Terms of Trade Improvement 1980-2001

Improving terms of trade means earning increasing amounts for exports whilst paying less for imports. This map shows the financial gain resulting from such changes. The territories with no area on this map are experiencing the declining terms of trade necessary for others to have the improvements shown here.

The United States has gained the most from these changes, by 2001 US$ 202 billion extra per year was earned there than would have been at 1980s terms of trade. India experienced a higher proportionate rise (but less actual money) even when adjusted for purchasing power parity: US$ 161 billion per year by 2001.

Territory size shows the proportion of gains in terms of trade between 1980 and 2001 weighted by the current spending on imports of goods and services, that occurred there. Only improving terms of trade are shown.

“Under Europe’s subsidized sugar regime, quotas and high prices mean that European sugar sells at home at nearly three times the world market price.”

Katharine Ainger, 2003

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