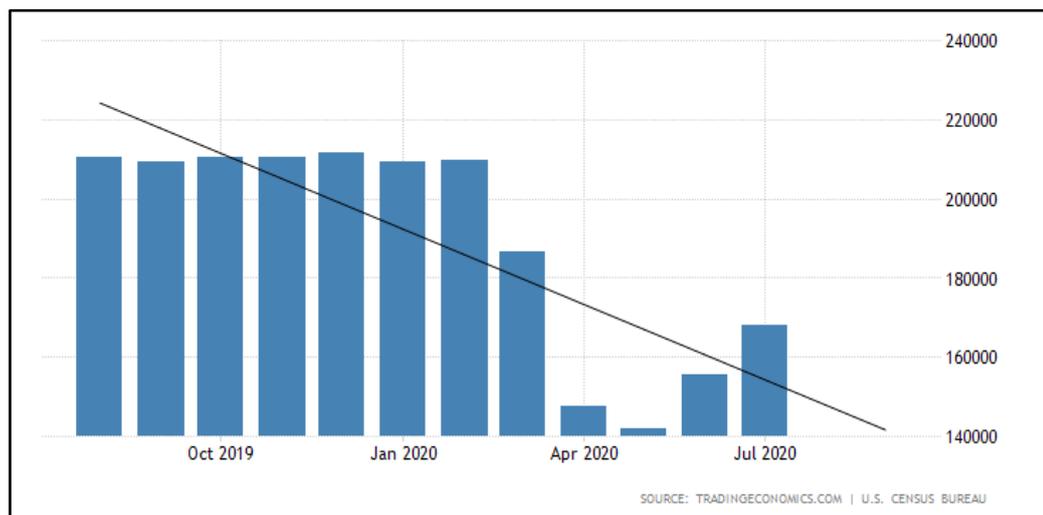


UNITED STATES

PESTEL

1. Political Factors:

- USA has a strong democratic setup and effective rule of law, with elections that are considered fair and transparent.
- The country enjoys massive political and economic influence over both national and global policymaking, and is recognized as the leading superpower in the world.
- TRADE: The United States is the world's largest economy, trader, and source and destination of foreign direct investment (FDI, stock basis). U.S. markets and production have become more integrated, especially with emerging economies. The 2019 top U.S. trading partners were Canada, Mexico, China, Japan, and the United Kingdom (UK).
- Exports from the US increased 8.2 percent to \$168.1 billion in July of 2020, reaching the highest value since March.



- Exports remained below pre-pandemic levels, reflecting the ongoing impact of COVID-19, as many businesses continued to operate at limited capacity or ceased operations completely, and the movement of travellers across borders remained restricted.

2. Economic Factors:

- The recession in 2009 badly affected the economy and unemployment rates increased and many companies collapsed.
- Things changed in 2015-2016 as unemployment rates declined and the availability of cheap labour in various countries allowed the U.S to increase and outsource their business activities.
- Impact of Globalization:
 - ⇒ Tends to increase at a much greater rate than the growth in world trade, helping boost technology transfer, industrial restructuring, and the growth of global companies.
 - ⇒ Tech developments due to increase in competition.
- The economic system is well backed by the services and manufacturing sectors.
- Many analysts believe that the U.S-CHINA trade war, U.S-IRAN standoff, BREXIT, may cause several problems not only in the U.S but also in many other countries.
- Types of Corporate Taxes:
 - ⇒ Federal Income Tax.
 - ⇒ Estimated Tax.
 - ⇒ Employment Taxes.
 - ⇒ Excise Taxes.
 - ⇒ State Taxes.

3. Social Factors:

- Like most developed countries, the US faces the problem of an aging population which can lead to a serious labour shortage and rising tax rates in the future.

- A majority of the population has a liberal mindset, but rising racial intolerance is a serious concern.
- The education and the healthcare sector of the U.S are among the best in the world.
- There is a problem of rising illegal immigrants in the U.S which affects the social aspect in a negative way.

4. Technological Factors:

- Innovation and technology are the cornerstones of the US economy. Since its inception, the country has been leading in terms of adapting and applying technology.
- Additionally, the US has also been at the forefront in enhancing and developing technologies in areas such as nanotechnology, environmental technology and biotechnology, which opens up massive opportunities for companies with expertise in the mentioned fields.

5. Environmental Factors:

- Loss of biodiversity
- Rising population and exhaustion of natural resources.
- Deforestation.
- Rising air pollution.
- Waste Management problems

6. Legal Factors:

- USA has its own government structure and legal scheme. Businesses come under the regulatory environment of the state in which they operate.
- The country upholds equal treatment of nationals and foreigners. Expatriate employees can expect an unbiased trial from the judicial system.

- The USA also offers a strong legal system to protect Intellectual Property Rights.