

## EXPENDITURES FOR HIGHER EDUCATION AS A PERCENT OF GDP

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### *Key Findings: Canada, France, Germany, Italy, Japan, United Kingdom, United States*

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In 1998, public expenditures of 1.1 percent of Gross Domestic Product (GDP) on higher education in the United States were second-highest among the countries presented; only Canada spent a greater percentage of its GDP on higher education (figure 28a).

In 1994 and 1998, the percent of GDP spent on higher education in the United States was higher than spending relative to GDP in France and Germany. However, the difference between the United States and both of these countries narrowed over the period (figure 28a).

In 1994 and 1998, public expenditures as a percent of GDP was higher in the United States than in Japan, where public spending was 0.4 percent of GDP in both years. Public spending on higher education as a percent of GDP was also higher in the United States than in Italy and the United Kingdom in both years (figure 28a).

With the addition of private expenditures for higher education, the United States replaced Canada as the country with the highest expenditures as a percent of GDP in 1998—2.3 percent in the United States and 1.9 percent in Canada (figure 28b).

Private expenditures added about 1.2 percent to higher education expenditures as a percent of GDP in the United States in 1998, more than doubling U.S. spending on higher education as a percent of GDP and representing the largest addition to spending as a percent of GDP of all countries presented. However, private expenditures were also a major component of expenditures on higher education in Canada (0.4 percent) and Japan (0.6 percent). With the addition of private expenditures, spending as a percent of GDP increased by 150 percent in Japan and by 27 percent in Canada (figure 28b).

In 1994 and 1998, public and private expenditures on higher education as a percent of GDP were higher in the United States than in all other countries presented except Canada. In both years, the United States spent more than twice as much on higher education as a percent of GDP than France, Germany, Italy, Japan, and the United Kingdom (figure 28b).

### *Definition and Methodology*

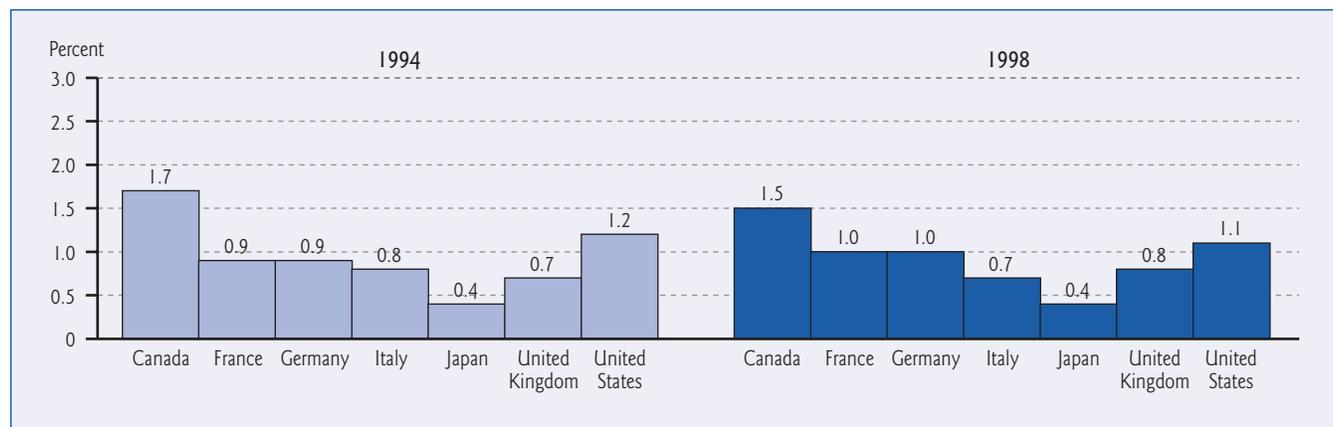
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Public and private expenditures as a percent of GDP are calculated as public and private expenditures in public and private institutions divided by GDP. Public expenditures include direct expenditures on institutions and subsidies to households attributable to institutions. Private expenditures include direct private expenditures net of public subsidies attributable to institutions.

Prior to 1997, there was no category called "post-secondary non-tertiary" education in the international classification. For 1994, expenditures for this type of education was included in expendi-

tures for secondary education in all other countries presented here except the United States. With the establishment of "post-secondary non-tertiary" education as a separate category in 1997, other countries continued to include expenditures for this category in expenditures for secondary education in data for 1998. Expenditures figures for the United States include expenditures for post-secondary non-tertiary education in expenditures for higher education for 1994 and 1998.

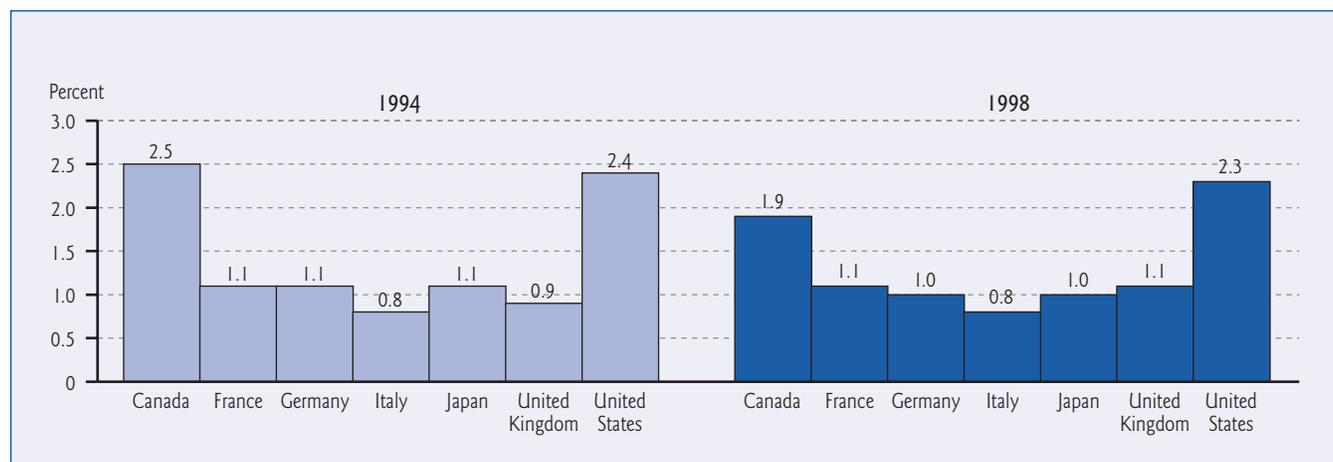
**Figure 28a. Public expenditure for higher education as a percent of Gross Domestic Product (GDP), by country: 1994 and 1998**



NOTE: The United Kingdom includes England, Northern Ireland, Scotland, and Wales. Gross Domestic Product (GDP) is the producers' value of the gross outputs of resident producers, including distributive trades and transport, less the value of the purchasers' intermediate consumption plus import duties. GDP is expressed in local money (in millions). Prior to 1997, there was no category called "post-secondary non-tertiary" education in the international classification. For 1994, expenditures for this type of education were included in expenditures for secondary education in all other countries presented here except the United States. With the establishment of "post-secondary non-tertiary" education as a separate category in 1997, other countries continued to include expenditures for this category in expenditures for secondary education in data for 1998. Expenditures figures for the United States include expenditures for post-secondary non-tertiary education in expenditures for higher education for 1994 and 1998.

SOURCE: Organization for Economic Cooperation and Development, Education at a Glance, 2001, Table B2.1 b; Education at a Glance, 1996 Table F.1.1 c.

**Figure 28b. Public and private expenditure for higher education as a percent of Gross Domestic Product (GDP), by country: 1994 and 1998**



NOTE: The United Kingdom includes England, Northern Ireland, Scotland, and Wales. Gross Domestic Product (GDP) is the producers' value of the gross outputs of resident producers, including distributive trades and transport, less the value of the purchasers' intermediate consumption plus import duties. GDP is expressed in local money (in millions). Prior to 1997, there was no category called "post-secondary non-tertiary" education in the international classification. For 1994, expenditures for this type of education were included in expenditures for secondary education in all other countries presented here except the United States. With the establishment of "post-secondary non-tertiary" education as a separate category in 1997, other countries continued to include expenditures for this category in expenditures for secondary education in data for 1998. Expenditures figures for the United States include expenditures for post-secondary non-tertiary education in expenditures for higher education for 1994 and 1998.

SOURCE: Organization for Economic Cooperation and Development, Education at a Glance, 2001, Table B2.1 b; Education at a Glance, 1996 Table F.1.1 c.

## Expenditures for Higher Education as a Percent of GDP – Data Tables

Table A-28a. Public expenditures for higher education as a percent of Gross Domestic Product (GDP), by country: 1994 and 1998

Country	Year	
	1994	1998
Canada	1.7	1.5
France	0.9	1.0
Germany	0.9	1.0
Italy	0.8	0.7
Japan	0.4	0.4
United Kingdom	0.7	0.8
United States	1.2	1.1

NOTE: The United Kingdom includes England, Northern Ireland, Scotland, and Wales. Gross Domestic Product (GDP) is the producers' value of the gross outputs of resident producers, including distributive trades and transport, less the value of the purchasers' intermediate consumption plus import duties. GDP is expressed in local money (in millions). Prior to 1997, there was no category called "post-secondary non-tertiary" education in the international classification. For 1994, expenditures for this type of education were included in expenditure for secondary education in all other countries presented here except the United States. With the establishment of "post-secondary non-tertiary" education as a separate category in 1997, other countries continued to include expenditure for this category in expenditure for secondary education in data for 1998. Expenditure figures for the United States include expenditures for post-secondary non-tertiary education in expenditures for higher education for 1994 and 1998.

SOURCE: Organization for Economic Cooperation and Development, *Education at a Glance*, 2001, Table B 2.1.b; Organization for Economic Cooperation and Development, *Education at a Glance*, 1996, Table F1.1c.

Table A-28b. Public and private expenditures for higher education as a percent of Gross Domestic Product (GDP), by country: 1994 and 1998

Country	Year	
	1994	1998
Canada	2.5	1.9
France	1.1	1.1
Germany	1.1	1.0
Italy	0.8	0.8
Japan	1.1	1.0
United Kingdom	0.9	1.1
United States	2.4	2.3

NOTE: The United Kingdom includes England, Northern Ireland, Scotland, and Wales. Gross Domestic Product (GDP) is the producers' value of the gross outputs of resident producers, including distributive trades and transport, less the value of the purchasers' intermediate consumption plus import duties. GDP is expressed in local money (in millions). Prior to 1997, there was no category called "post-secondary non-tertiary" education in the international classification. For 1994, expenditures for this type of education were included in expenditures for secondary education in all other countries presented here except the United States. With the establishment of "post-secondary non-tertiary" education as a separate category in 1997, other countries continued to include expenditures for this category in expenditures for secondary education in data for 1998. Expenditures figures for the United States include expenditures for post-secondary non-tertiary education in expenditures for higher education for 1994 and 1998.

SOURCE: Organization for Economic Cooperation and Development, *Education at a Glance*, 2001, Table B 2.1.b; Organization for Economic Cooperation and Development, *Education at a Glance*, 1996, Table F1.1c.