58
Egypt, Arab Rep.	9,829	24,461	19	..	13	..	12	..	18	..	38	..
El Salvador	2,026	4,452	..	..	..	..	..	..	..	..	..	..
Eritrea	47	72	63	35	9	16	1	4	13	10	15	34
Estonia	804	3,472	..	12	..	5	..	10	..	4	..	69
Ethiopia	344	1,149	52	47	18	9	2	2	4	4	23	38
Finland	28,814	50,717	10	7	3	2	30	36	6	3	51	51
France	..	306,281	13	13	5	4	28	29	12	12	41	42
Gabon	224	503	..	..	..	..	..	..	..	..	..	..
Gambia, The	20	35	65	..	8	..	1	..	9	..	17	..
Georgia	523	1,362	..	36	..	2	..	5	..	15	..	42
Germany	516,542	711,089	8	8	3	2	43	42	10	10	37	38
Ghana	602	1,055	..	..	..	..	..	..	..	..	..	..
Greece	..	28,544	25	23	14	9	13	13	10	6	38	50
Guatemala	2,069	7,312	..	..	..	..	..	..	..	..	..	..
Guinea	142	155	..	..	..	..	..	..	..	..	..	..
Guinea-Bissau	19	41	..	..	..	..	..	..	..	..	..	..
Haiti	..	..	..	..	..	..	..	..	..	..	..	..
Honduras	607	2,593	..	..	..	..	..	..	..	..	..	..

Structure of manufacturing

4.3

ECONOMY

	Manufacturing value added		Food, beverages, and tobacco		Textiles and clothing		Machinery and transport equipment		Chemicals		Other manufacturing ^a	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1995	2008	1995	2005	1995	2005	1995	2005	1995	2005	1995	2005
Hungary	8,839	28,619	18	12	3	3	14	42	11	10	54	33
India	57,917	169,986	13	9	12	9	20	20	22	16	34	46
Indonesia	48,781	142,345	21	25	18	12	16	23	10	11	35	30
Iran, Islamic Rep.	10,918	29,832	13	10	10	4	18	27	16	13	44	46
Iraq	67	..	23	..	26	..	4	..	8	..	39	..
Ireland	18,096	50,926	15	14	1	0	21	10	18	26	45	50
Israel	..	..	13	11	6	4	25	23	6	10	50	53
Italy	225,513	344,676	9	9	14	10	27	27	8	7	43	46
Jamaica	865	983	..	..	..	..	..	..	..	..	..	..
Japan	1,077,348	923,108	10	11	4	2	38	41	10	11	38	35
Jordan	866	3,834	31	24	6	11	4	6	15	15	43	44
Kazakhstan	2,976	15,711	..	..	..	..	..	..	..	..	..	..
Kenya	757	3,229	..	30	..	6	..	4	..	5	..	55
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	128,839	234,688	9	6	10	5	40	50	8	8	33	31
Kosovo	..	732	..	..	..	..	..	..	..	..	..	..
Kuwait	1,032	..	..	..	..	..	..	..	..	..	..	..
Kyrgyz Republic	142	570	..	14	..	5	..	1	..	1	..	78
Lao PDR	245	484	..	..	..	..	..	..	..	..	..	..
Latvia	965	3,200	39	20	11	7	15	11	4	4	31	58
Lebanon	1,465	2,448	26	..	10	..	5	..	6	..	53	..
Lesotho	129	234	..	..	..	..	..	..	..	..	..	..
Liberia	4	105	..	..	..	..	..	..	..	..	..	..
Libya	..	3,879	..	..	..	..	..	..	..	..	..	..
Lithuania	1,351	6,615	..	22	..	11	..	13	..	6	..	49
Macedonia, FYR	873	1,780	35	..	17	..	9	..	8	..	31	..
Madagascar	233	1,345	..	46	..	31	..	1	..	2	..	20
Malawi	195	504	..	..	..	..	..	..	..	..	..	..
Malaysia	23,432	52,224	..	9	..	3	..	34	..	13	..	42
Mali	174	195	..	..	..	..	..	..	..	..	..	..
Mauritania	107	..	..	..	..	..	..	..	..	..	..	..
Mauritius	822	1,648	25	30	52	42	2	3	..	..	21	25
Mexico	54,546	199,410	26	..	4	..	24	..	14	..	31	..
Moldova	400	702	..	50	..	13	..	5	..	..	..	31
Mongolia	143	210	46	..	36	..	3	..	2	..	12	..
Morocco	6,056	11,225	..	37	..	14	..	8	..	13	..	28
Mozambique	166	1,298	..	..	..	..	..	..	..	..	..	..
Myanmar	..	..	..	..	..	..	..	..	..	..	..	..
Namibia	403	1,108	..	..	..	..	..	..	..	..	..	..
Nepal	393	862	35	..	34	..	2	..	..	..	29	..
Netherlands	65,999	94,324	19	15	3	1	16	19	14	18	48	47
New Zealand	10,645	..	29	25	..	..	..	..	..	..	71	75
Nicaragua	533	946	..	..	..	..	..	..	..	..	..	..
Niger	120	..	..	..	..	..	..	..	..	..	..	..
Nigeria	..	3,760	..	..	..	..	..	..	..	..	..	..
Norway	17,018	38,595	17	23	2	1	25	23	9	9	48	43
Oman	643	..	15	6	6	0	4	2	8	11	66	80
Pakistan	8,864	31,196	..	..	..	..	..	..	..	..	..	..
Panama	694	1,454	54	..	7	..	..	..	7	..	32	..
Papua New Guinea	372	446	..	..	..	..	..	..	..	..	..	..
Paraguay	1,280	2,022	..	..	..	..	..	..	..	..	..	..
Peru	8,105	18,770	26	30	10	13	6	3	9	11	49	44
Philippines	17,043	37,247	29	24	7	6	20	30	11	8	34	33
Poland	25,885	80,227	23	23	8	4	22	20	3	7	44	46
Portugal	18,249	23,939	13	14	22	9	18	15	6	2	41	61
Puerto Rico	17,867	..	..	..	..	..	..	..	..	..	..	..
Qatar	..	..	..	1	..	2	..	0	..	17	..	80



4.3

Structure of manufacturing

	Manufacturing value added		Food, beverages, and tobacco		Textiles and clothing		Machinery and transport equipment		Chemicals		Other manufacturing ^a	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1995	2008	1995	2005	1995	2005	1995	2005	1995	2005	1995	2005
Romania	9,387	37,959	31	15	12	14	18	18	6	5	33	47
Russian Federation	..	256,618	..	15	..	2	..	12	..	8	..	63
Rwanda	132	200	..	..	..	..	..	..	..	..	..	..
Saudi Arabia	13,714	38,737	..	19	..	5	..	13	..	27	..	35
Senegal	730	1,548	44	..	3	..	1	..	29	..	23	..
Serbia	..	..	..	..	..	..	..	..	..	..	..	..
Sierra Leone	75	..	..	..	..	..	..	..	..	..	..	..
Singapore	20,799	35,535	4	2	1	1	60	49	9	29	26	19
Slovak Republic	6,064	21,332	13	7	2	4	19	24	8	3	57	62
Slovenia	4,573	9,677	10	7	12	6	21	26	2	2	56	60
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	29,274	46,692	15	18	8	4	19	17	10	7	47	55
Spain	101,524	195,804	16	15	7	5	25	21	9	8	42	51
Sri Lanka	1,836	7,283	..	29	..	29	..	4	..	14	..	24
Sudan	640	3,028	..	..	..	..	..	..	..	..	..	..
Swaziland	557	1,054	..	..	..	..	..	..	..	..	..	..
Sweden	49,767	79,279	8	7	1	1	35	29	2	12	53	51
Switzerland	50,562	72,675	..	..	..	..	..	..	..	..	..	..
Syrian Arab Republic	1,574	6,092	..	..	..	..	..	..	..	..	..	..
Tajikistan	331	745	..	..	..	..	..	..	..	..	..	..
Tanzania ^b	349	819	..	..	..	..	..	..	..	..	..	..
Thailand	50,231	95,146	21	..	9	..	29	..	6	..	35	..
Timor-Leste	..	..	..	..	..	..	..	..	..	..	..	..
Togo	130	..	..	..	..	..	..	..	..	..	..	..
Trinidad and Tobago	439	1,263	30	12	1	1	2	1	26	38	41	48
Tunisia	3,419	7,209	..	..	..	..	..	..	..	..	..	..
Turkey	38,296	118,702	16	..	17	..	16	..	10	..	41	..
Turkmenistan	948	9,158	..	..	..	..	..	..	..	..	..	..
Uganda	359	1,000	50	..	3	..	6	..	..	..	41	..
Ukraine	14,922	37,161	..	..	..	..	..	..	..	..	..	..
United Arab Emirates	4,452	24,643	..	..	..	..	..	..	..	..	..	..
United Kingdom	219,282	..	14	15	5	3	29	26	11	11	41	45
United States	1,289,100	1,755,600	12	14	4	2	34	28	12	15	38	40
Uruguay	3,801	4,996	36	42	9	9	4	2	8	9	43	38
Uzbekistan	1,376	3,061	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	10,668	..	..	..	..	..	..	..	..	..	..	..
Vietnam	3,109	19,129	30	..	22	..	12	..	7	..	29	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	599	..	45	60	5	9	0	0	2	4	48	27
Zambia	344	1,421	..	..	..	..	..	..	..	..	..	..
Zimbabwe	1,370	..	30	..	7	..	29	..	6	..	29	..
World	5,484,300 t	9,054,590 t	..	..	..	..	..	..	..	..	..	..
Low income	22,364	68,035	..	..	..	..	..	..	..	..	..	..
Middle income	990,706	3,514,162	..	..	..	..	..	..	..	..	..	..
Lower middle income	496,790	2,159,122	..	..	..	..	..	..	..	..	..	..
Upper middle income	503,477	1,319,723	..	..	..	..	..	..	..	..	..	..
Low & middle income	1,013,160	3,584,044	..	..	..	..	..	..	..	..	..	..
East Asia & Pacific	390,767	1,859,969	..	..	..	..	..	..	..	..	..	..
Europe & Central Asia	..	..	..	..	..	..	..	..	..	..	..	..
Latin America & Carib.	292,587	640,171	..	..	..	..	..	..	..	..	..	..
Middle East & N. Africa	39,269	106,905	..	..	..	..	..	..	..	..	..	..
South Asia	75,041	224,444	..	..	..	..	..	..	..	..	..	..
Sub-Saharan Africa	46,018	89,446	..	..	..	..	..	..	..	..	..	..
High income	4,490,475	6,039,774	..	..	..	..	..	..	..	..	..	..
Euro area	1,325,850	1,958,265	..	..	..	..	..	..	..	..	..	..

a. Includes unallocated data. b. Covers 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 the data 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 from national and international organizations, unpublished data that it collects in the field, and estimates by the UNIDO Secretariat. Nevertheless, coverage may be incomplete, particularly for the informal sector. When direct information on inputs and outputs is not available, estimates may be used, which may result in errors in industry totals. Moreover, countries use different reference periods (calendar or fiscal year) and valuation methods (basic or producer prices) to estimate value added. (See *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 and may differ from those UNIDO uses to calculate shares of value added by industry, in part because of differences in exchange rates. Thus value added in a particular industry estimated by applying the shares to total manufacturing value added will not match those from UNIDO sources. Classification of manufacturing industries in the table accords with the United Nations International Standard Industrial Classification (ISIC) revision 3. Editions of *World Development Indicators* prior to 2008 used revision 2, first published in 1948. Revision 3 was completed in 1989, and many countries now use it. But revision 2 is still widely used for compiling cross-country data. UNIDO has converted these data to accord with

revision 3. Concordances matching ISIC categories to national classification systems and to related systems such as the Standard International Trade Classification are available.

In establishing classifications systems compilers must define both the types of activities to be described and the units whose activities are to be reported. There are many possibilities, and the choices affect how the 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).

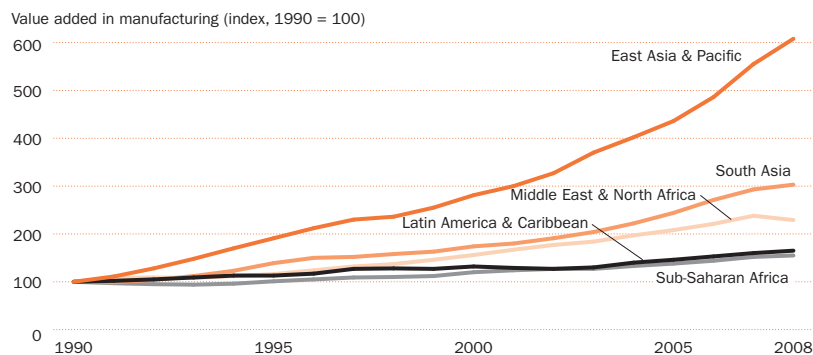
Firms typically use multiple processes to produce a product. For example, an automobile manufacturer engages in forging, welding, and painting as well as advertising, accounting, and other service activities. Collecting data at such a detailed level is not practical, nor is it useful to record production data at the 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. 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 Ryten (1998).

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 divisions 15 and 16. • **Textiles and clothing** correspond to ISIC divisions 17–19. • **Machinery and transport equipment** correspond to ISIC divisions 29, 30, 32, 34, and 35. • **Chemicals** correspond to ISIC division 24. • **Other manufacturing**, a residual, covers wood and related products (ISIC division 20), paper and related products (ISIC divisions 21 and 22), petroleum and related products (ISIC division 23), basic metals and mineral products (ISIC division 27), fabricated metal products and professional goods (ISIC division 28), and other industries (ISIC divisions 25, 26, 31, 33, 36, and 37).

Manufacturing continues to show strong growth in East Asia through 2008

4.3a



Manufacturing continues to be the dominant sector in East Asia and Pacific, growing an average of about 10.5 percent a year between 1990 and 2008.

Source: World Development Indicators data files.

Data sources

Data on manufacturing value added are from the World Bank's national accounts files. Data used to calculate shares of industry value added are provided to the World Bank in electronic files by UNIDO. The most recent published source is UNIDO's *International Yearbook of Industrial Statistics 2010*.



4.4

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	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Afghanistan	166	680	..	5	..	0	..	..	..	..	..	41
Albania	202	1,353	11	4	9	8	3	22	12	33	65	33
Algeria	10,258	78,233	1	0	0	0	95	98	1	1	4	2
Angola	3,642	66,300	..	..	..	..	..	..	..	..	..	..
Argentina	20,967	70,588	50	53	4	1	10	10	2	3	34	31
Armenia	271	1,069	11	19	5	2	1	0	26	29	54	51
Australia	53,111	187,428	22	12	8	2	19	34	18	27	30	20
Austria	57,738	182,158	4	7	3	2	1	3	3	3	88	81
Azerbaijan	635	31,500	4	1	8	0	66	97	1	0	20	1
Bangladesh	3,501	15,369	10	7	3	3	0	2	0	0	85	88
Belarus	4,803	32,902	..	7	..	1	..	37	..	1	..	52
Belgium	178,265 ^a	476,953	10 ^a	9	1 ^a	1	3 ^a	9	3 ^a	3	78 ^a	75
Benin	420	1,050	14	41	75	44	5	0	0	1	6	14
Bolivia	1,100	6,370	21	14	10	1	15	52	35	27	19	6
Bosnia and Herzegovina	152	5,064	..	6	..	7	..	10	..	13	..	64
Botswana	2,142	5,040	..	3	..	0	..	0	..	20	..	77
Brazil	46,506	197,942	29	28	5	4	1	9	10	12	54	45
Bulgaria	5,355	23,124	18	12	3	1	7	16	10	17	60	51
Burkina Faso	276	620	25	..	69	..	0	..	0	..	6	..
Burundi	105	56	91	65	4	6	0	1	1	9	3	18
Cambodia	855	4,290	..	..	..	..	..	..	..	..	..	..
Cameroon	1,651	4,350	27	12	28	16	29	62	8	5	8	3
Canada	192,197	456,420	8	9	9	5	9	29	7	8	63	47
Central African Republic	171	185	4	..	20	..	1	..	30	..	45	..
Chad	243	4,800	..	..	..	..	..	..	..	..	..	..
Chile	16,024	67,788	24	16	12	6	0	1	48	61	13	12
China [†]	148,780	1,428,488	8	3	2	0	4	2	2	2	84	93
Hong Kong SAR, China ^b	173,871	370,242	3	4	0	2	0	3	1	8	94	83
Colombia	10,056	37,626	31	15	5	4	28	47	1	2	35	32
Congo, Dem. Rep.	1,563	3,950	..	..	..	..	..	..	..	..	..	..
Congo, Rep.	1,172	9,050	1	..	8	..	88	..	0	..	3	..
Costa Rica	3,453	9,675	63	32	5	3	1	1	1	1	25	63
Côte d'Ivoire	3,806	10,100	63	41	20	9	10	37	0	1	7	12
Croatia	4,517	14,112	11	10	5	3	9	13	2	4	74	70
Cuba	1,600	3,500	..	10	..	0	..	0	..	2	..	24
Czech Republic	21,335	146,934	6	4	4	1	4	3	3	2	82	87
Denmark	50,906	117,174	24	17	3	2	3	11	1	2	60	66
Dominican Republic	3,780	6,910	19	21	0	1	0	0	0	3	78	75
Ecuador	4,307	18,511	53	25	3	4	36	62	0	1	8	9
Egypt, Arab Rep.	3,450	25,483	10	10	6	2	37	44	6	7	40	37
El Salvador	1,652	4,549	57	20	1	1	0	3	3	2	39	74
Eritrea	86	20	..	..	..	..	..	..	..	..	..	..
Estonia	1,840	12,343	16	9	10	4	6	12	3	4	65	66
Ethiopia	422	1,500	73	75	13	14	3	0	0	1	11	9
Finland	40,490	96,714	2	2	8	4	2	7	3	4	83	81
France	301,162	608,684	14	12	1	1	2	5	3	3	79	78
Gabon	2,713	8,350	0	1	13	7	83	86	2	3	2	4
Gambia, The	16	14	60	60	1	4	0	0	1	15	36	21
Georgia	151	1,498	29	18	3	2	19	3	8	22	41	55
Germany	523,461	1,465,215	5	5	1	1	1	3	3	3	87	82
Ghana	1,724	5,650	58	63	15	9	5	2	9	6	13	19
Greece	11,054	25,311	30	21	4	2	7	11	7	9	50	54
Guatemala	2,155	7,765	65	38	4	4	2	7	0	4	28	47
Guinea	702	1,300	8	2	1	5	0	2	67	59	24	32
Guinea-Bissau	24	98	89	..	11	..	0	..	0	..	0	..
Haiti	110	490	37	..	0	..	0	..	0	..	62	..
Honduras	1,769	6,130	87	53	3	2	0	6	0	8	9	29
[†] Data for Taiwan, China	113,047	255,629	3	1	2	1	1	7	1	2	93	88

Structure of merchandise exports

4.4

ECONOMY

	Merchandise exports		Food		Agricultural raw materials		Fuels		Ores and metals		Manufactures	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Hungary	12,865	107,904	21	7	2	1	3	3	5	2	68	80
India	30,630	179,073	19	10	1	2	2	18	3	6	74	63
Indonesia	45,417	139,281	11	18	7	6	25	29	6	8	51	39
Iran, Islamic Rep.	18,360	116,350	4	4	1	0	86	83	1	2	9	10
Iraq	496	59,800	..	0	..	0	..	34	..	0	..	0
Ireland	44,705	124,158	19	10	1	0	0	1	1	1	72	85
Israel	19,046	60,825	5	3	2	1	0	1	1	1	89	92
Italy	233,766	539,727	7	7	1	1	1	5	1	2	89	83
Jamaica	1,427	2,400	22	15	0	0	1	18	6	6	71	61
Japan	443,116	782,337	0	1	1	1	1	2	1	3	95	89
Jordan	1,769	7,790	25	14	2	0	0	0	24	11	49	75
Kazakhstan	5,250	71,184	10	4	3	0	25	69	24	12	38	15
Kenya	1,878	4,972	56	44	7	14	6	2	3	3	28	37
Korea, Dem. Rep.	959	1,950	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	125,058	422,007	2	1	1	1	2	7	1	3	93	89
Kosovo	..	..	..	..	..	..	..	..	..	..	..	..
Kuwait	12,785	93,180	0	0	0	0	95	96	0	0	5	3
Kyrgyz Republic	409	1,642	23	23	13	7	11	16	13	5	40	47
Lao PDR	311	1,080	..	..	..	..	..	..	..	..	..	..
Latvia	1,305	10,081	14	16	23	9	2	3	1	4	58	63
Lebanon	816	4,454	20	11	2	1	0	0	8	11	70	34
Lesotho	160	900	..	..	..	..	..	..	..	..	..	..
Liberia	820	262	..	..	..	..	..	..	..	..	..	..
Libya	8,975	63,050	0	..	0	..	95	..	0	..	5	..
Lithuania	2,705	23,728	18	15	8	2	11	25	5	2	58	55
Macedonia, FYR	1,204	3,978	18	14	5	1	0	5	18	5	58	76
Madagascar	507	1,345	69	21	6	3	1	6	7	3	14	67
Malawi	405	790	90	86	2	4	0	0	0	0	7	10
Malaysia	73,914	199,516	10	12	6	2	7	18	1	2	75	54
Mali	441	1,650	23	28	75	42	0	6	0	1	2	22
Mauritania	488	1,750	57	12	0	0	1	22	42	60	0	0
Mauritius	1,538	2,351	29	27	1	1	0	0	0	1	70	57
Mexico	79,542	291,807	8	6	1	0	10	17	3	3	78	74
Moldova	745	1,597	72	59	2	1	1	0	3	8	23	32
Mongolia	473	2,539	2	2	28	12	0	10	60	70	10	6
Morocco	6,881	20,065	31	19	3	2	2	2	12	10	51	67
Mozambique	168	2,600	66	15	16	4	2	11	2	57	13	6
Myanmar	860	6,900	..	..	..	..	..	..	..	..	..	..
Namibia	1,409	2,960	..	23	..	0	..	0	..	31	..	45
Nepal	345	1,100	8	..	1	..	0	..	0	..	84	..
Netherlands	203,171	633,974	20	13	4	3	7	11	3	2	63	55
New Zealand	13,645	30,586	45	53	19	9	2	7	5	5	29	23
Nicaragua	466	1,489	75	85	3	1	1	1	1	2	21	10
Niger	288	820	17	18	1	4	0	2	80	69	1	7
Nigeria	12,342	81,900	2	1	2	1	96	92	0	0	1	5
Norway	41,992	167,941	8	5	2	0	47	68	9	6	27	17
Oman	6,068	37,670	5	2	0	0	79	86	2	1	14	7
Pakistan	8,029	20,375	12	18	4	1	1	6	0	1	83	73
Panama	625	1,180	75	84	0	1	3	1	1	5	20	9
Papua New Guinea	2,654	5,700	13	..	20	..	38	..	25	..	4	..
Paraguay	919	4,434	44	88	36	3	0	0	0	1	19	8
Peru	5,575	31,529	31	19	3	1	5	11	46	52	15	16
Philippines	17,502	49,025	13	7	1	1	2	3	4	5	42	83
Poland	22,895	167,944	10	9	3	1	8	4	7	4	71	80
Portugal	22,783	55,861	7	10	5	2	3	6	2	3	83	72
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..
Qatar	3,651	63,830	0	0	0	0	82	94	0	0	17	5



4.4

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	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Romania	7,910	49,546	7	6	3	2	8	9	3	5	78	77
Russian Federation	81,095	471,763	2	2	3	2	43	66	10	6	26	17
Rwanda	54	250	57	66	16	1	0	0	12	28	14	4
Saudi Arabia	50,040	328,930	1	1	0	0	88	90	1	0	10	9
Senegal	993	2,390	9	21	7	2	22	34	12	4	48	39
Serbia	..	10,973	28	19	4	2	2	3	15	10	49	66
Sierra Leone	42	220	..	..	..	..	..	..	..	..	..	..
Singapore ^b	118,268	338,176	4	2	1	0	7	18	2	1	84	70
Slovak Republic	8,580	70,967	6	4	4	1	4	5	4	2	82	86
Slovenia	8,316	34,199	4	4	2	2	1	3	3	4	90	87
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	27,853 ^c	80,781	8 ^c	7	4 ^c	2	9 ^c	9	8 ^c	29	44 ^c	52
Spain	97,849	268,108	15	13	2	1	2	5	2	3	78	76
Sri Lanka	3,798	8,370	21	25	4	3	0	0	1	2	73	67
Sudan	555	12,450	44	3	47	1	0	94	0	1	6	0
Swaziland	866	1,790	..	21	..	7	..	1	..	1	..	70
Sweden	80,440	183,975	2	4	6	4	2	7	3	4	79	75
Switzerland	81,641	200,387	3	3	1	0	0	3	3	4	94	89
Syrian Arab Republic	3,563	14,300	12	21	7	1	63	41	1	1	17	35
Tajikistan	750	1,406	..	..	..	..	..	..	..	..	..	..
Tanzania	682	2,870	65	49	23	9	0	1	0	18	10	23
Thailand	56,439	177,844	19	13	5	5	1	6	1	1	73	74
Timor-Leste	..	..	..	..	..	..	..	..	..	..	..	..
Togo	378	790	19	16	42	9	0	0	32	13	7	62
Trinidad and Tobago	2,455	17,800	8	2	0	0	48	70	0	3	43	25
Tunisia	5,475	19,319	10	9	1	0	8	17	2	2	79	72
Turkey	21,637	131,975	20	8	1	0	1	6	3	3	74	81
Turkmenistan	1,880	10,780	1	..	13	..	77	..	1	..	8	..
Uganda	460	2,180	90	63	5	6	0	1	1	2	4	27
Ukraine	13,128	67,049	19	16	1	1	4	6	7	6	68	70
United Arab Emirates	28,364	231,550	8	1	0	0	9	65	55	1	28	4
United Kingdom	237,953	457,983	8	6	1	1	6	13	3	5	81	70
United States	584,743	1,300,532	11	10	4	2	2	7	3	4	77	74
Uruguay	2,106	5,949	44	59	15	8	1	3	1	0	39	29
Uzbekistan	3,430	10,360	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	18,457	93,542	3	0	0	0	77	94	6	2	14	4
Vietnam	5,449	62,906	30	20	3	3	18	21	0	1	44	55
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	1,945	9,270	3	5	1	0	95	92	1	0	1	2
Zambia	1,040	5,093	3	6	1	1	3	1	87	85	7	7
Zimbabwe	2,118	2,150	43	17	7	12	1	1	12	20	37	50
World	5,172,492 t	16,129,607 t	9 w	8 w	3 w	2 w	7 w	12 w	3 w	4 w	76 w	70 w
Low income	35,717	167,308	27	21	7	5	19	20	6	7	40	46
Middle income	906,854	4,905,095	14	10	3	2	11	21	5	6	64	59
Lower middle income	408,391	2,627,173	14	8	3	2	7	13	3	3	70	71
Upper middle income	498,548	2,276,454	15	11	4	2	15	27	6	8	59	49
Low & middle income	942,571	5,072,412	15	10	4	2	11	21	5	6	63	59
East Asia & Pacific	354,784	2,081,208	11	8	4	2	6	9	2	3	74	76
Europe & Central Asia	179,048	1,141,248	9	6	3	2	25	39	8	5	47	43
Latin America & Carib.	223,927	873,299	20	16	3	2	15	22	7	8	55	51
Middle East & N. Africa	62,002	418,183	6	5	1	0	73	75	3	2	17	16
South Asia	46,657	225,882	17	13	2	2	1	14	3	5	76	65
Sub-Saharan Africa	76,554	336,637	18	12	7	3	36	36	8	16	28	32
High income	4,229,538	11,060,159	8	7	3	2	6	10	3	4	79	73
Euro area	1,742,200	4,612,227	11	8	2	1	2	5	2	3	81	77

Note: Components may not sum to 100 percent because of unclassified trade. Exports of gold are excluded.

a. Includes Luxembourg. b. Includes re-exports. c. Refers to the South African Customs Union (Botswana, Lesotho, Namibia, South Africa, and Swaziland).

About the data

Data on merchandise trade are from customs reports of goods moving into or out of an economy or from reports of financial transactions related to merchandise trade recorded in the balance of payments. Because of differences in timing and definitions, trade flow estimates from customs reports and balance of payments may differ. Several international agencies process trade data, each correcting unreported or misreported data, leading to other differences.

The most detailed source of data on international trade in goods is the United Nations Statistics Division's Comtrade database. The International Monetary Fund (IMF) also collects customs-based data on trade in goods. Exports are 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 to the U.S. dollar for the period shown.

Countries may report trade according to the general or special system of trade. 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) are from the World Trade Organization (WTO), which obtains data from national statistical offices and the IMF's *International Financial Statistics*, supplemented by the Comtrade database and publications or databases of regional organizations, specialized agencies, economic groups, and private sources (such as Eurostat, the Food and Agriculture Organization, and country reports of the Economist Intelligence Unit). Country websites and email contact have improved collection of up-to-date statistics, reducing the proportion of estimates. The WTO database now covers most major traders in Africa, Asia, and Latin America, which together with high-income countries account for nearly 95 percent of world trade. Reliability of data for countries in Europe and Central Asia has also improved.

Export shares by major commodity group are from Comtrade. The values of total exports reported here have not been fully reconciled with the estimates from the national accounts or the balance of payments.

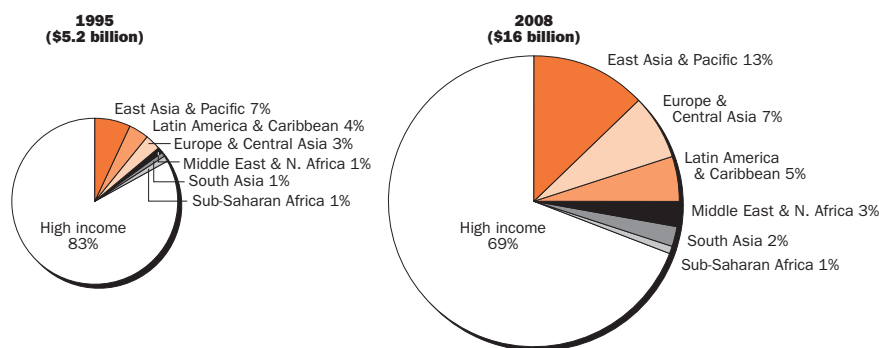
The classification of commodity groups is based on the Standard International Trade Classification (SITC) revision 3. Previous editions contained data based on the SITC revision 1. Data for earlier years in previous editions may differ because of this change in methodology. Concordance tables are available to convert data reported in one system to another.

Definitions

- **Merchandise exports** are the f.o.b. value of goods provided to the rest of the world.
- **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.

Developing economies' share of world merchandise exports continues to expand

4.4a



Developing economies' share of world merchandise exports increased 13 percentage points from 1995 to 2008. East Asia and Pacific was the biggest gainer, capturing an additional 6 percentage points. Every region increased its share in world trade.

Source: World Development Indicators data files and World Trade Organization.

Data sources

Data on merchandise exports are from the WTO. Data on shares of exports by major commodity group are from Comtrade. 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 publishes data on the structure of exports in its *Handbook of Statistics*. Tariff line records of exports are compiled in the United Nations Statistics Division's Comtrade database.



	Merchandise imports		Food		Agricultural raw materials		Fuels		Ores and metals		Manufactures	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Afghanistan	387	3,350	..	7	..	..	..	8	..	..	..	12
Albania	714	5,230	34	16	1	1	2	16	1	3	61	63
Algeria	10,100	39,156	29	20	3	2	1	1	2	2	65	75
Angola	1,468	21,100	..	..	..	..	..	..	..	..	..	..
Argentina	20,122	57,413	5	5	2	1	4	7	2	3	86	83
Armenia	674	4,412	31	19	0	2	27	16	0	3	39	61
Australia	61,283	200,272	5	5	2	1	5	16	1	2	86	75
Austria	66,237	184,247	6	7	3	2	4	12	4	5	82	73
Azerbaijan	668	7,200	39	16	1	1	4	2	2	2	53	79
Bangladesh	6,694	23,860	17	22	3	8	8	11	2	3	69	54
Belarus	5,564	39,483	..	7	..	1	..	35	..	4	..	49
Belgium	164,934 ^a	469,889	11 ^a	8	2 ^a	1	7 ^a	15	5 ^a	4	70 ^a	70
Benin	746	1,990	27	31	3	5	9	22	1	1	59	42
Bolivia	1,424	4,987	10	9	2	1	5	11	3	1	82	77
Bosnia and Herzegovina	1,082	12,282	..	16	..	1	..	16	..	3	..	63
Botswana	1,911	5,180	..	12	..	1	..	17	..	2	..	67
Brazil	54,137	182,810	11	4	3	1	12	20	3	4	71	70
Bulgaria	5,660	38,256	8	7	3	1	34	14	4	8	48	66
Burkina Faso	455	1,800	21	..	2	..	14	..	1	..	62	..
Burundi	234	403	21	11	2	2	11	3	1	1	64	83
Cambodia	1,187	6,510	..	..	..	..	..	..	..	..	..	..
Cameroon	1,199	4,360	17	18	3	2	3	31	2	1	76	48
Canada	168,426	418,336	6	6	2	1	4	12	3	3	83	76
Central African Republic	175	310	16	..	10	..	9	..	2	..	64	..
Chad	365	1,700	24	..	1	..	18	..	1	..	56	..
Chile	15,900	61,901	7	7	2	1	9	29	2	3	79	60
China [†]	132,084	1,133,040	7	5	5	4	4	16	4	13	79	62
Hong Kong SAR, China	196,072	392,962	5	4	2	1	2	4	2	2	88	90
Colombia	13,853	39,669	9	10	3	1	3	5	2	3	78	80
Congo, Dem. Rep.	871	4,100	..	..	..	..	..	..	..	..	..	..
Congo, Rep.	670	2,850	21	..	1	..	20	..	1	..	58	..
Costa Rica	4,036	15,374	10	9	1	1	9	14	2	2	78	74
Côte d'Ivoire	2,931	7,150	21	20	1	1	19	36	1	1	57	42
Croatia	7,352	30,728	12	8	2	1	12	18	3	3	67	70
Cuba	2,825	14,500	..	12	..	0	..	0	..	1	..	50
Czech Republic	25,085	141,882	7	5	3	1	8	10	4	4	77	78
Denmark	45,939	112,296	12	12	3	2	3	8	2	2	73	75
Dominican Republic	5,170	16,400	..	12	..	1	..	26	..	1	..	60
Ecuador	4,152	18,686	8	9	3	1	6	14	2	1	82	75
Egypt, Arab Rep.	11,760	48,382	28	17	7	3	1	12	3	9	61	59
El Salvador	3,329	9,755	15	15	2	2	9	19	2	1	72	63
Eritrea	454	530	..	..	..	..	..	..	..	..	..	..
Estonia	2,546	15,990	14	10	3	2	11	16	1	2	71	66
Ethiopia	1,145	7,600	14	14	2	1	11	23	1	1	72	60
Finland	29,470	91,045	6	5	4	3	9	18	6	7	74	64
France	289,391	707,720	11	8	3	1	7	17	4	3	76	70
Gabon	882	2,550	19	17	1	0	4	4	1	1	75	77
Gambia, The	182	329	36	30	1	2	14	20	0	1	46	47
Georgia	392	6,058	36	15	0	1	39	18	0	2	24	64
Germany	463,872	1,206,213	10	7	3	1	6	14	4	5	73	65
Ghana	1,906	10,400	8	15	1	1	6	14	0	1	77	69
Greece	25,898	77,970	16	11	2	1	7	20	3	4	71	64
Guatemala	3,292	14,545	12	13	2	1	12	20	1	1	73	65
Guinea	819	1,600	31	13	1	0	19	33	1	0	47	53
Guinea-Bissau	133	160	44	..	0	..	16	..	0	..	40	..
Haiti	653	2,148	..	..	..	..	..	..	..	..	..	..
Honduras	1,879	9,990	13	15	1	1	12	20	1	1	74	64
[†] Data for Taiwan, China	103,558	240,448	6	4	4	1	7	26	6	8	75	60

Structure of merchandise imports

4.5

ECONOMY

	Merchandise imports		Food		Agricultural raw materials		Fuels		Ores and metals		Manufactures	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Hungary	15,465	107,864	6	4	3	1	12	9	4	2	75	73
India	34,707	291,598	4	2	4	2	24	39	7	6	54	47
Indonesia	40,630	126,177	9	7	6	3	8	24	4	4	73	62
Iran, Islamic Rep.	13,882	57,230	21	2	2	1	2	4	3	0	71	16
Iraq	665	31,200	..	..	..	..	..	..	..	..	..	..
Ireland	32,340	82,774	8	10	1	1	3	12	2	2	76	70
Israel	29,578	67,410	7	7	2	1	6	20	2	2	82	70
Italy	205,990	556,311	12	8	6	2	7	14	5	5	68	62
Jamaica	2,818	7,880	14	12	2	1	13	41	1	0	68	45
Japan	335,882	761,984	16	9	6	2	16	35	7	8	54	45
Jordan	3,697	16,888	21	17	2	1	13	22	3	3	61	56
Kazakhstan	3,807	37,889	10	8	2	1	25	14	5	2	59	74
Kenya	2,991	11,074	10	12	2	1	15	27	2	2	71	58
Korea, Dem. Rep.	1,380	3,950	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	135,119	435,275	6	4	6	2	14	27	6	9	68	58
Kosovo	..	..	..	..	..	..	..	..	..	..	..	..
Kuwait	7,790	25,125	16	13	1	1	1	1	2	3	81	83
Kyrgyz Republic	522	4,058	18	15	3	2	36	31	3	2	40	50
Lao PDR	589	1,390	..	..	..	..	..	..	..	..	..	..
Latvia	1,815	16,007	10	13	2	2	21	15	1	2	66	65
Lebanon	7,278	16,754	21	16	2	1	9	22	2	2	66	35
Lesotho	1,107	2,030	..	..	..	..	..	..	..	..	..	..
Liberia	510	865	..	..	..	..	..	..	..	..	..	..
Libya	5,392	11,500	23	..	1	..	0	..	1	..	75	..
Lithuania	3,650	30,811	13	11	4	1	19	28	4	2	58	56
Macedonia, FYR	1,719	6,852	17	11	3	1	12	21	3	5	64	62
Madagascar	628	4,040	16	11	2	1	14	13	1	0	65	75
Malawi	475	1,700	14	12	1	1	11	10	1	1	73	77
Malaysia	77,691	156,896	5	7	1	2	2	11	3	5	86	66
Mali	772	2,550	20	12	1	0	16	21	1	1	62	65
Mauritania	431	1,750	24	28	1	1	22	35	0	0	53	36
Mauritius	1,976	4,646	17	21	3	3	7	21	1	1	72	54
Mexico	75,858	323,151	6	7	2	1	2	10	2	3	80	78
Moldova	840	4,899	8	12	3	1	46	23	2	1	42	61
Mongolia	415	3,616	14	12	1	0	19	27	1	1	65	60
Morocco	10,023	41,699	20	12	6	3	14	20	4	4	56	61
Mozambique	704	4,100	22	14	3	1	10	20	1	0	62	47
Myanmar	1,348	4,290	..	..	..	..	..	..	..	..	..	..
Namibia	1,616	4,520	..	14	..	1	..	14	..	1	..	70
Nepal	1,333	3,570	12	..	3	..	12	..	3	..	46	..
Netherlands	185,232	573,924	14	10	2	1	8	15	3	3	72	58
New Zealand	13,957	34,366	7	9	1	1	5	18	3	3	83	69
Nicaragua	975	4,287	18	16	1	0	18	23	1	0	63	60
Niger	374	1,450	32	25	1	5	13	17	3	2	51	52
Nigeria	8,222	41,700	18	10	1	1	1	2	2	2	77	85
Norway	32,968	89,070	7	7	3	1	3	5	6	7	81	79
Oman	4,379	23,095	20	11	1	1	2	3	2	4	70	80
Pakistan	11,515	42,326	18	12	6	5	16	33	3	3	57	47
Panama	2,510	9,050	11	11	1	0	14	21	1	1	73	67
Papua New Guinea	1,452	3,550	..	..	..	..	..	..	..	..	..	..
Paraguay	3,144	10,180	19	7	0	0	7	16	1	1	74	77
Peru	7,584	29,981	14	4	2	5	9	0	1	0	75	77
Philippines	28,341	59,170	8	11	2	1	9	21	3	2	58	65
Poland	29,050	203,924	10	7	3	2	9	11	3	3	74	73
Portugal	32,610	89,753	14	12	4	1	8	17	2	3	72	61
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..
Qatar	3,398	26,850	9	6	1	0	1	1	2	3	87	90



4.5

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	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Romania	10,278	82,707	8	7	2	1	21	13	4	3	63	74
Russian Federation	60,945	291,971	18	12	1	1	3	2	2	2	45	79
Rwanda	236	1,110	19	10	3	2	12	7	3	3	64	78
Saudi Arabia	28,091	111,870	17	13	1	1	0	0	4	5	76	81
Senegal	1,412	5,702	25	26	2	1	30	28	1	2	42	42
Serbia	..	22,999	14	6	4	2	14	17	7	6	60	69
Sierra Leone	133	560	..	..	..	..	..	..	..	..	..	..
Singapore	124,507	319,780	5	3	1	0	8	27	2	2	83	64
Slovak Republic	8,770	73,321	9	6	3	1	13	13	6	3	70	77
Slovenia	9,492	36,993	8	7	5	3	7	13	4	5	74	72
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	30,546 ^b	99,480	7 ^b	5	2 ^b	1	8 ^b	22	2 ^b	3	78 ^b	62
Spain	113,537	402,302	14	9	3	1	8	15	4	4	71	70
Sri Lanka	5,306	14,008	16	14	2	1	6	23	1	2	75	60
Sudan	1,218	9,200	24	7	2	0	14	0	0	0	59	68
Swaziland	1,008	2,200	..	21	..	1	..	14	..	1	..	63
Sweden	65,036	166,971	7	8	2	1	6	15	4	4	80	69
Switzerland	80,152	183,491	6	6	2	1	3	9	3	5	85	80
Syrian Arab Republic	4,709	18,320	17	13	3	2	1	33	1	4	76	48
Tajikistan	810	3,270	..	..	..	..	..	..	..	..	..	..
Tanzania	1,675	6,954	10	12	1	1	1	30	4	1	84	55
Thailand	70,786	178,655	4	5	4	2	7	21	3	5	81	66
Timor-Leste	..	..	..	..	..	..	..	..	..	..	..	..
Togo	594	1,540	18	15	2	1	30	27	1	2	49	55
Trinidad and Tobago	1,714	9,900	16	8	1	0	1	35	6	6	77	50
Tunisia	7,902	24,612	13	10	4	2	7	17	3	6	73	65
Turkey	35,709	201,960	7	4	6	2	13	17	6	9	68	60
Turkmenistan	1,365	4,680	24	..	0	..	3	..	2	..	71	..
Uganda	1,056	4,800	16	13	3	1	2	19	2	1	78	66
Ukraine	15,484	84,032	8	7	2	1	48	27	3	4	38	60
United Arab Emirates	23,778	158,900	15	7	0	0	4	1	6	5	75	73
United Kingdom	267,250	631,913	10	9	2	1	4	13	3	4	80	68
United States	770,852	2,165,982	5	4	2	1	8	23	3	3	79	66
Uruguay	2,867	8,933	10	8	4	2	10	30	1	1	74	59
Uzbekistan	2,750	5,260	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	12,649	49,635	14	16	4	1	1	1	4	2	77	79
Vietnam	8,155	80,416	5	6	2	3	10	14	2	4	76	72
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	1,582	9,300	29	25	2	1	8	29	1	1	59	45
Zambia	700	5,070	10	6	2	0	13	16	2	13	72	64
Zimbabwe	2,660	2,900	6	11	2	1	9	17	2	6	78	57
World	5,228,953	16,300,527	9	7	3	1	7	18	4	4	75	67
Low income	50,461	239,464	13	13	3	3	13	16	2	3	67	63
Middle income	965,308	4,547,215	8	7	4	2	7	16	3	6	75	67
Lower middle income	436,271	2,376,905	8	7	5	3	8	21	4	8	72	61
Upper middle income	528,947	2,164,216	8	7	3	1	7	13	3	4	77	71
Low & middle income	1,015,776	4,786,667	8	7	3	2	7	16	3	6	75	67
East Asia & Pacific	366,057	1,762,013	6	6	4	3	5	17	4	9	78	64
Europe & Central Asia	193,383	1,146,612	11	8	3	1	14	14	3	4	61	68
Latin America & Carib.	241,363	896,683	8	8	2	1	5	13	2	3	78	74
Middle East & N. Africa	77,167	315,621	22	12	4	2	6	14	3	2	66	50
South Asia	60,322	380,660	8	5	4	2	21	36	6	5	56	48
Sub-Saharan Africa	78,377	296,944	12	10	2	1	10	19	2	2	73	64
High income	4,212,901	11,522,679	9	7	3	1	7	18	4	4	76	67
Euro area	1,644,739	4,599,680	11	8	3	1	7	15	4	4	73	66

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

a. Includes Luxembourg. b. Refers to the South African Customs Union (Botswana, Lesotho, Namibia, South Africa, and Swaziland).

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 6.2.

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 report trade data in U.S. dollars. When countries report in local currency, the United Nations Statistics Division applies the average official exchange rate to the U.S. dollar for the period shown.

Countries may report trade according to the general or special system of trade. 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 the table come from the World Trade Organization (WTO). For further discussion of the WTO's sources and methodology, see *About the data* for table 4.4. The import shares by major commodity group are 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 4.8) or those from the balance of payments (table 4.15).

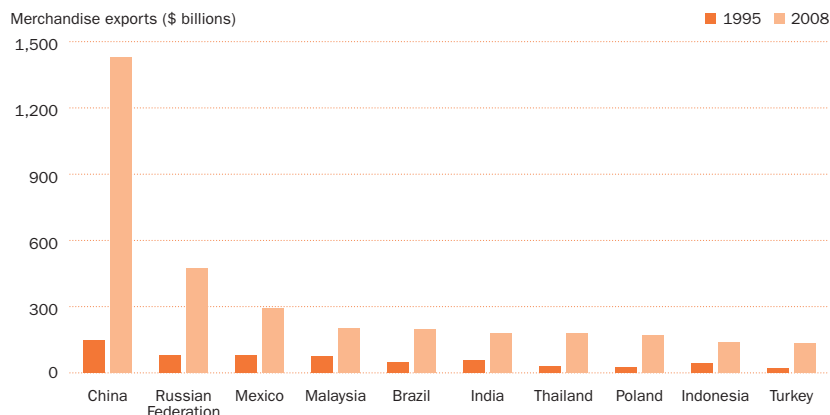
The classification of commodity groups is based on the Standard International Trade Classification (SITC) revision 3. Previous editions contained data based on the SITC revision 1. Data for earlier years in previous editions may differ because of this change in methodology. Concordance tables are available to convert data reported in one system to another.

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.

Top 10 developing economy exporters of merchandise goods in 2008

4.5a



China continues to dominate merchandise exports among developing economies. Even when developed economies are included, China ranks as the second leading merchandise exporter.

Source: World Development Indicators data files and World Trade Organization.

Data sources

Data on merchandise imports are from the WTO. Data on shares of imports by major commodity group are from Comtrade. The WTO publishes data on world trade in its *Annual Report*. The International Monetary Fund 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 publishes data on the structure of imports in its *Handbook of Statistics*. Tariff line records of imports are compiled in the United Nations Statistics Division's Comtrade database.



4.6

Structure of service exports

	Commercial service exports		Transport		Travel		Insurance and financial services		Computer, information, communications, and other commercial services	
	\$ millions		% of total		% of total		% of total		% of total	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Afghanistan	..	..	..	..	..	..	..	..	..	..
Albania	94	2,419	19.1	8.8	69.3	70.8	1.4	3.1	10.2	17.3
Algeria	..	..	..	..	..	..	..	..	..	..
Angola	113	329	31.8	4.4	0.7	86.5	9.2	..	59.0	9.1
Argentina	3,676	11,929	27.4	15.6	60.5	39.0	0.2	0.1	11.9	45.3
Armenia	27	636	53.4	21.7	5.2	52.0	6.7	3.0	41.3	23.3
Australia	16,076	44,513	29.3	17.8	50.6	56.3	5.4	3.4	14.8	22.5
Austria	31,692	61,447	11.8	21.9	42.4	35.2	3.9	4.6	41.9	38.2
Azerbaijan	166	1,454	45.9	54.6	42.3	13.1	0.1	0.3	11.7	32.0
Bangladesh	469	891	15.0	12.5	5.3	10.2	0.1	4.6	79.6	72.6
Belarus	466	4,221	64.8	70.9	5.0	8.6	0.5	0.4	29.7	20.1
Belgium	33,619 ^a	84,065	29.4 ^a	32.9	17.4 ^a	14.0	14.8 ^a	6.3	38.4 ^a	46.7
Benin	159	281	25.8	4.5	53.2	73.5	6.9	2.2	14.1	19.8
Bolivia	174	482	44.8	13.1	31.5	57.0	9.8	12.9	13.9	17.1
Bosnia and Herzegovina	457	1,658	3.8	19.9	54.1	49.8	2.6	0.9	39.5	29.4
Botswana	236	878	16.2	9.5	68.5	58.4	7.8	3.8	7.5	28.3
Brazil	6,005	28,822	43.3	18.8	16.2	20.1	16.9	7.2	23.6	54.0
Bulgaria	1,431	8,000	34.5	28.9	33.0	47.5	7.6	1.2	32.5	22.4
Burkina Faso	38	..	17.3	..	47.8	..	..	..	34.8	..
Burundi	4	3	46.2	27.3	32.4	40.8	0.5	7.6	21.0	24.4
Cambodia	103	1,615	30.5	14.8	51.7	75.6	..	0.4	17.7	9.2
Cameroon	242	1,384	48.3	46.4	14.8	11.1	7.2	3.6	29.7	38.8
Canada	25,425	64,795	20.7	18.4	31.1	23.6	11.4	10.4	36.8	47.7
Central African Republic	0	..	34.1	..	33.9	..	19.6	..	12.5	..
Chad	23	..	4.5	..	49.8	..	1.7	..	43.9	..
Chile	3,249	10,645	36.8	59.9	28.0	16.5	7.4	2.9	27.8	20.6
China	18,430	146,446	18.2	26.2	47.4	27.9	10.1	1.2	24.4	44.7
Hong Kong SAR, China	33,790	92,318	32.5	30.2	16.8	16.3	9.2	15.2	41.5	38.3
Colombia	1,641	3,967	34.4	31.2	40.0	46.5	6.5	1.8	19.1	20.5
Congo, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Congo, Rep.	61	303	52.2	4.0	22.4	18.0	0.0	31.4	25.4	46.6
Costa Rica	957	4,055	14.0	9.1	71.2	56.1	-0.2	0.3	14.9	34.4
Côte d'Ivoire	426	845	28.9	28.2	20.9	13.5	12.3	12.8	37.9	58.3
Croatia	2,223	15,160	31.8	11.8	60.7	74.4	1.3	0.5	6.2	13.3
Cuba	..	..	..	..	..	..	..	..	..	..
Czech Republic	6,638	22,179	22.0	28.1	43.4	34.8	1.1	1.3	33.5	35.8
Denmark	15,171	72,468	44.6	..	24.3	..	..	..	31.0	..
Dominican Republic	1,894	4,866	2.2	7.8	82.9	85.8	0.1	0.9	14.9	5.5
Ecuador	687	1,223	46.8	29.9	37.1	60.7	0.0	0.0	16.0	9.4
Egypt, Arab Rep.	8,262	24,668	38.8	33.1	32.5	44.5	1.0	2.0	27.8	20.4
El Salvador	342	1,483	28.3	23.7	25.0	60.2	7.8	2.1	39.0	14.0
Eritrea	49	..	70.4	..	3.1	..	1.0	..	26.5	..
Estonia	868	5,129	43.0	39.3	41.1	23.6	0.4	2.1	15.5	35.0
Ethiopia	310	1,775	76.9	59.0	5.3	21.2	1.5	1.3	16.4	18.4
Finland	7,334	31,784	28.1	11.5	22.4	10.1	2.0	2.6	47.5	75.8
France	83,108	163,573	24.6	25.1	33.2	34.4	5.3	1.6	36.9	38.9
Gabon	191	120	46.4	22.0	9.0	7.7	3.3	24.1	41.3	46.2
Gambia, The	38	123	21.7	16.8	73.4	67.6	0.3	0.4	4.7	15.1
Georgia	188	1,157	48.2	53.1	25.0	38.6	..	2.1	26.9	6.2
Germany	73,576	241,590	27.0	24.4	24.5	16.6	5.0	7.3	43.5	51.8
Ghana	139	1,559	58.7	15.4	7.9	58.9	3.0	0.9	30.3	24.8
Greece	9,528	50,377	3.9	56.2	43.4	34.6	0.3	1.2	52.4	8.0
Guatemala	628	1,649	8.6	11.4	33.9	64.8	4.0	1.7	53.6	22.2
Guinea	17	99	75.3	11.7	5.1	1.5	1.4	4.9	18.2	81.9
Guinea-Bissau	2	..	18.2	..	14.0	..	..	..	81.8	..
Haiti	98	288	5.1	..	91.9	96.7	0.6	..	2.4	3.3
Honduras	221	903	25.6	5.8	36.3	68.8	2.0	7.7	36.1	17.8

Structure of service exports

4.6

ECONOMY

	Commercial service exports		Transport		Travel		Insurance and financial services		Computer, information, communications, and other commercial services	
	\$ millions		% of total		% of total		% of total		% of total	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Hungary	5,086	19,910	8.0	20.0	57.6	30.3	3.2	1.5	31.3	48.2
India	6,763	102,562	28.0	11.0	38.2	11.5	2.5	5.5	31.4	72.0
Indonesia	5,342	14,731	1.1	19.0	97.9	50.1	..	2.2	2.1	28.7
Iran, Islamic Rep.	533	..	25.9	..	12.6	..	8.8	..	52.7	..
Iraq	..	839	..	30.7	..	61.5	..	2.3	..	5.6
Ireland	4,799	101,580	22.2	4.4	46.1	6.2	17.9	22.3	31.7	67.0
Israel	7,906	24,061	25.5	21.5	37.9	16.9	0.2	0.1	36.5	61.6
Italy	61,173	118,398	17.7	15.5	47.0	39.0	6.6	5.2	28.8	40.3
Jamaica	1,568	2,762	16.0	17.0	68.2	71.5	1.1	1.9	14.7	9.6
Japan	63,966	146,440	35.2	32.0	5.0	7.4	0.9	4.4	58.8	56.3
Jordan	1,689	4,291	24.8	19.5	39.1	68.6	0.2	..	36.1	12.0
Kazakhstan	535	3,936	65.7	56.9	22.7	25.7	0.0	5.0	11.6	12.4
Kenya	1,183	2,520	59.4	51.0	35.7	29.9	1.4	0.4	3.4	18.7
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	22,133	74,107	41.9	58.8	23.3	12.2	0.4	5.6	34.5	23.4
Kosovo	..	..	..	..	..	..	..	..	..	..
Kuwait	1,124	10,301	83.6	37.4	10.7	2.5	5.7	1.2	0.0	58.9
Kyrgyz Republic	39	884	39.6	16.6	11.9	58.2	0.6	2.5	48.4	22.8
Lao PDR	68	278	22.8	..	76.0	..	0.6	..	0.6	..
Latvia	718	4,496	91.9	51.2	2.8	17.9	2.4	6.8	3.0	24.1
Lebanon	..	18,928	..	2.6	..	38.0	..	2.0	..	57.4
Lesotho	30	60	7.0	1.1	90.9	56.4	1.4	0.5	0.7	42.0
Liberia	..	182	..	10.6	..	86.9	..	..	..	2.5
Libya	20	208	62.7	56.7	12.0	35.7	..	2.2	25.3	5.3
Lithuania	482	4,767	59.6	59.6	16.0	28.2	0.9	1.2	23.5	11.0
Macedonia, FYR	151	992	32.0	33.0	13.6	23.0	3.6	1.3	50.7	42.6
Madagascar	219	420	29.8	28.2	26.3	43.7	2.2	0.1	41.6	28.1
Malawi	24	..	27.6	..	72.4	..	0.3	..	0.0	..
Malaysia	11,438	30,283	21.6	22.3	34.7	50.5	0.1	1.5	43.7	25.6
Mali	68	359	32.5	7.2	37.3	61.5	5.1	1.3	25.2	30.0
Mauritania	19	..	9.1	..	57.9	..	..	..	33.0	..
Mauritius	773	2,530	25.8	17.6	55.6	57.5	0.0	2.5	18.5	22.4
Mexico	9,585	18,474	12.1	12.5	64.5	71.9	6.7	10.9	16.7	4.7
Moldova	143	817	29.5	43.7	39.8	25.9	11.6	0.8	19.1	29.6
Mongolia	47	483	31.7	44.4	43.6	46.6	5.3	2.0	19.5	7.0
Morocco	2,020	12,840	20.3	19.5	64.2	56.2	1.4	1.2	14.2	23.1
Mozambique	242	488	24.8	32.3	..	38.9	..	0.9	75.2	27.9
Myanmar	353	256	6.5	50.8	42.7	18.1	0.0	..	50.9	31.2
Namibia	301	538	..	21.4	92.4	71.1	1.5	3.5	6.2	4.0
Nepal	592	494	9.3	5.5	30.0	67.7	..	0.1	60.7	26.6
Netherlands	44,646	102,710	40.4	30.2	14.7	13.0	1.2	2.1	43.7	54.7
New Zealand	4,401	8,997	34.7	21.9	52.7	57.0	0.1	1.3	12.6	19.8
Nicaragua	94	357	17.7	12.6	52.5	77.3	2.5	1.2	27.4	8.9
Niger	12	79	3.3	14.8	57.8	52.0	0.0	6.9	38.9	26.2
Nigeria	608	1,421	16.4	80.7	2.8	15.5	0.6	1.1	80.2	2.7
Norway	13,458	45,595	63.3	47.4	16.6	10.2	3.7	3.3	16.4	39.1
Oman	13	1,974	..	23.7	..	40.7	..	0.8	..	34.8
Pakistan	1,432	2,393	58.0	49.6	7.7	10.2	1.0	5.3	33.4	34.9
Panama	1,298	5,756	60.4	53.8	23.8	24.5	6.1	10.0	9.6	11.7
Papua New Guinea	321	285	10.8	10.9	7.8	1.3	1.2	5.4	80.2	82.4
Paraguay	566	999	13.3	20.4	24.3	11.0	5.0	2.3	57.4	66.4
Peru	1,042	3,502	32.5	23.4	41.1	56.8	7.2	7.8	19.3	11.9
Philippines	9,323	10,195	2.9	13.4	12.2	43.0	0.7	0.8	84.2	42.8
Poland	10,637	35,428	28.6	30.9	21.7	33.2	8.3	2.0	41.4	33.8
Portugal	8,161	26,135	18.6	26.9	59.2	42.0	4.5	1.9	17.7	29.2
Puerto Rico	..	..	..	..	..	..	..	..	..	..
Qatar	..	..	..	..	..	..	..	..	..	..



4.6

Structure of service exports

	Commercial service exports		Transport		Travel		Insurance and financial services		Computer, information, communications, and other commercial services	
	\$ millions		% of total		% of total		% of total		% of total	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Romania	1,476	12,818	31.9	30.8	40.0	15.5	5.4	4.1	22.7	49.6
Russian Federation	10,567	50,694	35.8	29.6	40.8	23.6	0.6	3.6	22.8	43.2
Rwanda	11	326	60.6	17.2	21.9	62.0	1.1	1.8	17.6	19.0
Saudi Arabia	3,475	9,383	..	26.3	..	63.0	..	6.1	..	4.6
Senegal	364	1,097	15.4	12.3	46.1	48.4	0.6	1.9	37.9	37.4
Serbia	..	3,985	..	24.0	..	23.6	..	1.7	..	50.7
Sierra Leone	71	60	13.7	33.5	80.5	56.2	0.3	1.7	5.6	8.6
Singapore	25,404	83,049	32.7	34.8	30.0	12.7	8.5	10.2	28.9	42.3
Slovak Republic	2,378	8,435	25.9	34.5	26.2	30.7	4.9	2.9	43.0	31.8
Slovenia	2,016	7,417	25.1	28.5	53.8	38.5	0.6	2.1	20.6	30.9
Somalia	..	..	..	..	..	..	..	..	..	..
South Africa	4,414	12,394	24.2	12.6	48.2	64.2	9.9	8.5	17.7	14.7
Spain	40,019	142,612	15.8	17.0	63.4	43.5	3.9	5.1	16.9	34.5
Sri Lanka	800	1,982	41.9	50.4	28.2	17.3	3.4	3.5	26.5	28.9
Sudan	82	457	0.9	3.8	9.7	72.4	3.7	15.4	85.8	8.4
Swaziland	150	447	18.2	2.0	32.2	7.1	0.0	6.9	49.6	84.0
Sweden	15,336	71,592	32.2	17.7	22.6	17.6	2.4	3.9	42.7	60.8
Switzerland	25,179	76,349	15.1	8.5	37.6	18.9	27.8	32.7	19.5	39.8
Syrian Arab Republic	1,632	3,562	14.5	6.3	77.1	81.0	..	2.9	8.4	9.8
Tajikistan	..	134	..	35.4	..	3.1	..	12.9	..	48.5
Tanzania	566	2,136	0.3	17.1	88.6	63.4	0.0	1.1	11.1	18.4
Thailand	14,652	33,392	16.8	21.8	54.8	52.8	0.7	1.3	27.7	24.1
Timor-Leste	..	..	..	..	..	..	..	..	..	..
Togo	64	197	33.9	53.5	19.9	17.3	1.8	4.8	44.3	24.4
Trinidad and Tobago	331	910	58.6	25.2	23.4	50.9	9.2	15.4	8.8	8.5
Tunisia	2,401	5,831	24.9	32.5	63.7	50.7	1.5	2.2	9.8	14.6
Turkey	14,475	34,519	11.8	22.5	34.2	63.6	1.5	4.6	52.4	9.3
Turkmenistan	79	..	79.9	..	9.3	..	0.9	..	10.0	..
Uganda	104	696	17.9	7.4	75.1	71.6	..	3.8	7.0	17.1
Ukraine	2,846	17,302	75.6	44.1	6.7	33.3	2.7	3.2	15.0	19.4
United Arab Emirates	..	..	..	..	..	..	..	..	..	..
United Kingdom	77,549	285,123	20.7	14.0	26.4	12.8	17.5	28.8	35.4	44.5
United States	198,501	518,319	22.7	17.5	37.7	26.0	4.2	13.7	35.5	42.8
Uruguay	1,309	2,192	30.5	29.7	46.7	48.1	1.5	4.0	21.3	18.3
Uzbekistan	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	1,529	2,003	38.2	36.8	55.5	45.8	0.1	0.1	6.1	17.3
Vietnam	2,243	7,096	..	..	..	..	..	..	..	..
West Bank and Gaza	265	261	0.3	2.1	96.2	81.3	..	..	3.5	16.5
Yemen, Rep.	141	1,049	21.9	4.3	35.3	84.5	0.0	0.0	42.8	11.2
Zambia	112	297	64.3	35.3	25.9	49.2	..	6.4	9.8	9.1
Zimbabwe	353	..	26.4	..	50.6	..	0.3	..	22.7	..
World	1,211,384 t	3,799,197 t	26.9 w	24.3 w	32.5 w	26.3 w	6.0 w	7.8 w	35.3 w	41.7 w
Low income	9,383	32,263	..	..	..	..	..	..	..	..
Middle income	183,323	753,498	24.8	24.8	44.1	41.2	5.8	3.7	27.7	30.3
Lower middle income	85,495	424,953	21.6	25.6	44.9	35.0	6.1	1.9	30.9	37.6
Upper middle income	97,818	330,409	27.4	24.2	43.3	46.3	5.6	5.1	24.8	24.4
Low & middle income	192,169	785,087	24.9	24.7	43.8	41.3	5.7	3.7	28.0	30.4
East Asia & Pacific	62,745	247,458	17.4	23.1	49.2	39.4	7.1	1.3	30.6	36.2
Europe & Central Asia	46,721	195,032	37.3	33.1	32.0	30.4	2.4	3.3	28.5	33.2
Latin America & Carib.	37,663	108,606	24.0	19.8	51.3	53.8	6.9	7.0	17.9	19.5
Middle East & N. Africa	..	..	..	..	..	..	..	..	..	..
South Asia	10,333	109,513	31.8	19.9	29.7	12.5	2.1	5.1	36.4	62.5
Sub-Saharan Africa	12,142	37,475	26.2	32.7	31.3	48.0	5.8	5.2	40.1	14.9
High income	1,016,999	3,012,629	27.5	24.1	29.3	22.1	6.1	8.9	37.5	44.9
Euro area	422,580	1,225,741	25.6	23.6	31.5	24.1	5.6	5.4	37.6	46.9

a. Includes Luxembourg.

About the data

Balance of payments statistics, the main source of information on international trade in services, have many weaknesses. Disaggregation of important components may be limited and varies considerably 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. An example 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 the table and on imports of services in table 4.7, 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.

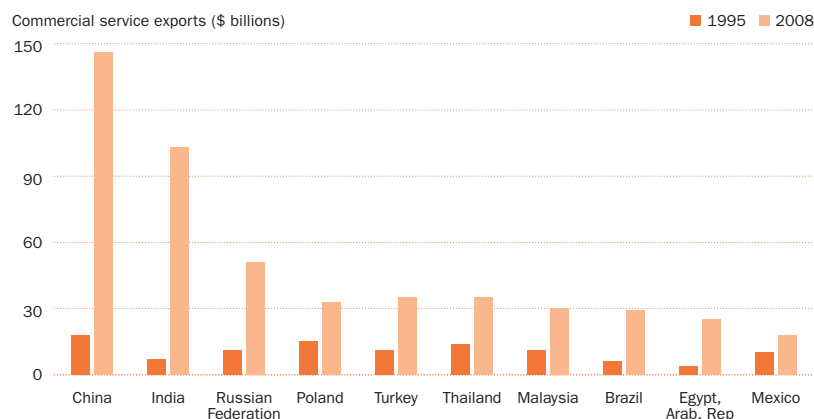
International transactions in services are defined by the IMF's *Balance of Payments Manual* (1993) as the economic output of intangible commodities that may be produced, transferred, and consumed at the same time. Definitions may vary among reporting economies. Travel services include the goods and services consumed by travelers, such as meals, lodging, and transport (within the economy visited), including car rental.

Definitions

- **Commercial service exports** are total service exports minus exports of government services not included elsewhere.
- **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.
- **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** cover 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.

Top 10 developing economy exporters of commercial services in 2008

4.6a



The top 10 developing economy exporters of commercial services accounted for almost 64 percent of developing economy commercial service exports and 13 percent of world commercial service exports.

Source: International Monetary Fund balance of payments data files.

Data sources

Data on exports of commercial services are from the IMF, which publishes balance of payments data in its *International Financial Statistics* and *Balance of Payments Statistics Yearbook*.



4.7

Structure of service imports

	Commercial service imports		Transport		Travel		Insurance and financial services		Computer, information, communications, and other commercial services	
	\$ millions		% of total		% of total		% of total		% of total	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Afghanistan	..	..	..	..	..	..	..	..	..	..
Albania	98	2,361	61	15	7	66	22	6	10	13
Algeria	..	..	..	..	..	..	..	..	..	..
Angola	1,665	20,020	18	19	5	1	3	10	75	70
Argentina	6,992	12,664	30	31	47	36	7	4	16	29
Armenia	52	952	83	49	6	34	10	8	1	8
Australia	16,979	47,613	37	31	30	39	7	3	26	27
Austria	27,552	42,738	12	32	40	27	6	4	43	37
Azerbaijan	297	3,826	31	18	49	9	1	2	19	72
Bangladesh	1,192	3,684	65	87	20	5	6	1	10	6
Belarus	276	2,614	36	50	32	26	4	3	29	22
Belgium	32,511 ^a	81,978	24 ^a	28	28 ^a	24	10 ^a	6	38 ^a	42
Benin	235	491	59	60	15	15	10	10	16	15
Bolivia	321	1,018	66	42	15	28	9	13	10	18
Bosnia and Herzegovina	262	632	51	43	31	33	10	7	8	17
Botswana	440	1,348	43	34	33	36	8	4	16	26
Brazil	13,161	44,396	44	23	26	25	10	6	21	46
Bulgaria	1,278	6,696	42	33	15	36	9	4	43	28
Burkina Faso	116	..	56	..	20	..	5	..	20	..
Burundi	62	173	49	39	41	52	6	4	4	5
Cambodia	181	959	46	64	5	11	4	5	45	20
Cameroon	485	2,859	35	31	22	12	7	6	36	51
Canada	32,985	86,644	24	23	31	32	11	11	34	34
Central African Republic	114	..	44	..	38	..	8	..	10	..
Chad	174	..	55	..	15	..	2	..	29	..
Chile	3,524	11,143	54	60	20	12	4	9	22	19
China	24,635	158,004	39	32	15	23	17	8	29	37
Hong Kong SAR, China	24,962	45,849	22	33	54	35	6	8	18	23
Colombia	2,813	7,108	42	42	31	24	12	8	15	25
Congo, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Congo, Rep.	690	3,523	19	15	8	5	7	5	67	75
Costa Rica	895	1,878	41	36	36	32	5	9	18	23
Côte d'Ivoire	1,235	2,444	50	59	15	16	11	10	23	25
Croatia	1,373	4,517	28	23	31	25	3	4	38	49
Cuba	..	..	..	..	..	..	..	..	..	..
Czech Republic	4,860	17,256	16	26	34	27	5	6	45	42
Denmark	13,945	62,432	45	..	31	..	..	..	24	..
Dominican Republic	957	1,757	61	67	18	18	10	8	11	7
Ecuador	1,141	2,885	42	57	21	19	6	6	31	18
Egypt, Arab Rep.	4,511	16,335	35	45	28	18	5	10	32	27
El Salvador	488	1,972	55	48	15	32	11	10	19	10
Eritrea	45	..	2	..	7	..	0	..	93	..
Estonia	420	3,374	53	39	22	24	5	2	21	35
Ethiopia	337	2,379	63	68	8	7	7	4	22	22
Finland	9,418	29,257	23	23	24	15	5	1	48	61
France	64,523	141,704	33	30	25	31	6	3	36	37
Gabon	832	1,020	18	31	17	27	9	7	57	35
Gambia, The	47	88	60	46	30	9	6	8	4	36
Georgia	249	1,154	27	56	63	18	8	14	2	12
Germany	128,865	283,196	18	23	47	32	2	4	33	41
Ghana	331	2,038	61	54	6	27	6	5	26	14
Greece	4,003	24,392	30	56	33	16	5	7	33	20
Guatemala	672	2,125	41	54	21	29	9	10	29	7
Guinea	252	398	58	67	8	2	7	4	26	27
Guinea-Bissau	27	..	53	..	14	..	5	..	28	..
Haiti	236	753	78	63	15	8	2	1	6	27
Honduras	326	1,204	60	60	18	29	2	4	20	7

Structure of service imports

4.7

ECONOMY

	Commercial service imports		Transport		Travel		Insurance and financial services		Computer, information, communications, and other commercial services	
	\$ millions		% of total		% of total		% of total		% of total	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Hungary	3,765	18,491	13	20	40	22	5	3	43	56
India	10,062	56,053	57	24	10	17	6	8	28	50
Indonesia	13,230	27,994	37	50	16	20	3	4	43	27
Iran, Islamic Rep.	2,192	..	43	..	11	..	10	..	36	..
Iraq	..	4,741	..	48	..	13	..	24	..	14
Ireland	11,252	109,290	16	3	18	10	1	15	65	73
Israel	8,131	19,629	45	34	26	18	3	2	26	46
Italy	54,613	127,861	24	23	27	24	10	4	39	49
Jamaica	1,073	2,304	46	48	14	12	9	10	31	30
Japan	121,547	167,443	30	32	30	17	2	5	38	46
Jordan	1,385	3,926	52	57	31	26	6	9	11	9
Kazakhstan	776	10,794	38	22	36	9	2	5	25	63
Kenya	900	1,663	46	52	21	16	10	7	22	25
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	25,394	91,768	38	40	25	19	2	2	36	39
Kosovo	..	..	..	..	..	..	..	..	..	..
Kuwait	3,826	12,149	39	35	59	62	2	2	0	1
Kyrgyz Republic	193	988	27	49	3	31	4	2	65	18
Lao PDR	119	76	43	..	25	..	4	..	28	..
Latvia	225	3,163	68	26	11	36	7	5	14	33
Lebanon	..	13,392	..	14	..	27	..	2	..	57
Lesotho	58	85	75	79	23	16	0	..	2	5
Liberia	..	323	..	65	..	9	..	3	..	23
Libya	510	3,572	60	42	15	36	..	7	25	16
Lithuania	457	4,133	64	48	23	36	1	2	12	13
Macedonia, FYR	300	970	50	42	9	14	21	3	21	41
Madagascar	277	462	56	48	21	16	4	1	20	35
Malawi	151	..	67	..	26	..	0	..	7	..
Malaysia	14,821	30,060	38	38	16	22	..	3	47	36
Mali	412	774	60	59	12	18	1	4	27	19
Mauritania	197	..	62	..	12	..	1	..	25	..
Mauritius	630	1,911	40	34	25	24	5	6	30	37
Mexico	9,021	24,701	38	14	35	35	12	50	14	1
Moldova	193	779	52	42	29	35	9	3	10	20
Mongolia	87	514	70	50	22	37	2	4	8	10
Morocco	1,350	5,628	48	47	22	19	4	3	26	31
Mozambique	350	901	33	40	..	23	2	1	65	35
Myanmar	233	547	11	46	8	7	1	..	81	47
Namibia	538	559	37	43	17	16	9	4	37	37
Nepal	305	840	36	40	45	45	3	4	16	12
Netherlands	43,618	91,918	29	25	27	24	3	3	41	48
New Zealand	4,571	9,553	41	33	28	31	5	3	26	32
Nicaragua	207	572	39	54	19	25	3	10	38	11
Niger	120	369	74	74	11	8	3	3	12	15
Nigeria	4,398	12,320	22	30	21	29	3	2	54	39
Norway	13,052	43,928	38	33	32	36	6	2	24	28
Oman	985	6,122	42	42	5	14	5	7	49	37
Pakistan	2,431	9,079	67	44	18	17	4	4	10	35
Panama	1,049	2,550	71	61	12	14	9	16	9	9
Papua New Guinea	642	1,151	25	24	9	5	3	10	63	61
Paraguay	676	563	66	66	20	22	12	9	1	3
Peru	1,781	5,425	51	46	17	20	10	9	22	25
Philippines	6,906	8,570	30	50	6	26	2	4	63	20
Poland	7,008	30,035	25	24	6	33	14	5	55	39
Portugal	6,339	16,497	27	31	33	26	9	4	31	39
Puerto Rico	..	..	..	..	..	..	..	..	..	..
Qatar	..	..	..	..	..	..	..	..	..	..



4.7

Structure of service imports

	Commercial service imports		Transport		Travel		Insurance and financial services		Computer, information, communications, and other commercial services	
	\$ millions		% of total		% of total		% of total		% of total	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Romania	1,801	11,776	34	34	39	18	5	4	22	43
Russian Federation	20,205	74,572	16	17	57	33	0	4	26	45
Rwanda	58	504	73	56	17	14	1	0	10	29
Saudi Arabia	8,670	48,926	25	32	..	31	3	7	72	30
Senegal	405	1,205	57	50	18	21	7	9	18	21
Serbia	..	4,223	..	30	..	30	..	3	..	37
Sierra Leone	79	117	17	47	63	21	4	10	16	22
Singapore	20,728	78,967	45	38	22	18	10	6	23	39
Slovak Republic	1,800	9,084	17	27	18	24	5	11	60	38
Slovenia	1,429	4,944	31	25	40	27	2	3	27	45
Somalia	..	..	..	..	..	..	..	..	..	..
South Africa	5,756	16,515	40	46	32	27	14	4	14	23
Spain	22,354	104,263	31	25	20	20	7	7	41	49
Sri Lanka	1,169	2,967	58	66	16	14	5	6	21	13
Sudan	150	2,552	27	51	29	47	0	1	44	2
Swaziland	206	494	16	12	21	10	4	12	59	66
Sweden	17,112	54,280	28	17	32	28	1	2	38	52
Switzerland	14,899	36,277	35	23	50	30	1	8	14	38
Syrian Arab Republic	1,358	2,917	57	58	37	22	6	9	6	11
Tajikistan	..	453	..	40	..	2	..	11	..	47
Tanzania	729	1,576	30	42	49	46	3	4	18	8
Thailand	18,629	46,314	42	50	23	11	5	5	30	34
Timor-Leste	..	..	..	..	..	..	..	..	..	..
Togo	148	303	71	71	12	6	4	11	12	12
Trinidad and Tobago	223	320	42	54	31	29	8	0	19	17
Tunisia	1,245	3,226	45	58	20	14	6	8	28	20
Turkey	4,654	16,228	30	46	20	22	8	15	42	17
Turkmenistan	403	..	40	..	18	..	7	..	35	..
Uganda	563	1,219	38	72	14	13	4	8	43	8
Ukraine	1,334	15,777	34	42	16	25	7	10	43	22
United Arab Emirates	..	..	..	..	..	..	..	..	..	..
United Kingdom	62,524	196,896	27	18	40	35	4	8	29	38
United States	129,227	364,928	32	29	36	23	6	17	26	31
Uruguay	814	1,365	46	51	29	26	5	4	20	19
Uzbekistan	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	4,654	10,073	31	48	37	18	3	6	30	28
Vietnam	2,304	7,931	..	..	..	..	..	..	..	..
West Bank and Gaza	349	638	28	12	46	57	3	2	25	29
Yemen, Rep.	604	2,289	36	48	12	8	7	9	45	34
Zambia	282	881	79	58	9	7	0	11	12	24
Zimbabwe	645	..	56	..	19	..	3	..	23	..
World	1,219,124 t	3,440,367 t	31 w	29 w	31 w	25 w	6 w	9 w	32 w	37 w
Low income	13,458	43,441	..	..	..	..	..	..	..	..
Middle income	222,345	807,544	39	34	23	25	10	13	29	28
Lower middle income	108,492	441,066	42	39	16	21	10	7	32	33
Upper middle income	113,681	366,143	37	30	28	28	9	18	27	24
Low & middle income	235,415	850,688	39	35	23	25	10	13	29	28
East Asia & Pacific	82,593	285,803	38	38	16	21	12	6	37	34
Europe & Central Asia	42,554	202,447	29	33	26	28	7	7	38	32
Latin America & Carib.	52,171	139,670	41	27	31	29	10	28	17	15
Middle East & N. Africa	19,565	65,951	45	47	21	20	..	11	28	22
South Asia	15,377	73,655	59	38	13	16	5	7	23	39
Sub-Saharan Africa	24,584	91,672	40	45	24	24	9	5	28	27
High income	983,235	2,596,070	29	27	33	26	5	8	33	39
Euro area	421,722	1,114,691	25	26	32	26	5	4	38	43

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 4.6.

The data on imports of services in the table and on exports of services in table 4.6, 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.

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.

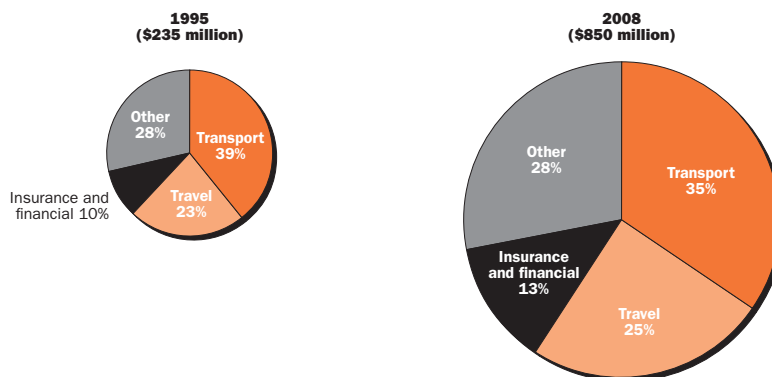
Travel services include the goods and services consumed by travelers, such as meals, lodging, and transport (within the economy visited), including car rental.

Definitions

- **Commercial service imports** are total service imports minus imports of government services not included elsewhere.
- **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.
- **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** cover 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.

The mix of commercial service imports by developing economies is changing

4.7a



Between 1995 and 2008 developing economies' commercial service imports more than tripled. Insurance and financial services and travel services are displacing transport and other services as the most important services imported.

Source: International Monetary Fund balance of payments data files.

Data sources

Data on imports of commercial services are from the IMF, which publishes balance of payments data in its *International Financial Statistics* and *Balance of Payments Statistics Yearbook*.



4.8

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 savings	
	% of GDP		% of GDP		% of GDP		% of GDP		% of GDP		% of GDP	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Afghanistan	..	98	..	10	..	28	..	17	..	53	..	..
Albania	87	86	14	9	21	32	12	31	35	59	20	19
Algeria	55	29	17	13	31	34	26	48	29	24	..	..
Angola	..	..	..	..	35	12	82	76	68	51	78	20
Argentina	69	59	13	13	18	23	10	24	10	21	16	25
Armenia	109	73	11	12	18	41	24	15	62	40	-9	29
Australia	59	55	18	18	24	29	18	21	20	23	23	29
Austria	56	53	20	18	25	23	35	59	36	54	22	27
Azerbaijan	77	24	13	11	24	20	28	69	42	25	13	56
Bangladesh	83	79	5	5	19	24	11	20	17	29	22	37
Belarus	59	54	21	17	25	36	50	62	54	69	21	28
Belgium	54	54	22	23	20	24	68	92	63	93	24	22
Benin	82	..	11	..	20	21	20	15	33	29	11	9
Bolivia	76	62	14	13	15	18	23	45	27	38	11	29
Bosnia and Herzegovina	..	87	..	21	20	24	20	37	71	69	..	42
Botswana	34	40	29	20	25	32	51	46	38	39	36	45
Brazil	62	61	21	20	18	19	7	14	9	14	16	17
Bulgaria	71	68	15	16	16	38	45	60	46	83	12	14
Burkina Faso	63	75	25	22	24	18	14	12	27	27	29	..
Burundi	89	91	19	29	6	16	13	11	27	47	6	4
Cambodia	95	83	6	3	15	21	31	65	47	73	5	16
Cameroon	72	72	9	9	13	18	24	30	18	29	14	20
Canada	57	55	21	19	19	23	37	35	34	33	18	24
Central African Republic	79	94	15	7	14	12	20	11	28	23	11	..
Chad	91	68	7	12	13	15	22	54	34	50	12	..
Chile	61	59	10	12	26	25	29	45	27	41	25	22
China	42	34	14	14	42	44	23	37	21	28	43	54
Hong Kong SAR, China	62	60	8	8	34	20	143	212	148	202	..	30
Colombia	65	63	15	16	26	25	15	18	21	22	19	19
Congo, Dem. Rep.	81	80	5	11	9	24	28	23	24	39	..	..
Congo, Rep.	49	39	13	13	37	21	65	79	64	51	-2	14
Costa Rica	71	70	14	14	18	26	38	46	40	55	15	16
Côte d'Ivoire	66	74	11	9	16	10	42	47	34	39	12	12
Croatia	66	59	25	19	16	31	33	42	41	50	11	21
Cuba	71	..	24	..	7	..	13	..	16	..	..	..
Czech Republic	51	50	21	20	33	25	51	77	55	73	29	22
Denmark	51	49	25	27	20	22	38	55	33	52	22	25
Dominican Republic	81	87	5	8	18	18	36	26	39	39	16	9
Ecuador	68	61	13	11	22	28	26	38	28	38	17	31
Egypt, Arab Rep.	74	72	11	11	20	22	23	33	28	39	21	24
El Salvador	87	98	9	9	20	15	22	28	38	50	18	8
Eritrea	94	86	44	31	23	11	22	6	83	34	19	..
Estonia	54	55	26	19	28	30	68	76	76	80	24	20
Ethiopia	80	90	8	10	18	20	10	12	16	31	21	17
Finland	52	53	23	22	18	21	36	44	29	40	22	24
France	57	57	24	23	19	22	23	26	22	29	19	19
Gabon	41	33	12	8	23	24	59	67	36	32	33	..
Gambia, The	90	78	14	16	20	25	49	30	73	49	8	10
Georgia	102	85	11	14	4	30	26	29	42	58	1	8
Germany	58	56	20	18	22	19	24	47	23	41	20	26
Ghana	76	77	12	20	20	36	24	42	33	75	18	7
Greece	75	71	15	17	19	21	17	23	27	32	18	10
Guatemala	86	88	6	9	15	18	19	25	25	40	11	14
Guinea	74	81	8	9	21	15	21	33	25	38	21	3
Guinea-Bissau	95	81	6	14	22	25	12	30	35	50	10	..
Haiti	..	..	..	..	26	26	9	11	29	37	..	..
Honduras	64	83	9	16	32	34	44	49	48	82	27	21

Structure of demand

4.8

ECONOMY

	Household final consumption expenditure		General government final consumption expenditure		Gross capital formation		Exports of goods and services		Imports of goods and services		Gross savings	
	% of GDP		% of GDP		% of GDP		% of GDP		% of GDP		% of GDP	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Hungary	66	67	11	9	23	22	45	81	45	80	19	15
India	64	54	11	12	27	40	11	23	12	28	27	38
Indonesia	62	63	8	8	32	28	26	30	28	29	28	20
Iran, Islamic Rep.	46	45	16	11	29	33	22	32	13	22	37	..
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	54	47	16	16	18	26	76	79	65	69	23	22
Israel	56	58	28	25	25	18	29	40	37	42	13	19
Italy	58	59	18	20	20	21	26	29	22	29	22	18
Jamaica	70	82	11	14	29	..	51	..	61	..	25	14
Japan	55	56	15	18	28	24	9	18	8	16	30	29
Jordan	65	81	24	25	33	26	52	58	73	91	29	14
Kazakhstan	68	35	14	10	23	34	39	57	44	37	18	40
Kenya	70	78	15	17	22	19	33	27	39	41	23	13
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	52	55	11	15	38	31	29	53	30	54	36	31
Kosovo	..	97	..	18	..	27	..	14	..	57	..	..
Kuwait	43	28	32	13	15	19	52	66	42	26	38	63
Kyrgyz Republic	75	104	20	9	18	24	29	57	42	94	8	15
Lao PDR	..	66	..	8	..	37	23	33	37	44	..	22
Latvia	63	58	24	20	14	35	43	42	45	55	14	22
Lebanon	103	84	12	14	36	31	11	27	62	57	..	10
Lesotho	105	108	27	27	63	28	22	47	117	111	30	22
Liberia	..	202	..	19	..	20	9	31	72	173	..	-2
Libya	59	23	22	9	12	28	29	67	22	27	..	67
Lithuania	67	66	22	18	22	27	49	59	60	71	12	15
Macedonia, FYR	70	79	19	19	21	28	33	53	43	79	13	16
Madagascar	90	85	7	5	11	36	24	27	32	52	2	..
Malawi	79	63	21	13	17	27	30	23	48	26	8	..
Malaysia	48	46	12	12	44	22	94	110	98	90	34	38
Mali	83	76	10	11	23	23	21	27	36	37	15	28
Mauritania	77	61	11	20	20	26	37	58	45	65	14	..
Mauritius	63	74	14	13	26	27	59	53	61	68	25	17
Mexico	67	66	10	10	20	26	30	28	28	30	19	25
Moldova	57	93	27	21	25	37	49	41	58	92	18	23
Mongolia	56	61	13	15	32	39	48	57	49	72	35	46
Morocco	68	60	17	17	21	36	27	37	34	50	17	31
Mozambique	90	82	8	12	27	19	16	33	41	46	9	7
Myanmar	..	..	..	..	14	..	1	..	2	..	..	..
Namibia	54	74	30	20	22	26	49	42	56	61	32	17
Nepal	75	79	9	10	25	32	25	12	35	33	21	38
Netherlands	49	46	24	25	21	21	59	77	54	69	27	26
New Zealand	58	58	17	19	23	24	29	29	28	30	18	16
Nicaragua	83	90	11	12	22	32	19	33	35	67	-1	14
Niger	86	..	14	..	7	..	17	..	24	..	-1	..
Nigeria	..	..	..	..	..	..	44	42	42	25	..	..
Norway	50	39	22	19	22	23	38	48	32	29	26	42
Oman	51	35	25	18	15	31	44	56	36	40	10	36
Pakistan	72	77	12	12	19	22	17	13	19	24	21	20
Panama	52	65	15	11	30	23	101	75	98	74	30	26
Papua New Guinea	44	58	17	10	22	19	61	72	44	60	35	..
Paraguay	76	75	10	11	26	20	59	53	71	59	18	16
Peru	71	64	10	9	25	26	13	27	18	26	16	22
Philippines	74	77	11	10	22	15	36	37	44	39	19	34
Poland	60	60	20	19	19	24	23	40	21	43	20	18
Portugal	65	67	18	21	23	22	29	33	35	42	23	10
Puerto Rico	..	..	..	..	..	..	72	..	97	..	..	..
Qatar	32	21	32	21	35	32	44	64	43	38	..	..



4.8

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 savings	
	% of GDP		% of GDP		% of GDP		% of GDP		% of GDP		% of GDP	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Romania	68	64	14	16	24	31	28	30	33	40	19	25
Russian Federation	52	48	19	17	25	26	29	31	26	22	28	32
Rwanda	97	82	10	10	13	24	5	15	26	31	20	27
Saudi Arabia	47	27	24	20	20	21	38	69	28	38	20	49
Senegal	80	82	13	10	14	30	31	25	37	47	8	19
Serbia	73	78	23	21	12	23	17	30	24	52	..	7
Sierra Leone	88	86	14	12	6	15	19	16	26	29	-3	5
Singapore	41	39	8	11	34	31	..	234	..	215	52	46
Slovak Republic	52	56	22	17	24	29	58	83	56	85	41	-16
Slovenia	60	52	19	18	24	31	50	70	52	71	23	27
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	63	60	18	20	18	23	23	35	22	38	17	16
Spain	60	57	18	19	22	30	22	26	22	32	22	20
Sri Lanka	73	70	11	16	26	27	36	25	46	38	20	18
Sudan	85	59	5	16	14	24	5	24	10	23	3	14
Swaziland	82	74	15	21	16	17	60	69	74	81	16	19
Sweden	50	46	27	26	17	20	40	54	33	47	20	28
Switzerland	60	58	12	11	23	22	36	56	31	47	30	36
Syrian Arab Republic	66	75	13	12	27	14	31	31	38	32	27	20
Tajikistan	62	114	16	8	29	20	66	17	72	58	..	25
Tanzania ^a	86	73	12	16	20	17	24	22	42	27	7	13
Thailand	55	56	10	12	42	29	42	77	49	74	34	29
Timor-Leste	..	..	..	..	..	..	..	..	..	..	..	..
Togo	77	..	12	9	16	..	32	42	37	62	17	..
Trinidad and Tobago	53	45	12	11	21	13	54	73	39	42	27	38
Tunisia	63	63	16	15	25	27	45	61	49	65	20	21
Turkey	68	70	11	13	25	22	20	24	24	28	22	18
Turkmenistan	44	55	12	8	49	6	84	81	84	51	50	..
Uganda	85	82	11	12	12	24	12	16	21	33	13	12
Ukraine	55	64	21	17	27	25	47	42	50	48	23	20
United Arab Emirates	48	44	16	10	30	21	69	91	63	67	..	..
United Kingdom	63	64	20	22	17	17	28	29	28	32	15	15
United States	68	71	15	16	18	18	11	12	12	17	15	14
Uruguay	73	69	12	12	15	23	19	28	19	32	14	18
Uzbekistan	51	49	22	18	27	23	28	42	28	32	..	..
Venezuela, RB	69	54	7	11	18	25	27	30	22	20	21	35
Vietnam	74	69	8	6	27	41	33	78	42	95	20	29
West Bank and Gaza	98	..	18	..	35	..	16	..	68	..	12	..
Yemen, Rep.	71	..	14	..	22	..	51	..	58	..	26	..
Zambia	72	66	15	9	16	22	36	37	40	34	9	19
Zimbabwe	65	..	18	..	20	..	38	..	41	..	18	..
World	61 w	61 w	17 w	17 w	22 w	22 w	21 w	28 w	21 w	28 w	20 w	21 w
Low income	77	76	11	10	20	27	22	34	30	47	17	..
Middle income	60	55	14	14	27	30	23	31	24	30	26	31
Lower middle income	54	49	13	13	34	37	24	35	24	34	33	41
Upper middle income	64	60	15	15	21	24	23	28	24	27	20	23
Low & middle income	60	56	14	14	27	30	23	31	24	31	26	31
East Asia & Pacific	47	42	13	13	40	40	29	40	29	35	39	48
Europe & Central Asia	61	59	17	16	23	25	28	34	29	35	23	24
Latin America & Carib.	66	63	15	15	19	23	18	24	19	24	18	22
Middle East & N. Africa	63	55	15	13	25	28	26	38	29	33	..	..
South Asia	67	60	10	11	25	36	12	21	15	28	25	35
Sub-Saharan Africa	69	66	15	17	18	23	28	36	30	39	16	16
High income	61	62	17	18	21	21	21	27	20	28	19	19
Euro area	57	57	20	20	21	22	29	41	28	39	15	16

a. Covers 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 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 United Nations System of National Accounts, or SNA) is often estimated as a residual, by subtracting all other known expenditures from GDP. 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 industry reports of acquisitions 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 government fixed capital formation 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.

Gross savings represent the difference between disposable income and consumption and replace gross domestic savings, a concept used by the World Bank and included in *World Development Indicators* editions before 2006. The change was made to conform to SNA concepts and definitions. For further discussion of the problems in compiling national accounts, see Srinivasan (1994), Heston (1994), and Ruggles (1994). For an 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 and computers), purchased by households. It excludes purchases of dwellings but includes imputed rent for owner-occupied dwellings. It also includes government fees for permits and licenses. Expenditures of nonprofit institutions serving households are included, even when reported separately. Household consumption expenditure may include any statistical discrepancy in the use of resources relative to the supply of resources.
- **General government final consumption expenditure** is 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 military expenditures with potentially wider public use that are part of government capital formation.
- **Gross capital formation** is outlays on additions to fixed assets of the economy, net changes in inventories, and net acquisitions of valuables. Fixed assets include land improvements (fences, ditches, drains); plant, machinery, and equipment purchases; and construction (roads, railways, schools, buildings, and so on). Inventories are goods held to meet temporary or unexpected fluctuations in production or sales, and "work in progress."
- **Exports and imports of goods and services** are 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 (communication, construction, financial, information, business, personal, government services, and so on). They exclude compensation of employees and investment income (factor services in the 1968 SNA) and transfer payments.
- **Gross savings** are gross national income less total consumption, plus net transfers.

Data sources

Data on 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 are from Organisation for Economic Co-operation and Development (OECD) data files.



Growth of consumption and investment

	Household final consumption expenditure				General government final consumption expenditure		Gross capital formation		Goods and services			
	average annual % growth		Per capita		average annual % growth		average annual % growth		average annual % growth		Imports	
	Total	2000-08	1990-2000	2000-08	1990-2000	2000-08	1990-2000	2000-08	Exports	2000-08	1990-2000	2000-08
Afghanistan	..	..	..	..	..	..	..	..	..	..	..	..
Albania	1.3	5.3	2.2	4.9	14.5	8.0	25.8	6.4	18.9	10.4	15.7	15.1
Algeria	-0.1	5.2	-1.9	3.7	3.6	5.3	-0.6	8.4	3.2	2.9	-1.0	7.5
Angola	..	..	..	..	..	..	..	..	..	..	..	..
Argentina	2.8	4.6	1.5	3.6	2.2	3.0	7.4	12.0	8.7	7.2	15.6	10.0
Armenia	-0.5	8.8	1.1	8.7	-1.5	11.3	-1.9	23.4	-18.4	9.6	-12.7	10.8
Australia	3.2	3.9	2.0	2.4	2.9	3.2	5.1	7.6	7.7	2.2	7.6	9.2
Austria	1.7	1.7	1.3	1.1	2.7	1.3	2.3	1.8	5.8	6.1	4.8	5.4
Azerbaijan	2.0	14.5	1.0	13.4	-4.8	24.2	41.6	23.6	5.7	23.8	14.1	22.2
Bangladesh	2.6	4.3	0.6	2.6	4.7	9.4	9.2	8.2	13.1	12.0	9.7	9.5
Belarus	-0.5	11.5	-0.3	12.0	-1.9	0.1	-7.5	19.2	-4.8	6.9	-8.7	11.9
Belgium	1.8	1.3	1.5	0.8	1.4	1.6	2.3	4.4	4.7	3.3	4.5	3.4
Benin	2.6	2.3	-0.7	-1.1	4.4	8.3	12.2	7.7	1.8	2.7	2.1	1.8
Bolivia	3.6	3.4	1.4	1.5	3.6	3.4	8.5	2.6	4.5	9.3	6.0	6.5
Bosnia and Herzegovina	..	1.9	..	..	..	7.0	..	8.9	..	9.8	..	8.0
Botswana	2.5	7.7	0.1	6.3	6.5	3.6	6.7	-2.6	4.7	4.0	3.8	4.6
Brazil	3.7	3.3	2.2	2.0	1.0	3.3	4.2	4.0	5.9	8.6	11.6	8.0
Bulgaria	-3.7	6.3	-3.0	7.0	-8.4	3.1	-5.0	17.2	3.9	8.8	2.7	12.1
Burkina Faso	5.7	4.5	2.8	1.1	2.9	8.7	3.1	9.0	4.4	10.9	1.9	7.2
Burundi	-4.9	..	..	..	-2.6	..	-0.5	..	-1.2	..	-1.6	..
Cambodia	6.0	8.9	3.4	7.1	7.2	1.9	10.3	13.5	21.7	16.9	14.8	15.4
Cameroon	3.1	4.5	0.5	2.1	0.7	2.8	0.4	3.9	3.2	0.4	5.1	4.2
Canada	2.6	3.5	1.6	2.5	0.3	2.7	4.6	6.6	8.7	0.9	7.1	4.4
Central African Republic	..	-0.9	..	-2.7	..	-1.3	..	-0.1	..	-3.6	..	-3.9
Chad	1.5	9.2	-1.7	5.4	-8.3	5.8	4.0	19.7	2.3	52.0	-1.8	27.0
Chile	7.3	5.7	5.6	4.5	3.7	5.1	9.3	9.6	9.4	6.4	11.7	12.0
China	8.9	7.1	7.8	6.5	9.7	8.2	11.7	12.1	12.9	18.9	14.3	13.7
Hong Kong SAR, China	3.8	3.4	2.0	2.9	3.7	1.0	4.8	2.2	7.8	9.7	8.4	8.6
Colombia	2.2	4.5	0.4	2.9	10.5	4.3	2.0	13.4	5.3	5.8	9.0	11.2
Congo, Dem. Rep.	-4.5	..	-3.8	..	-17.4	..	-0.7	..	-0.5	7.0	-2.4	18.9
Congo, Rep.	-1.8	..	..	..	-4.4	..	10.4	..	3.0	..	2.0	..
Costa Rica	5.1	4.1	2.5	2.3	2.0	1.6	5.1	8.6	10.9	7.5	9.2	6.6
Côte d'Ivoire	4.1	..	0.9	..	0.8	3.1	8.1	1.0	1.9	3.0	8.2	3.9
Croatia	2.3	4.8	3.0	4.8	1.5	1.7	4.9	10.7	6.3	5.5	4.9	7.5
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	3.0	3.8	3.0	3.6	-0.9	2.2	4.6	4.5	8.7	11.8	12.0	10.4
Denmark	2.2	2.7	1.8	2.3	2.4	1.5	5.7	3.2	5.0	4.1	6.0	6.4
Dominican Republic	6.1	6.6	4.2	5.0	7.0	5.0	11.7	1.7	8.3	2.0	9.9	2.9
Ecuador	2.1	5.7	0.3	4.5	-1.5	3.9	-0.6	8.1	5.3	7.1	2.8	9.8
Egypt, Arab Rep.	3.7	4.2	1.7	2.2	4.4	2.6	5.8	7.4	3.5	18.1	3.0	15.5
El Salvador	5.3	3.8	4.1	3.4	2.8	1.4	7.1	2.3	13.4	5.1	11.6	5.3
Eritrea	-5.0	1.6	-6.6	-2.2	22.6	1.2	19.1	-1.0	-2.5	-6.3	7.5	-3.7
Estonia	0.7	8.8	2.2	9.1	5.6	2.1	0.5	12.0	11.0	8.3	12.0	10.9
Ethiopia	3.6	9.7	0.4	6.9	9.0	2.2	6.5	10.0	7.1	11.2	5.8	16.1
Finland	1.7	3.3	1.4	3.0	0.6	1.6	2.2	4.2	10.3	5.3	6.5	5.9
France ^a	1.6	2.3	1.2	1.6	1.4	1.6	1.8	2.8	6.9	2.3	5.7	4.2
Gabon	-0.3	5.1	-3.1	3.0	3.7	0.7	3.0	5.9	2.1	-2.0	0.1	3.9
Gambia, The	3.6	1.8	-0.2	-1.5	-2.2	4.2	1.9	..	0.1	0.6	0.1	1.1
Georgia	6.1	9.5	7.6	10.9	12.0	8.8	-12.5	17.2	12.2	6.9	11.2	9.4
Germany	1.9	0.2	1.6	0.2	1.9	0.7	1.1	0.6	6.0	7.2	5.8	5.6
Ghana	4.7	..	..	..	4.8	-6.0	4.3	19.3	10.1	5.9	10.4	8.5
Greece	2.1	3.9	1.4	3.6	2.1	2.5	4.1	4.1	7.6	4.5	7.4	3.1
Guatemala	4.2	3.9	1.8	1.4	5.1	1.6	6.1	3.2	6.1	2.5	9.2	3.1
Guinea	5.2	4.0	2.0	1.9	-0.5	-0.3	0.1	-3.7	0.3	1.9	-1.1	-0.8
Guinea-Bissau	2.6	3.9	0.2	1.4	1.9	-1.9	-6.5	-0.1	15.4	2.6	-0.4	-0.6
Haiti	..	..	..	..	..	..	9.0	1.1	10.1	3.7	19.4	1.5
Honduras	3.0	6.1	0.6	4.0	2.0	6.1	6.9	7.2	1.6	6.5	3.8	7.9

Growth of consumption and investment

4.9

ECONOMY

	Household final consumption expenditure				General government final consumption expenditure		Gross capital formation		Goods and services			
	average annual % growth		Per capita		average annual % growth		average annual % growth		average annual % growth		Imports	
	Total	2000-08	1990-2000	2000-08	1990-2000	2000-08	1990-2000	2000-08	Exports	2000-08	1990-2000	2000-08
Hungary	-0.1	3.8	0.1	4.1	0.9	1.3	9.6	1.3	9.9	11.2	11.4	10.0
India	4.8	5.9	2.9	4.4	6.6	5.0	6.9	15.0	12.3	15.2	14.4	19.5
Indonesia	6.6	4.2	5.0	2.8	0.1	7.8	-0.6	6.0	5.9	8.7	5.7	10.0
Iran, Islamic Rep.	3.2	7.4	1.6	5.8	1.6	3.6	-0.1	8.3	1.2	5.0	-6.8	13.2
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	5.5	5.0	4.7	3.0	4.0	4.5	10.0	6.2	15.7	5.2	14.5	4.9
Israel	5.0	3.4	2.5	1.5	2.7	1.4	2.0	2.3	10.9	5.9	7.6	3.8
Italy	1.5	0.8	1.5	0.1	-0.2	1.7	1.6	1.4	5.9	1.7	4.4	2.4
Jamaica	..	..	..	..	..	..	..	..	..	..	..	..
Japan	1.5	1.2	1.3	1.1	2.9	1.9	-0.8	0.4	4.1	8.0	4.2	4.2
Jordan	4.9	6.8	1.1	4.1	4.7	6.6	0.3	11.0	2.6	7.0	1.5	8.0
Kazakhstan	-8.1	10.4	-7.0	9.6	-7.1	8.1	-18.3	21.0	-2.6	6.9	-11.2	8.6
Kenya	3.6	4.2	0.6	1.5	6.9	2.6	6.1	8.5	1.0	7.0	9.4	8.4
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	4.9	3.5	3.9	3.1	4.7	4.8	3.4	3.4	16.0	11.4	10.0	9.4
Kosovo	..	..	..	..	..	..	..	..	..	..	..	..
Kuwait	4.5	5.9	0.6	2.9	-2.4	6.6	1.0	13.7	-1.6	5.4	0.8	9.4
Kyrgyz Republic	-5.0	11.8	-5.9	10.8	-7.2	3.4	-1.1	2.9	-0.3	14.2	-2.0	20.6
Lao PDR	..	-7.8	..	-9.4	..	9.7	..	15.2	..	-7.6	..	-7.2
Latvia	-3.9	10.0	-2.7	10.6	1.8	2.8	-3.7	16.4	4.3	8.8	7.6	12.1
Lebanon	-0.2	2.5	-1.9	1.1	10.9	2.4	-5.8	8.5	18.6	11.1	-1.1	6.3
Lesotho	1.8	13.7	0.2	12.6	7.2	1.4	-1.5	-2.1	9.7	11.5	2.1	13.7
Liberia	..	..	..	..	..	..	..	..	..	..	..	..
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania	5.2	10.0	5.9	10.6	1.9	4.1	11.1	14.2	4.9	11.7	7.5	14.5
Macedonia, FYR	2.2	5.1	1.7	4.9	-0.4	-0.2	3.6	4.8	4.2	3.3	7.5	4.6
Madagascar	2.2	3.8	-0.8	1.0	0.0	8.3	3.3	19.3	3.8	5.3	4.1	8.3
Malawi	5.4	3.6	3.2	0.7	-4.4	5.6	-8.4	24.5	4.0	-9.6	-1.1	1.0
Malaysia	5.3	7.5	2.6	5.6	4.8	8.4	5.3	2.7	12.0	6.8	10.3	7.8
Mali	3.0	0.9	1.0	-1.5	3.2	..	0.4	6.2	9.9	6.3	3.5	3.9
Mauritania	..	7.4	..	4.5	..	3.1	..	23.8	-1.3	11.5	0.6	14.1
Mauritius	5.1	5.7	3.9	4.8	3.6	3.9	4.8	6.1	5.6	2.2	5.1	2.6
Mexico	3.9	3.7	2.2	2.7	1.8	0.4	4.7	1.4	14.6	5.7	12.3	6.3
Moldova ^b	9.9	9.4	11.7	9.7	-12.4	6.7	-15.5	11.9	1.0	11.2	5.9	13.8
Mongolia	..	..	..	..	..	..	..	..	..	..	..	..
Morocco ^c	1.8	4.9	0.3	3.7	3.9	3.3	2.5	9.1	5.9	7.1	5.1	8.8
Mozambique	5.8	7.6	2.6	4.9	3.2	-7.0	8.6	3.3	13.1	16.5	7.6	6.7
Myanmar	..	..	..	..	..	..	..	..	..	..	..	..
Namibia	4.8	5.8	2.3	3.8	3.3	3.3	7.3	8.8	3.8	7.6	5.4	8.6
Nepal	..	..	..	..	..	..	..	..	..	..	..	..
Netherlands	3.1	0.9	2.4	0.5	2.0	3.0	4.4	1.5	7.3	4.8	7.6	4.5
New Zealand	3.3	4.5	2.0	3.1	2.4	4.0	6.1	6.5	5.2	3.1	6.2	7.2
Nicaragua	6.1	3.6	3.9	2.3	-1.5	2.7	11.3	2.2	9.3	8.8	12.2	5.5
Niger	1.8	..	..	..	0.8	..	4.0	..	3.1	..	-2.1	..
Nigeria	..	..	..	..	..	..	..	..	..	..	..	..
Norway	3.5	4.0	2.9	3.3	2.7	2.2	6.0	6.7	5.5	1.0	5.8	5.7
Oman	5.4	1.3	2.6	-0.4	2.4	6.1	4.0	17.0	6.2	7.0	5.9	12.8
Pakistan	4.9	4.6	2.3	2.2	0.7	10.2	1.8	6.7	1.7	8.6	2.5	9.0
Panama	6.4	7.1	4.2	5.2	1.7	4.4	10.4	8.3	-0.4	6.8	1.2	7.2
Papua New Guinea	2.5	0.4	-0.2	-2.2	2.5	1.1	1.9	-1.1	5.1	6.3	3.4	6.3
Paraguay	2.6	3.0	0.3	1.0	2.5	3.0	0.7	3.5	3.1	8.0	2.9	6.6
Peru	4.0	5.1	2.2	3.7	5.2	4.6	7.4	10.9	8.5	8.6	9.0	10.1
Philippines	3.7	5.1	1.5	3.1	3.8	2.6	4.1	1.3	7.8	6.6	7.8	3.7
Poland	5.2	3.7	5.1	3.8	3.7	4.2	10.6	6.4	11.3	10.2	16.7	9.4
Portugal	3.0	1.6	2.7	1.1	2.9	1.3	5.8	-1.3	5.3	4.0	7.3	3.2
Puerto Rico	..	..	..	..	..	..	..	..	1.6	..	4.5	..
Qatar	..	..	..	..	..	..	..	..	..	..	..	..



	Household final consumption expenditure				General government final consumption expenditure		Gross capital formation		Goods and services			
	average annual % growth		Per capita		average annual % growth		average annual % growth		average annual % growth		Imports	
	Total	2000-08	1990-2000	2000-08	1990-2000	2000-08	1990-2000	2000-08	Exports	2000-08	1990-2000	2000-08
Romania	1.3	6.7	1.7	7.2	0.8	5.0	-5.1	12.3	8.1	10.8	6.0	15.8
Russian Federation	-0.9	10.5	-0.7	11.0	-2.2	2.1	-19.1	12.3	0.8	8.2	-6.1	19.7
Rwanda	0.4	..	..	..	-2.6	..	0.4	..	-6.4	..	6.1	..
Saudi Arabia	..	5.5	..	3.1	..	7.6	..	11.4	..	6.9	..	16.9
Senegal	2.6	5.3	-0.2	2.6	0.9	0.5	3.5	9.9	4.1	4.0	2.0	7.9
Serbia	..	5.4	..	5.7	..	2.7	..	15.8	..	12.1	..	12.8
Sierra Leone	-4.4	..	..	..	10.4	..	-5.6	..	-11.2	..	-0.2	..
Singapore	..	..	..	..	..	..	..	..	..	..	..	..
Slovak Republic	6.0	5.2	5.8	5.1	1.8	3.2	7.7	7.5	9.6	11.2	12.4	9.8
Slovenia	3.9	3.0	4.0	2.8	2.2	3.2	10.4	7.2	1.7	9.2	5.2	8.8
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	2.9	5.5	0.6	4.3	0.3	5.2	5.0	9.3	5.6	4.0	7.1	10.0
Spain	2.4	3.4	2.0	1.8	2.7	5.1	3.2	4.9	10.5	3.8	9.4	6.6
Sri Lanka	..	..	..	..	10.5	..	6.9	..	7.5	..	8.6	..
Sudan	3.7	5.9	1.1	3.7	5.5	8.4	22.0	12.5	11.6	14.3	8.4	12.0
Swaziland	7.3	2.2	4.9	1.3	7.1	3.2	-4.7	-1.1	6.4	7.0	6.2	5.7
Sweden	1.4	2.2	1.0	1.7	0.6	0.8	1.8	4.8	8.5	5.8	6.3	5.1
Switzerland	1.1	1.4	0.5	0.7	0.5	1.0	0.7	1.1	4.1	4.9	4.3	4.2
Syrian Arab Republic	3.0	7.6	0.3	4.7	2.0	8.0	3.3	0.4	12.0	6.6	4.4	12.1
Tajikistan	-11.8	11.9	-13.1	10.5	-15.7	1.5	-17.6	8.6	-5.3	8.8	-6.0	10.0
Tanzania ^d	4.9	2.8	1.9	0.1	-7.0	16.9	-1.6	7.3	9.3	12.0	3.9	5.7
Thailand	3.7	4.5	2.7	3.5	5.1	5.2	-4.0	7.0	9.5	7.0	4.5	7.7
Timor-Leste	..	..	..	..	..	..	..	..	..	..	..	..
Togo	5.0	0.5	2.0	-2.1	0.0	1.3	-0.1	5.9	1.2	6.0	1.1	3.1
Trinidad and Tobago	0.7	13.3	0.1	12.9	0.3	4.3	12.5	4.2	6.9	5.8	9.9	9.5
Tunisia	4.3	5.0	2.6	4.1	4.1	4.3	3.6	2.1	5.1	4.3	3.8	3.0
Turkey	3.8	6.0	2.1	4.6	4.6	3.7	4.7	10.1	11.1	7.2	10.8	11.1
Turkmenistan	..	..	..	..	..	..	..	-16.9	-2.4	21.5	7.2	13.3
Uganda	6.7	7.9	3.3	4.5	7.1	3.9	8.9	12.1	14.7	12.4	10.0	11.4
Ukraine	-6.9	13.8	-6.4	14.7	-4.1	2.9	-18.5	9.6	-3.6	3.2	-6.6	8.0
United Arab Emirates	7.1	12.9	1.2	7.5	6.8	0.8	5.5	5.5	5.5	12.2	6.4	13.6
United Kingdom	3.0	2.6	2.7	2.1	1.0	2.6	4.7	3.3	6.5	3.8	6.8	4.7
United States	3.7	3.0	2.4	2.0	0.7	2.3	7.5	2.1	7.3	4.4	9.8	5.2
Uruguay	5.0	2.7	4.3	2.6	2.3	0.3	6.1	5.6	6.0	7.9	9.9	6.3
Uzbekistan	..	..	..	..	..	..	-2.5	8.3	2.5	8.2	-0.4	10.4
Venezuela, RB	0.6	9.0	-1.5	7.1	3.7	7.0	11.0	12.4	1.0	-1.1	8.2	15.3
Vietnam	5.4	7.9	3.9	6.5	3.2	7.6	19.8	12.7	19.2	12.1	19.5	14.4
West Bank and Gaza	5.3	-1.5	1.1	-4.9	12.7	1.3	9.2	-3.0	8.7	-3.1	7.5	-2.3
Yemen, Rep.	3.2	..	-0.7	..	1.7	..	11.4	..	16.6	..	8.3	..
Zambia	2.4	0.2	-0.5	-2.1	-8.1	25.2	3.9	6.8	6.7	21.7	15.5	15.6
Zimbabwe	0.0	-3.8	-1.7	-3.8	-2.2	-3.0	-2.5	-10.6	10.5	-7.5	9.4	-3.3
World	3.0 w	3.0 w	1.6 w	1.8 w	1.7 w	2.6 w	3.3 w	4.1 w	6.9 w	6.8 w	7.0 w	6.6 w
Low income	3.7	4.7	1.3	2.5	0.2	5.8	6.5	9.9	9.4	10.3	8.2	10.9
Middle income	4.1	5.6	2.6	4.4	3.5	5.0	2.9	9.7	7.3	10.4	6.6	11.0
Lower middle income	5.6	6.2	4.0	4.9	6.4	6.9	6.1	11.3	8.1	14.0	6.9	12.2
Upper middle income	3.0	5.1	1.9	4.3	1.7	3.4	-0.1	7.4	6.8	6.8	6.4	10.1
Low & middle income	4.0	5.6	2.4	4.2	3.4	5.0	3.0	9.7	7.4	10.4	6.6	11.0
East Asia & Pacific	7.4	6.5	6.1	5.7	8.1	7.8	8.3	11.0	10.9	13.8	10.2	11.0
Europe & Central Asia	1.3	7.5	1.1	7.4	0.2	3.5	-8.5	10.9	2.7	8.6	0.1	13.6
Latin America & Carib.	3.6	4.2	2.0	2.9	2.1	3.0	5.4	5.7	8.5	6.0	10.8	7.9
Middle East & N. Africa	2.8	5.3	0.7	3.4	3.5	3.6	1.2	7.5	4.0	7.7	0.0	10.6
South Asia	4.6	5.5	2.6	3.9	5.9	5.7	6.5	13.8	10.0	14.0	11.2	17.5
Sub-Saharan Africa	3.1	5.3	0.4	2.7	0.5	5.0	4.5	8.5	5.0	4.3	6.0	8.7
High income	2.8	2.4	2.0	1.7	1.5	2.2	3.3	2.3	6.8	5.1	7.1	5.3
Euro area	1.9	1.5	1.6	0.9	1.5	1.8	2.1	2.3	6.8	4.7	6.2	4.7

a. Includes the French overseas departments of French Guiana, Guadeloupe, Martinique, and Réunion. b. Excludes Transnistria. c. Includes Former Spanish Sahara. d. Covers 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 4.8. 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.

Growth rates of household final consumption expenditure, household final consumption expenditure per capita, general government final consumption expenditure, gross capital formation, and exports and imports of goods and services are estimated using constant price data. (Consumption, capital formation, and exports and imports of goods and services as shares of GDP are shown in table 4.8.)

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

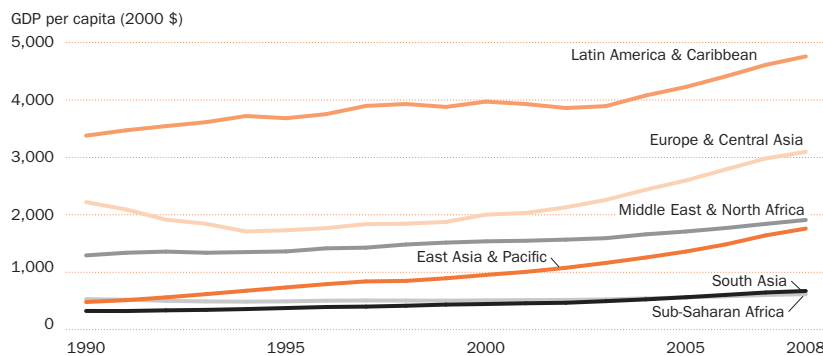
- **Household final consumption expenditure** is the market value of all goods and services, including durable products (such as cars and computers), purchased by households. It excludes purchases of dwellings but includes imputed rent for owner-occupied dwellings. It also includes government fees for permits and licenses. Expenditures of nonprofit institutions serving households are included, even when reported separately. Household consumption expenditure may include any statistical discrepancy in the use of resources relative to the supply of resources.

- **Household final consumption expenditure per capita** is household final consumption expenditure divided by midyear population.
- **General government final consumption expenditure** is all government current expenditures for goods and services (including compensation of employees). It also includes most expenditures on national defense and security but excludes military expenditures with potentially wider public use that are part of government capital formation.

- **Gross capital formation** is outlays on additions to fixed assets of the economy, net changes in inventories, and net acquisitions of valuables. Fixed assets include land improvements (fences, ditches, drains); plant, machinery, and equipment purchases; and construction (roads, railways, schools, buildings, and so on). Inventories are goods held to meet temporary or unexpected fluctuations in production or sales, and “work in progress.”
- **Exports and imports of goods and services** are 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 (communication, construction, financial, information, business, personal, government services, and so on). They exclude compensation of employees and investment income (factor services in the 1968 System of National Accounts) and transfer payments.

GDP per capita is still lagging in some regions

4.9a



Although GDP per capita more than tripled in East Asia and Pacific between 1990 and 2008, it is still less than GDP per capita in Latin America and Caribbean, Europe and Central Asia, and Middle East and North Africa.

Source: World Development Indicators data files.

Data sources

Data on 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 are from Organisation for Economic Co-operation and Development (OECD) data files.

4.10 Central government finances

	Revenue ^a		Expense		Cash surplus or deficit		Net incurrence of liabilities				Debt and interest payments	
	% of GDP		% of GDP		% of GDP		% of GDP		Foreign		Total debt % of GDP 2008	Interest % of revenue 2008
	1995	2008	1995	2008	1995	2008	Domestic 1995	Domestic 2008	1995	2008		
Afghanistan ^b	..	7.6	..	23.0	..	-2.2	..	0.2	..	1.9	9.6	0.1
Albania ^b	21.2	..	25.6	..	-8.9	..	7.4	..	2.1	..	..	..
Algeria ^b	..	48.5	..	23.9	..	9.5	..	1.2	..	0.0	..	1.2
Angola	..	..	..	..	..	..	..	..	..	..	..	..
Argentina	..	..	..	..	..	..	..	..	..	..	..	..
Armenia ^b	..	22.4	..	20.7	..	-0.5	..	0.7	..	1.2	..	1.3
Australia	..	25.4	..	23.6	..	1.5	..	..	..	..	19.4	3.5
Austria	36.6	37.4	42.5	38.4	-5.5	-0.7	..	..	..	..	64.5	6.5
Azerbaijan ^b	18.0	27.3	19.8	15.5	-3.1	0.4	..	0.0	..	0.2	..	0.3
Bangladesh ^b	..	11.0	..	10.9	..	-1.0	..	4.1	..	1.1	..	21.8
Belarus ^b	30.0	39.2	28.7	34.2	-2.7	2.4	2.2	1.3	0.4	2.3	10.7	1.4
Belgium	41.5	41.2	45.6	42.5	-3.9	-1.1	2.5	1.0	-0.5	6.5	88.0	8.5
Benin ^b	..	18.6	..	14.9	..	-0.3	..	-2.6	..	2.4	..	1.7
Bolivia	..	23.3	..	21.8	..	1.2	..	-0.2	..	-0.1	..	8.0
Bosnia and Herzegovina	..	39.1	..	38.9	..	-1.5	..	1.0	..	0.6	..	1.2
Botswana ^b	40.5	..	30.3	..	4.9	..	0.2	..	-0.4	..	..	..
Brazil ^b	..	24.7	..	25.0	..	-1.3	..	4.6	..	-0.2	60.9	15.2
Bulgaria ^b	35.5	36.4	39.4	30.9	-5.1	3.2	7.4	-0.5	-0.8	-1.4	..	2.3
Burkina Faso	..	13.6	..	12.8	..	-4.2	..	0.5	..	2.8	..	2.0
Burundi ^b	19.3	..	23.6	..	-4.7	..	3.1	..	4.0	..	..	..
Cambodia	..	9.8	..	8.6	..	-1.7	..	-0.3	..	2.1	..	1.5
Cameroon ^b	11.8	..	10.6	..	0.2	..	-0.3	..	0.3	..	..	..
Canada ^b	20.3	19.6	24.2	17.8	-4.3	1.6	4.9	-0.9	0.0	0.2	45.2	6.1
Central African Republic ^b	..	..	..	..	..	..	..	..	..	..	..	..
Chad	..	..	..	..	..	..	..	..	..	..	..	..
Chile	..	26.0	..	19.7	..	4.8	..	-0.3	..	-0.4	..	1.9
China ^b	5.4	10.3	..	11.4	..	-1.4	1.6	1.2	..	-0.1	..	4.3
Hong Kong SAR, China	..	..	..	..	..	..	..	..	..	..	..	..
Colombia	..	23.5	..	23.7	..	-2.1	..	-2.0	..	1.5	54.3	29.4
Congo, Dem. Rep. ^b	5.3	..	8.2	..	0.0	..	0.0	..	0.2	..	..	..
Congo, Rep.	..	39.9	..	24.8	..	9.6	..	..	..	..	..	6.5
Costa Rica ^b	..	25.3	..	22.5	..	-0.8	..	..	-0.8	..	..	8.6
Côte d'Ivoire ^b	..	18.9	..	17.9	..	-0.3	..	-0.1	..	..	..	8.4
Croatia ^b	36.7	35.9	36.1	34.7	-1.1	-1.1	-2.3	0.6	0.7	-0.5	..	4.8
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic ^b	33.2	31.4	32.6	34.1	-0.9	-1.5	-0.5	1.5	-0.4	0.8	26.6	3.6
Denmark	39.1	40.6	38.2	36.5	1.5	4.8	..	..	..	..	24.1	4.5
Dominican Republic ^b	..	17.6	..	14.8	..	0.3	..	-0.4	..	0.6	..	6.8
Ecuador ^b	30.9	..	26.3	..	0.1	..	..	..	..	..	..	..
Egypt, Arab Rep. ^b	34.8	27.7	28.1	30.4	3.4	-6.4	..	8.5	..	1.3	..	16.5
El Salvador	..	19.9	..	18.5	..	0.3	..	-0.7	..	-0.8	39.4	9.8
Eritrea	..	..	..	..	..	..	..	..	..	..	..	..
Estonia	..	31.9	..	26.8	..	3.1	..	..	..	..	4.1	0.2
Ethiopia ^b	..	..	..	..	..	..	..	..	..	..	..	..
Finland	40.6	38.7	49.9	33.8	-7.5	5.5	8.9	-0.4	0.2	-0.8	37.3	3.2
France	43.3	41.8	47.6	44.4	-4.1	-2.3	..	..	..	..	66.6	5.9
Gabon	..	..	..	..	..	..	..	..	..	..	..	..
Gambia, The ^b	23.7	..	..	..	..	..	..	..	..	..	..	..
Georgia ^b	12.2	25.7	15.4	29.1	-4.3	-1.9	2.2	-0.3	2.4	5.3	27.0	2.2
Germany	29.9	28.5	38.6	29.0	-8.3	-0.4	..	0.2	..	0.1	40.8	6.0
Ghana ^b	17.0	25.8	..	29.5	..	-7.7	..	5.1	..	2.3	..	9.6
Greece	35.1	39.0	42.6	41.8	-9.1	-3.7	..	..	..	..	114.1	11.1
Guatemala ^b	8.4	11.9	7.6	11.7	-0.5	-1.6	..	0.6	0.4	0.3	20.1	11.2
Guinea ^b	11.2	..	12.1	..	-4.3	..	-0.1	..	4.5	..	..	..
Guinea-Bissau	..	..	..	..	..	..	..	..	..	..	..	..
Haiti	..	..	..	..	..	..	..	..	..	..	..	..
Honduras	..	22.3	..	21.6	..	-0.2	..	-1.2	..	2.6	..	2.5

Central government finances

4.10

ECONOMY

	Revenue ^a		Expense		Cash surplus or deficit		Net incurrence of liabilities				Debt and interest payments	
	% of GDP		% of GDP		% of GDP		% of GDP		Foreign	Total debt % of GDP	Interest % of revenue	
	1995	2008	1995	2008	1995	2008	Domestic	2008				1995	2008
Hungary	43.0	40.7	53.2	45.0	-9.1	-3.9	17.0	2.3	0.2	6.1	73.8	9.7
India ^b	12.3	15.0	14.4	16.2	-2.2	-1.6	5.1	2.1	0.0	0.1	57.6	23.3
Indonesia ^b	17.7	..	9.7	..	3.0	..	-0.6	..	-0.4	..	..	..
Iran, Islamic Rep. ^b	24.2	34.8	15.8	20.6	1.1	7.9	..	1.4	0.1	0.0	..	0.8
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	33.6	33.1	37.5	32.0	-2.2	0.4	..	..	..	..	27.2	2.8
Israel	..	36.8	..	40.7	..	-1.9	..	..	..	..	..	9.0
Italy	40.4	37.5	48.0	40.1	-7.5	-2.5	..	..	..	..	106.3	12.8
Jamaica ^b	..	29.1	..	33.2	..	-5.1	..	-0.8	..	6.3	112.9	39.1
Japan	20.7	..	..	..	..	..	1.5	..	..	..	..	..
Jordan ^b	..	32.9	..	36.6	..	-1.1	..	13.5	..	-11.6	115.1	6.7
Kazakhstan ^b	14.0	13.4	18.7	14.8	-1.8	4.3	0.8	1.9	2.8	0.0	6.3	1.9
Kenya ^b	21.6	19.5	25.8	21.5	-5.1	-4.1	3.9	-0.7	-1.3	0.1	..	11.3
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep. ^b	17.8	24.6	14.3	18.6	2.4	4.3	-0.3	-2.4	-0.1	-0.1	..	5.6
Kosovo	..	..	..	..	..	..	..	..	..	..	..	..
Kuwait	36.8	47.4	46.4	24.0	-13.6	23.4	..	..	..	..	..	0.0
Kyrgyz Republic ^b	16.7	20.5	25.6	17.0	-10.8	0.0	..	0.1	..	0.3	..	3.3
Lao PDR	..	13.0	..	10.3	..	-2.9	..	0.1	..	3.6	..	3.1
Latvia ^b	25.8	26.0	28.3	29.4	-2.7	-2.6	2.4	5.0	1.5	4.7	22.8	1.3
Lebanon	..	21.5	..	30.4	..	-10.0	..	17.1	..	-0.1	..	50.1
Lesotho ^b	52.2	65.3	36.0	51.2	5.3	5.7	0.0	-0.4	6.5	1.5	..	1.3
Liberia	..	..	..	..	..	..	..	..	..	..	..	..
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania	..	28.7	..	31.4	..	-3.1	..	1.1	..	-0.1	18.4	2.0
Macedonia, FYR	..	34.0	..	31.3	..	-0.8	..	-0.6	..	0.2	..	1.9
Madagascar	..	11.9	..	11.2	..	-2.7	..	0.7	..	2.2	..	7.0
Malawi	..	..	..	..	..	..	..	..	..	..	..	..
Malaysia ^b	24.4	..	17.2	..	2.4	..	..	..	-0.8	..	..	..
Mali	..	16.2	..	15.2	..	-5.6	..	-1.0	..	3.5	..	1.7
Mauritania	..	..	..	..	..	..	..	..	..	..	..	..
Mauritius ^b	20.5	21.7	18.9	19.3	-1.2	0.6	2.9	2.0	-0.5	-0.1	36.1	13.7
Mexico ^b	15.3	..	15.0	..	-0.6	..	..	..	5.5	..	..	..
Moldova ^b	28.4	34.4	38.4	32.8	-6.3	-0.4	3.0	-0.5	2.7	0.0	18.5	3.2
Mongolia	19.0	32.1	13.8	26.3	2.9	-3.5	1.6	-0.4	1.3	0.7	46.9	1.0
Morocco ^b	..	36.0	..	30.1	..	2.9	..	-0.7	..	0.3	..	3.6
Mozambique	..	..	..	..	..	..	..	..	..	..	..	..
Myanmar	6.4	..	..	..	..	..	..	..	..	..	..	..
Namibia ^b	31.7	29.1	35.7	24.0	-5.0	2.0	..	-0.8	..	-0.1	..	6.3
Nepal ^b	10.5	12.3	..	15.1	..	-1.0	0.6	1.5	2.5	0.1	43.7	5.3
Netherlands	41.5	40.8	50.8	40.3	-9.2	0.3	..	..	..	..	43.4	4.4
New Zealand	..	37.1	..	32.9	..	3.2	..	-1.7	..	2.8	38.9	3.4
Nicaragua ^b	12.8	18.4	14.2	19.6	0.6	-1.1	..	..	3.4	..	..	5.4
Niger	..	13.6	..	11.8	..	-0.9	..	-1.9	..	2.4	..	1.8
Nigeria	..	..	..	..	..	..	..	..	..	..	..	..
Norway	..	51.2	..	30.7	..	19.9	..	1.9	..	-10.7	44.9	1.6
Oman ^b	27.8	..	32.4	..	-8.9	..	-0.1	..	0.0	..	..	..
Pakistan ^b	17.2	13.4	19.1	18.6	-5.3	-7.4	..	..	..	..	..	34.8
Panama ^b	26.1	..	22.0	..	1.5	..	..	..	..	..	..	..
Papua New Guinea ^b	22.7	..	24.5	..	-0.5	..	1.5	..	-0.7	..	..	..
Paraguay ^b	..	21.3	..	16.7	..	3.4	..	-0.6	..	-0.5	..	2.9
Peru ^b	17.4	19.6	17.4	16.5	-1.3	2.0	..	0.1	3.9	-1.0	24.3	7.7
Philippines ^b	17.7	15.8	15.9	17.0	-0.8	-1.3	-0.5	1.5	-0.7	0.2	..	24.1
Poland	..	32.0	..	35.3	..	-3.7	..	5.0	..	-0.9	44.8	7.0
Portugal	33.3	39.2	38.9	42.9	-5.1	-2.7	-1.4	-0.9	4.3	4.6	76.0	7.2
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..
Qatar	..	45.5	..	17.8	..	12.5	..	..	..	..	..	1.5



	Revenue ^a		Expense		Cash surplus or deficit		Net incurrence of liabilities				Debt and interest payments	
	% of GDP		% of GDP		% of GDP		% of GDP		Foreign		Total debt % of GDP	Interest % of revenue
	1995	2008	1995	2008	1995	2008	Domestic	2008	1995	2008		
Romania	..	30.9	..	33.8	..	-4.6	..	2.4	..	0.9	..	2.0
Russian Federation	..	33.4	..	21.3	..	5.6	..	0.2	..	0.2	6.4	1.1
Rwanda ^b	10.6	..	15.0	..	-5.6	..	2.9	..	..	..	..	..
Saudi Arabia	..	..	..	..	..	..	..	..	..	..	..	..
Senegal ^b	15.2	..	..	..	..	..	..	..	..	..	..	..
Serbia ^b	..	37.6	..	37.4	..	-1.6	..	-0.8	..	-0.1	..	1.4
Sierra Leone ^b	9.4	..	..	..	..	..	0.3	..	..	..	..	..
Singapore ^b	26.7	21.7	12.4	15.4	19.8	8.1	10.3	7.9	0.0	..	102.6	0.1
Slovak Republic	..	28.9	..	30.8	..	-2.2	..	1.2	..	0.0	36.5	4.1
Slovenia ^b	35.8	38.1	34.3	37.4	-0.1	-0.2	-0.4	-0.5	0.3	-0.1	..	2.8
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	..	30.7	..	30.9	..	-0.4	..	1.6	..	-0.1	..	7.8
Spain	32.0	24.5	37.1	26.3	-5.8	-2.0	..	..	..	..	33.8	4.8
Sri Lanka ^b	20.4	15.8	26.0	20.0	-7.6	-6.5	5.2	4.2	3.2	2.8	85.0	30.7
Sudan ^b	7.2	..	6.8	..	-0.4	..	0.3	..	..	..	..	..
Swaziland ^b	..	..	..	..	..	..	..	..	..	..	..	..
Sweden	35.0	..	44.1	..	-9.3	..	..	..	-1.2	..	47.3	..
Switzerland ^b	22.6	18.3	25.7	17.6	-0.6	1.1	-0.5	-1.1	..	..	23.6	4.4
Syrian Arab Republic ^b	22.9	..	..	..	..	..	..	..	..	..	..	..
Tajikistan ^b	9.3	..	11.4	..	-3.3	..	0.1	..	2.3	..	..	..
Tanzania	..	..	..	..	..	..	..	..	..	..	..	..
Thailand	..	20.1	..	18.2	..	0.5	..	1.1	..	-0.5	24.0	4.9
Timor-Leste	..	..	..	..	..	..	..	..	..	..	..	..
Togo ^b	..	17.0	..	15.1	..	0.3	..	1.8	..	-0.2	..	4.3
Trinidad and Tobago ^b	27.2	30.3	25.3	24.4	-0.1	0.7	2.8	-0.8	2.6	0.5	..	6.5
Tunisia ^b	30.0	32.5	28.4	30.4	-2.4	-0.7	0.9	-1.3	2.9	0.3	48.2	7.0
Turkey ^b	..	22.6	..	22.8	..	-1.9	..	1.7	..	0.4	44.5	24.2
Turkmenistan	..	..	..	..	..	..	..	..	..	..	..	..
Uganda ^b	10.6	13.2	..	15.2	..	-1.5	..	2.1	..	1.7	28.9	7.9
Ukraine ^b	..	35.7	..	37.2	..	-1.5	..	3.1	..	0.4	..	1.3
United Arab Emirates ^b	10.1	..	9.3	..	0.5	..	..	..	..	..	..	..
United Kingdom	35.2	38.4	40.4	42.8	-5.5	-4.7	-0.3	..	0.0	..	57.5	5.8
United States	..	17.3	..	22.7	..	-5.4	..	4.1	..	5.0	53.8	11.6
Uruguay ^b	27.6	25.0	27.1	24.2	-1.2	-0.9	7.9	1.4	1.1	-1.3	54.0	10.9
Uzbekistan	..	..	..	..	..	..	..	..	..	..	..	..
Venezuela, RB ^b	16.9	28.3	18.5	25.1	-2.3	2.2	1.1	1.2	0.1	3.3	..	10.4
Vietnam	..	..	..	..	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep. ^b	17.3	..	19.1	..	-3.9	..	..	..	..	..	..	..
Zambia ^b	20.0	17.6	21.4	22.9	-3.1	-0.8	28.0	..	16.2	..	..	7.2
Zimbabwe ^b	26.7	..	32.1	..	-5.4	..	-1.4	..	1.6	..	..	..
World	.. w	27.4 w	.. w	28.1 w	.. w	-0.9 w	.. m	.. m	.. m	.. m	.. m	5.6 m
Low income	..	..	..	..	..	..	..	..	..	..	..	..
Middle income	..	20.2	..	19.7	..	-0.6	..	0.9	..	0.2	..	3.6
Lower middle income	11.4	15.2	..	15.6	..	-1.5	..	..	..	..	..	4.3
Upper middle income	..	..	..	..	..	..	..	1.2	..	0.0	..	2.3
Low & middle income	..	20.0	..	19.6	..	-0.6	..	..	..	..	..	5.8
East Asia & Pacific	8.4	11.6	..	12.2	..	-1.1	..	..	..	..	..	..
Europe & Central Asia	..	29.6	..	26.7	..	0.3	..	0.9	..	0.3	..	1.9
Latin America & Carib.	..	..	..	..	..	..	..	0.9	..	-0.2	..	9.2
Middle East & N. Africa	..	32.2	..	24.9	..	1.7	..	4.8	..	0.1	..	6.7
South Asia	13.1	14.4	15.3	16.1	-2.7	-2.2	3.8	1.8	1.1	0.6	61.3	21.8
Sub-Saharan Africa	..	..	..	..	..	..	..	..	..	..	..	..
High income	..	27.9	..	28.9	..	-1.0	..	..	..	..	43.4	4.8
Euro area	34.8	38.1	42.3	39.0	-7.4	-0.9	..	..	..	..	51.7	6.5

a. Excludes grants. b. Data were reported on a cash basis and have been adjusted to the accrual framework.

About the data

Tables 4.10–4.12 present an overview of the size and role of central governments relative to national economies. The tables are based on the concepts and recommendations of the second edition of the International Monetary Fund's (IMF) *Government Finance Statistics Manual 2001*. Before 2005 *World Development Indicators* reported data derived on the basis of the 1986 manual's cash-based method. The 2001 manual, harmonized with the 1993 United Nations System of National Accounts, recommends an accrual accounting method, focusing on all economic events affecting assets, liabilities, revenues, and expenses, not only those represented by cash transactions. It takes all stocks into account, so that stock data at the end of an accounting period equal stock data at the beginning of the period plus flows over the period. The 1986 manual considered only the debt stock data. Further, the new manual no longer distinguishes between current and capital revenue or expenditures, and it introduces the concepts of nonfinancial and financial assets. Most countries still follow the 1986 manual, however. The IMF has reclassified historical *Government Finance Statistics Yearbook* data to conform to the 2001 manual's format. Because of reporting differences, the reclassified data understate both revenue and expense.

The 2001 manual describes government's economic functions as the provision of goods and services on a nonmarket basis for collective or individual consumption, and the redistribution of income and wealth through transfer payments. Government activities are financed mainly by taxation and other income transfers, though other financing such as

borrowing for temporary periods can also be used. *Government* excludes public corporations and quasi corporations (such as the central bank).

Units of government at many levels meet this definition, from local administrative units to the national government, but inadequate statistical coverage precludes presenting subnational data. Although data for general government under the 2001 manual are available for a few countries, only data for the central government are shown to minimize disparities. Still, different accounting concepts of central government make cross-country comparisons potentially misleading.

Central government can refer to consolidated or budgetary accounting. 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 may not include all central government units (such as social security funds), they usually provide an incomplete picture.

Data on government revenue and expense are collected by the IMF through questionnaires to member countries and by the Organisation for Economic Cooperation and Development. Despite IMF efforts to standardize data collection, statistics 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 by fiscal year; see *Primary data documentation* for information on fiscal year end by country.

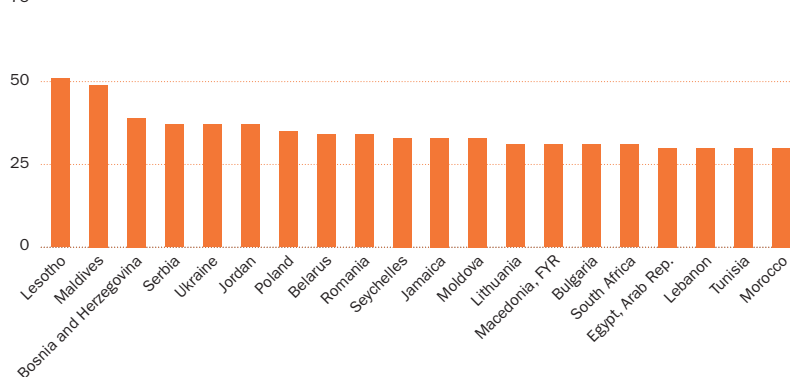
Definitions

- **Revenue** is cash receipts from taxes, social contributions, and other revenues such as fines, fees, rent, and income from property or sales. Grants, usually considered revenue, are excluded.
- **Expense** is cash payments for government operating activities in providing goods and services. It includes compensation of employees, interest and subsidies, grants, social benefits, and other expenses such as rent and dividends.
- **Cash surplus or deficit** is revenue (including grants) minus expense, minus net acquisition of nonfinancial assets. In editions before 2005 nonfinancial assets were included under revenue and expenditure in gross terms. This cash surplus or deficit is close to the earlier overall budget balance (still missing is lending minus repayments, which are included as a financing item under net acquisition of financial assets).
- **Net incurrence of liabilities** is domestic financing (obtained from residents) and foreign financing (obtained from nonresidents), or the means by which a government provides financial resources to cover a budget deficit or allocates financial resources arising from a budget surplus. The net incurrence of liabilities should be offset by the net acquisition of financial assets (a third financing item). The difference between the cash surplus or deficit and the three financing items is the net change in the stock of cash.
- **Total debt** is the entire stock of direct government fixed-term contractual obligations to others outstanding on a particular date. It includes domestic and foreign liabilities such as currency and money deposits, securities other than shares, and loans. It is the gross amount of government liabilities reduced by the amount of equity and financial derivatives held by the government. 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** are interest payments on government debt—including long-term bonds, long-term loans, and other debt instruments—to domestic and foreign residents.

Twenty developing economies had a government expenditure to GDP ratio of 30 percent or higher

4.10a

Central government expense, 2008 (percent of GDP)



Source: International Monetary Fund, Government Finance Statistics data files, and World Development Indicators data files.

Data sources

Data on central government finances are from the IMF's *Government Finance Statistics Yearbook 2008* and data files. Each country's accounts are reported using the system of common definitions and classifications in the IMF's *Government Finance Statistics Manual 2001*. See these sources for complete and authoritative explanations of concepts, definitions, and data sources.



4.11

Central government expenses

	Goods and services		Compensation of employees		Interest payments		Subsidies and other transfers		Other expense	
	% of expense		% of expense		% of expense		% of expense		% of expense	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Afghanistan ^a	..	42	..	39	..	0	..	16	..	4
Albania ^a	18	..	14	..	9	..	59	..	0	..
Algeria ^a	..	12	..	31	..	3	..	49	..	6
Angola	..	..	..	..	..	..	..	..	..	..
Argentina	..	..	..	..	..	..	..	..	..	..
Armenia ^a	..	12	..	21	..	2	..	43	..	22
Australia	..	11	..	11	..	4	..	70	..	6
Austria	5	6	14	13	9	6	68	70	6	6
Azerbaijan ^a	..	9	..	12	..	1	..	18	..	61
Bangladesh ^a	..	12	..	21	..	23	..	32	..	13
Belarus ^a	39	12	5	10	1	2	55	69	0	7
Belgium	3	3	7	7	18	8	71	81	2	2
Benin ^a	..	23	..	40	..	2	..	33	..	2
Bolivia	..	14	..	22	..	10	..	47	..	7
Bosnia and Herzegovina	..	23	..	28	..	1	..	45	..	3
Botswana ^a	32	..	31	..	2	..	36	..	2	..
Brazil ^a	..	13	..	18	..	15	..	52	..	2
Bulgaria ^a	18	13	7	18	37	3	38	60	2	6
Burkina Faso	..	21	..	44	..	3	..	10	..	23
Burundi ^a	20	..	30	..	6	..	14	..	10	..
Cambodia	..	41	..	33	..	2	..	19	..	5
Cameroon ^a	17	..	40	..	26	..	14	..	..	..
Canada ^a	8	8	10	12	18	7	64	67	..	6
Central African Republic ^a	..	..	..	..	..	..	..	..	..	..
Chad	..	..	..	..	..	..	..	..	..	..
Chile	..	10	..	20	..	3	..	59	..	13
China ^a	..	27	..	5	..	4	..	60	..	4
Hong Kong SAR, China	..	..	..	..	..	..	..	..	..	..
Colombia	..	8	..	15	..	29	..	41	..	7
Congo, Dem. Rep. ^a	37	..	58	..	1	..	2	..	..	..
Congo, Rep.	..	18	..	18	..	11	..	53	..	0
Costa Rica ^a	..	12	..	44	..	10	..	14	..	20
Côte d'Ivoire ^a	..	32	..	38	..	10	..	13	..	7
Croatia ^a	35	10	27	26	3	5	32	53	3	6
Cuba	..	..	..	..	..	..	..	..	..	..
Czech Republic ^a	7	6	9	8	3	4	75	70	5	12
Denmark	8	9	13	13	13	5	64	70	5	4
Dominican Republic ^a	..	19	..	34	..	8	..	29	..	8
Ecuador ^a	6	..	49	..	26	..	..	..	..	..
Egypt, Arab Rep. ^a	18	7	22	23	26	15	6	46	..	9
El Salvador	..	17	..	37	..	11	..	22	..	15
Eritrea	..	..	..	..	..	..	..	..	..	..
Estonia	..	14	..	22	..	0	..	43	..	4
Ethiopia ^a	..	..	..	..	..	..	..	..	..	..
Finland	8	10	9	10	8	4	68	72	11	8
France	8	6	23	22	7	6	59	62	6	6
Gabon	..	..	..	..	..	..	..	..	..	..
Gambia, The ^a	..	..	..	..	..	..	..	..	..	..
Georgia ^a	52	27	11	16	10	2	26	45	..	9
Germany	4	5	5	5	6	6	67	82	20	3
Ghana ^a	..	15	..	38	..	11	..	37	..	0
Greece	10	11	22	24	27	10	36	45	5	4
Guatemala ^a	15	15	50	27	12	12	18	37	6	10
Guinea ^a	17	..	34	..	28	..	9	..	1	..
Guinea-Bissau	..	..	..	..	..	..	..	..	..	..
Haiti	..	..	..	..	..	..	..	..	..	..
Honduras	..	16	..	50	..	3	..	13	..	18

Central government expenses

4.11

ECONOMY

	Goods and services		Compensation of employees		Interest payments		Subsidies and other transfers		Other expense	
	% of expense		% of expense		% of expense		% of expense		% of expense	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Hungary	8	9	10	13	17	9	56	63	13	9
India ^a	15	11	10	7	27	22	33	54	0	7
Indonesia ^a	21	..	20	..	16	..	41	..	2	..
Iran, Islamic Rep. ^a	21	10	56	38	0	1	..	37	..	13
Iraq	..	..	..	..	..	..	..	..	..	..
Ireland	5	12	15	24	14	3	33	37	1	1
Israel	..	28	..	25	..	9	..	31	..	9
Italy	4	4	14	15	24	12	54	65	6	5
Jamaica ^a	..	8	..	17	..	35	..	6	..	33
Japan	..	..	..	..	..	..	..	..	..	..
Jordan ^a	..	8	..	45	..	7	..	36	..	5
Kazakhstan ^a	..	20	..	7	3	3	58	68	..	2
Kenya ^a	15	20	28	38	46	11	..	31	2	0
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep. ^a	16	7	15	12	3	7	63	58	3	15
Kosovo	..	..	..	..	..	..	..	..	..	..
Kuwait	33	19	31	29	5	0	24	29	7	23
Kyrgyz Republic ^a	32	29	37	28	5	4	27	36	..	3
Lao PDR	..	37	..	38	..	5	..	18	..	3
Latvia ^a	20	11	20	19	3	1	56	65	0	4
Lebanon	..	3	..	27	..	37	..	29	..	3
Lesotho ^a	32	42	45	35	5	2	8	14	3	7
Liberia	..	..	..	..	..	..	..	..	..	..
Libya	..	..	..	..	..	..	..	..	..	..
Lithuania	..	13	..	18	..	2	..	65	..	6
Macedonia, FYR	..	28	..	17	..	2	..	49	..	4
Madagascar	..	14	..	46	..	10	..	14	..	16
Malawi	..	..	..	..	..	..	..	..	..	..
Malaysia ^a	23	..	34	..	17	..	27	..	1	..
Mali	..	38	..	33	..	2	..	16	..	11
Mauritania	..	..	..	..	..	..	..	..	..	..
Mauritius ^a	12	11	45	34	13	16	28	34	2	6
Mexico ^a	9	..	19	..	19	..	..	..	..	..
Moldova ^a	10	20	8	14	11	4	71	57	1	6
Mongolia	30	27	12	34	2	1	56	38	0	1
Morocco ^a	..	9	..	43	..	5	..	36	..	9
Mozambique	..	..	..	..	..	..	..	..	..	..
Myanmar	..	..	..	..	..	..	..	..	..	..
Namibia ^a	29	20	53	45	1	8	..	13	4	14
Nepal ^a	..	..	..	..	..	7	..	..	..	..
Netherlands	5	8	8	8	9	5	77	79	3	3
New Zealand	..	30	..	25	..	4	..	38	..	7
Nicaragua ^a	14	16	25	36	17	6	29	36	14	7
Niger	..	30	..	30	..	3	..	9	..	28
Nigeria	..	..	..	..	..	..	..	..	..	..
Norway	..	11	..	17	..	3	..	67	..	6
Oman ^a	55	..	30	..	7	..	8	..	0	..
Pakistan ^a	..	21	..	4	28	26	2	27	..	23
Panama ^a	16	..	45	..	8	..	30	..	1	..
Papua New Guinea ^a	19	..	36	..	20	..	26	..	1	..
Paraguay ^a	..	10	..	55	..	4	..	23	..	8
Peru ^a	20	18	19	18	19	9	33	49	8	7
Philippines ^a	15	25	34	30	33	22	15	19	..	4
Poland	..	8	..	12	..	6	..	69	..	7
Portugal	8	7	29	26	14	7	42	50	9	2
Puerto Rico	..	..	..	..	..	..	..	..	..	..
Qatar	..	29	..	33	..	4	..	17	..	18



4.11

Central government expenses

	Goods and services		Compensation of employees		Interest payments		Subsidies and other transfers		Other expense	
	% of expense		% of expense		% of expense		% of expense		% of expense	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Romania	..	13	..	19	..	2	..	60	..	8
Russian Federation	..	14	..	18	..	2	..	64	..	7
Rwanda ^a	52	..	36	..	12	..	5	..	..	..
Saudi Arabia	..	..	..	..	..	..	..	..	..	..
Senegal ^a	..	..	..	..	..	..	..	..	..	..
Serbia	..	13	..	27	..	2	..	57	..	1
Sierra Leone ^a	..	..	..	..	..	..	..	..	..	..
Singapore ^a	38	40	39	27	8	0	15	0	..	..
Slovak Republic	..	11	..	14	..	4	..	67	..	5
Slovenia ^a	19	13	21	19	3	3	55	62	3	3
Somalia	..	..	..	..	..	..	..	..	..	..
South Africa	..	12	..	13	..	8	..	61	..	6
Spain	5	4	14	9	12	5	42	79	2	6
Sri Lanka ^a	23	11	20	30	22	26	24	23	10	10
Sudan ^a	44	..	38	..	8	..	10	..	..	..
Swaziland ^a	..	..	..	..	..	..	..	..	..	..
Sweden	10	..	5	..	13	..	71	..	1	..
Switzerland ^a	24	8	6	7	4	5	66	76	1	4
Syrian Arab Republic ^a	..	..	..	..	..	..	..	..	..	..
Tajikistan ^a	47	..	8	..	12	..	33	..	..	..
Tanzania	..	..	..	..	..	..	..	..	..	..
Thailand	..	27	..	35	..	5	..	31	..	4
Timor-Leste	..	..	..	..	..	..	..	..	..	..
Togo ^a	..	21	..	35	..	6	..	19	..	19
Trinidad and Tobago ^a	20	17	36	26	20	8	24	40	1	8
Tunisia ^a	7	6	37	35	13	8	36	41	7	11
Turkey ^a	..	8	..	26	..	24	..	41	..	4
Turkmenistan	..	..	..	..	..	..	..	..	..	..
Uganda ^a	..	28	..	13	..	8	..	51	..	0
Ukraine ^a	..	12	..	13	..	1	..	71	..	4
United Arab Emirates ^a	50	..	37	..	..	..	..	..	..	..
United Kingdom	14	18	15	14	9	5	57	51	8	13
United States	..	16	..	12	..	9	..	60	..	5
Uruguay ^a	13	15	17	24	6	11	64	50	0	..
Uzbekistan	..	..	..	..	..	..	..	..	..	..
Venezuela, RB ^a	6	6	22	16	27	12	61	64	2	3
Vietnam	..	..	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..
Yemen, Rep. ^a	8	..	67	..	16	..	8	..	0	..
Zambia ^a	32	32	35	30	16	7	19	24	0	7
Zimbabwe ^a	16	..	34	..	31	..	19	..	..	..
World	.. m	14 m	.. m	24 m	.. m	6 m	.. m	43 m	.. m	7 m
Low income	..	..	..	..	..	..	..	..	..	..
Middle income	..	13	..	23	..	5	..	43	..	7
Lower middle income	..	16	..	34	..	5	..	36	..	9
Upper middle income	..	12	..	18	..	3	..	52	..	6
Low & middle income	..	15	..	26	..	6	..	36	..	..
East Asia & Pacific	..	..	..	..	..	..	..	..	..	..
Europe & Central Asia	..	13	..	18	..	2	..	59	..	6
Latin America & Carib.	..	14	..	25	..	10	..	36	..	10
Middle East & N. Africa	..	8	..	35	..	7	..	37	..	9
South Asia	..	17	..	14	27	22	24	29	..	10
Sub-Saharan Africa	..	..	..	..	..	..	..	..	..	..
High income	8	10	14	15	9	5	56	62	4	6
Euro area	5	6	14	14	12	6	55	67	5	5

Note: Components may not sum to 100 percent because of rounding or missing data.
a. Data were reported on a cash basis and have been adjusted to the accrual framework.

About the data

The term *expense* has replaced *expenditure* in the table since the 2005 edition of *World Development Indicators* in accordance with use in the International Monetary Fund's (IMF) *Government Finance Statistics Manual 2001*. Government expenses include all nonrepayable payments, whether current or capital, required or unrequired. The concept of total central government expense as presented in the IMF's *Government Finance Statistics Yearbook* is comparable to the concept used in the 1993 United Nations System of National Accounts.

Expenses 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 expenses, usually the central government's responsibility, are shown in table 5.7. For more information on education expenses, see table 2.11; for more on health expenses, see table 2.16.

The classification of expenses by economic type in the table shows whether the government produces goods and services and distributes them, purchases the goods and services from a third party and distributes them, or transfers cash to households to make the purchases directly. When the government produces and provides goods and services, the cost is reflected in compensation of employees, use of goods and services, and consumption of fixed capital. Purchases from a third party and cash transfers to households are shown as subsidies and other

transfers, and other expenses. The economic classification can be problematic. For example, the distinction between current and capital expense may be arbitrary, and subsidies to public corporations or banks may be disguised as capital financing. Subsidies may also be hidden in special contractual pricing for goods and services. For further discussion of government finance statistics, see *About the data* for tables 4.10 and 4.12.

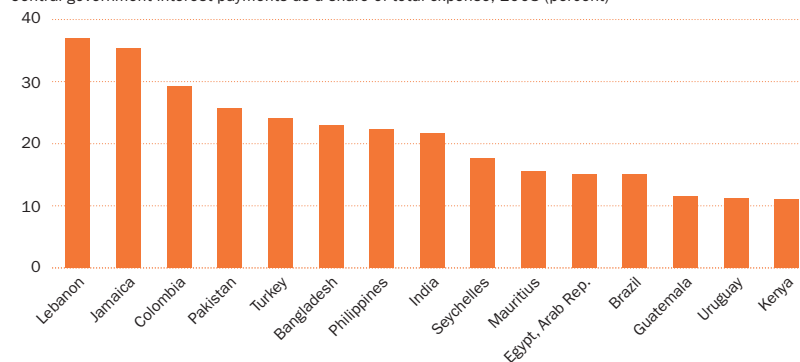
Definitions

- **Goods and services** are all government payments in exchange for goods and services used for the production of market and nonmarket goods and services. Own-account capital formation is excluded.
- **Compensation of employees** is all payments in cash, as well as in kind (such as food and housing), to employees in return for services rendered, and government contributions to social insurance schemes such as social security and pensions that provide benefits to employees.
- **Interest payments** are payments made to nonresidents, to residents, and to other general government units for the use of borrowed money. (Repayment of principal is shown as a financing item, and commission charges are shown as purchases of services.)
- **Subsidies and other transfers** include all unrequited, nonrepayable transfers on current account to private and public enterprises; grants to foreign governments, international organizations, and other government units; and social security, social assistance benefits, and employer social benefits in cash and in kind.
- **Other expense** is spending on dividends, rent, and other miscellaneous expenses, including provision for consumption of fixed capital.

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

4.11a

Central government interest payments as a share of total expense, 2008 (percent)



Interest payments accounted for more than 11 percent of total expenses in 2008 for 15 countries.

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

Data sources

Data on central government expenses are from the IMF's *Government Finance Statistics Yearbook 2008* and data files. Each country's accounts are reported using the system of common definitions and classifications in the IMF's *Government Finance Statistics Manual 2001*. See these sources for complete and authoritative explanations of concepts, definitions, and data sources.

4.12 Central government revenues

	Taxes on income, profits, and capital gains		Taxes on goods and services		Taxes on international trade		Other taxes		Social contributions		Grants and other revenue	
	% of revenue		% of revenue		% of revenue		% of revenue		% of revenue		% of revenue	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Afghanistan ^a	..	5	..	5	..	9	..	0	..	1	..	80
Albania ^a	8	..	39	..	14	..	1	..	15	..	23	..
Algeria ^a	..	58	..	34	..	3	..	1	..	..	..	4
Angola	..	..	..	..	..	..	..	..	..	..	..	..
Argentina	..	..	..	..	..	..	..	..	..	..	..	..
Armenia ^a	..	17	..	43	..	5	..	10	..	13	..	13
Australia	..	66	..	23	..	2	..	0	..	..	..	9
Austria	21	26	22	23	0	0	5	5	43	40	9	6
Azerbaijan ^a	..	33	..	23	..	4	..	1	..	..	..	39
Bangladesh ^a	..	19	..	28	..	27	..	4	..	..	..	23
Belarus ^a	16	7	33	30	6	21	11	7	31	29	3	6
Belgium	36	37	23	24	..	..	2	1	36	35	3	3
Benin ^a	..	18	..	38	..	20	..	10	..	2	..	13
Bolivia	..	10	..	43	..	3	..	9	..	7	..	28
Bosnia and Herzegovina	..	3	..	46	..	0	..	4	..	37	..	10
Botswana ^a	21	..	4	..	15	..	0	..	..	..	59	..
Brazil ^a	..	31	..	23	..	2	..	10	..	23	..	11
Bulgaria ^a	17	17	28	47	8	1	4	0	21	22	23	14
Burkina Faso	..	12	..	39	..	13	..	7	..	..	..	30
Burundi ^a	14	..	30	..	20	..	1	..	5	..	31	..
Cambodia	..	10	..	40	..	22	..	0	..	..	..	28
Cameroon ^a	17	..	25	..	28	..	3	..	2	..	25	..
Canada ^a	50	55	17	16	2	1	..	..	22	21	10	7
Central African Republic ^a	..	..	..	..	..	..	..	..	..	..	..	..
Chad	..	..	..	..	..	..	..	..	..	..	..	..
Chile	..	29	..	39	..	1	..	7	..	6	..	18
China ^a	9	25	61	57	8	5	0	1	..	..	22	12
Hong Kong SAR, China	..	..	..	..	..	..	..	..	..	..	..	..
Colombia	..	16	..	25	..	5	..	8	..	4	..	42
Congo, Dem. Rep. ^a	21	..	12	..	21	..	5	..	1	..	41	..
Congo, Rep.	..	5	..	6	..	3	..	1	..	1	..	84
Costa Rica ^a	..	17	..	37	..	5	..	3	..	31	..	7
Côte d'Ivoire ^a	..	23	..	15	..	35	..	3	..	7	..	18
Croatia ^a	11	9	42	45	9	1	1	1	33	33	4	11
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic ^a	15	18	32	26	4	0	1	1	40	45	8	10
Denmark	34	44	40	40	..	..	7	2	5	3	14	10
Dominican Republic ^a	..	22	..	52	..	10	..	4	..	1	..	11
Ecuador ^a	50	..	26	..	11	..	1	..	..	..	12	..
Egypt, Arab Rep. ^a	17	27	13	20	10	6	10	3	10	..	41	45
El Salvador	..	24	..	41	..	4	..	1	..	10	..	21
Eritrea	..	..	..	..	..	..	..	..	..	..	..	..
Estonia	..	11	..	41	..	..	..	..	..	34	..	..
Ethiopia ^a	..	..	..	..	..	..	..	..	..	..	..	..
Finland	16	21	31	32	0	0	1	2	34	31	17	14
France	17	25	26	23	0	0	3	4	47	43	8	6
Gabon	..	..	..	..	..	..	..	..	..	..	..	..
Gambia, The ^a	14	..	32	..	42	..	0	..	0	..	7	..
Georgia ^a	7	33	48	47	10	1	..	2	13	17	22	18
Germany	16	18	20	23	..	..	0	..	58	55	6	4
Ghana ^a	15	19	31	34	24	18	..	..	..	..	9	30
Greece	18	19	32	29	0	0	3	3	31	36	16	14
Guatemala ^a	19	27	46	58	23	8	3	1	2	2	6	4
Guinea ^a	8	..	5	..	62	..	2	..	1	..	23	..
Guinea-Bissau	..	..	..	..	..	..	..	..	..	..	..	..
Haiti	..	..	..	..	..	..	..	..	..	..	..	..
Honduras	..	20	..	39	..	5	..	1	..	11	..	24

Central government revenues

4.12

ECONOMY

	Taxes on income, profits, and capital gains		Taxes on goods and services		Taxes on international trade		Other taxes		Social contributions		Grants and other revenue	
	% of revenue		% of revenue		% of revenue		% of revenue		% of revenue		% of revenue	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Hungary	16	25	28	31	10	0	1	2	35	34	9	9
India ^a	23	44	28	27	24	15	0	0	0	0	25	14
Indonesia ^a	46	..	33	..	4	..	1	..	6	..	9	..
Iran, Islamic Rep. ^a	12	16	6	2	9	6	1	1	7	14	66	62
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	37	37	..	34	0	0	2	6	17	18	9	4
Israel	..	29	..	30	..	1	..	5	..	17	..	18
Italy	32	35	21	20	..	..	6	5	35	36	6	4
Jamaica ^a	..	37	..	31	..	7	..	10	..	2	..	13
Japan	35	..	14	..	1	..	6	..	26	..	18	..
Jordan ^a	..	11	..	30	..	5	..	3	..	0	..	51
Kazakhstan ^a	11	28	28	21	3	13	5	0	48	..	6	38
Kenya ^a	35	37	40	41	14	11	1	1	0	0	10	10
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep. ^a	32	31	32	25	7	3	10	8	8	15	12	18
Kosovo	..	..	..	..	..	..	..	..	..	..	..	..
Kuwait	1	1	0	..	2	1	0	0	..	..	97	98
Kyrgyz Republic ^a	26	11	56	53	5	11	1	..	..	..	11	25
Lao PDR	..	19	..	36	..	9	..	1	..	..	..	36
Latvia ^a	7	15	41	36	3	1	0	0	35	30	14	18
Lebanon	..	13	..	39	..	7	..	14	..	1	..	26
Lesotho ^a	15	17	12	12	49	57	1	3	..	..	24	11
Liberia	..	..	..	..	..	..	..	..	..	..	..	..
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania	..	21	..	37	..	..	..	0	..	32	..	10
Macedonia, FYR	..	13	..	40	..	5	..	0	..	29	..	14
Madagascar	..	9	..	18	..	35	..	9	..	..	..	29
Malawi	..	..	..	..	..	..	..	..	..	..	..	..
Malaysia ^a	37	..	26	..	12	..	5	..	1	..	19	..
Mali	..	18	..	38	..	9	..	8	..	..	..	27
Mauritania	..	..	..	..	..	..	..	..	..	..	..	..
Mauritius ^a	12	18	25	46	34	11	6	8	6	4	17	13
Mexico ^a	27	..	54	..	4	..	2	..	14	..	16	..
Moldova ^a	6	1	38	50	5	5	1	0	38	29	2	14
Mongolia	31	38	18	26	9	8	0	1	15	11	27	17
Morocco ^a	..	31	..	32	..	6	..	5	..	10	..	16
Mozambique	..	..	..	..	..	..	..	..	..	..	..	..
Myanmar	20	25	26	31	12	2	..	..	..	..	42	42
Namibia ^a	27	28	32	19	28	44	2	2	..	0	11	7
Nepal ^a	10	14	33	35	26	18	4	5	..	..	27	29
Netherlands	26	27	24	28	..	1	2	3	40	34	8	8
New Zealand	..	57	..	26	..	3	..	0	..	0	..	15
Nicaragua ^a	9	26	52	50	7	4	0	0	11	19	31	20
Niger	..	12	..	18	..	26	..	3	..	..	..	41
Nigeria	..	..	..	..	..	..	..	..	..	..	..	..
Norway	..	33	..	21	..	0	..	1	..	17	..	28
Oman ^a	21	..	1	..	3	..	2	..	..	..	74	..
Pakistan ^a	18	27	27	33	24	11	7	1	..	..	24	28
Panama ^a	20	..	17	..	11	..	3	..	16	..	34	..
Papua New Guinea ^a	40	..	8	..	27	..	2	..	1	..	23	..
Paraguay ^a	..	10	..	39	..	7	..	1	..	17	..	26
Peru ^a	15	33	46	37	10	3	8	6	11	8	11	13
Philippines ^a	33	41	26	26	29	22	4	6	..	..	8	11
Poland	..	16	..	39	..	0	..	1	..	35	..	9
Portugal	22	23	32	32	0	0	2	2	30	33	14	..
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..
Qatar	..	45	..	..	..	3	..	..	..	..	..	53



4.12

Central government revenues

	Taxes on income, profits, and capital gains		Taxes on goods and services		Taxes on international trade		Other taxes		Social contributions		Grants and other revenue	
	% of revenue		% of revenue		% of revenue		% of revenue		% of revenue		% of revenue	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Romania	..	22	..	35	..	0	..	0	..	33	..	10
Russian Federation	..	5	..	16	..	25	..	0	..	16	..	38
Rwanda ^a	11	..	25	..	23	..	3	..	2	..	36	..
Saudi Arabia	..	..	..	..	..	..	..	..	..	..	..	..
Senegal ^a	17	..	19	..	36	..	2	..	..	..	26	..
Serbia ^a	..	10	..	42	..	6	..	0	..	35	..	7
Sierra Leone ^a	15	..	34	..	39	..	0	..	..	..	12	..
Singapore ^a	26	34	20	22	1	0	15	11	..	..	38	33
Slovak Republic	..	13	..	33	..	0	..	0	..	41	..	14
Slovenia ^a	13	17	33	32	9	0	0	2	42	38	3	11
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	..	54	..	30	..	3	..	3	..	2	..	8
Spain	28	28	21	15	0	..	0	0	40	52	..	5
Sri Lanka ^a	12	18	50	48	17	14	4	5	1	2	18	13
Sudan ^a	17	..	41	..	27	..	1	..	..	..	14	..
Swaziland ^a	..	..	..	..	..	..	..	..	..	..	..	..
Sweden	12	..	31	..	1	..	7	..	37	..	13	..
Switzerland ^a	11	19	21	32	1	1	2	2	49	36	17	10
Syrian Arab Republic ^a	23	..	37	..	13	..	8	..	0	..	19	..
Tajikistan ^a	6	..	63	..	12	..	0	..	14	..	5	..
Tanzania	..	..	..	..	..	..	..	..	..	..	..	..
Thailand	..	39	..	37	..	5	..	1	..	5	..	14
Timor-Leste	..	..	..	..	..	..	..	..	..	..	..	..
Togo ^a	..	17	..	43	..	21	..	3	..	..	..	16
Trinidad and Tobago ^a	50	57	26	15	6	5	1	9	2	4	15	11
Tunisia ^a	16	28	20	31	28	6	4	4	15	17	17	13
Turkey ^a	..	26	..	49	..	1	..	6	..	..	..	18
Turkmenistan	..	..	..	..	..	..	..	..	..	..	..	..
Uganda ^a	10	22	45	49	7	9	2	0	..	..	37	19
Ukraine ^a	..	14	..	31	..	4	..	0	..	36	..	16
United Arab Emirates ^a	..	..	15	..	..	..	..	..	1	..	84	..
United Kingdom	37	37	32	27	..	..	6	10	20	21	6	5
United States	..	53	..	3	..	1	..	1	..	39	..	4
Uruguay ^a	10	20	32	48	4	4	10	-3	31	22	8	9
Uzbekistan	..	..	..	..	..	..	..	..	..	..	..	..
Venezuela, RB ^a	38	22	33	25	9	5	0	4	4	2	20	43
Vietnam	..	..	..	..	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep. ^a	17	..	10	..	18	..	3	..	..	..	51	..
Zambia ^a	27	33	22	36	36	8	0	0	0	..	15	23
Zimbabwe ^a	36	..	23	..	17	..	3	..	3	..	19	..
World	.. m	21 m	.. m	33 m	.. m	5 m	.. m	2 m	.. m	.. m	.. m	14 m
Low income	..	..	..	..	..	..	..	..	..	..	..	..
Middle income	..	22	..	36	..	5	..	1	..	13	..	14
Lower middle income	..	26	..	32	..	6	..	1	..	..	..	17
Upper middle income	..	18	..	37	..	4	..	3	..	22	..	13
Low & middle income	..	18	..	36	..	7	..	2	..	..	..	16
East Asia & Pacific	33	..	26	..	12	..	2	..	..	..	22	..
Europe & Central Asia	..	16	..	40	..	4	..	0	..	30	..	14
Latin America & Carib.	..	25	..	39	..	4	..	2	..	10	..	16
Middle East & N. Africa	..	27	..	31	..	6	..	3	..	..	..	26
South Asia	15	19	31	28	24	15	4	1	..	0	25	28
Sub-Saharan Africa	..	..	..	..	..	..	..	..	..	..	..	..
High income	21	29	25	27	..	1	2	2	35	34	10	10
Euro area	22	26	24	24	0	0	2	2	36	38	8	6

Note: Components may not sum to 100 percent because of missing data or adjustment to tax revenue.
a. Data were reported on a cash basis and have been adjusted to the accrual framework.

About the data

The International Monetary Fund (IMF) classifies government revenues as taxes, grants, and property income. Taxes are classified by the base on which the tax is levied, grants by the source, and property income by type (for example, interest, dividends, or rent). The most important source of revenue is taxes. Grants are unrequited, nonrepayable, non-compulsory receipts from other government units and foreign governments or from international organizations. Transactions are generally recorded on an accrual basis.

The IMF's *Government Finance Statistics Manual 2001* describes taxes as compulsory, unrequited payments made to governments by individuals, businesses, or institutions. Taxes are classified in six major groups by the base on which the tax is levied: income, profits, and capital gains; payroll and workforce; property; goods and services; international trade and transactions; and other. However, the distinctions are not always clear. Taxes levied on the income and profits of individuals and corporations are classified as direct taxes, and taxes and duties levied on goods and services are classified as indirect taxes. This distinction may be a useful simplification, but it has no particular analytical significance except with respect to the capacity to fix tax rates.

Direct taxes tend to be progressive, whereas indirect taxes are proportional.

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 expenses (see table 4.11). 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 4.10 and 4.11.

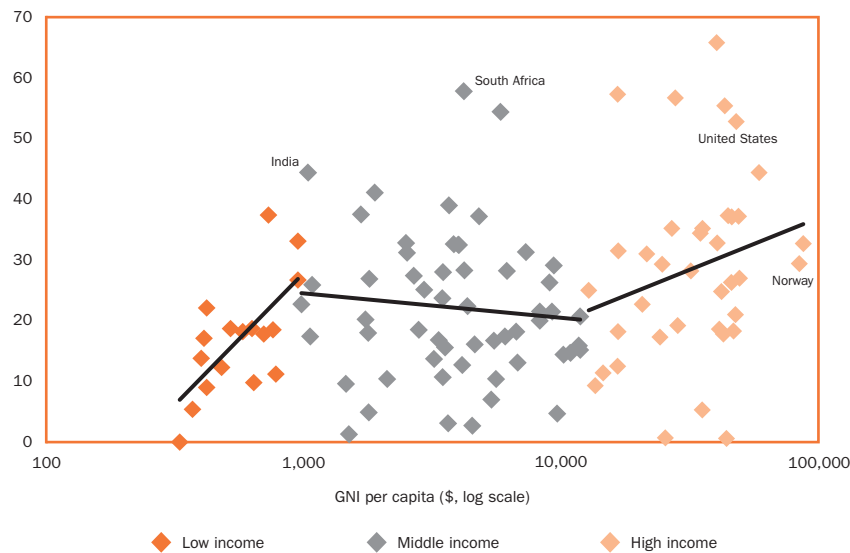
Definitions

- **Taxes on income, profits, and capital gains** are levied on the actual or presumptive net income of individuals, on the profits of corporations and enterprises, and on capital gains, whether realized or not, on land, securities, and other assets. Intragovernmental payments are eliminated in consolidation.
- **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, taxes on extraction and production of minerals, 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, such as penalties for late payment or nonpayment of taxes.
- **Social contributions** include social security contributions by employees, employers, and self-employed individuals, and other contributions whose source cannot be determined. They also include actual or imputed contributions to social insurance schemes operated by governments.
- **Grants and other revenue** include grants from other foreign governments, international organizations, and other government units; interest; dividends; rent; required, nonrepayable receipts for public purposes (such as fines, administrative fees, and entrepreneurial income from government ownership of property); and voluntary, unrequited, nonrepayable receipts other than grants.

Rich economies rely more on direct taxes

4.12a

Taxes on income and capital gains as a share of central government revenue, 2008 (percent)



High-income economies tend to tax income and property, whereas low-income economies tend to rely on indirect taxes on international trade and goods and services. But there are exceptions in all groups.

Note: Data are for the most recent year for 2005–08.

Source: International Monetary Fund, Government Finance Statistics data files, and World Development Indicators data files.

Data sources

Data on central government revenues are from the IMF's *Government Finance Statistics Yearbook 2008* and data files. Each country's accounts are reported using the system of common definitions and classifications in the IMF's *Government Finance Statistics Manual 2001*. 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.



4.13

Monetary indicators

	Money and quasi money		Claims on private sector		Claims on governments and other public entities		Interest rate					
	annual % growth		Annual growth % of M2		Annual growth % of M2		Deposit		% Lending		Real	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Afghanistan	..	27.8	..	12.8	..	1.2	..	..	..	14.9	..	9.6
Albania	51.8	7.7	1.8	12.3	-8.3	2.1	15.3	6.8	19.7	13.0	13.3	10.3
Algeria	9.6	15.7	1.0	3.6	-10.0	-26.9	16.6	1.8	18.4	8.0	-7.9	-2.5
Angola	4,105.6	66.2	471.4	36.9	119.5	18.0	125.9	6.2	206.3	12.5	-84.7	-9.2
Argentina	-2.8	8.1	-1.1	9.1	7.8	-1.2	11.9	11.0	17.9	19.5	14.2	0.3
Armenia	64.3	2.4	70.3	29.9	7.2	2.2	63.2	6.6	111.9	17.1	-18.9	8.0
Australia	8.5	14.2	12.5	15.0	0.4	3.3	6.1	5.2	10.7	8.9	9.1	4.3
Austria ^a	..	..	..	..	..	..	2.2	..	6.4	..	6.1	..
Azerbaijan	25.4	44.3	6.1	37.2	-32.7	-15.2	..	12.2	..	19.8	..	-1.0
Bangladesh	12.1	16.3	25.0	13.5	4.8	3.4	6.0	9.7	14.0	16.4	6.2	7.0
Belarus	158.4	28.3	61.4	55.8	44.7	-12.5	100.8	8.5	175.0	8.6	-63.9	-9.9
Belgium ^a	..	..	..	..	..	..	4.0	..	8.4	8.6	7.1	6.8
Benin	-1.8	26.6	2.2	12.0	6.0	12.2	3.5	3.5	16.8	..	13.0	..
Bolivia	7.7	22.7	13.7	4.5	1.1	-2.1	18.9	4.7	51.0	13.9	35.5	3.2
Bosnia and Herzegovina	22.0	-0.1	23.9	17.3	-0.4	0.6	51.9	3.5	73.5	7.0	76.3	-0.7
Botswana	12.3	21.1	-1.7	12.6	10.0	-5.9	9.8	8.7	14.4	16.5	5.2	-0.4
Brazil	44.3	17.3	40.5	20.6	14.6	7.6	52.2	11.7	78.2	47.3	65.5	39.1
Bulgaria	40.5	8.8	22.1	27.5	-7.2	-2.0	35.9	4.4	79.4	10.9	10.1	-0.5
Burkina Faso	22.3	12.3	2.9	15.3	-7.3	4.1	3.5	3.5	16.8	..	16.5	..
Burundi	-8.0	42.4	-7.1	11.3	0.2	4.0	..	..	15.3	16.5	-0.7	-6.4
Cambodia	43.6	5.4	12.5	30.7	1.2	-10.5	8.7	1.9	18.7	16.4	6.4	11.2
Cameroon	-6.2	13.7	0.3	9.3	-2.2	-9.1	5.5	3.8	16.0	15.0	6.0	12.7
Canada	4.8	15.1	3.8	6.1	0.2	5.0	5.3	1.5	8.7	4.7	6.2	0.5
Central African Republic	4.3	16.5	3.9	6.0	-7.9	10.2	5.5	3.8	16.0	15.0	5.2	12.2
Chad	48.8	13.6	6.4	10.1	-18.6	-46.5	5.5	3.8	16.0	15.0	6.6	9.4
Chile	24.3	15.6	34.9	24.6	-2.0	-3.6	13.7	7.5	18.2	13.3	7.0	13.0
China	29.5	17.8	22.5	9.9	0.8	0.3	11.0	2.3	12.1	5.3	-1.5	-1.8
Hong Kong SAR, China	10.6	4.2	9.8	2.8	-2.4	-1.5	5.6	0.4	8.8	5.0	4.4	3.5
Colombia	28.2	8.5	34.3	23.1	2.9	2.5	32.3	9.7	42.7	17.2	20.1	8.2
Congo, Dem. Rep.	357.6	55.7	59.6	42.7	-7.9	5.3	60.0	..	293.9	..	-30.5	..
Congo, Rep.	-0.1	37.1	6.3	10.6	2.0	-83.4	5.5	3.8	16.0	15.0	12.2	24.9
Costa Rica	4.7	11.2	-1.4	51.7	5.6	0.4	23.9	4.2	36.7	15.8	11.9	3.3
Côte d'Ivoire	18.1	5.7	13.3	6.1	0.3	-1.1	3.5	3.5	16.8	..	16.8	..
Croatia	40.4	4.4	30.5	11.0	-2.4	2.9	5.5	2.8	20.2	10.1	-2.9	3.5
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	29.3	8.6	15.8	9.7	2.1	0.4	7.0	1.6	12.8	6.3	-3.6	4.3
Denmark	6.2	7.8	2.6	30.7	-1.5	-14.0	3.9	..	10.3	..	9.0	..
Dominican Republic	16.6	1.3	14.4	10.5	-1.7	12.3	14.9	10.3	30.7	20.0	19.4	9.2
Ecuador	6.8	23.6	15.1	21.6	-74.8	-12.8	43.3	4.9	55.7	12.1	45.7	4.8
Egypt, Arab Rep.	9.9	10.5	12.1	6.2	0.6	4.6	10.9	6.6	16.5	12.3	4.6	0.4
El Salvador	13.5	-0.4	22.6	4.5	-0.9	0.7	14.4	..	19.1	..	7.8	..
Eritrea	21.0	15.9	27.8	1.9	20.5	14.0	..	..	..	..	..	..
Estonia	27.5	6.0	28.9	12.5	-9.3	1.8	8.7	5.7	19.0	8.6	-11.4	1.8
Ethiopia	9.0	23.4	13.4	17.7	-3.5	2.5	11.5	3.6	15.1	8.0	2.1	-15.9
Finland ^a	..	..	..	..	..	..	3.2	..	7.8	..	2.9	..
France ^a	..	..	..	..	..	..	4.5	3.7	8.1	..	6.7	..
Gabon	10.1	9.1	11.9	-10.6	5.8	30.3	5.5	3.8	16.0	15.0	14.5	9.3
Gambia, The	14.2	18.4	-5.0	6.8	15.2	21.4	12.5	12.9	25.0	27.0	20.3	21.0
Georgia	40.2	6.9	-11.1	37.9	73.8	-13.6	31.0	10.4	58.2	21.2	10.6	10.2
Germany ^a	..	..	..	..	..	..	3.9	..	10.9	..	8.9	..
Ghana	43.2	42.8	10.2	20.1	28.1	10.9	28.7	8.9	..	..	..	..
Greece ^a	..	..	..	..	..	..	15.8	2.2	23.1	..	12.1	..
Guatemala	15.6	8.9	36.1	6.2	-7.1	0.1	7.9	5.1	21.2	13.4	11.5	4.5
Guinea	11.3	33.4	12.1	19.8	8.4	18.1	17.5	14.4	21.5	..	14.7	..
Guinea-Bissau	43.0	29.5	-6.7	11.8	-20.4	-1.6	3.5	3.5	32.9	..	-8.2	..
Haiti	27.1	11.1	15.7	2.7	0.1	-3.6	32.5	2.1	15.1	17.8	-0.8	-2.8
Honduras	28.9	5.4	18.0	10.8	-7.5	2.9	12.0	9.5	27.0	17.9	1.7	7.4

Monetary indicators

4.13

ECONOMY

	Money and quasi money		Claims on private sector		Claims on governments and other public entities		Interest rate					
	annual % growth		Annual growth % of M2		Annual growth % of M2		Deposit		% Lending		Real	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Hungary	20.9	9.4	4.9	21.0	20.2	-2.3	24.4	9.9	32.6	10.2	4.6	6.1
India	11.0	20.5	6.0	14.1	3.4	7.9	..	..	15.5	13.3	5.9	6.7
Indonesia	27.5	15.0	25.9	18.7	-2.3	-7.0	16.7	8.5	18.9	13.6	8.3	-4.0
Iran, Islamic Rep.	30.1	7.9	9.8	8.4	17.3	-4.7	..	11.6	..	12.0	..	-7.0
Iraq	..	35.2	..	5.3	..	-54.7	..	11.4	..	19.7	..	..
Ireland ^a	..	..	..	..	..	..	0.4	0.0	6.6	2.7	3.4	0.1
Israel	21.7	-3.4	18.3	6.9	-0.5	3.6	14.1	3.3	20.2	6.1	-0.3	4.4
Italy ^a	..	..	..	..	..	..	6.4	..	13.2	6.8	7.9	3.8
Jamaica	28.0	5.7	18.0	14.2	6.1	11.3	23.2	7.6	43.6	16.8	17.5	-3.6
Japan	4.1	0.8	1.3	0.5	2.5	2.7	0.9	0.6	3.5	1.9	4.0	3.0
Jordan	5.7	21.1	9.6	9.5	-3.8	12.0	7.7	5.5	10.7	9.0	8.6	-5.8
Kazakhstan	108.2	35.4	-72.5	8.6	24.7	-9.6	..	..	..	..	..	..
Kenya	29.0	15.6	26.7	17.3	6.6	3.3	13.6	5.3	28.8	14.0	15.8	0.8
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	15.6	15.9	21.6	24.5	-1.2	2.5	8.8	5.9	9.0	7.2	1.5	4.3
Kosovo	..	23.6	..	25.8	..	-1.6	..	..	..	13.8	..	..
Kuwait	9.4	15.6	10.9	20.3	-2.0	-0.8	6.5	4.8	8.4	7.6	3.4	2.5
Kyrgyz Republic	14.8	33.2	0.1	29.2	62.6	-8.8	36.7	4.0	65.0	19.9	21.9	-1.1
Lao PDR	16.4	18.3	18.1	19.4	-9.7	-3.4	14.0	5.0	25.7	24.0	5.0	14.6
Latvia	-21.4	-4.0	-23.8	24.2	6.5	-4.7	14.8	6.3	34.6	11.9	5.5	-2.9
Lebanon	16.4	14.8	13.1	6.4	5.1	2.1	16.3	7.7	24.7	10.0	12.8	2.1
Lesotho	9.8	19.7	-2.3	6.8	-18.7	-15.9	13.3	7.6	16.4	16.2	6.0	6.0
Liberia	29.5	42.6	-6.0	17.5	37.2	21.6	6.4	3.8	15.6	14.4	8.5	3.6
Libya	9.6	49.2	3.1	9.5	3.6	-37.4	5.5	2.5	7.0	6.0	..	-15.5
Lithuania	28.9	-0.7	12.7	24.3	-2.4	3.9	20.1	7.7	27.1	8.4	-14.5	-1.7
Macedonia, FYR	1.8	10.9	-138.9	24.7	-229.7	2.2	24.1	5.9	46.0	9.7	24.6	2.4
Madagascar	16.2	12.8	9.4	12.8	-10.3	-8.5	18.5	11.5	37.5	45.0	-5.3	32.5
Malawi	56.2	62.6	2.8	39.8	-10.4	74.3	37.3	6.0	47.3	25.3	-16.9	15.0
Malaysia	18.5	11.3	29.2	8.8	-0.7	4.1	5.9	3.1	8.7	6.1	4.9	-3.8
Mali	7.3	-1.5	18.9	5.1	-11.6	-2.5	3.5	3.5	16.8	..	14.5	..
Mauritania	-5.1	..	-42.5	..	-28.9	..	9.0	8.0	20.3	23.5	17.0	26.7
Mauritius	18.6	14.7	8.7	20.8	3.0	0.6	12.2	10.1	20.8	21.5	14.6	12.9
Mexico	31.9	9.9	-2.9	1.3	27.6	2.1	39.8	3.0	59.4	8.7	15.6	2.1
Moldova	65.3	15.9	34.6	11.9	19.1	-2.5	25.4	17.9	36.7	21.1	7.7	10.3
Mongolia	32.6	-6.7	14.4	24.4	-31.8	5.8	74.6	11.2	134.4	20.6	46.9	-1.5
Morocco	7.0	10.8	6.9	16.0	5.1	-0.1	7.3	3.9	11.3	..	3.1	..
Mozambique	47.7	23.9	21.8	24.5	-12.5	-1.8	38.8	11.0	24.4	18.3	18.0	9.8
Myanmar	36.5	14.8	13.4	2.6	19.7	13.2	9.8	12.0	16.5	17.0	-2.6	..
Namibia	22.6	17.9	30.5	9.2	1.7	-10.0	10.8	8.4	18.5	13.7	12.1	0.0
Nepal	15.4	23.3	18.1	15.9	3.3	0.5	9.6	2.3	12.9	8.0	4.7	0.3
Netherlands ^a	..	..	..	..	..	..	4.4	4.4	7.2	4.6	5.0	1.7
New Zealand	9.4	10.3	16.2	14.0	-4.1	4.5	8.5	7.6	11.3	12.2	9.1	7.9
Nicaragua	35.1	7.3	30.3	11.9	-21.5	4.4	11.1	6.6	19.9	13.2	5.7	-3.1
Niger	3.8	11.9	-22.8	19.9	10.2	-18.3	3.5	3.5	16.8	..	15.5	..
Nigeria	19.4	52.5	22.3	51.9	-9.1	-23.5	13.5	12.0	20.2	15.5	-22.9	4.1
Norway	3.8	..	9.5	..	-1.9	..	5.0	5.5	7.6	7.3	4.4	-1.8
Oman	7.7	23.3	9.3	40.5	-2.3	-20.4	6.5	4.5	9.4	7.1	7.5	2.1
Pakistan	13.8	19.5	10.8	10.0	8.7	7.1	..	6.9	..	12.9	..	-2.9
Panama	8.4	14.6	14.5	16.4	-4.3	-3.1	7.2	3.5	11.1	8.2	10.6	-0.3
Papua New Guinea	13.7	11.2	0.2	17.4	5.0	-2.8	7.3	1.3	13.1	9.3	-2.3	-2.1
Paraguay	0.5	12.2	4.9	29.4	0.1	-8.8	21.2	3.1	33.9	25.8	17.9	17.4
Peru	29.3	23.2	31.1	22.0	-8.1	-7.2	9.6	3.5	36.2	23.7	20.5	20.9
Philippines	23.9	5.4	27.9	2.1	3.0	0.1	8.4	4.5	14.7	8.8	6.6	1.1
Poland	35.6	19.1	19.1	29.9	3.1	9.0	26.8	2.2	33.5	5.5	-5.2	3.9
Portugal ^a	..	..	..	..	..	..	8.4	..	13.8	..	10.0	..
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..
Qatar	1.1	19.7	3.9	32.9	-3.8	-1.3	6.2	3.0	8.9	6.8	..	-10.0



4.13

Monetary indicators

	Money and quasi money		Claims on private sector		Claims on governments and other public entities		Interest rate					
	annual % growth		Annual growth % of M2		Annual growth % of M2		Deposit		% Lending		Real	
	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008	1995	2008
Romania	69.6	17.5	23.1	33.2	11.6	7.9	44.7	9.5	50.7	15.0	11.4	3.1
Russian Federation	112.6	14.6	46.2	31.2	73.6	-17.2	102.0	5.8	320.3	12.2	72.3	-5.8
Rwanda	69.5	18.0	32.7	14.5	-41.0	-13.8	11.1	6.8	18.5	16.5	6.9	-0.8
Saudi Arabia	3.4	18.0	3.4	19.7	1.4	-59.6	6.2	2.9	..	..	..	..
Senegal	7.4	1.8	1.2	10.6	1.0	-3.3	3.5	3.5	16.8	..	17.8	..
Serbia	33.0	9.8	88.5	29.8	34.1	6.8	19.1	7.3	78.0	18.1	23.0	0.5
Sierra Leone	19.6	22.5	1.6	13.9	-101.6	19.9	7.0	9.7	28.8	24.5	-3.6	12.0
Singapore	8.5	12.0	19.7	11.9	-8.1	-4.9	3.5	0.4	6.4	5.4	4.0	4.2
Slovak Republic ^a	..	..	..	..	..	..	9.0	3.7	16.9	8.0	7.1	6.8
Slovenia ^a	..	..	..	..	..	..	15.4	4.1	23.4	6.7	-4.0	2.5
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	16.0	15.2	18.9	12.1	-4.1	0.4	13.5	11.6	17.9	15.1	6.9	3.9
Spain ^a	..	..	..	..	..	..	7.7	..	10.1	..	4.9	..
Sri Lanka	35.8	8.4	75.4	6.2	5.4	13.3	12.1	10.9	18.0	18.9	8.0	2.2
Sudan	72.7	16.3	10.6	4.8	389.1	0.7	..	..	..	..	..	..
Swaziland	3.9	15.4	1.3	6.5	-14.8	-26.2	9.4	8.2	17.1	14.8	-1.5	4.3
Sweden	..	10.1	..	17.2	..	-2.8	6.2	0.8	11.1	3.3	7.2	2.4
Switzerland	4.6	3.0	4.0	-1.2	0.2	2.7	1.3	0.2	5.5	3.3	4.7	1.1
Syrian Arab Republic	9.2	25.2	3.9	7.3	6.1	-2.9	4.0	8.3	9.0	10.2	2.2	-3.2
Tajikistan	..	-3.6	..	145.1	..	-9.8	23.9	8.4	75.5	23.7	6.2	-3.1
Tanzania	33.0	19.8	-3.9	13.9	16.3	-0.2	24.6	8.0	42.8	15.0	12.6	5.6
Thailand	17.7	8.7	40.3	8.0	-4.2	0.9	11.6	2.5	13.3	7.0	7.3	3.1
Timor-Leste	..	34.1	..	1.4	..	-7.6	..	0.8	..	13.1	..	2.2
Togo	22.3	18.2	17.6	-2.6	14.9	15.7	3.5	3.5	17.5	..	13.8	..
Trinidad and Tobago	4.0	17.1	9.0	7.9	0.6	-17.4	6.9	7.4	15.2	12.4	10.7	5.1
Tunisia	6.6	14.8	10.4	14.7	-1.2	-0.3	..	..	..	..	..	..
Turkey	104.2	24.9	66.9	16.5	30.1	5.8	76.0	22.9	..	..	..	..
Turkmenistan	449.5	..	76.3	..	-573.1	..	..	..	..	..	..	..
Uganda	13.9	30.8	9.6	28.2	-41.2	12.0	7.6	9.3	20.2	20.5	9.9	13.3
Ukraine	115.5	31.0	7.7	71.9	95.4	7.0	70.3	9.9	122.7	17.5	-56.8	-9.0
United Arab Emirates	10.2	19.2	10.7	43.6	-4.3	-1.3	..	..	..	..	..	..
United Kingdom	..	..	..	..	..	..	4.1	..	6.7	4.6	3.9	2.2
United States	6.9	8.0	6.0	1.7	0.2	-3.1	..	..	8.8	5.1	6.7	2.9
Uruguay	36.9	31.2	35.2	22.4	1.0	16.4	57.7	3.2	93.1	12.5	36.9	3.4
Uzbekistan	..	..	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	36.6	26.1	15.3	18.6	32.8	-1.9	24.7	16.2	39.7	22.4	-7.9	-6.8
Vietnam	25.8	20.7	18.9	21.7	0.7	2.6	8.5	12.7	20.1	15.8	10.5	-4.9
West Bank and Gaza	..	5.6	..	2.9	..	2.4	..	3.0	..	7.7	..	2.3
Yemen, Rep.	50.7	13.2	6.0	4.1	13.3	1.6	23.8	13.0	31.5	18.0	-3.2	-0.5
Zambia	55.5	23.2	34.2	26.5	185.8	2.0	30.2	6.6	45.5	19.1	5.4	7.5
Zimbabwe	25.5	60,376.3	25.5	67,582.1	-0.3	11,566.1	25.9	121.5	34.7	579.0	23.0	-0.7

a. As members of the European Monetary Union, these countries share a single currency, the euro.

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 prior 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 for foreign exchange transactions, particularly in countries with flexible exchange rates or in countries that have undergone 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.

Many interest rates coexist in an economy, reflecting competitive conditions, the terms governing loans and deposits, and differences in the position and status of creditors and debtors. In some economies interest rates are set by regulation or administrative fiat. In economies with imperfect markets, or where reported nominal rates are not indicative of effective rates, it may be difficult to obtain data on interest rates that reflect actual market transactions. Deposit and lending rates are collected by the International Monetary Fund (IMF) as representative interest rates offered by banks to resident customers. The terms and conditions attached to these rates differ by country, however, limiting their comparability. Real interest rates are calculated by adjusting nominal rates by an estimate of the inflation rate in the economy. A negative real interest rate indicates a loss in the purchasing power of the principal. The real interest rates in the table are calculated as $(i - P) / (1 + P)$, where i is the nominal lending interest rate and P is the inflation rate (as measured by the GDP deflator).

Definitions

- **Money and quasi money** are 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 IMF's *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 32 d) 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 32 an + 32 b + 32 bx + 32 c) 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.
- **Deposit interest rate** is the rate paid by commercial or similar banks for demand, time, or savings deposits.
- **Lending interest rate** is the rate charged by banks on loans to prime customers.
- **Real interest rate** is the lending interest rate adjusted for inflation as measured by the GDP deflator.

Data sources

Data on monetary and financial statistics 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 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. Data on real interest rates are derived from World Bank data on the GDP deflator.



4.14

Exchange rates and prices

	Official exchange rate		Purchasing power parity (PPP) conversion factor		Ratio of PPP conversion factor to market exchange rate	Real effective exchange rate	GDP implicit deflator		Consumer price index		Wholesale price index	
	local currency units to \$		local currency units to international \$				Index 2000 = 100	average annual % growth		average annual % growth		average annual % growth
	2008	2009 ^a	1995	2008	2008	1990-2000		2000-08	1990-2000	2000-08	1990-2000	2000-08
Afghanistan	50.25	49.04	..	17.0	0.3	..	..	6.9	..	12.9	..	..
Albania	83.89	93.98	26.0	46.4	0.5	..	37.7	3.5	27.8	2.9	..	4.8
Algeria	64.58	72.93	15.4	39.0	0.6	101.9	18.5	9.2	17.3	2.8	..	3.5
Angola	75.03	88.75	0.0	60.8	0.8	..	739.4	48.4	711.0	47.0	..	..
Argentina	3.14	3.79	1.0	1.8	0.6	..	5.2	12.8 ^b	8.9	10.4 ^b	0.1	16.9
Armenia	305.97	380.47	116.6	195.2	0.6	140.4	212.5	4.6	70.5	3.8	..	1.0
Australia	1.19	1.11	1.3	1.5	1.3	105.6	1.5	3.8	2.1	3.0	1.1	3.9
Austria ^c	0.68	0.68	0.9	0.9	1.3	101.8	1.6	1.8	2.2	2.0	0.3	2.8
Azerbaijan	0.82	0.80	0.2	0.5	0.6	..	203.0	10.9	170.9	10.0	..	..
Bangladesh	68.60	69.16	19.2	25.6	0.4	..	4.1	4.9	5.5	6.7	..	..
Belarus	2,136.40	2,838.98	3.5	1,084.7	0.5	..	355.1	25.5	271.3	20.2	267.8	24.3
Belgium ^c	0.68	0.68	0.9	0.9	1.3	104.9	1.8	2.1	1.9	2.2	1.2	2.8
Benin	447.81	449.31	187.5	234.6	0.5	..	8.7	3.4	8.7	3.1	..	..
Bolivia	7.24	7.02	1.7	2.9	0.4	117.6	8.6	7.0	8.7	4.9	..	..
Bosnia and Herzegovina	1.34	1.34	0.6	0.8	0.6	..	3.7	4.2	..	..	..	..
Botswana	6.83	6.54	1.4	3.5	0.5	..	9.7	9.2	10.4	8.7	..	..
Brazil	1.83	1.75	0.7	1.5	0.8	..	211.8	8.1	199.5	7.3	204.9	11.0
Bulgaria	1.34	1.34	0.0	0.7	0.6	121.6	103.3	5.6	117.5	6.3	85.7	6.7
Burkina Faso	447.81	449.31	189.6	201.5	0.5	..	3.7	2.4	5.5	2.9	..	..
Burundi	1,185.73	1,230.50	126.6	446.2	0.4	99.5	13.4	9.6	16.1	8.5	..	..
Cambodia	4,054.17	4,160.00	1,142.8	1,478.8	0.4	94.3	4.4	4.6	6.3	5.6	..	..
Cameroon	447.81	449.31	241.2	250.3	0.6	108.7	6.3	2.2	6.5	2.3	..	..
Canada	1.07	1.05	1.2	1.2	1.2	108.8	1.5	2.8	1.7	2.2	2.7	1.5
Central African Republic	447.81	449.31	272.0	277.1	0.6	113.6	4.5	2.4	5.3	3.0	6.0	4.4
Chad	447.81	449.31	163.2	256.9	0.6	126.7	7.1	6.5	6.9	2.2	..	..
Chile	522.46	501.45	263.8	365.3	0.7	106.0	7.9	6.6	8.9	3.2	7.0	6.5
China	6.95	6.83	3.4	3.8	0.6	116.2	7.9	4.3	8.6	2.2	..	..
Hong Kong SAR, China	7.79	7.75	7.9	5.5	0.7	..	4.5	-1.7	5.9	0.0	0.6	1.1
Colombia	1,967.71	2,016.70	423.8	1,212.2	0.6	114.3	22.3	7.0	20.2	5.9	16.4	5.2
Congo, Dem. Rep.	559.29	904.31	0.0	323.8	0.6	107.4	964.9	28.5	930.2	26.9	..	..
Congo, Rep.	447.81	449.31	149.1	336.6	0.8	..	9.0	7.2	9.3	3.1	..	..
Costa Rica	526.24	567.99	103.1	307.8	0.6	109.2	15.9	10.2	15.6	11.3	14.1	13.0
Côte d'Ivoire	447.81	449.31	261.9	308.4	0.7	106.0	9.2	3.4	7.2	3.0	..	..
Croatia	4.94	4.98	3.1	4.4	0.9	107.1	90.1	3.8	86.3	2.8	69.8	2.9
Cuba	..	..	..	..	..	..	3.0	2.6	..	..	..	..
Czech Republic	17.07	17.84	11.1	14.4	0.8	125.9	12.8	2.2	7.8	2.5	8.2	2.5
Denmark	5.10	5.09	8.5	8.6	1.7	103.6	1.6	2.4	2.1	2.0	1.1	2.7
Dominican Republic	34.62	36.21	7.3	19.5	0.6	97.3	9.8	15.1	8.7	16.0	..	..
Ecuador	1.00	1.00	0.4	0.5	0.5	93.1	4.4	9.8	37.1	7.0	..	9.3
Egypt, Arab Rep.	5.43	5.60	1.2	2.0	0.4	..	8.7	7.8	8.8	7.2	6.1	10.2
El Salvador	1.00	1.00	0.4	0.5	0.5	..	6.2	3.7	8.5	3.9	..	5.2
Eritrea	15.38	15.38	1.9	8.1	0.5	..	7.9	18.0	..	..	..	..
Estonia	10.69	10.70	4.8	9.1	0.9	..	53.6	5.6	21.6	4.3	8.1	3.3
Ethiopia	9.60	12.58	2.1	3.5	0.4	99.6	6.5	8.7	5.5	11.1	..	..
Finland ^c	0.68	0.68	1.0	1.0	1.4	104.2	2.0	1.2	1.5	1.5	1.0	2.4
France ^c	0.68	0.68	1.0	0.9	1.4	103.0	1.3	2.1	1.6	1.9	..	2.1
Gabon	447.81	449.31	188.0	308.6	0.7	105.9	7.0	6.0	4.6	1.5	..	..
Gambia, The	22.19	26.90	3.9	8.0	0.4	125.6	4.2	10.8	4.0	8.1	..	..
Georgia	1.49	1.68	0.4	0.9	0.6	127.4	356.7	7.3	24.7	7.1	..	7.4
Germany ^c	0.68	0.68	1.0	0.9	1.3	103.0	1.7	1.1	2.1	1.7	0.4	2.7
Ghana	1.06	1.43	0.1	0.5	0.5	101.7	26.7	18.6	28.4	16.4	..	..
Greece ^c	0.68	0.68	0.6	0.7	1.1	105.6	9.2	3.3	9.0	3.4	3.6	4.7
Guatemala	7.56	8.33	2.9	4.5	0.6	..	10.4	5.2	10.1	7.5	..	..
Guinea	5,500.00	..	747.7	2,013.9	0.4	..	5.5	16.5	..	..	..	..
Guinea-Bissau	447.81	449.31	114.6	243.1	0.5	..	32.5	3.3	34.0	2.3	..	..
Haiti	39.11	41.88	5.8	25.4	0.7	..	18.1	17.5	21.9	18.0	..	..
Honduras	18.90	18.90	3.0	9.3	0.5	..	19.9	6.5	18.8	7.9	..	..

Exchange rates and prices

4.14

ECONOMY

	Official exchange rate		Purchasing power parity (PPP) conversion factor		Ratio of PPP conversion factor to market exchange rate	Real effective exchange rate	GDP implicit deflator		Consumer price index		Wholesale price index		
	local currency units to \$		local currency units to international \$				Index 2000 = 100	average annual % growth		average annual % growth		average annual % growth	
	2008	2009 ^a	1995	2008				2008	1990-2000	2000-08	1990-2000	2000-08	1990-2000	2000-08
Hungary	172.11	186.76	61.7	134.0	0.8	112.9	19.6	5.0	20.3	5.5	16.8	3.3	
India	43.51	46.63	11.1	15.9	0.4	..	8.1	4.5	9.1	4.8	7.4	5.2	
Indonesia	9,698.96	9,457.75	1,031.8	5,460.4	0.6	..	15.8	10.9	13.7	9.3	15.4	11.0	
Iran, Islamic Rep.	9,428.53	9,969.95	567.5	3,412.4	0.4	126.7	27.7	17.4	26.0	15.1	28.4	10.8	
Iraq	1,193.08	1,170.00	..	..	..	..	..	..	..	..	..	..
Ireland ^c	0.68	0.68	0.8	1.0	1.4	113.8	3.6	2.6	2.6	3.6	1.6	-1.9	
Israel	3.59	3.79	3.1	3.6	1.0	114.3	11.0	1.2	9.7	1.7	8.1	4.9	
Italy ^c	0.68	0.68	0.8	0.8	1.2	103.5	3.8	2.6	3.7	2.3	2.9	3.0	
Jamaica	72.76	88.92	14.6	51.3	0.7	..	24.8	11.5	23.5	11.4	..	..
Japan	103.36	89.56	174.6	116.5	1.1	91.5	0.1	-1.2	0.8	-0.1	-1.0	0.8	
Jordan	0.71	0.71	0.4	0.5	0.7	..	3.2	4.3	3.5	4.2	..	13.6	
Kazakhstan	120.30	148.69	17.5	90.5	0.8	..	204.7	15.1	67.8	8.3	16.3	14.9	
Kenya	69.18	74.74	15.8	35.0	0.5	..	16.6	5.7	15.6	10.7	..	..
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	1,102.05	1,166.13	691.1	761.7	0.7	..	5.9	2.2	5.1	3.1	3.7	2.5	
Kosovo	..	..	..	..	..	..	..	..	..	1.3	..	..
Kuwait	0.27	0.29	0.2	0.3	0.9	..	1.5	9.8	2.0	3.0	1.4	2.5	
Kyrgyz Republic	36.57	43.99	3.5	16.0	0.4	..	110.6	7.8	23.3	6.1	35.6	9.4	
Lao PDR	8,744.06	8,486.32	327.7	3,634.2	0.4	..	27.2	9.6	28.3	9.0	..	..
Latvia	0.48	0.48	0.2	0.4	0.9	..	48.0	8.7	29.2	6.1	12.0	7.6	
Lebanon	1,507.50	1,507.50	775.4	893.9	0.6	..	19.0	2.0	..	..	..	..
Lesotho	8.26	7.48	2.1	4.2	0.5	87.7	9.5	7.2	5.9	7.8	..	..
Liberia	63.21	67.81	0.6	36.2	0.6	..	51.8	10.3	..	..	..	..
Libya	1.22	1.21	..	1.1	0.9	..	..	21.9	5.6	-0.5	..	..
Lithuania	2.36	2.36	1.2	1.9	0.8	..	75.2	4.0	32.6	2.5	24.8	5.5	
Macedonia, FYR	41.87	41.81	17.7	20.9	0.5	104.7	79.3	3.5	10.6	2.3	8.5	0.7	
Madagascar	1,708.37	1,951.98	287.6	803.1	0.5	..	19.1	11.5	18.7	10.8	..	..
Malawi	140.52	142.73	3.9	50.2	0.4	102.7	33.6	19.3	33.8	12.7	..	..
Malaysia	3.34	3.41	1.4	1.9	0.6	108.4	4.1	4.4	3.6	2.3	3.4	5.0	
Mali	447.81	449.31	226.8	273.1	0.6	..	7.0	4.2	5.2	2.2	..	..
Mauritania	258.59	..	62.4	118.1	0.4	..	8.7	11.3	6.1	7.5	..	..
Mauritius	28.45	29.29	10.5	16.9	0.6	..	6.3	6.3	6.9	6.3	..	..
Mexico	11.13	12.85	2.9	7.8	0.7	..	19.0	8.2	19.5	4.5	18.4	6.1	
Moldova	10.39	11.93	1.2	5.9	0.6	134.8	119.6	11.6	21.4	11.3	..	..
Mongolia	1,165.74	1,446.52	158.7	653.0	0.6	..	57.8	15.0	35.7	8.1	..	..
Morocco	7.75	7.76	4.9	5.0	0.7	102.0	4.0	1.8	3.9	1.9	2.9	..	
Mozambique	24.30	27.15	4.0	12.8	0.5	..	34.1	8.2	31.8	11.5	..	..
Myanmar	5.39	5.38	..	..	..	..	25.3	23.5	25.9	23.7	..	..
Namibia	8.26	7.48	2.2	5.4	0.7	..	11.1	6.7	..	5.4	..	..
Nepal	69.76	74.54	15.4	25.7	0.4	..	8.0	6.2	8.7	5.6	..	..
Netherlands ^c	0.68	0.68	0.9	0.9	1.3	102.5	2.1	2.3	2.4	2.0	1.3	3.0	
New Zealand	1.42	1.40	1.5	1.6	1.1	93.7	1.7	2.7	1.8	2.7	1.4	3.2	
Nicaragua	19.37	20.80	3.5	8.4	0.4	107.8	42.4	8.5	..	8.6	..	..
Niger	447.81	449.31	209.8	239.0	0.5	..	6.0	2.6	6.1	2.4	..	..
Nigeria	118.55	149.36	15.5	77.4	0.7	116.6	29.5	16.8	32.5	12.9	..	..
Norway	5.64	5.75	9.2	9.1	1.6	102.0	2.7	4.8	2.2	1.7	1.6	7.8	
Oman	0.38	0.38	0.2	0.3	0.7	..	0.1	7.9	..	2.3	..	..
Pakistan	70.41	84.12	10.1	24.4	0.4	100.1	11.1	7.4	9.7	7.1	10.4	8.3	
Panama	1.00	1.00	0.5	0.5	0.5	..	3.6	2.2	1.1	2.1	1.0	3.8	
Papua New Guinea	2.70	2.70	0.7	1.6	0.6	108.7	7.6	7.4	9.3	5.9	..	..
Paraguay	4,363.24	4,654.00	949.3	2,377.3	0.5	146.0	11.5	10.5	13.1	8.7	..	11.2	
Peru	2.92	2.88	1.2	1.5	0.5	..	26.7	3.6	27.3	2.3	23.7	2.8	
Philippines	44.32	46.42	14.1	23.4	0.5	128.6	8.4	5.2	7.7	5.5	5.6	7.7	
Poland	2.41	2.84	1.2	1.9	0.8	116.8	24.7	2.6	25.3	2.4	19.8	2.7	
Portugal ^c	0.68	0.68	0.7	0.7	1.0	103.7	5.2	2.9	4.5	2.9	..	2.9	
Puerto Rico	1.00	1.00	..	..	..	..	3.0	..	..	..	..	..
Qatar	3.64	3.64	..	3.2	0.9	..	..	12.6	2.8	7.3	..	..



4.14

Exchange rates and prices

	Official exchange rate		Purchasing power parity (PPP) conversion factor		Ratio of PPP conversion factor to market exchange rate	Real effective exchange rate	GDP implicit deflator		Consumer price index		Wholesale price index		
	local currency units to \$		local currency units to international \$				Index 2000 = 100	average annual % growth		average annual % growth		average annual % growth	
	2008	2009 ^a	1995	2008				2008	1990-2000	2000-08	1990-2000	2000-08	1990-2000	2000-08
Romania	2.52	2.90	0.1	1.7	0.7	112.4	98.0	17.1	100.5	12.5	93.8	16.6	
Russian Federation	24.85	29.94	1.5	18.5	0.7	123.4	161.5	16.8	99.1	12.7	99.8	17.1	
Rwanda	546.85	568.80	128.7	244.3	0.5	..	14.3	10.0	16.2	8.5	..	..
Saudi Arabia	3.75	3.75	1.8	3.0	0.8	97.8	1.6	8.9	1.0	1.7	1.3	2.5	
Senegal	447.81	449.31	252.0	271.6	0.6	..	6.0	2.8	5.4	2.2	..	..
Serbia	55.72	65.73	2.8	36.0	0.7	..	..	17.6	50.2	16.6	..	..
Sierra Leone	2,981.51	3,280.15	379.6	1,340.7	0.5	109.5	31.9	9.4	..	..	..	..
Singapore	1.41	1.40	1.3	1.1	0.8	110.1	1.3	1.5	1.7	1.3	-1.0	3.7	
Slovak Republic ^c	0.68	0.68	0.4	0.6	0.0	127.8	11.1	3.7	8.4	5.2	9.5	5.2	
Slovenia ^c	0.68	0.68	0.4	0.7	1.0	..	29.3	4.2	12.0	4.4	9.1	4.1	
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	8.26	7.48	2.3	4.6	0.6	81.8	9.9	7.1	8.7	4.3	7.7	6.7	
Spain ^c	0.68	0.68	0.7	0.8	1.1	106.9	3.9	4.0	3.8	3.3	2.4	3.4	
Sri Lanka	108.33	114.35	18.3	48.0	0.4	..	9.1	10.6	9.9	11.0	8.1	12.6	
Sudan	2.09	2.20	0.3	1.3	0.6	..	65.5	9.9	72.0	8.2	..	..
Swaziland	8.26	7.48	2.2	4.1	0.5	..	10.5	7.8	9.5	6.9	..	..
Sweden	6.59	7.13	9.4	9.3	1.4	100.6	2.2	1.6	1.9	1.5	2.0	2.9	
Switzerland	1.08	1.03	2.0	1.6	1.5	99.2	1.1	1.0	1.6	1.0	-0.4	1.1	
Syrian Arab Republic	11.23	..	12.8	27.2	0.6	..	7.9	8.4	6.4	5.9	4.7	2.2	
Tajikistan	3.43	4.37	0.0	1.4	0.4	..	235.0	21.0	..	13.0	..	..
Tanzania	1,196.31	1,327.00	154.8	456.9	0.4	..	21.6	9.4	20.9	6.0	..	..
Thailand	33.31	33.18	15.1	16.7	0.5	..	4.2	3.2	4.9	3.0	3.8	5.8	
Timor-Leste	1.00	1.00	..	0.6	0.6	..	..	3.6	..	5.2	..	..
Togo	447.81	449.31	238.6	242.3	0.5	107.1	7.0	1.3	8.5	2.7	..	..
Trinidad and Tobago	6.29	6.35	2.9	4.5	0.7	113.9	5.4	6.9	5.7	6.1	2.8	2.0	
Tunisia	1.23	1.29	0.5	0.6	0.5	95.8	4.4	3.0	4.4	3.2	3.6	4.3	
Turkey	1.30	1.45	0.0	1.0	0.7	..	81.7	16.8	79.9	18.6	75.2	19.0	
Turkmenistan	..	..	0.0	1.3	0.5	..	408.2	11.5	..	..	..	..
Uganda	1,720.44	1,873.78	472.1	668.5	0.4	104.0	12.0	5.1	8.3	6.0	..	..
Ukraine	5.27	7.98	0.3	2.8	0.5	115.8	271.0	15.7	155.7	9.8	161.6	14.1	
United Arab Emirates	3.67	3.67	1.7	3.0	0.8	..	2.2	8.9	..	..	..	..
United Kingdom	0.54	0.62	0.6	0.7	1.2	93.8	2.8	2.6	2.9	3.0	2.4	1.8	
United States	1.00	1.00	1.0	1.0	1.0	92.5	2.0	2.9	2.7	2.8	1.2	4.7	
Uruguay	20.95	19.70	5.5	15.9	0.8	116.2	33.2	8.2	33.9	9.5	27.2	14.6	
Uzbekistan	..	..	11.2	507.8	0.4	..	245.8	25.5	..	..	..	..
Venezuela, RB	2.14	2.14	0.1	1.9	0.9	144.9	45.3	26.3	49.0	20.6	44.1	26.4	
Vietnam	16,302.25	16,968.00	3,170.2	6,154.4	0.4	..	15.2	7.7	4.1	7.1	..	..
West Bank and Gaza	..	..	..	..	..	..	5.7	3.4	..	3.8	..	..
Yemen, Rep.	199.76	205.04	22.0	95.9	0.5	..	22.4	13.6	26.3	11.7	..	..
Zambia	3,745.66	4,682.22	404.2	3,133.5	0.8	145.2	52.1	17.1	57.0	16.6	101.4	..	
Zimbabwe	6,715,424,238.75	..	25.7	..	..	..	26.7	232.0	29.0	497.7	25.9	..

Note: The differences in the growth rates of the GDP deflator and consumer and wholesale price indexes are due mainly to differences in data availability for each of the indexes during the period.

a. Average for December or latest monthly data available. b. Private analysts estimate that consumer price index inflation was considerably higher for 2007-09 and believe that GDP volume growth has been significantly lower than official reports indicate since the last quarter of 2008. c. As members of the euro area, these countries share a single currency, the euro.

About the data

In a market-based economy, household, producer, and government choices about resource allocation are influenced by relative prices, including the real exchange rate, real wages, real interest rates, and other prices in the economy. Relative prices also largely reflect these agents' choices. Thus relative prices convey vital information about the interaction of economic agents in an economy and with the rest of the world.

The exchange rate is the price of one currency in terms of another. Official exchange rates and exchange rate arrangements are established by governments. Other exchange rates recognized by governments include market rates, which are determined largely by legal market forces, and for countries with multiple exchange arrangements, principal rates, secondary rates, and tertiary rates. (Also see *Statistical methods* for alternative conversion factors in the *World Bank Atlas* method of calculating gross national income [GNI] per capita in U.S. dollars.)

Official or market exchange rates are often used to convert economic statistics in local currencies to a common currency in order to make comparisons across countries. Since market rates reflect at best the relative prices of tradable goods, the volume of goods and services that a U.S. dollar buys in the United States may not correspond to what a U.S. dollar converted to another country's currency at the official exchange rate would buy in that country, particularly when nontradable goods and services account for a significant share of a country's output. An alternative exchange rate—the purchasing power parity (PPP) conversion factor—is preferred because it reflects differences in price levels for both tradable and nontradable goods and services and therefore provides a more meaningful comparison of real output. See table 1.1 for further discussion.

The ratio of the PPP conversion factor to the official exchange rate—the national price level or comparative price level—measures differences in the price level at the gross domestic product (GDP) level. The price level index tends to be lower in poorer countries and to rise with income. The market exchange rate (or alternative conversion factor) is the official exchange rate adjusted for some countries by World Bank staff to reflect actual price changes. National price levels vary systematically, rising with GNI per capita. The real effective exchange rate is a nominal effective exchange rate index adjusted for relative movements in national price or cost indicators of the home country, selected countries, and the euro area. A nominal effective exchange rate index is the ratio (expressed on the base 2000 = 100) of an index of a currency's period-average exchange rate to a weighted geometric average of exchange rates

for currencies of selected countries and the euro area. For most high-income countries weights are derived from industrial country trade in manufactured goods. Data are compiled from the nominal effective exchange rate index and a cost indicator of relative normalized unit labor costs in manufacturing. For selected other countries the nominal effective exchange rate index is based on manufactured goods and primary products trade with partner or competitor countries. For these countries the real effective exchange rate index is the nominal index adjusted for relative changes in consumer prices; an increase represents an appreciation of the local currency. Because of conceptual and data limitations, changes in real effective exchange rates should be interpreted with caution.

Inflation is measured by the rate of increase in a price index, but actual price change can be negative. The index used depends on the prices being examined. The GDP deflator reflects price changes for total GDP. The most general measure of the overall price level, it accounts for 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—or a Paasche index. It is defective as a general measure of inflation for policy use because of long lags in deriving estimates and because it is often an annual measure.

Consumer price indexes are produced more frequently and so are more current. 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, and the geographic (urban or rural) and income group coverage of consumer price surveys can vary widely by country. In addition, weights are derived from household expenditure surveys, which, for budgetary reasons, tend to be conducted infrequently in developing countries, impairing comparability over time. Although useful for measuring consumer price inflation within a country, consumer price indexes are of less value in comparing countries.

Wholesale price indexes are based on the prices at the first commercial transaction of commodities that are important in a country's output or consumption. Prices are farm-gate for agricultural commodities and ex-factory for industrial goods. Preference is given to indexes with the broadest coverage of the economy.

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

Definitions

- **Official exchange rate** is the exchange rate determined by national authorities or the rate determined in the legally sanctioned exchange market. It is calculated as an annual average based on monthly averages (local currency units relative to the U.S. dollar).
- **Purchasing power parity (PPP) conversion factor** is the number of units of a country's currency required to buy the same amount of goods and services in the domestic market that a U.S. dollar would buy in the United States.
- **Ratio of PPP conversion factor to market exchange rate** is the result obtained by dividing the PPP conversion factor by the market exchange rate.
- **Real effective exchange rate** is the nominal effective exchange rate (a measure of the value of a currency against a weighted average of several foreign currencies) divided by a price deflator or index of costs.
- **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.
- **Wholesale price index** refers to a mix of agricultural and industrial goods at various stages of production and distribution, including import duties. The Laspeyres formula is generally used.

Data sources

Data on official and real effective exchange rates and consumer and wholesale price indexes are from the International Monetary Fund's *International Financial Statistics*. PPP conversion factors and GDP deflators are from the World Bank's data files.



4.15

Balance of payments current account

	Goods and services				Net income		Net current transfers		Current account balance		Total reserves ^a	
	\$ millions				\$ millions		\$ millions		\$ millions		\$ millions	
	Exports		Imports		1995	2008	1995	2008	1995	2008	1995	2008
Afghanistan	..	..	..	..	..	..	..	..	..	..	..	..
Albania	304	3,833	836	7,287	44	150	477	1,379	-12	-1,924	265	2,364
Algeria	..	..	..	..	..	..	..	..	..	..	4,164	148,099
Angola	3,836	64,243	3,519	43,122	-767	-14,504	156	-210	-295	6,408	213	17,869
Argentina	24,987	82,101	26,066	67,588	-4,636	-7,550	597	115	-5,118	7,078	15,979	46,385
Armenia	300	1,757	726	4,749	40	471	168	1,138	-218	-1,383	111	1,407
Australia	69,710	234,298	74,841	242,311	-14,036	-39,399	-109	-374	-19,277	-47,786	14,952	32,924
Austria	89,906	241,307	92,055	222,639	-1,597	-2,867	-1,702	-2,647	-5,448	13,154	23,369	16,741
Azerbaijan	785	32,133	1,290	11,464	-6	-5,266	111	1,050	-401	16,454	121	6,467
Bangladesh	4,431	17,372	7,589	25,344	68	-771	2,265	9,774	-824	1,032	2,376	5,787
Belarus	5,269	37,063	5,752	41,676	-51	-788	76	192	-458	-5,209	377	3,063
Belgium	190,686 ^b	459,890	178,798 ^b	470,702	6,808 ^b	6,966	-4,463 ^b	-8,255	14,232 ^b	-12,101	24,120	15,681
Benin	614	1,348	895	2,102	-8	-50	121	268	-167	-535	198	1,263
Bolivia	1,234	6,947	1,574	5,680	-207	-536	244	1,284	-303	2,015	1,005	7,720
Bosnia and Herzegovina	..	6,856	..	12,935	..	603	..	2,712	..	-2,764	80	3,516
Botswana	2,421	5,585	2,050	5,837	-32	-256	-39	1,010	300	502	4,695	9,119
Brazil	52,641	228,393	63,293	220,247	-11,105	-40,562	3,621	4,224	-18,136	-28,192	51,477	193,783
Bulgaria	6,776	30,589	6,502	42,158	-432	-1,798	132	791	-26	-12,577	1,635	17,930
Burkina Faso	272	..	483	..	-29	..	255	..	15	..	347	928
Burundi	129	136	259	529	-13	-4	153	186	10	-212	216	267
Cambodia	969	6,356	1,375	7,594	-57	-409	277	594	-186	-1,053	192	2,639
Cameroon	2,040	7,454	1,608	8,349	-412	-205	69	590	90	-510	15	3,112
Canada	219,501	529,160	200,991	486,728	-22,721	-14,065	-117	-1,085	-4,328	27,281	16,369	43,872
Central African Republic	179	..	244	..	-23	..	63	..	-25	..	238	131
Chad	190	..	411	..	-7	..	191	..	-38	..	147	1,355
Chile	19,358	77,210	18,301	69,010	-2,714	-14,563	307	2,924	-1,350	-3,440	14,860	23,079
China [†]	147,240	1,581,713	135,282	1,232,843	-11,774	31,438	1,435	45,799	1,618	426,107	80,288	1,966,037
Hong Kong SAR, China	..	457,554	..	434,202	..	10,457	..	-3,277	..	30,532	55,424	182,527
Colombia	12,294	42,579	16,012	44,743	-1,596	-10,063	799	5,514	-4,516	-6,713	8,452	23,671
Congo, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	157	78
Congo, Rep.	1,374	6,127	1,346	6,386	-695	-1,885	42	-38	-625	-2,181	64	3,881
Costa Rica	4,451	13,651	4,717	16,433	-226	-389	134	442	-358	-2,729	1,060	3,801
Côte d'Ivoire	4,337	11,103	3,806	9,377	-787	-894	-237	-345	-492	488	529	2,253
Croatia	6,972	29,623	9,152	35,007	-53	-2,406	802	1,524	-1,431	-6,267	1,896	12,957
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	28,202	167,927	30,044	156,708	-104	-17,276	572	-575	-1,374	-6,631	14,613	37,009
Denmark	65,655	187,208	57,860	177,818	-4,549	3,892	-1,391	-5,734	1,855	7,549	11,652	42,327
Dominican Republic	5,731	11,888	6,137	17,941	-769	-1,815	992	3,432	-183	-4,437	373	2,288
Ecuador	5,196	20,460	5,708	20,730	-930	-1,598	442	2,989	-1,000	1,120	1,788	4,473
Egypt, Arab Rep.	13,260	54,761	17,140	67,223	-405	1,289	4,031	9,758	-254	-1,415	17,122	34,331
El Salvador	2,040	6,121	3,623	11,012	-67	-536	1,389	3,832	-262	-1,596	940	2,646
Eritrea	135	..	498	..	8	..	324	..	-31	..	40	58
Estonia	2,573	17,750	2,860	18,757	3	-1,512	126	273	-158	-2,245	583	3,972
Ethiopia	768	3,514	1,446	9,617	-19	2	736	4,295	39	-1,806	815	871
Finland	47,973	128,904	37,705	117,521	-4,440	-1,093	-597	-2,335	5,231	7,955	10,657	8,354
France	362,717	770,104	333,746	835,249	-8,964	36,057	-9,167	-35,141	10,840	-64,229	58,510	103,306
Gabon	2,945	..	1,723	..	-665	..	-42	..	515	..	153	1,935
Gambia, The	177	271	232	371	-5	-27	52	84	-8	-43	106	117
Georgia	575	3,688	1,413	7,499	127	-166	197	1,061	-514	-2,915	199	1,480
Germany	600,347	1,744,963	586,662	1,516,863	-2,814	64,513	-38,768	-48,738	-27,897	243,875	121,816	138,564
Ghana	1,582	7,071	2,120	12,567	-129	-259	523	2,212	-144	-3,543	804	2,269
Greece	15,523	79,635	24,711	119,112	-1,684	-16,015	8,008	4,180	-2,864	-51,313	16,119	3,490
Guatemala	2,823	9,637	3,728	15,581	-159	-930	491	5,011	-572	-1,863	783	4,654
Guinea	700	1,449	1,011	1,810	-85	-91	179	18	-216	-434	87	..
Guinea-Bissau	30	..	89	..	-21	..	46	..	-35	..	20	124
Haiti	192	833	802	2,871	-31	6	553	1,876	-87	-156	199	543
Honduras	1,635	6,956	1,852	11,603	-226	-350	243	3,021	-201	-1,977	270	2,492
[†] Data for Taiwan, China	128,369	288,756	124,171	271,117	4,188	9,978	-2,912	-2,979	5,474	24,638	95,559	303,553

Balance of payments current account

4.15 ECONOMY

	Goods and services				Net income		Net current transfers		Current account balance		Total reserves ^a	
	\$ millions				\$ millions		\$ millions		\$ millions		\$ millions	
	Exports		Imports		1995	2008	1995	2008	1995	2008	1995	2008
Hungary	19,765	127,274	19,916	126,041	-1,701	-11,190	203	-982	-1,650	-10,939	12,017	33,874
India	38,013	290,861	48,225	371,616	-3,734	-3,539	8,382	48,206	-5,563	-36,088	22,865	257,423
Indonesia	52,923	154,852	54,461	144,935	-5,874	-15,155	981	5,364	-6,431	125	14,908	51,641
Iran, Islamic Rep.	18,953	..	15,113	..	-478	..	-4	..	3,358	..	..	..
Iraq	..	40,455	..	21,488	..	-3,067	..	-381	..	15,519	8,347	50,207
Ireland	49,439	221,383	42,169	194,363	-7,325	-39,430	1,776	-1,812	1,721	-14,222	8,770	1,024
Israel	27,478	81,245	35,287	84,309	-2,654	-3,298	5,673	8,482	-4,790	2,120	8,123	42,513
Italy	295,618	666,484	250,319	677,886	-15,644	-43,548	-4,579	-23,194	25,076	-78,144	60,690	105,649
Jamaica	3,394	5,294	3,729	9,914	-371	-568	607	2,150	-99	-3,038	681	1,773
Japan	493,991	895,228	419,556	877,887	44,285	152,336	-7,676	-13,043	111,044	156,634	192,620	1,030,763
Jordan	3,479	12,353	4,903	19,228	-279	951	1,444	3,532	-259	-2,393	2,279	8,918
Kazakhstan	5,975	76,354	6,102	49,451	-146	-19,323	59	-985	-213	6,596	1,660	19,883
Kenya	3,526	8,291	5,922	12,559	-219	-45	1,037	2,336	-1,578	-1,978	384	2,879
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	147,761	509,417	155,104	520,157	-1,303	5,107	-19	-773	-8,665	-6,406	32,804	201,545
Kosovo	..	..	..	..	..	..	..	..	..	..	..	892
Kuwait	14,215	98,335	12,615	37,948	4,881	10,119	-1,465	-5,765	5,016	64,742	4,543	19,321
Kyrgyz Republic	448	2,743	726	4,747	-35	-103	79	1,477	-235	-631	134	1,225
Lao PDR	408	1,201	748	1,141	-6	-50	110	98	-237	107	99	875
Latvia	2,088	14,172	2,193	18,838	19	-596	71	769	-16	-4,492	602	5,244
Lebanon	..	24,041	..	29,718	..	-77	..	2,698	..	-3,056	8,100	28,265
Lesotho	199	950	1,046	1,728	314	507	210	515	-323	244	457	658
Liberia	..	635	..	2,344	..	-653	..	1,175	..	-1,187	28	161
Libya	7,513	62,158	5,755	26,003	133	586	-220	-1,040	1,672	35,702	7,415	96,335
Lithuania	3,191	28,594	3,902	33,759	-13	-1,539	109	1,077	-614	-5,627	829	6,442
Macedonia, FYR	1,302	4,982	1,773	7,532	-30	-108	213	1,448	-288	-1,210	275	2,110
Madagascar	749	..	987	..	-167	..	129	..	-276	..	109	982
Malawi	470	..	660	..	-44	..	157	..	-78	..	115	254
Malaysia	83,369	230,054	86,851	178,741	-4,144	-7,137	-1,017	-5,262	-8,644	38,914	24,699	92,166
Mali	529	1,933	991	2,623	-41	-291	219	400	-284	-581	323	1,072
Mauritania	504	..	510	..	-48	..	76	..	22	..	90	207
Mauritius	2,349	4,944	2,454	6,320	-19	178	101	224	-22	-974	887	1,796
Mexico	89,321	309,822	82,168	333,838	-12,689	-17,250	3,960	25,461	-1,576	-15,805	17,046	95,300
Moldova	884	2,483	1,006	5,691	-18	598	56	1,623	-85	-987	257	1,672
Mongolia	508	2,031	521	1,880	-25	-145	77	215	39	222	158	1,396
Morocco	9,044	33,746	11,243	46,521	-1,318	-522	2,330	8,768	-1,186	-4,528	3,874	22,720
Mozambique	411	3,208	1,055	4,406	-140	-631	339	854	-445	-975	195	1,661
Myanmar	1,307	4,834	2,020	2,906	-110	-1,248	562	122	-261	802	651	1,383
Namibia	1,734	3,671	2,100	4,400	139	-40	403	1,127	176	358	221	1,293
Nepal	1,029	1,710	1,624	4,371	9	151	230	3,243	-356	733	646	..
Netherlands	241,517	638,348	216,558	568,373	7,247	-14,582	-6,434	-12,822	25,773	42,571	47,162	28,603
New Zealand	17,883	40,320	17,248	42,482	-3,955	-9,831	255	756	-3,065	-11,237	4,410	11,052
Nicaragua	662	2,937	1,150	5,357	-372	-161	138	1,068	-722	-1,513	142	1,141
Niger	321	748	457	1,284	-47	0	31	185	-152	-351	95	705
Nigeria	12,342	80,160	12,841	47,592	-2,878	-11,180	799	17,969	-2,578	39,357	1,709	53,599
Norway	56,058	219,417	46,848	130,667	-1,919	2,915	-2,059	-3,323	5,233	88,341	22,976	50,950
Oman	6,078	39,693	5,035	26,830	-374	-2,214	-1,469	-5,181	-801	5,469	1,943	11,582
Pakistan	10,214	25,454	14,185	47,586	-1,939	-4,294	2,562	11,024	-3,349	-15,402	2,528	9,024
Panama	7,610	16,149	7,768	17,490	-466	-1,574	153	238	-471	-2,677	781	1,935
Papua New Guinea	2,992	..	1,905	..	-488	..	75	..	674	..	267	2,008
Paraguay	4,802	8,831	5,200	9,393	110	-151	195	369	-92	-345	1,106	2,863
Peru	6,622	35,166	9,597	34,005	-2,482	-8,144	832	2,803	-4,625	-4,180	8,653	31,241
Philippines	26,795	58,448	33,317	69,917	3,662	140	880	15,226	-1,980	3,897	7,781	37,498
Poland	35,716	214,004	33,825	234,960	-1,995	-14,210	958	8,257	854	-26,909	14,957	62,184
Portugal	32,260	82,807	39,545	104,560	21	-11,495	7,132	3,649	-132	-29,599	22,063	12,006
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..
Qatar	..	..	..	..	..	..	..	..	..	..	848	9,997

	Goods and services				Net income		Net current transfers		Current account balance		Total reserves ^a	
	\$ millions				\$ millions		\$ millions		\$ millions		\$ millions	
	Exports		Imports		1995	2008	1995	2008	1995	2008	1995	2008
Romania	9,404	62,616	11,306	89,847	-241	-5,372	369	8,884	-1,774	-23,719	2,624	39,768
Russian Federation	92,987	522,909	82,809	368,217	-3,372	-49,196	157	-3,096	6,963	102,401	18,024	427,077
Rwanda	75	665	374	1,401	7	-34	350	518	57	-252	99	596
Saudi Arabia	53,450	323,071	44,874	176,040	2,800	10,027	-16,694	-23,012	-5,318	134,046	10,399	34,340
Senegal	1,506	2,875	1,821	5,402	-124	-74	195	1,290	-244	-1,311	272	1,602
Serbia	..	14,986	..	26,631	..	-1,348	..	4,138	..	-8,855	..	11,478
Sierra Leone	128	334	260	597	-30	-75	43	111	-118	-227	35	220
Singapore	157,658	427,595	144,520	392,690	2,133	-4,969	-894	-2,756	14,377	27,181	68,816	174,193
Slovak Republic	10,969	78,765	10,658	80,348	-14	-3,344	93	-1,257	390	-6,185	3,863	18,836
Slovenia	10,377	37,008	10,749	38,505	201	-1,533	95	-299	-75	-3,329	1,821	957
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	34,402	98,923	33,375	107,542	-2,875	-9,132	-645	-2,333	-2,493	-20,084	4,464	34,070
Spain	133,910	429,488	135,000	520,200	-5,402	-49,585	4,525	-13,832	-1,967	-154,129	40,531	20,288
Sri Lanka	4,617	10,140	5,982	15,609	-137	-972	732	2,666	-770	-3,775	2,112	2,617
Sudan	681	12,163	1,238	10,849	-3	-3,013	60	385	-500	-1,314	163	1,399
Swaziland	1,020	2,199	1,274	2,523	81	64	144	194	-30	-66	298	752
Sweden	95,525	258,075	81,142	222,243	-6,473	10,814	-2,970	-6,330	4,940	40,317	25,870	29,727
Switzerland	123,320	319,253	108,916	264,149	10,708	-37,311	-4,409	-12,699	20,703	5,094	68,620	74,146
Syrian Arab Republic	5,757	15,617	5,541	15,289	-560	-689	607	821	263	459	..	..
Tajikistan	..	1,756	..	4,155	..	-52	..	2,498	..	48	39	204
Tanzania	1,265	5,206	2,139	8,038	-110	-92	395	617	-590	-2,307	270	2,863
Thailand	70,292	208,998	82,246	203,874	-2,114	-10,003	487	4,766	-13,582	-113	36,939	111,009
Timor-Leste	..	..	..	..	..	..	..	..	..	..	..	210
Togo	465	913	671	1,377	-34	-30	118	279	-122	-216	130	582
Trinidad and Tobago	2,799	14,315	2,110	8,047	-390	-964	-4	60	294	5,364	379	9,496
Tunisia	7,979	25,197	8,811	26,564	-716	-2,267	774	1,922	-774	-1,711	1,689	9,039
Turkey	36,581	175,978	40,113	211,309	-3,204	-7,964	4,398	2,006	-2,338	-41,289	13,891	73,675
Turkmenistan	1,774	..	1,796	..	17	..	5	..	0	..	1,168	..
Uganda	664	3,426	1,490	5,224	-96	-288	639	1,240	-281	-845	459	2,301
Ukraine	17,090	85,612	18,280	99,962	-434	-1,540	472	3,127	-1,152	-12,763	1,069	31,543
United Arab Emirates	..	..	..	..	..	..	..	..	..	..	7,778	31,694
United Kingdom	322,114	756,476	327,000	845,303	3,393	75,372	-11,943	-26,449	-13,436	-39,904	49,144	53,024
United States	794,397	1,826,595	890,784	2,522,531	20,899	118,233	-38,073	-128,363	-113,561	-706,066	175,996	294,046
Uruguay	3,507	9,334	3,568	10,083	-227	-627	76	150	-213	-1,225	1,813	6,360
Uzbekistan	..	..	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	20,753	97,300	16,905	59,998	-1,943	698	109	-608	2,014	37,392	10,715	43,065
Vietnam	9,498	69,781	12,334	83,398	-384	-4,400	1,200	7,311	-2,020	-10,706	1,324	23,890
West Bank and Gaza	764	926	2,789	4,430	607	734	435	2,361	-984	-408	..	..
Yemen, Rep.	2,160	10,182	2,471	11,681	-561	-1,915	1,056	2,163	184	-1,251	638	8,155
Zambia	1,222	5,254	1,338	5,466	-249	-1,398	182	565	-182	-1,046	223	1,096
Zimbabwe	2,344	..	2,515	..	-294	..	40	..	-425	..	888	..
World	6,393,697	19,557,280	6,247,179	19,164,685								
Low income	45,519	207,241	64,928	282,482								
Middle income	1,110,795	5,731,256	1,154,326	5,223,924								
Lower middle income	497,910	3,110,947	531,746	2,758,700								
Upper middle income	612,966	2,636,805	622,049	2,469,508								
Low & middle income	1,152,982	5,938,347	1,217,464	5,502,978								
East Asia & Pacific	397,583	2,334,814	413,802	1,947,840								
Europe & Central Asia	231,676	1,366,736	239,492	1,352,255								
Latin America & Carib.	272,861	1,001,523	288,143	1,002,903								
Middle East & N. Africa	..	..	106,333	374,714								
South Asia	58,893	348,172	78,652	470,488								
Sub-Saharan Africa	89,262	378,970	99,763	371,927								
High income	5,235,576	13,709,918	5,028,511	13,740,945								
Euro area	2,097,732	5,619,649	1,974,159	5,491,628								

a. International reserves including gold valued at London gold price. b. Includes Luxembourg.

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 plus 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, requiring inclusion of a balancing item, net errors and omissions.

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 4.4–4.7.

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). That 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 of the *Balance of Payments Manual* (1977). Where necessary, the IMF converts such reported data to conform to the fifth edition (see *Primary data documentation*). Values are in U.S. dollars converted at market exchange rates.

Definitions

- **Exports and imports of goods and services** are 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** is 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** are 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 (December 31) London prices (\$386.75 an ounce in 1995 and \$871.70 an ounce in 2008).

Top 15 economies with the largest reserves in 2008

4.15a

	Total reserves (\$ billions)		Share of world total (%) 2008	Annual change (%) 2007–08	Months of imports 2008
	2007	2008			
China	1,546	1,966	25.8	27.1	18.2
Japan	973	1,031	13.5	5.9	13.2
Russian Federation	479	427	5.6	-10.8	10.8
United States	278	294	3.9	5.9	1.1
India	277	257	3.4	-6.9	7.9
Korea, Rep.	263	202	2.6	-23.2	4.5
Brazil	180	194	2.5	7.5	8.5
Hong Kong, China	153	183	2.4	19.5	4.0
Singapore	163	174	2.3	6.9	4.6
Algeria	115	148	1.9	28.8	..
Germany	136	139	1.8	1.9	0.9
Thailand	87	111	1.5	26.9	6.0
Italy	94	106	1.4	12.3	1.5
France	115	103	1.4	-10.5	1.2
Libya	83	96	1.3	15.7	38.7

Source: International Monetary Fund, International Financial Statistics data files.

Data sources

Data on the balance of payments 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. 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* (1996), and *Balance of Payments Compilation Guide* (1995). The IMF's International Financial Statistics and Balance of Payments databases are available on CD-ROM.