

Austria's Trade Relations with West and East

Jan Stankovsky

September 1988

37

Austria's Trade Relations with West and East

Determinants, Development, Regulations, and Prospects

Jan Stankovsky

Vortrag zur Tagung der Rockefeller Foundation
"The Challenge of Simultaneous Economic
Relations with East and West", Bellagio,
29. Februar bis 5. März 1988

WIFO-Vorträge 37

Österreichisches Institut für Wirtschaftsforschung

Austria's Trade Relations with West and East:
Determinants, Development, Regulations, and Prospects

Dr. Jan Stankovsky

1. Introduction

The first part of this contribution brings a short description of the main institutions, targets, and instruments of Austria's economic policy. This background helps to understand Austria's foreign economic (trade) policy, which is analyzed in the following sections. The importance, development, and regulations of Austria's trade with the East and West are discussed and compared. By East the seven European CMEA-countries are denoted (Eastern Europe: excluding the USSR), by West Western Europe (EC and EFTA).

2. Macroeconomic Policy in Austria

Austria's macroeconomic policy of the 70's and of the first half of the 80's may be characterized as a policy mix of an expansive fiscal policy, hard currency policy, and an income policy based on social partnership (Breuss, 1987, p.205). This combination is often described as "Austro-

Keynesianism". (It is sometimes said, that Austro-Keynesianism has as much in common with Keynes as Austro-Marxism with Marx, namely nothing.)

The social partnership - certainly a specific feature of Austria's economy - can be described as a system which attempts to avoid and overcome the class struggle by cooperation between labour, business, and agriculture. It has its roots in the very unhappy times of the 1930s with mass unemployment and civil war. It was born in the Nazi concentration camps by the former enemies on the "Right" and the "Left" and developed after World War II when the Soviets occupied large parts of Austria.

Austria's policy and social partnership are described and analyzed in numerous articles of H.Seidel, former director of the Austrian Institute of Economic Research (WIFO) and Vice Minister of Finance. To this subject see also Butschek (1985), Breuss (1984), Tichy (1982).

The mechanism of Austro-Keynesianism relies on a rather unorthodox combination of instruments and targets: The exchange rate policy is used as an instrument for price stabilization, fiscal policy as an instrument for influencing demand and the current account, and incomes policy helps to accommodate wages and prices (Breuss, 1987, p.205).

In view of the experience in the inter-war period, full employment has always been at the top of the hierarchy of economic targets. It was easy to achieve this aim in the 60s, but it became more and more difficult in the 70s and 80s.

Austro-Keynesianism helped to overcome the consequences of the first oil-shock (1973/74), but the second oil-shock (1979/80) demonstrated its limitations. The economic report of the Government in 1985 stated: "For a long lasting stagnation, however, such as that at the beginning of the 1980s, this system was not designed" (Seidel, 1987, p.272). Austro-Keynesianism "faded out" (Seidel, 1987, p.271). Other important elements of Austria's macroeconomic policy, namely the social partnership and the hard currency policy, however, are still alive.

Since the beginning of the 80s the economic difficulties in Austria have increased. They culminated in an open crisis in large parts of the nationalized and semi-nationalized industry. The core of the problem is that the process of structural change in Austria was too slow. In order to prevent unemployment, subsidies were granted to enterprises which helped to avoid or postpone the necessary adjustment. Austria's economic policy was too much concentrated on solving the current problems; it failed to develop a program

of structural change. In a recent German study, the "Austrian model" was described as "Economic policy without a plan for structural policy" (Härtel, 1986, p.88).

3. Foreign economic policy in Austria

In Austria, by tradition high ethical value has been attributed to exporting. This probably has something to do with the idea of mercantilism. Moreover, since 1918 foreign economic relations have been a weak point of Austria's economy: Austria has always had a deficit in foreign trade, which in the post-war period has been balanced mostly by a surplus in services in the first place (tourism, see Butschek, 1985, p. 84ff). To overcome this structural deficit, after World War I Austria relied mainly on import curbs (a relic of this time is the high customs tariff), after the World War II more on export promotion. Austria has now an excellent system of export promotion which provides financing and trade information. The first is operated by the Austrian Kontrollbank, the second by the Federal Chamber of Commerce.

In Austria's system of macroeconomic policy, foreign trade has always played an important - and sometimes a delicate - role:

- The maintenance of a hard currency stance - a pivotal element of the whole policy mix - required a balance in the current account. As a hard schilling favours imports and makes exporting difficult, a policy of export promotion was necessary.
- In the 70s exports became more and more important as a direct instrument to maintain full employment.

Austria never had any explicitly elaborated conception of an overall foreign economic (trade) policy¹). Important factors influencing Austria's trade policy were home economy targets (e.g. dampening of inflation) and ad hoc reactions to new developments and problems abroad.

In relations with the West the two main goals were:

- to ease market access and/or to avoid discrimination, in order to maintain and improve the competitive position of Austria's exporters. In this respect the trade liberalization within the OECD and GATT and - to an even greater extent - the West European integration (EC, EFTA) were important.
- to increase competition on the internal market by liberalizing trade and capital movement. In this

connection the total abolition of tariffs and quotas for industrial products - in the first step vis-à-vis EFTA-countries (1960 to 1968), in the second step vis-à-vis the EC (1972 to 1977) - have to be mentioned. By opening of the market, the process of structural adjustment was to be accelerated. The consensus - a "conditio sine qua non" in Austria's social partnership - for import liberalization, however, always needed an "export stick" and an "export carrot": the danger of discrimination and the chance of new markets.

The motives behind the trade policy vis-à-vis the East were in principle similar. The main instrument was export promotion, by traditional and new methods. It could be said that in this respect Austria was rich in ideas, creative and flexible.

So far as import liberalization is concerned, Eastern and Western European countries were treated differently. This has two reasons:

- The countries of the East are considered as "State Trading" countries which do not act according to market principles.
- The East "carrot" has never been large and sure²⁾ enough, to be worth the risks of "real" import

liberalization. However, some important steps in this direction have been made. It has to be mentioned in this connection, that the industrial countries from oversea (USA, Japan) are treated in the same way as the East.

4. Trade Relations

4.1. Regional and Commodity Structure of Austria's Foreign Trade: A Short Overview

The structure of Austria's foreign trade by regions and main trading partners is given in Table 1. Austria's foreign trade is highly concentrated on Europe, in the first place on Western Europe (EC and EFTA) but also on the East. The high concentration of exports on Europe, specially on the neighbouring countries, could be explained by the geographical location of Austria (no sea ports), by the absence of general export houses, and by the unfavourable commodity structure of exports (the share of transport cost sensitive goods is very high). The development and the main determinants of Austria's foreign trade with East and West are discussed in more detail in the following sections.

Table 2 presents an overview of the commodity structure of Austria's foreign trade in 1986, for the total trade, and for the trade with the EC and the East. About 90% of

Austria's exports are industrial products (SITC 5 to 8). The structure of Austria's exports to the East and West is similar, with some exceptions. The share of machinery and consumer goods (for short: sophisticated products) in Austria's exports to the East lies below the average of total trade, the share of manufactured goods (mainly steel) and chemicals (for short: basic inputs for the industry) far above the average. Similar relations can be found in the export structure of Germany; the export structure of Switzerland shows some differences (Table 3).

The share of sophisticated products in Austria's export to the EC (and mainly to Germany) exceeds the average. In this sense the commodity structure of Austria's export to the West is more favourable (and more future oriented) than the structure of the trade with the East.

The commodity structure of Austria's import from the East differs considerably from the structure of total imports and also from the structure of exports to the East. Only 24% of Austria's imports from the East (9% from the USSR, 32% from Eastern Europe) are industrial products. This share is considerably lower than in Germany and in Switzerland. The relatively low share of industrial products (and especially of consumer goods and manufactures) in Austria's Eastern imports is probably partly due to the high level of customs protection in Austria. The very high share of energy and raw

materials - which can, at least partly, be explained by geographical factors - also contributes (statistically) to the low importance of industrial products in Austria's imports from the East.

4.2. Austria's trade relations with the East

The East is an important trading partner for Austria. Till 1985 about 11 to 15% of Austria's exports went to the East, with a peak in 1975 (17%). The share of import was always a bit lower. Since 1985 the share of the East is on decline. In 1987 a historical low with 9% and 7% respectively was reached.

The importance of East trade in Austria is two to three times higher than the West European average (1986 3.4%, including inner-German trade). From the Western countries only Finland has a higher share of Eastern trade than Austria. In Germany the share of Eastern exports was 3.7% (including inner-German trade 5.1%; 1977 7.2% and 8.8%).

Austria's East trade is more oriented towards the smaller East European countries, mainly Hungary, Czechoslovakia, but also Poland and the GDR. However, between 1974 and 1984, the share of USSR in Austria's export increased, while the share of Eastern Europe declined considerably.

Austria has a share of about 5% of all exports of the OECD countries to the East. Inside this region Austria holds a strong position in Eastern Europe (8 to 10%). This can be compared with Austria's market share in total OECD exports, which is only about 1.5%. In Hungary and Czechoslovakia Austria is usually the second largest western supplier after Germany.

Austria's trade with the East and Austria's trade regime were analyzed in detail in Levčík - Stankovský (1984). The main conclusion of this survey and other studies can be summarized as follows:

- Austria's trade regime is formally the same vis-à-vis the East and West. However, there are some de facto differences both in exports and imports.
- Austria's export financing scheme serves mainly the promotion of export to the East and to the developing countries.
- Austria is heavily engaged in the financing of the East: With 10 to 14% the share of Austria in total credits of Western banks to the East (including financial credits) is considerably higher than Austria's market share in the East (5%).

- Austria's exports towards the East are supported by numerous cooperation promotion agreements, industrial cooperations at the enterprise level, relatively high number of joint ventures, and a flexible and experienced use of countertrade.

- With few exceptions, concerning mainly Hungary, "real" cooperations between enterprises of Austria and of Eastern Europe did not develop. The industrial cooperation agreements serve as instrument of export promotion.

- In the first half of the 80s, heavy export promotion yielded some success. However, in 1986 and 1987 Austria's export to the East shrunk considerably. The prospects for the next years are bleak.

- In 1985 and 1988 Austria introduced new legal measure for supervising high technology exports. These legal provisions are formulated in a non-discriminatory manner. Upon request, also reexports of Soviet high technology could be forbidden. However, it is clear, that these provisions were introduced mainly to prevent illegal exports of Western high technology to the East. They do not apply to exports of genuine Austrian products. Any negative impact on legal Austrian exports towards the East cannot be expected.

- Imports of industrial products from the East are fully liberalized, i.e. free of quantitative import restrictions. Only for some imports from the East (and also from Japan) a countersigning procedure (Vidierungs-verfahren) is applied. This system is not designed for, but sometimes used as an import restriction.

- For imports from all Eastern countries - also from non-members of GATT - the lower most-favoured-nations tariffs are applied. In spite of this, industrial products from the East are discriminated against products from the EFTA and EC countries, which can be imported dutyfree. The tariff protection is rather high in Austria, especially for some labour-intensive products (textiles, clothing, shoes).

- Bulgaria, Romania and Hungary (in 1988) were granted the General System of Preferences (GSP) for developing countries. As a rule, the GSP tariffs in Austria make 50% of the MFN-tariffs.

- Due to the high share of energy in Austria's import from the East the collapse of oil-prices caused a steep decline in Austria's imports from the East in 1986 and 1987.

4.3. Austria's Trade Relations with Western Europe

About two thirds of Austria's foreign trade are directed towards Western Europe. In 1987 this share was as high as 75%.

Austria's trade with Western Europe was - in a rather complicated manner - influenced by the various stages of West European integration. In the beginning of the 60s, two integration groups - the EC and the EFTA - were formed. Within each group tariffs were abolished, but they were maintained against the other group. Austria became a member of the EFTA. In the 60s, trade with the EFTA countries expanded heavily, whereas there were serious difficulties - due to mutual discrimination - in trade with the EC.

In 1972 two former EFTA members (Great Britain and Denmark) became members of the EC, other EFTA countries - including Austria - concluded free trade agreements for industrial products with the EC.

This agreement proved to be favourable for Austria, in spite of some problems (agricultural trade, proof of origin). The share of EC-12 in Austria's export increased from 55% in the first years of the 80s to 60% in 1986 and 63% in 1987.

Austria gained substantial market shares in the EC. On the other hand, the share of EC in Austria's import increased, too (to 68%).

In 1985 the EC published a plan (White Paper) for the completion of the internal market by 1992. The White Paper envisages the abolition of all material, technical and fiscal barriers for the free movement of goods, services, labour and capital within the Community. At the same time a program for research promotion was introduced.

The deepening of integration within the Community will cause a discrimination of outsiders. This discrimination is not intended, but it is inevitable. As mentioned, Austria was already discriminated on the EC market in the 60s. In addition to this "new discrimination" an increase of the "old protection" of the Community is also possible. Up to now, the individual EC countries have some instruments for national protectionism. After completion of the internal market the protection can be applied only at the Community level.

The consequences of a discrimination of Austria's export on such an important market as the EC are evident. The Austrian government therefore set as a policy target the "full participation" on the internal EC market, at first without EC membership. In the meantime it became more and more

clear, that a full access to the EC internal market will be possible only with EC membership. Thus, in December 1987 Austria's government declared an EC membership - with a neutrality clause - as an "option".

An EC membership will certainly have consequences on Austria's economic relations with the East³⁾, among other the loss of the treaty-making power. As an EC member Austria will have to accept the common trade policy. Not all possibilities for an individual trade policy will be eliminated. EC countries are authorized to conclude cooperation agreements with other countries. Export promotion schemes are harmonized, not unified.

An EC membership will by no means lead to a decrease of Austria's trade with the East. On the contrary, positive impulses can be expected. As an EC member Austria will have to apply the Common Customs Tariff, which is in general lower than the present Austrian tariff. This will ease access for the East European suppliers to the Austrian market. With EC membership some obstacles for export-oriented industrial cooperation will be abolished (no need for proof of origin). Some problems could be caused by the lower level of import liberalization in the EC.

As an EC member Austria could certainly play an important role in the formation of the future "East Europe Policy" of

the Community. The high competence of Austria in this area is fully acknowledged. With some fantasy, a vision - probably not for the next decade, but for the next millenium - of a free trade area between the EC and East Europe emerges.

Literature

Breuss, F., "'Austro-Keynesianismus' - eine wirtschaftspolitische Innovation mit Folgen", in Aufklärung und Wirtschaftsforschung, Hans-Seidel-Festschrift, WIFO, Wien, 1987.

Breuss, F., Österreichs Außenwirtschaft 1945-1982, Signum, Wien, 1983.

Breuss, F., Stankovsky, J., Österreich und der EG-Binnenmarkt, Signum, Wien, 1988.

Butschek, F., Die Österreichische Wirtschaft im 20. Jahrhundert, Fischer, Stuttgart, 1985.

Härtel, H.H. et al., Neue Industriepolitik oder Stärkung der Marktkräfte? Strukturpolitische Konzeptionen im internationalen Vergleich, Weltarchiv, Hamburg, 1986.

Levcik, F., Stankovsky, J., A Profile of Austria's East-West Trade in the 1970s and 1980s, ECE, TRADE/R.480, Genève, 1984.

Richter, S., "Some aspects of economic relations between Austria and the Soviet Union", WIIW, Forschungsberichte, 1984, (101).

Richter, S., "Trade with the Soviet Union: The Case of Austria", Acta Oeconomica, 1985, (3-4).

Seidel, H., "Austro-Keynesianismus", Wirtschaftspolitische Blätter, 1982, (3).

Seidel, H., "The Austrian Economy: An Overview", in Arndt, S.W. (Ed.), The Political Economy of Austria, American Enterprise Institute for Public Policy Research, Washington, 1982.

Seidel, H., "Austria's Macro-economic Policies in the Last Decade", in Saunders, Ch. (Ed.), Management of the Economy and of Enterprises in East and West, Macmillan, London, 1987.

Stankovsky, J., "Österreichischer Osthandel 1984: Marktanteilsgewinne durch Exportfinanzierung", WIFO-Monatsberichte, 1985, 58(3).

Stankovsky, J. (1987A), "Starker Rückschlag im Ost-West-Handel", WIFO-Monatsberichte, 1987, 60(3).

Stankovsky, J. (1987B), "Stabilisierung nach scharfem Einbruch. Ost-West-Handel 1986-1988", WIIW-Forschungsberichte, 1987, (132).

Stankovsky, J. (1988A), "Österreichischer Osthandel 1987, Talfahrt nicht zu Ende", WIFO-Monatsberichte, 1988, 61(3).

Stankovsky, J. (1988B), "Folgen eines möglichen EG-Beitritts Österreichs für den Osthandel", WIFO-Monatsberichte, 1988, 61(5).

Stankovsky, J., "Austrian's Foreign Trade. The Legal Regulation of Trade with East and West", Journal of World Trade Law, 1969.

Tichy, G., "Austro-Keynesianismus - Gibt's den?", Wirtschaftspolitische Blätter, 1982, (3).

Footnotes

1) See in detail Richter (1985, p.352), concerning the non-existence of an Austrian trade policy vis-à-vis the East.

2) "According to another view no formal reciprocity may be asked for from countries with centrally planned economy ... Therefore the maximum that can be achieved is that by giving trade concessions Austria might gain the goodwill of the USSR and East European countries, expressed in greater willingness to buy from Austria" (Richter, 1985, p.352ff).

3) This problem is discussed in detail in Breuss - Stankovsky (1988).

Austria's Foreign Trade by Regions: Exports

Year	Total	Industrial West (OECD)		Share in per cent		C M E A				Yugo-Slavic countries	Developing countries	Total
		Western Europe	Total	EC-12	Germany	Total	USSR	Eastern Europe				
1953	71.2	65.7	..	..	..	..	..	..	..	..	..	100.0
1954	72.1	66.7	..	..	..	..	..	..	..	..	..	100.0
1955	73.2	66.3	..	..	..	..	..	..	..	..	..	100.0
1956	72.0	65.1	..	..	..	..	..	..	..	..	..	100.0
1957	69.4	63.9	..	..	..	..	..	..	..	..	..	100.0
1958	70.3	63.9	..	..	..	..	..	..	..	..	..	100.0
1959	71.9	64.0	..	26.1	8.2	..	..	..	..	..	..	100.0
1960	72.4	66.0	..	26.8	9.1	..	..	..	..	..	..	100.0
1961	72.9	67.2	..	27.5	10.4	..	..	..	..	..	..	100.0
1962	74.2	68.6	..	27.9	11.4	..	..	..	..	..	..	100.0
1963	74.6	69.1	..	26.4	10.9	..	..	..	..	..	..	100.0
1964	74.6	69.0	..	27.9	12.6	..	..	..	..	..	..	100.0
1965	73.6	67.8	..	28.6	12.4	..	..	..	..	..	..	100.0
1966	74.0	67.6	..	26.7	13.6	..	..	..	..	..	..	100.0
1967	72.0	65.7	..	22.2	14.4	..	..	..	..	..	..	100.0
1968	73.3	66.5	..	23.4	14.7	..	..	..	..	..	..	100.0
1969	75.4	68.3	..	24.2	15.9	..	..	..	..	..	..	100.0
1970	74.9	68.3	..	23.4	17.4	..	..	..	..	..	..	100.0
1971	75.4	69.0	..	22.9	17.8	..	..	..	..	..	..	100.0
1972	76.9	70.1	50.8	22.4	18.2	..	..	..	..	..	..	100.0
1973	76.4	69.8	51.4	21.8	17.3	..	..	..	..	..	..	100.0
1974	70.2	64.5	52.0	19.7	16.5	..	..	..	..	..	..	100.0
1975	66.1	61.8	47.1	21.9	14.8	..	..	..	..	..	..	100.0
1976	67.8	63.5	46.4	23.4	13.9	..	..	..	..	..	..	100.0
1977	69.9	65.2	48.8	26.6	13.0	..	..	..	..	..	..	100.0
1978	72.4	67.4	51.6	29.1	12.4	..	..	..	..	..	..	100.0
1979	72.4	68.2	54.3	30.3	12.9	..	..	..	..	..	..	100.0
1980	72.6	68.8	55.4	30.8	12.1	..	..	..	..	..	..	100.0
1981	70.4	66.1	56.2	29.1	11.7	..	..	..	..	..	..	100.0
1982	70.9	66.2	53.9	29.3	11.3	..	..	..	..	..	..	100.0
1983	71.7	66.7	54.3	30.8	10.5	..	..	..	..	..	..	100.0
1984	72.8	66.4	55.6	29.6	10.6	..	..	..	..	..	..	100.0
1985	74.3	67.3	55.1	30.1	10.5	..	..	..	..	..	..	100.0
1986	78.8	72.4	56.1	32.7	11.8	..	..	..	..	..	..	100.0
1987	81.4	75.4	60.1	35.1	11.1	..	..	..	..	..	..	100.0
			63.6		8.7	15.3	3.6	11.7	2.4	7.8	7.5	
					8.7	15.4	3.5	11.9	2.3	7.0	7.5	
					16.2	14.8	3.3	12.9	3.2	8.7	7.5	
					14.8	13.5	2.8	10.7	3.8	7.2	7.5	
					12.9	12.2	2.2	10.0	4.6	6.6	7.5	
					11.8	11.8	2.4	9.4	4.2	7.3	7.5	
					11.9	11.9	1.7	10.1	3.2	7.3	7.5	
					15.1	15.1	2.6	12.4	3.9	7.0	7.5	
					17.1	17.1	2.9	14.2	5.1	8.7	7.5	
					15.1	15.1	2.8	12.4	4.6	7.0	7.5	
					14.5	14.5	2.8	11.6	3.6	7.0	7.5	
					13.7	13.7	3.1	10.7	3.7	7.0	7.5	
					12.9	12.9	3.3	9.6	4.0	7.0	7.5	
					12.1	12.1	2.7	8.4	3.3	7.0	7.5	
					11.5	11.5	3.1	8.4	3.0	7.0	7.5	
					11.1	11.1	3.5	7.6	2.9	7.0	7.5	
					12.1	12.1	3.9	8.2	2.6	7.0	7.5	
					12.2	12.2	4.5	7.7	2.4	7.0	7.5	
					11.1	11.1	3.8	7.3	2.3	7.0	7.5	
					9.6	9.6	3.1	6.6	2.2	7.0	7.5	
					8.7	8.7	2.5	6.3	2.0	7.0	7.5	

Austria's Foreign Trade by Regions: Imports

I I I I I I	Total	Industrial West (OECD)		C I E A		Eastern Europe	Yugo-Slavia	Developing countries	Total	Billion AS
		Western Europe	Total	USSR	Share in per cent					
		E C - 1 2	EFTA-6	Total	USSR					
		Total	Germany	Share in per cent						
1953	75.9	61.0							100.0	13.3
1954	78.7	67.7							100.0	17.0
1955	79.6	66.7							100.0	23.1
1956	79.8	64.8							100.0	25.3
1957	80.3	65.4							100.0	29.3
1958	79.5	67.4							100.0	27.9
1959	79.5	70.3	40.2	6.1					100.0	29.8
1960	79.3	70.2	40.0	6.4					100.0	36.8
1961	81.5	73.9	42.9	6.9					100.0	38.6
1962	81.2	74.0	42.3	7.0					100.0	40.3
1963	79.8	73.5	41.4	7.4					100.0	43.6
1964	81.3	74.6	41.7	8.0					100.0	48.4
1965	81.3	75.3	41.8	7.9	2.5	8.3	1.3		100.0	54.6
1966	81.9	75.8	42.4	8.6	2.1	7.5	1.9		100.0	60.5
1967	82.9	78.0	41.7	10.4	2.1	6.9	2.0	5.6	100.0	60.0
1968	81.8	77.1	41.4	10.3	2.3	7.4	1.8	6.1	100.0	64.9
1969	81.6	77.1	41.3	10.8	2.3	7.3	1.6	6.6	100.0	73.5
1970	82.1	77.0	41.2	11.0	2.2	7.1	1.4	6.5	100.0	92.3
1971	82.4	76.7	41.0	11.3	2.6	6.6	1.1	6.9	100.0	104.5
1972	83.5	77.8	41.9	11.0	2.2	6.3	1.0	6.4	100.0	120.6
1973	83.3	77.8	41.7	11.6	1.9	6.5	1.0	6.7	100.0	137.9
1974	78.5	73.6	40.1	10.5	2.6	7.1	1.0	10.2	100.0	168.3
1975	79.2	74.1	40.0	10.3	3.4	6.8	.9	9.2	100.0	163.4
1976	79.4	74.1	41.1	9.5	3.7	5.9	.8	9.7	100.0	206.1
1977	81.3	75.6	42.2	8.8	3.6	5.2	.8	8.6	100.0	234.8
1978	81.0	75.5	43.3	8.8	3.8	5.0	.7	8.9	100.0	231.9
1979	79.8	74.1	42.3	8.1	3.8	5.0	.8	10.2	100.0	269.9
1980	77.4	71.0	40.8	7.6	4.2	5.5	.8	11.6	100.0	315.8
1981	74.8	67.2	38.9	7.3	6.2	5.7	.8	12.2	100.0	332.6
1982	76.8	69.5	40.6	7.4	5.1	6.1	.9	10.8	100.0	348.3
1983	78.7	71.3	41.5	7.5	4.3	6.2	1.0	9.5	100.0	392.1
1984	76.7	69.3	39.9	7.6	5.0	6.7	1.1	10.2	100.0	431.0
1985	77.6	70.0	40.9	7.6	4.4	6.2	1.1	10.2	100.0	408.0
1986	83.0	66.9	44.0	7.7	3.1	5.3	1.0	7.3	100.0	408.0
1987	84.6	76.2	44.2	7.8	2.1	4.7	1.0	7.4	100.0	412.4

Table 2

Commodity Structure of the Austrian Foreign Trade with the East,
the EC-12 and total in 1986

	Food		Raw materials and fuels		Total		Manufactured goods				Total	
	Total	Raw materials	Total	Fuels	Chemicals	Semi-finished products	Iron, steel	Other	Machinery	Consumer goods		
Exports to												
CMEA	7.2	4.5	2.1	2.4	88.4	14.0	34.9	15.7	19.1	31.0	8.5	100.0
USSR	6.5	.2	.2	.1	93.3	7.7	44.9	36.1	8.7	30.3	10.4	100.0
Eastern Europe	7.5	6.4	3.0	3.5	86.1	16.9	30.2	6.3	24.0	31.3	7.6	100.0
EC-12	3.2	8.2	6.7	1.5	88.5	7.6	32.7	7.1	25.6	33.9	14.2	100.0
Germany	2.0	5.9	3.3	2.6	92.0	1.5	31.8	6.9	24.9	36.6	16.1	100.0
Total	3.9	6.5	5.3	1.2	89.5	8.7	32.9	7.7	25.2	33.2	14.8	100.0
Imports of												
CMEA	7.7	68.5	17.9	50.6	23.8	3.9	10.4	3.7	6.8	3.8	2.6	100.0
USSR	.6	90.1	15.1	75.0	9.3	3.0	4.7	.8	3.9	1.3	.3	100.0
Eastern Europe	11.8	56.0	19.6	36.4	32.2	9.1	13.8	5.4	8.4	5.3	4.0	100.0
EC-12	4.5	5.4	3.2	2.2	90.0	11.5	21.7	3.3	18.4	37.8	18.9	100.0
Germany	3.1	5.1	2.8	2.3	91.8	11.0	21.5	3.2	18.3	41.9	17.4	100.0
Total	6.4	14.1	5.5	8.7	79.3	10.1	19.2	3.0	16.2	33.8	16.2	100.0

Table 3

Commodity Structure of Foreign Trade with the East and total
of Austria, Germany and Switzerland in 1986

	Food		Raw materials and fuels		Total		M a n u f a c t u r e d g o o d s		Total		
	Total	materials	Raw	Fuels	Chemicals	Semi-finished products	Iron, steel	Other	Machinery	Consumer goods	
Exports											
Austria: CMEA	7.2	4.5	2.1	2.4	88.4	14.0	34.9	15.7	19.1	31.0	8.5
Total	3.9	6.5	5.3	1.2	89.5	8.7	32.9	7.7	25.2	33.2	14.8
Germany: CMEA	5.2	2.7	1.9	.8	90.3	17.0	27.5	15.0	12.5	39.1	6.8
Total	5.1	3.4	1.7	1.6	89.4	12.8	18.1	4.4	13.7	47.8	10.7
Switzerland: CMEA	1.7	1.4	1.3	.1	96.9	31.4	7.3	.3	7.0	49.7	8.5
Total	3.2	1.4	1.2	.2	95.2	21.6	19.6	1.5	18.0	32.5	21.5
Imports											
Austria: CMEA	7.7	68.5	17.9	50.6	23.8	6.9	10.4	3.7	6.8	3.8	2.6
Total	6.4	14.1	5.5	8.7	79.3	10.1	19.2	3.0	16.2	33.8	16.2
Germany: CMEA	7.3	51.7	7.0	44.8	37.5	5.9	15.3	3.9	11.3	4.1	12.2
Total	11.8	17.9	6.4	11.5	67.1	9.3	17.8	3.7	14.1	26.5	13.6
Switzerland: CMEA	11.4	47.4	3.0	44.4	41.1	10.8	20.0	4.3	15.7	3.2	7.1
Total	7.6	9.0	3.1	5.9	83.1	11.6	21.8	3.3	18.5	29.6	20.1