

# Roth: Oklahoma and the future for exports

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The U.S. exports both goods and services with major categories in the former including food, beverage, and feed. Service exports exceed goods exports, and include things like travel and transportation, financial and insurance services, and intellectual property.

Our country's largest goods export was soybeans, while the largest services export was in the travel and transportation

sectors. The service sector is said to employ five times more people than those making goods.

Economists caution that the potential trade war could hit Midwestern states the hardest, especially states that produce soybeans, corn, or grains. The protectionism rationale in favor of the steel and aluminum tariffs is already said to be counterproductive by some analysts and commentators. One thing is for sure, it has many people talking about international trade and tariffs, and locally, our state's own exports are being discussed.

Oklahoma exported more than \$5 billion worth of goods and services last year. The state's largest category was in civilian aircraft, engines, and parts, followed by automatic data processing storage units. Parts of pumps for liquids, cotton, and swine are next on the list. In addition to these goods, Oklahoma has decades of experience exporting fuel, like natural gas, through our system of pipelines.

In 1931, construction of a high-pressure pipeline from Oklahoma's Panhandle to the Chicago area was completed, enabling our state to market this resource far from where it was released. Typically, more than one-fourth of Oklahoma's natural gas gross withdrawals are consumed within the state.

Like Oklahoma's aircraft parts, cotton, swine, natural gas, and crude oil, we are now developing more electricity through wind than our state's load requires. Consequently, just like our oil and natural gas, we will continue to increase our export of wind electricity, although a great majority of it is consumed within our state. But, unlike our oil and natural gas resources, electricity generated from Oklahoma's wind is a packaged, delivered energy. In other words, it is ready to go as soon as it is generated. Plus, as we were reminded the last week or so, it is abundant.

The dispatch of electricity, like all technological

advancements, is evolving. Beginning in the 1950s we constructed interstate highways, and now we have a giant grid of surface transportation.

Similarly, electricity on the wires grid is evolving from local generation and consumption to regional power grids like the Southwest Power Pool, of which Oklahoma is a member. Soon we should be unlocking the technology to send Oklahoma electrons to places like Chicago and beyond, just like we do our natural gas.

On the other hand, we are also seeing more people desire off-grid power for a number of different reasons to discuss another day. It is an exciting and unpredictable future for goods and services and the impacts of consuming both in new ways.

One last thought on exports: Unfortunately, Oklahoma has years of experience exporting another valuable Oklahoma resource, talented young brains. Let's hope we can figure out how to stop that trend by attracting a growing and vibrant, well-educated economy where innovation and investment unleash our best potential. That's the first trade war we should fight: investing in our people, educating their children and growing their full potential.

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