

Financial Flows in the Pacific Basin

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In this paper an attempt will be made to identify and, to the possible extent, forecast the patterns of financial flows in the Pacific Basin.

The decade of the 1980s can be viewed as a prolonged period of global economic adjustment. The process of global adjustment has been characterized by a number of sudden changes in the flow of funds in the world economy.

One of the most significant developments in international finance took the form of a change in the overall external position of the largest economy in the world. The large current account deficits of the United States remain the main focus of global adjustment on the onset of the 1990s, in contrast to the current account surpluses of West Germany, Japan and, more recently Taiwan and Korea.

Another major change involved the flow of capital to middle-income countries, which had enjoyed easy access to international capital markets in the 1970s, as their creditworthiness decreased in the face of much higher interest rates and drastic revisions in market prospects for primary commodities. New lending was discontinued for many countries, resulting in the occurrence of a widespread debt crisis among middle-income countries. This situation has continued without clear prospects for resolution throughout the remainder of the 1980s, which is referred to as the lost decade for the heavily indebted countries.

Less spectacular but no less significant have been the successful adjustments in the balance of payments in some middle-income economies. Taiwan and Korea have consolidated their position as surplus countries. Malaysia and Thailand seem to have succeeded in strengthening their balance of payments position and be free from the macroeconomic constraint of foreign exchange availability.

In what follows, we will first review external financial transactions of the United States and Japan, and then discuss the balance of payments position of middle-income countries.

I. External Financial Transactions of the United States and Japan

One salient feature of global economic development over the 1980s has been the emergence of the United States as a net receiver of long-term capital as its current account balance swung rapidly and massively into the red. On the other hand, Japan has generated the largest amounts of current account surplus and of long-term capital outflow in the world. Moreover, by the middle of the 1980s, four Asian NIEs as a group also began to record large current account surplus. Financial flows within the Pacific Basin have been affected by these developments.

Outflow of U.S. capital (increase in U.S. assets abroad) declined very rapidly from around 110 billion dollars per year in the early 1980s to the annual level of 20–50 billion dollars between 1983 and 1985, but then a recovery in the range of 75 to 100 billion dollars occurred between 1986 and 1988. This sequence in capital outflow is largely accounted for by a roughly similar movement in net lending by U.S. banks (Table 1).

On the other hand, the inflow of foreign capital to the United States has recorded a steady increase over the 1980s. Most of the capital inflow has taken the form of the increase in foreign non-official assets through direct investment, purchase of Treasury bills and other securities and deposits at U.S. banks. Between 1986 and 1988, however, the increase in foreign official assets accounted for a significant part of the considerably higher level of foreign capital inflow.

As the U.S. current account deficit emerged and enlarged, the decline in the U.S. capital outflow, most notably a decline in net external lending by U.S. banks, took place, bringing about a corresponding shift in capital account. From the mid-1980s onward, however, the increased inflow of foreign capital was the most significant factor in the capital account surplus that corresponded to a higher level of current account deficit.

Let us trace and examine U.S. financial transactions vis-a-vis Japan. The general sequence is broadly similar to the overall picture discussed above. Outflow of U.S. capital to Japan decreased during the first half of the decade but rose to a very high level during the second half. Most of this movement is attributed to U.S. bank lending to Japan. Inflow of Japanese capital recorded a rising trend after 1982, mostly to the U.S. banks. It is worth noting that Japan has accounted for a very high percentage of U.S. external financial transactions in the past few years. In 1988, Japan received 45% of U.S. capital outflow and accounted for 40% of capital inflow to the United States.

The change in the U.S. international financial position is clearly shown in its financial relations with Latin America as well. Outflow of U.S. capital to Latin America surged until 1982 but plummeted suddenly in 1983 in the wake of the widespread debt crisis across Latin America. In fact, in 1984 and 1985, more U.S. capital was sent back home than was newly disbursed in Latin America. Net positive outflow returned from 1986 onward but in much smaller amounts than in

Table 1. INTERNATIONAL FINANCIAL TRANSACTIONS OF THE UNITED STATES

| | 1979 | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | 1988 |
|---|---------|---------|----------|----------|---------|----------|----------|----------|----------|----------|
| Current Account Balance | -705 | 3,723 | 4,471 | -11,211 | -41,563 | -107,358 | -117,677 | -141,352 | -153,964 | -135,332 |
| vis-à-vis Japan | -8,672 | -8,749 | -14,112 | -15,768 | -18,332 | -37,712 | -45,321 | -56,282 | -58,544 | -53,215 |
| vis-à-vis Latin America | 7,283 | 14,451 | 20,306 | 7,615 | -8,163 | -13,755 | -10,036 | -6,446 | -13,350 | -8,980 |
| Outflow of U.S. Capital ^a | -61,774 | -84,776 | -109,294 | -118,045 | -49,490 | -20,447 | -32,436 | -95,982 | -75,987 | -91,954 |
| to Japan ^a | -5,500 | -7,241 | -6,801 | -1,474 | -3,547 | 683 | -6,071 | -26,188 | -18,505 | -41,531 |
| to Latin America ^a | -14,969 | -31,905 | -44,663 | -46,715 | -10,373 | 3,579 | 2,804 | -14,636 | -11,878 | -8,035 |
| Inflow of Foreign Capital ^b | 37,575 | 50,261 | 77,921 | 87,866 | 81,722 | 97,319 | 127,106 | 213,386 | 211,490 | 210,738 |
| from Japan ^b | -12,074 | 6,662 | 8,522 | -2,415 | 7,225 | 13,762 | 31,930 | 52,079 | 39,460 | 84,196 |
| from Latin America ^b | 19,912 | 8,226 | 31,410 | 29,067 | 27,058 | 19,671 | 20,191 | 26,275 | 11,005 | 55,926 |
| cf. Increase in Foreign Official Assets ^b | -13,556 | 14,856 | 4,854 | 2,668 | 5,140 | 2,971 | -1,807 | 32,975 | 47,792 | 40,290 |

Source: United States Department of Commerce, *Survey of Current Business*, various issues.^a indicates net capital outflow.^b indicates net capital inflow.^c preliminary.

Table 2. JAPAN'S INTERNATIONAL FINANCIAL TRANSACTIONS IN LONG-TERM CAPITAL
(Millions of dollars)

| Long-term Capital Flows | | | | | | | | | | | | | | |
|-------------------------|---------------|-------------------|---------|-------------------|--------|---------|--------|----------------------|--------|----------|---------|--------|-------|-----|
| | | Direct Investment | | Suppliers Credits | | Loans | | Portfolio Investment | | Others | | | | |
| | | Outflow | Inflow | Outflow | Inflow | Outflow | Inflow | Outflow | Inflow | Outflow | Inflow | | | |
| Total | 1983 | -32,459 | 14,759 | -3,612 | 416 | -2,589 | 8 | -8,425 | -37 | -16,024 | 14,148 | -1,809 | 224 | |
| | 1984 | -56,775 | 7,124 | -5,965 | -10 | -4,937 | 3 | -11,922 | -77 | -30,795 | 7,194 | -3,156 | 14 | |
| | 1985 | -81,815 | 17,273 | -6,452 | 642 | -2,817 | 29 | -10,427 | -75 | -59,773 | 16,741 | -2,346 | -64 | |
| | 1986 | -132,095 | 634 | -14,480 | 226 | -1,836 | -40 | -9,281 | -34 | -101,977 | 545 | -4,521 | -63 | |
| | 1987 | -132,830 | -3,702 | -19,519 | 1,165 | -535 | -1 | -16,190 | -119 | -87,757 | -6,081 | -8,829 | 1,334 | |
| | 1988 | -149,883 | 18,953 | -34,210 | -485 | -6,939 | -18 | -15,211 | -82 | -86,949 | 20,298 | -6,574 | 760 | |
| | OECD | 1983 | -19,808 | 13,536 | -2,215 | 359 | -421 | 8 | -2,595 | -57 | -14,011 | 13,054 | -566 | 172 |
| Countries | 1984 | -40,399 | 6,486 | -4,063 | -7 | -2,416 | 3 | -5,413 | -77 | -27,758 | 6,577 | -749 | -10 | |
| | 1985 | -65,342 | 17,562 | -4,511 | 671 | -1,853 | -9 | -3,641 | -73 | -55,192 | 16,974 | -145 | -1 | |
| | 1986 | -115,090 | 5,610 | -11,370 | 267 | -1,536 | 7 | -3,966 | -43 | -96,659 | 5,427 | -1,559 | -48 | |
| | 1987 | -109,819 | 3,536 | -14,917 | 718 | -1,280 | -1 | -7,280 | -93 | -83,114 | 3,094 | -3,228 | -182 | |
| | 1988 | -125,813 | 26,308 | -27,792 | -457 | -7,331 | -18 | -4,878 | -21 | -81,728 | 27,245 | -4,084 | -441 | |
| | of which U.S. | 1983 | -7,072 | 1,531 | -1,326 | 285 | -198 | 8 | -294 | -35 | -5,038 | 1,095 | -216 | 178 |
| | 1984 | -15,429 | 615 | -3,087 | -93 | -198 | 3 | -436 | -41 | -11,339 | 748 | -369 | -2 | |
| Non-Market Economies | 1985 | -35,384 | 2,221 | -2,557 | 514 | -588 | 1 | -702 | -14 | -31,599 | 1,725 | 62 | -5 | |
| | 1986 | -59,186 | -6,464 | -7,973 | 199 | -342 | 8 | -612 | -78 | -49,395 | -6,549 | -864 | -44 | |
| | 1987 | -50,563 | -10,467 | -9,641 | 623 | -488 | -1 | -1,470 | -193 | -37,380 | -10,843 | -1,584 | -53 | |
| | 1988 | -61,490 | 2,230 | -18,969 | -599 | -1,006 | -18 | -2,818 | -12 | -36,214 | 2,894 | -2,483 | -35 | |
| | 1983 | -966 | -15 | -1 | 0 | 38 | 0 | -982 | 0 | -21 | -15 | 0 | 0 | |
| | 1984 | -809 | 51 | -20 | 0 | -14 | 0 | -643 | 0 | -130 | 51 | -2 | 0 | |
| | 1985 | -1,320 | 936 | -58 | 1 | 521 | 0 | -1,086 | 0 | -695 | 935 | -2 | 0 | |
| Non-Market Economies | 1986 | -1,031 | 941 | -96 | 0 | 764 | 0 | -783 | 0 | -844 | 941 | -72 | 0 | |
| | 1987 | -851 | 906 | -183 | 0 | 77 | 0 | 389 | 0 | -870 | 906 | -264 | 0 | |
| | 1988 | -2,738 | 247 | -606 | 2 | -234 | 0 | -1,154 | 0 | -609 | 245 | -135 | 0 | |

Table 2. (Continued)

| | | Long-term Capital Flows | | | | | | | | | | | |
|-----------------------------|------|-------------------------|--------|-------------------|--------|---------|--------|----------------------|--------|---------|--------|--------|-------|
| | | Direct Investment | | Suppliers Credits | | Loans | | Portfolio Investment | | Others | | | |
| | | Outflow | Inflow | Outflow | Inflow | Outflow | Inflow | Outflow | Inflow | Outflow | Inflow | | |
| Developing Countries | 1983 | -7,544 | 969 | -1,396 | 57 | -2,206 | 0 | -3,723 | 3 | -263 | 900 | 44 | 9 |
| | 1984 | -9,681 | -711 | -1,882 | -3 | -2,507 | 0 | -4,571 | 23 | -559 | -753 | -162 | 22 |
| | 1985 | -9,227 | -3,158 | -1,883 | -30 | -1,485 | 38 | -4,843 | 18 | -416 | -3,160 | -600 | -24 |
| | 1986 | -9,462 | -6,769 | -3,014 | -41 | -1,064 | -47 | -5,182 | 31 | 198 | -6,687 | -400 | -25 |
| | 1987 | -10,729 | -9,278 | -4,419 | 447 | 668 | 0 | -7,322 | 18 | 864 | -9,719 | -520 | -24 |
| | 1988 | -13,011 | -5,876 | -5,812 | -30 | 741 | 0 | -8,106 | -19 | 739 | -5,648 | -573 | -179 |
| International Organizations | 1983 | -3,397 | -123 | 0 | 0 | 0 | 0 | -1,125 | -32 | -1,305 | -91 | -967 | 0 |
| | 1984 | -4,457 | -48 | 0 | 0 | 0 | 0 | -1,295 | -23 | -1,509 | -25 | -1,653 | 0 |
| | 1985 | -3,988 | -18 | 0 | 0 | 0 | 0 | -857 | -20 | -2,248 | 2 | -883 | 0 |
| | 1986 | -1,963 | -83 | 0 | 0 | 0 | 0 | 650 | -19 | -1,437 | -64 | -1,176 | 0 |
| | 1987 | -3,736 | -141 | 0 | 0 | 0 | 0 | -1,977 | -44 | 69 | -97 | -1,828 | 0 |
| | 1988 | -3,480 | -1,884 | 0 | 0 | -115 | 0 | -1,073 | -42 | -238 | -1,842 | -2,054 | 0 |
| Unclassified | 1983 | -744 | 392 | 0 | 0 | 0 | 0 | 0 | 49 | -424 | 300 | -320 | 43 |
| | 1984 | -1,429 | 1,346 | 0 | 0 | 0 | 0 | 0 | 0 | -839 | 10,344 | -590 | 2 |
| | 1985 | -1,938 | 1,951 | 0 | 0 | 0 | 0 | 0 | 0 | -1,222 | 1,990 | -716 | -39 |
| | 1986 | -4,549 | 935 | 0 | 0 | 0 | 0 | 0 | -3 | -3,235 | 928 | -1,314 | 10 |
| | 1987 | -7,695 | 1,275 | 0 | 0 | 0 | 0 | 0 | 0 | -4,706 | -265 | -2,989 | 1,540 |
| | 1988 | -4,841 | 158 | 0 | 0 | 0 | 0 | 0 | 0 | -5,113 | 298 | 272 | -140 |

Source: Ministry of Finance, Government of Japan.

Notes: Outflow: Net Outflow of Japanese Capital.

Inflow: Net Inflow of Foreign Capital.

the initial years of the decade. This sequence of events has been largely ascribed to the behavior of U.S. bank lending to Latin America. From 1985 on, however, direct investment flow started to play a more important role in the flow of U.S. capital to Latin America. Inflow of capital from Latin America, on the other hand, continued on a much steadier basis, albeit with some variations from year to year. Outflow of U.S. capital to Latin America exceeded the inflow of Latin American capital to the United States between 1980 and 1982, but the situation was reversed in 1983 and the United States continued to receive more funds from Latin America than those disbursed to Latin America.

Let us now examine the international financial transactions of Japan in relation to long-term capital (Table 2). Outflow of Japanese long-term capital increased rapidly during the first half of the 1980s until it reached a plateau in 1986. Inflow of foreign long-term capital to Japan, on the other hand, has not exhibited a clear trend, its value fluctuating from year to year.

A similar pattern has been observed for flows of long-term capital between Japan and the United States. Outflow of Japanese long-term capital to the United States increased rapidly around the middle of the 1980s and remained at the high level of 50 to 60 billion dollars per year from 1986 on. In the past few years, however, a significant change in the composition of Japan's long-term capital outflow to the United States has occurred: Portfolio investment which accounted for more than 80% of the total in 1986 declined in absolute value in the following years while direct investment increased. As a result, the share of portfolio investment declined below 60% in 1988. Another important development over the past few years has been a massive increase in official reserve accumulation as a result of foreign exchange market intervention as part of concerted efforts to achieve a "soft-landing" for the falling U.S. dollar.

Out of the total of roughly 150 billion dollars in the Japanese long-term capital outflow in 1988, some 85% was directed to advanced countries, with the United States alone accounting for more than 40% of the total. Developing countries and international organizations received some 24 billion dollars. This pattern has been stable in the recent years and may be expected to continue in the immediate future as U.S. and Japanese current account imbalances undergo a gradual process of adjustment. From 1986 onward the Japanese government made special efforts to increase the percentage of capital flows directed toward developing countries either through bilateral flows or through international financial institutions. The 30 billion dollar recycling program targeted for the three-year period 1987–89 was almost completely implemented, on a commitment basis, by the middle of 1989. The government has decided to extend the program for another two years and to channel additional 35 billion dollars to developing countries.

II. Balance of Payments Position of and Capital Flows to Middle-Income Countries

When examining the issue of flow of capital to middle-income countries, it is important to analyse experiences from the 1970s and 1980s in order to gain a realistic perspective of the trends that have evolved and to propose a practical approach for the 1990s.

External financial resources are made available to a country from various sources, in various forms and to various economic agents (Figure 1). Dominant modes of financial flows varied very clearly from the 1970s to the 1980s and are expected to be different in the 1990s (Figure 2).

In the 1970s, the flow of capital to middle-income countries mainly took the form of lending from private financial institutions to the government. Many middle-income countries found themselves virtually free from foreign exchange constraints. General obligation borrowing did not specify any particular usage for financial support, but rather it left the allocation of resources to the discretion of the borrower government. Credit was extended to a country according to an evaluation of sovereign risk based on balance of payments prospects. As long as the borrower nation's credit rating was satisfactory, creditors remained willing to lend.

This enabled governments to enjoy increased degrees of freedom in development policies and macroeconomic management. In fact, the availability of external finance accentuated the difference in the sustainability of the mechanism of economic growth. While this form of lending accelerated the strengthening of industries, and therefore export expansion and efficient import substitution, for one group of countries (most notably Korea, Taiwan, Thailand, and Malaysia), general lending resulted merely in the perpetuation of inefficient patterns of resource allocation in other middle-income countries.

This latter group of countries were most strongly affected by the sudden and drastic change in the international economic environment that caused the debt crisis of the early 1980s. Faced with the downward re-evaluation of creditworthiness due to increased interest rates and reduced earning capacity for primary commodities, these middle-income countries have had to confront the task of structural adjustment while struggling with acute balance of payments problems.

In the 1980s, official flows to the public sector became the predominant method of supporting the middle-income countries. These flows were intended to maintain the levels of economic activities and living standard, by supporting fiscal balance and balance of payments in the face of massive interest payments on the existing stock of external debts and were not generally used to finance new investment. Another aspect of the flows was their official conditionality. By conditioning assistance, creditors hoped to restore creditworthiness of ailing middle-income countries through the implementation of policy and institutional reforms and consolidation of the balance of payment position.

Figure 1. SOURCES AND RECIPIENTS OF FINANCIAL FLOWS

| Source \ Recipient | Government | Financial Institutions | Firm |
|--------------------------------------|------------|------------------------|------|
| I. Official | | | |
| Government | × | × | |
| International Financial Institutions | × | × | × |
| II. Private | | | |
| Private Financial Institutions | × | × | × |
| Investor | × | × | × |
| Firm | | | × |

Figure 2. DOMINANT MODE OF FINANCIAL FLOWS

| Decade | Source | Recipient | Purpose | Conditionality |
|--------|---|------------|------------------------------|----------------|
| 1970s | Private Financial Institutions | Government | General Obligation Borrowing | None |
| 1980s | Government/International Financial Institutions | Government | BoP/Fiscal Support | Formal |
| 1990s | Investor/Firm | Firm | Trade/Project Financing | De-facto |

The lesson to be learned from the 1980s predicament is that policy and institutional reforms on the part of debtor nations alone are not sufficient to improve macroeconomic conditions in heavily indebted countries. Investment is crucial to help promote effective economic policies and to assist these countries in resuming sustained economic growth. Thus, conscious efforts must be made to assure financing for investment.

Against this background we will make projections for the next decade. In the 1990s, the dominant mode of external finance will shift again from official flows to private capital flows, but this time directed toward the private sector in borrowing nations. Yet as macroeconomic conditions remain precarious in middle-income countries, private investors will need greater guarantees and incentives to be induced to provide more capital to those countries.

One method to assure access to foreign exchange earnings of particular projects that private creditors finance will be to attempt to segregate those projects from the rest of the economy as in the case of the use of an escrow account. In the case of general obligation borrowing by government, the issue of seniority becomes crucial in determining the priority of repayment of loans. Another incentive to promote investment is credit enhancement. Official institutions could provide insurance or guarantees for loans, thus reducing the risk of financial loss for investors. A third option may be cofinancing with multilateral institutions. This would

enable private lenders to make investments less risky due to the substantial financial influence of these institutions.

These methods of increasing financial security for private capital flows cannot be substituted for the improvement of economic conditions within the borrower countries. Macro-level problems must also be addressed. Two immediate suggestions for improvement could help alleviate economic difficulties in the 1990s and beyond. First, economic reforms in middle-income countries must continue in order to achieve structural adjustment. Second, large interest payments must be reduced so that these countries can begin to effectively deal with internal problems rather than constantly being burdened by past debts. Through combined effects of these approaches, it is hoped, incentives for private capital flows will be fundamentally improved.

In the remainder of this section, we will review and compare the recent experiences and near-term prospects for some of the middle-income economies. Let us begin with the group of countries that did not suffer a sudden interruption of external finance.

Taiwan and Korea represent the most successful case of structural adjustment carried out as the continuation of their long-term development processes characterized by the rapid expansion of manufactured exports. Their current accounts became positive as a result of rapid export growth, enabling them to realize capital account deficits (capital outflows). It is noteworthy that Taiwan and Korea achieved such a strengthened position in the balance of payments while at the same time maintaining or even enhancing high growth rates. They represent a case where external finance was used to build up the productive capacity of the economy on an efficient and competitive basis, thereby strengthening the growth potential and attendant debt-servicing capacity over the long-term.

The position of Taiwan's balance of payments has been solid throughout the 1980s. After recording a small deficit in 1980, the current account surplus returned in 1981 and continued to increase until it reached a level of about 20% of the GDP in 1986 and 1987. Net long-term flows became negative (net outflow) in 1984 and have remained so since. In Korea, the current account balance became positive and the long-term capital account balance became negative in 1986, both expanding in magnitude in the following year. Both economies are likely to maintain their current account surpluses in the foreseeable future and their long-term capital outflows will also continue.

Malaysia and Thailand went through a period of structural adjustment over the mid-1980s to reduce current account deficits. Initially the brunt of current account adjustment fell on imports and the reduction in current account deficits was achieved at the cost of a slower pace of economic growth. The situation changed during the past few years. Both Malaysia and Thailand have rapidly increased the volume of exports of manufactured goods and thus acquired a much stronger position in the balance of payments. Moreover, as in the case of Taiwan and Korea, the improved position of the balance of payments has been achieved over a period of accelerating economic growth.

In Malaysia, the current account balance changed from negative to positive and the long-term capital account balance underwent a shift from positive (net inflow) to negative (net outflow) in 1987. This shift in capital account was brought about by a drastic change in the direction of net long-term loans from inflow to outflow. It is to be noted that direct investment and grant aid continue to be strongly positive even though the overall capital account is in deficit.

In Thailand, the current account was slightly in deficit and long-term capital account slightly in surplus in 1987 and 1988. Unlike in Malaysia, net long-term loans have remained positive (net inflow) after turning negative once in 1986.

Indonesia and Colombia represent a special case among the indebted middle income countries. Both of them have continued to receive sizable long-term capital inflows, the bulk of which in the form of long-term loans, and managed to maintain reasonably high rates of growth throughout the 1980s. Both countries have made steady progress in strengthening their balance of payment position by developing non-traditional exports, manufactured goods in the case of Indonesia and energy-related mineral resources in the case of Colombia. They seem to stand a good chance of successful structural adjustment and their external financing needs will remain manageable.

Chile points to one possible way out of the debt crisis. After a severe contraction of economic activities in the early 1980s, economic growth recovered and increased based on the strength of newly diversified export activities. By 1988, the current account deficits were almost wiped out although interest payments still amounted to 8% of the GDP. Regarding the capital account, Chile has been active in utilizing a debt-equity conversion scheme to reduce the amount of external debt outstanding.

Mexico initiated a medium-term program of structural adjustment in 1985 and sustained its commitment in the face of a sudden collapse of the international petroleum price in 1986. The composition of exports has undergone a drastic change in the past few years and the share of oil in the total exports now stands at around 35% down from 70% during the first half of the 1980s. Net long-term loans have been mostly negative since 1985, but direct investment has gathered momentum in the recent years, more than offsetting the net outflow of loans on the whole.

During the 1980s, Brazil largely maintained a strong trend in export growth based on ever-increasing lines of export-oriented activities while at the same time keeping imports at a level one-third lower than the peak recorded at the beginning of the decade. In 1988, the current account recorded a surplus amounting to 1.2% of the GDP and the long-term capital account became negative (net outflow) for the first time in decades. This change in the direction of long-term capital flows was brought about by a reversal in the flow of net long-term loans. It is also noteworthy that there seems to be a resurgence of direct investment in Brazil.

In the Philippines, current account deficits stood at around 2% of the GDP in 1987 and 1988. In those two years, both exports and imports increased as economic growth resumed vigorous rates of 4.7% and 6.6%, respectively. Long-term loans declined continuously until they became negative (net outflow) in 1988. Direct

investment, on the other hand, recorded a large increase in that year, more than offsetting the decrease in long-term loans.

In Argentina, exports remained stagnant and current account deficits persisted throughout the 1980s. Long-term capital inflows continued in significant magnitudes mostly in the form of loans. The country has been accumulating arrears on its external debts since 1987. Domestically, it is experiencing an astronomical rate of inflation. The task of structural adjustment has yet to be taken up seriously, and it will have to be preceded by successful microeconomic stabilization.

Venezuela represents another serious case where structural adjustment is urgently needed but its prospects are uncertain. Between 1983 and 1985, the country ran comfortable current account surpluses amounting to 6–8% of the GDP, due to sharp cutbacks in imports. From 1986 onward, however, the current account was in deficit, reaching –7.6% of the GDP in 1988. This sudden turnaround was brought about by the concurrence of a sharp decline in oil export earnings and an increase in imports fueled by expansionary domestic policies. Long-term capital account has been persistently negative (net outflow) since 1984. Venezuela tidied over large deficits in basic balance by relying on short-term borrowing and running down reserves in 1986–88. In 1989, however, it had no choice but to adopt a drastic stabilization policy, which met with a violent public reaction.

Concluding Remarks

The global economic adjustment of the 1980s is not yet completed. Macroeconomic imbalances among major industrial countries and Asian NIEs are still large and will remain so well into the 1990s. There are signs that these imbalances are being corrected through a realignment of exchange rates and growth rate differentials in domestic demands. Financial flows need to accommodate the macroeconomic imbalances throughout the remaining period of adjustment. It seems that prospects for a “soft-landing” of the U.S. economy are reasonably good and that risks of major disruptions in international finance will be minimal.

With regard to the problems of the balance of payments of heavily indebted middle-income countries, a new approach to the management of the debt problem, the so-called Brady initiative, marks a significant, and hopefully decisive, step forward for its resolution. For the new approach to revive investment and thus contribute to the strengthening of productive capacity, it must be accompanied by continued efforts toward structural adjustment in debtor countries. Furthermore, supportive official measures to facilitate new types of capital flows, typically in the form of trade and project financing and direct investment, will be needed, in addition to direct financial support to help tide over immediate balance of payments and fiscal difficulties. In this context, renewed commitment by the Japanese government to the recycling of funds to developing countries, with particular emphasis on heavily indebted countries, will prove highly significant. It is also noteworthy that the private sector in Japan is taking more active initiatives for the allocation of private capital to debt-ridden middle-income countries.

APPENDIX

Appendix Table 1. BALANCE OF PAYMENTS POSITION

(as % of GDP)

| | 1980 | 1984 | 1985 | 1986 | 1987 | 1988 |
|--------------------------|------|------|------|------|------|------|
| Korea | | | | | | |
| Resource balance | -6.0 | 1.4 | 1.7 | 6.6 | 9.1 | 8.3 |
| Interest payment | 2.6 | 2.9 | 3.2 | 2.9 | 2.0 | 1.2 |
| Current account balance | -8.6 | -1.6 | -1.0 | 4.7 | 8.1 | 8.4 |
| Long-term capital inflow | 3.3 | 3.1 | 2.5 | -2.6 | -7.1 | -2.0 |
| Direct investment | -0.0 | 0.1 | 0.2 | 0.3 | 0.3 | 0.4 |
| Grant aid | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Long-term loans (net) | 3.2 | 3.0 | 2.3 | -2.9 | -7.4 | -1.3 |
| Malaysia | | | | | | |
| Resource balance | 2.5 | 1.8 | 5.1 | 6.0 | 13.5 | 10.1 |
| Interest payment | 1.4 | 3.9 | 4.8 | 5.1 | 4.6 | 4.6 |
| Current account balance | -1.3 | -5.0 | -2.1 | -0.5 | 7.1 | 3.5 |
| Long-term capital inflow | 4.2 | 9.3 | 5.1 | 4.2 | -0.8 | -2.3 |
| Direct investment | 3.8 | 2.3 | 2.2 | 1.8 | 1.8 | 1.8 |
| Grant aid | 0.1 | 0.1 | 0.1 | 0.2 | 0.5 | 0.5 |
| Long-term loans (net) | 0.3 | 6.9 | 2.8 | 2.2 | -3.1 | -4.6 |
| Thailand | | | | | | |
| Resource balance | -6.3 | -4.3 | -2.9 | 2.1 | 0.7 | 1.6 |
| Interest payment | 1.5 | 2.1 | 2.4 | 2.5 | 2.2 | 1.9 |
| Current account balance | -6.9 | -5.4 | -4.5 | 0.2 | -1.0 | -1.3 |
| Long-term capital inflow | 7.0 | 4.5 | 4.5 | 0.4 | 1.1 | 2.0 |
| Direct investment | 0.6 | 1.0 | 0.4 | 0.6 | 0.4 | 1.9 |
| Grant aid | 0.4 | 0.3 | 0.3 | 0.4 | 0.3 | 0.3 |
| Long-term loans (net) | 6.0 | 3.2 | 3.8 | -0.6 | 0.4 | 1.8 |
| Philippines | | | | | | |
| Resource balance | -5.4 | -0.6 | 2.8 | 6.0 | 0.6 | 0.1 |
| Interest payment | 1.6 | 2.8 | 2.8 | 4.4 | 4.3 | 4.7 |
| Current account balance | -5.8 | -4.7 | -0.7 | 2.6 | -2.1 | -1.7 |
| Long-term capital inflow | 3.0 | 1.7 | 9.9 | 4.9 | 1.9 | 2.5 |
| Direct investment | -0.3 | 0.0 | 0.0 | 0.4 | 0.5 | 2.4 |
| Grant aid | 0.4 | 0.8 | 0.6 | 0.7 | 0.6 | 0.7 |
| Long-term loans (net) | 2.9 | 0.9 | 9.3 | 3.8 | 0.8 | -0.6 |
| Indonesia | | | | | | |
| Resource balance | 7.7 | 2.4 | 1.8 | -0.4 | 1.9 | 3.1 |
| Interest payment | 1.5 | 2.2 | 2.3 | 3.2 | 4.0 | 4.0 |
| Current account balance | 3.6 | -2.3 | -2.3 | -5.2 | -3.3 | 2.8 |
| Long-term capital inflow | 2.8 | 3.5 | 2.2 | 3.9 | 3.9 | 4.6 |
| Direct investment | 0.2 | 0.3 | 0.4 | 0.4 | 0.4 | 0.4 |
| Grant aid | 0.3 | 0.1 | 0.0 | 0.3 | 0.2 | 0.3 |
| Long-term loans (net) | 2.5 | 3.3 | 1.8 | 2.6 | 3.3 | 3.9 |

Appendix Table 1. (Continued)

| | 1980 | 1984 | 1985 | 1986 | 1987 | 1988 |
|--------------------------|------|-------|------|------|------|------|
| China | | | | | | |
| Resource balance | -1.3 | 0.2 | -4.5 | -2.8 | 0.1 | -1.4 |
| Interest payment | 0.1 | 0.2 | 0.2 | 0.2 | 0.4 | 0.4 |
| Current account balance | -1.1 | 0.8 | -4.1 | -2.6 | 0.1 | -1.4 |
| Long-term capital inflow | 0.1 | 0.6 | 1.6 | 2.7 | 1.9 | 1.6 |
| Direct investment | 0.0 | 0.4 | 0.4 | 0.5 | 0.6 | 0.5 |
| Grant aid | -0.0 | 0.0 | 0.0 | 0.0 | -0.0 | 0.0 |
| Long-term loans (net) | 0.1 | 0.2 | 1.2 | 2.1 | 1.3 | 1.1 |
| Chile | | | | | | |
| Resource balance | -3.8 | -0.5 | 3.4 | 4.2 | 4.3 | 7.1 |
| Interest payment | 3.3 | 10.4 | 10.2 | 8.4 | 7.5 | 8.0 |
| Current account balance | -7.3 | -11.0 | -8.4 | -7.0 | -4.6 | -0.8 |
| Long-term capital inflow | 8.3 | 18.7 | 9.2 | 5.0 | 4.6 | 2.6 |
| Direct investment | 0.6 | 0.3 | 3.9 | 0.3 | 0.5 | 0.5 |
| Grant aid | 0.2 | 0.3 | 0.1 | 0.3 | 0.3 | 0.0 |
| Long-term loans (net) | 7.5 | 18.1 | 5.2 | 4.4 | 3.8 | 2.1 |
| Colombia | | | | | | |
| Resource balance | -0.4 | -0.4 | -1.8 | 3.8 | 3.7 | 0.9 |
| Interest payment | 0.9 | 1.6 | 2.5 | 2.8 | 3.3 | 3.5 |
| Current account balance | -0.6 | -3.7 | -5.2 | 1.1 | 1.0 | -1.0 |
| Long-term capital inflow | 2.5 | 4.8 | 6.7 | 6.9 | 0.3 | 2.3 |
| Direct investment | 0.2 | 1.5 | 2.9 | 1.8 | 0.7 | 0.5 |
| Grant aid | 0.0 | 0.0 | 0.0 | -0.1 | -0.1 | 0.0 |
| Long-term loans (net) | 2.3 | 3.3 | 3.8 | 5.2 | -0.3 | 1.8 |
| Mexico | | | | | | |
| Resource balance | -1.1 | 8.0 | 5.0 | 4.4 | 7.3 | 2.2 |
| Interest payment | 2.4 | 5.8 | 5.1 | 6.0 | 5.0 | 4.5 |
| Current account balance | -4.3 | 2.3 | 0.3 | -1.4 | 2.7 | -1.6 |
| Long-term capital inflow | 4.0 | 1.5 | 0.2 | 0.5 | 3.0 | 0.2 |
| Direct investment | 1.1 | 0.2 | 0.3 | 1.2 | 2.3 | 1.7 |
| Grant aid | 0.1 | 0.1 | 0.4 | 0.2 | — | — |
| Long-term loans (net) | 2.9 | 1.2 | -0.5 | -0.8 | 0.5 | -2.1 |
| Brazil | | | | | | |
| Resource balance | -2.5 | 5.4 | 4.7 | 2.4 | 2.9 | 4.8 |
| Interest payment | 2.6 | 3.4 | 3.2 | 2.7 | 2.1 | 2.4 |
| Current account balance | -5.4 | 0.0 | 0.1 | -1.9 | -0.4 | 1.2 |
| Long-term capital inflow | 2.6 | 3.8 | 0.5 | 0.6 | 1.4 | -0.5 |
| Direct investment | 0.6 | 0.7 | 0.5 | 0.1 | 0.4 | 0.6 |
| Grant aid | 0.0 | 0.0 | 0.0 | -0.0 | -0.0 | 0.0 |
| Long-term loans (net) | 1.9 | 3.1 | -0.1 | 0.5 | 1.0 | -1.1 |

Appendix Table 1. (Continued)

| | 1980 | 1984 | 1985 | 1986 | 1987 | 1988 |
|---------------------------|------|------|------|------|-------|------|
| Argentina | | | | | | |
| Resource balance | -5.8 | 4.2 | 6.6 | 2.0 | 0.3 | 3.2 |
| Interest payment | 2.4 | 4.2 | 6.7 | 4.7 | 4.7 | 5.7 |
| Current account balance | -8.4 | -3.1 | -1.4 | -3.6 | -5.2 | -2.6 |
| Long-term capital inflow | 7.4 | -0.6 | 5.6 | 8.0 | 3.2 | 4.8 |
| Direct investment | 1.4 | 0.3 | 1.4 | 0.7 | -0.0 | 0.9 |
| Grant aid | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Long-term loans (net) | 6.0 | -0.9 | 4.2 | 7.3 | 3.2 | 3.9 |
| Venezuela | | | | | | |
| Resource balance | 7.0 | 11.6 | 9.6 | 0.1 | 0.8 | -4.8 |
| Interest payment | 2.1 | 3.3 | 2.9 | 3.7 | 5.1 | 4.1 |
| Current account balance | 6.8 | 7.9 | 6.0 | -2.5 | -2.2 | -7.6 |
| Long-term capital inflow | 2.9 | -4.1 | -2.7 | -4.0 | -5.7 | -4.2 |
| Direct investment | 0.1 | 0.0 | 0.1 | 0.0 | 0.0 | 0.1 |
| Grant aid | -0.0 | -0.0 | -0.0 | 0.1 | -0.0 | -0.1 |
| Long-term loans (net) | 2.9 | -4.0 | -2.7 | -4.1 | -4.3 | -4.2 |
| Uruguay | | | | | | |
| Resource balance | -6.1 | 4.2 | 4.5 | 5.4 | 1.8 | 3.6 |
| Interest payment | 1.2 | 5.6 | 5.5 | 4.0 | 3.6 | 4.0 |
| Current account balance | -7.1 | -2.7 | -2.2 | 1.0 | -1.9 | -0.3 |
| Long-term capital inflow | 4.1 | 0.6 | 1.4 | 2.5 | 2.0 | 1.6 |
| Direct investment | 2.9 | -0.1 | -0.1 | -0.1 | 0.0 | 0.0 |
| Grant aid | 0.1 | 0.2 | 0.2 | 0.4 | 0.3 | 0.3 |
| Long-term loans (net) | 1.1 | 0.5 | 1.3 | 2.2 | 1.7 | 1.3 |
| Peru | | | | | | |
| Trade balance | 4.2 | 5.1 | 6.8 | -0.2 | -1.0 | — |
| Investment income payment | -5.6 | -6.7 | -6.6 | -3.4 | -1.9 | — |
| Current account balance | -1.3 | -1.9 | 0.0 | -4.6 | -6.1 | — |
| Long-term capital inflow | 0.3 | -2.3 | -4.0 | -3.9 | -2.4 | — |
| Direct investment | 0.1 | -0.4 | 0.0 | 0.1 | 0.1 | — |
| Grant aid | 0.7 | 0.8 | 0.8 | 0.5 | 0.3 | — |
| Long-term loans (net) | -0.6 | -2.6 | -4.8 | -4.5 | -2.8 | — |
| Ecuador | | | | | | |
| Resource balance | -0.5 | 8.4 | 9.2 | 3.1 | -2.0 | 5.4 |
| Interest payment | 3.1 | 7.8 | 6.1 | 5.8 | 2.6 | 8.6 |
| Current account balance | -6.0 | -1.6 | 0.6 | -5.8 | -11.9 | -6.8 |
| Long-term capital inflow | 9.1 | 3.7 | 2.7 | 7.2 | 10.9 | 5.9 |
| Direct investment | 0.6 | 0.5 | 0.5 | 0.6 | 0.7 | 0.8 |
| Grant aid | 2.6 | 0.2 | 0.7 | 0.4 | 0.7 | 0.5 |
| Long-term loans (net) | 5.9 | 3.0 | 1.5 | 6.2 | 9.5 | 4.6 |

Appendix Table 1. (Continued)

| | 1980 | 1984 | 1985 | 1986 | 1987 | 1988 |
|--------------------------|-------|-------|-------|-------|-------|------|
| Bolivia | | | | | | |
| Resource balance | 7.4 | 8.3 | -2.9 | -3.9 | -6.1 | -3.5 |
| Interest payment | 5.6 | 8.2 | 5.5 | 2.8 | 1.5 | 3.3 |
| Current account balance | -1.8 | -7.5 | -15.2 | -11.1 | -11.9 | -3.8 |
| Long-term capital inflow | 17.3 | 6.2 | 10.3 | 11.3 | 9.9 | 10.4 |
| Direct investment | 1.5 | 0.3 | 0.3 | 0.3 | 0.4 | 0.7 |
| Grant aid | 1.5 | 2.6 | 2.3 | 2.3 | 2.5 | 2.6 |
| Long-term loans (net) | 14.3 | 3.3 | 7.7 | 8.7 | 7.0 | 7.1 |
| Costa Rica | | | | | | |
| Resource balance | -9.5 | 0.7 | -1.5 | 1.3 | -4.1 | -0.4 |
| Interest payment | -3.5 | -6.8 | -9.0 | -7.4 | -6.9 | -6.9 |
| Current account balance | -13.7 | -4.3 | -3.4 | 4.2 | 9.8 | -6.2 |
| Long-term capital inflow | 2.5 | -8.8 | 2.1 | 5.6 | 7.3 | 6.8 |
| Direct investment | 1.0 | 1.5 | 1.7 | 1.3 | 2.0 | 2.0 |
| Grant aid | -0.1 | 3.0 | 4.6 | 2.6 | 4.1 | 4.0 |
| Long-term loans (net) | 1.6 | -13.2 | -4.2 | 1.7 | 1.2 | 0.8 |
| Jamaica | | | | | | |
| Resource balance | -1.0 | -8.9 | -13.5 | -1.1 | 0.3 | — |
| Interest payment | 4.5 | 8.0 | 10.6 | 9.0 | 8.1 | 7.5 |
| Current account balance | -6.2 | -13.1 | -14.9 | -5.0 | -5.3 | — |
| Long-term capital inflow | 9.0 | 25.6 | 7.1 | 2.3 | 7.1 | 6.4 |
| Direct investment | 1.0 | 0.5 | -0.4 | -0.2 | 0.0 | 0.0 |
| Grant aid | 0.3 | 1.6 | 3.4 | 2.4 | 1.9 | 2.6 |
| Long-term loans (net) | 7.7 | 23.5 | 4.1 | 0.1 | 5.2 | 3.8 |

Appendix Table 2. NET CAPITAL FLOWS

| | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 |
|-------------------|----------------|---------|---------|---------|---------|---------|--------|----------|
| | (Million US\$) | | | | | | | |
| Total | | | Korea | | | | | |
| Bilateral | 823.1 | 1,533.5 | 1,507.8 | 1,311.7 | 1,916.2 | 1,592.3 | 385.0 | -2,521.4 |
| Japan | 571.9 | 1,169.5 | 842.7 | 837.8 | 1,510.1 | 1,433.0 | 464.3 | -2,137.6 |
| US | 322.0 | 538.2 | 63.5 | 208.5 | 937.0 | 874.9 | 626.3 | -237.2 |
| Multilateral | -127.0 | 467.0 | 752.0 | 664.0 | 603.0 | 289.0 | -508.0 | -1,663.0 |
| | 240.2 | 364.2 | 669.9 | 478.7 | 447.9 | 165.9 | -79.1 | -389.5 |
| Official | 586.8 | 872.6 | 1,122.6 | 940.8 | 577.4 | 146.2 | -193.3 | -1,671.5 |
| Bilateral | 335.7 | 508.6 | 457.6 | 466.8 | 171.3 | -13.1 | -114.0 | -1,287.8 |
| Japan | 75.5 | 294.7 | 3.1 | -6.6 | -37.9 | -4.2 | -15.3 | 319.7 |
| US | 80.0 | 197.0 | 382.0 | 432.0 | 152.0 | -50.0 | -200.0 | -1,074.0 |
| Multilateral | 240.2 | 364.2 | 669.9 | 478.7 | 447.9 | 165.9 | -79.1 | -389.5 |
| Private | 236.3 | 660.9 | 385.1 | 370.9 | 1,338.8 | 1,446.1 | 578.4 | -849.9 |
| Japan | 246.5 | 243.5 | 60.4 | 215.1 | 974.9 | 879.1 | 641.6 | 82.5 |
| US | -207.0 | 270.0 | 370.0 | 232.0 | 451.0 | 339.0 | -308.0 | -589.0 |
| Direct investment | -207.6 | 260.6 | 107.3 | -62.4 | 246.2 | 169.1 | 369.9 | 825.9 |
| Lending | -53.3 | 210.2 | 367.7 | 863.5 | 1,298.6 | 1,245.7 | 113.7 | -1,672.7 |
| Export credits | 497.1 | 190.1 | -89.8 | -430.1 | -206.0 | 31.3 | 94.8 | -2.5 |

Appendix Table 2. (Continued)

| | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 |
|-------------------|--------|-------|-------|--------|--------|--------|--------|----------|
| Taiwan | | | | | | | | |
| Total | 438.9 | 696.7 | 427.6 | -47.5 | -73.7 | -518.0 | -476.4 | -413.4 |
| Bilateral | 455.7 | 700.7 | 443.5 | -43.9 | -63.3 | -493.4 | -446.0 | -282.0 |
| Japan | 110.5 | 283.1 | 116.8 | -73.7 | 160.5 | 14.8 | -19.6 | 226.1 |
| US | 388.0 | 385.0 | 100.0 | 48.0 | -105.0 | -524.0 | -281.0 | -454.0 |
| Multilateral | -18.0 | -17.8 | -18.4 | -17.6 | -17.6 | -17.4 | -21.3 | -131.4 |
| Official | 388.5 | 224.0 | 109.3 | 1.3 | -145.4 | -281.7 | -316.4 | -1,340.8 |
| Bilateral | 405.3 | 228.0 | 125.2 | 4.9 | -135.0 | -257.2 | -286.0 | -1,209.3 |
| Japan | -2.6 | -2.7 | -3.2 | n.a. | n.a. | n.a. | n.a. | -241.4 |
| US | 412.0 | 225.0 | 67.0 | -11.0 | -129.0 | -246.0 | -255.0 | -969.0 |
| Multilateral | -18.0 | -17.8 | -18.4 | -17.6 | -17.6 | -17.4 | -21.3 | -131.4 |
| Private | 50.4 | 472.7 | 318.3 | -48.8 | 71.7 | -236.2 | -160.0 | 927.3 |
| Japan | 113.1 | 285.8 | 120.0 | n.a. | n.a. | n.a. | n.a. | 467.5 |
| US | -24.0 | 160.0 | 33.0 | 59.0 | 24.0 | -278.0 | -26.0 | 515.0 |
| Direct investment | 162.5 | 118.9 | 57.1 | 120.1 | 208.1 | 109.7 | 278.1 | 748.3 |
| Lending | -125.0 | 120.3 | 184.6 | 35.3 | -89.1 | -258.9 | -151.2 | 91.3 |
| Export credits | 12.9 | 233.6 | 76.6 | -204.2 | -47.3 | -87.1 | -286.9 | -87.8 |

Appendix Table 2. (Continued)

| | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 |
|-------------------|-----------|---------|---------|---------|---------|----------|----------|---------|
| | Hong Kong | | | | | | | |
| Total | 910.3 | 1,769.1 | 1,183.1 | 1,108.9 | 1,254.5 | -1,206.4 | -1,395.8 | 3,628.0 |
| Bilateral | 891.2 | 1,758.4 | 1,172.2 | 1,102.7 | 1,253.1 | -1,204.5 | -1,393.8 | 3,663.1 |
| Japan | 73.9 | 240.4 | 364.5 | 307.1 | 403.3 | 29.1 | 778.7 | 1,212.9 |
| US | 37.0 | 660.0 | 311.0 | 257.0 | 548.0 | -1,722.0 | -3,026.0 | 1,453.0 |
| Multilateral | 19.0 | 10.7 | 10.9 | 6.2 | 1.4 | -1.9 | -2.0 | -35.1 |
| Official | 31.4 | 46.1 | 27.8 | 3.9 | -4.7 | -0.7 | -0.8 | -131.2 |
| Bilateral | 12.4 | 35.4 | 16.9 | -2.3 | -6.1 | 1.2 | 1.2 | -96.2 |
| Japan | 1.1 | 1.9 | 1.4 | 1.4 | 1.2 | 1.3 | 1.6 | -101.3 |
| US | 9.0 | 32.0 | 11.0 | -10.0 | -14.0 | -14.0 | -11.0 | -8.0 |
| Multilateral | 19.0 | 10.7 | 10.9 | 6.2 | 1.4 | -1.9 | -2.0 | -35.1 |
| Private | 878.9 | 1,723.0 | 1,155.4 | 1,105.0 | 1,259.2 | -1,205.7 | -1,395.0 | 3,759.2 |
| Japan | 72.8 | 238.5 | 363.1 | 305.7 | 402.1 | 27.8 | 777.1 | 1,314.2 |
| US | 28.0 | 628.0 | 300.0 | 267.0 | 562.0 | -1,708.0 | -3,015.0 | 1,461.0 |
| Direct investment | 373.9 | 1,087.9 | 651.8 | 608.8 | 678.8 | -142.1 | 985.3 | 2,868.2 |
| Lending | -177.4 | 141.4 | 177.2 | 210.6 | 286.0 | -1,084.4 | -2,372.5 | 742.7 |
| Export credits | 682.4 | 493.7 | 326.4 | 285.6 | 294.4 | 20.8 | -7.8 | 148.3 |

Appendix Table 2. (Continued)

| | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 |
|-------------------|-------|---------|-----------|--------|---------|--------|--------|--------|
| | | | Singapore | | | | | |
| Total | 752.4 | 1,384.6 | 914.3 | 184.2 | 1,314.1 | -267.2 | -109.4 | 726.8 |
| Bilateral | 742.0 | 1,387.1 | 914.2 | 184.8 | 1,322.7 | -251.2 | -86.8 | 757.4 |
| Japan | 121.5 | 309.8 | 416.8 | 176.0 | 245.6 | 154.2 | 176.0 | 400.1 |
| US | 311.0 | 637.0 | 44.0 | -46.0 | 479.0 | -536.0 | -603.0 | 320.0 |
| Multilateral | 9.9 | -2.5 | 0.0 | -0.6 | -8.7 | -16.0 | -22.7 | -30.6 |
| Official | 43.2 | 11.2 | 23.1 | -31.5 | 86.9 | -55.9 | -188.7 | -220.1 |
| Bilateral | 32.8 | 13.7 | 23.0 | -30.9 | 95.5 | -39.9 | -166.0 | -189.6 |
| Japan | 3.8 | 10.6 | 7.6 | 3.9 | 28.4 | 7.9 | 15.3 | -171.2 |
| US | 25.0 | -14.0 | -15.0 | -34.0 | 56.0 | -53.0 | -184.0 | 1.0 |
| Multilateral | 9.9 | -2.5 | 0.0 | -0.6 | -8.7 | -16.0 | -22.7 | -30.6 |
| Private | 709.2 | 1,373.5 | 891.2 | 215.7 | 1,227.2 | -211.4 | 79.2 | 946.9 |
| Japan | 117.7 | 299.2 | 409.2 | 172.1 | 217.2 | 146.3 | 160.7 | 571.3 |
| US | 286.0 | 651.0 | 59.0 | -12.0 | 423.0 | -483.0 | -419.0 | 319.0 |
| Direct investment | 650.0 | 979.5 | 280.4 | 416.0 | 865.3 | 252.0 | 602.3 | 700.6 |
| Lending | 17.9 | 154.2 | 288.2 | -107.2 | 339.4 | -401.5 | -511.3 | 370.5 |
| Export credits | 41.3 | 239.8 | 322.5 | -93.0 | 22.4 | -61.9 | -11.7 | -124.2 |

Appendix Table 2. (Continued)

| | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 |
|-------------------|-------|-------|--------|---------|---------|--------|--------|--------|
| Malaysia | | | | | | | | |
| Total | 688.5 | 990.7 | 833.8 | 1,759.7 | 1,418.5 | 232.4 | -16.1 | 228.7 |
| Bilateral | 573.4 | 860.7 | 668.4 | 1,617.9 | 1,326.3 | 185.3 | -9.8 | 193.8 |
| Japan | 167.3 | 72.5 | 531.3 | 920.2 | 985.2 | 295.5 | 114.9 | 237.5 |
| US | 54.0 | 296.0 | 574.0 | 249.0 | 45.0 | -473.0 | -166.0 | -244.0 |
| Multilateral | 105.5 | 119.7 | 150.2 | 125.4 | 78.2 | 32.3 | -15.1 | 34.8 |
| Official | | | | | | | | |
| Bilateral | 216.7 | 258.0 | 265.2 | 359.5 | 453.8 | 379.6 | 209.7 | 136.9 |
| Japan | 101.6 | 127.9 | 99.7 | 217.7 | 361.6 | 332.5 | 216.0 | 102.0 |
| Japan | 65.6 | 64.7 | 75.3 | 93.1 | 304.6 | 117.6 | 34.0 | 30.6 |
| US | -4.0 | -4.0 | n.a. | 67.0 | -12.0 | -12.0 | -11.0 | -8.0 |
| Multilateral | 105.5 | 119.7 | 150.2 | 125.4 | 78.2 | 32.3 | -15.1 | 34.8 |
| Private | | | | | | | | |
| Japan | 471.8 | 732.8 | 568.7 | 1,400.2 | 964.7 | -147.2 | -225.8 | 91.8 |
| US | 101.7 | 7.8 | 456.0 | 827.1 | 680.6 | 177.9 | 80.9 | 206.9 |
| Direct investment | 58.0 | 300.0 | n.a. | 182.0 | 57.0 | -461.0 | -155.0 | -236.0 |
| Lending | 241.5 | 251.9 | -428.7 | 234.4 | 227.2 | 139.5 | -102.4 | 376.6 |
| Export credits | 21.6 | 110.3 | 671.3 | 927.7 | 624.7 | -263.4 | -41.4 | -278.2 |
| Export credits | 208.7 | 370.6 | 326.1 | 238.1 | 112.9 | -23.2 | -82.0 | -6.7 |

Appendix Table 2. (Continued)

| | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 |
|-------------------|---------|---------|---------|---------|---------|--------|--------|-------|
| Total | 1,113.5 | 1,563.2 | 1,238.2 | 1,283.2 | 1,472.1 | 879.0 | 574.2 | 924.2 |
| Bilateral | 781.2 | 1,162.6 | 695.7 | 729.1 | 1,023.6 | 487.7 | 317.4 | 890.4 |
| Japan | 274.7 | 417.7 | 396.1 | 429.5 | 583.1 | 409.1 | 360.8 | 559.0 |
| US | 190.0 | 240.0 | 70.0 | 166.0 | 241.0 | -119.0 | 23.0 | 155.0 |
| Multilateral | 322.2 | 391.8 | 510.0 | 543.8 | 430.5 | 380.1 | 248.7 | 38.3 |
| Official | 731.2 | 781.8 | 822.1 | 1,033.4 | 870.1 | 806.3 | 583.2 | 377.7 |
| Bilateral | 398.9 | 381.1 | 279.6 | 479.2 | 421.6 | 414.9 | 326.3 | 343.8 |
| Japan | 266.9 | 223.1 | 170.2 | 317.9 | 265.2 | 264.8 | 242.5 | 241.8 |
| US | 30.0 | 8.0 | 15.0 | 16.0 | 22.0 | -5.0 | 6.0 | -2.0 |
| Multilateral | 322.2 | 391.8 | 510.0 | 543.8 | 430.5 | 380.1 | 248.7 | 38.3 |
| Private | 382.3 | 781.4 | 416.1 | 249.9 | 602.0 | 72.8 | -8.9 | 546.5 |
| Japan | 7.8 | 194.6 | 225.9 | 111.6 | 317.9 | 144.3 | 118.3 | 317.2 |
| US | 160.0 | 232.0 | 55.0 | 150.0 | 219.0 | -114.0 | 17.0 | 157.0 |
| Direct investment | 217.9 | 219.3 | 127.9 | 201.9 | 348.3 | -97.8 | -6.0 | 458.7 |
| Lending | 34.5 | 158.6 | 79.3 | 112.3 | 306.0 | 240.1 | 132.8 | 116.8 |
| Export credits | 129.9 | 403.6 | 208.9 | -64.3 | -52.4 | -69.5 | -135.8 | -29.0 |

Appendix Table 2. (Continued)

| | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 |
|-------------------|-------|---------|-------|---------|--------|--------|---------|--------|
| Philippines | | | | | | | | |
| Total | 975.2 | 1,243.7 | 957.0 | 1,576.4 | 945.9 | 634.2 | 1,091.4 | 685.1 |
| Bilateral | 615.7 | 696.7 | 612.4 | 818.9 | 576.2 | 385.2 | 933.3 | 505.5 |
| Japan | 262.6 | 297.6 | 337.2 | 341.2 | 201.0 | 113.7 | 462.4 | 255.4 |
| US | 116.0 | 86.0 | 121.0 | 227.0 | 266.0 | 37.0 | 438.0 | 170.0 |
| Multilateral | 352.1 | 547.0 | 343.1 | 758.0 | 370.1 | 249.6 | 158.4 | 180.0 |
| Official | | | | | | | | |
| Bilateral | 533.6 | 860.4 | 633.7 | 1,287.2 | 784.4 | 882.1 | 1,131.9 | 970.0 |
| Japan | 174.2 | 313.4 | 289.1 | 529.7 | 414.7 | 633.1 | 973.8 | 790.4 |
| US | 94.4 | 210.1 | 152.5 | 286.9 | 220.7 | 243.6 | 453.3 | 425.9 |
| US | 34.0 | 24.0 | 40.0 | 141.0 | 118.0 | 252.0 | 420.0 | 226.0 |
| Multilateral | 351.2 | 547.0 | 343.1 | 758.0 | 370.1 | 249.6 | 158.4 | 180.0 |
| Private | | | | | | | | |
| Japan | 441.6 | 383.2 | 323.3 | 289.2 | 161.5 | -247.9 | -40.5 | -284.9 |
| US | 168.2 | 87.5 | 184.7 | 54.3 | -19.7 | -129.9 | 9.1 | -170.5 |
| Direct investment | 82.0 | 62.0 | 81.0 | 86.0 | 148.0 | -215.0 | 18.0 | -56.0 |
| Lending | 127.7 | 114.5 | 125.6 | -168.3 | 167.1 | -249.8 | 59.8 | 84.7 |
| Export credits | 31.8 | -32.3 | 132.4 | 333.6 | -142.3 | 153.9 | 188.5 | -169.0 |
| | 282.1 | 301.0 | 65.4 | 124.0 | 136.7 | -151.9 | -288.8 | -200.6 |

Appendix Table 2. (Continued)

| | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| Indonesia | | | | | | | | |
| Total | 1,779.8 | 4,568.5 | 2,817.8 | 3,126.1 | 3,308.9 | 1,815.9 | 1,593.1 | 3,122.8 |
| Bilateral | 1,329.2 | 4,032.1 | 2,090.4 | 2,437.2 | 2,375.0 | 969.4 | 746.0 | 1,716.2 |
| Japan | 541.3 | 2,383.8 | 744.2 | 450.0 | 561.3 | 524.0 | 110.7 | 1,825.9 |
| US | 267.0 | 539.0 | 494.0 | 978.0 | 748.0 | 87.0 | 27.0 | -460.0 |
| Multilateral | 439.7 | 517.4 | 718.7 | 687.9 | 918.0 | 845.3 | 626.8 | 1,395.5 |
| Official | | | | | | | | |
| Bilateral | 1,321.3 | 1,258.3 | 1,526.6 | 1,541.2 | 1,839.0 | 1,345.9 | 1,457.5 | 3,278.1 |
| Japan | 870.7 | 721.8 | 799.1 | 852.4 | 905.1 | 499.4 | 610.3 | 1,871.5 |
| US | 350.0 | 304.0 | 360.7 | 245.0 | 165.5 | 152.9 | 172.3 | 1,478.3 |
| Multilateral | 109.0 | -1.0 | -2.0 | 248.0 | 218.0 | 46.0 | 26.0 | 3.0 |
| Private | 439.7 | 517.4 | 718.7 | 687.9 | 918.0 | 845.3 | 826.8 | 1,395.5 |
| Private | | | | | | | | |
| Japan | 458.5 | 3,110.3 | 1,291.3 | 1,584.9 | 1,469.9 | 470.0 | 135.6 | -155.3 |
| US | 191.3 | 2,079.8 | 383.5 | 205.0 | 395.8 | 371.1 | -61.6 | 347.6 |
| Direct investment | 158.0 | 540.0 | 496.0 | 730.0 | 530.0 | 41.0 | 1.0 | -463.0 |
| Lending | 300.1 | 2,583.5 | 537.4 | 300.4 | 494.3 | -311.3 | -539.3 | -565.0 |
| Export credits | 56.8 | 386.4 | 423.1 | 692.4 | 46.9 | 375.6 | 550.7 | 429.6 |
| | 101.6 | 340.4 | 330.8 | 592.1 | 928.6 | 405.6 | 124.3 | -19.9 |

Appendix Table 2. (Continued)

| | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 |
|-------------------|--------|---------|--------|-------|---------|---------|---------|---------|
| China | | | | | | | | |
| Total | 323.6 | 1,888.4 | 678.1 | 869.4 | 938.1 | 2,297.2 | 3,478.8 | 4,350.8 |
| Bilateral | 286.2 | 1,468.7 | 617.0 | 692.3 | 573.5 | 1,573.7 | 2,684.8 | 3,558.1 |
| Japan | 290.6 | 889.8 | 127.5 | 383.9 | 595.9 | 1,182.4 | 2,086.4 | 2,438.4 |
| US | 105.0 | -5.6 | -4.0 | 34.0 | -189.0 | 169.0 | 292.0 | 234.0 |
| Multilateral | 37.4 | 419.7 | 61.1 | 141.3 | 315.2 | 693.3 | 771.3 | 792.1 |
| Official | 509.1 | 473.8 | 546.9 | 801.2 | 1,076.9 | 1,388.3 | 1,662.7 | 950.5 |
| Bilateral | 471.7 | 54.1 | 485.8 | 624.2 | 712.3 | 664.8 | 868.8 | 157.9 |
| Japan | 407.6 | 27.7 | 368.8 | 457.1 | 530.2 | 441.0 | 651.6 | -236.7 |
| US | | | 12.0 | 9.0 | 20.0 | 6.0 | -8.0 | 8.0 |
| Multilateral | 37.4 | 419.7 | 61.1 | 141.3 | 315.2 | 693.3 | 771.2 | 792.1 |
| Private | -185.5 | 1,414.6 | 131.2 | 68.2 | -138.8 | 908.9 | 1,816.1 | 3,400.3 |
| Japan | -117.0 | 862.1 | -241.3 | -73.2 | 65.7 | 741.4 | 1,434.8 | 2,675.1 |
| US | 105.0 | -5.6 | -16.0 | 25.0 | -209.0 | 163.0 | 300.0 | 226.0 |
| Direct investment | 23.5 | 26.0 | 41.6 | -3.1 | 65.7 | 223.9 | 202.3 | 1,124.4 |
| Lending | 54.8 | -46.9 | 110.3 | 138.7 | 72.1 | 920.8 | 1,698.7 | 1,878.8 |
| Export credits | -263.7 | 1,435.5 | -20.7 | -67.4 | -276.6 | -235.8 | -84.9 | 397.1 |

Appendix Table 2. (Continued)

| | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 |
|-------------------|---------|---------|---------|---------|---------|----------|---------|----------|
| Brazil | | | | | | | | |
| Total | 4,309.2 | 7,568.5 | 7,585.9 | 5,863.5 | 7,794.4 | 1,349.6 | 999.0 | -1,246.5 |
| Bilateral | 3,841.1 | 7,060.8 | 6,836.2 | 4,693.2 | 6,603.2 | 701.0 | -92.7 | -1,375.3 |
| Japan | 71.4 | 542.1 | 611.1 | 223.0 | 1,040.4 | 123.3 | 112.1 | -347.0 |
| US | 318.0 | 3,744.0 | 3,503.0 | 2,892.0 | 2,695.0 | -333.0 | -450.0 | -1,705.0 |
| Multilateral | 462.5 | 506.1 | 749.8 | 1,171.6 | 1,183.6 | 647.5 | 1,092.3 | 133.2 |
| Official | | | | | | | | |
| Bilateral | 711.3 | 861.8 | 1,016.9 | 1,507.3 | 1,887.3 | 2,097.9 | 1,668.0 | 1,689.5 |
| Japan | 243.2 | 354.2 | 267.1 | 336.9 | 696.1 | 1,449.3 | 576.3 | 1,560.8 |
| US | 76.4 | 61.9 | 30.3 | 10.0 | 35.9 | 64.9 | 92.4 | -73.7 |
| Multilateral | -6.0 | -59.0 | -113.0 | 55.0 | 101.0 | 371.0 | -12.0 | 29.0 |
| Multilateral | 462.5 | 506.1 | 749.8 | 1,171.6 | 1,183.6 | 647.5 | 1,092.3 | 133.1 |
| Private | | | | | | | | |
| Japan | 3,597.9 | 6,706.6 | 6,569.0 | 4,356.3 | 5,907.1 | -748.3 | -669.0 | -2,936.0 |
| US | -5.0 | 480.2 | 580.8 | 213.0 | 1,004.5 | 58.4 | 19.7 | -273.3 |
| Direct investment | 324.0 | 3,803.0 | 3,616.0 | 2,837.0 | 2,594.0 | -704.0 | -438.0 | -1,734.0 |
| Lending | 886.9 | 1,348.5 | 1,609.8 | 545.5 | 1,476.7 | 549.9 | 564.0 | 926.6 |
| Export credits | 1,020.2 | 4,712.8 | 4,176.3 | 3,281.2 | 3,901.9 | -1,181.9 | -848.3 | -4,027.5 |
| Export credits | 1,690.8 | 645.4 | 783.0 | 529.6 | 528.5 | -116.3 | -384.7 | 164.9 |

Appendix Table 2. (Continued)

| | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 |
|-------------------|---------|---------|----------|---------|----------|----------|---------|---------|
| Mexico | | | | | | | | |
| Total | 4,462.5 | 6,909.8 | 4,729.4 | 4,015.1 | 13,834.1 | -1,687.8 | 1,283.9 | 1,655.9 |
| Bilateral | 3,806.4 | 6,190.0 | 4,301.3 | 3,817.9 | 13,066.1 | -2,333.6 | 395.1 | 1,247.3 |
| Japan | 492.9 | 378.8 | 539.1 | 405.2 | 2,176.2 | -0.3 | 375.6 | 1,386.4 |
| US | 2,453.0 | 4,527.0 | 2,771.0 | 2,353.0 | 9,147.0 | -2,887.0 | 42.0 | -182.0 |
| Multilateral | 656.2 | 719.8 | 428.1 | 197.1 | 776.3 | 689.8 | 888.9 | 405.2 |
| Official | | | | | | | | |
| Bilateral | 882.3 | 1,232.4 | 1,871.8 | -92.6 | 1,082.2 | 806.1 | 1,093.3 | 1,689.3 |
| Japan | 226.2 | 512.6 | 1,443.7 | -289.7 | 314.1 | 160.3 | 204.5 | 1,280.7 |
| US | 61.3 | 202.6 | 172.1 | 185.0 | 153.3 | 161.6 | 135.7 | 417.1 |
| Multilateral | 181.0 | 161.0 | 1,086.0 | -580.0 | 139.0 | -43.0 | -53.0 | 539.0 |
| Private | 656.2 | 719.8 | 428.1 | 197.1 | 776.3 | 689.8 | 888.9 | 405.2 |
| Private | | | | | | | | |
| Japan | 3,580.2 | 5,677.4 | 2,857.6 | 4,107.6 | 12,752.0 | -2,493.9 | 190.6 | -33.4 |
| US | 431.6 | 176.2 | 367.0 | 220.2 | 2,022.9 | -161.9 | 239.9 | 969.3 |
| Direct investment | 2,272.0 | 4,366.0 | 1,685.0 | 2,933.0 | 9,008.0 | -2,844.0 | 95.0 | -721.0 |
| Lending | 2,017.3 | 1,225.7 | -1,038.5 | -325.0 | 580.2 | 359.4 | -9.0 | 444.3 |
| Export credits | 1,378.0 | 3,648.9 | 3,768.7 | 3,417.1 | 12,354.2 | -2,912.8 | 257.8 | -730.4 |
| | 184.9 | 802.8 | 127.4 | 1,015.5 | -182.4 | 59.5 | -58.2 | 252.7 |

Appendix Table 2. (Continued)

| | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 |
|-------------------|-------|---------|---------|---------|---------|--------|---------|--------|
| Colombia | | | | | | | | |
| Total | 833.2 | 1,249.4 | 1,550.6 | 1,356.7 | 1,171.1 | 323.4 | 1,124.2 | 150.0 |
| Bilateral | 589.5 | 942.4 | 1,258.3 | 1,035.1 | 686.5 | -277.1 | 673.9 | -90.9 |
| Japan | 14.6 | 57.9 | 66.7 | 88.4 | 66.9 | 15.8 | 278.7 | 28.2 |
| US | 287.0 | 489.0 | 827.0 | 562.0 | 437.0 | -541.0 | 117.0 | 15.0 |
| Multilateral | 243.7 | 307.1 | 292.4 | 321.6 | 484.6 | 600.5 | 450.2 | 240.9 |
| Official | 376.6 | 395.1 | 476.0 | 617.2 | 728.5 | 836.9 | 676.5 | 361.9 |
| Bilateral | 132.9 | 88.0 | 183.6 | 295.6 | 243.9 | 236.4 | 226.2 | 121.0 |
| Japan | 3.9 | 34.9 | 96.7 | 82.4 | 54.1 | 39.6 | 81.3 | 4.1 |
| US | -3.0 | 7.0 | 3.0 | 96.0 | 116.0 | 94.0 | 54.0 | 14.0 |
| Multilateral | 243.7 | 307.1 | 292.4 | 321.6 | 484.6 | 600.5 | 450.9 | 240.9 |
| Private | 456.6 | 854.4 | 1,074.7 | 739.5 | 442.6 | -513.5 | 447.7 | -211.9 |
| Japan | 10.7 | 23.0 | -30.0 | 6.0 | 12.8 | -23.8 | 197.4 | 24.1 |
| US | 290.0 | 482.0 | 824.0 | 466.0 | 321.0 | -635.0 | 63.0 | 1.0 |
| Direct investment | 115.4 | 200.1 | 517.0 | 256.5 | 249.0 | -618.0 | -67.0 | -1.6 |
| Lending | 183.7 | 384.0 | 459.8 | 340.0 | 141.2 | -76.2 | 453.7 | -267.6 |
| Export credits | 157.6 | 270.3 | 97.9 | 143.0 | 52.4 | 180.8 | 61.0 | 57.4 |

Appendix Table 2. (Continued)

| | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 |
|-------------------|-------|---------|---------|-------|---------|--------|--------|--------|
| Chile | | | | | | | | |
| Total | 409.0 | 1,478.0 | 1,063.0 | 686.5 | 2,242.8 | 123.4 | 127.8 | -428.5 |
| Bilateral | 379.6 | 1,420.6 | 1,019.9 | 478.8 | 1,898.5 | -328.3 | -315.5 | -908.9 |
| Japan | -0.8 | 9.6 | 103.4 | 81.4 | 320.5 | 167.2 | -18.8 | 160.6 |
| US | 198.0 | 1,137.0 | 777.0 | 341.0 | 1,400.0 | -671.0 | -295.0 | -929.0 |
| Multilateral | 29.4 | 57.4 | 43.2 | 207.7 | 344.3 | 451.6 | 443.3 | 475.4 |
| Official | -43.8 | -20.5 | 7.0 | 175.0 | 334.7 | 477.0 | 54.0 | 566.0 |
| Bilateral | -73.2 | -77.8 | -36.2 | -32.7 | -9.6 | 25.5 | 98.2 | 86.1 |
| Japan | 2.5 | 1.9 | 4.4 | 4.1 | 1.7 | 6.7 | 5.4 | -5.7 |
| US | -63.0 | -85.0 | -50.0 | -46.0 | -28.0 | -7.0 | 58.0 | 25.0 |
| Multilateral | 29.4 | 57.4 | 43.2 | 207.7 | 344.3 | 451.6 | 443.3 | 475.4 |
| Private | 452.8 | 1,498.4 | 1,056.0 | 511.5 | 1,908.1 | -353.8 | -413.7 | -994.9 |
| Japan | -3.3 | 7.7 | 99.0 | 77.3 | 318.8 | 160.5 | -24.2 | 166.3 |
| US | 261.0 | 1,222.0 | 827.0 | 387.0 | 1,428.0 | -664.0 | -353.0 | -954.0 |
| Direct investment | 91.9 | 352.3 | 14.8 | 25.3 | 22.8 | 106.3 | 121.6 | 10.7 |
| Lending | 352.1 | 1,075.0 | 1,002.7 | 453.6 | 1,814.6 | -553.9 | -479.7 | -965.7 |
| Export credits | 8.7 | 71.2 | 38.5 | 32.6 | 70.7 | 93.7 | -55.7 | -39.9 |

Appendix Table 2. (Continued)

| | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 |
|-------------------|---------|---------|---------|-------|---------|---------|---------|---------|
| Argentina | | | | | | | | |
| Total | 2,773.4 | 2,686.6 | 1,531.9 | 571.5 | 1,102.5 | 2,075.8 | 4,980.0 | 858.4 |
| Bilateral | 2,726.1 | 2,449.7 | 1,391.0 | 405.6 | 901.9 | 1,856.4 | 4,588.4 | 74.7 |
| Japan | 84.9 | 148.1 | 164.7 | -20.0 | 121.1 | 348.2 | 200.7 | 200.6 |
| US | 1,233.0 | 1,295.0 | 901.0 | 233.0 | 409.0 | 681.0 | 3,088.0 | -725.0 |
| Multilateral | 47.3 | 236.9 | 140.9 | 165.9 | 200.6 | 219.4 | 391.5 | 783.7 |
| Official | | | | | | | | |
| Bilateral | 131.7 | 374.6 | 284.3 | 323.2 | 326.7 | 445.1 | 1,038.6 | 1,314.9 |
| Japan | 84.4 | 137.7 | 143.5 | 157.4 | 126.1 | 225.8 | 647.1 | 531.2 |
| US | 7.5 | 15.6 | 3.7 | 20.9 | 30.6 | 24.8 | 26.2 | 17.4 |
| Multilateral | -9.0 | -5.0 | 44.0 | 33.0 | 19.0 | 20.0 | 69.0 | 31.0 |
| Multilateral | 47.3 | 236.9 | 140.9 | 165.9 | 200.6 | 219.4 | 391.5 | 783.7 |
| Private | | | | | | | | |
| Japan | 2,641.7 | 2,312.0 | 1,247.5 | 248.3 | 775.7 | 1,630.6 | 3,941.4 | -456.5 |
| US | 77.4 | 132.5 | 161.0 | -40.9 | 90.5 | 323.4 | 174.5 | 183.2 |
| Direct investment | 1,242.0 | 1,300.0 | 857.0 | 200.0 | 390.0 | 661.0 | 3,019.0 | -756.0 |
| Lending | 935.5 | 580.1 | 378.9 | 104.6 | 134.6 | 171.9 | 348.6 | 153.1 |
| Export credits | 1,153.6 | 1,702.6 | 891.0 | 205.1 | 610.1 | 1,554.6 | 3,512.0 | -164.1 |
| Export credits | 552.7 | 29.3 | -22.4 | -61.4 | 31.0 | -95.9 | 80.8 | -445.5 |

Appendix Table 2. (Continued)

| | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 |
|-------------------|--------|-------|---------|---------|--------|--------|--------|--------|
| Peru | | | | | | | | |
| Total | 625.1 | 811.3 | 1,176.2 | 1,107.8 | 646.2 | -65.0 | 33.9 | 105.4 |
| Bilateral | 431.4 | 643.0 | 954.9 | 924.7 | 423.8 | -217.1 | -86.4 | -60.5 |
| Japan | -36.1 | -20.7 | 70.6 | 145.0 | 20.9 | -122.3 | -4.2 | 3.2 |
| US | 135.0 | 429.0 | 674.0 | 475.0 | 156.0 | -296.0 | -185.0 | -159.0 |
| Multilateral | 193.7 | 168.3 | 221.3 | 183.1 | 222.4 | 152.1 | 120.3 | 165.9 |
| Official | | | | | | | | |
| Bilateral | 332.9 | 308.5 | 330.1 | 435.8 | 662.4 | 486.9 | 381.5 | 430.9 |
| Japan | 139.2 | 140.2 | 108.8 | 252.7 | 440.0 | 334.8 | 261.2 | 264.9 |
| US | 11.1 | 18.8 | 12.9 | 47.4 | 26.2 | 21.9 | 32.3 | 36.4 |
| US | 8.0 | -4.0 | 6.0 | 69.0 | 204.0 | 177.0 | 96.0 | 63.0 |
| Multilateral | 193.7 | 168.3 | 221.3 | 183.1 | 222.4 | 152.1 | 120.3 | 165.9 |
| Private | | | | | | | | |
| Japan | 292.2 | 502.7 | 846.1 | 672.0 | -16.2 | -551.8 | -347.6 | -325.4 |
| US | -47.2 | -39.5 | 57.7 | 97.6 | -5.3 | -144.2 | -36.5 | -33.2 |
| Direct investment | 127.0 | 433.0 | 668.0 | 406.0 | -48.0 | -473.0 | -281.0 | -222.0 |
| Lending | 101.1 | 228.7 | 376.8 | 113.6 | -121.4 | -313.6 | -53.7 | -65.5 |
| Export credits | -155.3 | 106.9 | 495.3 | 466.5 | 99.2 | -204.7 | -210.8 | 160.8 |
| | 346.5 | 167.2 | -26.0 | 91.8 | 6.0 | -33.5 | -83.0 | -99.2 |

Appendix Table 2. (Continued)

| | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 |
|-------------------|-------|-------|-------|-------|-------|-------|-------|-------|
| Bolivia | | | | | | | | |
| Total | 157.0 | 229.0 | 143.5 | 134.1 | 164.0 | 206.9 | 304.4 | 407.4 |
| Bilateral | 16.6 | 132.1 | 75.9 | 86.1 | 100.4 | 125.8 | 171.1 | 269.0 |
| Japan | 13.2 | 25.7 | 37.6 | 24.4 | 24.6 | 17.5 | 20.6 | 50.3 |
| US | 16.6 | 132.1 | 75.9 | 48.0 | 35.0 | 64.0 | 100.0 | 103.0 |
| Multilateral | 140.3 | 96.9 | 67.6 | 48.0 | 63.6 | 81.1 | 133.3 | 138.4 |
| Official | | | | | | | | |
| Bilateral | 229.2 | 188.8 | 154.6 | 169.5 | 172.3 | 208.7 | 332.8 | 477.2 |
| Japan | 88.9 | 91.9 | 87.0 | 121.5 | 108.7 | 127.6 | 199.4 | 338.8 |
| US | 19.2 | 31.2 | 29.8 | 34.7 | 29.6 | 22.6 | 23.8 | 50.3 |
| Multilateral | 31.0 | 18.0 | 29.0 | 48.0 | 35.0 | 64.0 | 100.0 | 103.0 |
| Multilateral | 140.3 | 96.9 | 67.6 | 48.0 | 63.6 | 81.1 | 133.3 | 138.4 |
| Private | | | | | | | | |
| Japan | -72.2 | 40.2 | -11.2 | -35.4 | -8.3 | -1.7 | -28.4 | -69.8 |
| US | -6.0 | -5.5 | 7.8 | -10.3 | -5.0 | -5.1 | -3.2 | 0.0 |
| Direct investment | -14.4 | 114.1 | 46.9 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Lending | -0.7 | 0.1 | 0.5 | 0.3 | 0.2 | 0.9 | 1.2 | n.a. |
| Export credits | -46.1 | -3.1 | 2.9 | -4.3 | 14.1 | 21.8 | -8.9 | -9.8 |
| Export credits | -25.4 | 43.3 | -14.6 | -31.4 | -22.6 | -24.5 | -20.6 | -60.0 |

Appendix Table 2. (Continued)

| | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 |
|-------------------|------|------|-------|---------|-------|--------|-------|-------|
| | | | | Uruguay | | | | |
| Total | 81.0 | 60.2 | 202.0 | 402.5 | 273.0 | -123.9 | 62.8 | 252.4 |
| Bilateral | 65.5 | 54.9 | 172.7 | 380.6 | 217.0 | -150.8 | 17.7 | 164.4 |
| Japan | 2.4 | 10.5 | 1.1 | 4.0 | 1.1 | 0.6 | 4.6 | 5.0 |
| US | 6.0 | 1.0 | 109.0 | 332.0 | 195.0 | -155.0 | 1.0 | 92.0 |
| Multilateral | 15.6 | 5.3 | 29.3 | 21.9 | 55.9 | 26.9 | 45.1 | 88.0 |
| Official | 21.6 | 11.3 | 47.7 | 26.6 | 728.0 | 34.6 | 65.1 | 97.2 |
| Bilateral | 5.9 | 6.0 | 18.4 | 4.7 | 16.9 | 7.6 | 20.1 | 9.2 |
| Japan | 1.1 | 2.1 | 1.2 | 1.4 | 1.8 | 1.7 | 1.5 | 2.3 |
| US | | | 12.0 | -3.0 | -3.0 | -3.0 | 11.0 | -3.0 |
| Multilateral | 15.6 | 5.3 | 29.3 | 21.9 | 55.9 | 26.9 | 45.1 | 88.0 |
| Private | 59.6 | 48.9 | 154.3 | 375.9 | 200.2 | -158.5 | -2.4 | 155.2 |
| Japan | 1.3 | 8.4 | -0.1 | 2.6 | -0.7 | -1.1 | 3.1 | 2.7 |
| US | 6.0 | 1.0 | 97.0 | 335.0 | 198.0 | -152.0 | -10.0 | 95.0 |
| Direct investment | 6.5 | 13.7 | 0.7 | 16.4 | 0.1 | 0.5 | -0.3 | -0.5 |
| Lending | 14.3 | 5.5 | 152.1 | 365.9 | 211.9 | -152.0 | 11.0 | 148.5 |
| Export credits | 38.7 | 29.6 | 1.5 | -6.4 | -11.7 | -7.0 | -13.1 | 7.2 |

Appendix Table 2. (Continued)

| | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 |
|-------------------|-------|-------|-------|-------|-------|--------|--------|-------|
| Jamaica | | | | | | | | |
| Total | 201.4 | 248.2 | 347.0 | 316.7 | 354.0 | 219.3 | 70.7 | 243.8 |
| Bilateral | 93.2 | 133.9 | 194.2 | 226.9 | 300.8 | 119.5 | 37.9 | 156.2 |
| Japan | -2.8 | -4.6 | 0.3 | 7.3 | 15.8 | 25.5 | 14.2 | 3.3 |
| US | 8.0 | 69.0 | 154.0 | 151.0 | 199.0 | 58.0 | -6.0 | 95.0 |
| Multilateral | 93.2 | 99.3 | 152.7 | 89.8 | 62.7 | 106.4 | 40.5 | 87.0 |
| Official | | | | | | | | |
| Bilateral | 200.0 | 223.4 | 300.1 | 249.3 | 285.2 | 301.7 | 199.2 | 240.9 |
| Japan | 91.8 | 109.2 | 147.3 | 159.5 | 232.0 | 201.8 | 166.3 | 153.4 |
| US | 2.4 | 5.9 | 2.4 | 5.6 | 14.1 | 24.7 | 10.3 | 3.1 |
| Multilateral | 12.0 | 57.0 | 105.0 | 109.0 | 146.0 | 141.0 | 114.0 | 87.0 |
| Multilateral | 93.2 | 99.3 | 152.7 | 89.8 | 62.7 | 106.4 | 40.5 | 87.0 |
| Private | | | | | | | | |
| Japan | 1.4 | 24.7 | 46.9 | 67.4 | 68.8 | -82.3 | -128.4 | 2.9 |
| US | -5.2 | -10.5 | -2.1 | 1.7 | 1.7 | 0.8 | 3.9 | 0.2 |
| Direct investment | -4.0 | 12.0 | 49.0 | 42.0 | 53.0 | -83.0 | -120.0 | 8.0 |
| Lending | 3.1 | 2.0 | 14.2 | 5.5 | 0.7 | -105.2 | -27.9 | -15.0 |
| Export credits | 3.1 | 2.0 | 14.2 | 5.5 | 23.2 | 11.8 | -52.9 | 51.0 |
| Export credits | -11.2 | 36.0 | 3.7 | 35.8 | 45.0 | 11.0 | -47.6 | -33.1 |

Appendix Table 2. (Continued)

| | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 |
|-------------------|-------|------|-------|-------|-------|-------|-------|-------|
| Costa Rica | | | | | | | | |
| Total | 164.3 | 99.7 | 110.6 | 269.0 | 291.2 | 397.1 | 331.7 | 242.6 |
| Bilateral | 90.1 | 51.1 | 75.0 | 215.3 | 221.2 | 257.1 | 236.2 | 231.9 |
| Japan | 15.9 | 9.3 | 5.4 | -4.8 | 33.1 | 8.5 | 19.9 | 10.1 |
| US | 5.0 | 13.0 | 47.0 | 203.0 | 175.0 | 199.0 | 140.0 | 161.0 |
| Multilateral | 74.2 | 48.6 | 35.5 | 53.8 | 70.0 | 140.1 | 95.5 | 10.8 |
| Official | | | | | | | | |
| Bilateral | 98.5 | 85.8 | 99.3 | 276.6 | 265.6 | 393.4 | 290.2 | 223.4 |
| Japan | 24.3 | 37.2 | 63.7 | 222.9 | 195.6 | 253.4 | 194.8 | 212.6 |
| US | 3.6 | 4.7 | 1.4 | 0.8 | 0.9 | 0.6 | 2.8 | 4.8 |
| Multilateral | 5.0 | 13.0 | 47.0 | 203.0 | 175.0 | 199.0 | 140.0 | 161.0 |
| Multilateral | 74.2 | 48.6 | 35.5 | 53.8 | 70.0 | 140.1 | 95.5 | 10.8 |
| Private | | | | | | | | |
| Japan | 65.8 | 13.9 | 11.3 | -7.6 | 25.6 | 3.7 | 41.5 | 19.3 |
| US | 12.3 | 4.6 | 4.0 | -5.6 | 32.2 | 7.9 | 17.1 | 5.3 |
| Direct investment | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Lending | 24.4 | 12.9 | 12.1 | 3.1 | -14.0 | -3.4 | 0.2 | 3.0 |
| Export credits | 34.3 | -7.0 | 6.3 | 13.3 | 54.3 | 10.9 | 44.5 | 23.2 |
| Export credits | 7.1 | 8.0 | -7.1 | -23.9 | -14.7 | -3.8 | -3.2 | -6.9 |

Appendix Table 2. (Continued)

| | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 |
|-------------------|-------|-------|-------|-------|---------|--------|-------|--------|
| Ecuador | | | | | | | | |
| Total | 239.0 | 372.6 | 291.5 | 380.9 | 1,019.8 | 25.6 | 964.4 | 329.8 |
| Bilateral | 141.9 | 254.6 | 187.3 | 297.1 | 909.6 | -90.2 | 680.5 | 82.9 |
| Japan | 20.5 | 16.9 | -10.4 | -12.0 | 198.5 | 92.9 | 115.5 | 39.6 |
| US | 46.0 | 109.0 | 139.0 | 245.0 | 611.0 | -198.0 | 469.0 | -97.0 |
| Multilateral | 97.1 | 118.0 | 104.1 | 83.8 | 110.3 | 115.8 | 283.9 | 246.9 |
| Official | | | | | | | | |
| Bilateral | 152.8 | 147.5 | 136.3 | 122.6 | 237.9 | 215.3 | 545.1 | 427.2 |
| Japan | 55.7 | 29.5 | 32.2 | 38.7 | 127.6 | 99.5 | 261.2 | 180.4 |
| US | 5.6 | 4.3 | 2.5 | 1.8 | 3.4 | 2.8 | 21.5 | 51.7 |
| Multilateral | 20.0 | 1.0 | -5.0 | 6.0 | 42.0 | 53.0 | 61.0 | 51.0 |
| Multilateral | 97.1 | 118.0 | 104.1 | 83.8 | 110.3 | 115.8 | 283.9 | 246.9 |
| Private | | | | | | | | |
| Japan | 86.3 | 225.1 | 155.2 | 258.4 | 782.0 | -189.1 | 419.3 | -97.5 |
| US | 14.9 | 12.6 | -12.9 | -13.8 | 195.1 | 90.1 | 94.0 | -12.1 |
| Direct investment | 26.0 | 108.0 | 144.0 | 239.0 | 569.0 | -251.0 | 408.0 | -148.0 |
| Lending | 23.2 | -32.4 | 129.3 | 37.7 | -75.7 | 44.5 | 165.9 | 30.2 |
| Export credits | 18.6 | 242.5 | 29.2 | 244.9 | 821.7 | -305.1 | 289.7 | -85.3 |
| Export credits | 44.5 | 15.0 | -3.3 | -24.2 | 36.0 | 71.0 | -36.4 | -42.3 |

Appendix Table 2. (Continued)

| | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 |
|-------------------|-------|-------|-------|-------|-------|-------|-------|-------|
| Guatemala | | | | | | | | |
| Total | 136.6 | 222.0 | 185.1 | 227.6 | 161.5 | 337.3 | 126.0 | 160.4 |
| Bilateral | 69.3 | 148.1 | 102.0 | 189.0 | 101.8 | 225.6 | 80.9 | 161.7 |
| Japan | 4.4 | 0.0 | 1.6 | 1.5 | -0.3 | 1.3 | 4.7 | 3.0 |
| US | 7.0 | 32.0 | 4.0 | 129.0 | 37.0 | 85.0 | 32.0 | 133.0 |
| Multilateral | 67.3 | 73.9 | 83.1 | 38.6 | 59.7 | 111.7 | 45.1 | -1.3 |
| Official | | | | | | | | |
| Bilateral | 144.2 | 106.4 | 117.8 | 96.2 | 97.0 | 171.6 | 157.9 | 188.8 |
| Japan | 76.9 | 32.6 | 34.7 | 57.6 | 37.3 | 59.9 | 112.8 | 190.1 |
| US | 2.7 | 2.0 | 1.3 | 1.5 | 1.5 | 1.3 | 2.6 | 2.5 |
| Multilateral | 16.0 | 19.0 | 20.0 | 31.0 | 21.0 | 47.0 | 83.0 | 152.0 |
| Multilateral | 67.3 | 73.9 | 83.1 | 38.6 | 59.7 | 111.7 | 45.1 | -1.3 |
| Private | | | | | | | | |
| Japan | -7.6 | 115.5 | 67.4 | 131.3 | 64.5 | 165.8 | -31.8 | -28.4 |
| US | 1.7 | -2.0 | 0.3 | 0.0 | -1.8 | 0.0 | 2.1 | 0.5 |
| Direct investment | -9.0 | 13.0 | -16.0 | 98.0 | 16.0 | 38.0 | -51.0 | -19.0 |
| Lending | 1.6 | 88.6 | 81.2 | 26.0 | 19.7 | 140.4 | 3.4 | -14.6 |
| Export credits | -12.1 | 7.6 | 16.8 | 93.3 | -18.0 | 22.9 | -21.6 | 12.5 |
| Export credits | 2.9 | 19.4 | -30.7 | 12.1 | 62.8 | 2.5 | -13.6 | -26.3 |