THE ANALYSIS OF THE US INCOME DIFFERENTIAL DEVELOPMENT IN A CONTEXT OF ITS HEGEMONIC POSITION[1]

Ing. Martina Jiránková, Ph.D.

ABSTRAKT

Článek se zabývá analýzou výnosového diferenciálu Spojených států amerických v kontextu jejich hegemonického postavení. Ve druhé polovině dvacátého a na počátku století jednadvacátého hrají USA ve světě roli dominantní země. Toto postavení jim skýtá řadu výhod, avšak nese s sebou i náklady. Jedním z přínosů je trvale kladný výnosový diferenciál, kdy Spojené státy mají vyšší výnos ze svých aktiv v zahraničí než poskytují světu za zahraniční aktiva v USA. Toto „nadměrné privilegium“ je dáno řadou faktorů. Americký výnosový diferenciál měl v čase odlišnou strukturu a přes trvale kladný vývoj se v něm i objevují propady.

Kľúčové slová: výnosový diferenciál, mezinárodní investiční pozice, USA, hegemonie

ABSTRACT

The article deals with the income differential analysis of the United States in a context of its hegemonic position. In the second half of the 20th century and at the beginning of the 21st century the USA plays a dominant role in the world. This position brings a lot of advantages for it but also some costs. One of the advantages is the constantly positive income differential as the USA has higher gains from its assets abroad than foreigners from their assets in the United States. This "exorbitant privilege" is given by lots of factors. The US income differential had different structures in time, and although it is generally stable there were also some decreases.

Key words: income differential, international investment position, the USA, hegemon

JEL: F20, F36, F50

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INTRODUCTION

The United States of America was the world hegemon in the second half of the 20th century and has kept this position also at the beginning of the 21st century. However, this position has been discussed more and more in connection with its growing indebtedness, achievements of emerging economies, high and permanent US current account deficits or with US rating decrease announced by Standard & Poors agency in 2011, etc.

A world hegemon is an economically, politically and military strong country. Its characteristics in the economic field are e.g. high GDP per capita, relatively major significance in international trade (import, export), key role in international economic organisations, use of national currency as the key world currency, etc. A dominant position of a country is connected with a lot of benefits, the most important one being the inflow of capital and goods from the rest of the world. This is fully confirmed in case of the US, in the form of both capital and

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goods inflows into the country. The USA has constantly been running current account deficits reaching 4 – 6 % GDP[2] in the first decade of the 21st century. On the other hand performance of a dominant state is connected with the provision of public goods – i.e. the goods all countries benefit from and no country can be excluded from their consumption. These public goods should bring stability and order to the world, whether it is setting rules for the international trade system or stability of the international financial system.

The goal of the present article is to analyse the development of US income differential in a context of its hegemonic position.

The main literature used included B. Eichengreen (2011): Exorbitant Privilege, M. M. Habib (2007): The Exorbitant Privilege from a Global Perspective, C. Norrlof (2010): America's Global Advantage and statistical data of BEA, 2012.

1 The US income differential development in 1960 – 2011

Figure 1 presents the US income balance and current account development in 1960 – 2011. It is obvious that this income balance was constantly positive and it partially helped to balance the current account, which was mostly negative from the year 1970 with a record slump of about 6 % GDP in 2006. The deficit of the US current account is natural to some extent. This results from the monetary balance of payments approach proposing that the most important flows of capital are those which try to find the most efficient allocation in the international capital market and goods and service flows are only the adjusting ones.[3] The USA performs the dominant role having the key world currency, and so they supply the world with highly demanded securities denominated in US dollars (Triffin's dilema). The contemporary system based on the key dollar role leads to surpluses on the financial account and deficits on the current account. It can be assumed that this high demand for US dollar does not allow – in case of current account deficits – adequate currency depreciation which would automatically balance the current account.

Figure 2 presents the US income balance development and its individual components in years 1960 – 2011. It is obvious that this balance was constantly positive. For the whole period the US received more from domestic production factor services (labour and capital) abroad than it paid for services of foreign production factors in the US economy.

In 1965, the French minister of finance Valéry Giscard d'Estaing called the situation of the positive income differential "the exorbitant privilege", when the USA receives more for its foreign assets (it has higher profit) than it pays for its liabilities to foreigners. It is also apparent from the next development that this situation has been continuing further although the USA has constantly had a negative net international investment position since 1986 (see Figure 1).[4]

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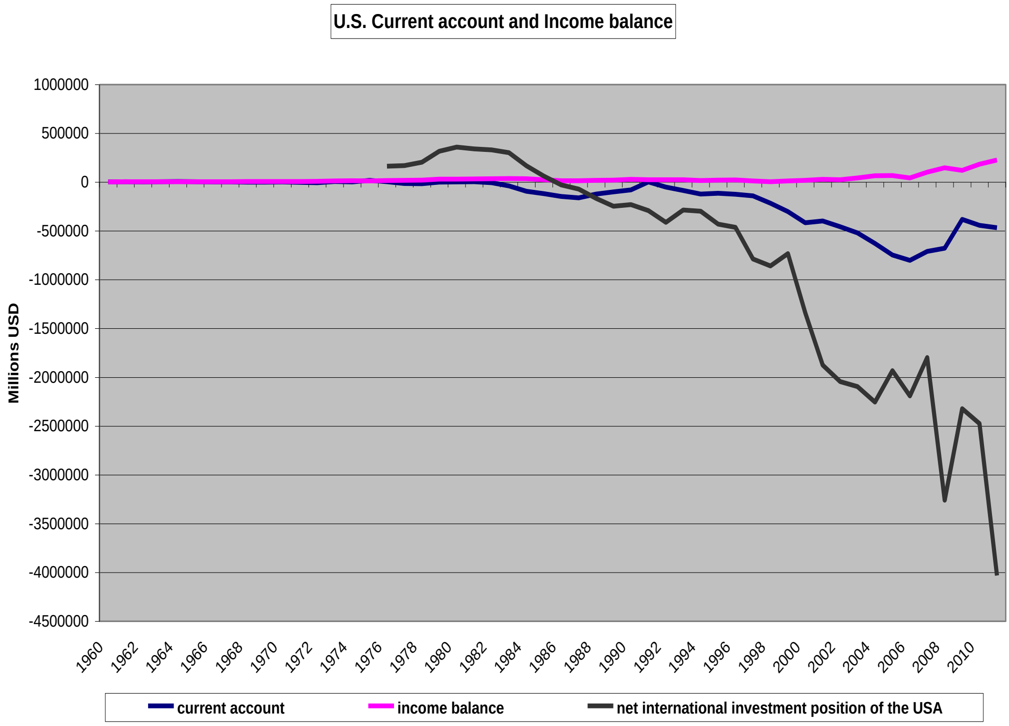
[2] BEA (2012): US International Economic Accounts.

[3] Similarly e.g. Hnát (2010): Global Imbalances and Their Impact on Global Economic Governance (Case of IMF), Coughlin, Pakko, Poole (2006): How Dangerous Is the US Current Account Deficit?

[4] BEA (2012): US International Economic Accounts.

Figure 1: U.S. Current account and income balance



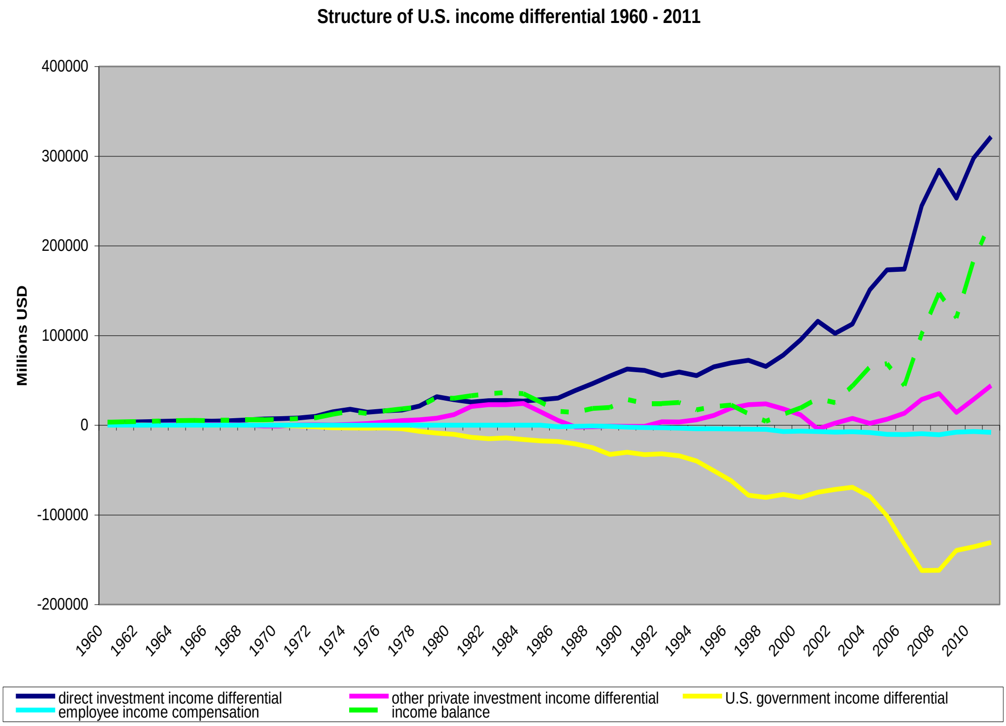
Source: own, based on BEA data, 2012.

The US hegemonic position is connected with some important attributes for which the capital flows into the USA. The USA was and still is a highly trustworthy country for international financial markets thanks to a lot of reasons: US dollar is the key world currency, the USA does not apply capital controls, it uses floating and it also has a fully democratic system and stable legal environment. High capital inflows are also given by the quality of its banking system, developed capital markets and by labour productivity growth as a consequence of new technologies.[5] The capital inflows run to the country despite a relatively low interest rate there. This is given by a relatively low risk rate with which investments in this country are connected because of its dominant position, and also by the high investment and legal quality system, etc. On the other hand a higher risk rate for US investors abroad means a higher asset profit at the same time.[6]

[5] Bernanke (2005): The Global Savings Glut and the US Current Account Deficit.

[6] Habib (2007) [The Exorbitant Privilege from a Global Perspective] argues against this common opinion among economists. According to him higher profit in income balance can only partly be explained by this reason. Based on his research he sees better performance of US investments abroad in comparison with foreign investments in the USA in each category of its international investment position in the last two decades. This is the reason for higher profit of US assets and lower payments for US liabilities.

Figure 2: Structure of the U.S. income differential 1960 – 2011



Source: own, based on BEA data, 2012.

In a more detailed analysis of income balance (Graph 2, Table 1) it is obvious that its structure has been changing in time.[7]

Table 1: Minimum and maximum shares of individual components of income balance on income balance (in %)

Shares on income balance	**Min**	**Max**
Direct investments	75 (1983)	1 537 (1998)
Other private investments	- 15 (1973)	69 (1984)
Government balance	- 1887 (1998)	3 (1962)
Employee compensations	- 107 (1998)	- 3.5 (2011)

Source: own, based on BEA data, 2012

Foreign direct investment inflows have dominated over the payments for these investments in the USA (see Figure 2). A minimum balance share on the total income balance amounted from 75 % up to the maximum equalling 15 times the amount of the total balance in 1998. In this connection it is also necessary to state that US direct investment stocks abroad have been constantly prevailing in the international investment position over the foreign direct

[7] BEA (2012): US International Economic Accounts.

investment stocks in the USA since 1980 up to now.[8] This has been given by the power of US economy, historical development in the second half of the 20th century, investment opportunities in the world, or by higher profit from investments abroad.

Since the 1970s government payments[9] sent abroad have been on the rise and have been higher in comparison with government receipts from abroad. Government receipts exceeded payments only in years 1961 – 1963 and 1969, but not by a very important margin.[10] This can be explained by permanent budget deficits since 1961[11], which continued without interruption until 1997 and the obligation of the US government to pay interests for their foreign loans. The state budget was in surplus for a short time and it has been in deficit since 2002 up to now. Thus government payments sent abroad grew dramatically in the second half of the 1980s, 1990s and in the first decade of the 21st century. The government income balance within the total income balance fell most significantly in 1998. The fall was about 19 times the amount of the total income balance. To analyse the causes of higher government payments sent abroad than its receipts from abroad we should analyse the reasons for US budget deficits in the whole given period. These causes include political factors (the war in Vietnam, in the Persian Gulf, terrorist attacks in the USA, etc.), economic factors (economic policies of US governments) and crises in the world economy (structural crises in the 1970s, the financial and economic crisis in 2007, etc.).

Other private receipts from abroad[12] exceeded other private payments sent abroad almost constantly, but they were less important than foreign investment receipts (see Table 1, Figure 2). Other private receipts in the income balance were lower than payments sent abroad only in years 1969 – 1971, 1987 – 1991 and 2001 in the given period, but not by a very important margin.[13] Capital flows into the USA prevail.[14,15] Hence it is obvious that higher US foreign investment stocks abroad imply profit inflows in the income balance in comparison with lower foreign direct investment stocks in the USA and profit outflows to their account abroad. On the contrary, higher other private investment flows into the United States against outflows (since 1985 up to now,[16,17]) and long-lasting excess of other private capital stocks in the USA over the US other private capital stocks abroad (without FDI) has also implied the positive income balance from other private capital. This brings evidence for higher other US private capital appreciation abroad in comparison with other private capital appreciation in the USA.

The development in the 1960s and 1970s is not very surprising because of the post-war situation in the world, when the US was the clear hegemon. It invested in Europe and Japan and profits and interests flew into the USA. The state budget was almost balanced until the half of the 1970s and the government did not have to borrow money and then to pay interests. Moreover, in 1974 the USA fully liberalized capital flows.[18] As is clear from table 1, the peak

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[8] BEA (2012): US International Economic Accounts.

[9] Government income payments include US credits and other long-term assets, repayments on US credits, and other long-term assets, US foreign currency holdings, and US short-term assets.

[10] BEA (2012): US International Economic Accounts.

[11] Except from the year 1969 when the budget showed a small surplus.

[12] Other private investments include foreign securities, US claims on unaffiliated foreigners reported by nonbanking concerns; US claims reported by US banks and securities brokers.

[13] BEA (2012): US International Economic Accounts.

[14] BEA (2012): US International Economic Accounts.

[15] It has been valid from 1983 without reservation, except for years 2008 and 2009, BEA (2012): US International Economic Accounts.

[16] Except for 2010.

[17] BEA (2012): US International Economic Accounts.

[18] E.g. in Great Britain in 1979.

was reached in 1998. In that year, the direct investment income balance compared with the total income balance was relatively high. One can assume that the main reason for this were strong capital outflows to Asian states encouraged by local high interest rates compared to the USA[19]. Furthermore, under Clinton´s presidency in the 1990s, the USA staked on the information technologies.[20] Highly profitable productions were moved into low-cost countries and then profits were repatriated back into the US. This year also shows a significant decrease in government income balance within the total income balance caused by high budget deficits at the turn of the 1980s and 1990s (see below). But direct investment income balance was still able to compensate it quite easily. This was also the year with the biggest decrease in compensations to employees.

2 Decreases in the income differential and the US international investment position

The thesis *"The Exorbitant Privilege and Exorbitant Duty"* by Gourinchas, Rey, Govillot (2010) discusses the other side of the US exorbitant privilege. According to the authors there is also an „exorbitant duty". The USA has this duty to other countries in crisis times because of its hegemony. The wealth flows out of the United States then. The authors consider it adequate that the world pays this insurance premium, i.e. "the exorbitant privilege" in good times while the United States as the hegemon provides "the insurance" to the world in times of crises.

The USA shows the positive income differential for the whole given period but in some years there are decreases, sometimes very considerable ones. There were decreases in 1983 – 1987 (the income differential fell by about 60 % in the mentioned period), 1996 – 1998 (by about 81 %), in years 2005 – 2006 (by 35.6 %) and 2008 – 2009 (by 18.7 %). If we accepted the opinion from the thesis, we would agree that in the above-mentioned years the United States provided some wealth to the world as "insurance".

The other private investment followed by the government accounted for the biggest part of the income differential fall (see Table 2) in 1983 - 1987. Foreign investment gains grew in the mentioned period. The 1980s were characterised by restrictions in the US economic policy, which led to the growth in the domestic interest rate amounting to a double-figure level – it oscillated between 21.5 % (1980) and 10 % (in 1985) and then it was reduced to 8 – 10 %.[21] Capital inflows can be explained by the positive interest differential followed by payments abroad in other private investments (profits, interests) in the income balance.[22] Except for the state budget, also the current account turns into deficit (see Figure 1, Table C in Appendix C) and issues of "twin deficit" start to be discussed. The current account has a direct follow-up to the net international investment position of the country. It has been negative since 1986. Although the income differential decreased considerably it was still positive. In 1983 – 1984 total US assets abroad decreased and so did the US direct investment stocks abroad in the international investment position. Other components of the US assets abroad grew and so did also foreign assets in the USA (inclusive individual components) (see Tables 3 and 4).

[19] Helísek, M. (2004): Měnové krize: teorie a empirie, p. 51.
[20] Sirůček, P. (2007): Hospodářské dějiny a ekonomické teorie, p. 205.
[21] FED Prime Rate (2012).
[22] We state in Appendix A Table A long-term interest rates in these years in the USA and other chosen countries.

Table 2: Components of income differential decrease (in Mil. USD)

Period	Total income balance change	Income balance change			
		Direct investments	**Other private investments**	**Government**	**Employee compensations**
1984 - 1987	- 20,770	+ 11,730	**- 26,176**	- 4,979	- 1,345*
1996 - 1998	- 18,053	- 3,867	+ 4,778	**- 18,526**	- 438
2005 - 2006	- 24,409	+ 841	+ 6,513	**- 31,400**	- 362
2008 - 2009	- 27,371	**- 31,327**	- 21,122	+ 22,160	+ 2,918

* estimate (missing data for 1984 a 1985)
Sign – means decrease, sign + means increase in the given category.
Source: own, based on BEA data, 2012.

Another fall in the USA income differential occured between 1996 and 1998. In the 1990s, the current account ran a deficit, although only a moderate one, and this can partly explain the worsening of the investment position (see Figure 1). The main reasons for this fall were changes in the government income balance (payment of interests to abroad). There is an evident necessity to pay credit interests because of military costs (US invasion in Panama, Gulf War) at the turn of the 1980s and 1990s when the US budget deficit reached high levels (see Table C in Appendix C).[23] The receipts from direct investments decreased, too, but this decrease was relatively less significant. Total assets and liabilities in the US investment position grew during the whole period between 1998 and 1999, US government assets abroad decreased (see Table 3 and 4). Table B in Appendix B shows more detailed reasons for changes in the US international investment position. In 1997 the investment position worsened not only due to capital flows but also due to changes in the exchange rate and prices (20 %), in 1998 especially due to price changes (117 %). Price changes were encouraged by the development in Asian region where all major production indicators decreased after the financial crisis, the demand was weak and prices decreased.

In 2005 – 2006, the US current account deficits reached about 6 %. This was the peak of the worsening of the current account deficits at the beginning of the 21st century. The budget deficits amounted to 2.52 % and 1.86 % GDP.[24] The US international investment position was also worsening (see Table C in Appendix C). The government is guilty again for the decrease in the income differential. We can put this fact down to budget decreases[25] as a consequence of terrorist attacks in 2001 and the ensuing military campaign in Afghanistan and the fight against terrorism. Total WE assets and liabilities grew for the whole period; assets of the US government decreased again (see Tables 3 and 4). In 2005, there was a positive development in the investment position, especially thanks to positive price changes (for 227 %), and in 2006 also thanks to changes in the exchange rate (745 %, price changes by 1,179 %).

[23] This deficit amounted to the record 4.58 % GDP in 1992 and it was gradually decreased by Clinton presidency. U. S. Government Spending Charts (2012).
[24] BEA (2012): US International Economic Accounts, US Government Spending Charts (2012).
[25] The deficit was 3. 48 % GDP in 2004 (US Government Spending Charts, 2012).

Table 3: Decreases in different types of the U.S. assets abroad

	Total	**FDI**	**Other Private Assets**	**Government Assets**
1981 – 1982		X		
1983 - 1984	X	X		
1986 – 1991				X
1998 - 1999				X
2001 – 2006				X
2007 - 2008			X	
2008 - 2009	X			X
2010 - 2011			X	

X = decrease
In other years all types of the U.S. (incl. total) assets abroad were increasing.
Source: own, based on BEA data, 2012.

The situation was significantly different in 2008 and 2009. It was the period of the financial and economic crisis characterized by a general economic decrease in the USA and in other countries. In these years the current account reached deficits of 4.74 % and 2.7 % of GDP, driven by budget deficits of 3.19 % and 10.13 % of GDP (see Table C in Appendix C) as a result of the reconstruction of the US economy.[26] The income differential decreased mostly because of the fall in direct investment income balance and because of the decrease in other private investment balance. On the contrary, the government income balance participated significantly in the improvement of total income balance. We can assume that government receipts grew as a result of growth in risk premiums on state securities of other countries which had worse rating in the crisis. Total US assets abroad or government assets abroad decreased in 2008 – 2009. In 2008, the US investment position worsened significantly especially because of price changes (about two thirds of the fall) and also because of the decrease in the capital flows themselves (about more than one forth) or because of changes in the exchange rate (also more than one forth). On the contrary, other private assets in the USA decreased. Despite this total, private assets in the USA grew (see Tables 3 and 4).

[26] BEA, 2012, US Government Spending Charts, 2012.

Table 4: Decreases in different types of the foreign assets in the USA

	Total	FDI	Other Private Assets	Official Assets
2001 - 2002		X		
2007 - 2008			X	

X = decrease
In other years all types of foreign (incl. total) assets in the USA were increasing.
Source: own, based on BEA data, 2012

CONCLUSION AND DISCUSSION

The USA has been performing the hegemonic role in the world since the end of the World War II. The dominant state should play a stabilizing role in the world system. Maintenance of this stability is very costly, but it is compensated by many benefits, which are connected with the hegemonic position. We have analysed the US income balance and the positive income differential which the country had permanently in the period of 1960 – 2011.

The issue of the positive income differential has a lot of causes and consequences. The dominant role of a country in the world economy brings also its leading role in international trade. The hegemon traditionally used to be the biggest world, e.g. dominance of Great Britain was based on the most sophisticated technologies with the highest labour productivity which made export of goods possible. At the same time high labour productivity was connected with high wages, which together with production inputs allowed absorbing imports (e.g. food). The dominant country always used to be a dominant importer, which was important for other countries.[27] Despite being the leader in technology development the United States lost the role of the biggest world exporter because of movement of production into low-cost countries. Nevertheless, as permanent current account deficits show, it is still an important world importer. These deficits are reflected in the worsening of the net investment position, which has been passive without interruption since 1986.

If we consider capital flows to be autonomous and goods and service flows adjusting, the US hegemon plays an important role in them. The US economic stakeholders have large resources available for direct or other investments abroad and profits and interests repatriated to the USA are substantially higher than profits and interests from foreign capital invested in the USA. This is given by credibility, quality and a low risk rate of the US financial markets and it leads to capital inflows even though the US interest rates are lower than those in other riskier and less quality countries.

The US hegemonic performance in the political field is very important because it is connected with participation in many conflicts in the world, a military campaign against terrorism, etc. High military costs bring about budget deficits, followed by paying interests for government debts and worsening income balance. Then budget deficits result into current account deficits.

There are some falls in the income differential development. From our analysis we can conclude, that reasons for these decreases were different. In 1984 – 1987 restrictive economic policy of president Reagan and the budget and current account deficits caused the slump. In 1996 – 1998 there were external reasons – Asian financial crisis followed by decrease in real product, demand and prices. We can also find some internal reasons such as participation in the war and paying debts. The years 2005 and 2006 are connected with high budget and current account deficits resulting in the income differential decrease. The financial and economic crisis brought the necessity to reconstruct the US economy – especially banks and companies in

[27] Schwartz, H. M. (2000): States versus Markets: the Emergence of a Global Economy.

bankruptcy – and it helped to stabilize the world economy. Moreover, the general economic decrease, except for budget and current account deficits, led to the slump in income differential.

The analysis of the US international investment position in 1960 – 2011 showed the bigger swings in US assets abroad in comparison with foreign assets in the USA. Moreover, foreign assets in the USA are still growing. The more detailed analysis showed that not only capital flows cause this situation but also price and exchange rate changes. In this connection we must mention the position of US dollar in the key world currency which is mirrored in all analysed factors. The high demand for dollars results into current account deficits *(Triffin*'s *dilemma)* and foreigners are also willing to hold US assets and to lend money to the US government.

As for "the exorbitant privilege," resp. "exorbitant duty" the analysis confirmed the existence of this privilege resulting from its hegemonic position. "The exorbitant duty" in question is more complicated. The passive net investment position of the United States and decrease in income differential represent a "tax for such a hegemony". Based on our analysis we do not incline to the conclusion that decrease in income differential appeared because the USA supported the rest of the world. We rather assume that slumps in income differential were caused by the fact, that the US were trying to solve their internal tasks, e.g. to strengthen the economic and political hegemony rather than to help other countries. A strong US economy leads to a stable world economy and to stable world in general. We assume that it would be interesting to examine the development in other economies which are connected with the US economy in times of decreases in the US income differential.

Appendix A

Table A: Long-term interest rates (% per annum)

	France	Germany	Japan	United Kingdom	United States
1984	13.40	7.96	-	11.13	12.44
1985	11.87	7.04	-	10.97	10.62
1986	9.12	6.16	-	10.14	7.68
1987	9.48	6.25	-	9.57	8.38
1996	6.31	6.23	3.10	7.81	6.44
1997	5.58	5.66	2.37	7.05	6.35
1998	4.64	4.58	1.54	5.55	5.26
2005	3.41	3.35	1.35	4.41	4.29
2006	3.80	3.76	1.74	4.50	4.79
2008	4.23	3.98	1.47	4.59	3.67
2009	3.65	3.22	1.33	3.65	3.26
2010	3.12	2.74	1.15	3.61	3.21
2011	3.32	2.61	1.10	3.12	2.79

Source: OECD, 2012

Appendix B

Table B: Changes in the US international investment position in some years (Mill.USD)

year	Changes in position at the beginning and at the end of the year				
	Attributable to:				Total change
	Financial flows	Value adjustment			
		Price changes	Exchange rate changes*	Other changes**	
1996	- 134,476	84,188	- 65,838	65,387	- 50,739
1997	- 218,977	- 92,069	- 207,191	58,320	- 459,917
1998	- 66,965	- 287,874	67,832	41,457	- 245,550
2005	- 700,716	1,145,957	- 391,088	451,373	505,526
2006	- 809,150	582,564	368,153	- 92,175	49,392
2008	- 730,569	- 1,831,457	- 698,788	545,005	- 2,715,809
2009	- 239,671	865,328	419,540	288,830	1,334,027

*Represents gains or losses in foreign-currency-denominated assets and liabilities due to their revaluation at current exchange rates.
**Includes changes in coverage, capital gains and losses of direct investments affiliates, and other adjustments to the value of assets and liabilities.
Source BEA, 2012, adjusted.

Appendix C

Table C: State budget, current account and net international investment position of the USA

	State budget (% GDP)	**Current account** (% GDP)	**Net international investment position** (Mill. USD)
1960	0.48	0.54	-
1961	-0.65	0.70	-
1962	-1.22	0.58	-
1963	-0.77	0.71	-
1964	-0.89	1.03	-
1965	-0.20	0.76	-
1966	-0.47	0.39	-
1967	-1.04	0.31	-
1968	-2.77	0.07	-
1969	0.33	0.04	-
1970	-0.27	0.22	-
1971	-2.04	-0.13	-
1972	-1.89	-0.47	-
1973	-1.08	0.52	-
1974	-0.41	0.13	-
1975	-3.25	1.11	-
1976	-4.04	0.24	162,709
1977	-2.64	-0.71	169,608
1978	-2.58	-0.66	205,063
1979	-1.59	-0.01	315,663
1980	-2.65	0.08	360,347
1981	-2.53	0.16	340,385
1982	-3.93	-0.17	331,373
1983	-5.88	-1.10	302,404
1984	-4.72	-2.40	166,747
1985	-5.03	-2.80	61,739
1986	-4.96	-3.30	- 27,759
1987	-3.16	-3.39	- 70,919
1988	-3.04	-2.38	- 167,458
1989	-2.78	-1.82	- 246,232
1990	-3.81	-1.36	- 230,375
1991	-4.49	0.05	- 291,754
1992	-4.58	-0.81	- 411,021
1993	-3.83	-1.27	- 284,460
1994	-2.87	-1.72	- 298,458
1995	-2.21	-1.53	- 430,194
1996	-1.37	-1.59	- 463,338
1997	-0.26	-1.69	- 786,174
1998	0.79	-2,45	- 858,363
1999	1.34	-3.23	- 731,068
2000	2.37	-4.18	- 1,337,014
2001	1.25	-3.86	- 1,875,032
2002	-1.48	-4.30	- 2,044,631
2003	-3.39	-4.66	- 2,093,794

Appendix C (Cont.)

	State budget (% GDP)	**Current account** (% GDP)	**Net international investment position** (Mill. USD)
2004	-3.48	-5.30	- 2,253,794
2005	-2.52	-5.91	- 1,932,149
2006	-1.86	-6.00	- 2,191,653
2007	-1.15	-5.06	- 1,796,005
2008	-3.19	-4.74	- 3,260,158
2009	-10.13	-2.70	- 2,321,770
2010	-8.90	-3.24	- 2,473,599
2011	-8.61	-3.14	- 4,030,250

Source: BEA, 2012, US Government Spending Charts, 2012.

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CONTACT
Ing. Martina Jiránková, Ph.D.
Katedra světové ekonomiky
Fakulta mezinárodních vztahů
VŠE v Praze
Nám. Winstona Churchilla 4
130 67 Praha 3
Česká republika
E-mail: jirankov@vse.cz