

US CONFERENCE PRESENTATION BY WILLIAM AWUKU AHIADORMEY M.D, AGRICARE LIMITED

THE TRADE GAP

ADAM SMITHS THEORIES REQUIRE ALL NATIONS TO TRADE AMONGST THEMSELVES

SOME NATIONS ARE NET EXPORTERS

OTHERS ARE NET IMPORTERS

TRADE BTN US & GHANA

- ▶ VARIOUS COMMODITIES
- ▶ AGRIC RAW MATERIALS
- ▶ CORN, SOY BEAN, WHEAT, ETC
- ▶ COCOA, TEXTILES, HANDICRAFTS
- ▶ LATELY OIL

TRADE GAP CLOSING BTN US & GHANA VALUES IN US \$ MILLIONS

YEAR	US EXPORT	GH EXPORT	DEFICIT
2014 (JAN)	\$ 45.1	\$ 15.6	\$29.5
2013 (1 ST 8 MONTHS)	\$747.5	\$262.7	\$484.7
2012 (1 ST 8 MONTHS)	\$901.7	\$230.9	\$670.8

US & GHANA TRADE RELATIONS

- ▶ Ghana and the United States traded \$1.5 billion worth of goods in 2012,
(Source: International Trade Commission (ITC) of the US Department of Commerce)
- ▶ The 2 Countries recorded a trade balance of nearly \$1 billion (\$987,663,000) in 2012.

- ▶ **Ghana cuts down trade balance with US to \$484m with high exports in 2013**
- ▶ posted Wed, 13 Nov
- ▶ The trade balance between Ghana and the United States fell to \$484.7 million in the first eight months of 2013, official US data has shown. This is compared to \$670.8 million trade balance both countries recorded during the same period (January-August) in 2012, according to the US Department of Commerce. The reduction was due low American exports and a rise in Ghanaian exports during the period. The US exported goods worth \$747.5 million during the 2013 period to Ghana compared to what it did \$901.7 million in 2012. The US Commerce Department indicated that exports from Ghana into the American market rose from \$230.9 million in the 2012 eight-month period to \$262.7 million in 2013. Ghana's main export commodities to the US are oil and cocoa. Ghana is a beneficiary of the US African Growth and Opportunity Act (AGOA). Ghana and the United States traded \$1.5 billion worth of goods in 2012, according to figures by the International Trade Commission (ITC) of the US Department of Commerce. They recorded a trade balance of nearly \$1 billion (\$987,663,000) in 2012.

2014 : U.S. trade in goods with Ghana

NOTE: All figures are in millions of U.S. dollars on a nominal basis, not seasonally adjusted unless otherwise specified. Details may not equal totals due to rounding.

Month	Exports	Imports	Balance
January 2014	45.1	15.6	29.5
TOTAL 2014	45.1	15.6	29.5

2013 : U.S. trade in goods with Ghana

NOTE: All figures are in millions of U.S. dollars on a nominal basis, not seasonally adjusted unless otherwise specified. Details may not equal totals due to rounding.

Month	Exports	Imports	Balance
January 2013	154.1	22.6	131.5
February 2013	80.5	34.2	46.3
March 2013	94.7	19.7	75.1
April 2013	90.7	25.2	65.6
May 2013	111.5	93.2	18.3
June 2013	71.8	86.0	-14.2
July 2013	74.7	22.5	52.2
August 2013	83.2	17.1	66.1
September 2013	81.1	12.4	68.7

THE TRADE GAP

- ▶ IN AGGREGATE, GHANA HOLDS DEFICIT
- ▶ BY INDIVIDUAL PRODUCTS,
- ▶ COCOA- NET EXPORTER
- ▶ WHEAT- NET IMPORTER
- ▶ SOY BEAN - NET IMPORTER
- ▶ CORN- NET IMPORTER

TRADE GAP U.S. & GHANA

In US \$ Millions

YEAR	U.S. EXPORT	U.S. IMPORT	BALANCE
2013	1,067.50	366.2	701.3
2012	1,322.30	291.4	1,030.90
2011	1,196.8	779.0	417.8
2010	989.3	273.4	715.9
2009	715.9	135.0	580.9
2008	608.4	222.2	586.2
2007	416.4	198.8	217.6
2006	289.5	192.2	97.3
2005	337.4	158.4	179.0

CONFLICTING US TRADE STRATEGIES

- ▶ FINISHED CHICKEN VRS. AGRIC RAW MATERIAL
- ▶ FINISHED POULTRY PRODUCTS VRS. POULTRY INPUTS
- ▶ FINISHED POULTRY PRODUCTS VRS. US CORN, WHEAT, SOY BEAN
- ▶ FINISHED POULTRYRY VRS. POULTRY MACHINERY
- ▶ ECONOMIC FORCES DO NOT ACCEPT A VACUUM

THE FEAR OF THE UNKNOWN-THE GMO FACTOR

- ▶ PERCEPTION OR REALITY?
- ▶ THAT GMO IS SAFE OR NOT?
- ▶ THAT AMERICAN GRAINS ARE GMO OR NOT?
- ▶ THAT ARGENTINE, BRAZILLIAN, INDIAN GRAINS ARE GMO OR NOT?
- ▶ THE LAWS ON GMO IMPORTS: WRITTEN OR NOT?
- ▶ IS INFORMATION ON GMO ADEQUATE OR NOT?
- ▶ COULD AMERICA BE PAYING FOR NOT DOING MUCH TO EDUCATE THE GHANAIAN CONSUMER OR NOT?
- ▶ THEN WHY?

SOLUTION: THE BUYER MUST BUY WITH RESOURCES

- ▶ EVEN THE POOR MUST BUY WITH RESOURCES
- ▶ TRADE MOVES ALONG RESOURCE GRADIENTS
- ▶ WHAT IF ONE NATION CAN'T FIND THE RESOURCES TO PAY?
- ▶ WHAT IF THE SELLER CAN'T GIVE FURTHER CREDIT?
- ▶ TRADE POLICIES MUST AIM AT SUSTAINABILITY
- ▶ SOLVE THE PROBLEM OF THE FEAR OF THE UNKNOWN

THEREFORE WHAT?

- ▶ BUILD SUSTAINABLE TRADE RELATIONS
- ▶ EDUCATE OR INFORM OTHERS ON TECHNOLOGY -GMO
- ▶ GET INVOLVED

THANK YOU

- ▶ WILLIAM AWUKU AHIADORMEY
- ▶ APRIL 1, 2014
- ▶ AFRICAN REGENCY HOTEL, ACCRA.