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ECONOMIC COMMITTEE

THE PATTERN OF TRADE BY COMMODITIES BETWEEN
NATO AND COMMUNIST COUNTRIES IN 1973

Note by the Director of Economic Affairs

In order to obtain a more detailed picture of the pattern of trade between the members of the Alliance and the Communist countries(1), it has been decided to look more closely than in the past at the breakdown by commodity of these transactions. This can only be done after the publication (some eighteen months after the close of the year in question) of the OECD foreign trade statistics (Series C). Accordingly, the study is based on the latest figures available - those for 1973(2).

In the interests of clarity, a distinction has been made between the trade of the European (Part I) and North American (Part II) members of the Alliance. Trade between North America and the Communist countries has been treated in greater detail because of its particularly rapid growth in 1973.

An attempt has been made, on the basis of available statistics, to give a summary assessment of the importance to the Soviet Union of its imports from the NATO European countries of certain essential basic commodities. It emerges, in fact,

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- (1) For the purposes of this paper the "Communist countries" are limited to:
- the Soviet Union
 - Eastern Europe (Poland, Hungary, Bulgaria, Rumania, Czechoslovakia and the GDR)
 - China
- (2) The OECD statistics were assembled by the International Staff Statistics Service and issued as AC/127-D/518 dated 18th November, 1975

N A T O U N C L A S S I F I E D

N A T O U N C L A S S I F I E D

AC/127-WP/453

-2-

from Parts I and II that there is some measure of specialisation in trade between the member countries of the Alliance and the Communist countries. However, in order to understand more fully the trade pattern of Warsaw Pact countries, particularly the Soviet Union, it is necessary to examine by category of commodity and geographical distribution the trade relations of these countries with the world as a whole.

Part III of the document, which is more theoretical in character, demonstrates by means of statistical analysis the degree of specialisation which exists for the main commercial transactions between the NATO and Communist countries.

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N A T O U N C L A S S I F I E D

PART I - BREAKDOWN BY COMMODITY OF TRADE BETWEEN NORTH AMERICA AND THE COMMUNIST COUNTRIES IN 1973

I. Exports from North America

(i) Exports to the Soviet Union

1. As will be seen from Table I (see page 5), in 1973 exports from North America to the Soviet Union were chiefly of agricultural produce(1). Grain shipments accounted for almost half the transactions in the agricultural sector and were worth \$1,121 million as against \$637 million in 1972 and only \$125 million in 1971(2). This big increase in 1973 in Soviet grain imports - in spite of excellent harvests in Russia(3) - is explained chiefly by shipments probably received during the first half of the year under contracts concluded in 1972 to remedy shortfalls that year.

2. Machinery and transport equipment was the next most important category of North American sales to the Soviet Union. The value of United States shipments rose very steeply (see Table I, page 5), and easily outstripped that of sales by the Allied countries as a whole (+54%); the North American share of Soviet purchases from NATO countries thus rose noticeably from 8.7% in 1972 to 16.5% in 1973. Canadian sales were low and concerned mainly textile machinery and electric power machinery. United States sales (\$204 million) were chiefly of non-electrical machinery and included, in declining order of importance, loading equipment, metalworking machinery, agricultural machinery and pumps.

3. Among the other major categories of commodity which had a prominent place in these transactions, mention should be made of the rapid rise in exports of semi-manufactured goods classified by material; this is explained by the increase in United States sales of iron and steel goods (universals, plates and sheets, pipes and tubes) which, from an insignificant level in 1972 reached \$14 million last year. This figure is, however, small when compared with the value of iron and steel

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- (1) For Canada, this category constituted almost all sales (98%)
- (2) The table in the statistical Annex shows the breakdown by country and by commodity of Soviet grain imports from NATO member countries in 1972 and 1973
- (3) A record 222 million tons as against 168 million tons in 1972

AC/127-WP/453

-4-

exports from the Alliance countries as a whole (\$762 million), and with that of certain other countries, such as Japan (\$136 million). On the other hand, there was a noteworthy drop in sales of chemicals which was caused by a sharp fall (-44%) in United States shipments of chemical elements and compounds, which represent the backbone of this trade. Lastly, exports of crude materials were in 1973 composed almost exclusively of United States sales of soya beans (which rose 38% in value and 24% in volume) with purchases of hides and skins and pulp from the United States dropping sharply.

(ii) Exports to Eastern Europe

4. In 1973, the breakdown by major commodities of exports from the North American NATO countries to Eastern Europe was very much the same as for the Soviet Union; a comparison of the data contained in Tables I (page 5) and II (page 7) reveals that the main differences between the two trade patterns lie in the higher proportion of raw materials delivered to Eastern Europe than to the Soviet Union and in the fact that the share of food in overall purchases was higher in the case of the Soviet Union than in the case of Eastern Europe. Moreover, a breakdown of North American exports to the Soviet Union on the one hand and to Eastern Europe on the other, based on the degree of processing of the goods sold (with a distinction drawn between non-manufactured goods, semi-manufactured goods and finished products), shows that the pattern is very similar(1).

(1) Non-manufactured goods correspond to sections 0-4 of the SITC, semi-manufactured goods to sections 5 and 6 and finished products to sections 7 and 8. If North American sales in 1973 are divided up in this way the result is as follows:

	non-manufactured goods	semi-manufactured goods	finished products
Exports to the Soviet Union	81.6%	3.7%	14.6%
Exports to Eastern Europe	83.7%	4.7%	11.3%

The figures do not total 100 because section 9 of the SITC (commodities and transactions not classified according to kind) is composed of articles which are too diverse and has not therefore been taken into consideration (source: Tables I and II)

N A T O U N C L A S S I F I E D

AC/127-WP/453

TABLE I: BREAKDOWN AND DEVELOPMENT OF NORTH AMERICAN EXPORTS
TO THE SOVIET UNION IN 1973 BY THE MAJOR
SECTIONS OF THE SITC(1)

	SITC 0	SITC 1	SITC 2	SITC 3	SITC 4	SITC 5	SITC 6	SITC 7	SITC 8	SITC 9	TOTAL
Value in 1973 (millions of \$)	1,127.1	0.4	78.2	0.1	5.6	17.3	37.2	207.1	9.3	1.7	1,484.0
% share in total exports 1973	75.9	0.0	5.3	0.0	0.4	1.2	2.5	14.0	0.6	0.1	100.0
Percentage variation from 1972	+76.3	-	+6.2	-	+228.4	-19.5	+147.5	+194.4	-0.7	+128.0	+78.4

-5-

Source: Document AC/127-D/518 dated 18th November, 1975

(1) The SITC sections cover the following categories of commodity:

SITC 0: Food	SITC 1: Beverages and tobacco
SITC 2: Crude materials	SITC 3: Mineral fuels
SITC 4: Oils and fats	SITC 5: Chemicals
SITC 6: Manufactured goods classified chiefly by material	SITC 7: Machinery and transport equipment
SITC 8: Miscellaneous manufactured articles	SITC 9: Commodities not classified according to kind

AC/127-WP/453

-6-

5. Except for shipments of mineral fuels - which remained relatively unimportant - (1) agricultural produce was the category which rose fastest (see Table II, page 7); it is estimated that its growth was responsible for 70% of the relative climb in overall exports. Canadian sales (\$56 million) went chiefly to Poland and were made up of corn and barley. Nearly two-thirds of the purchases made by the People's Democracies in the United States (\$334.5 million) went to Poland, and were composed principally of grain (wheat and maize) followed by feedstuff for animals, which also accounted for most of the purchases by the other East European countries from the United States.

6. Crude materials were the second most important East European import from North America. United States sales (\$137.6 million) comprised hides and skins and oil-seeds while Canadian sales (\$29.2 million) were made up principally of the first category of articles. Here, too, Poland was the leading customer, followed by Rumania and Czechoslovakia. Despite a sizeable increase, sales by North American NATO countries of machinery and transport equipment were not high in absolute value; they were dominated by United States deliveries (\$65.8 million) mainly to Poland and Rumania (miscellaneous non-electrical machinery in both cases). Lastly, the low growth rate of United States sales of chemicals and manufactured goods classified by material is worth noting, and is in contrast to the much more rapid growth (38% and 56% respectively) of Eastern Europe's purchases of this type of goods from the European members of the Alliance.

(iii) North American exports to China

7. In 1973 North American exports to China rose sharply (203%) because of the tremendous increase in United States sales, which rose from \$60 million in 1972 to \$690 million. This development reflects the improvement in 1973 of political relations between the two countries. However, the OECD statistics for trade by commodities do not allow a precise comparison of the changes in the breakdown by categories of commodity of trade between the United States and China since, for the year 1972, they make no distinction between the People's Republic and Nationalist China; it would seem, in fact, that the heading "Continental China" encompasses also trade between the United States and Formosa(2).

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- (1) Almost exclusively United States coal for Rumania
(2) In this connection see OECD - trade by commodities, January-December 1972 (Series C) and compare these figures with those given in the A and B Series foreign trade statistics

N A T O U N C L A S S I F I E DAC/127-WP/453TABLE II: BREAKDOWN AND DEVELOPMENT OF NORTH AMERICAN EXPORTS TO
EASTERN EUROPE IN 1973 BY THE MAJOR SECTIONS OF THE SITC(1)

	SITC 0	SITC 1	SITC 2	SITC 3	SITC 4	SITC 5	SITC 6	SITC 7	SITC 8	SITC 9	TOTAL
Value in 1973 (million \$)	391.1	5.8	166.8	6.5	13.7	13.9	18.6	68.8	9.7	1.8	696.7
% share in total exports 1973	56.1	0.8	23.9	0.9	2.0	2.0	2.7	9.9	1.4	0.3	100.0
Percentage variation from 1972	+179.6	+65.7	+59.6	+209.5	+52.2	+13.0	+1.6	+60.4	+73.2	+125.0	+105.6

Note: The key to the SITC section numbers is given in Table I, page 5Source: Document AC/127-D/518 dated 18th November, 1975

(1) Including Albania

N A T O U N C L A S S I F I E D

AC/127-WP/453

-8-

8. It will be seen from the following Table III that in 1973 agricultural produce constituted the lion's share of Chinese purchases from North America. Canadian shipments (\$186.7 million) were made up of wheat while the United States shipments (\$410.1 million) comprised wheat and maize(1). These two countries were the only OECD members to supply China with grain. Trade in these commodities accounted for most of the increase in United States exports together, probably, with exports of crude materials (raw cotton and, to a lesser extent, soya beans) which reached a total of \$171.9 million. Chinese imports of manufactured goods classified by material came mainly from Canada; the fact that they went up fourfold in value (from \$19 million in 1972 to \$82 million) is explained by the scale of Canadian nickel deliveries. Lastly, it is interesting to note that United States exports of machinery (\$69 million) concerned almost exclusively aeronautical equipment which means that the pattern of United States capital equipment sales to China was quite different from that of its sales to the other Communist countries, which received mainly non-electrical machinery.

II. North American Imports from the Communist Countries

(i) Imports from the Soviet Union

9. In 1973, manufactured goods classified by material still accounted for more than half North America's imports from Russia (55% - see Table IV, page 10) but their relative share nonetheless showed a big decline from 1972 (when it was 64%) because of a growth rate which lagged behind that of Soviet sales to North America as a whole. The United States took the lion's share (\$123 million) and, like the year before, purchased mainly platinum and, to a less extent, non-industrial diamonds. The remarkable expansion of Soviet sales of mineral fuels is explained by United States imports of oil (mainly petroleum products) which totalled \$76.5 million as against \$7.5 million in 1972. On the other hand, the value of Soviet shipments of crude materials registered a sharp drop because the United States purchased less chromium, which is the main item of Soviet exports in this category of commodities(2).

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- (1) For wheat, Canadian deliveries amounted to 2.4 million tons and United States deliveries to 2.6 million. United States sales of maize were 1.4 million tons (Source: OECD)
 - (2) The drop in United States imports of chromium was greater for purchases from the Soviet Union than for purchases in general; the Soviet Union's share of United States imports of this ore registered a sharp drop from 45% in 1972 to 30% in 1973 (percentages based on the volume data given in the OECD Statistics of Foreign Trade, Series C)

N A T O U N C L A S S I F I E D

AC/127-WP/452

TABLE III: BREAKDOWN AND DEVELOPMENT OF NORTH AMERICAN EXPORTS TO CHINA IN 1973 BY THE MAJOR SECTIONS OF THE SITC

	SITC 0	SITC 1	SITC 2	SITC 3	SITC 4	SITC 5	SITC 6	SITC 7	SITC 8	SITC 9	TOTAL
Value in 1973 (million \$)	596.8	2.9	183.6	0.0	22.1	9.3	91.3	69.9	0.9	0.0	976.8
Percentage share in total exports 1973	61.2	0.3	18.8	0.0	2.2	0.9	9.3	7.2	0.1	0.0	100.0
Percentage variation from 1972	-	-	-	-	-	-	-	-	-	-	-

Note: The key to the SITC section numbers is given in Table I, page 5Source: Document AC/127-D/518 dated 18th November, 1975N A T O U N C L A S S I F I E D

TABLE IV: BREAKDOWN AND DEVELOPMENT OF NORTH AMERICAN IMPORTS FROM THE SOVIET UNION IN 1973 BY MAJOR SECTIONS OF THE SITC

	SITC 0	SITC 1	SITC 2	SITC 3	SITC 4	SITC 5	SITC 6	SITC 7	SITC 8	SITC 9	TOTAL
Value in 1973 (\$ million)	0.4	0.9	12.7	77.1	0.0	7.5	131.7	1.8	7.6	1.4	241.1
Percentage share in total imports 1973	0.2	0.4	5.3	32.0	0.0	3.1	54.6	0.7	3.1	0.6	100.0
Percentage variation from 1972	-33.2	+88.5	-32.2	+932.5	-	+55.0	+88.6	+212.7	+52.0	+64.6	+122.4

Comments: The key to the SITC section numbers is given in Table I page 5

Source: Document AC/127-D/518 dated 18th November, 1975

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(ii) Imports from Eastern Europe

10. Table V on page 12 reveals that the pattern of East European sales to the North American market differs in three important ways from that of Soviet exports: firstly, East European exports are concentrated more on finished products (machinery and transport equipment, miscellaneous manufactured articles) than are those of the Soviet Union, secondly, they are dispersed more widely throughout the major commodity categories(1) and, lastly, their relative development compared with 1972 was more uniformly divided between the main groups of articles.

11. The biggest rise in imports was for mineral fuels as a result of the rapid expansion of United States purchases of petroleum products from Rumania, which rose from \$9 million in 1972 to \$16 million. East European exports were concentrated mainly on manufactured goods classified by material (mainly textiles and iron and steel), although sales of this type had the lowest growth rate (see Table V). Poland was the main supplier of the United States, with a figure of \$51 million, while for Czechoslovakia Canada was the main outlet (\$24 million). Polish deliveries of meat and meat preparations to the United States (\$72 million) represented the backbone of East European sales of agricultural produce. It is also interesting to note the relative importance of miscellaneous manufactured articles, which contrasts with the low proportion of this type of goods in Soviet exports. Most of the goods in this section consisted of clothing and shoes from Poland, Czechoslovakia and Rumania. Lastly, Czechoslovakia, Poland and Rumania, in that order, were the main suppliers of machinery and transport equipment, with the first providing mainly motor vehicles and the other two mainly non-electrical machinery.

(iii) Imports from China

12. Unlike the statistics for exports (see paragraph 7), the OECD foreign trade statistics for 1972 provide a breakdown by commodity of United States imports which is compatible with the figure for this country's total purchases from China; this makes it possible to examine the changes occurring in 1973 in the pattern of Chinese exports to North America.

(1) This characteristic remains valid for a larger number of commodity categories and also applies to East European sales taken individually (see Table XIII, page 33 and paragraph 42)

AC/127-WP/453

TABLE V: BREAKDOWN AND DEVELOPMENT OF NORTH AMERICAN IMPORTS FROM EASTERN EUROPE (1) IN 1973 BY MAJOR SECTIONS OF THE SITC

	SITC 0	SITC 1	SITC 2	SITC 3	SITC 4	SITC 5	SITC 6	SITC 7	SITC 8	SITC 9	TOTAL
Value in 1973 (\$ million)	105.8	3.2	10.4	17.6	0.0	19.1	121.3	46.3	87.9	2.6	414.2
Percentage share in total imports 1973	25.6	0.8	2.5	4.2	0.0	4.6	29.3	11.2	21.2	0.6	100.0
Percentage variation from 1972	+34.8	+52.4	+33.3	+70.9	-	+25.7	+17.5	+56.9	+40.4	+62.5	+33.2

(1) Including Albania

Note: The key to the SITC section numbers is given in Table I, page 5

Source: Document AC/127-D/518 dated 18th November, 1975

13. Table VI (page 14) shows that Chinese exports grew most rapidly in the case of intermediate goods: manufactured goods classified by material (textiles, particularly cotton and, to a lesser extent, tin) and above all chemicals (explosives and resin-based products). This illustrates the continuation of a trend which started in 1971 and the importance of these two commodity categories in Chinese shipments has become clearly confirmed, representing 43% of overall Chinese sales in 1973 compared with 36% in 1972 and 28% in 1971. Miscellaneous manufactured articles came second in the list of North American purchases; Canada's imports of \$19 million were concentrated on clothing and those of the United States (\$11 million) mainly on works of art and handicraft goods. Finally, Chinese sales of crude materials (mainly unprocessed textile fibres and crude materials of animal origin delivered to the United States) grew more slowly whereas the previous year they had increased fivefold.

PART II: BREAKDOWN BY COMMODITY OF TRADE BETWEEN THE EUROPEAN NATO COUNTRIES AND THE COMMUNIST COUNTRIES IN 1973

I. Exports from the European NATO Countries

(i) Exports to the Soviet Union

14. As will be seen from Table VII (page 15), in 1973 exports from NATO member countries in Europe to the Soviet Union of manufactured goods classified by material expanded twice as fast as sales of machinery and transport equipment and reached roughly the same value in absolute terms. This increased rate of progress is not peculiar to 1973; it started during earlier years (except in 1972 when the trend was interrupted) and seems to have continued on into 1974(1). This can hardly be interpreted as a long-term trend, however, since a retrospective examination of the series relating to 1960 shows that for that year the relative share of manufactured goods classified by material in the exports of European members of the Alliance to the Soviet Union was 38.4% and that of machinery 40.2%(2) - which is not very different from the figures recorded thirteen years later.

(1) The development since 1970 of the percentage share of manufactured goods classified by material and of machinery in exports from European members of the Alliance to the Soviet Union is as follows:

	1970	1971	1972	1973	1974*
Manufactured goods SITC 6	28.3	32.1	30.5	37.0	(42)
Machinery SITC 7	42.1	39.0	40.6	37.6	(33)

Source: OECD

* Estimates based on OECD Statistics of Foreign Trade (Series B)

(2) Source: Document AC/127-D/335 dated 8th March, 1971

AC/127-WP/453

TABLE VI: BREAKDOWN AND DEVELOPMENT OF NORTH AMERICAN IMPORTS FROM CHINA IN 1973 BY MAJOR SECTIONS OF THE SITC

	SITC 0	SITC 1	SITC 2	SITC 3	SITC 4	SITC 5	SITC 6	SITC 7	SITC 8	SITC 9	TOTAL
Value in 1973 (\$ million)	13.7	0.8	17.6	0.4	0.8	9.8	40.7	0.2	32.5	1.2	117.8
Percentage share in total imports 1973	11.6	0.7	14.9	0.4	0.6	8.3	34.5	0.2	27.6	1.0	100.0
Percentage variation from 1972	+28.0	-(1)	+11.4	-(1)	-(1)	+197.0	+55.4	+8.4	+32.8	+221.9	+45.0

(1) Negligible in 1972

Comment: The key to the SITC section numbers is given in Table I, page 5

Source: Document AC/127-D/518 dated 18th November, 1975

N A T O U N C L A S S I F I E DAC/127-WP/453TABLE VII: BREAKDOWN AND DEVELOPMENT OF EXPORTS FROM THE EUROPEAN NATO COUNTRIES TO THE SOVIET UNION IN 1973 BY MAJOR SECTIONS OF THE SITC

	SITC 0	SITC 1	SITC 2	SITC 3	SITC 4	SITC 5	SITC 6	SITC 7	SITC 8	SITC 9	TOTAL
Value in 1973 (\$ million)	270.9	22.2	69.1	3.7	3.7	226.2	1,030.8	1,046.3	101.6	10.3	2,784.8
Percentage share in total exports 1973	9.7	0.8	2.5	0.1	0.1	8.1	37.0	37.6	3.6	0.4	100.0
Percentage variation from 1972	+86.7	+2.7	+40.5	+33.3	-(1)	+17.1	+85.2	+41.2	-5.5	+28.9	+52.6

(1) Very small in 1972

Comment: The key to the SITC section numbers is given in Table I, page 5Source: Document AC/127-D/518 dated 18th November, 1975N A T O U N C L A S S I F I E D

AC/127-WP/453

-16-

15. On the other hand, if the same major commodity category is examined in greater detail, it will be seen that there has been a change in the trade pattern in the form of a big increase in the proportion of European NATO sales of iron and steel products (51% in 1970, 74% in 1973 and, according to preliminary estimates, 79% in 1974), mainly at the expense of textiles, whose share fell from 24% in 1970 to 11% in 1973. Tubes and pipes accounted for 55% of Soviet iron and steel purchases in 1973, or slightly less than the year before (63%); they were probably ordered for the oil and natural gas industry(1).

16. Lastly, while the Federal Republic of Germany's share in Soviet imports of manufactured goods classified by material remained unchanged in 1973 by comparison with 1972 (42% of all deliveries from Alliance countries), that of the other main NATO Europe suppliers developed in different ways: up, in the case of France and Belgium (from 15% to 17% and from 11% to 14% respectively), and down in the case of Italy and the United Kingdom (from 15% to 14% and from 10% to 6%).

17. In 1973, Soviet purchases from the European members of the Alliance under the machinery and transport equipment section showed a very similar pattern to that recorded the year before; they remained concentrated (87%) on non-electrical machinery with most of the purchases consisting of miscellaneous machinery and mechanical appliances together with, especially from the Federal Republic of Germany, metal-working machinery. It is probable that part of this equipment imported by the Russians came in connection with the delivery of turn-key projects. However, this type of transaction cannot be identified in the foreign trade statistics drawn up in accordance with the normal international classifications (SITC or CST). In 1973, the Federal Republic of Germany remained the Soviet Union's most privileged supplier, providing 46% of the deliveries from Alliance countries as against 45% in 1972. On the other hand, the share of the other main European NATO exporters (France, Italy and the United Kingdom) registered a notable drop (from 15% to 13%, from 15% to 12% and from 10% to 8% respectively). This was the result of the proportionately faster growth of sales by the United States, which rose from fourth place among Allied suppliers in 1972 to second place (16% of sales) the following year.

(1) Universals, plates and sheets (25%) and bars and angles (14%) made up most of the remaining Soviet imports in this sector from the European NATO countries in 1973

18. The European NATO countries still occupied only a modest place in 1973 as suppliers of agricultural produce to the Soviet Union. These countries provided 19% of all such exports from Alliance countries with the United States providing the bulk of them. It is interesting to note that sales to the Soviet Union of the Community's butter surpluses (which amounted to \$91 million) accounted for one-third of the exports from the European Allies; this type of trade, which tends to result from an isolated phenomenon, was 75% responsible for the rapid rise in these exports (see Table VII, page 15). Among the European NATO countries, France's share increased again to reach 48%, as against 42% the previous year and only 11% in 1971, firstly because of this country's major contribution to the butter sales just referred to and secondly because of the increase in its sales of barley(1). Lastly, agricultural produce accounted for 57% of Turkey's sales to the Soviet Union (entirely fruit and vegetables) and 71% of Iceland's (fish).

19. Crude materials accounted for only a small fraction of European NATO exports to the Soviet Union; transactions of this type were worth \$69 million. More than half this sum (\$37 million) came from sales of unprocessed textile fibres, mainly raw cotton from Greece and Turkey and man-made fibres from the United Kingdom. The remaining Soviet imports were chiefly composed of hides and skins (mostly lamb skins) from the Netherlands, wood in the rough from the Federal Republic of Germany and non-ferrous metal ores from Greece and Turkey. Soviet purchases of oils and fats were very small (\$3.7 million) and were made up of imports of vegetable oils (probably colza oil) from the Federal Republic of Germany.

20. It may be tempting to follow up this rather general description of Soviet imports of raw materials with a more detailed analysis which takes into account certain essential basic commodities in the widest sense of the term (i.e. including agricultural produce) and seeks to establish the extent to which the Russians are dependent on Western Europe for such supplies. The Soviet Union's dependence on European NATO countries may take two forms: either the importation of Western goods or the use of West European ports for the transit of its imports. Any such study, however, is hampered by the lack of foreign trade statistics, since the figures issued by the OECD only make it possible to identify the trade movements for a few

(1) French sales of barley to the Soviet Union rose from 0.70 million tons in 1972 to 0.95 million tons in 1973 or 56% of Soviet imports from the countries of the Alliance

AC/127-WP/453

-18-

articles. Moreover, at this highly detailed level (4 or 5 digits of the SITC classification) and when the volume of trade is low, the OECD statistics often do not show the geographical breakdown of trade, but only OECD member countries' trade with the rest of the world(1). The Soviet statistics can be used in an attempt to overcome this difficulty but they are not very detailed and, moreover, there is the problem of their comparability with the OECD data(2). Obviously, then, only a small number of commodities can be taken into consideration; it is also preferable to use only the volume figures as they provide a much more reliable basis for comparing Soviet and Western statistics than the value figures.

21. For tropical agricultural produce such as coffee, cocoa, tea and spices, the only mention is of deliveries of cocoa butter by the Netherlands, which in 1973 amounted to 4,200 tons. This amount is fairly close to that shown in the Soviet statistics (3,800 tons) but it cannot be related to overall Soviet imports of this commodity since the import figures given refer only to cocoa beans (119,000 tons). In any event, it would appear that for this category of goods the Soviet Union establishes direct trading relations with the producing countries and is not supplied through Western ports. Two European member countries of the Alliance - Greece and Turkey - sold the Soviet Union fairly large amounts of unmanufactured tobacco; according to the OECD statistics, these figures were 8,000 and 3,500 tons respectively in 1973. The Soviet figures are quite a bit higher (9,800 and 5,300 tons) and give the share of these two Allied exporters in the Soviet market in 1973 as 16%(3).

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- (1) The OECD statistics, for instance, provide no geographical breakdown of member countries' exports of certain non-ferrous metal ores, particularly lead, tin and bauxite.
 - (2) The following example will give an idea of the discrepancy between the OECD statistics and those of the Communist countries in general: when an attempt was made, using East German foreign trade statistics, to determine that country's imports of basic commodities in 1972 (the last year for which data were available) it was found that the GDR had apparently imported that year from the Netherlands 12,712 tons of cocoa whereas according to the OECD statistics the Netherlands had exported only 56 tons of cocoa to the GDR.
 - (3) It is interesting to note that sales of tobacco accounted for one-third of the value of all Greece's sales to the Soviet Union and to a noticeable proportion (10%) of Turkey's.

22. In the inedible crude materials section, Greece and Turkey supplied the Soviet Union with 9,800 tons and 7,000 tons of raw cotton respectively. According to Soviet statistics, which show a smaller quantity in the case of Turkey (4,100 tons), deliveries from these two countries accounted for 11% of Soviet imports. As already pointed out in paragraph 24, the OECD statistics give no geographical breakdown of member countries' exports of bauxite. It is therefore necessary to consult the foreign trade yearbook of the Soviet Union which reveals that in 1973 more than half Russia's bauxite imports came from member countries of the Alliance(1).

23. A large fraction of Soviet foreign purchases of lead and tin came from the United Kingdom. The Soviet statistics record deliveries of 1,125 tons of tin (28% of Soviet imports) and 17,300 tons of lead (29% of all supplies). On the other hand, the OECD figures give a much lower figure for United Kingdom sales of lead (5,000 tons). These dealings would seem to indicate that the Russians had recourse to the London market to cover a large part of their requirements for these two metals.

(ii) Exports to Eastern Europe

24. Table VIII provides a summary of the 1973 trends in exports from the European members of the Alliance to the People's Democracies. As was the case for sales to the Soviet Union, manufactured goods classified by material grew fastest. The Federal Republic of Germany was Eastern Europe's leading supplier with a share in overall Alliance sales of between 83% in the case of dealings with the GDR and 44% in the case of trade with Hungary(2). In Eastern Europe as a whole, Poland remained the main customer (\$700 million) easily outstripping the GDR (\$411 million) because of a 131% expansion of its purchases. Iron and steel goods and, to a less extent, textiles,

(1) The geographical pattern of Soviet bauxite imports in 1973 was as follows:

Origin	Amounts imported	
	Thousands of tons	%
Greece	635.1	43.1
Turkey	148.3	10.1
Yugoslavia	689.7	46.8
Total	1,473.1	100.0

Source: Foreign trade yearbook of the Soviet Union, 1974

Note: In 1973 the Soviet Union imported no bauxite from Guinea, which supplied it with 327,000 tons in 1972.

(2) Federal sales to Eastern Europe (\$1,081.8 million) accounted for 57% of all exports from the countries of the Alliance to this area

AC/127-WP/453

-20-

were the backbone of NATO European exports; however, contrary to what was the case for sales to the Soviet Union, pipes and tubes accounted for a much smaller proportion of exports of iron and steel products, i.e. about 25% less than sales of universals, plates and sheets (42%) and close to the figure for sales of bars and angles (20%)(1).

25. Machinery and transport equipment was the biggest category of East European imports in 1973. Poland strongly confirmed its position as the leading customer with an increase in purchases of 94% as against a figure for the other People's Democracies of between 28% in the case of Czechoslovakia and 16% for Bulgaria. For this commodity category the Federal Republic of Germany was again the leading Allied exporter with sales worth \$1,311 million accounting for 56% of all NATO countries' sales, as against 13%, 11% and 8% for France, Italy and the United Kingdom, the next most important suppliers. Non-electrical machinery, particularly machine tools for working metals and textile machinery accounted for most Allied exports(2). It will be noted, however, that motor vehicles represented a relatively high proportion of French sales to Rumania (40%).

26. In the chemicals section, exports from European NATO countries were concentrated mainly on basic chemicals (mainly organic chemicals) and plastic materials and, to a less extent, colouring materials and pharmaceutical products. Eastern Europe's purchases of crude materials comprised mostly unprocessed textile fibres, mainly from Greece, Turkey, France and the United Kingdom. The Netherlands supplied leather goods and skins and Portugal cork (sales of this product accounted for two-thirds of Portugal's sales to Eastern Europe).

27. Exports of agricultural produce from the European members of the Alliance in 1973 grew much less rapidly than those from North America (see Tables II and VIII). Consequently, NATO Europe's share in purchases by the People's Democracies from NATO member countries as a whole dropped sharply from 78% in 1972 to 62%. This general development, however, obscures certain important differences in the sales trends of the main exporters; deliveries from France, Italy and Belgium went down in absolute terms and those from Turkey expanded slightly, while Denmark, Greece, the Netherlands, Norway, the United Kingdom and the Federal Republic of Germany greatly increased their sales.

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- (1) Source: OECD. These percentages are exclusive of intra-German trade which is not recorded in the OECD statistics
- (2) It is not possible to judge what imports of this type of machinery represent in terms of new technology for the Eastern economies. Any study of this question would need to use the national statistics of the Allied countries.

TABLE VIII: BREAKDOWN AND DEVELOPMENT OF EXPORTS FROM THE EUROPEAN MEMBERS
OF THE ALLIANCE TO EASTERN EUROPE IN 1973
BY THE MAJOR SECTIONS OF THE SITC(1)

	SITC 0	SITC 1	SITC 2	SITC 3	SITC 4	SITC 5	SITC 6	SITC 7	SITC 8	SITC 9	TOTAL
Value in 1973 (\$ million)	644.7	58.9	375.8	125.4	35.2	969.4	1,887.7	2,259.5	376.7	34.5	6,767.8
Percentage share in total 1973 exports	9.5	0.9	5.5	1.8	0.5	14.3	27.9	33.4	5.6	0.5	100.0
Percentage variation from 1972	+30.2	+9.7	+36.0	+7.8	+1.4	+39.9	+56.2	+41.6	+43.9	+40.0	+42.2

(1) Including Albania

Comment: The key to the SITC section numbers is given in Table I, page 5

Source: Document AC/127-D/518 dated 18th November, 1975

AC/127-WP/453

-22-

Within NATO Europe, the Federal Republic of Germany slightly strengthened its position as the chief supplier with 48% of deliveries as against 45% in 1972; on the other hand its share in the value of sales by the Alliance as a whole dropped during the same period from 35% to 30% because of the increase in North American sales. The Allied countries sold a wide variety of goods ranging from barley from France, fruit and vegetables from Italy, Greece and Turkey, feedstuff for animals from Germany and fish and fish preparations from Norway.

(iii) Exports from the European members of the Alliance to China

28. In 1973, China's imports covered mainly manufactured goods classified by material; its purchases in this commodity category expanded rapidly (see Table IX), rising from 43% in 1972 to 52% in 1973 of the value of total Chinese purchases from the European member countries of the Alliance. This is the continuation of a trend which started the year before but it is worth noting that the predominance of this type of goods in total trade was already a feature of Chinese imports in 1960(1). Exports from the Federal Republic of Germany, which were up by 176%, accounted for almost half (43%) of Alliance sales. However, the expansion of sales by the United Kingdom, the second biggest supplier, was slightly higher (+181%). Iron and steel goods (mainly universals, plates and sheets, tubes and pipes) formed the basis of Chinese imports with, in the case of purchases from the United Kingdom, non-ferrous metals (copper).

(1) The development of the relative share (percentage) of manufactured goods classified by material and of machinery and transport equipment in overall Chinese imports from NATO Europe is as follows:

	<u>1960</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>
Manufactured goods classified by material	58	47	39	43	52
Machinery and transport equipment	12	21	35	30	25

AC/127-WP/453

TABLE IX: BREAKDOWN AND DEVELOPMENT OF EXPORTS FROM THE
EUROPEAN MEMBERS OF THE ALLIANCE TO CHINA IN
1973 BY THE MAJOR SECTIONS OF THE SITC

	SITC 0	SITC 1	SITC 2	SITC 3	SITC 4	SITC 5	SITC 6	SITC 7	SITC 8	SITC 9	TOTAL
Value in 1973 (\$ million)	0.4	0.2	41.9	0.4	9.0	115.3	411.9	195.8	15.6	0.8	791.4
Percentage share in total 1973 exports	0.1	0.0	5.3	0.0	1.1	14.6	52.1	24.7	2.0	0.1	100.0
Percentage variation from 1972	+141.1	-(1)	+31.8	-(1)	+408.6	+41.4	+108.6	+42.8	+187.7	-40.8	+73.2

-(1) Negligible in 1972

Note: The key to the SITC section numbers is given in Table I, page 5

Source: Document AC/127-D/518 dated 18th November, 1975

AC/127-WP/453

-24-

29. The share of machinery and transport equipment in exports from European NATO countries to China continued to fall in 1973 after having reached what would seem to be an all-time high in 1970 (see footnote (1) paragraph 28). Thanks to the very rapid expansion of its sales (+141%), the United Kingdom outstripped Federal Germany as NATO Europe's main supplier although the value of the British exports was slightly below that of the United States (\$67 million compared with \$69 million). The breakdown of China's imports hardly changed in 1973: they were fairly equally shared between non-electrical machinery (the bulk of the FRG's sales) and transport equipment (railway equipment from France and aircraft from the United Kingdom).

30. In the chemicals section, China imported mainly chemical elements and compounds and, to a less extent, manufactured fertilizers and colouring materials. Lastly, its purchases of crude materials were made chiefly in Turkey, which supplied exclusively unprocessed textile fibres.

II. Imports by the European Members of the Alliance

(i) Imports from the Soviet Union

31. It will be seen from Table X on page 26 that mineral fuels accounted for the lion's share of Soviet sales to the European NATO countries. The proportion of this commodity in overall Soviet exports has increased slightly over the last few years from 32% in 1970 to 33% in 1972 and 36% in 1973. Most of these transactions (88%)(1) concerned petroleum products. Soviet shipments were divided fairly equally between crude and partly refined petroleum (58% of sales in volume) and petroleum products (42%). The second point worth noting is that in 1973 the rise in prices played a big part in the increased value of European NATO imports. It can be estimated that the unit value of Soviet supplies went up by an average of 30% in the case of crude petroleum and that it doubled in the case of petroleum products; on the other hand the increase in volume was only 3%

(1) The remainder of the transactions comprised sales of coal mainly to France and Italy. It will be seen that, as in 1973, the Russians sold practically no natural gas to the members of the Alliance; only small deliveries (worth \$5 million) were made to France. However, the oil statistics of the OECD Petroleum Committee issued in 1975 do not bear this out; they record no French purchases from the Soviet Union in 1973. Similarly, the statistics published by the French Petroleum Trade Committee record no Soviet deliveries

in both cases(1). Except for Iceland, the European members of the Alliance were only slightly dependent on the Soviet Union for their imports of petroleum products.

32. Non-ferrous metals accounted for more than half (57%) of Soviet sales of manufactured goods classified by material to the European members of the Alliance. Deliveries were mainly of unwrought copper and, to a less extent, silver, nickel and zinc. Other manufactured goods sold by the Soviet Union included iron and steel goods (pig iron, ingots and other primary forms) and, in the case of sales to Turkey, of manufactures of metal. However, it should be pointed out that the United Kingdom does not specify the origin of its diamond imports, a large part of which come from the Soviet Union. A rough estimate puts the value at around \$410 million in 1973 (as against \$290 million the year before). Consequently, the real value of purchases by European NATO countries of manufactured goods was very much higher than that resulting from the aggregation of transactions concerning the different sub-groups of section 6 of the SITC classification as shown in the OECD statistics; in 1973 the real value was apparently in the region of \$890 million, corresponding to 29% of all Soviet exports to the European Allied countries.

33. Soviet sales of crude materials were concentrated mainly on lumber (42% of deliveries), unprocessed textile fibres (16%), iron ore and iron scrap (11%) and crude fertilizers and minerals (8%). The United Kingdom in 1973 remained the leading Allied customer, followed by the Federal Republic of Germany, France and Italy. Noteworthy is the big increase in Soviet deliveries of chemicals (organic chemicals and manufactured fertilizers) while the low level of Soviet sales of machinery and transport equipment is in contrast with the almost six times greater value of its imports of this category of commodity from the European members of NATO.

(1) These figures are based on the sales given in the OECD statistics of foreign trade, Series C, which do not always tally with those given in the oil statistics of the OECD Petroleum Committee

AC/127-WP/453

TABLE X: BREAKDOWN AND DEVELOPMENT OF IMPORTS FROM THE SOVIET UNION BY
THE EUROPEAN MEMBERS OF THE ALLIANCE IN 1973
BY THE MAJOR SECTIONS OF THE SITC

	SITC 0	SITC 1	SITC 2	SITC 3	SITC 4	SITC 5	SITC 6	SITC 7	SITC 8	SITC 9	TOTAL
Value in 1973 (\$ million)	65.2	7.1	722.6	937.4	48.1	98.9	479.9 (1)	187.4	23.1	18.4	2,588.2 (1)
Percentage share in total imports 1973	2.5	0.3	27.9	36.2	1.9	3.8	18.5 (1)	7.2	0.9	0.7	100.0 (1)
Percentage variation from 1972	-14.7	+44.9	+45.5	+63.5	-6.0	+73.5	+53.3 (1)	+48.4	+40.8	+1.1	+49.3 (1)

(1) Excluding United Kingdom diamond imports

Note: The key to the SITC section numbers is given in Table I, page 5

Source: Document AC/127-D/518 dated 18th November, 1975

(ii) Imports from Eastern Europe

34. Table XI on page 28 shows that the expansion of imports in 1973 from Eastern Europe by the European members of the Alliance breaks down fairly evenly between the major categories of commodity; consequently, the pattern of East European sales remained comparable with that of the previous year. Agricultural produce took first place in Allied purchases, with Italy (\$553 million) and the Federal Republic of Germany (\$526 million) the biggest customers and Poland (\$436 million) and Hungary (\$334 million) the leading suppliers. Most of these imports were live animals and meat preparations.

35. Except for Bulgarian exports, which went mainly to Italy, the Federal Republic of Germany provided Eastern Europe with its best market in the Alliance for manufactured articles classified by material. The bulk of these sales comprised iron and steel goods (pig iron, ingots, bars and angles and universals and plates) and, to a less extent, textiles. Moreover, mention should be made of the high proportion (37%) of non-ferrous metals (chiefly copper and rather less aluminium and zinc) in Polish sales. Eastern Europe's exports of machinery and transport equipment were much more diversified than its imports in this same sector and this applies to each country of the area taken individually. Nevertheless, it is possible to detect a greater concentration by the GDR and Czechoslovakia on the sale of non-electrical machinery, of Poland on transport equipment or, again, of Hungary on electrical apparatus. The Federal Republic of Germany was once more the leading European NATO customer followed by France and Norway.

36. One important difference between the pattern of Soviet exports and that of Eastern Europe is the comparatively high proportion, in the case of Eastern Europe, of consumer durables, listed under miscellaneous manufactured goods. In 1973, these commodities accounted for a large fraction of East German, Rumanian and Hungarian exports(1). Most of these goods were clothes followed by furniture and footwear. It goes without saying that the demand for this type of goods in the West is stimulated to a large extent by the variety of articles on offer. The difficulty for the East European countries, if they wish to maintain a high growth rate for their sales on Western markets, is to offer quality goods and at the same time to increase the range of articles available.

(1) In 1973 the relative share of miscellaneous manufactured articles in overall sales by the People's Democracies to the European members of the Alliance was: GDR - 20%, Rumania - 19%, Hungary - 17%, Czechoslovakia - 14%, Bulgaria - 13%, and Poland - 9%.

TABLE XI: BREAKDOWN AND DEVELOPMENT OF IMPORTS BY THE EUROPEAN MEMBERS OF THE ALLIANCE FROM EASTERN EUROPE(1) IN 1973 BY THE MAJOR SECTIONS OF THE SITC

	SITC 0	SITC 1	SITC 2	SITC 3	SITC 4	SITC 5	SITC 6	SITC 7	SITC 8	SITC 9	TOTAL
Value in 1973 (\$ million)	1,444.5	44.4	640.2	508.8	56.3	312.9	1,188.4	652.7	884.5	52.6	5,785.3
Percentage share of total imports 1973	25.0	0.8	11.1	8.8	1.0	5.4	20.5	11.3	15.3	0.9	100.0
Percentage variation from 1972	+35.9	+29.1	+44.3	+40.5	+38.3	+32.9	+34.4	+40.0	+30.4	+41.4	+36.4

(1) Including Albania

Note: The key to the SITC section numbers is given in Table I, page 5

Source: Document AC/127-D/518 dated 18th November, 1975

37. Half the imports of mineral fuels by the European NATO countries came from Poland and consisted of coal, almost all of it for the members of the EEC in fairly equal proportions. Rumanian sales (petroleum products) and East German sales (coke, lignite and petroleum products) made up the rest of these imports. Poland, Czechoslovakia and Rumania were the main suppliers of crude materials, delivering mainly lumber and small quantities of unprocessed textile fibres.

(iii) Imports from China

38. The commodity pattern of imports by European NATO countries from China in 1973 showed little change over the previous year. Crude materials (silk, wool and crude animal materials) continued to make up the bulk of Chinese deliveries (see Table XII, page 30) which went mainly to Italy (\$66 million) and the Federal Republic of Germany (\$65 million) and then the United Kingdom (\$44 million) and France (\$34 million). France, the Federal Republic of Germany, the United Kingdom and the Netherlands, in that order, were China's main customers for agricultural produce, which consisted mainly of meat, fruit and vegetables. In the manufactured goods classified by material sector, China exported essentially textiles and tin. Lastly, it should be pointed out that, except for sales of machinery, which were relatively unimportant in value, the biggest growth was registered for miscellaneous manufactured articles, in line with the trend already observed in 1972. Consequently, the proportion of these commodities (principally clothes and toys) in total Chinese exports increased noticeably from 7.2% in 1971 to 9.7% in 1973.

TABLE XII: BREAKDOWN AND DEVELOPMENT OF IMPORTS BY THE EUROPEAN MEMBERS
OF THE ALLIANCE FROM CHINA IN 1973 BY THE
MAJOR SECTIONS OF THE SITC

	SITC 0	SITC 1	SITC 2	SITC 3	SITC 4	SITC 5	SITC 6	SITC 7	SITC 8	SITC 9	TOTAL
Value in 1973 (\$ million)	148.4	10.0	238.3	1.5	7.6	51.9	147.7	3.1	65.4	0.6	674.7
Percentage share in total imports in 1973	22.0	1.5	35.3	0.2	1.1	7.7	21.9	0.5	9.7	0.1	100.0
Percentage variation from 1972	+41.8	+19.5	+42.5	-6.3	+52.0	+57.7	+45.4	+82.3	+62.7	+98.6	+45.5

Note: The key to the SITC section numbers is given in Table I, page 5

Source: Document AC/127-D/518 dated 18th November, 1975

PART III: DEGREE OF SPECIALISATION IN TRADE BETWEEN NATO AND COMMUNIST COUNTRIES IN 1973

39. As part of a qualitative analysis of trade between the members of the Alliance and the Communist countries it is interesting to attempt an assessment of the degree of specialisation in trade or, in other words, to determine whether dealings between the partners are limited to certain categories of commodity or, on the contrary, cover a wide range of articles. For this purpose, Michaëly's(1) trade concentration coefficient provides a means of summarising the distribution of trade flows over a given range of commodities.

40. The values which the coefficient may assume lie between an upper limit of 100 and a lower limit which depends on the number of commodity groups in the classification selected. The nearer the coefficient lies to 100, the more trade is concentrated on a small number of commodities; conversely, it reaches its lower level when transactions are distributed equally over all of the selected commodity groups. Michaëly's coefficient therefore offers a means of comparing the degree of specialisation of different trade flows provided, however, that they are accounted for in accordance with the same classification system.

41. For the purposes of this study, the coefficients of concentration have been established for North American and EEC trade(2) (the EEC has been taken in preference to the European NATO countries as a whole because it is a more homogeneous grouping than the latter) firstly with the OECD

(1) Michaëly's coefficient is defined as follows:

$$M = 100 \left[\sum_{i=1}^n \left(\frac{x_{ijk}}{X_{jk}} \right)^2 \right]^{\frac{1}{2}}$$

where x_{ijk} = exports from country j to country k for commodity group i

X_{jk} = total exports from country j to country k

n = number of commodity groups considered.

The values of the coefficient fall between $\frac{100}{\sqrt{n}}$ and 100.1

The same formula can be applied in reverse to country j 's imports from country k .

(2) To make it easier to compile the statistics, Irish trade has not been excluded. It is, however, relatively unimportant (0.4% of EEC trade with the Communist countries in 1974) and therefore can have no influence on the results.

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AC/127-WP/453

-32-

countries and secondly with the Communist countries. Among the latter, a distinction has been made between the Soviet Union and three People's Democracies with different levels of development: Czechoslovakia, Poland and Rumania. All the trade flows considered have been broken down between fifty-six commodity groups corresponding to the fifty-five headings (two-digit items) of sections 0-8 and section 9 of the SITC list used in the OECD Statistics of Foreign Trade(1). The results of these calculations will be found in Table XIII (see page 33).

42. Several conclusions about the pattern of East/West trade in 1973 emerge from this table.

- Firstly, the trade relations of members of the Alliance are much more specialised with the Soviet Union than with the three People's Democracies chosen for the analysis; this is true of exports and imports both for North America and for the EEC.
- Secondly, it would appear that the degree of specialisation in Allied exports to the Communist countries is much higher than in the opposite direction, that is to say, for Communist sales to the members of the Alliance. This reveals that in East/West trade the range of commodities exported by the four Communist countries used in this study as well as by all the Eastern countries as a whole (see Table XIII) is clearly larger than that of the articles they purchase; this fact stands out particularly in trade with North America and, by way of comparison, it is worth noting that the gamut of goods imported from the group of Eastern countries by the United States and Canada together is more extensive than that of the purchases made by the latter from their OECD partners taken as a whole.

(1) Since 56 commodity groups have been selected, the values obtained for the concentration coefficients will be between 100 and $\frac{100}{\sqrt{56}} = 13.4$

N A T O U N C L A S S I F I E D

AC/127-WP/453

TABLE XIII: DEGREES OF CONCENTRATION OF TRADE ON THE
56 SITC COMMODITY CATEGORIES IN 1973

North American Exports		EEC Exports		North American Imports		EEC Imports	
destination	coeffi- cient of concentration	destination	coeffi- cient of concentration	origin	coeffi- cient of concentration	origin	coeffi- cient of concentration
- USSR	76.8	- USSR	45.7	- USSR	55.1	- USSR	40.1
- Czechoslovakia	47.8	- Czechoslovakia	30.7	- Czechoslovakia	34.2	- Czechoslovakia	23.6
- Poland	48.9	- Poland	36.4	- Poland	38.2	- Poland	28.1
- Rumania	35.7	- Rumania	36.8	- Rumania	35.6	- Rumania	24.4
All Communist countries	62.6	All Communist countries	35.3	All Communist countries	27.9	All Communist countries	23.8
All OECD countries	27.2	All OECD countries	23.9	All OECD countries	31.1	All OECD countries	21.4
Upper limit of each coefficient: 100.0							
Lower limit of each coefficient: 13.4							

- It should also be mentioned that while the coefficient of concentration of Allied exports to the Communist countries taken as a whole is close to what the average coefficients would be if applied separately to the sales of the NATO countries to the Soviet Union, Czechoslovakia, Poland and Rumania, on the other hand, the coefficient established for imports by NATO member countries from the Communist countries taken together is noticeably lower than the figures for Allied purchases from these four Communist countries considered individually. This is extremely noticeable in the case of North American imports; the explanation for this may be that each Communist country sells on Western markets - and particularly on the North American market - articles which are varied but fairly different from one country of origin to another.

- Lastly, it is necessary to point out that the trade flows between the EEC and the Communist countries cover a gamut of commodities which is wider than that in the case of dealings between North America and the Communist countries. This is particularly noticeable in the case of Allied exports, but remains difficult to explain. However, it is possible that sales by each of the EEC member countries are to some extent complementary; in this case, it would not be surprising if the degrees of specialisation in the exports of the latter considered individually should be higher than for the Community as a whole. To make a more detailed analysis, it would be necessary to examine the degree of specialisation in its trade with the East of each member of the European Community.

N A T O U N C L A S S I F I E D

ANNEX to
AC/127-WP/453EXPORTS OF CEREALS FROM THE MEMBER COUNTRIES OF THE
ALLIANCE TO THE SOVIET UNION IN 1972 AND 1973

Export- ing country	WHEAT				BARLEY				MAIZE				OTHER UNMILLED CEREALS				TOTAL			
	million tons		million g		million tons		million g		million tons		million g		million tons		million g		million tons		million g	
	1972	1973	1972	1973	1972	1973	1972	1973	1972	1973	1972	1973	1972	1973	1972	1973	1972	1973	1972	1973
Canada	3.6	3.2	241.1	235.3	0.5	0.7	27.2	49.3	-	-	-	-	-	-	-	-	4.1	3.9	268.3	284.6
United States	2.7	8.7	159.5	555.6	0.8	0.01	30.8	0.8	3.1	4.2	166.5	238.1	0.3	0.5	12.1	42.3	6.9	13.4	368.9	836.8
Total NATO North America	6.3	11.9	400.6	790.9	1.3	0.7	58.0	50.1	3.1	4.2	166.5	238.1	0.3	0.5	12.1	42.3	11.0	17.3	637.2	1,121.4
France	0.3	0.3	16.0	16.9	0.7	0.9	35.5	65.4	-	-	-	-	-	-	-	-	1.0	1.2	51.5	82.3
Belgium Federal Republic of Germany Nether- lands	0.02	0.1	0.8	6.6	0.06	0.04	3.6	3.4	-	-	-	-	-	-	-	-	0.8	0.1	3.7	10.0
	-	-	-	-	0.06	-	3.0	-	-	-	-	-	0.04	0.1	2.3	8.6	0.1	-	5.3	-
	-	0.04	-	3.1	-	-	-	-	-	-	-	-	0.02	0.02	0.9	1.4	0.02	0.06	0.9	4.5
Total NATO Europe	0.3	0.4	16.8	26.6	0.8	0.9	42.1	68.8	-	-	-	-	0.06	0.1	3.2	10.0	1.9	1.4	61.4	96.8
Total NATO	6.6	12.3	417.4	817.5	2.1	1.6	100.1	118.9	3.1	4.2	166.5	238.1	0.4	0.6	15.3	52.3	12.9	18.7	698.6	1,218.2

Note: Deliveries of less than 10,000 tons have been ignored Source: OECD, Statistics of Foreign Trade, Series C