

Exports are good for the u.s. economy

[Literature](#), [Russian Literature](#)



Exports to the US Economy Most companies depend on exports to boost their economies. Exports are goods and services that a country offers to another country for the exchange of foreign currency (Schrier). A country may export goods such as raw materials or food to another country. Services exported may include banking services or even medical services. Discussed below is the importance of exports to the US economy.

According to national statistics, in 2012, the US government exports totaled to around \$20 trillion. Nearly 30% of the growth national product is as a result of export growth. In 2010, exports employed approximately 10 million people. It is clear that export is a source of employment. Creation of employment reduces the dependency ratio. Most people get employed thus able to earn a living. To the government, the money that would have been used to feed the unemployed population is reduced and utilized in other sectors such as health care. It ensures a good health of workers (Brux, 298). Secondly, in the US, firms that export their products are motivated to improve the quality of their products by high-income levels. The companies expand and employ more workers. When these companies are motivated to produce more, the US government earns more in terms of taxes. The amount earned indirectly from the exports contributes to the government's growth domestic product. The money will in turn boost the government's economy (Palmer).

According to the US statistics, jobs that are export-intensive pay well. Huge salaries have enabled individuals to live an extravagant life. On similar lines, the US government benefits from these huge taxes from these huge salaries. It is clear that the higher the individual's income, the higher the amount of

tax levied. The huge taxes collected contribute to the government revenue thus used in the development (McEachern, 523).

The fact that the US is known to export quality goods and services, many people believe that it is due to high skilled labor force and nearness to the raw materials. For this reason, it has called for direct investors who propose on setting up firms in the US. The firms create employment for the jobless but skilled individuals. More so, it results in the development of infrastructure such as road. In addition, the government maximizes its revenue by taxing these foreign direct investors (Turco and Maggioni 4). In summary, all countries should appreciate the exporting processes. More so they should ensure that exports exceed imports for the country's economy to grow.

Works Cited

Brux, Jacqueline. Economic Issues and Policy. Ohio: Cengage Learning, 2007. Print.

McEachern, A. William. Economics: A Contemporary Introduction. Massachusetts: Cengage Learning, 2011. Print.

Palmer, Ransford W. The Caribbean Economy in the Age Of Globalization. New York, NY: Palgrave Macmillan, 2009. Print.

Schrier, Dan. Exports. [Victoria]: BC Stats, 2008. Print.

Turco, Alessia Lo, and Daniela Maggioni. On The Role Of Imports In Enhancing Manufacturing Exports. Italy: Department of economics, (n. d.). Print.