

## Macro Roundup Article

**Headline:** [Decoupling Where it Matters? US Imports from China in Critical Sectors](#)

**Article Link:** <https://research.stlouisfed.org/publications/economic-synopses/2024/01/19/decoupling-where-it-matters-us-imports-from-china-in-critical-sectors>

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**Tweet:** The share of US imports directly originating in China is down 7.7pp since 2017 led by a 9pp drop in goods rated "non-critical" by the Dept. of Homeland Security. The "critical goods" share is down by 6.8pp.

**Summary:** Figure 2 partitions aggregate US import dependence from China across critical and non-critical sectors, based on a classification by the Department of Homeland Security's Cybersecurity and Infrastructure Agency. Over this period, we find that China has been an important source of imports of non-critical goods, while a more modest yet non-trivial source of critical goods. Moreover, we find that US-China import dependence in critical sectors increased in tandem with aggregate import dependence—from 6.2% of critical goods imports in 2002 to 17.9% in 2017. However, the systematic decline of total US imports from China has been faster in non-critical goods: The import share from China declined by around 9 percentage points for non-critical goods, while among critical goods it declined by 6.8 percentage points—from 17.9% in 2017 to 11.1% in 2023. Related: [How America Is Failing To Break Up With China](#) and [Global Firms Are Eyeing Asian Alternatives to Chinese Manufacturing](#) and [Hidden Exposure: Measuring U.S. Supply Chain Reliance](#)

**Primary Topic:** China

**Topics:** China, GDP, Op-Ed/Blog Post, Trade (not deficits)

**Permalink:** <https://www.edwardconard.com/macro-roundup/the-share-of-us-imports-directly-originating-in-china-is-down-7-7pp-since-2017-led-by-a-9pp-drop-in-goods-rated-non-critical-by-the-dept-of-homeland-security-the-critical-goods?view=detail>

**Featured Image Link:** <https://www.edwardconard.com/wp-content/uploads/2024/02/US-Import-Share-FRBSL-1.png>