Overview

With more than 96 percent of the world’s population and 75 percent of its purchasing power outside the United States, economic recovery, jobs, and future growth for Missouri and America will depend on trade and investment. That includes reaching those customers with American goods and services through exports and expanding buying power and options for American companies and families with imports.

New Business Roundtable research, U.S. government data, and other data sources demonstrate the benefits of international trade and investment to jobs and the economy in Missouri. As the United States and the world continue efforts to defeat the COVID-19 pandemic and create jobs and economic opportunity – restoring trade and supporting trade-dependent jobs can help Missouri recover as well.

Trade Creates & Supports Jobs in Missouri

- **International trade, including exports and imports, supported 755,700 Missouri jobs – one in five in 2019.** These trade-related jobs grew five times faster than total employment from 1992 to 2019 and are at large and small companies, on farms, in factories, and at the headquarters of Missouri’s globally engaged firms. A rebound in trade will help restore trade-related jobs lost during the pandemic in Missouri. *(See Missouri Jobs Depend On Two-Way Trade)*

- **Missouri exported $14.5 billion in goods and $11.0 billion in services in 2019,** including motor vehicles, oilseeds and grains, basic chemicals and personal travel and tourism services. Of Missouri’s 6,122 exporters, 84 percent are small- and medium-sized companies with less than 500 workers. *(See Missouri Businesses Grow With Exports)*

- **Customers in 200 countries and territories buy Missouri-made goods and services,** including billions of dollars in annual exports to top markets like Canada, Mexico and China. Missouri’s exports have grown 0.7 percent per year since 2010. Policies that help Missouri businesses, workers, and farmers once again reach the growing number of customers around the world can help lead an economic and jobs recovery. *(See Missouri Companies Export Throughout The World)*

- **Imports lower prices and increase choices for Missouri companies and families.** Lower raw material and input costs help Missouri 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. *(See Missouri Companies and Families Benefit from Imports)*

- **Free trade agreements (FTAs) have helped fuel rapid export growth from Missouri to partner countries.** In 2019, $8.6 billion of Missouri’s goods exports, or 59 percent, went to FTA partners. This represents an increase of 21 percent since 2010. *(See Missouri Needs Trade Agreements To Grow)*

- **Foreign-owned companies invest and build facilities and employ 135,700 workers in Missouri.** *(See Foreign Investment In Missouri Creates Jobs)*

Contact: Paul DeLaney, Business Roundtable: pdelaney@brt.org
www.brt.org/trade
Overview

Creating and preserving quality U.S. jobs is a goal shared by all Americans. With more than 96 percent of the world’s population and 75 percent of the world’s purchasing power outside of the United States, future American economic growth and job creation depend on open markets abroad. At the beginning of 2020, the COVID-19 global pandemic dramatically decreased trade, disrupted communities and economies, and ended millions of jobs across America, including in Missouri. As the U.S. economy recovers and more Americans seek opportunities to work, policies that expand trade can create new jobs in Missouri and help it recover faster.

Trade Creates & Supports Jobs in Missouri

• Export growth increases jobs by generating new business for Missouri’s manufacturers, services providers and farmers. Imports support jobs and keep costs low, helping Missouri businesses compete and saving Missouri families real dollars at the cash register.

• One in five Missouri jobs depends upon international trade.

• Missouri’s trade-related employment grew five times faster than total employment from 1992 to 2019.

• Jobs in export-dependent industries pay about 16 percent more than jobs in less export-intensive industries.

• U.S. exporting plants increase employment 2 to 4 percent faster annually than plants that do not export. Exporting plants also are less likely to go out of business.

• Trade supports more than 28 million U.S. jobs that provide middle class incomes.

About Trade & Jobs

Trade-supported jobs are not just at companies that export and import. Trade supports higher wages for workers and lower costs for companies and consumers, providing them with more money to spend on other things. This spending supports additional jobs throughout the U.S. economy in sectors like entertainment, education and construction not typically associated with “exports and imports.”

By the Numbers

755,700
Number of Jobs in Missouri Supported by Trade

Share of Jobs Tied to Trade
Increased 98 percent from 1992 to 2019

<table>
<thead>
<tr>
<th>Jobs Tied to Trade Top Sectors, 2019</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal and recreational services</td>
<td>149,500</td>
</tr>
<tr>
<td>Business and professional services</td>
<td>149,300</td>
</tr>
<tr>
<td>Education and health services</td>
<td>119,700</td>
</tr>
<tr>
<td>Wholesale and retail trade</td>
<td>104,500</td>
</tr>
<tr>
<td>Finance and insurance</td>
<td>43,800</td>
</tr>
</tbody>
</table>

Contact: Paul DeLaney, Business Roundtable: pdelaney@brt.org
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Overview

Missouri exported an estimated $14.5 billion in goods and $11.0 billion in services in 2019. Between 2010 and 2019, Missouri goods exports have increased by 3 percent and services exports by 42 percent. Large companies now account for 73 percent of the value of Missouri’s goods exports, with the rest provided by small- and medium-sized enterprises (SMEs).

Small & Large Employers Partner to Export

In addition to exporting directly themselves, thousands of American SMEs export indirectly when they sell goods and services to large U.S. exporters. Based on their direct and indirect export activity combined, SMEs represent more than 40 percent of the value of U.S. exports.

Top Missouri Exports

- Missouri ranks among the top 15 state exporters in 25 industries, including second in leather and hide tanning ($124 million), sixth in animal foods ($175 million), eighth in metal ores ($220 million), and 10th in motor vehicles ($2.2 billion).
- Missouri is America’s 10th largest exporter of agricultural products. It is the seventh largest exporter of oilseeds and grains, the 10th largest exporter of cattle, the 11th largest exporter of swine, and the 20th largest exporter of miscellaneous animal products.
- One of Missouri’s fastest growing export categories is dairy products, which increased by 344 percent since 2010. In 2019, exports of these products reached $160 million.

By the Numbers

6,122
Number of Missouri Businesses that Exported in 2018

84%
Share of Missouri Exporters that Are Small- & Medium-Sized Businesses

Top Missouri Exports, 2019

<table>
<thead>
<tr>
<th>Goods</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motor Vehicles</td>
<td>$2.2 billion</td>
</tr>
<tr>
<td>Oilseeds &amp; Grains</td>
<td>$1.7 billion</td>
</tr>
<tr>
<td>Basic Chemicals</td>
<td>$1.1 billion</td>
</tr>
<tr>
<td>Pharmaceuticals &amp; Medicines</td>
<td>$849 million</td>
</tr>
<tr>
<td>Aerospace Products &amp; Parts</td>
<td>$482 million</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Services</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Travel &amp; Tourism</td>
<td>$2.0 billion</td>
</tr>
<tr>
<td>Misc. Financial Services</td>
<td>$700 million</td>
</tr>
<tr>
<td>Royalties from Industrial Processes</td>
<td>$693 million</td>
</tr>
</tbody>
</table>

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www.brt.org/trade
In 2019, Missouri companies sold their products in 200 countries and territories.

Top export markets include:

- **CANADA**: Goods Exports: $4.9 billion, Services Exports: $1.0 billion
- **UNITED KINGDOM**: Goods Exports: $335 million, Services Exports: $1.1 billion
- **CHINA**: Goods Exports: $1.1 billion, Services Exports: $796 million
- **MEXICO**: Goods Exports: $2.4 billion, Services Exports: $509 million
- **GERMANY**: Goods Exports: $478 million, Services Exports: $415 million
- **JAPAN**: Goods Exports: $608 million, Services Exports: $613 million

Fast Facts: How Exports Help the Missouri Economy Grow

- Goods and services exports accounted for 7.8 percent of Missouri's state GDP in 2019.
- Missouri's annual exports grew 0.7 percent per year since 2010.
- Missouri's top export markets for goods are Canada, Mexico, and China. Its top market for services is the United Kingdom.
- Missouri's goods exports to Bangladesh have grown by 35 percent per year since 2010, while Missouri's services exports to India have grown by 8 percent per year.
- Restoring trade can help lead a jobs recovery when supported by policies that help Missouri businesses, workers, and farmers reach the growing number of customers around the world.

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www.brt.org/trade
Overview

Imports provide a variety of benefit for Missouri companies and families. Imported consumer goods help keep prices down for Missouri families while increasing choices for foods and other products that are not available locally. Imported inputs help Missouri manufacturers compete in both the United States and international markets, while exported goods (e.g., components) and services (e.g., design) often return to the United States as imports. To best meet the COVID-19 challenges, trade policies should ensure that American families and businesses retain access to both domestic and international inputs, supplies and services they need at prices they can afford.

Missouri Families Benefit from Imports

• In 2019, 29 percent of Missouri’s imports were consumer goods. Prices for imported consumer goods tend to drop year after year, leaving Missouri families more money to spend on locally provided goods and services, such as housing, education, and health care.

• Trade and investment liberalization policies save the average Missouri family of four more than $10,000 per year through lower prices and increased specialization.

Most Importers are Small Businesses

• In 2019, 6,051 Missouri companies imported goods from 154 countries around the world.

• Nationally, 77 percent of importers were very small businesses with less than 20 employees, while less than 3 percent had over 500 employees.

Missouri Exports and Imports are Linked Through Global Value Chains

• In 2019, 71 percent of Missouri goods imports were raw materials, components and parts that are used by U.S. manufacturers to stay competitive.

• Many of Missouri’s top imports are critical components for Missouri exports. Conversely, Missouri exports of raw materials and parts may return to the United States in imported finished goods.

2010-2019 Price Decrease

-85% for Televisions

-52% for Computers

-51% for Toys

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www.brt.org/trade
Overview

Trade with our free trade agreement (FTA) partner countries supports millions of American jobs. Trade agreements level the playing field by lowering other nations’ trade barriers, opening up foreign markets to U.S. exports and setting strong, enforceable rules for trade between the United States and those other countries. Missouri businesses, workers and farmers benefit from market-opening agreements, and would be harmed from new barriers to trade that limit exports, competitiveness, and jobs in Missouri and United States.

• In 2019, $8.6 billion of Missouri's goods exports, or 59 percent, went to FTA partners.
• Since 2010, Missouri's goods exports to countries with FTAs in effect with the United States in 2019 have increased by 21 percent.
• Missouri’s exports to Canada and Mexico have increased by $5.4 billion (283 percent) since NAFTA went into effect in 1994.
• Missouri’s exports to Panama have increased by 77 percent – from $29 million to $52 million – since the FTA with Panama took effect in 2012.
• Missouri’s exports to Korea of motor vehicles have increased from $428,000 to $117 million since the FTA with Korea went into effect in 2012.
• In 2019, $2.9 billion of Missouri's services exports, or 27 percent, went to FTA partners.
• Missouri’s exports to Singapore of R&D and testing services have increased from $1.3 million to $66 million, or by about 50 times, since 2006 (earliest year available).

By the Numbers

In 2019, FTA partners purchased 21.0 times more goods per capita from Missouri than non-FTA partners.

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FOREIGN INVESTMENT IN MISSOURI CREATES JOBS

Overview

Foreign-owned companies help grow the U.S. economy and jobs. In 2019, foreign-owned companies added over $1 trillion to U.S. GDP, including goods exports of $380 billion and R&D spending of over $60 billion. They employed 7.4 million workers in the United States, including 2 million workers — or 1 out of every 6 — in the manufacturing sector.

Missouri is no exception. Foreign-owned companies make significant investments in Missouri to open or expand facilities every year and are important customers for local goods and services providers. Subsidiaries of foreign-owned companies alone employed more than 130,000 workers in Missouri in 2019, including:

- 19,400 workers employed by companies based in the United Kingdom;
- 17,000 workers employed by companies based in Germany;
- 16,900 workers employed by companies based in Japan;
- 15,100 workers employed by companies based in Canada;
- 12,200 workers employed by companies based in France.

Foreign-Owned Companies Employed 135,700 Missouri Workers Across Many Industries, 2019

<table>
<thead>
<tr>
<th>Industry</th>
<th>Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>64,200</td>
</tr>
<tr>
<td>Other</td>
<td>38,900</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>12,600</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>5,900</td>
</tr>
<tr>
<td>Finance &amp; Insurance</td>
<td>5,300</td>
</tr>
<tr>
<td>Information</td>
<td>4,500</td>
</tr>
<tr>
<td>Prof., Sci. &amp; Tech. Services</td>
<td>4,300</td>
</tr>
</tbody>
</table>

Selected Foreign-Owned Companies Employing Workers in Missouri

<table>
<thead>
<tr>
<th>Company</th>
<th>Industry</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alstom Transportation Inc.</td>
<td>Electronics product manufacturing</td>
<td>France</td>
</tr>
<tr>
<td>Anheuser-Busch</td>
<td>Beverage products manufacturing</td>
<td>Belgium</td>
</tr>
<tr>
<td>BASF Corporation</td>
<td>Chemicals manufacturing</td>
<td>Germany</td>
</tr>
<tr>
<td>Faurecia Automotive Seating</td>
<td>Motor vehicle parts manufacturing</td>
<td>France</td>
</tr>
<tr>
<td>Magna Cosma/LMV Automotive</td>
<td>Motor vehicle parts manufacturing</td>
<td>Canada</td>
</tr>
<tr>
<td>Monsanto Company (HQ)</td>
<td>Agricultural chemicals manufacturing</td>
<td>Germany</td>
</tr>
<tr>
<td>National Beef Packing Company</td>
<td>Meat product manufacturing</td>
<td>Brazil</td>
</tr>
<tr>
<td>Panera Bread Company (HQ)</td>
<td>Food retailing</td>
<td>Luxembourg</td>
</tr>
</tbody>
</table>

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www.brt.org/trade
MISSOURI JOBS DEPEND ON TWO-WAY TRADE

Population and Purchasing Power: Derived from World Bank population and GDP estimates


MISSOURI BUSINESSES GROW WITH EXPORTS

Small and Large Firms Partnering to Export (for 2006, the most recent year for which data were available): U.S. International Trade Commission, Small and Medium-Sized Enterprises: Characteristics and Performance, November 2010, (http://www.usitc.gov/publications/332/pub4189.pdf)


MISSOURI COMPANIES EXPORT THROUGHOUT THE WORLD


MISSOURI COMPANIES USE IMPORTS TO MAKE COMPETITIVE PRODUCTS


Imports as Components: Derived from Census end-use import data


Price Changes: Derived from BLS Consumer Price Index database (http://www.bls.gov/cpi/)

MISSOURI NEEDS TRADE AGREEMENTS TO GROW


Per Capita Purchases of Missouri Goods: Derived from The Trade Partnership (http://tradepartnership.com/data/cdxexports-and-cdxjobs) and World Bank population estimates

FOREIGN INVESTMENT IN MISSOURI CREATES JOBS

Employment Data: BEA “Direct Investment & Multinational Companies” database (http://bea.gov/iTable/index_MNC.cfm)

Foreign Investors: Uniworld BP database of “Foreign Firms Operating in the United States” (http://www.uniworldbp.com)

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