

SHARE OF TRADE IN GDP

International trade in goods and services is a principal channel of economic integration. A convenient way to measure the importance of international trade is to calculate the share of trade in GDP.

International trade tends to be more important for countries that are small (in terms of geographic size or population) and surrounded by neighbouring countries with open trade regimes than for large, relatively self-sufficient countries or those that are geographically isolated and thus penalised by high transport costs. Other factors also play a role and help explain differences in trade-to-GDP ratios across countries, such as history, culture, trade policy, the structure of the economy (especially the weight of non-tradable services in GDP), re-exports and the presence of multinational firms, which leads to much intra-firm trade.

Definition

The rates shown in this table correspond to the average of imports and exports (of both goods and services) at current prices as a percentage of GDP. The data are taken from national accounts statistics compiled according to the 1993 *System of National Accounts*. Goods consist of merchandise imports and exports. Services cover transport, insurance, travel, banking and insurance, other business services, cultural and recreational services and government services.

Long-term trends

In 2005, the unweighted average of the trade-to-GDP ratios for all OECD countries was 45% and 51% for the EU15. For the reasons noted above, there were large differences in these ratios across countries. The ratios exceeded 50% for small countries – Austria, Belgium, the Czech Republic, Hungary, Ireland, Luxembourg, the Netherlands and the Slovak Republic – but were under 15% for the two largest OECD countries – Japan and the United States.

Between 1992 and 2005, trade-to-GDP ratios for the OECD as a whole increased by 13 percentage points, and the EU15 increased by 14 points. Substantial increases in trade-to-GDP ratios were recorded for Luxembourg, Hungary and Belgium.

Comparability

The ratios shown in this table are compiled using common standards and definitions and are highly comparable.

The trade-to-GDP ratio is often called the “trade openness ratio”. However, the term openness may be somewhat misleading. In fact, a low ratio for a country does not necessarily imply high tariff or non-tariff obstacles to foreign trade, but may be due to the factors mentioned above, especially size and geographic remoteness from potential trading partners.

Please note that the trade-to-GDP ratio shown by WTO, IMF and OECD trade indicators refers to the *sum of the imports and exports* and not to the *average*, as is the case here.

Source

- OECD (2006), *National Accounts of OECD Countries*, OECD, Paris.

Further information

Statistical publications

- OECD (2006), *Main Economic Indicators*, OECD, Paris.
- OECD (2006), *International Trade by Commodity Statistics*, OECD, Paris.
- OECD (2006), *Monthly Statistics of International Trade*, OECD, Paris.
- OECD (2006), *Statistics in International Trade in Services*, OECD, Paris.

Methodological publications

- Lindner, A., et al. (2001), “Trade in Goods and Services: Statistical Trends and Measurement Challenges”, *OECD Statistics Brief*, No. 1, October, OECD, Paris, www.oecd.org/std/statisticsbrief.
- UN, EC, IMF, OECD, UNCTAD and the WTO (2002), *Manual on Statistics of International Trade in Services*, United Nations, New York.

Websites

- OECD International Trade Statistics, www.oecd.org/std/its.

Trade in goods and services

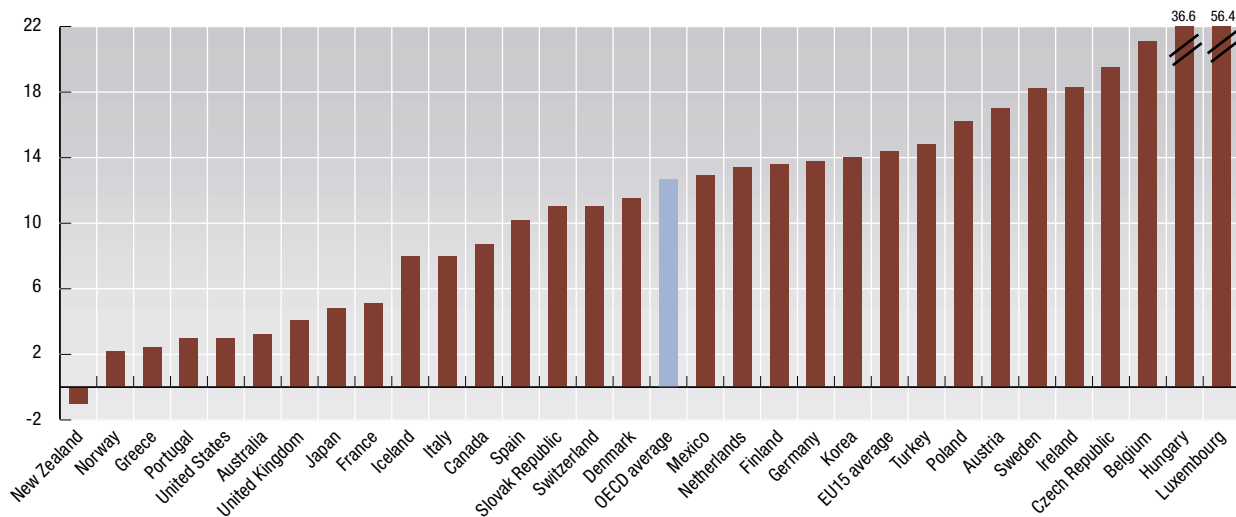
As a percentage of GDP

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Australia	17.8	18.3	19.1	19.4	19.3	20.3	19.9	20.9	22.5	21.1	20.4	18.8	20.0	21.0
Austria	34.9	32.8	34.0	35.2	36.3	39.6	41.0	41.8	44.7	46.6	46.4	46.7	49.5	51.9
Belgium	64.9	61.5	63.8	65.6	67.7	71.8	72.5	73.2	83.2	83.0	80.2	78.8	81.8	86.0
Canada	27.3	30.2	33.4	35.7	36.4	38.5	40.4	41.4	42.7	40.7	39.4	36.2	36.2	36.0
Czech Republic	51.3	51.4	48.9	52.9	51.8	54.7	54.8	56.0	64.9	66.6	61.3	62.9	71.3	70.8
Denmark	34.7	34.0	35.1	35.6	35.5	37.0	37.2	38.2	43.6	44.0	44.4	42.0	42.8	46.2
Finland	25.4	29.4	31.9	32.6	33.4	34.7	34.0	33.7	38.4	36.1	35.0	34.4	36.0	39.0
France	21.5	20.6	21.4	22.2	22.4	24.2	24.9	25.1	28.1	27.5	26.3	25.1	25.6	26.6
Germany	24.3	22.3	23.0	23.7	24.4	26.8	28.0	29.0	33.2	33.8	33.4	33.7	35.7	38.1
Greece	19.6	18.7	18.3	18.8	19.0	20.6	21.2	23.5	27.2	26.0	23.3	22.7	22.7	22.0
Hungary	30.5	29.5	31.1	43.1	46.6	52.8	60.5	63.4	73.9	71.7	63.9	62.7	65.1	67.1
Iceland	30.3	31.2	33.2	33.7	36.0	36.0	37.1	36.2	37.5	39.7	37.2	36.3	37.5	38.3
Ireland	56.6	60.2	65.3	70.3	71.2	72.8	80.8	82.0	91.6	92.3	85.1	75.7	76.6	74.9
Italy	18.3	19.8	21.1	23.8	22.4	23.3	23.6	23.5	26.6	26.4	25.2	24.3	25.0	26.3
Japan	8.8	8.1	8.1	8.5	9.6	10.4	10.0	9.5	10.3	10.3	10.7	11.2	12.4	13.6
Korea	27.2	26.3	27.0	29.4	29.6	32.7	39.7	35.7	39.2	36.7	34.6	36.8	41.9	41.2
Luxembourg	92.2	91.7	93.9	95.8	101.0	112.2	119.3	124.6	139.5	137.8	129.4	123.7	137.9	148.6
Mexico	17.8	17.2	19.2	29.1	31.1	30.4	31.8	31.6	32.0	28.7	27.8	28.6	30.6	30.7
Netherlands	52.7	51.6	53.9	56.5	57.0	60.5	60.2	60.9	67.3	64.4	60.9	59.9	62.9	66.1
New Zealand	30.1	29.1	29.7	28.6	27.8	27.9	29.2	30.9	34.7	33.9	31.5	29.0	29.5	29.1
Norway	34.5	34.8	35.1	34.9	36.3	37.3	36.8	35.7	38.0	37.2	34.3	33.7	35.6	36.7
Poland	21.0	20.5	20.6	22.1	23.0	25.4	28.4	27.1	30.3	28.9	30.4	34.6	38.6	37.2
Portugal	29.9	28.8	30.3	31.8	31.7	32.6	33.5	33.0	35.2	33.9	32.1	31.4	32.4	32.9
Slovak Republic	68.8	58.1	56.3	56.3	58.1	60.6	64.4	63.0	71.5	76.7	74.5	77.4	76.5	79.8
Spain	18.0	18.5	20.8	22.4	23.4	25.9	26.8	27.6	30.6	29.8	28.4	27.5	28.0	28.2
Sweden	26.7	30.4	33.4	36.0	34.8	37.9	39.3	39.4	43.0	42.6	40.6	40.2	42.2	44.9
Switzerland	33.5	33.0	32.9	32.9	33.7	37.1	37.8	38.9	42.8	43.0	40.5	40.0	42.3	44.5
Turkey	15.9	16.5	20.9	22.1	24.7	27.5	26.1	25.0	27.8	32.5	30.0	29.0	31.8	30.7
United Kingdom	24.2	26.0	26.9	28.6	29.6	28.7	27.4	27.3	29.1	28.7	27.8	27.0	26.9	28.3
United States	10.4	10.4	10.9	11.7	11.8	12.2	11.9	12.2	13.2	12.1	11.7	11.8	12.7	13.4
EU15 average	36.3	36.4	38.2	39.9	40.7	43.2	44.6	45.5	50.8	50.2	47.9	46.2	48.4	50.7
OECD average	32.3	32.0	33.3	35.3	36.2	38.4	40.0	40.3	44.8	44.4	42.2	41.4	43.6	45.0

StatLink <http://dx.doi.org/10.1787/360170770017>

Trade to GDP ratios

Difference between 2005 and 1992 ratios in percentage points

StatLink <http://dx.doi.org/10.1787/884508608807>