

AN OVERVIEW OF AFGHANISTAN'S MAJOR GOODS IMPORTS FROM 2011 TO 2020

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ABSTRACT

It is a generic source for academia, government strategic planning committees, and inside-focused businesses which directly self-independent a country economically. Therefore, it is very important to know those major imported goods that motivate internal business and government could flourish new jobs and reduce external factors influence a country. The data was in an open source as secondary data from the worldwide website. Furthermore, the data was analyzed through Power BI, Jamovi, and Excel software. The results showed that Afghanistan had \$116 billion in imports of 21 major items from 2011 through 2020. The top five imported items were mineral products \$19697866599 (16.92%), vegetable products \$12759311935 (10.96%), transportation materials \$11702351555 (10.05%), Foodstuffs materials \$10447618796 (8.977%), animal and vegetable bi-products \$4638743657 (3.98%). It is highly suggested to the current Afghan government to motivate the private, governmental, and non-governmental organizations to sharpen the human resource in these sectors, which bring new businesses and full fill the human and governmental needs for standing on their feet. On another side, Afghanistan import very little amount of weapons, which give a positive message to those terrorist countries which export and import more weapons.

Keywords: Goods, Import, trade value, fluctuation

INTRODUCTION

It is very important to know the imported value of goods from 2011 up to 2020, which can give a pathway for the government and businesses in the future to know what is more valuable to import to Afghanistan and levy taxes on it. This research article would provide a general path for a new business that is going to invest in Afghanistan. Furthermore, this study would be a generic source for academic and educational perspectives. Even though this study would give a future strategic plan for a country, those imported goods would nourish the country's business, production, and industries. which gives a country economic independence. Major Goods imported are transferable business materials that are used to fulfill human and country needs which are brought from outside of the country bounties. On another side, the transaction of those major goods received inside a country is called import.

According to Olshanska & Fal (2019) definition of "goods is assets (excluding money), which value is reliably defined, which are supposed to be used for further exchange in order to obtain an economic benefit, and which main purpose is to meet consumer demand" (p. 33). The perspective on import sourcing offered here suggests a Principle of Import Sourcing Dynamics, which clarifies the steadily rising strategic value of import sourcing to specific firms (Swamidass, 1993). On the other hand, Carrasco & Tovar-García (2021) are arguing that the domestic goods of exports, the proportion of high-tech imports, and capital goods imports are all positively correlated with economic growth. Additionally, import and export volume and value are positively correlated with production, trade openness, and the competitiveness index (Boansi et al., 2014). Additionally, this approach's attention to the nation and sector specifics allows it to both reconcile the widely used "sink-based" and "source-based" techniques for reporting value added in trade and offer a novel extension of the conventional value added to exports ratio (Dietzenbacher & Rueda-Cantucho, 2019).

The authors Antonia et al. (2017) conclude that the direct advantages of trade facilitation will be proportionally larger for those nations that are not well integrated into world trade due to their high trade costs, the global impact of trade facilitation investments will also be substantial if they are made by important traders that are at the center of global value chains. In addition, intermediaries may succeed if they provide exceptional value on one side of the trade value framework, making it possible to ignore barriers on the other side of the trade (King et al., 2010).

The study by Seppälä et al. (2014) offers intriguing new perspectives on value-added trade and demonstrates the importance of transfer pricing often overlooked as a key issue in determining how value added is distributed geographically. Value transfers are shown to be caused by capital rivalry, their source is differential productivity, and their method is national and international commerce (Seretis & Tsaliki, 2012). Previous studies that looked at the connection between US trade flows and the dollar's value either used data on trade between the US and the rest of the globe or between the US and its top trading partners (Bahmani-Oskooee & Ardalani, 2006).

The findings of Cheong et al. (2005) imply that exporters react to the change in the amount of risk when there is an unanticipated shift in exchange rates by raising export prices and lowering trade volumes, but prefer to do it directly rather than by raising prices. That's because the terms of trade have an impact on the value of the output's marketable components, and changes in the terms of trade brought on by export price volatility are likely to produce changes in production (Toledo, 2014).

It has been proposed that the nominal trade account's dynamic reaction to fluctuations in the value of the US dollar exhibits a J-curve pattern (Koch & Rosensweig, 1990). Moreover, the outcome demonstrates that, against a backdrop of trade globalization, exchange rate fluctuations have little influence on total exports (Chu, 2018). Researchers contend that the primary driver of global trade imbalances is not an exchange rate shift but rather the departure of the exchange rate from the long-run equilibrium value (Chen et al., 2018).

The main factor affecting the trade balance is production variation, which also plays a significant role in China's trade deficit due to its intertemporal comparative advantage. Depending on whether the nation is a net exporter of the commodity, fuel, or manufactured products, the terms-of-trade volatility has a distinct impact on macroeconomic variation (Alimi & Aflouk, 2017).

OBJECTIVES OF THE STUDY

- To understand the trade value of imported goods from 2011 to 2020.
- To distinguish the highest and most valuable imported goods from 2011 to 2020.
- To know each year's fluctuation value of imported goods from 2011 to 2020.

RESEARCH QUESTIONS

Q 1: How many types of trade-value goods were imported to Afghanistan from 2011 to 2020?

Q 2: What were the most valuable imported goods to Afghanistan from 2011 to 2020?

Q 3: How much fluctuation in value occurs in the imported goods from 2011 to 2020 in Afghanistan?

METHODOLOGY

Overall, imports from Afghanistan measuring is very difficult because they have official and non-official trade with the neighbors. Therefore, this data is official data, which is in the general public hand. The nature of the data for this research exists as secondary data in open-source textual form. Data was collected from 2011 through 2020 from a worldwide website (Data Wheel, 2020). Furthermore, Power BI, Jamovi, and Excel software were used for data analysis.

RESULTS

The descriptive and graphical interpretations are drawn below:

Table 1 Descriptive Statistic of Imported goods

No.	Imported goods	Sum in Dolor	Percentage
1	Animal Hides	138716379	0.12
2	Animal Products	2596281487	2.23
3	Animal and Vegetable Bi-Products	4638743657	3.98
4	Arts and Antiques	8576967.99	0.007
5	Chemical Products	7264129512	6.24
6	Foodstuffs	10447618796	8.977
7	Footwear and Headwear	644752994	0.55
8	Instruments	3831602413	3.29
9	Machines	17679844740	15.19
10	Metals	5426874261.99	4.66
11	Mineral Products	19697866599	16.92

12	Miscellaneous	541696851	0.46
13	Paper Goods	935416403	0.80
14	Plastics and Rubbers	4242435745	3.64
15	Precious Metals	988427328	0.849
16	Stone And Glass	2736681370	2.35
17	Textiles	8633413116	7.418
18	Transportation	11702351555	10.05
19	Vegetable Products	12759311935	10.96
20	Weapons	465860152	0.40
21	Wood Products	998586103	0.85
Total Sum		116379188365	100

Table 1 elaborates that there are overall \$116 billion which is assumed as 100% imported goods to Afghanistan from all over the world between 2011 and 2020 years.

Q 1: How many types of trade-value goods were imported to Afghanistan from 2011 to 2020?

To answer the first question, these imported products are shown in the percentage value, which is as below:

- 1) Animal hides (0.12%): it consist trunks and cases (0.095%), and other products.
- 2) Animal products (2.23%): it include as poultry meat (0.47%), milk (0.46%), and other products such as eggs, cheese...etc.
- 3) Animal and vegetable bi-products (3.98%): such as inedible fats and oils (1.61%), palm oil (0.87%), other vegetable oils (0.86%), and other animal and vegetable bi-products
- 4) Arts and antiques (0.007%): it included as prefabricated buildings and other products.
- 5) Chemical products (6.24%) : that were packaged medicaments (1.22%), organic composite solvents (0.79%), cyclic hydrocarbons (0.77%), and other chemical products.
- 6) Foodstuffs materials (8.977%): it consist of raw sugar (2.69%), rolled tobacco (1.38%), and other edible foods.
- 7) Footwear and headwear (0.55%): via rubber footwear (0.2%), leather footwear (0.18%), and other wears.
- 8) Instruments products (3.29%): they are utility meters (0.81%), opto-electric instrument parts (0.7%), and other instruments.
- 9) Machine products (15.19%): which consist of broadcasting equipment (6.01%), insulated wire (0.74%), telephones (0.72%), computers (0.56%), and other engines and electric materials.
- 10) Metals (4.66%): such as raw iron bars (0.78%), iron structures (0.62%), and other metal products.
- 11) Mineral products (16.92%): which consist of Refined petroleum (8.39%), peat (3.56%), cement (1.95%), petroleum Gas (1.64%), such as electricity (0.64%), petroleum coke (0.13%), non-petroleum gas (0.12%), coke (0.21%), coal tar oil (0.034%), and some other mineral products.
- 12) Miscellaneous products (0.46%).
- 13) Paper goods (0.80%): via toilet papers (0.13%), shaped papers (0.12%), paper containers (0.11%), and other products.
- 14) Plastics and rubbers (3.64%): such as rubber tires (0.95%), plastic lids (0.42%), and other products of plastic and rubbers.
- 15) Precious metals products (0.849%): they contain Jewellery (0.51%), gold (0.17%), and other metals.
- 16) Stone and glass (2.35%): such as curbstones (1.4%), interior decorated glassware (0.22%), Glazed ceramics (0.18%), and other stone and glass products.
- 17) Textile stuffs (7.418%): which consist synthetic filament yarn woven fabric (1.16%), ornamental trimmings (1.08%), and other textile materials.
- 18) Transportation materials (10.05%): it include aircraft parts (1.85%), special purpose motor vehicles (1.57%), motor vehicle parts and accessories (1.52%), tanks and armored vehicles (1.41%), cars (1.08%), delivery trucks (0.76%), tractors (0.66%), motor cycles and cycles (0.39%), and other transport machineries.
- 19) Vegetable products (10.96%): which consist of wheat flour (4.02%), rice (1.15%), tea (1.27%), wheat (0.64%), citrus fruits (0.57%), potatoes (0.47%), and other vegetables and fruits.
- 20) Weapons (0.40%): such as explosive ammunition (0.25%), and other weapons.
- 21) Wood products (0.85%): they contain sawn wood (0.37%), wood fiberboard (0.33%), and other products.

Figure 1 Imported goods’ value

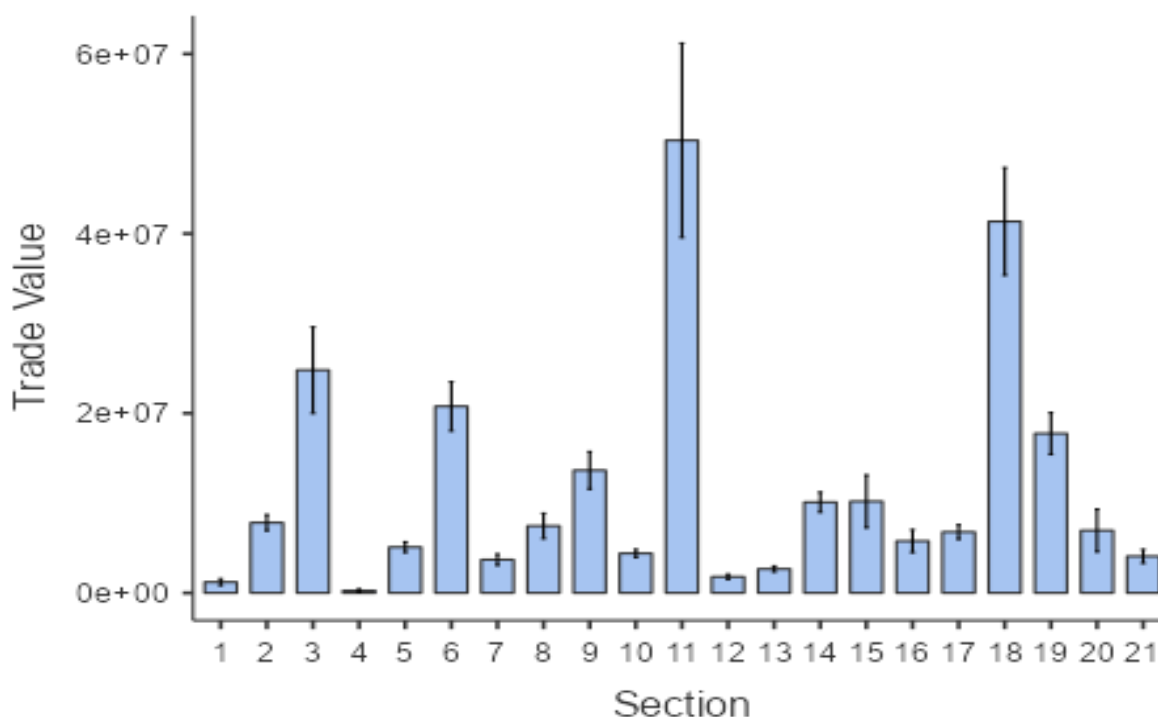
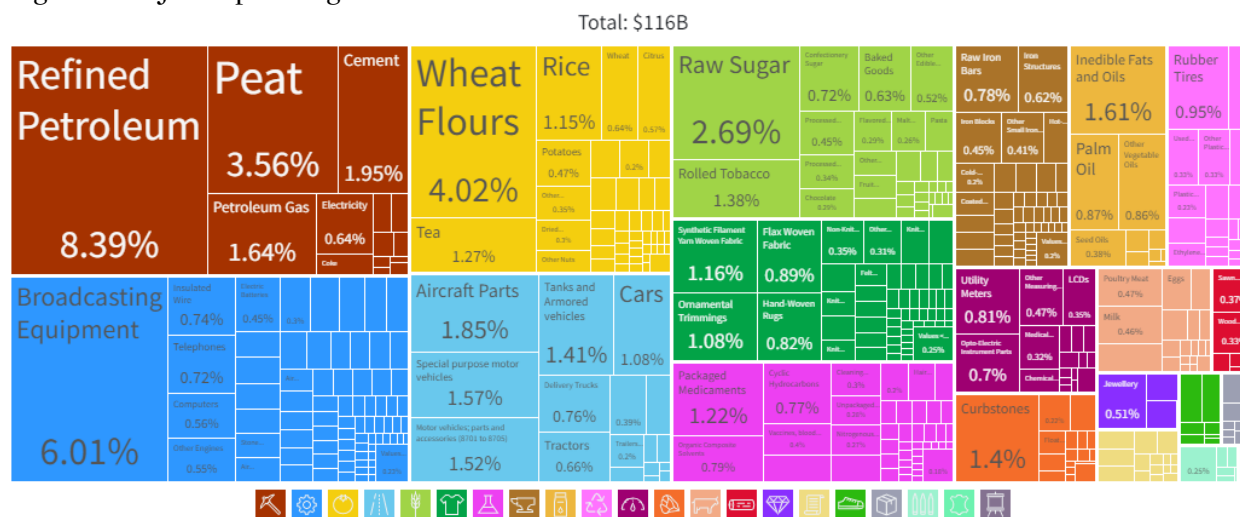


Figure 1 shows the 21 items and their ten-year trade value, which were imported from 2011 to 2020.

Q 2: What were the most valuable imported goods to Afghanistan from 2011 to 2020?
Mineral products were the most valuable imported goods; their value was \$19.4 billion for ten years. That comes to 20.08% of the value. Mineral products consist of refined petroleum, peat, cement, petroleum gas, electricity, petroleum coke, non-petroleum gas, coke, coal tar oil, and many other products.
Figure 2 Major imported goods



The figure 2 cited from a world wide website (Data Wheel, 2020).

Table 2 Descriptive statistics of imported goods value per year

Year	Sum of imported goods value	Percentage
2011	13291750380	11.42
2012	10796412442	9.27
2013	12172019444	10.45

2014	10845507470	9.32
2015	12335138104	10.59
2016	11417591705	9.81
2017	14121046519	12.13
2018	13397965654	11.51
2019	11097374182	9.53
2020	6904382465	5.93
Total sum	116379188365	100

Table 2 shows yearly imported goods and their trade value in dollars; furthermore, the percentage shows the imported values. Overall, there was more than \$116 billion that was assumed to be 100 percent trade value for ten years.

Q 3: How much fluctuation in value occurs in the imported goods from 2011 to 2020 years in Afghanistan?

Table 3 and Figure 3 show that 2017 year had the highest trade value for imported goods, which was more than \$14 billion, and 2020 had the lowest trade value for imported goods, which was approximately \$690 million in value.

Figure 3 Fluctuation of 21 items during each year

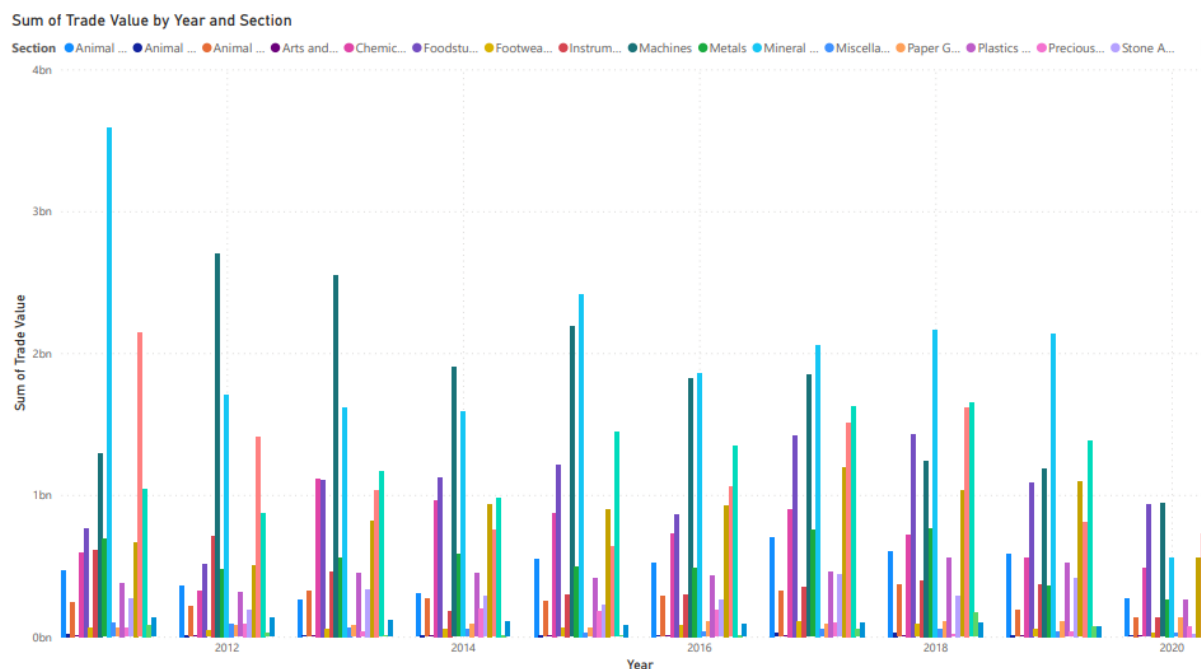


Figure 3 shows the fluctuation in import values. The Y-axis shows the value in billions of dollars, and the X-axis shows the consecutive years.

CONCLUSION

It is concluded that Afghanistan had bought more than \$116 billion in ten consecutive years. Furthermore, it is a consuming country even though the live living important things are also needed to be imported from other countries.

SUGGESTIONS

It is highly suggested that businessmen and government take these issues seriously:

- 1) It is very important to teach these materials inside the academic arena, which give clues to the youngsters for upbringing their economic condition and finding the solution for their country's needs.
- 2) The government must make an economic strategic plan for the eradication of import dependence.
- 3) Leading the governmental and non-governmental organizations to ward those major goods production in the side of a country.

- 4) Promoting and motivating financial and non-financial internal production is especially important for these types of major imported goods.

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