
I. THE COUNTRY

Austria is a mountainous continental country in the heart of Europe covering an area of 84,000 km² (32,000 square miles). Its east/west length is 600 km, with a north/south extension of 300 km. In the northern part it is crossed by the mighty Danube River, which is open to shipping from Linz, Austria's major industrial centre, to the Black Sea in the east. There is currently a project under way to connect the upper reaches of the Danube to the great Rhine network, to the west, which will open Austria to Atlantic ports by the end of this century.

Approximately two-thirds of Austria is mountainous alpine territory, reaching an altitude of 3,800 m at the highest point, and 40 per cent of the country is situated above 1,000 m. The Alps extend from Switzerland to the west in full majesty and dwindle thereafter towards the east until they exhaust themselves in the rolling hills of the famed Vienna woods, which border the flatlands of the Danubian and Hungarian plains.

Austria shares its 2,600-km border with seven countries: Switzerland and Liechtenstein to the west; the Federal Republic of Germany to the northwest; Italy to the southwest; Yugoslavia to the southeast; and Hungary and Czechoslovakia to the east and northeast, respectively.

Austria is a landlocked country in the heart of Europe, straddling an invisible line between today's Western and Eastern Europe. This geographic and historic location is a key to understanding Austria's current economic and trading profile.

A highly industrialized country of approximately 7.5 million people, Austria has developed active trading and economic links with its western European neighbours and with the neighbouring countries of COMECON to the east. The capital, Vienna, is recognized as an **international trading and transit centre for East-West trade and countertrade**, and more recently, in part thanks to Austria's politically neutral stance, it has succeeded in also extending these special international trading activities and connections to other