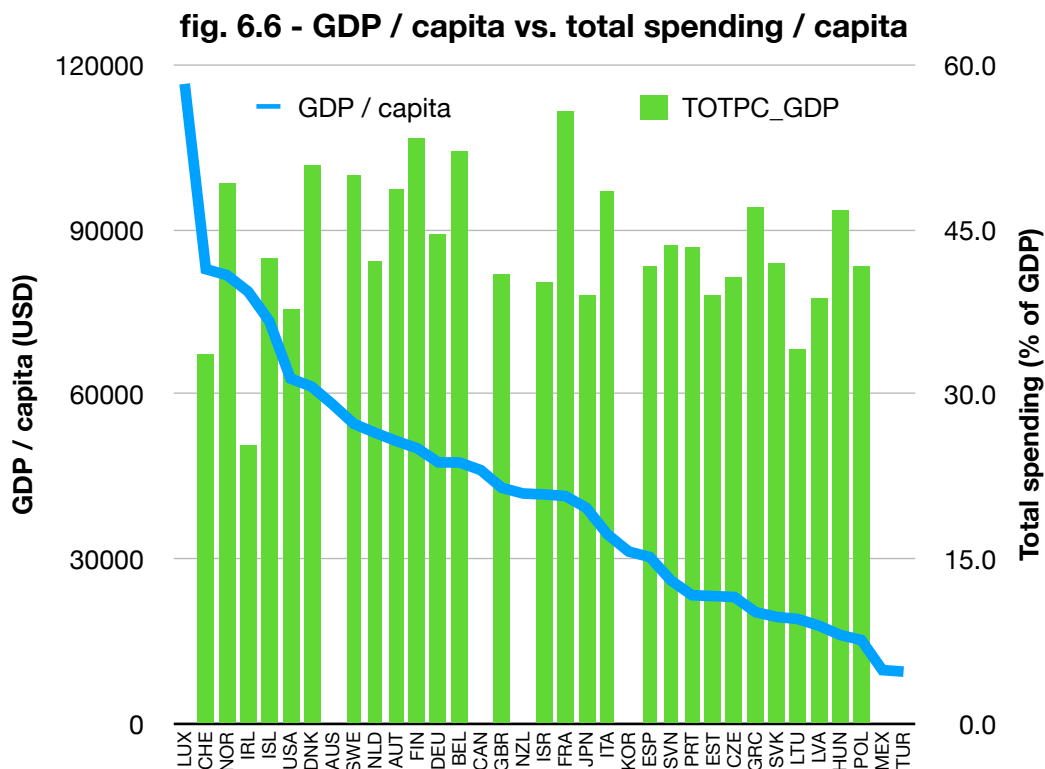
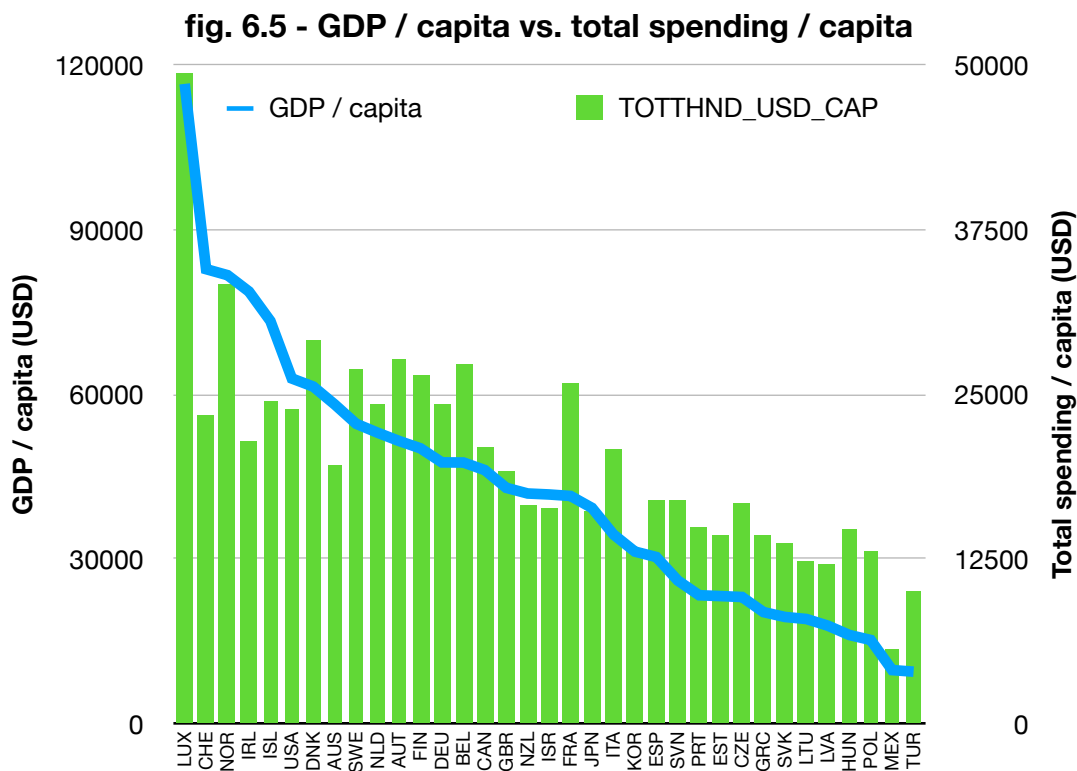


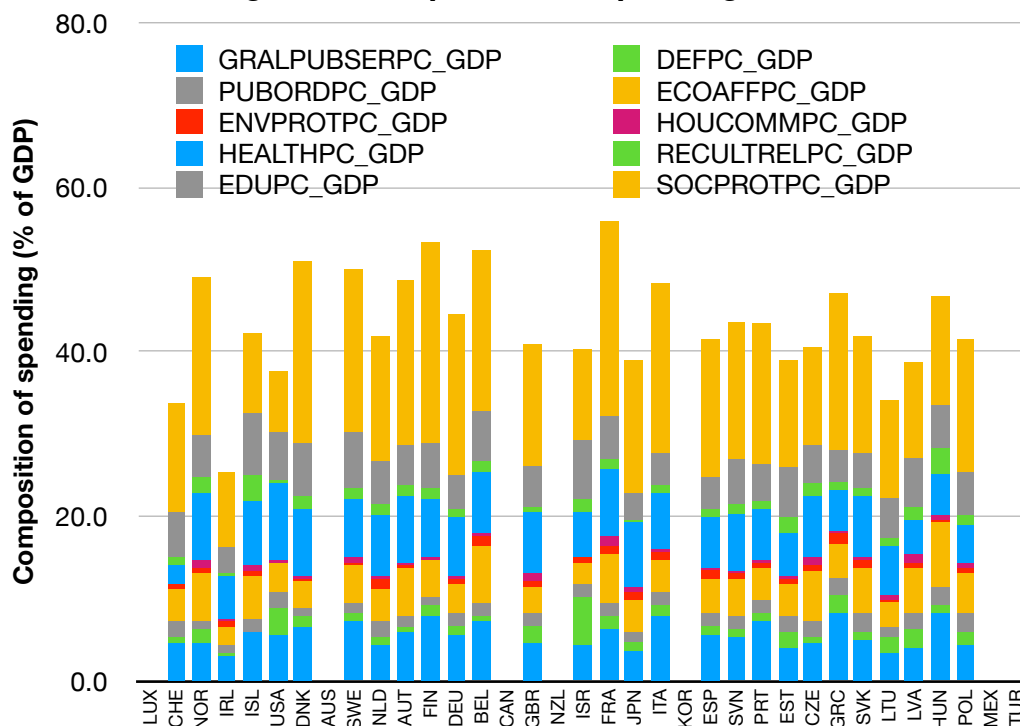
How governments revenue & spending influences GDP per capita?

General government spending - categories

We analyse for 2018 the relation between spending categories and GDP per capita in countries.



Data source: OECD data
 - <https://data.oecd.org>

fig. 6.7 - Composition of spending as % of GDP

Spending categories:

TOT: total

GRALPUBSER: general public services

DEF: defence

PUBORD: public order and safety

ECOAFF: economic affairs

ENVPROT: environmental protection

HOUCOMM: housing and community amenities

HEALTH: health

RECULTREL: recreation, culture and religion

EDU: education

SOCPROT: social protection

Logically, considering 2018 data, there is a very high correlation between budget spending of governments and GDP per capita (**0.88 - very high**). However, interestingly, there is only significant correlation with the spending type “public order and safety”, with negative correlation (**-0.62 - high**). There is low or very low correlation between GDP per capita and the rest of the spending types.

Data source: OECD data

- <https://data.oecd.org>