

WHY IS EXPORTING IMPORTANT TO THE US?

Excerpted from: ON THE THRESHOLD: REFOCUSING U.S. EXPORT ASSISTANCE STRATEGY FOR MANUFACTURERS; Stone & Associates June 2013

Manufacturing Exports are Critical to National Prosperity

Without significant growth in exports, the U.S. will struggle to reduce its trade deficit, decrease its reliance on domestic consumption, and offset sluggish job creation.

Manufacturing represents a large portion of the traded sector, accounting for 65% of U.S. goods exports in 2011 and 46% of total exports (including service exports).¹ Without sizeable growth in manufactured exports, the U.S. cannot hope to make significant progress in reducing the trade deficit or attaining its broader economic objectives.

In fact, because of globalization, the health of the manufacturing sector and export performance are closely linked:² a competitive manufacturing sector boosts exports, and a successful export policy drives manufacturing growth.³

¹ U.S. Census Bureau, *U.S. International Trade in Goods and Services, August 2012 and Annual Revision for 2011*

² ITIF, *The Case for a National Manufacturing Strategy*, April 2011; Brookings Metropolitan Policy Program, *Export Nation: How U.S. Metros Lead National Export Growth and Boost Competitiveness*, July 2010; Gregory Tassef (NIST), "Rationales and Mechanisms for Revitalizing U.S. Manufacturing R&D Strategies," *Journal of Technology Transfer*, January 2010 (online)

³ ITA, *International Trade Research Report no. 1: Exports Support American Jobs, 2010*