

## Government and Governance

Negative **fiscal balances** are observed in slightly over half of the economies in the region. A number of relatively fast-growing economies have **low tax burdens**. Government spending on **social services** as a percentage of GDP exceeds 10% in a few economies. As a measure of the “**ease of doing business**”, it takes more than three months to register a new business in Brunei Darussalam, Indonesia, and Lao PDR, but less than a week in Australia and Singapore. According to Transparency International’s **Corruption Perceptions Index**, the region includes two economies among the top 10 highly clean economies. Four are ranked in the bottom 10.

### Introduction

Governments affect the daily life of citizens in several ways, notably through their powers to tax and spend. This theme provides the standard indicators of the impact of **government** on economic and social life such as fiscal balances; tax revenues; and government spending on health, education, and other social services.

In addition however, governments can promote economic growth by creating a level playing field for business. They can make it easier to set up a new company by simplifying administrative procedures. They can actively fight bribery, corruption, and other disincentives to business investment. These aspects of **governance** are highlighted in the tables below based on statistics on the costs and time needed to set up a new business. A corruption perceptions index is also included to present a picture of the ranking of certain economies in terms of perceived corruption among businessmen.

### Key Trends

Figure 6.1 shows the overall financial position of governments. The “fiscal balance” is the difference between total government revenue and grants, and total expenditure including net lending. Economies with positive balances include several high-income economies (e.g., Australia; Brunei Darussalam; Hong Kong, China; New Zealand; and Singapore) but also some low-income economies such as Mongolia and Papua New Guinea. Kiribati has a particularly high government surplus because of revenue from offshore fishing rights.

In slightly over half of the economies in the region, governments run deficits. The five most populous Asian economies are in this group. The large deficits shown for Maldives and Sri Lanka are partly due to high government spending to repair the tsunami damage of December 2004 and increased public sector wages in the case of the former.

Figure 6.2 shows government tax revenue as a percentage of GDP. This is usually referred to as the “tax-burden.” The data are for central government and are confined to economies where the tax burden exceeds 20% of GDP, and those with tax burdens below 15%. The top group includes some economies with high per capita GDP but relatively low growth rates, such as Australia and New Zealand. The low-tax-burden group includes a number of relatively fast growing economies such as Hong Kong, China; India; Singapore; and Taipei,China.

Figure 6.1 Government Fiscal Balance as a Percentage of GDP, Average of Latest 3 Years

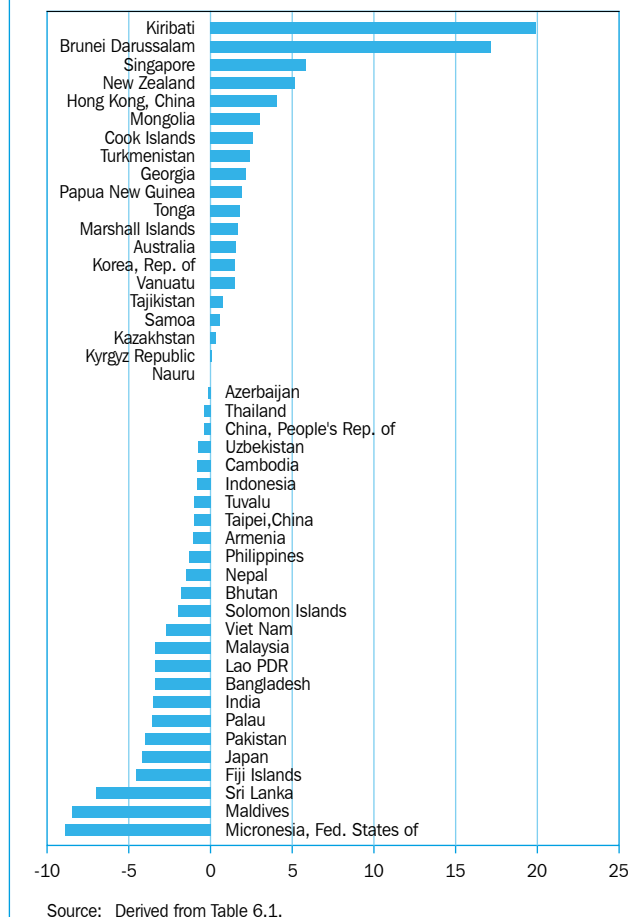
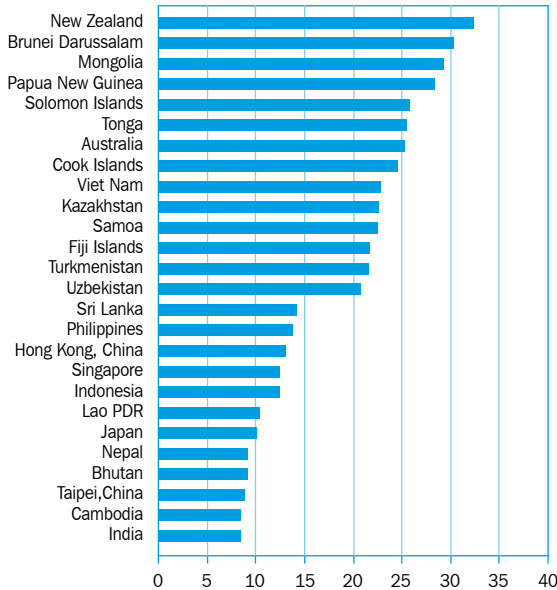


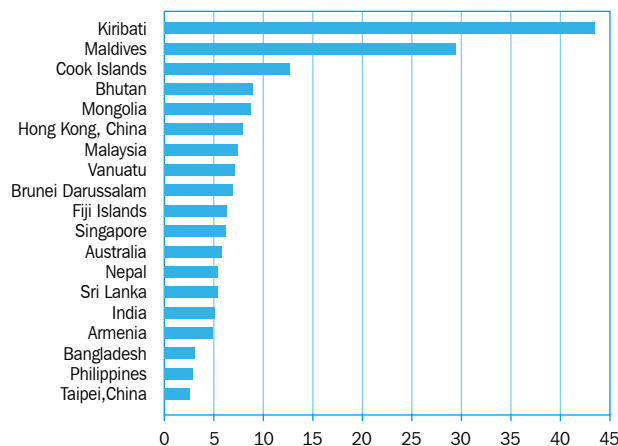
Figure 6.2 Tax Revenue as a Percentage of GDP, Average of Latest 3 Years



Source: Derived from Table 6.2.

Figure 6.3 shows government spending on social services, namely education, health, and housing and community amenities measured as a percentage of GDP for selected economies. These are sometimes described as “merit goods” and are distinguished from other public goods such as defense and law and order, which may be less desirable from the welfare point of view. The figure is confined to economies that have supplied data for central government under all three of these headings for recent years. Generally, the figure refers to total outlays, including investment, as well as current expenditures.

Figure 6.3 Government Expenditure on Education, Health, and Housing and Community Amenities as a Percentage of GDP, Average of Latest 3 Years



Sources: Derived from Tables 6.5, 6.6, and 6.7.

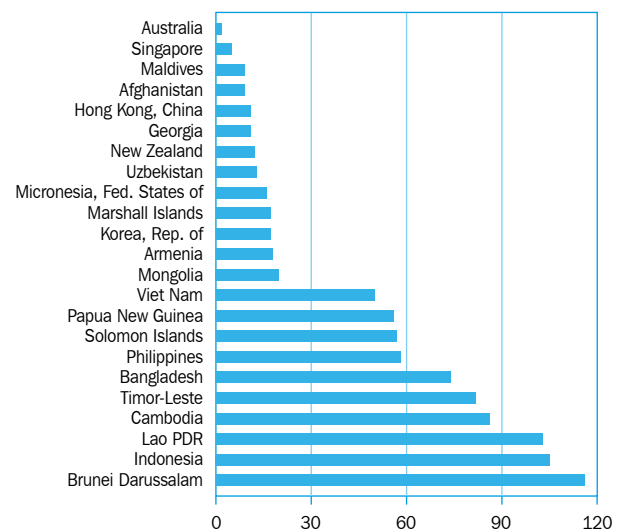
Government spending on social services exceeded 10% of GDP in Cook Islands, Kiribati, and Maldives. The high expenditures by Kiribati and Maldives are due to special circumstances: particularly generous social expenditures financed by fishing licences in the case of Kiribati; and housing reconstruction following the tsunami damage, plus continued power and water subsidies in the case of Maldives. Expenditures are rather low in Bangladesh; Philippines; and Taipei, China.

The cost and time taken to register a new business vary enormously within the region. Clearly a costly procedure discourages new businesses, and lengthy registration procedures are a disincentive in themselves, and also provide opportunities for extorting bribes.

Table 6.8 shows the formal costs of registering a new business. Measured as a percentage of per capita GNI, these ranged, in 2007, from over 100% in Cambodia and Federated States of Micronesia, to under 1% in Australia, New Zealand, and Singapore. Compared to 2003 or the earliest year for which data were available, business registration costs were lower in over 30 economies in 2007. Six economies recorded an increase in business registration costs, although the increases were mostly rather small.

Figure 6.4 shows the number of days needed to register a new business. The figure is confined to economies where registration takes 20 days or less, and those where 50 days or more are needed. (Economies not shown are in the 21–49-day range.) In Brunei Darussalam, Indonesia, and Lao PDR, registration takes more than three months, compared with less than a week in Australia and Singapore.

Figure 6.4 Length of Time Required to Register a New Business, 2007 (days)



Source: Table 6.8.

In Box 6.1, economies are ranked by a private research institute, Transparency International, according to corruption as perceived by a panel of business people and others whom Transparency International considers to have special knowledge of each economy. Respondents were asked to rate each economy on a scale of 0 (highly corrupt) to 10 (highly clean). It is evident that there is a strong subjective element in the assessments of perceived corruption. It is also clear that Transparency International will have had fewer candidates for its panels of experts for small economies compared with large ones.

The rankings shown in Box 6.1 should be treated with some caution, and differences in ranks of a few points are unlikely to be significant. Of the five most populous economies, the People's Republic of China and India have equal ranks and are in the top half (least corrupt) of the 180 economies covered in the survey. Bangladesh, Indonesia, and Pakistan are in the bottom third. The Asia and Pacific region includes two economies in the top 10 (New Zealand and Singapore), as well as four in the bottom 10 (Afghanistan, Myanmar, Tonga, and Uzbekistan).

Box 6.1 Rank in Perceived Corruption, 2007

New Zealand	1	Solomon Islands	111
Singapore	4	Timor-Leste	123
Australia	11	Viet Nam	123
Hong Kong, China	14	Nepal	131
Japan	17	Philippines	131
Taipei, China	34	Pakistan	138
Korea, Rep. of	43	Indonesia	143
Malaysia	43	Azerbaijan	150
Bhutan	46	Kazakhstan	150
Samoa	57	Kyrgyz Republic	150
China, People's Rep. of	72	Tajikistan	150
India	72	Bangladesh	162
Georgia	79	Cambodia	162
Kiribati	84	Papua New Guinea	162
Maldives	84	Turkmenistan	162
Thailand	84	Lao PDR	168
Sri Lanka	94	Afghanistan	172
Vanuatu	98	Tonga	175
Armenia	99	Uzbekistan	175
Mongolia	99	Myanmar	179

Source: Table 6.9.

### Data Issues and Comparability

Data on government expenditures and revenue are mostly taken from country sources. The coverage of the budget data is not standard throughout the region. Data provided by many countries refer only to the central government, but cover provincial and local governments in other countries. Most countries try to follow the IMF's *Government Finance Statistics* guidelines; some countries are still using the 1986 version; others have switched to the 2001 *Government Finance Statistics* guidelines.

The statistics on the time and cost for registering new businesses and on perceived corruption are all taken from nonofficial sources. Common procedures are used in all countries and the researchers producing these data have refined their procedures over several successive surveys. However, because of the subjective nature of many of these data, they can only be used to give a broad idea of trends, levels, and rankings.

Table 6.1 **Fiscal balance <sup>a</sup>**  
(percent of GDP)

	1990	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Developing Member Countries</b>														
<b>Central and West Asia</b>														
Afghanistan	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Armenia	...	-6.0	-4.4	-1.7	-3.8	-5.2	-4.9	-4.3	-2.6	-1.3	-1.7	-1.9	-1.5	0.1
Azerbaijan	...	-5.2	-2.9	-2.4	-1.8	-2.4	-1.0	-0.4	-0.4	-0.2	0.1	-0.7	0.4	-0.2
Georgia	...	-5.9	-7.2	-7.7	-7.6	-4.3	-3.9	-2.2	-1.7	-0.6	3.7	2.2	3.4	0.8
Kazakhstan	...	-4.0	-2.6	-3.7	-3.9	-3.5	-0.1	-0.4	-0.3	-0.9	-0.3	0.6	0.8	...
Kyrgyz Republic	-8.2	-11.5	-5.4	-5.2	-3.0	-2.5	-2.0	0.4	-1.0	-0.8	-0.5	0.2	-0.2	0.1
Pakistan	-6.5	-5.6	-6.5	-6.4	-7.6	-6.1	-5.4	-3.3	-2.4	-1.2	-1.8	-4.2	-3.7	-4.0
Tajikistan	...	-7.4	-5.8	-4.1	-2.7	-2.4	-0.6	0.1	0.7	1.1	0.2	0.2	0.5	1.7
Turkmenistan	...	0.4	0.3	-0.2	-2.6	0.0	-0.3	0.6	0.2	-1.4	0.5	0.9	5.9	...
Uzbekistan	...	-2.9	-2.0	-2.4	-2.0	-1.7	-1.0	0.2	-0.9	-1.3	0.0	-1.0	-1.3	...
<b>East Asia</b>														
China, People's Rep. of	-2.8	...	-1.8	-1.9	-2.4	-3.0	-2.8	-2.5	-2.6	-2.2	-1.3	-1.2	-0.8	0.7
Hong Kong, China	0.7	-0.3	2.1	6.4	-1.8	0.8	-0.6	-4.9	-4.8	-3.2	1.7	1.0	4.0	7.2
Korea, Rep. of	-0.6	0.3	0.2	-1.4	-3.9	-2.5	1.1	1.2	3.3	1.1	0.7	0.4	0.4	3.8
Mongolia	-11.0	-1.5	-2.6	-9.1	-14.3	-11.6	-7.7	-4.5	-5.8	-3.7	-1.8	2.6	3.3	2.9
Taipei, China	1.8	-1.1	-1.4	-1.6	0.1	-1.2	-4.6	-6.4	-2.9	-2.3	-2.5	-0.3	-0.2	...
<b>South Asia</b>														
Bangladesh	-5.7	-2.2	-3.0	-2.0	-2.1	-3.2	-4.5	-4.1	-3.7	-3.4	-3.4	-3.7	-3.3	-3.3
Bhutan	-8.0	0.1	2.2	-2.3	0.9	-1.7	-3.8	-10.6	-4.6	-9.8	1.8	-6.5	-0.8	...
India	-6.6	-4.2	-4.1	-4.8	-5.1	-5.4	-5.7	-6.2	-5.9	-4.5	-4.0	-4.1	-3.4	-3.1
Maldives	...	-6.4	-2.5	-1.4	-1.9	-4.1	-4.4	-4.7	-4.9	-3.4	-1.6	-10.9	-6.7	-7.9
Nepal	-7.6	-4.5	-5.2	-4.8	-5.5	-4.9	-4.3	-5.5	-5.0	-1.4	-0.9	-0.8	-1.6	-2.0
Sri Lanka	-7.9	-8.8	-8.4	-7.0	-8.2	-6.7	-9.3	-10.2	-8.2	-7.3	-7.5	-7.0	-7.0	-6.9
<b>Southeast Asia</b>														
Brunei Darussalam <sup>b</sup>	-0.3	15.1	0.5	1.7	5.4	-1.4	10.9	0.4	-9.9	-1.7	13.5	25.2	12.8	...
Cambodia	-4.5	-7.2	-6.2	-0.9	-2.4	-1.2	-2.1	-3.1	-3.4	-4.0	-2.0	-0.5	-0.8	-1.2
Indonesia	-0.8	3.0	1.0	0.5	-1.7	-2.5	-1.1	-2.4	-1.5	-1.7	-1.0	-0.5	-0.9	-1.2
Lao PDR	-9.7	-12.9	-5.7	-5.2	-6.6	-2.5	-4.3	-4.2	-3.2	-5.4	-2.4	-4.3	-3.2	-2.7
Malaysia	-2.9	0.8	0.7	2.4	-1.8	-3.2	-5.5	-5.2	-5.3	-5.0	-4.1	-3.6	-3.3	-3.2
Myanmar	-2.8	-3.3	-2.2	-0.1	0.8	-0.3	0.7	...	...	...	...	...	...	...
Philippines	-3.5	0.6	0.3	0.1	-1.9	-3.8	-4.0	-4.0	-5.3	-4.6	-3.8	-2.7	-1.1	-0.2
Singapore	10.8	14.5	10.4	11.6	3.4	7.1	10.0	5.1	4.8	3.1	4.1	6.8	6.7	...
Thailand	4.8	3.0	0.9	-1.5	-2.8	-3.3	-2.2	-2.4	-1.4	0.4	0.1	-0.6	1.1	-1.7
Viet Nam	-7.2	-1.3	-0.9	-3.9	-1.6	-3.3	-4.3	-3.5	-2.3	-2.2	0.2	-1.1	-1.8	-5.4
<b>The Pacific</b>														
Cook Islands	...	-2.8	-7.8	1.1	-2.5	-2.4	-1.8	1.3	0.2	-0.8	-1.0	2.1	2.1	3.6
Fiji Islands	-1.8	-0.3	-4.6	-6.7	-0.9	-3.6	-4.8	-7.6	-6.9	-6.5	-4.4	-5.2	-4.0	...
Kiribati	30.9	23.7	15.5	93.1	99.7	57.3	59.6	13.6	3.9	15.7	18.5	15.3	26.0	...
Marshall Islands	1.9	-27.2	16.5	8.2	14.1	9.8	8.4	8.7	-9.0	-1.8	-1.3	4.7	1.0	-0.7
Micronesia, Fed. States of	11.8	-0.5	2.5	2.8	-3.5	-5.6	-3.7	-5.9	7.8	2.8	-16.0	-5.3	-5.5	...
Nauru	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Palau	...	...	...	...	...	-18.2	-15.1	-20.1	-29.3	-1.4	-9.5	-2.1	-1.2	-7.5
Papua New Guinea	-3.3	-0.5	0.5	0.2	-1.8	-2.4	-1.8	-3.0	-3.3	-1.0	1.6	0.0	3.1	2.5
Samoa	-3.7	-7.0	1.4	2.2	2.0	0.3	-0.7	-2.2	-2.0	-1.3	-0.8	0.3	0.3	1.1
Solomon Islands	-5.3	-4.6	-4.3	-3.6	3.0	5.0	-0.6	-7.4	-20.2	-5.8	4.9	-0.9	-4.0	-1.1
Timor-Leste <sup>c</sup>	...	...	...	...	...	...	...	2.0	0.5	4.3	13.2	80.2	129.7	220.6
Tonga	0.7	1.2	0.9	-4.8	-2.4	-0.2	-0.4	-1.5	-1.4	-3.1	0.9	2.4	1.5	1.5
Tuvalu	...	...	-92.9	-31.8	19.1	-3.5	-2.2	-45.7	33.7	-33.3	-14.7	-7.4	18.7	-14.3
Vanuatu	-8.2	-2.7	-1.7	-0.5	-9.4	-1.5	-7.0	-3.7	-2.2	-1.8	1.2	2.1	1.2	...
<b>Developed Member Countries</b>														
Australia	1.8	-2.9	-2.1	-1.1	-0.0	0.8	1.8	0.8	-0.5	0.8	0.8	1.3	1.7	1.6
Japan	-0.5	-4.4	-4.0	-3.5	-10.7	-7.3	-6.4	-6.0	-6.8	-6.6	-5.2	-6.1	-1.1	...
New Zealand	-4.4	3.1	3.0	1.7	0.4	0.0	2.1	2.0	3.8	4.2	4.3	5.3	5.9	...

a Data refer to central government, except for Bangladesh, People's Republic of China, Georgia, Kiribati, Kyrgyz Republic, Federated States of Micronesia, Pakistan, and Tajikistan, where data refer to consolidated government or general government.

b Brunei Darussalam is not a developing member country but an unclassified regional member country of ADB.

c GDP estimates before 2002 include the value added of activities of the United Nations, while estimates beginning 2002 exclude its value added.

Source: Country sources.

## Government Finance

Table 6.2 **Tax revenue<sup>a</sup>**  
(percent of GDP)

	1990	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Developing Member Countries</b>														
<b>Central and West Asia</b>														
Afghanistan	...	...	...	...	...	...	...	...	...	...	...	3.7	3.1	...
Armenia	...	10.6	10.5	12.8	13.6	16.1	14.8	14.4	14.6	14.0	14.0	14.3	14.5	16.1
Azerbaijan	...	10.8	13.6	14.7	12.3	12.4	12.2	13.4	13.8	14.1	14.4	14.0	16.3	19.4
Georgia	...	...	10.0	12.9	12.9	13.9	14.1	14.5	14.4	12.0	15.6	17.1	19.2	21.6
Kazakhstan	...	15.8	12.6	12.2	12.4	16.4	20.2	19.6	19.9	20.5	20.2	26.3	21.6	...
Kyrgyz Republic	25.7	15.1	12.6	12.5	14.2	12.2	11.7	12.4	13.9	14.2	14.8	16.2	17.6	19.0
Pakistan	14.0	13.8	14.4	13.4	13.2	13.3	10.6	10.5	10.8	11.4	11.0	10.1	10.1	10.2
Tajikistan	...	8.4	11.7	14.4	10.9	11.8	13.1	13.7	14.7	15.0	15.1	16.5	16.8	...
Turkmenistan	...	...	...	...	...	...	23.0	22.2	17.4	18.3	20.9	22.6	21.3	...
Uzbekistan	...	27.8	32.3	28.7	29.3	27.9	...	23.4	22.9	22.4	22.7	20.9	18.6	...
<b>East Asia</b>														
China, People's Rep. of	15.1	9.9	9.7	10.4	11.0	11.9	12.7	14.0	14.7	14.7	15.1	15.7	16.4	18.3
Hong Kong, China	10.2	10.7	11.2	11.5	8.8	8.7	9.5	9.5	9.1	10.6	12.0	12.6	12.7	13.9
Korea, Rep. of	15.2	15.6	16.1	16.0	16.2	16.6	18.6	18.2	18.1	15.8	15.1	15.7	16.3	...
Mongolia	44.6	19.2	18.7	19.7	18.8	19.6	25.6	29.4	29.0	25.4	27.1	24.9	30.4	33.0
Taipei, China	12.7	10.3	9.3	9.1	9.6	8.4	13.6	9.0	8.0	7.8	8.2	9.3	9.2	...
<b>South Asia</b>														
Bangladesh	5.8	7.9	7.3	7.9	7.7	7.4	6.8	7.8	7.8	8.3	8.5	8.6	8.7	8.4
Bhutan	4.8	6.8	7.7	6.6	8.2	7.2	9.8	8.4	10.1	10.0	8.3	9.2	10.0	...
India	7.5	6.9	6.8	6.3	6.0	6.6	6.5	5.9	6.5	6.8	7.1	7.5	8.5	9.2
Maldives	...	13.6	13.5	14.4	14.2	14.1	13.8	13.7	13.3	14.3	16.6	18.0	20.0	21.1
Nepal	6.6	8.4	8.1	8.1	8.0	7.8	8.1	8.8	8.6	8.7	9.0	9.2	8.8	9.6
Sri Lanka	19.3	17.9	16.9	16.0	14.1	14.6	14.2	14.4	13.6	12.7	13.5	13.7	14.6	14.2
<b>Southeast Asia</b>														
Brunei Darussalam <sup>b</sup>	25.2	18.4	19.6	20.4	14.3	17.2	23.4	23.0	22.3	30.0	27.7	33.1	30.3	...
Cambodia	2.2	5.3	5.8	5.9	5.8	7.1	7.3	7.0	7.3	6.8	7.4	7.4	7.6	10.2
Indonesia	17.8	16.0	10.8	11.3	10.7	10.3	8.3	11.0	11.6	12.0	12.2	12.5	12.3	12.4
Lao PDR	6.1	9.4	10.2	8.6	6.8	7.2	10.0	10.4	10.2	8.6	8.8	9.2	10.0	12.0
Malaysia	17.8	18.7	18.6	19.0	16.0	15.1	13.2	17.4	17.4	15.5	15.2	15.4	15.1	14.8
Myanmar	6.2	3.7	4.0	4.4	3.5	2.3	2.0	...	...	...	...	...	...	...
Philippines	14.1	16.3	16.9	17.0	15.6	14.5	13.7	13.6	12.8	12.8	12.4	13.0	14.3	14.0
Singapore	15.4	16.4	16.5	16.0	14.6	15.2	15.4	15.3	13.3	13.0	12.2	12.4	12.9	...
Thailand	17.7	17.0	17.0	16.0	13.5	13.5	13.6	13.5	14.4	15.3	...	...	...	...
Viet Nam	11.5	19.1	19.2	17.7	16.5	16.7	18.0	19.1	19.8	20.9	21.7	22.8	23.7	...
<b>The Pacific</b>														
Cook Islands	...	37.5	32.9	28.7	23.9	24.9	25.3	26.9	26.9	24.7	23.2	25.1	24.4	24.3
Fiji Islands	22.3	21.9	21.1	22.0	22.0	20.6	19.9	19.6	19.6	21.2	21.9	21.3	21.9	...
Kiribati	30.4	32.7	30.2	30.1	27.1	28.4	31.1	30.0	31.3	33.1	36.2	38.0	37.0	...
Marshall Islands	17.9	16.5	17.8	17.9	17.7	16.2	15.8	16.7	16.9	18.7	17.2	17.7	17.4	16.6
Micronesia, Fed. States of	9.4	10.2	10.2	10.8	13.0	12.4	12.8	12.0	11.9	10.6	12.2	12.6	12.5	...
Nauru	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Palau	...	...	...	...	...	16.7	19.1	19.3	18.5	18.5	19.6	20.7	18.8	18.1
Papua New Guinea	19.5	19.5	22.5	23.7	20.5	20.2	21.5	19.5	17.7	21.3	25.5	24.5	29.0	31.6
Samoa	35.4	22.0	22.1	21.6	20.9	21.2	20.6	20.9	20.6	21.8	20.9	21.0	22.5	24.1
Solomon Islands	22.9	21.4	20.3	18.5	21.5	22.5	19.1	14.4	15.9	19.0	22.8	24.3	26.0	27.3
Timor-Leste	...	...	...	...	...	...	...	...	8.7	14.6	20.3	72.0	113.2	133.9
Tonga	18.6	17.1	19.7	21.2	19.5	19.2	20.3	18.9	22.8	22.0	22.0	23.5	26.3	26.8
Tuvalu	...	18.7	16.3	18.2	19.6	19.6	21.3	23.1	22.0	...	...	...	...	...
Vanuatu	22.6	19.6	20.3	19.3	18.3	18.3	17.5	17.0	18.3	17.6	18.0	18.2	17.7	...
<b>Developed Member Countries</b>														
Australia	23.0	21.6	22.3	22.8	22.7	23.3	23.7	25.5	24.2	24.9	24.9	25.5	25.3	25.0
Japan	14.0	10.8	10.8	10.6	10.1	9.8	10.5	10.1	9.2	9.1	9.5	10.3	10.6	...
New Zealand	34.6	33.4	32.4	32.2	30.5	29.7	30.5	29.6	30.8	31.2	31.1	32.7	33.2	...

a Data refer to central government, except for Bangladesh, People's Republic of China, Georgia, Kiribati, Kyrgyz Republic, Federated States of Micronesia, Pakistan, and Tajikistan, where data refer to consolidated government or general government.

b Brunei Darussalam is not a developing member country but an unclassified regional member country of ADB.

Source: Country sources.

Table 6.3 **Total government revenue<sup>a</sup>**  
(percent of GDP)

	1990	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Developing Member Countries</b>														
<b>Central and West Asia</b>														
Afghanistan	2.5	0.3	...	...	...	...	0.4	0.9	3.0	4.4	5.2	6.8	8.3	...
Armenia	...	14.4	13.4	13.9	16.0	17.8	15.9	15.7	15.5	14.9	15.1	16.2	16.0	17.9
Azerbaijan	34.1	11.8	14.0	16.2	13.5	14.5	14.7	14.7	14.8	17.0	17.7	16.3	20.6	22.4
Georgia	...	6.7	10.8	15.4	14.7	15.9	14.9	15.5	15.3	15.8	22.5	27.1	30.8	33.9
Kazakhstan	...	19.6	17.1	16.7	17.5	19.6	22.9	23.0	21.7	22.2	21.9	27.6	22.9	...
Kyrgyz Republic	26.8	16.7	16.0	15.8	17.8	16.2	14.2	16.1	18.0	18.8	18.7	19.8	21.8	24.5
Pakistan	19.3	17.3	17.9	15.8	16.0	15.9	13.4	13.1	14.0	14.8	14.3	13.8	14.3	14.9
Tajikistan	...	10.0	12.1	14.8	11.2	12.2	14.1	14.9	16.5	17.0	17.2	19.2	19.3	28.6
Turkmenistan	...	20.5	16.6	24.9	22.0	19.4	23.5	22.3	18.2	19.2	22.2	23.5	22.7	...
Uzbekistan	...	29.7	34.3	30.1	31.1	29.3	28.0	25.7	25.0	23.5	23.5	21.8	19.5	...
<b>East Asia</b>														
China, People's Rep. of	15.7	10.3	10.4	11.0	11.7	12.8	13.5	14.9	15.7	16.0	16.5	17.2	18.3	20.6
Hong Kong, China	14.9	16.1	16.9	20.6	16.7	18.4	17.1	13.5	13.9	16.8	20.4	17.9	19.5	21.8
Korea, Rep. of	17.2	18.3	19.1	19.0	20.0	20.4	23.5	23.2	23.2	23.7	22.9	23.6	24.7	27.0
Mongolia	50.9	24.7	24.1	24.7	26.5	26.8	34.0	38.6	38.0	32.8	32.9	30.0	36.5	40.8
Taipei, China	16.3	13.3	12.2	12.0	12.9	11.3	18.3	12.8	13.3	13.1	12.4	15.1	13.3	...
<b>South Asia</b>														
Bangladesh	6.8	9.8	9.2	9.6	9.5	9.0	8.5	9.6	10.2	10.4	10.6	10.6	10.8	10.6
Bhutan	20.2	19.7	19.3	18.4	20.7	20.8	22.8	21.7	19.3	16.3	15.7	16.8	17.0	...
India	10.7	9.9	9.7	9.4	9.5	9.9	9.8	9.7	10.9	12.6	11.8	10.0	10.6	12.1
Maldives	...	25.8	25.0	27.7	27.8	29.7	30.0	30.2	31.5	33.4	33.7	39.5	44.6	49.4
Nepal	8.4	10.4	10.4	10.1	10.2	10.1	10.5	11.1	11.0	11.4	11.3	11.7	10.8	11.7
Sri Lanka	21.4	20.6	19.0	18.5	16.7	17.2	16.4	16.3	16.0	15.2	14.9	15.5	16.3	15.8
<b>Southeast Asia</b>														
Brunei Darussalam <sup>b</sup>	42.4	36.5	39.7	36.8	28.3	32.5	49.1	42.2	40.8	60.9	56.0	63.4	50.0	...
Cambodia	3.9	7.6	8.2	8.7	8.0	9.8	10.0	9.8	10.4	9.8	10.0	10.2	10.9	12.1
Indonesia	18.8	17.7	16.5	17.9	16.4	18.6	14.7	17.8	16.5	16.9	17.6	17.8	19.0	17.9
Lao PDR	9.9	11.1	12.6	10.4	8.7	9.0	12.4	12.7	12.6	10.4	10.6	11.1	11.8	13.6
Malaysia	24.8	22.9	23.0	23.3	20.0	19.5	17.4	22.6	21.8	22.1	21.0	20.3	21.5	21.8
Myanmar	9.6	6.6	6.9	7.8	7.3	4.9	4.2	...	...	...	...	...	...	...
Philippines	16.6	18.9	18.9	19.4	17.3	16.1	15.3	15.6	14.6	14.8	14.5	15.0	16.2	17.1
Singapore	32.4	35.9	38.0	37.8	31.2	31.4	30.3	27.8	23.6	21.5	20.9	22.2	22.4	...
Thailand	18.9	18.6	18.5	17.9	15.5	15.4	15.1	15.1	16.1	17.1	17.1	17.5	17.7	17.2
Viet Nam	14.7	21.9	21.7	20.0	19.6	19.0	20.1	21.2	22.3	25.3	27.4	28.0	26.8	24.9
<b>The Pacific</b>														
Cook Islands	...	39.8	35.3	35.1	31.6	29.8	30.6	32.2	30.3	28.1	27.6	29.1	28.5	28.6
Fiji Islands	28.1	25.5	24.5	26.4	34.6	26.2	25.4	23.8	25.8	24.3	24.9	24.4	25.4	...
Kiribati	112.0	119.9	104.1	180.0	169.1	128.7	136.5	123.7	121.1	113.5	137.6	119.1	129.3	...
Marshall Islands	31.3	29.6	33.1	26.6	23.3	25.6	22.6	21.5	23.1	23.2	25.6	25.8	25.2	24.1
Micronesia, Fed. States of	29.0	28.2	26.2	25.6	27.5	26.3	24.2	20.6	21.2	21.3	26.7	22.4	23.1	...
Nauru	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Palau	...	...	...	...	...	22.7	24.3	25.5	24.1	25.8	26.2	27.0	26.4	23.1
Papua New Guinea	24.9	24.0	25.4	26.7	24.1	22.0	23.3	21.0	19.0	23.5	27.7	26.5	31.7	33.9
Samoa	48.5	29.3	29.8	26.6	26.4	26.6	25.5	23.6	22.4	24.2	23.5	24.6	25.9	28.4
Solomon Islands	26.6	27.7	26.0	22.6	34.2	30.3	21.6	15.3	16.8	20.9	24.7	26.7	31.8	31.8
Timor-Leste <sup>c</sup>	...	...	...	...	...	...	...	7.4	11.0	16.4	22.8	91.1	157.8	261.3
Tonga	34.8	32.6	28.3	29.3	28.0	25.3	27.1	26.4	28.5	26.3	27.1	27.7	30.6	30.3
Tuvalu	...	...	146.7	129.2	99.5	137.8	243.2	123.8	151.6	53.2	52.9	52.6	47.4	48.7
Vanuatu	27.8	24.2	23.8	20.9	20.6	20.8	20.9	19.6	20.4	19.5	20.2	20.3	20.0	...
<b>Developed Member Countries</b>														
Australia	24.2	22.5	23.4	23.8	23.5	25.3	25.9	26.9	25.8	26.4	26.4	26.9	26.9	26.6
Japan	15.0	12.2	12.0	11.9	11.6	11.2	11.9	11.7	10.6	10.2	10.8	11.7	14.5	...
New Zealand	41.3	38.7	38.0	37.2	35.7	34.7	35.0	34.2	35.5	35.9	35.8	37.7	39.0	...

a Data refer to central government, except for Bangladesh, People's Republic of China, Georgia, Kiribati, Kyrgyz Republic, Federated States of Micronesia, Pakistan, and Tajikistan, where data refer to consolidated government or general government.

b Brunei Darussalam is not a developing member country but an unclassified regional member country of ADB.

c GDP estimates before 2002 include the value added of activities of the United Nations, while estimates beginning 2002 exclude its value added.

Source: Country sources.

## Government Finance

Table 6.4 **Total government expenditure<sup>a</sup>**  
(percent of GDP)

	1990	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Developing Member Countries</b>														
<b>Central and West Asia</b>														
Afghanistan	9.0	7.9	...	...	...	...	2.8	3.9	7.9	9.5	10.6	9.9	10.9	...
Armenia	...	24.0	19.2	16.5	20.0	21.9	20.1	19.4	18.6	18.8	17.0	18.0	17.4	17.4
Azerbaijan	...	20.1	17.6	18.6	15.4	17.3	16.2	15.2	15.4	17.3	17.6	17.1	20.2	22.6
Georgia	...	14.1	19.8	23.2	22.2	19.9	18.6	17.9	17.3	16.9	20.1	25.8	28.6	33.6
Kazakhstan	35.6	25.7	19.8	19.1	20.3	22.2	22.2	22.3	21.2	22.2	21.9	25.6	21.1	...
Kyrgyz Republic	37.1	27.8	22.3	22.4	22.0	19.7	18.0	17.7	20.7	20.6	20.4	20.4	22.4	25.7
Pakistan	25.9	23.0	24.4	22.3	23.7	22.0	18.9	17.5	18.6	18.9	16.4	18.0	18.7	19.3
Tajikistan	...	17.4	17.6	18.6	14.2	14.9	14.7	14.8	16.1	16.2	17.6	19.4	19.0	27.1
Turkmenistan	...	20.1	16.3	25.0	24.6	19.4	23.9	21.7	18.1	20.6	21.7	22.6	16.8	...
Uzbekistan	...	32.6	36.2	32.5	33.1	31.0	28.9	25.5	25.9	24.8	23.5	22.8	20.8	...
<b>East Asia</b>														
China, People's Rep. of	18.5	...	12.2	12.9	14.1	15.7	16.3	17.5	18.3	18.1	17.8	18.5	19.1	19.9
Hong Kong, China	14.3	16.4	14.9	14.2	18.5	17.6	17.7	18.4	18.7	20.0	18.7	16.9	15.5	14.7
Korea, Rep. of	15.5	15.8	16.3	16.6	18.8	19.1	18.9	20.4	19.8	23.0	22.1	22.8	23.6	22.5
Mongolia	61.9	23.3	24.1	26.7	31.4	29.8	36.0	38.2	38.9	31.6	29.9	24.8	31.2	36.6
Taipei, China	14.5	14.4	13.6	13.6	12.8	12.6	22.9	19.1	16.1	15.4	14.9	15.5	13.5	...
<b>South Asia</b>														
Bangladesh	12.4	14.4	13.9	13.3	12.9	13.6	14.5	14.8	14.9	14.5	14.8	15.0	14.7	14.3
Bhutan	36.5	38.3	37.6	35.1	30.3	41.3	41.4	46.6	37.0	33.7	30.3	35.0	32.2	...
India	17.3	14.1	13.8	14.2	14.6	15.3	15.5	15.9	16.8	17.1	15.8	14.1	14.1	15.1
Maldives	...	36.6	31.9	32.4	33.3	36.0	37.3	38.1	38.2	40.1	38.0	60.2	59.6	66.9
Nepal	17.7	16.6	17.4	16.9	17.3	16.1	16.3	18.1	17.4	15.1	14.7	15.1	14.5	16.0
Sri Lanka	28.7	29.6	27.6	25.7	24.3	23.5	25.0	25.9	23.8	22.5	22.6	23.8	24.2	23.2
<b>Southeast Asia</b>														
Brunei Darussalam <sup>b</sup>	43.7	66.0	51.0	52.6	59.4	55.6	40.6	38.4	45.3	54.7	42.6	38.3	28.7	...
Cambodia	8.4	14.8	14.4	12.4	13.4	13.6	14.8	16.2	17.7	15.9	13.9	13.3	14.2	15.4
Indonesia	19.6	14.7	15.4	17.4	18.1	21.1	15.8	20.3	18.0	18.7	18.6	18.4	20.0	19.1
Lao PDR	23.4	26.7	19.5	17.2	18.6	16.0	19.6	21.0	17.9	18.5	14.6	17.4	17.4	19.1
Malaysia	27.7	22.1	22.3	21.0	21.8	22.7	22.9	27.8	27.1	27.1	25.1	23.9	24.9	25.0
Myanmar	12.4	9.8	9.2	7.9	6.5	5.1	3.5	...	...	...	...	...	...	...
Philippines	20.4	18.2	18.6	19.3	19.2	19.7	19.3	19.7	19.8	19.3	18.2	17.7	17.3	17.1
Singapore	21.3	16.1	21.0	16.7	19.9	18.7	18.8	22.1	18.8	18.5	16.9	15.4	15.7	...
Thailand	13.9	15.4	17.8	19.7	18.2	18.0	17.3	17.7	17.5	16.8	17.1	18.0	16.3	19.2
Viet Nam	21.9	23.8	23.1	22.6	20.3	21.2	22.6	24.4	24.2	26.4	26.2	27.3	27.5	28.1
<b>The Pacific</b>														
Cook Islands	...	48.3	48.8	42.9	41.3	35.1	35.2	36.7	36.0	33.0	32.5	33.2	34.2	32.4
Fiji Islands	29.8	26.0	29.4	33.2	35.6	29.9	30.2	31.1	32.5	30.8	29.3	29.7	29.5	...
Kiribati	165.0	130.8	122.9	124.0	118.0	110.9	126.4	165.8	224.9	247.0	283.6	212.0	204.5	...
Marshall Islands	92.2	93.1	55.4	57.2	52.7	53.0	60.4	65.4	75.8	69.1	59.5	57.6	64.9	67.0
Micronesia, Fed. States of	98.9	82.4	76.2	70.1	77.9	79.1	72.2	70.0	64.4	72.0	75.6	63.8	64.5	...
Nauru	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Palau	...	68.5	69.5	67.6	55.1	63.5	70.6	64.1	67.0	68.3	67.9	58.8	64.4	63.3
Papua New Guinea	34.2	28.3	27.4	28.4	27.3	29.4	29.8	30.1	27.5	30.1	32.9	34.9	33.9	35.3
Samoa	70.0	39.6	42.1	34.7	32.4	36.0	31.1	31.9	32.5	31.1	29.6	33.4	29.4	32.9
Solomon Islands	35.3	32.3	30.2	26.2	33.8	30.2	31.6	26.4	44.1	38.1	29.4	34.6	39.5	36.3
Timor-Leste <sup>c</sup>	...	...	...	...	...	...	...	13.9	18.5	19.5	17.9	17.8	25.0	39.1
Tonga	37.9	33.5	29.4	35.9	33.0	27.1	28.5	26.8	30.4	27.6	27.7	26.8	34.7	31.2
Tuvalu	...	...	150.5	117.8	96.4	127.6	210.2	142.1	97.2	101.3	72.3	74.3	73.7	74.3
Vanuatu	37.6	29.3	27.3	23.7	28.4	23.6	29.0	25.2	24.9	22.5	20.9	19.7	20.6	...
<b>Developed Member Countries</b>														
Australia	22.5	25.5	25.5	24.9	23.5	24.5	24.0	26.1	26.3	25.6	25.6	25.6	25.2	24.9
Japan	15.5	16.6	16.1	15.4	22.2	18.5	18.3	17.7	17.4	16.9	16.0	17.9	15.5	...
New Zealand	45.8	35.7	35.0	35.5	35.4	34.7	32.9	32.2	31.6	31.7	31.5	32.4	33.1	...

a Data refer to central government, except for Bangladesh, People's Republic of China, Georgia, Kiribati, Kyrgyz Republic, Federated States of Micronesia, Pakistan, and Tajikistan, where data refer to consolidated government or general government.

b Brunei Darussalam is not a developing member country but an unclassified regional member country of ADB.

c GDP estimates before 2002 include the value added of activities of the United Nations, while estimates beginning 2002 exclude its value added.

Source: Country sources.

Table 6.5 **Government expenditure on education<sup>a</sup>**  
(percent of GDP)

	1990	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Developing Member Countries</b>														
<b>Central and West Asia</b>														
Afghanistan	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Armenia	...	...	2.3	1.9	2.1	2.2	2.8	2.5	2.1	2.1	2.5	2.7	2.7	...
Azerbaijan	7.7	3.5	3.7	3.6	3.4	4.2	3.9	3.5	3.2	3.3	3.4	3.0	2.6	2.7
Georgia	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Kazakhstan	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Kyrgyz Republic	7.5	6.6	5.2	4.9	4.9	4.1	3.5	3.9	4.4	4.5	4.6	4.9	5.5	5.7
Pakistan	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Tajikistan	...	2.2	2.1	2.5	2.2	2.1	2.3	2.4	2.6	2.4	2.7	3.5	3.4	4.1
Turkmenistan	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Uzbekistan	...	...	...	...	...	...	...	...	...	...	...	...	...	...
<b>East Asia</b>														
China, People's Rep. of	4.0	2.0	...	...	...	...	...	...	3.3	3.3	3.2	3.3	3.5	...
Hong Kong, China	2.8	3.0	3.1	3.5	3.8	4.0	4.0	4.1	4.4	4.6	4.2	3.9	3.5	3.4
Korea, Rep. of	3.0	2.4	2.5	2.5	2.5	2.2	2.2	2.9	2.7	2.9	2.8	3.4	3.4	...
Mongolia	11.5	4.3	5.2	5.6	6.5	7.0	8.1	8.8	8.4	6.9	6.6	5.3	5.2	5.5
Taipei, China	1.0	1.4	1.4	1.3	1.3	1.4	2.3	1.8	1.9	1.9	1.8	1.7	1.7	...
<b>South Asia</b>														
Bangladesh	1.4	2.2	...	2.1	2.0	2.0	2.0	2.3	2.1	2.1	2.0	1.9	2.0	2.1
Bhutan	...	...	...	...	...	...	...	...	5.4	5.0	4.0	5.0	5.0	...
India	...	...	...	...	...	3.6	3.9	3.6	3.5	3.0	2.9	3.0	...	...
Maldives	...	4.8	4.7	5.3	6.8	6.5	7.4	6.7	7.8	8.2	7.6	8.9	8.9	9.5
Nepal	1.6	2.2	2.2	2.4	2.4	2.1	2.3	2.5	2.8	2.7	2.7	2.9	3.0	3.1
Sri Lanka	3.0	2.9	2.6	2.5	2.6	2.6	2.4	2.0	2.3	2.1	2.0	2.6	2.7	2.6
<b>Southeast Asia</b>														
Brunei Darussalam <sup>b</sup>	4.0	4.6	4.6	4.5	5.6	5.0	4.2	4.0	4.7	6.0	3.0	3.7	...	...
Cambodia	0.8	0.9	0.9	0.9	0.9	1.2	1.3	1.3	1.7	1.6	1.5	1.4	1.5	1.4
Indonesia	1.0	0.7	1.4	1.4	1.3	1.3	0.9	0.8	0.9	1.1	...	...	...	...
Lao PDR	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Malaysia	5.5	4.8	4.9	4.6	4.7	5.1	5.6	7.0	7.7	7.0	5.4	5.1	5.4	5.7
Myanmar	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Philippines	3.1	3.2	3.4	3.9	4.0	3.7	3.5	3.2	3.2	3.0	2.6	2.4	2.4	...
Singapore	4.2	3.0	3.1	3.1	3.6	3.7	4.0	4.3	4.4	4.1	3.6	3.3	3.1	...
Thailand	...	3.5	3.8	4.2	4.8	4.7	4.5	4.3	4.1	4.1	4.0	...	...	...
Viet Nam	...	...	...	...	...	...	...	...	...	...	...	...	...	...
<b>The Pacific</b>														
Cook Islands	...	5.8	4.6	3.8	4.1	5.2	3.7	4.5	4.8	4.7	4.7	5.2	5.3	5.2
Fiji Islands	3.5	4.0	3.8	4.0	3.7	3.5	4.2	4.3	4.5	4.4	4.1	3.8	3.5	...
Kiribati	12.3	17.7	17.0	15.3	14.4	14.3	15.9	18.5	19.8	22.1	23.2	24.8	26.7	...
Marshall Islands	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Micronesia, Fed. States of	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Nauru	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Palau	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Papua New Guinea	7.3	4.7	3.8	5.3	5.9	6.3	4.7	3.0	2.3	...	...	...	...	...
Samoa	...	4.4	4.0	4.8	4.9	5.1	4.9	4.5	4.7	4.8	4.9	4.5	4.4	7.1
Solomon Islands	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Timor-Leste	...	...	...	...	...	...	...	...	4.1	5.7	...	...	...	...
Tonga	4.0	4.8	4.5	5.5	5.2	4.8	5.7	...	...	4.5	4.6	4.5	...	...
Tuvalu	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Vanuatu	5.0	5.2	3.8	4.3	4.9	5.4	5.5	5.7	6.5	6.1	5.3	4.9	4.9	...
<b>Developed Member Countries</b>														
Australia	...	...	...	...	...	1.7	1.6	1.7	1.7	1.6	1.6	1.6	1.6	1.6
Japan	3.6	3.7	3.9	3.9	3.9	4.0	4.0	4.1	4.1	4.1	3.9	3.9	3.8	...
New Zealand	...	4.7	4.7	5.0	5.2	5.1	5.1	5.0	5.0	5.1	5.1	...	...	...

a Data refer to central government, except for People's Republic of China, Georgia, Japan, Kyrgyz Republic, Pakistan, and Tajikistan, where data refer to consolidated government or general government.

b Brunei Darussalam is not a developing member country but an unclassified regional member country of ADB.

Source: Country sources.

## Government Finance

Table 6.6 **Government expenditure on health<sup>a</sup>**  
(percent of GDP)

	1990	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Developing Member Countries</b>														
<b>Central and West Asia</b>														
Afghanistan	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Armenia	...	...	1.4	1.2	1.4	1.4	1.0	1.3	1.2	1.2	1.3	1.4	1.5	...
Azerbaijan	2.9	1.4	1.5	1.2	0.9	1.0	0.9	0.8	0.7	0.8	0.9	0.9	0.9	1.0
Georgia	...	...	0.6	0.6	0.5	0.3	0.3	0.5	0.5	0.1	0.6	1.2	1.2	...
Kazakhstan	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Kyrgyz Republic	3.7	3.9	3.1	3.2	2.8	2.3	2.0	1.9	2.0	1.9	2.0	2.3	2.7	2.6
Pakistan	...	...	...	...	...	...	0.6	0.6	0.6	0.6	0.6	0.6	0.5	0.6
Tajikistan	...	1.4	1.3	1.6	1.1	1.0	0.9	0.9	0.9	0.9	0.9	1.1	1.1	1.3
Turkmenistan	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Uzbekistan	...	...	...	...	...	...	...	...	...	...	...	...	...	...
<b>East Asia</b>														
China, People's Rep. of	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Hong Kong, China	1.5	2.2	2.0	2.0	2.4	2.5	2.5	2.6	2.6	2.8	2.5	2.3	2.2	2.1
Korea, Rep. of	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Mongolia	5.5	2.9	3.5	3.4	3.7	3.9	4.5	4.8	4.7	3.5	3.4	2.9	2.7	3.1
Taipei, China	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.3	0.2	0.2	...
<b>South Asia</b>														
Bangladesh	0.6	1.0	...	1.0	0.7	1.0	1.0	0.9	0.9	0.8	0.9	0.8	0.8	0.8
Bhutan	...	...	...	...	...	...	...	...	4.3	2.9	2.6	2.6	2.5	...
India	...	...	...	...	...	0.8	0.8	0.7	0.7	0.7	0.7	0.7	...	...
Maldives	...	3.3	3.6	3.5	3.5	3.7	4.1	3.9	3.9	4.1	4.3	5.5	5.8	5.4
Nepal	0.6	0.6	0.6	0.8	1.0	0.8	0.8	0.8	0.9	0.7	0.7	0.8	0.9	1.2
Sri Lanka	1.6	1.7	1.5	1.4	1.4	1.4	1.6	1.3	1.5	1.5	1.6	1.8	2.0	1.9
<b>Southeast Asia</b>														
Brunei Darussalam <sup>b</sup>	1.6	2.3	2.3	2.3	2.9	2.5	2.1	2.0	2.0	2.5	1.3	1.7	...	...
Cambodia	1.5	0.3	0.5	0.4	0.4	0.6	0.9	0.8	1.0	0.9	0.9	0.9	0.9	1.0
Indonesia	0.3	0.6	0.4	0.5	0.6	0.6	0.3	0.2	0.2	0.4	...	...	...	...
Lao PDR	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Malaysia	1.5	1.2	1.4	1.3	1.4	1.5	1.5	1.8	1.7	2.1	2.0	1.7	1.7	1.8
Myanmar	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Philippines	0.7	0.4	0.5	0.6	0.5	0.5	0.4	0.4	0.4	0.3	0.3	0.3	0.3	...
Singapore	1.0	1.2	1.2	1.1	1.4	1.3	1.0	1.2	1.1	1.5	1.0	0.9	0.9	...
Thailand	...	1.2	1.3	1.5	1.5	1.4	1.3	1.7	1.3	1.3	1.4	...	...	...
Viet Nam	...	...	...	...	...	...	...	...	...	...	...	...	...	...
<b>The Pacific</b>														
Cook Islands	...	4.8	4.3	3.6	3.8	3.2	3.5	4.8	4.3	3.9	3.6	4.4	3.9	4.0
Fiji Islands	1.6	2.1	2.0	2.2	2.1	1.9	2.3	2.4	2.5	2.5	2.3	2.3	2.1	...
Kiribati	9.4	13.5	13.0	13.6	9.3	11.3	11.0	11.9	12.8	14.6	15.7	16.4	15.9	...
Marshall Islands	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Micronesia, Fed. States of	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Nauru	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Palau	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Papua New Guinea	2.9	2.0	1.4	1.8	1.9	1.8	1.5	1.5	1.3	...	...	...	...	...
Samoa	...	3.0	3.0	3.5	3.8	4.0	4.0	3.5	3.9	3.9	3.6	3.4	3.8	3.5
Solomon Islands	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Timor-Leste	...	...	...	...	...	...	...	...	1.7	2.5	...	...	...	...
Tonga	2.8	3.2	3.3	3.8	4.4	4.2	6.1	...	...	2.8	3.4	8.7	...	...
Tuvalu	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Vanuatu	2.6	2.3	1.7	2.2	2.6	2.6	2.7	2.7	2.9	2.7	2.1	2.0	2.0	...
<b>Developed Member Countries</b>														
Australia	...	...	...	...	...	3.6	4.0	3.7	3.8	3.7	3.8	4.0	3.9	3.8
Japan	4.5	5.3	5.4	5.3	5.5	5.8	6.3	6.6	6.7	6.9	7.0	7.1	7.0	...
New Zealand	...	4.8	4.9	5.1	5.3	5.5	5.4	5.4	5.4	5.4	5.5	...	...	...

a Data refer to central government, except for People's Republic of China, Georgia, Japan, Kyrgyz Republic, Pakistan, and Tajikistan, where data refer to consolidated government or general government.

b Brunei Darussalam is not a developing member country but an unclassified regional member country of ADB.

Source: Country sources.

Table 6.7 **Government expenditure on housing and community amenities<sup>a</sup>**  
(percent of GDP)

	1990	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Developing Member Countries</b>														
<b>Central and West Asia</b>														
Afghanistan	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Armenia	...	...	...	0.3	1.0	1.4	1.2	0.6	0.6	2.3	0.6	1.0	0.8	...
Azerbaijan	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Georgia	...	...	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	...	...	...
Kazakhstan	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Kyrgyz Republic	1.9	1.4	1.3	0.9	1.1	1.0	1.0	1.1	1.5	1.4	1.1	1.0	1.2	1.2
Pakistan	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Tajikistan	...	...	...	...	...	...	0.9	0.9	0.9	0.9	1.2	1.1	1.1	1.8
Turkmenistan	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Uzbekistan	...	...	...	...	...	...	...	...	...	...	...	...	...	...
<b>East Asia</b>														
China, People's Rep. of	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Hong Kong, China	3.5	3.1	3.4	3.2	4.5	5.2	4.6	3.9	3.3	3.5	2.7	2.3	2.1	2.1
Korea, Rep. of	0.2	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.2	0.2	0.2	0.1	0.1	...
Mongolia	6.3	1.4	1.4	1.5	1.8	1.8	2.1	2.0	2.0	1.5	0.4	0.3	0.4	1.0
Taipei, China	0.3	0.4	0.3	0.2	0.2	0.2	0.4	0.3	0.3	0.3	0.3	1.2	0.4	...
<b>South Asia</b>														
Bangladesh	0.5	0.9	...	0.8	0.1	0.3	0.3	0.7	0.4	0.3	0.3	0.3	0.3	0.2
Bhutan	...	...	...	...	...	...	...	...	1.6	1.8	1.6	2.0	1.5	...
India	...	...	...	...	...	1.4	1.3	1.1	1.5	1.5	1.5	1.4	...	...
Maldives	...	2.0	1.7	2.6	4.2	3.5	3.0	3.7	5.9	5.0	4.0	11.6	13.5	19.4
Nepal	1.0	1.5	1.7	1.6	1.7	1.5	1.6	1.6	1.3	1.5	1.4	1.3	1.3	1.8
Sri Lanka	0.3	0.6	0.5	0.5	0.5	0.6	0.5	0.7	0.7	0.6	0.8	0.9	1.0	0.8
<b>Southeast Asia</b>														
Brunei Darussalam <sup>b</sup>	1.7	2.2	2.2	2.2	2.6	2.4	2.1	1.9	1.0	1.2	0.6	0.7	...	...
Cambodia	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Indonesia	1.3	1.8	3.6	3.5	3.0	3.5	3.0	0.4	0.5	0.2	...	...	...	...
Lao PDR	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Malaysia	0.1	0.2	0.3	0.3	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.3	0.3	0.2
Myanmar	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Philippines	0.1	0.2	0.2	0.1	0.1	0.1	0.2	0.1	0.0	0.1	0.0	0.1	0.1	...
Singapore	1.3	1.3	1.6	1.5	2.4	2.5	2.0	2.3	2.0	2.7	2.2	1.9	1.7	...
Thailand	...	0.9	1.2	1.4	1.1	1.0	0.9	0.8	1.0	0.5	0.4	...	...	...
Viet Nam	...	...	...	...	...	...	...	...	...	...	...	...	...	...
<b>The Pacific</b>														
Cook Islands	...	6.5	7.3	6.2	4.6	4.4	3.7	3.5	3.3	3.1	3.1	3.5	3.4	3.4
Fiji Islands	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.5	0.5	...
Kiribati	5.7	8.0	4.8	4.9	4.4	1.8	1.9	2.2	2.4	1.9	1.9	2.9	3.1	...
Marshall Islands	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Micronesia, Fed. States of	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Nauru	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Palau	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Papua New Guinea	0.4	0.7	0.5	1.1	1.0	0.9	0.8	0.4	0.3	...	...	...	...	...
Samoa	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Solomon Islands	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Timor-Leste	...	...	...	...	...	...	...	...	0.7	0.8	...	...	...	...
Tonga	...	...	...	...	...	...	...	...	...	1.2	1.8	2.5	...	...
Tuvalu	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Vanuatu	0.5	1.4	0.7	0.9	0.3	0.3	0.3	0.4	0.3	0.3	0.1	0.2	0.2	...
<b>Developed Member Countries</b>														
Australia	...	...	...	...	...	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.3	0.3
Japan	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.3	...
New Zealand	...	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.3	0.2	...	...	...

a Data refer to central government, except for People's Republic of China, Georgia, Japan, Kyrgyz Republic, Pakistan, and Tajikistan, where data refer to consolidated government or general government.

b Brunei Darussalam is not a developing member country but an unclassified regional member country of ADB.

Source: Country sources.

## Governance

Table 6.8 **Doing business start-up indicators**

	Cost of Business Start-Up Procedure (percent of GNI per capita)					Time Required to Start Up Business (days)				
	2003	2004	2005	2006	2007	2003	2004	2005	2006	2007
<b>Developing Member Countries</b>										
<b>Central and West Asia</b>										
Afghanistan	...	...	75.2	67.4	84.6	...	...	9	9	9
Armenia	8.4	7.0	6.1	5.1	4.8	19	19	19	18	18
Azerbaijan	16.8	14.4	12.3	9.3	6.9	106	122	114	52	30
Georgia	22.9	13.7	13.7	10.9	9.5	25	25	21	16	11
Kazakhstan	11.1	10.5	8.6	7.0	7.6	26	26	25	21	21
Kyrgyz Republic	10.9	11.6	10.4	9.8	8.8	21	21	21	21	21
Pakistan	40.0	29.3	23.9	21.3	14.0	24	24	24	24	24
Tajikistan	...	...	...	75.1	39.6	...	...	...	67	49
Turkmenistan	...	...	...	...	...	...	...	...	...	...
Uzbekistan	17.2	15.4	14.1	14.1	14.2	29	29	29	29	15
<b>East Asia</b>										
China, People's Rep. of	17.8	15.9	13.6	9.3	8.4	48	48	48	35	35
Hong Kong, China	2.4	3.4	3.4	3.3	3.1	11	11	11	11	11
Korea, Rep. of	17.8	17.7	17.7	17.7	16.9	17	17	17	17	17
Mongolia	11.9	8.1	6.2	5.1	4.3	31	20	20	20	20
Taipei, China	6.3	6.3	5.0	4.6	4.1	48	48	48	48	48
<b>South Asia</b>										
Bangladesh	63.9	62.9	56.1	52.1	46.2	50	50	50	50	74
Bhutan	...	20.7	19.9	16.6	10.4	...	62	62	62	48
India	53.4	49.5	62.0	78.4	74.6	89	89	71	35	33
Maldives	...	12.3	11.5	14.0	13.4	...	9	9	9	9
Nepal	78.0	74.1	69.9	78.5	73.9	31	31	31	31	31
Sri Lanka	12.3	10.7	10.4	9.2	8.5	58	50	50	50	39
<b>Southeast Asia</b>										
Brunei Darussalam <sup>a</sup>	...	...	...	...	9.0	...	...	...	...	116
Cambodia	534.8	480.1	276.1	236.4	190.3	94	94	86	86	86
Indonesia	136.7	130.7	101.7	86.7	80.0	168	151	151	97	105
Lao PDR	20.7	18.5	15.1	17.3	16.5	198	198	198	163	103
Malaysia	25.9	25.1	20.9	19.7	18.1	30	30	30	30	24
Myanmar	...	...	...	...	...	...	...	...	...	...
Philippines	24.5	20.4	21.1	19.4	32.6	60	60	58	58	52
Singapore	1.0	1.0	0.9	0.8	0.8	8	8	6	6	5
Thailand	6.6	6.7	6.1	5.8	5.6	33	33	33	33	33
Viet Nam	31.9	30.6	27.6	24.3	20.0	63	56	50	50	50
<b>The Pacific</b>										
Cook Islands	...	...	...	...	...	...	...	...	...	...
Fiji Islands	...	28.9	28.4	25.8	25.3	...	45	46	46	46
Kiribati	...	64.1	71.0	50.0	56.6	...	21	21	21	21
Marshall Islands	...	21.3	22.4	18.1	17.7	...	17	17	17	17
Micronesia, Fed. States of	...	134.1	133.6	135.9	137.0	...	16	16	16	16
Nauru	...	...	...	...	...	...	...	...	...	...
Palau	...	4.9	4.7	4.9	4.7	...	24	24	28	28
Papua New Guinea	31.4	30.7	30.2	28.2	26.4	56	56	56	56	56
Samoa	...	48.7	46.4	45.5	41.3	...	42	35	35	35
Solomon Islands	...	79.8	80.6	68.9	58.9	...	57	57	57	57
Timor-Leste	...	...	125.4	83.3	11.9	...	...	92	92	82
Tonga	...	13.6	11.7	10.3	10.8	...	32	32	32	32
Tuvalu	...	...	...	...	...	...	...	...	...	...
Vanuatu	...	64.3	65.6	61.3	54.9	...	39	39	39	39
<b>Developed Member Countries</b>										
Australia	2.0	2.1	1.9	1.8	0.8	2	2	2	2	2
Japan	10.7	10.6	10.7	7.5	7.5	31	31	31	23	23
New Zealand	0.2	0.2	0.2	0.2	0.1	12	12	12	12	12

a Brunei Darussalam is not a developing member country but an unclassified regional member country of ADB.

Source: Doing Business Online (World Bank 2008).

Table 6.9 **Corruption perceptions index**<sup>a</sup>

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Rank in 2007 <sup>b</sup>
<b>Developing Member Countries</b>											
<b>Central and West Asia</b>											
Afghanistan	...	...	...	...	...	...	...	2.5	...	1.8	172
Armenia	...	2.5	2.5	...	...	3.0	3.1	2.9	2.9	3.0	99
Azerbaijan	...	1.7	1.5	2.0	2.0	1.8	1.9	2.2	2.4	2.1	150
Georgia	...	2.3	...	...	2.4	1.8	2.0	2.3	2.8	3.4	79
Kazakhstan	...	2.3	3.0	2.7	2.3	2.4	2.2	2.6	2.6	2.1	150
Kyrgyz Republic	...	2.2	...	...	...	2.1	2.2	2.3	2.2	2.1	150
Pakistan	2.7	2.2	...	2.3	2.6	2.5	2.1	2.1	2.2	2.4	138
Tajikistan	...	...	...	...	...	1.8	2.0	2.1	2.2	2.1	150
Turkmenistan	...	...	...	...	...	...	2.0	1.8	2.2	2.0	162
Uzbekistan	...	1.8	2.4	2.7	2.9	2.4	2.3	2.2	2.1	1.7	175
<b>East Asia</b>											
China, People's Rep. of	3.5	3.4	3.1	3.5	3.5	3.4	3.4	3.2	3.3	3.5	72
Hong Kong, China	7.8	7.7	7.7	7.9	8.2	8.0	8.0	8.3	8.3	8.3	14
Korea, Rep. of	4.2	3.8	4.0	4.2	4.5	4.3	4.5	5.0	5.1	5.1	43
Mongolia	...	4.3	...	...	...	...	3.0	3.0	2.8	3.0	99
Taipei, China	5.3	5.6	5.5	5.9	5.6	5.7	5.6	5.9	5.9	5.7	34
<b>South Asia</b>											
Bangladesh	...	...	...	0.4	1.2	1.3	1.5	1.7	2.0	2.0	162
Bhutan	...	...	...	...	...	...	...	...	6.0	5.0	46
India	2.9	2.9	2.8	2.7	2.7	2.8	2.8	2.9	3.3	3.5	72
Maldives	...	...	...	...	...	...	...	...	...	3.3	84
Nepal	...	...	...	...	...	3.4	2.8	2.5	2.5	2.5	131
Sri Lanka	...	...	...	...	3.7	3.4	3.5	3.2	3.1	3.2	94
<b>Southeast Asia</b>											
Brunei Darussalam <sup>c</sup>	...	...	...	...	...	...	...	...	...	...	...
Cambodia	...	...	...	...	...	...	...	2.3	2.1	2.0	162
Indonesia	2.0	1.7	1.7	1.9	1.9	1.9	2.0	2.2	2.4	2.3	143
Lao PDR	...	...	...	...	...	...	...	3.3	2.6	1.9	168
Malaysia	5.3	5.1	4.8	5.0	4.9	5.2	5.0	5.1	5.0	5.1	43
Myanmar	...	...	...	...	...	1.6	1.7	1.8	1.9	1.4	179
Philippines	3.3	3.6	2.8	2.9	2.6	2.5	2.6	2.5	2.5	2.5	131
Singapore	9.1	9.1	9.1	9.2	9.3	9.4	9.3	9.4	9.4	9.3	4
Thailand	3.0	3.2	3.2	3.2	3.2	3.3	3.6	3.8	3.6	3.3	84
Viet Nam	2.5	2.6	2.5	2.6	2.4	2.4	2.6	2.6	2.6	2.6	123
<b>The Pacific</b>											
Cook Islands	...	...	...	...	...	...	...	...	...	...	...
Fiji Islands	...	...	...	...	...	...	...	4.0	...	...	...
Kiribati	...	...	...	...	...	...	...	...	...	3.3	84
Marshall Islands	...	...	...	...	...	...	...	...	...	...	...
Micronesia, Fed. States of	...	...	...	...	...	...	...	...	...	...	...
Nauru	...	...	...	...	...	...	...	...	...	...	...
Palau	...	...	...	...	...	...	...	...	...	...	...
Papua New Guinea	...	...	...	...	...	2.1	2.6	2.3	2.4	2.0	162
Samoa	...	...	...	...	...	...	...	...	...	4.5	57
Solomon Islands	...	...	...	...	...	...	...	...	...	2.8	111
Timor-Leste	...	...	...	...	...	...	...	...	2.6	2.6	123
Tonga	...	...	...	...	...	...	...	...	...	1.7	175
Tuvalu	...	...	...	...	...	...	...	...	...	...	...
Vanuatu	...	...	...	...	...	...	...	...	...	3.1	98
<b>Developed Member Countries</b>											
Australia	8.7	8.7	8.3	8.5	8.6	8.8	8.8	8.8	8.7	8.6	11
Japan	5.8	6.0	6.4	7.1	7.1	7.0	6.9	7.3	7.6	7.5	17
New Zealand	9.4	9.4	9.4	9.4	9.6	9.5	9.6	9.6	9.6	9.4	1

a Score relates to perceptions of the degree of corruption as seen by business people and country analysts, and ranges between 10 (highly clean) and 0 (highly corrupt).

b Based on 180 countries.

c Brunei Darussalam is not a developing member country but an unclassified regional member country of ADB.

Source: Transparency International (2008).