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Comparing International Food Expenditures

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The share of total spending devoted to food varies around the world, reaching more than 60 percent in some nations. But U.S. consumers spent the least, with food accounting for just 11 percent of total personal consumption expenditures in 1984 (the most recent year for which global data are available). That was also the smallest share ever spent by any country for food.

Canada was second at 13.4 percent of expenditures for food (*table 1*). The United Kingdom, the Netherlands, and Australia ranked close behind. In contrast, residents of Niger spent an average of 61.6 percent. Consumers in Sierra Leone spent 53 percent.

Food Spending Around the World

In Western European countries, an average of 21 percent of total personal expenditures went for food. The range extended from 14.5 percent in the United Kingdom to almost 37 percent in Greece. The Soviet Union had the smallest share among Eastern European countries—25.6 percent versus an average of 30 percent for the region. Poland devoted almost 37 percent of spending to food, topping the list of Eastern European nations.

In Latin America, Bahamians spent the least, 22.3 percent, and Hondurans the most, 41.4 percent. The average for all Latin American countries was 35 percent.

The range of food spending was widest in the African and Middle Eastern regions. In Zimbabwe, consumers devoted just under

13 percent of expenditures to food, while in Niger the share was almost 62 percent. Zimbabweans were unique in that they spent more for beverages and tobacco (19.3 percent) than for food.

The Asian and Oceanian countries fall into two distinct groups. In the developed countries of Australia, Japan, and Hong Kong, food averaged less than 20 percent of expenditures. In contrast, the share in the developing Asian nations was 43 percent. Singapore had the lowest share of expenditures for food, 22.6 percent. In the Philippines, China, Papua, and India, food accounted for over half of consumers' spending.

Assessing Food Expenditures

Despite wide regional variations in food spending, the data generally support the theory that as personal income grows, the amount spent for food also increases, but at a slower rate. Therefore, food expenditures as a percent of income decline. Because a uniform, worldwide data base is unavailable for income, total personal consumption expenditures were used as a proxy (*see sidebar*).

Food expenditures are commonly used as a measure of a country's well-being and stage of development. In developed countries, for example, food takes a smaller share of income and total family expenses,

Understanding the Data

Food spending as a share of total disposable or after-tax income is a familiar and often-quoted statistic. However, that data base is small. Only about 25 countries supply total disposable income figures for the System of National Accounts reported by the United Nations (UN).

In contrast, 57 countries compare food expenditures with total personal consumption expenditures, or total spending. The expenditure data includes nondurable goods, such as food, durables, such as automobiles, and services, such as rent and entertainment.

Therefore, to provide the most consistent and broadest data base for comparison, we reported food spending as a share of total personal consumption expenditures. The data in this article come from the Organization for Economic Cooperation and Development and the United Nations. The UN information is based on its system of national accounts. This system includes a category for total food, beverage, and tobacco spending, as well as subcategories for food, nonalcoholic beverages, alcoholic beverages, and tobacco. Because some countries report only the total for food, beverages, and tobacco, the corresponding subtotals were estimated. The estimated data are indicated by brackets in the tables.

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leaving consumers more money for entertainment and other purchases, such as cars.

Most of the countries surveyed experienced steady declines in the percent of expenditures devoted to food between 1970 and 1984 (table 2). The biggest drop

occurred in the Sudan, where food's share went from 70 percent in 1970 to 36 percent in 1980. The Sudan and other nations have been trying hard to become self sufficient in food production and are finally reaping the benefits. Between 1970 and 1984, food as a share of total spending fell around 10 to 12

percentage points each in India, Hong Kong, and South Korea.

There are countries, however, where the standard of living is eroding, and food is taking a bigger chunk of expenditures. In Venezuela, for example, food accounted for 31 percent of expenditures in 1970. By

Table 1. United States Allocated Smallest Share of Spending for Food in 1984

Country	Food	Nonalcoholic beverages	Alcoholic beverages	Tobacco	Food, beverages and tobacco ¹	Expenditures	
						Personal consumption	Food, beverages, and tobacco
					<i>Percent</i>		
					<i>Dollars per person</i>		
Niger ⁵	61.6	0.8	1.0	2.3	65.7	NA	NA
Ghana ⁷	53.6	0.8	3.0	1.2	58.6	953	558
India	53.1	1.5	1.3	1.9	57.9	167	97
Sierra Leone ⁵	53.0	[1.8	3.8	1.9]	60.5	NA	NA
China	52.6	NA	5.4 ⁸	NA	58.0	NA	NA
Philippines	51.7	[0.7	1.7]	2.1	56.2	436	245
Sri Lanka	49.2	0.6	2.9	5.1	57.8	264	153
Kenya ⁵	41.4	1.0	4.1	2.6	49.3	132	65
Honduras ²	41.4	[1.1	2.1]	0.6	45.2	517	234
Venezuela	39.6	1.9	10.6	1.3	53.4	1,763	941
Thailand	38.7	2.2	4.8	2.7	48.5	547	265
Jordan ²	38.0	1.5	0	1.9	41.3	150	62
Greece	36.9	1.1	2.4	2.9	43.3	2,181	945
Poland ³	36.8	[2.0	11.4]	2.2	52.4	NA	NA
Jamaica ³	36.8	1.2	4.3	5.6	47.9	998	477
Korea	36.1	1.0	3.0	3.6	43.8	1,193	522
Sudan ⁵	35.8	0.1	0.9	1.5	38.3	NA	NA
Bolivia ⁶	35.5	1.6	4.4	1.3	42.6	572	244
El Salvador ⁷	35.2	1.3	3.1	1.5	41.2	477	196
Ecuador	34.5	1.6	3.1	1.6	40.8	911	372
Malaysia ⁷	33.8	0.8	2.0	3.8	40.4	644	260
Portugal ⁴	33.1	0.2	2.6	2.2	38.2	1,672	638
Mexico	[31.7	1.1	2.2	1.7]	36.7	1,340	491
Yugoslavia ²	31.2	[1.5	5.0]	2.3	40.0	NA	NA
Colombia ²	31.2	1.1	3.5	1.1	36.9	977	360
Spain ³	29.2	0.4	1.1	0.9	31.7	3,325	1,053
Malta	29.0	3.2	4.4	3.8	41.3	1,933	798

Cont.

Table 1. United States Allocated Smallest Share of Spending for Food in 1984, Cont.

Country	Food	Nonalcoholic beverages	Alcoholic beverages	Tobacco	Food, beverages and tobacco ¹	Expenditures	
						Personal consumption	Food, beverages, and tobacco
					<i>Percent</i>		
					<i>Dollars per person</i>		
Cyprus	28.6	1.7	2.2	2.2	34.7	2,119	735
Hungary ³	27.9	[1.5	12.0	2.5	43.9	NA	NA
South Africa	26.4	1.4	5.0	1.8	34.6	1,209	418
Iran ²	NA	NA	NA	NA	42.1	1,964	827
Fiji ²	25.8	1.6	3.5	2.3	33.3	1,082	360
USSR ⁵	25.6	[1.0	10.0	4.0]	40.6	NA	NA
Italy	25.6	0.3	1.8	2.2	29.9	3,776	1,128
Ireland ³	23.8	1.3	12.2	4.4	41.8	3,360	1,403
Israel	23.1	1.8	0.6	1.2	26.8	3,590	961
Singapore	22.6	1.3	2.9	3.1	29.8	3,222	961
Puerto Rico	22.6	NA	4.7	2.0	29.2	4,414	1,289
Bahamas ³	22.3	2.0	7.6	0.7	32.5	3,830	1,243
Switzerland	20.2	[1.2	4.1	2.1]	27.6	8,843	2,440
Finland	20.1	0.5	4.0	2.2	27.0	5,413	1,459
Norway	20.0	0.9	3.2	2.1	26.3	6,156	1,618
Japan	[19.9	0.6	1.3	1.2]	22.9	6,096	1,397
Belgium	19.1	1.1	3.1	1.8	25.2	5,146	1,296
Sweden	18.8	0.4	3.6	2.1	24.9	5,720	1,424
Hong Kong	[18.8	1.0]	1.1	1.1	22.0	3,580	789
Austria	18.5	0.6	2.4	2.5	24.1	4,851	1,170
France	17.9	0.5	2.0	1.2	21.5	5,695	1,224
West Germany	[17.6	0.7	3.3]	2.2	23.7	5,591	1,327
Denmark	17.2	0.6	3.8	3.3	24.9	5,709	1,420
Luxembourg	16.1	0.5	1.6	6.6	24.8	5,295	1,314
Australia	[15.5	0.3]	5.0	1.9	22.6	7,147	1,618
Netherlands	15.0	0.6	2.0	2.0	19.5	5,051	984
United Kingdom	14.5	0.6	2.0	3.0	20.0	4,466	892
Canada	[13.4	0.7]	3.3	2.3	19.6	7,493	1,472
Zimbabwe ²	12.7	8.3	[6.6	4.4]	32.0	512	164
United States	11.0	0.6	1.4	1.2	14.3	10,217	1,459

NA = Not available.

[] = Indicates that distribution within group was estimated.

¹May not add due to rounding. ²1983. ³1982. ⁴1981. ⁵1980. ⁶1979. ⁷1978. ⁸Includes tobacco.Sources: *Yearbook of National Accounts Statistics, 1985. Vol. II and III.* United Nations; *National Accounts, 1972-84. Vol II.* Organization for Economic Cooperation and Development; and various country yearbooks.

Table 2. Share of Spending for Food Declined in Most Countries

Country	1970	1984	Country	1970	1984
	<i>Percent</i>			<i>Percent</i>	
Australia	18.3	15.5	South Korea	47.4	36.1
Austria	26.1	18.5	Luxembourg	23.8	16.1
Belgium	24.1	19.1	Malaysia	37.7	33.8 ⁵
Canada	15.1	13.4	Malta	31.7	29.0
Colombia	33.4	31.2 ¹	Mexico	34.9	31.7
Cyprus	34.9 ⁷	28.6	Netherlands	22.0	15.0
Denmark	20.6	17.2	Norway	24.4	20.0
Ecuador	38.0	34.5	Philippines	51.9	51.7
El Salvador	36.4	35.2 ⁵	Poland	37.2	36.8 ²
Fiji	24.0	25.8 ¹	Portugal	41.7	33.1 ³
Finland	24.0	20.1	Puerto Rico	23.3	22.6
France	22.0	17.9	Singapore	27.7	22.6
Ghana	53.6	53.6 ⁵	South Africa	23.2	26.4
Greece	35.5	36.9	Spain	33.2	29.2 ²
Honduras	40.8	41.4	Sri Lanka	54.2	49.2
Hong Kong	31.2	18.8	Sudan	70.1	35.8 ⁴
Hungary	33.3	27.9 ²	Sweden	20.8	18.8
India	63.0	53.1	Switzerland	21.8	20.2
Ireland	27.2	23.8 ²	Thailand	46.4	38.7
Israel	23.6	23.1	United Kingdom	19.5	14.5
Italy	32.2	25.6	United States	14.3	11.0
Jamaica	46.5	36.8 ²	USSR	35.0 ⁶	25.6 ⁴
Japan	26.4	19.9	Venezuela	31.1	39.6
Jordan	50.0	38.0 ¹	West Germany	22.0	17.6
Kenya	41.3	41.4 ⁴	Zimbabwe	24.3	12.7 ¹

¹1983. ²1982. ³1981. ⁴1980. ⁵1978. ⁶1975. ⁷1972.

1984, the share had risen to almost 40 percent. Other countries showing a similar trend include South Africa, Fiji, Greece, Honduras, El Salvador, and Kenya.

Spending for Tobacco, Alcohol, and Eating Out

Expanding the analysis to include spending on alcohol and tobacco, reveals wide variations among countries. In 1984, the biggest tobacco expenditures were found in Luxembourg where tobacco reached 6 percent of all spending. Jamaicans spent 5.6 percent and Sri Lankans, 5.1 percent. Americans spent a relatively modest 1.2

percent of their total expenditures on tobacco.

The U.S. share of spending on alcohol was also relatively low—1.4 percent. In contrast, the Irish spent 12.2 percent of expenditures on alcohol, the largest share among the countries surveyed. Hungarians spent 12 percent, Poles 11.4 percent and the Soviets, 10 percent.

While U.S. food spending away-from-home has grown considerably (*see NFR-37*), dining out as a share of total expenditures only places the United States about midway in a list of 30 countries (*table 3*). Topping the list are Cyprus, the United Kingdom,

Table 3. Share of Spending for Food-Away-From-Home Varies Worldwide

Country	Percent
Cyprus	13.6
United Kingdom	12.0
Austria	11.0
Colombia ¹	9.8
Zimbabwe ¹	9.5
Jamaica ²	8.5
Singapore	8.4
Italy	8.4
France	7.1
Finland	6.7
Greece	6.3
Thailand	6.2
Canada	6.1
United States	6.0
Netherlands	5.0
Denmark	4.9
Belgium	4.5
Norway	4.2
Ecuador	4.1
Malaysia ⁵	4.1
Kenya ³	3.8
Puerto Rico	3.1
Sweden	3.0
South Korea	2.9
Togo ⁶	1.9
El Salvador ⁵	1.7
Bolivia ⁴	1.6
Ireland ²	1.4
Sri Lanka	1.3
India	1.3

¹1983. ²1982. ³1980. ⁴1979. ⁵1978. ⁶1972.

and Austria, where between 11 and nearly 14 percent of expenditures are spent in restaurants, cafes, and hotels. Healthy tourist and travel environments most likely account for the large share of spending away-from-home in these countries. In contrast, Indians and Sri Lankans spent the least away-from-home—about 1.3 percent of total expenditures in 1984. □