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International Comparisons of Government Expenditure Revisited The Developing Countries, 1975-86

By Peter S. Heller and Jack Diamond



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The following symbols have been used throughout this paper:

... to indicate that data are not available;

-- to indicate that the figure is zero or less than half the final digit shown, or that the item does not exist;

between years or months (e.g., 1987-88 or January-June) to indicate the years or months covered, including the beginning and ending years or months;

/ between years (e.g., 1987/88) to indicate a crop or fiscal (financial) year.

"Billion" means a thousand million.

Minor discrepancies between constituent figures and totals are due to rounding.

The term "country," as used in this paper, does not in all cases refer to a territorial entity that is a state as understood by international law and practice; the term also covers some territorial entities that are not states, but for which statistical data are maintained and provided internationally on a separate and independent basis.

Preface

This study appraises the changes that have taken place in the underlying structural relationships determining government expenditures between 1975 and 1986. During this period, the macroeconomic policy environment within which budgets were formulated changed dramatically. Budgetary constraints became tighter, and, for some countries, the availability of external resources became more limited. The study also updates an earlier study by Alan A. Tait and Peter S. Heller, *International Comparisons of Government Expenditure*, Occasional Paper No. 10 (Washington: International Monetary Fund, 1982), which provided an empirical basis for comparing government expenditures across countries.

The current study was prepared by Peter S. Heller, Chief, East Africa I Division, African Department, and Jack Diamond, Senior Economist, Budget and Expenditure Control Division, Fiscal Affairs Department. Research assistance was ably provided by Tarja Papavassiliou of the Fiscal Affairs Department. Anamaria Handford and Fiona Birrell provided exemplary secretarial assistance. The authors also wish to thank the editor, Juanita Roushdy of the External Relations Department, for her patience and attention to detail. The study has benefited from the helpful comments of Vito Tanzi, Alan A. Tait, and Richard Hemming. The opinions expressed are those of the authors and do not necessarily represent the views of the Fund.

I Introduction and Overview

The economic environment of the developing world changed markedly during the period 1975–86, with most countries forced into substantial programs of budgetary retrenchment and structural adjustment. While the conventional wisdom appears to suggest that the burden of adjustment in government budgets was borne by outlays on capital and nonwage operating and maintenance inputs, there have been only few attempts to empirically or analytically test these hypotheses (World Bank (1988) and Hicks (1989)). This study attempts to provide the empirical underpinnings for such an analysis. It addresses two critical questions: Has there been a change in the structural relationship between government expenditure shares and their underlying economic, social, and demographic determinants? Can we discern a significant change in the expenditure priorities of a country?

In answering these questions, the study also updates Tait and Heller's earlier econometric study,¹ which sought to provide an empirical framework for comparing government expenditure patterns across countries. While their so-called international expenditure comparison indices (IEC) have been frequently used to evaluate a government's expenditure profile, their results have become increasingly limited by the use of 1977 as a reference year. This study benefits from a longer time series data base—1975–86—allowing for an assessment of changes in structural relationships and in expenditure priorities. Unlike the Tait-Heller study, the focus here is only on the developing countries.²

New issues are also raised that complicate the task of assessing a particular country's expenditure profile. What constitutes the "expected" expenditure share for any given set of underlying economic, social, and demographic characteristics may have changed over the last ten years in response to the budgetary pressures faced by many countries. Such changes pose interesting questions of policy

assessment. Should a country compare itself contemporaneously with other countries similarly faced with severe financial constraints, or should the norm be the expenditure pattern prevailing under earlier and perhaps more relaxed budgetary conditions?

A study of this kind inevitably plays a number of roles. Some issues are of greater relevance to some readers than others. For the analyst of general policy developments, the remainder of this section, providing a broad overview of the results, is probably of greatest interest, though one should note that the focus here is on the movement of regional averages, rather than on a discussion of individual country results. Although some of the flavor of the results is lost from such summary measures, particularly the variability in results across countries within a region, there is a net gain in simplifying the interpretation of the results.

Section II discusses the methodological problems in analyzing the determinants of government expenditure patterns, and the issues involved in making cross-country expenditure comparisons, and the problems confronting country economists in assessing a country's expenditure profile. For the country analyst, the results in Sections III and IV (and in Appendix Tables 13–18) provide not only the most recent IEC indices on a functional and an economic basis, but also indicate the changes in the different expenditure indices over time. Sections III and IV also provide a detailed description of the equations used to estimate the different expenditure shares and comment on any changes in the underlying structural relationships over the period 1975–86.

Have the fiscal adjustments required of most countries since the late 1970s led to a significant shift in expenditure priorities?³ In both Africa and Asia, a common trend in changing budget priorities emerges. Education, health, and housing and community amenity services appear to have maintained and even strengthened their expenditure shares in gross domestic product (GDP) relative to what

¹Tait and Heller (1982).

²It thus excludes Australia, Austria, Belgium, Canada, Denmark, Finland, France, the Federal Republic of Germany, Iceland, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Spain, Sweden, Switzerland, the United Kingdom, and the United States. Also excluded, owing to the lack of data on expenditure at lower levels of government, are countries with decentralized federal systems, such as Brazil, India, and Nigeria.

³A country is defined to attach higher priority to a category of expenditure over time if there is an increase in the ratio of actual-to-predicted expenditure (holding the underlying estimating equation constant over the period of comparison).

would have been predicted. In Africa, the pressures of adjustment have led to a downward shift in the expenditure shares for general public services, defense, social security and welfare, and transport and communications. In Asia, the adjustment in these sectors is less marked, if measured only by the lack of any systematic decline in priority attached to general public services, defense, social security, and welfare. Nevertheless, the squeeze on economic services is clear. With the exception of the agricultural sector (whose priority increases), the expenditure shares for roads, mining and manufacturing, and gas and electricity all decline relative to their predicted values.

Surprisingly, the results for the developing countries in the European region are almost identical to those observed in Africa, with the key exception being an increased priority for expenditure on social security and welfare and a decline in the priority attached to education.

The results for the Middle Eastern countries are interesting because of the marked change in expenditure priorities observed after 1983. One observes a striking increase in the ratio of actual to predicted expenditure shares for almost all sectors between 1978–80 and 1981–83, the sole exception being the transport and housing sectors. After the fall in oil prices, there is an obvious reversal, with a reduced priority attached to health, social security and welfare, and economic services (particularly mining and manufacturing, gas and electricity, and roads).

For the Western Hemisphere countries, a different pattern emerges, with a higher priority attached to outlays on defense, social security, and welfare, relative particularly to some of the economic sectors (notably agriculture, gas and electricity, and transport).

As between the different economic categories of expenditure (e.g., wages, other goods and services, capital expenditure, etc.), the results for the African region suggest a clear shift away from capital expenditure and toward interest, subsidies and transfers, and other goods and services. The shift toward spending on other goods and services is particularly surprising, since the conventional wisdom is that such nonwage operations and maintenance-type outlays have been relatively disadvantaged. In part, this result needs to be tempered by the recognition of the high degree of intraregional variability in this variable. Equally important, the results also suggest that there has been a reallocation of expenditure on other goods and services across sectors, with a bias toward defense and general administration (see Section IV, below).

In Asia and Europe, one observes an increased priority for interest payments at the expense of outlays on other goods and services, and the acquisition of fixed assets declines. Among Western Hemisphere countries in the sample, higher-than-expected budget shares on interest and subsidies are mirrored by a lower expenditure share on capital transfers. Only in the Middle East does one find an increasing priority for fixed capital asset acquisition, accompanied by increased outlays on other goods and services and interest.

The underlying structural relationships underpinning the expenditure equations have also clearly changed in a few sectors,⁴ with a shift in favor of education, agriculture, gas and electricity, and possibly the mining and manufacturing sector. An upward shift in social security and welfare outlays also occurs in two regions, the Western Hemisphere and the Middle East. Downward structural shifts emerge in housing and community amenities and in the transport and communications sectors.

For the economic categories of expenditure, the shift in the structure is most marked against fixed assets and capital transfers and toward interest, subsidy, and transfer payments, given the functional structures of expenditure prevailing over the period.

One striking result is the relative decline in the explanatory power of the equation models for the economic services sector as one moves from the mid-1970s to the mid-1980s. This is in contrast to the stable and occasionally increasing explanatory power in the estimating equations for general public administration, defense, and the social services sectors. The decline is mirrored also in the estimating equations for fixed capital assets. This raises serious questions in modeling expenditure behavior and perhaps suggests that development-oriented expenditure decisions are becoming highly constrained in the current budgetary environment. Policy constraints, including sources of external funding and rent seeking by government bureaucrats, may ultimately be pivotal in determining sectoral budget shares in the economic services sector. This is in contrast to a more balanced and growth-maximizing expenditure strategy.

⁴The bias in the change in the structural relationship over time may be discerned from an examination of the impact of alternative estimation years on the predicted expenditure share, holding the values of the explanatory variable set constant. The hazards in this analysis are discussed more fully in Section II.

II Methodology

Basic Regression Model

As in the Tait-Heller study, the analysis here begins with the development of linear regression models to explain cross-country differences in the ratio of various categories of government expenditure to GDP. Two approaches are used. For the economic categories of expenditure (e.g., wages, materials and supplies, interest, subsidies, capital outlays, etc.), the "technological" view is taken that each type of sectoral or functional expenditure category has an underlying implicit technology of production; for example, educational outlays are largely wage and material intensive, while economic outlays are largely for investment. Thus, the mix of functional outlays in the budget determines the relative importance of spending shares on the different economic categories of expenditure. One would expect that a government that spends a high share of its budget on education (relative to GDP) will have a correspondingly higher share of government outlays on wages and salaries.

Explaining the share in GDP of functional expenditure categories (e.g., defense, general public services, education, etc.) is far more difficult. Positive theories of government spending are in their infancy, and there is no commonly accepted model on which to base the regression equations. Rather, hypotheses concerning the factors likely to influence government sectoral spending patterns are legion and are described in the Appendix. This review, far from being exhaustive, highlights the wide range of factors said to explain government expenditures, and the large number of possible causal indicators, all of which appear highly correlated. This poses two interrelated problems.

First are the statistical limitations of the data. Obviously, the variables suggested in the Appendix are rather crude proxies for the influences on government spending that they purport to measure. Second, a number of indicators could be used to test quite different hypotheses. For example, a variable measuring the degree of openness of an economy may be an indicator of the elasticity of the tax system, a measure of the technological sophistication of the economy, or an indirect measure of the skill demands

made on the labor force. These competing interpretations suggest that a given variable could explain quite different categories of expenditure.

Such ambiguity gives rise to some difficulty in interpreting the empirical results and suggests that if any variable is included in a regression equation to explain a particular category of government expenditure, there could be difficulty in interpreting nonsignificant results. For example, take the so-called social friction argument that social unrest leads to increased expenditures on general administration and security. A nonsignificant result in the equation estimating expenditure on general administration for a variable capturing the effects of political riots could be interpreted in two ways. First, it could imply either the postulate was wrong (i.e., that riots reflect social friction) or that the hypothesis itself is wrong (i.e., social friction affects the growth in public administration expenditure). There is no obvious way of testing which alternative is the most likely.

These limitations ultimately arise from the nature of the subject matter which, in turn, has resulted in the slow development of a positive theory of government expenditure. The factors determining the composition of government expenditures are only one facet of a complex multi-determined process that is basic to an understanding of the functioning of economies. Consequently, it is difficult to describe concepts like "social friction" or "economic prosperity" by a single indicator. Another consequence is that the variables described in Appendix Table 11 and the influences they indicate—for example, urbanization, increasing income, greater economic integration, the breakdown of traditional forms of social security, changes in technology—are all highly related. The degree of interrelationship is demonstrated by the factor analysis reported in the Appendix.

This interdependence, or multicollinearity, between variables involves further difficulty for empirical research. For example, if an adequate number of such variables are inserted in a regression equation, the resulting multicollinearity may produce a large number of nonsignificant coefficients, making the job of testing particular hypotheses or estimating the importance of variables extremely

difficult. Given these constraints, the empirical approach to the regression equations in this study was thus not to simply maximize the goodness of fit of the model but to include only those variables inherently plausible.

Many of the regressions, particularly for the functional variables, have only limited explanatory power, reflecting the many factors affecting expenditure priorities that are not easily measured. This creates further problems in using the estimates to provide a cross-country based prediction of budgetary expenditure shares. Obviously, the greater the prediction error in the regression, the less reliable is the estimate of the expected level of expenditure.

The Data

Country data for government expenditures, disaggregated by functional and economic categories and extending for some countries through 1987, can be obtained from the 1988 edition of the Fund's *Government Finance Statistics Yearbook (GFSY)*. The present study analyzes data through 1986, the last year for which a reasonably complete sample of data is available. To minimize year-to-year fluctuations, three-year averages are calculated for each expenditure variable, centered around the years 1976, 1979, 1982, and 1985, and the model is estimated separately for each of these periods.⁵ In addition, the three sets of averaged data pertaining to the period 1978-86 are also pooled to provide a larger sample representative of the full period under analysis and are more suitable for estimation of a representative IEC index (see Section II).

Unlike the Tait-Heller study, this study focuses only on developing countries. In part, this reflects the significant difference in expenditure structures observed in industrial and developing countries and the belief that this narrower coverage may yield greater homogeneity in the underlying behavior of the countries in the sample. Data factors were also a consideration. The *GFSY* data set on disaggregated expenditures are far more complete with respect to the consolidated central government than for the regional and local governmental units. These lower level units are more important in the industrial countries. Collection of standardized expenditure data on a functional and economic classification basis would have been necessary if one sought to include many of the industrial countries.

The choice of an independent variable set inevitably was influenced by the availability of data. A list of these variables, their description, and the data sources are contained in Appendix Table 11. The reader should be aware

⁵In situations where data on a variable are available for less than three years of a period, the average is calculated on two years (and if necessary, only on a single year's data).

of some corrections made to the data, and some qualifications that remain. Specifically:

(1) In calculating the share in GDP of expenditure, a simple pro rata adjustment in GDP is made when the fiscal year differs from the calendar year.

(2) To avoid instances where the use of a clearly overvalued nominal exchange rate distorts the relevance of a per capita income estimate in U.S. dollars, adjusted per capita income data from the World Bank's *World Development Report* are employed for all countries. All variables measured in absolute currency terms are provided on a real 1985 basis.

(3) Expenditure data relate to that of the consolidated central government accounts. To increase comparability, some countries are necessarily omitted where the role of provincial and local governments is particularly important and there is insufficient expenditure data on lower level government units (e.g., Brazil, India, Nigeria).

(4) Although every effort is made in the *GFSY* system to allocate expenditures to specific functional expenditure categories, there are cases (e.g., in untied grants to lower levels of government) where this is not possible. No attempt is made to reclassify the unallocated component of expenditure, which may vary considerably across countries.

(5) As part of the effort to increase the homogeneity of the sample, multiplicative dummy variables are used when specifying the equations to test for discontinuity in the effects of individual independent variables according to per capita income level.⁶ Alternative levels of real per capita income were tested as the breakpoint for such a discontinuity, and a per capita income of \$400 appears to yield the lowest sum of squared residuals for the equations. In general, such multiplicative dummies appear statistically significant only in the equations explaining functional expenditure shares.

Estimation of IEC Indices

The calculation of the IEC indices follows the methodology outlined in Tait-Heller. First, a regression model is specified explaining the share y_i of each category i of government expenditure in GDP. For any country j , the estimated coefficients of the regression model can then be used to predict the particular expenditure share \hat{y}_{ij} for each period t , using the actual values of the independent variable set in that period. The index IEC_{ij}^t is the ratio of the actual to the predicted values of the expenditure share:⁷

$$IEC_{ij}^t = (y_{ij} / \hat{y}_{ij}) \times 100.$$

⁶For any variable Z , two dummy terms D_1 and D_2 were used, with $D_1 = 1$ for countries with per capita income above \$400 and $D_1 = 0$ otherwise, $D_2 = 1$ for countries with per capita income equal to or below \$400 and $D_2 = 0$ otherwise. In estimating the equations, two variables were entered, namely, $D_1 * Z$ and $D_2 * Z$.

⁷In situations where the denominator is either negative or very small, an upper limit of 200 is set for the IEC index.

In interpreting these IEC indices, a number of points should be stressed:

(1) The share predicted from the regression equation, \hat{y}_{ijt} , is simply an estimate of what a country might be expected to spend on category i expenditure given the values for country j of the explanatory variables used in the equation (e.g., economic, social, and demographic characteristics), and given how the pattern of spending on this expenditure by other countries varies with these variables. Nothing is implied about the optimality of this expenditure level.

(2) The lower the correlation coefficient of the underlying structural equation, the weaker is the reliability of the equation for providing a reasonable guide to the factors influencing the share of expenditures observed across countries, and the greater is the need to take account of the other "nonexplained" factors that have led a country to diverge from the "predicted" expenditure share.

(3) Comparison of countries using the IEC indices is based on the ratio of actual to predicted expenditure levels for each country and *not* actual spending ratios. A high value of the IEC index (i.e., above 100) for a category of expenditure simply indicates that the country spends more than predicted. Thus, a country with a low IEC index (i.e., below 100) may be spending a higher share of GDP on a category of expenditure than a country with a higher IEC index.

(4) The choice of the country sample that is used in estimating an equation is obviously critical to the results, since it implies the set of countries deemed to be relevant for comparison. The predicted expenditure share and the parameters of the underlying regression equation may obviously change according to the particular sample of countries chosen, as may the resulting IEC index for a country. To increase the homogeneity of the sample used for the regression, as large a sample of developing countries as possible is considered.

(5) Even with the restriction of the sample to developing countries, there are some variables for which the indices of most of the countries of a regional grouping tend to be above or below 100. For analyzing individual country results, it is thus useful to not only assess whether the IEC index is above or below 100, but also how it stands with regard to its regional average.

(6) It follows from the lack of "normative" content of the IEC index that the most that should be inferred if the value of a country's IEC index deviates from the average of 100 for any given category of spending is that it is, for some reason, spending more or less than a comparably situated country. This is a basis for asking a number of questions. Does the deviation simply represent a conscious government expenditure priority? Does it mean that this type of expenditure has been relatively favored or squeezed compared with other expenditures? Does it reflect differences in the efficiency of sectoral production, or

differences in the way in which given expenditure policy objectives are achieved? Does it reflect significant differences in relative factor prices across countries? Are these differences desirable or should they be the target for adjustment over time?

(7) In using the IEC indices estimated for the economic categories of expenditure, the question arises as to the relevant set of "predictor" variables. As noted above, the paper takes a relatively technological perspective, arguing that the underlying mix of functional expenditures will largely determine what is the appropriate mix of expenditures on an economic basis. A country will show an IEC mix of 100 for each of its economic expenditure categories *if* it is spending according to the technological requirements of its functional expenditure mix. But suppose that the analysis of functional expenditures suggests that a country's functional expenditure pattern *significantly* deviates from that predicted. If a country were interested in moving its actual expenditure pattern closer to the predicted, then a similar change would be required for its pattern of spending on the economic categories of expenditure. Therefore, in reporting the results for the IEC indices for the economic categories of expenditure, two indices are provided. The first calculates a country's IEC value based on the actual functional expenditure pattern of the country. The second calculates the index based on the *predicted* functional expenditure pattern for the country.

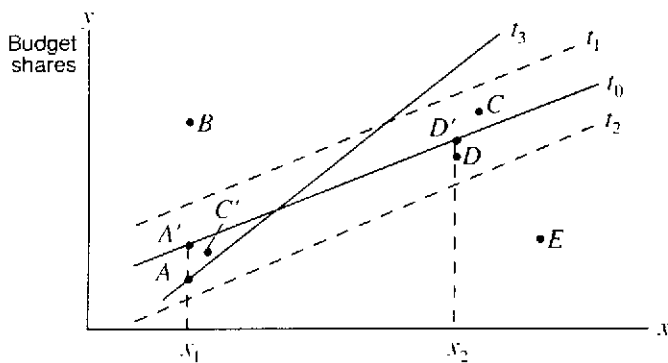
Testing for a Change in Expenditure Priorities and in the Underlying Structural Equations

This study attempts to analyze whether there has been a shift in the priority accorded to different expenditures or a shift in the underlying structure of expenditure determinants. The approach taken to answer these questions relies on a decomposition of the factors affecting the IEC indices over time. Such changes may arise from a combination of three factors. First, the values of the determinants of expenditure category i could change, implying that even if the country's preferences are constant, external circumstances have changed. In Chart 1, such a move may arise in a movement from A to D , reflecting a shift in the value of the explanatory variables from x_1 to x_2 .⁸

Second, the authorities' preferences may have changed with respect to an expenditure category, implying for the country a parametric change in the relationship over time,

⁸One should note that if line t_0 represents the estimated linear relationship between the share of expenditure v_i in GDP and its underlying determinant x_i , the ratio of the actual expenditure share at point A to its predicted value (at A') may differ from that observed at point D (relative to D'), primarily reflecting that the implicit behavioral relationship between v_i and x_i for country j is not likely to be exactly the same as the linear relationship estimated for the entire sample of countries.

Chart 1. Effects of a Change in Explanatory Variables on Expenditure



between x and y . A movement over time from A to B would illustrate this shift. The determinants of expenditure remain the same but the share of outlays at B has risen. Movement from A to C would perhaps reflect a combination of these two factors.

Third, there may be a change over time in the underlying structural equation explaining the variation of expenditure shares across countries. Over and above a change in the value of the individual country's underlying expenditure determinants, the expenditure line for comparative purposes may have shifted, for example, from t_0 to t_1 . As a result, even if the country's position on the graph remains unchanged at A , the observed IEC index may fall, reflecting the higher predicted value for the expenditure share arising from the shift in the comparator's expenditure line.

Changes in Expenditure Priority

Some approaches may be suggested for distinguishing between changes in the IEC index arising from the second factor, the change in expenditure priorities of the country concerned, and the first and third factors, reflecting changes in the value of the underlying determinants and a change in the underlying comparator structure.

In principle, if the comparator line is held constant at t_0 , and if one takes account of changes in the value of a country's expenditure determinants, the change in the ratio of the IEC index should reflect shifts in revealed expenditure priorities. This requires one important assumption. Lacking knowledge of the country's own behavioral relationship between x and y , it is not possible to fully distinguish whether a change in the index reflects a change in priority or a nonlinearity in the country's implicit relationship between x and y . If one assumes that a movement from A to D should lead to no change in the IEC index, representing simply a change in the underlying determinants of expenditure, then one can assume that any change in the ratio is indicative of a change in the priority

accorded to an expenditure category (independent of whether the level is more or less than 100). Thus, movement to point B (E) over time would suggest an increase (decrease) in priority to the expenditure category.

The word "priority" is used in this paper but one should be very clear that shifts in revealed priority may reflect as much the overwhelming, and often unpleasantly regarded, pressure of budgetary exigencies as a true strengthening or weakening of policy support for a given sector's activities. For example, one could doubt that increased interest payments at the expense of health or education outlays is regarded as desirable, but nevertheless it may be the observed priority in terms of actual changes in budget shares.

One other factor may complicate this judgmental leap. If there has been a major shift in the comparator line, say from t_0 to t_3 , then the change in the IEC index would be quite different, according to which line was treated as the base period structure. Suppose one evaluates the data points for two years, for example, at A and C , according to the structure of t_0 . This would suggest that an increase in priority occurred as one moved from A to C . If, however, one evaluates the two data points assuming the later year's equation structure, t_3 , one would observe that the IEC indices declined, signaling a decrease in priority. This reflects both the change in the structure and the position of the data points. If the movement across time were from A to C' , the comparison of the IEC indices would yield consistent results, suggesting an increase in priority over time.

This suggests the need for evaluating whether indeed the coefficients of the estimated equations have changed markedly over the period, and whether there are significant inconsistencies observed in the results according to which base period is chosen. In fact, such inconsistencies were not observed for most of the estimated expenditure equations, as best as one can determine.

Changes in the Underlying Structural Expenditure Equation

One approach to assessing whether there has been a shift over time in the structural relationships determining expenditure shares is to evaluate the impact on the IEC indices of holding the data set constant, while varying the equation used to estimate the predicted value. In such a case, both the numerator of the IEC index (the actual share) and the values of the explanatory variables remain unchanged; all that varies is the predicted value, reflecting which time period's estimating equation coefficients is used for prediction. In principle, if the observed IEC index were to decline (increase) as one changed the structural coefficients, this would imply an increase (decrease) in the predicted value, and thus a structural shift in favor of

(against) the expenditure category. It would be equivalent to a shift in the curve from t_0 to t_1 (t_2).

Unfortunately, one cannot assume that shifts in the structural relationships are likely to be simply parallel movements. As indicated in Chart 2, crossovers are far more likely (e.g., from t_0 to t_1), and it is certainly possible, though not very likely, that a major change in the curve, such as in the movement from t_0 to t_2 , could occur.

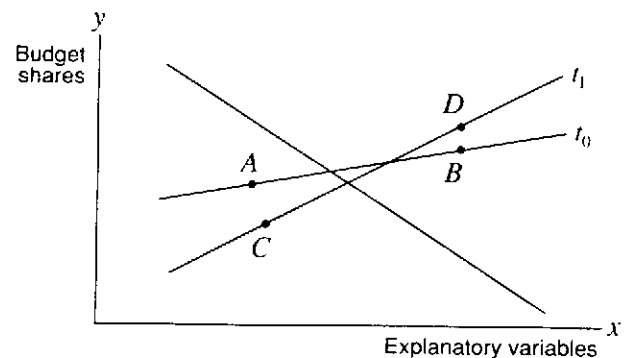
The latter case is the most bedeviling. If a country's actual expenditure share is at point A in period t_0 , the shift in the structural relationship to t_2 would suggest that the IEC index would decrease from 100 to a lower value, implying a shift in the *comparator structure* in favor of the expenditure category. Alternatively, if another country were at point B in period t_0 , the shift in the structural line would lead to an increase in the index, suggesting a shift against this particular expenditure category. Obviously, both cases are true, depending on the starting point. Simply observing the change in the index, however, would not clarify what had happened to the change in the structural relationship without recourse to data on the underlying structural coefficients indicating the change in the sign of the slope of the comparator line.

In the case of a crossover, such as from t_0 to t_1 , the results may still be ambiguous. Again in Chart 2, if the constant data point assessed is at point C, it would appear that the structural relationship has shifted against the expenditure category (e.g., for any given value of the explanatory variable, a lower expenditure share would be predicted). The reverse would be true at point D. Obviously, both conclusions would be correct, depending on the country's initial position in terms of its expenditure share and its determinants. This necessitates examination of the nature of the change in the slopes and constants of the structural equations over time, and recognition that the direction of the shift in the structural relationship may depend on where a country's expenditure share is located on the curve. One may indeed find that for one region, the structure is shifting in favor of higher outlays on a category of expenditure, while the reverse is true for another region.

In analyzing the results, it would be difficult to analyze fully all the shifts observed for the individual countries. The results for the individual countries reflecting the changes arising from the use of different comparator lines, holding the data at their 1986 values, are shown in Appendix Tables 16-18.⁹ To provide a summary measure of expenditure developments, averages have been prepared for each of the five major geographic regions. For calculating these averages, a country is only included if its IEC indices are available for all time periods; otherwise, the shifts in the regional average may simply reflect changes in the country composition of the sample.

⁹For interested readers, the authors can also supply the changes in the IEC indices over time, holding the comparator line at its 1980 level.

Chart 2. Effects of a Change in Structural Expenditure Equation on Expenditure



Normative Issues in Developing an IEC Index for Policy Analysis

In appraising a country's expenditure profile, choosing the appropriate comparator is important. In the IEC framework, this relates to the choice of the underlying structural equations that are to be used for calculating the predicted values of expenditure. In the Tait-Heller study, the issue was narrowly the appropriateness of the country sample used; in this analysis, the time period chosen is equally critical. The sensitivity on this issue cannot be understated. For although it may be cautioned that the IEC index is not more than a starting point, there is a normative "flavor" to the way in which it is applied. The notion that a country should not deviate too widely from that of its principal comparators is well engrained in the minds of many country officials.

Five different equations are estimated for each expenditure variable—four individual period equations for 1975-77, 1978-80, 1981-83, and 1984-86, and a pooled equation covering the period 1978-86. Given the changes in the budgetary and policy environment over this period, the expenditure share that would be predicted for the current year, using current period data but the estimating equation of 1977, is likely to be very different from that predicted using the estimating equation for 1984-86. For example, if there has been a generalized tendency to cut capital expenditures in the last few years, the most recent equation would suggest that the predicted capital expenditure share for a country would be much lower than would be predicted by the equation for 1975-77. Comparing current expenditure shares with the predicted shares from the two alternative estimating equations would equally yield very different IEC values.

Which index is the more appropriate for analysis? Should one regard the current budgetary environment as the appropriate one for comparison, recognizing the

rigidities and nonlinearities of expenditure adjustment in the more constrained budgetary environment? Or should one regard the earlier period as representing a more "normal" budgetary environment, and therefore more suitable for cross-country comparison? There are no unambiguously correct answers to these questions. In the paper, we have chosen to use the pooled estimating equations as

the most representative basis for comparison, and Appendix Tables 13–15 provide estimated IEC values for each country for each of the four periods using the pooled equation set; however, for reference, Appendix Tables 16–18 provide the data for 1986 analyzed in terms of the estimating equations derived for the periods 1975–77, 1978–80, 1981–83, and 1984–86.

III Expenditures Classified on a Functional Basis

This section discusses the results relating to expenditures classified on a functional (e.g., sectoral) basis. Table 1 provides the specification and results of the estimated equations, using the *pooled* data set. Table 2 reports the IEC indices calculated for the individual countries and regional averages for 1986 (or earlier years if 1986 results are unavailable), applying the coefficients of the pooled structural equation results. Reference is made to the results of the equations estimated for the earlier time periods, although the results are not provided here.¹⁰

To assess whether there have been significant changes in the structural bias in favor or against expenditure categories, Table 3 provides regional IEC averages for the data period 1978–80, in effect holding the data constant and allowing the coefficients to vary according to the different period-specific structural equations estimated from 1975–77 to 1984–86. In contrast, Table 4 holds the estimation of the structural line constant at its 1978–80 coefficients and presents the IEC indices calculated using the data relevant to each of the four time periods under analysis.

Empirical Results

General Government Services

General government services cover financial administration, external affairs (including international aid), planning, statistics, and other aspects of general administration. It also covers justice, police, public order, and safety.

The most significant determinant, contributing a third of the explanatory power of the regression equation, is the ratio to GDP of other nonadministrative government spending. Not surprisingly, spending on general public services increases according to the size of programs administered and planned. The relationship is not quite proportional and supports the finding that the proportion of administrative expenditures in GDP seems to decline with

the extent of urbanization of the population. This implies that the cost of administration falls with the density of population, or that it requires proportionally more expenditure to administer sparsely populated areas.

The per capita income variable shows a marked difference between the richer and poorer countries: positive and significant for the higher-income countries of the sample, and negative but insignificant for the less advanced (i.e., with incomes less than \$400). The result for the former group conforms with Wagner's law of ever-increasing state activity, which argues that as the economy advances, the need for greater control and regulation leads to a rise in the proportion of government spending in the economy. Our results also confirm previous findings that this relationship is non-linear (Gandhi (1978)). Although insignificant, the relative size of the young population (14 years old and younger) exerts a positive influence; however, since poorer countries on average tend to have much larger proportions of their population in the younger age groups, this variable may simply be a proxy for other effects of limited development not captured elsewhere.

Looking at the period-specific equations, the structural equation appears reasonably stable over the whole period. The R^2 remains reasonably stable at about 0.2. Some decline over time in the estimated coefficient values for both nonadministrative government expenditures and the urban population share is noticeable. Examining Table 3, for all regions but Africa, one sees that by varying the structural line and holding the data year constant at 1978–80, the IEC index decreases over time. This suggests an increase in the denominator, that is, the predicted value, implying a structural shift increasing the expected share of administrative outlays, given the value of the expenditure variables. For Africa, one observes the opposite, with the structure shifting to a lower level of administrative outlays. Varying the data and holding the structure constant (Table 4) gives the appearance of a shift in priority against such general public administrative expenditures after 1978–80 in Africa. For Asia and the Middle East, the priority shifted in favor of such outlays in the late 1970s but has remained fairly constant since then.

¹⁰They will be provided on request to the authors.

Table 1. Determinants of Functional Expenditure Categories as Share of Gross Domestic Product, Pooled Data, 1978-86

(All expenditure categories as a percentage share of GDP)

	Total Expenditure and Net Lending (1)	Total Expenditure (2)	Total Expenditure Net of Interest Payments (3)	General Public Services (4)	Defense (5)	Education (6)	Health (7)	Social Security and Welfare (8)	Health, Social Security, and Welfare (9)	Housing and Community Amenities (10)	Economic Services (11)	Agriculture, Forestry, Fisheries (12)	Mining, Manufacturing, and Construction (13)	Electricity, Natural Gas, and Water Supply (14)	Transportation and Communications (15)
Constant	26.5* (3.20)	23.96* (3.07)	21.5* (2.92)	2.2195 (1.514)	0.5721 (1.517)	-1.9625** (2.086)	3.6670* (3.319)	-1.424 (1.779)	0.9057 (1.048)	0.5571 (1.654)	11.69* (7.23)	1.6818* (5.095)	1.0488* (4.224)	0.4626 (1.240)	2.4841* (5.146)
GNP per capita in thousands of U.S. dollars															
(Income ≥ \$400)	0.79 (1.05)	0.63 (0.89)	0.66 (1.03)	0.10** (2.002)	0.08 (1.243)										
(Income ≤ \$400)	-7.58 (0.86)	-0.4 (1.13)	4.89 (0.65)	-2.19 (1.411)	-2.62 (1.433)			0.06 (1.242)	-0.06* (1.162)	0.012 (0.771)	-0.35* (4.17)	-0.085** (-2.43)	-0.025 (1.574)	-0.063** (2.569)	-0.041 (0.874)
Percentage of population Aged 14 and under															
Over age 65 (all countries)	0.354 (0.83)	0.6 (1.48)	1.14* (3.13)	0.0356 (1.226)	0.0975* (2.823)	0.0806* (4.284)	-0.0122 (0.578)	0.8093* (10.186)	0.9838* (11.195)						
Over age 65 (Income ≥ \$400)							0.045 (0.799)								
Over age 65 (Income < \$400)							-0.095 (1.146)								
Infant mortality rate															
Share of labor force in agriculture	0.099 (1.088)	-0.057 (0.66)	-0.074 (0.91)							-0.0027 (0.765)		0.0138 (1.940)	-0.0083** (2.541)		
Share of labor force in industry								0.0641** (2.593)	0.0436 (1.628)						

Share of population in urban areas	0.07 (0.04)	-0.69 (0.99)	-0.106 (1.64)	-0.0355* (3.716)	(0.0278** (2.09)	-0.0148* (3.621)	
Pupil/teacher ratio (Income \geq \$400)					0.0244 (1.779)		
(Income < \$400)					-0.0039 (0.311)		
Population growth rate in urban areas (Income \geq \$400)	0.86 (1.26)	0.50 (0.83)	1.10** (2.06)		0.3263** (2.417)	0.0992 (1.385)	0.3397* (5.002)
(Income < \$400)							-0.0453 (0.486)
							0.0945 (1.151)
Share of total non-administrative government expenditure in GDP				0.086* (5.041)			
Share of manufacturing output in GDP (Income \geq \$400)							
(Income < \$400)							-0.0397* (4.254)
							-0.24* (4.66)
							-0.0133 (1.561)
							0.0439** (2.449)
							0.0162 (-0.43)
Share of manufacturing exports in total exports							
							0.0021 (0.886)
Share of agriculture in GDP							0.0037 (0.828)
Outstanding foreign debt as percentage of GDP	-0.023 (-1.9)	-0.028** (-2.41)	-0.017 (-1.56)	-0.0035** (2.340)			
							-0.12** (3.58)
							-0.0146 (1.150)
							-0.04 (-4.12)

Table 1 (concluded). Determinants of Functional Expenditure Categories as Share of Gross Domestic Product, Pooled Data, 1978-86

	As a percentage share of GDP														
	Total Expenditure and Net Lending (1)	Total Expenditure (2)	Total Expenditure Net of Interest Payments (3)	General Public Services (4)	Defense (5)	Education (6)	Health (7)	Social Security and Welfare (8)	Health, Social Security, and Welfare (9)	Housing and Community Amenities (10)	Economic Services (11)	Agriculture, Forestry, Fisheries (12)	Mining, Manufacturing, and Construction (13)	Electricity, Natural Gas, and Water Supply (14)	Transportation and Communications (15)
Percentage of pupils reaching grade 6	0.135 (3.68)	0.118 (3.26)	0.02 (2.04)			0.0278* (5.65)									
Share of direct taxes in total revenue							0.0108 (1.854)								
Percentage of population with access to clean water supply (Income > \$2,000)									0.0144* (4.734)	0.03 (1.62)			0.016* (3.060)		
Income > \$2,000									0.0118* (2.627)	0.047 (1.94)			0.0018 (0.142)		
R ²	0.15 (1.83)	0.14 (1.85)	0.185 (1.64)	0.16 (2.04)	0.08 (2.00)	0.27 (1.80)	0.37 (1.83)	0.60 (1.89)	0.31 (1.57)	0.15 (1.70)	0.07 (1.88)	0.02 (1.60)	0.18 (1.47)	0.21 (1.62)	
N															

Note: The t-statistics are in parentheses.
 * Significant at 1 percent.
 Significant at 5 percent.

A comparison of the IEC averages for 1986¹¹ indicates that, as a group, the African and European countries spent 5 to 10 percent more on general public services than would have been predicted. The budget shares of the Western Hemisphere and Middle Eastern countries were, on average, roughly what would have been expected, while average spending by Asian countries was about 25 percent below the predicted value.

Defense

Defense includes all defense expenditures except those for military pensions (which are included under social security and welfare). This category has many diverse determinants, most of which are difficult to capture empirically, as is demonstrated by the low explanatory power of the regression. Although one might have expected per capita income to have a strong influence on the proportion of GDP spent on defense, it proved statistically insignificant, although positive for the higher-income countries, as opposed to a negative influence in the remaining countries. The most significant influences on defense expenditures are those related to the characteristics of the population: the relative size of the urban population, its growth rate, and the relative size of the non-adult population. These may well reflect potential determinants of social unrest and may indicate how closely defense expenditure in developing countries is determined by internal rather than external factors.

Examining for structural shifts over time, and holding the data constant at their 1978–80 values, one sees an upward shift in the predicted defense levels for the level of the explanatory variables relevant, on average, in Africa and the Middle East, and a shift downward, on average, for the European region. No structural shift is apparent for the Asian or the Western Hemisphere countries. Holding the structure constant, one sees few obvious trends in terms of a shift in priority toward defense, with the exception of the Middle East and perhaps African regions. In Africa, on average, the priority increased in the late 1970s, but has declined since then. In the Middle East, after a sharp fall between 1975–77 and 1978–80, the priority then substantially increased, with the IEC index rising from 100 to 223.

As might be expected for this category of expenditure, the IEC indices for 1986 reveal that on average, Middle Eastern countries spend almost 100 percent more on defense than would have been predicted, with European countries spending about 50 percent above, and Asian

countries about 15 percent above.¹² Conversely, African and Western Hemisphere countries spend, on average, significantly less than would have been predicted, although from a normative perspective, one would expect that the overall estimating equation for defense has an upward bias, given the importance of the high level of armaments spending in the Middle East. This would suggest that for individual African and Latin American countries, comparison with the regional average might be a more appropriate starting point for assessing the budget share of defense.

Education

Among the variables entering the model of educational expenditure, three separate influences are indicated. The first is the relative size of the population most affected by schooling, an indicator of the potential demand for education services. The relative size of the non-adult population had a positive and statistically significant influence on the proportion of education expenditure in GDP. Although obviously correlated with the latter variable, the percent of pupils reaching grade 6 proved an even more significant explanatory factor. Although strictly measuring output rather than demand, the latter variable may also be regarded as an indirect indicator of the relative emphasis placed on education in these countries.

Second, the ratio of foreign debt to GDP appears to have acted as a constraint on this category of expenditure, displaying a significant negative relationship. Third, one might expect that the choice of educational technology would influence the share of educational expenditure in GDP. A higher average pupil-teacher ratio, *ceteris paribus*, should allow for a lower level of educational outlay. This negative relationship appears for the poorer countries in the sample but is statistically insignificant. Surprisingly, in countries with real per capita incomes above \$400, the pupil-teacher ratio is positively related to the education expenditure share, and statistically more significant, but only at the 75 percent level. The expectation that the higher the urban growth rate, the greater the pressure for educational outlays is borne out, although only at about an 80 percent significance level.

The adjusted R^2 is about 0.27, with the strength of the correlation substantially increasing over time in the period-specific equations (from 0.11 to 0.32 between 1975–77 and 1984–86). The coefficients of the equation are stable over time, not indicating any obvious reversal in sign. Allowing the structural equation to vary, holding the data constant (either at the 1980 or 1986 levels), suggests a

¹¹Where data are not available for 1986, the most recent data available are used in Table 2.

¹²The European countries that are deemed nondeveloped primarily include Southern and Eastern European countries (namely, Cyprus, Greece, Poland, Turkey, Yugoslavia), countries where, for a variety of reasons, one finds higher-than-normal military outlays.

Table 2. Functional Expenditure Categories: International Expenditure Comparison Indices, 1984-86, Using Pooled Structural Expenditure Equations for the Period 1978-86

	General Public Services	Defense	Education	Health	Social Security and Welfare	Economic Services	Agriculture, Forestry, Fisheries	Mining and Manufacturing	Electricity and Gas	Transportation and Communications	Housing and Community Amenities
Africa											
Benin	65.8	41.9	117.2	114.1	298.4	65.1	74.0	32.2	2.2	66.5	164.6
Botswana	106.7	74.4	133.4	68.7	54.6	86.1	133.0	46.4	140.2	67.9	130.8
Burkina Faso	38.2	106.2	62.3	73.8	191.7	*	28.8	*	*	*	*
Burundi	133.6	44.2	54.5	56.5	52.5	105.3	65.2	9.3	30.9	122.6	284.6
Cameroon	146.2	69.2	120.4	*	120.4	60.1	93.6	6.8	*	62.9	10.4
Central African Rep.	45.8	30.9	107.0	101.7	104.3	174.7	33.1	24.5	214.6	17.7	271.6
Cote d'Ivoire	*	*	94.7	80.3	*	128.7	68.4	119.6	97.0	194.1	286.6
Ethiopia	*	*	*	*	*	*	*	*	*	*	*
Gabon	262.8	0.0	114.1	277.9	*	139.4	185.4	26.7	16.1	243.4	178.0
Gambia, The	86.0	31.6	*	76.1	49.7	41.6	37.7	50.1	10.7	235.4	37.7
Ghana	*	*	*	*	*	*	*	*	*	*	*
Guinea-Bissau	85.1	72.7	160.4	155.3	7.0	87.2	104.2	113.5	33.4	59.8	282.6
Kenya	208.5	119.8	158.9	148.8	30.9	217.2	141.0	137.8	*	169.8	66.9
Lesotho	116.3	58.0	71.7	75.5	15.6	111.6	79.9	137.6	90.3	105.1	32.2
Liberia	*	*	*	*	*	*	*	*	*	*	*
Madagascar	95.9	53.2	117.6	220.7	23.9	117.4	137.3	19.8	94.4	139.4	55.6
Malawi	78.3	100.6	100.0	67.8	270.0	49.6	61.4	4.6	0.0	219.0	97.5
Mali	135.0	135.0	76.6	76.0	237.1	*	114.4	72.7	2.5	*	*
Mauritania	101.7	13.2	75.8	84.3	136.0	42.3	99.0	122.5	42.5	92.5	57.2
Mauritius	93.7	151.4	114.4	114.4	102.8	93.2	91.4	121.5	52.5	86.0	46.3
Mozambique	89.7	28.9	71.8	67.2	*	93.2	60.7	177.6	88.8	88.9	26.0
Niger	55.8	66.2	67.1	46.7	198.6	93.5	72.8	160.9	160.9	80.8	25.7
Rwanda	111.2	138.5	102.2	140.2	*	93.5	91.1	85.2	68.8	44.1	290.8
Senegal	68.0	26.8	93.1	120.8	45.2	52.9	49.7	*	*	*	12.2
Sierra Leone	72.9	71.6	24.1	14.4	67.2	38.1	53.3	126.8	191.0	40.7	1.7
South Africa	128.6	31.2	112.6	110.6	*	103.6	*	*	*	*	*
Sudan	205.9	107.5	99.1	99.1	244.6	96.9	156.5	125.6	132.1	93.2	*
Swaziland	77.8	80.9	196.1	133.7	73.9	144.8	217.5	109.2	246.1	0.1	204.0
Tanzania	66.5	94.1	128.9	164.1	73.9	144.8	217.5	109.2	23.1	46.8	171.4
Togo	150.0	136.5	187.0	260.6	50.8	69.7	62.6	199.5	171.9	37.7	46.2
Tunisia	88.9	88.9	145.9	145.9	106.3	86.2	182.3	95.0	23.9	70.3	214.1
Zaire	60.3	134.0	125.7	109.5	*	285.8	165.2	*	64.6	57.1	104.2
Zimbabwe											
Asia											
Bangladesh	91.4	52.9	68.2	90.3	223.6	67.9	66.1	159.6	68.2	12.3	5.8
Bhutan	122.8	43.5	142.8	87.9	122.5	79.2	121.4	21.7	51.6	130.0	24.2
Brunei	180.8	87.0	0.0	0.0	0.0	102.7	77.7	181.8	296.9	47.7	84.4
Indonesia	69.8	161.7	99.6	31.3	20.3	65.1	71.9	41.5	23.5	40.9	24.0
Korea	32.8	189.0	138.9	65.7	61.1	189.7	174.1	22.3	174.3	155.2	52.2
Malaysia	50.7	172.9	*	100.2	39.1	121.3	234.0	39.7	*	241.6	152.1
Myanmar	45.3	34.6	59.1	59.1	73.2	216.7	183.7	171.9	159.6	83.0	176.7
Nepal	41.9	297.6	*	125.0	101.1	84.5	10.6	135.5	97.8	25.6	173.3
Pakistan	113.7	62.7	140.8	129.1	6.4	143.0	96.3	275.9	224.2	61.9	*
Papua New Guinea	47.3	39.1	67.2	55.5	13.4	137.1	35.6	78.0	199.8	105.5	46.5
Philippines	110.8	162.6	148.8	72.6	8.2	90.2	9.2	4.5	*	115.2	190.2
Singapore	50.2	0.0	140.5	113.3	*	*	*	*	*	*	*
Solomon Islands											

St. Lucia	49.2	146.0	83.3	62.3	104.4	166.8	103.2	206.0	0.0	*	128.0
Taiwan	17.4	150.5	145.3	100.7	40.6	69.6	93.1	16.3	62.5	64.0	45.9
Western Samoa	*	*	*	*	*	*	*	*	*	*	*
Europe											
Cyprus	56.0	55.9	91.5	60.2	66.1	81.1	282.2	0.8	0.3	50.6	81.1
Greece	97.0	235.4	124.8	144.2	115.1	96.7	160.1	50.3	16.8	126.1	71.8
Hungary	190.6	172.3	36.8	79.7	111.1	216.3	216.3	*	*	*	*
Malta	89.2	43.0	88.5	134.4	173.4	180.4	45.9	60.4	224.8	223.8	193.8
Poland	*	*	*	*	*	*	*	*	*	*	*
Portugal	46.9	208.8	131.6	128.4	111.9	*	*	*	*	*	*
Turkey	239.9	103.4	72.7	*	*	98.5	16.9	85.4	285.2	179.2	113.6
Yugoslavia	18.7	216.5	*	*	6.8	*	*	*	*	*	*
Middle East											
Bahrain	204.4	92.7	*	*	31.0	118.5	47.4	123.8	264.0	132.5	152.2
Egypt	55.1	281.8	132.4	*	239.7	*	96.3	*	*	*	*
Israel	15.0	115.5	86.2	86.2	239.7	*	120.5	*	*	*	*
Jordan	101.7	266.1	93.1	109.3	212.9	93.9	61.9	*	154.9	107.9	23.2
Kuwait	145.3	130.7	*	*	*	175.7	47.3	141.2	292.4	96.2	242.7
Oman	81.5	75.0	94.8	*	*	*	62.3	139.2	*	65.2	*
Syrian Arab Republic	36.8	71.9	26.5	*	75.1	*	147.0	*	*	*	*
United Arab Emirates	112.4	132.7	*	*	47.9	18.4	127.4	2.7	21.6	*	12.9
Yemen Arab Republic	155.8	293.5	145.7	120.5	*	52.1	39.5	*	*	76.8	*
Western Hemisphere											
Argentina	42.8	45.9	85.2	25.1	88.6	72.2	9.7	1.8	200.4	84.8	17.6
Barbados	116.2	55.7	185.3	120.5	87.6	75.6	131.9	22.1	17.1	83.5	120.9
Belize	103.5	47.6	118.1	181.1	*	*	*	*	*	*	*
Bolivia	73.2	48.0	114.6	53.9	99.7	27.0	8.8	7.7	4.6	39.6	12.8
Chile	125.2	111.1	120.1	126.8	269.2	37.0	25.6	56.1	1.1	50.1	121.5
Colombia	131.1	31.8	45.4	45.4	109.1	38.5	10.7	51.9	26.8	122.4	41.4
Costa Rica	60.5	20.3	109.5	217.2	124.7	*	51.6	*	*	*	*
Dominica	173.6	13.8	*	*	*	87.8	*	*	8.1	*	*
Dominican Republic	57.5	31.0	58.6	75.4	75.8	85.2	136.4	29.4	117.1	8.9	120.0
Ecuador	57.6	43.2	96.1	52.7	6.9	39.6	33.4	0.0	18.8	111.2	*
El Salvador	64.9	124.2	76.2	56.5	28.1	41.5	39.7	3.0	4.5	139.1	30.0
Guatemala	84.1	37.9	42.1	43.0	29.7	*	*	*	*	*	*
Guyana	61.3	257.4	155.3	162.0	106.1	271.7	*	200.1	78.6	104.2	30.0
Haiti	*	*	*	*	*	*	*	*	*	*	*
Honduras	63.2	57.9	88.0	89.7	70.9	85.7	96.0	39.2	13.4	219.1	47.1
Jamaica	*	*	*	*	*	*	*	*	*	*	*
Mexico	51.0	15.2	*	*	88.9	105.9	59.8	242.6	188.5	27.1	70.1
Nicaragua	104.9	79.6	77.1	186.2	238.6	153.7	84.4	47.8	38.9	251.7	251.6
Panama	183.7	0.0	150.1	211.2	124.4	35.1	55.6	29.2	8.5	78.1	122.0
Paraguay	52.0	34.5	33.0	20.4	113.6	35.4	8.8	8.3	*	120.7	144.2
Peru	86.1	113.4	79.9	148.2	0.8	80.8	33.2	45.1	*	92.0	33.3
St. Lucia	*	*	*	*	*	*	*	*	*	*	*
St. Vincent	107.6	*	137.7	137.7	*	50.3	*	*	*	*	*
Suriname	255.7	75.5	*	*	103.7	126.7	111.3	94.1	13.4	*	*
Trinidad and Tobago	211.0	16.7	88.0	65.2	41.6	101.9	115.0	66.1	48.9	124.6	218.7
Uruguay	118.2	93.7	46.0	125.2	125.2	15.7	15.7	*	*	*	*
Venezuela	24.7	30.4	121.8	119.5	57.1	61.5	46.0	157.1	41.4	66.2	102.5
Averages	99.3	94.2	102.2	102.0	97.0	100.5	88.8	81.2	91.6	99.2	107.0
Africa	109.6	75.2	101.7	111.7	112.4	106.5	98.5	85.7	85.0	95.5	121.3
Asia	73.8	114.3	84.1	114.3	63.3	118.0	98.2	104.2	123.5	90.2	91.9
Europe	105.5	147.9	91.0	109.4	98.1	114.2	144.3	49.2	131.8	144.9	115.1
Middle East	99.8	199.6	105.6	89.3	122.8	91.7	83.3	101.7	183.2	95.7	107.7
Western Hemisphere	100.4	60.6	97.2	100.8	94.8	80.6	56.5	61.2	48.8	101.4	92.7

*Missing observation.
Formerly Burma.

general upward shift toward higher educational spending in all of the regions except Europe, where the reverse is true. Holding the structure constant (using either the 1980 or 1986 estimated coefficients), one sees a strong increase in the relative budget priority attached to educational spending, with the IEC indices rising significantly over time for all regions except Europe (where again, the reverse is the case). Relative to the predicted level, actual educational expenditures have risen from 8 to 15 percent in the non-European regions.

The average of the IEC indices for education in 1986 is about 100, with only limited variability across regions. The Asian and Middle Eastern countries are somewhat higher than expected, and the European countries slightly below. Among African countries, one finds that the IEC indices for Kenya, Lesotho, Togo, and Zaïre are significantly above 100, while such countries as Sudan, Cameroon, and Tanzania are substantially below.

Health

The health category includes government expenditure on general administration, regulation, and research for health; on hospitals, medical and dental centers, and clinics; on population control, immunization and inoculation; and on blood donor services. It also covers the reimbursement for services outside hospitals and clinics.

It could be expected that the share in GDP of government expenditure on health would primarily be directly influenced by demand factors (e.g., the size of the dependent population, birth and population growth rates, and poor access to clean water). What is striking is that *none* of these influences had a statistically significant influence on the share of health spending in GDP. The share of the population 65 years and over exerted a positive influence only in the group of countries with per capita income above \$400, but not significantly.

Rather it was found that health expenditures were most significantly, and *negatively*, related to the size of the foreign debt, the infant mortality rate, and the relative size of the urban population. The first variable may indicate the constraint placed on this category of spending to meet the competing demands of external debt obligations. To test for further influences from supply constraints, the ratio of tax-to-total revenue was included in the regression. This rather imperfect indicator of the ease with which the government can raise revenues through the tax system, although not significant, shows a positive relationship.

The negative relationship between expenditure on health and the infant mortality rate can be interpreted as an indicator of the success of higher levels of health expenditure rather than as an indicator of the government's priority in this area; however, the negative relationship between expenditure on health and urban growth is perhaps less

easy to understand. As the population urbanizes and loses the protection of rural informal health care, one might expect the demand for government-provided health services to grow. At the same time, it is likely to prove cheaper to provide per capita health services in an urban environment than in a rural setting, where the population is more geographically dispersed and less accessible.

The explanatory power of the equation is nevertheless relatively high at 0.37, compared with all of the other functional expenditure equations (except social security and welfare), and has held at this level throughout the period (examining the period-specific equations). The structure of the equation has changed somewhat over time, with the constant term shifting upward in each of the four periods, but with the negative sign of the debt and infant mortality variables getting progressively larger. When the data are held constant (whether for 1978–80 or 1984–86), the predicted values appear to have risen, during the period 1975–77 and 1981–83 in all regions except Africa. From the mid-1980s the predicted level of health spending has fallen back somewhat, except in Asia, where the upward shifting trend has continued. Holding the structure constant, one sees an increase in the relative priority of health in Asia and a less dramatic increase in the Middle East and Western Hemisphere, with no obvious shifts in the other regions.

The relationship between actual and predicted values for health expenditures was rather consistent between the different regions. In 1986, the average budget shares on health for countries in Africa and Europe were above expected values, while in Asia and the Middle East, the average indices suggest spending shares 16 and 10 percent, respectively, below what would be predicted. This suggests that for the latter two regions, the higher revealed priority may have been a corrective adjustment to the relatively low budget shares of earlier years.

Social Security and Welfare

The social security and welfare category includes expenditure on social security (e.g., sickness, old age, and disability payments, payments under contributory and noncontributory schemes, and pension and disability plans for government employees, civilian and military). It also includes unemployment, family, maternity, and child allowances, as well as any other public assistance. Welfare services include care of the elderly, disabled, mentally impaired, and children.

The explanatory power of this equation is quite high, with an R^2 of about 0.60, although dominated by one variable: the size of the population over 65 years of age. This appears to be an indicator of the demand for a large number of these types of service. Perhaps not surprisingly, the proportion of the labor force in manufacturing, another

Table 3. Regional Average of International Expenditure Comparison Indices Observed Holding the Data Year Constant (1978–80) and Varying the Expenditure Structure: Functional Expenditures

Expenditure Category and Equation Years	Average	Africa	Asia	Europe	Middle East	Western Hemisphere
Total expenditure and net lending						
1975–77	99.2	111.9	80.1	78.0	141.6	82.3
1978–80	100.0	106.5	83.2	89.3	150.7	85.5
1981–83	89.4	98.0	74.8	72.0	137.8	73.4
1984–86	91.1	93.3	79.3	78.2	151.0	77.9
Total expenditure						
1975–77	99.5	110.9	79.0	78.2	141.3	86.0
1978–80	100.0	105.8	82.2	88.9	150.8	87.7
1981–83	88.9	95.5	74.5	72.3	139.7	75.3
1984–86	89.0	90.3	77.2	76.8	146.7	78.3
Expenditure less interest						
1975–77	96.8	107.6	79.5	92.1	137.4	79.6
1978–80	100.1	102.1	84.7	102.3	150.8	89.2
1981–83	91.0	94.1	80.3	83.3	144.1	78.0
1984–86	89.3	90.3	81.7	88.0	148.0	74.6
General public administration						
1975–77	103.6	115.7	89.6	96.3	94.9	103.6
1978–80	98.1	113.6	81.3	93.7	84.5	97.4
1981–83	95.5	114.6	77.0	73.2	84.4	95.1
1984–86	99.2	127.3	77.4	71.1	80.2	94.8
Defense						
1975–77	86.8	101.5	105.8	106.0	115.9	50.5
1978–80	84.8	90.7	109.9	114.1	110.2	53.4
1981–83	80.9	92.6	104.0	102.1	92.6	47.5
1984–86	78.2	86.3	97.0	124.5	75.8	50.3
Education						
1975–77	99.9	106.8	92.7	95.8	97.2	95.6
1978–80	99.8	101.2	93.9	98.2	95.1	102.5
1981–83	86.8	86.6	83.4	93.3	83.2	88.6
1984–86	89.4	93.1	84.6	101.8	84.6	85.6
Health						
1975–77	103.8	101.8	93.0	141.9	94.3	109.4
1978–80	96.0	106.8	65.7	118.4	85.6	96.9
1981–83	89.1	99.0	60.2	115.5	77.1	90.2
1984–86	96.4	106.7	57.7	130.0	89.4	100.2
Social security and welfare						
1975–77	78.1	87.0	40.8	81.1	143.3	77.8
1978–80	84.5	94.0	32.4	92.5	177.0	85.6
1981–83	82.6	100.1	40.4	80.1	154.2	77.8
1984–86	84.7	105.7	37.5	83.7	160.3	78.5
Health and social security and welfare						
1975–77	95.2	108.6	60.8	111.3	119.8	92.2
1978–80	99.0	116.7	55.9	113.5	134.7	93.6
1981–83	98.5	123.7	55.0	104.7	126.1	89.4
1984–86	103.9	139.0	56.6	111.7	116.2	91.7
Housing and community amenities						
1975–77	76.8	73.4	82.3	57.6	94.2	76.7
1978–80	81.2	69.4	83.3	84.3	89.9	91.4
1981–83	80.6	63.3	84.1	78.0	81.4	99.2
1984–86	89.9	81.5	93.6	86.0	61.6	104.7
Economic services						
1975–77	92.9	98.6	103.4	122.1	84.3	75.1
1978–80	100.0	101.8	109.2	129.5	107.1	84.6
1981–83	99.7	102.8	108.5	137.1	109.0	81.1
1984–86	99.4	104.7	105.4	128.4	109.3	81.1

Table 3 (concluded). Regional Average of International Expenditure Comparison Indices Observed Holding the Data Year Constant (1978–80) and Varying the Expenditure Structure: Functional Expenditures

Expenditure Category and Equation Years	Average	Africa	Asia	Europe	Middle East	Western Hemisphere
Agriculture						
1975–77	104.6	123.0	104.2	105.4	93.8	81.4
1978–80	95.6	111.6	95.9	96.9	86.2	75.0
1981–83	82.5	100.2	78.8	78.2	72.3	63.6
1984–86	86.0	102.5	85.3	81.9	75.3	66.8
Mining and manufacturing						
1975–77	67.4	72.6	101.7		42.6	38.2
1978–80	68.2	71.2	99.8		46.9	43.1
1981–83	62.3	54.9	91.7		55.8	48.4
1984–86	55.2	49.3	69.4		58.3	51.2
Gas and electricity						
1975–77	82.0	79.4	92.2		89.9	80.2
1978–80	83.1	72.9	105.1		95.7	84.2
1981–83	59.1	52.5	73.5		61.3	59.5
1984–86	61.0	57.1	84.5		80.9	53.3
Transportation and communications						
1975–77	79.7	65.4	81.4	176.0	90.8	76.0
1978–80	90.0	66.7	95.7	219.0	80.2	93.1
1981–83	93.1	73.7	92.6	196.5	79.0	101.9
1984–86	112.1	98.9	114.0	200.4	93.2	114.6

Note: A downward movement in the index suggests an increase in the predicted value, given the explanatory values, and thus a shift in the structure in favor of the expenditure category.

indicator of demand, is the only other significant explanatory variable: this may indicate the need for the substitution of the formal government-provided social security of an industry-based population for the informal social security of an agriculture-based population.

Although one might expect a positive relationship between the share of social security outlays and a country's per capita income, the coefficient proves negative though insignificant. This may reflect that responsibility for unemployment pay and sickness and injury benefits for the higher-income countries of the sample are taken up by private corporations and private sector insurance. Similarly, the negative relationship observed between social security expenditures and the infant mortality rate indicates the reduced demand for these and related expenditures.

Holding the data constant, on average, one can see a structural shift against social security outlays in the latter half of the 1970s in the Western Hemisphere, Europe, and Middle East, but the shift was reversed in the 1980s. In the African and Asian regions, no clear shift emerges.¹³ Hold-

ing the structure constant over time (and this appears consistent whichever structural equation is used), one sees a shift in priorities against social security and welfare outlays in Africa throughout the period. In Europe, the Western Hemisphere, and Asia, the priorities appear to have shifted against such outlays in the late 1970s but rebounded sharply in the 1980s.

For some regions, these expenditures were a rather small percentage of total government spending, which may add to the variability discovered between regions when comparing actual with predicted levels. For example, in 1986 while the expenditure shares of Asian countries were, on average, almost a third below predicted values, Middle Eastern and African countries were, on average, about 20 percent and 12 percent above, respectively. These results mask considerable intraregional variability in IEC indices. In Africa particularly, one observes that a number of the Francophone countries indicate extremely high IEC index values (e.g., Benin, Burkina Faso, Mali, Mauritania, and Togo) whereas most of the Anglophone countries have indices below 50. Such variability is also striking in Latin America.

Housing and Community Amenities

The category of housing and community amenities covers the provision of housing and housing payments tied

¹³In Africa, the results obtained by holding the 1980 data constant and by varying the structure suggest a clear negative structural shift against expenditures on social security and welfare. Yet the 1986 data base does not support this result, suggesting that this is one of the cases discussed in Section II where the position on the curve matters for the interpretation of the bias of structural change.

Table 4. Regional Average of International Expenditure Comparison Indices Observed Holding the Equation Year Constant (1978–80) and Varying the Data Years: Functional Expenditures

Expenditure Category and Data Years	Average	Africa	Asia	Europe	Middle East	Western Hemisphere
Total expenditure and net lending						
1975–77	101.3	106.0	77.3	101.0	159.5	83.8
1978–80	99.9	112.1	83.2	82.8	150.7	76.6
1981–83	108.1	114.7	91.3	95.6	165.6	87.0
1984–86	107.0	118.0	90.8	99.2	146.1	87.3
Total expenditure						
1975–77	100.2	103.8	75.1	99.6	162.6	84.6
1978–80	99.1	109.0	82.2	83.1	150.8	79.6
1981–83	108.0	114.6	88.7	95.8	167.8	89.4
1984–86	108.4	118.9	92.4	103.4	148.4	89.6
Expenditure less interest						
1975–77	104.3	100.9	79.5	114.4	164.7	96.4
1978–80	102.0	105.7	84.7	103.8	150.8	87.2
1981–83	110.8	115.0	87.0	120.3	169.6	93.3
1984–86	109.4	117.6	84.2	124.2	146.6	96.3
General public administration						
1975–77	93.4	122.8	71.8	76.7	70.9	89.3
1978–80	99.1	122.7	84.0	92.2	84.5	90.1
1981–83	93.2	103.4	88.7	90.8	82.3	90.0
1984–86	88.1	95.6	85.1	70.7	83.3	86.0
Defense						
1975–77	89.6	89.6	95.3	150.9	151.4	63.5
1978–80	91.1	104.6	100.2	130.0	99.6	57.7
1981–83	91.2	90.9	99.5	124.6	171.5	67.0
1984–86	91.7	85.3	100.3	116.3	223.2	69.7
Education						
1975–77	100.2	102.8	88.3	112.5	88.0	108.3
1978–80	101.3	107.4	91.1	89.9	95.1	104.5
1981–83	109.2	114.8	101.9	84.4	114.5	107.5
1984–86	107.2	110.0	108.3	72.5	113.9	105.1
Health						
1975–77	90.2	107.8	59.1	134.2	95.7	84.9
1978–80	96.6	104.8	65.8	118.1	101.7	109.3
1981–83	101.4	108.7	71.7	129.9	112.3	111.4
1984–86	107.0	115.9	90.0	126.1	109.8	105.9
Social security and welfare						
1975–77	88.2	103.0	51.0	128.2	145.2	92.8
1978–80	74.6	84.4	52.3	81.2	122.1	77.2
1981–83	75.3	73.0	46.5	93.8	135.3	92.2
1984–86	76.5	68.9	56.3	101.4	112.9	93.5
Health and social security and welfare						
1975–77	105.1	133.5	55.6	149.3	155.2	93.8
1978–80	98.5	121.4	55.9	137.1	129.2	95.0
1981–83	102.5	117.3	55.9	159.0	143.9	106.9
1984–86	99.1	113.1	58.6	169.8	127.5	102.3
Housing and community amenities						
1975–77	80.7	39.9	96.0	174.8	98.7	88.2
1978–80	74.6	58.3	87.7	97.6	89.9	71.4
1981–83	82.5	73.2	88.9	121.8	79.5	79.9
1984–86	95.7	98.2	104.0	164.9	106.4	65.4
Economic services						
1975–77	111.2	106.9	115.2	173.1	132.0	96.2
1978–80	100.1	102.1	104.4	155.0	125.1	76.3
1981–83	99.4	88.7	114.8	130.0	128.2	85.3
1984–86	94.6	87.0	109.8	137.2	105.7	79.0

Table 4 (concluded). Regional Average of International Expenditure Comparison Indices Observed Holding the Equation Year Constant (1978–80) and Varying the Data Years: Functional Expenditures

Expenditure Category and Data Years	Average	Africa	Asia	Europe	Middle East	Western Hemisphere
Agriculture						
1975–77	77.6	87.1	77.2	58.9	78.0	69.0
1978–80	86.5	106.7	88.8	73.7	75.1	68.0
1981–83	87.5	106.1	93.8	44.7	90.0	64.7
1984–86	85.2	103.0	100.5	36.2	89.9	55.7
Mining and manufacturing						
1975–77	72.1	82.6	87.6		24.1	58.7
1978–80	71.2	94.0	90.4		25.1	43.1
1981–83	75.8	79.2	102.7		65.3	52.6
1984–86	76.6	98.0	82.7		60.4	55.1
Gas and electricity						
1975–77	86.7	76.1	102.7		21.1	96.3
1978–80	90.4	72.2	140.0		24.3	86.9
1981–83	94.5	77.3	174.1		49.2	67.4
1984–86	79.9	81.3	104.9		40.3	65.8
Transportation and communications						
1975–77	100.6	81.2	89.9	293.8	66.6	124.2
1978–80	88.8	80.9	83.9	272.5	80.2	86.8
1981–83	77.7	70.6	71.0	178.0	88.3	78.4
1984–86	71.5	60.2	72.0	191.2	80.2	71.1

to the income level of the recipient. It also includes rent subsidies, some home purchase subsidies (exclusive of tax expenditures), and any administrative costs.

Surprisingly, the most statistically significant determinant of this expenditure category, the ratio of manufacturing output to GDP, is negatively related to expenditures on housing. This may suggest that government housing is regarded as an inferior good. Income earners in the manufacturing sector are either provided with private sector housing or can afford to purchase their own housing. The share of government expenditure on housing and community amenities is also related to indicators of demand for other complementary superior goods, such as access to clean water supply. The latter variable exerts a slightly stronger influence in the higher per capita income countries of the sample. Demand for these services is positively, but not significantly, related to real per capita income levels and the degree of urbanization (as reflected in the share of manufacturing goods in total exports).

The explanatory power of the equation is reasonably good, at 0.31, and is strongest in the mid-1980s. No important changes occur in the sign of coefficients, though it is apparent that some coefficients are significant in only some of the sample years. No obvious and significant continuous structural shifts are apparent over the entire period; intraperiod fluctuations are more the norm. For example, for the African region, there appears to have been a shift in favor of this category of expenditure, given the values of its explanatory variables, between 1975–77 and 1981–83, only to have been more than fully reversed

in the subsequent three years. On balance, in Asia and the Western Hemisphere, a structural shift suggesting a downward shift away from social security appears to have occurred.

Holding the structure constant, one sees an increase in the priority for this type of expenditure in most regions over the period, particularly after the 1980s. The major exception is the Western Hemisphere, where the priority declined after 1983 and possibly even earlier (the latter depending on the choice of structural equation). In terms of the observed IEC indices for 1986, there are some noticeable regional differences. On average, the IEC indices for the African and European countries are somewhat greater than 100.

Economic Services

Outlays on economic services tend to be largely for investment in most developing countries, though current outlays on operations and maintenance and economic regulatory activities may also be important. The sectoral heterogeneity of this budget aggregate makes it difficult to specify a simple model explaining budget outlays and a number of obviously conflicting hypotheses may apply. For example, one could easily argue that a dominant agricultural sector would necessitate government outlays to stimulate increased productivity. Alternatively, the same fact could suggest that the sector is sufficiently developed and outlay in manufacturing would be more

useful. Thus, while the pooled equation estimate yields a number of significant explanatory variables, it is difficult to go very far in trying to explain their signs. The results suggest that real per capita GDP and the ratios of agricultural and manufacturing output to GDP are negatively related to budget shares on economic services.

Of more interest is the fact that the explanatory power of the equation falls sharply over the period, a fact that also will be seen to characterize the equations underlying the disaggregated economic services expenditure models discussed below. The adjusted R^2 falls from 0.30 in 1975–77 to 0.17 in 1978–80 and by 1984–86 has fallen to 0.03. Surprisingly, the coefficients remain statistically significant and remain fairly stable in their values.

Agriculture

Outlays in agriculture are for the provision of agricultural services and financial support programs for farm prices and incomes. Forestry and inland and ocean fishing programs, as well as research in all these areas, are also included.

The pooled estimating equation suggests that expenditures on agricultural services are negatively related to real per capita income, perhaps reflecting the declining importance of agriculture as an economy advances. Alternatively, outlays increase with the size of the labor force in agriculture, an indicator of the demand for such services. The share of expenditure on these services falls, however, as agriculture's share in GDP rises (though the coefficient is not statistically significant). Since agriculture's share in GDP decreases with development, the negative relationship may capture the degree to which underdevelopment generally constrains expenditures. Alternatively, the negative relationship may indicate that once established, there is less need for government promotion and development of this sector.

The explanatory power of the equation, which is not particularly high to begin with at 0.12 in 1975–77 and 1978–80, drops sharply in the period-specific equations of the 1980s (to 0.02 and 0.05), reflecting the diminished significance of the major explanatory variables. There is a clear structural change in the equation, with only per capita income remaining statistically significant, and its coefficient becomes increasingly negative.

For most regions, the results suggest an upward structural shift between 1977 and 1983 in favor of agricultural spending, with little structural change after 1983. Only in the Asian region does there appear to have been a continuous increase in the priority attached to agricultural spending over the whole period. There is considerable variability in the other regions. In Africa and Europe, the priority increased between 1975 and 1980, but then declined in the European countries in the early 1980s.

In 1986, on average, the countries in Africa and Asia spent what was predicted, while in the Western Hemisphere and Middle East, the share was significantly less

than predicted (by 17 and 44 percent, respectively). Only in the European countries were expenditure shares significantly above predicted values (by 44 percent).

Mining, Manufacturing, and Construction

The category of mining, manufacturing, and construction includes expenditure related to the mining, natural resources, manufacturing, and nonhousing construction sectors. It also includes investment grants to these sectors.

As with agricultural outlays, one would expect that the structural characteristics of the economy would determine demand for expenditures in this sector. In terms of statistical significance, the results suggest that the greater the growth of the urban population, and the less important is the manufacturing sector, the greater the budget share in GDP on manufacturing and mining related outlays. Real per capita income does not prove a significant determinant, and the relationship is negative. One would expect that the more industrially developed countries would be less likely to subsidize industry under limitations imposed by the General Agreement on Tariffs and Trade (GATT) and export credit guarantees. However, overall the equation exhibits one of the poorest fits to the data.

Also as with the agricultural sector, one observes a decline in the explanatory power of the estimating equations in the mid-1980s, with an accompanying fall in the size of the coefficients of the principal explanatory variables. Holding the data year constant, one sees a structural shift in favor of (against) this category of expenditure for the African and Asian (Middle Eastern and Western Hemisphere) regions. Priority shifted strongly in favor of outlays in this sector in the Asian region in the 1980s; in the other regions, the shifts were less pronounced.

In 1986, only the Middle Eastern and Asian countries, on average, spent roughly what would have been expected in this sector. Lower-than-expected shares are observed in Africa, the Western Hemisphere, and Europe, though there is considerable variability across countries within each of these regions.

Electricity, Natural Gas, Steam, and Water

In the category of electricity, natural gas, steam, and water, expenditure related to the production, transmission, and distribution of electricity, natural gas, or steam are included; the mining of natural gas, which is classified under mining, is not included. The category also includes expenditure on the regulation, purification, and distribution of clean water for general use (but not irrigation).

Expenditure in this sector appears most significantly related to demand factors: real per capita GDP, and in the higher per capita income countries, the access to clean water supply and the share of manufacturing output in GDP. The latter relationship and that with per capita income are negative, contrary to the expectation that these

necessary inputs would expand as manufacturing increases and incomes rise. It may be that as the industrial base of the country expands, the economies of scale so generated succeed in making these activities more profitable and therefore less dependent on government support. The negative relationship with per capita income is, however, more difficult to explain.

Holding the data year constant, one sees a structural shift, on average, toward higher predicted values for the budget share on electricity and gas in the Western Hemisphere and African regions. In Asia and the Middle East, on average, there appears to have been a downward structural shift in the 1980s. The priority toward this sector appears to have increased between 1975 and 1983 in the Asian and Middle Eastern regions, only to drop off after 1983. In the Western Hemisphere region, countries on average allocated increasingly less priority to this sector in their spending behavior.

The variability in the IEC indices between regions is very marked for this category of spending. In 1986, on average, the GDP share of these expenditures in Asian and European countries was about 23 and 32 percent, respectively, over predicted values; whereas in the Middle East, the average share was about 86 percent higher. In contrast, in the Western Hemisphere, the predicted share, on average, was only half that expected.

Roads, Other Transport, and Communication

The share of expenditure on transport and communications is closely related to the demands of an urban population. This is reflected in the significant positive effects of a high rate of urban population growth and the significant inverse relationship with the share of agriculture in GDP. Surprisingly, such outlays are negatively related to the share of manufacturing in GDP. Government expenditure on transport and communications was weakly associated with the share in total exports of manufactured goods and fuel. While the budget share could be expected to rise with per capita income, the relationship proves insignificant.

As with other economic services, the explanatory power of the period-specific equations diminishes sharply over time, from 0.23 in the 1975-77 equation to 0.12 by 1984-86. The constant term declines and the coefficients of the principal significant variables all decline continuously over time.

In most regions (e.g., Africa, Asia, and the Western Hemisphere), there was a strong structural shift, on average, against this sector in government spending patterns. This is also reflected in a diminished priority in spending behavior, with a sharp downward adjustment of the average regional IEC index over the whole period, holding the structure constant. Only in the Middle East was there a significant increase in the priority attached to this sector, and this primarily during the period 1975-80.

The high dispersion in individual IEC indices for this category of expenditure needs again to be considered in

interpreting the regional averages. The IEC levels suggest that most countries are reasonably close to their expected levels. Only the European countries have very much higher actual expenditure shares than predicted. This does not imply, however, adequacy in the composition of such outlays as between the operations and maintenance and the capital components of this category of expenditure. Unfortunately, insufficient disaggregation of the functional expenditure data base by economic categories does not allow such an analysis.

Total Expenditure and Net Lending

Finally, it is interesting to use this approach to evaluate the total share of expenditure and net lending in GDP. In effect, are countries spending more or less than would have been predicted? For evaluating the total expenditure patterns, our equation specification is of the type used to explain the broad functional expenditure categories. The results do not have a strikingly high explanatory power, with the pooled equation yielding an R^2 of only about 0.15.

As with a number of the functional expenditure categories, the explanatory power of the period-specific estimating equation declines sharply in the mid-1980s. The R^2 declines from 0.15-0.17 in 1975-80 to 0.08 in 1981-83 and 0.03 in 1984-86. The result is also characteristic of the equations used to explain total expenditures (that is, exclusive of net lending) and total expenditures net of interest payments. There appears to be a 10-15 percent structural shift upward in the predicted total expenditure share in GDP, on average, in the African and Western Hemisphere countries of the sample. This applies whether or not interest payments are included in the aggregate, so that noninterest payments are the key element pushing the equation upward.

Holding the structure constant, one also observes an increase in the priority given, on average, to higher central government budget shares in GDP in both the Asian and African regions. In the African region, the increase is steady throughout, whereas in Asia, the increase in priority only occurs through 1981-83, the IEC index stabilizing thereafter. In the Western Hemisphere region, one observes a decline in the priority attached to government expenditures between 1975-77 and 1978-80, only to be reversed in the 1980s, and recovering the index values of the earlier period. This increase in priority during the 1980s largely reflects *noninterest* payments.

Using the results to estimate the IEC indices (Table 4), it appears that total expenditure levels are lower than would be predicted—by 10-15 percent in the Western Hemisphere and Asia. In Africa, total expenditure and net lending is about 10 percent higher than expected, and in the Middle East, 40 percent higher. Obviously, for this broad expenditure aggregate, individual country indices are likely to be more relevant.

IV Expenditures Classified on an Economic Basis

In presenting the IEC indices for the various economic categories of expenditures in Table 5, two values are provided: the index derived using the actual functional expenditure share for 1986 as an explanatory variable, and that derived using the predicted functional expenditure share for 1986; both cases use the pooled structural equations for prediction. As discussed in Section II, this allows the analyst to determine by how much the expenditure share on economic categories would change *if* a government were to change its functional expenditure share mix to that predicted from the pooled equations. The specification and results of the pooled estimating equation for the economic categories are presented in Table 6.

Empirical Results

Wages and Salaries

The wage bill obviously represents an important, and to a certain extent unavoidable, component of government expenditure, owing to the inevitable labor intensity of basic administrative functions. As a consequence, a large and reasonably significant constant term is observed in the estimated pooled regression equation. Apart from this personnel "overhead" factor, the government's involvement in the education sector proves to be the key factor determining the share of government wage outlays in GDP. Of the other functional expenditure shares, only the share of expenditure on economic services appears to have a positive impact and this is not highly significant.

Per capita income is negatively related to wage and salary expenditures, although statistically insignificant and with a very small coefficient. This does not provide the strongest support for the commonly held presumption that, as a country develops, the relative importance of direct government provision of services, and thus the government's role as an employer, falls while other types of expenditure (e.g., transfers) become more important. As a further test of this negative relationship, tests were made of the impact on a country's economic structure. For example, at a given level of development, are those coun-

tries with a large agricultural sector likely to provide fewer direct government services? As expected, the inclusion of the proportion of the labor force in agriculture proved to be negatively associated with wage and salary share in GDP; again, however, the coefficient is small and statistically insignificant.

Although the explanatory power of the equation remains roughly constant over the period, some relevant changes do occur in the structure of the equation. The coefficient of the expenditure share on education rises over the period, from 1.27 in 1975-77 to 1.85 by 1984-86; however, the overhead factor as represented by the constant term drops sharply, from a significant 3.3 to an insignificant 1.1, perhaps implying some shift in the distribution of wage outlays within the government. In terms of our approach to assessing whether there were structural shifts in the equation, the results suggest only negligible changes (Table 7). Also, no major change in the relative priority attached to spending on wages and salaries is discernible (Table 8).

A comparison of the regional IEC averages reveals that, on average, African and Western Hemisphere countries' expenditures on wages and salaries were roughly at predicted levels (whether or not one shifts the functional expenditure mix). In contrast, in Asian countries, they were almost 25 percent less than expected. If the functional expenditure mix were closer to that predicted (e.g., resulting in a decline in educational spending), the shortfall would have been less.¹⁴ In the Middle Eastern and European countries, the wage and salary share was 15-25 percent more than predicted (and in the former countries, a shift in the functional expenditure mix would even further increase the average IEC value).

Other Goods and Services

The key functional sectors that appear to have the most dominant and statistically significant effect on purchases

¹⁴This result totally abstracts from the obvious policy problem of how one might cut employment (e.g., in education) and redirect the budget savings toward higher wage and salary rates.

Table 5. Economic Categories of Expenditure: International Expenditure Comparison Indices, 1984-86, Using Pooled Structural Expenditure Equations for the Period 1978-86

	Wages and Salaries		Other Goods and Services		Interest Payments		Subsidies and Transfers		Acquisition of Capital Assets		Capital Transfers	
	A ¹	B ²	A ¹	B ²	A ¹	B ²	A ¹	B ²	A ¹	B ²	A ¹	B ²
Africa												
Benin	*	*	*	*	*	*	*	*	*	*	*	*
Botswana	76.0	83.3	114.8	104.9	57.9	53.7	196.5	161.9	96.2	92.6	33.6	30.9
Burkina Faso	*	*	*	*	78.1	85.8	59.2	60.3	48.1	38.0	*	*
Burundi	*	*	*	*	*	*	*	*	*	*	*	*
Cameroun	102.3	62.6	105.1	91.2	32.5	34.2	77.4	45.5	150.9	154.7	72.5	140.8
Central African Rep.	*	*	*	*	*	*	*	*	*	*	*	*
Congo	*	*	*	*	*	*	*	*	*	*	*	*
Côte d'Ivoire	89.7	97.6	89.2	77.6	173.1	199.0	*	*	111.9	133.7	*	*
Ethiopia	*	*	*	*	*	*	*	*	*	*	*	*
Gabon	*	99.8	*	287.0	*	133.5	*	52.0	*	*	*	*
Gambia, The	*	88.3	*	194.0	*	41.0	*	79.4	*	*	*	*
Ghana	84.8	298.0	160.5	111.9	103.9	87.1	61.1	59.1	74.0	49.7	21.0	15.6
Guinea-Bissau	*	*	*	*	*	*	*	*	*	*	*	*
Kenya	85.6	127.5	122.3	113.0	182.3	185.2	114.1	116.5	68.9	68.5	64.2	70.4
Lesotho	134.5	211.7	116.7	194.8	162.3	252.5	75.5	72.0	115.7	246.5	7.4	38.8
Liberia	134.8	101.9	66.9	61.4	130.7	134.9	63.9	36.1	93.1	98.4	10.5	18.4
Madagascar	*	*	*	*	*	*	*	*	*	*	*	*
Malawi	77.6	89.6	142.5	140.4	168.7	187.8	78.6	56.3	144.4	164.3	18.5	35.3
Mali	140.2	136.8	84.5	70.6	14.7	13.9	23.9	41.3	38.5	24.1	*	*
Mauritania	*	*	*	*	*	*	*	*	*	*	*	*
Mauritius	113.8	89.2	67.5	47.7	293.6	244.6	84.3	93.4	77.3	42.9	55.9	43.1
Morocco	102.1	776.7	81.0	103.0	129.0	132.0	73.5	127.2	117.5	181.9	0.0	0.0
Niger	*	*	*	*	*	*	*	*	*	*	*	*
Nigeria	*	*	*	*	*	*	*	*	*	*	*	*
Rwanda	115.1	117.0	86.8	105.9	125.7	127.3	122.7	189.6	*	*	*	*
Senegal	108.0	98.8	127.0	90.1	114.0	102.1	33.1	24.5	*	*	*	*
Sierra Leone	*	500.3	*	*	*	*	*	169.4	*	*	*	135.5
South Africa	*	*	*	*	*	*	*	*	*	*	*	*
Sudan	92.8	109.3	99.5	113.2	70.0	128.5	*	57.9	*	*	4.0	*
Swaziland	*	*	121.7	150.5	102.5	102.8	207.7	168.1	63.8	75.6	*	*
Tanzania	89.5	156.6	181.0	172.4	116.2	117.8	69.5	158.4	143.6	139.6	94.7	101.6
Togo	91.4	115.5	61.5	70.6	76.6	94.6	176.6	161.2	103.2	131.9	147.6	202.9
Tunisia	*	*	*	*	*	*	*	*	*	*	*	*
Uganda	*	*	*	*	*	*	*	*	*	*	*	*
Zaire	78.2	70.2	*	108.1	*	41.2	*	159.9	*	111.0	*	16.1
Zambia	70.0	90.3	83.4	107.5	202.7	202.7	205.3	*	29.8	50.8	*	*
Zimbabwe	*	*	*	*	*	*	*	*	*	*	*	*
Asia												
Bangladesh	*	*	*	*	*	*	*	*	*	*	*	*
Bhutan	104.3	139.3	82.6	74.9	134.3	127.7	55.9	66.7	45.2	44.4	80.3	79.0
Brunei	62.7	231.8	41.6	52.9	110.6	116.1	247.4	159.7	100.9	151.8	138.6	151.6
India	38.0	37.3	113.9	116.4	78.4	66.1	161.6	96.4	58.9	46.4	203.0	81.8
Indonesia	*	128.1	*	203.7	*	272.7	*	42.8	*	*	*	0.0
Japan	*	*	*	*	*	*	*	*	*	*	*	*
Malaysia	*	*	*	*	*	*	*	*	*	*	*	*
Myanmar	*	*	*	*	*	*	*	*	*	*	*	*
Nepal	46.0	74.7	223.0	274.0	249.7	200.7	89.9	123.0	90.8	67.9	2.5	0.7
Pakistan	103.7	147.9	136.3	177.3	88.1	109.7	231.6	168.6	52.7	135.2	33.7	*
Papua New Guinea	73.1	54.9	91.1	66.7	108.5	117.9	35.5	16.0	24.8	25.0	*	*
Philippines	68.7	94.8	111.9	131.2	150.9	138.0	42.9	21.6	129.9	159.8	162.6	117.0
Singapore	*	*	154.6	144.1	66.1	108.3	175.1	217.5	103.1	208.6	*	*
Sri Lanka	60.6	64.0	88.1	100.2	168.2	184.9	96.0	100.1	184.9	77.2	*	*
Thailand	70.2	105.9	162.5	134.0	202.8	173.4	38.0	34.1	124.2	80.2	*	60.0
Western Samoa	*	*	*	*	*	*	*	*	*	*	*	*

Europe													
Cyprus	144.6	133.1	77.3	56.3	134.2	124.4	86.3	60.7	101.9	80.5	25.8	24.8	
Greece	208.1	209.1	*	209.1	*	176.4	*	115.4	*	224.5	*	54.9	
Hungary	97.9	78.4	69.7	163.3	37.8	69.6	221.7	237.9	33.9	224.5	35.6	146.1	
Malta	169.4	161.6	54.7	58.6	21.7	29.6	76.7	121.8	170.6	226.1	*	*	
Poland	*	*	*	*	*	10.0	*	236.4	*	*	*	*	
Portugal	87.2	67.5	54.6	89.5	130.4	132.6	*	*	55.7	88.9	143.3	137.6	
Turkey	*	*	*	*	*	*	*	*	*	*	*	*	
Yugoslavia	*	*	*	*	*	*	*	18.4	*	8.7	*	*	
Middle East													
Bahrain	180.6	760.1	107.9	154.2	*	*	34.4	32.0	83.9	136.3	207.6	240.3	
Egypt	98.9	130.0	190.8	293.8	171.5	184.7	148.4	289.1	168.2	234.5	*	*	
Israel	61.0	73.1	*	*	*	*	*	165.4	10.2	20.1	*	163.7	
Jordan	*	*	*	*	139.4	116.3	58.2	94.2	154.2	140.6	76.1	29.2	
Kuwait	101.4	732.2	121.6	198.2	*	*	116.0	*	156.9	288.6	*	*	
Oman	82.3	70.5	*	*	*	56.4	*	44.0	*	*	*	*	
Saudi Arab Republic	*	*	*	*	*	*	*	*	*	*	*	*	
United Arab Emirates	*	*	*	*	*	*	*	*	*	*	*	*	
Yemen Arab Republic	169.0	232.6	34.7	55.6	24.3	15.7	*	66.6	*	*	*	*	
Western Hemisphere													
Argentina	*	*	*	*	86.6	86.9	85.0	74.1	64.5	37.7	41.7	44.2	
Barbados	87.7	143.6	146.0	145.4	85.5	83.6	73.0	72.6	*	*	*	*	
Belize	106.0	113.7	161.4	189.1	156.5	225.9	6.4	11.6	45.9	112.2	*	*	
Bolivia	*	*	*	60.6	17.8	16.7	*	*	*	14.8	0.8	0.5	
Chile	73.0	92.6	86.6	108.9	45.1	48.2	91.1	203.7	179.6	294.3	34.5	48.5	
Colombia	46.0	177.8	40.6	28.7	61.3	49.2	117.2	146.6	82.8	57.4	66.1	51.2	
Costa Rica	95.6	106.6	46.9	46.7	44.8	53.3	119.5	131.8	69.8	120.9	96.6	*	
Dominica	*	*	*	*	*	*	*	*	*	*	*	*	
Dominican Republic	123.5	82.3	66.9	44.4	26.8	27.0	82.6	56.7	70.2	52.2	74.9	94.4	
Ecuador	*	*	*	*	*	*	*	*	*	*	*	*	
El Salvador	148.7	115.1	42.1	34.2	86.9	66.4	74.2	45.6	70.3	36.8	41.9	16.3	
Guatemala	*	*	*	*	*	*	*	*	*	*	*	*	
Guyana	*	123.8	*	195.1	*	83.9	*	193.1	*	*	125.3	222.5	
Haiti	*	*	*	*	*	*	*	*	*	*	*	*	
Honduras	*	*	*	*	*	*	*	*	*	*	*	*	
Jamaica	*	*	*	*	*	*	*	*	*	*	*	*	
Mexico	74.6	314.8	50.5	34.4	*	*	99.6	104.2	56.1	61.3	133.2	213.7	
Nicaragua	135.8	135.8	*	*	*	29.0	*	175.1	*	241.2	*	*	
Panama	123.9	164.7	134.1	128.5	191.8	186.0	63.1	74.8	57.5	45.3	23.9	18.2	
Paraguay	116.3	50.4	82.8	42.1	26.3	22.4	47.9	41.5	177.2	51.3	7.6	6.4	
Peru	*	*	*	*	*	68.1	*	*	*	*	*	*	
St. Lucia	*	*	*	*	*	*	*	*	*	*	*	*	
St. Vincent	*	*	*	*	*	*	*	*	*	*	*	*	
Suriname	155.4	1192.0	156.8	258.6	*	*	98.0	157.9	34.2	70.0	0.0	0.0	
Trinidad and Tobago	155.1	90.1	118.5	115.6	93.9	96.0	63.0	72.7	205.2	*	44.8	60.0	
Uruguay	84.7	96.8	68.2	41.4	83.0	82.0	139.1	104.0	57.3	37.4	117.7	126.2	
Venezuela	100.3	179.8	102.7	120.4	109.3	107.8	100.0	104.7	91.5	110.1	66.2	76.0	
Averages	99.2	167.7	106.2	119.8	122.9	119.0	101.3	99.5	92.3	112.6	44.2	65.3	
Africa	71.7	107.9	120.6	134.1	135.8	146.9	117.4	95.1	80.8	101.7	103.4	70.0	
Asia	124.8	129.7	64.1	115.3	81.0	90.4	128.2	131.8	90.5	125.7	68.2	90.9	
Europe	115.6	333.1	113.8	175.5	111.7	93.3	89.2	115.2	114.7	164.0	141.8	144.4	
Middle East	107.0	200.0	92.4	98.2	77.4	76.5	82.8	104.1	90.0	88.0	57.8	69.4	

* Missing observation.

† In calculating the predicted value of the dependent variable, the *actual* functional expenditure share is used as a predictor.‡ In calculating the predicted value of the dependent variable, the *predicted* functional expenditure share is used as a predictor.

§ Formerly Burma.

Table 7. Regional Average of International Expenditure Comparison Indices Observed Holding the Data Year Constant (1978–80) and Varying the Expenditure Structure: Economic Expenditures

Expenditure Category and Equation Years	Average	Africa	Asia	Europe	Middle East	Western Hemisphere
Current expenditure						
1975–77	104.0	105.1	107.8	100.2	112.3	99.1
1978–80	99.7	99.5	101.3	100.5	113.9	95.2
1981–83	94.8	96.2	98.4	90.6	106.1	89.1
1984–86	91.9	89.8	95.8	88.6	109.7	88.3
Capital expenditure						
1975–77	99.4	105.6	90.7	67.2	115.6	99.5
1978–80	97.6	106.7	90.3	66.1	93.5	98.9
1981–83	101.2	110.0	88.2	86.1	102.6	100.5
1984–86	118.2	132.5	103.1	99.7	114.6	114.0
Net lending						
1975–77	63.7	45.1	98.7	39.3	129.4	49.4
1978–80	70.0	44.1	120.4	46.3	114.0	56.6
1981–83	63.7	64.0	96.5	35.5	85.0	43.0
1984–86	89.3	87.2	129.3	53.2	137.7	62.1
Goods and services						
1975–77	97.8	103.4	99.3	86.0	102.3	91.5
1978–80	99.7	103.9	99.8	94.3	101.1	95.2
1981–83	100.5	104.0	101.7	97.4	96.2	97.6
1984–86	98.1	99.0	100.6	98.2	92.1	97.5
Wages and salaries						
1975–77	99.8	104.8	75.7	125.5	110.6	97.0
1978–80	99.2	101.2	76.4	127.1	108.7	99.7
1981–83	97.9	96.4	76.4	132.5	110.8	100.0
1984–86	100.7	101.9	81.0	125.2	109.9	101.5
Other goods and services						
1975–77	93.6	100.2	125.5	67.7	93.6	72.5
1978–80	99.2	100.0	132.5	79.3	101.7	82.6
1981–83	100.3	104.3	133.6	80.8	109.8	78.4
1984–86	97.1	101.0	131.6	77.5	99.5	75.9
Interest payments						
1975–77	111.8	101.0	153.0	104.0	75.1	109.0
1978–80	100.3	94.6	137.1	95.6	90.7	88.8
1981–83	74.3	67.6	98.7	74.7	61.9	70.5
1984–86	65.2	59.2	81.3	69.5	55.9	63.9
Subsidies and transfers						
1975–77	107.5	95.7	120.3	132.1	151.2	102.7
1978–80	100.5	89.8	120.0	119.1	149.3	91.0
1981–83	92.4	84.8	114.6	102.5	143.2	79.3
1984–86	91.8	81.2	105.7	101.2	116.3	90.6
Subsidies net of social security outlays						
1975–77	106.1	96.4	101.9	136.1	46.7	125.1
1978–80	93.4	87.2	91.2	162.2	57.9	101.1
1981–83	82.6	83.0	91.6	125.6	65.2	74.6
1984–86	91.6	97.0	81.8	104.1	40.2	92.6
Fixed assets						
1975–77	102.8	101.4	111.5	86.9	120.5	97.5

Table 8. Regional Average of International Expenditure Comparison Indices Observed Holding the Equation Year Constant (1978-80) and Varying the Data Years: Economic Expenditures

Expenditure Category and Data Years	Average	Africa	Asia	Europe	Middle East	Western Hemisphere
Current expenditure						
1975-77	95.6	95.1	96.3	96.4	114.2	87.8
1978-80	98.6	98.9	102.4	102.4	113.9	87.8
1981-83	102.8	103.1	100.7	108.5	115.9	97.8
1984-86	106.2	109.3	102.9	125.0	111.0	99.8
Capital expenditure						
1975-77	94.2	105.7	92.3	51.8	80.7	96.8
1978-80	93.8	95.5	101.9	52.5	93.5	94.6
1981-83	92.7	94.4	90.8	57.4	118.9	88.3
1984-86	83.6	82.2	85.2	55.1	101.1	82.4
Net lending						
1975-77	76.3	99.2	47.8	93.4	131.0	38.1
1978-80	76.5	97.6	56.2	62.8	147.1	39.5
1981-83	91.7	94.5	59.4	99.7	185.6	79.9
1984-86	78.4	89.2	70.0	41.9	120.8	65.5
Goods and services						
1975-77	99.5	103.1	97.2	103.6	109.2	92.2
1978-80	98.5	100.9	101.8	102.9	100.9	90.5
1981-83	100.4	106.3	93.6	105.0	110.8	93.6
1984-86	99.1	104.3	93.1	98.1	115.6	91.1
Wages and salaries						
1975-77	98.2	100.7	69.4	117.2	118.1	104.2
1978-80	97.3	99.4	67.8	128.1	109.2	106.5
1981-83	98.5	102.3	65.8	127.8	107.3	109.8
1984-86	96.3	99.8	66.8	123.2	108.1	104.0
Other goods and services						
1975-77	101.9	97.5	119.0	100.8	113.5	86.9
1978-80	100.9	94.3	134.9	75.6	102.6	80.6
1981-83	105.1	109.7	125.5	73.0	111.7	79.2
1984-86	105.5	108.3	127.4	51.4	115.7	85.5
Interest payments						
1975-77	72.4	67.6	94.1	84.4	73.1	59.2
1978-80	86.2	87.5	111.7	53.3	90.7	69.0
1981-83	110.7	115.6	128.6	80.7	98.9	98.9
1984-86	113.4	121.6	143.7	101.7	128.5	75.5
Subsidies and transfers						
1975-77	100.2	93.8	107.7	75.5	177.6	81.5
1978-80	101.4	87.2	121.5	89.2	174.9	81.8
1981-83	103.3	91.4	119.0	95.7	139.9	95.3
1984-86	109.9	110.8	119.8	92.4	117.5	98.2
Subsidies net of social security outlays						
1975-77	104.3	97.2	102.1	162.0	183.9	84.0
1978-80	97.6	89.7	110.5	162.2	129.0	73.8
1981-83	105.0	99.8	100.3	119.6	122.3	112.5
1984-86	114.4	127.0	94.1	164.8	109.4	111.5
Fixed assets						
1975-77	102.4	108.7	102.0	93.3	71.3	109.4
1978-80	101.2	103.0	102.4	84.3	96.2	103.2
1981-83	102.7	103.4	94.9	74.3	122.6	107.2
1984-86	91.1	83.6	79.4	77.6	117.5	104.0
Capital transfers						
1975-77	55.6	54.7	53.2			57.3
1978-80	68.5	83.4	42.4			65.8
1981-83	57.3	60.4	55.6			55.5
1984-86	46.6	38.5	56.1			49.8

Holding the structure constant, one sees that outlays other than those for social security and welfare appear to be the key factors affecting the positive shift in priorities toward subsidies and transfers in Africa, the Western Hemisphere, and possibly the Middle East over the period. After the mid-1970s, the priority attached to non-SSW subsidies and transfers appears to have diminished, but this was offset by an increase in priority of SSW-type outlays.

Regionally, the experience with regard to these expenditures has been somewhat different. In 1986, Asian countries spent, on average, 17 percent more than predicted, and European countries 28 percent more. In contrast, Middle Eastern and Western Hemisphere countries spent, on average, about 10 and 17 percent less than predicted. If one adjusts the IEC indices to take account of the predicted rather than actual functional expenditure mix, one observes some interesting changes in the indices. For the Middle East, present spending would then appear greater than predicted, rather than less. For Africa and Asia, a shift to the predicted functional expenditure mix would imply that greater rather than lesser subsidies and transfers might be considered necessary (although the composition, for example, between SSW and non-SSW outlays would undoubtedly be different). For the Western Hemisphere countries, the present expenditure level, rather than being too low relative to the predicted, would appear appropriate.

Fixed Capital Assets

Outlays on economic services and general public administration are the most important factors explaining the budget share on fixed capital assets. Both variables are significant at 1 percent, and represent the key government functions of providing a secure environment and the economic infrastructure regarded as crucial for development. A higher budget share on education also appears positively associated with spending on fixed assets. Spending on social security and welfare expenditures is negatively associated at a 10 percent significance level, perhaps reflecting the importance of transfers and other current spending for social purposes. As a consequence, countries with a higher proportion of expenditure on social security and welfare tend to have a lower proportion of expenditure on fixed capital assets. Real per capita income is not a significant factor in this equation.

The explanatory power of this equation falls in the mid-1980s, with the R^2 declining from about 0.7 in 1975–80 to 0.45 in 1981–86. The coefficient of the economic services variable drops sharply as well, from about 0.7 to 0.19–0.30 over the same period. The coefficient for general public administration displays some variability over the period. In most of the regions, there is a clear structural

shift against fixed capital assets, particularly after 1980. The only exception is the Middle East, where the structure shifted in favor of capital outlays between 1978–80 and 1981–83. Holding the structure constant, one sees the shift in priority against fixed capital assets mirror the structural shift. Again, only in the Middle East does one see the opposite trend, and only through 1981–83.

The regional averages for the IEC indices in 1986 show that only the Middle Eastern countries had IEC values significantly above 100, with the other regions indicating IEC values of 0.8 to 0.9, on average. If one adjusts the functional expenditure mix to reflect predicted levels, one finds a significant shift in the IEC index primarily for the Western Hemisphere countries; present capital expenditure levels would then appear significantly below the predicted budget shares.

Capital Transfers

Capital transfers are generally associated with the more capital-intensive mining and manufacturing sectors, but occasionally with the growth of a modern agricultural sector. Indeed, expenditure on economic services is the key functional determinant of such transfers. In the case of agriculture, capital transfers enable the agricultural labor force to use modern equipment and to improve its capital stock for processing and storage as well as allowing it to be protected from the effects of natural disasters. This explains why the size of the labor force in agriculture, an indicator of the lack of modernity in this sector, is negatively associated with these transfers. The negative coefficient for defense expenditure suggests that this type of expenditure pre-empts government allocation for capital transfers. Again, real per capita income does not prove significant.

Unlike other economic categories of expenditure, the explanatory power for capital transfers increases over the period, from 0.14–0.17 in the 1970s to 0.21–0.33 in the first half of the 1980s. Similarly, the size of the coefficient on economic services expenditure rises—from about 0.12 in the 1970s to about 0.20. This may possibly suggest that capital transfers became the more characteristic means of assisting development in the later period. Alternatively, it may simply signal that there was a need to provide such transfers to solidify the financial position of troubled non-financial public enterprises. The constant term after increasing between 1975 and 1980 then sharply diminishes, indicating that the overall level of such transfers was subject to general budget pressures.

Holding the data constant, one sees a structural shift against capital transfers, particularly in Africa and the Western Hemisphere countries, with an accompanying shift in budget priorities after 1980. In Asia, one observes

a shift in priority against these transfers only in the mid-1970s, with a rebound in the early 1980s.

There is considerable variability in the regional IEC averages for capital transfers, with higher-than-predicted budget shares in the Middle East and strikingly lower levels in Africa, the Western Hemisphere, and the Middle East. On average, Asian countries spend as would be expected on this budget category. Adjusting, however, for the predicted functional expenditure mix would change the appraisal of the indices. In the Asian region, current spending levels would be regarded as inadequate. In contrast, the shortfall from the predicted budget share, while remaining large, would nevertheless diminish somewhat in Africa and the Western Hemisphere regions, on average.

Net Lending

Net lending constitutes another mechanism by which a government may seek to assist development in the private and public enterprise sectors. Since net lending includes investments in equity, in principle one might observe negative swings in this variable with the receipt of the sales proceeds derived from privatization. In most developing

countries, this was not likely to be quantitatively significant during the period under analysis.

Not surprisingly, a high budget share for economic services has a positive and significant impact on net lending operations. Equally relevant, though not as significant statistically, is the positive relationship with the share of manufacturing in GDP. As with capital transfers, one observes an increasing explanatory power over the period, though this is associated with a decline in the value of the coefficient of the economic services expenditure variable.

Holding the data constant, one sees only obvious trends emerge in Africa and the Middle East. In Africa, there was, on average, a structural shift against net lending from 1978–80 through 1986; in the Middle East, the structural shift was in favor of net lending through 1983, though with a sharp reversal after 1983 (which mirrors similar developments in fixed asset acquisition). Holding the structure constant, one notices a marked shift, on average, in priority in favor of net lending in the Asian, Middle Eastern, and Western Hemisphere countries, though in the latter two regions, the priorities reversed after 1983. Interestingly, Asia is the region where, on average, net lending is higher than predicted. It is particularly low in the Western Hemisphere and European regions.

V Conclusion

This paper began by noting that it addresses a number of different needs. As a positive analysis of what has happened to expenditure over the last decade, and of the change in the relative importance of the key explanatory variables and the overall robustness of the estimating equations for government expenditures, the paper provides a number of interesting results. These are largely summarized in Section I, but nevertheless particular attention should be drawn to the tendency for the explanatory power to decline for a number of key expenditure equations, such as those for the economic services sectors. There is need for greater effort to understand the reasons for this decline and its implications. It has been argued that it reflects the displacement of "fundamental" determinants of investment expenditure by a range of factors, which include the importance of rent-seeking and external political factors. More work however would be needed to confirm this hypothesis.

The Tait-Heller study concluded that the IEC framework provided a "starting point" for analysis. In many respects, this conclusion would still appear valid; if anything, the issues associated with using the IEC indices have become more rather than less complex. This reflects both the availability of a richer and longer time series data base on public expenditures, coupled with the recognition that the "appropriate reference period" for drawing normative conclusions is not particularly obvious. The mid-1970s was a period when budgetary pressure was significantly less than at present, and the leeway for a larger capital budget considerably greater. The present

period of fiscal austerity for many countries has, when combined with the range of political and institutional constraints that shape expenditure patterns, produced an expenditure structure that country analysts would characterize as unproductively skewed. One can be justifiably nervous in suggesting that current period budgetary patterns are a reasonable basis for comparison for normative analyses; however, the earlier period budgetary patterns are no longer affordable, or achievable on a scaled down basis. This forces the analyst to examine the present expenditure structure of a country with both the hindsight of earlier "norms" and the perspective of the present structural relationships and budgetary constraints underlying expenditure.

Data limitations also pose a limiting factor on the usefulness of an analysis of the IEC indices of a country, and even more strongly suggest its use only as complementary to more detailed sectoral and economic analyses of expenditure profiles. The expenditure categories available in the *GFSY* data base are highly aggregative. For making judgments on the quality of an expenditure pattern, one must clearly dig more deeply than a simple sectoral aggregation. How money is spent within the health or education sector matters far more than the fact of its allocation to one of these sectors. Even if the intrasectoral distribution of expenditure were to be deemed appropriate, the quality of that spending cannot be gauged without a more detailed analysis of the level of employment, of total compensation, of operating outlays, and of maintenance within each subsector.

Appendix I

Determinants of Public Expenditure

Review of the Literature

A review of the proliferating determinants literature reveals a wide range of explanations for public expenditure growth.

Demographic Influences

The importance of population size has long been appreciated, many studies having examined public expenditure in per capita terms. Apart from its size, the rapidity of increase, the age structure,¹⁶ and the geographical concentration¹⁷ of population have all been mentioned as possible explanations of public sector expansion. A number of demographic indicators were thus included in our empirical analysis (see variables 1–9, Table II).

Social Influences

Taking a demand interpretation of expenditure growth, several writers have emphasized the community's various social needs, such as the need to expand expenditure on education in response to the growth in the school-age population. Some writers explain the growth in education expenditure by the increasing technological requirements demanded of the labor force (e.g., Pryor (1968), Appendix E7), others by a change in social values and individual preferences (e.g., Musgrave (1969), p. 85 ff.), much depending on whether expenditure on education is regarded as consumption or investment. To proxy the demands on the labor force resulting from technological change, the shares of the labor force in agriculture and industry (variables 10–11) were introduced. At the same

¹⁶For example, Goffman and Mahar (1971) consider the age structure of the population to have been a dominant factor in public expenditure growth in six Caribbean countries during the postwar period.

¹⁷The consequences of urbanization have been stressed in various studies (Williamson (1961); Deutsch (1961); Thorn (1967); Goffman and Mahar (1971)). The consequences of suburbanization, however, have generally been overlooked.

time indicators of social preferences influencing the demand for social services such as education and health were also included (variables 12–17).

Another rapidly growing component of public expenditure has been in the area of health and social services. Again, this development has been interpreted in diverse ways, with some viewing it as a consequence of the change in economic and social organization requiring greater state protection of the individual,¹⁸ and others as a change in ideology with a substitution of collective for individual responsibility.¹⁹ Variables 18–20 attempt to capture these influences.

Parallel to this argument, again stemming from Wagner's seminal work, several writers have proposed that, as society develops, the cause and consequence of the division of labor and the concomitant increase in the complexity of social relationships generate increasing social friction. Musgrave (1969, p. 79) suggests that, owing to this increasing interdependency, externalities have increased and with them the need for greater social control. The requirement of greater regulation, law, and administration, and the provision and maintenance of such services would be manifested in increasing expenditures.²⁰ The social unrest argument is in line with the Peacock-Wiseman displacement hypothesis that major social upheavals, such as war or rapid inflation, exert an upward pressure on public spending (Peacock and Wiseman (1961)). Another variant of the argument underscores the need for government action—such as Keynesian stabilization measures—to correct malfunctions in the economy.

¹⁸For example, Williamson (1961) would argue that along with urbanization has gone the submergence of the informal security of the village and extended family and the emergence of formal state security. While Andie and Veverka (1964) see the crucial change in economic organization as a secular decline in the size of the consumption unit, so that "[a]s economic growth tends to reduce its size as well as dissolve many collective organisations, i.e., family interposed between the consumption unit and the state, this leads to a general demand on the public authorities to protect the economic status of the individual members of the community" (p. 221).

¹⁹Cf. Martin and Lewis (1956); Andie and Veverka (1964).

²⁰This argument is in line with J. K. Galbraith's emphasis on "market failure" as necessitating increasing public intervention (Galbraith (1967), p. 296 ff.).

Table 11. Variables Used in Basic Regression Model

Variable Number	Variable Name	Description
Demographic Influences		
1*	Pop.gr	Growth rate of population in average of previous three years
2*	Pop.14	Percentage of total population 14 years of age and under
3	Pop.64	Population 15–64 years of age
4*	Pop.old	Percentage of total population 65 years of age and over
5*	Urb.pop	Share of population in urban areas
6*	Urb.gr	Growth of urban population in average of previous three years
7	Pop.area	Population per square kilometer of land area
8*	Infmor	Infant mortality rate
9	Agr.dens	Population density per square kilometer of agricultural land
Social Influences		
10*	LF.agr	Share of labor force in agriculture
11*	LF.ind	Share of labor force in industry
12	Primar	Enrollment rate in primary schools
13*	PPL.Tch	Pupil/teacher ratio
14*	Grade6	Percent of pupils reaching grade 6
15	Illtr	Illiterate population as percentage of population age 15 years and over
16	Hosp	Population per hospital bed (thousand)
17	Dr	Population per physician (thousand)
18*	Manuf.GDP	Share of the manufacturing sector in GDP
19*	Agr.GDP	Share of the agricultural sector in GDP
20*	Manx	Share of manufactured goods in total exports
21	Inflation	Current year's nominal GDP divided by average nominal income of preceding five years
22	Terms/TRD	Average three-year change in the terms of trade
23	Riots	Number of years out of the previous five that a country experienced one or more political riots, political strikes, or politically motivated armed attacks
Income Level and Distribution		
24*	GNP.PC	Per capita gross national product
25	Corr.YPC	Per capita gross national product corrected for international price distortions using World Bank methodology (Atlas method)
26	Inequality	Labor income/(investment income + property income)
Financial Constraints		
27*	DTax/Totr	Ratio of direct taxes to total revenue
28	TRev/Spem	Ratio of total tax revenue to total government expenditure
29	Def.Lag	Average of previous year's deficit to GDP
30	Trade.GDP	Ratio of imports and exports to GDP
31	Ex.m.Im	Resource balance (exports minus imports) as a percentage of GDP
	Trade.taxr	Taxes on international trade/total tax revenue
32	Resv.imp	Ratio of change in official reserves to total imports
33	Monthsrescv	Months of import coverage of official reserves
34	Imp.GDP	Imports/GDP
35	Exp.GDP	Exports/GDP
36	Demdep.ms	Demand deposits/total money supply
37	Curr.ms	Currency outside banks/total money supply
38	Imp.short	Ratio of previous five-year average of imports to the current year's imports
39*	Lt.debt	Long-term debt—all creditors as a percentage of GDP
40	Oc.debt	Outstanding debt (concessional) as a percentage of GDP
41*	All.debt	Outstanding debt—all creditors as a percentage of GDP
42	Off.trst	Official transfers per capita
Technology		
43	Energy	Energy consumption per capita
44	Cars.pop	Number of automobiles per 1,000 of the population
45	Transfi	Net current transfers from abroad
46*	Water	Access to safe water (as a percentage of population)

* Variables included in the reported estimating equations; variables without an asterisk were tried but not found significant.

(Hindrichs (1966); Martin and Lewis (1956); Andic and Veverka (1964); Tanzi (1986)).²⁴ Pryor (1968), however, from a comparison of East and West Germany, discounts the importance of this factor.

The effect of changes in political structure on both the growth and time pattern of public expenditure has also been discussed (Dye (1963); Morss, Fredland, and Hyman (1967)). Peacock and Wiseman have emphasized the degree of concentration of spending at the central government level—the concentration process—as a possible determinant of the overall growth of public spending. It could be argued that by transferring expenditure decisions from local to central government, one moves away from the one-to-one relation between benefits received and taxes paid, so that there is a subsequent loss of control, reinforced by the possibilities of interdepartmental log-rolling and associated practices at the central government level.

In North America, the administrative process has also been increasingly scrutinized for its influence on the growth of public spending. The idea that civil servants have a stake in the growth of government expansion—that there is a sort of Say's Law in operation²⁵—is not new.²⁶ Students of the budgetary apparatus have also been convinced of the upward bias it imparts to expenditure decisions (Breton (1974); Wildavsky (1964)). They point out that legislative bodies have to approve the budget in an extremely limited time period and, moreover, the budget is organized on incrementalist lines, hence the argument that the very scale of public spending may have exerted upward pressures on its growth owing to inadequate control. Such a situation has been exacerbated by the role of special interest groups and rent-seeking behavior (Tanzi (1986); Tollison (1982)). It is difficult, however, to devise empirical indicators for such influences.

Factor Analysis

This review of the literature on the determinants of government expenditure presents a picture not uncommon in the social sciences. Namely, we are confronted by a

²⁴These writers resort to the prevailing notion of the role of the state as a causal explanation of public spending. Musgrave (1969, p. 85) is also inclined to stress the "changes in cultural values and philosophy" as an influential conditioning factor.

²⁵Or as Bird (1970, p. 61) puts it, "creating a supply of bureaucrats tends to create a demand for services of bureaucrats."

²⁶Peacock and Wiseman (1961) coined the term "inspection process" to describe this effect, which also played a prominent part in Parkinson's Law (Parkinson, (1957)). Aaron (1966) has advanced the thesis that the size of social insurance schemes in the United States depends on the length of time they have been in operation. More recently, attempts to deal with the optimal size of the public sector have focused on the role of the bureaucracy (Borchering (1977); Niskanen (1983)).

bewildering array of possible causal influences and a large number of possible indicators, all of which appear highly correlated. As indicated in Section II this interdependence, or multicollinearity, between variables involves numerous problems for the interpretation of the regression results. The difficulty in interpretation arises not merely because explanatory variables are closely correlated, but also because they are in fact describing related dimensions of the same phenomena. If this is so, then isolating individual indicators for use in the regression models would oversimplify the explanation and run the risk of misleading conclusions.

Given these considerations, it was decided that for expediency, we should attempt some analysis of the interrelationship in our most important explanatory variables (i.e., those that appear most regularly in the individual regressions). For this purpose, factor analysis was employed; it is an efficient way of systematizing the interrelationships in the data. Factor analysis is a generic term for that branch of multivariate analysis that deals with the internal structure of the correlation matrix. Essentially, it describes a procedure for exposing the basic underlying structure behind the covariation of a set of variables. Although primarily used to give a condensed description of the data, and so providing a warning of areas of major multicollinearity, it is also a technique that arguably can facilitate interpretation. The results of an orthogonal factor analysis are shown in Table 12, for the 21 most common explanatory variables entering our regression equations.

An examination of the table shows five independent patterns of interrelationship in the data. It should be noted that the variables have been reordered to reflect their hierarchy in each factor, and the factors rearranged in order of explanatory importance. At the foot of the table, the "factor contributions" equal the sum of the column of squared loadings for each factor. By multiplying these by 100 and dividing by the number of variables, the percentage of the total variance accounted for by each factor is obtained. The communalities, displayed in the extreme right column, show the degree to which each variable's variation is represented in these five factors.

It is evident that with few exceptions all the variance of these variables can be represented in this factor structure. An important feature of the latter is the extent that the variables are "loaded" on more than one factor. It should be remembered that the factor weights or "loadings" shown for each variable can be interpreted as its correlation coefficient with the relevant factor. Thus a factor weight of around 0.7 signifies a covariation of only about 50 percent of the variable with the factor. It can be seen that only 8 of the 21 variables show weights significantly above this level. This dispersion of the variation of the indicators has three implications for interpretation. First, the variables are describing overlapping features of variation in the data, suggesting that they are imperfect indicators for what

they purport to measure. Second, any causal interpretation of individual factors is made complicated. Third, on the positive side, this implies that the degree of multicollinearity in the regressions is limited to smaller subsets of the data.

The interpretation of the factor structure is perhaps the most difficult part of the analysis and inevitably any conclusions cannot claim to be more than tentative. While the discussion so far has concentrated on the way variables are loaded on the factors and is thus descriptive, the causal perspective cannot fail to color the interpretation of these factor results. After all, the primary data has been derived from a review of hypothesized determinants of government expenditure that have been proven important in subsequent regression analysis. While much controversy has been generated by the causal interpretation of factors, it may be considered worthwhile to make an attempt to relate these empirical constructs to the hypotheses outlined in the previous section.

The first factor, accounting for almost 30 percent of the variance in the data, is made up of eight variables that are relatively unconnected to the other factors. They are

a mixture of predominantly economic variables that indicate the level of general development (e.g., per capita GNP, size of manufacturing sector, degree of urbanization), and the short-run state of the economy (inflation, level of foreign reserves, size of the foreign debt). The second and third factors, each representing around 20 percent of the variation in the data, tend to be described by a set of variables that if positively loaded on one factor is negatively loaded on the other. Between them the factors describe the degree of openness of the economy (trade-to-GDP ratio, level of imports, exchange rate movements) and social indicators of its level of modernity (size of agriculture, illiteracy rate, infant mortality). The fourth factor, accounting for 11 percent of total variance, is represented by those variables describing factors that indicate the degree to which financing of expenditures may be a problem (import shortages, taxes in total revenue, size of the dependent population). The last factor, accounting for 10 percent of the total variance, represents those domestic variables, such as the tax structure and the population base. These variables perhaps describe the ease of raising revenues to finance expenditures.

Table 12. Orthogonally Rotated Factor Matrix

Variable	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Communality h ²
mths.res	0.9416	0.04	-0.0673	0.2224	-0.2193	0.9902
inf.	0.9411	0.043	-0.0701	0.2226	-0.2189	0.9898
manuf.gdp	0.9399	0.0347	-0.0624	0.2215	-0.2196	0.9858
gnp.pc	0.9388	0.0763	-0.1016	0.2265	-0.2154	0.9952
grade6	0.926	0.1093	-0.1326	0.228	-0.2096	0.9829
urb.pop	0.8692	0.2252	-0.2426	0.2327	-0.1885	0.9548
all.debt	0.8102	-0.0009	-0.0173	0.187	-0.1942	0.7295
lf.indus	0.7677	0.3532	0.3593	0.2243	-0.151	0.9163
ppl.tch	-0.0338	-0.7963	0.6923	-0.1294	-0.0245	0.9967
agr.gdp	-0.0267	-0.7057	0.6949	-0.132	-0.0214	0.9995
urb.gr	-0.0354	-0.7054	0.6942	-0.1332	-0.0202	0.9988
illu	0.0308	-0.7037	0.693	-0.121	-0.0321	0.9921
pop.area	-0.0392	0.7026	-0.6921	0.1193	0.0336	0.9895
infmor	-0.1093	-0.6982	0.6853	-0.1435	-0.0082	0.9897
trade.gdp	-0.0415	0.6981	-0.6884	0.1194	0.0327	0.9782
imp.short	0.0943	-0.544	0.649	0.5228	-0.0254	1.0000
ex.rate	-0.0941	0.5398	0.6479	0.5229	0.0251	1.0000
trade.tax	-0.0234	0.3418	0.2127	0.5899	0.6995	1.0000
taxrev.r	-0.0231	0.3419	0.2128	-0.5897	0.6996	1.0000
popold	0.2954	0.3016	0.2163	-0.5621	0.6773	0.9997
pop14	0.3075	0.3247	0.1928	-0.5546	0.6747	0.9999
Factor contributions	6.6156	4.6782	4.5933	2.3722	2.2294	

Appendix II
Statistical Tables

Table 13. Functional Expenditure Categories: International Expenditure Comparison Indices from 1975-77 to 1984-86, Using Pooled Structural Expenditure Equations

Country	General Public Services				Defense				Education			
	1975-77	1978-80	1981-83	1984-86	1975-77	1978-80	1981-83	1984-86	1975-77	1978-80	1981-83	1984-86
Africa												
Benin	81.8	65.8	*	*	37.6	41.9	*	*	108.5	117.2	*	*
Botsuana	124.6	118.4	121.4	106.7	12.9	71.2	85.9	74.4	102.1	126.9	136.9	113.4
Burkina Faso	74.1	82.0	55.2	38.2	134.2	132.1	124.7	106.2	59.1	75.2	63.9	62.3
Burundi	72.2	*	*	*	63.4	*	*	*	113.8	*	*	*
Cameroon	128.9	127.2	115.9	133.6	39.1	36.4	36.1	44.2	63.8	47.4	45.5	54.5
Central African Rep.	*	*	60.2	*	*	*	69.2	*	*	*	69.2	*
Congo	*	*	*	*	*	*	*	*	*	*	88.4	*
Cote d'Ivoire	*	141.1	*	48.8	*	33.1	*	30.9	*	89.1	94.7	107.0
Ethiopia	*	*	*	*	*	*	*	*	81.9	80.4	*	*
Gabon	*	*	*	*	*	*	*	*	*	*	*	*
Gambia, The	221.5	196.5	262.8	*	0.0	0.0	0.0	*	*	*	*	*
Ghana	128.9	123.5	95.8	86.0	94.5	41.5	38.0	31.6	35.3	58.1	114.1	*
Guinea-Bissau	96.0	90.3	91.4	85.1	59.5	133.3	102.7	72.7	120.9	128.9	153.9	160.4
Kenya	244.8	*	233.6	208.5	0.0	*	56.0	119.8	190.3	*	182.0	158.9
Lesotho	180.7	165.0	152.9	116.3	28.8	40.4	103.3	58.0	57.7	79.1	90.7	71.7
Madagascar	*	*	*	*	*	*	*	*	*	*	*	*
Malawi	86.8	80.1	96.5	95.9	49.8	126.3	69.1	53.2	79.0	110.2	139.5	117.6
Mali	100.3	103.1	63.0	78.3	127.6	122.2	102.4	100.6	129.3	118.5	93.6	100.0
Mauritania	*	167.3	*	*	*	281.6	135.0	*	*	76.6	*	*
Mauritius	138.2	144.3	117.1	101.7	8.5	9.8	21.8	13.2	63.7	108.1	94.6	77.8
Morocco	284.5	143.7	124.8	93.7	156.0	159.1	163.9	151.4	*	*	*	*
Niger	109.7	89.7	*	*	29.3	28.9	*	*	65.1	71.8	*	*
Rwanda	57.9	55.8	*	*	64.3	66.2	*	*	69.3	67.1	*	*
Senegal	161.9	*	209.4	141.2	111.2	210.8	140.5	138.5	115.9	135.7	127.0	102.2
Sierra Leone	96.6	116.5	60.4	68.0	52.1	46.5	31.1	36.8	115.0	103.2	76.4	93.4
South Africa	*	*	*	*	*	*	*	*	*	*	*	*
Sudan	59.4	103.0	72.9	*	120.0	120.3	71.6	31.2	23.7	38.1	24.1	*
Swaziland	133.8	114.4	107.8	128.6	17.6	34.5	38.0	31.2	82.7	89.5	115.0	112.6
Tanzania	118.4	125.1	182.9	205.9	85.5	132.9	105.8	107.5	85.4	98.9	94.2	58.1
Togo	115.9	96.8	87.3	77.8	273.3	139.5	78.3	80.9	114.6	125.6	186.9	196.1
Tunisia	67.0	81.1	68.2	66.5	37.0	91.7	107.1	94.1	125.8	131.4	118.7	128.9
Uganda	*	*	*	*	*	*	*	*	58.4	27.3	42.1	59.6
Zaire	173.2	123.8	150.0	*	146.8	108.8	71.3	136.5	147.4	160.6	187.0	88.9
Zambia	*	*	*	*	*	*	*	*	109.9	114.0	114.0	88.9
Zimbabwe	119.2	128.3	72.9	69.3	142.2	191.4	154.4	134.9	81.1	69.7	108.5	125.7
Asia												
Bangladesh	29.0	44.3	85.9	91.4	37.7	42.5	48.2	52.9	48.2	63.9	57.9	68.2
Fiji	131.4	128.0	115.0	122.8	14.0	30.3	40.0	43.5	109.4	119.0	132.1	142.8
Indonesia	92.9	157.3	157.3	180.8	110.8	99.4	92.8	87.0	*	*	*	*
Korea	59.6	59.3	70.5	69.8	143.6	161.5	176.6	161.7	50.9	61.8	91.0	99.6
Malaysia	38.6	25.1	32.8	*	134.2	123.6	189.0	172.9	121.3	110.1	138.9	*
Myanmar	67.9	66.5	64.1	59.7	196.1	191.1	182.6	172.9	*	*	*	*
Nepal	33.8	37.8	43.2	45.3	26.7	30.8	33.3	34.6	*	*	*	*
Pakistan	51.4	42.2	42.5	41.9	256.2	252.2	297.6	297.6	*	*	*	*
Papua New Guinea	115.6	145.6	129.4	113.7	42.8	53.7	54.6	62.7	132.3	123.4	135.7	140.8
Philippines	61.1	58.4	71.3	67.3	93.3	67.8	56.0	39.1	49.3	51.7	64.1	67.2
Singapore	113.6	113.7	143.2	110.8	142.0	134.8	131.1	162.6	73.4	71.8	117.0	148.8
Solomon Islands	*	303.9	47.0	50.2	*	0.0	0.0	0.0	*	*	118.3	140.5
Sri Lanka	65.9	76.5	57.1	46.2	70.8	105.9	146.0	*	76.4	74.7	76.1	83.3

Thailand	14.9	13.3	15.1	17.4	97.7	144.2	144.9	150.5	113.2	126.4	131.4	145.3
Western Samoa	*	*	*	*	*	*	*	*	*	*	*	*
Europe												
Cyprus	64.0	86.1	97.0	56.0	*	297.2	235.4	55.9	*	*	*	91.5
Greece	*	*	190.2	190.6	*	*	156.2	172.3	*	106.1	124.8	*
Hungary	100.6	106.3	114.3	89.2	58.1	32.3	39.9	43.0	133.9	94.3	35.3	36.8
Malta	*	*	*	*	*	*	*	*	*	*	97.0	88.5
Poland	*	*	*	*	*	*	*	*	*	*	*	*
Portugal	115.4	53.5	46.9	*	298.3	201.7	208.8	*	160.3	131.6	*	*
Turkey	52.4	102.3	239.9	*	115.4	108.3	117.8	103.4	101.0	92.8	84.5	72.7
Yugoslavia	24.0	34.3	25.2	18.7	297.1	263.7	229.3	216.5	*	*	*	*
Middle East												
Bahrain	*	*	*	204.4	*	*	*	92.7	*	*	*	*
Egypt	74.0	67.3	49.2	55.1	172.5	115.3	237.4	281.8	121.8	127.9	141.5	132.4
Israel	35.4	34.3	14.3	15.0	*	*	*	*	137.0	146.9	134.1	115.5
Jordan	116.8	132.1	126.7	101.7	*	266.1	261.0	266.1	93.3	91.6	85.0	93.1
Kuwait	85.4	145.5	153.6	145.3	100.3	65.8	89.1	130.7	*	*	*	*
Oman	79.3	75.8	65.8	81.5	*	*	*	*	34.2	50.2	65.5	75.0
Syrian Arab Republic	12.4	19.2	23.7	26.8	*	*	*	*	87.2	47.6	56.0	71.9
United Arab Emirates	*	39.1	88.7	112.4	*	103.6	115.5	132.7	*	*	*	*
Yemen Arab Republic	85.6	111.8	141.8	155.8	116.9	246.8	*	293.5	22.0	72.9	152.6	145.7
Western Hemisphere												
Argentina	69.0	84.0	80.5	42.8	65.5	78.7	74.1	45.9	89.8	64.4	79.8	85.2
Barbados	119.8	111.3	108.9	116.2	7.7	30.5	50.2	55.7	*	172.3	172.1	185.3
Belize	*	113.8	106.1	105.5	*	23.3	40.5	47.6	*	80.0	115.9	110.2
Bolivia	77.3	69.0	73.2	56.0	56.0	67.3	55.8	48.0	93.3	116.8	91.9	114.6
Chile	123.5	110.2	117.9	125.3	121.9	112.7	120.8	111.1	133.7	130.4	149.2	130.1
Colombia	*	*	115.2	131.1	*	*	31.5	31.8	*	*	*	*
Costa Rica	52.1	57.6	53.4	60.5	20.2	20.5	19.7	30.3	130.3	145.8	113.6	109.5
Dominica	173.6	*	*	13.8	*	13.8	*	*	*	*	*	*
Dominican Republic	55.8	60.3	64.9	57.5	38.1	50.7	34.9	31.0	46.6	59.2	60.4	58.6
Ecuador	58.1	49.8	51.1	57.6	67.0	42.1	42.1	43.2	80.1	87.4	105.7	96.1
El Salvador	68.0	60.6	68.7	64.9	26.7	43.5	78.2	134.2	80.2	80.0	83.6	76.2
Guatemala	48.1	48.1	*	37.8	37.8	37.9	*	*	46.5	42.1	*	*
Guatemala	125.9	61.3	*	345.1	245.1	142.4	182.8	257.4	121.4	129.8	155.6	155.3
Guyana	*	*	*	*	*	*	*	*	*	*	*	*
Haiti	86.8	63.2	*	48.0	48.0	57.9	*	*	92.4	88.0	*	*
Honduras	107.6	*	*	23.4	23.4	*	*	*	127.6	*	*	*
Jamaica	35.4	37.4	51.3	51.0	12.4	10.6	12.1	15.2	*	*	*	*
Mexico	61.6	104.9	61.4	79.6	51.4	79.6	0.0	0.0	74.9	77.1	*	*
Nicaragua	143.8	157.6	197.1	183.7	0.0	0.0	0.0	0.0	141.7	126.4	119.1	150.1
Panama	57.5	57.5	58.5	52.0	43.1	38.3	42.3	34.5	44.0	38.9	40.2	33.0
Paraguay	76.9	74.0	86.1	83.1	83.1	60.3	111.4	*	109.1	65.7	79.9	*
Peru	*	*	*	*	*	*	*	*	*	*	*	*
St. Lucia	184.1	184.1	132.9	107.6	*	*	*	*	*	*	*	*
St. Vincent	265.8	265.8	235.7	235.7	0.0	*	*	75.5	*	*	*	*
Suriname	75.5	138.8	211.0	16.4	12.6	16.4	16.7	*	108.6	87.7	88.0	*
Trinidad and Tobago	165.6	139.8	115.4	118.3	88.0	94.9	142.4	93.7	100.5	58.0	61.7	46.0
Uruguay	62.9	78.4	48.1	24.7	35.6	31.7	38.5	30.4	97.3	109.3	134.3	121.8
Venezuela	96.0	95.6	101.2	94.4	83.3	94.2	96.5	92.3	93.1	93.3	105.0	104.7
Averages	126.2	116.6	122.2	102.6	75.6	96.1	82.9	80.8	91.6	94.0	108.8	104.2
Africa	67.4	78.0	76.7	76.9	102.7	102.7	113.8	89.2	86.0	89.2	106.2	115.2
Asia	71.5	76.5	118.9	88.6	192.2	180.6	164.6	118.2	121.5	106.2	85.4	72.4
Europe	69.8	78.1	83.0	69.8	129.0	159.6	173.2	199.6	82.6	89.5	105.8	105.6
Middle East	92.3	94.6	96.7	97.0	51.6	50.2	60.8	63.3	95.9	92.6	103.2	103.1
Western Hemisphere												

Table 13 (continued). Functional Expenditure Categories: International Expenditure Comparison Indices from 1975-77 to 1984-86, Using Pooled Structural Expenditure Equations

Country	Health			Social Security and Welfare			Economic Services			
	1975-77	1978-80	1981-83	1975-77	1978-80	1981-83	1975-77	1978-80	1981-83	1984-86
Africa										
Benin	131.8	114.1	*	298.4	*	*	80.2	65.1	*	*
Botswana	85.7	70.1	79.8	10.7	21.7	21.7	130.5	89.8	100.6	86.1
Burkina Faso	73.2	53.5	85.8	140.9	162.4	162.4	*	*	*	*
Burundi	84.7	*	*	*	*	*	197.9	*	*	*
Cameroon	49.0	45.3	35.8	66.5	49.1	49.1	79.5	59.7	60.4	105.3
Central African Rep.	*	*	*	*	*	*	*	*	*	*
Congo	*	*	*	*	104.3	104.3	*	*	159.3	*
Côte d'Ivoire	78.7	80.3	*	*	*	*	107.8	110.0	128.7	174.7
Ethiopia	*	*	*	*	*	*	*	*	*	*
Gabon	*	*	*	*	*	*	71.4	159.5	139.4	*
Gambia, The	216.3	219.5	277.9	114.7	73.8	73.8	118.1	85.0	44.9	*
Ghana	135.5	81.5	54.6	*	*	*	97.3	92.6	100.8	87.2
Guinea-Bissau	114.5	131.8	156.9	5.7	6.9	6.9	156.6	*	193.1	217.2
Kenya	111.5	111.5	148.8	45.6	34.2	34.2	88.6	201.1	119.6	111.6
Lesotho	103.4	114.9	116.9	42.8	37.4	37.4	*	*	*	*
Liberia	*	*	*	45.5	31.2	31.2	55.7	60.1	45.5	49.6
Madagascar	122.1	178.6	182.3	237.1	270.0	270.0	*	*	*	*
Malawi	154.8	136.0	131.0	190.3	182.5	182.5	69.7	50.9	37.4	42.3
Mali	76.0	*	*	94.8	100.1	100.1	117.8	149.3	159.8	128.8
Mauritania	95.6	103.5	90.6	198.6	*	*	103.6	93.2	*	*
Mauritius	86.0	103.8	125.1	105.5	22.8	22.8	95.6	96.9	59.4	93.5
Morocco	62.3	67.2	*	204.7	*	*	83.7	77.3	70.3	52.9
Niger	44.7	46.7	149.2	105.5	45.2	45.2	95.9	55.8	38.1	*
Rwanda	156.7	152.7	149.2	63.9	67.2	67.2	194.3	185.5	149.1	103.6
Senegal	171.8	153.2	102.2	150.1	244.6	244.6	175.2	167.0	89.9	96.9
Sierra Leone	25.8	21.3	14.4	89.7	92.4	92.4	101.4	97.8	119.3	144.8
South Africa	78.1	85.3	115.9	38.5	16.8	16.8	87.8	49.0	71.6	69.7
Sudan	151.5	145.6	99.1	154.6	160.8	160.8	115.0	126.0	102.8	86.2
Swaziland	121.6	118.5	110.9	262.5	*	*	161.9	167.0	177.4	285.8
Tanzania	138.1	154.5	164.1	238.9	67.2	67.2	223.6	90.4	78.0	67.9
Tunisia	48.8	29.4	40.1	237.1	270.0	270.0	92.4	97.8	106.8	79.2
Uganda	85.0	80.0	83.0	150.1	150.1	150.1	127.7	130.0	124.5	102.7
Zaire	172.8	168.4	182.7	20.0	0.0	0.0	93.6	76.7	54.6	65.1
Zimbabwe	70.5	84.0	97.0	40.5	40.5	40.5	78.4	109.9	189.7	*
Asia										
Bangladesh	42.6	53.0	57.6	120.0	117.4	117.4	63.3	93.6	117.4	121.3
Brunei	73.9	79.8	83.2	59.2	77.2	77.2	172.7	172.7	204.6	216.7
Indonesia	11.3	13.6	19.4	20.9	38.1	38.1	80.2	87.9	81.9	84.5
Korea	69.5	58.6	65.7	40.5	61.1	61.1	150.5	139.8	143.0	84.5
Malaysia	54.6	65.1	80.9	43.8	41.6	41.6	202.5	51.2	58.2	137.1
Myanmar	55.2	54.8	61.0	137.2	76.5	76.5	38.2	51.2	58.2	90.2
Nepal	117.3	135.2	125.0	25.7	7.7	7.7	8.2	8.2	8.2	8.2
Pakistan	69.4	98.0	125.5	17.5	6.2	6.2	115.1	105.3	190.5	166.8
Papua New Guinea	38.8	46.6	50.2	17.5	10.6	10.6	128.0	104.4	190.5	166.8
Philippines	69.1	66.6	65.5	6.2	6.2	6.2	115.1	105.3	190.5	166.8
Singapore	76.5	89.9	64.4	270.2	128.0	128.0	115.1	105.3	190.5	166.8
Solomon Islands										
Sri Lanka										

Thailand	31.6	42.1	51.5	100.7	52.6	38.7	37.4	40.6	105.2	77.6	84.3	69.6
Western Samoa												
Europe												
Cyprus				60.2				66.1				81.1
Greece	90.8	119.5	144.2		79.5	90.0	115.1		103.9	81.9	96.7	
Hungary		125.2	57.7	79.7			99.6					
Malta	143.5	138.0	138.0	134.4	150.3	137.3	161.9		197.0	142.4	141.5	180.4
Poland												
Portugal	36.5	116.1	128.4		101.9	100.9	111.9		156.6	170.2	121.1	98.5
Turkey												
Yugoslavia					83.8	10.3	8.7	6.8				
Middle East												
Bahrain								31.0				118.5
Egypt						174.4	276.3	239.7				
Israel	123.1	115.0	102.2	86.2	173.3	145.4	118.7	129.9				
Jordan	122.2	127.8	107.9	109.3	194.6	253.0		212.9	216.9	210.0	156.0	93.9
Kuwait									153.7	115.6	158.1	175.7
Oman	95.4	71.0	67.2	94.8					147.7			
Syrian Arab Republic	24.5	20.3		26.5	92.0	77.1	126.3	75.1				
United Arab Emirates						100.0	50.1	47.9		58.6	38.8	18.4
Yemen Arab Republic	30.3	83.6	154.7	129.5					18.6	45.0	66.5	52.1
Western Hemisphere												
Argentina	25.5	26.0	25.1		69.2	86.2	97.8	88.6	128.0	68.2	73.6	72.2
Barbados	107.0	104.7	109.7	120.5	55.4	61.2	74.1	87.6	88.6	89.6	82.0	75.6
Belize		93.1	113.0	118.1								
Bolivia	90.9	135.3	53.9		21.6	28.2	42.5	99.7	36.5	32.4	22.5	27.0
Chile	161.3	133.9	130.5	126.8	198.1	208.1	286.3	269.2	66.7	64.3	37.0	
Colombia			38.0	45.4			110.6	109.1			56.7	38.5
Costa Rica	34.7	260.4	241.0	217.2	206.3	69.0	91.7	124.7				
Dominica									63.0	87.8		
Dominican Republic	78.0	91.7	85.4	75.4	89.2	90.9	86.7	75.8	121.5	91.9	70.7	85.2
Ecuador	47.8	53.6	61.3	52.7	6.2	5.9	8.6	6.9	52.7	37.3	37.1	39.6
El Salvador	60.9	69.3	71.3	56.5	26.0	29.7	33.7	28.1	68.1	61.1	65.1	41.5
Guatemala	44.2	43.0			76.9	29.7						
Guyana	92.2	95.1	162.0		64.4	58.5	77.2	106.1	166.5	134.8	278.4	271.7
Haiti												
Honduras	114.7	80.7			98.2	70.9			61.0	85.7		
Jamaica	109.7				27.4				91.2			
Mexico					142.4	108.6	107.1	88.9	95.3	74.9	110.0	103.9
Nicaragua	119.3	186.2			246.4	238.6			100.5	153.7		
Panama	185.4	187.5	204.6	211.2	139.8	123.1	114.0	124.4	93.0	90.1	56.6	35.1
Paraguay	14.0	15.5	20.4	20.4	88.4	79.0	129.0	113.6	68.0	56.5	35.8	35.4
Peru	112.5	135.0	148.2		0.0	1.4	0.8		88.9	80.8		
St. Lucia												
St. Vincent			113.5	137.7						30.7	33.4	50.3
Suriname					96.1			103.7	112.3			126.7
Trinidad and Tobago	62.7	65.2			42.2	43.9	41.6		164.9	165.3	101.9	
Uruguay	44.8	48.9	41.0	42.9	137.6	116.8	159.8	125.2				
Venezuela	104.4	105.7	127.8	119.5	72.6	73.6	88.1	57.1	98.2	74.2	84.4	61.5
Averages	89.6	96.5	102.6	100.5	100.7	92.5	88.6	84.8	107.9	99.1	100.7	99.6
Africa	106.1	104.1	115.7	113.5	126.9	114.3	93.2	67.2	109.9	102.2	101.2	110.3
Asia	61.6	67.0	82.0	82.0	67.3	60.9	57.9	63.5	108.0	107.0	122.1	109.2
Europe	93.6	120.3	117.1	91.4	103.9	84.6	99.4	90.4	152.5	131.5	119.8	120.0
Middle East	79.1	83.5	108.0	89.3	153.3	149.9	142.9	122.8	134.2	107.3	104.9	91.7
Western Hemisphere	85.2	103.4	102.7	103.4	90.7	80.2	91.2	100.5	92.9	82.2	76.3	76.0

Table 13 (continued). Functional Expenditure Comparison Indices from 1975-77 to 1984-86, Using Pooled Structural Expenditure Equations

Country	Agriculture, Forestry, Fisheries			Mining, Manufacturing, Construction			Electricity, Gas, Water Supply			
	1975-77	1978-80	1981-83	1975-77	1978-80	1981-83	1975-77	1978-80	1981-83	1984-86
Africa										
Benin	131.8	74.0	*	28.6	32.2	*	2.0	2.2	*	*
Burkina Faso	117.2	132.2	123.3	69.2	29.3	63.8	229.9	82.4	108.3	140.2
Burundi	24.9	30.5	33.6	23.0	*	*	49.3	*	*	*
Cameroon	55.4	27.4	45.1	9.5	1.6	2.5	49.2	76.0	53.4	30.9
Central African Rep.	*	*	95.6	*	*	6.8	*	*	*	*
Congo	*	*	*	*	*	*	*	*	*	*
Cote d'Ivoire	*	50.7	*	*	24.5	*	*	214.6	*	*
Ethiopia	71.9	92.9	68.4	36.9	58.5	119.6	39.8	86.5	97.0	*
Gabon	*	*	*	*	*	*	*	*	*	*
Gambia, The	108.6	240.8	185.4	1.8	29.7	26.7	43.3	63.6	16.1	*
Ghana	100.1	125.5	91.6	122.5	76.6	47.8	16.6	11.7	5.5	10.7
Guinea-Bissau	*	*	*	*	*	*	*	*	*	*
Kenya	92.4	96.2	124.2	70.0	97.0	122.7	15.7	2.9	0.2	33.4
Lesotho	210.3	173.9	141.0	153.3	*	141.8	216.9	*	*	*
Liberia	77.1	101.7	89.1	99.8	161.4	81.6	7.2	166.1	89.0	90.3
Madagascar	*	*	*	*	*	*	*	*	*	*
Malawi	136.9	143.0	188.1	*	*	*	*	*	*	94.4
Mali	64.9	103.1	61.4	0.0	0.0	4.6	10.6	0.0	0.0	*
Mauritania	*	114.4	*	*	*	*	*	*	*	*
Mauritius	135.3	139.3	111.9	6.7	8.9	20.3	55.0	41.2	7.0	2.5
Morocco	36.7	116.4	112.0	0.0	91.0	95.6	*	*	*	*
Niger	52.2	60.7	*	95.4	121.5	*	79.8	52.5	*	*
Rwanda	38.2	72.8	*	78.1	177.6	*	61.8	88.8	*	*
Senegal	45.3	43.2	79.5	0.0	39.4	92.8	118.6	276.7	117.1	160.9
Sierra Leone	84.4	47.8	72.1	25.4	60.4	52.3	91.2	101.2	208.8	68.8
South Africa	*	*	*	*	*	*	*	*	*	*
Sudan	109.1	77.0	53.3	2.7	192.2	126.8	0.0	52.5	191.0	*
Swaziland	105.6	*	*	*	*	*	*	*	*	*
Tanzania	*	*	*	*	*	*	*	*	*	*
Togo	94.7	126.4	89.4	28.0	29.1	125.6	220.2	160.3	141.6	132.1
Tunisia	55.0	217.5	*	129.0	98.2	109.7	0.0	3.4	45.6	246.1
Uganda	*	*	*	*	*	*	*	15.0	20.0	23.1
Zaire	11.4	16.5	38.8	201.9	49.7	105.1	259.7	102.2	228.3	171.9
Zambia	107.6	240.5	200.2	209.1	193.7	73.6	152.3	42.4	20.0	23.9
Zimbabwe	95.6	115.7	112.4	*	*	*	0.0	0.0	64.6	*
Asia										
Bangladesh	58.5	65.1	51.4	170.9	205.5	237.8	7.3	17.5	115.3	68.2
Bur	95.9	112.5	95.4	121.4	102.5	59.3	74.9	156.0	251.2	51.6
Indonesia	101.2	94.6	82.5	150.1	143.1	266.2	*	289.5	296.9	*
Korea	54.0	61.9	52.0	31.6	44.5	54.4	182.7	52.5	17.5	23.5
Malaysia	70.2	105.5	124.1	2.6	15.8	22.3	17.0	90.3	174.3	*
Myanmar	108.6	187.3	237.3	284.0	52.1	50.5	39.7	*	*	*
Nepal	100.5	116.1	165.8	108.4	74.7	122.1	64.1	221.9	251.8	159.6
Pakistan	26.2	22.8	10.8	110.8	205.0	138.7	146.5	147.2	172.2	97.8
Papua New Guinea	122.7	120.7	96.3	191.8	235.9	275.9	114.3	115.6	224.2	*
Philippines	73.9	48.5	46.7	153.3	94.7	148.0	78.0	255.8	251.0	199.8
Singapore	6.0	6.4	7.8	0.7	3.7	7.3	4.5	*	*	*
Sri Lanka	111.6	103.2	*	44.0	47.7	206.2	0.0	0.0	*	*

Thailand	66.6	79.0	90.4	93.1	16.1	14.3	13.3	16.3	*	48.6	103.9	62.5
Western Samoa	*	*	*	*	*	*	*	*	*	*	*	*
Europe												
Cyprus	166.2	130.1	160.1	282.2	41.2	41.4	50.3	0.8	*	*	*	0.3
Greece	*	*	278.5	216.3	*	*	*	*	33.2	27.4	16.8	*
Hungary	67.9	69.9	54.6	45.9	*	*	105.6	60.4	109.0	79.5	224.8	*
Malta	*	*	*	*	*	*	*	*	*	*	*	*
Norland	*	*	*	*	*	*	*	*	*	*	*	*
Portugal	32.8	25.3	22.6	16.9	*	*	58.4	85.4	255.3	259.6	218.5	285.2
Turkey	*	*	*	*	*	*	*	*	*	*	*	*
Yugoslavia	*	*	*	*	*	*	*	*	*	*	*	*
Middle East												
Bahrain	117.4	123.0	104.5	47.4	*	*	*	123.8	*	*	*	264.0
Egypt	43.1	63.7	169.9	96.3	*	*	*	*	*	*	*	*
Israel	104.9	51.3	48.8	61.9	252.1	*	*	*	252.9	88.1	208.3	154.9
Jordan	*	20.1	87.4	47.3	*	*	81.3	141.2	91.7	88.9	292.4	*
Kuwait	37.5	51.2	46.0	62.3	53.2	53.5	150.7	139.2	*	*	*	*
Oman	155.8	156.1	107.8	147.0	10.9	14.9	3.9	2.7	8.6	9.0	24.0	21.6
Syrian Arab Republic	7.0	38.8	30.8	39.5	*	*	*	*	*	*	*	*
United Arab Emirates	*	*	*	*	*	*	*	*	*	*	*	*
Yemen Arab Republic	5.0	12.0	31.7	9.7	0.0	2.6	1.7	1.8	*	133.4	173.6	200.4
Western Hemisphere												
Argentina	96.0	98.3	82.7	131.9	0.0	2.7	45.2	22.1	36.9	61.3	32.6	17.1
Barbados	*	*	*	*	*	*	*	*	*	*	*	*
Belize	17.1	22.2	10.7	8.8	40.1	36.7	12.2	7.7	19.0	27.0	9.7	4.6
Bolivia	46.3	35.0	25.6	39.7	13.4	88.4	56.1	*	10.3	4.0	1.1	*
Chile	46.3	43.1	56.4	51.6	*	*	7.0	51.9	*	*	73.3	26.8
Colombia	80.7	116.7	99.7	136.4	*	46.4	46.5	*	15.3	8.1	*	*
Costa Rica	65.5	48.8	52.8	33.4	0.0	0.0	0.0	29.4	130.4	145.4	46.8	117.1
Dominican Republic	71.2	20.1	76.6	39.7	1.5	1.7	4.9	0.0	33.2	16.5	22.6	18.8
Ecuador	240.3	*	*	*	248.0	73.7	161.2	200.1	109.0	59.2	120.0	4.5
El Salvador	43.3	96.0	*	*	24.8	30.2	*	*	0.4	13.4	*	78.6
Guatemala	118.8	145.9	85.0	59.8	38.5	*	*	*	77.1	*	*	*
Guyana	82.1	99.0	82.8	82.8	0.0	0.2	162.9	242.6	86.8	38.2	112.3	188.5
Haiti	88.6	113.7	113.7	55.6	49.9	47.8	*	*	67.5	38.9	*	*
Honduras	21.6	22.7	12.8	8.8	10.2	247.5	107.6	29.2	105.1	75.8	16.2	8.5
Jamaica	105.4	68.8	33.2	17.1	0.0	17.1	45.1	8.3	*	*	*	*
Mexico	47.5	140.0	115.0	111.3	*	*	*	*	*	*	*	*
Nicaragua	138.4	73.9	27.0	15.7	114.0	204.5	66.1	94.1	74.8	158.8	48.9	13.4
Panama	15.4	31.1	27.0	46.0	192.5	84.6	98.3	*	55.0	*	*	*
Paraguay	84.9	73.9	97.7	46.0	102.5	84.6	98.3	157.1	101.9	109.9	79.8	41.4
Peru	53.8	86.7	87.6	85.0	68.0	72.2	81.0	83.1	76.3	83.6	106.4	87.8
St. Lucia	92.5	104.6	102.3	97.5	62.8	74.9	74.7	92.2	74.7	74.6	78.5	87.8
St. Vincent	86.4	86.4	92.5	90.3	86.1	95.4	123.2	96.0	75.8	126.8	185.8	94.7
Suriname	58.9	85.1	139.0	140.3	41.4	41.4	71.4	48.8	132.5	122.2	153.4	142.7
Trinidad and Tobago	77.6	60.2	85.0	83.3	105.4	34.2	78.6	101.7	117.7	62.0	174.9	146.9
Uruguay	74.1	67.9	55.4	51.4	55.7	56.4	54.9	65.2	60.5	61.7	57.2	60.0
Venezuela	53.8	86.7	87.6	85.0	68.0	72.2	81.0	83.1	76.3	83.6	106.4	87.8
Average	92.5	104.6	102.3	97.5	62.8	74.9	74.7	92.2	74.7	74.6	78.5	87.8
Africa	76.6	86.4	92.5	90.3	86.1	95.4	123.2	96.0	75.8	126.8	185.8	94.7
Asia	58.9	85.1	139.0	140.3	41.4	41.4	71.4	48.8	132.5	122.2	153.4	142.7
Europe	77.6	60.2	85.0	83.3	105.4	34.2	78.6	101.7	117.7	62.0	174.9	146.9
Middle East	74.1	67.9	55.4	51.4	55.7	56.4	54.9	65.2	60.5	61.7	57.2	60.0
Western Hemisphere	53.8	86.7	87.6	85.0	68.0	72.2	81.0	83.1	76.3	83.6	106.4	87.8

Table 13 (concluded). Functional Expenditure Categories: International Expenditure Comparison Indices from 1975-77 to 1984-86, Using Pooled Structural Expenditure Equations

Country	Transportation and Communication				Housing and Community Amenities			
	1975-77	1978-80	1981-83	1984-86	1975-77	1978-80	1981-83	1984-86
Africa								
Benin	56.9	66.5	*	*	21.0	164.6	*	*
Botswana	133.5	80.6	129.3	67.9	*	161.0	205.0	130.8
Burkina Faso	*	*	*	*	*	*	*	*
Burundi	77.4	*	49.8	122.6	74.7	104.3	129.2	284.6
Cameroon	76.1	39.0	62.9	*	11.6	*	10.4	*
Central African Rep.	*	*	*	*	*	*	55.9	*
Congo	*	33.7	*	17.7	*	109.4	286.6	271.6
Cote d'Ivoire	242.4	214.8	194.1	*	188.8	146.0	*	*
Ethiopia	*	*	243.4	235.4	11.8	125.6	178.0	*
Gabon	90.8	256.0	*	*	0.0	10.6	23.8	37.7
Gambia, The	*	*	*	*	*	*	*	*
Ghana	*	*	*	*	*	*	*	*
Guinea-Bissau	107.5	106.4	99.0	59.8	*	*	*	282.6
Kenya	149.5	178.9	169.8	169.8	*	*	105.8	66.9
Lesotho	153.1	296.3	191.2	105.1	55.5	143.1	91.1	32.2
Liberia	*	*	*	*	*	*	*	*
Madagascar	*	*	139.4	*	*	*	*	55.6
Malawi	55.5	43.2	219.0	*	0.0	20.6	5.9	97.5
Mali	*	*	*	*	*	*	*	*
Mauritania	179.4	91.7	67.9	92.5	76.2	91.8	87.4	57.2
Mauritius	*	52.8	44.2	42.5	140.4	57.2	57.9	46.3
Morocco	57.6	86.0	*	9.5	26.0	*	*	*
Niger	170.7	88.9	*	7.5	25.7	*	*	*
Rwanda	32.7	55.4	89.9	80.8	*	*	*	290.8
Senegal	102.5	92.2	40.9	43.1	26.7	20.2	12.3	12.2
Sierra Leone	*	*	*	*	*	*	*	*
South Africa	11.7	8.0	40.7	*	1.9	8.5	1.7	*
Sudan	*	*	*	*	*	*	*	*
Swaziland	49.9	76.0	106.9	93.2	*	*	*	*
Tanzania	95.3	200.4	86.5	0.1	29.0	40.4	122.3	204.0
Togo	40.3	30.2	34.8	46.8	41.4	60.3	112.9	171.4
Tunisia	*	*	*	*	*	*	*	*
Uganda	29.9	4.8	7.0	37.7	0.0	0.0	0.0	46.2
Zaire	129.5	62.6	79.1	70.3	*	291.2	236.0	214.1
Zambia	77.8	64.8	62.1	57.1	74.1	64.1	159.0	104.2
Zimbabwe	*	*	*	*	*	*	*	*
Asia								
Bangladesh	59.2	31.5	2.5	12.2	5.5	2.6	20.4	5.8
Bhutan	196.4	131.8	143.2	130.0	90.6	84.6	28.3	24.2
India	27.9	27.9	33.5	47.7	157.6	79.2	63.8	84.4
Indonesia	46.9	33.3	38.7	40.9	33.9	25.1	18.8	24.0
Japan	104.0	129.3	155.2	*	27.8	52.2	*	*
Malaysia	162.6	241.6	*	*	213.5	168.2	153.8	152.1
Myanmar	141.8	138.0	113.6	83.0	31.0	55.7	155.4	176.6
Nepal	80.0	27.5	24.7	25.6	220.4	113.9	120.4	173.3
Pakistan	177.4	107.2	61.9	105.5	150.5	126.8	97.6	46.5
Papua New Guinea	278.0	278.0	175.0	115.2	126.3	135.7	118.7	190.2
Philippines	51.0	80.0	80.0	115.2	126.3	135.7	118.7	190.2
Singapore	*	*	*	*	*	*	*	*
Solomon Islands	*	*	*	*	*	*	*	*
Sri Lanka	*	*	*	*	*	*	*	128.0

154 Field	127.1	116.3	91.0	64.0	*	71.3	62.3	45.9
Western Samoa								*
Europe								
Cyprus				50.6			*	81.1
Greece	135.2	116.5	126.1	*	51.1	52.9	71.8	*
Hungary				*	*	*	*	*
Italy	246.8	223.8	*	*	287.4	72.3	57.4	193.8
Malta				*	*	*	*	*
Poland				*	*	*	*	*
Portugal				*	*	*	*	*
Turkey		282.5	175.1	170.2	50.1	117.2	174.7	113.6
Yugoslavia				*	*	*	*	*
Middle East								
Bahrain				132.5	*	*	*	152.2
Egypt				*	*	*	*	*
Israel				*	*	*	*	*
Jordan	201.0	*	265.5	107.9	62.0	51.9	53.1	23.2
Kuwait	0.0		104.1	96.2	176.8	174.1	143.0	242.7
Oman	204.7	118.3	62.4	65.2	30.7	*	*	*
Syrian Arab Republic				*	*	*	*	*
United Arab Emirates				*	13.6	8.2	14.4	12.9
Yemen Arab Republic	18.6	56.5	90.8	76.8	*	*	*	*
Western Hemisphere								
Argentina	184.5	111.3	79.7	84.8	164.6	48.2	17.2	17.6
Bahamas	62.2	65.1	76.6	83.5	89.9	211.4	161.5	120.9
Belize				*	*	*	*	*
Bolivia	74.2	52.3	28.9	39.6	61.4	40.1	27.8	12.8
Chile	76.3	52.1	50.1	*	211.5	155.1	121.5	*
Colombia			124.0	122.4	*	*	44.6	41.4
Costa Rica				*	*	*	*	*
Dominica				*	*	*	*	*
Dominican Republic	8.7	11.5	13.8	8.9	*	207.3	137.2	120.0
Ecuador	108.6	76.8	70.7	111.2	*	*	*	*
El Salvador	161.2	124.0	216.2	139.1	74.8	56.3	37.0	30.0
Guatemala				*	*	*	*	*
Guatemala		126.7	156.6	104.2	123.4	31.3	39.2	30.0
Guyana				*	*	*	*	*
Haiti		219.1	*	*	140.6	47.1	*	*
Honduras				*	143.7	*	*	*
Jamaica	72.2			*	*	*	*	*
Mexico	36.9	19.6	34.0	27.1	10.0	22.5	100.9	70.1
Nicaragua		251.7		*	269.5	251.6	*	*
Panama	177.3	118.3	75.7	78.1	39.6	97.3	130.2	122.0
Paraguay	274.1	208.9	118.0	120.7	*	170.7	176.1	144.2
Peru			92.0	*	163.3	1116.6	33.3	*
St. Lucia				*	*	*	*	*
St. Vincent				*	*	*	*	*
Suriname				*	*	*	*	*
Trinidad and Tobago	67.3	87.7	124.6	*	143.8	147.6	218.7	*
Uruguay				*	*	*	*	*
Venezuela	158.8	138.3	130.2	66.2	95.6	42.7	108.6	102.5
Averages	108.4	108.0	99.4	82.6	86.1	91.1	93.7	108.3
Africa	95.9	93.4	101.4	82.4	42.8	85.0	99.0	133.7
Asia	169.7	113.4	83.7	69.4	105.7	83.2	83.9	95.5
Europe	191.0	207.6	350.6	114.9	129.5	80.8	101.3	129.5
Middle East	306.3	80.5	130.2	95.7	70.8	78.0	70.2	107.7
Western Hemisphere	115.7	110.8	93.3	82.2	123.0	109.7	96.7	73.8

*Data not available
Formerly Burma

Table 14. Economic Categories of Expenditure: International Expenditure Comparison Indices from 1975-77 to 1984-86, Using Pooled Structural Expenditure Equations

Country	Current Expenditure			Capital Expenditure			Net Lending					
	1975-77	1978-80	1981-83	1984-86	1975-77	1978-80	1981-83	1984-86	1975-77	1978-80	1981-83	1984-86
Africa												
Benin	71.1	64.3	*	136.1	204.2	*	103.9	82.8	*	164.9	*	218.9
Botswana	93.2	83.7	110.3	124.4	132.9	103.9	70.4	48.1	*	62	*	92.5
Burkina Faso	88.3	80.1	93.1	55.3	68.2	*	30.9	120.8	*	18.6	170.4	75.3
Burundi	*	*	*	127.3	127.5	202.6	145.2	*	*	*	2.2	*
Cameroon	84.5	91.8	105.7	68.5	74.3	73.6	76.5	*	*	83.7	3.8	4.1
Central African Rep	*	*	*	114.4	215.2	74.3	73.6	*	*	*	*	*
Cote d'Ivoire	*	*	*	68.5	74.3	73.6	76.5	*	*	*	*	*
Ethiopia	*	*	*	98.1	122.0	113.9	49.0	*	136.7	53.9	81.2	*
Gabon	*	*	*	158.4	73.2	49.0	59.1	*	170.2	96.1	*	179.8
Gambia, The	114.0	111.9	104.6	93.9	104.5	81.7	63.3	242.8	233.9	135.9	59.0	59.0
Ghana	77.1	95.7	80.9	151.2	98.8	101.6	28.7	19.9	21.8	1.9	21.8	21.8
Guinea-Bissau	*	*	*	131.3	134.5	100.6	71.2	121.5	185.8	172.6	185.8	189.5
Kenya	86.0	92.2	99.0	106.3	104.5	81.7	63.3	242.8	233.9	135.9	59.0	59.0
Lesotho	91.9	118.7	126.0	151.2	98.8	101.6	28.7	19.9	21.8	1.9	21.8	21.8
Liberia	102.6	95.4	106.1	131.3	134.5	100.6	71.2	121.5	185.8	172.6	185.8	189.5
Madagascar	101.2	99.5	117.0	106.3	104.5	81.7	63.3	242.8	233.9	135.9	59.0	59.0
Malawi	80.1	83.2	78.8	77.8	128.7	98.1	103.5	*	*	*	*	14.9
Mali	*	114.2	*	55.9	64.4	53.4	39.6	*	0.0	0.0	0.4	*
Mauritania	*	*	*	93.4	93.4	*	*	*	*	*	*	*
Mauritius	91.7	93.6	103.7	161.0	157.0	142.7	107.2	107.2	220.0	42.1	6.6	138.7
Morocco	84.1	83.7	92.7	239.9	149.2	124.3	96.1	96.1	42.1	11.5	6.6	5.3
Niger	88.7	73.4	*	97.7	140.1	*	*	*	29.4	145.5	*	*
Rwanda	69.6	68.7	85.5	85.5	93.3	*	*	*	17.3	19.9	*	*
Senegal	97.1	83.5	94.6	76.1	58.4	102.4	122.2	86.9	13.5	30.1	8.3	8.3
Sierra Leone	93.7	145.1	122.1	88.0	81.0	86.3	114.6	45.0	0.0	45.0	70.3	*
South Africa	*	*	*	*	*	*	*	*	*	*	*	*
Sudan	125.3	136.4	134.9	88.1	100.5	104.2	*	*	2.8	24.4	*	*
Swaziland	*	*	*	*	*	*	*	*	*	*	*	*
Tanzania	107.9	92.7	101.2	82.9	121.2	121.2	74.5	0.2	3.6	0.2	63.6	262.7
Togo	84.1	81.1	87.5	172.5	158.9	146.3	137.2	3.8	3.8	3.8	3.8	*
Tunisia	71.2	82.0	93.4	143.0	132.1	120.4	104.5	100.7	159.6	119.2	96.0	96.0
Uganda	*	*	*	*	*	*	*	*	*	*	*	*
Zaire	135.7	112.7	100.7	139.6	127.8	141.7	105.8	4.7	4.7	5.0	124.1	124.1
Zambia	*	*	*	89.8	46.6	66.1	87.3	28.1	69.8	251.8	87.3	87.3
Zimbabwe	116.2	119.3	97.8	32.4	22.4	27.9	21.3	28.1	69.8	116.2	116.2	74.4
Asia												
Bangladesh	*	*	*	*	*	*	*	*	*	*	*	*
Fiji	83.2	89.2	90.7	88.4	87.0	74.6	60.4	14.9	14.9	57.5	54.4	54.4
Indonesia	95.7	97.6	96.7	136.1	131.3	145.6	146.1	83.9	119.2	66.4	66.4	37.1
Korea	83.6	83.0	80.5	89.4	83.3	98.9	75.0	164.7	125.0	213.7	105.0	105.0
Malaysia	87.1	84.3	87.8	139.6	119.0	120.6	297.8	223.3	191.0	191.0	*	*
Myanmar	88.7	90.5	87.0	54.9	71.8	82.2	80.8	12.4	12.4	*	*	*
Nepal	*	*	*	*	*	*	*	0.7	0.7	*	*	*
Pakistan	127.0	139.8	133.5	77.0	59.9	56.3	44.6	*	*	*	*	297.5
Papua New Guinea	120.5	127.6	133.6	76.5	63.5	53.6	52.7	74.4	40.1	84.5	84.5	*
Philippines	100.8	88.6	86.1	34.9	42.1	51.5	32.8	62.8	91.9	139.1	181.9	181.9
Singapore	82.7	89.3	83.7	106.0	113.0	124.4	169.3	245.5	160.2	270.4	183.4	183.4
Solomon Islands	96.1	108.4	103.8	98.2	129.7	117.1	84.0	84.0	*	*	*	*
Sri Lanka	88.4	113.0	105.6	170.8	131.7	134.0	80.8	27.8	80.8	40.4	40.4	56.9

Thailand	74.7	78.2	84.1	86.3	97.1	103.2	90.6	87.3	30.7	31.3	14.8	24.3
Western Samoa												*
Europe												
Cyprus	86.7	85.2	104.4	109.0	*	136.9	132.4	75.6	*	*	*	40.5
Greece			191.2	186.0	*		37.9	32.8	2.0	11.1	7.5	*
Hungary	90.9	91.6	93.8	88.4	*	113.6	90.9	101.1	156.4	85.9	166.6	77.9
Malta												*
Poland	104.1	96.6	104.0	*	194.4	89.7	88.3	*	*	*	*	*
Portugal	83.8	95.5	106.1	144.6	72.1	73.7	110.9	92.1	32.0	31.5	14.8	1.2
Turkey					8.9	7.1	2.0	1.5	*	*	*	*
Yugoslavia												*
Middle East												
Bahrain	148.5	150.3	136.0	130.8	*	148.6	*	115.3	*	*	*	29.2
Egypt					117.5	67.7	31.6	30.0	*	*	*	*
Israel					67.7	73.2	31.6	30.0	*	*	*	*
Jordan	98.8	88.4	90.2	95.6	135.7	129.2	151.5	133.9	135.7	157.5	130.4	145.6
Kuwait	121.4	118.1	115.7	101.3	81.6	137.5	139.5	143.2	120.1	129.2	231.7	106.0
Oman					*	*	*	*	*	*	*	*
Sri Lank Arab Republic	79.7	96.8	95.6	98.4	127.7	111.1	125.5	140.3	13.7	25.0	30.8	*
United Arab Emirates	76.0	86.7	100.1	101.4	22.0	20.8	40.7	27.0	*	*	*	*
Yemen Arab Republic					*	*	*	*	*	*	*	*
Western Hemisphere												
Argentina	98.6	87.0	102.4	88.9	91.2	86.6	86.5	56.4	88.1	101.7	236.7	191.6
Barbados	82.6	81.5	86.6	80.4	101.5	119.3	110.1	95.8	6.5	26.7	88.6	105.9
Belize	105.2	110.5	104.8	109.5	85.0	75.6	80.3	48.8	*	40.9	*	*
Bolivia					62.0	56.4	32.7	29.9	0.0	0.0	5.4	20.5
Brazil	87.8	83.8	79.5	81.1	151.8	106.9	209.8	108.5	46.4	45.0	32.0	34.2
Colombia					72.3	72.3	98.4	108.5	*	*	*	*
Costa Rica	65.0	66.0	70.4	75.7	129.4	118.1	98.8	118.4	*	*	*	*
Dominica	105.2	146.9			106.1	138.6	*	*	*	*	*	*
Dominican Republic	67.1	76.3	77.1	82.7	115.3	91.4	70.9	61.1	6.8	45.5	2.7	9.0
Ecuador	76.1	76.1	71.8		71.8	78.6	121.3	58.3	*	*	0.0	0.0
El Salvador	66.9	69.4	84.5	85.1	82.8	86.3	64.8	58.3	61.4	*	77.1	71.2
Guatemala	66.0	82.5			103.5	111.0	*	*	*	*	*	*
Haiti	108.7	119.4			124.0	76.0	*	*	55.6	105.1	96.9	*
Honduras	69.4				*	*	*	*	*	*	*	*
Jamaica	100.3				159.7	133.9	*	*	7.8	*	*	*
Mexico	70.4	73.2	119.4	151.1	117.4	117.2	91.4	78.9	289.3	*	*	*
Nicaragua	66.0	98.3			77.6	71.8	*	*	86.2	64.8	61.8	12.6
Panama	88.9	102.1	116.5	106.7	103.3	100.8	109.8	95.2	51.2	19.2	154.6	22.4
Paraguay	54.6	70.9	70.4	69.2	105.9	115.1	112.9	87.9	43.6	45.6	68.0	74.6
Peru	84.5	105.9	95.7	90.9	99.9	91.7	*	*	0.0	0.0	*	*
St. Lucia					*	*	*	*	*	*	*	*
St. Vincent					114.9	104.1	92.0	55.2	*	0.0	0.0	0.0
Suriname	98.8				143.9	143.9	*	34.2	5.8	*	*	52.4
Trinidad and Tobago	79.7	104.8	110.0		107.2	117.4	135.1	*	110.8	106.1	*	*
Uruguay	82.4	80.0	80.8	86.5	202.8	123.9	264.2	243.4	*	*	*	*
Venezuela	80.8	85.8	94.0	90.9	133.1	130.7	131.8	90.0	*	133.0	223.8	132.3
Averages	91.0	95.4	109.1	104.4	108.0	103.5	100.2	87.1	79.3	74.8	92.3	87.3
Asia	93.7	95.3	101.8	105.0	111.7	112.7	100.2	86.8	88.0	74.8	76.5	90.3
Australia	94.0	99.2	97.1	99.8	97.0	91.2	95.6	87.9	91.9	110.5	133.2	126.4
Europe	91.4	92.2	119.9	132.2	102.3	84.2	77.1	60.6	63.5	42.8	63.0	39.9
Middle East	104.0	108.1	109.5	107.8	92.0	103.4	97.8	112.1	89.8	103.9	131.0	93.6
Western Hemisphere	82.9	90.8	91.7	97.3	115.6	103.3	112.4	84.1	60.2	51.7	80.6	55.9

Table 14 (continued). Economic Categories of Expenditure: International Expenditure Comparison Indices from 1975-77 to 1984-86, Using Pooled Structural Expenditure Equations

Country	Goods and Services					Wages					Other Goods and Services				
	1975-77	1978-80	1981-83	1984-86		1975-77	1978-80	1981-83	1984-86		1975-77	1978-80	1981-83	1984-86	
Africa															
Benin	83.9	83.9	*	*	96.2	88.9	*	*	*	50.1	66.2	*	*	*	
Botswana	88.3	74.4	90.9	93.4	74.7	66.6	80.3	76.0	76.0	94.4	79.9	99.2	114.8	49.9	
Burkina Faso	113.3	118.5	112.6	112.8	*	*	161.0	*	*	*	*	*	*	*	
Burundi	117.4	128.6	151.8	112.1	102.7	121.4	118.0	102.3	102.3	109.5	106.1	155.2	105.1	65.9	
Cameroon	*	*	132.5	*	*	*	156.2	*	*	*	*	*	*	*	
Central African Rep.	*	*	*	*	*	*	*	*	*	*	*	*	*	*	
Congo	*	*	*	*	*	*	*	*	*	*	*	*	*	*	
Côte d'Ivoire	*	98.6	*	94.3	146.1	90.8	159.8	89.7	89.7	*	77.4	*	*	89.2	
Ethiopia	*	*	*	*	*	*	*	*	*	*	*	*	*	*	
Gabon	*	*	*	*	*	*	*	*	*	*	*	*	*	*	
Gambia, The	154.2	120.7	115.0	*	118.2	99.5	87.5	*	*	149.8	122.1	126.4	*	*	
Ghana	88.0	90.1	93.9	100.2	70.1	76.7	73.6	84.8	84.8	120.9	115.9	104.8	160.5	*	
Guinea-Bissau	*	*	*	*	*	*	*	*	*	*	*	*	*	*	
Kenya	85.4	99.9	95.6	96.9	80.9	81.4	80.6	85.6	85.6	94.6	145.8	135.3	122.3	66.9	
Lesotho	110.9	110.9	112.5	131.6	88.4	106.6	106.6	134.5	134.5	102.8	*	98.2	116.7	83.5	
Liberia	115.9	97.8	115.9	111.2	116.2	109.8	140.7	134.8	134.8	97.4	71.5	83.5	66.9	*	
Madagascar	*	*	*	*	*	*	*	*	*	*	*	*	*	*	
Malawi	105.5	95.7	111.9	102.9	61.1	75.5	68.3	77.6	77.6	153.8	128.2	171.9	142.5	84.5	
Mali	105.5	107.5	109.9	129.6	130.5	124.5	120.8	140.2	140.2	57.2	64.1	84.2	84.5	*	
Mauritania	138.6	138.6	*	*	160.5	160.5	*	*	*	143.2	*	*	*	*	
Mauritius	106.5	94.5	101.5	103.6	118.3	99.9	109.0	113.8	113.8	69.8	60.4	65.5	67.5	81.0	
Morocco	87.5	88.9	80.5	97.3	96.7	99.8	100.1	102.1	102.1	53.4	64.4	64.1	81.0	*	
Niger	87.5	65.1	*	*	65.6	50.6	*	*	*	98.0	74.9	*	*	*	
Rwanda	95.6	93.3	*	*	96.7	80.6	*	*	*	91.6	108.9	*	*	*	
Senegal	135.5	119.8	110.4	110.5	110.4	107.8	108.3	119.2	115.1	142.2	109.6	86.8	86.8	127.0	
Sierra Leone	109.7	*	94.9	116.6	101.5	101.5	102.0	108.0	108.0	105.1	*	71.8	71.8	*	
South Africa	*	*	*	*	*	*	*	*	*	*	*	*	*	*	
Sudan	122.2	126.2	112.5	*	72.3	53.2	55.7	72.3	72.3	161.4	164.7	132.5	132.5	99.5	
Swaziland	107.0	91.5	109.9	100.2	94.3	90.5	97.7	92.8	92.8	99.3	78.6	123.0	123.0	121.7	
Tanzania	109.4	103.3	112.7	101.9	*	*	*	*	*	130.4	148.2	145.5	145.5	181.0	
Togo	90.2	80.8	95.8	118.5	108.4	91.7	81.0	89.5	89.5	88.8	73.8	124.1	124.1	61.5	
Tunisia	60.0	72.7	79.4	76.5	71.9	75.1	92.4	91.4	91.4	59.5	74.9	72.1	72.1	*	
Uganda	*	*	*	*	*	*	*	*	*	*	*	*	*	*	
Zaire	162.7	141.1	122.4	*	125.0	122.8	78.1	78.1	78.1	182.7	144.7	175.3	175.3	83.4	
Zambia	102.9	106.3	75.5	70.0	96.4	109.6	131.3	78.2	78.2	*	*	*	*	*	
Zimbabwe	102.9	106.3	75.5	70.0	122.9	120.5	75.4	70.0	70.0	88.7	104.8	89.1	89.1	83.4	
Asia															
Bangladesh	*	*	*	*	*	*	*	*	*	*	*	*	*	*	
Burma	100.5	105.7	90.3	100.1	78.0	81.1	105.3	104.3	104.3	130.5	144.5	78.4	78.4	41.6	
Indonesia	83.4	67.2	60.6	62.9	74.8	73.9	63.4	62.7	62.7	83.1	46.0	43.4	43.4	113.9	
Korea	75.2	73.5	68.6	65.9	46.8	45.0	40.2	38.0	38.0	116.8	119.5	119.0	119.0	*	
Malaysia	81.0	76.0	69.9	*	78.5	84.9	78.1	*	*	104.9	70.0	69.7	69.7	*	
Myanmar	*	*	*	*	*	*	*	*	*	*	*	*	*	*	
Nepal	*	*	*	*	*	*	*	*	*	*	*	*	*	*	
Pakistan	117.1	116.6	134.6	130.6	50.0	49.4	48.6	46.0	46.0	174.5	175.5	210.8	210.8	223.0	
Papua New Guinea	142.7	142.7	121.6	111.9	*	125.8	112.3	103.7	103.7	*	159.5	143.2	143.2	136.3	
Philippines	96.9	107.0	85.7	84.6	89.0	80.6	65.2	73.1	73.1	108.9	127.1	102.6	102.6	91.1	
Singapore	97.3	98.5	93.0	76.4	88.8	97.0	71.9	68.7	68.7	140.4	130.3	148.3	148.3	111.9	
Solomon Islands	102.5	111.2	109.6	109.0	109.6	109.6	*	*	*	104.2	119.6	157.6	157.6	154.6	
Sri Lanka	82.0	133.7	61.5	75.7	91.1	82.8	60.6	69.6	69.6	78.1	119.6	47.9	47.9	88.1	

Island	80.4	86.8	97.3	98.0	57.8	54.7	76.3	79.2	136.2	168.0	159.7	162.5
Western Europe												*
Europe												
Cyprus	141.6	97.0	105.2	116.3	217.5	130.6	148.9	144.6	131.2	96.4	104.0	77.3
Greece	88.8	83.2	88.8	83.2	87.9	87.9	87.9	97.9	87.1	78.1	69.7	69.7
Hungary	130.1	123.9	123.4	107.4	160.0	172.9	176.6	169.4	124.1	86.1	87.6	54.7
Poland	111.6	80.0	79.8	80.0	111.5	111.5	105.5	87.2	64.8	60.4	77.4	54.6
Portugal	75.5	84.0	90.0	93.0	78.8	91.1	87.0	87.2	64.8	60.4	63.2	54.6
Turkey												*
Yugoslavia												*
Middle East												
Bahrain	130.0	108.8	124.0	144.2	101.9	96.0	103.0	180.6	127.2	131.2	183.3	107.9
Egypt				123.6	77.8	72.5	57.8	61.0	61.0	61.0	61.0	190.8
Israel				109.9	91.4	92.1	97.0	101.4	138.3	120.9	117.2	121.6
Jordan	105.1	94.5	106.7	109.9	91.4	92.1	97.0	101.4	138.3	120.9	117.2	121.6
Kuwait	95.6	98.7	99.0	98.9	96.8	109.5	87.5	82.4	99.7	108.6	115.6	115.6
Qatar					83.9	121.2	150.9	87.2	64.8	60.4	77.4	54.6
Saudi Arab Republic	77.3	89.8	104.8									*
United Arab Emirates	64.5	99.6	122.8									*
Yemen Arab Republic	175.0	88.9	96.3	108.6	241.5	161.5	168.0	169.0	69.0	46.4	34.1	34.7
Western Hemisphere												
Argentina	79.3	92.9	99.4	81.4	86.1	81.1	86.1	87.7	168.0	111.9	111.9	146.0
Bolivia	108.5	88.1	90.6	90.6	86.1	81.1	86.1	87.7	168.0	111.9	111.9	146.0
Brazil	109.8	119.3	98.3	140.3	95.2	94.4	96.9	106.0	69.3	71.9	75.7	161.4
Chile	89.0	87.0	98.3	108.4	102.6	101.4	80.6	73.0	86.1	81.2	71.9	86.6
Colombia	91.7	89.4	74.5	78.1	102.6	101.4	80.6	46.0	86.1	81.2	71.9	86.6
Costa Rica	88.6	64.6	63.1	62.2	81.8	94.3	98.8	95.6	72.5	51.1	49.0	46.9
Dominica	120.8	124.8							116.6	103.8	103.8	103.8
Dominican Republic	87.0	88.7	96.0	96.5	117.6	125.5	130.4	123.5	47.4	50.0	54.0	66.9
Ecuador	30.5	40.5	38.2	38.2	35.2	30.4	35.2	12.9	12.9	12.9	16.0	16.0
El Salvador	71.6	70.8	93.7	97.6	92.1	92.1	130.7	148.7	66.7	60.8	52.4	42.1
Guatemala	85.9	102.4	97.1	97.6	99.9	128.1	128.1	187.7	66.7	60.8	52.4	42.1
Honduras	90.2	107.3	97.3	97.3	93.1	108.4	108.4	113.3	113.3	115.4	115.4	115.4
Jamaica												*
Paraguay	44.1	44.1	44.1	44.1	85.2	85.2	85.2	85.2	122.6	122.6	122.6	122.6
Peru	89.5	77.7	78.0	76.6	82.8	81.3	82.8	98.3	98.3	98.3	98.3	98.3
Puerto Rico	116.0	116.0	116.0	116.0	116.0	116.0	116.0	116.0	116.0	116.0	116.0	116.0
Suriname	107.5	107.5	107.5	107.5	107.5	107.5	107.5	107.5	107.5	107.5	107.5	107.5
Uruguay	120.1	120.1	120.1	120.1	120.1	120.1	120.1	120.1	120.1	120.1	120.1	120.1
Venezuela	84.1	84.1	84.1	84.1	84.1	84.1	84.1	84.1	84.1	84.1	84.1	84.1
World												
North America	135.4	135.4	135.4	135.4	135.4	135.4	135.4	135.4	135.4	135.4	135.4	135.4
South America	88.8	87.0	90.5	101.9	86.0	109.2	114.5	155.4	104.9	38.6	35.3	156.8
Central and Europe	125.2	126.6	131.1	130.7	138.9	144.5	170.1	155.1	94.7	100.1	88.8	118.5
Europe	84.5	89.4	85.1	75.8	108.5	107.8	99.5	84.7	53.5	56.9	66.0	68.2
Asia	90.2	90.4	88.9	102.1	98.0	98.8	100.2	100.3	103.7	98.1	96.5	102.7
Africa	96.5	102.0	106.7	104.3	98.9	99.0	103.7	99.2	104.4	101.2	105.6	106.2
Australia	96.8	100.8	91.1	92.4	72.7	71.7	73.1	71.7	117.8	131.1	116.4	120.6
World	111.7	96.4	97.5	100.0	128.8	121.2	121.2	124.8	106.7	78.4	82.1	64.1
Middle East	96.7	96.7	109.0	117.0	116.1	108.8	110.7	115.6	108.5	101.8	115.6	113.8
Western Hemisphere	96.4	96.9	88.8	101.5	97.8	100.5	102.0	107.0	94.3	78.6	64.6	92.4

Table 14 (continued). Economic Categories of Expenditure: International Expenditure Comparison Indices from 1975-77 to 1984-86, Using Pooled Structural Expenditure Equations

Country	Interest Payments				Subsidies and Transfers				Subsidies Less Social Security			
	1975-77	1978-80	1981-83	1984-86	1975-77	1978-80	1981-83	1984-86	1975-77	1978-80	1981-83	1984-86
Africa												
Benin	7.9	14.0	*	*	81.0	57.1	*	*	98.4	49.0	*	*
Botswana	88.1	46.1	51.4	57.9	186.5	126.6	188.6	196.5	107.4	117.2	174.2	216.9
Burkina Faso	87.5	68.6	39.1	78.1	59.0	64.3	63.8	59.2	*	*	*	*
Burundi	*	*	*	*	*	*	*	*	*	*	*	*
Cameroon	18.8	16.3	26.9	32.5	45.0	56.4	66.1	77.4	26.0	43.2	58.3	63.2
Central African Rep.	*	*	17.0	*	*	*	79.3	*	*	*	92.9	*
Congo	*	*	*	*	*	*	*	*	*	*	*	*
Cote d'Ivoire	*	110.6	*	173.1	*	100.7	*	*	*	95.5	*	*
Ethiopia	*	*	*	*	*	*	*	*	*	*	*	*
Gabon	*	*	*	*	*	*	*	*	*	*	*	*
Gambia, The	9.7	9.6	46.9	*	63.0	62.6	81.1	*	53.8	38.9	72.0	*
Ghana	22.2	178.5	170.6	103.9	57.0	87.0	86.3	61.1	35.2	110.0	167.8	91.2
Guinea-Bissau	*	*	*	*	*	*	*	*	*	*	*	*
Kenya	81.4	102.6	166.8	182.3	132.6	80.7	115.4	114.1	141.9	108.6	126.8	119.5
Lesotho	26.1	214.3	26.1	162.3	68.2	*	110.5	75.5	41.9	30.9	68.3	55.2
Liberia	58.9	73.2	107.8	130.7	91.6	48.3	52.3	63.9	93.6	30.9	52.6	66.5
Madagascar	*	*	*	*	*	*	*	*	*	*	*	*
Malawi	60.8	85.0	145.1	168.7	71.5	64.9	59.3	78.6	*	*	*	77.2
Mali	5.0	10.9	14.2	14.7	77.2	81.9	60.7	23.9	122.6	121.6	96.9	*
Mauritania	*	23.2	*	*	*	86.4	*	*	*	*	*	*
Mauritius	110.8	187.4	*	293.6	88.2	97.8	87.1	84.3	115.8	127.8	109.0	92.8
Mexico	81.2	98.1	132.4	129.0	92.9	66.2	80.4	73.5	69.5	46.2	63.3	58.0
Niger	84.8	71.1	*	129.0	99.3	99.3	*	*	146.7	111.9	*	*
Rwanda	18.2	24.0	*	*	30.9	30.0	*	*	26.1	30.0	*	*
Senegal	47.0	111.7	88.2	125.7	75.5	80.6	84.5	122.7	66.4	67.6	71.4	120.7
Sierra Leone	94.5	92.0	92.0	114.0	58.0	*	43.7	33.1	59.9	59.9	54.6	*
South Africa	*	*	*	*	*	*	*	*	*	*	*	*
Sudan	56.1	66.6	36.6	*	123.4	212.8	265.5	*	227.1	*	*	*
Swaziland	22.6	57.3	14.5	70.0	*	*	*	*	*	*	*	*
Tanzania	51.6	68.4	100.6	102.5	109.5	40.7	37.1	207.7	106.4	35.0	25.3	234.8
Togo	34.2	23.3	103.4	116.2	77.5	79.8	58.1	69.5	92.5	76.1	38.4	59.8
Tunisia	43.5	56.3	72.6	76.6	88.1	120.5	137.7	176.6	93.3	164.6	216.6	248.6
Uganda	*	*	*	*	*	*	*	*	*	*	*	*
Zaire	148.2	134.2	185.9	*	75.4	59.4	65.7	*	64.6	62.6	57.9	*
Zambia	*	*	*	*	*	*	*	*	*	*	*	*
Zimbabwe	163.3	177.8	202.8	202.7	167.0	159.3	162.2	205.3	180.5	193.6	181.2	194.4
Asia												
Bangladesh	*	*	*	*	*	*	*	*	*	*	*	*
Fiji	82.7	103.1	102.6	134.3	53.6	48.5	62.2	55.9	39.5	33.1	48.4	37.6
Indonesia	28.3	60.8	73.0	110.6	175.0	226.7	244.7	247.4	170.9	165.2	176.4	171.1
Korea	50.5	77.3	88.2	78.4	140.7	138.7	132.8	161.6	140.9	139.9	137.4	159.1
Malaysia	227.6	185.3	168.8	*	122.3	105.1	107.2	*	147.9	112.7	101.5	*
Nicaragua	*	*	*	*	*	*	*	*	*	*	*	*
Nepal	*	*	*	*	*	*	*	*	*	*	*	*
Pakistan	94.9	118.7	187.1	249.7	152.9	184.8	95.1	89.9	*	*	179.4	156.9
Papua New Guinea	70.9	83.1	108.3	88.1	60.9	130.6	234.5	231.6	53.9	120.5	246.0	*
Philippines	49.9	52.2	61.8	108.5	75.7	37.1	47.3	35.5	55.4	19.2	27.7	19.1
Singapore	130.8	157.6	158.4	150.9	34.5	29.2	25.8	42.9	30.7	21.3	16.8	32.4
Solomon Islands	1.9	4.3	34.4	66.1	146.6	160.1	156.0	175.1	*	*	*	*
Sri Lanka	204.7	178.4	180.1	168.2	81.4	94.8	104.0	96.0	77.5	147.2	109.6	103.9

Thailand	160.8	155.9	178.0	202.8	77.3	71.1	45.4	38.0	77.5	74.4	38.8	29.5
Western Samoa	*	*	*	*	*	*	*	*	*	*	*	*
Europe												
Cyprus	*	*	*	134.2	*	*	*	86.3	*	*	*	100.5
Greece	86.2	123.1	118.8	*	25.4	83.2	105.4	*	*	140.7	168.5	*
Hungary	*	*	42.0	37.8	*	*	222.3	221.7	*	*	*	*
Italy	50.7	35.3	23.0	21.7	63.2	74.2	79.5	76.7	*	29.2	68.0	44.4
Poland	*	*	*	*	*	*	*	*	*	*	*	*
Portugal	102.6	135.6	215.1	*	111.4	111.2	111.2	*	*	*	*	*
Turkey	45.2	35.2	58.0	130.4	134.4	157.6	188.5	*	155.7	124.7	118.9	186.8
Yugoslavia	*	*	*	*	*	*	*	*	*	*	*	*
Middle East												
Bahrain	*	*	*	*	*	*	*	34.4	*	*	*	17.4
Egypt	64.8	115.8	125.3	171.5	216.4	239.7	168.6	148.4	*	*	*	*
Israel	*	*	*	*	*	*	*	*	*	*	*	*
Jordan	58.1	64.6	86.0	130.4	77.8	67.2	57.4	58.2	95.2	54.1	17.6	45.6
Kuwait	*	*	*	*	205.5	183.4	152.7	116.0	236.8	186.0	197.8	152.1
Oman	*	*	*	*	*	*	*	*	*	*	*	*
Syrian Arab Republic	*	*	*	*	74.4	101.8	81.7	*	*	*	*	*
United Arab Emirates	*	*	*	*	16.9	38.0	56.3	*	1.6	26.3	53.9	*
Yemen Arab Republic	14.1	20.6	32.1	24.3	*	*	*	*	*	*	*	*
Western Hemisphere												
Argentina	95.4	112.5	145.2	86.6	113.6	76.8	84.6	85.0	128.7	47.6	78.0	72.7
Barbados	79.00	96.9	85.5	85.5	38.9	78.0	*	73.0	*	72.0	*	66.7
Belize	26.8	35.5	*	186.5	88.1	93.0	6.4	6.4	*	82.4	*	*
Bolivia	14.8	24.2	133.2	17.8	65.7	57.6	57.3	*	79.2	68.2	55.1	*
Chile	320.4	56.2	30.9	45.1	83.2	88.2	94.2	91.1	100.3	124.5	188.5	*
Colombia	*	*	60.2	61.3	*	*	110.7	117.2	*	*	150.0	235.1
Costa Rica	59.5	66.6	37.3	44.8	45.5	99.3	116.1	119.5	*	*	*	*
Dominica	*	*	*	*	71.5	112.6	*	*	84.3	171.9	*	*
Dominican Republic	12.9	48.9	63.4	26.8	59.5	62.9	48.8	82.6	36.8	51.4	25.6	88.1
Ecuador	74.6	74.6	61.0	*	182.1	182.1	162.1	*	*	185.3	168.6	*
El Salvador	19.4	30.3	88.3	86.9	99.9	87.8	78.8	74.2	102.5	98.4	90.7	105.9
Guatemala	63.7	58.0	*	*	47.1	63.8	*	*	*	*	*	*
Guyana	145.1	177.1	*	*	91.9	77.2	*	*	91.1	73.8	*	*
Haiti	*	*	*	*	*	*	*	*	*	*	*	*
Honduras	36.3	*	*	*	12.8	*	*	*	*	*	*	*
Jamaica	97.6	*	*	*	150.9	*	*	*	151.8	*	*	*
Mexico	82.7	94.1	244.8	*	58.4	68.6	119.4	99.6	5.4	31.6	108.3	75.1
Nicaragua	70.0	74.0	*	*	44.2	59.1	*	*	0.2	39.2	*	*
Panama	81.2	114.4	192.9	191.8	53.6	69.6	77.1	63.1	16.3	68.6	128.8	81.7
Paraguay	26.7	30.1	31.2	26.3	38.7	30.9	40.9	47.9	*	*	*	*
Peru	99.6	168.6	*	*	108.4	120.5	111.7	*	94.9	101.6	*	*
St. Lucia	*	*	*	*	*	*	*	*	*	*	*	*
St. Vincent	*	*	*	*	*	*	*	*	*	*	*	*
Suriname	*	*	*	*	47.5	*	*	98.0	8.1	*	*	78.0
Trinidad and Tobago	18.4	27.7	38.2	*	49.0	121.9	154.8	*	16.5	94.7	151.9	*
Uruguay	24.7	48.3	66.8	93.9	70.4	61.7	63.9	63.0	*	*	*	*
Venezuela	21.8	65.2	88.1	83.0	98.7	88.6	123.7	139.1	105.6	89.9	159.0	174.1
Average	67.7	89.1	100.6	109.3	85.9	94.7	103.7	100.0	86.4	88.3	105.3	106.3
Africa	61.1	73.9	98.7	122.9	86.4	85.8	94.5	101.3	93.8	96.0	96.0	121.3
Asia	100.2	107.0	122.7	135.8	101.9	112.3	114.2	117.4	88.2	92.6	108.2	88.7
Europe	71.2	82.3	97.4	81.0	85.6	106.5	141.4	128.2	115.7	98.2	118.5	110.5
Middle East	45.7	67.0	81.1	111.7	118.2	126.0	103.3	89.2	111.2	88.8	89.8	71.7
Western Hemisphere	60.4	73.9	91.5	77.4	69.9	85.0	96.3	82.8	68.1	87.6	118.6	108.6

Table 14 (concluded). Economic Categories of Expenditure: International Expenditure Comparison Indices from 1975-77 to 1984-86, Using Pooled Structural Expenditure Equations

Country	Acquisition of Capital Assets				Capital Transfers			
	1975-77	1978-80	1981-83	1984-86	1975-77	1978-80	1981-83	1984-86
Africa								
Benin	166.8	250.7	*	*	*	*	*	*
Botswana	129.0	128.6	104.0	96.2	96.1	153.7	98.5	33.6
Burkina Faso	21.8	52.1	79.8	48.1	*	*	*	*
Burundi	*	*	*	*	*	*	*	*
Cameroon	144.8	138.7	217.4	150.9	69.3	110.8	132.3	72.5
Central African Rep.	*	*	35.2	*	*	*	*	*
Cote d'Ivoire	*	*	*	111.9	*	*	*	*
Ethiopia	*	*	*	*	*	*	*	*
Ghana	109.8	144.8	123.4	*	7.7	26.9	17.5	*
Guinea	123.1	81.1	73.7	74.0	49.7	36.7	27.1	21.0
Guinea-Bissau	*	*	*	*	*	*	*	*
Kenya	92.2	106.2	85.1	68.9	58.2	*	136.7	64.2
Lesotho	37.8	*	103.6	115.7	25.0	*	28.4	7.4
Liberia	148.4	173.4	118.7	93.1	0.0	36.7	18.8	10.5
Madagascar	*	*	*	*	*	*	*	*
Malawi	155.8	181.2	136.9	114.4	45.3	82.1	12.9	18.5
Mali	47.4	69.7	87.6	38.8	*	*	*	*
Mauritania	81.7	*	*	*	*	*	*	*
Mali	101.4	84.0	84.5	77.3	120.3	107.3	69.0	55.9
Morocco	205.8	173.6	148.0	117.5	14.1	9.3	14.1	0.0
Niger	129.2	184.5	*	*	72.4	125.7	*	*
Rwanda	139.7	148.7	*	*	*	*	*	*
Senegal	*	*	*	*	*	*	*	*
Sierra Leone	*	*	*	*	*	*	*	*
South Africa	*	*	*	*	*	*	*	*
Sudan	175.7	157.2	179.7	*	0.0	0.0	0.0	*
Swaziland	*	*	*	*	0.0	45.2	29.2	4.0
Tanzania	58.6	58.4	*	63.8	*	*	*	*
Togo	*	*	138.4	143.6	*	*	65.3	94.7
Tunisia	144.8	104.9	110.9	103.2	183.0	208.1	188.8	147.6
Uganda	*	*	*	*	*	*	*	*
Zaire	94.8	107.0	106.1	*	*	291.4	351.1	*
Zambia	*	*	*	*	*	*	*	*
Zimbabwe	12.1	27.1	32.0	29.8	*	*	*	*
Asia								
Bangladesh	*	*	*	*	*	*	*	*
India	95.7	81.4	69.8	45.2	54.2	78.0	82.4	80.3
Indonesia	150.9	147.6	134.2	100.9	110.5	67.3	106.3	138.6
Japan	69.2	62.8	67.2	58.9	*	293.6	*	203.0
Malaysia	113.7	81.2	31.3	*	261.2	164.6	*	*
Myanmar	*	*	*	*	*	*	*	*
Nepal	*	*	*	*	*	*	*	*
Pakistan	148.7	121.6	110.4	90.8	5.3	1.9	3.6	2.5
Papua New Guinea	81.5	59.8	52.4	52.7	56.4	34.0	39.4	33.7
Philippines	65.4	31.9	40.3	24.8	*	*	*	*
Singapore	123.4	154.9	145.8	129.9	10.0	16.9	8.1	162.6
Sri Lanka	89.9	130.3	129.4	103.1	*	*	*	*
South Korea	146.7	180.9	177.1	177.1	227.5	*	*	*

Eastern Europe	122.7	130.8	127.9	124.2	*	*	*	*	*	*	*	*
Western Europe												
Europe												
Cyprus				101.9								25.8
Greece	174.3	167.4	143.8		35.9	26.7				57.4		35.6
Hungary			26.0	33.0						72.6		
Ireland	183.6	178.9	140.0	170.6								
Poland												
Portugal	70.1	48.9	50.7		248.5	150.5				141.6		
Turkey	89.9	65.8	65.0	55.7	72.6	147.6						143.3
Yugoslavia												
Middle East												
Bahrain				83.9								207.6
Egypt	96.4	124.1	190.3	168.2	215.9	202.4						
Israel	41.3	27.4	11.0	10.2								
Jordan	163.0	171.6	184.0	154.2	228.7	35.8				62.4		76.1
Kuwait	79.8	130.0	124.0	156.9								
Oman												
Syrian Arab Republic												
United Arab Emirates	69.6	49.9	47.9									
Yemen Arab Republic												
Western Hemisphere												
Argentina	89.7	101.6	93.8	64.5	96.4	60.9				65.9		41.7
Barbados	76.6	89.4			68.0	58.6						
Belize	122.3	100.7		45.9								
Bolivia	52.5	47.1	31.5		83.9	53.9				0.3		0.8
Chile	132.7	121.4	132.1	179.6	72.6	10.0				10.3		34.5
Colombia			101.2	82.8						59.9		66.1
Costa Rica	193.2	83.7	75.3	69.8	76.3	88.3				58.3		96.6
Dominica	56.4	126.0										
Dominican Republic	185.9	105.0	84.9	70.2	52.6	105.9				66.1		74.9
Ecuador										135.1		
El Salvador	62.7	65.7	61.1	70.3	122.1	119.8				79.8		41.9
Guatemala	78.9	77.4			291.5	278.2						
Guyana	157.5	126.6			4.3	123.2				153.9		125.3
Haiti												
Honduras	148.2											
Jamaica	88.8				265.3							
Mexico	90.5	138.2	87.9	56.1	115.0							
Nicaragua	148.7	73.5		74.9		87.3				114.1		133.2
Panama	61.9	44.6	60.2	57.5	144.2	171.8				100.5		23.9
Paraguay	170.3	183.6	183.4	177.2	16.8	38.6				23.7		7.6
Peru	83.8	104.6			191.1	96.5						
St. Lucia												
St. Vincent												
Suriname	125.8			34.2	18.0							0.0
Trinidad and Tobago												
Uruguay	161.4	169.7		205.2	0.6	5.6				5.6		44.8
Venezuela	80.3	85.0	75.6	57.3	252.0	191.5				226.6		117.7
Averages	111.5	111.3	98.2	91.5	98.1	98.5				72.7		66.2
Africa	117.6	122.6	107.5	92.3	55.1	94.9				72.5		44.2
Asia	108.9	108.4	90.5	80.8	104.0	93.8				48.0		103.4
Europe	131.2	115.2	85.3	90.5	119.0	108.2				90.6		68.2
Middle East	90.0	100.6	113.4	114.7	222.3	119.1				62.4		141.8
Western Hemisphere	108.4	102.4	89.7	90.0	111.2	99.0				78.6		57.8

*Data not available
Formerly Burma

Table 15. Aggregate Expenditure Categories: International Expenditure Comparison Indices from 1975-77 to 1984-86. Using Pooled Structural Expenditure Equations

Country	Expenditure - Lending - Repayments			Total Expenditure			Expenditure - Interest			
	1975-77	1978-80	1981-83	1978-80	1981-83	1984-86	1975-77	1978-80	1981-83	1984-86
Africa										
Benin	85.0	81.3	*	101.4	*	*	85.0	80.3	*	*
Botswana	94.0	101.0	125.5	112.2	111.3	103.1	91.2	94.5	121.4	111.4
Burkina Faso	50.5	56.0	50.2	49.4	*	*	49.7	58.2	53.5	48.7
Burundi	73.3	67.1	69.0	*	*	*	*	*	67.7	*
Cameroon	60.1	56.7	75.1	85.7	107.4	84.0	62.6	59.5	76.7	86.2
Central African Rep	*	*	82.1	*	97.9	*	*	*	93.2	*
Congo	*	167.1	149.2	*	91.4	*	*	*	*	*
Cote d'Ivoire	*	98.5	95.3	156.7	112.8	100.8	*	105.3	*	85.2
Ethiopia	75.5	98.5	108.4	114.7	112.8	*	78.4	103.7	113.5	*
Gabon	151.4	124.3	130.6	76.2	98.9	*	*	*	127.6	128.3
Gambia, The	51.4	95.3	107.4	83.2	88.9	*	55.9	102.3	115.3	*
Ghana	*	*	*	83.7	64.2	73.5	*	*	*	*
Guinea-Bissau	*	*	*	*	*	*	*	*	*	*
Kenya	88.0	112.6	121.9	124.9	125.9	123.2	81.4	101.7	108.0	102.0
Lesotho	140.9	168.6	180.7	86.7	111.8	117.2	141.1	*	156.3	169.2
Liberia	77.5	110.0	103.7	86.7	108.1	96.8	83.5	113.3	103.4	77.2
Madagascar	*	*	*	*	*	*	*	*	*	*
Malawi	91.7	135.3	122.6	119.8	124.3	119.4	84.4	111.8	102.6	98.0
Mali	69.1	82.1	111.3	71.1	76.6	71.8	75.0	86.9	120.9	140.6
Mauritania	130.0	115.3	131.9	*	*	*	*	114.9	*	*
Morocco	73.2	87.9	81.6	119.8	141.8	114.6	84.2	92.3	78.6	65.2
Niger	60.3	64.1	*	99.7	*	99.7	84.4	111.8	102.6	98.0
Rwanda	50.6	50.0	*	76.6	71.8	76.6	60.2	62.5	*	*
Senegal	91.5	80.5	103.8	71.1	65.6	*	49.7	51.3	*	*
Sierra Leone	101.8	113.9	77.1	113.6	103.9	91.3	101.8	90.4	116.8	116.6
South Africa	*	*	*	*	92.7	*	*	*	76.4	64.3
Sudan	62.4	65.7	60.4	*	*	*	*	*	*	*
Swaziland	70.0	85.5	97.5	*	*	*	67.3	69.6	57.1	*
Tanzania	196.2	169.0	121.7	94.7	103.0	106.5	64.2	74.1	94.1	86.4
Togo	92.2	109.0	170.0	102.8	98.2	97.7	175.7	141.6	116.0	147.5
Tunisia	*	*	*	*	*	*	104.2	116.7	129.1	140.5
Uganda	172.3	112.2	124.8	*	*	*	182.3	120.1	128.5	*
Zaire	166.9	150.8	130.6	115.4	151.3	149.7	154.9	131.3	145.2	127.3
Zambia	100.0	94.0	101.6	110.8	105.8	96.1	102.3	106.0	103.8	119.0
Asia										
Bangladesh	57.0	58.6	68.1	57.6	68.2	63.0	*	*	*	*
Bur	67.3	76.1	83.6	95.3	89.0	94.8	79.2	89.2	92.0	84.9
Indonesia	*	*	*	80.3	83.6	93.9	*	*	*	*
Korea	53.2	58.6	67.9	102.4	110.8	120.9	53.9	56.4	63.4	65.8
Malaysia	85.6	81.8	113.9	120.0	106.2	110.9	80.2	74.7	103.1	87.7
Nepal	*	*	*	73.4	72.3	71.1	*	*	*	*
Pakistan	*	*	*	81.8	85.6	89.2	*	*	*	*
Papua New Guinea	113.8	108.3	123.4	128.4	138.4	89.2	116.6	114.0	121.7	114.8
Philippines	58.7	55.9	60.7	58.5	56.3	59.8	60.8	54.2	53.0	41.3
Singapore	59.2	59.0	72.2	120.0	124.4	124.1	58.4	56.8	63.5	78.3
Solomon Islands	*	*	*	*	*	*	*	*	*	*
Sri Lanka	83.4	130.7	108.0	126.6	78.5	83.7	85.6	136.2	102.6	106.4

Thailand	70.0	78.3	77.5	82.7	93.5	105.9	105.7	115.6	67.6	75.3	74.0	74.1
Western Samoa												*
Europe												
Cyprus				73.5				100.5	*	*	*	66.7
Greece	86.0	87.1	116.3	129.8	90.9	99.6	109.1	*	81.7	81.6	109.4	116.8
Hungary			142.7	151.1				*	*	*	137.0	144.4
Malta	130.0	97.4	109.1	101.8	93.4	96.6	90.8	81.9	125.5	102.5	110.9	110.0
Poland			117.3					*	*	*	*	124.2
Portugal	106.3	101.8	146.3					*	96.1	88.6	110.6	
Turkey	71.8	76.1	80.4	90.1	73.7	79.7	104.8	123.9	79.9	84.9	87.4	93.9
Yugoslavia	57.3	27.8	22.9	19.6				*	*	*	*	*
Middle East												
Bahrain								92.8	*	*	*	*
Egypt	219.4	203.9	234.5	194.7				*	229.0	185.8	220.4	181.0
Israel	193.7	164.8	174.3	164.6				*	188.4	157.1	146.4	134.0
Jordan	155.5	153.1	142.6	122.8	101.7	93.5	98.2	118.3	171.8	168.8	169.8	143.7
Kuwait					84.0	94.0	97.3	106.2	*	*	*	*
Oman	152.4	118.9	114.0	120.5				*	167.3	126.3	122.2	131.6
Syrian Arab Republic	147.4	127.0	114.9	113.4				*	*	*	*	*
United Arab Emirates								*	*	*	*	*
Yemen Arab Republic	40.7	104.5	167.6	135.0				*	48.7	99.3	161.5	134.8
Western Hemisphere												
Argentina	73.5	63.8	92.6	74.4				*	69.1	58.1	72.1	58.5
Barbados	87.3	75.4	82.1	84.0	100.3	102.6	108.0	106.6	86.2	74.6	*	80.1
Belize						77.5	96.0	98.8	*	*	*	*
Bolivia	45.9	51.7	57.7	122.1	75.0	90.8	111.6	211.7	52.2	57.7	47.7	141.3
Chile	111.6	100.0	104.1	104.1	107.7	95.7	94.9	*	120.9	114.6	128.8	120.9
Colombia							68.0	73.2	*	*	*	*
Costa Rica	63.8	73.1	64.0	73.6				*	67.8	80.6	71.3	80.0
Dominica								*	*	*	*	*
Dominican Republic	65.3	71.4	60.5	58.1	69.8	74.0	73.2	61.7	75.5	77.2	66.8	65.5
Ecuador	43.8	40.4	52.2	50.3	78.9	84.3	101.8	98.9	*	42.3	56.6	*
El Salvador	59.5	61.3	75.7	70.6	82.4	90.9	99.8	106.6	66.7	71.5	80.0	74.5
Guatemala	46.0	52.0	59.7					*	46.4	55.3	65.6	*
Guyana	149.4	146.1	201.9		134.1	148.4	110.5	*	157.6	143.4	*	*
Haiti	83.6	78.8	81.5					*	*	*	84.0	*
Honduras	68.5				93.6	89.2	*	*	76.2	*	*	*
Jamaica	107.6	123.4	123.1					*	97.0	*	*	*
Mexico					62.3	77.8	92.8	109.0	*	*	*	*
Nicaragua	83.0	99.5	222.1	258.5	82.5	99.6	*	*	86.1	107.4	252.7	*
Panama	105.1	106.4	115.1	108.1	99.9	107.8	136.8	147.2	113.2	110.4	106.1	103.2
Paraguay	45.2	40.4	41.7	37.0	66.5	65.1	64.4	57.1	49.9	44.7	46.0	39.7
Peru	76.5	69.0	76.4		105.6	101.2	*	*	82.3	66.0	74.0	72.2
St. Lucia								*	*	*	*	*
St. Vincent								*	*	*	*	*
Suriname					122.4		*	*	*	*	*	*
Trinidad and Tobago	60.9	81.2	96.5		67.6	77.6	88.1	*	68.9	82.9	83.7	*
Uruguay	72.2	61.4	75.0	65.0				*	77.2	64.1	77.8	63.4
Venezuela	103.1	86.1	110.1	81.5	89.7	99.1	107.7	112.2	101.1	97.7	118.9	87.9
Americas	91.8	92.9	104.5	103.5	94.8	97.3	100.0	102.7	93.5	92.8	103.3	100.7
Africa	95.6	99.3	106.4	110.1	99.8	103.3	106.9	104.9	93.0	95.1	104.6	106.3
Asia	72.0	78.6	86.2	85.7	96.1	96.6	94.0	90.6	75.3	82.1	84.1	81.7
Europe	90.1	78.0	102.9	97.6	86.0	92.0	101.6	102.1	95.8	89.4	111.1	109.3
Middle East	153.0	145.4	155.0	141.9	92.8	93.7	97.7	105.8	161.0	147.5	164.1	145.0
Western Hemisphere	75.0	77.9	94.3	91.3	89.0	92.6	96.7	109.3	83.0	79.3	89.5	82.3

*Data not available
Formerly Burma

Table 16. Functional Expenditure Categories: International Expenditure Comparison Indices, 1986, Using Structural Expenditure Equations for 1975-77, 1978-80, 1981-83, and 1984-86

Country	General Public Services				Defense				Education			
	1975-77	1978-80	1981-83	1984-86	1975-77	1978-80	1981-83	1984-86	1975-77	1978-80	1981-83	1984-86
Africa												
Benin	*	*	*	*	*	*	*	*	*	*	*	*
Botswana	100.9	104.9	109.6	105.2	97.3	83.4	67.5	68.4	132.7	128.6	112.9	107.1
Burkina Faso	38.1	38.4	37.5	38.8	143.2	106.4	104.0	108.4	70.2	62.9	57.4	64.6
Burundi	*	*	*	*	*	*	*	*	*	*	*	*
Cameroun	128.3	127.7	137.8	137.0	53.2	44.9	42.3	47.9	60.0	67.0	49.5	47.9
Central African Rep.	*	*	*	*	*	*	*	*	*	*	*	*
Congo	46.5	47.4	50.0	50.0	35.9	32.0	29.3	32.5	122.6	113.5	101.2	101.5
Côte d'Ivoire	*	*	*	*	*	*	*	*	*	*	*	*
Ethiopia	*	*	*	*	*	*	*	*	*	*	*	*
Gabon	*	*	*	*	*	*	*	*	*	*	*	*
Gambia, The	*	*	*	*	*	*	*	*	*	*	*	*
Ghana	86.7	71.7	78.6	132.4	28.4	33.7	36.7	26.0	*	*	*	*
Guinea-Bissau	*	*	*	*	*	*	*	*	*	*	*	*
Kenya	79.9	76.3	83.3	101.3	89.9	72.0	77.2	73.1	202.1	171.8	143.9	161.6
Lesotho	203.1	215.9	210.7	201.6	172.4	116.3	112.3	141.2	169.7	205.3	134.6	135.6
Liberia	111.8	113.6	110.3	118.6	68.8	59.0	55.1	63.2	82.0	80.4	66.5	66.8
Madagascar	*	*	*	*	*	*	*	*	*	*	*	*
Malawi	91.8	92.5	95.2	101.5	71.6	53.2	53.1	54.9	130.6	133.7	104.2	118.4
Mali	75.6	76.4	77.7	82.5	111.7	113.3	97.1	86.2	109.6	106.9	104.2	102.5
Mauritania	*	*	*	*	*	*	*	*	*	*	*	*
Mauritius	112.7	114.8	99.6	95.8	10.9	15.2	11.6	12.0	80.6	73.7	77.0	77.9
Morocco	89.3	90.8	96.1	96.9	160.6	166.4	140.9	145.8	*	*	*	*
Niger	*	*	*	*	*	*	*	*	*	*	*	*
Rwanda	*	*	*	*	*	*	*	*	*	*	*	*
Senegal	144.9	129.7	131.0	185.4	103.7	152.1	168.1	105.8	114.3	99.1	106.3	108.8
Sierra Leone	73.9	65.2	61.7	84.8	32.6	36.7	43.7	32.3	99.2	96.8	87.8	95.0
South Africa	*	*	*	*	*	*	*	*	*	*	*	*
Sudan	*	*	*	*	*	*	*	*	*	*	*	*
Swaziland	120.8	125.1	132.6	127.2	47.3	29.6	30.2	38.3	138.8	136.5	92.3	101.8
Tanzania	204.9	191.7	196.3	243.6	127.8	102.2	116.3	115.3	70.1	60.6	51.0	58.7
Togo	75.4	74.8	76.2	85.8	91.7	81.8	84.0	78.8	216.5	213.9	181.8	198.4
Tunisia	66.2	66.7	67.3	68.3	92.7	100.0	89.2	94.8	136.2	136.6	124.6	121.3
Uganda	*	*	*	*	*	*	*	*	*	*	*	*
Zaire	*	*	*	*	141.9	141.8	138.2	133.2	71.3	64.5	52.9	59.6
Zambia	*	*	*	*	*	*	*	*	106.3	91.8	83.6	91.6
Zimbabwe	63.2	65.5	72.0	70.8	183.7	142.8	126.7	135.6	154.2	145.1	120.6	117.8
Asia												
Bangladesh	92.5	91.4	89.1	93.8	67.8	53.1	51.9	53.8	64.5	70.6	58.0	69.4
Bur	131.2	131.4	122.1	116.8	45.9	45.9	40.4	43.3	149.6	149.8	134.2	135.1
Indonesia	184.8	191.1	181.6	171.0	104.5	91.0	79.1	90.0	*	*	*	*
Korea	93.2	83.4	66.6	65.7	152.8	155.9	157.7	190.9	88.6	87.4	82.5	92.6
Malaysia	*	*	*	*	*	*	*	*	*	*	*	*
Myanmar	62.5	60.1	57.0	64.5	152.9	196.4	173.2	139.9	*	*	*	*
Nepal	45.9	46.4	44.1	45.8	50.3	31.7	34.9	42.3	*	*	*	*
Pakistan	44.4	39.0	38.2	55.0	263.0	*	*	267.2	*	*	*	*
Papua New Guinea	112.5	119.1	114.6	107.8	83.2	68.5	55.5	60.0	151.4	154.5	134.4	130.9

Philippines	48.7	48.3	47.7	46.5	42.6	40.8	36.5	40.9	66.8	66.9	62.1	62.3
Singapore	223.4	139.1	102.0	98.2	133.9	172.7	163.4	148.0	135.4	138.2	137.5	143.7
Solomon Islands	47.3	49.9	51.5	49.0	0.0	0.0	0.0	0.0	165.6	159.7	141.8	133.6
Sri Lanka	56.3	52.7	55.4	55.4	168.3	44.2	*	244.9	80.2	71.4	85.2	90.0
Thailand	18.3	19.3	17.2	16.0	196.2	147.4	137.9	173.5	141.4	127.8	119.3	140.2
Western Samoa	*	*	*	*	*	*	*	*	*	*	*	*
Europe	74.7	72.6	52.7	48.4	51.3	53.4	52.9	62.2	82.4	82.9	76.1	88.2
Cyprus	*	*	*	*	*	*	*	*	*	*	*	*
Greece	258.1	236.5	181.5	175.6	122.0	156.9	161.1	231.8	27.7	27.0	28.9	37.2
Hungary	120.0	109.2	84.1	85.3	32.0	42.3	42.6	47.8	79.4	78.0	77.9	87.5
Malta	*	*	*	*	*	*	*	*	*	*	*	*
Poland	*	*	*	*	*	*	*	*	*	*	*	*
Portugal	*	*	*	*	*	*	*	*	*	*	*	*
Turkey	*	*	*	*	102.2	109.4	96.0	104.7	71.3	67.0	68.7	69.9
Yugoslavia	35.5	32.2	16.7	14.7	182.0	197.2	200.9	285.4	*	*	*	*
Middle East	329.4	177.8	196.7	177.8	92.7	102.5	91.5	77.5	*	*	*	*
Bahrain	54.4	56.4	55.5	55.7	280.8	297.4	263.1	290.0	133.8	123.0	126.2	127.8
Egypt	16.5	15.7	14.8	15.0	*	*	*	*	113.7	107.2	109.7	115.0
Israel	94.0	91.5	106.3	114.1	269.6	291.5	256.7	254.5	109.6	102.8	95.1	89.2
Jordan	188.7	151.0	143.4	129.3	145.7	149.0	130.5	102.8	*	*	*	*
Kuwait	85.8	86.5	81.6	73.3	*	*	*	*	87.1	84.4	67.7	70.1
Oman	25.2	25.3	27.8	28.0	*	*	*	*	84.4	80.8	73.1	68.5
Syrian Arab Republic	150.7	150.7	101.7	75.3	170.8	142.5	134.3	105.8	*	*	*	*
United Arab Emirates	156.8	158.9	152.5	152.5	*	285.1	278.7	*	163.8	185.3	124.9	126.5
Yemen Arab Republic	62.9	48.6	40.6	45.0	37.5	46.4	45.1	50.0	64.7	68.7	73.2	81.1
Argentina	147.1	143.7	110.9	100.3	52.9	58.9	50.9	49.9	171.1	170.9	165.6	180.4
Barbados	98.8	97.6	106.9	108.4	49.6	53.6	44.5	43.8	122.7	127.7	114.3	102.8
Belize	148.7	135.9	121.7	133.5	90.1	111.0	109.1	125.8	123.3	131.0	108.6	105.3
Bolivia	150.1	133.0	130.5	138.2	28.2	33.8	30.4	32.1	114.5	123.6	116.5	120.0
Chile	64.8	64.1	60.2	59.3	20.7	20.7	19.2	21.8	110.5	117.0	99.6	101.0
Colombia	58.3	55.4	58.7	60.7	32.7	31.7	29.8	33.6	58.2	76.4	53.0	49.6
Dominican Republic	57.2	54.6	59.3	60.1	46.5	45.6	41.2	44.0	103.4	109.4	91.6	87.8
Ecuador	62.8	62.4	66.8	65.8	140.9	156.6	122.2	118.3	78.0	99.2	81.5	66.3
El Salvador	*	*	*	*	*	*	*	*	*	*	*	*
Guatemala	*	*	*	*	268.0	277.1	231.3	256.7	158.7	168.9	148.7	143.4
Guayana	*	*	*	*	*	*	*	*	*	*	*	*
Haiti	*	*	*	*	*	*	*	*	*	*	*	*
Honduras	*	*	*	*	*	*	*	*	*	*	*	*
Jamaica	51.2	47.9	52.4	55.0	15.2	16.1	14.7	15.1	*	*	*	*
Mexico	196.3	192.8	183.2	179.5	0.0	0.0	0.0	0.0	149.3	158.5	145.9	140.7
Nicaragua	54.4	52.6	52.6	51.5	35.5	37.2	32.0	34.0	33.5	37.4	32.1	30.2
Panama	*	*	*	*	*	*	*	*	*	*	*	*
Paraguay	110.7	117.9	107.1	99.8	*	*	*	*	*	*	*	*
Peru	262.2	262.4	257.3	249.8	80.4	82.9	70.7	69.9	*	*	*	*
St. Lucia	183.6	150.8	109.4	119.8	68.1	92.2	92.1	109.6	40.1	41.7	40.9	44.2
St. Vincent	26.9	22.6	25.3	27.9	28.7	32.5	29.9	29.7	124.8	129.3	119.8	113.8
Suriname	*	*	*	*	*	*	*	*	*	*	*	*
Trinidad and Tobago	*	*	*	*	*	*	*	*	*	*	*	*
Uruguay	*	*	*	*	*	*	*	*	*	*	*	*
Venezuela	*	*	*	*	*	*	*	*	*	*	*	*

Table 16 (continued). Functional Expenditure Categories: International Expenditure Comparison Indices, 1986. Using Structural Expenditure Equations for 1975-77, 1978-80, 1981-83, and 1984-86

Country	Health				Social Security and Welfare				Economic Services			
	1975-77	1978-80	1981-83	1984-86	1975-77	1978-80	1981-83	1984-86	1975-77	1978-80	1981-83	1984-86
Africa												
Benin	*	75.1	64.1	*	*	56.2	54.5	*	*	*	81.8	*
Botswana	81.3	77.6	71.5	67.3	62.2	150.2	215.7	53.9	78.7	87.0	81.8	89.5
Burkina Faso	78.3	*	*	72.3	184.3	*	*	228.2	*	*	*	*
Burundi	*	*	*	*	*	*	*	*	*	*	*	*
Cameroon	48.6	58.9	52.8	58.2	60.5	52.1	53.5	53.0	96.1	114.0	98.5	104.4
Central African Rep.	*	*	*	*	*	*	*	*	*	*	*	*
Congo	*	*	*	*	*	*	*	*	*	*	*	*
Côte d'Ivoire	*	*	*	*	*	*	*	*	*	*	*	*
Ethiopia	*	*	*	*	*	*	*	*	159.4	199.3	160.8	168.3
Gabon	*	*	*	*	*	*	*	*	*	*	*	*
Gambia, The	*	*	*	*	*	*	*	*	*	*	*	*
Ghana	77.1	77.2	76.1	74.8	40.5	51.9	48.5	49.7	43.3	37.0	46.0	44.4
Guinea-Bissau	*	*	*	*	*	*	*	*	*	*	*	*
Kenya	143.5	175.5	175.2	135.6	38.5	5.9	9.0	6.7	82.1	88.7	85.8	88.4
Lesotho	237.0	165.5	134.0	149.0	30.3	29.9	32.1	31.6	195.2	245.9	196.8	214.0
Liberia	78.6	79.1	69.9	76.4	18.3	15.4	16.1	15.6	104.6	118.7	103.3	114.0
Madagascar	*	*	*	*	*	*	*	*	*	*	*	*
Malawi	125.2	216.8	225.9	225.7	19.0	22.5	24.0	26.9	118.3	102.7	130.7	126.7
Mali	54.4	64.7	65.8	73.9	*	*	*	*	48.9	58.0	44.9	48.0
Mauritania	*	*	*	*	*	*	*	*	*	*	*	*
Mauritius	174.6	90.2	79.8	82.3	133.7	147.7	130.6	132.1	39.7	41.0	42.8	43.2
Morocco	125.9	128.6	111.6	114.4	77.5	112.4	96.3	103.5	119.4	134.3	125.7	126.6
Niger	*	*	*	*	*	*	*	*	*	*	*	*
Rwanda	*	*	*	*	*	*	*	*	*	*	*	*
Senegal	*	*	*	*	*	*	*	*	*	*	*	*
Sierra Leone	92.9	117.9	114.4	126.9	25.8	44.4	42.9	52.5	89.2	89.1	99.5	94.8
South Africa	*	*	*	*	*	*	*	*	51.4	53.7	51.5	54.3
Sudan	*	*	*	*	*	*	*	*	*	*	*	*
Swaziland	127.1	123.9	99.0	109.3	*	*	*	*	*	*	*	*
Tanzania	96.4	102.2	98.4	96.4	*	*	*	*	107.9	91.6	113.1	112.5
Togo	123.4	137.2	136.8	128.1	*	*	*	*	92.9	95.1	96.4	100.9
Tunisia	*	*	*	*	56.7	82.9	68.1	73.6	134.9	142.7	142.3	149.1
Uganda	55.2	37.8	33.4	32.1	*	*	*	*	*	*	*	*
Zaire	133.9	248.3	*	235.7	47.1	50.9	50.9	51.8	65.0	73.1	65.0	72.2
Zambia	120.7	138.8	148.7	149.3	177.7	94.6	124.8	104.0	81.7	81.2	93.1	87.4
Zimbabwe	120.7	122.9	103.4	103.7	*	*	*	*	258.4	*	286.9	265.0
Asia												
Bangladesh	167.1	110.2	97.2	78.0	268.1	154.1	*	286.4	70.3	62.7	72.4	71.4
Brunei	120.2	94.8	84.0	83.8	152.1	128.3	123.7	115.7	73.5	78.6	76.9	82.1
Indonesia	*	*	*	*	0.0	0.0	0.0	0.0	94.4	112.8	96.5	100.1
Korea	64.1	35.3	40.6	27.2	29.0	31.9	28.0	28.4	60.0	64.0	72.5	59.9
Malaysia	*	*	*	*	*	*	*	*	*	*	*	*
Myanmar	167.5	102.9	112.8	92.1	37.5	41.6	37.9	38.7	123.6	121.6	123.3	121.9
Nepal	100.6	64.7	57.0	55.9	77.5	35.4	*	106.9	224.1	228.7	206.6	219.9
Pakistan	*	*	*	*	77.5	104.1	97.8	104.8	81.1	80.0	89.7	86.5
Papua New Guinea	167.3	147.0	121.7	121.4	7.7	6.4	6.5	6.3	*	*	*	*

Philippines	108.0	68.8	60.4	47.7	15.3	14.0	13.4	12.9	133.0	140.7	147.5	125.1
Singapore	91.9	66.9	71.2	78.9	8.0	9.1	7.8	7.9	76.6	86.1	98.9	87.0
Solomon Islands	170.9	128.2	107.2	106.0	*	*	*	*	*	*	*	*
Sri Lanka	112.5	64.5	67.9	56.6	124.8	109.5	103.5	101.2	159.1	162.4	171.6	170.2
Thailand	*	145.4	110.7	79.8	62.3	40.7	42.3	38.8	65.0	70.6	70.1	68.0
Western Samoa	*	*	*	*	*	*	*	*	*	*	*	*
Europe												
Cyprus	76.9	60.5	57.5	63.3	65.1	71.9	62.8	65.2	73.8	78.6	81.8	83.0
Greece	*	*	*	*	*	*	*	*	*	*	*	*
Hungary	90.5	77.8	78.9	88.0	104.3	121.7	104.7	110.2	*	*	*	*
Malta	146.0	126.1	130.0	148.7	166.4	195.2	167.2	174.6	163.2	173.5	193.7	175.1
Poland	*	*	*	*	*	*	*	*	*	*	*	*
Portugal	*	*	*	*	*	*	*	*	*	*	*	*
Turkey	*	*	*	*	*	*	*	*	91.6	100.9	101.1	93.7
Yugoslavia	*	*	*	*	6.6	7.5	6.5	6.8	*	*	*	*
Middle East												
Bahrain	*	*	*	*	28.4	36.0	29.3	28.4	101.7	114.9	118.1	123.0
Egypt	*	*	*	*	200.8	256.0	228.2	242.1	*	*	*	*
Israel	73.4	79.1	85.2	97.1	129.7	141.6	123.7	127.2	*	*	*	*
Jordan	113.4	104.6	103.6	119.3	296.6	291.5	256.7	254.5	109.6	102.8	95.1	89.2
Kuwait	*	*	*	*	145.7	149.0	130.5	102.8	*	*	*	*
Oman	156.1	110.1	85.6	90.3	*	*	*	*	87.1	84.4	67.7	70.1
Syrian Arab Republic	29.7	27.5	25.0	28.0	*	*	*	*	84.4	80.8	73.1	68.5
United Arab Emirates	*	*	*	75.3	170.8	142.5	134.3	105.8	*	*	*	*
Yemen Arab Republic	157.6	145.3	108.5	152.5	*	285.1	278.7	*	163.8	185.3	124.9	126.5
Western Hemisphere												
Argentina	*	*	*	45.0	37.5	46.4	45.1	50.0	64.7	68.7	73.2	81.1
Barbados	150.1	123.4	115.5	100.3	52.9	58.9	50.9	49.9	171.1	170.9	165.6	180.4
Belize	133.6	120.3	111.2	108.4	49.6	53.6	44.5	43.8	122.7	127.7	114.3	102.8
Bolivia	*	*	*	*	51.8	50.3	45.4	49.8	123.3	131.0	108.6	105.3
Chile	168.1	119.5	130.7	133.5	90.1	111.0	109.1	125.8	114.5	123.6	116.5	120.0
Colombia	53.4	45.7	45.4	138.2	28.2	33.8	30.4	32.1	*	*	*	*
Costa Rica	*	230.3	209.6	59.3	20.7	20.7	19.2	21.8	110.5	117.0	99.6	101.0
Dominica	*	*	*	*	*	*	*	*	*	*	*	*
Dominican Republic	99.2	77.5	70.9	60.7	32.7	31.7	29.8	33.6	58.2	76.4	53.0	49.6
Ecuador	45.7	54.9	51.4	60.1	46.5	45.6	41.2	44.0	103.4	109.4	91.6	87.8
El Salvador	76.7	60.4	53.0	65.8	140.9	156.6	122.2	118.3	78.0	99.2	81.5	66.3
Guatemala	*	*	*	*	268.0	277.1	231.3	256.7	158.7	168.9	148.7	143.4
Guyana	*	*	*	*	*	*	*	*	*	*	*	*
Haiti	*	*	*	*	*	*	*	*	*	*	*	*
Honduras	*	*	*	*	*	*	*	*	*	*	*	*
Jamaica	*	*	*	*	*	*	*	*	*	*	*	*
Mexico	*	*	*	55.0	15.2	16.1	14.7	15.1	*	*	*	*
Nicaragua	*	*	*	*	*	*	*	*	*	*	*	*
Panama	299.9	219.7	203.4	179.5	0.0	0.0	0.0	0.0	149.3	158.5	145.9	140.7
Paraguay	34.0	21.7	19.4	51.5	35.5	37.2	32.0	34.0	33.5	37.4	32.1	30.2
Peru	*	*	*	*	*	*	*	*	*	*	*	*
St. Lucia	*	*	*	99.8	*	*	*	*	*	*	*	*
St. Vincent	247.2	153.6	130.7	249.8	80.4	82.9	70.7	69.9	*	*	*	*
Suriname	*	*	*	249.8	*	*	*	*	*	*	*	*
Trinidad and Tobago	*	*	*	*	*	*	*	*	*	*	*	*
Uruguay	42.4	38.6	41.2	119.8	68.1	92.2	92.1	109.6	40.1	41.7	40.9	44.2
Venezuela	90.7	113.5	122.3	27.9	28.7	32.5	29.9	29.7	124.8	129.3	119.8	113.8

Table 16 (continued). Functional Expenditure Categories: International Expenditure Comparison Indices, 1986, Using Structural Expenditure Equations for 1975-77, 1978-80, 1981-83, and 1984-86

Country	Agriculture, Forestry, Fisheries			Mining, Manufacturing, Construction			Electricity, Gas, Water Supply					
	1975-77	1978-80	1981-83	1984-86	1975-77	1978-80	1981-83	1984-86	1975-77	1978-80	1981-83	1984-86
Africa												
Benin			*	*	*	*	*	*	*	*	*	*
Botswana	149.2	131.4	141.8	126.7	55.3	79.3	46.5	28.3	166.0	201.9	124.8	168.2
Burkina Faso	33.1	30.2	27.3	28.8	*	*	*	*	*	*	*	*
Burundi	*	*	*	*	*	*	*	*	*	*	*	*
Cameroon	74.7	67.0	65.1	63.5	12.5	10.2	9.5	8.0	18.7	24.6	32.5	112.6
Central African Rep.	*	*	*	*	*	*	*	*	*	*	*	*
Congo	*	*	*	*	*	*	*	*	*	*	*	*
Côte d'Ivoire	38.8	35.1	31.8	32.4	*	*	*	*	*	*	*	*
Ethiopia	*	*	*	*	*	*	*	*	*	*	*	*
Gabon	*	*	*	*	*	*	*	*	*	*	*	*
Gambia, The	*	*	*	*	*	*	*	*	*	*	*	*
Guinea	47.6	45.0	31.5	37.9	48.1	60.7	47.5	41.0	23.3	19.9	9.1	7.7
Guinea-Bissau	*	*	*	*	*	*	*	*	*	*	*	*
Kenya	118.7	106.4	104.0	101.8	188.1	125.1	112.9	101.6	39.8	36.8	30.0	32.0
Lesotho	157.7	140.2	145.9	137.2	248.6	159.1	137.1	116.9	196.3	293.9	*	*
Liberia	92.8	84.2	76.2	78.8	163.7	173.1	124.2	112.9	73.6	98.0	78.8	193.1
Madagascar	*	*	*	*	*	*	*	*	*	*	*	*
Malawi	157.2	141.9	134.1	135.4	38.0	24.2	20.3	15.4	140.1	114.1	132.9	86.9
Mali	*	*	*	*	*	*	*	*	*	*	*	*
Mauritania	*	*	*	*	*	*	*	*	*	*	*	*
Mauritius	124.6	112.7	91.1	92.8	52.5	72.8	77.8	64.9	3.8	4.0	2.2	2.2
Mexico	111.1	100.1	86.2	86.9	117.5	133.0	134.9	99.3	*	*	*	*
Niger	*	*	*	*	*	*	*	*	*	*	*	*
Rwanda	*	*	*	*	*	*	*	*	*	*	*	*
Senegal	103.0	91.6	93.4	88.2	*	*	*	*	161.5	*	108.9	176.8
Sierra Leone	59.3	54.7	45.0	49.7	98.0	118.9	80.3	62.2	114.3	103.0	47.7	52.3
South Africa	*	*	*	*	*	*	*	*	*	*	*	*
Sudan	*	*	*	*	*	*	*	*	*	*	*	*
Swaziland	*	*	*	*	*	*	*	*	*	*	*	*
Tanzania	*	*	*	*	*	*	*	*	*	*	*	*
Togo	182.7	165.3	149.7	153.4	*	*	*	*	206.1	161.4	143.9	111.5
Tunisia	*	*	*	*	*	*	*	*	*	*	*	*
Uganda	*	*	*	*	86.1	105.8	104.7	115.5	28.7	33.4	21.6	25.0
Zaire	73.2	66.1	60.1	61.2	211.6	293.4	174.2	148.6	*	271.8	113.6	124.6
Zambia	207.3	183.4	188.7	174.4	234.5	100.9	122.4	73.7	21.2	23.1	32.2	33.3
Zimbabwe	186.6	165.0	172.8	158.3	*	*	*	*	161.6	188.6	*	*
Asia												
Bangladesh	79.0	73.4	58.8	66.8	218.2	199.7	153.8	127.0	101.2	88.2	61.4	59.0
Brunei	143.8	130.4	116.4	117.5	18.2	22.8	21.0	20.0	63.1	75.0	46.9	55.2
Indonesia	92.6	83.7	73.8	75.1	200.2	202.1	187.6	152.6	268.8	*	274.2	*
Korea	86.0	78.2	68.5	69.4	45.8	30.2	61.0	53.0	18.6	20.3	47.8	23.4
Malaysia	*	*	*	*	*	*	*	*	*	*	*	*
Myanmar	284.9	284.9	192.4	234.4	36.3	56.1	38.6	27.7	*	*	*	*
Nepal	213.2	198.8	164.7	190.1	282.7	191.0	156.9	166.4	208.1	178.0	137.8	143.7
Pakistan	12.7	11.5	10.1	10.2	149.0	148.7	145.0	112.1	113.1	131.9	88.1	97.1
Papua New Guinea	*	*	*	*	*	*	*	*	*	*	*	*

Philippines	43.2	39.3	32.9	34.4	111.5	73.3	112.9	64.1	152.8	157.7	*	217.4
Singapore	10.5	10.3	8.4	9.8	2.6	2.8	8.4	6.6	*	*	*	*
Solomon Islands	*	*	*	*	*	*	*	*	*	*	*	*
Sri Lanka	*	*	294.0	*	195.8	*	240.0	107.4	*	270.5	*	*
Taiwan	106.0	94.6	94.4	90.1	38.2	17.1	22.0	12.3	43.2	53.5	93.2	155.0
Western Samoa	*	*	*	*	*	*	*	*	*	*	*	*
Europe												
Cyprus	*	*	269.5	277.3	0.6	0.6	0.8	1.0	0.3	0.4	0.3	0.2
Greece	*	*	*	*	*	*	*	*	*	*	*	*
Hungary	281.4	261.5	187.7	206.2	*	*	*	*	*	*	*	239.2
Malta	59.1	54.9	41.0	43.5	41.5	41.9	74.1	102.5	*	*	*	*
Poland	*	*	*	*	*	*	*	*	*	*	*	*
Portugal	*	*	*	*	*	*	*	*	*	*	*	*
Turkey	19.6	17.6	16.6	16.3	179.6	106.6	189.9	45.8	*	*	*	223.4
Yugoslavia	*	*	*	*	*	*	*	*	*	*	*	*
Middle East												
Bahrain	49.1	50.5	44.4	57.0	70.0	87.5	151.6	175.4	*	*	228.6	173.4
Egypt	117.3	105.8	90.6	91.8	*	*	*	*	*	*	*	*
Israel	146.8	139.1	109.5	119.2	*	*	*	*	*	*	*	*
Jordan	81.3	73.9	55.5	57.2	217.2	272.4	291.2	*	203.1	232.9	143.6	157.5
Kuwait	33.1	40.4	48.8	186.6	71.7	89.3	234.8	187.3	*	*	*	210.3
Oman	64.0	59.0	68.0	65.6	114.6	119.4	147.2	157.3	*	*	*	*
Sarjan Arab Republic	183.4	168.8	132.0	141.8	*	*	*	*	*	*	*	*
United Arab Emirates	25.4	41.2	*	*	1.5	1.5	6.0	5.0	39.0	40.3	18.7	10.8
Yemen Arab Republic	46.4	42.2	37.2	39.0	*	*	*	*	*	*	*	*
Western Hemisphere												
Argentina	12.7	11.7	8.5	9.1	1.3	1.3	2.2	2.7	290.7	227.6	231.7	105.1
Barbados	160.6	151.7	119.7	130.4	14.2	17.8	21.6	31.6	29.0	29.6	13.5	10.9
Belize	*	*	*	*	*	*	*	*	*	*	*	*
Bolivia	10.8	9.8	8.0	8.4	7.2	7.7	7.6	7.8	4.2	4.8	4.0	5.4
Chile	*	*	*	*	*	*	*	*	*	*	*	*
Colombia	13.3	12.2	9.8	10.3	41.1	50.6	55.1	48.9	36.5	40.0	25.0	25.4
Costa Rica	65.3	60.0	46.0	49.4	*	*	*	*	*	*	*	*
Dominica	*	*	*	*	*	*	*	*	*	*	*	*
Dominican Republic	164.6	148.1	130.0	129.9	29.0	27.2	30.3	31.8	101.7	121.1	127.1	164.7
Ecuador	40.6	36.6	31.7	31.7	0.0	0.0	0.0	0.0	18.2	19.9	19.7	18.4
El Salvador	48.5	44.0	37.1	38.0	2.6	3.7	3.4	2.1	8.2	7.3	3.5	3.2
Guatemala	*	*	*	*	*	*	*	*	*	*	*	*
Guyana	*	*	*	*	149.2	188.4	179.7	243.0	96.4	112.2	71.4	89.1
Haiti	*	*	*	*	*	*	*	*	*	*	*	*
Honduras	*	*	*	*	*	*	*	*	*	*	*	*
Jamaica	*	*	*	*	*	*	*	*	*	*	*	*
Mexico	71.3	64.4	57.9	57.3	229.1	200.5	*	244.3	220.8	223.0	208.9	144.3
Nicaragua	*	*	*	*	*	*	*	*	*	*	*	*
Panama	67.1	60.7	53.1	53.0	21.1	29.1	27.7	29.5	12.6	13.9	6.9	7.1
Paraguay	10.8	9.9	7.9	8.5	8.2	9.1	9.4	6.6	*	*	*	*
Peru	*	*	*	*	*	*	*	*	*	*	*	*
Si Lucia	*	*	*	*	*	*	*	*	*	*	*	*
St. Vincent	*	*	*	*	*	*	*	*	*	*	*	*
Suriname	138.4	126.8	102.6	106.0	65.5	81.3	90.1	121.5	18.0	20.4	12.1	12.3
Trinidad and Tobago	20.4	18.6	14.1	14.7	*	*	*	*	*	*	*	*
Uruguay	57.2	52.8	42.1	44.1	112.1	120.9	180.8	210.8	59.7	60.3	40.1	30.2
Venezuela	*	*	*	*	*	*	*	*	*	*	*	*

Table 16 (concluded). Functional Expenditure Categories: International Expenditure Comparison Indices, 1986, Using Structural Expenditure Equations for 1975-77, 1978-80, 1981-83, and 1984-86

Country	Transportation and Communication				Housing and Community Amenities			
	1975-77	1978-80	1981-83	1984-86	1975-77	1978-80	1981-83	1984-86
Africa								
Benin	49.1	80.4	60.7	87.5	*	*	*	*
Botswana	*	*	*	*	118.7	146.9	115.0	135.1
Burkina Faso	*	*	*	*	*	*	*	*
Burundi	*	*	*	*	*	*	*	*
Cameroon	105.5	106.7	124.4	162.1	197.4	265.0	250.1	*
Central African Rep.	*	*	*	*	*	*	*	*
Congo	14.6	15.6	17.9	22.8	118.7	192.7	*	*
Côte d'Ivoire	*	*	*	*	*	*	*	*
Ethiopia	*	*	*	*	*	*	*	*
Gabon	*	*	*	*	*	*	*	*
Gambia, The	*	*	*	*	*	*	*	*
Ghana	152.9	212.1	226.2	*	171.2	40.8	34.7	40.3
Guinea-Bissau	*	*	*	*	*	*	*	*
Kenya	55.9	52.5	60.0	80.2	*	292.3	229.2	*
Lesotho	155.7	149.6	165.2	226.1	30.1	59.9	59.1	77.6
Liberia	84.4	89.6	102.4	148.3	29.7	31.9	28.0	39.2
Madagascar	*	*	*	*	*	*	*	*
Malawi	131.4	123.7	138.9	185.5	*	72.5	43.3	53.5
Mali	*	*	*	*	40.0	78.9	91.2	129.9
Mauritania	*	*	*	*	*	*	*	*
Mauritius	52.6	86.3	82.8	95.8	49.8	60.0	53.9	63.3
Morocco	29.9	39.7	39.1	47.2	31.2	45.5	46.5	53.2
Niger	*	*	*	*	*	*	*	*
Rwanda	*	*	*	*	*	*	*	*
Senegal	49.7	72.9	78.8	89.8	*	*	*	247.8
Sierra Leone	35.6	41.1	37.1	55.5	14.0	13.3	12.4	11.7
South Africa	*	*	*	*	*	*	*	*
Sudan	*	*	*	*	*	*	*	*
Swaziland	*	*	*	*	*	*	*	*
Tanzania	101.2	84.5	90.0	127.6	*	*	*	*
Togo	0.0	0.0	0.1	0.1	*	222.6	182.0	213.5
Tunisia	34.0	42.5	42.2	55.7	155.4	182.3	161.9	184.2
Uganda	*	*	*	*	*	*	*	*
Zaire	26.4	31.3	35.5	55.2	69.4	45.0	43.2	54.8
Zambia	63.0	61.9	76.0	88.4	*	277.2	137.9	214.0
Zimbabwe	56.9	53.9	59.5	64.7	25.7	94.5	80.8	135.5
Asia								
Bangladesh	12.9	12.3	10.2	14.8	8.3	7.2	5.4	5.2
Fiji	92.9	112.7	126.1	166.1	24.0	25.5	21.8	26.6
Indonesia	36.9	42.2	47.4	59.8	50.0	72.0	87.5	116.3
Korea	54.1	47.1	37.3	37.5	13.0	26.5	25.3	21.5
Malaysia	*	*	*	*	*	*	*	*
Myanmar ¹	185.1	*	*	*	229.3	133.4	176.8	192.0
Nepal	106.5	79.5	74.0	108.6	150.5	206.0	158.5	160.5
Pakistan	21.0	24.7	22.4	28.9	241.8	208.6	193.2	145.7
Papua New Guinea	*	*	*	*	*	*	*	*
Philippines	120.3	125.1	97.6	93.4	22.0	46.7	46.7	50.9
Singapore	138.1	167.7	108.1	81.5	154.8	210.5	207.0	155.4

Table 17. Economic Categories of Expenditure: International Expenditure Comparison Indices, 1986, Using Structural Expenditure Equations for 1975-77, 1978-80, 1981-83, and 1984-86

Country	Current Expenditure				Capital Expenditure				Net Lending			
	1975-77	1978-80	1981-83	1984-86	1975-77	1978-80	1981-83	1984-86	1975-77	1978-80	1981-83	1984-86
Africa												
Benin	*	118.5	113.5	*	*	72.9	82.2	*	*	180.9	165.2	*
Botswana	121.3	96.3	93.0	101.2	73.5	60.1	43.8	100.9	*	*	232.0	*
Burkina Faso	103.9	96.3	93.0	88.4	58.9	*	*	48.9	*	*	*	*
Burundi	*	99.5	95.5	92.7	110.4	111.4	118.7	143.5	77.8	78.4	88.9	133.9
Cameroon	109.0	*	*	*	*	*	*	*	*	*	*	*
Central African Rep.	*	*	*	*	*	*	*	*	*	*	*	*
Congo	131.3	126.1	119.3	102.4	67.1	67.7	76.0	93.7	3.4	3.4	3.9	6.6
Côte d'Ivoire	*	*	*	*	*	*	*	*	*	*	*	*
Ethiopia	*	*	*	*	*	*	*	*	*	*	*	*
Gabon	*	*	*	*	*	*	*	*	*	*	*	*
Gambia, The	*	*	*	*	*	*	*	*	*	*	*	*
Ghana	94.6	83.8	80.4	80.8	68.6	69.6	54.6	61.8	138.3	200.7	266.0	126.6
Guinea-Bissau	*	*	*	*	*	*	*	*	*	*	*	*
Kenya	113.9	110.5	108.4	97.2	60.8	60.8	61.5	74.4	47.4	48.7	59.6	85.4
Lesotho	130.1	131.0	128.8	118.2	86.3	87.2	102.0	128.4	17.8	16.4	21.7	42.5
Liberia	130.5	124.2	121.4	113.2	64.6	65.3	70.1	85.8	150.7	134.0	222.7	*
Madagascar	*	*	*	*	*	*	*	*	*	*	*	*
Malawi	127.7	121.4	119.1	119.3	92.1	93.3	102.5	127.0	12.0	11.7	15.0	25.7
Mali	90.8	83.8	78.6	72.1	45.1	45.8	36.5	40.7	102.4	*	*	14.9
Mauretania	*	*	*	*	*	*	*	*	*	*	*	*
Mauritius	120.5	116.9	105.3	102.3	100.2	99.4	103.9	116.3	128.9	181.3	115.6	132.7
Morecco	112.0	109.9	105.7	91.5	84.5	85.2	95.3	116.9	4.5	4.7	4.8	7.7
Niger	*	*	*	*	*	*	*	*	*	*	*	*
Rwanda	*	*	*	*	*	*	*	*	*	*	*	*
Senegal	132.5	127.3	121.2	109.4	111.0	112.2	120.0	145.6	6.9	7.9	7.4	11.1
Sierra Leone	99.6	89.8	86.5	85.0	123.5	125.4	107.7	124.7	*	*	*	*
South Africa	*	*	*	*	*	*	*	*	*	*	*	*
Sudan	*	*	*	*	*	*	*	*	*	*	*	*
Swaziland	*	*	*	*	*	*	*	*	*	*	*	*
Tanzania	128.1	120.9	121.0	119.5	69.4	70.3	72.8	88.6	205.5	189.7	*	*
Togo	119.3	118.2	109.4	99.9	116.4	117.4	137.1	168.4	*	*	*	*
Tunisia	111.4	111.2	105.6	98.7	88.5	89.0	104.9	130.0	81.3	78.2	91.3	160.2
Uganda	*	*	*	*	*	*	*	*	*	*	*	*
Zaire	*	*	*	*	*	*	*	*	*	*	*	*
Zambia	*	*	*	*	98.8	100.0	103.2	124.8	104.0	120.9	105.6	160.4
Zimbabwe	114.8	116.0	112.8	99.3	18.0	18.1	21.5	26.9	62.5	64.7	65.3	118.5
Asia												
Bangladesh	*	96.5	89.7	82.3	54.9	54.9	59.4	70.4	147.3	161.7	268.2	225.9
Fiji	96.5	104.3	103.0	98.2	138.6	140.2	142.1	171.2	48.9	47.4	52.1	72.9
Indonesia	118.6	91.3	88.9	79.9	85.9	84.2	70.1	75.1	30.8	32.9	34.3	50.5
Korea	96.5	91.3	88.9	79.9	85.9	84.2	70.1	75.1	101.3	149.0	73.9	99.5
Malaysia	*	*	*	*	*	*	*	*	*	*	*	*
Myanmar ¹	91.8	84.9	83.1	81.3	76.2	77.2	78.5	94.8	*	*	*	*
Nepal	*	*	*	*	*	*	*	*	*	*	*	*
Pakistan	105.5	138.6	139.7	140.2	41.4	41.9	43.5	52.5	*	*	*	*
Papua New Guinea	130.0	129.6	126.5	120.6	49.4	49.9	51.4	62.0	247.2	278.4	269.3	*

Philippines	101.7	87.6	84.8	82.7	31.8	32.2	31.6	37.7	156.1	196.2	144.2	214.8
Singapore	82.3	82.4	79.7	73.4	188.2	176.9	161.1	163.1	207.2	239.7	128.0	173.3
Solomon Islands	115.7	114.4	110.1	103.5	76.3	77.1	82.7	101.2	*	*	*	*
Sri Lanka	120.4	113.6	105.2	102.5	112.7	113.8	134.7	168.3	46.8	46.2	55.2	97.1
Thailand	93.5	89.0	88.1	80.6	88.2	88.8	83.5	97.2	21.2	27.2	19.5	26.6
Western Samoa	*	*	*	*	*	*	*	*	*	*	*	*
Europe												
Cyprus	123.8	121.6	106.8	105.8	65.8	64.3	75.4	84.2	41.4	44.6	33.1	44.2
Greece	*	*	*	*	*	*	*	*	*	*	*	*
Hungary	211.1	212.1	176.5	181.8	25.0	25.1	34.0	43.0	*	*	*	*
Malta	98.1	100.0	84.7	85.9	72.9	71.7	106.6	126.8	73.8	82.6	65.5	97.9
Poland	*	*	*	*	*	*	*	*	*	*	*	*
Portugal	*	*	*	*	*	*	*	*	*	*	*	*
Turkey	165.7	149.0	146.0	135.9	90.6	91.2	88.7	104.2	1.0	1.3	0.9	1.3
Yugoslavia	*	*	*	*	2.6	2.4	1.4	1.3	*	*	*	*
Middle East												
Bahrain	122.2	121.5	115.4	121.2	111.1	107.1	113.2	122.8	32.9	30.4	22.4	31.6
Egypt	141.0	142.3	134.4	120.4	170.0	169.7	192.0	221.9	*	*	*	*
Israel	*	*	*	*	24.4	23.6	30.5	33.7	*	*	*	*
Jordan	98.2	101.0	98.2	89.3	113.6	113.6	134.2	162.3	128.2	128.4	136.2	208.7
Kuwait	102.8	108.9	100.0	99.2	130.5	124.1	142.9	151.2	126.9	113.2	80.9	113.1
Oman	*	*	*	*	*	*	*	*	*	*	*	*
Syrian Arab Republic	98.7	100.5	102.4	92.2	125.1	125.4	138.9	166.9	*	*	*	*
United Arab Emirates	101.4	102.4	94.5	112.0	122.9	50.3	23.2	15.2	*	*	*	*
Yemen Arab Republic	*	*	*	*	*	*	*	*	*	*	*	*
Western Hemisphere												
Argentina	110.2	102.4	86.5	83.7	49.9	48.3	55.5	58.7	189.0	283.5	141.1	181.1
Barbados	92.4	94.7	85.3	82.6	83.4	80.6	95.8	103.9	118.8	117.3	88.5	108.9
Belize	116.5	114.5	108.4	105.3	43.8	44.0	48.1	57.8	*	*	*	*
Bolivia	*	*	*	*	38.1	38.4	27.1	29.2	17.9	47.4	17.6	13.2
Chile	91.9	93.3	80.3	75.7	164.0	153.0	164.0	153.0	*	*	*	*
Colombia	86.7	79.9	72.2	67.3	112.3	111.0	102.8	112.2	32.9	48.1	27.5	30.2
Costa Rica	74.9	76.4	71.7	77.8	112.9	112.0	114.5	128.7	*	*	*	*
Dominica	*	*	*	*	*	*	*	*	*	*	*	*
Dominican Republic	92.0	83.2	79.3	82.6	57.5	58.0	59.5	70.9	7.7	8.7	7.8	11.2
Ecuador	*	*	*	*	*	*	*	*	0.0	0.0	0.0	0.0
El Salvador	90.7	85.6	84.6	82.5	66.4	66.9	54.2	60.8	63.4	91.4	57.9	64.3
Guatemala	*	*	*	*	*	*	*	*	*	*	*	*
Guyana	*	*	*	*	*	*	*	*	*	*	*	*
Haiti	*	*	*	*	*	*	*	*	*	*	*	*
Honduras	*	*	*	*	*	*	*	*	*	*	*	*
Jamaica	*	*	*	*	*	*	*	*	*	*	*	*
Mexico	187.8	168.4	151.1	139.5	73.0	72.6	77.3	89.6	11.7	13.9	10.0	14.4
Nicaragua	*	*	*	*	*	*	*	*	*	*	*	*
Panama	107.3	109.7	102.1	107.6	94.6	92.3	91.3	98.0	25.4	28.8	21.0	18.1
Paraguay	85.3	73.7	65.9	67.6	109.3	107.9	79.7	82.7	71.9	177.1	57.2	51.9
Peru	*	*	*	*	*	*	*	*	*	*	*	*
St. Lucia	*	*	*	*	*	*	*	*	*	*	*	*
St. Vincent	114.8	116.4	113.4	112.6	54.6	55.0	53.1	62.2	0.0	0.0	0.0	0.0
Suriname	183.0	179.8	166.5	141.8	29.4	29.3	34.3	41.4	47.0	45.2	47.6	77.2
Trinidad and Tobago	*	*	*	*	*	*	*	*	*	*	*	*
Uruguay	102.2	100.7	83.6	82.1	117.0	105.3	282.8	192.2	*	*	*	*
Venezuela	90.2	95.6	90.0	87.5	94.5	92.3	85.8	93.0	133.6	166.3	98.0	129.4

Table 17 (continued). Economic Categories of Expenditure: International Expenditure Comparison Indices, 1986, Using Structural Expenditure Equations for 1975-77, 1978-80, 1981-83, and 1984-86

Country	Goods and Services				Wages				Other Goods and Services			
	1975-77	1978-80	1981-83	1984-86	1975-77	1978-80	1981-83	1984-86	1975-77	1978-80	1981-83	1984-86
Africa												
Benin	96.4	99.8	97.1	86.6	84.7	79.7	76.2	73.9	115.2	122.5	116.7	107.4
Burkina Faso	112.5	109.9	112.6	114.7	*	*	*	*	*	*	*	*
Burundi	112.9	110.5	113.4	110.9	101.3	99.5	98.6	110.7	99.8	99.1	106.6	108.4
Cameroun	*	*	*	*	*	*	*	*	*	*	*	*
Central African Rep.	103.6	103.9	99.0	84.9	99.9	94.3	90.5	86.4	97.2	119.8	84.9	77.2
Côte d'Ivoire	*	*	*	*	*	*	*	*	*	*	*	*
Ethiopia	*	*	*	*	*	*	*	*	*	*	*	*
Gabon	*	*	*	*	*	*	*	*	*	*	*	*
Gambia, The	94.2	94.3	99.5	104.7	78.8	83.4	79.2	91.9	157.5	163.3	152.6	160.8
Guinea-Bissau	97.9	102.1	100.1	91.5	96.6	91.3	83.8	84.5	126.1	135.2	123.7	113.2
Kenya	127.8	137.9	136.6	124.4	153.3	139.8	137.1	130.3	109.8	109.6	124.7	116.2
Lesotho	110.6	113.9	114.1	107.0	144.3	137.8	132.8	136.4	64.8	67.5	68.0	65.8
Liberia	94.1	100.7	104.7	103.3	81.3	77.0	75.6	82.1	129.0	137.9	144.6	146.4
Madagascar	138.8	130.1	130.5	127.3	148.3	146.8	127.5	153.9	90.9	81.7	85.5	84.3
Malawi	93.7	102.7	105.0	103.3	112.4	116.0	113.7	110.3	64.1	73.0	65.4	62.2
Mali	107.1	105.1	100.9	89.8	109.5	106.0	103.7	97.6	85.2	85.6	84.4	77.3
Mauritania	*	*	*	*	*	*	*	*	*	*	*	*
Mauritius	114.8	115.4	113.6	104.6	126.6	120.5	112.0	116.3	88.5	87.6	88.9	84.1
Morocco	110.7	112.9	117.1	118.3	108.5	109.6	101.0	116.0	125.4	136.7	120.1	123.2
Niger	*	*	*	*	*	*	*	*	*	*	*	*
Nigeria	100.9	106.6	104.2	93.5	104.3	98.0	92.7	90.3	99.5	105.9	100.7	92.3
Rwanda	97.0	98.8	102.4	103.7	*	*	*	*	114.0	105.7	130.0	129.9
Senegal	117.0	124.0	122.4	112.4	99.4	94.4	88.7	87.7	181.1	198.7	182.4	168.7
Sierra Leone	74.0	79.4	79.1	72.9	95.8	92.3	95.3	86.7	57.0	68.0	62.2	58.7
South Africa	*	*	*	*	*	*	*	*	*	*	*	*
Sudan	*	*	*	*	*	*	*	*	*	*	*	*
Swaziland	100.9	106.6	104.2	93.5	104.3	98.0	92.7	90.3	99.5	105.9	100.7	92.3
Tanzania	97.0	98.8	102.4	103.7	*	*	*	*	114.0	105.7	130.0	129.9
Togo	117.0	124.0	122.4	112.4	99.4	94.4	88.7	87.7	181.1	198.7	182.4	168.7
Tunisia	74.0	79.4	79.1	72.9	95.8	92.3	95.3	86.7	57.0	68.0	62.2	58.7
Uganda	*	*	*	*	*	*	*	*	*	*	*	*
Zaire	*	*	*	*	83.9	80.9	76.2	79.1	*	*	*	*
Zambia	73.0	76.3	73.9	65.6	79.7	73.4	71.8	66.7	82.2	92.0	86.8	78.7
Zimbabwe	*	*	*	*	*	*	*	*	*	*	*	*
Asia												
Bangladesh	97.8	105.9	103.7	94.0	114.2	110.2	105.4	99.3	81.6	95.4	82.2	73.2
Fiji	67.4	61.9	63.3	62.3	58.2	59.6	60.6	67.8	40.6	36.7	43.3	44.1
Indonesia	75.1	68.4	66.3	63.0	37.4	38.7	37.3	38.0	120.8	117.7	119.1	110.6
Korea	*	*	*	*	*	*	*	*	*	*	*	*
Malaysia	*	*	*	*	*	*	*	*	*	*	*	*
Myanmar	*	*	*	*	*	*	*	*	*	*	*	*
Nepal	145.6	127.9	135.8	150.7	32.0	36.1	42.0	65.3	208.7	194.2	240.3	261.5
Pakistan	101.9	114.5	115.1	108.8	117.1	110.5	102.3	101.5	128.3	142.5	139.0	127.1
Papua New Guinea												

Philippines	88.1	82.0	84.8	84.8	66.3	69.2	70.6	78.7	89.7	96.7	86.1	92.4
Singapore	80.8	82.2	77.8	71.0	72.8	72.6	70.8	64.1	108.0	130.4	118.2	96.4
Solomon Islands	100.0	113.3	113.0	104.1	*	*	*	*	146.9	201.5	147.8	133.2
Sri Lanka	74.8	74.6	77.2	74.7	65.3	64.5	71.4	72.3	80.0	90.1	86.9	92.0
Thailand	100.6	100.7	99.7	94.7	85.2	83.1	76.3	80.5	167.9	184.3	164.1	154.1
Western Samoa	*	*	*	*	*	*	*	*	*	*	*	*
Europe												
Cyprus	109.1	115.9	117.3	114.6	141.0	143.6	147.4	142.6	67.9	87.8	75.2	71.0
Greece	*	*	*	*	*	*	*	*	*	*	*	*
Hungary	35.6	77.7	84.1	85.8	71.3	72.0	122.2	103.3	58.5	60.3	73.3	78.1
Malta	89.0	102.6	108.3	110.9	156.9	160.5	182.2	161.9	43.6	57.0	54.7	53.8
Poland	*	*	*	*	*	*	*	*	*	*	*	*
Portugal	*	*	*	*	*	*	*	*	*	*	*	*
Turkey	102.0	93.5	93.7	90.5	84.7	85.8	83.8	92.6	54.0	45.8	58.7	57.4
Yugoslavia	*	*	*	*	*	*	*	*	*	*	*	*
Middle East												
Bahrain	139.6	147.3	144.9	139.0	179.5	179.1	192.7	173.8	91.8	105.5	114.6	101.5
Egypt	129.5	128.8	125.8	118.9	104.5	103.8	98.1	95.6	197.7	188.7	209.0	189.5
Israel	*	*	*	*	61.1	61.6	63.8	57.7	*	*	*	*
Jordan	112.1	113.6	111.8	106.4	*	*	*	*	*	*	*	*
Kuwait	96.1	104.4	100.3	93.2	113.0	106.6	107.9	95.0	102.9	125.9	132.5	109.5
Oman	*	*	*	*	87.8	83.1	84.1	82.9	*	*	*	*
Syrian Arab Republic	*	*	*	*	*	*	*	*	*	*	*	*
United Arab Emirates	*	*	*	*	*	*	*	*	*	*	*	*
Yemen Arab Republic	113.7	115.7	111.2	102.8	194.7	185.3	166.7	161.4	36.2	32.3	39.6	34.4
Western Hemisphere												
Argentina	89.7	77.8	79.9	82.4	*	*	*	*	*	*	*	*
Barbados	88.8	102.8	102.0	96.1	94.6	93.0	90.4	81.4	129.4	171.0	147.3	124.6
Belize	128.4	141.2	143.5	138.3	*	*	*	*	148.2	169.9	162.5	154.0
Bolivia	122.6	114.6	110.8	101.5	108.4	110.7	102.8	104.8	*	*	*	*
Chile	71.0	75.4	75.8	74.7	71.8	74.9	73.5	69.7	84.2	88.1	90.0	82.8
Colombia	54.1	51.4	51.2	49.0	43.9	46.1	45.1	46.0	42.9	44.1	38.9	38.0
Costa Rica	46.4	57.8	62.3	67.7	96.7	98.5	95.6	92.5	35.6	51.0	46.6	44.2
Dominica	*	*	*	*	*	*	*	*	*	*	*	*
Dominican Republic	88.3	90.0	96.0	101.2	108.7	114.7	120.7	133.2	60.0	68.3	64.2	69.3
Ecuador	*	*	*	*	*	*	*	*	*	*	*	*
El Salvador	94.3	94.5	97.1	100.1	139.5	147.4	143.0	153.8	40.9	40.6	43.8	43.3
Guatemala	*	*	*	*	*	*	*	*	*	*	*	*
Guyana	*	*	*	*	*	*	*	*	*	*	*	*
Haiti	*	*	*	*	*	*	*	*	*	*	*	*
Honduras	*	*	*	*	*	*	*	*	*	*	*	*
Jamaica	*	*	*	*	*	*	*	*	*	*	*	*
Mexico	88.8	79.7	78.1	71.4	71.2	73.0	74.8	75.2	52.0	60.5	46.7	46.4
Nicaragua	*	*	*	*	*	*	*	*	*	*	*	*
Panama	88.3	109.8	115.8	120.8	131.0	131.0	124.0	118.3	109.8	132.2	138.1	124.9
Paraguay	110.8	97.7	107.0	127.0	89.9	104.6	102.9	145.1	81.3	80.1	77.0	88.3
Peru	*	*	*	*	*	*	*	*	*	*	*	*
St. Lucia	*	*	*	*	*	*	*	*	*	*	*	*
St. Vincent	*	*	*	*	*	*	*	*	*	*	*	*
Suriname	219.2	216.4	201.8	169.8	167.8	161.7	162.2	144.2	161.7	154.1	164.5	146.5
Trinidad and Tobago	*	*	*	*	*	*	*	*	*	*	*	*
Uruguay	130.2	127.6	135.5	151.9	121.3	142.1	152.0	161.7	110.4	110.4	119.8	123.9
Venezuela	72.0	76.9	76.8	73.8	84.2	86.6	86.0	81.1	63.7	93.3	64.2	57.9

Table 17 (continued). Economic Categories of Expenditure: International Expenditure Comparison Indices, 1986, Using Structural Expenditure Equations for 1975-77, 1978-80, 1981-83, and 1984-86

Country	Interest Payments				Subsidies and Transfers				Subsidies Less Social Security			
	1975-77	1978-80	1981-83	1984-86	1975-77	1978-80	1981-83	1984-86	1975-77	1978-80	1981-83	1984-86
Africa												
Benin	*	*	*	*	*	*	*	*	*	*	*	*
Botswana	92.7	80.8	53.5	45.6	221.5	194.1	188.1	195.0	231.8	253.4	198.6	211.2
Burkina Faso	82.8	83.1	74.2	70.4	67.3	65.1	58.7	54.0	*	*	*	*
Burundi	*	*	*	*	*	*	*	*	*	*	*	*
Cameroon	59.7	46.8	30.1	24.2	90.5	84.5	73.9	77.2	78.5	64.3	62.7	60.6
Central African Rep.	*	*	*	*	*	*	*	*	*	*	*	*
Congo	*	*	*	*	*	*	*	*	*	*	*	*
Côte d'Ivoire	236.8	218.1	171.7	163.5	*	*	*	*	*	*	*	*
Ethiopia	*	*	*	*	*	*	*	*	*	*	*	*
Gabon	*	*	*	*	*	*	*	*	*	*	*	*
Gambia, The	*	*	*	*	*	*	*	*	*	*	*	*
Ghana	138.5	114.7	96.8	86.4	75.1	67.6	56.2	65.3	85.5	64.8	64.9	*
Guinea-Bissau	*	*	*	*	*	*	*	*	*	*	*	*
Kenya	218.9	215.1	172.9	165.1	116.7	105.4	112.4	110.6	121.4	130.4	107.7	126.6
Lesotho	263.5	257.1	142.0	119.1	77.0	70.7	76.1	69.7	87.5	60.8	59.7	46.1
Liberia	169.0	160.9	127.5	121.8	68.0	62.3	62.2	63.2	67.8	69.4	57.6	70.7
Madagascar	*	*	*	*	*	*	*	*	*	*	*	*
Malawi	226.3	212.3	160.7	151.6	86.5	79.8	75.6	78.1	141.5	88.5	64.1	69.5
Mali	16.6	16.4	14.8	15.1	29.1	26.8	23.1	22.4	*	*	*	*
Mauniamia	*	*	*	*	*	*	*	*	*	*	*	*
Mauritius	*	*	277.3	267.4	113.6	96.1	77.7	85.3	217.1	95.4	78.1	110.6
Morocco	159.0	161.3	126.8	119.8	80.4	75.4	73.9	66.0	55.0	67.7	61.0	51.7
Niger	*	*	*	*	*	*	*	*	*	*	*	*
Rwanda	*	*	*	*	*	*	*	*	*	*	*	*
Senegal	158.2	152.5	122.5	116.3	142.4	128.8	118.9	116.5	144.5	130.8	127.7	111.9
Sierra Leone	153.8	129.0	106.2	95.9	39.7	35.0	30.3	36.1	*	*	*	*
South Africa	*	*	*	*	*	*	*	*	*	*	*	*
Sudan	*	*	*	*	*	*	*	*	*	*	*	*
Swaziland	105.7	92.3	64.7	57.1	*	*	*	*	*	*	*	*
Tanzania	126.5	126.7	96.9	89.2	203.8	214.9	219.8	179.2	285.6	169.6	*	253.9
Togo	137.7	135.8	114.0	114.9	86.6	75.7	66.2	66.2	62.5	66.8	50.2	64.4
Tunisia	111.0	103.5	71.9	64.6	207.2	185.0	170.2	169.6	*	*	*	212.3
Uganda	*	*	*	*	*	*	*	*	*	*	*	*
Zaire	*	*	*	*	*	*	*	*	*	*	*	*
Zambia	*	*	*	*	*	*	*	*	*	*	*	*
Zimbabwe	*	*	180.2	148.1	216.3	200.3	207.8	184.5	235.5	284.7	185.8	153.1
Asia												
Bangladesh	*	*	*	*	*	*	*	*	*	*	*	*
Fiji	191.5	162.9	125.5	113.3	67.4	56.8	51.8	58.6	49.1	44.0	31.3	41.2
Indonesia	186.6	155.9	104.0	84.3	255.1	261.2	247.6	236.5	209.2	153.9	220.6	159.6
Korea	96.8	94.6	76.7	62.7	166.9	170.3	166.8	144.8	156.2	169.9	187.9	148.4
Malaysia	*	*	*	*	*	*	*	*	*	*	*	*
Myanmar	*	*	*	*	*	*	*	*	*	*	*	*
Nepal	*	*	228.0	176.8	90.2	108.1	102.3	67.9	*	*	*	*
Pakistan	*	*	85.2	88.6	249.5	212.6	217.8	246.1	87.4	116.4	221.1	135.1
Papua New Guinea	99.9	98.0	*	*	*	*	*	*	*	*	*	*

Philippines	163.1	138.5	105.2	92.6	41.2	38.7	33.2	38.0	27.1	25.0	18.1	16.3
Singapore	228.8	185.1	151.4	118.3	41.6	40.4	42.1	47.3	37.5	38.2	31.7	34.0
Solomon Islands	85.8	76.5	60.6	59.3	203.3	160.6	157.5	201.4	*	*	*	*
Sri Lanka	297.0	251.5	157.9	132.8	110.9	110.9	91.6	91.0	129.7	171.5	81.4	80.1
Thailand	233.8	237.7	187.0	163.0	39.4	38.3	38.7	34.4	27.5	33.6	27.1	29.8
Western Samoa	>	*	>	>	*	>	>	>	>	>	>	>
Europe												
Cyprus	217.3	167.8	130.6	111.7	115.9	100.5	79.8	87.8	183.7	133.4	74.2	111.1
Greece	*	*	>	*	*	*	*	*	*	*	*	*
Hungary	84.1	65.4	35.4	28.4	*	273.8	209.8	207.6	*	*	*	*
Malta	37.6	38.6	19.8	16.9	107.0	92.4	71.6	74.0	*	78.4	31.8	35.3
Poland	>	*	*	*	*	*	*	*	*	*	*	*
Portugal	*	*	*	*	*	*	*	*	*	*	*	*
Turkey	203.9	174.7	124.4	101.4	*	*	*	*	*	164.8	*	164.7
Yugoslavia	>	*	>	*	*	*	*	*	*	*	*	*
Middle East												
Bahrain	*	*	*	*	35.9	34.3	31.2	49.6	32.2	19.0	15.8	19.6
Egypt	154.9	188.1	165.0	163.2	171.0	164.8	150.7	127.6	*	*	*	*
Israel	*	*	*	*	*	*	*	*	*	*	*	*
Jordan	130.3	174.9	129.1	116.4	61.9	63.1	61.9	47.7	33.5	40.9	56.1	42.0
Kuwait	*	*	*	*	135.2	124.5	109.5	125.7	237.2	177.9	130.5	176.0
Oman	*	*	*	*	*	*	*	*	*	*	*	*
Syrian Arab Republic	*	*	*	*	*	*	*	*	*	*	*	*
United Arab Emirates	*	*	*	*	*	*	*	*	*	*	*	*
Yemen Arab Republic	13.9	22.7	21.6	22.8	*	*	*	*	*	*	*	*
Western Hemisphere												
Argentina	127.0	105.6	86.8	76.2	116.4	103.2	79.5	82.7	99.0	90.0	71.0	67.7
Barbados	108.7	93.1	82.0	78.6	95.6	80.6	67.3	75.2	185.7	75.8	47.9	91.5
Belize	200.3	184.7	147.7	140.4	7.7	6.7	6.0	6.4	*	*	*	*
Bolivia	20.7	19.9	18.1	18.4	*	*	*	*	*	*	*	*
Chile	47.3	48.0	45.0	47.2	122.2	107.9	86.7	85.1	*	*	*	*
Colombia	96.6	73.5	58.9	49.1	153.3	133.7	108.8	118.4	261.4	237.9	226.1	274.1
Costa Rica	44.1	44.5	43.8	51.4	156.9	133.4	110.5	121.5	*	*	*	*
Dominica	*	>	*	*	*	*	*	*	*	*	*	*
Dominican Republic	37.8	33.0	25.8	23.5	103.1	94.8	77.0	85.1	155.4	107.6	65.7	87.0
Ecuador	*	*	*	*	*	*	>	*	*	*	*	*
El Salvador	90.8	93.8	82.3	76.8	76.4	79.1	76.9	65.4	95.9	82.2	106.9	143.4
Guatemala	*	*	*	*	*	*	*	*	*	*	*	*
Guyana	*	*	*	*	*	*	*	*	*	*	*	*
Haiti	*	*	*	*	*	*	*	*	*	*	*	*
Honduras	*	*	*	*	*	*	*	*	*	*	*	*
Jamaica	*	*	*	*	*	*	*	*	*	*	*	*
Mexico	*	*	*	*	*	*	*	*	*	*	*	*
Nicaragua	*	*	*	*	130.9	112.9	90.9	106.4	95.9	105.2	70.2	66.8
Panama	187.2	183.6	184.7	217.1	83.3	69.1	57.6	66.5	*	50.3	43.1	*
Paraguay	34.8	29.7	26.0	23.6	65.1	59.0	44.7	47.4	*	*	*	*
Peru	>	>	>	>	>	>	>	>	>	>	>	>
St. Lucia	>	>	>	>	>	>	>	>	>	>	>	>
St. Vincent	>	>	>	>	>	>	>	>	>	>	>	>
Suriname	*	*	*	*	117.1	100.6	92.3	99.5	96.9	86.3	90.5	70.0
Trinidad and Tobago	*	*	*	*	*	*	*	*	*	*	*	*
Uruguay	110.8	102.5	92.7	86.7	86.9	77.2	59.6	59.2	*	*	*	*
Venezuela	109.2	94.1	81.8	76.2	167.6	145.2	127.1	156.6	277.7	233.7	130.8	197.8

Table 17 (concluded). Economic Categories of Expenditure: International Expenditure Comparison Indices, 1986, Using Structural Expenditure Equations for 1975-77, 1978-80, 1981-83, and 1984-86

Country	Acquisition of Capital Assets				Capital Transfers			
	1975-77	1978-80	1981-83	1984-86	1975-77	1978-80	1981-83	1984-86
Africa								
Benin	*	*	*	*	*	*	*	*
Botswana	87.3	85.9	98.8	114.1	34.5	37.0	35.1	37.1
Burkina Faso	76.5	81.4	41.4	56.2	*	*	*	*
Burundi	*	*	*	*	*	*	*	*
Cameroon	116.3	121.9	157.8	197.3	71.6	69.4	80.1	86.4
Central African Rep.	*	*	*	*	*	*	*	*
Congo	*	*	*	*	*	*	*	*
Côte d'Ivoire	121.5	97.8	132.4	123.6	*	*	*	*
Ethiopia	*	*	*	*	*	*	*	*
Gabon	*	*	*	*	*	*	*	*
Gambia, The	*	*	*	*	*	*	*	*
Ghana	79.7	90.4	66.7	92.8	21.0	12.0	18.7	50.9
Guinea-Bissau	*	*	*	*	*	*	*	*
Kenya	76.6	73.5	67.4	79.2	45.3	53.4	86.6	71.0
Lesotho	89.4	96.3	114.5	150.2	7.7	11.6	7.3	6.9
Liberia	81.0	80.4	97.9	116.1	10.5	10.1	10.7	12.4
Madagascar	*	*	*	*	*	*	*	*
Malawi	115.8	113.2	161.5	189.3	20.2	18.1	18.9	22.4
Mali	37.4	56.3	28.6	49.8	*	*	*	*
Mauritania	*	*	*	*	*	*	*	*
Mauritius	75.0	90.6	63.8	85.9	62.7	40.8	48.3	93.9
Morocco	114.3	107.4	122.4	136.3	0.0	0.0	0.0	0.0
Niger	*	*	*	*	*	*	*	*
Rwanda	*	*	*	*	*	*	*	*
Senegal	*	*	*	*	*	*	*	*
Sierra Leone	*	*	*	*	*	*	*	*
South Africa	*	*	*	*	*	*	*	*
Sudan	*	*	*	*	*	*	*	*
Swaziland	*	*	*	*	*	*	*	*
Tanzania	46.2	55.7	58.2	90.3	4.2	4.0	4.2	4.7
Togo	138.6	133.8	143.3	167.1	93.0	82.4	90.6	121.0
Tunisia	93.1	78.7	129.4	118.6	164.5	155.6	128.7	173.8
Uganda	*	*	*	*	*	*	*	*
Zaire	*	*	*	*	*	*	*	*
Zambia	*	*	*	*	*	*	*	*
Zimbabwe	28.2	23.9	35.8	34.3	*	*	*	*
Asia								
Bangladesh	*	*	*	*	*	*	*	*
Fiji	46.4	45.9	43.7	49.1	84.7	77.0	82.5	98.9
Indonesia	73.0	87.0	93.8	142.0	135.9	114.1	124.7	187.8
Korea	85.6	77.5	57.0	54.7	86.7	273.2	*	140.1
Malaysia	*	*	*	*	*	*	*	*
Myanmar	*	*	*	*	*	*	*	*
Nepal	*	*	*	*	*	*	*	*
Pakistan	65.9	58.9	133.2	128.7	1.1	2.8	1.6	1.8
Papua New Guinea	51.1	55.0	48.6	62.3	32.7	30.5	40.9	41.4
Philippines	23.4	20.0	31.3	30.4	*	*	*	*
Singapore	186.1	156.6	132.5	98.9	95.2	*	*	95.1

Solomon Islands	*	99.5	105.1	112.4	*	123.7	*	80.0	80.7	86.2	*	90.6	89.4	*	106.9	105.2	*	211.9
Sri Lanka	→	66.0	91.9	76.9	→	83.1	*	139.9	117.0	107.2	→	119.2	60.1	→	90.2	91.3	→	86.8
Thailand	→				→						→			→				
Western Samoa	→				→						→			→				
Europe																		
Cyprus		71.7	83.8	68.7		71.9		103.7	98.7	99.4		100.9	66.4		91.3	67.1		82.7
Greece		124.0	166.7	120.6		118.2		*	*	*		*	121.6		216.3	122.2		131.5
Hungary		130.7	181.8	134.5		156.3		*	*	*		*	131.3		265.7	142.0		188.2
Malta		100.8	108.7	96.2		103.6		82.1	78.5	81.2		85.7	110.9		125.9	103.6		131.8
Poland		109.3	134.8	108.4		116.9		*	*	*		*	120.4		176.3	123.3		145.4
Portugal		*	*	*		*		*	*	*		*	0.0		0.0	0.0		0.0
Turkey		74.7	99.5	86.0		87.9		128.2	128.5	125.4		124.4	79.5		104.7	104.6		88.3
Yugoslavia		17.5	21.9	18.0		20.2		*	*	*		*	18.7		28.2	20.8		25.9
Middle East																		
Bahrain		*	*	*		*		95.9	101.5	93.1		85.0	*	*	*	*		*
Egypt		152.9	195.3	181.3		216.9		*	*	*		*	136.7		177.1	184.0		192.3
Israel		154.5	181.0	159.7		157.1		*	*	*		*	129.1		151.3	132.8		139.7
Jordan		125.7	113.4	116.6		141.7		117.8	121.9	120.9		114.1	133.5		108.3	119.9		180.4
Kuwait		*	*	*		*		109.8	111.7	104.8		100.0	*	*	*	*		*
Oman		113.7	123.2	118.9		115.8		*	*	*		*	114.3		118.8	140.8		150.4
Syrian Arab Republic		121.0	112.8	107.4		120.3		*	*	*		*	142.3		123.7	126.4		168.9
United Arab Emirates		*	*	*		*		*	*	*		*	*		*	*		*
Yemen Arab Republic		161.7	151.0	126.2		131.0		*	*	*		*	165.8		163.8	155.0		229.4
Western Hemisphere																		
Argentina		61.0	93.7	67.8		72.3		*	*	*		*	51.7		106.3	60.6		67.8
Barbados		76.9	90.0	77.6		88.0		115.8	101.4	108.7		110.9	70.1		96.1	73.4		98.2
Belize		*	*	*		*		89.5	99.3	105.8		95.5	*	*	*	*		*
Bolivia		140.3	139.1	113.5		118.7		243.1	214.9	223.3		198.2	164.6		162.0	136.8		178.8
Chile		97.6	112.3	97.4		107.5		*	*	*		*	116.1		136.7	116.5		144.6
Colombia		*	*	*		*		79.0	74.2	79.5		69.9	*	*	*	*		*
Costa Rica		77.6	75.5	68.5		78.2		*	*	*		*	80.3		78.4	73.4		107.4
Dominica		*	*	*		*		*	*	*		*	*		*	*		*
Dominican Republic		74.0	72.1	54.6		52.1		61.7	66.5	61.1		56.9	91.6		84.2	67.8		85.3
Ecuador		52.7	54.7	47.1		50.4		111.1	105.9	100.1		89.9	62.5		64.0	58.6		75.0
El Salvador		83.3	85.1	64.5		66.7		107.6	102.0	122.6		110.7	82.5		87.7	62.1		77.7
Guatemala		*	*	*		*		*	*	*		*	0.0		0.0	0.0		0.0
Guyana		*	*	*		*		*	*	*		*	0.0		0.0	0.0		0.0
Haiti		*	*	*		*		*	*	*		*	0.0		0.0	0.0		0.0
Honduras		*	*	*		*		*	*	*		*	0.0		0.0	0.0		0.0
Jamaica		*	*	*		*		*	*	*		*	0.0		0.0	0.0		0.0
Mexico		*	*	*		*		111.0	115.8	108.6		103.8	*	*	*	*		*
Nicaragua		*	*	*		*		243.9	223.8	223.8		144.9	105.0		107.3	92.8		114.4
Panama		114.4	117.6	101.7		107.0		157.7	142.8	159.7		149.9	48.0		46.4	36.8		44.5
Paraguay		44.4	43.5	34.5		34.5		70.4	54.6	61.2		58.9	85.6		81.3	70.4		75.7
Peru		*	*	*		*		*	*	*		*	*		*	*		*
St. Lucia		*	*	*		*		*	*	*		*	*		*	*		*
St. Vincent		*	*	*		*		*	*	*		*	*		*	*		*
Suriname		*	*	*		*		118.1	130.5	130.2		127.9	*	*	*	*		*
Trinidad and Tobago		*	*	*		*		*	*	*		*	0.0		0.0	0.0		0.0
Uruguay		67.5	78.0	60.0		63.1		*	*	*		*	71.8		100.6	61.1		77.0
Venezuela		78.2	86.5	79.7		78.6		103.7	125.4	119.1		97.2	83.6		79.3	85.7		89.8

*Data not available.
 †Formerly Burma.

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