Your Name

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Unit 3 Project: Consumers Good Industry

One of the biggest exporting sectors of the American manufacturing and accounting for a significant 18 percent of global chemical shipments, the chemical industry is simultaneously serving the domestic needs and the global market requirements. Across the globe, United States of America is regarded as a leader in the production of chemicals and their exports.

There are more than 13,000 firms in the chemical industry currently involved in the efficient production of more than 70,000 products. In the fiscal year 2016-17, the statistic regarding net sales of the industry exceeded $766 billion dollars and was the source of income of more than 529,000 workers. If the additional employees which were indirectly hired by the industry suppliers are also considered, then the number surpasses 1.8 million (Grant II). The total foreign direct investments of the industry also transcended $700 billion in the fiscal year 2016-17.

Investments in the research, development and innovation sector of the chemical industry also outdid the prior amount of $99 billion and held records of enforcing intellectual property rights, elucidating a significant chunk of patents which are currently being granted in the United States. There are some characteristics specific to the chemical industry which renders the position of United States as a competitive hub for chemical industries and various firms from far-flung regions of the world. Some of these characteristics are as follows:

1. Access of industry to the provision of low-cost natural gas.
2. Highly skilled and educated workforce
3. Top-notch research and development centers
4. Protection and guaranteed safety of intellectual rights
5. Robust identification of products and maintenance of quality
6. Autonomous regulatory system

The sub-sectors of the U.S. chemical industry are mentioned below:

1. Agricultural chemicals
2. Consumer products
3. Basic chemicals
4. Pharmaceuticals
5. Specialty chemicals

US Current GDP: The **GDP** figure in the second quarter of **2019** was $5,381,455 million. Despite global challenges of the economy, U.S. chemical industry continues to grow in the last quarter of 2019 because of increasing supplies of natural gas and spurring investments in the chemical industry (Product, 2019).

The chemical industry is a valuable source of strength and it is predicted that growth in chemical industry will exceed levels of economic growth in the United States. For investment in the chemical industry, United States is an alluring destination. The last decade has been instrumental in expanding capacity in the chemical industry which has reversed persisting rates of decline.

 In the United States, the chemical industry contributes 5% of GDP and adds 12% of the value to GDP by all U.S. manufacturing industries, and it is also the nation's top exporter (Lenz and Lafrance, 1996).

Agricultural chemicals play a crucial role in the farm economy and the food processing sector. Farmers have doubled the production of world food supplies since 1960’s through the growing chemical industry and tripled the outputs of food like cooking oils and meat. In the developing world, increase in per capita food supplies have increased by 25%.

Pharmaceuticals include diagnostics, prescription drugs, vaccines, vitamins, and over-the-counter drugs for human and veterinary applications. Biotechnology products are also included in this sub-sector. Strategic investments for innovation and research and development of this sector are mandatory. The aforementioned facts speak highly about the importance of chemical industry in the U.S. economy and bringing foreign direct investment in the economy.

# Works Cited

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