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TAIWAN'S PERSPECTIVE ON SINO-AMERICAN ECONOMIC RELATIONS

TZONG-SHIAN YU

OCCASIONAL PAPER SERIES No.9502

July 1995

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Taiwan's Perspective on Sino-American Economic Relations

by

Tzong-shian Yu

president

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July 1995

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TZONG-SHIAN YU*

Taiwan's Perspective on Sino-American Economic Relations**

I. Introduction

The purpose of this paper is to attempt to provide a perspective from Taiwan on recent developments in Sino-American economic relations. Since 1950, Sino-American economic relations have included the economic relations between Taiwan and the United States, and the economic relations between mainland China and the United States. So, it is logical for us to start our exploration with an assessment of the background and current status of Taiwan's economic relations with the United States, and to proceed to the examination of the recent development of economic relations between mainland China and the United States, and then to consider the prospects for the further development of the triangular relationship among Taiwan, mainland China and the United States.

When dealing with the issue of Sino-American economic relations, one cannot ignore the fact that the economic relationship between Taiwan, the Republic of China, and the United States has continued even though the two countries broke off diplomatic relations in 1979. The economic relationship between the People's Republic of China (or mainland China) and the United States, on the other hand, has become more important than ever before, since 1979, when the U.S. government recognized the People's Republic of China and the latter started to adopt its open-door policy. It

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should also be noted that the recent developments in Sino-American economic relations are mainly part of the overall U.S. strategy toward Asia. According to the U.S. strategy, Taiwan is a key card for the United States to play off against mainland China. Mainland China is a counterweight for the United States to employ to balance Japan, since Japanese power has gradually reemerged since World War II and is once again considered a potential threat to U.S. security. And, according to the U.S. view, only mainland China has the capacity to check Japan in the Asia-Pacific region.

Based on the above considerations, it can be understood that the same U.S. trade policy used toward Taiwan in the 1980s, when Taiwan enjoyed a big trade surplus with the United States, will now be applied to mainland China in the 1990s, as mainland China starts to accumulate an increasing trade surplus with the United States. As for U.S. direct investment in the two parts of China, the mainland and Taiwan, it completely depends on private enterprises' profit-making motives and is independent of U.S. government policy.[1]

To explore Sino-American economic relations, our analysis will proceed from the point in time before 1979, when no diplomatic relations existed between mainland China and the United States, and then move to the period after 1979, when the United States established diplomatic relations with mainland China and mainland China initiated its open-door policy and economic reform strategy. In addition, the prospects for this continuing triangular relationship will be discussed.

II. Sino-American Economic Relations Before 1979

As stated above, Sino-American relations before 1979 include the economic relationship between Taiwan and the United States and the economic relationship between mainland China and the United States.

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[1] Although the United States claims to esteem free trade, the U.S. government still prefers to make use of tariffs, quotas, anti-dumping measures and the Special 301 provision to retaliate against its trade partners. Still, it is impossible for the U.S. government to command private enterprises to make direct investment in certain foreign countries, or to prevent them from doing so.

1. The economic relationship between Taiwan and the United States

Since 1951, Taiwan has had a close economic relationship with the United States, not only because Taiwan received U.S. aid amounting to US$1.5 billion (1951-1965), and has been host to many U.S.-sponsored foreign direct investment(FDI) projects, but also because the United States has been the largest market for Taiwan's products.[2] For instance, exports to the United States accounted for 41.9 percent of Taiwan's total exports in 1972, and 39.5 percent of Taiwan's total exports in 1978. Conversely, imports from the United States to Taiwan made up 21.6 percent of Taiwan's total imports in 1972, and 21.5 percent in 1978.[3] As a result, there has been a trade surplus every year for Taiwan. In 1978, the trade surplus with the United States accounted for 52.6 percent of the exports to the United States, but this was only a small proportion of the U.S. trade deficit, so the U.S. government didn't pay special attention to Taiwan's increasing trade surplus, and Taiwan still enjoyed a favorable trade status with the U.S.

With regard to foreign direct investment in Taiwan, the United States and Japan together were the biggest foreign investors prior to 1979. While the latter is FDI accounted for less than one-third, the former accounted for about one-third of total FDI, which indicates that U.S. investment in Taiwan was significant and helpful for the continued expansion of Taiwan's exports.

During this period, Taiwan had no economic relations with mainland China, the Taiwan Strait was completely blocked by military forces, and no triangular relations among Taiwan, mainland China and the United States had been formed.[4]

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[2] In the 1950s and the early 1960s, U.S. aid made a remarkable contribution to Taiwan's economic development. The recovery of the agricultural sector benefited greatly from U.S. aid, and industrial development, in its early stages, such as of the textile industry and plastic industry, was largely attributable to the same source. In addition, Taiwan enjoyed the GSP (Generalized System of Preferences) offered by the United States for a long time. This helped Taiwan to expand its exports in that country.

[3] Our analysis starts from 1972 and is based on consideration of the contrast between Taiwan and mainland China. Before 1972, bilateral trade between mainland China and the United States was negligible.

[4] In the 1970s, there were a small number of incidents of smuggling in the Taiwan

2. Economic relations between mainland China and the United States

Before 1972, no substantial trade existed between mainland China and the United States. However, since that year, when the late U.S. president Richard M. Nixon visited Beijing and opened mainland China's door, bilateral trade between the two countries increased irregularly, until 1978, when the Beijing government announced its intention to adopt the open-door policy and embarked on external trade activities. Accordingly, their bilateral trade suddenly increased. For instance, the total bilateral trade nearly tripled between 1973 and 1978. Imports from the United States increased 340 percent, while exports to the United States increased 580 percent, reflecting the improved diplomatic relations between the two countries.

During the period of time under discussion, except for 1977, when mainland China had a small trade surplus, mainland China suffered a trade deficit with the United States every year. Even though the growth rate of Chinese exports to the United States was very high, the United States was not concerned (see Table 1).

III. Sino-American Economic Relations After 1979

Before 1979, the Sino-American economic relationship was rather simple. Both Taiwan and mainland China enjoyed favorable trade treatment from the United States. However, in the period from 1979 to the early 1990s, the Sino-American relationship has become more complicated than ever before. Sino-American economic relations are no longer entirely peaceful, trade disputes have started to take place instead. More importantly, triangular economic relations have formed.

1. Economic relations between Taiwan and the United States

Straits. Most of the traded goods were food stuffs. Once they were caught by the government, the smugglers were severely punished and the commodities were burnt.

Since 1979, when the diplomatic relationship between the Republic of China and the United States was terminated, many people in Taiwan have become extremely worried about the economic relationship between the two countries. Actually, the interruption of diplomatic relations has had little to do with their economic relations. For instance, total trade between the two has still substantially increased, by 22.3 percent in 1978, and 26.6 percent in 1980. Exports to and imports from the United States both had a rapid growth rate. From 1983 to 1987, in every year except for 1985, Taiwan had a sharp increase in its exports to the United States. This, in turn, resulted in such a large trade surplus with the United States, accounting for more than 15 percent of Taiwan's GDP, that the U.S. government took some retaliatory trade measures against imports from Taiwan. Although the growth rate of exports to the United States has fallen since 1988 with the occurrence of a "bubble" economy cycle,[5] the trade surplus is still very large compared to Taiwan's total exports or Taiwan's GDP. In response to the U.S. trade measures, the government of Taiwan has opened its market as wide as possible to its trade partners (see Table 2).

The big trade surplus with the United States is the main reason that the United States has had trade disputes with Taiwan. For many years, the United States has suffered from two deficits: one is its fiscal deficit, and the other, the trade deficit. Both have steadily increased, and have been considered the main factors weakening the U.S. economy. Alan Tonelson, in his article, "U.S. policy is paralyzed on Asia," provides a very clear explanation. He points out that "the longer our [American] Asian deficits last, the longer U.S. economic growth and job creation will lag, the weaker the dollar will become." So he suggests that "Asians may doubt America's military credibility but they still urgently need American capital, technology and, above all, markets. Thus, tightly regulating Asian access to these assets is America's best bet for expanding its access to Asian markets and helping to shape Asia's future."[6] From this statement, it can

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[5] In 1987, Taiwan's foreign exchange reserves rose to US$76 billion and the ratio of gross savings to GDP was as high as 38.5 percent. Since no appropriate channels were available for its use, a so-called "financial fever" took place. The prices of stock rose sharply and the prices of real estate skyrocketed. From 1987 through early 1990, Taiwan was in the grip of a speculative frenzy. By October, 1990, this bubble economy had burst.

[6] Alan Tonelson is a fellow at the Economic Strategy Institute in Washington, DC. This article was first published in The *Los Angeles Times*, and then appeared in the *China*

be understood why the U.S. government has become so concerned about its trade deficit and is trying to force its trade partners to reduce their trade surplus with the United States as soon as possible.

In 1968, Taiwan first started to run a trade surplus with the United States. However, it accounted for just 4.9 percent of Taiwan's total exports and 33.9 percent of Taiwan's total trade surplus, while in 1986, it accounted for 34 percent of Taiwan's total exports and 86.6 percent of Taiwan's total trade surplus, indicating that the trade surplus with the United States had become extremely significant to Taiwan's balance of trade.

In order to reduce its trade deficit with Taiwan, the U.S. government, in October, 1986, made use of Section 301 of its trade law to ask Taiwan to reduce its tariffs on the import of cigarettes and wine, and to eliminate the constraints on the marketing of these products. In December, 1988, the U.S. government again employed Section 301 to ask Taiwan to abolish its import quota on turkey meat. In the same year, the U.S. congress passed the "Special 301" provisions of the Omnibus Trade and Competitiveness Act so as to develop an overall strategy to ensure adequate and effective protection of intellectual property rights both at home and abroad, and equitable market access for U.S. goods which rely on intellectual property rights protections, such as copyrights, patents and trademarks. Since then, Taiwan, due to its big trade surplus with the United States, has become a target for the United States to materialize these "Special 301" provisions. In May, 1986, Taiwan was placed on the "priority watch list" because U.S. videos were appearing in Taiwan's MTV houses without the permission of their producers. In May, 1992, because of widespread counterfeiting of computer software, Taiwan was again placed on the priority watch list and this time was also subject to the new "Special 301." In response to these requests, the government in Taiwan set up an examination system for its exports. In May, 1993, Taiwan was once again placed on the priority watch list under the Special 301 because of continuing violation of intellectual property rights. Correspondingly, the government in Taiwan had to agree to the prohibition of the unauthorized parallel import of copyrighted or patented products. In April, 1995, Taiwan was downgraded to the general watch list because of improved protection of intellectual property rights.

Post, Taipei, April 30, 1995.

2. Economic relations between mainland China and the United States

The year 1979 was very significant to the development of economic relations between mainland China and the United States. In that year, the U.S. government formally recognized the People's Republic of China, which was helpful for promoting the growth of bilateral trade. Also in that year, the Beijing government embarked on the open-door policy, which was an important first step on its way to a new era of outward development. Consequently, total trade between the two countries in 1979 increased by more than 147 percent. Imports from the United States increased by 158 percent, while exports to the United States increased by 120 percent. Mainland China started to enjoy favorable trade treatment from the U.S. in February, 1980, which was useful for raising mainland China's competitiveness in the U.S. market. From 1979 to 1994, total trade with the United States increased steadily and substantially. There was only one year, 1990, in which it dropped by 4 percent because of the June Fourth Incident (the Tiananmen Square massacre) of 1989. In 1990, imports from the United States declined by 16 percent while exports to the United States still increased by 18 percent, which was useful for narrowing China's trade deficit with the United States. The trade deficit with the United States started to fall in 1990, and then turned into a trade surplus from 1993. In that year, the trade surplus with the United States accounted for 22.7 percent of total trade between the two countries (refer to Table 1).

Just like Taiwan, mainland China started to have trade disputes with the United States in the 1980s. The United States partially reduced its quota on the import of textiles from mainland China in January 1983. In response to this action, mainland China immediately stopped signing contracts for the import of cotton and chemical fiber from the United States. In the last decade, the trade disputes between the two countries have included (1) quotas set by the U.S. government on the import of textiles from mainland China, (2) disputes regarding the protection of intellectual property rights, (3) anti-dumping measures on imports from mainland China, and (4) complaints about the lack of transparency of trade law and regulations in mainland China. To settle these trade disputes, the U.S. government has made use of the Special 301 provisions to force mainland China to make concessions.

In April 1991, the U.S. government announced that mainland China, India, and Thailand were to be placed on the priority watch list and

investigated for their implementation of the protection of intellectual property rights in chemical products and copyrights. After much negotiation, finally, the Beijing government had to end the trade dispute with a compromise. In February 1992, the Beijing government signed a memorandum of understanding regarding the protection of intellectual property rights under the Special 301 provisions. Although the two sides held many talks, the United States still was not satisfied with mainland China's implementation in this regard. So, in June 1994, mainland China was placed on the priority watch list under the Special 301 provisions. After a six-month investigation, the two countries failed to reach an agreement on the implementation of intellectual property rights protections in mainland China, and again, this resulted in trade sanctions against Chinese products by the United States. In February 1995, in view of the continued lax implementation of intellectual property rights regulations in mainland China, the U.S. government announced its intention to increase tariffs on the import of 35 products from mainland China by 100 percent. This announcement attracted great attention, not only from mainland China, but also from Hong Kong and Taiwan. Finally, the two countries reached an agreement and settled the dispute.[7]

Direct investment made by the United States in the mainland was negligible before 1979, even though the two countries started to have various exchange programs in 1972. The main reason for this delay was that during that period of time, mainland China was still a closed country and foreign direct investment was considered an invasion by capitalists. However, from 1979 on, mainland China opened its doors and many developed countries became interested in making investments in mainland China. They were very cautious at the beginning in the early 1980s, and then became more confident in the late 1980s. According to the *Almanac of China's Economy*,[8] the United States was third in accumulated investment in mainland China until 1993, with Taiwan being second and Hong Kong first. Since 1992, when Deng Xiaoping visited the Pearl River Delta and demonstrated his unambiguous approval of the rapid growth of

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[7] Hong Kong and Taiwan both have made major direct investments in mainland China and most of their products are exported to the U.S. market. So, any sanction by the United States against China would also be harmful to Hong Kong and Taiwan.

[8] 1994 edition (Beijing), *Almanac of China's Economy Agency*, Beijing, China.

South China, people in mainland China have been eager to accelerate their industrial development, and Korea, Japan, Germany, etc. have started to increase investment in the coastal areas of mainland China.

3. The economic relationship between Taiwan and mainland China

Prior to 1979, when the United States recognized the People's Republic of China, no economic relations were allowed between the two sides of the Taiwan Straits. However, since that time, the economic relationship between the two sides has changed completely. Although exchanges between the two sides were still illegal, smuggling activities in the Taiwan Straits were increasingly undertaken. Then, in 1987, the government in Taiwan began to allow its people to visit their relatives in the mainland. During this period of time, exports to mainland China from Taiwan were larger than imports from China, so Taiwan enjoyed a trade surplus with mainland China. In 1987, the bilateral trade between the two sides increased substantially. Exports to mainland China increased by 51.2 percent, while imports from mainland China increased by 100.5 percent. It should be noted that this bilateral trade proceeded through Hong Kong.[9] Some proportion of the trade probably also passed through other harbors, but no customs data was registered. During the last two years (1993-1994), Taiwan has made use of its trade surplus with mainland China to offset the trade deficit with Japan. Otherwise, Taiwan would have suffered an overall trade deficit.

Taiwan's trade with mainland China is closely related to Taiwan's investment there. Since 1987, many small Taiwanese firms have gone to mainland China and set up factories there. Because this behavior is not legal, they have to establish "paper companies" in Hong Kong, with new names in order to avoid interference from the government in Taiwan.

Initially, these companies usually brought old machinery and equipment with them from Taiwan, and more recently, they have been purchasing new machinery and equipment. Due to the fact that many parts domestically produced in mainland China do not meet the requirements for production, many parts and upper-stream products for these operations are imported from Taiwan. Recently, local markets in mainland China also are

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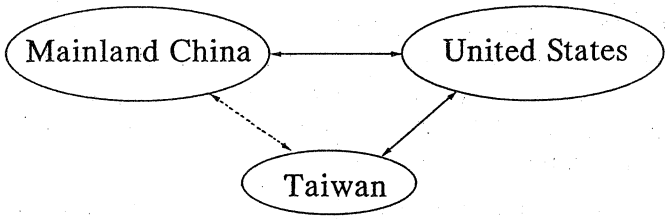
[9] Direct trade between the two sides of the Taiwan Straits was not allowed by the Taiwan government, so that more than 90 percent of the trade was made through Hong Kong.

demanding final products from Taiwan, so that imports from Taiwan have increased greatly in mainland China. As for Taiwan's imports from mainland China, they are still subject to many regulations.[10] This is why, every year since 1980, Taiwan has enjoyed a trade surplus with mainland China (refer to Table 1).

IV. Prospects for Triangular Relations Among Taiwan, Mainland China and the U.S.

So far, the economic relations between Taiwan and the United States, mainland China and the United States, and Taiwan and mainland China are closely interconnected with one another. These relations can be described as follows:



Solid line: direct relation

Dotted line: indirect relation

The economic relationship between Taiwan and mainland China is based on the economic complementarity of the two regions, that is, Taiwan provides capital, technology, management skill and marketing channels, while mainland China provides labor, land, and raw materials. This combination can create comparative advantage for a company and enhance products' competitiveness in the world market. In fact, almost all the products made by Taiwanese firms in mainland China are for export and

[10] Between 1987 and 1994, the government in Taiwan has modified its import regulations and increased the number of import items many times in response to the requests of businessmen.

a large proportion of them are going to the U.S. market. The United States has long been the biggest market for Taiwan's exports. Even in 1994, exports to the United States still accounted for 26 percent of Taiwan's total exports. By contrast, since 1990, Taiwan's trade surplus with the United States has started to decline, while mainland China's trade deficit with the United States started to narrow down at the same time, and since 1993, it has turned into a trade surplus. This may imply that some proportion of mainland China's trade surplus (or reduction in trade deficit) with the United States may be attributable to the reduction in Taiwan's trade surplus with the United States.

Both Taiwan and the United States have made direct investment in mainland China, and have been helpful to mainland China's economic growth. However, the final goal of their production is not only for foreign markets but also for mainland China's domestic market. Through its rapid growth, mainland China has become a big market, and it is natural that this attracts foreign investors to make more direct investment there.

Due to the close relationship between mainland China's foreign trade and Taiwan's investments in mainland China, Taiwan has become very sensitive to the U.S. sanctions against exports from mainland China to the United States. For instance, in the spring of 1995, when the Beijing government and the Washington government could not reach an agreement in their dispute on intellectual property rights, the U.S. government attempted to make use of the Special 301 provisions to punish mainland China. This action attracted great attention and concern in Taiwan. This reaction by Taiwanese businesses was due to the fact that if mainland China was punished by the Special 301 provisions, not only would Taiwan's investments in mainland China be unfavorably influenced, but Taiwan's own domestic industry would also be adversely affected.

At present, Taiwan and mainland China both have trade surpluses with the United States. Although the former's trade surplus with the U.S. has gradually declined, the U.S. government still makes use of the Special 301 provisions to make Taiwan further reduce its trade surplus. Mainland China just started to run a trade surplus with the United States. So, it can be expected that the U.S. government will not give up using its Special 301 provisions as a sanction tool, but will continue to pay increasing attention to its trade deficit with mainland China. The U.S. would like to see the trade surplus fall substantially and would like to force mainland China to open its markets, and remove all barriers. However, the final solution is

usually mutual concession, as no one wants to wage a trade war.

V. Concluding Remarks

In the next decade, Taiwan will maintain its moderate growth, while mainland China will continue its pattern of high growth. However, the U.S. market will still be very important to both of them. This is particularly the case for mainland China, because many products made in mainland China still enjoy a comparative advantage and are highly competitive in the U.S. market. It is inevitable that mainland China will continue to have increasingly large trade surpluses with the United States. On the other hand, it will be almost impossible for Taiwan to again enjoy large trade surpluses with the United States, as it did before 1989.

Because this interdependence which has gradually formed between Taiwan and mainland China, any U.S. trade policy measures toward mainland China taken by the U.S. government will have an impact not only on Taiwan's investment in mainland China but also on industrial growth in Taiwan itself. Since the U.S. has continued to make investments in mainland China and the United States also wants to penetrate mainland China's market, the United States will be willing to make some concessions to maintain good relations with mainland China. Particularly if using mainland China to counter Japanese power remains an important strategy of American foreign policy, maintaining smooth relations with mainland China is consistent with U.S. long-term interests.

Table 1. Commodity Trade of Mainland China with the United States

Unit: US$million

Year	Total Trade		Imports from the U.S.		Exports to the U.S.		Balance of Trade
	Value	Growth Rate %	Value	Growth Rate %	Value	Growth Rate %	
1972	13		3		10		7
1973	260		220		40		-180
1974	476	83.08	373	69.55	103	157.50	-270
1975	471	-1.05	342	-8.31	129	25.24	-213
1976	317	-32.70	161	-52.92	156	20.93	-5
1977	294	-7.26	114	-29.19	180	15.38	66
1978	992	237.41	721	532.46	271	50.56	-450
1979	2452	147.18	1857	157.56	595	119.56	-1262
1980	4813	96.29	3830	106.25	983	65.21	-2847
1981	5888	22.34	4382	14.41	1506	53.20	-2876
1982	5336	-9.38	3717	-15.18	1619	7.50	-2098
1983	4027	-24.53	2321	-37.56	1706	5.37	-615
1984	5963	48.08	3663	57.82	2300	34.82	-1363
1985	7025	17.81	4373	19.38	2652	15.30	-1721
1986	5994	-14.68	3527	-19.35	2467	-6.98	-1060
1987	7860	31.13	4830	36.94	3020	22.42	-1800
1988	10010	27.35	6630	37.27	3380	11.92	-3250
1989	12250	22.38	7860	18.55	4390	29.88	-3480
1990	11770	-3.92	6590	-16.16	5180	18.00	-1410
1991	14200	20.65	8010	21.55	6190	19.50	-1810
1992	17490	23.17	8900	11.11	8590	38.77	-310
1993	27650	58.09	10690	20.11	16960	97.44	6270
1994	35431	28.14	13970	30.68	21461	26.54	7491

Note: All figures are in nominal terms.

Sources: 1972-1980: (1) *Yearbook of China's Statistics*, Bureau of Statistics, P.R.C.

1981-1986: (2) *Yearbook of China's Foreign Trade.*

1987-1993: (3) Chow, Shi-Chien,"The Sino-American Economic Relations: Retrospects and Prospects" *International Trade*, No. 9, 1994.

1994: (4) *China's Customs Statistics* (monthly), No. 12, 1994.

Table 2. Commodity Trade of Taiwan with the United States

Unit: US$million

Year	Total Trade		Imports from the U.S.		Exports to the U.S.		Balance of Trade
	Value	Growth Rate %	Value	Growth Rate %	Value	Growth Rate %	
1972	1794.7		543.4		1251.3		707.9
1973	2629.6	46.52	952.5	75.29	1677.1	34.03	724.6
1974	3716.5	41.33	1679.9	76.37	2036.6	21.44	356.7
1975	3474.8	-6.50	1652.1	-1.65	1822.7	-10.50	170.6
1976	4836.2	39.18	1797.5	8.80	3038.7	66.71	1240.2
1977	5600.2	15.80	1963.9	9.26	3636.3	19.67	1672.4
1978	7386.5	31.90	2376.1	20.99	5010.4	37.79	2634.3
1979	9033.0	22.29	3380.8	42.28	5652.2	12.81	2271.4
1980	11433.8	26.58	4673.5	38.24	6760.3	19.60	2086.8
1981	12928.9	13.08	4765.8	1.97	8163.1	20.75	3397.3
1982	13322.2	3.04	4563.3	-4.25	8758.9	7.30	4195.6
1983	15980.1	19.95	4646.4	1.82	11333.7	29.40	6687.3
1984	19909.3	24.59	5041.6	8.51	14867.7	31.18	9826.1
1985	19479.7	-2.16	4746.3	-5.86	14733.4	-0.90	10027.1
1986	24446.5	25.50	5432.6	14.46	19013.9	29.05	13581.3
1987	31332.8	28.17	7648.0	40.78	23684.8	24.57	16036.8
1988	36473.9	16.41	13006.7	70.07	23467.2	-0.92	10460.4
1989	36039.0	-1.19	12002.8	-7.72	24036.2	2.42	12033.4
1990	34357.7	-4.67	12611.8	5.07	21745.9	-9.53	9134.1
1991	36434.6	6.04	14113.8	11.91	22320.8	2.64	8207.0
1992	39342.6	7.98	15771.0	11.74	23571.6	5.60	7800.6
1993	40359.9	2.59	16772.6	6.35	23587.3	0.07	6761.9
1994	42380.6	5.01	18042.7	7.57	24337.9	3.18	6295.2

Note: All figures are in nominal terms.

Sources: *Monthly Statistics of Exports and Imports, Taiwan Area, The Republic of China* , Ministry of Finance.

Table 3. Commodity Trade of Taiwan with Mainland China

Unit: US$million

Year	Total Trade		Imports from Mainland China		Exports to Mainland China		Balance of Trade
	Value	Growth Rate %	Value	Growth Rate %	Value	Growth Rate %	
1979	76		55		21		-34
1980	320		78		242		164
1981	466	45.63	76	-2.82	390	61.07	314
1982	297	-36.27	89	17.90	208	-46.65	119
1983	264	-11.11	96	6.77	168	-18.98	72
1984	552	109.09	127	33.04	425	152.38	298
1985	1103	99.82	116	-9.16	987	132.13	871
1986	955	-13.42	144	24.25	811	-17.91	667
1987	1515	58.64	289	100.47	1226	51.27	937
1988	2720	79.54	478	65.68	2242	82.81	1764
1989	3482	28.01	586	22.60	2896	29.18	2310
1990	4043	16.11	765	30.41	3278	13.18	2513
1991	5793	43.28	1126	47.10	4667	42.40	3541
1992	7407	27.86	1119	-0.60	6288	34.70	5169
1993	8689	17.31	1104	-1.40	7585	20.60	6481
1994	9809	12.89	1292	17.10	8517	12.30	7225

Notes: Value only includes the trade which passed through Hong Kong customs to and from mainland China. The proportion which passed through other harbors to and from mainland China is not included.

All figures are in nominal terms.

Sources: 1.*Re-exports by origin country, by destination country*, Statistics Department, Hong kong Government.

2.*Monthly Statistics of Exports and Imports, Taiwan Area, ROC*, Ministry of Finance.

3.*China Statistical Yearbo* ok. The Council for Economic Planning and Development various years.

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