38TH QUARTERLY REPORT TO THE THE CONGRESS AND THE TRADE POLICY COMMITTEE ON TRADE BETWEEN THE UNITED STATES AND THE NONMARKET ECONOMY COUNTRIES DURING JANUARY-MARCH 1984

USITC PUBLICATION 1547

JUNE 1984

United States International Trade Commission / Washington, D.C. 20436

UNITED STATES INTERNATIONAL TRADE COMMISSION

COMMISSIONERS

Paula Stern, Chairwoman

Alfred E. Eckes

Seeley G. Lodwick

Susan W. Liebeler

David B. Rohr

Kenneth R. Mason, Secretary to the Commission

Office of Economics
John W. Suomela, Director

Trade Reports Division
Martin F. Smith, Chief

Report prepared by:

Peter P. Pogany
Kate S. Tomlinson
Janet Whisler
Leigh A. Kenny, Economics Intern

Statistical tables prepared by:

Office of Data Systems
Veronica Robinson, Office of Economics

Address all communications to
Office of the Secretary
United States International Trade Commission
Washington, D.C. 20436

C O N T E N T S

CONTENTS

Figures

Tables

CONTENTS

CONTENTS

CONTENTS

NOTE TO UNITED STATES GOVERNMENT RECIPIENTS OF THIS REPORT

U.S. Government officials are invited to inquire about the availability of statistics on U.S.-NME trade other than those presented herein. The Commission's East-West Trade Statistics Monitoring System contains the full detail of U.S. trade with all NME countries as issued by the Census Bureau. These data are maintained by the Commission on an annual, quarterly, and monthly basis, and are generally available within 6 weeks after the close of the monthly reporting period. More information on this service may be obtained from the Chief, Trade Reports Division, USITC, telephone (202 523-1995).

INTRODUCTION

This series of reports by the United States International Trade Commission is made pursuant to section 410 of title IV of the Trade Act of 1974 (19 U.S.C. 2440), which requires the Commission to monitor imports from and exports to certain nonmarket economy countries (NME's). These countries include those listed in headnote 3(f) of the Tariff Schedules of the United States (TSUS) 1/ and others not listed in the headnote, 2/ viz, Hungary, the People's Republic of China (China), and Romania. 3/ These are countries whose exports can be investigated by the Commission under section 406 of title IV of the Trade Act of 1974. Through control of the level of production, the distribution channels, and the price at which articles are sold, they could disrupt the domestic market in the United States and thereby injure U.S. producers. Under the statute, the Commission publishes a summary of trade data not less frequently than once each calendar quarter for Congress and, until January 2, 1980, for the East-West Foreign Trade Board. As of that date, the East-West Foreign Trade Board was abolished, and its functions were transferred to the Trade Policy Committee, chaired by the United States Trade Representative.

As specified by the statute, one objective of the reports in this series is to provide data on the effect of imports from NME's on the production of like or directly competitive articles in the United States and on employment within industries producing those articles. Therefore, the reports include trade statistics for those NME's whose current trade with the United States is at least at a level that might possibly affect a domestic industry: Albania, Bulgaria, China, Cuba, Czechoslovakia, East Germany, Hungary, Mongolia, North Korea, Poland, Romania, the U.S.S.R., and Vietnam.

1/ The following countries or areas are listed under headnote 3(f) of the TSUS: Albania, Bulgaria, Cuba, Czechoslovakia, the German Democratic Republic (East Germany), Estonia, those parts of Indochina under Communist control or domination (including Vietnam), North Korea, the Kurile Islands, Latvia, Lithuania, Mongolia, Poland, Southern Sakhalin, Tanna Tuva, and the U.S.S.R.

2/ When most-favored-nation tariff treatment is accorded a Communist country, that country is no longer included in headnote 3(f).

3/ Earlier reports in this series included Yugoslavia among the NME's whose trade with the United States is monitored. At the suggestion of the United States Trade Representative and after consultation with the appropriate congressional committees, the Commission decided that Yugoslavia would no longer be included in the countries covered by this report. This decision was effective with the 27th report. (27th Quarterly Report to the Congress and the Trade Policy Committee on Trade Between the United States and the Nonmarket Economy Countries During April-June 1981, USITC Publication 1188, September 1981, p. 1, hereinafter 27th Quarterly Report . . .). In the opinion of many analysts, Yugoslavia is not appropriately classified as an NME. Also, it is not a member of the Warsaw Pact or the Council for Mutual Economic Assistance. Yugoslavia has special status with the Organization for Economic Cooperation and Development and is a leader among nonaligned countries.

At present, China, Hungary, and Romania are the only NME countries that receive most-favored-nation (MFN) tariff treatment from the United States. In the early 1950's, the MFN status of most NME's was suspended in accordance with section 5 of the Trade Agreements Extension Act of 1951, which established a policy of denying the benefits of trade agreement concessions to Communist countries. 1/ Poland's MFN status was restored in 1960, but was suspended indefinitely by the President in October 1982. The Trade Act of 1974 reiterated the policy of denying MFN treatment to imports from most NME's, 2/ but it authorized the restoration of MFN status to countries whose emigration policies met certain criteria. MFN status was restored to Romania in 1975, to Hungary in 1978, and to China in 1980 under the provisions of Title IV of the Act.

In the TSUS, the MFN rates of duty are set forth in column 1. The rates applicable to products of designated Communist nations 3/ are set forth in column 2; for the most part, these are the higher rates that were established in 1930. The rates of duty resulting from this policy vary considerably from item to item, and discrimination is not present at all for products that historically have been duty free or dutiable at the same rates in columns 1 and 2. Therefore, actual or potential U.S. imports from countries that do not enjoy MFN privileges depend in some measure on the rates of duty on the specific items involved.

Except as otherwise noted, trade data presented in this report are compiled from official statistics of the U.S. Census Bureau. Imports are imports for consumption (the sum of directly entered imports plus withdrawals from customs warehouses) at customs value (generally equivalent to f.o.b. value at the foreign port of export). Exports are domestic exports (U.S.-produced goods) at f.a.s. value. Detailed analysis in the report is generally done on a seven-digit TSUS (imports) or Schedule B (exports) basis, which is the basis on which the data are collected. Analysis of aggregate trade levels and trends is generally presented in terms of Standard International Trade Classification, Revision 2 (SITC) categories. 4/ The TSUSA and Schedule B data are reclassified into SITC categories using concordances maintained by the Census Bureau.

1/ More specifically, the provision applied to imports from the Soviet Union and "any nation or area dominated or controlled by the foreign government or foreign organization controlling the world Communist movement." Presumably because Yugoslavia was not considered to be under Soviet domination, its MFN status was not suspended.

2/ This provision was not applicable to countries that had MFN status when the Trade Act was enacted, i.e., Poland and Yugoslavia.

3/ Those nations referred to in headnote 3(f) of the TSUS.

4/ The SITC was developed by the United Nations Secretariat in 1950 as a common basis for the reporting of international trade data. In 1975, the U.N. Economic and Social Council recommended that member States begin reporting their trade statistics on the basis of Revision 2 of the SITC.

In this report, references to specific products (e.g., wheat) that are not identified by a numerical classification (e.g., SITC Group 041) are either 7-digit TSUSA items (U.S. imports) or 7-digit Schedule B items (U.S. exports). The TSUSA or Schedule B classification numbers of these items may be found in the tables in Appendix B of this report, which lists leading items in trade with the NME's as a group and with individual NME countries.

The U.S. International Trade Commission is an independent, fact-finding agency. Thus, the views expressed in the quarterly reports on East-West trade do not necessarily reflect those of Executive branch agencies and should not be taken as an official statement of U.S. trade policy.

This particular report contains a summary of U.S. trade with the NME's during January-March 1984, and examines U.S. exports, imports, and the balance of trade with these countries, as well as the commodity composition of this trade. Important developments in U.S. commercial relations with the NME's during the first quarter of 1984 are also examined. The report presents an overview of the U.S. export control system and a quantification of U.S. high-technology exports to the NME's.

SUMMARY

Two-way merchandise trade between the United States and the NME's increased for the second consecutive quarter, totalling $2.8 billion during January-March 1984. Trade turnover was 5.5 percent higher than in October-December 1983 and 19.9 percent higher than in January-March 1983. The NME's accounted for 2.2 percent of total U.S. trade turnover during January-March 1984. This share remained unchanged from the same quarter of 1983. Relative to the first quarter of 1983, both U.S. exports to the NME's and U.S. imports from the NME's increased, but only 9.4 percent of the increase in trade turnover was attributable to U.S. exports.

U.S. exports to the NME's during January-March 1984 exceeded the quarterly average for 1983, but were 10.3 percent lower than in the fourth quarter of 1983. In comparison with the first quarter of 1983, U.S. exports to the NME's increased by 2.9 percent to $1.6 billion during the period under review. Grain remained the leading U.S. export, but sales were 22.0 percent lower in quantity and 15.0 percent lower in value than in the first quarter of 1983.

U.S. imports from the NME's reached a record quarterly high of $1.24 billion during January-March 1984. This was only the second quarter in which U.S. imports from the NME's had exceeded $1 billion since quarterly reporting began in 1975. U.S. imports increased by 52.4 percent in comparison with the first quarter of 1983 and by 36.7 percent in comparison with the last quarter of 1983.

During the quarter, China was the major NME supplier, accounting for 61.0 percent of U.S. imports from the NME's. U.S. imports from that country were valued at $754.1 million, the highest level in any quarter since this report began. Far behind were the next largest NME exporters, Romania and the Soviet Union, which supplied 16.1 and 10.8 percent, respectively, of U.S. imports. Imports from Romania and the Soviet Union also expanded. Imports from both countries were higher in January-March 1984 than the quarterly average for 1983.

As a result, the traditional U.S. surplus in trade with the NME's shrank from $742.3 million in January-March 1983 to $362.2 million in January-March 1984. During the period under review, the United States had a deficit in merchandise trade with China and most East European countries, but a surplus in trade with the Soviet Union, Poland, and East Germany. The largest deficits were registered in trade with Romania ($131.0 million) and China ($128.1 million).

The first quarter of 1984 saw a number of positive developments in U.S.-Chinese commercial relations. On January 12, 1984, President Reagan and Premier Zhao Ziyang signed a three-year Industrial and Technological Cooperation Accord. In March, a U.S. delegation led by Treasury Secretary Regan attended the fourth annual meeting of the United States-China Joint Economic Committee in Beijing.

During the quarter under review, the Commission made affirmative final determinations in dumping investigations involving imports of two chemicals from China--potassium permanganate and chloropicrin. In both cases, Commerce also issued affirmative decisions and, in the potassium permanganate case, issued a finding of critical circumstances. In a three to one vote on the final investigation, the Commission also determined that market disruption did not exist as a result of imports of ferrosilicon from the Soviet Union.

Other developments affecting East-West trade included the annoucement that the President had decided to take steps towards expanding the Defense Department's authority to review applications for export licenses.

This report also examines the export control system, focusing on exports of high technology subject to national security export controls. It estimates the value and composition of such exports to the NME's and to other countries during the 1979-1983 period. Among the major findings are the following: U.S. high-technology exports increased by almost 80 percent over the period, while total exports declined, an indication of the growing importance of high-tech exports to the U.S. trade balance. U.S. exports of high technology to other developed Western countries and the NIC's advanced. Exports to China grew almost three-fold over the period, but shipments to the Soviet Union and Eastern Europe were lower in 1983 than in 1979, reflecting changes in U.S. licensing policy and the East European debt crisis.

FIRST-QUARTER DEVELOPMENTS IN TRADE BETWEEN THE UNITED STATES AND THE NONMARKET ECONOMY COUNTRIES

Total two-way merchandise trade between the United States and the nonmarket economy countries (NME's) during the quarter under review exceeded the quarterly average 1/ of U.S.-NME trade turnover for any calendar year since 1975, when quarterly reporting on U.S.-NME trade began. At $2.8 billion, total U.S.-NME trade was 19.9 percent higher in January-March 1984 than in January-March 1983 (table 1). 2/ On an annually projected basis, U.S.-NME trade grew 31.2 percent during the period under review compared with 1983.

By increasing 5.5 percent from October-December 1983 to the first quarter of 1984, U.S.-NME trade registered the second consecutive quarterly increase after the sharp decline from the first to the second quarter of 1983, and the near stagnation from the second to the third quarter of 1983. During the half-year, October 1983-March 1984, U.S.-NME trade was 53.7 percent higher than in April-September 1983, which marked the lowest half-year trade turnover in U.S.-NME trade since 1979. 3/ Most of the growth in U.S.-NME trade from the first quarter of 1983 to the period under consideration was the result of increased imports from the NME's. Of the $470 million growth in U.S.-NME trade from January-March 1983 to January-March 1984, 90.5 percent can be attributed to increased U.S. purchases from NME suppliers, and only 9.5 percent to increased U.S. sales to the NME's.

U.S. exports to the NME's amounted to $1.6 billion during the period under review. Although this exceeded the 1983 quarterly average of U.S. exports to the NME's by 26.2 percent, it showed a 10.3 percent decline compared to October-December 1983 (fig. 1). By registering $1.2 billion, U.S. imports from the NME's reached an unprecedented quarterly high in January-March 1984. These imports were 52.4 percent higher than in

---

1/ The quarterly arithmetic average calculated for a given year screens out possible seasonal and irregular fluctuations from the current price data used.

2/ The U.S. domestic inflation rate (CPI) was 4.3 percent from the middle of the first quarter of 1983 through the middle of the first quarter of 1984, at least 4-times less than the indicated 19.9 percent increase in the current value of U.S.-NME trade over this 1-year period. This means, that if the U.S. domestic inflation rate is accepted as a surrogate for export and import price increases in this particular comparison, the volume of U.S.-NME trade must have also increased from January-March 1983 to January-March 1984.

3/ NME trade with the rest of the world recovered earlier than U.S.-NME trade after the difficult 1980-1982 period for world trade and NME hard currency trade. Based on data published by Wharton Econometric Forecasting Associates, NME hard currency trade increased by 2.9 percent from 1982 to 1983. (Wharton, Centrally Planned Economies Outlook, April, 1984, p. 8). U.S.-NME trade in contrast dropped by nearly 12 percent in a similar comparison. (37th Quarterly Report. . ., p. 3).

Table 1.--U.S. trade with the world and with the nonmarket economy countries (NME's), by quarters, January 1983-March 1984

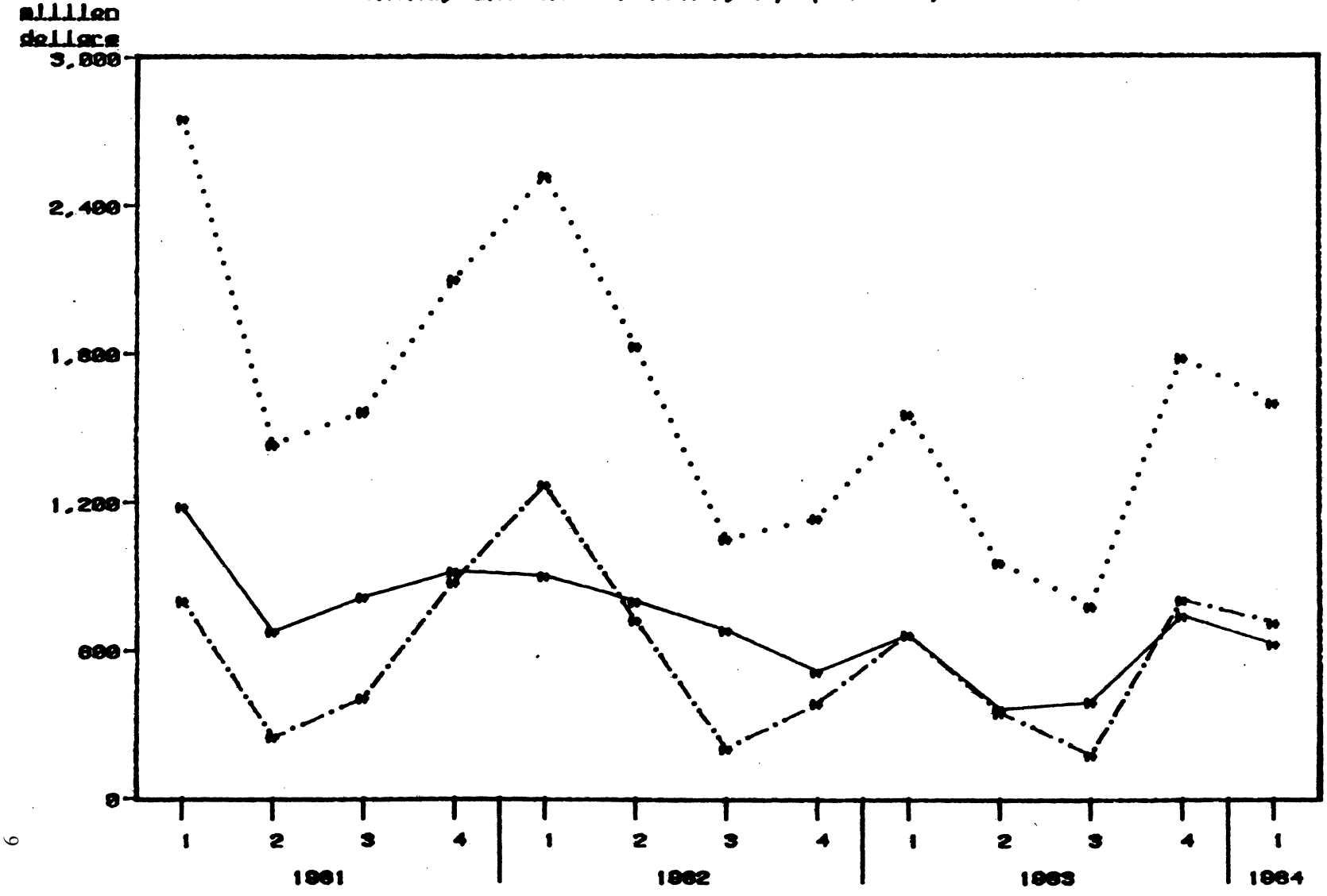
Item	1983				January-March 1984
	January-March	April-June	July-September	October-December	
U.S. world trade:					
Exports----------million dollars--	48,931	49,416	47,299	50,324	52,368
Imports----------do----	57,674	63,113	66,215	69,678	78,627
Balance----------do----	-8,743	-13,697	-18,916	-19,355	-26,259
Trade turnover (exports plus imports) million dollars--	106,604	112,529	113,514	120,002	130,995
U.S. trade with NME's:					
Exports----------million dollars--	1,554	954	779	1,781	1,598
Imports----------do----	811	839	1,019	904	1,236
Balance----------do----	742	115	-240	877	362
Trade turnover (exports plus imports) million dollars--	2,365	1,793	1,798	2,686	2,835
Share of total U.S. trade accounted for by trade with NME's:					
Exports----------percent--	3.18	1.93	1.65	3.54	3.05
Imports----------do----	1.41	1.33	1.54	1.30	1.57

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

Note.--Import figures in this and all other tables in this report are Census-basis imports for consumption at customs value. Exports are domestic exports only, including Defense Department military assistance shipments, and are valued on an f.a.s. basis.

8

Figure 1.--U.S. exports to the nonmarket economy countries (NME's), China, and the U.S.S.R., by quarters, 1981-84.



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

January-March 1983 and 36.7 percent higher than in October-December 1983 (fig. 2). Review period NME imports topped the 1983 quarterly average by 38.4 percent, and the 1982 quarterly average by 50.9 percent. (Tables in Appendix A show U.S. export and import trade with the NME's by Standard International Trade Classification (SITC) sections. Tables in Appendix B state leading export and import items in U.S.-NME trade.)

The surplus of U.S. merchandise trade with the NME's shrank from $742.3 million in January-March 1983 to $362.2 million in January-March 1984. In its trade with the NME's, the United States registered surpluses with the Soviet Union, East Germany, and Poland, and deficits with China, Romania, Hungary, Czechoslovakia, and Bulgaria. The United States had a $131.0 million deficit in its trade with Romania and a $128.1 million deficit in its trade with China. The aggregate U.S.-East European trade balance was also in deficit during the quarter under consideration. Grain sales to the Soviet Union and China remained the most significant single source of U.S. export revenue in trade with the NME's. Sales of Chinese apparel and clothing accessories retained their leading role among U.S. imports from the NME's in January-March 1984.

U.S. exports to the NME's represented 3.0 percent of total U.S. exports during the quarter under review; U.S. imports from the NME's accounted for 1.6 percent of total U.S. imports. The share of both U.S. exports to the NME's and imports from them exceeded their respective 1983 quarterly average in January-March 1984. U.S. exports to the NME's increased at a slower pace than worldwide U.S. exports from the first quarter of 1983 to the period under consideration. But imports from the NME's increased at a faster pace than worldwide U.S. imports over the same period.

U.S. Exports

U.S. exports to the NME's increased from $1.55 billion in January-March 1983 to $1.60 billion, or by 2.9 percent, in January-March 1984. The volume of these exports remained roughly the same during the two periods. Both the value and volume of U.S. exports to the NME's were higher during the period under review than during the second or third quarter of 1983. But from October-December 1983 to January-March 1984, the value of these exports declined by 10.3 percent 1/ and by a higher percentage in volume. 2/

1/ Much of this decline from October-December 1983 to January-March 1984 can be attributed to diminished U.S. aluminum, airplane and wheat sales to China.

2/ Like the assessment of change in total turnover (see footnote 2, on page 7), this is also based on the assumption that the U.S. domestic inflation rate is an appropriate proxy for U.S. export price increases in sales to the NME's from the middle of the first quarter of 1983 through the middle of the first quarter of 1984. The value of review period U.S. exports to the NME's was 67.5 percent above the second quarter's, and 105.1 percent above the third quarter's level. Since the value of the average export price increase between the second or third quarter of 1983 and the first quarter of 1984 had to be smaller than its assumed 4.3 percent annual value, the volume of U.S. exports during the review period must have exceeded the volume in either the second or the third quarter of 1983. The volume of U.S.-NME trade, however, must have decreased from the fourth quarter of 1983 to the first quarter of 1984.

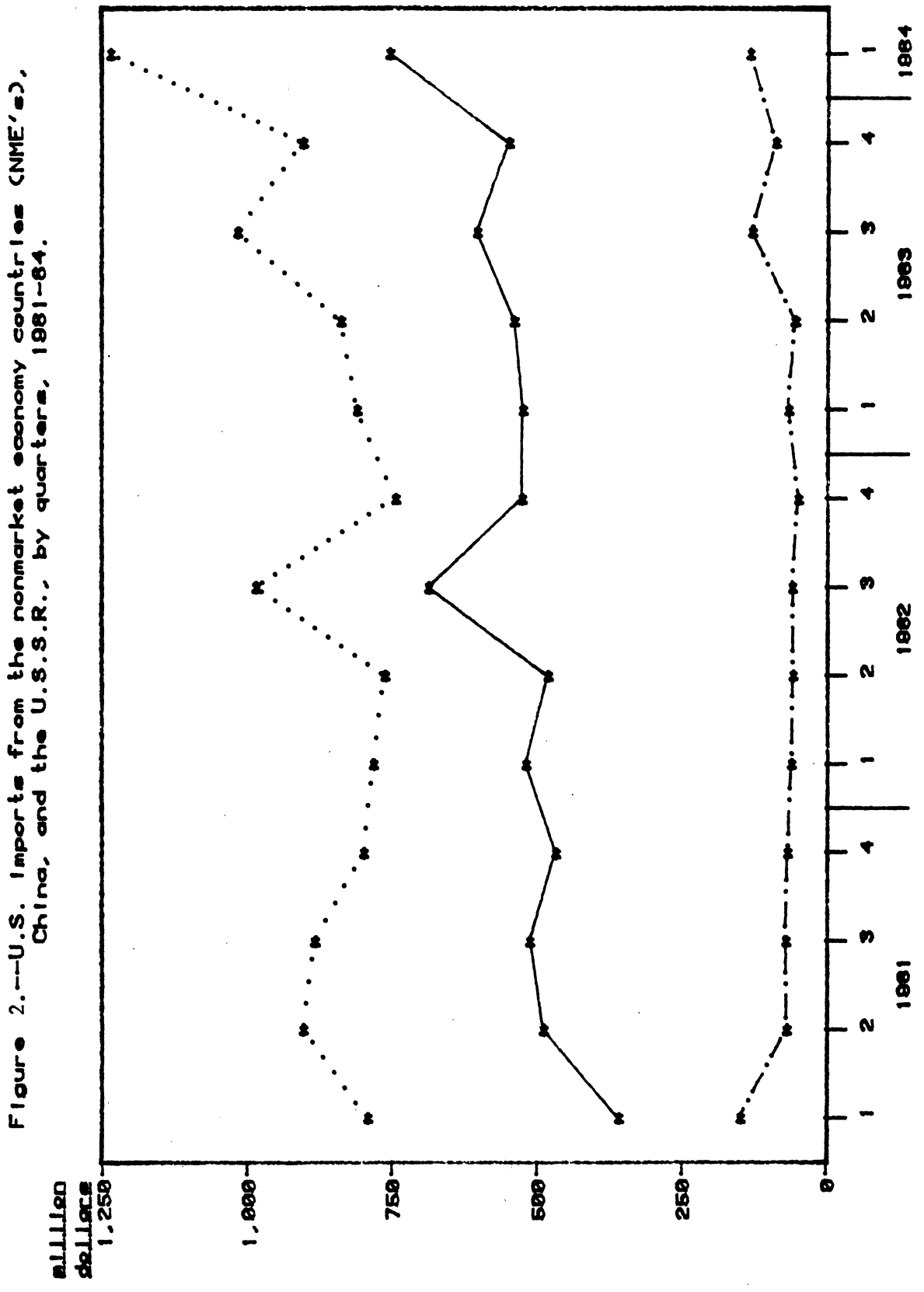


Figure 2.--U.S. imports from the nonmarket economy countries (NME's), China, and the U.S.S.R., by quarters, 1981-84.

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

Consequently, no solid conclusion can be drawn about the recovery of U.S. sales to the NME's during the period under consideration. These sales were 26.2 percent above the quarterly average of 1983 in January-March 1984 but below the quarterly average of any year in 1979-1982.

The Soviet Union was the largest market for U.S. exports to the NME's during the quarter under review (fig. 3). The Soviets' share among NME imports from the United States increased from 39.5 percent in 1983 to 44.6 percent in January-March 1984. In 1983, China held the first place. January-March 1984 U.S. exports to China represented 39.2 percent of total U.S. sales to the NME's, those to Poland 5.9 percent, and those to Romania 4.2 percent (table 2).

Diversification of suppliers and efforts to maintain or increase hard currency surpluses 1/ continued to limit NME markets for U.S. exports during the period under consideration.

U.S. exports to the NME's of goods classified as food and live animals represented 49.3 percent of total U.S. exports to the NME's in January-March 1984 (table 3). This was considerably below the 58.3 percent share during the corresponding period of 1983, but well above the 40.6 percent 1983 quarterly average. U.S. grain sales to China and a sharp recovery in purchases by the Soviet Union explain these changes.

Chemicals became the largest 1-digit SITC category among U.S. exports to China during the quarter under consideration, (table 4). These commodities were in third place after food and live animals and machinery and transportation equipment in January-March 1983. Increases in U.S. sales of manufactured fertilizers and artificial resins accounted for the bulk of growth in U.S. chemical exports to China from the first quarter of 1983 to the period under review. U.S. polypropylene resin exports, with China as the major NME customer, represented the largest value among U.S. exports to the NME's which changed substantially from January-March 1983 to the period under review (table 5). Food and live animal goods became less dominant among U.S. sales to the Soviet Union than during the corresponding quarter of 1983.

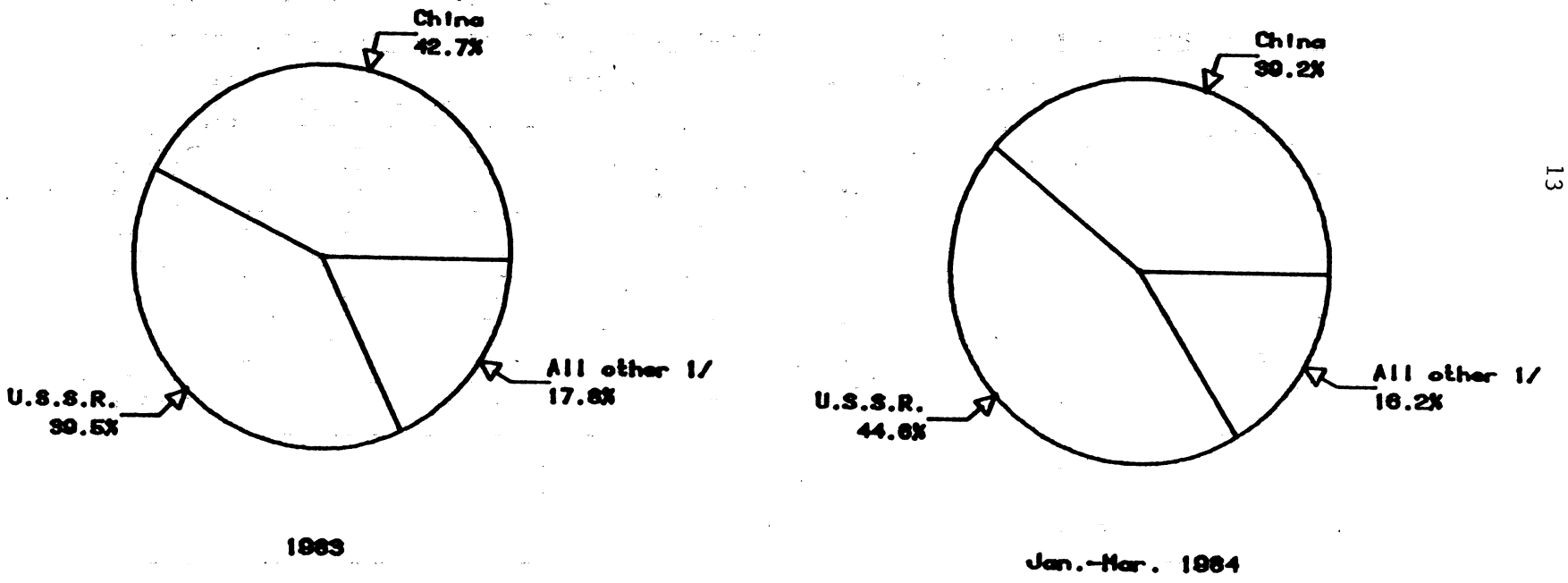
Although the Soviets purchased more from the United States than did the Chinese in January-March 1984, China was the major NME customer for 10 out of the 20 export items which accounted for the largest market share of NME purchases, while the Soviet Union was the major NME customer for 6 (table 6).

Food and live animals

At $788 million, U.S. exports of food and live animals (commodities classified in SITC Section 0) to the NME's were 13.0 percent lower during the quarter under review than the $906 million registered in January-March 1983 (table 3). With 49.3 percent of total U.S. exports to the NME's, exports in this product category remained the largest SITC 1-digit category among U.S. exports to the NME's in January-March 1984. (Food and live animals represented 12.0 percent of worldwide U.S. exports during the same period.) U.S. exports of goods classified as food and live animals to the Soviet Union and China were lower in January-March 1984 than in the corresponding period of 1983 but higher than the quarterly average of such sales calculated for 1983. Wheat and corn remained the two leading export items in this category, as well as among all items exported to the NME's during the quarter under review.

1/ In 1983, Eastern Europe, China and the Soviet Union realized surpluses in their hard currency trade.

Figure 3.--Relative shares of U.S. exports to the nonmarket economy countries, 1983 and January-March 1984.



1/ Poland, Romania, East Germany, Hungary, Czechoslovakia, Bulgaria, Vietnam, Albania, Cuba, Mongolia, and North Korea.

Source: Based on data in table 2.

Table 2.--U.S. exports to the individual nonmarket economy countries and to the world, 1982, 1983, January-March 1983, and January-March 1984

(In thousands of dollars)

Market	1982	1983	January-March--	
			1983	1984
Albania	16,400	4,205	2,797	3,274
Bulgaria	106,453	65,389	15,666	7,194
China	2,904,535	2,163,219	663,944	625,961
Cuba	951	688	161	212
Czechoslovakia	83,598	57,079	12,874	9,618
East Germany	222,657	138,915	40,286	47,421
Hungary	67,842	109,781	21,395	22,545
Mongolia	344	123	11	25
North Korea	100	1	1	-
Poland	292,606	319,872	71,350	94,532
Romania	223,231	185,658	52,236	67,661
U.S.S.R	2,588,975	2,001,951	665,334	713,030
Vietnam	31,995	20,745	7,665	6,974
Total	6,539,686	5,067,626	1,553,718	1,598,446
Total, U.S. exports to the world	207,157,641	195,969,353	48,930,523	52,367,924

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

Note.--Because of rounding, figures may not add to totals shown.

14

Table 3.--U.S. exports to the world and to the nonmarket economy countries (NME's), 1/ by SITC Sections, January-March 1983 and January-March 1984

SITC Section	Total exports		Exports to the NME's	
	Jan.-Mar. 1983	Jan.-Mar. 1984	Jan.-Mar. 1983	Jan.-Mar. 1984
	Value (million dollars)			
0. Food and live animals	6,133	6,308	906	788
1. Beverages and tobacco	622	668	8	2
2. Crude materials--inedible, except fuel	4,631	5,768	137	257
3. Mineral fuels, lubricants, etc	2,535	1,877	10	16
4. Oils and fats--animal and vegetable	360	586	11	22
5. Chemicals	5,294	6,072	176	223
6. Manufactured goods classified by chief material	3,731	3,906	44	41
7. Machinery and transportation equipment	20,125	21,168	181	171
8. Miscellaneous manufactured articles	3,670	3,748	64	55
9. Commodities and transactions not elsewhere classified	1,831	2,268	17	22
Total	48,931	52,368	1,554	1,598
	Percent of total			
0. Food and live animals	12.5	12.0	58.3	49.3
1. Beverages and tobacco	1.3	1.3	.5	.2
2. Crude materials--inedible, except fuel	9.5	11.0	8.8	16.1
3. Mineral fuels, lubricants, etc	5.2	3.6	.7	1.0
4. Oils and fats--animal and vegetable	.7	1.1	.7	1.4
5. Chemicals	10.8	11.6	11.3	14.0
6. Manufactured goods classified by chief material	7.6	7.5	2.8	2.6
7. Machinery and transportation equipment	41.1	40.4	11.6	10.7
8. Miscellaneous manufactured articles	7.5	7.2	4.1	3.5
9. Commodities and transactions not elsewhere classified	3.7	4.3	1.1	1.4
Total	100.0	100.0	100.0	100.0

1/ Albania, Bulgaria, China, Cuba, Czechoslovakia, East Germany, Hungary, Mongolia, North Korea, Poland, Romania, the U.S.S.R. (including Estonia, Latvia, and Lithuania), and Vietnam.

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

Note.--Because of rounding, figures may not add to totals shown.

15

Table 4.--U.S. exports to the nonmarket economy countries, by SITC Sections, January-March 1984

(In thousands of dollars)

SITC Section	Albania	Bulgaria	China	Cuba	Czecho-slovakia	East Germany	Hungary
0. Food and live animals	-	37	172,562	-	86	43,644	9,185
1. Beverages and tobacco	-	62	26	-	12	-	-
2. Crude materials--inedible, except fuel	-	2,425	92,733	3	5,642	219	2,534
3. Mineral fuels, lubricants, etc	3,185	-	150	-	-	-	1
4. Oils and fats--animal and vegetable	-	-	1	-	-	-	-
5. Chemicals	-	1,767	176,903	85	717	148	1,885
6. Manufactured goods classified by chief material	-	114	29,288	-	779	3,076	980
7. Machinery and transportation equipment	1	2,365	117,606	3	1,453	177	7,156
8. Miscellaneous manufactured articles	89	363	34,678	11	758	120	484
9. Commodities and transactions not elsewhere classified	-	62	2,014	111	171	37	321
Total	3,274	7,194	625,961	212	9,618	47,421	22,545

SITC Section	Mongolia	North Korea	Poland	Romania	U.S.S.R.	Vietnam	Total
0. Food and live animals	-	-	44,187	933	516,957	305	787,894
1. Beverages and tobacco	-	-	1,603	695	-	-	2,399
2. Crude materials--inedible, except fuel	-	-	25,523	57,098	71,094	126	257,397
3. Mineral fuels, lubricants, etc	-	-	3	2,127	10,194	-	15,659
4. Oils and fats--animal and vegetable	-	-	1,438	-	20,983	-	22,422
5. Chemicals	-	-	1,250	3,102	37,532	1	223,389
6. Manufactured goods classified by chief material	2	-	2,621	264	4,012	1	41,136
7. Machinery and transportation equipment	12	-	3,638	2,254	36,067	-	170,730
8. Miscellaneous manufactured articles	8	-	2,103	1,041	15,714	18	55,387
9. Commodities and transactions not elsewhere classified	3	-	12,166	148	478	6,523	22,034
Total	25	-	94,532	67,661	713,030	6,974	1,598,446

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

Note.--Because of rounding, figures may not add to totals shown.

16

Table 5.--20 U.S. export items to the nonmarket economy countries (NME's) which changed substantially, by Schedule B nos., January-March 1983 and January-March 1984 1/

Schedule B no.	Commodity	Major NME customer	Percentage change, Jan.-Mar. 1984 from Jan.-Mar. 1983		Value of exports to all NME's in January-March 1984
			All NME's	World	
			Percent		1,000 dollars
	Substantially increased:				
692.1680	Special-purpose motor vehicles, nonmilitary, n.s.p.f	China	1,016.0	-21.3	7,632
692.2985	Parts, n.s.p.f., of motor vehicles	do	337.6	40.6	5,330
200.3514	Western hemlock logs and timber, rough	do	243.2	.3	16,026
444.1700	Polypropylene resins, excluding amorphous or atactic polymers and copolymers	do	235.1	5.7	24,398
480.3000	Urea	do	225.8	-17.2	17,732
444.1610	Polyethylene resins, low and medium density	do	223.6	-14.1	10,375
660.5460	Parts of industrial gas turbines	U.S.S.R	207.6	3.4	2,856
517.5120	Petroleum coke, calcined	do	187.0	10.3	4,950
661.9880	Parts, n.s.p.f., of filtering and purifying machinery and apparatus for liquids or gases	do	176.2	9.0	1,516
692.3820	Parts of tracklaying tractors	do	159.0	30.6	2,804
	Substantially decreased:				
618.0300	Nonalloyed unwrought aluminum	China	-74.2	-27.0	1,290
309.4242	Polyester fibers (in noncontinuous form)	do	-72.7	-1.0	2,355
711.2420	Machines and appliances for determining the strength of articles under compression, tension, etc., electrical	do	-67.1	-18.9	1,009
694.6507	Parts designed for use in civil aircraft, n.e.s	do	-64.3	5.0	2,378
170.3340	Burley cigarette leaf filler tobacco, stemmed	Poland	-64.3	45.9	1,267
131.4030	Wheat flour, n.e.s., donated for relief or charity	do	-63.2	20.5	707
433.1016	Tetraethyl lead (TEL) antiknock preparations	China	-59.1	-31.8	741
709.6320	X-ray apparatus n.s.p.f., and parts thereof, for medical or dental use	do	-56.6	3.8	1,862
664.0588	Parts, n.e.s., of excavating machinery, n.e.s	Poland	-49.9	23.4	897
711.8750	Electrical (including electronic) physical analysis equipment, n.s.p.f., and parts thereof	China	-48.7	-2.7	3,505

1/ Only items which accounted for at least 500,000 dollars' worth of exports in both January-March 1983 and January-March 1984 are included in this table.

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

17

Table 6.--20 U.S. export items for which the nonmarket economy countries (NME's) collectively accounted for the largest market share in 1984, by Schedule B nos., January-March 1983 and January-March 1984 1/

Schedule B no.	Commodity	Major NME customer	Share of total exports accounted for by NME's		Value of exports to all NME's in January-March 1984
			Jan.-Mar. 1983	Jan.-Mar. 1984	
			Percent		1,000 dollars
176.2520	Linseed oil, crude	U.S.S.R	.0	99.6	9,127
480.7025	Phosphoric acid, 65 percent or more available phosphorus pentoxide equivalents	do	90.5	94.0	32,781
475.4555	Insulating or transformer oils	do	68.7	63.8	5,243
818.3900	Products, n.e.s., donated for relief or charity	Poland	52.1	57.2	16,263
480.3000	Urea	China	14.5	57.0	17,732
177.7390	Animal oils, fats, and greases, n.s.p.f	Poland	.0	51.6	1,305
601.6100	Zinc ore	U.S.S.R	43.0	49.1	2,235
818.3100	Food products, n.s.p.f., donated for relief or charity	Poland	28.6	45.8	1,633
790.5510	Pressure-sensitive tape having a plastic backing	U.S.S.R	42.7	41.1	13,338
404.2250	Terephthalic acid dimethyl ester (dimethyl terephthalate)	China	.0	39.7	5,994
200.3510	Douglas-fir logs and timber, rough	do	24.6	39.1	52,573
421.0850	Dry hydroxide sodium compounds	do	.3	39.1	1,322
415.3500	Phosphorus, in any physical form	do	.0	36.1	2,308
309.4245	Acrylic and modacrylic fibers (in noncontinuous form)	do	25.9	35.5	8,966
444.1700	Polypropylene resins, excluding amorphous or atactic polymers and copolymers	do	11.1	35.3	24,398
310.0010	Textured yarns, of polyester	do	21.0	34.9	6,368
444.2010	Acrylonitrile-butadiene-styrene (ABS) resins	do	26.9	34.3	5,899
121.0515	Bovine leather, rough, russet, and crust, wet blue, not split	do	79.3	33.8	4,479
338.2600	Woven fabrics of glass	U.S.S.R	43.1	33.1	1,603
605.5660	Platinum products n.s.p.f., not rolled, including alloys of platinum and gold- or silver-plated platinum	East Germany	.3	31.2	3,618

1/ Only items which accounted for at least 1 million dollars' worth of exports in January-March 1984 are included in this table.

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

18

Grain (wheat and corn) represented 94.4 percent of total U.S. food and live animal exports to the NME's in January-March 1983, compared with 92.3 percent in January-March 1984. Grain sales to the NME's declined from $855.6 million (or 6.0 million metric tons) to $727.4 million (or 4.7 million metric tons) in a similar comparison.

Wheat exports were 2.6 million and corn exports 2.1 million metric tons during the period under review. Average quarterly grain sales to the NME's were 3.1 million metric tons in 1983 and 5.6 million metric tons in 1982. Grain sales to the NME's declined by 21.8 percent in terms of quantity but only by 15.0 percent in terms of value from the first quarter of 1983 to January-March 1984. This reflects an increase in the average unit price of grain sold to the NME's during the quarter under review compared with the corresponding period in 1983. This increase was a composite result of a slight decline in wheat, and a 33.8 percent increase in corn prices between the two periods.

Soviet Union.--Soviet purchases of U.S. food and live animal goods declined from $546.5 million during the first quarter of 1983 to $517.0 million during the period under review. The quarterly average of Soviet purchases of U.S. food and live animal products amounted to $298.7 million in 1983. The share of U.S. food and live animal goods among total U.S. sales to the Soviet Union increased from 59.7 percent in 1983 to 72.5 percent in January-March 1984. Soviet purchases of wheat and corn represented the only significant U.S. exports of commodities classified in the food and live animal category to the Soviet Union during the period under review.

Sales of U.S. grain to the Soviet Union totaled 3.3 million metric tons, or $516.8 million during the quarter under review. First quarter 1983 sales amounted to 3.6 million metric tons or to $546.1 million. Wheat sales to the Soviets decreased from 2.6 million metric tons, or $432.4 million, in January-March 1983 to 1.5 million metric tons, or $235.8 million, in January-March 1984. Corn sales, however, increased from 1.0 million metric tons, or $113.6 million, to 1.9 million metric tons, or $281.0 million, in a similar comparison. 1/

1/ According to the May 20, 1984 issue of East Europe Agriculture, Soviet grain import needs for 1983-84 have been virtually met. But there are signs of firm Soviet demand for U.S. grain during the 1984-85 period. By stipulating considerably higher minimum purchases than the first U.S.-Soviet long-term grain agreement, the agreement now in effect predetermines an increase in U.S. sales of grain to the Soviet Union over the average sales of the past three years. (For details on the new U.S.-Soviet long-term grain agreement, see 37th Quarterly Report. . ., p. 66.) In addition, the U.S. Department of Agriculture currently estimates that Soviet grain production may decrease from 195 million metric tons in 1983-84 to 190 million metric tons in 1984-85, increasing overall demand for imports. Moreover, fourth quarter 1983 data indicate that the United States has a relatively strong market position among its main competitors on the Soviet market. In October-December 1983, U.S. grain sales amounted to 3.8 million metric tons (according to USDA data), those of Canada to 1.4 million, those of the European Community to 1.2 million, and those of Argentina to 0.8 million. The Soviet Union may now also be in a good position to make hard currency purchases given its recently reported 1983 trade surplus with the West. (For details on the Soviet trade surplus, see Press Review, Bank for International Settlements, BIS, Apr. 3, 1984, p. 6.)

China.--Chinese purchases of U.S. food and live animal goods registered $172.6 million in January-March 1984. Although this was considerably below the $277.3 million which was recorded during the corresponding period of 1983, it exceeded the $135.2 million 1983 quarterly average of U.S. exports to China in this commodity group. Among Chinese imports from the United States, the share of commodities classified in SITC Section 0 was 41.8 percent in January-March 1983, 25.0 percent in 1983, and 27.6 percent during the period under review. Wheat was the only food and live animal item included among the top 80 items by value exported to China in January-March 1984.

The United States shipped 1.1 million metric tons of wheat to China during the first quarter of 1984, roughly the same amount as during the first quarter of 1983. The value of these exports, however, increased from $158.6 million in January-March 1983 to $172.4 million in January-March 1984. The Chinese neither received nor ordered any U.S. corn during the period under review. 1/

Eastern Europe.--East Europeans increased their purchases of U.S. food and live animal goods from $82.1 million in January-March 1983 to $98.1 million in January-March 1984. In terms of export revenue, corn, soybean oil cake, grain sorghum and barley were the most significant U.S. exports of food and live animal commodities to Eastern Europe during the quarter under review.

East European corn purchases from the United States decreased from 0.3 million metric tons in January-March 1983 to 0.2 million metric tons during the quarter under review. In value terms, these purchases increased slightly from $34.3 million to $35.4 million. East German purchases of corn decreased from $34.3 million, or 293 thousand metric tons, in January-March 1983 to $21.4 million, or to 143 thousand metric tons, in January-March 1984. 2/ Poland purchased $14.0 million worth of corn and $2.8 million worth of wheat in the first quarter of 1984. Poland's wheat purchase, representing

---

1/ According to the U.S. Department of Agriculture, Chinese orders of U.S. wheat, fulfilled and outstanding, totaled 2.9 million metric tons as of Apr. 26, 1984. This included the above reported 1.1 million first quarter shipments of wheat to China, which counted entirely toward the fulfillment of Chinese purchase requirements during 1984. Year 1984 marks the last of the current U.S.-China long-term grain agreement. For more on this agreement and for a detailed discussion on U.S. sales of food and live animal commodities to China, see 37th Quarterly Report. . ., pp. 50-52.

2/ East Germany uses U.S. corn primarily as feedstock. Consequently, U.S. corn sales to East Germany may have been displaced by Canadian feed barley and feed wheat which are being sold under the 1983-86 agreement between the Canadian "Wheat Board" and East Germany. The agreement, which was concluded in September 1983, stipulates an annual one million metric ton sale of these Canadian products to East Germany. Canada and East Germany concluded other commercial agreements besides the wheat deal, in September 1983. Sources: U.S. Embassy, Ottawa, Canada and U.S. Department of Agriculture.

16 thousand metric tons, was the only wheat purchase by East Europeans in January-March 1984. Poland did not buy any U.S. corn or wheat during the first quarter of 1983. 1/ U.S. sales of soybean oil cake to Eastern Europe increased from $22.9 million, or 115 thousand short tons, in January-March 1983 to $33.6 million, or 142 thousand short tons, in January-March 1984. 2/ Poland purchased 75.5 percent and Hungary the remaining 24.5 percent of the reported U.S. soybean oil cake exports to Eastern Europe during the period under review. East Germans increased their grain sorghum purchases from the United States from none during the first quarter of 1983 to $15.1 million in January-March 1984. East German imports of U.S. barley increased from none in January-March 1983 to $7.0 million during the quarter under review.

Crude materials

U.S. crude materials (classified in SITC Section 2) represented the second largest SITC 1-digit category among U.S. exports to the NME's during the quarter under consideration. U.S. exports to the NME's in this product category rose from $137 million in January-March 1983 to $257 million, or by 88.2 percent, in January-March 1984. The share of crude materials among U.S. exports to the NME's increased from 8.8 percent to 16.1 percent over the same period. (The share of these goods among worldwide U.S. exports increased from 9.5 percent to 11.0 percent in a similar comparison.)

Soybeans remained the most significant U.S. crude material export to the NME's during the period under review. U.S. sales of this product to the NME's rose from $41.2 million in the first quarter of 1983 to $74.3 million, or by 80.4 percent, in the first quarter of 1984. The increase in the volume of deliveries, however, amounted to only 42.4 percent. Increase in the unit price of U.S. soybean exports to the NME's was 26.7 percent over the indicated period. U.S. soybean shipments to Eastern Europe rose from $41.2 million in January-March 1983 (the only buyer of U.S. soybeans among the NME's during that period) to $60.3 million, or by 46.3 percent, in January-March 1984. 3/ The increase in volume was 15.8 percent. With 63.3 percent of the purchases, Romania remained by far the most significant NME buyer of U.S. soybeans during the quarter under consideration. The Soviet Union, which did not purchase any of this U.S. product during the first quarter of 1983, bought U.S. soybeans for

---

1/ According to the Department of Agriculture, Poland imported 3.2-3.3 million metric tons of wheat, corn, and barley in 1983. The Soviet Union, other Eastern Bloc nations, Austria and France may have been the major suppliers of the Polish market in 1983.

2/ U.S. sales of soybean oil cake to the East Europeans increased by 46.9 percent in value terms but only by 23.8 percent in terms of volume. This reflects an 18.7 percent price increase between the two periods. Price increases were noted in U.S. soybean exports to the NME's, too. (See section on U.S. crude material exports.)

3/ For an explanation of the current high East European, particularly Romanian and Polish, demand for oil seeds, see 37th Quarterly Report. . . , p. 100. China, a major buyer of U.S. oil seeds in the past, did not resume purchases during the period under consideration. For explanation, see ibid., p. 53, and 33d Quarterly Report. . . , pp. 46, 47.

$14.0 million in January-March 1984. U.S. soybean shipments to Poland declined in value by 1.1 percent from the first quarter of 1983 to the first quarter of 1984. In terms of volume, these shipments declined by 25.3 percent over the same period. 1/

China increased its acquisitions of U.S. softwood saw logs during the first quarter of 1984. U.S. sales of Douglas-fir logs to China increased from $26.1 million in January-March 1983 to $52.6 million, or by 101.4 percent, in January-March 1984. The increase in the volume of U.S. Douglas-fir exports to China, however, amounted to only 84.4 percent. Chinese purchases of U.S. western hemlock logs rose from $4.7 million to $16.0 million, or by 243 percent, in a similar comparison. The increase amounted to 233 percent in terms of volume.

Not only is China an exclusive customer for a number of U.S. wood products among the NME's, but it is also a significant buyer among all importers of these U.S. products. For example, Chinese purchases of Douglas-fir logs represented 39.1 percent of worldwide U.S. sales during January-March 1984 (table 6). U.S. western hemlock sales to China made up 20.2 percent of total U.S. sales during the same period. 2/

Further, Chinese demand for U.S. wood products appeared to be on the rise during the quarter under consideration. In recent years, SITC Group 247, which includes a variety of wood products called "other wood in the rough or roughly squared," has been the most significant SITC 3-digit subcategory among U.S. wood exports to China. U.S. sales to China of commodities classified in SITC Section 247 amounted to $70.0 million in January-March 1984 compared with $31.3 million in January-March 1983. The quarterly average for 1983, the strongest year for these sales to China in 1981-1983, was $57.0 million.

U.S. cotton sales to the NME's increased from no sales in January-March 1983 to $45.5 million in January-March 1984. The Soviet Union purchased $43.3 million of the total, China $1.8 million, and Hungary, a minor buyer, the rest. 3/ The slight reduction in the value of NME purchases of U.S. cattle hides from $26.1 million during the first quarter of 1983 to $25.7 million during the period under review was much more significant in

---

1/ There are indications, according to the U.S. Department of Agriculture, that Polish protein feed imports, which include oil cakes, soybeans and a variety of other high protein concentrates, will exceed 1983 levels in 1984. The severe difficulties which have reportedly emerged in Poland's livestock production in 1983, and officially increased targets of protein meal imports for 1984, point to a continued strong Polish demand for U.S. protein feedstuffs. See also East Europe Agriculture, January 1984, pp. 8-10.

2/ For background information on Chinese demand for U.S. wood products, see 33d Quarterly Report. . . , p. 48.

3/ For reasons of recent Soviet demand for U.S. cotton, see 37th Quarterly Report . . ., pp. 71, 72. For an explanation of sharply reduced Chinese purchases of U.S. cotton, see ibid., p. 53.

terms of volume. The volume of U.S. cattle hide shipments to the NME's declined by 29.5 percent in a similar comparison. With 73.5 percent of the purchases during the period under consideration, East Europeans remained the most significant buyers among the NME's. (East Europeans import U.S. cattle hides in order to boost their hard-currency earning shoe manufacturing industries.) The Soviets increased their purchases of this U.S. product from the first quarter of 1983 to January-March 1984.

East Europeans, the only NME buyers of U.S. fertilizers in the first quarter of 1984, purchased $9.5 million of this product in January-March 1984 compared with no purchases during the corresponding quarter of 1983. Shipments to Poland were valued at $7.0 million and those to Romania at $2.4 million. NME purchases of U.S. acrylic and modacrylic fibers increased from $5.6 million in January-March 1983 to $9.0 million in January-March 1984. China was the recipient of 92.8 percent of these shipments during the quarter under consideration. 1/

Chemicals

U.S. sales of chemicals (commodities classified in SITC Section 5) to the NME's increased from $176 million in January-March 1983 to $223 million, or by 27.1 percent, in January-March 1984. The share of chemicals among U.S. exports to the NME's increased from 11.3 percent to 14.0 percent over the same period. As in the first quarter of 1983, chemicals retained their place as the third most significant source of U.S. export revenue on NME markets during the period under review. (The share of these commodities in worldwide U.S. exports increased from 10.8 percent to 11.6 percent in a similar comparison.) In January-March 1984, China accounted for 79.2 percent, the Soviet Union for 16.8 percent, and the rest of the NME's for 4.0 percent of total U.S. sales to the NME's in this commodity group. For China, chemicals became the leading SITC 1-digit commodity group among its imports from the United States during the period under review.

Mainly as a result of significant increases in Chinese purchases of organic chemicals (SITC Division 51), manufactured fertilizers (SITC Division 56) and artificial resins (SITC Division 58), U.S. chemical exports to China advanced from $125.0 million in the first quarter of 1983 to $176.9 million, or by 41.5 percent, in the first quarter of 1984. Fertilizers (classified in SITC Division 56) increased from $65.8 million to $82.9 million in a similar comparison. This $82.9 million was almost twice as much as the quarterly average calculated for 1983, the peak year for U.S. sales to China in this commodity group in 1981-1983. There was a $21.3 million increase in the sale of phosphate fertilizers, and a $12.3 million increase in the sale of urea to China from the first quarter of 1983 to the first quarter of 1984. This more than compensated for the fall in sales to China of concentrated superphosphate which fell from $16.4 million in January-March 1983 to no sales during the period under consideration. The increase in the volume of U.S. urea shipments to China was even more significant than the increase in sales value.

1/ For a description of the decline in U.S. man-made fiber sales to China, see 33d Quarterly Report. . . , pp. 47, 48, and 37th Quarterly Report. . . , pp. 52, 53.

U.S. sales to China of artificial resins increased from $26.3 million in January-March 1983 to $52.2 million in January-March 1984. Although this figure compares favorably with the 1983 quarterly average of $22.9 million, it was still considerably below the $59.2 million quarterly average of 1982, the best year for sales of U.S. artificial resin to China during 1981-83. Growth in the volume of U.S. artificial resin shipments to China between the first quarters of 1983 and 1984 was generally less than the growth in sales value over the same period. 1/ U.S. exports of polypropylene resins (Schedule B 444.1700) increased from $7.3 million in January-March 1983 to $24.4 million in January-March 1984, as those of polyethylene resins of low and medium density rose from $3.2 million to $10.4 million. (Table 5 lists polypropylene resins, low and medium density polyethylene resins, and urea among U.S. export items to the NME's which increased substantially from the first quarter of 1983 to the period under consideration.)

Chinese imports of disinfectants, insecticides, etc. (SITC Group 591) dropped from $21.3 million to $8.9 million in a similar comparison. For example, organophosphorous-containing insecticides dropped from $12.3 million in January-March 1983 to no sales during the quarter under review.

Although U.S. sales of phosphoric acid to the Soviet Union decreased from $40.2 million in the first quarter of 1983 to $32.8 million in the first quarter of 1984, the volume of deliveries increased by 1.9 percent reflecting a reduction in the price of this commodity over the period. The Soviet Union accounted for 94.0 percent of worldwide U.S. phosphoric acid sales in January-March 1984, compared with 90.5 percent during the corresponding period of 1983 (table 6). 2/

Machinery and transportation equipment

U.S. exports classified as machinery and transportation equipment (SITC Section 7), were the second largest category among U.S. exports to the NME's in January-March 1983 and the fourth largest during the quarter under consideration. 3/ They declined by 5.7 percent, from $181 million to $171 million, during that period. In January-March 1984, Chinese purchases accounted for 68.9 percent of U.S. machinery and transportation equipment sales to the NME's, the Soviet Union for 21.1 percent, and the rest of the NME's for 10.0 percent. U.S. machinery and transportation equipment sales on

---

1/ When the United States entered the Chinese market with these products, it enjoyed a cost advantage. For details, as well as for a review of U.S. resin sales to China, see 33d Quarterly Report. . ., p. 15, and 37th Quarterly Report. . ., p. 55.

2/ Soviet imports of U.S. phosphoric acid are regulated under the 20-year agreement between Occidental Petroleum Co. and the Soviet Government. For an updated account on the status of this agreement, see 37th Quarterly Report. . . , p. 72.

3/ In terms of sales value, machinery and equipment is by far the largest category among worldwide U.S. exports. It represented 40.4 percent of total U.S. exports in January-March 1984.

all three markets, China, the Soviet Union and Eastern Europe, were below their respective 1983 quarterly averages during the period under review.

Chinese purchases of U.S. machinery and transportation equipment declined by 9.3 percent from $129.7 million in the first quarter of 1983 to $117.6 million in January-March 1984. Although review-period U.S. shipments were considerably below the 1983 quarterly average of $145.7 million, they were more than double the 1981 or the 1982 quarterly average. (In 1983, U.S. sales to China in this category of goods were exceptionally high owing to the $234.8 million Chinese purchases of U.S. aircraft and associated equipment, SITC Group 792.) Chinese imports of U.S. aircraft continued in January-March 1984. During this period, China bought two airplanes from the United States at a unit price of $16.0 million, and four helicopters at a unit price of $1.8 million. During the first quarter of 1983, China purchased three airplanes at a unit price of $13.1 million, but it purchased no helicopters from the United States.

Chinese imports of U.S. data processing equipment (SITC Group 752) amounted to $6.5 million during the quarter under review and to $7.5 million during the corresponding quarter of 1983. The quarterly average of U.S. sales to China in this product category was $3.4 million in 1981, $6.2 million in 1982, and $8.8 million in 1983. Chinese purchases of U.S. jet and gas turbines (Schedule B 660.4930) amounted to $11.3 million in January-March 1983. Purchases of glass-working machines (Schedule B 678.3055) amounted to $7.6 million. There were no Chinese purchases of either of these products during the quarter under consideration. The sale of U.S. special-purpose non-military vehicles to China increased from $0.7 million in the first quarter of 1983 to $7.6 million during the first quarter of 1984.

Soviet purchases of U.S. machinery and transportation equipment increased from $32.2 million in January-March 1983 to $36.1 million in January-March 1984. However, review-period Soviet imports of U.S. machinery and transportation equipment, like the much less significant East European imports in this category, remained below their respective quarterly averages for 1981, 1982 or 1983. Parts of industrial gas turbines, parts for earth moving machines, for tracklaying tractors, and drilling and boring machines were among the U.S. products which registered advances in sales to the U.S.S.R. from January-March 1983 to the period under review.

Other export developments

From January-March 1983 to January-March 1984, China increased U.S. kraft linerboard imports from $5.2 million to $6.5 million, and those of textured yarns from $5.6 million to $6.4 million. However, it reduced its U.S. geophysical equipment acquisitions from $9.3 million to $6.2 million.

The U.S.S.R. increased its purchases of U.S. pressure sensitive tapes from $11.8 million in January-March 1983 to $13.0 million in January-March 1984. Soviet imports of tallow from the United States increased from $8.8 million during the first quarter of 1983 to $11.9 million during

the quarter under review, while those of linseed oil rose from no purchases to $9.1 million. Insulating or transformer oil shipments to the Soviet Union amounted to $5.2 million during the period under review.

Unspecified commodities donated for relief or charity to the NME's were valued at $16.3 million in January-March 1984. Poland received $10.7 million and Vietnam $5.3 million of these shipments. Of the $5.3 million worth of U.S. low volatile bituminous coal shipments to the NME's in January-March 1984, more than half went to Albania; the rest went to Romania.

U.S. Imports

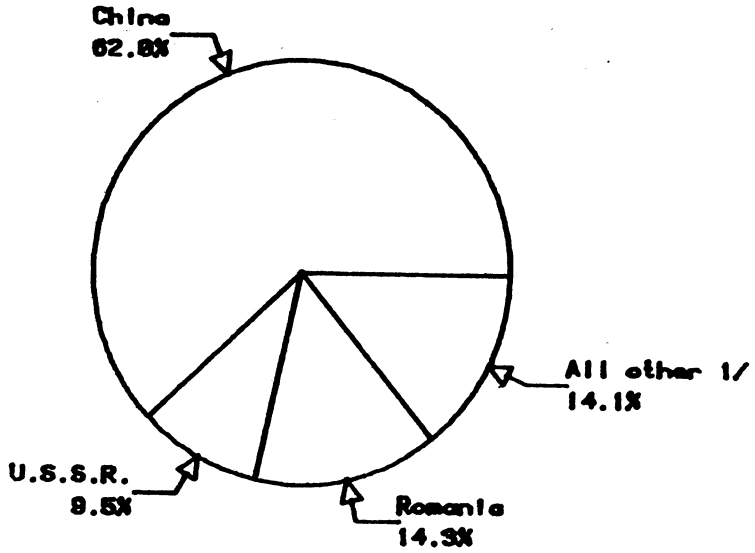
Exceeding the one billion dollar benchmark for the second time since quarterly reporting on East-West trade began in 1975, U.S. imports from the NME's reached a record high of $1.24 billion in January-March 1984. 1/ U.S. imports from the NME's during the period under review were 52.4 percent higher than in January-March 1983, 36.7 percent higher than in October-December 1983. 2/ Review-period NME imports exceeded the 1983 quarterly average by 38.4 percent and the 1982 quarterly average by 50.9 percent. Thus, the secular tendency of growth in the current value of imports from the NME's since 1975 was reinforced in January-March 1984. (Figure 2 illustrates the change in quarterly U.S. imports from the NME's since 1981.)

China, with 61.0 percent of total U.S. purchases from the NME's, remained the most significant NME supplier to the U.S. market in January-March 1984. Romania was responsible for 16.1 percent and the Soviet Union for 10.8 percent of U.S. imports from the NME's during the first quarter of 1984 (fig. 4). At $754.1 million, U.S. imports from China climbed to an unprecedented level during the period under consideration (table 7). Romanian sales to the United States amounted to $198.6 million in January-March 1984, exceeding the 1983 quarterly average of $128.2 million and the 1981 level of $139.9 million, the peak year for U.S. imports from Romania. Soviet sales on U.S. markets reached $133.9 million, the highest value since the first quarter of 1981. Hungarian exports to the United States advanced and those of Poland declined from the first quarter of 1983 to the quarter under review. Overall U.S. purchases from Eastern Europe increased by 58.8 percent in a similar comparison.

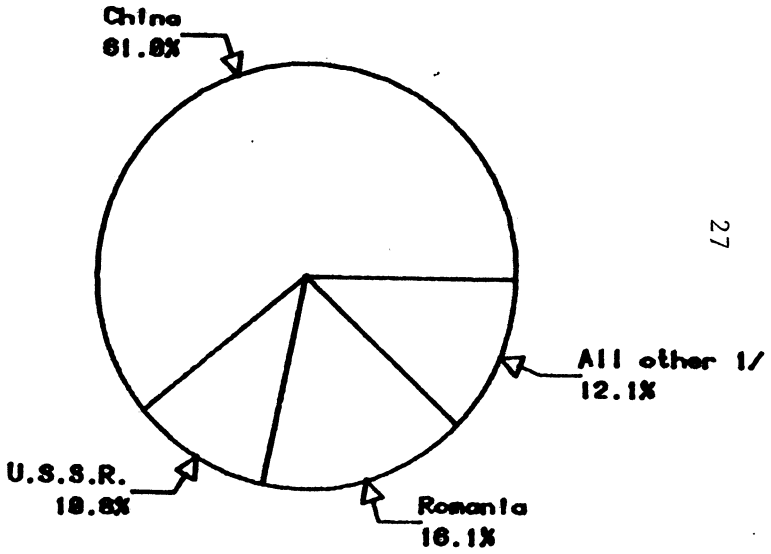
1/ It was during the third quarter of 1983 when U.S. imports from the NME's exceeded one billion dollars for the first time, by registering $1.02 billion. See 36th Quarterly Report . . ., p. 6

2/ Under the assumption that the average price of commodities imported from the NME's did not rise faster than U.S. domestic prices, as measured by the CPI, from the first quarter of 1983 through the period under review, it is evident that the volume of U.S. purchases from the NME's had to increase in both comparisons.

Figure 4.--Relative shares of U.S. imports from the nonmarket economy countries, 1983 and January-March 1984.



1983



Jan.-Mar. 1984

1/ Hungary, Poland, East Germany, Czechoslovakia, Bulgaria, Mongolia, Albania, Cuba, North Korea, and Vietnam.

Source: Based on data in table 7.

Table 7.--U.S. imports from the individual nonmarket economy countries and from the world, 1982, 1983, January-March 1983, and January-March 1984

(In thousands of dollars)

Source	1982	1983	January-March--	
			1983	1984
Albania	2,760	3,498	762	393
Bulgaria	25,124	32,765	7,571	7,351
China	2,215,856	2,217,526	524,974	754,087
Cuba	1,621	1/	-	2
Czechoslovakia	61,548	62,821	17,941	21,831
East Germany	51,773	56,937	15,119	22,982
Hungary	133,238	154,493	39,212	53,439
Mongolia	3,628	1,483	378	1,017
North Korea	8	-	-	-
Poland	212,888	190,641	51,038	42,633
Romania	339,121	512,821	87,627	198,646
U.S.S.R	228,792	341,093	66,802	133,852
Vietnam	-	-	-	-
Total	3,276,356	3,574,079	811,423	1,236,233
Total, U.S. imports from the world	242,339,988	256,679,524	57,673,910	78,627,144

1/ Less than $500.

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

Note.--Because of rounding, figures may not add to totals shown.

28

The growth of Chinese sales to the United States coincided with further improvements in commercial relations between the two countries. 1/ China's demand for hard-currency export revenues to finance the country's accelerated modernization program and its development strategy, which gave a prominent role to light-industry exports, provide further explanations. 2/

The impact of Chinese development strategy on the structure of U.S. imports from the NME's has been significant. In 1975, food items, mineral fuels and lubricants, and manufactured articles classified by chief material dominated U.S. imports from the NME's. 3/ Primarily as a result of China's success in developing a highly competitive textile industry, miscellaneous manufactured articles (SITC Section 8) became by far the largest product category among U.S. imports from the NME's. Commodities classified in SITC Section 8 represented 35.8 percent of total U.S. imports from the NME's in January-March 1984. Chinese apparel and clothing articles (SITC Division 84) made up 65.0 percent of these imports during the period under review. The development of China's textile industry is reflected also in the fact that 43.8 percent of total U.S. imports from the NME's in the category of manufactured goods classified by chief material (SITC Section 6) was Chinese yarn, fabric, and related products (SITC Division 65).

The need to earn more hard currency in order to meet external payment obligations explain East European, especially Romanian, efforts to increase sales to the United States during the quarter under review. It is remarkable that after teetering on the brink of a breakdown in the country's energy economy in 1981-82, Romania has succeeded in consolidating its internal energy balance and increasing its refined product exports to the United States from the first quarter of 1983 to the period under consideration (table B-28) 4/.

Increased sale of light fuel oils was the most significant contribution by a single commodity to the growth of Soviet exports to the United States from January-March 1983 to the quarter under review (table B-6). 5/

1/ See more on the subject of U.S.-Chinese commercial rapprochement later in this report.

2/ See, 37th Quarterly Report. . . , pp. 33-34, and Wharton Econometric Forecasting Associates, Centrally Planned Economies Outlook, April 1984, p. 137. The Commission has initiated an investigation on China's economic development strategies and their effects on U.S. trade (investigation no. 332-168). The results of the research will be published in the second half of 1984.

3/ See 5th Quarterly Report. . . , p. 5

4/ Countertrade imports of oil from the U.S.S.R. did help in the improvement of Romania's energy balance. See EIU Quarterly Economic Review of Rumania, Bulgaria, Albania, No. 1, 1984, p. 9.

5/ Wharton estimates that fuels made up 80 percent of Soviet exports to the non-NME's in 1983. The Soviet Union may have stepped up the volume of its fuel shipments to the West by 15-20 percent in 1983. (Wharton Econometric Forecasting Associates, Centrally Planned Economies, Current Analysis, Apr. 9, 1984.) By comparing the volume of Soviet light fuel oil shipments in January-March 1984 with the average quarterly volume of shipments in 1982 and 1983, a similar drastic increase in Soviet deliveries may be observed.

Miscellaneous manufactured articles

By representing 35.8 percent of total NME sales on U.S. markets, miscellaneous manufactured articles (classified in SITC Section 8) remained the dominant 1-digit SITC category among U.S. imports from the NME's in January-March 1984 (table 8). The share of this commodity group among worldwide U.S. imports was 12.8 percent during the same period. Miscellaneous manufactured imports from the NME's increased from $283 million in the first quarter of 1983 to $443 million, or by 56.6 percent, in the first quarter of 1984. Overall U.S. imports of these commodities increased by 39.4 percent in a similar comparison. During the period under consideration, 88.0 percent of NME SITC Section 8 sales on U.S. markets came from China, 6.0 from Romania, 2.7 percent from Hungary, 1.5 percent from Poland, 0.9 percent from Czechoslovakia, and 0.9 percent from other NME suppliers (table 9).

Articles of apparel and clothing accessories (SITC Division 84) made up 73.9 percent of Chinese miscellaneous manufacture sales to the United States during the period under consideration. China increased its export revenues from the sale of these (SITC Division 84) goods on U.S. markets from $180.7 million in January-March 1983 to $288.2 million in January-March 1984. This exceeded by large margins the $188.7 million quarterly average of 1983, 1/ the $153.0 million quarterly average of 1982, and the $101.1 million quarterly average of 1981.

In six out of the seven sub-categories of apparel and clothing articles (SITC Groups 842-848), sales from China showed various degrees of growth from January-March 1983 to the quarter under review. Chinese sales of women's and girls' outer garments (SITC Group 843) soared from $69.0 million during the first quarter of 1983 to $127.4 million during the first quarter of 1984. Of the 10 U.S. imports from the NME's which substantially increased over this period 9 were textile products from China (table 10). Increases were especially noticeable in dresses (SITC Subgroup 8433), skirts (SITC Section 8434), blouses (SITC Subgroup 8435), and the residual category of women's outer garments (SITC Subgroup 8439). Chinese exports to the U.S. market of women's fiber blouses increased from $3.1 million in January-March 1983 to $14.5 million during the period under consideration. Sales of women's cotton trousers from China on the U.S. market increased from $9.5 million to $10.4 million. Sales of women's, girls' and infants' apparel increased from $1.4 million to $10.3 million in a similar comparison (table B-4). The quarterly average of imports of women's and girls' outer garments (SITC Group 843) from China was $75.5 million in 1983, $61.9 million in 1982, and $41.4 million in 1981. In the category of knitted or crocheted undergarments

---

1/ After the imposition of a number of restrictions on apparel imports during 1982 and early 1983, Chinese sales of apparel and clothing to the United States slowed down during the second half of 1983. Thus, Chinese apparel imports during the first half of 1983 grew faster in comparison with the second half of 1982 than they did during the second half of 1983 in comparison with the first half of 1983. For details, see 37th Quarterly Report. . . , pp. 57-58.

Table 8.--U.S. imports from the world and from the nonmarket economy countries (NME's), 1/ by SITC Sections, January-March 1983 and January-March 1984

SITC Section	Total imports		Imports from the NME's	
	Jan.-Mar. 1983	Jan.-Mar. 1984	Jan.-Mar. 1983	Jan.-Mar. 1984
	Value (million dollars)			
0. Food and live animals	3,879	4,496	84	87
1. Beverages and tobacco	706	781	13	11
2. Crude materials--inedible, except fuel	2,111	2,757	36	34
3. Mineral fuels, lubricants, etc	12,565	15,231	121	247
4. Oils and fats--animal and vegetable	100	183	2/	1
5. Chemicals	2,720	3,268	94	124
6. Manufactured goods classified by chief material	7,584	11,382	142	230
7. Machinery and transportation equipment	19,070	28,232	37	51
8. Miscellaneous manufactured articles	7,207	10,044	283	443
9. Commodities and transactions not elsewhere classified	1,733	2,253	3	8
Total	57,674	78,627	811	1,236
	Percent of total			
0. Food and live animals	6.7	5.7	10.3	7.0
1. Beverages and tobacco	1.2	1.0	1.6	.8
2. Crude materials--inedible, except fuel	3.7	3.5	4.4	2.8
3. Mineral fuels, lubricants, etc	21.8	19.4	14.9	20.0
4. Oils and fats--animal and vegetable	.2	.2	2/	.1
5. Chemicals	4.7	4.2	11.5	10.0
6. Manufactured goods classified by chief material	13.2	14.5	17.5	18.6
7. Machinery and transportation equipment	33.1	35.9	4.5	4.1
8. Miscellaneous manufactured articles	12.5	12.8	34.9	35.8
9. Commodities and transactions not elsewhere classified	3.0	2.9	.4	.7
Total	100.0	100.0	100.0	100.0

1/ Albania, Bulgaria, China, Cuba, Czechoslovakia, East Germany, Hungary, Mongolia, North Korea, Poland, Romania, the U.S.S.R. (including Estonia, Latvia, and Lithuania), and Vietnam.

2/ Less than 0.05 percent.

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

Note.--Because of rounding, figures may not add to totals shown.

31

Table 9.--U.S. imports from the nonmarket economy countries, by SITC Sections, January-March 1984

(In thousands of dollars)

SITC Section	Albania	Bulgaria	China	Cuba	Czecho-slovakia	East Germany	Hungary
0. Food and live animals	-	228	34,682	-	5,914	397	11,384
1. Beverages and tobacco	8	5,859	1,152	-	263	33	735
2. Crude materials--inedible, except fuel	382	244	25,554	-	63	237	547
3. Mineral fuels, lubricants, etc	-	-	89,625	-	-	202	24
4. Oils and fats--animal and vegetable	-	-	869	-	-	-	-
5. Chemicals	-	198	42,794	-	342	6,862	3,156
6. Manufactured goods classified by chief material	-	1/	149,836	-	7,210	9,826	5,795
7. Machinery and transportation equipment	-	223	12,679	-	3,730	4,219	19,596
8. Miscellaneous manufactured articles	3	516	389,792	2	4,125	1,153	12,081
9. Commodities and transactions not elsewhere classified	-	83	7,106	1/	183	53	121
Total	393	7,351	754,087	2	21,831	22,982	53,439

SITC Section	Mongolia	North Korea	Poland	Romania	U.S.S.R.	Vietnam	Total
0. Food and live animals	-	-	20,183	7,925	6,185	-	86,898
1. Beverages and tobacco	-	-	643	308	1,504	-	10,506
2. Crude materials--inedible, except fuel	1,017	-	157	661	5,502	-	34,364
3. Mineral fuels, lubricants, etc	-	-	-	125,701	31,164	-	246,716
4. Oils and fats--animal and vegetable	-	-	-	-	-	-	869
5. Chemicals	-	-	1,547	12,662	56,612	-	124,172
6. Manufactured goods classified by chief material	-	-	9,058	18,855	29,419	-	229,999
7. Machinery and transportation equipment	-	-	4,433	5,698	723	-	51,299
8. Miscellaneous manufactured articles	-	-	6,446	26,664	2,327	-	443,109
9. Commodities and transactions not elsewhere classified	-	-	166	171	417	-	8,301
Total	1,017	-	42,633	198,646	133,852	-	1,236,233

1/ Less than $500.

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

Note.--Because of rounding, figures may not add to totals shown.

32

Table 10.--20 U.S. import items from the nonmarket economy countries (NME's) which changed substantially, by TSUSA items, January-March 1983 and January-March 1984 1/

TSUSA item no.	Commodity	Major NME supplier	Percentage change, Jan.-Mar. 1984 from Jan.-Mar. 1983		Value of imports from all NME's in January-March 1984
			All NME's	World	
			Percent		1,000 dollars
	Substantially increased:				
605.0750	Palladium bars, plates, etc	U.S.S.R	929.5	664.4	5,883
383.5395	Women's, girls' or infants' wearing apparel, not orn. or knit, of veg. fibers, not sub. to cotton, wool, mm fibers restraints	China	813.2	476.0	13,377
383.9225	Women's dresses, man-made fibers, not knit, not having two or more colors in the warp	do	745.3	43.5	4,305
383.2305	Women's dresses, not knit of man-made fibers	do	657.8	83.4	4,119
383.8045	Women's shirts, of man-made fibers, knit, other than T-shirts and sweatshirts	do	641.8	20.2	4,864
379.5550	Men's sport shirts of cotton, not knit, other than corduroy with two or more colors in the warp	do	597.0	45.2	4,717
383.7864	Women's, girls' or infants' blouses and shirts of silk, not knit, not subject to cotton, wool or man-made fiber restraints	do	596.8	106.2	4,684
383.9245	Women's skirts, man-made fibers, not knit	do	397.7	120.1	3,453
383.9060	Women's suits, man-made fibers, not knit, n.e.s	do	370.8	71.1	4,845
383.9015	Women's blouses and shirts, n.e.s., man-made fibers, not knit	do	363.9	76.9	14,525
	Substantially decreased:				
383.4730	Women's, girls' or infants' shorts, of cotton, not knit	do	-84.3	3.2	1,075
379.8360	Men's wool trousers, slacks and shorts, not knit, not ornamented	do	-71.1	10.9	725
326.3026	Woven fabrics, not wholly of cotton, not fancy, not colored	do	-65.6	31.6	697
680.3938	Tapered roller bearings and parts, cone assemblies imported separately	Romania	-63.5	52.7	511
379.9585	Men's and boys' shorts of man-made fibers, not knit	China	-63.0	-10.6	1,867
379.6210	Men's shorts of cotton, not knit	do	-59.4	13.3	1,182
379.6964	Men's and boys' suit-type coats and jackets, not knit, subject to man-made fiber restraints	Romania	-57.7	-32.7	604
100.7500	Horses, valued over $150 per head	Poland	-55.2	25.0	543
521.1710	Bauxite, calcined, refractory grade	China	-49.2	-.6	861
169.3800	Vodka, in containers holding not over 1 gallon, valued over $7.75 per gallon	U.S.S.R	-48.8	116.5	1,334

1/ Only items which accounted for at least 500,000 dollars' worth of imports in both January-March 1983 and January-March 1984 are included in this table.

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

33

from China (SITC Group 846), sales jumped from $19.4 million to $39.8 million from January-March 1983 to January-March 1984. 1/

China increased its U.S. dollar revenues from the sale of footwear (SITC Group 851) to the United States from $10.4 million in the first quarter of 1983 to $11.3 million during the period under review. The quarterly average of Chinese footwear sales on the U.S. market was $8.7 million in 1983 and $9.5 million in 1982. U.S. imports of Chinese antiques increased from $2.6 million in January-March 1983 to $12.4 million in January-March 1984, and imports of metal coins increased from $3.7 million to $8.1 million in a similar comparison.

Romania's exports of miscellaneous manufactured articles to the United States increased by 12.9 percent, from $23.6 million in January-March 1983 to $26.7 million in January-March 1984. Since the quarterly average of these sales was $26.9 million in 1983, and $29.8 million in 1982, the reported increase represents a recapture rather than an extension of overall sales. A noticeable shift in the composition of Romanian sales classified in SITC Section 8 to the United States, however, has occurred. U.S. imports from Romania of articles of apparel and clothing (SITC Division 84) have increased from $10.8 million during the first quarter of 1983 to $18.9 million during the quarter under review. Sales of men's and boys' suits from Romania increased from $1.2 million to $3.4 million, and sales of women's, girls' and infants' apparel increased from insignificant sales to $2.9 million in a similar comparison. U.S. purchases of Romanian furniture (SITC Division 82), however, declined from $7.1 million in January-March 1983 to $3.8 million in January-March 1984. Sales of wood furniture from Romania (TSUSA 727.3540), for example, dropped from $4.0 million to no sales at all, in a similar quarter-to-quarter comparison.

Sales of miscellaneous articles from Hungary to the United States increased from $8.2 million in January-March 1983 to $12.1 million in January-March 1984, or by 47.3 percent. In 1983, when Hungarian miscellaneous manufacture sales on U.S. markets were the highest since reporting began in 1975, the quarterly average of these Hungarian sales was $10.0 million. The increase in the sales of apparel and clothing (SITC Division 84) was largely responsible for increased sales of Hungarian miscellaneous manufactures on U.S. markets. U.S. purchases of Hungarian men's and boys' outer garments

---

1/ The U.S.-China bilateral textile agreement (see 37th Quarterly Report. . . , pp. 38, 39) allows for a 90-day consultation period after a call for consultation. The agreement provides formulas for limiting Chinese textile sales in an affected category during, as well as after, a consultation period. According to information obtained from the Import Administration of the Department of Commerce, 6 such 90-day consultation periods expired in January-March 1984, leading to the imposition of import restrictions by the United States. These restrictions affected the following textile categories: cotton sheeting (cat. 313), cotton twill and sateen (cat. 317), cotton underwear (cat. 352), men's and boys' wool suit-type coats (cat. 433), women's, girls' and infants' wool coats (cat. 435), and other manufactured, manmade fibers (cat. 669). No previously established annual quotas for Chinese textile imports in 1984 had been filled during the quarter under review.

(SITC Group 842) doubled from January-March 1983 to the period under consideration. Men's and boys' outer garments (SITC Group 842) were the most significant items of miscellaneous manufacture imported from Poland in January-March 1984. Articles of footwear (SITC Group 851) were the most significant import items from Czechoslovakia, and works of art and collectors' items (SITC Group 896) were the most dominant among Section 8 imports from the Soviet Union.

Mineral fuels and lubricants

U.S. imports of NME commodities classified in SITC Section 3 increased from $121 million in January-March 1983 to $247 million in January-March 1984. The share these products represented among total U.S. imports from the NME's increased from 14.9 percent to 20.0 percent over the same period. In terms of value, mineral fuels and lubricants became the second most significant commodity group among U.S. purchases from the NME's during the period under consideration (table 8).

Gasoline, naphthas, light fuel oils, liquid derivatives of mixed hydrocarbons, and crude petroleum made up 98.5 percent of first quarter U.S. imports of mineral fuels and lubricants from the NME's. Romania supplied 51.0 percent, China 36.3 percent and the Soviet Union 12.6 percent of U.S. mineral fuel and lubricant imports from the NME's to the United States during the period under review.

Purchases of gasoline remained the largest single item among U.S. imports from the NME's in January-March 1984. At $107.0 million, these purchases, however, were 17.2 percent lower than the 1983 quarterly average of U.S. gasoline imports from the NME's. Whereas the quantity of total U.S. gasoline imports almost doubled, the quantity of gasoline imports from the NME's declined by 2.7 percent from January-March 1983 to January-March 1984. As a result, the proportion of NME supplies in the total quantity of U.S. gasoline imports dropped from 31.7 percent to 15.5 percent, in a similar comparison. China and Romania 1/ remained the only NME suppliers of the U.S. gasoline market in January-March 1984. Although Chinese gasoline sales on the U.S. market declined from $70.4 million to $64.0 million (by 8.3 percent in quantity terms) from the first quarter of 1983 to the period under review, they retained their leading position among China's exports to the United States. Romanian sales of gasoline to the United States increased from $41.9 million during the first quarter of 1983 to $43.0 million during the quarter under review. Gasoline represented the second most important U.S. dollar earning commodity for Romania in January-March 1984. Following world market trends, the unit value of gasoline sold by these two countries on the U.S. market declined from the first quarter of 1983 to January-March 1984. (The unit value of NME gasoline sales on the U.S. market remained below the average unit value of total U.S. gasoline imports in both periods.)

Another SITC section 3 commodity, naphthas was the second largest item among all categories of U.S. imports from the NME's during the quarter under review. The bulk, 89.9 percent, of the $59.6 million total U.S. purchases

1/ U.S. imports of gasoline from the U.S.S.R. amounted to $10.3 million in 1982, but there were no such imports in 1983; see 37th Quarterly Report. . . , p. 76.

of this commodity represented Romanian sales; the rest, Chinese. The third largest item among all U.S. imports, as well as SITC section 3 commodities, was light fuel oils. Of the total $36.7 million NME light fuel shipments to the United States in January-March 1984, 84.8 percent originated from the Soviet Union, the rest from Romania. The fourth most significant SITC Section 3 import from the NME's, the seventh among all commodities, during the quarter under review was liquid derivatives of mixed hydrocarbons. Romania was the sole source of the entire $23.6 million U.S. purchase of this commodity in January-March 1984.

During the quarter under review, China and Romania showed reverse tendencies as to the proportion of their refined petroleum (SITC Group 334) exports to the United States. Chinese sales of refined petroleum products represented 15.8 percent of total Chinese exports to the United States in 1983, decreasing to 9.7 percent in January-March 1984. Based on a parallel calculation, the proportion of Romanian refined product sales increased from 54.7 percent in 1983 to 63.3 percent during the period under review. The reduced share of refined products in China's overall exports to the United States is explained by Chinese efforts to accommodate an increased domestic demand for refined oil products with a relatively narrow refinery capacity; by the relatively low world market prices of these products; and by successful increases in Chinese manufactured goods exports. 1/ Romania, in contrast, aimed to increase the exportation of refined products in order to maximize capacity utilization of its relatively large refinery capacity, while simultaneously curtailing the domestic demand for these products. 2/

Among other SITC Section 3 imports, sales of Chinese crude petroleum to the United States were valued at $16.3 million during the quarter under review. This was smaller than the $17.2 million quarterly average of U.S. purchases of Chinese crude petroleum in 1983 and less than half the $38.2 million quarterly average of such purchases in 1982.

Manufactured goods classified by chief material

Commodities identified as manufactured goods classified by chief material (SITC Section 6) represented the third largest commodity group among U.S. imports from the NME's during the quarter under consideration. U.S. imports in this category increased by 62.3 percent from $142 million in January-March 1983 to $230 million in January-March 1984. China supplied 65.1 percent of these goods during the first quarter of 1984, the Soviet Union 12.8 percent, Romania 8.2 percent, East Germany 4.3 percent, Poland 3.9 percent, and the rest of the NME's, each supplying less than 4 percent, 5.7 percent. The two largest single commodities imported by the United States from the NME's in this product category in January-March 1984 were wool floor coverings, valued at $23.4 million (with China as the dominant supplier), and palladium, valued at $18.6 million (with the U.S.S.R. the most important supplier).

1/ Although China's primary good exports have recently decreased, its worldwide exports of crude oil and refined products remain highly significant for the country's external balance. For a description of recent trends in Chinese exports, see Centrally Planned Economies Outlook, Wharton Econometric Forecasting Associates, April 1984, p. 149.

2/ Romanian policies to improve the country's energy balance are summarized in 37th Quarterly Report. . ., pp. 81-83.

Chinese sales to the United States of manufactured goods classified by chief material increased by 51.9 percent from $98.6 million in January-March 1983 to $149.8 million in January-March 1984. Increased shipments of Chinese textile yarn, fabrics, and related products (SITC Division 65) accounted for the bulk of the increment. China's sales in this product category amounted to $100.7 million during the first quarter of 1984 compared with $65.0 million during the corresponding period of 1983. Average quarterly Chinese sales of these (SITC Division 65) goods on the U.S. market were $61.1 million in 1983 and $56.5 million in 1982. Woven cotton fabric (SITC Subgroup 6521) imports from China amounted to $31.1 million, representing the largest 4-digit category of Chinese sales in the SITC Division 65 category during the period under review. Chinese woven cotton fabric sales to the United States registered $20.2 million in the first quarter of 1983.

Wool floor coverings were China's second most significant U.S. dollar earning commodity during the period under consideration. Chinese sales of this commodity to the United States increased sharply from $13.6 million in January-March 1983 to $22.4 million in January-March 1984. Chinese sales of printcloth shirting on U.S. markets increased from $7.7 million during the first quarter of 1983 to $12.6 million during the first quarter of 1984 and sales of cotton towels increased from $4.9 million to $7.4 million. Printcloth shirting imports from China represented 65.4 percent of total U.S. imports of this commodity during the period under review (table 11). Growth in Chinese metal manufacture (SITC Division 69) sales on U.S. markets was also impressive. U.S. purchases of these Chinese products, which include a variety of hand tools among other things, increased from $14.0 million in January-March 1983 to $21.8 million in January-March 1984. The quarterly average sales of these Chinese products was $15.9 million in 1983 and $14.0 million in 1982.

Soviet exports to the United States of goods classified in the SITC Section 6 category registered a sharp increase from $11.7 million in January-March 1983 to $29.4 million during the period under review. This first quarter 1984 value exceeded average quarterly Soviet sales of SITC Section 6 items on U.S. markets during any of the past three years. Stepped-up Soviet sales of non-ferrous metals (SITC Division 68) accounted for the bulk of this increase. Soviet non-ferrous metal exports to the United States increased from $10.8 million during the first quarter of 1983 to $26.9 million during the first quarter of 1984. Prominent among these goods during the quarter under consideration was palladium with an import value of $18.4 million. Soviet palladium sales to the United States amounted to only $5.9 million in January-March 1983. U.S. purchases of palladium bars and plates increased from $0.6 million during the first quarter of 1983 to $5.9 million in January-March 1984; purchases of ferrosilicon rose from no sales to $1.3 million.

East European exports to the United States in this product category grew from $31.3 million in the first quarter of 1983 to $50.7 million in the quarter under consideration. Increased shipments of Romanian goods classified in SITC Section 6 were responsible for more than half of this increase. Since SITC Section 6 encompasses a large spectrum of goods, the reported increase could not be attributed to the stepped-up U.S. acquisition of any particular Romanian commodity. The largest Romanian sale in this product category during

Table 11.--20 U.S. import items for which the nonmarket economy countries (NME's) collectively accounted for the largest market share in 1984, by TSUSA items, January-March 1983 and January-March 1984 1/

TSUSA item no.	Commodity	Major NME supplier	Share of total imports accounted for by NME's		Value of imports from all NME's in January-March 1984
			Jan.-Mar. 1983	Jan.-Mar. 1984	
			Percent		1,000 dollars
186.3000	Bristles, crude or processed	China	97.3	99.4	4,931
222.5700	Floor coverings of unspun vegetable materials, n.e.s	do	86.1	88.3	1,190
533.6200	Articles made of nonbone chinaware or of subporcelain in specified sets	do	84.0	88.1	4,675
124.1045	Sable furskins, whole, undressed	U.S.S.R	90.9	84.5	3,570
755.1500	Fireworks	China	75.4	77.4	10,029
383.9220	Women's dresses not knit, man-made fibers with two or more colors in the warp	do	85.3	75.0	2,949
222.4100	Baskets and bags of unspun fibrous vegetable materials, whether lined or not lined of willow	do	63.0	74.4	3,092
222.4000	Baskets and bags of bamboo	do	68.0	70.2	5,179
365.8670	Tablecloths and napkins, of man-made fibers, made on a lace, net, or knitting machine	do	81.3	69.9	2,710
546.6640	Glass tableware (other than tumblers and stemware), kitchen and cookware valued over $3 but not over $5	Romania	47.0	68.6	2,303
383.5326	Women's, girls' or infants' trousers, slacks and shorts not subject to cotton restraints	China	5.5	67.9	1,087
320.2032	Printcloth shirting, wholly of cotton, n.e.s. (average yarn number 20)	do	73.9	65.4	12,633
727.1500	Furniture and parts, of bentwood	Romania	61.4	61.4	2,108
452.1200	Cassia oil	China	71.0	60.6	1,276
437.6400	Menthol	do	59.8	58.3	2,018
114.3000	Crabs, n.e.s	U.S.S.R	72.6	57.4	5,796
130.3000	Seed corn or maize, certified	Romania	.0	57.3	5,700
750.6500	Paint brushes, except artists' brushes	China	54.9	55.3	1,556
862.1000	Articles for exhibition, for encouragement of agriculture, art, etc	do	.0	54.6	2,130
472.1000	Barytes ore, crude	do	48.4	53.2	7,023

1/ Only items which accounted for at least 1 million dollars' worth of imports in January-March 1984 are included in this table.

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

38

the period under consideration, as well as the largest increase from the first quarter of 1983 to the quarter under review, occurred in aluminum sheets and strip. U.S. purchases amounted to $2.7 million in January-March 1984, whereas there were no such purchases during the corresponding quarter of 1983. Romanian sales to the United States of nonferrous metals (SITC Division 68), which includes the above-mentioned product, increased from no purchases to $3.5 million, in a similar comparison. The second largest Romanian sale occurred in glass tableware, kitchenware, and cookware. U.S. purchases of this Romanian commodity, which amounted to only $0.4 million in the first quarter of 1983, increased to $2.2 million during the period under consideration. A modest recovery during the period under review has been noticed in Romanian sales of iron and steel products (SITC Division 67) to the United States. Romanian iron and steel exports to the United States amounted to $127.0 million in 1981, plunging to $22.6 million in 1982 and $1.6 million in 1983. 1/ Whereas practically no Romanian merchandise in this category had been sold on U.S. markets during the first quarter of 1983, sales amounted to $2.6 million in January-March 1984. U.S. imports of nonmetallic mineral manufactures (SITC Division 66) from Romania increased from $4.2 million during the first quarter of 1983 to $6.4 million in January-March 1984; imports of textile yarn, fabrics, and related products (SITC Division 65) rose from $2.0 million to $3.7 million.

Notable among other developments was the jump in the sale of East German iron and steel products (SITC Division 67) on U.S. markets from an insignificant amount in January-March 1983 to $4.7 million in January-March 1984. This exceeded combined East German sales to the United States in this product category during 1981-83. After the 1983 banner year for Czech rubber manufacture (SITC Division 62) exports to the United States, Czech sales of these goods in January-March 1984 amounted to $2.3 million. This exceeded January-March 1983 sales in this product category by 33.4 percent. Polish metal manufacture (SITC Division 69) imports increased from $2.6 million during the first quarter of 1983 to $3.4 million in January-March 1984, while imports of Hungarian nonferrous metals (SITC Division 68) increased from $1.7 million to $2.7 million over the same period.

Chemicals

NME sales of chemicals (commodities classified in SITC Section 5) to the United States increased by 32.5 percent from $94 million in January-March 1983 to $124 million during the quarter under consideration. These products represented 10.0 percent, the fourth largest 1-digit SITC category, among U.S. imports from the NME's in January-March 1984. (Chemicals accounted for 4.2 percent in worldwide U.S. imports during the same period.) With a share of 45.6 percent, the Soviet Union was the largest NME supplier of chemicals in January-March 1984. China shipped 34.5 percent of these products to the United States, Romania 10.2 percent, East Germany 5.5 percent, and the rest of the NME's 4.2 percent during the first quarter of 1984.

1/ For a description of U.S. iron and steel imports from Romania and a related action by the Commission, see 29th Quarterly Report. . ., pp. 76, 87.

U.S. purchases of chemicals from the Soviet Union increased from $45.3 million in January-March 1983 to $56.6 million during the first quarter of 1984. Review-period Soviet sales of chemicals to the United States exceeded all quarterly averages of such sales for the years 1981-83. Anhydrous ammonia remained the dominant Soviet export commodity to the U.S. market in January-March 1984. Soviet deliveries increased to $33.3 million during this period from $26.2 million in the first quarter of 1983. This increase amounted to 71.4 percent in terms of quantity, reflecting a decline in the unit price of Soviet anhydrous ammonia sales to the United States over the period. 1/ A similar decline in the unit price with a simultaneous increase in the value and volume of shipments was observed in Soviet shipments of urea. Representing the second largest U.S. import of chemicals in terms of value, the third largest among all U.S. imports from the Soviets, urea deliveries increased from $15.2 million in January-March 1983 to $19.2 million in January-March 1984. The increase was 30.2 percent in terms of quantity.

China's earnings from the sale of chemicals on U.S. markets increased from $36.7 million to $42.8 million, in a similar first-quarter-to-first-quarter comparison. Fireworks, remaining at $10.0 million, the same as in January-March 1983, retained their lead among Chinese chemicals sold to the United States in January-March 1984. U.S. purchases from China represented 77.4 percent of total U.S. imports of this product during the period under consideration (table 11). U.S. purchases of Chinese medicinal and pharmaceutical products (SITC Division 54) increased from $6.1 million to $8.9 million, or by 44.0 percent, from the first quarter of 1983 to January-March 1984.

The increase in East European sales of chemicals to the United States from $11.7 million during the first quarter of 1983 to $24.8 million in January-March 1984 exceeded the increase in Soviet or Chinese sales of chemicals over this period. Romanian sales of manufactured fertilizers (SITC Division 56), jumping from no sales to the United States during the first quarter of 1983 to $9.9 million during the quarter under review, accounted for the bulk of this increase. Romanian sales of urea represented $6.7 million within the $9.9 million total of manufactured fertilizer sales to the United States in January-March 1984. 2/ East German urea sales on the U.S. market increased from no sales to $2.3 million, and those of potassium chloride increased from $3.8 million to $4.2 million, in a similar comparison.

1/ For a description of the long-term U.S.-Soviet deal involving the Soviet sale of anhydrous ammonia, see 37th Quarterly Report . . ., p. 75, and 33d Quarterly Report . . ., p. 72.

2/ Despite this unprecedented quarterly shipment of Romanian manufactured fertilizers to the United States in January-March 1984, there are indications that Romania intends to reduce the share of energy-intensive, high-tonnage basic products, e.g., fertilizers, in its chemical industry output and exports. For details, see Foreign Broadcast and Information Service, FBIS, East Europe Report Economic and Industrial Affairs, Apr. 24, 1984, pp. 38-42.

Other import developments

U.S. purchases of canned hams (Section 0) from the East Europeans have decreased from $35.4 million in January-March 1983 to $24.1 million during the period under consideration. Polish sales have declined from $24.6 million to $16.5 million, and Hungarian sales from $7.6 million to $6.3 million, over the period. Review-period canned ham shipments from Eastern Europe were considerably below the $30.0 million quarterly average calculated for 1983, or the $21.9 million quarterly average of 1982. U.S. purchases of motor vehicle parts (SITC Section 7), almost exclusively from Hungary, represented the largest U.S. import item from the NME's, classified as machinery and transportation equipment (SITC Section 7) during the period under review. These purchases increased from $3.7 million in January-March 1983 to $9.8 million in January-March 1984. The United States imported $5.7 million worth of corn (Section 0) from Eastern Europe, most of it from Romania, in the first quarter of 1984. There were no such purchases during the corresponding period of 1983. East European sales of hops (SITC Section 0) to the United States, with Czechoslovakia as major supplier, amounted to $6.7 million in January-March 1984. U.S. purchases of Bulgarian cigarette leaf (SITC Section 1) were valued at $5.5 million in January-March 1984. As in the first quarter of 1983, this item was the only Bulgarian export to the United States which exceeded the million dollar benchmark.

Chinese exports of natural barium sulfate (SITC Section 2) to the United States decreased from $10.2 million during the first quarter of 1983 to $7.0 million during the quarter under consideration. China's mushroom (SITC Section 0) exports to the U.S. market showed an increase from $6.0 million to $6.9 million from the first quarter of 1983 to the quarter under review. 1/

U.S. imports of crabs (Section 0) from the Soviet Union increased from $1.5 million to $5.6 million, and imports of sable furskins (SITC Section 2) increased from $2.9 million to $3.6 million from the first quarter of 1983 to the period under review.

1/ For clarification of comparability of TSUSA categories as applied to mushroom imports from China, see footnote in table B-4.

Industrial and Technological Cooperation Accord With China

On January 12, 1984, President Reagan and Chinese Premier Zhao Ziyang signed an accord that provides the framework for increased U.S. involvement in the development of China's industrial technology. The new agreement calls for both the United States and China to "take all appropriate steps to create favorable conditions for strengthening industrial and technological cooperation between the two countries." It further states that these steps may include consultations to identify industrial and technological cooperation projects, the facilitation of contacts between potential project participants, and U.S. assistance in arranging feasibility studies for such projects. Activities under the agreement will broadly focus on those economic goals that China has given the highest priority in its Sixth Five-Year Plan (1981-1985): the development of its energy reserves, the expansion and modernization of its transportation and communications facilities, and the upgrading of existing industrial plants and equipment. The specific cooperative work programs remain, however, to be implemented by the United States-China Joint Commission on Commerce and Trade (JCCT). 1/

For the purpose of implementing the accord, the JCCT will consist of a U.S. interagency group coordinated by the Department of Commerce and a Chinese Government delegation coordinated by that country's Ministry of Foreign Economic Relations and Trade. In addition to the Department of Commerce, the U.S. group will include officials from the Office of the United States Trade Representative, the Department of the Treasury, Department of State, and Department of Agriculture. Other agencies that will be represented because of the services they provide to support U.S. investment in China are the United States Export-Import Bank (Eximbank), the Overseas Private Investment Corporation (OPIC), and the Trade and Development Program (TDP), which, together with OPIC and the Agency for International Development (AID), 2/ is a component agency of the U.S. International Development Cooperation Agency. Ad hoc working groups, consisting of representatives from U.S. companies in a certain industry and from the Government economic organizations of that industry in China, also may be designated to assist the JCCT in specific tasks.

1/ The JCCT was formed in 1981 to expand U.S. export trade and further develop other U.S. commercial dealings with China. At its first meeting, held in Beijing in May 1983, Commerce Secretary Baldrige presented the initial draft of the accord to the Chinese.

2/ As a Communist country, China is excluded from the grant assistance program of the AID by the Foreign Assistance Act of 1961. However, a 1979 amendment of this act created the TDP to fund project feasibility studies and other development planning services to support U.S. exports to countries that do not receive AID assistance. The Foreign Assistance Act was also amended in 1980 to extend the insurance and financing services of OPIC to U.S. companies operating in China.

The agreement includes provisions calling for "financial facilitation and funding on as favorable terms and conditions as possible," presumably through the Eximbank and OPIC, 1/ and for the TDP to "consider the funding of feasibility studies of industrial and technological cooperation projects." It provides for no additional U.S. Government participation but for coordinating and possibly expanding the current programs of those agencies already extending services to China. The work programs to be developed by the JCCT will also include technical seminars, trade missions, and other activities involving exchanges of information and delegations.

Premier Zhao's visit to the United States in January and the signing of the Industrial and Technological Cooperation Accord were positive indications of a substantial improvement in U.S.-Chinese relations following the new bilateral agreement on textile imports from China and the easing of controls on exports of advanced technology to China. By the same token, the extent to which this framework agreement can serve to increase investment opportunities in China for U.S. companies will largely depend upon the future climate of relations between the two Governments. During the first quarter, Chinese leaders reacted positively to several work programs proposed by the United States. 2/

The accord will remain in force until January 31, 1986, and, unless either Government notifies the other of its intent to terminate the agreement, it can be extended indefinitely for successive 3-year terms.

Meeting of United States-China Joint Economic Committee

A U.S. delegation led by Treasury Secretary Regan traveled to China March 18-22 for the fourth annual meeting of the United States-China Joint Economic Committee (JEC). The main purposes of the session were to initial a U.S.-Chinese income tax agreement, move forward negotiations on a bilateral investment agreement, and help prepare for the visit of President Reagan to China in April. Secretary Regan also exchanged information on general economic policies with his counterpart, Finance Minister Wang, and other high-ranking Chinese Government officials. The JEC was established in 1979 to

---

1/ In June 1984, OPIC guaranteed a $4.7-million loan to China for the purchase of a Landsat earth station from Systems & Applied Sciences Corp., Tyson's Corners, Va. This is the first project in China to receive financial assistance from OPIC since its program of loan guarantees and direct loans to support foreign investment by small U.S. companies was extended to China in 1980.

2/ On May 9, 1984, during the first session of the JCCT to be held since the accord was signed, Commerce Secretary Baldrige and China's Trade Minister Chen signed two work programs or implementing agreements, one for cooperation in the telecommunications/electronics sector and the other a program of cooperative activities to help China in developing its metallurgical industry. Secretary Baldrige and Minister Chen also exchanged letters on technology tranfer, which provide for exchanges of information about U.S. export control policy and Chinese technology import policy, and signed four grant agreements for feasibility studies to be funded by the TDP. The projects to be covered by these studies are the development of a heavy oil reservoir, the development of a natural gas field, a silicon materials project, and a railway wheel facility.

serve as a forum for the discussion of bilateral economic issues and other matters of mutual interest.

The tax agreement is an important step toward resolving one of the leading problems confronted by U.S. companies seeking to do business in China: uncertainty about the legal framework in which they must conduct their operations. The pact relieves companies and individuals of both countries from compliance with the other country's income tax laws when exposure to these laws is limited in time and scope. It also reduces tax rates on remittance of dividends, interests, and royalties; assures non-discriminatory taxation; and provides for the avoidance of double taxation. Another reciprocal provision, but one expected to be especially significant to citizens of China living in the United States, is a waiver that frees from taxation the income of visiting teachers or researchers for a period not exceeding 3 years and the income of students or trainees (up to $5,000 a year) for any period reasonably needed to complete their education or training.

The agreement will not enter into force until signed 1/ and, because it is a treaty rather than an executive agreement, approved by the Senate. In addition to this document, the United States and China have negotiated a limited tax treaty covering income from the international operation of ships and aircraft. Following Senate ratification, that agreement became effective in September 1983. 2/ Other NME's with which the United States has tax treaties are Poland, Romania, Hungary, and the U.S.S.R.

Despite Secretary Regan's efforts to reconcile differences during the JEC session and additional meetings held by the negotiating teams, the bilateral investment treaty could not be concluded for signing by President Reagan during his visit to China. 3/ When the agreement is completed and, following Senate approval, entered into force, this treaty, together with the tax treaty, will provide the ground rules of operation and legal protections without which many U.S. companies have been unwilling to invest in China. 4/

1/ The agreement was signed by President Reagan and Premier Zhao on April 30.

2/ This limited income tax treaty was signed on Mar. 5, 1982, but was not approved by the Senate until Sept. 23, 1983. Its provisions apply retroactively to taxable years beginning on or after Jan. 1, 1981.

3/ As the quarter ended, several issues remained to be settled. Negotiations were temporarily broken off at about this time, and were later scheduled to resume in September.

4/ In addition to the reduction in uncertainty and risk that only these bilateral treaties can provide, the Chinese Government has adopted a number of new regulations and laws to create a more favorable climate for foreign investment. A notable example is the patent law enacted on Mar. 12, 1984, to go into effect on Apr. 1, 1985. Under the law, which is closely patterned after patent laws in the industrial market economies, foreign enterprises in China or foreign companies in a Chinese-foreign joint venture enterprise located in China will be able to obtain patents protecting their inventions if they are nationals of a country that has signed a patent agreement with China. The United States is one of the few countries that currently has such an agreement. Others are expected to follow shortly, however, since this long-awaited law provides the protection that many firms in other industrialized countries also have wanted before transferring technology to China.

At a press conference after the JEC meeting, Secretary Regan announced that representatives of 25 to 30 U.S. companies will travel to China this fall to explore investment opportunities, primarily in light manufacturing, construction, agro-business, and electronics. The mission will be cosponsored by the U.S. Overseas Private Investment Corporation and China's Ministry of Foreign Economic Relations and Trade.

U. S. Administrative Actions to Tighten Export Controls

During the first quarter, the Reagan Administration took two steps designed to tighten export controls. The Department of Commerce proposed changes in the regulations covering distribution licenses for U.S. exports, and the President announced a decision to grant the Department of Defense authority in principle to assume a wider role in reviewing export license applications. These actions were taken as part of the administration's overall review of export control procedures, with a particular emphasis on those relating to shipments of the more technologically advanced dual-use goods (civilian goods having potentially significant military applications).

Proposed changes in distribution licensing procedure

On January 19, 1984, the Department of Commerce's Office of Export Administration (OEA) announced proposed changes in its distribution license system to "better assure this licensing procedure does not result in illegal diversion contrary to U.S. national security." 1/ Distribution licenses authorize the multiple export of certain commodities under an international marketing program to consignees that have been approved in advance as foreign distributors or users. The proposals would tighten restrictions on eligibility for distribution licenses, increase the items excluded from export under such licenses except to specified destinations, and place additional limits on the resale or reexport by overseas distributors of the commodities consigned to them.

The proposed regulatory changes include a requirement that an exporter have obtained at least 50 individual validated licenses in the year preceding applications for a distribution license. This rule would replace the current practice of issuing a distribution license if there is a reasonable expectation that it would replace 25 individual validated licenses. According to the OEA, the purpose of the proposal is to insure that the program is "restricted to firms with substantial export experience and a proven record of compliance with the regulations." 2/ If amended, the procedure would also require submission of an appropriately detailed description of the commodities to be exported under distribution licenses, rather than only the broad commodity descriptions now required.

In addition, the OEA is reviewing the Commodity Control List for possible exclusion from the procedure of some items destined for all countries except Australia, New Zealand, Japan, and North Atlantic Treaty Organization (NATO) members aside from Spain. The items proposed for exclusion because they are considered to be high diversion risks include certain semiconductor material

1/ 49 F.R. 2264.
2/ Ibid.

processing equipment, lasers and laser systems, semiconductor devices, and electron beam recorders. Exports of these products are now denied only to certain distribution license holders for certain destinations.

One of the changes proposed to increase control over foreign consignees under the distribution license program would limit direct shipments to customers of an approved consignee to the country in which that consignee is located. Foreign consignees outside of the NATO countries (not including Spain), Australia, New Zealand, or Japan would also be required to supply the Department of Commerce with the names and addresses of customers to whom they expect to sell the products they receive under distribution licenses. Another proposal would also ban a foreign consignee from reselling or reexporting any commodity received by him to a customer outside these designated countries until the consignee had obtained a certification from his customer that the commodity would not be reexported without the approval of the Department of Commerce. This last requirement would limit, according to Commerce officials, the inadvertent violation of U.S. reexport restrictions and would also have "export enforcement value in the pursuit of willful foreign violations" of the reexport restrictions. 1/

The Department of Commerce initially set a deadline of February 21, 1984, for receiving comments on the proposed procedural changes. However, because of the large number of complaints the proposal engendered from U.S. companies, foreign consignees, and other interested parties, the deadline for comment was extended to March 22 and on that date again extended to April 6.

Extension of Department of Defense review authority

On March 23, 1984, the White House announced that President Reagan had decided to grant the Department of Defense (DOD) authority in principle to take part in the Department of Commerce's review of distribution licenses. 2/ This extension of DOD's review authority was made contingent upon the successful implementation of a memorandum of understanding between DOD and Commerce that provides for DOD to review individual validated license applications for exports in seven commodity groups to 12 non-Communist industrial countries. 3/ The purpose of both the memorandum, which was affirmed by the President in the March 23 announcement, and the President's extension of DOD's review authority to include distribution licenses was to try to stop the diversion to the U.S.S.R. of computers and other militarily sensitive dual-use products exported to non-Communist countries. DOD's previous review authority was limited to dual-use goods specifically designated for export to the NME's.

According to the announcement, President Reagan has indicated that "the greatest possible care must be taken to establish review arrangements that are efficient and not disruptive to the review process." Within 3 months after successful implementation of the memorandum of understanding on

---

1/ Ibid.

2/ Weekly Compilation of Presidential Documents, vol. 20, No. 12, pp. 420-21.

3/ The 12 countries designated for DOD review have not been officially announced.

validated licenses, DOD's review of distribution licenses will begin with a few preselected commodities and one or two countries and will only gradually be broadened to cover other products and overseas consignees under the distribution license program.

In addition, the announcement stated that the President has determined that a "dual capability" to enforce export controls should be maintained in the Department of Commerce's OEA and the Department of the Treasury's Customs Service. He has also directed that a memorandum of understanding designating Customs as the agency responsible (with certain specific exceptions) for liaison with foreign governments in the conduct of export enforcement investigations be "vigorously implemented."

Finally, the announcement also reaffirmed President Reagan's opposition to statutory changes relating to DOD review of licensing and enforcement. As the quarter ended, however, DOD's role in the export control process remained a leading issue in the Congress as debate over legislation to extend and amend the Export Administration Act of 1979 continued.

U.S. Administrative Actions Affecting Imports from NME's

During the first quarter, the U.S. International Trade Commission made final determinations in two separate antidumping investigations on imports of potassium permanganate and chloropicrin from China and a determination in a market disruption case involving imports of ferrosilicon from the U.S.S.R. Antidumping investigations were also instituted by the Commission on imports of potassium chloride from four countries that included two NME's: East Germany and the Soviet Union. Another action taken during the quarter was the first ruling to be made by the Department of Commerce on the question of whether U.S. countervailing duty law is applicable to NME's. In two preliminary investigations involving imports of carbon steel wire rod from Czechoslovakia and Poland, Commerce ruled that Congress did not exempt NME's from this legislation. In May, however, in its final investigations of these imports, Commerce found that the presence of countervailable subsidies cannot be determined in the NME's where state planning, rather than market forces, is the primary means by which economic resources are allocated.

Potassium permanganate from China

On January 12, 1984, the Commission unanimously determined that an industry in the United States was materially injured 1/ by imports of potassium permanganate from China that were being sold in the United States at less than fair value. 2/ The Commission's vote followed an affirmative final determination by the Department of Commerce, published on December 29, 1983, in which it found dumping had occurred in 100 percent of the sales of the Chinese product, resulting in an overall weighted-average dumping margin of 39.63 percent ad valorem.

1/ Commissioner Paula Stern (Commission Chairwoman as of June 16, 1984) determined that an industry in the United States was materially injured or threatened with material injury.

2/ Potassium Permanganate From the People's Republic of China: Determination of the Commission in Investigation No. 731-TA-125 (Final) .48. ., USITC Publication 1480, January 1984.

In its final investigation, Commerce also found that critical circumstances existed owing to massive imports of this product from China during the months of March through July 1983. 1/ The Commission, in addressing this additional factor, determined that material injury was due to massive imports to an extent that, in order to prevent such injury from recurring, it was necessary to impose antidumping duties retroactively.

Investigation of these imports was initially instituted on February 22, 1983, on the basis of a petition filed by the Carus Chemical Co., the sole U.S. producer. Voting unanimously, the Commission made an affirmative preliminary determination on the question of injury to the domestic industry on March 31, 1983. Following an affirmative preliminary finding by Commerce on the question of sales at less than fair value, it instituted its final investigation on August 9, 1983. The deadlines for the final determinations of both the Department of Commerce and the Commission were extended when Commerce granted a request of the China National Chemicals Import & Export Corp. for a postponement. 2/

Potassium permanganate is used principally as an oxidizer in the treatment of water and waste water. The U.S. producer accounts for the largest share of the domestic market, but China and Spain are the only producers that presently export in any significant amount to world markets.

Chloropicrin from China

On March 6, 1984, the Commission again made an affirmative finding in a final antidumping investigation on a chemical product from China, unanimously determining that a domestic industry was materially injured by imports of chloropicrin. 3/ This finding followed completion of a final investigation by the Department of Commerce, in which it calculated a weighted-average margin of dumping of the Chinese product of 58 percent ad valorem. However, Commerce reversed its preliminary finding that critical circumstances existed, terminating consideration of this additional issue before the Commission's final determination.

1/ Under section 735(a)(3) of the Tariff Act of 1930, critical circumstances are found to exist when (1) there is a history of dumping in the United States or elsewhere of the merchandise under investigation or the importer knew, or should have known, that the exporter was selling this merchandise at less than fair value and (2) there have been massive imports of the merchandise under investigation over a relatively short period. This case met both criteria for an affirmative determinination since, during the period from March through July 1983, the price of potassium permanganate imported from China was significantly less than that imported from Spain, the only other exporter of the product to world markets. On the basis of this finding and other information about market conditions in the industry, Commerce determined that the importer knew, or should have known, the merchandise from China was being sold at less than fair value.

2/ For more background information on this case, see Potassium Permanganate From the People's Republic of China and Spain: Determinations of the Commission in Investigations Nos. 731-TA-125 and 126 (Preliminary) . . ., USITC Publication 1369, April 1983; 35th Quarterly Report. . ., p. 39; and 36th Quarterly Report . . ., p. 52.

3/ Chloropicrin From the People's Republic of China: Determination of the Commission in Investigation No. 731-TA-130 (Final) . . ., USITC Publication 1505, March 1984.

The Commission instituted a preliminary investigation of chloropicrin from China on April 6, 1983, on the basis of a petition filed by LCP Chemicals & Plastics, Inc., and Niklor Chemical Co., Inc. In that investigation, it unanimously found a reasonable indication that a domestic industry was materially injured or threatened with material injury by the Chinese imports, alleged by the petitioners to be sold in the United States at less than fair value. Following an affirmative preliminary determination by Commerce on this question, the Commission initiated its final investigation on September 19, 1983. As in the investigation on potassium permanganate, the deadlines for making final determinations were extended at the request of the China National Chemicals Import & Export Corp. 1/

Chloropicrin is used primarily as an active agent in soil fumigants. Although used alone in some instances, it is usually blended with other chemical agents to eliminate various agricultural soil problems such as fungi, certain insects, pests, and weeds. In addition to the United States and China, Japan and France produce chloropicrin, but China has been virtually the sole source of U.S. imports of this product since 1980.

Ferrosilicon from the U.S.S.R.

On January 24, 1984, the Commission concluded an investigation on imports of ferrosilicon from the U.S.S.R., determining by a majority vote 2/ that market disruption did not exist as defined in section 406 of the Trade Act of 1974. 3/ In making this determination, the Commission found that imports of Soviet ferrosilicon were increasing rapidly during a recent period of time, having amounted to 16,647 short tons during June-November 1983 after none had been imported since 1974. It also found that domestic producers of ferrosilicon were suffering material injury, but concluded that these imports were not a significant cause of the injury. The serious difficulties of the domestic industry were found to have existed prior to June 1983, and the amount of ferrosilicon imported from the U.S.S.R. during the period subject to investigation was small relative to total imports of the product. 4/

The investigation was instituted by the Commission on November 17, 1983, at the request of the Office of the United States Trade Representative. This request was made by the administration after both the domestic industry and members of Congress called for action against Soviet entry into the U.S. ferrosilicon market.

1/ For additional background information, see Chloropicrin From the People's Republic of China: Determination of the Commission in Investigation No. 731-TA-130 (Preliminary) . . ., USITC Publication 1395, May 1983; 35th Quarterly Report . . ., p. 40; and 36th Quarterly Report . . ., p. 52.

2/ The vote was 3 to 1, with Commissioners Paula Stern, Veronica A. Haggart, and Seeley G. Lodwick casting the negative votes and Commission Chairman Alfred E. Eckes dissenting.

3/ Ferrosilicon From the Union of Soviet Socialist Republics, Report to the President on Investigation No. TA-406-10 . . ., USITC Publication 1984, February 1984.

4/ In voting affirmatively, however, Chairman Eckes noted a strong connection between the rising Soviet market share and injury to the industry. He found that the case "represents a classic example of market disruption" caused by rapidly increasing imports from a Communist country. For details, see Ibid, pp. 19-37.

Ferrosilicon is used as a deoxidizing agent and as a strengthening alloy in the production of certain iron and steel products. Brazil, Canada, Norway, and Venezuela were the largest sources of U.S. imports of this product in 1983.

Potassium chloride from East Germany and the U.S.S.R.

On March 30, 1984, AMAX Chemicals, Inc., and Kerr-McGee Chemical Corp. filed petitions with the Commission and the Department of Commerce alleging unfair trade practices by East Germany, the U.S.S.R., Israel, and Spain. The petitioners charged that a domestic industry is materially injured, or is threatened with material injury, by reason of imports of potassium chloride being sold in the United States at less than fair value by each of these four countries. They also alleged that manufacturers, producers, or exporters of potassium chloride in each of these countries receive benefits that constitute bounties or grants within the meaning of U.S. countervailing duty law (section 303 of the Tariff Act of 1930).

The Commission decided to conduct its preliminary investigation on a country-by-country basis, making four separate determinations on the question of injury allegedly caused by sales at less than fair value and separate determinations on whether the alleged subsidization of exports by Israel and Spain is materially injuring, or is threathening to materially injure, a domestic industry. 1/ It was not required, however, to make an injury determination by reason of the alleged subsidization of exports by East Germany and the U.S.S.R., since the United States has no international obligations with respect to either country within the meaning of section 303 of the Tariff Act.

The Department of Commerce proceeded, on the other hand, with eight separate investigations, including two on whether manufacturers, producers, or exporters of potassium chloride in East Germany and the U.S.S.R. receive benefits that constitute countervailable subsidies under U.S. law. These two investigations were instituted pending a final ruling by Commerce on whether countervailing duty law is applicable to NME's.

1/ On May 14, 1984, the Commission made an affirmative preliminary determination in each of its six cases on imports of potassium chloride. On the basis of the record developed in the investigations, Chairman Alfred E. Eckes and Commissioners Seeley G. Lodwick and David B. Rohr found that there is a reasonable indication that a domestic industry is materially injured or is threathened with material injury, and Commissioner Veronica A. Haggart determined that there is a reasonable indication that a domestic industry is materially injured. Commissioners Paula Stern and Susan W. Liebeler did not participate in the determinations (Potassium Chloride From East Germany, Israel, Spain, and the U.S.S.R., Determinations of the Commission in Investigations Nos. 303-TA-15 and 701-TA-213 (Preliminary) . . ., and Determinations of the Commission in Investigations Nos. 731-TA-184 through 187 (Preliminary) . . ., USITC Publication 1529, May 1984).

Commerce rulings on the application of countervailing duty law to NME's

As part of two preliminary determinations published on February 23, 1984, the Department of Commerce's International Trade Administration (ITA) issued the first ruling to be made on the question of whether U.S. countervailing duty law is meant to be or can be applied to NME's. On the basis of the facts presented in these investigations, which involved imports of carbon steel wire rod from Poland and Czechoslovakia, Commerce found no reason to believe that manufacturers, producers, or exporters of this product in either Poland or Czechoslovakia were receiving benefits that constituted bounties or grants within the meaning of section 303 of the Tariff Act of 1930. On the other hand, it also determined that "Congress did not exempt nonmarket economy countries from the countervailing duty law." 1/

Before announcing its preliminary finding on whether section 303 of the Tariff Act of 1930 (or title VII added to the Tariff Act by the Trade Agreements Act of 1979) applies to NME's, ITA reviewed the provisions of countervailing duty law, the legislative history of these provisions, and briefs filed at a conference held by Commerce in November 1983 in connection with a countervailing duty investigation on textiles, apparel, and related products from China. The briefs relating to this earlier investigation--which was the first countervailing duty case to be initiated against an NME--represented broad differences of opinion about whether Congress had intended the law to be applied to NME's and whether, if applied, countervailable subsidies can be identified or measured in a state-controlled economy where intervention is the rule rather than the exception. 2/ Thus, noting the lack of consensus about whether the law could be applied to China's textile exports (the petition instituting this case was withdrawn before a decision was reached), ITA confined the basis of its first ruling to the question of whether any political entity is exempted per se from U.S. countervailing duty law.

> The answer to the question of whether our countervailing duty law applies to nonmarket or state-controlled economies is not clear, as is evident from the diversity of opinion on this issue. Yet the weight of informed opinion and our narrow reading of the Act disposes us to not exclude nonmarket or state-controlled economies from its application without further review in each particular case. Therefore, we will proceed to examine the particular allegations and facts in this case. 3/

1/ 49 F.R. 6768.

2/ In the Chinese textiles case, the question specifically addressed was whether China's dual exchange rate system can confer a countervailable subsidy on a designated export sector when the same rate of exchange applies to all exported and imported products and the currency is not freely convertible. A further issue discussed at the conference was China's complicated system of artificial prices, which is largely the result of political decisionmaking and does not necessarily reflect market forces. For more information on this case, see 36th Quarterly Report . . ., pp. 51-52, and 37th Quarterly Report . . ., pp. 44-45.

3/ 49 F.R. 6769. The case referred to is carbon steel wire rod from Poland. The same ruling was made with respect to imports of the product from Czechoslovakia.

On May 7, 1984, the Department of Commerce made two final determinations, concluding in each case that bounties or grants within the meaning of the law cannot be found in NME's. 1/ The rulings were based on the predominance of resource allocation by state planning, rather than by market forces, in NME's.

> In a market economy, scarce resources are channeled to their most profitable and efficient uses by the market forces of supply and demand. We believe a subsidy (or bounty or grant) is definitionally any action that distorts or subverts the market process and results in a misallocation of resources . . . .
>
> In NME's, resources are not allocated by a market. With varying degrees of control, allocation is achieved by central planning. Without a market, it is obviously meaningless to look for a misallocation of resources caused by subsidies. There is no market process to distort or subvert. Resources may appear to be misallocated in an NME when compared to the standard of a market economy, but the resource misallocation results from central planning, not subsidies. 2/

Two countervailing duty investigations of a product imported from NME's--potassium chloride from East Germany and the U.S.S.R.--were underway when the final ruling was made. The Department of Commerce accordingly terminated these cases, 3/ but continued investigating charges that imports of potassium chloride from East Germany and the U.S.S.R. are being sold in the U.S. market at less than fair value. 4/

1/ The specific benefits at issue in these two investigations included multiple exchange rate systems, currency retention systems that allowed exporting companies to keep a portion of their hard currency earnings, and tax exemptions or tax rebates granted on the basis of export performance.

2/ 49 F.R. 19370.

3/ 49 F.R. 23428.

4/ For more information on these investigations, see above in this section.

With the pending renewal of the Export Administration Act of 1979, debate has intensified over the relative costs and benefits of U.S. trade with the NME's in high-technology goods. The burgeoning U.S. trade deficit attests to the need of the United States to develop new export markets in areas where U.S. goods can compete most effectively. Concurrently, the maintenance of U.S. national security requires some degree of protection for existing U.S. technological leads. U.S. export control policy is thus forced to balance two conflicting objectives: the need to foster trade to secure its economic benefits and the need to restrict certain trade to insure U.S. security. Export control legislation since 1969 has sought to accomodate the competing goals of export control and export promotion, and an elaborate system of export licensing and enforcement has been set up to help achieve these goals. While the costs and benefits of U.S. export control policy are difficult to measure, a quantification of U.S. high-technology exports to the NME's can illustrate how attempts to pursue these two competing goals have influenced flows of U.S. high-technology exports. In addition, the effects of changes in U.S. export control policy during the 1979-1983 period can be seen by examining shifts in the flow of high-technology shipments to the NME's.

Overview of the Export Control System

Legislation

Throughout the postwar period, U.S. export control legislation has maintained three justifications for restricting exports. Shipments may be curtailed in order to protect U.S. national security, to promote foreign policy objectives, and to prevent shortages and export demand-induced inflation in the domestic economy.

Prior to 1949, export controls were imposed during wartime, primarily to restrict exports of materials needed for U.S. national defense. Following passage of the Export Control Act of 1949, controls were implemented on an ongoing basis during peacetime. Based upon the belief that Western exports would contribute to the strength of potential adversaries, the 1949 Export Control Act sought to strictly limit East-West trade by placing controls on all exports to Communist countries.

To insure that these controls would be effective, the U.S. secured the cooperation of other Western industrialized countries. At U.S. initiative, an informal, multilateral Consultative Group on Export Controls was formed in 1949, and a Coordinating Committee (COCOM) of this group developed controls banning sales of goods of strategic military value to all the Communist powers. 1/ COCOM consists of the NATO countries (except Spain and Iceland) and Japan. The group operates informally, without any basis in treaty.

1/ Following France's military withdrawal from NATO and its decision not to appoint a new chairman to the Consultative Group, the overall group ceased to exist. Nonetheless, COCOM continues to operate as the coordinator for multilateral export control policy. (American Enterprise Institute for Public Policy Research, "Proposal for Reform of Export Controls for Advanced Technology," Legislative analysis no. 5, 1979.)

Instead, the organization relies upon the Western nations' common interest in restricting exports of strategic goods to Communist countries to insure their continued participation.

The original 1949 Export Control Act was amended several times until the passage of the Export Administration Act of 1969. A substantial liberalization of the earlier act, this legislation removed restrictions on goods with primarily economic (as opposed to military) value to the importer. In comparison with the 1949 act, the EAA of 1969 offered substantial encouragement to U.S. trade with Communist countries; nonetheless, the legislation still sought to maintain a balance between trade promotion and the maintenance of controls in order to insure U.S. security.

The EAA of 1969 was amended in 1972, 1974, and 1977, and was then superseded by the Export Administration Act (EAA) of 1979. Like the earlier legislation, the EAA of 1979 sought to accommodate competing demands for both increased exports to the East and for more stringent controls on these exports. In addition, the 1979 act established separate criteria and procedures for implementing national security and foreign policy controls in order to provide a clear distinction between the two types of restrictions on exports. The act listed more detailed guidelines to be followed by the President when implementing foreign policy export controls, and provided that Congress be notified before the imposition of foreign policy controls and that affected industries be consulted. Although the act did not authorize a congressional veto of foreign policy controls (except for those imposed on agricultural commodities), it did seek to inhibit presidential power to impose such restrictions.

The 1979 act also instructed the Department of Commerce to study the foreign availability of goods and technology comparable to those marketed by U.S. firms. The act provided that, in cases where foreign availability was demonstrated, validated licenses for exports would not be required unless this provision was waived by the President.

The act also contained several provisions designed to expedite the export licensing process, including the establishment of deadlines for the referral of applications in the event of an interagency review, and the establishment of qualified general licenses to allow multiple shipments to China, the Soviet Union, and Eastern Europe. The act also included an indexing provision, which set guidelines for the periodic decontrol of exports which had become "obsolete" relative to newly-developed technologies.

Finally, the 1979 act retained a provision from the 1974 amendments giving the Secretary of Defense the right to review applications for licenses to countries for which exports are controlled for national security purposes. The EAA also gave the Secretary of Defense responsibility for developing a Militarily Critical Technologies List (MCTL) to later be incorporated into the Commerce Department's Commodity Control List (CCL). As originated in the 1976 Bucy Report of the Defense Science Board, the MCTL would provide an objective means of assessing the military relevance of high-technology goods, in order to make export control decisions consistent with and immune from shifting political opinion. 1/ The Department of Defense was thus charged with compiling a list of the technologies which provide the basis for U.S. military

1/ U.S. Congress, Office of Technology Assessment, Technology and East-West Trade: An Update, (Washington, May 1983), p. 82.

technological superiority. Thus, the MCTL provides a listing of the total technology used for the design and manufacturing of commodities, as well as the commodities themselves.

The EAA of 1979 mandated that the MCTL shall "become a part of the Commodity Control List," yet a number of obstacles have prevented the incorporation of the entire MCTL into the CCL. The MCTL has been published in classified form, and has undergone several revisions. Critics of the DOD list maintain that it is overly inclusive and question the DOD's scope of military criticality. Moreover, U.S. allies in COCOM are reportedly skeptical of the feasibility of using the technology-oriented approach taken by the MCTL. To date, Defense and Commerce have reached agreement on the inclusion of selected commodity-oriented parts of the MCTL on the CCL, yet disagreement persists over the incorporation of parts of the MCTL which are based on a technology orientation rather than a product orientation. Commerce now intends to translate the "broad generic categories of critical technologies included in the MCTL into specific detailed items for control purposes," and plans to include these items in the Export Administration Regulations (EAR's) by April of 1985. 1/

The House and Senate have both passed bills to amend and extend the EAA. S. 979 and H.R. 3231 differ in several respects, however, and a compromise version of the bills has not yet been agreed upon. Since September 30, 1983, when the EAA of 1979 was originally slated to expire, the President's authority to control exports has been extended several times both through congressional extensions of the 1979 act and executive orders invoking the International Emergency Economic Powers Act (IEEPA).

Among the issues to be resolved by the Senate and House is the assignment of enforcement responsibilities. While the Senate bill provides for the transfer of enforcement authority from Commerce to Customs, the House bill retains primary authority with the Commerce Department. Moreover, H.R. 3231 favors greater law enforcement authority for Commerce Department personnel, and also proposes a substantial increase in the DOC enforcement budget.

A second issue to be resolved concerns a provision in the Senate bill giving the President the authority to impose import controls for enforcing national security and foreign policy export controls. In the case of national security export controls, import controls may be imposed on companies in violation of either U.S. unilateral or allied multilateral controls. When export controls have been imposed for foreign policy reasons, import controls may be used by the President against the country which is the target of the foreign policy export controls. The House bill contains no provision authorizing import controls.

In addition to the above provisions, S. 979 clarifies the role of the Secretary of Defense in West-West licensing, providing authority for the Secretary to review any proposed export when, after consulting with the Secretary of Commerce, the Secretary determines that there is "a clear risk of diversion of militarily critical goods or technology to proscribed destinations." The House bill does not contain a similar provision regarding the Secretary's role in West-West licensing.

1/ Testimony of William T. Archey, Acting Assistant Secretary for Trade Administration, U.S. Department of Commerce, Statement before the House Subcommittees on Science, Research, and Technology and on Investigations and Oversight, May 24, 1984.

Both the House and Senate bills contain provisions insuring contract sanctity when foreign policy controls are imposed. The House version, however, provides exceptions to contract sanctity in cases of aggression, human rights violations, international terrorism, and nuclear weapons testing. The Senate version prohibits the imposition of foreign policy controls on goods or technology when a contract is already in force, but does not provide any exceptions to contract sanctity under the EAA. Instead, the Senate version allows exceptions through amendments to the International Emergency Economic Powers Act (IEEPA).

Both the House and Senate versions discuss the issue of foreign availability. The House version requires that the U.S. Government negotiate with governments of countries in which products or technologies controlled by the United States for national security reasons are freely available. If, after 18 months, negotiations are unsuccessful in eliminating foreign availability, the administration must decontrol the product or technology. The Senate version retains much of the language of the EAA of 1979, requiring decontrol when an item or technology is available from non-U.S. sources. This provision may be waived by the President if he determines that the absence of controls would be detrimental to U.S. national security.

Both the House bill and the Senate bill alter the licensing requirements for exports to COCOM countries. The Senate bill eliminates the requirement for validated licenses to COCOM countries and to countries with bilateral export contol agreements with the U.S., unless the commodity in question is included on the MCTL. The House bill eliminates the requirement for validated licenses to COCOM countries for goods and technology under multilateral control, while maintaining the right of the Secretary of Commerce to require licenses for shipments to those suspected of diverting high-technology goods to the Soviet bloc.

Both the House and Senate bills encourage the use of validated licenses authorizing multiple shipments, and stress the need to substantially increase the use of these licenses in trade with Western countries. In addition, both versions provide for a new type of multiple validated license, the comprehensive operations license. As described in H.R. 3231, the new license would authorize multiple shipments of goods and technology from a U.S. firm to and among its network of affiliates, joint venturers, subsidiaries, vendors, and licensees abroad.

H.R. 3231 also contains a provision providing for the decontrol of some U.S. unilaterally controlled goods. The provision states that "if a commodity which is subject to unilateral export controls has been approved for export to a country group in every case during a one year period, export controls must be removed for exports of that commodity to that country group." The Senate bill contains no similar provision.

Finally, the House bill contains a section calling for restrictions on U.S. investment in and trade with South Africa. The Senate bill does not include a similar section. Both bills also maintain the current ban on exports of Alaskan crude oil.

Licensing

58

The system established by the United States to prevent the acquisition of militarily relevant goods and technology by Communist countries consists of

several interlocking elements. 1/ First, the United States maintains controls on direct exports of U.S.-origin items to Communist countries. Second, most of these controls are also maintained multilaterally through COCOM. Third, the United States supplements its controls on direct exports to Communist countries with controls on U.S. exports to most non-Communist countries. As a rule, however, these controls primarily serve to prevent the diversion of U.S.-made goods and technology to Communist countries, and permission to export to non-Communist countries is readily granted. A fourth means of preventing diversion to Communist countries is controls on re-exports of U.S.-origin goods and technical data. Under a fifth and related control, exports and re-exports of products containing U.S.-origin parts and components by foreign companies are also subject to U.S. controls. The 1977 amendments to the EAA added a sixth control element by authorizing the extension of controls to exports by any person subject to the jurisdiction of the United States. Under this authority, the United States may control products produced by overseas subsidiaries of U.S. companies.

Technically, all U.S. exports are licensed, but the vast majority are shipped under a general license, which is, in effect, a blanket permission to export certain commodities without applying for specific authorization from the Government. 2/ In other cases, however, exports may only be shipped under a validated license. Whether an exporter needs to apply for a validated license from the Commerce Department depends both on the nature of the commodity and the destination.

With the exception of Canada, to which only a few export controls are applied, the world is divided into seven country groups as shown in the tabulation below:

Country Group Q	Country Group S	Country Group T
Romania	Libya	North, Central, and South America, Bermuda and the Caribbean, except Canada and Cuba

Country Group V	Country Group W
All countries not included in any other group (except Canada, which is not in any group)	Hungary Poland

Country Group Y		
Albania	Estonia	Latvia
Bulgaria	East Germany	Lithuania
Czechoslovakia	Laos	Mongolia
		U.S.S.R.

Country Group Z	
Cuba	North Korea
Kampuchea	Vietnam

Source: 15 C.F.R. Part 370, Supplement No. 1.

1/ This section will focus on controls on exports of products. For information on controls on technical data, see 15 C.F.R. Part 379.

2/ Nevertheless, an exporter shipping a commodity under a general license is normally required to fill out a Shipper's Export Declaration. These documents provide the Government with a record of export shipments.

The groups generally indicate the level of restrictiveness of licensing policy. The most restrictions are applied to Groups S (Libya) and Z (Cuba and Asian Communist countries), with restrictions on exports to the latter amounting to a virtual embargo. The next most restrictive grouping is Y, which includes the Soviet Union and several East European countries. The remaining East European countries are assigned to Groups Q (Romania) and W (Hungary and Poland). These distinctions reflect a longstanding U.S. practice of differentiating between the Soviet Union and East European countries and applying more favorable commercial policies towards East European countries with more independent foreign policies or more liberal domestic policies than those of the Soviet Union. The extent to which the policy of differentiation has been or is now being applied in licensing decisions cannot be stated precisely. The fewest restrictions are applied to Groups T and V, which include most non-Communist countries. Group V also includes China and Yugoslavia. China, which had been in the same group as the Soviet Union in 1979, but was assigned to a separate group in 1980, was added to this group on November 23, 1983.

In addition to validated licenses, which authorize a single export to a given destination, there are several licenses that authorize multiple exports. The most important one is the distribution license 1/, which authorizes multiple exports of certain commodities to approved distributors or end-users. This license is not available for exports to Communist countries (Yugoslavia excepted).

With a few exceptions, controlled goods are consolidated on the Commodity Control List (CCL), which is maintained by the Office of Export Administration (OEA) of the Department of Commerce. 2/ Items on the CCL are grouped into 10 general categories, as shown in the tabulation below:

Group number	Commodity group
0	Metal-working machinery
1	Chemical and petroleum equipment
2	Electrical and power-generating equipment
3	General industrial equipment
4	Transportation equipment
5	Electronics and precision instruments
6	Metals, minerals, and their manufactures
7	Chemicals, metalloids, petroleum products and related materials
8	Rubber and rubber products
9	Miscellaneous

1/ See the section on commercial developments for a description of proposed changes in the regulations for distribution licenses. The regulations for special licenses and licensing procedures may be found at 15 C.F.R. Part 373.

2/ The exceptions are mostly goods controlled under the authority of other statutes or licensed solely by another agency. An important exception is weapons, which are controlled by the Department of State under the authority of the Arms Export Control Act of 1976 and are listed on the Munitions Control List.

Within each category, items are identified by an Export Control Commodity Number (ECCN). 1/ Each entry lists the country groups for which validated licenses are required, the reason for the control, the availability of special licenses, and other information necessary for filling out the application. As can be seen from Figure 5, the application must include the ECCN.

How a license is processed depends largely on whether it involves a Communist country. OEA processes applications involving exports to non-Communist countries that do not require policy review under an expedited process known as the "front door procedure" within the Operations Division. Other applications receive an initial review in the Operations Division and are then sent to a licensing division or to the Policy and Planning Division. Time limits are set by law. If the application is reviewed by another agency, Commerce must forward it, together with a recommendation, within 30 days. If the application is not reviewed by another agency, Commerce must approve or deny a license within 90 days.

An agency to which Commerce forwards applications (e.g., Defense for those involving national security controls or State for those involving foreign policy controls) has 30 days to submit its recommendation to Commerce, but may request an additional 30 days for review. Commerce tries to resolve any disagreements informally before resorting to the formal inter-agency system. This system consists of four committees composed of representatives of Commerce, Defense, State and other interested agencies. If the first committee, which consists of senior staff, cannot resolve the dispute, it is referred to the next highest committee (Deputy Assistant Secretaries), then to a third committee of Assistant Secretaries, and finally to a committee composed of the Secretaries of the relevant agencies. If disagreements still persist, they are referred to the President for resolution.

In recent years, the volume of applications received by OEA has been increasing rapidly, reaching 80,369 in fiscal 1982. 2/ The overwhelming majority (91.6 percent in FY 1982) were for exports (or re-exports) to non-Communist countries. Of the 69,554 applications for exports to non-Communist countries processed in FY 1982, 86.6 percent were approved; 0.4 percent were denied; and 13.0 percent were returned without action. 3/ For the 7,123 applications processed for exports to Communist countries, the approval rate was lower--69.1 percent--and the rates for denials and RWA's were correspondingly higher, 8.3 and 22.6 percent. 4/

1/ ECCN's, which consist of 4 digits followed by a letter, are a code which can be read as follows: the first digit indicates the level of strategic control, the second the general category, and the last two the item's numerical order within the category. The letter serves as a guide to documentation requirements and as another indication of the country groups for which validated licenses are required.

2/ U.S. Department of Commerce, International Trade Administration, Office of Export Administration, Export Administration Annual Report FY 1982 (Washington, February 1983), p. 7.

3/ Applications processed represent cases pending from the previous year plus applications received during fiscal 1983 minus cases not completed at the end of the year.

4/ For Communist countries, the denial rate includes partial denials.

Figure 5.--Sample Export License Application

U.S. DEPARTMENT OF COMMERCE
INTERNATIONAL TRADE ADMINISTRATION

Information furnished herewith is subject to the provisions of Section 12 (c) of the Export Administration Act of 1979, 50 U.S.C. app. 2411 (c), and its unauthorized disclosure is prohibited by law.

APPLICATION FOR EXPORT LICENSE

1 DATE OF APPLICATION

2. APPLICANT'S REFERENCE NUMBER

3. APPLICANT'S TELEPHONE NO.

4. SPECIAL PURPOSE

5. APPLICANT

EXPORTER'S I D. NO.

ADDRESS

CITY, STATE, ZIP CODE

6. PURCHASER IN FOREIGN COUNTRY
(If same as ultimate consignee, state "SAME AS ITEM 7;" if same as intermediate consignee, state "SAME AS ITEM 8.")

OEA USE ONLY

NAME

ADDRESS

CITY AND COUNTRY

7. CONSIGNEE IN COUNTRY OF ULTIMATE DESTINATION

OEA USE ONLY

NAME

ADDRESS

CITY AND COUNTRY

8. INTERMEDIATE CONSIGNEE IN FOREIGN COUNTRY
(If none, state "NONE"; if unknown, state "UNKNOWN.")

OEA USE ONLY

NAME

ADDRESS

CITY AND COUNTRY

9(a) QUANTITY	(b) DESCRIPTION OF COMMODITY OR TECHNICAL DATA *(When appropriate, use Commodity Control List descriptions and include characteristics such as basic ingredients, composition, type, size, guage, grade, horsepower, model number, etc.)(Attach separate sheet if more space is needed.)*	(c) EXPORT CONTROL COMMODITY NUMBER AND PROCESSING CODE	(d) NET VALUE U.S. DOLLARS	
			UNIT PRICE	TOTAL PRICE
			TOTAL	$

10. FILL IN IF PERSON OTHER THAN APPLICANT IS AUTHORIZED TO RECEIVE LICENSE.

NAME

ADDRESS

CITY, STATE, ZIP CODE

11. IF APPLICANT IS NOT THE PRODUCER OF COMMODITY TO BE EXPORTED, GIVE NAME AND ADDRESS OF SUPPLIER. *(If unknown, state "UNKNOWN.")*

12. SPECIFIC END-USE OF COMMODITIES OR TECHNICAL DATA BY CONSIGNEE IN ITEM 7 ABOVE. IF KNOWN, GIVE NAME AND ADDRES OF END-USER IF DIFFERENT FROM ITEM 7.

13. IF APPLICANT IS NOT EXPORTING FOR HIS OWN ACCOUNT, GIVE NAME AND ADDRESS OF FOREIGN PRINCIPAL AND EXPLAIN FULLY.

14. FOREIGN AVAILABILITY (Completion Optional) This(These) ☐ commodity(ies) or similar commodities ☐ technical data ☐ is ☐ is not available outside the U.S. If available, give names and addresses of foreign producers and distributors and appropriate descriptive technical information on a separate attachment to this application.
☐ Foreign availability not known.

15. ADDITIONAL INFORMATION *(Attach separate sheet if more space is needed.)*

Figure 5.--Sample Export License Application (continued)

16. APPLICANT'S CERTIFICATION: I hereby make application for a license to export, and I certify that (a) to the best of my knowledge, information and belief all statements in this application, including the description of the commodities or technical data and their end-uses, and any documents submitted in support of this application are correct and complete and that they fully and accurately disclose all the terms of the order and other facts of the export transaction; (b) this application conforms to the instructions accompanying this application and the Export Administration Regulations; (c) I obtained the order from the order party who has completed item 17, or I negotiated with and secured the export order directly from the purchaser or ultimate consignee, or through his or their agent(s); (d) I will retain records pertaining to this transaction and make them available as required by §387.13 of the Export Administration Regulations; (e) I will report promptly to the U.S. Department of Commerce any material changes in the terms of the order or other facts or intentions of the export transaction as reflected in this application and supporting documents, whether the application is still under consideration or a license has been granted; and (f) if the license is granted, I will be strictly accountable for its use in accordance with the Export Administration Regulations and all the terms and conditions of the license.

Type or Print _____ (APPLICANT) *(Same as Item 5.)*

SIGN HERE IN INK _____ (SIGNATURE of person authorized to execute this application.)

Type or Print _____ (NAME and TITLE of person whose signature appears on the line to the left.)

17. ORDER PARTY'S CERTIFICATION (See § 372.6(b) of the *Export Administration Regulations.)*— The undersigned order party certifies to the truth and correctness of item 16(a) above, and that he has no information concerning the export transaction that is undisclosed or inconsistent with representations made to the Department of Commerce and agrees to comply with Items 16(d) and 16(e) above.

Type or Print _____ (Order Party)

SIGN HERE IN INK _____ (SIGNATURE of person authorized to sign for the Order Party.)

Type or Print _____ (Name and title of person whose signature appears on the line to the left.)

This license application and any license issued pursuant thereto are expressly subject to all rules and regulations of the Department of Commerce. Making any false statement or concealing any material fact in connection with this application or altering in any way the validated license issued, is punishable by imprisonment or fine, or both, and by denial of export privileges under the Export Administration Act of 1979, and any other applicable Federal statues. No export license will be issued unless this form is completed and submitted in accordance with Export Administration Regulation 372.4 (50 U.S.C. app. Sec. 2403; 15 CFR Sec. 372.4)

FOR DEPARTMENT OF COMMERCE USE ONLY

ACTION TAKEN ☐ APPROVED ☐ REJECTED	VALIDITY PERIOD ____ MONTHS	AUTHORITY	RATING		DV	TECH DATA	
DOCUMENTATION	POLICY	END-USE CHECK	REEXPORT	SUPPORT DOCUMENT	TYPE OF LICENSE	(Licensing officer)	(No.) (Date)
						(Review officer)	(Date)

NOTE: Submit the first five copies of this application, Form ITA-622P (with top stub attached), to the Office of Export Administration, P.O. Box 273, Washington, D.C. 20044, retaining the sextuplicate copy of the form for your files. Remove the long carbon sheet from in front of the sextuplicate copy. Do *not* remove any other carbon sheets. Reproduction of this form is permissible, providing that content, format, size, and color of paper and ink are the same.

ORIGINAL
OEA FILE COPY

After inter-agency review, applications are referred to COCOM, if necessary. Applications involving items subject to multilateral controls must be reviewed by COCOM unless they are covered by an "administrative exception," which allows a country to unilaterally approve a lower performance item.

Enforcement

Despite the efficacy of the licensing process, export controls can be effective in preventing the transfer of technology only if they are adequately enforced. In the past several years, enforcement efforts have come under increased scrutiny. Fueled by numerous media reports of export control violations, criticisms of enforcement efforts have been mounting, and have been primarily directed toward the Department of Commerce. Under the EAA of 1979, primary responsibility for enforcing controls was assigned to the Commerce Department. In addition, the Customs Service of the Treasury Department and the FBI have authority in this area.

Until recently, Customs Service activities mainly included searching cargo under warrant, seizing illegal shipments, and making arrests, activities which are not within the legal authority of DOC officials. Beginning in fiscal year 1982, Customs became more involved in enforcement efforts with the introduction of Operation Exodus. Thus far, Exodus has focused upon a large cargo inspection program, which has resulted in the seizure of a number of illegal shipments. When Operation Exodus was introduced, exporters complained that legal shipments were being unduly delayed. Responding to such criticisms, Customs subsequently reported that it had reduced delays. 1/

Two other Government agencies possess some enforcement responsibilities. The FBI has the authority to investigate certain enforcement cases, and the Economic Defense Officers (EDO's) of the State Department may also become involved in cases with international aspects.

Many critics of U.S. enforcement efforts have argued that there is an inherent conflict in the DOC's dual roles in both promoting and controlling exports. Studies conducted in 1982 by the Office of the Inspector General of the DOC and by the Senate Permanent Subcommittee on Investigations (PSI) found that the Compliance Division of DOC was understaffed, poorly trained, and short of adequate resources. Furthermore, both studies reported a lack of cooperation and a poor working relationship between Commerce and Customs. 2/

A number of suggestions to improve enforcement of export controls have been proposed. First, primary responsibility for enforcement could be transferred from Commerce to Customs. Second, the responsible agency could be given enhanced investigative authority, either by increasing the search and seizure powers of Customs or by authorizing Commerce to conduct such activities. Third, larger budget allocations could be provided to the agency charged with enforcement. Finally, export regulations could be clarified to elicit a greater degree of voluntary compliance.

1/ For more information on Operation Exodus and other enforcement efforts, see Technology and East-West Trade: An Update, pp. 39-40.

2/ Ibid., p. 41-42.

The DOC's own concern with the success of its enforcement programs has led it to expand and reorganize the Compliance Division into the Office of Export Enforcement and to appoint a Deputy Assistant Secretary for Export Enforcement. The agency also transferred funds to the OEE from other International Trade Administration offices. In addition, efforts have been made to improve relations between Commerce and Customs. The two agencies negotiated a Memorandum of Understanding, which delineates each agency's responsibilities for liaison with foreign governments during enforcement investigations. 1/ In March 1984, the White House announced that President Reagan had determined that Commerce and Customs should maintain a "dual capability" to enforce export controls.

Measuring U.S. Exports of High Technology

Methodology

Several problems are inherent in any effort to accurately measure exports of high-technology items. First, no generally accepted definition of high technology exists, and the rapidly evolving nature of technology means that any such definition would necessarily change rapidly over time. In addition, trade data are often insufficiently detailed to distinguish precisely between levels of technology; thus, any set of trade data categories may easily overstate the volume of exports embodying truly advanced technology. Finally, trade data reflect only the shipments which countries properly license and identify, and do not provide any indication of the number of high-technology products which are transferred covertly.

Notwithstanding these shortcomings, an examination of selected trade categories can provide some approximation of U.S. exports of high-technology goods to NME's Although no definitive list of advanced technology products has been compiled, this analysis focuses upon a number of items selected from the U.S. Commodity Control List (CCL) as encompassing the bulk of U.S. high-technology exports. The list of these items was provided by the Foreign Trade Division of the Bureau of the Census. This analysis will focus upon 18 specific ECCN's, 13 of which fall into the category of electronics and precision instruments, and include such items as electronic computers and equipment, lasers, communications transmission equipment, printed circuit boards and microcircuits, frequency synthesizers, and semiconductor diodes, dice, and wafers. The remaining five ECCN's chosen fall into four of the remaining CCL categories, Metal-working Machinery (Group 0), General Industrial Equipment (Group 3), Transportation Equipment (Group 4), and Chemicals, Metalloids, Petroleum Products, and Related Materials (Group 7). The 18 ECCN's chosen for this analysis and a brief description of each are shown in table 12.

1/ See section on commercial developments in this report.

Table 12.--18 selected ECCN categories

Commodity Category	ECCN	Description
Metal-working machinery	1091	Units for numerically controlling simultaneously coordinated movements of machine tools and dimensional inspection machines in two or more axes
General industrial equipment	1355	Machinery and equipment for the manufacture of electronic equipment, components, and materials; related test gear; parts and specialized controls and accessories thereof
Transportation equipment	1485	Compasses, gyroscopes, accelerometers, and inertial equipment
Electronics and precision instruments	1501	Navigation, direction finding, radar and airborne communication equipment
	1519	Single- and multi-channel communications equipment, including terminal, intermediate amplifier or repeater equipment, and multiplex equipment used for communications systems
	1522	Lasers and laser systems, and equipment containing them
	1529	Electronic measuring, calibrating, counting, testing, and/or time interval measuring equipment
	4529	Other instruments, n.e.s., for measuring, indicating, recording, testing, or controlling electronic, electric, or nonelectric quantities that incorporate digital computers, and parts and accessories, n.e.s.
	1531	Frequency synthesizers and equipment containing them
	1537	Microwave equipment, including parametric amplifiers, capable of operating at frequencies over 1 GHz
	1544	Certain semiconductor diodes, dice, and wafers, designed or rated for use at input or output frequencies above 12.5 GHz
	1545	Certain transistors, dice, and wafers
	1564	Electronic component assemblies, subassemblies, printed circuit boards, and microcircuits

Table 12.--18 selected ECCN categories--continued

Electronics and precision instruments	1565	Certain electronic computers and related equipment
	1572	Recording and reproducing equipment, including equipment using magnetic techniques, electron beams operating in a vacuum, and/or laser produced light beams
	1584	Cathode-ray oscilloscopes, and specialized parts, including associated plug-in units, external amplifiers, and preamplifiers and sampling devices
Chemicals, metalloids, petroleum products, and related materials	1757	Compounds and metallic materials, including monocrystalline silicon wafers, monocrystalline gallium and indium compounds, and mercury cadmium telluride compounds
	4757	Other compounds and metallic materials, including single crystal sapphire substrates, monocrystalline gallium and indium compounds, and mercury cadmium telluride compounds

Source: 15 C.F.R. Part 399.1.

A number of ECCN's have been omitted from the list of high-technology controlled products. Although many of these ECCN's may contain some products embodying advanced technology, these categories may also include a large proportion of goods which are not high-technology items. Analyzing trade data for these groups would thus overstate total U.S. trade in high-technology goods. Although the 18 ECCN's examined capture the bulk of advanced technology exports, the omission of other ECCN's containing some high-technology goods means that the total derived for U.S. high-technology exports may be slightly lower than actual U.S. exports of these products.

The quantity of exports derived for individual ECCN's, however, may be slightly overstated in this analysis. Total exports in each ECCN category were obtained by using a concordance of ECCN's and Schedule B numbers prepared by the Foreign Trade Division of the Bureau of the Census. 1/ The concordance between individual ECCN's and Schedule B numbers is not an exact, item-by-item concordance; many Schedule B items are actually controlled under more than one ECCN. Exports in these Schedule B categories were counted only once when totals for the 18 selected ECCN categories were being calculated. For

1/ A copy of the concordance is provided in appendix table C-1.

individual ECCN categories, the Schedule B numbers listed cover the high-technology products controlled under that ECCN, and for some ECCN's, the Schedule B categories listed may err slightly in the direction of over-inclusiveness.

In sum, it is difficult to obtain a precise quantification of U.S. exports of high-technology products because of a number of factors. Disagreement persists over which items actually embody advanced technology, and even if consensus is reached on a list of high-technology products, trade data often are not sufficiently detailed to precisely distinguish between levels of technology, nor can they reflect illegal shipments of controlled goods. Nonetheless, if the chosen ECCN categories are accepted as encompassing the bulk of U.S. high-technology exports, this analysis provides an accurate picture of licensed U.S. shipments of these products to the NME's over the past five years.

Estimates of U.S. high-technology exports

World

U.S. exports of high-technology products amounted to nearly $25 billion in 1983, accounting for 12.6 percent of total U.S. exports in that year (table 13). Compared to 1979 figures, the dollar value of U.S. shipments of these products to the world has increased by 79.8 percent (table 14). Moreover, while the value of total U.S. exports has actually declined since 1981, the value of high-technology exports has grown consistently, indicating that advanced technology goods represent a growing share of total U.S. exports to the world.

The shares of U.S. high-technology exports destined for major U.S. trading partners has changed little over the past five years (figure 6). During 1979, shipments of these goods to the NME's were 1.2 percent of all U.S. high-technology shipments. The NME's percentage share of these exports dropped to only 0.6 percent in 1981, but rose to 1.0 percent of total U.S. high-technology exports in 1983. During 1979, 35.6 percent of U.S. shipments of these products were destined for the European Community; over the past year, 33.3 percent of U.S. high-technology shipments went to these countries (table 15). The shares of advanced technology exports shipped to Canada and Japan each increased slightly from 1979 to 1983. Canada's share rose from 9.7 to 10.9 percent of total U.S. high-technology exports, while the Japanese share rose by one percentage point, to 8.4 percent of total U.S. high-technology exports in 1983. The NIC's share of these exports declined slightly from 1979 to 1982, then rose to 17.8 percent of total high-technology exports over the past year.

Table 13.--U.S. exports of high-technology items as a percent of total exports, 1979-83

(In million of dollars; f.a.s. value basis)

	1979	1980	1981	1982	1983
High-technology exports	13,764	18,113	21,891	22,906	24,751
Total exports	178,578	216,592	228,870	207,158	195,969
High-technology exports as a percentage of total exports	7.7	8.4	9.6	11.1	12.6

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

Table 14.--U.S. high-technology exports to major trading partners, 1979-83

(In thousands of dollars, f.a.s. value basis)

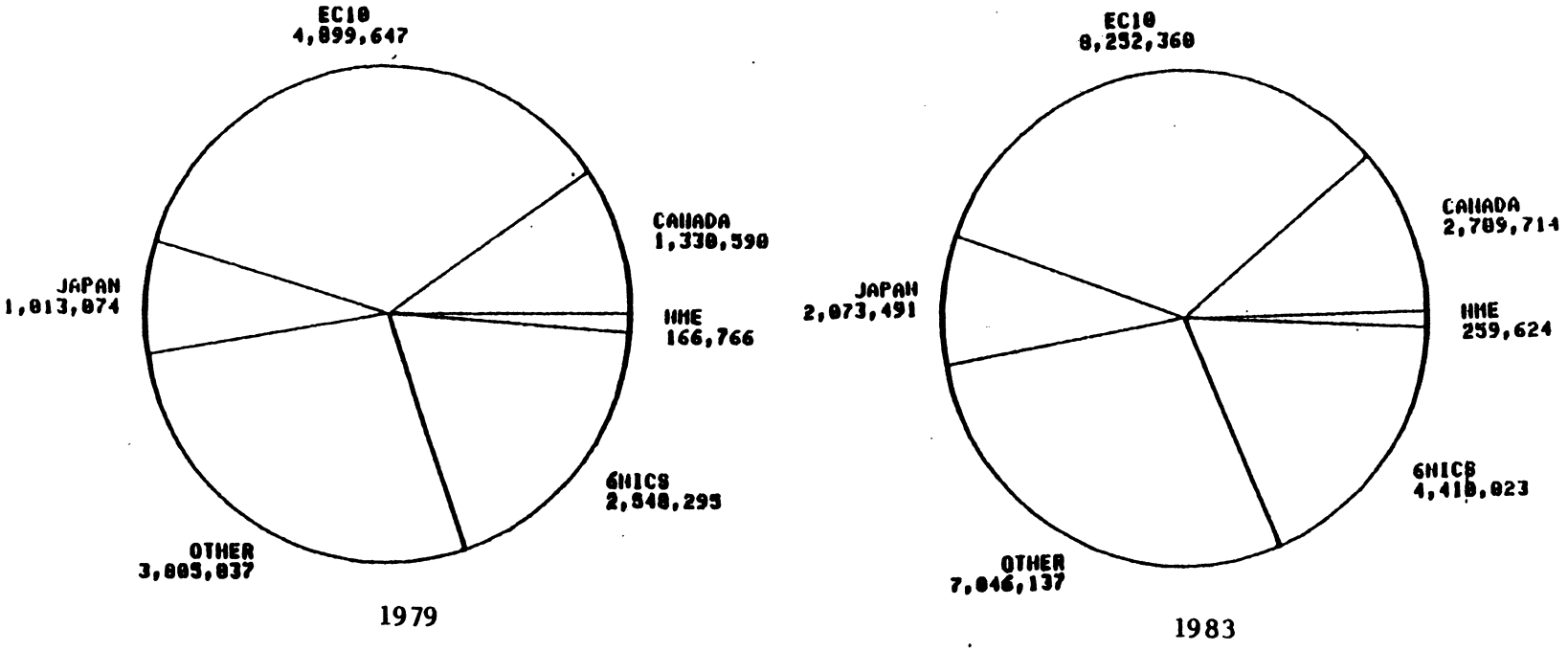
Commodity/Country	1979	1980	1981	1982	1983
Totals	13,764,209	18,112,575	21.891,274	22,905,585	24,751,349
NMEs	166,766	161,528	141,741	161,774	259,624
EC10	4,899,647	6,522,666	7,462,567	7,742,255	8,252,360
Canada	1,330,590	1,781,115	2,381,572	2,392,123	2,709,714
Japan	1,013,074	1,285,239	1,722,567	1,831,477	2,073,491
Six NICs	2,548,295	3,156,590	3,777,487	3,936,847	4,410,023
All other	3,805,837	5,205,437	6,405,340	6,841,109	7,046,137

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

70

Figure 6.--Value of U.S. high-technology exports to major trading partners, 1979 and 1983.

(In thousands of dollars; f.a.s. value basis)



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

71

Table 15.--U.S. high-technology exports to major trading partners, 1979-83

(Percent of f.a.s. value basis)

Commodity/Country	1979	1980	1981	1982	1983
Total	100.00	100.00	100.00	100.00	100.00
NMEs 1/	1.21	.89	.65	.71	1.05
EC10 2/	35.60	36.01	34.09	33.80	33.34
Canada	9.67	9.83	10.88	10.44	10.95
Japan	7.36	7.10	7.87	8.00	8.38
Six NICs 3/	18.51	17.43	17.26	17.19	17.82
All other	27.65	28.74	29.26	29.87	28.47

1/ Albania, Bulgaria, China, Cuba, Czechoslavakia, East Germany, Hungary, Mongolia, North Korea, Poland, Romania, the U.S.S.R. (including Estonia, Latvia, and Lithuania), and Vietnam.

2/ Belgium, Denmark, France, West Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, and the United Kingdom.

3/ Brazil, Hong Kong, Korea, Mexico, Singapore, and Taiwan.

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

The composition of U.S. high-technology exports to the world has not changed significantly since 1979. Of the 18 ECCN's examined in this analysis, the electronic computers category was the largest in every year since 1979. During 1983, shipments of items controlled under ECCN 1565 accounted for over 40 percent of all U.S. high-technology exports. The most important item in this category during 1983 was parts, not specifically provided for, of automatic data processing machines and units thereof which totaled $4.8 billion last year, and accounted for over 40 percent of the $11.1 billion of exports under ECCN 1565. Other large Schedule B categories include chips, dice, and wafers for transistors, with exports valued at $2.4 billion last year, digital central processing units, with shipments of $1.2 billion in 1983, and digital automatic data processing machines comprising in one housing the central processing unit and input and output capability, with exports of $1.0 billion last year. The 15 largest Schedule B categories of U.S. high-technology exports are listed in table 16.

Table 16.--Leading Schedule B items in U.S. high-technology exports, 1983

Schedule B No.	Item	Value in 1983
676.5560	Parts, nspf, of automatic data processing machines and units thereof	$4,849,016
687.6087	Chips, dice, and wafers for transistors	2,388,542
676.2820	Digital CPU's consisting of arithmetical, logical, and control elements	1,209,145
676.2700	Digital ADP machines comprising in one housing the CPU and input and output capability	1,017,851
676.2825	Random access auxiliary storage units	865,507
676.2840	Terminals, nspf, for automatic data processing machines	825,887
688.4060	Electrical articles, nspf, and electrical parts of articles, nspf	741,843
687.6089	Parts, nspf, of transistors and related electronic crystal components	687,962
685.2765	Radio telegraphic/telephonic transmitters	681,581
678.5065	Machines for production and assembly of semiconductor devices	655,352
676.2870	Communication and peripheral equipment	596,163
676.2855	Printers for automatic data processing machines	468,333
684.6210	Telephone switching and switchboard equipment	439,907
711.8710	Chemical analysis equipment	372,241
711.8750	Physical analysis equipment	364,087

Nonmarket Economy Countries

The dollar value of U.S. shipments of high-technology products to the NME's was higher in 1983 than in 1979. (table 17). Although the value of U.S. advanced technology exports to the NME's declined from $166.8 million in 1979 to $141.7 million in 1981, these shipments rose to $161.8 million during 1982. Over the past year, the dollar value of these shipments jumped by 60.5 percent, reaching $259.6 million.

The composition of U.S. high-technology exports to the NME's has changed little since 1979. In both 1979 and 1983, shipments of machinery and equipment for the manufacture of electronic equipment were the largest single category of U.S. high-technology exports to the NME's. In 1979, nearly one-third of U.S. high-technology exports to China, the Soviet Union, and Eastern Europe were items controlled under ECCN 1355. During 1983, slightly less than 40 percent of U.S. high-technology exports to these destinations were products controlled under ECCN 1355. In 1979, China imported $15.2 million of machinery and equipment for the manufacture of electronic equipment, while the Soviet Union and Eastern Europe together imported $34.0 million of these products. During 1983, China's imports in this category rose to $75.0 million, and those of the Soviet Union and Eastern Europe increased to $26.8 million. The largest exports to the NME's in this category during 1983 were chemical analysis equipment, valued at $27.1 million, and physical analysis equipment with a value of $19.0 million.

Exports of electronic computers and related equipment, products controlled under ECCN 1565, also represented a substantial proportion of U.S. high-technology sales to the NME's during both 1979 and 1983. These products accounted for 30.6 percent of the high-technology shipments to China, the Soviet Union, and Eastern Europe in 1979; they made up 23.2 percent of these exports over the past year. Although shipments of electronic computers and related equipment to the Soviet Union fell from $22.9 million in 1979 to only $115,000 in 1983, shipments of these products to China rose from $10.2 million to $49.4 million over the 5-year period. Exports of electronic computers and related equipment to Eastern Europe decreased from 1979 to 1983, from $17.8 million to $10.6 million.

Table 17.--U.S. high-technology exports to China, the Soviet Union, and Eastern Europe, 1979-83

(In thousands of dollars, f.a.s. value basis)

Commodity/Country	1979	1980	1981	1982	1983
China	58,916	76,837	83,506	112,818	206,844
USSR	61,064	25,689	18,680	13,608	13,519
Eastern Europe:					
Bulgaria	3,057	8,272	5,186	2,988	4,493
Czechoslavakia	5,972	6,932	5,574	3,373	6,587
East Germany	2,625	2,043	1,994	6,975	15,666
Hungary	5,253	7,303	8,869	6,046	3,716
Poland	11,876	12,658	9,093	2,973	2,527
Romania	17,603	21,514	8,824	12,882	6,226
Total, Eastern Europe	46,386	58,722	39,540	35,237	39,215
Total, China, the USSR, and Eastern Europe	166,366	161,248	141,726	161,663	259,578

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

Note.--Because of rounding, figures may not add to the total shown.

75

China.--Over 95 percent of the $97.9 million rise in high-technology exports to the NME's last year can be attributed to a $94.0 million surge in advanced technology exports to China during 1983. The gradual liberalization of U.S. licensing policy towards China, coupled with the country's modernization program, enabled U.S. high-technology exports to China to rise from $58.9 million in 1979 to $112.8 million in 1982, nearly doubling over the 4-year period (figure 7). From 1982 to 1983, U.S. high-technology shipments to China grew by 83 percent, reaching $206.8 million. Overall, U.S. high-technology exports to China increased by $147.9 million over the five year period, or by 251.1 percent.

As of November 23, 1983, China was placed among countries in the least restrictive export control category. 1/ Trade policy toward China had been made slightly less restrictive in 1980, and in 1981 the Reagan administration permitted shipments to China of goods with twice the technical level of goods permitted for export to the Soviet Union prior to its invasion of Afghanistan. Largely because of the ambiguity and the delays resulting from the 1981 guideline, the 1983 liberalization specified seven areas in which controls would be liberalized, including computers, computerized instruments, microcircuits, electronic instruments, recording equipment, semiconductor production equipment, and oscilloscopes. 2/

Exports to China in nearly all of these categories rose markedly from 1982 to 1983. For example, shipments of electronic computers, items controlled primarily under ECCN 1565, increased by 45.4 percent over the year, to a value of $49.4 million. U.S. exports of electronic and computerized instruments, controlled under ECCN's 1529 and 4529, registered an even larger increase, from $12.9 million in 1982 to $30.8 million in 1983. Shipments of products controlled under ECCN 1355, machinery and equipment for the manufacture of electronic equipment (including semiconductor production equipment), nearly doubled during 1983, amounting to $75.0 million by yearend. Overall, U.S. shipments to China rose in all but two of the ECCN's examined. Shipments in the two categories which declined, cathode ray oscilloscopes and parts (ECCN 1584) and other compounds and metallic materials (ECCN 4757), were both valued at less than $2 million in 1982 and 1983.

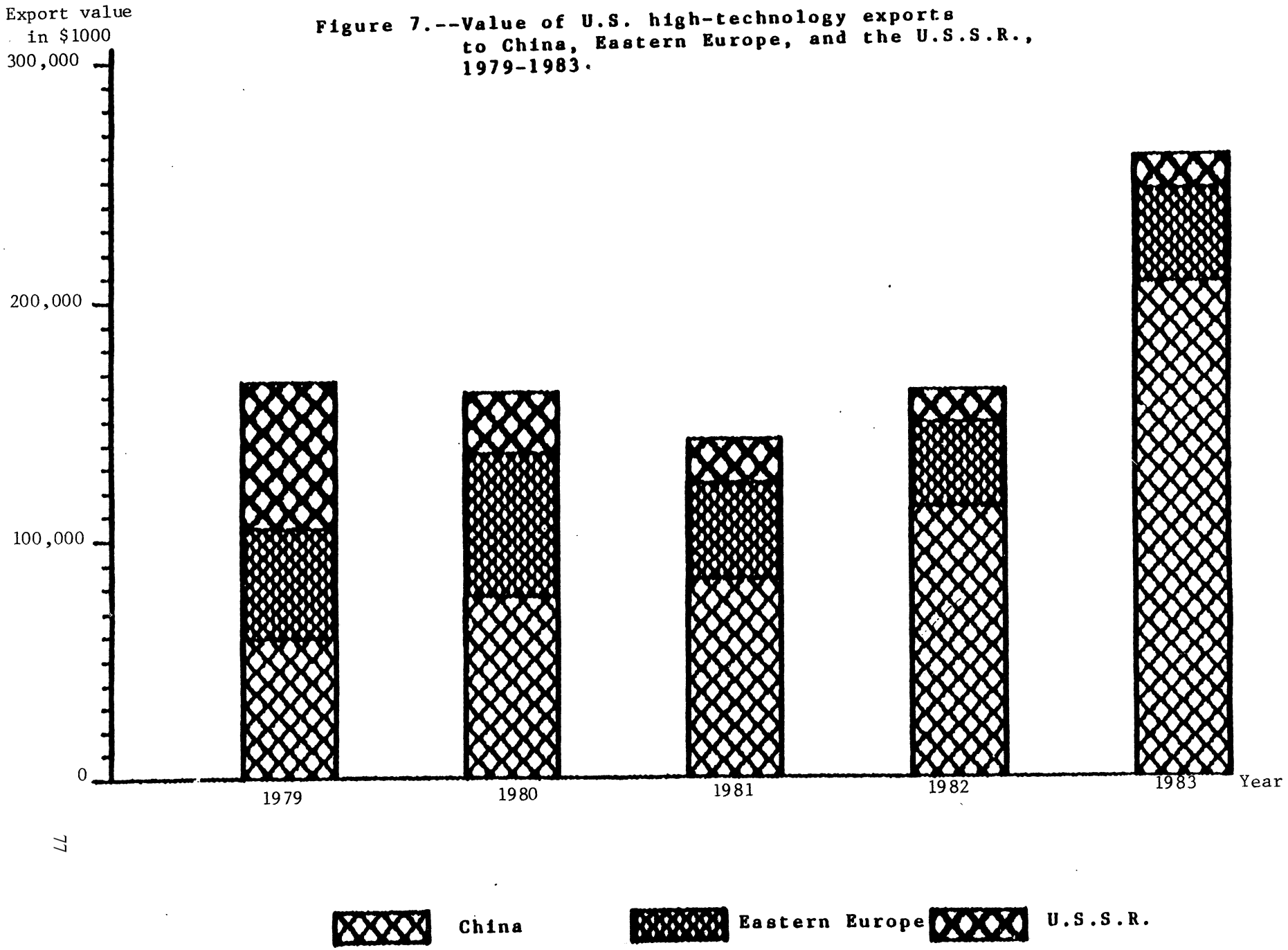
Soviet Union.--While advanced technology exports to China rose over the 5 years examined, shipments of these products to the Soviet Union were lower in 1983 than in 1979. U.S. exports of high-technology goods to the Soviet Union during the past year amounted to only $13.5 million, less than one-quarter of their 1979 level. From 1979 to 1983, U.S. exports to the Soviet Union declined in all but one of the ECCN's examined. The largest decline occurred in ECCN 1565, electronic computers and related equipment, which fell from

---

1/ Although China is now in the same control group as the Western European countries, special guidelines remain in effect for high-technology exports to China. For details, see 15 C.F.R. Part 385.4.

2/ See 37th Quarterly Report..., pp. 35-36.

Figure 7.--Value of U.S. high-technology exports to China, Eastern Europe, and the U.S.S.R., 1979-1983.



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

$22.9 million in 1979 to $115,000 in 1983. The only category to increase over the 5-year period was ECCN 1091, units for numerically controlling simultaneously coordinated movements of machine tools.

The largest year-to-year decline in U.S. high-technology exports to the Soviet Union occurred from 1979 to 1980, as shipments fell by $35.4 million, a decline of 57.9 percent. In the wake of the Soviets' December 1979 invasion of Afghanistan, the Carter administration adopted more stringent licensing procedures for high-technology shipments to the Soviet Union, including criteria which were especially restrictive toward U.S. exports of computers. Of the 18 ECCN's examined, the electronic computers category (ECCN 1565) registered the largest decline following the imposition of these new guidelines, falling by $22.5 million from 1979 to 1980.

Eastern Europe.--The value of exports of high-technology items to the six Eastern European countries was also lower in 1983 than in 1979. Shipments to Poland increased slightly from 1979 to 1980, then fell from $12.7 million in 1980 to $2.5 million in 1983. The largest decline in shipments to Poland occurred from 1981 to 1982 following the imposition of martial law and related U.S. sanctions. The Polish debt crisis probably also contributed to the country's reduced high-technology imports from 1980 to 1983.

U.S. high-technology shipments to both Hungary and Romania also declined from 1979 to 1983. U.S. shipments to Hungary fell by $1.5 million from 1979 to 1983, and were $3.7 million last year. U.S. high-technology shipments to Romania fell from $17.6 million in 1979 to $6.2 million in 1983. A portion of the decline in shipments to both Romania and Hungary is probably due to the countries' debt crises and their shortage of hard currency for financing Western imports.

Shipments to the remaining three Eastern European countries increased from 1979 to 1983, though the increase did not offset the fall in shipments to Poland, Hungary, and Romania. U.S. advanced-technology exports to Bulgaria increased from $3.1 million to $4.5 million over the 5-year period; those to Czechoslovakia rose from $6.0 to $6.6 million. Exports to East Germany grew by a larger amount, rising by $13.0 million from 1979 to 1983, and reaching $15.7 million. This increase was mainly due to an $11.3 million rise in U.S. shipments of machinery and equipment for the manufacture of electronic equipment (ECCN 1355).

Other countries

Shipments to the NME's of high-technology goods accounted for only a small portion of total U.S. exports of these products from 1979 to 1983. As illustrated in table 18, one-third of U.S. high-technology exports last year were destined for the 10 members of the European Community. The NIC's also provide a large market for U.S. high-technology exports. As shown in table 19, the NIC's purchased 17.8 percent of all U.S. high-technology shipments over the past year. In addition, Canada, Japan, and a number of other individual countries purchase significant amounts of U.S. high-technology products. Appendix table C-2 illustrates U.S. exports of high-technology products to individual countries over the five-year period examined.

Table 18.--U.S. high-technology exports to the European Community, 1979-83

(In thousands of dollars, f.a.s. value basis)

Commodity/Country	1979	1980	1981	1982	1983
Belgium and Luxembourg	302,982	355,108	356,132	292,255	318,128
Denmark	84,655	101,805	121,145	115,754	108,361
France	843,997	1,168,443	1,327,655	1,313,672	1,203,096
West Germany	1,298,960	1,727,852	1,978,960	1,839,872	1,866,321
Greece	28,931	35,628	48,432	45,803	36,060
Ireland	179,109	265,720	367,042	385,824	504,148
Italy	362,757	522,866	580,223	572,574	550,903
Netherlands	452,315	550,206	585,036	653,612	917,231
United Kingdom	1,345,942	1,795,039	2,097,941	2,522,888	2,748,114
Total EC	4,899,647	6,522,666	7,462,567	7,742,255	8,252,360

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

Note.--Because of rounding, figures may not add to the total shown.

79

Table 19.--U.S. high-technology exports to the NIC's, 1979-83

(In thousands of dollars, f.a.s. value basis)

Commodity/Country	1979	1980	1981	1982	1983
Brazil	272,617	310,264	339,640	362,083	319,352
Hong Kong	324,174	444,958	505,932	461,922	612,604
Korea	346,560	427,611	535,991	840,445	968,268
Mexico	780,896	942,271	1,205,708	988,943	964,299
Singapore	542,842	609,847	687,639	733,887	950,697
Taiwan	281,207	421,639	502,577	549,567	594,803
Total NIC's	2,548,295	3,156,590	3,777,487	3,936,847	4,410,023

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

Note.--Because of rounding, figures may not add to the total shown.

80

APPENDIX A

U.S. TRADE WITH THE NONMARKET ECONOMY COUNTRIES BY MAJOR SITC SECTIONS, 1983, JANUARY-MARCH 1983, AND JANUARY-MARCH 1984

Table A-1.--U.S. trade with all nonmarket economy countries, 1/ by SITC Sections, 1983, January-March 1983, and January-March 1984

(In thousands of dollars)

SITC Section	1983	January-March 1983	January-March 1984
U.S. exports:			
0. Food and live animals	2,057,131	906,001	787,894
1. Beverages and tobacco	23,117	7,559	2,399
2. Crude materials--inedible, except fuel	817,602	136,747	257,397
3. Mineral fuels, lubricants, etc	42,730	10,361	15,659
4. Oils and fats--animal and vegetable	34,990	11,327	22,422
5. Chemicals	661,371	175,772	223,389
6. Manufactured goods classified by chief material	271,657	44,006	41,136
7. Machinery and transportation equipment	817,551	180,962	170,730
8. Miscellaneous manufactured articles	268,648	63,556	55,387
9. Commodities and transactions not elsewhere classified	72,828	17,426	22,034
Total	5,067,626	1,553,718	1,598,446
U.S. imports:			
0. Food and live animals	287,051	83,515	86,898
1. Beverages and tobacco	50,551	12,768	10,506
2. Crude materials--inedible, except fuel	121,165	35,863	34,364
3. Mineral fuels, lubricants, etc	757,400	120,681	246,716
4. Oils and fats--animal and vegetable	1,552	196	869
5. Chemicals	330,848	93,719	124,172
6. Manufactured goods classified by chief material	638,285	141,702	229,999
7. Machinery and transportation equipment	153,443	36,634	51,299
8. Miscellaneous manufactured articles	1,216,717	282,987	443,109
9. Commodities and transactions not elsewhere classified	17,066	3,359	8,301
Total	3,574,079	811,423	1,236,233

1/ Albania, Bulgaria, China, Cuba, Czechoslovakia, East Germany, Hungary, Mongolia, North Korea, Poland, Romania, the U.S.S.R. (including Estonia, Latvia, and Lithuania), and Vietnam.

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

Note.--Because of rounding, figures may not add to totals shown.

82

Table A-2.--U.S. trade with China, by SITC Sections, 1983, January-March 1983, and January-March 1984

(In thousands of dollars)

SITC Section	1983	January-March 1983	January-March 1984
U.S. exports:			
0. Food and live animals	540,730	277,323	172,562
1. Beverages and tobacco	418	150	26
2. Crude materials--inedible, except fuel	297,773	55,389	92,733
3. Mineral fuels, lubricants, etc	496	214	150
4. Oils and fats--animal and vegetable	1	-	1
5. Chemicals	354,176	125,030	176,903
6. Manufactured goods classified by chief material	216,841	33,281	29,288
7. Machinery and transportation equipment	582,928	129,651	117,606
8. Miscellaneous manufactured articles	164,357	41,968	34,678
9. Commodities and transactions not elsewhere classified	5,498	938	2,014
Total	2,163,219	663,944	625,961
U.S. imports:			
0. Food and live animals	107,071	30,119	34,682
1. Beverages and tobacco	3,856	909	1,152
2. Crude materials--inedible, except fuel	96,610	29,078	25,554
3. Mineral fuels, lubricants, etc	419,644	78,381	89,625
4. Oils and fats--animal and vegetable	1,552	196	869
5. Chemicals	133,105	36,695	42,794
6. Manufactured goods classified by chief material	394,693	98,643	149,836
7. Machinery and transportation equipment	42,141	10,338	12,679
8. Miscellaneous manufactured articles	1,008,436	238,266	389,792
9. Commodities and transactions not elsewhere classified	10,418	2,349	7,106
Total	2,217,526	524,974	754,087

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

Note.--Because of rounding, figures may not add to totals shown.

83

Table A-3.--U.S. trade with the U.S.S.R., 1/ by SITC Sections, 1983, January-March 1983, and January-March 1984

(In thousands of dollars)

SITC Section	1983	January-March 1983	January-March 1984
U.S. exports:			
0. Food and live animals	1,194,996	546,497	516,957
1. Beverages and tobacco	874	72	-
2. Crude materials--inedible, except fuel	264,583	3,066	71,094
3. Mineral fuels, lubricants, etc	22,571	8,016	10,194
4. Oils and fats--animal and vegetable	21,507	8,798	20,983
5. Chemicals	239,398	44,918	37,532
6. Manufactured goods classified by chief material	29,729	5,489	4,012
7. Machinery and transportation equipment	149,452	32,234	36,067
8. Miscellaneous manufactured articles	76,422	16,021	15,714
9. Commodities and transactions not elsewhere classified	2,419	222	478
Total	2,001,951	665,334	713,030
U.S. imports:			
0. Food and live animals	17,488	1,991	6,185
1. Beverages and tobacco	11,744	2,947	1,504
2. Crude materials--inedible, except fuel	11,481	3,360	5,502
3. Mineral fuels, lubricants, etc	55,968	-	31,164
4. Oils and fats--animal and vegetable	1	-	-
5. Chemicals	144,417	45,350	56,612
6. Manufactured goods classified by chief material	88,031	11,712	29,419
7. Machinery and transportation equipment	3,382	542	723
8. Miscellaneous manufactured articles	6,259	504	2,327
9. Commodities and transactions not elsewhere classified	2,322	396	417
Total	341,093	66,802	133,852

1/ Includes Estonia, Latvia, and Lithuania.

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

Note.--Because of rounding, figures may not add to totals shown.

84

Table A-4.--U.S. trade with Eastern Europe, 1/ by SITC Sections, 1983, January-March 1983, and January-March 1984

(In thousands of dollars)

SITC Section	1983	January-March 1983	January-March 1984
U.S. exports:			
0. Food and live animals	321,173	82,122	98,071
1. Beverages and tobacco	21,763	7,337	2,373
2. Crude materials--inedible, except fuel	254,519	77,704	93,441
3. Mineral fuels, lubricants, etc	16,201	7	2,130
4. Oils and fats--animal and vegetable	13,482	2,529	1,438
5. Chemicals	67,351	5,689	8,869
6. Manufactured goods classified by chief material	25,080	5,235	7,833
7. Machinery and transportation equipment	84,964	18,986	17,042
8. Miscellaneous manufactured articles	27,638	5,516	4,869
9. Commodities and transactions not elsewhere classified	44,525	8,680	12,905
Total	876,695	213,806	248,971
U.S. imports:			
0. Food and live animals	162,492	51,405	46,031
1. Beverages and tobacco	34,951	8,912	7,842
2. Crude materials--inedible, except fuel	9,584	2,289	1,909
3. Mineral fuels, lubricants, etc	281,786	42,300	125,927
4. Oils and fats--animal and vegetable	-	-	-
5. Chemicals	53,305	11,674	24,767
6. Manufactured goods classified by chief material	154,109	31,344	50,744
7. Machinery and transportation equipment	107,919	25,754	37,898
8. Miscellaneous manufactured articles	202,014	44,215	50,986
9. Commodities and transactions not elsewhere classified	4,318	614	778
Total	1,010,479	218,508	346,882

1/ Bulgaria, Czechoslovakia, East Germany, Hungary, Poland, and Romania.

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

Note.--Because of rounding, figures may not add to totals shown.

85

Table A-5.--U.S. trade with Albania, by SITC Sections, 1983, January-March 1983, and January-March 1984

(In thousands of dollars)

SITC Section	1983	January-March 1983	January-March 1984
U.S. exports:			
0. Food and live animals	-	-	-
1. Beverages and tobacco	62	-	-
2. Crude materials--inedible, except fuel	588	588	-
3. Mineral fuels, lubricants, etc	3,463	2,124	3,185
4. Oils and fats--animal and vegetable	-	-	-
5. Chemicals	1	1	-
6. Manufactured goods classified by chief material	-	-	-
7. Machinery and transportation equipment	86	84	1
8. Miscellaneous manufactured articles	5	-	89
9. Commodities and transactions not elsewhere classified	-	-	-
Total	4,205	2,797	3,274
U.S. imports:			
0. Food and live animals	-	-	-
1. Beverages and tobacco	-	-	8
2. Crude materials--inedible, except fuel	2,018	758	382
3. Mineral fuels, lubricants, etc	2	-	-
4. Oils and fats--animal and vegetable	-	-	-
5. Chemicals	21	-	-
6. Manufactured goods classified by chief material	1,451	2	-
7. Machinery and transportation equipment	-	-	-
8. Miscellaneous manufactured articles	6	2	3
9. Commodities and transactions not elsewhere classified	-	-	-
Total	3,498	762	393

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

Note.--Because of rounding, figures may not add to totals shown.

98

Table A-6.--U.S. trade with Bulgaria, by SITC Sections, 1983, January-March 1983, and January-March 1984

(In thousands of dollars)

SITC Section	1983	January-March 1983	January-March 1984
U.S. exports:			
0. Food and live animals	22,889	4,127	37
1. Beverages and tobacco	13,435	5,270	62
2. Crude materials--inedible, except fuel	4,801	2,701	2,425
3. Mineral fuels, lubricants, etc	2	-	-
4. Oils and fats--animal and vegetable	-	-	-
5. Chemicals	13,344	571	1,767
6. Manufactured goods classified by chief material	604	41	114
7. Machinery and transportation equipment	5,777	1,134	2,365
8. Miscellaneous manufactured articles	4,470	1,801	363
9. Commodities and transactions not elsewhere classified	66	22	62
Total	65,389	15,666	7,194
U.S. imports:			
0. Food and live animals	2,362	687	228
1. Beverages and tobacco	27,264	6,168	5,859
2. Crude materials--inedible, except fuel	80	29	244
3. Mineral fuels, lubricants, etc	-	-	-
4. Oils and fats--animal and vegetable	-	-	-
5. Chemicals	1,184	359	198
6. Manufactured goods classified by chief material	141	2	1/
7. Machinery and transportation equipment	366	90	223
8. Miscellaneous manufactured articles	1,033	218	516
9. Commodities and transactions not elsewhere classified	335	18	83
Total	32,765	7,571	7,351

1/ Less than $500.

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

Note.--Because of rounding, figures may not add to totals shown.

87

Table A-7.--U.S. trade with Cuba, by SITC Sections, 1983, January-March 1983, and January-March 1984

(In thousands of dollars)

SITC Section	1983	January-March 1983	January-March 1984
U.S. exports:			
0. Food and live animals	-	-	-
1. Beverages and tobacco	-	-	-
2. Crude materials--inedible, except fuel	2	-	3
3. Mineral fuels, lubricants, etc	-	-	-
4. Oils and fats--animal and vegetable	-	-	-
5. Chemicals	435	133	85
6. Manufactured goods classified by chief material	5	-	-
7. Machinery and transportation equipment	38	-	3
8. Miscellaneous manufactured articles	122	15	11
9. Commodities and transactions not elsewhere classified	84	13	111
Total	688	161	212
U.S. imports:			
0. Food and live animals	-	-	-
1. Beverages and tobacco	-	-	-
2. Crude materials--inedible, except fuel	-	-	-
3. Mineral fuels, lubricants, etc	-	-	-
4. Oils and fats--animal and vegetable	-	-	-
5. Chemicals	-	-	-
6. Manufactured goods classified by chief material	-	-	-
7. Machinery and transportation equipment	-	-	-
8. Miscellaneous manufactured articles	1/	-	2
9. Commodities and transactions not elsewhere classified	-	-	1/
Total	1/	-	2

1/ Less than $500.

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

Note.--Because of rounding, figures may not add to totals shown.

88

Table A-8.--U.S. trade with Czechoslovakia, by SITC Sections, 1983, January-March 1983, and January-March 1984

(In thousands of dollars)

SITC Section	1983	January-March 1983	January-March 1984
U.S. exports:			
0. Food and live animals	7,107	6,899	86
1. Beverages and tobacco	42	28	12
2. Crude materials--inedible, except fuel	14,292	2,535	5,642
3. Mineral fuels, lubricants, etc	5	-	-
4. Oils and fats--animal and vegetable	-	-	-
5. Chemicals	17,749	330	717
6. Manufactured goods classified by chief material	3,372	724	779
7. Machinery and transportation equipment	9,793	1,611	1,453
8. Miscellaneous manufactured articles	4,061	465	758
9. Commodities and transactions not elsewhere classified	659	282	171
Total	57,079	12,874	9,618
U.S. imports:			
0. Food and live animals	5,491	4,454	5,914
1. Beverages and tobacco	1,206	241	263
2. Crude materials--inedible, except fuel	1,060	196	63
3. Mineral fuels, lubricants, etc	-	-	-
4. Oils and fats--animal and vegetable	-	-	-
5. Chemicals	3,022	303	342
6. Manufactured goods classified by chief material	24,205	5,800	7,210
7. Machinery and transportation equipment	7,861	1,695	3,730
8. Miscellaneous manufactured articles	19,267	5,126	4,125
9. Commodities and transactions not elsewhere classified	709	126	183
Total	62,821	17,941	21,831

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

Note.--Because of rounding, figures may not add to totals shown.

68

Table A-9.--U.S. trade with East Germany, by SITC Sections, 1983, January-March 1983, and January-March 1984

(In thousands of dollars)

SITC Section	1983	January-March 1983	January-March 1984
U.S. exports:			
0. Food and live animals	111,147	34,328	43,644
1. Beverages and tobacco	957	262	-
2. Crude materials--inedible, except fuel	5,105	340	219
3. Mineral fuels, lubricants, etc	9	-	-
4. Oils and fats--animal and vegetable	235	-	-
5. Chemicals	1,516	766	148
6. Manufactured goods classified by chief material	1,282	267	3,076
7. Machinery and transportation equipment	16,160	4,112	177
8. Miscellaneous manufactured articles	2,206	143	120
9. Commodities and transactions not elsewhere classified	299	68	37
Total	138,915	40,286	47,421
U.S. imports:			
0. Food and live animals	986	219	397
1. Beverages and tobacco	374	67	33
2. Crude materials--inedible, except fuel	976	158	237
3. Mineral fuels, lubricants, etc	1,308	364	202
4. Oils and fats--animal and vegetable	-	-	-
5. Chemicals	9,772	4,312	6,862
6. Manufactured goods classified by chief material	21,732	4,687	9,826
7. Machinery and transportation equipment	16,503	4,455	4,219
8. Miscellaneous manufactured articles	5,098	816	1,153
9. Commodities and transactions not elsewhere classified	190	42	53
Total	56,937	15,119	22,982

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

Note.--Because of rounding, figures may not add to totals shown.

90

Table A-10.--U.S. trade with Hungary, by SITC Sections, 1983, January-March 1983, and January-March 1984

(In thousands of dollars)

SITC Section	1983	January-March 1983	January-March 1984
U.S. exports:			
0. Food and live animals	51,585	12,080	9,185
1. Beverages and tobacco	1,121	457	-
2. Crude materials--inedible, except fuel	4,791	832	2,534
3. Mineral fuels, lubricants, etc	28	2	1
4. Oils and fats--animal and vegetable	3	-	-
5. Chemicals	10,768	653	1,885
6. Manufactured goods classified by chief material	8,068	1,442	980
7. Machinery and transportation equipment	27,607	3,816	7,156
8. Miscellaneous manufactured articles	4,615	1,576	484
9. Commodities and transactions not elsewhere classified	1,194	537	321
Total	109,781	21,395	22,545
U.S. imports:			
0. Food and live animals	37,262	10,948	11,384
1. Beverages and tobacco	2,122	1,123	735
2. Crude materials--inedible, except fuel	3,602	702	547
3. Mineral fuels, lubricants, etc	-	-	24
4. Oils and fats--animal and vegetable	-	-	-
5. Chemicals	10,683	3,098	3,156
6. Manufactured goods classified by chief material	19,390	5,776	5,795
7. Machinery and transportation equipment	40,655	9,272	19,596
8. Miscellaneous manufactured articles	39,993	8,204	12,081
9. Commodities and transactions not elsewhere classified	785	91	121
Total	154,493	39,212	53,439

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

Note.--Because of rounding, figures may not add to totals shown.

91

Table A-11.--U.S. trade with North Korea, by SITC Sections, 1983, January-March 1983, and January-March 1984

(In thousands of dollars)

SITC Section	1983	January-March 1983	January-March 1984
U.S. exports:			
0. Food and live animals	-	-	-
1. Beverages and tobacco	-	-	-
2. Crude materials--inedible, except fuel	-	-	-
3. Mineral fuels, lubricants, etc	-	-	-
4. Oils and fats--animal and vegetable	-	-	-
5. Chemicals	-	-	-
6. Manufactured goods classified by chief material	-	-	-
7. Machinery and transportation equipment	1	1	-
8. Miscellaneous manufactured articles	-	-	-
9. Commodities and transactions not elsewhere classified	-	-	-
Total	1	1	-
U.S. imports:			
0. Food and live animals	-	-	-
1. Beverages and tobacco	-	-	-
2. Crude materials--inedible, except fuel	-	-	-
3. Mineral fuels, lubricants, etc	-	-	-
4. Oils and fats--animal and vegetable	-	-	-
5. Chemicals	-	-	-
6. Manufactured goods classified by chief material	-	-	-
7. Machinery and transportation equipment	-	-	-
8. Miscellaneous manufactured articles	-	-	-
9. Commodities and transactions not elsewhere classified	-	-	-
Total	-	-	-

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

Note.--Because of rounding, figures may not add to totals shown.

92

Table A-12.--U.S. trade with Mongolia, by SITC Sections, 1983, January-March 1983, and January-March 1984

(In thousands of dollars)

SITC Section	1983	January-March 1983	January-March 1984
U.S. exports:			
0. Food and live animals	-	-	-
1. Beverages and tobacco	-	-	-
2. Crude materials--inedible, except fuel	-	-	-
3. Mineral fuels, lubricants, etc	-	-	-
4. Oils and fats--animal and vegetable	-	-	-
5. Chemicals	1	-	-
6. Manufactured goods classified by chief material	2	2	2
7. Machinery and transportation equipment	82	6	12
8. Miscellaneous manufactured articles	28	1	8
9. Commodities and transactions not elsewhere classified	9	2	3
Total	123	11	25
U.S. imports:			
0. Food and live animals	-	-	-
1. Beverages and tobacco	-	-	-
2. Crude materials--inedible, except fuel	1,472	378	1,017
3. Mineral fuels, lubricants, etc	-	-	-
4. Oils and fats--animal and vegetable	-	-	-
5. Chemicals	-	-	-
6. Manufactured goods classified by chief material	1	-	-
7. Machinery and transportation equipment	-	-	-
8. Miscellaneous manufactured articles	1	-	-
9. Commodities and transactions not elsewhere classified	9	-	-
Total	1,483	378	1,017

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

Note.--Because of rounding, figures may not add to totals shown.

93

Table A-13.--U.S. trade with Poland, by SITC Sections, 1983, January-March 1983, and January-March 1984

(In thousands of dollars)

SITC Section	1983	January-March 1983	January-March 1984
U.S. exports:			
0. Food and live animals	127,717	23,971	44,187
1. Beverages and tobacco	3,405	908	1,603
2. Crude materials--inedible, except fuel	88,102	25,001	25,523
3. Mineral fuels, lubricants, etc	9	3	3
4. Oils and fats--animal and vegetable	13,244	2,529	1,438
5. Chemicals	10,086	2,081	1,250
6. Manufactured goods classified by chief material	7,573	1,847	2,621
7. Machinery and transportation equipment	18,372	6,353	3,638
8. Miscellaneous manufactured articles	9,267	978	2,103
9. Commodities and transactions not elsewhere classified	42,097	7,679	12,166
Total	319,872	71,350	94,532
U.S. imports:			
0. Food and live animals	100,680	30,974	20,183
1. Beverages and tobacco	1,616	1,123	643
2. Crude materials--inedible, except fuel	1,413	365	157
3. Mineral fuels, lubricants, etc	-	-	-
4. Oils and fats--animal and vegetable	-	-	-
5. Chemicals	6,015	1,402	1,547
6. Manufactured goods classified by chief material	36,046	7,738	9,058
7. Machinery and transportation equipment	14,358	2,933	4,433
8. Miscellaneous manufactured articles	29,201	6,238	6,446
9. Commodities and transactions not elsewhere classified	1,312	264	166
Total	190,641	51,038	42,633

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

Note.--Because of rounding, figures may not add to totals shown.

94

Table A-14.--U.S. trade with Romania, by SITC Sections, 1983, January-March 1983, and January-March 1984

(In thousands of dollars)

SITC Section	1983	January-March 1983	January-March 1984
U.S. exports:			
0. Food and live animals	727	717	933
1. Beverages and tobacco	2,803	412	695
2. Crude materials--inedible, except fuel	137,428	46,297	57,098
3. Mineral fuels, lubricants, etc	16,148	2	2,127
4. Oils and fats--animal and vegetable	-	-	-
5. Chemicals	13,888	1,289	3,102
6. Manufactured goods classified by chief material	4,180	914	264
7. Machinery and transportation equipment	7,255	1,960	2,254
8. Miscellaneous manufactured articles	3,019	553	1,041
9. Commodities and transactions not elsewhere classified	211	92	148
Total	185,658	52,236	67,661
U.S. imports:			
0. Food and live animals	15,711	4,124	7,925
1. Beverages and tobacco	2,369	191	308
2. Crude materials--inedible, except fuel	2,454	839	661
3. Mineral fuels, lubricants, etc	280,478	41,936	125,701
4. Oils and fats--animal and vegetable	-	-	-
5. Chemicals	22,629	2,201	12,662
6. Manufactured goods classified by chief material	52,595	7,341	18,855
7. Machinery and transportation equipment	28,177	7,309	5,698
8. Miscellaneous manufactured articles	107,423	23,613	26,664
9. Commodities and transactions not elsewhere classified	987	73	171
Total	512,821	87,627	198,646

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

Note.--Because of rounding, figures may not add to totals shown.

95

Table A-15.--U.S. trade with Vietnam, by SITC Sections, 1983, January-March 1983, and January-March 1984

(In thousands of dollars)

SITC Section	1983	January-March 1983	January-March 1984
U.S. exports:			
0. Food and live animals	232	60	305
1. Beverages and tobacco	-	-	-
2. Crude materials--inedible, except fuel	137	-	126
3. Mineral fuels, lubricants, etc	-	-	-
4. Oils and fats--animal and vegetable	-	-	-
5. Chemicals	9	-	1
6. Manufactured goods classified by chief material	-	-	1
7. Machinery and transportation equipment	1	-	-
8. Miscellaneous manufactured articles	75	35	18
9. Commodities and transactions not elsewhere classified	20,293	7,570	6,523
Total	20,745	7,665	6,974
U.S. imports:			
0. Food and live animals	-	-	-
1. Beverages and tobacco	-	-	-
2. Crude materials--inedible, except fuel	-	-	-
3. Mineral fuels, lubricants, etc	-	-	-
4. Oils and fats--animal and vegetable	-	-	-
5. Chemicals	-	-	-
6. Manufactured goods classified by chief material	-	-	-
7. Machinery and transportation equipment	-	-	-
8. Miscellaneous manufactured articles	-	-	-
9. Commodities and transactions not elsewhere classified	-	-	-
Total	-	-	-

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

Note.--Because of rounding, figures may not add to totals shown.

96

APPENDIX B

LEADING ITEMS TRADED WITH THE NONMARKET ECONOMY COUNTRIES, 1983, JANUARY-MARCH 1983, AND JANUARY-MARCH 1984

Table B-1.--Leading items exported to nonmarket economy countries (NME's), 1/ by Schedule B Nos., 1983, January-March 1983, and January-March 1984

Schedule B No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
130.6540	Wheat, unmilled, not donated for relief or charity	$1,184,409	$591,048	$410,992
130.3465	Yellow corn, not donated for relief or charity	667,284	264,601	316,391
175.4100	Soybeans, other than seed for planting	282,218	41,200	74,331
480.8005	Diammonium phosphate fertilizer	99,820	43,917	65,212
200.3510	Douglas-fir logs and timber, rough	161,616	26,108	52,573
300.1060	Cotton, not carded, not combed, staple length 1 to 1-1/8 inches	62,802	-	45,461
184.5260	Soybean oil cake and oil-cake meal	121,520	22,878	33,606
480.7025	Phosphoric acid, 65 percent or more available phosphorus pentoxide equivalents	214,810	40,249	32,781
694.4062	Nonmilitary airplanes, new, multiple engine, over 33,000 pounds empty weight, passenger transports, n.s.p.f	80,182	39,182	32,000
120.1400	Cattle hides, whole	79,919	26,134	25,723
444.1700	Polypropylene resins, excluding amorphous or atactic polymers and copolymers	29,443	7,280	24,398
480.3000	Urea	32,706	5,443	17,732
818.3900	Products, n.e.s., donated for relief or charity	57,813	13,481	16,263
200.3514	Western hemlock logs and timber, rough	53,027	4,670	16,026
130.4040	Grain sorghum, other than seed for planting purposes	-	-	15,135
790.5510	Pressure-sensitive tape having a plastic backing	59,568	11,782	13,338
177.5640	Tallow, inedible	25,231	10,324	11,856
404.2280	Polycarboxylic acids, anhydrides, and their derivatives, n.s.p.f	1,906	1	10,802
444.1610	Polyethylene resins, low and medium density	16,902	3,206	10,375
480.9500	Fertilizers and fertilizer materials, n.s.p.f	32	-	9,493
	Total	3,231,208	1,151,503	1,234,488
	Total, U.S. exports to NME's	5,067,626	1,553,718	1,598,446

1/ Cuba, East Germany, Czechoslovakia, Hungary, Poland, the U.S.S.R., Albania, Romania, Bulgaria, Vietnam, China, Mongolia, and North Korea.

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

Note: Columns may not add to total because of rounding.

98

Table B-2.--Leading items imported from nonmarket economy countries (NME's), 1/ by TSUSA items, 1983, January-March 1983, and January-March 1984

TSUSA item No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
475.2520	Gasoline	$516,603	$112,335	$106,979
475.3500	Naphthas, derived from petroleum, etc., n.e.s	66,048	-	59,551
475.1015	Light fuel oils, testing 25 degrees A.P.I. or more, Saybolt Universal viscosity at 100 degrees F of less than 45 seconds	85,159	-	36,739
480.6540	Anhydrous ammonia	85,722	26,186	33,326
480.3000	Urea, n.e.s	49,798	15,197	28,243
107.3525	Canned hams and shoulders, 3 pounds and over	120,055	35,379	24,104
475.6530	Mixtures of hydrocarbons, n.s.p.f., in liquid form, other than condensate derived wholly from natural gas	-	-	23,600
360.1515	Floor coverings of wool, valued over 66-2/3 cents per square foot	51,374	14,036	23,441
605.0260	Palladium	42,031	5,634	18,567
475.1010	Crude petroleum, testing 25 degrees A.P.I. or more	68,682	7,980	16,265
383.9015	Women's blouses and shirts, n.e.s., man-made fibers, not knit	25,749	3,131	14,525
383.5395	Women's, girls' or infants' wearing apparel, not orn. or knit, of veg. fibers, not sub. to cotton, wool, mm fibers restraints	4,416	1,465	13,377
766.2560	Antiques, n.s.p.f	14,693	2,800	12,730
320.2032	Printcloth shirting, wholly of cotton, n.e.s. (average yarn number 20)	27,762	7,744	12,633
383.4761	Women's trousers and slacks of cotton, other than denim, corduroy and velveteen	21,458	9,562	10,363
755.1500	Fireworks	29,024	10,018	10,029
692.3288	Parts for motor vehicles, n.e.s	19,440	3,985	9,857
379.4050	Men's shirts, n.e.s., knit, cotton	21,031	6,801	9,139
379.9575	Men's trousers and slacks of man-made fibers, not knit	16,878	7,214	8,718
653.2200	Metal coins, n.e.s	9,658	4,134	8,208
	Total	1,275,582	273,602	480,392
	Total, U.S. imports from NME's	3,574,079	811,423	1,236,233

1/ Cuba, East Germany, Czechoslovakia, Hungary, Poland, the U.S.S.R., Albania, Romania, Bulgaria, Vietnam, China, Mongolia, and North Korea.

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

Note: Columns may not add to total because of rounding.

Table B-3.--Leading items exported to China, by Schedule B Nos., 1983, January-March 1983, and January-March 1984

Schedule B No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
130.6540	Wheat, unmilled, not donated for relief or charity	$377,686	$158,619	$172,446
480.8005	Diammonium phosphate fertilizer	99,820	43,917	65,212
200.3510	Douglas-fir logs and timber, rough	161,616	26,108	52,573
694.4062	Nonmilitary airplanes, new, multiple engine, over 33,000 pounds empty weight, passenger transports, n.s.p.f	80,182	39,182	32,000
444.1700	Polypropylene resins, excluding amorphous or atactic polymers and copolymers	29,443	7,280	24,398
480.3000	Urea	32,706	5,443	17,732
200.3514	Western hemlock logs and timber, rough	53,027	4,670	16,026
404.2280	Polycarboxylic acids, anhydrides, and their derivatives, n.s.p.f	1,906	1	10,802
444.1610	Polyethylene resins, low and medium density	16,893	3,206	10,374
309.4245	Acrylic and modacrylic fibers (in noncontinuous form)	11,932	5,452	8,319
664.0584	Parts, n.e.s., of oil and gas field drilling machines	32,963	4,527	8,199
692.1680	Special-purpose motor vehicles, nonmilitary, n.s.p.f	4,560	684	7,632
694.4034	Nonmilitary airplanes, rotary wing, new, 2,200 pounds empty weight and over	11,608	-	7,272
444.1620	Polyethylene resins, high density	30,021	10,922	7,142
252.7810	Unbleached kraft linerboard	31,567	5,222	6,519
310.0010	Textured yarns, of polyester	13,230	5,559	6,368
710.2820	Electrical (including electronic) geophysical instruments and apparatus, and parts thereof	34,904	9,350	6,218
404.2250	Terephthalic acid dimethyl ester (dimethyl terephthalate)	1,887	-	5,994
444.2010	Acrylonitrile-butadiene-styrene (ABS) resins	10,065	2,817	5,899
649.5040	Rock drilling bits, core bits, and reamers, other than percussion rock drill bits	23,458	8,367	5,538
	Total	1,059,474	341,326	476,662
	Total, U.S. exports to China	2,163,219	663,944	625,961

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

Note: Columns may not add to total because of rounding.

100

Table B-4.--Leading items imported from China, by TSUSA items, 1983, January-March 1983, and January-March 1984

TSUSA item No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
475.2520	Gasoline	$308,895	$70,400	$63,975
360.1515	Floor coverings of wool, valued over 66-2/3 cents per square foot	47,451	13,592	22,367
475.1010	Crude petroleum, testing 25 degrees A.P.I. or more	68,682	7,980	16,265
383.9015	Women's blouses and shirts, n.e.s., man-made fibers, not knit	25,749	3,131	14,522
320.2032	Printcloth shirting, wholly of cotton, n.e.s. (average yarn number 20)	27,762	7,744	12,633
766.2560	Antiques, n.s.p.f	13,503	2,627	12,439
383.4761	Women's trousers and slacks of cotton, other than denim, corduroy and velveteen	21,354	9,528	10,358
383.5395	Women's, girls' or infants' wearing apparel, not orn. or knit, of veg. fibers, not sub. to cotton, wool, mm fibers restraints	3,912	1,408	10,319
755.1500	Fireworks	29,024	10,018	10,029
379.9575	Men's trousers and slacks of man-made fibers, not knit	16,331	7,207	8,410
653.2200	Metal coins, n.e.s	8,824	3,708	8,111
379.4050	Men's shirts, n.e.s., knit, cotton	18,233	5,464	8,059
366.2460	Terry towels of cotton, of pile or tufted construction, valued over $1.45 per pound	8,890	4,872	7,434
472.1000	Barytes ore, crude	26,200	10,156	7,023
144.2053	Mushrooms otherwise prepared or preserved in containers each holding more than 9 ounces, other than whole or sliced	1/ 18,651	1/ 6,007	1/ 6,863
379.6240	Men's trousers and slacks other than denim, including brushed denim and corduroy	10,573	4,878	6,800
320.1038	Sheeting, wholly of cotton, carded (average yarn number 10)	14,060	2,328	6,488
475.3500	Naphthas, derived from petroleum, etc., n.e.s	42,031	-	6,029
383.4709	Women's wearing apparel, other than blouses of cotton, not knit	13,763	3,268	5,830
222.4000	Baskets and bags of bamboo	16,242	3,799	5,179
	Total	740,130	178,118	249,131
	Total, U.S. imports from China	2,217,526	524,974	754,087

1/ Includes imports entered under TSUSA item 922.5653 as well as those entered under TSUSA item 144.2053. Item 922.5653 was created April 9, 1982, as a temporary tariff provision modification for selected items which formerly entered under item 144.2053. For comparability throughout the time periods presented, the numbers in the table represent aggregated data for imports entering under the two numbers. During the year 1983, $3,334,534 entered under item 144.2053 and $15,316,863 entered under item 922.5653. For January-March 1983, $976,724 entered under 144.2053 and $5,029,826 entered under item 922.5653, while for January-March 1984, $6,862,571 entered under item 144.2053 and there were no imports entered under item 922.5653.

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

Note: Columns may not add to total because of rounding.

Table B-5.--Leading items exported to the U.S.S.R., 1/ by Schedule B Nos., 1983, January-March 1983, and January-March 1984

Schedule B No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
130.3465	Yellow corn, not donated for relief or charity	$390,915	$113,622	$281,002
130.6540	Wheat, unmilled, not donated for relief or charity	800,584	432,429	235,788
300.1060	Cotton, not carded, not combed, staple length 1 to 1-1/8 inches	61,338	-	43,326
480.7025	Phosphoric acid, 65 percent or more available phosphorus pentoxide equivalents	214,810	40,249	32,781
175.4100	Soybeans, other than seed for planting	157,162	-	14,039
790.5510	Pressure-sensitive tape having a plastic backing	58,650	11,757	13,009
177.5640	Tallow, inedible	21,505	8,798	11,856
176.2520	Linseed oil, crude	-	-	9,127
664.0586	Parts, n.e.s., of boring and drilling machines	12,978	7,108	7,435
120.1400	Cattle hides, whole	10,575	2,988	6,602
475.4555	Insulating or transformer oils	13,923	5,634	5,243
517.5120	Petroleum coke, calcined	3,125	1,725	4,950
446.1561	Synthetic rubber, not containing fillers, pigments, or rubber-processing chemicals, n.s.p.f	8,191	-	3,134
660.5460	Parts of industrial gas turbines	17,144	928	2,855
664.0591	Parts, n.e.s., of levelling, boring, and extracting machinery, n.s.p.f	5,166	1,198	2,673
692.3840	Parts of tractors, other than tracklaying tractors	14,628	6,075	2,615
692.3820	Parts of tracklaying tractors	16,220	764	2,599
664.0513	Drilling and boring machines, n.e.s., including percussion type rock drills	1,757	454	2,252
601.6100	Zinc ore	-	-	2,235
660.3040	Parts, n.s.p.f., of steam turbines	1,943	-	1,896
	Total	1,810,614	633,728	685,418
	Total, U.S. exports to the U.S.S.R	2,001,951	665,334	713,030

1/ Includes Estonia, Latvia, and Lithuania.

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

Note: Columns may not add to total because of rounding.

102

Table B-6.--Leading items imported from the U.S.S.R., 1/ by TSUSA items, 1983, January-March 1983, and January-March 1984

TSUSA item No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
480.6540	Anhydrous ammonia	$85,722	$26,186	$33,326
475.1015	Light fuel oils, testing 25 degrees A.P.I. or more, Saybolt Universal viscosity at 100 degrees F of less than 45 seconds	48,913	-	31,164
480.3000	Urea, n.e.s	38,913	15,197	19,229
605.0260	Palladium	41,849	5,634	18,430
605.0750	Palladium bars, plates, etc	4,343	571	5,883
114.3000	Crabs, n.e.s	12,790	1,497	5,644
124.1045	Sable furskins, whole, undressed	7,803	2,879	3,570
480.5000	Potassium chloride, crude	4,134	2,288	2,345
765.0300	Paintings, pastels, drawings, and sketches, executed by hand	3,102	53	1,904
606.3546	Ferrosilicon, containing over 30% but not over 60% by weight of silicon, except, over 2% by wt. of magnesium	2,804	-	1,319
605.0710	Platinum bars, plates, etc	2,356	220	1,319
169.3800	Vodka, in containers holding not over 1 gallon, valued over $7.75 per gallon	9,883	2,525	1,209
480.0500	Limestone, crude, broken or crushed when imported to be used in the manufacture of fertilizer	2,210	-	1,205
401.7415	Ortho-xylene	-	-	889
245.2020	Hardboard, valued over $96.66-2/3 per short ton, n.s.p.f	1,359	228	552
605.0220	Platinum sponge	3,003	605	422
618.1000	Aluminum waste and scrap	-	-	422
420.9800	Sodium compounds, chromate and dichromate	1,013	424	342
113.3000	Sturgeon roe	788	218	324
605.0760	Rhodium	1,478	-	308
	Total	272,466	58,525	129,805
	Total, U.S. imports from the U.S.S.R	341,093	66,802	133,852

1/ Includes Estonia, Latvia, and Lithuania.

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

Note: Columns may not add to total because of rounding.

Table B-7.--Leading items exported to Eastern Europe, 1/ by Schedule B Nos., 1983, January-March 1983, and January-March 1984

Schedule B No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
175.4100	Soybeans, other than seed for planting	$125,056	$41,200	$60,291
130.3465	Yellow corn, not donated for relief or charity	118,231	34,265	35,389
184.5260	Soybean oil cake and oil-cake meal	121,520	22,878	33,606
120.1400	Cattle hides, whole	65,428	20,412	18,910
130.4040	Grain sorghum, other than seed for planting purposes	-	-	15,135
818.3900	Products, n.e.s., donated for relief or charity	40,648	7,423	10,674
480.9500	Fertilizers and fertilizer materials, n.s.p.f	32	-	9,493
130.1040	Barley, other than for malting purposes	7,002	-	7,045
130.6540	Wheat, unmilled, not donated for relief or charity	6,139	-	2,758
692.3840	Parts of tractors, other than tracklaying tractors	3,879	1,081	2,309
605.5660	Platinum products n.s.p.f., not rolled, including alloys of platinum and gold- or silver-plated platinum	16	16	2,208
521.3110	Low volatile bituminous coal	16,145	-	2,111
404.0580	Hydrocarbons, except derivatives, n.e.s	657	-	1,822
676.5560	Parts of automatic data processing machines and units thereof, n.s.p.f	4,992	1,056	1,545
818.8000	Shipments valued $10,000 and under, not identified by kind	-	-	1,525
818.3100	Food products, n.s.p.f., donated for relief or charity	4,876	768	1,328
177.7390	Animal oils, fats, and greases, n.s.p.f	1,607	-	1,305
170.3340	Burley cigarette leaf filler tobacco, stemmed	5,321	3,550	1,267
170.6500	Cigarettes	6,204	1,344	1,091
818.4000	Used wearing apparel and other used articles, of textile materials, exported in bulk	3,549	1,117	1,086
	Total	531,301	135,111	210,898
	Total, U.S. exports to Eastern Europe	876,695	213,806	248,971

1/ East Germany, Czechoslovakia, Hungary, Poland, Romania, and Bulgaria.

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

Note: Columns may not add to total because of rounding.

104

Table B-8.--Leading items imported from Eastern Europe, 1/ by TSUSA items, 1983, January-March 1983, and January-March 1984

TSUSA item No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
475.3500	Naphthas, derived from petroleum, etc., n.e.s	$24,017	-	$53,522
475.2520	Gasoline	207,709	41,936	43,004
107.3525	Canned hams and shoulders, 3 pounds and over	119,996	35,379	24,104
475.6530	Mixtures of hydrocarbons, n.s.p.f., in liquid form, other than condensate derived wholly from natural gas	-	-	23,600
692.3288	Parts for motor vehicles, n.e.s	18,740	3,778	9,836
480.3000	Urea, n.e.s	10,885	-	9,014
192.2520	Hops, not in pellets	5,733	5,462	6,722
130.3000	Seed corn or maize, certified	-	-	5,700
475.1015	Light fuel oils, testing 25 degrees A.P.I. or more, Saybolt Universal viscosity at 100 degrees F of less than 45 seconds	36,246	-	5,575
170.2800	Cigarette leaf, not stemmed, oriental or turkish type, not over 8.5 inches	25,835	5,870	5,500
618.2563	Sheets and strip, not clad, other than alloyed aluminum in coils, unpainted, over .008 but not .017 inch in thickness	-	-	4,559
480.5000	Potassium chloride, crude	8,557	3,829	4,244
379.9565	Men's suits, n.e.s., man-made fibers	3,314	1,278	4,233
686.9030	Lamps n.e.s., including standard household	10,707	3,082	4,028
700.4540	Women's footwear, of leather, cement soles, valued over $2.50 per pair	21,439	3,845	3,679
692.3406	Agricultural tractors, power takeoff horsepower of 40 or more but less than 80	5,653	1,339	3,630
692.3460	Parts for agricultural tractors	3,094	697	3,452
335.9500	Woven fabrics, n.s.p.f., of vegetable fibers, n.e.s., weighing over 4 ounces per square yard	6,063	1,717	3,418
383.5395	Women's, girls' or infants' wearing apparel, not orn. or knit, of veg. fibers, not sub. to cotton, wool, mm fibers restraints	504	57	3,058
608.1330	Sheets of iron or steel, valued over 10 cents per lb, zinc coated, other than a minimum 40,000 lbs psi	1,355	15	2,651
	Total	509,849	108,284	223,526
	Total, U.S. imports from Eastern Europe	1,010,479	218,508	346,882

1/ East Germany, Czechoslovakia, Hungary, Poland, Romania, and Bulgaria.

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

Note: Columns may not add to total because of rounding.

105

Table B-9.--Leading items exported to Albania, by Schedule B Nos., 1983, January-March 1983, and January-March 1984

Schedule B No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
521.3110	Low volatile bituminous coal	$1,339	-	$3,185
710.2820	Electrical (including electronic) geophysical instruments and apparatus, and parts thereof	-	-	89
685.2007	Television receivers, monochrome	-	-	1
	Total	1,339	-	3,274
	Total, U.S. exports to Albania	4,205	2,797	3,274

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

Note: Columns may not add to total because of rounding.

106

Table B-10.--Leading items imported from Albania, by TSUSA items, 1983, January-March 1983, and January-March 1984

TSUSA item No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
161.9400	Sage, unground	$1,547	$486	$382
167.3015	White wine not over 14 percent alcohol, valued not over $4 per gallon, in containers not over 1 gallon	-	-	8
653.2200	Metal coins, n.e.s	6	2	3
	Total	1,552	488	393
	Total, U.S. imports from Albania	3,498	762	393

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

Note: Columns may not add to total because of rounding.

107

Table B-11.--Leading items exported to Bulgaria, by Schedule B Nos., 1983, January-March 1983, and January-March 1984

Schedule B No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
120.1400	Cattle hides, whole	$788	-	$2,410
678.5065	Machines n.s.p.f. for production and assembly of semiconductor devices, diodes, transistors, and circuits, and parts	617	4	774
404.0560	Styrene (monomer)	-	-	604
486.8900	Herbicide preparations, n.e.s	89	89	572
674.2005	Hot rolling mills, except tube rolling, for nonferrous metals, and parts thereof	15	15	470
486.2900	Insecticides, unmixed, n.e.s	211	6	400
661.9880	Parts, n.s.p.f., of filtering and purifying machinery and apparatus for liquids or gases	496	24	317
678.3560	Parts of machines used for molding or otherwise forming rubber or plastics articles, other than tire-building machines	28	7	162
687.6047	Mos (metal oxide silicon) monolithic integrated circuits, other than linear, n.s.p.f	263	83	123
711.8750	Electrical (including electronic) physical analysis equipment, n.s.p.f., and parts thereof	827	230	121
531.2730	Refractory and heat-insulating clay bricks n.s.p.f., including clay fire brick and shapes, and plastic fire brick	-	-	83
170.3340	Burley cigarette leaf filler tobacco, stemmed	5,321	3,550	62
661.3598	Parts n.s.p.f. of refrigeration equipment	-	-	61
435.2300	Antibiotics, n.e.s. (bulk)	19	-	60
818.9000	General merchandise, valued not over $500	50	15	60
442.2500	Pharmaceutical preparations acting on the blood or on the cardiovascular system, for human use	158	51	53
709.6340	X-ray apparatus n.s.p.f., and parts thereof	328	-	52
722.3640	Parts, n.s.p.f., of photographic cameras (other than motion picture cameras), photographic enlargers, and camera-enlargers	9	-	49
724.4440	Sound recordings n.s.p.f. produced mechanically or magnetically, and nonsound magnetic recordings (including computer programs)	-	-	49
683.9540	Parts of industrial and laboratory electric furnaces and ovens, and of electric induction and dielectric heating equipment	40	-	48
	Total	9,258	4,074	6,529
	Total, U.S. exports to Bulgaria	65,389	15,666	7,194

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

Note: Columns may not add to total because of rounding.

108

Table B-12.--Leading items imported from Bulgaria, by TSUSA items, 1983, January-March 1983, and January-March 1984

TSUSA item No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
170.2800	Cigarette leaf, not stemmed, oriental or turkish type, not over 8.5 inches	$25,835	$5,870	$5,500
117.6700	Pecorino cheese, not for grating	2,194	593	210
167.3005	Red wine not over 14 percent alcohol, valued not over $4 per gallon, in containers not over 1 gallon	610	150	172
676.0530	Typewriters, nonelectric, nonautomatic, portable	-	-	169
124.1025	Mink furskins, except "Japanese mink," undressed	-	-	160
700.3550	Men's footwear, of leather, n.e.s., cement soles	193	-	156
167.3015	White wine not over 14 percent alcohol, valued not over $4 per gallon, in containers not over 1 gallon	503	75	153
452.6000	Rose oil or attar of roses	856	192	114
379.8355	Men's wool suits, not knit, not ornamented	67	23	109
379.8318	Men's and boys' other separate coats of wool, not knit, valued $4 per pound	211	13	83
383.7205	Women's, girls' or infants' coats, 3/4 length or longer, of wool, not knit, valued over $4 per pound	37	-	58
379.4640	Men's sportcoats and jackets, n.e.s., cotton	-	-	57
309.6625	Waste, and advanced waste, of man-made fibers, not advanced, of nylon	-	-	54
439.1090	Natural drugs, n.e.s., crude	257	144	49
379.8311	Men's suit-type coats and jackets made of wool, not knit valued over $4 per pound	196	-	45
383.7550	Women's suits, n.e.s., not knit, wool	-	-	42
452.3200	Lavender and spike lavender oil	-	-	32
379.7900	Men's wearing apparel, other than coats, jackets, suits, shirts, trousers and shorts, valued over $4 per lb, of wool, not knit	4	-	27
167.3045	Still wine produced from grapes, not over 14% alcohol, in one gallon containers valued over $4 per gallon, white	84	4	25
676.5000	Typewriter parts	-	-	25
	Total	31,048	7,065	7,240
	Total, U.S. imports from Bulgaria	32,765	7,571	7,351

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

Note: Columns may not add to total because of rounding.

Table B-13.--Leading items exported to Cuba, by Schedule B Nos., 1983, January-March 1983, and January-March 1984

Schedule B No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
818.3900	Products, n.e.s., donated for relief or charity	$84	$13	$97
818.3300	Medicinal and pharmaceutical products donated for relief or charity	435	133	85
818.9000	General merchandise, valued not over $500	-	-	11
818.3400	Wearing apparel donated for relief or charity	117	15	11
818.8000	Shipments valued $10,000 and under, not identified by kind	-	-	3
818.4000	Used wearing apparel and other used articles, of textile materials, exported in bulk	2	-	3
660.5252	Parts of aircraft engines designed for use in civil aircraft	-	-	3
	Total	639	161	212
	Total, U.S. exports to Cuba	688	161	212

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

Note: Columns may not add to total because of rounding.

110

Table B-14.--Leading items imported from Cuba, by TSUSA items, 1983, January-March 1983, and January-March 1984

TSUSA item No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
653.2200	Metal coins, n.e.s	1/	-	$2
	Total	1/	-	2
	Total, U.S. imports from Cuba	1/	-	2

1/ Trade less than $500.

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

Note: Columns may not add to total because of rounding.

111

Table B-15.--Leading items exported to Czechoslovakia, by Schedule B Nos., 1983, January-March 1983, and January-March 1984

Schedule B No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
120.1400	Cattle hides, whole	$13,451	$2,185	$5,481
674.3045	Metalworking machine tools, for cutting or hobbing gears, new, n.s.p.f	-	-	443
660.9490	Parts and attachments, n.s.p.f., for pumps for liquids	13	-	416
207.0035	Wooden pencil slats	1,210	339	389
486.2900	Insecticides, unmixed, n.e.s	645	113	280
790.5510	Pressure-sensitive tape having a plastic backing	771	4	236
540.4200	Glass rods, tubes, and tubing	604	99	193
309.0170	Monofilaments (in continuous form), n.e.s	587	138	146
124.1527	Muskrat furskins, whole, undressed	466	245	130
712.5040	Instruments n.e.s. for measuring or testing electrical characteristics, and parts thereof	265	-	103
442.2500	Pharmaceutical preparations acting on the blood or on the cardiovascular system, for human use	2	1	96
682.9520	Primary cells and primary batteries	346	94	94
472.6500	Pigment mixtures, not containing lead, n.s.p.f	26	-	85
818.9000	General merchandise, valued not over $500	270	48	84
192.3200	Hop extract and lupulin	-	-	80
404.1870	Alcohols, phenols, and their derivatives, n.s.p.f	1/	1/	72
685.6052	Radio navigational aid apparatus (except radar), not for civil aircraft, other than parts and reception only apparatus	272	155	64
710.8900	Optical measuring or checking instruments and appliances, n.s.p.f., and parts thereof, n.s.p.f	18	-	61
709.1670	Electro-medical apparatus, n.s.p.f	33	8	53
433.1056	Laboratory reagent preparations, organic and inorganic	109	11	41
	Total	19,087	3,440	8,546
	Total, U.S. exports to Czechoslovakia	57,079	12,874	9,618

1/ Schedule B number 404.1870 was created along with number 404.1850 from former numbers 404.1840 and 404.1860 on January 1, 1984.

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

Note: Columns may not add to total because of rounding.

Table B-16.--Leading items imported from Czechoslovakia, by TSUSA items, 1983, January-March 1983, and January-March 1984

TSUSA item No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
192.2520	Hops, not in pellets	$2,931	$2,659	$5,701
692.3406	Agricultural tractors, power takeoff horsepower of 40 or more but less than 80	1,186	34	1,785
700.2940	Welt work footwear, of leather, valued over $6.80 per pair	5,103	1,506	1,242
607.1700	Wire rods, of iron or steel, not tempered or treated, valued over 4 cents per pound	3,781	1,495	1,064
772.5138	Truck and bus tires, other than radial	2,809	170	623
335.9500	Woven fabrics, n.s.p.f., of vegetable fibers, n.e.s., weighing over 4 ounces per square yard	1,004	183	549
700.2960	Men's welt footwear, of leather, n.e.s., valued over $6.80 per pair	983	117	510
741.3500	Imitation gemstones, except imitation gemstone beads	1,163	346	481
772.5112	Passenger car tires other than radial	732	140	429
772.5109	Passenger car tires, radial	1,860	570	399
741.3000	Beads, bugles, and spangles, n.e.s	1,114	294	369
546.6020	Glass tumblers, etc., valued over $0.30 but not over $3 each	2,263	551	333
772.5136	Truck and bus tires, radial	1,442	469	325
668.2100	Offset printing presses, weighing 3,500 pounds or more, sheet-fed type	655	197	300
772.5129	Tires for light trucks, other than radials	1,191	60	298
670.1600	Circular knitting machines for hosiery	307	-	282
727.1500	Furniture and parts, of bentwood	947	289	278
167.0515	Ale, porter, stout, and beer, glass containers, not over 1 gallon	1,147	223	253
336.6249	Worsteds, valued over $2 but not over $9 per pound	67	-	249
607.8360	Sheets, not clad, pickled or cold rolled, not annealed and having a minimum yield point of 40,000 psi	-	-	243
	Total	30,685	9,303	15,713
	Total, U.S. imports from Czechoslovakia	62,821	17,941	21,831

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

Note: Columns may not add to total because of rounding.

113

Table B-17.--Leading items exported to East Germany, by Schedule B Nos., 1983, January-March 1983, and January-March 1984

Schedule B No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
130.3465	Yellow corn, not donated for relief or charity	$82,864	$34,265	$21,422
130.4040	Grain sorghum, other than seed for planting purposes	-	-	15,135
130.1040	Barley, other than for malting purposes	7,002	-	7,045
605.5660	Platinum products n.s.p.f., not rolled, including alloys of platinum and gold- or silver-plated platinum	-	-	2,208
544.1000	Flat glass (including cast, rolled, drawn, or blown glass, and float glass) n.e.s., subjected to cutting or processing	-	-	354
540.4200	Glass rods, tubes, and tubing	95	-	275
355.0740	Textile webs, batting, and non-woven fabrics, of manmade fibers, n.e.s	276	95	157
472.5000	Titanium dioxide pigments	-	-	128
668.5060	Parts, n.s.p.f., for printing presses	140	140	119
274.3000	Calendars of paper (including calendar blocks)	-	-	84
250.0281	Wood pulp, sulphate and soda, bleached, softwood, n.e.s	-	-	79
309.4242	Polyester fibers (in noncontinuous form)	149	86	60
310.0029	Nylon yarns, other than high tenacity	230	74	54
110.4659	Salmon n.s.p.f., fresh, chilled or frozen, whole or eviscerated	-	-	41
309.3255	Grouped filaments and strips (in continuous form), of acrylic and modacrylic fibers, 10,000 denier and over	93	-	41
300.3021	Cotton linters, n.e.s	526	82	39
818.9000	General merchandise, valued not over $500	299	68	27
660.1526	Parts n.s.p.f. of economizers and other machinery for use with vapor generating boilers, and of condensers for vapor engines	-	-	23
687.6053	Hybrid integrated circuits	-	-	21
630.6020	Tantalum powder	2	-	17
	Total	91,675	34,810	47,330
	Total, U.S. exports to East Germany	138,915	40,286	47,421

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

Note: Columns may not add to total because of rounding.

114

Table B-18.--Leading items imported from East Germany, by TSUSA items, 1983, January-March 1983, and January-March 1984

TSUSA item No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
480.5000	Potassium chloride, crude	$8,557	$3,829	$4,244
480.3000	Urea, n.e.s	-	-	2,271
608.1330	Sheets of iron or steel, valued over 10 cents per lb, zinc coated, other than a minimum 40,000 lbs psi	839	8	1,982
772.5109	Passenger car tires, radial	5,565	1,668	1,420
607.8360	Sheets, not clad, pickled or cold rolled, not annealed and having a minimum yield point of 40,000 psi	447	13	790
607.6625	Plates not pickled and not cold rolled other than alloy iron or steel over 6 inches in thickness	-	-	775
668.2100	Offset printing presses, weighing 3,500 pounds or more, sheet-fed type	3,125	393	736
607.1700	Wire rods, of iron or steel, not tempered or treated, valued over 4 cents per pound	224	-	643
772.5112	Passenger car tires other than radial	2,356	830	529
676.0510	Typewriters, electric, nonautomatic, portable	2,743	1,149	468
668.2345	Printing presses, not letter or offset	2,288	769	426
772.5136	Truck and bus tires, radial	2,427	564	423
121.5000	Pig and hog leather	698	87	399
662.1040	Machines for packaging pipe tobacco and wrapping cigarette packages	-	-	388
668.5060	Parts of printing presses	1,260	191	378
119.5500	Chicken eggs in the shell, fresh, frozen, prepared or preserved	-	-	333
772.5129	Tires for light trucks, other than radials	1,151	230	304
687.8505	Parts of semiconductors, wafers, without circuits or devices thereon	-	-	226
534.1100	Ceramic statues, etc., valued over $2.50 each	176	128	224
772.5127	Radial tires for light trucks	1,107	91	220
	Total	32,964	9,951	17,177
	Total, U.S. imports from East Germany	56,937	15,119	22,982

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

Note: Columns may not add to total because of rounding.

Table B-19.--Leading items exported to Hungary, by Schedule B Nos., 1983, January-March 1983, and January-March 1984

Schedule B No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
184.5260	Soybean oil cake and oil-cake meal	$50,795	$11,960	$8,855
692.3840	Parts of tractors, other than tracklaying tractors	3,549	895	2,130
120.1400	Cattle hides, whole	2,849	251	1,207
435.3300	Corticosteroids, n.s.p.f. (bulk)	685	-	990
666.0059	Agricultural and horticultural machinery and implements, n.s.p.f	245	245	951
674.3598	Other new (including container making) metal-forming machine tools valued at least $2,500 each, n.e.s	-	-	877
660.4872	Gasoline engines, not aircraft, automobile, or marine, under 6 brake horsepower	-	-	655
540.4200	Glass rods, tubes, and tubing	2,280	711	431
692.2903	Axles for motor vehicles other than truck trailers	178	126	419
124.1527	Muskrat furskins, whole, undressed	35	-	411
300.1060	Cotton, not carded, not combed, staple length 1 to 1-1/8 inches	-	-	323
692.2985	Parts, n.s.p.f., of motor vehicles	317	57	284
660.9430	Centrifugal pumps, single-stage-single-suction, close-coupled, with discharge outlet under 2 inches in diameter	259	106	273
666.0068	Parts, n.s.p.f., for haying machines	517	79	223
423.1090	Inorganic chemical compounds, n.s.p.f	30	1	213
123.0000	Whole skins of sheep and lamb, not dressed, if suitable for use as furs	359	-	200
120.1755	Cattle hides cut into croupons, crops, dossets, sides, butts, or butt bends	10	-	196
818.8000	Shipments valued $10,000 and under, not identified by kind	-	-	142
120.1740	Kip skins, whole	448	52	130
130.4020	Grain sorghum, seed	27	27	120
	Total	62,581	14,511	19,031
	Total, U.S. exports to Hungary	109,781	21,395	22,545

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

Note: Columns may not add to total because of rounding.

116

Table B-20.--Leading items imported from Hungary, by TSUSA items, 1983, January-March 1983, and January-March 1984

TSUSA item No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
692.3288	Parts for motor vehicles, n.e.s	$18,442	$3,686	$9,810
107.3525	Canned hams and shoulders, 3 pounds and over	27,522	7,634	6,317
686.9030	Lamps n.e.s., including standard household	8,971	2,736	3,445
692.3460	Parts for agricultural tractors	2,185	264	3,074
700.4540	Women's footwear, of leather, cement soles, valued over $2.50 per pair	10,842	2,400	2,917
618.2563	Sheets and strip, not clad, other than alloyed aluminum in coils, unpainted, over .008 but not .017 inch in thickness	-	-	1,827
165.1500	Apple and pear juice, not containing over 1 percent alcohol	2,168	786	1,586
107.3040	Bacon, not boned and cooked	3,172	965	880
379.8735	Men's wearing apparel, n.e.s., silk, not knit	1,489	644	879
379.9565	Men's suits, n.e.s., man-made fibers	951	104	874
130.3000	Seed corn or maize, certified	-	-	871
692.0440	Motor buses, n.s.p.f. (including diesel)	3,367	-	762
439.5030	Anti-infective agents	909	-	762
379.8355	Men's wool suits, not knit, not ornamented	2,009	283	592
661.9500	Centrifuges, filtering and purifying machinery, except cast iron parts	1,508	471	516
383.9060	Women's suits, man-made fibers, not knit, n.e.s	961	113	513
612.3982	Brass strips under 1/16 inch in thickness	1,727	322	500
708.4520	Sunglasses and sungoggles, valued over $2.50 per dozen	165	135	498
437.3000	Antibiotics, natural and not artificially mixed	62	-	423
119.5500	Chicken eggs in the shell, fresh, frozen, prepared or preserved	-	-	377
	Total	86,450	20,544	37,422
	Total, U.S. imports from Hungary	154,493	39,212	53,439

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

Note: Columns may not add to total because of rounding.

117

Table B-21.--Leading items exported to Mongolia, by Schedule B Nos., 1983, January-March 1983, and January-March 1984

Schedule B No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
661.7640	Parts of centrifuges	-	-	$7
274.9540	Printed matter, n.s.p.f	-	-	6
709.1690	Parts of electro-medical apparatus	-	-	6
818.9000	General merchandise, valued not over $500	-	-	2
709.3000	Medical, dental, surgical, and veterinary instruments and apparatus, n.s.p.f., and parts thereof	-	-	2
774.5020	Articles n.s.p.f., of rubber or plastics	2	2	1
818.3900	Products, n.e.s., donated for relief or charity	9	2	1
649.2800	Saw blades n.s.p.f. for mechanical or non-mechanical saws	-	-	1
	Total	11	4	25
	Total, U.S. exports to Mongolia	123	11	25

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

Note: Columns may not add to total because of rounding.

118

Table B-22.--Leading items imported from Mongolia, by TSUSA items, 1983, January-March 1983, and January-March 1984

TSUSA item No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
306.4293	Camel hair, sorted, etc	$706	$201	$495
306.4192	Camel hair, not sorted, etc	642	177	321
306.6200	Cashmere goat hair, sorted, etc	113	-	202
	Total	1,461	378	1,017
	Total, U.S. imports from Mongolia	1,483	378	1,017

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

Note: Columns may not add to total because of rounding.

119

Table B-23.--Leading items exported to North Korea, by Schedule B Nos., 1983, January-March 1983, and January-March 1984

Schedule B No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
	Total	-	-	-
	Total, U.S. exports to North Korea	1	1	-

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

Note: Columns may not add to total because of rounding.

120

Table B-24.--Leading items imported from North Korea, by TSUSA items, 1983, January-March 1983, and January-March 1984

TSUSA item No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
	Total	-	-	-
	Total, U.S. imports from North Korea	-	-	-

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

Note: Columns may not add to total because of rounding.

121

Table B-25.--Leading items exported to Poland, by Schedule B Nos., 1983, January-March 1983, and January-March 1984

Schedule B No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
184.5260	Soybean oil cake and oil-cake meal	$37,858	-	$24,751
130.3465	Yellow corn, not donated for relief or charity	21,582	-	13,967
175.4100	Soybeans, other than seed for planting	48,700	13,690	13,539
818.3900	Products, n.e.s., donated for relief or charity	40,640	7,419	10,674
480.9500	Fertilizers and fertilizer materials, n.s.p.f	-	-	7,049
130.6540	Wheat, unmilled, not donated for relief or charity	6,139	-	2,758
120.1400	Cattle hides, whole	7,286	4,573	1,955
177.7390	Animal oils, fats, and greases, n.s.p.f	1,603	-	1,305
818.8000	Shipments valued $10,000 and under, not identified by kind	-	-	1,261
170.3340	Burley cigarette leaf filler tobacco, stemmed	-	-	1,205
818.3100	Food products, n.s.p.f., donated for relief or charity	4,876	768	1,178
818.4000	Used wearing apparel and other used articles, of textile materials, exported in bulk	3,530	1,117	1,085
309.4242	Polyester fibers (in noncontinuous form)	1,972	129	914
664.0588	Parts, n.e.s., of excavating machinery, n.e.s	3,432	1,707	893
131.4030	Wheat flour, n.e.s., donated for relief or charity	7,382	1,860	707
818.3400	Wearing apparel donated for relief or charity	5,486	201	670
309.4245	Acrylic and modacrylic fibers (in noncontinuous form)	400	135	647
818.3300	Medicinal and pharmaceutical products donated for relief or charity	3,837	487	535
310.0032	High tenacity multifilament polyester yarns, other than textured	1,565	291	522
121.0515	Bovine leather, rough, russet, and crust, wet blue, not split	307	307	474
	Total	196,595	32,686	86,089
	Total, U.S. exports to Poland	319,872	71,350	94,532

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

Note: Columns may not add to total because of rounding.

122

Table B-26.--Leading items imported from Poland, by TSUSA items, 1983, January-March 1983, and January-March 1984

TSUSA item No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
107.3525	Canned hams and shoulders, 3 pounds and over	$83,311	$24,554	$16,521
335.9500	Woven fabrics, n.s.p.f., of vegetable fibers, n.e.s., weighing over 4 ounces per square yard	3,418	1,069	1,448
646.2622	Brads, nails, etc., of iron or steel, smooth shank, 1 inch or more in length, uncoated	3,764	841	1,089
192.2520	Hops, not in pellets	2,803	2,803	1,021
493.1200	Casein	3,596	847	986
694.4143	Airplanes, single engine	192	-	952
646.2626	Brads, nails, etc., of iron or steel, smooth shank, 1 inch or more in length, coated	2,921	941	947
383.3415	Women's cotton raincoats, n.e.s., 3/4 length or longer	2,214	228	833
379.8355	Men's wool suits, not knit, not ornamented	4,593	1,859	823
727.1500	Furniture and parts, of bentwood	2,580	712	672
336.6249	Worsteds, valued over $2 but not over $9 per pound	1,252	207	617
100.7500	Horses, valued over $150 per head	1,179	1,153	543
686.9030	Lamps n.e.s., including standard household	1,692	346	531
609.8041	Channels, other than alloy iron or steel, maximum cross-sectional dimension of 3 inches or more	1,946	301	510
692.1090	Automobile trucks, valued under $1,000	1,852	600	470
606.3700	Ferrosilicon, n.s.p.f	-	-	372
660.7300	Parts of internal combustion engines, if certified for use in civil aircraft	757	254	359
170.3210	Cigarette leaf, not stemmed, other than oriental or turkish type, flue-cured	650	650	353
700.2960	Men's welt footwear, of leather, n.e.s., valued over $6.80 per pair	1,822	463	322
146.7630	Strawberries in containers holding more than 40 ounces	2,600	446	315
	Total	123,143	38,273	29,684
	Total, U.S. imports from Poland	190,641	51,038	42,633

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

Note: Columns may not add to total because of rounding.

Table B-27.--Leading items exported to Romania, by Schedule B Nos., 1983, January-March 1983, and January-March 1984

Schedule B No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
175.4100	Soybeans, other than seed for planting	$76,356	$27,510	$46,752
120.1400	Cattle hides, whole	40,806	13,235	7,858
480.9500	Fertilizers and fertilizer materials, n.s.p.f	-	-	2,444
521.3110	Low volatile bituminous coal	16,145	-	2,111
404.0580	Hydrocarbons, except derivatives, n.e.s	657	-	1,822
676.5560	Parts of automatic data processing machines and units thereof, n.s.p.f	3,613	916	1,415
130.3440	Corn seed, except sweet, not donated for relief or charity	714	714	782
170.6500	Cigarettes	2,798	412	695
431.1070	Methyl alcohol	-	-	611
459.6000	Aromatic and odoriferous substances, mixed, n.s.p.f	534	-	251
273.4000	Plans and drawings for industrial, architectural, engineering, commercial or similar purposes; manuscripts and copies of data	94	-	233
674.5430	Parts, n.e.s., of metal-cutting machine tools n.s.p.f	11	9	207
688.4020	Electrical particle accelerators, and parts thereof	-	-	201
745.7300	Slide fasteners	220	74	199
346.4600	Cotton pile (including tufted) fabrics, other than corduroys or terry fabrics	-	-	159
818.3100	Food products, n.s.p.f., donated for relief or charity	-	-	150
442.2500	Pharmaceutical preparations acting on the blood or on the cardiovascular system, for human use	47	-	107
664.0584	Parts, n.e.s., of oil and gas field drilling machines	70	23	101
706.0760	Handbags, other than of leather or plastics	26	-	80
471.3020	Synthetic organic basic dyes, whether or not soluble in water	173	33	78
	Total	142,262	42,927	66,257
	Total, U.S. exports to Romania	185,658	52,236	67,661

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

Note: Columns may not add to total because of rounding.

124

Table B-28.--Leading items imported from Romania, by TSUSA items, 1983, January-March 1983, and January-March 1984

TSUSA item No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
475.3500	Naphthas, derived from petroleum, etc., n.e.s	$24,017	-	$53,522
475.2520	Gasoline	207,709	41,936	43,004
475.6530	Mixtures of hydrocarbons, n.s.p.f., in liquid form, other than condensate derived wholly from natural gas	-	-	23,600
480.3000	Urea, n.e.s	10,885	-	6,744
475.1015	Light fuel oils, testing 25 degrees A.P.I. or more, Saybolt Universal viscosity at 100 degrees F of less than 45 seconds	36,246	-	5,575
130.3000	Seed corn or maize, certified	-	-	4,829
379.9565	Men's suits, n.e.s., man-made fibers	2,334	1,175	3,358
383.5395	Women's, girls' or infants' wearing apparel, not orn. or knit, of veg. fibers, not sub. to cotton, wool, mm fibers restraints	500	54	2,872
618.2563	Sheets and strip, not clad, other than alloyed aluminum in coils, unpainted, over .008 but not .017 inch in thickness	-	-	2,732
546.6640	Glass tableware (other than tumblers and stemware), kitchen and cookware valued over $3 but not over $5	2,513	358	2,195
692.3406	Agricultural tractors, power takeoff horsepower of 40 or more but less than 80	4,468	1,305	1,844
480.6550	Nitrogen solution	4,654	-	1,731
546.6020	Glass tumblers, etc., valued over $0.30 but not over $3 each	5,572	1,043	1,708
610.4225	Oil well casing, other than alloy steel, seamless	274	-	1,691
383.3415	Women's cotton raincoats, n.e.s., 3/4 length or longer	2,243	1,824	1,537
480.6510	Ammonium nitrate	849	-	1,417
335.9500	Woven fabrics, n.s.p.f., of vegetable fibers, n.e.s., weighing over 4 ounces per square yard	1,528	460	1,252
107.3525	Canned hams and shoulders, 3 pounds and over	7,199	1,535	1,199
646.2622	Brads, nails, etc., of iron or steel, smooth shank, 1 inch or more in length, uncoated	1,197	-	1,161
379.4050	Men's shirts, n.e.s., knit, cotton	2,693	1,321	1,071
	Total	314,881	51,012	163,044
	Total, U.S. imports from Romania	512,821	87,627	198,646

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

Note: Columns may not add to total because of rounding.

Table B-29.--Leading items exported to Vietnam, by Schedule B Nos., 1983, January-March 1983, and January-March 1984

Schedule B No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
818.3900	Products, n.e.s., donated for relief or charity	$16,381	$5,944	$5,288
818.9000	General merchandise, valued not over $500	3,905	1,620	1,233
818.3100	Food products, n.s.p.f., donated for relief or charity	112	-	305
818.4000	Used wearing apparel and other used articles, of textile materials, exported in bulk	137	-	126
772.0400	Household articles n.s.p.f., of rubber or plastics	61	21	17
818.8000	Shipments valued $10,000 and under, not identified by kind	-	-	3
818.3400	Wearing apparel donated for relief or charity	-	-	1
442.7900	Vitamin, nutrient, and hematinic preparations, for human use, n.e.s	-	-	1
320.1330	Broadwoven sheeting (including osnaburgs) of cotton, not bleached and not colored	-	-	1
	Total	20,595	7,585	6,974
	Total, U.S. exports to Vietnam	20,745	7,665	6,974

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

Note: Columns may not add to total because of rounding.

126

Table B-30.--Leading items imported from Vietnam, by TSUSA items, 1983, January-March 1983, and January-March 1984

TSUSA item No.	Description	1983	January-March--	
			1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
	Total	-	-	-
	Total, U.S. imports from Vietnam	-	-	-

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

Note: Columns may not add to total because of rounding.

127

APPENDIX C-1

CORRELATION OF SCHEDULE B NUMBERS TO EIGHTEEN EXPORT COMMODITY CONTROL NUMBERS

Appendix table C-1.--Correlation of Schedule B Numbers to eighteen Export Commodity Control Numbers

ECCN's 1529 and 4529	
711.8062	711.9237
711.8066	712.1520
711.8070	712.5020
711.8075	712.5032
711.8080	712.5035
711.8090	712.5040
711.9220	712.5045
711.9225	712.5052
711.9228	712.5055
711.9232	713.0110

ECCN 1537
685.2660
685.2725
685.2735
685.2740
685.2760
685.2765

ECCN 1519	
684.6240	685.2650
684.6420	685.2660
684.6440	685.2701
685.1050	685.2705
685.1060	685.2710
685.2001	685.2715
685.2007	685.2720
685.2017	685.2725
685.2052	685.2730
685.2061	685.2735
685.2071	685.2740
685.2075	685.2745
685.2085	685.2750
685.2605	685.2755
685.2630	685.2760
685.2642	685.2765

ECCN 1572
685.4010
685.4050
685.4058
685.4060
685.4075
724.4420
724.4440
724.4505
724.4535
724.4565
724.4575
724.4585

ECCN 1355	
678.3220	711.8750
678.3240	711.8760
678.5065	712.5020
708.7400	712.5025
708.8100	712.5032
709.6340	712.5035
709.6640	712.5040
710.8900	712.5045
711.8710	712.5052
711.8722	712.5055
711.8732	722.1920
711.8734	722.1940
711.8736	722.1990
711.8741	722.2000
711.8743	722.4160
711.8745	723.1533
711.8747	723.1537
	723.2700

ECCN 1501
685.2605 thru 685.2765
685.6015
685.6021
685.6026
685.6035
685.6043
685.6045
685.6052
685.6055
685.6060
710.1010
710.1012
710.1014
710.1020
710.1050
710.1070

Appendix table C-1.--Correlation of Schedule B Numbers to eighteen Export Commodity Control Numbers--continued

ECCN 1564	
685.9055	687.6038
687.6025	687.6040
687.6027	687.6041
687.6031	687.6042
687.6033	687.6044
687.6035	687.6045
687.6047	687.6066
687.6048	687.6067
687.6057	687.6068
687.6059	687.6070
687.6061	687.6087
687.6062	687.6089

ECCN 1091	
674.3216	674.3504
674.3225	674.3506
674.3245	674.3508
674.3246	674.3519
674.3247	674.3528
674.3254	674.3551
674.3264	674.3559
674.3276	674.3571
674.3281	674.3578

ECCN 1565	
676.2600	676.2855
676.2700	676.2860
676.2820	676.2870
676.2825	676.5560
676.2830	684.6210
676.2835	684.6440
676.2840	687.6006
676.2845	687.6007
676.2850	687.6082

ECCN 1522
688.4060
Any machine incorporating a laser

ECCN 1485	
710.1010	710.1820
710.1012	710.1840
710.1014	710.2820
710.1020	710.2840
710.1050	710.3820
710.1070	710.3840

ECCN 1531
685.2605 thru 685.2765
688.4010
688.4060

ECCN 1584
687.6006
687.6007
712.5032

ECCN 4757
520.8020

ECCN 1544
687.6054
687.6056
687.6057
687.6059
687.6061
687.6062
687.6066
687.6067
687.6087
687.6089

ECCN 1485
710.1010
710.1012
710.1014
710.1020
710.1050
710.1070
710.1820
710.1840
710.2820
710.2840
710.3820
710.3840

ECCN 1545
687.6025
687.6027
687.6087
687.6089

ECCN 1757
630.1520
630.1550
630.5000
630.5500
630.8500

Source: U.S. Census, Bureau of Foreign Trade

APPENDIX C-2

U.S. HIGH-TECHNOLOGY EXPORTS TO THE WORLD, BY COUNTRY AND BY YEAR, 1979-83

Appendix C-2.--U.S. high-technology exports to the world, by country and by year, 1979-83

(In thousands of dollars; f.a.s. value basis)

Commodity/Country	1979	1980	1981	1982	1983
Total					
Afghanistan	874	164	51	85	18
Albania	303	246	1	17	-
Algeria	18,957	10,215	11,167	47,669	18,996
Angola	3,418	2,279	7,125	3,861	2,511
Argentina	145,058	259,563	275,247	180,474	162,907
Australia	345,551	441,702	600,079	638,605	680,116
Austria	71,355	101,438	99,397	92,539	86,661
Azores	7	47	168	321	78
Bahamas	6,983	8,873	11,482	10,984	11,691
Bahrain	5,833	6,659	10,350	15,975	16,112
Bangladesh	3,181	2,105	5,175	3,136	2,703
Barbados	16,405	17,136	14,304	29,600	60,363
Belgium and Luxembourg	302,982	355,108	356,132	292,255	318,128
Belize	5,303	5,853	7,829	2,350	1,095
Benin	28	186	38	83	173
Bermuda	4,862	6,722	7,892	13,499	19,331
Bhutan	1	108	38	114	210
Bolivia	7,235	5,835	8,414	5,049	3,298
Botswana	196	128	1,005	485	260
Br Indian Ocean Territory	1	15	-	1	12
Brazil	272,617	310,264	339,640	362,083	319,352
British Virgin Islands	1,814	6,932	13,407	4,403	7,450
Brunei	5,225	4,468	4,497	8,431	3,505
Bulgaria	3,057	8,272	5,186	2,988	4,493
Burma	958	1,691	1,981	1,943	1,748
Burundi	31	-	92	47	702
Cameroon	1,930	3,323	5,219	3,612	4,765
Canada	1,330,590	1,781,115	2,381,572	2,392,123	2,709,714
Canary Islands	1,545	2,412	2,627	2,411	1,847
Cayman Islands	1,010	951	1,391	2,093	2,960
Central African Republic	17	10	95	166	32
Chad	154	8	9	51	132
Chile	51,210	67,269	94,955	68,801	54,432
China	58,916	76,837	83,506	112,818	206,844
Colombia	45,788	64,875	81,081	109,072	91,855
Comoros	25	74	2	-	7
Congo	300	970	976	2,348	483
Costa Rica	13,030	16,497	15,892	11,307	10,541
Cuba	67	-	-	-	32
Cyprus	3,609	3,914	3,938	3,577	3,987
Czechoslovakia	5,972	6,932	5,574	3,373	6,587
Denmark	84,655	101,805	121,145	115,754	108,361

134

Appendix C-2.--U.S. high-technology exports to the world, by country and by year, 1979-83--Continued

(In thousands of dollars; f.a.s. value basis)

Commodity/Country	1979	1980	1981	1982	1983
Total					
Djibouti	39	53	2	56	452
Dominican Republic	10,970	19,042	20,704	17,576	20,510
Ecuador	21,734	28,870	39,639	35,482	16,380
Egypt	44,878	52,229	55,618	109,755	152,134
El Salvador	39,133	37,960	34,295	38,544	39,404
Equatorial Guinea	-	34	8	7	-
Ethiopia	1,912	1,916	4,750	2,793	2,051
Falkland Islands	-	-	6	28	82
Finland	49,678	82,358	87,641	88,221	79,401
France	843,997	1,168,443	1,327,655	1,313,672	1,203,096
French Guiana	149	270	252	138	1,777
French Indian Ocean Areas	50	17	34	239	104
French West Indies	1,109	1,142	2,110	1,492	1,017
Gabon	2,462	1,668	4,454	3,943	1,832
Gaza Strip	33	45	6	3	648
Germany, East	2,625	2,043	1,994	6,975	15,666
Germany, West	1,298,960	1,727,852	1,978,960	1,839,872	1,866,321
Ghana	701	3,023	1,915	3,019	834
Gibraltar	260	39	86	273	47
Greece	28,931	35,628	48,432	45,803	36,060
Greenland	209	9	30	437	87
Guatemala	14,078	15,531	18,441	12,714	9,561
Guinea	177	455	219	1,117	438
Guinea-Bissau	195	287	712	912	672
Guyana	1,368	1,292	993	720	865
Haiti	22,751	21,110	20,171	18,383	18,446
Honduras	9,471	9,216	9,420	6,825	8,976
Hong Kong	324,174	444,958	505,932	461,922	612,604
Hungary	5,253	7,303	8,869	6,046	3,716
Iceland	2,456	2,558	4,267	5,308	3,870
India	76,731	84,434	125,650	165,117	177,539
Indonesia	34,915	46,267	89,516	139,514	120,764
Iran	37,300	60	1,527	2,325	5,471
Iraq	8,803	13,475	19,883	29,447	20,631
Ireland	179,109	265,720	367,042	385,824	504,148
Israel	132,218	171,835	216,129	236,635	311,818
Italy	362,757	522,866	580,223	572,574	550,903
Ivory Coast	2,485	2,518	3,522	5,607	3,050
Jamaica	4,243	5,930	8,810	13,485	14,660
Japan	1,013,074	1,285,239	1,722,567	1,831,477	2,073,491
Jordan	7,404	18,330	19,648	24,440	47,076
Kenya	3,013	4,235	4,566	4,867	3,654

Appendix C-2.--U.S. high-technology exports to the world, by country and by year, 1979-83--Continued

(In thousands of dollars; f.a.s. value basis)

Commodity/Country	1979	1980	1981	1982	1983
Total					
Korea, North	-	-	-	-	1
Korea, South	346,560	427,611	535,991	840,445	968,268
Kuwait	13,436	23,125	25,631	32,504	45,927
Laos	24	22	91	20	9
Lebanon	5,750	7,448	11,748	10,545	19,868
Lesotho	314	19	38	77	122
Liberia	1,970	1,994	2,683	2,827	2,029
Libya	22,731	24,487	35,648	10,207	15,476
Macao	112	1,564	121	177	84
Madeira Islands	-	9	18	4	-
Malagasy Republic	281	225	530	1,470	1,839
Malawi	172	164	604	270	643
Malaysia	523,215	702,060	808,309	972,257	1,116,239
Mali	213	179	649	1,623	562
Malta and Gozo	494	780	3,097	3,464	3,778
Mauritania	41	108	84	314	209
Mauritius	268	845	845	278	243
Mexico	780,896	942,271	1,205,708	988,943	964,299
Mongolia	30	24	16	86	14
Morocco	20,404	10,118	9,294	6,544	8,577
Mozambique	412	476	1,266	1,050	358
Namibia	138	630	1,900	1,307	324
Nauru	1,811	1,233	2,459	2,037	1,472
Nepal	219	304	288	968	753
Netherlands	452,315	550,206	585,036	653,612	917,231
Netherlands Antilles	9,858	11,853	11,540	14,819	14,915
New Caledonia	1,039	1,264	2,163	899	1,599
New Zealand	41,263	55,882	74,685	82,329	91,319
Nicaragua	1,718	4,274	4,477	3,297	3,166
Niger	1,792	943	2,187	296	199
Nigeria	37,490	35,228	64,321	78,616	54,935
Norway	80,889	111,892	145,264	159,280	146,664
Oman	6,146	10,507	16,477	22,811	15,181
Pacific Islands Territory	621	1,184	946	1,438	2,086
Pakistan	9,541	12,258	24,594	29,927	60,502
Panama	40,648	72,418	91,514	61,548	32,119
Papua New Guinea	1,951	1,993	3,499	2,985	2,744
Paraguay	5,941	13,222	13,763	12,118	6,392
Peru	17,846	38,218	68,552	65,676	36,768
Philippines	227,520	389,519	473,922	541,366	664,498
Poland	11,876	12,658	9,093	2,973	2,527
Portugal	28,340	46,303	63,531	51,421	51,377

136

Appendix C-2.--U.S. high-technology exports to the world, by country and by year, 1979-83--Continued

(In thousands of dollars; f.a.s. value basis)

Commodity/Country	1979	1980	1981	1982	1983
Total					
Qatar	7,332	5,171	8,639	17,220	10,879
Republic of South Africa	141,234	212,012	304,498	284,113	264,906
Romania	17,603	21,514	8,824	12,882	6,226
Rwanda	75	659	81	79	102
Saudi Arabia	269,363	251,858	375,329	436,156	618,648
Senegal	761	936	1,099	1,046	2,217
Seychelles	222	623	246	92	210
Sierra Leone	209	706	694	162	187
Singapore	542,842	609,847	687,639	733,887	950,697
Solomon Islands	103	171	141	1,064	555
Somalia	590	774	1,444	3,858	3,160
Spain	131,234	177,108	247,185	229,371	237,062
Spanish Africa, n.e.c.	-	28	-	-	-
Sri Lanka (Ceylon)	1,610	2,171	3,438	11,132	2,988
St Helena	5	-	-	-	7
St Pierre and Miquelon	-	-	-	-	5
Sudan	2,764	2,968	9,443	15,421	8,389
Suriname	1,765	2,181	3,282	4,420	1,662
Swaziland	119	151	192	540	491
Sweden	254,879	297,568	330,637	298,170	286,736
Switzerland	233,466	326,489	357,550	342,314	350,583
Syria	5,178	7,359	12,182	6,528	4,270
Taiwan	281,207	421,639	502,577	549,567	594,803
Tanzania	2,349	837	526	3,652	3,047
Thailand	75,723	227,777	241,693	237,574	204,704
The Gambia	83	110	142	313	48
Togo	40	28	434	338	40
Trinidad and Tobago	16,094	22,739	28,023	36,247	30,131
Tunisia	4,753	6,093	7,475	8,635	4,640
Turkey	14,033	11,180	18,582	43,510	52,030
Turks and Caicos Island	26	24	15	87	157
U. S. S. R.(Soviet Union)	61,064	25,689	18,680	13,608	13,519
Uganda	8	115	191	233	205
United Arab Emirates	22,733	36,915	49,398	61,833	50,507
United Kingdom	1,345,942	1,795,039	2,097,941	2,522,888	2,748,114
Upper Volta	30	160	579	260	161
Uruguay	5,513	13,654	20,268	11,460	5,993
Venezuela	159,727	284,080	277,236	325,942	129,858
Vietnam	-	11	-	8	1
Western Samoa	35	413	336	37	197
Yemen (Aden)	7,520	66	149	165	195
Yemen (Sana)	5,140	1,973	1,348	3,013	1,131

Appendix C-2.--U.S. high-technology exports to the world, by country and by year, 1979-83--Continued

(In thousands of dollars; f.a.s. value basis)

Commodity/Country	1979	1980	1981	1982	1983
Total					
Yugoslavia	35,291	49,421	39,162	34,671	39,240
Zaire	3,377	2,968	8,256	1,638	1,768
Zambia	4,925	3,065	2,632	3,764	1,531
Zimbabwe (Rhodesia)	103	3,509	5,129	6,775	9,290
All countries	13,764,210	18,112,575	21,891,274	22,905,585	24,751,350

SOURCE: Compiled from official statistics of the U.S. Department of Commerce.

138

GLOSSARY

Abbreviation	Full wording
CIA	Central Intelligence Agency
CCC	Commodity Credit Corporation (U.S. Department of Agriculture)
CCL	Commodity Control List
CMEA	Council for Mutual Economic Assistance
COCOM	Coordinating Committee for Multilateral Export Controls
CPE	Centrally planned economy
EAA	Export Administration Act of 1979 (United States)
EC	European Community
EXIMBANK	Export-Import Bank of the United States
FAO	Food and Agricultural Organization (United Nations)
GATT	General Agreement on Tariffs and Trade
GNP	Gross national product
GSP	Generalized System of Preferences
IAEA	International Atomic Energy Agency
IMF	International Monetary Fund
LTFV	Less than fair value
MFA	Multifiber Arrangement
MFN	Most-favored-nation
NME's	Nonmarket economy countries
OEA	Office of Export Administration (U.S. Department of Commerce)
OECD	Organization for Economic Cooperation and Development
QGL	Qualified General License
SCE	State-controlled economy
SDR	Special Drawing Rights
SIC	Standard Industrial Classification MSIC: SIC-based import product groupings OSIC: SIC-based domestic manufactured output categories
SITC	Standard International Trade Classification SITC categories are defined as follows: 1-digit SITC: Section 2-digit SITC: Division 3-digit SITC: Group 4-digit SITC: Subgroup 5-digit SITC: Item
TSUSA	Tariff Schedules of the United States Annotated
USC	United States Code
USDA	U.S. Department of Agriculture
USITC	U.S. International Trade Commission

INDEX

Each Quarterly Report to the Congress and the Trade Policy Committee on Trade between the United States and the Nonmarket Economy Countries contains:

(1) summary of developments in U.S.-NME trade for that calendar quarter, with the summary of the fourth quarter as an annual review;

(2) summary tables and figures describing the value, direction, composition, and individual country trade shares of U.S.-NME trade in that calendar quarter;

(3) a series of appendix tables describing the leading items traded by the United States with each of the NME countries covered, disaggregated to the 7-digit level of the respective export and import schedules, through the end of that calendar quarter.

Other subjects covered periodically or on an irregular basis are listed below. All page numbers refer to the official USITC publication, with the exception of Report No. 4. Page numbers for that report refer to the copy published by the U.S. Government Printing Office.

143