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RECENT TRENDS IN INTERNATIONAL TRADE

Note by the Secretariat

1. MAIN FEATURES IN 1977/78

The summary of world economic developments in 1977 indicates that little progress was achieved in overcoming the problems of inflation, slow growth and unemployment affecting the majority of economies. Inflation in the developed countries as a group stuck at 8 per cent, unchanged from 1976. Both their real GNP growth and the expansion of trade volumes declined sharply. Protectionist pressures - as well as measures actually taken - intensified further. The growth of money supplies accelerated in most countries in 1977; in the second half of the year foreign exchange markets again became more volatile. In the first half of 1978 the behaviour of production, trade and inflation was much the same as in 1977. Nor was there any reduction in the degree of exchange rate instability and uncertainty about future developments.

Production, demand and employment

World production[1] increased by some 4 per cent in 1977, following a recovery of 7 per cent in 1976. The deceleration stemmed mainly from the manufacturing sector which recorded an output increase of 5 per cent, as against 8 per cent in the preceding year. There was also a deceleration in the growth of the world's mining output, from 5 per cent in 1976 to 3 per cent in 1977. World agricultural production increased by 2 per cent for the second consecutive year.

[1] In this sub-section, production refers to the combined output of mining, manufacturing and agriculture, that is, it excludes services and construction.

From the viewpoint of geographical distribution, most of the deceleration in growth is attributable to the fact that industrial countries increased their aggregate production by only 3½ per cent as against a 7½ per cent expansion in 1976. Here, too, the slowdown was largely concentrated on the manufacturing sector where output growth was reduced from 9 per cent in 1976 to 4 per cent in 1977 (the average annual expansion in the decade up to 1973 was 6 per cent). The agricultural output of industrial countries increased by 3 per cent (as against 1.8 per cent both in 1976 and on annual average in 1963-73).

In the oil-importing developing countries, the growth of aggregate production decelerated from 6 to 4½ per cent in 1977, the growth of agricultural output declining from nearly 3 to 2 per cent (as compared to an annual average of 2½ per cent in 1963-73) and that of manufacturing from 9 to 7 per cent, the latter being the long-term average before the 1974/75 recession. In the oil-exporting developing countries, too, the growth of aggregate output slowed down in 1977, mainly due to the near stagnation of oil production.[1]

In the Eastern trading area, finally, total production also rose markedly less in 1977 than in 1976.[2] The main factor seems to have been the effect of bad weather on agricultural production, which increased by only 1 per cent.

Economic performance continued to differ widely among industrial countries. The divergence between the growth of domestic final demand in the United States and the other industrial countries became more pronounced in 1977. Private consumption expanded by 5 per cent in the United States, 3 per cent in Japan and 2 per cent in the European Community. Gross fixed investment expanded by nearly 12 per cent in the United States as against 2 per cent in both Japan and the European Community. Industrial production increased in 1977 by 5.7 per cent in the United States, by 4 per cent in Japan and by 2.6 per cent in Western Europe. The rates of increase in the volume of exports ranged from minus ½ per cent in the United States to 9 per cent in Japan and 9½ per cent in the United Kingdom; the import increases ranged from less than 1 per cent in the case of Canada to some 12 per cent in the case of the United States.

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[1] The designation <u>oil-exporting developing countries</u> refers to members of the OPEC.

[2] Defined as Eastern Europe, the Soviet Union and the centrally-planned countries in Asia (China, North Korea, Viet-Nam and Mongolia).

Price levels and exchange rates

In industrial countries, the weighted average rise of consumer prices in 1977 was 8 per cent, virtually unchanged from the preceding year. Rates for individual countries continued to vary widely with Switzerland (1.3 per cent) and the Federal Republic of Germany (3.9 per cent) at the lower end. In Italy and the United Kingdom consumer price levels rose by 17 and 16 per cent, respectively. Though they eased somewhat in the second half of 1977, inflationary pressures gained strength again in the first half of 1978 in several industrial countries, especially in the United States and Canada. Unit labour costs in manufacturing showed a marked acceleration in most industrial countries in 1977 as the growth of labour productivity declined sharply.

In the oil-importing developing countries the average rise of consumer prices in 1977 exceeded 30 per cent for the second consecutive year.

After several months of relative stability, exchange rates of the major currencies have, since mid-1977, again been showing wider fluctuations, dominated by the persistent depreciation of the United States and Canadian dollar and the appreciation of the Yen, the Deutschemark and the Swiss franc. From June 1977 to May 1978 the effective exchange rate of the United States dollar declined by 6½ per cent and that of the Canadian dollar by 7½ per cent, whereas the effective exchange rates of the Yen rose by 18 per cent, of the Deutschemark by 6½ per cent and of the Swiss franc by 18½ per cent. During the same period, also in terms of effective exchange rates, the pound sterling and the French franc showed hardly any change, while the Italian lira depreciated by 4½ per cent.[1]

World trade

The value of world trade is estimated to have reached $1,120 billion in 1977. In dollar terms, the increase was about 13 per cent over 1976, roughly the same as the 1976 increase over 1975. In terms of volume, however, the growth of world trade slowed down from 11 per cent in 1976 to 4 per cent in 1977. As repeatedly stressed in the past, these data must be taken as only approximative.[2]

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[1] Unless otherwise noted, the effective exchange rates used throughout this report are those calculated by the IMF in the monthly issues of International Financial Statistics.

[2] The statistical difficulties caused by the high rates of inflation and the fluctuations of exchange rates make the trade estimates given below subject to a considerably wider margin of error than were those published prior to 1971.

The difference between the growth in dollar value and in volume represents the change in dollar unit values of world trade, which increased by almost 9 per cent in 1977 as against 2 per cent in 1976. This statistical change in dollar unit values is a composite of two more basic changes, namely, in the domestic price of goods entering world trade, and in the exchange rate of the United States dollar. The rate of inflation in the domestic prices of export products appears to have continued at about the same pace in both years. However, this inflationary effect was largely offset in 1976 by an appreciation of the United States dollar, whereas in 1977 the depreciation of the dollar accentuated the statistical effect of domestic inflation on world trade unit values recorded in dollars.[1]

Looking at the main product groups, the dollar value of world exports of manufactures increased in 1977 by 15 per cent, slightly more rapidly than in 1976. In volume terms, however, there was a sharp deceleration, from 12 per cent in 1976 to about 5 per cent in 1977. Expressed in dollars, the unit value of world exports of manufactures had shown no change in 1976 as compared with the preceding year, but increased by 9 per cent in 1977. In the first half of 1978 there was a further marked rise of dollar unit values of world exports of manufactures.

World exports of primary products increased by about 11 per cent in 1977 in value but by only 2 per cent in volume. The increase in value terms was more pronounced for agricultural products than for minerals, because of a stronger rise in prices for a number of agricultural products in the first half of the year; in volume terms both major groups increased by the same proportion. Unit values of world exports of primary products accelerated their rise from about 3 per cent in 1976 to nearly 10 per cent in 1977. This increase for the whole of 1977 was due entirely to the rise during the first half of the year, reflecting essentially the upsurge in prices of tropical beverages, especially coffee. In the second half of 1977, however, world export prices of primary products declined as a result both of improved crop conditions for products which had been in short supply, and of weak world demand for industrial raw materials. During the first half of 1978 world export prices of primary products, in dollar terms, remained unchanged.

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[1] Expressed in SDR's (Special Drawing Rights) the unit values of world exports increased in 1977 by 7.5 per cent as compared with 7 per cent in 1976.

Looking at world trade by major areas, in industrial countries there was a more pronounced deceleration in volume growth for imports (from 15 per cent in 1976 to 4½ per cent in 1977) than for exports (from 11 to 4½ per cent). Though data showing the change in volume of industrial countries' trade by area are not available, rough estimates suggest that in 1977 exports to developing countries increased at a somewhat faster pace than the exchanges among industrial countries, while imports from developing countries increased slightly less. The dollar unit values of both exports and imports having increased at about the same rate (8½ per cent), the industrial countries' exports and imports each recorded value increases of about 13 per cent.

An even steeper decline occurred in 1977 in the growth of trade of both main groups of developing countries. Total exports of oil-importing developing countries, which in 1976 had recorded a volume increase of 15 per cent, increased by only 2-3 per cent. Their imports also increased by about 2-3 per cent, unchanged from the preceding year. Their exports of manufactures[1] to the industrial countries can be estimated to have expanded by 7-8 per cent in volume, down from 30 per cent in 1976. The terms of trade of oil-importing developing countries showed a moderate improvement, due mainly to the steep rise in tropical beverages' prices in the first half of 1977. For the year as a whole, in spite of their decline in the second half of the year, export prices of tropical beverages[2] averaged 70 per cent more than in 1976. In value terms total exports from the oil-importing developing countries increased by 16 per cent in 1977.

The exports of oil-exporting developing countries stagnated in volume, in contrast to a 15 per cent increase in 1976. The growth of their imports also continued to decelerate, from 25 per cent in 1976 to 18 per cent. Mostly due to price increases, the export earnings of the oil-exporting developing countries rose by 10 per cent in 1977.

The Eastern trading area achieved in 1977 a further significant reduction of its trade deficit with industrial countries. Its imports from industrial countries increased by merely 1 per cent in dollar value (implying a decline in volume). Imports from developing countries increased by about 15 per cent in value. In exports, on the other hand, there were value increases of 9 per cent towards industrial and 25 per cent towards developing countries. The area's total exports increased by 15 per cent in value terms and its imports by 10 per cent.

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[1] Excluding non-ferrous metals

[2] Coffee, cocoa and tea

Key developments in first half of 1978

The United States has been the only major economy to expand in 1976 and 1977 in excess of its historical trend rate. Characteristically, it was also the only major economy (besides the Federal Republic of Germany) with gross fixed investment expanding significantly more rapidly than private consumption. However, the level of investment (in real terms) in 1977 was still below the 1973 level, whereas the level of real consumption was 12 per cent above that of 1973. The resurgence of United States inflation in the first half of 1978, after three years of recovery and rapid growth, suggests that the long boom may be entering its final phase. Investment plans reported early in the year were distinctly expansionary; they may, however, be scaled down as the concern about inflation begins to mount. Although the trade deficit of the United States declined in May and June, during the first six months of 1978 it exceeded substantially its level of the corresponding period of 1977 ($16.4 as against $11.5 billion). This increase in imports relative to exports was due entirely to the growth in imports of non-petroleum products - imports of petroleum having declined substantially during the first half of 1978.

Japan's economic growth showed a slight acceleration, with a further decline in domestic inflation. While price stabilization is likely to continue in the second half of the year, the sharp appreciation of the yen since the second half of 1977 as well as the additional export self-restraint to which the Japanese Government has agreed more recently, may exert an adverse effect on GNP growth. Despite a stagnant level of industrial production since the fourth quarter of 1977, the Federal Republic of Germany's GNP continues to grow slowly but steadily, with a further decline in inflation; both imports and exports are levelling off after the acceleration that took place in the second half of last year. In the United Kingdom the growth of production and exports slowed down during the first half of 1978, with inflation rates below those of last year. Behind an improved external account, the growth of French industrial production accelerated in the first half of 1978, accompanied by increased inflationary pressures. Italy's external account has improved too, and although the downward trend in production was reversed during the first half of 1978, internal monetary and financial pressures continue to be severe.

It is, in short, an uncertain picture. Although several countries have made further progress in reducing inflation in the first half of this year, there are two worrisome prospects. In the United States, the only country to have achieved a significant expansion, inflationary pressures are rising once again. In Western Europe, the prospects for further reductions in inflation rates are diminishing, and there is some risk of a re-acceleration as a consequence of the faster money supply growth in the second half of 1977. That possibility entails a likelihood of further changes in both monetary and budgetary policies, and thus an additional uncertainty for investment planning.

The second main feature in this picture is the continued weakness of investment. While the growth of the labour force has accelerated, gross fixed investment everywhere outside the United States and the Federal Republic of Germany has been increasing at rates much below the long-term trend, and less rapidly than consumption. As a result, the level of new real investment in plant and equipment remains below the 1973 level in virtually every industrial country (including the United States). An expansion which has for so long depended mainly on consumption demand cannot be considered securely based.

Judging from the trade returns of the large industrial countries, the volume of world trade grew at a somewhat faster pace in the first half of 1978, at an annual rate close to 6 per cent, as against an increase of 4 per cent in 1977 as a whole. Barring a sharp reversal of this trend in the second half of the year, the increase for 1978 will be somewhat larger than last year.

2. SPECIAL FEATURES AND POLICY CONCERNS

A remarkable feature of the world economy since 1973 has been the relatively steady growth of national income in the oil-importing developing countries in the face of the increased price of petroleum and the economic difficulties in the industrial areas. If the average annual growth rate of GDP in the period 1963-73 is compared with that for 1973-77, the industrial countries record a slow-down from 5 to 2 per cent, while the oil-importing developing countries' figures are 6 per cent and 4 per cent, respectively. For industrial production, the difference is even more pronounced: in the industrial countries, the annual average growth slowed from 6 to 1 per cent between the two periods; in contrast to a decline in the oil-importing developing countries from 8 to 6 per cent only. Even though it largely reflects more rapid population growth, the sturdiness of aggregate economic growth in the latter group of countries, along with the expansion in the oil-exporting developing countries, now constitutes an important stabilizing force in the world economy.

This change is clearly reflected in recent developments in the pattern of industrial countries' trade, in particular their trade in manufactured products. Their mutual exchanges of these products expanded at an average annual rate of 3 per cent in 1973-77, compared with 12 per cent in 1963-73. The average annual growth of industrial countries' imports of manufactures from developing countries was also less rapid in 1973-77 (4 per cent) than in the preceding decade (13 per cent). Industrial countries' exports of manufactures to developing countries accelerated, in contrast, from an average annual increase of 7 per cent to 12 per cent per year in the more recent period. All of the acceleration is due to increased exports to the oil-exporting developing countries. The 5 per cent annual average increase in exports to the oil-importing developing countries for the 1973-77 period

as a whole was also above the growth of the industrial countries' mutual trade in manufactures, although it should be added that the growth of imports into the oil-importing developing countries slowed after 1974.

The economic dynamism of the developing areas is generated by a group of countries which is still relatively small but growing. However, it would be premature to take the stability of their growth for granted. It has so far depended on relatively good earnings from primary products, relatively open markets for their manufactured exports and, on the basis of the preceding two conditions, on liberal access to international credit. None of these three vital conditions appears assured for the next few years.

Growth of protectionist pressures

There was a significant increase in import-restricting measures taken by the industrial countries in 1977, most of which fell into a few well-defined industrial sectors. Restrictions on trade in textiles and clothing were substantially tightened, the increase in industrial countries' imports from developing ones declining sharply in both cases and falling behind the increase in industrial countries' mutual trade. Trade in steel in the two largest markets, the United States and the European Community was put under severe restraint, in the one case by the introduction of a trigger price system, in the other by quantitative restraints bilaterally negotiated with all the main suppliers (except the United States). A dangerous situation is developing in the chemical industry. Although an attempt to establish a European synthetic fibre cartel has encountered a difficulty in the Community law, there remains the risk of demands for increased protection by this sector of the industry, and a similar situation prevails in plastics and other chemical sectors as well. Last but not least, the extensive export restraints accepted by Japan in 1977 represent a further erosion of liberal trade.

It may be noted that from the categories of textiles, clothing and footwear, in which the industrial countries are, by and large, at a competitive disadvantage vis-à-vis the developing countries, protectionism is now spreading into industries in which they compete mutually and, through chemicals, into the advanced technology industries which embody the comparative advantage of industrial countries vis-à-vis other economies. As a result of these and earlier developments, world trade is burdened by substantially more restrictions than it was five years ago.

One of the reasons why the spread of protectionism has been so rapid - or why, at any rate, effective political defence against it is so difficult to organize - is the lack of agreement about the nature of the problem to which it is to be an answer. In the absence of such an agreed understanding, national efforts to recapture past growth rates often find themselves at cross purposes, and what are essentially differences in analysis or opinion tend to be construed into illusory conflicts of national interest. Protectionism thrives in such a political climate.

Two issues in particular have claimed high policy attention in the past year or two, leading to a considerable confusion in public discussion and generating, as a by-product, support for protectionist arguments. They are the issues of current account imbalances, and of the causes and effects of exchange rate instability.

Current account imbalances and trade policy

Concern about the large current account imbalances that emerged following the oil price increase of 1973 focused initially on problems of financing and indebtedness. More recently, a view has emerged that the very existence of current account imbalances among industrial countries somehow hampers their attainment of more satisfactory growth rates.

As a general argument, this seems implausible. The growth of the world economy would surely be reduced if each country balanced its current account and there were no net capital movements between countries and regions. If rates of return on capital differ between countries, some pattern of current account surpluses and deficits will promote general economic growth. It follows that the effect which a country's economic policies have on other economies cannot be determined from its current account position alone. The importance of developing countries as a market for the industrial products of the OECD area, already emphasized, shows that capital exports are closely linked with industrial employment and growth. The current and the capital accounts of the balance of payments have to be looked at together, the guiding principle being that, in a régime of flexible exchange rates, no country should persistently accumulate reserves.

The argument is put more specifically, however, as an assertion that there are only two alternative ways in which deficit countries can maintain or increase their rates of economic growth. The first way calls for countries in surplus to adopt policies that raise their domestic expenditure relatively to income, thus increasing their demand for imports, reducing their surplus, and consequently reducing the deficits of other countries which are thereby enabled to raise their growth without running into balance-of-payments difficulties. Failing this first alternative, deficit countries will, it is suggested, be driven to adopt the second: to attempt to stimulate their economies using monetary and fiscal policies behind increased barriers against imports.

This argument does not seem to take adequate account of the present degree of exchange rate flexibility. Consider, first, the case of a country suffering from excess capacity in all industries. Expansionary policies, generating additional demand, would then lead to higher output, with little effect on prices. There would be some increase in demand for imports, but in a régime of flexible exchange rates a relatively small depreciation would bring the current account back into balance. Additional protection is not necessary to stimulate economic activity. If, on the other hand, the country combines widespread excess capacity with bottlenecks in industrial facilities and in particular skills and grades of labour, protection is still not helpful. Policies intended to stimulate demand will in this situation risk rekindling inflation, and the exchange rate changes that would occur would be much larger than before, responding to both actual and anticipated increases in the rate of inflation. Additional generalized protection will only aggravate matters through its adverse effect on efficiency.

Exchange rates and trade policy

The continuing turbulence in foreign exchange markets contributes to the general climate of uncertainty and thus also, indirectly, to protectionist pressures. Whether exchange rates be fixed or flexible, there is no way of knowing what is the equilibrium rate for a particular currency. However, some fluctuations in particular exchange rates under the present flexible system have almost certainly been larger than any changes that could have occurred in the underlying equilibrium values of the currencies concerned. Such changes are liable to be interpreted politically, and to suspicion that they reflect unfair manipulation.

It may be noted that it is not correct to speak of "persistent imbalances" in the pattern of current account positions. The accompanying table, "Current account balances of selected industrial countries, 1973-77", shows that the wide exchange rate movements since 1973 have been accompanied by equally large and rapid swings in the current accounts of most of the main trading countries. Examples are the remarkable speed with which the United Kingdom and Italy closed their current account deficits (4.2 and 5.1 per cent, respectively, of GNP in 1974), the swing in the United States current account from a surplus of $18.5 billion in 1975 to a deficit of $15.2 billion in 1977, and Japan's current account movement from a deficit of $700 million in 1975 to a surplus of $11 billion in 1977. These swings among industrial countries result from a number of influences - particularly the increased variability of their growth rates, their current account positions and their exchange rates - between which no simple causal connexion exists. They are in fact jointly determined by each country's growth potential and the interaction of national monetary and fiscal policies.

Long-term analysis gives little reason to believe that, in an economically interdependent world, a currency's exchange rate can for long move significantly out of line with its real international cost-price relationship. If it does so temporarily, there are two forces to bring it back to its proper alignment. Either trade and capital flows will induce a corrective movement of the nominal exchange rate, or the movement of the domestic price level will adjust so as to make a given nominal rate realistic again.

A related conclusion is that there is little reason to believe that a change in the nominal exchange rate can, by itself, eliminate a current account deficit or a surplus. A current account deficit reflects an excess of national expenditure over national production. The impact of a devaluation on a country's international competitiveness will be quickly dissipated unless it is accompanied by a simultaneous alteration in such domestic factors as fiscal policy and the rate of monetary expansion, which determine the relationship between expenditure and production. Recent experience has shown this to be as true under floating exchange rates as it was under the Bretton Woods system.

Conclusions

It is difficult to assess the general economic consequences of the exchange rate movements in the 1970's for that would require comparison with some alternative. In 1974, inflation rates of the major OECD countries ranged from 7 to 25 per cent; in 1977, the range was from 1 to 17 per cent. Could a fixed exchange rate system have functioned better in the face of inflation differentials of this magnitude? The lesson to be drawn from the experience of this decade should be, it seems, that no international monetary system, whether based on fixed exchange rates, clean floating, on managed flexibility, can function satisfactorily when the main trading countries are undergoing rapid inflation at such varying rates. Under these conditions there is no stable "world" price level or trend to serve as a reference point for the formulation of national policies and for the formation of expectations in the market, and thus the difficulty of ensuring stability in international (real) cost-price relationships becomes vastly magnified.[1]

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[1] It may be noted that the notion of a stable world price level presupposes, and in fact is identical with, stability of purchasing power of the key currency or currencies.

INDUSTRIAL COUNTRIES[1] TRADE IN TEXTILES AND CLOTHING

(Percentages)[2]

	Annual % rate of change 1963-1976	1977		Shares in total trade 1963	1976	1977
		TEXTILES				
			Imports	100	100	100
Intra-trade	12	11	Intra-trade	81	74	75
Imports from developing countries	14	8	From developing countries	15	17	16
Exports to developing countries	10	16	Exports	100	100	100
			Intra-trade	63	66	66
			To developing countries	25	21	22
		CLOTHING				
			Imports	100	100	100
Intra-trade	16	18	Intra-trade	77	46	47
Imports from developing countries	28	10	From developing countries	19	41	40
Exports to developing countries	10	33	Exports	100	100	100
			Intra-trade	79	85	84
			To developing countries	17	9	11

[1]Comprising United States, Canada, the EEC, EFTA (excluding Portugal) and Japan.

[2]Derived from data in current dollars.

Source: UN, Commodity Trade Statistics.

The inescapable conclusion is that the industrial countries can only move towards increased growth and employment, and towards sustainable payments positions and more stable exchange rates, by reducing their inflation rates to the levels experienced until the mid-1960s. It is particularly important that the United States take the lead in this direction; once the dollar's purchasing power begins to stabilize, stabilization of the whole system should be that much easier.

It is now generally recognized that there are no benefits for the society as a whole, only losses, from inflation in the long run. As the heads of state emphasized in the Declaration issued at the end of the economic summit meeting in London in May 1977: "Inflation does not reduce unemployment. On the contrary, it is one of its major causes." Indeed, postponing the price stabilization effort only shifts into the future a cost which continues to grow and one day must become unsupportable. One has to conclude that it is the uncertainty about the short-term consequences of a more resolute stabilization policy that accounts for its absence and for the continuation, in some cases even re-acceleration, of inflation.

Although in the past, efforts to reduce inflation rapidly have often involved substantial, though transitional, increases in unemployment, there are reasons for believing that in the present circumstances rapid price stabilization could be achieved with less hardship than is generally thought. The weakness of business investment after three years of recovery is striking - and explainable only in terms of the uncertainties and distortions created by inflation. A credible commitment by the major governments to restore price stability at a steady pre-announced pace over the next few years could hardly fail to reduce economic uncertainty, which would strengthen business investment and so facilitate the transition. The risks of making price stability unquestionably <u>the</u> priority policy goal are small compared to those created by the continuing inflation, the spread of protectionist policies and the growing deterioration of international economic relations which they entail.

TABLE - CURRENT ACCOUNT BALANCES[a] OF SELECTED INDUSTRIAL COUNTRIES, 1973-77

		1973	1974	1975	1976	1977
Canada	A	107	-1,487	-4,696	-3,841	-3,930
	B	-	1.0	2.9	2.0	2.0
United States	A	6,881	1,720	18,456	4,339	-15,207
	B	0.5	0.1	1.2	0.3	0.8
Japan	A	-136	-4,693	-682	3,680	10,952
	B	-	1.0	0.2	0.7	1.5
France	A	-691	-5,942	-3	-6,033	-3,245
	B	0.3	2.2	-	1.7	0.9
Germany (Fed. Rep.)	A	4,371	9,802	4,051	3,889	3,848
	B	1.3	2.6	1.0	0.9	0.7
Italy	A	-2,234	-8,039	-556	-2,859	2,105
	B	1.6	5.1	0.3	1.7	1.1
United Kingdom	A	-2,145	-8,227	-3,671	-1,505	353
	B	1.2	4.2	1.6	0.7	0.1
Switzerland	A	280	171	2,587	3,501	3,999
	B	0.7	0.3	4.6	6.0	6.3

A: Current balance in million US dollars.
B: Current balance as a percentage of GNP.

[a]Including Official Transfers.

Sources: IMF, International Financial Statistics.