

Economy - overview

Austria, with its well-developed market economy, skilled labor force, and high standard of living, is closely tied to other EU economies, especially Germany's. Its economy features a large service sector, a sound industrial sector, and a small, but highly developed agricultural sector. Following several years of solid foreign demand for Austrian exports and record employment growth, the international financial crisis of 2008 and subsequent global economic downturn led to a sharp but brief recession. Austrian GDP contracted 3.8% in 2009 but saw positive growth of about 2% in 2010 and 2.7% in 2011. Growth fell below 1% in 2012. Unemployment did not rise as steeply in Austria as elsewhere in Europe, partly because the government subsidized reduced working hour schemes to allow companies to retain employees. Stabilization measures, stimulus spending, and an income tax reform pushed the budget deficit to 4.5% in 2010 and 2.6% in 2011, from only about 0.9% in 2008. The international financial crisis of 2008 caused difficulties for Austria's largest banks whose extensive operations in central, eastern, and southeastern Europe faced large losses. The government provided bank support - including in some instances, nationalization - to support aggregate demand and stabilize the banking system. Austria's fiscal position compares favorably with other euro-zone countries, but it faces considerable external risks, such as Austrian banks' continued high exposure to central and eastern Europe as well as political and economic uncertainties caused by the European sovereign debt crisis. In 2011 the government attempted to pass a constitutional amendment limiting public debt to 60% of GDP by 2020, but it was unable to obtain sufficient support in parliament and instead passed the measure as a simple law. In March 2012, the Austrian parliament approved an austerity budget that will bring public finances into balance by 2016. In 2012, the budget deficit rose to 2.9% of GDP.

GDP (purchasing power parity)

\$357.8 billion (2012 est.)

\$355.6 billion (2011 est.)

\$346.3 billion (2010 est.)

note: data are in 2012 US dollars

GDP (official exchange rate)

\$391.5 billion (2012 est.)

GDP - real growth rate

0.6% (2012 est.)

2.7% (2011 est.)

2.1% (2010 est.)

GDP - per capita (PPP)

\$42,500 (2012 est.)

\$42,200 (2011 est.)

\$41,300 (2010 est.)

note: data are in 2012 US dollars

GDP - composition by sector

agriculture: 1.5%

industry: 29.4%

services: 69.1% (2012 est.)

Population below poverty line

6% (2008)

Labor force

3.655 million (2012 est.)

Labor force - by occupation

agriculture: 5.5%

industry: 27.5%

services: 67% (2009 est.)

Unemployment rate

4.4% (2012 est.)

4.2% (2011 est.)

Unemployment, youth ages 15-24

total: 10%

male: 10.5%

female: 9.4% (2009)

Household income or consumption by percentage share

lowest 10%: 4%

highest 10%: 22% (2007)

Distribution of family income - Gini index

26 (2007)

31 (1995)

Investment (gross fixed)

22% of GDP (2012 est.)

Budget

revenues: \$187.3 billion

expenditures: \$198.6 billion (2012 est.)

Taxes and other revenues

47.8% of GDP (2012 est.)

Budget surplus (+) or deficit (-)

-2.9% of GDP (2012 est.)

Public debt

74.3% of GDP (2012 est.)

72.2% of GDP (2011 est.)

note: this is general government gross debt, defined in the Maastricht Treaty as consolidated general government gross debt at nominal value, outstanding at the end of the year; it covers the following categories of government liabilities (as defined in ESA95): currency and deposits (AF.2), securities other than shares excluding financial derivatives (AF.3, excluding AF.34), and loans (AF.4); the general government sector comprises the sub-sectors of central government, state government, local government and social security funds; as a percentage of GDP, the GDP used as a denominator is the gross domestic product in current year prices

Inflation rate (consumer prices)

2.3% (2012 est.)

3.5% (2011 est.)

Commercial bank prime lending rate

2.4% (31 December 2012 est.)

3.3% (31 December 2011 est.)

Stock of narrow money

\$194.8 billion (31 December 2012 est.)

\$176.5 billion (31 December 2011 est.)

note: see entry for the European Union for money supply for the entire euro area; the European Central Bank (ECB) controls monetary policy for the 17 members of the

Economic and Monetary Union (EMU); individual members of the EMU do not control the quantity of money circulating within their own borders

Stock of broad money

\$426.5 billion (31 December 2012 est.)

\$400.8 billion (31 December 2011 est.)

Stock of domestic credit

\$549 billion (31 December 2012 est.)

\$526.7 billion (31 December 2011 est.)

Market value of publicly traded shares

\$82.37 billion (31 December 2011)

\$118 billion (31 December 2010)

\$107.2 billion (31 December 2009)

Agriculture - products

grains, potatoes, wine, fruit; dairy products, cattle, pigs, poultry; lumber

Industries

construction, machinery, vehicles and parts, food, metals, chemicals, lumber and wood processing, paper and paperboard, communications equipment, tourism

Industrial production growth rate

7.5% (2011 est.)

Current Account Balance

\$8.17 billion (2012 est.)

\$7.75 billion (2011 est.)

Exports

\$164.1 billion (2012 est.)

\$173.6 billion (2011 est.)

Exports - commodities

machinery and equipment, motor vehicles and parts, paper and paperboard, metal goods, chemicals, iron and steel, textiles, foodstuffs

Exports - partners

Germany 32.3%, Italy 7.8%, Switzerland 4.4%, France 4.2% (2011)

Imports

\$173.9 billion (2012 est.)

\$183.3 billion (2011 est.)

Imports - commodities

machinery and equipment, motor vehicles, chemicals, metal goods, oil and oil products; foodstuffs

Imports - partners

Germany 42.8%, Italy 6.8%, Switzerland 5.5%, Netherlands 4% (2011)

Reserves of foreign exchange and gold

\$25.16 billion (31 December 2011 est.)

\$22.28 billion (2010 est.)

Debt - external

\$883.5 billion (30 June 2011)

\$755 billion (30 June 2010)

Stock of direct foreign investment - at home

\$290.2 billion (31 December 2012 est.)

\$271.3 billion (31 December 2011 est.)

Stock of direct foreign investment - abroad

\$313.9 billion (31 December 2012 est.)

\$300.7 billion (31 December 2011 est.)

Economy - overview

The German economy - the fifth largest economy in the world in PPP terms and Europe's largest - is a leading exporter of machinery, vehicles, chemicals, and household equipment and benefits from a highly skilled labor force. Like its Western European neighbors, Germany faces significant demographic challenges to sustained long-term growth. Low fertility rates and declining net immigration are increasing pressure on the country's social welfare system and necessitate structural reforms. Reforms launched by the government of Chancellor Gerhard SCHROEDER (1998-2005), deemed necessary to address chronically high unemployment and low average growth, contributed to strong growth in 2006 and 2007 and falling unemployment. These advances, as well as a government subsidized, reduced working hour scheme, help explain the relatively modest increase in unemployment during the 2008-09 recession - the deepest since World War II - and its decrease to 6.5% in 2012. GDP contracted 5.1% in 2009 but grew by 3.7% in 2010, and 3.0% in 2011, before dipping to 0.9% in 2012 - a reflection of the worsening euro-zone financial crisis and the financial burden it places on Germany as well as falling demand for German exports. Stimulus and stabilization efforts initiated in 2008 and 2009 and tax cuts introduced in Chancellor Angela MERKEL's second term increased Germany's budget deficit to 3.3% in 2010, but slower spending and higher tax revenues reduced the deficit to 1.7% in 2011, and the government estimates it had a balanced budget in 2012. A constitutional amendment approved in 2009 limits the federal government to structural deficits of no more than 0.35% of GDP per annum as of 2016. Following the March 2011 Fukushima nuclear disaster, Chancellor Angela Merkel announced in May 2011 that eight of the country's 17 nuclear reactors would be shut down immediately and the remaining plants would close by 2022. Germany hopes to replace nuclear power with renewable energy. Before the shutdown of the eight reactors, Germany relied on nuclear power for 23% of its electricity generating capacity and 46% of its base-load electricity production.

GDP (purchasing power parity)

\$3.194 trillion (2012 est.)

\$3.101 trillion (2011 est.)

\$2.991 trillion (2010 est.)

note: data are in 2012 US dollars

GDP (official exchange rate)

\$3.367 trillion (2012 est.)

GDP - real growth rate

0.9% (2012 est.)

3% (2011 est.)

3.7% (2010 est.)

GDP - per capita (PPP)

\$39,100 (2012 est.)

\$38,700 (2011 est.)

\$37,500 (2010 est.)

note: data are in 2012 US dollars

GDP - composition by sector

agriculture: 0.8%

industry: 28.1%

services: 71.1% (2012 est.)

Population below poverty line

15.5% (2010 est.)

Labor force

44.01 million (2012 est.)

Labor force - by occupation

agriculture: 1.6%

industry: 24.6%

services: 73.8% (2011)

Unemployment rate

6.5% (2012 est.)

7.1% (2011 est.)

Unemployment, youth ages 15-24

total: 11%

male: 12%

female: 9.8% (2009)

Household income or consumption by percentage share

lowest 10%: 3.6%

highest 10%: 24% (2000)

Distribution of family income - Gini index

27 (2006)
30 (1994)

Investment (gross fixed)

17.8% of GDP (2012 est.)

Budget

revenues: \$1.511 trillion
expenditures: \$1.511 trillion (2012 est.)

Taxes and other revenues

44.9% of GDP (2012 est.)

Budget surplus (+) or deficit (-)

0% of GDP (2012 est.)

Public debt

80.5% of GDP (2012 est.)

80.6% of GDP (2011 est.)

note: general government gross debt is defined in the Maastricht Treaty as consolidated general government gross debt at nominal value, outstanding at the end of the year in the following categories of government liabilities (as defined in ESA95): currency and deposits (AF.2), securities other than shares excluding financial derivatives (AF.3, excluding AF.34), and loans (AF.4); the general government sector comprises the sub-sectors of central government, state government, local government and social security funds; the series are presented as a percentage of GDP and in millions of euro; GDP used as a denominator is the gross domestic product at current market prices; data expressed in national currency are converted into euro using end-year exchange rates provided by the European Central Bank

Inflation rate (consumer prices)

2.2% (2012 est.)

2.5% (2011 est.)

Central bank discount rate

1.5% (31 December 2012)

1.75% (31 December 2010)

note: this is the European Central Bank's rate on the marginal lending facility, which offers overnight credit to banks in the euro area

Commercial bank prime lending rate

3.1% (31 December 2012 est.)

3.94% (31 December 2011 est.)

Stock of money

\$NA

note: see entry for the European Union for money supply in the euro area; the European Central Bank (ECB) controls monetary policy for the 16 members of the Economic and Monetary Union (EMU); individual members of the EMU do not control the quantity of money and quasi money circulating within their own borders

Stock of narrow money

\$1.853 trillion (31 December 2012 est.)

\$1.777 trillion (31 December 2011 est.)

note: see entry for the European Union for money supply in the euro area; the European Central Bank (ECB) controls monetary policy for the 17 members of the Economic and Monetary Union (EMU); individual members of the EMU do not control the quantity of money circulating within their own borders

Stock of broad money

\$4.281 trillion (31 December 2012 est.)

\$4.197 trillion (31 December 2011 est.)

Stock of quasi money

\$NA

Stock of domestic credit

\$4.253 trillion (31 December 2012 est.)

\$4.188 trillion (31 December 2011 est.)

Market value of publicly traded shares

\$1.184 trillion (31 December 2011)

\$1.43 trillion (31 December 2010)

\$1.298 trillion (31 December 2009)

Agriculture - products

potatoes, wheat, barley, sugar beets, fruit, cabbages; cattle, pigs, poultry

Industries

among the world's largest and most technologically advanced producers of iron, steel, coal, cement, chemicals, machinery, vehicles, machine tools, electronics, food and beverages, shipbuilding, textiles

Industrial production growth rate

8% (2011 est.)

Current Account Balance

\$208.1 billion (2012 est.)

\$204.3 billion (2011 est.)

Exports

\$1.492 trillion (2012 est.)

\$1.547 trillion (2011 est.)

Exports - commodities

motor vehicles, machinery, chemicals, computer and electronic products, electrical equipment, pharmaceuticals, metals, transport equipment, foodstuffs, textiles, rubber and plastic products

Imports

\$1.276 trillion (2012 est.)

\$1.333 trillion (2011 est.)

Imports - commodities

machinery, data processing equipment, vehicles, chemicals, oil and gas, metals, electric equipment, pharmaceuticals, foodstuffs, agricultural products

Reserves of foreign exchange and gold

\$238.9 billion (31 December 2011 est.)

\$216.5 billion (2010 est.)

Debt - external

\$5.624 trillion (30 June 2011)

\$4.713 trillion (30 June 2010)

Stock of direct foreign investment - at home

\$932.8 billion (31 December 2012 est.)

\$899.4 billion (31 December 2011 est.)

Stock of direct foreign investment - abroad

\$1.464 trillion (31 December 2012 est.)

\$1.405 trillion (31 December 2011 est.)

Economy - overview

Switzerland is a peaceful, prosperous, and modern market economy with low unemployment, a highly skilled labor force, and a per capita GDP among the highest in the world. Switzerland's economy benefits from a highly developed service sector, led by financial services, and a manufacturing industry that specializes in high-technology, knowledge-based production. Its economic and political stability, transparent legal system, exceptional infrastructure, efficient capital markets, and low corporate tax rates also make Switzerland one of the world's most competitive economies. The Swiss have brought their economic practices largely into conformity with the EU's, to enhance their international competitiveness, but some trade protectionism remains, particularly for its small agricultural sector. The fate of the Swiss economy is tightly linked to that of its neighbors in the euro zone, which purchases half of all Swiss exports. The global financial crisis of 2008 and resulting economic downturn in 2009 stalled export demand and put Switzerland in a recession. The Swiss National Bank (SNB) during this period effectively implemented a zero-interest rate policy to boost the economy as well as prevent appreciation of the franc, and Switzerland's economy recovered in 2010 with 3.0% growth. The sovereign debt crises currently unfolding in neighboring euro-zone countries pose a significant risk to Switzerland's financial stability and are driving up demand for the Swiss franc by investors seeking a safehaven currency. The independent SNB has upheld its zero-interest rate policy and conducted major market interventions to prevent further appreciation of the Swiss franc, but parliamentarians have urged it to do more to weaken the currency. The franc's strength has made Swiss exports less competitive and weakened the country's growth outlook; GDP growth fell to 1.9% in 2011 and 0.8% in 2012. Switzerland has also come under increasing pressure from individual neighboring countries, the EU, the US, and international institutions to reform its banking secrecy laws. Consequently, the government agreed to conform to OECD regulations on administrative assistance in tax matters, including tax evasion. The government has renegotiated its double taxation agreements with numerous countries, including the US, to incorporate the OECD standard, and is considering the possibility of imposing taxes on bank deposits held by foreigners. These steps will have a lasting impact on Switzerland's long history of bank secrecy.

GDP (purchasing power parity)

\$362.4 billion (2012 est.)

\$359.3 billion (2011 est.)

\$352.5 billion (2010 est.)

note: data are in 2012 US dollars

GDP (official exchange rate)

\$622.9 billion (2012 est.)

GDP - real growth rate

0.8% (2012 est.)

1.9% (2011 est.)

3% (2010 est.)

GDP - per capita (PPP)

\$45,300 (2012 est.)

\$45,200 (2011 est.)

\$44,800 (2010 est.)

note: data are in 2012 US dollars

GDP - composition by sector

agriculture: 1.3%

industry: 27.7%

services: 71% (2012 est.)

Population below poverty line

6.9% (2010)

Labor force

4.91 million (2012 est.)

Labor force - by occupation

agriculture: 3.4%

industry: 23.4%

services: 73.2% (2010)

Unemployment rate

3% (2012 est.)

2.8% (2011 est.)

Unemployment, youth ages 15-24

total: 8.2%

male: 7.7%

female: 8.7% (2009)

Household income or consumption by percentage share

lowest 10%: 7.5%
highest 10%: 19% (2007)

Distribution of family income - Gini index

33.7 (2008)
33.1 (1992)

Investment (gross fixed)

20.6% of GDP (2012 est.)

Budget

revenues: \$212.7 billion
expenditures: \$211.1 billion
note: includes federal, cantonal, and municipal accounts (2012 est.)

Taxes and other revenues

34.2% of GDP (2012 est.)

Budget surplus (+) or deficit (-)

0.3% of GDP (2012 est.)

Public debt

52.4% of GDP (2011 est.)
54.5% of GDP (2010)
note: general government gross debt; gross debt consists of all liabilities that require payment or payments of interest and/or principal by the debtor to the creditor at a date or dates in the future; includes debt liabilities in the form of SDRs, currency and deposits, debt securities, loans, insurance, pensions and standardized guarantee schemes, and other accounts payable; all liabilities in the GFSM 2001 system are debt, except for equity and investment fund shares and financial derivatives and employee stock options

Inflation rate (consumer prices)

-0.9% (2012 est.)
0.2% (2011 est.)

Central bank discount rate

0.5% (31 December 2010 est.)
0.75% (31 December 2009 est.)

Commercial bank prime lending rate

2.7% (31 December 2012 est.)
2.72% (31 December 2011 est.)

Stock of narrow money

\$484.4 billion (31 December 2012 est.)
\$464.7 billion (31 December 2011 est.)

Stock of money

\$275.5 billion (31 December 2008 est.)
\$213.9 billion (31 December 2007 est.)

Stock of quasi money

\$454.2 billion (31 December 2008 est.)
\$450.7 billion (31 December 2007)

Stock of broad money

\$1.166 trillion (31 December 2012 est.)
\$1.05 trillion (31 December 2011 est.)

Stock of domestic credit

\$1.286 trillion (31 December 2012 est.)
\$1.159 trillion (31 December 2011 est.)

Market value of publicly traded shares

\$932.2 billion (31 December 2011)
\$1.229 trillion (31 December 2010)
\$1.071 trillion (31 December 2009)

Agriculture - products

grains, fruits, vegetables; meat, eggs

Industries

machinery, chemicals, watches, textiles, precision instruments, tourism, banking, and insurance

Industrial production growth rate

0.8% (2011 est.)

Current Account Balance

\$66.1 billion (2012 est.)
\$74.06 billion (2011 est.)

Exports

\$298.3 billion (2012 est.)
\$322 billion (2011 est.)

Exports - commodities

machinery, chemicals, metals, watches, agricultural products

Exports - partners

Germany 20.2%, US 10.3%, Italy 7.8%, France 7.1%, UK 4.8%, China 4.3% (2011)

Imports

\$289.4 billion (2012 est.)
\$317.5 billion (2011 est.)

Imports - commodities

machinery, chemicals, vehicles, metals; agricultural products, textiles

Imports - partners

Germany 32.3%, Italy 10.4%, France 8.6%, US 5%, Netherlands 4.4%, Austria 4.3% (2011)

Reserves of foreign exchange and gold

\$331.9 billion (31 December 2011 est.)
\$270.3 billion (2010 est.)

Debt - external

\$1.346 trillion (30 June 2011)

\$1.2 trillion (30 September 2010)

Stock of direct foreign investment - at home

\$634.3 billion (31 December 2012 est.)

\$621.9 billion (31 December 2011 est.)

Stock of direct foreign investment - abroad

\$1.063 trillion (31 December 2012 est.)

\$994.1 billion (31 December 2011 est.)