

CONSIDERATION ABOUT WORLDWIDE TRADE EVOLUTION IN THE POST-WAR PERIOD

Viorel POP - Universitatea "Vasile Goldiș"
Cecilia POP - Universitatea "Petre Andrei" Iași
Mircea POP - Universitatea de Agronomie Iași

Abstract: *In the postbelic period, the world-wide trade has suffered significant changes, generated by an complex of factors.*

The profound changes which took place in postwar period in the structure of the worldwide economy, especially under the influence of the technical - scientific revolution, in continuous deepen of the international division of work and as well as in the evolution of prices have conducted to an impressive development of worldwide trade

This paper presents the factors which have influenced the dynamics and geographic structure of world-wide trade, as well as the effects of their cumulated action, which have lent some specific features for the analyzed period.

Key words: *worldwide trade, export, prices, trade statistics, services, globalization.*

1 - GENERALITIES

The development of the international economic relations and deepen of economic interdependence is reflected on different quantitative and qualitative phenomena from worldwide economy, most relevant being the high rate development of worldwide trade in the last decades.

Comparatively with previous periods, in the second half of XX century, the dynamic and structure of worldwide trade have known significantly changes, generated by the action of a factors complex, such as:

- *the economic worldwide evolution under the impact of political and economical effects of the second war world*
- *the technical - scientific revolution and its implications on international division of work*
- *appearance and deepen of economic integration process from different parts of the globe*
- *the measures of political trade promoted by different states and integrates groups*
- *the economic slump which world economy has confronted beginning with the eighth decade (those two oil shocks 1973-1974 and 1989-1990; the shock of high usuries; the shock of appreciation and later dollar belittlement; economic cyclic crisis from 1974 to 1975, 1981-1982 and from 1990 to 1991)*

- the collapse of the European communism followed by the enter into transition period towards economic market of numerous states from the Center and the East Europe.

The cumulated action of the factors mentioned before and as well as others, printed to the worldwide trade a series of specific lines to the period which we report on (both the dynamic and structure of this), the most significantly being:

2 - WORLD WIDE TRADE HAS RECORDED THE HIGHEST RATE OF DEVELOPMENT

The profound changes which took place in postwar period in the structure of the worldwide economy, especially under the influence of the technical - scientific revolution, in continuous deepen of the international division of work and as well as in the evolution of prices have conducted to an impressive development of worldwide trade (superior to the interbelic period).

At this growth has contributed substantially the fact that in the sixth and seventh decades, world economy crossed over a period without profound economic crisis. Thus, in the period 1950-1973 (which was considered “*the gold period*” of economic development), absorption capacity of world market has considerable increased, the yearly average rate of world exports (in value expression) standing at 8%.

The 1975 year has marked the first postwar decrease of physical volume of worldwide trade with about 3% comparative to 1974; occurring because of these two consecutive crisis periods, incited by the oil shock.

The 1992 year has marked the second decrease, with 1,5% comparative to 1991. The 1995 year is joined as a high year on the development of world trade in the latest 15 years, with an installment of growth at 8%.

The World Organization of Trade (WOT) appreciated in the “*Trade Statistics 2000*” report for the 2000 year the highest growth of world trade in the last decade.

Although the increasing of world trade wasn't continuous, but stopped by some diminutions owed to the cyclic and uncyclic crisis which had disturbed world economy, per ensemble, the period of second half of XX century, could be characterized through an upward and constant evolution. This appreciation is justified by the volume's value of world exports, which, couched in currently prices, increased more over 100 times in 1950-2000 period (from 61 billions dollars in 1950 to about 7000 billions dollars in 2000).

3 – THE GROWTH RATE OF WORLD TRADE

was bigger than PNB (respective PIB – Gross Domestic Product) and also than the world's industrial and agriculture production.

Unlike previous periods, technical - scientific revolution had enhanced the international division of work, context in which, mutual changes between countries have taken a very big proportion, giving a new correlation between the dynamic of the exports, that of PIB and of the world production - translated through outrunning of those from behind, by international trade - table 1.

In the 2000 year, the Real Internal Gross Product had been increasing on world plan nearly 9 times comparative to 1950, world industrial production more than 10 times, and the world trade about 100 times value and about 20 times physical – in constant prices.

Table 1 - The yearly average rates of exports and production on world plan (%)

The indicative	1960-1970	1970-1980	1980-1990	1990-2000
World exports	8,5	5,0	3,9	5
World production¹⁾	6,0	4,0	2,1	2,5
Relation: export / production	1,42	1,25	1,86	2

¹⁾ World production without services

Source: *GATT, International Trade*, 1986/1987, Geneva, 1987;

GATT, International Trade, 1993, Geneva, 1993;

The Economist Magazine nr. 808/2001, p. 1. – Romania.

In the 2000 year, although the trade increase was more than the production increase, the difference between those two increases' rate was less than in the wholly period 1990-2000. The decrease of this difference is considered only temporarily, waiting for an increase of trade rate over 5% comparative to the production increase.

The economic evolutions pointed in the analyzed period, remark an absolute and relative increase of the absorption capacity of the world market, a stressful of economic interdependences and an increasing participation to the world economic circuit of all world countries.

4 – THE INCREASE OF PHYSICAL VOLUME OF EXPORTS HAS EXCEEDED THE INCREASE OF THE PRICES

The factorial analysis of the dynamics of the world trade, remarks the fact that to its value rising has contributed, mainly, the increasing of the physical volume, which was much bigger than the prices increase in two large stages of the analyzed period. Thus, in 1950-1970, physical volume contributed to the value's increasing of the world trade with about 80%, and the prices only 20%, between 1981-1992, the physical volume has contributed to the increasing of the volume's value with about 85%, meanwhile the prices with only 18%.

A different situation has showed only in the 1971-1980 decade, when the contribution of physical volume was only about 30%. On the entire period 1950-2000, the physical volume of the marketed products on the world market, has rose about 20 times and the prices about 6 times - table 2.

Table 2 - The increasing rate of physical volume and prices of world trade (%)

The indicative	1951-1970	1971-1980	1981	1985	1990	1992
Physical volume	9,5	5,9	0,8	3	6	3,5
The prices	2,4	14,1	-2,7	-2,2	2	2

Source: N.Sută (co-ordinating.) - *Comerț internațional*, Ed. All, Bucharest, 1995, p. 7.

Dinu Marin – *Economia României între 1990-2000*, Ed. Economică, 2001, p. 109

Also after 1990, the growth and the diversification of the world economic production, have stimulated the increasing of the physical volume of world trade, in a rate much bigger than the prices rising. Between 1999 and 2000 the prices of the international marketed wares, through import - export decreased with 1,5% (because of the prices diminution at the farm produces, but also at the manufactured ones).

5 – THE AMPLIFICATION AND THE STIMULATION OF THE INTERNATIONAL TRADE WITH SERVICES

Whether until the 1980 year, the interest granted to the international exchange with services, consisted mainly of these role as a factor of trade promoting with goods or of the approach of some typical aspects, attached only by certain services segments, the 9th decade marks a radical change of the perception about the importance of these exchanges.

Service activities are in an accelerated process of internationalization under the impact of a complex of factors, such as:

- *the capacity growth of some services categories to be marked under the effect of technological progresses from information and telecommunication area*
- *the specialization growth and also the degree of differentiation of the products*
- *the global transformation into transnational societies*
- *the change in the governmental politics plan, with a view on the deregulation, privatization and the commercial and investment systems.*

As a result, 1970-2000 period can be characterized through a constant dynamism of the international services exchanges, fact remarked also by the recorded statistics data - table 3.

Table 3 - The dynamic and worldwide trade place with commercials services^{*)}

Indicator	1971 - 1980	1981 - 1990	1991 - 2000
The export value's services (billion \$)	64 - 330	400-770	810-1400
The weight in the all-out worldwide exports of goods and services (%)	19	18	19,4
Yearly average growth (%)	20,2	7,3	5,7

*) In the OMC opinion the commercial services include: transports, telecommunications, constructions, banking and insurance services, professional services, as well as the incomes from work and property. Source: Agnes Ghibușiu – *Serviciile și dezvoltarea - De la prejudecii la noi orizonturi*. Ed. Expert, Bucuresti, 2000, p. 218.

In the 2000 year, the worldwide services exports grew with 1,5 % comparative to the precedent year; the trade with tourist's services grew with 2% (amounting to 450 billions dollars), while the rest of the commercial and transport services grew with 1%. Even if in the 1970-2000 period, we attend at a growth over 20 times of the value volume of worldwide trade with services, the experts and the theorists from this domain estimate that, the international transaction sphere with services is considerable wider than that which was presented through agency of available statistics data, supplied on the base of payment balances.

The recognition on the international plan of the impact importance which the international trade services could have at the general economic development, is

underlined through itself the avowed purpose of GATS – General Agreement on Trade in Services - negotiations, which vises: “*the elaboration of one multilateral frame for the international trade with services, called to lead to the gradual liberalization of this trade and to its expansion as an achievement means of economic growth of every commercial partners and the economic development of the developing countries*”.

6 - THE GEOGRAPHICAL STRUCTURE MODIFICATION OF THE WORLDWIDE TRADE

The geographical distribution of the international trade presented great modification in the second half of XX century, as a result of the action of a lots of factors, political and economics ones, such as:

- the traces of the second World War
- collapse of the imperialism colonial system and the appearance on the world political map of over 100 new national states
- the appearance and the spreading of the integrationist economic processes
- commercial politics of the mainly capitalist countries, as well as
- the negative phenomena with which the world economy confronts, beginning with the eightieth decade.

As a result of these factors, the geographical distribution of worldwide trade on continents, has recorded obvious modifications, comparatively with previous period.

Europe has owned the priority in the international trade of the postbelic period, recording the highest rate of growth. If in the latest years of the war and in the first postbelic years, its weight decreased a lot (getting at about 30-35% comparative to 52-53% from the antebelic period), in the next periods, the trade rose very much, overtaking at the end of the ninth decade at about 50% of world trade. In its frame, stands out European Union which owns about 40% from the world trade and with less capacity, European Association of Free Trade Area (EAFTA) with 6%.

The Communism collapse has affected negatively the participation of previous socialist countries at the international changes, fact which led to a decrease of European weight in worldwide trade, from about 51% in 1989 to about 46,8% in 1994, coming back at 50% in 2000.

North America has recorded a reverse evolution comparative to Europe. At the end of the war, North America unfolded about 30% of the international trade, while in present it unfolds only 16-17%.

Asia, which weight was decreased very much at the end of the second world war, has recorded, mostly in the late decade, a considerable growth in the worldwide trade, as a result of Japan weight increase, as well as the oil exports countries.

In the 1981 - 1994 years, Asia participated at the worldwide trade with a variable capacity between 25 - 28% (comparative from 16-17% in 1937-1938 and about 10% in 1945-1946). At this growth an important contribution have had also the countries recently industrialized from this area (Taiwan, Hong-Kong, South Korea, Singapore, India, Thailand) at which added China, which, in 1994 owned a weight of about 3% in the worldwide trade and in present is about 4%.

6 - DISCUSSIONS

The geographical configuration analysis of international trade from the last decades of XX century, points out the growth tendency of the regional groups importance, as part of those, and between them, unfolds the most part of the goods and services changes. Practically, international trade is centered on three great zones, which constituted in the same time the three great poles of the worldwide economy:

- North America (having as a main pawn - USA)
- Western Europe and the associated countries
- Asia - Pacific space (polarized by Japan).

In their majority, the countries which consist the regional groups afferent to those three zone, dominate the world economic life, and between them was outlined in time a “*triangular trade*” form, which owns a weight of over 70% from the total international trade changes.

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