

Top Trading Partner

A study of the history of Japan's trade relations shows that the United States has been by far the most important partner for Japan both in exports and imports.

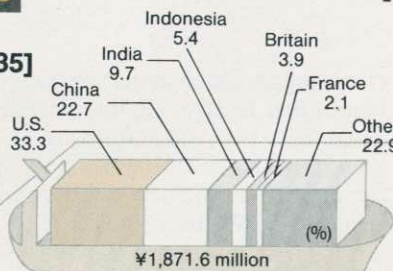
In recent years Japan's dependence on the United States for its export market has been at an historically high level as the U.S. economy has grown, with active domestic demand being met by increased imports.

This has led to a massive trade imbalance between the two countries. The imbalance is now being corrected through a transformation of the trading and industrial structure of both countries.

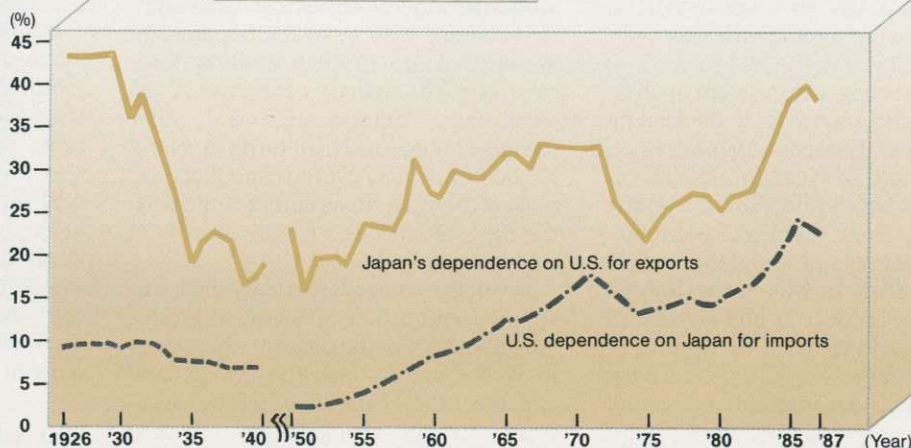
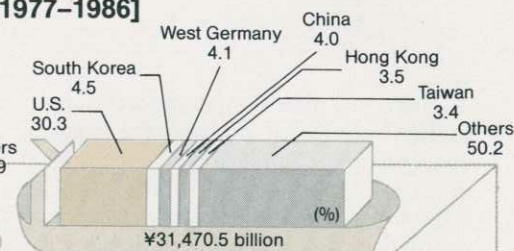
Japan-U.S. Trade Relations

Exports

[1926-1935]

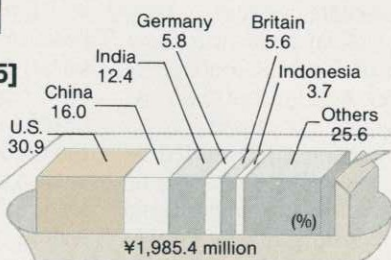


[1977-1986]

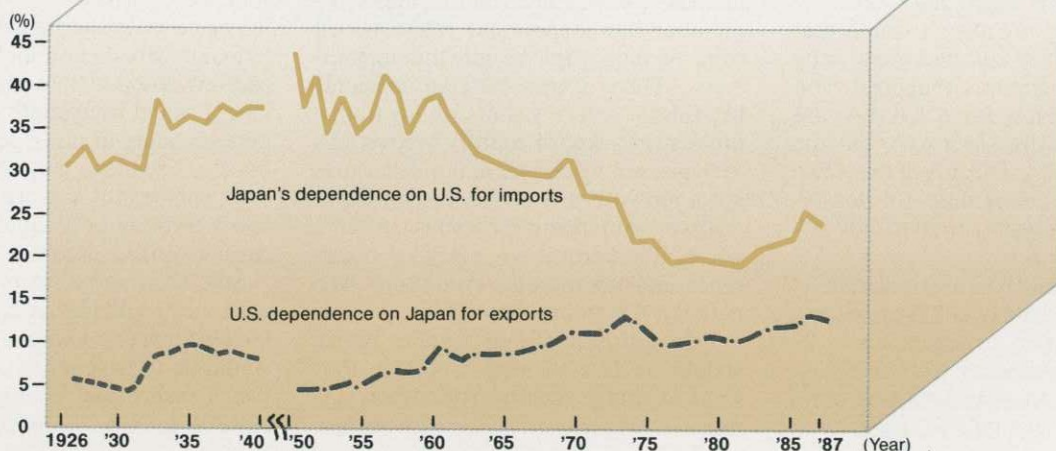
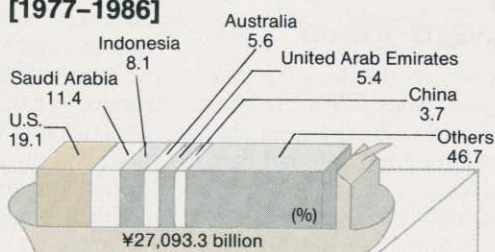


Imports

[1926-1935]



[1977-1986]



Notes: 1. The above graphs show Japan's main export and import partners in each period. Only the top six partners are listed due to space limitations.
 2. Monetary amounts are yearly average.
 Sources: "Highlights of U.S. Export and Import Trade"; "Main Japanese Economic Statistics" (Bank of Japan); and "Trade Statistics" (Finance Ministry)