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Wiener Institut für Internationale Wirtschaftsvergleiche

The Vienna Institute for International Economic Studies

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Export Conference 2025

Brdo, 17 September 2025

Challenges and Opportunities for Slovenia and the CESEE Region

in the Shadow of Trump 2.0, Trade Wars, the Stagnation of German Industry, and its Possible Recovery

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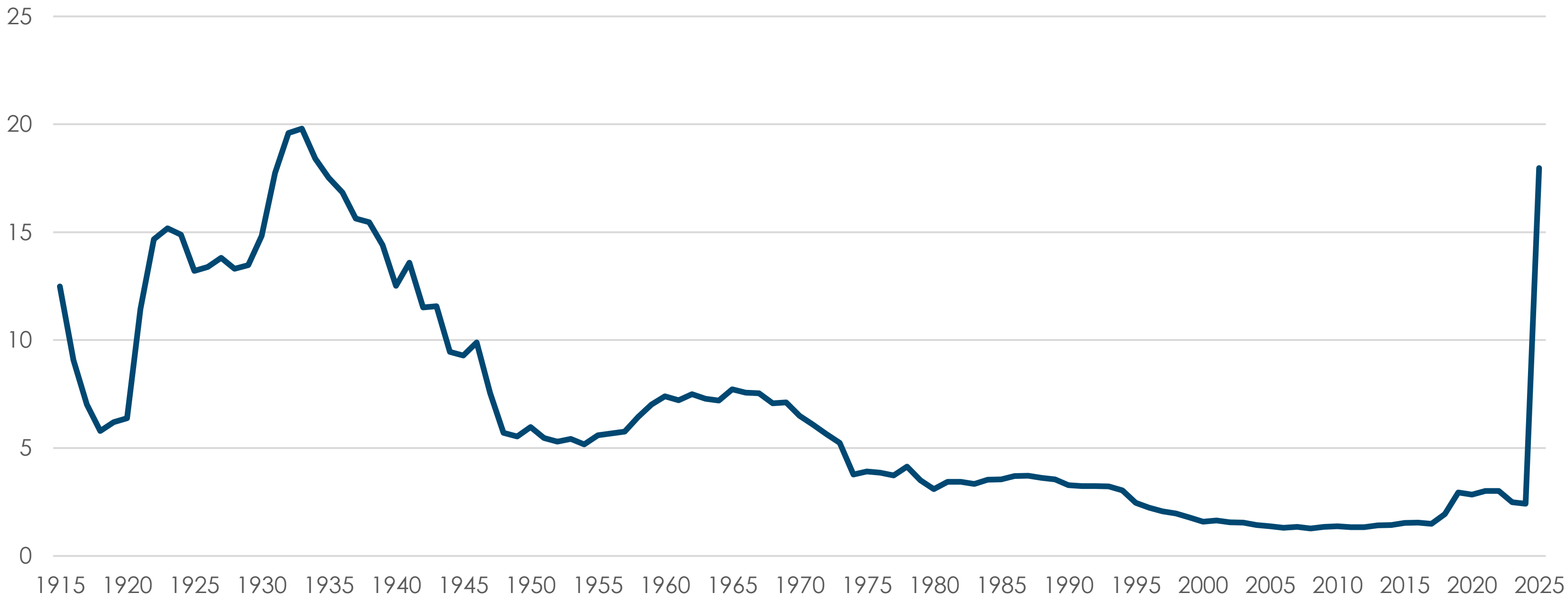
Reciprocal Tariffs
Tariffs Charged to the U.S.A.
U.S.A. Discounted Reciprocal Tariffs
Country
China 67% 34%
European Union 39% 20%
Vietnam 90% 46%
Taiwan 64% 32%
Japan 46% 24%
India 52% 26%
South Korea 50% 25%
Thailand 72% 36%
Switzerland 61% 31%
Indonesia 64% 32%
Malaysia 47% 24%
Cambodia 97% 49%
10% 10%
60% 30%
10% 10%
74% 37%
10% 10%
33% 17%
34% 17%
10% 10%
10% 10%
58% 29%
10% 10%
88% 44%
10% 10%
SEAL OF THE PRESIDENT OF THE UNITED STATES


PRESIDENT DONALD J. TRUMP
The WHITE HOUSE
45 47
PRESIDENTIAL ACTIONS
Regulating Imports with a Reciprocal Tariff to Rectify Trade Practices that Contribute to Large and Persistent Annual United States Goods Trade Deficits
Executive Orders
April 2, 2025

Trump ends US support for free trade, recalls 1920s–30s trade war

US average, effective tariff rate, 1915-2025, in %

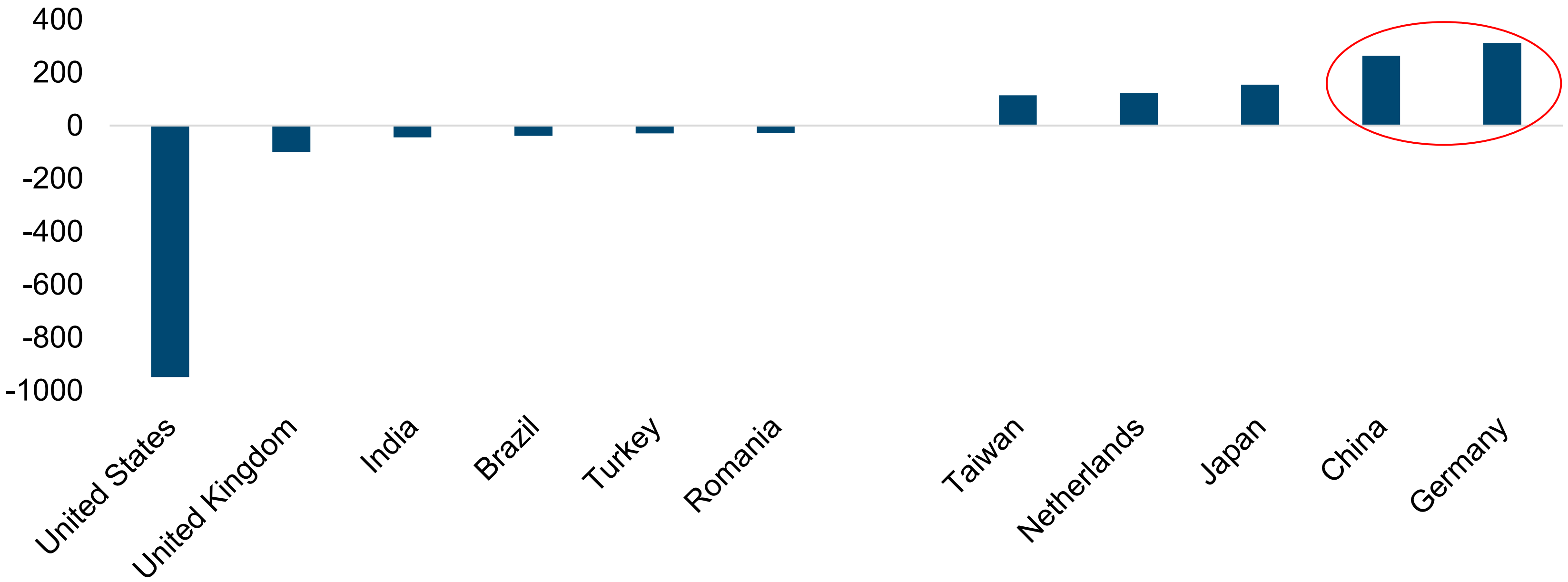


Source: The Budget Lab at Yale, 15 April 2025.

The world economy is, in fact, marked by major imbalances

Current account balance 2024, USD bn

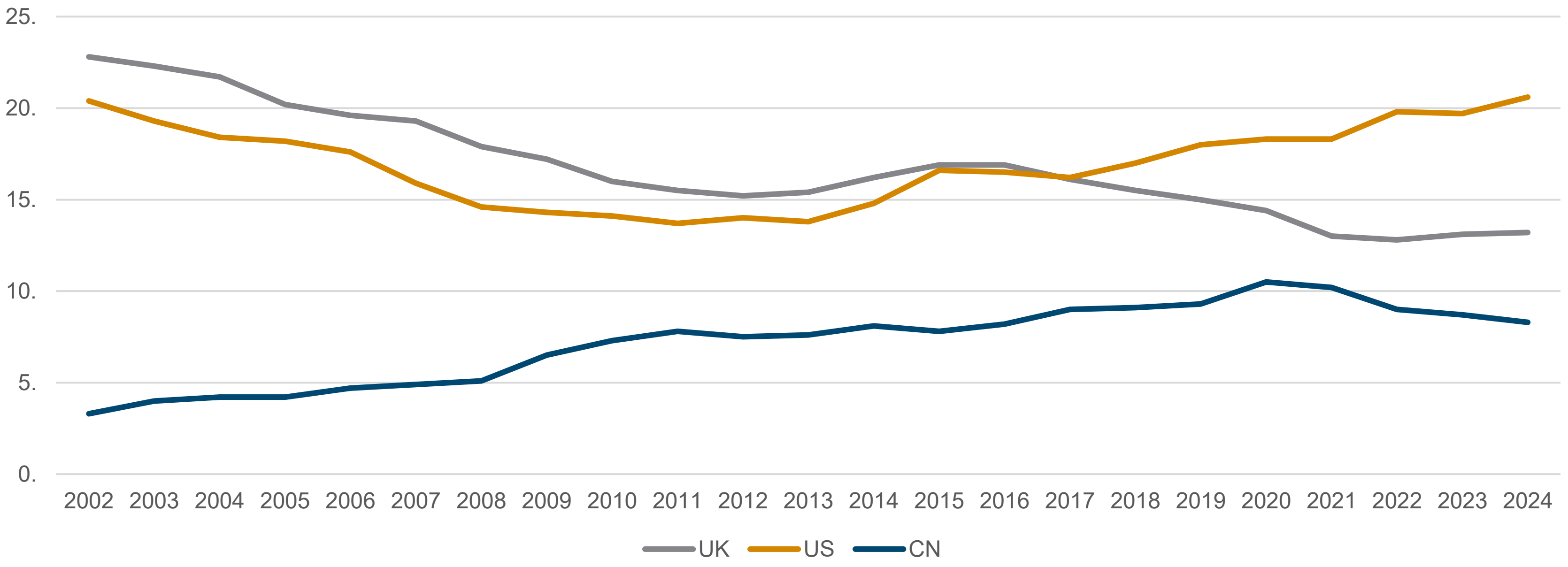
Combined surplus of China + Germany = 60% of US deficit



Note: Chart shows the 6 largest deficits and the 5 largest surpluses.
Source: IMF World Economic Outlook Database October 2024.

The dependence of the EU on the US as an export market (as well as a source of energy and security) is particularly high

EU exports, in % of total



Source: Eurostat.

The New York Times

Global Economy | I.M.F. Raises U.S. Forecast | Japan's Stagnation Ends | China's 2024 G.D.P. | Reviving Germany's Economy

One Response to Trump's Tariffs: Trade That Excludes the U.S.

A growing number of countries, including American allies, are striking trade deals as the Trump administration erects a higher fence around its global commerce.

European Commission

EN

Trade and Economic Security

Home | EU trade relationships by country/region | Development and sustainability | Enforcement and protection | Help for exporters and importers | Analysis and assessment | Trade topics

Home > EU trade relationships by country/region > Negotiations and agreements

Negotiations and agreements

Trade topics Negotiations and agreements

In focus

EU-Chile agreement
EU-Chile Advanced Framework Agreement
Being adopted or ratified

EU-India agreements
EU-India Free Trade Agreement, Investment Protection Agreement and Geographical Indications Agreement
Being negotiated

EU-Indonesia agreement
EU-Indonesia Free Trade Agreement
Being negotiated

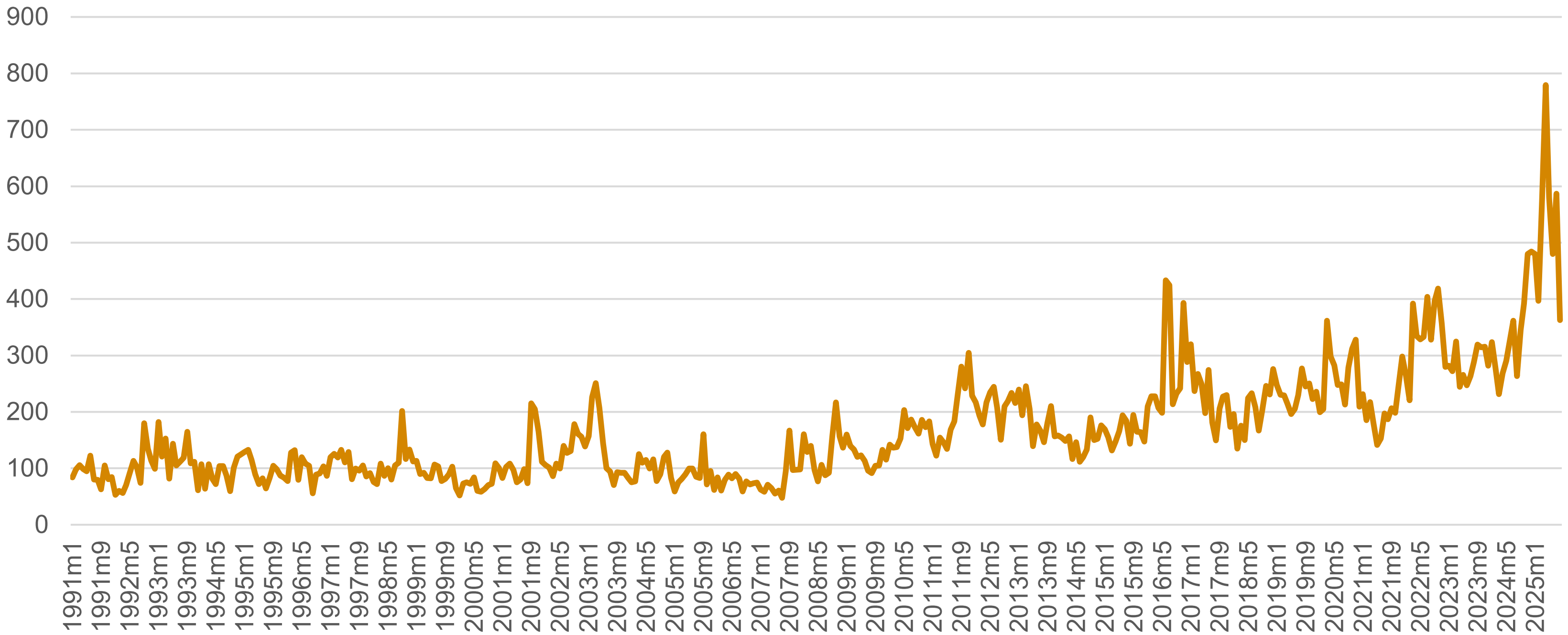
EU-Malaysia agreement
EU-Malaysia Free Trade Agreement
Being negotiated

EU-Mercosur agreement
EU-Mercosur agreement
Being adopted or ratified

EU-Mexico agreement
EU's modernised Global Agreement with Mexico
Being adopted or ratified

European growth undermined by global insecurity

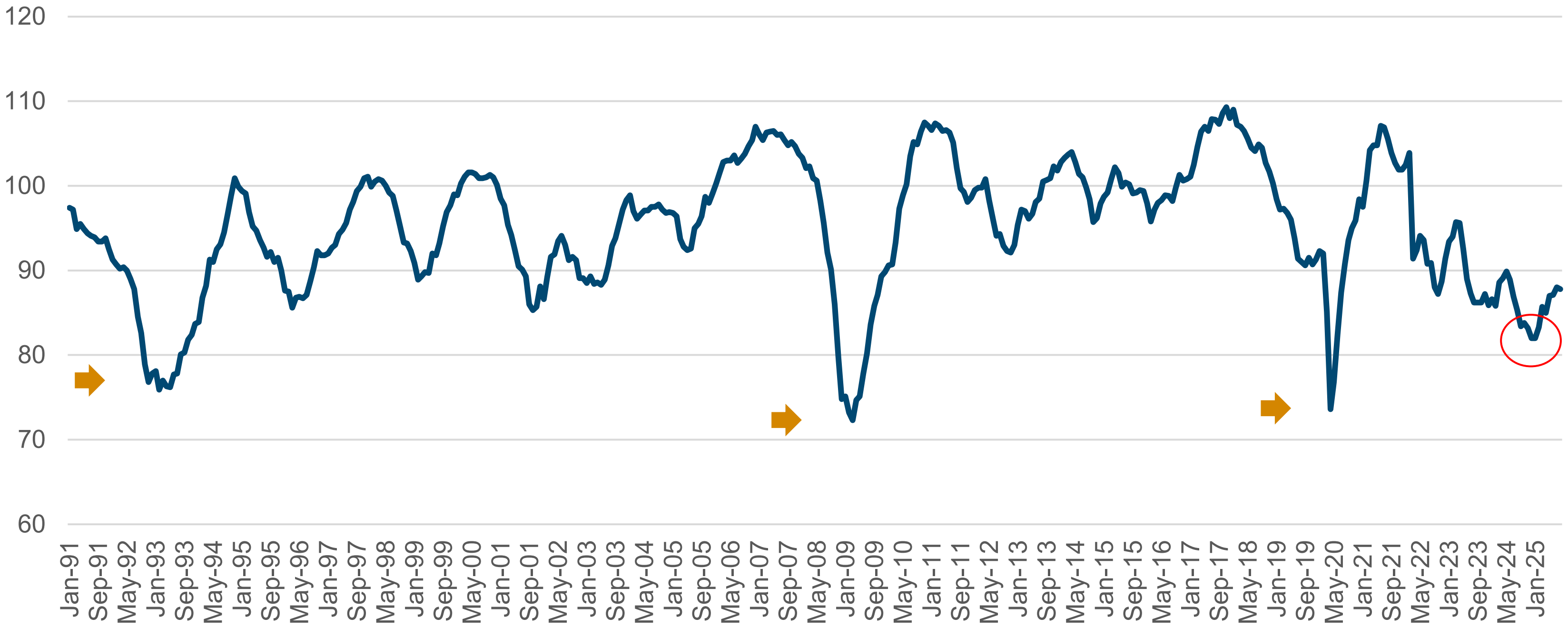
European Economic Policy Uncertainty; Index pre-2011 = 100



Quelle: Economic Policy Uncertainty Index.

German (export) industry struggles, but the worst seems behind it

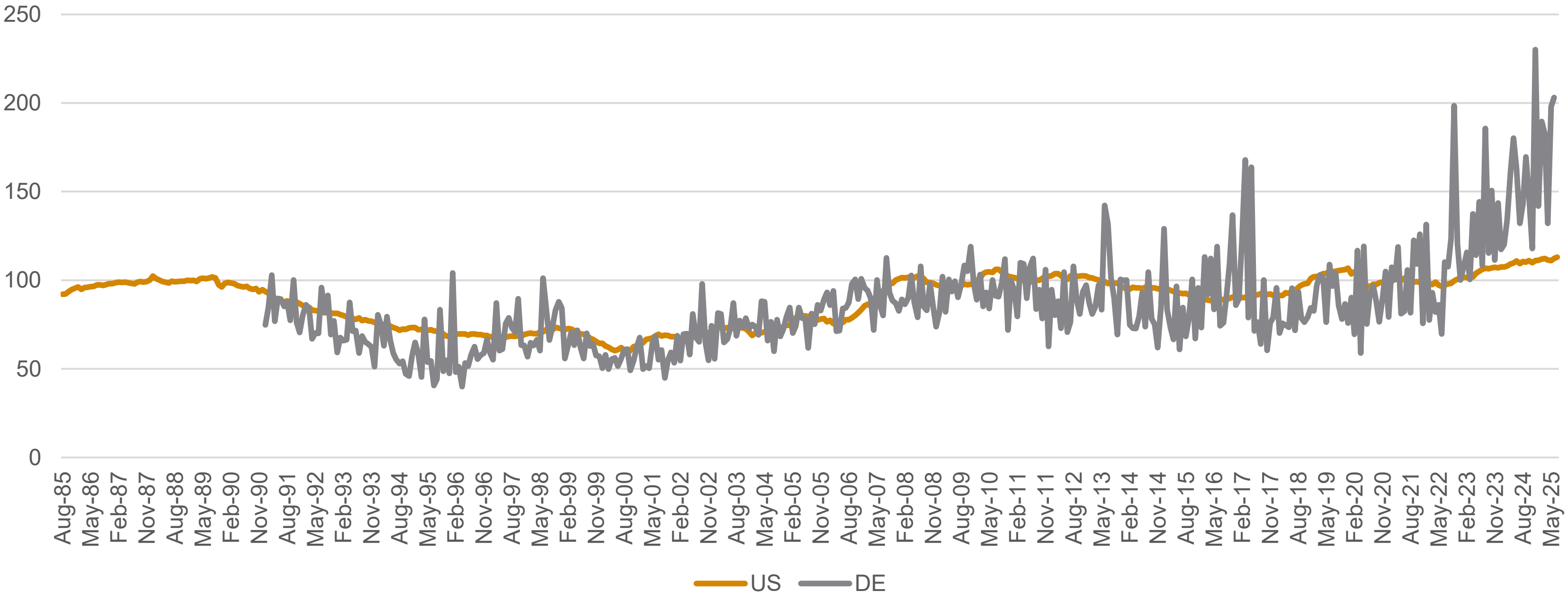
Ifo-business climate in manufacturing industry; Index 2015 = 100



Source: Ifo Institut, Haver Analytics.

Rearmament is in full swing, surpassing cold war levels

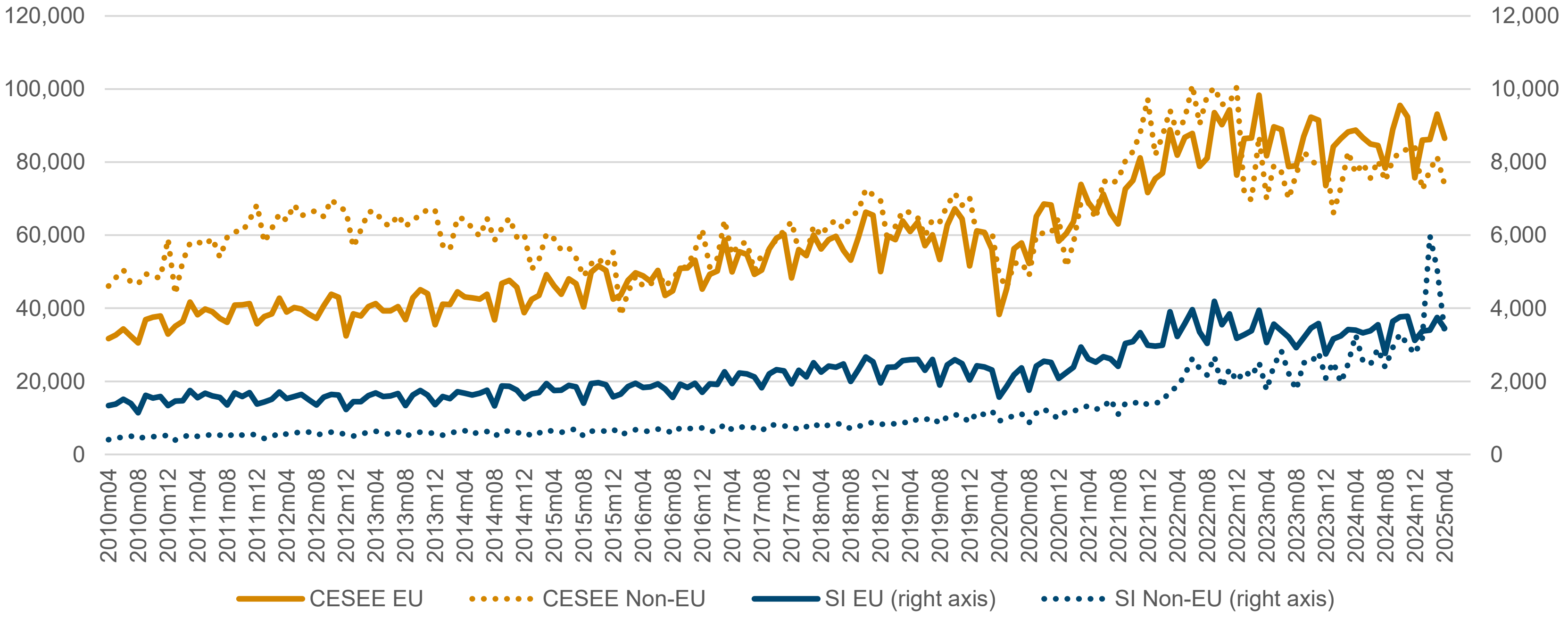
Industrial production, US defense and space, DE weapons and ammunition; Index 2021 = 100



Source: Federal Reserve Board, Statistisches Bundesamt, Haver Analytics.

Trade flows change during crises, sometimes in unexpected ways

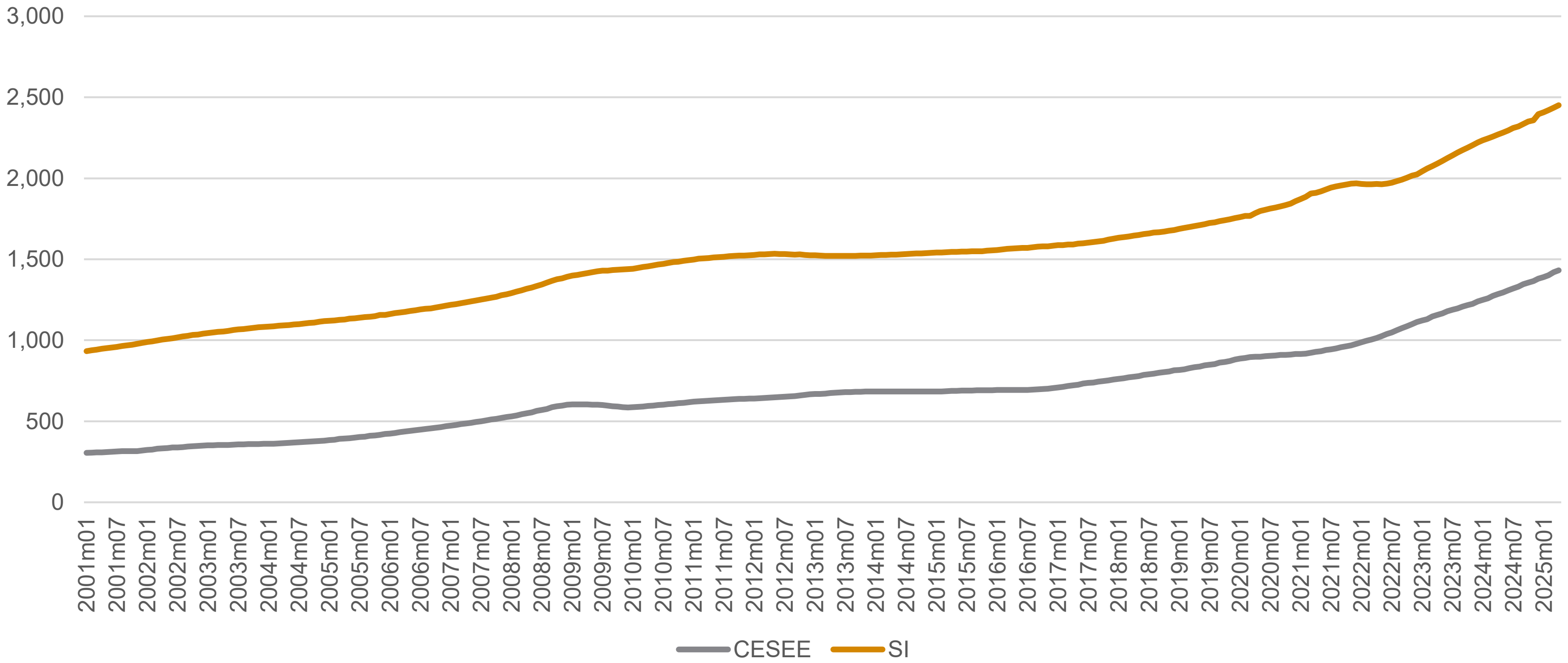
CESEE and SI goods exports, to the EU and non-EU countries; EUR mn



Source: wiiw Monthly Database.

In ageing CESEE, domestic demand steps in – a positive sign

CESEE and SI average monthly gross wages, 12-months-moving average, EUR



Source: wiiw Monthly Database.

SHARE OF
GLOBAL GDP
For the world's 6 largest economies
30%
20%
10%
0%
2024E
17.8%
U.S. 26.3%
EU 17.3%
China 16.9%
Japan 3.8%
India 3.6%
UK 3.2%
1980
1990
2000
2010
2020
Based on GDP in current prices. Figures for 2024 are estimates.
Source: IMF World Economic Outlook (April 2024)
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Where Data Tells the Story
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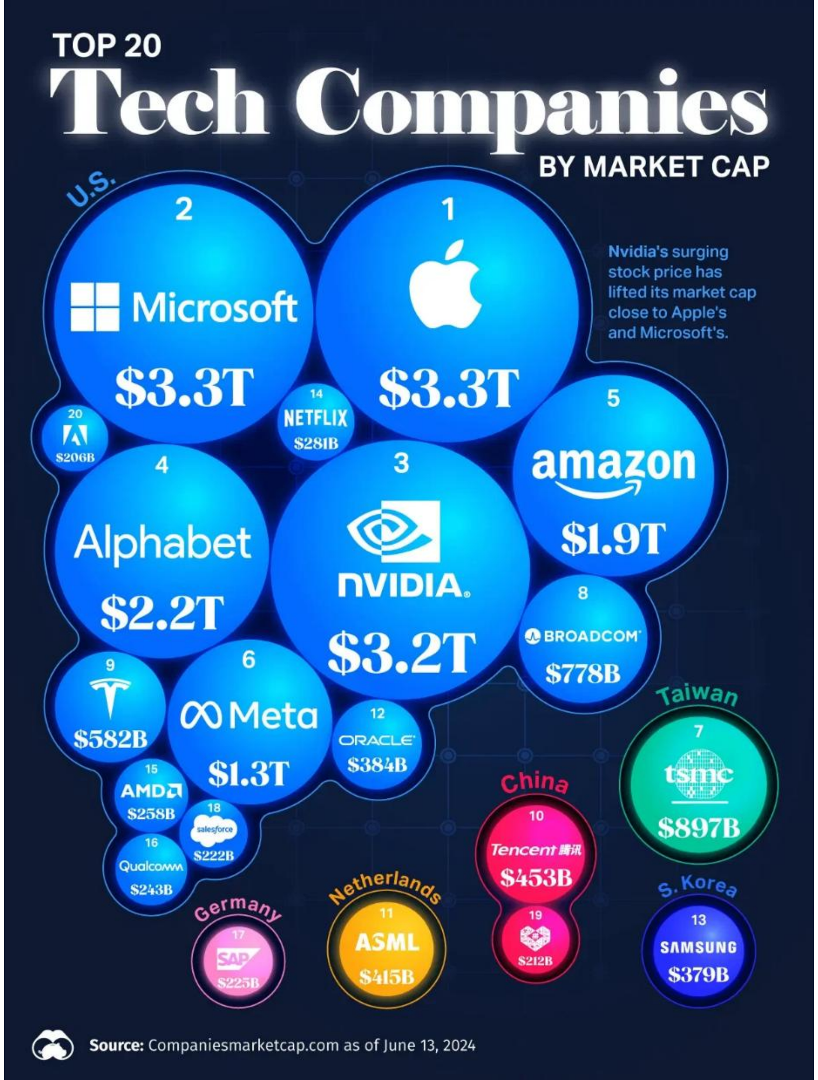
TOP 20
Tech Companies
BY MARKET CAP
U.S.
2
Microsoft
$3.3T
1
$3.3T
Nvidia's surging stock price has lifted its market cap close to Apple's and Microsoft's.
20
$206B
14
NETFLIX
$281B
5
amazon
$1.9T
4
Alphabet
$2.2T
3
NVIDIA.
$3.2T
8
BROADCOM
$778B
9
$582B
6
Meta
$1.3T
12
ORACLE
$384B
Taiwan
7
tsmc
$897B
15
AMD
$258B
18
salesforce
$222B
16
Qualcomm
$243B
China
10
Tencent 腾讯
$453B
19
$212B
S. Korea
13
SAMSUNG
$379B
Germany
17
SAP
$225B
Netherlands
11
ASML
$415B
Source: Companiesmarketcap.com as of June 13, 2024


The future
of European
European Commission
Commission européenne

Growth is held back by mercantilism, internal market barriers, and tight fiscal policies – more EU-value-added investment is needed!

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Thank you for your attention

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