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Historical Trade Relationships Between the United Arab Emirates and the United States

Alabama State Report

2014

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Alabama, State-Wide Summary

Merchandise Exports

Exports to the UAE by State (\$ millions)							
Rank	State	1999	2012	2013	2014	2012-2014	% of US Total
	US Total	2,713	22,569.9	24,607.2	22,113.1	69,117.7	100.0%
1	Washington	710	5,059.1	4,031.6	3,272.0	12,201.5	17.65%
2	Texas	344	2,190.6	2,684.9	2,635.3	7,501.6	10.85%
21	Massachusetts	39.5	136.4	224.8	213.8	575.0	0.83%
22	Alabama	8.9	132.6	184.1	225.6	542.3	0.78%
23	Virginia	75.7	165.3	168.1	208.6	542.0	0.78%

Among US states, Alabama is the 22nd largest merchandise exporter to the UAE, growing from less than \$9 million in 1999 to \$184 million in 2014.

Alabama Exports by Country				
Rank	Country	2012-14 (\$ million s)	Real GDP (PPP) Rank	Major Export Items
	World	58,386	n/a	Cars, Coal, Polycarbonates
1	Canada	12,517	14	Cars, Car Parts, Tires
2	China	8,002	1	Cars, Polycarbonates, Sulfur Compounds
18	Hong Kong	556	44	, Coal, Cotton, Chicken
19	UAE	542	31	Cars, Aluminum, Pipes & Tubes
20	Italy	502	11	Phenols, Industrial Chemicals, Polycarbonates

UAE ranked 19th among Alabama's export markets, although the UAE's economy is only the 31st largest in the world.

Sector	Exports to the UAE		
	2012-2014 (\$1,000)	Share of Total AL Exports to the UAE	UAE Share of AL Exports to All World Markets
Cars	272,272	50.2%	2.2%
Aluminum	44,787	8.3%	10.6%

Alabama's exports to the UAE are important to key sectors, companies, and regions of the State.

- Automotive** – The UAE accounted for \$272 million or 2.2% of Alabama's total exports of cars to all export markets during 2012-14. Companies exporting to the UAE include **Mercedes** in Tuscaloosa County, **Honda** in St. Clair County, and **Hyundai** in Montgomery County.
- Aluminum** – Exports to the UAE accounted for \$44.7 million between 2012 and 2014, accounting for 10.6% out of Alabama's total export of aluminum. Alabama's exporters of non-alloy aluminum plate, sheet & strip to the UAE include **Nichols Aluminum**, located in Decatur.

Alabama, State-Wide Summary

Port Activity

Bilateral trade with the UAE supports port activity in Alabama.

Total Trade (Exports + Imports) with the UAE (\$ millions)					
Rank	Port	1999	2014	2012-2014	% of 12-14 Bilateral Trade with UAE
1	New York	626	5578.1	17446.2	22.8%
2	Seattle	724	3319.8	12324.8	16.1%
21	Nogales, AZ	2	14.9	165.0	0.22%
22	Mobile, AL	2	71.7	162.4	0.21%
23	Portland, ME	1	30.9	159.3	0.21%

Mobile is the 22nd largest U.S. port for trade with the UAE, with total trade (imports and exports) growing from \$2 million in 1999 to \$162 million in 2014.

Employment

Exports of goods and services, port activity supporting bilateral trade, and inward capital investment from the UAE all benefit employment. The positive employment effects attributable to Alabama's exports of manufactured goods to the UAE are the easiest to calculate and the table below summarizes estimated job gains over the 2006 through 2014 period. Direct employment refers to manufacturing jobs at exporters. Indirect employment quantifies the estimated job gains in ancillary sectors such as transportation and input suppliers. Induced employment reflects jobs that are generated by the additional spending of earnings resulting from exports. Most of this spending occurs in sectors, such as restaurants and retail, that are unrelated to the exporting sector.

	Estimated employment in Top-10 Mfg. Sectors attributable to exports to the UAE*			Total Employment related to UAE exports, All Sectors*
	Direct /Indirect Employment	Induced Employment	Total Employment	
2006	559	406	965	1,050
2007	333	221	555	637
2008	807	539	1,346	1,418
2009	616	420	1,036	1,120
2010	572	386	959	1,127
2011	1,273	792	2,065	2,203
2012	736	510	1,246	1,567
2013	1,145	766	1,911	2,070
2014	1,436	1,001	2,437	2,649
Employment Growth	877	595	14,72	1,599

* Adjusted based on the share of total state exports to the UAE accounted for by the top-10 manufacturing sector exports.

Sources: Estimated using USATRADE Online and Bureau of Economic Analysis.

Alabama – Congressional Districts Associated with Top Exports to the UAE

- Three major automotive manufacturers are located in Alabama, and cars are the largest export category, accounting for nearly 50.2% of total state exports to the UAE in 2014.

Year	Autos	Aluminum
1999	90	0
2000	871	0
2001	20,156	0
2002	17,642	0
2003	18,350	0
2004	30,108	0
2005	35,133	0
2006	35,832	0
2007	29,765	87
2008	50,795	31,788
2009	22,324	32,663
2010	39,613	28,535
2011	40,285	29,918
2012	59,063	9,327
2013	106,611	15,218
2014	107,527	20,240

- Aluminum is the second largest export sector to the UAE, and accounted for almost 8.3% of Alabama’s exports to the UAE in 2013
- According to a 2010 study by the Center for Automotive Research, Alabama’s automotive industry is estimated to provide nearly 179,000 direct, indirect and expenditure-induced jobs, or 6.8% of the Alabama’s total labor force.
- Birmingham in the center of the state and Tuscaloosa, an hour west, are located in congressional districts AL-6 and AL-7, respectively. This region has a long history of steel production and manufacturing. Many of the state’s key industries – steel, chemical, automobiles – are located in these districts.
- Pipe exports from Alabama are uneven but spike in years when **American Cast Iron Pipe** or **U.S. Pipe** win large orders for line and/or water pipe. **American Cast Iron Pipe** is the largest individual iron pipe casting plant in the world.

Alabama (Districts 6, 7)

<i>Key Manufacturers, Products, Locations, and Congressional Districts</i>			
Company	Product	Location	District
Mercedes	Autos	Tuscaloosa County	6, 7
Honda		St. Clair County	6
US Pipe	Cast iron pipe & tube	Birmingham/Bessemer	6, 7
American Cast Iron Pipe		Birmingham	6, 7
Gaylord Chemical	Inorganic chemicals (catalysts, reaction initiators)	Tuscaloosa	6, 7
Phifer, Inc.	AL wire, fencing & netting	Tuscaloosa	6, 7
US Pipe/American Cast Iron	Other cast iron products	Birmingham	6, 7

