

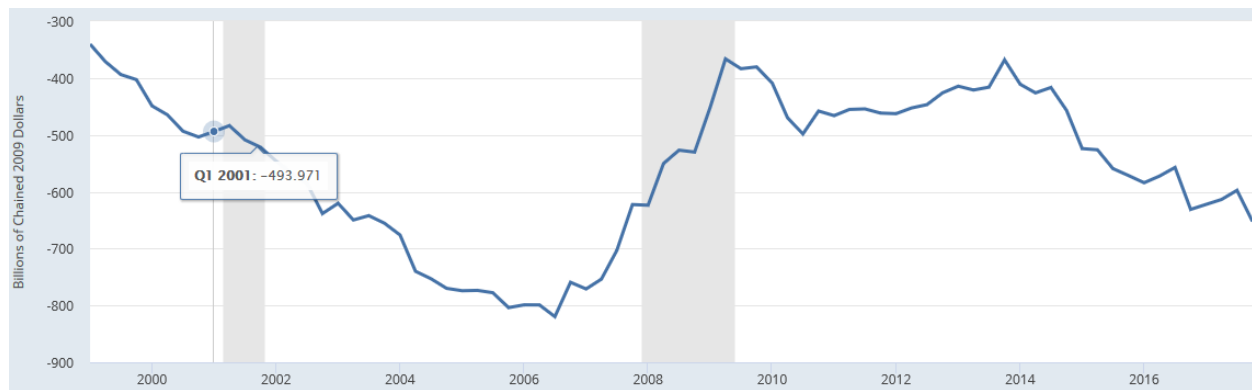
CONCEPT: BALANCE OF TRADE

● **Balance of Trade** – the difference between the export and import of goods (and services)

- ☐ The balance of trade is another name for _____
- ☐ **Trade Surplus** – when exports are _____ than imports
- ☐ **Trade Deficit** – when exports are _____ than imports
- ☐ **Balanced Trade** – when exports are _____ to imports
- ☐ This is generally the focus of international trade by politicians and the media

$$\text{Net Exports} = \text{Exports} - \text{Imports}$$

US Net Exports Over Time



Source: US Bureau of Economic Analysis

- ☐ The United States has had a persistent _____