

Region	Amount
Latin America	\$29.6 billion
Asia other than Japan	\$23.7 billion
Japan	\$22.3 billion
Canada	\$14.9 billion
Western Europe	\$10.2 billion
Africa	\$9.2 billion

The United States subsidized the East Bloc by \$1.1 billion, and the Mideast by \$5.3 billion.

The subsidies listed above are calculated by taking the reported imports of the United States from the relevant areas, adjusting them to the price that they would bring if produced in the United States, and deducting U.S. exports to each region.

The two largest areas of subsidy are Latin America, with a nearly \$30 billion subsidy to the United States economy last year, and the developing nations of Asia, with about \$24 billion. Considering that the currencies of Latin America collapsed to less than half of their worth (as measured by the price of equivalent baskets of agricultural and manufactured goods), this is not surprising, merely disgusting—the cost is measured in starvation and death.

Biggest swing in capital goods

The breakdown of the subsidy by industrial sector is as follows:

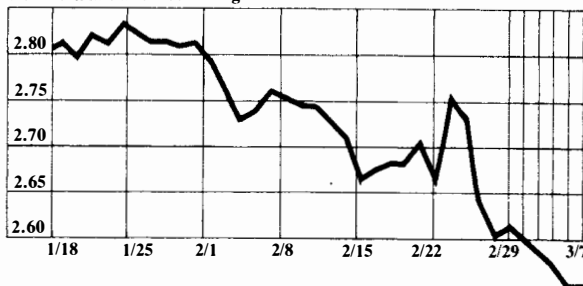
Semi-manufactures	\$27.6 billion
tires	\$1.3 billion
paper	\$2.5 billion
textiles	\$1.5 billion
cement etc.	\$0.2 billion
steel	\$6.6 billion
non-ferrous	\$7.6 billion
fabricated	\$2.0 billion
Machinery	\$2.5 billion
Transportation	\$18.9 billion
autos	\$19.7 billion
parts	\$4.4 billion
Miscellaneous manufactures	\$23.6 billion

The increase in the subsidy between 1982 and 1983 is most striking in the machinery sector. In 1982, the United States still showed an export surplus (including the terms-of-trade adjustment) of \$14.8 billion. As noted above, this turned into a deficit of \$2.5 billion by 1983, or a net swing into deficit of \$17.3 billion. That is roughly 9% of the total activity of the machinery sector!

Currency Rates

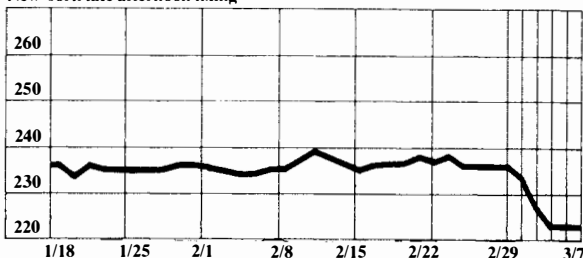
The dollar in deutschemarks

New York late afternoon fixing



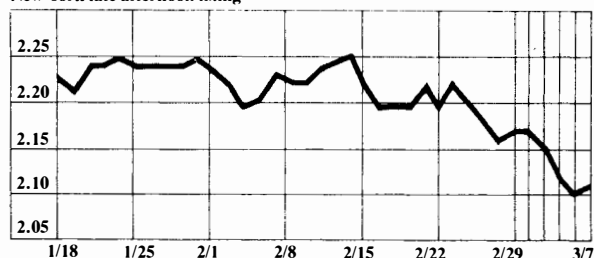
The dollar in yen

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing

