

# THE SYNERGIES OF USA FOREIGN TRADE POLICY AGENDA CHALLENGES WITHIN THE INDUSTRY 4.0

<sup>a</sup>MARCEL KORDOŠ

*Alexander Dubček University in Trenčín, Študentská 2, 911 50  
Trenčín, Slovak Republic  
email: <sup>a</sup> marcel.kordos@tuni.sk*

This paper was supported by the Slovak Ministry of Education's Scientific grant agency VEGA: "The impact of Industry 4.0 on jobs structure changes". Project registration number: [Reg. No.: 1/0430/18].

**Abstract:** The forthcoming Industry 4.0 Industrial Revolution, also called a digital revolution, is characterized by a blending of technologies that erase the boundaries between physical, digital and biological spheres. There are gains from international trade. Importing and exporting of goods is big business in today's global economy thus international trade is supposed to be beneficial for a particular economy even for the USA. Paper deals with issues such as the U.S. foreign trade characteristics and the impact of Industry 4.0 on the US trade and economy. This study is analyzing the US trade policy agenda and discussing the impact of Industry 4.0 on the U.S. foreign trade and economy and its current status in international economic relations. By implementing the Industry 4.0 approaches into the U.S. foreign trade agenda, the economy of United States can keep the leading role in world economy not only today but also in the future.

**Keywords:** competitiveness enhancement, export promotion strategy, international economics, new jobs creation, automatics and robotics.

## 1 Introduction

International trade means the exchange of goods or services along international borders. This type of trade allows for a greater competition and more competitive pricing in the market. Probably the most important single insight in all of international economics is that there are gains from trade - that is, when countries sell goods and services to each other, this exchange is almost always to their mutual benefit. Importing and exporting of goods is a big business in today's global economy thus international trade is supposed to be beneficial for a particular economy even for the USA.

The versatile use of global capital is the proven success source of the US global economic model within the 21st Century, based on qualitative aspects, manifested primarily in global efficiency, being reflected in the US economy in terms of scientific and technological global development engagement, the strategy of science, inventions, discoveries and technical-economic improvements, the revolutionary progression of information technology, space research, armaments industry, universities, education and practically all fields of human activities. These are the starting points for the forthcoming Industry 4.0 Industrial Revolution, also called a digital revolution, characterized by a blending of technologies that erase the boundaries between physical, digital and biological spheres.

The question is arising if Americans shouldn't buy American goods whenever possible, to help create jobs in the United States. Paper deals with issues such as the U.S. international trade characteristics in terms of territorial and commodity structure, the U.S. export trade promotion strategy, the impact of Industry 4.0 on the US trade and economy international trade development as well as President's Trump strategy regarding the U.S. international trade strategy.

This study is analyzing the US trade policy agenda and discussing the impact of Industry 4.0 on the U.S. foreign trade and economy and its current status in international economic relations. Basic data will be drawn from generally accepted institutions, evaluating the U.S. economy performance. To accomplish this goal, methods such as analysis, comparison, synthesis and logical deduction are to be used; facts from scientific and professional publications, periodical and non-periodical press.

International trade of the United States is one of the world's most significant economic markets. The country is among the top three global importers and exporters. USA has trade relations

with many other countries. Through efficiency, competition, and relationships the international trade can increase economic growth and allow for all countries to benefit from it.

## 2 Theoretical Background and Literature overview

The world of Industry 4.0 (also called Fourth Industrial Revolution) is based on the fact that everything goes to the so-called networking, digitization. According to Zak (2012) production is interconnected by intelligent logistics of goods and associated with marketing and intelligent services with a strong focus on needs, individual and specific capabilities of a customer. Tight linking of products, devices, people enhances the efficiency of production machines and equipment, and reduces costs and saves resources (Varadzin, 2016). Intelligent tracking, highly automated robotics, intelligent machines, technology will become a complement to human work. New business models and new collaboration across countries and continents are emerging. The Fourth Industrial Revolution has the potential to increase the world income levels and improve the quality of life of population around the world (Mura et al., 2017). With Industry 4.0, the possibilities are enhanced by emerging technical discoveries in areas such as artificial intelligence, robotics, the Internet of Things, autonomous vehicles, 3-D printing, nanotechnology, biotechnology, materials science, energy storage and quantum computing, computerization of manufacturing and logistics within the machine - machine communication.

According to Simionescu et al. (2019) Industry 4.0, the phenomenon of today, is the interconnection of the Internet of things, services and people, and the associated immense volume of data generated, whether the machine - machine, man - machine or man - man is already communicating. Industry 4.0 is not just a mere digitization of industrial production, it is a comprehensive system of changes gathered to a range of human activities, especially in the field of artificial intelligence, not only in industrial production. The Internet of Things (IoT) concept is being developed, enabling everyday items to be included within the communication network. There are new advanced steps in robotics, and even some autonomous vehicles are already being put into production by some companies (only new legislation is awaiting) along with 3D printers or augmented reality technologies becoming more and more creatively enforced in production.

Cihelková (2016) argues that international trade means the exchange of goods or services along international borders. This type of trade allows for a greater competition and more competitive pricing in the market. Muller (2006) states that the competition results in more affordable products for the consumer. Krajnakova et al. (2015) argue that the exchange of goods also affects the economy of the world as dictated by supply and demand, making goods and services obtainable which may not otherwise be available to consumers globally.

According to Tupa et al. (2019) trade policy defines standards, goals, rules and regulations that pertain to trade relations between countries. These policies are specific to each country and are formulated by its public officials. Their aim is to boost the nation's international trade. Gärtner et al. (2017) and Deese (2014) state that a country's trade policy includes taxes imposed on import and export, inspection regulations, and tariffs and quotas.

Lipková et al. (2017) states that characteristics of international trade can be highlighted as follows. The first one is the Separation of Buyers and Producers. In inland trade producers and buyers are from the same country but in foreign trade they belong to different countries. The second one is Foreign Currency. Foreign trade involves payments in foreign currency. Different foreign currencies are involved while trading with other countries (Helisek, 2016; Helisek, 2015). Very important

are Restrictions. Imports and exports involve a number of restrictions but by different countries. Taušer, et al. (2015) argues that normally, imports face many import duties and restrictions imposed by importing country. Similarly, various rules and regulations are to be followed while sending goods outside the country. Risk Element. The risk involved in foreign trade is much higher since the goods are taken to long distances and even cross the oceans. Another one is Law of Comparative Cost. A country will specialize in the production of those goods in which it has cost advantage (Sejkora, 2014; Svarc, Grmelova, 2015). Such goods are exported to other countries. On the other hand, it will import those goods which have cost disadvantage or it has no specific advantage. Finally, there is Governmental Control. Lipkova and Braga (2016) argue that in every country, government controls the foreign trade. It gives permission for imports and exports may influence the decision about the countries with which trade is to take place.

International trade permits everybody to have more access to the goods and services that are created or performed around the world. According to Obadi and Korcek (2016) international trade helps in many other ways such as benefits to consumers, international peace and better standard of living. Before entering a new market, it is very important for every country, nations and businesses to consider these international trade positives and negatives sides (Zadrazilova, 2016; Vojtovic, 2016).

Krugman, et. al. (2014) argues that regarding the positives ones, inter-national trade allows businesses to expand their markets, gives companies access to different forms of monetary units, is a way to avoid heavy domestic competition, creates more new jobs for people, can set up new industries, develop the means of transport and communication. According to Taušer and Čajka (2014) imports allow foreign competition to reduce prices for consumers and availability of all types of goods for example tropical and out-of-season fruits and vegetables.

Though foreign trade has many advantages, it is very important to point out on some disadvantages such as: import of dangerous goods for example drugs and weapons, risk of international peace, political risk (slavery and wars), cultural risk (different cultural habits and beliefs), economic risk, currency (unexpected changes) and also environmental issues (Zemanova, Drulakova, 2016).

O'Brien and Williams (2013) argue that comparative advantage remains the basis of international trade. Differences in production costs within countries determine much of the flow of goods and services across international borders. Economists use the term "comparative advantage" to indicate that a country has a cost advantage in producing certain goods relative to other goods that could be produced within that same country (Balaz, Hamara, 2016). In other words, what spurs trade and specialization is not the absolute cost advantage that one country's producers have over their competitors in another country, but the relative advantage they have compared to other sectors within their own country. Comparative advantage can spring from multiple sources. Abrham, et al. (2016) states that a country can have a cost advantage in the production of a particular good because of superior production technology. This superiority can include better ways to organize the production process or a climate that allows the country to grow certain crops, such as bananas and mangos, more cheaply. It can also include greater investments in skilled labor and equipment that can result in a comparative advantage in such areas as computer software (Boukalova et al., 2016; Jenicek, 2016; Lehmannova, 2014; Zagata et al., 2019).

Chung (2015) argues that rapid trade growth may well act as a transmitter of economic stimulus around the globe and a vehicle of continued recovery, particularly if enhanced by additional efforts to reduce barriers and expand trading opportunities further. Recognition of the long term benefits of expanded trade, as well as the positive role trade can play in the current economic recovery are central factors reflected in the Administration's trade policy (Jirankova et al., 2015; Jirankova, M., Hnat, 2012).

### 3 The Goal and Research Methodology

The research task of this paper is focused on the analysis how the U.S. trade policy agenda is implemented into competitiveness enhancement of the U.S. economy, how important role the Industry 4.0 plays within the U.S. foreign trade to assure the sustainable economic growth in U.S. economy and to enhance the U.S. competitiveness within the world economy environment. The issue is also to find out the proper involvement of Industry 4.0 along with the possible risks and benefits for the U.S. economy and other economies in international economics system.

By means of analysis, comparative analysis methods followed by logical deduction the main aim of this paper is to figure out how and in what way the U.S. trade within its policy agenda can affect the international economics system in terms of Industry 4.0. Paper will find out and discuss based on the U.S. trade policy agenda analysis to figure out the impact of Industry 4.0 within the U.S. foreign trade on the U.S. economy and its current status in international economic relations.

Basic data will be drawn from generally accepted institutions, evaluating the U.S. economy performance such as Office of the U.S. Trade Representative, U.S. Census Bureau, Bureau of Economic Analysis, Department of Commerce USA, Trade and Development Agency. Those U.S. federal authorities have achieved high acceptance from the international organizations and governments being evaluated as well as businesses, and therefore they are considered as authoritative ones.

To accomplish this goal, methods such as analysis, comparison, synthesis and logical deduction are to be used; facts from scientific and professional publications, periodical and non-periodical press as well as internet sides will be primarily used and examined. Subsequently the analysis will lead to synthesis and prognosis by means of abstraction method eliminating the less important factors in order to set general statements and opinions.

### 4 Findings

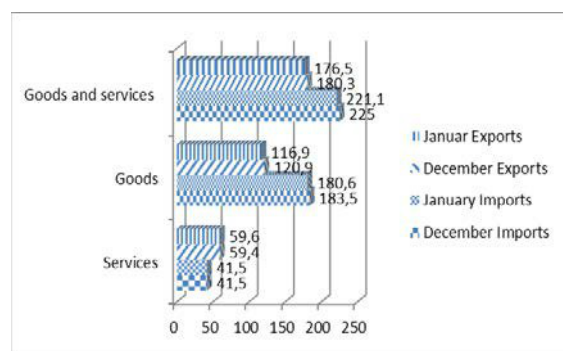
Regarding the U.S. international trade characteristics United States trade policy has varied widely through various American historical and industrial periods. As a major developed nation, the U.S. has relied heavily on the import of raw materials and the export of finished goods. Because of the significance for American economy and industry, much weight has been placed on trade policy by elected officials and business leaders.

In terms of political economy, the Constitution gives Congress express power over the imposition of tariffs and the regulation of international trade. As a result, Congress can enact laws including those that: establish tariff rates; implement trade agreements; provide remedies against unfairly traded imports; control exports of sensitive technology; and extend tariff preferences to imports from developing countries (Drulák, Druláková, 2014). According to Dvorakova (2013) over time, and under carefully prescribed circumstances, Congress has delegated some of its trade authority to the Executive Branch. Congress, however, has, in some cases, kept tight reins on the use of this authority by requiring that certain trade laws and programs be renewed; and by requiring the Executive Branch to issue reports to Congress to monitor the implementation of the trade laws and programs.

By and large the U.S. economy represents the 25.5 % of the world GDP and trade (export most import) is its GDP 22.5 % and the 5.7 % of world GDP. Economies most dependent commercially with USA are, from the point of view their sales, NAFTA partners (Canada and Mexico), China and the EU. During the past 20 years the United States trade balance is deficient increasingly (U.S. Census Bureau, 2019). The world was prepared in all these years to provide goods and services to the United States.

According to information of the U.S. Bureau of Economic Analysis (2019) international trade deficit in goods and services increased to \$45.7 billion in January 2018 from \$44.7 billion in December 2017 (revised), as exports decreased more than imports. In terms of goods and services analysis following data is available. Exports decreased to \$176.5 billion in January 2017 from \$180.3 billion in December 2016. Goods were \$116.9 billion in January, down from \$120.9 billion in December. Services were \$59.6 billion in January, up from \$59.4 billion in December. Imports decreased to \$221.1 billion in January from \$225.0 billion in December. Goods were \$180.6 billion in January, down from \$183.5 billion in December. Services were \$41.5 billion in January, up less than \$0.1 billion from December. For goods, the deficit was \$63.7 billion in January, up from \$62.6 billion in December. For services, the surplus was \$18.0 billion in January 2018, up from \$17.9 billion in December 2017.

Figure 1. The U.S. Goods and services export and import amounts development in December 2017 and January 2018



Source: own processing by The U.S. Bureau of Economic Analysis (2019)

The United States is the world's largest trading nation. There is a high amount of U.S. dollars in circulation all around the planet. The dollar is also used as the standard unit of currency in international markets for commodities such as gold and petroleum (Ivanová, Masárová, 2018).

In 2017, U.S. exports amounted to \$1.3 trillion and imports amounted to \$1.9 trillion. As the Office of the U.S. Trade Representative (2019) states in 2017 the trade deficit was \$634.9 billion. The deficit on petroleum products was \$270 billion. The trade deficit with China was \$295 billion in 2017, a new record and up from \$304 million in 1983. The United States had a \$168 billion surplus on trade in services, and \$803 billion deficit on trade in goods in 2017. China has expanded its foreign exchange reserves, which included \$1.6 trillion of U.S. securities as of 2018. In 2018, the ten largest trading partners of the U.S. were Canada, China, Mexico, Japan, Germany, the United Kingdom, South Korea, France, Taiwan, and Brazil.

Before mapping the US external trade relations, the U.S. Trade Representative institution (USTR) is to be discussed. The growing importance of international trade led to the establishment of the office of the U.S. trade representative in 1963, originally called The Office of the Special Representative for Trade Negotiations. USTR is the U. S. government agency responsible for developing and recommending United States trade policy to the President of the United States, conducting trade negotiations at bilateral and multilateral levels, and coordinating trade policy within the government. The USTR has offices in Geneva, Switzerland, and Brussels, Belgium. The U.S. trade representative is the chief representative of the United States for all activities concerning the General Agreement on Tariffs and Trade (GATT), an international agreement subscribed to by most nations, including negotiations on future GATT tariff adjustments (De Castro et al., 2017). The Trade representative negotiates with the Organization for Economic Cooperation and Development (OECD). The Trade

representative also serves as a member of the boards of directors of the Export-Import Bank (which makes low-cost loans to foreign purchasers) and the Overseas Private Investment Corporation (which insures overseas private investments).

The United States has completed negotiations of a regional, Asia-Pacific trade agreement, known as the Trans-Pacific Partnership (TPP) Agreement and is in negotiations of the Transatlantic Trade and Investment Partnership (TTIP) with the European Union, with the objective of shaping a high-standard, broad-based regional pact. Zadravilova, (2016) argues that the Trans-Pacific Partnership (TPP) is one of the most ambitious free trade agreements ever signed. Lipkova and Hovorkova (2018) state that the TPP writes the rules for global trade - rules that will help increase Made-in-America exports, grow the American economy, support well-paying American jobs, and strengthen the American middle class.

As a new issue the future creation of US – EU Free Trade Agreement, called the Trans-Atlantic Trade and Investment Partnership (TTIP) is essential to be mentioned. During the first round of the trade and investment talks, which took place in Washington D.C. in July 2013; negotiating groups set out respective approaches and ambitions in some twenty areas covered by the TTIP. According to Machkova and Sato (2017) the Transatlantic Trade and Investment Partnership (TTIP) is a trade agreement that is presently being negotiated between the European Union and the United States. It aims at removing trade barriers in a wide range of economic sectors to make it easier to buy and sell goods and services between the EU and the US. On top of cutting tariffs across all sectors, the EU and the US want to tackle barriers behind the customs border – such as differences in technical regulations, standards and approval procedures. Mura and Kljucnikov (2018) underline that these often cost unnecessary time and money for companies who want to sell their products on both markets. For example, when a car is approved as safe in the EU, it has to undergo a new approval procedure in the US even though the safety standards are similar (Mynarzova, Stverkova, 2015). The TTIP negotiations will also look at opening both markets for services, investment, and public procurement. They could also shape global rules on trade.

The important step towards the U.S. trade promotion agenda has been done by the President's Obama U.S. international trade strategy. The main issues and their impact on the U.S. economy and foreign trade relations will be observed.

A 12-nation Pacific trade deal cements President Donald Trump's strategic pivot toward Asia and challenges China to accept U.S.-backed rules for doing business. A trading bloc stretching from Chile to Japan, with the United States at the economic center, bolsters Trump's effort to counter growing Chinese military and economic influence in the Pacific. More than that, the deal means the U.S. now has closer trading partners and closer friends in the region (Malec, Abraham, 2016). That may force China to live up to the deal's standards or else be cut from some of the resulting economic growth. If ratified, the Trans-Pacific Partnership would be the largest pact governing international commerce in more than two decades, encompassing 40 percent of the world's economic output. The deal would set new precedents for breaking down subtle, politically entrenched barriers to trade and would reinvigorate an expansion of global commerce. The trade pact would eliminate more than 18,000 taxes on U.S. products and includes enforceable labor and environmental standards (Fojtikova, Stanickova, 2017).

Exports are an increasingly important component of the U.S. economy, and the global marketplace holds tremendous opportunity for U.S. companies. Thus the export enhancement agenda is a key element of the U.S. economy. Historically, U.S. companies seeking to expand their revenues focused first on increasing their number and share of U.S. customers. For years, this focus served as a winning strategy for many of the most successful U.S. companies. Today, global economic trends make clear that successful companies are those that reach and sell to consumers outside U.S. borders and around the globe. As the

U.S. Dept. of Commerce (2017) states over 95 percent of the world's consumers live outside U.S. borders. A new middle class is emerging in once-developing nations, which will increase the consumption of goods and services worldwide. More than one billion new consumers worldwide will enter the middle class during the next 15 years. According to a recent study by the Organization for Economic Cooperation and Development (OECD), global middle-class consumption is expected to rise from \$21 trillion to \$35 trillion by 2020, with over 80 percent of the growth in consumption occurring outside of North America and Europe. U.S. companies ignore these opportunities at their peril (Krajňáková, Vojtovic, 2017).

## 5 Discussion

Upon analyzing the impact of trade on the US economy and international trade development the issue why international trade and investment within the Industry 4.0 is so important for the United States is about to be discussed.

The United States of America is the most economically powerful country in the world. In 2018, its economy accounted for 22.4% of nominal world GDP. As far as industry is concerned, the USA produces almost a third of the world's industrial production. In particular, USA specializes in advanced engineering, with a high proportion of science and research. North America with traditionally strong industrial sectors, the technological innovation in terms of Industry 4.0 remains the only way to keep the competitive prices, being expected not only to increase productivity but also to reduce costs and optimize the production process (Tupa, Vojtovic, 2018).

The Smart Factory approach appears to be the trend of Industry 4.0 in the USA, being characterized by flexibility and re-configurability, efficient resources deployment, ergonomics and direct connection with customers and subcontractors, hence the production productivity should increase by 30 to 40% (Abrahám, Lžičar, 2018). Industry 4.0 means the implementation of new software and technology in the US economy. The Smart factory approach development - called 4.0 Industry 4.0 - means that industrial companies are increasingly investing in software. And all this, along with the development of future technologies such as smart vehicles, artificial intelligence (AI), virtual reality and 3D printing, is a very promising background for long-term investment and changes within the industry production and foreign trade quality structure (Abrahám, 2017). In any case, technologies are a highly globalized sector - with the supply chains of companies often operating in many countries. The US economy is known for its technological innovations - that is why, it is home to some of the world's most important IT companies (Drabík, Zamecník, 2016; Krnáčová, Drabík, 2018).

The entire Industry 4.0 in the US is based on the logic of cyber-physical systems (CPS). This means that you have autocratic, independently operating systems that are able to optimize production by themselves through self-optimization and mutual communication. Cyber-physical systems (CPS) are a central element of the new industry. They will enable efficient interconnection of individual machines, equipment, computers, logistics systems, vehicles, raw materials, products and entire operations in a co-operative supply-customer chain into one comprehensive network (Internet of Things - IoT). Individual items and sub processes in "smart factories" not only communicate with each other, but also control each other reliably.

In the US, the Industrial Internet Consortium (IIC) was established in 2014 and currently has 212 members. It was founded by AT&T, Cisco, GE, IBM and Intel to accelerate the development of communications technologies for machine and device interconnection and intelligent analysis. IIC is to coordinate priorities and release technology for the industrial Internet. The consumer is at the center of all activities. Today's consumers demand individually manufactured products and services ("Made-for-Me"). Daňo and Lesáková (2018) state that intelligent items, products and machines would enable

manufacturers to embark on piece production and produce original products without extra cost. This phenomenon is also to be adapted to the US export structure.

Advancing the US economy is the way to an innovative and smart intelligence economy. American companies have a major advantage in terms of cutting-edge areas such as artificial intelligence, software, automatics and robotics. According to Hanuláková and Dano (2018) digital connectivity not only improves efficiency, but also accelerates innovation, implements new business models that can be put into action much faster. Industry 4.0 is speeding up and bringing innovation to the US economy by generating new businesses by sharing devices or selling their capacities. With sensors and connectivity, products will be enriched with services (such as predictive maintenance) or even transformed into service. The engine manufacturer does not need to sell engines in the future, but will provide them as a customer service, and will only charge the engine power used by the customer.

Grenčíková et al. (2017) argues that international trade - both exports and imports supports 38.1 million American jobs. These trade related jobs are at large and small companies, on farms, in factories, and at the headquarters of globally engaged firms. The United States exports trillions of dollars in goods and services annually, including petroleum products, transportation equipment, farm products, travel services, and royalties from industrial processes. According to Jiroudková and Rovná (2015) the vast majority of U.S. exporters are small and medium sized companies with less than 500 workers. Customers in 234 countries around the world buy American grown and manufactured goods and services. Top markets like Canada, Mexico and China buy hundreds of billions of dollars of U.S. products and services annually (Sejkora, Sankot, 2017). Imports lower prices and increase choices for United States companies and families. Lower raw material and input costs help U.S. companies stay competitive in global markets, while families can stretch paychecks further as trade agreements reduce the cost of products by eliminating costly barriers to trade. Free trade agreements (FTAs) have led to rapid export growth to partner countries. America's FTA partners purchased 12.8 times more goods per capita from the United States than non FTA countries did in 2012. Foreign-owned companies invest in the United States and employ 5.3 mil-lion Americans (Trade and Development Agency, 2019).

Here are some of the enormous benefits of the international market place for the U.S. economy. Successfully enhanced the U.S. trade pro-motion agenda means: jobs for local communities throughout the United States; more business opportunities for small and medium-size firms across America; increased manufacturing for potential all key industrial sectors from chemicals and computers to machinery and transportation; and finally it means more sales revenue to supplement the tax base of each state to fund community assets like roads and schools. As this discussion demonstrates, embracing international trade has bolstered the economic prosperity of companies from all 50 states. Nearly every state in the country exported at least a billion dollars' worth of goods to markets overseas. These exports create thousands of jobs as local export-oriented businesses work to fulfil customers' orders around the world.

## 6 Conclusion and Further directions

By arriving to the conclusion it is necessary to highlight that globalization within the implementation of Industry 4.0 aspects should head in all directions and levels to activities that disintegration would not be the case. The fact that the US accounts for 22% of world GDP production is also relevant to the further development of the US economy and, consequently, to global economic growth. Thus, as a leader of global economic growth, US will continue to determine clearly further developments in global economic growth, as well as improving its future growth measures or its future developments. Industry 4.0 means implementing new software and technology in the US economy. Developing and advancing Industry 4.0 affects all

industrial sectors of the US economy and fundamentally influences the qualitative structure set of the US goods export structure as it affects manufacturing in the automotive industry, i.e. the development of science, technology, new education, new trends and labor. The structure of exported US production to world markets thus reflects the Industry 4.0 aspect as a driving force in international trade trends and the world economy future development.

The goal of international trade is trade goods and services between different countries. In this paper we have shown that international trade of the United States is one of the world's most significant economic markets. The country is among the top three global importers and exporters. USA has trade relations with many other countries. Through efficiency, competition, and relationships international trade can increase economic growth and allow for all countries to benefit from it. Generally speaking, the U.S. has experienced many different benefits and consequences because of international trade over its history. The question now is whether trade will harm U.S. workers and productivity in the new millennium. The world is progressing so rapidly and on so many dimensions that a mistake in our progress and growth would be detrimental to our survival. The U.S. must decide what to do about the standard of living and its position as a leader in the global economy. Whether the U.S. will erect walls of protection or heartily embrace trade as a prosperity factor will determine the future of U.S. workers and the U.S. economy. We have proved that trade is beneficial and necessary for U.S. survival, but until there is a definite analysis that completely disproves the opposing side of the argument, the debate will continue.

Finally, we can summarize that openness to international trade within the Industry 4.0 approach encourages productivity gains and improved competitiveness. Doing business internationally has allowed U.S. businesses, including small and medium-sized enterprises, to grow in markets outside of the United States and prosper globally.

Further research will be devoted to exploring the role of the US trade policy within the other EU common and coordinating policies such as Trade and Industry policies. Taking into account that questions of trade relations between the US and EU are among the most complicated ones, crucial emphasis should be also paid to researching peculiarities of new Trump foreign trade policy agenda within the China-USA trade war along with the U.S. imposed duties on cars export from the EU to the USA symbiosis and synergies regarding the future world economy development.

#### Literature:

1. Abrahám, J.: Project management and funding in the Euroregions, *Polish Journal of Management Studies*. 2017, 16 (1), pp. 7-20. doi:10.17512/pjms.2017.16.1.01
2. Abrahám, J., Lžišť, P.: Risk management in the sustainable development: Analysis of a selected key industry. *Journal of Security and Sustainability Issues*. 2018, 8 (2): 171-180. doi:10.9770/jssi.2018.8.2(5)
3. Abrahám, J., Bilan, Y., Krauchenia, A., Strielkowski, W.: Planning horizon in labour supply of Belarusian small entrepreneurs (vol 28, pg 773, 2015). *Economic Research-Ekonomska Istrazivanja*, 2015, 28 (1), pp. I-I. doi: 10.1080/1331677X.2015.1115638
4. Balaz, P., Hamara, A.: Export Dependency of Slovakia on German's Economy. *Politická Ekonomie*. 2016, 64 (5), pp. 573-590. doi: 10.18267/j.polek.1088
5. Boukalova, K., Kolarova, A., Lostak, M. Tracing shift in Czech rural development paradigm (Reflections of Local Action Groups in the media). *Agricultural Economics-Zemědělska Ekonomika*. 2016, 62 (4), pp. 149-159. doi: 10.17221/102/2015-AGRICECON
6. Bureau of Economic Analysis. 2019. [online]. [cit.2019-05-22]. Retrieved from: <http://www.bea.doc.gov>
7. Chung, J. W.: *Global Economic Disparity = A Dynamic Force in Geoeconomic Competition of Superpowers*. London: Lexington Books, 2015. 191 p. ISBN 978-0-7391-9357-0.
8. Cihelkova, E.: Formation of the theoretical framework for the comparative analysis of post-socialist countries. *Agricultural Economics (Czech Republic)*. 2016, 62 (9), pp. 407-420. doi:10.17221/18/2016-AGRICECON
9. Daňo, F., Lesáková, D.: The role of environmental stimuli in shopping evaluation and responses. *Ekonomicky Casopis*. 2018, 66 (5), pp. 465-478.
10. De Castro, T., Vlčková, J., Hnat, P.: Trade and investment relations between the Czech Republic and China: The Czech Republic as a gateway to the EU? *Society and Economy*. 2017, 39 (4), pp. 481-499. doi: 10.1556/204.2017.39.4.2
11. Deese, D. A.: *Handbook of the International Political Economy of Trade* (Handbooks of Research on International Political Economy series, #3). Edward Elgar Pub, 2014. ISBN 978-1781954980.
12. Drabik, P., Zamecnik, P. Key Aspects of Logistics for Online Store and Multi-channel Distribution. *Proceedings of 16th International Joint Conference: Central and Eastern Europe in the Changing Business Environment*. 2016. pp. 97-111.
13. Drulák, P., Druláková, R.: The richness of the liberal tradition in international relations: Karl Deutsch on political community and the European integration. *International Relations*. 2014, 28 (3), pp. 333-349. doi: 10.1177/0047117814545951
14. Dvorakova, V. Systemic Corruption and Its Influence on Governance in the Situation of Decentralization. *Changes in Governance: In the Context of the Global Crisis*. 2013. pp. 105-115.
15. Fojtikova, L., Stanickova, M.: The EU member states export competitiveness and productivity. *Politická Ekonomie*. 2017, 65 (6), pp. 669-689. doi: 10.18267/j.polek.1169
16. Gärtner, M., Sadílek, T., Zdražilová, D.: Cross-cultural adaptability in a sample of international university students in Prague – gender and culture effect. *Journal of Applied Economic Sciences*. 2017, 12 (3), pp. 893-906.
17. Grenčíková, A., Špánková, J., Habáň, J.: Regional Disparities in Labor Force Migration abroad in Slovak Republic and in Czech Republic. *Economics and Sociology*. 2017, 10 (3), pp. 81-89. doi:10.14254/2071-789X.2017/10-3/6
18. Hanulakova, E., Dano, F.: Circular Economy as a New Managerial Approach. *AD ALTA-Journal of Interdisciplinary Research*. 2018, 8 (1), pp. 95-98.
19. Helisek, M. Prospects for the Participation of the Czech Koruna in ERM II. *Proceedings of 14th International Scientific Conference: Economic Policy in the European Union Member Countries, PTS 1 and 2*. 2016. pp. 212-222.
20. Helisek, M. Perspectives of the Accession of the Czech Republic to the Euro Area in terms of the Price Level Convergence. *Economics & Sociology*. 2015, 8 (2), pp. 28-35. doi: 10.14254/2071-789X.2015/8-2/3
21. Ivanová, E., Masárová, J.: Performance evaluation of the Visegrad Group countries. *Economic Research-Ekonomska Istrazivanja*. 2018, 31 (1), pp. 270-289.
22. Jeníček, V. Economic growth in the development economy. *Agricultural Economics-Zemědělska Ekonomika*. 2016, 62 (2), pp. 93-99. doi: 10.17221/234/2014-AGRICECON
23. Jirankova, M., Hnat, P., Antal, J., Sankot, O. Euro Area Imbalances - Macroeconomic Competitiveness as a Balancing Factor? *Small States - Big Challenges: The Experience of the EU and Visegrad Region*. 2015. pp. 9-25.
24. Jirankova, M., Hnat, P. Balance of payments adjustment mechanisms in the Euro area. *Eastern Journal of European Studies*. 2012, 3 (1), pp. 67-86.
25. Jiroudkova, A., Rovna, L.A. EU Accession, Transition and Further Integration for the Countries of Central and Eastern Europe. *Economics & Sociology*. 2015, 8 (2), pp. 11-14. doi: 10.14254/2071-789X.2015/8-2/1
26. Krajnakova, E., Vojtovic, S.: Struggles of Older Workers at the Labour Market. *Economics & Sociology*. 2017, 10 (1), pp. 319-333. doi: 10.14254/2071-789X.2017/10-1/23
27. Krajnakova, E., Navikaite, A., Navickas, V.: Paradigm Shift of Small and Medium-Sized Enterprises Competitive Advantage to Management of Customer Satisfaction. *Inžinerine Ekonomika*

- Engineering Economics*. 2015, 26, pp. 327–32. doi:10.5755/j01.ee.26.3.6608.
28. Lehmannova, Z. Cultural Paradigm Analysis A Comparison of India and Europe. *India in the Contemporary World: Polity, Economy and International Relations*. 2014. pp. 104-126.
29. Lipkova, L., Hovorkova, K.: Economic situation in Norway after the outbreak of the global financial and oil crises in the context of EU integration trends. *Economic Annals-XXI*. 2018, 169, pp. 12–14.
30. Krnacova, P., Drabik, P. Consumer Awareness about Electromobility. *Proceedings of 18th International Joint Conference: Central and Eastern Europe in the Changing Business Environment*. 2018. pp. 190-201.
31. Krugman, P. R., Obstfeld, M., Melitz, M.: *International Economics: Theory and Policy*. 10th Edition. Pearson Series in Economics. Prentice Hall, 2014. ISBN 978-0133423648.
32. Lipkova, L., Gress, M., Poncarova, A.: Tax systems in the Czech Republic and the Slovak Republic: Comparison with an emphasis on income tax. *Economic Annals-XXI*. 2017, 165, pp. 47–51. doi:10.21003/ea.V165-10.
33. Lipkova, L., Braga, D.: Measuring Commercialization Success of Innovations in the EU. *Marketing and Management of Innovations*. 2016, 4, pp. 15-30.
34. Machkova, H., Sato, A.: Analysis of Competitiveness of Belgian Sugar Industry. *Listy Cukrovarnické a Reparské*. 2017, 133 (12), pp. 390-392.
35. Malec, L., Abrahm, J.: Determinants of tourism industry in selected European countries: A smooth partial least squares approach. *Economic Research-Ekonomska Istrazivanja*. 2016, pp. 29: 66–84. doi:10.1080/1331677X.2016.1156554.
36. Muller, K. Innovation performance of new EU member countries - Situation in the Czech Republic. *Politická Ekonomie*. 2006, 54 (6), pp. 778-801. doi: 10.18267/j.polek.583
37. Mura, L., Ključnikov, A.: Small Businesses in Rural Tourism and Agrotourism: Study from Slovakia. *Economics & Sociology*. 2018, 11 (3), pp. 286-300.
38. Mura, L., Havierníková, K., Machová, R.: Empirical results of entrepreneurs' network: Case study of Slovakia. *Serbian Journal of Management*. 2017, 12 (1), pp. 121-131.
39. Mynarzova, M., Stverkova, H.: Public Support as an Important Factor for Competitiveness of SMEs in the European Union. *Aktualne Problemy Podnikovej Sfery 2015*. 2015. pp: 452-461.
40. O'Brien R., Williams, M.: *Global Political Economy: Evolution and Dynamics*. Fourth Edition Palgrave Macmillan, 2013. ISBN 978-1137287366.
41. Obadi, S. M., Korcek, M.: The "Revealed" Comparative Advantage and Competitiveness of the EU's International Trade visa vis the USA. *Ekonomický Casopis*. 2016, 64 (5), pp. 397-422.
42. Office of the U.S. Trade Representative. 2019. [online]. [cit.2019-04-20]. Retrieved from: <http://www.ustr.gov>
43. Sejkora, J.: Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty. *Ekonomický Casopis*. 2014, 62 (4), pp. 431-435.
44. Sejkora, J., Sankot, O.: Comparative advantage, economic structure and growth: The case of Senegal. *South African Journal of Economic and Management Sciences*. 2017, 20 (1), Article Number: a1685. doi: 10.4102/sajems.v20i1.1685
45. Simionescu, M., Bilan, Y., Streimikiene, D.: The Impact of Biodiesel Consumption by Transport on Economic Growth in the European Union. *Inžinerine Ekonomika-Engineering Economics*. 2019, 30 (1), pp. 50-58. doi: 10.5755/j01.ee.30.1.21831
46. Svarc, Z., Grmelova, N. Consumer Protection in Common European Sales Law. *Proceedings of 12th International Scientific Conference: Economic Policy in the European Union Member Countries, PTS I and II*. 2015. pp. 820-828.
47. Taušer, J., Arltová, M., Žamberský, P.: Czech exports and german GDP: A closer look. *Prague Economic Papers*. 2015, 24 (1), pp. 17-37.
48. Taušer, J., Čajka, R.: Hedging techniques in commodity risk management. *Agricultural Economics (Czech Republic)*. 2014, 60 (4), pp. 174-182.
49. The U.S. department of Commerce. 2016. [online]. [cit.2019-05-22]. Retrieved from: <http://www.com.gov/>
50. Trade and Development Agency. 2019. [online]. [cit.2019-04-20]. Retrieved from: <http://www.tda.gov>
51. Tupa, M., Vojtovic, S., Strunz, H.: Changes in the Labour Market in the Slovak Republic and Migration of Labour Force. *International Scientific Conference on The Impact of Industry 4.0 on Job Creation*. 2019. pp: 209-216.
52. Tupa, M., Vojtovic, S.: Impact of Brexit on the Migration in the UK. *AD ALTA-Journal of Interdisciplinary Research*. 2018, 8 (2), pp: 306-309.
53. U.S. Census Bureau. 2019. [online]. [cit.2019-05-22]. Retrieved from: <http://www.census.gov>
54. Varadzin, F.: Global Public Goods and Integration. *Proceedings of the 3rd International Conference on European Integration 2016 (ICEI 2016)*. 2016. pp. 1052-1059
55. Zadrzilova, D.: Current Trends in German Sugar Industry. *Listy Cukrovarnické a Reparské*. 2016, 132 (12), pp. 390-393
56. Zadrzilova, D.: Current Trends in German Sugar Industry. *Listy Cukrovarnické a Reparské*. 2016, 132 (12), pp. 390-393.
57. Zagata, L., Hrabak, J., Lostak, M. Post-socialist transition as a driving force of the sustainable agriculture: a case study from the Czech Republic. *Agroecology and Sustainable Food Systems*. 2019, pp. 1-20. doi: 10.1080/21683565.2019.1585400
58. Zak, S.: International Marketing: Theory, Practices and New Trends. *Prague Economic Papers*. 2012, 21 (2), pp. 251-254.
59. Zemanova, S., Drulakova, R.: Making Global Goals Local Business in V4 Countries: V4 Entrepreneurs and the UN Global Compact. *Globalization and its Socio-Economic Consequences, 16th International Scientific Conference Proceedings, PTS I-V*. 2016. pp. 2490-2497.

#### Primary Paper Section: A

#### Secondary Paper Section: AH, AE