



WASHINGTON COUNCIL ON  
INTERNATIONAL TRADE

## **The State of Washington Trade**

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[WCIT's latest trade dashboard](#) from the first quarter of this calendar year reveals that Washington state trade is experiencing a bit of a rebound. The state exported roughly \$15 billion in goods in Q1, which was 20% higher than last year. Imports are up and our state port system transported roughly \$47 billion in goods which is also an increase over 2021. Encouraging news, but for a region defined by growing and thriving tech, agriculture, manufacturing and services sectors, our trade-driven economy is not where it should be.

WCIT's recently published research report, [The Future of Trade, Positioning Washington state for Economic Growth in the Next Decade](#), outlines in fascinating detail the trends in state imports and exports over time showing Washington state trade peaked in 2014 but has experienced a decline ever since. Unprecedented and unpredictable forces have altered what was once a steady upward trajectory for Washington's trade economy.

[The report](#) pinpoints three key, interrelated factors responsible for this alarming decline in exports: U.S. trade tensions with China which have interrupted a long period of export growth between Washington state and China; trade policy priorities which have shifted away from free and fair trade and towards tariffs; and the COVID-19 pandemic which caused widespread economic disruption and unpredictability in global markets.

The global pandemic upended everything and, as we strive to get "back to normal," we continue to face ongoing health concerns, inflationary pressures, the chaos inflicted by Russia's invasion of Ukraine and persistent supply-chain challenges. In a trade-driven economy like Washington state, international engagement needs to play a significant role in taking on these challenges. Our 'return to normalcy' however, needs to aim beyond where we were at in 2019 before COVID hit. It needs to also address some of the root causes of the pre-pandemic decline in exports that Washington state experienced starting in 2015.

The facts outlined in the report are telling: From 2011 to 2014, Washington state saw a 30 percent increase with total export value reaching \$120 billion (approx. \$90 billion in goods). While digital trade grew from 2014 to 2017, a period of increasing trade tensions and tariff barriers led to a decline in goods exports, reaching a pre-pandemic low of \$60 billion in 2019. The COVID-19 pandemic resulted in further decreases in goods and services exports, and while we are experiencing a rebound in exports to pre-pandemic levels, conditions are far from acceptable.

To get Washington state's trade-driven economy back to normal, we need a return to the conditions that existed not just before the pandemic, but to where Washington exports peaked in 2014. How do we get there? By directly addressing the three, interrelated causes for the pre-pandemic downward trend in state trade with four meaningful fixes.

Four Meaningful Fixes:

- **ASSERT U.S. leadership on global trade, engaging with trade allies to modernize current agreements**
- **FORGE new agreements in growing markets and regions.**
- **RESCIND current tariffs that are causing significant harm to Washington state interests and are creating inflationary pressures hitting consumers throughout the region.**
- **SHIFT to an engagement strategy with China that is not overly-reliant on tariffs and counter-measures.**

These are the steps we need to take to help return Washington state trade to its 2014 peak and better position the region for sustained export and economic growth into the future.