

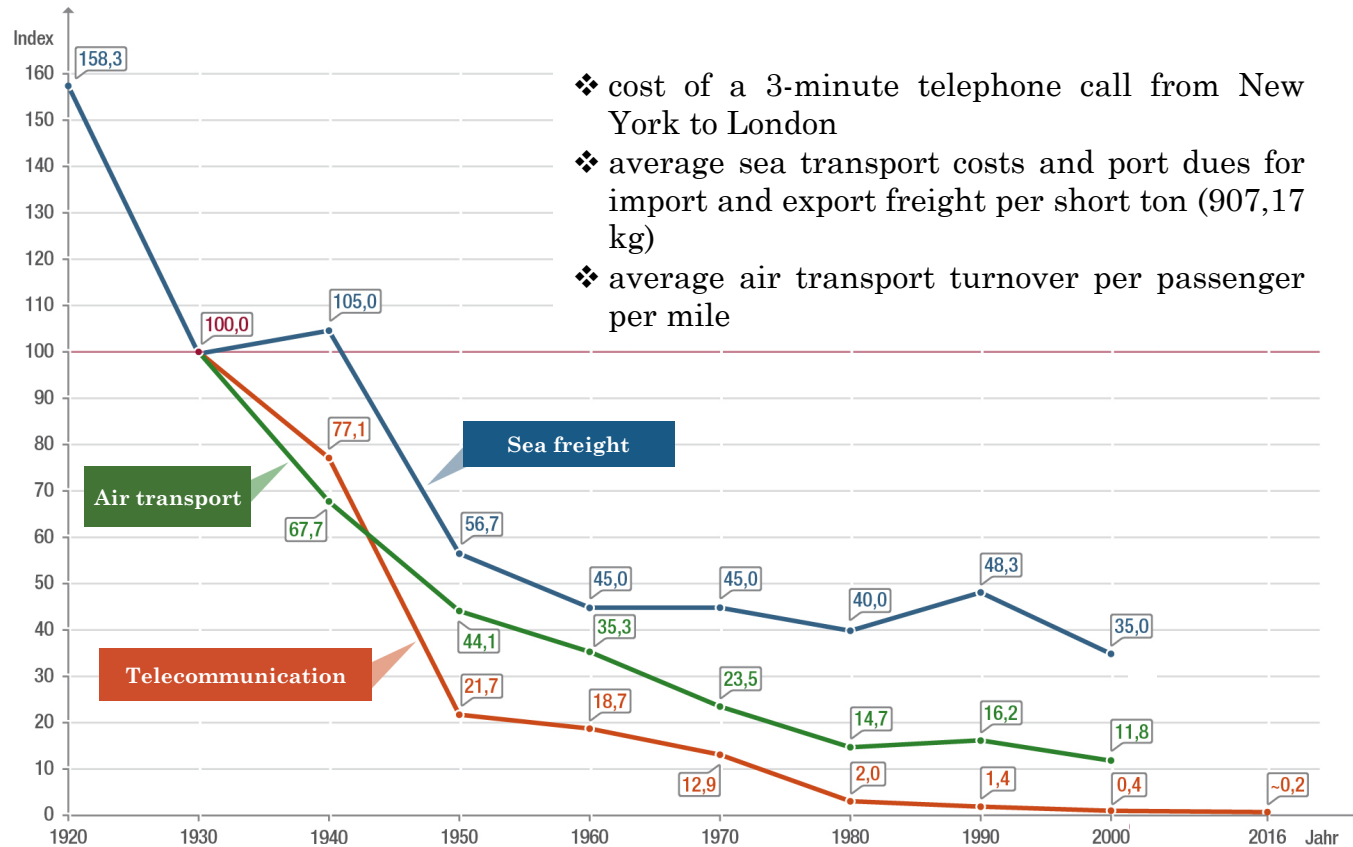
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## **GLOBALIZATION: Past, Present & Future**

II Globalization in Recent Times (since 1990): Facts and Trends

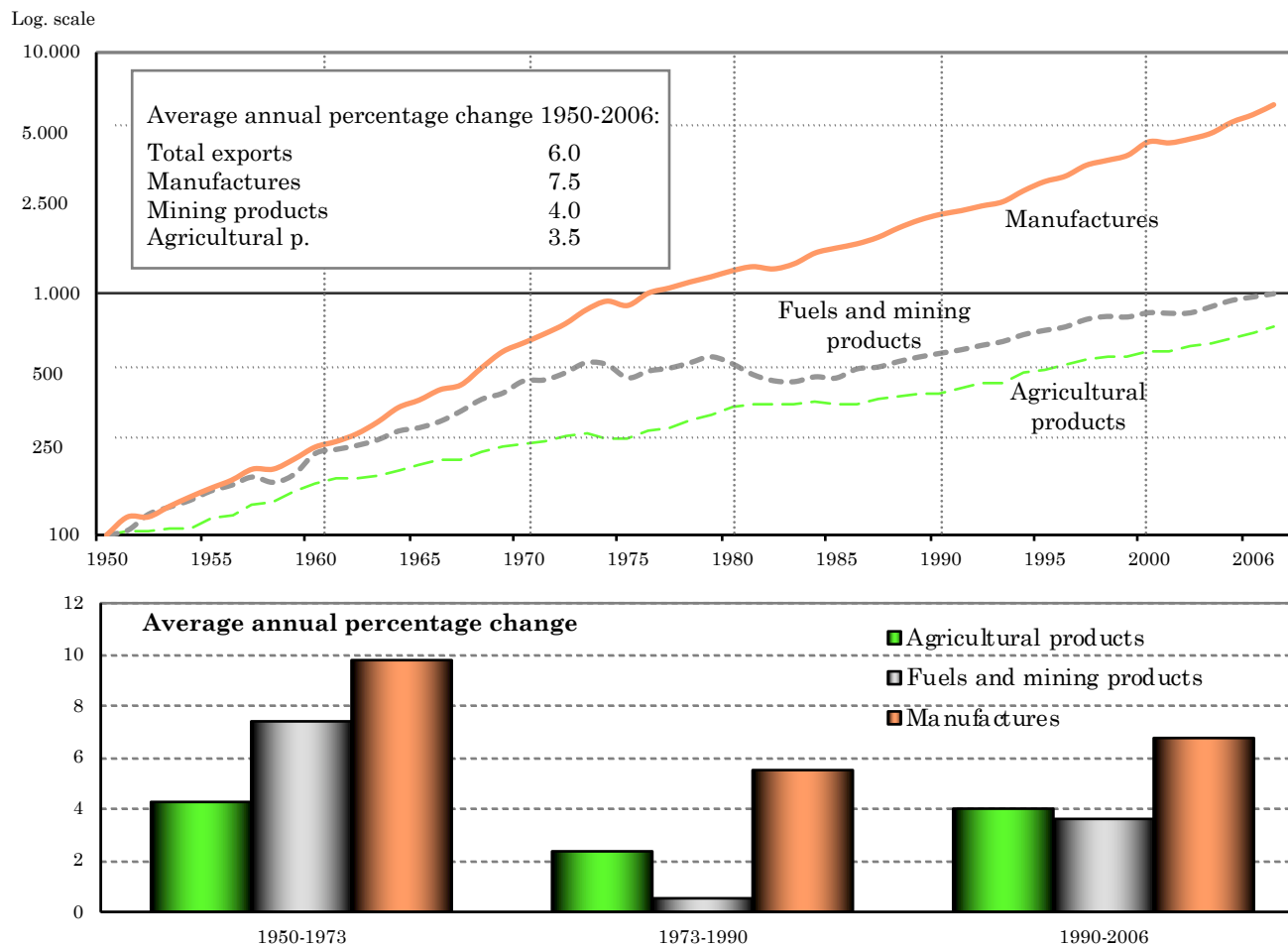
1 Breakthroughs in Communication and Transport  
(Figure II.1 & II.2)

**Figure II.1: Transport and communication costs (1930=100, constant prices (US-Dollar 1990), 1920–2016)**



Source: Federal Agency for Civic Education (2017), adapted from Busse (2001). Transportkosten und Wettbewerbspolitik. *HWWA Discussion Paper* 116.

**Figure II.2: World merchandise trade volume by major product group (1950–2006) (Volume indices, 1950=100)**



Source: World Trade Organization (2006).

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**2 Fast-Growing Emerging Market Economies**  
(Figure II.3–II.8 )

## Figure II.3: Effective protection of manufacturing in some developing countries

Mexico (1960)	26
Philippines (1965)	61
Brazil (1966)	113
Chile (1961)	182
Pakistan (1963)	271

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Source: Bela Balassa, *The Structure of Protection in Developing Countries*, 82. (Baltimore: Johns Hopkins Press, 1971).

Source: Krugman, Obstfeld & Melitz (2012). *International Economics – Theory and Policy*, 9th ed. Pearson. Boston. p. 292.

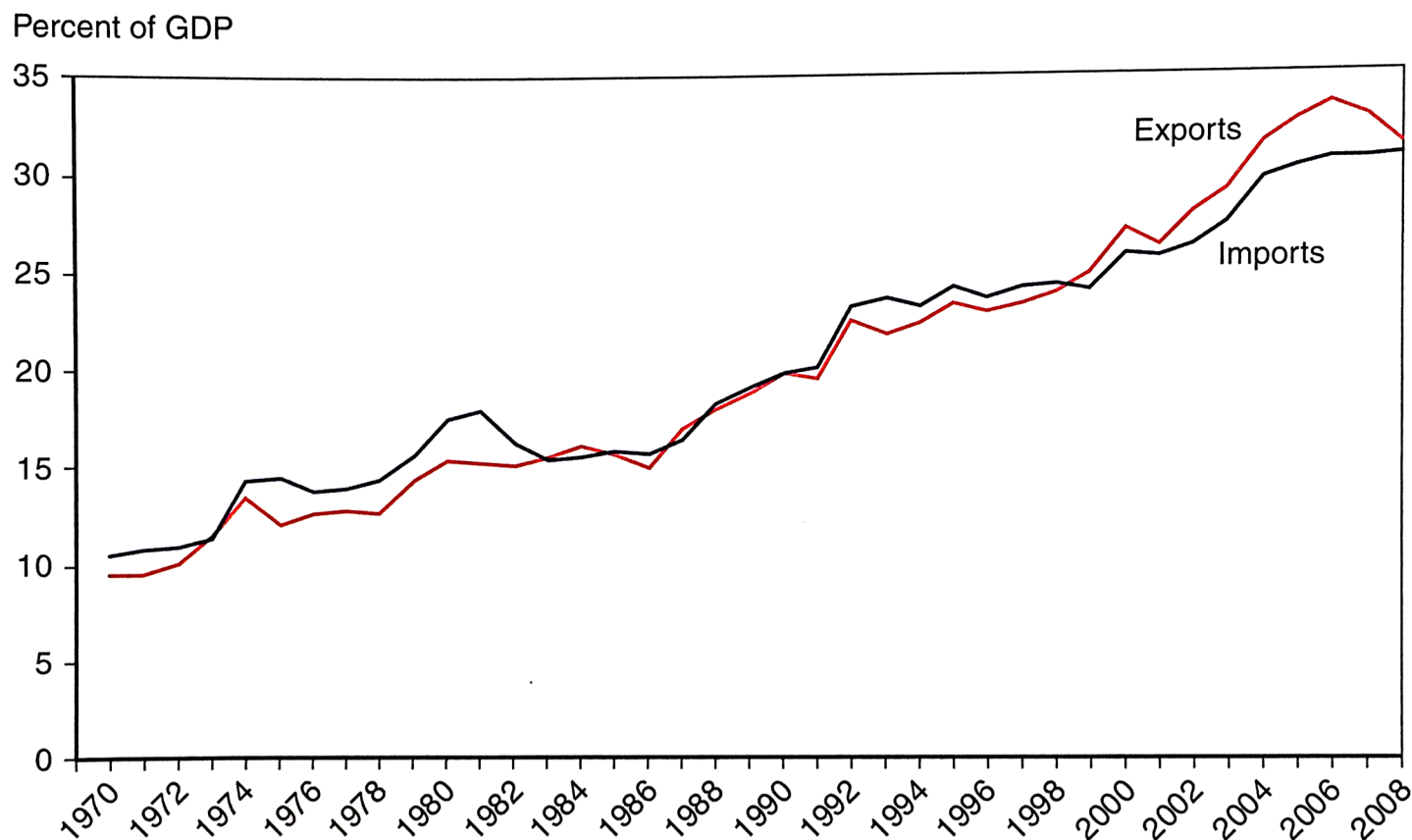
## Figure II.4: Effective rates of protection for manufacturing in India and Brazil

	India	Brazil
Late 1980s	126	77
Late 1990s	40	19

**Sources:** Marcelo de Paiva Abreu, “Trade Liberalization and the Political Economy of Brazil Since 1987,” Working Paper, Inter-American Development Bank, 2004; Dani Rodrik and Arvind Subramian, “From ‘Hindu Growth’ to Productivity Surge: The Mystery of the Indian Growth Transition,” International Monetary Fund Working Paper, 2002.

Source: Krugman & Obstfeld (2006). *International Economics – Theory and Policy*, 7th ed. Pearson. Boston. p. 250.

## Figure II.5: Growth of developing-country trade



Source: Krugman, Obstfeld & Melitz (2012). *International Economics – Theory and Policy*, 9th ed. Pearson. Boston. p. 295.  
 Note: Beginning in the 1980s, many developing countries began shifting away from import-substitution policies. One result has been a large rise in both exports and imports as a percentage of GDP.

**Figure II.6: Cumulative Current Account Balances of Major Oil Exporters, Other Developing Countries, and Advanced Countries, 1973–2012 (billions of dollars)**

	<b>Major Oil Exporters</b>	<b>Other Developing Countries</b>	<b>Advanced Countries</b>
<b>1973–1981</b>	252.9	–246.1	–183.8
<b>1982–1989</b>	–64.6	–143.3	–426.6
<b>1990–1998</b>	–58.2	–522.7	–105.9
<b>1999–2012</b>	3,445.9	1,766.1	–5,576.6

**Source:** International Monetary Fund, *International Financial Statistics*. Global current accounts generally do not sum to zero because of errors, omissions, and the exclusion of some countries in some periods.

Source: Krugman, Obstfeld & Melitz (2015). *International Economics – Theory and Policy*, 10th ed. Pearson. Boston. p. 710.



**Figure II.7: Output per Capita in selected countries, 1960–2010 (in 2005 U.S. Dollar)**

Country	Output Per Capita		1960–2010 Annual Average Growth Rate (percent per year)
	1960	2010	
<b>Industrialized in 1960</b>			
Canada	12,946	35,810	2.1
France	9,396	29,145	2.3
Ireland	7,807	41,558	3.4
Italy	7,924	27,227	2.5
Japan	4,404	31,815	4.0
Spain	6,008	25,797	3.0
Sweden	11,710	33,627	2.1
United Kingdom	11,884	32,034	2.0
United States	15,136	41,858	2.1
<b>Africa</b>			
Kenya	978	1,287	0.5
Nigeria	1,442	1,923	0.6
Senegal	1,567	1,480	−0.1
Zimbabwe	3,847	3,959	0.1

Source: Krugman, Obstfeld & Melitz (2015). *International Economics – Theory and Policy*, 10th ed. Pearson. Boston. p. 705.

Note: Data are taken from the Penn World Table, Version 8.0, and use PPP exchange rates to compare national incomes. For a description, see the Penn World Table website at <http://www.rug.nl/research/ggdc/data>.

**Figure II.7f: Output per Capita in selected countries, 1960–2010 (in 2005 U.S. Dollar)**

Country	Output Per Capita		1960–2010 Annual Average Growth Rate (percent per year)
	1960	2010	
<b>Latin America</b>			
Argentina	6,585	12,862	1.3
Brazil	2,354	8,750	2.7
Chile	3,915	12,871	2.4
Colombia	2,814	7,430	2.0
Mexico	5,033	12,189	1.8
Paraguay	1,990	4,666	1.7
Peru	3,939	7,466	1.3
Venezuela	7,307	9,762	0.6
<b>Asia</b>			
China	405	8,727	6.3
Hong Kong	4,518	44,070	4.7
India	734	3,413	3.1
Malaysia	1,624	11,863	4.1
Singapore	3,170	42,360	5.3
South Korea	1,610	28,702	5.9
Taiwan	2,061	32,865	5.7
Thailand	772	8,467	4.9

Source: Krugman, Obstfeld & Melitz (2015). *International Economics – Theory and Policy*, 10th ed. Pearson. Boston. p. 705.

Note: Data are taken from the Penn World Table, Version 8.0, and use PPP exchange rates to compare national incomes. For a discription, see the Penn World Table website at <http://www.rug.nl/research/ggdc/data>.

**Figure II.8: East Asian Current Accounts (annual averages, percent of GDP)**

	1990–1997	1998–2000	2001–2013
China	1.5	2.1	4.7
Hong Kong	0.5	3.9	8.0
Indonesia	−2.5	4.4	1.2
Malaysia	−5.8	12.7	11.7
South Korea	−1.3	6.7	2.4
Taiwan	3.9	2.2	8.4
Thailand	−6.2	10.2	2.5

**Source:** International Monetary Fund, World Economic Outlook Database, April 2013.

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4 **The Opening-Up in Central and Eastern Europe**  
(Figure II.9)

**Figure II.9: GDP per Capita in EU-countries and –regions in 2016  
(EU28=100)**

Country / region	GDP p.c. 2016 (EU28=100)	GDP p.c. 2016 in PPP-terms (EU28=100)
European Union (28 countries)	100 %	100 %
Germany	131 %	123 %
<i>Brandenburg</i>	95 %	89 %
<i>Mecklenburg-Western Pomerania</i>	88 %	84 %
<i>Saxony</i>	100 %	94 %
<i>Saxony-Anhalt</i>	91 %	86 %
<i>Thuringia</i>	97 %	91 %
Czech Republic	57 %	88 %
<i>Prague</i>	119 %	182 %
Poland	38 %	68 %
Hungary	40 %	67 %
Slovenia	67 %	83 %
Slovakia	51 %	77 %
Bulgaria	23 %	49 %
Estonia	55 %	75 %
Latvia	43 %	64 %
Lithuania	46 %	75 %
Romania	29 %	58 %

Source: Eurostat (2018)