

International Services



The Bureau of Economic Analysis prepares and publishes estimates of U.S. cross-border trade in private services and of sales of services by nonbank majority-owned U.S. and foreign affiliates of multinational companies (tables 1, 2, and 3). The two data sets correspond to the two distinct channels through which services are delivered to international markets.

U.S. cross-border trade in private services consists of transactions between U.S. and foreign residents. Cross-border exports and imports of private services represent international trade in the conventional sense and are recorded, in summary form, in the international transactions accounts. These services transactions consist of both trade within multinational companies (intrafirm trade) and trade between unaffiliated parties.

Cross-border services transactions are classified into five broad "standard components." The components are (1) travel; (2) passenger fares; (3) other transportation, such as freight and port services; (4) royalties and license fees; and (5) other private services, such as financial services, insurance services, and business, professional, and technical services.

Sales of services by nonbank majority-owned U.S. and foreign affiliates of multinational companies are usually transactions between residents of the same country. Sales of services to foreign residents by foreign affiliates of U.S. companies are con-

sidered transactions between foreign residents. Purchases of services by U.S. residents from U.S. affiliates of foreign companies are considered transactions between U.S. residents. These sales and purchases are not recorded in the U.S. international transactions accounts, but they *are* reflected in an ownership-based framework of the U.S. current account, which the Bureau publishes periodically. The estimates are drawn from larger data sets on the operations of U.S. multinational companies and of U.S. affiliates of foreign companies.

Services delivered through nonbank majority-owned affiliates have exceeded those delivered through cross-border trade in recent years. However, for specific types of services, the relative importance of the two channels is often determined by the nature of the service being delivered.

For more information

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Bureau of Economic Analysis

Table 1. Private Services Trade by Type, 1996–2001

[Millions of dollars]

	Exports						Imports					
	1996	1997	1998	1999	2000	2001	1996	1997	1998	1999	2000	2001
Total private services	222,633	238,984	243,932	256,492	277,478	266,209	137,102	151,791	167,466	173,241	202,060	192,305
Travel	69,809	73,426	71,286	74,731	82,267	73,119	48,078	52,051	56,509	58,865	64,788	60,117
Overseas	59,963	63,041	61,262	63,947	70,050	61,315	37,436	40,667	44,395	46,925	51,775	46,933
Canada	6,842	6,945	6,206	6,670	7,055	6,484	4,670	4,904	5,718	6,135	6,367	6,477
Mexico	3,004	3,440	3,818	4,114	5,162	5,320	5,972	6,480	6,396	5,805	6,646	6,707
Passenger fares	20,422	20,868	20,098	19,785	20,760	18,007	15,809	18,138	19,971	21,315	24,306	22,418
Other transportation	26,074	27,006	25,604	26,916	30,137	28,306	27,403	28,959	30,363	34,139	41,598	38,823
Freight	11,146	11,789	11,048	11,560	12,994	11,930	16,539	17,654	19,412	22,218	27,388	25,667
Port services	14,929	15,217	14,557	15,356	17,143	16,376	10,864	11,305	10,950	11,925	14,210	13,156
Royalties and license fees	32,470	33,228	35,626	36,902	39,607	38,668	7,837	9,161	11,235	12,609	16,115	16,359
Affiliated	24,556	24,465	26,313	26,507	26,816	25,873	5,406	6,749	8,547	9,876	12,180	13,008
U.S. parents' transactions	22,719	23,091	24,362	24,807	24,585	23,502	761	1,379	1,782	1,812	1,946	2,026
U.S. affiliates' transactions	1,837	1,374	1,951	1,700	2,231	2,371	4,645	5,370	6,765	8,064	10,234	10,982
Unaffiliated	7,914	8,763	9,314	10,395	12,791	12,795	2,431	2,412	2,688	2,733	3,935	3,351
Industrial processes	3,566	3,544	3,499	3,900	4,705	4,852	1,319	1,417	1,319	1,568	1,695	1,815
Other	4,348	5,219	5,815	6,496	8,086	7,943	1,112	995	1,369	1,164	2,240	1,536
Other private services	73,858	84,456	91,318	98,158	104,707	108,109	37,975	43,482	49,388	46,313	55,253	54,588
Affiliated services	22,931	27,107	28,176	28,564	32,580	36,243	15,548	17,625	19,437	23,261	25,971	28,410
U.S. parents' transactions	14,118	17,288	18,135	17,977	19,846	21,237	7,084	9,012	10,415	12,951	13,433	13,467
U.S. affiliates' transactions	8,813	9,819	10,041	10,587	12,734	15,006	8,464	8,613	9,022	10,310	12,538	14,943
Unaffiliated services	50,927	57,349	63,142	69,594	72,127	71,866	22,427	25,857	29,951	23,052	29,282	26,178
Education	7,887	8,346	9,036	9,615	10,348	11,493	1,253	1,396	1,587	1,807	2,052	2,378
Financial services	8,229	10,243	11,327	13,410	16,307	15,209	2,907	3,347	3,590	3,418	4,472	4,016
Insurance, net	2,168	2,473	2,224	1,011	2,050	18	3,885	5,873	9,240	2,684	8,175	4,906
Premiums	5,929	6,118	7,278	6,760	8,458	8,658	14,522	15,211	20,398	20,857	26,930	39,895
Losses	3,761	3,645	5,054	5,749	6,408	8,640	10,637	9,338	11,158	18,173	18,755	34,989
Telecommunications	3,301	3,918	5,567	4,549	4,756	4,796	8,290	8,346	7,682	6,601	5,473	4,298
Business, professional, and technical services	19,466	21,547	22,676	27,701	24,373	25,720	5,547	6,407	7,392	8,110	8,636	10,040
Accounting, auditing, and bookkeeping services	222	316	412	294	363	403	218	279	403	592	567	928
Advertising	543	607	445	481	551	513	971	773	912	881	923	881
Computer and data processing services	1,617	2,011	1,941	3,312	3,050	2,644	276	636	917	984	922	1,016
Construction, engineering, architectural, and mining services	3,553	3,503	3,884	5,834	2,275	2,623	465	463	554	510	518	471
Construction	n.a.	n.a.	793	2,643	680	823	n.a.	n.a.	n.a.	n.a.	n.a.	264
Engineering, architectural, and other technical services	n.a.	n.a.	2,541	2,620	1,309	1,573	n.a.	n.a.	n.a.	n.a.	n.a.	156
Mining services	n.a.	n.a.	550	571	286	228	n.a.	n.a.	n.a.	n.a.	n.a.	50
Data base and other information services	1,158	1,479	1,764	2,131	2,165	2,192	146	128	152	171	178	260
Industrial engineering	870	1,186	1,271	1,865	716	780	197	211	206	262	261	260
Installation, maintenance, and repair of equipment	3,648	3,369	3,189	3,491	3,931	4,546	239	307	242	315	822	996
Legal services	1,943	2,223	2,406	2,465	3,232	3,143	615	539	655	742	874	755
Management, consulting, and public relations services	1,460	1,632	1,888	1,832	1,751	1,859	497	687	872	842	755	998
Medical services	1,005	1,113	1,204	1,353	1,501	1,676	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Miscellaneous disbursements	333	144	148	109	102	160	750	1,075	1,136	1,351	1,225	1,306
Operational leasing	1,482	2,012	2,367	2,671	2,890	2,753	325	189	175	173	187	212
Research, development, and testing services	681	893	867	994	1,046	1,317	379	564	637	749	903	1,064
Sports and performing arts	149	149	99	131	123	141	200	260	228	206	159	221
Training services	388	447	396	389	402	505	140	153	168	162	207	367
Other business, professional and technical services ¹	415	463	396	351	274	467	129	142	137	168	138	305
Other unaffiliated services ²	9,874	10,821	12,312	13,309	14,293	14,630	546	487	460	433	473	540

n.a. Not available

^{*} Less than \$500,000.

^D Suppressed to avoid disclosure of data of individual companies.

1. For exports, other business, professional, and technical services consists of agricultural services; language translation services; security services; collection services; salvage services; satellite photography and remote sensing/satellite imagery services; merchanting services; transcription services; waste treatment and depollution services; mailing, reproduction, and commercial art services; personnel supply services;

management of health care facilities services; auction services, and other trade-related services. For imports, other business, professional, and technical services consists of all of the components above with the exception of merchanting services.

2. Exports include mainly film and tape rentals and expenditures of foreign governments and international organizations in the United States. Imports include mainly expenditures of U.S. residents temporarily working abroad and film and tape rentals.

