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February 2, 2009

Congressional Research Service

Report RS22612

U.S.-World Merchandise Trade Data: 1948-2006

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February 23, 2007

Abstract. Latest official annual trade statistics of the U.S. Department of Commerce, used in this report, show that U.S. exports remain strong and growing and that U.S. imports remain even stronger, resulting in the largest annual merchandise trade deficit in U.S. history.

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CRS Report for Congress

U.S.-World Merchandise Trade Data: 1948-2006

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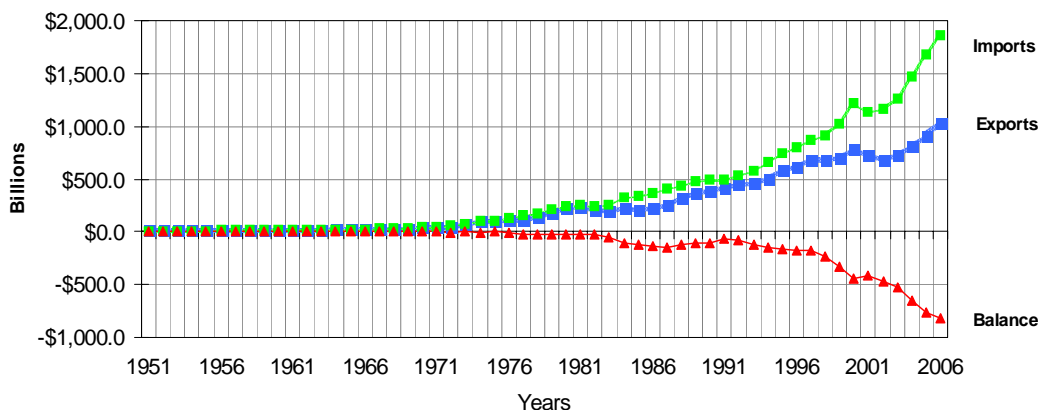
Summary

U.S. merchandise trade is trade in goods only, not services. In 2006, U.S. exports, imports, and trade deficit reached their highest historical values: U.S. exports were \$1.0 trillion, a 14.5% increase; U.S. imports were \$1.9 trillion, a 10.9% increase; and the U.S. merchandise trade balance reached -\$818 billion, a 6.6% increase.

Merchandise trade statistics are used to measure trade in commodities and with partner countries and groups. Latest official annual trade statistics of the U.S. Department of Commerce, used in this report, show that U.S. exports remain strong and growing and that U.S. imports remain even stronger, resulting in the largest annual merchandise trade deficit in U.S. history. This report will be updated as new information becomes available.

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Figure 1. U.S. Merchandise Trade, 1951-2006



Source: U.S. Department of Commerce.

Merchandise Trade Versus Trade in Goods and Services

Merchandise trade statistics are referred to as *Census basis* statistics because they are collected, compiled, and distributed by the U.S. Census Bureau. These are the data reported here and constitute the one continuing data series using largely uniform definitions. Merchandise trade statistics are important because they alone are the basis for commodity and country trade information.

In January 1994, the U.S. Department of Commerce began reporting and publishing trade data on goods and services as the benchmark monthly trade statistic, supplementing merchandise trade data. Services trade statistics are compiled by the Bureau of Economic Analysis (BEA) on a *balance of payments (BOP) basis*. To harmonize Census merchandise data with BEA services data, statistics on goods and services are reported on a BOP basis. This involves such changes as deducting U.S. military sales from merchandise accounts, because they are considered services transactions, and adding to merchandise statistics parcels mailed to foreigners by individuals in the United States. What this means is that the goods component of trade in goods and services is different from the goods measured in merchandise trade statistics.

Definitions in Merchandise Trade

Merchandise trade is trade in goods only, not services, and excludes capital transfers and foreign investments. Exports are defined in this report as *total exports*; they include both domestically produced goods and re-exports, which constitute imports of goods that are warehoused in the United States, then re-exported. Imports are defined here as *general imports*, which measure total arrivals of goods into the United States — imports for both immediate consumption channels and warehouses or Foreign Trade Zones. *Balance of merchandise trade* is defined here, and in standard U.S. Department of Commerce data, as total exports minus general imports. Dollar amounts are current U.S. dollars, that is, official statistics with no inflation adjustment, expressed in millions, billions, or trillions, as noted.

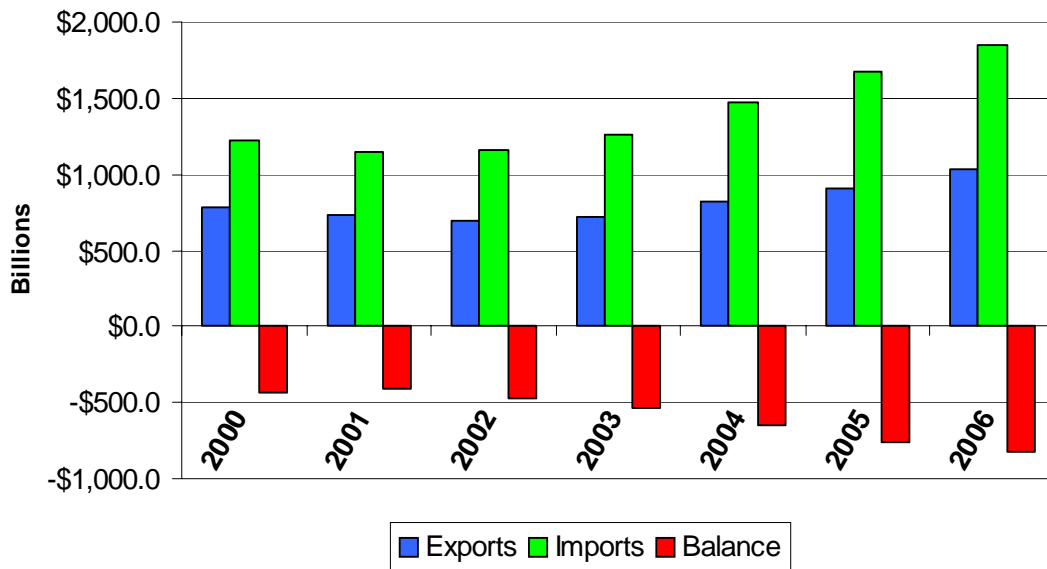
Valuation methods define where in a trade transaction the value of a good is measured. As goods move in international trade, they acquire more costs. Although an automobile has one cost at the end of its assembly line, it acquires a higher cost when shipping and insurance to a local dealer or port for export are added. For this report, current official U.S. government valuation practice is followed.

- Total exports are valued *free alongside*, or *FAS*. FAS figures provide valuation of exports at the port of exportation and thus exclude charges for loading onto the vessel, the transportation itself, insurance, unloading, and foreign transportation.
- General imports are valued on *Customs valuation*. Customs valuation for imports excludes costs of international transportation and insurance, as well as tariffs, and is therefore quite similar to FAS valuation. Customs valuation for imports replaced FAS valuation in U.S. government statistics in 1982.

Recent Annual Trade Trends

In 2006, the latest complete year for trade data, U.S. exports increased by \$131 billion, or 14%, to \$1,037 billion, or \$1.0 trillion. Imports increased by \$182 billion, or 11%, to \$1,855 billion, or \$1.9 trillion. These statistics resulted in the U.S. merchandise trade deficit increasing \$51 billion, or nearly 6%, to \$818 billion. This 2006 merchandise trade deficit increase follows a 2005 merchandise trade deficit increase of \$117 billion. Since 2002, the annual merchandise trade deficit has been growing by approximately \$100 billion per year.

Figure 2. U.S. Merchandise Trade, 2000-2006



Source: U.S. Department of Commerce.

As **Figure 2** shows, in the seven-year span from 2000 through 2006, exports increased \$255.4 billion, or 33%, from \$782 billion to \$1,037 billion. During this time, imports grew \$637 billion, or 52%, from \$1,218 to \$1,855 billion. This resulted in the trade deficit nearly doubling from \$436 billion to \$818 billion.

Merchandise Trade Data Facts

- Between 1948 and 2006, merchandise exports grew by over 81 times, and merchandise imports grew by 261 times.
- U.S. merchandise exports exceeded \$1 trillion for the first time in 2006.
- U.S. merchandise imports exceeded \$1 trillion for the first time in 1999.
- The U.S. merchandise trade balance was in surplus between 1948 and 1970.
- The first U.S. postwar trade deficit occurred in 1971.
- The trade deficit exceeded \$100 billion for the first time in 1984, but did not reach \$200 billion until 1998. Since 2002, the U.S. merchandise trade deficit has grown between \$50 and \$120 billion per year.

Where to Find Trade Statistics

U.S. International Trade in Goods and Services, series *FT-900*, is the official benchmark monthly press release that reports the latest month's statistics and revises the previous month's statistics. Statistics in this report are on both a Census basis, for merchandise trade, and a balance of payments basis for goods and services trade. The December data release provides the preliminary estimate of annual trade totals and now first appears in February. Final annual revisions are normally released in the June data release of each year, which normally appears in August. The *FT-900* is available in print by subscription from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402, telephone (202) 512-2303. It is available in all federal depository libraries. Location of depository libraries may be searched on the Internet at [<http://www.gpoaccess.gov/libraries.html>]. It is also available from both the U.S. Census Bureau, at [<http://www.census.gov/indicator/www/ustrade.html>], and BEA, at [<http://www.bea.gov/bea/newsrel/tradnewsrelease.htm>].

The *FT-900* is prepared jointly by two agencies within the U.S. Department of Commerce, the Census Bureau Foreign Trade Division (FTD) and the Bureau of Economic Analysis (BEA). The *FT-900* may be found in many sources besides print and the Internet, mentioned above. STAT-USA Internet is a subscription service of the U.S. Department of Commerce, which provides the *FT-900* as well as exports and imports by commodity and by country. Trade data on STAT-USA Internet, [<http://www.stat-usa.gov/>], is in the "Globus and NTDB" section. Individual subscriptions to STAT-USA Internet are also available at [<http://www.stat-usa.gov/>].

U.S. trade data with the world, individual countries, and regions, as well as U.S. state export data may be found in a Department of Commerce source, TradeStats Express, which presents trade data with colorful graphics and maps; [<http://tse.export.gov/>].

Detailed monthly trade data with extensive commodity information is published by the U.S. Department of Commerce. Information on particular commodity trade data subscriptions may be obtained by calling (301) 457-2311 or on the FTD website at [<http://www.census.gov/foreign-trade/www/>].

Economic Indicators, a monthly statistical magazine prepared for the Joint Economic Committee by the Council of Economic Advisers, contains summary trade data. The table titled "U.S. International Trade in Goods and Services," on page 35 of each issue, contains data on both a balance of payments basis and a Census basis. *Economic Indicators* is available by subscription from the U.S. Government Printing Office.

Economic Report of the President, published annually in February, contains tables that provide mainly annual merchandise trade statistics on both a Census basis and a BOP basis. It is available at [<http://www.gpoaccess.gov/eop/index.html>].

**Table 1. Annual Change in U.S. Merchandise Trade:
Exports, Imports, and Balance: 1948-2006**
(Census basis as of February 2007; values in current U.S. millions of dollars)

Year	U.S. Merch. Exports FAS Value	Change From Previous Year	% Change From Previous Year	U.S. Merch. Imports Customs Value	Change From Previous Year	% Change From Previous Year	U.S. Merch. Trade Balance	Change From Previous Year
1948	12,653.1	—	—	7,123.9	—	—	5,529.2	—
1949	12,051.1	-602.0	-4.8%	6,622.3	-501.6	-7.0	5,428.8	-100.4
1950	9,992.9	-2,058.2	-17.1	8,852.2	2,229.9	33.7	1,140.7	-4,288.1
1951	13,967.4	3,974.5	39.8	10,967.3	2,115.1	23.9	3,000.1	1,859.4
1952	13,203.0	-764.4	-5.5	10,717.5	-249.8	-2.3	2,485.5	-514.6
1953	12,262.4	-940.6	-7.1	10,873.3	155.8	1.5	1,389.1	-1,096.4
1954	12,854.3	591.9	4.8	10,215.4	-657.9	-6.1	2,638.9	1,249.8
1955	14,290.9	1,436.6	11.2	11,384.4	1,169.0	11.4	2,906.5	267.6
1956	17,333.0	3,042.1	21.3	12,614.9	1,230.5	10.8	4,718.1	1,811.6
1957	19,494.9	2,161.9	12.5	12,982.3	367.4	2.9	6,512.6	1,794.5
1958	16,367.0	-3,127.9	-16.0	12,834.5	-147.8	-1.1	3,532.5	-2,980.1
1959	16,406.9	39.9	0.2	15,207.2	2,372.7	18.5	1,199.7	-2,332.8
1960	19,626.3	3,219.4	19.6	15,017.5	-189.7	-1.2	4,608.8	3,409.1
1961	20,189.5	7,335.2	57.1	14,713.9	4,498.5	44.0	5,475.6	2,836.7
1962	20,972.6	783.1	3.9	16,389.5	1,675.6	11.4	4,583.1	-892.5
1963	22,427.3	1,454.7	6.9	17,138.0	748.5	4.6	5,289.3	706.2
1964	25,690.1	3,262.8	14.5	18,684.4	1,546.4	9.0	7,005.7	1,716.4
1965	26,699.4	1,009.3	3.9	21,365.6	2,681.2	14.3	5,333.8	-1,671.9
1966	29,379.2	2,679.8	10.0	25,542.2	4,176.6	19.5	3,837.0	-1,496.8
1967	30,934.4	1,555.2	5.3	26,812.3	1,270.1	5.0	4,122.1	285.1
1968	34,062.8	3,128.4	10.1	33,226.3	6,414.0	23.9	836.5	-3,285.6
1969	37,331.7	3,268.9	9.6	36,042.8	2,816.5	8.5	1,288.9	452.4
1970	43,176.3	5,844.6	15.7	39,951.6	3,908.8	10.8	3,224.7	1,935.8
1971	44,086.6	910.3	2.1	45,562.7	5,611.1	14.0	-1,476.1	-4,700.8
1972	49,854.0	5,767.4	13.1	55,582.8	10,020.1	22.0	-5,728.8	-4,252.7
1973	71,865.2	22,011.2	44.2	69,475.7	13,892.9	25.0	2,389.5	8,118.3
1974	99,436.9	27,571.7	38.4	103,320.8	33,845.1	48.7	-3,883.9	-6,273.4
1975	108,855.6	9,418.7	9.5	99,304.7	-4,016.1	-3.9	9,550.9	13,434.8
1976	116,794.1	7,938.5	7.3	124,613.9	25,309.2	25.5	-7,819.8	-17,370.7
1977	123,181.5	6,387.4	5.5	151,534.3	26,920.4	21.6	-28,352.8	-20,533.0
1978	145,846.9	22,665.4	18.4	176,052.0	24,517.7	16.2	-30,205.1	-1,852.3
1979	186,362.7	40,515.8	27.8	210,285.1	34,233.1	19.4	-23,922.4	6,282.7
1980	225,566.1	39,203.4	21.0	245,261.9	34,976.8	16.6	-19,695.8	4,226.6
1981	238,715.0	13,148.9	5.8	260,981.9	15,720.0	6.4	-22,266.9	-2,571.1
1982	216,441.6	-22,273.4	-9.3	243,951.9	-17,030.0	-6.5	-27,510.3	-5,243.4
1983	205,638.6	-10,803.0	-5.0	258,047.8	14,095.9	5.8	-52,409.2	-24,898.9
1984	223,975.8	18,337.2	8.9	330,678.4	72,630.6	28.1	-106,702.6	-54,293.4
1985	218,814.9	-5,160.9	-2.3	336,526.4	5,848.0	1.8	-117,711.5	-11,008.9

Year	U.S. Merch. Exports FAS Value	Change From Previous Year	% Change From Previous Year	U.S. Merch. Imports Customs Value	Change From Previous Year	% Change From Previous Year	U.S. Merch. Trade Balance	Change From Previous Year
1986	227,158.5	8,343.6	3.8	365,437.7	28,911.3	8.6	-138,279.2	-20,567.7
1987	254,121.9	26,963.4	11.9	406,241.0	40,803.3	11.2	-152,119.1	-13,839.9
1988	322,426.4	68,304.5	26.9	440,952.3	34,711.3	8.5	-118,525.9	33,593.2
1989	363,811.5	41,385.1	12.8	473,210.8	32,258.5	7.3	-109,399.3	9,126.6
1990	393,592.3	29,780.8	8.2	495,310.5	22,099.7	4.7	-101,718.2	7,681.1
1991	421,730.0	28,137.7	7.1	488,453.0	-6,857.5	-1.4	-66,723.0	34,995.2
1992	448,163.6	26,433.6	6.3	532,664.8	44,211.8	9.1	-84,501.2	-17,778.2
1993	465,091.0	16,927.4	3.8	580,659.0	47,994.2	9.0	-115,568.0	-31,066.8
1994	512,626.0	47,535.0	10.2	663,255.7	82,596.7	14.2	-150,629.7	-35,061.7
1995	584,742.0	72,116.0	14.1	743,542.7	80,287.0	12.1	-158,800.7	-8,171.0
1996	625,074.9	40,332.9	6.9	795,289.2	51,746.5	7.0	-170,214.3	-11,413.6
1997	689,182.4	64,107.5	10.3	869,703.9	74,414.7	9.4	-180,521.5	-10,307.2
1998	682,137.7	-7,044.7	-1.0	911,896.1	42,192.2	4.9	-229,758.4	-49,236.9
1999	695,797.2	13,695.5	2.0	1,024,618.2	112,722.1	12.4	-328,821.0	-99,062.6
2000	781,917.7	86,120.5	12.4	1,218,022.0	193,403.8	18.9	-436,104.3	-107,283.3
2001	729,100.3	-52,817.4	-6.8	1,140,999.4	-77,022.6	-6.3	-411,899.1	24,205.2
2002	693,103.2	-35,997.1	-4.9	1,161,366.0	20,366.6	1.8	-468,262.8	-56,363.7
2003	724,771.0	31,667.8	4.6	1,257,121.3	95,755.3	8.2	-532,350.3	-64,087.5
2004	818,774.9	94,003.9	13.0	1,469,704.4	212,583.1	16.9	-650,929.5	-118,579.2
2005	905,977.6	87,202.7	10.7	1,673,454.5	203,750.1	13.9	-767,476.9	-116,547.4
2006	1,037,319.9	131,342.3	14.5	1,855,423.4	181,968.9	10.9	-818,103.6	-50,626.7

Source: U.S. Census Bureau, U.S. Bureau of Economic Analysis News, *U.S. International Trade in Goods and Services*, various dates, at [<http://www.bea.gov/bea/newsrel/tradnewsrelease.htm>].