The Government Revenue Dataset (GRD)

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Overview

• The Government Revenue Dataset
  – Why important
  – Difficulties in using revenue data to make X-country comparisons of tax performance
  – Improvements over other sources

• Data trends and highlights: GRD 2018

• Research findings
  – Fiscal Policy, State Building and Economic Development

• Next Steps
Taxation and Development: Cross-Country Data

- 2 motivating concerns
- Data Quality
  - Poor existing revenue data.
  - Risk of misleading research & policy advice
- Domestic Resource Mobilization
  - Embedded in SDG efforts, etc.
Government Revenue Dataset (GRD)

• Cross-Country dataset of gov’t revenues & tax subcomponents
• Partnership with ICTD
• GRD project began 2010; launched 2014; Updated Sept. 2018
• Why? Concerns over existing data
  – Very poor developing country coverage
  – Inconsistencies across sources and across countries
  – Differences arising from underlying GDP figures
  – Questions over accuracy / perceived shortcomings of IMF’s Government Finance Statistics
Government Revenue Dataset (GRD)

- GRD takes data from
  - IMF *Government Finance Statistics*
  - OECD *Revenue Statistics*
    - *Latin America, Asia, Africa*
  - CEPALSTAT / ECLAC
  - Individual Country Sources
  - IMF Article IV Consultations

- Takes all figures in LCU, then expresses as % of a ‘Common’ GDP figure
Government Revenue Dataset (GRD)

• Improved country coverage
  – > 195 countries
  – 1980-2016

• Presents revenues *inclusive* and *exclusive* of
  – Natural Resource Revenues
  – Social Contributions

• User guidance and notes

• Available [www.wider.unu.edu](http://www.wider.unu.edu)
Government Revenue Dataset (GRD)

• An example of “bad” data
  – Importance of guidance, interpretation, notes when using revenue data.
  – An (extreme, but not isolated) example…
  – Algeria’s taxes.
Recent Trends: First insights from 2018 GRD

• Continual improvements in tax ratio in developing countries & regions.
  – Encouraging
  – Masks outliers: Somalia, Senegal.

• Changes in tax structure over time
  – Reliance on trade: quickly declining in developing countries

• Struggles for resource-dependent economies
GRD 2018

- Thorough revisions
  - Occasional removal: *More ≠ better*
- New VAT data
- Available [www.wider.unu.edu](http://www.wider.unu.edu)

<table>
<thead>
<tr>
<th>GRD 2018</th>
<th></th>
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<tbody>
<tr>
<td>Total Revenue</td>
<td>77.95%</td>
</tr>
<tr>
<td>Total Tax</td>
<td>80.91%</td>
</tr>
<tr>
<td>Income Tax</td>
<td>68.84%</td>
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<tr>
<td>Domestic GST</td>
<td>68.62%</td>
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<tr>
<td>Trade Tax</td>
<td>69.79%</td>
</tr>
<tr>
<td>Other Tax</td>
<td>65.39%</td>
</tr>
<tr>
<td>Property</td>
<td>58.85%</td>
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</tbody>
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*(% of total available obsv. 1980-2016)*
GRD: Research

Volume 30, Issue 2
Fiscal Policy, State Building and Economic Development

Pages: 159-364
March 2018

Collection of 9 open-access articles utilising the GRD
GRD: Research

- Global distribution of Revenue Loss from Corporate Tax Avoidance (*Cobham & Jansky*)
- When do Developing Countries Compete Away their Corporate Tax Base? (*Hearson*)
- Taxation and Inequality in Developing Countries (*Martorano*)
- Party System Institutionalisation and Reliance on Personal Income Taxation in Developing Countries (*von Schiller*)
- Political Competition and Tax Revenues in Developing Countries (*Yogo & Ngo Njib*)
- Does the Political Resource Curse Affect Public Finance? (*von Haldenwang & Ivanya*)
- Tax Revenue Mobilization in Conflict-Affected Countries (*van den Boogard et al.*)
- Tax Structures, Economic Growth: New Evidence from the GRD (*McNabb*)
GRD: Research

- GRD has also been used in a large # of publications since launch
  - Journals
  - Working Papers
  - Reports (e.g. UN)
  - NGOs & IO’s (Our World in Data, Mo Ibrahim Foundation, etc.)
  - Media: NYTimes, Economist
Next steps: Data visualisation

- Data currently in Excel and Stata format
- So what? Nothing new.
- But none very user friendly
Next steps: Data visualisation

• GRD Explorer

• Software designed around the GRD.
  – Help users get the most out of the data
  – Designed as a hub for tax data and info.
  – Guidance, notes, etc.
  – Desktop, tablet, mobile functionality.
  – Mockups:
Next steps: Data visualisation

- Built with UX in mind, idea is to engage users, especially those outside of research (policy, I.O.’s).
  - GRD already widely used in research community but hope that the tool stimulates discussion around taxation and use of the data in wider circles.

- Visualizations can be easily exported to include in reports, articles, blogs, twitter, wherever.

- Feedback welcome... see PC in Network Cafe.
Concluding Remarks

• Data quality remains an issue
  – “Better than bad” (Moore, 2015)
  – The GRD is a ‘sticking plaster’ on the issue. International commitment required to ensure continual improvements in availability and quality of tax data going forward.

• Balance – caution whilst still encouraging use of the data.

• But, at least for the foreseeable future, there is a real need for this kind of dataset and the commitment of UNU-WIDER to fund its existence.
Thank you!