

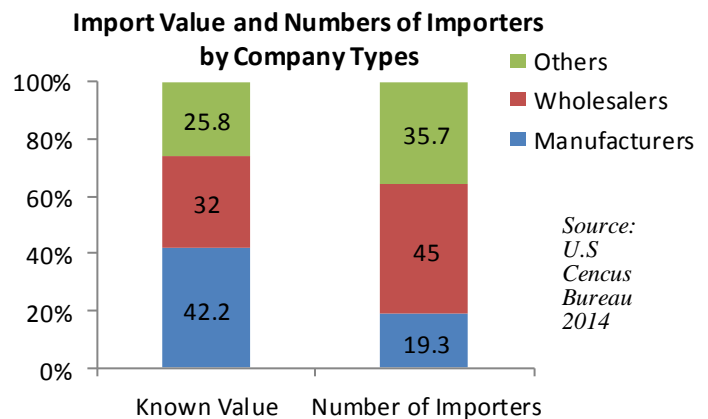
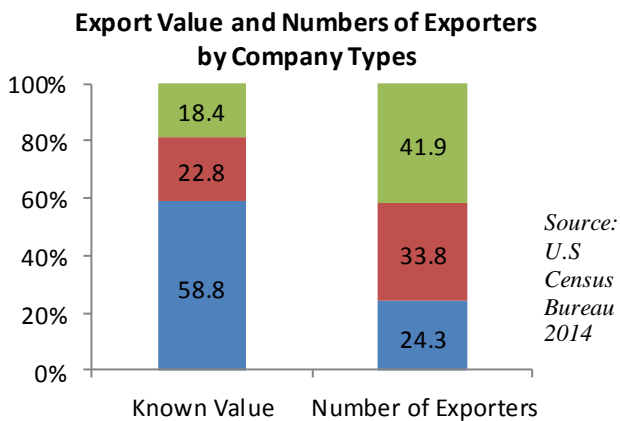
# *Fast Facts on the California Trade-Based Economy*

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If California were a country, it would stand among the ten largest economies in the world, with a 2016 state GDP of \$2.6 trillion.<sup>i</sup> In 2017, California imports and exports totaled \$612.6 billion, representing 15.7% of total U.S. imports and exports.<sup>ii</sup>

## California and World Markets

- In 2016, California GDP grew from \$2.4 trillion to \$2.6 trillion.<sup>iii</sup>
- Exports out of California were valued at \$171.9 billion in 2017 and represented 11.1 % of total U.S. exports.<sup>iv</sup> For comparison, California exported \$168 billion in 2013.<sup>v</sup>
- California's largest export market is Mexico, where the value of exports totaled \$26.7 billion in 2017. After Mexico, California's top export markets in 2017 were: Canada (\$16.7 billion); China (\$16.4 billion); Japan (\$12.8 billion); Hong Kong (\$12.1 billion); South Korea (\$9.6 billion); Taiwan (\$6.3 billion); Germany (\$5.9 billion); the Netherlands (\$5.7 billion); and the United Kingdom (\$5.0 billion).<sup>vi</sup>
- California's top six exports in 2017 were: Computer & Electronic Products (\$43.6 billion); Transportation Equipment (\$18.9 billion); Machinery, except Electrical (\$17.0 billion); Miscellaneous Manufactured Commodities (\$14.0 billion); Agricultural Products (\$13.6 billion); and Chemicals (\$13.2 billion).<sup>vii</sup>
- California exported \$26.7 billion in products to Mexico in 2017. The top five exports to Mexico were: Computer and Electronic Products (\$5.8 billion); Transportation Equipment (\$3.6 billion); Machinery, except Electrical (\$2.0 billion); Chemicals (\$1.7 billion); and Electrical Equipment, Appliances and Components (\$1.7 billion).<sup>viii</sup>
- California's second largest export market is Canada, with exports totaling \$16.7 billion in 2017. The top five exports to Canada were: Computer & Electronic Products (\$5.6 billion); Agricultural Products (\$2.4 billion); Food Manufactures (\$1.3 billion); Transportation Equipment (\$1.2 billion); and Chemicals (\$886.2 million).<sup>ix</sup>
- In 2017, California exported \$16.4 billion in products to **China**. The top five exports to China were: Computer and Electronic Products (\$4.3 billion); Transportation Equipment (\$2.5 billion); Machinery, except Electrical (\$2.0 billion); Waste and Scrap (\$1.7 billion); and Chemicals (\$1.2 billion).<sup>x</sup>
- Imports into California were valued at \$440.7 billion in 2017 and represented 18.8% of total U.S. imports.<sup>xi</sup>



- China is the largest source of imports into California. The 2017 value of Chinese imports was \$159.1 billion, followed by Mexico (\$46.4 billion), Japan (\$40.5 billion), and Canada (\$28.7 billion).<sup>xii</sup>

## **Trade and Jobs**

- In 2015, California's 908,120 establishments recorded 14.3 million employees and payrolls totaling \$857 billion (largest payroll in the nation).<sup>xiii</sup> Of those companies, a total of 75,175 (8.4%) exported goods from California, 72,032 (95.8%) were small and medium-sized companies with fewer than 500 employees.<sup>xiv</sup>
- In 2015, 706,969 U.S. jobs were supported by goods exported through California, which represents 11% of all U.S. goods export-related jobs.<sup>xv</sup>
- In 2015, 649,000 jobs in California were supported by manufacturing exports, which represents 11% of all manufacturing export-related jobs in the U.S., the second highest state after Texas.<sup>xvi</sup>
- Across the U.S. small and medium-sized companies contributed to 33.4% of all export values and 97.7% of total exports in 2014.<sup>xvii</sup>
- In 2014, California had the highest number of small and medium-sized exporting companies at 72,591, followed by Florida with 58,404 exporting companies.<sup>xviii</sup>
- In 2014, merchant wholesalers of durable goods made up the highest number of small- and medium-sized exporters and generated the highest values of all export industries at \$93.3 billion. Small- and medium-sized companies made up of 96.5% of manufacturing exporters, 99.2% of exporting wholesalers.<sup>xix</sup>

## **California and Foreign Direct Investment (FDI)**

- In 2015, global foreign direct investment (FDI) reached \$1.7 trillion, with the U.S continuing to receive the largest amount of FDI in the world, totally \$384 billion (23% of global FDI).<sup>xx</sup>
- Japan, Canada, Switzerland, and the EU contributed over 80% of FDI inflows to the U.S.<sup>xxi</sup>
- The largest source of foreign owned enterprises in the U.S. was the U.K. in 2013, which is the most recent data.<sup>xxii</sup>
- California has the highest numbers of employees of foreign affiliates numbered at 631 million, comprising over 10.3% of total U.S. employment by foreign owned firms and 3.7% of total payroll in the state.<sup>xxiii</sup>
- Foreign owned enterprise that support the largest number of workers in California include: Japan (19.3%); the U.K. (14.5%); Switzerland (10.5%); France 10.4%; Germany (10.2%); Canada (6.25); and the Netherlands (4.0%).<sup>xxiv</sup>
- California received one of the largest number greenfield projects U.S., which had the highest number in the world. California ranked first in terms of number of projects (230) and fourth in terms of investment value (\$4.0 billion). States with higher amounts include New York and Texas.<sup>xxv</sup>
- The top 5 regions with the highest foreign owned and affiliated businesses are Gateway Cities (796 establishments), South Bay-LAX (741 establishments), San Fernando Valley (725 establishments), San Gabriel Valley (698 establishments), West Side (415 establishments).<sup>xxvi</sup>
- The top 5 cities with the highest concentration of foreign owned and affiliated businesses are Los Angeles (1591 establishments), Torrance (310 establishments), Long Beach (212 establishments), Santa Monica (134 establishments), Pasadena (127 establishments).<sup>xxvii</sup>

- <sup>i</sup> <http://www.bea.gov/iTable/iTable.cfm?reqid=99&step=1%20-%20reqid=99&step=11&isuri=1&9993=levels&9936=-1&9935=-1&9934=5&9995=beastandard&9904=naics&9905=1&9907=2013&9990=99&9901=1200&9902=1&9903=200#reqid=99&step=11&isuri=1&9993=levels&9936=-1&9935=-1&9934=5&9995=beastandard&9904=naics&9905=1&9907=2015&9990=99&9901=1200&9902=1&9903=200>, Bureau of Economic Analysis, “Gross Domestic Product by State”, accessed July 19, 2017
- <sup>ii</sup> <http://www.census.gov/foreign-trade/statistics/state/data/imports/ca.html>; United States Census Bureau, “State Imports for California,” accessed March 10, 2018 and <http://www.census.gov/foreign-trade/statistics/state/data/ca.html>; United States Census Bureau, “State Exports via California,” accessed March 10, 2018
- <sup>iii</sup> Department of Finance, Top Countries Ranked by its GDP, California’s World Ranking 2016, [http://www.dof.ca.gov/Forecasting/Economics/Indicators/Gross\\_State\\_Product/](http://www.dof.ca.gov/Forecasting/Economics/Indicators/Gross_State_Product/) accessed 7/12/17
- <sup>iv</sup> <http://tse.export.gov/TSE/TSEHome.aspx> United States Census Bureau, “State Exports via California,” accessed March 9, 2018
- <sup>v</sup> <http://tse.export.gov/TSE/MapDisplay.aspx>; International Trade Admin: “2017 NAICS Total All Merchandise Exports from California,” accessed March 10, 2018
- <sup>vi</sup> <http://tse.export.gov/TSE/MapDisplay.aspx>; International Trade Admin: “2017 NAICS Total All Merchandise Exports from California,” accessed March 10, 2018
- <sup>vii</sup> <http://tse.export.gov/TSE/ChartDisplay.aspx>; International Trade Admin, “2017 NAICS Total All Merchandise Exports from California,” accessed March 10, 2018
- <sup>viii</sup> <http://tse.export.gov/TSE/ChartDisplay.aspx>; International Trade Admin, “2017 NAICS Total All Merchandise Exports from California to Mexico,” accessed March 10, 2018
- <sup>ix</sup> <http://tse.export.gov/TSE/ChartDisplay.aspx>; International Trade Admin, “2017 NAICS Total All Merchandise Exports from California to Canada,” accessed March 10, 2018
- <sup>x</sup> <http://tse.export.gov/TSE/ChartDisplay.aspx>; International Trade Admin, “2017 NAICS Total All Merchandise Exports from California to China,” accessed March 10, 2018
- <sup>xi</sup> <http://www.census.gov/foreign-trade/statistics/state/data/imports/ca.html>; United States Census Bureau, “State Imports for California,” accessed March 10, 2018
- <sup>xiii</sup> <https://www.census.gov/foreign-trade/statistics/state/data/imports/ca.html> United States Census Bureau, “Total U.S. Imports via California,” accessed March 10, 2018
- <sup>xiii</sup> <http://censtats.census.gov/cgi-bin/cbnpnaic/cbnpsect.pl>; United States Census Bureau, “2015 County Business Patterns (NAICS): California,” accessed June 24, 2016
- <sup>xiv</sup> <http://www.trade.gov/mas/ian/statereports/states/ca.pdf>; International Trade Administration, “California: Exports, Jobs, and Foreign Investment,” accessed Nov 30, 2017
- <sup>xv</sup> [http://www.trade.gov/mas/ian/build/groups/public/@tg\\_ian/documents/webcontent/tg\\_ian\\_005503.pdf](http://www.trade.gov/mas/ian/build/groups/public/@tg_ian/documents/webcontent/tg_ian_005503.pdf) ITA, “Jobs Supported by State Exports 2015”, accessed July 26, 2016
- <sup>xvi</sup> [http://www.trade.gov/mas/ian/build/groups/public/@tg\\_ian/documents/webcontent/tg\\_ian\\_005503.pdf](http://www.trade.gov/mas/ian/build/groups/public/@tg_ian/documents/webcontent/tg_ian_005503.pdf) ITA, “Jobs Supported by State Exports 2015”, accessed July 26, 2016
- <sup>17</sup> [https://www.everycrsreport.com/files/20161128\\_R43155\\_f47dca7eee8d2fab5afa66f7d2183eda738f30bc.pdf](https://www.everycrsreport.com/files/20161128_R43155_f47dca7eee8d2fab5afa66f7d2183eda738f30bc.pdf), accessed Nov 30, 2017
- <sup>xviii</sup> <http://www.census.gov/foreign-trade/Press-Release/edb/2014/edbrel.pdf> U.S. Census Bureau News, “A Profile of U.S Importing and Exporting Companies, 2013 – 2014”, accessed June 24, 2016
- <sup>xix</sup> <http://www.census.gov/foreign-trade/Press-Release/edb/2014/edbrel.pdf> U.S. Census Bureau News, “A Profile of U.S Importing and Exporting Companies, 2013 – 2014”, accessed June 24, 2016
- <sup>xx</sup> Los Angeles World Trade Center, <http://laedc.org/wp-content/uploads/2016/06/WTCLA-FDI-FINAL-6.16.pdf> "Foreign Direct Investment in Southern California" June 2016; accessed June 24, 2016.
- <sup>xxi</sup> Los Angeles World Trade Center, <http://laedc.org/wp-content/uploads/2016/06/WTCLA-FDI-FINAL-6.16.pdf> "Foreign Direct Investment in Southern California" June 2016; accessed June 24, 2016.
- <sup>xxii</sup> Los Angeles World Trade Center, <http://laedc.org/wp-content/uploads/2016/06/WTCLA-FDI-FINAL-6.16.pdf> "Foreign Direct Investment in Southern California" June 2016; accessed June 24, 2016.
- <sup>xxiii</sup> [http://asiasociety.org/files/pdf/Asia\\_Society\\_China\\_CA\\_Investment\\_Report\\_FINAL.pdf](http://asiasociety.org/files/pdf/Asia_Society_China_CA_Investment_Report_FINAL.pdf), Chinese Direct Investment in California (2012), accessed June 24, 2016
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- <sup>xxv</sup> Los Angeles World Trade Center, <http://laedc.org/wp-content/uploads/2016/06/WTCLA-FDI-FINAL-6.16.pdf> "Foreign Direct Investment in Southern California" June 2016; accessed June 24, 2016.
- <sup>xxvi</sup> <http://laedc.org/reports/FDI-2009.pdf>, “Foreign Direct Investment in Los Angeles Country: Final Report and Survey Results, page 6, May 2009, accessed June 24, 2016
- <sup>xxvii</sup> <http://laedc.org/reports/FDI-2009.pdf>, “Foreign Direct Investment in Los Angeles Country: Final Report and Survey Results, page 6, May 2009, accessed June 24, 2016