

Analysis of Government Spending

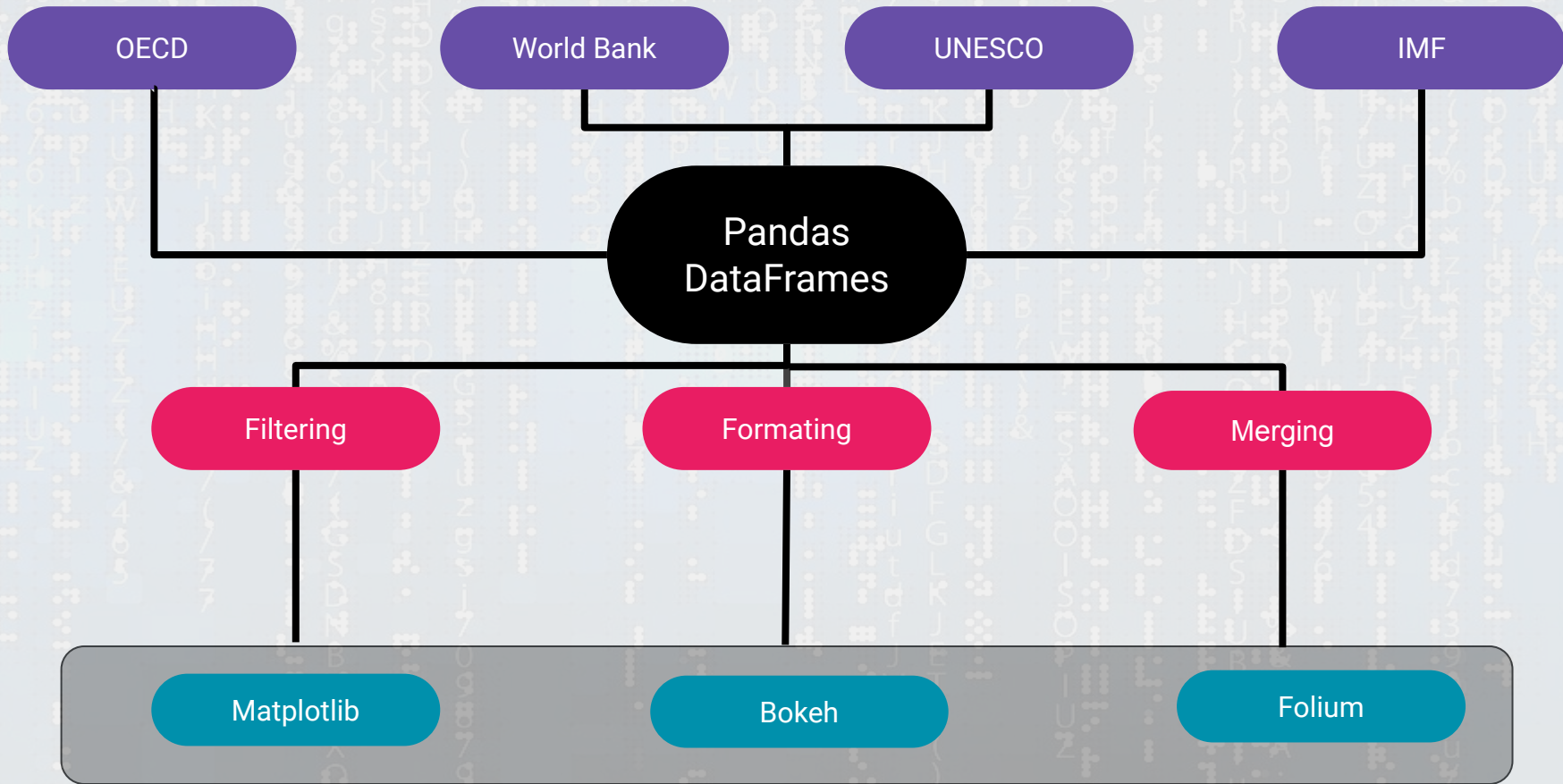
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Motivation and Objective

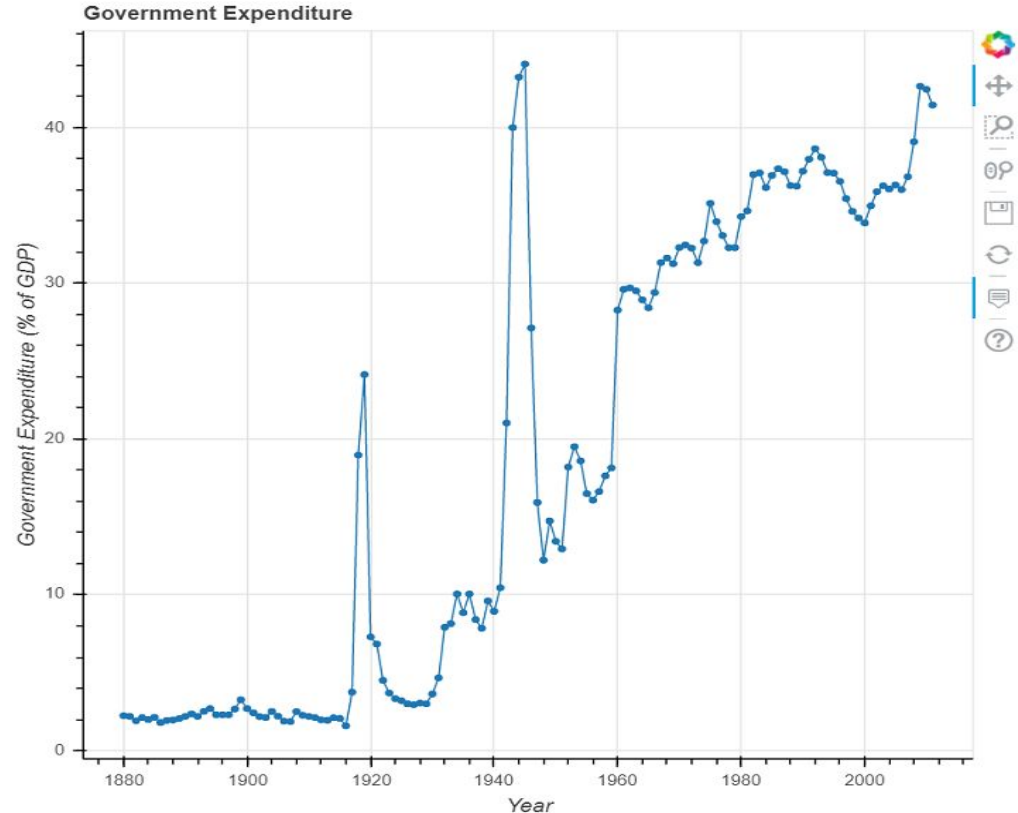
- Analyze historical trends in public spending
- Compare countries based on money spent per person
- Analyze priorities of various governments
- Find correlations between:
 - Health Expenditure and Life Expectancy
 - Social Expenditure and Poverty Rate
 - Education Expenditure and Literacy Rate
 - Gross Domestic Product per capita and Happiness index

Methodology



Trend in government expenditure over the years

- General upward trend
- Volatility during World Wars(1915-1945)
- Fast growth (1945-1980)



Comparison of Government Expenditure per capita (Year 2009)

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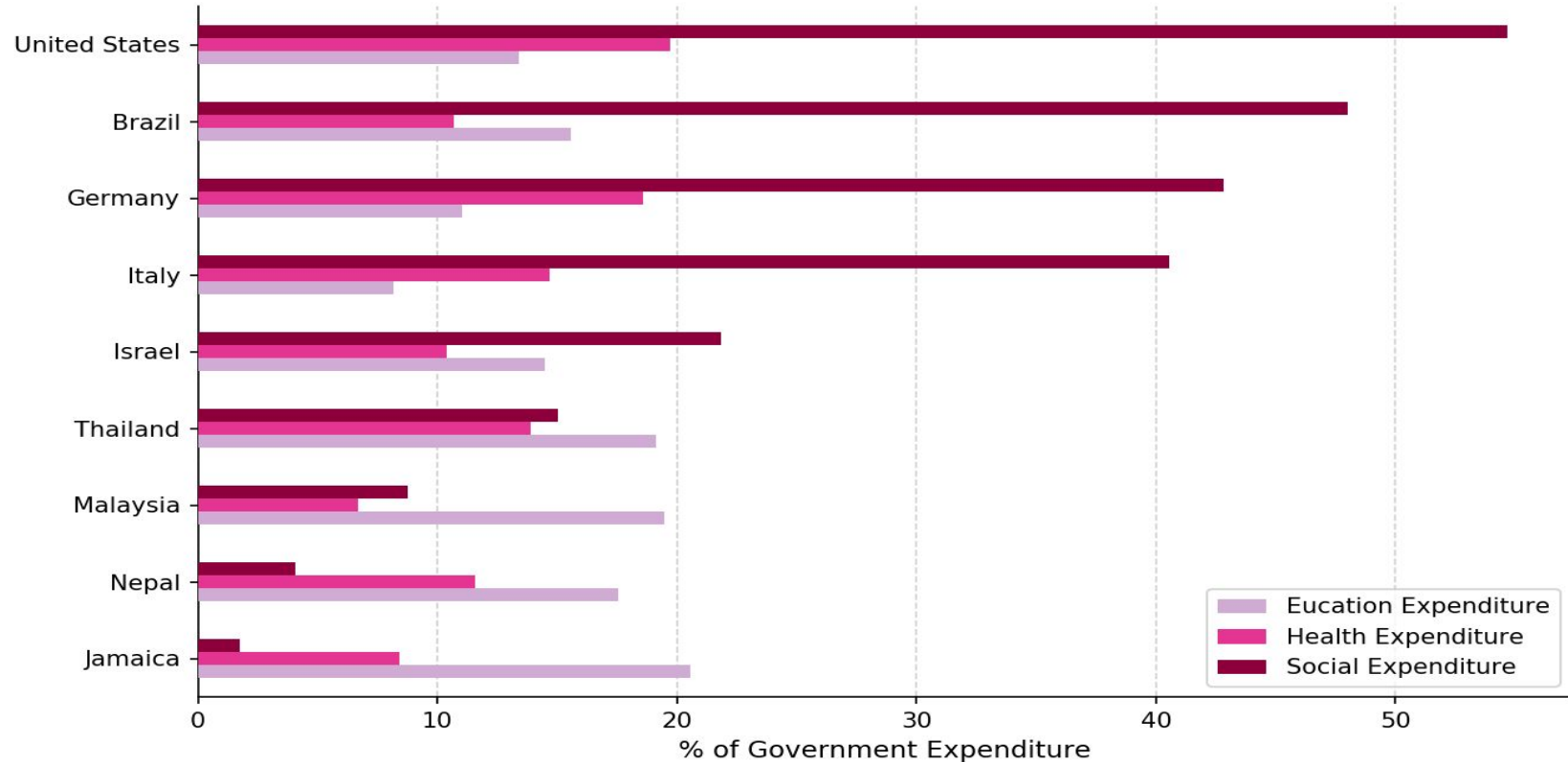
Government Expenditure per capita (US\$)



- European Countries spend maximum
- Asian Countries spend least

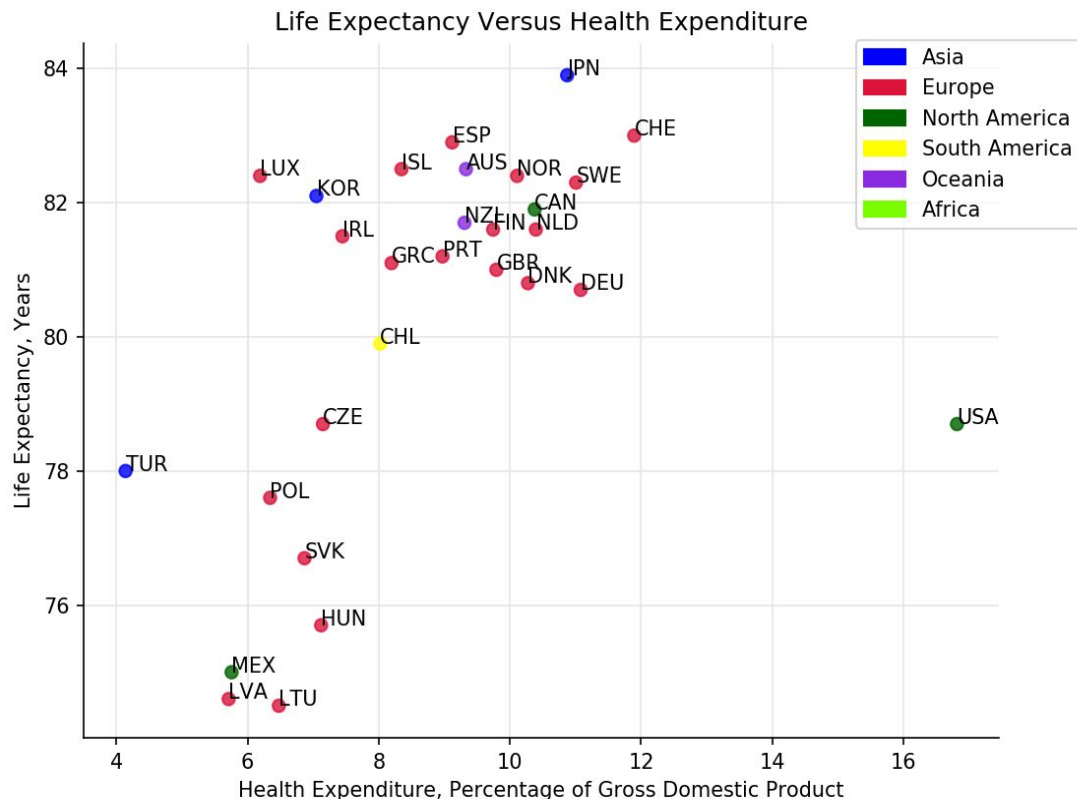
Comparison of Expenditure by Sector

Expenditure by sector

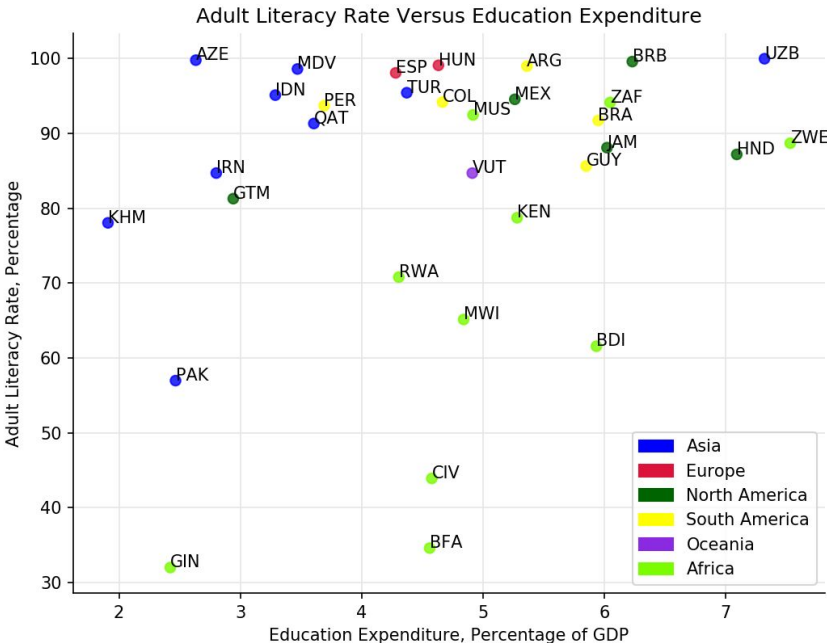
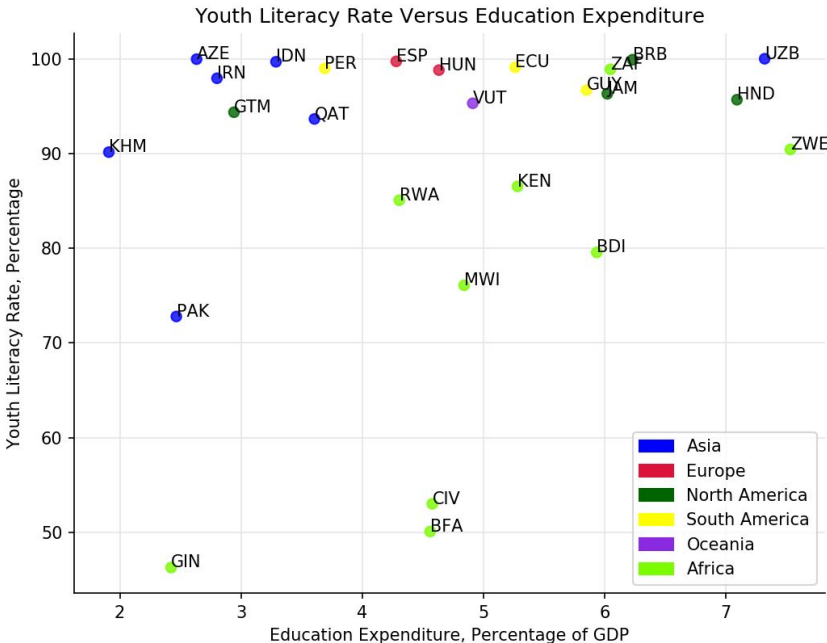


Life Expectancy versus Health Expenditure (Year 2015)

- Overall, positive correlation
- Outliers: Turkey and USA
- Many different European countries that all somewhat follow the trend
- Positive correlation for European countries

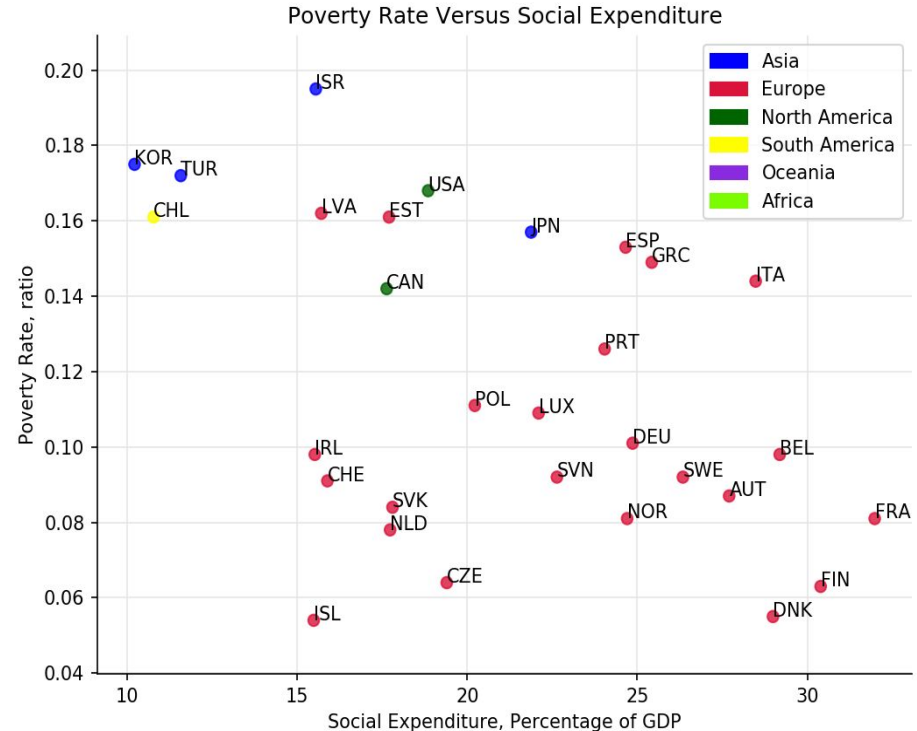


Literacy Rate versus Education Expenditure (Year 2014)



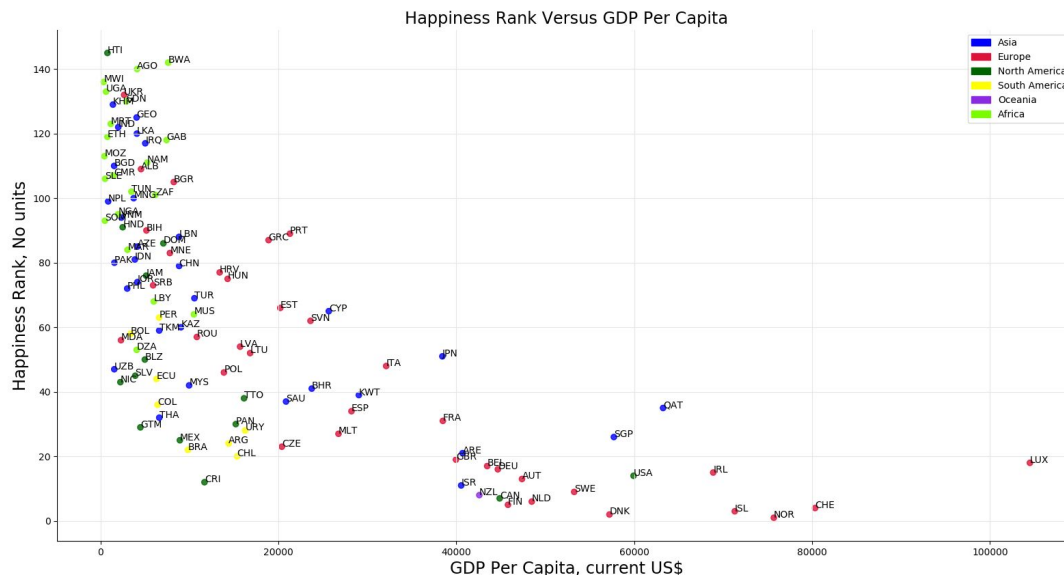
Poverty Rate versus Social Expenditure (Year 2015)

- Weak negative correlation
- European countries spend more and have lower poverty rate



Standard of Living versus Happiness Rank (Year 2015)

- Decaying exponential
- Higher GDP per capita --> better rank (lower number for rank)
- Quite a few countries have high happiness rank relative to standard of living



Conclusions

- European Countries spend more per person
- Governments' priorities vary
- Life Expectancy versus Health Expenditure : USA is an outlier
- Literacy Rate versus Education expenditure: no correlation
- Poverty versus Social Expenditure : weak negative correlation
- Standard of Living versus Happiness Rank : weak correlation

References

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