

Trade of USA



Trade of United States of America

Foreign trade

In 2018, total U.S. trade with foreign countries was \$5.6 trillion. That was \$2.5 trillion in exports and \$3.1 trillion in imports of both goods and services.

The United States was the world's third-largest exporter, after China and the European Union. It was the world's second-largest importer after the top-ranked EU.

U.S. Exports

Goods contribute 67%, or \$1.7 trillion, to U.S. exports. One-third of exported goods are capital goods (\$562 billion). The largest sub-category is commercial aircraft (\$130 billion). Other capital goods include industrial machines (\$60 billion), semiconductors (\$48 billion), and telecommunications (\$37 billion). Electric apparatus (\$46 billion) and medical equipment (\$37 billion) are also significant contributors.

Another third of exported goods is industrial supplies (\$539 billion). The largest sub-category is chemicals (\$62 billion). Next are petroleum products (\$111 billion), fuel oil (\$42 billion), and plastic (\$38 billion). Non-monetary gold is \$21 billion.

Only 12% of U.S. exported goods are consumer goods (\$206 billion). The biggest categories are pharmaceuticals (\$55 billion), cell phones (\$27 billion), and gem diamonds (\$22 billion).

Automobiles contribute 9% of all exported goods. In 2018, that was \$159 billion.

Just 9% of exported goods are foods, feeds, and beverages (\$133 billion). The big three are soybeans (\$18 billion), meat and poultry (\$20 billion), and corn (\$14 billion).

Food exports are falling since many countries do not like U.S. food processing standards. That was a major block to the Obama administration's negotiation of the Transatlantic Trade and Investment Partnership.

Services make up one-third of U.S. exports (\$828 billion). The largest single category is travel services at \$307 billion. Computer and business services export \$206 billion. The next category is royalties and license fees at \$132 billion. Other private services, such as financial services, also add \$132 billion. Government and military contracts add \$20 billion.

U.S. Imports

More than 80% of U.S. imports are goods (\$2.6 trillion). Capital goods (\$693 billion) contribute 27% of all goods imported. That includes computers at \$143 billion and telecommunications at \$128 billion.

Next is consumer goods (\$648 billion). The top two categories are cell phones / television at \$134 billion and pharmaceuticals at \$134 billion. Next is the apparel and footwear category at \$129 billion. U.S. consumer spending is dependent upon these low-cost imported goods.

Slightly less than a quarter of imports are industrial machinery and equipment (\$576 billion). The largest sub-category is oil and petroleum products, at \$215 billion.

The fourth-largest import category is automotive vehicles, parts, and engines (\$372 billion). The food, feeds, and beverages category is the smallest at \$147 billion.

Services make up 18% of imports (\$558 billion). The largest category is travel services at \$253 billion. The next is business and computer services at \$151 billion. Banking and insurance is \$69 billion. Last but not least is government service imports at \$23 billion.

Since the United States imports more than it exports, its trade deficit is \$621 billion. Even though America exports billions in oil, consumer goods, and automotive products, it imports even more.

Trade Policies and Procedures

U.S. agricultural trade programs are designed to develop and expand commercial outlets for U.S. commodities and agricultural products, provide international food assistance, and offer U.S. consumers with access to a wider variety of foods at reasonable prices, including those not produced domestically.

International Organic Trade

The United States has trade arrangements with several nations to facilitate the exchange of organic products. These arrangements provide additional market opportunities for USDA organic producers. The National Organic Program works with the Foreign Agricultural Service and Office of the United States Trade Representative to establish international trade arrangements.

U.S. Agricultural Trade

U.S. agriculture looks overseas to boost domestic incomes by expanding existing markets access and opening new markets. The U.S. is the largest exporter of agricultural products in the world and is a highly competitive producer of many products.

Trade Policy

The U.S. is pursuing trade liberalization through trade negotiations and policies that boost prospects for food and agricultural markets in developing countries, which stimulates economic growth and development. With access to growing markets, American producers will have greater opportunities to grow and develop their businesses.

USDA analyzes the economic implications of trade policies for U.S. and global agriculture.

Trade Agreements

The U.S. has a vast number of agreements governing trade with foreign countries. USDA provides access to these agreements listed by country.

Trade News and Data

USDA provides the latest news stories as well as data and statistics resources related to agricultural trade.

World Trade Organization (WTO) and Agriculture

The WTO functions as the principal international body concerned with multilateral negotiations on the reduction of trade barriers and other measures that distort competition.

World Trade Organization (WTO) Brief

USDA reviews the successes of the Uruguay Round Agreement on Agriculture (AoA). WTO member countries committed to reducing agricultural tariffs and increasing export subsidies and domestic support.

Office of the United States Trade Representative

The Office of the U.S. Trade Representative (USTR) is responsible for developing and coordinating U.S. international trade, commodity, and direct investment policy, and leading or directing negotiations with other countries on such matters.

The New Trade Policy of the United States

IT MAY be assumed that the recovery of world commerce is conditioned to a large degree on the recovery of our commerce, and that our commerce is, in turn, dependent to an important degree upon a revival of general world business. The Administration's foreign trade recovery program has, therefore, awakened worldwide interest. There is hope and some apprehension in this country, and hope, and perhaps skepticism, abroad. How valid are these various feelings of hope, skepticism and apprehension?

The best way to judge the possibilities of the American trade agreements program is to state briefly its aims and purposes. The Act of June 12, 1934, entitled "An Act to Amend the Tariff Act of 1930," gives the President the power to modify customs duties and other import restrictions in exchange for similar concessions from other countries which will result in "expanding foreign markets for the products of the United States." No existing duty, however, may be changed by more than 50 percent, and no article may be transferred from the free list to the dutiable list or from the dutiable list to the free list. The Act authorizes the Administration to reduce trade barriers set up by the United States in exchange for the reduction of such barriers in other countries, with the objective of increasing the commerce of the United States and, *pari passu*, that of the countries with which trade agreements are made. Moreover, being based on the unconditional most-favored-nation principle, each bilateral agreement stimulates international trade in the aggregate.

The whole program, and more particularly the methods employed, have come in for a good deal of criticism, not only on the part of those who are opposed to any actions which would affect our present tariffs and of those who are committed to the philosophy of autarchy, but also on the part of those who genuinely believe in broad international trade and who feel that its reestablishment is vital to any important degree of world recovery. Some of these more sympathetic.

Benefits of Trade

The United States is the world's largest economy and the largest exporter and importer of goods and services. Trade is critical to America's prosperity – fueling economic growth, supporting good jobs at home, raising living standards and helping Americans provide for their families with affordable goods and services.

In 2017, the U.S. was the world's largest goods and services trading nation, with exports of goods and services totaling \$2.35 trillion.

- U.S. goods and services trade (exports plus imports) totaled \$5.3 trillion during 2017, up 6.5% (\$321 billion) from 2016, and up 31% from 2007. U.S. goods trade totaled \$3.9 trillion and U.S. services trade totaled \$1.3 trillion.

- Agricultural goods accounted for \$264 billion in total (two-way) U.S. trade during 2017. Exports were \$143 billion; Imports \$121 billion; and the trade surplus was \$22 billion.
- Manufacturing (a subcategory of goods trade) accounted for \$3.3 trillion in total (two-way) U.S. trade during 2017, up 5.3% from 2016, and up 24% from 2007.
- Services accounted for \$1.3 trillion in total (two-way) U.S. trade during 2017, up 5.6% from 2016, and up 56% from 2007. The United States is the largest services trading country in the world.

Trade expansion benefits families and businesses by:

- Supporting more productive, higher paying jobs in our export sectors
- Expanding the variety of products for purchase by consumers and business
- Encouraging investment and more rapid economic growth

Trade keeps our economy open, dynamic, and competitive, and helps ensure that America continues to be the best place in the world to do business.

Sources:

<https://ustr.gov>

<https://www.foreignaffairs.com>

<https://www.usda.gov>