

Name \_\_\_\_\_

**Economics**  
**Unit 8 – The Global Economy**  
 Trade Deficits & Surpluses

Assignment: (45 pts) Analyze the US annual trade deficits and/or surpluses for the past 3 years and the positive and negative impacts it has on the economy.

The chart below shows the dollar value of U.S. exports and imports for both goods and services for the past three years.

**U.S. Trade in Goods & Services**  
*Amounts are in millions of dollars*

Year	Goods		Services		Total	
	Exports	Imports	Exports	Imports	Exports	Imports
2010	1,288,882	1,934,006	533,603	403,216	1,842,485	2,337,222
2011	1,497,406	2,235,819	605,961	427,428	2,103,267	2,663,247
2012	1,564,104	2,299,417	630,387	434,589	2,194,491	2,734,005

Part 1: Calculation of the U.S. Balance of Payments (2 pts each)

1. Calculate the balance of payments (exports – imports) for goods, services, and the total for each of the past three years and record that information in the following table:

Year	Balance of Payments (in millions of dollars) <i>Positive numbers indicate a trade surplus Negative numbers indicate a trade deficit</i>		
	Goods	Services	Total
2010			
2011			
2012			

Part 2: Analysis of the U.S.'s Balance of Payments for Goods (3 pts each)

2. For **goods**, has the U.S. had a trade *surplus* or trade *deficit* with the rest of the world?
3. How might the U.S.'s balance of payments for **goods** *positively* impact the U.S. economy?

4. How might the U.S.'s balance of payments for **goods** *negatively* impact the U.S. economy?

Part 3: Analysis of the U.S.'s Balance of Payments for Services (3 pts)

5. For **services**, has the U.S. had a trade *surplus* or trade *deficit* with the rest of the world?

6. How might the U.S.'s balance of payments for **services** *positively* impact the U.S. economy?

7. How might the U.S.'s balance of payments for **services** *negatively* impact the U.S. economy?

Part 4: Analysis of the U.S.'s Overall Balance of Payments (3 pts)

8. Overall, has the U.S. had a trade *surplus* or trade *deficit* with the rest of the world?

9. How might the U.S.'s overall balance of payments *positively* impact the U.S. economy?

10. How might the U.S.'s overall balance of payments *negatively* impact the U.S. economy?