

EXPORT FOCUS OF MANUFACTURING

Value of exports per manufacturing worker.¹⁴

Why Is This Important? Trade has become an integral part of the U.S. and world economies. The combined total of U.S. exports and imports has increased from less than 5.5 percent of GDP in 1950, to 11 percent in 1970, to 24 percent in 2000. Moreover, the United States is increasingly specializing in more complex, higher value-added goods and services, which is benefiting many American workers. Workers employed in export-oriented firms earn 10 percent more than workers in similar firms that export less, or don't export at all.¹⁵ As a result, states whose companies are not global traders risk being left behind.¹⁶

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The Rankings: The leading states are those that have high value-added, technologically advanced manufacturing sectors, such as Delaware and New Jersey (chemicals and pharmaceuticals), Washington (aviation), and California, Colorado, New York, and Texas (electronics and instruments). But even after holding constant the industry sectors' propensity to export, the manufacturing companies in these states export more. Alaska is the anomaly, but its high ranking is no doubt due to its high level of export of processed natural resources and its proximity to Asia. States with low rankings tend to have more lower value-added industries that compete directly with lower-wage nations, making it more difficult to export (e.g. Alabama, Arkansas, and Mississippi) or with mostly smaller firms who tend to export less than larger firms (such as Maine and Rhode Island).

The top five		Adjusted manufacturing export sales per manufacturing worker
1	Delaware	\$122,362
2	Alaska	\$115,098
3	Washington	\$82,911
4	New York	\$71,676
5	New Jersey	\$68,225
U.S. average		\$42,913

Source: U.S. Census, 2000 data.

