Introduction

Arkansas has a diverse economy ranging from aerospace and defense, to agriculture, and manufacturing. As of September 2019, international trade in Arkansas supported nearly 350,000 jobs, representing approximately 26% of the state's total employed labor force. Total exports of goods for Arkansas increased by nearly 12% from their level in 2008, now totaling $6.5 billion, and traveling to 170 countries.

Top Economic Sectors in Arkansas

- Aerospace and Defense
- Agriculture and AgriFood
- Manufacturing

Trade-Supported Employment in Arkansas

- 350,000 Jobs
- 26% of Labor Force

Total Arkansas Exports

- $6.5 Billion

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

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

Arkansas Exported $6.5 Billion Worth of Goods in 2018
Arkansas' Top Export Markets

**By region** -- throughout the last year, over 44% of all Arkansas exports went to Western Hemisphere countries. Of those exports not sent to the Western Hemisphere, approximately 23% went to Europe, 21% went to Asia, and 9% went to the Middle East.

*Data provided by U.S. Census Bureau.*

**By country** -- more specifically, Arkansas' overall top ten export markets last year were (in order): Canada, Mexico, Saudi Arabia, France, China, South Korea, United Kingdom, Belgium, Hong Kong, and Japan.


(Data provided by U.S. Census Bureau.)
Canada and Mexico are Arkansas’ largest trading partners by billions of dollars\(^\text{10}\), and trade with the two countries supports more than 120,000 jobs in Arkansas\(^\text{11}\), representing almost 35% of all trade jobs\(^\text{12}\).

Canada is Arkansas’ largest export market, followed by Mexico\(^\text{13}\). In 2018, Arkansas' exports to Canada and Mexico amounted to approximately $2 billion in goods\(^\text{14}\) and $276 million in services\(^\text{15}\), which together represented about 36% of all Arkansas exports\(^\text{16}\). As of 2018, Arkansas had a combined $275 million positive trade balance in goods with both Canada and Mexico\(^\text{17}\).

In 2018, Arkansas' exports to Mexico increased by 2.3% with respect to the previous year\(^\text{18}\), from $851 million to $870 million\(^\text{19}\). Throughout this last year, exports to Canada decreased by 3.9%\(^\text{20}\).
Since NAFTA, Arkansas' exports to Mexico have increased by 732.2%21, while those to the rest of the world rose by 312.9%22. In other words, Arkansas' export growth rate to Mexico has been 2.3 times higher than its export growth rate to the rest of the world23.

Arkansas' exports to Saudi Arabia increased by 421.4% over the course of 201824. Exports to the country peaked at $397 million last year (from only $76 million in 2017)25, making Saudi Arabia the 3rd most important export destination for Arkansas26.

Meanwhile, exports to France accounted for $326 million27, and exports to China added up to $307 million28.

Arkansas' Top Export Sectors


<table>
<thead>
<tr>
<th>Rank</th>
<th>Description (HS Code)</th>
<th>2016 Value</th>
<th>2017 Value</th>
<th>2018 Value</th>
<th>2016 % Share</th>
<th>2017 % Share</th>
<th>2018 % Share</th>
<th>% Change, 2017 - 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>CIVILIAN AIRCRAFT, ENGINES, AND PARTS (880000)</td>
<td>$1,083</td>
<td>$1,363</td>
<td>$1,647</td>
<td>18.9%</td>
<td>24.1%</td>
<td>24.1%</td>
<td>-33.8%</td>
</tr>
<tr>
<td>2</td>
<td>BOMB MINES OT AMMUNITION (930690)</td>
<td>$169</td>
<td>$79</td>
<td>$463</td>
<td>2.2%</td>
<td>1.3%</td>
<td>7.2%</td>
<td>-486.6%</td>
</tr>
<tr>
<td>3</td>
<td>RICE, SEMI- OR WHOLLY MILLED, POUSHEE ETC OR NOT (100610)</td>
<td>$152</td>
<td>$222</td>
<td>$233</td>
<td>2.7%</td>
<td>3.6%</td>
<td>3.6%</td>
<td>4.8%</td>
</tr>
<tr>
<td>4</td>
<td>PPR/PBRS, CTD/IMPG/CVR W/PLAST,BLEACH,WNT-150G/M2 (681151)</td>
<td>$152</td>
<td>$189</td>
<td>$206</td>
<td>2.8%</td>
<td>3.6%</td>
<td>3.2%</td>
<td>8.8%</td>
</tr>
<tr>
<td>5</td>
<td>CHEMICAL WOODPULP, SODA ETC. N DSS 5 BL &amp; BL CONF (470321)</td>
<td>$33</td>
<td>$111</td>
<td>$191</td>
<td>0.5%</td>
<td>1.8%</td>
<td>3.0%</td>
<td>72.0%</td>
</tr>
<tr>
<td>6</td>
<td>EGGS OF CHICKENS, FERTILIZED FOR INCUBATION (000711)</td>
<td>$174</td>
<td>$162</td>
<td>$172</td>
<td>3.0%</td>
<td>2.6%</td>
<td>2.7%</td>
<td>-5.0%</td>
</tr>
<tr>
<td>7</td>
<td>CHICKEN CUTS AND EDIBLE OFFAL (INC LIVERS), FROZEN (020714)</td>
<td>$150</td>
<td>$190</td>
<td>$171</td>
<td>2.6%</td>
<td>3.1%</td>
<td>2.7%</td>
<td>-9.9%</td>
</tr>
<tr>
<td>8</td>
<td>COTTON, NOT CARDED OR UNCOMBED (520100)</td>
<td>$54</td>
<td>$63</td>
<td>$117</td>
<td>0.9%</td>
<td>1.0%</td>
<td>1.8%</td>
<td>85.1%</td>
</tr>
<tr>
<td>9</td>
<td>HALOGENATED DERIV OF AROMATIC HYDROCARBONS, NSCH (292899)</td>
<td>$90</td>
<td>$17</td>
<td>$103</td>
<td>1.6%</td>
<td>0.3%</td>
<td>1.6%</td>
<td>500.0%</td>
</tr>
<tr>
<td>10</td>
<td>DERIV. CONT. ONLY HALOGEN SUBST. &amp; SALTS, NSCH (292899)</td>
<td>$50</td>
<td>$51</td>
<td>$82</td>
<td>1.0%</td>
<td>0.8%</td>
<td>1.6%</td>
<td>-31.0%</td>
</tr>
</tbody>
</table>

Data provided by U.S. Census Bureau.

The recent increase in exports to the Middle East29 as well as the 486.6% increase in "Bomb Mines OT Ammunition" exports30 can all be explained by a missile contract made between Lockheed Martin and Saudi Arabia in 201831. Through this new deal, Lockheed’s industrial site in Camden was allocated a major share of THAAD missiles' manufacturing32.

Missile Contract

Agriculture and AgriFood represent one of the main portions of Arkansas' exports33. Arkansas farmers produced over $3 billion in agricultural exports during 201834. The top three destinations for those exports were Western Hemisphere countries with a total share of over 48%, followed by Hong Kong with 5%, and the United Kingdom with another 5%35.
Arkansas’ Top Agricultural Export Markets

- **Mexico**: 23%
- **Canada**: 15%
- **Haiti**: 10%
- **Hong Kong**: 5%
- **United Kingdom**: 5%

Arkansas Trade-Related Jobs

Over the last few years, Arkansas trade-related jobs grew six times faster than total employment, paid up to 18% more than similar jobs at non-exporting firms, 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.

80% of Exporters are Small Businesses

In Arkansas, small businesses account for about 80% of all exporters.
Contact Information

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Sources (hover over link to click)

Figures may not add up due to rounding. Figures may also be subject to variations based on sources used.
12. Percentage calculation based on 2. and 11.

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