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**ECONOMIC SURVEY OF THE
UNITED STATES,
1990¹**

¹ Prepared by the ECLAC Washington Office.

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SUMMARY

During 1990, the economy of the United States of America slowed down to a rate of growth of 1%, with a sharp contraction of 1.6% in the last quarter that brought to a conclusion eight years of sustained economic expansion. Inflation experienced an upsurge of 6.1% throughout the year, by contrast to the relatively more moderate rate of 4.6% in 1989. Such inflationary rates inhibited monetary policy during the first half of the year, until the increasing evidence of the slow-down moved the Federal Reserve to a more accommodating stance in the latter part of 1990. Budgetary pressures also increased during the year, pushing the fiscal deficit to US\$220.7 billion, or 4% of GNP, far above the legislated target. The trade deficit decreased in 1990 to US\$108 billion from US\$115 billion in 1989.

The contraction was evident in all sectors, with farm output growing by only 2.6%, while manufacturing experienced a slight increase of 0.9%. Even growth in services slowed down and construction remained stagnant, with only mining experiencing relative dynamism.

Average unemployment throughout 1990 remained at 5.5%, although by the end of the year it reached 6.1%, the highest rate of the last five years.

Both export and import growth decreased, due to the generalized slow-down of world demand, from 12% and 6% in 1989 to 7.7% and 4.3% in 1990, respectively. Still, for the third consecutive year, the current account deficit declined to US\$92.1 billion, with the non-trade portion in surplus, due to net travel and transportation transactions. In the capital account, net inflows of direct investment and securities transactions decreased sharply, while net unreported private capital flows, as measured by errors and omissions, increased from US\$22.4 billion in 1989 to US\$63.5 billion in 1990.

Finally, four issues in the behaviour of the United States economy were of particular interest to Latin America and the Caribbean: trade, investment, bilateral economic assistance, and the evolution of the Enterprise for the Americas Initiative (EAI).

I. THE EVOLUTION OF THE UNITED STATES ECONOMY IN 1990

A. THE DOMESTIC ECONOMY

The oil price shock and the drop in consumer and business confidence moved the United States economy from slow growth to contraction, in the latter part of 1990, with GNP growth exhibiting its worst annual performance since 1982. After almost eight years of expansion, GNP fell by 1.6% in the fourth quarter of the year. For all of 1990, the pace of the United States economy slowed down to 1%, with the sluggishness concentrated around interest and credit-sensitive sectors. The civilian unemployment rate increased steadily in the second half to reach 6.1% in December, and averaged 5.5% for the whole year. Prices, as measured by the consumer price index, rose to 6.1% on a December-to-December basis, the largest annual increase in nearly a decade (see appendix, table 1).

These developments set off several policy changes. Monetary policy was progressively eased in the second half of 1990 and interest rates declined by the end of the year. In addition, a new budgetary law was enacted, to reduce the fiscal deficit by almost US\$500 billion over the next five years.

I. Macroeconomic aggregates

In the first quarter of 1990, owing mainly to declines in automotive production, the United States economy grew at a meager 1.7% annual rate, to come almost to a standstill in the second quarter, with a frail 0.4% growth. In the last three months of the year, the economy contracted at a 1.6% annual rate, after a 1.4% growth in the third quarter, a puzzling gain given the sluggish pace that preceded the jump in oil prices in August. With the sharp contraction in the last quarter, the economy moved from a state of lull or slow-down into a sharp contraction, bringing to an end the longest economic expansion in the peacetime history of the United States (see appendix, table 2).

Total investment declined abruptly in 1990, by close to 4%. While residential investment had a transitory boost from good weather in the first quarter it then declined sharply by more than 5% during the year, for the third straight year. Business investment continued softening markedly and barely grew at a rate of less than 2%. Business inventories fell in 1990, an unusual occurrence at the start of a downturn.²

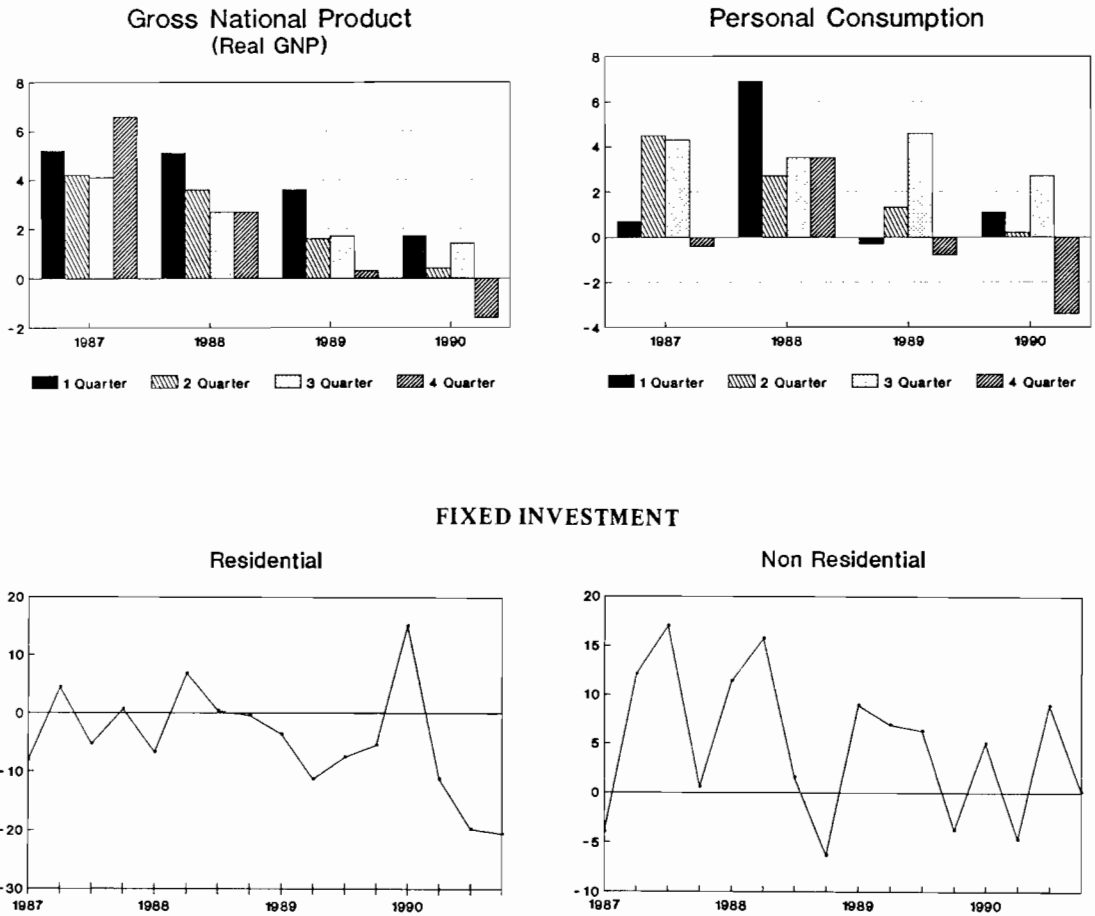
The growth rate of private consumption slowed down to less than 1%, owing to declining consumer confidence and the fall in real disposable personal income. Demand for non-durables was unusually weak, while outlays for consumer durables fell over the four quarters, mainly because of a drop, for the second year, in purchases of motor vehicles. As in the previous year, private consumption slowed more moderately than investment, and it was somewhat compensated by the expansion in government purchases of goods and services. In all, growth in consumption fell to less than 1.5%. Exports of goods and services grew just slightly more than half of the previous year's rate, as a consequence of the delayed impact of the dollar's appreciation of 1989 and slower economic growth among major trading partners.

² This fall in inventories is interpreted by many as a signal that the recession will be mild. With inventories relatively low in the early stages of a downturn, an extended period of inventory reduction that would deepen the contraction is less likely.

Figure 1

MAIN ECONOMIC INDICATORS

(Percentage change from previous quarter)



The personal saving rate remained at 4.6%, essentially unchanged from its 1989 value, while business saving continued stagnated. In the government sector, budgetary pressures intensified, at both federal and state and local governments, with the ratio of the deficit to GNP rising in 1990, mostly due to spending increases. As a consequence of these developments, the overall saving rate fell to 12% (see appendix, table 3).

2. Sectoral evolution

Growth weakened substantially in almost every sector of the economy. Agriculture lost its impressive dynamism of 12% growth in 1989 but still kept growing, with farm output expanding by 2.6% in 1990 (see appendix, table 4). Robust corn and wheat production, but lagging soybean output, dominated crop developments during the year, with a 6.5% and 29% growth of feed and food grains, respectively, and a drop in oil crops of about 4%. Weak commodity prices and the oil price shock put some pressure on

farmers' receipts and boosted expenses in the last quarter of the year. Despite this, farm sector earnings increased with net farm income –the value of agricultural production plus government payments less all costs in a calendar year– reaching US\$47.5 billion. Lastly, legislation was approved in the final days of the 101st Congress that will have an impact on United States agriculture over the next five years.³

Manufacturing output grew by a modest 0.9% as a consequence of sluggish consumer spending, the downturn in residential construction and the slow growth of exports. Production growth in manufacturing dropped sharply in January 1990, led by a deep cutback in motor vehicle assemblies. Conditions improved in the second quarter, with industrial production rising by mid-year and the decline in business profits stopping for some time. From August onwards, however, business conditions were dominated by the oil shock, its uncertainties and the loss of consumer confidence. After peaking in September, industrial production plummeted during the last three months of 1990. In December, for instance, manufacturing output fell by 0.9%, lowering capacity utilization to 79.3%, its lowest level since January 1987, and well below the 85% rate of April 1989, the most recent peak. For the year as a whole, utilization rates generally declined across all industries, with capacity utilization falling by 1.9% (see appendix, table 5).

The slow-down also reached the services sector, which grew sluggishly during 1990 after many years of strong growth (see appendix, table 6). In particular, domestic trade slowed down at both the wholesale and retail levels during the last months of the year, with the latter, for instance, declining by 1.5% in December.

Construction remained stagnant, with the value of new construction put in place barely growing by 0.4% in 1990 and private construction actually falling by close to 3%. Residential construction fell for the second year in a row. Declines occurred in both single and multi-unit structures. In turn, commercial real estate was hit by the collapse of hundreds of savings and loans institutions and the reluctance to undertake new real estate lending. Tighter lending standards for real estate development and high vacancy rates for commercial buildings throughout the country were largely responsible for the decline in private construction (see appendix, table 7).

Mining activity exhibited some dynamism, with energy production increasing by 2% in 1990 from its 1989 level, while a 4% decrease in oil production was more than offset by increases in the production of natural gas, coal and other sources of energy. The decline in Alaskan crude oil output accounted for close to one third of the total reduction in domestic output. In contrast to petroleum, coal production continued to increase in 1990, surpassing one billion short tons for the first time ever. On the other hand, total non-fuel mineral production expanded; metals registered moderate production gains in 1990 (see appendix, table 8).

3. Employment

For the entire year of 1990, unemployment averaged 5.5%, with the civilian unemployment rate rising in the second part of the year to reach 6.1% in December, the highest rate since June 1987. Non-farm job creation slowed significantly in the manufacturing and construction sectors with the service industries also experiencing deceleration (see appendix, table 9).

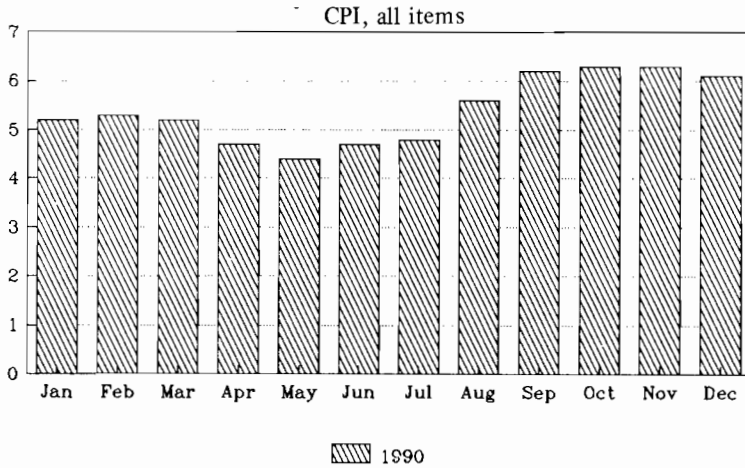
Growth of the labour force slowed in 1990, increasing by only 0.5% on a December-to-December basis, the smallest gain in almost 30 years. Much of the slow-down in the supply of labour, attributed to a decline in the teenage labour force, tempered the increase in the unemployment rate.

³ The most important change of the 1990 farm legislation, the Food, Agriculture, Conservation, and Trade Act of 1990, jointly with the Budget Reconciliation Act, is the triple-base provision which extends increased planting flexibility to participants in farm programmes, while reducing the acreage qualifying for deficiency payments. This provision makes market prices more important to production decisions and would reverse the overproduction of crops whose target prices are set above market prices.

Figure 2

DOMESTIC PRICES

(Percentage changes over 12 months)



4. Prices and income

Prices in 1990 reflected, for the most part, the effects of the rise in oil prices in a context of continuing underlying inflation. The huge jumps in food and energy costs, in response to the brutal cold wave of December 1989, reduced supplies of fresh fruit and vegetables as well as drove up the cost of petroleum-based fuels, and were largely responsible for the first quarter's swift inflation rate, the fastest pace in seven years. In the second quarter, smaller food price increases and falling oil prices moderated inflationary pressures. In the second part of the year, however, increases in crude-oil prices, from US\$22 a barrel in August to a peak of US\$40 a barrel by mid-October, affected the main price indexes. The consumer price index (CPI) jumped eight-tenths of 1% in both August and September, while the producer price index (PPI) rose by 1.3% in August and 1.6% in September, the biggest two-month rise since 1980.

Throughout 1990, as measured by the CPI, inflation reached 6.1%. The CPI for energy rose by 18% from December to December, with fuel-oil prices increasing by about 30% at the consumer level and gasoline prices jumping by about 37% over the year. Food prices rose by 5.4%, about the same as in the previous two years. Excluding energy, producer prices increased moderately in 1990 (see appendix, table 10).

As indicated by the slower growth of the employment cost index, a measure which includes wages and salaries and the cost of employer-paid benefits, wage pressures moderated in 1990. Real incomes were dragged down by high energy prices and weak employment. As a consequence, per capita disposable income fell by 0.2% (see appendix, table 11).

5. Fiscal policy

The slow-down in economic activity and the savings and loan bailout intensified budgetary pressures during 1990. Federal tax receipts increased by 4.1%, less than half the rate of increase of the previous fiscal year, owing to the reduced growth of individual and payroll tax payments caused by the slower growth of household income. Also, the drop in business profits caused a 9.5% fall in corporate income tax receipts. By contrast, federal expenditures increased by 9.4%, generating a federal budget deficit which amounted to US\$220.7 billion, or 4% of GNP, above the 1990 target stipulated by the Gramm-Rudman-Hollings legislation (see appendix, table 12).

Concern about the magnitude of the budget deficit dominated the fiscal agenda. In October, the largest deficit-reduction package in the history of the United States budget process was approved by Congress. The bill, known as the Omnibus Budget Reconciliation Act, is expected to reduce the deficit by almost US\$500 billion in the 1991-1995 period.⁴

6. Monetary policy

No actions were taken by the Federal Reserve to alter interest rates during the first half of the year, since the economy kept growing, albeit slowly, and inflationary pressures had not eased. By mid-year, in response to weakness in the economy, the abatement of core inflation and the lack of credit in some regional and sectoral markets, monetary policy became gradually accommodating. The Federal Reserve increased the availability of reserves, reducing the Federal funds rate, several times. In addition, in December, the discount rate was lowered by half a point, to 6.5%; the first reduction in the discount rate in five years. Other short-term rates followed a similar pattern, declining by the end of the year. Long-term rates, on the other hand, were more volatile and responded to developments in world markets (see appendix, table 13). Also, to counteract the restraint on lending by commercial banks, the Federal Reserve eliminated the 3% reserve requirement on non-personal time deposits and net Eurocurrency liabilities.

Net borrowing by domestic non-financial sectors contracted again in 1990, as a consequence of the economic slow-down and the loss of consumer and business confidence. The contraction was quite evident in business, consumer lending, and real estate, while non-financial business, consumption, and housing credit shrank by 45%, 31%, and 2%, respectively (see appendix, table 14).

Monetary aggregates presented some unusual characteristics in their growth pattern during the year. In particular, M₂ grew at a surprisingly slow pace of 3.3%, attributed for the most part to the contraction of the thrift industry, the credit crunch and the uncertainties created by the ubiquitous failures of savings and loans institutions. Also, M₃ exhibited a somewhat weaker growth (1.4%) that had been anticipated (see appendix, table 15). Overall, the slow growth of monetary aggregates reflected the tightening of credit availability.

B. INTERNATIONAL TRANSACTIONS

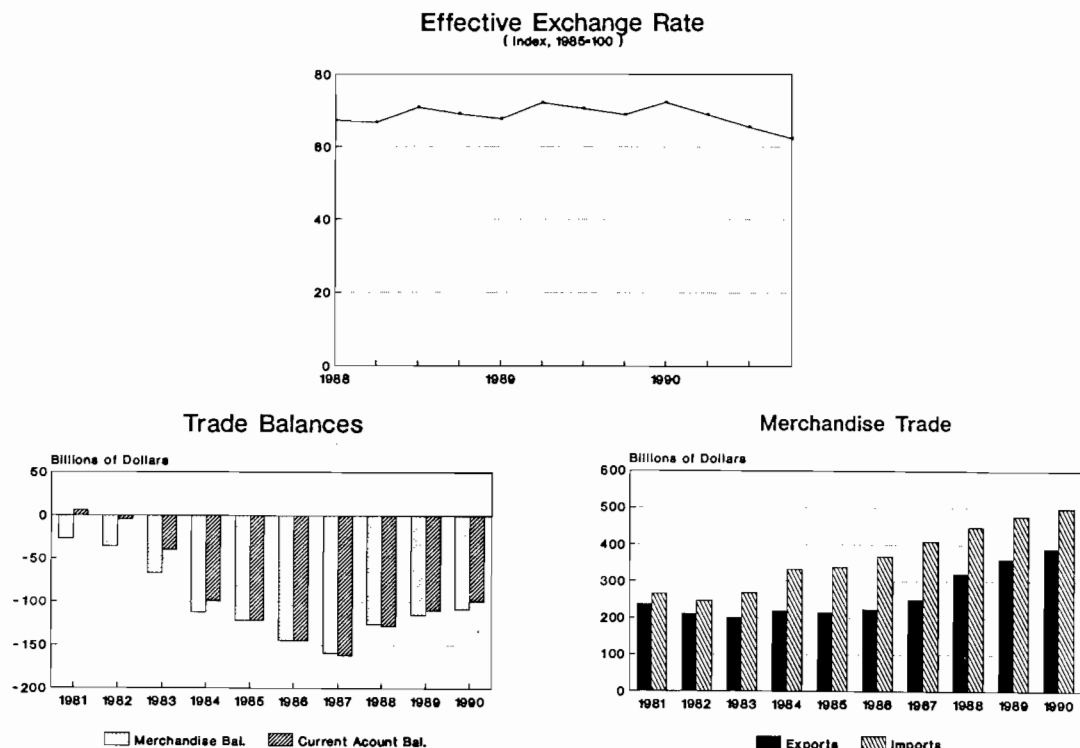
In 1990, the United States current account deficit, though remaining substantial, improved for the third consecutive year, declining to US\$92.1 billion. The merchandise trade deficit narrowed to less than US\$110 billion, though its improvement was smaller than that of the previous year. The surplus in the non-trade portion of the current account increased again in 1990, with net travel and transportation transactions, for instance, posting a positive balance for the second consecutive year.

Capital account developments in 1990 were characterized, among other factors, by sharp declines in net inflows from direct investment and securities transactions, and close to a three-fold increase in net errors and omissions due to net unreported private capital flows. Finally, the net international investment position, which was revalued to current-period prices, showed an increase or a decrease depending on the method of valuation.

⁴Most of the deficit reduction under the new law arises from imposing limits on the growth of expenditures. Discretionary spending, through reductions in defence outlays for the most part, is expected to account for roughly 40% of the reduction from the baseline, while limits in the growth of entitlement and mandatory spending programmes are expected to generate 20% of the reduction. On the other hand, over the next five years, almost US\$150 billion in additional tax revenues will be raised by the new package.

Figure 3

MAIN EXTERNAL-SECTOR INDICATORS



1. Exchange rates

During 1990, the performance of the dollar against the major currencies was determined, for the most part, by lower interest rates and economic growth in the United States, with the trade-weighted average exchange rate dropping by about 6%. In particular, the dollar declined against major currencies in the last two quarters of the year when fears of an economic slow-down undermined foreign confidence in the dollar and interest rate differentials favoured other currencies (see appendix, table 16).

Against individual currencies, for instance, the dollar went down against European currencies by about 13%. It fluctuated widely against the yen, increasing in the first two quarters before declining in the second part of the year. Finally, the currencies of some newly industrializing economies, such as Taiwan, Korea, and Singapore, exhibited mixed behaviour against the United States dollar: that of the first two went down, while that of Singapore appreciated.

2. Merchandise trade

The trade deficit narrowed for the third year in a row, falling to US\$108 billion, though its improvement amounted to about half the decline recorded a year earlier. The slow-down in the growth of real demand, both in the United States and abroad, caused both export and import growth to decelerate to 7.7% and 4.7%, respectively, from 12% and 6% a year earlier (appendix, table 17). The ratio of the trade deficit to GNP remained at 2%, one third of the level registered five years ago.

Non-agricultural exports increased moderately, by about 9% in 1990, compared with a 13% rise in 1989 (see appendix, table 18). Capital goods and consumer goods, which accounted for 80% of the year's rise in exports, continued to show dynamism, rising by 12% and 20%, respectively, despite a slow-down in their rate of expansion. Among capital goods, equipment for oil drilling, mining and telecommunications, as well as semiconductors and industrial engines, slowed down significantly, while exports of civilian aircraft remained strong and computer exports regained growth. By contrast, within the consumer goods category the slow-down in commodities exports was widespread. Finally, price changes in exports were mixed, rising moderately for capital goods, automotive products and consumer goods and declining for foods, feeds and beverages.

Non-agricultural export growth varied substantially by country. For instance, exports to Western Europe of consumer goods, commercial aircraft and other capital goods, as well as exports to Mexico, particularly automotive parts, increased considerably. Exports to Japan, mainly commercial aircraft and consumer goods, grew by 12%, while export growth to other countries, such as Canada, was quite weak.

Agricultural exports declined by 3% from the record level of 1989, with the largest decreases experienced by wheat and corn. Much of the decrease in wheat exports was to the Soviet Union, owing to both abundant harvests and financial restrictions. Soybean exports also decreased, with sales from South America presenting stiff competition. Increases in vegetables, fruits and nuts offset some of these other declines.

Import growth slowed down to less than 5%, to US\$498.0 billion, with non-petroleum imports increasing by 3% and petroleum imports by a steep 22%, the highest level since 1981, with most of the increase in the latter accounted for by price increases. Deceleration in economic activity slowed down the growth of non-oil imports, with capital goods and consumer goods imports increasing by 3% and 2%, respectively. In capital goods, 1990 was the second successive year of major slow-down in the value of several categories, including semiconductors and computers. In consumer goods, drops in imports of television and audio equipment explain the scant increase in durables imports. Among non-durables, textiles showed relative strength, offsetting in part the decreases in other categories (see appendix, table 19).

For the fourth consecutive year, the trade deficit with important industrial trading partners dropped substantially. The trade balance with Western Europe shifted to a surplus of US\$4.0 billion, from deficits of US\$1.6 billion in 1989 and US\$12.6 billion in 1988. With Japan, the trade deficit was reduced to US\$41.1 billion in 1990, down from US\$49.1 billion a year earlier, owing to lower United States net imports of consumer goods and higher United States net exports of industrial supplies and materials. The deficit with the newly industrializing East Asian economies was also reduced to US\$19.8 billion. Finally, the merchandise trade deficit with Latin America and the Caribbean rose to US\$9.8 billion (see appendix, table 20).

3. Current account

The surplus in the non-trade portion of the current account increased again in 1990, from US\$7 billion in 1989 to over US\$15 billion. Net travel and transportation transactions showed a positive balance for the second consecutive year, owing to a continued strong flow of visitors, in particular from Canada and Mexico, while the number of visitors from Europe and Japan lagged significantly behind the strong growth of the previous year. Military transactions with foreigners increased in 1990, reflecting transfers and expenditures related to the Gulf conflict (see appendix, table 21).

The United States continued to enjoy a positive net investment income position in 1990. Net income from direct investment increased to US\$52 billion, because payments to foreign direct investors in the United States decreased US\$12 billion, owing to lower earnings following the economic slow-down in the United States. Receipts from United States direct investors abroad, on the other hand, rose slightly to US\$54.4 billion.

Net portfolio investment income, in turn, increased only slightly in 1990, but reached a record negative balance of US\$40.8 billion. Forgiveness of Egypt's military sales debt and a decline in average interest rates tempered somewhat the deterioration in the net portfolio position. Net unilateral transfers increased to over US\$22 billion in 1990, up from US\$14.7 billion in 1989. For the most part, the increase reflects some debt forgiveness and receipt of cash contributions –about US\$4 billion– from other governments to finance the cost of the conflict in the Gulf. As a whole, the current account deficit declined in 1990 to US\$92.1 billion, its lowest level since 1983. The share of the current account deficit in GNP fell to 1.7%, its lowest level since 1983.

4. Capital movements

The depreciation of the dollar, coupled with the weakening in the United States economy, lower investment returns, and greater demand for capital in Europe influenced capital account developments in the United States during 1990. Net capital inflows decreased due to sharp declines in net inflows from direct investment and securities transactions. Inflows of foreign direct investment in the United States were US\$37.2 billion, compared with US\$72.2 billion in 1989, with about three fourths of the decline corresponding to inflows from Western Europe. Also, net foreign purchases of United States securities shrank from close to US\$70 billion in 1989, to US\$2.9 billion in 1990, a dramatic reversal from the earlier pattern.

As opposed to 1989, transactions representing intervention purchases of foreign currencies were limited in 1990. Foreign official assets in the United States increased from US\$8.6 billion in 1989 to US\$32.4 billion, a rise prompted mainly by an increase in dollar assets of European countries, owing to the appreciation of their currencies against the dollar.

The statistical discrepancy in United States international transactions –net errors and omissions– increased from US\$22.4 billion to US\$63.5 billion, close to a three-fold increase, accounted for the most part by net unreported private capital flows. Unstable economic and political conditions in many countries could be responsible for this large increase in foreign holdings of the dollar in 1990.

Finally, in 1990 the net international investment position of the United States was a negative US\$412.2 billion or a negative US\$360.6 billion, depending on whether direct investment is valued at the current cost of replacing plant and equipment and other tangible assets, or if it is valued at the current stock-market value of owner's equity.⁵ The net investment position decreased by US\$27.5 billion if measured in current cost, but increased by US\$92.9 billion if measured in market value. This difference arises because foreign stock prices declined sharply relative to domestic prices and, while stock prices affect market values, they do not affect current costs (see appendix, table 22).

⁵In 1991, the United States net international investment position, which had been previously measured on a historical cost basis, was revalued to current-period prices by revaluing United States direct investment abroad, foreign direct investment in the United States, and United States official gold reserves. Historical cost estimates were considered inaccurate, since United States investment abroad is on average older than foreign direct investment in the United States, and therefore historical estimates do not reflect changes in inflation. Direct investment is now measured using current cost (current cost of replacing United States and foreign parents' shares of affiliates' investment in tangible assets) and market value (current stock-market value of United States and foreign parents' shares of equity in foreign affiliates, including both tangible and intangible assets). Gold is now valued at year-end market prices.

II. SPECIFIC ISSUES

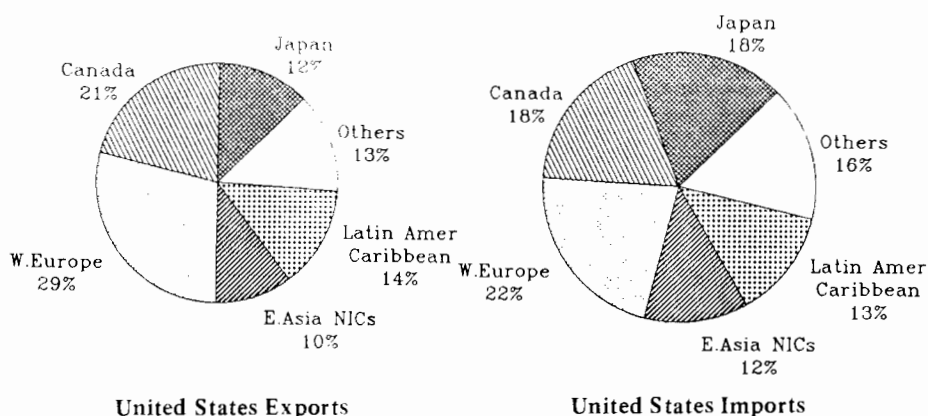
A. UNITED STATES MERCHANDISE TRADE WITH LATIN AMERICA AND THE CARIBBEAN

1. General overview

In 1990, total United States trade with Latin America and the Caribbean grew by 10.9%, to US\$118 billion. The region's share in United States total trade increased from 12.7% in 1989 to 13.3% in 1990, as United States imports from Latin America and the Caribbean expanded at a pace more than double that of global imports. By contrast, the growth rate of United States exports to the region slowed to 10.2% from 11.9% in 1989 and 25.4% in 1988. The United States trade deficit with the region continued to increase, growing by 19.4% to US\$9.9 billion in 1990.

Figure 4

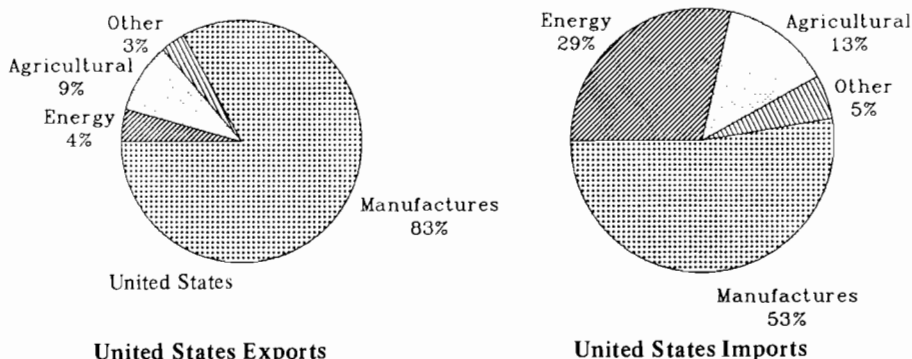
LATIN AMERICAN AND CARIBBEAN SHARE OF UNITED STATES TRADE, 1990



Bilateral trade continued shifting in favour of manufactures. In 1990, the share of manufactures in total United States imports from Latin America and the Caribbean reached 53%, a dramatic increase when compared to the 26% share in 1981, while energy and agriculture accounted for 29%, and 13%, respectively. Also, manufactures accounted for 83% of United States exports to the region, with agricultural products and energy absorbing 9% and 4% of total exports (see appendix, table 23).

Figure 5

UNITED STATES TRADE WITH LATIN AMERICAN AND THE CARIBBEAN: SECTORAL COMPOSITION, 1990



2. United States exports

In 1990, total United States exports to the region expanded by 10%, compared to the 12% increase of 1989. Exports to Central America and Mexico expanded by 14%, while those to South America rose by 8%, reaching US\$15 billion, the highest level since 1981. To the Caribbean, by contrast, exports fell by 4.2%, after expanding by 25% in 1989. Mexico's share of United States total exports to Latin America and the Caribbean reached 52%, the highest level on record (see appendix, table 24).

Energy exports were very dynamic, increasing by 15%, to US\$2.4 billion, although this was only half the 1989 growth rate of 30.1%. Oil from petroleum and bituminous minerals accounted for 66% of the sales.

United States manufacturing exports to Latin America and the Caribbean also remained dynamic, growing by 12.5% to US\$44.8 billion. Capital goods and durable consumer goods, such as parts and accessories for motor vehicles, aircraft, telecommunications equipment and household appliances, were again the leading industrial export items. By contrast, agricultural exports to Latin America and the Caribbean fell by 5.2%, to US\$5 billion, with those to Mexico falling by 7%, but still representing more than half of United States sales of farm products to the region (see appendix, table 25).

3. United States imports

Total United States imports from Latin America and the Caribbean expanded by 11.5%, to US\$64 billion. Energy imports accounted for almost 25% of United States imports from Latin America and the Caribbean, increasing their growth rate to 28.7%, from 28.3% in 1989, as a result of both increased volume and higher prices. Imports from Venezuela increased by 41.6%, to US\$8.4 billion, as a consequence of the outbreak of the Gulf crisis in August. Imports from Mexico rose by 23% to US\$5.3 billion, with those from Trinidad and Tobago showing an increase of 37%. However, energy imports from Ecuador fell by 25.4% (see appendix, table 26).

Manufactured imports increased by only 5%, to US\$33.7 billion, the lowest growth rate since 1985. As a result, the United States trade surplus in manufactures with Latin America and the Caribbean increased by 43.7%, reflecting continued improvements with Mexico and Brazil. Only imports from Bolivia, Venezuela, Guatemala and Honduras showed strong growth, increasing by 84.3%, 38.2%, 37.6% and 30%, respectively. Total manufactured imports from

the region remained concentrated in the larger countries, with 63.0% of such purchases originating in Mexico and 15.2% in Brazil. As in previous years, leading items among manufactured imports included passenger motor vehicles and parts, electrical machinery parts and equipment, and certain consumer items such as footwear, some categories of apparel, furniture, and metal manufactured goods.

Agricultural imports grew by 11.9%, to US\$8.5 billion, with most of the purchases accounted for by fruits, nuts, coffee, fruit/vegetable juices, fresh vegetables, crustaceans and fish, sugar and live animals. Coffee imports from Brazil increased, in part owing to the rising United States dollar foreign exchange rate against the Brazilian cruzeiro. Agricultural imports from Mexico increased by 15.9%, to represent 30.9% of total United States purchases from Latin America and the Caribbean, while those from Brazil grew by 18.4%, representing 21% of this total. In money terms, price increases for sugar, bananas and cotton almost offset the decreases in world prices experienced by coffee, wheat, soybeans and wool (see appendix, table 27).

4. The Generalized System of Preferences (GSP)

During 1990, GSP preferential duty-free entry was granted to approximately 4 290 products, from 134 designated beneficiary countries and territories. Overall, GSP duty-free imports increased by 11% to US\$11.1 billion in 1990, with imports from Latin America and the Caribbean accounting for US\$5.4 billion, nearly half of total GSP imports.

As a result of the GSP 1990 product review, effective 1 July 1991, 59 new items worth US\$336.6 million, were designated for duty-free treatment. Thirty-five per cent of this amount, or US\$119 million, benefited 13 Latin American countries. Among the largest beneficiaries of these new additions were Brazil (US\$37.4 million), Peru (US\$35.7 million) and Mexico (US\$32.7 million). In response to petitions filed by United States industry, one product was removed from GSP eligibility, amounting to US\$3.4 million in imports. Latin American countries absorbed US\$2.4 million, or 74%, of this total, with most of it affecting Brazil (US\$1.8 million) and the remainder split between Mexico and Venezuela.

In 1990, 120 products worth nearly US\$8.8 million in imports were excluded from GSP benefits.⁶ Eleven Latin American and Caribbean countries have been affected by these restrictions, or 86% of those exclusions on 100 products amounting to US\$7.6 million. The most affected countries were Mexico, with 67 products worth US\$5.7 million in imports, and Brazil, with 16 products worth US\$924 million of imports.

A total of 236 products, worth US\$455 million in imports, were eligible for *de-minimis*⁷ waivers under the GSP Annual Review. However, only 217 products worth US\$402 million, actually benefited from *de-minimis* waivers, with 14 Latin American and Caribbean countries benefiting from waivers on 131 products, amounting to US\$277 million in imports from Mexico (US\$163 million, 68 products), Brazil (US\$26 million, 13 products) and Chile (US\$26 million, 10 products).

In 1990, 115 products amounting to imports of US\$872 million were eligible for redesignation.⁸ Within this group, 79 products from six Latin American and Caribbean countries were eligible for redesignation amounting to imports of US\$652 million. However, at the end of the review only 27 products worth US\$303 million in imports, or 35% of the total of products,

⁶Under the current statutes, a country loses benefits for a product if its shipments during the preceding calendar year exceed established competitive need limits.

⁷A *de-minimis* provision allows the United States President to waive the percentage of competitive need limits in cases where total United States imports of a product do not exceed US\$10 million in 1990.

⁸As result of the GSP Annual Review, individual countries previously excluded through competitive need limits from receiving duty-free benefits for particular products may be redesignated if their 1990 shipments of those individual items fall below the competitive need limits of the previous year.

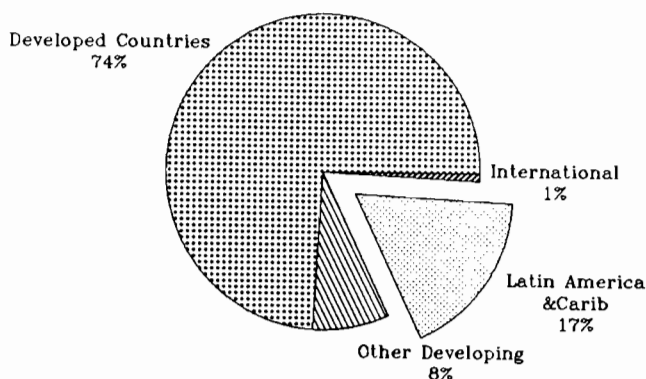
were actually granted GSP redesignation, since the remainder were graduated to most favoured-nation treatment. From the region, only four countries obtained redesignation of 20 of their eligible products worth US\$273 million. The largest beneficiary was Mexico, with 15 products worth US\$269 million.

B. UNITED STATES DIRECT INVESTMENT IN LATIN AMERICA AND THE CARIBBEAN

In 1990, United States direct investment in Latin America and the Caribbean increased by US\$9.7 billion, or 15.5%, reaching US\$72.5 billion, with investment going to the Netherlands Antilles, Mexico, and Bermuda accounting for most of the increase in United States investment in the region.⁹ In the Netherlands Antilles, United States investment increased by US\$4.6 billion, owing by and large to repayments of loans by United States parent companies to their financial affiliates.¹⁰ In Mexico, United States investment increased by US\$2.1 billion, to reach US\$9.4 billion, as a result of reinvestment of earnings of manufacturing affiliates, the purchase of a minority stake in the privatized telephone company and Mexico's liberalization of foreign investment regulations. In Chile, United States investment was also quite dynamic, increasing by 25% in 1990 (see appendix, table 28).

Figure 6

UNITED STATES DIRECT INVESTMENT ABROAD: AREA BREAKDOWN, 1990



United States investment in Latin America and the Caribbean is concentrated in finance and manufacturing, with shares of 37% and 33%, respectively, while banking follows with a 10% share.¹¹ Almost three fourths of United States investment in the region's finance and banking industries is located in the Caribbean, particularly in Bermuda, while a large part of the investment in banking accrues to the Bahamas and the British Virgin Islands. United States investment in manufacturing industries is concentrated, for the most part, in Brazil, Mexico and Argentina, with shares of 47%, 30%, and 6%, respectively.

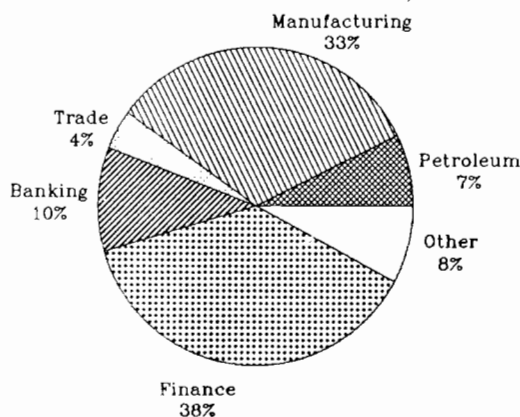
⁹ Estimates are on a historical-cost basis. For explanation and analysis, see United States Department of Commerce, Bureau of Economic Analysis, *Survey of Current Business*, vol. 71, No. 6, Washington, D.C., June 1991.

¹⁰In 1984, the United States withholding tax on interest paid to foreigners was repealed, thus eliminating the main advantage of parent companies borrowing through affiliates in the Netherlands Antilles. As a consequence, repayments of previous loans have increased.

¹¹Insurance and real estate are included under finance.

Figure 7

**UNITED STATES INVESTMENT IN LATIN AMERICA:
INDUSTRY BREAKDOWN, 1990**



By 1990, United States investment in Latin America and the Caribbean was 17.2% of total United States investment abroad, which amounted to US\$421.5 billion, 14% (US\$51.4 billion) above its 1989 level. On the other hand, United States investment in Latin America and the Caribbean represented 68.5% of United States investment in developing countries, which was US\$105.7 billion. Nearly three fourths of the US\$13.6 billion increase of the United States investment position in developing countries was in Latin America.

**C. UNITED STATES ECONOMIC ASSISTANCE TO LATIN AMERICA
AND THE CARIBBEAN**

Total United States assistance to Latin America and the Caribbean increased sharply by 34.5%, to US\$2.2 billion, compared to the increase of only 1.2% in 1989. This was the highest growth rate since 1985.

Within total United States assistance, economic assistance increased by 33.8%, military assistance by 42.7% and other loans by 28.8% (see appendix, table 29). The increase in this last category includes trade credit, private investment and other loans and grants, and it was the most notable considering last year's drop of 63%. This jump mainly resulted from an increase in Export-Import Bank lending of 59.2%, to US\$57.8 million, with loans to Chile of US\$24.1 million, to Brazil of US\$22.5 million and to Mexico of US\$11.1 million.

Grants constituted 90.4% of United States assistance to the region in 1990, compared with 88% the previous year and 43% in 1982. Sixteen Latin American and Caribbean countries received United States assistance in the form of grants, compared with 13 in 1989 (see appendix, table 30).

United States economic assistance to Central America expanded by 77.4% in 1990, to represent 69% of total United States economic assistance to Latin America and the Caribbean. Assistance to Panama and Nicaragua increased from less than US\$5 million in 1989 to US\$397 million and US\$223 million, respectively, in 1990. Thus, Panama and Nicaragua ranked as the third and seventh largest world recipients of United States assistance. With the exception of Honduras, economic assistance to the other Central American and Caribbean countries decreased. Flows of economic assistance directed to the Caribbean countries declined by 37.5%, with sharp decreases for the Dominican Republic, Jamaica and Trinidad and Tobago, while flows to South America were concentrated in Peru and Bolivia, increasing by 23.8%, to US\$260.3 million (see appendix, table 31).

D. PROGRESS REPORT ON THE ENTERPRISE FOR THE AMERICAS INITIATIVE

One year after President Bush's announcement, on 27 June 1990, of the Enterprise for the Americas Initiative (EAI), several major events can be identified as evidence of the progress accomplished in the Initiative's different dimensions.

In the first place, following some unexpected controversy, the curtain was raised in the tripartite negotiations aimed at the creation of a North American Free Trade Agreement (NAFTA). On 12 June 1991, NAFTA negotiations began, broken down into 17 groups within six separate headings. The headings and the groups reveal the complexity of the agenda that is on the negotiating table. First, under market access: tariffs and non-tariff barriers; rules of origin; government procurement; agriculture; automobiles; and other industrial sectors. Second, under trade rules: safeguards, subsidies and trade remedies; as well as standards. Third, under services: principles; financial; insurance; land transportation; telecommunications; as well as other services. Fourth, under investment: principles and restrictions. Finally, under separate headings, intellectual property and dispute-settlement procedures.

Secondly, the youngest process of economic integration of the hemisphere, known as the Southern Cone Common Market (MERCOSUR), as well as the 13 members of the Caribbean Community (CARICOM), signed framework agreements on trade and investment with the United States in June and July of 1991, respectively. The agreement signed by the four members of MERCOSUR –Argentina, Brazil, Paraguay and Uruguay– was the first to be signed with a group of countries, putting into practice the original intention of negotiating with groups of countries engaged in processes of economic integration. As with the others already signed, the framework agreement with MERCOSUR, known as "The Rose Garden Agreement", includes a declaration of trade and investment principles, as well as a decision to hold regular consultations on the basis of a commonly agreed agenda.

The third major accomplishment, also within the Initiative's trade pillar, can be found in the other bilateral framework agreements signed with Colombia (July 1990); Ecuador (July 1990); Chile (October 1990); Honduras (November 1990); Costa Rica (November 1990); Venezuela (May 1991); El Salvador (May 1991); Peru (May 1991); Nicaragua (June 1991); and, Panama (June 1991). An agreement with Bolivia had been signed prior to the announcement of the EAI. Guatemala, Haiti and the Dominican Republic are the only countries that have not signed bilateral framework agreements with the United States.

Fourthly, in the field of investment, the United States and Japan have pledged US\$500 million each, as contributions to the Multilateral Investment Fund (MIF), created at the Inter-American Development Bank (IDB). Similar pledges to the MIF from Canada, some members of the European Community and even Korea and Taiwan were expected in the near future.

Finally, in June 1991, Chile received the first investment-policy loan from the IDB, to further the process of investment-policy reforms.

III. STATISTICAL APPENDIX

Table 1
UNITED STATES: MAIN ECONOMIC INDICATORS

	1986	1987	1988	1989	1990
Gross national product (billions of 1982 dollars)	3 717.9	3 845.3	4 016.9	4 117.7	4 157.3
Per capita GNP (1982 dollars)	15 388	15 765	16 308	16 550	16 536
Population (millions)	241.6	243.9	246.3	248.8	251.4
Growth rates					
Gross national product	2.7	3.4	4.5	2.5	1.0
Per capita GNP	1.7	2.8	3.4	1.5	-0.1
Implicit GNP deflator	2.6	3.2	3.3	4.1	4.1
Consumer prices (December to December)	1.1	4.4	4.4	4.6	6.1
Real income	2.6	0.4	3.9	1.4	-0.2
Real wages	0.3	-1.0	-0.9	-1.0	1.6
Money (M1)	16.8	3.5	4.9	0.9	4.0
Percentages					
Unemployment rate	7.0	6.2	5.5	5.3	5.5
Fiscal deficit (% of GNP)	5.2	3.3	3.2	2.9	4.0
Billions of dollars					
Trade balance	-145.1	-159.5	-126.9	-115.9	-108.1
Investment income (net)	10.9	5.3	1.6	-0.9	7.5
Balance on current account	-145.5	-160.2	-126.2	-106.3	-92.1
Balance on capital account	145.1	151.0	130.1	131.6	94.2
Net intl. investment position (current cost)	-74.1	-134.9	-305.9	-439.7	-412.2
(market cost)	14.5	-42.2	-150.5	-267.7	-360.6

Source: ECLAC, on the basis of data from the United States Department of Commerce and the International Monetary Fund.

Table 2
UNITED STATES: GROSS NATIONAL PRODUCT

	Billions of 1982 dollars					Growth rates				
	1986	1987	1988	1989	1990	1986	1987	1988	1989	1990
Global supply	4 244.8	4 415.6	4 627.5	4 765.1	4 822.6	3.8	4.0	4.8	3.0	1.2
Gross National Product	3 717.9	3 845.3	4 016.9	4 117.7	4 157.3	2.7	3.4	4.5	2.5	1.0
Imports	526.9	570.3	610.6	647.4	665.3	11.8	8.2	7.1	6.0	2.8
Global demand	4 244.8	4 415.6	4 627.5	4 765.1	4 822.6	3.8	4.0	4.8	3.0	1.2
Consumption	3 208.0	3 294.9	3 387.0	3 454.9	3 502.4	4.0	2.7	2.8	2.0	1.4
Private	2 446.4	2 515.8	2 606.5	2 656.8	2 681.6	3.9	2.8	3.6	1.9	0.9
Government	761.6	779.1	780.5	798.1	820.8	4.2	2.3	0.2	2.3	2.8
Investment	639.6	669.0	705.7	716.9	688.7	-0.9	4.6	5.5	1.6	-3.9
Fixed	634.1	646.2	682.1	693.1	692.3	1.0	1.9	5.6	1.6	-0.1
Residential	195.7	196.4	194.9	187.0	176.8	12.2	0.4	-0.8	-4.1	-5.5
Non-residential	438.4	449.8	487.2	506.1	515.4	-3.3	2.6	8.3	3.9	1.8
Stock variation	5.6	22.8	23.6	23.8	-3.6	-	-	-	-	-
Exports	397.1	451.8	534.7	593.3	631.5	8.1	13.8	18.3	11.0	6.4

Source: ECLAC, on the basis of data from the United States Department of Commerce.

Table 3
UNITED STATES: EVOLUTION OF GROSS SAVING

	Billions of dollars					Growth rates				
	1986	1987	1988	1989	1990	1986	1987	1988	1989	1990
Gross savings	525.3	555.5	656.1	691.5	657.3	-1.5	5.7	18.1	5.4	-4.9
Private	669.5	662.6	751.3	779.3	787.9	0.6	-1.0	13.4	3.7	1.1
Personal	124.9	92.5	145.6	171.8	180.1	-0.4	-25.9	57.4	18.0	4.8
Business	544.6	570.1	605.7	607.5	607.8	0.9	4.7	6.2	0.3	0.0
Government	-144.1	-107.1	-95.3	-87.8	-130.6	-	-	-	-	-
Coefficients (percentages)										
Gross savings/GNP	12.4	12.3	13.5	13.3	12.0					
Personal savings/Personal disposable income	4.1	2.9	4.2	4.6	4.6					

Source: ECLAC, on the basis of data from the United States Department of Commerce, Bureau of Economic Analysis.

Table 4
UNITED STATES: FARM OUTPUT AND PRODUCTIVITY INDICATORS

	Indexes (1977 = 100)					Growth rates				
	1986	1987	1988	1989	1990	1986	1987	1988	1989	1990
Total farm output	111.0	110.0	102.0	114.0	117.0	-5.9	-0.9	-7.3	11.8	2.6
Crops	109.0	108.0	92.0	107.0	112.0	-7.6	-0.9	-14.8	16.3	4.7
Feed grains	123.0	106.0	73.0	108.0	115.0	-8.2	-13.8	-31.1	47.9	6.5
Food grains	107.0	107.0	98.0	107.0	138.0	-11.6	0.0	-8.4	9.2	29.0
Oil crops	110.0	108.0	89.0	106.0	102.0	-6.0	-1.8	-17.6	19.1	-3.8
Livestock and products	110.0	113.0	116.0	116.0	117.0	2.8	2.7	2.7	0.0	0.9
Net farm income ^a	27.2	35.1	34.4	37.0	36.2	-	29.0	-2.0	7.6	-2.2
Debt-to-assets ratio (%)	19.8	17.3	15.8	15.0	14.3					
Selected input indicators										
Employment ^b	3 163.0	3 208.0	3 169.0	3 199.0	3 186.0	-0.5	1.4	-1.1	0.9	-0.4
Acreage planted for crops ^c	325.0	303.0	298.0	308.0		-5.0	-6.8	-1.7	3.4	
Use of chemicals	109.0	111.0	111.0	122.0	-	-10.6	-	2.7	-	
Use of mechanical power and machinery	77.0	73.0	72.0	73.0	-		-5.2	-1.4	1.4	
Productivity indicators										
Output/Unit of total input	124.0	124.0	118.0	128.0	-	-3.1	0.0	-4.8	8.5	
Output/Acre	116.0	123.0	107.0	119.0	-	-3.3	6.0	-13.0	11.2	
Output/Hour of farmwork	139.0	142.0	134.0	148.0	-	-	2.2	-5.6	10.4	

Source: ECLAC, on the basis of data from the United States Department of Agriculture and the United States Department of Commerce.

^a Billions of 1982 dollars.

^b Thousands of persons.

^c Millions of acres.

Table 5
UNITED STATES: MANUFACTURING OUTPUT AND PRODUCTIVITY INDICATORS

	Indexes (1987 = 100)					Growth rates				
	1986	1987	1988	1989	1990	1986	1987	1988	1989	1990
Total manufacturing										
Production	94.3	100.0	105.8	108.9	109.9	2.9	6.0	5.8	2.9	0.9
Capacity utilization (%)	79.0	81.4	83.9	83.9	82.3	-0.6	3.0	3.1	0.0	-1.9
Productivity ^a	108.7	109.8	112.5	111.7	110.8	2.1	1.0	2.5	-0.7	-0.8
Major industry										
Durables	93.9	100.0	107.6	110.9	111.6	2.3	6.5	7.6	3.1	0.6
Primary metals	93.8	100.0	110.3	109.2	108.4	-7.9	6.6	10.3	-1.0	-0.7
Fabricated metal products	93.8	100.0	106.2	107.2	105.9	-0.7	6.6	6.2	0.9	-1.2
Machinery										
Electrical	94.3	100.0	106.5	109.5	111.4	1.3	6.0	6.5	2.8	1.7
Non-electrical	90.4	100.0	113.8	121.8	126.6	4.1	10.6	13.8	7.0	3.9
Transportation equipment	96.9	100.0	105.0	107.2	105.5	5.6	3.2	5.0	2.1	-1.6
Non-durables	94.9	100.0	103.6	106.4	107.8	3.7	5.4	3.6	2.7	1.3
Foods	97.4	100.0	102.0	105.5	107.6	2.6	2.7	2.0	3.4	2.0
Petroleum products	-	100.0	103.4	106.1	108.3			3.4	2.6	2.1
Chemicals and products	94.6	100.0	105.4	108.5	110.2	3.5	5.7	5.4	2.9	1.6
Apparel products	96.3	100.0	102.2	104.3	98.8	4.0	3.8	2.2	2.1	-5.3
Printing and publishing	90.7	100.0	103.6	108.5	112.0	3.5	10.3	3.6	4.7	3.2
Major markets										
Final products	95.7	100.0	105.6	109.1	110.9	1.6	4.5	5.6	3.3	1.6
Consumer goods	96.8	100.0	104.0	106.7	107.3	3.3	3.3	4.0	2.6	0.6
Equipment	94.5	100.0	107.6	112.3	115.5	-0.3	5.8	7.6	4.4	2.8
Intermediate products	92.0	100.0	104.4	106.8	107.7	4.2	8.7	4.4	2.3	0.8
Materials	95.9	100.0	105.6	107.4	107.8	-0.7	4.3	5.6	1.7	0.4

Source: ECLAC, on the basis of data from the Board of Governors of the Federal Reserve System.

^a Output per hour of total non-farm business sector. Index, 1982 = 100.

Table 6
UNITED STATES: INDICATORS OF ACTIVITY IN THE SERVICES SECTORS

	1986	1987	1988	1989	1990	Growth rates				
						1986	1987	1988	1989	1990
Billions of KW/hour										
Electric power										
Production	2 487.3	2 572.1	2 704.3	2 784.0	2 807.1	0.7	3.4	5.1	2.9	0.8
Sales										
Industrial	808.3	845.3	880.9	887.5	-	-2.0	4.6	4.2	0.7	
Commercial	641.5	673.7	695.1	698.5	-	5.3	5.0	3.2	0.5	
Residential	817.7	849.6	885.1	884.9	-	3.3	3.9	4.2	0.0	
Millions of dollars^a										
Transportation										
Air carriers ^b										
Passenger-miles	30.6	33.7	35.3	36.1	38.2	10.1	9.1	4.7	2.3	5.8
Cargo, ton-miles	3.8	4.2	4.5	4.6	4.9	6.6	10.7	7.1	2.2	6.5
Motor carriers										
Freight carried ^c	148.0	163.8	177.2	168.6	174.9	-	-	8.2	-4.9	3.7
Domestic trade										
Wholesale	116.2	124.3	135.2	145.7	151.9	1.4	6.9	8.8	7.8	4.3
Retail	120.8	128.5	137.6	145.1	150.6	5.4	6.4	7.1	5.5	3.8
Durables	45.1	48.1	52.3	54.3	54.7	8.4	6.7	8.7	3.8	0.7
Non-durables	75.7	80.5	85.2	90.7	96.0	3.6	6.2	5.8	6.5	5.8
Other services										
Personal expenditures ^d	1 449.5	1 584.7	1 720.7	1 845.5	1 983.3	7.7	9.3	8.6	7.3	7.5

Source: ECLAC, on the basis of data from the United States Department of Commerce.

^a Monthly averages.

^b Revenues of certified air carriers, domestic and international operations.

^c Intercity truck

tonnage. Volume index, 1967 = 100.

^d National accounts basis.

Table 7
UNITED STATES: CONSTRUCTION ACTIVITY INDICATORS

	1986	1987	1988	1989	1990	Growth rates				
						1986	1987	1988	1989	1990
Billions of dollars										
Total value put in place	398.2	410.2	422.1	432.1	434.0	8.0	3.0	2.9	2.4	0.4
Private	313.6	319.6	327.1	333.5	324.4	7.8	1.9	2.3	2.0	-2.7
Residential ^a	187.1	194.7	198.1	196.6	186.9	18.0	4.1	1.7	-0.8	-4.9
Non-residential	126.5	124.9	129.0	137.0	137.6	-4.5	-1.3	3.3	6.1	0.4
Public	84.6	90.6	95.0	98.6	109.6	8.7	7.1	4.9	3.8	11.2
Thousands of units										
Private residential construction										
Permits authorized	1 769.4	1 534.8	1 455.6	1 338.4	1 110.8	2.1	-13.3	-5.2	-8.1	-17.0
Completed	1 756.4	1 668.8	1 529.8	1 422.9	1 308.0	3.1	-5.0	-8.3	-7.0	-8.1

Source: ECLAC, on the basis of data from the United States Department of Commerce, Bureau of the Census.

^a Includes farm residential buildings and residential improvements.

Table 8
UNITED STATES: MINING ACTIVITY INDICATORS

	1986	1987	1988	1989	1990	Growth rates				
						1986	1987	1988	1989	1990
Mining activity indexes (1987 = 100)										
Total mining	-	100.0	101.8	100.5	102.5	-	-	1.8	-1.3	2.0
Metal mining	-	100.0	122.7	141.4	152.8	-	-	22.7	15.2	8.1
Coal	-	100.0	105.0	105.7	113.4	-	-	5.0	0.7	7.3
Oil and gas extraction	-	100.0	99.4	95.5	95.5	-	-	-0.6	-3.9	0.0
Stone and earth minerals	-	100.0	106.8	113.9	119.3	-	-	6.8	6.6	4.7
Oil sector										
Crude oil production ^a	8 680.0	8 349.0	8 140.0	7 613.0	7 301.0	-3.2	-3.8	-2.5	-6.5	-4.1
Refinery utilization (%)	83.0	83.0	84.0	86.0		6.4	-	1.8	2.4	
Price ^b	14.6	17.9	14.7	18.0	22.2	-45.6	23.0	-18.0	22.4	23.3

Source: ECLAC, on the basis of data from the Board of Governors of the Federal Reserve System and the Energy Information Administration.

^a Thousands of barrels per day.

^b Refiner acquisition cost for crude oil, dollars per barrel.

Table 9
UNITED STATES: CIVILIAN EMPLOYMENT AND UNEMPLOYMENT

	Thousands of persons					Growth rates				
	1986	1987	1988	1989	1990	1986	1987	1988	1989	1990
Civilian labour force	117 834	119 865	121 669	123 869	124 787	2.1	1.7	1.5	1.8	0.7
Participation rate (%)	65.3	65.6	65.9	66.5	66.4					
Civilian employment	109 597	112 440	114 968	117 342	117 914	2.3	2.6	2.2	2.1	0.5
Agricultural	3 163	3 208	3 169	3 199	3 186	-0.5	1.4	-1.2	0.9	-0.4
Non-agricultural	106 434	109 232	111 800	114 142	114 728	2.4	2.6	2.4	2.1	0.5
Non-agricultural payroll	99 525	102 200	105 536	108 413	110 321	2.1	2.7	3.3	2.7	1.8
Employment										
Goods-producing industries	24 558	24 708	25 173	25 326	25 001	-1.2	0.6	1.9	0.6	-1.3
Mining	777	717	713	700	735	-16.1	-7.7	-0.6	-1.8	5.0
Manufacturing	18 965	19 024	19 350	19 426	19 062	-1.5	0.3	1.7	0.4	-1.9
Construction	4 816	4 967	5 110	5 200	5 204	3.1	3.1	2.9	1.8	0.1
Service producing industries	74 967	77 492	80 363	83 087	85 320	3.2	3.4	3.7	3.4	2.7
Transportation	5 255	5 372	5 527	5 648	5 839	0.3	2.2	2.9	2.2	3.4
Trade	23 683	24 327	25 132	25 851	26 149	2.6	2.7	3.3	2.9	1.2
Finance, insurance and real estate	6 283	6 547	6 649	6 724	6 832	5.5	4.2	1.6	1.1	1.6
Government	16 693	17 010	17 386	17 769	18 291	1.8	1.9	2.2	2.2	2.9
Other services	23 053	24 235	25 669	27 096	28 209	4.8	5.1	5.9	5.6	4.1
Unemployment rate	7.0	6.2	5.5	5.3	5.5					

Source: ECLAC, on the basis of data from the United States Department of Labor, Bureau of Labor Statistics.

Table 10
UNITED STATES: CONSUMER AND PRODUCER PRICES

	1986	1987	1988	1989	1990
December to December					
Consumer prices ^a	1.1	4.4	4.4	4.6	6.1
Commodities	-2.0	4.6	3.8	4.1	6.6
Food	3.8	3.5	5.2	5.6	5.4
Energy ^b	-19.7	8.2	0.5	5.0	17.9
Services	4.5	4.3	4.8	5.1	5.7
Producer prices					
Finished goods	-2.3	2.2	4.0	4.9	5.9
Consumer goods	2.9	-0.2	4.0	5.3	6.7
Capital equipment	2.1	1.3	3.5	3.7	3.4
Intermediate materials ^c	-4.4	5.6	5.7	2.4	4.5
Crude materials	-9.7	8.8	2.9	6.9	6.2
Year to Year					
Consumer prices	1.9	3.7	4.1	4.8	5.4
Commodities	-0.9	3.2	3.5	4.7	5.2
Food	3.2	4.2	4.1	5.8	5.8
Energy	-13.2	0.4	0.8	5.7	8.3
Services	5.0	4.2	4.5	4.9	5.5
Producer prices					
Finished goods	-1.4	2.1	2.5	5.1	4.9
Consumer goods	2.5	2.1	2.5	5.6	5.4
Capital equipment	2.0	1.9	2.3	3.9	3.5
Intermediate materials	-3.5	2.5	5.5	4.6	2.2
Crude materials	-8.4	6.7	2.3	7.3	5.6

Source: ECLAC, on the basis of data from the United States Department of Labor, Bureau of Labor Statistics.

^a Prices for all urban consumers.

^b Fuel oil, coal and bottled gas; gas (piped) and electricity; and motor fuel. Motor oil, coolant, etc., also included through 1982.

^c Excludes intermediate materials for food manufacturing and manufactured animal feeds.

Table 11
UNITED STATES: INCOME AND WAGE INDICATORS

	1986	1987	1988	1989	1990	Growth rates				
						1986	1987	1988	1989	1990
Income										
Per capita disposable										
Personal income ^a	10 905.0	10 946.0	11 368.0	11 531.0	11 509.0	2.6	0.4	3.9	1.4	-0.2
Median family income ^b	33 328.0	33 805.0	33 742.0	34 213.0	-	4.1	1.4	-0.2	1.4	-
Persons below poverty level ^c (percentage)	13.6	13.4	13.0	12.8	-					
Wages										
Average gross weekly earnings										
Private, non-agricultural activities ^d	272.0	269.0	267.0	264.0	260.0	0.3	-1.1	-0.9	-1.0	-1.6
Manufacturing	353.6	350.3	346.1	338.7	332.5	0.7	-0.9	-1.2	-2.1	-1.8
Construction	416.7	414.2	409.7	403.5	394.4	-1.3	-0.6	-1.1	-1.5	-2.3
Retail trade	157.0	154.1	151.8	148.6	146.8	-1.3	-1.8	-1.5	-2.1	-1.2

Source: ECLAC, on the basis of data from the United States Department of Commerce, Bureau of the Census, and the United States Department of Labor Statistics.

^a Yearly income in 1982 dollars.
interagency committee in 1969.

^b Yearly income in 1989 dollars.
^d Weekly earnings in 1982 dollars.

^c Based on the poverty index adopted by a Federal

Table 12
UNITED STATES: FEDERAL RECEIPTS, OUTLAYS AND DEBT

	Billions of dollars, fiscal year					Growth rates				
	1986	1987	1988	1989	1990	1986	1987	1988	1989	1990
Total receipts^a	769.1	854.1	909.0	990.7	1 031.0	4.8	11.1	6.4	9.0	4.1
Income taxes	412.1	476.5	495.7	549.0	560.3	4.1	15.6	4.0	10.8	2.1
Individuals	349.0	392.6	401.2	445.7	466.8	4.3	12.5	2.2	11.1	4.7
Corporations	63.1	83.9	94.5	103.3	193.5	3.0	32.9	12.6	9.6	-9.5
Social insurance taxes and contributions	283.9	303.3	334.3	359.4	380.0	7.1	6.8	10.2	7.5	5.7
Other receipts	73.1	74.3	78.9	82.3	90.9	0.1	1.7	6.2	3.9	10.4
Total outlays	990.3	1 003.8	1 064.0	1 144.1	1 251.7	4.6	1.4	6.0	7.4	9.4
National defence	273.4	282.0	290.4	303.6	299.3	8.2	3.2	3.0	4.5	-1.4
Social services ^b	481.6	502.2	533.4	568.7	619.3	2.1	4.3	6.2	6.6	8.9
Net interest	136.0	138.6	151.7	169.1	184.2	5.1	1.9	9.5	11.5	8.9
Other outlays	99.3	81.1	88.5	102.7	148.9	6.9	-17.6	9.2	14.4	45.0
Total surplus or deficit	-221.2	-149.7	-155.1	-153.4	-220.7	4.0	-32.3	3.6	-2.0	43.7
As % of GNP	5.2	3.3	3.2	2.9	4.0					
Gross federal debt (end of period)	2 130.0	2 345.6	2 600.8	2 867.5	3 206.3	16.6	10.6	10.9	10.2	11.8
As % of GNP	50.3	51.9	53.4	55.1	58.7					

Source: ECLAC, on the basis of data from the United States Department of the Treasury, Office of Management and Budget, and the United States Department of Commerce, Bureau of Economic Analysis.

^a On- and off-budget. Refunds of receipts are excluded from receipts and outlays. ^b Includes education, training, employment and social services; health; medicare; income security; social security (on- and off-budget); and veterans' benefits and services.

Table 13
UNITED STATES: BOND YIELDS AND INTEREST RATES

	1986	1987	1988	1989	1990
Nominal rates; per cent per annum					
Short-term rates					
Discount rate ^a	6.3	5.7	6.2	6.9	7.0
Prime rate ^b	8.3	8.2	9.3	10.9	10.0
6-month commercial paper ^c	6.4	6.9	7.7	8.8	8.0
3-month Treasury Bills ^d	6.0	5.8	6.7	8.1	7.5
Long-term rates					
10-year Treasury Bonds ^e	7.7	8.4	8.9	8.5	8.6
Moody's AAA-rated Corporate Bonds ^f	9.0	9.4	9.7	9.3	9.3
New-home mortgage yields ^g	10.2	9.3	9.2	10.1	10.1
Real rates; per cent per annum					
Short-term rates					
Discount rate ^a	5.1	1.2	1.7	2.0	1.5
Prime rate ^b	7.1	3.6	4.7	5.8	4.4
6-month commercial paper ^c	5.2	2.4	3.2	3.8	2.5
3-month Treasury Bills ^d	4.8	1.3	2.2	3.2	2.0
Long-term rates					
10-year Treasury Bonds ^e	6.5	3.8	4.3	3.5	3.0
Moody's AAA-rated Corporate Bonds ^f	7.8	4.8	5.1	4.2	3.7
New-home mortgage yields ^g	9.0	4.7	4.6	5.1	4.5

Source: ECLAC, on the basis of data from the United States Department of the Treasury, the Board of Governors of the Federal Reserve System, the Federal Home Loan Bank Board, and Moody's Investors Service.

^a Federal Reserve Bank of New York. ^b Charged by banks. ^c Bank discount basis. ^d New issues, bank discount basis.

^e Yields on the more actively traded issues adjusted to constant maturities by the Treasury Department.

^f Excludes public utilities issues for 17 January 1984 through 11 October 1984, due to lack of appropriate issues. ^g Effective rate on the primary market on conventional mortgages, reflecting fees and charges as well as contract rates and assuming, on the average, repayment at end of 10 years.

Table 14
**UNITED STATES: NET CREDIT MARKET BORROWING BY
 DOMESTIC NON-FINANCIAL SECTORS**

	Billions of dollars					Growth rates				
	1986	1987	1988	1989	1990	1986	1987	1988	1989	1990
Total	836.9	687.0	760.8	678.2	662.1	-1.3	-17.9	10.7	-10.9	-2.4
Federal										
Government	215.0	144.9	157.5	151.6	272.5	-3.8	-32.6	8.7	-3.7	79.7
Other borrowers	621.9	542.1	603.3	526.6	389.6	-0.4	-12.8	11.3	-12.7	-26.0
Households	293.0	302.2	314.9	285.0	260.1	3.0	3.1	4.2	-9.5	-8.7
Home mortgages	218.7	234.9	231.0	218.0	214.4	39.5	7.4	-1.7	-5.6	-1.7
Other	74.3	67.3	83.9	67.0	45.7	-41.8	-9.4	24.7	-20.1	-31.8
Non-financial										
business	292.7	191.0	242.8	211.9	114.9	17.5	-34.7	27.1	-12.7	-45.8
Other ^a	36.2	48.8	45.6	29.6	14.6	-60.2	34.8	-6.6	-35.1	-50.7

Source: ECLAC, on the basis of data from the Board of Governors of the Federal Reserve System.

^a State and local governments.

Table 15
UNITED STATES: MONEY STOCK, LIQUID ASSETS AND DEBT MEASURES

	Billions of dollars; December of each year					Growth rates				
	1986	1987	1988	1989	1990	1986	1987	1988	1989	1990
Monetary base	241.4	258.0	275.2	285.0	310.0	10.0	6.9	6.7	3.6	8.8
Concepts of money and liquid assets ^a										
M ₁	724.3	749.7	786.4	793.6	825.4	16.8	3.5	4.9	0.9	4.0
M ₂	2 811.6	2 910.1	3 069.9	3 223.1	3 330.5	9.4	3.5	5.5	5.0	3.3
M ₃	3 492.6	3 677.4	3 919.1	4 055.2	4 113.1	9.1	5.3	6.6	3.5	1.4
L	4 133.2	4 337.0	4 676.0	4 889.9	4 964.3	7.9	4.9	7.8	4.6	1.5
Debt and debt components										
Debt	7 636.2	8 345.1	9 107.6	9 790.4	10 450.0	12.7	9.3	9.1	7.5	6.7
Federal	1 806.1	1 957.9	2 114.2	2 268.1	2 532.8	13.9	8.4	8.0	7.3	11.7
Non-federal	5 830.1	6 387.2	6 993.4	7 522.3	7 917.2	13.5	9.6	9.5	7.6	5.2

Source: ECLAC, on the basis of data from the Board of Governors of the Federal Reserve System.

^a Seasonally adjusted.

Table 16
UNITED STATES: EVOLUTION OF THE EXCHANGE RATE

	1986	1987	1988	1989	1990	I	II	III	IV
Nominal rates (foreign currency unit per dollar)									
Canadian dollar	1.39	1.33	1.23	1.18	1.17	1.18	1.17	1.15	1.16
Japanese yen	168.00	145.00	128.00	138.00	144.80	147.90	155.30	145.20	130.80
European ECU	1.02	0.87	0.84	0.91	0.79	0.83	0.82	0.77	0.73
Korean won	881.00	823.00	731.00	671.00	707.80	690.40	710.20	715.50	715.00
Effective exchange rate^a									
Trade-weighted	81.90	72.20	68.00	71.00	66.40	68.80	68.80	65.40	62.40
Percentage changes^b									
Nominal rates									
Canadian dollar	1.8	-4.6	-7.2	-3.8	-0.8	1.2	-1.0	-1.5	0.7
Japanese yen	-29.4	-11.4	-14.2	7.7	4.9	3.4	5.0	-6.5	-9.9
European ECU	-22.1	-14.7	-3.4	7.4	-13.2	-6.7	-1.2	-6.1	-5.2
Korean won	1.3	-6.7	-11.1	-8.2	5.5	2.6	2.9	0.7	-0.1
Effective exchange rate^a									
Trade-weighted	-18.1	-11.8	-5.8	4.4	-6.5	-2.4	-	-4.9	-4.6

Source: ECLAC, on the basis of data from the International Monetary Fund.

^a For methodology, see IMF, *International Financial Statistics*.

^b Compared with preceding period.

Table 17
UNITED NATIONS: MAIN INDICATORS OF MERCHANDISE TRADE

	1986	1987	1988	1989	1990	Growth rates				
						1986	1987	1988	1989	1990
Billions of dollars										
Exports (FOB)	223.4	250.3	320.3	361.5	389.5	3.4	12.0	28.0	12.6	7.7
Imports (FOB)	368.4	409.8	447.3	477.4	498.0	9.0	11.2	9.2	6.3	4.3
Trade balance	-145.1	-159.5	-127.0	-115.0	-108.1	18.2	11.1	-20.4	-9.4	-6.0
As % of GNP	3.4	3.5	2.6	2.2	2.0					
Indexes (1985 = 100)										
Exports										
Value (FOB)	103.4	115.9	148.4	166.9	180.3	3.4	12.0	28.0	12.5	8.0
Volume	99.6	112.5	132.7	148.6	-	-0.4	13.0	18.0	12.0	-
Unit value	101.0	102.7	109.9	112.8	113.9	1.0	1.7	7.0	2.6	1.0
Imports										
Value (FOB)	109.0	121.2	132.1	140.6	147.3	9.0	11.2	9.0	6.4	4.8
Volume	110.5	113.4	117.7	117.7	-	10.5	2.6	3.8	-	-
Unit value	96.6	103.6	108.6	111.9	115.6	-3.4	7.2	4.8	9.9	3.3
Terms of trade	104.6	99.1	101.2	100.8	98.5	4.6	-5.3	2.1	-6.6	-2.3

Source: ECLAC, on the basis of data from the United States Department of Commerce and the International Monetary Fund.

Table 18
UNITED STATES: MERCHANDISE EXPORTS
(FAS value)

	Millions of dollars					Growth rates				
	1986	1987	1988	1989	1990	1986	1987	1988	1989	1990
Total exports	223.4	250.2	320.3	361.5	389.5	2.1	12.0	28.0	12.9	7.7
Food, beverages and tobacco	23.8	25.2	33.7	37.4	35.4	-0.8	5.9	33.7	11.0	-5.3
Crude and intermediate materials	64.9	66.9	89.9	99.9	105.2	10.9	3.1	34.4	11.1	5.3
Manufactured goods	134.6	155.1	196.5	224.1	248.8	-1.5	15.2	26.7	14.0	11.0
Consumer goods	16.3	20.3	26.8	36.5	43.2	29.4	24.5	32.0	36.2	18.4
Machinery and transportation equipment	108.2	20.5	152.9	174.3	191.2	11.8	11.4	26.9	14.0	9.7
Other	10.1	14.3	16.8	13.3	14.4	-63.0	41.6	17.5	-20.8	8.3

Source: ECLAC, on the basis of data from the United States Department of Commerce.

Table 19
UNITED STATES: MERCHANDISE IMPORTS
(Customs value)

	Billions of dollars					Growth rates				
	1986	1987	1988	1989	1990	1986	1987	1988	1989	1990
Total imports	368.4	409.8	447.3	477.4	498.0	9.5	11.2	9.2	6.7	4.3
Food, beverages and tobacco	24.4	24.8	24.8	25.1	26.6	11.4	1.6	0.0	1.2	6.0
Crude and intermediate products	104.3	113.7	122.7	135.1	144.6	-8.4	9.0	7.9	10.1	7.0
Petroleum and petroleum products	34.4	42.9	39.6	50.9	62.1	-31.9	24.7	-7.7	28.5	22.0
Total manufactured goods	239.8	271.2	299.7	317.2	326.4	14.4	13.1	10.5	5.8	2.9
Consumer goods	79.1	88.8	96.4	103.5	105.7	15.8	12.3	8.6	7.4	2.1
Machinery and transportation equipment	150.3	170.3	190.2	199.8	203.7	13.9	13.3	11.7	5.0	2.0
Other	10.4	12.1	13.1	13.9	17.0	10.6	16.3	8.3	6.1	22.3

Source: ECLAC, on the basis of data from the United States Department of Commerce.

Table 20
UNITED STATES: MERCHANDISE IMPORTS AND EXPORTS BY AREA
(Billions of dollars)

	Exports ^a			Imports ^b			Trade balance		
	1988	1989	1990	1988	1989	1990	1988	1989	1990
Total^c	322.4	363.8	393.9	441.0	473.2	494.9	-118.6	-109.4	-101.0
Developed countries	206.9	234.7	256.9	277.7	290.0	297.3	-70.8	-55.3	-40.4
Canada	71.6	78.8	83.9	81.4	88.0	91.4	-9.8	-9.2	-7.5
Japan	37.7	44.5	48.6	89.5	93.6	89.7	-51.8	-49.1	-41.1
Western Europe	88.0	100.3	113.0	100.6	101.9	109.0	-12.6	-1.6	4.0
Other	9.6	11.1	11.4	6.2	6.5	7.2	3.4	4.6	4.2
Developing countries	106.7	117.8	127.4	152.7	169.3	180.5	-46.0	-51.5	-53.1
Latin America and the Caribbean	43.9	49.1	54.1	51.1	57.3	63.9	-7.2	-8.2	-9.8
East Asian NIC's	34.8	38.4	40.7	63.0	62.8	60.5	-28.2	-24.4	-19.8
Other	28.0	30.3	32.6	38.6	49.2	56.1	-10.6	-18.9	-23.5
Other economies	8.6	11.0	9.0	10.6	13.9	17.4	-2.0	-2.9	-8.4

Source: ECLAC, on the basis of data from the United States Department of Commerce.

^a FAS value.

^b Customs value.

^c Total exports and imports may not coincide with sum of regional trade due to the inclusion of special categories and military type goods in total exports, and the adjustment of total imports for late receipt of shipping documents. Data may not coincide with trade data in other tables of this document due to different collection methods.

Table 21
UNITED STATES: BALANCE OF PAYMENTS
(Billions of dollars)

	1986	1987	1988	1989	1990
Balance on current account	-145.5	-160.2	-126.2	-106.3	-92.1
Merchandise trade balance	-145.1	-159.5	-126.9	-115.9	-108.1
Exports (goods)	223.4	250.3	320.3	361.5	389.5
Imports (goods)	-368.4	-409.8	-447.3	-477.4	-497.6
Real services (net)	-13.8	-11.7	-9.5	-3.6	-3.1
Travel and transportation	-8.9	-8.0	-3.8	2.6	4.1
Military transactions	-4.9	-3.7	-5.7	-6.2	-7.2
Factor income (net)	29.4	25.6	25.2	28.4	41.5
Direct investment income	25.5	33.4	36.8	42.3	52.7
Receipts	30.9	40.6	50.4	53.9	54.4
Payments	-5.4	-7.2	-13.6	-11.5	-1.8
Financial investment income	-14.6	-25.8	-31.5	-39.8	-40.7
Receipts	50.1	49.9	60.2	74.7	75.6
Payments	-64.6	-75.7	-91.7	-114.5	-116.4
Other factor services ^a	18.5	18.0	19.9	25.9	29.5
Unrequited transfers ^b	-16.0	-14.7	-14.9	-15.5	-22.3
Balance on capital account	145.1	151.0	130.1	131.6	94.2
Direct investment	15.4	27.1	41.5	37.2	3.8
Outflows	-18.7	-31.0	-17.9	-33.4	-33.4
Inflows	34.1	58.1	59.4	70.5	37.2
Portfolio investment ^c	70.5	29.2	38.7	45.9	-25.6
Outflows	-4.3	-5.3	-7.8	-22.6	-28.5
Inflows	74.8	34.5	46.6	68.5	2.9
Other capital movements (net)	43.4	101.4	59.1	30.1	52.5
Official ^d	33.6	46.3	42.6	9.9	35.4
Private	9.8	55.1	16.5	20.2	17.1
Net errors and omissions	15.8	-6.7	-9.2	18.4	63.5
Global balance	-0.4	-9.2	3.9	25.3	2.1
Counterparts:					
Variation of official reserve assets [(-) means increase]	0.3	9.1	-3.9	-25.3	-2.1

Source: ECLAC, on the basis of data from the United States Department of Commerce.

^a Includes royalties and licence fees, as well as other net payments on government and private services.
^b Includes United States Government grants, United States Government pensions, private remittances, and other transfers.
^c By private capital holders only.
^d Excluding changes in official reserve assets.

^b Includes United States Government grants, United States Government pensions, private remittances, and other transfers.
^c By private capital holders only.

Table 22
UNITED STATES: NET INTERNATIONAL INVESTMENT POSITION AT YEAR-END
(Billions of dollars)

	1986	1987	1988	1989	1990
United States assets outside the United States					
(Current cost)	1 319.0	1 463.4	1 533.6	1 672.5	1 764.1
(Market value)	1 424.4	1 555.8	1 707.5	1 944.2	1 880.1
Official reserve assets	139.8	162.3	144.1	168.7	174.7
Other United States government assets	89.6	88.5	85.5	84.2	81.2
Private assets					
(Current cost)	1 089.5	1 212.4	1 303.9	1 419.6	1 508.1
(Market value)	1 194.9	1 304.8	1 477.8	1 691.2	1 624.2
Direct investment					
(Current cost)	414.0	485.1	504.9	536.1	598.1
(Market value)	519.4	577.6	678.8	807.7	714.1
Corporate stocks	81.7	92.0	94.0	98.5	129.1
Corporate bonds	50.0	54.6	62.7	91.7	93.3
Other private assets	543.7	580.5	642.1	693.3	687.8
Foreign assets in the United States					
(Current cost)	1 393.2	1 598.3	1 835.6	2 112.2	2 176.2
(Market value)	1 409.8	1 598.0	1 858.1	2 211.9	2 240.7
Official assets	241.1	283.0	321.8	337.3	369.6
Non-official assets					
(Current cost)	1 152.0	1 315.3	1 517.7	1 774.9	1 806.6
(Market value)	1 168.6	1 315.0	1 536.2	1 874.7	1 871.1
Direct investment					
(Current cost)	266.5	316.0	372.5	433.7	465.9
(Market value)	283.1	315.7	391.0	533.5	530.4
Corporate stocks	168.9	175.6	200.0	260.6	231.2
Corporate and other bonds	141.9	170.5	194.6	228.5	243.9
United States Treasury securities	96.0	82.5	100.8	134.5	134.4
Other private assets	478.5	570.5	648.7	717.6	731.2
Net international investment position					
(Current cost)	-74.1	-134.9	-305.9	-439.7	-412.2
(Market value)	14.5	-42.2	-150.5	-267.7	-360.6

Source: ECLAC, on the basis of data from the United States Department of Commerce.

Table 23

**UNITED STATES: COMPOSITION OF MERCHANDISE TRADE WITH
LATIN AMERICA AND THE CARIBBEAN^a**

	Millions of dollars			Percentage shares		Growth rates		
	1988	1989	1990	1988	1990	1988	1989	1990
Total United States exports	43 859	49 080	54 077	100.0	100.0	25.4	11.9	10.2
Manufactures	35 655	39 875	44 873	81.3	83.0	26.2	11.8	12.5
Agricultural products	4 882	5 309	5 031	11.1	9.3	31.5	8.7	-5.2
Energy	1 569	2 041	2 354	3.6	4.4	-9.4	30.1	15.3
Other	1 753	1 855	1 819	4.0	3.4	37.6	5.8	-1.9
Total United States imports	51 142	57 332	63 934	100.0	100.0	4.2	12.1	11.5
Manufactures	29 503	32 093	33 694	57.7	52.7	21.2	8.8	5.0
Agricultural products	7 520	7 616	8 526	14.7	13.3	-9.3	1.3	11.9
Energy	11 075	14 212	18 290	21.7	28.6	-17.1	28.3	28.7
Other	3 044	3 411	3 424	6.0	5.4	-2.4	12.1	0.4

Source: ECLAC, on the basis of data from the United States Department of Commerce.

^a Exports FAS, imports customs value.

Table 24
**UNITED STATES: MERCHANDISE TRADE WITH
 LATIN AMERICA AND THE CARIBBEAN^a**

	Millions of dollars									Country shares	
	1988			1989			1990			1990	
	Exp.	Imp.	Bal.	Exp.	Imp.	Bal.	Exp.	Imp.	Bal.	Exp.	Imp.
Latin America and the Caribbean^b	43 859	51 142	-7 283	49 080	57 332	-8 252	54 077	63 934	-9 857	100.0	100.0
South America	14 669	21 539	-6 870	13 990	23 089	-9 099	15 107	26 070	-10 963	27.9	40.8
Argentina	1 054	1 436	-382	1 039	1 391	-352	1 179	1 509	-330	2.2	2.4
Bolivia	148	118	30	145	118	27	139	203	-64	0.3	0.3
Brazil	4 266	9 294	-5 028	4 804	8 410	-3 606	5 062	7 976	-2 914	9.4	12.5
Chile	1 066	1 181	-115	1 414	1 292	122	1 672	1 321	351	3.1	2.1
Colombia	1 754	2 161	-407	1 924	2 555	-631	2 038	3 175	-1 137	3.8	5.0
Ecuador	681	1 228	-547	643	1 474	-831	680	1 377	-697	1.3	2.2
Paraguay	194	35	159	167	45	122	307	51	256	0.6	0.1
Peru	795	658	137	695	814	-119	778	803	-25	1.4	1.3
Uruguay	99	271	-172	134	219	-85	145	208	-63	0.3	0.3
Venezuela	4 612	5 157	-545	3 025	6 771	-3 746	3 107	9 447	-6 340	5.7	14.8
Mexico and Central America	23 516	25 457	-1 941	28 286	29 707	-1 421	32 180	32 953	-773	59.5	51.5
Mexico	20 628	23 260	-2 632	24 982	27 162	-2 180	28 375	30 172	-1 797	52.5	47.2
Costa Rica	696	774	-78	882	962	-80	992	1 008	-16	1.8	1.6
El Salvador	483	284	199	520	245	275	556	238	318	1.0	0.4
Guatemala	590	433	157	662	609	53	759	795	-36	1.4	1.2
Honduras	476	441	35	515	461	54	563	492	71	1.0	0.8
Nicaragua	6	1	5	2	0	2	68	15	53	0.1	0.0
Panama	637	264	373	723	268	455	867	233	634	1.6	0.4
Caribbean	3 345	3 194	151	4 185	3 516	669	4 011	3 856	155	7.4	6.0
Barbados	160	51	109	180	46	134	162	32	130	0.3	0.1
Belize	103	51	52	101	43	58	106	47	59	0.2	0.1
Dominican Republic	1 359	1 410	-51	1 645	1 646	-1	1 658	1 747	-89	3.1	2.7
Guyana	67	49	18	78	56	22	76	52	24	0.1	0.1
Haiti	475	382	93	472	374	98	478	343	135	0.9	0.5
Jamaica	762	444	318	1 006	509	497	944	569	375	1.7	0.9
Suriname	93	88	5	140	74	66	157	50	107	0.3	0.1
Trinidad and Tobago	326	719	-393	563	768	-205	430	1 016	-586	0.8	1.6
Other	2 329	952	1 377	2 619	1 020	1 599	2 779	1 055	1 724	5.1	1.7

Source: ECLAC, on the basis of data from the United States Department of Commerce.

^a Exports FAS; imports customs value.

^b Total for all countries listed plus French Guiana, the Bahamas, Bermuda, the Cayman Islands, the French West Indies, the Leeward and Windward Islands, the Netherlands Antilles, the Turks and Caicos Islands, Greenland and Saint-Pierre and Miquelon. Excludes Cuba.

Table 25
**UNITED STATES: TRADE IN MANUFACTURES WITH
 LATIN AMERICA AND THE CARIBBEAN^a**

	Millions of dollars									Country shares	
	1988			1989			1990			1990	
	Exp.	Imp.	Bal.	Exp.	Imp.	Bal.	Exp.	Imp.	Bal.	Exp.	Imp.
Latin America and the Caribbean^b	35 655	29 503	6 152	39 875	32 093	7 782	44 873	33 694	11 179	100.0	100.0
South America	12 229	9 189	3 040	11 668	8 850	2 818	12 957	8 570	4 387	28.9	25.4
Argentina	958	904	54	944	773	171	1 087	685	402	2.4	2.0
Bolivia	101	82	19	104	89	15	113	164	-51	0.3	0.5
Brazil	3 785	6 030	-2 245	4 134	5 581	-1 447	4 401	5 115	-714	9.8	15.2
Chile	940	662	278	1 274	731	543	1 526	638	888	3.4	1.9
Colombia	1 487	447	1 040	1 673	514	1 159	1 855	607	1 248	4.1	1.8
Ecuador	554	36	518	489	34	455	567	38	529	1.3	0.1
Paraguay	171	21	150	142	34	108	269	39	230	0.6	0.1
Peru	530	282	248	487	410	77	572	420	152	1.3	1.2
Uruguay	88	233	-145	113	176	-63	124	162	-38	0.3	0.5
Venezuela	3 615	492	3 123	2 308	508	1 800	2 443	702	1 741	5.4	2.1
Mexico and Central America	19 228	18 039	1 189	23 092	20 619	2 473	26 970	22 433	4 537	60.1	66.6
Mexico	17 007	17 250	-243	20 533	19 596	937	24 041	21 236	2 805	53.6	63.0
Costa Rica	594	386	208	750	519	231	831	564	267	1.9	1.7
El Salvador	351	92	259	395	100	295	423	116	307	0.9	0.3
Guatemala	426	121	305	470	181	289	517	249	268	1.2	0.7
Honduras	399	94	305	422	120	302	481	156	325	1.1	0.5
Nicaragua	6	0	6	2	0	2	43	1	42	0.1	0.0
Panama	445	96	349	520	103	417	634	111	523	1.4	0.3
Caribbean	2 519	1 921	598	3 187	2 172	1 015	2 989	2 234	755	6.7	6.6
Barbados	124	43	81	134	38	96	123	27	96	0.3	0.1
Belize	85	20	65	81	16	65	82	10	72	0.2	0.0
Dominican Republic	1 073	1 076	-3	1 305	1 292	13	1 293	1 388	-95	2.9	4.1
Guyana	58	9	49	65	11	54	62	10	52	0.1	0.0
Haiti	359	369	-10	343	358	-15	330	328	2	0.7	1.0
Jamaica	506	253	253	698	286	412	643	294	349	1.4	0.9
Suriname	76	4	72	119	18	101	134	1	133	0.3	0.0
Trinidad and Tobago	238	147	91	442	153	289	322	176	146	0.7	0.5
Other	4 169	354	3 815	5 086	452	4 634	4 917	457	4 460	11.0	1.4

Source: ECLAC, on the basis of data from the United States Department of Commerce.

^a Exports FAS; imports customs value.

^b Total for all countries listed plus French Guiana, the Bahamas, Bermuda, the Cayman Islands, the French West Indies, the Leeward and Windward Islands, the Netherlands Antilles, the Turks and Caicos Islands, Greenland and Saint-Pierre and Miquelon. Excludes Cuba.

Table 26
**UNITE STATES: ENERGY IMPORTS FROM LATIN AMERICA
 AND THE CARIBBEAN**

	Millions of dollars					% breakdown		Growth rates		
	1986	1987	1988	1989	1990	1986	1990	1988	1989	1990
Total United States energy imports	37 175	44 110	41 015	52 779	64 562	100.0	100.0	-7.0	28.7	22.3
Mexico	3 727	3 842	3 310	4 299	5 288	10.0	8.2	-13.8	29.9	23.0
Venezuela	4 329	4 949	4 470	5 928	8 394	11.6	13.0	-9.7	32.6	41.6
Ecuador	570	368	380	673	502	1.5	0.8	3.3	77.1	-25.4
Trinidad and Tobago	683	699	552	594	815	1.8	1.3	-21.0	7.6	37.2
Other Latin American and Caribbean countries	1 951	2 770	2 363	2 718	3 291	5.2	5.1	-14.7	15.0	21.1
Total Latin American and Caribbean countries	11 260	12 628	11 075	14 212	18 290	30.3	28.3	-12.3	28.3	28.7
Other non-Latin American and Caribbean countries	25 915	31 482	29 940	38 567	46 272	69.7	71.7	-4.9	28.8	20.0

Source: ECLAC, on the basis of data from the United States Department of Commerce.

Table 27
**UNITED STATES: AGRICULTURAL TRADE WITH
 LATIN AMERICA AND THE CARIBBEAN^a**

	Millions of dollars									Country shares (%)	
	1988			1989			1990			1990	
	Exp.	Imp.	Bal.	Exp.	Imp.	Bal.	Exp.	Imp.	Bal.	Exp.	Imp.
Latin America and the Caribbean^b	4 882	7 520	-2 638	5 309	7 616	-2 307	5 031	8 526	-3 495	100.0	100.0
South America	1 320	4 189	-2 869	1 107	3 718	-2 611	1 001	4 170	-3 169	19.9	48.9
Argentina	27	388	-388	24	379	-355	25	410	-385	0.5	4.8
Bolivia	42	13	14	38	10	28	22	12	10	0.4	0.1
Brazil	71	2 065	-2 023	166	1 510	-1 344	170	1 788	-1 618	3.4	21.0
Chile	49	353	-282	31	389	-358	59	479	-420	1.2	5.6
Colombia	183	816	-767	148	828	-680	113	790	-677	2.2	9.3
Ecuador	102	387	-204	120	418	-298	93	491	-398	1.8	5.8
Paraguay	3	15	87	4	10	-6	6	11	-5	0.1	0.1
Peru	160	110	-107	127	116	11	159	107	52	3.2	1.3
Uruguay	4	19	141	4	21	-17	6	30	-24	0.1	0.4
Venezuela	679	23	-19	445	37	408	348	52	296	6.9	0.6
Mexico and Central America	2 615	2 938	-323	3 061	3 493	-432	2 983	3 936	-953	59.3	46.2
Mexico	2 239	1 821	-1 821	2 719	2 270	449	2 532	2 632	-100	50.3	30.9
Costa Rica	77	344	1 895	88	394	-306	90	400	-310	1.8	4.7
El Salvador	103	164	-88	90	126	-36	96	109	-13	1.9	1.3
Guatemala	70	273	-170	85	384	-299	96	497	-401	1.9	5.8
Honduras	57	263	-193	70	267	-197	63	259	-196	1.3	3.0
Nicaragua	0	1	56	0	0	0	23	8	15	0.5	0.1
Panama	69	71	-71	89	52	37	83	31	52	1.6	0.4
Caribbean	605	384	221	699	397	302	668	415	253	13.3	4.9
Barbados	28	5	-5	33	6	27	27	2	25	0.5	0.0
Belize	15	22	6	17	20	-3	16	31	-15	0.3	0.4
Dominican Republic	222	308	-293	263	320	-57	245	323	-78	4.9	3.8
Guyana	10	2	220	10	3	7	12	1	11	0.2	0.0
Haiti	99	10	0	106	12	94	125	10	115	2.5	0.1
Jamaica	147	25	74	159	26	133	136	33	103	2.7	0.4
Suriname	12	0	147	15	0	15	18	0	18	0.4	0.0
Trinidad and Tobago	72	12	0	96	10	86	89	15	74	1.8	0.2
Other	342	9	-9	442	8	434	379	5	374	7.5	0.1

Source: ECLAC, on the basis of data from the United States Department of Commerce.

^a Exports FAS; imports customs value.

^b Total for all countries listed plus French Guiana, the Bahamas, Bermuda, the Cayman Islands, the French West Indies, the Leeward and Windward Islands, the Netherlands Antilles, the Turks and Caicos Islands, Greenland and Saint-Pierre and Miquelon. Excludes Cuba.

Table 28
UNITED STATES: DIRECT INVESTMENT POSITION ABROAD

	1986	1987	1988	1989	1990
All countries	259 800	314 307	335 893	370 091	421 494
Developed countries	194 280	237 508	252 649	274 564	312 186
Developing countries	61 072	73 017	80 060	92 098	105 721
International	4 448	3 782	3 184	3 574	3 587
Latin America and the Caribbean	36 851	47 551	53 506	62 727	72 467
South America	19 813	21 227	21 815	23 612	24 920
Argentina	2 913	2 744	2 597	2 684	2 889
Brazil	9 268	10 951	12 609	14 522	15 416
Chile	265	348	672	1 069	1 341
Colombia	3 291	3 104	2 248	1 977	2 043
Ecuador	413	466	431	393	389
Peru	1 103	1 022	976	939	600
Venezuela	1 987	2 095	1 903	1 503	1 581
Other	572	499	379	525	662
Mexico and Central America	10 698	12 218	13 380	16 050	18 911
Mexico	4 623	4 913	5 712	7 280	9 360
Panama	5 525	6 622	6 874	7 889	8 521
Other	549	683	794	881	1 029
Caribbean	6 341	14 106	18 311	23 065	28 636
Bahamas	2 991	3 814	4 112	4 257	4 301
Bermuda	15 373	19 215	19 022	17 717	18 972
Jamaica	106	103	134	223	276
Netherland Antilles	-16 969	-14 235	-9 983	-5 956	-1 401
Trinidad and Tobago	424	400	447	503	413
British Isles, Caribbean	3 794	4 243	3 919	5 001	4 639
Other	620	565	661	1 320	1 436

Source: ECLAC, on the basis of data from the United States Department of Commerce.

Table 29
UNITED STATES: FOREIGN ASSISTANCE

	Millions of dollars				Growth rates			
	1987	1988	1989	1990	1987	1988	1989	1990
United States total foreign assistance	14 974	14 463	15 242	16 146	-	-3.4	5.4	5.9
Economic assistance ^a	9 386	8 961	9 860	10 834	-	-4.5	10.0	9.9
Military assistance ^b	5 102	4 831	4 828	4 893	-	-5.3	-0.1	1.3
Other United States loans ^c	486	671	554	419	-	38.1	-17.4	-24.4
United States assistance to Latin America and the Caribbean	2 054	1 631	1 650	2 220	-	-20.6	1.2	34.5
Economic assistance	1 697	1 329	1 427	1 910	-	-21.7	7.4	33.8
Military assistance	215	144	164	234	-	-33.0	13.9	42.7
Other United States loans	142	158	59	76	-	11.3	-62.7	28.8
United States economic assistance to Latin America as a percentage of total bilateral economic assistance ^d	25.1	22.7	23.8	25.0				

Source: ECLAC, based on data from the United States Agency for International Development.

^a Agency for International Development, Food for Peace, Peace Corps, contributions to international lending organizations and other economic programmes. ^b Military Assistance Program (M.A.P.) grants, Foreign Military Supplies (F.M.S.) credit financing, transfers from excess defence stocks, International Military Education and Training Programme, other military programmes. ^c Export-import bank loans, Commodity Credit Corporation (CCC), Export Sales Programme, Overseas Private Investment Corporation direct loans and Public Law 480, Title I Private Trade Agreements. ^d United States total foreign bilateral assistance amounted to about US\$7.6 billion in 1990.

Table 30
**SELECTED QUALITATIVE ASPECTS OF UNITED STATES ECONOMIC
 ASSISTANCE (USEA) TO LATIN AMERICA AND THE CARIBBEAN**

	Grants as % of USEA		Food aid as % of USEA	
	1987	1990	1987	1990
Latin America and the Caribbean	83.2	90.4	16.4	16.2
South America				
Argentina	-	100.0	-	-
Bolivia	69.4	81.7	46.9	31.0
Brazil	100.0	100.0	38.9	35.5
Chile	100.0	100.0	-	-
Colombia	100.0	100.0	-	1.0
Ecuador	97.6	100.0	8.8	12.1
Paraguay	100.0	100.0	-	-
Peru	62.2	67.9	52.9	65.2
Uruguay	100.0	100.0	-	69.2
Venezuela	100.0	100.0	-	-
Mexico and Central America				
Mexico	100.0	100.0	12.6	60.7
Costa Rica	82.4	83.7	9.5	15.9
El Salvador	90.9	83.7	10.5	19.1
Guatemala	82.5	85.1	16.6	22.8
Honduras	85.8	93.8	9.2	11.2
Nicaragua	-	100.0	-	1.3
Panama	100.0	100.0	-	0.1
Caribbean				
Belize	83.4	100.0	-	-
Dominican Republic	56.6	100.0	39.6	19.8
Grenada	100.0	100.0	-	-
Guyana	-	19.5	100.0	80.5
Haiti	89.6	100.0	23.2	27.2
Jamaica	53.5	48.9	44.4	56.8
Trinidad and Tobago	-	100.0	-	-

Source: ECLAC, based on data from the United States Agency for International Development.

Table 31
**UNITED STATES: ECONOMIC ASSISTANCE TO
 LATIN AMERICA AND THE CARIBBEAN**

	Millions of dollars				Growth rates			
	1987	1988	1989	1990	1987	1988	1989	1990
Total Latin America and the Caribbean	1 697	1 329	1 427	1 910	13.7	-21.7	7.4	33.8
South America								
Argentina	2.4	-	0.6	0.8	-	-	-	33.3
Bolivia	78.0	91.6	80.4	109.0	4.0	17.4	-12.2	35.6
Brazil	5.4	2.9	2.2	3.1	440.0	-46.3	-24.1	40.9
Chile	1.1	1.4	5.3	2.1	10.0	27.3	278.6	-60.4
Colombia	12.0	10.3	11.1	21.0	0.0	-14.2	7.8	89.2
Ecuador	45.6	20.9	40.6	23.9	-24.0	-54.2	94.3	-41.1
Paraguay	3.1	4.1	4.7	3.3	3.3	32.3	14.6	-29.8
Peru	63.7	70.7	64.5	93.4	9.8	11.0	-8.8	44.8
Uruguay	12.2	-	0.1	2.6	-12.9	-	-	2 500.0
Venezuela	-	-	0.7	1.1	-	-	-	57.1
Mexico and Central America								
Mexico	17.5	18.3	69.8	41.5	45.8	4.6	281.4	-40.5
Costa Rica	181.3	120.4	122.0	95.3	11.2	-33.6	1.3	-21.9
El Salvador	462.9	314.1	307.0	246.7	43.3	-32.1	-2.3	-19.6
Guatemala	187.8	132.2	147.2	114.7	60.5	-29.6	11.3	-22.1
Honduras	197.8	156.9	88.1	192.6	44.4	-20.7	-43.8	118.6
Nicaragua	-	0.4	3.9	223.3	-	-	875.0	5 625.6
Panama	12.1	1.2	1.0	397.0	-63.3	-90.1	-16.7	39 600.0
Caribbean								
Belize	15.7	10.4	10.4	8.4	30.8	-33.8	0.0	-19.2
Dominican Republic	37.6	58.7	81.2	25.7	-63.1	56.1	38.3	-68.3
Grenada	0.1	0.1	0.1	-	-	0.0	0.0	-
Guyana	6.5	7.0	7.0	8.7	116.7	7.7	0.0	24.3
Haiti	101.1	40.0	63.0	58.9	29.6	-60.4	57.5	-6.5
Jamaica	89.9	80.6	115.9	73.2	-29.2	-10.3	43.8	-36.8
Trinidad and Tobago	-	-	2.2	0.1	-	-	-	-95.5

Source: ECLAC, based on data from the United States Agency for International Development.

