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 Oklahoma 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 Oklahoma. In 2020, the COVID-19 global pandemic has brought dual public health and economic crises. Meeting both challenges requires restoring trade and supporting trade-dependent jobs to help Oklahoma recover.

Trade Creates & Supports Jobs in Oklahoma

- **International trade, including exports and imports, supported 475,300 Oklahoma jobs – one in five in 2018.** These trade-related jobs grew four times faster than total employment from 1992 to 2018 and are at large and small companies, on farms, in factories, and at the headquarters of Oklahoma’s globally engaged firms. A rebound in trade will help restore trade-related jobs lost during the pandemic in Oklahoma. *(See Oklahoma Jobs Depend On Two-Way Trade)*

- **Oklahoma exported $6.3 billion in goods and $3.6 billion in services in 2018,** including aerospace products and parts, miscellaneous general purpose machinery, oilseeds and grains and travel services. Of Oklahoma’s 3,138 exporters, 84 percent are small- and medium-sized companies with less than 500 workers. *(See Oklahoma Businesses Grow With Exports)*

- **Customers in 182 countries and territories buy Oklahoma-made goods and services,** including billions of dollars in annual exports to top markets like Canada, Mexico and Germany. Policies that help Oklahoma businesses, workers, and farmers once again reach the growing number of customers around the world can help lead an economic and jobs recovery. *(See Oklahoma Companies Export Throughout The World)*

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

- **Free trade agreements (FTAs) have helped fuel rapid export growth from Oklahoma to partner countries.** In 2018, $3.1 billion of Oklahoma’s goods exports, or 50 percent, went to FTA partners. This represents an increase of 31 percent since 2009. *(See Oklahoma Needs Trade Agreements To Grow)*

- **Foreign-owned companies invest and build facilities and employ 50,700 workers in Oklahoma.** *(See Foreign Investment In Oklahoma Creates Jobs)*

Contact: Paul DeLaney, Business Roundtable: pdelaney@brt.org
www.brt.org/trade
OKLAHOMA JOBS DEPEND ON TWO-WAY 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, stopped economic growth and ended millions of jobs across America, including in Oklahoma. Policies that expand trade can create new job opportunities in Oklahoma and help it recover faster.

Trade Creates & Supports Jobs in Oklahoma

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

- One in five Oklahoma jobs depends upon international trade.

- Oklahoma’s trade-related employment grew four times faster than total employment from 1992 to 2018.

- 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-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.

By the Numbers

475,300
Number of Jobs in Oklahoma Supported by Trade

Share of Jobs Tied to Trade
Increased 80 percent from 1992 to 2018

<table>
<thead>
<tr>
<th>Year</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992</td>
<td>11.3%</td>
</tr>
<tr>
<td>2018</td>
<td>20.4%</td>
</tr>
</tbody>
</table>

Jobs Tied to Trade
Top Sectors, 2018

<table>
<thead>
<tr>
<th>Sector</th>
<th>Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade &amp; Distribution</td>
<td>105,900</td>
</tr>
<tr>
<td>Prof., Scient. &amp; Tech. Services</td>
<td>64,200</td>
</tr>
<tr>
<td>Personal &amp; Rec. Services</td>
<td>24,200</td>
</tr>
<tr>
<td>Mining</td>
<td>24,000</td>
</tr>
<tr>
<td>Construction</td>
<td>22,800</td>
</tr>
</tbody>
</table>

Contact: Paul DeLaney, Business Roundtable: pdelaney@brt.org
www.brt.org/trade
OKLAHOMA BUSINESSES GROW WITH EXPORTS

Overview

Oklahoma exported an estimated $6.3 billion in goods and $3.6 billion in services in 2018. Between 2009 and 2018, Oklahoma goods exports have increased by 36 percent and services exports by 20 percent. Large companies now account for 74 percent of the value of Oklahoma'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 Oklahoma Exports

- Oklahoma ranks among the top 15 state exporters in seven industries, including 10th in boilers, tanks and containers ($118 million), 10th in magnetic and optical media ($102 million), 11th in miscellaneous crops ($167 million), and 11th in poultry and eggs ($12 million).
- Oklahoma is America’s 28th largest exporter of agricultural products. It is the 11th largest exporter of miscellaneous crops, the 11th largest exporter of poultry and eggs, the 14th largest exporter of miscellaneous animal products, and the 21st largest exporter of oilseeds and grains.
- One of Oklahoma’s fastest growing export categories is aerospace products and parts, which increased by 13 percent since 2009. In 2018, exports of these products reached $785 million.

By the Numbers

3,138
Number of Oklahoma Businesses that Exported in 2018

Top Oklahoma Exports, 2018 Goods

<table>
<thead>
<tr>
<th>Product</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aerospace Products &amp; Parts</td>
<td>$785 million</td>
</tr>
<tr>
<td>Misc. General Purpose Machinery</td>
<td>$517 million</td>
</tr>
<tr>
<td>Oilseeds &amp; Grains</td>
<td>$406 million</td>
</tr>
<tr>
<td>Misc. Fabricated Metal Products</td>
<td>$338 million</td>
</tr>
<tr>
<td>Navigational &amp; Meas. Instruments</td>
<td>$333 million</td>
</tr>
</tbody>
</table>

Top Oklahoma Exports, 2018 Services

<table>
<thead>
<tr>
<th>Service</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel</td>
<td>$1.3 billion</td>
</tr>
<tr>
<td>Passenger Fares</td>
<td>$445 million</td>
</tr>
<tr>
<td>Equip. Install., Maint., &amp; Repair</td>
<td>$402 million</td>
</tr>
</tbody>
</table>

Contact: Paul DeLaney, Business Roundtable: pdelaney@brt.org
www.brt.org/trade
In 2018, Oklahoma companies sold their products in 182 countries and territories.

Top export markets include:

- **Canada**: Goods Exports: $1.6 billion, Services Exports: $320 million
- **United Kingdom**: Goods Exports: $153 million, Services Exports: $278 million
- **China**: Goods Exports: $239 million, Services Exports: $328 million
- **Mexico**: Goods Exports: $790 million, Services Exports: $220 million
- **Germany**: Goods Exports: $582 million, Services Exports: $139 million
- **Japan**: Goods Exports: $342 million, Services Exports: $224 million

**Fast Facts: How Exports Help the Oklahoma Economy Grow**

- Goods and services exports accounted for 4.9 percent of Oklahoma's state GDP in 2018.
- Oklahoma's exports have grown at an average annual rate of 3.2 percent since 2009.
- Oklahoma's top export markets for goods are Canada, Mexico, and Germany. Its top market for services is China.
- Oklahoma's goods exports to Germany have grown by 22 percent per year since 2009, while Oklahoma's services exports to India have grown by 5 percent per year.
- Restoring trade can help lead a jobs recovery when supported by policies that help Oklahoma businesses, workers, and farmers reach the growing number of customers around the world.

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

www.brt.org/trade
Overview
Imports provide a variety of benefits for Oklahoma companies and families. Imported consumer goods help keep prices down for Oklahoma families while increasing choices for foods and other products that are not available locally. Imported inputs help Oklahoma 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.

Oklahoma Families Benefit from Imports
- In 2018, 24 percent of Oklahoma’s imports were consumer goods. Prices for imported consumer goods tend to drop year after year, leaving Oklahoma 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 Oklahoma family of four more than $10,000 per year through lower prices and increased specialization.

Most Importers are Small Businesses
- In 2018, 2,611 Oklahoma companies imported goods from 153 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.

Oklahoma Exports and Imports are Linked Through Global Value Chains
- In 2018, 76 percent of Oklahoma goods imports were raw materials, components and parts that are used by U.S. manufacturers to stay competitive.
- Many of Oklahoma’s top imports are critical components for Oklahoma exports. Conversely, Oklahoma exports of raw materials and parts may return to the United States in imported finished goods.

2008-2018 Price Decrease
-88% for Televisions
-63% for Computers
-45% for Toys

Contact: Paul DeLaney, Business Roundtable: pdelaney@brt.org
www.brt.org/trade
OKLAHOMA NEEDS TRADE AGREEMENTS TO GROW

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. Oklahoma 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 Oklahoma and the United States.

• In 2018, $3.1 billion of Oklahoma’s goods exports, or 50 percent, went to FTA partners.

• Since 2009, Oklahoma’s goods exports to countries with FTAs in effect with the United States in 2018 have increased by 31 percent.

• Oklahoma’s exports to Canada and Mexico have tripled to $1.6 billion since NAFTA went into effect in 1994.

• Oklahoma’s exports to Singapore have increased by 135 percent – from $76 million to $180 million – since the FTA with Singapore took effect in 2004.

• Oklahoma’s exports to Korea of miscellaneous crops have increased from $4.9 million to $17 million since the FTA with Korea went into effect in 2012.

• Canada bought 83 percent – $97 million out of $117 million – of Oklahoma’s exports of household appliances in 2018.

• In 2018, $993 million of Oklahoma’s services exports, or 28 percent, went to FTA partners.

• Oklahoma’s exports to Australia of travel services have more than doubled, from $27 million to $60 million since 2006 (earliest year available).

By the Numbers

31%
Increase in Oklahoma Goods Exports to FTA Partners Between 2009 and 2018

Per Capita Purchases of Oklahoma Goods, 2018

$6.72

$0.46

Non-FTA Countries

FTA Partner Countries

In 2018, FTA partners purchased 14.5 times more goods per capita from Oklahoma than non-FTA partners.

* U.S. FTAs in effect with countries in 2018.

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

Foreign-owned companies help grow the U.S. economy and jobs. In 2017, 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.

Oklahoma is no exception. Foreign-owned companies make significant investments in Oklahoma to open or expand facilities every year and are important customers for local goods and services providers. Subsidiaries of foreign-owned companies alone employed tens of thousands of workers in Oklahoma in 2017, including:

- 9,600 workers employed by companies based in the United Kingdom;
- 8,600 workers employed by companies based in France;
- 3,600 workers employed by companies based in Germany;
- 3,400 workers employed by companies based in Switzerland;
- 3,300 workers employed by companies based in Canada.

Selected Foreign-Owned Companies Employing Workers in Oklahoma

<table>
<thead>
<tr>
<th>Company</th>
<th>Industry</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABB Inc.</td>
<td>Electrical Equipment Manufacturing</td>
<td>Switzerland</td>
</tr>
<tr>
<td>Hunting Energy Services</td>
<td>Energy Production</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>Inspectorate America Corp.</td>
<td>Testing Services</td>
<td>France</td>
</tr>
<tr>
<td>Interceramic Tile &amp; Stone Gallery</td>
<td>Tile Manufacturing</td>
<td>Mexico</td>
</tr>
<tr>
<td>KPMG LLP</td>
<td>Accounting Services</td>
<td>Netherlands</td>
</tr>
<tr>
<td>Siemens Energy &amp; Automation</td>
<td>Electronics and Engineering Services</td>
<td>Germany</td>
</tr>
<tr>
<td>TGS-NOPEC Geophysical Co.</td>
<td>Energy Services</td>
<td>Norway</td>
</tr>
<tr>
<td>UBS Financial Services</td>
<td>Banking Services</td>
<td>Switzerland</td>
</tr>
</tbody>
</table>

Contact: Paul DeLaney, Business Roundtable: pdelaney@brt.org
www.brt.org/trade
OKLAHOMA JOBS DEPEND ON TWO-WAY TRADE

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


OKLAHOMA 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)


OKLAHOMA COMPANIES EXPORT THROUGHOUT THE WORLD


OKLAHOMA 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/)

OKLAHOMA NEEDS TRADE AGREEMENTS TO GROW


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

FOREIGN INVESTMENT IN OKLAHOMA 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)