

**40TH QUARTERLY REPORT TO  
THE CONGRESS AND THE  
TRADE POLICY COMMITTEE  
ON TRADE BETWEEN THE  
UNITED STATES AND THE  
NONMARKET ECONOMY  
COUNTRIES DURING  
JULY-SEPTEMBER  
1984**



**USITC PUBLICATION 1628**

**DECEMBER 1984**

UNITED STATES INTERNATIONAL TRADE COMMISSION

**COMMISSIONERS**

**Paula Stern, Chairwoman**

**Susan W. Liebeler, Vice Chairman**

**Alfred E. Eckes**

**Seeley G. Lodwick**

**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

Office of Industries

Mark Estes, Aimison Jonnard,  
Deborah McNay, Robert Wallace,  
and Joseph Williams

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**

	<u>Page</u>
Introduction-----	1
Summary-----	5
Third-quarter developments in trade between the United States and the nonmarket economy countries-----	9
U.S. exports-----	11
U.S.S.R.-----	16
China-----	16
Eastern Europe-----	16
Food and live animals-----	18
U.S.S.R.-----	19
China-----	20
Eastern Europe-----	20
Crude materials-----	22
Chemicals-----	23
China-----	23
Other NME's-----	24
Machinery and transportation equipment-----	25
China-----	25
Other NME's-----	28
Other exports-----	28
U.S. imports-----	29
China-----	29
Eastern Europe-----	35
U.S.S.R.-----	35
Miscellaneous manufactured articles-----	36
China-----	36
Romania-----	38
Mineral fuels and lubricants-----	38
Manufactured goods classified by chief material-----	40
Chemicals-----	42
Other imports-----	43
Developments affecting U.S. commercial relations with nonmarket economy countries during the second and third quarters:	
Developments in U.S.-Soviet commercial relations-----	45
U.S. grain sales rebound-----	45
Agreement on economic, industrial, and technical cooperation renewed-----	46
U.S.-U.S.S.R. Trade and Economic Council plenary session held-----	47
Ban on Soviet fishing lifted and fisheries agreement renewed-----	48
Developments affecting U.S. trade with East European countries:	
Steps towards normalization of commercial relations with Poland-----	49
Lifting of ban on Polish fishing-----	49
U.S. responses to the release of political prisoners-----	49
U.S. donation to church-run program to aid private farmers in Poland-----	50
Commodity Credit Corporation credit to support U.S. agricultural exports to Hungary-----	51
U.S.-China tax treaty submitted to Congress for ratification-----	51
Renewal of most-favored-nation status for China, Hungary, and Romania-----	51

## CONTENTS

	<u>Page</u>
Developments affecting U.S. commercial relations with nonmarket economy countries during the second and third quarters--continued	
Developments in export administration:	
Export controls being administered under IEEPA-----	53
Record civil penalty imposed in DEC case-----	54
East-West policy coordination:	
New COCOM export controls-----	55
Austrian parliament to consider new customs law-----	57
U.S. administrative actions affecting imports from the NME's-----	57
Carbon steel wire rod from Czechoslovakia and Poland-----	58
Carbon steel wire rod from East Germany-----	59
Muriate of potash (potassium chloride) from East Germany and the Soviet Union-----	59
Barium chloride and barium carbonate from China-----	60
Imports from the NME's and the U.S. market: Further examination of cases identified by the East-West Trade Monitoring System-----	63
Nitrogenous fertilizers (MSIC 2873):	
Description and uses-----	65
The U.S. industry-----	57
The industry in the U.S.S.R.-----	69
U.S. imports from the U.S.S.R. and other sources-----	70
The U.S. market:	
Channels of distribution and market structure-----	72
Domestic consumption-----	73
Conditions of competition-----	73
China tableware (MSIC 3262):	
Description and uses-----	74
The U.S. industry-----	75
The industry in China-----	75
U.S imports from China and other sources-----	76
The U.S. market-----	78
Floor coverings (MSIC 2279):	
Description and uses-----	80
The U.S. industry-----	80
The industry in China and Romania:	
China-----	81
Romania-----	82
U.S. imports from China, Romania, and other sources-----	82
The U.S. market-----	85
Dolls and stuffed toy animals (MSIC 3942):	
Description and uses-----	87
The U.S. industry-----	88
The industry in China-----	90
U.S. imports from China and other sources-----	90
The U.S. market-----	93
Appendix A. U.S. trade with the nonmarket economy countries by SITC Sections, 1983, January-September 1983, and January-September 1984-----	97
Appendix B. Leading items traded with the nonmarket economy countries, January-September 1984, July-September 1983, and July-September-1984-----	113
Glossary-----	145
Index-----	147

## CONTENTS

Page

## Figures

1. U.S. exports to the nonmarket economy countries (NME's), China, and the U.S.S.R., by quarters, 3rd quarter of 1981 through the 3rd quarter of 1984-----	12
2. Relative shares of U.S. exports to the nonmarket economy countries, 1983 and January-September 1984-----	15
3. U.S. imports from the nonmarket economy countries (NME's), China, and the U.S.S.R., by quarters, 3rd quarter of 1981 through the 3rd quarter of 1984-----	31
4. Relative shares of U.S. imports from the nonmarket economy countries, 1983 and January-September 1984-----	32

## Tables

1. U.S. trade with the world and with the nonmarket economy countries (NME's), by quarters, April 1983-September 1984-----	10
2. U.S. exports to the individual nonmarket economy countries and to the world, 1982, 1983, January-September 1983, January-September 1984, April-September 1983, and April-September 1984-----	13
3. U.S. exports to the world and to the nonmarket economy countries (NME's), by SITC Sections, January-September 1983 and January-September 1984-----	14
4. U.S. exports to the nonmarket economy countries, by SITC Sections, April-September 1984-----	17
5. 20 U.S. export items to the nonmarket economy countries (NME's) which changed substantially, by Schedule B nos., January-September 1983 and January-September 1984-----	26
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 numbers, January-September 1983 and January-September 1984-----	27
7. U.S. imports from the individual nonmarket economy countries and from the world, 1982, 1983, January-September 1983, January-September 1984, April-September 1983, and April-September 1984-----	30
8. U.S. imports from the world and from the nonmarket economy countries (NME's), by SITC Sections, January-September 1983 and January-September 1984-----	33
9. U.S. imports from the nonmarket economy countries, by SITC Sections, April-September 1984-----	34
10. 20 U.S. import items from the nonmarket economy countries (NME's) which changed substantially, by TSUSA items, January-September 1983 and January-September 1984-----	37
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-September 1983, and January-September 1984-----	41

## CONTENTS

	<u>Page</u>
12. U.S. imports from NME's, by MSIC code, in which there was penetration of greater than 1 percent from NME sources and greater than 10 percent from the world in 1982, and growth greater than 15 percent in the periods 1982-83 and January-June 1983 to January-June 1984-----	64
13. Anhydrous ammonia: Percentage distribution, by end uses, 1982-----	65
14. Nitrogenous fertilizers: shipments by U.S. producers, 1982-----	68
15. Nitrogenous fertilizers (MSIC 2873): U.S. imports, total and from USSR, U.S. production, and apparent consumption, 1980-83, January-June 1983, and January-June 1984-----	71
16. China tableware (MSIC 3262): U.S. imports, by principal sources, 1979-83, January-September 1983, and January-September 1984-----	78
17. China tableware (MSIC 3262): U.S. producers' shipments, exports of domestic merchandise, imports for consumption, and apparent consumption, 1979-83-----	79
18. Certain floor coverings of textile or vegetable materials (MSIC 2279): U.S. imports from China, Romania, and other sources, by types, 1980-83, January-October 1983, and January-October 1984-----	84
19. Floor coverings, n.e.s., of textile or vegetable materials (MSIC 2279): U.S. imports, total and from China, U.S. production, and apparent consumption, 1980-1983, January-June 1983, and January-June 1984-----	86
20. Dolls and stuffed toy animals (MSIC 3942): U.S. imports, total and from China, U.S. production and apparent consumption, 1980-83, January-September 1983, and January-September 1984-----	89
21. Dolls, parts of dolls, doll clothing, and stuffed toy figures of animate objects: U.S. rates of duty, 1984 and 1985, by TSUS item--	91
A-1. U.S. trade with all nonmarket economy countries, by SITC Sections, 1983, January-September 1983, and January-September 1984-----	98
A-2. U.S. trade with China, by SITC Sections, 1983, January-September 1983, and January-September 1984-----	99
A-3. U.S. trade with the U.S.S.R., by SITC Sections, 1983, January-September 1983, and January-September 1984-----	100
A-4. U.S. trade with Eastern Europe, by SITC Sections, 1983, January-September 1983, and January-September 1984-----	101
A-5. U.S. trade with Albania, by SITC Sections, 1983, January-September 1983, and January-September 1984-----	102
A-6. U.S. trade with Bulgaria, by SITC Sections, 1983, January-September 1983, and January-September 1984-----	103
A-7. U.S. trade with Cuba, by SITC Sections, 1983, January-September 1983, and January-September 1984-----	104
A-8. U.S. trade with Czechoslovakia, by SITC Sections, 1983, January-September 1983, and January-September 1984-----	105

## CONTENTS

	<u>Page</u>
A-9. U.S. trade with East Germany, by SITC Sections, 1983, January-September 1983, and January-September 1984-----	106
A-10. U.S. trade with Hungary, by SITC Sections, 1983, January-September 1983, and January-September 1984-----	107
A-11. U.S. trade with North Korea, by SITC Sections, 1983, January-September 1983, and January-September 1984-----	108
A-12. U.S. trade with Mongolia, by SITC Sections, 1983, January-September 1983, and January-September 1984-----	109
A-13. U.S. trade with Poland, by SITC Sections, 1983, January-September 1983, and January-September 1984-----	110
A-14. U.S. trade with Romania, by SITC Sections, 1983, January-September 1983, and January-September 1984-----	111
A-15. U.S. trade with Vietnam, by SITC Sections, 1983, January-September 1983, and January-September 1984-----	112
B-1. Leading items exported to nonmarket economy countries (NME's), by Schedule B Nos., January-September 1984, July-September 1983, and July-September 1984-----	114
B-2. Leading items imported from nonmarket economy countries (NME's), by TSUSA items, January-September 1984, July-September 1983, and July-September 1984-----	115
B-3. Leading items exported to China, by Schedule B Nos., January-September 1984, July-September 1983, and July-September 1984-----	116
B-4. Leading items imported from China, by TSUSA items, January-September 1984, July-September 1983, and July-September 1984-----	117
B-5. Leading items exported to the U.S.S.R., by Schedule B Nos., January-September 1984, July-September 1983, and July-September 1984-----	118
B-6. Leading items imported from the U.S.S.R., by TSUSA items, January-September 1984, July-September 1983, and July-September 1984-----	119
B-7. Leading items exported to Eastern Europe, by Schedule B Nos., January-September 1984, July-September 1983, and July-September 1984-----	120
B-8. Leading items imported from Eastern Europe, by TSUSA items, January-September 1984, July-September 1983, and July-September 1984-----	121
B-9. Leading items exported to Albania, by Schedule B Nos., January-September 1984, July-September 1983, and July-September 1984-----	122
B-10. Leading items imported from Albania, by TSUSA items, January-September 1984, July-September 1983, and July-September 1984-----	123
B-11. Leading items exported to Bulgaria, by Schedule B. Nos., January-September 1984, July-September 1983, and July-September 1984-----	124
B-12. Leading items imported from Bulgaria, by TSUSA items, January-September 1984, July-September 1983, and July-September 1984-----	125
B-13. Leading items exported to Cuba, by Schedule B Nos., January-September 1984, July-September 1983, and July-September 1984-----	126

## CONTENTS

	<u>Page</u>
B-14. Leading items imported from Cuba, by TSUSA items, January-September 1984, July-September 1983, and July-September 1984-----	127
B-15. Leading items exported to Czechoslovakia, by Schedule B. Nos., January-September 1984, July-September 1983, and July-September 1984-----	128
B-16. Leading items imported from Czechoslovakia, by TSUSA items, January-September 1984, July-September 1983, and July-September 1984-----	129
B-17. Leading items exported to East Germany, by Schedule B Nos., January-September 1984, July-September 1983, and July-September 1984-----	130
B-18. Leading items imported from East Germany, by TSUSA items, January-September 1984, July-September 1983, and July-September 1984-----	131
B-19. Leading items exported to Hungary, by Schedule B Nos., January-September 1984, July-September 1983, and July-September 1984-----	132
B-20. Leading items imported from Hungary, by TSUSA items, January-September 1984, July-September 1983, and July-September 1984-----	133
B-21. Leading items exported to Mongolia, by Schedule B Nos., January-September 1984, July-September 1983, and July-September 1984-----	134
B-22. Leading items imported from Mongolia, by TSUSA items, January-September 1984, July-September 1983, and July-September 1984-----	135
B-23. Leading items exported to North Korea, by Schedule B Nos., January-September 1984, July-September 1983, and July-September 1984-----	136
B-24. Leading items imported from North Korea, by TSUSA items, January-September 1984, July-September 1983, and July-September 1984-----	137
B-25. Leading items exported to Poland, by Schedule B Nos., January-September 1984, July-September 1983, and July-September 1984-----	138
B-26. Leading items imported from Poland, by TSUSA items, January-September 1984, July-September 1983, and July-September 1984-----	139
B-27. Leading items exported to Romania, by Schedule B Nos., January-September 1984, July-September 1983, and July-September 1984-----	140
B-28. Leading items imported from Romania, by TSUSA items, January-September 1984, July-September 1983, and July-September 1984-----	141
B-29. Leading items exported to Vietnam, by Schedule B Nos., January-September 1984, July-September 1983, and July-September 1984-----	142
B-30. Leading items imported from Vietnam, by TSUSA items, January-September 1984, July-September 1983, and July-September 1984-----	143

**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, factfinding 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 July-September 1984. It examines U.S. exports, imports, and the balance of trade with these countries, as well as the commodity composition of this trade. The report also covers major developments in U.S. commercial relations with the NME's during the second and third quarters of 1984.

This report also examines four U.S. industries identified in the previous (39th) report in this series on the basis of the level of import penetration by individual NME's and by all sources and of the rate of growth of imports from an NME source. The four product groups are nitrogenous fertilizers, textile floor coverings, china tableware, and dolls and stuffed toy animals. Each discussion covers data on production, employment, imports, the U.S. market, and other relevant economic factors. China is the major NME source of U.S. imports of three of the products: textile floor coverings, china tableware, and dolls and stuffed toy animals. A second NME, Romania, is a significant supplier of certain types of floor coverings to U.S. market. The Soviet Union is the major NME supplier of nitrogenous fertilizers. Such information as could be obtained on the competing NME industries is also presented.



## SUMMARY

Two-way merchandise trade between the United States and the NME's reached \$3.3 billion in July-September 1984. This represented an 81.9-percent increase in comparison with the trade turnover in July-September 1983 and a 23.6-percent increase in comparison with the level of trade in April-June 1984. U.S.-NME trade increased by 46.9 percent, from \$6.0 billion in January-September 1983 to \$8.7 billion in January-September 1984. At \$284 million, the surplus in U.S. merchandise trade with the NME's in the quarter under review remained about the same as that in the second quarter of 1984.

After decreasing for two consecutive quarters, U.S. exports to the NME's recovered in July-September 1984, led by increased grain shipments to the Soviet Union and China. At \$1.8 billion, U.S. exports to the NME's during this period exceeded by 128.2 percent the \$778.6 million in exports during the third quarter of 1983. U.S. exports to the NME's in the first three quarters of 1984 increased by 47.3 percent, from \$3.3 billion in January-September 1983 to \$4.8 billion in January-September 1984.

U.S. grain exports to the NME's increased by \$129.9 million from the second to the third quarter of 1984 and by more than \$1 billion from January-September 1983 to January-September 1984. These shipments increased from 7.6 million metric tons in January-September 1983 to 14.2 million metric tons in January-September 1984. During the quarter under review, U.S. grain exports accounted for 43.2 percent of U.S. export revenues in trade with the NME's.

By representing 44.5 percent of total U.S. exports to the NME's, the Soviet Union contributed the most to U.S. export revenues in trade with the NME's in January-September 1984. China ranked a close second; Poland was third; Romania, fourth; and the German Democratic Republic, fifth.

For the third consecutive quarter, U.S. imports from the NME's exceeded the \$1 billion mark in July-September 1984. At \$1.5 billion, U.S. imports from the NME's reached an alltime quarterly high during the period under review. These imports exceeded by 46.5 percent their \$1.0-billion level in July-September 1983. Prior to 1984, July-September 1983 was the only quarter in which U.S. imports from the NME's reached the \$1-billion level since the Commission began this report in 1975. U.S. purchases from the NME's in the first three quarters of 1984 increased by 46.4 percent, from \$2.7 billion in January-September 1983 to \$3.9 billion in January-September 1984.

Constituting one-third of the U.S. imports from the NME's, miscellaneous manufactured articles (SITC Section 8) remained the dominant import product category in January-September 1984. China remained the most significant NME supplier to U.S. markets during this period with a 60.3 percent share of total NME sales in U.S. markets during the first 9 months of 1984. Romania ranked second; the Soviet Union, third; Hungary, fourth; and Poland, fifth.

During the quarter under review, U.S. exports to China amounted to \$847.6 million, and U.S. imports from China amounted to \$853.1 million, their highest quarterly level in 1984. Thus, after reaching an alltime quarterly

high of \$217.8 million in April-June 1984, the U.S. deficit in trade with China shrank to \$5.5 million in July-September 1984. The smaller deficit was to a large extent attributable to higher U.S. wheat shipments (1.5 million metric tons) to China during the quarter under review. U.S. exports to China also included 60 locomotives and a broad variety of other capital equipment, including automatic data processing machines.

Chinese shipments of apparel and clothing accessories to the United States increased by 7.8 percent from July-September 1983 to the period under review. The value of Chinese apparel and clothing accessory shipments to the United States during the first three quarters of 1984 exceeded the 1983 record level of these sales. Most prominent among these U.S. imports from China were women's, girls', and infants' outer garments. In this, as in other apparel and clothing accessory commodity groups, Chinese sales advanced over a broad spectrum of items from the first 9-month period of 1983 to the corresponding period of 1984. Limitations on Chinese textile imports negotiated under the U.S.-China textile agreement have led to a diversification of Chinese textile sales over a broad range of relatively small items from January-September 1983 to the corresponding period in 1984. Imports from China of crude oil, food items, manufactured goods classified by chief material, and machinery and transportation equipment (including some consumer goods such as radio-tape recorders, etc.) also registered relatively significant increases.

U.S. exports to the Soviet Union amounted to \$738.7 million, and imports from there amounted to \$152.3 million during the period under review. This allowed a very favorable \$586.4-million surplus in trade with the Soviets, and also assured the overall surplus in trade with the NME's in July-September 1984. Quarterly U.S. grain shipments to the Soviet Union, showing an upward trend this year, reached 3.6 million metric tons, or \$537.0 million, during the period under review. Cotton shipments amounting to \$47.2 million in July-September 1984 increased U.S. cotton sales to the Soviet Union to \$148.7 million in January-September 1984. Among U.S. exports to the Soviet Union, sales of miscellaneous manufactured articles declined the most from the first 9-month period of 1983 to the corresponding period of 1984.

Stepped-up Soviet shipments of anhydrous ammonia, palladium, and light fuel oils explain much of the 49.4-percent increase in Soviet sales to the United States from January-September 1983 to January-September 1984.

U.S. exports to the six East European countries were valued at \$182.8 million and U.S. imports from the region were valued at \$486.0 million in July-September 1984. U.S. trade with Eastern Europe registered a \$303.2-million deficit during the period under review. Although the United States shipped less corn to the region in January-September 1984 than during the corresponding period of 1983, the sale of this commodity contributed the most to U.S. export revenues from the region during the quarter under review. Sales of U.S. soybean oilcake and oilmeal and of machinery and transportation equipment also declined, but those of cattle hides increased from January-September 1983 to January-September 1984.

U.S. imports from Romania constituted 57.2 percent of total U.S. imports from Eastern Europe during the first three quarters of 1984. Among the U.S. imports from Romania, various textile products and mineral fuels and lubricants showed impressive advances from January-September 1983 to January-September 1984. East European sales of certain iron and steel products registered a \$100-million increase over this period. East German shipments showed the largest increase to U.S. markets in this product line, but there were also significant increases in shipments from Romania, Czechoslovakia, Hungary, and Poland.

U.S. commercial relations with the NME's showed an overall improvement during the second and third quarters of 1984. A mild improvement in U.S.-Soviet commercial relations was marked by a rebound of U.S. grain sales to the Soviets and by steps taken to improve U.S.-Soviet economic, industrial, and technical cooperation. There was progress in normalizing U.S.-Polish commercial relations, and the MFN status of China, Hungary, and Romania was extended. The U.S.-China tax treaty, signed on April 30, 1984, was sent to the Senate for ratification.

The President invoked the International Emergency Powers Act when the Export Administration Act expired at the end of the first quarter. As a result, the U.S. export control system remained in force during the second and third quarters. During this period, the Commission and the International Trade Administration of the Commerce Department concluded five antidumping and countervailing duty investigations on imports from the NME's. In the two investigations of allegations that the Czechoslovak and Polish Governments subsidized exports of carbon steel wire rod, the Commerce Department made a landmark determination. It has concluded that subsidies countervailable under U.S. law cannot be found in the NME's.

The last section of the report examines four U.S. industries identified by the East-West Trade Monitoring System. This system employs a computer run of import data that permits a comparison of imports from the NME's with the output of competing domestic industries. The cases examined have met two tests: penetration of the U.S. market by imports from an NME source and imports from all sources and a specified rate of growth in imports from the NME supplier. The imported product groups and competing U.S. industries covered in this report are nitrogenous fertilizers, china tableware, floor coverings, and dolls and stuffed toy animals. In the case of nitrogenous fertilizers, the import-penetration and import-growth tests were met by imports from the U.S.S.R.; for the other three products, imports from China met these criteria. The analysis of each case includes a description of the product group and its uses, data and other information on production and employment in the U.S. industry, imports from the designated NME supplier and from other sources, and a discussion of the U.S. market. Such information as could be obtained on the competing NME industry is also presented. In addition, the examination of floor coverings includes a brief discussion of imports from Romania, as well as those from China, and of the industry in that country. Imports of floor coverings from Romania did not meet the import-penetration and import-growth tests, but Romania is a major supplier to the United States of certain types of floor coverings.



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

The value of total two-way merchandise trade between the United States and the nonmarket economy countries (NME's) increased by 81.9 percent from July-September 1983 to July-September 1984. Trade turnover during the quarter under review was 23.6 percent higher than in April-June 1984 (table 1). U.S. exports to the NME's amounted to \$1.8 billion during the period under review. This represented the largest quarterly export figure in 1984 and a significant 128.2-percent increase from the level of U.S. sales to the NME's during the third quarter of 1983. At \$1.5 billion, U.S. imports from the NME's reached an alltime quarterly high during the period under review. U.S. purchases from the NME's increased by 46.5 percent from July-September 1983 to July-September 1984.

The surplus of U.S. merchandise trade with the NME's in July-September 1984 remained at \$284 million, the same as during the second quarter of 1984. The U.S. surplus in trade with the NME's increased from \$616.7 million in January-September 1983 to \$930.0 million in January-September 1984. 1/

The longstanding U.S. surplus in trade with China turned into a \$54.3 million deficit in 1983 as U.S. wheat shipments to China fell and U.S. imports of Chinese apparel increased significantly. After widening to \$128.1 million during the first quarter of 1984 and reaching an alltime high quarterly deficit of \$217.8 million during the second quarter, the U.S. deficit in trade with China shrank to \$5.5 million in July-September 1984. This occurred despite the fact that U.S. imports from China reached their highest quarterly level in 1984. These imports increased to \$853.1 million during the quarter under review, exceeding also their 1983 average quarterly level by 53.9 percent. To a large extent, this remarkable narrowing of the U.S. deficit was due to an increase in wheat shipments to China during the period under review.

In trade with the Soviet Union, the United States retained its traditional surplus during the quarter under review. This surplus, amounting to \$586.4 million, accounted for a favorable overall U.S. trade balance with the NME's in July-September 1984. Large U.S. shipments of wheat to the Soviet Union contributed most significantly to the maintenance of this favorable balance in trade with the Soviets. Although the review-period surplus was lower than the surplus during the second quarter, it was higher than the surplus registered in U.S.-Soviet trade during the first quarter of 1984. The U.S. surplus in trade with the Soviet Union during the quarter under review exceeded the average quarterly surplus during 1983, but remained slightly below that of 1982.

---

1/ Since quarterly reporting began in 1975, the United States registered its only quarterly deficit (\$240 million) in trade with the NME's in July-September 1983.

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

Item	1983			1984		
	July- September	October- December	January- March	April- June	July- September	October- December
U.S. world trade:						
Exports-----million dollars---	47,299	50,324	52,368	53,512	51,838	
Imports-----do-----	66,215	69,678	78,627	79,768	85,931	
Balance-----do-----	-18,916	-19,355	-26,259	-26,256	-34,093	
Trade turnover (exports plus imports) million dollars---	113,514	120,002	130,995	133,279	137,769	
U.S. trade with NME's:						
Exports-----million dollars---	779	1,781	1,598	1,464	1,776	
Imports-----do-----	1,019	904	1,236	1,180	1,493	
Balance-----do-----	-240	877	362	284	284	
Trade turnover (exports plus imports) million dollars---	1,798	2,686	2,835	2,645	3,269	
Share of total U.S. trade accounted for by trade with NME's:						
Exports-----percent---	1.65	3.54	3.05	2.74	3.43	
Imports-----do-----	1.54	1.30	1.57	1.48	1.74	

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/ Revised.

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.

In trade with Eastern Europe, the United States had a \$303.2 million deficit during the period under review. The U.S. trade deficit with Eastern Europe amounted to only \$115.9 million during the second quarter of 1984 and to \$82.2 million in July-September 1983. The U.S. deficit in trade with Eastern Europe was attributable to a large extent to a deficit in bilateral trade with Romania. The deficit in U.S.-Romanian trade increased from \$130.7 million in July-September 1983 to \$253.5 million in July-September 1984. This deficit was only \$102.0 million in April-June 1984. The United States also registered deficits in its review-period trade with Czechoslovakia, the German Democratic Republic, and Hungary. The U.S. balance of merchandise trade, however, showed surpluses in trade with both Poland and Bulgaria.

### U.S. Exports

After two consecutive quarterly declines during the first half of 1984, U.S. exports to the NME's increased by \$312.1 million from the second to the third quarter of 1984 (fig. 1). At \$1.8 billion, U.S. exports to the NME's during the period under review exceeded by 128.2 percent the \$778.6 million value of exports during the third quarter of 1983 (table 2). U.S. exports to the NME's increased by 47.3 percent, from \$3.3 billion in January-September 1983 to \$4.8 billion in January-September 1984.

Shipments of commodities classified as food and live animals constituted 46.5 percent of total U.S. exports to the NME's in January-September 1984 (table 3). The share of these shipments was 36.8 percent in January-September 1983. Grain (wheat and corn) represented 95.9 percent of total U.S. food and live animal shipments to the NME's in July-September 1984, with grain sales accounting for 43.2 percent of U.S. export revenues in trade with the NME's during this period. Since the United States shipped no grain to the Soviet Union and China, U.S. export revenues from the sale of grain to the NME's amounted to only \$27.5 million during the third quarter of 1983. The value of grain sales increased by \$129.9 million from the second to the third quarter of 1984 and by more than \$1 billion from January-September 1983 to January-September 1984. In terms of quantity, U.S. grain shipments to the NME's increased from 7.6 million metric tons in January-September 1983 to 14.2 million metric tons in January-September 1984. Wheat shipments increased from 4.3 million metric tons to 9.1 million metric tons and those of corn from 3.3 million metric tons to 5.1 million metric tons from January-September 1983 to the corresponding period of 1984. Despite the fact that the United States shipped no soybeans to the NME's during the quarter under review, U.S. crude material exports to the NME's increased by 32.4 percent from January-September 1983 to the corresponding period of 1984. In January-September 1984, the Soviet Union had the largest relative share of U.S. exports to the NME's, followed by China and Eastern Europe (fig. 2).

Figure 1.--U.S. exports to the nonmarket economy countries (NME's), China, and the U.S.S.R., by quarters, 3rd quarter of 1981 through the 3rd quarter of 1984

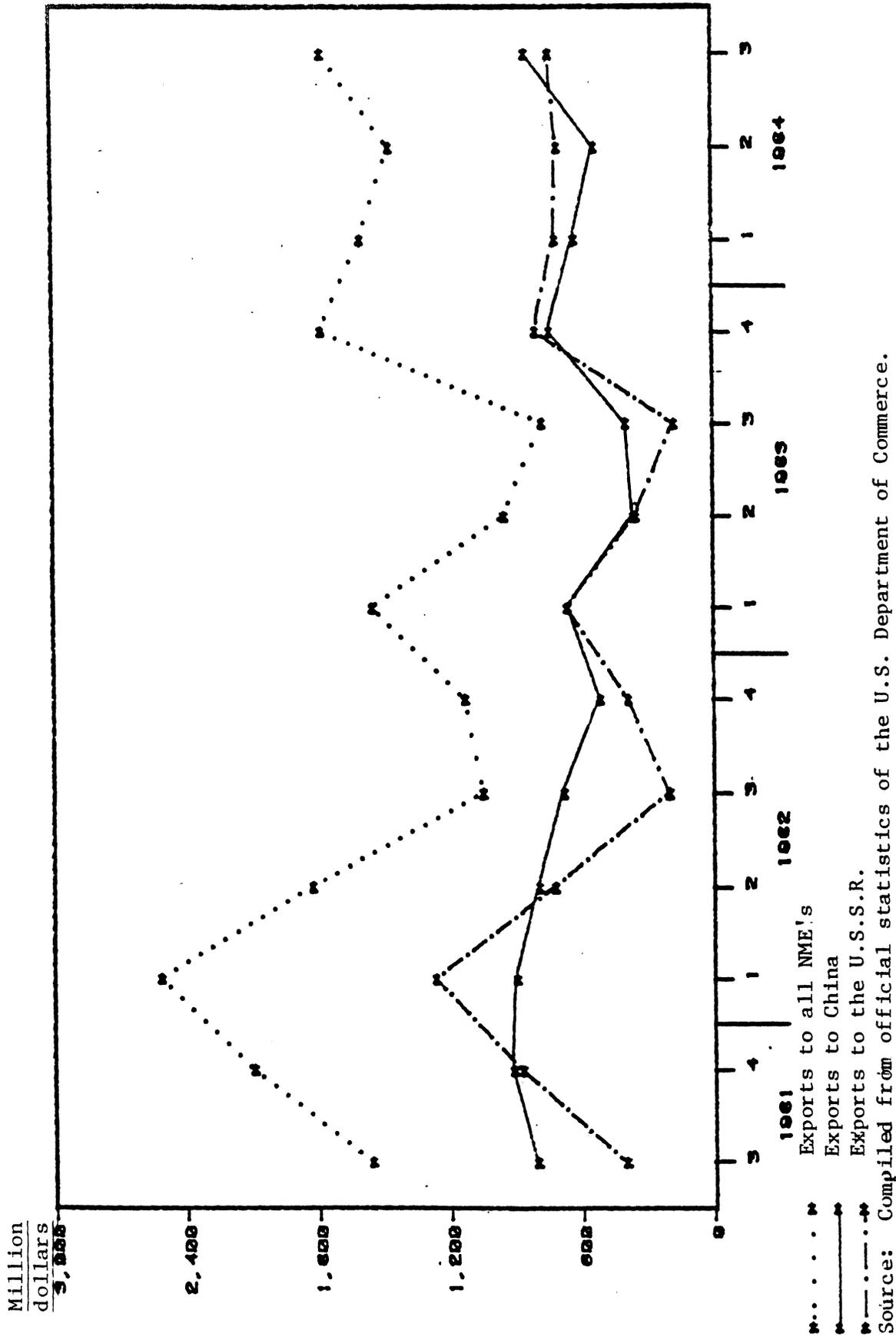


Table 2.--U.S. exports to the individual nonmarket economy countries and to the world, 1982, 1983, 1984, January-September 1983, January-September 1984, July-September 1983, and July-September 1984

Market	(In thousands of dollars)					
	1982		1983		1984	
	1982		1983		1984	
	1982	1983	1983	1984	1983	1984
Albania	16,400	4,205	4,205	7,678	62	1,313
Bulgaria	106,453	65,389	55,146	39,091	34,077	18,891
China	2,904,535	2,163,219	1,422,950	2,005,429	394,621	847,604
Cuba	951	688	556	696	229	284
Czechoslovakia	83,598	57,079	34,076	45,371	11,718	22,858
East Germany	222,657	138,915	90,176	96,121	12,140	26,190
Hungary	67,842	109,781	88,489	49,797	33,395	17,112
Mongolia	344	123	123	112	82	65
North Korea	100	1	1	-	-	-
Poland	292,606	319,872	236,967	240,785	75,836	71,697
Romania	223,231	185,658	143,077	183,782	33,439	26,082
U.S.S.R.	2,588,975	2,001,951	1,194,882	2,154,084	178,860	738,731
Vietnam	31,995	20,745	15,713	16,389	4,180	5,647
Total	6,539,686	5,067,626	3,286,361	4,839,336	778,640	1,776,475
Total, U.S. exports to the world	207,157,641	195,969,353	145,645,762	157,717,615	47,299,012	51,838,180

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

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

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

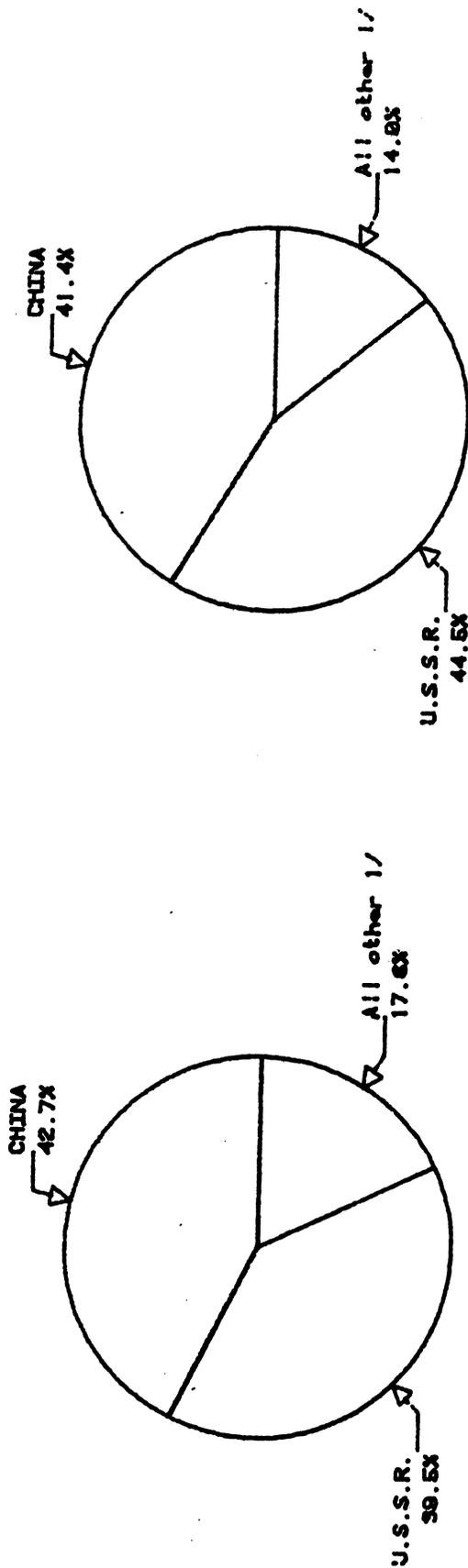
SITC Section	Total exports		Exports to the NME's	
	Jan.-Sept. 1983	Jan.-Sept. 1984	Jan.-Sept. 1983	Jan.-Sept. 1984
	Value (million dollars)			
0. Food and live animals	17,488	18,154	1,209	2,252
1. Beverages and tobacco	1,883	1,806	20	9
2. Crude materials--inedible, except fuel	13,595	15,036	577	765
3. Mineral fuels, lubricants, etc	7,302	6,879	33	41
4. Oils and fats--animal and vegetable	1,140	1,489	27	48
5. Chemicals	16,483	19,102	467	670
6. Manufactured goods classified by chief material	11,417	11,774	180	139
7. Machinery and transportation equipment	59,860	64,459	516	654
8. Miscellaneous manufactured articles	11,108	11,384	206	206
9. Commodities and transactions not elsewhere classified	5,370	7,636	50	55
Total	145,646	157,718	3,286	4,839
	Percent of total			
0. Food and live animals	12.0	11.5	36.8	46.5
1. Beverages and tobacco	1.3	1.1	.6	.2
2. Crude materials--inedible, except fuel	9.3	9.5	17.6	15.8
3. Mineral fuels, lubricants, etc	5.0	4.4	1.0	.8
4. Oils and fats--animal and vegetable	.8	.9	.8	1.0
5. Chemicals	11.3	12.1	14.2	13.8
6. Manufactured goods classified by chief material	7.8	7.5	5.5	2.9
7. Machinery and transportation equipment	41.1	40.9	15.7	13.5
8. Miscellaneous manufactured articles	7.6	7.2	6.3	4.3
9. Commodities and transactions not elsewhere classified	3.7	4.8	1.5	1.1
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 the totals shown.

Figure 2: Relative shares of U.S. exports to the nonmarket economy countries, 1983 and January-September 1984



1983

Jan-Sept 1984

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

Source: Based on data in table 2.

U.S.S.R

Mainly as a result of stepped-up grain sales to the Soviet Union, U.S. exports to the Soviet Union increased by 313.0 percent from July-September 1983 to the quarter under review. From January-September 1983 to the corresponding period of 1984, these exports increased by 80.3 percent. Sales of U.S. food and live animals to the Soviet Union increased by 146.7 percent in a similar comparison. (Table 4 shows U.S. exports to the NME's by countries and SITC sections during the quarter under review.) Grain exports to the Soviet Union increased from 4.2 million metric tons (3.0 million metric tons of wheat and 1.2 million metric tons of corn) in January-September 1983 to 10.3 million metric tons (5.7 million metric tons of wheat and 4.6 million metric tons of corn) in January-September 1984. Cotton shipments to the Soviet Union remained at a significant level of \$47.2 million during the period under review. Total U.S. shipments of this product to the Soviet Union increased to \$148.7 million (380,102 running bales) in January-September 1984.

China

U.S. exports to China increased by 114.8 percent from the third quarter of 1983 to the quarter under review, and by 40.9 percent from January-September 1983 to the corresponding period of 1984. Chinese purchases of U.S. food and live animal products increased by 39.2 percent from the first three quarters of 1983 to the corresponding period of 1984. U.S. wheat shipments to China increased from 1.2 million metric tons in January-September 1983 to 3.3 million metric tons during the corresponding period of 1984. The increase in U.S. wheat shipments to China from the second to the third quarter of 1984 amounted to \$85.3 million in terms of value. Corn shipments to China fell from 1.4 million metric tons in January-September 1983 to a relatively insignificant amount during the corresponding period of 1984. But there were significant increases in U.S. shipments of manufactured fertilizers, and polymerization and copolymerization products to China increased in a similar comparison. A significant \$175.5-million increase in China's purchases of U.S. machinery and transportation equipment more than outweighed a decline in Soviet and East European purchases of these U.S. products from the first 9-month period of 1983 to the corresponding period of 1984. During the period under review, 60 locomotives were shipped to China and the easing of restrictions on the sale of high-technology products to that country was reflected in the increased sales of a broad variety of capital equipment including automatic data processing machines (SITC Group 752).

Eastern Europe

U.S. sales to Eastern Europe declined by 8.9 percent from the third quarter of 1983 to the quarter under review, increasing by only 1.1 percent from January-September 1983 to the corresponding period of 1984. Among the East European countries, Poland remained the largest customer of U.S. products both in January-September 1983 and in the period under review. Romania was the second largest East European customer for U.S. commodities in January-September 1984, but only the third largest after East Germany during the period under review. The value of U.S. corn shipments to Eastern Europe declined from \$91.9 million (0.7 million metric tons) in January-September 1983 to \$76.1 million (0.5 million metric tons) in January-September 1984. Sales of U.S. soybean oilcake and oilmeal exports decreased, but those of 16 cattle hides increased, in a similar comparison.

Table 4.--U.S. exports to the nonmarket economy countries, by SITC Sections, July-September 1984  
(In thousands of dollars)

SITC Section	Albania	Bulgaria	China	Cuba	Czecho- slovakia	East Germany	Hungary
0. Food and live animals	-	6,455	198,532	1	59	18,477	294
1. Beverages and tobacco	-	-	9	-	1,502	-	-
2. Crude materials--inedible, except fuel	-	1,983	114,399	-	7,525	5,431	3,096
3. Mineral fuels, lubricants, etc	1,288	-	183	-	-	-	1
4. Oils and fats--animal and vegetable	-	-	-	106	10,376	108	8,083
5. Chemicals	-	9,538	192,268	-	-	-	-
6. Manufactured goods classified by chief material	-	247	48,705	-	616	18	1,576
7. Machinery and transportation equipment	25	351	232,384	54	1,702	2,011	3,348
8. Miscellaneous manufactured articles	-	263	58,392	-	-	80	548
9. Commodities and transactions not elsewhere classified	-	55	2,731	124	175	63	169
Total	1,313	18,891	847,604	284	22,858	26,190	17,112
	Mongolia	North Korea	Poland	Romania	U.S.S.R.	Vietnam	Total
0. Food and live animals	-	-	33,551	134	542,322	-	799,824
1. Beverages and tobacco	-	-	1,270	212	936	-	3,930
2. Crude materials--inedible, except fuel	-	-	14,898	15,616	75,561	-	238,509
3. Mineral fuels, lubricants, etc	-	-	18	2,828	5,522	-	9,840
4. Oils and fats--animal and vegetable	-	-	1,524	-	9,866	-	11,390
5. Chemicals	-	-	2,422	544	61,638	-	285,081
6. Manufactured goods classified by chief material	-	-	1,756	302	2,486	-	55,706
7. Machinery and transportation equipment	37	-	6,147	5,875	22,210	-	274,089
8. Miscellaneous manufactured articles	18	-	3,307	436	17,586	30	81,617
9. Commodities and transactions not elsewhere classified	10	-	6,804	135	604	5,617	16,489
Total	65	-	71,697	26,082	738,731	5,647	1,776,475

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

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

At 3.43 percent, the share of U.S. exports to the NME's among worldwide U.S. exports in July-September 1984 was the highest during the first three quarters of 1984.

#### Food and live animals

U.S. exports to the NME's of food and live animals (products classified in SITC Section 0) increased by 86.4 percent from \$1.2 billion in January-September 1983 to \$2.3 billion in January-September 1984. The value of these exports increased from \$74.1 million in July-September 1983 to \$799.8 million during the quarter under review. <sup>1/</sup> Wheat exports represented 85.5 percent and those of corn, 10.4 percent of total U.S. food and live animal sales to the NME's in July-September 1984. The quantity of U.S. grain shipments (wheat and corn combined) to the NME's increased from 7.6 million metric tons during the first three quarters of 1983 to 14.2 million metric tons during the corresponding period of 1984. Wheat shipments to the NME's increased from 4.3 million metric tons in January-September 1983 to 9.1 million metric tons in January-September 1984. Corn shipments increased from 3.3 million metric tons to 5.1 million metric tons, in a similar comparison. <sup>2/</sup> The quantity of U.S. wheat sold to the NME's increased from 15,404 metric tons in July-September 1983 to 4.7 million metric tons during the quarter under review. The quantity of U.S. corn sold to the NME's increased from 184,835 metric tons to 594,434 metric tons, in a similar comparison. The value of wheat shipments to the NME's rose from \$686.2 million in January-September 1983 to \$1.4 billion in January-September 1984, while those of corn increased from \$388.2 million to \$767.8 million.

The dominant role of goods classified into the food and live animal category among U.S. exports to the NME's was reinforced during the first three quarters of 1984. The share of these goods in total U.S. sales to the NME's increased from 36.8 percent in January-September 1983 to 46.5 percent in January-September 1984. U.S. wheat sales to the NME's accounted for 33.1 percent of U.S. wheat sales to the world in July-September 1984. The share of U.S. corn sales to the NME's in worldwide U.S. corn sales was 6.4 percent during the period under review.

The share of Soviet purchases of U.S. food and live animal exports to the NME's increased from 52.8 percent during the first three quarters of 1983 to 69.9 percent during the first three quarters of 1984. China's share of these U.S. exports declined from 28.7 percent to 21.4 percent, and that of Eastern Europe from 18.5 percent to 8.7 percent, in similar comparisons.

---

<sup>1/</sup> A complete absence of grain shipments to the U.S.S.R. and China explains the low value of U.S. food and live animal exports to the NME's during the third quarter of 1983.

<sup>2/</sup> The increase in the value of U.S. corn shipments exceeded the increase in volume. The unit value of U.S. corn sold to the NME's increased by 28.3 percent from January-September 1983 to January-September 1984. The increase in the volume of wheat shipments, however, was greater than the increase in the value of these shipments, because the unit value of wheat declined by 6.6 percent in a similar comparison.

U.S.S.R.--U.S. grain exports to the Soviet Union amounted to \$537.0 million, or to 3.6 million metric tons, in July-September 1984. Of this amount, 3.2 million metric tons (\$485.6 million) was wheat and 0.4 million metric tons (\$51.4 million) was corn. Quarterly U.S. grain shipments to the Soviet Union have shown an upward trend this year. These shipments amounted to 3.3 million metric tons in January-March and to 3.4 million metric tons in April-June. U.S. grain sales to the Soviet Union in this review period exceeded the value of second-quarter sales by 4.7 percent; the quantity of shipments by 7.0 percent. During July-September 1983 there were no U.S. grain shipments to the Soviet Union. U.S. grain shipments to the Soviet Union increased nearly 150 percent from 4.2 million metric tons in January-September 1983 to 10.3 million metric tons in January-September 1984. The value of these sales increased from \$634.7 million to \$1.6 billion, or by 147 percent, in a similar comparison. Soviet imports of U.S. wheat increased from 3.0 million metric tons (\$496.5 million) during the first three quarters of 1983 to 5.7 million metric tons (\$877.6 million) in January-September 1984. U.S. corn shipments to the Soviet Union jumped from 1.2 million metric tons (\$138.2 million) to 4.6 million metric tons (\$689.2 million), in a similar comparison. The proportion of corn among U.S. grain shipments to the Soviet Union increased from 29 percent in January-September 1983 to 45 percent in January-September 1984. 1/

The Soviets stepped up their grain purchases from the United States, as well as from other suppliers, in June-September 1984, as the extent of the 1984 production shortfall became apparent. The U.S. Department of Agriculture (USDA) estimates that Soviet grain production in 1984 could fall to 170 million metric tons from the 195-200 million metric tons produced in 1983. USDA analysts have revised their earlier estimate of 43 million metric tons of grain import by the Soviet Union to 50 million metric tons during the July 1984-June 1985 marketing year. According to the USDA, third-quarter grain shipments to the Soviet Union from Canada amounted to 4.4 million metric tons; from Argentina to 1.0 million metric tons; from the European Community to 1.0 million metric tons; and from Australia to 0.4 million metric tons. Shipments from Canada totaled 6.9 million metric tons in January-September 1984; 6.1 million metric tons from Argentina; 2.5 million metric tons from the European Community; and 1.9 million metric tons from Australia. 2/

---

1/ The Soviets more than fulfilled their minimum purchasing obligations during the agreement year, October 1983-September 1984. According to the USDA, they purchased 14.5 million metric tons of grain from the United States during this period. These purchases were made up of 7.6 million metric tons of wheat, 6.5 million metric tons of corn, and 416,200 metric tons of soybeans. For a description of the U.S.-Soviet grain agreement currently in effect, and an overview of U.S.-Soviet grain trade in 1983, see 37th Quarterly Report . . . , pp. 66, 71, and 36th Quarterly Report . . . , pp. 16, 17. For further details on current trends in Soviet purchases of U.S. grain, see "The Soviet Union meets and surpasses its grain purchasing requirements for the second year of the agreement," USITC, International Economic Review, IER, November 1984.

2/ The Argentine Soviet grain supply accord which runs out in 1985 has recently been extended for 1 year. Under this accord, the Soviets must purchase a minimum of 4 million metric tons of coarse grains and 500,000 metric tons of soybeans per agreement year. For a description of the difficulties in Argentine-Soviet commercial relations affecting conditions for the renewal of the grain deal, see Journal of Commerce, November 1984, p. 5A.

Among the non-grain U.S. food and live animal exports to the Soviet Union during the first three quarters of 1984, sales of vegetables and fruits (SITC Division 05) valued \$7.6 million. U.S. sales of goods classified in this product division amounted to more than \$30 million in 1981, but diminished to \$3.4 million in 1983.

China.--U.S. grain shipments to China increased from 2.6 million metric tons (\$341.7 million) in January-September 1983 to 3.3 million metric tons (\$481.3 million) in January-September 1984. The share of corn in these shipments shrank from 46.3 percent during the first three quarters of 1983 to a negligible proportion during the corresponding period of 1984. Once a major supplier of corn to China, the United States exported only 18,000 metric tons of corn to China in July-September 1984. These shipments were the first U.S. corn sales to China during the first three quarters of 1984. 1/

U.S. wheat shipments increased to 1.5 million metric tons (\$195.8 million) in July-September 1984 from 1.1 million metric tons (\$172.4 million) during the first quarter and 0.8 million metric tons (\$110.5 million) during the second quarter of 1984. U.S. grain exports to China declined sharply during the second quarter of 1983 as shipments for earlier orders were completed and disagreement over textile quotas dragged on through the first 7 months of the year. 2/ Even after the resolution of the disagreement in July 1983, successful Chinese efforts to boost grain production and diversify sources of foreign grain supplies have limited China's demand for U.S. wheat. There were no U.S. wheat deliveries to China in July-September 1983. As a result of new orders in early September, U.S. wheat shipments to China amounted to 1.2 million metric tons during the last quarter of 1983. Chinese imports of U.S. wheat declined from 6.8 million metric tons in 1982 to 2.5 million in 1983. 3/

Eastern Europe.--The sale of corn at \$29.4 million, contributed the most to U.S. export revenues from Eastern Europe during the quarter under review. U.S. corn shipments to Eastern Europe increased from 184,835 metric tons in July-September 1983 to 206,106 metric tons in July-September 1984. Despite this increase, total U.S. corn shipments to Eastern Europe have declined from 730,465 metric tons in January-September 1983 to 518,999 metric tons in January-September 1984. The value of U.S. corn sales declined from

---

1/ Exceptionally large corn harvests in China's northeastern provinces, which even allowed for some exports in addition to filling domestic needs, account for the practical disappearance of U.S. corn exports to China since the summer of 1983. See 39th Quarterly Report . . ., p 18.

2/ For details on the effect of these negotiations on U.S. grain shipments to China, see 37th Quarterly Report . . ., pp. 50, 51.

3/ According to USDA, Chinese purchases of U.S. grain were 2.2 million metric tons short of China's obligations for a minimum 6 million metric ton grain purchase per year under the 1981-84 U.S.-China grain supply agreement. As of Nov. 8, 1984, Chinese orders for delivery in 1984 amounted to only 4.4 million metric tons. For a description of the 4-year U.S.-China grain agreement, and China's grain agreements with other supplying nations, see 33d Quarterly Report . . ., p 44.

\$91.9 million to \$76.1 million, in a similar comparison. 1/ Importing 61.5 percent of the U.S. corn sold in Eastern Europe during the first three quarters of both 1983 and 1984, the German Democratic Republic remained the most important customer of U.S. corn in Eastern Europe. 2/ In January-September 1984, Poland and Bulgaria ranked second and third, respectively, as East European purchasers of U.S. corn. Poland, the only purchaser of U.S. wheat in Eastern Europe, increased its imports of U.S. wheat slightly from 38,255 tons in January-September 1983 to 46,361 tons in January-September 1984. 3/

U.S. soybean oilcake and oilmeal exports, the second most significant food and live animal commodity sold to East Europeans during the first three quarters of 1984, valued only \$48.6 million during this period compared with \$64.0 million in January-September 1983. Hungarian purchases of this U.S. commodity fell from \$42.3 million in January-September 1983 to \$8.9 million in January-September 1984; Polish purchases increased from \$10.8 million to \$39.8 million, in such a comparison. At \$10.9 million, this U.S. commodity led the list of Polish imports from the United States during the period under review. Total NME imports of soybean oilcake and oilmeal amounted to \$10.9 million during the period under review. This was significantly lower than both the 1983 quarterly average of U.S. sales to the NME's and the sales in July-September 1983. 4/

---

1/ Once a major customer of U.S. grain products, Eastern Europe cut sharply its grain imports from the United States in 1982. U.S. grain sales to the region averaged 7.2 million metric tons in 1976-81, but dropped to 3.5 million metric tons in 1982 and to 1.6 million metric tons in 1983. Hard currency shortages and efforts to improve grain yields and the feed-livestock economy in Eastern Europe have limited overall East European demand for imported corn. In addition, the U.S. share in East Europe's overall corn imports has also declined. Whereas this share was 70 percent in 1982, it dipped below 50 percent in 1983-84. Source: USDA, U.S.S.R./Eastern Europe Division.

2/ East German imports of U.S. corn will probably decline in 1985. Record grain production and efforts to substitute feed wheat, barley, and sorghum in feed compounds are expected to reduce the GDR's overall demand for corn imports. According to USDA analysts, East German imports of U.S. corn could drop to 750,000 metric tons in 1984/85 from almost 1 million metric tons in 1982/83. (See East Europe Agriculture, October 1984, p. 11.)

3/ Although Polish efforts to increase yields have registered some success recently, the country's goal of self-sufficiency in grains is still a distant goal. Poland's grain imports for 1984 are forecast to be 3.0 million metric tons. Of this, 2.4 million metric tons will be wheat and 0.6 million metric tons will be corn. The European Community, Canada and Sweden are Poland's main wheat suppliers. See East Europe Agriculture, June 1984.

4/ Good overall oilseed production in the region, efforts to achieve oilseed self-sufficiency and to improve the efficiency of feed rations, hard currency shortages, the high price of U.S. oilseed products as a result of the poor harvest, and the high price of the dollar provide the general explanation for this decline.

### Crude materials

U.S. exports to the NME's of crude materials (SITC Section 2) increased by 32.4 percent, from \$577.4 million in January-September 1983 to \$764.7 million in January-September 1984. Cotton was the leading U.S. crude materials export shipped to the NME's in July-September 1984, as well as during the first 9 months of 1984. U.S. sales of cotton to the NME's increased from \$61.1 million (173,420 running bales) during the first three quarters of 1983 to \$152.3 million (389,356 running bales) during the corresponding period of 1984. With 97.6 percent of the purchases, the Soviet Union remained the major NME buyer of this U.S. product in January-September 1984. Soviet imports of U.S. cotton (SITC Group 263), nonexistent in 1981 and insignificant in 1982, jumped to \$72.2 million in 1983. The sudden increase of Soviet demand for U.S. cotton in 1983 is mainly due to the poor quality of the cotton harvested in 1983. 1/ As a result, the Soviets had to import cotton to make good on their export obligations to their CEMA partners whose hard-currency-earning textile industries depend to a large extent on cotton deliveries from the Soviet Union. Cotton became the most significant U.S. export after grain to the Soviet Union in January-September 1984.

U.S. soybean sales to the NME's decreased from \$156.3 million (23.7 million bushels) in January-September 1983 to \$144.7 million (17.2 million bushels) in January-September 1984. Remaining over \$70 million during both the first and second quarters of 1984, overall NME imports of soybeans from the United States dropped to zero in July-September 1984. The U.S.S.R. and Romania were the most significant buyers of this U.S. product among the NME's both in 1983 and in the first half of 1984. Romania purchased 81.6 percent of East European and 73.6 percent of total NME imports of U.S. soybeans in January-September 1984. Soviet imports of U.S. soybeans (SITC Subgroup 2222), which jumped from \$8.4 million in 1981 to \$171.3 million in 1982, decreased to \$157.2 million in 1983. Occurring only during the first quarter of 1984, Soviet purchases through the first three quarters of 1984 amounted to \$14.0 million. Although China lifted its embargo on U.S. soybean imports in September 1983, it has not resumed purchases. 2/ The following factors may have contributed to the decline of Soviet and East European purchases of U.S. soybeans: (1) reduced U.S. supplies for export at increased prices as a result of the poor harvest in 1983; 3/ (2) increased supplies for the Soviet Union under long-range agreements from other suppliers (e.g., the Brazil-Soviet countertrade deal for the exchange of Brazilian soybeans for Soviet crude oil and various industrial products); (3) increased substitution of feed-grain in Eastern Europe (also in Western Europe) for oilseed products in animal rations; (4) efforts by the NME's to achieve oilseed self-sufficiency; and (5) large Soviet soybean meal imports in 1983 which moderated to some extent Soviet domestic demand for soybeans in 1984.

---

1/ It is also likely that in addition to quality problems, production shortfalls also occurred in 1982 and 1983. See 39th Quarterly Report . . ., p. 20, footnote No. 3.

2/ See 39th Quarterly Report . . ., p. 20. From the fact that China currently exports soybeans to Japan and the Republic of South Korea it is apparent that its demand for soybean imports has diminished.

3/ The unit value of U.S. soybeans sold to the NME's increased by 27.3 percent, from \$6.59/bushel in January-September 1983 to \$8.39/bushel in January-September 1984. The strong dollar has further aggravated this price increase.

Shipments of softwood saw logs to China during the quarter under review were significantly below the level of shipments during the corresponding period of 1983. Large deliveries of U.S. Douglas-fir logs to China during the first half of 1984, however, increased U.S. sales of this product to China from \$112.8 million in January-September 1983 to \$142.3 million in January-September 1984. U.S. sales of Western hemlock log to China declined slightly from \$37.0 million to \$35.4 million, in a similar comparison. Demand for logs used in the construction of large-scale development projects in China continues to outstrip domestic supplies despite the reportedly successful efforts by the authorities to boost domestic log production through a nationwide afforestation campaign. <sup>1/</sup>

U.S. sales of cattle hides to the NME's increased from \$63.0 million in January-September 1983 to \$84.4 million in January-September 1984. Eastern Europe bought 76.2 percent of the total sold by the United States to the NME's during the first 9 months of 1984. China increased its acquisitions of U.S. cattle hides to \$9.6 million during the quarter under review, from \$0.4 million in July-September 1983. Czechoslovakia, for which this good was the leading import from the United States during the first three quarters of 1984, increased its purchases of this U.S. good by \$9.4 million from January-September 1983 to January-September 1984. Although the largest NME customer, Romania, has reduced its imports of U.S. cattle hides from \$31.8 million to \$26.6 million in such a comparison, increased purchases by smaller customers more than made up the difference.

### Chemicals

U.S. exports to the NME's of chemicals (SITC Section 5) increased by 43.3 percent, from \$467.1 million in January-September 1983 to \$669.5 million in January-September 1984.

China.--Increased sales to China accounted almost entirely for the growth in U.S. export revenues from the sale of chemicals to the NME's between the two periods. Particularly significant was the increase in Chinese purchases of manufactured fertilizers (SITC Group 562) and polymerization and copolymerization products (SITC Group 583). Deliveries of manufactured fertilizer products to China increased from \$121.5 million in January-September 1983 to \$200.1 million in January-September 1984. Sales of manufactured fertilizers to China have shown a steady increase since 1981. The annual rates of growth of U.S. exports of manufactured fertilizers to China from 1982 to 1983, and from the first three quarters of 1983 to the corresponding period of 1984 have exceeded the 9-percent increase in the use of chemical fertilizers in China in 1983. <sup>2/</sup> Diammonium phosphate fertilizers remained the most significant manufactured fertilizer, as well as the most significant SITC Section 5 item, exported to China during the period under review. Shipments to China of this product increased from \$70.6 million during the first 9 months of 1983 to \$163.7 million during the corresponding period of 1984. Shipments in July-September 1984 amounted to \$72.6 million

---

<sup>1/</sup> For further details on Chinese demand for U.S. forestry products, see 39th Quarterly Report. . . , p. 20, and 33d Quarterly Report. . . , pp. 48,49.

<sup>2/</sup> See 36th Quarterly Report. . . , p. 22.

compared with only \$17.7 million in July-September 1983 (see appendix tables and table B-3). Chinese purchases of urea from the United States increased during the quarter under review compared with the corresponding period of 1983, but decreased compared with the second quarter of 1984. Shipments of urea to China increased from \$18.9 million in January-September 1983 to \$36.4 million in January-September 1984. 1/

Deliveries of polymerization and copolymerization products to China increased from \$64.0 million during the first three quarters of 1983 to \$124.8 million during the corresponding same period of 1984. Shipments of polypropylene resins, the second most important chemical exported to China during the first three quarters of 1984, increased from \$19.1 million in January-September 1983 to \$51.5 million in January-September 1984. In a similar comparison, shipments of polyethylene resins (low- and medium-density) increased from \$9.2 million to \$43.0 million. More than half of the shipments in 1984 occurred during the period under review. These increases represent a turnabout in the trend of decreasing Chinese purchases of this U.S. product. Chinese purchases of polyethylene resins showed a massive decline from January-September 1982 to the corresponding period in 1983. Since China may depend on imported 2/ plastics resins in the years ahead for the manufacture of a large variety of commodities needed for economic development 3/, prospects for further large U.S. sales of this commodity to China remain good. Chinese purchases of a number of other chemicals from the United States advanced as well. In three out of the four SITC Divisions (SITC Divisions 51, 56, 58, and 59) in which U.S. sales to China exceeded \$15 million in January-September 1983, U.S. exports advanced significantly in January-September 1984.

Other NME's.--Shipments of chemicals to the Soviet Union declined from \$175.9 million during the first three quarters of 1983 to \$159.9 million during the corresponding period of 1984. More than three-fourths of the \$16.0-million decline can be attributed to the reduction of superphosphoric acid shipments from \$154.6 million in January-September 1983 to \$142.1 million in January-September 1984. The value of shipments declined by \$10.8 million from July-September 1983 to the period under review (table B-5). 4/

Exports of U.S. chemicals to Eastern Europe increased to \$52.2 million in January-September 1984 from \$36.6 million during the corresponding period of 1983. This \$15.6-million increase in East European imports of U.S. chemicals compensated for the roughly equal decline in Soviet imports in a similar comparison. East European purchases of U.S. chemicals amounted to

---

1/ For background information on China's increased use of phosphatic fertilizers, see 39th Quarterly Report . . ., p. 21.

2/ For explanation see 33d Quarterly Report . . ., p. 49.

3/ Demand for plastics resins (used primarily in the manufacture of injection-molded commodities and packaging materials) is determined by the level of mass production and the importance of the consumer and export sectors in the national economy.

4/ The Soviet Union imports U.S. superphosphoric acid under a 20-year agreement between Occidental Petroleum Co. and the Soviet Government. For an updated account on trade under this agreement, see 37th Quarterly Report . . ., p. 72.

\$31.1 million, which is far higher than the quarterly average of these purchases in any year since 1980. The East European countries increased their purchases of U.S. manufactured fertilizers (SITC Division 56), organic chemicals (SITC Division 51), and inorganic chemicals (SITC Division 52) from January-September 1983 to the corresponding period of 1984. Increased deliveries of chemicals to Czechoslovakia, Hungary, the German Democratic Republic, Romania and Bulgaria more than offset a decline in Poland's purchases from the first 9 months of 1983 to the corresponding period in 1984.

#### Machinery and transportation equipment

U.S. exports of commodities classified as machinery and transportation equipment (SITC Section 7) to the NME's increased by 26.8 percent, from \$515.7 million in January-September 1983 to \$654.2 million in January-September 1984. This \$138.4-million increase in NME imports of U.S. machinery and transportation equipment between the two periods resulted from a \$175.5-million increase in China's purchases, and a \$21.0-million and \$16.0-million declines in Soviet and East European purchases, respectively.

China.---Exports to China of U.S. machinery and transportation equipment ranked first among U.S. exports to that country during January-September 1984, similar to exports in 1983. Shipments increased from \$340.4 million in January-September 1983 to \$515.9 million during the corresponding period of 1984. Chinese imports from the United States advanced for a large variety of commodities in this category. In seven out of the nine (two-digit) SITC Divisions, U.S. sales to China increased from the first three quarters of 1983 to the corresponding period in 1984. Five out of the 10 U.S. export items which increased substantially over this period were U.S. machinery and transportation equipment sold principally to China (table 5). Deliveries of locomotives ordered by China from the General Electric Co. began during the quarter under review. Sixty locomotives valued at \$58.3 million were shipped to China in July-September 1984. These sales made up 72.6 percent of worldwide U.S. exports of this product during the first 9 months of 1984 (table 6). U.S. sales to China of railway vehicles and associated equipment (SITC Group 791, which includes locomotives) increased from an insignificant amount in January-September 1983 to \$111.9 million in January-September 1984. Chinese imports of parts for oil and gas field drilling machines from the United States increased from \$22.9 million in January-September 1983 to \$50.4 million in January-September 1984. Shipments amounted to \$22.8 million during the period under review (table B-3). Shipments of special-purpose nonmilitary vehicles to China increased from \$3.4 million during the first 9 months of 1983 to \$36.9 million during the corresponding period of 1984. Steadily increasing since 1981, U.S. exports of automatic data processing machines (SITC Group 752) to China jumped from \$25.9 million in January-September 1983 to \$49.0 million in January-September 1984. The number of digital automatic data processing machines (Schedule B. 676.2700) sold to China increased from 656 (\$8.4 million) during the first 9-month period of 1983 to 1,327 (\$12.4 million) during the corresponding period of 1984. The quantity shipped was 565 during the period under review, compared with only 130 during the corresponding period of 1983. The number of U.S. communication and peripheral equipment (Schedule B. 676.2870) shipped to China increased from 394 to 1,037 from January-September 1983 to January-September 1984. During the period under review, 495 were shipped compared with 172 in

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

Schedule B no.	Commodity	Major NME customer	Percentage change, Jan.-Sep. 1984 from Jan.-Sep. 1983		Value of exports to all NME's in January-September 1984 1,000 dollars
			All NME's	World	
					Percent
692.1680	Substantially increased:		990.8	35.0	36,891
661.9855	Special-purpose motor vehicles, nonmilitary, n.s.p.f.	China	558.1	-20.7	5,183
202.1660	Water-purifying, water-softening, and water-filtering machines	do	519.2	.2	6,200
250.0284	Douglas-fir lumber, rough, in least dimension 5 inches and over	do	487.4	5.1	10,494
444.1610	Wood pulp, special alpha and dissolving grades	do	366.8	1.3	43,051
674.5440	Polyethylene resins, low and medium density	do	327.4	11.8	2,426
710.2840	Parts, n.e.s., of metal-forming machine tools	do			
	Nonelectrical geophysical instruments and apparatus, and parts thereof	do	318.5	80.9	4,734
710.1050	Electrical (including electronic) navigational instruments	do	308.7	2.3	2,667
692.3345	Tractors, wheel type, new, n.s.p.f., suitable for agricultural use, at least 140 but less than 160 horsepower	do	303.3	33.1	9,313
676.2870	Automatic data processing machines and units thereof, other, n.s.p.f.	do	291.7	32.3	6,054
692.1650	Substantially decreased:		-91.5	-59.6	528
170.3320	Mobile cranes, hydraulic operated, other than truck mounted	China	-88.8	4.4	760
110.4610	Flue-cured cigarette leaf filler tobacco, stemmed	Hungary	-82.9	-26.0	684
683.9540	Herring, fresh, chilled or frozen, whole or eviscerated	China			
	Parts of industrial and laboratory electric furnaces and ovens, and of electric induction and dielectric heating equipment	do	-82.9	6.5	733
684.6210	Telephone switching and switchboard equipment and parts and components thereof	do	-81.2	-4.1	680
630.3540	Magnesium, unwrought	do	-81.1	1.1	560
660.1040	Parts, n.s.p.f., of steam and other vapor generating boilers	do	-74.0	-31.1	1,302
609.1613	Plates, sheets, and strip of iron or steel, coated or plated with secondary tinplate	do			
446.1521	Polychloroprene (neoprene) synthetic rubber	U.S.S.R.	-71.9	-29.2	677
688.1900	Insulated wire and cable, n.s.p.f.	China	-69.7	15.0	1,987

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

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

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-September 1983 and January-September 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-September 1984
			Jan.-Sep. 1983	Jan.-Sep. 1984	
					1,000 dollars
					Percent
176.2520	Linseed oil, crude	U.S.S.R.	.0	89.0	9,127
480.7025	Phosphoric acid, 65 percent or more available phosphorus pentoxide equivalents	do	89.1	88.8	144,684
690.0510	Locomotives and tenders, diesel-electric, rail-service type	China	.0	72.6	58,304
200.8050	Hardwood railroad and mine ties (except switch or bridge ties), untreated	do	.0	63.8	3,188
675.4555	Insulating or transformer oils	U.S.S.R.	55.9	56.7	13,104
404.2250	Terephthalic acid dimethyl ester (dimethyl terephthalate)	China	.0	56.2	15,906
818.3900	Products, n.e.s., donated for relief or charity	Poland	53.4	50.0	37,304
121.0515	Bovine leather, rough, russet, and crust, wet blue, not split	China	71.4	42.4	17,054
433.1025	Chlorinated paraffin mixtures, acyclic, C10 - C30	U.S.S.R.	40.8	40.0	1,482
660.1018	Water tube stationary steam generating boilers, with a steam capacity of over 400,000 pounds of steam per hour	China	2.3	39.4	1,902
690.3310	Parts designed for locomotives, n.s.p.f., other than airbrake equipment	do	.1	38.4	51,425
790.5510	Pressure-sensitive tape having a plastic backing	U.S.S.R.	49.3	37.2	36,555
690.1535	Passenger, baggage, mail, freight and other railway cars not self-propelled, used or rebuilt	China	.0	37.0	1,400
818.3100	Food products, n.s.p.f., donated for relief or charity	Poland	32.5	36.1	5,460
310.0010	Textured yarns, of polyester	China	16.8	34.5	23,674
200.3510	Douglas-fir logs and timber, rough	do	30.3	34.5	142,251
601.6100	Zinc ore	U.S.S.R.	21.2	34.4	4,036
309.4245	Acrylic and modacrylic fibers (in noncontinuous form)	China	16.6	33.8	29,182
116.0100	Butter	Poland	46.6	32.8	16,480
692.1680	Special-purpose motor vehicles, nonmilitary, n.s.p.f.	China	3.9	31.9	36,891

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

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

July-September 1983. One important factor explaining increases in China's imports of a broad variety of Section 7 items, and in particular automatic data processing machines (SITC group 752), from the United States is the easing of restrictions on the sale of high-technology products to China. 1/

Other NME's.--Quarterly U.S. exports of machinery and transportation equipment to the Soviet Union averaged \$29.0 million in January-September 1984. This was the lowest quarterly average at least since 1980. Among (two-digit) SITC divisions over the same period, the largest decline (\$9.5 million) occurred in power generating machines (SITC Division 71). Sales of nonelectric engines and motors (SITC group 714) declined from \$13.2 million in January-September 1983 to \$5.3 million during the corresponding period of 1984. 2/

Evident since 1980, the general decline in East European purchases of U.S. machinery and transportation equipment continued during 1984. The \$17.1 million quarterly average of East European imports of such goods in January-September 1984 was the lowest in comparison with any annually calculated average at least since 1980. At \$19.4 million, however, East European imports of these commodities from the United States during the period under review slightly exceeded the quarterly average for the year to date.

#### Other exports

Among other U.S. exports to the NME's, goods classified as miscellaneous manufactured articles (SITC Section 8) were the most significant during the first 9-month period of both 1983 and 1984. U.S. exports of these products to the NME's were at \$206 million during both periods. Among the leading U.S. miscellaneous exports to the NME's were geophysical instruments sold primarily to China. Sales to China increased from \$22.4 million in January-September 1983 to \$39.9 million in January-September 1984. Sales of pressure-sensitive tapes to the NME's, however, declined from \$50.2 million to \$36.6 million, in a similar comparison. The Soviet Union was by far the dominant NME purchaser during both periods.

Among manufactured goods classified by chief material (SITC Section 6), U.S. sales of unwrought aluminum to China dropped from \$40.7 million during the first three quarters of 1983 to \$16.1 million during the corresponding period of 1984. Chinese purchases of textile yarn and fabrics (SITC Division 65) increased from \$13.1 million to \$28.3 million, in a similar comparison. 3/

---

1/ For more details, see 37th Quarterly Report . . ., pp 35-36.

2/ This product group includes parts for industrial turbines (Schedule B. 660.5460) which were supplied by General Electric Co. for the Soviet pipeline. The sale of these products had been prohibited from December 1981 to November 1982. Sales fell to \$0.5 million during the period under review. For more information, see 37th Quarterly Report . . ., p. 73.

3/ The quarterly average of Chinese imports of U.S. textile yarn and fabrics in January-September 1984 was \$9.4 million. Although this was above the \$4.3 million 1983 quarterly average, it remained significantly below the 1982 quarterly average of \$32.0 million, or the 1981 quarterly average of \$70.9 million.

Unspecified commodities donated for relief to the NME's (Schedule B item 818.3900, classified in SITC Section 9, commodities and transactions not elsewhere specified) declined from \$39.5 million in January-September 1983 to \$37.3 million in January-September 1984. During both periods Poland was the largest recipient. Donations under this category to Poland, however, decreased from \$26.9 million to \$23.4 million, in such a comparison.

#### U.S. Imports

U.S. imports from the NME's at \$1,493 million reached an alltime quarterly high during the period under review. These imports exceeded their \$1,019-million level in July-September 1983 by 46.5 percent. (Table 7 shows U.S. imports from the NME's by country and worldwide U.S. imports.) NME sales on U.S. markets increased by 46.4 percent from \$2,669.7 million in January-September 1983 to \$3,909.3 million in January-September 1984. U.S. imports from the NME's have shown an exponential trend of growth in the October 1982-October 1984 period (fig. 3). <sup>1/</sup> The share of imports from the NME's among total U.S. imports increased to 1.74 percent during the quarter under review, from 1.54 percent in July-September 1983 and from 1.48 percent in April-June 1984. With a 60.3-percent share of total NME sales on U.S. markets during the first 9 months of 1984, China remained the most significant NME supplier to U.S. markets during this period (fig. 4). Romania ranked second, the Soviet Union third, Hungary fourth, and Poland fifth.

Constituting one third of the U.S. imports from the NME's in January-September 1984, miscellaneous manufactured articles (SITC Section 8) remained the dominant product category among NME supplies to U.S. customers (table 8). Mineral fuels and lubricants (SITC Section 3) was second, manufactured goods classified by chief material ranked third, and chemicals (SITC Section 5), fourth. The ranking of commodity groups, and the relative importance of individual countries as suppliers on U.S. markets, were the same during the quarter under review as in January-September 1984 (table 9).

#### China

Imports from China increased by 41.2 percent, from \$1.7 billion in January-September 1983 to \$2.4 billion in January-September 1984. At \$853.1 million, Chinese sales on U.S. markets during the period under review exceeded the \$604.2 million Chinese sales during the corresponding period of 1983 by 41.2 percent. China accounted for 85.4 percent of total U.S. miscellaneous manufactures imports from the NME's during the first three quarters of 1984. Apparel and clothing accessories (SITC Division 84) represented 70.8 percent of Chinese shipments of miscellaneous manufactured articles to shipments of miscellaneous manufactured articles to U.S. customers in January-September 1984. The value of Chinese apparel and clothing

---

<sup>1/</sup> That is, if the October 1982 and the October 1984 import levels were connected by a smooth line in fig. 3, the slope of this line would show an increase throughout this period as indicated on the horizontal axis. If all year-on-year quarterly growth factors were calculated and lined up for the period, they would show a general increase. For example, the growth of imports was 40.6 percent from April-June 1983 to April-June 1984, but it was 46.5 percent from July-September 1983 to the quarter under review. 29

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

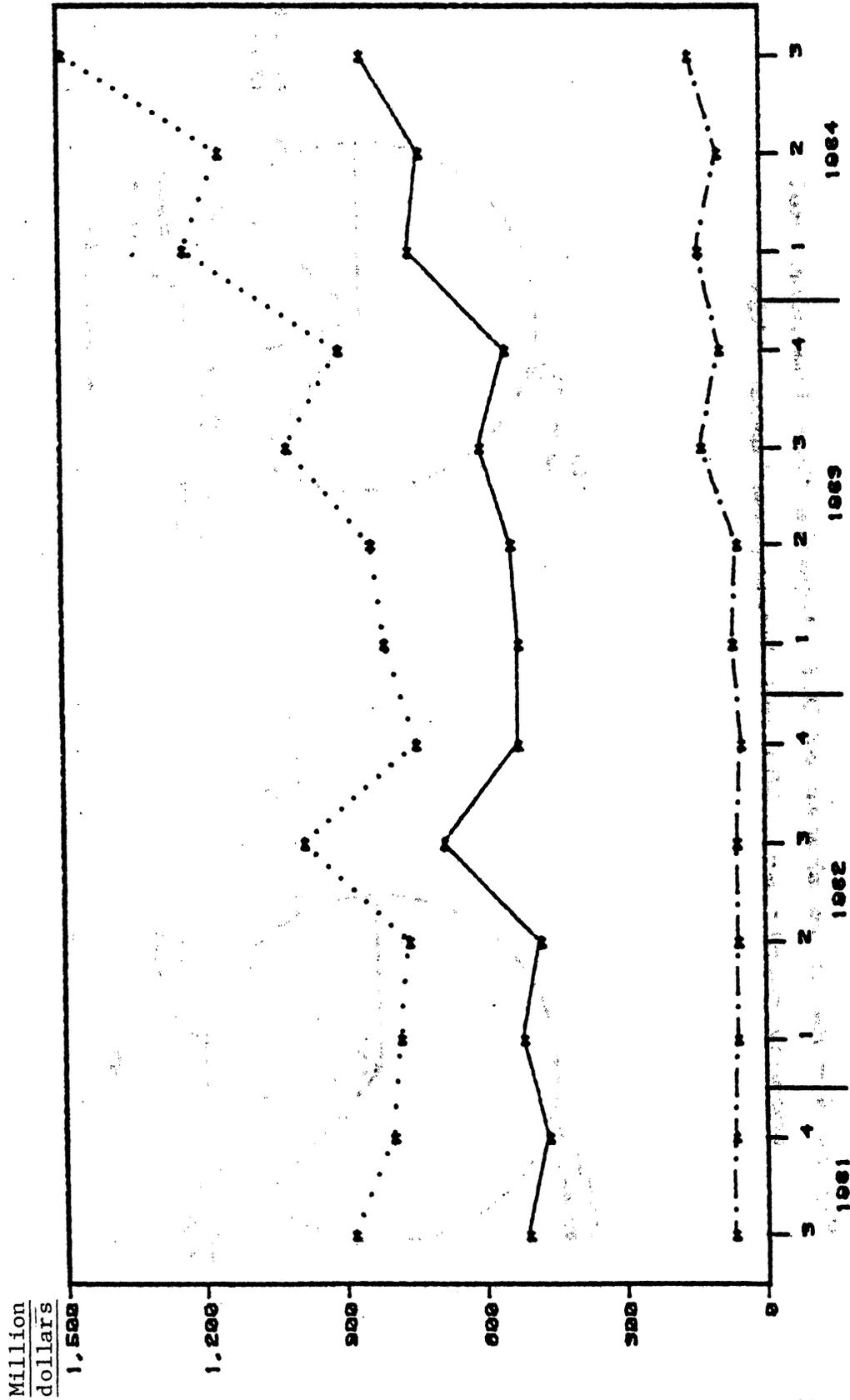
Source	(In thousands of dollars)					
	1982		1983		1984	
			1983	1984	1983	1984
Albania	2,760	3,498	3,162	1,248	1,858	495
Bulgaria	25,124	32,765	26,660	23,179	8,032	7,997
China	2,215,856	2,217,526	1,669,281	2,356,825	604,188	853,108
Cuba	1,621	1/	-	3	-	-
Czechoslovakia	61,548	62,821	47,051	62,644	14,345	25,769
East Germany	51,773	56,937	40,504	91,265	13,450	43,719
Hungary	133,238	154,493	118,106	168,468	38,730	66,855
Mongolia	3,628	1,483	984	2,274	178	1,011
North Korea	8	-	-	14	-	-
Poland	212,888	190,641	144,685	156,088	44,115	62,059
Romania	339,121	512,821	367,026	670,321	164,164	279,605
U.S.S.R.	228,792	341,093	252,232	376,921	129,997	152,299
Vietnam	-	-	-	71	-	8
Total	3,276,356	3,574,079	2,669,692	3,909,320	1,019,058	1,492,925
Total, U.S. imports from the world	242,339,988	256,679,524	187,001,341	244,325,829	66,214,641	85,930,795

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 the totals shown.

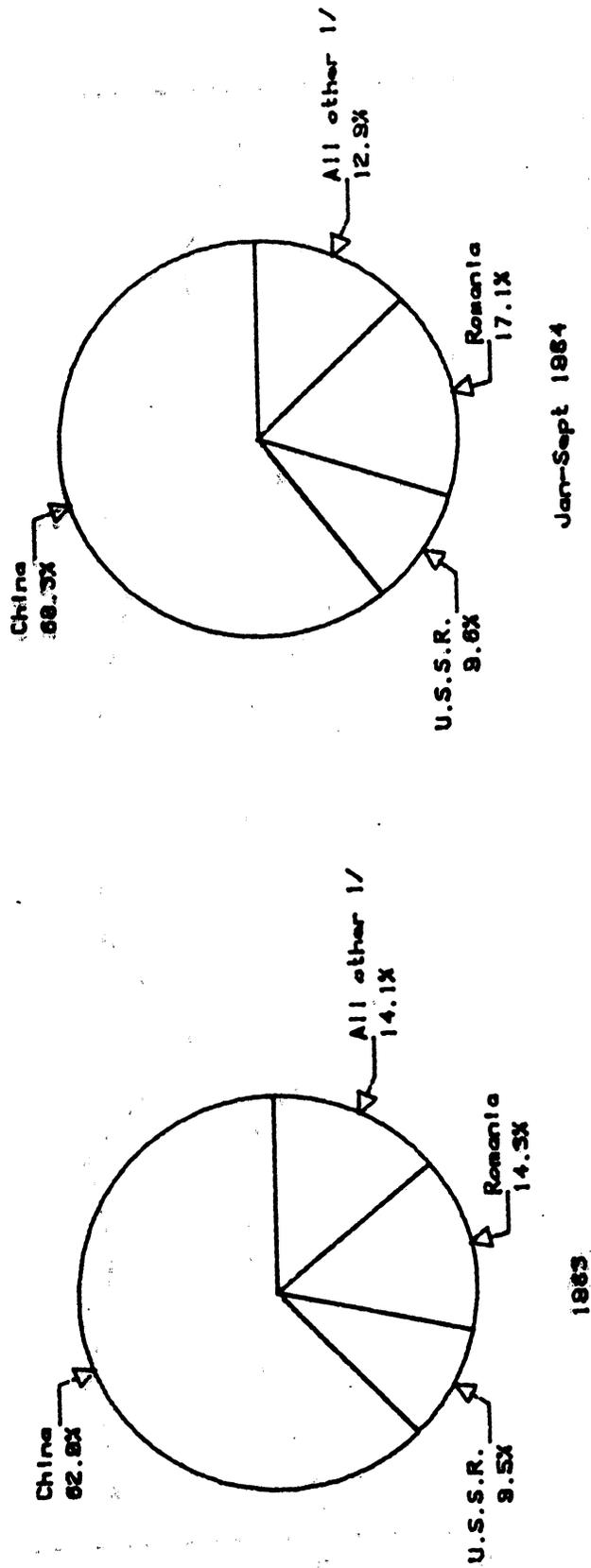
Figure 3.--U.S. imports from the nonmarket economy countries (NME's), China, and the U.S.S.R., by quarters, 3rd quarter of 1981 through the 3rd quarter of 1984



..... Imports from all NME's  
 ——— Imports from China  
 - · - · - Imports from the U.S.S.R.

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

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



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

Source: Based on data in table 7.

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

SITC Section	Total imports		Imports from the NME's	
	Jan.-Sept. 1983	Jan.-Sept. 1984	Jan.-Sept. 1983	Jan.-Sept. 1984
	Value (million dollars)			
0. Food and live animals	11,476	13,326	220	240
1. Beverages and tobacco	2,448	2,507	41	30
2. Crude materials--inedible, except fuel	7,034	8,531	95	106
3. Mineral fuels, lubricants, etc	42,242	45,501	541	928
4. Oils and fats--animal and vegetable	310	514	1	2
5. Chemicals	7,899	10,223	235	362
6. Manufactured goods classified by chief material	25,681	35,108	459	752
7. Machinery and transportation equipment	60,930	89,660	114	165
8. Miscellaneous manufactured articles	23,031	31,709	951	1,300
9. Commodities and transactions not elsewhere classified	5,949	7,246	12	24
Total	187,001	244,326	2,670	3,909
	Percent of total			
0. Food and live animals	6.1	5.5	8.2	6.1
1. Beverages and tobacco	1.3	1.0	1.5	.8
2. Crude materials--inedible, except fuel	3.8	3.5	3.6	2.7
3. Mineral fuels, lubricants, etc	22.6	18.6	20.3	23.7
4. Oils and fats--animal and vegetable	.2	.2	.2	.1
5. Chemicals	4.2	4.2	8.8	9.3
6. Manufactured goods classified by chief material	13.7	14.4	17.2	19.2
7. Machinery and transportation equipment	32.6	36.7	4.3	4.2
8. Miscellaneous manufactured articles	12.3	13.0	35.6	33.3
9. Commodities and transactions not elsewhere classified	3.2	3.0	.5	.6
Total	100.0	100.0	100.0	100.0

1/ Albania, Bulgaria, China, 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 the totals shown.

Table 9.--U.S. imports from the nonmarket economy countries, by SITC Sections, July-September 1984  
(In thousands of dollars)

SITC Section	Albania	Bulgaria	China	Cuba	Czechoslovakia	East Germany	Hungary
0. Food and live animals	27	648	35,213	-	858	237	9,648
1. Beverages and tobacco	-	5,517	1,704	-	372	29	316
2. Crude materials--inedible, except fuel	468	1	27,370	-	94	130	567
3. Mineral fuels, lubricants, etc.	-	-	175,537	-	-	276	87
4. Oils and fats--animal and vegetable	-	-	679	-	-	-	3
5. Chemicals	-	262	42,623	-	712	1,634	2,665
6. Manufactured goods classified by chief material	1	503	149,871	-	12,805	34,580	15,526
7. Machinery and transportation equipment	-	362	22,884	-	4,209	4,023	23,389
8. Miscellaneous manufactured articles	-	698	391,566	-	6,488	2,457	14,477
9. Commodities and transactions not elsewhere classified	-	7	5,660	-	232	353	176
Total	495	7,997	855,108	-	25,769	43,719	66,855
	Mongolia	North Korea	Poland	Romania	U.S.S.R.	Vietnam	Total
0. Food and live animals	-	-	25,394	3,213	357	-	75,594
1. Beverages and tobacco	-	-	192	750	2,391	-	11,271
2. Crude materials--inedible, except fuel	972	-	511	805	7,168	-	38,087
3. Mineral fuels, lubricants, etc.	-	-	1,829	143,079	66,809	-	387,617
4. Oils and fats--animal and vegetable	-	-	-	-	8	-	690
5. Chemicals	-	-	905	23,503	46,464	-	118,767
6. Manufactured goods classified by chief material	-	-	16,557	48,646	26,123	6	304,617
7. Machinery and transportation equipment	-	-	4,907	8,174	855	-	68,803
8. Miscellaneous manufactured articles	39	-	11,154	51,166	1,239	2	479,285
9. Commodities and transactions not elsewhere classified	-	-	611	269	886	-	8,194
Total	1,011	-	62,059	279,605	152,299	8	1,492,925

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

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

accessory shipments to the United States during the first three quarters of 1984 exceeded the 1983 record level of these sales. Most prominent among these U.S. imports were women's, girls', and infants' outer garments (SITC Group 843). In this, as in other apparel and clothing accessory commodity groups, Chinese sales advanced over a broad spectrum of items from the first 9-month period of 1983 to the corresponding period of 1984. Increases in the sale of commodities with relatively low levels of sales in the base period have more than compensated for minor declines in the sale of some of the largest commodity groups from January-September 1983 to January-September 1984. Chinese sales of woven cotton fabric (SITC Group 652) increased to \$92.0 million in January-September 1984, exceeding their annual levels of 1981-83. Cotton printcloth shirting was the leading commodity within this commodity group. Limitations on Chinese textile imports covered by the U.S.-China textile agreement began to take effect in August as several annual quotas for 1984 were filled or almost filled. Much of the \$134.5-million increase of Chinese fuel and lubricant exports to the United States from the first 9 months of 1983 to the corresponding period of 1984 may be attributed to increased sales of Chinese crude oil on U.S. markets. Chinese sales of food and live animals (SITC Section 0) and machinery and transportation equipment (SITC Section 7) also showed impressive advances over the time periods examined.

#### Eastern Europe

U.S. imports from Eastern Europe increased by 57.5 percent from \$744.0 million in January-September 1983 to \$1,172.0 million during the corresponding period of 1984. Imports from the region during the period under review, amounting to \$486.0 million, exceeded by 71.8 percent the \$282.8-million level of imports in July-September 1983. Imports from Romania constituted 57.2 percent of total East European sales to U.S. customers during the first three quarters of 1984. Romanian sales represented 55.3 percent of total East European miscellaneous manufactured article exports to the United States in January-September 1984. Romanian shipments of men's and boys' outer garments of textile fabrics (SITC Group 842) increased to \$28.9 million during that period, exceeding the 1983 total in these sales by \$9.8 million. Despite a decline in the sale of Romanian gasoline to the United States, Romanian sales of mineral fuels and lubricants (SITC Section 3) increased by \$193.4 million from January-September 1983 to the corresponding period of 1984. East European sales of iron and steel products (SITC Division 67) registered a spectacular \$100-million increase over sales during the corresponding time period. East German shipments showed the largest increase, but there were significant increases in shipments from Romania, Czechoslovakia, Hungary, and Poland as well. With 35.4 percent of total NME sales of machinery and transportation equipment (SITC Section 7) to U.S. customers in January-September 1984, Hungary earned the most from the sale of these commodities.

#### U.S.S.R.

U.S. imports from the Soviet Union increased by 49.4 percent, from \$252.2 million in January-September 1983 to \$376.9 million during the corresponding period of 1984. Stepped-up Soviet shipments of anhydrous ammonia, palladium, and light fuel oils to U.S. customers explain much of this increase.

Miscellaneous manufactured articles

NME sales to U.S. buyers of miscellaneous manufactured articles (SITC Section 8) increased by 36.7 percent, from \$951 million in January-September 1983 to \$1,300 million in January-September 1984. These sales constituted one-third of the total U.S. imports from the NME's during the first three quarters of 1984. China's share of miscellaneous manufactured exports by the NME's to the United States increased from 82.5 percent during the first 9-month period of 1983 to 85.4 percent during the corresponding period of 1984. Despite the 13.1-percent increase in the value of Romanian SITC Section 8 sales on U.S. markets in such a comparison, Romania's share decreased from 9.6 percent to 7.9 percent. Romanian sales represented 55.3 percent of total East European SITC Section 8 sales on U.S. markets in January-September 1984.

China.--U.S. imports of Chinese miscellaneous manufactured articles increased 41.5 percent, from \$784.4 million in January-September 1983 to \$1,109.7 million in January-September 1984. The value of Chinese SITC Section 8 sales on U.S. markets during the first three quarters of 1984 exceeded the annual record set in 1983. Amounting to \$391.6 million, Chinese sales of miscellaneous manufactured articles during the period under review exceeded their July-September 1983 value of \$307.4 million by 27.4 percent. Articles of apparel and clothing accessories (SITC Division 84) represented 70.8 percent of total Chinese miscellaneous manufactured article exports to the United States in January-September 1984. These Chinese exports to U.S. markets increased by 29.3 percent, from \$607.1 million during the first three quarters of 1983 to \$785.3 million during the corresponding period of 1984. The value of Chinese sales of articles of apparel and clothing accessories in January-September 1984 exceeded the 1983 record value of these sales. 1/ Chinese sales of apparel and clothing accessories on U.S. markets advanced in all the seven SITC commodity groups covering these items (SITC Groups 842-848). Chinese sales of women's, girls', and infants' outer garments other than knitted (SITC Group 843, the most significant in terms of value among the seven commodity groups) increased by 26.3 percent, from \$247.3 million in January-September 1983 to \$312.4 million in January-September 1984. The latter exceeds the record-high 1983 annual value of these sales.

Quotas negotiated under the U.S.-Chinese textile agreement began to take effect in August as annual quotas for 1984 were filled, or almost filled, for several categories of textile imports from China. 2/ Both Chinese textile commodities which were included among the 10 import items from the NME's that increased substantially from January-September 1983 to the corresponding period of 1984 are not subject to restraint by the U.S.-China textile agreement (table 10). This table also shows the substantial decline in the imports of Chinese textile commodities that are subject to the quantitative restraints of the U.S.-China textile agreement. 3/ Chinese sales of men's and

---

1/ For a description of the current U.S.-Chinese textile agreement and an overview of trends in Chinese textile sales to the United States, see 37th Quarterly Report . . ., pp. 38-39 and 55-56.

2/ For information on the status of these quotas, see U.S. Department of Commerce, Office of Textiles, Performance Report, Textile and Apparel Bilateral Agreements and Unilateral Import Restrictions, Aug. 31, 1984.

3/ Thus it is likely that the overall growth of Chinese textile sales in the United States will moderate during the fourth quarter of 1984.

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

TSUSA item no.	Commodity	Major NME supplier	Percentage change, Jan.-Sep. 1984 from Jan.-Sep. 1983		Value of imports from all NME's in January-September 1984 1,000 dollars
			All NME's	World	
					-----Percent-----
475.1010	Substantially increased:	China	1,128.7	-3.1	123,730
383.5395	Crude petroleum, testing 25 degrees A.P.I. or more				
	Women's, girls' or infants' wearing apparel, not orn. or knit, of veg. fibers, not sub. to cotton, wool, mm fibers restraints	do	2/ 966.7	2/ 420.8	2/ 23,624
480.6510	Ammonium nitrate	Romania	929.0	53.6	8,738
608.1330	Sheets of iron or steel, valued over 10 cents per lb, zinc coated, other than a minimum 40,000 lbs psi	East Germany	912.8	80.2	8,244
383.7882	Women's, girls' or infants' wearing apparel of silk not subject to cotton, wool or man-made restraints	China	904.6	101.8	6,008
417.5000	Antimony oxide	do	846.5	120.3	10,716
480.6550	Nitrogen solution	Romania	827.3	74.4	6,338
609.8041	Channels, other than alloy iron or steel, maximum cross-sectional dimension of 3 inches or more	Poland	669.1	48.0	6,591
737.3000	Toys, not having a spring mechanism, stuffed, valued over 10 cents per inch of height	China	616.7	172.5	8,866
661.0630	Metal fans and blowers, n.s.p.f.	do	465.1	63.9	4,199
	Substantially decreased:				
676.0510	Typewriters, electric, nonautomatic, portable	East Germany	-73.3	49.8	671
383.9065	Women's shorts, not knit, man-made fibers	China	-71.0	12.8	2,480
685.5036	Radio-tape-recorder combinations, other than AC or stereo	do	-65.8	3.4	567
401.2600	Coal tar, crude, cumene	U.S.S.R.	-65.1	68.9	512
546.6660	Glassware, other than tumblers, goblets, stemware and tableware, valued over \$3 but not over \$5	Romania	-64.6	-20.2	984
792.6000	Articles, n.s.p.f., of ivory	China	-61.6	-2	522
379.9585	Men's and boys' shorts of man-made fibers, not knit	do	-61.0	4.3	2,829
700.3555	Youths and boys footwear, of leather, cement soles	Romania	-59.7	48.6	793
192.4500	Licorice extract	China	-59.4	-11.1	1,234
383.6705	Women's blouses with two or more colors in the warp and or the filling	do	-57.4	22.9	902

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

2/ TSUSA item number 383.5395 was divided into TSUSA item numbers 383.5394 and 383.5398 as of April 9, 1984. The numbers in this table reflect an aggregation for imports under these three items. During January-September 1984, imports from all NME's totaled \$567,453 under item 383.5394, \$13,376,679 under item 383.5395, and \$9,679,792 under item 383.5398.

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

boys' outer garments of textile fabrics, other than knitted and crocheted goods (SITC Group 842), increased from \$141.4 million in January-September 1983 to \$149.8 million in January-September 1984. A comparison of imports in January-September 1984 with those in the corresponding period of 1983 shows that advances in Chinese shipments of apparel and related accessories in the above-mentioned seven SITC Groups were spread over a large spectrum of items and compensated for minor declines in their exports to the United States of some of the largest items. The value of six out of the seven 5-digit SITC items within groups 842-848 that exceeded \$25 million in January-September 1983 was lower (by a small amount for most items) in January-September 1984. For example, U.S. imports from China of the largest item in SITC groups 842-848-- women's, girls' and infants' not elsewhere specified cotton outer garments, other than knitted or crocheted (SITC Item 84393)--declined slightly from \$74.1 million to \$73.1 million. Imports of the most significant individual commodity item within this group, women's corduroy trousers and slacks, declined from July-September 1983 to the period under review (table B-4). Quantitative limits set by the U.S.-China textile agreement and efforts by the Chinese to diversify into unrestricted product categories may explain the advance in shipments over a broad range of relatively small items from January-September 1983 to the corresponding period of 1984.

Among other U.S. imports of miscellaneous manufactured articles from China, baby carriages, toys, games, and sporting goods (SITC Group 894) increased from \$8.7 million in January-September 1983 to \$56.8 million in January-September 1984. Chinese shipments of works of art, collectors' pieces, and antiques (SITC Group 896) to the United States increased from \$21.8 million to \$41.6 million in a similar comparison.

Romania.---Among Romanian sales of miscellaneous manufactured goods on U.S. markets, shipments of men's and boys' outer garments of textile fabrics (SITC Group 842) increased from \$16.6 million in January-September 1983 to \$28.9 million in January-September 1984. The latter exceeded the 1983 annual level by \$9.8 million. Romanian sales of footwear in the United States, which have been gradually declining since 1981, dropped from \$25.3 million during the first three quarters of 1983 to \$17.2 million during the corresponding period of 1984.

#### Mineral fuels and lubricants

As in 1983 and during the first half of 1984, U.S. imports from the NME's of mineral fuels and lubricants (SITC Section 3) ranked second among overall U.S. imports from the NME's during the quarter under review. U.S. purchases of mineral fuels and lubricants from the NME's increased by 71.7 percent, from \$540.7 million in January-September 1983 to \$928.8 million in January-September 1984. Accounting for 90.6 percent of U.S. imports of mineral fuels and lubricants from the NME's during the first three quarters of 1983 and 88.1 percent during the corresponding period of 1984, China and Romania were the largest NME suppliers.

U.S. imports from China of mineral fuels and lubricants increased from \$304.0 million during the first three quarters of 1983 to \$438.5 million during the corresponding period of 1984. Much of this \$134.5 million increase is attributable to increased sales of Chinese crude oil on the U.S. 38

market. 1/ Shipments of crude petroleum from China increased from \$10.1 million to \$123.7 million and those of naphthas from \$42.0 million to \$59.0 million in such a comparison. 2/ Sales on the U.S. market of China's leading export commodity to the United States, gasoline, declined from \$251.9 million (8.5 million barrels) in January-September 1983 to \$236.7 million (8.1 million barrels) in January-September 1984. As a combined result of this decline and a massive increase in overall U.S. imports of gasoline, China's share of total U.S. gasoline imports declined from 13.4 percent during the first three quarters of 1983 to 9.8 percent during the corresponding period of 1984.

Despite a decline in the sale of gasoline to the United States, Romanian sales of mineral fuels and lubricants on U.S. markets increased from \$185.9 million in January-September 1983 to \$379.3 million in January-September 1984. 3/ Romanian exports to the United States of light oils other than gasoline, 4/ amounted to \$162.4 million in January-September 1984, whereas there were no such sales in January-September 1983. Shipments of Romanian gasoline to the U.S. market declined from \$145.2 million (4.4 million barrels) in January-September 1983 to \$107.4 million (3.6 million barrels) in January-September 1984. Romania's share of U.S. gasoline imports declined from 7.7 percent to 4.4 percent in such a comparison. At \$269.8 million, Romanian sales of motor spirit (gasoline) and other light oils (SITC Subgroup 3341) to the United States in January-September 1984 exceeded the annual level

---

1/ The United States has been importing crude petroleum from China since 1979. These imports have fluctuated widely from year to year. For details, see 37th Quarterly Report . . ., p. 59.

2/ In addition to the crude petroleum imports from China shown in table B-4 under TSUSA No. 475.1010, China also supplied an additional 9.1 million dollars' worth of crude petroleum (listed under TSUSA No. 475.0510) to the United States during January-September 1984. There were no Chinese crude petroleum shipments under this latter number to the United States during the quarter under review.

3/ Increased Romanian sales of energy products on U.S. markets reflect the Romanian Government's policy of relying heavily on energy exports to improve the country's external payments position, while restoring the balance between imports and exports within the energy sector. The Government has reportedly had some success in implementing this policy. According to statistics from Bucharest, Romania's refined oil production increased by 18.5 percent in 1983 and the country's energy sector made further gains in 1984. An increase in Romania's energy imports in 1983 was offset by a 37.9-percent increase in the country's energy exports. The export of refined oil products increased from 6.5 million metric tons in 1982 to 9.1 million metric tons in 1983. For details, see Wharton Econometric Forecasting Associates (WEFA), Centrally Planned Economies Current Analysis, vol. III, Nos. 44-45, pp. 8-9. There is reason to believe that Romania has made further efforts to implement this policy in 1984, and will continue to do so in the foreseeable future. See, for example, Foreign Broadcast Information Service (FBIS), Economic and Industrial Series. No. 2490, pp. 67-69.

4/ Romanian sales on the U.S. market of "light oils other than gasoline" were calculated by subtracting Romanian gasoline sales listed under TSUSA No. 475.2520 from the value of Romanian sales listed under "motor spirit (gasoline) and other light oils" (SITC Subgroup 3341). Romanian sales under this subgroup were made up entirely by sales of gasoline in January-September 1983.

of such sales in the years 1981-83. Romanian light fuel oil shipments declined from \$28.2 million in January-September 1983 to \$13.4 million in January-September 1984.

Soviet exports of mineral fuels and lubricants to the United States registered an impressive increase from the first 9 months of 1983 to the corresponding period of 1984. Soviet shipments increased from \$49.8 million to \$105.9 million, in such a comparison. Soviet sales of mineral fuels and lubricants to the United States were significantly higher in January-September 1984 than in all of 1982 and 1983 combined. Soviet sales of light fuel oils totaled \$90.8 million during the first three quarters of 1984, almost double their value during the corresponding period of 1983. More than half the January-September 1984 imports entered the United States during the quarter under review. 1/

U.S. imports of mineral fuels and lubricants included a \$1.8 million shipment of "coal compositions" from Poland during the quarter under review. This represented 97.2 percent of such imports by the United States in January-September 1984 (table 11). Poland also exported coal to the United States during the period under review. The first Polish shipment of coal to the United States since 1981 arrived during the second quarter of 1984. 2/

#### Manufactured goods classified by chief material

U.S. imports from the NME's of manufactured goods classified by chief material (SITC Section 6) increased by 63.8 percent, from \$459.1 million in January-September 1983 to \$751.8 million in January-September 1984. China accounted for 55.5 percent of these shipments during the first three quarters of 1984, Eastern Europe for 33.9 percent, and the Soviet Union for 10.6 percent.

Chinese shipments of manufactured goods classified by chief material increased by 47.8 percent, from \$282.0 million in January-September 1983 to \$416.9 million in January-September 1984. The value of U.S. imports classified in this section from China during the first 9-month period of 1984 exceeded the annual total of such shipments in any year since records have been kept. U.S. imports of such products from China increased from \$92.7 million in July-September 1983 to \$149.9 million during the period under review. U.S. imports of woven cotton fabrics (SITC Group 652) from China increased to \$92.0 million in January-September 1984, exceeding any annual total of such U.S. imports from China in 1981-83. Cotton printcloth shirting (TSUSA item No. 320.2032) was the leading commodity among SITC Group 652 imports from China during the period under review (table B-4). U.S. imports of articles made up wholly or chiefly of textile materials (SITC Group 658) and those of floor coverings (SITC Division 659) during the first three quarters of 1984 also exceeded any of their respective annual totals in 1981-83. Handknotted wool pile floor coverings (TSUSA item No. 360.2032, SITC Group 659) remained the leading Chinese imports in this SITC section during the quarter under review.

---

1/ Soviet exports of petroleum products to the United States have been highly variable during the past 5 years. See 37th Quarterly Report . . ., p. 76.

2/ See 39th Quarterly Report . . ., p. 32.

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-September 1983 and January-September 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- September 1984
			Jan.-Sep. 1983	Jan.-Sep. 1984	
			-----Percent-----		1,000 dollars
416.4000	Tungstic acid-----	China-----	0	99.9	1,338
365.7410	Lace or netting, of cotton, subject to textile agreements-----	do-----	73.0	98.1	1,084
186.3000	Bristles, crude or processed-----	do-----	96.2	97.8	8,864
521.3160	Coal, compositions used for fuel-----	Poland-----	0	97.2	1,829
308.1200	Waste of silk, not advanced, other than noils-----	China-----	82.0	96.4	1,050
365.0000	Handmade-lace furnishings, of cotton, valued not over \$50 per pound-----	do-----	95.9	96.1	3,303
694.4143	Airplanes, single engine-----	Poland-----	53.8	93.2	1,047
383.3456	Women's, girls' or infants' cotton velvet suit type coats and jackets over \$4 each-----	China-----	2/	92.1	1,846
320.1026	Poplin or broadcloth, wholly of cotton, not combed (average yarn number 10)-----	do-----	0	90.0	1,174
306.6200	Cashmere goat hair, sorted, etc-----	do-----	96.4	87.4	2,013
222.5700	Floor coverings of unspun vegetable materials, n.e.s-----	do-----	85.2	87.1	3,870
702.3785	Headwear, n.e.s., not sewed, etc., not bleached or colored-----	do-----	90.7	86.4	2,292
124.1045	Sable furskins, whole, undressed-----	U.S.S.R-----	88.4	86.2	8,098
306.4293	Camel hair, sorted, etc-----	China-----	100.0	85.0	2,185
379.3905	Men's jogging, warm-up and similar athletic jacket of cotton knit-----	Romania-----	85.3	84.4	3,553
542.3120	Ordinary glass, weighing over 16 but not over 18.5 ounces per square foot, not over 40 united inches-----	do-----	96.3	83.1	1,171
533.6200	Articles made of nonbone chinaware or of subporcelain in specified sets-----	China-----	85.1	82.3	11,011
452.8005	Cedarwood oil-----	do-----	97.7	80.7	1,029
632.0200	Antimony, unwrought, and waste and scrap-----	do-----	68.5	74.9	4,985
169.3700	Vodka, not over 1 gallon, valued not over \$7.75 per gallon-----	U.S.S.R-----	72.0	73.4	1,219

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

2/ TSUSA item 383.3456 was created on July 1, 1984, from former TSUSA item 383.3450. Item 383.3450 had been redefined on January 1, 1984, as 6 items between numbers 383.3448 and 383.3466 were converted to 10 items between 383.3447 and 383.3468. Thus, comparisons between 1983 and 1984 data for this item are not possible.

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

East European sales of manufactured goods classified by chief material increased by 135.5 percent, from \$108.4 million in January-September 1983 to \$255.2 million in January-September 1984. Romania was the most significant East European supplier of the U.S. market in this commodity group, followed by the German Democratic Republic, Poland, Hungary, and Czechoslovakia. Romanian sales of such goods to the United States increased from \$35.6 million in January-September 1983 to \$97.3 million in January-September 1984.

East European sales of iron and steel products (SITC Division 67) to the United States exhibited a spectacular \$100 million increase from January-September 1983 to the corresponding period of 1984. East German shipments in this product category jumped from \$1.5 million during the first 9-month period of 1983 to \$45.3 million during the corresponding period of 1984; those of Romania from \$1.6 million to \$40.0 million. There were also relatively large increases in the shipments of iron and steel products from Czechoslovakia, Hungary and Poland, in similar comparisons. 1/ U.S. purchases of Romanian aluminium (SITC Group 684) increased to \$17.0 million in January-September 1984, from zero during the corresponding period of 1983. Aluminium sheets and strips (TSUSA item No. 618.2563) was the leading single commodity in this product group during the quarter under review (table B-28).

U.S. imports of Soviet palladium, the third leading U.S. import from the U.S.S.R., by value, both in January-September 1984 and during the period under review (table B-6), increased from \$32.6 million in January-September 1983 to \$46.3 million during the corresponding period of 1984.

### Chemicals

NME sales to the United States of chemicals (SITC Section 5) increased by 53.8 percent, from \$235.3 million in January-September 1983 to \$361.9 million in January-September 1984. With 43.2 percent of total NME sales in this product category, the Soviet Union remained the largest NME supplier of U.S. chemical markets during the first three quarters of 1984. China was the second with 33.6 percent of the sales and Eastern Europe the third with 23.2 percent. Romanian sales made up 66.4 percent of East European sales during the indicated period.

U.S. imports of chemicals from the Soviet Union increased by 57.4 percent, from \$99.3 million in January-September 1983 to \$156.4 million in January-September 1984. This is mainly attributable to an increase in Soviet shipments of anhydrous ammonia from \$52.1 million to \$99.8 million, and those of urea from \$28.7 million to \$37.0 million, in a similar comparison. 2/

---

1/ U.S. imports of iron and steel products (SITC Division 67) from Romania amounted to \$127.0 million and those of Poland to \$48.6 million in 1981. For more information on stepped-up Romanian sales of iron and steel to the United States in 1980 and 1981, see 29th Quarterly Report . . ., p. 87. For a description of U.S. action taken in consequence, see 29th Quarterly Report . . ., p 76, and 33d Quarterly Report . . ., pp. 84-85.

2/ For a description of the countertrade arrangement which specifies the exchange of Soviet anhydrous ammonia, urea and potash for superphosphoric acid from the Occidental Petroleum Co., see 37th Quarterly Report . . ., p. 75, and 33d Quarterly Report . . ., p. 72.

U.S. imports of chemicals from China increased by 24.0 percent, from \$98.1 million during the first three quarters of 1983 to \$121.6 million during the corresponding period of 1984. Although fireworks remained the leading U.S. chemical import from China in January-September 1984, the largest increases among SITC Section 5 commodity groups occurred in inorganic chemical elements (SITC Group 522) and in alcohols, phenols, and related products (SITC Group 512) compared with the corresponding period of 1983. U.S. purchases of Chinese hydrazine and hydroxylamine and their inorganic salts (SITC item 52259) increased by \$10.0 million from January-September 1983 to January-September 1984.

Among Romanian chemical exports to the United States, urea and ammonium nitrate were significant during the quarter under review. With shipments valued at \$8.1 million in July-September 1983, U.S. purchases of Romanian urea totaled \$25.5 million during the first three quarters of 1984. This exceeds total Romanian urea exports to the United States during 1980-83. U.S. purchases of Romanian ammonium nitrate increased from less than \$1 million in January-September 1983 to \$8.7 million in January-September 1984. <sup>1/</sup>

#### Other imports

Chinese food and live animal (SITC Section 0) sales to the United States increased by 32.8 percent, from \$84.3 million in January-September 1983 to \$112.0 million in January-September 1984. Chinese sales of vegetables prepared or preserved (SITC Item 05659) on U.S. markets reached \$43.7 million during the first three quarters of 1984. This exceeded total annual sales of this item in 1981-83. Shipments of Chinese mushrooms (Schedule B. 144.2053) to U.S. customers increased from \$15.9 million in January-September 1983 to \$23.3 million during the corresponding period of 1984. Shipments amounted to \$5.7 million during the period under review. Tea (SITC item 07410), and crustaceans and molluscs (SITC item 03600) were the second and third largest SITC import items, respectively, among U.S. food and live animal purchases from China in January-September 1983. These imports from China included shipments of shrimps and prawns (TSUSA item No. 114.4545) valued at \$2.1 million, in July-September 1984.

Chinese sales of machinery and transportation equipment (SITC Section 7) to the United States increased from \$29.9 million in January-September 1983 to \$52.2 million in January-September 1984. Radio broadcast receivers (SITC items 76220 and 76280) represented the largest SITC items among Chinese SITC Section 7 sales on U.S. markets during the first 3 months of 1984. These items, which included relatively large shipments of digital clock radios (TSUSA item No. 685.2411) and radio-tape recorders (TSUSA item No. 685.5034), showed the largest absolute increases in the total value of sales from the corresponding period of 1983. Shipments of Chinese natural barium sulfate (SITC Section 2, TSUSA item No. 472.1000) to the United States decreased to \$18.7 million in January-September 1984 from \$21.7 million during the corresponding period of 1983.

---

<sup>1/</sup> Based on the available data for Romanian chemical fertilizer shipments to non-NME customers, it appears that Romanian manufactured fertilizer shipments to the United States may currently amount to about 20 percent of these Romanian exports to the non-NME's. For data on Romanian exports to Western countries, see WEFA, Centrally Planned Economies Current Analysis, vol. IV., No. 40, p.6.

Despite the increase from \$23.7 million in July-September 1983 to \$31.7 million during the quarter under review, the total value of pork hams and shoulders (SITC Section 0) imported from Eastern Europe decreased from \$91.7 million in January-September 1983 to \$80.6 million in January-September 1984. Poland and Hungary remained the most important NME sellers of this product on U.S. markets during the period under review. Sales of this product remained Poland's most important dollar earner during the first three quarters of 1984 (table B-26). During the years 1980-83, this product was also the leading Hungarian export commodity to the United States. But, during the period under review and the first three quarters of 1984, the sale of motor-vehicle parts (SITC Section 7, TSUSA item No. 692.3288) became Hungary's most important dollar earner. 1/ Machinery and transportation equipment (Section 7) became the most important SITC section among Hungarian exports to the United States during the period under review and in January-September 1984. With 35.4 percent of total NME sales of machinery and transportation equipment to the United States, Hungary earned \$58.4 million--more than any other NME--from the sale of these products on U.S. markets during the first three quarters of 1984. In addition to motor-vehicle parts, shipments of motor buses (table B-20) and electrical machinery (SITC Division 77) were significant among Hungarian machinery and transportation equipment sales on U.S. markets during this period. Cigarette leaf remained Bulgaria's only significant export item to the United States both during the quarter under review and during January-September 1984. U.S. purchases of this Bulgarian product, however, decreased from \$21.9 million in January-September 1983 to \$13.9 million in January-September 1984 (table B-12).

Among other U.S. imports from the Soviet Union, sable furskins was the most significant single commodity (table B-6). U.S. purchases of this Soviet product increased from \$6.6 million during the first three quarters of 1983 to \$8.0 million in January-September 1984.

---

1/ Comparison with earlier periods is not possible since parts of motor vehicles (TSUSA item No. 107.3525) were classified under a more comprehensive item which was deleted on Jan. 1, 1980.

DEVELOPMENTS AFFECTING U.S. COMMERCIAL RELATIONS WITH  
NONMARKET ECONOMY COUNTRIES DURING THE SECOND AND THIRD QUARTERS

Developments in U.S.-Soviet Commercial Relations

During the second and third quarters of 1984, U.S.-Soviet commercial relations improved slightly. Symbolic of the slight improvement was the renewal of the agreement on economic, industrial, and technical cooperation and the resumption of Soviet fishing in the U.S. Fishery Conservation Zone. These developments may be attributed to the Reagan administration's adoption of a policy of encouraging a constructive dialogue and supporting mutually beneficial non-strategic trade with the Soviet Union and to the Soviet Union's renewed interest in trade with the United States.

U.S. Grain Sales Rebound

For the sixth consecutive year, the Soviet Union is facing a grain shortfall. The Soviets have not, and may never, reveal the size of the grain harvest in 1984. Throughout the 1984 growing season, however, the Soviet press reported unfavorable weather conditions for grain production. On the basis of these reports and other information, USDA, which had initially estimated that the Soviet Union would harvest 190 million metric tons (MMT) of grain, regularly lowered its monthly forecast of Soviet grain production. By November, USDA's estimate had been reduced to 170 MMT.

The Soviets reacted to the impending grain shortfall with a buying spree from late June to early September that was exceeded only by their purchases in the disastrous 1972 crop year. In only 10 weeks, they ordered more than 12.8 MMT of grain from the United States. 1/

The Soviet Union purchases grain from the United States under the terms of a 5-year agreement. The agreement generally obligates the United States to supply and the Soviet Union to purchase at least 9 MMT of corn and wheat during each year of the agreement. 2/ The agreement year begins on October 1 and ends on September 30. The Soviet Union may purchase up to 3 MMT more grain, or a total of 12 MMT, during an agreement year without prior authorization by the U.S. Government. On September 11, 1984, President Reagan announced that the United States would offer the Soviet Union an additional 12 MMT of grain during the October 1984-September 1985 agreement year. 3/

---

1/ Official statistics of the U.S. Department of Agriculture.

2/ Under the new agreement, the Soviet Union may elect to purchase as little as 8 MMT of corn and wheat in an agreement year, if it also purchases 500,000 tons of soybeans or soybean meal. This option has not yet been used since the Soviets bought more than 9 MMT during the first year of the new agreement and have already ordered more than 9 MMT for the second year by the end of its second week. For a comparison of the two agreements and background on the new agreement, see 35th Quarterly Report. . . ., pp. 37-39 and 36th Quarterly Report. . . ., pp. 48-49.

3/ "Grain Agreement With the Soviet Union," Weekly Compilation of Presidential Documents, Vol. 20, no. 37 (Sept. 17, 1984), p. 1266.

The grain ordered by the Soviet Union between June and September was scheduled for delivery before the end of the calendar year and, thus, was divided between the first and second agreement years. According to USDA, Soviet purchases during the first agreement year, which ended on September 30, 1984, totaled 14.5 MMT. They consisted of 6.5 MMT of corn, 7.6 MMT of wheat, and 0.4 MMT of soybeans. 1/ These sales were more than twice the 6.2 MMT sold during the last year covered by the former agreement (October 1982-September 1983). They also exceeded the 13.8 MMT sold by the United States during the 1981-1982 agreement year and fell only 1 MMT short of the record set for an agreement-year in 1979-80.

During the recently ended crop year (July 1983-June 1984), the Soviets imported 10.4 MMT of grain from the United States. According to USDA's calculations, which were based on reported and estimated data, total Soviet imports from all sources during the year were 21.6 MMT. U.S. sales thus accounted for about one-half of total Soviet imports. 2/

#### Agreement on economic, industrial, and technical cooperation renewed

On June 28, 1984, the Commerce Department announced the renewal of the U.S.-U.S.S.R. Agreement to Facilitate Economic, Industrial, and Technical Cooperation (EITCA), which had been signed by Presidents Nixon and Brezhnev at the Moscow Summit in 1974. The Agreement, which would have expired on the day of the announcement, will remain in force until June 1994. The announcement described the renewal of the Agreement as "consistent with President Reagan's policy of promoting a constructive dialogue with the Soviet Union and facilitating non-strategic trade exchanges." 3/

The EITCA is the only agreement in force covering commercial relations between the United States and the Soviet Union. 4/ Its implementation is monitored by the U.S.-U.S.S.R. Joint Commercial Commission (JCC), which has not met since 1978. 5/ U.S. officials and businessmen view several provisions of the EITCA as useful for commercial relations with the Soviet Union. The Agreement commits both governments to "use their good offices" to facilitate commercial cooperation and singles out several broad areas for cooperation such as trade in raw materials, agricultural products, manufactures, services, and licenses. Article IV contains a number of specific undertakings on "business facilitation." Both governments are obliged to facilitate the leasing of business and residential premises, importation of office supplies, issuance of visas, hiring of staff, and business travel. The Agreement also

---

1/ U.S. Department of Agriculture, Foreign Agricultural Service, U.S. Export Sales, Nov. 1, 1984, p. 33.

2/ U.S. Department of Agriculture, Foreign Agricultural Service, Foreign Agriculture Circular (Grains), Oct. 12, 1984, pp. 6-7. Most countries record trade in grain on a crop-year basis.

3/ United States Department of Commerce News, June 28, 1984 [ITA 84-89].

4/ Hertha W. Heiss, "The Framework for US-Soviet Trade," Columbia Journal of World Business, Winter 1983, p. 26. (The United States and the Soviet Union signed a trade agreement in 1972, but that agreement never entered into force.)

5/ A meeting of the JCC was scheduled for 1980, but the United States postponed this meeting (and that of a working group of experts) in response to the Soviet invasion of Afghanistan.

calls for periodic meetings of a working group of experts to exchange economic information and forecasts that could help identify trade prospects (Article III). The renewal of the Agreement thereby maintained a framework for U.S.-Soviet commercial relations that could be the basis for expanded trade, should the overall bilateral relationship improve.

In announcing the EITCA's extension, the Commerce Department, which chairs the JCC for the United States, also announced plans to schedule a meeting of the Working Group of Experts. <sup>1/</sup> It indicated that if such a meeting were successful, a meeting of the JCC could be scheduled.

#### U.S.-U.S.S.R. Trade and Economic Council plenary session held

The U.S.-U.S.S.R. Trade and Economic Council, a private organization founded in 1973 to promote bilateral trade, held its eighth annual meeting in New York during May 23-24, 1984. Its membership includes over 200 U.S. companies and 125 Soviet Foreign Trade Organizations. This was the Council's first meeting since 1982.

The meeting was widely viewed as an indication of renewed Soviet interest in improving its trade relations with the United States. The Soviet delegation included high-level trade officials such as Vladimir N. Sushkov, Deputy Foreign Trade Minister as well as the Soviet Co-Chair of the Council, and Nikolai N. Inozemtsev, the Deputy Chairman of Gosplan, the Soviet planning agency which plays a critical role in resource allocation. Soviet Ambassador Dobrynin attended the session and addressed the membership.

President Reagan sent a special message to the Council, which read in part:

It is well that leading representatives of American industry and their Soviet counterparts can meet to discuss trade and economic issues of mutual interest at a time when US-Soviet relations are not what we might wish. The U.S. government supports mutually beneficial, non-strategic trade between our two countries. Your meetings and the activities of the Council, including the Agribusiness '83 trade show in Moscow last October, demonstrate that a key element of the structure for trade between our two countries remains in place to build upon if an improvement in international conditions permits. <sup>2/</sup>

Soviet President Chernenko also sent the Council a message, which praised the Council's work and stated the Soviet position that trade should be conducted "on a basis of equality, mutual advantage and no discrimination of any kind." Chernenko continued that trade conducted on this basis "is also important from the standpoint of ensuring the necessary mutual understanding and

---

<sup>1/</sup> On November 6, the Administration announced that the Working Group of Experts' meeting would be held in Moscow on January 8-10. The U.S. delegation will be led by Lionel H. Olmer, Under Secretary of Commerce for International Trade, and the Soviet delegation by Vladimir Sushkov, a Deputy Foreign Trade Minister. Under Secretary Olmer reportedly commented that the meeting should contribute to 'a better working relationship,' but would probably not lead to a sharp rise in bilateral trade. (New York Times, November 11, 1984, p<sup>47</sup>A1.)

<sup>2/</sup> For information on Agribusiness '83, see 37th Quarterly Report. . . , p. 70. The Council plans to sponsor a U.S. exhibit on the environment, recycling, and energy in Moscow in late 1985 or early 1986.

strengthening mutual trust." He added, "[u]nder present circumstances this is of particular importance." Chernenko's reference to discrimination was undoubtedly intended to convey Soviet displeasure at the non-application of MFN tariff treatment between the two countries and U.S. restrictions on exports to the Soviet Union.

#### Ban on Soviet fishing lifted and fisheries agreement renewed

In April 1984, the United States and the Soviet Union agreed to renew the Governing International Fisheries Agreement (GIFA), the legal basis for Soviet fishing within the U.S. 200-mile zone, for 18 months. 1/ As required under the Magnuson Fisheries Conservation and Management Act of 1976 (16 U.S.C. 1823), the President submitted the text of the agreement and an exchange of diplomatic notes between the United States and the Soviet Union to Congress on May 14. 2/

The Magnuson Act authorizes foreign fleets within the 200-mile Fishery Conservation Zone if the U.S. fishing industry lacks sufficient capacity to harvest the maximum total allowable catch of a given species. In order to fish in the U.S. zone, a country must have signed a GIFA and have been granted a "directed fishing allocation" by the United States. As required by the Magnuson Act, decisions by the State Department on allocations are based on a number of factors, which stress a country's commercial and economic cooperation with U.S. fishermen. 3/

Between 1976, when the original bilateral agreement was signed, and 1979, when the Soviet Union invaded Afghanistan, the United States allocated the Soviet Union 400,000 to 500,000 metric tons of fish annually. In addition, the Soviets bought U.S.-caught fish from Marine Resources Co., a Soviet-American joint venture founded in 1976, for processing on-board Soviet fishing vessels.

In January 1980, President Carter reduced the Soviet allocation for the year to 75,000 metric tons, the amount for which permits had already been issued. As part of his policy of maintaining the framework of bilateral relations, the President did not terminate the GIFA. Nor did he put an end to Soviet processing of U.S. caught-fish since the joint venture benefited U.S. fishermen. 4/ The Soviet Union received no allocations for the next 4 years.

Following the renewal of the GIFA in April 1984, the United States took the final step necessary for the resumption of Soviet fishing in U.S. waters, announcing on July 25, that the Soviet Union would be allocated 50,000 metric

---

1/ "White House Fact Sheet, July 27, 1984," reprinted in Department of State Bulletin, September 1984, p. 43. (This was the third renewal. The GIFA had been renewed in 1982 and 1983.)

2/ The Magnuson act provides that GIFA's go into effect 60 calendar days after the President submits them to Congress. The delay was intended to provide the Congress with an opportunity to prohibit their entry into force by passing a resolution of disapproval.

3/ 16 U.S.C. 1821.

4/ "White House Fact Sheet. . .," op. cit and U.S. Congress, House, Committee on Foreign Affairs, Subcommittee on Europe and the Middle East, An Assessment of the Afghanistan Sanctions: Implications for Trade and Diplomacy in the 1980's, Committee Print, 97th Cong., 1st sess., April 1981 (Washington: U.S. Govt. Print. Off., 1981), p. 93.

tons of bottom fish. Explaining that the Administration's approach was "governed by our desire to promote the U.S. fishing industry," the announcement issued by the State Department stressed the benefits to U.S. fishermen--increased employment opportunities and "enhanced opportunities to benefit from Soviet technology and expertise in fishing." 1/ The increased employment opportunities mentioned in the announcement arise from the Soviet obligation to purchase an equivalent amount of fish caught by the U.S. fleet. The announcement described the decision as "consistent with the President's policy of promoting a constructive dialogue with the Soviet Union and facilitating non-strategic trade exchanges."

#### Developments Affecting U.S. Trade with East European Countries

##### Steps towards normalization of commercial relations with Poland

During the summer of 1984, the United States pursued what the Government described as a "step-by-step" policy of normalizing its commercial relations with Poland as that country moved towards national reconciliation. 2/ U.S. actions included lifting the ban on Polish fishing within the U.S. 200-mile zone, indicating a willingness to withdraw U.S. objections to Poland's application to join the IMF, and to restore the landing rights of the national airline of Poland, if certain conditions were met. The United States, together with other Western governments, continued negotiations on Poland's official debts, but these negotiations did not yield any concrete results by the end of the period under review.

Lifting of ban on Polish fishing.--During the spring and early summer of 1984, the United States took the steps necessary to remove one of the sanctions imposed against Poland following the declaration of martial law--the ban on Polish fishing within the U.S. 200-mile zone. 3/ The fisheries agreement (GIFA) between the United States and Poland was renewed through an exchange of notes dated May 7 and 30. 4/ Beginning in mid-summer, the United States announced several directed fishery allocations to Poland, which totaled 70,000 MT for the year.

U.S. responses to the release of political prisoners.--On July 21, 1984, the Polish Government announced an amnesty for political prisoners and subsequently began to release individuals charged with political offenses. Interpreting the Polish Government's action as "a significant move in the direction of national reconciliation in Poland," the U.S. Government indicated its willingness to move towards the dismantling of two of the sanctions imposed in response to the declaration of martial law in Poland. 5/ On August 3, the White House announced that the United States would authorize the

---

1/ U.S. Department of State, "US-USSR Fishing Relationship," July 25, 1984.

2/ For background on the U.S. sanctions against Poland in response to the declaration of martial law and the banning of Solidarity, see 35th Quarterly Report. . ., pp. 75-79 and 37th Quarterly Report. . ., pp. 90-93.

3/ For background on the steps necessary for foreign fishing vessels to operate in the U.S. zone, see section on Soviet fishing above.

4/ The renewed GIFA entered into force on July 24. The original GIFA was signed in 1976.

5/ "United States Sanctions Against Poland: Statement by the Principal Deputy Press Secretary to the President," Weekly Compilation of Presidential Documents, Vol. 20, no. 31 (Aug. 6, 1984), p. 1109.

lifting of the ban on regularly scheduled flights by LOT, the Polish national airline, subject to the "regularization of our civil aviation relationship" and the "full reestablishment" of bilateral scientific exchanges. 1/ The conditions referred, respectively, to a dispute between the two countries arising from the U.S. suspension of LOT's landing rights and to the suspension of travel under the Maria Sklodowska Curie Fund's joint scientific visitors' exchange program.

In the same announcement, the administration suggested that the United States might, under certain conditions, consider withdrawing another of the sanctions--opposition to Poland's application to join the IMF. It stated that the President "has indicated that complete and reasonable implementation of the amnesty decision will create a positive atmosphere that would allow the reactivation of Poland's application for membership in the IMF." The announcement added that the United States would consider any final application by Poland "on its merits, including Poland's willingness to fulfill the obligations of IMF membership." While noting its continued concern about the situation in Poland, the administration indicated that it was "prepared to take further positive steps in response to further significant movement towards national reconciliation in Poland" and would consult with other Western countries on a response to events in Poland.

According to press accounts of a diplomatic note delivered to the U.S. chargéé d' affaires in Warsaw and made public by the Polish press agency, the Polish Government was willing to start bilateral talks on the civil aviation and scientific cooperation agreements, but intended to demand compensation for the losses LOT incurred as a result of the U.S. suspension of its landing rights. 2/

U.S. donation to church-run program to aid private farmers in Poland.--On August 17, President Reagan announced that he would seek support for a \$10 million donation by the U.S. Government to support the first phase of the Polish Catholic Church's program to aid private farmers. 3/ The Polish Government will not participate in the program. It must, however, approve the establishment of a foundation to administer the program and has already done so.

The U.S. Government contribution is earmarked for the pilot phase of the program, which is planned to last 15 months and cost \$28 million. (The full program is a 5-year effort that could cost slightly less than \$1 billion if it is fully implemented.) The U.S. contribution, which has already been appropriated by Congress, will not be a direct cash donation to the foundation. 4/ The funds will probably be used to reimburse the foundation for imports from the United States of badly needed agricultural inputs for private farmers, but the exact details had not been settled at the end of the period under review.

---

1/ Ibid. As of the first week of November, the two conditions had not been fulfilled. Consequently, LOT's landing rights remained suspended.

2/ "Poland Asks Talks on Ending U.S. Sanctions," New York Times, Aug. 17, 1984, p. A2.

3/ Weekly Compilation of Presidential Documents, Vol. 22, no. 33, p. 1133.

4/ Information supplied by the Department of State.

Commodity Credit Corporation credit to support U.S. agricultural exports to Hungary

On September 21, 1984, USDA announced the authorization of \$31.0 million in credit guarantees from the Commodity Credit Corporation for U.S. exports of agricultural products to Hungary. The guarantees are part of the GSM-102 program, which is authorized at \$5 billion for FY 1985. The guarantees are available for exports of specified products (vegetable protein meals such as soybean meal, soy protein isolates, cotton, and breeding materials) subject to subceilings for the individual products.

U.S.-China Tax Treaty Submitted to Congress for Ratification

Requesting the Senate's early and favorable consideration, President Reagan submitted the text of the U.S.-China income-tax treaty, together with a supplementary protocol, on August 10, 1984, for advice and consent to ratification. The treaty--formally the Agreement between the Government of the United States of America and the Government of the People's Republic of China for the Avoidance of Double Taxation and the Prevention of Tax Evasion with Respect to Taxes on Income--was signed by President Reagan and Premier Zhao on April 30, 1984 in Beijing. The signing was one of the most significant achievements of the President's visit. To enter into force, the treaty must also be approved by the Standing Committee of the Chinese National People's Congress.

The pending treaty is the first complete income tax treaty between the United States and China. It supplements a tax treaty signed in 1982 that applies only to income from international shipping and air transportation. <sup>1/</sup> The treaty is based on the model income tax treaties developed by the OECD, the United Nations, and the U.S. Treasury Department. The treaty's key provisions provide for nondiscriminatory taxation, reduced tax rates on the remittance of dividends, interest, and royalties, and avoidance of double taxation. <sup>2/</sup> If ratified, the treaty will clarify the tax consequences of investing or working in the other country and thus is expected to contribute to the expansion of bilateral commercial relations. Some observers predict that the treaty will probably go into effect on January 1, 1986. <sup>3/</sup>

Renewal of Most-Favored-Nation Status for China, Hungary, and Romania

On May 31, 1984, President Reagan notified Congress of his decision to recommend the extension for another year of both the general authority to

---

<sup>1/</sup> See 33d Quarterly Report. . . , p. 41, for details.

<sup>2/</sup> For additional information, see 38th Quarterly Report. . . , p. 45.

<sup>3/</sup> Preston M. Torbert, "The US-PRC Income Tax Treaty," China Business Review, Vol. 11, no. 5 (September-October 1984), p. 52. Article 27 provides that the date on which the treaty's provisions will go into effect be determined in the following manner. "Each of the Contracting States shall notify the other Contracting State in writing, through diplomatic channels, upon the completion of their respective legal procedures to bring this Agreement into force. The Agreement shall enter into force on the thirtieth day after the date of the latter of such notifications and shall take effect as respects income derived during taxable years beginning on or after <sup>51</sup>the first day of January next following the date on which this Agreement enters into force."

waive the provisions of the Jackson-Vanik amendment and the individual waivers for the three countries--China, Hungary, Romania--that have been granted most-favored-nation (MFN) status under the waiver provisions contained in the Jackson-Vanik amendment. 1/ As required by section 402(d)(1), the President made his recommendation not less than 30 days before the waiver authority and the waivers were scheduled to expire (July 2, 1984) and specified his reasons for recommending that the waiver authority be renewed and for concluding that the waivers for the three countries would "substantially promote the objectives" of section 402.

The 1984 renewal was the second following the U.S. Supreme Court's decision in the Chadha case, which held that legislative vetoes are unconstitutional. 2/ There appears to be a general consensus within the administration and Congress that the ruling was potentially relevant to section 402, which provides that either House can veto the President's recommendation by passing a concurrent resolution of disapproval within 60 calendar days after the expiration of the authority and the waivers, i. e., before August 31. 3/ Many observers believe that, in light of the Chadha decision, only joint resolutions, which are presented to the President for signature, could withstand the Supreme Court's scrutiny. 4/

This year, the Subcommittee on Trade of the Committee on Ways and Means, the committee of jurisdiction in the House, did not hold its customary hearing on the President's recommendation. The Subcommittee on International Trade of the Senate Committee on Finance held its annual hearing on August 8, 1984. The hearing closely followed the pattern set in previous years, with representatives of the administration and interested private groups testifying on the emigration records of the three countries. As in recent prior years, there was virtually no criticism of China's emigration record, little of Hungary's, and sharp criticism of Romania's.

Commenting on the recommendation to renew Romania's MFN status, a State Department official said, "[t]here should be no misunderstanding--either in this room or in Bucharest--that extension of Romania's MFN status somehow constitutes tacit U.S. acceptance of the negative side of Romania's human

---

1/ 19 U.S.C. 2432. The United States grants China, Hungary, and Romania MFN status under the authority of section 402 of the Trade Act of 1974, the Jackson-Vanik amendment, which allows the President to waive, under certain circumstances, the amendment's prohibition on the extension of MFN status to NME countries that restrict emigration. If the President wishes to continue the MFN status of an NME country subject to this provision, he must renew both his general authority to waive the freedom-of-emigration provisions and the waiver for the individual country annually.

2/ Immigration and Naturalization Service v. Chadha, \_\_\_ U.S. \_\_\_ 103 S. Ct. 2764 (1983). For information on the Chadha decision and the 1983 renewal process, see 35th Quarterly Report. . ., pp. 36-37 and 37th Quarterly Report. . ., pp. 94-95.

3/ See, for example, Senator Jackson's testimony before the Subcommittee on International Trade of the Senate Finance Committee on July 23, 1983. The Senator discussed the implications of the Chadha decision for section 402 and his interpretation of the administration's position.

4/ See, for example, "Rules Sets Policy on Legislative Veto," Congressional Quarterly [weekly report], July 30, 1983, p. 1564.

rights record." 1/ Representatives of private groups were split between those advocating the suspension of Romania's MFN status and those asking Congress to seek more concessions from the Romanian government on emigration and human rights in return for the extension.

Referring to Hungary, Senator Heinz, who chaired the hearing, noted that for the second consecutive year there were no unresolved family reunification cases, but that the restrictions on emigration in Hungarian law could cause problems in the future. 2/ Deputy Assistant Secretary of State for East Asian and Pacific Affairs William A. Brown described Chinese policies on emigration as having undergone "some liberalization" and noted that 60,000 Chinese citizens whose visa applications had been approved were waiting for their turn to immigrate to the United States.

Senator Helms was the author of the only resolution of disapproval introduced in either House this year. The Senate Finance Committee did not report his bill (S. Res. 171), and the Senate took no further action on it.

The process by which the MFN status of China, Hungary, and Romania was extended in 1984 appeared to indicate a consensus between the Administration and Congress that the statutory authority granted the President is severable from the veto procedure and, hence, is not invalidated by the Chadha decision. By his actions, the President indicated that he would continue to observe section 402's requirements for reviewing the three countries' emigration records annually and for reporting his determinations to Congress. Since Congress did not pass a resolution of disapproval, the potential constitutional issue was not tested.

#### Developments in Export Administration

##### Export controls being administered under IEEPA

The Export Administration Act of 1979 (EAA), the President's authority to administer export controls, expired on March 29, 1984. 3/ To continue the administration of the export control system, the President declared a national economic emergency and invoked the authorities of the International Emergency Economic Powers Act (IEEPA) on March 30. 4/

---

1/ "Statement for Mark R. Palmer, Deputy Assistant Secretary of State for European Affairs, Before the Subcommittee on International Trade of the Senate Finance Committee, August 8, 1984," p. 4.

2/ Bureau of National Affairs, International Trade Reporter, Aug. 15, 1984, p. 188.

3/ Technically, the expiration referred to here is the expiration of an extension of the EAA. The EAA was originally due to expire on September 30, 1983, but was extended several times.

4/ Executive Order No. 12470 of March 30, 1984. (49 F.R. 13099). This is the second time in the past two years that export controls have been administered under IEEPA. Following the expiration of a previous extension of the EAA, the President invoked IEEPA on October 14, 1983 by Executive Order No. 12444 (48 F.R. 48215). After Congress passed another extension of the EAA, the President revoked his national-economic-emergency declaration and rescinded the Executive Order on December 20, 1983. (Executive Order No. 12451, which may be found at 48 F.R. 56563.)

IEEPA continued as the basis for the administration of export controls throughout the period under review. 1/ Although the continuity of export administration was thereby assured, many members of Congress were concerned about the potential for legal challenges of actions by the Department of Commerce, particularly license denials and enforcement of the anti-boycott regulations. Concern was heightened by a ruling of the U.S. District Court in Seattle in a case that sought to overturn a decision by Commerce to deny an application by Nuclear Pacific, Inc. for an export to an Indian nuclear power plant. The Court ruled that legal challenges of license denials are prohibited under the EAA, but not under IEEPA. 2/ The Court upheld Commerce's decision on the application, however.

Another legal issue created by the lapse of the EAA was the differing criminal penalties for violations contained in the EAA and IEEPA. The Executive Order (No. 12470) invoking IEEPA expressly stated that all the rules and regulations that the Secretary of Commerce issued or continued in effect under the EAA "shall. . . remain in effect, the same as if issued or taken pursuant to this Order," but that section 206 of IEEPA (50 U.S.C. 1705) would control over any inconsistent provisions with respect to criminal penalties contained in regulations. 3/

#### Record civil penalty imposed in DEC case

On September 4, 1984, the Department of Commerce announced that Digital Equipment Corp. (DEC) had agreed to pay a civil penalty of \$1.5 million imposed for alleged violations of the Export Administration Regulations by its West German subsidiary, Digital Equipment GmbH. 4/ Commerce suspended \$400,000 of the fine for 3 years and will waive payment of this amount if DEC's subsidiary commits no violations during the period. The \$1.1 million that DEC will pay regardless of future actions by its subsidiary is the largest civil penalty ever paid for export control violations.

The penalty was imposed following Commerce's determination that the West German company had made numerous sales of computers and computer equipment manufactured by DEC to a company controlled by Richard Mueller, a German citizen. Commerce had previously denied Mueller the privilege of exporting goods from the United States for 20 years for reexporting U.S.-origin goods to the Soviet Union in violation of the EAA and the Export Administration Regulations.

---

1/ Since Congress adjourned on October 12 without approving successor legislation or extending the EAA, export controls will continue to be administered under IEEPA until the 99th Congress passes legislation.

2/ Nuclear Pacific, Inc. v. U.S. Department of Commerce (84-4171 9th Cir. 1984) 684-49R (W.D. Wash. 1984). Concern about potential legal challenges was one of the motivations for an unsuccessful effort on October 10 and 11 to pass export control legislation even though the conference on the House and Senate bills to amend and extend the EAA had deadlocked.

3/ IEEPA limits criminal penalties for willful violations to \$50,000 and/or 10 years of imprisonment. The EAA authorizes substantially higher criminal penalties for willful violations-- fines of up to \$250,000 and/or imprisonment for up to 5 years for an individual and fines of up to 5 times the value of the goods exported illegally or of up to \$1 million, whichever is greater, for a business entity (50 U.S.C. App. 2405). <sup>54</sup>

4/ Bureau of National Affairs, International Trade Reporter, Sept. 12, 1984, p. 259.

Secretary Malcolm Baldrige stated that the equipment sold by DEC's subsidiary included two VAX 11/780 computers. 1/ He also noted that DEC cooperated in the investigation and subsequently took steps to improve its internal control procedures.

#### East-West Policy Coordination

##### New COCOM export controls 2/

On July 16, 1984, the members of COCOM 3/ announced that they had reached agreement on new rules for exports of computers and sophisticated, computerized telephone equipment. The review of the computer-rules was apparently part of COCOM's regular triennial review of the list of controlled goods. COCOM reportedly also agreed to continue its policy of not allowing exceptions to the rules for exports to the Soviet Union. 4/ COCOM adopted this practice, which is known as the "no-exceptions" policy, following the Soviet invasion of Afghanistan.

Under negotiation for 2 1/2 years, the guidelines for computer exports represented the first major updating of the rules originally drawn up in 1976. An update was considered especially important due to the fast pace of technological development in the industry. If press accounts of the new computer rules are accurate, the new rules represent a liberalization of the controls on small computers and mainframe computers. 5/ An unnamed senior official from the Defense Department described the agreement as "balanced in that it allows transactions on widely available products and gives us protection on the really critical items." 6/

Under the new rules for personal computers (PC's), 8-bit PC's will be decontrolled except for "rugged" 8-bit models that can withstand heavy industrial or battlefield use. 7/ Some 16-bit PC's may be exported depending on their technical specifications; but COCOM will continue to control 32-bit PC's. 8/

---

1/ Ibid., pp. 259-260.

2/ The information in this section is based on journalistic rather than official sources, since most of the latter are classified.

3/ COCOM, is an informal organization which coordinates the West's controls on exports to the Soviet Union, Eastern Europe, and China. Its members are the United States, Japan, and the NATO countries except Iceland and Spain.

4/ Paul Lewis, "Allies Curb Computers For Soviet," New York Times, July 17, 1984, p. D7.

5/ For a similar view attributed to an unnamed Commerce Department official, see Paul Mann, "COCOM Agrees on Export of Computers," Aviation Week & Space Technology, July 23, 1984, p. 22.

6/ "Pact on Computers," Wall Street Journal, July 17, 1984, p. 35.

7/ Ibid.

8/ Ibid.

Both the original and the new rules for exports of mainframe computers depend on the proposed export's data-processing rate. COCOM reportedly liberalized the rules for mainframes by raising the control threshold, known as the "red line," from 32 million bits per second to 48 million bits per second. For less powerful mainframes, the new rules reportedly are the following: 1/

28-48 million bits per second: There will be a predisposition to approve exports of mainframes in this range, but requests for approval will remain subject to a 30-day review period, during which any member-government may veto the proposed export. There are also limits on the number of units that may be exported in an individual transaction (volume controls).

15-28 million bits per second: Exports of computers in this category will remain subject to a review period and a volume control, which differs from the one applicable to mainframes in the 28-48 million-bit category.

below 15 million bits per second: Such computers may be exported at the discretion of member-governments, subject to a requirement to provide COCOM with monthly reports on exports approved. 2/

Controls on minicomputers depend on virtual memory capacity as well as the data-processing rate. There will be a presumption of denial for requests to export minicomputers with a virtual memory capacity of over half a gigabyte and a data processing rate of 48 million bits per second. 3/ Some computer experts speculate that a "supermini" such as the VAX 11/782 would remain subject to control under the new guidelines. 4/

The new computer rules were not scheduled to go into effect until October 1, 1984, to allow time for a committee of experts to convert the agreement into technical language, which would then be sent to member-governments for approval.

Controls on designs and blueprints for manufacturing computers were reportedly strengthened. 5/ In addition, COCOM agreed upon its first controls on exports of software. Previously, the United States was one of the only COCOM countries to control software. According to press accounts, COCOM will control sophisticated programs with potential military applications, including some signal processing, networking, and air traffic control software. 6/ "Off-the-shelf" programs such as those used by PC-owners will reportedly not be controlled. 7/

---

1/ Ibid., p. 21.

2/ The national discretion provision allows members to authorize exports of lower performance items listed in Administrative Exceptions Notes (AEN's) without requesting other COCOM members to approve an exception to the rules.

3/ Ibid.

4/ "U.S. Allies to Restrict Computer-Technology Exports to Soviet Bloc," Wall Street Journal, July 23, 1984, p. 21.

5/ "U.S. Allies to Restrict Computer-Technology Exports. . .," op. cit.

6/ Mann, p. 21.

7/ "Pact on Computers," Wall Street Journal, July 17, 1984, p. 35.

COCOM banned the export of large telecommunications switches for 4 years, since the Soviets cannot produce them and have attempted to buy them from Western countries. 1/ At the end of that period, exports of smaller switches will be permitted, but subject to "severe limitations." 2/ Unlike the new controls for computers, this control went into effect immediately. 3/

Austrian Parliament to consider new customs law

Declaring that 'we have made it unequivocally clear that we do not [wish] to be or become a place where illegal (technology) transmissions occur,' Thomas Klestil, Austria's ambassador to the United States told reporters that the country's ruling and opposition parties had proposed a new customs law. 4/ The Ambassador was presumably referring to a widely held belief that Western technology was being transferred legally to neutral countries such as Austria, which are not members of COCOM, and illegally re-exported to the Soviet Union by private citizens, acting without the neutral government's approval.

As described by the Ambassador, the proposed law would impose upon Austrian firms the same export controls imposed upon foreign firms for re-exports and would strengthen customs enforcement. Ambassador Klestil stated that the law had been proposed after consultations with the U.S. Government. The law is expected to be enacted before the end of 1984.

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

Between March and September, the International Trade Commission and the International Trade Administration (ITA) of the Commerce Department concluded three cases involving allegedly unfair imports of carbon steel wire rod from Czechoslovakia and Poland and two cases involving imports of chemicals from China. Import relief was granted in one of these cases-- an antidumping investigation involving imports of barium chloride from China. During the same period, the Commission and ITA instituted two dumping investigations of imports from NME's (muriate of potash from East Germany and the Soviet Union) and received a petition alleging sales at less than fair value of another NME product, carbon steel wire rod from East Germany.

---

1/ Mann, p. 22.

2/ Ibid. p. 22.

3/ Ibid., p. 21. A request by the West German government for authorization to approve an export by Standard Elektrik Lorenz AG, a subsidiary of ITT, of sophisticated telecommunications equipment to Hungary may serve as a test case for the new rules. For details on the proposed sale, see Bureau of National Affairs, International Trade Reporter, Aug. 15, 1984, pp. 181-182.

4/ "Austria Tightening Rules on Technology Exports," Journal of Commerce, Nov. 26, 1984.

Carbon steel wire rod from Czechoslovakia and Poland

Five U.S. producers (Atlantic Steel Co., Continental Steel Corp., Georgetown Steel Corp., North Star Co. - Texas, and Raritan River Steel Co.) filed a petition in December 1983, alleging that Polish carbon steel wire rod was being sold at less than fair value (LTFV) in the United States. The U.S. producers also filed petitions alleging that the Polish and Czech governments were subsidizing exports of the product. 1/

Following an affirmative determination by the Commission on January 9, 1984 in its preliminary dumping investigation 2/, ITA preliminarily determined on May 1 that the Polish product was being or was likely to be sold at LTFV. 3/ ITA found dumping margins ranging from 28.0 to 65.9 percent on all the imports of Polish wire rod it investigated, and issued an affirmative final determination on July 14. 4/

On August 28, the Commission concluded its final investigation in the case, determining by a majority vote that imports of wire rod from Poland sold at LTFV were not causing, or threatening to cause, material injury to a U.S. industry. The vote was 4 to 1, with Chairwoman Stern dissenting. The Commission majority concluded that the U.S. carbon steel wire rod industry was experiencing difficulties during much of the period under investigation, but voted in the negative because it could not find "a causal nexus between the condition of the industry and the LTFV imports from Poland." 5/ Chairwoman Stern's dissenting vote was based on a conclusion that, although imports from Poland were small, they had "a cumulative, hammering impact with similar LTFV imports from Brazil and Trinidad and Tobago (Trinidad) on which the Commission made unanimous final LTFV determinations in October 1983." 6/ As a result of the Commission's decision, antidumping duties were not levied on imports of the product.

In the CVD investigations, ITA had to determine whether U.S. CVD law could be applied to NME's. 7/ It had instituted an earlier CVD investigation of an NME's products (textiles and apparel from China), but it had not had to decide the issue since the petition was withdrawn. In the preliminary investigation, ITA concluded that Congress had not exempted NME's from CVD law. This conclusion was based on a narrow reading of the relevant statute, section 303 of the Tariff Act of 1930, which refers to "bounties or grants"

---

1/ At the same time, the companies also filed petitions alleging sales at less than fair value from Argentina, Mexico, and Spain and export subsidies by the Spanish government. Petitioners subsequently withdrew the petition against Mexican imports.

2/ 37th Quarterly Report. . ., p. 97.

3/ 49 F.R. 19545.

4/ The determination was published on July 20. (49 F.R. 29434.)

5/ Carbon Steel Wire Rod from Poland, Determination of the Commission in Investigation No. 731-TA-159 (Final). . ., USITC Publication 1574, September 1984, p. 3.

6/ Ibid., pp. 15 and 17-21.

7/ The Commission did not issue a determination in the CVD cases since Czechoslovakia and Poland are not entitled to an injury test under U.S. countervailing duty law because they have not signed the GATT Code on Subsidies and Countervailing.

(subsidies) by any political entity. 1/ ITA then examined the policies that the petitioners alleged to be government subsidies, such as tax exemptions or rebates granted on the basis of export performance. It determined that there was no reason to believe that manufacturers, producers, or exporters of Czech and Polish wire rod were receiving benefits constituting subsidies or grants within the meaning of section 303.

ITA's determination in the final investigation that subsidies within the meaning of the law could not be found in NME's was a landmark decision. The determination was based on the concept of determining whether a subsidy is being conferred by using a market benchmark. In this manner, a subsidy can be identified and measured by comparing the special treatment a firm receives from the government with the treatment it would receive in the marketplace. ITA concluded that it was meaningless to apply this concept of a subsidy to an NME where market forces do not operate and government intervention is the rule, not the exception. The determination illustrated the difference by examining how resources are allocated in market and nonmarket economy countries. In a market economy, the forces of supply and demand channel resources to their most profitable and efficient uses, but in a nonmarket economy resources are generally allocated by planners. Resources may appear to be misallocated in an NME, but the distortion is the result of central planning, not subsidization. 2/ The decision has been appealed to the U.S. Court of International Trade.

#### Carbon steel wire rod from East Germany

On September 26, 1984, the petitioners in the Czech and Polish wire rod cases filed petitions with the Commission and ITA alleging sales at LTFV of wire rod from East Germany and injury to competing U.S. producers. The Commission instituted a preliminary investigation on October 2 to determine whether there was a reasonable indication that East German exports of the product were materially injuring, or threatening to materially injure a U.S. industry, or materially retarding the establishment of an industry in the United States. 3/

#### Muriate of potash (potassium chloride) from East Germany and the Soviet Union

During the second quarter of 1984, the Commission investigated allegations by AMAX Chemicals, Inc. and Kerr-McGee Chemical Corp. that the U.S. potash industry was being injured or was threatened by injury by reason of imports at LTFV of muriate of potash (also known as potassium chloride)

---

1/ 49 F.R. 6769. For background on the Chinese textiles case and the details of the determination in the preliminary wire rod investigations, see 38th Quarterly Report. . ., p. 52.

2/ The determinations may be found at 49 F.R. 19370 and 19374. For additional information, see 38th Quarterly Report. . ., p. 53.

3/ 49 F.R. 39113. On November 6, the Commission determined that there was a reasonable indication that an industry in the United States is materially injured by reason of imports of the East German product. Commissioners Liebeler and Lodwick, however, determined that there was a reasonable indication that a U.S. industry was threatened with material injury by reason of these imports. (Carbon Steel Wire Rod From the German Democratic Republic, Determination of the Commission in Investigation No. 731-TA-205 (Preliminary). . ., USITC Publication 1607, November 1984.)

from East Germany, Israel, Spain, and the Soviet Union. The petitioners also alleged that manufacturers, producers, or exporters of the product were receiving benefits that constituted subsidies. The petitioners filed CVD petitions against all four countries, but the Commission's investigation covered only Israel and Spain, since East Germany and the Soviet Union were not entitled to an injury test. The Commission conducted the case on a country-by-country basis, voting on the four LTFV cases and the two CVD cases separately. On May 14, the Commission voted affirmatively in each of the six cases. 1/

The ITA proceeded with the four LTFV and four CVD cases. In light of its determination in the wire rod cases that subsidies cannot be found in NME's, it subsequently rescinded the petitions in the East German and Soviet CVD cases and terminated the investigations. 2/ On September 12, ITA published affirmative preliminary determinations in its investigations of sales at LTFV from East Germany, the Soviet Union, and Spain and a negative determination in the Israeli case. 3/ The Commission instituted its final investigation of the dumping cases on September 12. 4/

#### Barium chloride and barium carbonate from China

During the second and third quarters of 1984, ITA completed its investigations of allegations that barium chloride and barium carbonate from China were being sold at LTFV in the United States and that critical

---

1/ Then Commissioner Veronica Haggart concluded that there was a reasonable indication that a U.S. industry was being materially injured. Alfred E. Eckes, who was Chairman when the vote was taken, and Commissioners Seeley G. Lodwick, and David B. Rohr found that there was a reasonable indication that a U.S. industry was threatened with material injury as well as being materially injured. Commissioners Paula Stern and Susan W. Liebeler did not participate in the investigations. (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).

2/ The rescission went into effect during the first week of June. (49 F.R. 23428-23429). In the remaining CVD cases, ITA published affirmative determinations on September 17. (49 F.R. 36424.) On October 22, however, the Commission found that subsidized imports of potash from Israel and Spain were not injuring a U.S. industry or threatening it with material injury.

3/ 49 F.R. 35845. AMAX and Kerr-McGee subsequently withdrew the antidumping petition on imports of the product from Spain and ITA terminated the investigation on November 8. (49 F.R. 46455.)

4/ The Commission's vote was originally scheduled for the week of December 30, 1984. Since ITA postponed its final determinations in these cases, at the respondents' request, the Commission's final determination is now scheduled for the week of March 3, 1985.

circumstances existed with respect to imports of both chemicals. 1/ The ITA decisions followed affirmative determinations by the Commission on December 23, 1983 in the preliminary injury investigations. 2/

In its preliminary and final investigations of Chinese barium chloride, ITA concurred with the petitioner on the dumping issue but not on the issue of critical circumstances. 3/ ITA rejected the petitioner's allegations with respect to barium carbonate, determining on August 20 that the Chinese product was not being sold at LTFV in the United States. 4/ ITA examined all sales by SINOCEM, the only known exporter, during the period under investigation, but found none that occurred at LTFV. In view of the negative determination, ITA declared the question of critical circumstances moot and terminated the investigation.

As a result of ITA's determinations, the Commission instituted a final investigation of imports of barium chloride only. Since ITA had determined that critical circumstances did not exist with respect to imports of this product, the Commission did not address this issue in its final investigation. The Commission unanimously determined on September 25 that a U.S. industry was being materially injured by reason of imports of the product sold at LTFV in the United States. 5/

---

1/ Critical circumstances are found to exist if two criteria are met: (1) There is a history of dumping in the United States or other countries of the merchandise under investigation or if it is determined that the importer knew or should have known that the exporter was selling the merchandise at LTFV. (2) There have been massive imports of the merchandise under investigation within a relatively short period. If critical circumstances are found to exist, antidumping duties are imposed retroactively.

2/ The Commission determined that the two products, which are manufactured by a single U.S. company, constitute two industries. For additional information on the Commission's preliminary injury finding, see 37th Quarterly Report . . ., p. 46.

3/ ITA published the preliminary determination on April 6 (49 F.R. 13728) and the final determination on August 27 (49 F.R. 33916). It examined all sales by SINOCEM, the only known Chinese exporter, during the period under investigation and, in the final investigation, concluded that dumping occurred in 63 percent of them. The margins of dumping ranged from 11.9 percent to 33.4 percent, yielding a weighted-average dumping margin of 14.5 percent.

4/ 49 F.R. 33913. The preliminary determination, dated April 2, was also negative. (49 F.R. 13729.)

5/ Barium Chloride From the People's Republic of China, Determination of the Commission in Investigation No. 731-TA-149 (Final). . ., USITC Publication 1584, October 1984, p. 3.



IMPORTS FROM THE NME'S AND THE U.S. MARKET: FURTHER EXAMINATION  
OF CASES IDENTIFIED BY THE EAST-WEST TRADE MONITORING SYSTEM

In the 39th Quarterly Report . . . , the Commission presented updated findings of its East-West Trade Monitoring System. This system employs a computer run of import data aggregated into product groups based on the Standard Industrial Classification (SIC). These import-related SIC categories--MSIC--permit the comparison of imports from the NME's with the output of competing U.S. industries. The results of the 1984 run indicated that imports in nine product groups warranted closer examination. <sup>1/</sup> Four of these nine import groups appeared for the second consecutive year and were examined in detail in the 36th Quarterly Report . . . . This report presents more detailed information on four of the five remaining product groups.

The East-West Trade Monitoring System employs two tests to identify product groups for further examination: import penetration of the U.S. market and the recent rate of growth in imports from an NME source. The import-penetration test itself has two elements: the system selects MSIC categories in which there is penetration of 1 percent or more by imports from a single NME source and, at the same time, penetration of more than 10 percent by imports from all sources. The rationale for this test is that even relatively low levels of import penetration from an NME source may be notable if there is substantial overall import penetration of the U.S. market. The data used for the test were for 1982, the most recent year for which comprehensive data on domestic producers' shipments were available.

The second test incorporates the most recent data available on imports from the NME's. Product groups that recorded an import-growth rate from an NME source of 15 percent or more (in terms of value) from 1982 to 1983 and from January-June 1983 to January-June 1984 were selected if they are also met the import-penetration test.

The four product groups that met these criteria for the second consecutive year were lace goods; men's shirts, nightwear, and underwear, and women's knit shirts; leather gloves; and women's handbags and purses. All of these cases involved imports from China. Detailed information is presented in this report on four additional product groups identified in the 1984 run of the monitoring system: nitrogenous fertilizers, china tableware, floor coverings of textile and vegetable materials, and dolls and stuffed toy animals. In the case of nitrogenous fertilizers, the import-penetration and import-growth tests were met by imports from the U.S.S.R. For the other three product groups, imports from China met these criteria. The ninth product that met both tests was headwear from China. However, a preliminary investigation indicated that further examination of this case was not warranted. Table 12 shows the relevant data on which the nine selections were based.

Each case examined includes a description of the product group and its uses, data and other information on production and employment in the U.S. industry, imports from the designated NME supplier and from other sources, and the structure of the U.S. market. To the extent that information was available, the report also includes a discussion of the competing NME industry. In addition, the section on floor coverings includes a brief discussion of imports from Romania, as well as those from China, and of the industry in that country. Imports of floor coverings from Romania did not meet the import-penetration and import-growth tests, but Romania is a major supplier to the United States of certain types of floor coverings.

---

<sup>1/</sup> The monitoring system covers only imports of manufactures, since the output data on competing U.S. industries are from the Census of Manufactures.

Table 12.--U.S. imports from NME's, by MSIC code, in which there was penetration of greater than 1 percent from NME sources and greater than 10 percent from the world in 1982, and growth greater than 15 percent in the periods 1982-83 and January-June 1983 to January-June 1984

MSIC code	Description	NME source	Penetration of imports from--		Percentage increase		Percentage change in share of total imports	
			NME source	World	1982-83	1983-84	1982-83	Jan.-June 1983-84
			Percent					
2279	Textile floor coverings, n.e.s.: China		16.8	60.4	18.1	42.1	5.1	12.2
2292	Lace goods, n.e.s.: do		4.5	51.0	41.5	73.4	10.0	8.9
2321	Male shirts, nightwear and do		1.7	28.6	20.9	62.5	8.9	22.8
2352	Headwear: do		1.5	22.6	25.1	90.1	16.0	36.4
2873	Nitrogenous fertilizers: U.S.S.R.		3.1	17.8	25.1	70.9	4.5	21.2
3151	Gloves, leather: China		2.9	32.6	86.7	134.0	61.3	62.3
3171	Women's handbags and purses: do		3.1	50.3	38.8	86.1	21.1	39.7
3262	China tableware: do		7.4	53.3	27.1	32.3	7.7	5.8
3942	Dolls and stuffed toy animals: do		1.0	42.8	39.7	819.5	20.8	323.5

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

## Nitrogenous Fertilizers (MSIC 2873)

Description and uses

Nitrogenous fertilizers are water-soluble chemicals or mixtures of chemicals that contain the primary plant nutrient nitrogen. Virtually all commercial types of nitrogenous fertilizers are derived from ammonia, a chemical which is 82 percent nitrogen and 18 percent hydrogen by weight. Commercial-grade ammonia is nearly 100-percent pure and is often referred to as anhydrous ammonia. Since under ordinary atmospheric conditions it is a gas with an intensely irritating odor, it is liquefied by the application of pressure and is almost always stored and transported in liquid form in specially designed rail tank cars, tractor trailers, pipelines, ocean-going vessels, and storage tanks.

About 80 percent of the ammonia consumed in the United States is used as a fertilizer. Much of the ammonia is applied directly to farmland, but even larger quantities are converted before use to other chemicals which are in solid or liquid form and can be more easily stored, mixed with other fertilizer materials, and applied to farmland. U.S. consumption of ammonia, by end uses, is shown in table 13.

Table 13.--Anhydrous ammonia: Percentage distribution, by end uses, 1982

End-use	Percent by weight
Fertilizers:	
Ammonia, direct application-----	32.3
Ammonium nitrate-----	7.5
Urea-----	8.6
Ammonium phosphates-----	9.0
Ammonium sulfate-----	2.9
All other (nitrogen solutions, etc.)-----	<u>21.3</u>
Total-----	81.6
Explosives and blasting agents-----	4.7
Livestock feeds-----	2.8
Plastics, fibers, elastomers-----	7.4
Miscellaneous-----	<u>3.5</u>
Grand total-----	100.0

Source: SRI International, Chemical Economics Handbook.

Ammonium nitrate, ammonium phosphates, and ammonium sulfate are solid fertilizers made by reacting ammonia with the corresponding acids--nitric acid (itself made from ammonia), phosphoric acid, and sulfuric acid. (However, most ammonium sulfate is produced as a byproduct from coke-oven gas and from certain chemical manufacturing operations.) Urea is made by reacting ammonia with carbon dioxide. Nitrogen solutions are usually mixtures of two or more of the above-listed nitrogenous fertilizers dissolved in water.

The raw materials for ammonia in the United States are air (which is 78 percent nitrogen), natural gas, and water. In some foreign plants which lack access to low-cost natural gas, naphtha or coal are substituted therefor. The production process for ammonia consists of a series of chemical reactions carried out at high temperatures and pressures; hence it is inherently energy intensive. Because the ammonia molecule contains only nitrogen and hydrogen, the carbon from the natural gas and the oxygen from the water leave the ammonia plant as carbon dioxide gas. Great improvements in the production process for ammonia were developed in the 1960's, primarily by one of the leading U.S. engineering and construction companies. The improvements included better recovery of waste heat, enlargement of chemical reaction equipment, and substitution of centrifugal gas compressors for the inefficient reciprocating compressors used previously. The improvements came just in time to partially counteract the tenfold leap in the prices of oil and natural gas which occurred in the 1970's; they also increased the capacity of a world-scale single-train (one ammonia convertor per plant) ammonia plant from about 300 short tons per day to more than 1,000 short tons per day. The unit cost of ammonia production (other than cost of raw materials) dropped sharply, and capital construction cost per ton of production capacity was substantially reduced. The new ammonia plant technology has been rapidly adopted throughout the world, and world ammonia capacity has increased dramatically.

Since all major ammonia producers are now utilizing similar technology and comparable plants, the price paid for natural gas is the overriding competitive factor. Next in importance is transportation cost, a major factor in marketing a low-unit-value bulk commodity such as ammonia--its f.o.b. price in Western Europe and the U.S. Gulf Coast was about 9 cents per pound in October 1984. While this might indicate the desirability of building U.S. ammonia plants in prime consuming areas such as the corn-belt States of the Midwest, the importance of the chief raw material, natural gas, has led to their being constructed mostly in those States which have large supplies of natural gas such as Louisiana, Texas, and Oklahoma.

Urea, in terms of value of production, heads the list of nitrogenous fertilizers other than ammonia itself. All commercial urea is produced from the reaction of ammonia and carbon dioxide at high temperatures and high pressures. Both of these raw materials are products of ammonia plants. Most of the other nitrogenous fertilizers, as mentioned above, are produced by the simple addition of ammonia to water solutions of nitric and sulfuric acids. About 1 percent of nitrogenous fertilizers is "natural" materials such as activated sewage sludge and processed tankage.

The U.S. industry

In 1982, the U.S. nitrogenous fertilizers industry was composed of 109 companies, about the same number as in 1977. 1/ There were 83 producers of ammonia, nitric acid, and ammonium compounds; 32 producers of urea; and 18 producers of natural fertilizers. These companies operated 143 establishments, of which 75 employed more than 19 employees each. The locations of the larger establishments were in the following states:

<u>State</u>	<u>Number of establishments employing more than 19 persons</u>
Louisiana-----	7
Oklahoma-----	5
Nebraska-----	5
Iowa-----	5
Kansas-----	3
Georgia-----	3
Mississippi-----	2
Remaining 43 States-----	45
Total-----	75

Production of nitrogenous fertilizers is conveniently measured by the statistics for ammonia since nearly all the other types are made from this chemical. U.S. production of ammonia peaked in 1980 at 19.7 million short tons and then steadily declined to 13.7 million short tons in 1983 in line with the continuing farm recession and, in 1983, the Government's payment-in-kind program to reduce farm acreage. A partial recovery was evident in 1984; production of ammonia in the first 8 months was 20 percent more than that in the corresponding period of 1983, as shown in the following tabulation: 2/

<u>Year</u>	<u>Millions of short tons produced</u>
1979-----	18.5
1980-----	19.7
1981-----	19.1
1982-----	15.8
1983-----	13.7
January-August--	
1983-----	8.9
1984-----	10.6

Yearend inventories, in terms of percent of ammonia production, rose from 15 percent in 1980 to nearly 28 percent in 1983. The 3.8 million tons held in inventory at the end of 1983 included not only ammonia itself but also the ammonia equivalent of its fertilizer derivatives--urea, ammonium nitrate and sulfate, nitrogen solutions, and ammonium phosphates. 3/

---

1/ 1982 Census of Manufactures.

2/ Source: Bureau of the Census, CIR report M28B.

3/ U.S. Department of Commerce.

Shipments of nitrogenous fertilizers by U.S. producers were valued at \$3.8 billion in 1980, \$4.0 billion in 1981, and \$3.4 billion in 1982. Details of the 1982 shipments are shown below in table 14.

Table 14.--Nitrogenous fertilizers: Shipments by U.S. producers, 1982

(Quantity in thousands of short tons, value in millions of dollars)

Product	Quantity	Value
Nitric acid, 100% basis-----	490	63
Anhydrous ammonia, fertilizer use (100%)-----	8,163	1,170
Anhydrous ammonia, other uses-----	1,091	138
Ammonium nitrate, fertilizer use (100%)-----	3,402	485
Ammonium nitrate, explosives and other uses-----	882	124
Ammonium sulfate (100%)-----	1,213	92
Nitrogen solutions (100% nitrogen basis)-----	2,556	626
Other ammonium compounds-----	NA	75
Urea, fertilizer use (100%)-----	3,841	442
Urea, other uses-----	556	91
Fertilizer materials of organic origin (sewage- sourced etc.)-----	NA	30
Unspecified nitrogenous fertilizers-----	NA	82
Total, based on Census report MA-28A-----	NA	3,418
Total, from Census of Manufactures-----	NA	3,399

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

U.S. plant capacity for ammonia was 20.8 million short tons in 1980, and its utilization was almost 95 percent that (peak) year. By 1983, yearly capacity had diminished to 17.7 million short tons, and utilization had dropped to 77 percent. <sup>1/</sup> During this period, many plants were shut down because, it was contended, they could not be operated profitably due to the increased cost of the primary raw material, natural gas, and falling prices caused by cheap imports, low demand, and overcapacity. With increasing demand for ammonia in 1984, several of the shut-down plants were reactivated.

Employment in the nitrogenous fertilizer industry increased from 14,700 in 1980 to 15,200 in 1981, and then decreased to 12,700 in 1983. It was 12,759 in January-June 1984, 1.2 percent less than the 12,916 employed in January-June 1983.

Profitability of the industry peaked in the mid-1970's when both demand and prices of nitrogenous fertilizers were high. It then declined as new plants came on stream and low-priced imports increased. By 1980, many U.S. producers of ammonia were operating at a loss with low demand and falling prices, as well as with increasing per unit cost of production due mostly to the rising cost of natural gas. <sup>2/</sup> This situation continued until 1984 when increased demand lowered inventories and boosted production.

<sup>1/</sup> Ibid.

<sup>2/</sup> Industry sources.

The industry in the U.S.S.R.

The U.S.S.R. has dramatically increased production capacity for ammonia and its fertilizer derivatives in recent years. It is now by far the world's largest producer of ammonia, as shown in the following tabulation (in millions of short tons): 1/

Region	Crop year (July-June)		
	1970	1978	1984
U.S.S.R.-----	10.0	18.0	31.3
United States-----	16.8	21.9	17.6
Western Europe-----	15.8	19.9	19.4
Asia-----	7.4	16.0	20.4
Communist Asia-----	5.2	16.1	22.8
Rest of World-----	<u>12.3</u>	<u>22.1</u>	<u>30.7</u>
Total-----	67.5	114.0	142.2

In its Ninth Five-Year Plan (1971-75), the U.S.S.R. committed itself to the rapid improvement of its faltering agricultural sector. Central to this plan was a program to construct 40 large ammonia plants, with a total yearly capacity of 22 million short tons, by 1982. Construction of most of these new plants was contracted with Western firms. Many of the new ammonia plants were financed through countertrade arrangements in which Western exports of technology, know-how, machinery, and equipment needed for the production of ammonia are being compensated in part by Soviet exports of ammonia. Thus, in addition to export commitments to its usual trading partners in Eastern Europe and Cuba, the U.S.S.R. also signed contracts to export ammonia to the United States, Denmark, Finland, France, Italy, and Japan. (Additional financing came from a U.S. Export-Import Bank credit of \$180 million at an annual interest rate of 6 percent. This credit was matched by a U.S. commercial bank consortium credit of \$180 million. The U.S. credits are scheduled to be repaid during 1979-91.) A major part of the ammonia investment was construction of pipelines and pumping stations for the natural gas supply. Additional pipelines were built to convey ammonia to seaports and consumption centers.

The planned rapid buildup of the U.S.S.R.'s fertilizer industry is being achieved. In 1983, several new plants were brought on stream and fertilizer output increased 11 percent over that of the previous year. In the first half of 1984, a number of new nitrogenous fertilizer plants were commissioned, and Soviet production (of all fertilizers) was expected to increase 5 percent, as targeted, for the entire year. 2/

1/ Source: Tennessee Valley Authority Fertilizer Market Research Group.

2/ European Chemical News, Aug. 6, 1984.

The U.S.S.R has more than 40 percent of world gas reserves, giving it a prime competitive advantage in the production of nitrogenous fertilizers. The principal sources of world gas reserves and the gas consumption of each of these countries or areas in 1982 are shown in the following tabulation: 1/

	<u>Gas reserves</u>	<u>Gas consumption</u>
	<u>(in millions of cubic feet)</u>	
U.S.S.R-----	1,240,000	18,000
Iran-----	485,000	255
United States-----	204,000	18,000
Mid-East--Saudi Arabia, Qatar, and Kuwait-----	200,000	785
Algeria-----	131,500	900
Canada-----	97,000	2,500
Mexico-----	64,500	1,285
Rest of World-----	<u>912,000</u>	<u>2/</u>
Total-----	3,334,000	

#### U.S. imports from the U.S.S.R. and other sources

Imports of nitrogenous fertilizers are classified for tariff purposes in part 11, schedule 4, of the Tariff Schedules of the United States (TSUS). The classification of nitrogenous fertilizers in the import-based Standard Industrial Classification (MSIC) system erroneously includes, however, several TSUS items that were deleted from the import data given below, as explained in the footnote to table 15. On the other hand, the considerable fraction of ammonia contained in ammonium phosphates is not included with nitrogenous fertilizers in the MSIC system. These TSUS items were added, and the import data were corrected accordingly. All nitrogenous (and other) fertilizers enter the United States duty free.

Total U.S. imports of nitrogenous fertilizers increased 38 percent from \$565 million in 1980 to \$780 million in 1983 (table 14); such imports then again increased about 38 percent in January-June 1984 compared with those in the corresponding period of 1983. About 80 percent of the imports in 1983, in terms of value, were ammonia and urea. Canada was the leading supplier of these imports in 1983, accounting for about 40 percent of their total value. The U.S.S.R., Mexico, and Trinidad followed and as a group also accounted for about 40 percent of the total value. The U.S.S.R. was the second largest supplier in 1983, accounting for 19 percent of the total value of imports. Imports of nitrogenous fertilizers from the U.S.S.R.--exclusively ammonia and urea-- increased from \$118 million in 1980 to \$140 million in 1983.

Essentially all imports of nitrogenous fertilizers from the U.S.S.R. enter the United States under the terms of a 20-year, \$20-billion Global Agreement between the U.S.S.R. and Occidental Petroleum Corp., Los Angeles, signed in 1973. In this agreement the U.S.S.R. granted Occidental the

---

1/ Source: Tennessee Valley Authority, and British Petroleum Statistical Review of World Energy.

2/ Not available.

Table 15.--Nitrogenous fertilizers (MSIC 2873): U.S. imports, total and from USSR, U.S. production, and apparent consumption, 1980-83, January-June 1983, and January-June 1984 1/

Item	1980	1981	1982	1983	January-June--	
					1983	1984
Total U.S. imports-----million dollars--	564.76	584.97	639.04	780.13	400.00	551.00
U.S. imports from USSR-----do-----	117.93	97.33	112.22	140.36	67.41	115.22
U.S. production-----do-----	3,800.00	4,036.00	3,398.60	-	-	-
U.S. apparent consumption-----do-----	3,773.89	4,107.97	3,596.42	-	-	-
Ratio of--						
Imports from USSR to total imports						
percent--	20.9	16.6	17.6	18.0	16.9	20.9
Total imports to apparent consumption						
percent--	15.0	14.2	17.7	-	-	-
Imports from USSR to apparent consumption						
percent--	3.12	2.37	3.12	-	-	-

1/ Includes imports classified under MSIC 2873 with the exception of those entered as the following TSUS items: 417.20, 417.22, 417.24, 417.26, 417.28, 417.32, 417.34, 417.36, 417.38, 417.42, and 417.44, all of which have been deleted from table 15. In contrast, table 15 includes imports entered under TSUSA items 480.1500, 480.2000, 480.2500, and 480.6560--which are not part of the official MSIC 2873--in order to include duty-free imports of calcium cyanamide, calcium nitrate, sodium nitrate, nitric acid, and ammonium compounds used for fertilizer purposes. The above-specified deleted TSUS items are either chemicals which are not used as fertilizer materials or are chemicals which, to avoid payment of duty, would be classified under TSUS item 480.6560 or 480.8095 instead of the TSUS 417.xx items which entail payment of various duties. These 11 deletions and 4 additions amount to less than 7 percent of total U.S. imports reported in a comparable table based on the "official" unmodified MSIC 2873. See 39th Quarterly Report . . . , p. 51.

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

exclusive right to purchase U.S.S.R.-produced ammonia for sale in the United States. In return, Occidental agreed to purchase up to 1.7 million short tons of ammonia each year during 1978-98 from the U.S.S.R. This quantity was later increased to 2.3 million short tons each year for the first 10 years of the agreement. Occidental also agreed to purchase 1.1 million to 1.7 million short tons of urea and 1.1 million short tons of potash each year during 1978-98. In addition to granting exclusive U.S. import rights to Occidental, the Soviet Union also agreed to make comparable purchases of U.S. goods, including 20 million tons of superphosphoric acid from Occidental. The 1973 agreement requires that the U.S.S.R. pay for the superphosphoric acid supplied by Occidental with the proceeds obtained by the U.S.S.R. from sales of ammonia, urea, and potash. The precise quantity, quality, price, and terms of delivery of the ammonia and urea have been negotiated in a series of separate purchasing agreements between the U.S.S.R. and Occidental.

Other related agreements required Occidental to assist the Soviets in building and financing about 900 million dollars' worth of ammonia plants and related facilities, pipelines, and seaport storage.

The marketing agreement was disrupted in 1980 when, following the Soviet invasion of Afghanistan, President Carter ordered an embargo upon the exportation of U.S.-origin phosphates to the U.S.S.R.; however, U.S. imports of Soviet ammonia continued. The quantities of ammonia and urea supplied by the U.S.S.R., originally planned to be more than 3,000 short tons per year as noted above, were about 700 short tons in 1982 and about 1,000 in 1983. However, the unit values of ammonia and its derivatives have increased greatly since 1973 because of OPEC-induced price increases of oil and natural gas.

#### The U.S. market

Channels of distribution and market structure.--About 98 percent of the nitrogenous fertilizers consumed in the United States is used in crop production, and the remainder is consumed in uses such as fertilization of lawns and golf courses. The principal consumers of nitrogenous fertilizers are, therefore, farmers, and the principal market areas are the major grain-producing Midwest and North Central States. Application of fertilizer increases grain yield per acre; however, for crops to respond to increased application of nitrogenous fertilizers, adequate water must be available. Wheat yield has not increased as significantly as that of corn because a large part of the wheat acreage planted is not irrigated and is located in areas of low rainfall. Furthermore, the U.S. Government has historically regulated acreages under cultivation through various farm programs administered by the U.S. Department of Agriculture. Also, grain prices affect farm income and, therefore, affect fertilizer application rates.

The nitrogenous fertilizer industry is highly competitive as there are a large number of domestic producers, no one of which has a dominant share of the market. Because transportation cost is a major factor in marketing bulk commodities such as nitrogenous fertilizers, and these products are fungible, swaps are common in the industry. For example, a California producer with a customer in Oklahoma will arrange for an Oklahoma producer to supply the customer. Some time later the California producer will provide a Pacific coast customer with fertilizer for the Oklahoma producer. In some years, swaps of anhydrous ammonia, for example, have amounted to almost half of U.S. consumption.

For success in international trade, foreign ammonia producers either must have low-cost natural gas which they use in the production of nitrogenous fertilizers, or they must place a value on the gas used to produce such fertilizers which is low enough to offset ocean freights and additional terminal and storage charges. Imports from Canada compete mostly in the Northwestern States because of the proximity of Canadian plants to this market. Offshore imports currently move mostly into coastal markets. However, when importers have offered nitrogenous fertilizers in the United States at landed prices that are lower than the U.S. gulf coast cost of production, such imports have then been able to compete in virtually all U.S. markets.

The ammonia and urea sold to Occidental Petroleum by the U.S.S.R are contracted for one year at a time. Once agreement is reached on each of these yearly contracts, Occidental Petroleum then negotiates annual contracts with major U.S. consumers for its reselling of these fertilizers.

Domestic consumption.--U.S. apparent consumption of nitrogenous fertilizers decreased 5 percent during 1980-82 (table 14). It then increased 6 percent in 1983, compared with 1982, to an estimated \$3.8 billion. On the basis of trade data and statistics for U.S. ammonia production and prices for 8 months of 1984, it appears that consumption in that year increased an additional 8 to 10 percent. In recent years, ammonia has accounted for about one-third of U.S. consumption of nitrogenous fertilizers, and the combined totals for nitrogen solutions, urea, and ammonium nitrate have accounted for another one-third of consumption, in terms of value.

The negligible growth in consumption of nitrogenous fertilizers during 1980-83 was the result of low farm income, high interest rates, the strong U.S. dollar, and, in 1983, the combined effect of the Government's payment-in-kind farm acreage reduction program and a major drought in grain-producing states.

Conditions of competition.--Production facilities, technology, and product quality and fungibility are essentially the same all over the world. Cost of labor is insignificant, and--although the capital cost of world-scale plants in Mexico, Canada, and Saudi Arabia can range from 25 to 35 percent higher than similar plants in Gulf Coast States--by far the major competitive element is the cost of natural gas, the raw material and fuel for ammonia, which in 1983 accounted for about three-fourths of total U.S. production cost. The unit cost (weighted average price) of natural gas paid by U.S. ammonia producers was \$0.28 per thousand cubic feet (MCF) in 1970, \$1.96 in 1980, and \$2.34 in 1983. It is continuing to increase rapidly as long-term supply contracts run out and must be renegotiated at current prices. In mid-1984, the U.S. gulf coast price of natural gas was about \$2.60 per MCF at the wellhead, but \$3.00 and more delivered to newer ammonia plants with recently negotiated supply contracts. In contrast, the cost of natural gas to ammonia producers in Mexico and Saudi Arabia has been only about \$0.50 per MCF.

## China Tableware (MSIC 3262)

Description and uses

The primary raw materials of china tableware are ball clay, china clay or kaolin, flint, and feldspar. Other materials are also added to the basic raw materials as fillers and to provide certain desired characteristics. All of these materials are relatively abundant and are supplied by domestic and foreign sources. These materials are mixed together with water, generally in an automated process, to form a liquid clay known as slip. The slip is passed through fine screens and over powerful magnets to remove metallic impurities. If the clay is to be used in solid form, the slip is pumped into filter presses to remove water and leave the clay with a putty-like consistency. The clay is then placed in a pug-mill, where it undergoes a de-airing process, and is then ready for use.

Clay in a solid state is usually formed into ware by a process known as jiggering. This method of production is generally done by machine, but can also be done by hand. A slab of clay is thrown onto a mold and formed by applying pressure on the clay with a profile tool as the mold rotates. This method can be used in making plates, cups, saucers, and so forth.

Liquid clay is generally formed into ware by a casting process. In this process, slip is poured into a mold (usually made of plaster of paris because of its porosity) and excess slip is poured off, leaving an even lining of clay on the inside of the mold. The mold absorbs the excess water from the slip, thus firming and hardening the clay. After sufficient time, the ware is removed from the mold and dried. This process is generally used for hollow ware or for unusual or complicated shapes.

Some ware is also formed by a pressing process. The clay slab is placed between top and bottom molds and pressed in a hydraulic press.

The unfired ware is known as greenware. After smoothing rough edges and applying handles or feet for cups, the ware is fired in kilns, which generally use natural gas. Porcelain or chinaware is generally fired at its lowest temperature first, and subsequent firings are at progressively higher temperatures. However, some manufacturers use a one-fire process. In this process, the greenware is decorated, glazed, and fired only once.

After the first firing, the ware is usually decorated, glazed with a glass-like substance, and fired again, but not necessarily in that order. Decorations can be applied under the glaze, over the glaze, or on the glaze, meaning that the glaze and decoration are fired together with the decoration melting into the glaze.

There are numerous methods of decoration available to industry, the most common of which are the use of colored slip (engobe), colored glazes, stamping, decals, embossing, banding (with metallic substances or colors), and hand painting. The less expensive ware is usually decorated by machine, fired, glazed, and fired again. More expensive ware is usually glazed first, decorated by hand, and fired again. The ware may be fired numerous times during the decorating process because different colors or decorations require different firing temperatures.

Several categories of chinaware imports are listed in the Tariff Schedules of the United States (TSUS). Subporcelain articles are fine-grained ceramic ware, whether or not glazed or decorated, having a fired body which is white (unless artificially colored) and will absorb more than 0.5 percent but not more than 3.0 percent of its weight of water. 1/ Chinaware and porcelain refer to fine-grained ceramic ware, whether or not glazed or decorated, having a body which is white (unless artificially colored) and will not absorb more than 0.5 percent of its weight of water. 2/ Included under this category is bone chinaware, the body of which contains by weight 25 percent or more of calcined bone. 3/

### The U.S. industry

Approximately 26 companies comprised the U.S. china tableware industry in 1982, the latest year for which data are available; it is believed that the number remained stable during 1983. These companies operated 34 establishments, 22 of which employed more than 20 workers. The four states accounting for about 75 percent of the industry's employment in 1982 were New Jersey, Pennsylvania, California, and New York. The global recession during 1980-82 is reflected in industry trade and economic data during this period.

U.S. producers' shipments rose from an estimated \$172 million in 1979 to \$239 million in 1981, before falling slightly to \$238 million in 1982. In 1983, shipments are believed to have increased to \$250 million. Industry inventories rose from \$43.1 million in 1979 to \$55.8 million in 1981. Inventory data are unavailable for 1982 and 1983.

Employment in the domestic china tableware industry fluctuated during the period, rising from 7,500 employees in 1979 to 7,900 workers in 1980 and then declining gradually during 1981 and 1982 to 7,000 persons. Employment is believed to have declined slightly during 1983.

Expenditures by the industry for new plant and equipment stabilized at about \$10 million during 1979 and 1980, then rose to nearly \$11 million in 1981. In 1982, capital expenditures declined by 37 percent to slightly less than \$7 million. Capital expenditures in 1983 are believed to have not changed significantly from the 1982 level.

### The industry in China

China has a history of ceramic wares production, most of which is believed to be chinaware, dating back at least 5,000 years. The abundance and low cost of the raw materials necessary for chinaware production contributed to the development of a local, cottage-type industry in China until 1949. At that time, the Chinese Government began to actively encourage ceramics production in all of China's provinces and regions. The Government invested in kiln renovation and modern equipment and organized small potteries and associated industries into ceramic centers, such as those in Diangxi and Hunan

---

1/ See headnote 2(d) to schedule 5, pt. 2, of the TSUS.

2/ See headnote 2(e) to schedule 5, pt. 2, of the TSUS.

3/ See headnote 2(f) to schedule 5, pt. 2, of the TSUS.

provinces. Recognizing that ceramics products of all types, but especially dinnerware, were in short supply domestically, the new Communist regime was mainly concerned with increasing the volume of production as a means to raise the standard of living of the Chinese people. Investment for export purposes was limited, since light industries such as ceramics generally did not benefit from any technical or design interaction with foreign counterparts. The industry did not have a consistent export promotion policy to assist in export growth, and a lack of concern with the quality and design of the output also limited China's expansion into this market.

By the early 1970's, pottery production became more concentrated as small potteries united with larger factories. Production for domestic consumption had increased, but exports were limited to neighboring markets, such as Hong Kong and Southeast Asia. Exports to the United States and Europe were limited not only by quality and design problems, but by high U.S. tariffs and by quotas that European countries had imposed at the end of World World II. These quotas were instituted to foster the redevelopment of indigenous ceramic industries devastated by the war, and they still remain in place.

With the granting of most-favored-nation treatment to China by the United States in early 1980, low-priced imports of chinaware from China increased greatly. The Chinese Government, realizing the potential of chinaware exports to increase foreign exchange earnings without its having to make substantial investment in plant or equipment, permitted manufacturers to Westernize their designs to appeal to these markets. The designs were often specified and supplied by overseas buyers to suit their consumers' tastes. Although much of this chinaware is handmade, the recent export push has resulted in greater efforts to modernize, to increase automation, and to improve the quality and constancy of the chinaware. Data on production capacity and costs are not available for the Chinese industry.

#### U.S. imports from China and other sources

Imports of china tableware are classified under nine tariff provisions with column 1 rates of duty ranging from 11.6 percent ad valorem to 40.1 percent ad valorem in 1984. As a result of the Tokyo round of Multilateral Trade Negotiations, the column 1 rates of duty applicable to eight of these TSUS items are subject to staged annual reductions terminating on January 1, 1987. Three product categories, or TSUS items, accounted for 90 percent, by quantity, of the china tableware imported from China in 1983 and for 87 percent, by quantity, of such imports from China in January-September 1984. These categories, listed by TSUS item number and description, and the column 1 rate of duty applicable to each as of January 1, 1984, are shown in the following tabulation:

TSUS item No.	Description	Rate of duty (Percent ad valorem)
535.52	Hotel or restaurant ware and other: ware of china not for household use-----	40.1
533.62	Nonbone chinaware in specified sets valued not over \$56-----	30.7
533.79	Other articles <u>1/</u> -----	26.0

1/ Articles not included in TSUS item Nos. 533.72-533.78.

Duty-free tariff treatment applies to bone chinaware (TSUS item 533.54) under the Generalized System of Preferences (GSP), and since 1980 the rates of duty negotiated in the Tokyo round (ranging from 8 to 35 percent ad valorem) have applied to products from countries designated as "least developed developing countries" (LDDC). Although imports from China are not eligible for preferential tariff treatment under either program, the rates of duty applicable to china tableware from China were reduced significantly (from 70 to 75 percent ad valorem) when China was granted most favored-nation (col. 1) tariff status on February 1, 1980.

Total U.S. imports of china tableware rose steadily during 1979-83, from 10.9 million dozen pieces (\$119.6 million) in 1979 to 22.0 million dozen pieces (\$197.9 million) in 1983 (table 16). During January-September 1984, imports increased 11 percent compared with those in the same period of 1983, to 17.1 million dozen pieces (\$169.4 million).

U.S. imports of china tableware from China increased significantly in 1980, when China was extended most favored-nation tariff treatment, rising from 766,000 dozen pieces (\$1.6 million) in 1979 to 2.7 million dozen pieces (\$7.0 million). After 1980, imports from China increased gradually to 6.3 million dozen pieces (\$24.8 million) in 1983. Imports of china tableware from China during January-September 1984 totaled 5.3 million dozen pieces (\$20.0 million), a 29-percent increase over the corresponding period of 1983.

The marketing channels for imported china tableware are essentially identical to those of domestically produced china tableware. More than half of the imports from China are believed to be sold by department and discount stores. The remaining outlets are wholesale distributors, mail-order houses, and miscellaneous sales (such as export sales, sales to military bases, and direct sales for institutional uses).

Table 16.--China tableware (MSIC 3262): U.S. imports, by principal sources, 1979-83, January-September 1983, and January-September 1984

Source	1979	1980	1981	1982	1983	January-September	
						1983	1984
Quantity (1,000 of dollars)							
Japan-----	6,821	7,201	7,400	7,088	9,082	6,404	7,521
United Kingdom--	674	662	533	608	2,517	1,910	1,183
China-----	766	2,666	4,957	5,622	6,333	4,105	5,292
West Germany----	772	1,120	853	1,398	1,306	1,010	806
France-----	120	118	182	135	189	154	113
Taiwan-----	393	515	474	508	564	409	400
Ireland-----	91	125	183	146	63	41	56
Philippines----	138	89	204	182	259	237	98
All other-----	1,167	1,069	1,281	1,470	1,686	1,179	1,625
Total-----	10,942	13,565	16,067	17,159	22,000	15,449	17,093
Value (1,000 of dollars)							
Japan-----	62,144	70,080	84,702	73,755	93,597	65,077	81,102
United Kingdom--	21,190	27,577	23,861	26,999	29,780	21,321	26,288
China-----	1,605	6,995	15,042	19,546	24,797	16,269	19,958
West Germany----	13,016	18,578	13,225	20,826	21,857	16,974	14,562
France-----	4,530	5,137	6,596	5,042	5,210	4,212	5,244
Taiwan-----	1,621	2,555	2,466	2,665	3,579	2,346	3,093
Ireland-----	2,492	4,420	5,873	4,192	2,711	1,997	1,858
Philippines----	1,808	1,455	3,956	3,309	2,679	2,124	2,268
All other-----	11,220	10,346	11,822	12,156	13,662	9,396	15,017
Total-----	119,627	147,142	167,542	168,489	197,872	139,716	169,391

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

Note.--Due to rounding, figures may not add to the totals shown.

#### The U.S. market

The channels of distribution for china tableware reflect the preferences of consumers relative to price, quality, style, and availability, and generally emphasize one or a combination of these various factors.

For example, the promotional and premium markets are primarily concerned with low price and volume sales, and discount houses generally offer a smaller selection of tableware than department stores but at significantly lower prices.

Department stores sell a variety of china tableware, with the housewares department generally offering more affordable and functional types of tableware than are offered in the china department. The merchandise offered in department stores is generally of a higher price, quality, and design than merchandise offered in the mass merchandising markets. The china department offers a wide line of tabletop items, such as porcelain-bone china, glassware, and silverware. Price is still important, but factors such as brand name, design, color, and style tend to become the more important purchase considerations of consumers.

Specialty stores and mail-order catalogues typically offer limited selections of very inexpensive or very expensive tableware. Other miscellaneous market outlets are export sales, sales to military bases, sales for institutional uses, and sales to supermarkets.

Apparent U.S. consumption of china tableware rose from \$281.3 million in 1979 to \$393.2 million in 1981 before falling slightly in 1982 to \$390.5 million (table 17). In 1983, domestic consumption increased nearly 11 percent to \$431.7 million. During 1979-82, imports accounted for 42 to 43 percent of apparent consumption. In 1983, this percentage rose to 46 percent.

Table 17.--China tableware (MSIC 3262): U.S. producers' shipments, exports of domestic merchandise, imports for consumption, and apparent consumption, 1979-83

(Quantity in thousands of dozens; value in thousands of dollars)						
Year	U.S. producers' shipments	Exports	Imports	Apparent consumption	Ratio (percent) of imports to consumption	
Quantity						
1979	<u>1/</u>	<u>1/</u>	10,942	<u>1/</u>	<u>1/</u>	
1980	<u>1/</u>	<u>1/</u>	13,565	<u>1/</u>	<u>1/</u>	
1981	<u>1/</u>	<u>1/</u>	16,067	<u>1/</u>	<u>1/</u>	
1982	<u>1/</u>	<u>1/</u>	17,159	<u>1/</u>	<u>1/</u>	
1983	<u>1/</u>	<u>1/</u>	22,000	<u>1/</u>	<u>1/</u>	
Value						
1979	<u>2/</u> 172,000	10,320	119,627	<u>2/</u> 281,307	<u>2/</u>	43
1980	<u>2/</u> 218,000	12,313	147,142	<u>2/</u> 352,829	<u>2/</u>	42
1981	<u>2/</u> 239,000	13,325	167,542	<u>2/</u> 393,217	<u>2/</u>	43
1982	<u>2/</u> 238,000	15,964	168,489	<u>2/</u> 390,525	<u>2/</u>	43
1983	<u>2/</u> 250,000	16,198	197,872	<u>2/</u> 431,674	<u>2/</u>	46

1/ Not available.

2/ Estimated.

Source: Compiled from official statistics of the U.S. Department of Commerce, except as noted.

One of the most significant factors affecting the competitive position of domestic and Chinese china tableware in the U.S. market is price. The average unit value of imports from China is one of the lowest values of all importing countries, principally due to the combination of China's low labor rates in a labor-intensive industry. The Chinese industry has modernized in recent years, yet the industry remains highly dependent on a large labor force.

Industry sources have reported problems with the quality of the Chinese ware. Initially, unsatisfactory levels of lead release inhibited U.S. imports from China. The quality of the ware reportedly is not consistent, varying with the purity of the raw materials and the quality of color mixing. In addition, the Chinese have reportedly not been able to master the production of many of the more sophisticated decalcomanias used to decorate chinaware.

According to some industry sources, the Chinese industry must upgrade its manufacturing facilities and improve the quality and constancy of its merchandise to gain a greater share of the U.S. market in the future.

#### Floor Coverings (MSIC 2279)

##### Description and uses

Floor coverings classified in MSIC 2279 consist of a wide variety of specialty and miscellaneous carpets and rugs. Yet altogether they represent only about 5 percent of the U.S. market for textile floor coverings. Excluded are tufted floor coverings, which account for more than 90 percent of the domestic market.

The floor coverings covered here differ significantly depending upon whether they are produced domestically or imported. On the domestic side, they consist mostly of carpets, rugs, and mats that have been knitted, needle punched, braided, or hooked. The imported products are generally of types not produced in the United States. They principally include oriental rugs and other floor coverings in which the surface pile has been hand-inserted or hand-knotted during weaving or knitting. Also included among the imported items--and similar to oriental rugs in designs and colorings--are dhurries, kilims, and related flat-woven rugs, which are also made by hand but without a pile (hence the term "flat-woven"). Also covered in MSIC 2279 are floor coverings of unspun fibrous vegetable materials, such as straw and bamboo, which are believed to be supplied almost entirely by imports.

##### The U.S. industry

Establishments producing the floor coverings covered here are classified in the Standard Industrial Classification (SIC) system under SIC 2279, carpets and rugs, not elsewhere classified. The products of this industry represent about 3 percent of the total value of all textile floor coverings produced in the United States.

The U.S. industry has shown a stable growth pattern since 1977. The number of establishments increased from 72 in 1977 to 79 in 1982. <sup>1/</sup> Although employment declined modestly from 2,800 persons in 1977 to 2,600 in 1982, the industry's shipments increased gradually, rising from \$115.2 million in 1977 to \$149.7 million in 1982. Raw materials represented nearly 70 percent of the value of shipments in 1982, up from 63 percent in 1977.

Nearly 80 percent of the industry's employment is concentrated in Pennsylvania, North Carolina, Rhode Island, and Georgia. This represents a shift in plant location since 1977 when Mississippi and Wisconsin, along with Pennsylvania and North Carolina, were the leading states, accounting for 77 percent of total employment.

The industry's investment in plant and equipment has been small and has declined since 1977. New capital expenditures totaled only \$1.6 million in 1982, compared with \$2.6 million in 1977.

The industry's exports totaled \$27 million in 1983, representing about 18 percent of the value of output. Exports have gradually declined since 1981 when they accounted for 26 percent of output. Nevertheless, despite the industry accounting for only 3 percent of domestic production of textile floor coverings, these exports represented over 10 percent of all textile floor coverings exported by the United States in 1983.

Although oriental rugs and other similar handmade floor coverings are not made domestically, industry sources indicate that there are about five textile mills in the United States producing machine-made oriental-designed rugs. These rugs are usually purchased by consumers who want the oriental look in their homes, but are not able to afford the relatively high price of quality handmade rugs.

#### The industry in China and Romania 2/

China.--There are several major centers producing handmade rugs in China, the largest being Tianjin, Shanghai, Zhejiang, and Jiangsu. Tianjin is the largest center for production of hand-knotted wool floor coverings, and Zhejiang and Jiangsu are leading production centers for those of silk; Shanghai is the major port of export as well as a production center. There are at least a half-dozen other important production centers.

Information on total production capacity and employment in this industry is not available. However, in Tianjin alone there are some 15 major factories and an estimated 10,000 people working in the industry. Smaller factories may do contract work for the large establishments. Based on the number of workers, output in the Tianjin center may be in the range of 500,000 to 1,000,000 square feet annually. Production capacity in China would be several times that amount. Production of a typical hand-knotted rug may require four people working for a period of 3 months, with additional time required for finishing.

---

<sup>1/</sup> 1982 Census of Manufactures.

<sup>2/</sup> Since almost 90 percent of the U.S. imports from China and nearly all of the imports from Romania are hand-knotted wool pile floor coverings, the industry description covers mainly the industry producing these floor coverings. <sup>81</sup>

Hand-knotted floor coverings are made in a wide variety of sizes and designs. Those 5 feet by 8 feet or more are generally used as floor coverings while those smaller than 5 feet by 8 feet may be used as wall hangings. Specifications usually call for number of "lines," often ranging from 90 to 200 lines, and a particular pile height, such as 3/8 inch, 4/8 inch, or 5/8 inch. Designs may be traditional Chinese but are often modified for the U.S. market, especially in the background colors used. Recently, production has increased in designs similar to those of Persian carpets. Although the pile is still inserted and knotted by hand, the yarns used today are generally machine made, and the dyes are now chemical rather than vegetable. A plied cotton warp yarn is generally used in the back, and the pile is usually wool, silk, or sometimes a combination of wool and silk. Prices cover a wide range, but the largest dollar volume is reportedly sold in the U.S. market at \$10 to \$15 per square foot with prices ranging up to \$30 to \$50 per square foot.

Carpet sales in China are handled by the China National Native Produce and Animal Byproducts Import and Export Corporation, known as CHINATUHSU. Major markets other than the United States are Japan, Europe, and the Middle East. Substantial quantities are also shipped to Hong Kong, most of which are reexported. The Chinese Government encourages export sales in this industry. A "carpet fair" is held in Beijing each year, which is attended by foreign purchasers. CHINATUHSU has negotiated joint ventures with some foreign companies including a U.S. firm, Maloumian and Sons of Philadelphia, Pennsylvania. Under a 5-year compensatory trade arrangement, Maloumian will supply \$20 million in equipment, patterns, etc. for a factory in Tianjin which will make 100,000 square feet of hand-knotted rugs the first year and up to 350,000 square feet by the fifth year in return for exclusive distributorship of the rugs in the United States.

Romania.--Romania's estimated production capacity for hand-knotted pile carpets is more than 1 million square feet annually, not counting production for local consumption. The Romanian design and weaving techniques differ from those of the Chinese carpet makers. Romanian techniques are more like those used in the so-called Persian carpets from Iran and Turkey. Flat-weave (non-pile) carpets are also made in Romania, and significant quantities are exported.

Major producing centers in Romania include Bucharest, Braila, Snagov, and Constanta. The number of knots per square inch typically ranges from 70 to 160. Production of an average quality 9 by 12 rug requires two or three people working for 2 to 3 months. Prices for Romanian carpets are somewhat lower than those for Chinese carpets.

#### U.S. imports from China, Romania, and other sources

Imports of floor coverings covered by MSIC 2279 are classified under 25 different U.S. tariff provisions. Those from China can be divided into three groups: (1) oriental rugs; (2) handmade flat-woven rugs; and (3) floor coverings of unspun fibrous vegetable materials, such as straw mats. Floor coverings from Romania fall entirely into the first two categories. In 1983, the rate of duty on hand-inserted or hand-knotted floor coverings, including oriental rugs, from China and Romania was 5.1 percent ad valorem, and the rate on the flat-woven rugs was 9.0 percent ad valorem.

U.S. imports covered by MSIC 2279 also include braided rugs and somewhat similarly constructed floor coverings consisting of cords, fabric strips, and similar materials in continuous lengths, sewn or otherwise bound together but not woven, and other textile floor coverings which consist primarily of nonwovens and so-called rag rugs.

Imports of certain floor coverings covered here are eligible for preferential tariff treatment under the Generalized System of Preferences (GSP) and under a program that applies to the "least developed developing countries" (LDDC), 1/ but neither China nor Romania are eligible for such treatment. In addition, although floor coverings of cotton, wool, and manmade fibers are subject to import controls under the Multifiber Arrangement (MFA), 2/ none are currently controlled by specific limits or quotas. 3/

U.S. imports of floor coverings covered in MSIC 2279, after rising from \$190 million in 1980 to \$218 million in 1981, declined significantly in 1982, to \$179 million, before recovering somewhat in 1983, to almost \$207 million. The recovery continued into 1984, with imports in January-October 1984 up 32 percent over those in the corresponding period of 1983 (table 18).

Approximately three-fourths of the imports during 1980-83 consisted of hand-inserted and hand-knotted floor coverings, such as oriental rugs. The handmade flat-woven rugs accounted for an additional 7 percent, and the floor coverings of unspun fibrous vegetable materials, 4 percent. In 1983, imports of oriental rugs and other hand-inserted and hand-knotted floor coverings were valued at \$63 a square yard, compared with \$18 a square yard for the flat-woven rugs and less than \$6 a square yard for all textile floor coverings, including tufted, made in the United States.

The largest foreign suppliers of such floor coverings during 1980-83 were China and India, each with 30 percent of the imports. Shipments from China, after totaling \$16 million in 1979, accelerated to a then record \$60 million in 1981; they then fell to \$47 million in 1982, partly owing to the recession and the corresponding decline in demand for Chinese rugs. China's shipments rebounded to \$56 million in 1983, and they were up 40 percent in January-October 1984 over those in the corresponding period of 1983, to a record \$67 million. Approximately 85 percent of the Chinese floor coverings imported since 1980 consisted of the oriental floor coverings. Virtually all of the remainder were floor coverings of unspun fibrous vegetable materials.

---

1/ Items eligible for preferential treatment under the GSP and the LDDC rates are those made in relatively small quantities in the United States, such as those of coir, jute, silk, or fine animal hair.

2/ Officially known as "The Arrangement Regarding International Trade in Textiles" and sanctioned under the General Agreement on Tariffs and Trade, the MFA, which has been in effect since 1974, provides the legal framework for the regulation of international trade in textiles and apparel primarily through bilateral agreements. For a definitive discussion of the MFA, see The Multifiber Arrangement, 1973 to 1980: Report on Inv. No. 332-180 . . ., vol. 1, USITC Publication 1131, March 1981.

3/ Wool floor coverings from Romania, as well as certain products from the Philippines and Brazil, are subject to a so-called designation consultation level, a more flexible import control than a specific limit in which the level cannot be exceeded unless the United States agrees to further shipments.

Table 18.--Certain floor coverings of textile or vegetable materials (NSIC 2279): U.S. imports from China, Romania, and other sources, by types, 1980-83, January-October 1983, and January-October 1984

Types and sources	(Customs value basis; in thousands of dollars)				
	1980	1981	1982	1983	January-October-- 1983 1984
Hand-inserted and -knotted, including oriental rugs:					
China-----	37,938	49,891	39,485	50,317	42,569 : 60,850
Romania-----	9,145	6,969	3,618	3,776	3,416 : 4,526
Other sources:					
India-----	37,388	41,669	35,857	36,514	32,993 : 35,763
Pakistan-----	31,033	28,157	18,540	24,821	21,598 : 26,888
Iran-----	28,506	34,615	19,254	18,510	15,561 : 20,661
All other-----	10,040	13,383	13,286	14,073	11,695 : 19,342
Total-----	154,050	174,684	130,040	148,011	127,832 : 168,030
Handmade flat-woven wool rugs, including dhurries and kilims:					
China-----	29	57	74	280	262 : 458
Romania-----	339	889	1,248	1,600	1,569 : 935
Other sources:					
India-----	3,108	6,038	8,620	14,013	11,955 : 16,592
All other-----	3,936	4,051	4,983	5,412	4,641 : 7,130
Total-----	7,412	11,035	14,925	21,305	18,427 : 25,123
Floor coverings of straw and other fibrous vegetable materials:					
China-----	9,103	10,182	7,029	5,068	4,531 : 5,156
Romania-----	0	0	0	0	0 : 0
All other-----	1,283	1,090	671	906	813 : 824
Total-----	10,386	11,272	7,700	5,974	5,344 : 5,980
Miscellaneous floor coverings, except machine tufted and woven: 1/					
China-----	219	239	223	285	261 : 443
Romania-----	0	0	0	0	0 : 3
Other sources:					
Japan-----	5,589	7,904	10,519	13,553	10,850 : 11,953
India-----	2,834	3,467	6,031	7,523	6,334 : 9,596
Ireland-----	2,481	2,611	2,372	2,355	1,945 : 2,680
All other-----	6,805	6,402	7,154	7,753	6,587 : 11,021
Total-----	17,928	20,623	26,299	31,469	25,977 : 35,696
Total all groups:					
China-----	47,288	60,369	46,811	55,950	47,623 : 66,907
Romania-----	9,484	7,858	4,866	5,375	4,985 : 5,464
All sources-----	189,776	217,615	178,965	206,759	177,580 : 234,829

1/ Includes braided rugs and somewhat similarly constructed floor coverings of cords, fabric strips, and similar materials in continuous lengths sewn or otherwise bound together but not woven and other textile floor coverings consisting primarily of nonwovens and so-called rag rugs.

Source: Official statistics of the U.S. Department of Commerce.

Imports of floor coverings from China have increased significantly since the late 1970's, as did shipments of many other Chinese textile products. Nevertheless, floor coverings represented just under 6 percent of the \$1 billion in textile products imported from China in 1983. Contributing to the import growth were China's efforts to stimulate exports of these products in order to increase its foreign exchange earnings and, at the same time, raise the level of employment of its massive population. Factors more directly affecting the level of U.S. imports were China's extremely low labor costs and the extension of most-favored-nation tariff treatment to China in February 1980, which resulted in considerably lower U.S. duties being assessed on its shipments. For example, the rate of duty on Chinese oriental carpets was reduced from 45 percent ad valorem to less than 10 percent ad valorem.

U.S. imports of floor coverings from Romania trended downward during the early 1980's, declining from \$9.5 million in 1980 to \$4.9 million in 1982 before increasing modestly to \$5.4 million in 1983. The recovery continued into 1984 when Romania's shipments in January-October were nearly \$5.5 million, almost 10 percent higher than those in the corresponding period of 1983. All the decline during 1980-82 occurred in oriental rugs, shipments of which fell from \$9.1 million in 1980 to \$3.6 million in 1982 and were only \$3.8 million in 1983. During January-October 1984, however, shipments to the United States of Romanian oriental rugs increased to \$4.5 million, up 32 percent over those in the corresponding period of 1983. By contrast, U.S. imports of Romania's handmade flat-woven rugs rose from \$339,000 in 1980 to \$1.6 million in 1983, but amounted to only \$935,000 in January-October 1984. This 40-percent decline in the value of such imports in the latter period, compared with their level in January-October 1983, paralleled a sharp increase in U.S. imports of handmade flat-woven rugs from both India and China.

#### The U.S. market

As was previously noted, floor coverings covered here represent about 5 percent of the total domestic market for textile floor coverings. They are retailed primarily by department, carpet, and furniture stores, although a large number of specialty stores deal only in oriental and similar rugs. Generally, the dealers who specialize in oriental rugs market "resale value" rugs, which, as their name implies, have resale value in their used state. They usually retail new at \$1,500 to \$5,000 each and have a life span of approximately 20 to 40 years. "Promotional" oriental rugs are advertised and promoted heavily by department and carpet stores, typically retailing for \$1,000 to \$1,500 each, although some retail for as little as \$600 to \$700 each. "Investment grade" oriental rugs are not regularly traded in the marketplace; their value is based on their recognized artistic merit, rather than on their value as a floor covering.

U.S. consumption of these floor coverings showed little or no growth during the early 1980's, fluctuating within a relatively narrow range from \$310 million in 1980 and 1982 to slightly more than \$330 million in 1981 and 1983 (table 19). The market weakness largely reflected weak consumer spending and a depressed housing market, which the demand for floor coverings follows closely. Also undermining sales were high consumer interest rates, the cost of which, when included in the price to be paid by consumers, deterred some potential buyers.

Table 19.--Floor coverings, n.e.s., of textile or vegetable materials (MSIC 2279): U.S. imports, total and from China, U.S. production, and apparent consumption, 1980-83, January-June 1983, and January-June 1984

Item	1980	1981	1982	1983	January-June--	
					1983	1984
Total U.S. imports-----million dollars--	211.26	232.58	187.41	210.74	109.15	138.19
U.S. imports from China-----do-----	55.27	67.34	52.20	61.67	32.00	45.45
U.S. production-----do-----	126.90	140.90	155.86	1/ 147.76	-	-
U.S. apparent consumption-----do-----	310.28	337.22	310.42	1/ 331.14	-	-
Ratio of--						
Imports from China to total imports-----percent--	26.16	28.95	27.85	29.26	29.32	32.89
Total imports to apparent consumption-----do-----	68.09	68.97	60.37	1/ 63.64	-	-
Imports from China to apparent consumption-----do-----	17.81	19.97	16.82	1/ 18.62	-	-

1/ Estimated by the staff of the U.S. International Trade Commission based on official statistics of the U.S. Department of Commerce.

Source: Compiled from official statistics of the U.S. Department of Commerce, except as noted.

Note.--Imports, total and from China, are c.i.f. basis.

The domestic market for floor coverings classified in MSIC 2279 is supplied primarily by imports, although, as noted before, the product mix of U.S. production and imports differs considerably. The market share of imported floor coverings remained fairly stable during 1980-83, annually averaging slightly more than 60 percent of the U.S. market. China's market share averaged approximately 18 percent during the period, while Romania's amounted to about 2 percent.

#### Dolls and Stuffed Toy Animals (MSIC 3942)

##### Description and uses

The products covered here include dolls, regardless of end use; parts of dolls; doll clothing; and stuffed toy animals. Specifically excluded are doll accessories, such as playsets, furniture, houses, and carriages.

Dolls as a product group can be subdivided into play or toy dolls for children's use and collectible dolls for collection and decoration. Although there is no definite dividing line between the two categories, collectible dolls are generally too delicate or expensive to be exposed to the rough handling encountered in a play situation. Of the two groups, toy dolls represent the most important category in trade. These dolls can be subdivided further into baby dolls, fashion and action-adventure dolls, and a miscellaneous category. Baby dolls are sold in all shapes and sizes, often with additional features including movement or speech. Action-adventure dolls and fashion dolls are similar in that they are used by older children to represent teenagers and adults in simulating real or imagined adult behavior. The miscellaneous category includes stuffed dolls generally intended for younger children and infants.

Although dolls are constructed from a wide variety of materials, including wood, glass, paper, straw, textiles, metal, and ceramics, most nonstuffed play dolls are made of plastics. Plastic dolls are manufactured by molding individual parts (or the entire piece for smaller dolls). Torsos and limbs are usually blow molded, while doll heads are often made by rotational molding. Parts are hand assembled and features can be painted on, although separate eyes and wigs are also used. Hair can be rooted into the head in sections on larger dolls. Doll clothing must be cut and sewn by hand.

Stuffed toy animals range from small inexpensive curiosities to larger-than-life-size animals and characters costing many hundreds of dollars at retail. One category of stuffed animal is the low-quality, inexpensive animal of rather simple design generally used as a prize in carnival games. These carnival toys are of little significance compared with the remaining products because they do not normally compete with the better toys sold in stores. Stuffed-toy skins (the unstuffed animal) are usually made from textile materials; they are either soft or plush. Plush is a trade term referring to a stuffed toy that is soft and pliable, generally having a furry or velvet-like exterior that is often intended to simulate the coat of an actual animal.

Stuffed-toy production is highly labor intensive. Pieces must be hand-cut and sewn to produce toy skins. The skin is sewn inside out, leaving a small opening that allows the skin to be reversed and the filler material to be blown in. Prior to stuffing, the eyes and other features are added so that once stuffed and closed the toy is essentially complete. The variety of patterns and styles necessary to produce a full line of doll clothing and stuffed toy animals prevents the economic automation of most of the production process.

In general, there is little difference between domestic and imported dolls and stuffed toys. Since imports are usually concentrated in the smaller stuffed toys and dolls, most fashion and action-adventure dolls are imported. The domestic doll clothing is generally higher quality clothing produced for use on collectible dolls.

### The U.S. industry

There were 230 firms operating 236 establishments producing dolls and stuffed toys in the United States in 1982, the latest year for which such data are available. U.S. production is concentrated in New York, New Jersey, and California, the location of more than 37 percent of the producing establishments. These three states accounted for nearly 80 percent of production in 1982. Employment totaled 7,100 workers in 1982, including 5,700 production and related workers. New capital expenditures amounted to \$7.1 million in 1982.

The 20 largest firms account for the bulk of domestic production and, although there are small firms devoted solely to the sale of dolls or stuffed toys, most of the major producers also manufacture or market other toys, games, and children's vehicles. In addition, most domestic producers, including all the major firms, import to some extent. These operations range from the importation of doll clothing to significant investment in foreign production facilities for supplying both the U.S. and foreign markets. There is also significant foreign assembly of U.S. components for reexport to the United States under the provisions of TSUS item 807.00. <sup>1/</sup>

Estimated U.S. producers' shipments of dolls and stuffed toys declined from \$164.2 million in 1980 to \$149.5 million in 1981; they then increased annually to \$189.4 million in 1983 (table 20). This increase is counter to a decades-old trend of declining U.S. production of these products and results from a combination of rising prices within the toy categories in general, the increase in the domestic finishing of imported dolls and stuffed toys (such as the stuffing of imported skins), revived popularity of the larger baby doll, and the creation of a number of popular new characters. U.S. production is concentrated in the larger dolls and stuffed toys and in the filling and

---

<sup>1/</sup> Under TSUS item 807.00, imported articles assembled in foreign countries with fabricated components that have been manufactured in the United States are subject to duty upon the full value of the imported product less the value of the U.S.-fabricated components contained therein.

Table 20.--Dolls and stuffed toy animals (MSIC 3942): U.S. imports, total and from China, U.S. production and apparent consumption, 1980-83, January-September 1983, and January-September 1984

Item	1980	1981	1982	1983	January-September--	
					1983	1984
Total U.S. imports--million dollars--	211.83	243.81	313.79	340.75	212.23	491.34
U.S. imports from China-----do-----	0.66	2.55	7.58	10.55	3.71	41.97
U.S. production <u>1/</u> -----do-----	164.20	149.50	168.50	189.40	<u>2/</u>	<u>2/</u>
U.S. apparent consumption <u>1/</u> -----do-----	366.64	380.69	473.06	516.73	<u>2/</u>	<u>2/</u>
Ratio of--						
Imports from China to total im-						
ports-----percent--	0.31	1.05	2.41	3.10	1.75	8.54
Total imports to apparent consump-						
tion-----percent--	57.78	64.05	66.33	65.94	<u>2/</u>	<u>2/</u>
Imports from China to apparent						
consumption-----percent--	0.18	0.67	1.60	2.04	<u>2/</u>	<u>2/</u>

1/ Estimated by the staff of the United States International Trade Commission based on data supplied by the Toy Manufacturers of America, Inc., and official statistics of the U.S. Department of Commerce.

2/ Not available.

Source: Compiled from official statistics of the U.S. Department of Commerce, except as noted.

finishing of imported stuffed doll and toy skins. U.S. production is intended primarily for domestic consumption; U.S. exports of finished dolls and stuffed toys are slight.

#### The industry in China

Although there are few quantitative data concerning the doll and stuffed toy industry in China, certain inferences may be drawn from general developments within the toy trade as well as the steadily increasing imports of dolls and stuffed toys from China. The manufacture of dolls and toys--particularly stuffed dolls, doll clothing, and stuffed toys--is highly labor intensive and therefore very well suited for production in China. Furthermore, because such production relies primarily on unskilled labor, the manufacture of dolls and stuffed toys offered China an immediate means to increase the export revenues it needs to finance the advanced equipment and technology required for economic modernization. The low labor costs in China have also attracted a number of U.S. producers looking to diversify their toy production facilities in Asia.

The Chinese doll and stuffed-toy industry currently appears to be limited primarily by transportation and quality problems. It clearly enjoys an advantage in labor costs over most competitors, including its other Asian competitors.

#### U.S. imports from China and other sources

Table 21 shows the 1984 rates of duty that apply to imports of dolls, most doll parts, doll clothing, and stuffed toy animals from those countries having most favored-nation (col. 1) status; the 1985 column 1 rates of duty; the rates of duty that apply to imports from countries designated by the President as being "least developed developing countries" (LDDC), the rates applicable to countries under Communist domination or control (col. 2); and a statement as to the eligibility for duty-free treatment under the Generalized System of Preferences (GSP) of products entered under items 737.21-737.30 of the Tariff Schedules of the United States (TSUS). Imports from China have received most favored-nation tariff treatment since February 1980.

On January 27, 1983, duties were temporarily suspended on some of these products. Articles provided for in part 5E of schedule 7 of the TSUS valued not over 5 cents per unit (TSUS item 912.20) receive duty-free treatment under column 1 until December 31, 1986. Although this provision theoretically covers products falling within most of the tariff items included in this section, in practical terms only nonstuffed dolls 13 inches and under in height are affected. It should be noted that item 912.20 does not include parts of dolls or stuffed toys. Stuffed dolls and skins for stuffed dolls receive duty-free treatment under column 1 until December 31, 1985 (TSUS item 912.30).

Table 21.--Dolls, parts of dolls, doll clothing, and stuffed toy figures of animate objects:  
U.S. rates of duty, 1984 and 1985, by TSUS item

TSUS item No.	Description	Col. 1 rate of duty--1984	Col. 1 rate of duty--1985	LDDC rate of duty 1/ of duty	Col. 2 rate of duty	GSP eligibility
737.21	Dolls and parts of dolls including doll clothing: Doll clothing imported separately--	11.6% ad val.	10.4% ad val.	8% ad val.	70% ad val.	Yes <u>2/</u> .
737.23	Dolls (with or without clothing): Stuffed-----	14.1% ad val.	13.4% ad val.	12% ad val.	70% ad val.	Yes <u>3/</u> .
737.24	Other-----	14.1% ad val.	13.4% ad val.	12% ad val.	70% ad val.	No.
737.26	Parts of dolls: Doll skins for stuffed dolls-----	14.1% ad val.	13.4% ad val.	12% ad val.	70% ad val.	Yes <u>3/</u> .
737.27	Other-----	14.1% ad val.	13.4% ad val.	12% ad val.	70% ad val.	No.
737.28	Toy figures of animate objects (ex- cept dolls): Not having a spring mechanism: Stuffed: Valued not over 10 cents per inch of height.	17.5% ad val.	15.4% ad val.	11.2% ad val.	70% ad val.	Yes <u>4/</u> .
737.30	Valued over 10 cents per inch of height.	6.8% ad val.	6.4% ad val.	5.5% ad val.	70% ad val.	Yes <u>4/</u> .

1/ This rate is applicable to products from countries designated as "least developed developing countries" (LDDC).

2/ Excluding imports from Hong Kong.

3/ Excluding imports from Taiwan.

4/ Excluding imports from the Republic of Korea (Korea).

Imports from Korea under item 737.28 lost GSP eligibility on March 31, 1983. Imports from Taiwan under TSUS item 737.26 were excluded from GSP eligibility on March 31, 1984. However, the GSP status of item 737.26 is currently of little practical importance since the column 1 duty is temporarily suspended.

Finally, imports of certain doll skins under item 737.26 from designated beneficiary Caribbean countries are not eligible for duty-free treatment under the Caribbean Basin Economic Recovery Act (CBERA). 1/ This restriction, like the GSP restriction, is immaterial as long as the duty for item 737.26 is suspended.

The distribution system for imported dolls and stuffed toys is two tiered. The larger retailers--such as department stores, discount chains, and toy chains--generally require quantities large enough to enable them to purchase directly from the importer or, in some cases, to arrange to import directly. The remainder, including most independent toy retailers, generally purchase from wholesalers. With regard to these products from China, however, there is believed to be no direct importing by retailers. Most Chinese dolls and stuffed toys are distributed by the investing U.S. manufacturer or importer through Hong Kong or other normal distribution channels.

U.S. imports of dolls and stuffed toys increased annually from \$211.8 million in 1980 to \$340.8 million in 1983, or by 61 percent. Imports during January-September 1984 were \$491.3 million, 44 percent greater than imports during the full year 1983. Taiwan, Hong Kong, and the Republic of Korea were the primary sources of U.S. imports of dolls and stuffed toys during 1980-83, accounting for 79 percent of the value in 1983. Imports from China increased annually from \$661,000 in 1980 (accounting for 0.3 percent of total imports) to \$10.6 million in 1983 (3 percent of the total). Imports of dolls and stuffed toys from China during January-September 1984 jumped to nearly \$42 million, or 8.5 percent of total imports, almost 4 times the total imported in the full year 1983. Nearly all the increase in imports from China consisted of stuffed dolls and stuffed toy animals.

The increase in total imports reflects the continuation of the trend of shifting production from the developed countries to the developing countries, particularly in Asia, in addition to a surge in demand for a number of popular new characters marketed since 1982. The increase in imports from China reflects the shift of production to low-wage-rate countries, and it is likely to continue until China is the fourth largest supplier of these products. 2/ However, China is unlikely to surpass the top three suppliers--Hong Kong, Korea, and Taiwan--in the near future.

---

1/ The specific exclusion from CBERA treatment is provided in General Headnote 3(g)(iii)(c)(2) of the TSUS (1984).

2/ China was the sixth-ranking supplier in 1983, following Taiwan, Hong Kong, the Republic of Korea, Mexico, and the Philippines. As a result, however, of the recent surge in imports of these products from China, it was the fourth-ranking supplier for the period January-September 1984.

### The U.S. market

The distribution of domestic dolls and stuffed toys is similar to that described for imports. The larger retailers--department stores, discount chains, and toy chains--generally require quantities large enough to enable them to purchase directly from the manufacturer. The remainder, including most independent toy retailers, generally purchase from wholesalers.

With the exception of collectible dolls and some novelty and large stuffed toys, children are the ultimate consumers of these products, and the geographical distribution of sales generally coincides with population concentrations in the United States. The purchaser of dolls and stuffed toys intended for infants and young children is most often a parent or relative. For this reason, even though the play value of these toys must be geared for the young child, the marketing often concentrates more on those qualities that would appeal to an adult. Conversely, the more advanced dolls, including action-adventure and fashion dolls, intended for older children are usually purchased by the child, or the purchase is initiated by the child. However, the significance of the sale of dolls and stuffed toys as gifts is most amply demonstrated by the fact that fourth-quarter purchases still account for the bulk of sales.

Dolls and stuffed toy animals, like all toys, are sold primarily through department stores, discount houses (including discount toy chains), and independent toy retailers, with lesser sales through a variety of additional outlets such as supermarkets, drugstores, gift shops, and mail-order houses. There is constant competition among new products, often short-lived fad products, against a background of longer-lived, less advertised staple toys. The fad or TV toy is one that is heavily advertised on television, generally during new product introduction, and is most often found in the doll category. TV toys, if successful, are in high demand for a short period of time, often experiencing production shortfalls, and are subject to intense price competition at the retail level.

Another important factor in doll and stuffed toy design is the use of licensed characters, often combined with a TV toy promotion. Licensing works particularly well with both dolls and stuffed toys and can greatly improve sales while adding little to the ultimate cost of a product. Although a licensed toy usually has a short lifespan, depending on the public's response to and interest in the character, some may last for decades.

Most nonlicensed stuffed toy animals, and not a few licensed ones, fall into the staple category: the nonmechanical baby doll is probably the best example of a staple doll. The staple doll or stuffed toy produces relatively constant high-profit sales without relying on advertising or extensive new product introductions and is, therefore, the backbone of the market.

Dolls and stuffed toys are similar to most other toys in that sales are highly seasonal. Most sales occur in the fourth quarter as Christmas sales, and stuffed toys traditionally experience another sales peak around Easter. This seasonality dictates the varied toy mix among the different retail outlets.

Independent toy retailers and the toy discount chains are obliged to offer a wide selection of dolls and stuffed toys year round. For the independent toy store, particularly, this means a greater reliance on staple sales with their higher profit margins. Although forced by public demand to stock fad or "hot" items to present a complete product line, the competition from discount chains eliminates profits on these toys for the independent. Additionally, toy stores do not share with department stores and general merchandise discounters the luxury of cutting back the toy department after the peak selling seasons, another factor that requires strong year-round staple sales.

Apparent U.S. consumption of dolls and stuffed toys increased annually from \$366.6 million in 1980 to \$516.7 million in 1983, or by 41 percent. Imports accounted for 64 to 66 percent of consumption annually during 1981-83, up from 58 percent in 1980. As indicated earlier, the trend in consumption of dolls and stuffed toys has been toward an ever increasing reliance on imports and, unless economic conditions conspire to drastically reduce wage rates in the United States, this trend is unlikely to change.

Competition between imported and domestic dolls and stuffed toy animals depends primarily on two factors: the labor cost and the transportation cost. For products that are as labor intensive as these, the wage-rate advantage enjoyed by producers in developing countries, particularly in Asia, is obvious. However, transportation costs, primarily the cost of ocean freight, provide a counterbalancing competitive advantage to the domestic producer. For relatively lightweight products such as these, freight charges are based on the space used, not weight. Freight costs in addition to duties can tip the balance in favor of domestic production of larger dolls and stuffed toys, and, indeed, imports are heavily concentrated in fashion and action-adventure dolls and smaller stuffed dolls and toy animals. The compactness of doll clothing negates the freight-cost advantage, hence the prevalence of imported doll clothing. Similarly, freight cost is not a crucial consideration in shipping toy skins for stuffing in the United States. There is no commercial production of doll skins for stuffed dolls in the United States, and domestic manufacturers of stuffed dolls therefore rely on imported skins. The only production of doll clothing in the United States consists of high quality, expensive clothing used on certain collectible dolls and emergency production required when demand and timeliness considerations prevent the use of imports. All other doll clothing is imported.

Imports from China compete more with other imports from Asia, particularly stuffed toys from Korea and Taiwan and stuffed dolls from Taiwan, than with U.S. dolls and stuffed toys. If cost were the only consideration, China could readily become the leading producer of dolls and stuffed toys; however, currently the Chinese product suffers in quality compared with other Asian dolls and stuffed toys. For example, Korea is preeminent among Asian producers of plush stuffed toys, combining low price with a quality advantage that extends from the raw material to the finished product. Another area where China, to date, has suffered in comparison with both U.S. producers and its Asian competitors is in reliability of delivery--a vital consideration during peak seasons in the toy industry.

In the near future, imports of dolls and stuffed toys from China are likely to benefit from the general growth in imports from Asia. In addition, imports of stuffed dolls and toys from China should gain against those of other Asian suppliers, although they are not likely to soon surpass the big three--Taiwan, Hong Kong, and Korea.



## APPENDIX A

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

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

SITC Section	(In thousands of dollars)	
	1983	January-September 1984
<b>U.S. exports:</b>		
0. Food and live animals	2,057,104	1,208,588
1. Beverages and tobacco	23,117	20,116
2. Crude materials--inedible, except fuel	817,602	577,407
3. Mineral fuels, lubricants, etc	42,730	33,348
4. Oils and fats--animal and vegetable	34,990	26,830
5. Chemicals	661,371	467,114
6. Manufactured goods classified by chief material	271,684	180,455
7. Machinery and transportation equipment	817,551	515,738
8. Miscellaneous manufactured articles	268,648	206,340
9. Commodities and transactions not elsewhere classified	72,828	50,425
Total	5,067,626	3,286,361
<b>U.S. imports:</b>		
0. Food and live animals	287,051	219,611
1. Beverages and tobacco	50,551	41,375
2. Crude materials--inedible, except fuel	121,165	95,378
3. Mineral fuels, lubricants, etc	757,400	540,741
4. Oils and fats--animal and vegetable	1,552	884
5. Chemicals	330,848	235,331
6. Manufactured goods classified by chief material	638,285	459,069
7. Machinery and transportation equipment	153,443	113,769
8. Miscellaneous manufactured articles	1,216,717	951,367
9. Commodities and transactions not elsewhere classified	17,066	12,167
Total	3,574,079	2,669,692

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 the totals shown.

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

SITC Section	(In thousands of dollars)	
	1983	January-September 1984
<b>U.S. exports:</b>		
0. Food and live animals	540,729	346,542
1. Beverages and tobacco	418	418
2. Crude materials--inedible, except fuel	297,773	213,645
3. Mineral fuels, lubricants, etc	496	422
4. Oils and fats--animal and vegetable	1	-
5. Chemicals	354,176	254,301
6. Manufactured goods classified by chief material	216,843	141,838
7. Machinery and transportation equipment	582,928	340,366
8. Miscellaneous manufactured articles	164,357	121,556
9. Commodities and transactions not elsewhere classified	5,498	3,862
Total	2,163,219	1,422,950
<b>U.S. imports:</b>		
0. Food and live animals	107,071	84,328
1. Beverages and tobacco	3,856	2,473
2. Crude materials--inedible, except fuel	96,610	75,410
3. Mineral fuels, lubricants, etc	419,644	303,995
4. Oils and fats--animal and vegetable	1,552	883
5. Chemicals	133,105	98,069
6. Manufactured goods classified by chief material	394,693	282,002
7. Machinery and transportation equipment	42,141	29,913
8. Miscellaneous manufactured articles	1,008,436	784,444
9. Commodities and transactions not elsewhere classified	10,418	7,762
Total	2,217,526	1,669,281

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

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

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

SITC Section	(In thousands of dollars)	
	1983	January-September 1984
U.S. exports:		
0. Food and live animals	1,194,970	638,154
1. Beverages and tobacco	874	724
2. Crude materials--inedible, except fuel	264,583	149,166
3. Mineral fuels, lubricants, etc	22,571	18,782
4. Oils and fats--animal and vegetable	21,507	17,207
5. Chemicals	239,398	175,868
6. Manufactured goods classified by chief material	29,755	21,888
7. Machinery and transportation equipment	149,452	107,921
8. Miscellaneous manufactured articles	76,422	64,039
9. Commodities and transactions not elsewhere classified		
Total	2,419	1,134
	2,001,951	1,194,882
U.S. imports:		
0. Food and live animals	17,488	10,335
1. Beverages and tobacco	11,744	9,715
2. Crude materials--inedible, except fuel	11,481	9,737
3. Mineral fuels, lubricants, etc	55,968	49,817
4. Oils and fats--animal and vegetable	1	1
5. Chemicals	144,417	99,303
6. Manufactured goods classified by chief material	88,031	67,257
7. Machinery and transportation equipment	3,382	2,237
8. Miscellaneous manufactured articles	6,259	2,226
9. Commodities and transactions not elsewhere classified	2,322	1,605
Total	341,093	252,232
		376,921

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 the totals shown.

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

SITC Section	(In thousands of dollars)	
	1983	January-September 1984
U.S. exports:		
0. Food and live animals	321,173	223,737
1. Beverages and tobacco	21,763	18,912
2. Crude materials--inedible, except fuel	254,519	213,869
3. Mineral fuels, lubricants, etc.	16,201	10,681
4. Oils and fats--animal and vegetable	13,482	9,623
5. Chemicals	67,351	36,603
6. Manufactured goods classified by chief material	25,080	16,727
7. Machinery and transportation equipment	84,964	67,245
8. Miscellaneous manufactured articles	27,638	20,527
9. Commodities and transactions not elsewhere classified	44,525	30,009
Total	876,695	647,932
U.S. imports:		
0. Food and live animals	162,492	124,948
1. Beverages and tobacco	34,951	29,187
2. Crude materials--inedible, except fuel	9,584	7,561
3. Mineral fuels, lubricants, etc.	281,786	186,927
4. Oils and fats--animal and vegetable	-	-
5. Chemicals	53,305	37,938
6. Manufactured goods classified by chief material	154,109	108,372
7. Machinery and transportation equipment	107,919	81,619
8. Miscellaneous manufactured articles	202,014	164,691
9. Commodities and transactions not elsewhere classified	4,318	2,790
Total	1,010,479	744,033

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 the totals shown.

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

SITC Section	(In thousands of dollars)	
	1983	January-September 1984
U.S. exports:		
0. Food and live animals	-	-
1. Beverages and tobacco	62	62
2. Crude materials--inedible, except fuel	588	588
3. Mineral fuels, lubricants, etc	3,463	3,463
4. Oils and fats--animal and vegetable	-	-
5. Chemicals	1	1
6. Manufactured goods classified by chief material	-	-
7. Machinery and transportation equipment	86	85
8. Miscellaneous manufactured articles	5	5
9. Commodities and transactions not elsewhere classified	-	-
Total	4,205	4,205
U.S. imports:		
0. Food and live animals	-	-
1. Beverages and tobacco	-	-
2. Crude materials--inedible, except fuel	2,018	1,697
3. Mineral fuels, lubricants, etc	2	2
4. Oils and fats--animal and vegetable	-	-
5. Chemicals	21	21
6. Manufactured goods classified by chief material	1,451	1,439
7. Machinery and transportation equipment	-	-
8. Miscellaneous manufactured articles	6	4
9. Commodities and transactions not elsewhere classified	-	-
Total	3,498	3,162
		1,248

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

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

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

SITC Section	(In thousands of dollars)	
	1983	1984
U.S. exports:		
0. Food and live animals	22,889	18,290
1. Beverages and tobacco	13,435	12,411
2. Crude materials--inedible, except fuel	4,801	3,922
3. Mineral fuels, lubricants, etc	2	2
4. Oils and fats--animal and vegetable	-	-
5. Chemicals	13,344	13,051
6. Manufactured goods classified by chief material	604	319
7. Machinery and transportation equipment	5,777	3,337
8. Miscellaneous manufactured articles	4,470	3,762
9. Commodities and transactions not elsewhere classified	66	52
Total	65,389	55,146
U.S. imports:		
0. Food and live animals	2,362	1,595
1. Beverages and tobacco	27,264	22,945
2. Crude materials--inedible, except fuel	80	33
3. Mineral fuels, lubricants, etc	-	-
4. Oils and fats--animal and vegetable	-	-
5. Chemicals	1,184	803
6. Manufactured goods classified by chief material	141	29
7. Machinery and transportation equipment	366	365
8. Miscellaneous manufactured articles	1,033	760
9. Commodities and transactions not elsewhere classified	335	129
Total	32,765	26,660
		23,179

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

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

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

		(In thousands of dollars)	
SITC Section	1983	January-September 1983	January-September 1984
<b>U.S. exports:</b>			
0. Food and live animals	-	-	1
1. Beverages and tobacco	-	-	-
2. Crude materials--inedible, except fuel	2	2	3
3. Mineral fuels, lubricants, etc.	-	-	-
4. Oils and fats--animal and vegetable	-	-	-
5. Chemicals	435	332	283
6. Manufactured goods classified by chief material	5	1	-
7. Machinery and transportation equipment	38	38	3
8. Miscellaneous manufactured articles	122	111	87
9. Commodities and transactions not elsewhere classified	84	72	320
Total	688	556	696
<b>U.S. imports:</b>			
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/	-	3

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 the totals shown.

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

SITC Section	(In thousands of dollars)	
	1983	January-September 1984
U.S. exports:		
0. Food and live animals	7,107	7,092
1. Beverages and tobacco	42	28
2. Crude materials--inedible, except fuel	14,292	11,015
3. Mineral fuels, lubricants, etc	5	3
4. Oils and fats--animal and vegetable	17,749	4,836
5. Chemicals		
6. Manufactured goods classified by chief material	3,372	2,438
7. Machinery and transportation equipment	9,793	5,954
8. Miscellaneous manufactured articles	4,061	2,202
9. Commodities and transactions not elsewhere classified	659	508
Total	57,079	34,076
U.S. imports:		
0. Food and live animals	5,491	5,168
1. Beverages and tobacco	1,206	771
2. Crude materials--inedible, except fuel	1,060	865
3. Mineral fuels, lubricants, etc		
4. Oils and fats--animal and vegetable		
5. Chemicals	3,022	2,883
6. Manufactured goods classified by chief material		
7. Machinery and transportation equipment	24,205	17,546
8. Miscellaneous manufactured articles	7,861	4,545
9. Commodities and transactions not elsewhere classified	19,267	14,803
Total	709	470
	62,821	47,051

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

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

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

SITC Section	(In thousands of dollars)			
	1983	January-September 1983	January-September 1984	January-September 1984
<b>U.S. exports:</b>				
0. Food and live animals	111,147	64,474		69,336
1. Beverages and tobacco	957	606		-
2. Crude materials--inedible, except fuel	5,105	4,959		16,114
3. Mineral fuels, lubricants, etc	9	9		-
4. Oils and fats--animal and vegetable	235	-		-
5. Chemicals	1,516	961		3,101
6. Manufactured goods classified by chief material	1,282	882		3,885
7. Machinery and transportation equipment	16,160	16,006		3,250
8. Miscellaneous manufactured articles	2,206	2,070		293
9. Commodities and transactions not elsewhere classified	299	208		142
Total	138,915	90,176		96,121
<b>U.S. imports:</b>				
0. Food and live animals	986	591		676
1. Beverages and tobacco	374	207		91
2. Crude materials--inedible, except fuel	976	897		379
3. Mineral fuels, lubricants, etc	1,308	1,020		754
4. Oils and fats--animal and vegetable	-	-		-
5. Chemicals	9,772	6,347		11,817
6. Manufactured goods classified by chief material	21,732	16,062		60,855
7. Machinery and transportation equipment	16,503	11,899		11,090
8. Miscellaneous manufactured articles	5,098	3,333		4,775
9. Commodities and transactions not elsewhere classified	190	147		828
Total	56,937	40,504		91,265

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

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

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

SITC Section	(In thousands of dollars)	
	1983	January-September 1983 January-September 1984
U.S. exports:		
0. Food and live animals	51,585	42,929
1. Beverages and tobacco	1,121	10,039
2. Crude materials--inedible, except fuel	4,791	3,399
3. Mineral fuels, lubricants, etc	28	3,967
4. Oils and fats--animal and vegetable	3	27
5. Chemicals	10,768	3
6. Manufactured goods classified by chief material	8,068	8,078
7. Machinery and transportation equipment	27,607	6,337
8. Miscellaneous manufactured articles	4,615	22,617
9. Commodities and transactions not elsewhere classified	1,194	3,585
Total	109,781	947
		88,489
U.S. imports:		
0. Food and live animals	37,262	28,478
1. Beverages and tobacco	2,122	1,433
2. Crude materials--inedible, except fuel	3,602	2,753
3. Mineral fuels, lubricants, etc	-	-
4. Oils and fats--animal and vegetable	-	127
5. Chemicals	10,683	3
6. Manufactured goods classified by chief material	19,390	9,021
7. Machinery and transportation equipment	40,655	14,553
8. Miscellaneous manufactured articles	39,993	29,742
9. Commodities and transactions not elsewhere classified	785	31,276
Total	154,493	586
		118,106

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

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

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

		(In thousands of dollars)		
SITC Section	1983	January-September 1983	January-September 1984	
<b>U.S. exports:</b>				
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		
8. Miscellaneous manufactured articles				
9. Commodities and transactions not elsewhere classified				
Total		1		
<b>U.S. imports:</b>				
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				13
9. Commodities and transactions not elsewhere classified				1/
Total				14

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 the totals shown.

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

SITC Section	(In thousands of dollars)	
	1983	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	1	1
5. Chemicals	-	-
6. Manufactured goods classified by chief material	2	2
7. Machinery and transportation equipment	82	82
8. Miscellaneous manufactured articles	28	28
9. Commodities and transactions not elsewhere classified	9	9
Total	123	123
U.S. imports:		
0. Food and live animals	-	-
1. Beverages and tobacco	-	-
2. Crude materials--inedible, except fuel	1,472	974
3. Mineral fuels, lubricants, etc	-	-
4. Oils and fats--animal and vegetable	-	-
5. Chemicals	-	-
6. Manufactured goods classified by chief material	1	1/
7. Machinery and transportation equipment	-	-
8. Miscellaneous manufactured articles	1	1
9. Commodities and transactions not elsewhere classified	9	9
Total	1,483	984
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 the totals shown.

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

SITC Section	(In thousands of dollars)	
	1983	January-September 1984
U.S. exports:		
0. Food and live animals	127,717	90,231
1. Beverages and tobacco	3,405	2,591
2. Crude materials--inedible, except fuel	88,102	74,551
3. Mineral fuels, lubricants, etc	9	8
4. Oils and fats--animal and vegetable	13,244	9,620
5. Chemicals	10,086	6,076
6. Manufactured goods classified by chief material	7,573	4,848
7. Machinery and transportation equipment	18,372	14,251
8. Miscellaneous manufactured articles	9,267	6,655
9. Commodities and transactions not elsewhere classified	42,097	28,137
Total	319,872	236,967
U.S. imports:		
0. Food and live animals	100,680	77,297
1. Beverages and tobacco	1,616	1,376
2. Crude materials--inedible, except fuel	1,413	1,110
3. Mineral fuels, lubricants, etc	-	-
4. Oils and fats--animal and vegetable	-	-
5. Chemicals	6,015	5,145
6. Manufactured goods classified by chief material	36,046	24,625
7. Machinery and transportation equipment	14,358	10,521
8. Miscellaneous manufactured articles	29,201	23,436
9. Commodities and transactions not elsewhere classified	1,312	1,176
Total	190,641	144,685

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

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

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

SITC Section	(In thousands of dollars)		
	1983	January-September 1983	January-September 1984
U.S. exports:			
0. Food and live animals	727	721	1,161
1. Beverages and tobacco	2,803	2,496	1,673
2. Crude materials--inedible, except fuel	137,428	116,234	149,303
3. Mineral fuels, lubricants, etc.	16,148	10,633	13,436
4. Oils and fats--animal and vegetable	--	--	--
5. Chemicals	13,888	3,601	4,076
6. Manufactured goods classified by chief material	4,180	1,903	851
7. Machinery and transportation equipment	7,255	5,079	10,509
8. Miscellaneous manufactured articles	3,019	2,254	2,333
9. Commodities and transactions not elsewhere classified	211	156	441
Total	185,658	143,077	183,782
U.S. imports:			
0. Food and live animals	15,711	11,819	14,051
1. Beverages and tobacco	2,369	2,190	1,154
2. Crude materials--inedible, except fuel	2,454	1,902	2,069
3. Mineral fuels, lubricants, etc.	280,478	185,908	379,341
4. Oils and fats--animal and vegetable	--	--	--
5. Chemicals	22,629	13,739	55,660
6. Manufactured goods classified by chief material	52,595	35,556	97,301
7. Machinery and transportation equipment	28,177	24,548	17,097
8. Miscellaneous manufactured articles	107,423	91,082	103,017
9. Commodities and transactions not elsewhere classified	987	282	631
Total	512,821	367,026	670,321

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

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

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

SITC Section	(In thousands of dollars)		
	1983	January-September 1983	January-September 1984
U.S. exports:			
0. Food and live animals			340
1. Beverages and tobacco	232	155	-
2. Crude materials--inedible, except fuel			184
3. Mineral fuels, lubricants, etc	137	137	-
4. Oils and fats--animal and vegetable			-
5. Chemicals	9	9	7
6. Manufactured goods classified by chief material			1
7. Machinery and transportation equipment	1		6
8. Miscellaneous manufactured articles	75	74	51
9. Commodities and transactions not elsewhere classified			
Total	20,293	15,339	15,800
	20,745	15,713	16,389
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			6
7. Machinery and transportation equipment			-
8. Miscellaneous manufactured articles			65
9. Commodities and transactions not elsewhere classified			-
Total			71

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

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

APPENDIX B

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

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

Schedule B No.	Description	Jan.-Sept.	July-September--	
		1984	1983 1984	
		1,000 dollars	1,000 dollars	
130.6540	Wheat, unmilled, not donated for relief or charity	\$1,364,284	\$2,507	\$684,041
130.3465	Yellow corn, not donated for relief or charity	767,803	24,998	83,268
480.8005	Diammonium phosphate fertilizers and fertilizer materials	163,746	17,704	72,550
300.1060	Cotton, not carded, not combed, staple length 1 to 1-1/8 inches	152,334	4,630	47,588
480.7025	Phosphoric acid, 65 percent or more available phosphorus pentoxide equivalents	144,684	65,233	57,010
175.4100	Soybeans, other than seed for planting	144,659	8,793	-
200.3510	Douglas-fir logs and timber, rough	142,251	61,938	43,566
120.1400	Cattle hides, whole	84,415	26,511	31,607
690.0510	Locomotives and tenders, diesel-electric, rail-service type	58,304	-	58,304
664.0584	Parts, n.e.s., of oil and gas field drilling machines	52,546	8,545	23,380
444.1700	Polypropylene resins, excluding amorphous or atactic polymers and copolymers	51,515	3,924	22,337
690.3310	Parts designed for locomotives, n.s.p.f., other than airbrake equipment	51,425	35	18,032
184.5260	Soybean oil cake and oil-cake meal	48,627	28,835	10,864
444.1610	Polyethylene resins, low and medium density	43,051	5,193	26,312
710.2820	Electrical (including electronic) geophysical instruments and apparatus, and parts thereof	40,334	8,827	19,945
812.3900	Products, n.e.s., donated for relief or charity	37,304	14,081	10,672
692.1680	Special-purpose motor vehicles, nonmilitary, n.s.p.f.	36,891	2,043	16,155
480.9500	Fertilizers and fertilizer materials, n.s.p.f.	36,790	-	13,193
790.5510	Pressure-sensitive tape having a plastic backing	36,555	23,310	15,748
480.3000	Urea	36,366	5,458	8,180
	Total	3,493,881	312,565	1,262,752
	Total, U.S. exports to NME's	4,839,336	778,640	1,776,475

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 the totals shown.

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

TSUSA item No.	Description	Jan.-Sept. 1984		July-September--	
		1,000 dollars	1,000 dollars	1983	1984
475.2520	Gasoline	\$344,040	\$132,179		\$132,558
475.3500	Naphthas, derived from petroleum, etc., n.e.s.	221,436	24,781		73,540
475.1010	Crude petroleum, testing 25 degrees A.P.I. or more	123,730	-		70,403
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	104,186	70,949		51,698
480.6540	Anhydrous ammonia	99,820	12,073		33,789
475.6530	Mixtures of hydrocarbons n.s.p.f, in liquid form, other than condensate derived wholly from natural gas	85,000	-		29,650
107.3525	Canned hams and shoulders, 3 pounds and over	80,625	23,723		31,681
480.3000	Urea, n.e.s.	65,476	8,987		12,279
360.1515	Floor coverings of wool, valued over 66-2/3 cents per square foot	57,899	12,161		19,582
605.0260	Palladium	46,545	15,729		14,005
320.2032	Printcloth shirting, wholly of cotton, n.e.s. (average yarn number 20)	37,543	4,902		13,738
692.3288	Parts for motor vehicles, n.e.s.	31,534	5,318		12,464
607.6625	Plates not pickled and not cold rolled other than alloy iron or steel over 6 inches in thickness	29,166	2/		25,295
618.2563	Sheets and strip, not clad, other than alloyed aluminum in coils, unpainted, over .008 but not .017 inch in thickness	25,375	3/		12,424
383.4753	Women's corduroy trousers and slacks, cotton	24,040	6,935		5,802
607.8360	Sheets, not clad, pickled or cold rolled, not annealed and having a minimum yield point of 40,000 psi	23,833	126		16,605
144.2053	Mushrooms, otherwise prepared or preserved, in containers each holding more than 9 ounces, other than whole or sliced	23,317	4/		5,750
379.4050	Men's shirts, n.e.s., knit, cotton	22,948	4,324		6,440
737.2300	Dolls, (with or without clothing) stuffed	22,914	141		13,020
755.1500	Fireworks	22,597	2,129		3,708
	Total	1,492,024	328,885		584,428
	Total, U.S. imports from NME's	3,909,320	1,019,058		1,492,925

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/ TSUSA item 607.6625, along with TSUSA item 607.6620, were created on Jan. 1, 1984, from former TSUSA item 607.6615.

3/ TSUSA item 618.2563, along with TSUSA item 618.2560, were created on Jan. 1, 1984, from former TSUSA item 618.2565.

4/ Includes imports entered under TSUSA item 922.5653 as well as those entered under TSUSA item 144.2053. Item 922.5653 was created on 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 July-September 1983, \$14,000 entered under item 144.2053 and \$4,415,297 entered under item 922.5653. All 1984 imports have been entered under item 144.2053.

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

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

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

Schedule B No.	Description	Jan.-Sept. 1984		July-September--	
		1,000 dollars	1,000 dollars	1983	1984
					1,000 dollars
130.6540	Wheat, unmilled, not donated for relief or charity	\$478,799	-		\$195,836
480.8005	Diammonium phosphate fertilizers and fertilizer materials	163,746	17,704		72,550
200.3510	Douglas-fir logs and timber, rough	142,251	61,938		43,566
690.0510	Locomotives and tenders, diesel-electric, rail-service type	58,304	-		58,304
444.1700	Polypropylene resins, excluding amorphous or atactic polymers and copolymers	51,515	3,924		22,337
690.3310	Parts designed for locomotives, n.s.p.f., other than airbrake equipment	51,081	6		17,815
664.0584	Parts, n.e.s., of oil and gas field drilling machines	50,400	6,884		22,779
444.1610	Polyethylene resins, low and medium density	43,041	5,193		26,312
710.2820	Electrical (including electronic) geophysical instruments and apparatus, and parts thereof	39,865	8,513		19,818
692.1680	Special-purpose motor vehicles, nonmilitary, n.s.p.f.	36,891	2,043		16,155
480.3000	Urea	36,366	5,458		8,180
200.3514	Western hemlock logs and timber, rough	35,368	25,340		8,175
694.4062	Nonmilitary airplanes, new, multiple engine, over 33,000 pounds empty weight, passenger transports, n.s.p.f.	32,000	-		-
309.4245	Acrylic and modacrylic fibers (in noncontinuous form)	26,631	1,078		12,775
252.7810	Unbleached kraft linerboard	23,922	9,987		3,929
404.2280	Polycarboxylic acids, anhydrides, and their derivatives, n.s.p.f.	23,746	-		6,636
310.0010	Textured yarns, of polyester	23,674	391		11,888
676.2820	Digital central processing units consisting of arithmetical, logical and control elements	22,398	4,384		10,359
444.1500	Polyester resins, saturated	21,952	4		18,894
711.8710	Electrical (including electronic) chemical analysis equipment, and parts thereof	16,216	5,669		7,608
	Total	1,378,164	158,514		583,916
	Total, U.S. exports to China	2,005,429	394,621		847,604

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

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

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

TSUSA item No.	Description	Jan.-Sept. 1984		July-September-- 1983		July-September-- 1984	
		1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars		
475.2520	Gasoline	\$236,668	\$80,857		\$94,214		
475.1010	Crude petroleum, testing 25 degrees A.P.I. or more	123,730	-		70,403		
475.3500	Naphthas, derived from petroleum, etc., n.e.s.	59,006	24,781		9,601		
360.1515	Floor coverings of wool, valued over 66-2/3 cents per square foot	53,665	10,992		17,518		
320.2032	Printcloth shirting, wholly of cotton, n.e.s. (average yarn number 20)	37,543	4,902		13,738		
383.4753	Women's corduroy trousers and slacks, cotton	23,513	6,935		5,280		
144.2053	Mushrooms, otherwise prepared or preserved, in containers each holding more than 9 ounces, other than whole or sliced	23,317	4,429	1/	5,750		
737.2300	Dolls, (with or without clothing) stuffed	22,914	123		13,020		
755.1500	Fireworks	22,597	2,129		3,708		
383.9015	Women's blouses and shirts, n.e.s., man-made fibers, not knit	21,657	9,906		1,237		
379.4050	Men's shirts, n.e.s., knit, cotton	20,624	4,031		6,278		
766.2560	Antiques, n.s.p.f.	18,757	5,735		2,968		
472.1000	Barytes ore, crude	18,740	3,997		4,966		
653.2200	Metal coins, n.e.s.	18,455	2,172		6,123		
379.9575	Men's trousers and slacks of man-made fibers, not knit	18,159	2,175		2,553		
622.0200	Tin, other than alloyed, unwrought	15,311	3,704		7,557		
383.9052	Women's coats, other than suit-type coats or jackets, no longer than 3/4 length	15,237	-		7,268		
706.0700	Handbags of leather valued not over \$20 each	14,324	4,089		8,330		
320.1038	Sheeting, wholly of cotton, carded (average yarn number 10)	13,953	3,839		2,267		
383.4761	Women's trousers and slacks of cotton, other than denim, corduroy and velveteen	13,658	3,122		486		
	Total	791,827	177,917		283,266		
	Total, U.S. imports from China	2,356,825	604,188		853,108		

1/ Includes imports entered under TSUSA item 922.5653 as well as those entered under TSUSA item 144.2053. Item 922.5653 was created on 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 July-September 1983, \$14,000 entered under item 144.2053 and \$4,415,297 entered under item 922.5653. All 1984 imports have been entered under item 144.2053.

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

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

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

Schedule B No.	Description	Jan.-Sept. 1984		July-September--	
		1,000 dollars	1,000 dollars	1983	1984
130.6540	Wheat, unmilled, not donated for relief or charity	\$877,647	-	-	\$485,618
130.3465	Yellow corn, not donated for relief or charity	689,201	-	-	51,424
300.1060	Cotton, not carded, not combed, staple length 1 to 1-1/8 inches	148,668	4,630	4,630	47,180
480.7025	Phosphoric acid, 65 percent or more available phosphorus pentoxide equivalents	142,102	65,233	65,233	54,427
790.5510	Pressure-sensitive tape having a plastic backing	35,563	23,230	23,230	15,290
177.5640	Tallow, inedible	29,745	8,409	8,409	9,866
300.1550	Cotton, not carded, not combed, staple length 1-1/8 inches or more, n.e.s.	18,739	2,031	2,031	18,739
175.4100	Soybeans, other than seed for planting	14,039	-	-	-
475.4555	Insulating or transformer oils	13,104	3,115	3,115	4,272
692.3820	Parts of tracklaying tractors	11,113	7,596	7,596	2,653
120.1400	Cattle hides, whole	10,184	3,058	3,058	525
446.1561	Synthetic rubber, not containing fillers, pigments, or rubber processing chemicals, n.s.p.f.	9,940	3,404	3,404	4,261
692.3840	Parts of tractors, other than tracklaying tractors	9,799	2,091	2,091	2,229
176.2520	Linseed oil, crude	9,127	-	-	-
664.0586	Parts, n.e.s., of boring and drilling machines	8,308	202	202	314
145.4300	Shelled almonds, not blanched	7,392	-	-	5,280
309.4222	Fibers of rayon (in noncontinuous form)	6,563	-	-	-
660.5460	Parts of industrial gas turbines	5,238	6,852	6,852	507
517.5120	Petroleum coke, calcined	4,950	-	-	-
338.2600	Woven fabrics of glass	3,704	989	989	484
	Total	2,055,127	130,839	130,839	703,068
	Total, U.S. exports to the U.S.S.R.	2,154,084	178,860	178,860	738,731

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 the totals shown.

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

TSUSA item No.	Description	Jan.-Sept.	July-September--
		1984	1983 1984
		<u>1,000 dollars</u>	<u>1,000 dollars</u>
480.6540	Anhydrous ammonia	\$99,820	\$12,073
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	90,794	42,708
605.0260	Palladium	46,324	15,548
480.3000	Urea, n.e.s.	37,000	8,026
605.0750	Palladium bars, plates, etc.	10,829	974
475.0535	Crude petroleum, testing under 25 degrees A.P.I. (heavy fuel oils)	9,082	-
480.5000	Potassium chloride, crude	8,996	1,017
124.1045	Sable furskins, whole, undressed	7,998	3,126
475.1035	Heavy fuel oils, testing 25 degrees A.P.I. or more, Saybolt Universal viscosity at 100 degrees F of more than 125 seconds	6,029	-
114.3000	Crabs, n.e.s.	5,644	5,416
618.0650	Aluminum, other than uniform circular cross-section throughout its length, not in coil	4,981	137
169.3800	Vodka, in containers holding not over 1 gallon, valued over \$7.75 per gallon	4,673	2,829
618.1000	Aluminum waste and scrap	3,790	-
605.0710	Platinum bars, plates, etc	3,331	674
605.0270	Rhodium	2,996	267
401.1000	Benzene	2,985	-
401.7415	Ortho-xylene	2,554	-
765.0300	Paintings, pastels, drawings, and sketches, executed by hand	1,998	10
240.1440	Plywood, with face ply of birch, not face finished	1,952	1,085
606.3542	Ferrosilicon, containing over 30% but not over 60% by weight silicon, with over 2% by weight of magnesium	1,816	-
	Total	353,591	93,889
	Total, U.S. imports from the U.S.S.R.	376,921	129,997

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 the totals shown.

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

Schedule B No.	Description	Jan.-Sept.	July-September--
		1984	1983 1984
		1,000 dollars	1,000 dollars
175.4100	Soybeans, other than seed for planting	\$130,620	\$8,793
130.3465	Yellow corn, not donated for relief or charity	76,113	24,998
120.1400	Cattle hides, whole	64,316	23,054
184.5260	Soybean oil cake and oil-cake meal	48,627	28,835
480.9500	Fertilizers and fertilizer materials, n.s.p.f.	36,790	-
818.3900	Products, n.e.s., donated for relief or charity	23,413	10,511
480.7050	Concentrated superphosphates	20,695	16,433
116.0100	Butter	16,480	406
130.4040	Grain sorghum, other than seed for planting purposes	15,135	-
521.3110	Low volatile bituminous coal	13,382	5,463
175.5140	Sunflower seed, other than confectionery	11,673	2/
130.6540	Wheat, unmilled, not donated for relief or charity	7,837	2,507
131.4030	Wheat flour, n.e.s., donated for relief or charity	7,190	1,964
130.1040	Barley, other than for malting purposes	7,045	4,763
176.5260	Soybean oil, n.e.s., donated for relief or charity	6,332	1,096
692.3840	Parts of tractors, other than tracklaying tractors	5,772	256
818.3400	Wearing apparel donated for relief or charity	5,338	1,049
818.3100	Food products, n.s.p.f., donated for relief or charity	5,117	1,790
115.5020	Nonfat dry milk, donated for relief or charity	4,808	2,300
664.0588	Parts, n.e.s., of excavating machinery, n.e.s.	4,720	260
	Total	511,402	134,479
	Total, U.S. exports to Eastern Europe	654,948	200,606

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

2/ Schedule B No. 175.5140 was created along with No. 175.5120 from former No. 175.5100 on Jan. 1, 1984.

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

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

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

TSUSA item No.	Description	Jan.-Sept.	July-September--	1,000	1,000	1,000
		1984	1983	dollars	dollars	dollars
475.3500	Naphthas, derived from petroleum, etc., n.e.s.	\$162,430	-			\$63,939
475.2520	Gasoline	107,372	51,322			38,344
475.6530	Mixtures of hydrocarbons n.s.p.f, in liquid form, other than condensate derived wholly from natural gas	85,000	-			29,650
107.3525	Canned hams and shoulders, 3 pounds and over	80,625	23,664			31,681
692.3288	Parts for motor vehicles, n.e.s.	31,425	5,272			12,377
607.6625	Plates not pickled and not cold rolled other than alloy iron or steel over 6 inches in thickness	29,166	2/ 960			25,295
480.3000	Urea, n.e.s.	28,476				8,847
618.2563	Sheets and strip, not clad, other than alloyed aluminum in coils, unpainted, over .008 but not .017 inch in thickness	25,236	3/			12,357
607.8360	Sheets, not clad, pickled or cold rolled, not annealed and having a minimum yield point of 40,000 psi	23,833	126			16,605
170.2800	Cigarette leaf, not stemmed, oriental or turkish type, not over 8.5 inches	13,861	6,345			5,069
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	13,392	28,242			-
607.1700	Wire rods, of iron or steel, not tempered or treated, valued over 4 cents per pound	12,486	1,960			4,929
686.9030	Lamps n.e.s., including standard household	11,492	2,064			4,027
700.4540	Women's footwear, of leather, cement soles, valued over \$2.50 per pair	11,453	8,702			4,913
475.0535	Crude petroleum, testing under 25 degrees A.P.I. (heavy fuel oils)	11,147	10,052			11,147
379.9565	Men's suits, n.e.s., man-made fibers	10,049	436			3,591
335.9500	Woven fabrics, n.s.p.f., of vegetable fibers, n.e.s., weighing over 4 ounces per square yard	9,526	1,273			3,190
379.8355	Men's wool suits, not knit, not ornamented	8,823	2,288			5,433
480.6510	Ammonium nitrate	8,738	849			4,797
692.3460	Parts for agricultural tractors	8,489	342			3,631
	Total	693,018	143,895			289,822
	Total, U.S. imports from Eastern Europe	1,171,965	282,838			486,004

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

2/ TSUSA item 607.6625, along with TSUSA item 607.6620, were created on Jan. 1, 1984, from former TSUSA item 607.6615.

3/ TSUSA item 618.2563, along with TSUSA item 618.2560, were created on Jan. 1, 1984, from former TSUSA item 618.2565.

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

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

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

Schedule B No.	Description	Jan.-Sept. 1984		July-September--	
		1,000 dollars	1,000 dollars	1983	1984
521.3110	Low volatile bituminous coal	\$7,564			\$1,288
710.2820	Electrical (including electronic) geophysical instruments and apparatus, and parts thereof	89			
685.4075	Tape recorders and parts, n.s.p.f.	25			25
685.2007	Television receivers, monochrome	1			
	Total	7,678		62	1,313
	Total, U.S. exports to Albania	7,678		62	1,313

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

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

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

TSUSA item No.	Description	Jan.-Sept. 1984	July-September--
		1,000 dollars	1983 1,000 dollars
161.9400	Sage, unground		
653.2200	Metal coins, n.e.s.	\$1,158	\$405
161.6300	Nutmegs, not ground	55	-
161.3015	White wine not over 14 percent alcohol, valued not over \$4 per gallon, in containers not over 1 gallon	27	-
654.2500	Articles, wares, and parts, n.s.p.f., of brass	8	-
	Total	1	1/
	Total, U.S. imports from Albania	1,248	405
		1,248	1,858

1/ TSUSA item 654.2500 was created on April 9, 1984, from former TSUSA item 654.0300. There were no imports from Albania under item 654.0300 during July-September 1983.

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

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

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

Schedule B No.	Description	Jan.-Sept. 1984		July-September--	
		1,000 dollars	1,000 dollars	1983	1984
480.7050	Concentrated superphosphates	\$11,781	\$10,612		\$8,593
175.4100	Soybeans, other than seed for planting	6,939			
130.3465	Yellow corn, not donated for relief or charity	6,438	13,784		6,438
120.1400	Cattle hides, whole	2,799			
601.6100	Zinc ore	1,801			1,801
486.2900	Insecticides, unmixd, n.e.s.	1,015	205		615
678.5065	Machines n.s.p.f. for production and assembly of semiconductor devices, diodes, transistors, and circuits, and parts	774			
404.0560	Styrene (monomer)	604			
486.8900	Herbicide preparations, n.e.s.	572			
661.9880	Parts, n.s.p.f., of filtering and purifying machinery and apparatus for liquids or gases	545	91		13
711.8750	Electrical (including electronic) physical analysis equipment, n.s.p.f., and parts thereof	498	212		102
674.2005	Hot rolling mills, except tube rolling, for nonferrous metals, and parts thereof	470			
273.4000	Plans and drawings for industrial, architectural, engineering, commercial or similar purposes; manuscripts and copies of data	460			
687.6047	Mos (metal oxide silicon) monolithic integrated circuits, other than linear, n.s.p.f.	364			49
446.1521	Polychloroprene (neoprene) synthetic rubber	239			128
678.3560	Parts of machines used for molding or otherwise forming rubber or plastics articles, other than tire-building machines	175			10
642.2500	Pharmaceutical preparations acting on the blood or on the cardiovascular system, for human use	160			107
813.9000	General merchandise, valued not over \$500	156	53		29
711.8710	Electrical (including electronic) chemical analysis equipment, and parts thereof	152	11		63
435.8500	Anticonvulsants, hypnotics, and sedatives	108			
	Total	36,049	24,984		17,948
	Total, U.S. exports to Bulgaria	39,091	34,077		18,891

124

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

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

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

TSUSA Item No.	Description	Jan.-Sept.	July-September--
		1984	1983
		1,000 dollars	1,000 dollars
170.2800	Cigarette leaf, not stemmed, oriental or turkish type, not over 8.5 inches	\$13,861	\$6,345
401.1000	Benzene	1,574	-
117.6700	Pecorino cheese, not for grating	1,409	578
401.7200	Toluene	1,008	-
167.3005	Red wine not over 14 percent alcohol, valued not over \$4 per gallon, in containers not over 1 gallon	635	182
167.3015	White wine not over 14 percent alcohol, valued not over \$4 per gallon, in containers not over 1 gallon	497	155
676.0530	Typewriters, nonelectric, nonautomatic, portable	443	-
676.0560	Typewriters, nonelectric, nonautomatic	412	-
452.6000	Rose oil or attar of roses	300	84
514.6500	Marble, breccia, and onyx slabs rubbed or polished in whole or in part	289	-
700.3550	Men's footwear, of leather, n.e.s., cement soles	180	147
124.1025	Mink furskins, except "Japanese mink," undressed	174	-
379.8315	Men's and boys' overcoats topcoats and car coats of wool not knit valued over \$4 per pound	171	57
383.7205	Women's, girls' or infants' coats, 3/4 length or longer, of wool, not knit, valued over \$4 per pound	145	-
379.8311	Men's suit-type coats and jackets made of wool, not knit, valued over \$4 per pound	130	118
657.2590	Articles of iron or steel, not coated or plated with precious metal, n.s.p.f.	125	-
676.5000	Typewriter parts	110	-
379.8355	Men's wool suits, not knit, not ornamented	109	-
309.6625	Waste, and advanced waste, of man-made fibers, not advanced, of nylon	109	-
167.3045	Still wine produced from grapes, not over 14% alcohol, in one gallon containers valued over \$4 per gallon, white	107	2
	Total	21,789	7,668
	Total, U.S. imports from Bulgaria	23,179	8,032

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

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

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

Schedule B No.	Description	Jan.-Sept.	July-September--
		1984	1983 1984
		1,000 dollars	1,000 dollars
818.3300	Medicinal and pharmaceutical products donated for relief or charity	\$283	\$99
818.3900	Products, n.e.s., donated for relief or charity	247	41
818.3400	Wearing apparel donated for relief or charity	52	46
818.9000	General merchandise, valued not over \$500	40	-
818.8000	Shipments valued \$10,000 and under, not identified by kind	33	1/
270.4040	Books, n.s.p.f.	32	-
818.4000	Used wearing apparel and other used articles, of textile materials, exported in bulk	3	-
722.9540	Equipment specially designed for photofinishing (still pictures), other than microfilm and microfiche equipment	3	-
660.5252	Parts of aircraft engines designed for use in civil aircraft	3	-
818.3100	Food products, n.s.p.f., donated for relief or charity	1	-
	Total	696	186
	Total, U.S. exports to Cuba	696	229

1/ Schedule B No. 818.8000 did not exist prior to Jan. 1, 1984. Shipments valued \$10,000 and under, not identified by kind, were previously evaluated and assigned to appropriate numbers within the first 7 schedules.

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

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

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

TSUSA item No.	Description	Jan.-Sept. 1984	July-September-- 1983	July-September-- 1984
653.2200	Metal coins, n.e.s.	1,000 dollars	1,000 dollars	1,000 dollars
800.0035	Products of the United States, returned after being exported	\$2 1/3	-	-
	Total, U.S. imports from Cuba	3	-	-
	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 the totals shown.

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

Schedule B No.	Description	Jan.-Sept. 1984		July-September--	
		1,000 dollars	1,000 dollars	1983	1984
120.1400	Cattle hides, whole	\$19,601	\$4,057		\$7,455
480.7050	Concentrated superphosphates	7,176	3,117		5,925
480.7025	Phosphoric acid, 65 percent or more available phosphorus pentoxide equivalents	2,582	-		2,582
480.7015	Phosphoric acid, less than 65 percent available phosphorus pentoxide equivalents	1,082	-		1,082
207.0035	Wooden pencil slats	1,020	388		146
486.2900	Insecticides, unmixed, n.e.s.	898	-		-
170.4300	Leaf tobacco, n.e.s.	818	-		762
674.3045	Metalworking machine tools, for cutting or hobbing gears, new, n.s.p.f.	789	-		347
170.3340	Burley cigarette leaf filler tobacco, stemmed	736	-		736
790.5510	Pressure-sensitive tape having a plastic backing	669	-		280
124.1527	Muskrat furskins, whole, undressed	585	181		40
309.0170	Monofilaments (in continuous form), n.e.s.	456	239		101
660.9490	Parts and attachments, n.s.p.f., for pumps for liquids	417	3		-
404.3940	Nitrogen function compounds n.s.p.f., and their derivatives	395	-		395
711.8750	Electrical (including electronic) physical analysis equipment, n.s.p.f., and parts thereof	394	134		297
540.4200	Glass rods, tubes, and tubing	303	181		-
682.9520	Primary cells and primary batteries	276	82		94
273.4000	Plans and drawings for industrial, architectural, engineering, commercial or similar purposes; manuscripts and copies of data	271	-		-
664.0509	Oil and gas field drilling machines, other than rotary	205	-		205
818.9000	General merchandise, valued not over \$500	204	67		71
	Total	38,879	8,449		20,518
	Total, U.S. exports to Czechoslovakia	45,371	11,718		22,858

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

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

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

TSUSA item No.	Description	Jan.-Sept. 1984		July-September--	
		1,000 dollars	1,000 dollars	1983	1984
192.2520	Hops, not in pellets	\$6,108	-	-	-
700.2940	Welt work footwear, of leather, valued over \$6.80 per pair	4,265	1,455	-	1,454
607.6625	Plates not pickled and not cold rolled other than alloy iron or steel over 6 inches in thickness	3,980	1/	-	3,572
692.3406	Agricultural tractors, power takeoff horsepower of 40 or more but less than 80	3,368	-	-	1,346
607.1700	Wire rods, of iron or steel, not tempered or treated, valued over 4 cents per pound	2,726	813	-	1,051
772.5138	Truck and bus tires, other than radial	2,157	912	-	844
772.5112	Passenger car tires, other than radial	1,467	162	-	495
607.8360	Sheets, not clad, pickled or cold rolled, not annealed and having a minimum yield point of 40,000 psi	1,463	-	-	1,220
335.9500	Woven fabrics, n.s.p.f., of vegetable fibers, n.e.s., weighing over 4 ounces per square yard	1,451	205	-	505
741.3000	Beads, bugles, and spangles, n.e.s.	1,344	332	-	452
107.3525	Canned hams and shoulders, 3 pounds and over	1,257	-	-	749
772.5129	Tires for light trucks, other than radials	1,201	310	-	373
546.6020	Glass tumblers, etc., valued over \$0.30 but not over \$3 each	1,167	670	-	642
741.3500	Imitation gemstones, except imitation gemstone beads	1,068	355	-	378
700.2960	Men's welt footwear, of leather, n.e.s., valued over \$6.80 per pair	1,034	64	-	253
167.0515	Ale, porter, stout, and beer, glass containers, not over 1 gallon	1,022	263	-	356
772.5109	Passenger car tires, radial	975	337	-	327
437.3000	Antibiotics, natural and not artificially mixed	901	321	-	660
740.3800	Jewelry, valued over 20 cents per dozen pieces or parts, other than watch bracelets	823	151	-	449
727.1500	Furniture and parts, of bentwood	790	175	-	346
	Total	38,566	6,525	-	15,471
	Total, U.S. imports from Czechoslovakia	62,644	14,345	-	25,769

129

1/ TSUSA item 607.6625, along with TSUSA item 607.6620, were created on Jan. 1, 1984, from former TSUSA item 607.6615.

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

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

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

Schedule B No.	Description	Jan.-Sept.	July-September--	
		1984	1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
130.3465	Yellow corn, not donated for relief or charity	\$46,785	-	\$18,208
130.4040	Grain sorghum, other than seed for planting purposes	15,135	-	-
175.5140	Sunflower seed, other than confectionery	11,671	1/	5,163
130.1040	Barley, other than for malting purposes	7,045	4,763	-
175.4100	Soybeans, other than seed for planting	3,607	-	-
433.1035	Compound catalyst preparations, other than of nickel	2,730	-	-
605.5660	Platinum products n.s.p.f., not rolled, including alloys of platinum and gold- or silver-plated platinum	2,208	-	-
692.3150	Tracklaying tractors, new, with net engine horsepower of at least 260 but less than 345	1,350	-	1,350
692.3135	Tracklaying tractors, new, with a net engine horsepower rating of at least 125 horsepower, but less than 160 horsepower	799	-	492
355.0740	Textile webs, batting, and non-woven fabrics, of manmade fibers, n.e.s.	603	42	-
540.4200	Glass rods, tubes, and tubing	595	-	-
300.3021	Cotton linters, n.e.s.	367	210	143
544.1000	Flat glass (including cast, rolled, drawn, or blown glass, and float glass) n.e.s., subjected to cutting or processing	354	-	-
106.9200	Swine livers	330	-	269
668.2047	Printing presses, n.s.p.f.	225	-	62
664.0584	Parts, n.e.s., of oil and gas field drilling machines	197	-	-
472.5000	Titanium dioxide pigments	128	-	-
668.5060	Parts, n.s.p.f., for printing presses	119	-	-
692.3140	Tracklaying tractors, new, with a net engine horsepower rating of at least 160 horsepower, but less than 260 horsepower	101	-	-
124.1527	Muskat-furskins, whole, undressed	99	-	99
	Total	94,447	5,014	25,785
	Total, U.S. exports to East Germany	96,121	12,140	26,190

1/ Schedule B No. 175.5140 was created along with No. 175.5120 from former No. 175.5100 on Jan. 1, 1984.

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

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

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

TSUSA item No.	Description	Jan.-Sept. 1984		July-September--	
		<u>1,000 dollars</u>		<u>1,000 dollars</u>	1984
607.8360	Sheets, not clad, pickled or cold rolled, not annealed and having a minimum yield point of 40,000 psi	\$20,279	\$126		\$14,492
607.1700	Wire rods, of iron or steel, not tempered or treated, valued over 4 cents per pound	9,760	83		3,877
607.6625	Plates not pickled and not cold rolled other than alloy iron or steel over 6 inches in thickness	8,177	1/		5,895
480.5000	Potassium chloride, crude	7,149	-		-
608.1330	Sheets of iron or steel, valued over 10 cents per lb, zinc coated, other than a minimum 40,000 lbs psi	5,498	290		3,366
772.5109	Passenger car tires, radial	4,151	1,666		1,371
480.3000	Urea, n.e.s.	3,001	-		730
668.2345	Printing presses, not letter or offset	2,564	665		1,097
668.5060	Parts of printing presses	1,698	436		730
772.5112	Passenger car tires other than radial	1,626	555		528
668.2100	Offset printing presses, weighing 3,500 pounds or more, sheet-fed type	1,455	1,092		720
772.5127	Radial tires for light trucks	1,234	453		663
772.5136	Truck and bus tires, radial	1,167	559		566
121.5000	Pig and hog leather	1,122	2		437
494.2000	Montan wax	754	380		276
607.2300	Wire rods, other than alloy iron and steel, tempered or treated, valued over 4 cents per pound	717	-		616
772.5129	Tires for light trucks, other than radials	712	410		218
676.0510	Typewriters, electric, nonautomatic, portable	653	278		20
708.7600	Compound optical microscopes, other	649	70		263
725.0320	Grand pianos	607	-		377
	Total	72,973	7,066		36,243
	Total, U.S. imports from East Germany	91,265	13,450		43,719

1/ TSUSA item 607.6625, along with TSUSA item 607.6620, were created on Jan. 1, 1984, from former TSUSA item 607.6615.

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

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

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

Schedule B No.	Description	July-September--	
		1983	1984
		1,000 dollars	1,000 dollars
184.5260	Soybean oil cake and oil-cake meal	\$8,855	\$18,074
692.3840	Parts of tractors, other than tracklaying tractors	4,763	216
120.1400	Cattle hides, whole	4,501	401
480.8010	Monoammonium phosphate fertilizers and fertilizer materials	3,252	-
435.3300	Corticosteroids, n.s.p.f. (bulk)	1,786	-
480.7050	Concentrated superphosphates	1,739	2,704
540.4200	Glass rods, tubes, and tubing	1,461	560
660.4872	Gasoline engines, not aircraft, automobile, or marine, under 6 brake horsepower	1,392	-
666.0059	Agricultural and horticultural machinery and implements, n.s.p.f.	951	-
674.3598	Other new (including container making) metal-forming machine tools valued at least \$2,500 each, n.e.s.	877	-
182.9752	Vegetable protein isolates derived from oil seeds	756	232
431.0800	Hydrocarbon derivatives, other than halogenated hydrocarbons	626	-
100.0220	Chickens, breeder stock, live	590	-
423.1090	Inorganic chemical compounds, n.s.p.f.	520	-
123.0000	Whole skins of sheep and lamb, not dressed, if suitable for use as furs	517	178
404.3000	Amines and their derivatives	504	261
191.1520	Bull semen (bovine)	492	170
692.2985	Parts, n.s.p.f., of motor vehicles	477	3
431.4890	Polyamines and their salts and derivatives, n.s.p.f.	473	123
124.1527	Muskkrat furskins, whole, undressed	441	-
	Total	34,973	22,922
	Total, U.S. exports to Hungary	49,797	33,395

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

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

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

TSUSA item No.	Description	Jan.-Sept. 1984		July-September--	
		1,000 dollars	1,000 dollars	1983	1984
692.3288	Parts for motor vehicles, n.e.s.	\$31,058	\$5,213		\$12,214
107.3525	Canned hams and shoulders, 3 pounds and over	20,714	4,742		7,862
618.2563	Sheets and strip, not clad, other than alloyed aluminum in coils, unpainted, over .008 but not .017 inch in thickness	10,444	1/		5,197
686.9030	Lamps n.e.s., including standard household	9,164	1,725		2,997
692.3460	Parts for agricultural tractors	7,762	206		3,315
700.4540	Women's footwear, of leather, cement soles, valued over \$2.50 per pair	5,552	3,530		1,478
692.0440	Motor buses, n.s.p.f., (including diesel)	2,546	1,189		1,384
772.5136	Truck and bus tires, radial	2,415	627		979
107.3040	Bacon, not boned and cooked	2,320	523		609
165.1500	Apple and pear juice, not containing over 1 percent alcohol	2,256	161		-
765.0300	Paintings, pastels, drawings, and sketches, executed by hand	1,991	52		18
607.6610	Plates, not pickled or cold rolled, other than alloy iron or steel in coils	1,947	-		1,378
379.8355	Men's wool suits, not knit, not ornamented	1,901	480		1,044
661.9500	Centrifuges, filtering and purifying machinery, except cast iron parts	1,867	354		954
379.9565	Men's suits, n.e.s., man-made fibers	1,728	332		444
607.6720	Sheets, not pickled or cold rolled, other than alloy iron or steel, in coils with untrimmed edges	1,703	-		1,703
644.1200	Aluminum foil, not backed or cut to shape, over .00035 inch in thickness valued over 55 cents per pound	1,541	598		674
379.8315	Men's and boys' overcoats topcoats and car coats of wool not knit valued over \$4 per pound	1,473	381		1,014
607.6730	Sheets, not pickled or cold rolled, other than alloy iron or steel, in coils with trimmed edges	1,406	-		918
612.3982	Brass strips under 1/16 inch in thickness	1,318	317		461
	Total	111,106	20,431		44,644
	Total, U.S. imports from Hungary	168,468	38,730		66,855

1/ TSUSA item 618.2563, along with TSUSA item 618.2560, were created on Jan. 1, 1984, from former TSUSA item 618.2565.

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

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

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

Schedule B No.	Description	Jan.-Sept.	July-September--
		1984	1983 1984
		1,000 dollars	1,000 dollars
683.9525	Industrial and laboratory electric furnaces and ovens	\$31	-
674.5460	Parts, n.s.p.f., of machine tools n.s.p.f.	21	-
270.3020	Bibles, testaments, and other religious books	17	-
818.9000	General merchandise, valued not over \$500	14	-
661.7640	Parts of centrifuges	7	-
274.9540	Printed matter, n.s.p.f.	6	-
709.1690	Parts of electro-medical apparatus	6	-
676.5560	Parts of automatic data processing machines and units thereof, n.s.p.f.	5	-
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	1	-
712.1520	Instruments and apparatus for measuring or detecting alpha, beta, gamma, X-ray, cosmic or similar radiations	1	8
818.3900	Products, n.e.s., donated for relief or charity	1	3
649.2800	Saw blades n.s.p.f. for mechanical or non-mechanical saws	1	-
	Total	112	11
	Total, U.S. exports to Mongolia	112	82

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

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

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

TSUSA item No.	Description	July-September--	
		Jan.-Sept. 1984	1983
		1,000 dollars	1,000 dollars
306.4293	Camel hair, sorted, etc	\$829	\$158
306.6200	Cashmere goat hair, sorted, etc	821	-
306.4192	Camel hair, not sorted, etc	584	-
383.6371	Women's, sweaters, wool, knit other than cashmere	39	-
	Total	2,274	158
	Total, U.S. imports from Mongolia	2,274	178

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

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

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

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

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

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

TSUSA item No.	Description	Jan.-Sept. 1984	July-September 1983	July-September 1984
537.1435	Ceramic insulators used in sparks plugs for internal combustion engines, n.s.p.f.	1,000 dollars	1,000 dollars	1,000 dollars
706.0700	Handbags of leather valued not over \$20 each	\$13 1/2	-	-
	Total	14	-	-
	Total, U.S. imports from North Korea	14	-	-
	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 the totals shown.

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

Schedule B No.	Description	Jan.-Sept. 1984	July-September 1983	July-September 1984
		1,000 dollars	1,000 dollars	1,000 dollars
184.5260	Soybean oil cake and oil-cake meal	\$39,772	\$10,762	\$10,864
818.3900	Products, n.e.s., donated for relief or charity	23,413	10,511	5,623
480.9500	Fertilizers and fertilizer materials, n.s.p.f.	22,925	-	7,823
130.3465	Yellow corn, not donated for relief or charity	22,891	11,214	4,709
116.0100	Butter	16,480	406	7,229
175.4100	Soybeans, other than seed for planting	13,539	8,793	-
120.1400	Cattle hides, whole	10,838	-	3,650
130.6540	Wheat, unmilled, not donated for relief or charity	7,837	2,507	2,586
131.4030	Wheat flour, n.e.s., donated for relief or charity	7,190	1,964	1,551
176.5260	Soybean oil, n.e.s., donated for relief or charity	6,332	1,096	1,222
818.3400	Wearing apparel donated for relief or charity	5,338	1,049	2,626
115.5020	Nonfat dry milk, donated for relief or charity	4,808	2,300	1,988
818.3100	Food products, n.s.p.f., donated for relief or charity	4,740	1,790	3,424
664.0588	Parts, n.e.s., of excavating machinery, n.e.s.	4,629	161	1,220
818.8000	Shipments valued \$10,000 and under, not identified by kind	3,631	1/ 743	815
170.6500	Cigarettes	2,805	-	1,263
818.4000	Used wearing apparel and other used articles, of textile materials, exported in bulk	2,679	956	1,058
177.7390	Animal oils, fats, and greases, n.s.p.f.	2,555	984	302
309.4245	Acrylic and modacrylic fibers (in noncontinuous form)	2,551	264	852
309.4242	Polyester fibers (in noncontinuous form)	1,937	606	744
	Total	206,888	56,106	59,549
	Total, U.S. exports to Poland	240,785	75,836	71,697

1/ Schedule B No. 818.8000 did not exist prior to Jan. 1, 1984. Shipments valued \$10,000 and under, not identified by kind, were previously evaluated and assigned to appropriate numbers within the first 7 schedules.

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

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

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

TSUSA item No.	Description	Jan.-Sept. 1984	July-September--
		1,000 dollars	1983 1,000 dollars
107.3525	Canned hams and shoulders, 3 pounds and over	\$55,408	\$17,239
609.8041	Channels, other than alloy iron or steel, maximum cross-sectional dimension of 3 inches or more	6,591	65
335.9500	Woven fabrics, n.s.p.f., of vegetable fibers, n.e.s., weighing over 4 ounces per square yard	4,680	606
379.8355	Men's wool suits, not knit, not ornamented	3,585	1,522
646.2622	Brads, nails, etc., of iron or steel, smooth shank, 1 inch or more in length, uncoated	3,143	846
607.6625	Plates not pickled and not cold rolled other than alloy iron or steel over 6 inches in thickness	3,048	1/
646.2626	Brads, nails, etc., of iron or steel, smooth shank, 1 inch or more in length, coated	2,774	434
493.1200	Casein	2,500	1,459
727.1500	Furniture and parts, of bentwood	2,238	481
383.7550	Women's suits, n.e.s., not knit, wool	2,123	684
686.9030	Lamps n.e.s., including standard household	2,111	296
383.3415	Women's cotton raincoats, n.e.s., 3/4 length or longer	2,063	939
379.4620	Men's and boys' suit-type sport coats and jackets made of corduroy	1,940	1,175
521.3180	Coal, n.e.s., including lignite, but not including peat	1,896	-
521.3160	Coal, compositions used for fuel	1,829	-
146.7630	Strawberries in containers holding more than 40 ounces	1,596	739
686.9020	Decorative lamps, 150 watts and under	1,564	31
192.2520	Hops, not in pellets	1,555	-
383.8073	Women's and girls' sweaters knit, of man-made fibers	1,468	286
692.1090	Automobile trucks, valued under \$1,000	1,453	637
	Total	103,563	27,438
	Total, U.S. imports from Poland	156,088	44,115
			\$21,864
			3,482
			1,750
			1,732
			1,144
			2,318
			803
			658
			655
			905
			917
			583
			1,214
			-
			1,829
			710
			1,092
			258
			853
			332
			43,101
			62,059

1/ TSUSA item 607.6625, along with TSUSA item 607.6620, were created on Jan. 1, 1984, from former TSUSA item 607.6615.

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

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

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

Schedule No.	Description	Jan.-Sept. 1984		July-September 1983		July-September 1984	
		1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars		
175.4100	Soybeans, other than seed for planting	\$106,533	-	18,516	-	8,362	
120.1400	Cattle hides, whole	26,575	-	-	-	5,370	
480.9500	Fertilizers and fertilizer materials, n.s.p.f.	13,865	-	5,463	-	2,807	
521.3110	Low volatile bituminous coal	13,382	-	-	-	3,969	
660.3040	Parts, n.s.p.f., of steam turbines	3,969	-	-	-	-	
676.5560	Parts of automatic data processing machines and units thereof, n.s.p.f.	3,779	679	-	-	1,161	
404.0580	Hydrocarbons, except derivatives, n.e.s.	1,822	-	-	-	-	
170.6500	Cigarettes	1,671	-	1,259	-	212	
130.3440	Corn seed, except sweet, not donated for relief or charity	1,782	-	-	-	-	
120.1755	Cattle hides cut into coupons, crops, dossets, sides, butts, or butt bends	769	-	-	-	769	
250.0284	Wood pulp, special alpha and dissolving grades	645	-	-	-	275	
431.1070	Methyl alcohol	611	-	-	-	-	
459.6000	Aromatic and odoriferous substances, mixed, n.s.p.f.	532	213	-	-	31	
688.4030	Electrical parts of capacitors, n.s.p.f.	436	-	-	-	92	
273.4000	Plans and drawings for industrial, architectural, engineering, commercial or similar purposes; manuscripts and copies of data	424	14	-	-	50	
818.3100	Food products, n.s.p.f., donated for relief or charity	377	-	-	-	134	
520.2410	Powder or dust of industrial diamonds, natural or synthetic, not set or suitable for use in the manufacture of jewelry	367	125	-	-	367	
745.7300	Slide fasteners	364	31	-	-	38	
446.1521	Polychloroprene (neoprene) synthetic rubber	338	419	-	-	338	
490.2810	Fatty acids of animal or vegetable origin, n.s.p.f., derived from tall oil, containing less than 2 percent rosin	249	-	-	-	183	
	Total	177,491	26,719	33,439	-	24,158	
	Total, U.S. exports to Romania	183,782	33,439	-	-	26,082	

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

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

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

TSUSA item No.	Description	Jan.-Sept.	July-September--	
		1984	1983	1984
		1,000 dollars	1,000 dollars	1,000 dollars
475.3500	Naphthas, derived from petroleum, etc., n.e.s.	\$162,430	-	\$63,939
475.2520	Gasoline	107,372	51,322	38,344
475.6530	Mixtures of hydrocarbons n.s.p.f. in liquid form, other than condensate derived wholly from natural gas			
480.3000	Urea, n.e.s.	85,000	-	29,650
618.2563	Sheets and strip, not clad, other than alloyed aluminum in coils, unpainted, over .008 but not .017 inch in thickness	14,631	1/	7,040
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	13,392	28,242	-
607.6625	Plates not pickled and not cold rolled other than alloy iron or steel over 6 inches in thickness	12,908	2/	12,884
475.0535	Crude petroleum, testing under 25 degrees A.P.I. (heavy fuel oils)	11,147	10,052	11,147
480.6510	Ammonium nitrate	8,738	849	4,797
379.9565	Men's suits, n.e.s., man-made fibers	8,320	74	3,148
610.4225	Oil well casing, other than alloy steel, seamless	7,483	274	1,034
480.6550	Nitrogen solution	6,338	683	2,172
700.4540	Women's footwear, of leather, cement soles, valued over \$2.50 per pair	5,255	4,903	3,067
130.3000	Seed corn or maize, certified	4,829	-	-
546.6640	Glass tableware (other than tumblers and stemware), kitchen and cookware valued over \$3 but not over \$5	4,649	1,027	1,108
706.1310	Brief cases, school bags, photographic equipment bag, camera cases of leather	4,636	3/	2,234
546.6020	Glass tumblers, etc., valued over \$0.30 but not over \$3 each	4,463	2,126	1,175
360.1515	Floor coverings of wool, valued over 66-2/3 cents per square foot	4,169	1,152	2,050
310.5049	Yarns wholly of noncontinuous man-made fibers plied, acrylic	3,979	1,617	1,657
727.1500	Furniture and parts, of bentwood	3,820	988	1,315
	Total	499,033	104,269	194,879
	Total, U.S. imports from Romania	670,321	164,164	279,605

1/ TSUSA item 618.2563, along with TSUSA item 618.2560, were created on Jan. 1, 1984, from former TSUSA item 618.2565.  
 2/ TSUSA item 607.6625, along with TSUSA item 607.6620, were created on Jan. 1, 1984, from former TSUSA item 607.6615.  
 3/ TSUSA item 706.1310, along with TSUSA item 706.1305, were created on Jan. 1, 1984, from former TSUSA items 706.1320 and 706.1340.

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

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

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

Schedule B No.	Description	Jan.-Sept.	July-September--
		1984	1983 1984
		1,000 dollars	1,000 dollars
818.3900	Products, n.e.s., donated for relief or charity	\$12,955	\$3,467
818.9000	General merchandise, valued not over \$500	2,842	631
818.3100	Food products, n.s.p.f., donated for relief or charity	340	-
818.4000	Used wearing apparel and other used articles, of textile materials, exported in bulk	184	-
772.0400	Household articles n.s.p.f., of rubber or plastics	47	12
709.1690	Parts of electro-medical apparatus	6	-
818.3300	Medicinal and pharmaceutical products donated for relief or charity	6	9
270.4040	Books, n.s.p.f.	3	-
818.8000	Shipments valued \$10,000 and under, not identified by kind	3	1/
818.3400	Wearing apparel donated for relief or charity	1	-
320.1330	Broadwoven sheeting (including osnaburgs) of cotton, not bleached and not colored	1	-
442.7900	Vitamin, nutrient, and hematonic preparations, for human use, n.e.s.	1	-
	Total	16,389	4,120
	Total, U.S. exports to Vietnam	16,389	4,180

1/ Schedule B No. 818.8000 did not exist prior to Jan. 1, 1984. Shipments valued \$10,000 and under, not identified by kind, were previously evaluated and assigned to appropriate numbers within the first 7 schedules.

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

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

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

TSUSA item No.	Description	Jan.-Sept. 1984	July-September--
		1,000 dollars	1983 1,000 dollars
766.2560	Antiques, n.s.p.f.	\$62	-
209.3300	Wood dowel rods and pins, plain hardwood	6	-
383.6374	Women's, sweaters, wool, knit other than cashmere	2	-
	Total	71	8
	Total, U.S. imports from Vietnam	71	8

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

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



## 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.

Aircraft and aircraft components: U.S. exports to China; No. 37, pp. 56-57

Albania: U.S. exports and imports, annual; No. 1, pp. 42-43 (incl. table); No. 5, p. 57; No. 9, p. 72; No. 13, pp. 52-53; No. 17, pp. 70-71; No. 21, p. 80; No. 25, pp. 111-113; No. 29, p. 119

Alcoholic beverages: see Vodka

Aluminum:

U.S. exports and imports; No. 8, pp. 34-37 (incl. table)  
U.S. imports; No. 14, pp. 26-30 (incl. table)  
U.S. exports to China; No. 37, p. 56

Ammonia:

U.S. imports from the U.S.S.R.; No. 16, pp. 26-32 (incl. tables); No. 20, p. 20; No. 21, pp. 27-28; No. 33, p. 72; No. 37, p. 75; No. 40, pp. 70-72  
U.S. imports from China; No. 34, p. 34

Animal and vegetable products:

see also Down and feathers, Hides and skins, Mushrooms, and Rabbit meat  
U.S. imports; No. 6, pp. 17-21 (incl. table)

Antimony oxide: U.S. imports from China; No. 6, p. 34; No. 9, p. 33

Apparel: see Textile and textile products

Aspirin: U.S. imports; No. 6, p. 33

Barium chloride and barium carbonate: U.S. imports from China; No. 37, pp. 46-47; No. 40, pp. 60-61

Bicycles: U.S. imports; No. 6, p. 50

Bulgaria: U.S. exports and imports, annual; No. 1, pp. 39-41 (incl. table); No. 5, pp. 53-55 (incl. table); No. 9, pp. 66-70, (incl. table); No. 13, pp. 49-52 (incl. table); No. 17, pp. 66-69 (incl. table); No. 21, pp. 75-79 (incl. table); No. 25, pp. 99-103 (incl. table); No. 29, pp. 104-108

Canned hams: see Hams, canned

Carbon steel wire rod: U.S. imports from Czechoslovakia; No. 38, pp. 52-53; No. 40, pp. 58-59  
 U.S. imports from Poland; No. 37, pp. 96-97; No. 38, pp. 52-53; No. 40, pp. 58-59  
 U.S. imports from East Germany; No. 40; p. 59

Ceramic kitchenware and tableware: U.S. imports from China; No. 31, pp. 40-41; No. 32, pp. 33-34, No. 33, p. 42  
 Imports from China and the U.S. market; No. 32, pp. 52-60; No. 40, pp. 74-80

Chemical products:  
 U.S. imports; No. 2, pp. 36-46 (incl. tables); No. 6, pp. 31-36 (incl. table)  
 U.S. imports from East Germany; No. 17, p. 59

Chicory roots, crude: U.S. imports; No. 6, p. 21

China:

Economic developments; No. 29, pp. 25-29; No. 33, pp. 33-34; No. 37, pp. 33-34  
 Eximbank financing; No. 23, pp. 23-25; No. 24, pp. 34-35; No. 26, p. 37; No. 32, pp. 32-33, No. 33, pp. 36-37  
 Joins International Monetary Fund; No. 22, p. 65; No. 23, pp. 21-23  
 Most Favored Nation status; No. 19, p. 19; No. 20, p. 19; No. 22, p. 61; No. 23, pp. 31-32; No. 27, pp. 50-52; No. 19, p. 30; No. 31, pp. 39-40; No. 33, pp. 35-36; No. 35, pp. 36-37; No. 37, pp. 39-40; No. 40, pp. 51-53  
 Overseas Private Investment Corporation; No. 23, pp. 25-26; No. 38, pp. 43, 44  
 Textiles; No. 24, pp. 47-85; No. 26, pp. 45-66; No. 37, pp. 43-45  
 Textile agreement with the EC; No. 33, p. 44-45; No. 37, p. 50  
 U.S.-China textile agreement; No. 24, pp. 78-85; No. 36, pp. 43-44; No. 37, pp. 38-39  
 U.S.-China income tax treaty; No. 38, p. 45; No. 40, p. 51  
 U.S.-China Joint Commission on Commerce and Trade; No. 38, pp. 43-44  
 U.S.-China Bilateral Agreements; No. 24, pp. 36-38; No. 37, 38-43  
 U.S.-China Joint Economic Committee; No. 24, p. 33; No. 33, pp. 41-42; No. 38, pp. 43, 44  
 U.S.-China textile negotiations; No. 19, p. 20; No. 23, pp. 26-27; No. 24, pp. 78-85; No. 26, p. 40; No. 33, p. 39-40; No. 33, pp. 39-40; No. 34, pp. 26-29; No. 35, pp. 34-35  
 U.S. exports and imports, annual; No. 1, pp. 10-12 (incl. table); No. 5, pp. 24-29 (incl. table); No. 9, pp. 27-33 (incl. table); No. 13, pp. 19-23 (incl. table); No. 17, pp. 23-30 (incl. table); No. 21, pp. 28-38 (incl. table); No. 25, pp. 33-48 (incl. table); No. 29, pp. 36-43 (incl. table); No. 33, pp. 45-52 (incl. table); No. 37, pp. 31-33 (incl. table) and pp. 50-60  
 U.S. export controls; No. 27, pp. 54-56; No. 29, pp. 32-34; No. 33, pp. 38-39; No. 35, pp. 33-36; No. 36, pp. 44-48; No. 37, pp. 35-36  
 World Bank loan; No. 27, pp. 52-54

Chloropicrin: U.S. imports from China; No. 35, p. 40; No. 36, p. 52; No. 37, pp. 45-46; No. 38, pp. 49-50

Chrome ore:

U.S. imports from Albania; No. 21, p. 80  
 U.S. imports from the U.S.S.R.; No. 9, p. 21

Clothespins:

- U.S. imports; No. 6, pp. 47-49 (incl. table); No. 28, p. 43
- U.S. imports from China; No. 15, p. 16; No. 16, p. 17; No. 17, p. 29
- U.S. imports from Poland; No. 15, p. 16; No. 16, p. 17; No. 17, pp. 35-36
- U.S. imports from Romania; No. 15, p. 16; No. 16, p. 17

Clothing: see also Textile and textile products

- U.S. imports; No. 6, p. 30; No. 8, pp. 25-27 (incl. table)
- U.S. imports from China; No. 9, pp. 31-32; No. 33, p. 51; No. 37, pp. 57-59

Coal:

- U.S. exports to East Germany; No. 21, p. 68
- U.S. exports to Romania; No. 13, p. 35
- U.S. exports to Yugoslavia; No. 21, p. 51
- U.S. imports from Poland; No. 13, p. 28; No. 17, p. 37; No. 21, p. 46

Cocoa butter: U.S. imports from China; No. 33, p. 52Commodity Control List (CCL): see Export controls, U.S.

Commodity Credit Corporation (CCC): No. 9, p. 37; No. 5, p. 32; No. 12, p. 24; No. 13, pp. 17-18, p. 26, p. 34; No. 16, p. 12; No. 17, p. 27, p. 34, p. 46, p. 60; No. 21, p. 33, p. 42, p. 53, p. 56; No. 24, pp. 41-42; No. 29, p. 68; No. 36, p. 50; No. 40, p. 51

Computers and computer parts: U.S. exports to the U.S.S.R., No. 23, p. 46.

Coordinating Committee for Multilateral Export Controls (COCOM): No. 22, p. 42; No. 23, pp. 28-29; No. 37, p. 36; No. 37, pp. 36 and 67-68; No. 40, pp. 55-57

Copper and copper articles:

- U.S. imports from Poland; No. 21, p. 45
- U.S. imports from Yugoslavia; No. 6, p. 44; No. 7, pp. 45-49 (incl. table); No. 9, p. 40; No. 13, p. 31
- U.S. imports from the U.S.S.R.; No. 37, p. 75
- U.S. exports to the U.S.S.R.; No. 33, p. 69

Cotton: see also Textile and textile products

- U.S. exports to China; No. 21, p. 34; No. 26, pp. 45-66; No. 33, p. 46-47; No. 37, pp. 52-53
- U.S. exports to Hungary; No. 21, p. 73
- U.S. exports to Romania; No. 21, p. 56
- U.S. imports; No. 8, pp. 18-24 (incl. tables)
- U.S. imports from China; No. 6, pp. 26-29 (incl. table); No. 8, pp. 18-24 (incl. table); No. 9, pp. 31-32; No. 24, pp. 63-77

Cotton shop towels:

- U.S. imports from China; No. 32, pp. 36-37; No. 33, 42-44; No. 35, p. 4; No. 36, p. 51; No. 37, pp. 43-44

Countervailing duty law, application to NME's: No. 36, pp. 51-52; No. 37, pp. 43-45; No. 38, pp. 52-53; No. 40, pp. 58-59

Cuba: U.S. exports and imports, annual; No. 1, pp. 44-45 (incl. table); No. 5, p. 56; No. 9, p. 71; No. 13, p. 53; No. 17, pp. 70-71; No. 21, p. 81; No. 25, p. 114; No. 29, p. 119

Czechoslovakia:

Membership in the General Agreement on Tariffs and Trade; No. 37, p. 96  
 U.S.-Czechoslovakian financial claims; No. 23, pp. 32-33; No. 29, p. 73  
 U.S. exports and imports, annual; No. 1, pp. 28-31 (incl. table); No. 5,  
 pp. 43-45 (incl. table); No. 9, pp. 53-56 (incl. table); No. 13, pp. 37-41  
 (incl. table); No. 17, pp. 49-54 (incl. table); No. 21, pp. 61-65; No. 25,  
 pp. 94-99; No. 29, pp. 114-118

Democratic Republic of Germany: see Germany, East

Diamonds: U.S. imports from the U.S.S.R.; No. 9, p. 21; No. 13, p. 19

Dolls and stuffed toy animals: Imports from China and the U.S. market;  
 No. 40, pp. 87-95

Down and feathers:

U.S. imports; No. 16, pp. 19-25 (incl. tables)  
 U.S. imports from China; No. 13, p. 22; No. 16, pp. 19-25 (incl. tables);  
 No. 17, p. 30; No. 21, p. 37; No. 33, p. 52  
 U.S. imports from Yugoslavia; No. 13, pp. 31-32

Eastern Europe: No. 29, pp. 64-82; No. 33, pp. 45-89; No. 37, pp. 79-107

East Germany: see Germany, East

East-West Trade Statistics Monitoring System: Imports from NME's in relation  
 to the U.S. market; No. 31, pp. 43-63 (incl. tables); No. 35, pp. 43-59 (incl.  
 tables); No. 39, pp. 37-51 (incl. tables)

Energy development; No. 30, pp. 31-35

Export Administration, Office of: See also Export controls.

U.S. changes in control status country group designations; No. 23,  
 pp. 29-30; No. 36, p. 44-45

Export controls, Austria: proposed law to support U.S. controls; No. 40, p. 57

Export controls, U.S.: No. 18, p. 19; No. 20, pp. 43-44; No. 21, pp. 9-18;  
 No. 22, pp. 19-59 (incl. tables and figure); No. 23, pp. 27-31, pp. 35-45  
 (incl. tables); No. 24, p. 35; No. 27, pp. 39-47 and pp. 54-56; No. 30, pp.  
 25-27; No. 31, pp. 30-33; No. 32, pp. 29-30; No. 29, pp. 32-34; No. 33, pp.  
 38-39 and pp. 58-59; No. 35, pp. 33-34; No. 36, pp. 44-48; No. 37, pp. 35-36  
 and 65; No. 38, pp. 46-48, and pp. 55-65; No. 40, pp. 53-55

Export credit restraints, OECD: No. 31, pp. 33-35; No. 33, p. 60; No. 37,  
 pp. 66-67

Export-Import Bank (Eximbank) financing:

for China; No. 22, p. 62; No. 23, pp. 23-25; No. 24, pp. 34-35; No. 26,  
 p. 37; No. 32, pp. 32-33; No. 33, pp. 36-37  
 for Hungary; No. 20, p. 21  
 for Romania; No. 20, p. 21; No. 27, pp. 48-50; No. 29, pp. 70-71

Feathers: see Down and feathers

Ferroalloys and nonferrous metals: U.S. imports; No. 6, pp. 44-45; No. 7,  
 pp. 37-44 (incl. tables)

U.S. imports from U.S.S.R.; No. 37, pp. 68 and 75; No. 38, pp. 50-51

Fibers, flax and hemp:

U.S. imports; No. 6, p. 24

U.S. manmade fiber exports to China; No. 33, pp. 47-48

Fibers, manmade: U.S. exports to China; No. 26, pp. 58-66; No. 33, p. 47-48; No. 37, p. 54

Fibrous vegetable materials: U.S. imports from China; No. 6, pp. 23-24

Fireworks: U.S. imports from China; No. 6, pp. 50-51; No. 8, pp. 43-46 (incl. table)

Fishing agreements: U.S.-U.S.S.R.; No. 40, pp. 48-49  
U.S.-Poland; No. 40, p. 49

Flax: see Fibers, flax and hemp

Floor coverings: Imports from China and Romania and the U.S. market; No. 40, pp. 80-87

Footwear:

U.S. imports; No. 2, pp. 18-25 (incl. tables); No. 6, pp. 51-52; No. 8, pp. 38-42 (incl. table)

U.S. imports from Czechoslovakia; No. 21, p. 64

U.S. imports from Poland; No. 9, p. 34

U.S. imports from Romania; No. 9, p. 48 No. 11, pp. 17-25 (incl. tables); No. 13, p. 36; No. 21, pp. 58-59

U.S. imports from Yugoslavia; No. 19, pp. 25-37 (incl. tables)

Foreign Trade Statistics, changes in 1978: No. 14, pp. 16-19

Furniture, wooden: see Wood furniture

Furskins: Lifting of embargo on U.S. imports from China; No. 33, p. 37  
U.S. imports from U.S.S.R.; No. 37, p. 77

Gas, natural:

U.S. imports from the U.S.S.R.; No. 9, p. 18

U.S.S.R.-European gas pipeline; No. 28, p. 37-39; No. 32, pp. 29-30; No. 33, pp. 58-59

General Agreement on Tariffs and Trade (GATT):

Membership for Hungary; protocols of accession; No. 27, p. 79

Membership for Poland; protocols of accession; No. 27, pp. 77-79

Membership for Romania; protocols of accession; No. 27, p. 79

NME participation in; No. 27, pp. 57-93; No. 29, p. 77; No. 37, pp. 95-96

Generalized System of Preferences (GSP): No. 9, p. 41; No. 13, pp. 36-37; No. 17, p. 42, p. 49; No. 19, p. 19; No. 21, p. 30, p. 48, pp. 60-61; No. 22, p. 65

Germany, East: U.S. exports and imports, annual; No. 1, pp. 32-35 (incl. table); No. 5, pp. 49-52 (incl. table); No. 9, pp. 57-60 (incl. table); No. 13, pp. 41-46 (incl. table); No. 17, pp. 54-60 (incl. table); No. 21, pp. 65-69; No. 25, pp. 85-94 (incl. table); No. 29, pp. 98-103

Glass and glassware:

U.S. imports; No. 6, pp. 37-39; No. 8, pp. 28-33 (incl. tables); No. 19, pp. 38-54 (incl. tables)

U.S. imports from Romania; No. 5, p. 40; No. 9, pp. 15, 49

Gloves: see also Textile and textile products

U.S. imports from China; No. 13, p. 23; No. 14, p. 14; No. 17, p. 29; No. 36, pp. 78-83

Gold, nonmonetary:

U.S. imports; No. 14, pp. 20-21 (incl. table)

U.S. imports from the U.S.S.R.; No. 21, p. 25; No. 25, p. 60

Gold coins: U.S. imports from Hungary; No. 1, pp. 36-37; No. 5, p. 46; No. 33, p. 74

Golf cars: U.S. imports from Poland; No. 3, p. 16; No. 5, p. 32; No. 21, pp. 45-46; No. 23, pp. 33-34

Grain:

U.S. exports; No. 1, p. 13; No. 3, pp. 3-5 (incl. table); No. 4, pp. 2-4 (incl. table); No. 5, pp. 1-4 (incl. table); No. 6, pp. 1-5 (incl. table); No. 7, pp. 8-11 (incl. table); No. 8, pp. 6-8 (incl. table); No. 9, pp. 11-13 (incl. tables); No. 12, pp. 11-28 (incl. tables); No. 13, p. 9 (incl. table); No. 14, p. 10 (incl. table); No. 16, pp. 12-13 (incl. table); No. 17, pp. 12-13 (incl. table); No. 18, pp. 11-12 (incl. table); No. 19, pp. 14-15 (incl. table); No. 20, pp. 15-16 (incl. table); No. 21, p. 9 (incl. table); No. 22, p. 29 (incl. table); No. 23, pp. 5-9, 43-45 (incl. table); No. 31, pp. 11-15; No. 32, p. 12, pp. 30-32

U.S. exports to Bulgaria; No. 12, p. 28; No. 17, p. 68; No. 21, p. 78

U.S. exports to China; No. 9, pp. 27-29; No. 12, pp. 23-24; No. 15, p. 12; No. 17, pp. 26-27; No. 21, p. 33; No. 26, pp. 31-35; No. 32, p. 12; No. 33, p. 44 and pp. 45-46; No. 37, pp. 50-52

U.S. exports to Czechoslovakia; No. 9, p. 53; No. 12, p. 26; No. 17, p. 52; No. 21, p. 63

U.S. exports to Eastern Europe; No. 32, p. 12; No. 33, p. 87

U.S. exports to East Germany; No. 9, pp. 57-59; No. 12, pp. 23-24; No. 13, p. 41; No. 17, pp. 56-58; No. 21, pp. 66-68

U.S. exports to Hungary; No. 12, p. 27; No. 21, pp. 71-73

U.S. exports to Poland; No. 5, p. 31; No. 9, p. 36; No. 12, pp. 24-25;

No. 13, p. 25; No. 17, pp. 33-34 (incl. table); No. 21, p. 41 (incl. table)

U.S. exports to Romania; No. 8, pp. 12-13; No. 9, p. 50; No. 12, p. 28; No. 17, pp. 45-46 (incl. table); No. 21, pp. 54-56

U.S. exports to the U.S.S.R.; No. 5, pp. 17-18; No. 9, pp. 11-13 (incl. table); No. 12, pp. 19-23 (incl. table); No. 13, p. 17; No. 17, pp. 19-20 (incl. table); No. 21, pp. 21-23; No. 22, pp. 27-29 (incl. tables); No. 23, p. 36; No. 24, pp. 30-32; No. 25, pp. 53-57; No. 27, p. 41; No. 28, p. 35-37; No. 32 pp. 30-32; No. 33, p. 60, and pp. 64-66; No. 40, pp. 45-46

U.S. exports to Yugoslavia; No. 12, p. 27; No. 17, p. 41; No. 21, p. 50

Grain agreements:

United States and China; No. 26, pp. 31-35; No. 37, pp. 51-52

China and third countries; No. 33, p. 45; No. 37, p. 52

United States and U.S.S.R.; No. 35, pp. 37-39; No. 36, pp. 48-49; No. 40, pp. 45-46

Hams, canned:

U.S. imports; No. 6, p. 18; No. 7, pp. 22-28 (incl. tables); No. 23, pp. 51-55 (incl. tables); No. 33, p. 88  
 U.S. imports from Hungary; No. 21, p. 74  
 U.S. imports from Poland; No. 9, p. 34; No. 13, p. 27; No. 17, p. 35; No. 21, p. 43; No. 34, p. 33

Handbags: U.S. imports from China and U.S. market; No. 36, pp. 83-88

Headwear: see also Textile and textile products

U.S. imports; No. 7, pp. 56-59 (incl. table)  
 U.S. imports from China; No. 6, p. 51

Hemp: see Fibers, flax and hemp

Hides and skins: see also Furskins

U.S. exports; No. 12, pp. 28-35 (incl. tables)  
 U.S. exports to Czechoslovakia; No. 21, p. 63  
 U.S. exports to the U.S.S.R.; No. 37, p. 72

High-technology items:

U.S. exports to China; No. 36, pp. 44-48; No. 37, pp. 35-38  
 U.S. exports to the U.S.S.R.; No. 22, pp. 40-52 (incl. tables); No. 24, pp. 38-40; No. 25, p. 59; No. 33, pp. 58-59; No. 37, pp. 65-68 and 73  
 U.S. exports to NME's and other countries; No. 38, pp. 55-81  
Hops: U.S. imports; No. 7, pp. 29-32 (incl. table); No. 33, p. 88

Hungary:

Commodity Credit Corporation credit guarantee; No. 40, p. 51  
 Economic reforms; No. 30, pp. 43-65  
 Eximbank financing; No. 20, p. 21  
 Membership in the General Agreement on Tariffs and Trade; No. 27, p. 79; No. 37, p. 96  
 Most Favored Nation status; No. 17, p. 60; No. 19, pp. 20-21; No. 23, pp. 31-32; No. 27, pp. 50-52; No. 29, pp. 72-73; No. 31, pp. 39-40; No. 35, pp. 36-37; No. 37, pp. 94-95; No. 40, pp. 51-53  
 U.S. exports and imports, annual; No. 1, pp. 36-38 (incl. table); No. 5, pp. 46-48 (incl. table); No. 9, pp. 61-65 (incl. table); No. 13, pp. 46-49 (incl. table); No. 17, pp. 60-66 (incl. table); No. 21, pp. 70-75 (incl. table); No. 25, pp. 103-110 (incl. table); No. 29, pp. 108-113

International Atomic Energy Agency (IAEA): China joins; No. 37, pp. 48-49

International Monetary Fund (IMF): China joins; No. 22, p. 65, No. 23, pp. 21-23

Iridium: see Platinum group metals

Iron and steel: see also Steel

U.S. imports; No. 2, pp. 26-35 (incl. tables)  
 U.S. imports from Poland; No. 13, p. 27

Korea, North: U.S. exports and imports, annual; No. 21, p. 81; No. 25, p. 114; No. 29, p. 119

Labor content of U.S. exports to the nonmarket economy countries: No. 4, pp. 11-16 (incl. tables)

Labor content of U.S. imports from the nonmarket economy countries: No. 3, pp. 18-26 (incl. tables)

Lace goods: U.S. imports from China and U.S. market, No. 36, pp. 55-60

Lightbulbs: U.S. imports from Hungary; No. 16, p. 18; No. 17, p. 65

Logs, softwood: U.S. exports to China, No. 33, p. 48; No. 34, p. 21; No. 37, p. 54

Machine tools: U.S. exports and imports; No. 1, p. 13; No. 10, pp. 18-54 (incl. tables)

Manganese alloys: see Ferroalloys

Men's shirts, nightwear, and underwear: U.S. imports from China and U.S. market, No. 36, pp. 66-73

Menthol: U.S. imports from China, No. 23, p. 34; No. 26, p. 43

Metals and metal products:

U.S. imports; No. 6, pp. 41-46 (incl. table)

U.S. imports from Yugoslavia; No. 13, p. 31

Miscellaneous outerwear: U.S. imports from China and U.S. market; No. 36, pp. 60-66

Mongolia: U.S. exports and imports, annual; No. 1, pp. 46-47 (incl. table); No. 5, p. 57; No. 9, p. 72; No. 13, p. 53; No. 17, pp. 70-71; No. 21, p. 81; No. 25, p. 113; No. 29, p. 119

Montan wax: U.S. imports from East Germany; No. 24, pp. 45-46; No. 25, p. 93-94; No. 26, p. 44; No. 28, pp. 40-41; No. 29, pp. 74-77; No. 30, pp. 36-39; No. 33, pp. 85-86

Most Favored Nation (MFN) status:

for China; No. 22, p. 61; No. 23, pp. 31-32; No. 27, pp. 50-52; No. 29, p. 30; No. 31, pp. 39-40; No. 35, p. 36-37; No. 37, pp. 39-40; No. 40, pp. 51-53

for Hungary; No. 17, p. 60; No. 19, p. 20; No. 20, p. 21; No. 23, pp. 31-32; No. 35, pp. 36-37; No. 27, pp. 50-52; No. 29, pp. 72-73; No. 31, pp. 39-40; No. 33, p. 81; No. 35, pp. 36-37; No. 40, pp. 51-53

for NME's; No. 18, p. 17

for Romania; No. 17, p. 43; No. 19, p. 20; No. 20, p. 21; No. 23, pp. 31-32; No. 27, pp. 50-52; No. 29, pp. 72-73; No. 31, pp. 39-40; No. 33, p. 81, 83; No. 35, pp. 36-37; No. 40, pp. 51-53

for Poland; No. 33, pp. 77-78

Motor vehicle equipment: U.S. imports from Hungary; No. 15, pp. 22-25 (incl. table)

Multifiber Arrangement (MFA): China joins; No. 37, pp. 49-50

Muriate of potash: see potassium chloride

Mushrooms:

U.S. Imports; No. 24, pp. 43-45 (incl. table)

U.S. Imports from China, No. 30, pp. 41-43; No. 32, pp. 34-36; No. 33, p. 43; No. 35, pp. 40-41; No. 37, pp. 47-48

Natural gas: see Gas, natural

Nickel, unwrought: U.S. imports, No. 14, pp. 22-26 (incl. table)  
U.S. imports from the U.S.S.R.; No. 37, pp. 68 and 75

Nitrogenous fertilizers: Imports from the U.S.S.R. and the U.S. market;  
No. 40, pp. 65-73

Nonmetallic minerals and metals: U.S. imports, No. 6, pp. 37-40 (incl. table)

North Korea: see Korea, North

Nuclear reactor parts: U.S. exports to Yugoslavia; No. 12, p. 5; No. 13, p. 30

Oil and gas well machinery:

U.S. exports, No. 20, pp. 22-45 (incl. tables)

U.S. exports to the U.S.S.R.; No. 15, p. 17; No. 22, pp. 46-47; No. 33,  
pp. 58-59

Oilseed meals: U.S. exports to Poland; No. 21, p. 42 (incl. table)

Olympics-related items: U.S. exports to the U.S.S.R.; No. 22, pp. 58-59

Operation Exodus: No. 31, pp. 35-39

Osmium: see Platinum group metals

Overseas Private Investment Corporation (OPIC) insurance: for China; No. 23,  
pp. 25-26; No. 38, pp. 43, 44

Oxides, inorganic; No. 6, p. 35

Palladium: see Platinum group metals

Pantothenic acid: U.S. imports; No. 6, pp. 33-34

Peanuts: U.S. imports from China; No. 27, pp. 32-38; No. 33, p. 52

People's Republic of China: see China

Petroleum and petroleum products:

U.S. imports from China; No. 17, p. 30; No. 21, p. 36; No. 32, p. 23;

No. 33, p. 50; No. 37, p. 59

U.S. imports from Romania; No. 2, p. 7; No. 32, p. 23

U.S. imports from the U.S.S.R.; No. 2, p. 7; No. 4, p. 10; No. 9, pp. 18-20;

No. 13, p. 18; No. 32, p. 23; No. 33, p. 74; No. 37, p. 76

Phosphates: see also Ammonia

U.S. exports to the U.S.S.R.; No. 21, p. 24; No. 22, pp. 52-58; No. 25,  
p. 58; No. 33, p. 66; No. 37, pp. 72-73

Plastics resins: U.S. exports to China; No. 33, p. 49; No. 37, p. 55

Platinum group metals: U.S. imports from the U.S.S.R.; No. 9, p. 20; No. 11,  
pp. 33-45 (incl. tables); No. 13, p. 18; No. 33, p. 73; No. 37, p. 75

Plywood, birch: U.S. imports from the U.S.S.R.; No. 6, pp. 22-23; No. 7,  
pp. 33-36 (incl. table)

Poland:

Long-term trends in U.S.-Polish trade; No. 28, pp. 45-63 (incl. tables)  
 Membership in the General Agreement on Tariffs and Trade; No. 27, p. 77;  
 No. 37, p. 95  
 Rescheduling of debts: No. 36, pp. 49-50; No. 37, pp. 92-93  
 U.S. assistance to; No. 28, pp. 39-40; No. 29, pp. 68-69; No. 32, p. 14  
 U.S. exports and imports, annual; No. 1, pp. 18-20 (incl. table); No. 5,  
 pp. 30-33 (incl. table); No. 9, pp. 34-39 (incl. table); No. 13, pp. 23-28  
 (incl. table); No. 17, pp. 30-37 (incl. table); No. 21, pp. 38-46; No. 25,  
 pp. 69-78 (incl. table); No. 29, pp. 88-97  
 U.S. sanctions against: No. 37, pp. 90-92  
 U.S. steps toward normalization of commercial relations; No. 40, pp. 49-50

Potassium chloride: U.S. imports from East Germany; No. 9, p. 59; No. 38,  
 p. 51; No. 40, pp. 59-60

U.S. imports from U.S.S.R.; No. 38, p. 51; No. 40, pp. 59-60, and pp. 70-72

Potassium permanganate: U.S. imports from China; No. 35, p. 39; No. 36, p. 52;  
 No. 37, pp. 45-46; No. 38, pp. 48-49

Pressure sensitive tape: U.S. exports to the U.S.S.R.; No. 37, p. 74

Printcloth: U.S. imports from China; No. 32, pp. 37-38; No. 33, pp. 42-44;  
 No. 35, p. 41; No. 36, p. 51; No. 37, p. 43

Qualified General License: see Export controls, U.S.

Rabbit meat: U.S. imports from China; No. 6, p. 17; No. 9, p. 32

Rhodium: see Platinum group metals

Romania:

Agreements with European Community; No. 29, pp. 77-78  
 Eximbank financing; No. 20, p. 21; No. 27, pp. 48-50; No. 29, pp. 70-71  
 Membership in the General Agreement on Tariffs and Trade; No. 27, p. 79  
 Most Favored Nation status; No. 17, p. 43; No. 19, p. 20; No. 23, pp. 31-32;  
 No. 29, pp. 72-73; No. 31, pp. 39-40; No. 37, pp. 94-95; No. 40, pp. 51-53  
 U.S. exports and imports, annual; No. 1, pp. 25-27 (incl. table); No. 5,  
 pp. 38-42 (incl. table); No. 9, pp. 46-52 (incl. table); No. 13, pp. 32-37  
 (incl. table); No. 17, pp. 43-49 (incl. table); No. 21, pp. 52-61 (incl.  
 table); No. 25, pp. 79-85 (incl. table); No. 29, pp. 83-87  
 Rescheduling of debts: No. 33, pp. 82-83; No. 37, pp. 93-94  
 Suspension of U.S. Credits; No. 30, pp. 27-41

Ruthenium: see Platinum group metals

Sanctions, trade: see Export controls, U.S.

Silicon alloys: see Ferroalloys

Skins, animal: see Hides and skins

Soviet Union: see Union of Soviet Socialist Republics

Soybeans and soybean products:

- U.S. exports; No. 20, pp. 46-79 (incl. tables)
- U.S. exports to Bulgaria; No. 17, p. 68; No. 21, p. 78
- U.S. exports to China; No. 21, p. 34; No. 33, pp. 46-47; No. 37, pp. 52-53
- U.S. exports to Czechoslovakia; No. 17, p. 52; No. 21, p. 63
- U.S. exports to Eastern Europe; No. 32, p. 14
- U.S. exports to Hungary; No. 17, pp. 63-64; No. 21, p. 73
- U.S. exports to Poland; No. 21, p. 42 (incl. table)
- U.S. exports to Romania; No. 9, p. 50; No. 17, pp. 45-46 (incl. table);  
No. 21, pp. 54-56
- U.S. exports to the U.S.S.R.; No. 21, p. 24; No. 25, p. 58; No. 33, p. 69;  
No. 37, p. 72
- U.S. exports to Yugoslavia; No. 13, p. 31; No. 17, pp. 40-41; No. 21, p. 50

Specified products; miscellaneous and nonenumerated products: U.S. imports;  
No. 6, pp. 47-52 (incl. table)Steel: see also Iron and Steel

- U.S. imports from Czechoslovakia; No. 17, pp. 53-54
- U.S. imports from Poland; No. 17, p. 35; No. 18, p. 18; No. 19, p. 21;  
No. 21, pp. 44-45; No. 32 p. 25
- U.S. imports from Romania; No. 29, pp. 74-77; No. 30, pp. 39-41; No. 32,  
p. 25

Suits: see also Textile and textile products

- U.S imports from Romania; No. 9, p. 48

Sulfonamides: U.S. imports; No. 6, p. 31Superphosphoric acid: see PhosphatesTextiles and textile products:

- see also Clothing, Cotton, Cotton shop towels, Gloves, Headwear, Suits, and  
Printcloth
- U.S. exports to China; No. 26, pp. 45-66; No. 32, p. 14
- U.S. imports; No. 2, pp. 53-60 (incl. tables); U.S. imports; No. 6,  
pp. 26-30 (incl. table)
- U.S. imports from China; No. 6, pp. 26-29 (incl. table); No. 17, p. 29;  
No. 18, pp. 16-17; No. 19, p. 20; No. 20, p. 19; No. 21, pp. 31, 35-36;  
No. 22, pp. 62-64; No. 24, p. 33, pp. 47-85 (incl. tables); No. 32,  
pp. 39-51; No. 33, p. 51; No. 35, p. 41; No. 36, pp. 53-88; No. 37,  
pp. 43-45 and pp. 57-59
- U.S. imports from Poland; No. 13, p. 27 (incl. table); No. 17, p. 36  
(incl. table); No. 21, pp. 43-44; No. 29, pp. 71-72
- U.S. imports from Romania; No. 17, p. 47 (incl. table); No. 21, pp. 59-60;  
No. 29, pp. 71-72
- U.S. imports from Hungary; No. 32, p. 23

Tin: U.S. imports from China; No. 2, p. 47-52 (incl. table); No. 4, p. 10  
(incl. table); No. 5, p. 25-26; No. 9, p. 31; No. 21, p. 37; No. 37, p. 60Titanium and titanium sponge: U.S. imports from the U.S.S.R.; No. 21, p. 27;  
No. 37, p. 69Tobacco, oriental cigarette leaf:

- U.S. imports; No. 11, pp. 46-54 (incl. tables)
- U.S. imports from Bulgaria; No. 9, p. 66; No. 13, pp. 49-51; No. 17, p. 69;  
No. 21, p. 79

Tools: U.S. imports; No. 6, pp. 41-44 (incl. tables)

Tractors, agricultural:

U.S. imports; No. 7, pp. 50-55 (incl. tables)

U.S. imports from the U.S.S.R.; No. 13, p. 19; No. 37, p. 77

Truck trailer axle and brake assemblies: U.S. imports from Hungary; No. 26, pp. 42-43; No. 28, pp. 41-42; No. 29, pp. 44-63

Tungsten: U.S. imports from China; No. 5, p. 26; No. 15, pp. 18-22 (incl. table); No. 33, p. 52; No. 37, p. 60

Union of Soviet Socialist Republics: see also Export controls.

U.S. exports and imports, annual; No. 1, pp. 13-17 (incl. table); No. 5, pp. 17-23 (incl. table); No. 9, pp. 18-26 (incl. table); No. 13, pp. 9-19 (incl. tables); No. 17, pp. 16-23 (incl. table); No. 21, pp. 19-28 (incl. table); No. 25, pp. 49-62 (incl. table); No. 29, pp. 44-63; No. 33, pp. 53-74; No. 37, pp. 61-77

United States-China Joint Economic Commission: see Joint Economic Commission

United States-U.S.S.R. Agreement to Facilitate Economic, Industrial, and Technical Cooperation; No. 40, pp. 46-47

United States-U.S.S.R. Trade and Economic Council: No. 40, pp. 47-48

Versailles conference: No. 31, pp. 29-30

Vietnam: U.S. exports and imports, annual; No. 21, p. 81; No. 25, p. 113; No. 29, p. 119

Vodka: U.S. imports from the U.S.S.R.; No. 17, p. 23; No. 33, p. 74; No. 37, p. 76

Watch movements: U.S. imports from the U.S.S.R.; No. 16, pp. 33-37 (incl. table)

Wax, montan: see Montan wax

Weaving machines: U.S. imports from Czechoslovakia; No. 21, p. 65

Wheat: see Grain

Women's coats, suits, and shirts: U.S. imports and U.S. market; No. 36, pp. 73-78

Wood and paper; printed matter: U.S. imports; No. 6, pp. 22-25 (incl. table)

Wood furniture: U.S. imports; No. 11, pp. 26-32 (incl. tables); No. 25, p. 68; No. 26, p. 26

Woodpulp:

U.S. exports; No. 12, pp. 35-44 (incl. tables); No. 33, pp. 46-49

U.S. exports to China; No. 33, p. 48

World Bank: Loan to China; No. 27, pp. 52-54

Yarns and fabrics: U.S. exports to China; No. 33, p. 49; No. 37, p. 55

Yugoslavia: U.S. exports and imports, annual; No. 1, pp. 21-24 (incl. table); No. 5, pp. 34-37 (incl. table); No. 9, pp. 40-45 (incl. table); No. 13, pp. 28-32 (incl. table); No. 17, pp. 37-42 (incl. table); No. 21, pp. 46-52 (incl. table); No. 25, pp. 62-69 (incl. table)

