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U.S. International Trade: Data and Forecasts

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U.S. International Trade: Data and Forecasts

SUMMARY

In 2001 the United States incurred a trade deficit in goods of $411.3 billion on a Census basis and $426.6 billion on a balance-of-payments basis (BoP). A surplus in services trade of $80.3 billion gave a deficit of 346.2 billion on goods and services (BoP) for the year. For September 2002, the trade deficit in goods and services fell slightly to $38 billion from $38.3 billion in August.

Overall U.S. trade deficits reflect a shortage of savings in the domestic economy and a reliance on capital imports to finance that shortfall. They are a concern for Congress for several reasons. Financial, budgetary and other policies may affect the size of the trade deficit, while trade and capital flows affect the exchange value of the U.S. dollar. A large overall trade deficit may also indicate that certain U.S. industries are having difficulty competing with imports at home and in markets abroad. This may generate trade friction and pressures for the government to do more to open foreign markets, shield U.S. producers from foreign competition, or assist U.S. industries to become more competitive.

Since 1976, the United States has incurred continual merchandise trade deficits. They increased dramatically from $36.5 billion in 1982 to a peak in 1987 at $159.6 billion. The deficit dropped to $74.1 billion in 1991 but rose to $436.1 billion in 2000. It fell to $411.3 billion in 2001 (Census basis).

Much of the improvement in the U.S. trade deficit between 1987 and 1991 resulted from a depreciation of the dollar and the recession in 1990-1991. The multilateral trade-weighted real value of the U.S. dollar reached a high in 1985, then dropped sharply from 1986 through 1988.

The worsening of the deficit in 1993-95 can be attributed primarily to the faster recovery from recession in the United States than in Europe or Japan. In 1997-99, the Asian financial crisis caused a sizable fall in U.S. exports to Asia and a marked increase in U.S. imports from Asia as well as rising U.S. imports of capital.

In 2001, total U.S. goods trade reached $1.87 trillion, compared to $2.0 trillion in 2000, with exports of $731 billion and imports of $1.142 trillion (Census basis). In 2001, U.S. exports decreased by 6.6%, while imports decreased by 6.2% primarily because of the U.S. and global recession.

The broadest measure of U.S. international economic transactions is the balance on current account. In addition to merchandise trade, it includes trade in services and unilateral transfers. In 2001, the current account deficit fell to $417.4 billion from a record $444.7 billion in 2000. After reaching a peak of $160.7 billion in 1987, the current account deficit had fallen steadily through 1991 when it reached a surplus of $3.8 billion. Economic projections indicate that the current account deficit may rise to about $468.6 billion in 2002.

In trade in advanced technology products, the U.S. surplus dropped from $19.1 billion in 1999 to $4.8 billion in 2001.

In trade in passenger automobiles, the United States has been running a deficit, particularly with Canada, Japan, Mexico, and Germany.

Most Recent Developments

For September 2002 the U.S. international trade deficit in goods and services fell slightly to $38 billion, from $38.3 billion in August (BoP basis). Exports of goods and services decreased to $82.1 billion in September, from $82.5 billion in August. September imports fell to $120.2 billion, from $120.7 billion in August. Exports of goods alone increased to $58.3 billion, from $58.2 billion in August, while imports of goods fell to $100.1 billion, from $100.6 billion in August.

The year-to-date deficit (January to September 2002) on goods trade with Mexico was $28.1 billion (Census basis), with Japan was $49.9 billion, with China was $83.6 billion, with the European Union was 58.3 billion, and with the Asian Newly Industrialized Countries (Hong Kong, South Korea, Singapore, and Taiwan) was $15.2 billion.

Background and Analysis

Background

The rising U.S. trade deficit was one of the few negatives as the American economy boomed over the 1990s. As the economy has slowed, the deficit also has been declining somewhat. Still, the U.S. deficits on goods trade and current account have roughly doubled over the past 2 years. Historically, between 1980 and 1987, both trade and current account deficits expanded but then decreased substantially between 1988 and 1991. Since then, both have risen again and have been running at record-breaking levels. This issue brief provides historical and current data as well as some forecasts on U.S. trade and current accounts.

U.S. trade balances are macroeconomic variables that may or may not indicate underlying problems with the competitiveness of particular industries or what some refer to as the competitiveness of a nation. The reason is that overall trade flows are determined, within the framework of institutional barriers to trade and the activities of individual industries primarily by macroeconomic factors such as rates of growth, savings and investment behavior (including government budget deficits/surpluses), international capital flows, and exchange rates.

Increases in trade deficits may diminish economic growth, since net exports (exports minus imports) are a component of gross domestic product. In the late 1980s and early 1990s, export growth was an important element in overall U.S. economic growth. In 1999, merchandise exports accounted for about 8.5% of GDP, compared with 5.9% in 1990. Recently, however, rising trade deficits have reduced total domestic demand in the economy, although the deficits have been offset by rising consumer, business, and government demand.

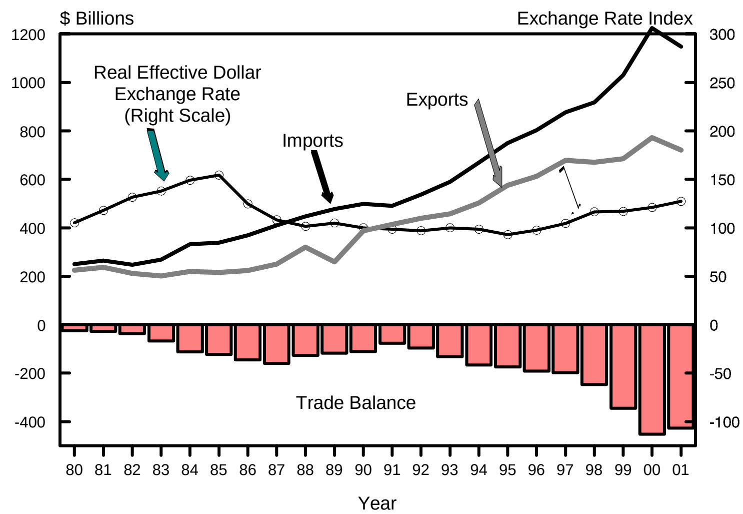
The U.S. government compiles trade data in four different ways. The data are first reported on a Census or Customs basis. These numbers are then adjusted and reported on an international transactions basis, which is essentially the same as the balance of payments (BoP) basis (including adjustments for valuation, coverage, and timing and excluding military transactions). The data are finally reported in terms of national income and product accounts (NIPA). In 2001, for example, the U.S. merchandise trade deficit on a Census basis was $411.3 billion, on a balance-of-payments basis was $426.6 billion, and on a NIPA basis was $348.6 billion. Most bilateral and sectoral data are reported only on a Census basis.

Export and import data also may be adjusted for inflation to gauge movement in trade volumes as distinct from trade values. Conceptually, this procedure is analogous to adjusting macroeconomic data from nominal to real values. The Census Bureau also reports imports on a c.i.f. (cost-insurance-freight) basis which includes the value of insurance, international shipping, and other charges incurred in bringing merchandise to U.S. ports of entry. The Customs, or f.a.s. (free-alongside-ship), data do not include these supplementary costs. The data on merchandise trade presented below do not include insurance and freight charges that are counted in U.S. services trade.

U.S. Merchandise Trade Balance

The merchandise (goods) trade balance is the most widely known and frequently used indicator of U.S. international economic activity (see **Figure 1**). In 2001, total U.S. merchandise trade on a Census basis amounted to $1.87 trillion, with exports of $730 billion and imports of $1,142 billion. The U.S. merchandise trade deficit decreased 5.7% in 2001 to $411.3 billion (Census basis), following a 26% increase in 2000. Prior to 1992, the deficit had decreased for 4 consecutive years, from a previous peak of $159.6 billion in 1987 to $74.1 billion in 1991. The increase in the trade deficit to 2000 was due largely to sluggish demand for U.S. exports caused primarily by a combination of capital inflows into the U.S. market with slow economic recovery in other countries and increasing demand for imports caused mainly by faster economic growth in the United States. As a share of gross domestic product (GDP), the deficit on goods trade rose from 1.9% in 1990 to 4.5% in 2000, then fell to 4.1% in 2001.

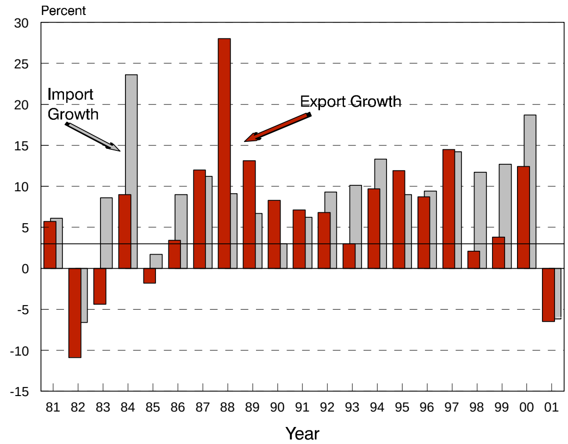
Figure 1. U.S. Imports, Exports, Merchandise Trade Balance, and Real Effective Dollar Exchange Rate, 1980-2001



Source: U.S. Department of Commerce. Balance of Payments Basis
Note: For Exchange Rate Index, 1990=100

As shown in **Table 1** and **Figure 2,** U.S. merchandise exports decreased in 1998 for the first time since 1986, and again fell in 2001 as they dropped by 6.5% in response to the global slowdown. In general, however, they have been increasing each year. The rate of growth of imports has also been high, although they too fell by 6.2% in 2001. In 2001, imports exceeded exports by 56% — an improvement over the 1987 figure of 64%. The fact that imports exceeded exports by 56% in 2001, however, implies that U.S. exports must grow 56% faster than imports just for the trade deficit to stay the same.

Figure 2. Annual Growth in U.S. Exports and Imports, 1981-2001 (Census Basis)

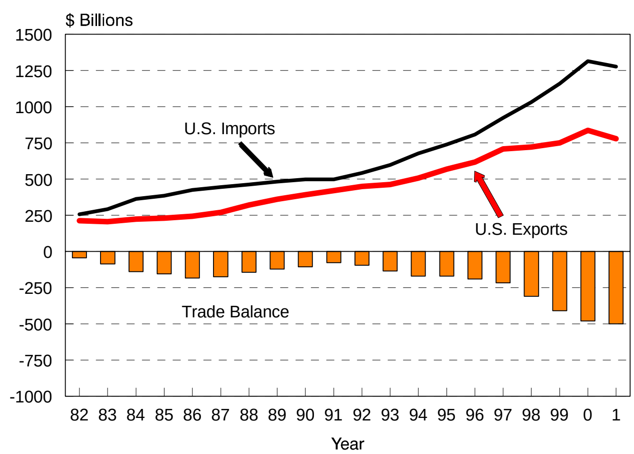


Source: U.S. Department of Commerce

Merchandise Trade Balance in Volume Terms

Like other economic variables, exports and imports, reported in terms of their values, can change merely because prices change. Trade data, therefore, can be adjusted for inflation by dividing by a price index (currently based on prices and weights in 1996). Such corrected data are referred to as “volume” and not “real,” because some trade commodities actually are reported in volume terms (e.g., tons of wheat). The volume data provide a more accurate picture of how the underlying flows of merchandise are changing.

Figure 3. U.S. Exports, Imports, and Trade Balance by Volume (1996 base), 1982-2001

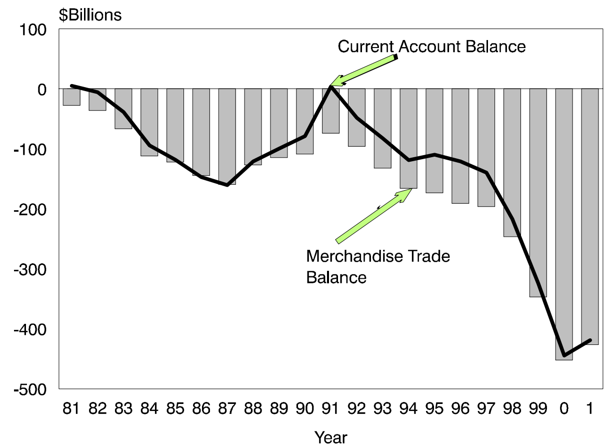


Source: U.S. Bureau of the Census

As shown in **Table 2** and **Figure 3**, the constant-dollar value, or physical volume, of merchandise exports increased by 11.6% in 2000, 4.0% in 1999, 2.2% in 1998, and 14.5% in 1997. The physical volume of imports increased by 13.9% in 2000, 12.5% in 1999, as compared with 11.8% in 1998, and 14.2% in 1997. Because the growth in merchandise imports is higher than the growth of exports and because imports exceed exports by 37% on a physical volume basis, the U.S. trade deficit in terms of volume is also increasing. In recent years, the deficit in volume terms has varied relative to the deficit in value terms partly because of fluctuations in oil import prices (when oil prices rise, the deficit in value rises relative to that in volume terms).

Current Account Balance

Figure 4. U.S. Current Account and Merchandise Trade Balances, 1981-2001



Source: U.S. Department of Commerce

The current account provides a broader measure of U.S. trade because it includes services, investment income, and unilateral transfers in addition to merchandise. The balance on services includes travel, transportation, fees and royalties, insurance payments, and other government and private services. The balance on investment income includes income received on U.S. assets abroad minus income paid on foreign assets in the U.S. Unilateral transfers are international transfers of funds for which there is no quid pro quo. These include private gifts, remittances, pension payments, and government grants (foreign aid).

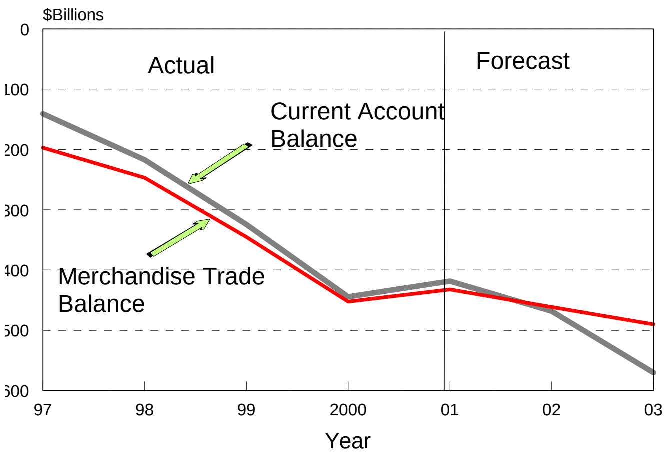
Table 3 summarizes the components of the U.S. current account. The U.S. deficit on current account fell from a record-high $160.7 billion in 1987, to $79.0 billion in 1990, and rose to a $3.8 billion surplus in 1991 (primarily because of payments to fund the Gulf War by Japan and other nations). However, in 1992, the current account deficit increased significantly to $48.5 billion and again to $82.7 billion in 1993, $118.6 billion in 1994, $120.8 billion in 1996, $217.5 billion in 1998, and increased to $444.7 billion in 2000 or 4.5% of GDP – up from 1.3% in 1990. In 2001, the current account deficit fell to $417 billion or 4.1% of GDP.

Since the merchandise trade balance comprises the greater part of the current account, the two tend to track each other. Unlike the merchandise trade balance, however, the services account has been in surplus since 1975. In 2001, the United States enjoyed a $78.8 billion surplus with the world in services trade. Since Americans are such large investors in foreign economies, the United States traditionally has had a surplus in its investment income. This surplus on income from investments, an amount that reached as high as $36.3 billion in 1983, dropped to a deficit of $19.1 billion in 2001, an increase from the $9.6 billion deficit in 2000. The U.S. deficit in unilateral transfers at $50.5 billion in 2001 has moderated from the high of $54.1 billion in 2000, but the trend line has been rising in recent years and is roughly double the level of the mid-1980s. This partially offsets the U.S. surplus in services.

Forecasts

According to DRI-WEFA, a leading U.S. economic forecasting firm, in 2002 the U.S. merchandise (goods) trade deficit is expected to increase to about $460 billion on a balance-of-payments basis (see **Figure 5**). In 2003, the deficit is projected to increase further to $488 billion. **Table 4** includes these published forecasts. As for the U.S. current account deficit, DRI-WEFA projects it to increase to around $460 billion in 2002 and rise further to $536 billion in 2003.

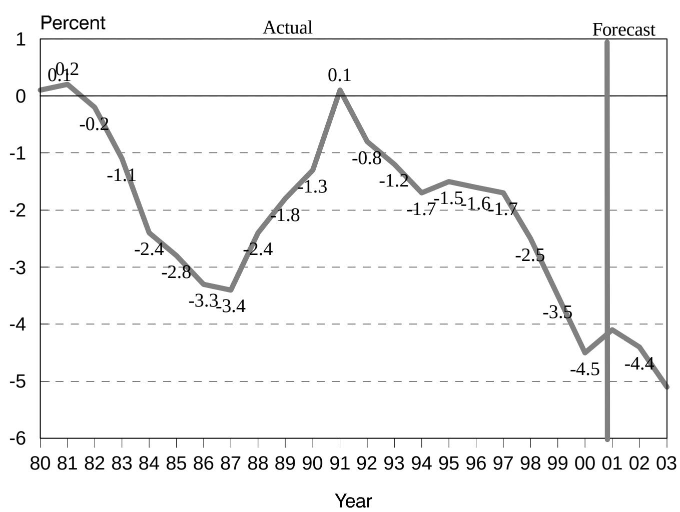
Figure 5. U.S. Balances of Trade in Goods and Current Account, Actual from 1997 and Forecast to 2003 (in current dollars)



Source: Actual from U.S. Department of Commerce. Forecast from DRI-WEFA, Inc.

Figure 6 shows the current account balance as a percent of U.S. gross domestic product. It has grown in magnitude from near zero in 1980 to -4.5% in 2000 and declined to -4.1% in 2001.

Figure 6. U.S. Current Account Balance as a Percent of U.S. Gross Domestic Product, 1980 to 2003 (forecast)



Data from U.S. Department of Commerce. Forecasts by DRI-WEFA, Inc., Summer 2001

U.S. Bilateral Trade Balances

The overall U.S. merchandise trade balance consists of deficits or surpluses with all trading partners. Although no country attempts to balance its trade with each nation, abnormally large or rapidly increasing trade deficits with particular countries can indicate that underlying problems may exist with market access, the competitiveness of particular industries, currency misalignment, or macroeconomic adjustment. **Table 5** shows U.S. trade balances with selected nations.

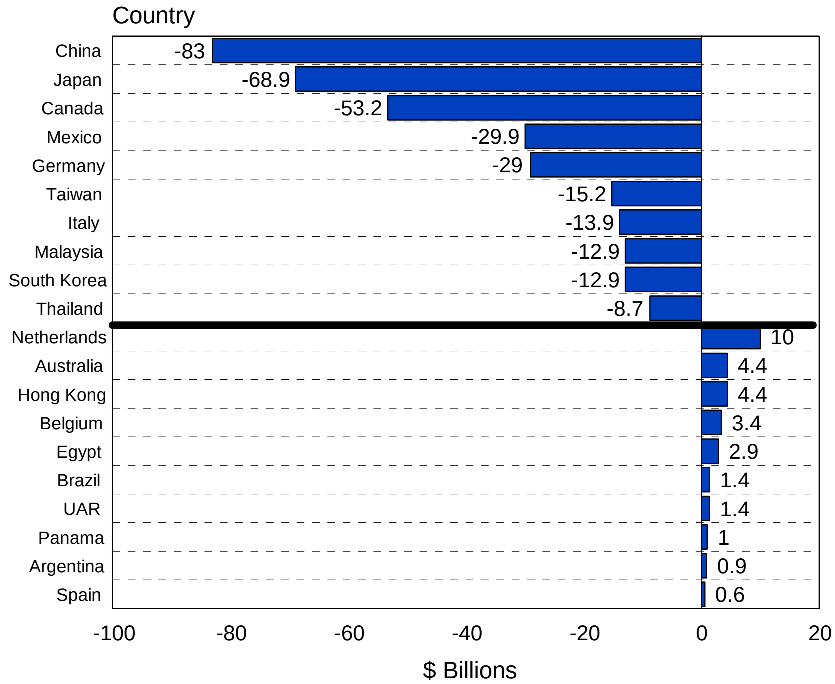
Most of the U.S. trade deficit can be accounted for by trade with China, Japan, Canada, Mexico, Germany, and Taiwan. Trade with the oil exporting countries also is in deficit. U.S. trade surpluses occur in trade with the Netherlands, Australia, Hong Kong, Belgium, and other countries including Brazil and Argentina (see **Figure 7**). In 2001, Canada was America's largest merchandise trading partner, followed by Mexico, Japan, China, and Germany. **Table 6** lists the United States' top 30 trading partners ranked by trade turnover (imports plus exports). Trade with Canada accounts for 20% of total U.S. trade. By far, Canada is the largest supplier of U.S. imports and the top purchaser of U.S. exports. Trade with Mexico accounts for 12%, and trade with Japan accounts for 10% of total U.S. trade. Trade with China is expanding with China accounting for 7% of total U.S. trade.

Table 7 lists the U.S. top 10 deficit trading partners. In 2000 and 2001, China overtook Japan as the top U.S. deficit trading partner. The next highest deficit trading partners are Japan, Canada, Germany, Mexico, and Taiwan. **Table 8** lists trade balances on goods, services, and income, net unilateral transfers and current account balances for selected U.S. trading partners in 1999.

Table 9 shows U.S. trade in advanced technology products. This includes about 500 commodity codes representing products whose technology is from a recognized high technology field (e.g., biotechnology) or that represent the leading technology in a field. The United States has been running a surplus in these products, but that surplus has been declining and in 2002 has been in deficit. It fell from $32.2 billion in 1997 to $29.6 billion in 1998 and again in 1999 to $19.1 billion. In 2000, the surplus in advanced technology products dropped to $5.3 billion and fell further to $4.8 billion in 2001.

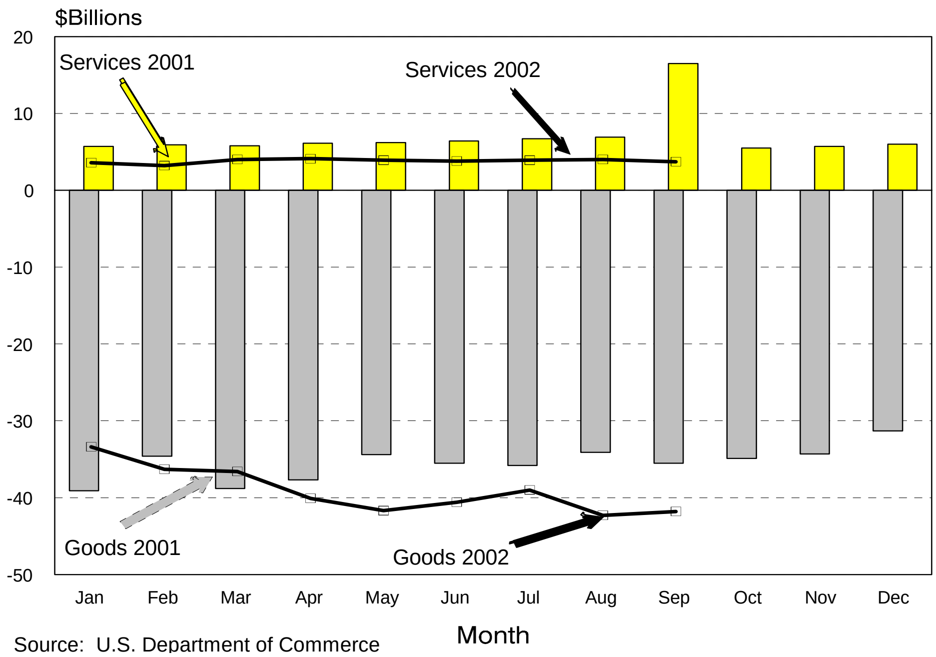
Table 10 provides data on trade in passenger cars with major automobile producing nations for 2001. This does not include foreign cars assembled in the United States. The United States incurs deficits in this trade with Canada, Japan, Germany, Mexico, and the United Kingdom.

Figure 7. U.S. Merchandise Trade Balances with Selected Nations, 2001



Source: U.S. Department of Commerce (Census Bureau)

Figure 8. U.S. Balance of Trade in Goods and Services by Month, 2001-2002 (in Current Dollars)



Source: U.S. Department of Commerce

Table 1. U.S. Exports, Imports, and Merchandise Trade Balances, 1980-2001

(Census Basis, billions of U.S. dollars)

Year	Exports f.a.s.[a]	Imports, Customs	Merchandise Trade Balance
1979	181.8	209.4	-27.6
1980	220.7	245.5	-24.8
1981	233.7	261.3	-27.6
1982	212.3	243.9	-31.6
1983	201.7	261.7	-60.0
1984	218.7	330.5	-111.8
1985	212.6	336.4	-123.8
1986	226.4	365.7	-139.3
1987	253.9	406.3	-152.4
1988	323.3	441.9	-118.6
1989	362.9	473.4	-110.5
1990	392.9	495.2	-102.3
1991	421.8	487.1	-65.3
1992	448.2	532.6	-84.4
1993	464.8	580.5	-115.7
1994	512.6	663.2	-150.6
1995	584.7	743.5	-158.8
1996	625.1	795.3	-170.2
1997	689.2	869.7	-180.5
1998	682.1	911.9	-229.8
1999	695.8	1,024.6	-328.8
2000	781.9	1,218.0	-436.1
2001	730.9	1,142.3	-411.4

Source: Council of Economic Advisers. *Economic Report of the President*, January 2001,Table B-103, p. 392; Bureau of the Census, *International Trade in Goods and Services*, issued monthly; U.S. Department of Commerce, Bureau of Economic Analysis, U.S. International Transactions Accounts Data.

[a] Exports are valued on the f.a.s. basis, which refers to the free-alongside-ship value at the port of export and generally includes inland freight, insurance, and other charges incurred in placing the goods alongside the carrier at the port of exportation.

[b] Imports are valued as reported by the U.S. Customs Service. (Excludes import duties, the cost of freight, insurance, and other charges incurred in bringing merchandise to the United States.)

Note: For trade data on a balance-of-payments basis, see Tables 3 and 4.

Table 2. U.S. Merchandise Trade in Volume Terms, 1991-2001

(billions of chained 1996 dollars)

Year	Exports	Export Growth	Imports	Import Growth	Net Exports
1991	421.1	7.1	497.6	6.2	-76.5
1992	449.8	6.8	543.7	9.3	-93.9
1993	463.4	3.0	598.5	10.1	-135.0
1994	508.2	9.7	677.9	13.3	-169.7
1995	568.8	11.9	739.1	9.0	-170.3
1996	618.4	8.7	808.3	9.4	-189.1
1997	708.1	14.5	923.1	14.2	-215.0
1998	722.9	2.2	1031.4	11.8	-308.5
1999	751.3	4.0	1159.2	12.5	-407.9
2000	836.1	11.6	1315.6	13.9	-479.5
2001	778.9	-6.8	1278.1	-2.8	-499.2

Source: Bureau of Economic Analysis, 2002.

Table 3. U.S. Current Account Balances: 1983 to 2001

(billions of U.S. dollars)

Calendar Year	Merchandise Trade Balance [a]	Services Balance [b]	Investment Income Balance [c]	Net Unilateral Transfers [d]	Current Account Balance [e]
1983	-67.1	9.3	36.3	-17.3	-38.7
1984	-112.5	3.4	35.1	-20.3	-94.3
1985	-122.2	0.3	25.7	-22.0	-118.2
1986	-145.1	6.5	15.5	-24.1	-147.2
1987	-159.6	7.9	14.3	-23.3	-160.7
1988	-127.0	12.4	18.7	-25.3	-121.2
1989	-115.2	24.6	19.8	-26.2	- 99.4
1990	-109.0	30.2	28.6	-26.7	-79.0
1991	-74.1	45.8	24.1	10.8	3.8
1992	-96.1	60.4	23.0	-35.0	-48.5
1993	-132.6	63.7	23.9	-37.6	-82.7
1994	-166.2	69.1	21.1	-38.3	-118.6
1995	-173.7	77.8	25.0	-34.0	-109.5
1996	-191.3	89.2	25.5	-40.1	-120.8
1997	-196.7	90.7	13.6	-40.8	-139.8
1998	-246.9	80.0	-1.2	-44.0	-217.5
1999	-345.6	83.6	-8.5	-48.9	-324.4
2000	-452.2	76.5	-9.6	-54.1	-444.7
2001	-426.6	78.8	-19.1	-50.5	-417.4

Source: DRI-WEFA, March 2002. U.S. Department of Commerce.

[a] On a balance-of-payments basis.

[b] Includes travel, transportation, fees and royalties, insurance payments, other government and private services, and investment income.

[c] Income receipts on U.S. assets abroad minus income payments on foreign assets in the United States.

[d] International transfers of funds, such as private gifts, pension payments, and government grants for which there is no *quid pro quo*.

[e] The trade balance plus the service balance plus investment income balance plus net unilateral transfers, although conceptually equal to the current account balance, may differ slightly as a result of rounding errors.

Table 4. U.S. Merchandise and Current Account Trade: Actual and Forecasts
(billions of U.S. dollars)

	Actual					Forecast	
	1997	**1998**	**1999**	**2000**	**2001**	**2002**	**2003**
Merchandise Trade							
Exports							
Actual	679.7	670.3	684.4	772.2	722.7	–	–
DRI-WEFA[a]	–	–	–	–	–	649.7	699.9
Imports							
Actual	876.4	917.2	1029.9	1224.4	1155.0	–	–
DRI-WEFA[a]	–	–	–	–	–	1111.2	1189.8
Trade Balance							
Actual	-196.7	-246.9	-345.6	-452.2	-432.4	–	–
DRI-WEFA[a]	–	–	–	–	–	-461.5	-489.9
Services Trade Balance							
Actual	90.7	80.0	83.6	76.5	83.4	–	–
DRI-WEFA[a]	–	–	–	–	–	53.5	44.6
Current Account Balance							
Actual	-139.7	-217.1	-324.4	-444.7	-418.7	–	–
DRI-WEFA[a]	–	–	–	–	–	-468.6	-570.4

Sources: U.S. Bureau of Economic Analysis, *Survey of Current Business*, January 2001; DRI-WEFA, *Summary for the U.S. Economy*, April 2002. All figures on a balance-of-payments basis.

[a] DRI-WEFA was formed in May 2001 from a merger of Standard & Poor's Data Resources, Inc. and the WEFA Group.

Table 5. U.S. Merchandise Trade Balances with Selected Nations: 1997-2001
(millions of U.S. dollars, Census basis)

Country	1997	1998	1999	2000	2001
Total	-182,615	-233,411	-331,945	-436,104	-411,389
North America	-32,420	-36,391	-57,073	-76,475	-83,190
Canada	-17,926	-20,692	-34,411	-51,897	-53,266
Mexico	-14,494	-15,699	-22,662	-24,577	-29,924
Western Europe	-17,412	-28,722	-47,256	-59,152	-63,985
European Union	-16,716	-26,896	-43,723	-54,954	-60,856
United Kingdom	3,746	4,278	-853	-1,775	-599
Germany	-18,602	-23,182	-28,305	-29,064	-29,037
France	-4,743	-6,349	-7,071	-9,439	-10,400
Italy	-10,387	-11,986	-12,344	-13,982	-13,908
Netherlands	12,543	11,413	10,939	12,165	10,024
European Free Trade Association (EFTA)	-2,255	-2,856	-4,116	-4,634	-3,332
Former Soviet Republics	-284	-2,115	-4,123	-6,922	-4,096
Eastern Europe	-815	-3,621	-6,187	-10,166	-7,678
Pacific Rim Countries	-121,627	-160,376	-185,969	-215,434	-194,393
Japan	-56,686	-64,093	-73,920	-81,555	-68,962
China	-49,746	-56,897	-68,668	-83,833	-83,045
Newly Industrialized Countries (NICS)	-7,850	-22,663	-24,211	-26,814	-21,093
Singapore	-2,340	-2,684	-1,941	-1,372	2,712
Hong Kong	4,818	2,385	2,116	3,133	4,423
Taiwan	-12,236	-14,966	-16,077	-16,097	-15,240
Republic of Korea	1,908	-7,398	-8,308	-12,478	-12,988
South/Central American Countries	-5,083	-2,669	-25,845	-38,233	-38,982
Argentina	3,595	3,633	2,339	1,596	913
Brazil	6,282	5,034	1,935	1,468	1,466
Colombia	474	165	-2,743	-3,297	-2,091
OPEC	-18,500	-8,771	-21,812	-48,012	-39,688
Venezuela	-6,876	-2,666	-5,981	-13,073	-9,552
Indonesia	-4,642	-7,047	-7,575	-7,965	-7,605
Saudi Arabia	-927	4,279	-342	-8,131	-7,363
Nigeria	-5,522	-3,375	-3,733	-9,816	-7,829

Trade Balance equals Total Exports (f.a.s. value) minus General Imports (Customs value).
Sources: United States Census Bureau, Foreign Trade Statistics; World Trade Atlas

Table 6. Top 30 U.S. Trading Partners Ranked by Total Trade in Goods (Exports + Imports) in 2001
(millions of U.S. dollars)

Country	Trade Balance	Exports (f.a.s.)	Imports (customs)	Total Trade
World total	**-411,388.9**	**730,897.1**	**1,142,286.0**	**1,873,183**
Canada	-53,265.9	163,703	216,969	380,672
Mexico	-29,923.9	101,509	131,433	232,942
Japan	-68,962.7	57,639	126,602	184,241
China	-83,045.7	19,235	102,281	121,515
Germany	-29,037.4	30,114	59,151	89,265
United Kingdom	-599.0	40,798	41,397	82,195
Korea, South	-12,988.1	22,197	35,185	57,381
Taiwan	-15,239.7	18,152	33,391	51,543
France	-10,399.8	19,896	30,296	50,191
Italy	-13,907.7	9,916	23,824	33,740
Malaysia	-12,956.2	9,380	22,336	31,717
Ireland	-11,389.9	7,150	18,540	25,689
Venezuela	-9,551.8	5,684	15,236	20,920
Thailand	-8,733.4	5,995	14,729	20,724
Singapore	2,712.4	17,692	14,979	32,671
Brazil	1,466.2	15,929	14,462	30,391
Saudi Arabia	-7,363.0	5,971	13,334	19,304
Israel	-4,488.6	7,482	11,971	19,453
Philippines	-3,666.0	7,665	11,331	18,995
Indonesia	-7,605.4	2,499	10,105	12,604
Belgium	3,394.5	13,524	10,129	23,653
India	-5,973.4	3,764	9,738	13,502
Hong Kong	4,422.6	14,072	9,650	23,722
Netherlands	10,024.4	19,525	9,500	29,025
Switzerland	260.7	9,835	9,574	19,410
Nigeria	-7,829.1	957	8,786	9,744
Sweden	-5,303.0	3,548	8,851	12,399
Australia	4,465.8	10,945	6,479	17,424
Russia	-3,537.2	2,724	6,261	8,985
Iraq	-5,754.3	46	5,801	5,847

Source: Compiled from official statistics of the U.S. Department of Commerce by CRS.

Table 7. Top 10 U.S. Deficit Trading Partners: 2001

(billions of U.S. dollars, Customs basis)

Country	U.S. Exports (f.a.s.)	U.S. Imports (customs)	Trade Balance
China	17.9	102.1	-83.0
Japan	53.5	126.1	-68.9
Canada	144.6	216.8	-53.2
Mexico	90.5	130.5	-29.9
Germany	28.1	58.9	-29.0
Taiwan	16.6	33.2	-15.2
Italy	9.0	23.7	-13.9
South Korea	20.9	34.9	-12.9
Malaysia	8.5	22.2	-12.9
Ireland	6.6	18.6	-11.4

Source: Compiled from official statistics of the U.S. Department of Commerce by CRS using the International Trade Commission's (ITC) Dataweb [http://dataweb.usitc.gov].

Table 8. U.S. Current Account Balances With Selected U.S. Trading Partners, 2001

(billions of U.S. dollars)

Country	Merchandise Trade Balance [a]	Services Balance [b]	Investment Income Balance [c]	Net Unilateral Transfers [d]	Current Account Balance [e]
All Countries	-426.6	78.8	-19.1	-50.5	-417.4
Canada	-55.6	7.2	21.6	-.7	-27.4
Japan	-70.6	14.7	-27.6	-.3	-83.7
United Kingdom	-1.3	4.4	-48.9	1.4	-44.4
European Union	-63.5	13.7	-31.3	-.06	-81.2
Eastern Europe	-7.6	1.8	1.2	-3.5	-8.1
Latin America	-40.2	15.3	1.1	-17.0	-40.8

Source: U.S. Department of Commerce, *Survey of Current Business*, April 2002.

[a] On a balance-of-payments basis.

[b] Includes travel, transportation, fees and royalties, insurance payments, other government and private services, and investment income.

[c] Income receipts on U.S. assets abroad minus income payments on foreign assets in the United States.

[d] International transfers of funds, such as private gifts, pension payments, and government grants for which there is no *quid pro quo*.

[e] The trade balance plus the service balance plus investment income balance plus net unilateral transfers, although conceptually equal to the current account balance, may differ slightly as a result of rounding errors.

Table 9. U.S. Trade in Advanced Technology Products

(billions of U.S. dollars)

Year	U.S. Exports	U.S. Imports	Trade Balance
1990	93.4	59.3	34.1
1991	101.6	63.3	38.3
1992	107.1	71.9	35.2
1993	108.4	81.2	27.2
1994	120.7	98.1	22.6
1995	138.4	124.8	13.6
1996	154.9	130.4	24.5
1997	179.5	147.3	32.2
1998	186.4	156.8	29.6
1999	200.3	181.2	19.1
2000	227.4	222.1	5.3
2001	200.1	195.3	4.8
June 2002	16.4	16.5	-0.1
July 2002	14.8	16.9	-2.1
August 2002	15.1	16.3	-1.1
September 2002	14.8	17.0	-2.2

Source: U.S. Bureau of the Census. *U.S. International Trade in Goods and Services*. FT-900, issued monthly. Includes about 500 of some 22,000 commodity classification codes that meet the following criteria: (1) contains products whose technology is from a recognized high technology field (e.g., biotechnology), (2) represent leading edge technology in that field, and (3) constitute a significant part of all items covered in the selected classification code.

Table 10. U.S. Trade in Passenger Automobiles by Selected Countries, 2001

(millions of U.S. dollars)

Trading Partner	U.S. Exports	U.S. Imports	Trade Balance
Total World	17,863	106,621	-88,758
Canada	8,619	30,560	-21,941
Germany	1,768	14,977	-13,209
Korea	32	6,343	-6,311
Japan	571	31,113	-30,542
Mexico	3,250	14,309	-11,059
United Kingdom	526	2,700	-2,174

Source: U.S. Bureau of the Census. *U.S. International Trade in Goods and Services*. FT-900, issued monthly.