



# ARKANSAS INTERNATIONAL TRADE & JOBS DATA SUMMARY 2020

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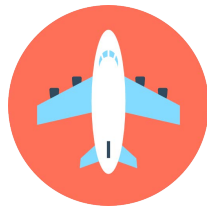
WORLD TRADE CENTER®  
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## Introduction

Arkansas has a diverse economy ranging from aerospace and defense, to agriculture, and manufacturing.<sup>1</sup> As of December 2019, international trade in Arkansas supported nearly 350,000 jobs,<sup>2</sup> representing approximately 26% of the state's total employed labor force.<sup>3</sup> Total exports of goods for Arkansas increased by 18% from their level in 2009,<sup>4</sup> now totaling \$6.2 billion,<sup>5</sup> and traveling to 167 countries.<sup>6</sup>

## Top Economic Sectors in Arkansas



Aerospace  
and Defense



Agriculture  
and AgriFood



Manufacturing

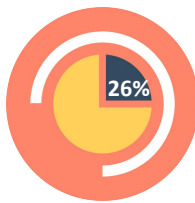
## Trade-Supported Employment in Arkansas

**350,000 Jobs**



Approximately 350,000  
Jobs in Arkansas are  
Supported by  
International Trade

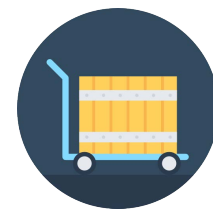
**26% of Labor Force**



Trade-Supported Jobs  
Make Up 26% of  
Arkansas' Labor Force

## Total Arkansas Exports

**\$6.2 Billion**

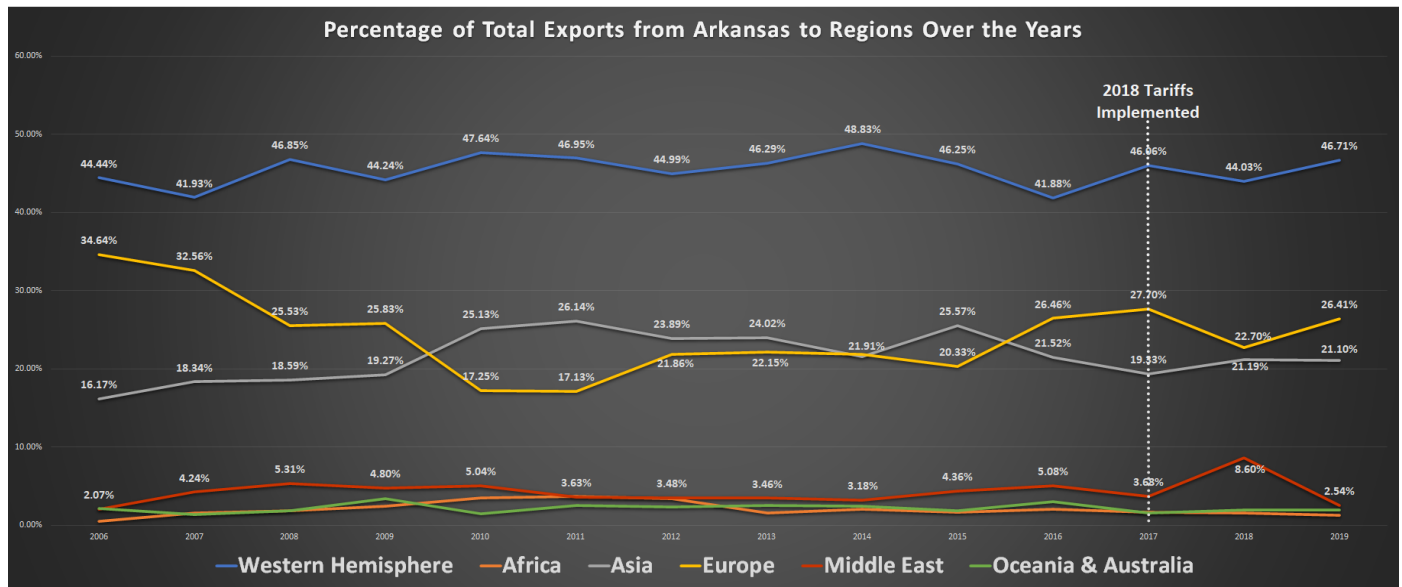


Arkansas Exported  
\$6.2 Billion Worth  
of Goods in 2019

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## Arkansas' Top Export Partners

**By region** -- throughout the last year, nearly 47% of all Arkansas exports went to Western Hemisphere countries, 26% went to Europe, 21% went to Asia, and 2.5% went to the Middle East.<sup>7</sup>



**By country** -- Arkansas' overall top ten export markets last year were (in order): Canada, Mexico, France, Japan, China, Belgium, Hong Kong, United Kingdom, Brazil and South Korea.<sup>8</sup>

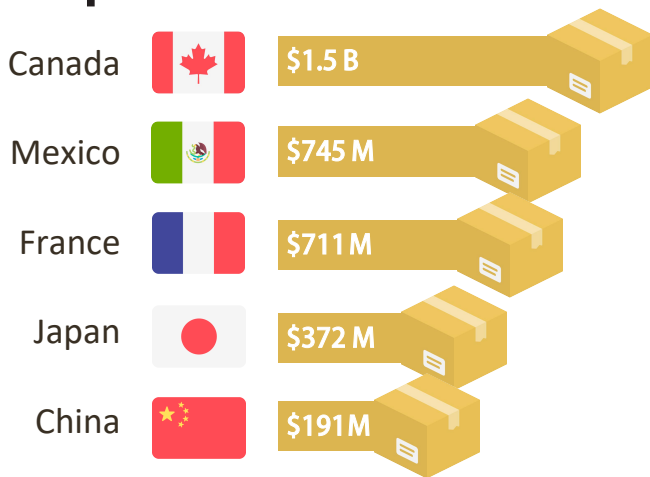
Values in millions of dollars. Percent Share of Total Arkansas' Goods Exports. Percent Change from 2018 - 2019.

Rank	Country	2017 Value	2018 Value	2019 Value	2017 % Share	2018 % Share	2019 % Share	% Change, 2018 - 2019
	<b>Total Arkansas Exports and % Share of U.S. Total</b>	\$6,234	\$6,447	<b>\$6,226</b>	0.4%	0.4%	<b>0.4%</b>	<b>-3.4%</b>
1	CANADA	\$1,257	\$1,208	<b>\$1,535</b>	20.2%	18.7%	<b>24.7%</b>	<b>27.0%</b>
2	MEXICO	\$851	\$870	<b>\$745</b>	13.6%	13.5%	<b>12.0%</b>	<b>-14.4%</b>
3	FRANCE	\$728	\$326	<b>\$711</b>	11.7%	5.1%	<b>11.40%</b>	<b>118.3%</b>
4	JAPAN	\$192	\$167	<b>\$372</b>	3.1%	2.6%	<b>6.0%</b>	<b>122.9%</b>
5	CHINA	\$367	\$307	<b>\$191</b>	5.9%	4.8%	<b>3.1%</b>	<b>-37.7%</b>
6	BELGIUM	\$91	\$196	<b>\$152</b>	1.5%	3.0%	<b>2.4%</b>	<b>-22.1%</b>
7	HONG KONG	\$122	\$180	<b>\$142</b>	2.0%	2.8%	<b>2.3%</b>	<b>-21.1%</b>
8	UNITED KINGDOM	\$250	\$204	<b>\$140</b>	4.0%	3.2%	<b>2.2%</b>	<b>-31.6%</b>
9	BRAZIL	\$117	\$78	<b>\$126</b>	1.9%	1.2%	<b>2.0%</b>	<b>61.6%</b>
10	KOREA, SOUTH	\$142	\$231	<b>\$124</b>	2.3%	3.6%	<b>2.0%</b>	<b>-46.3%</b>

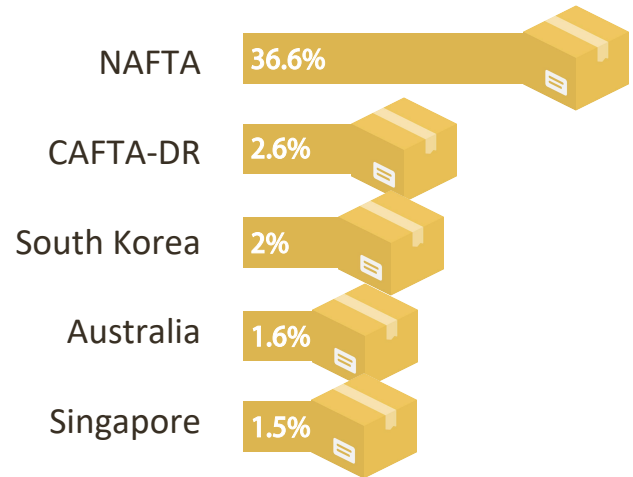
Data provided by U.S. Census Bureau.

# ARKANSAS International Trade & Jobs Data Summary 2020

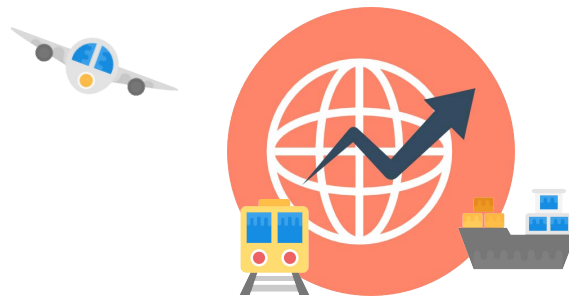
## Arkansas' Top Goods Export Countries in 2019



## Arkansas' Share of Exports to Free Trade Agreement Partners in 2019<sup>9</sup>



## Arkansas Trade with Canada & Mexico



Canada and Mexico are Arkansas' largest trading partners by billions of dollars,<sup>10</sup> and trade with the two countries supports more than 120,000 jobs in Arkansas,<sup>11</sup> representing almost 35% of all trade jobs.<sup>12</sup>

In 2019, Arkansas' exports to Canada and Mexico amounted to approximately \$2.3 billion in goods,<sup>13</sup> representing nearly 37% of all Arkansas exports.<sup>14</sup> As of 2019, Arkansas had a combined \$485 million positive trade balance in goods with both Canada and Mexico.<sup>15</sup>

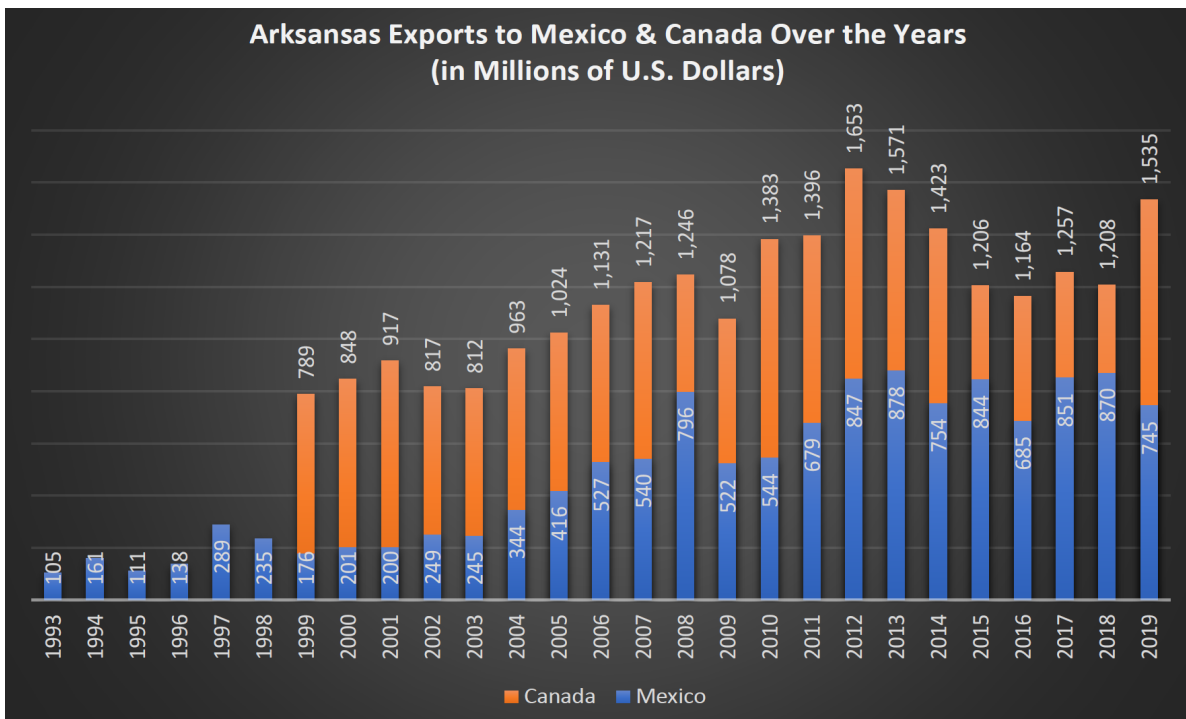
Canada is Arkansas' largest export partner.<sup>16</sup> In 2019, Arkansas' exports to Canada increased by 27% compared to the previous year,<sup>17</sup> from \$1.2 billion to over \$1.5 billion,<sup>18</sup>



# ARKANSAS International Trade & Jobs Data Summary 2020

becoming the main driver of exports for the state. This dramatic increase propelled export growth to our NAFTA partners.

Mexico is Arkansas' second largest export partner,<sup>19</sup> with nearly \$745 million in goods<sup>20</sup> exported in 2019. Since NAFTA, Arkansas' exports to Mexico have increased by 609.5%.<sup>21</sup>



## USMCA

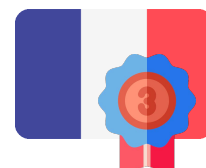


In 2019, Canada and Mexico agreed on a new trade agreement with the U.S., aiming to modernize the 25-year-old NAFTA.<sup>25</sup> The new United States-Mexico-Canada Agreement (USMCA) intends to better support mutually beneficial trade, leading to freer markets and stronger economic growth across North America.<sup>26</sup>

The expected implementation date is July 1, 2020.<sup>27</sup>

France was Arkansas' third largest export partner in 2019, with \$711 million<sup>22</sup> worth of goods exported. Meanwhile, exports to Japan accounted for \$372 million,<sup>23</sup> and exports to China added \$191 million.<sup>24</sup>

## Third Largest Export Partner



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## Arkansas' Top Export Sectors

Values in millions of dollars. Percent Share of Total Arkansas' Goods Exports. Percent Change from 2018 - 2019.

Rank	Description (HS Code)	2017 Value	2018 Value	2019 Value	2017 % Share	2018 % Share	2019 % Share	% Change, 2018 - 2019
<b>Total Arkansas Exports and % Share of U.S. Total</b>		\$6,234	\$6,447	<b>\$6,226</b>	0.4%	0.4%	<b>0.4%</b>	<b>-3.4%</b>
1	CIVILIAN AIRCRAFT, ENGINES, AND PARTS (880000)	\$1,503	\$995	<b>\$1,039</b>	24.1%	15.4%	<b>16.7%</b>	<b>4.5%</b>
2	RAILWAY OR TRAMWAY TANK CARS AND THE LIKE, NOT SEL (860610)	\$0	\$1	<b>\$364</b>	0%	0%	<b>5.8%</b>	<b>N/A</b>
3	CHEMICAL WOODPULP, SODA OR SULFATE, OTHER THAN DIS (470321)	\$111	\$191	<b>\$242</b>	1.8%	3.0%	<b>3.9%</b>	<b>27.1%</b>
4	RICE, SEMI-MILLED OR WHOLLY MILLED, WHETHER OR NOT (100630)	\$222	\$233	<b>\$206</b>	3.6%	3.6%	<b>3.3%</b>	<b>-11.4%</b>
5	AIRPLANES AND OTHER AIRCRAFT NESOI, OF AN UNLADEN (880240)	\$0	\$0	<b>\$200</b>	0%	0%	<b>3.2%</b>	<b>N/A</b>
6	PAPER & PAPERBOARD, COATED, IMPREGNATED OR COVERED (481151)	\$189	\$206	<b>\$195</b>	3.0%	3.2%	<b>3.1%</b>	<b>-5.5%</b>
7	EGGS OF CHICKENS (FOWLS OF THE SPECIES GALLUS DOMESTICUS) (020711)	\$162	\$172	<b>\$185</b>	2.6%	2.7%	<b>3.0%</b>	<b>7.5%</b>
8	CHICKEN CUTS AND EDIBLE OFFAL (INCLUDING LIVERS) F (20714)	\$190	\$171	<b>\$156</b>	3.1%	2.7%	<b>2.5%</b>	<b>-9.2%</b>
9	HALOGENATED DERIVATIVES OF AROMATIC HYDROCARBONS, (290399)	\$17	\$103	<b>\$124</b>	0.3%	1.6%	<b>2.0%</b>	<b>20.4%</b>
10	COTTON, NOT CARDED OR COMBED (520100)	\$63	\$117	<b>\$99</b>	1.0%	1.8%	<b>1.60%</b>	<b>-15.2%</b>

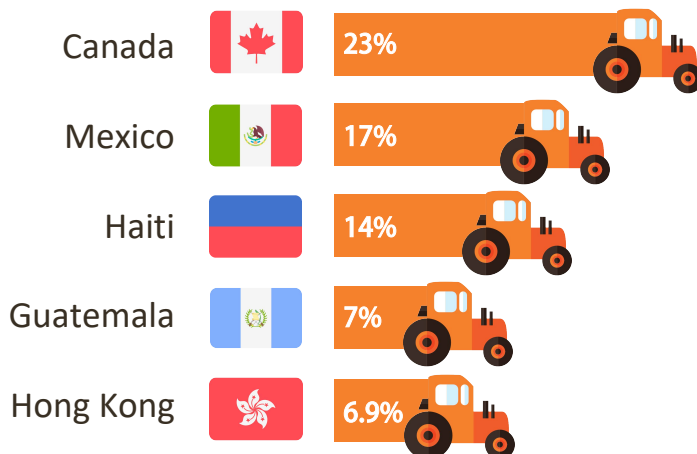
Data provided by U.S. Census Bureau.

### \$3 Billion in Agricultural Exports



Agriculture and agrifood represent one of the main industries of Arkansas' exports.<sup>28</sup> Arkansas farmers export approximately \$3 billion in agricultural and agrifood goods every year.<sup>29</sup> During 2019, the top four destinations for those exports were Western Hemisphere countries with a total share of 62%, followed by Hong Kong with 6.9%.<sup>30</sup>

### Arkansas' Top Agricultural Export Markets<sup>31</sup>



### Top Agricultural Exports



- ✓ America's largest rice exporter<sup>32</sup>
- ✓ Second largest poultry exporter<sup>33</sup>
- ✓ Fifth largest cotton exporter<sup>34</sup>

## Arkansas Trade-Related Jobs

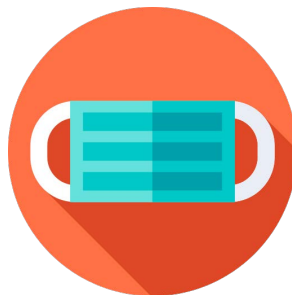
Over the last few years, Arkansas trade-related jobs have grown six times faster than total employment,<sup>35</sup> paid up to 18% more than similar jobs at non-exporting firms,<sup>36</sup> and were shown to be more secure. Likewise, businesses that started exporting for the first time last year also increased employment approximately four times faster than non-exporting businesses.<sup>37</sup>

### 80% of Exporters are Small Businesses



In Arkansas, small businesses account for about 80% of all exporters.<sup>38</sup>

## 2020 Outlook



The COVID-19 pandemic without a doubt will have an impact on 2020 Arkansas exports (which will be reflected in next year's Trade Summary).

During export year 2020, we expect to see a more diversified supply chain. This may include more manufacturing and sourcing outside of China as a result of COVID-19 pandemic supply chain disruptions.

## Contact Information

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*Special thanks to Roxane Gomez (World Trade Center Arkansas Trade Specialist) for helping compile and design this document.*

## Sources

*Figures may not add up due to rounding. Figures may also be subject to variations based on sources used.*

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12. *Percentage calculation based on 2. and 11.*



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