Direct Investment Positions for 1997

Country and Industry Detail

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THE COUNTRY and industry detail underlying the positions of U.S. direct investment abroad (USDIA) and foreign direct investment in the United States (FDIUS) are prepared on a historical-cost basis; thus, the estimates reflect prices at the time of investment rather than prices of the current period.[1] Because of inflation, the estimates prepared on this basis tend to understate the current value of the positions. Table 1 shows the revised estimates of the positions for 1996 and preliminary estimates for 1997 on the historical-cost basis and in terms of two measures of current prices—current cost and market value—that correct for this downward bias. In 1997, the USDIA and FDIUS positions on a historical-cost basis were $860.7 billion and $681.7 billion, respectively, compared with $1,023.9 billion and $751.8 billion on a current-cost basis and $1,793.7 billion and $1,620.5 billion on a market-value basis. The current-cost and market-value estimates—which are available only at an aggregate level—are discussed in "The International Investment Position of the United States in 1997" in this issue.

On a historical-cost basis, the USDIA position grew 11 percent in 1997, and the FDIUS position grew 15 percent; for FDIUS, the rate of increase was the largest since 1989. The growth in both measures was largely attributable to favorable economic conditions in the United States, in several European countries, and in Canada. The favorable conditions enhanced the profit potential of direct investments in those countries and boosted the earnings of affiliates and their parents. Strong earnings by affiliates, coupled with unusually high rates of reinvestment, generated readily available financing in the form of reinvested earnings. Strong earnings by parents provided a source of funds for new investments and reduced the parents' need to draw funds from affiliates.

In contrast, economic conditions were unfavorable in much of Asia; currency values, stock prices, and financial asset values declined, particularly during the last half of the year. For USDIA, the increase in the position was dampened somewhat by large negative currency-translation adjustments, and a reduction in the dollar value of reinvested earnings, among affiliates in Asia. For FDIUS, new investment from Japan dropped considerably; however, inflows of capital from Japanese parents to their existing U.S. affiliates remained strong. Additionally, the financial problems in Asia may have resulted in some investments in the United States that otherwise would have been made in that area.

In addition, the growth in the positions was affected by factors that are specific to particular industries. For USDIA, U.S. utility companies—energy providers and telephone companies—acquired several foreign companies, largely in response to the new investment opportunities created by privatizations of Government-owned utilities abroad. For FDIUS, foreign insurance companies' desire to diversify risk and to consolidate into larger, more efficient units led to acquisitions of U.S. insurance companies. Both

Table 1.—Alternative Direct Investment Position Estimates, 1996 and 1997

[Millions of dollars]

Valuation method	Position at yearend 1996 r	Changes in 1997 (decrease (–))			Position at yearend 1997 p
		Total	Capital flows	Valuation adjustments	
U.S. direct investment abroad:					
Historical cost	777,203	83,521	114,537	–31,016	860,723
Current cost	936,954	86,918	121,843	–34,925	1,023,872
Market value	1,517,084	276,596	121,843	154,753	1,793,680
Foreign direct investment in the United States:					
Historical cost	594,088	87,563	90,748	–3,185	681,651
Current cost	666,962	84,883	93,449	–8,566	751,845
Market value	1,223,672	396,868	93,449	303,419	1,620,540

p Preliminary.
r Revised.

1. Historical-cost basis is used for valuation in company accounting records in the United States and is the basis on which companies report data in the direct investment surveys conducted by BEA. For consistency, the estimates of earnings and reinvested earnings that are used in analyzing changes in the historical-cost positions are also on this basis and are not adjusted to current cost; country and industry detail for these items, like the positions, is not available with such an adjustment.

direct investment positions were boosted by acquisitions of investment companies, reflecting the trend towards integration of the global securities markets and the recent growth in the equity markets in the United States and Europe.

The capital flows underlying the changes in the two positions differed in composition. As in previous years, the largest component of capital outflows for USDIA was reinvested earnings, which tend to be used mainly to finance the ongoing operations of foreign affiliates.[2] The largest component of capital inflows for FDIUS continued to be equity capital, which includes capital contributions to existing U.S. affiliates and funds used to acquire and establish new U.S. affiliates.[3]

Revisions of USDIA and FDIUS estimates.—The position estimates for 1994–96 reflect revisions from two sources. First, for USDIA, the estimates for 1994 incorporate the data collected in BEA's 1994 benchmark survey of U.S. direct investment abroad, which covered the universe of USDIA. For years after 1994, the estimates have been benchmarked to (that is, extrapolated from) that survey and include new or corrected data from BEA's quarterly sample survey. Previously, the estimates for 1994–96 were benchmarked to the 1989 benchmark survey of USDIA.

Second, for both USDIA and FDIUS, the estimates for 1994–96 exclude intercompany debt between parent companies and their affiliates that are nondepository financial intermediaries. This debt, which was previously classified as direct investment, is now grouped with transactions with unaffiliated foreigners reported by U.S. nonbank concerns.[4]

Change in industry designation.—For USDIA, the industry that was previously designated "banking" is now designated "depository institutions," and the industry that was previously designated "finance, except banking" is now designated "finance, except depository institutions."

2. A foreign affiliate is a foreign business enterprise in which a single U.S. investor owns at least 10 percent of the voting securities, or the equivalent.

3. A U.S. affiliate is a U.S. business enterprise in which a single foreign investor owns at least 10 percent of the voting securities, or the equivalent.

Acknowledgments

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U.S. Direct Investment Abroad

The U.S. direct investment position abroad valued at historical cost—the book value of U.S. direct investors' equity in, and net outstanding loans to, their foreign affiliates—was $860.7 billion at the end of 1997 (table 2 and chart 1). The largest positions remained those in the United Kingdom ($138.8 billion, or 16 percent of the total), in Canada ($99.9 billion, or 12 percent of the total), and in the Netherlands ($64.6 billion, or 8 percent of the total) (table 3.2 and chart 2).

In 1997, the USDIA position increased $83.5 billion, or 11 percent—the same rate as in 1996. The following table shows the change in position in

4. This reclassification results in a discontinuity between the 1993 and 1994 estimates of the USDIA and FDIUS positions. For additional information on both the 1994 benchmark revision and the reclassification of intercompany debt (as well as related interest transactions) with financial intermediaries, see "U.S. International Transactions, Revised Estimates for 1986–97" in this issue. A further discussion of the changes will accompany the publication of detailed tables on USDIA and FDIUS in the SURVEY OF CURRENT BUSINESS later this year.

Table 2.—U.S. Direct Investment Position Abroad and Foreign Direct Investment Position in the United States on a Historical-Cost Basis, 1982–97

Yearend	Millions of dollars		Percent change from preceding year	
	U.S. direct investment position abroad	Foreign direct investment position in the United States	U.S. direct investment position abroad	Foreign direct investment position in the United States
1982	207,752	124,677	....	....
1983	212,150	137,061	2.1	9.9
1984	218,093	164,583	2.8	20.1
1985	238,369	184,615	9.3	12.2
1986	270,472	220,414	13.5	19.4
1987	326,253	263,394	20.6	19.5
1988	347,179	314,754	6.4	19.5
1989	381,781	368,924	10.0	17.2
1990	430,521	394,911	12.8	7.0
1991	467,844	419,108	8.7	6.1
1992	502,063	423,131	7.3	1.0
1993	564,283	467,412	12.4	10.5
1994	r 612,893	r 480,667	(1)	(1)
1995	r 699,015	r 535,553	14.1	11.4
1996	r 777,203	r 594,088	11.2	10.9
1997	p 860,723	p 681,651	10.7	14.7

p Preliminary.
r Revised.
1. The USDIA and FDIUS positions reflect a discontinuity between 1993 and 1994 due to the reclassification from direct investment to other investment accounts of intercompany debt between parent companies and affiliates that are nondepository financial intermediaries.

1997 by the type of capital flow and valuation adjustment:[5]

[Billions of dollars]

Total	83.5
Capital outflows	114.5
Equity capital	45.7
Intercompany debt	11.8
Reinvested earnings	57.0
Valuation adjustments	−31.0
Currency translation	−23.1
Other	−7.9
Of which:	
Capital gains and losses	9.6

Capital outflows were at record levels in 1997 (the previous record was set in 1995). Half of the outflows were accounted for by reinvested earnings, which were up $8.7 billion; the other half was accounted for by net equity capital outflows, which were up $20.7 billion, and by intercompany debt outflows, which were up $10.4 billion.

Reinvested earnings reflected strong affiliate earnings and high rates of reinvestment. As a result of the expanded earnings base that reflected large increases in the position in recent years, the earnings of affiliates reached a record level in 1997, despite the U.S. dollar's appreciation against several major currencies, which reduced earnings in dollar terms. Additionally, the share of affiliate earnings that was reinvested (rather than distributed to owners) was unusually high—58 percent; the share was 54 percent in 1996 and averaged 38 percent in 1982–95.

Equity capital outflows—the net of equity capital increases and equity capital decreases—also reached a new record (the previous record was set in 1995). Equity capital increases rose sharply, reflecting acquisitions and, to a lesser extent, capital contributions to existing affiliates. In contrast, equity capital decreases rose only slightly, reflecting increased sales of affiliates by, and returns of capital to, U.S. direct investors (these transactions are recorded as U.S. capital *in*flows).

Acquisition activity by U.S. direct investors was strong. Rising equity prices in the United States increased the wealth of U.S. investors, enhancing their ability to fund acquisitions. Additionally, foreign acquisitions were less expensive for U.S. investors because of the appreciation of the U.S. dollar against several foreign currencies. Some of the largest transactions involved acquisitions of investment firms; as noted, these

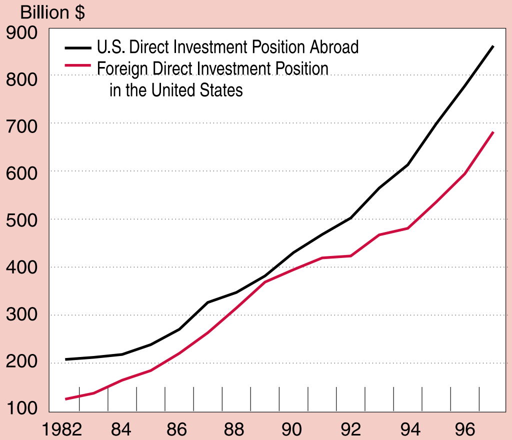
5. Valuation adjustments to the historical-cost position are made to account for differences between changes in the position, measured at book value, and capital flows, measured at transactions value. Unlike the positions on a current-cost and market-value basis, adjustments are not made to account for changes in the replacement cost of the tangible assets of affiliates or in the market value of parent companies' equity in affiliates.

Currency-translation adjustments to the position are made to account for changes in the exchange rates that are used to translate affiliates' foreign-currency-denominated assets and liabilities into U.S. dollars. The precise effects of currency fluctuations on these adjustments depend on the value and currency composition of affiliates' assets and liabilities. Depreciation of foreign currencies against the dollar usually results in negative translation adjustments, because it tends to lower the dollar value of foreign-currency-denominated net assets. Similarly, appreciation of foreign currencies usually results in positive adjustments, because it tends to raise the dollar value of foreign-currency-denominated net assets.

"Other" valuation adjustments include adjustments for differences between the proceeds from the sale or liquidation and the book values of affiliates, for differences between the purchase prices and the book values of affiliates, for writeoffs resulting from uncompensated expropriations of affiliates, and for capital gains and losses. Capital gains and losses represent the revaluation of the assets of ongoing affiliates for reasons other than exchange-rate changes, such as the partial sale of those assets for an amount different from their historical cost.

CHART 1

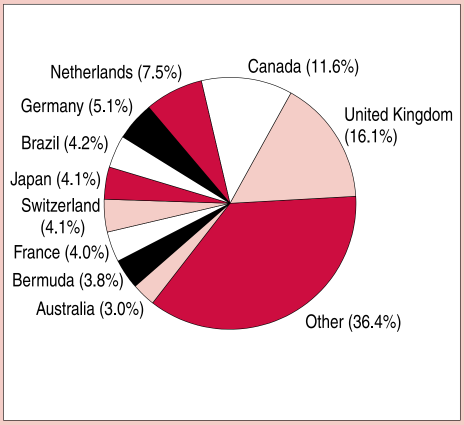
Direct Investment Positions on a Historical-Cost Basis, 1982–97



U.S. Department of Commerce, Bureau of Economic Analysis

CHART 2

U.S. Direct Investment Position Abroad, 1997: Host-Country Shares



U.S. Department of Commerce, Bureau of Economic Analysis acquisitions may have been spurred by growth in, and increased integration of, the U.S. and European equity markets. As in 1995–96, there were also several acquisitions of energy providers and telephone companies as a result of opportunities created by the recent privatizations of Government-owned utilities abroad.

The increase in intercompany debt outflows was more than accounted for by increased lending by parents to their foreign affiliates.

The capital outflows were partly offset by negative valuation adjustments of $31.0 billion, three-fourths of which was accounted for by negative currency-translation adjustments resulting from the U.S. dollar's appreciation against several foreign currencies. The appreciation of the dollar against the Japanese yen and several other Asian currencies was particularly large.

Changes by country

The $83.5 billion increase in the USDIA position in 1997 was concentrated in Europe and Latin America, which together accounted for over three-fourths of the total increase. Major changes in the position by area and by country are shown in the following table:

[Billions of dollars]

All countries	83.5
Europe	38.6
Of which:	
United Kingdom	16.1
Netherlands	10.2
Switzerland	5.0
Ireland	4.3
Latin America and Other Western Hemisphere	24.9
Of which:	
Brazil	7.0
Mexico	5.5
Panama	4.9
Canada	8.6
Asia and Pacific	6.2
Of which:	
Hong Kong	4.4
Singapore	3.5

The position in Europe increased 10 percent and accounted for nearly half of the increase worldwide. Capital outflows of $60.6 billion were partly offset by negative valuation adjustments of $22.0 billion. Within Europe, the largest increase was in the United Kingdom, followed by the Netherlands, Switzerland, and Ireland. In each of the four countries, a substantial portion of the increase was accounted for by holding companies—classified within finance (except depository institutions), insurance, and real estate ("FIRE"); these increases reflected strong earnings of the operating affiliates held by the holding companies. For the United Kingdom and the Netherlands, the increases in the position in holding companies also reflected substantial new investments by U.S. parent companies. In the case of the Netherlands holding companies, the new investments were primarily in operating affiliates in Asia. In the case of the British holding companies, the new investments were in investment companies in several geographic areas.

In addition to the new investments channeled through holding companies, the equity capital outflows for other acquisitions in the United Kingdom, Switzerland, and Ireland were substantial. In the United Kingdom, large outflows were related to the acquisitions of water transportation and telephone companies (both in "other industries") and beverage makers (in food manufacturing). In Switzerland, substantial outflows resulted from the acquisitions of banks (in depository institutions). In Ireland, large outflows resulted from the acquisitions of investment companies (in FIRE).

The position in Latin America and Other Western Hemisphere increased 17 percent as a result of capital outflows of $23.8 billion and positive valuation adjustments of $1.2 billion. Within the area, the largest increases were in Brazil, Mexico, and Panama.

In Brazil, the largest increases were in "other industries" and FIRE. In "other industries," the increase reflected acquisitions of telephone companies. In FIRE, the increase was related to the acquisitions of insurance companies; these acquisitions appear to have been motivated both by U.S. insurers' desire to access Brazil's rapidly growing insurance market and by Government policy that has become more open to such investments by foreigners.

The largest increases in Mexico were in FIRE, "other industries" (primarily retail trade), and food manufacturing. The increase in FIRE primarily reflected reinvested earnings of holding companies; the increases in retail trade and food manufacturing reflected equity capital outflows for acquisitions.

In Panama, the increase reflected the capital gains and the reinvested earnings of affiliates in FIRE.

The position in Canada increased 9 percent. In dollar terms, the increase was the third-largest of any country. Two-thirds of the increase was accounted for by reinvested earnings. By industry, the largest increases were in transportation equipment manufacturing, FIRE, and petroleum.

The position in Asia and Pacific increased 5 percent, the smallest percentage increase of any major area. Capital outflows of $13.8 billion were substantially offset by negative valuation adjustments of $7.6 billion. The valuation adjustments were more than accounted for by currency-translation adjustments resulting from the sharp depreciation of several Asian currencies against the U.S. dollar.

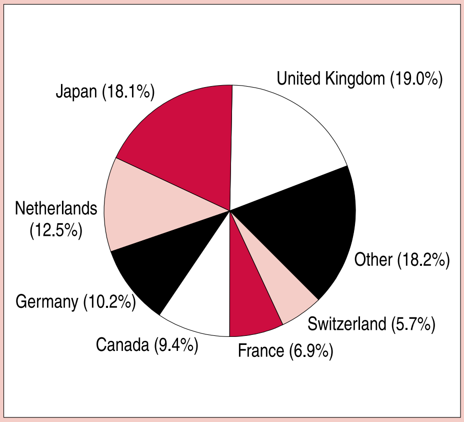
Within Asia and Pacific, the largest increases in positions were in Hong Kong and Singapore. In Hong Kong, the increase resulted from acquisition-related U.S. outflows of equity capital, reflecting the global expansion by U.S. utility companies. In Singapore, most of the increase resulted from reinvested earnings—particularly in industrial machinery and electronic equipment. The increases in Hong Kong and Singapore were partly offset by decreases elsewhere in Asia and Pacific, particularly Australia and Thailand.

Foreign Direct Investment in the United States

The foreign direct investment position in the United States valued at historical cost—the book value of foreign direct investors' equity in, and net outstanding loans to, their U.S. affiliates—was $681.7 billion at the end of 1997 (table 2 and chart 1). The largest positions remained those of the United Kingdom ($129.6 billion, or 19 percent of the total), Japan ($123.5 billion, or 18 percent), and the Netherlands ($84.9 billion, or 12 percent) (table 4.2 and chart 3).

CHART 3

Foreign Direct Investment Position in the United States, 1997: Parent-Country Shares



U.S. Department of Commerce, Bureau of Economic Analysis

In 1997, the FDIUS position increased $87.6 billion, or 15 percent, following an increase of 11 percent in 1996. The strong increase in the position reflected favorable economic conditions in the United States, Europe, and Canada. Growth in the U.S. economy attracted new investments from abroad and expanded the earnings of existing U.S. affiliates. As a result of economic growth in Europe and Canada, parents from those areas were able to make new investments in the United States and to contribute additional capital to their existing U.S. affiliates.

In contrast, economic growth slowed substantially (or, in some countries, turned negative) in Asia. In Japan, financial problems made it difficult for Japanese investors—who in recent years have accounted for a large share of foreign investment in the United States—to finance new overseas investments. Japanese investors' outlays to acquire or establish U.S. businesses fell 79 percent in 1997; this drop was the most significant factor underlying the decrease in foreign investors' total outlays to acquire or establish U.S. businesses.[6] However, this factor's effect on the FDIUS position was overshadowed by an increase in capital flows from Japanese parents to their existing affiliates, which resulted in an 8-percent increase in Japan's direct investment position in the United States. Additionally, financial difficulties in Asia may have indirectly boosted investment in the United States by reducing the attractiveness of potential investments in Asia.

The following table shows the change in the FDIUS position in 1997 by type of capital flow and valuation adjustment:[7]

6. See "Foreign Direct Investment in the United States: New Investment in 1997 and Affiliate Operations in 1996," SURVEY 78 (June 1998): 39–67. Preliminary data from BEA's survey of new foreign direct investments, summarized in that article, indicate that total outlays to acquire or establish U.S. businesses were $70.8 billion in 1997, down 11 percent from 1996. These data cover only transactions involving U.S. businesses newly acquired or established by foreign direct investors and include financing other than that from the foreign parent, such as local borrowing by existing U.S. affiliates. In contrast, the changes in the FDIUS position described in this article reflect transactions of both new and existing U.S. affiliates with their foreign parents or other members of the foreign parent group and valuation adjustments.

Notwithstanding these differences, the two types of data are related. Any outlays to acquire or establish U.S. businesses that are funded by foreign parent groups are part of capital inflows, a component of the change in the position. Data from the new investments survey indicate that foreign parent groups funded $39.1 billion, or 55 percent, of outlays to acquire or establish new U.S. affiliates in 1997, compared with $54.7 billion, or 68 percent, in 1996.

7. For a discussion of the different types of valuation adjustments, see footnote 6.

[Billions of dollars]

Total	87.6
Capital inflows	90.7
Equity capital	46.5
Intercompany debt	24.4
Reinvested earnings	19.8
Valuation adjustments	−3.2
Currency translation	−1.3
Other	−1.9
Of which:	
Capital gains and losses	3.5

Capital inflows for foreign direct investment in the United States were a record $90.7 billion in 1997, up from $76.5 billion in 1996. Net inflows of equity capital were down $8.9 billion from 1996, but they still accounted for about half of total capital inflows in 1997. The other half was accounted for by intercompany debt flows, which were up $13.4 billion, and by reinvested earnings, which were up $9.8 billion.

Equity capital inflows—the net of equity capital increases and equity capital decreases—were $46.5 billion, down from $55.4 billion in 1996. Equity capital increases fell, reflecting reduced capital contributions to existing U.S. affiliates and a reduction in acquisitions of U.S. businesses by foreigners. However, equity capital decreases also fell, reflecting reduced sales of affiliates by, and returns of capital to, foreign direct investors.[8]

Total acquisition activity by foreign direct investors was lower in 1997 than in 1996, but it was still strong. By industry, capital inflows for acquisitions were largest in chemicals—particularly pharmaceuticals—reflecting the trend towards global consolidation of the pharmaceutical industry. Inflows for acquisitions were also large in services and in insurance.

Intercompany debt inflows were $24.4 billion, up from $11.0 billion. The increase primarily reflected increased borrowing by affiliates from their foreign parents, but reduced lending by affiliates to their foreign parents also contributed.

Reinvested earnings were a record $19.8 billion in 1997—almost double the record set in 1996. All industries except real estate and services had positive reinvested earnings. The increase reflected record earnings that were $9.8 billion higher than in 1996 and an unusually high rate of reinvestment.[9] To some extent, the high level of earnings reflected an increase in affiliates' rate of return on equity that resulted from the strength of the U.S. economy and, possibly, from a tendency for profitability to improve as affiliates—many of which were acquired or established in the last several years—become older and gain more experience. It also reflected an expanded earnings base, resulting from the large increases in the FDIUS position in recent years. Earnings increased in almost all industries; the largest increases were in insurance and machinery manufacturing.

Changes by country

The $87.6 billion increase in the FDIUS position in 1997 was concentrated among parents in Europe; outside Europe, the largest increases were by parents in Canada and Japan. Major changes in the positions by area and by country are shown in the following table:

[Billions of dollars]

All countries	87.6
Europe	56.9
Of which:	
Netherlands	10.5
Germany	9.8
United Kingdom	8.3
Switzerland	8.2
France	6.0
Asia and Pacific	13.1
Of which:	
Japan	9.0
Australia	2.4
Canada	9.2

The position of European investors increased 15 percent and accounted for nearly two-thirds of the overall increase in 1997, reflecting the large number of mature companies in Europe that have the ability and resources to take advantage of investment opportunities beyond their national and regional borders. Within Europe, the largest dollar increase was in the position of parents in the Netherlands, followed by parents in Germany, the United Kingdom, Switzerland, and France.

Nearly two-thirds of the increase in the position of parents in the Netherlands was accounted for by equity capital inflows, which were the largest of any country; the rest of the increase was largely accounted for by reinvested earnings. By industry, insurance accounted for nearly half of the overall increase. The increase in insurance resulted from acquisitions and capital contributions to existing affiliates.

The largest increases in the position of Germany were in "other manufacturing" (particularly medical instruments and supplies), wholesale trade, and depository institutions. The increases in medical instruments and in wholesale

8. Because equity capital decreases are recorded as U.S. capital *out*flows, the reduction in decreases had the effect of mitigating the overall drop in equity capital inflows.

9. The reinvestment rate was 60 percent in 1997 and 43 percent in 1996; in contrast, reinvested earnings were negative in 1989–93 (negative reinvested earnings are recorded when affiliates incur losses or distribute earnings to their foreign parents in excess of their current earnings).

trade reflected borrowing by affiliates. In depository institutions, the increase reflected capital contributions to existing affiliates.

The largest increases in the position of British parents were in insurance, wholesale trade, and metals. The increases in insurance and in metals primarily reflected valuation adjustments that were due to capital gains on insurers' investment portfolios and industry reclassifications. In wholesale trade, the increase reflected equity capital contributions to existing affiliates, affiliate borrowing, and repayment of loans by parents.

More than two-thirds of the increase in the position of Swiss parents was accounted for by intercompany debt inflows that reflected borrowing by affiliates in chemical manufacturing and, to a lesser extent, in insurance. Valuation adjustments—in wholesale trade and insurance—also contributed to the increase.

The largest increases in the position of French parents were in chemical manufacturing (particularly pharmaceuticals), food manufacturing, and finance. The increase in pharmaceuticals resulted from equity capital inflows for acquisitions, reflecting the trend toward global consolidation of the pharmaceutical industry. In food manufacturing and finance, the increase resulted from affiliate borrowing.

More than half of the increase in the position of Japanese parents was accounted for by equity capital inflows—primarily capital contributions to existing affiliates rather than acquisitions (as noted earlier, acquisitions by Japanese investors declined substantially). By industry, the increase was concentrated in wholesale trade and in services. In wholesale trade, the increase reflected equity capital contributions to existing affiliates, reinvested earnings, and valuation adjustments. The increase in services reflected valuation adjustments.

The increase in the position of Australian parents was more than accounted for by services, reflecting valuation adjustments, acquisition-related equity capital inflows, and affiliate borrowing.

More than half of the increase in the position of Canadian parents was accounted for by equity capital inflows, which were the third largest of any country. By industry, the largest increases were in "other industries," "other manufacturing," and chemicals.

Tables 3.1 through 4.2 follow.

Table 3.1.—U.S. Direct Investment Position Abroad on a Historical-Cost Basis, 1996

[Millions of dollars]

	All industries	Petroleum	Manufacturing: Total	Manufacturing: Food and kindred products	Manufacturing: Chemicals and allied products	Manufacturing: Primary and fabricated metals	Manufacturing: Industrial machinery and equipment	Manufacturing: Electronic and other electric equipment	Manufacturing: Transportation equipment	Manufacturing: Other manufacturing	Wholesale trade	Depository institutions	Finance (except depository institutions), insurance, and real estate	Services	Other industries
All countries	**777,203**	**74,499**	**272,244**	**32,998**	**72,209**	**14,178**	**31,597**	**31,623**	**33,839**	**55,801**	**69,638**	**33,673**	**240,972**	**35,793**	**50,384**
Canada	**91,301**	**11,331**	**42,257**	**4,690**	**7,081**	**3,915**	**3,035**	**1,048**	**10,718**	**11,769**	**7,931**	**1,014**	**16,777**	**4,066**	**7,925**
Europe	**382,366**	**27,153**	**138,269**	**15,198**	**45,678**	**6,613**	**18,621**	**13,069**	**13,604**	**25,486**	**34,874**	**14,735**	**129,121**	**21,722**	**16,493**
Austria	2,929	(D)	1,059	32	42	(*)	87	(D)	(D)	187	645	14	(D)	127	5
Belgium	17,985	224	8,251	687	5,273	157	323	649	(D)	(D)	2,221	280	4,814	1,329	865
Denmark	2,664	470	(D)	(D)	129	48	–6	138	–3	116	715	(*)	846	70	(D)
Finland	1,115	(D)	545	8	(D)	(D)	12	(D)	(D)	95	298	20	(D)	62	64
France	33,746	1,111	16,591	2,647	4,354	1,636	3,097	652	1,167	3,039	3,299	830	7,368	3,586	962
Germany	44,651	(D)	21,495	1,637	3,828	1,519	3,678	1,581	5,842	3,410	2,912	805	12,946	1,941	(D)
Greece	567	(D)	112	–13	85	0	0	6	0	33	111	89	87	67	(D)
Ireland	10,198	(D)	6,012	396	1,942	159	221	989	–7	2,312	357	(D)	3,105	601	18
Italy	17,994	(D)	11,982	1,661	3,150	550	2,555	1,729	468	1,869	2,238	369	919	1,176	(D)
Luxembourg	7,666	42	(D)	0	0	(D)	10	(D)	0	(D)	58	(D)	5,298	19	24
Netherlands	54,437	2,025	16,820	1,000	11,133	515	653	1,596	553	1,370	3,710	122	26,805	3,233	1,722
Norway	5,787	3,814	735	(D)	19	2	64	(D)	(D)	105	313	(D)	459	241	(D)
Portugal	1,490	(D)	426	73	219	(*)	4	(D)	(D)	8	468	107	268	136	(D)
Spain	12,227	195	6,802	1,735	1,096	208	70	996	1,707	991	1,572	1,980	638	511	529
Sweden	6,823	82	4,994	(D)	(D)	6	322	36	(D)	501	296	0	715	732	4
Switzerland	30,208	1,617	3,363	(D)	1,388	187	529	445	0	(D)	7,745	2,160	13,727	1,437	158
Turkey	1,059	128	621	201	98	(D)	0	–2	127	(D)	82	72	5	28	123
United Kingdom	122,692	13,412	33,540	3,599	8,247	1,409	6,929	3,256	2,681	7,419	7,715	6,161	48,289	6,331	7,244
Other	8,127	916	2,393	654	553	(D)	74	(D)	(D)	(D)	121	(D)	1,876	95	(D)
Latin America and Other Western Hemisphere	**147,535**	**6,584**	**41,233**	**9,343**	**9,642**	**1,927**	**1,924**	**3,192**	**5,715**	**9,492**	**7,727**	**5,719**	**70,912**	**4,389**	**10,971**
South America	55,687	5,013	27,203	5,128	6,529	1,514	1,267	2,086	3,917	6,762	2,416	3,293	7,683	2,115	7,963
Argentina	7,930	788	3,616	996	1,409	378	14	(D)	230	(D)	407	877	1,269	579	395
Brazil	28,699	1,116	19,304	2,738	4,069	1,106	1,209	1,962	3,156	5,065	874	1,301	3,529	1,326	1,250
Chile	7,075	(D)	647	123	304	–127	3	(D)	(D)	(D)	495	619	2,210	82	(D)
Colombia	3,610	1,172	1,251	368	337	44	2	22	(D)	(D)	140	(D)	350	51	(D)
Ecuador	920	705	110	(*)	37	5	0	1	14	53	64	(D)	17	3	(D)
Peru	2,094	132	152	52	61	2	1	0	0	37	90	(D)	212	32	(D)
Venezuela	4,346	742	1,933	740	269	107	36	76	289	415	299	(D)	(D)	12	1,242
Other	1,013	(D)	190	111	44	0	1	0	0	34	47	226	(D)	31	377
Central America	38,007	1,057	13,109	4,175	2,646	(D)	(D)	862	1,798	2,440	2,287	527	17,703	738	2,587
Costa Rica	1,284	(D)	336	58	115	21	0	75	0	67	869	0	(D)	2	46
Guatemala	331	(D)	137	65	41	2	0	0	0	29	18	4	7	6	(D)
Honduras	129	(D)	116	108	2	1	0	0	0	5	2	(D)	18	0	–25
Mexico	19,900	84	12,407	3,910	2,461	(D)	(D)	783	1,798	2,303	826	442	2,873	685	2,583
Panama	16,065	689	89	26	(D)	5	0	0	0	(D)	548	66	14,740	(D)	(D)
Other	298	188	25	9	(D)	7	0	4	0	(D)	23	(D)	(D)	(D)	43
Other Western Hemisphere	53,841	514	921	39	466	(D)	(D)	243	0	290	3,023	1,899	45,527	1,536	421
Bahamas	1,836	66	74	0	(D)	0	0	0	0	(D)	141	430	1,047	29	49
Barbados	922	98	4	0	0	0	0	1	0	4	255	20	326	188	31
Bermuda	30,919	(D)	(D)	0	0	0	0	(D)	0	0	1,141	0	28,942	1,173	12
Dominican Republic	400	(D)	264	(D)	(D)	0	0	0	0	220	18	32	(*)	21	(D)
Jamaica	1,494	(D)	105	0	70	0	0	0	0	35	1,254	15	5	26	(D)
Netherlands Antilles	7,401	9	4	4	0	0	0	0	0	0	36	(D)	7,349	(D)	(*)
Trinidad and Tobago	786	282	(D)	0	(D)	(D)	6	0	0	7	16	(D)	(D)	1	124
United Kingdom Islands, Caribbean	9,492	156	(D)	0	2	0	(D)	(D)	0	2	161	1,325	7,522	96	(D)
Other	589	(D)	58	(D)	(D)	0	0	0	0	(D)	(*)	(D)	(D)	(D)	(D)
Africa	**6,832**	**3,616**	**1,526**	**392**	**193**	**251**	**111**	**140**	**112**	**327**	**187**	**312**	**706**	**106**	**378**
Egypt	1,297	1,055	180	(D)	–60	8	16	(D)	(D)	0	–50	158	0	–6	–39
Nigeria	627	549	51	(D)	16	(*)	0	0	(D)	0	8	40	(D)	0	(D)
South Africa	1,488	(D)	797	86	185	(D)	93	(D)	27	209	102	(D)	66	89	109
Other	3,420	(D)	498	127	53	(D)	1	(D)	(D)	118	128	(D)	(D)	23	(D)
Middle East	**7,793**	**3,038**	**1,503**	**91**	**97**	**66**	**233**	**817**	**9**	**190**	**318**	**646**	**1,652**	**276**	**359**
Israel	2,062	(D)	1,334	84	54	(D)	(D)	816	5	121	192	0	292	107	(D)
Saudi Arabia	2,592	196	127	14	50	16	(*)	1	4	43	60	538	1,357	125	189
United Arab Emirates	594	274	55	0	6	(D)	3	0	0	(D)	66	(D)	(D)	58	40
Other	2,545	(D)	–14	–7	–13	0	(D)	0	(*)	(D)	1	(D)	(D)	–14	(D)
Asia and Pacific	**136,481**	**19,187**	**47,457**	**3,285**	**9,517**	**1,406**	**7,673**	**13,356**	**3,681**	**8,538**	**18,602**	**11,247**	**21,804**	**5,233**	**12,951**
Australia	28,409	1,603	7,476	1,050	2,840	269	581	191	849	1,696	2,133	3,783	4,833	1,822	6,760
China	3,843	1,017	1,823	186	293	122	168	744	(D)	(D)	234	86	402	76	204
Hong Kong	14,690	543	2,563	10	293	204	201	1,051	35	769	5,322	1,578	2,863	992	828
India	1,353	58	423	42	135	23	149	33	27	14	64	524	191	29	65
Indonesia	7,520	4,387	440	21	245	14	–6	71	(D)	(D)	34	(D)	443	26	(D)
Japan	35,684	4,385	15,894	557	2,568	358	4,778	2,326	2,455	2,852	6,745	378	6,709	1,237	336
Korea, Republic of	6,516	(D)	2,486	265	482	35	105	621	146	833	909	1,900	(D)	295	31
Malaysia	5,300	840	3,237	8	187	19	–175	2,865	0	332	289	383	433	88	30
New Zealand	5,225	419	1,016	(D)	113	28	13	(D)	0	468	290	(D)	1,441	84	(D)
Philippines	3,519	333	1,627	437	404	29	4	520	0	231	266	307	993	(D)	(D)
Singapore	14,019	2,900	5,834	(D)	294	190	1,261	3,592	50	(D)	1,406	488	2,768	431	193
Taiwan	4,640	36	2,926	92	1,291	44	174	911	(D)	(D)	454	573	326	184	141
Thailand	4,777	1,467	1,656	109	344	69	422	409	–1	304	423	577	233	34	387
Other	986	(D)	55	18	29	2	–3	(D)	0	(D)	33	310	(D)	(D)	(D)
International [1]	**4,896**	**3,589**	....	....	....	....	....	....	....	....	....	....	....	....	**1,307**
Addenda:															
Eastern Europe [2]	6,651	908	2,179	654	366	99	74	(D)	13	(D)	89	(D)	1,657	25	(D)
European Union (15) [3]	337,184	20,678	131,157	13,650	43,621	6,258	17,954	12,171	13,444	24,059	26,613	11,057	113,053	19,921	14,706
OPEC [4]	17,641	7,952	2,600	806	572	151	40	148	283	600	466	986	1,825	226	3,587

* Less than $500,000 (±).

D Suppressed to avoid disclosure of data of individual companies.

1. "International" consists of affiliates that have operations spanning more than one country and that are engaged in petroleum shipping, other water transportation, or offshore oil and gas drilling.

2. "Eastern Europe" comprises Albania, Armenia, Azerbaijan, Belarus, Bulgaria, Czech Republic, Estonia, Georgia, Hungary, Kazakhstan, Latvia, Lithuania, Moldova, Poland, Romania, Russia, Slovakia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.

3. The European Union (15) comprises Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden, and the United Kingdom.

4. OPEC is the Organization of Petroleum Exporting Countries. Its members are Algeria, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the United Arab Emirates, and Venezuela.

Table 3.2.—U.S. Direct Investment Position Abroad on a Historical-Cost Basis, 1997

[Millions of dollars]

	All industries	Petroleum	Manufacturing: Total	Manufacturing: Food and kindred products	Manufacturing: Chemicals and allied products	Manufacturing: Primary and fabricated metals	Manufacturing: Industrial machinery and equipment	Manufacturing: Electronic and other electric equipment	Manufacturing: Transportation equipment	Manufacturing: Other manufacturing	Wholesale trade	Depository institutions	Finance (except depository institutions), insurance, and real estate	Services	Other industries
All countries	**860,723**	**85,726**	**288,290**	**38,380**	**73,487**	**14,732**	**33,563**	**33,833**	**36,439**	**57,855**	**69,080**	**34,359**	**280,920**	**40,874**	**61,475**
Canada	**99,859**	**12,738**	**45,892**	**5,227**	**7,783**	**3,986**	**2,726**	**1,127**	**12,996**	**12,047**	**7,307**	**1,047**	**19,050**	**4,667**	**9,159**
Europe	**420,934**	**29,793**	**142,528**	**17,997**	**44,907**	**6,863**	**20,104**	**13,666**	**13,656**	**25,333**	**34,620**	**17,312**	**153,625**	**24,824**	**18,232**
Austria	2,621	(D)	946	30	45	1	92	(D)	349	(D)	398	(D)	1,009	144	–14
Belgium	17,403	237	8,788	636	5,857	184	485	312	(D)	(D)	2,102	252	4,066	1,364	594
Denmark	2,576	404	575	143	(D)	(D)	–3	175	–6	(D)	701	(*)	(D)	42	(D)
Finland	1,338	(D)	765	8	258	18	14	(D)	(D)	91	267	20	(D)	91	49
France	34,615	1,045	15,887	3,147	3,446	1,844	2,974	683	1,080	2,713	2,857	781	8,996	4,118	930
Germany	43,931	2,648	20,462	1,233	3,927	1,495	3,665	1,323	5,646	3,173	2,538	1,065	13,816	1,713	1,689
Greece	638	71	115	–9	77	0	0	(D)	0	(D)	94	154	108	56	40
Ireland	14,476	(D)	8,462	635	2,768	157	561	1,749	6	2,586	352	(D)	5,113	321	22
Italy	17,749	(D)	12,223	1,708	2,960	529	2,769	1,727	390	2,140	2,122	379	842	1,089	(D)
Luxembourg	9,796	47	1,800	0	0	(D)	10	9	0	(D)	123	252	7,490	63	21
Netherlands	64,648	2,623	14,682	1,121	8,179	510	741	1,993	508	1,630	4,936	(D)	35,732	4,617	(D)
Norway	6,262	4,272	757	(D)	16	2	54	5	16	(D)	289	(D)	500	216	(D)
Portugal	1,498	(D)	364	83	217	–2	3	22	33	8	455	220	322	45	(D)
Spain	11,642	194	6,432	1,504	1,036	212	60	1,021	1,671	930	1,472	2,031	639	432	442
Sweden	7,299	82	5,082	29	(D)	6	306	36	(D)	(D)	166	0	989	934	46
Switzerland	35,203	1,144	3,723	196	1,454	189	538	490	4	853	8,151	3,341	16,786	1,880	177
Turkey	1,076	116	581	183	91	(D)	0	–6	125	(D)	61	150	7	34	126
United Kingdom	138,765	14,228	38,267	6,088	10,038	1,479	7,788	2,877	3,223	6,774	7,389	6,886	54,023	7,569	10,402
Other	9,396	1,560	2,616	(D)	570	(D)	48	641	33	549	147	(D)	2,279	95	(D)
Latin America and Other Western Hemisphere	**172,481**	**9,462**	**47,496**	**10,892**	**11,161**	**2,115**	**1,995**	**3,157**	**6,593**	**11,584**	**8,358**	**4,939**	**81,403**	**5,424**	**15,399**
South America	67,112	6,824	31,005	5,497	7,561	1,676	1,405	2,086	4,673	8,107	2,297	3,851	9,395	2,779	10,962
Argentina	9,766	1,427	4,017	1,014	1,563	401	24	(D)	345	(D)	506	1,181	1,337	711	588
Brazil	35,727	1,769	22,584	3,412	4,867	1,240	1,340	1,936	3,603	6,186	656	1,489	4,711	1,602	2,915
Chile	7,767	(D)	743	141	385	–143	2	(D)	(D)	203	437	639	2,480	218	(D)
Colombia	3,727	1,120	1,210	356	297	49	1	29	(D)	(D)	135	(D)	529	84	(D)
Ecuador	1,175	730	193	62	55	3	0	1	15	57	67	(D)	23	3	(D)
Peru	2,595	166	201	57	85	5	(*)	0	0	54	123	(D)	218	45	(D)
Venezuela	5,176	1,232	1,833	375	258	121	36	89	474	480	294	(D)	59	87	(D)
Other	1,177	(D)	225	79	51	0	1	0	0	93	79	242	38	30	(D)
Central America	48,881	1,264	15,919	5,355	3,366	(D)	(D)	865	1,920	3,114	2,475	622	23,758	971	3,873
Costa Rica	1,580	(D)	342	68	124	15	0	56	0	78	1,057	0	(D)	1	56
Guatemala	357	137	160	69	50	2	0	0	0	38	20	4	8	5	22
Honduras	183	21	159	152	3	(*)	0	0	0	3	2	(D)	21	0	(D)
Mexico	25,395	109	15,119	5,025	3,157	361	(D)	803	1,920	(D)	862	510	4,079	924	3,792
Panama	20,958	724	102	30	(D)	(D)	0	0	0	40	509	89	19,585	33	–83
Other	408	(D)	36	10	(D)	10	0	5	0	(D)	24	(D)	(D)	8	(D)
Other Western Hemisphere	56,489	1,374	572	39	234	(D)	(D)	206	0	362	3,587	466	48,250	1,674	565
Bahamas	1,515	57	80	0	71	0	–3	0	0	12	164	–297	1,434	28	51
Barbados	801	76	5	0	0	0	0	1	0	4	237	20	(D)	159	(D)
Bermuda	33,092	150	(D)	0	0	0	0	(D)	0	0	1,607	0	29,822	1,407	(D)
Dominican Republic	476	(D)	321	21	26	0	0	0	0	274	19	34	(*)	20	(D)
Jamaica	1,687	(D)	139	–1	100	0	0	0	0	39	1,401	15	6	33	(D)
Netherlands Antilles	5,393	9	4	4	0	0	0	0	0	0	38	4	5,316	(D)	(D)
Trinidad and Tobago	602	327	60	(D)	(D)	(D)	6	0	0	8	18	(D)	13	(D)	170
United Kingdom Islands, Caribbean	12,143	236	(D)	0	(D)	0	(D)	(D)	0	2	102	634	11,040	24	(D)
Other	778	402	73	(D)	(D)	0	0	0	0	22	(*)	(D)	(D)	4	(D)
Africa	**10,253**	**5,872**	**1,899**	**537**	**248**	**237**	**120**	**163**	**120**	**475**	**198**	**299**	**834**	**115**	**1,038**
Egypt	1,570	1,263	283	(D)	(D)	8	28	(*)	(D)	(*)	–54	134	0	–4	–52
Nigeria	1,465	1,373	54	(D)	20	–1	0	0	(D)	0	15	43	(D)	0	(D)
South Africa	2,347	(D)	1,013	148	(D)	(D)	90	154	29	319	136	(D)	27	82	747
Other	4,872	(D)	549	146	48	(D)	2	8	(D)	156	101	(D)	(D)	37	(D)
Middle East	**8,959**	**3,438**	**1,744**	**95**	**77**	**62**	**246**	**1,063**	**9**	**191**	**271**	**741**	**1,878**	**408**	**479**
Israel	2,286	49	1,582	89	53	(D)	(D)	1,062	5	111	94	0	344	112	105
Saudi Arabia	3,079	298	139	13	56	16	1	1	4	49	86	(D)	1,453	(D)	330
United Arab Emirates	682	370	59	0	7	(D)	3	0	0	(D)	91	(D)	(D)	97	(D)
Other	2,912	2,720	–36	–7	–39	0	(D)	0	(*)	(D)	1	–1	(D)	(D)	(D)
Asia and Pacific	**142,704**	**20,442**	**48,731**	**3,632**	**9,312**	**1,468**	**8,372**	**14,657**	**3,065**	**8,226**	**18,327**	**10,020**	**24,131**	**5,437**	**15,616**
Australia	26,125	1,206	7,506	1,271	2,394	298	684	206	1,014	1,639	2,569	2,181	4,779	1,805	6,080
China	5,013	899	2,696	203	350	153	515	1,136	55	284	363	107	636	63	250
Hong Kong	19,065	624	2,755	2	309	353	205	1,132	41	713	5,237	1,859	3,049	1,155	4,387
India	1,684	175	380	32	143	–54	183	47	16	14	43	598	206	47	235
Indonesia	7,395	4,768	358	18	189	13	–9	62	(D)	(D)	39	(D)	42	31	(D)
Japan	35,569	4,686	14,293	408	2,732	349	3,885	2,309	1,744	2,865	5,628	565	8,839	1,177	380
Korea, Republic of	6,528	(D)	2,674	755	515	11	103	565	152	573	715	1,784	–15	294	(D)
Malaysia	5,623	1,367	3,222	6	197	23	–136	2,784	0	348	235	(D)	407	90	(D)
New Zealand	5,191	451	1,067	(D)	122	30	14	38	0	(D)	263	(D)	1,545	62	(D)
Philippines	3,403	342	1,616	365	433	39	5	582	0	192	229	269	956	–93	85
Singapore	17,514	3,329	7,851	(*)	299	149	2,449	4,521	53	379	1,874	694	3,154	528	85
Taiwan	4,944	40	3,193	96	1,350	57	164	1,023	42	462	526	615	288	204	77
Thailand	3,537	930	1,090	(D)	271	48	314	249	(D)	182	567	437	84	42	389
Other	1,113	(D)	29	12	9	2	–5	2	–5	14	40	336	161	33	(D)
International [1]	**5,533**	**3,982**	....	....	....	....	....	....	....	....	....	....	....	....	**1,551**
Addenda:															
Eastern Europe [2]	7,743	1,558	2,341	693	320	83	48	(D)	33	(D)	104	(D)	2,061	18	(D)
European Union (15) [3]	368,997	22,701	134,851	16,357	42,778	6,510	19,465	12,537	13,477	23,728	25,972	12,168	134,053	22,598	16,654
OPEC [4]	20,554	10,485	2,414	437	491	161	40	152	452	682	524	1,012	1,577	436	4,106

* Less than $500,000 (±).

D Suppressed to avoid disclosure of data of individual companies.

1. "International" consists of affiliates that have operations spanning more than one country and that are engaged in petroleum shipping, other water transportation, or offshore oil and gas drilling.

2. "Eastern Europe" comprises Albania, Armenia, Azerbaijan, Belarus, Bulgaria, Czech Republic, Estonia, Georgia, Hungary, Kazakhstan, Latvia, Lithuania, Moldova, Poland, Romania, Russia, Slovakia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.

3. The European Union (15) comprises Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden, and the United Kingdom.

4. OPEC is the Organization of Petroleum Exporting Countries. Its members are Algeria, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the United Arab Emirates, and Venezuela.

Table 4.1.—Foreign Direct Investment Position in the United States on a Historical-Cost Basis, 1996

[Millions of dollars]

	All industries	Petroleum	Manufacturing						Wholesale trade	Retail trade	Depository institutions	Finance, except depository institutions	Insurance	Real estate	Services	Other industries
			Total	Food and kindred products	Chemicals and allied products	Primary and fabricated metals	Machinery	Other manufacturing								
All countries	**594,088**	**43,770**	**242,320**	**27,897**	**76,708**	**17,364**	**39,114**	**81,238**	**75,115**	**13,733**	**32,161**	**37,658**	**54,715**	**33,179**	**32,358**	**29,080**
Canada	**54,799**	**3,515**	**22,298**	**7,422**	**1,277**	**3,323**	**2,543**	**7,734**	**4,020**	**849**	**2,243**	**4,946**	**6,055**	**4,126**	**1,642**	**5,105**
Europe	**368,322**	**29,285**	**174,326**	**18,139**	**68,621**	**10,561**	**26,041**	**50,964**	**32,743**	**8,188**	**17,451**	**10,051**	**42,887**	**12,330**	**21,082**	**19,978**
Austria	1,769	(D)	261	0	(D)	(D)	122	31	361	(D)	(D)	(D)	(D)	3	9	1
Belgium	4,838	(D)	2,219	4	1,761	202	40	212	482	806	(D)	75	(D)	57	129	423
Denmark	2,765	5	745	113	(D)	(D)	228	209	1,455	23	114	(D)	–2	(D)	223	191
Finland	2,495	(D)	1,798	511	(D)	583	189	(D)	369	–30	2	–8	(D)	4	(D)	163
France	41,132	429	26,978	2,337	11,447	2,445	4,996	5,753	1,694	209	2,311	1,671	3,381	240	2,281	1,939
Germany	59,863	(D)	28,752	109	15,190	1,943	5,234	6,276	10,176	1,453	2,439	1,614	6,850	1,608	2,764	(D)
Ireland	6,621	401	2,125	570	(D)	(D)	507	784	1,067	(D)	1,382	17	476	(D)	566	148
Italy	3,327	(D)	738	–58	226	167	121	281	558	362	770	(D)	(D)	69	53	70
Liechtenstein	165	–2	33	(D)	0	(D)	(D)	25	58	–1	0	(D)	0	79	(D)	36
Luxembourg	4,276	0	2,127	(D)	(D)	344	(D)	1,593	1,344	(D)	0	275	(D)	162	77	(D)
Netherlands	74,320	12,516	25,914	1,693	9,914	660	4,746	8,901	5,651	1,616	5,077	2,195	9,596	6,281	3,577	1,897
Norway	2,484	356	1,490	(D)	857	394	254	(D)	82	7	(D)	–7	(D)	37	156	191
Spain	2,405	–1	449	14	11	(D)	13	(D)	111	74	1,567	15	161	11	–7	25
Sweden	9,479	(D)	6,463	(*)	834	467	3,533	1,629	1,962	(D)	82	38	–237	546	–13	276
Switzerland	30,390	478	15,602	(D)	8,330	226	1,351	(D)	1,850	230	980	2,266	5,692	910	2,132	251
United Kingdom	121,288	10,856	58,554	10,292	19,690	2,529	4,608	21,435	5,176	2,374	2,798	1,622	15,917	2,118	9,200	12,672
Other	706	(D)	78	(D)	(D)	–5	35	12	348	(D)	212	16	0	6	10	7
Latin America and Other Western Hemisphere	**29,180**	**3,160**	**4,333**	**444**	**2,274**	**104**	**232**	**1,280**	**1,275**	**2,803**	**3,691**	**3,635**	**4,734**	**3,645**	**1,497**	**406**
South and Central America	8,802	–98	355	224	158	–135	–144	253	99	18	3,112	1,000	(D)	340	(*)	(D)
Brazil	689	(D)	–168	–7	–93	–3	–66	2	60	4	839	(D)	7	12	–2	7
Mexico	1,436	–18	504	(D)	(D)	7	–14	234	149	7	215	324	(D)	109	(D)	187
Panama	5,817	(D)	166	1	(D)	(D)	(D)	31	–41	–3	(D)	698	(D)	200	(D)	55
Venezuela	10	–312	–15	(*)	–15	0	–2	3	15	2	318	(D)	(*)	4	0	(D)
Other	849	365	–132	(D)	–33	(D)	(D)	–17	–83	9	(D)	(D)	(D)	15	–2	–8
Other Western Hemisphere	20,378	3,258	3,978	220	2,116	239	376	1,027	1,176	2,784	579	2,635	(D)	3,306	1,496	(D)
Bahamas	1,806	(D)	151	(*)	0	148	0	3	263	(D)	(D)	(D)	0	399	264	160
Bermuda	1,411	141	–187	(D)	(D)	(*)	(*)	(D)	251	122	(D)	122	478	166	238	(D)
Netherlands Antilles	9,311	2,701	2,510	(D)	2,267	23	1	(D)	(D)	(D)	175	128	(D)	683	162	133
United Kingdom Islands, Caribbean	7,614	(D)	1,453	158	(D)	(D)	376	844	500	112	419	1,915	(D)	1,942	735	–283
Other	235	(D)	51	(*)	(*)	(D)	–2	(D)	(D)	6	0	(D)	(D)	116	98	44
Africa	**645**	(D)	**219**	**–33**	(D)	(D)	**–1**	**–18**	**–4**	**3**	(D)	(D)	**0**	**149**	**–307**	**126**
South Africa	–30	1	–36	–36	–3	5	–1	–2	6	0	0	0	0	(*)	–1	1
Other	675	(D)	255	4	(D)	(D)	0	–16	–10	3	(D)	(D)	0	150	–306	124
Middle East	**5,977**	(D)	**942**	**5**	(D)	(D)	**681**	**92**	**119**	**39**	(D)	(D)	**3**	**2,554**	**130**	**–36**
Israel	1,857	0	914	5	(D)	(D)	657	(D)	109	(D)	574	160	0	(D)	114	(D)
Kuwait	2,572	4	(D)	0	0	0	0	(D)	2	0	(D)	(D)	4	2,471	(D)	(*)
Lebanon	–11	0	(D)	0	0	0	(D)	0	(*)	(D)	0	0	0	–21	0	0
Saudi Arabia	1,390	(D)	–1	0	–2	0	1	0	8	(D)	5	0	(*)	(D)	(D)	–5
United Arab Emirates	87	–5	–1	0	–1	(*)	(*)	0	(*)	0	(D)	(D)	0	15	0	(D)
Other	82	0	(D)	1	0	0	(D)	0	–1	4	43	0	0	34	0	(D)
Asia and Pacific	**135,166**	**6,454**	**40,201**	**1,919**	**4,086**	**3,392**	**9,618**	**21,187**	**36,961**	**1,851**	**8,054**	**18,420**	**1,035**	**10,374**	**8,314**	**3,502**
Australia	13,877	(D)	2,890	157	230	758	322	1,423	274	4	76	580	(D)	626	643	1,700
Hong Kong	1,644	4	235	(D)	–16	(D)	66	32	647	16	146	26	2	244	255	70
Japan	114,534	118	35,178	1,500	3,586	2,554	8,519	19,019	34,972	1,783	6,570	17,593	773	8,755	7,120	1,670
Korea, Republic of	310	(D)	59	3	–4	–31	52	40	377	(D)	162	(D)	(D)	24	74	–11
Malaysia	475	(D)	296	2	–4	1	267	30	12	(*)	(D)	0	0	3	126	–7
New Zealand	139	1	–18	3	–1	7	–1	–25	119	(D)	(D)	0	(D)	–16	(*)	15
Philippines	79	0	3	0	(*)	0	2	1	22	(*)	59	0	–4	(*)	0	–1
Singapore	1,232	–13	273	59	–26	26	175	39	142	(*)	97	63	(*)	642	14	15
Taiwan	2,225	–1	1,201	0	343	–2	225	635	375	(D)	474	(D)	7	42	58	42
Other	650	–6	82	(D)	–21	(D)	–10	–7	22	1	458	4	3	54	25	6
Addenda:																
European Union (15) [1]	334,714	28,449	157,136	15,698	59,447	9,956	24,388	47,646	30,401	7,928	16,355	7,783	37,038	11,304	18,835	19,485
OPEC [2]	4,235	1,003	–64	(*)	–20	(*)	–7	–37	27	2	642	–5	3	2,535	16	76

* Less than $500,000 (±).

D Suppressed to avoid disclosure of data of individual companies.

1. The European Union (15) comprises Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden, and the United Kingdom.

2. OPEC is the Organization of Petroleum Exporting Countries. Its members are Algeria, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the United Arab Emirates, and Venezuela.

Table 4.2.—Foreign Direct Investment Position in the United States on a Historical-Cost Basis, 1997

[Millions of dollars]

	All industries	Petroleum	Manufacturing						Wholesale trade	Retail trade	Depository institutions	Finance, except depository institutions	Insurance	Real estate	Services	Other industries
			Total	Food and kindred products	Chemicals and allied products	Primary and fabricated metals	Machinery	Other manufacturing								
All countries	**681,651**	**47,679**	**267,070**	**27,473**	**88,767**	**20,454**	**46,027**	**84,349**	**87,564**	**16,093**	**37,099**	**42,526**	**69,092**	**34,118**	**45,604**	**34,806**
Canada	**64,022**	**3,446**	**27,759**	**7,620**	**2,987**	**3,483**	**4,081**	**9,587**	**3,273**	**1,376**	**2,134**	**5,683**	**6,735**	**4,382**	**1,754**	**7,481**
Europe	**425,220**	**32,627**	**195,135**	**17,904**	**78,602**	**13,002**	**30,706**	**54,922**	**41,289**	**9,196**	**21,363**	**10,990**	**54,494**	**12,455**	**24,443**	**23,229**
Austria	1,831	(D)	306	0	(D)	(D)	120	83	301	849	(D)	(D)	(D)	5	4	–1
Belgium	6,771	1,265	3,690	10	3,043	(D)	(D)	304	812	882	(D)	(D)	(D)	56	122	433
Denmark	3,025	5	636	134	7	(*)	282	213	1,892	19	(D)	–1	–3	(D)	(D)	204
Finland	3,089	(D)	2,387	(D)	(D)	772	343	1,009	(D)	1	(D)	(D)	(D)	(D)	(D)	–4
France	47,088	(D)	29,157	3,599	13,061	2,122	4,569	5,806	2,507	231	2,071	2,879	4,209	188	3,176	(D)
Germany	69,701	(D)	33,063	42	16,558	2,096	5,580	8,786	12,468	1,654	3,993	1,849	7,304	2,152	3,034	(D)
Ireland	10,514	390	2,919	483	(D)	(D)	1,154	1,142	1,157	190	(D)	271	(D)	113	570	(D)
Italy	3,318	579	591	–66	185	145	15	312	444	(D)	803	(D)	(D)	87	23	81
Liechtenstein	126	(D)	10	(*)	0	(D)	4	(D)	60	0	0	3	0	55	(D)	39
Luxembourg	6,218	0	2,820	(D)	(D)	461	(D)	1,157	2,494	(D)	0	216	(D)	184	290	–356
Netherlands	84,862	13,561	29,411	2,076	10,786	1,105	5,517	9,928	5,074	1,628	6,241	2,470	14,360	6,222	3,840	2,055
Norway	3,971	(D)	1,601	(D)	902	465	255	(D)	(D)	2	22	(D)	(D)	42	66	150
Spain	2,643	4	632	15	1	(D)	11	(D)	113	88	1,586	–11	166	(D)	–9	(D)
Sweden	13,147	(D)	7,683	–1	725	613	4,848	1,497	2,077	(D)	85	(D)	(D)	649	(D)	295
Switzerland	38,574	195	18,923	(D)	12,050	271	1,350	(D)	3,326	272	1,654	3,010	8,116	716	2,250	112
United Kingdom	129,551	11,568	61,204	8,746	21,218	4,105	5,441	21,694	7,465	2,912	2,876	–141	18,457	1,931	9,333	13,946
Other	790	(D)	103	(D)	(D)	(*)	7	62	352	(D)	286	6	0	5	11	4
Latin America and Other Western Hemisphere	**35,701**	**3,766**	**3,861**	**381**	**947**	**480**	**231**	**1,821**	**1,779**	**3,185**	**3,848**	**5,781**	**6,600**	**3,734**	**1,710**	**1,436**
South and Central America	10,049	3	148	305	–59	–90	–175	167	176	21	3,156	1,020	(D)	275	311	(D)
Brazil	698	(D)	–174	–6	(D)	(D)	–79	–1	56	5	804	–3	(D)	11	4	–10
Mexico	1,723	–12	470	313	–41	13	–53	237	222	8	174	298	–5	88	249	230
Panama	6,645	–71	9	1	(D)	(D)	–4	–28	–49	–4	(D)	715	(D)	170	60	302
Venezuela	–18	(D)	–44	1	–15	–1	–6	–23	12	2	303	1	1	–1	0	(D)
Other	1,000	(D)	–112	–3	–58	(*)	–34	–17	–65	10	(D)	8	19	6	–1	–5
Other Western Hemisphere	25,652	3,763	3,712	77	1,006	570	406	1,653	1,603	3,165	692	4,762	(D)	3,458	1,399	(D)
Bahamas	1,986	(D)	130	(*)	0	128	0	2	355	(D)	(*)	386	0	363	432	199
Bermuda	3,423	142	427	–30	(D)	(*)	(*)	(D)	238	138	5	–10	1,764	220	290	208
Netherlands Antilles	7,701	2,561	1,168	–9	943	34	12	188	207	(D)	188	89	(D)	393	130	123
United Kingdom Islands, Caribbean	11,954	(D)	1,942	116	(D)	(D)	398	986	748	83	499	4,302	(D)	2,269	498	319
Other	588	–106	46	(*)	–4	(D)	–3	(D)	55	(D)	0	–6	(D)	212	50	(D)
Africa	**1,608**	(D)	**204**	**4**	(D)	(D)	**–2**	**–74**	**–53**	(D)	(D)	(D)	(*)	**144**	(D)	**155**
South Africa	–53	1	–5	0	–8	6	–2	–1	–46	0	0	0	(*)	(*)	–1	–1
Other	1,661	(D)	209	4	(D)	(D)	(*)	–73	–7	(D)	(D)	(D)	0	145	(D)	156
Middle East	**6,882**	(D)	**480**	**5**	(D)	(D)	**120**	**199**	**420**	(D)	(D)	(D)	**0**	**2,853**	(D)	**–49**
Israel	2,292	0	459	5	(D)	(D)	107	192	410	(D)	703	220	0	(D)	114	(D)
Kuwait	2,881	4	7	0	0	0	0	7	2	0	(D)	(D)	0	(D)	(D)	(*)
Lebanon	–14	0	(D)	0	0	0	(D)	0	(*)	–1	0	0	0	(D)	0	0
Saudi Arabia	1,573	(D)	1	0	–1	0	1	0	9	(D)	(D)	0	0	38	5	–5
United Arab Emirates	76	–4	–1	0	0	(*)	(*)	0	(*)	0	(D)	(D)	0	14	0	(D)
Other	73	(*)	(D)	1	0	0	(D)	0	–1	5	47	0	0	35	0	(D)
Asia and Pacific	**148,218**	**6,350**	**39,631**	**1,558**	**5,768**	**3,522**	**10,891**	**17,894**	**40,856**	**1,892**	**8,919**	**19,368**	**1,264**	**10,550**	**16,831**	**2,555**
Australia	16,229	6,528	3,130	(D)	(D)	957	508	1,480	12	9	109	777	383	617	4,499	165
Hong Kong	1,757	–16	313	(D)	–13	(D)	93	40	637	16	217	16	0	253	277	44
Japan	123,514	214	33,379	1,210	4,517	2,533	9,546	15,573	39,567	1,815	7,102	18,347	849	8,820	11,707	1,714
Korea, Republic of	–327	(D)	9	(D)	(D)	–111	63	50	–220	(D)	112	(D)	(D)	50	130	–15
Malaysia	465	(D)	72	3	–9	1	65	13	58	0	(D)	(D)	0	3	110	–1
New Zealand	168	(D)	–32	3	(D)	(D)	1	–32	138	(D)	(D)	0	(D)	–19	–11	46
Philippines	85	0	15	0	(*)	0	14	1	14	(*)	61	0	–6	(*)	0	(*)
Singapore	2,776	23	1,085	(D)	(D)	(D)	215	41	212	–1	110	48	(*)	733	16	551
Taiwan	2,778	–1	1,552	0	426	–2	374	754	373	8	661	20	1	44	78	42
Other	773	–26	108	(D)	–29	(D)	12	–25	65	7	532	3	3	50	25	8
Addenda:																
European Union (15) [1]	381,927	30,710	174,518	15,375	65,664	12,285	29,090	52,104	37,345	8,905	19,538	7,963	46,217	11,643	22,172	22,916
OPEC [2]	4,715	1,116	–51	1	–9	–1	–4	–38	17	8	637	(D)	1	2,831	51	(D)

* Less than $500,000 (±).

D Suppressed to avoid disclosure of data of individual companies.

1. The European Union (15) comprises Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden, and the United Kingdom.

2. OPEC is the Organization of Petroleum Exporting Countries. Its members are Algeria, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the United Arab Emirates, and Venezuela.