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The US' exports to China grew faster than its export growth to the rest of the world, according to a report from the US-China Business Council released on Monday.  
The US exported nearly $128 billion of goods to China in 2017, more than ever before and making China the third-largest US goods export market, trailing Canada and Mexico, according to the USCBC's 2018 annual report on state exports. US goods exports to China declined slightly in 2015 and 2016.  
For US services exports, China has become a major market and is virtually tied with Canada as the second-largest market, at close to $53 billion.  
"Despite trade barriers that frustrate full market access, US exports to China continue to contribute to US economic growth," said John Frisbie, president of USCBC, which represents more than 200 US companies doing business in China.  
"Exports to China support 1 million American jobs annually across a wide range of industries," Frisbie said in a press release.  
Forty-nine US states have expanded their goods exports to China over the past decade, with 17 states experiencing triple-digit growth. Every US state has had triple-digit services export growth to China over the past decade, with 31 states experiencing services export growth of more than 300 percent, according to the report.  
The report shows that US goods exports to China have grown by 86 percent over the last decade, compared with only 21 percent to the rest of the world.  
In the decade from 2007 to 2016, US services exports to China grew by 12 percent, compared with a decline of 0.6 percent to the rest of the world.  
China is among the top five goods and services export markets for most US states. China was the top goods export market for five states in 2017, and among the top five markets for 46 states. In services exports, China was the top market for 18 states in 2016, and a top five market for all 50 states, according to the report.  
In 2017, 30 US states exported more than $1 billion in goods to China, and 15 states exported more than $1 billion in services to China in 2016. In 2008, only 21 states exported more than $1 billion of goods to China and in 2007 only three states exported more than $1 billion in services to China.  
The report comes just days before US Treasury Secretary Steven Mnuchin will lead a delegation to China for trade talks to ease the escalating tensions triggered by US unilateral tariff measures. The US has announced and threatened tariffs on $150 billion worth of imports from China following a Section 301 investigation into China's intellectual property policies and practices. China has proposed retaliatory tariffs and vowed to fight to the end.  
Many in China, the US and other parts of the world are worried about the devastating consequences of a possible trade war or major tit-for-tat retaliations between the world's two largest economies.  
US President Donald Trump announced last week that he is sending a US delegation to Beijing, a trip he described as having "a very good chance of making a deal."  
The White House on Monday announced that the US delegation will include Mnuchin, US Commerce Secretary Wilbur Ross, US Trade Representative Robert Lighthizer, White House National Economic Council Director Larry Kudlow, White House trade advisor Peter Navarro, US Ambassador to China Terry Branstad and Deputy Assistant to the President for International Economic Affairs Everett Eissenstat.  
In an interview on Fox News aired Monday morning, Mnuchin said he is "cautiously optimistic" about his meetings in China on Thursday and Friday.  
He said he doesn't want to predict what's going to happen or not going to happen on the trip. "We're going to go over there and we'll have very frank discussions," he said.  
Mnuchin noted trade imbalances and intellectual property rights are among the issues to be discussed.  
Trump has constantly blamed US trade partners, especially China, for the trade deficits, while most economists believe they are caused mostly by the US' fiscal policies, low savings rates, the role of the US dollar as a global reserve currency and Trump's tax cut plan.  
"Hopefully we'll make significant progress. We're going to make progress," Mnuchin said of the Beijing trip.  
China has welcomed the visit by the US delegation. Foreign Ministry spokeswoman Hua Chunying said last Friday that "we are willing to hold negotiations with the US on the basis of mutual respect and equality".

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