Current Economic Situation

Hawai‘i is part of the largest economy in the world. In 1959, it became the 50th state to join the United States of America. In recent decades, the main source of income for Hawai‘i is its large tourist industry as it stands as Hawaii’s leading source of employment, and growth. Hawai‘i’s main exports include coffee, macadamia nuts, pineapple, livestock, and sugarcane. Due to Hawai‘i’s relative isolation, trade is not as big of a contributor to Hawai‘i’s GDP as other contributing factors. The Hawai‘i economy is the 39th largest in the United States, contributing $66.4 billion GDP to the U.S. It is a free market economy with government regulations in certain sectors such as energy and agriculture. In 2007-2008, Hawai‘i’s economy was hit by the subprime loan crisis in the United States causing a significant decline in tourism.

The effect of the crisis can be seen in unemployment as the unemployment rate in 2010 was 6.6% compared to the 2.7% unemployment rate in 2007. When compared to the the national average of 9.3% in 2010, Hawai‘i was not hit as hard at other states in the U.S.

APEC Relations

At the APEC meeting held in Singapore 2010, President Obama announced, “When America hosts APEC in a few years, I look forward to seeing you all decked out in flowered shirts and grass skirts, because today I’m announcing that we are bringing this forum to my home state of Hawai‘i in 2011.” The last time the United States held an APEC summit was at Blake Island, Washington in 1993. It is an unprecedented opportunity for Hawai‘i as the meeting is expected to provide a huge economic boost and much publicity, bringing over 17,000 foreign officials, CEOs and international media spokespeople to Hawai‘i. The state is using this opportunity to showcase its excellence in the fields of health and life sciences, renewable energy, ocean, earth and sky, and business tourism. These industries, among others, make Hawai‘i an attractive destination for business and investment.

Energy and Environmental Policy

Due to its isolation and heavy reliance on tourism, Hawai‘i is the most fossil fuel dependent state in the United States. The Hawai‘i Clean Energy Initiative is leading the way in relieving its dependence on oil and fossil fuels by setting goals to have 70% clean energy by 2030 with 30% from efficiency measures, and 40% coming from locally generated renewable sources.

The commercialization of Hawaii’s sustainable energy resources and technologies, including biomass, geothermal, hydropower, ocean thermal energy conversion (OTEC), solar energy (including photovoltaic and solar thermal), waves, ocean currents, and wind, are being used reduce the state’s high dependence on imported oil, increase local economic development, and reduce the potential negative economic impacts of oil price fluctuations.

KEY FACTS

Population: 1,360,000
Visitors: 6,982,000
GDP: $68,900 Million
GDP per capita: $49,214
Capital: Honolulu
State Flower: Yellow Hibiscus
State Bird: Nene (Hawaiian Goose)
State Fish: Humuhumunukunukuapua’a
State Tree: Candlenut