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Trade Affairs

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Note for Sir Roy Denman

EC/US TRADE 1978

Please find attached the Washington Delegation's annual analysis of EC/US trade for 1977 and 1978.

This study highlights U.S. trade with the E.C. as well as with each member country and provides an overall view of U.S. trade patterns since 1970.

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WASHINGTON DELEGATION

June 1979

TRADE AFFAIRS

E.C./U.S. TRADE 1978

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GENERAL TRADE DEVELOPMENTS 1978

The U.S. registered a \$28.5 billion trade deficit in 1978, a \$1.9 billion increase over the record deficit of 1977. The widening of the deficit occurred despite a faster rate of growth of exports than imports. Exports increased 18.5 percent in value to \$143.6 billion while imports rose 16.5 percent to reach \$172.0 billion. Export growth was led by an 18 percent increase in manufactures exports, and agricultural exports which rose 24 percent to achieve a record level of \$29.4 billion.

Despite this growth of manufactures exports, the deterioration in the overall trade balance during the past three years is largely accounted for by a decline in the manufactures trade balance which shifted into deficit by \$5.7 billion in 1978.

Import growth slowed in 1978, including a \$2.8 billion decline in petroleum products to \$39.5 billion. Non-petroleum imports accelerated, particularly capital goods which soared over 40 percent in value.

Trade Balance by World Region 1978

U.S. bilateral trade balances with major trading partners underwent significant shifts in 1978. The trade surplus with the E.C. fell 38 percent to \$3 billion while the U.S. deficit with Japan widened to \$11.6 billion, a \$3.6 billion increase over the previous year. Trade with Canada continued to be in deficit (\$5.2 billion) while there was a significant improvement in the deficit with the developing countries, as reduced purchases of oil combined with strong export sales reduced the imbalance with OPEC and other oil exporting LDCs. The U.S. trade balance with the non-oil exporting LDCs experienced little change from

1977, in deficit by \$2.1 billion.

The trade surplus with the Communist countries almost doubled in 1978 to \$2.7 billion, reflecting large sales of agricultural products to the U.S.S.R. and the People's Republic of China.

The following table summarizes U.S. bilateral trade balances in 1978.

U.S. TRADE BALANCE BY WORLD REGION 1978

(\$ billion)

| <u>Area</u> | <u>Balance</u> | <u>Change from 1977</u> |
|-----------------------------|----------------|-------------------------|
| E.C. | + 3.0 | - 1.8 |
| Other Western Europe | + 0.4 | - 1.8 |
| Canada | - 5.2 | - 1.3 |
| Japan | -11.6 | - 3.6 |
| Petroleum Exporting LDCs | -16.3 | + 5.8 |
| Other LDCs | - 2.1 | - 0.2 |
| Communist Countries | + 2.7 | + 1.3 |

Source: Commerce Department FT 990

Summary of U.S./E.C. Trade Developments in 1978

U.S. exports to the E.C. increased 18 percent in 1978, reflecting overall U.S. export growth while U.S. imports from the E.C. grew 31 percent, almost double that of overall U.S. import growth. (Table 1)

The E.C. share of U.S. exports, however, remained constant from the previous year at 22.3 percent, a share more or less maintained since 1974. For the first time the E.C. share of U.S. agricultural exports fell - down from 28 percent attained in 1976 and 1977 to 24.4 percent in 1978. The E.C. share of U.S. non-agricultural exports on the other hand, rose slightly from 20.4 percent in 1977 to 21.6 percent in 1978.

The E.C. contributed 16.9 percent of U.S. imports, the second year of moderate increases following the period 1970-1976 when its share fell from 23.1 percent to 14.8 percent.

Regarding trade with the individual member states, the U.K. and the Federal Republic of Germany both accounted for 22 percent of U.S. exports to the E.C. while the Federal Republic and the U.K. accounted for 34 percent and 22 percent respectively of U.S. imports from that region in 1978.

COMMODITY STRUCTURE OF U.S. TRADE

The commodity structure of U.S. trade continues to be heavily dependent on manufactured goods exports which, in 1978 accounted for approximately two-thirds of U.S. export earnings and for over half of the import bill. U.S. trade in manufactured

goods* suffered a deficit of \$5.7 billion in 1978 following surpluses of \$13.8 billion and \$3.2 billion in 1976 and 1977 respectively. (Table 2)

Chemicals, and machinery and transport equipment ran a combined surplus of \$17.9 billion while manufactured goods by material registered a \$14.7 billion deficit. Miscellaneous manufactured articles were in deficit by \$8.9 billion.

In 1977 the U.S. had already developed a deficit on the manufactures account with the E.C. (Table 3) This deficit increased from \$2.1 billion that year to \$4.0 billion for 1978. In common with overall U.S. trade in manufactured goods, the U.S. deficit with the E.C. was greatest in the category manufactured goods by material - a category which includes iron and steel, nonferrous metals and textiles.

U.S. Trade by 'End-Use'

Analysis of U.S. trade by 'end-use' gives a useful breakdown of consumer and capital goods. Capital goods contribute almost one-third of U.S. export earnings while industrial supplies (which include petroleum products, building materials and iron and steel products) comprise the largest portion of the import bill. From the table on the following page may also be seen the high propensity of the U.S. to import automobiles and consumer goods which together account for 30 percent of imports.

*Defined as SITC categories 5 through 8.

U.S. TRADE BY 'END-USE' 1970, 1978

| <u>Category</u> | <u>% of Exports</u> | | <u>% of Imports</u> | |
|------------------------------------|---------------------|-------------|---------------------|-------------|
| | <u>1970</u> | <u>1978</u> | <u>1970</u> | <u>1978</u> |
| Capital Goods excl. Automotive | 32 | 32 | 10 | 12 |
| Industrial Supplies & Materials | 32 | 27 | 38 | 48 |
| -petroleum & products | 7 | 1 | 1 | 23 |
| Foods, Feeds & Beverages | 13 | 17 | 16 | 9 |
| Automotive Vehicles | 9 | 10 | 15 | 15 |
| Consumer Goods | 6 | 7 | 19 | 15 |

Source: Commerce Department FT 990

The strength of the U.S. capital goods sector may also be seen in the U.S. trade balance. (Table 4) In 1978, the U.S. had a capital goods surplus of \$26.8 billion. However, capital goods exports grew only 18 percent in value while imports accelerated 43 percent to become the fastest growing import category.

The U.S. capital goods surplus with the E.C. increased from \$4.6 billion in 1977 to \$5.3 billion in 1978. Exports to the E.C. rose 27 percent while imports were up 40 percent on the previous year (Table 5).

Examination of the geographical composition of the suppliers of capital goods to the U.S. reveals that the traditional suppliers (the E.C. and Canada) have been losing ground to Japan and East

Asia in the period since 1970.

U.S. CAPITAL GOODS IMPORTS BY MAIN SUPPLIER

(percent)

| | | E.C. | Canada | Japan | East Asia* |
|--------------------------|------|------|--------|-------|------------|
| Capital Goods | 1970 | 43 | 22 | 16 | 6 |
| | 1977 | 34 | 15 | 22 | 14 |
| | 1978 | 33 | 13 | 25 | 14 |
| - Electrical Machinery | 1970 | 21 | 18 | 23 | 18 |
| | 1977 | 16 | 7 | 23 | 34 |
| | 1978 | 11 | 6 | 27 | 35 |
| - Non-Electric Machinery | 1970 | 51 | 21 | 15 | 1 |
| | 1977 | 42 | 18 | 23 | 4 |
| | 1978 | 42 | 14 | 26 | 4 |

Source: Commerce Department FT 990

The U.S. has run deficits in automotive and consumer goods for almost a decade and in 1978 the combined deficit for these categories reached \$27.7 billion.

The U.S. deficit in consumer goods was a record \$17.9 billion with imports from the E.C. growing at a faster rate than overall import growth in this category (31 percent versus 26 percent). Exports experienced the opposite trend with exports to the E.C. growing 14 percent compared with 17 percent overall. The U.S. deficit with the E.C. in consumer goods totalled \$3.4 billion in 1978.

* Includes Hong Kong, Taiwan, Rep. of Korea - See Appendix I

Although the E.C. slightly increased its share of U.S. consumer goods imports in 1978, its share is significantly lower than in 1970.

U.S. CONSUMER GOODS IMPORTS BY MAIN SUPPLIER

(percent)

| | <u>E.C.</u> | <u>Japan</u> | <u>East Asia</u> |
|------|-------------|--------------|------------------|
| 1970 | 28 | 34 | 19 |
| 1977 | 20 | 24 | 35 |
| 1978 | 21 | 22 | 36 |

Source: Commerce Department FT 990

The U.S. deficit in automotive vehicles increased 48 percent in 1978 to \$9.8 billion. The deficit with the E.C. rose 38 percent to \$4.0 billion. The E.C. share of U.S. automotive vehicles imports increased slightly in 1978 to 19 percent but in common with capital and consumer goods, this share is lower than in 1970.

Canada remains the chief supplier of automotive vehicles to the U.S. but its share is also falling, down from 60 percent in 1970 to 43 percent in 1978.

Japan's share, on the other hand, has grown to 34 percent from 11 percent in 1970.

U.S. AUTOMOTIVE IMPORTS BY MAIN SUPPLIER

(percent)

| | <u>E.C.</u> | <u>Japan</u> | <u>Canada</u> |
|------|-------------|--------------|---------------|
| 1970 | 27 | 11 | 60 |
| 1977 | 18 | 29 | 49 |
| 1978 | 19 | 34 | 43 |

Source: Commerce Department FT 990

Origins of U.S. Imports

The E.C. share of U.S. imports increased from 15 percent to 17 percent in 1978 to a total of \$29 billion. This increase reverses the declining trend experienced from 1970 to 1976 when the E.C. share fell from 23 percent to 15 percent. (Tables 6A, 6B).

The Japanese and East Asian Shares also increased slightly (+1%) to 14 percent and 11 percent respectively while Africa's share increased from 3 percent to 5 percent. Canada, the U.S.' leading supplier fell 1 percent to 19 percent and OPEC's share declined 4 percent to 18 percent.

Destination of U.S. Exports

The E.C. remains the largest buyer of U.S. goods, accounting for 22 percent of exports in 1978. This share has been fairly constant since 1974 and, in 1978, represented a value of

over \$32 billion (Tables 7A, 7B).

Canada, the second largest purchaser of U.S. exports, registered a 1 percent decline to 20 percent in 1978. The share of OPEC (12 percent) and Japan (9 percent) remained constant from the previous year while East Asia and Latin America both experienced increases of 1 percent to reach 9 percent and 11 percent respectively.

U.S. Imports from the E.C. and from all Origins

The growth rate of U.S. imports from the E.C. far exceeded that of overall import growth in 1978 - 31 percent compared with 17 percent (Table 8).

While overall U.S. agricultural imports grew 11 percent, imports from the E.C. accelerated 38 percent over 1977. U.S. non-agricultural imports from the E.C. increased 31 percent also exceeding overall imports of this category (18 percent).

As a result, the E.C. share of U.S. agricultural imports has risen from 10 percent in 1977 to 13 percent in 1978. The E.C. share of U.S. non-agricultural imports increased from 16 to 17 percent in the same period.

U.S. import categories registering high growth rates from the E.C. during 1978 include wine (+60%), power generating engines (+61%), nonferrous metals (+52%), footwear (+49%) and glass, glassware, pottery and china (+47%). Negative growth in U.S. imports from the E.C. was experienced in fish (-18%), industrial diamonds (-14%), petroleum products (-5%), and meat (-0.5%).

U.S. Exports to the E.C. and to all Destinations

U.S. exports to the E.C. increased 21 percent in 1978, reflecting an overall export growth rate of 20 percent. U.S. exports of agricultural commodities to all areas increased 24 percent while its exports to the E.C. registered a sluggish 8 percent rise (Table 10).

U.S. exports on non-agricultural goods experienced the opposite trend with exports to the E.C. growing faster than the overall growth rate (26 percent compared with 19 percent). As a result of these growth rates the E.C. share of non-agricultural exports rose 2 percent to 22 percent in 1978 while its share of U.S. agricultural exports fell from 28 percent to 24 percent.

The U.S. registered growth in its exports to the E.C. in sectors such as aircraft and spacecraft and parts (+62%), beverages and tobacco (+53%), transport equipment (+50%), medicinals and pharmaceuticals (+49%) and office machinery and computers (+41%).

Exports to the E.C. under SITC 9 'commodities and transactions not classified elsewhere' surged by 510 percent in 1978. This is due to the inclusion for the first time of non-monetary gold bullion and scrap in U.S. trade statistics since January 1979. The E.C. accounted for 71 percent of U.S. exports of non-monetary gold bullion and scrap in 1978.

Sectors experiencing negative growth rates of U.S. exports to the E.C. included minerals, fuels and lubricants (-14%), grains and cereal preparations (-14%), oils and fats (-8%), paper base stocks (-3%) and food and live animals (-2%).

U.S. Trade with the E.C. by Member State 1978

Tables 9 and 11 give a detailed breakdown of U.S. trade with each member state. The Federal Republic of Germany was edged out of its position as chief market for U.S. exports to the E.C. during 1978. The U.K. now ranks first with both countries accounting for approximately 22 percent of U.S. exports.

On the import side, the FRG continued to be the main E.C. supplier of the goods to the U.S. with 34 percent. The U.K. was in second place with 22 percent. The following table summarizes the rankings for all the member states in their trade with the U.S. in 1978.

RANKING OF MEMBER STATES' TRADE WITH THE U.S.

(\$ million)

| <u>Rank</u> | <u>U.S. Exports To</u> | | | | <u>U.S. Imports From</u> | | |
|-------------|------------------------|--------------|----------|--|--------------------------|--------------|----------|
| | <u>Country</u> | <u>Value</u> | <u>%</u> | | <u>Country</u> | <u>Value</u> | <u>%</u> |
| 1 | U.K. | 7,119 | 22 | | FRG | 9,961 | 34 |
| 2 | FRG | 6,957 | 22 | | U.K. | 6,513 | 22 |
| 3 | Netherlands | 5,683 | 18 | | Italy | 4,103 | 14 |
| 4 | France | 4,116 | 13 | | France | 4,054 | 14 |
| 5 | Bel-Lux | 3,653 | 11 | | Bel-Lux | 1,762 | 6 |
| 6 | Italy | 3,360 | 10 | | Netherlands | 1,603 | 6 |
| 7 | Denmark | 585 | 2 | | Denmark | 694 | 2 |
| 8 | Ireland | 527 | 2 | | Ireland | 320 | 1 |

Source: Commerce Department FT 990

TABLE 1

TREND OF U.S. TRADE WITH THE E.C. 1970-1978

(Millions of dollars, f.a.s. value basis)

| | <u>US</u> <u>Imports</u> <u>from EC</u> | <u>%</u> <u>Change</u> | <u>% of</u> <u>Total US</u> <u>Imports</u> | <u>US</u> <u>Exports</u> <u>to EC*</u> | <u>%</u> <u>Change</u> | <u>% of</u> <u>Total US</u> <u>Exports</u> | <u>BALANCE</u> |
|---|---|---------------------------|--|--|---------------------------|--|----------------|
| <u>E.C. (6 countries),</u> <u>+ U.K., Ireland,</u> <u>Denmark</u> | | | | | | | |
| 1970 | 9,222 | | 23.1% | 11,299 | | 26.1% | +2,077 |
| 1971 | 10,431 | +13% | 22.9% | 11,141 | - 1.4% | 25.2% | + 710 |
| 1972 | 12,489 | +20% | 22.5% | 11,900 | + 7 % | 23.9% | - 589 |
| <u>E.C. (9 countries)</u> | | | | | | | |
| 1973 | 15,605 | +25% | 22.5% | 16,745 | +41 % | 23.5% | +1,140 |
| 1974 | 19,035 | +23% | 19.0% | 22,068 | +32 % | 22.4% | +3,033 |
| 1975 | 16,610 | -13% | 17.3% | 22,865 | + 4 % | 21.3% | +6,255 |
| 1976 | 17,844 | + 7% | 14.8% | 25,409 | +11 % | 22.1% | +7,558 |
| 1977 | 22,209 | +24% | 15.0% | 27,092 | + 7 % | 22.3% | +4,883 |
| 1978 | 29,009 | +31% | 16.9% | 32,051 | +18 % | 22.3% | +3,042 |

*Exports include both domestic and foreign merchandise

Source: U.S. Department of Commerce, FT 990, Tables E-3, I-6

TABLE 2

U.S. IMPORTS AND EXPORTS OF MANUFACTURED GOODS 1970, 1977, 1978

(Billions of dollars)

| | | <u>Imports</u> | <u>Exports</u> | <u>BALANCE</u> | |
|----------|---|----------------|----------------|----------------|-------|
| SITC 5 | Chemicals | 1970 | 1.5 | 3.8 | + 2.3 |
| | | 1977 | 5.4 | 10.8 | + 5.4 |
| | | 1978 | 6.4 | 12.6 | + 6.2 |
| SITC 6 | Manufactured goods classified chiefly by material | 1970 | 8.4 | 5.1 | - 3.3 |
| | | 1977 | 21.4 | 11.3 | -10.1 |
| | | 1978 | 27.2 | 12.5 | -14.7 |
| SITC 7 | Machinery and transport equipment | 1970 | 11.2 | 17.9 | + 6.7 |
| | | 1977 | 35.5 | 51.0 | +15.5 |
| | | 1978 | 47.6 | 59.3 | +11.7 |
| SITC 8 | Miscellaneous manufactured articles | 1970 | 4.8 | 2.6 | - 2.2 |
| | | 1977 | 14.9 | 7.3 | - 7.6 |
| | | 1978 | 19.1 | 10.2 | - 8.9 |
| SITC 5-8 | Total manufactures* | 1970 | 25.9 | 29.4 | + 3.5 |
| | | 1977 | 77.2 | 80.4 | + 3.2 |
| | | 1978 | 100.3 | 94.6 | - 5.7 |

1970: Customs value;
1977, 1978: F.a.s. value

*Total manufactures includes reexports

Source: U.S. Department of Commerce, FT 990

TABLE 3

U.S. TRADE WITH E.C. IN MANUFACTURES 1976, 1977, 1978

(Billions of dollars, f.a.s. value basis)

| | | <u>Imports</u> | <u>Exports</u> | <u>BALANCE</u> | |
|----------|---|----------------|----------------|----------------|------|
| SITC 5 | Chemicals | 1976 | 1.9 | 2.9 | +1.0 |
| | | 1977 | 2.2 | 2.9 | +0.7 |
| | | 1978 | 2.8 | 3.6 | +0.8 |
| SITC 6 | Manufactured goods classified chiefly by material | 1976 | 3.4 | 2.4 | -1.0 |
| | | 1977 | 4.8 | 2.2 | -2.6 |
| | | 1978 | 6.1 | 2.5 | -3.6 |
| SITC 7 | Machinery and transport equipment | 1976 | 7.0 | 8.1 | +1.1 |
| | | 1977 | 8.2 | 8.8 | +0.6 |
| | | 1978 | 11.1 | 11.0 | -0.1 |
| SITC 8 | Miscellaneous manufactured articles | 1976 | 2.5 | 1.8 | -0.7 |
| | | 1977 | 2.9 | 2.1 | -0.8 |
| | | 1978 | 4.0 | 2.9 | -1.1 |
| SITC 5-8 | Total manufactures | 1976 | 14.8 | 15.2 | +0.4 |
| | | 1977 | 18.1 | 16.0 | -2.1 |
| | | 1978 | 24.0 | 20.0 | -4.0 |

Source: U.S. Department of Commerce, FT 990

TABLE 4

U.S. TRADE BY "END-USE" CATEGORIES 1970, 1977, 1978

(Billions of dollars)

| | | <u>Imports</u> | <u>Exports</u> | <u>BALANCE</u> |
|--|------|----------------|----------------|----------------|
| Foods, feeds, and beverages | 1970 | 6.2 | 5.8 | - 0.4 |
| | 1977 | 13.9 | 19.6 | + 5.7 |
| | 1978 | 15.4 | 25.0 | + 9.6 |
| Industrial supplies and materials | 1970 | 15.1 | 13.8 | - 1.3 |
| | 1977 | 75.6 | 33.5 | -42.1 |
| | 1978 | 81.7 | 39.0 | -42.7 |
| Capital goods, except automobiles | 1970 | 3.8 | 14.4 | +10.6 |
| | 1977 | 13.4 | 39.0 | +25.6 |
| | 1978 | 19.2 | 46.0 | +26.8 |
| Automotive vehicles, parts, and engines | 1970 | 6.0 | 3.7 | - 2.3 |
| | 1977 | 18.7 | 12.1 | - 6.6 |
| | 1978 | 24.3 | 14.5 | - 9.8 |
| Consumer goods (nonfood), except automotive | 1970 | 7.6 | 2.7 | - 4.9 |
| | 1977 | 22.4 | 8.8 | -13.6 |
| | 1978 | 28.2 | 10.3 | -17.9 |

1970: Customs value;
1977, 1978: F.a.s. value

Source: U.S. Department of Commerce, FT 990, Tables E-7, I-12

TABLE 5

U.S. TRADE WITH E.C.* BY "END-USE" CATEGORIES 1970, 1977, 1978

(Billions of dollars)

| | | <u>Imports</u> | <u>Exports</u> | <u>BALANCE</u> |
|--|------|----------------|----------------|----------------|
| Foods, feeds, and beverages | 1970 | 0.8 | 1.6 | +0.8 |
| | 1977 | 1.7 | 5.7 | +4.0 |
| | 1978 | 2.3 | 6.1 | +3.8 |
| Industrial supplies and materials | 1970 | 2.4 | 4.1 | +1.7 |
| | 1977 | 7.3 | 7.9 | +0.6 |
| | 1978 | 9.2 | 9.9 | +0.7 |
| Capital goods, except automobiles | 1970 | 1.6 | 4.1 | +2.5 |
| | 1977 | 4.5 | 9.1 | +4.6 |
| | 1978 | 6.3 | 11.6 | +5.3 |
| Automotive vehicles, parts, and engines | 1970 | 1.6 | 0.1 | -1.5 |
| | 1977 | 3.4 | 0.5 | -2.9 |
| | 1978 | 4.7 | 0.7 | -4.0 |
| Consumer goods (nonfood), except automotive | 1970 | 2.1 | 0.6 | -1.5 |
| | 1977 | 4.4 | 2.1 | -2.3 |
| | 1978 | 5.8 | 2.4 | -3.4 |

*Figures for 1970 are E.C. (6) + U.K. Data for Denmark and Ireland not available

1970: Customs value;
1977, 1978: F.a.s. value

Source: U.S. Department of Commerce, FT 990, Tables E-7, I-12

TABLE 6A

ORIGIN OF U.S. IMPORTS 1970-1978

(Percent)

| | <u>EC</u> | <u>Other Western Europe</u> | <u>Communist Europe</u> | <u>Japan</u> | <u>Canada</u> | <u>20 Latin American Republics</u> | <u>Near East</u> | <u>Africa</u> | <u>Other</u> |
|------|-----------|-------------------------------------|-----------------------------|--------------|---------------|--|----------------------|---------------|--------------|
| 1970 | 23 | 5 | 1 | 15 | 28 | 12 | 1 | 2 | 13 |
| 1971 | 23 | 5 | (a) | 16 | 28 | 11 | 1 | 2 | 14 |
| 1972 | 22 | 5 | 1 | 16 | 27 | 10 | 1 | 2 | 16 |
| 1973 | 22 | 5 | 1 | 14 | 26 | 11 | 2 | 3 | 16 |
| 1974 | 19 | 4 | 1 | 12 | 22 | 14 | 5 | 6 | 17 |
| 1975 | 17 | 4 | 1 | 12 | 23 | 12 | 6 | 8 | 17 |
| 1976 | 15 | 4 | 1 | 13 | 22 | 11 | 8 | 10 | 16 |
| 1977 | 15 | 4 | 1 | 13 | 20 | 11 | 9 | 11 | 16 |
| 1978 | 17 | 4 | 1 | 14 | 19 | 11 | 7 | 8 | 19 |

(a) = Less than 0.5 percent

Source: FT 990, Table I-6, U.S. Department of Commerce

TABLE 6B*

ORIGIN OF U.S. IMPORTS 1977-1978

(Percent)

| | <u>EC</u> | <u>Other Western Europe</u> | <u>Communist Europe</u> | <u>*Japan</u> | <u>Canada</u> | <u>Latin America</u> | <u>Other Western Hemisphere</u> | <u>OPEC</u> | <u>East Asia</u> | <u>Africa</u> | <u>Other</u> |
|------|-----------|-------------------------------------|-----------------------------|---------------|---------------|--------------------------|---|-------------|----------------------|---------------|--------------|
| 1977 | 15 | 4 | 1 | 13 | 20 | 8 | 3 | 22 | 10 | 3 | 1 |
| 1978 | 17 | 4 | 1 | 14 | 19 | 8 | 3 | 18 | 11 | 5 | 3 |

* Beginning with this report, Table 6B will replace Table 6A to take account of changing U.S. trade patterns. For definition of countries included in new larger groupings see Appendix I.

Source: FT 990, Table I-6, U.S. Department of Commerce

TABLE 7 A

DESTINATION OF U.S. EXPORTS* 1970-1978

(Percent)

| | <u>EC</u> | <u>Other Western Europe</u> | <u>Communist Europe</u> | <u>Japan</u> | <u>Canada</u> | <u>20 Latin American Republics</u> | <u>Near East</u> | <u>Africa</u> | <u>Other</u> |
|------|-----------|-------------------------------------|-----------------------------|--------------|---------------|--|----------------------|---------------|--------------|
| 1970 | 26 | 7 | 1 | 11 | 21 | 13 | 3 | 2 | 16 |
| 1971 | 25 | 7 | 1 | 9 | 23 | 13 | 4 | 2 | 16 |
| 1972 | 24 | 7 | 2 | 10 | 25 | 13 | 4 | 2 | 13 |
| 1973 | 23 | 6 | 3 | 12 | 21 | 13 | 4 | 2 | 16 |
| 1974 | 22 | 7 | 1 | 11 | 20 | 15 | 6 | 2 | 16 |
| 1975 | 21 | 7 | 3 | 9 | 20 | 15 | 8 | 3 | 14 |
| 1976 | 22 | 6 | 3 | 9 | 21 | 13 | 9 | 3 | 14 |
| 1977 | 22 | 6 | 2 | 9 | 21 | 14 | 9 | 3 | 14 |
| 1978 | 22 | 5 | 3 | 9 | 20 | 14 | 9 | 3 | 15 |

*Exports include both domestic and foreign merchandise.
Reexports account for 1.1 to 1.5 percent of total exports.

Source: FT 990, Table E-3, U.S. Department of Commerce

TABLE 7B**

DESTINATION OF U.S. EXPORTS* 1977-1978

(Percent)

| | <u>EC</u> | <u>Other Western Europe</u> | <u>Communist Europe</u> * | <u>Japan</u> | <u>Canada</u> | <u>Latin America</u> | <u>Other Western Hemisphere</u> | <u>OPEC</u> | <u>East Asia</u> | <u>Africa</u> | <u>Other</u> |
|------|-----------|-------------------------------------|-------------------------------|--------------|---------------|--------------------------|---|-------------|----------------------|---------------|--------------|
| 1977 | 22 | 6 | 2 | 9 | 21 | 10 | 1 | 12 | 8 | 3 | 6 |
| 1978 | 22 | 5 | 3 | 9 | 20 | 11 | 1 | 12 | 9 | 3 | 5 |

* Exports include both domestic and foreign merchandise. Reexports account for 1.1 to 1.5 percent of total exports.

** Beginning with this report, Table 7B will replace Table 7A to take account of changing U.S. trade patterns. For definition of countries included in larger groupings see Appendix I.

Source: FT 990, Table E-3, U.S. Department of Commerce

TABLE 8

U.S. IMPORTS FROM THE E.C. AND FROM ALL ORIGINS

(Millions of dollars, f.a.s. value basis)

| Product | Total Imports | | % Change 1978/1977 | Imports from EC as % of total | | Imports from EC | | % Change 1978/1977 |
|---|---------------|----------|--------------------|-------------------------------|------|-----------------|---------|--------------------|
| | 1977 | 1978 | | 1977 | 1978 | 1977 | 1978 | |
| Grand total..... | 146,817 | 172,026 | +17% | 15% | 17% | 22,087 | 29,009 | +31% |
| Agricultural commodities..... | 13,538 | 14,961 | +11% | 10% | 13% | 1,377 | 1,898 | +38% |
| Nonagricultural commodities..... | 133,278 | 157,065 | +18% | 16% | 17% | 20,710 | 27,112 | +31% |
| <u>Food and live animals.....</u> | 12,490 | 13,521 | + 8% | 7% | 7% | 812 | 980 | +21% |
| Meat and meat preparations..... | 1,273 | 1,856 | +46% | 17% | 11% | 212 | 211 | - 0.47% |
| Dairy products and birds' eggs..... | 229 | 283 | +24% | 38% | 37% | 88 | 104 | +18% |
| Fish, incl. shellfish, and preparations.. | 2,056 | 2,212 | + 8% | 7% | 5% | 140 | 115 | -18% |
| <u>Beverages and tobacco.....</u> | 1,663 | 2,221 | +34% | 53% | 60% | 886 | 1,336 | +51% |
| Alcoholic beverages--whiskey, beer, wine. | 1,282 | 1,744 | +36% | 67% | 73% | 856 | 1,278 | +49% |
| Wine, except prune wine and rice wine.. | 374* | 577** | +54% | 84% | 87% | 313* | 501** | +60% |
| <u>Crude materials, except fuels.....</u> (inedible) | 7,944 | 9,334 | +17% | 4% | 4% | 335 | 407 | +21% |
| Industrial diamonds and other natural abrasives..... | 83 | 93 | +12% | 45% | 34% | 37 | 32 | -14% |
| <u>Mineral fuels, lubricants, and related materials.....</u> | 44,287 | 42,105 | - 5% | 3% | 4% | 1,343 | 1,499 | +12% |
| Petroleum products--crude and refined.... | 41,526 | 39,109 | - 6% | 3% | 3% | 1,197 | 1,133 | - 5% |
| <u>Oils and fats--animal and vegetable.</u> | 538 | 511 | - 5% | 6% | 7% | 31 | 36 | +16% |
| <u>Chemicals and related products.....</u> | 5,432 | 6,427 | +18% | 40% | 43% | 2,188 | 2,787 | +27% |
| Organic chemicals..... | 1,427 | 1,734 | +22% | 56% | 55% | 803 | 950 | +18% |
| <u>Manufactured goods classified chiefly by material.....</u> | 21,414 | 27,237 | +27% | 22% | 23% | 4,794 | 6,144 | +28% |
| Rubber tires and tubes for vehicles and aircraft..... | 855* | 923** | + 8% | 41% | 38% | 347* | 357** | + 3% |
| Textile yarn, fabrics, and related products..... | 1,772 | 2,200 | +24% | 26% | 27% | 460 | 593 | +29% |
| Glass, glassware, pottery, and china.... | 784 | 1,047 | +34% | 34% | 37% | 264 | 388 | +47% |
| Gem diamonds..... | 1,453 | 1,973 | +36% | 41% | 31% | 591 | 619 | + 5% |
| Iron and steel; and other ferrous metals. | 5,804 | 7,259 | +25% | 31% | 32% | 1,811 | 2,301 | +27% |
| Nonferrous metals..... | 3,938 | 5,122 | +30% | 12% | 14% | 482 | 733 | +52% |
| <u>Machinery and transport equipment+).</u> | 35,494 | 47,626 | +34% | 23% | 23% | 8,205 | 11,106 | +35% |
| Machinery+). | 17,664 | 24,404 | +38% | 25% | 25% | 4,367 | 6,100 | +40% |
| Power generating machinery, incl. engines | 2,217 | 3,244 | +46% | 32% | 35% | 701 | 1,132 | +61% |
| Textile, sewing, and shoe machinery..... | 638 | 877 | +37% | 49% | 50% | 315 | 442 | +40% |
| Office machinery and automatic data processing machines..... | 1,584 | 2,254 | +42% | 28% | 25% | 438 | 557 | +27% |
| Transport equipment..... | 17,830 | 23,222 | +30% | 22% | 22% | 3,838 | 5,006 | +30% |
| Passenger motor vehicles..... | 10,726* | 13,850** | +29% | 26% | 25% | 2,766* | 3,482** | +26% |
| <u>Miscellaneous manufactured articles.</u> | 14,864 | 19,062 | +28% | 19% | 21% | 2,883 | 3,952 | +37% |
| Clothing and accessories; leather and fur articles..... | 4,154 | 5,657 | +36% | 9% | 8% | 360 | 446 | +24% |
| Footwear..... | 1,848 | 2,585 | +40% | 25% | 27% | 466 | 694 | +49% |
| Professional, scientific, and controlling instruments..... | 1,303 | 981 | -25% | 26% | 41% | 340 | 403 | +19% |
| <u>Commodities and transactions not classified elsewhere.....</u> | 2,692 | 3,981 | +48% | 23% | 19% | 610 | 763 | +25% |

+) The categories "machinery-non-electric" and "machinery, apparatus and appliances" have been dropped in this report due to changes in SITC two and three-digit classifications. These have been replaced with the category "machinery". Furthermore, the SITC one-digit category "machinery and transport equipment" has been added to complete the ten single-digit SITC categories.

* IM 150/155, December 1977

** IM 150/155, December 1978

Sources: FT 990, December 1978, December 1977, U.S. Department of Commerce

TABLE 9

U.S. IMPORTS FROM THE E.C. BY COUNTRY

(Millions of dollars, f.a.s. value basis)

| Product | F.R. GERMANY | | | FRANCE | | | ITALY | | |
|---|--------------|-------|--------------------------------|--------|-------|--------------------------------|-------|-------|--------------------------------|
| | 1977 | 1978 | % of US imports from EC in '78 | 1977 | 1978 | % of US imports from EC in '78 | 1977 | 1978 | % of US imports from EC in '78 |
| Grand total..... | 7,215 | 9,961 | 34% | 3,031 | 4,054 | 14% | 3,038 | 4,102 | 14% |
| <u>Food and live animals.....</u> | 73 | 136 | 14% | 120 | 145 | 15% | 58 | 71 | 7% |
| Meat and meat preparations..... | 2 | 3 | 1% | 4 | 6 | 3% | 1 | (a)++ | (b)+++ |
| Dairy products and birds' eggs..... | 4 | 5 | 5% | 19 | 22 | 20% | 25 | 28 | 27% |
| Fish, incl. shellfish, and preparations... | 3 | 3 | 3% | 16 | 8 | 7% | 1 | 1 | 1% |
| <u>Beverages and tobacco.....</u> | 93 | 136 | 10% | 201 | 322 | 24% | 133 | 219 | 16% |
| Alcoholic beverages--whiskey, beer, wine.. | 92 | 134 | 10% | 197 | 300 | 23% | 125 | 206 | 16% |
| Wine, except prune wine and rice wine... | 67 | 101 | 20% | 134 | 208 | 42% | 108 | 182 | 36% |
| <u>Crude materials, except fuels.....</u> (inedible) | 53 | 63 | 15% | 42 | 76 | 19% | 19 | 21 | 5% |
| Industrial diamonds and other natural abrasives..... | 1 | 1 | 3% | 1 | 1 | 3% | (a) | 1 | 3% |
| <u>Mineral fuels, lubricants, and related materials.....</u> | 128 | 325 | 22% | 95 | 73 | 5% | 305 | 238 | 16% |
| Petroleum products--crude and refined.... | 14 | 24 | 2% | 81 | 66 | 6% | 293 | 221 | 20% |
| <u>Oils and fats--animal and vegetable..</u> | 3 | 3 | 8% | (a) | (a) | (b) | 15 | 20 | 56% |
| <u>Chemicals and related products.....</u> | 598 | 795 | 29% | 324 | 470 | 17% | 206 | 206 | 7% |
| Organic chemicals..... | 203 | 241 | 25% | 94 | 121 | 13% | 121 | 117 | 12% |
| <u>Manufactured goods classified chiefly by material.....</u> | 1,195 | 1,580 | 26% | 871 | 1,161 | 19% | 549 | 773 | 13% |
| Rubber tires and tubes for vehicles and aircraft..... | 62 | 61 | 17% | 160 | 184 | 52% | 68 | 59 | 17% |
| Textile yarn, fabrics, and related products..... | 88 | 91 | 15% | 61 | 73 | 12% | 123 | 204 | 34% |
| Glass, glassware, pottery, and china..... | 89 | 141 | 36% | 44 | 62 | 16% | 36 | 44 | 11% |
| Gem diamonds..... | 1 | (a) | (b) | 2 | 2 | (b) | 1 | 1 | (b) |
| Iron and steel; and other ferrous metals.. | 541 | 716 | 31% | 437 | 563 | 24% | 167 | 228 | 10% |
| Nonferrous metals..... | 151 | 211 | 29% | 59 | 106 | 14% | 23 | 38 | 5% |
| <u>Machinery and transport equipment....</u> | | 5,985 | 54% | | 1,072 | 10% | | 1,004 | 9% |
| Machinery..... | | 2,697 | 44% | | 593 | 10% | | 564 | 9% |
| Power generating machinery, incl. engines. | 245 | 462 | 41% | 42 | 59 | 5% | 17 | 40 | 4% |
| Textile, sewing, and shoe machinery..... | 169 | 257 | 53% | 32 | 42 | 9% | 47 | 56 | 12% |
| Office machinery and automatic data processing machines..... | 145 | 216 | 39% | 111 | 112 | 20% | 72 | 86 | 15% |
| Transport equipment..... | 2,490 | 3,288 | 66% | 378 | 480 | 10% | 291 | 440 | 9% |
| Passenger motor vehicles..... | 2,237 | 2,794 | 80% | 69 | 96 | 3% | 190 | 274 | 8% |
| <u>Miscellaneous manufactured articles..</u> | 534 | 745 | 19% | 473 | 625 | 16% | 1,003 | 1,497 | 38% |
| Clothing and accessories; leather and fur articles..... | 26 | 32 | 7% | 104 | 135 | 30% | 156 | 187 | 42% |
| Footwear..... | 19 | 23 | 3% | 43 | 67 | 10% | 378 | 569 | 82% |
| Professional, scientific, and controlling instruments..... | 176 | 196 | 49% | 65 | 46 | 11% | 40 | 17 | 4% |
| <u>Commodities and transactions not classified elsewhere.....</u> | 134 | 192 | 25% | 100 | 110 | 14% | 50 | 53 | 7% |

++(a) = less than \$500,000

+++ (b) = less than 0.5 percent

Sources: IM 150/155, December 1978, December 1977, U.S. Department of Commerce

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| NETHERLANDS | | | BELGIUM/LUXEMBOURG | | | UNITED KINGDOM | | | IRELAND | | | DENMARK | | |
|-------------|-------------------------|--------|--------------------|-------------------------|--------|----------------|-------------------------|--------|---------|-------------------------|--------|---------|-------------------------|--------|
| | % of US imports from EC | | | % of US imports from EC | | | % of US imports from EC | | | % of US imports from EC | | | % of US imports from EC | |
| 77 | 1978 | in '78 | 1977 | 1978 | in '78 | 1977 | 1978 | in '78 | 1977 | 1978 | in '78 | 1977 | 1978 | in '78 |
| 477 | 1,603 | 6% | 1,441 | 1,762 | 6% | 5,068 | 6,513 | 22% | 234 | 320 | 1% | 584 | 694 | 2% |
| 182 | 217 | 22% | 14 | 30 | 3% | 78 | 82 | 8% | 14 | 12 | 1% | 274 | 288 | 29% |
| 52 | 35 | 17% | 1 | 2 | 1% | 1 | (a) | (b) | (a) | (a) | (b) | 151 | 164 | 77% |
| 11 | 14 | 13% | (a) | (a) | (b) | 1 | 2 | 2% | (a) | (a) | (b) | 27 | 33 | 32% |
| 9 | 12 | 10% | 1 | 1 | 1% | 22 | 13 | 11% | (a) | (a) | (b) | 88 | 77 | 67% |
| 82 | 137 | 10% | 3 | 2 | (b) | 360 | 501 | 38% | 7 | 9 | 1% | 7 | 9 | 1% |
| 76 | 130 | 10% | 1 | 2 | (b) | 356 | 493 | 39% | 6 | 9 | 1% | 4 | 4 | (b) |
| 1 | 2 | 1% | 1 | 1 | (b) | 4 | 7 | 1% | --- | --- | --- | --- | --- | --- |
| 59 | 71 | 17% | 37 | 44 | 11% | 64 | 59 | 14% | 29 | 32 | 8% | 33 | 42 | 10% |
| 2 | 2 | 6% | 5 | 3 | 9% | 11 | 7 | 22% | 18 | 18 | 56% | --- | --- | --- |
| 216 | 58 | 4% | 41 | 17 | 1% | 554 | 787 | 53% | (a) | (a) | (b) | 6 | (a) | (b) |
| 212 | 41 | 4% | 39 | 11 | 1% | 550 | 770 | 68% | (a) | (a) | (b) | 6 | (a) | (b) |
| 8 | 8 | 22% | (a) | 1 | 3% | 3 | 3 | 8% | (a) | (a) | (b) | 1 | 1 | 3% |
| 310 | 332 | 12% | 134 | 134 | 5% | 555 | 731 | 26% | 29 | 71 | 3% | 42 | 47 | 2% |
| 134 | 163 | 17% | 70 | 62 | 7% | 137 | 204 | 21% | 18 | 12 | 1% | 25 | 29 | 3% |
| 276 | 343 | 6% | 860 | 1,095 | 18% | 956 | 1,083 | 18% | 53 | 59 | 1% | 34 | 49 | 1% |
| 4 | 7 | 2% | 6 | 5 | 1% | 43 | 35 | 10% | 3 | 6 | 2% | --- | (a) | (b) |
| 26 | 29 | 5% | 50 | 51 | 9% | 96 | 127 | 21% | 12 | 13 | 2% | 5 | 6 | 1% |
| 3 | 5 | 1% | 9 | 15 | 4% | 62 | 93 | 24% | 13 | 22 | 6% | 6 | 7 | 2% |
| 26 | 21 | 3% | 316 | 414 | 67% | 245 | 181 | 29% | 1 | --- | --- | --- | --- | --- |
| 144 | 191 | 8% | 278 | 345 | 15% | 243 | 254 | 11% | 1 | (a) | (b) | (a) | 4 | (b) |
| 42 | 50 | 7% | 111 | 163 | 22% | 93 | 159 | 22% | 2 | 3 | (b) | 2 | 3 | (b) |
| | 264 | 2% | | 262 | 2% | | 2,324 | 21% | | 76 | 1% | | 119 | 1% |
| | 244 | 4% | | 168 | 3% | | 1,649 | 27% | | 73 | 1% | | 113 | 2% |
| 7 | 9 | 1% | 5 | 5 | (b) | 384 | 552 | 49% | (a) | (a) | (b) | 1 | 4 | (b) |
| 7 | 12 | 2% | 10 | 9 | 2% | 47 | 60 | 21% | 3 | 5 | 1% | 1 | 1 | (b) |
| 21 | 22 | 4% | 4 | 7 | 1% | 72 | 101 | 18% | 7 | 3 | 1% | 6 | 11 | 2% |
| 18 | 20 | (b) | 86 | 94 | 2% | 571 | 675 | 13% | (a) | 2 | (b) | 3 | 6 | (b) |
| 1 | (a) | (b) | 16 | 7 | 2% | 253 | 311 | 9% | --- | --- | --- | --- | --- | --- |
| 55 | 89 | 2% | 94 | 101 | 3% | 614 | 732 | 19% | 29 | 44 | 1% | 80 | 119 | 3% |
| 1 | 2 | (b) | 6 | 5 | 1% | 62 | 80 | 18% | 3 | 3 | 1% | 1 | 1 | (b) |
| (a) | (a) | (b) | 1 | (a) | (b) | 12 | 18 | 3% | 10 | 14 | 2% | 2 | 2 | (b) |
| 10 | 13 | 3% | 1 | 3 | 1% | 33 | 91 | 23% | 8 | 15 | 4% | 7 | 22 | 5% |
| 69 | 84 | 11% | 52 | 76 | 10% | 172 | 210 | 28% | 17 | 16 | 2% | 16 | 21 | 3% |

TABLE 10

U.S. EXPORTS TO THE E.C. AND TO ALL DESTINATIONS

(Millions of dollars, f.a.s. value basis)

| Product | Total Exports | | % Change 1978/1977 | Exports to EC as % of total | | Exports to EC | | % Change 1978/1977 |
|--|---------------|-----------|--------------------|-----------------------------|------|---------------|--------|--------------------|
| | 1977 | 1978 | | 1977 | 1978 | 1977 | 1978 | |
| Grand total..... | 117,963 | 141,154 | +20% | 22% | 22% | 25,864 | 31,354 | +21% |
| Agricultural commodities..... | 23,671 | 29,407 | +24% | 28% | 24% | 6,626 | 7,176 | + 8% |
| Nonagricultural commodities..... | 94,292 | 111,747 | +19% | 20% | 22% | 19,238 | 24,177 | +26% |
| <u>Food and live animals.....</u> | 14,103 | 18,333 | +30% | 25% | 19% | 3,479 | 3,406 | - 2% |
| Meat and meat preparations..... | 797 | 958 | +20% | 27% | 24% | 214 | 231 | + 8% |
| Grain and cereal preparations..... | 8,755 | 11,634 | +33% | 20% | 13% | 1,758 | 1,508 | -14% |
| Vegetables and fruit..... | 1,597 | 1,890 | +18% | 25% | 22% | 397 | 416 | + 5% |
| Feeding-stuff for animals, excl. unmilled cereals..... | 1,572 | 1,921 | +22% | 57% | 51% | 889 | 975 | +10% |
| <u>Beverages and tobacco.....</u> | 1,847 | 2,293 | +24% | 30% | 36% | 547 | 836 | +53% |
| <u>Crude materials, except fuels.....</u> (inedible) | 12,815 | 15,553 | +21% | 32% | 31% | 4,159 | 4,769 | +15% |
| Soybeans, except roasted as coffee substitute..... | 4,393 | 5,210 | +19% | 46% | 44% | 2,039 | 2,302 | +13% |
| Paper base stocks--pulpwood, wood pulp.... | 1,056 | 1,177 | +11% | 41% | 36% | 436 | 421 | - 3% |
| Raw textile fibers and their waste..... | 1,902* | 3,302** | +73% | 10% | 8% | 188* | 265** | +41% |
| Metal ores, concentrates, and scrap..... | 1,197 | 1,839 | +54% | 33% | 26% | 400 | 475 | +19% |
| <u>Mineral fuels, lubricants, and related materials.....</u> | 4,179 | 3,878 | - 7% | 21% | 20% | 883 | 757 | -14% |
| <u>Oils and fats--animal and vegetable..</u> | 1,341 | 1,521 | +13% | 17% | 14% | 226 | 209 | - 8% |
| <u>Chemicals and related products.....</u> | 10,827 | 12,618 | +17% | 27% | 28% | 2,926 | 3,554 | +21% |
| Organic chemicals..... | 3,214 | 3,370 | + 5% | 34% | 32% | 1,077 | 1,094 | + 2% |
| Medicinals and pharmaceutical preparations | 1,081 | 1,404 | +30% | 30% | 35% | 325 | 485 | +49% |
| Synthetic resins and rubber or plastic material..... | 1,733 | 2,088 | +20% | 25% | 25% | 441 | 513 | +16% |
| <u>Manufactured goods classified chiefly by material.....</u> | 11,270 | 12,466 | +11% | 20% | 20% | 2,212 | 2,513 | +14% |
| Wood and cork manufactures..... | 538* | 363** | -32% | 17% | 25% | 92* | 115** | +25% |
| Paper, paperboard, and manufactures..... | 1,517 | 1,597 | + 5% | 22% | 22% | 329 | 357 | + 9% |
| Textile yarns, fabrics, and madeup articles..... | 1,959 | 2,225 | +14% | 28% | 27% | 539 | 611 | +13% |
| Nonferrous base metals and alloys..... | 1,150* | 1,280** | +11% | 36% | 33% | 416* | 419** | + 1% |
| <u>Machinery and transport equipment+)</u> .. | 51,037 | 59,270 | +16% | 17% | 19% | 8,771 | 10,979 | +25% |
| Machinery+)..... | 32,517 | 37,022 | +14% | 21% | 22% | 6,961 | 8,265 | +19% |
| Office machinery and computers..... | 3,645 | 5,006 | +37% | 46% | 47% | 1,678 | 2,364 | +41% |
| Transport equipment..... | 18,520 | 22,248 | +20% | 10% | 12% | 1,811 | 2,714 | +50% |
| Automobiles and other motor vehicles and parts..... | 11,797 | 12,235 | + 4% | 6% | 7% | 689 | 890 | +29% |
| Aircraft and spacecraft and parts..... | 5,866 | 8,204 | +40% | 18% | 21% | 1,083 | 1,757 | +62% |
| <u>Miscellaneous manufactured articles..</u> | 7,321 | 10,191 | +39% | 29% | 29% | 2,095 | 2,946 | +41% |
| Professional, scientific, and controlling instruments and apparatus.... | 2,238 | 3,352 | +50% | 35% | 33% | 780 | 1,120 | +44% |
| Photographic supplies..... | 813 | 1,073 | +32% | 37% | 41% | 304 | 443 | +46% |
| <u>Commodities and transactions not classified elsewhere.....</u> | 3,224 | 5,030 | +56% | 5% | 20% | 168 | 1,024 | +510% |
| Gold bullion and scrap--nonmonetary..... | | 1,123 | | | 71% | | 797 | |
| <u>Special category.....</u> (commodities under security restrictions) | (3,208)* | (4,489)** | +40% | 12% | 8% | 397 | 362 | - 9% |

+) The categories "machinery-non-electric" and "Machinery, apparatus and appliances" have been dropped in this report due to changes in SITC two and three-digit classifications. These have been replaced with the category "machinery". Furthermore, the SITC one-digit category "machinery and transport equipment" has been added to complete the ten single-digit SITC categories.

* EM 450/455, December 1977

** EM 450/455, December 1978

Sources: FT 990, December 1978, December 1977, U.S. Department of Commerce

TABLE 11

U.S. EXPORTS TO THE E.C. BY COUNTRY

(Millions of dollars, f.a.s. value basis)

| Product | F.R. GERMANY | | | FRANCE | | | ITALY | | |
|---|--------------|-------|------------------------------|--------|-------|------------------------------|-------|-------|---------------------------|
| | 1977 | 1978 | % of US exports to EC in '78 | 1977 | 1978 | % of US exports to EC in '78 | 1977 | 1978 | % of exports to EC in '78 |
| Grand total..... | 5,823 | 6,815 | 22% | 3,420 | 4,085 | 13% | 2,754 | 3,314 | 11% |
| <u>Food and live animals.....</u> | 945 | 836 | 25% | 263 | 289 | 8% | 405 | 551 | 16% |
| Meat and meat preparations..... | 22 | 21 | 9% | 85 | 89 | 39% | 2 | 2 | 1% |
| Grain and cereal preparations..... | 400 | 281 | 19% | 41 | 34 | 2% | 278 | 363 | 24% |
| Vegetables and fruit..... | 119 | 147 | 35% | 69 | 55 | 13% | 23 | 24 | 6% |
| Feeding-stuff for animals, excl. unmilled cereals..... | 353 | 342 | 35% | 22 | 48 | 5% | 96 | 151 | 15% |
| <u>Beverages and tobacco.....</u> | 152 | 118 | 14% | 12 | 22 | 3% | 73 | 85 | 10% |
| <u>Crude materials, except fuels.....</u> (inedible) | 913 | 939 | 20% | 356 | 420 | 9% | 563 | 654 | 14% |
| Soybeans, except roasted as coffee substitute..... | 415 | 380 | 17% | 131 | 162 | 7% | 225 | 225 | 10% |
| Paper base stocks--pulpwood, wood pulp.... | 100 | 98 | 23% | 68 | 60 | 14% | 91 | 81 | 19% |
| Raw textile fibers and their waste..... | 25 | 39 | 15% | 26 | 32 | 12% | 50 | 73 | 28% |
| Metal ores, concentrates, and scrap..... | 78 | 67 | 14% | 4 | 5 | 1% | 27 | 57 | 12% |
| <u>Mineral fuels, lubricants, and related materials.....</u> | 91 | 88 | 12% | 146 | 137 | 18% | 264 | 211 | 28% |
| <u>Oils and fats--animal and vegetable..</u> | 46 | 43 | 21% | 13 | 19 | 9% | 10 | 6 | 3% |
| <u>Chemicals and related products.....</u> | 450 | 573 | 16% | 382 | 501 | 14% | 231 | 343 | 10% |
| Organic chemicals..... | 92 | 86 | 8% | 87 | 61 | 6% | 59 | 103 | 9% |
| Medicinals and pharmaceutical preparations | 61 | 83 | 17% | 68 | 94 | 19% | 50 | 60 | 12% |
| Synthetic resins and rubber or plastic material..... | 75 | 79 | 15% | 38 | 47 | 9% | 19 | 21 | 4% |
| <u>Manufactured goods classified chiefly by material.....</u> | 480 | 519 | 21% | 311 | 343 | 14% | 243 | 269 | 11% |
| Wood and cork manufactures..... | 33 | 48 | 42% | 5 | 3 | 3% | 6 | 5 | 4% |
| Paper, paperboard, and manufactures..... | 73 | 80 | 22% | 53 | 52 | 15% | 29 | 33 | 9% |
| Textile yarns, fabrics, and madeup articles..... | 68 | 95 | 16% | 84 | 107 | 18% | 88 | 90 | 15% |
| Nonferrous base metals and alloys..... | 134 | 87 | 21% | 57 | 51 | 12% | 34 | 47 | 11% |
| <u>Machinery and transport equipment....</u> | 2,031 | 2,645 | 24% | 1,590 | 1,838 | 17% | 687 | 809 | 7% |
| Machinery..... | | 1,910 | 23% | | 1,458 | 18% | | 660 | 8% |
| Office machinery and computers..... | 385 | 606 | 26% | 344 | 442 | 19% | 124 | 157 | 7% |
| Transport equipment..... | 448 | 736 | 27% | 332 | 379 | 14% | 92 | 149 | 5% |
| Automobiles and other motor vehicles and parts..... | 158 | 220 | 25% | 111 | 120 | 13% | 14 | 19 | 2% |
| Aircraft and spacecraft and parts..... | 280 | 495 | 28% | 214 | 245 | 14% | 74 | 126 | 7% |
| <u>Miscellaneous manufactured articles..</u> | 560 | 696 | 24% | 300 | 465 | 16% | 153 | 253 | 9% |
| Professional, scientific, and controlling instruments and apparatus.... | 230 | 291 | 26% | 119 | 191 | 17% | 49 | 109 | 10% |
| Photographic supplies..... | 88 | 106 | 24% | 31 | 59 | 13% | 42 | 53 | 12% |
| <u>Commodities and transactions not classified elsewhere.....</u> | 32 | 278 | 27% | 28 | 35 | 3% | 15 | 20 | 2% |
| Gold bullion and scrap--nonmonetary..... | | 238 | 30% | | 1 | (b) | | 2 | (b) |
| <u>Special category.....</u> (commodities under security restrictions) | 124 | 79 | 22% | 17 | 16 | 4% | 109 | 113 | 31% |

++(a) = less than \$500,000

+++(b) = less than 0.5 percent

Sources: EM 450/455, December 1978, December 1977, U.S. Department of Commerce

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| NETHERLANDS | | | BELGIUM/LUXEMBOURG | | | UNITED KINGDOM | | | IRELAND | | | DENMARK | | |
|-------------|-------|------------------------------|--------------------|-------|------------------------------|----------------|-------|------------------------------|---------|------|------------------------------|---------|------|------------------------------|
| 1977 | 1978 | % of US exports to EC in '78 | 1977 | 1978 | % of US exports to EC in '78 | 1977 | 1978 | % of US exports to EC in '78 | 1977 | 1978 | % of US exports to EC in '78 | 1977 | 1978 | % of US exports to EC in '78 |
| 4,721 | 5,607 | 18% | 3,006 | 3,521 | 11% | 5,246 | 6,937 | 22% | 368 | 497 | 2% | 526 | 577 | 2% |
| 991 | 921 | 27% | 303 | 286 | 8% | 501 | 438 | 13% | 22 | 37 | 1% | 47 | 49 | 1% |
| 37 | 37 | 16% | 36 | 45 | 19% | 29 | 35 | 15% | (a)++ | (a) | (b)+++ | 2 | 2 | 1% |
| 519 | 411 | 27% | 206 | 188 | 12% | 306 | 226 | 15% | (a) | (a) | (b) | 8 | 5 | (b) |
| 57 | 62 | 15% | 23 | 22 | 5% | 89 | 85 | 20% | 3 | 4 | 1% | 14 | 17 | 4% |
| 353 | 371 | 38% | 19 | 9 | 1% | 20 | 17 | 2% | 10 | 20 | 2% | 16 | 18 | 2% |
| 56 | 82 | 10% | 128 | 171 | 20% | 92 | 300 | 36% | 8 | 12 | 1% | 27 | 45 | 5% |
| 1,321 | 1,624 | 34% | 348 | 384 | 8% | 515 | 599 | 13% | 5 | 8 | (b) | 139 | 140 | 3% |
| 902 | 1,134 | 49% | 112 | 130 | 6% | 139 | 175 | 8% | --- | --- | --- | 115 | 96 | 4% |
| 37 | 39 | 9% | 38 | 35 | 8% | 102 | 107 | 25% | (a) | 1 | (b) | (a) | (a) | (b) |
| 9 | 14 | 5% | 25 | 44 | 17% | 51 | 58 | 22% | 2 | 3 | 1% | (a) | 2 | 1% |
| 132 | 174 | 37% | 71 | 73 | 15% | 86 | 96 | 20% | (a) | (a) | (b) | 2 | 2 | (b) |
| 168 | 142 | 19% | 118 | 100 | 13% | 92 | 76 | 10% | 1 | 2 | (b) | 5 | 2 | (b) |
| 84 | 79 | 38% | 26 | 20 | 10% | 46 | 40 | 19% | (a) | 1 | (b) | (a) | (a) | (b) |
| 686 | 753 | 21% | 631 | 745 | 21% | 476 | 535 | 15% | 45 | 81 | 2% | 23 | 23 | 1% |
| 413 | 391 | 36% | 234 | 255 | 23% | 177 | 155 | 14% | 12 | 41 | 4% | 3 | 3 | (b) |
| 21 | 60 | 12% | 74 | 92 | 19% | 43 | 86 | 18% | 5 | 7 | 1% | 4 | 4 | 1% |
| 92 | 121 | 24% | 121 | 133 | 26% | 84 | 102 | 20% | 9 | 4 | 1% | 4 | 6 | 1% |
| 259 | 297 | 12% | 295 | 316 | 13% | 542 | 679 | 27% | 41 | 51 | 2% | 41 | 39 | 2% |
| 7 | 6 | 5% | 11 | 11 | 10% | 17 | 27 | 23% | 1 | 2 | 2% | 13 | 13 | 11% |
| 56 | 51 | 14% | 32 | 36 | 10% | 78 | 98 | 27% | 4 | 3 | 1% | 4 | 3 | 1% |
| 28 | 27 | 4% | 120 | 108 | 18% | 127 | 159 | 26% | 17 | 19 | 3% | 6 | 6 | 1% |
| 59 | 104 | 25% | 21 | 16 | 4% | 101 | 103 | 25% | 4 | 4 | 1% | 6 | 7 | 2% |
| 845 | 1,172 | 11% | 910 | 1,210 | 11% | 2,326 | 2,855 | 26% | 211 | 253 | 2% | 172 | 197 | 2% |
| | 821 | 10% | | 804 | 10% | | 2,235 | 27% | | 228 | 3% | | 148 | 2% |
| 129 | 212 | 9% | 109 | 146 | 6% | 436 | 650 | 27% | 114 | 100 | 4% | 38 | 52 | 2% |
| 119 | 352 | 13% | 237 | 406 | 15% | 536 | 620 | 23% | 10 | 24 | 1% | 35 | 49 | 2% |
| 57 | 81 | 9% | 177 | 269 | 30% | 163 | 176 | 20% | 1 | 1 | (b) | 8 | 5 | 1% |
| 54 | 258 | 15% | 58 | 132 | 8% | 369 | 435 | 25% | 8 | 23 | 1% | 26 | 44 | 3% |
| 261 | 350 | 12% | 179 | 215 | 7% | 567 | 863 | 29% | 31 | 48 | 2% | 44 | 56 | 2% |
| 123 | 124 | 11% | 49 | 61 | 5% | 186 | 304 | 27% | 12 | 22 | 2% | 12 | 18 | 2% |
| 46 | 82 | 19% | 20 | 28 | 6% | 66 | 104 | 23% | (a) | (a) | (b) | 10 | 11 | 2% |
| 20 | 106 | 10% | 14 | 47 | 5% | 43 | 518 | 51% | 5 | 6 | 1% | 10 | 13 | 1% |
| | 76 | 10% | | 25 | 3% | | 456 | 57% | | --- | --- | | (a) | (b) |
| 29 | 81 | 22% | 54 | 28 | 8% | 46 | 34 | 9% | (a) | (a) | (b) | 17 | 12 | 3% |

APPENDIX I

Geographical Breakdowns

- Communist Europe = East Germany, Czechoslovakia, Hungary, Estonia, U.S.S.R., Albania, Romania, Bulgaria, Latvia, Lithuania, Poland.
- Latin America = Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, Mexico, Colombia, Peru, Bolivia, Chile, Brazil, Paraguay, Uruguay, Argentina, Panama, Cuba, Haiti, Dominican Republic.
(Excludes Venezuela and Ecuador, members of OPEC).
- Other Western Hemisphere = Greenland, St. Pierre & Miquelon, Belize, Canal Zone, Bermuda, Bahamas, Jamaica, Turks and Caicos Islands, Cayman Islands, Leeward and Windward Islands, Barbados, Trinidad and Tobago, Netherlands Antilles, French West Indies, Guyana, Surinam, French Guyana, Falkland Islands.
- OPEC = Algeria, Ecuador, Gabon, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, United Arab Emirates, Venezuela.
- East Asia = Afghanistan, India, Pakistan, Nepal, Bangladesh, Sri Lanka, Burma, Thailand, Laos, Cambodia, Malaysia, Singapore, Brunei, Philippines, Macao, Southern Asia n.e.c., Republic of Korea, Hong Kong, Taiwan.
(Excludes Indonesia, a member of OPEC).
- Africa = Does not include Algeria, Libya, Nigeria or Gabon, all members of OPEC. Includes Egypt and the Republic of South Africa.

APPENDIX II

U.S. Trade Classification Systems

In this report two trade classification systems are used. The main one is the Standard International Trade Classification (SITC) which is used by most of the trading nations of the world. It includes the following categories:

- 0 Food and Live Animals
- 1 Beverages and Tobacco
- 2 Crude Materials, except Fuels - Inedible
- 3 Mineral Fuels, Lubricants, and Related Materials
- 4 Oils and Fats - Animal and Vegetable
- 5 Chemicals
- 6 Manufactured Goods Classified Chiefly by Material
- 7 Machinery and Transport Equipment
- 8 Miscellaneous Manufactured Articles
- 9 Commodities and Transactions not Classified Elsewhere
(U.S. goods returned and shipments under \$251)

The second classification system used is the "End-Use" classification which is a U.S. Government system based on combinations of two or more numbers of the Tariff Schedules of the United States Annotated (TSUSA). Although this system is not used by other nations, it has the advantage of distinguishing between capital goods and consumer goods. End-Use categories include:

- Foods, Feeds and Beverages
- Industrial Supplies and Materials
- Capital Goods, except Automotive,
- Automotive Vehicles, Parts and Engines
- Consumer Goods (Non-food), Except Automotive