



## 4.17 Balance of payments current account

	Goods and services				Net income		Net current transfers		Current account balance		Gross international reserves	
	Exports \$ millions		Imports \$ millions		\$ millions		\$ millions		\$ millions		\$ millions	
	1980	1998	1980	1998	1980	1998	1980	1998	1980	1998	1980	1998
Albania	378	295	371	941	4	77	6	504	16	-65	..	382
Algeria	14,128	10,822	12,311	9,119	-1,869	-2,316	301	..	249	..	7,064	8,452
Angola	..	3,879	..	4,546	..	-1,317	..	208	..	-1,776	..	203
Argentina	9,897	31,094	13,182	38,493	-1,512	-7,686	23	388	-4,774	-14,697	9,297	24,856
Armenia	..	360	..	988	..	60	..	177	..	-390	..	328
Australia	25,755	72,003	27,089	78,536	-2,688	-10,918	-425	-61	-4,447	-17,512	6,366	16,144
Austria	26,650	95,173	29,921	96,641	-528	-1,227	-66	-1,914	-3,865	-4,609	17,725	25,208
Azerbaijan	..	1,010	..	2,425	..	-13	..	64	..	-1,364	..	447
Bangladesh	885	5,879	2,545	8,049	14	-100	802	2,017	-844	-253	331	1,936
Belarus	..	7,957	..	8,964	..	-78	..	140	..	-945	..	339
Belgium <sup>a</sup>	70,498	189,973	74,259	179,857	61	6,413	-1,231	-4,419	-4,931	12,111	27,974	21,013
Benin	226	545	421	771	8	-17	151	86	-36	-157	15	261
Bolivia	1,030	1,357	833	2,201	-263	-160	60	330	-6	-673	553	1,155
Bosnia and Herzegovina	..	..	..	..	..	..	..	..	..	..	..	..
Botswana	645	2,316	818	2,506	-33	120	55	240	-151	170	344	6,025
Brazil	21,869	58,767	27,826	74,415	-7,018	-19,617	144	1,436	-12,831	-33,829	6,875	43,902
Bulgaria	9,302	5,555	7,994	5,877	-412	-284	58	230	954	-376	..	3,127
Burkina Faso	210	394	577	761	-3	-36	322	179	-49	-225	75	373
Burundi	..	72	..	172	..	-12	..	9	..	-103	105	70
Cambodia	..	815	..	1,286	..	-50	..	297	..	-224	..	324
Cameroon	1,880	2,306	1,829	2,176	-628	-469	83	105	-495	-235	206	1
Canada	74,977	248,161	70,259	240,290	-10,764	-19,618	-42	534	-6,088	-11,213	15,462	24,023
Central African Republic	201	147	327	255	3	-20	81	39	-43	-89	62	146
Chad	71	328	79	549	-4	-1	24	108	12	-113	12	120
Chile	5,968	18,953	7,052	21,583	-1,000	-1,972	113	463	-1,971	-4,139	4,128	16,014
China <sup>†</sup>	23,637	207,584	18,900	165,894	451	-16,644	486	4,279	5,674	29,325	10,091	152,843
Hong Kong, China	25,604	208,167	25,873	207,647	0	904	..	..	-269	-5,247	..	89,664
Colombia	5,328	13,478	5,454	17,517	-245	-2,349	165	480	-206	-5,908	6,474	8,397
Congo, Dem. Rep.	2,371	1,446	2,353	1,385	-293	-752	187	33	-88	-658	380	83
Congo, Rep.	1,021	1,254	1,025	1,235	-162	-495	-1	-20	-167	-252	93	1
Costa Rica	1,195	6,876	1,661	6,974	-212	-468	15	105	-664	-460	197	1,064
Côte d'Ivoire	3,577	5,125	4,145	4,179	-553	-710	-706	-447	-1,826	-212	46	855
Croatia	..	8,577	..	10,663	..	-165	..	708	..	-1,543	..	2,816
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	33,908	..	34,713	..	-712	..	408	..	-1,110	..	12,625
Denmark	21,989	62,664	21,727	59,878	-1,977	-3,673	-161	-1,533	-1,875	-2,419	4,347	15,881
Dominican Republic	1,271	7,482	1,919	8,917	-277	-887	205	1,986	-720	-336	279	507
Ecuador	2,887	5,007	2,946	6,409	-613	-1,543	30	776	-642	-2,169	1,257	1,739
Egypt, Arab Rep.	6,246	13,502	9,157	21,807	-318	1,140	2,791	4,403	-438	-2,762	2,480	18,824
El Salvador	1,214	2,741	1,170	4,266	-62	-66	52	1,507	34	-84	382	1,748
Eritrea	..	129	..	583	..	0	..	237	..	-216	..	..
Estonia	..	4,170	..	4,715	..	-81	..	148	..	-478	..	813
Ethiopia	569	1,037	782	1,815	7	-91	80	349	-126	-520	262	520
Finland	16,802	50,614	17,307	39,137	-783	-2,824	-114	-1,092	-1,403	7,561	2,451	10,271
France	153,197	387,123	155,915	342,244	2,680	4,380	-4,170	-9,097	-4,208	40,161	75,592	73,773
Gabon	2,409	2,545	1,475	1,871	-426	-590	-124	-159	384	-75	115	15
Gambia, The	66	264	179	331	-2	-6	28	29	-87	-44	6	106
Georgia	..	720	..	1,437	..	117	..	211	..	-389	..	124
Germany <sup>a</sup>	224,224	623,416	225,599	587,353	914	-9,204	-12,858	-30,303	-13,319	-3,443	104,702	108,265
Ghana	1,210	1,989	1,178	2,887	-83	-136	81	684	30	-350	330	457
Greece	8,122	14,863	11,145	25,601	-273	-1,632	1,087	7,510	-2,209	-4,860	3,607	18,501
Guatemala	1,731	3,487	1,960	5,047	-44	-184	110	705	-163	-1,039	753	1,397
Guinea	..	804	..	962	..	-81	..	121	..	-119	..	122
Guinea-Bissau	17	31	75	60	-8	-14	-14	40	-80	-6	..	12
Haiti	306	479	481	1,021	-14	-12	89	516	-101	-38	27	83
Honduras	942	2,387	1,128	2,736	-152	-176	22	367	-317	-158	159	824
† Data for Taiwan, China	21,495	126,946	22,361	124,025	48	1,454	-95	-864	-913	3,511	4,055	94,246



## Balance of payments current account 4.17

	Goods and services				Net income		Net current transfers		Current account balance		Gross international reserves	
	Exports \$ millions		Imports \$ millions		\$ millions		\$ millions		\$ millions		\$ millions	
	1980	1998	1980	1998	1980	1998	1980	1998	1980	1998	1980	1998
Hungary	9,671	25,657	9,152	27,101	-1,113	-1,878	63	1,018	-531	-2,304	..	9,348
India	11,265	47,419	17,378	59,138	799	-3,546	2,860	10,280	-2,454	-4,984	12,010	30,647
Indonesia	23,797	54,850	21,540	43,755	-3,073	-8,212	250	1,089	-566	3,972	6,803	23,606
Iran, Islamic Rep.	13,069	14,297	16,111	16,189	606	-502	-2	497	-2,438	-1,897	12,783	..
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	9,610	71,749	12,044	61,713	-902	-10,718	1,204	1,488	-2,132	806	3,071	9,527
Israel	8,668	32,021	11,511	36,022	-757	-2,809	2,729	6,143	-871	-668	4,055	22,674
Italy	97,298	310,121	110,265	270,320	1,278	-12,318	1,101	-7,485	-10,587	19,998	62,428	53,880
Jamaica	1,363	3,383	1,408	3,970	-212	-304	121	635	-136	-255	105	709
Japan	146,980	436,456	156,970	363,488	770	56,570	-1,530	-8,842	-10,750	120,696	38,919	222,443
Jordan	1,181	3,636	2,417	5,200	36	-138	1,481	1,712	280	9	1,745	1,988
Kazakhstan	..	6,735	..	7,716	..	-298	..	78	..	-1,201	..	1,965
Kenya	2,007	2,851	2,846	3,695	-194	-173	157	654	-876	-363	539	783
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	19,815	156,701	25,152	114,446	-512	-5,055	536	3,352	-5,312	40,552	3,101	52,100
Kuwait	21,857	11,376	9,823	13,197	4,847	5,867	-1,580	-1,519	15,302	2,527	5,425	4,678
Kyrgyz Republic	..	602	..	877	..	-52	..	85	..	-257	..	188
Lao PDR	..	487	..	602	..	-35	..	74	..	-77	..	122
Latvia	..	3,052	..	3,902	..	53	..	85	..	-713	..	800
Lebanon	..	1,817	..	8,717	..	323	..	2,689	..	-3,888	7,025	9,210
Lesotho	90	247	475	918	266	234	175	157	56	-280	50	575
Libya	22,084	..	12,671	..	-65	..	-1,134	..	8,214	..	14,905	8,598
Lithuania	..	5,071	..	6,348	..	-255	..	235	..	-1,298	..	1,463
Macedonia, FYR	..	1,449	..	2,019	..	-45	..	327	..	-288	..	335
Madagascar	516	829	1,075	1,128	-44	-78	47	88	-556	-289	9	171
Malawi	313	563	487	1,076	-149	-98	63	..	-260	..	76	273
Malaysia	14,098	71,900	13,526	60,200	-836	-5,074	-2	-1,094	-266	-4,792	5,755	26,236
Mali	263	640	520	926	-17	-35	150	126	-124	-178	26	403
Mauritania	253	393	449	471	-27	-32	90	187	-133	77	146	206
Mauritius	574	2,712	690	2,748	-23	-28	22	99	-117	35	113	577
Mexico	22,622	129,523	27,601	138,441	-6,277	-13,056	834	6,014	-10,422	-15,960	4,175	31,863
Moldova	..	764	..	1,236	..	41	..	98	..	-334	..	144
Mongolia	475	540	1,272	671	-11	0	0	56	-808	-75	..	103
Morocco	3,233	9,970	5,207	11,358	-562	-1,101	1,130	2,345	-1,407	-144	814	4,638
Mozambique	399	534	844	1,183	22	-142	56	313	-367	-477	..	608
Myanmar	539	1,634	806	2,789	-48	38	7	515	-307	-602	409	382
Namibia	..	1,605	..	1,908	..	61	..	403	..	162	..	260
Nepal	224	1,108	365	1,646	13	13	36	103	-93	-422	272	800
Netherlands	90,380	224,087	91,622	200,646	1,535	3,411	-1,148	-6,935	-855	19,915	37,549	31,155
New Zealand	6,403	15,881	6,934	15,823	-538	-3,614	96	338	-973	-3,217	365	4,204
Nicaragua	495	761	907	1,656	-124	-151	124	446	-411	-599	75	355
Niger	617	332	956	479	-33	-24	97	-22	-276	-192	132	53
Nigeria	27,071	9,855	20,014	13,377	-1,304	-2,291	-576	1,570	5,178	-4,244	10,640	8,709
Norway	27,264	54,768	23,749	54,440	-1,922	-898	-515	-1,591	1,079	-2,161	6,746	18,947
Oman	3,757	7,649	2,298	5,815	-257	-460	-260	-1,430	942	-57	704	1,148
Pakistan	2,958	10,017	5,709	12,819	-281	-2,330	2,163	3,430	-869	-1,702	1,568	1,626
Panama	3,422	8,023	3,394	8,869	-397	-525	40	159	-329	-1,212	117	954
Papua New Guinea	1,029	2,091	1,322	1,872	-179	-259	184	87	-289	47	458	211
Paraguay	701	3,893	1,314	4,277	-4	61	0	58	-618	-265	783	784
Peru	4,631	7,488	3,970	10,494	-909	-1,484	147	696	-101	-3,794	2,804	9,882
Philippines	7,235	36,973	9,166	39,631	-420	3,510	447	435	-1,904	1,287	3,978	10,789
Poland	16,061	43,387	17,842	52,007	-2,357	-1,178	721	2,897	-3,417	-6,901	574	27,383
Portugal	6,674	34,621	10,136	45,323	-608	-579	3,006	4,031	-1,064	-7,250	13,863	21,606
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..
Romania	12,087	9,519	13,730	12,798	-777	-392	0	753	-2,420	-2,918	2,511	3,795
Russian Federation	..	87,734	..	74,078	..	-12,000	..	-415	..	1,241	..	12,043



## 4.17 Balance of payments current account

	Goods and services				Net income		Net current transfers		Current account balance		Gross international reserves	
	Exports \$ millions		Imports \$ millions		\$ millions		\$ millions		\$ millions		\$ millions	
	1980	1998	1980	1998	1980	1998	1980	1998	1980	1998	1980	1998
Rwanda	165	112	319	482	2	-8	104	236	-48	-143	187	169
Saudi Arabia	106,765	44,193	55,793	44,633	526	2,641	-9,995	-15,081	41,503	-12,880	26,129	8,843
Senegal	807	1,319	1,215	1,627	-98	-37	120	264	-386	-81	25	431
Sierra Leone	275	112	471	223	-22	5	53	..	-165	..	31	44
Singapore	24,285	128,706	25,312	113,698	-429	3,783	-106	-1,177	-1,563	17,614	6,567	74,928
Slovak Republic	..	13,012	..	15,346	..	-158	..	366	..	-2,126	..	3,240
Slovenia	..	11,143	..	11,405	..	146	..	112	..	-4	..	3,639
South Africa	28,627	34,526	22,073	32,687	-3,285	-3,029	239	-746	3,508	-1,936	7,888	5,508
Spain	32,140	158,884	38,004	156,404	-1,362	-7,509	1,646	3,424	-5,580	-1,606	20,473	60,881
Sri Lanka	1,293	5,648	2,197	6,661	-26	-178	274	903	-655	-288	283	1,998
Sudan	779	612	1,698	1,968	-143	-1,146	341	507	-721	-1,996	49	91
Sweden	38,151	103,130	39,878	89,268	-1,380	-5,785	-1,224	-3,438	-4,331	4,639	6,996	15,457
Switzerland	48,595	120,542	51,843	108,277	4,186	16,018	-1,140	-3,736	-201	24,547	64,748	65,158
Syrian Arab Republic	2,477	4,930	4,531	4,788	785	-606	1,520	523	251	59	828	..
Tajikistan	..	604	..	731	..	-38	..	57	..	-107	..	..
Tanzania	748	1,144	1,384	2,353	-14	-139	129	441	-521	-907	20	599
Thailand	7,939	65,903	9,996	48,511	-229	-3,566	210	414	-2,076	14,241	3,026	29,537
Togo	550	693	691	823	-40	7	86	..	-95	..	85	118
Trinidad and Tobago	3,139	2,930	2,434	3,254	-306	-341	-42	22	357	-644	2,813	800
Tunisia	3,262	8,482	3,766	9,131	-259	-857	410	831	-353	-675	700	1,856
Turkey	3,621	54,541	8,082	55,412	-1,118	-2,985	2,171	5,727	-3,408	1,871	3,298	20,568
Turkmenistan	..	614	..	1,608	..	33	..	27	..	-934	..	..
Uganda	329	634	441	1,871	-7	-9	-2	539	-121	-706	3	725
Ukraine	..	17,621	..	18,828	..	-871	..	782	..	-1,296	..	793
United Arab Emirates	..	..	..	..	..	..	..	..	..	..	2,355	9,306
United Kingdom	146,072	371,331	134,200	385,434	-418	25,165	-4,592	-10,830	6,862	231	31,755	38,830
United States	271,800	933,906	290,730	1,098,181	29,580	-12,209	-8,500	-44,075	2,150	-220,559	171,413	146,006
Uruguay	1,526	4,225	2,144	4,507	-100	-185	9	67	-709	-400	2,401	2,587
Uzbekistan	..	3,148	..	3,182	..	-61	..	43	..	-52	..	..
Venezuela, RB	19,968	19,021	15,130	19,870	329	-1,559	-439	-154	4,728	-2,562	13,360	14,729
Vietnam	..	11,974	..	13,507	..	-689	..	951	..	-1,271	..	1,148
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	..	1,708	..	2,771	..	-422	..	1,256	..	-228	..	1,010
Yugoslavia, FR (Serb./Mont.)	..	..	..	..	..	..	..	..	..	..	..	..
Zambia	1,609	1,057	1,765	1,140	-205	-485	-155	..	-516	..	206	69
Zimbabwe	1,610	2,535	1,730	2,742	-61	-346	31	..	-149	..	419	310
<b>World</b>	<b>2,294,081 t</b>	<b>6,748,117 t</b>	<b>2,324,205 t</b>	<b>6,669,967 t</b>								
<b>Low income</b>	<b>102,167</b>	<b>397,752</b>	<b>128,025</b>	<b>388,671</b>								
Excl. China & India	80,926	141,503	102,737	161,302								
<b>Middle income</b>	<b>509,068</b>	<b>1,190,620</b>	<b>469,691</b>	<b>1,208,910</b>								
Lower middle income	196,458	425,394	207,898	441,485								
Upper middle income	312,700	765,539	267,163	767,001								
<b>Low &amp; middle income</b>	<b>635,222</b>	<b>1,588,398</b>	<b>598,946</b>	<b>1,597,708</b>								
East Asia & Pacific	105,229	614,457	110,191	496,920								
Europe & Central Asia	..	340,353	..	363,065								
Latin America & Carib.	114,160	335,982	129,049	396,667								
Middle East & N. Africa	180,653	133,364	130,131	150,487								
South Asia	17,314	70,684	28,820	89,001								
Sub-Saharan Africa	89,443	90,008	83,544	104,277								
<b>High income</b>	<b>1,680,420</b>	<b>5,159,630</b>	<b>1,731,756</b>	<b>5,072,242</b>								
Europe EMU	727,472	2,145,761	765,073	1,979,638								

a. Includes Luxembourg. b. Data prior to 1990 refer to the Federal Republic of Germany before unification.

## Balance of payments current account 4.17



## About the data

The balance of payments records an economy's transactions with the rest of the world. Balance of payments accounts are divided into two groups: the current account, which records transactions in goods, services, income, and current transfers; and the capital and financial account, which records capital transfers, acquisition or disposal of nonproduced, nonfinancial assets, and transactions in financial assets and liabilities. This table presents data from the current account with the addition of gross international reserves.

The balance of payments is a double-entry accounting system that shows all flows of goods and services into and out of a country; all transfers that are the counterpart of real resources or financial claims provided to or by the rest of the world without a quid pro quo, such as donations and grants; and all changes in residents' claims on, and liabilities to, nonresidents that arise from economic transactions. All transactions are recorded twice—once as a credit and once as a debit. In principle the net balance should be zero, but in practice the accounts often do not balance. In these cases a balancing item, net errors and omissions, is included.

Discrepancies may arise in the balance of payments because there is no single source for balance of payments data and therefore no way to ensure that the data are fully consistent. Sources include customs data, monetary accounts of the banking system, external debt records, information provided by enterprises, surveys to estimate service transactions, and foreign exchange records. Differences in collection methods—such as in timing, definitions of residence and ownership, and the exchange rate used to value transactions—contribute to net errors and omissions. In addition, smuggling and other illegal or quasi-legal transactions may be unrecorded or misrecorded. For further discussion of issues relating to the recording of data on trade in goods and services see *About the data* for tables 4.4–4.8.

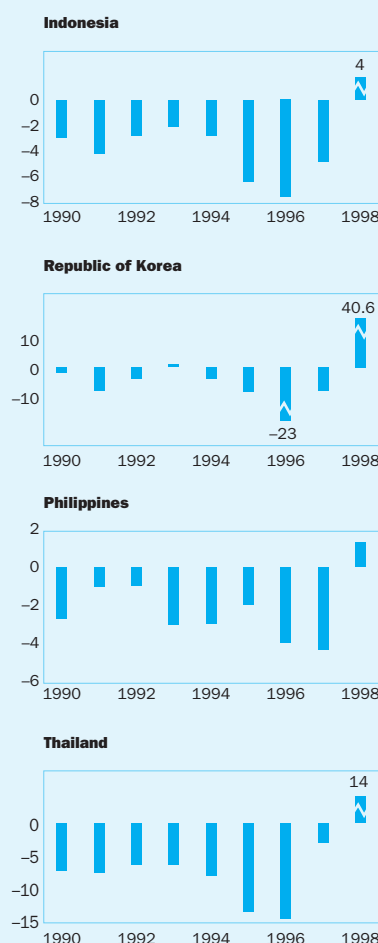
The concepts and definitions underlying the data here are based on the fifth edition of the International Monetary Fund's (IMF) *Balance of Payments Manual* (1993). The fifth edition redefined as capital transfers some transactions previously included in the current account, such as debt forgiveness, migrants' capital transfers, and foreign aid to acquire capital goods. Thus the current account balance now reflects more accurately net current transfer receipts in addition to transactions in goods, services (previously nonfactor services), and income (previously factor income). Many countries maintain their data collection systems according to the fourth edition. Where necessary, the IMF converts data reported in such systems to conform with the fifth edition (see *Pri-*

*mary data documentation*). Values are in U.S. dollars converted at market exchange rates. The data in this table come from the IMF's Balance of Payments and International Financial Statistics databases, supplemented with estimates by World Bank staff for countries whose national accounts are recorded in fiscal years (see *Primary data documentation*) and countries for which the IMF does not collect balance of payments statistics. In addition, World Bank staff make estimates of missing data for the most recent year.

Figure 4.17

## On the road to recovery? Current accounts turn positive in East Asia

\$ billions



Source: International Monetary Fund, Balance of Payments database; World Bank staff estimates.

**After years of deficits, most East Asian economies showed a positive current account balance in 1998.**

## Definitions

- **Exports and imports of goods and services** comprise all transactions between residents of a country and the rest of the world involving a change in ownership of general merchandise, goods sent for processing and repairs, nonmonetary gold, and services.
- **Net income** refers to receipts and payments of employee compensation to nonresident workers, and investment income (receipts and payments on direct investment, portfolio investment, and other investments, and receipts on reserve assets). Income derived from the use of intangible assets is recorded under business services.
- **Net current transfers** are recorded in the balance of payments whenever an economy provides or receives goods, services, income, or financial items without a quid pro quo. All transfers not considered to be capital are current.
- **Current account balance** is the sum of net exports of goods, services, net income, and net current transfers.
- **Gross international reserves** comprise holdings of monetary gold, special drawing rights, reserves of IMF members held by the IMF, and holdings of foreign exchange under the control of monetary authorities. The gold component of these reserves is valued at year-end (31 December) London prices (\$589.50 an ounce in 1980 and \$287.80 an ounce in 1998).

## Data sources

More information about the design and compilation of the balance of payments can be found in the IMF's *Balance of Payments Manual*, fifth edition (1993), *Balance of Payments Textbook* (1996a), and *Balance of Payments Compilation Guide* (1995). The balance of payments data are published in the IMF's *Balance of Payments Statistics Yearbook* and *International Financial Statistics*. The World Bank exchanges data with the IMF through electronic files that in most cases are more timely and cover a longer period than the published sources. The International Financial Statistics and Balance of Payments databases are available on CD-ROM.