

# 2020 District Export Report

US Congressional Districts' Goods and Services Exports  
to China Over the Past Decade | November 2020



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**THE US-CHINA BUSINESS COUNCIL**  
美 中 貿 易 全 國 委 員 會

# Executive Summary

Over the past two years, tariffs and an uncertain business environment have prompted precipitous declines in US exports to China that have not been fully made up by export growth to other markets. For the second year in a row, US goods exports to China fell. Services exports to China grew in 2018, but at roughly the same slow pace as 2017. Despite these challenges, exports to China continued to be important to US economic growth, supporting just under 1 million jobs.

- **Goods exports to China have fallen to their lowest level since 2011.** US goods exports to China contracted 11.4 percent in 2019 to \$104.8 billion after contracting by more than 7 percent the year prior. Only 138 out of 435 congressional districts saw growth in goods exports to China last year.
- **Services exports to China have plateaued.** Services exports to China have been one of the remarkable highlights of US export expansion, growing 230 percent in the past decade of available data. Yet from 2016 to 2018, services exports to China grew at just 2 percent on average, compared to more than 18 percent on average from 2009 to 2016.
- **However, China still managed to be the third-largest market for US goods and services exporters.** Despite frictions and tariffs, China is still a top market for US exporters, reflecting the important commercial opportunity it presents to American businesses. Only USMCA partners Canada and Mexico bought more goods from the United States last year. For services, China remained the third-largest export market after the United Kingdom and Canada.
- **Exports to China impact nearly all US states in a wide range of industries.** China was a top five goods export destination for 326 districts in 2019. Many states generate substantial economic value from service exports, from licensing royalties to tourist spending. In 2019, the top US goods exports to China included aerospace products and parts, semiconductors and components, and oilseeds and grains.
- **Phase One trade commitments could result in a spike in exports.** If China follows through with the large purchases in agriculture, energy, and other goods it committed to making in the next two years, there could be a sharp uptick in exports next year.

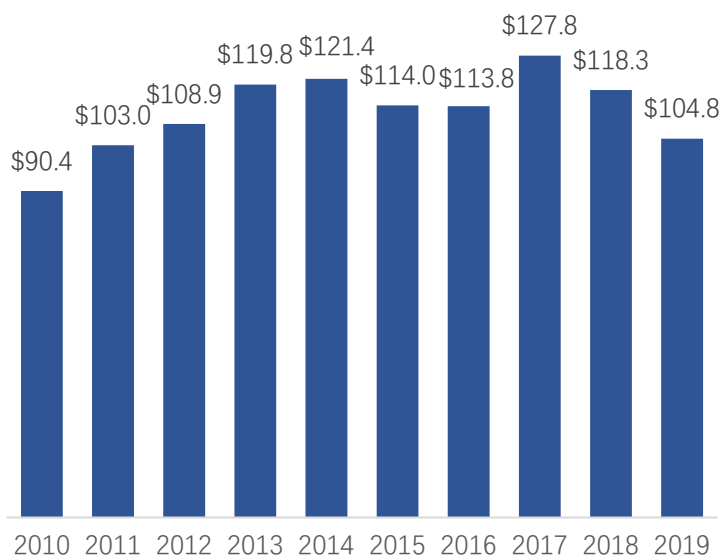
## Goods Exports

- **US goods exports to China declined last year.** In 2019, the United States exported just under \$105 billion in goods to China. The decline in 2019 marks a continued slide from a high point in 2017, when American firms sent a total of \$127 billion worth of goods to the China market, resulting in a two-year contraction of 18 percent. The declines are at least in part the result of US tariffs and retaliatory tariffs enacted by China.
- **Growth in US goods exports to China over the last decade now trails US export growth to the rest of the world.** US goods exports to China increased at a rate of only 16 percent over the last decade, while exports to the rest of the world grew 29 percent over the same period.

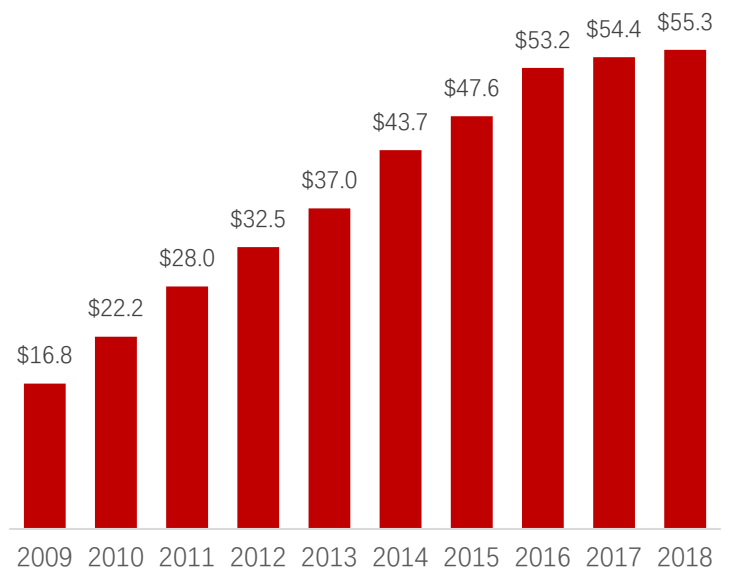
## Services Exports

- **US services exports to China continued to grow at a sluggish pace in 2018, the latest year of full data.** Growth of US services exports to China had already fallen to 2.3 percent in 2017, and that growth fell to an even more anemic 1.6 percent in 2018. Growth in the United States's top two markets outstripped expansion to China, as the United Kingdom and Canada chalked up six and 10 percent growth, respectively.
- **Still, when viewed over the last decade, the picture is less bleak—US services exports to China grew a whopping 230 percent from 2009 to 2018, more than any other top market.**

**Goods Exports to China**  
(\$ billions)



**Services Exports to China**  
(\$ billions)

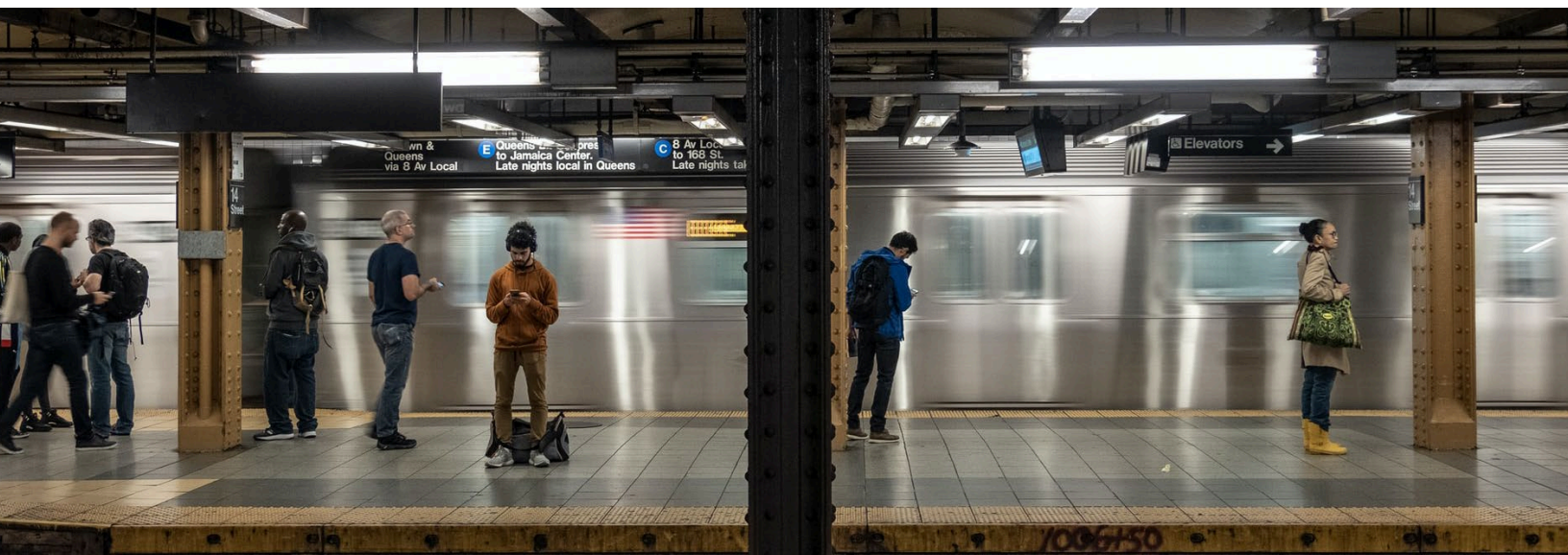


## Exports and US Jobs

- **Exports to China continue to be an important stabilizer of jobs in the United States.** US exports to China support over one thousand jobs in 380 congressional districts, and over 5,000 jobs in 19 districts.
- **Falling exports to China have negatively impacted job numbers.** While in 2017, combined goods and services exports to China supported over 1.1 million jobs across the country, in 2018, the number fell to under 1 million.

## Impact of Trade Frictions on Districts

- **Just over half of districts exported more goods to China in 2019 than they did in 2010, and less than one-third exported more in 2019 than they did in 2018.** While some districts have seen significant growth in exports to China—like Oregon’s 1st District, which saw its China-bound goods exports grow by \$2.5 billion in 2019—others have seen sharp declines over the past two years. Washington’s 2nd and 9th districts, for example, saw their goods exports to China plummet by \$5.1 billion and \$2.3 billion, respectively. Nineteen districts saw their goods exports contract by over 50 percent in the last year of data.
- **Trade disputes affected the overall value of exports to China.** In 2017, 12 districts exported more than \$1 billion of goods to China; in 2019, only 7 districts were able to do so. In services, 239 districts exported less to China than they did in 2017. Policies affecting travel and student visas may result in lower numbers for 2019.
- **China remains among the top-five goods and services export markets for most districts.** China was among the top five goods markets for 326 districts. In services, China was the top market for 112 districts in 2018, and a top five market for 380 districts.



# Methodology

This year's edition of the US-China Business Council (USCBC) District Export Report uses data provided by The Trade Partnership, an economic research firm. The report provides a separate breakdown of each US congressional district's goods and services exports to China. The national export totals include the export data for each state. Goods export figures are based primarily on data from the US Census Bureau, the US Department of Agriculture (USDA), and Moody's Analytics. Goods export figures are classified according to the US government's North American Industry Classification (NAICS) system. Services export figures are based primarily on data from the US Bureau of Economic Analysis (BEA) and Moody's Analytics. Services export figures are classified according to the BEA categories. This year's edition of the District Export Report uses the same sector categories for both goods and services as last year's edition. Goods exports cover 2010-2019; services exports cover 2009-2018, the most recent year detailed services export data are available from BEA. As historical data from each of these sources are revised annually, this issue of the District Exports Report replaces all prior editions. Similar to previous editions of the District Export Report, this report uses a methodology that credits agricultural exports to states where crops are grown as opposed to states with large ports where bulk commodities are aggregated prior to export. Average annual growth is calculated with an AAGR formula. A detailed explanation of the methodology for jobs, goods, and services export estimates is available on The Trade Partnership's [website](#).

# Goods Exports

## Top US Goods Export Markets, 2019

1. Canada	\$281.1 billion
2. Mexico	\$248.3 billion
3. China	\$104.8 billion
4. Japan	\$72.8 billion
5. United Kingdom	\$62.5 billion

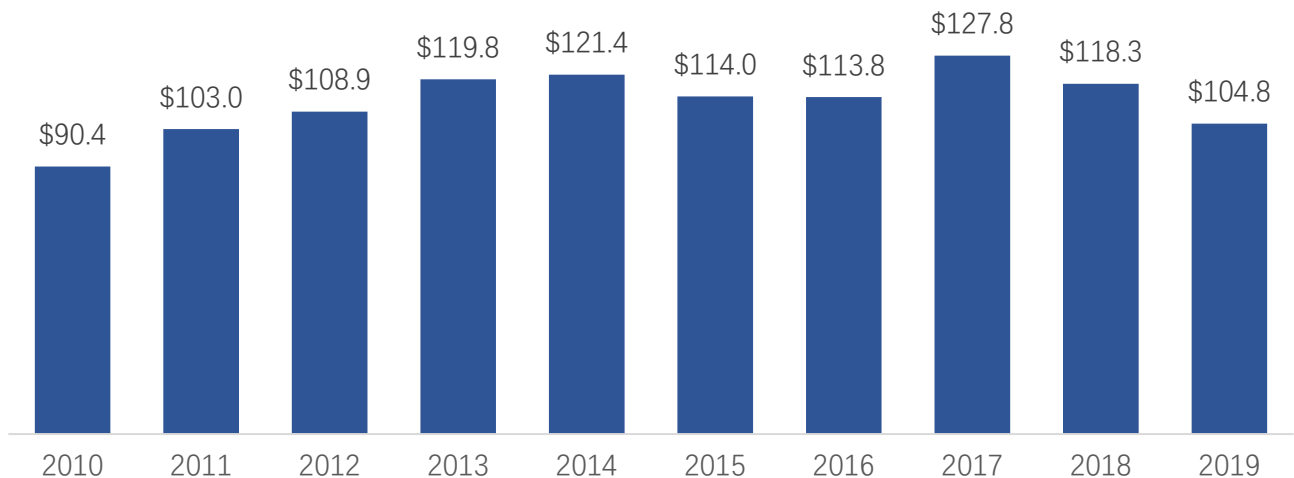
## Top US Goods Exports to China, 2019

Aerospace Products & Parts	\$10.5 billion
Semiconductors & Components	\$9.8 billion
Oilseeds & Grains	\$8.3 billion
Motor Vehicles	\$7.1 billion
Nav. & Meas. Instruments	\$5.8 billion

## *Growth in total US goods exports 2010-2019*

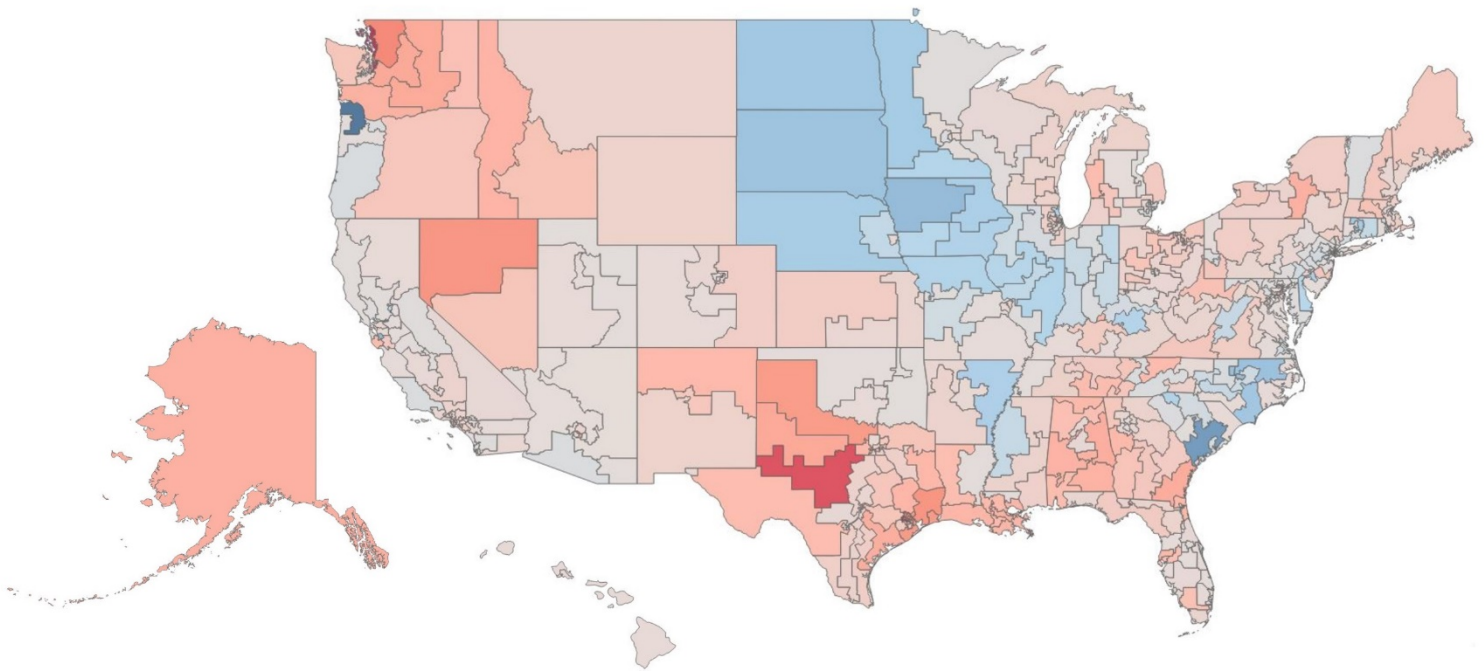
Exports to China: 16.0%  
 Exports to Rest of World: 29.3%

## US Goods Exports to China (\$ billions)



## Goods Exports Change 2018-2019 (\$ billions)

Change 18-19  
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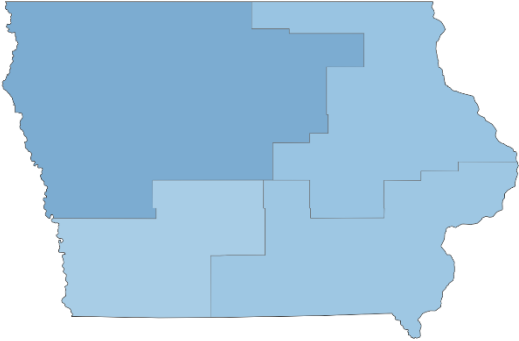


## Goods Exports to China Were a Buoy for Some Districts, an Anchor for Others

Each state contains its own internal economies, and changes in exports to China are not always uniform across states' various congressional districts. While some districts managed to increase their goods exports to China in 2019, roughly two-thirds of districts saw these exports decline. The prominent patch of blue in the upper midwest—covering the Dakotas, Nebraska, and parts of Minnesota and Iowa—is comprised predominantly of oilseeds and grains exports, which rebounded somewhat from a precipitous decline the year before. But for the majority of agriculture, energy, and manufacturing districts across the United States, Chinese retaliatory tariffs have taken a measurable toll since being enacted in 2017. This is especially true in districts that export a considerable amount of oil and gas to China.

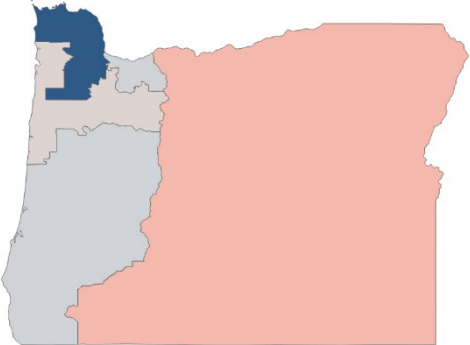


# A closer look at states with high growth



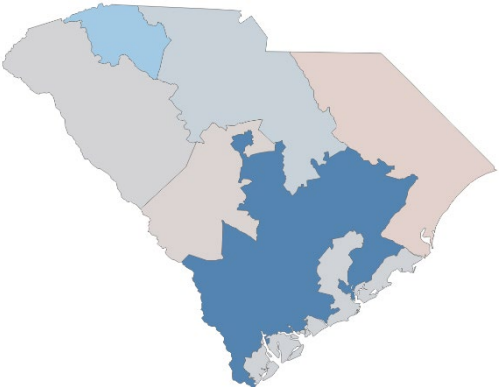
## Iowa (\$1.7 billion total)

An agriculture-dominated state, Iowa's exports to China have been damaged by retaliatory Chinese tariffs. Although all four of Iowa's districts saw increases in goods exports to China in 2019, amounting to a \$776 million increase from the year prior, it was not enough to make up for the \$1.2 billion in losses the state experienced in 2018.



## Oregon (\$7.2 billion total)

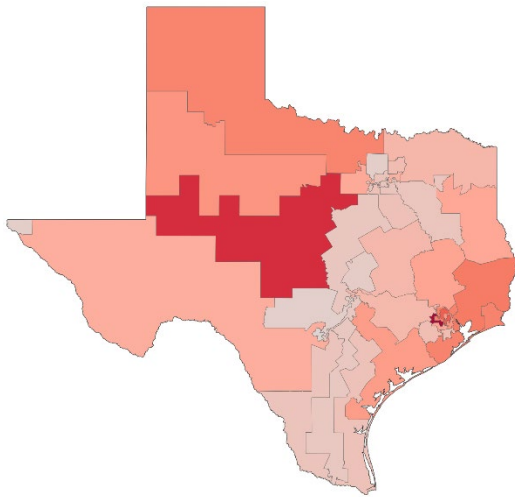
Though all but one of the state's districts saw an increase in their goods exports, the vast majority of the increase was concentrated in Oregon's 1st District. The district is home to a corridor of high-tech manufacturers, known as the Silicon Forest, whose exports to China have more than doubled in the last decade. The export of these high-value products to China grew the district's exports by over \$2.5 billion in 2019.



## South Carolina (\$6.5 billion total)

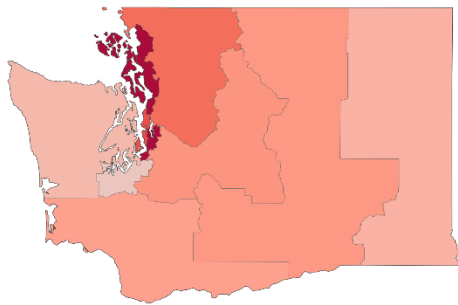
Although one of the state's districts saw a slight contraction in goods exports to China, the other six more than made up the difference. South Carolina's 6th District saw the strongest growth, with aerospace products and parts accounting for the vast majority (\$2.4 billion) of the district's goods exports to China.

# States whose exports collapsed



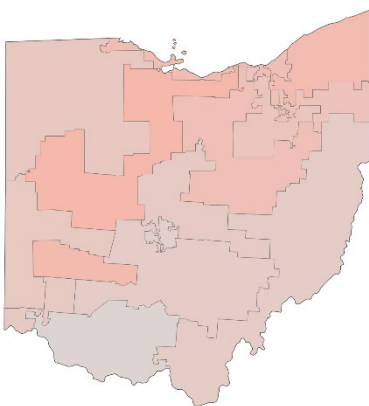
## Texas (\$10.9 billion total)

Texas saw all but one of its 36 districts export less goods to China in 2019 than in 2018. Nearly all of the decline in goods exports in the two hardest-hit districts, the 7th and 11th, can be attributed to a sharp decrease in oil and gas exports. In the case of the 7th District, goods exports to China plummeted by \$1 billion. The rest of the state saw an additional 12 districts' exports contract by over \$100 million. China's retaliatory tariffs on US liquefied natural gas have been in place since 2018. In the single district that saw growth, the 20th District, that growth was less than \$200,000.



## Washington (\$5.2 billion total)

Seattle and the surrounding area's goods exports to China were hit particularly hard. A major exporter of aerospace products and aircraft, Washington's 2nd District saw goods exports to China contract by over \$5 billion in 2019, completely erasing the \$714 million increase it experienced the year prior.



## Ohio (\$3.1 billion total)

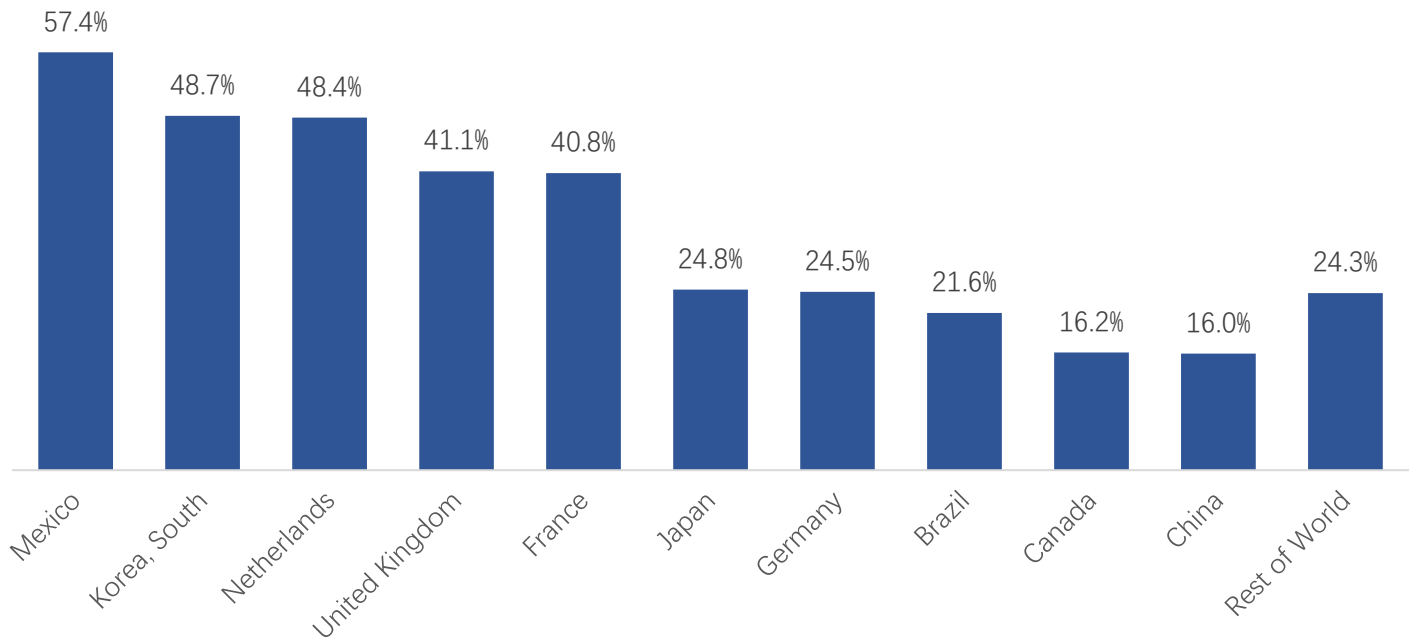
Although the declines were relatively mild, Ohio saw all but one of its districts export fewer goods to China in 2019. The state exports a mix of aerospace products, agricultural goods, and chemicals to China. Ohio's goods exports to China have only increased 2 percent compared to 10 years ago.

## Top US Goods Export Markets in 2019

<b>Country</b>	<b>Total (\$ billion)</b>	<b>Growth (2018-2019)</b>	<b>Avg. Annual Growth (2010-2019)</b>
1. Canada	\$282.1	-3.3%	1.89%
2. Mexico	\$248.3	-3.4%	5.41%
<b>3. China</b>	<b>\$104.8</b>	<b>-11.4%</b>	<b>2.03%</b>
4. Japan	\$72.8	-0.8%	2.69%
5. United Kingdom	\$62.5	5.1%	4.42%
6. Germany	\$57.1	4.8%	2.53%
7. South Korea	\$55.8	0.8%	4.78%
8. Netherlands	\$49.8	5.4%	4.87%
9. Brazil	\$42.0	9.0%	3.21%
10. France	\$35.3	4.5%	3.97%

- Despite a strained trade relationship and heavy retaliatory tariffs diminishing the attractiveness of US goods to Chinese buyers, China remained the United States' third-largest export market in 2019. The effects of the trade war were measurable, though. US goods exports to China totaled roughly \$105 billion last year, a decline of more than 11 percent from 2018.
- Goods exports to China had been growing at an average annual rate of 6.3 percent since 2011, but exports actually contracted at an average rate of 2.6 percent from 2015 on, despite a brief uptick in 2017.
- Hong Kong is often a through point for US exports ultimately destined for China. This was reflected in a dramatic 16.2 percent decline in exports to Hong Kong, knocking it off of the top 10 list. In 2019, combined US exports to Hong Kong and China totaled \$133.7 billion, down from a combined \$152.7 billion in 2018.

## Growth in US Goods Exports to Top 10 Markets, 2010-2019



- Over the past decade, US exports to China have risen by 16 percent. However, compared to the rest of the United States's top 10 trade partners, goods exports to China had the lowest 10-year growth rate.
- The decrease in 10-year goods exports growth to China is attributable to sharp declines in the past 2 years. Average annual growth from 2010 to 2017 was 5.3 percent before falling to -9.4 percent from 2017 to 2019.

*Note: Growth rates are based on goods export data for 2010 and 2019 for the United States's top 10 markets for goods exports. "Rest of World" export growth for this page is calculated using the cumulative sums for US exports to all remaining markets (excluding top-10 markets) for those years.*

## Top US District Goods Exporters to China, 2019

	<b>District</b>	<b>Exports</b>	<b>Growth (2018-2019)</b>	<b>Growth (2010-2019)</b>
1.	Oregon 1st	\$5.5 billion	87%	112%
2.	California 17th	\$3.4 billion	10%	84%
3.	South Carolina 6th	\$2.8 billion	31%	816%
4.	Washington 2nd	\$1.9 billion	-72%	-2%
5.	South Carolina 4th	\$1.7 billion	8%	147%
6.	Washington 9th	\$1.2 billion	-64%	-24%
7.	Kentucky 6th	\$1.0 billion	13%	326%
8.	Texas 7th	\$868 million	-55%	126%
9.	Alaska	\$854 million	-16%	-7%
10.	Oregon 4th	\$753 million	4%	75%
11.	South Carolina 5th	\$735 million	6%	136%
12.	Iowa 4th	\$694 million	105%	-24%
13.	South Carolina 3rd	\$678 million	3%	80%
14.	Texas 11th	\$654 million	-53%	203%
15.	Minnesota 7th	\$629 million	50%	-12%

- Only 137 districts increased their goods exports to China in 2019. More than two-thirds saw declines in the last year of data and 222 of those districts saw double-digit declines during that period.
- Of the 15 districts that exported the most goods to China in 2019, one-third exported less than they did in 2018. Similarly, one-third of the top 15 exporting districts exported less to China in 2019 than they did in 2010.
- China was the top goods export market for only 10 districts, though it was in the top five export destinations for 326 districts.

# Services Exports



## Top US Services Export Markets, 2018

1. United Kingdom	\$73.5 billion
2. Canada	\$63.5 billion
3. China	\$55.3 billion
4. Ireland	\$48.4 billion
5. Japan	\$44.3 billion

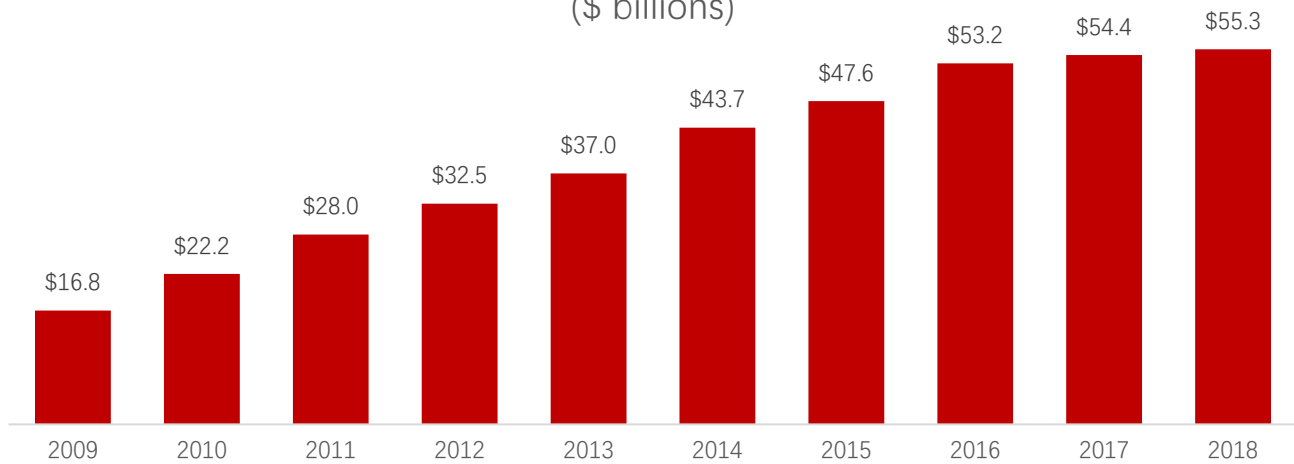
## Top US Services Exports to China, 2018

Travel	\$17.2 billion
Travel (Education)	\$13.5 billion
Industrial Processes	\$4.4 billion
Passenger Fares	\$2.5 billion
Mgmt. and Advisory Services	\$2.0 billion

## *Growth in total US services exports 2009-2018*

Exports to China: 229.6%  
Exports to Rest of World: 57.4%

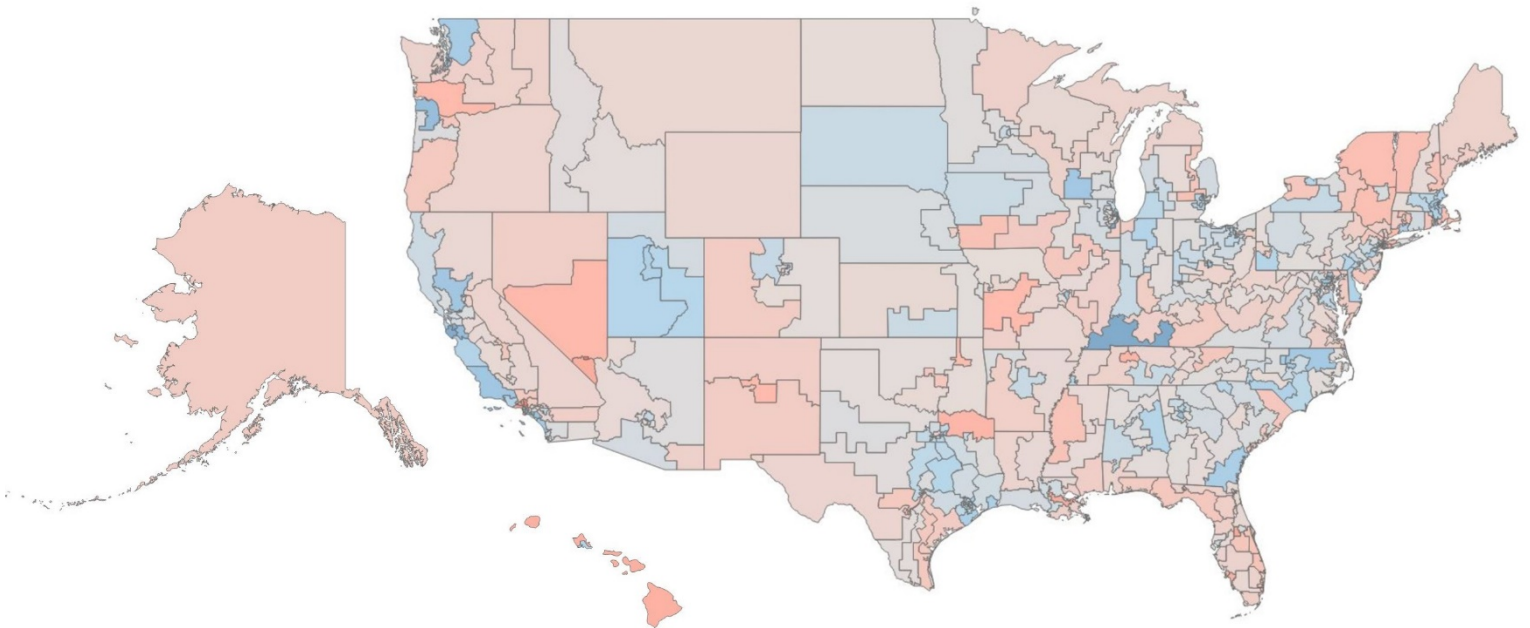
## US Services Exports to China (\$ billions)



*Note: Full-year services export data are available only through year-end 2018.*

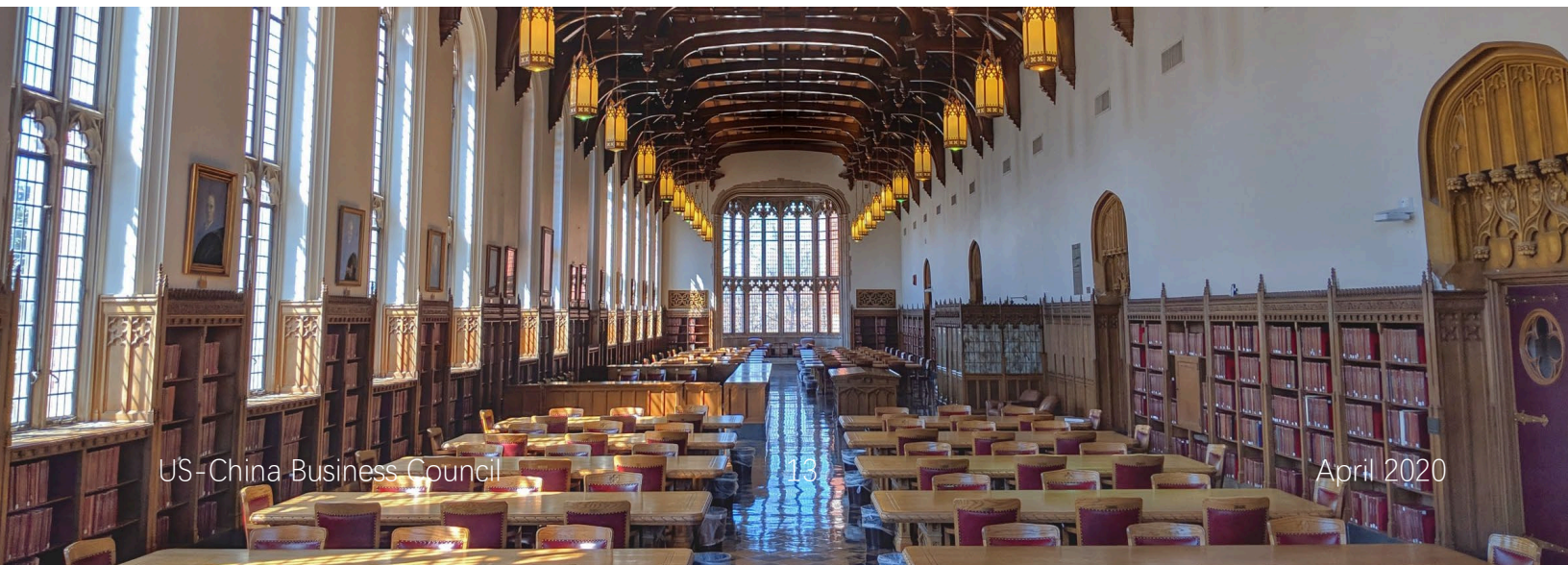
## Services Exports Change 2017-2018 (\$ millions)

Change 17-18

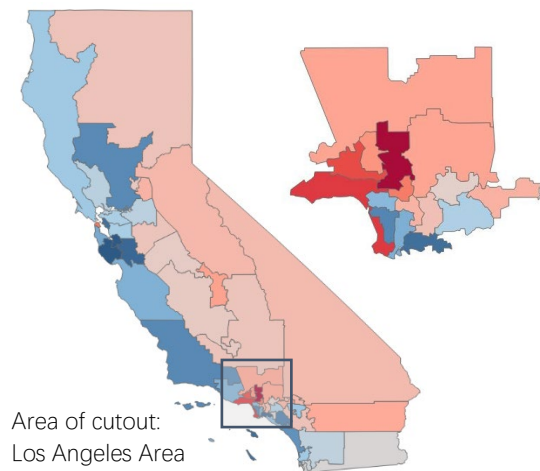


## Digging into the numbers

While at the state level, changes in services exports seem fairly straightforward, breaking the data down by congressional district can reveal significant disparities at the local level. Although a state might have seen multimillion dollar growth in services exports to China, that expansion is often concentrated in just a few congressional districts. This is especially true in states that house the United States' largest cities, which are also the country's most attractive destination for travel and education.

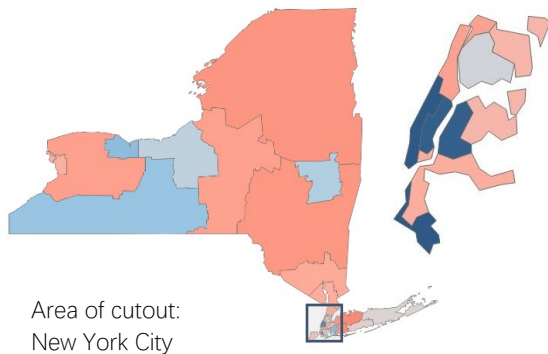


# Some states' services exports have flourished, often driven by particular areas.



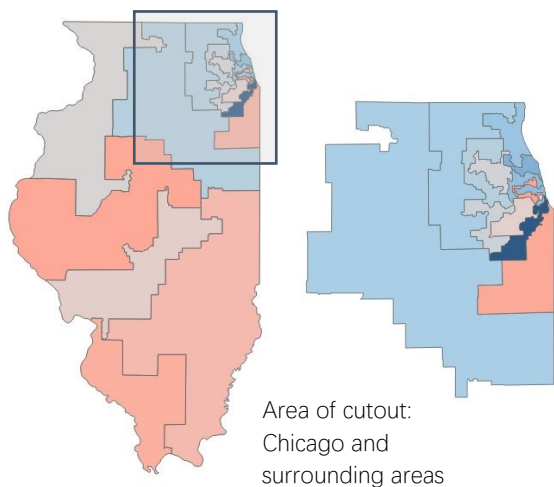
## California (\$10.3 billion total)

Overall, the state's services exports to China grew by a sizable \$196 million in 2018, but the distribution of that growth was highly concentrated. In the 17th, 18th, and 19th districts—around the tech hub of San Jose—exports grew by a combined \$103 million. Further south in the state, the districts that make up Hollywood saw tens of millions of dollars in decreases, mostly a result of falling exports of film and television distribution and a drop in Chinese tourism.



## New York (\$5.9 billion total)

Although some of the larger upstate districts saw contractions of services exports of around \$5 million, the losses paled in comparison to the gains in the districts that make up New York City. New York's 10th and 12th districts alone exported nearly \$3 billion in services to China in 2018, an increase of \$78 million and \$29 million, respectively.

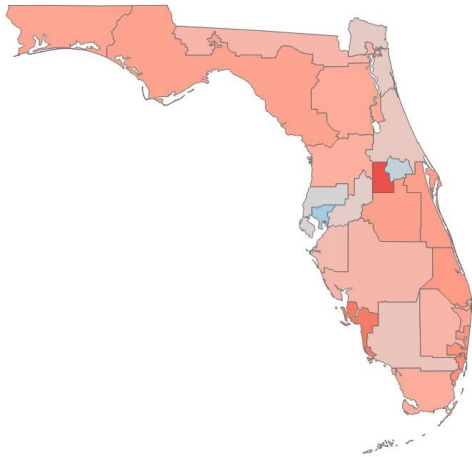


## Illinois (\$2.8 billion total)

Like California and New York, Illinois's services exports to China increased more significantly in urban districts which house more services firms and universities. Illinois's 1st District in Chicago saw a \$41 million boost in its services exports to China, resulting in a three-fold increase over the last 10 years. More than half of these exports (\$164 million) were education-related. In sharp contrast, all of Illinois's southern districts experienced declines in services exports.

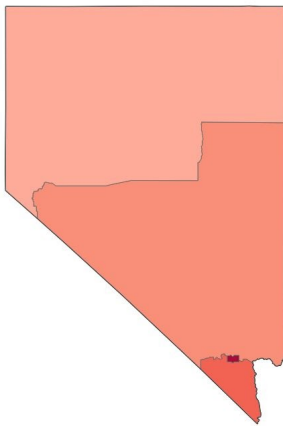


# Other states have seen their exports collapse



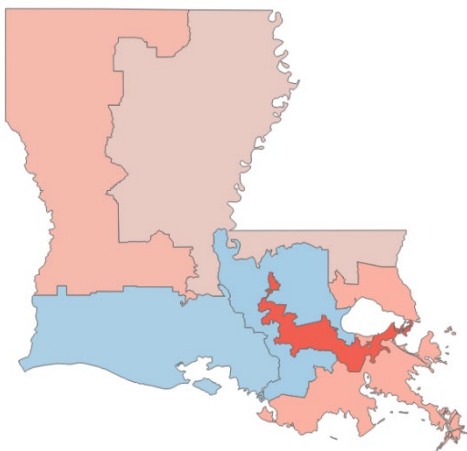
## Florida (\$3 billion total)

As a major holiday destination for travelers, services exports have traditionally been significant for Florida. Although some districts, like the 14th—which includes Tampa—saw growth, most of the state saw declines in services exports in 2018. One particular standout is the 10th district, which is home to a major theme park and saw a decline of over \$16 million in services exports in the last year of data.



## Nevada (\$853 million total)

Travel and passenger fares make up the bulk of Nevada's exports to China, and all four of the state's districts saw contractions in the last year of data. Especially hard hit is Nevada's 1st district, home to most of Las Vegas, which saw its services exports to China fall by more than \$37 million.



## Louisiana (\$734 million total)

Many of the bayou state's losses in services exports came from the 2nd District, which comprises the bulk of New Orleans. The 2nd District saw exports of ocean freight and port services fall by \$30 million. Spending by Chinese tourists in the district fell by another \$10 million.

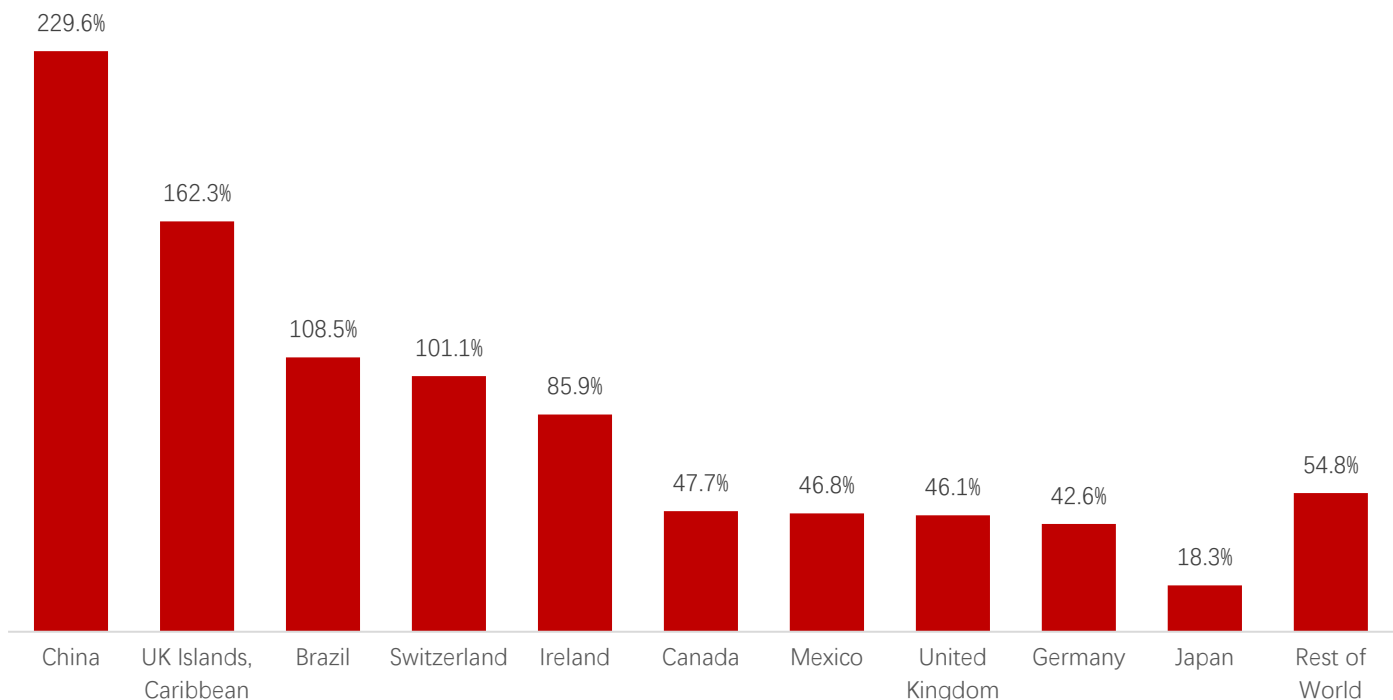
## Top US Services Export Markets in 2018

Country	Total (\$ billion)	Growth (2017-2018)	Avg. Annual Growth (2009-2018)
1. United Kingdom	\$73.5	5.5%	4.34%
2. Canada	\$63.5	10.1%	4.8%
<b>3. China</b>	<b>\$55.3</b>	<b>1.6%</b>	<b>14.56%</b>
4. Ireland	\$48.4	-3.1%	7.43%
5. Japan	\$44.3	-1.8%	2.01%
6. Switzerland	\$39.2	5.5%	8.81%
7. Germany	\$34.5	6.9%	4.07%
8. UK Islands, Caribbean	\$34.0	-2.2%	15.70%
9. Mexico	\$33.3	3.9%	4.39%
10. Brazil	\$28.0	4.8%	9.42%

- China is an important market for US services exports, though exports grew at a slower rate in 2018 than in previous years. China remains the United States' third-largest export market. In 2018, US services exports to China reached more than \$55 billion, up slightly from around \$54 billion in 2017.
- Slowing growth in services exports to China in 2018 did not diminish gains made over the last decade, however. From 2009 to 2018, services exports to China grew at a rate three times faster on average than to the UK, the United States' top export market for services. Services exports to China over that period were only outpaced by exports to the UK Islands.
- In 2018, the top US services exports to China included travel and education-related travel, industrial processes, passenger fares, and management and advisory services, the same list as last year.

*Note: Full-year services export data are available only through year-end 2018.*

## Growth in US Services Exports to Top 10 Markets, 2009-2018



- Over the past decade, US exports to China have risen by nearly 230 percent, and China is a top purchaser of US services. However, bilateral tensions between the two nations have slowed the rate of growth in recent years.
- Although not growing as fast as they have in years prior, US services exports to China still grew at an average rate of 15 percent annually from 2009 to 2018, a higher rate than all other top markets for service exports other than the Caribbean UK Islands.

*Note: Growth rates are based on services export data for 2009 and 2018 for the United States's top 10 markets for services exports. "Rest of World" export growth for this page is calculated using the cumulative sums for US exports to all remaining markets (non-top 10) for those years. Full-year services export data are available only through year-end 2018.*

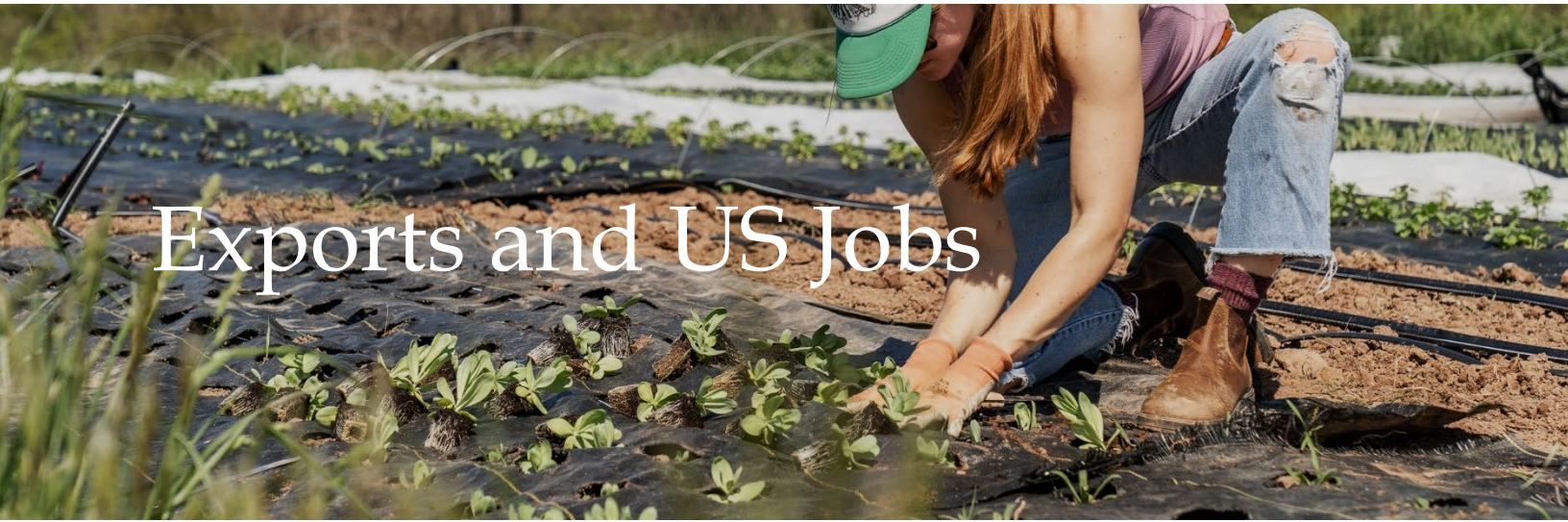
## Top US State Services Exporters to China, 2018

	<b>District</b>	<b>Exports</b>	<b>Growth (2017-2018)</b>	<b>Growth (2009-2018)</b>
1.	New York 12th	\$1.6 billion	2%	253%
2.	New York 10th	\$1.4 billion	6%	395%
3.	Massachusetts 7th	\$891 million	6%	400%
4.	California 33rd	\$653 million	-3%	388%
5.	Illinois 5th	\$642 million	1%	174%
6.	California 12th	\$610 million	-2%	216%
7.	California 47th	\$595 million	4%	58%
8.	Washington 7th	\$511 million	6%	161%
9.	Nevada 1st	\$453 million	-8%	308%
10.	Massachusetts 8th	\$421 million	2%	255%
11.	Georgia 5th	\$421 million	6%	174%
12.	California 37th	\$419 million	2%	445%
13.	California 18th	\$418 million	10%	305%
14.	Washington 9th	\$408 million	5%	113%
15.	California 28th	\$395 million	-8%	464%

- All but nine districts experienced triple-digit services export growth to China since 2008, but most saw slower increases or even small declines in exports in 2018, which affected the 10-year performance returns for many districts.
- In 2018, China was the top market for services exports for 112 districts. In addition, China remains a top-three or higher market for 278 districts, and a top-five market for all but 54 districts.
- Eight districts exported more than \$500 million in services to China in 2018, compared to seven the year before. While growth in services exports to China has slowed in the past few years, it is far higher than in 2009, when not a single district exported more than \$500 million in services to China.

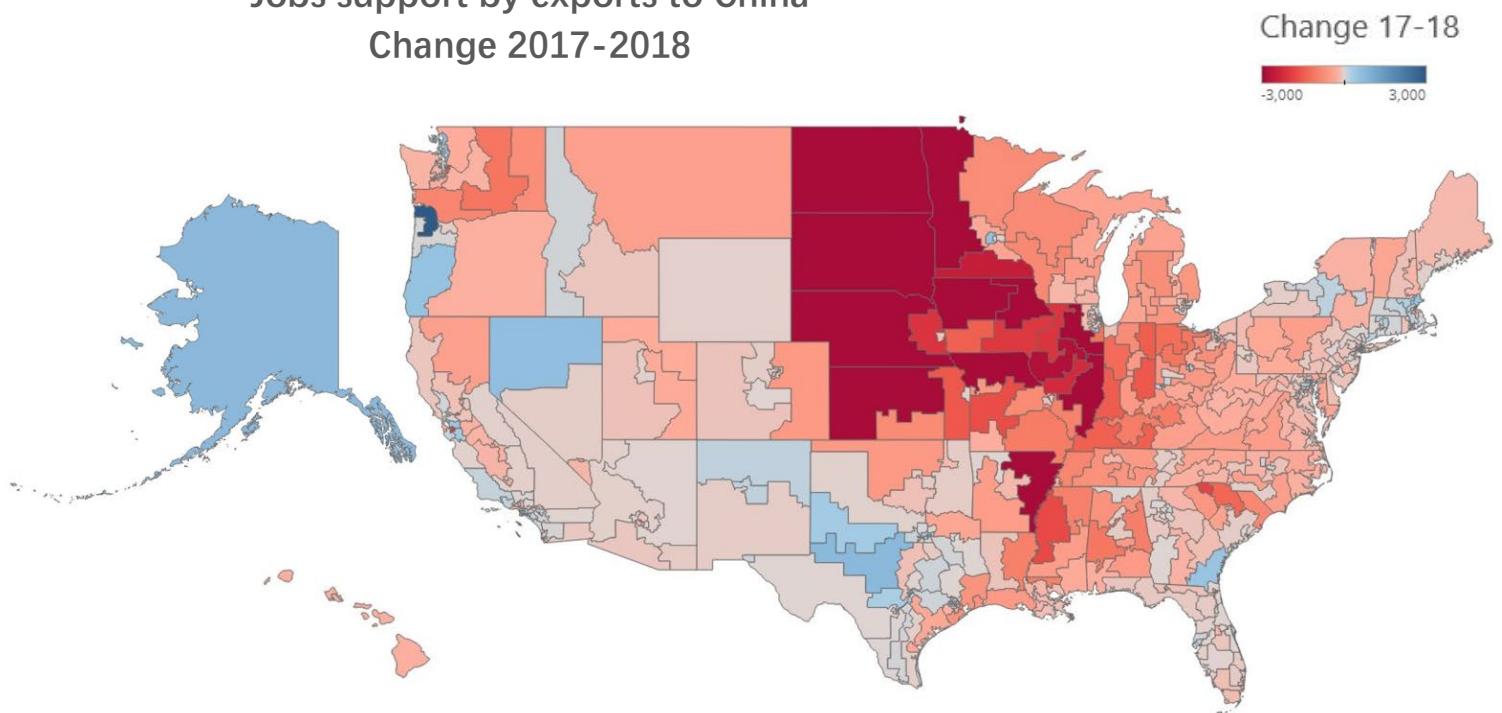
*Note: Full-year services export data are available only through year-end 2018.*

# Exports and US Jobs



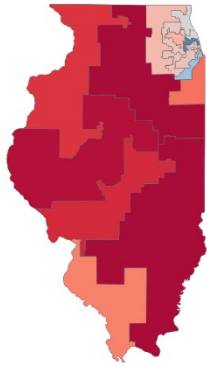
Exports to China support the jobs and livelihoods of hundreds of thousands of Americans across the country. Since exports are represented by dollar figures, the data can seem divorced from concrete economic realities, but China-bound exports support jobs that are the lifeblood of countless American communities. In 2018, trade tensions with China played a role in the loss of more than 100,000 jobs that were supported by exports to China. The distribution of jobs gained and lost over the last year of data illustrate the ways that shifting trends in exports to China have affected different parts of the country.

## Jobs support by exports to China Change 2017-2018



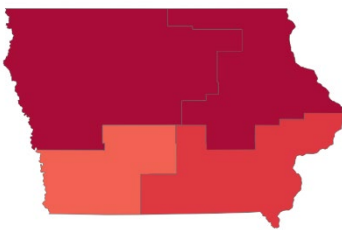
*Note: The latest job figures available are from 2018 because they combine the impact of both goods and services exports.*

## Digging into the numbers



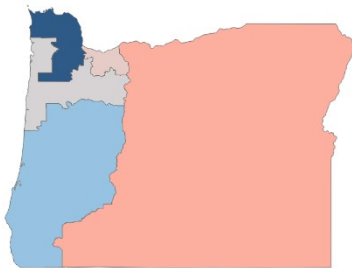
### Illinois (-15,245 jobs)

The urban-rural divide of shifting trade patterns was on full display in Illinois. Rural, agricultural districts saw significant decreases in the number of jobs supported by US exports. The 15th district, in the state's southeast, saw a contraction of more than 4,500 jobs in 2018. By contrast, the areas around Chicago, like the 5th district—which added over 2,000 new jobs—saw either expansion or relative stability in employment based on exports to China.



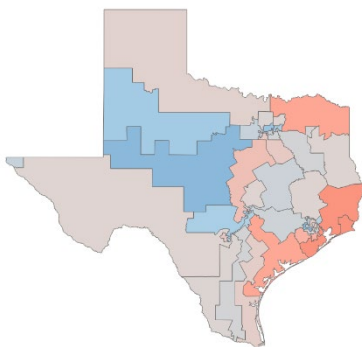
### Iowa (-12,668 jobs)

An agriculture-dominant state, Iowa saw over 10,000 US jobs supported by exports to China disappear in 2018. In the state's 4th District alone, more than 6,000 jobs supported by mostly oilseed and grains exports evaporated. Even in the 3rd District—the least affected by job losses—shifting trade patterns cost more than 1,400 jobs.



### Oregon (+3,332 jobs)

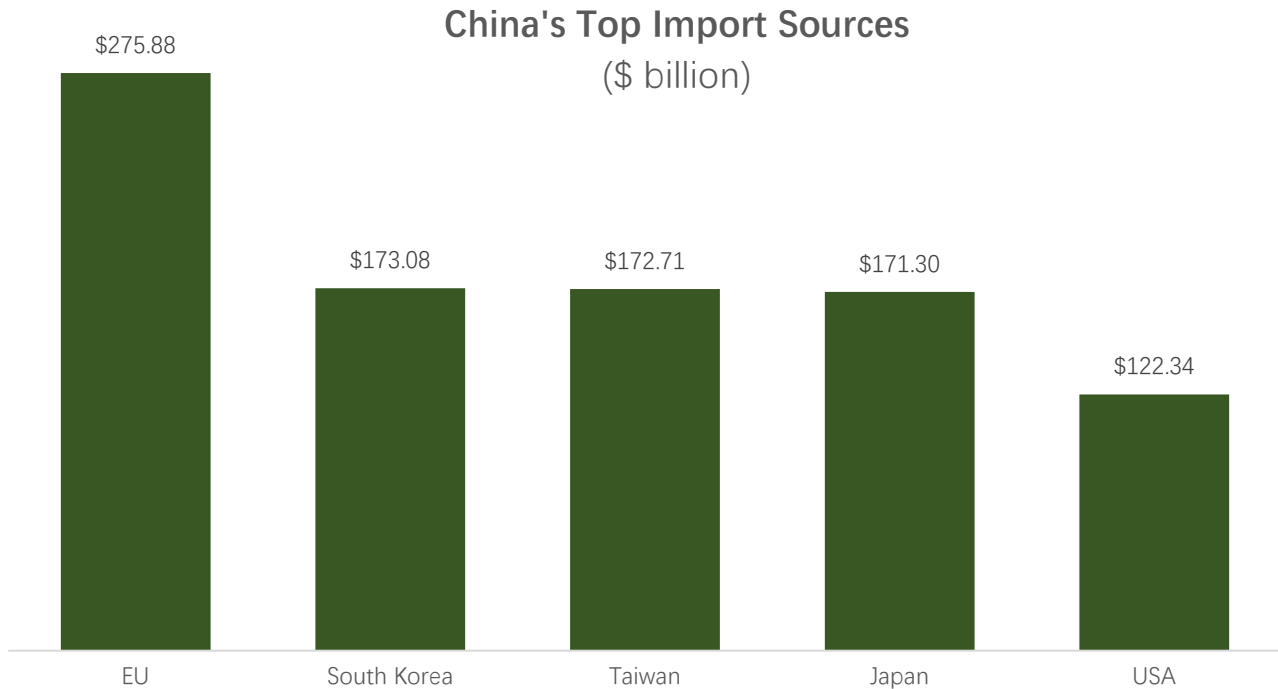
Although concentrated in the northwest of the state, Oregon has seen a wave of growth in chip manufacturing. These and other exports to China supported an additional 3,000 jobs in the state in 2018 compared to 2017.



### Texas (+1,566 jobs)

Adding more than 1,500 jobs supported by exports to China, Texas saw growth in jobs second only to Oregon. In the 11th District—the area with the largest increase in jobs—growth was almost entirely supported by the export of more than \$1 billion of oil and gas products to China in 2018. In 2019, however, those goods exports were cut in half due to shifting trade patterns, so those gains are likely to be erased in the next year of data.

# China's Top 5 Import Sources, 2019



- Like last year, the European Union (EU), South Korea, Taiwan, and Japan all continue to export more goods to China than the United States.
- All of the top goods import sources for China saw a decrease last year, except for the EU. The EU posted a little less than a 1 percent increase of the value of its goods imported by China, while Taiwan, Japan, and South Korea's goods imported by China fell by 3, 5, and 15 percent, respectively.
- The United States's decrease was the largest out of all top five sources, falling by 21 percent year on year. Tariffs enacted by the United States and China contributed to this fall in imports.

*Note: Data for this chart are based on PRC government statistics. The value of PRC imports from the United States is higher than US exports to China because of several data discrepancies between US and PRC trade statistics, reflecting methodological differences regarding shipping costs, as well as tariffs that are applied as goods pass through other customs territories on their way to China.*